

56-1 ONE REPORT 2022

Laguna Resorts & Hotels Public Company Limited



LaGuna
RESORTS & HOTELS

Laguna Resorts & Hotels

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Vision & Mission

Vision

To be a leading international hotel and property developer with full commitment to environmental protection, social responsibility and maximum satisfaction to all stakeholders with an aim to pursue sustainable long-term business value development.

Mission

The Company has a clearly defined corporate mission designed to further its business aims and generate maximum returns for its shareholders. Principal in the Company's mission statement is to include a culture of cooperation between the hotels and business units to ensure a positive experience for each and every hotel guest, holiday club member and property owner in Laguna Phuket, its most significant investment. In order to avoid an over reliance on its operations in Laguna Phuket, the Company continues to diversify its investment portfolio away from Phuket by investing in projects in other parts of Thailand and within the Southeast Asia region and the People's Republic of China. Paramount in its mission of generating continued growth through expansion, innovation and maximisation of market share, the Company seeks to conduct its operations in an environmentally sensitive manner.

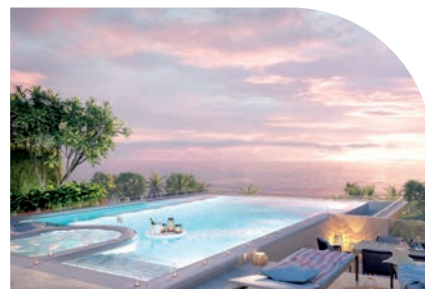


Skypark Celeste Phuket

General Information

General Information

The Issuing Company	:	Laguna Resorts & Hotels Public Company Limited (the “Company” or “LRH”)
Type of Businesses	:	Major businesses are hotel business and property development. The subsidiaries also engage in operating golf clubs, sales of merchandise, office and resort rental and sales of holiday club memberships.
Corporate Registration Number	:	0107535000371
Registered Capital	:	Baht 2,116,753,580
Issued and Paid-up Capital	:	Baht 1,666,827,010
Head Office	:	Thai Wah Tower I, 5th and 12th floor, 21/9, 21/31 and 21/33 South Sathorn Road, Tungmahamek, Sathorn, Bangkok 10120, Thailand
Branch	:	390/1 Moo 1, Srisoontorn Road, Cherngtalay, Thalang, Phuket 83110, Thailand
Homepages	:	www.lagunaresorts.com (Corporate Website) www.lagunaphuket.com (Marketing Website)
Telephones	:	Bangkok Head Office 66 (0) 2677 4455 Laguna Phuket Office 66 (0) 7636 2300
Facsimiles	:	Bangkok Head Office 66 (0) 2285 0733 Laguna Phuket Office 66 (0) 7632 4061



Banyan Tree Grand Residences



General Information

References

- **Regulator for Issuing Company:**
The Securities and Exchange Commission (SEC)
333/3 Vibhavadi Rangsit Road,
Chomphon, Chatuchak, Bangkok 10900, Thailand
Telephone 66 (0) 2033 9999
Help Center 1207
Email info@sec.or.th
Homepage www.sec.or.th
- **Regulator for Listed Company:**
The Stock Exchange of Thailand (SET)
The Stock Exchange of Thailand Building
93 Ratchadapisek Road, Dindaeng,
Bangkok 10400, Thailand
Telephone 66 (0) 2009 9999
Facsimile 66 (0) 2009 9991
Email SETContactCenter@set.or.th
Homepage www.set.or.th
- **Registrar:**
Thailand Securities Depository Company Limited (TSD)
The Stock Exchange of Thailand Building,
93 Ratchadapisek Road, Dindaeng,
Bangkok 10400, Thailand
Telephone 66 (0) 2009 9999
Facsimile 66 (0) 2009 9991
Email SETContactCenter@set.or.th
Homepage www.set.or.th/tsd
- **Auditor:**
EY Office Limited by
Ms. Pimjai Manitkajohnkit, C.P.A No. 4521 and/or
Ms. Sumana Punpongsanon, C.P.A No. 5872 and/or
Mr. Chayapol Suppasedtanon, C.P.A No. 3972 and/or
Ms. Orawan Techawatanasirikul, C.P.A No. 4807 and/or
Ms. Kirdsiri Kanjanaprakasit, C.P.A No. 6014 and/or
Mrs. Gingkarn Atsawarangsarit, C.P.A No. 4496 and/or
Mrs. Nummon Kerdmongkhonchai, C.P.A No. 8368
Lake Rajada Office Complex, 33rd floor,
193/136-137 Ratchadapisek Road, Klongtoey,
Bangkok 10110, Thailand
Telephone 66 (0) 2264 9090
Facsimile 66 (0) 2264 0789-90
- **SD Audit and Consultancy Limited by**
Mr. Somsak Dhanapaisarnsakul, C.P.A. No. 5794 and/or
Ms. Pannipa Ratanacharoen, C.P.A. No. 8462
33/68 Putthamonthon Sai 1 Soi 4, Klongkwang
Phasicharoen, Bangkok 10160, Thailand
Telephone 66 (0) 2867 3568
- **Legal Counselors:**
Baker & McKenzie Limited
Abdulrahim Place, 25th floor,
990 Rama IV Road, Silom, Bangrak
Bangkok 10500, Thailand
Telephone 66 (0) 2636 2000
Facsimile 66 (0) 2636 2111
- **Dharmniti Law Office Company Limited**
Bhakdee Building, 2nd floor,
2/2 Wireless Road, Lumpini, Patumwan,
Bangkok 10330, Thailand
Telephone 66 (0) 2680 9777
Facsimile 66 (0) 2680 9711
- **Jakkrapong Law Office Company Limited**
195 Soi Sannibatthetsaban, Ratchadapisek Road,
Chandrakasem, Chatuchak, Bangkok 10900, Thailand
Telephone 66 (0) 2930 0123
Facsimile 66 (0) 2513 6011
- **Financial Advisor:**
None



Financial Highlights

Financial Highlights

(Unit : Million Baht)

Information from Consolidated Financial Statements	2022	2021	2020
Total Assets	22,683	22,488	22,871
Total Liabilities	12,835	12,666	12,119
Total Shareholders' Equity	9,848	9,822	10,752
Revenue from Hotel Operations	2,398	688	1,207
Revenue from Property Development Operations	2,314	742	1,573
Total Revenue	4,797	1,489	2,886
Operating Profit (loss)	124	(803)	(620)
Share of gain (loss) from investment in associate	29	32	3
Finance Income	41	48	52
Finance Cost	(202)	(234)	(235)
Income Tax (expenses) revenue	14	(73)	(168)
Non-controlling Interests of the Subsidiaries	(2)	1	(21)
Profit (loss) for the year attributable to equity holders of the Company	7	(1,032)	(947)

Financial Ratios

Information from Consolidated Financial Statements	2022	2021	2020
Quick Ratio (Times)	0.39	0.29	0.25
Receivables Turnover (Times)	7.08	2.33	4.24
Accounts Payable Turnover (Times)	4.05	1.76	2.26
Return on Total Revenue (%)	0.15	(67.15)	(32.82)
Return on Total Equity (%)	0.07	(10.03)	(8.25)
Return on Total Assets (%)	0.03	(4.55)	(4.08)
Earnings Per Share (Baht)	0.04	(6.19)	(5.68)
Dividend Per Share (Baht)	_*	-	-
Net Asset Value Per Share (Baht)	59.09	58.93	64.51
Weighted Average Number of Ordinary Shares	166,682,701	166,682,701	166,682,701

* On 21 February 2023 the Board of Directors approved no dividend payment. At the time of printing this report, the Board of Directors proposed a final no dividend payment but it is subject to the approval of the Annual General Meeting.



Laguna Seaside Residences





Banyan Tree Grand Residences



Operational Highlights

Operational Highlights

- **Corporate Reorganisation Exercises**

Since 2020, the Group has undergone several important corporate reorganization which has been exercised to enhance operational efficiency and productivity:

Job Redesign and Restructuring	Revisiting and rearranging tasks and responsibilities to meet the requirements
Lean Workforce	Multi-skilled workforce attuned to a stable minimum occupancy level while assuring standard quality of services maintained
Centralised Services	Concentrated task planning and decision-making to ensure efficiency and effectiveness
Economies of Scale	Administrative cost reduction, contract consolidation and increased negotiation power with suppliers

- **Dynamic Manning Management**

As an extended part of the corporate reorganization exercises, the Group has created a dynamic manning program with the purpose to offload some of the fixed costs from payroll which has been a major contribution for operating expense. The program aims to minimize manpower cost by maintaining number of permanent employments at a minimum level where it is sufficient for hotel operation during off-peak season. This provides flexibility to hotel to add-on temporary staffs or casual staffs as necessary to support the seasonal manning demand from hotel occupancy.

As a result, the Group's hotels were able to reduce number of manning by 20-30% during the off-peak season when comparing to number of staffs from Pre-Covid level.

- **Wellness**

Laguna Phuket and Bangkok Dusit Medical Services (BDMS) have signed a memorandum of understanding on 11 August 2022 to develop a world-class medical and wellness centre within Laguna Phuket.

Scheduled to open in early 2023, Laguna Wellness by BDMS Phuket will offer residents and medical tourists healthcare and wellness support, including world-leading regenerative medicine, rehabilitation and preventive cardiology services.

Unprecedented in its scale and scope, the new facility will position Laguna Phuket as a premium medical tourism hub in the region, as well as giving the Laguna Phuket residents access to the latest medical technology and the expertise of world-class medical professionals.

- **Hospitality Business**

Banyan Tree Phuket has converted 23 Wellbeing and Serenity rooms into the new Banyan Tree Veya concept in 2022. Banyan Tree Veya is a separate resort within Banyan Tree Phuket, specialising in a Wellbeing journey for the guests. The guests will experience an individual wellbeing assessment, mapping, and consultation. A bespoke wellbeing itinerary curated from the group wellbeing activity calendar built around individual needs and wellbeing goal.



Operational Highlights

After suspension of operation in 2021 due to widespread of Covid-19, the Laguna Holiday Club Phuket was reopened on November 1, 2022. The resort is centrally located amidst the tropical surroundings of Laguna Phuket overlooking the picturesque scenery of Golf Club scenic fairways. An ideal place for long stay visitors.

On the F&B side, ATOLL was opened in March 2022 as a new floating restaurant features gorgeous lagoon views from its al fresco setting combined with vibrant cocktails and contemporary chic cuisine. Perfect for locals and visitors seeking a unique destination of culinary and sensory delights.

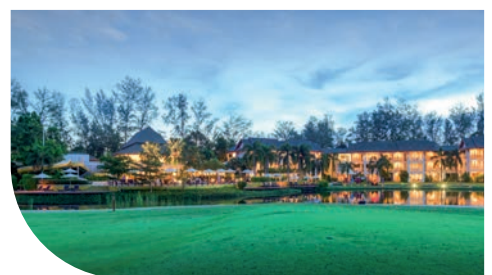
Open Kitchen, new dining location with a farm to table-based framework with organic meats selections. Located in Laguna Phuket as a part of ORI9IN Phuket which opened in mid of November 2022 that includes a café, picnic areas and a retail market offering the freshest local ingredients.

- **Property Developments**

Launched in early 2022, Laguna Beachside a midscale condominium features with a dedicated beach area for owners to enjoy the stunning sunset over the Andaman Sea. The 1-bedroom to 3-bedroom condominium units start at 59 sqm. The larger 2-bedroom and 3-bedroom units are designed to enjoy maximum panoramic views from their respective full width lanai.

Banyan Tree Grand Oceanfront Villas and Banyan Tree Grand Seaview Residences, a new phase of the Banyan Tree branded residences was launched in the fourth quarter of 2022 with impressive sale momentum. Encompassing a unique array of luxury three and five-bedroom villas that meld distinction with traditional Thai grace and charm. Located next to Banyan Tree Phuket resort in the most sought-after precinct of this secure residential neighbourhood. Each architecturally designed home features superb interiors crafted to fulfil every facet of luxury living.

Apart from the luxury residences that was launched in in the fourth quarter of 2022, the Group also continuously launched the second phase of Skypark after the successful of Skypark Aurora project. Skypark Celeste provides residents peace of mind with affordable live-in condominiums that add convenience and style to tropical living. The property features with leisure facilities on the rooftop, which also offers relaxing areas and doubles as a community meeting space.



Laguna Holiday Club Phuket Resort

2022 Awards

2022 Awards

Angsana Laguna Phuket was awarded:

- Top 15 resorts in Thailand (No. 6)
Conde Nast Traveler's 2022 Readers' Choice Awards

Laguna Resorts & Hotels Public Company Limited was awarded:

- AMCHAM 2022 CSR Excellence Award
(8th consecutive year of ACE Recognition)
The American Chamber of Commerce in Thailand
- Corporate Social Responsibility (CSR)
Driven Organization 2022
Department of Social Development and Welfare,
Ministry of Social Development and Human Security
- Dedication and service for the benefit of
the community Award
Prince of Songkla University (Phuket Campus)
- Gold Certification
EarthCheck

Laguna Golf Phuket was awarded:

- Best Golf Resort in Asia Pacific (No. 2)
Asian Golf Awards 2022

Laguna Phuket Kindergarten was awarded:

- Runners Up, Best Practice on Pre-School Education
Management
Phuket Provincial Education Office

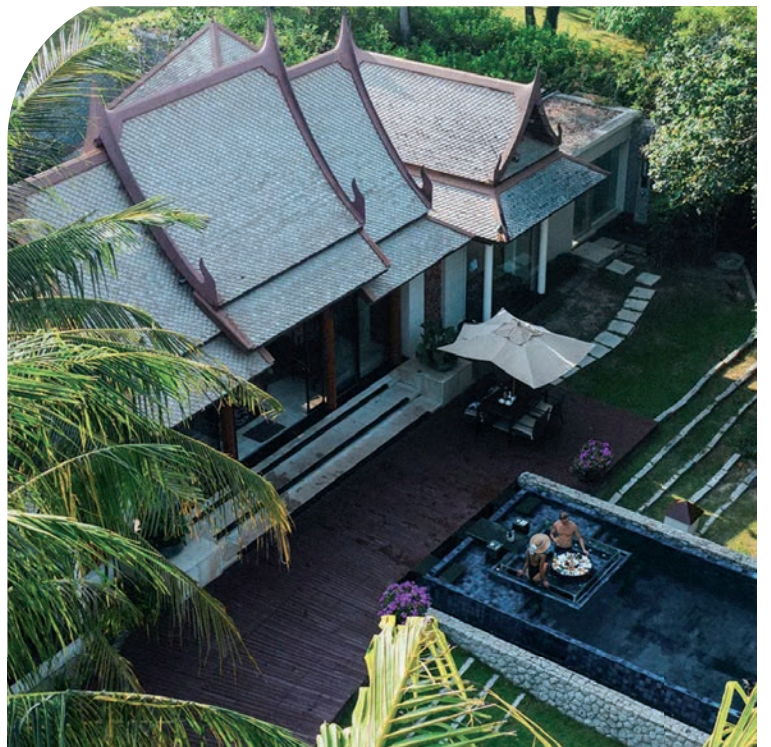
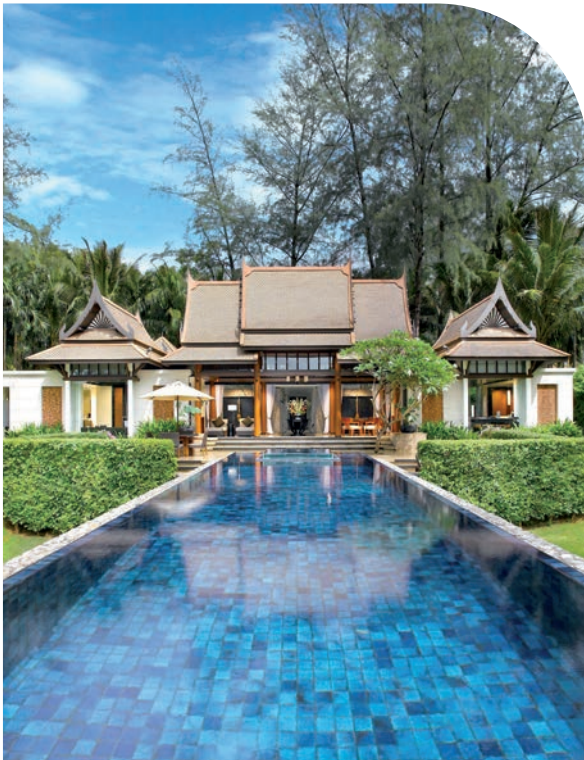
Laguna Property was awarded during 2021 - 2022:

- Angsana Oceanview Residences –
Best Development Marketing for Thailand 2021
International Property Awards
- Angsana Oceanview Residences –
Best Developer Website for Thailand 2021
International Property Awards
- Angsana Beachfront Residences -
Development Marketing for Thailand
International Property Awards
- Angsana Beachfront Residences -
Nominee for Development Marketing for Asia Pacific
Property Awards
International Property Awards
- Laguna Beachside - Best / Apartment Condominium
for Thailand
International Property Awards
- Laguna Park 2 Phuket -
The winner of Residential development for Thailand
International Property Awards
- www.dhawareidences.com -
Developer website for Thailand
International Property Awards





Banyan Tree Phuket Double Pool Villa



Message from the Management

Message from the Management

The revival of Thailand tourism after full boarder reopening led to a rapid Post-Covid recovery in all sectors. The strong travel demand in the second half of the year 2022 was a key contribution to turnaround Group's operating performance where LRH Group reported positive operating EBITDA of THB 247 million before exceptional items for the fourth quarter

After two years (2020-2021) of a downturn for Thai tourism due to Covid-19 travel restriction, Thailand's boarder was fully reopened on July 1, 2022 resulting in a strong pent-up demand from international tourists which increase the Group's hotels occupancy and ARR during the second half of the year 2022. Especially in the fourth quarter of 2022, despite slow recovery of China outbound tourists, a full-blown recovery of global travel during high season has driven the Group's hotels performance to pre-pandemic level. The operating result in the fourth quarter of 2022 was a key contribution to turnaround whole year operating EBITDA of the Group's hotels.

The Group still strictly maintain and closely monitor on several cost-saving measures that have been implementing since pandemic period, ranging from dynamic manning management to capital and operating expenditures reduction. This together with improved hotel performance resulting in a healthier cash position which allow the Group to strictly comply with the debt restructuring plan that has been executing during pandemic.

Despite global geopolitical and economic uncertainty, strong property sale momentum continued throughout 2022 with an uptick in demand during the fourth quarter after Thailand has fully reopened for international travel. The Group has been continuously rolling out the complete range of diverse products catering for all market segments from affordable priced apartments to high-end branded residences. This allows us to capture demand in all segments as the market has strongly recovered. The sale of properties has set new records high for the Group with value more than Baht 5,000 million new sale, exceeding Pre-Covid level by twofold. Hence, the 2022 performance was driven by a higher price per unit sold due to a shift in demand to midscale, upscale and luxury segment. In this regard, the Russian market regained traction in 2022 and become the largest single market for property purchases of our projects resulting from a capital flight and stronger Russian Ruble currency following the war in Ukraine. As the market is in an upwards trend, the Group is enhancing strategy to unlock value from our land bank with an actively launch of new projects to meet ongoing demands.

The prudence in our capital and cashflow management together with strong Post-Covid recovery of operating performance in the fourth quarter of 2022 has strengthened the Group's financial position leading to a turnaround of the Group's net income for the year. Moving forward, the Group will prioritise agility to shift resources and drive profitability as market continue to recover.

Since the wellbeing and sustainability have been the core pillars of our business philosophy, besides conserving the environment, we contribute to the destination growth of Phuket through career development of locals, community projects and develop it to be a leading sports and lifestyle hub in Asia.

Staying true to our commitment, the Group has continued our sustainability stewardship amidst Covid-19 to provide food and sustenance to our Children First Fund's seven orphanages of 400 underprivileged children. In addition, we contributed sustenance packs, Angsana hotel meal boxes, Laguna Phuket Saving Cooperative financial support and cash donations to nearby communities and to Vachira Hospital for the set-up of Field Hospital at Phuket City Hall. These efforts has benefitted more than 4,000 people and their families.



Message from the Management



Laguna Seaside Residences

2022 was a year of noteworthy industry recognitions, as a pioneer in sustainability leadership, Laguna Phuket was conferred the prestigious AMCHAM CSR Excellence (ACE) Award 2022 for the eight consecutive years by the American Chamber of Commerce in Thailand and named the Corporate Social Responsibility (CSR) Driven Organization 2022 for the second consecutive years by Department of Social Development and Welfare, Ministry of Social Development and Human Security.

Elevating the destination's positioning in the global sport arena, our flagship Banyan Tree Phuket was awarded Best Golf Resort in Asia Pacific #2 by Asian Golf Awards 2022. Laguna Golf Phuket has been the venue host of several international tournaments.

At the same time, Laguna Phuket continues to be recognised as a premier lifestyle destination for property investment and branded residences. The 2022 International Property Awards conferred 5 awards, with 2 being notable status. Laguna Park 2 Phuket named the winner of Residential Development for Thailand, while Laguna Beachside named Best Apartment / Condominium for Thailand.

Stepping into 2023, the Post-Covid era, as restriction on cross-border travels has been lifted worldwide. China, one of our key source markets, also reopened its borders after three years of closure. We are cautiously optimistic that foreign demand will remain robust for both our hospitality and real estate development business. This will greatly enhance our Group performance and pave way for a sustainable and a resilient future ahead.

Mr. Eddy See Hock Lye
Chief Executive Officer

Industry Trends and Outlook

Industry Trends and Outlook

Marketing and Competition

Sales and Marketing Strategy

Hotels

All of the Group’s hotels and business units prepare an annual Sales and Marketing Plan to support and guide how they plan to achieve the budgeted revenues. For the hotels, the plans include statistics showing comparisons to the prior year, market segmentation analysis, pricing strategy, promotion, and PR plans, etc.

The 2022 markets and geographical segmentation in terms of room revenue are set out in the table below:

Laguna Phuket hotels	Banyan Tree Bangkok
<p>Targeted Markets / Type of Customers The FIT markets account for 66 percent of room revenue especially during the high season months while WHSL represent 27 percent and MICE business, Group business and long-term stays contributed to the rest.</p> <p>Geographical Segmentation</p> <p>Asia 44 percent, mainly targeting the local Thai market.</p> <p>Europe 30 percent, mainly from Russia, United Kingdom, Germany, France, Switzerland.</p> <p>Laguna hotels have budgeted 35 percent local market for the first quarter of 2022. Europe accounts for 48 percent of Q1 revenue (Great Britain, Germany, Switzerland and France), and 12 percent to Russia alone. A gradual reopening of more Asian countries is hoped to occur in the following quarters, alongside more long-haul international business as well.</p>	<p>Targeted Markets / Type of Customers The FIT leisure markets account for 70 percent of total revenue, while Wholesale market represent 23 percent and business travellers represent the rest.</p> <p>Geographical Segmentation</p> <p>Asia 60 percent, mainly targeting the domestic Thai market.</p> <p>Europe 23 percent, mainly from the United Kingdom and Germany</p> <p>Others 8 percent from North America and 6 percent from Australia</p> <p>Banyan Tree Bangkok has budgeted 50 percent of domestic market for the first quarter of 2022 with the rest coming from Korea, Singapore, Europe, USA and Australia. A gradual reopening of more Asian countries is occurred into Q2 and Q3, with more long-haul international business as well.</p>

Even though year 2022 was still not considered to be returning to normal tourism numbers pre Covid but with more favorable business condition that International travel has made a comeback during the second half of the year. Banyan Tree Bangkok reduced their rate by 15% in 2022 vs pre-covid level, while Phuket hotels reduced between 18%-25% in order to stay attractive in the market, due to the increased battle for the Domestic market in Phuket. Until international flights are allowed into Phuket and international tourism resumes, rates will remain lower than 2019 and 2020. 2023 is expected to be a year of recovery against 2022, with rates budgeted to increase on average 30% year on year. tourism resumes, rates will remain lower than 2019 and 2020. 2022 is expected to be a year of recovery against 2021, with rates budgeted to increase on average 27% year on year.



Industry Trends and Outlook

Property Sales

We continue to see a shift in demand to midscale, upscale and luxury segments for well-positioned branded residences. The pandemic caused people to rethink their lifestyle and work preferences, such as living in less densely populated locations and the ability to work from home. Upscale and luxury property buyers are also less prone to the impact of economic uncertainty. Our products, which range from affordably priced apartments to high-end branded residential offerings, are well-positioned to cater to these market segments. The Group seeks to continually improve property sales performance going forward. Areas of focus will include:

- Selling the already completed property sales inventory.
- Penetration into local Thai market and newly emerging regional markets such as the People's Republic of China, Republic of India, Middle East, while maintaining strong sales to existing markets such as Russia.
- Increased online sales activities
- Increased offline sales activities (sales channel partners and regular events and roadshows) in key source and newly emerging markets
- Having collaterals in several different languages and increased online / digital marketing.
- Offering a comprehensive range of properties to suit all budgets and maintaining competitively priced products for both investment and/or lifestyle buyer segments.
- Introducing innovative promotions and incentives such as long-term payment plans, low interest, free hotel stay, retirement, and long-stay visa for foreign buyers.
- Continuing to improve our excellent after-sales services.

The Group will stay very close to the market to ensure that the Group continues its leadership position.

Market Situation

- Thailand's tourism industry was gradually recovering from the impact of Covid-19 since the launch of "Phuket Sandbox" in 2021. Thailand received 11.15 million foreign visitors in 2022, a surge from just about 428,000 the previous year when broad pandemic-related travel curbs were in place. The figures, which beat the government's target, reflect a solid turnaround as Thailand tries to revive its vital tourism industry, which bore the brunt of its strict entry and quarantine policies during the pandemic. Malaysia, India and Singapore were Thailand's top three source markets in 2022.
- In Phuket, tourism in this resort island province was bouncing back, with tourism revenue reaching more than 50% of the pre-pandemic level, according to a tourism official. Phuket saw 9.2 million tourist arrivals from January to December in 2022, with Thai tourists accounting for 53.6% and foreign tourists making up the remainder, and the number of foreign tourist arrivals has been high due to the easing of entry restrictions. In 2022, Phuket generated 233.38 billion baht in tourism revenue. Before the Covid-19 pandemic in 2019, its annual tourism revenue stood at 400 billion baht.
- According to the tourism data collected, the top 10 tourists who travelled to Phuket in 2022 were, in order by volume, from Russia, India, Australia, England, Singapore, Germany, Malaysia, Kazakhstan, the United States and Israel.
- Sales saw strong momentum throughout the year, setting new records despite global geopolitical and economic uncertainty. Capital flight from Russia following the war in Ukraine, the appreciation of the ruble

Industry Trends and Outlook

and the resumption of direct flights from Russia to Phuket resulted in Russia being our strongest source of buyers in 2022. Phuket’s residential market also attracted diversified demand from other markets, following Thailand’s full reopening on 1 October 2022. Other factors driving demand included a shift from financial assets to hard assets such as real estate, due to rising inflation. Strong demand for real estate is forecast in 2023. China, one of our key source markets, has reopened its borders after three years of closure. Accordingly, we expect to benefit from pent-up demand, our extensive sales network and stellar brand reputation.

Competition

Hotels

Top Tier Properties - Phuket	Luxury Villa Properties - Phuket	Top Tier Properties - Bangkok
<ul style="list-style-type: none"> • Dusit Thani Laguna Phuket • Saii Laguna Phuket Beach Resort • Le Meridien Phuket Beach Resort • JW Marriott Resort & Spa • Hyatt Regency Phuket Resort • Pullman Phuket Arcadia Naithon Beach 	<ul style="list-style-type: none"> • The Amanpuri • Six Senses Yao Noi • Anantara Mai Khao • Sripanwa • Rosewood Phuket • Andara 	<ul style="list-style-type: none"> • The Sukhothai Hotel • W Bangkok • Le Meridien Bangkok • Peninsula Bangkok • Sofitel So Bangkok • Kimpton Maa-Lai

Phuket: The competitive sets of Laguna Phuket are upper-tier hotels and luxury villas. Hotels in Phuket continue to face competition from rental properties which offer competitive rates for longer stay visitors, as well as competition from other resort destinations within the region.

Bangkok: The number of newly built hotels in recent years has led to an oversupply in downtown Bangkok. Moreover, the increased supply of new hotels and serviced apartments in Bangkok has resulted in a highly competitive market.

Property

The majority of Laguna Phuket’s direct competitors are located along the north-west coast where much of the newer, upper-end properties are located. The less-developed east-coast does not have the same quality of infrastructure and lacks good quality beaches.

Laguna Phuket has a combination of its brand, location, quality, and range of products to set it apart from its competitors. There are many developers targeting buyers in the sub-Baht 10 million segments, including large Bangkok-based developers such as Sansiri, Supalai, and Land & House. However, they are primarily targeting the domestic market and do not compete directly with resort-based products such as ours. Other developments targeting secondary home buyers currently are not as well located or have a strong brand identity.

Although branded developments have continued to enter the market, Laguna Phuket has a lot to offer our property buyers which cannot be matched by other competing projects. These include a long history of developing quality homes in a safe, secure, and beautifully landscaped environment supported by a team of well-trained after-sales staff offering a myriad of home services. Laguna Phuket also offers our homeowners a wide variety of dining and recreational facilities including an 18-hole golf course right at their doorstep.



Industry Trends and Outlook

Pricing Strategy

The hotels in Phuket and Bangkok are operating in a competitive environment and the Group will need to maintain vigilance and be flexible on its room rates to adapt to market changes to maximize yield and RevPAR (revenue per available room).

In the property sector, competitive pricing will be required to maintain strong rates of sales. The Group will also continue with the strategy to offer a comprehensive portfolio of properties across all price segments ranging from entry level (sub-Baht 10 million) such as Skypark, mid-range Baht 10-20 million) such as Laguna Park, upscale (Baht 20 – 40 million) such as Angsana and Laguna Residences and luxury (Baht 40 million upwards) such as Banyan Tree Residences.

Three Year Outlook

The Tourism Authority of Thailand has set a target of 23 million tourists visiting Thailand in 2023, a goal that will be greatly aided by the resumption of outbound tourism from China. China's reopening raises hopes for the return of Chinese visitors, who accounted for nearly a third of Thailand's 40 million foreign tourist arrivals in pre-pandemic 2019. The government expects at least five million Chinese tourists this year, with some 300,000 in the first quarter.

The Thailand tourism market, which was valued at USD 57 billion as on 2022, is expected to grow at a CAGR (Compound Annual Growth Rate) of 3% and is expected to be valued at USD 62 billion in 2025. The rich history, wildlife, food and many other factors are expected to increase the influx of tourists and drive demand for Thailand tourism. Thailand's economy was forecast to grow 3.4% in 2022, which would be a return to pre-pandemic economic levels. The economy will continue to increase with forecast growth of 3.6% in 2023.

We are positive with the revenue forecast to be back at the same level or even ahead of Pre-Covid years. However, the hotel operations are still suffering about labour shortages as workers have not fully returned to the tourism industry after the Covid downturn. Hotels will have to allow more overtime and offer higher wages in order to solve the manning issue and remain competitive in the labour market.

Phuket's major ongoing development plans include expansion of the Phuket International Airport, improvement of road and transport networks, and other infrastructure improvements. With the ASEAN Economic Community integration now imminent, this is expected to drive demand for both tourism and real estate investment.

Before the COVID-19 pandemic, the property market performed stronger in recent years in the entry and mid-price segments, on the back of increased tourism and improved infrastructure (airport expansion, road networks, etc) and relative affordability compared to other countries. Covid-19 pandemic has resulted in people rethinking their lifestyle and work preferences, such as living in less densely populated locations and the ability to work from home or escape lockdowns. There has been a shift in demand for midscale, upscale and luxury segments for well positioned branded residences. Upscale and luxury property buyers are less prone to the economic impacts from the pandemic.

Looking ahead, real estate demand is expected to be strong going in to 2023. With China reopening its border after three years of COVID-19 closure, we expect to see pent-up demand driving strong momentum and will continue to benefit from extended sales channel and strong brand reputation. In addition, the new Thailand long-term resident visa which commenced from 1 September 2022 is expected to drive more interest in real estate from wealthy and retiree foreigner buyers. Given the enduring appeal of Phuket and Bangkok, their value proposition, and their standing among global resort markets, the Company is still confident about the long-term prospects.



Laguna Resorts and Hotels



SECTION 1

Laguna Resorts and Hotels



Structure and Business Operations



Milestones

Structure and Business Operations

1 Policy and Business Overview

Laguna Resorts & Hotels Public Company Limited (The Company) was founded in 1983. It shortly thereafter acquired a large parcel of land on the site of an abandoned tin mine at Bangtao Bay, Phuket, Thailand which was later developed to become the Laguna Phuket integrated resort complex.

Major businesses of the Company and its subsidiaries (The Group) are hotel business and property development. The subsidiaries also engage in operating a golf club, sales of merchandise, office rental, and sales of holiday club memberships.

Milestones

1987

Dusit Thani Laguna Phuket (formerly known as Dusit Laguna Resort) opened.



1991

Laguna Beach Resort opened.

1992

Sheraton Grande Laguna Phuket and the Laguna Phuket Golf Club opened.

1993

The Company listed on the Stock Exchange of Thailand. Property Sales operations commenced with the Allamanda condominium units.

1995

The resort's flagship hotel, Banyan Tree Phuket's Grand Opening.

1998

Laguna Holiday Club commenced operations.

2002

The Group acquired a large parcel of land adjacent to Laguna Phuket for future development opportunities.



2005

The Group acquired Thai Wah Plaza Limited which owns Banyan Tree Bangkok and commercial offices.

2006

Banyan Tree Lijiang in China and Laguna Holiday Club Phuket Resort opened. The latter is operated under the Holiday Club Business.



2008

The Group entered into an agreement to acquire additional land adjacent to Laguna Phuket for future development.



Milestones



Laguna Resorts & Hotels

2009

The Group invested in the Banyan Tree Indochina Hospitality Fund which has developed an integrated resort in Hue, Vietnam

Outrigger Laguna Phuket Resort & Villas commenced operations in December.



2010

Divestment of Dusit Thani Laguna Phuket Hotel in October.

2011

Divestment of Laguna Beach Resort in May.

Closure of the former Sheraton Grande Laguna Phuket for a major renovation and rebranding and reopening as Angsana Laguna Phuket in December.



2013

Upgrade of Laguna Golf Phuket which included the golf course, clubhouse, and the introduction of golf carts.



2015

Reopening of Laguna Golf Phuket in January.

The grand opening of Cassia Phuket in October.

2018

 Opening of Cassia Phuket Phase 2

2016

Angsana Vacation Club commenced operations in January.

Rebranding of Outrigger Laguna Phuket Resort & Villas to Angsana Villas Resort Phuket in August.

The Company further invested 1.25 percent in Thai Wah Public Company Limited.



2017

Divestment of Banyan Tree Lijiang and invested in Banyan Tree China Pte. Ltd.

2019

Completed construction of 45 new villas in Banyan Tree Phuket, increasing inventory to 220 villas.

Completed construction of ACES function & events centre at Angsana Laguna Phuket. This is the largest MICE facility in Phuket.

Launched Saffron Cruise in Bangkok in November.

Structure and Business Operations

2 Nature of Business

The key businesses of the Group are hotel operations, property development operations, and office rental. The Group's major business investment largely revolves around the operation and management of the integrated resort of Laguna Phuket, located on the island of Phuket in Thailand, as well as its investments in the Banyan Tree Bangkok.

2.1 Income Structure

The percentage of income generated by each line of business is detailed as follows:

(Unit: Thousand Baht)

	2022	%	2021	%	2020	%
Revenue from Hotels	2,397,982	50	688,006	46	1,206,727	43
Revenue from Property Development	2,314,068	48	741,763	50	1,572,727	55
Revenue from Office Rental	35,801	1	27,202	2	35,836	1
Other Income	48,818	1	31,930	2	19,028	1
Total Revenue	4,796,669	100	1,488,901	100	2,834,318	100

The most significant businesses of the Group are hotels and property development operations for which further details are provided below. Note 38 to the financial statements of the Company for the year ended 31 December 2022 and 2021 discloses the operating results by business segment following accounting standards and principles.

Hotel Operations – Overall	2022	2021	2020
Occupancy (%)			
Angsana Laguna Phuket	52	16	20
Banyan Tree Phuket	57	20	20
Banyan Tree Bangkok	55	14	23
Cassia Phuket	54	33	32
Average - LRH Hotels	54	20	24
Average Room Rate (Baht)			
Angsana Laguna Phuket	3,371	2,263	3,909
Banyan Tree Phuket	11,193	15,543	13,496
Banyan Tree Bangkok	4,000	2,384	3,749
Cassia Phuket	1,631	964	2,007
Average - LRH Hotels	4,585	2,766	4,634
Total Revenue (Thousand Baht)			
Angsana Laguna Phuket	506,146	99,314	194,367
Banyan Tree Phuket	766,214	192,338	307,198
Banyan Tree Bangkok	608,059	121,823	300,743
Cassia Phuket	149,997	57,511	99,886
Total LRH Hotels	2,030,416	448,772	902,195
Gallery Operations	124,805	105,995	107,751
Other Hotel-Related Operations	242,761	133,239	196,781
Total Revenue of Hotel Operations	2,397,982	688,006	1,206,727



Structure and Business Operations

Hotel Operations – Overall

Even though year 2022 was still not considered to be returning to normal tourism numbers pre Covid but with more favorable business condition that International travel has made a comeback during the second half of the year. The total combined hotel revenue in 2022 increased 363% from 2021. Both occupancy +34% point and ADR +65% provided optimism for this growth.

Property Development Operations

(Unit: Thousand Baht)

	2022	%	2021	%	2020	%
Revenue:						
Property Sales business*	2,264,318	98	685,036	92	1,498,357	95
Holiday Club business	49,750	2	56,727	8	74,370	5
Total Revenue - Property Development Operations	2,314,068	100	741,763	100	1,572,727	100

* Including other income

Property Sales business

A total of 292 units amounting to Baht 2,232 million in revenue (excluding other income) was recognized in 2022 in accordance with accounting income recognition policies.

Holiday Club Business

In 2022, the Holiday Club’s revenue suffered a year-on-year drop of 12%. The membership sale continue to be suspended. The key focus are on the service delivery to the members that start to travel after the borders open as well as maintenance of the property.

Other Income

(Unit: Thousand Baht)

Other Income	2022	2021	2020
Gain on Revaluation of Investment Property	34,766	-	-
Gain on sales of property, plant and equipment	-	13,690	-
Rental and Service Fee	9,658	9,680	9,191
Management Fee Income	2,267	1,603	4,392
Others	2,127	6,957	5,445
Total Other Income	48,818	31,930	19,028

The “gain on revaluation of investment property” relates to the office units for lease at Thai Wah Tower I located in Bangkok and the Canal Village retail development located in Laguna Phuket. A revaluation of these two properties are conducted annually by an independent appraiser.

Structure and Business Operations

“Gain on sales of property, plant and equipment” in 2021 resulted from the disposal of Banyan Tree Gallery’s warehouse in Singapore.

“Rental and Service Fee” is the income generated from the rental of Banyan Tree Management Academy building in Phuket.

2.2 Types of Business

Hotel Operations

Hotels

The Group has ownership in 2 hotels in Phuket and 1 hotel in Bangkok all of which are top-tier and luxury properties. Additionally, the Group has ownership interests in 2 branded residences which are operated as hotels, and a hotel that is used for the timeshare business in Laguna Phuket. The hotels offer a diverse range of accommodations which also include bars and restaurants, swimming pools, fitness centres, meeting rooms and facilities, business centres, etc.

The Group owns the majority of the room inventories in those hotels but some are owned by property investors who receive a return on their investment by joining a hotel management scheme and renting their properties to guests while some units are sold as holiday club membership.

Hotel	Location	Opening year	Number of rooms owned by LRH Group (in operation)*	Company (% held by LRH Group)	Operator
Banyan Tree Phuket	Bangtao, Phuket	1995	140 (219)	LBTL (100%)	Banyan Tree Hotels & Resorts Pte. Ltd. and Banyan Tree Hotels & Resorts (Thailand) Limited
Angsana Laguna Phuket	Bangtao, Phuket	2011	326 (379)	BGL (100%)	Banyan Tree Hotels & Resorts Pte. Ltd. and Banyan Tree Hotels & Resorts (Thailand) Limited
Banyan Tree Bangkok	Sathorn, Bangkok	2002	298 (312)	TWPL (100%)	Banyan Tree Hotels & Resorts Pte. Ltd. and Banyan Tree Hotels & Resorts (Thailand) Limited
Angsana Villas Resort Phuket	Bangtao, Phuket	2009	29 (29)	BGL (100%)	Banyan Tree Hotels & Resorts Pte. Ltd.
Cassia Phuket	Bangtao, Phuket	2015	68 (334)	PGR (100%)	Banyan Tree Hotels & Resorts Pte. Ltd. and Banyan Tree Hotels & Resorts (Thailand) Limited
Laguna Holiday Club Phuket Resort**	Bangtao, Phuket	2006	99 (99)	LHC (100%)	Banyan Tree Hotels & Resorts (Thailand) Limited

* The number of rooms shown in parenthesis include those owned by the Group which are developed for property sales and those which have been sold as property sale units or holiday club membership.

** Classified under the Holiday Club Business for accounting purposes.



Structure and Business Operations

Hotel – Related Operation

Laguna Phuket is operated under an integrated resort concept, along with many hotel-related facilities which are also provided to support the concept. All of these facilities are owned and operated by the Group.

Hotel – related operation	Opening year	Company (% held by LRH Group)	Type of business / facilities
Laguna Service	1991	LSC (72.9%)	Provides essential services such as laundry, water supply, inter-resort transport, landscaping, common area maintenance, marquee facilities, staff transportation, destination marketing, and other centralised services for Laguna Phuket hotels and ancillary operations.
Canal Village	1994	LRH (100%)	A boutique shopping centre centrally located on 10 Rai of land within Laguna Phuket.
Banyan Tree Gallery and Angsana Gallery	1996	BTG (T) (51%), BTG (S) (51%),	A chain of retail outlets specialising in indigenous handicrafts and spa products. There are many outlets worldwide operated and managed under these companies, 4 of which are located within Laguna Phuket.
Angsana Wedding Chapel	2005	BGL (100%)	Thailand’s first resort wedding chapel offering comprehensive wedding packages and well-positioned to capture the lucrative wedding market.
Laguna Tours	2007	LEL (49%)	Started operations by offering selected third-party tours to Laguna Phuket guests. From mid-2008, Laguna Tours established its own operated tours offering speed boat tours and city tours.

Golf Operations

Laguna Golf - Phuket

Laguna Golf Phuket is an 18-hole, par 71 award-winning golf course, set within the world-renowned Laguna Phuket integrated destination. The professionally designed golf course provides the perfect golf experience for players of all abilities. The venue is host to the annual professional tournament such as the Singha Laguna Phuket Open, the Asian Tour professional tournament, and the Laguna Phuket Championship. Laguna Golf Phuket offers daily fee green fees, in addition to annual and 5 & 10-year memberships. In addition to the golf course and clubhouse, the venue offers Laguna Golf Academy for golf instruction and three artificial grass tennis courts.

Laguna Golf - Bintan

Laguna Golf Bintan is an 18-hole, par 72 golf course, set within Laguna Bintan. Originally designed by Greg Norman, the course was leased and extensively upgraded by Laguna Golf in 2016-2017. Since reopening the golf course has won multiple industry awards and is regarded as one of the best golf courses in the region. The golf course is open to daily fee play and offers special rates to in-house Laguna Bintan hotel guests. Furthermore, Laguna Golf Bintan offers annual memberships to both local Indonesian and to Singaporean based golfers.

Structure and Business Operations

Golf operation	Opening year	Company (% held by LRH Group)	Type of business / facilities
Laguna Golf - Phuket	1992	LGL (100%)	A resort-style 18-hole golf course
Laguna Golf - Bintan	2016	AVCI (100%)	A resort-style 18-hole golf course

Property Development Operations

Property Sales

Property Sales offers a comprehensive range of hotel managed and private residential properties offering apartments, condominiums, townhomes, semi-detached and detached homes at all price points for both investment and lifestyle purposes. Hotel residences are typically managed as part of the hotel inventory and owners receive a return on investment from the rental of their properties to hotel guests. Private residences are used either as primary homes or vacation homes and a range of property management services are offered to owners including rentals and maintenance by our after-sales service team. The current development available for sale are the following.

Project	Location	Type	Price (Million Baht)
Angsana Oceanview Residences	Phuket	Apartment	30-34
Banyan Tree Bangkok	Bangkok	Apartment	21-24
Banyan Tree Phuket	Phuket	Grande Residences Oceanfront Villas Seaview Residences Double Pool Villa	90-113 160 77-128 63-65
Cassia Phuket	Phuket	Serviced Apartment	5-14
Dhawa Phuket	Phuket	Serviced Apartment	4-9
Laguna Park 2	Phuket	Townhomes Detached Homes	16-18 25-27
Laguna Beachside	Phuket	Residential Condominiums	10-27
Laguna Seaside	Phuket	Residential Condominiums	9-31
Laguna Lofts	Phuket	Apartments	11-29
Skypark Aurora	Phuket	Residential Condominiums	4-6
Skypark Celeste	Phuket	Residential Condominiums	4-12

The Group owns significant land both within and adjacent to Laguna Phuket upon which it plans to construct future property developments.



Structure and Business Operations

After Sales Property Management Services

A vital differentiation from other property developers, Laguna has a dedicated, multi-lingual after-sales services team to provide various property management and estate services to owners who buy properties within Laguna Phuket. The services comprise rentals (i.e. holiday and long-term rentals) and property maintenance (i.e. pool cleaning, handyman services, landscape maintenance, engineering services, and common area management) for non-hotel managed properties. The objective of the after-sales service team is to further enhance the ease of property ownership in Laguna Phuket by providing a one-stop-shop that is unmatched by any other development in Phuket.

Holiday Club Business

In January 2016, Angsana Vacation Club (ANVC) was launched. ANVC is a 25-year point-based membership club that allows its members the use of predominantly Angsana properties and some selected participating Banyan Tree properties. To safeguard the rights and interests of its members, ANVC is incorporated and owned by an independent trustee. The Company is engaged in the sales and marketing of ANVC only.

Upon launch of ANVC, the legacy Laguna Holiday Club business ceased selling new memberships. Existing members of Laguna Holiday Club continue to enjoy all club home resorts and privileges they are entitled to under their membership. In 2017, Laguna Holiday Club was renamed Angsana Vacation Club Heritage and members were offered trade-in programs to upgrade to the more flexible points-based membership.

Office Rental

Strategically located on South Sathorn Road, Thai Wah Tower I is a 24-storey granite-clad building and is one of the very first office condominium buildings in Bangkok. The entire building has approximately 20,000 sq.m. of usable area of which 15,389 sq.m. is owned by the Group. Through the years the building has maintained its reputation as a premium office building with timely refurbishments.

In 2013, the lobby of the building underwent a renovation to improve its competitiveness against newer office buildings that have opened in the vicinity in recent years.

From July 2020, there are only few rental offices and no new office rental during the covid-19 period from quarter 1, 2020 until present.

Overseas Investment in Hotels and Resorts

The Group also has an investment in the Banyan Tree Indochina Hospitality Fund which has developed an integrated resort in Laguna Langco in Vietnam.

Additionally, the Group has other investments overseas through Tropical Resorts Limited (TRL) and Bibace Investments Ltd (BI) which invest in luxury resorts largely throughout the Pacific Rim area.

Structure and Business Operations

Developments in 2022

After multiple wave of COVID-19 pandemic that has been suppressed tourism industry globally during the past two year (2020-2021), the resumption of domestic and international travel in the fourth quarter of 2021 has been interrupted by a resurgence of concerns over the spread of Omicron variant. Consequently, Thai government has suspended the “Test & Go” reopening program that was roll-out in November 2021 and reinstated quarantine on December 22, 2021. Even though Phuket was applicable for a 7-day Sandbox scheme. The mood to travel was dampened countrywide and the effect continued to early 2022.

The situation was, then, gradually improve and tourist are getting back in late Q1/2022 follow by a cancellation of Test&Go program in May 2022. In July 2022, as rising vaccinations lead to lower symptom severity and easing pressure on hospital capacity, the Center of COVID-19 Situation Administration (CCSA) has downgraded the severity of COVID-19 from pandemic to endemic. Concurrently, the Thailand Pass and COVID-19 insurance requirement for non-Thai citizens was lifted on July 1. This marked the end of travel restriction and Thailand was fully reopened for international travelers. The reopening led to a jump in international tourist arrivals immediately and continue to increase throughout the rest of the year with an extra sharp rise in the high season during last quarter of 2022. As a result, hospitality sector including LRH Group has experienced a pent-up in demand which drive the hotel’s performance for both occupancy and room rate across the board.

Banyan Tree Bangkok has continued to leverage its reputation for being one of the best food & beverage establishments in Bangkok and Vertigo is ever popular, revenue from its F&B has been a key revenue contribution. For 2022, F&B revenue contribution was 54%, lower from 60% in 2021 as a recovery of room revenue was far more aggressive than F&B.

Tourism in Phuket is usually dominated by Chinese and Russian holidaymakers. This has not been the case for 2022, particularly with the restricted on outbound tourism for Chinese travellers. During the first half of 2022 where the cross boarder travel restriction still active, our Phuket hotels successfully attracted the domestic travellers via a varying mix of campaigns and promotions. Then, in the second half of the year, it was dominated by foreign tourist which mainly from Russia.

As with 2021, the Laguna hotels all banded together and promoted the different events and accommodation options in all of our hotels, in order to gain as much revenue as possible. This meant in some instances, one hotel would hold an event which welcomed guests from all hotels, instead of all hotels holding their own events. This resulted in a good rationalisation of costs and synergies across the group.

For property development, after scale back of new project launch in the previous year due to market uncertainty, several projects was launched this year as part of the Group’s ongoing strategy of unlocking its extensive land bank. Starting by Laguna Beachside in the first half of 2022. Follow by Banyan Tree Grand Residence, Laguna Seaside and Skypark 2 in the second half of the year.

The Group continued to expand its offsite sales development network in China, Russia, and India to increase the number of sources of potential property buyers from channel partners along with more regular online events to promote our product offerings.



Structure and Business Operations

Future Plans

The Group is confident that in the medium to long term there are opportunities to further profitability and expand existing facilities, particularly in light of the ongoing high demand for Phuket and Bangkok in terms of both hotel and residential accommodation. Going forward the Group will focus on residential property development as its impetus of growth, including sales channel development and online / digital marketing activities in China, Russia, India, Middle East, South East Asia and other key markets to diversify our base and increase awareness to expand our reach to potential buyers with the objective to build up a strong pipeline of property sales to ensure the Group maintains a high level of annual sales for sustainable revenue growth.

Hotels

It is also the Group's policy to have the hotels maintaining their reputation as being luxury hotels with timely and periodic renovations and refurbishments of hotel rooms and public areas.

In terms of Marketing, we will continue with a Data Driven approach to dynamically evaluate Market demand. As Thailand recovers, Laguna Resorts will be looking at their feeder markets, booking patterns, and changes in traveler's expectations. From increased demand for longer duration of stays to shorter booking windows driving occupancy.

Property Sales

Looking ahead, real estate demand is expected to be strong going in to 2023. With China reopening its border after three years of COVID-19 closure, we expect to see pent-up demand driving strong momentum and will continue to benefit from extended sales channel and strong brand reputation. In addition, the new Thailand long-term resident visa which commenced from 1st September 2022 is expected to drive more interest in real estate from wealthy and retiree foreigner buyers. The pandemic has resulted in people rethinking their lifestyle and work preferences, such as living in less densely populated locations and the ability to work from home. Hence, we see a trend of buyers preferring ready-to-move-in properties as there is no completion risk, their preference to use the properties immediately as their safe haven during the pandemic and a shift in demand for upscale and luxury segments, in particular for private residences. The Group is continuing with the strategy to unlock value from its land bank by developing new property sales projects which cater to both primary and vacation home buyers. In 2023, we are planning new launches for the entry-level, mid-range, and luxury segments.

Holiday Club Business

"Angsana Vacation Club" still looks promising with its product offering being highly competitive and unlike the previous club, it is a points-based membership with the inventory owned by an independent trustee, providing members access to numerous properties within the Banyan Tree Group managed hotels and resorts.

Golf Business

The recently upgraded and award winning golf courses of both Phuket and Bintan offer players of all abilities a unique and challenging experience. The group will continue to strive to provide the best possible financial returns and to grow revenues, whilst controlling costs. This shall be achieved by offering the most exquisite customer experience for its golfers, to encourage repeat play, promote referrals and increase average spend.

Structure and Business Operations

Project Status

The construction and sales progress of projects as of 31 December 2022 is shown in the table below:

Project	Value (Million Baht)	Units				% Completion
		Total	Sold	% Sold	Recognised	
Completed Projects:						
Banyan Tree Pool Villa	374	8	8	100%	8	100%
Cassia 1	1,398	229	209	92%	204	100%
Cassia 2	763	105	63	60%	62	100%
Cassia 3	1,695	193	193	100%	193	100%
Angsana Beachfront Residence	2,138	54	54	100%	50	100%
Subtotal	6,368	589	527	89%	517	100%
Projects Under Construction:						
Dhawa	759	124	38	31%	-	43%
Angsan Oceanview (building 1)	714	24	22	92%	-	43%
Banyan Tree Grande Residences	1,995	19	4	21%	4	34% *
Laguna Park 2 Townhome	435	28	19	68%	19	71% *
Laguna Park 2 Villa	530	25	20	80%	19	76% *
Laguna Village Residences 8	640	16	16	100%	9	75% *
Skypark Aurora	2,104	416	396	95%	250	87%
Subtotal	7,177	652	515	79%	301	
Total	13,545	1,241	1,042	84%	818	

*Construction, which takes about 1 to 2 years to complete, will start when a sale is made.



