

Annual Registration Statement (Form 56-1)

As at 31 December 2020



Laguna Resorts & Hotels
Public Company Limited

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PART I
BUSINESS OPERATION

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.

1. POLICY AND BUSINESS OVERVIEW

1.1 Vision and Mission

Vision

To be the 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.

1.2 Milestones

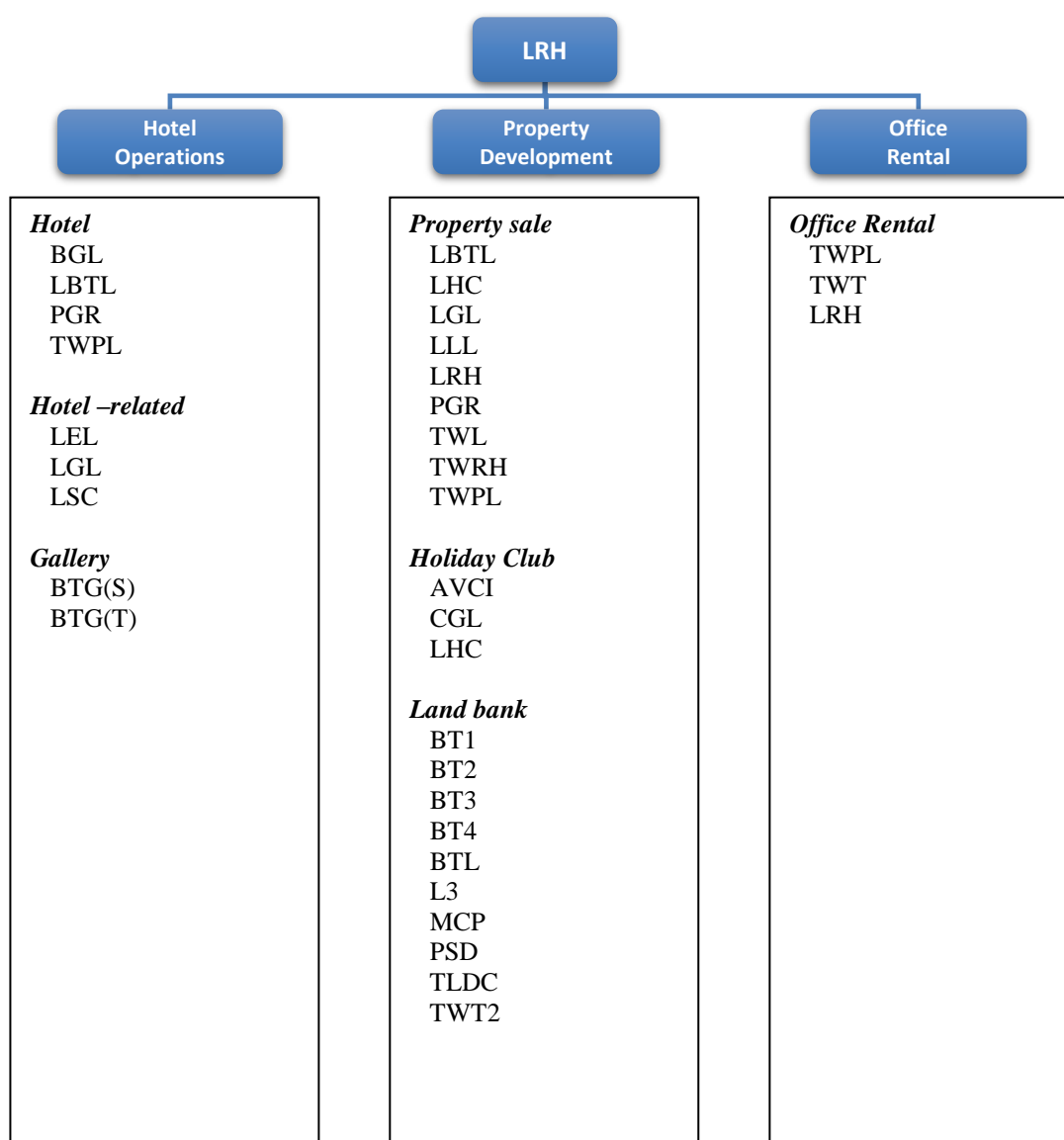
- | | |
|------|--|
| 1987 | <ul style="list-style-type: none"> • Dusit Thani Laguna Phuket (formerly known as Dusit Laguna Resort) opened. |
| 1991 | <ul style="list-style-type: none"> • Laguna Beach Resort opened. |
| 1992 | <ul style="list-style-type: none"> • Sheraton Grande Laguna Phuket and the Laguna Phuket Golf Club opened. |
| 1993 | <ul style="list-style-type: none"> • The Company listed on the Stock Exchange of Thailand. • Property Sales operations commenced with the Allamanda condominium units. |
| 1995 | <ul style="list-style-type: none"> • The resort's flagship hotel, Banyan Tree Phuket's Grand Opening. |
| 1998 | <ul style="list-style-type: none"> • Laguna Holiday Club commenced operations. |
| 2002 | <ul style="list-style-type: none"> • The Group acquired a large parcel of land adjacent to Laguna Phuket for future development opportunities. |
| 2005 | <ul style="list-style-type: none"> • The Group acquired Thai Wah Plaza Limited which owns Banyan Tree Bangkok and commercial offices. |
| 2006 | <ul style="list-style-type: none"> • Banyan Tree Lijiang, People's Republic of China and Laguna Holiday Club Phuket Resort opened. The latter is operated under the Holiday Club Business. |
| 2008 | <ul style="list-style-type: none"> • The Group entered into an agreement to acquire additional land adjacent to Laguna Phuket for future development. |
| 2009 | <ul style="list-style-type: none"> • 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 | <ul style="list-style-type: none"> • Divestment of Dusit Thani Laguna Phuket Hotel in October. |
| 2011 | <ul style="list-style-type: none"> • 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 | <ul style="list-style-type: none"> • Upgrade of Laguna Golf Phuket which included the golf course, clubhouse, and the introduction of golf carts. |
| 2015 | <ul style="list-style-type: none"> • Reopening of Laguna Golf Phuket in January. • The grand opening of Cassia Phuket in October. |
| 2016 | <ul style="list-style-type: none"> • 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 | <ul style="list-style-type: none"> • Divestment of Banyan Tree Lijiang and invested in Banyan Tree China Pte. Ltd. |
| 2018 | <ul style="list-style-type: none"> • Opening of Cassia Phuket phase 2. |
| 2019 | <ul style="list-style-type: none"> • 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 • Opened Saffron Cruise in Bangkok in November. |

1.3 Corporate Structure

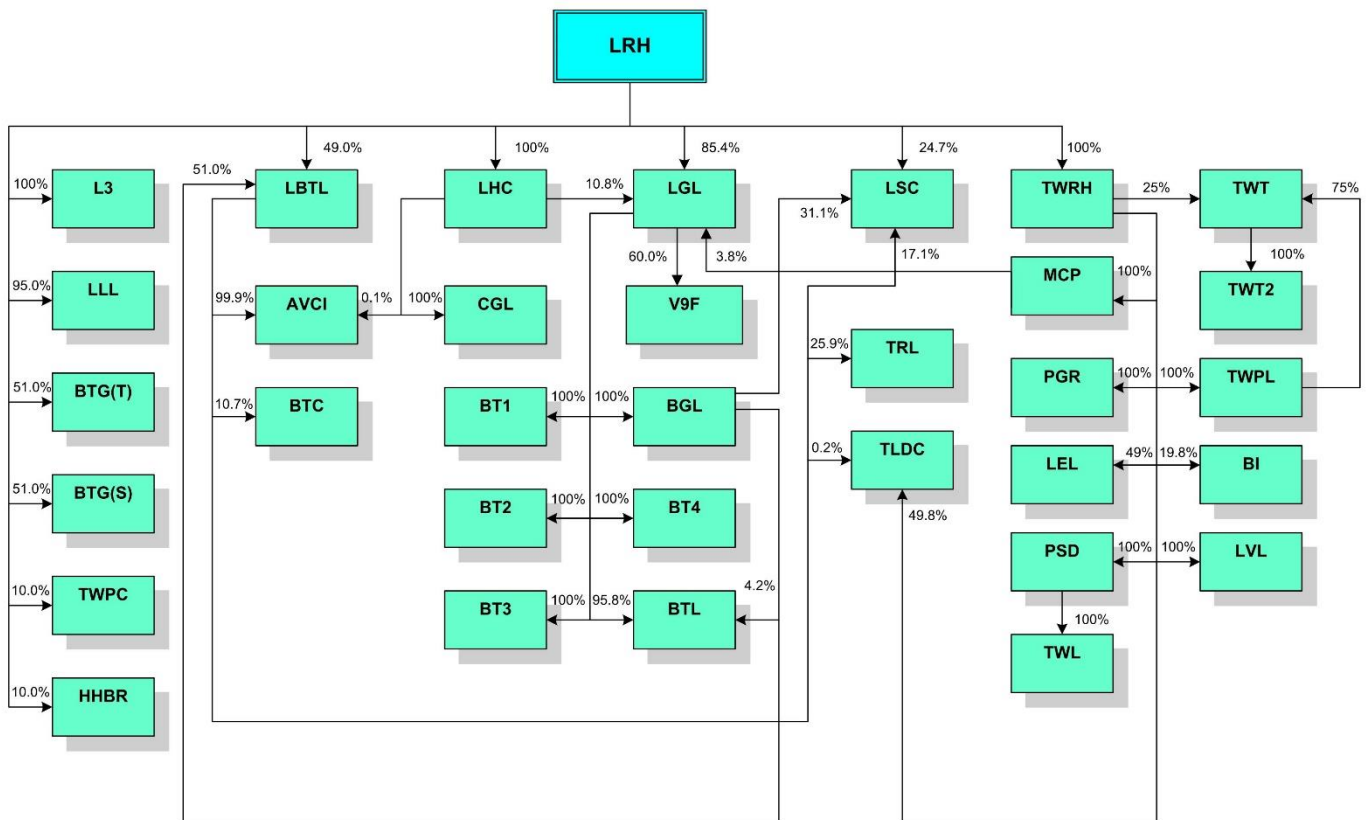
The key businesses of the LRH Group are hotels, property development, and office rental. The Group's major business investment largely revolves around the operation and management of the integrated resort of Laguna Phuket, located on the island of Phuket in Thailand, as well as its Banyan Tree hotel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

Segment information

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



Corporate Structure as at 31 December 2020



Remark

Full company names of Abbreviations are shown in Attachment 6.

1.4 Business 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.

2. NATURE OF THE 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 Type of Business and Income Structure

2.1.1 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	144 (220)	LBTL (100%)	Banyan Tree Hotels & Resorts Pte. Ltd. and Banyan Tree Hotels & Resorts (Thailand) Limited
Angsana Laguna Phuket	Bangtao, Phuket	2011	328 (372)	BGL (100%)	Banyan Tree Hotels & Resorts Pte. Ltd. and Banyan Tree Hotels & Resorts (Thailand) Limited
Banyan Tree Bangkok	Sathorn, Bangkok	2002	305 (327)	TWPL (100%)	Banyan Tree Hotels & Resorts Pte. Ltd. and Banyan Tree Hotels & Resorts (Thailand) Limited
Angsana Villas Resort Phuket	Bangtao, Phuket	2009	15 (63)	BGL (100%)	Banyan Tree Hotels & Resorts Pte. Ltd.
Cassia Phuket	Bangtao, Phuket	2015	90 (334)	PGR (100%)	Banyan Tree Hotels & Resorts Pte. Ltd. and Banyan Tree Hotels & Resorts (Thailand) Limited
Laguna Holiday Club Phuket Resort**	Bangtao, Phuket	2006	77 (77)	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.

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 Resort. The professionally designed golf course provides the perfect golf experience for players of all abilities. The Laguna Golf Phuket offers annual and 5 & 10-year memberships with exclusive membership privileges.

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 upgraded by Laguna Golf in 2016-2017. Local golf memberships are available.

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, 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 developments available for sale are the following.

Project	Location	Type	Price (Million Baht)
Angsana Beachfront Residences	Phuket	Apartment	37-46
Angsana Ocean View Residences	Phuket	Apartment	29-37
Banyan Tree Bangkok	Bangkok	Apartment	21-24
Banyan Tree Phuket	Phuket	Grande Residences Double Pool Villa 3-Bed Pool Villa	86-123 63-65 50
Cassia Phuket	Phuket	Serviced Apartment Residential Condominiums	5-11 8-11
Dhawa Phuket	Phuket	Serviced Apartment	5-9
Laguna Park 2	Phuket	Detached Homes Semi-detached Townhome	21-22 16-17
Laguna Village	Phuket	Residence Apartments	36-42 11-29
Skypark	Phuket	Residential Condominiums	3-11

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

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.

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.

2.1.2 Developments in 2020

It goes without saying that 2020 is not a year of normal operation. While the first two months of the year were relatively stable, the other ten months were largely affected by COVID-19 and the subsequent drying up of international travel. As such, cash conservation became the key focal point for 2020, with all hotels reducing the costs of payroll via the retrenchment of staff, the unpaid leave scheme, and the flexi-salary scheme. Other expenses were strictly controlled and payments were approved at the highest level. Many fixed contracts for services were put on hold and payment plans were negotiated. All capital expenditure was put on hold, and only projects which affected asset preservation, life & safety, and regulatory requirements were approved.

Banyan Tree Bangkok continued to leverage its reputation for being one of the best food & beverage establishments in Bangkok and has been served well by the Saffron Cruise, which was booked out for all of November & December, and Vertigo & Vertigo Too are ever popular. As with Phuket, below, Banyan Tree Bangkok successfully attracted some local markets to utilise their accommodation as well.

A bright spot in the Phuket market has been the increase in domestic travellers to Phuket. Aggressive marketing campaigns in Thailand have brought local travellers to Phuket, whereby in the past Phuket has not been an attractive option for them. Our Phuket hotels all successfully attracted these travellers via a varying mix of campaigns and promotions. Going forward we will aim to keep the local market, reducing our reliance on overseas tour series business.

The Laguna hotels all banded together and promoted the different events and accommodation options in all of our hotels, to gain as much revenue as possible. This meant in some instances, one hotel would hold an event that 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.

In the early part of the year, Banyan Tree Phuket completed its lobby renovation to bring it back up to the standard of a flagship Banyan Tree Hotel.

Angsana Laguna Phuket was able to leverage on ACES convention centre during the latter part of the year, with both Governmental events and private events being held there. The size of the convention centre is such that social distancing rules can be adhered to while still conducting a large conference full of people. Angsana Beachfront was handed over in December meaning there will be an additional 11 rooms added to the inventory and an additional rental pool going into 2021.

Due to the COVID-19 pandemic that had a significant impact on the business, there were no new property projects launched in 2020.

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.

2.1.3 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, India, 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 maintain their reputation as being luxury hotels with timely and periodic renovations and refurbishments of hotel rooms and public areas.

In terms of Marketing, we hope to rebound from the effects of COVID-19, by taking a Data Driven approach to 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 domestic leisure travel and demand for longer duration of stays to shorter booking windows driving occupancy.

Property Sales

While we anticipate 2021 to be a year of volatility, in light of the global market uncertainty around the COVID-19 situation, 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 2021, we are planning new launches for the entry-level, mid-range, and luxury segments when the situation is more stable. As a result of the market dynamics, the strategy to offer affordable properties (sub-Baht 10 million) particularly catering to the emerging Asian middle-class with Cassia Phuket, Dhawa Phuket, and Skypark Phuket along with mid-range properties (Baht 10-20 million) such as Laguna Park (townhomes and detached homes) to keep pricing points attractive. These entry-level and mid-range products account for a significant proportion of sales.

