Laguna Resorts & Hotels Public Company Limited and its subsidiaries

Notes to interim consolidated financial statements

For the three-month period ended 31 March 2024

1. General information

1.1 Corporate information

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

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

The registered office of the Company is at 21/9, 21/31 and 21/33, Thai Wah Tower 1, 5th and 12th floor, South Sathorn Road, Tungmahamek, Sathorn, Bangkok.

**1.2 Basis for the preparation of interim financial information**

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

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

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

**1.3 Basis of consolidation**

The interim consolidated financial information includes the financial statements of Laguna Resorts & Hotels Public Company Limited (“the Company”) and its subsidiary companies (“the subsidiaries”) (collectively as “the Group”) and has been prepared on the same basis as that applied for the consolidated financial statements for the year ended 31 December 2023, with no change in shareholding structure of subsidiaries during the current period.

## 1.4 Accounting policies

The interim financial information is prepared using the same accounting policies and methods of computation as were used for the financial statements for the year ended 31 December 2023.

The revised financial reporting standards which are effective for fiscal years beginning on or after 1 January 2024, do not have any significant impact on the Group’s financial statements.

**2. Trade and other receivables**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  |  | | (Unit: Thousand Baht) | |
|  | Consolidated financial statements | | Separate financial statements | |
|  | 31 March 2024 | 31 December 2023 | 31 March 2024 | 31 December 2023 |
|  |  | (Audited) |  | (Audited) |
| Trade accounts receivable - unrelated parties |  |  |  |  |
| Trade accounts receivable - hotel operations | 324,226 | 360,499 | 10,267 | 10,636 |
| Less: Allowance for expected credit losses | (46,517) | (43,348) | (7,268) | (7,327) |
| Trade accounts receivable - hotel operations, net | 277,709 | 317,151 | 2,999 | 3,309 |
| Trade accounts receivable - sales of property |  |  |  |  |
| - installments due | 150,899 | 134,302 | - | - |
| Current portion of long-term trade |  |  |  |  |
| accounts receivable - sales of property | 302,934 | 288,313 | - | - |
| Less: Deferred interest income | (14,555) | (14,844) | - | - |
| Net (Note 5) | 288,379 | 273,469 | - | - |
| Trade accounts receivable - sales of property, net | 439,278 | 407,771 | - | - |
| Trade accounts receivable - sales of holiday club |  |  |  |  |
| memberships and sales and marketing services  for holiday club memberships | 26,791 | 30,390 | - | - |
| Less: Allowance for expected credit losses | (5,823) | (16,572) | - | - |
| Trade accounts receivable - sales of holiday club  memberships and sales and marketing services for  holiday club memberships, net | 20,968 | 13,818 | - | - |
| Total | 737,955 | 738,740 | 2,999 | 3,309 |
|  |  | |  | |
|  |  | |  | |
|  |  | |  | |
|  |  | | (Unit: Thousand Baht) | |
|  | Consolidated financial statements | | Separate financial statements | |
|  | 31 March 2024 | 31 December 2023 | 31 March 2024 | 31 December 2023 |
|  |  | (Audited) |  | (Audited) |
| Trade accounts receivable - related person |  |  |  |  |
| Current portion of long-term trade |  |  |  |  |
| accounts receivable - sales of property (Note 3, 5) | 7,509 | 7,507 | - | - |
| Total | 7,509 | 7,507 | - | - |
| Total tra­de accounts receivable, net | 745,464 | 746,247 | 2,999 | 3,309 |
| Other receivables |  |  |  |  |
| Amounts due from related parties (Note 3) | 177,756 | 173,645 | 164,623 | 139,789 |
| Villa owner receivables | 112,764 | 100,102 | 1,844 | 2,194 |
| Accrued rental income | 36,437 | 17,692 | 36,437 | 17,692 |
| Other receivables | 24,270 | 24,441 | 900 | 356 |
| Total other receivables | 351,227 | 315,880 | 203,804 | 160,031 |
| Less: Allowance for expected credit losses | (57,323) | (57,319) | - | - |
| Total other receivables, net | 293,904 | 258,561 | 203,804 | 160,031 |
| Total trade and other receivables, net | 1,039,368 | 1,004,808 | 206,803 | 163,340 |