Structure and Business Operations

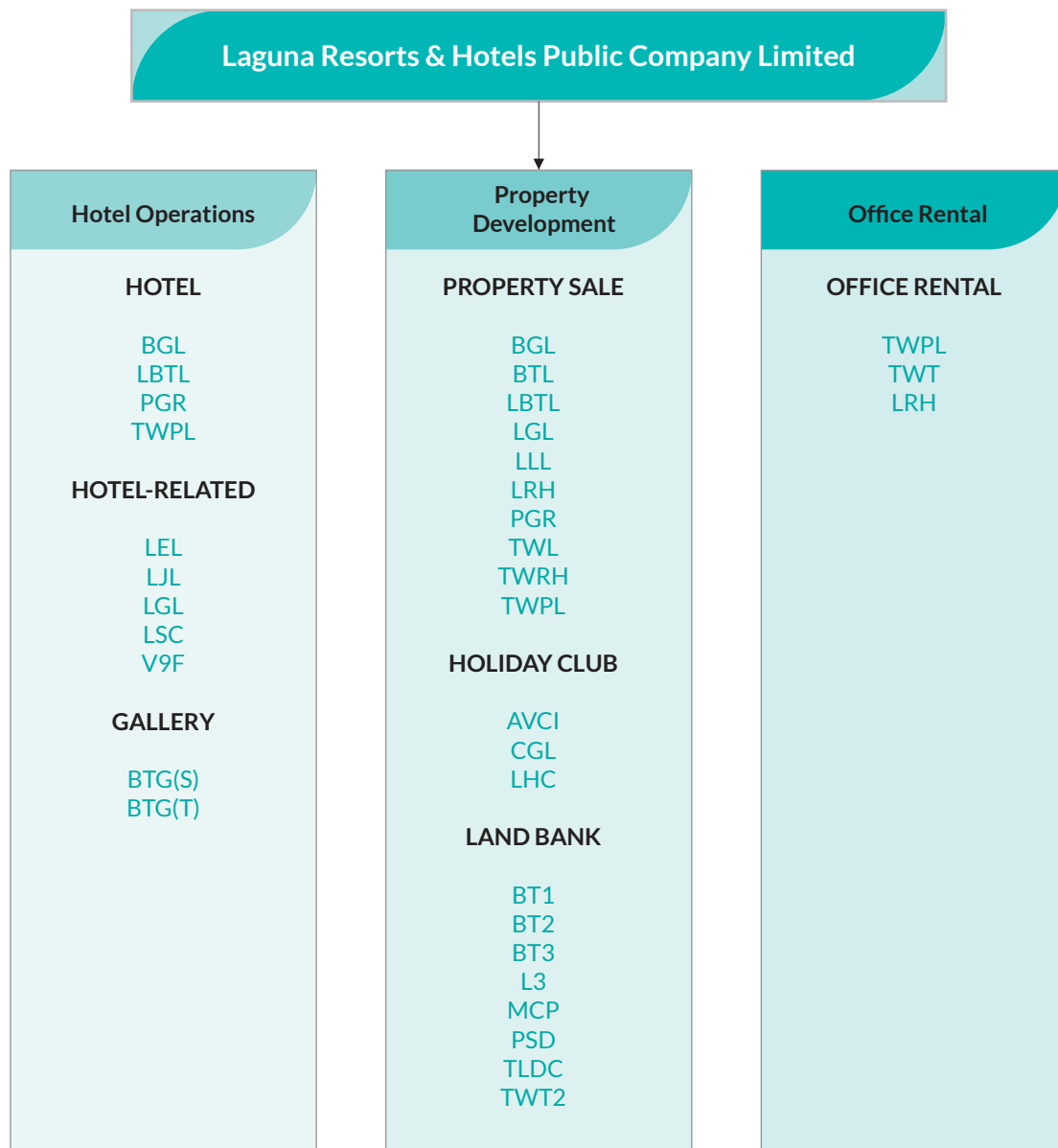
3 Shareholding Structure

3.1 Corporate Structure

The key businesses of the LRH Group are hotels, property development, and office rental. The Group's major business investment largely revolves around the operation and management of the integrated resort of Laguna Phuket, located on the island of Phuket in Thailand, as well as its Banyan Tree hotel and office tower located in Bangkok.

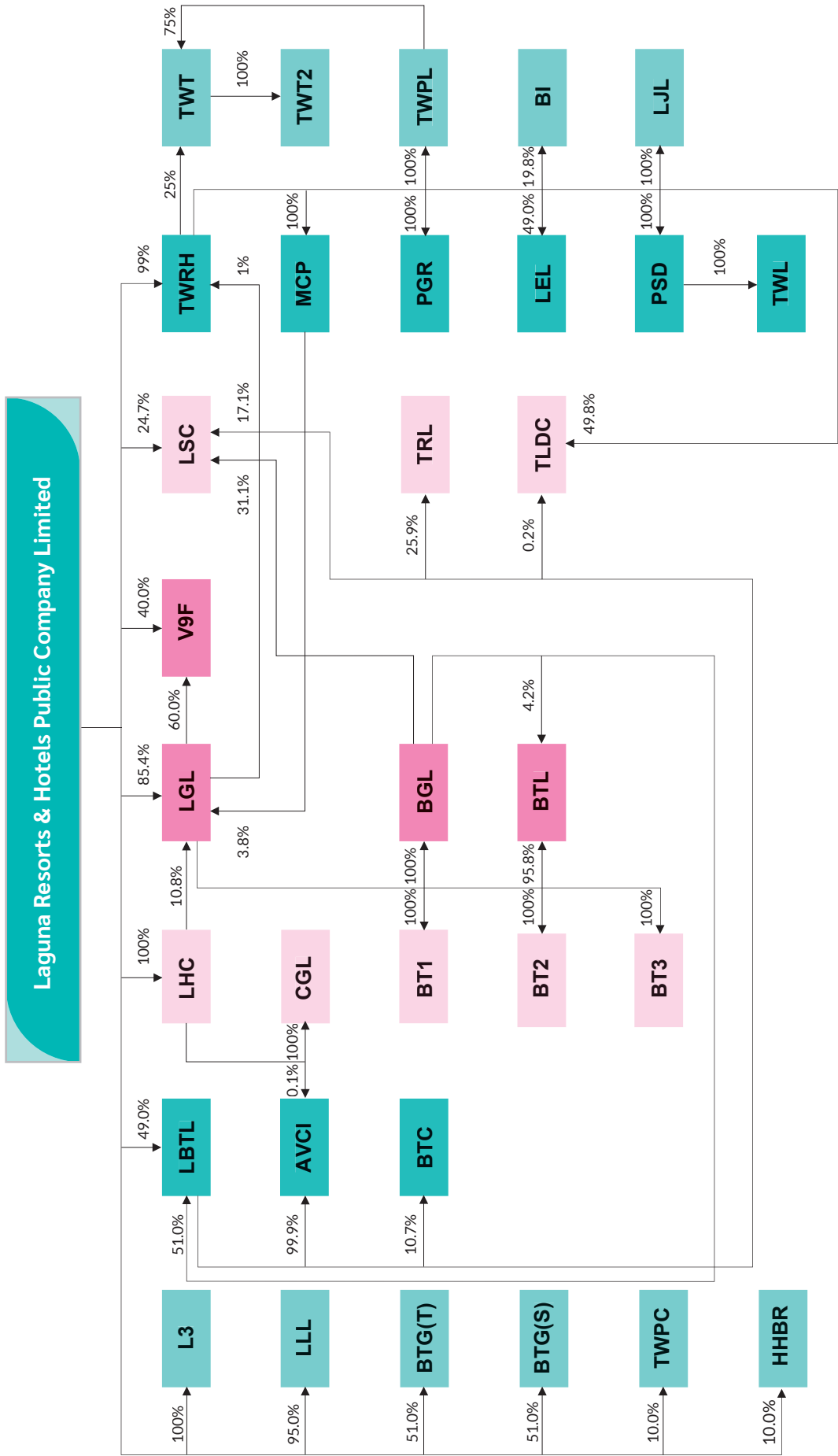
Segment information

The companies engaged in each of the key business segments are set out below.



Structure and Business Operations

Corporate Structure as at 31 December 2022



Remark : Full company names as shown in the Section of "Abbreviations"



Structure and Business Operations

3.2 Parties with Conflict of Interest

None

3.3 Relationship with Major Shareholder

Banyan Tree Holdings Limited (BTH), a listed company in the Singapore Exchange, is a leading, international hospitality brand that manages and develops premium resorts, hotels and spas. It is a major shareholder which indirectly holds 86.3 percent of the total issued and paid-up shares of the Company. BTH is also a major shareholder holding both, directly and indirectly, more than 10 percent of the shares in several subsidiaries and one associate of the Company

The subsidiaries and associate whose shares are held by BTH engage in hotel and property development as well as souvenir retail in the hotels managed by BTH. With BTH's expertise and experience of international hotel development and management of award-winning hotels under the trademarks of "Banyan Tree", "Angsana", "Cassia" and "Dhawa", the joint investment with BTH will result in the said subsidiaries and associate benefitting from the use of trademarks, reputation and managerial assistance of BTH.

3.4 Shareholders

Major Shareholders as at 30 December 2022[#]

No.	Shareholders	No. of Shares Held	Total Shareholdings	%
1	Banyan Tree Holdings Limited Group of Companies		143,817,503	86.3
	(1) Banyan Tree Assets (Thailand) Company Limited*	80,432,342		
	(2) Banyan Tree Resorts & Spas (Thailand) Company Limited **	62,332,399		
	(3) Banyan Tree Hotels & Resorts Pte. Ltd.*	1,052,762		
2	Thai Wah Public Company Limited		3,480,200	2.1
3	Mr. Watshira Tayanaraporn		3,000,000	1.8
4	Mr. Suvit Laohapholwattana		2,983,800	1.8
5	International Commercial Development Company Limited		2,585,950	1.6
6	Mr. Somchai Tiathasin		1,256,600	0.8
7	Ms. Pawita Kongthanasomboon		731,000	0.4
8	Mr. Permsak Kengmana		557,950	0.3
9	Mr. Sinthu Wongpiyabaworn		372,400	0.2
10	Mr. Phitak Boonpojanasontorn		346,853	0.2
	Other Minority Shareholders		7,550,445	4.5
	Total		166,682,701	100.0

Remarks:

= As at the last share register book closing date. Updated shareholder information prior to the 2023 Annual General Meeting can be accessed through www.lagunaresorts.com, the Company's corporate website.

* = A company which is a wholly-owned subsidiary of Banyan Tree Holdings Limited.

** = A company which is under the control of Banyan Tree Holdings Limited.

Structure and Business Operations

The major shareholder who has a significant influence on determining the Company's policy or the operation of the business

Banyan Tree Holdings Limited (BTH), a listed company in the Singapore Exchange, is a leading, international hospitality brand that manages and develops premium resorts, hotels and spas. It is a major shareholder indirectly holding 86.3 percent of the total shares issued and paid-up of the Company.

The subsidiaries and associates whose shares are held by BTH engage in hotel and property development as well as souvenir retail in the hotels managed by BTH. With BTH's expertise and experience of international hotel development and management of award-winning hotels under the trademarks of "Banyan Tree", "Angsana", "Cassia" and "Dhawa", the joint investment with BTH will result in the said subsidiaries and associate benefitting from the use of trademarks, reputation and managerial assistance of BTH.

4 Registered Capital and Paid-up Capital

- The Company has a registered capital of Baht 2,116,753,580 and issued and paid-up capital of Baht 1,666,827,010 divided into 166,682,701 ordinary shares at a par value of Baht 10 per share.
- The Company has no shares of which the rights and conditions are different from the ordinary shares.
- As of the latest share register book closing on 30 December 2022, the total shares held by Thai NVDR Company Limited (a subsidiary wholly owned by the Stock Exchange of Thailand issuing "Non-Voting Depository Receipt" or "NVDR") in the Company's shares is 58,350 shares or 0.035 percent of the total issued and paid-up shares of the Company. Pursuant to the provisions of the prospectus of Thai NVDR Company Limited, they will not attend nor vote in any shareholders' meeting of the Company other than delisting. Therefore, the shares held by Thai NVDR Company Limited will not be considered for quorum and voting in shareholders' meetings except when the Company wishes to delist its shares from the Stock Exchange of Thailand.

5 Other securities

The Company has not issued any debentures, notes, convertible securities, debt instruments, etc.



Sport Bar



Structure and Business Operations



Laguna Golf Phuket

6 Dividend Policy

Dividend Policy of the Company

The Company's dividend policy seeks to maximize shareholder value and encourage shareholder loyalty with predictable annual growth in dividend payout which is not impacted by profit volatility. With that objective, the Company's Dividend Policy is based on the principles of stability, predictability and managed growth, outlined as follows:

- **Stability** Unless the Company suffers a substantial net loss, it will pay a dividend each year so that shareholders are not negatively affected by annual profit volatility.
- **Predictability** Shareholders will be able to better anticipate the appropriate level of dividends to expect each year and therefore may be better able to manage their portfolio investment strategy.
- **Managed growth** The Company will strive to increase and smooth out the dividends year-on-year within a broadband but the specific rate will be dependent on the Company's actual profit performance, cash and cash flow projections

Dividend Policy of the Subsidiaries

In respect of the dividend payment policy of the subsidiaries, such subsidiaries will pay dividends from their net profits. There is no specific dividend policy and dividend payment is subject to many factors such as their financial condition and results of operations, liquidity, business expansion and factors related to the operation of their business.

Risk Management

Risk Management

1 Policy and Risk Management Plan

The Group adopts a risk-based approach in line with COSO Framework and takes a cohesive, coordinated approach towards risk management and internal controls. The “Internal Control – Integrated Framework” (the COSO Framework), promulgated by the Committee of Sponsoring Organisations of the Treadway Commission (COSO) and widely adopted by other listed hotel groups such as Hilton and Hyatt, was used in making the assessment.

The Group has a Group Risk Committee (GRC) which provides guidance to the Risk Management Department who facilitates and monitors the implementation of effective risk management practices by the risk owners. The Risk Management Department maintains the Enterprise Risk Management (ERM) Programme which enables risks to be identified, assessed, managed, monitored and reported.

2 Risk Factors

Economy and Tourism in Thailand

As most of the Group’s revenue is generated from tourism and property sales in Thailand, the Group has exposure to both the world and Thai economies and the tourism industry in Thailand. Any conditions, such as changes in the attractiveness of Thailand as a tourism destination, an economic downturn, acts of terrorism, natural disasters, increased levels of criminal activity, civil unrest, or epidemics/pandemics which affect tourism in Thailand or result in a depression in property values in Phuket, may hurt the Group’s business, financial condition, and performance. With the opening of Thailand in 2022 and the various initiatives by the Thai Government, there has been an increase in the hotel’s occupancy to almost pre-pandemic (2019) numbers with international arrivals accounting for most of the guest mix.

Political Uncertainty

Thailand’s tourism industry has been adversely impacted in recent years by political tensions in Thailand. Such events were internationally publicized and created a negative perception of Thailand as being a safe place to travel for foreign tourists and for investors to invest. Political uncertainty in Thailand adversely impacts the tourism sector and investor sentiment.

Over-Reliance on Some Key Markets

The over-reliance on any market carries with it a certain degree of risk as a downturn in that market would adversely impact the performance of the hotel if it fails to replace the business in a timely manner. Like many hotels in Thailand, Russia and China have become the 2 largest markets for the Group’s hotels in recent years. The Group will seek alternative markets to achieve a balanced customer base.

Interest Rate Fluctuation

The Group’s exposure to interest rate risk relates primarily to the deposits with financial institutions, long-term trade accounts receivable, and bank overdrafts and loans. Most of the financial assets and liabilities have floating interest rates or fixed interest rates as disclosed in the notes of the financial statements and the interest rate risk is not expected to be significant. The Group does not use derivative financial instruments to hedge such risk.



Risk Management

Foreign Currency Fluctuation

The exchange rate of the Thai Baht as compared to the currencies of China, US, Russia, UK, and other European markets has the potential to impact the pricing and affordability of products and services of the Group for such market segments.

Land Title

In recent years, there have been a number of disputes in Thailand relating to property owners having valid title to their properties. Although the Company is confident that it has valid title to all the land upon which it operates or which is for sale by it in Thailand, there can be no assurance that other parties will not challenge the claim of title. Even if such challenges are not successful, they may have a material adverse effect on the property sales business in Thailand if purchasers express concern that the Group is unable to transfer good title to them.

Thai Labour Laws

Nearly all of the employees are based in Thailand. Labour laws in Thailand are highly protective of employees. Under Thai labour laws, the Group is generally prohibited from discharging employees without compensation absent gross misconduct, neglect, or acts of dishonesty. As such, the Group has limited measures at disposal to reduce headcount to increase efficiencies, reduce costs or achieve similar objectives. During crises in recent years such as the global economic crisis, the Group was restricted from dismissing employees and could only institute a voluntary unpaid leave program. The Group has been restricted in the past and expects in the future to be limited to using voluntary separation plans where the Group is required to pay high amounts of severance pay and similar measures under which selected employees may elect to leave the Group in return for lump-sum compensation packages and other benefits.

Operating Risks Inherent in the Hospitality Industry

The hotels are subject to operating risks inherent in the hospitality industry. These risks include:

- Seasonality of the industry in that the Group is subject to different levels of tourism and business/commercial travel across the year, and thereby the revenues tend to vary within the year.
- Competition from new resorts and hotels both locally and within the region.
- The dependence on travel patterns and destination preferences.
- Changes in regulatory conditions in Thailand.
- Periodic local oversupply of or reduced demand for guest accommodation, which may adversely affect occupancy rates and actual room rates achieved.
- Changes in general, regional and local economic conditions may affect, among other things, the disposable income of consumers and the traveling public and which may not be offset by increased revenues.
- Regional and local political and social conditions affecting market demand, including crime, civil disorder, and terrorism.
- Epidemics/pandemics affecting the travel and tourism industries.
- Foreign exchange rate movement.
- The convenience of access to Thailand and in particular the airline capacity into Thailand and Phuket.
- Adverse weather conditions and natural disasters.

Risk Management

Operating Risks Inherent in the Property Industry

The property sales business is subject to operating risks inherent in the property industry. These risks include:

- Changes in general, regional and local economic and political conditions may affect, among other things, the disposable income of buyers and their confidence in the property market.
- The ability to generate sustainable investment returns which may affect the future demand for properties.
- Foreign exchange rate movements may affect the pricing and affordability of property for foreign buyers.
- Developing new and innovative product designs which will appeal to buyers.
- Provision of high-quality after-sales services to retain strong brand loyalty and buyer satisfaction.
- Changes in regulatory conditions in Thailand may impose restrictions on buyers, future development of land, or types of product offerings.
- Rising construction costs may affect operating margins if selling prices cannot be adjusted accordingly.
- The ability to source and retain quality building contractors who can deliver a quality product on time.
- Epidemics/pandemics affecting the travel and tourism industries as foreign buyers make up the majority of the Company's customers.

Any of these factors could have an adverse effect on the business and management monitors each of these closely so that the strategies can be quickly adapted to any changes in the operating environment.





Banyan Tree Bangkok



Driving Business for Sustainability

Driving Business for Sustainability

1 Sustainability Management Policy and Targets

Our Vision

To be a leading international hotel and property developer with full commitment to environmental protection, social responsibility, and maximum satisfaction to all stakeholders with an aim to pursue sustainable long-term business value development.

Our Mission

As a socially responsible business, LRH was founded with the core value of driving sustainable development. Our concept of sustainability seeks to create long term value for multiple stakeholders and destinations. The Company's triple bottom line of economic, social and environmental success helps direct sustainable development through inspiring associates, guests and partners to take a wider consideration encompassing a long-term view when making business decisions. We employ an integrated and participatory approach to minimise our impacts while safeguarding and enhancing the human and physical environment for present and future generations

This involves:

Creating an enchantingly memorable experience for guests and customers through our services and products. Providing fair and dignified employment for our associates which enhances their ability to contribute to the company's growth and elevates their job prospects with company and beyond. Enabling long term prosperity for communities in which we operate through business conduct, operations and harnessing our competencies to address issues facing the community. Exercising the precautionary approach to environmental impacts of our operations, and taking an active role in the protection and remediation of global ecosystems. Conducting business with suppliers and vendors in a fair and transparent manner while working in partnership to enhance societal benefits. Generating sustained, long-term returns for our shareholders.

2 Impact Management to Stakeholders in the Business Value Chain

2.1 Business Value Chain

LRH prioritized business value chain management by realizing the importance of all stakeholders and is committed to taking care of all stakeholders in a balanced manner. In 2022, a stakeholder identification and analysis in the value chain was organized to identify the expectations and concern issues to determine the appropriate operating guidelines for each group of stakeholders and in order to effectively manage the business value chain.

2.2 Business Value Chain's related persons

2.2.1 Identifying stakeholders

LRH's stakeholders consist of 6 Groups include shareholders, customers, associates, suppliers, society and communities and the country.

2.2.2 Stakeholder analysis on the business value chain

LRH operate the business by create shared values and participation from all stakeholders, create strategies to engage with different stakeholder groups deem appropriate according to the opportunity and level of the relationship both formal and informal to drive the positive change and minimize the negative impact.



Driving Business for Sustainability

In 2022, LRH was implemented relationship management with stakeholders as follows:

1. Stakeholder identifying and prioritizing
2. Create strategies for stakeholder engagement
3. Planning, executing, and reporting on stakeholder participation
4. Implementation of stakeholder engagement
5. Review and evaluate the performances, make a continuous improvement

In 2022, LRH also conducted the activities with stakeholders to obtain preliminary information in order to develop and formulate stakeholder engagement strategies as follows:

1. Customer

Customer survey was applied through various channels to collect the information for service improvement and marketing communication.

2. Supplier

The supplier Code of Conduct survey was implemented through Banyan Tree Global Foundation website with a KPI of 80% dollar purchases from Tier 1 suppliers completing self-assessments. By 2025, we target 100% annual completion, with evaluation of poor supplier performance or non-conformity supported with remediation action.

3. Associates

Wellbeing survey was completed in lieu of the annual associate satisfaction survey. Survey results reveal the degree of awareness, frequency of practice and sustained state of wellness, which respondents can discuss with our Wellbeing Practitioners to explore solutions aligned with individual interests and needs.

4. Society and Community

The meeting was conducted regularly with government agencies, local government organizations, and nearby communities on the needs and the capability of company to support or involve.

The Company emphasizes and aims to be a socially responsible company and has established a dedicated team of Sustainability and Community Relations practitioners who strive to make a positive difference to the local communities where the Company operates. There is no report of any claims about the impact of the Company's business operations to stakeholders.

3 Environmental sustainability management

3.1 Environment related policy and procedure

Travel and tourism operations are often intrinsically dependent on natural heritage, and LRH's conservation journey started with its beginnings in 1984 by "Embracing the Environment, Empowering People"

Extending beyond the precautionary approach, LRH conserves resources through efficient operations, employing a science-based approach and partnership creation to conserve sensitive ecosystems and threatened species, and support climate action and the Sustainable Development Goals.

Driving Business for Sustainability

3.2 Environmental operations

3.2.1 Climate Change

Resource Use, Waste, and Total Emission

Our KPIs are to implement at least one resource conservation initiative per property each year, and a 8.25% annual reduction for total emission scope 1 & 2 while waste sent to landfill should be reduced 6.25% annually.

Rigorous benchmarking, certification and assurance of energy, emissions, water use and waste production are conducted via a strategic partnership with EarthCheck. In 2022 total emission for scope 1 and scope 2 was 45,454.35 ton CO2 equivalence.

Greening Communities

Our Greening Communities programme raises awareness of climate change and sequesters carbon by planting trees in local communities that contribute to blue carbon ecosystem services including shoreline protection, fish nursery habitat and local livelihoods.

Earth Hour

Each year we give a voice to climate change awareness by joining the global Earth Hour movement and turning off all non-essential lights for one hour at our properties.

Food

Our longterm goals are to reduce food waste by 30% and divert 50% from landfill by 2025, with a 50% reduction and 100% diversion by 2030. We shall also set our sustainable seafood targets in 2023 as part of our ongoing commitment to food provenance and a sustainable supply chain.

Reducing meat consumption and diverting food from landfill can significantly reduce greenhouse gas emissions. Laguna Phuket joined Banyan Tree Bangkok in donating surplus food via Scholars of Sustenance (scholarsofsustenance.org). and delivered to underprivileged families. This can reduce food waste and also save CO2 emissions.

Plastic Reduction and Elimination

Our efforts have reduced to eliminate, and where suitable alternatives are yet to be found, replaced with compostable or biodegradable alternatives. We support our reduction efforts with collaborative community clean-ups to remediate and cleanse natural systems, and educate to support a shift from a single-use disposable society.

3.2.2 Biodiversity and the Environment

Our properties in Phuket are in the area of protected status or high biodiversity, and consequently we must act as stewards to safeguard and promote a healthy, resilient and sustainable environment. Our Stay for Good programme invites guests to connect and engage actively and passively with natural heritage to increase awareness, promote engagement and long-term stewardship for example, sea turtle conservation program, bird observation program and cleaning community initiative.



Driving Business for Sustainability

4 Social sustainability management

4.1 Social related policy and procedure

Creating shared value with the community whether they are employees, customers, communities or business partners embodies our commitment to social responsibility.

Internally, our approach promotes wellbeing, diversity, satisfaction, health and safety, as well as professional development to increase productivity and improve employee and customer satisfaction and loyalty.

Externally, we employ a stakeholder engaged approach to identify areas of aligned interest to promote responsible travel and work towards the 2030 Agenda for Sustainable Development.

4.2 Social operations

Associate Satisfaction, Wellbeing, and Development

LRH is committed to the happiness, health, safety and wellbeing of our family of associates. We advocate a balanced, sustained and dynamic approach to wellbeing that acknowledges the dynamic and interconnected world in which we live, where everyone aspires and desires to live well. Developing and nurturing our associates ensures a consistent and effective approach to personnel sourcing and retention, and is reinforced by a promotion strategy to positions of responsibility. Biannual performance reviews identify development needs, which are addressed through individual and group learning opportunities and our management academy.

Empowering Education

Education combats poverty and better livelihoods. A context-based approach identifies local needs and opportunities, resulting in a semi-structured but diverse contribution to supporting sustainable communities through inclusive and quality education. Our efforts support education through vocational training and internships, as well as educational support in the community for example, Laguna Phuket Kindergarten, Laguna Phuket Community Learning Centre, and FullyBooked! Mobile Learning Centre.

Other Social Contributions

Children First Fund provides food and sustenance to 7 orphanages in Phuket on a monthly basis. Laguna Phuket Associate Saving Cooperative provides secure, reliable, profitable, and fair financial services to members. Blood Drive program that donate blood to Thai Red Cross. Cultural events that help to promote and preserve ancient traditions of various origins in local communities. Humanitarian relief initiatives that support the needs when natural disasters occurred.

5 Sustainability Initiatives and Projects

Sustainability is a major undertaking at Laguna Phuket. The Company focuses on implementing socially responsible business practices that touch all stakeholders in the quest to deliver environmental and social benefits alongside increasing economic performance. The Company's Community Relations & Sustainability programs are divided into the following focus areas:

1. Cultural Diversity
2. Social Equity
3. Educational Empowerment
4. Health & Sports Promotion
5. Environmental Preservation

Driving Business for Sustainability

5.1 Cultural Diversity

Our Cultural Diversity initiatives help to promote and preserve ancient traditions of various origins in local communities. In doing so, Laguna Phuket contributes to uplifting the spiritual well-being of associates, their families, and local community members, to ensure a balance between the influx of western influences brought by tourism and the preservation of the local way of life.

Buddhist Lent



The annual Laguna Phuket Buddhist Lent activity was held on 12 July 2022 at Chergntalay Temple and attended by 60 Laguna Phuket associates and community members. Apart from the corporate donation of lent candles, this year Laguna Phuket has raised Baht 37,585 for the temple. Laguna Phuket has annually celebrated Buddhist Lent for over 27 years.

Vegetarian Festival



The Phuket Vegetarian Festival is an annual event celebrating the Chinese community’s belief that abstinence from meat and various stimulants during the ninth lunar month of the Chinese calendar will help them obtain good health and peace of mind. This year’s festival falls from 26 September – 4 October 2022. During these 9 days, local residents of Chinese ancestry strictly observe a vegetarian or vegan diet for spiritual cleansing and merit-making. Laguna Phuket donated Baht 69,950 worth of food and supplies this year to our 3 local shrines and set up an offering shelter on 1 October 2022 to worship Ma-Song devotees through whom the gods are said to enter during the annual Phuket Vegetarian Festival.



Driving Business for Sustainability

Sart Duen Sib (Ghost Festival)



The Ghost Festival (Baan Don Sart Duen Sib) is a southern traditional festival for Buddhists to make merit in remembrance of loved ones who passed away, and our local heroes who sacrificed their life to protect, enrich and improve our community. Over 40 Laguna Phuket associates participated in this event at Baan Don temple on 18 September 2022. A donation of 15,000 Baht was given to the temple for their ongoing public services as well as the ghost festival delicacy given to community members as a part of cultural belief.

Loy Krathong



Loy Krathong Festival brings people together on the full moon night of the 12th Thai lunar calendar to pay respect to the water goddess, Pra Mae Khonkha and the water spirits. This year's event was held on 8 November 2022 with lots of meaningful cultural appreciation activities --- Rak Thai Cultural Kids Contest, Krathong demonstration, traditional performances, community F&B stalls, and live music. Nearly 5,000 guests, associates and residents participated in releasing Krathong and expressing their gratitude towards the plentiful use of water.

5.2 Social Equity

Our social equity initiatives aim to build the capacities of local communities and associates through socially beneficial projects whereby community members and associates can benefit from our support for their personal betterment as well as professional advancement.

Driving Business for Sustainability

Seedlings - Social Enterprise Restaurant

Seedlings is the first restaurant launched by Laguna Lang Co under Banyan Tree's group-wide mentorship program with the aim to provide training and job opportunities for disadvantaged and marginalized local young adults, giving them the necessary life skills to forge successful careers in hospitality. Seedlings serves as a launching platform for local youth development in collaboration with Prince of Songkla University, Phuket campus, providing invaluable vocational skills and experience.

To-date, 46 interns have graduated from the program since 2014 and 31 of them were offered a career opportunity with Laguna Phuket.

Apprenticeship



Following the success of the Seedlings F&B Internship in Laguna Phuket since 2014, the Banyan Tree Group Apprenticeship Program was created to provide training and job opportunities for disadvantaged local community members aged 18 and above. It equips them with the necessary service and life skills to forge successful careers in the hospitality industry.

The program is designed to upskill local community talents aged 18 years and above, to prepare them for the hospitality industry, specifically in the following departments:

1. Kitchen
2. Food & Beverage Services
3. Housekeeping
4. Engineering
5. Guest Services

The nine-month curriculum includes training of English language proficiency, hospitality skills set, and Banyan Tree service culture. The duration of the course is between 1 November 2021 to 31 July 2022.

Of the 21 interns, 10 of them have been employed by Angsana during or after graduating. The age group ranged from 21 to 46 years old, indicating that there are no barriers to learning and self-development.



Driving Business for Sustainability

Laguna Phuket Associate Saving Co-Operative



Laguna Phuket Social Committee successfully established the Laguna Phuket Associate Saving Co-Operative in January 2010 with the objective of providing secure, reliable, profitable, and fair financial services to members. As “shareholders,” members are entitled to such benefits as annual dividends, low-interest loans, and high-interest savings schemes. To date, the cooperative holds Baht 41.57 million share volume with 602 associate members.

Laguna Phuket Children’s Day



On 8 January 2022, Laguna Phuket paid a visit to 7 orphanages of our Children First Fund (CFF) beneficiaries, to share the happiness to 400 orphans with snacks, ice cream, toys and learning materials worth Baht 113,000 on the National Children’s Day 2022. Our children’s day activities aim to encourage and inspire children to become active, informed, and concerned citizens of the next generation, and to help them recognize the importance of their role in society.

Children First Fund (CFF)



Driving Business for Sustainability

Children First Fund (CFF) is established as part of the celebrations commemorating the 30th anniversary of Laguna Phuket. The key objective of CFF is to constantly provide sustenance to more than 400 orphans and underprivileged children from 7 orphanages from Phuket and neighboring provinces.

CFF's motto is "Nourishing Hearts, Inspiring Dreams" because nurturing the hearts and minds of orphans in our community should also go hand-in-hand with providing material sustenance for their growing and developing brains.

In 2022, more than Baht 1,083,420 was spent for sustenance.

Feeding Community



Laguna Phuket is always providing free meals to the local communities and in 2022 more than 1,700 meals worth Baht 55,000 were served in 5 community events.

Community Support during Coronavirus Pandemic

During the Coronavirus Pandemic in 2022, Laguna Phuket has donated the necessities to our stakeholders worth Baht 37,696 as detailed below:

1. 50 sets of portable mattress were donated to Thalang District Office to set up COVID-19 community isolation centre at Cherngtalay temple.
2. Laguna Phuket distributed 100 sets of survival packs (rice, instant noodle, canned food, soy milk) to Cherngtalay Subdistrict Administrative Organization on March 11. The survival packs were given to the people of Cherngtalay community who tested COVID positive or home isolation in Cherngtalay area.

Flood Relief

Laguna Phuket donated 138 survival packs through the Phuket Social Development and Human Security Office, given to the people of Village No. 5, Ratsada Subdistrict, Mueang District, Phuket Province, which was affected by the great flood in Phuket on 27 October 2022.



Driving Business for Sustainability

5.3 Educational Empowerment

Educational empowerment initiatives aim to build the capacities of local communities and associates through our programs that empower people of all ages to help people pursue a life-long learning journey, and realize their potential.

At Laguna Phuket, we seek to fulfill our stakeholders’ needs to match guidance and knowledge to their interests and sources of inspiration. We believe that there is no greater empowerment than the will and feverish desire to learn something new every day.

Laguna Phuket Kindergarten



Originally established in 1992 as a Child Care Centre. The center is widely acknowledged as one of the best in Thailand and at the end of 2008 was formally established as Laguna Phuket Kindergarten, to provide free education to the children of our associates and community members, under the guidance of the Ministry of Education. Today, the greatly-expanded program caters to 141 children aged between three to six, with 12 certified teachers creating fun and educational daily activities. To-date, 1,771 students have enrolled at Laguna Phuket Kindergarten.

On 19 November 2022, Laguna Phuket Kindergarten celebrates its 30th anniversary with over 250 participants from local government organizations, teachers’ and students’ alumni, parents, and community members.

In addition to being a reunion of alumni and former teachers, Ms. Claire Chiang, co-founder of Banyan Tree Group and founder of the school, also announced the vision of early childhood education and introduced the new project called “Step-up International Laguna Kindergarten” (SILK) that will provide an early childhood education that opens for nursery and K1-K3, which is expanded from Laguna Phuket Kindergarten as an English program for children age 2–6 years old and will open in 2023.

Fully Booked! Mobile Learning Centre (MLC)

Fully Booked! Mobile Learning Center project aims to re-introduce reading, the basis of self-empowerment to children in the local community who lack adequate access to books on a diverse range of topics. The Mobile Learning Center was launched in April 2014 to provide a 2-in-1 service as a library and a classroom to increase the rate and quality of literacy among pilot schools in Phuket and neighboring provinces.

Driving Business for Sustainability



Our program start-up was funded by Baht 2.2 million fundraised from Laguna Phuket sports events and another Baht 2.2 million matching funds from Banyan Tree Global Foundation. MLC helps teachers creating learning courses including English day camp and local learning centre day trip benefiting over 183 students and 16 teachers in Phuket in 2022.

5.4 Health & Sports Promotion

Laguna Phuket is dedicated to helping people achieve a sensible work-life balance. We encourage people to work hard, and we promote play and leisure. We believe that leisure is the most fun when it exercises the mind and body, so our health and sports promotion events focus on meaningful sporting activities, such as Red Cross Blood Donation and Humanitarian Relief

Red Cross Blood Donation

Laguna Phuket is one of Thailand's prominent corporate blood donors to the Thai Red Cross Blood Donation Program. Since 2003, we have donated 2,159,100 cc of blood and 4,798 associates have participated in our Blood Drive program.



Driving Business for Sustainability

Laguna Phuket Triathlon

Laguna Phuket donated sport equipment worth Baht 60,000 to 4 local schools who supported cheer squads on the bike route of Laguna Phuket Triathlon event which was organized on 20 November 2022.



5.5 Environmental Preservation

Our Environmental Conservation initiatives emphasize raising awareness of climate change and human impact on local natural resources. In partnering with local conservation efforts, Laguna Phuket supports various initiatives that ensure sustainable rehabilitation of marine and shoreline resources around Phuket Island and nearby provinces.

EarthCheck

EarthCheck is the environmental certification program that Laguna Phuket is registered with as a precinct. The key objective is to monitor and improve our environmental practices to achieve sustainability outcomes in our business operations by providing a framework for environmental and social sustainability.

Laguna Phuket received EarthCheck's Bronze Status in September 2014, Silver Status in April 2015, and Gold Status since December 2020.

Greening Community Initiative

Since 2007, Laguna Phuket has worked in collaboration with Phuket Mangrove Station. In 2022, we planted 1,000 saplings on 10 August 2022 at Thasak Community, Thalang, Phuket. To-date over 33,500 saplings were planted in the southern provinces of Thailand. 1,590 associates have participated in this project and 720 community members have joined us.



Driving Business for Sustainability

Sea Turtle Conservation

Laguna Phuket has supported sea turtle conservation programs in Phuket province since 1994. Our efforts focus on raising funds and awareness in support of the Phuket Marine Biological Centre (PMBC) and the 3rd Area Naval Command, Royal Thai Navy, and their ongoing conservation and rehabilitation programs.

In 2022, 41 turtles were released to the Andaman Ocean with the help of 120 participants on 24 April and 1 May 2022 at Angsana Laguna Phuket's beachfront. Miscellaneous equipment worth Baht 49,303 were given to PMBC for the on-going research on sea turtle conservation. To-date, 2,186 turtles have been released and 4,830 people have participated in this program since 1994.



Cleaning Community

Laguna Phuket associates frequently participate in the cleaning community initiative with the local government and community members especially beach clean-ups that were organized 4 times in 2022. More than 375 kilograms of trash were collected by about 145 people.



Management's Discussion

Management's Discussion and Analysis (MD&A)

1 Analysis of Operating Results and Financial Position

For the year ended 31st December 2022, Thai Nationwide COVID-19 controls are fully relaxed, the hospitality business is likely to continue to grow. However, the recovery is not thorough because the Chinese government is still enforcing stringent rules to stop the coronavirus pandemic. Laguna Resorts & Hotels Public Company Limited can achieve a break-even point and turns a net profit of Baht 7 million. As a result, it had a slightly larger net profit compared to the previous year, when it had a net loss of Baht 1,032 million.

Total revenue for the year increased by Baht 3,308 million as compared to the last year primarily due to the followings:

- The overall revenue from hotel operations which comprises hotel, golf, and retail operations increased by Baht 1,710 million. Due to the government's fully relaxation of the coronavirus disease 2019, more convenient entry into Thailand and high season at the end of the year. As a result, the occupancy rates, average daily rates (ADR), and revenue per available room (RevPAR) of hotels have all significantly improved.
- Revenue from property development operations which comprises property sales and the sale of holiday club memberships increased by Baht 1,572 million. The variance is largely attributed to the higher revenue recognition of property sales projects namely Skypark, Angsana Beach Front Residence, Cassia, Banyan Tree Expansion, Laguna Park 2 projects. At the time of this report, there was a total of Baht 5,963 million in property sales revenue which will be recognised in the future barring any cancellations.
- Revenue from office rental operations which includes office rental at Thai Wah Tower I and retail shop rental at Canal Village (Phuket), increased by Baht 9 million mostly as a result of Canal Village. All retail stores have been fully operational as normal, therefore tenants were billed for the entire year of 2022's rental costs. However, the Group did not charge rental costs to some stores that temporarily closed during the first half year of 2021, and reopened at the end of year 2021.
- Other income increased by Baht 17 million mainly due to gain on revaluation of investment properties amounting to Baht 35 million in 2022 (2021: Nil). However, gain of Baht 13 million from the sales of a warehouse in Singapore was recognised in 2021 (2022: Nil).

Total expenses increased by Baht 2,381 million as compared to the previous year, attributed to the followings:

- The cost of hotel operations increased by Baht 717 million due to increase in line with the hotel revenue.
- The cost of property development operations increased by Baht 919 million as a result of higher revenue recognition of property sales during this year.
- Cost of office rental operations rose by Baht 6 million mostly due to an increase in repair and maintenance expenses of Thai Wah Tower I in 2022, whereas there were no such expenses last year as a result of cost savings from the COVID-19 situation. Additionally, cost of electricity at Canal Village has slightly increased from the previous year.
- Selling expenses increased by Baht 339 million due to higher in commission expenses from more successful property sales along with higher sales and marketing expenses from ongoing hotel operations throughout the year.

Management's Discussion

- Administrative expenses increased by Baht 400 million mainly due to an increase in management and royalty fees in line with hotel revenue, and also an increase in land and building tax as a result of the cancellation of the relief measure in the current year. Moreover, as compared to the last year, there was a significant rise in exchange loss as a result of exchange expenses also increased in line with the growth in employment.

Finance cost dropped by Baht 32 million, mainly due to lower interest rates as a result of loan restructuring at the end of last year. They were reduced from 3.75%-4.25% per annum to 2% per annum since the quarter 1 of 2022.

Income tax expenses decreased by Baht 87 million mainly because in 2022, the Group set up deferred tax assets for tax losses as the Group believes the taxable profits may be sufficient to utilize in the future.

Profit attributable to the non-controlling interests of the subsidiaries decreased by Baht 3 million, mostly as a result of decreased gallery operations profits in Singapore, which were profit from warehouse sales the previous year.

For the reasons stated above, the company's profit is higher as compared to last year.

Hotel Operations

(Unit: Million Baht)

	2022	%	2021	%	2020	%
Revenues	2,398	100	688	100	1,206	100
Expenses	1,582	66	865	126	1,172	97
Gross Operating Profit	816	34	(177)	(26)	34	3

- With the recovery of tourism, 2022 outperformed last year in terms of revenue & GOP. Despite higher revenue, flow through was severely impacted by payroll expenses due to the increase in headcount required to support the higher occupancy plus increased utility unit cost.
- Banyan Tree Bangkok hit 55% occupancy with the ADR of THB 4,000. The hotel has continued to leverage its reputation for being one of the best food & beverage establishments in Bangkok, with 50% of its revenue coming from F&B.
- Phuket hotels have shown a steady increase of their performance since the Phuket Sandbox in Q4 2021 and turnaround year with occupancy jumping to 65% in Q4 2022. ADR followed occupancy in being well above both 2021. The most significant contributor in room revenue for Phuket hotels was European market which are from Russia, followed by Great Britain, Germany, Switzerland and France respectively.
- The highest value source of reservations is Hotel Direct, mainly from email/phone, GDS, CRO and other at 57% of room revenue and 63% of room nights booked. Brand website bookings increased by 5% against 2021 which shows that we have gradually grown more brand awareness and recognition.



Management's Discussion

Property Sales and Holiday Club Membership Operations

(Unit: Million Baht)

	2022	%	2021	%	2020	%
Revenues	2,314	100	742	100	1,573	100
Expenses	1,322	57	403	54	863	55
Gross Operating Profit	992	43	339	46	710	45

- Revenues and expenses were Baht 2,314 million and Baht 1,322 million, respectively, higher than last year. The difference is largely attributed to the higher revenue recognition of Skypark Aurora project compared to last year. The operating margin of 43 percent was slightly lower than the years 2021 and 2020 which were 46 percent and 45 percent, respectively.
- The income of the remaining sold units of Baht 5,963 million will be recognized in the future barring any cancellations.

Balance Sheet

The main balance sheet items at 31 December 2022 and 2021 are as follows:

(Unit: Million Baht)

	Note	31 December 2022	31 December 2021
Cash and cash equivalents	1	1,178	732
Trade and other receivables	2	1,322	1,151
Property development cost	3	3,658	4,173
Investment in associates	4	991	986
Investment properties	5	1,417	1,382
Property, plant, equipment and land	6	12,251	12,329
Loans from banks	7	5,899	6,537
Deferred tax liabilities	8	2,862	2,868
Shareholders' equity	9	9,848	9,822

The main points regarding the Balance Sheet movements in the year ended 31 December 2022 are:

- The main movements of cash and cash equivalents are explained in the commentary on Cash Flows below.
- Trade accounts receivable and other account receivable balances are higher than last year due to the increase in receivables from hotel and property development operations of Baht 158 million along with higher amounts due from related parties and other receivables of Baht 38 million and Baht 25 million, respectively. However, long-term trade accounts receivable decreased by Baht 50 million resulting to total variance of Baht 171 million.
- Property development cost decreased by Baht 515 million from last year as 250 sold units of Skypark project were recognised during the year.

Management's Discussion

4. The increase in investment in associates is attributed to share of profit from Thai Wah Public Company Limited.
5. The investment property increased from the prior year due to fair value adjustments recognised in December 2022.
6. The decrease in property, plant, equipment and land is mainly due to depreciation during the year.
7. Loans from banks mainly decreased due to long-term loan repayments of Baht 688 million and lower balances of bank overdrafts and short-term loans of Baht 101 million offset by long-term loan draw drawn of Baht 151 million.
8. Deferred tax liabilities comprised of revaluation surplus on assets of Baht 1,744 million, gain on revaluation of investment properties of Baht 209 million, unearned income of Baht 1,374 million, and other temporary differences of Baht 125 million. The deferred tax liabilities were offset with Baht 590 million of deferred tax assets resulting to the balance of Baht 2,862 million.
9. The increase in shareholders' equity is due to Baht 5 million of net profit and Baht 21 million of other comprehensive income for the year 2022.

Cash Flows

The cash and cash equivalents of Baht 1,178 million as at 31 December 2022 is Baht 446 million increased from 31 December 2021. The main component of cash inflow during the year was the net cash flow from operations amounting to Baht 1,509 million. This was largely a function of advance received from customers and cash received from sales of properties during the year.

The drawdown of long-term loans from financial institutions of Baht 151 million, reclassification of restricted deposits from non-current assets to cash of Baht 24 million and dividend received from investment in associate of Baht 19 million also contributed to the cash inflow in 2022.

Cash outflow comprised mainly of financing activities including long-term loan repayments of Baht 706 million decrease in bank overdrafts and short-term loans of Baht 101 million, dividend payment of Baht 130 million, and lease liabilities payment of Baht 35 million.

The Group also invested in fixed assets of Baht 293 million which largely relates to hotel capital expenditures and the renovations of Banyan Tree Bangkok, Banyan Tree Phuket, and Angsana Phuket.

Cash Inflow	Million Baht	Cash Outflow	Million Baht
Long-term loan drawdown	151	Long-term loan repayment	706
Reclassification of restricted deposits	24	Cash paid for acquisition of fixed assets	293
Dividend received from investment in associate	19	Dividend paid	130
Cash received from sales of fixed assets	3	Decrease in bank overdrafts and short-term loans	101
Net exchange differences on translation	5	Payment of lease liabilities	35
Cash flow from operations	1,509		
Total	1,711	Total	1,265



Management's Discussion

Commentary on Consolidated Financial Ratios

Liquidity ratios

- Current ratio – This is lower than the prior-year due to an increase in current liabilities which are largely a function of accrued bonus and advance receipts from customers.
- Quick ratio – This higher than the prior-year due to an increase in cash and cash equivalents and trade accounts receivable.
- Cash flow from operating activities ratio – This is higher than the prior-year due to an increase in advance received from customers and cash received from sales of properties during the year.
- Receivable turnover – This is higher than the prior-year due to a significant increase in revenue from hotels and property development operations.
- Inventory turnover – This is higher than the prior-year due to an increase in direct hotel operations expenses.
- Inventory turnover period – This is lower than the prior-year as the inventory turnover is high.
- Accounts payable turnover – This is higher than the prior-year due to an increase in direct hotel operations expenses.
- Payment period – This is lower than the prior-year as the accounts payable turnover is high.
- Cash cycle – This is lower than the prior-year due to a decrease in receivable collection period and inventory turnover period.

Profitability ratios

- Gross profit margin – This is higher than the prior-year due to an increase in revenues from hotel, property development, and office rental operations.
- Profit margin from operations – This is higher than the prior year due to an increase in profit from property development operations.
- Net profit margin from operations and return on equity – These are higher than the prior year due to an increase in profit from property development operations and income tax revenue.

Efficiency ratios

- Return on total assets and return on fixed assets– These are higher than the prior year due to an increase in revenue from property development operations.

Financial policy ratios

- Debt to equity – This is higher than the prior-year due to an increase in advance receipts from customers, trade payables, and other liabilities.

Management's Discussion

- Interest coverage and Pay-out ratio (cash) – These are higher than the prior-year due to an increase in cash flow from operations.
- Dividend payout ratio – This is based on the dividend policy which is subject to the Board of Directors' discretion on the availability of cash after taking into account major capital expenditure and debt repayment obligations.

2 Factors or Events Probably affecting Financial Position or Future Operation

Please see section 1 - Structure And Business Operations that identifies the factors or events probably affecting Financial Position and future operation.

Please see section 3 - Financial Highlights that identify the accounting standards that will become effective in the future. However, The Company's management believes that these accounting standards, financial reporting standards, accounting standard interpretations, and financial reporting standards interpretations will not have any significant impact on the financial statements for the year when they are initially applied.

3 Financial Highlights

3.1 Summary of Financial Position and Operating Results for the past 3 years

Summary of Auditors' Findings and Significant Accounting Policies

Conclusion of the Auditor's Report

For the year ended 31 December 2022

The name of the Company's and its subsidiaries' auditor for the 2022 Financial Statements is Ms. Pimjai Manitkajohnkit, Certified Public Accountant (Thailand) No. 4521 of EY Office Limited.

In summary, a clean audit report was issued.

The financial statements were audited in accordance with Thai Standards on auditing which included compliance with ethical requirements and plan and performing the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

The auditor issued a clean audit opinion on the financial statements for the year ended 31 December 2022 and stated that the financial statements are presented fairly in all material respects. The financial position, financial performance and cash flows for the year then ended of the Company and its subsidiaries have been prepared in accordance with Thai Financial Reporting Standards.

For the year ended 31 December 2021

The name of the Company's and its subsidiaries' auditor for the 2021 Financial Statements is Ms. Pimjai Manitkajohnkit, Certified Public Accountant (Thailand) No. 4521 of EY Office Limited.

In summary, unqualified opinion with an emphasis of matters.

The financial statements were audited in accordance with Thai Standards on auditing which included



Management's Discussion

compliance with ethical requirements and plan and performing the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

The auditor issued a clean audit opinion with an emphasis of matters on the financial statements for the year ended 31 December 2021 and stated that the financial statements are presented fairly in all material respects. The financial position, financial performance and cash flows for the year then ended of the Company and its subsidiaries have been prepared in accordance with Thai Financial Reporting Standards.

For the year ended 31 December 2020

The name of the Company's and its subsidiaries' auditor for the 2020 Financial Statements is Ms. Rosaporn Decharkom, Certified Public Accountant (Thailand) No. 5659 of EY Office Limited.

In summary, unqualified opinion with an emphasis of matters.

The financial statements were audited in accordance with Thai Standards on auditing which included compliance with ethical requirements and plan and performing the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

The auditor issued a clean audit opinion with an emphasis of matters on the financial statements for the year ended 31 December 2020 and stated that the financial statements are presented fairly in all material respects. The financial position, financial performance and cash flows for the year then ended of the Company and its subsidiaries have been prepared in accordance with Thai Financial Reporting Standards.

New financial reporting standards

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

During the year, the Group has adopted the revised financial reporting standards and interpretations which are effective for fiscal years beginning on or after 1 January 2022. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

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

(b) Financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2023

The Federation of Accounting Professions issued a number of revised financial reporting standards, which are effective for fiscal years beginning on or after 1 January 2023. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and, for some standards, providing temporary reliefs or temporary exemptions for users.