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. Many guests were unable to use their points in 2020. The Company is engaged in the sales and marketing of ANVC only.

Golf Business

The recently upgraded golf courses of both Phuket and Bintan offer players of all abilities a unique and challenging experience. The group will continue to strive for the most exquisite golf experience for its golfers.

2.1.4 Income Structure

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

(Unit: Thousand Baht)

	2020	%	2019	%	2018	%
Revenue from Hotels	1,206,727	43	3,356,259	55	3,572,747	66
Revenue from Property Development	1,572,727	55	2,568,163	42	1,705,618	31
Revenue from Office Rental	35,836	1	91,183	1	98,667	2
Other Income	19,028	1	104,022	2	70,036	1
Total Revenue	2,834,318	100	6,119,627	100	5,447,068	100

The most significant businesses of the Group are hotels and property development operations for which further details are provided below. Note 42 to the financial statements of the Company for the year ended 31 December 2020 and 2019 discloses the operating results by business segment following accounting standards and principles.

Hotel Operations - Overall

	2020	2019	2018
Occupancy (%)			
Angsana Laguna Phuket	20	66	71
Banyan Tree Phuket	20	62	65
Banyan Tree Bangkok	23	78	80
Cassia Phuket	32	67	61
Average - LRH Hotels	24	69	70
Average Room Rate (Baht)			
Angsana Laguna Phuket	3,909	4,126	4,468
Banyan Tree Phuket	13,496	13,203	14,754
Banyan Tree Bangkok	3,749	4,740	4,819
Cassia Phuket	2,007	2,013	1,998
Average - LRH Hotels	4,634	5,038	5,519
Total Revenue (Thousand Baht)			
Angsana Laguna Phuket	194,367	685,520	764,597
Banyan Tree Phuket	307,198	843,781	932,531
Banyan Tree Bangkok	300,743	1,005,499	1,078,230
Cassia Phuket	99,886	154,216	124,310
Total LRH Hotels	902,195	2,689,017	2,899,668
Gallery Operations	107,751	191,111	189,279
Other Hotel-Related Operations	196,782	476,131	483,800
Total Revenue of Hotel Operations	1,206,728	3,356,259	3,572,747

Hotel Operations - Overall

The total combined hotel revenue in 2020 decreased 64% from 2019. The sharp decline, which could have been worse if not for the Company's aggressive and innovative marketing under the dire circumstances, was no doubt due to the impact of the Covid-19 pandemic. In April 2020, all hotels in Phuket were ordered to close by the Phuket Governor's office to prevent the spread of Covid-19. The Company's hotels in Phuket subsequently reopened from September 2020 but only to the Thai domestic market as Thailand's international borders were closed which is still the case at the time of writing this report. Additionally, Thailand was hit by a second wave of the pandemic in December 2020 - January 2021 which further impacted the business during the most lucrative months of the year.

Property Development Operations

(Unit: Thousand Baht)

	2020	%	2019	%	2018 (Restated)	%
Revenue:						
Property Sales business*	1,498,357	95	2,465,257	96	1,557,542	91
Holiday Club business	74,370	5	102,906	4	148,076	9
Total Revenue - Property Development Operations	1,572,727	100	2,568,163	100	1,705,618	100

* Including other income

Property Sales business

A total of 48 units amounting to Baht 1,488 million in revenue (excluding other income) was recognized in 2020 in accordance with accounting income recognition policies.

Holiday Club Business

In 2020, the Holiday Club's revenue suffered a year-on-year drop of 28%. Due to the lack of visitors from the key source markets as Thailand's international borders were closed, the Company temporarily stopped all membership sales since April 2020 when the Phuket Governor ordered the lockdown of the island to prevent the spread of Covid-19.

Other Income

(Unit: Thousand Baht)

Other Income	2020	2019	2018
Gain on Revaluation of Investment Property	-	86,510	50,618
Rental and Service Fee	9,191	9,476	11,685
Management Fee Income	4,392	4,633	2,553
Others	5,445	3,403	5,180
Total Other Income	19,028	104,022	70,036

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.

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

2.1.5 Rights and Constraints in Business

BOI Privileges – None

Other Privileges – None

Constraints in Business – None

2.2 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 2020 markets and geographical segmentation in terms of room revenue are set out in the table below:

	Laguna Phuket hotels	Banyan Tree Bangkok
Targeted Markets / Type of Customers	The Wholesale market and leisure markets account for 80 percent of room revenue especially during the high season months while the MICE business, Group Tour Series, and Wedding group contribute to the rest.	The Wholesale market and leisure markets account for 82 percent of total revenue, while business travellers and corporate meeting groups represent the rest.
Geographical Segmentation	<p>Asia 84 percent, targeting the local Thai market at 50 percent, followed by People's Republic of China, South Korea, Hong Kong, and Singapore.</p> <p>Europe 14 percent, mainly from Russia, United Kingdom, Germany, France, Switzerland.</p> <p>Laguna hotels have budgeted only the local market for the first quarter of 2021, with a gradual reopening of Asian countries into Q2 and Q3, and long-haul international business in Q4.</p>	<p>Asia 80 percent, targeting the local Thai market at 35 percent, followed by People's Republic of China, South Korea, Japan, Taiwan, and Singapore.</p> <p>Europe 11 percent, mainly from the United Kingdom and Germany; and 5 percent from North America and 3 percent from Australia.</p> <p>Banyan Tree Bangkok has budgeted only the local market for the first quarter of 2021, with a gradual reopening of Asian countries into Q2 and Q3, and long-haul international business in Q4.</p>

The lack of business and focus on Domestic markets have put downward pressure on room rates across all of the hotels. Banyan Tree Bangkok reduced their rate by 12% in 2020, while Phuket hotels reduced between 35%-50% 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 in previous years. 2021 will be an occupancy game, with ADR recovery coming in 2022 and beyond.

Property Sales

The number of property units sold in 2020 was significantly behind the prior year due to the Covid-19 pandemic crisis which has softened demand along with political turmoil caused by a series of anti-government rallies in Bangkok. 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 and Republic of India, 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 countries with relaxed travel restrictions
- 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**

- Total tourist arrivals for Thailand were much reduced compared to 2019 with international travel confined to Q1 only, the majority of guests coming in January & February. January already began to show a reduction in the arrivals of Chinese guests due to the Chinese Government recommending that their citizens do not travel. This negatively affected Lunar New Year which fell in late January, our China arrivals being about 15% weaker than in 2019. Arrivals to Thailand dropped from 39.9M to 6.7M in 2020, a drop of 83%.

- The Phuket market fared slightly better than overall Thailand due to quarter one dropping by less than the overall Thailand market. In 2020 year-on-year passenger arrivals declined by 63%.
- Tourism in Phuket is usually dominated by Chinese and Russian holidaymakers. As explained earlier, this has not been the case for the majority of 2020. January, February, and a small amount of March followed this trend, but since then the hotels have been fully reliant on local business, when open.
- The property sales market continued to be driven by affordable, investment-oriented products that offer rental management programs and/or guaranteed returns. Key source markets were from China, Russia, Singapore, and Hong Kong.

➤ **Competition**

Hotels

Top Tier Properties - Phuket	Luxury Villa Properties - Phuket	Top Tier Properties - Bangkok
<ul style="list-style-type: none"> • Dusit Thani Laguna Phuket • Outrigger 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 • Trisara • Six Senses • Anantara 	<ul style="list-style-type: none"> • The Sukhothai Hotel • Conrad Bangkok • Le Meridien Bangkok • Dusit Thani Bangkok • Sofitel So Bangkok

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. Further, due to the high price of land, there has been an increased number of higher density and more affordable condominium/apartment developments in recent years.

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.

➤ **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 affordable properties (sub-Baht 10 million) such as Skypark with units priced from Baht 3 million upwards. Following the success of Laguna Park 1, Laguna Park 2 (mid-range residential property) is offered. These townhomes and villas are typically smaller than previous Laguna Village Residences projects in order to keep price points attractive.

➤ **Three Year Outlook**

The imminent Business outlook lacks visibility given the Covid-19 pandemic crisis which has slowed down the world economy and has seen second and third waves of infections in many countries, including Thailand. The Hospitality sector has seen large-scale cancellations and a slow-down in booking pace compared to last year as has been explained in earlier sections. We will continue to exercise the stringent cost-saving practices throughout the organization, implemented in 2020, and will place our focus both on the domestic market in Thailand and those markets which we believe will open up earliest while continuing to keep our good relationships with our long-haul market partners to ensure we can react quickly as and when a market opens to us. At this juncture depending on how 2021 levels out will determine our next 3 years. We are positive when the rebound takes place, we will be best placed with our efficient and lean hotel operations to bring in business in a highly profitable manner.

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.

In 2020, two new luxury hotels opened in Bangkok, providing an additional 687 rooms. New openings were Carlton Hotel Bangkok (338 rooms) in early Sukhumvit and Kimpton Maa-Lai Bangkok (349 rooms) in Lumpini, both located in the CBD district. Other hotel openings totaling 1,005 rooms in the upscale and midscale segment were Staybridge Suites Bangkok Thonglor (303 rooms), Solaria Nishitetsu Hotel Bangkok (263 rooms), Oakwood Suites Bangkok (228 rooms), Villa De Pranakorn (47 rooms), The Quarter at Phrom Phong (120 rooms) and Ashley Hotel (44 rooms).

The COVID-19 pandemic has prompted hotel operators to delay new openings. Five hotels totaling 1,575 rooms had planned to open in 2020, however, some will likely delay their openings. These hotels include Sindhorn Midtown Hotel (475 rooms), Sindhorn Kempinski Hotel (285 rooms), Orient Express King Power Mahanakhon (154 rooms), Four Seasons hotel (301 rooms), The Capella Bangkok (101 rooms), and Steigenberger Hotel Riverside (259 rooms). The huge amount of new hotel supply will put further pressure on Bangkok's hotel market.

Before the COVID-19 pandemic, the property market has 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. The COVID-19 situation has caused uncertainties to the business performance of the Group since the beginning of 2020. At this stage, the COVID-19 pandemic has resulted in unprecedented global travel advisories and airline cancellations. Most of the group's hotels have seen substantial room cancellations as a result of global travel restrictions and lockdowns. This has significantly negatively impacted the property development business in Thailand.

In the term of the outlook for the coming year, it is impossible to predict when the negative effect of the coronavirus will come to an end. Combined with this uncertainty are potential headwinds with the increased global market and geopolitical risks such as U.S.-China trade tensions, stock market volatility, higher interest rates, etc which if exacerbated could weaken investor confidence and softened demand for our properties. However, given the enduring appeal of Phuket and Bangkok, their value proposition, and their standing among global resort markets, it is expected that any downturn will be limited. Historically, political disturbances in Thailand have deferred demand for hospitality and property in Phuket and Bangkok, but have not cancelled it. As such, the Company is still confident about the long-term prospects.

2.3 Project Status

The construction and sales progress of projects as of 31 December 2020 is shown in the table below:

Project	Value (Million THB)	Units				% Completion
		Total	Sold	% Sold	Recognized	
<u>Completed Projects:</u>						
Banyan Tree Bangkok	699	24	15	63%	15	100%
Banyan Tree Double Pool Villas	1,897	26	23	88%	23	100%
Banyan Tree Pool Villa	383	8	7	88%	6	100%
Cassia 1	1,412	229	195	85%	182	100%
Cassia 2	744	105	65	62%	62	100%
Cassia 3	1,704	188	184	97%	183	100%
Laguna Park 1 Townhome	1,465	155	155	100%	155	100%
Laguna Park 1 Villa	1,476	96	96	100%	96	100%
Laguna Village Residences 7	349	10	10	100%	10	100%
The Lofts at Laguna Village	254	22	10	45%	10	100%
Subtotal	10,383	863	760	88%	736	100%
<u>Projects Under Construction:</u>						
Dhawa	796	124	39	31%	-	40%
Angsana Beachfront Residence	2,110	54	41	76%	27	83%
Angsan Oceanview	1,087	33	7	21%	-	17%
Banyan Tree Grande Residences	1,995	19	2	11%	2	34% *
Laguna Park 2 Townhome	405	28	18	64%	13	64%
Laguna Park 2 Villa	497	25	13	52%	11	62%
Laguna Village Residences 8	671	16	5	31%	5	35% *
Skypark (New)	2,063	416	278	67%	-	5%
Subtotal	9,624	715	403	56%	58	
Total	20,007	1,578	1,163	74%	794	

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

3. RISK FACTORS

3.1 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. The adverse impact of a pandemic cannot be more evident than the outbreak of the Covid-19 in 2020 which has caused the Company's business and the global hospitality industry to slump to an all-time low over an unprecedented prolonged period. At the time of writing this report, there is still very little clarity as to when the business will return to pre-Covid levels.

3.2 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.

3.3 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. In 2015, a significant devaluation of the ruble impeded the performance of the two hotels in Phuket making China the key business market. In 2016 the Group's hotels were not affected by the clampdown of the China zero-dollar tour operations. During the year-end high season of 2016 and 2017, the hotels in Phuket saw the return of the Russian market, and whilst this is good news, it also means managing this market is crucial (Russia is not a key source market for Banyan Tree Bangkok). In view of this, the Group will seek alternative markets to achieve a balanced customer base.

3.4 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.

3.5 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.

3.6 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.

3.7 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.

3.8 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.
- Travel advisories cautioning people to defer and/or avoid travel.
- 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.

3.9 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.

4. OPERATING ASSETS

4.1 Operating assets of the Company and its subsidiaries

(A) As at 31 December 2020, 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	Phuket	144 rooms	Owner	Hotel	1,334	363	1,697	(1) Mortgaged for 1,353 MB loans
Bangtao Grande Limited	2. Angsana Laguna Phuket	Phuket	337 rooms	Owner	Hotel	723	227	950	(2) Mortgaged for 2,147 MB loans
Thai Wah Plaza Limited	3. Banyan Tree Bangkok	Bangkok	313 rooms	Owner	Hotel	1,100	451	1,551	(3) Mortgaged for 2,161 MB loans
Phuket Grande Resort Limited	4. Cassia Phuket	Phuket	309 rooms	Owner	Hotel	190	17	207	(4) Mortgaged for 720 MB loan
Laguna Holiday Club Limited	5. Laguna Holiday Club	Phuket	79 rooms	Owner	Hotel	213	35	248	(5) Mortgaged for 250 MB loan
Laguna Grande Limited	6. Laguna Phuket Golf Club	Phuket	18 holes	Owner	Golf course	-	13	13	As per (5)
Laguna Service Company Limited	7. Laguna Service	Phuket	7 Rai	Owner	Utilities and resort support services provider	35	57	92	(6) Mortgaged for 94 MB loan
Subsidiary companies	8. Banyan Tree and Angsana Gallery	Phuket / Bangkok	7 shops	Owner	Retail shops	7	6	13	None
The Company and its subsidiaries	9. Building, furniture, fixtures and equipment	Phuket / Bangkok	-	Owner	For operations	267	56	323	None
						Land		Total	
Subsidiary companies	10. Land	Bangkok	2 Rai	Owner	Hotel location	992		992	As per (3)
The Company and its subsidiaries	11. Land	Phuket	900 Rai	Owner	Laguna Phuket location	6,567		6,567	As per (2),(4), (5) and (6)

Total **12,653**

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 29 November 2019. 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.