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

(Unit: Thousand Baht)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Consolidated | | Separate | |
|  | financial statements | | financial statements | |
|  | 31 March | 31 December | 31 March | 31 December |
|  | 2024 | 2023 | 2024 | 2023 |
| **Age of receivables** |  | (Audited) |  | (Audited) |
| Not yet due | 78,376 | 99,588 | 307 | 588 |
| Past due |  |  |  |  |
| Up to 30 days | 72,699 | 109,326 | 565 | 676 |
| 31 - 60 days | 40,697 | 34,627 | 208 | 430 |
| 61 - 90 days | 24,741 | 15,192 | 146 | 1,209 |
| 91 - 120 days | 10,735 | 7,350 | 220 | 305 |
| Over 120 days | 96,978 | 94,416 | 8,821 | 7,428 |
| Total | 324,226 | 360,499 | 10,267 | 10,636 |
| Less: Allowance for expected credit losses | (46,517) | (43,348) | (7,268) | (7,327) |
| Trade accounts receivable - hotel operations, net | 277,709 | 317,151 | 2,999 | 3,309 |

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

(Unit: Thousand Baht)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Consolidated | | Separate | |
|  | financial statements | | financial statements | |
|  | 31 March | 31 December | 31 March | 31 December |
|  | 2024 | 2023 | 2024 | 2023 |
| **Age of receivables** |  | (Audited) |  | (Audited) |
| Not yet due | 374,371 | 370,798 | - | - |
| Past due |  |  |  |  |
| Up to 30 days | 32,292 | 27,859 | - | - |
| 31 - 60 days | 14,066 | 12,134 | - | - |
| 61 - 90 days | 12,392 | 5,380 | - | - |
| 91 - 120 days | 19,659 | 3,600 | - | - |
| Over 120 days | 8,562 | 10,351 | - | - |
| Total | 461,342 | 430,122 | - | - |
| Less: Deferred interest income | (14,555) | (14,844) | - | - |
| Trade accounts receivable - sales of property, net | 446,787 | 415,278 | - | - |

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

(Unit: Thousand Baht)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Consolidated | | Separate | |
|  | financial statements | | financial statements | |
|  | 31 March | 31 December | 31 March | 31 December |
|  | 2024 | 2023 | 2024 | 2023 |
| **Age of receivables** |  | (Audited) |  | (Audited) |
| Not yet due | 2,419 | 3,115 | - | - |
| Past due |  |  |  |  |
| Up to 30 days | 891 | 366 | - | - |
| 31 - 60 days | 772 | 818 | - | - |
| 61 - 90 days | 10,524 | 383 | - | - |
| 91 - 120 days | 1,184 | 1,479 | - | - |
| Over 120 days | 11,001 | 24,229 | - | - |
| Total | 26,791 | 30,390 | - | - |
| Less: Allowance for expected credit losses | (5,823) | (16,572) | - | - |
| Trade accounts receivable - sales of holiday club memberships and sales and marketing services for holiday club memberships, net | 20,968 | 13,818 | - | - |

3. Related party transactions

During the periods, the Group had significant business transactions with related parties. Such transactions, which are summarised below, arose in the ordinary course of business. There were no significant changes in the transfer pricing policy of transactions with related parties during the current period.

Summaries significant business transactions with related parties as follows.

(Unit: Million Baht)

|  | For the three-month periods ended 31 March | | | |
| --- | --- | --- | --- | --- |
|  | Consolidated | | Separate | |
|  | financial statements | | financial statements | |
|  | 2024 | 2023 | 2024 | 2023 |
| Transactions with subsidiaries |  |  |  |  |
| (eliminated from the consolidated financial statements) |  |  |  |  |
| Guarantee fee expenses | - | - | 4 | 5 |
| Interest income | - | - | 14 | 13 |
| Interest expenses | - | - | 9 | 6 |
| Management fee income | - | - | 35 | 21 |
| Reimbursement receipts | - | - | 6 | 1 |
| Reimbursement payments | - | - | 8 | 18 |
| Rental and service income | - | - | 1 | - |
| Rental and service expenses | - | - | 2 | 3 |
| Resort service income | - | - | 1 | - |
| Resort service expenses | - | - | 2 | 1 |
| Transactions with associates |  |  |  |  |
| Reimbursement receipts | 1 | 1 | - | - |
| Rental and service income | 3 | 4 | - | - |
| Transactions with related companies |  |  |  |  |
| Inter resort payments | 1 | - | - | - |
| Management fee expenses | 112 | 87 | - | - |
| Purchase of spa and gallery vouchers | 2 | 4 | - | 1 |
| Sale of goods | 11 | 1 | - | - |
| Reimbursement receipts | 41 | 21 | 6 | 4 |
| Reimbursement payments | 28 | 28 | 5 | 1 |
| Rental return on hotel units | - | 1 | - | - |
| Resort service income | 1 | - | - | - |
| Service fees | 8 | 4 | - | - |