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

Management's Discussion

3.2 Summary of Financial Statements

Consolidated Income Statement

(Unit : Baht)

	Consolidated		
	2022	2021	2020
Revenues			
Revenue from hotel operations	2,397,982,387	688,006,154	1,206,726,678
Revenue from property development operations	2,314,067,434	741,762,370	1,572,726,655
Revenue from office rental operations	35,801,267	27,201,935	35,836,691
Other income	48,818,357	31,930,043	19,028,653
Total revenues	4,796,669,445	1,488,900,502	2,834,318,677
Expenses			
Cost of hotel operations	1,581,799,275	864,704,677	1,172,168,715
Cost of property development operations	1,322,326,909	403,447,404	863,035,873
Cost of office rental operations	25,544,012	19,786,476	24,204,509
Selling expenses	479,555,173	140,417,665	228,328,182
Administrative expenses	1,263,241,169	863,444,259	1,166,730,538
Total expenses	4,672,466,538	2,291,800,481	3,454,467,817
Profit (loss) before share of profit (loss) from investment in associate, finance cost and income tax expenses	124,202,907	(802,899,979)	(620,149,140)
Share of profit from investments in associates	28,529,666	31,668,870	2,626,307
Profit before finance cost and income tax expenses	152,732,573	(771,231,109)	(617,522,833)
Finance income	40,919,275	47,643,592	51,728,130
Finance cost	(201,884,032)	(233,775,187)	(234,822,190)
Profit (loss) before income tax expenses	(8,232,184)	(957,362,704)	(800,616,893)
Income tax (expenses) revenue	13,504,746	(73,351,136)	(167,597,683)
Profit (loss) for the year	5,272,562	(1,030,713,840)	(968,214,576)
Profit (loss) attributable to:			
Equity holders of the Company	7,106,270	(1,031,757,438)	(947,298,557)
Non-controlling interests of the subsidiaries	(1,833,708)	1,043,598	(20,916,019)
	5,272,562	(1,030,713,840)	(968,214,576)
Basic earnings per share			
Profit (loss) attributable to equity holders of the Company	0.04	(6.19)	(5.68)



Management's Discussion

Consolidated Statement of Comprehensive Income

(Unit : Baht)

	Consolidated		
	2022	2021	2020
Profit (loss) for the year	5,272,562	(1,030,713,840)	(968,214,576)
Other comprehensive income:			
Exchange differences on translation of financial statements in foreign currency	10,237,281	(9,234,718)	(253,507)
Actuarial loss of post-employment benefits, net of income tax	-	-	(27,938,606)
Share of other comprehensive income (loss) from associate	(3,932,685)	5,414,288	(11,596,100)
Loss on changes in value of equity investments designated at fair value through other comprehensive income	15,117,318	106,472,478	(188,702,536)
Addition (reversal) of revaluation surplus on assets, net of income tax	-	-	(37,585,679)
Other comprehensive income (loss) for the year	21,421,914	102,652,048	(266,076,428)
Total comprehensive income (loss) for the year	26,694,476	(928,061,792)	(1,234,291,004)
Total comprehensive income (loss) attributable to:			
Equity holders of the Company	27,320,167	(928,929,741)	(1,213,149,932)
Non-controlling interests of the subsidiaries	(625,691)	867,949	(21,141,072)
	26,694,476	(928,061,792)	(1,234,291,004)

Management's Discussion

Consolidated Statement of Financial Position

(Unit : Baht)

	Consolidated		
	31 December 2022	31 December 2021	31 December 2020
Assets			
Current assets			
Cash and cash equivalents	1,178,455,101	731,928,991	568,735,346
Trade and other receivables	901,674,139	679,490,563	782,756,373
Inventories	69,883,601	60,150,452	72,767,038
Property development cost	3,657,996,712	4,172,649,163	4,164,706,156
Cost to obtain contracts with customers	185,667,433	151,626,427	101,311,721
Other current financial assets	16,685,254	2,366,917	2,268,852
Other current assets	158,961,690	109,394,606	156,911,081
Total current assets	6,169,323,930	5,907,607,119	5,849,456,567
Non-current assets			
Long-term restricted deposits at financial institution	-	38,101,359	38,034,317
Other non-current financial assets	865,168,194	846,271,547	713,180,950
Long-term trade accounts receivable	420,722,133	471,147,372	723,503,500
Investments in associates	991,141,335	985,618,483	960,373,829
Investment properties	1,416,981,060	1,382,223,342	1,410,577,067
Property, plant and equipment	12,250,505,682	12,329,261,455	12,653,408,200
Right-of-use assets	44,680,216	38,467,763	56,541,071
Deferred tax assets	69,284,925	35,446,865	45,009,396
Goodwill	407,903,881	407,903,881	407,903,881
Other non-current assets	47,601,188	45,721,906	13,194,120
Total non-current assets	16,513,988,614	16,580,163,973	17,021,726,331
Total Assets	22,683,312,544	22,487,771,092	22,871,182,898



Management's Discussion

Consolidated Statement of Financial Position (continued)

(Unit : Baht)

	Consolidated		
	31 December 2022	31 December 2021	31 December 2020
Liabilities and Shareholders' Equity			
Current liabilities			
Bank overdraft and short-term loans from financial institutions	1,080,000,000	1,181,162,030	1,308,804,224
Trade and other payables	1,321,269,958	1,131,976,898	1,396,738,320
Current portion of long-term loans from financial institutions	296,628,539	540,074,719	737,411,289
Current portion of lease liabilities	59,317,287	48,032,696	40,167,609
Income tax payable	16,471,201	15,724,553	10,195,002
Advance received from customers	1,648,296,851	1,218,898,193	835,916,092
Other current liabilities	296,419,135	223,188,079	226,784,672
Total current liabilities	4,718,402,971	4,359,057,168	4,556,017,208
Non-current liabilities			
Long-term loans from financial institutions – net of current portion	4,521,995,500	4,815,629,379	4,357,658,451
Long-term loan from related company	6,000,000	22,950,000	26,950,000
Provision for long-term employee benefits	106,714,420	106,801,767	113,275,550
Provision for legal case	-	-	1,773,685
Deferred tax liabilities	2,862,276,097	2,868,319,912	2,810,792,810
Lease liabilities, net of current portion	35,292,929	30,171,568	38,642,204
Other non-current liabilities	584,152,875	463,058,022	213,959,917
Total non-current liabilities	8,116,431,821	8,306,930,648	7,563,052,617
Total liabilities	12,834,834,792	12,665,987,816	12,119,069,825
Shareholders' equity			
Share capital			
Registered			
211,675,358 ordinary shares of Baht 10 each	2,116,753,580	2,116,753,580	2,116,753,580
Issued and fully paid-up			
166,682,701 ordinary shares of Baht 10 each	1,666,827,010	1,666,827,010	1,666,827,010
Share premium	2,062,460,582	2,062,460,582	2,062,460,582
Share discount from change in proportion of investment in subsidiary	(7,372,319)	-	-
Capital reserve	568,130,588	568,130,588	568,130,588
Retained earnings			
Appropriated – statutory reserve	211,675,358	211,675,358	211,675,358
Unappropriated	(493,903,003)	(556,050,684)	447,533,915
Other components of shareholders' equity	5,715,775,515	5,750,603,029	5,675,948,171
Equity attributable to owner of the Company	9,723,593,659	9,703,645,883	10,632,575,624
Equity attributable to non-controlling interests of the subsidiaries	124,884,093	118,137,393	119,537,449
Total shareholders' equity	9,848,477,752	9,821,783,276	10,752,113,073
Total Liability and Shareholders' equity	22,683,312,544	22,487,771,092	22,871,182,898

Management's Discussion

Consolidated Cash Flow Statement

(Unit : Baht)

	Consolidated		
	2022	2021	2020
Cash flows from (used in) operating activities			
Net cash inflows (outflows) from operating activities	1,509,370,550	116,678,844	31,594,092
Cash flows from (used in) investing activities			
Net cash inflows (outflows) from investing activities	(246,944,898)	(51,797,937)	(148,482,647)
Cash flows from (used in) financing activities			
Net cash inflows (outflows) from financing activities	(821,412,092)	109,599,512	51,834,784
Net exchange differences on transaction of financial statements in foreign currency	5,512,550	(11,286,774)	1,245,594
Net increase (decrease) in cash and cash equivalents	446,526,110	163,193,645	(63,808,177)
Cash and cash equivalents at beginning of year	731,928,991	568,735,346	632,543,523
Cash and cash equivalents at end of year	1,178,455,101	731,928,991	568,735,346



Management's Discussion

Separate Income Statement

(Unit : Baht)

	Separate		
	2022	2021	2020
Revenues			
Revenue from hotel operations	30,167,291	-	14,010,713
Revenue from office rental operations	11,501,384	4,040,997	9,258,812
Other income	113,883,959	76,509,986	109,073,136
Total revenues	155,552,634	80,550,983	132,342,661
Expenses			
Cost of hotel operations	16,652,489	-	20,768,839
Cost of office rental operations	4,748,173	4,376,781	4,736,496
Selling expenses	194,475	207,402	5,054,208
Administrative expenses	199,242,031	126,129,429	116,716,184
Total expenses	220,837,168	130,713,612	147,275,727
Profit (loss) before finance cost and income tax expenses	(65,284,534)	(50,162,629)	(14,933,066)
Finance income	46,761,266	57,018,505	81,085,090
Finance cost	(77,818,371)	(76,352,049)	(84,403,957)
Profit (loss) before income tax expenses	(96,341,639)	(69,496,173)	(18,251,933)
Income tax (expenses) revenue	723,988	(169,580)	(10,667,964)
Profit (loss) for the year	(95,617,651)	(69,665,753)	(28,919,897)
Profit (loss) attributable to:			
Equity holders of the Company	(95,617,651)	(69,665,753)	(28,919,897)
Basic earnings per share			
Profit (loss) attributable to equity holders of the Company	(0.57)	(0.42)	(0.17)

Management's Discussion

Separate Statement of Comprehensive Income

(Unit : Baht)

	Separate		
	2022	2021	2020
Profit (loss) for the year	(95,617,651)	(69,665,753)	(28,919,897)
Other comprehensive income:			
Actuarial loss of post-employment benefits, net of income tax	-	-	(5,103,156)
Other comprehensive income for the year	-	-	(5,103,156)
Total comprehensive income (loss) for the year	(95,617,651)	(69,665,753)	(34,023,053)
Total comprehensive income (loss) attributable to:			
Equity holders of the Company	(95,617,651)	(69,665,753)	(34,023,053)



Management's Discussion

Separate Statement of Financial Position

(Unit : Baht)

	Separate		
	31 December 2022	31 December 2021	31 December 2020
Assets			
Current Assets			
Cash and cash equivalents	45,351,036	148,700,860	146,680,693
Trade and other receivables	281,071,385	274,005,008	208,490,137
Property development cost	111,429,000	111,429,000	111,429,000
Other current financial assets	2,373,947	2,366,917	2,268,852
Other current assets	10,511,337	5,425,898	20,055,412
Total current assets	450,736,705	541,927,683	488,924,094
Non-current assets			
Investments in subsidiaries	4,242,655,372	4,242,655,371	4,242,655,371
Investments in associates	777,454,049	777,454,049	777,454,049
Long-term loans to subsidiaries	1,467,550,000	1,286,550,000	1,255,550,000
Investment properties	194,498,210	181,602,200	181,602,200
Property, plant and equipment	33,224,265	36,375,900	41,690,319
Right-of-use assets	4,024,903	1,292,455	3,039,352
Other non-current assets	10,879,792	9,438,108	1,342,353
Total non-current assets	6,730,286,591	6,535,368,083	6,503,333,644
Total Assets	7,181,023,296	7,077,295,766	6,992,257,738

Management's Discussion

Separate Statements of Financial Position (continued)

(Unit : Baht)

	Separate		
	31 December 2022	31 December 2021	31 December 2020
Liabilities and Shareholder' Equity			
Current liabilities			
Bank overdrafts and short-term loans from financial institutions	650,000,000	650,000,000	670,000,000
Trade and other payables	120,749,729	200,481,203	187,234,234
Current portion of long-term loans from financial institutions	1,500,000	-	26,500,000
Current portion of lease liabilities	5,390,080	5,996,204	6,017,412
Other current liabilities	22,976,046	14,587,180	12,877,535
Total current liabilities	800,615,856	871,064,587	902,629,181
Non- current liabilities			
Long-term loans from subsidiaries	478,500,000	228,500,000	132,500,000
Long-term loans from financial institutions – net of current portion	1,373,838,131	1,374,899,977	1,327,695,428
Provision for long-term employee benefits	12,436,438	14,340,713	29,213,460
Deferred tax liabilities	115,549,415	116,273,403	116,103,823
Lease liabilities, net of current portion	2,265,006	620,413	116,827
Other non-current liabilities	113,807,835	91,968,407	34,705,000
Total non-current liabilities	2,096,396,825	1,826,602,913	1,640,334,538
Total liabilities	2,897,012,681	2,697,667,500	2,542,963,719
Shareholders' equity			
Share capital			
Registered			
211,675,358 ordinary shares of Baht 10 each	2,116,753,580	2,116,753,580	2,116,753,580
Issued and fully paid-up			
166,682,701 ordinary shares of Baht 10 each	1,666,827,010	1,666,827,010	1,666,827,010
Share premium	2,062,460,582	2,062,460,582	2,062,460,582
Retained earnings			
Appropriated – statutory reserve	211,675,358	211,675,358	211,675,358
Unappropriated	201,734,273	297,351,924	367,017,677
Other components of shareholders' equity	141,313,392	141,313,392	141,313,392
Total shareholders' equity	4,284,010,615	4,379,628,266	4,449,294,019
Total Liabilities and Shareholder' Equity	7,181,023,296	7,077,295,766	6,992,257,738



Management's Discussion

Separate Cash Flow Statement

(Unit : Baht)

	Separate		
	2022	2021	2020
Cash flows from (used in) operating activities			
Net cash inflows (outflows) from operating activities	(51,857,626)	(73,130,340)	(127,251,018)
Cash flows from (used in) investing activities			
Net cash inflows (outflows) from investing activities	(168,204,068)	(19,437,664)	654,806,495
Cash flows from (used in) financing activities			
Net cash inflows (outflows) from financing activities	116,711,870	94,588,171	(402,580,325)
Net increase (decrease) in cash and cash equivalents	(103,349,824)	2,020,167	124,975,152
Cash and cash equivalents at beginning of year	148,700,860	146,680,693	21,705,541
Cash and cash equivalents at end of year	45,351,036	148,700,860	146,680,693

Management's Discussion

3.3 Financial ratios of the Company and its subsidiaries

Consolidated Financial Ratios

		Consolidated		
		2022	2021	2020
Liquidity Ratios				
Current Ratio	Times	1.31	1.35	1.28
Quick Ratio	Times	0.39	0.29	0.25
Cash Flow From Operating Activities Ratio	Times	0.33	0.03	0.01
Receivables Turnover	Times	7.08	2.33	4.24
Collection Period	Days	50.85	154.51	84.91
Inventory Turnover	Times	24.33	13.01	14.55
Inventory Turnover Period	Days	14.80	27.67	24.74
Accounts Payable Turnover	Times	4.05	2.62	2.19
Payment Period	Days	88.89	137.40	164.38
Cash Cycle	Days	(23.25)	44.78	(54.74)
Profitability Ratios				
Gross Profit Margin	%	38.29	11.60	26.85
Profit Margin from Operations	%	2.62	(55.11)	(22.03)
Net Profit Margin	%	0.15	(67.15)	(32.82)
Return On Equity	%	0.07	(10.03)	(8.25)
Efficiency Ratios				
Return On Total Assets	%	0.03	(4.55)	(4.08)
Return On Fixed Assets	%	3.04	(4.22)	(3.26)
Asset Turnover	Times	0.21	0.07	0.12
Financial Policy Ratios				
Debt To Equity	Times	1.30	1.29	1.13
Interest Coverage	Times	8.10	0.99	1.03
Payout Ratio (Cash Basis)	Times	1.19	0.27	0.03
Dividend Payout Ratio	%	18.3	-	-
Share value				
Book Value Per Share	Baht	59.09	58.93	64.51
Earnings Per Share	Baht	0.04	(6.19)	(5.68)
Dividend Per Share	Baht	-	-	-
Growth rate				
Total Assets	%	0.87	(1.68)	(2.78)
Total Liabilities	%	1.33	4.51	7.12
Total Revenues	%	214.84	(46.76)	(53.13)
Total Expenses	%	103.88	(33.66)	(36.59)
Net Income (Loss)	%	(100.69)	8.92	(360.17)



Management's Discussion

Separate Financial Ratios

		Separate		
		2022	2021	2020
Liquidity Ratios				
Current Ratio	Times	0.56	0.62	0.54
Quick Ratio	Times	0.06	0.17	0.17
Cash Flow From Operating Activities Ratio	Times	(0.06)	(0.08)	(0.15)
Receivables Turnover	Times	4.95	0.54	3.69
Collection Period	Days	72.73	666.67	97.56
Inventory Turnover	Times	-	-	-
Inventory Turnover Period	Days	-	-	-
Accounts Payable Turnover	Times	2.82	0.63	6.62
Payment Period	Days	127.66	571.43	54.38
Cash Cycle	Days	(54.93)	95.24	43.18
Profitability Ratios				
Gross Profit Margin	%	48.64	(8.27)	(9.61)
Profit Margin from Operations	%	(239.05)	(1,836.30)	(64.17)
Net Profit Margin	%	(47.26)	(50.64)	(13.55)
Return On Equity	%	(2.21)	(1.58)	(0.61)
Efficiency Ratios				
Return On Total Assets	%	(1.34)	(0.99)	(0.40)
Return On Fixed Assets	%	(40.08)	(27.41)	(8.02)
Asset Turnover	Times	0.03	0.02	0.03
Financial Policy Ratios				
Debt To Equity	Times	0.68	0.62	0.57
Interest Coverage	Times	(0.34)	(0.70)	(0.88)
Payout Ratio (Cash Basis)	Times	(0.04)	(0.09)	(0.08)
Dividend Payout Ratio	%	(136.01)	-	-
Share value				
Book Value Per Share	Baht	25.70	26.28	26.69
Earnings Per Share	Baht	(0.57)	(0.42)	(0.17)
Dividend Per Share	Baht	-	-	-
Growth rate				
Total Assets	%	1.47	1.22	(5.07)
Total Liabilities	%	7.39	6.08	6.75
Total Revenues	%	47.06	(35.54)	(83.40)
Total Expenses	%	68.95	(11.25)	(30.64)
Net Income (Loss)	%	(37.25)	(140.89)	102.83

Other Material Information

Other Material Information

Companies in which the Company's Shareholding Exceeds 10 percent

The following is a list of companies in which the Company made investments, in the form of shareholding of 10 percent or more of the total number of shares issued as of 31 December 2022.

Company (Abbreviations)	Type of Business	Head Office	Registered Capital (Baht)	Par Value (Baht/Share)	Paid-Up Capital (Baht)	Shareholding Proportion (Direct+ Indirect*) (%)	Telephone
AVCI	Holiday club membership and golf club operations	Bintan	USD7,000,000	USD10.00	USD6,599,350	100.00	(62) 770 693 402
BGL	Hotel operations and property development	Phuket	1,546,000,000	100.00	1,546,000,000	100.00	66 (0) 7632 4101-7
BI	Investment holdings	British Virgin Islands	USD50,000	USD0.01	USD10,100	19.80	(65) 6849 5888
BT1	Owns land on which the golf course is situated	Phuket	20,930,000	100.00	20,930,000	100.00	66 (0) 7636 2300
BT2	Owns land on which the golf course is situated	Phuket	19,100,000	100.00	19,100,000	100.00	66 (0) 7636 2300
BT3	Property development	Phuket	7,750,000	100.00	7,750,000	100.00	66 (0) 7636 2300
BTC	Investment holdings	Singapore	-**	-**	SGD235,435,987	10.69	(65) 6849 5888
BTG(S)	Sale of merchandise	Singapore	-**	-**	SGD432,000	51.00	(65) 6849 5888
BTG(T)	Sale of merchandise	Bangkok	7,750,000	100.00	7,750,000	51.00	66 (0) 2677 3100
BTL	Owns land on which a hotel is situated and property development	Phuket	80,000,000	100.00	80,000,000	100.00	66 (0) 7636 2300
CGL	Investment holding	Hong Kong	-***	-***	HKD2	100.00	(852) 2598 5234
HHBR	Dormant	Bangkok	10,000,000	10.00	10,000,000	10.00	66 (0) 2454 0037
L3	Owns land on which a hotel is situated	Phuket	100,000	100.00	100,000	100.00	66 (0) 7636 2300
LBTL	Hotel operations, property development and sales and marketing service for holiday club membership	Phuket	1,500,000,000	100.00	1,500,000,000	100.00	66 (0) 7632 4374
LEL	Travel operations	Phuket	8,000,000	100.00	8,000,000	49.00	66 (0) 7636 2300
LGL	Golf club operations and property development	Phuket	1,000,000,000	100.00	1,000,000,000	100.00	66 (0) 7636 2300



Other Material Information

Companies in which the Company's Shareholding Exceeds 10 percent (con't)

Company (Abbreviations)	Type of Business	Head Office	Registered Capital (Baht)	Par Value (Baht/Share)	Paid-Up Capital (Baht)	Shareholding Proportion (Direct+Indirect*) (%)	Telephone
LHC	Holiday club membership	Phuket	330,000,000	100.00	330,000,000	100.00	66 (0) 7636 2400
LJL	Employment service	Phuket	179,000,000	100.00	179,000,000	100.00	66 (0) 7636 2300
LLL	Property development	Phuket	1,000,000	100.00	1,000,000	95.00	66 (0) 7636 2300
LSC	Provide utilities and other services	Phuket	90,500,000	100.00	90,500,000	72.90	66 (0) 7630 5639
MCP	Holds land plots for future development	Bangkok	232,300,000	100.00	232,300,000	100.00	66 (0) 2677 4455
PGR	Property development and hotel operations	Phuket	100,000,000	100.00	100,000,000	100.00	66 (0) 7636 2300
PSD	Holds land plots for future development	Bangkok	28,400,000	100.00	28,400,000	100.00	66 (0) 2677 4455
TLDC	Holds land plots for future development	Bangkok	251,000,000	1,000.00	251,000,000	50.00	66 (0) 2677 4455
TRL	Resort investment and development	Hong Kong	***	***	USD21,000,000	25.87	(852) 2869 7333
TWL	Property development	Phuket	214,370,000	100.00	214,370,000	100.00	66 (0) 7636 2300
TWPC	Manufacture and distribution tapioca starch products and starch-related products such as vermicelli, noodles and sago	Bangkok	880,420,930	1.00	880,420,930	10.03	66 (0) 2285 0040
TWPL	Hotel operations, lease of office building space and property development	Bangkok	2,250,000,000	100.00	2,250,000,000	100.00	66 (0) 2677 4455
TWRH	Investment holding and property development	Bangkok	1,565,085,000	100.00	1,565,085,000	100.00	66 (0) 2677 4455
TWT	Lease of office building space	Bangkok	455,000,000	100.00	455,000,000	100.00	66 (0) 2677 4455
TWT2	Owns land on which a hotel is situated	Bangkok	21,000,000	100.00	21,000,000	100.00	66 (0) 2677 4455
V9F	Farming and restaurant	Chiang Mai	2,000,000	100.00	2,000,000	100.00	66 (0) 7636 2300

Remarks:

- * Indirect takes into account only those companies in which the Company has shareholding through a subsidiary(ies) (exceeding 50 percent)
- ** With effect from 30 January 2006, the concepts of authorized / registered capital and par value have been abolished by law in respect of all Singapore companies.
- *** With effect from 3 March 2014, the concepts of authorized / registered capital and par value have been abolished by law in respect of all Hong Kong companies.

- Full Company name as shown in the section of "Abbreviations"

Other Material Information

Legal Disputes

As of the date in preparing this report, the litigations in which the Company or its subsidiaries are parties to are minor legal disputes with no material impact on the Company's business operations.

For those minor legal disputes, please refer to clause 42 of the Company's notes to consolidated financial statements.

Secondary Market

-None-

Regularly Contacted Financial Institutions

- Siam Commercial Bank Public Company Limited, Head Office
- Siam Commercial Bank Public Company Limited, Thanon Sathon Branch
- Siam Commercial Bank Public Company Limited, Phuket Branch
- Kasikorn Bank Public Company Limited, Head Office
- Kasikorn Bank Public Company Limited, Silom Main Branch
- Bangkok Bank Public Company Limited, Head Office
- Bangkok Bank Public Company Limited, Silom Branch



SECTION 2

Dhawa Phuket



Corporate Governance



Corporate Governance

Corporate Governance Policy

The Company is committed to maintaining high standards of good corporate governance within the organization to protect and enhance long-term shareholder value. The Company has adopted and is continuously developing a set of good corporate governance structure, framework, policies and practices that are modeled on principles advocated by the SET as per the details set out in the following sections. Additionally, the Company has put in place a Code of Corporate Conduct approved by the Board of Directors and Standard Operating Procedures which have been communicated throughout the organization. The Corporate Governance Policy and Code of Corporate Conduct have been publicized on the Company's website for all employees at all levels to better understand, use as working guidelines and strictly follow in the course of performing their duties. As and when required, new internal rules and regulations are introduced to ensure there are no gaps in the policies and practices in the organization.

The Board of Directors has acknowledged and reviewed the implementation of the Corporate Governance Code for Listed Companies 2017 published by the Securities and Exchange Commission ("SEC") to update the Company's corporate governance. In 2019, the Company has established the Corporate Governance Policy which has been considered and recommended by the Audit and Risk Committee (currently known as Audit, Risk and Corporate Governance Committee) and approved by the Board of Directors to benefit its business to have a sound long-term performance and create value for sustainable business growth. The Board of Directors has annually reviewed the Corporate Governance Policy and relevant policies for the continuing improvement of good corporate governance. For any principle which has yet to be implemented, the Board of Directors has assigned the management to study in detail for further consideration.

1. Rights of Shareholders

The Company recognizes the importance of the shareholders' rights. In the Company's Annual General Meeting held on 22 April, 2022 the Company conducted the meeting in full compliance with all relevant laws and regulations in respect of shareholders' rights in the following manners.

- 1.1 All shareholders have the same basis and rights in the casting of votes at the meetings and the receipt of dividends when declared by the Company. These are calculated based on their respective shareholding in the Company.
- 1.2 At shareholders' meetings, the shareholders are given the right to approve important matters such as the election of directors (shareholders can elect directors individually), the directors' remuneration, the appointment of auditors and the dividend payment, etc.

Furthermore, shareholders who arrive at the meeting after the meeting has begun are still entitled to vote on the agenda items that are still under consideration and have not been voted upon.

- 1.3 The Company has the policy to facilitate and encourage all groups of shareholders including institutional shareholders to attend the Company's Annual General Meeting such as allowing every shareholder to propose agenda or send questions related to the Company's business in advance, distributing a package containing the notice and meeting documents in English to foreign shareholders, selecting meeting venue that is convenient for attendance, etc.
- 1.4 The Company invites shareholders to propose agenda items in advance of the AGM through the SET and the Company's website (www.lagunaresorts.com). However, none have been proposed by the shareholders.



Corporate Governance

The Company provides the opportunity for a shareholder or shareholders who hold shares of the Company representing at least 5 percent of the total voting rights of the Company to propose an AGM agenda item in advance within 30 days before the end of the accounting period. The Audit, Risk and Corporate Governance Committee shall review the proposed agenda item and express its opinion to the Board of Directors for consideration. The proposed agenda item deemed to qualify by the Board of Directors shall be included in the AGM agenda. In the event that the proposed agenda item is deemed not to qualify by the Board of Directors, it shall be announced with reasons at the AGM.

The Company provides channels for minority shareholders to make suggestions, express their opinions or make a complaint by sending the original duly signed statement together with supporting evidence to the Company Secretary by registered mail to the Company's address or by phone +66 2677 4455.

- 1.5 The Company does not invite the minority shareholders to nominate their candidates to be appointed as the Company's directors ahead of the meeting. This is because the Company already allows all shareholders to nominate their candidates (who meet the requirements under the Public Limited Company Act) and to vote for candidates at the shareholders' meeting.
- 1.6 Through the Thailand Securities Depository Company Limited, the Company's share registrar, the Company sends out a package containing the notice and agenda of the meeting to the shareholders at least 21 days before the meeting. The meeting documents include the facts, rationales, and opinions of the Board as well as other information relating to the agenda items such as information on the persons nominated for election as directors, auditors' profiles, the part of the Company's Articles of Association that relates to the shareholders' meeting, map showing the venue of the shareholders' meeting, proxy forms, documents and evidence of entitlement to attend the meeting, etc. This is to enable the shareholders to prepare themselves for the meeting. In addition, the notice of the shareholders' meeting is advertised in the newspaper and all information contained in the meeting documents will also be posted on the Company's website (www.lagunaresorts.com) at least 30 days before the meeting (the meeting documents for the 2022 AGM were posted on the Company's website 30 days in advance). Moreover, shareholders are always invited to register at least 1 hour before the meeting begins.

For convenience, transparency, and accuracy of the registration and vote counting at the shareholders' meeting, a barcode system is used.

- 1.7 At every shareholders' meeting, all agenda items are clearly identified and particularized, objectives, and rationale and opinions of the Board are also presented in the meeting for consideration of the shareholders. The Chairman will conduct the meeting according to the sequence of the agenda and will not add any additional agenda items which are not indicated in advance in the notice unless there is a proposal to consider other matters other than those specified in the notice, in accordance with the law, from shareholders holding not less than one-third of the total number of shares issued.

No additional agenda item was proposed to the 2022 Annual General Meeting other than those specified in the notice.

- 1.8 Before the start of every shareholders' meeting, the Company Secretary will explain the voting methodology to shareholders. In the interest of good corporate governance regarding transparency, minority shareholders are also invited to witness vote counting of each agenda item. A team of legal counsels from a leading international law firm is appointed to verify the registration procedure before the Chairman of the meeting announces to the shareholders, the number of shareholders and proxy holders present at the

Corporate Governance

meeting and the number of shares held by them. The legal counsels also verify the vote-counting procedure of each agenda item before the votes are announced as the resolution of the shareholders' meeting. Shareholders may verify the detailed results of the vote of each agenda item at the end of the meeting. The same results and a summary of questions from shareholders will also be included in the minutes of the meeting which are accurately and completely documented in all material aspects and will be sent to all shareholders for their review before the following meeting. The minutes of the 2022 Annual General Meeting is posted on the Company's website (www.lagunaresorts.com) within 14 days after the meeting was held.

- 1.9 The Company's policy in conducting shareholders' meetings is not only to meet all legal requirements but to also provide a platform and opportunity for shareholders to communicate their views and enquire the directors and management questions regarding matters affecting the Company and its operations. The Chairman allocates sufficient time for the meeting and conducts the meeting in an appropriate and transparent manner. During the meeting, shareholders are allowed to give comments and ask questions before the resolution concluded for each agenda item. In addition, shareholders who have any questions that require the Company's clarification during the meeting may send their questions in advance at "ir@lagunaresorts.com" or fax them to 66 (0) 2285 0733.
- 1.10 Apart from the external auditor who will attend the Annual General Meeting, the Chairman of the Board, the Chairman of the Audit, Risk and Corporate Governance Committee, and the Chairman of the Nomination and Remuneration Committee and all of the Company's directors will endeavor to be present at the shareholders' meeting to assist the Board in addressing queries raised by the shareholders. The Company also invites its legal counsels from a leading international law firm to attend the meeting in case there are any legal questions that require clarification during the meeting. Furthermore, the Company provides a professional translator at the meeting to assist the shareholders and the Board to communicate more effectively in both English and Thai. At the 2022 Annual General Meeting, the Chairman of the Board, the Chairman of the Audit, Risk and Corporate Governance Committee, the Chairman of the Nomination and Remuneration Committee, and other directors were present at the Meeting in person and via electronic media. Details of their names are stated in the minutes of the 2022 Annual General Meeting.
- 1.11 The Company gives an opportunity for shareholders to freely communicate with each other and also provides convenient access to relevant news and important information via the Company's website (www.lagunaresorts.com) for the shareholders to receive adequate information of the Company such as the resolutions of the Company's Board of Directors on important matters, resolutions of the shareholders' meetings, financial information, information which may affect the Company's share price, Annual Report, etc.
- 1.12 The Company received a score of 98 points out of 100 points for the 2022 AGM Checklist assessment conducted by the Thai Investors Association.

2. Equal Treatment of Shareholders

The Company treats all shareholders fairly despite different shareholding proportions and voting power due to their shares. In recognition of its duty to ensure equal treatment of shareholders, the Company complies with all relevant laws and regulations as follows:

- 2.1 The Company has only one class of shares, the ordinary shares. Shareholders shall have votes equal to the number of shares held by each of them, which means one share is entitled to one vote.



Corporate Governance

- 2.2 For shareholders who are unable to attend a meeting in person, the Company provides the opportunity for such shareholders to appoint another person as a proxy to attend the meeting on their behalf by using a proxy form B sent by the Company. The Proxy form B is one of the forms prescribed by the Ministry of Commerce which allows shareholders to cast their votes. Moreover, the Company provides the opportunity for shareholders to appoint the Company's independent director as a proxy to undertake proxy voting on behalf of shareholders who are unable to attend the meeting. The name of the independent director is provided in the proxy forms, together with the profile of that independent director who has been given the proxy to vote on behalf of shareholders who are unable to attend the meeting, all of which are attached as part of the meeting documents.
- 2.3 The Company ensures that directors and management are aware of their duty to report a change in their holding of the Company's securities to the SEC within 3 business days in accordance with the Securities and Exchange Act. The securities holding report is also included in the agenda of the Board meeting for the Board's acknowledgment on a quarterly basis.
- 2.4 Any director or management who has an interest in, or is related to, any transaction between the Company and an interested or related person will not participate in the decision-making process involving such transaction. The Company has disclosed the details and reasonableness of transaction to shareholders before dealing with any transaction in case such transaction requires approval from shareholders and strictly follows the procedures on such transaction under the notification of the Capital Market Supervisory Board. The details of all connected transactions are disclosed under the heading "Related Party Transactions" in the Company's 56-1 One Report.

During 2022, there is no report of non-compliance with the notification of the Capital Market Supervisory Board on connected transactions.

- 2.5 The Company has formulated a Corporate Governance Policy and Code of Corporate Conduct as guiding principles for the Board, senior management, and employees of all levels to comply with. The guiding principles include the prohibition on the improper use of inside information for personal benefit or to benefit others. Additionally, the Board approved a policy on dealing in securities of the Company which prohibits the dealing in the Company's shares while in possession of unpublished confidential and price-sensitive information during the "Embargo Period". Details are further described under "Supervision on the Use of Inside Information" in the the Company's 56-1 One Report.
- 2.6 Apart from the credit term payment given under the normal course of business, the Company has no policy on providing financial assistance to any non-subsidiary companies, except those whose loans or guarantees are in accordance with the proportion of shareholding in a joint venture agreement.

3. Role of Stakeholders

In its pursuit of sustainable growth and financial returns for its shareholders, the Company strives to become a role model corporate citizen. It respects the rights of all its stakeholders and conducts its operations fairly and strictly in compliance with all laws, rules, and regulations.

Shareholders:

The Board of Directors is committed to performing its duties honestly, transparently, and diligently in the best interest of all its shareholders, to preserve and enhance long-term shareholder value. All important information that may have an impact on the Company's share price and/or shareholders' decisions are fully disclosed in a timely manner.

Corporate Governance

Employees:

Being in the hospitality industry, the Company believes that its people are its greatest asset. The Company has taken steps to ensure that all labour laws are complied with and all employees are treated fairly without discrimination or favoritism. The Company offers competitive pay packages and welfare benefits such as meal allowance, laundry allowance, complimentary vouchers, and health & personal accident insurance to all its employees with continually upgraded programs. Additionally, the Company provides its employees a safe, hygienic and conducive working environment, air-conditioned buses, and provident fund.

People Development Policy

The Company believes that the growth of the Company depends on the quality and efficiency of employees. As such, the employee development policy mainly focuses on the knowledge and skills development of employees at all levels to strengthen the enterprise and overall success of the Company. The Company intends to have all management and employees set their working plan in alignment with the Company's direction, short-term and long-term goals, based on Company's Vision, which can efficiently lead the operations towards the same direction. Each department sets up its own business strategy and business plan so employees can have clear accountability, objectives and individual KPIs (Key Performance Indicators) that support the Company's Operations and their responsibilities. The KPIs will be used as a standard to evaluate employee's performance.

Training is divided into 2 categories:

- 1) Compulsory training which the Company tailors for each position/employee such as new employee orientation, code of corporate conduct, and anti-corruption policy
- 2) Career training which is a special course to support specific and continuing skill development, which the employees can apply for, including outsourced institutions.

Training is one of the Key Performance Indicators (KPIs) and will be used for employee evaluation standards. Employee performance evaluation is conducted during the fourth quarter of every year.

In year 2022, we have achieved 5 training hour per associate per month.

New Employee Orientation

All new employees shall attend orientation training sessions which is aimed to introduce new employees to the rules and regulations in the workplaces, the organization's significant policies, procedures, products, and the location of each hotel/BU, to prepare them to work with other employees.

Anti-Corruption Policy

All employees shall attend Anti-Corruption policy training annually. The purpose of the training is to provide associates with practical information on preventive anti-corruption activities through guided discussions.

Revolving Door Policy

Revolving Door Policy is the policy established to accommodate hiring of former/current government officer (if any), enforced in supportive of the Company's existing Anti-Corruption Policy, and as guiding principles to prevent any conflict of interest that might occur.



Corporate Governance

Privacy Policy

To align with the enforcement of the Personal Data Protection Act B.E. 2562 (PDPA) in Thailand, the Company has established our Privacy Policy and relevant mechanisms to address all aspects concerning personal data of all internal and external stakeholders of the Company, i.e. consent authorization/withdrawal/breach, other relevant activities in relation to the collecting, procession, getting access to, retaining, transferring and/or destroying of each and all classifications of the data of all stakeholders.

Knowledge/Skills Development

The Company assigns the development process by providing training courses to increase employee's knowledge and ability such as;

- Intensive Supervisory Leadership for Middle management
- Tax Knowledge for Accounting and Human Resources
- Finance for Non-Finance
- Train the trainer
- Relationship with customer

People Development to Support the Philosophy, Growth and Expansion of the Company

For the staff development to support the philosophy, growth and expansion of the Company, there is the Succession Plan for the managerial level up. Intensive orientation programs of the group are continuously developed and improved to share the Company and the group's people and people development philosophy to the new joiners, whereby the development programs are to prepare them to be ready for the next position and long-term expansion of the Company. Furthermore, high potential middle Management are selected to participate in the LEAF Program (Leading and Empowering Associates Forward) to prepare them for promotion opportunities. The Executive Development Programme will be continued in 2023 to develop the senior management level. The '8 Cultures' training is continual reinforced in 2023 to ensure our people walk the cultures and build the strong foundation to grow

The Company also has the Management Trainee Program to develop new graduates and unleash their potentials to be able to advance to the management level in the future. They are assigned to experience various departments to gain operational knowledge and skills. They are also expected to submit their report with their findings and alternative solutions to the executive team. After the successful training, they are promoted to be permanent staff at their sponsored hotel and further developed to be middle and top management accordingly. Despite the pandemic period, the Company supports the employees at all levels to participate in training and development program, internally and externally, to assure that we have capable manpower with potential to fill up the Company's succession planning.

Customers:

The Company aims to conduct business, both in property development, sales of products and services, in a safe and environmental-friendly manner and continuously develop innovative products and services, to add more value and variety to the products, and respond to the customers' needs. Safeguarding customer confidentiality and/or customer privacy is one of the Company's top priorities and in this regard, the Company conducts business with integrity, honesty, and fairness, and does not take any action that would violate customer rights and refrain from abusing it for personal interest or the interest of other parties.

Corporate Governance

The Company will strictly comply with the trading agreements, if any particular condition cannot be met, the Company would notify the customers in advance, and jointly seek a resolution to prevent any possible damage.

Competitors:

The Company believes that competition is the essence of a free and open market and therefore avoids any actions which may prevent, obstruct or discourage potential competitors from entering the markets in which the Company operates in. The Company takes the view that healthy competition encourages product and service innovations in the market place which would increase market standards and ultimately benefit consumers and society at large. The Company will neither engage in any fraudulent activity to violate or obtain competitors' trade secrets nor in any infringement of intellectual property or copyright including corruption and bribery, which has been stipulated in the Code of Corporate Conduct approved by the Company's Board of Directors, for the benefit of the Company's business.

Society & Environment:

The Company emphasized and aims to be a socially responsible company and has established a dedicated team of Sustainability and Community Relations practitioners who strive to make a positive difference to the local communities where the Company operates and to develop sustainable communities by initiating various Sustainability programs which focus on social and educational development, environmental conservation, religious and cultural preservation, associate benefits and relations, details as shown under the heading "Sustainability" in Form 56-1 One Report as well as in the Company's website (www.lagunaresorts.com).

EarthCheck certification received by the individual hotels reflect recognition of Laguna Phuket's commitment to conserving the environment. In property development, the Environmental Impact Assessment (EIA) has been carried out to evaluate the likely environmental impacts of the Company's development projects, taking into account inter-related socio-economic, cultural, and human-health impacts, both beneficial and adverse including proposed measures for shaping projects to suit the local environment and reducing any potential impact. The Company encourages and supports the staff to use resources efficiently. Day-to-day operations at the resort apply the "Three Rs" of green management: Reduce, Re-use and Recycle. Each hotel has a staff education program to teach the importance of caring for the environment, and consumption of energy and water is closely monitored through the extensive checklists to be completed by the staff. No raw sewerage is discharged into the sea from the resort complex. After being treated, sewerage and wastewater are directed into a sophisticated recycling system. The resulting water is used to irrigate the gardens, details as shown under the heading of "Sustainability/Environmental Policy" on the Company's website (www.lagunaresorts.com).

Suppliers:

The Company strives to forge long-term business relationships with its suppliers and therefore has the policy to always give a fair treatment and profit to its suppliers and to respect payment terms and conditions. Besides, the Company has a policy in selecting its suppliers fairly and transparently, competitive quotations from at least 3 suppliers are required according to the criteria specified in the Company's Standard Operating Procedures which have been distributed and communicated throughout the organization to understand and to strictly adhere to the procedures accordingly.

Creditors:

The Company considers creditors as important business partners and therefore aims to treat all creditors in an equal and fair manner and strictly comply with all the terms and conditions agreed upon, particularly on credit guarantee, and capital management. The Company's financial position will be duly and accurately disclosed. In the event that any particular condition cannot be met or in case of debt default, the Company will inform



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creditors concerned beforehand and seek a mutually acceptable solution to prevent any possible damage. In the previous year, no creditors challenged that the Company had failed to comply with any obligations.

There is no violation of laws and regulations regarding labour, employment, consumer protection, commercial competition, and the environment in the previous year.

Policy and Practice Relating to the Control and Prevention of Corruption Involvement

The Company is committed to conducting its business with integrity, transparency, morality, and accountability. The Company adheres to the principles of the Corporate Governance Code and conducts its business responsibly towards society and its stakeholders. Apart from the Corporate Governance Policy and Code of Corporate Conduct, the Company has established the Anti-Corruption Policy which was proposed to the Audit, Risk and Corporate Governance Committee for recommendation before being submitted to the Board of Directors for approval to promote anti-bribery and anti-corruption practices and to be a clear guideline for business operations.

The Company has adopted a zero-tolerance policy towards corruption for directors, management, and employees of the Company to strictly follow. The policy forbids them to carry out or participate in corrupt practices in any form both directly and indirectly and they must seriously follow the guidelines in the Anti-Corruption Policy which covers various processes, including charitable contribution, sponsorship, the provision and acceptance of gifts and hospitality.

The Company communicated its Anti-Corruption Policy to business partners and the public through its website and notice board for them to acknowledge and conform to the Company's guidelines. In order to understand as well as to promote anti-bribery and anti-corruption practices as clear guidelines for all employees, training will be scheduled annually. During orientation, new employees are required to sign the Associate Declaration Form to confirm their intention to fully comply with the Company's Code of Corporate Conduct and Anti-Corruption Policy and all employees are required to sign the same every year.

The Company has put in place a risk management system suitable to the Company's business nature and implemented a risk assessment procedure, which includes internal compliance and control program to monitor and prevent possible risks including corrupt practices. As part of the on-going risk management process, the Company's Group Risk Committee in collaboration with Group Internal Audit regularly conducts risk monitoring, assessments, evaluations, and proposes a control program to prevent and mitigate possible risk and reports findings to the Audit, Risk and Corporate Governance Committee. The Audit, Risk and Corporate Governance Committee is responsible for overseeing and reviewing strategic and operational risk management including risk assessment and control procedures as well as seeking to ensure that the Company has a continuous process for managing risk, appropriate and effective internal control, and internal audit systems.

Seeing the long-term benefits to operate business ethically with integrity, and implementing business principles to encounter corruption, the Company has declared an intent to fight corruption by a declaration of intent with Thailand Private Sector Collective Action Coalition Against Corruption (CAC). The Company became a certified member of CAC since February 2019 and has successfully renewed the Certification of the CAC in the early of 2022.

The Company announced the "No Gift Policy" during new year festivals and other occasions in compliance with the Company's good corporate governance framework, Corporate Governance Policy and Anti-Corruption Policy regarding the provision and acceptance of gifts by the employees at all levels. A letter on "No Gift Policy" was distributed to the Company's business partners to ask for their cooperation not to offer any kinds of gifts

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to the management and employees of the Company. In case it is inconvenient to return the gifts, the Company will consider donating them to charitable entities or social projects as deemed appropriate.

Failure to comply with the Anti-Corruption Policy or any employee who is caught committing corruption shall be disciplined under the Company's policies including termination of employment. A criminal/civil case may also be brought upon such an employee if the act violates the law.

There is no report of wrongful conduct involving fraud and corruption during the past year.

Policy on Whistle Blowing and Complaints

The Company recognizes the importance of compliance with good corporate governance and adheres to the high standards of conduct and responsibility for all stakeholders. The Whistle-Blowing Policy has been established and approved by the Board of Directors and communicated throughout the organization. The policy emphasizes to encourage and enable associates and third parties to raise any serious concerns on wrongdoing, irregularity, or impropriety within the Group. The Head of Group Internal Audit was appointed as the Receiving Officer or a channel for stakeholders to communicate critical corporate issues with the Company, any concerns can be raised either in writing via "ethics@lagunaresorts.com" or directly by hotline number 66 (0) 76 372400 ext. 6636. The Receiving Officer will ensure that the report from the whistleblowers will be professionally and independently addressed, assessed, and investigated. Additionally, the Whistle Blowing Evaluation Team, comprising of members of Audit, Risk and Corporate Governance Committee and Head of Group Internal Audit, was set up to evaluate the reports from whistleblowers to assess and review the nature of the complaints, and set the direction of the investigation, where necessary. An appropriate timeframe to consider the complaints is set and the protection of the genuine whistleblowers from any unfair treatment will be observed. If at the conclusion of an investigation, the Company determines that a violation has occurred or the allegations are substantiated, effective remedial action commensurate with the severity of the offense will be taken. Results and conclusions of the investigation shall be reported to the Board of Directors. However, there is no report of complaints or allegations during the past year.

Policy on Environmental and Social Sustainability

The Company is committed to strive towards achieving environmental and social sustainability. With the participation in the EarthCheck program, which is widely regarded as the world's leading sustainable environmental benchmarking and certification program used by the travel and tourism industry, the Company is committed to continually improve its environmental and social sustainability performance by implementing an environmental management system, identifying environmental risks, recording and monitoring any impact to meet the standard of EarthCheck and will comply with all relevant legislation and regulations, and strive to achieve international best practice. The Company was certified to environmental standards and has been awarded EarthCheck Gold Certification in December 2020.

The Company has constantly provided environmental training sessions for employees to raise awareness about environmental sustainability. A risk assessment on potential environmental impacts resulting from the Company's business operation has been conducted, and an environmental approach has been established and communicated throughout the organization by posting on the intranet and bulletin board so that all employees understand the policy and contribute to environmental sustainability.

Since 2013, the Company together with hotels in Laguna Phuket jointly announced the Environmental & Social Sustainability Policy with the commitment to continually improve their environmental and social sustainability



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performance and annual Benchmarking as measured by the EarthCheck tool. As a part of the Laguna Phuket Community, they continue to work on environmental and social development projects by safeguarding the natural environment, the cultural heritage, and promoting communal prosperity through participation in Laguna Phuket Community's Corporate Social Responsibility programs such as carbon reduction through tree planting, providing mentoring and scholarships to the youth in the community, cleaning activity, considering special employment, empowering local employees and using local products and services that are environmentally friendly, etc.

Policy on Health, Safety, and Environment

The Company has a concrete policy in regards to health, safety, and the environment which gives top priority to the safety and health of the surrounding community and overall society. Realizing that it is a contributing factor in driving sustainable development of society and the environment, the Company continuously carries out community and social development activities alongside with its business operations with responsibility toward the overall community and society as follows:

- (1) Continuously perform business operations in compliance with safety law and other related regulations.
- (2) Safety at the workplace shall be treated as a top priority and responsibility of every employee.
- (3) Every level of managers must be a good role model and be able to lead, train, instruct and motivate other employees to perform duties safely.
- (4) All employees must take into account their personal safety as well as the safety of their colleagues and properties of the Company as their topmost priority while on duty.
- (5) All employees must always maintain cleanliness and order in their workplace.
- (6) Supporting safety-related activities to raise safety awareness among employees and promote a safe work environment.
- (7) Continuously review, improve and develop the safety management system.
- (8) Seeking solutions to minimize environmental impact by constantly checking, monitoring, and controlling the amount of pollutions released including the disposal of hazardous and non-hazardous waste to protect existing natural resources.
- (9) Using the available resources and energy in the most efficient manner, including minimising water and air pollutions as well as wastes and other pollutions that arise from the Company's business activities to ensure minimal impact on the environment and surrounding community.

- **First Aid Supporting Team (FAST)**

The Company has selected potential employees from various departments as well as from hotels to be in the FAST to administer medical help in an emergency. Training curriculum is put together by the Bangkok Phuket Hospital and employees who receive training periodically to maintain the level of competency to help the guests and employees found to have illness or accident in the hotel and workplace.

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- **Exercise Evacuation Tsunami in Phuket.**

The Company has many employees working in offices and hotels in Phuket. Tsunami Evacuation drills are regularly practiced every year. The main objectives are to enhance the knowledge, skills and expertise in evacuating staff and guests, help victims, practice the communication drill, order of command, and the testing of tools and equipment.

Policy on Respecting Human Rights

The Company gives importance to respecting human rights by conducting business in compliance with laws and human rights which are the basic rights ensuring that all human beings are born free and equal in dignity and rights without discrimination against race, nationality, color, gender, religion, age, language, personal status, social value, education or political opinion.

The Company provides equal opportunity to all employees in working under the rules, regulations, notifications, and orders of the Company. The Company treats the employees' personal information confidentially and shall neither send nor distribute such information to any irrelevant person nor disclose personal information without consent of the owner. The Company also supports and respects the protection of human rights by not violating any human rights such as forced labor, unfair dismissal, and the use of child labor.

Policy on Preventing Violation of Intellectual Property or Copyright

The Company has established a policy and practice not to support any violation of intellectual property or copyright, which has been stipulated in the Code of Corporate Conduct such as using licensed computer software, programs authorized by the copyright owners, and restricting computer program installation by authorized person only. The use of computers and information technology will be monitored periodically by the Group Internal Auditor.

IT Risk Management

The Company is committed to operating its business without disruptions and safeguarding the Company and customer's information. Therefore, information technology is important in managing the following:

- Using the most up to date firewalls to secure the company network
- Locating the server room in a secure place and equipping it with an FM200 fire extinguisher
- Adopting the latest version of IT systems on all computers and servers.

The Company manages IT-related disaster risks by setting up a data backup and recovery system that can reinstall the IT system in a timely manner to ensure continuity of business operations in the event of viruses, trojans, malware, fraudulent email, or hacker attacks.

Each year, the Company reviews and practices its Business Continuity Plan (BCM) and Disaster Recovery Plan (DRP) to prepare the IT system for risks and crises that may occur. In addition, the internal auditor monitors compliance with the risk mitigation measures to ensure that the Company's risk is acceptable and manageable.

IT Governance Policy

IT Governance Policies and Procedures have been developed and communicated to all employees of the Company to comply with the Company's corporate governance regulations. Some of these policies include,



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- Use of non-infringement software only.
- The use of computers and the internet must not cause any risk, data corruption and the computer system of the Company.
- Safeguarding the Company and its customers' data to prevent data leakage.
- Computer and internet usage must comply with the Computer-Related Crime Act.
- Data access level control – password and data retention can be verified backward.

Application development and environmental responsibility.

Environmental responsibility is an issue that the Company places great importance on. The Company has developed online application software systems, such as Purchasing Online, Member Online, and Leave online to reduce the amount of paper used in the Company and to also increase efficiency and productivity of our employees.

4. Information Disclosure and Transparency

The Company's emphasis on the disclosure of accurate and complete information in a transparent and timely manner is shown by the following.

- 4.1 Each of the directors and executives of the Company has filed with the Company a report covering his interest or his related person's interest in relation to the Company or its subsidiaries in accordance with the criteria and procedures as specified in the notification of the Capital Market Supervisory Board, and has updated and filed with the Company within 30 days should there be any change in the report. The report is also included in the agenda of the Board meeting for the Board's acknowledgment once every 3 months.
- 4.2 In the previous year, the Company disclosed all general and financial information as well as information that may affect the price of the Company's securities correctly, completely, transparently, and in a timely manner, following the rules and regulations of the SEC and the SET. All information is communicated to investors, shareholders, and relevant sectors through the channels of the SET and the Company's website (www.lagunaresorts.com).
- 4.3 Individual investors, shareholders, stock analysts, and state agencies may contact the Company through the Company Secretary at telephone number 66 (0) 2677 4455 or at "ir@lagunaresorts.com".
- 4.4 The Company's financial statements contain accurate and complete information and are prepared following generally accepted accounting standards. Also, they are audited/reviewed by auditors from a well-known auditing firm approved by the Securities and Exchange Commission (currently EY Office Limited) and are approved by the Company's Audit, Risk and Corporate Governance Committee and the Board of Directors before being disclosed through the SET. The information relating to the "Board of Directors' Responsibility for the Company's Financial Statements" is available in the Company's 56-1 One Report. In 2022, the Company's quarterly and annual financial statements were unconditionally certified by the auditor.
- 4.5 The Company wishes to refer the following matters to the disclosure made in other places:
 - The name of directors and the scope of the powers, duties, and responsibilities of the Board and other Committees are detailed under the heading "Governance Structure And Key Data On The Board Of Directors, Committees, Managements, Employees And Others" in 56-1 One Report.

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- The professional experience of the directors, members of other Committees, Head of Group Internal Audit and Company Secretary is detailed in Attachment 1 and 3 in the Company's 56-1 One Report.
- The number of Board meetings held and the number of Board meetings attended by each director and the remuneration for directors in 2022 are detailed under "Meeting Attendance and Individual Directors' Compensation" hereof.
- The performance of the Audit, Risk and Corporate Governance Committee in the past year are detailed in Attachment 6, under the heading "Report of the Audit, Risk and Corporate Governance Committee" in the Company's 56-1 One Report.
- The performance of the Nomination and Remuneration Committee in the past year are detailed in Attachment 7 or under the heading "Report of the Nomination and Remuneration Committee" in the Company's 56-1 One Report.
- The remuneration for management is detailed under the heading "Governance Structure And Key Data On The Board Of Directors, Committees, Managements, Employees And Others" in the Company's 56-1 One Report.

4.6 In 2022, the Company made full disclosure of information within the time frame specified in the regulations of the SET and the SEC. In addition, neither the SET nor the SEC challenged that the Company had failed to comply with any disclosure requirement.