(B) As at 31 December 2020, 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
						Land awaiting for development/ sales	Building office units and shops for rent	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 Tower 1	Bangkok	16,113 Sq.m.	Owner	Office premises for lease	-	886	886	As per (3)
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	1,426 Rai	Owner	Land awaiting for development/sales	203	-	203	None
Total						508	903	1,411	

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 31 March 2020. The appraiser’s names are Miss Navaporn Wongurai – Authorized Valuer No. 012 or Mr. Surasit Phanthanakong – Authorized Valuer No. 013.

Property development projects for sale

As at 31 December 2020, 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
Laguna Banyan Tree Limited	1. Banyan Tree Double Pool Villa	Phuket	1,353 Sqm	Owner	3	70	March 2007	As per (1)
PT. AVC Indonesia	2. AVC Indonesia	Indonesia	1,341 Sqm	Owner	11	33	January 2008	None
Laguna Holiday Club Limited	3. Laguna Holiday Club	Phuket / Chiang Mai / Hua Hin / Pattaya	6,590 Sqm	Owner	43	172	November 2008	(7) Mortgage for 590 MB loan
Phuket Grande Resort Limited	4. Cassia Phuket Phase 1	Phuket	8 Rai	Owner	34	153	November 2015	As per (4)
Phuket Grande Resort Limited	5. Cassia Phuket Phase 2	Phuket	4 Rai	Owner	41	185	May 2018	As per (4)
Phuket Grande Resort Limited	6. Cassia Phuket Phase 3	Phuket	6 Rai	Owner	5	24	October 2019	As per (4)
Laguna Grande Limited	7. Laguna Park 2 - Townhomes & Villas	Phuket	13 Rai	Owner	23	493	November 2019	(11) Mortgage for 135 MB loan
Laguna Banyan Tree Limited	8. Banyan Tree Grande Residence	Phuket	19 Rai	Owner	17	434	June 2020	As per (1)
TWR-Holdings Limited	9. Laguna Village Residences 8	Phuket	24 Rai	Owner	11	113	August 2020	None
TWR-Holdings Limited	10. Sky Park	Phuket	7 Rai	Owner	416	135	in early 2022	None
Bangtao Laguna Limited	11. Angsana Beach Front	Phuket	9 Rai	Owner	25	473	October 2020	(8) Mortgage for 1,400 MB loan
Bangtao Grande Limited	12. Angsana Ocean View	Phuket	2 Rai	Owner	33	211	Suspended	(9) Mortgage for 800 MB loan
Laguna Grande Limited	13. Dhawa Residence	Phuket	2 Rai	Owner	124	183	Suspended	(10) Mortgage for 298 MB loan
Subsidiary companies	14. Land awaiting for future development	Phuket	924 Rai	Owner	-	1,389	-	None
Subsidiary companies	15. Other	Phuket	-	Owner	-	97	-	None
Total					786	4,165		

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.

4.2 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.

4.3 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 2020, 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. Hence land and building were appraised to ensure that the company presented the fair value at the year-end.

The detail of types of asset revaluation, the purpose of revaluation, name of the appraiser, and the date of revaluation is shown under the section 4.1.

5. 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 46.1 - 46.4 of the Company's notes to consolidated financial statements.

6. GENERAL INFORMATION AND OTHER MATERIAL INFORMATION

6.1 General Information

6.1.1 The Issuing Company

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, 7 th , 22 nd and 24 th floor, 21/17B, 21/17C, 21/65, 21/66 and 21/68 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

6.1.2 Companies in which the Company's Shareholding Exceed 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 2020.

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	Owens land on which the golf course is situated	Phuket	20,930,000	100.00	20,930,000	100.00	66 (0) 7636 2300
BT2	Owens 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
BT4	Owens land on which the golf course is situated	Phuket	14,550,000	100.00	14,550,000	100.00	66 (0) 7636 2300
BTC	Investment holdings	Singapore	-**	-**	SGD235,435,987	10.69	(65) 6849 5888
BTL	Owens 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

Company (Abbreviations)	Type of Business	Head Office	Registered Capital (Baht)	Par Value (Baht/Share)	Paid-Up Capital (Baht)	Shareholding Proportion (Direct+Indirect*) (%)	Telephone
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
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
LHC	Holiday club membership and property development	Phuket	330,000,000	100.00	330,000,000	100.00	66 (0) 7636 2400
LLL	Property development	Phuket	1,000,000	100.00	1,000,000	95.00	66 (0) 7636 2300

Company (Abbreviations)	Type of Business	Head Office	Registered Capital (Baht)	Par Value (Baht/Share)	Paid-Up Capital (Baht)	Shareholding Proportion (Direct+Indirect*) (%)	Telephone
LSC	Provide utilities and other services to hotels of subsidiaries	Phuket	90,500,000	100.00	90,500,000	72.90	66 (0) 7630 5639-42
LVL	Dormant	Phuket	6,000,000	100.00	6,000,000	100.00	66 (0) 7633 6900
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	Property 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

Company (Abbreviations)	Type of Business	Head Office	Registered Capital (Baht)	Par Value (Baht/Share)	Paid-Up Capital (Baht)	Shareholding Proportion (Direct+Indirect*) (%)	Telephone
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	1,550,000,000	100.00	1,550,000,000	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	Owens 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	60.00	66 (0) 7636 2300

Remark

- * 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" in Attachment 6

6.1.3 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
Facsimile 66 (0) 2033 9660
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 9000 and 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
The Stock Exchange of Thailand Building,
93 Ratchadapisek Road, Dindaeng, Bangkok 10400, Thailand
Telephone 66 (0) 2009 9000
Facsimile 66 (0) 2009 9991
Email SETContactCenter@set.or.th Homepage www.set.or.th/tsd
- **Auditor:**
EY Office Limited by
Ms. Rungnapa Lertsuwankul, C.P.A. No. 3516 and/or
Ms. Rosaporn Decharkom, C.P.A. No. 5659 and/or
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
Lake Rajada Office Complex, 33rd floor,
193/136-137 Ratchadapisek Road, Klongtoey, Bangkok 10110, Thailand
Telephone 66 (0) 2264 0777
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

120/590 Nonsri Road, Chongnonsi, Yannawa, Bangkok 10120, Thailand

Telephone 66 (0) 2681 3371

- **Legal Counselors:**

Allen & Overy (Thailand) Company Limited

Sindhorn Tower 3, 22nd floor,

130-132 Wireless Road, Lumpini, Patumwan, Bangkok 10330, Thailand

Telephone 66 (0) 2263 7600

Facsimile 66 (0) 2263 7699

Amphon Anuporn & Associates Law Office Company Limited

80/2 Trok Sathien, Tanao Road, Sarnchaophorsua, Phranakorn, Bangkok 10200, Thailand

Telephone 66 (0) 2622 0200

Facisimile 66 (0) 2622 0198

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

Attaworadeh & Associates Company Limited

Srijulsup Tower, 12th Floor

44 Rama I Road, Rong Mueang, Patumwan, Bangkok 10330, Thailand

Telephone 66 (0) 2613 9449

- **Financial Advisor:**

None

- **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

6.2 Other Material Information

-None-

PART II
MANAGEMENT AND CORPORATE GOVERNANCE

7. SECURITIES AND SHAREHOLDERS

7.1 Registered 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 2020, 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 46,950 shares or 0.03 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.

7.2 Shareholders

7.2.1 Major Shareholders as at 30 December 2020

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. Suvit Laohapholwattana		2,983,800	1.8
4	International Commercial Development Company Limited		2,585,950	1.6
5	Mr. Wachira Thayanaraporn		2,072,000	1.2
6	Ms. Pawana Atcharawan		1,839,300	1.1
7	Mr. Somchai Tiathasin		1,243,600	0.8
8	Ms. Pawita Kongthanasomboon		731,000	0.4
9	Mr. Permsak Kengmana		557,950	0.3
10	Mr. Phitak Boonpojanasontorn		346,853	0.2
	Other Minority Shareholders		7,024,545	4.2
	Total		166,682,701	100.0

Remarks:

= As at the last share register book closing date. Updated shareholder information prior to the 2021 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.

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.

7.2.2 Shareholders' Agreement

There are no shareholding agreements among the major shareholders, to which the Company is a party, which has an effect on the issue and offer for sale of securities or business operations of the Company.

7.3 Issuing of other securities

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

7.4 Dividend Policy

7.4.1 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

7.4.2 Dividend Policy of the Subsidiaries

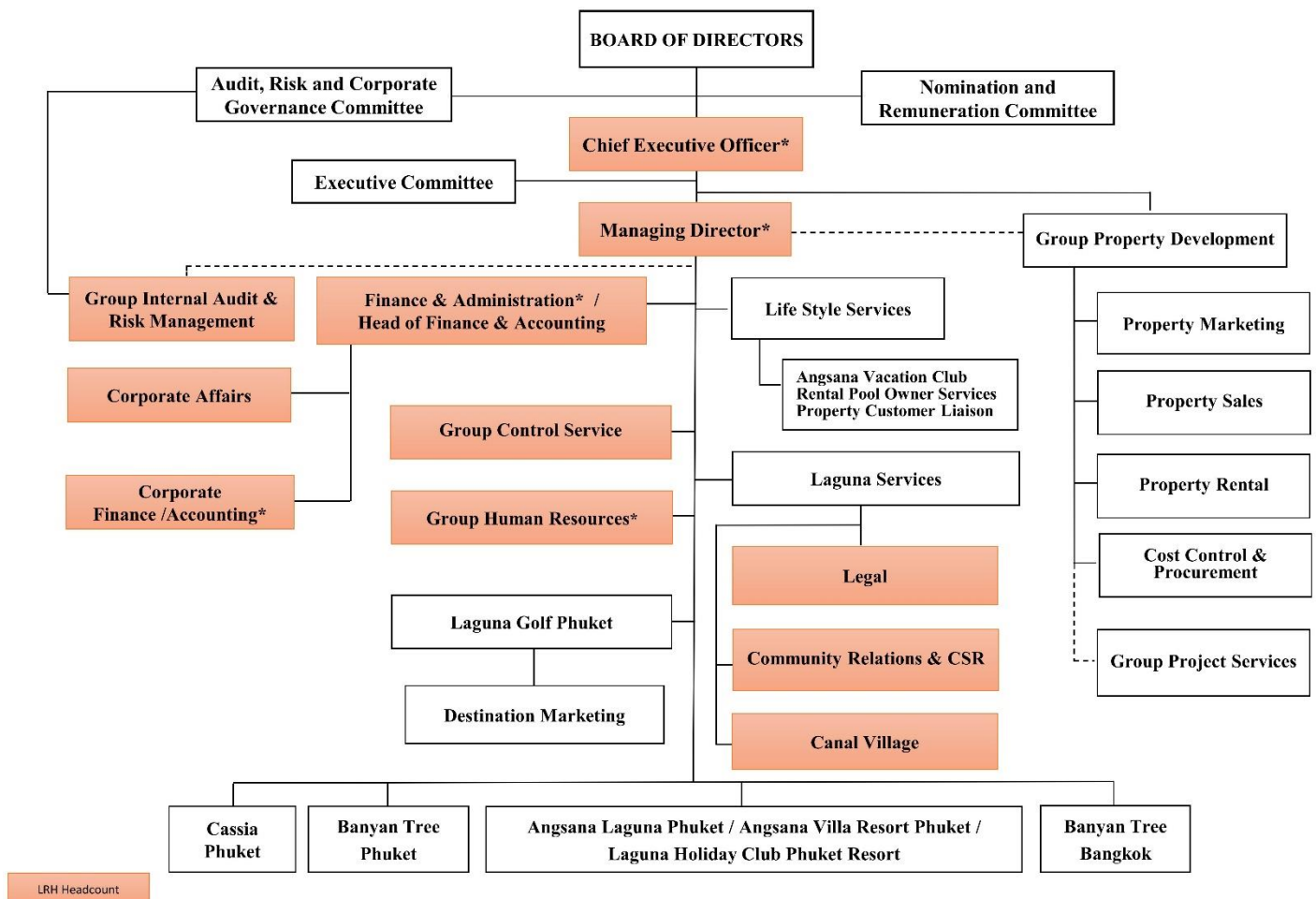
In respect of the dividend payment policy of the subsidiaries, such subsidiaries will pay dividends from their net profits. There is no specific dividend policy and dividend payment is subject to many factors such as their financial condition and results of operations, liquidity, business expansion and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

8. MANAGEMENT STRUCTURE as of 31 December 2020

8.1 Board Structure

The Board structure is comprised of the main board and 2 committees: (1) Board of Directors, (2) Audit, Risk and Corporate Governance Committee, and (3) Nomination and Remuneration Committee.

Organization Chart



As of December 2020

Remark:

* Management of the Company in accordance with the definition of the Securities and Exchange Commission

(1) Board of Directors

The Board of Directors of the Company comprises 13 Directors, 5 of whom are Independent Directors representing more than one-third of total Board members as follows:

Name		Position	Number of Meeting Attendance during 2020 / Total
1. Mr. Ho	KwonPing	• Chairman of the Board	4/4
2. Mr. Vudhiphol	Suriyabhivadh	• Independent Director* • Audit, Risk and Corporate Governance Committee Chairman • Nomination and Remuneration Committee Member	4/4
3. Dr. Jingjai	Hanchanlash	• Independent Director* • Nomination and Remuneration Committee Chairman • Audit, Risk and Corporate Governance Committee Member	4/4
4. Mr. Thongchai	Ananthothai	• Independent Director* • Audit, Risk and Corporate Governance Committee Member • Nomination and Remuneration Committee Member	4/4
5. Ms. Srinthorn	Ounayakovit	• Independent Director*	4/4
6. Mr. Surapon	Supratya ¹	• Independent Director*	3/4
7. Mr. Ariel	P. Vera ²	• Non-Executive Director	4/4
8. Mr. Ho	KwonCjan	• Director	4/4
9. Mr. Eddy	See Hock Lye	• Director	4/4
10. Mr. Ho	Ren Hua	• Director	4/4
11. Mr. Shankar	Chandran	• Director	4/4
12. Mr. Stuart	David Reading	• Director	4/4
13. Ms. Ho	Ren Yung	• Non-Executive Director	3/4 ³

* The definition of “Independent Director” is disclosed under the section of “Corporate Governance”.

- Qualification and profile of the directors are shown in Attachment 1.

¹ Mr. Surapon Supratya resigned from his directorship on 1 January 2021.

² Mr. Ariel P. Vera was appointed as an Independent Director at the Board Meeting of the Company held on 24 February 2021.

³ Ms. Ho Ren Yung was appointed as new Non-Executive Director by the resolution of the 2020 Annual General Meeting on 27 April 2020.

Authorized Signatory

The Company's authorized signatories are "Two directors from the following six directors namely Mr. Ho KwonPing, Mr. Ho KwonCjan, Mr. Stuart David Reading, Mr. Ho Ren Hua, Mr. Eddy See Hock Lye and Mr. Shankar Chandran 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).
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. 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.
11. 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.
12. 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.
13. 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.
14. 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.
15. 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.
16. Establishing a clear anti-corruption policy and practices and disseminating to the Company's stakeholders for proper implementations.
17. Establishing a mechanism for handling complaints and whistleblowing.
18. 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.
19. 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.

(2) Audit, Risk and Corporate Governance Committee

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

Name		Position
1. Mr. Vudhiphol	Suriyabhivadh	Chairman
2. Dr. Jingjai	Hanchanlash	Member
3. 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.
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.

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.