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)

|  |  |  |
| --- | --- | --- |
|  | 31 March 2024 | 31 December 2023 |
|  |  | (Audited) |
| Long-term loan facilities | 750 | 750 |
| Overdrafts and bank guarantee facilities | 105 | 105 |

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

(Unit: Million Baht)

|  |  |  |
| --- | --- | --- |
|  | 31 March 2024 | 31 December 2023 |
|  |  | (Audited) |
| Short-term loan facilities | 150 | 150 |

As at 31 March 2024 and 31 December 2023, the balances of the accounts between the Group and those related companies are as follows:

(Unit: Thousand Baht)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Consolidated | | Separate | |
|  | financial statements | | financial statements | |
|  | 31 March | 31 December | 31 March | 31 December |
|  | 2024 | 2023 | 2024 | 2023 |
|  |  | (Audited) |  | (Audited) |
| **Amounts due from related parties** |  |  |  |  |
| Subsidiaries | - | - | 105,148 | 87,956 |
| Associated companies | 3,838 | 3,790 | - | - |
| Related companies (related by |  |  |  |  |
| common shareholders) | 173,918 | 169,855 | 59,475 | 51,833 |
| Total amounts due from related |  |  |  |  |
| parties (Note 2) | 177,756 | 173,645 | 164,623 | 139,789 |
| **Trade accounts receivable - director** |  |  |  |  |
| Current portion of long-term trade accounts receivable (Note 2, 5) | 7,509 | 7,507 | - | - |
| Long-term trade accounts receivable (Note 5) | 12,188 | 14,132 | - | - |
| Total trade accountsreceivable - director | 19,697 | 21,639 | - | - |
| **Amounts due to related parties** |  |  |  |  |
| Subsidiaries | - | - | 28,261 | 14,777 |
| Related companies (related by |  |  |  |  |
| common shareholders) | 237,572 | 201,159 | 26,523 | 20,707 |
| Total amounts due to related parties | 237,572 | 201,159 | 54,784 | 35,484 |

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

As at 31 March 2024 and 31 December 2023, the balance of loans between the Company and those related companies and the movement are as follows:

Long-term loans to subsidiaries

(Unit: Thousand Baht)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Separate financial statements | | | |
|  | 31 December 2023 | Addition | Repayment | 31 March 2024 |
|  | (Audited) |  |  |  |
| Laguna Banyan Tree Limited | 983,000 | 85,000 | (82,000) | 986,000 |
| Laguna Holiday Club Limited | 112,000 | 5,000 | (41,000) | 76,000 |
| Laguna Lakes Limited | 213,000 | 5,000 | (2,000) | 216,000 |
| Banyan Tree Gallery (Thailand) Limited | 22,000 | - | (22,000) | - |
| Laguna (3) Limited | 5,000 | - | - | 5,000 |
| Total | 1,335,000 | 95,000 | (147,000) | 1,283,000 |

Long-term loans from subsidiaries

(Unit: Thousand Baht)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Separate financial statements | | | |
|  | 31 December 2023 | Addition | Repayment | 31 March 2024 |
|  | (Audited) |  |  |  |
| TWR - Holdings Limited | 755,000 | 195,000 | (100,000) | 850,000 |
| Laguna Grande Limited | - | 143,000 | (26,000) | 117,000 |
| Total | 755,000 | 338,000 | (126,000) | 967,000 |

**Directors and management’s benefits**

During the three-month periods ended 31 March 2024 and 2023, the Group had employee benefit expenses of their directors and management as below.

(Unit: Thousand Baht)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | For the three-month periods ended 31 March | | | |
|  | Consolidated  financial statements | | Separate  financial statements | |
|  | 2024 | 2023 | 2024 | 2023 |
| Short-term employee benefits | 44,530 | 32,486 | 21,835 | 15,843 |
| Post-employment benefits | 1,365 | 936 | 551 | 409 |
| Other long-term employee benefits | 11 | 7 | 4 | 1 |
| Total | 45,906 | 33,429 | 22,390 | 16,253 |