5. Board Responsibility

5.1 Board Structure

5.1.1 Members of the Board and Terms of Directorship

The Company's Board of Directors currently comprises 11 members, 5 of whom are Independent Directors namely Mr. Vudhiphol Suriyabhivadh, Dr. Jingjai Hanchanlash, Mr. Thongchai Ananthothai, Ms. Srinthorn Ounayakovit and Mr. Ariel P. Vera, representing more than one-third of the total Board members.

The Board members are selected based on, among other things, knowledge, experience, skill, diversity of expertise, integrity, abilities to make independent analytical inquiries, and their understanding of the Company's business. Currently, the Board comprises business leaders, expert in the Company's relevant businesses and professionals with financial, accounting, legal, business management, and sales & marketing backgrounds.

Directors and senior management of the Company have never been an employee or partner of the current external auditor in the past 2 years.

All independent directors of the Company are independent of management and major/substantial shareholders and meet the Company's definition of Independent Director which also in line with the qualification of Audit Committee in accordance with the notification of the Capital Market Supervisory Board.



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The Company's directors are knowledgeable, competent, honest, ethical and have sufficient time to devote themselves to serve the Company. There are no independent directors of the Company who serve on more than five boards of listed companies and no executive directors who serve on more than three boards of listed companies outside of the Group.

The Company's policy to fix the term of office of directors is under Article 14 of the Company's Articles of Association which stipulates that at each annual general meeting, one-third of directors shall retire from office and that the director who has been longest in the office shall retire. Therefore, the term of office of a director shall be 3 years. Retiring directors would be eligible for re-election.

The independent directors have no affiliations or business relationships with the Company and are not directly associated with a shareholder of the Company, nor having any relationships or circumstances exist which are likely to, or could appear to, interfere with the exercise of their independent business judgment with a view to the best interest of the Company.

5.1.2 Roles of the Chairman of the Board

- Summoning meeting for Board and presiding over the meeting. In making a decision, the Chairman has a deciding or casting vote in the event of tied votes.
- Setting Board meeting agenda in consultation with the Chief Executive Officer / Managing Director, Chairman of the Audit, Risk and Corporate Governance Committee and Chairman of the Nomination and Remuneration Committee and ensuring that Board members receive accurate, complete, timely, and clear information prior to the meeting to assist their decision-making process.
- Conducting the Board meeting according to the agenda, relevant laws, and good corporate governance, allocating sufficient time and encouraging all directors to participate in the discussion, exercise their discretion prudently, and express their opinions freely.
- Overseeing and ensuring that the Board of Directors and the Sub-Committees effectively carry out their duties to achieve the Company's objectives.
- Promoting constructive relations between the executive and non-executive directors, and between the Board and the management.
- Ensure that all directors contribute to the Company's ethical culture and good corporate governance.

5.1.3 Duties and Responsibilities of the Chief Executive Officer / Managing Director

- To be in charge of the daily business operations of the Company, supervise and manage the works and operations of the Company for complying with the policy, vision, mission, values, strategy, and goals, both in terms of financial and non-financial, as well as to drive the business plan to achieve the financial budget as approved by the Board of Directors;
- To employ, appoint, transfer, dismiss, and terminate employees in all levels, except the appointment, transfer, and dismissal of the Head of Group Internal Audit, which shall also be approved by the Audit, Risk and Corporate Governance Committee;

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- To determine the salary and remuneration, adjust the salary, bonus, reward, and welfare of all employees of the Company, including the senior management in correspondence with the remuneration mechanism and welfare as approved by the Nomination and Remuneration Committee;
- To issue internal orders, policies, announcements, and memos to ensure that the operations of the Company comply with the policy and the interest of the Company, including the maintenance of organizational discipline;
- To perform other tasks as assigned by the Board of Directors and to perform any other acts as stipulated by laws and regulations of the authorities.

5.1.4 Aggregation or Separation of Positions – Chairman of the Board and Chief Executive Officer

Currently, Mr. Ho KwonPing is the Chairman of the Board and the Board of Directors, upon recommendation of the Nomination and Remuneration Committee, considered appointing Mr. Eddy See Hock Lye to be the Chief Executive Officer of the Company. The current board structure maintains an appropriate check and balance system because half of the Board members are non-executive directors.

To support the balance of power between the Board of Directors and the Management, prior to the Board of Directors' meeting, the Audit, Risk and Corporate Governance Committee Chairman and the Nomination and Remuneration Committee Chairman, who are the independent directors, has participated in determining the agenda of the Board of Directors' meeting.

5.1.5 Separation of Power, Duties, and Responsibilities of the Board of Directors and the Management

The Company has a management structure that clearly defines the separation of power, duties, and responsibilities of the Board of Directors and the Management. The Board of Directors, as the policy supervisor, has the duties to define the Company's vision, mission, values, strategy, and long-term goals, including overseeing, monitoring, and evaluating the performance of the Management. Management, as the executives, has the duties to perform day-to-day operations to be efficient, effective and in compliance with the defined policies, vision, mission, values, strategy, and long-term goals and report its performance to the Board of Directors regularly.

The delegation of authority by the Board of Directors to the management is clear. All major investments, acquisition of assets, and loans made by the Company and/or its subsidiaries require approvals from the Board of Directors as follows:

- New investments and acquisition of assets with the value from 1.5 percent of the Company's total assets and
- New loans with the value from 5 percent of the Company's shareholders' equity.

The approval to enter into a significant transaction by the Company's Board of Directors and/or shareholders' meeting as well as all information disclosure must comply with rules and regulations of the Stock Exchange of Thailand and/or the Capital Market Supervisory Board.



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Duties and responsibilities of the Board have been disclosed under the heading “Governance Structure And Key Data On The Board Of Directors, Committees, Managements, Employees And Others” in 56-1 One Report.

5.2 Sub-Committees

The Board approved the establishment of two Sub-Committees comprising all Independent Directors to assist the Board to screen details to achieve operational efficiency. Additionally, to perform their duties transparently and independently, the Chairman of the Board is neither a Chairman nor a member of both committees as follows:

5.2.1 Audit, Risk and Corporate Governance Committee

The Audit, Risk and Corporate Governance Committee comprise three independent directors, one of whom has adequate expertise and experience to review the creditability of the financial reports by reviewing the financial reports of some listed companies in the Stock Exchange of Thailand. The members and the scope of duties and responsibilities of the Audit, Risk and Corporate Governance Committee have been disclosed under the heading “Governance Structure And Key Data On The Board Of Directors, Committees, Managements, Employees And Others” in the Company’s 56-1 One Report.

5.2.2 Nomination and Remuneration Committee

The Nomination and Remuneration Committee comprises three independent directors, thus forming a strong and independent element that will enable decisions on nomination and remuneration to be made independently. Members and the scope of duties and responsibilities of the Nomination and Remuneration Committee have been disclosed under the heading “Governance Structure And Key Data On The Board Of Directors, Committees, Managements, Employees And Others” in the Company’s 56-1 One Report.

5.3 Role, Duty, and Responsibility of the Board

5.3.1 Corporate Governance Policy

The Company is committed to maintaining high standards of good corporate governance within the Company. The Company has adopted and is continuously developing a set of good corporate governance structure, framework, policies, and practices that are modeled on the Corporate Governance Code for listed companies 2017 advocated by the SEC. The Company has established and continues to apply the Corporate Governance Policy and Code of Corporate Conduct approved by the Board of Directors and communicated throughout the organization. The Standard Operating Procedures have also been documented and applied by the Company. In addition, new internal rules and regulations to continuously improve the good corporate governance of the Company are approved and announced from time to time.

In the past year, no director resigned due to the issue of corporate governance of the Company and no conduct causing a negative reputation of the Company due to the failure of the Board of Director’s supervisory performance.

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5.3.2 Company Strategic Planning and Implementation

The Board of Directors sets aside sufficient time each year to review and debate the budget of the coming year and the five-year strategic plan. During each year, the Board is periodically updated on the implementation of the plan and if there is any deviation from the plan, a new course of action would be discussed after taking into account the prevailing economic, financial, and market situation.

5.3.3 Leadership and Vision

The Board's primary functions are to set and annually review vision, mission, corporate policy, and overall long-term and short-term strategy for the Company and to provide effective oversight of the management of the Company's business and affairs.

5.3.4 Conflict of Interest

Transactions between the Company and its related parties which may cause conflict of interest are scrutinized by the Audit, Risk and Corporate Governance Committee and if necessary, the approval to enter into such transactions is sought from the Board of Directors and/or shareholders following relevant rules and regulations. Any director or management who has an interest in, or is related to, such transaction will not participate in the decision-making process.

Such transactions are made on terms and pricing that have been negotiated on an arm's length basis. If the price is unavailable, the Company will then rely on the report of an independent appraiser appointed by the Company to value important related party transactions to arrive at a pricing that is competitive and fair to both the Company and the related party.

All related party transactions are disclosed clearly and accurately. Details are further described under the heading "Related Party Transactions" in the Company's 56-1 One Report.

5.3.5 Internal Audit and Control

The Company realizes the significance of an effective system of control, such as Standard Operating Procedures, particularly in management and operations. Hence, the duties and responsibilities of the employees and the management are clearly defined. The Company has put in place policies to safeguard the Company's assets and duties between the operators and the appraiser which are separated for effective checks and balances. Furthermore, the Company has also implemented an internal audit of the financial and information technology systems.

Internal Audit

Internal audit is an independent function within the Company that reports directly to the Audit, Risk and Corporate Governance Committee on audit matters and the Chief Executive Officer/Managing Director on administrative matters. Internal audits are performed to assist the Board and Management in the discharge of their corporate governance responsibilities and to improve and promote effective and efficient business processes within the Group. The internal auditor plans its internal audit schedules annually in consultation with, but independent of, the Management, and its plans are submitted to and approved by the Audit, Risk and Corporate Governance Committee. The Audit, Risk and Corporate Governance Committee reviews the activities of the internal auditors every quarter to ensure it is adequately resourced and has appropriate standing within the Company to perform its role effectively.



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Enterprise Risk Management

The Company appointed an external consultant to assist management in implementing a Risk Management framework for the business of the Company. The Risk Management framework covers all aspects of the Company's operations to enable significant business risks within the Group's current business environment to be identified, assessed, monitored, managed, and evaluated. As part of the on-going risk management process, the Company's Group Risk Committee annually conducts a risk assessment and considers the adoption of an adequate and cost-effective system of internal controls to mitigate significant business risks. Significant risks are to be managed through regular reviews by the Company's Group Risk Committee and the Audit, Risk and Corporate Governance Committee. The Audit, Risk and Corporate Governance Committee has reviewed the Group's risk management processes and procedures and is satisfied that there are adequate internal controls in place to manage the significant risks identified.

5.3.6 Board of Directors' Report

1. Financial Report

The Board of Directors is accountable to its shareholders for the Company's financial statements as well as the financial information as shown in the annual disclosure. The Board of Directors is satisfied that the Company's financial statements are prudently prepared in accordance with generally accepted accounting principles and are independently reviewed by the external auditors every quarter with a full audit performed at year-end. Additionally, the Audit, Risk and Corporate Governance Committee has been tasked to independently review the Company's financial report and internal control practices directly with the auditors. All in the accompanying notes.

Details are described under the heading "Internal Control" and under the heading "Opinion of the Board of Directors on the Company's Internal Control" and the "Board of Directors' Responsibility for the Company's Financial Statements" in the Company's 56-1 One Report

2. Minutes of Meetings

The minutes of the meetings of the Board and other Committees are accurately and completely recorded in all material aspects addressed at each meeting, including the questions, opinions, recommendations and clarifications. The Company has a safe and secure filing system in place to keep the minutes of meetings and other supporting documents.

Code of Conduct

The Board of Directors has approved the Code of Corporate Conduct to set the framework for its officers, executive directors, associates, and agents to act in business matters solely for the benefit of the Company and not enter into any business or other transactions which cause or appear to cause a conflict of interest between him/her and a hotel within the group, the Company/subsidiary, owning company or any other related parties. The Code of Corporate Conduct was distributed and communicated to all relevant persons to understand and to strictly adhere to the Code. The Code was drafted based on the highest level of business ethics and law compliance. To promote compliance with the Code of Corporate Conduct, all employees are required to sign for the acknowledgement and compliance with the Company's Code of Corporate Conduct on an annual basis.

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More information on the Company's good corporate governance and the Code of Corporate Conduct, please visit the Company's website (www.lagunaresorts.com/corporate-governance).

Significant development of Policy, Guidelines and Governance System during the year

Compliance with Good Corporate Governance Guidelines

The Company gets a "Excellent" level for the Corporate Governance Rating score for the year 2022, by the Institute of Thai Directors (IOD), from total number of 750 listed companies participated in the campaign. The consideration of this campaign is based on the public disclosure made by the Company. In addition, the Company has complied with the good corporate governance practices as follows:

- The board of directors has been taking the matter of check and balance very seriously as previously the Company is having the same person as the Chairman of the Board and the Chief Executive Officer. The Company has put in place a measure of having the Chairman of the Audit, Risk, and Corporate Governance Committee (ARCG) to oversee the proposed agenda for the board of directors' meetings, and the ARCG is the key committee empowered to consider and make recommendation on the related transaction and any transactions with potential conflicts of interest, for consideration of the board of directors. The objective of these measures is meant for the best interest of the Company and relevant stakeholders. Later in the year 2022, the Company has fully complied and uplifted the Company's corporate structure, the Company, with the recommendation of the Nomination and Remuneration Committee, has appointed Mr. Eddy See Hock Lye to be the Chief Executive Officer of the Company with a clear segregation of duties, roles and responsibilities.
- In addition to the compliance with the framework of good corporate governance for listed companies, the Company has always been participating in the Annual General Meeting Checklist (AGM Checklist) and for the year 2022, the AGM Checklist score of the Company has arrived at 98 from 100.

However, for the fiscal year 2022, the Company has not adopted and implemented the corporate governance guideline as follows:

- Cumulative Voting

According to the Company's articles of association, it is stated that the voted of director should be casted with majority vote, and each of the shareholder should have their votes equal to the number of shares each shareholder is holding (Article no. 13). The Company has always given opportunity for the shareholders to propose agenda to be considered at the Annual General Meeting of Shareholders (Article no. 1, the Right of Shareholders of the CG policy).

Moreover, the Company has adopted other good corporate governance guidelines as follows:

The Company strictly follows the good guidelines for corporate governance for listed company to ensure efficient, transparent and verifiable management and control system, and to gain trust and confidence from all shareholders, investors, stakeholders, and to create value added and sustainable growth of the Company.

The board of directors has put in place a process to review at least once a year and make sure the Company complies with good corporate governance principles and structure in accordance with the Corporate Governance Code for listed company B.E. 2560, to ensure that the objectives, strategies, business plan support the Company's primary business targets. The board of directors also give importance in appropriately utilizing new technology and innovation to safeguard relevant database of all stakeholders.



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The board of directors at all time places utmost significance in transparent processes for director nomination and selection, as well as in maintaining independency of the board of directors so as each of the director will be independently express their opinion to support the decisions to be made to the board of directors. During the year 2022, the Company has implemented the followings:

- **Strengthen Board Effectiveness**

The Company views the structure and composition of the board of directors as the topmost importance, particularly the board diversity which would be crucial factor for strategic planning and business operations of the Company. The Company as well trust in the independent directors of the Company to independently express their opinion on all subject matters proposed and recommended to the board of directors to assure equality of treatment to all stakeholders of the Company especially our minority shareholders.

- **Nomination and Reelection of Director**

The Nomination and Remuneration Committee (NRC) is as a significant role in director nomination processes. The NRC considers the appropriateness, qualifications, education background, experience, expertise and diversification of the board members, without any limitation on age, gender, religion, and race. The NRC normally makes recommendations to the board of directors for consideration and the board of directors to further propose to the shareholders' meeting for approval accordingly.

There are 11 members of the board of directors and each of the director is possessing diversified qualifications, expertise, business and industry knowledge relevant to the Company's business strategies, objectives and targets. The Company has 5 independent directors from total number of 11 directors, or approximately 45 percent. There are some independent directors who have been serving the Company for more than 9 consecutive years, however, each of the independent director still maintains his/her independency in performing their duties.

Additional information, please go to "Governance Structure And Key Data On The Board Of Directors, Committees, Managements, Employees And Others" and "Report On Key Operating Results On Corporate Governance" in 56-1 One Report.

In the year 2022, the board of directors arrange to have performance self-assessment of the board of directors, sub-committees and the director on an individual basis. The results of the self-assessment will be summarized and proposed to the board of directors and sub-committees for consideration and improvement of their duties. The performance assessments are prepared in 3 categories, assessment form for the board of directors (as a whole), for each sub-committee (as a whole), and for each of the director (on individual basis). There are 4 criteria in the performance assessment form, which are (1) Structure and qualification of the board of directors, (2) Conducting of its meeting, (3) Roles and responsibilities, and (4) Other (i.e. relationship with the management), these forms are in line with the self-assessment forms provided by the Stock Exchange of Thailand. For the performance assessment of the sub-committee and the directors on his/her individual basis, there are 3 criteria, being (1) Structure and qualification of the board of directors/sub-committee, (2) Conducting of its meeting, and (3) Roles and responsibilities.

The Company arranged for the directors and members of each sub-committee of the board to conduct their performance self-assessment during December to January, and the company secretary will (1) propose the format of the performance self-assessment form to each directors and committee members, (2) collect the self-assessment form filled out by each director or committee member, (3) summarize assessment results, suggestions, and (4) propose them to the board of directors meeting with the lower and higher score analysis against the previous year results.



Laguna Resorts & Hotels' Activities



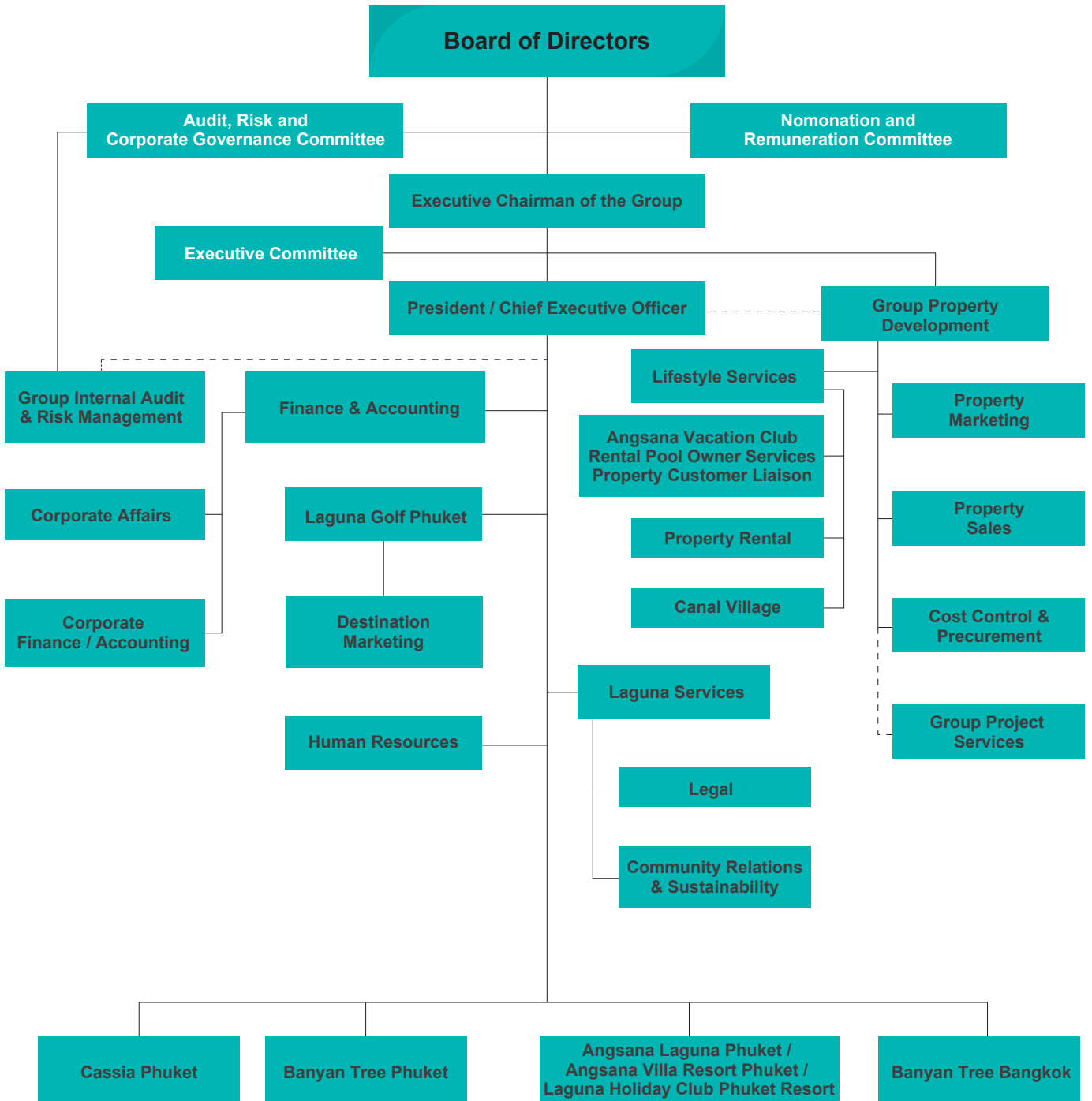
Governance Structure

Governance Structure and Key Data on the Board of Directors, Committees, Managements, Employees and Others

1 Governance Structure

The Board structure is comprised of the Board of Directors (The “Board”) and 2 Sub-Committees: (1) Board of Directors, (2) Audit, Risk and Corporate Governance Committee, and (3) Nomination and Remuneration Committee.

Organisation Chart



Governance Structure

2 Board of Directors

The Board of Directors of the Company comprises 11 Directors, 5 of whom are Independent Directors representing more than one-third of total Board members as follows:

Name		Position
1.	Mr. Ho KwonPing	<ul style="list-style-type: none"> Chairman of the Board
2.	Mr. Vudhiphol Suriyabhivadh	<ul style="list-style-type: none"> Independent Director* Audit, Risk and Corporate Governance Committee Chairman Nomination and Remuneration Committee Member
3.	Dr. Jingjai Hanchanlash	<ul style="list-style-type: none"> Independent Director* Nomination and Remuneration Committee Chairman Audit, Risk and Corporate Governance Committee Member
4.	Mr. Thongchai Ananthothai	<ul style="list-style-type: none"> Independent Director* Audit, Risk and Corporate Governance Committee Member Nomination and Remuneration Committee Member
5.	Ms. Srinthorn Ounayakovit	<ul style="list-style-type: none"> Independent Director*
6.	Mr. Ariel P. Vera	<ul style="list-style-type: none"> Independent Director*
7.	Mr. Ho KwonCjan	<ul style="list-style-type: none"> Director
8.	Mr. Eddy See Hock Lye	<ul style="list-style-type: none"> Director
9.	Mr. Ho Ren Hua	<ul style="list-style-type: none"> Director
10.	Mr. Stuart David Reading	<ul style="list-style-type: none"> Director
11.	Ms. Ho Ren Yung	<ul style="list-style-type: none"> Non-Executive Director

- * The definition of "Independent Director" is disclosed under the section of "Report On Key Operating Results On Corporate Governance".
 - Qualification and profile of the directors are shown in Attachment 1.
 - Mr. Shankar Chandran resigned from his directorship on 8 November 2022.

Authorised Signatory

The Company's authorized signatories are "Two directors from the following five directors namely Mr. Ho KwonPing, Mr. Ho KwonCjan, Mr. Stuart David Reading, Mr. Ho Ren Hua, and Mr. Eddy See Hock Lye can jointly sign with the seal of the Company affixed".

Duties and Responsibilities of the Company's Board of Directors

The Board's primary functions are to set the Company's policy and overall strategy for the Group and to provide effective oversight on the management of the Group's business and affairs. Apart from its statutory duties, the responsibilities of the Board include:

1. Overseeing the Company in managing the business for the benefits of shareholders by observing the following four practices:
 - 1.1 Performing its duties with responsibility and all due circumspection and caution (Duty of Care).
 - 1.2 Performing its duties with faithfulness and honesty (Duty of Loyalty).
 - 1.3 Performing its duties in compliance with laws, objectives, Articles of Association, the resolutions of the Board of Directors, and the resolutions of Shareholders' Meetings (Duty of Obedience).
 - 1.4 Disclosing information to shareholders accurately, completely, and transparently with verification and timeliness (Duty of Disclosure).



Governance Structure

2. Defining objectives that promote sustainable value creation and governance outcomes as a framework for the operations of the Company.
3. Formulating and approving the Company's vision, mission, broad policies, strategies, and financial objectives for business operation and reviewing them to be consistent with any change in a business situation.
4. Monitoring and approving the Company's key operational initiatives, annual budget, major investment, and funding decisions.
5. Determining and reviewing the board structure, in terms of size, composition, and the proper proportion of independent directors so as to ensure its leadership role in achieving the Company's objectives.
6. Ensuring that the policy and procedures for the nomination and selection of directors are clear and transparent resulting in the desired composition of the board.
7. Ensuring that all directors are properly accountable for their duties and responsibilities, and allocate sufficient time to discharge their duties and responsibilities effectively.
8. Ensuring that directors understand the roles and responsibilities, the nature of the business, the Company's operations, relevant laws and are consistently given support to enhance their skills and knowledge necessary to carry out their roles on the board and board committees.
9. Ensuring that an appropriate director compensation structure and performance evaluation are in place.
10. Considering the appointment of the Chief Executive Officer as proposed by the Nomination and Remuneration Committee, and to carry out performance assessment of and to determine remuneration for the Chief Executive Officer
11. Ensuring that the Company has effective human resources management and development programs to ensure that the Company has adequate staffing and appropriately knowledgeable, skilled, and experienced employees and staff.
12. Prioritizing and promoting innovation that creates value for business together with benefits for its customers, other stakeholders, society and the environment in support of sustainable growth of the Company.
13. Encouraging management to adopt responsible operations towards society and the environment and incorporate them into the Company's operational plan in order to ensure that every department and function in the Company adopts the Company's objectives, goals, and strategies, applying high ethical, environmental and social standards.
14. Establishing a framework for the governance of enterprise IT that is aligned with the Company's business needs and priorities, stimulates business opportunities and performance, strengthens risk management, and supports the Company's objectives.
15. Ensuring that the Company has effective and appropriate risk management and internal control systems that are aligned with the Company's objectives, goals, and strategies and comply with applicable laws and standards.
16. Monitoring and managing conflicts of interest that might occur between the Company, management, directors, and shareholders. The board should also prevent the inappropriate use of corporate assets, information, and opportunities, including preventing inappropriate transactions with related parties.

Governance Structure

17. Establishing a clear anti-corruption policy and practices and disseminating to the Company's stakeholders for proper implementations.
18. Establishing a mechanism for handling complaints and whistleblowing.
19. Prioritizing and ensuring the integrity of the Company's financial reporting system and that timely and accurate disclosure of all material information regarding the Company is made consistent with applicable requirements.
20. Monitoring the financial liquidity and solvency of the Company and ensuring that risks to the financial position of the Company or financial difficulties are promptly identified, managed and mitigated and that the Company's governance framework provides for the consideration of stakeholder rights.

These functions are either carried out directly by the Board or through Sub-Committees established by the Board, principally the Audit, Risk and Corporate Governance Committee and Nomination and Remuneration Committee. The delegation of authority by the Board to Sub-Committees enables the Board to achieve operational efficiency by empowering these Sub-Committees to decide on matters within certain limits of authority and yet maintain control over major policies and decisions.

The Term of Office

The term of office of a director of the Board shall be 3 years. A director of the Board who vacates his/her office by rotation may be re-appointed.

3 Information of Sub-Committee

(1) Audit, Risk and Corporate Governance Committee

The Audit, Risk and Corporate Governance Committee comprises 3 Independent Directors of the Company as follows:

Name		Position
Mr. Vudhiphol	Suriyabhivadh	Chairman
Dr. Jingjai	Hanchanlash	Member
Mr. Thongchai	Ananthothai	Member

Mr. Vudhiphol Suriyabhivadh, the Chairman of the Audit, Risk and Corporate Governance Committee, has adequate expertise and experience to review financial reports. Mr. Vudhiphol's formal education as a trained accountant and his former employment as the Financial Director of East Asiatic (Thailand) Public Company Limited has given him ample experience in reviewing the creditability of the financial reports.

Duties and Responsibilities of the Audit, Risk and Corporate Governance Committee

1. To review the accuracy and adequacy of financial reporting of the Company.
2. To review the adequacy and effectiveness of internal control and internal audit systems of the Company as well as to determine the independence of the internal audit unit, and to approve the appointment, transfer, and termination of employment of the chief of the internal audit unit.



Governance Structure

3. To consider, select, nominate and terminate an independent person to be the external auditor of the Company and propose fees for such person, as well as to attend a non-management meeting with the external auditor at least once a year.
4. To review the Company's compliance with the law on securities and exchange, regulations of the Stock Exchange of Thailand and the laws relating to the business of the Company.
5. To review the connected transactions or the transactions that may lead to conflicts of interests to ensure that they are in compliance with the laws, regulations of the Stock Exchange of Thailand, and are reasonable and for the highest benefit of the Company.
6. To report the activities of the Audit, Risk and Corporate Governance Committee to the Board.
7. To prepare and to disclose a report of the Audit, Risk and Corporate Governance Committee in the Company's Annual Report. The report must be signed by the Chairman of the Audit, Risk and Corporate Governance Committee, comprising at least the following information.
 - a. an opinion on the accuracy, completeness, and creditability of the Company's financial report,
 - b. an opinion on the adequacy of the Company's internal control system,
 - c. an opinion on the compliance with the law on securities and exchange, the Stock Exchange of Thailand's regulations, or the laws related to the business of the Company,
 - d. an opinion on the suitability of an auditor,
 - e. an opinion on the transactions that may lead to conflicts of interests,
 - f. the number of the Audit, Risk and Corporate Governance Committee meetings, and the attendance of such meetings by each committee member,
 - g. an opinion or overview comment received by the Audit, Risk and Corporate Governance Committee from its performance of duties in accordance with the charter, and
 - h. other transactions which, according to the Audit, Risk and Corporate Governance Committee's opinion, should be known to the shareholders and general investors, subject to the scope of duties and responsibilities assigned by the Board.
8. To review and encourage the Company to enforce and comply with an appropriate and efficient risk management policy, as well as to oversee and monitor the Group Risk Committee.
9. In performing the duty of the Audit, Risk and Corporate Governance Committee, if there is a transaction or any of the following acts which may materially affect the Company's financial condition and operating results:
 - a. a transaction which causes a conflict of interest,
 - b. any fraud, irregularity, or material defect in an internal control system, or
 - c. an infringement of the law on securities and exchange, regulation of the Stock Exchange of Thailand, or the law relating to the business of the Company.

The Audit, Risk and Corporate Governance Committee shall report such transactions or acts to the Board for rectification within the period of time that the Audit, Risk and Corporate Governance Committee thinks fit. If the Board or management fails to make rectification within such period of time, Audit, Risk and Corporate Governance Committee members may report on such transaction or act to the Office of the Securities and Exchange Commission or the Stock Exchange of Thailand.

Governance Structure

10. To investigate and report the preliminary result to the Office of the Securities and Exchange Commission and the external auditor within thirty days upon receipt of the fact from the external auditor in relation to any suspicious circumstance that the director, manager, or any person responsible for the operation of the Company commits an offense under the law on Securities and Exchange.
11. To implement and oversee the annual self-performance evaluations including reviewing the evaluation results and reporting the results to the Board on an annual basis.
12. To supervise the performance of management to strictly comply with the Company's good corporate governance policy.
13. To review the Corporate Governance Policy and Code of Corporate Conduct of the Company at least once a year.
14. To oversee the anti-corruption policy to ensure it is sufficient and appropriate for the Company's business.
15. To supervise and offer advice related to the operation concerning the Company's sustainable development.
16. To review and assess the adequacy of the Charter of the Audit, Risk and Corporate Governance Committee annually and recommend modification to the Board as needed, and
17. To perform any other acts as assigned by the Board and accepted by the Audit, Risk and Corporate Governance Committee.

In order that the duties and responsibilities of the Audit, Risk and Corporate Governance Committee can be fulfilled, the Audit, Risk and Corporate Governance Committee shall have the power to investigate related persons and matters within the scope of the authority and duty of the Audit, Risk and Corporate Governance Committee and, with the approval of the Board of Directors, shall have the power to employ or ask a specialist to provide advice and opinions as deemed appropriate by the Audit, Risk and Corporate Governance Committee.

The Term of Office

The term of office of a member of the Audit, Risk and Corporate Governance Committee shall be 2 years. A member of the Audit, Risk and Corporate Governance Committee who vacates his/her office by rotation may be re-appointed.

(2) Nomination and Remuneration Committee

The Nomination and Remuneration Committee comprises 3 Independent Directors of the Company as follows:

Name		Position
Dr. Jingjai	Hanchanlash	Chairman
Mr. Vudhiphol	Suriyabhivadh	Member
Mr. Thongchai	Ananthothai	Member



Governance Structure

Duties and Responsibilities of the Nomination and Remuneration Committee

1. To propose guidelines and make broad recommendations for the annual salary increment and bonus policies for the Company.
2. To review and award the bonus, salary increment, and incentives of the Company Chairman and his relatives who are employees of the Company.
3. To review and approve the expenses claims of the Company Chairman.
4. To review and if necessary, propose changes to the remuneration of the Company's directors serving on the Board of Directors, Audit, Risk and Corporate Governance Committee, and Nomination and Remuneration Committee.
5. To review and if necessary, propose changes or additions to senior management welfare, benefits (such as employee stock options and other employee welfare allowances, subsidies and schemes), salary increment, and bonus policies. The emoluments of individual employees shall be determined by the management of the Company.
6. To establish criteria for Board membership.
7. To formulate a standard and transparent process for the selection of directors.
8. To propose and/or evaluate directorial candidates and Board committee members for consideration by the Board when there is a vacancy.
9. To assess independent directors to identify if the independence of any is compromised and if new independent directors are required under the Board's policy.
10. To inform the Board of the names of directors and Board committee members who are retiring by rotation and make recommendations to the Board as to whether the Board should support the re-nomination of those retiring directors and committee members.
11. To review the Committee Charter at least once a year and recommend modifications to the Board of Directors as needed, and
12. To report to the Board of Directors on the Committee's activities and findings.

To assist the Nomination and Remuneration Committee in achieving its objectives, the Nomination and Remuneration Committee shall have the discretion to appoint appropriate third-party consultants to review existing employee-related policies, propose new employee benefit and welfare programs, and/or undertake other HR-related research and studies.

The Term of Office

The term of office of a member of the Nomination and Remuneration Committee shall be 2 years. A member of the Nomination and Remuneration Committee who vacates his/her office by rotation may be re-appointed.

Governance Structure

4 Management

Management of the Company, as of 31 March 2023, comprised of the following members:

Name		Position
1. Mr. Eddy	See Hock Lye ¹	Chief Executive Officer
2. Ms. Areewan	Sriwichupong	Chief Accountant and Assistant Vice President, Finance
3. Ms. Ungkhana	Tosilanon	Senior Assistant Vice President, Head of Laguna HR Centralized
4. Mr. Chatchai	Chordokrak ²	Assistant Vice President, Head of Finance and Corporate Affairs and Company Secretary
5. Mr. Kontee	Warapitayut	Senior Manager, Legal
6. Ms. Duangporn	Kijlertbunjong	Senior Manager, Corporate Affairs

Remarks

- Qualification and profile of the management is shown in Attachment 1.

¹ Mr. Eddy See Hock Lye was appointed as the Chief Executive Officer to replace Mr. Shankar Chandran who retired on 15 October 2022 in accordance with the resolution of the Board of Directors' Meeting on 8 August 2022.

² Mr. Chatchai Chordokrak was appointed as Assistant Vice President, Head of Finance and Corporate Affairs on 1 August 2022 to replace Mr. Edmund Tan Min Hai.

Remuneration Policy

Employees' Remuneration

The Group's remuneration policy is built on a transparent appraisal system and formulated to drive the performance of its employees, who are its most important asset.

The objective of the Group's remuneration policy is to attract, motivate, reward, and retain quality staff. The typical compensation package for employees comprises basic salary, variable performance bonus, allowances, as well as benefits. In determining the composition of the package, the nature of the role performed and market practice are taken into consideration. To ensure that its remuneration package is competitive with the industry's benchmark, the Group periodically reviews its base salary ranges and benefits package with comparative groups in the hospitality sector.

The remuneration for the Group's senior management and senior executives aims to motivate them to achieve the Group's annual and long-term goals to ensure that they are aligned with shareholders' interests. Performance-related elements, therefore, form a part of senior management and senior executives' total remuneration.

The Group's approach to rewarding employees not only helps to attract, retain and motivate talented employees but also fosters a performance-oriented culture across the organization that will help attaining the Group's financial objectives.

Managements' Remuneration

Monetary Remuneration

Monetary remuneration for the top 8 management in 2022 amounted to Baht 51,717,790 consisting of salaries, bonus, housing allowance, social security payment, provident fund payment, tax paid by the Company, children education subsidy, medical expenses, etc.



Governance Structure

Non-Monetary Remuneration

Employee benefits such as personal accident and health insurance and complimentary vouchers, etc., for the top 8 management in 2022 were in the total amount of Baht 2,029,522.

5 Employees

The number of employees of the Company (excluding those in the subsidiaries) as at 31 December 2022 was 69 employees as detailed below:

Department	No. of Employees
Administration & General	7
CR & CSR	3
Centralized Human Resources	8
Legal	1
Management Office	3
Corporate Community Relations	5
Laguna Job	2
Group Control Service	4
Internal Audit	3
Accounting	13
RATS Program	9
Centralized Purchasing	3
Canal Village	2
Corporate Affairs	1
Budget & Planning	1
Design & Planning	4
Total	69

Total remuneration and benefits paid to employees (such as salary, bonus, car allowance, social security payment, provident fund payment, medical, accident & health insurance, complimentary vouchers, etc.) during the 12 months ended 31 December 2022 amounted to Baht 66,832,589.

6 Other Related Information

Company Secretary

Mr. Chatchai Chordokrak was appointed as the Company Secretary of the Company effective from 8 November 2022. The Company Secretary is responsible for preparing and maintaining the register of directors, notice and minutes of the Board of Directors' meeting, annual report, notice and minutes of the shareholders meeting, maintaining directors and management's report on interests, and performing other duties as required by the Capital Market Supervisory Board and as assigned by the Board of Directors of the Company. (Qualification and profile of the Company Secretary is shown in Attachment 1)

Governance Structure

Head of Group Internal Audit

Ms. Yvonne Lim was appointed as Head of Group Internal Audit on 1 November 2021.

Ms. Yvonne Lim graduated from the Nanyang Technological University of Singapore with a Bachelor of Business degree. She has over 20 years of internal auditing experience that includes the real estate industry covering the Hospitality, Retail, Commercial and Residential business sectors. The Company views that based on her experiences and knowledge, she meets the qualifications to head the internal audit function. (Qualification and profile of the Head of Group Internal Audit is shown in Attachment 3)

The Audit, Risk and Corporate Governance Committee is empowered to approve the appointment, termination and transfer of employment of the Head of the Internal Audit unit as prescribed in its Charter described in section under heading “Information of Sub-Committee”.

Auditor’s Remuneration (for the fiscal year ended 31 December 2022)

1. Audit Fees

The Company and subsidiaries paid audit fees for the fiscal year to an audit firm which amounted to Baht 5,750,000 and subsidiaries paid audit fees to other audit firms which amounted to Baht 959,590. This amount does not include the audit fees paid by associated companies.

2. Non-Audit Fees

There are no non-audit fees for agreed-upon procedures of net sales and other consultant fees for the fiscal year paid to other audit firms by the Company and subsidiaries. There is no outstanding commitment to pay any fees in the future for uncompleted engagements relating to the year 2022.



Governance Report

Report on Key Operating Results on Corporate Governance

1. Performance of the Board of Directors for the year 2022

1.1 Nomination, Development and Performance Assessment of the Board

(1) Independent Directors

Definition of “Independent Director”

“Independent Directors” means the persons who have all the necessary qualifications and independence which is in line and more stringent than the criteria set by the Capital Market Supervisory Board. At present, the said criteria prescribe that the qualifications of an Independent Director are as follows:

- (a) holding not exceeding 0.75 percent of the total voting shares of the Company, its parent company, subsidiary, associate company, major shareholder or controlling person, including shares held by the connected persons of such independent director;
- (b) neither being nor having been an executive director, employee, staff, advisor who receives a salary or the controlling person of the Company, its parent company, subsidiary, associate company, same-level subsidiary, major shareholder or controlling person, unless the foregoing status has ended not less than two years prior to the date of appointment. Such prohibited characteristics shall exclude the case where an independent director used to be a government official or advisor of a governmental agency, which is a major shareholder or the controlling person of the Company;
- (c) not being a person who is related by blood or registration under laws, such as father, mother, spouse, sibling and child, including the spouse of a child, other directors, executives, major shareholders, controlling person or person to be nominated as director, executive or controlling person of the Company or its subsidiary;
- (d) not having or having had a business relationship with the Company, its parent company, subsidiary, associate company, major shareholder, or controlling person in a manner that may interfere with his/her independent judgment, and neither being nor having been a significant shareholder or the controlling person of any person having a business relationship with the Company, its parent company, subsidiary, associate company, major shareholder or controlling person, unless the foregoing relationships have ended not less than two years prior to the date of appointment.

The term ‘business relationship’ aforementioned under paragraph one includes any normal business transaction, rental or lease of immovable property, transactions relating to assets or services or grant or receipt of financial assistance through receiving or extending loan, guarantee, providing assets as collateral, and any other similar actions, which result in the Company or his/her counterparty being subject to indebtedness payable to the other party in the amount of three percent or more of the net tangible assets of the Company or twenty million baht or more, whichever amount is lower. The amount of such indebtedness shall be in accordance with the method for calculating the value of connected party transactions under the Notification of the Capital Market Supervisory Board governing rules on connected transactions mutatis mutandis. The combination of such indebtedness shall include the indebtedness taking place during the course of one year prior to the date on which the business relationship with the person commences;

- (e) neither being nor having been an auditor of the Company, its parent company, subsidiary, associate company, major shareholder, or controlling person, and not being a significant shareholder, controlling

Governance Report

person, or partner of the audit firm which employs the auditor of the Company, its parent company, subsidiary, associate company, major shareholder, or controlling person, unless the foregoing relationship has ended not less than two years prior to the date of appointment;

- (f) neither being nor having been any professional advisor including the legal advisor or financial advisor being paid with a service fee of more than two million baht per year by the Company, its parent company, subsidiary, associated company, majority shareholder, or controlling person, and not being a significant shareholder, controlling person, or partner of the professional advisor, unless the foregoing relationship has ended for not less than two years prior to the date of the appointment;
- (g) not being a director who is appointed as the representative of the Company's directors, major shareholder, or shareholder who is a connected person of the Company's major shareholder;
- (h) not operate any business which has the same nature as and is in significant competition with the business of the Company or its subsidiary, or not being a principal partner in any partnership, or not being an executive director, employee, staff, advisor earning a regular monthly salary, or not holding shares exceeding one percent of the total number of voting rights of any other company operating business which has the same nature as and is in significant competition with the business of the Company or its subsidiary;
- (i) not having any other characteristics which make him/her incapable of expressing independent opinions with regard to the Company's business affairs.

After having been appointed as an independent director with qualifications complying with the criteria under (a) to (i) of the first paragraph, the independent director may be assigned by the board of directors to take part in the business decision of the Company, its parent company, subsidiary, associate company, same-level subsidiary, major shareholder or controlling person, providing that such decision shall be in the form of collective decision.

All independent directors of the Company are independent of management and major/substantial shareholders and meet the Company's definition of Independent Director which also in line with the qualification of Audit Committee in accordance with the notification of the Capital Market Supervisory Board.

The independent directors have no affiliations or business relationships with the Company and are not directly associated with a shareholder of the Company, nor having any relationships or circumstances exist which are likely to, or could appear to, interfere with the exercise of their independent business judgment with a view to the best interest of the Company.

Consecutive Terms of Office of an Independent Director

When independent directors are due to retire by rotation, the Board of Directors may nominate their names to be re-elected at the Annual General Meeting of Shareholders as deemed appropriate.

The Company has yet stipulated a limitation on the consecutive directorship terms of office for independent directors, as the Company's independent directors are qualified according to the definition specified by the SEC and the Company. They also have the knowledge and good understanding of the Company's business and are able to provide opinions independently in Board of Directors' meetings and Sub-Committees' meetings.



Governance Report

(2) Nomination of Board members

Nomination of Board members

The Nomination and Remuneration Committee is responsible for the nomination of new directors. The following matters will be taken into consideration as part of the selection criteria, such as:

- Structure of the Board of Directors, which shall consist of members in the number that is suitable for the size and business strategy of the Company.
- Diversity in the structure and skills of the Board of Directors (Board Diversity), including but not limited to, race, religion, national origin and gender.
- Qualifications and skills of the director(s) that are necessary but lacking among the existing Board of Directors, and appropriate to drive the Company's business strategy and target.
- The Board Skill Matrix will be used to identify the required qualifications.

Nomination Procedures

The Nomination and Remuneration Committee will search for potential candidates for the position of director(s) from various sources such as recommendation of other directors, nomination by the shareholders of the Company, including but not limited to the service of external professional search firms or the director pool or other nomination procedures as the Nomination and Remuneration Committee considers appropriate, and propose the most qualified candidate(s) to the Board of Directors or the shareholders' meeting (as the case may be) for consideration and appointment.

Succession Plan

The Board of Directors places importance on having an effective and efficient management as well as the continuance of its business operations, which are essential factors to the sustainable growth of the organization. Thus, the Company is required to prepare a succession plan for the positions of the Chief Executive Officer, Managing Director, and other senior executive positions, and to review every 3 years to ensure that there will be competent senior executives suitable for the succession of these key positions.

Development of Directors and Management

The Company's directors, management, and employees are constantly encouraged to develop their skills by attending various seminars and training courses organized by various organizations, e.g. the Thai Institute of Directors Association, the SET and the SEC, etc. Seminars and training courses are periodically forwarded to them. Furthermore, the relevant information is regularly provided to the directors so that they are kept abreast of the latest developments thus enabling them to make informed decisions. In 2022, Mr. Vudhiphol Suriyabhivadh and Dr. Jingjai Hanchanlash, Independent Directors attended the online seminar for the audit committee on the topic of "In the midst of the global economic crisis caused by epidemic, war, energy and inflation, how should the business sector adjust strategies to catch up with the world surviving the crisis and growing sustainably", organised by EY Office Co., Ltd.

Details of the training previously undertaken by each director are set out in Attachment 1 under the heading "Board of Directors, Management, Head of Group Internal Audit and Company Secretary of the Company" in the Company's 56-1 One Report.

Orientation for New Director

The Company recognizes the importance of supporting new directors in performing their duties. The Company has provided the information on its business and other information related to the operations of the

Governance Report

Company to new directors such as the Company's relevant charter, policies, procedures, annual information disclosure, and relevant laws and regulations so that they are adequately informed of the rules and regulations and business of the Company prior to performing their duties.

External Directorship Policy

The Board of Directors has set a policy to limit the number of listed companies in which each director may hold a directorship. This policy aims to protect the Company's best interests because it helps to ensure that directors have sufficient time to handle their duties efficiently. The Board of Directors has agreed to set the policy prescribing that each director should hold directorship of a maximum of 5 other listed companies.

In addition, the Company has a guideline that the Chief Executive Officer shall obtain prior approval from the Nomination and Remuneration Committee for any external directorship. While all other executive officers shall obtain prior approval for any external directorship from his/her superior holding the rank of Senior Vice President or higher relevant to the executive officer's business unit. Where the approval as described was obtained but a material change in circumstances renders it inappropriate for the executive officer to continue his/her external directorship, it is a conflict of interest unless a fresh approval is obtained by the executive officer in accordance with the requirements set out.

Performance Evaluation of the Board

Based on the principles of good corporate governance, the Board of Directors and Sub-Committees conduct a self-evaluation at least once a year so that they could review and improve their performance. The evaluation is based on the self-assessment form developed by the Stock Exchange of Thailand, which is adapted to suit the Company's business nature and to cover the performance of the Board which consists of the following:

1. Self-assessment form of the Board of Directors to evaluate the performance of the entire Board as a whole and on an individual basis of each board member.
2. Self-assessment form of the Sub-Committees
 - 2.1 The Audit, Risk and Corporate Committee
 - 2.2 The Nomination and Remuneration Committee

At the end of every year, the Company Secretary will send a self-assessment form to each member of the Board of Directors and Sub-Committees to appraise the annual performance, collect the completed forms, conclude and report the performance evaluation results to the Board of Directors and/or each Sub-Committee for acknowledgement.

The self-assessment form of the Board of Directors and Sub-Committees consists of the following main topics for performance rating including

- Board structure and qualifications
- Roles, duties, and responsibilities of the Board
- Board meeting
- Board performance
- Relationship with management
- Director's self-improvement and management development



Governance Report

The assessment forms follow the levels of performance in accordance with the scores achieved as shown below:

From 85%	=	Excellent
From 75%	=	Very good
From 65%	=	Good
From 50%	=	Fair
Below 50%	=	Need improvement

The assessment result in 2022 of the Board of Directors and each Sub-Committee are as follows:

1. The Board of Directors as a whole achieved an average score of 92.5 percent which is in the Excellent category and the Board of Directors on an individual basis achieved an average score of 87 percent which is in the Excellent category.
2. The Audit, Risk and Corporate Governance Committee achieved an average score of 98.3 percent which is in the Excellent category.
3. The Nomination and Remuneration Committee achieved an average score of 97.4 percent which is in the Excellent category.

1.2 Meeting Attendance and Individual Directors' Compensation

(1) Board of Directors

The Company conducts Board of Directors meetings every quarter at least 4 times a year which are planned, formally agreed upon in advance and communicated to all directors before the start of the new financial year. The meeting documents shall be sent out to the directors in advance at least 5 days prior to the meeting date. Additional meetings are convened as and when circumstances warrant. In 2022, the Company conducted 4 Board meetings and the attendance of all directors is shown below:

Name	Position	Number of Meeting Attendance during 2022 / Total	
		BOD	AGM
1. Mr. Ho KwonPing	• Chairman of the Board	4/4	1/1
2. Mr. Vudhiphol Suriyabhivadh	• Independent Director Audit, Risk and Corporate Governance Committee Chairman Nomination and Remuneration Committee Member	4/4	1/1
3. Dr. Jingjai Hanchanlash	• Independent Director Nomination and Remuneration Committee Chairman Audit, Risk and Corporate Governance Committee Member	4/4	1/1
4. Mr. Thongchai Ananthothai	• Independent Director Audit, Risk and Corporate Governance Committee Member Nomination and Remuneration Committee Member	4/4	1/1
5. Ms. Srinthorn Ounayakovit	• Independent Director	4/4	1/1
6. Mr. Ariel P. Vera	• Independent Director	4/4	1/1
7. Mr. Ho KwonCjan	• Director	4/4	-/1
8. Mr. Eddy See Hock Lye	• Director	4/4	1/1
9. Mr. Ho Ren Hua	• Director	4/4	1/1
10. Mr. Shankar Chandran*	• Director	3/3	1/1
11. Mr. Stuart David Reading	• Director	4/4	1/1
12. Ms. Ho Ren Yung	• Non-Executive Director	4/4	1/1

* Mr. Shankar Chandran resigned from his directorship on 8 November 2022.

Governance Report

The Board is of the view that the contribution of each director should not be focused only on his or her attendance at environment of Board meetings, through the sharing of views, advice, experience, and strategic networking relationships which would further the interests of the Company.

(2) Remuneration of Directors

The fees for Independent Directors, Non-Executive Directors, and Directors reflect the scope and extent of a director's responsibilities and obligations. They are measured against industry benchmarks and are competitive. Directors' fees are subject to shareholders' approval at the Annual General Meeting. In addition to directors' fees, Independent Directors and Non-Executive Directors also receive compensation in kind in terms of goods and services provided at hotels operated by the Group.

Monetary Remuneration

The remuneration fees of the year 2022 were equiva was no longer applicable as the year 2021) for all members of the Board of Directors, the Audit, Risk and Corporate Governance Committee (ARCG) and Nomination and Remuneration Committee (NRC) and will continue to be in effect for each subsequent year, unless or until resolved otherwise by a general meeting of the shareholders of the Company. Details of the remuneration are shown in the following table.

Board of Directors

Position	Remuneration / Meeting / Person (Baht)	Spa & Gallery Vouchers / Year / Person
Chairman of the Board	262,000	-
Independent Director	175,000	USD 2,000 (Approximately Baht 60,000)
Non-Executive Director	175,000	USD 2,000 (Approximately Baht 60,000)
Director	115,000	-

Audit, Risk and Corporate Governance Committee and Nomination and Remuneration Committee

Position	Remuneration / Meeting / Person (Baht)
Chairman	87,000
Member	45,000

Monetary remuneration for the Directors and Sub-Committee Members in 2022 was in the total amount of Baht 8,672,000. Directors of LRH are not paid director fees by any of LRH's subsidiary companies.

Non-Monetary Remuneration

Benefits in the form of spa and gallery vouchers for the Independent Directors and Non-Executive Directors in 2022 were in the total amount of Baht 300,000.



Governance Report

Details as shown in the below section, “Remuneration and Other Benefits of the Directors during the Year 2022”.