(3) Nomination and Remuneration Committee

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

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

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.

8.2 Management*

Management of the Company comprised of the following members:

Name			Position
1.	Mr. Ho	KwonPing	Chief Executive Officer
2.	Mr. Shankar	Chandran	Managing Director
3.	Mr. Kuan	Chiet ¹	Chief Financial Officer, Vice President, Finance & Administration and Company Secretary
4.	Ms. Piploy	Pluemarom	Assistant Vice President, Group Human Resources
5.	Ms. Areewan	Sriwichupong	Chief Accountant and Assistant Vice President, Finance

Remark:

- Qualification and profile of the management is shown in Attachment 1
- * Effective from 1 February 2015 all positions from Assistant Vice President and above are considered management of the Company in accordance with the definition of the Securities and Exchange Commission
- ¹ Mr. Kuan Chiet resigned as Chief Financial Officer on 15 January 2021 and was replaced by Mr. Edmund Tan Min Hai.

8.3 Company Secretary

Mr. Kuan Chiet was appointed as the Company Secretary of the Company effective from 1 December 2020 following the resolution of the Board of Directors' Meeting on 11 November 2020. 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)

8.4 Remuneration

8.4.1 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 attain the Group's financial objectives.

Directors' Remuneration

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.

Details of the remuneration paid to directors of the Board and management in 2020 are disclosed in the Company's 2020 annual report and Form 56-1 under the section "Directors' and Managements' Remuneration".

8.4.2 Remuneration and Other Benefits of the Directors during the Year 2020*

No	Name	Position	Remuneration/Other Benefits (Baht/Year)		
			The Board	Audit, Risk and Corporate Governance Committee	Nomination and Remuneration Committee
1	Mr. Ho KwonPing	Chairman of the Board and Chief Executive Officer	969,400 / -	- / -	- / -
2	Mr. Vudhiphol Suriyabhivadh	Independent Director, Audit, Risk and Corporate Governance Committee Chairman and Nomination and Remuneration Committee Member	647,500 / 60,000 ¹	321,900 / -	45,000 / -
3	Dr. Jingjai Hanchanlash	Independent Director, Audit, Risk and Corporate Governance Committee Member and Nomination and Remuneration Committee Chairman	647,500 / 60,000 ¹	166,500 / -	87,000 / -
4	Mr. Thongchai Ananthothai	Independent Director, Audit, Risk and Corporate Governance Committee Member and Nomination and Remuneration Committee Member	647,500 / 60,000 ¹	166,500 / -	45,000 / -
5	Ms. Srinthorn Ounayakovit	Independent Director	647,500 / 60,000 ¹	- / -	- / -
6	Mr. Surapon Supratya	Independent Director	647,500 / 60,000 ¹	- / -	- / -
7	Mr. Ariel P. Vera	Non-Executive Director	647,500 / - ²	- / -	- / -
8	Mr. Ho KwonCjan	Director	425,500 / -	- / -	- / -
9	Mr. Eddy See Hock Lye	Director	425,500 / -	- / -	- / -
10	Mr. Ho Ren Hua	Director	425,500 / -	- / -	- / -
11	Mr. Shankar Chandran	Director and Managing Director	425,500 / -	- / -	- / -
12	Mr. Stuart David Reading	Director	425,500 / -	- / -	- / -
13	Ms. Ho Ren Yung ³	Non-Executive Director	472,500 / - ⁴	- / -	- / -

Remark:

- * Voluntary reduction of 15% in directors' fees at the board and sub-committee levels with effect from Q2 to Q4 2020
- ¹ Spa and Gallery Voucher amounting to USD 2,000 (approximately Baht 60,000 per person)
- ² Mr. Ariel P. Vera, Non-Executive Director, did not take spa and gallery vouchers.
- ³ Ms. Ho Ren Yung was appointed as a new Non-Executive Director by the resolution of the 2020 Annual General Meeting on 27 April 2020.
- ⁴ Ms. Ho Ren Yung, Non-Executive Director, did not take spa and gallery vouchers

8.4.3 Directors and Managements' Remuneration

Monetary Remuneration

(a) Directors

The remuneration fees of the year 2020 for each category of directors of the Board and each category of committee members of the Audit, Risk and Corporate Governance Committee (ARCG) and Nomination and Remuneration Committee (NRC) remained at the same amount and format approved by the 2019 Annual General Meeting 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 2020 was in the total amount of Baht 8,286,300. Directors of LRH are not paid director fees by any of LRH's subsidiary companies.

Details as shown in the above section, "Remuneration and Other Benefits of the Directors during the Year 2020".

(b) Management

Monetary remuneration for the top 7 management in 2020 amounted to Baht 22,176,128 consisting of salaries, bonus, housing allowance, social security payment, provident fund payment, tax paid by the Company, children education subsidy, medical expenses, etc.

Non-Monetary Remuneration

(a) Directors

Benefits in the form of spa and gallery vouchers for the Independent Directors and Non-Executive Directors in 2020 were in the total amount of Baht 300,000.

Details as shown in the above section, "Remuneration and Other Benefits of the Directors during the Year 2020".

(b) Management

Employee benefits such as personal accident and health insurance and complimentary vouchers, etc., for the top 7 management in 2020 were in the total amount of Baht 968,415.

8.5 Human Resources

The number of employees of the Company (excluding those in the subsidiaries) as at 31 December 2020 was 50 employees as detailed below:

Department	No. of Employees
Management office	4
Cost, Contract Administration & Procurement Services	4
Accounting	5
Corporate Community Relations	7
Administration & General	6
Corporate Affairs	2
Community Relations & Corporate Social Responsibilities	4
Group Control Service	2
Human Resources	10
Internal Audit	1
Canal Village	1
Legal	2
Owned Hotels Operations	1
Laguna Job	1
Total	50

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 2020 amounted to Baht 62,617,165.

9. CORPORATE GOVERNANCE

9.1 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 practices and policies 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 and publicized the Corporate Governance Policy and Code of Corporate Conduct via the Company's website for all employees at all level to better understand and 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.

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 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 good long-term performance and create value for sustainable business. The Board of Directors has annually reviewed the Corporate Governance Policy for the 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 shareholders' rights. In the Company's Annual General Meeting held on 27 April, 2020 the Company conducted the meeting in full compliance with all relevant laws and regulations in respect of shareholders' rights in the following manner.

- 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, shareholders are given the right to approve important matters such as the election of directors (shareholders can elect directors individually), directors' remuneration, the appointment of auditors and 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.

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 Plc 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 package for 2020 AGM was sent 10 days in advance which is later than usual due to the impact of Covid-19 pandemic). 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 2020 AGM were posted on the Company's website 19 days in advance which is later than usual due to the impact of Covid-19

pandemic). 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 2020 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 meeting and the number of shares held by them. The legal counsels also verify the vote-counting procedure in respect 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 each 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 2020 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 ask the directors and management questions regarding matters affecting the Company. 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 on 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 to be present at the meeting to assist shareholders and the Board to communicate more effectively in English and Thai. At the 2020 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 2020 Annual General Meeting.
- 1.11 The Company gives an opportunity for shareholders to freely communicate with each other without creating any barriers and also provides convenient access to relevant news and information via the Company's website (www.lagunaresorts.com) for shareholders to receive adequate important information 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 94.50 points out of 100 points for the 2020 AGM Checklist assessment conducted by the Thai Investors Association. The Company will continue to strive to improve its good corporate governance practices.

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 complied 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.
- 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 make voting directions. 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 once every 3 months.
- 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 Form 56-1 and under the heading "Persons with Mutual Interest and Connected Transactions" in the Company's Annual Report.

During 2020, 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 to provide guidelines for the Board, senior management, and employees of all levels to comply with. The Statement includes the prohibition on the improper use of insider 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 the heading "Supervision on the Use of Inside Information" in the Form 56-1 and the Company's Annual Report. There is no violation of the policy found during the past year.
- 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.

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 following the Company's direction and 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 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 is the Company tailored for each position/employee such as new employee orientation and anti-corruption policy
- 2) Career training is a special course. Employees can apply for, including outsourced institutions, for a specific development.

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

New Employee Orientation

All new employees shall attend orientation training which is aimed to introduce new employees to the rules and regulations in the workplaces, the organization's policies and 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.

Knowledge/Skills Development

The Company assigns the development process by having 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 Growth and Expansion of the Company

For the staff development to support the growth and expansion of the Company, there is the Succession Plan for the managerial level up. This is to prepare them to be ready for the next position and long-term expansion of the Company. Furthermore, high potential middle Management and Assistant Manager employees are selected to participate in the Management Development Program (MDP) and Talent Management Program respectively, to prepare them for promotion opportunities.

For talent development, the Company also has the Management Trainee Program to develop new graduates to grow in the management level in the future. In the first year, they are assigned to experience every department to gain operational knowledge and skills. They are also expected to submit their report with their findings and alternative solutions to the executive team. In the second year, they are promoted to be permanent staff at their sponsored hotel and further developed to be middle and top management accordingly.

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 products and services, innovate to add more value 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.

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 CSR 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 CSR programs which focus on social and educational development, environmental conservation, religious and cultural preservation, associate benefits and relations, details as shown under the heading "CSR" in Form 56-1 and in the Company's Annual Report as well as in the Company's website (www.lagunaresorts.com).

Green Leaf Awards 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 "CSR/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 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 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, and the provision and acceptance of gifts.

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 and serve 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 is proud to announce it is a certified member of CAC since February 2019 after putting in place all necessary anti-corruption policies and measures under the stringent guidelines of the CAC.

The Company announced the “No Gift Policy” during new year festivals and other occasions in compliance with the Good Corporate Governance Policy and Anti-Corruption Policy regarding the provision and acceptance of gifts by 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 to the management and employees of the Company. In case it is inconvenient to return 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) 2285 0112. 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. 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 an environmental training session 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 2017, 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 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 and 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 together with its business operations with responsibility toward the overall community and society as per the following details:

- (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 receive training periodically to maintain the level of competency to help guests and employees found to have illness or accident in the hotel and workplace.

- **Exercise Evacuation Tsunami in Phuket.**

The Company has many employees working in offices and hotels in Phuket. Tsunami Evacuation drills are practiced every year. The main objectives are to enhance the knowledge, skills and expertise in evacuating staff and guests, help victims, practice the 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 the 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. There were no complaints about the unfair treatment of employees in the past year.

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. There is no violation of intellectual property or copyright found in the past year.

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,

- 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 Board 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 Annual Report. In 2020, 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 "Management Structure" in Form 56-1 and the Company's Annual Report.
- The professional experience of the directors, members of other committees, Head of Group Internal Audit and Company Secretary is detailed in Attachment 1 to Form 56-1 and under the heading "Board of Directors Management, Head of Group Internal Audit and Company Secretary of the Company" in the Company's Annual Report.
- The number of Board meetings held and the number of Board meetings attended by each director in 2020 are detailed in clause 5 under "Board Responsibility" hereof.
- The performance of the Audit, Risk and Corporate Governance Committee in the past year are detailed in Attachment 4 to Form 56-1, and under the heading "Report of the Audit, Risk and Corporate Governance Committee" in the Company's Annual Report.
- The performance of the Nomination and Remuneration Committee in the past year are detailed in Attachment 5 to Form 56-1 or under the heading "Report of the Nomination and Remuneration Committee" in the Company's Annual Report.
- The remuneration for directors and management is detailed under the heading "Directors' and Management's Remuneration" in Form 56-1 and the Company's Annual Report.

4.6 In 2020, 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 13 members, 5 of whom are Independent Directors namely Mr. Vudhiphol Suriyabhivadh, Dr. Jingjai Hanchanlash, Mr. Thongchai Ananthothai, Ms. Srinthorn Ounayakovit and Mr. Surapon Supratya, 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 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.

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 of the Board 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 do 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 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 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.

5.1.3 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 fit.

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.

5.1.4 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.

5.1.5 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;
- 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.

5.1.6 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 Chief Executive Officer of the Company. He is closely associated with the Group's success. The current board structure maintains an appropriate check and balance system because half of the Board members are non-executive directors. The Board is of the view that the current structure is appropriate and adequate given that Mr. Ho KwonPing has been able to effectively and competently execute the responsibilities of both the Chairman of the Board and Chief Executive Officer positions.

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.

5.1.7 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 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 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.

Duties and responsibilities of the Board have been disclosed under the heading "Management Structure" in Form 56-1 and the Company's annual 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 "Management Structure" in Form 56-1 and the Company's Annual 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 "Management Structure" in Form 56-1 and the Company's Annual 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 practices and policies 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.

5.3.2 Code of Corporate 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.

5.3.3 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.

5.3.4 Leadership and Vision

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

5.3.5 Conflict of Interest

Transactions between the Company and its related parties which may give rise to a 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. 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 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 Form 56-1 and under the heading "Persons with Mutual Interest and Connected Transactions" in the Company's Annual Report.

5.3.6 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 appraisal 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 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, 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.

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. It also provides for significant risks 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.

5.3.7 Meetings of the Board and Committees

1. The Board

The Company conducts Board meetings at least 4 times a year every quarter which are planned and formally agreed upon in advance in the fourth quarter 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 2020, the Company conducted 4 Board meetings and the attendance of all directors is shown below.

Name		Number of Attendances / Total
Mr. Ho	KwonPing	4/4
Mr. Vudhiphol	Suriyabhivadh	4/4
Dr. Jingjai	Hanchanlash	4/4
Mr. Thongchai	Ananthothai	4/4
Ms. Srinthorn	Ounayakovit	4/4
Mr. Surapon	Supratya	3/4
Mr. Ho	KwonCjan	4/4
Mr. Ariel	P. Vera	4/4
Mr. Eddy	See Hock Lye	4/4
Mr. Ho	Ren Hua	4/4
Mr. Shankar	Chandran	4/4
Mr. Stuart	David Reading	4/4
Ms. Ho	Ren Yung	3/4 ¹

¹ Ms. Ho Ren Yung was appointed as new Non-Executive Director by the resolution of the 2020 Annual General Meeting on 27 April 2020

The Board is of the view that the contribution of each director should not be focused only on his or her attendance at Board and/or Committee meetings. A director's contribution may also extend beyond the confines of the formal environment of Board meetings, through the sharing of views, advice,

experience, and strategic networking relationships which would further the interests of the Company.

2. Audit, Risk and Corporate Governance Committee

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 2020, 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 2020, the Audit, Risk and Corporate Governance Committee attended 1 non-management meeting with the external auditor to deliberate accounting approaches and audit plans.

3. Nomination and Remuneration Committee

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 2020, the Company conducted 1 Nomination and Remuneration Committee meeting. Each of the Nomination and Remuneration Committee members attended the meetings as follows:

Name		Number of Attendances / Total
Dr. Jingjai	Hanchanlash	1/1
Mr. Vudhiphol	Suriyabhivadh	1/1
Mr. Thongchai	Ananthothai	1/1

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.

5.3.8 The Non-Management Meeting

The Company encourages non-executive directors to hold meetings with the external 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 2020, there was one non-management meeting held in November.

5.3.9 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 Report. 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 each 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 pertinent information relating to the financial statements is clearly and completely disclosed in the accompanying notes.

Details are described under the heading "Internal Control and Risk Management" in Form 56-1 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 Annual 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, and clarifications. The Company has a safe and secure filing system in place to keep the minutes of meetings and other supporting documents.

5.3.10 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 2020, Mr. Kuan Chiet, Company Secretary and Vice President – Finance & Administration attended the CGR 1-1 Workshop 2020 held by the SET.

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

5.3.11 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 Company to new directors such as an annual report 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.