4. Property development cost

(Unit: Thousand Baht)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Consolidated | | Separate | |
|  | financial statements | | financial statements | |
|  | 31 March | 31 December | 31 March | 31 December |
|  | 2024 | 2023 | 2024 | 2023 |
|  |  | (Audited) |  | (Audited) |
| Land | 1,345,173 | 1,267,890 | 111,429 | 111,429 |
| Land and property under construction | 1,703,593 | 1,592,433 | - | - |
| Land and completed buildings | 953,449 | 705,243 | - | - |
| Total | 4,002,215 | 3,565,566 | 111,429 | 111,429 |
| Less: Allowance for diminution in value | (17,975) | (28,987) | - | - |
| Property development cost, net | 3,984,240 | 3,536,579 | 111,429 | 111,429 |

Subsidiaries have mortgaged property development cost amounting to Baht 821 million (31 December 2023: Baht 1,020 million) as collateral against its credit facilities received from financial institutions.

5. Long-term trade accounts receivable

Long-term trade accounts receivable consists of installments receivable from property sales, which bear interest at rates of 0.0% - 7.0% per annum and installments are repaid over a period of 3 to 5 years

Long-term trade accounts receivable are due as follows:

|  | (Unit: Thousand Baht) | |
| --- | --- | --- |
|  | Consolidated financial statements | |
|  | 31 March 2024 | 31 December 2023 |
|  |  | (Audited) |
| Current portion of long-term trade accounts receivable | 295,888 | 280,976 |
| Long-term trade accounts receivable | 496,878 | 499,313 |
| Total | 792,766 | 780,289 |
|  |  |  |
| Sales of property |  |  |
| Long-term trade accounts receivable - unrelated parties |  |  |
| Within 1 year | 302,934 | 288,313 |
| Less: Deferred interest income | (14,555) | (14,844) |
| Current portion of long-term trade |  |  |
| accounts receivable, net (Note 2) | 288,379 | 273,469 |
| Over 1 year to 5 years | 499,961 | 502,344 |
| Less: Deferred interest income | (15,271) | (17,163) |
| Long-term trade accounts receivable, net | 484,690 | 485,181 |
| Total - unrelated parties | 773,069 | 758,650 |
| Long-term trade accounts receivable - related person |  |  |
| Current portion of long-term trade accounts receivable (Note 2, 3) | 7,509 | 7,507 |
| Over 1 year to 5 years (Note 3) | 12,188 | 14,132 |
| Total - related person | 19,697 | 21,639 |
| Total | 792,766 | 780,289 |
|  |  |  |

6. Investments in associates

6.1 Details of associates

(Unit: Thousand Baht)

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  | Consolidated financial statements | | | | | |
| Company’s name | Nature of business | Country of incorporation | Shareholding percentage | | Cost | | Carrying amounts based on equity method | |
|  |  |  | 31 March | 31 December | 31 March | 31 December | 31 March | 31 December |
|  |  |  | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 |
|  |  |  |  | (Audited) |  | (Audited) |  | (Audited) |
|  |  |  | (%) | (%) |  |  |  |  |
| 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 | Thailand | 10.03 | 10.03 | 777,454 | 777,454 | 767,576 | 754,177 |
|  | food products |  |  |  |  |  |  |  |
| Banyan Tree China Pte. Ltd. | Holding company | Singapore | 10.69 | 10.69 | 173,495 | 173,495 | 330,963 | 322,466 |
| Total investments in associates, net | | |  |  | 950,949 | 950,949 | 1,098,539 | 1,076,643 |  | 991,141 |

(Unit: Thousand Baht)

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  |  |  | Separate financial statements | | | |
| Company’s name | Nature of business | Country of incorporation | Shareholding percentage | | Cost | |
|  |  |  | 31 March | 31 December | 31 March | 31 December |
|  |  |  | 2024 | 2023 | 2024 | 2023 |
|  |  |  |  | (Audited) |  | (Audited) |
|  |  |  | (%) | (%) |  |  |
| Thai Wah Public Company Limited | Manufacture and distribution of vermicelli, tapioca starch and other food products | Thailand | 10.03 | 10.03 | 777,454 | 777,454 |
| Total |  |  |  |  | 777,454 | 777,454 |

As at 31 March 2024 and 31 December 2023, the Company has pledged the 10 million ordinary shares of Thai Wah Public Company Limited with a bank to secure a long-term loan of the Company.