Remuneration and Other Benefits of the Directors during the Year 2022

Name	Position	Remuneration/Other Benefits (Baht/Year)		
		The Board	Audit, Risk and Corporate Governance Committee	Nomination and Remuneration Committee
1 Mr. Ho Kwon Ping	Chairman of the Board and Executive Chairman of the Group	1,048,000 / -	- / -	- / -
2 Mr. Vudhiphol Suriyabhivadh	Independent Director, Audit, Risk and Corporate Governance Committee Chairman and Nomination and Remuneration Committee Member	700,000 / 60,000 ¹	348,000 / -	135,000 / -
3 Dr. Jingjai Hanchanlash	Independent Director, Audit, Risk and Corporate Governance Committee Member and Nomination and Remuneration Committee Chairman	700,000 / 60,000 ¹	180,000 / -	261,000 / -
4 Mr. Thongchai Ananthothai	Independent Director, Audit, Risk and Corporate Governance Committee Member and Nomination and Remuneration Committee Member	700,000 / 60,000 ¹	180,000 / -	135,000 / -
5 Ms. Srinthorn Ounayakovit	Independent Director	700,000 / 60,000 ¹	- / -	- / -
6 Mr. Ariel P. Vera	Independent Director	700,000 / 60,000 ¹	- / -	- / -
7 Mr. Ho KwonCjan	Director	460,000 / -	- / -	- / -
8 Mr. Eddy See Hock Lye	Director	460,000 / -	- / -	- / -
9 Mr. Ho Ren Hua	Director	460,000 / -	- / -	- / -
10 Mr. Shankar Chandran ²	Director and Chief Executive Officer	345,000 / -	- / -	- / -
11 Mr. Stuart David Reading	Director	460,000 / -	- / -	- / -
12 Ms. Ho Ren Yung	Non-Executive Director	700,000 / - ³	- / -	- / -

Remark:

¹ Spa and Gallery Voucher amounting to USD 2,000 (approximately Baht 60,000 per person)

² Mr. Shankar Chandran resigned from his directorship on 8 November 2022.

³ Ms. Ho Ren Yung, Non-Executive Director, did not take spa and gallery vouchers.

1.3 Governance over Operations of Subsidiary / Associated Companies

In monitoring the business operations of subsidiaries and associated companies, the Company will assign its directors or managements to act as directors in subsidiary and associated companies according to the proportion of shareholding. They act as the representatives on behalf of the Company to set policies and conduct the business of subsidiaries and associated companies consistently with the Company’s main policy. The assignment of the Company’s representatives to be directors or managements in subsidiary and associated companies is in the scope of authority of the management. The directors or managements who represent the Company will perform their duties within the scope of their roles and responsibilities in order to maintain the maximum benefit of the Company and report directly to the management. All transactions in any subsidiaries and associated companies, which may significantly affect the business operation or financial position of the Company, must be considered and approved by the Board of Directors of the Company.

Governance Report

The Company encourages and monitors the subsidiaries and associated companies to operate their business in compliance with the good corporate governance policy and the rules and regulations of relevant authorities including business transactions such as the acquisition and disposition of assets and connected transaction of the Company and its subsidiaries and associated companies, to maintain accurate accounting records and financial reports according to accounting standards and to be audited by the Company's Internal Audit to ensure that there is a sufficient and effective internal control system.

1.4 Corporate Governance Policy and Guideline Compliance Control

Supervision on the Use of Inside Information

To prevent the misuse of confidential and price-sensitive undisclosed corporate information, the Board of Directors of the Company approved the policy on dealing in securities of the Company which prohibits any directors, management, and employees, regardless of rank, from disclosing or using such confidential and price-sensitive corporate information. Employees are prohibited to trade in the Company's shares for personal gain or any other reason not in the Company's interest or dealing in the Company's securities while in possession of unpublished confidential and price-sensitive information during the "embargo period" which is defined as 1 month before and up to the date of announcement of the Company's financial results for each quarter. The policy and reminder of the embargo periods are communicated to directors, management, and employees on an annual and quarterly basis to strictly comply with this policy. Confidential and price-sensitive information is also restricted to only directors, management, and those officers who have direct responsibility over such matters. Any violation of this policy shall be subject to disciplinary actions under the working regulation. Additionally, the Company monitors the trading of the Company's securities by its directors and senior management who are required to report to the Board of Directors on a quarterly basis on the holding of the Company's securities and in accordance with the rules of the Securities and Exchange Commission.

2 Report of the Audit, Risk and Corporate Governance Committee for the year 2022

2.1 Total number of meetings and the attendance of each member

The Company conducts regular scheduled Audit, Risk and Corporate Governance Committee meetings on a quarterly basis at least 4 times a year, prior to the Board meeting, which is planned and formally agreed upon in advance in the fourth quarter before the start of the new financial year. Additional meetings are convened as and when circumstances warrant. In 2022, the Company conducted 4 Audit, Risk and Corporate Governance Committee meetings. Each of the Audit, Risk and Corporate Governance Committee members attended the meetings as follows:

Name		Number of Attendances / Total
Mr. Vudhiphol	Suriyabhivadh	4/4
Dr. Jingjai	Hanchanlash	4/4
Mr. Thongchai	Ananthothai	4/4

In addition, in 2022, the Audit, Risk and Corporate Governance Committee attended 1 non-management meeting with the external auditor and internal auditor to deliberate accounting approaches and audit plans.



Governance Report

The Non-Management Meeting

The Company encourages non-executive directors to hold meetings with the external auditor and internal auditor as necessary without the presence of executive directors and management attendance to review and discuss freely on any business issues that are of interest. In 2022, there was one non-management meeting held in November.

2.2 Report of Audit, Risk and Corporate Governance Committee

Please see details in the attachment 6

3 Report of the Nomination and Remuneration Committee for the year 2022

3.1 Total number of meetings and the attendance of each member

The Company conducts the Nomination and Remuneration Committee meetings as deemed appropriate. The meetings are planned and formally agreed upon in advance in the fourth quarter before the start of the new financial year. Additional meetings are convened as and when circumstances warrant. In 2022, the Company conducted 3 Nomination and Remuneration Committee meetings. Each of the Nomination and Remuneration Committee members attended the meetings as follows:

Name		Number of Attendances / Total
Dr. Jingjai	Hanchanlash	3/3
Mr. Vudhiphol	Suriyabhivadh	3/3
Mr. Thongchai	Ananthothai	3/3

The Company encourages that at the time of Board and/or Sub-Committees' decision, the quorum should not be lesser than two-thirds of the total number of directors.

3.2 Report of Nomination and Remuneration Committee

Please see details in the attachment 7

Internal Control and Related Party Transaction

Internal Control

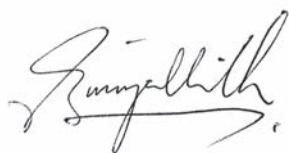
Opinion of the Audit, Risk and Corporate Governance Committee on the Company's Internal Control

**To: The Board of Directors,
Laguna Resorts & Hotels Public Company Limited**

The Audit, Risk and Corporate Governance (“ARCG”) Committee met four times in 2022 to perform its duties in accordance with the charter. Amongst other activities, the ARCG Committee reviewed the work of both the Company's internal and external auditors. These reviews were based upon a structured yearly work plan which the ARCG Committee approved annually in advance and it also takes on additional reviews when it is deemed appropriate.

Throughout 2022, risk management was rigorously reviewed, implemented and enforced across all companies under Laguna Resorts & Hotels Public Company Limited. In this regard, controls that mitigate risks to an acceptable level were identified, updated in risk registers, and periodically reviewed. Additionally, the internal controls were also examined and results documented to ensure that the Company has sufficient procedures and controls in place.

Based upon these reviews, the ARCG Committee is satisfied that the Group's internal controls are suitable and sufficient to support its operations and to enable the external auditors to express the opinion that the Company's financial statements are presented fairly in all material respects.



Mr. Vudhiphol Suriyabhivadh
Audit, Risk and Corporate Governance Committee Chairman



Internal Control and Related Party Transaction

Opinion of the Board of Directors on the Company's Internal Control

Based upon the reports of work carried out by the external auditors, the Board of Directors is of the opinion that the Company's internal accounting controls are adequate and have enabled the external auditors to opine that the financial statements for the year ended 2022 are presented fairly. The Board has also taken note of and accepted the Audit, Risk and Corporate Governance Committee's report on the internal control system and therefore concludes that there are no material weaknesses in the Company's internal control system.



Mr. Ho KwonPing
Chairman of the Board

Internal Control and Related Party Transaction

Related Party Transaction

As has been the case in the past, in 2022 the Company and its subsidiaries had a significant number of business transactions with related parties (related by way of shareholding, common shareholders, directors, and/or management) but all of which are conducted as part of the Company's normal course of business.

The Company by the nature of its product and its complex group structure has a large number of related party transactions. Laguna Phuket is an integrated resort with a number of hotels and associated resort services being incorporated in different companies within the group. This in itself results in a significant number of related party transactions which are considered to be necessary and reasonable for the operation of Laguna Phuket. The nature, pricing, and agreements of these transactions are summarised below:

Inter-Resort Charges and Credit Card Commission

- These charges relate to goods and services that are consumed by customers in one part of Laguna Phuket but are billed centrally to the customer at the hotel at which the customer is staying. Such charges relate to meals at restaurants, golf fees, treatments at the spas, and goods purchased at shops in the resort. On receiving the funds centrally from the customer, the hotel reimburses the company in which the goods and services are consumed. Actual receipts are paid and credit card commission is charged ranging from 2 percent to 5 percent of the revenue and are based on the commissions charged by the credit card companies. Such inter resort charges are also incurred at the Banyan Tree Bangkok and Laguna Golf Bintan primarily for treatments at the spas and goods purchased at the shops and golf fees at the golf course.
- These transactions provide the convenience of guest's payment and promote resort integration.

Management Fees

- Royalty fee paid for the use of "Banyan Tree", "Angsana" and "Cassia" trademarks, and all other proprietary rights associated with it.
 - (i) Banyan Tree Phuket (LBTL), Cassia Phuket (PGR), Angsana Villas Resort Phuket (BGL), and Laguna Holiday Club Phuket Resort (BGL) pay a royalty fee of 2 percent of total revenue.
 - (ii) Banyan Tree Bangkok (TWPL) and Angsana Laguna Phuket (BGL) pay a royalty fee of 3 percent of total revenue.
 - (iii) BTG(T) and BTG(S) pay a royalty fee of 1 percent of total revenue.
- Hotel management and technical assistance fees.
 - (iv) The Technical Assistance Agreement of the Banyan Tree Phuket charges a technical fee of 7.5 percent of gross operating profit.
 - (v) The Hotel Management Agreement of the Banyan Tree Bangkok and the Angsana Laguna Phuket charge a hotel management fee of 10 percent of gross operating profit. Cassia Phuket, Angsana Villas Resort Phuket, and Laguna Holiday Club Phuket Resort pay a hotel management fee of 7.5 percent of gross operating profit.



Internal Control and Related Party Transaction

- (vi) In addition, under the hotel management and technical assistance agreements, expenses relating to the sharing of group marketing costs such as promotional campaigns and advertisements, sales staff salaries, central reservations, and international sales offices incurred by the Banyan Tree and/or Angsana and/or Cassia corporate head office are charged as follows:
- Group marketing services shared on a group basis are based on 2 percent of total actual hotel revenues.
 - Reservation service fees are 1 percent of room revenue plus USD 12 per booking sourced through third-party channels.
- All management fees are consistent with industry practice and the sharing of group marketing costs incurred by Banyan Tree Phuket, Banyan Tree Bangkok, Angsana Laguna Phuket, Angsana Villas Resort Phuket, Cassia Phuket, and Laguna Holiday Club Phuket Resort are the reimbursement of costs benefiting each of the hotels. As a result, these transactions are on normal commercial terms and conditions.

Management Fee – Project Service, Architectural and Interior Design Service

- The fees for project service, architectural, and interior design services are based on a 10 percent markup of actual working hours in providing the service and included all costs. The fees are consistent with industry practice. Therefore, these transactions are on normal commercial terms and conditions.

Management Fee – Providing Operational, Visual, and Product Training Service

- This relates to the management fee charged to related companies for providing operational, visual, and product training services. The fee is an annual fee at SGD according to each agreement plus 15 percent of gross operating profit.

Management Income

- The management fee is charged to BTRS(T) and BTHR(T) for providing administration services of information technology and human resources. The monthly fee is charged at cost plus a certain margin.

Sale and Purchase of Goods

- Purchase of goods for their sales & marketing gifts and guest supplies for the hotel and spa relates to:
 - (i) Sale of goods from Gallery operations to related companies is priced at a 15 percent to 30 percent discount to the retail price depending on the volume purchased.
 - (ii) Sale of guest and spa supplies of high volume purchases from companies that operate galleries to related companies is priced at cost plus up to 30 percent and 40 percent margin.
 - (iii) Sale and purchase of goods among BTG(S) and BTG(T) are priced at cost plus a handling fee of 5 to 20 percent. In this instance, they act as a purchasing agent and central purchasing for products in their countries to facilitate bulk purchasing for competitive pricing.

Internal Control and Related Party Transaction

Sale and Purchase of Spa and Gallery Vouchers

- Banyan Tree Spa and Banyan Tree Gallery vouchers are purchased for distribution to management to provide an additional benefit scheme. The vouchers are issued yearly to qualifying executives and are valid only within the year of the issue. The voucher is priced at the face value of the voucher.
- There is the sale of spa and gallery vouchers by companies that operate Banyan Tree Spas and Banyan Tree Gallery to related companies for use as a marketing tool. The Spa vouchers are priced at a 30 - 50 percent discount to the Spa price list. The Gallery vouchers are priced at 20 percent to the face value of the voucher.

Reimbursement of Costs

- Costs are often incurred within the group which is reimbursed by the company to which the expense relates. Actual costs are reimbursed.
- These transactions are made for the convenience of payment.
- The centralised service fee charges by BTRS(T) in respect of providing centralised service relating to Accounting, Purchasing, Human Resources, Learning & Development, Reservation and Information Technology. These charges are based on a 5 percent markup on actual cost and the same is applied to all hotels and business operations concerned.

Rent and Service income

- These transactions relate to rent paid for premises and land.
 - (i) Rental of hotel premises and service income received from BTRS(T) and BTG(T) for Spa premise, gallery shops, office, and stores are based on 5 percent to 10 percent of sales revenue or fixed monthly charge which is dependent on criteria such as the location, budgeted sales, term of the lease, size of the area leased and type of operation.

Banyan Tree Spa and Banyan Tree Gallery are recognised brand names that enhance the image of the hotel and help in its marketing. Rental charges to BTRS(T) and BTG(T) are consistent with industry practice and rents charged to them by other non-related party resorts.

- (ii) Rental and service income earned by TWPL for renting the office space at Thai Wah Tower and Banyan Tree Bangkok. Rental and service fees charged are in line with the market rate. Terms and conditions in the agreement are similar to other customers and the market. Service has been separated from rental for tax reasons.
- (iii) Rental and service income for space in Banyan Tree Phuket for Banyan Tree Spa office and store is at Baht 1,207 per square meter per month.
- (iv) Service income from the rental of Banyan Tree Management Academy is at Baht 136,591 per month.



Internal Control and Related Party Transaction

Rental Return on Hotel Units

- This relates to a Management Agreement to manage the hotel units of CGL in the Angsana Resort & Spa on Bintan Island, Indonesia under which CGL receives a return of 15 percent per annum on the investment of the leasehold rights. A very good rental return is being received from the hotel prior to the units being required for the operation.

Resort Service Charges

- Resort service charged to BTRS(T) relates to revenue of LSC which provides centralised services to operations in the group located at Laguna Phuket at the following rates:
 - Laundry charge : at the price based on cost plus a certain margin
 - Staff buses : at the price based on cost plus a certain margin
 - Common area services, transportation charges : based on the actual cost
- LSC centralises certain facilities and services for operations in Laguna Phuket to avoid duplication in investment and operating expenses. Where the charge is based on a standard or fixed rate, the same is applied to all hotels and business operations concerned.

Training Charges

- Training charges by BTHR(T) in respect of providing centralised training facilities and courses for staff. The training costs are allocated to each operation based on the actual cost.

Procedures for Approving Related Party Transactions

It is the Group's policy to ensure that there is no conflict of interest when related party transactions are executed. All existing related party transactions are communicated by each of the operations on a quarterly basis and reviewed by management. New proposed related party transactions are identified by and/or communicated to higher-level management and the transactions are approved by either senior management, Board of Directors, or the shareholders in accordance with the requirements of the SET and SEC. All new significant related party transactions are presented to the Audit, Risk and Corporate Governance Committee for an opinion that includes demonstrating that the transaction is on commercial terms and on an arm's length basis. Once recommended by the Audit, Risk and Corporate Governance Committee the transaction will be proposed to the Board of Directors or the Board of Directors and shareholders for approval. Interested directors do not take part in approving the transaction.

Future Policy or Tendency of Related Party Transactions

It is the intention of the Company to minimise the incidence of related party transactions wherever practicable. However, given the nature of the Group structure and the Group's business, it is not possible to cease many of the current transactions. As a result, the Group's future policy is geared towards ensuring that all current and future transactions are necessary and are on commercial terms and an arm's length basis.

Internal Control and Related Party Transaction

The reason for having persons with mutual interest holding (both directly and indirectly) more than 10 percent of the shares in the subsidiaries and associate in lieu of the Company

The person who may have a mutual interest and holds (both directly and indirectly) more than 10 percent of the shares in the subsidiaries and associates of the Company is BTH, who is also a major shareholder of the Company. The subsidiaries and associates whose shares are held by BTH engage in hotel and property development as well as souvenir retail in the hotels managed by BTH. With BTH's expertise and experience of international hotel development and management of award-winning hotels under the trademarks of "Banyan Tree", "Angsana", and "Cassia", the joint investment with BTH will result in the said subsidiaries and associate benefitting from the use of trademarks, reputation and managerial assistance of BTH.

Related party transactions, which have been concluded on the terms and basis determined by the Company, its subsidiaries, and related parties, or in accordance with the agreement, are detailed below. Significant transactions greater than Baht 1 million are disclosed separately and non-significant transactions have been grouped.



Internal Control and Related Party Transaction

Persons with Mutual Interest and Connected Transactions

Transactions between the Company and its subsidiaries with related parties including the amounts paid and received, and the terms of the transactions are included in note 9 to the financial statements. Such transactions are disclosed and grouped by type of transaction.

Additional information relating to the significant transactions which are greater than Baht 1 million are the name of the persons with mutual interest and the necessity and reasonableness of the transactions. This is disclosed as follows:

Transactions between the Group (The Company and its Subsidiaries) and Related Parties in Year 2022

(Unit : Million Baht)

	Payee	Payer	Transactions in 2022	Person(s) with Mutual Interest	Nature of Relationship	Directors with Common Interest	Necessity/ Reasonableness	
Transactions with associate								
	Reimbursement receipts	TWPL	TWPC	7	-	-	Convenience of payment	
Rent and service income	TWPL	TWPC	17	-	-	-	Rental of the corporate head office - The building is well located and has good amenities.	
Transactions with related companies								
	Credit card commission receipts	TWPL	BTRS(T)	0	BTRS(T)	ESHL, ET, KW	Convenience of guest's payment	
	Inter resort payments	BTRS(T)	BGL	0	BTRS(T)	B	ESHL, ET, KCH, KW	Convenience of guest's payment to promote Laguna Phuket resort integration
		BTRS(T)	LBTL	0	BTRS(T)	B	ESHL, ET, KCH, KW	
		BTRS(T)	PGR	0	BTRS(T)	B	ESHL, ET, KCH, KW	
	BTRS(T)	TWPL	3	BTRS(T)	B	ESHL, ET, KW	Convenience of guest's payment	
Management fee income	LRH	BTRS(T)	2	BTRS(T)	A	ESHL, KCH	Technical Assistance for providing management services for Information Technology, Human Resource, and maid services	

Internal Control and Related Party Transaction

Transactions between the Group (The Company and its Subsidiaries) and Related Parties in Year 2022 (Con't)

(Unit : Million Baht)

	Payee	Payer	Transactions in 2022	Person(s) with Mutual Interest	Nature of Relationship	Directors with Common Interest	Necessity/ Reasonableness
Management fees expenses	BTHR	BTG(T)	2	BTH	A, B	ESHL, ET	For the use of “Banyan Tree” and “Angsana” trademarks and all proprietary rights associated with them
	BTHR	BGL	15	BTH	B	ESHL, ET	For the use of “Angsana” trademark and all proprietary rights associated with it For project services and design services
	BTHR	BTL	0	BTH	B	ESHL, ET	For project services and design services
	BTHR	LBTL	15	BTH	B	ESHL, ET	For the use of “Banyan Tree” trademark and all proprietary rights associated with it For project services and design services
	BTHR	LRH	0	BTH	A	ESHL	For project services and design services
	BTHR	LGL	0	BTH	B	ESHL, ET	
	BTHR	TWRH	0	BTH	B	ESHL, ET	
	BTHR	PGR	3	BTH	B	ESHL, ET	For the use of “Cassia” trademark and all proprietary rights associated with it For project services and design services
	BTHR	TWPL	18	BTH	B	ESHL, ET	For the use of “Banyan Tree” trademark and all proprietary rights associated with it For project services and design services
	BTHR(T)	BGL	10	BTRS(T)	B	ESHL	Expertise in managing hotels - Management fees are in line with industry standards
	BTHR(T)	LBTL	26	BTRS(T)	B	ESHL	
	BTHR(T)	PGR	3	BTRS(T)	B	ESHL	
	BTHR(T)	TWPL	16	BTRS(T)	B	ESHL, UT	
	BTMG	BGL	10	BTH	B	ESHL, ET	Centralised marketing to promote “Angsana” brand
	BTMG	LBTL	15	BTH	B	ESHL, ET	Centralised marketing to promote “Banyan Tree” brand
	BTMG	PGR	3	BTH	B	ESHL, ET	Centralised marketing to promote “Cassia” brand
BTMG	TWPL	12	BTH	B	ESHL, ET	Centralised marketing to promote “Banyan Tree” brand	



Internal Control and Related Party Transaction

Transactions between the Group (The Company and its Subsidiaries) and Related Parties in Year 2022 (Con't)

(Unit : Million Baht)

Payee	Payer	Transactions in 2022	Person(s) with Mutual Interest	Nature of Relationship	Directors with Common Interest	Necessity/ Reasonableness	
Purchase of spa and gallery vouchers	BTS	BGL	1	BTH	B	ESH, ET	Vouchers to use spa service at the Banyan Tree Spa and Angsana Spa or to buy goods from the Banyan Tree Gallery and Angsana Gallery provided to management as a benefit
	BTS	LBTL	2	BTH	B	ESH, ET	
	BTS	PGR	0	BTH	B	ESH, ET	
	BTS	LSC	0	BTH	B	ESH, ET	
	BTS	TWPL	0	BTH	B	ESH, ET	
	BTS	LRH	1	BTH	A	ESH	
	BTS	HSSA	0	BTH	A, B	ESH	
Sale of goods	BTG(T)	LVCL	2	BTH	A, B	ESH	Purchase of supplies for the spa operation and outlets
	BTG(T)	MAPL	1	BTH	A, B	ESH, ET	Purchase of guest supplies for the hotel
	BTG(T)	MBPL	2	BTH	A, B	ESH, ET	
	BTG(T)	PTBH	3	TRL	C	KCH	
	BTG(T)	VM	3	BTH	A, B	ESH, ET	
	AVCI	PTBH	0	TRL	C	-	
	BGL	BTHR(T)	13	BTRS(T)	B	ESH	
BGL	BTRS(T)	1	BTRS(T)	B	ESH, ET, KCH, KW		
Reimbursement receipts	BGL	BTS	0	BTH	B	ESH, ET	
	BTG(S)	BTS	0	BTH	A, B	ESH, ET	
	BTG(S)	BTHR	0	BTH	A, B	ESH, ET	
	BTG(T)	BTS	1	BTH	A, B	ESH, ET	
	LBTL	BTHR	1	BTH	B	ESH, ET	
	LBTL	BTHR(T)	4	BTRS(T)	B	ESH	
	LBTL	BTRS(T)	2	BTRS(T)	B	ESH, ET, KCH, KW	
	LBTL	BTMG	1	BTH	B	ESH, ET	
	LBTL	BTMS	0	BTH	B	ESH, ET	
	LGL	LVCL	0	BTH	B	ESH	
	LGL	BTS	1	BTH	B	ESH, ET	
							Convenience of payment

Internal Control and Related Party Transaction

Transactions between the Group (The Company and its Subsidiaries) and Related Parties in Year 2022 (Con't)

(Unit : Million Baht)

Payee	Payer	Transactions in 2022	Person(s) with Mutual Interest	Nature of Relationship	Directors with Common Interest	Necessity/ Reasonableness	
Reimbursement receipts	LRH	BTH	15	BTH	A	KPH, RHH	Convenience of payment
	LRH	BTHR	14	BTH	A	ESHL	
	LRH	BTHR(T)	1	BTRS(T)	A	ESH	
	LRH	BTRS(T)	0	BTRS(T)	A	ESHL, KCH	
	PGR	BTRS(T)	1	BTRS(T)	B	ESHL, ET, KCH, KW	
	PGR	BTHR(T)	0	BTRS(T)	B	ESHL	
	TWPL	BTRS(T)	2	BTRS(T)	B	ESHL, ET, KW	
	TWPL	BTHR	4	BTH	B	ESHL, ET	
	TWPL	BTHR(T)	0	BTRS(T)	B	ESHL, UT	
Reimbursement payments	BTHR	BGL	2	BTH	B	ESHL, ET	Convenience of payment
	BTHR	BTG(S)	0	BTH	A, B	ESHL, ET	
	BTHR	LBTL	3	BTH	B	ESHL, ET	
	BTHR	LGL	2	BTH	B	ESHL, ET	
	BTHR	LSC	0	BTH	B	ESHL, ET	
	BTHR	LRH	2	BTH	A	ESHL	
	BTHR	TWPL	0	BTH	B	ESHL, ET	
	BTS	BTG(T)	1	BTH	A, B	ESHL, ET	
	BTRS(T)	BTG(T)	1	BTRS(T)	B	ESHL, ET, KCH, KW	
	BRTS(T)	LBTL	0	BTRS(T)	B	ESHL, ET, KCH, KW	
	BTRS(T)	BTL	0	BTRS(T)	B	ESHL, ET, KCH, KW	
	BTRS(T)	BGL	0	BTRS(T)	B	ESHL, ET, KCH, KW	
	BTRS(T)	LGL	0	BTRS(T)	B	ESHL, ET, KW	
	PTBH	AVCI	0	TRL	C	-	
	BTHR(T)	BGL	0	BTRS(T)	B	ESHL	
	BTHR(T)	LBTL	0	BTRS(T)	B	ESHL	
	BTI	LBTL	5	BTH	B	ESHL, ET	
	CMCH	LBTL	0	BTH	B	ESHL	
	RYS	LBTL	29	BTH	B	ESHL	



Internal Control and Related Party Transaction

Transactions between the Group (The Company and its Subsidiaries) and Related Parties in Year 2022 (Con't)

(Unit : Million Baht)

	Payee	Payer	Transactions in 2022	Person(s) with Mutual Interest	Nature of Relationship	Directors with Common Interest	Necessity/Reasonableness
Service Fee	BTRS(T)	BGL	4	BTRS(T)	B	ESHL, ET, KCH, KW	For centralised services relating to Accounting, Purchasing, Human Resources, Learning & Development, Reservation and Information Technology.
	BTRS(T)	LBTL	8	BTRS(T)	B	ESHL, ET, KCH, KW	
	BTRS(T)	LEL	0	BTRS(T)	B	ET, KW	
	BTRS(T)	LGL	1	BTRS(T)	B	ESHL, ET, KW	
	BTRS(T)	LHC	8	BTRS(T)	B	ESHL, ET, KW	
	BTRS(T)	LRH	1	BTRS(T)	A	ESHL, KCH	
	BTRS(T)	LSC	1	BTRS(T)	B	ESHL, ET, KW	
	BTRS(T)	PGR	3	BTRS(T)	B	ESHL, ET, KCH, KW	
Rent and service income	BGL	BTRS(T)	0	BTRS(T)	B	ESHL, ET, KCH, KW	Angsana Spa is a recognised spa brand name which enhances image of hotel and helps in its marketing.
Banyan Tree Spa	LBTL	BTRS(T)	9	BTRS(T)	B	ESHL, ET, KCH, KW	Banyan Tree Spa is a recognised spa brand name which enhances image of hotel and helps in its marketing.
	TWPL	BTRS(T)	2	BTRS(T)	B	ESHL, ET, KW	
Rental return on hotel units	CGL	PTBH	0	TRL	C	-	Purchase of units to set up a Holiday Club operation in the Angsana Resort & Spa Bintan. A very good rental return is being received from the hotel prior to the units being required for the operation.
Resort service income	LSC	BTRS(T)	0	BTRS(T)	B	ESHL, ET, KW	Centralisation of facilities and services to each operation in Laguna Phuket
Training charges	BTHR(T)	BGL	2	BTRS(T)	B	ESHL	Centralised training for Laguna Phuket staff of all operations and allocated based on actual cost
	BTHR(T)	LBTL	2	BTRS(T)	B	ESHL	
	BTHR(T)	PGR	1	BTRS(T)	B	ESHL	
	BTHR(T)	TWPL	1	BTRS(T)	B	ESHL, UT	
Interest expenses	BTS	BTG(S)	0	BTH	A, B	ESHL, ET	Interest expenses
Transaction with management and directors	KPH	LRH	0	KPH	Director LRH	-	Rental return on hotel units
	CSN	LRH	0	CSN	Spouse KPH	-	

Internal Control and Related Party Transaction

Transactions within the Group and a Company Which is Owned by Persons with a Mutual of Interest More Than 10 percent in Year 2022

(Unit : Million Baht)

Payee	Payer	Transactions in 2022	Person(s) with Mutual Interest	Nature of Relationship	Directors with Common Interest	Necessity/ Reasonableness
Inter resort charges	BTG(T)	BGL	0	BTH	AS, CC, ESHL, ET, KCH, KW, SDR	Convenience of guest's payment to promote Laguna Phuket resort integration
	BTG(T)	LBTL	0	BTH	AS, CC, ESHL, ET, KCH, KW, SDR	
	BTG(T)	TWPL	0	BTH	AS, CC, ESHL, ET, KW, SDR	Convenience of guest's payment Central purchasing to facilitate bulk purchasing for competitive pricing
	BTG(T)	BTG(S)	0	BTH	CSN, ESHL, SDR	
Purchase of goods	BTG(T)	BGL	5	BTH	AS, CC, ESHL, ET, KCH, KW, SDR	Purchase of guests supplies for the hotel
	BTG(T)	LBTL	14	BTH	AS, CC, ESHL, ET, KCH, KW, SDR	
	BTG(T)	LGL	0	BTH	AS, CC, ESHL, ET, KW, SDR	
	BTG(T)	PGR	1	BTH	AS, CC, ESHL, ET, KCH, KW, SDR	
	BTG(T)	TWPL	10	BTH	AS, CC, ESHL, ET, KW, SDR	
	BTG(S)	BTG(T)	0	BTH	CSN, ESHL, SDR	
Reimbursement of costs	LBTL	BTG(T)	0	BTH	AS, CC, ESHL, ET, KCH, KW, SDR	Convenience of payment
	TWPL	BTG(T)	1	BTH	AS, CC, ESHL, ET, KW, SDR	
Rent and service	LBTL	BTG(T)	1	BTH	AS, CC, ESHL, ET, KCH, KW, SDR	Providing the hotel facility of a high class retail outlet
	TWPL	BTG(T)	1	BTH	AS, CC, ESHL, ET, KW, SDR	

Remarks:

- A Major shareholder
- B Major shareholder of the parent company (LRH)
- C The company in which the major shareholder of LRH is its major shareholder



Internal Control and Related Party Transaction

Abbreviations

AVCI	PT. AVC Indonesia
BGL	Bangtao Grande Limited
BTG(S)	Banyan Tree Gallery (Singapore) Pte Ltd.
BTG(T)	Banyan Tree Gallery (Thailand) Limited
BTH	Banyan Tree Holdings Limited
BTHR	Banyan Tree Hotels & Resorts Pte. Ltd.
BTHR(T)	Banyan Tree Hotels & Resorts (Thailand) Limited
BTI	Banyan Tree Investments Pte. Ltd.
BTL	Bangtao Laguna Limited
BTMG	Banyan Tree Marketing Group Pte. Ltd.
BTMS	Banyan Tree Management (S) Pte. Ltd.
BTRS(T)	Banyan Tree Resorts & Spas (Thailand) Company Limited
BTS	Banyan Tree Spas Pte. Ltd.
CGL	Cheer Golden Limited
CMCH	Banyan Tree Marketing Shanghai Co. Ltd.
HSSA	Heritage Spas South Africa (Pty) Ltd.
LBTL	Laguna Banyan Tree Limited
LEL	Laguna Excursions Limited
LGL	Laguna Grande Limited
LHC	Laguna Holiday Club Limited
LRH	Laguna Resorts & Hotels Public Company Limited
LSC	Laguna Service Company Limited
LVCL	Laguna (Vietnam) Company Limited
MAPL	Maldives Angsana Pvt Ltd.
MBPL	Maldives Bay Pvt Ltd.
PGR	Phuket Grande Resort Limited
PTBH	PT Bintan Hotels
RYS	Rong Yuan (Shanghai) Business Management Company Limited
TRL	Tropical Resorts Limited
TWPC	Thai Wah Public Company Limited
TWPL	Thai Wah Plaza Limited
TWRH	TWR-Holdings Limited
VM	Vabbinvest Maldives Pvt. Ltd.

Initials

AS	Ms. Areewan Sriwichupong
CC	Mr. Chatchai Chordokrak
CSN	Ms. Chiang See Ngoh Claire
ESHL	Mr. Eddy See Hock Lye
ET	Mr. Edmund Tan Min Hai
KCH	Mr. Ho KwonCjan
KPH	Mr. Ho KwonPing
KW	Mr. Kontee Warapitayut
RHH	Mr. Ho Ren Hua
SDR	Mr. Stuart David Reading
UT	Ms. Ungkhana Tosilanon

Internal Control and Related Party Transaction

Reference for Valuation Price / Rental Fee Compared to 3rd Parties

Transaction Type	Justification for Transactions
Retail Rental	<ul style="list-style-type: none">- Rental rate set on a square metre basis is in line with market rate.- The majority of the rental of Banyan Tree Gallery, Spa and restaurants are contracted on a percentage of revenue basis and have been separately negotiated with the management of each hotel operation.- Spa contracts being negotiated with other unrelated hotel operators are also structured on a percentage of revenue basis i.e. this is the general rental policy applied by the Banyan Tree Group.
Office Rental	<ul style="list-style-type: none">- Rental rate is in line with market rate. Generally, in the upper range if compared to the same type of building in a similar location.- Terms and conditions in the agreement are similar to other customers and the market.- Service fee has been separated from rental for tax reasons.
Land Rental	<ul style="list-style-type: none">- Land lease rates are very different in the market depending on the location and type of land.- Net present value calculation of rent charged has been compared to valuations as performed by an independent property valuer.

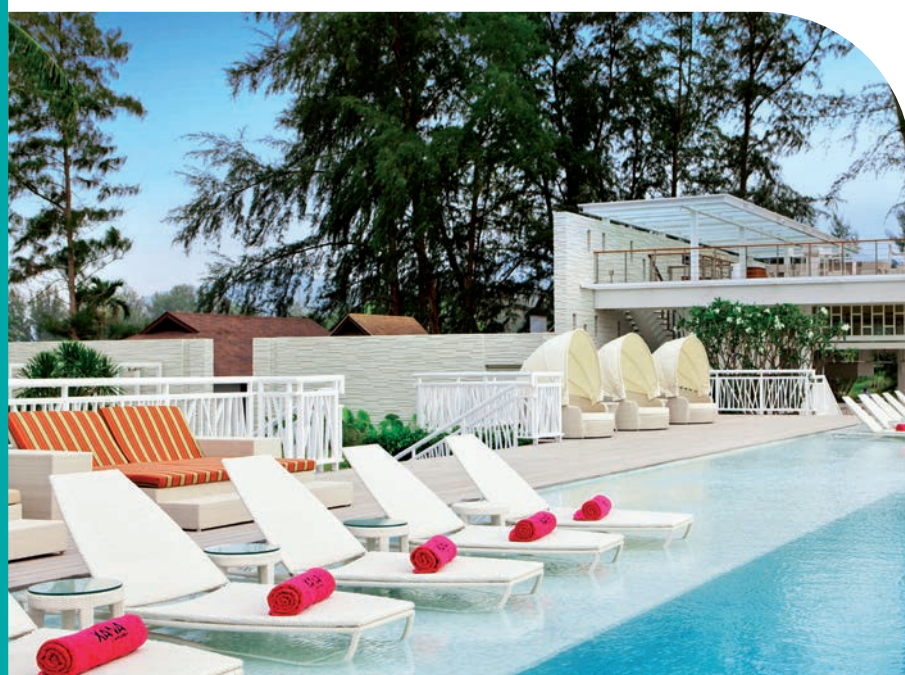


SECTION 3



ชาน้ำ ปืช คลัป

งบการเงิน



Financial Statements

Board of Directors' Responsibility for the Company's Financial Statements

The Board of Directors is responsible for the Company's financial statements including the notes to the financial statements.

In its review of the financial statements, the Board of Directors has relied upon the reports and work performed by the Company's external auditors, EY Office Limited, and the Company's Audit, Risk and Corporate Governance Committee which has carried out extensive discussions with management of the Company. The Board has also satisfied itself that there are no material weaknesses in the Company's internal accounting controls, internal control system and standard operating procedures.

The Board of Directors is therefore able to conclude that the financial statements for the year ended 2022 have been prudently prepared in accordance with generally accepted accounting principles to give a correct and complete presentation, in all material aspects, the financial position of the Company and its subsidiaries.



Mr. Ho KwonPing
Chairman of the Board



Financial Statement

Independent Auditor's Report

To the Shareholders of Laguna Resorts & Hotels Public Company Limited

Opinion

I have audited the accompanying consolidated financial statements of Laguna Resorts & Hotels Public Company Limited and its subsidiaries ("the Group"), which comprise the consolidated statement of financial position as at 31 December 2022, and the related consolidated statements of income, comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and have also audited the separate financial statements of Laguna Resorts & Hotels Public Company Limited for the same period.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Laguna Resorts & Hotels Public Company Limited and its subsidiaries and of Laguna Resorts & Hotels Public Company Limited as at 31 December 2022, and their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Group in accordance with the *Code of Ethics for Professional Accountants including Independence Standards* issued by the Federation of Accounting Professions (Code of Ethics for Professional Accountants) that are relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matters

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the financial statements of the current period. These matters were addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

I have fulfilled the responsibilities described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report, including in relation to these matters. Accordingly, my audit included the performance of procedures designed to respond to my assessment of the risks of material misstatement of the financial statements. The results of my audit procedures, including the procedures performed to address the matters below, provide the basis for my audit opinion on the accompanying financial statements as a whole.

Key audit matters and how audit procedures respond to each matter are described below.

Revenue recognition of hotel and property development

Revenue from hotel and property development is the most significant amount in the consolidated income statement and it is one of key performance indication to which the management and users of the financial statements pay particular

Financial Statement

attention. In addition, the economic slowdown impacts operating performance of the hotel and real estate industry. There are therefore risks with respect to the occurrence of revenue recognition.

I have examined the revenue recognition of the Group by

- Assessing and testing the Group's IT system and its internal controls related to the revenue cycle by making enquiry of responsible executives, gaining an understanding of the controls and selecting representative samples to test the operation of the designed controls which respond to the above risks.
- Applying a sampling method to select agreements related to revenue recognition to assess whether revenue recognition was consistent with the conditions of the relevant agreement, and whether it was in compliance with the Group's policy.
- On a sampling basis, examining supporting documents for actual revenue transactions occurring during the year and near the end of the accounting period.
- Reviewing credit notes and reversals of revenue transactions after the period-end.
- Performing analytical procedures on disaggregated data to detect possible irregularities in sales transactions throughout the period, particularly for accounting entries made through journal vouchers.

Fair value measurement of land, buildings and investment properties

Land and buildings are stated at revalued amount and investment properties are stated at fair value. The management arranged for an independent valuer to appraise their fair value. The measurement of fair value is identified as a key audit matter because land, buildings and investment properties are the most significant amounts in the consolidated statement of financial position. In addition, the assessment of fair value required the management to exercise judgement in respect of the key assumptions and estimates, as described in Notes 18 and 19 to the consolidated financial statements. There are therefore risks with respect to the value of land, buildings and investment properties.

I assessed the management's determination of the fair value by performing the following procedures:

- Gaining an understanding of internal controls of the Group relevant to the measurement of fair value of land, buildings and investment properties.
- Evaluating the independence and competence of the independent valuer.
- Evaluating the scope and objectives of the engagement of the independent valuer, together with the appropriateness of valuation model or method and key assumptions used.
- Having discussions with the management and independent valuer and performing a review of key assumptions and methods applied in determination of fair value.
- Comparing the consistency of valuation model or method used and key assumptions with those used in the prior year.
- Reviewing the completeness and correctness of data prepared by management which were used in determination of fair value.
- Reviewing the disclosures related to land, buildings and investment properties in notes to the consolidated financial statements.



Financial Statement

Other Information

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

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

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audits, or otherwise appears to be materially misstated.

When I read the annual report of the Group, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance for correction of the misstatement.

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

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

Financial Statement

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

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

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

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

I am responsible for the audit resulting in this independent auditor's report.



Pimjai Manitkajohnkit

Certified Public Accountant (Thailand) No. 4521

EY Office Limited

Bangkok: 21 February 2023



Financial Statement

Statement of Financial Position

As at 31 December 2022

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2022	2021	2022	2021
Assets					
Current assets					
Cash and cash equivalents	6	1,178,455,101	731,928,991	45,351,036	148,700,860
Trade and other receivables	8	901,674,139	679,490,563	281,071,385	274,005,008
Inventories	10	69,883,601	60,150,452	-	-
Property development cost	11	3,657,996,712	4,172,649,163	111,429,000	111,429,000
Cost to obtain contracts with customers	12	185,667,433	151,626,427	-	-
Other current financial assets	13	16,685,254	2,366,917	2,373,947	2,366,917
Other current assets	14	158,961,690	109,394,606	10,511,337	5,425,898
Total current assets		6,169,323,930	5,907,607,119	450,736,705	541,927,683
Non-current assets					
Long-term restricted deposit at financial institution	7	-	38,101,359	-	-
Other non-current financial assets	13	865,168,194	846,271,547	-	-
Long-term trade accounts receivable	15	420,722,133	471,147,372	-	-
Investments in subsidiaries	16	-	-	4,242,655,372	4,242,655,371
Investments in associates	17	991,141,335	985,618,483	777,454,049	777,454,049
Long-term loans to subsidiaries	9	-	-	1,467,550,000	1,286,550,000
Investment properties	18	1,416,981,060	1,382,223,342	194,498,210	181,602,200
Property, plant and equipment	19	12,250,505,682	12,329,261,455	33,224,265	36,375,900
Right-of-use assets	20	44,680,216	38,467,763	4,024,903	1,292,455
Deferred tax assets	33	69,284,925	35,446,865	-	-
Goodwill	16	407,903,881	407,903,881	-	-
Other non-current assets		47,601,188	45,721,906	10,879,792	9,438,108
Total non-current assets		16,513,988,614	16,580,163,973	6,730,286,591	6,535,368,083
Total assets		22,683,312,544	22,487,771,092	7,181,023,296	7,077,295,766

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

Financial Statement

Statement of Financial Position (Continued)

As at 31 December 2022

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2022	2021	2022	2021
Liabilities and shareholders' equity					
Current liabilities					
Bank overdrafts and short-term loans from financial institutions	21	1,080,000,000	1,181,162,030	650,000,000	650,000,000
Trade and other payables	22	1,321,269,958	1,131,976,898	120,749,729	200,481,203
Current portion of long-term loans from financial institutions	24	296,628,539	540,074,719	1,500,000	-
Current portion of lease liabilities	20	59,317,287	48,032,696	5,390,080	5,996,204
Income tax payable		16,471,201	15,724,553	-	-
Advance received from customers		1,648,296,851	1,218,898,193	-	-
Other current liabilities	23	296,419,135	223,188,079	22,976,047	14,587,180
Total current liabilities		4,718,402,971	4,359,057,168	800,615,856	871,064,587
Non-current liabilities					
Long-term loans from subsidiaries	9	-	-	478,500,000	228,500,000
Long-term loan from related company	9	6,000,000	22,950,000	-	-
Long-term loans from financial institutions, net of current portion	24	4,521,995,500	4,815,629,379	1,373,838,131	1,374,899,977
Provision for long-term employee benefits	25	106,714,420	106,801,767	12,436,438	14,340,713
Deferred tax liabilities	33	2,862,276,097	2,868,319,912	115,549,415	116,273,403
Lease liabilities, net of current portion	20	35,292,929	30,171,568	2,265,006	620,413
Other non-current liabilities		584,152,875	463,058,022	113,807,835	91,968,407
Total non-current liabilities		8,116,431,821	8,306,930,648	2,096,396,825	1,826,602,913
Total liabilities		12,834,834,792	12,665,987,816	2,897,012,681	2,697,667,500

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



Financial Statement

Statement of Financial Position (Continued)

As at 31 December 2022

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2022	2021	2022	2021
Shareholders' equity					
Share capital					
Registered					
211,675,358 ordinary shares of Baht 10 each		2,116,753,580	2,116,753,580	2,116,753,580	2,116,753,580
Issued and fully paid-up					
166,682,701 ordinary shares of Baht 10 each		1,666,827,010	1,666,827,010	1,666,827,010	1,666,827,010
Share premium		2,062,460,582	2,062,460,582	2,062,460,582	2,062,460,582
Share discount from change in proportion of investment in subsidiary		(7,372,391)	-	-	-
Capital reserve	26	568,130,588	568,130,588	-	-
Retained earnings					
Appropriated - statutory reserve	28	211,675,358	211,675,358	211,675,358	211,675,358
Unappropriated		(493,903,003)	(556,050,684)	201,734,273	297,351,924
Other components of shareholders' equity		5,715,775,515	5,750,603,029	141,313,392	141,313,392
Equity attributable to owner of the Company		9,723,593,659	9,703,645,883	4,284,010,615	4,379,628,266
Equity attributable to non-controlling interests of the subsidiaries		124,884,093	118,137,393	-	-
Total shareholders' equity		9,848,477,752	9,821,783,276	4,284,010,615	4,379,628,266
Total liabilities and shareholders' equity		22,683,312,544	22,487,771,092	7,181,023,296	7,077,295,766

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

Financial Statement

Income Statement

For the year ended 31 December 2022

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2022	2021	2022	2021
Revenues	29				
Revenue from hotel operations		2,397,982,387	688,006,154	30,167,291	-
Revenue from property development operations		2,314,067,434	741,762,370	-	-
Revenue from office rental operations		35,801,267	27,201,935	11,501,384	4,040,997
Other income	30	48,818,357	31,930,043	113,883,959	76,509,986
Total revenues		4,796,669,445	1,488,900,502	155,552,634	80,550,983
Expenses					
Cost of hotel operations		1,581,799,275	864,704,677	16,652,489	-
Cost of property development operations		1,322,326,909	403,447,404	-	-
Cost of office rental operations		25,544,012	19,786,476	4,748,173	4,376,781
Selling expenses		479,555,173	140,417,665	194,475	207,402
Administrative expenses		1,263,241,169	863,444,259	199,242,031	126,129,429
Total expenses		4,672,466,538	2,291,800,481	220,837,168	130,713,612
Operating profit (loss)		124,202,907	(802,899,979)	(65,284,534)	(50,162,629)
Share of profit from investments in associates	17	28,529,666	31,668,870	-	-
Finance income		40,919,275	47,643,592	46,761,266	57,018,505
Finance cost	31	(201,884,032)	(233,775,187)	(77,818,371)	(76,352,049)
Loss before income tax expenses		(8,232,184)	(957,362,704)	(96,341,639)	(69,496,173)
Income tax (expenses) revenue	33	13,504,746	(73,351,136)	723,988	(169,580)
Profit (loss) for the year		5,272,562	(1,030,713,840)	(95,617,651)	(69,665,753)
Profit (loss) attributable to:					
Equity holders of the Company		7,106,270	(1,031,757,438)	(95,617,651)	(69,665,753)
Non-controlling interests of the subsidiaries		(1,833,708)	1,043,598		
		5,272,562	(1,030,713,840)		
Earnings per share	34				
Basic earnings per share					
Profit (loss) attributable to equity holders of the Company		0.04	(6.19)	(0.57)	(0.42)

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



Financial Statement

Statement of Comprehensive Income

For the year ended 31 December 2022

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2022	2021	2022	2021
Profit (loss) for the year		<u>5,272,562</u>	<u>(1,030,713,840)</u>	<u>(95,617,651)</u>	<u>(69,665,753)</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		10,237,281	(9,234,718)	-	-
Share of other comprehensive income (loss) from associates	17	(11,022,337)	5,651,048	-	-
Other comprehensive income (loss) to be reclassified to profit or loss in subsequent periods, net of income tax		(785,056)	(3,583,670)	-	-
<i>Other comprehensive income (loss) not to be reclassified to profit or loss in subsequent periods</i>					
Gain on changes in value of equity investments designated at fair value through other comprehensive income		15,117,318	106,472,478	-	-
Share of other comprehensive income (loss) from associates	17	7,089,652	(236,760)	-	-
Other comprehensive income not to be reclassified to profit or loss in subsequent periods, net of income tax		22,206,970	106,235,718	-	-
Other comprehensive income for the year		<u>21,421,914</u>	<u>102,652,048</u>	<u>-</u>	<u>-</u>
Total comprehensive income (loss) for the year		<u>26,694,476</u>	<u>(928,061,792)</u>	<u>(95,617,651)</u>	<u>(69,665,753)</u>
Total comprehensive income (loss) attributable to:					
Equity holders of the Company		27,320,167	(928,929,741)	(95,617,651)	(69,665,753)
Non-controlling interests of the subsidiaries		(625,691)	867,949	-	-
		<u>26,694,476</u>	<u>(928,061,792)</u>		

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



Statement of Changes in Shareholders' Equity

For the year ended 31 December 2022

(Unit: Baht)

	Consolidated financial statements														
	Equity attributable to the owners of the Company					Other components of shareholders' equity									
	Issued and fully paid-up share capital	Share premium	Share discount from change in proportion of investment in subsidiary	Capital reserve	Retained earnings - Appropriated - statutory reserve	Unappropriated -	Share discount from change in proportion of investment in subsidiary	Exchange differences on translation of financial statements in foreign currency	Revaluation surplus on assets	Gains on investments in equity designated at fair value through other comprehensive income	Share of other comprehensive income from associates	Total other components of shareholders' equity	Total equity attributable to shareholders of the Company	Equity attributable to non-controlling interests of the subsidiaries	Total shareholders' equity
Balance as at 1 January 2021	1,666,827,010	2,062,480,582	-	568,130,588	211,675,358	447,533,915	-	124,299,293	5,478,403,112	85,453,883	(12,207,317)	5,675,948,171	10,632,575,624	119,537,449	10,752,113,073
Profit (loss) for the year	-	-	-	-	211,675,358	(1,031,757,438)	(9,059,069)	(9,059,069)	-	106,472,478	5,414,288	102,827,697	(1,031,757,438)	1,043,598	(1,030,713,840)
Other comprehensive income (loss) for the year	-	-	-	-	-	(1,031,757,438)	-	-	-	106,472,478	5,414,288	102,827,697	102,827,697	(175,549)	102,652,048
Total comprehensive income (loss) for the year	-	-	-	-	-	(1,031,757,438)	(9,059,069)	(9,059,069)	-	106,472,478	5,414,288	102,827,697	(928,929,741)	867,949	(928,061,792)
Subsidiary paid dividend to non-controlling interests of subsidiary (Note 16)	-	-	-	-	-	-	-	-	-	-	-	-	-	(2,268,005)	(2,268,005)
Reversal of revaluation surplus on disposal of assets (Note 27)	-	-	-	-	-	28,172,839	-	-	(28,172,839)	-	-	(28,172,839)	-	-	-
Balance as at 31 December 2021	1,666,827,010	2,062,480,582	-	568,130,588	211,675,358	(566,050,684)	115,240,224	5,450,230,273	191,925,561	(6,793,029)	6,750,603,029	9,703,645,883	118,137,393	9,821,783,276	
Balance as at 1 January 2022	1,666,827,010	2,062,480,582	-	568,130,588	211,675,358	(566,050,684)	115,240,224	5,450,230,273	191,925,561	(6,793,029)	6,750,603,029	9,703,645,883	118,137,393	9,821,783,276	
Profit (loss) for the year	-	-	-	-	211,675,358	7,106,270	9,029,264	9,029,264	-	15,117,318	(3,932,685)	20,213,897	7,106,270	(1,833,708)	5,272,562
Other comprehensive income (loss) for the year	-	-	-	-	-	-	-	-	-	-	(3,932,685)	20,213,897	20,213,897	1,208,017	21,421,914
Total comprehensive income (loss) for the year	-	-	-	-	-	-	9,029,264	9,029,264	-	15,117,318	(3,932,685)	20,213,897	27,320,167	(625,691)	26,694,476
Share discount from change in proportion of investment in subsidiary	-	-	(7,372,391)	-	-	-	-	-	-	-	-	-	(7,372,391)	7,372,391	-
Reversal of revaluation surplus on disposal of assets (Note 27)	-	-	-	-	-	55,044,411	-	-	(55,044,411)	-	-	(55,044,411)	-	-	-
Balance as at 31 December 2022	1,666,827,010	2,062,480,582	(7,372,391)	568,130,588	211,675,358	(463,903,003)	124,269,488	5,395,188,862	207,042,679	(10,725,714)	5,715,775,515	9,723,593,659	124,864,093	9,848,477,752	

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

Statement of Changes in Shareholders' Equity (Continued)

For the year ended 31 December 2022

(Unit: Baht)

	Separate financial statements							Total shareholders' equity
	Issued and fully paid-up share capital	Share premium	Retained earnings		Other comprehensive income		Total other components of shareholders' equity	
			Appropriated - statutory reserve	Unappropriated	Revaluation surplus on assets	income		
Balance as at 1 January 2021	1,666,827,010	2,062,460,582	211,675,358	367,017,677	141,313,392	141,313,392	4,449,294,019	
Loss for the year	-	-	-	(69,665,753)	-	-	(69,665,753)	
Other comprehensive income for the year	-	-	-	-	-	-	-	
Total comprehensive income (loss) for the year	-	-	-	(69,665,753)	-	-	(69,665,753)	
Balance as at 31 December 2021	1,666,827,010	2,062,460,582	211,675,358	297,351,924	141,313,392	141,313,392	4,379,628,266	
Balance as at 1 January 2022	1,666,827,010	2,062,460,582	211,675,358	297,351,924	141,313,392	141,313,392	4,379,628,266	
Loss for the year	-	-	-	(95,617,651)	-	-	(95,617,651)	
Other comprehensive income for the year	-	-	-	-	-	-	-	
Total comprehensive income (loss) for the year	-	-	-	(95,617,651)	-	-	(95,617,651)	
Balance as at 31 December 2022	1,666,827,010	2,062,460,582	211,675,358	201,734,273	141,313,392	141,313,392	4,284,010,615	

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

Financial Statement

Cash Flow Statement

For the year ended 31 December 2022

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Cash flows from operating activities				
Loss before income tax expenses	(8,232,184)	(957,362,704)	(96,341,639)	(69,496,173)
Adjustments to reconcile loss before income tax expenses to net cash provided by (paid from) operating activities:				
Depreciation	412,536,768	449,608,531	5,223,480	8,606,828
Allowance for expected credit losses (reversal)	(187,297)	68,892,437	(289,628)	2,391,045
Reduction of inventory to net realisable value	1,648,899	2,639,800	-	-
Reduction of property development cost to net realisable value (reversal)	597,453	(373,414)	-	-
Dividend income from investment in subsidiary	-	-	-	(2,493,900)
Dividend income from investment in associate	-	-	(19,074,128)	(11,838,505)
Share of profit from investments in associates	(28,529,666)	(31,668,870)	-	-
Gain on revaluation of investment properties	(34,757,718)	-	(12,896,010)	-
(Gain) loss on sales of property, plant and equipment	1,882,814	(13,690,002)	(218,586)	(38,592)
Write off property, plant and equipment	8,546,996	2,589,759	5,705,001	2,587,689
Impairment of right-of-use assets (reversal)	(2,095,244)	1,241,540	-	-
Deferred gain on right-of-use assets	21,551,139	4,261,677	-	-
Provision for long-term employee benefits (reversal)	14,769,572	6,721,888	1,370,885	(7,016,325)
Reversal of provision for legal case	-	(355,274)	-	-
Finance income	(40,919,275)	(47,643,592)	(46,761,266)	(57,018,505)
Finance cost	201,884,032	233,775,187	77,818,371	76,352,049
Profit (loss) from operating activities before changes in operating assets and liabilities	548,696,289	(281,363,037)	(85,463,520)	(57,964,389)
Operating assets (increase) decrease				
Trade and other receivables	(221,996,278)	34,373,373	19,622,980	(26,361,963)
Inventories	(11,382,048)	9,976,786	-	-
Property development cost	489,613,742	5,167,170	-	-
Cost to obtain contracts with customers	(34,041,006)	(50,314,706)	-	-
Other current assets	(40,394,734)	37,213,761	(2,487,846)	9,933,145
Long-term trade accounts receivable	50,425,239	252,356,128	-	-
Other non-current assets	1,039,542	(32,527,786)	(180,000)	(8,095,755)
Operating liabilities increase (decrease)				
Trade and other payables	298,347,689	(264,807,296)	16,404,021	7,631,215
Advance received from customers	429,398,658	382,982,101	-	-
Other current liabilities	73,570,413	2,787,301	8,388,867	2,076,597
Cash paid for provision for long-term employee benefits	(14,856,919)	(13,195,671)	(3,275,160)	(7,856,422)
Cash paid for long-term provision legal case	-	(1,418,411)	-	-
Other non-current liabilities	19,665,766	89,444,465	(123,182)	6,103,408
Cash flows from (used in) operating activities	1,588,086,353	170,674,178	(47,113,840)	(74,534,164)
Cash received from interest income	40,919,275	47,643,592	20,361,536	15,474,552
Cash received from income tax refund	6,977,505	14,082,488	-	5,958,054
Cash paid for interest expenses	(78,134,094)	(80,557,237)	(21,246,045)	(18,767,097)
Cash paid for income tax	(48,478,489)	(35,164,177)	(3,859,277)	(1,261,685)
Net cash flows from (used in) operating activities	1,509,370,550	116,678,844	(51,857,626)	(73,130,340)



Financial Statement

Cash Flow Statement (Continued)

For the year ended 31 December 2022

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Cash flows from investing activities				
(Increase) decrease in long-term restricted deposits at financial institutions	23,783,022	(67,042)	-	-
Increase in fixed deposit	-	(98,065)	(7,030)	(98,065)
Cash received from long-term loans to subsidiaries	-	-	138,000,000	271,000,000
Cash paid for long-term loans to subsidiaries	-	-	(319,000,000)	(302,000,000)
Dividend received from investment in subsidiary	-	-	-	2,493,900
Dividend received from investment in associate	19,074,128	11,838,505	19,074,128	11,838,505
Cash received from sales of property, plant and equipment	3,238,556	22,099,233	4,800,768	38,598
Cash paid for acquisition of property, plant and equipment	(293,040,604)	(85,570,568)	(11,071,934)	(2,710,602)
Net cash flows used in investing activities	(246,944,898)	(51,797,937)	(168,204,068)	(19,437,664)
Cash flows from financing activities				
Decrease in bank overdrafts and short-term loans from financial institutions	(101,162,030)	(2,142,194)	-	-
Draw down of long-term loans from subsidiaries	-	-	1,032,000,000	596,000,000
Repayment of long-term loans from subsidiaries	-	-	(782,000,000)	(500,000,000)
Draw down of long-term loans from financial institutions	150,735,000	462,775,000	-	-
Repayment of long-term loans from financial institutions	(688,897,170)	(329,208,810)	-	-
Repayment of long-term loans from related company	(16,950,000)	(4,000,000)	-	-
Payment of lease liabilities	(35,089,789)	(15,556,479)	(3,240,027)	(1,411,829)
Dividend paid	(130,048,103)	(2,268,005)	(130,048,103)	-
Net cash flows from (used in) financing activities	(821,412,092)	109,599,512	116,711,870	94,588,171
Net exchange differences on translation of financial statements in foreign currency	5,512,550	(11,286,774)	-	-
Net increase (decrease) in cash and cash equivalents	446,526,110	163,193,645	(103,349,824)	2,020,167
Cash and cash equivalents at beginning of year	731,928,991	568,735,346	148,700,860	146,680,693
Cash and cash equivalents at end of year (Note 6)	1,178,455,101	731,928,991	45,351,036	148,700,860
	-	-	-	-
Supplemental cash flows information				
Non-cash items				
Share of other comprehensive income (loss) from associates	(3,932,685)	5,414,288	-	-
Reversal of revaluation surplus on disposal of assets	55,041,411	28,172,839	-	-
Interest recorded as property development cost	4,530,345	12,736,763	-	-
Addition of right-of-use assets and lease liabilities	52,662,784	11,850,872	4,765,192	1,789,557
Transfer of property development cost to property, plant and equipment	89,865,224	-	-	-
Transfer of property, plant and equipment to property development cost	60,893,623	-	-	-
Transfer of investment properties to property, plant and equipment	-	28,353,725	-	-
Reclassify short-term loans from financial institutions to long-term loans from financial institutions	-	125,500,000	-	20,000,000
Reclassify long-term restricted deposits at financial institutions to other current financial assets	14,318,337	-	-	-

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

Financial Statement

Notes to consolidated financial statements

For the year ended 31 December 2022

1. General 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.

2. Basis of preparation

- 2.1 The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Profession Act B.E. 2547. Their presentation has been made in compliance with the stipulations of the Notification of the Department of Business Development, issued under the Accounting Act B.E. 2543.