5.3.12 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 for any external directorship from the Nomination and Remuneration Committee. 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.

5.3.13 Nomination of Board members

The Nomination and Remuneration Committee will be responsible for the nomination of new directors. The Nomination and Remuneration Committee will search for potential candidates and propose the same to the Board of Directors or the shareholders' meeting (as the case may be) for consideration and appointment. The following matters will be taken into consideration as part of the selection criteria: the 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, the diversity in the structure of the Board of Directors (Board Diversity), including but not limited to, race, religion, national origin and gender, the appropriateness of the qualifications and skills of the director(s) that are necessary but lacking among the existing Board of Directors. The Board Skill Matrix will be used to identify the required qualifications.

5.3.14 Nomination Procedures

The Nomination and Remuneration Committee will select candidates for the position of director(s) of the Company from the recommendation of other directors, the nomination by the shareholders of the Company, the service of external professional search firms, or the directors' pools of various agencies, or other nomination procedures as the Nomination and Remuneration Committee considers appropriate.

5.3.15 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 for the succession of these key positions in the organization.

5.3.16 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 and on an individual basis.
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

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 2020 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 86.4 percent which is in the Excellent category and the Board of Directors on an individual basis achieved an average score of 88.4 percent which is in the Excellent category.
2. The Audit, Risk and Corporate Governance Committee achieved an average score of 97.2 percent which is in the Excellent category.
3. ***The Nomination and Remuneration Committee achieved an average score of 94.4 percent which is in the Excellent category.***

9.2. Board Structure

Details on Board Structure and Management of the Company are described in Section 8.1 and 8.2 under the heading "Board Structure" and "Management".

9.3 Method of Appointment and Removal of Directors as Included in the Company's Articles of Association

9.3.1 Appointment of Directors

- (a) The number of the Board of Directors shall not be less than 5 directors and at least half of the total directors shall reside in Thailand.
- (b) Directors shall be elected in a shareholders' meeting in accordance with the following rules and procedures:
 - In voting to elect directors, the votes shall be non-cumulative.
 - In voting, the shares of each shareholder shall be counted as one vote for every share.
- (c) If any vacancy occurs in the Board of Directors other than by rotation, the Board of Directors shall elect another person who is qualified and has not been prohibited by Section 68 of the Public Limited Company Act. B.E. 2535 to be a director for the next directors' meeting, except when the period of office for the vacating director is less than 2 months, it is then not necessary to appoint any new director. The appointed person shall stay in office for the remaining period of the vacating director.

The resolution of the Board of Directors for the above paragraph shall not be less than three-fourths of the remaining number of directors.

In the event where there are director positions vacant and the numbers of remaining directors are unable to form a quorum, the remaining directors shall transact on behalf of the Board of Directors only to arrange for a shareholders' meeting to appoint new directors for the vacant positions. The shareholders' meeting to appoint new directors to fill the vacant positions shall be made within 1 month from the date they became vacant.

9.3.2 Removal of Directors

- (a) At each Annual General Meeting, one-third of the directors shall retire from office, or if their number is not a multiple of 3, then the number nearest to one-third shall retire from office.

Directors due to retire during the first and second years following the registration of the Company shall be drawn by lots. In subsequent years, the director who has been longest in the office shall retire.

A retiring director shall be eligible for re-election.

- (b) Apart from retiring by rotation, a director position shall also be vacated upon:-
- Death
 - Resignation
 - Lack of qualification or subject to any prohibition under Articles 68 of the Public Limited Company Act B.E. 2535
 - Removal by a resolution of a shareholders' meeting
 - Removal by a court order
- (c) A director may be removed by a resolution of the shareholders' meeting passed by a vote of not less than three-fourths of the number of the shareholders who attend the meeting and are entitled to vote and the shares which voted shall not be less than half of the total shares of the shareholders who attended the meeting and are entitled to vote thereon.

9.4 Governing 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

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.

9.5 Supervision on the Use of Inside Information

To prevent the misuse of confidential and price-sensitive 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.

9.6 Auditor’s Remuneration (for the fiscal year ended 31 December 2020)

1. Audit Fees

The Company and subsidiaries paid audit fees for the fiscal year to an audit firm which amounted to Baht 7,980,000 and subsidiaries paid audit fees to other audit firms which amounted to Baht 916,744. 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 2020.

10. CORPORATE SOCIAL RESPONSIBILITIES

10.1 Overview of CSR Programmes

Corporate Social Responsibility (CSR) 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.

Since the establishment of Laguna Phuket in 1987 - which began with the rehabilitation of Bangtao Bay which was once a tin mine and declared by the United Nations Development Program as “too environmentally damaged to have any development potential,” - the Company has continued to safeguard the natural environment, cultural heritage, and promote shared prosperity.

The company aims to support associates with fair employment and comprehensive benefits, it has also maintained a commitment to helping local communities through community relations and CSR efforts.

The Company’s Community Relations & CSR programs are divided into the following focus areas:

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

10.2 Operation and Report Preparation

The report on CSR initiatives is included in CSR Section. This section highlights Laguna Phuket CSR, its recent history, long-term objectives, current annual activities, and it provides a synopsis of the CSR initiatives implemented during the year under report.

Laguna Phuket was established 33 years ago and over this history, we are proud to have many facets of CSR programs and activities that make this time span a memorable milestone. This report section mentions mainly the recent annual events, however, the short look at our past and beginnings is a taste of how far we have come.

What we hope, perhaps only after reviewing all past annual reports, is that people learning about Laguna Phuket CSR efforts will get an indelible mental picture showing how our corporate responsibility truly has centered around these five aspects and also has achieved lasting benefits. A key to this is that not only CSR team members, but more generally all Laguna Phuket associates are actively engaged in the community and environmental responsibility and taking care of stakeholders.

Another key is that we have an enlightened view of what sustainability means, and this involves thinking not only in present mindful terms but also imagining a future of even greater sustainable practices. Encouraging the forward-looking dreamers is every bit as important as supporting the present doers. Being mindful of the needs of today as well as planning for a brighter future are built-in to our goals and partnership strategies. Thus, apart from specific events, CSR also tries to encourage all Laguna Phuket associates to have a mindset that sees all work as partly directed towards a journey of sustainable development, in both business practices and our personal lives.

We can show Laguna Phuket has been successful in such efforts. Sometimes the successes can be measured, such as through our many awards, recognitions, press coverage, and other objective outcomes mentioned in this report. Then there are less visible efforts such as the volunteering we encourage from both our associates and our guests who are given opportunities to give the gift of their time to help out in various local community support efforts, including lending their expertise at Laguna Phuket Kindergarten.

10.3 Impact of Business Operations on CSR

The Company emphasizes and aims to be a socially responsible company and has established a dedicated team of CSR 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 on CSR.

10.4 CSR Initiatives and Projects

10.4.1 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. A brief report of CSR activities in 2020 supporting cultural preservation includes the Buddhist Lent, Sart Duen Sib, the Vegetarian Festival, and Loy Krathong.

Buddhist Lent

The annual Laguna Phuket Buddhist Lent activity was held on 3 July 2020 at Chergntalay Temple and attended by 20 Laguna Phuket associates and community members. Apart from the corporate donation of lent candles, this year Laguna Phuket has raised Baht 8,000 for the temple. Laguna Phuket has annually celebrated Buddhist Lent for over 25 years.

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 lives to protect, enrich and improve our community. 3 Laguna Phuket associates participated and served 200 traditional Thai snacks in this event at Baan Don temple on 10 September 2020.

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 17 - 25 October 2020. 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 40,000 worth of food and supplies this year to our local shrines and set up an offering shelter on 22 October 2020 to worship Ma-Song devotees through whom the gods are said to enter during the annual Phuket Vegetarian Festival.

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 Khongkha, and the water spirits. This year's event was held on 31 October 2020 with lots of meaningful cultural appreciation activities --- Rak Thai Kids Cultural Appreciation 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.

10.4.2 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.

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.

This year, the Company received a certificate of appreciation from the Ministry of Social Development and Human Security regarding our excellent performances on social support and sustainability from the Seedlings Program.

As a result of the Coronavirus pandemic, the Seedlings program was temporarily suspended in April 2020.

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 49 million share volume with 576 associate members.

Laguna Phuket Children’s Day

Laguna Phuket organized the 28th Children’s Day event on 11 January 2020 which was attended by more than 3,500 people from the local communities and guests of Laguna Phuket. Highlights of the event were: stage performances, magic show, merry-go-round, game booths, and goodies. 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)

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 2020, more than Baht 586,390 was spent for sustenance.

Feeding Community

Laguna Phuket is always providing free meals to the local communities and in 2020 more than 900 meals worth Baht 26,000 were served in 5 events.

10.4.3 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 156 children aged between three to six, with 12 certified teachers creating fun and educational daily activities. To-date, 1,663 students have enrolled at Laguna Phuket Kindergarten.

Laguna Phuket Community Learning Centre (CLC)

Laguna Phuket Community Learning Center (CLC) was established in March 2007 from Phuket Tsunami Recovery Funds (PTRF) to develop long-term assistance for those affected by the 2004 Tsunami, it was originally set up as a community English language center providing free English courses to community members, with the generous support of Cherrngtalay Sub-District Administrative Office.

On 22 December 2014, the newly refurbished center was relaunched as the Community Learning Centre in recognition of the 10th Tsunami commemoration and has become a community hub where people can develop their general life skills, and further their knowledge in Chinese and English. In 2020, 28 people enrolled for language courses and 17 people took part in the life skills training such as the towel folding course conducted by our associates with the respective expertise who volunteered to be trainers. To-date, 8,733 learners have participated in our programs.

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.

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 178 students and 8 teachers in Phuket and Pang-Nga in 2020.

10.4.4 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 Associate Running activity.

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 2,018,700 cc of blood and 4,486 associates have participated in our Blood Drive program.

Community Support during Coronavirus Pandemic

During the Coronavirus Pandemic in April 2020, Laguna Phuket has donated the necessities to our stakeholders worth Baht 312,000 as detailed below:

1. Baht 100,000 cash was donated to Vachira Hospital, the field hospital of Phuket.
2. Dried food, sustenance, meal box, and face mask worth Baht 79,000 were donated to local authorities, municipality, and Subdistrict Administrative Organization.
3. Dried food, sustenance, drinking water, and face mask worth Baht 62,000 were donated to nearby communities.
4. Hand sanitizer alcohol gel worth Baht 36,000 was donated to 7 orphanages under the Children First Fund program.
5. Angsana Laguna Phuket and Banyan Tree Phuket provided 700 meal boxes in a week worth Baht 35,000 for the medical staff of Vachira Hospital.

6. Set up a sharing pantry at the entrance of Canal Village to help the community members who suffering hardship caused by Coronavirus Pandemic. This program allowed 115 people who are in a better financial position to contribute food items to the pantry and benefiting 775 people who are in need.

10.4.5 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. To-date over 32,500 saplings were planted in the southern provinces of Thailand. 1,490 associates have participated in this project and 690 community members have joined us.

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.

To-date, 2,145 turtles have been released and 4,700 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 2020. More than 900 kilograms of trash were collected by about 600 people.

11. INTERNAL CONTROL AND RISK MANAGEMENT

11.1 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 2020 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.

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

The Audit, Risk and Corporate Governance Committee met four times in 2020 to perform its duties in accordance with the charter. Amongst other activities, it 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 the year 2020, Risk Management was rigorously 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.

Based upon these reviews, the ARCG Committee is satisfied that the Group's internal controls are 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.

11.3 Head of Group Internal Audit

Mr. Teoh Tian Eng was appointed as Head of Group Internal Audit on 2 December 2020.

Mr. Teoh Tian Eng graduated from the University of Western Australia with a Bachelor of Commerce degree. He brings with him 12 years of extensive Internal Audit experience in the Real Estate industry covering the Hospitality, Retail, Commercial and Residential business sectors. The Company views that based on his experiences and knowledge, he meets the qualifications to head the internal audit function. (Qualification and profile of the Head of Group Internal Audit is shown in Attachment 1)

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 8.1 under heading "Board Structure".

12. RELATED PARTY TRANSACTIONS

As has been the case in the past, in 2020 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.
 - (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.

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.

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.

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.

TRANSACTIONS BETWEEN THE GROUP (THE COMPANY AND ITS SUBSIDIARIES) AND RELATED PARTIES IN YEAR 2020

	Payee	Payer	Details of Transaction / Contract	Transactions in 2020 (MB)	Persons with Mutual Interest	Nature of Relationship	Directors with Common Interest
TRANSACTIONS WITH ASSOCIATE							
Reimbursement Receipts							
1	TWPL	TWPC	Reimbursement	3	-	-	CSH
Rent and Service							
2	TWPL	TWPC	Lease and Service Agreement at 1 st floor, 5 th floor, and 6 th floor of Thai Wah Tower consists of: 1 st and 5 th floors (area 276 sq.m.) agreement from 1 January 2019 to 31 December 2021 6 th floor (area 1,042 sq.m.) agreement from 1 June 2019 to 31 May 2022. 6 th floor (area 859 sq.m.) agreement from 1 October 2019 to 30 September 2022.	15	-	-	CSH

TRANSACTIONS BETWEEN THE GROUP (THE COMPANY AND ITS SUBSIDIARIES) AND RELATED PARTIES IN YEAR 2020 (CONT'D)

	Payee	Payer	Details of Transaction / Contract	Transactions in 2020 (MB)	Persons with Mutual Interest	Nature of Relationship	Directors with Common Interest
TRANSACTIONS WITH RELATED COMPANIES							
Credit card commission receipts							
3	TWPL	BTRS(T)	Credit card commission receipts	0	BTRS(T)	B	CH, CSH, KW
Inter resort payments							
4	BTRS(T)	BGL	Inter Resort Charges is a function of collection from customer and remittance to the provider of the service.	2	BTRS(T)	B	CH, CSH, ESHL, KCH, KW
5	BTRS(T)	LBTL	Inter Resort Charges is a function of collection from customer and remittance to the provider of the service.	9	BTRS(T)	B	CH, CSH, ESHL, KCH, KW
6	BTRS(T)	PGR	Inter Resort Charges is a function of collection from customer and remittance to the provider of the service.	0	BTRS(T)	B	CH, CSH, ESHL, KCH, KW
7	BTRS(T)	TWPL	Inter Resort Charges is a function of collection from customer and remittance to the provider of the service.	5	BTRS(T)	B	CH, CSH, KW
Management fees income							
8	LRH	BTRS(T)	Technical Assistance Agreement for providing management services for Information Technology, Human Resource, and maid services.	5	BTRS(T)	A	CSH, ESHL, KCH
9			Management fees income (< 1 MB)	0			
Management fees expenses							
10	BTHR	BTG(T)	Royalty agreement: For the use of “Banyan Tree” and “Angsana” trademarks and all proprietary rights associated with them.	1	BTH	A, B	ESHL
11	BTHR	BGL	Royalty agreement: For the use of the “Angsana” trademark and all proprietary rights associated with it. The agreement is from July 2012 to November 2031 for Angsana Laguna Phuket The agreement is from 1 August 2016 up to 25 years (as per HMA) for Angsana Villas Resort Phuket The agreement is from 19 October 2015 up to 20 years (as per HMA) for Laguna Holiday Club Phuket Resort Project Services Agreement and Design Services Agreement for Project Angsana Ocean View Project Services Agreement is from 1 January 2016 and Design Services Agreement is from 1 January 2018 both agreements shall continue until it is terminated any time in writing by either Party upon servicing one month written notice.	8	BTH	B	ESHL
12	BTHR	BTL	Project Services Agreement and Design Services Agreement for Project Angsana Beach Front. Project Services Agreement is from 1 January 2016 and Design Services Agreement is from 1 January 2018 both agreements shall continue until it is terminated any time in writing by either Party upon servicing one month written notice.	0	BTH	B	ESHL
13	BTHR	LBTL	Royalty agreement: For the use of the “Banyan Tree” trademark and all proprietary rights associated with it. The agreement is from 1 July 2012 to December 2015, renewal agreement from 1 January 2016 to 31 December 2025 Project Services Agreement and Design Services Agreement for Project Banyan Tree Phuket Expansion, Banyan Tree Spa Phuket Sanctuary Expansion, and Banyan Tree Phuket Plateau. Project Services Agreement is from 1 January 2016 and Design Services Agreement is from 1 January 2018 both agreements shall continue until it is terminated any time in writing by either Party upon servicing one month written notice.	11	BTH	B	ESHL
14	BTHR	LRH	Project Services Agreement and Design Services Agreement for Project Chiang Mai Boutique Farmers and the other. Project Services Agreement is from 1 January 2016 and Design Services Agreement is from 1 January 2018 both agreements shall continue until it is terminated any time in writing by either Party upon servicing one month written notice.	0	BTH	A	ESHL
15	BTHR	LGL	Project Services Agreement and Design Services Agreement for Project Dhawa, Laguna Park Phase 2 and T-Junction. Project Services Agreement is from 1 January 2016 and Design Services Agreement is from 1 January 2018 both agreements shall continue until it is terminated any time in writing by either Party upon servicing one month written notice.	6	BTH	B	-
16	BTHR	TWRH	Project Services Agreement and Design Services Agreement for Project Sky Park and LVR -8 Project Services Agreement is from 1 January 2016 and Design Services Agreement is from 1 January 2018 both agreements shall continue until it is terminated any time in writing by either Party upon servicing one month written notice.	1	BTH	B	ESHL