6.2   Share of comprehensive income

        During the three-month periods ended 31 March 2024 and 2023, the Group has recognised their share of comprehensive income from investments in associates in the consolidated financial statements as follows:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | (Unit: Thousand Baht) | | | |
|  | Consolidated financial statements | | | |
| Company’s name | Share of profit from investments in associates | | Share of other comprehensive income from investments in associates | |
|  | 2024 | 2023 | 2024 | 2023 |
| Banyan Tree China Pte. Ltd. | 8,497 | 5 | - | - |
| Thai Wah Public Company Limited | 6,703 | 9,533 | 6,696 | 5,024 |
| Total | 15,200 | 9,538 | 6,696 | 5,024 |

6.3 Fair value of investments in a listed associate

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

|  |  |  |
| --- | --- | --- |
|  | (Unit: Million Baht) | |
| Associate | Fair values as at | |
|  | 31 March 2024 | 31 December 2023 |
|  |  | (Audited) |
| Thai Wah Public Company Limited | 320 | 352 |

7. Investment properties

As at 31 March 2024 and 31 December 2023, the subsidiaries have pledged investment properties amounting to approximately Baht 868 million as collateral against credit facilities received from financial institutions.

8. Property, plant and equipment

Movements of property, plant and equipment for the three-month period ended 31 March 2024 are summaries below:

(Unit: Thousand Baht)

|  |  |  |
| --- | --- | --- |
|  | Consolidated | Separate |
|  | financial statements | financial statements |
| **At cost / revaluation value** |  |  |
| Balance as at 31 December 2023 | 22,244,864 | 91,634 |
| Additions | 114,850 | 2,737 |
| Disposals and write off | (9,938) | (421) |
| Adjustments | 1,241 | - |
| Balance as at 31 March 2024 | 22,351,017 | 93,950 |
| **Accumulated depreciation** |  |  |
| Balance as at 31 December 2023 | (3,576,276) | (55,101) |
| Depreciation charged for the period | (116,749) | (856) |
| Disposals and write off | 9,144 | 421 |
| Translation adjustments | (353) | - |
| Balance as at 31 March 2024 | (3,684,234) | (55,536) |
| **Allowance for impairment loss** |  |  |
| Balance as at 31 December 2023 | (72,141) | (4,789) |
| Translation adjustments | (871) | - |
| Balance as at 31 March 2024 | (73,012) | (4,789) |
| **Net book value** |  |  |
| Balance as at 31 December 2023 | 18,596,447 | 31,744 |
| Balance as at 31 March 2024 | 18,593,771 | 33,625 |

The subsidiaries have mortgaged land and buildings at fair value of Baht 12,672 million (31 December 2023: Baht 12,718 million) as collateral against credit facilities received from financial institutions.

9. Short-term loans from financial institutions

As at 31 March 2024, short-term loans from financial institutions represent promissory notes with maturity dates within one month (31 December 2023: 1 to 3 months). Short-term loans from financial institutions carry interest rate of MMR.

These short-term loans from financial institutions are secured by the mortgage of plots of land and buildings of its subsidiaries, as described in Note 8 and by the guarantee provided by subsidiaries.

**10. Long-term loans from financial institutions**

Movements in the long-term loans account during the three-month period ended 31 March 2024 are summarised below:

(Unit: Thousand Baht)

|  |  |  |
| --- | --- | --- |
|  | Consolidated | Separate |
|  | financial statements | financial statements |
| Principal as at 31 December 2023 | 4,633,998 | 1,378,250 |
| Add: Draw down | 83,870 | - |
| Less: Repayments | (126,967) | (32,625) |
| Principal as at 31 March 2024 | 4,590,901 | 1,345,625 |
| Less: Deferred financial fees | (10,657) | (3,851) |
| Balance as at 31 March 2024 | 4,580,244 | 1,341,774 |

The loans are secured by mortgage of plots of land and buildings of its subsidiaries, as described in Notes 4, 7 and 8. Certain loans are guaranteed by the Company and the pledge of the 10 million ordinary shares of Thai Wah Public Company Limited, as described in Note 6.1.

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

As of 31 March 2024, the long-term credit facilities of the subsidiaries which have not yet been drawn down, totaling Baht 479 million (31 December 2023: Baht 641 million).