The financial statements in Thai language are the official statutory financial statements of the Company. The financial statements in English language have been translated from the Thai language financial statements.

The financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

2.2 Basis of consolidation

- (a) The consolidated financial statements include the financial statements of Laguna Resorts & Hotels Public Company Limited (“the Company”) and the following subsidiary companies (“the subsidiaries”) (collectively as “the Group”):



Financial Statement

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			<u>2022</u> %	<u>2021</u> %
<u>Subsidiaries directly held by the Company</u>				
Banyan Tree Gallery (Singapore) Pte. Limited	Sale of merchandise	Singapore	51.0	51.0
Banyan Tree Gallery (Thailand) Limited	Sale of merchandise	Thailand	51.0	51.0
Laguna Banyan Tree Limited	Hotel operations, property development sales and marketing service for holiday club membership	Thailand	100.0	100.0
Laguna Holiday Club Limited	Holiday club membership	Thailand	100.0	100.0
Laguna Grande Limited	Operating a golf club and property development	Thailand	100.0	100.0
Laguna Lakes Limited	Property development	Thailand	95.0	95.0
Laguna Service Company Limited	Provide utilities and other services	Thailand	72.9	72.9
Laguna (3) Limited	Owns land on which a hotel is situated	Thailand	100.0	100.0
TWR - Holdings Limited	Investment holding and property development	Thailand	100.0	100.0
Vision 9 Farm Limited	Farming and restaurant	Thailand	100.0	60.0
<u>Subsidiaries held through TWR - Holdings Limited</u>				
Laguna Excursions Limited	Travel operations	Thailand	49.0	49.0
Laguna Jobs Recruitment Co., Ltd.	Employment services	Thailand	100.0	100.0
Mae Chan Property Company Limited	Holds land plots for future development	Thailand	100.0	100.0
Pai Samart Development Company Limited	Holds land plots for future development	Thailand	100.0	100.0
Phuket Grande Resort Limited	Property development and hotel operations	Thailand	100.0	100.0
PT AVC Indonesia	Holiday club membership and operating a golf club	Indonesia	100.0	100.0
Talang Development Company Limited	Holds land plots for future development	Thailand	50.0	50.0
Thai Wah Plaza Limited	Hotel operations, lease of office building space and property development	Thailand	100.0	100.0
Thai Wah Tower Company Limited	Lease of office building space	Thailand	100.0	100.0
Thai Wah Tower (2) Company Limited	Owns land on which a hotel is situated	Thailand	100.0	100.0
Twin Waters Limited	Property development	Thailand	100.0	100.0
<u>Subsidiaries held through Laguna Grande Limited</u>				
Bangtao (1) Limited	Owns land on which the golf course is situated	Thailand	100.0	100.0
Bangtao (2) Limited	Owns land on which the golf course is situated	Thailand	100.0	100.0
Bangtao (3) Limited	Property development	Thailand	100.0	100.0
Bangtao (4) Limited	Owns land on which the golf course is situated	Thailand	-	100.0
Bangtao Laguna Limited	Owns land on which a hotel is situated and property development	Thailand	100.0	100.0
Bangtao Grande Limited	Hotel operations and property development	Thailand	100.0	100.0
<u>Subsidiary held through Laguna Holiday Club Limited</u>				
Cheer Golden Limited	Investment holding	Hong Kong	100.0	100.0

Financial Statement

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

- (b) The Company is deemed to have control over an investee or subsidiaries if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.
 - (c) Subsidiaries are fully consolidated, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.
 - (d) The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.
 - (e) The assets and liabilities in the financial statements of overseas subsidiaries are translated to Baht using the exchange rate prevailing on the end of reporting period, and revenues and expenses translated using monthly average exchange rates. The resulting differences are shown under the caption of “Exchange differences on translation of financial statements in foreign currency” in the statements of changes in shareholders’ equity.
 - (f) Material balances and transactions between the Group have been eliminated from the consolidated financial statements.
 - (g) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Company and are presented separately in the consolidated income statement, statement of comprehensive income and within equity in the consolidated statement of financial position.
- 2.3 The separate financial statements present investments in subsidiaries and associates under the cost method.

3. New financial reporting standards

3.1 Financial reporting standards that became effective in the current year

During the year, the Group has adopted the revised financial reporting standards and interpretations which are effective for fiscal years beginning on or after 1 January 2022. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

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



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3.2 Financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2023

The Federation of Accounting Professions issued a number of revised financial reporting standards, which are effective for fiscal years beginning on or after 1 January 2023. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

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

4. Significant accounting policies

4.1 Revenue and expense recognition

(a) Revenue from hotel operations

- Revenue from hotel operations, mainly comprises room revenues, food and beverage sales and revenue from auxiliary activities. Room revenues are recognised over time as the services are provided when the rooms are occupied. Food and beverage sales and revenue from auxiliary activities are recognised at a point in time when food and beverages are sold and the services are rendered. Sales are the invoiced value, excluding value added tax, of goods supplied and services rendered after deducting discounts.
- Revenue from sales of merchandise (Gallery operation) is recognised at the point in time when control of the asset is transferred to the customer, generally upon delivery of the goods. Revenue is measured at the amount of consideration received or receivable, excluding value added tax, of goods supplied after deducting returns, discounts, allowances and price promotions to customers.

(b) Revenue from property development operations

- Revenue from the real estate sales

Revenue from sales of real estate is recognised at the point in time when control of the asset is transferred to the buyer, and the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the real estate sold. In addition, the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the Group and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Where properties are sold to non-Thais, the land is sold under a long-term lease agreement comprising an initial term of thirty years with an option to extend for two or three successive periods of thirty years each, without any additional consideration to be paid in addition to the sum of the rental paid for the initial lease term. These long-term lease agreements also contain a further option that provides if Thai law permits non-Thais to own land on a freehold basis, the lessor shall consent to sell

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the land to the lessee in return for a token payment. Consequently, long-term leases are recognised as sales of land for accounting purposes in accordance with the principle of applying substance over form.

- Revenue from services

Service revenue is recognised over time when services have been rendered taking into account the stage of completion.

(c) Revenue from rental and services

Rental income is recognised over the lease period. Service revenue is recognised over time when services have been rendered taking into account the stage of completion.

(d) Interest income

Interest income is calculated using the effective interest method and recognised on an accrual basis. The effective interest rate is applied to the gross carrying amount of a financial asset, unless the financial assets subsequently become credit-impaired when it is applied to the net carrying amount of the financial asset (net of the expected credit loss allowance).

(e) Dividends income

Dividends are recognised as income when the right to receive the dividends is established.

(f) Finance cost

Interest expense from financial liabilities at amortised cost is calculated using the effective interest method and recognised on an accrual basis.

4.2 Cost of property development

In determining the cost of property development sold, the anticipated total development cost (after recognising the cost incurred to date) are attributed to units on the basis of the salesable area and then recognised as cost in profit or loss.

4.3 Cash and cash equivalents

Cash and cash equivalents consist of cash on hand and at banks, and all highly liquid investments with an original maturity of three months or less and not subject to withdrawal restrictions.

4.4 Inventories

Inventories are valued at the lower of cost and net realisable value, cost being determined on either the first-in, first-out or the weighted average basis.

4.5 Property development cost

Property development cost is valued at the lower of cost and net realisable value. Cost comprises cost of land, design fee, infrastructure, construction and related interest.



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4.6 Cost to obtain contracts with customers

The Group recognises commission paid to obtain a customer contract as an asset and amortises to expenses on a systematic basis that is consistent with the pattern of revenue recognition. An impairment loss is recognised to the extent that the carrying amount of an asset recognised exceeds the remaining amount of consideration that the entity expects to receive less direct costs.

4.7 Investments in subsidiaries and associates

Investments in associates are accounted for in the consolidated financial statements using the equity method.

Investments in subsidiaries and associates are accounted for in the separate financial statements using the cost method.

4.8 Investment properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at fair value. Any gains or losses arising from changes in the value of investment properties are recognised in profit or loss when incurred.

On disposal of investment properties, the difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period when the asset is derecognised.

4.9 Property, plant and equipment/Depreciation

Land is stated at its revalued amount. Buildings and equipment are stated at cost or revalued amount less accumulated depreciation and allowance for loss on impairment of assets (if any).

Land and buildings are initially recorded at cost on the acquisition date, and subsequently revalued by an independent professional appraiser to their fair values. As a policy, the revaluation will be performed every three years. If within that period, there are factors which may cause significant changes in the value of assets, the revaluation will be performed in that year to ensure that the carrying amount does not differ materially from fair value at the end of reporting period.

Differences arising from the revaluation are dealt with in the financial statements as follows:

- When an asset's carrying amount is increased as a result of the revaluation of the Group's assets, the increase is credited directly to the other comprehensive income and the cumulative increase is recognised in equity under the heading of "Revaluation surplus on assets". However, a revaluation increase is recognised as income to the extent that it reverses a revaluation decrease in respect of the same asset previously recognised as an expense.
- When an asset's carrying amount is decreased as a result of a revaluation of the Group's assets, the decrease is recognised in profit or loss. However, the revaluation decrease is charged to the other comprehensive income to the extent that it does not exceed an amount already held in "Revaluation surplus on assets" in respect of the same asset.

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Depreciation of plant and equipment is calculated by reference to their costs or the revalued amounts on the straight-line basis over the following estimated useful lives:

Building and building improvement	10 - 50	years
Machinery and equipment	5 - 15	years
Furniture, fixtures and motor vehicles	5	years
Operating and office equipment	3 - 5	years
Golf course, land improvement and external work	5 - 50	years

Depreciation is included in determining income.

No depreciation is provided on land and construction in progress.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on disposal of an asset is included in profit or loss when the asset is derecognised. The revaluation surplus presented in other components of shareholders' equity has been directly transferred to retained earnings on retirement or disposal of the assets.

4.10 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective assets. All other borrowing costs are expensed in the period they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Capitalisation rates are calculated based on the weighted average of the interest expenses incurring during the year on loans for development of projects.

4.11 Goodwill

Goodwill is initially recorded at cost, which equals to the excess of cost of business combination over the fair value of the net assets acquired. If the fair value of the net assets acquired exceeds the cost of business combination, the excess is immediately recognised as gain in profit or loss.

Goodwill is carried at cost less any accumulated impairment losses. Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the Group's cash generating units (or group of cash-generating units) that are expected to benefit from the synergies of the combination. The Group estimates the recoverable amount of each cash-generating unit (or group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit is less than the carrying amount, an impairment loss is recognised in profit or loss. Impairment losses relating to goodwill cannot be reversed in future periods.



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4.12 Leases

At inception of contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group as a lessee

The Group applied a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. At the commencement date of the lease (i.e. the date the underlying asset is available for use), the Group recognises right-of-use assets representing the right to use underlying assets and lease liabilities based on lease payments.

Right-of-use assets

Right-of-use assets are measured at cost, less accumulated depreciation, any accumulated impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities initially recognised, initial direct costs incurred, and lease payments made at or before the commencement date of the lease less any lease incentives received.

Depreciation of right-of-use assets are calculated by reference to their costs, on the straight-line basis over the shorter of their estimated useful lives and the lease term.

Land	3 years
Buildings and building improvement	5 years
Machinery and equipment	4 - 5 years
Vehicles	5 years
Pier	3 years

If ownership of the leased asset is transferred to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

Lease liabilities

Lease liabilities are measured at the present value of the lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be payable under residual value guarantees. Moreover, the lease payments include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising an option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

The Group discounted the present value of the lease payments by the interest rate implicit in the lease or the Group's incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to

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reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

A lease that has a lease term less than or equal to 12 months from commencement date or a lease of low-value assets is recognised as expenses on a straight-line basis over the lease term.

The Group as a lessor

A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset to a lessee. Lease receivables from operating leases is recognised as income in profit or loss on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying assets and recognised as an expense over the lease term on the same basis as the lease income.

4.13 Deferred financial fees

Financial expenses related to borrowings that are typically incurred on or before signing facility agreements and before actual draw down of the loans are recorded as deferred financial fees. A portion of deferred financial fees proportionate to the amount of the loan facility already drawn is presented as a deduction against the related loan account and amortised using the effective interest rate method over the term of the loans.

The amortisation of deferred financial fees is included in profit or loss.

4.14 Related party transactions

Related parties comprise individuals or enterprises that control, or are controlled by, the Company, whether directly or indirectly, or which are under common control with the Company.

They also include associates, and individuals or enterprises which directly or indirectly own a voting interest in the Company that gives them significant influence over the Company, key management personnel, directors and officers with authority in the planning and direction of the Company's operations.

4.15 Foreign currencies

The consolidated and separate financial statements are presented in Baht, which is also the Company's functional currency. Items on each entity included in the consolidated financial statements are measured using the functional currency of that entity.

Transactions in foreign currencies are translated into Baht at the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Baht at the exchange rates ruling at the end of reporting period.

Gains and losses on exchange are included in determining income.



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4.16 Impairment of non-financial assets

At the end of each reporting period, the Group performs impairment reviews in respect of the property, plant and equipment, right-of-use assets and investment properties whenever events or changes in circumstances indicate that an asset may be impaired. The Group also carries out annual impairment reviews in respect of goodwill. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount. In determining value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by a valuation model that, based on information available, reflects the amount that the Group could obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the costs of disposal.

An impairment loss is recognised in profit or loss. However, in cases where property, plant and equipment was previously revalued and the revaluation was taken to equity, a part of such impairment is recognised in equity up to the amount of the previous revaluation.

In the assessment of asset impairment, if there is any indication that previously recognised impairment losses may no longer exist or may have decreased, the Group estimates the asset's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The increased carrying amount of the asset attributable to a reversal of an impairment loss shall not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss unless the asset is carried at a revalued amount, in which case the reversal, which exceeds the carrying amount that would have been determined, is treated as a revaluation increase.

4.17 Employee benefits

Short-term employee benefits

Salaries, wages, bonuses and contributions to the social security fund are recognised as expenses when incurred.

Post-employment benefits and other long-term employee benefits

Defined contribution plans

The Group and their employees have jointly established a provident fund. The fund is monthly contributed by employees and by the Group. The fund's assets are held in a separate trust fund and the Group's contributions are recognised as expenses when incurred.

Defined benefit plans and other long-term employee benefits

The Group has obligations in respect of the severance payments they must make to employees upon retirement under labor law and other employee benefit plans. The Group treats these severance payment obligations as a

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defined benefit plan. In addition, the Group provides other long-term employee benefits plans, namely long service awards.

The obligation under the defined benefit plan and other long-term employee benefit plans is determined by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method.

Actuarial gains and losses arising from defined benefit plans are recognised immediately in other comprehensive income.

Actuarial gains and losses arising from other long-term benefits are recognised immediately in profit and loss.

Past service costs are recognised in profit or loss on the earlier of the date of the plan amendment or curtailment and the date that the Group recognises restructuring-related costs.

4.18 Provisions

Provisions are recognised when the Group has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

4.19 Income tax

Income tax expense represents the sum of corporate income tax currently payable and deferred tax.

Current tax

Current income tax is provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

Deferred tax

Deferred income tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the end of each reporting period, using the tax rates enacted at the end of the reporting period.

The Group recognises deferred tax liabilities for all taxable temporary differences while they recognise deferred tax assets for all deductible temporary differences and tax losses carried forward to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilised.

At each reporting date, the Group reviews and reduces the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

The Group records deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.



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4.20 Financial instruments

The Group initially measures financial assets at its fair value plus, in the case of financial assets that are not measured at fair value through profit or loss, transaction costs. However, trade receivables, that do not contain a significant financing component are measured at the transaction price as disclosed in the accounting policy relating to revenue recognition.

Classification and measurement of financial assets

Financial assets are classified, at initial recognition, as to be subsequently measured at amortised cost, fair value through other comprehensive income ("FVOCI"), or fair value through profit or loss ("FVTPL"). The classification of financial assets at initial recognition is driven by the Group's business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.

Financial assets at amortised cost

The Group measures financial assets at amortised cost if the financial asset is held in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate ("EIR") method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Financial assets designated at FVOCI (equity instruments)

Upon initial recognition, the Group can elect to irrevocably classify its equity investments which are not held for trading as equity instruments designated at FVOCI. The classification is determined on an instrument-by-instrument basis.

Gains and losses recognised in other comprehensive income on these financial assets are never recycled to profit or loss.

Dividends are recognised as other income in profit or loss, except when the dividends clearly represent a recovery of part of the cost of the financial asset, in which case, the gains are recognised in other comprehensive income.

Equity instruments designated at FVOCI are not subject to impairment assessment.

Classification and measurement of financial liabilities

Except for derivative liabilities, at initial recognition, the Group's financial liabilities are recognised at fair value net of transaction costs and classified as liabilities to be subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. In determining amortised cost, the Group takes into account any discounts or premiums on acquisition fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in profit or loss.

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Derecognition of financial instruments

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or have been transferred and either the Group has transferred substantially all the risks and rewards of the asset, or the Group has transferred control of the asset.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

Impairment of financial assets

The Group recognises an allowance for expected credit losses (“ECLs”) for all debt instruments not held at FVTPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate.

For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure (a lifetime ECL).

The Group considers a significant increase in credit risk to have occurred when contractual payments are more than 30 days past due and considers a financial asset as credit impaired or default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to have a significant increase in credit risk and to be in default using other internal or external information, such as credit rating of issuers.

For trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date.

ECLs are calculated based on its historical credit loss experience and adjusted for forward-looking factors specific to the debtors and the economic environment.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Offsetting of financial instruments

Financial assets and financial liabilities are offset, and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.



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4.21 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Group applies a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Group measures fair value using valuation technique that are appropriate in the circumstances and maximises the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into three levels based on categorise of input to be used in fair value measurement as follows:

Level 1 - Use of quoted market prices in an observable active market for such assets or liabilities

Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly

Level 3 - Use of unobservable inputs such as estimates of future cash flows

At the end of each reporting period, the Group determines whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

5. Significant accounting judgements and estimates

The preparation of financial statements in conformity with financial reporting standards at times requires management to make subjective judgements and estimates regarding matters that are inherently uncertain. These judgements and estimates affect reported amounts and disclosures; and actual results could differ from these estimates. Significant judgements and estimates are as follows:

Investment properties

The Group presents investment properties at the fair value estimated by an independent appraiser, and recognises changes in the fair value in profit or loss. The independent appraiser valued the investment properties using the income approach or the market approach. The key assumptions used in estimating the fair value are described in Note 18.

Property, plant and equipment/Depreciation

In determining depreciation of plant and equipment, the management is required to make estimates of the useful lives and residual values of the plant and equipment and to review estimated useful lives and residual values when there are any changes.

The Group measures land and buildings at revalued amounts. Such amounts are determined by independent valuer using the market approach for land, the replacement cost approach or the income approach for buildings. The valuation involves certain assumptions and estimates as described in Note 19.

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In addition, the management is required to review property, plant and equipment for impairment on a periodical basis and record impairment losses when it is determined that the recoverable amount is lower than the carrying amount. This requires judgements regarding forecast of future revenues and expenses relating to the assets subject to the review.

Goodwill

The initial recognition and measurement of goodwill, and subsequent impairment testing, require management to make estimates of cash flows to be generated by the asset or the cash generating units and to choose a suitable discount rate in order to calculate the present value of those cash flows.

6. Cash and cash equivalents

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Cash	8,132	4,535	148	148
Bank deposits	1,170,323	727,394	45,203	148,553
Total	1,178,455	731,929	45,351	148,701

As at 31 December 2022, bank deposits in saving accounts and fixed deposits carried interest rates between 0.15% and 0.35% per annum (2021: between 0.05% and 0.13% per annum).

7. Long-term restricted deposit at financial institution

The long-term restricted deposit pledged with a financial institution as security for bank guarantee and short-term loans facilities of a subsidiary.

8. Trade and other receivables

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
<u>Trade accounts receivable</u>				
Trade accounts receivable - hotel operations	310,699	164,893	9,280	7,554
Less: Allowance for expected credit losses	(38,216)	(45,681)	(6,521)	(6,810)
Trade accounts receivable - hotel operations, net	272,483	119,212	2,759	744
Trade accounts receivable - sales of property				
- installments due	94,211	74,318	-	-
Current portion of long-term trade				
accounts receivable	295,607	306,027	-	-
Less: Deferred interest income	(11,061)	(3,364)	-	-



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(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Current portion of long-term trade accounts receivable, net (Note 15)	284,546	302,663	-	-
Trade accounts receivable - sales of property, net	378,757	376,981	-	-
Trade accounts receivable - sales of holiday club memberships and sales and marketing services for holiday club memberships	44,651	62,691	-	-
Less: Allowance for expected credit losses	(26,393)	(48,360)	-	-
Trade accounts receivable - sales of holiday club memberships and sales and marketing services for holiday club memberships, net	18,258	14,331	-	-
Total trade accounts receivable, net	669,498	510,524	2,759	744
<u>Other receivables</u>				
Amounts due from related parties (Note 9)	126,788	88,939	255,722	265,323
Villa owner receivables	90,042	80,545	4,657	2,210
Accrued rental income	16,461	5,364	16,461	5,364
Other receivables	24,642	19,512	1,472	364
Total other receivables	257,933	194,360	278,312	273,261
Less: Allowance for expected credit losses	(25,757)	(25,393)	-	-
Total other receivables, net	232,176	168,967	278,312	273,261
Total trade and other receivables, net	901,674	679,491	281,071	274,005

The balances of trade accounts receivable - hotel operations as at 31 December 2022 and 2021, aged on the basis of due dates, are summarised below.

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
<u>Age of receivables</u>				
Not yet due	110,087	45,145	255	317
Past due				
Up to 30 days	73,108	45,542	540	141
31 - 60 days	27,241	10,060	413	62
61 - 90 days	9,945	2,783	279	59
91 - 120 days	6,286	818	185	56
Over 120 days	84,032	60,545	7,608	6,919
Total	310,699	164,893	9,280	7,554
Less: Allowance for expected credit losses	(38,216)	(45,681)	(6,521)	(6,810)
Trade accounts receivable - hotel operations, net	272,483	119,212	2,759	744

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The normal credit term of trade accounts receivable - hotel operations is 30 days.

Set out below is the movement in the allowance for expected credit losses of trade receivable - hotel operations:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Balance at beginning of year	45,681	33,285	6,810	4,419
Additions (reversal)	(7,465)	12,396	(289)	2,391
Balance at end of year	<u>38,216</u>	<u>45,681</u>	<u>6,521</u>	<u>6,810</u>

The balances of trade accounts receivable - sales of property as at 31 December 2022 and 2021, aged on the basis of due dates, are summarised below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
<u>Age of receivables</u>				
Not yet due	308,393	309,735	-	-
Past due				
Up to 30 days	23,045	11,996	-	-
31 - 60 days	14,728	9,813	-	-
61 - 90 days	6,391	7,913	-	-
91 - 120 days	6,109	6,232	-	-
Over 120 days	31,152	34,656	-	-
Total	389,818	380,345	-	-
Less: Deferred interest income	(11,061)	(3,364)	-	-
Trade accounts receivable - sales of property, net	<u>378,757</u>	<u>376,981</u>	<u>-</u>	<u>-</u>

The normal credit term of trade accounts receivable - sales of property is 30 days.

The balances of trade accounts receivable - sales of holiday club memberships and sales and marketing service for holiday club memberships as at 31 December 2022 and 2021, aged on the basis of due dates, are summarised below.



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(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
<u>Age of receivables</u>				
Not yet due	1,775	508	-	-
Past due				
Up to 30 days	1,268	1,613	-	-
31 - 60 days	531	697	-	-
61 - 90 days	1,060	622	-	-
91 - 120 days	651	85	-	-
Over 120 days	39,366	59,166	-	-
Total	44,651	62,691	-	-
Less: Allowance for expected credit losses	(26,393)	(48,360)	-	-
Trade accounts receivable - sales of holiday club memberships and sales and marketing service for holiday club memberships, net	18,258	14,331	-	-

The normal credit term of trade accounts receivable - sales of holiday club memberships and sales and marketing service for holiday club memberships is 30 days.

Set out below is the movement in the allowance for expected credit losses of trade receivable - sales of holiday club memberships and sale and marketing services for holiday club memberships:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Balance at beginning of year	48,360	17,257	-	-
Addition (reversal)	(797)	31,103	-	-
Write-off	(21,170)	-	-	-
Balance at end of year	26,393	48,360	-	-

9. Related party transactions

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

Financial Statement

(Unit: Million Baht)

	Consolidated		Separate		Transfer pricing policy
	financial statements		financial statements		
	2022	2021	2022	2021	
<u>Transactions with subsidiaries</u>					
(eliminated from the consolidated financial statements)					
Inter resort payments	-	-	2	-	(1) agreed basis
Guarantee fee income	-	-	1	1	(2) agreed basis
Guarantee fee expenses	-	-	19	20	(2) agreed basis
Interest income	-	-	47	57	(4) agreement
Interest expenses	-	-	12	6	(4) agreement
Management fee income	-	-	76	56	(3), (15) agreed basis
Reimbursement receipts	-	-	21	1	(9) agreed basis
Reimbursement payments	-	-	26	23	(9) agreed basis
Rental and service income	-	-	2	1	(10)(ii) agreement
Rental and service expenses	-	-	8	6	(10)(ii), (iii) agreement
Resort service expenses	-	-	4	3	(12) agreed basis
Dividend income	-	-	-	2	As declared
<u>Transactions with associates</u>					
Reimbursement receipts	7	2	-	-	(9) agreed basis
Rental and service income	17	15	-	-	(10)(iii) agreement
Dividend income	-	-	19	12	As declared
<u>Transactions with related companies</u>					
Inter resort payments	3	3	-	-	(1) agreed basis
Management fee income	2	2	3	1	(13), (14) agreement
Management fee expenses	147	28	-	-	(5) agreement
Purchase of spa and gallery vouchers	4	4	1	1	(16) agreed basis
Sale of goods	13	4	-	-	(7) agreed basis
Reimbursement receipts	74	37	30	9	(9) agreed basis
Reimbursement payments	54	61	9	1	(9) agreed basis
Rental and service income	11	13	-	-	(10)(i), (ii), (iv) agreement
Rental return on hotel units	4	4	-	-	(11) agreement
Resort service income	-	1	-	-	(12) agreed basis
Training charges	6	-	-	-	(8) agreed basis
Service fees	26	52	-	-	(6), (15) agreed basis
Purchase of operating assets	-	2	-	-	At net book value plus 5% markup
<u>Transaction with director</u>					
Sales of property	152	-	-	-	As a normal selling price
Rental return on hotel units	1	-	1	-	As actual



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

- (1) These charges relate to goods and services that are consumed by customers in one part of Laguna Phuket but are billed centrally to the customer at the hotel in which the customer is staying. Such charges relate to meals at restaurants, golf fees, treatments at the spa and goods purchased at shops in the resort. On receiving the funds centrally from the customer, the hotel reimburses the company in which the goods and services are consumed. Actual receipts are paid and credit card commission is charged ranging from 2% to 5% of the revenue based on the commission rate charged by the credit card companies. Such inter resort charges are also incurred at Banyan Tree Bangkok and Laguna Golf Bintan primarily for treatments at the spa, goods purchased at the shops and golf fees at golf course.
- (2) Guarantee fee among group companies for permitting their assets to be pledged as collateral for other related companies' bank loans by charging on 1% of proportion of value of pledged assets to total loan facilities.
- (3) The Company charges a management fee to its subsidiaries for providing centralised duties and services for each operation in the group. The monthly fixed rate is charged dependent on the department serviced, except the internal audit service is charged by working hours.
- (4) Loans between group companies are unsecured and are denominated in Thai Baht. The loans carry interest at a rate equal to the lenders' borrowing costs per annum (based upon commercial bank's interest rates) plus a margin of 1.1%. The loans are repayable on demand, however it is expected that those loans would not be called for repayment in the short-term. Therefore, such loans are recorded as non-current assets/liabilities in the statements of financial position.
- (5) The terms of the operating agreements are disclosed in Note 38 and consist of a royalty agreement, hotel management agreement and technical assistance agreement. The payment terms of the contracts are as follows:

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

- (i) Banyan Tree Phuket (Laguna Banyan Tree Limited), Cassia Phuket (Phuket Grande Resort Limited), Angsana Villas Resort Phuket (Bangtao Grande Limited) and Laguna Holiday Club Phuket Resort (Bangtao Grande Limited) pay a royalty fee of 2% of total revenue.
- (ii) Banyan Tree Bangkok (Thai Wah Plaza Limited) and Angsana Laguna Phuket (Bangtao Grande Limited) pay a royalty fee of 3% of total revenue.
- (iii) Banyan Tree Gallery (Thailand) Limited and Banyan Tree Gallery (Singapore) Pte. Ltd. pay a royalty fee of 1% of total revenue.

Hotel management and technical assistance fees.

- (iv) The Technical Assistance Agreement of Banyan Tree Phuket pay a technical fee of 7.5% of gross operating profit.

Financial Statement

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

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

- (6) The centralised service fee charges by Banyan Tree Resorts & Spas (Thailand) Company Limited in respect of providing centralised services related to accounting, purchasing, human resources, learning & development, reservation and information technology. Where the charges is based on 5% markup of actual cost, the same is applied to all hotels and business operations concerned.
- (7) These transactions relate to:
 - (i) Sale of goods from Banyan Tree Gallery (Thailand) Limited to related companies is priced at a 15% to 30% discount to the retail price depending on the volume purchased.
 - (ii) Sale of guest and spa supplies of high volume purchases from companies which operate galleries to related companies is priced at cost plus up to 30% and 40% margin.
 - (iii) Sale and purchase of goods among Banyan Tree Gallery (Singapore) Pte. Ltd. and Banyan Tree Gallery (Thailand) Limited are priced at cost plus a handling fee of 5% to 20%. In this instance, they act as a purchasing agent and central purchasing for products in their countries to facilitate bulk purchasing for competitive pricing.
- (8) Training charges by Banyan Tree Hotels & Resorts (Thailand) Limited in respect of providing centralised training facilities and courses for staff. The training costs are allocated to each operation based on actual cost.
- (9) Costs are often incurred within the group which is reimbursed by the company to which the expense relates. Actual costs are reimbursed.
- (10) Rental paid for premises and land. The rental periods are not over three years.



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- (i) Rental and service income for space in Banyan Tree Phuket for Banyan Tree Spa office and store is at Baht 1,207 per square metre per month.
 - (ii) Rental of space and service in Canal Village. The charges include rental and related service fees which are at market rate.
 - (iii) Rental and service income earned by Thai Wah Plaza Limited for renting the office space at Thai Wah Tower I and Banyan Tree Bangkok. The charges include rental and related service fees which are at market rate.
 - (iv) Service income from rental of Banyan Tree Management Academy is at Baht 136,591 per month.
- (11) This relates to a Management Agreement to manage the hotel units of Cheer Golden Limited in the Angsana Resort & Spa on Bintan Island, Indonesia under which Cheer Golden Limited receives a return of 15% per annum on the investment of the leasehold rights.
- (12) Resort service charged to the operations relates to revenue of Laguna Service Company Limited which provides centralised services to each operation in the group located at Laguna Phuket at the following rates:
- Water supply : at the determined price and actual usage
 - Laundry charge : at the price based on cost plus a certain margin
 - Common area services, transportation charges : based on actual cost
 - Staff buses : at the price based on cost plus a certain margin
 - Marketing fee : at the rate of 0.75% of the operations' actual revenue
 - Community service : based on actual cost
 - Other services : at the determined price and actual usage
- (13) The Company charges a management fee to Banyan Tree Resorts & Spas (Thailand) Company Limited for providing administration services of information technology and human resources.
- (14) This relates to management fee charge to related companies for providing operational, visual and product training services. The fee are annual fee at SGD according to each agreement plus 15% of gross operating profit.
- (15) This relates to project management services which the fees are based on 10% mark up of actual working hours in providing the service and included all cost.
- (16) Purchase of Banyan Tree Spa and Banyan Tree Gallery vouchers for distribution to management to provide an additional benefit scheme. The vouchers are issued yearly to qualifying executives and are valid only within the year of issue. The voucher is priced at the face value of the voucher.

Financial Statement

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)	
	2022	2021
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)	
	2022	2021
Short-term loan facilities	150	150
Long-term loan facilities	-	900
Overdrafts and bank guarantee facilities	-	20

As at 31 December 2022 and 2021, the balances of the accounts between the Company and related companies are as follows:

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Amounts due from related parties				
Subsidiaries	-	-	236,285	261,156
Associated companies	4,608	1,920	-	-
Related companies (related by common shareholders)	122,180	87,019	19,437	4,167
Total amounts due from related parties (Note 8)	<u>126,788</u>	<u>88,939</u>	<u>255,722</u>	<u>265,323</u>
Amounts due to related parties				
Subsidiaries	-	-	48,409	40,704
Associated companies	-	-	-	-
Related companies (related by common shareholders)	164,014	169,773	7,761	2,700
Total amounts due to related parties (Note 22)	<u>164,014</u>	<u>169,773</u>	<u>56,170</u>	<u>43,404</u>
Dividend payable (Note 22)				
Related company (related by common shareholders)	-	130,048	-	130,048



Financial Statement

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

As at 31 December 2022 and 2021, the balance of loans between the Company and related companies and the movement in loans are as follows:

Long-term loans to subsidiaries

(Unit: Thousand Baht)

	Separate financial statements			31 December 2022
	1 January 2022	Addition	Repayment	
Laguna Banyan Tree Limited	816,000	275,000	(102,000)	989,000
Laguna Holiday Club Limited	167,500	28,000	(25,000)	170,500
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	319,000	(138,000)	1,467,550

Long-term loans from subsidiaries

(Unit: Thousand Baht)

	Separate financial statements			31 December 2022
	1 January 2022	Addition	Repayment	
Laguna (3) Limited	14,500	-	-	14,500
TWR - Holdings Limited	131,000	611,000	(487,000)	255,000
Laguna Grande Limited	83,000	421,000	(295,000)	209,000
Total	228,500	1,032,000	(782,000)	478,500

Long-term loan from related company

(Unit: Thousand Baht)

	Consolidated financial statements			31 December 2022
	1 January 2022	Addition	Repayment	
Banyan Tree Hotels & Resorts (Thailand) Limited	22,950	-	(16,950)	6,000
Total	22,950	-	(16,950)	6,000

Directors and management's benefits

During the years ended 31 December 2022 and 2021, the Group had employee benefit expenses of their directors and management as below.

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(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Short-term employee benefits	106,158	68,166	66,785	35,998
Post-employment benefits	8,910	2,364	7,116	722
Other long-term employee benefits	29	42	10	11
Total	115,097	70,572	73,911	36,731

10. Inventories

(Unit: Thousand Baht)

	Consolidated financial statements					
	Cost		Reduce cost to net realisable value		Inventories-net	
	2022	2021	2022	2021	2022	2021
Food and beverage	19,200	14,840	-	-	19,200	14,840
Finished goods and supplies	53,251	46,228	(2,567)	(918)	50,684	45,310
Total	72,451	61,068	(2,567)	(918)	69,884	60,150

11. Property development cost

(Unit: Thousand Baht)

	Consolidated financial statements					
	Cost		Reduce cost to net realisable value		Property development cost - net	
	2022	2021	2022	2021	2022	2021
Land	1,330,804	1,305,104	-	-	1,330,804	1,305,104
Land and property under construction	1,611,642	1,994,103	-	-	1,611,642	1,994,103
Land and completed buildings	740,776	898,070	(25,225)	(24,628)	715,551	873,442
Total	3,683,222	4,197,277	(25,225)	(24,628)	3,657,997	4,172,649

(Unit: Thousand Baht)

	Separate financial statements					
	Cost		Reduce cost to net realisable value		Property development cost - net	
	2022	2021	2022	2021	2022	2021
Land	111,429	111,429	-	-	111,429	111,429
Total	111,429	111,429	-	-	111,429	111,429



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Subsidiaries have mortgaged property development cost amounting to Baht 1,022 million (2021: Baht 1,071 million) as collateral against its credit facilities received from financial institutions.

Certain property development cost has been financed with a loan from a financial institution. For the year ended 31 December 2022, the Group included borrowing costs of Baht 4.5 million as property development costs (2021: Baht 12.7 million) comprising borrowing costs from specific purpose and general loan with the interest rate of 1.40% - 4.25% (2021: 3.17% - 3.75%).

12. Costs to obtain contracts with customers

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Balance at beginning of year	151,626	101,312	-	-
Addition during the year	151,926	71,089	-	-
Amortisation as selling expenses	(117,885)	(20,775)	-	-
Balance at end of year	<u>185,667</u>	<u>151,626</u>	<u>-</u>	<u>-</u>

13. Other financial assets

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
<u>Debt instrument at amortised cost</u>				
Fixed deposits	16,685	2,367	2,374	2,367
Total debt instrument at amortised cost	<u>16,685</u>	<u>2,367</u>	<u>2,374</u>	<u>2,367</u>
<u>Equity instruments designated at FVOCI</u>				
Non-listed equity instruments				
Bibace Investments Ltd.	498,788	481,190	-	-
Banyan Tree Indochina Hospitality Fund, L.P.	<u>366,380</u>	<u>365,081</u>	<u>-</u>	<u>-</u>
Total equity instruments designated at FVOCI	<u>865,168</u>	<u>846,271</u>	<u>-</u>	<u>-</u>
Total other financial assets	<u>881,853</u>	<u>848,638</u>	<u>2,374</u>	<u>2,367</u>
Current	16,685	2,367	2,374	2,367
Non-current	865,168	846,271	-	-
	<u>881,853</u>	<u>848,638</u>	<u>2,374</u>	<u>2,367</u>

Financial Statement

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

14. Other current assets

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Value added tax	69,243	48,726	2,795	2,041
Prepaid expenses and withholding tax deducted at source	46,532	28,017	5,001	1,969
Advances to suppliers and staff	43,187	25,588	2,715	1,416
Deposit for purchase of land	-	7,064	-	-
Total	158,962	109,395	10,511	5,426

15. Long-term trade accounts receivable

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

Long-term trade accounts receivable are due as follows:

(Unit: Thousand Baht)

	Consolidated financial statements	
	2022	2021
Sales of property		
Within 1 year	295,607	306,027
Less: Deferred interest income	(11,061)	(3,364)
Current portion of long-term trade accounts receivable, net (Note 8)	284,546	302,663
Over 1 year to 5 years	435,941	476,341
Less: Deferred interest income	(15,219)	(5,194)
Long-term trade accounts receivable, net	420,722	471,147
Total	705,268	773,810



Financial Statement

16. Investments in subsidiaries

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

Company's name	Paid-up capital		Shareholding percentage		Cost	
	2022	2021	2022	2021	2022	2021
	Million Baht	Million Baht	%	%	Million Baht	Million Baht
<u>Subsidiaries held by the Company</u>						
Banyan Tree Gallery (Singapore) Pte. Ltd.	SGD 0.43	SGD 0.43	51.0	51.0	4.0	4.0
	Million	Million				
Banyan Tree Gallery (Thailand) Limited	7.8	7.8	51.0	51.0	4.0	4.0
Laguna Banyan Tree Limited ⁽¹⁾	1,500.0	1,500.0	100.0	100.0	1,325.1	1,325.1
Laguna Holiday Club Limited	330.0	330.0	100.0	100.0	330.0	330.0
Laguna Grande Limited ⁽²⁾	1,000.0	1,000.0	100.0	100.0	958.5	958.5
Laguna Lakes Limited	1.0	1.0	95.0	95.0	0.9	0.9
Laguna Service Company Limited ⁽³⁾	90.5	90.5	72.9	72.9	22.4	22.4
Laguna (3) Limited	0.1	0.1	100.0	100.0	47.8	47.8
TWR-Holdings Limited ⁽⁴⁾	1,550.0	1,550.0	100.0	100.0	1,550.0	1,550.0
Vision 9 Farm Limited ⁽⁵⁾	2.0	2.0	100.0	60.0	-	-
<u>Subsidiaries held through TWR-Holdings Limited</u>						
Laguna Excursions Limited	8.0	8.0	49.0	49.0	-	-
Laguna Jobs Recruitment Co., Ltd. ⁽⁶⁾	179.0	179.0	100.0	100.0	-	-
Mae Chan Property Company Limited	232.3	232.3	100.0	100.0	-	-
Pai Samart Development Company Limited	28.4	28.4	100.0	100.0	-	-
Phuket Grande Resort Limited	100.0	100.0	100.0	100.0	-	-
PT AVC Indonesia	USD 7.0	USD 7.0	100.0	100.0	-	-
	Million	Million				
Talang Development Company Limited	251.0	251.0	50.0	50.0	-	-
Thai Wah Plaza Limited	2,250.0	2,250.0	100.0	100.0	-	-
Thai Wah Tower Company Limited	455.0	455.0	100.0	100.0	-	-
Thai Wah Tower (2) Company Limited	21.0	21.0	100.0	100.0	-	-
Twin Waters Limited	214.4	214.4	100.0	100.0	-	-
<u>Subsidiaries held through Laguna Grande Limited</u>						
Bangtao (1) Limited	20.9	20.9	100.0	100.0	-	-
Bangtao (2) Limited	19.1	19.1	100.0	100.0	-	-
Bangtao (3) Limited	7.8	7.8	100.0	100.0	-	-
Bangtao (4) Limited ⁽⁷⁾	-	14.6	-	100.0	-	-
Bangtao Laguna Limited	80.0	80.0	100.0	100.0	-	-
Bangtao Grande Limited	1,546.0	1,546.0	100.0	100.0	-	-
<u>Subsidiary held through Laguna Holiday Club Limited</u>						
Cheer Golden Limited	-	-	100.0	100.0	-	-
Total investments in subsidiaries					4,242.7	4,242.7

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

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

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

(4) TWR - Holdings Limited is held 99.0% by the Company and 1.0% through Laguna Grande Limited.

(5) Vision 9 Farm Limited is held 40.0% by the Company and 60.0% through Laguna Grande Limited.

(6) Formerly known as "Laguna Jobs Co., Ltd.". The subsidiary changed its name and registered the change with the Ministry of Commerce on 20 October 2022.

(7) Bangtao (4) Limited has registered the dissolution and liquidation with the Ministry of Commerce during the year 2022.

Financial Statement

During the year, the significant changes in investments in subsidiaries are 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.

During the years, the Company received dividend income from its subsidiary as detailed below.

(Unit: Thousand Baht)

Company's name	Separate financial statements	
	2022	2021
Banyan Tree Gallery (Singapore) Pte. Ltd.	-	2,493
Total	-	2,493

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

Details of investment in subsidiary that have material non-controlling interests.

(Unit: Thousand Baht)

Company's name	Proportion of equity interest held by non-controlling interests		Dividend paid to non-controlling interests during the years	
	2022	2021	2022	2021
	(%)	(%)		
Banyan Tree Gallery (Singapore) Pte. Ltd.	49.0	49.0	-	2,268
			-	2,268

The Company has goodwill from purchase of shares in subsidiaries as follows:

(Unit: Thousand Baht)

	Consolidated financial statements	
	2022	2021
Thai Wah Plaza Limited	56,976	56,976
Laguna Banyan Tree Limited	350,928	350,928
Total	407,904	407,904



Financial Statement

Goodwill acquired through business combination was related to Thai Wah Plaza Limited and Laguna Banyan Tree Limited. Each entity has been identified as the single cash-generating unit (“CGU”) for impairment testing.

The recoverable amount of the CGU is determined based on value in use calculations. These calculations use cash flow projections based on financial budgets approved by management covering a five-year period.

Key assumptions used for value in use calculations are as below:

	Thai Wah Plaza Limited		Laguna Banyan Tree Limited	
	2022	2021	2022	2021
Growth rate (% per annum)	3.05	4.60	5.82	3.68
Discount rate (% per annum)	7.47	7.36	7.05	7.02

Overall business was affected by the COVID-19 and the management expects that the operation will fully recover in 2024, and thus the growth rate has been calculated from that year onwards.

Management determined the budgeted growth rate based on past performance and its expectation for market development. The discount rate represents the current market assessment of the risks specific to the CGU, regarding the time value of money and individual risks of the underlying assets.

With regards to the assessment of value in use, management believes that goodwill is not impaired.

Management believes that any reasonably possible change in the key assumptions on which the units’ recoverable amount are based would not cause the units’ carrying amount to exceed its recoverable amount.

17. Investments in associates

17.1 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	
			2022	2021	2022	2021	2022	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	773,807	768,365
Banyan Tree China Pte. Ltd.	Holding company	Singapore	10.69	10.69	173,495	173,495	217,334	217,253
Total investments in associates - net					950,949	950,949	991,141	985,618

(Unit: Thousand Baht)

Company's name	Nature of business	Country of incorporation	Separate financial statements			
			Shareholding percentage		Cost	
			2022	2021	2022	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

Financial Statement

Banyan Tree China Pte. Ltd., held by Laguna Banyan Tree Limited, was incorporated in Singapore and is engaged in investment holding.

Tropical Resorts Ltd., held by Laguna Banyan Tree Limited, was incorporated in Hong Kong and is engaged in investment holding.

As at 31 December 2022 and 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.