TRANSACTIONS BETWEEN THE GROUP (THE COMPANY AND ITS SUBSIDIARIES) AND RELATED PARTIES IN YEAR 2020 (CONT'D)

	Payee	Payer	Details of Transaction / Contract	Transactions in 2020 (MB)	Persons with Mutual Interest	Nature of Relationship	Directors with Common Interest
Management fees expenses (con't)							
17	BTHR	PGR	<p>Royalty agreement: BTHR</p> <p>For the use of the “Cassia” trademark and all proprietary rights associated with it.</p> <p>The agreement is from 19 October 2015 up to 25 years (as per HMA).</p> <p>Project Services Agreement and Design Services Agreement for Project Cassia Phase 3, 4, and 5, Phuket Royale and Dusit Expansion.</p> <p>Project Services Agreement is from 1 January 2016 and Design Services Agreement is from 1 January 2018 both agreements shall continue until it is terminated any time in writing by either Party upon servicing one month written notice.</p>	4	BTH	B	ESHL
18	BTHR	TWPL	<p>Royalty agreement: BTHR</p> <p>For the use of the “Banyan Tree” trademark and all proprietary rights associated with it.</p> <p>The agreement is from July 2012 to December 2021.</p> <p>Project Services Agreement and Design Services Agreement for Project BT Bangkok - Saffron Cruise, BT Bangkok Phase 2 and upgrading.</p> <p>Project Services Agreement is from 1 January 2016 and Design Services Agreement is from 1 January 2018 both agreements shall continue until it is terminated any time in writing by either Party upon servicing one month written notice.</p>	9	BTH	B	-
19	BTHR(T)	BGL	<p>Technical Assistance agreement:</p> <p>Conduct of Hotel Business and technical assistance in the planning, building, furnishing, equipping, decorating & operating of Angsana Laguna Phuket and Reservation fee.</p> <p>Agreement is from July 2012 to November 2031</p>	0	BTRS(T)	B	CSH, ESHL
20	BTHR(T)	LBTL	<p>Technical Assistance agreement:</p> <p>Conduct of Hotel Business and technical assistance in the planning, building, furnishing, equipping, decorating & operating of Banyan Tree Phuket and Reservation fee.</p> <p>The agreement is from July 2012 to December 2015 with an option to extend for 2 successive periods of 10 years, each at the option of BTHR(T), the 1st renewal from 1 January 2016 to 31 December 2025.</p>	4	BTRS(T)	B	CSH, ESHL
21	BTHR(T)	PGR	<p>Hotel Management agreement:</p> <p>Conduct of Hotel Business and technical assistance in the planning, building, and furnishing, equipping, decorating & operating of Cassia Phuket and Reservation fee.</p> <p>The agreement is from 19 October 2015 until the expiry of the term (25 years)</p>	3	BTRS(T)	B	CSH, ESHL
22	BTHR(T)	TWPL	<p>Hotel Management agreement:</p> <p>Conduct of Hotel Business and technical assistance in the planning, building, furnishing, equipping, decorating & operating of Banyan Tree Bangkok and Reservation fee.</p> <p>The agreement is from July 2012 to December 2021 with an option to extend for another successive periods of 20 years, each at the option of BTHR(T).</p>	2	BTRS(T)	B	CSH
23	BTMG	BGL	Group Marketing services and share of operating cost of Regional Marketing offices	4	BTH	B	ESHL
24	BTMG	LBTL	Group Marketing services and share of operating cost of Regional Marketing offices	6	BTH	B	ESHL
25	BTMG	PGR	Group Marketing services and share of operating cost of Regional Marketing offices	2	BTH	B	ESHL
26	BTMG	TWPL	Group Marketing services and share of operating cost of Regional Marketing offices	6	BTH	B	-
27			Management fees expenses (< 1 MB)	1			

TRANSACTIONS BETWEEN THE GROUP (THE COMPANY AND ITS SUBSIDIARIES) AND RELATED PARTIES IN YEAR 2020 (CONT'D)

	Payee	Payer	Details of Transaction / Contract	Transactions in 2020 (MB)	Persons with Mutual Interest	Nature of Relationship	Directors with Common Interest
Purchase of spa & gallery vouchers							
28	BTS	BGL	Purchase of Spa voucher for management benefits	1	BTH	B	CSH, ESHL
29	BTS	LBTL	Purchase of Spa voucher for management benefits	1	BTH	B	CSH, ESHL
30	BTS	PGR	Purchase of Spa voucher for management benefits	1	BTH	B	CSH, ESHL
31	BTS	LSC	Purchase of Spa voucher for management benefits	0	BTH	B	CSH
32	BTS	TWPL	Purchase of Spa voucher for management benefits	0	BTH	B	CSH
33			Purchase of spa & gallery vouchers (< 1 MB)	0			
Sale of goods							
34	BTG(T)	HSSA	Sale of goods	0	BTH	A, B	CSH, ESHL
35	BTG(T)	LVCL	Sale of goods	1	BTH	A, B	ESHL
36	BTG(T)	MAPL	Sale of goods	0	BTH	A, B	ESHL
37	BTG(T)	MBPL	Sale of goods	2	BTH	A, B	ESHL
38	BTG(T)	PTBH	Sale of goods	0	TRL	C	KCH
39	BTG(T)	VM	Sale of goods	1	BTH	A, B	ESHL
40			Sale of goods (< 1 MB)	1			
Reimbursement receipts							
41	AVCI	PTBH	Reimbursement of expenses	0	TRL	C	-
42	BGL	BTHR(T)	Reimbursement of expenses	13	BTRS(T)	B	CSH, ESHL
43	BGL	BTRS(T)	Reimbursement of expenses	0	BTRS(T)	B	CH, CSH, ESHL, KCH, KW
44	BTG(S)	BTS	Reimbursement of expenses	1	BTH	A, B	ESHL, KCM
45	BTG(S)	BTHR	Reimbursement of expenses	0	BTH	A, B	ESHL, KCM
46	BTG(T)	BTS	Reimbursement of expenses	4	BTH	A, B	CSH, ESHL
47	LBTL	BTHR(T)	Reimbursement of expenses	0	BTRS(T)	B	CSH, ESHL
48	LBTL	BTRS(T)	Reimbursement of expenses mainly for sharing staff expenses and other expenses related to Spa at Laguna Phuket.	2	BTRS(T)	B	CH, CSH, ESHL, KCH, KW
49	LGL	LVCL	Reimbursement of expenses mainly for staff expenses who work for Laguna Langco projects	0	BTH	B	-
50	LGL	BTS	Reimbursement of expenses	1	BTH	B	CSH
51	LRH	BTH	Reimbursement of expenses	5	BTH	A	KPH, RHH
52	LRH	BTHR	Reimbursement of expenses	1	BTH	A	ESHL
53	LRH	BTHR(T)	Reimbursement of expenses	3	BTRS(T)	A	CSH, ESHL
54	LRH	BTRS(T)	Reimbursement of expenses	1	BTRS(T)	A	CSH, ESHL, KCH
55	PGR	BTRS(T)	Reimbursement of expenses	0	BTRS(T)	B	CH, CSH, ESHL, KCH, KW
56	TWPL	BTRS(T)	Reimbursement of utilities and other expenses related to the rental agreement and sharing common department's expenses	1	BTRS(T)	B	CH, CSH, KW
57	TWPL	BTHR	Reimbursement of expenses	3	BTH	B	-
58	TWPL	BTHR(T)	Reimbursement of expenses	0	BTRS(T)	B	CSH
59			Reimbursement receipts (< 1 MB)	4			

TRANSACTIONS BETWEEN THE GROUP (THE COMPANY AND ITS SUBSIDIARIES) AND RELATED PARTIES IN YEAR 2020 (CONT'D)

	Payee	Payer	Details of Transaction / Contract	Transactions in 2020 (MB)	Persons with Mutual Interest	Nature of Relationship	Directors with Common Interest
Reimbursement payments							
60	BTHR	BGL	Reimbursement of expenses	2	BTH	B	ESHL
61	BTHR	BTG(S)	Reimbursement of expenses	2	BTH	A, B	ESHL
62	BTHR	LBTL	Reimbursement of expenses	2	BTH	B	ESHL
63	BTHR	LSC	Reimbursement of expenses	1	BTH	B	-
64	BTHR	BTL	Reimbursement of expenses	1	BTRS (T)	B	ESHL
65	BTHR	TWPL	Reimbursement of expenses	2	BTH	B	-
66	BTHR	LGL	Reimbursement of expenses	1	BTH	B	-
67	BTRS(T)	BTG(T)	Reimbursement of utilities and other expenses related to the rental agreement, sharing common department's expenses	4	BTRS(T)	B	CH, CSH, ESHL, KCH, KW
68	BTRS(T)	LBTL	Reimbursement of sales and marketing costs incurred by Banyan Tree group which relate specifically to the promotion of the Banyan Tree Phuket and expenses for centralized departments	6	BTRS(T)	B	CH, CSH, ESHL, KCH, KW
69	BTRS(T)	LGL	Reimbursement of expenses for centralized departments and office supplies of Laguna Golf Phuket	4	BTRS(T)	B	CH, CSH, KW
70	BTRS(T)	LHC	Reimbursement of expenses for centralized departments - Non-Hotel	3	BTRS(T)	B	CH, CSH, KW
71	BTRS(T)	LRH	Reimbursement of expenses for centralized departments - Non-Hotel	1	BTRS(T)	A	CSH, ESHL, KCH
72	BTRS(T)	LSC	Reimbursement of expenses for centralized departments - Non-Hotel	1	BTRS(T)	B	CH, CSH, KW
73	BTRS(T)	LGL	Reimbursement of expenses for centralized departments - Non Hotel	2	BTRS(T)	B	CH, CSH, KW
74	BTRS(T)	PGR	Reimbursement of expenses for centralized departments - Hotel	2	BTRS(T)	B	CH, CSH, ESHL, KCH, KW
75	BTRS(T)	BGL	Reimbursement of expenses for centralized departments - Hotel	3	BTRS(T)	B	CH, CSH, ESHL, KCH, KW
76	PTBH	AVCI	Reimbursement of expenses mainly for maintenance & utilities, sharing of the common department and other expenses related to the operation of holiday club business in Bintan	2	TRL	C	-
77	RYS	LBTL	Reimbursement of expenses	12	BTH	B	ESHL
78	BTHR	PGR	Reimbursement of expenses	1	BTHR	B	ESHL
79	BTHR(T)	LBTL	Reimbursement sales for promotion BT Phuket	8	BTHR(T)	B	CSH, ESHL
80	BTI	LBTL	Reimbursement of expenses	4	BTI	B	ESHL
81			Reimbursement payments (< 1 MB)	2			
Rent and service income							
82	BGL	BTRS(T)	Space rental at the Angsana Laguna Phuket to operate the Angsana Spa. Agreement commenced from December 2011 to November 2041	1	BTRS(T)	B	CH, CSH, ESHL, KCH, KW
83	LBTL	BTRS(T)	Space rental at the Banyan Tree Phuket to operate the Banyan Tree Spa. The agreement commenced on 1 January 1997 and shall terminate upon the termination of the Technical Assistance Agreement between BTRS(T) & LBTL - Rental and service agreement for office & store in the Banyan Tree Phuket (521.53 sq.m.) from 1 January 2020 to 31 December 2022. - Rental agreement for Banyan Tree Management Academy from 1 January 2020 to 31 December 2022.	10	BTRS(T)	B	CH, CSH, ESHL, KCH, KW
84	TWPL	BTRS(T)	Lease and service agreement for space rental at Thai Wah Tower and Banyan Tree Bangkok - Rental and service agreement for 19th – 21st floor (total area 1,178 sq.m.) at Banyan Tree Bangkok from 1 January 2020 to 31 December 2020 - Rental agreement at Thai Wah Tower I for 5th floor (Office area 97.98 sq.m.) from 1 February 2019 to 23 June 2022 - Rental agreement at Thai Wah Tower for 5th floor (storage, area 13 sq.m.) and 12th floor (Office area 243.35 sq.m.) from 16 December 2019 to 15 December 2022. - Rental agreement for ground floor at Thai Wah Tower (area 80 sq.m) from 1 February 2019 to 31 January 2020.	2	BTRS(T)	B	CH, CSH, KW

TRANSACTIONS BETWEEN THE GROUP (THE COMPANY AND ITS SUBSIDIARIES) AND RELATED PARTIES IN YEAR 2020 (CONT'D)

	Payee	Payer	Details of Transaction / Contract	Transactions in 2020 (MB)	Persons with Mutual Interest	Nature of Relationship	Directors with Common Interest
Rent and service expenses							
85	BTHR	BTG(S)	Rental office space at Angsana Building 4th floor (270.52 sqf) Banyan Tree Gallery (Singapore) Pte. Ltd.	1	BTH	A, B	ESHL, KCM
Rental return on hotel units							
86	CGL	PTBH	Rental return on hotel units in the Angsana Resort & Spa Bintan	4	TRL	C	-
Resort service income							
87	LSC	BTRS(T)	Service charges on laundry, staff bus, etc. charged to Banyan Tree Spa – Phuket	2	BTRS(T)	B	CH, CSH, KW
88			Resort service income (<1 MB)	0			
Training charges							
89	BTHR(T)	BGL	Training courses held for Laguna Phuket staff and allocated to all operations based on actual cost.	1	BTRS(T)	B	CSH, ESHL
90	BTHR(T)	LBTL	Training courses held for Laguna Phuket staff and allocated to all operations based on actual cost.	1	BTRS(T)	B	CSH, ESHL
91	BTHR(T)	PGR	Training courses held for Laguna Phuket staff and allocated to all operations based on actual cost.	0	BTRS(T)	B	CSH, ESHL
92	BTHR(T)	TWPL	Training courses held for Laguna Phuket staff and allocated to all operations based on actual cost.	0	BTRS(T)	B	CSH
Interest expenses							
93	BTS	BTG(S)	Interest	0	BTH	A, B	ESHL, KCM
Transaction with management and directors							
94	KPH	LRH	Rental return on hotel units	1	KPH	Director of LRH	-
95	CSN	LRH	Rental return on hotel units	1	CSN	Spouse of KPH	-