**11. Income tax**

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

Income tax expenses for the three-month periods ended 31 March 2024 and 2023 are made up as follows:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  |  | | (Unit: Thousand Baht) | |
|  | For the three-month periods ended 31 March | | | |
|  | Consolidated  financial statements | | Separate  financial statements | |
|  | 2024 | 2023 | 2024 | 2023 |
| **Current income tax:** |  |  |  |  |
| Interim corporate income tax charge | 8,863 | 3,098 | - | - |
| Adjustment in respect of income tax of previous year | - | (329) | - | - |
| **Deferred tax:** |  |  |  |  |
| Relating to origination and reversal of temporary differences | 64,300 | 13,824 | (836) | (1,595) |
| **Income tax (revenue) expenses reported in the income statement** | 73,163 | 16,593 | (836) | (1,595) |

**12. Commitments**

Capital commitment

As at 31 March 2024, the Group has capital commitments as follows:

a) The subsidiaries have commitments in respect of constructing new and renovating existing hotel properties amounting to Baht 77 million.

b) The subsidiaries have commitments that relate to projects to develop properties for sale amounting to Baht 2,117 million.

c) A subsidiary entered into sales and purchase agreements for land with unrelated persons. The subsidiary paid the deposit of Baht 221 million and the remaining Baht 67 million shall be paid in within 12 April 2024. However, the subsidiary completed the payment of the remaining balance on 12 April 2024.

Operating agreements

As at 31 March 2024, the Group has operating agreements as follows:

1. The subsidiaries have entered into operating agreements with certain companies whereby these companies are to operate the subsidiaries’ hotel business. In consideration of such services, the subsidiaries are committed to pay remuneration at the rates, terms and basis specified in the agreements. There were no significant changes in terms and basis specified in the agreements during the current period.

b) The Group has entered into several service and lease agreements in respect of machinery, motor vehicles and equipment. The terms of the agreements are generally between 1 to 4 years.

As at 31 March 2024, the Group has future minimum payments under service agreement, short-term leases and lease of low-value assets amounting to Baht 34 million (the Company only: Baht 2 million).

Servitude over land

As at 31 March 2024, some subsidiaries have land servitude of approximately 11 rai in Phuket province, which are presented under property development cost and property, plant and equipment.

13. Guarantees

As at 31 March 2024, 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.

**14. Segment information**

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

The following tables present revenue and profit information regarding the Group segments for the three-month periods ended 31 March 2024 and 2023 as follows:

(Unit: Million Baht)

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | For the three-month period ended 31 March 2024 | | | | |
|  | Hotel | Property | Office |  |  |
|  | Business | Development | Rental | Head Office | Total |
| Revenue:  Segment revenues |  |  |  |  |  |
| Total revenues | 1,461 | 500 | 10 | - | 1,971 |
| Intersegment revenues | (73) | (2) | (1) | - | (76) |
| Revenue from external customers | 1,388 | 498 | 9 | - | 1,895 |
| Results: |  |  |  |  |  |
| Segment results | 348 | 103 | (1) | (58) | 392 |
| Unallocated income |  |  |  |  | 1 |
| Profit from operations and other income |  |  |  |  | 393 |
| Finance income | - | 14 | - | - | 14 |
| Finance cost | (38) | (2) | - | (19) | (59) |
| Share of profit from investments in associates |  |  |  |  | 15 |
| Profit before income tax expenses |  |  |  |  | 363 |
| Income tax revenue (expenses) | (72) | (15) | - | 14 | (73) |
| Profit for the period |  |  |  |  | 290 |

(Unit: Million Baht)

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | For the three-month period ended 31 March 2023 | | | | |
|  | Hotel | Property | Office |  |  |
|  | Business | Development | Rental | Head Office | Total |
| Revenue:  Segment revenue |  |  |  |  |  |
| Total revenues | 1,193 | 227 | 11 | - | 1,431 |
| Intersegment revenues | (62) | (2) | (2) | - | (66) |
| Revenue from external customers | 1,131 | 225 | 9 | - | 1,365 |
| Results: |  |  |  |  |  |
| Segment results | 172 | (10) | - | (50) | 112 |
| Unallocated income |  |  |  |  | 1 |
| Profit from operations and other income |  |  |  |  | 113 |
| Finance income | - | 11 | - | - | 11 |
| Finance cost | (31) | (3) | - | (18) | (52) |
| Share of profit from investments in associates |  |  |  |  | 10 |
| Profit before income tax expenses |  |  |  |  | 82 |
| Income tax revenue (expenses) | (44) | 14 | - | 13 | (17) |
| Profit for the period |  |  |  |  | 65 |

**15. Events after the reporting period**

On 24 April 2024, the Annual General Meeting of the Company’s shareholders approved the payment of a dividend from the retained earnings as at 31 December 2023 to the Company’s shareholders of Baht 1.35 per share, totaling Baht 225 million.

**16. Approval of interim financial information**

This interim financial information was authorised for issue by the Company’s Board of Directors on 10 May 2024.