17.2 Share of comprehensive income (loss) and dividend received

During the years, the Group and the Company 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:

(Unit: Thousand Baht)

Company's name	Consolidated financial statements			
	Share of profit from investments in associates during the years		Share of other comprehensive income (loss) from investments in associates during the years	
	2022	2021	2022	2021
Banyan Tree China Pte. Ltd.	796	1,429	(715)	(1,075)
Thai Wah Public Company Limited	27,734	30,240	(3,218)	6,489
Total	28,530	31,669	(3,933)	5,414

(Unit: Thousand Baht)

Company's name	Separate financial statements	
	Dividend received	
	2022	2021
Thai Wah Public Company Limited	19,074	11,839
Total	19,074	11,839

17.3 Fair value 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 calculated based on its closed price as at 31 December is as follows:

(Unit: Million Baht)

Associate	Fair values as at 31 December	
	2022	2021
	Thai Wah Public Company Limited	459



Financial Statement

17.4 Summarised financial information about material associates

Summarised information about financial position

(Unit: Million Baht)

	Thai Wah Public Company Limited		Banyan Tree China Pte. Ltd.	
	2022	2021	2022	2021
Current assets	4,104	4,074	-	-
Non-current assets	4,603	4,545	2,797	2,614
Current liabilities	(1,609)	(2,254)	-	-
Non-current liabilities	(1,502)	(844)	-	-
Non-controlling interests	(370)	(370)	-	-
Net assets	5,226	5,151	2,797	2,614
Shareholding percentage (%)	10.03	10.03	10.69	10.69
Share of net assets	524	517	299	279
Difference in share of net assets and net book value of investment	-	-	(82)	(62)
Difference in fair value of identifiable assets	152	153	-	-
Goodwill	98	98	-	-
Carrying amounts of associates based an equity method	774	768	217	217

Summarised information about comprehensive income

(Unit: Million Baht)

	Thai Wah Public Company Limited		Banyan Tree China Pte. Ltd.	
	2022	2021	2022	2021
Revenue	10,474	9,192	-	-
Profit	286	312	7	13
Other comprehensive income (loss)	(32)	63	(7)	(10)
Total comprehensive income (loss)	254	375	-	3

17.5 Summarised financial information of other associate

(Unit: Million Baht)

For the year ended
31 December

	Tropical Resorts Ltd.	
	2022	2021
Loss	(110)	(280)
Other comprehensive income (loss)	(72)	(280)
Total comprehensive income (loss)	(182)	(560)

Financial Statement

17.6 Investment in associate with capital deficit

The subsidiary recognised share of losses from investment in Tropical Resorts Ltd., until the value of the investment approached zero. Subsequent losses incurred by this associate has not been recognised in the subsidiary's accounts since the subsidiary has no obligations, whether legal or constructive, to make any payments on behalf of those associates. The amount of such unrecognised share of losses is set out below.

(Unit: Million Baht)

Company's name	Unrecognised share of losses			
	Share of losses during the years		Cumulative share of losses up to 31 December	
	2022	2021	2022	2021
Tropical Resorts Ltd.	(47)	(145)	(494)	(447)

18. Investment properties

(Unit: Thousand Baht)

	Consolidated financial statements			Separate financial statements		
	Land awaiting development / sales	Units in office building and shops for rent (including land)	Total	Land awaiting development / sales	Units in office building and shops for rent (including land)	Total
Balance as at 1 January 2021	202,717	1,207,860	1,410,577	74,771	106,831	181,602
Transfer to property, plant and equipment	(28,354)	-	(28,354)	-	-	-
Balance as at 31 December 2021	174,363	1,207,860	1,382,223	74,771	106,831	181,602
Profit on revaluation of investment properties	8,568	26,190	34,758	12,896	-	12,896
Balance as at 31 December 2022	182,931	1,234,050	1,416,981	87,667	106,831	194,498

As at 31 December 2022 and 2021, the fair value of the investment properties has been determined based on valuation performed by an independent valuer, using the Market Approach.

Key assumptions used in the valuation are summarised below:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements		Result to fair value where as an increase in assumption value
	2022	2021	2022	2021	
Price per rai	120 - 16,000	110 - 16,000	180 - 16,000	171 - 16,000	Increase in fair value
Price per Sq.m.	35 - 113	32 - 111	-	-	Increase in fair value
Price per Sq.w.	149	149	-	-	Increase in fair value

As at 31 December 2022, the subsidiaries have mortgaged the investment properties at fair value of Baht 821 million (2021: Baht 799 million) as collateral against credit facilities received from financial institutions.



19. Property, plant and equipment

Consolidated financial statements

Assets carried at cost

(Unit: Thousand Baht)

	Land and land improvement	Building and improvement	Golf course	Machinery and Equipment	Furniture and fixtures	Operating and office equipment	External work	Motor vehicles	Construction in progress	Total
At cost										
As at 1 January 2021	1,547,956	6,044,784	136,561	1,944,830	1,289,506	608,664	44,885	224,758	122,969	11,964,913
Additions	716	11,877	-	6,349	9,634	11,376	452	1,363	43,803	85,570
Disposals and write-off	-	(10,171)	-	(3,863)	(22,022)	(16,461)	(458)	(4,697)	(2,587)	(60,259)
Transfers in/out	-	34,284	-	12,602	4,451	41	195	-	(51,573)	-
Transfer from investment property	28,354	-	-	-	-	-	-	-	-	28,354
Adjustments	-	2,035	5,161	8,512	(257)	(12,719)	-	122	(710)	2,144
As at 31 December 2021	1,577,026	6,082,809	141,722	1,968,430	1,281,312	590,901	45,074	221,546	111,902	12,020,722
Additions	45,107	120,555	3,971	38,365	18,459	18,499	2,715	2,166	43,203	293,040
Disposals and write-off	-	(998)	-	(38,442)	(20,247)	(19,879)	(582)	(44,227)	-	(124,375)
Transfers in/out	-	(265)	-	11,077	(7,091)	(2,419)	5,347	-	(6,649)	-
Transfer to property development cost	(1,371)	-	-	-	-	-	-	-	-	(1,371)
Transfer from property development cost	17,115	72,750	-	-	-	-	-	-	-	89,865
Adjustments	-	(974)	(2,183)	(755)	974	134	-	153	-	(2,651)
As at 31 December 2022	1,637,877	6,273,877	143,510	1,978,675	1,273,407	587,236	52,554	179,638	148,456	12,275,230



Consolidated financial statements (continued)

Assets carried at cost

(Unit: Thousand Baht)

	Land and land improvement	Building and improvement	Golf course	Machinery and equipment	Furniture and fixtures	Operating and office equipment	External work	Motor vehicles	Construction in progress	Total
Accumulated depreciation										
As at 1 January 2021	(331)	(2,133,775)	(70,201)	(1,396,987)	(1,022,341)	(442,630)	(35,193)	(157,916)	-	(5,259,374)
Depreciation charged for the year	(57)	(173,704)	(11,154)	(103,033)	(71,646)	(48,339)	(2,365)	(9,543)	-	(419,841)
Disposals and write-off	-	2,831	-	3,439	21,688	16,147	458	4,697	-	49,260
Adjustments	-	(667)	(402)	(5,034)	(2,703)	7,616	-	(64)	-	(1,254)
As at 31 December 2021	(388)	(2,305,315)	(81,757)	(1,501,615)	(1,075,002)	(467,206)	(37,100)	(162,826)	-	(5,631,209)
Depreciation charged for the year	(61)	(177,521)	(11,406)	(86,460)	(59,800)	(36,313)	(3,170)	(8,658)	-	(383,389)
Disposals and write-off	-	830	-	25,806	20,031	19,592	582	43,866	-	110,707
Transfer in/out	-	104	-	(5,671)	6,130	1,427	(1,990)	-	-	-
Adjustments	-	92	170	265	(1,038)	(179)	(33)	(153)	-	(876)
As at 31 December 2022	(449)	(2,481,810)	(92,993)	(1,567,675)	(1,109,679)	(482,679)	(41,711)	(127,771)	-	(5,904,767)
Allowance for impairment loss										
As at 1 January 2021	(39,225)	(95,419)	(21,414)	-	-	(307)	-	-	-	(156,365)
Reversal	-	-	-	-	-	856	-	-	-	856
Adjustments	-	(875)	(4,759)	-	-	(549)	-	-	-	(6,183)
As at 31 December 2021	(39,225)	(96,294)	(26,173)	-	-	-	-	-	-	(161,692)
Adjustments	-	601	2,013	-	-	-	-	-	-	2,614
As at 31 December 2022	(39,225)	(95,693)	(24,160)	-	-	-	-	-	-	(159,078)
Net book value - At cost										
As at 31 December 2021	1,537,413	3,681,200	33,792	466,815	206,310	123,695	7,974	58,720	111,902	6,227,821
As at 31 December 2022	1,598,203	3,696,374	26,357	411,000	163,728	104,557	10,843	51,867	148,456	6,211,385

Consolidated financial statements (continued)

Assets carried at revalued amount

	Land and land improvement	Building and improvement	Golf course	Machinery and equipment	Furniture and fixtures	Operating and office equipment	External work	Motor vehicles	Construction in progress	Total
	(Unit: Thousand Baht)									
Revaluation portion										
As at 1 January 2021	6,050,938	89,132	-	-	-	-	-	-	-	6,140,070
As at 31 December 2021	6,050,938	89,132	-	-	-	-	-	-	-	6,140,070
Transfer to property development cost	(59,523)	-	-	-	-	-	-	-	-	(59,523)
As at 31 December 2022	5,991,415	89,132	-	-	-	-	-	-	-	6,080,547
Accumulated depreciation										
As at 1 January 2021	-	(35,835)	-	-	-	-	-	-	-	(35,835)
Depreciation of revaluation surplus on assets	-	(2,795)	-	-	-	-	-	-	-	(2,795)
As at 31 December 2021	-	(38,630)	-	-	-	-	-	-	-	(38,630)
Depreciation of revaluation surplus on assets	-	(2,796)	-	-	-	-	-	-	-	(2,796)
As at 31 December 2022	-	(41,426)	-	-	-	-	-	-	-	(41,426)
Net book value - revaluation portion										
As at 31 December 2021	6,050,938	50,502	-	-	-	-	-	-	-	6,101,440
As at 31 December 2022	5,991,415	47,706	-	-	-	-	-	-	-	6,039,121
Property, plant and equipment - net										
As at 31 December 2021	7,588,351	3,731,702	33,792	466,815	206,310	123,695	7,974	58,720	111,902	12,329,261
As at 31 December 2022	7,589,618	3,744,080	26,357	411,000	163,728	104,557	10,843	51,867	148,456	12,250,506
Depreciation for the year										
2021										422,636
2022										386,185



Separate financial statements

Assets carried at cost

(Unit: Thousand Baht)

	Land and Land improvement	Building	Machinery and equipment	Furniture and fixtures	Operating and office equipment	External work	Motor vehicles	Construction in progress	Total
At cost									
As at 1 January 2021	189	38,942	18,120	15,838	38,115	1,527	8,558	5,918	127,207
Additions	-	-	-	-	229	67	-	2,415	2,711
Disposals and write-off	-	-	-	-	(76)	-	(650)	(2,588)	(3,314)
Transfers in/out	-	794	-	-	41	-	-	(835)	-
Adjustments	-	-	(41)	-	-	-	-	(326)	(367)
As at 31 December 2021	189	39,736	18,079	15,838	38,309	1,594	7,908	4,584	126,237
Additions	-	-	-	16	1,582	1,262	-	8,212	11,072
Disposals and write-off	-	(200)	(16,195)	(65)	(4,337)	-	(3,890)	-	(24,687)
Adjustments	-	-	-	-	-	-	-	(4,582)	(4,582)
As at 31 December 2022	189	39,536	1,884	15,789	35,554	2,856	4,018	8,214	108,040
Accumulated depreciation									
As at 1 January 2021	-	(24,124)	(8,782)	(14,225)	(34,155)	(1,498)	(8,474)	-	(91,258)
Depreciation charged for the year	-	(1,381)	(1,466)	(729)	(1,257)	(26)	(85)	-	(4,944)
Disposals and write-off	-	-	-	-	75	-	651	-	726
As at 31 December 2021	-	(25,505)	(10,248)	(14,954)	(35,337)	(1,524)	(7,908)	-	(95,476)
Depreciation charged for the year	-	(942)	(1,269)	(114)	(1,098)	(388)	-	-	(3,811)
Disposals and write-off	-	119	10,571	65	4,337	-	3,890	-	18,982
As at 31 December 2022	-	(26,328)	(946)	(15,003)	(32,098)	(1,912)	(4,018)	-	(80,305)
Allowance for impairment loss									
As at 1 January 2021	-	(2,920)	-	-	-	-	-	-	(2,920)
As at 31 December 2021	-	(2,920)	-	-	-	-	-	-	(2,920)
As at 31 December 2022	-	(2,920)	-	-	-	-	-	-	(2,920)
Net book value - At cost									
As at 31 December 2021	189	11,311	7,831	884	2,972	70	-	4,584	27,841
As at 31 December 2022	189	10,288	938	786	3,456	944	-	8,214	24,815

Separate financial statements (continued)

Assets carried at revalued amount

	Land and Land Improvement	Building	Machinery and equipment	Furniture and fixtures	Operating and office equipment	External work	Motor vehicles	Construction in progress	Total
									(Unit: Thousand Baht)
Revaluation portion									
As at 1 January 2021	4,248	12,519	-	-	-	-	-	-	16,767
As at 31 December 2021	4,248	12,519	-	-	-	-	-	-	16,767
As at 31 December 2022	4,248	12,519	-	-	-	-	-	-	16,767
Accumulated depreciation									
As at 1 January 2021	-	(8,106)	-	-	-	-	-	-	(8,106)
Depreciation of revaluation surplus on assets	-	(126)	-	-	-	-	-	-	(126)
As at 31 December 2021	-	(8,232)	-	-	-	-	-	-	(8,232)
Depreciation of revaluation surplus on assets	-	(126)	-	-	-	-	-	-	(126)
As at 31 December 2022	-	(8,358)	-	-	-	-	-	-	(8,358)
Net book value - revaluation portion									
As at 31 December 2021	4,248	4,287	-	-	-	-	-	-	8,535
As at 31 December 2022	4,248	4,161	-	-	-	-	-	-	8,409
Property, plant and equipment - net									
As at 31 December 2021	4,437	15,598	7,831	884	2,972	70	-	4,584	36,376
As at 31 December 2022	4,437	14,449	938	786	3,456	944	-	8,214	33,224
Depreciation for the year									
2021									5,070
2022									3,937

Financial Statement

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

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

Key assumptions used in the valuation are summarised below:

	Consolidated financial statements	Separate financial statements	Result to fair value whereas an increase in assumption value
Building - Price per square metre (Baht)	1,000 - 78,000	1,000 - 16,000	Increase in fair value
Discount rate (%)	12	-	Decrease in fair value
Average room rate per night (Baht)	7,004	-	Increase in fair value
Land - Price per rai (Million Baht)	2 - 400	18	Increase in fair value

As at 31 December 2022, certain buildings and equipment of the Group have been fully depreciated but are still in use. The gross carrying amount, before deducting accumulated depreciation and allowance for impairment loss, of those assets amounted to Baht 2,288 million (2021: Baht 2,033 million) (the Company only: Baht 60 million, 2021: Baht 64 million).

The subsidiaries have mortgaged land and buildings at fair value of Baht 8,634 million (2021: Baht 8,758 million) as collateral against credit facilities received from financial institutions.

20. Leases

20.1 The Group as a lessee

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



Financial Statement

a) Right-of-use assets

Movement of right-of-use assets for the year ended 31 December 2022 and 2021 are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements					
	Land	Buildings	Machinery and equipment	Motor vehicles	Pier	Total
1 January 2021	356	38,409	5,670	12,106	-	56,541
Additions	-	5,291	1,046	-	1,252	7,589
Depreciation for the year	(244)	(17,909)	(2,510)	(5,609)	(699)	(26,971)
Impairment	-	(1,242)	-	-	-	(1,242)
Translation adjustment	-	227	-	2,324	-	2,551
31 December 2021	112	24,776	4,206	8,821	553	38,468
Additions	726	28,135	154	-	2,097	31,112
Depreciation for the year	(243)	(19,907)	(2,230)	(3,152)	(699)	(26,231)
Reversal of impairment	-	2,095	-	-	-	2,095
Decrease from lease termination	-	(122)	-	-	-	(122)
Translation adjustment	-	36	-	(678)	-	(642)
31 December 2022	595	35,013	2,130	4,991	1,951	44,680

(Unit: Thousand Baht)

	Separate financial statements					
	Land	Buildings	Machinery and equipment	Motor vehicles	Pier	Total
1 January 2021	-	3,039	-	-	-	3,039
Additions	-	1,789	-	-	-	1,789
Depreciation for the year	-	(3,536)	-	-	-	(3,536)
31 December 2021	-	1,292	-	-	-	1,292
Addition	-	4,765	-	-	-	4,765
Depreciation for the year	-	(1,286)	-	-	-	(1,286)
Decrease from lease termination	-	(746)	-	-	-	(746)
31 December 2022	-	4,025	-	-	-	4,025

Financial Statement

b) Lease liabilities

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Lease payments	99,923	82,205	7,876	6,672
Less: Deferred interest expenses	(5,313)	(4,000)	(221)	(56)
Total	94,610	78,205	7,655	6,616
Less: Portion due within one year	(59,317)	(48,033)	(5,390)	(5,996)
Lease liabilities - net of current portion	35,293	30,172	2,265	620

A maturity analysis of lease payments is disclosed in Note 40 under the liquidity risk.

c) Expenses relating to leases that are recognised in profit or loss

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Depreciation expense of right-of-use assets	26,231	26,971	1,286	3,536
Interest expense on lease liabilities	4,776	3,022	103	194
Expense relating to short-term leases	3,411	2,398	-	-
Expense relating to leases of low-value assets	612	816	325	364
Expense relating to variable lease payments that do not depend on an index or a rate	140,041	5,425	16,553	2,896

The Group has lease agreements in respect of cash rewards options for villa/unit rental scheme agreements. The cash reward options are included fixed return or variable return based on actual hotel revenue or hotel profit. The term of the agreements are generally 3 - 5 years.

d) Others

The Group had total cash outflows for leases for the year ended 31 December 2022 of Baht 166 million (2021: Baht 56 million) (the Company only: Baht 16 million, 2021: Baht 5 million), including the cash outflow related to short-term leases, leases of low-value assets and variable lease payments that do not depend on an index or a rate. The future cash outflows relating to leases that have not yet commenced are disclosed in Note 36.



Financial Statement

20.2 Group as a lessor

The Group has entered into operating leases for its investment property portfolio consisting of office and building of the lease terms are 3 - 5 years.

The Group has future minimum rentals receivable under non-cancellable operating leases as at 31 December 2022 and 2021 as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Within 1 year	22,543	16,627	5,669	6,974
Over 1 and up to 5 years	28,380	10,874	4,357	10,111
Total	50,923	27,501	10,026	17,085

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

	Interest rate (percent per annum)	(Unit: Thousand Baht)			
		Consolidated		Separate	
		financial statements		financial statements	
		2022	2021	2022	2021
Bank overdrafts	Nil (2021: MOR)	-	24,162	-	-
Short-term loans from financial institutions	MMR (2021: MMR, MLR and fixed deposit rate plus 1.5%)	1,080,000	1,157,000	650,000	650,000
Total		1,080,000	1,181,162	650,000	650,000

MOR: Minimum Overdraft Rate

MMR: Money Market Rate

MLR: Minimum Loan Rate

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 19 and by the guarantee provided by subsidiaries.

Financial Statement

22. Trade and other payables

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		Financial statements	
	2022	2021	2022	2021
Trade accounts payable	398,857	381,327	5,536	9,661
Accrued construction	7,055	4,371	-	-
Amounts due to related parties (Note 9)	164,014	169,773	56,170	43,404
Accrued expenses	324,721	164,635	46,049	8,828
Dividend payable (Note 9)	-	130,048	-	130,048
Other payables	317,525	211,263	2,121	2,247
Service charge payable to hotel staff	37,310	17,012	-	-
Accrued rental to villa owners	71,788	53,548	10,874	6,293
Total	1,321,270	1,131,977	120,750	200,481

23. Other current liabilities

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Value added tax payable	108,281	67,010	16,493	9,602
Unearned income	19,148	18,240	-	150
Specific business tax payable	152,030	129,104	3,950	4,378
Other tax payable	16,960	8,834	2,533	457
Total	296,419	223,188	22,976	14,587



Financial Statement

24. Long-term loans from financial institutions

No.	Facility (Million Baht)	Repayment	Repayment period	Interest rate (% Per annum)	Consolidated financial statements		(Unit: Thousand Baht) Separate financial statements	
					2022	2021	2022	2021
The Company								
1	75	Quarterly	April 2017 to October 2031	2.00 and MLR less 0.75 - 1.75	67,750	67,750	67,750	67,750
2	1,300	Quarterly	February 2020 to October 2036	2.00 and MLR less 0.75 - 2.00	1,292,000	1,292,000	1,292,000	1,292,000
3	20	Half-yearly	March 2024 to March 2025	MMR	20,000	20,000	20,000	20,000
Subsidiaries								
4	450	Quarterly	August 2017 to October 2038	2.00 and MLR less 0.50 - 2.00	305,000	305,000	-	-
5	335	Quarterly	November 2019 to October 2038	2.00 and MLR less 0.75 - 2.00	295,733	295,355	-	-
6	100	Annually	December 2020 to September 2022 ^(a)	MLR less 1.25 - 1.50	-	31,129	-	-
7	800	Quarterly	March 2013 to October 2038	2.00 and MLR less 0.50 - 2.00	240,000	240,000	-	-
8	400	Quarterly	February 2020 to October 2038	2.00 and MLR less 0.75 - 2.00	398,750	398,750	-	-
9	600	Quarterly	October 2023 to October 2030 ^(a)	2.00 and MLR less 1.25 - 2.00	52,000	52,000	-	-
10	4	Monthly	December 2020 to May 2022	2.00	-	1,010	-	-
11	5	Monthly	May 2023 to April 2025	2.00 and MLR	5,000	5,000	-	-
12	1,000	Quarterly	October 2009 to October 2038 ^(a)	2.00, MLR and MLR less 0.50 - 1.50	251,395	251,395	-	-
13	75	Quarterly	July 2019 to October 2038	2.00 and MLR less 0.75 - 2.00	73,500	73,500	-	-
14	800	Quarterly	February 2019 to October 2038	2.00 and MLR less 0.75 - 2.00	798,750	798,750	-	-
15	175	Quarterly	January 2017 to October 2038	2.00 and MLR less 0.50 - 2.00	153,500	153,500	-	-
16	200	Quarterly	October 2023 to October 2030	MLR less 1.25 - 1.50	200,000	200,000	-	-
17	298	Quarterly	June 2014 to October 2030 ^(a)	2.00 and MLR less 1.00 - 2.00	73,729	73,729	-	-
18	135	Annually	July 2020 to December 2024 ^(a)	MLR less 1.25 - 1.50	38,005	86,110	-	-
19	100	Quarterly	December 2016 to October 2030	2.00 and MLR less 1.00 - 2.00	48,000	48,000	-	-
20	100	Quarterly	December 2018 to October 2038 ^(a)	2.00 and MLR less 0.75 - 2.00	76,619	76,619	-	-

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No.	Facility (Million Baht)	Repayment	Repayment period	Interest rate (% Per annum)	Consolidated financial statements		(Unit: Thousand Baht) Separate financial statements	
					2022	2021	2022	2021
Subsidiaries (continued)								
21	400	Annually	December 2020 to December 2023 ^(a)	MLR less 1.25 - 1.50	89,291	205,262	-	-
22	480	Annually	December 2022 to September 2023 ^(a)	MLR less 1.25 - 1.50	11,923	321,100	-	-
23	900	Annually	August 2018 to August 2022 ^(a)	MLR less 0.75 - 1.25	-	136,059	-	-
24	130	Quarterly	April 2023 to January 2028	2.00 and MLR less 1.50	130,000	130,000	-	-
25	20	Annually	December 2023 to December 2024	MMR	20,000	20,000	-	-
26	45.5	Half-yearly	March 2024 to September 2024	MMR	35,000	45,500	-	-
27	40	Half-yearly	September 2023 to March 2025	MMR	40,000	40,000	-	-
28	300	Quarterly	August 2024 to August 2025 ^(a)	MLR less 1.25 - 1.50	113,411	-	-	-
Total long-term loans from financial institutions					4,829,356	5,367,518	1,379,750	1,379,750
Less: Deferred financial fees					(10,731)	(11,814)	(4,412)	(4,850)
Long-term loans from financial institutions, net					4,818,625	5,355,704	1,375,338	1,374,900
Less: Current portion					(296,629)	(540,075)	(1,500)	-
Long-term loans from financial institutions, net of current portion					4,521,996	4,815,629	1,373,838	1,374,900

MMR: Money Market Rate

MLR: Minimum Loan Rate

(a) Also subject to mandatory prepayment in order and/or inverse order of maturity upon the ownership transfer of property sales units and/or when has received the deposits, down payment, the rental or purchase price.

Movement of the long-term loan account during the year ended 31 December 2022 and 2021 are summarised below:

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Balance at beginning of year	5,367,518	5,108,452	1,379,750	1,359,750
Add: Draw down	150,735	462,775	-	-
Add: Reclassify from short-term loans	-	125,500	-	20,000
Less: Repayments	(688,897)	(329,209)	-	-
Balance at ending of year	4,829,356	5,367,518	1,379,750	1,379,750

The additional borrowings during the year are for the property development projects and working capital of hotel operations.



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The loans are secured by mortgage of plots of land and buildings of its subsidiaries, as described in Notes 11, 18, 19. The loan in (1) above is guaranteed by the pledge of 10 million ordinary shares of Thai Wah Public Company Limited.

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 31 December 2022, the long-term credit facilities of the subsidiaries which have not yet been drawn down amounted to Baht 323 million (2021: Baht 758 million).

25. Provision for long-term employee benefits

Provision for long-term employee benefits, which represents compensation payable to employees after they retire from the Company and other employee benefits plan, was as follows:

(Unit: Thousand Baht)						
Consolidated financial statements						
	2022			2021		
	Post- employment benefits	Other long-term benefits	Total	Post- employment benefits	Other long-term benefits	Total
Balance at beginning of year	73,963	32,839	106,802	83,511	29,765	113,276
Included in profit or loss:						
Current service cost	5,447	2,256	7,703	5,485	2,666	8,151
Interest cost	997	370	1,367	945	417	1,362
Gains or losses on settlement	4,232	1,467	5,699	(14,426)	(2,151)	(16,577)
Transferred from related party	-	-	-	8,064	5,721	13,785
Benefits paid during the year	(6,929)	(7,928)	(14,857)	(9,616)	(3,579)	(13,195)
Balance at end of year	77,710	29,004	106,714	73,963	32,839	106,802

(Unit: Thousand Baht)						
Separate financial statements						
	2022			2021		
	Post- employment benefits	Other long-term benefits	Total	Post- employment benefits	Other long-term benefits	Total
Balance at beginning of year	12,084	2,257	14,341	26,669	2,544	29,213
Included in profit or loss:						
Current service cost	581	110	691	666	135	801
Interest cost	137	25	162	158	29	187
Gains or losses on settlement	322	195	517	(9,558)	94	(9,464)
Transferred from related parties	-	-	-	1,180	281	1,461
Benefits paid during the year	(2,576)	(699)	(3,275)	(7,031)	(826)	(7,857)
Balance at end of year	10,548	1,888	12,436	12,084	2,257	14,341

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The Group expects to pay Baht 9 million of long-term employee benefits during the next year (the Company only: Baht 0.4 million) (2021: Baht 11 million, the Company only: Baht 3 million).

As at 31 December 2022, the weighted average duration of the liabilities for long-term employee benefit is 10 years (the Company only: 10 years) (2021: 10 years, the Company only: 10 years).

Significant actuarial assumptions are summarised below:

	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Discount rate (% per annum)	1.40	1.40	1.40	1.40
Salary increase rate (% per annum)	2.00	2.00	2.00	2.00
Gold price (Baht)	26,000	26,000	26,000	26,000

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 December 2022 and 2021 are summarised below:

(Unit: Thousand Baht)

	2022			
	Consolidated		Separate	
	financial statements		financial statements	
	Increase	Decrease	Increase	Decrease
Discount rate (+/- 0.50%)	(2,705)	2,865	(150)	158
Salary increase rate (+/-1.00%)	5,208	(4,711)	363	(338)
Gold Price (+/- 1,000 Baht)	499	(499)	69	(69)

(Unit: Thousand Baht)

	2021			
	Consolidated		Separate	
	financial statements		financial statements	
	Increase	Decrease	Increase	Decrease
Discount rate (+/- 0.50%)	(2,707)	2,867	(173)	182
Salary increase rate (+/-1.00%)	4,957	(4,484)	416	(387)
Gold Price (+/- 1,000 Baht)	565	(565)	83	(83)

26. Capital reserve

The capital reserve relates to the accounting of assets in subsidiaries at their fair values as at the acquisition date and cannot be used for dividend payments.



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27. Revaluation surplus

This represents surplus arising from revaluation of property, plant and equipment.

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
	2022	2021	2022	2021
Balance at beginning of year	5,450,230	5,478,403	141,313	141,313
Reversal of revaluation surplus on disposal of assets	(55,041)	(28,173)	-	-
Balance at end of year	<u>5,395,189</u>	<u>5,450,230</u>	<u>141,313</u>	<u>141,313</u>

The revaluation surplus can neither be offset against deficit nor used for dividend payment.

28. Statutory reserve

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside to a statutory reserve at least 5% of its net profit after deducting accumulated deficit brought forward (if any), until the reserve reaches 10% of the registered capital. The statutory reserve is not available for dividend distribution. At present, the statutory reserve has fully been set aside.

29. Revenue from contracts with customers

29.1 Disaggregated revenue information

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
	2022	2021	2022	2021
Revenue from contracts with customers:				
Revenue from hotel operations	2,397,982	688,006	30,167	-
Revenue from property development operations	2,314,067	741,762	-	-
Revenue from office rental operations - service income	7,948	5,432	1,753	987
Management fee income	2,267	1,603	78,455	57,149
Total revenue from contracts with customers	<u>4,722,264</u>	<u>1,436,803</u>	<u>110,375</u>	<u>58,136</u>
Revenue from office rental operations - rental income	27,854	21,770	9,749	3,054
Dividend income	-	-	19,074	14,332
Gain on revaluation of investment properties (Note 18)	34,758	-	12,896	-
Others	11,793	30,327	3,459	5,029
Total revenue	<u>4,796,669</u>	<u>1,488,900</u>	<u>155,553</u>	<u>80,551</u>
Timing of revenue recognition:				
Revenue recognised at a point in time	3,514,390	1,171,724	-	-
Revenue recognised over time	1,207,874	265,079	110,375	58,136
Total revenue from contracts with customers	<u>4,722,264</u>	<u>1,436,803</u>	<u>110,375</u>	<u>58,136</u>

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Set out below is a reconciliation of the revenue from contracts with customers with the amounts disclosed in Note 38 relating to the segment information:

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
	2022	2021	2022	2021
Revenue from external customers	4,688,026	1,435,884	34,052	2,489
Intersegment revenues	299,702	149,224	76,323	55,647
	4,987,728	1,585,108	110,375	58,136
Adjustments and eliminations	(265,464)	(148,305)	-	-
Total revenue from contracts with customers	4,722,264	1,436,803	110,375	58,136

29.2 Revenue recognised in relation to contract balances

As at 31 December 2022 and 2021, the Group had significant revenue recognised in relation to contract balance from hotel and property development operations, which are summarised below.

	Consolidated financial		(Unit: Thousand Baht)	
	statements		Separate	
	2022	2021	2022	2021
Revenue recognised that was included in contract liabilities at the beginning of year	998,386	384,748	-	-

29.3 Revenue to be recognised for the remaining performance obligations

As at 31 December 2022, the Group has revenue from property development operations of Baht 5,963 million which is expected to be recognised as revenue over the next 3 years (2021: Baht 3,016 million which is expected to be recognised as revenue over the next 3 years) as construction of development properties progress.

30. Other income

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
	2022	2021	2022	2021
Dividend income	-	-	19,074	14,332
Management fee income	2,267	1,603	78,455	57,149
Gain on revaluation of investment properties (Note 18)	34,758	-	12,896	-
Others	11,793	30,327	3,459	5,029
Total	48,818	31,930	113,884	76,510



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31. Finance cost

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Interest expense under effective interest method	197,108	230,753	77,715	76,158
Interest expense on lease liabilities	4,776	3,022	103	194
Total	201,884	233,775	77,818	76,352

32. Expenses by nature

Significant expenses classified by nature are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Salaries, wages and other employee benefits	913,992	560,062	129,418	54,237
Depreciation	412,537	449,609	5,223	8,607
Rental expenses from lease agreements	144,064	19,481	16,879	8,772
Repairs and maintenance	166,126	69,169	1,669	1,669
Water and electricity	210,726	118,661	3,414	2,237
Management fee, incentive fee and royalty fees	152,146	45,466	-	-
Commission	217,020	22,450	-	-
Sales and marketing expenses	141,958	101,822	70	66
Food and beverage cost	250,689	82,520	-	-
Increase in land and construction during the year	808,272	411,017	-	-
Change in property development cost	514,055	(7,570)	-	-

33. Income tax

Income tax expenses for the years ended 31 December 2022 and 2021 are made up as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Current income tax:				
Current income tax charge	29,976	29,464	-	-
Adjustment in respect of income tax of previous year	(115)	2,438	-	-
Write off prepaid withholding tax	295	929	-	-
Deferred tax:				
Relating to origination and reversal of temporary differences	(43,661)	40,520	724	170
Income tax expenses (revenue) reported in the income statement	(13,505)	73,351	724	170

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The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2022 and 2021 are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2022	2021	2022	2021
Deferred tax relating to gain on change in value of equity instruments designated at FVOCI	3,779	26,618	-	-

The reconciliation between accounting loss and income tax expense is shown below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2022	2021	2022	2021
Accounting loss before income tax	(8,232)	(957,363)	(96,342)	(69,496)
Applicable tax rate	0% - 20%	0% - 20%	20%	20%
Accounting loss before tax multiplied by income tax rate	(1,856)	(192,059)	(19,268)	(13,899)
Adjustment in respect of income tax of previous year	(115)	2,438	-	-
Write off prepaid withholding tax	295	929	-	-
Unused tax losses	96,926	237,011	20,135	13,464
Utilise of tax losses	(44,234)	(2,340)	-	-
Set up deferred tax assets for previously unrecognised tax losses	(87,115)	-	-	-
Reversal deferred tax liabilities as previously recorded	(14,283)	-	-	-
Reversal deferred tax assets as previously recorded	6,973	13,190	-	963
Effects of:				
Write off property development cost and property, plant and equipment	1,142	518	1,141	518
Exempt dividend income	-	-	(3,815)	(2,368)
Revenue treated under the Revenue code	9,135	-	-	-
Non-taxable expenses	19,627	13,664	1,083	1,492
Total	29,904	14,182	(1,591)	(358)
Income tax expenses (revenue) reported in the income statement	(13,505)	73,351	(724)	170



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The components of deferred tax assets and deferred tax liabilities are as follows:

		(Unit: Thousand Baht)	
		Statements of financial position	
		Consolidated financial statements	
		2022	2021
Deferred tax assets (liabilities)			
Unutilised tax losses		117,904	-
Provision for long-term employee benefits		21,343	21,276
Intercompany charges to property development cost and property, plant and equipment		11,646	10,551
Other items of deferred tax assets		34,035	29,584
Revaluation surplus on assets		(1,718,460)	(1,729,018)
Temporary differences arising from revenue and cost recognition		(999,243)	(917,623)
Gain on revaluation of investment properties		(208,455)	(199,662)
Gain on change in value of equity instruments designated at FVOCI		(51,761)	(47,981)
Net deferred tax liabilities		(2,792,991)	(2,832,873)
Reflected in the statements of financial position as follows:			
Deferred tax assets		69,285	35,447
Deferred tax liabilities		(2,862,276)	(2,868,320)
Net deferred tax liabilities		(2,792,991)	(2,832,873)
		(Unit: Thousand Baht)	
		Statements of financial position	
		Separated financial statements	
		2022	2021
Deferred tax assets (liabilities)			
Provision for long-term employee benefits		2,487	2,868
Other items of deferred tax assets		990	1,076
Revaluation surplus on assets		(21,109)	(21,135)
Temporary differences arising from revenue recognition		(68,806)	(72,712)
Gain on revaluation of investment properties		(29,111)	(26,370)
Net deferred tax liabilities		(115,549)	(116,273)

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As at 31 December 2022, the Group has tax losses of Baht 2,171 million (2021: Baht 2,465 million) (the Company only: Baht 170 million, 2021: Baht 67 million) that are available for offset against future taxable profits of the companies in which the losses arose, for which no deferred tax asset is recognised due to uncertainty of its recoverability. These tax losses are subject to the agreement of the taxation authorities and compliance with certain provisions of the tax legislation of the respective countries in which the companies operate. Details of expiry date of unused tax losses are summarised as below:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Year of expiry:				
Within 1 year	124,685	126,392	-	-
Over 1 year to 5 years	2,046,799	2,338,500	170,167	67,319
Total	2,171,484	2,464,892	170,167	67,319

34. Earnings per share

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

	For the years ended 31 December			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Profit (loss) attributable to equity holders of the Company (Thousand Baht)	7,106	(1,031,757)	(95,618)	(69,666)
Weighted average number of ordinary shares (Thousand shares)	166,683	166,683	166,683	166,683
Profit (loss) per share (Baht/share)	0.04	(6.19)	(0.57)	(0.42)



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35. Provident fund

The Group and their employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. Contributions are made to the fund by both employees and the Group and will be paid to employees upon termination in accordance with the fund rules of the Group's provident fund.

During the years, the contributions were recognised as expenses as following details:

(Unit: Million Baht)

Company	Fund Manager		Company's contribution in	
	Operation staffs	Office staffs	2022	2021
Laguna Resorts & Hotels Public Company Limited	MFC Asset Management Plc.	MFC Asset Management Plc.	2.7	1.6
Laguna Grande Limited	MFC Asset Management Plc.	MFC Asset Management Plc.	1.0	0.8
Bangtao Grande Limited	SCB Asset Management Company Limited	-	2.6	3.0
Laguna Banyan Tree Limited	MFC Asset Management Plc.	MFC Asset Management Plc.	4.7	4.5
Banyan Tree Gallery (Thailand) Limited	-	MFC Asset Management Plc.	0.3	0.3
Laguna Service Company Limited	-	MFC Asset Management Plc.	1.5	1.5
Laguna Holiday Club Limited	-	MFC Asset Management Plc.	0.2	0.1
Thai Wah Plaza Limited	TISCO Assets Management Company Limited	MFC Asset Management Plc.	2.8	2.4
Laguna Excursions Limited	-	MFC Asset Management Plc.	0.1	0.2
Phuket Grande Resort Limited	MFC Asset Management Plc.	MFC Asset Management Plc.	0.6	0.5

36. Commitments

Capital commitment

As at 31 December 2022, the Group has capital commitments as follows:

- a) The subsidiaries have commitments in respect of constructing new and renovating existing hotel properties and office rental amounting to Baht 81 million (2021: Baht 86 million).
- b) The subsidiaries have commitments that relate to projects to develop properties for sale amounting to Baht 1,309 million (2021: Baht 1,491 million).

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Operating agreements

As at 31 December 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. These agreements are summarised below:

Company	Business unit	Operator	Contract period	Fees		
Bangtao Grande Limited	Angsana Laguna Phuket	Banyan Tree Hotels & Resorts Pte. Limited	1.7.2012 - 30.11.2031 (b)	- Royalty fee: 3% of total revenue		
		Banyan Tree Hotels & Resorts (Thailand) Limited	1.7.2012 - 30.11.2031 (b)	- Management fee: 10% of gross operating profit		
		Banyan Tree Marketing Group Pte. Ltd.	1.7.2012 - 30.11.2031 (b)	- Group Marketing service fee: 2% of total actual hotel revenue*		
		Banyan Tree Hotels & Resorts Pte. Limited	1.8.2016 - 31.7.2041 (c)	- Royalty fee: 2% of total revenue		
		Banyan Tree Hotels & Resorts (Thailand) Limited	1.8.2016 - 31.7.2041 (c)	- Management fee: 7.5% of gross operating profit		
		Banyan Tree Marketing Group Pte. Ltd.	1.8.2016 - 31.7.2041 (c)	- Group Marketing service fee: 2% of total actual hotel revenue		
		Banyan Tree Hotels & Resorts Pte. Limited	19.10.2015 - 18.10.2035 (a)	- Royalty fee: 2% of total revenue		
		Banyan Tree Hotels & Resorts (Thailand) Limited	19.10.2015 - 18.10.2035 (a)	- Management fee: 7.5% of gross operating profit		
		Laguna Banyan Tree Limited	Banyan Tree Phuket	Banyan Tree Hotels & Resorts Pte. Limited	1.1.2016 - 31.12.2025 (a)	- Royalty fee: 2% of total revenue
				Banyan Tree Hotels & Resorts (Thailand) Limited	1.1.2016 - 31.12.2025 (a)	- Technical fee: 7.5% of gross operating profit
Banyan Tree Marketing Group Pte. Ltd.	1.1.2016 - 31.12.2025 (a)			- Group Marketing service fee: 2% of total actual hotel revenue*		
Thai Wah Plaza Limited	Banyan Tree Bangkok	Banyan Tree Hotels & Resorts Pte. Limited	1.1.2022 - 31.12.2041	- Royalty fee: 3% of total revenue		
		Banyan Tree Hotels & Resorts (Thailand) Limited	1.1.2022 - 31.12.2041	- Management fee: 10% of gross operating profit		
		Banyan Tree Marketing Group Pte. Ltd.	1.1.2022 - 31.12.2041	- Group Marketing service fee: 2% of total actual hotel revenue*		
Phuket Grande Resort Limited	Cassia Phuket	Banyan Tree Hotels & Resorts Pte. Limited	20.10.2015 - 19.10.2040 (c)	- Royalty fee: 2% of total revenue		
		Banyan Tree Hotels & Resorts (Thailand) Limited	20.10.2015 - 19.10.2040 (c)	- Management fee: 7.5% of gross operating profit		
		Banyan Tree Marketing Group Pte. Ltd.	20.10.2015 - 19.10.2040 (c)	- Group Marketing service fee: 2% of total actual hotel revenue*		
Banyan Tree Gallery (Singapore) Pte. Ltd.	Gallery	Banyan Tree Hotels & Resorts Pte. Limited	1.1.2009 onwards	- Royalty fee: 1% of total revenue		
Banyan Tree Gallery (Thailand) Limited	Gallery	Banyan Tree Hotels & Resorts Pte. Limited	1.1.2009 onwards	- Royalty fee: 1% of total revenue		

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

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

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

* The rate has been applied since 1 July 2016.



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- 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 31 December 2022, the Group has future minimum payments under service agreement, short-term leases and lease of low-value assets amounting to Baht 23 million (2021: Baht 7 million) (the Company only: Baht 1 million, 2021: Baht 2 million).

- c) As at 31 December 2022 and 2021, 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:

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Payable within:				
In up to 1 year	1	2	-	-
In over 1 and up to 5 years	2	4	-	-

Servitude over land

As at 31 December 2022 and 2021, some subsidiaries have land servitudes of approximately 13 rai in Phuket province, which are presented under property development cost and property, plant and equipment.

37. Guarantees

As at 31 December 2022 and 2021, there were bank guarantees amounting to Baht 50 million (the Company only: Baht 0.4 million) issued to various parties on behalf of the Group, mainly provided for the usage of electricity, other utilities and telecommunication channels.

38. Segment information

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance.

For management purposes, the Group is organised into business units based on its products and services and have the reportable segments as follows:

- Hotel business segment relates to hotel and restaurant operations including other relating businesses such as golf club and sales of merchandise.
- Property development segment relates to property sales and sale of holiday club memberships.

Financial Statement

- Office rental segment relates to rental and service from lands and buildings which managements manage for lease.
- Head office segment relates to expenses incurred by corporate office and is not allocated to other operating segments.

No operating segments have been aggregated to form the above reportable operating segments.

The chief operating decision maker monitors the operating results of the business units separately for the purpose of making decisions about resource allocation and assessing performance. Segment performance is measured based on operating profit or loss and on a basis consistent with that used to measure operating profit or loss in the financial statements.

The basis of accounting for any transactions between reportable segments is consistent with that for third party transactions.

The following tables present revenue and profit (loss) information regarding the Group's operating segments for the years ended 31 December 2022 and 2021, respectively.

Intersegment revenues are eliminated on consolidation.

(Unit: Million Baht)

	For the year ended 31 December 2022				Total
	Hotel Business	Property Development	Office Rental	Head Office	
Revenue:					
Segment revenue					
Total revenues	2,571	2,320	44	-	4,935
Intersegment revenues	(173)	(6)	(8)	-	(187)
Revenue from external customers	2,398	2,314	36	-	4,748
Results:					
Segment results	(260)	510	1	(176)	75
Unallocated income					49
Profit from operations and other income					124
Finance income	-	41	-	-	41
Finance cost	(110)	(26)	-	(66)	(202)
Share of profit from investments in associates					29
Loss before income tax expenses					(8)
Income tax revenue (expenses)	130	(148)	-	31	13
Profit for the year					5
Other segment information					
Depreciation of property, plant and equipment	356	23	2	5	386
Depreciation of right-of-use assets	8	18	-	-	26



Financial Statement

(Unit: Million Baht)

	For the year ended 31 December 2021				
	Hotel Business	Property Development	Office Rental	Head Office	Total
Revenue:					
Segment revenue					
Total revenues	777	745	35	-	1,557
Intersegment revenues	(89)	(3)	(8)	-	(100)
Revenue from external customers	688	742	27	-	1,457
Results:					
Segment results	(819)	74	2	(92)	(835)
Unallocated income					32
Loss from operations and other income					(803)
Finance income	-	47	-	-	47
Finance cost	(129)	(35)	-	(70)	(234)
Share of profit from investments in associates					32
Loss before income tax expenses					(958)
Income tax revenue (expenses)	(41)	(55)	-	23	(73)
Loss for the year					(1,031)
Other segment information					
Depreciation of property, plant and equipment	395	20	2	6	423
Depreciation of right-of-use assets	7	20	-	-	27

Revenue from external customers attributed to the Company's country of domicile and other countries.

(Unit: Million Baht)

	2022	2021
Revenue from external customers		
Thailand	4,726	1,447
Others	22	10
Total	4,748	1,457
Non-current assets other than financial instruments and deferred tax assets		
Thailand	14,212	14,186
Others	11	18
Total	14,223	14,204

For the years 2022 and 2021, the Group has no major customer with revenue of 10 percent or more of an entity's revenues.

Financial Statement

39. Fair value hierarchy

As at 31 December 2022 and 2021, the Group had the assets and liabilities that were measured or disclosed at fair value using different levels of inputs as follows:

	(Unit: Million Baht)			
	Consolidated financial statements			
	31 December 2022			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Investment properties	-	-	1,417	1,417
Property, plant and equipment - land and buildings	-	-	11,334	11,334
Non-listed equity investments	-	-	865	865
Assets disclosed at fair values				
Investment in associate - Thai Wah Plc.	459	-	-	459

	(Unit: Million Baht)			
	Consolidated financial statements			
	31 December 2021			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Investment properties	-	-	1,382	1,382
Property, plant and equipment - land and buildings	-	-	11,320	11,320
Non-listed equity investments	-	-	846	846
Assets disclosed at fair values				
Investment in associate - Thai Wah Plc.	490	-	-	490

	(Unit: Million Baht)			
	Separate financial statements			
	31 December 2022			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Investment properties	-	-	194	194
Property, plant and equipment - land and buildings	-	-	19	19
Assets disclosed at fair values				
Investment in associate - Thai Wah Plc.	459	-	-	459



Financial Statement

(Unit: Million Baht)

	Separate financial statements			
	31 December 2021			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Investment properties	-	-	182	182
Property, plant and equipment - land and buildings	-	-	20	20
Assets disclosed at fair values				
Investment in associate - Thai Wah Plc.	490	-	-	490

40. Financial instruments

40.1 Financial risk management objectives and policies

The Group's financial instruments principally comprise cash and cash at banks, trade and other receivables, trade and other payables, investments, loans to and loans from. The financial risks associated with these financial instruments and how they are managed is described below.

Credit risk

The Group is exposed to credit risk primarily with respect to trade accounts receivable from the hotel, space rental, and property development businesses. For the maximum exposure to credit risk is limited to the carrying amounts as stated in the statement of financial position.

Trade accounts receivable

The Group manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. Outstanding customer receivables are regularly monitored and any shipments to major customers are generally covered by letters of credit or other forms of credit insurance obtained from reputable banks and other financial institutions. In addition, the Group does not have high concentrations of credit risk since it has a large and unrelated customer base.

An impairment analysis is performed at each reporting date to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar credit risks. The Group classifies customer segments by geographical region, product type, customer type and rating. The Group does not hold collateral as security. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Generally, trade receivables are provision for doubtful debts if past due for more than one year and are not subject to enforcement activity.

Financial Statement

Financial instruments and cash deposits

The Group manages the credit risk from balances with banks and financial institutions by making investments only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Group's Board of Directors on an annual basis, and may be updated throughout the year subject to approval of the Group's Executive Committee. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through a counterparty's potential failure to make payments.

The credit risk on debt instruments is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

Foreign currency risk

The Group's exposure to the risk of changes in foreign exchange rates relates primarily to trading transactions and borrowings that are denominated in foreign currencies.

As at 31 December 2022 and 2021, the balances of the Group's financial assets and liabilities denominated in foreign currencies are summarised below.

Foreign currency	Consolidated financial statements				Separate financial statements				Average exchange rate as at	
	Financial assets		Financial liabilities as at		Financial assets		Financial liabilities as at			
	as at		as at		as at		as at		31 December	
	31 December		31 December		31 December		31 December		31 December	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
	(Million)	(Million)	(Million)	(Million)	(Million)	(Million)	(Million)	(Million)	(Baht per 1 foreign currency unit)	
US Dollar	1	1	1	2	-	-	-	-	34.5141	33.3731
SGD	-	-	-	1	-	-	-	-	25.6818	24.6963

Interest rate risk

The Group's exposure to interest rate risk relates primarily to their deposits with financial institutions, trade accounts receivable, long-term trade accounts receivable, trade accounts payables, bank overdrafts and loans. Most of the Group's financial assets and liabilities have floating interest rates or fixed interest rates which are close to the market interest rates. The Group does not use derivative financial instruments to hedge such risk.

As at 31 December 2022 and 2021, significant financial assets and liabilities classified by type of interest rate are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.



Financial Statement

(Unit: Million Baht)

Consolidated financial statements						
As at 31 December 2022						
	Fixed interest rates		Floating interest rate	Non-Interest bearing	Total	Interest rate (% per annum)
	Within 1 year	Over 1 year to 5 years				
<u>Financial assets</u>						
Cash and cash equivalents	24	-	1,146	8	1,178	0.15 - 0.35
Trade and other receivables	285	-	-	617	902	0.00 - 7.00
Other current financial assets	17	-	-	-	17	0.30 - 0.50
Long-term trade accounts receivable	-	421	-	-	421	0.00 - 7.00
<u>Financial liabilities</u>						
Trade and other payables	-	-	-	1,321	1,321	-
Short-term loans from financial institutions	-	-	1,080	-	1,080	3.25 - 4.13
Long-term loans from financial institutions	-	-	4,819	-	4,819	2.00 - 4.25
Long-term loan from related company	-	6	-	-	6	1.50

(Unit: Million Baht)

Consolidated financial statements						
As at 31 December 2021						
	Fixed interest rates		Floating interest rate	Non-Interest bearing	Total	Interest rate (% per annum)
	Within 1 year	Over 1 year to 5 years				
<u>Financial assets</u>						
Cash and cash equivalents	-	-	727	5	732	0.05 - 0.13
Trade and other receivables	302	-	-	377	679	0.00 - 7.00 and MLR + 0.50
Other current financial asset	2	-	-	-	2	0.30
Long-term restricted deposit at financial institution	-	38	-	-	38	0.10 - 0.15
Long-term trade accounts receivable	-	471	-	-	471	0.00 - 7.00
<u>Financial liabilities</u>						
Trade and other payables	-	-	-	1,132	1,132	-
Bank overdrafts and short-term loans from financial institutions	-	-	1,181	-	1,181	1.80 - 5.47
Long-term loans from financial institutions	-	-	5,356	-	5,356	2.00 - 4.50
Long-term loan from related company	-	23	-	-	23	1.50

(Unit: Million Baht)

Separate financial statements						
As at 31 December 2022						
	Fixed interest rates		Floating interest rate	Non-Interest bearing	Total	Interest rate (% per annum)
	Within 1 year	Over 1 year to 5 years				
<u>Financial assets</u>						
Cash and cash equivalents	-	-	45	-	45	0.15 - 0.35
Trade and other receivables	-	-	-	281	281	-
Other current financial asset	2	-	-	-	2	0.50
Long-term loans to subsidiaries	-	-	1,468	-	1,468	3.58
<u>Financial liabilities</u>						
Trade and other payables	-	-	-	121	121	-
Short-term loans from financial institution	-	-	650	-	650	3.25 - 4.13
Long-term loans from subsidiaries	-	-	479	-	479	1.25 - 4.53
Long-term loans from financial institution	-	-	1,375	-	1,375	2.00 - 2.95

Financial Statement

(Unit: Million Baht)

	Separate financial statements					Interest rate (% per annum)
	As at 31 December 2021					
	Fixed interest rates		Floating interest rate	Non-Interest bearing	Total	
Within 1 year	Over 1 year to 5 years					
<u>Financial assets</u>						
Cash and cash equivalents	-	-	149	-	149	0.05 - 0.13
Trade and other receivables	-	-	-	274	274	-
Other current financial asset	2	-	-	-	2	0.30
Long-term loans to subsidiaries	-	-	1,287	-	1,287	3.49
<u>Financial liabilities</u>						
Trade and other payables	-	-	-	200	200	-
Short-term loans from financial institution	-	-	650	-	650	2.00 - 3.63
Long-term loans from subsidiaries	-	-	229	-	229	1.25 - 4.06
Long-term loans from financial institution	-	-	1,375	-	1,375	2.00

Interest rate sensitivity

As at 31 December 2022, a possible change in floating interest rates of loans from financial institutions from by 1% may affect the Group's profit (loss) before tax by Baht 49 million (2021: Baht 53 million).

The above analysis has been prepared assuming that the amounts of the floating rate loans from financial institutions, and all other variables remain constant over one year. Moreover, the floating legs of these loans from financial institutions are assumed to not yet have set interest rates. As a result, a change in interest rates affects interest receivable/payable for the full 12-month period of the sensitivity calculation.