TRANSACTIONS WITHIN THE GROUP AND A COMPANY WHICH IS OWNED BY PERSONS WITH A MUTUAL INTEREST MORE THAN 10 PERCENT IN YEAR 2020

	Payee	Payer	Details of Transaction / Contract	Transactions in 2020 (MB)	Persons with Mutual Interest	Nature of Relationship	Directors with Common Interest
Inter resort receipts							
1	BTG(T)	BGL	Inter Resort Charges is a function of collection from customer and remittance to the provider of the service.	0	BTH	A, B	AS, CH, CSH, ESHL, KCH, KW, SDR
2	BTG(T)	LBTL	Inter Resort Charges is a function of collection from customer and remittance to the provider of the service.	2	BTH	A, B	AS, CH, CSH, ESHL, KCH, KW, SDR
3	BTG(T)	TWPL	Collection from customer and remittance to the provider of the service.	1	BTH	A, B	AS, CH, CSH, KW, SDR
4			Inter resort receipts (<1 MB)	0			
Purchase of goods							
5	BTG(T)	BGL	Purchase of guest supplies for the hotel	1	BTH	A, B	AS, CH, CSH, ESHL, KCH, KW, SDR
6	BTG(T)	BTG(S)	Purchase of goods by acting as a purchasing agent	0	BTH	A, B	CSN, ESHL, SDR
7	BTG(T)	LBTL	Purchase of guest supplies for the hotel	1	BTH	A, B	AS, CH, CSH, ESHL, KCH, KW, SDR
8	BTG(T)	LGL	Purchase of goods	0	BTH	A, B	AS, CH, CSH, KW, SDR
9	BTG(T)	PGR	Purchase of guest supplies for the hotel	1	BTH	A, B	AS, CH, CSH, ESHL, KCH, KW, SDR
10	BTG(T)	TWPL	Purchase of guest supplies for the hotel	3	BTH	A, B	AS, CH, CSH, KW, SDR
Reimbursement of costs							
11	BTG(S)	BTG(T)	Reimbursement of expenses mainly for traveling and freight expenses	4	BTH	A, B	CSN, ESHL, SDR
12	LBTL	BTG(T)	Reimbursement of utilities and other expenses mainly related to the rental agreement	0	BTH	A, B	AS, CH, CSH, ESHL, KCH, KW, SDR
13	TWPL	BTG(T)	Reimbursement of utilities and other expenses mainly related to the rental agreement	1	BTH	A, B	AS, CH, CSH, KW, SDR
Rent and service							
14	LBTL	BTG(T)	- Rental agreement with Banyan Tree Gallery for the 2 shops in the Banyan Tree Phuket, 3-year lease from 1 January 2020 to 31 December 2022 - Rental agreement for office & store (46.2 sq.m.) in the Banyan Tree Phuket from 1 January 2020 to 31 December 2022.	1	BTH	A, B	AS, CH, CSH, ESHL, KCH, KW, SDR
15	TWPL	BTG(T)	- Rental agreement for the Gallery outlets and office premises at the Thai Wah Tower and Banyan Tree Bangkok. - Rental agreement for outlets 1st floor for an approximate area of 30 sq.m. and 21st floor for an approximate area of 141 sq.m., totaling an area of approximately 171 sq.m. at Banyan Tree Bangkok from 1 January 2020 to 31 December 2020 - Rental agreement for office premises on 3rd Flr (88 sq.m.) at Thai Wah Tower from 26 June 2019 to 23 June 2022 - Rental agreement for office premises on the ground floor (60 sq.m.) at Thai Wah Tower from 1 January 2020 to 31 December 2020	1	BTH	A, B	AS, CH, CSH, 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

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.
BTRS(T)	Banyan Tree Resorts & Spas (Thailand) Company Limited
BTS	Banyan Tree Spas Pte. Ltd.
CGL	Cheer Golden Limited
HSSA	Heritage Spas South Africa (Pty) Ltd.
LBTL	Laguna Banyan Tree 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 Co., Ltd.
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
CH	Mr. Kuan Chiet
CSH	Mr. Shankar Chandran
CSN	Ms. Chiang See Ngoh Claire
ESHL	Mr. Eddy See Hock Lye
KCH	Mr. Ho KwonCjan
KCM	Mr. Moy Keen Choy
KPH	Mr. Ho KwonPing
KW	Mr. Kontee Warapitayut
RHH	Mr. Ho Ren Hua
SDR	Mr. Stuart David Reading

PART III
FINANCIAL POSITION AND OPERATING RESULTS

13. FINANCIAL HIGHLIGHTS

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

13.1.1 Summary of Auditors' Findings and Significant Accounting Policies

Conclusion of the Auditor's Report

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, 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 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.

For the year ended 31 December 2019

The name of the Company's and its subsidiaries' auditor for the 2019 Financial Statements is Ms. Rosaporn Decharkom, Certified Public Accountant (Thailand) No. 5659 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 2019 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 2018

The name of the Company's and its subsidiaries' auditor for the 2018 Financial Statements is Ms. Rosaporn Decharkom, Certified Public Accountant (Thailand) No. 5659 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 2018 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 (revised 2019) and new financial reporting standards and interpretations which are effective for fiscal years beginning on or after 1 January 2020. 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. However, the new standard involves changes to key principles, which are summarised below:

Financial reporting standards related to financial instruments

A set of TFRSs related to financial instruments consists of five accounting standards and interpretations, as follows:

Financial reporting standards:

TFRS 7 Financial Instruments: Disclosures

TFRS 9 Financial Instruments

Accounting standard:

TAS 32 Financial Instruments: Presentation

Financial Reporting Standard Interpretations:

TFRIC 16 Hedges of a Net Investment in a Foreign Operation

TFRIC 19 Extinguishing Financial Liabilities with Equity Instruments

These TFRSs related to financial instruments make stipulations relating to the classification of financial instruments and their measurement at fair value or amortised cost (taking into account the type of instrument, the characteristics of the contractual cash flows and the Company's business model), calculation of impairment using the expected credit loss method, and hedge accounting. These include stipulations regarding the presentation and disclosure of financial instruments.

The impact of the adoption of these standards on the Group's financial statements is as follows.

- Classification and measurement of investments in equity instruments of non-listed companies
 - The Group measures investments in equity instruments of non-listed companies at fair value and classifies the investments as financial assets at fair value, through other comprehensive income.
- Recognition of credit losses - The Group recognises an allowance for expected credit losses on its debt instruments measured at amortised cost or fair value through other comprehensive income, and it is no longer necessary for a credit-impaired event to have occurred. The Group applies the simplified approach to consider impairment of trade receivables.

The Group recognised the cumulative effect of the adoption of these financial reporting standards as an adjustment to retained earnings and other components of shareholders' equity as at 1 January 2020, and the comparative information was not restated.

The cumulative effect of the change is described in Note 4.

TFRS 16 Leases

TFRS 16 supersedes TAS 17 Leases together with related Interpretations. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases, and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months unless the underlying asset is low value.

Accounting by lessors under TFRS 16 is substantially unchanged from TAS 17. Lessors will continue to classify leases as either operating or finance leases.

The Group recognised the cumulative effect of the adoption of this financial reporting standard as an adjustment to retained earnings as at 1 January 2020, and the comparative information was not restated.

The cumulative effect of the change is described in Note 4.

Accounting Guidance on Temporary Relief Measures for Accounting Alternatives in Response to the Impact of the COVID-19 Pandemic

The Federation of Accounting Professions announced Accounting Guidance on Temporary Relief Measures for Accounting Alternatives in Response to the Impact of the COVID-19 Pandemic. Its objectives are to alleviate some of the impacts of applying certain financial reporting standards and

to provide clarification about accounting treatments during the period of uncertainty relating to this situation.

On 22 April 2020, the Accounting Treatment Guidance was announced in the Royal Gazette and it is effective for the financial statements prepared for reporting periods ending between 1 January 2020 and 31 December 2020.

In the first quarter of 2020, the Group elected to apply the temporary relief measures on accounting alternatives relating to the measurement of expected credit losses using a simplified approach, fair value measurement of property, plant and equipment, investment properties and investments in unquoted equity instruments, impairment of assets and goodwill, and reversal of deferred tax assets.

During the year 2020, the Group has assessed the financial impacts of the uncertainties of the COVID-19 Pandemic on the valuation of assets. As a result, in preparing the financial statements for the year ended 31 December 2020, the Group has decided to discontinue application of all temporary relief measures on accounting alternatives and recognised the resulting losses totaling Baht 235 million as expenses in the consolidated statement of income. These pertain to a decrease in deferred tax assets of Baht 94 million and an increase in impairment losses of property, plant and equipment of Baht 141 million.

In addition, the Group recognised the decrease of the valuation of assets totaling Baht 227 million as other comprehensive income in the consolidated statement of comprehensive income. These pertain to a decrease in the fair value of investments in unquoted equity instruments and a decrease in the revaluation surplus on property, plant and equipment of Baht 189 million and Baht 38 million, respectively.

(b) Financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2021

The Federation of Accounting Professions issued a number of revised financial reporting standards and interpretations, which are effective for fiscal years beginning on or after 1 January 2021. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The management of the Group is currently evaluating the impact of these standards to the financial statements in the year when they are adopted.

13.1.2 Summary of Financial Statements

Consolidated Income Statement

Unit: Baht

	Consolidated		
	<u>2020</u>	<u>2019</u>	<u>2018</u> (Restated)
Revenues			
Revenue from hotel operations	1,206,726,678	3,356,259,391	3,572,747,471
Revenue from property development operations	1,572,726,655	2,568,162,685	1,705,618,276
Revenue from office rental operations	35,836,691	91,182,662	98,667,116
Other income	19,028,653	104,022,452	70,035,772
Total revenues	2,834,318,677	6,119,627,190	5,447,068,635
Expenses			
Cost of hotel operations	1,172,168,715	2,083,085,206	2,043,390,377
Cost of property development operations	863,035,873	1,486,462,100	1,132,780,838
Cost of office rental operations	24,204,509	42,557,058	49,879,209
Selling expenses	228,328,182	476,391,632	430,865,563
Administrative expenses	1,166,730,538	1,359,129,324	1,518,113,767
Total expenses	3,454,467,817	5,447,625,320	5,175,029,754
Profit (loss) before share of profit (loss) from investment in associate, finance cost and income tax expenses	(620,149,140)	672,001,870	272,038,881
Share of profit from investments in associates	2,626,307	4,779,916	65,627,750
Profit before finance cost and income tax expenses	(617,522,833)	676,781,786	337,666,631
Finance income	51,728,130	38,193,529	31,368,328
Finance cost	(234,822,190)	(132,252,130)	(158,178,352)
Profit (loss) before income tax expenses	(800,616,893)	582,723,185	210,856,607
Income tax expenses	(167,597,683)	(224,517,782)	(127,630,259)
Profit (loss) for the year	(968,214,576)	358,205,403	83,226,348
Profit (loss) attributable to:			
Equity holders of the Company	(947,298,557)	364,101,439	87,697,417
Non-controlling interests of the subsidiaries	(20,916,019)	(5,896,036)	(4,471,069)
	(968,214,576)	358,205,403	83,226,348
Basic earnings per share			
Profit (loss) attributable to equity holders of the Company	(5.68)	2.18	0.53

Consolidated Statement of Comprehensive Income

Unit: Baht

	Consolidated		
	<u>2020</u>	<u>2019</u>	<u>2018</u> (Restated)
Profit (loss) for the year	(968,214,576)	358,205,403	83,226,348
Other comprehensive income:			
Exchange differences on translation of financial statements in foreign currency	(253,507)	2,140,604	8,004,633
Actuarial loss of post-employment benefits, net of income tax	(27,938,606)	-	(9,101,458)
Share of other comprehensive income (loss) from associate	(11,596,100)	(10,544,062)	1,023,085
Loss on changes in value of equity investments designated at fair value through other comprehensive income	(188,702,536)	-	-
Addition (reversal) of revaluation surplus on assets, net of income tax	(37,585,679)	812,375,853	-
Other comprehensive income (loss) for the year	(266,076,428)	803,972,395	(73,740)
Total comprehensive income (loss) for the year	(1,234,291,004)	1,162,177,798	83,152,608
Total comprehensive income (loss) attributable to:			
Equity holders of the Company	(1,213,149,932)	1,165,764,915	87,946,167
Non-controlling interests of the subsidiaries	(21,141,072)	(3,587,117)	(4,793,559)
	(1,234,291,004)	1,162,177,798	83,152,608

Consolidated Statement of Financial Position

Unit: Baht

	Consolidated		
	31 December 2020	31 December 2019	31 December 2018 (Restated)
ASSETS			
Current assets			
Cash and cash equivalents	568,735,346	632,543,523	601,678,401
Short-term fixed deposit	2,268,852	-	14,044,883
Trade and other receivables	782,756,373	813,940,591	636,051,262
Inventories	72,767,038	88,325,038	101,116,835
Property development cost	4,164,706,156	4,138,397,889	3,815,339,965
Cost to obtain contracts with customers	101,311,721	99,982,089	70,722,274
Other current assets	156,911,081	241,838,015	271,722,731
Total current assets	5,849,456,567	6,015,027,145	5,510,676,351
Non-current assets			
Long-term restricted deposits at financial institution	38,034,317	37,872,733	41,189
Long-term fixed deposit	-	2,268,852	2,178,200
Long-term trade accounts receivable	723,503,500	796,461,495	488,042,448
Investments in associates	960,373,829	981,182,127	1,015,217,329
Other long-term investments	713,180,950	606,364,594	606,364,594
Investment properties	1,410,577,067	1,411,202,087	1,233,350,769
Property, plant and equipment	12,653,408,200	13,177,872,310	11,526,678,951
Right-of-use assets	56,541,071	-	-
Deferred tax assets	45,009,396	54,198,090	78,025,222
Goodwill	407,903,881	407,903,881	407,903,881
Leasehold rights	-	5,811,485	8,637,717
Other non-current assets	13,194,120	30,152,248	25,917,223
Total non-current assets	17,021,726,331	17,511,289,902	15,392,357,523
TOTAL ASSETS	22,871,182,898	23,526,317,047	20,903,033,874

Consolidated Statement of Financial Position (continued)