Liquidity risk

The Group monitors the risk of a shortage of liquidity through the use of bank overdrafts, trade accounts payable, bank loans and lease contracts. As at 31 December 2022, approximately 37% of the Group's debt will mature in less than one year (2021: 34%) (the Company only: 28%, 2021: 32%) based on the carrying value of borrowings reflected in the financial statements. The Group has assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Group has access to a sufficient variety of sources of funding and debt maturing within 12 months can be rolled over with existing lenders.



Financial Statement

The table below summarises the maturity profile of the Group's non-derivative financial liabilities as at 31 December 2022 and 2021 based on contractual undiscounted cash flows:

(Unit: Thousand Baht)

Consolidated financial statements					
As at 31 December 2022					
	On demand	Less than 1 year	1 to 5 Years	Over 5 years	Total
Short-term loans from financial institutions	-	1,080,000	-	-	1,080,000
Trade and other payables	-	1,321,270	-	-	1,321,270
Long-term loans	-	296,629	1,071,884	3,460,843	4,829,356
Lease liabilities	-	62,363	37,560	-	99,923
Total	-	2,760,262	1,109,444	3,460,843	7,330,549

(Unit: Thousand Baht)

Consolidated financial statements					
As at 31 December 2021					
	On Demand	Less than 1 year	1 to 5 years	Over 5 years	Total
Bank overdrafts and short-term loans from financial institutions	24,162	1,157,000	-	-	1,181,162
Trade and other payables	-	1,131,977	-	-	1,131,977
Long-term loans	-	540,075	993,170	3,834,273	5,367,518
Lease liabilities	-	48,033	30,171	-	78,204
Total	24,162	2,877,085	1,023,341	3,834,273	7,758,861

(Unit: Thousand Baht)

Separate financial statements					
As at 31 December 2022					
	On Demand	Less than 1 year	1 to 5 years	Over 5 years	Total
Short-term loans from financial institutions	-	650,000	-	-	650,000
Trade and other payables	-	120,750	-	-	120,750
Long-term loans	-	1,500	297,650	1,080,600	1,379,750
Lease liabilities	-	5,526	2,350	-	7,876
Total	-	777,776	300,000	1,080,600	2,158,376

Financial Statement

(Unit: Thousand Baht)

	Separate financial statements				
	As at 31 December 2021				
	On demand	Less than 1 year	1 to 5 years	Over 5 years	Total
Short-term loans from financial institutions	-	650,000	-	-	650,000
Trade and other payables	-	200,481	-	-	200,481
Long-term loans	-	-	205,200	1,174,550	1,379,750
Lease liabilities	-	5,996	621	-	6,617
Total	-	856,477	205,821	1,174,550	2,236,848

40.2 Fair value of financial instruments

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

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

During the current year, there were no transfers within the fair value hierarchy.

40.3 Reconciliation of recurring fair value measurements of financial assets categorised within Level 3 of the fair value hierarchy

(Unit: Thousand Baht)

	Consolidated financial statement	
	2022	2021
Non-listed equity investments		
Balance at beginning of year	846,271	713,181
Net gain recognised into other comprehensive income	18,897	133,090
Balance at end of year	865,168	846,271



Financial Statement

41. Capital management

The primary objective of the Company's capital management is to ensure that it has appropriate financial structure and preserves the ability to continue its business as a going concern and it meets financial covenants attached to the loan agreements. The Group has complied with these covenants throughout the reporting periods.

According to the statement of financial position as at 31 December 2022, the Group's debt-to-equity ratio was 1.30:1 (2021: 1.29:1) and the Company's was 0.68:1 (2021: 0.62:1).

42. Litigations

- 42.1 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 lawsuit is currently in the judgement hearing by 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.

- 42.2 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. Both parties could negotiate and settle this case on the court which the subsidiary returned Baht 0.3 million to the plaintiff. As a result, this case is deemed final.

43. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 21 February 2023.

Board of Directors

Mr. Ho KwonPing⁽¹⁾

Chairman of the Board

(Age 70 Years)

Date of First Appointment
as Director: 4 July 1986



Highest Educational Background and Director Certificate Program:

- Honorary Doctorate of Business Administration in Hospitality Management, Johnson & Wales University, USA
- Honorary Doctorate of Business Administration, The Hong Kong Polytechnic University, Hong Kong
- Bachelor of Arts (Economics), National University of Singapore

Percentage of Shareholding in the Company:

None (No movement during the year)

Family Relation between Management:

Mr. Ho KwonCjan's elder brother and Mr. Ho Ren Hua and Ms. Ho Ren Yung's father

Working Experiences for the Past 5 Years:

In Listed Companies

Present

- Chairman of the Board and Executive Chairman of the Group, Laguna Resorts & Hotels Public Company Limited
- Chairman of the Board, Thai Wah Public Company Limited
- Executive Chairman, Banyan Tree Holdings Limited

2013-2020

- Non-Executive Director, Audit Committee Member, Nomination Committee Member and Remuneration Committee Member, Diageo plc

In Non-Listed Companies Present

- Chairman of the Board / Director, Certain related companies of Banyan Tree Holdings Limited
- Chairman of the Board of Trustees, Singapore Management University
- Chairman of the Board / Director, Tropical Resorts Limited
- Chairman of the Board / Director Tropical Resorts Management Co., Ltd.
- Director, Alosa Holdings Ltd.
- Director, Baruto Investments Ltd.
- Director, Bibace Investments Ltd. and certain related companies
- Director, Bibace Management Company Limited
- Director, Champion Investments Pte. Ltd.
- Director, Chang Fung Company Limited
- Director, Freesia Investments Ltd
- Director, ICD (HK) Limited
- Director, KAP Holdings Ltd. and certain related companies
- Director, Li-Ho Holdings (Private) Limited and certain related companies
- Director, Li-Ho (BVI) Ltd.
- Director, Mae Samat Land Limited
- Director, Maypole Ltd. and certain related companies
- Director, Platinum Enterprise Limited and certain related companies
- Director, Recourse Investments Ltd. and certain related companies
- Director, RHYC Pte. Ltd.
- Director, Sin-Hai Offshore Company Limited
- Director, United Insulation Services Pte. Ltd.

2013-2018

- Chairman, School of Hotel and Tourism Management of the Hong Kong Polytechnic University - School Advisory Committee



Attachment 1 Board / Management

Mr. Vudhipho Suriyabhivadh
Independent Director
(Age 78 Years)
Date of First Appointment as Director: 7 May 2003



Dr. Jingjai Hanchanlash
Independent Director
(Age 80 Years)
Date of First Appointment as Director: 15 May 2001



Highest Educational Background and Director Certificate Program:

- Bachelor of Commerce (Accountancy), University of New South Wales, Australia
- Bachelor of Law, Sukhothai Thammathirat University
- Director Certification Program (2003)
- Audit Committee Program (2005), Thai Institute of Directors Association
- Executive Course, IMD Lausanne, Switzerland

Percentage of Shareholding in the Company:
None (No movement during the year)

Family Relation between Management: No relation

Working Experiences for the Past 5 Years: In Listed Companies Present

- Independent Director, Audit, Risk and Corporate Governance Committee Chairman and Nomination and Remuneration Committee Member, Laguna Resorts & Hotels Public Company Limited
- Independent Director, Audit, Risk and Corporate Governance Committee Chairman, Nomination and Remuneration Committee Member and Strategic and Innovation Committee Member, Thai Wah Public Company Limited
- Independent Director, Vice Chairman of the Board of Directors and Audit Committee Chairman, L.P.N. Development Public Company Limited

2015-2020

- Independent Director, Audit Committee Chairman and Nomination and Remuneration Committee Chairman Bangkok Ranch Public Company Limited

2015-2018

- Nomination, Remuneration and Good Corporate Governance Committee Chairman, L.P.N. Development Public Company Limited

In Non-Listed Companies

None

Highest Educational Background and Director Certificate Program:

- Doctorate University de Caen (Mention droit), France
- Certificate in Project Analysis Training, University of Connecticut, USA
- Certificate in Mid Career Management Training, University of Western Ontario, Canada
- Director Accreditation Program (2003)
- Audit Committee Program (2007), Thai Institute of Directors Association

Percentage of Shareholding in the Company:
None (No movement during the year)

Family Relation between Management: No relation

Working Experiences for the Past 5 Years: In Listed Companies Present

- Independent Director, Audit, Risk and Corporate Governance Committee Member and Nomination and Remuneration Committee Chairman, Laguna Resorts & Hotels Public Company Limited
- Independent Director, Audit, Risk and Corporate Governance Committee Member, Nomination and Remuneration Committee Chairman and Strategic and Innovation Committee Member, Thai Wah Public Company Limited
- Vice Chairman, Muang Thai Insurance Public Company Limited
- Advisor to Chairman, Loxley Public Company Limited
- Director and Executive Director, Asian Phytochemicals Public Company Limited

2017-2019

- Vice Chairman of the Executive Board, Loxley Public Company Limited

2014-2019

- Director, Loxley Public Company Limited

In Non-Listed Companies

Present

- Chairman and CEO, Rutnin-Gimbel Excimer Laser Eye Centre
- Director, Societe Commerciale Lao
- Chairman, Loxley Simulation Technology Company Limited
- Director of the Executive Board, King Prajadhipok Institute
- Member, Chumbhot-Pantip Foundation Council
- President, Alliance Francaise
- Board member, Development Cooperation Foundation
- Chairman, Thai-Canada Economic Cooperation Foundation
- Member of Risk Committee, National Science and Technology Development Agency (NSTDA)

2003-2020

- Board Member, SPIE Oil & Gas Services (Thailand) Limited

Attachment 1 Board / Management

Mr. Thongchai Ananthothai
Independent Director
(Age 61 Years)
Date of First Appointment
as Director: 2 March 2017



Ms. Srinthorn Unayakovit
Independent Director
(Age 52 Years)
Date of First Appointment
as Director: 9 March 2015



Highest Educational Background and Director Certificate Program:

- Master of Business Administration, University of Notre Dame, USA
- Bachelor of Science (Electrical Engineering), University of Colorado, USA
- Director Certification Program (2003), Thai Institute of Directors Association

Percentage of Shareholding in the Company:
None (No movement during the year)

Family Relation between Management: No relation

Working Experiences for the Past 5 Years: In Listed Companies

Present

- Independent Director, Audit, Risk and Corporate Governance Committee Member and Nomination and Remuneration Committee Member, Laguna Resorts & Hotels Public Company Limited
- Executive Vice President, Corporate Banking Bangkok Bank Public Company Limited
- Independent Director, Bangkok Insurance Public Company Limited

2016-2022

- Executive Vice President, Corporate Banking, Bangkok Bank Public Company Limited

2021-2022

- Independent Director, Bangkok Bank Public Company Limited

In Non-Listed Companies

None

Highest Educational Background and Director Certificate Program:

- Bachelor of Art - Economics, Smith College, USA
- Director Accreditation Program (2015), Thai Institute of Directors Association

Percentage of Shareholding in the Company:
None (No movement during the year)

Family Relation between Management: No relation

Working Experiences for the Past 5 Years: In Listed Companies

Present

- Independent Director, Laguna Resorts & Hotels Public Company Limited

In Non-Listed Companies

None



Attachment 1 Board / Management

Mr. Ho KwonCjan⁽¹⁾

Director

(Age 66 Years)

Date of First Appointment
as Director: 27 February 1995



Mr. Ariel P. Vera

Independent Director

(Age 70 Years)

Date of First Appointment
as Director: 13 May 1997



Highest Educational Background and Director Certificate Program:

- Bachelor of Architecture (Hons),
National University of Singapore

Percentage of Shareholding in the Company:

None (No movement during the year)

Family Relation between Management:

Mr. Ho KwonPing's younger brother and
Mr. Ho Ren Hua and Ms. Ho Ren Yung's uncle

Working Experiences for the Past 5 Years:

In Listed Companies

Present

- Director,
Laguna Resorts & Hotels Public Company Limited
- Non-Executive Director,
Thai Wah Public Company Limited
- Senior Vice President, Group Chief Designer,
Banyan Tree Holdings Limited

In Non-Listed Companies

Present

- Director, Certain related companies of
Laguna Resorts & Hotels Public Company Limited⁽²⁾
- Director, Certain related companies of
Banyan Tree Holdings Limited
- Director, Profit Chain Ltd.
- Director, Lanna Land Development Company Limited
- Director, Mae Malai Doi Resorts Company Limited
- Director, Platinum Enterprise Limited and
certain related companies
- Director, Li-Ho Holdings (Private) Limited and
certain related companies
- Director, Li-Ho (BVI) Ltd.
- Director, Chang Fung Company Limited
- Director, PT Bintan Hotels
- Director, Freesia Investments Ltd
- Director, Vail Enterprises Group Corp.

Highest Educational Background and Director Certificate Program:

- Master of Business Administration,
National University of Singapore
- Certified Public Accountant of Philippines

Percentage of Shareholding in the Company:

None (No movement during the year)

Family Relation between Management: No relation

Working Experiences for the Past 5 Years:

In Listed Companies

Present

- Independent Director,
Laguna Resorts & Hotels Public Company Limited
- Non-Executive Director,
Thai Wah Public Company Limited

2014-2020

- Non-Executive and Non-Independent Director ,
Banyan Tree Holdings Limited

In Non-Listed Companies

2015-2020

- Director, ICD (HK) Limited

Attachment 1 Board / Management

Mr. Eddy See Hock Lye⁽¹⁾

Director

(Age 58 Years)

Date of First Appointment
as Director: 21 November 2012



Mr. Stuart David Reading⁽¹⁾

Director

(Age 55 Years)

Date of First Appointment
as Director: 10 August 2006



Highest Educational Background and Director Certificate Program:

- Bachelor of Commerce,
University of Auckland, New Zealand
- Associate Chartered Accountant,
New Zealand Society of Accountants
(Currently known as New Zealand Institute of
Chartered Accountants)

Percentage of Shareholding in the Company:

None (No movement during the year)

Family Relation between Management: No relation

Working Experiences for the Past 5 Years:

In Listed Companies

Present

- Director, Laguna Resorts & Hotels Public Company Limited
- President and Chief Executive Officer,
Banyan Tree Holdings Limited
- Managing Director, Hospitality Management

2004-2018

- Chief Financial Officer, Banyan Tree Holdings Limited

In Non-Listed Companies

Present

- Director, Certain related companies of
Laguna Resorts & Hotels Public Company Limited⁽²⁾
- Director, Certain related companies of
Banyan Tree Holdings Limited
- Director, Tropical Resorts Limited and
certain related companies
- Director, Singapore-Bintan Resort Holdings Pte Ltd
- Director, Donvale Limited
- Director, Debenham Limited
- Director, Hotel Management Ltd
- Director, Private Collection (S) Pte. Ltd.

Highest Educational Background and Director Certificate Program:

- Bachelor of Business Degree in Accounting,
University of Western Sydney, Australia
- Associate Chartered Accountant,
Institute of Chartered Accountants in Australia
- Director Certification Program (2010),
Thai Institute of Directors Association

Percentage of Shareholding in the Company:

None (No movement during the year)

Family Relation between Management: No relation

Working Experiences for the Past 5 Years:

In Listed Companies

Present

- Director and Deputy Chief Executive Officer,
Laguna Resorts & Hotels Public Company Limited
- Senior Vice President, Banyan Tree Holdings Limited
- Managing Director, Property Development

In Non-Listed Companies

Present

- Director, Certain related companies of
Laguna Resorts & Hotels Public Company Limited⁽²⁾
- Senior Vice President - Group Property Development,
Laguna Banyan Tree Limited



Attachment 1 Board / Management

Mr. Ho Ren Hua⁽¹⁾

Director

(Age 40 Years)

Date of First Appointment
as Director: 9 November 2011



Ms. Ho Ren Yung

Non-Executive Director

(Age 37 Years)

Date of First Appointment
as Director: 29 April 2020



Highest Educational Background and Director Certificate Program:

- Bachelor of Science in Economics (Honors) majoring in Finance and Management, The Wharton School, University of Pennsylvania, USA
- Chartered Director Class (2015),
- Directors Certification Program (2015)
- Diploma Examination (2016), Thai Institute of Directors Association

Percentage of Shareholding in the Company:

None (No movement during the year)

Family Relation between Management:

Mr. Ho KwonPing's son, Mr. Ho KwonCjan's nephew and Ms. Ho Ren Yung's elder brother

Working Experiences for the Past 5 Years:

In Listed Companies

Present

- Director, Laguna Resorts & Hotels Public Company Limited
- Director and Chief Executive Officer, Thai Wah Public Company Limited
- Non-Executive and Non-Independent Director Banyan Tree Holdings Limited

In Non-Listed Companies

Present

- Board of Commissioner, PT Thai Wah Indonesia
- Chairman of the Board / Director, Certain related companies of Banyan Tree Holdings Limited
- Chairman of the Board, Thai Wah International Trade (Shanghai) Company Limited
- Director, Bibace Management Company Limited
- Director, Champion Investments Pte. Ltd.
- Director, Casita Holdings Ltd.
- Director, Dawina Investments Ltd.
- Director, ICD (HK) Limited
- Director, Maypole Ltd. and certain related companies
- Director, RH Ltd.
- Director, Rocket International Investments Limited
- Director, Sandstone Ventures International Limited
- Director, Sin-Hai Offshore Company Limited
- Director, Tapioca Development Corporation Limited
- Director, Thai Wah Vietnam Company Limited
- Director, TWPC Investment (Cambodia) Co., Ltd.
- Director, United Insulation Services Pte. Ltd.

2008-2020

- Director, Bibace Investments Ltd.

2016-2017

- Director, Asia Tapioca Products Company Limited

Highest Educational Background and Director Certificate Program:

- Bachelor of Science in Sociology and Economics Development, London School of Economics
- A Certificate in Accounting and Finance, National University of Singapore

Percentage of Shareholding in the Company:

None (No movement during the year)

Family Relation between Management:

Mr. Ho KwonPing's daughter, Mr. Ho KwonCjan's niece and Ms. Ho Ren Hua's younger sister

Working Experiences for the Past 5 Years:

In Listed Companies

Present

- Non-Executive Director, Laguna Resorts & Hotels Public Company Limited
- Non-Executive Director, Thai Wah Public Company Limited
- Senior Vice President, Brand and Commercial, Banyan Tree Holdings Limited
- Deputy Managing Director, Hospitality Management

In Non-Listed Companies

Present

- Director, ICD (HK) Limited
- Director, Bibace Management Company Limited
- Director, Mamaboss Pte. Ltd.
- Director, RY Ltd.
- Business Unit Head, Banyan Tree Spa and Gallery
- Co-Founder, Matter Prints

2008-2020

- Director, Bibace Investments Ltd.

2016-2017

- Director of Retail Operations, Banyan Tree Gallery

Remark

- No directors or management of the Company have any record of committing any illegal action.
- Disclosure on "Percentage of Shareholding in the Company" is in accordance with section 59 of the Securities and Exchange Act B.E. 2535.

⁽¹⁾ Authorised directors as shown in the Company Affidavit

⁽²⁾ Details as shown in the section of "Position of Directors and Management as at 31 December 2022"

Attachment 1 Board / Management

Management, Head of Group Internal Audit and Company Secretary of the Company

	Position	Profile
Management		
Mr. Eddy See Hock Lye	Chief Executive Officer	Profile as shown in the section of “Board of Directors
Mr. Chatchai Chordokrak	Assistant Vice President - Head of Finance and Corporate Affairs and Company Secretary	Profile as shown in the following pages
Ms. Areewan Sriwichupong	Chief Accountant and Assistant Vice President - Finance	
Ms. Ungkhana Tosilanon	Senior Assistant Vice President - Head of Laguna HR Centralised Services	
Mr. Kontee Warapitayut	Senior Manager - Legal	
Ms. Duangporn Kijlertbunjong	Senior Manager - Corporate Affairs	
Head of Group Internal Audit		
Ms. Yvonne Lim	Head of Group Internal Audit	

Remark:

- No directors or management of the Company have any record of committing any illegal action.



Attachment 1 Board / Management

Mr. Chatchai Chordokrak

Assistant Vice President -
Head of Finance and Corporate
Affairs and Company Secretary
(Age 39 Years)

Highest Educational Background and Director Certificate Program:

- Master of Business Administration, Mahidol University International Collage
- Company Reporting Program (2016),
- Company Secretary Program (2015), Thai Institute of Directors Association

Percentage of Shareholding in the Company:

None (No movement during the year)

Family Relation between Management:

No relation

Working Experiences for the Past 5 Years:

In Listed Companies

Present

- Assistant Vice President - Head of Finance and Corporate Affairs and Company Secretary, Laguna Resorts & Hotels Public Company Limited

2012-2022

- Executive Director – Accounting and Finance Division and Company Secretary, Country Group Development Public Company Limited

In Non-Listed Companies

Present

- Director, Certain related companies of Laguna Resorts & Hotels Public Company Limited ⁽¹⁾

2014-2022

- Director, CGD Digital Partner Limited

2013-2019

- Director, CGD Data limited

Ms. Areewan Sriwichupong

Chief Accountant and
Assistant Vice President - Finance
(Age 51 Years)

Highest Educational Background and Director Certificate Program:

- Master of Business Administration (Strategic Management), Thammasat University
- Director Certification Program (2014), Thai Institute of Directors Association

Percentage of Shareholding in the Company:

None (No movement during the year)

Family Relation between Management:

No relation

Working Experiences for the Past 5 Years:

In Listed Companies

Present

- Chief Accountant and Assistant Vice President - Finance Laguna Resorts & Hotels Public Company Limited

In Non-Listed Companies

Present

- Director, Certain related companies of Laguna Resorts & Hotels Public Company Limited⁽¹⁾

Ms. Ungkhana Tosilanon

Senior Assistant Vice President -
Head of Laguna HR Centralised
Services
(Age 46 Years)

Highest Educational Background and Director Certificate Program:

- Master of Science in Management Technology, National Institute of Development Administration

Percentage of Shareholding in the Company:

None (No movement during the year)

Family Relation between Management:

No relation

Working Experiences for the Past 5 Years:

In Listed Companies

Present

- Senior Assistant Vice President - Head of Laguna HR Centralised Services, Laguna Resorts & Hotels Public Company Limited

In Non-Listed Companies

Present

- Director, Certain related company of Laguna Resorts & Hotels Public Company Limited⁽¹⁾

Attachment 1 Board / Management

Mr. Kontee Warapitayut

Senior Legal Manager
(Age 48 Years)

Highest Educational Background and Director Certificate Program:

- Master of Laws,
Southern Methodist University

Percentage of Shareholding in the Company:

None (No movement during the year)

Family Relation between Management:

No relation

Working Experiences for the Past 5 Years:

In Listed Companies

Present

- Senior Legal Manager,
Laguna Resorts & Hotels
Public Company Limited

In Non-Listed Companies

Present

- Director,
Certain related company of
Laguna Resorts & Hotels
Public Company Limited⁽¹⁾

Ms. Duangporn Kijlertbunjong

Senior Manager - Corporate Affairs
(Age 46 Years)

Highest Educational Background and Director Certificate Program:

- Master of Computer and
Engineering Management,
Assumption University
- Corruption Risk & Control:
Technical Update
(CRC) (2020),
- Company Reporting Program (2015),
- Company Secretary Program (2009),
- Effective Minutes Taking Program
(2009), and Board Reporting
Program (2009),
Thai Institute of Directors Association

Percentage of Shareholding in the Company:

None (No movement during the year)

Family Relation between Management:

No relation

Working Experiences for the Past 5 Years:

In Listed Companies

Present

- Senior Manager - Corporate Affairs,
Laguna Resorts & Hotels
Public Company Limited

2019-2021

- Head of Company Secretary and
Corporate Governance Office,
Asset World Corp Public Company
Limited

In Non-Listed Companies

None

Remarks:

- No directors or management of the Company have any record of committing any illegal action.
- Disclosure on "Percentage of Shareholding in the Company" is in accordance with section 59 of the Securities and Exchange Act B.E. 2535.

⁽¹⁾ Details as shown in the section of "Information on the Directors of Subsidiaries as at 31 December 2022"





Skypark Aurora Phuket



Laguna Management Team



Attachment 1 Board / Management

1. **Eddy See Hock Lye**, President / Chief Executive Officer
Laguna Resorts & Hotels Public Company Limited
2. **Stuart David Reading**, Deputy Chief Executive Office
Laguna Resorts & Hotels Public Company Limited
3. **Anthony Loh**, Vice President - Resort Services
Laguna Service Co., Ltd.
4. **Paul Anthony Wilson**, Vice President / Deputy Managing Director, Laguna Phuket
Laguna Grande Limited
5. **Wei Wei Tan**, Vice President - Head of Lifestyle Services
Laguna Banyan Tree Limited
6. **Roy Lau**, Senior Assistant Vice President - Marketing, Group Property Development
Laguna Banyan Tree Limited
7. **Nopparat Aumpa**, Senior Assistant Vice President / General Manager
Banyan Tree Bangkok
8. **Shuanghan Jia**, Senior Assistant Vice President - Channel Sales Development
Laguna Banyan Tree Limited
9. **Ungkhana Tosilanon**, Senior Assistant Vice President - Head of Laguna HR Centralized Services
Laguna Resorts & Hotels Public Company Limited
10. **Hsu Yonchyen Seet**, Assistant Vice President - Head of Projects, Thailand
TWR-Holdings Limited
11. **Chatchai Chordokrak**, Assistant Vice President - Head of Finance and Corporate Affairs
Laguna Resorts & Hotels Public Company Limited
12. **Areewan Sriwichupong**, Assistant Vice President - Finance
Laguna Resorts & Hotels Public Company Limited
13. **Prapa Hemmin**, Assistant Vice President - Strategic Liaison and Partnership
Laguna Service Co., Ltd.
14. **Anders Tomas Dimblad**, Area General Manager
Angsana Laguna Phuket / Angsana Villas Resort Phuket / Laguna Holiday Club Phuket Resort
15. **Sittichai Jitnatham**, General Manager
Banyan Tree Phuket
16. **Logan Daley**, General Manager
Cassia Phuket
17. **Saranya Chareonchim**, Deputy Cost Director
Laguna Banyan Tree Limited
18. **Roman Gorin**, Director of Property Rental
Laguna Banyan Tree Limited
19. **Kontee Warapitayut**, Senior Manager - Legal
Laguna Resorts & Hotels Public Company Limited
20. **Duangporn Kijlertbunjong**, Senior Manager - Corporate Affairs
Laguna Resorts & Hotels Public Company Limited

Attachment 1 Board / Management

Details of Positions of Directors and Management as at 31 March 2023

No.	Name list		LRH	Subsidiaries										
				AVCI	BGL	BT1	BT2	BT3	BTL	BTG(S)	BTG(T)	CGL	L3	LBTL
1	Mr. Ho	KwonPing	BoDC	-	-	-	-	-	-	-	-	-	-	-
2	Mr.Vudhiphol	Suriyabhivadh	ID, ARCGC, NRC	-	-	-	-	-	-	-	-	-	-	-
3	Dr. Jingjai	Hanchanlash	ID, ARCG, NRCC	-	-	-	-	-	-	-	-	-	-	-
4	Mr. Thongchai	Ananthothai	ID, ARCG, NRC	-	-	-	-	-	-	-	-	-	-	-
5	Ms. Srinthorn	Ounayakovit	ID	-	-	-	-	-	-	-	-	-	-	-
6	Mr. Ariel	P. Vera	ID	-	-	-	-	-	-	-	-	-	-	-
7	Mr. Ho	KwonCjan	/	-	/	/	/	/	/	-	/	-	/	/
8	Mr. Eddy	See Hock Lye	/, CEO, M	PC	/	/	/	/	/	/	/	/	/	/
9	Mr. Ho	Ren Hua	/	-	-	-	-	-	-	-	-	-	-	-
10	Mr. Stuart	David Reading	/	PD	/	/	/	/	/	/	/	-	/	/
11	Ms. Ho	Ren Yung	NED	-	-	-	-	-	-	-	-	-	-	-
12	Ms. Areewan	Sriwichupong	M	-	/	/	/	/	/	-	/	/	/	/
13	Ms. Unkhana	Tosilanon	M	-	-	-	-	-	-	-	-	-	-	-
14	Mr. Chatchai	Chordokrak	M	-	/	/	/	/	/	-	/	-	/	/
15	Mr. Kontee	Warapitayut	M	-	/	/	/	/	/	-	/	-	/	/
16	Ms. Duangporn	Kijlertbunjong	M	-	-	-	-	-	-	-	-	-	-	-

Remark

BoDC = Board of Directors Chairman

ID = Independent Director

PC = President Commissioner

ARCG = Audit, Risk and Corporate Governance Committee Member

NRC = Nomination and Remuneration Committee Member

/ = Director

M = Management according to the definition of the Securities and Exchange Commission

CEO = Chief Executive Officer

PD = President Director

ARCGC = Audit, Risk and Corporate Governance Committee Chairman

NRCC = Nomination and Remuneration Committee Chairman

NED = Non-Executive Director,

- = None

Full Company name as shown in the section of "Abbreviations"



Attachment 1 Board / Management

Subsidiaries															Associated Companies		Related Companies			
LEL	LGL	LHC	LJL	LLL	LSC	MCP	PGR	PSD	TLDC	TWL	TWPL	TWRH	TWT	TWT2	V9F	BTC	TRL	BI	HHBR	TWPC
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	BoDC	/	-	BoDC
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Attachment 2 Directors of Subsidiaries

Information on the Directors of Subsidiaries as at 31 December 2022

No.	Name list		Subsidiaries									
			AVCI	BGL	BT1	BT2	BT3	BTL	BTG(S)	BTG(T)	CGL	
1	Mr. Ho	KwonCjan	-	/	/	/	/	/	/	-	/	-
2	Ms. Claire	Chiang See Ngoh	-	-	-	-	-	-	-	/	/	-
3	Mr. Eddy	See Hock Lye	PC	/	/	/	/	/	/	/	/	/
4	Mr. Stuart	David Reading	PD	/	/	/	/	/	/	/	/	-
5	Mr. Edmund	Tan Min Hai	/	/	/	/	/	/	/	/	/	/
6	Ms. Areewan	Sriwichupong	-	/	/	/	/	/	/	-	/	/
7	Mr. Chatchai	Chordokrak	-	/	/	/	/	/	/	-	/	-
8	Ms. Ungkhana	Tosilanon	-	-	-	-	-	-	-	-	-	-
9	Mr. Kontee	Warapitayut	-	/	/	/	/	/	/	-	/	-
10	Mr. Amnuay	Navachotechaiyakul	-	-	-	-	-	-	-	-	-	-
11	Ms. Berty Maydiana	Santy	/	-	-	-	-	-	-	-	-	-
12	Mr. Paul Anthony	Wilson	/	-	-	-	-	-	-	-	-	-
13	Ms. Somchit	Saeton	-	-	-	-	-	-	-	-	-	-
14	Mr. Phitak	Boonpojanasontorn	-	-	-	-	-	-	-	-	-	-
15	Mr. Boon	Yongsakul	-	-	-	-	-	-	-	-	-	-
16	Ms. Sriya	Yongsakul	-	-	-	-	-	-	-	-	-	-

Remark

PC = President Commissioner

PD = President Director

/ = Director

- = None

Full Company name as shown in the section of "Abbreviations"



Attachment 2 Directors of Subsidiaries

Subsidiaries																	
L3	LBTL	LEL	LGL	LHC	LJL	LLL	LSC	MCP	PGR	PSD	TLDC	TWL	TWPL	TWRH	TWT	TWT2	V9F
/	/	-	-	-	-	-	-	/	/	/	-	/	-	/	/	/	-
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Head of Group Internal Audit

Ms. Yvonne Lim

Head of Group Internal Audit
(Age 48 Years)



Highest Educational Background and Director Certificate Program:

- Bachelor of Business, Nanyang Technological University, Singapore
- Certified Internal Auditor (CIA),
- Certified Fraud Examiner (CFE),
- Certified Information Systems Auditor (CISA) and
- Accreditation in Quality Assurance Review

Percentage of Shareholding in the Company:

None (No movement during the year)

Family Relation between Management:

No relation

Working Experiences for the Past 5 Years:

In Listed Companies

Present

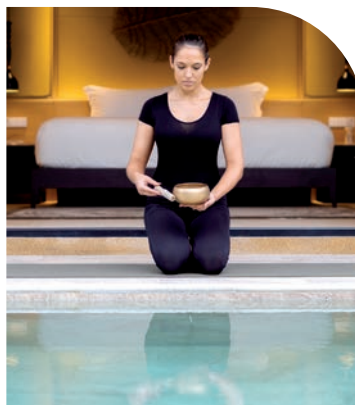
- Head of Group Internal Audit, Laguna Resorts & Hotels Public Company Limited
- Head of Group Internal Audit, Banyan Tree Holdings Limited

2015-2021

- Senior Manager, Internal Audit/ Change Management, SATS Ltd.

In Non-Listed Companies

None



Attachment 4 Operating Assets

Operating assets of the Company and its subsidiaries

(A) As at 31 December 2022, the principal assets of the Company and its subsidiaries that are used in the business operations are as follows:

Company's Name	Type of asset	Location	Size	Type of Ownership	Possession Objective	Book Value (Million Baht)			Contingency
						Building	Furniture, fixtures and equipment	Total	
Laguna Banyan Tree Limited	1. Banyan Tree Phuket rooms	Phuket	140	Owner	Hotel	1,300	268	1,568	(1) Mortgaged for 1,418 MB loans
Bangtao Grande Limited	2. Angsana Laguna Phuket	Phuket rooms	326	Owner	Hotel	683	163	846	(2) Mortgaged for 2,747 MB loans
Bangtao Grande Limited	3. Angsana Villa Resort Phuket	Phuket rooms	29	Owner	Hotel villas	181	6	187	(3) Mortgaged for 298 MB loans
Thai Wah Plaza Limited	4. Banyan Tree Bangkok	Bangkok rooms	298	Owner	Hotel	1,035	300	1,335	(4) Mortgaged for 2,551 MB loans
Phuket Grande Resort Limited	5. Cassia Phuket	Phuket rooms	68	Owner	Hotel	177	7	184	(5) Mortgaged for 320 MB loans
Laguna Holiday Club Limited	6. Laguna Holiday Club	Phuket rooms	99	Owner	Hotel	186	32	218	(6) Mortgaged for 565 MB loans
Laguna Grande Limited	7. Laguna Phuket Golf Club	Phuket holes	18	Owner	Golf course	-	33	33	None
Laguna Service Company Limited	8. Laguna Service	Phuket Rai	7	Owner	Utilities and resort support services provider	31	63	94	(7) Mortgaged for 95 MB loans
The Company and its subsidiaries and equipment	9. Building, furniture, fixtures	Phuket/Bangkok	-	Owner	For operations	152	45	197	None
						Land	Total		
Subsidiary companies	10. Land	Bangkok	2 Rai	Owner	Hotel location	992		992	As per (4)
The Company and its	11. Land	Phuket	921	Owner	Laguna Phuket	6,597		6,597	As per (1), (2), (3), (5), (6), (7), and (8) Mortgaged for 150 MB loan
								Total	12,251

As a policy, land and building revaluation by an independent appraiser will be made every 3 years. The buildings were revalued using the “Replacement Cost Approach” or “Income Approach” and land was revalued using the “Market Approach” by Simon Lim & Partners Co., Ltd. dated 28 December 2020. The appraiser’s names are Miss Navaporn Wongurai – Authorized Valuer No. 012 or Mr. Surasit Phanthanakong – Authorized Valuer No. 013. There were land and building revaluation in December 2020 to update the impacted value related to the COVID-19 by the above valuer.

Attachment 4 Operating Assets

(B) As at 31 December 2022, investment properties of the Company and its subsidiaries are as follows:

Company's Name	Type of asset	Location	Size	Type of Ownership	Possession Objective	Book Value (Million Baht)			Contingency
						Building	Furniture, fixtures and equipment	Total	
Laguna Resorts & Hotels Public Company Limited	1. Canal Village Laguna Shopping	Phuket	10 Rai	Owner	Retail shops rental	164	-	164	None
Laguna Resorts & Hotels Public Company Limited	2. Land	Phuket	17 Rai	Owner	Land awaiting for development/sales	141	-	141	None
Subsidiary companies	3. Office space in Thai Wah Tower1	Bangkok	16,113 Sq.m.	Owner	Office premises for lease	-	912	912	As per (4)
Subsidiary companies	4. Townhome unit	Phuket	431 Sq.m.	Owner	Residence rental	-	17	17	None
Subsidiary companies	5. Land	Chiang Mai Chiang Rai Mae Hong Son	1,251 Rai 2 Sq.w	Owner	Land awaiting for development/sales	183	-	183	None
Total						488	929	1,417	

As a policy, investment property revaluation by an independent appraiser will be made every year. Units in the office building, shops for rent and land/land awaiting for development/sales were revalued using the "Market Approach" by Simon Lim & Partners Co., Ltd. dated 30 December 2022. The appraiser's names are Miss Navaporn Wongurai – Authorized Valuer No. 012 or Mr. Surasit Phanthanakong – Authorized Valuer No. 013.



Attachment 4 Operating Assets

Property development projects for sale

As at 31 December 2022, the property development projects for sale of the Company and its subsidiaries are as follows:

Company's Name	Project	Project Location	Project area	Type of Ownership	Available units	Book Value (Million Baht)	Completed Project Date	Contingency
PT. AVC Indonesia	1. AVC Indonesia	Indonesia	972 Sqm	Owner	12	38	January 2008	None
Laguna Holiday Club Limited	2. Laguna Holiday Club	Phuket Chiang Mai Hua Hin Pattaya	4,151 Sqm	Owner	47	164	November 2008	None
Phuket Grande Resort Limited	3. Cassia Phuket Phase 1	Phuket	8 Rai	Owner	25	90	November 2015	None
Phuket Grande Resort Limited	4. Cassia Phuket Phase 2	Phuket	4 Rai	Owner	43	181	May 2018	None
Phuket Grande Resort Limited	5. Cassia Phuket Phase 4	Phuket	7 Rai	Owner	-	34	Under development	None
Laguna Grande Limited	6. Laguna Park 2	Phuket	13 Rai	Owner	15	140	November 2019	(9) Mortgage for 135 MB loan
Laguna Banyan Tree Limited	7. Banyan Tree Grande Residence	Phuket	19 Rai	Owner	49	328	June 2020	None
TWR-Holdings Limited	8. Laguna Village Residences 8	Phuket	24 Rai	Owner	7	98	August 2020	None
TWR-Holdings Limited	9. Sky Park 1	Phuket	7 Rai	Owner	166	271	April 2022	(10) Mortgage for 300 MB loan
TWR-Holdings Limited	10. Sky Park 2	Phuket	7 Rai	Owner	128	144	Under development	None
Bangtao Laguna Limited	11. Angsana Beach Front	Phuket	9 Rai	Owner	2	83	October 2020	(11) Mortgage for 480 MB loan
Bangtao Grande Limited	12. Angsana Ocean View	Phuket	2 Rai	Owner	41	276	December 2023	(12) Mortgage for 200 MB loan
Laguna Grande Limited	13. Dhawa	Phuket	7 Rai	Owner	124	339	December 2023	None
Laguna Grande Limited	14. Laguna Beachside	Phuket	8 Rai	Owner	233	62	Under development	None
Subsidiary companies	15. Land awaiting for future development	Phuket	910 Rai	Owner	-	1,331	-	None
Subsidiary companies	16. Others	Phuket	-	Owner	-	79	-	None
	Total			Total	892	3,695		

Attachment 4 Operating Assets

Intangible Assets

The intangible assets of the Company and its subsidiaries comprise of goodwill amounting to Baht 57 million from the acquisition of 100 percent of Thai Wah Plaza Limited in 2005 and goodwill amounting to Baht 351 million from the acquisition of 49 percent of Laguna Banyan Tree Limited in 2002.

Goodwill is initially recorded at cost, which equals to the excess of the cost of the business combination over the fair value of the net assets acquired. If the fair value of the net assets acquired exceeds the cost of the business combination. The excess is immediately recognised as a gain in profit or loss.

Goodwill is carried at cost less any accumulated impairment losses. Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the Company's cash-generating units (or group of cash-generating units) that are expected to benefit from the synergies of the combination. The Company estimates the recoverable amount of each cash-generating units (or group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit is less than the carrying amount, an impairment loss is recognised in profit or loss. Impairment losses relating to goodwill cannot be reversed in future periods.

Investment policy in subsidiary and associated companies

The Company has a policy of investing in subsidiary and associated companies which possess the same business activity and potential growth prospects. The appropriate return on capital is considered when making the investments. Such investments are made only after due consideration and approval either by the Board of Directors or Management depending on the size of investment as follows:

- Investments more than US\$ 10 million to be approved by the Board.
- Investments between US\$ 5 - 10 million to be jointly approved by the Chief Executive Officer and any 1 director.
- Investments less than US\$ 5 million to be approved by the Chief Executive Officer.

For subsidiary companies, the directors are appointed by the Company based on its controlling ownership interest. The directors are assigned the task of making significant policies, managing and controlling the subsidiary's operation consistent with the Company's policies, thereby ensuring a sufficient return on investment to it as well as the shareholders.

For associated companies, the directors are appointed by the Company based on the percentage of ownership. However, the Company has no significant influence over the management of the associates.

The current intention of management in regards to its investment policy is to pursue any investment opportunities both within and outside Laguna Phuket that provides the shareholders with a sufficient return on investment.



Attachment 4 Operating Assets

Asset Revaluation

As a policy, land and building revaluation by an independent appraiser will be made every 3 years. The buildings were revalued using the “Replacement Cost Approach” or “Income Approach” and land was revalued using the “Market Approach”. Investment property revaluation by an independent appraiser will be made every year. Units in the office building, shops for rent and land awaiting for development/ sales were revalued using the “Market Approach”.

For the year 2022, the COVID-19 pandemic is continuing to evolve, resulting in an economic slowdown and adversely impacting almost all businesses in the hospitality industry in Thailand. Land and building of the Company were re-appraised in December 2022 to ensure that the assets were stated at fair value. However, the fair value at the year-end did not differ materially from the asset carrying amount. Hence, no revaluation increase (decrease) was recognised in 2022.

The detail of types of asset revaluation, the purpose of revaluation, name of the appraiser, and the date of revaluation is shown under the heading “Operating assets of the Company and its subsidiaries”

Attachment 5 Corporate Governance Policy and Guidelines

Corporate Governance Policy and Guidelines

Please see the full policy at the Company's website at <https://www.lagunaresorts.com/corporate-governance/>



Attachment 6 Report of the Audit Committee

Report of the Audit, Risk and Corporate Governance Committee

The Audit, Risk and Corporate Governance (“ARCG”) Committee of Laguna Resorts & Hotels Public Company Limited comprises 3 independent directors, performing the following key activities in accordance with the Committee’s mandate and objectives as assigned by the Board of Directors as follows:

- Reviewed the Company’s financial reports, operational results of the Company and its subsidiaries, significant disclosures and report of the external auditors. These have been performing via a meeting of the Committee, the external auditors, and the management aiming to discuss significant matters arisen from the audit activities leading to the compliance and accuracy of the Company’s financial reports.
- Reviewed and resolved the connected transactions and assured the compliance with all relevant regulations and laws.
- Reviewed and made recommendation on the internal audit plan, internal audit systems and internal control of the Company to make sure the plan and the system are aligned, sufficient and suitable.
- Recommended special audit plans to the internal auditor as well as approve the appointment, transfer and termination of employment of the head of internal audit unit.
- Recommended the appointment and termination of the Company’s external auditors and their remuneration to the Board of Directors and to further propose to the Shareholders’ Meeting for approval.
- Reviewed or discuss policies regarding risk assessment and risk management and give advice to the management on risk exposure monitoring and controlling.
- Oversaw and ensure the continuous process for risk management of the Company and the group.
- Advised the management on the matters relating to the guiding principles and practicality for good corporate governance.
- Oversaw the compliance with the Anti-Corruption Policy.
- Supervised and offered advice relating to the Company’s sustainable development.

In 2022 the ARCG Committee convened 4 meetings with the Company’s external auditors, internal auditors, and the Management to review compliance with accounting standards requirements and internal controls before approving the quarterly and annual financial statements. These meetings also included discussions with the Company’s internal audit team to review findings, provide guidance, and follow up on matters arising from the schedule of work that the ARCG Committee had approved for 2022.

Apart from this, the ARCG Committee attended one non-management meeting with the Company’s external auditors to exchange opinions regarding cooperation with the management, deliberation on accounting approaches and in preparing of the Company’s financial reports, audit plans for the current and next fiscal year, and to look into any other support the external auditors might acquire from the Company and to assure the external auditors could independently perform their duties.

Each of the ARCG Committee members attended all meetings convened in the year 2022. And the Committee has independently performed its duties and responsibilities stipulated in the Charter of the Audit, Risk and Corporate Governance Committee which comply with the good corporate conducts and guideline for the Audit Committee announced by the Stock Exchange of Thailand and Good Corporate Governance guidelines announced by the Securities and Exchange Commission.

With regard to the risk management, the ARCG Committee reviewed the risk registers of the Company’s major business units reported by the Company’s Group Risk Committee. On several occasions, the Committee suggested the mitigation measures for identified risks and checked that the risk management policies and work undertaken by the Company’s Group Risk Committee, and viewed that all are adequate and effective.

Attachment 6 Report of the Audit Committee

The ARCG Committee is satisfied with the Group's internal controls' sufficiency and effectiveness in supporting its operations and enabling the external auditors to express their opinion on the financial statements that they are presented fairly in all material respects. Some internal control weaknesses have been detected during the ARCG Committee's reviews, however they are not considered material and in all cases, management has been alerted and put in place appropriate corrective action on timely basis.

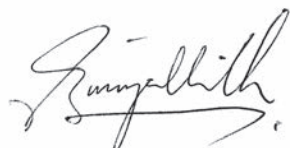
The ARCG Committee viewed that risk management is generally and effectively in place throughout the Group, thus ensuring an ongoing proactive measures for potential risk exposures.

The ARCG Committee is satisfied that the Company duly complies with relevant rules and regulations enforced by the The Office of the Securities and Exchange Commission (SEC) and The Stock Exchange of Thailand (SET), and relevant laws which has enhanced the Company to develop its framework and practical guidelines for good corporate governance. As a pledge of the Company's ongoing commitment to operate its business ethically and to avoid any corruptive practices, upon recommendation of the ARCG Committee, the Company has joint the Thailand Private Sector Collective Action Coalition Against Corruption (CAC), established an Anti-Corruption Policy and adopted the Good Corporate Governance Policy. The Company has promoted anti-bribery and anti-corruption practices as clear guidelines for Directors, Executives, Employees, and related persons in conducting the Company's businesses. The Company became a certified member of CAC in February 2019 and has successfully renewed the Certification of the CAC at the early of 2022.

Despite the complexity of the Group's structure primarily due to the integration of several resorts at Laguna Phuket, the ARCG Committee is satisfied that all connected transactions in 2022 were fair and reasonable, and had been entered into on an arms-length basis.

The best interest of all shareholders remain the principal objective of the ARCG Committee. The Company's operating results and financial reports are therefore reviewed for transparency and completeness. In this regard, the ARCG Committee has been able to satisfactorily resolve all matters arising under its obligation and charter with both the management and the external and internal auditors.

The ARCG Committee has recommended the Board to appoint Ms. Pimjai Manitkajohnkit, Certified Public Accountant No. 4521 and/or Ms. Sumana Punpongsanon, Certified Public Accountant No. 5872 and/or Mr. Chayapol Suppasedtanon, Certified Public Accountant No. 3972 and/or Ms. Orawan Techawatanasirikul, Certified Public Accountant No. 4807 and/or Ms. Kirdsiri Kanjanaprakasit, Certified Public Accountant No. 6014 and/or Mrs. Gingkarn Atsawarangsalit, Certified Public Accountant No. 4496 and/or Mrs. Nummon Kerdmongkhonchai, Certified Public Accountant No. 8368 of EY Office Limited to be the Company's auditors for the fiscal year 2023 with a recommended audit fee of Baht 600,000. The appointment of the auditors and the auditing fee would be subject to the approval at the Annual General Meeting of Shareholders.



Mr. Vudhiphol Suriyabhivadh
Audit, Risk and Corporate Governance Committee Chairman
20 February 2023



Attachment 7 Report of the Nomination Committee

Report of the Nomination and Remuneration Committee

The Nomination and Remuneration Committee (“NRC”) of Laguna Resorts & Hotels Public Company Limited comprises three independent directors, having convened 3 meetings during the year 2022 and continuously report its activities and recommendations to the Board of Directors, in relation to the Committee’s mandate and objectives:

1. To oversee the formulation and alignment of HR policies and programs for senior management to business goals and market practices;
2. To assure the Company attract and retain the right people for senior management positions of the Company;
3. To ensure that the Company’s senior management remuneration and benefit package remain competitive with the industry’s benchmark;
4. To advise the Board on matters relating to the composition of the Board and its committees so that the Board is able to adequately discharge its responsibilities and duties; and
5. To make recommendation to the Board of Directors on any employee’s remuneration which have conflict-of-interest issues to assure the matters appropriately resolve.

In the pursuit of its objectives, the NRC is empowered to perform the following functions:

1. To propose guidelines and make broad recommendations to the Board of Directors for the annual salary increment and bonus policies for the Company;
2. To review and award the bonus, salary increment and incentives of the Company Chairman and his relatives who are employees of the Company;
3. To review and approve the expense claims of the Company Chairman;
4. To review and if necessary, propose changes to the remuneration of the Company’s directors serving on the Board of Directors, Audit, Risk and Corporate Governance Committee, and Nomination and Remuneration Committee;
5. To review and if necessary, propose changes or additions to senior management welfare, benefits (such as employee stock options and other employee welfare allowances, subsidies and schemes), salary increment and bonus policies. The emolument of individual employees shall be determined by the management of the Company;
6. To establish criteria for Board membership;
7. To formulate a standard and transparent process for the selection of directors;
8. To propose and/or evaluate directorial candidates and Board committee members for consideration by the Board when there is a vacancy;
9. To assess independent directors to identify if the independence of any is compromised and if new independent directors are required under the Board’s policy;
10. To inform the Board of the names of directors and Board committee members who are retiring by rotation and make recommendations to the Board as to whether the Board should support the re-nomination of those retiring directors and committee members;
11. To review the Committee charter at least once a year and recommend modifications to the Board of Directors as needed; and
12. To report to the Board of Directors on the Committee’s activities and findings.

In 2022 the NRC has convened 3 meetings for the following activities and to make recommendation to the Board of Directors as follows:

1. Reviewed the report of the Nomination and Remuneration Committee to be disclosed in the 56-1 One Report of the year 2022.

Attachment 7 Report of the Nomination Committee

2. Reviewed, considered and made recommendations to the Board regarding:
- a) the NRC Charter and Nomination and Remuneration Policy and concluded that the charter and relevant policies are suitable, adequate and in compliance with the good corporate governance code and relevant regulations and applicable to current business framework of the Company, therefore, revision or amendment is not required,
 - b) the qualification and proposed re-nomination of those retiring directors by rotation in accordance with the laws, regulations, the Company's charters, as well as diversification and skill mix of the directors of the Company to assure the best interest of the Company and its minority shareholders and the recommendation made to the Board of Directors has been further to the Annual General Meeting of Shareholders for approval accordingly,
 - c) the remuneration for the directors and sub-committee members for the year 2022 by taking into consideration the impact of Covid-19 pandemic towards the business of the Company, duties and responsibilities of the directors and sub-committee members, in comparison with the industry and economic trend,
 - d) the recommendation on the annual bonus and salary increment policy for the Company's employees in order to make a good balance between the Company's business and welfare of the employees and to retain competent and potential employees of the Company,
 - e) the performance evaluation of the board of directors and its sub-committees (as a whole and individually) for the year 2022 and report to the Board of Directors for acknowledgement,
- In addition:
- f) due to the retirement of Mr. Shankar Chandran, from the Chief Executive Officer and Director of the Company, NRC reviewed and considered his performance and the long service years he served the Company and the group and made a recommendation to the Board of Directors to consider a retirement compensation to Mr. Shankar Chandran,
 - g) the proposal to appoint Mr. Eddy See Hock Lye to be the Company's Chief Executive Officer, effective from 15 October 2022.



Dr. Jingjai Hanchanlash
Nomination and Remuneration Committee Chairman
23 January 2023



Laguna Resorts & Hotels

Abbreviations of Company, Subsidiaries, Associated Companies and Related Companies

Abbreviations	Company Name in Full
AVCI	PT. AVC Indonesia
BGL	Bangtao Grande Limited
BI	Bibace Investments Ltd
BT1	Bangtao (1) Limited
BT2	Bangtao (2) Limited
BT3	Bangtao (3) Limited
BTC	Banyan Tree China Pte. Ltd.
BTL	Bangtao Laguna Limited
BTG(S)	Banyan Tree Gallery (Singapore) Pte. Ltd.
BTG(T)	Banyan Tree Gallery (Thailand) Limited
CGL	Cheer Golden Limited
HHBR	Hua Hin Beach Resorts Company Limited
L3	Laguna (3) Limited
LBTH	Lijiang Banyan Tree Hotel Company Limited
LBTL	Laguna Banyan Tree Limited
LEL	Laguna Excursions Limited
LGL	Laguna Grande Limited
LHC	Laguna Holiday Club Limited
LJL	"Laguna Jobs Recruitment Company Limited (Formerly know as Laguna Jobs Company Limitedd)"
LLL	Laguna Lakes Limited
LRH	Laguna Resorts & Hotels Public Company Limited
LSC	Laguna Service Company Limited
MCP	Mae Chan Property Company Limited
PGR	Phuket Grande Resort Limited
PSD	Pai Samart Development Company Limited
TLDC	Talang Development Company Limited
TRL	Tropical Resorts Limited
TWL	Twin Waters Limited
TWPC	Thai Wah Public Company Limited
TWPL	Thai Wah Plaza Limited
TWRH	TWR-Holdings Limited
TWT	Thai Wah Tower Company Limited
TWT2	Thai Wah Tower (2) Company Limited
V9F	Vision 9 Farm Limited

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