Unit: Baht

	Consolidated		
	31 December 2020	31 December 2019	31 December 2018 (Restated)
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current liabilities			
Bank overdraft and short-term loans from financial institutions	1,308,804,224	1,117,000,000	450,000,000
Trade and other payables	1,396,738,320	1,188,160,411	1,020,813,844
Current portion of long-term loans from financial institutions	737,411,289	899,235,358	673,343,101
Current portion of lease liabilities	40,167,609	-	-
Income tax payable	10,195,002	26,851,373	38,800,305
Advance received from customers	835,916,092	955,996,163	904,919,466
Other current liabilities	226,784,672	261,323,369	195,430,761
Total current liabilities	4,556,017,208	4,448,566,674	3,283,307,477
Non-current liabilities			
Long-term loans from financial institutions – net of current portion	4,357,658,451	3,959,091,576	2,323,850,568
Long-term loan from related company	26,950,000	26,950,000	-
Provision for long-term employee benefits	113,275,550	74,328,953	65,492,702
Provision for legal case	1,773,685	18,314,159	20,681,911
Deferred tax liabilities	2,810,792,810	2,676,464,668	2,358,878,779
Lease liabilities, net of current portion	38,642,204	-	-
Other non-current liabilities	213,959,917	110,029,557	121,408,438
Total non-current liabilities	7,563,052,617	6,865,178,913	4,890,312,398
Total liabilities	12,119,069,825	11,313,745,587	8,173,619,875
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
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	447,533,915	1,858,942,161	3,043,537,032
Other components of shareholders' equity	5,675,948,171	5,704,657,240	4,922,763,641
Equity attributable to owner of the Company	10,632,575,624	12,072,692,939	12,475,394,211
Equity attributable to non-controlling interests of the subsidiaries	119,537,449	139,878,521	254,019,788
Total shareholders' equity	10,752,113,073	12,212,571,460	12,729,413,999
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	22,871,182,898	23,526,317,047	20,903,033,874

Consolidated Cash Flow Statement

Unit: Baht

	Consolidated		
	<u>2020</u>	<u>2019</u>	<u>2018</u>
Cash flows from (used in) operating activities			
Net cash inflows (outflows) from operating activities	31,594,092	158,994,126	486,423,530
Cash flows from (used in) investing activities			
Net cash inflows (outflows) from investing activities	(148,482,647)	(1,008,386,250)	(553,878,662)
Cash flows from (used in) financing activities			
Net cash inflows (outflows) from financing activities	51,834,784	876,062,928	(352,624,494)
Net exchange differences on transaction of financial statements in foreign currency	1,245,594	4,194,318	11,776,599
Net increase (decrease) in cash and cash equivalents	(63,808,177)	30,865,122	(408,303,027)
Cash and cash equivalents at beginning of year	632,543,523	601,678,401	1,009,981,428
Cash and cash equivalents at end of year	568,735,346	632,543,523	601,678,401

Separate Income Statement

Unit: Baht

	Separate		
	<u>2020</u>	<u>2019</u>	<u>2018</u>
Revenues			
Revenue from hotel operations	14,010,713	36,296,848	37,370,516
Revenue from office rental operations	9,258,812	21,577,181	21,339,103
Other income	109,073,136	1,154,555,335	131,212,611
Total revenues	132,342,661	1,212,429,364	189,922,230
Expenses			
Cost of hotel operations	20,768,839	29,434,088	29,441,874
Cost of office rental operations	4,736,496	7,082,740	6,728,901
Selling expenses	5,054,208	2,068,056	1,590,391
Administrative expenses	116,716,184	173,749,198	184,508,760
Total expenses	147,275,727	212,334,082	222,269,926
Profit (loss) before finance cost and income tax expenses	(14,933,066)	1,000,095,282	(32,347,696)
Finance income	81,085,090	73,143,428	41,693,688
Finance cost	(84,403,957)	(53,474,500)	(39,015,177)
Profit (loss) before income tax expenses	(18,251,933)	1,019,764,210	(29,669,185)
Income tax expenses	(10,667,964)	491,674	9,869,096
Profit (loss) for the year	(28,919,897)	1,020,255,884	(19,800,089)
Profit (loss) attributable to:			
Equity holders of the Company	(28,919,897)	1,020,255,884	(19,800,089)
Basic earnings per share			
Profit (loss) attributable to equity holders of the Company	(0.17)	6.12	(0.12)

Separate Statement of Comprehensive Income

Unit: Baht

	Separate		
	<u>2020</u>	<u>2019</u>	<u>2018</u>
Profit (loss) for the year	(28,919,897)	1,020,255,884	(19,800,089)
Other comprehensive income:			
Actuarial loss of post-employment benefits, net of income tax	(5,103,156)	-	(2,250,883)
Addition (reversal) of revaluation surplus on assets, net of income tax	-	2,270,437	-
Other comprehensive income for the year	(5,103,156)	2,270,437	(2,250,883)
Total comprehensive income (loss) for the year	(34,023,053)	1,022,526,321	(22,050,972)
Total comprehensive income (loss) attributable to:			
Equity holders of the Company	(34,023,053)	1,022,526,321	(22,050,972)

Separate Statement of Financial Position

Unit: Baht

	Separate		
	31 December	31 December	31 December
	2020	2019	2018
ASSETS			
Current Assets			
Cash and cash equivalents	146,680,693	21,705,541	22,643,210
Short-term fixed deposit	2,268,852	-	-
Trade and other receivables	208,490,137	64,262,353	62,818,881
Property development cost	111,429,000	111,429,000	111,429,000
Other current assets	20,055,412	15,194,230	15,115,506
Total current assets	488,924,094	212,591,124	212,006,597
Non- current assets			
Long-term fixed deposit	-	2,268,852	2,178,200
Investments in subsidiaries	4,242,655,371	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	1,255,550,000	1,905,550,000	987,000,000
Investment properties	181,602,200	181,619,106	183,621,330
Property, plant and equipment	41,690,319	42,546,018	42,090,404
Right-of-use assets	3,039,352	-	-
Other non-current assets	1,342,353	1,342,353	1,342,353
Total non-current assets	6,503,333,644	7,153,435,749	6,236,341,407
TOTAL ASSETS	6,992,257,738	7,366,026,873	6,448,348,004

Separate Statements of Financial Position (continued)

Unit: Baht

	Separate		
	31 December 2020	31 December 2019	31 December 2018
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current liabilities			
Short-term loans from financial institutions	670,000,000	650,000,000	240,000,000
Trade and other payables	187,234,234	38,605,983	33,678,514
Current portion of long-term loans from financial institutions	26,500,000	37,000,000	3,875,000
Current portion of lease liabilities	6,017,412	-	-
Advance received from customers	-	175,310	503,847
Other current liabilities	12,877,535	24,225,492	7,621,536
Total current liabilities	902,629,181	750,006,785	285,678,897
Non- current liabilities			
Long-term loans from subsidiaries	132,500,000	173,000,000	433,500,000
Long-term loans from financial institutions – net of current portion	1,327,695,428	1,326,809,446	70,250,000
Provision for long-term employee benefits	29,213,460	19,637,813	16,270,273
Deferred tax liabilities	116,103,823	106,852,652	106,776,717
Lease liabilities, net of current portion	116,827	-	-
Other non-current liabilities	34,705,000	5,796,736	6,008,810
Total non-current liabilities	1,640,334,538	1,632,096,647	632,805,800
Total liabilities	2,542,963,719	2,382,103,432	918,484,697
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	367,017,677	901,647,099	1,449,857,402
Other components of shareholders' equity	141,313,392	141,313,392	139,042,955
Total shareholders' equity	4,449,294,019	4,983,923,441	5,529,863,307
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	6,992,257,738	7,366,026,873	6,448,348,004

Separate Cash Flow Statement

Unit: Baht

	Separate		
	<u>2020</u>	<u>2019</u>	<u>2018</u>
Cash flows from (used in) operating activities			
Net cash inflows (outflows) from operating activities	(127,251,018)	17,999,612	(32,094,286)
Cash flows from (used in) investing activities			
Net cash inflows (outflows) from investing activities	654,806,495	110,344,460	10,838,494
Cash flows from (used in) financing activities			
Net cash inflows (outflows) from financing activities	(402,580,325)	(129,281,741)	3,661,302
Net increase (decrease) in cash and cash equivalents	124,975,152	(937,669)	(17,594,490)
Cash and cash equivalents at beginning of year	21,705,541	22,643,210	40,237,700
Cash and cash equivalents at end of year	146,680,693	21,705,541	22,643,210

13.1.3 Financial ratios of the Company and its subsidiaries

CONSOLIDATED FINANCIAL RATIOS

			Consolidated		
			<u>2020</u>	<u>2019</u>	<u>2018</u> (Restated)
<u>Liquidity Ratios</u>					
Current Ratio	Times		1.28	1.35	1.68
Quick Ratio	Times		0.25	0.29	0.35
Cash Flow From Operating Activities Ratio	Times		0.01	0.04	0.15
Receivables Turnover	Times		4.24	9.70	9.62
Collection Period	Days		84.91	37.11	37.42
Inventory Turnover	Times		14.55	21.99	19.12
Inventory Turnover Period	Days		24.74	16.37	18.83
Accounts Payable Turnover	Times		2.19	5.25	3.63
Payment Period	Days		164.38	68.57	99.17
Cash Cycle	Days		(54.74)	(15.09)	(42.92)
<u>Profitability Ratios</u>					
Gross Profit Margin	%		26.85	39.95	40.00
Profit Margin from Operations	%		(22.03)	11.17	5.06
Net Profit Margin	%		(32.82)	5.91	1.60
Return On Equity	%		(8.25)	2.92	0.69
<u>Efficiency Ratios</u>					
Return On Total Assets	%		(4.08)	1.64	0.42
Return On Fixed Assets	%		(3.26)	5.67	3.67
Asset Turnover	Times		0.12	0.28	0.26

CONSOLIDATED FINANCIAL RATIOS (Continued)

		Consolidated		
		<u>2020</u>	<u>2019</u>	<u>2018</u> (Restated)
<u>Financial Policy Ratios</u>				
Debt To Equity	Times	1.13	0.94	0.64
Interest Coverage	Times	1.03	3.43	4.78
Payout Ratio (Cash Basis)	Times	0.03	0.05	0.27
Dividend Payout Ratio	%	-	549.35	77.93
<u>Share value</u>				
Book Value Per Share	Baht	64.51	73.27	76.37
Earnings Per Share	Baht	(5.68)	2.18	0.53
Dividend Per Share	Baht	-	12.00	0.41
<u>Growth rate</u>				
Total Assets	%	(2.78)	12.55	0.09
Total Liabilities	%	7.12	38.42	(0.60)
Total Revenues	%	(53.13)	12.40	12.78
Total Expenses	%	(36.59)	5.27	13.83
Net Income (Loss)	%	(360.17)	315.18	47.30

SEPARATE FINANCIAL RATIOS

		Separate		
		<u>2020</u>	<u>2019</u>	<u>2018</u>
<u>Liquidity Ratios</u>				
Current Ratio	Times	0.54	0.28	0.74
Quick Ratio	Times	0.17	0.03	0.09
Cash Flow From Operating Activities Ratio	Times	(0.15)	0.03	(0.11)
Receivables Turnover	Times	3.69	11.10	10.34
Collection Period	Days	97.56	32.43	34.82
Inventory Turnover	Times	-	-	-
Inventory Turnover Period	Days	-	-	-
Accounts Payable Turnover	Times	6.62	16.70	18.73
Payment Period	Days	54.38	21.56	19.22
Cash Cycle	Days	43.18	10.87	15.60
<u>Profitability Ratios</u>				
Gross Profit Margin	%	(9.61)	36.90	39.04
Profit Margin from Operations	%	(64.17)	1,728.06	(54.51)
Net Profit Margin	%	(13.55)	79.36	(8.55)
Return On Equity	%	(0.61)	19.41	(0.36)
<u>Efficiency Ratios</u>				
Return On Total Assets	%	(0.40)	14.77	(0.31)
Return On Fixed Assets	%	(8.02)	457.27	(5.00)
Asset Turnover	Times	0.03	0.19	0.04

SEPARATE FINANCIAL RATIOS (Continued)

		Separate		
		<u>2020</u>	<u>2019</u>	<u>2018</u>
<u>Financial Policy Ratios</u>				
Debt To Equity	Times	0.57	0.48	0.17
Interest Coverage	Times	(0.88)	1.39	0.32
Payout Ratio (Cash Basis)	Times	(0.08)	0.00	(0.02)
Dividend Payout Ratio	%	-	196.05	(345.15)
<u>Share value</u>				
Book Value Per Share	Baht	26.69	29.90	33.18
Earnings Per Share	Baht	(0.17)	6.12	(0.12)
Dividend Per Share	Baht	-	12.00	0.41
<u>Growth rate</u>				
Total Assets	%	(5.07)	14.23	(0.43)
Total Liabilities	%	6.75	159.35	6.70
Total Revenues	%	(83.40)	455.05	(36.25)
Total Expenses	%	(30.64)	(4.47)	5.52
Net Income (Loss)	%	102.83	5,252.78	121.07

14. MANAGEMENT DISCUSSION AND ANALYSIS

14.1 Analysis of Operating Results and Financial Position

For the year ended 31st December 2020, Laguna Resorts & Hotels Public Company Limited was adversely impacted by the Covid-19 pandemic and suffered a substantial net loss of Baht 947 million as compared to a Baht 364 million net profit in the year 2019.

Total revenue for the year decreased by Baht 3,285 million as compared to last year due largely to the following:

- The overall revenue from hotel operations which comprise hotel, golf, and retail operations declined by Baht 2,150 million. Like almost all businesses in the hospitality industry in Thailand, the Covid-19 pandemic has significantly impacted the Group's businesses, especially the hotel business. The Group's hotels had to cease operations from April to May 2020 to comply with the government's measures to stop the spread of COVID-19. To reduce the Group's overhead costs, the Group's hotels continued to remain closed from June to August 2020 due to the lack of tourists and reopened in September 2020 after the Thai Government launched the subsidized travel scheme to stimulate domestic travel in Thailand.
- Revenue from property development operations which comprise property sales and the sale of holiday club memberships decreased by Baht 995 million. The difference is largely attributed to the lower revenue recognition of property sales projects namely Cassia which was lower when compared to last year offset by an increase in revenue recognition of the Angsana Beach Front project this year. At the time of this report, there is a total of Baht 2,473 million in property sales revenue which will be recognized in the future barring any cancellations.
- Revenue from office rental operations which includes retail leasing contracted decreased by Baht 55 million due largely to the lower occupancy of the Thai Wah Tower office.
- Other income decreased by Baht 85 million due mainly to the gain on revaluation of investment properties amounting to Baht 87 million in the previous year.

Total expenses reduced by Baht 1,993 million as compared to last year which is generally attributed to the following:

- The cost of hotel operations decreased by Baht 911 million due to the lower hotel revenue and the cost-saving measures put in place after the start of Covid-19.
- The cost of property development operations decreased by Baht 623 million as lower property sales were recognized during the year.
- The cost of office rental operations decreased by Baht 18 million. This is largely attributed to lower property tax and electricity expenses in the current period.

- Selling expenses were Baht 248 million lower due to the reduction of sale and marketing expenses of the hotels, Laguna golf and office rental operations.
- Administrative expenses declined by Baht 192 million as property tax, management fees, and rental expenses were lower.

Share of profit from investment in associates decreased by Baht 2 million which largely relates to lower profit from Thai Wah Plc.

Finance cost increased by Baht 103 million as compared to last year due to a higher loan balance in the current period and lower capitalized interests of property sales projects as the construction of some projects was halted due to the Covid-19 pandemic.

Income tax expenses decreased Baht 57 million as compared to the prior year as there were no deferred tax assets set up during this year.

Loss attributable to the non-controlling interests of the subsidiaries increased by Baht 15 which is primarily caused by loss of Laguna Service and gallery operation.

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

Hotel Operations

	(Unit: Million Baht)					
	2020	%	2019	%	2018	%
Revenues	1,206	100	3,356	100	3,572	100
Expenses	<u>1,172</u>	<u>97</u>	<u>2,083</u>	<u>62</u>	<u>2,043</u>	<u>57</u>
Gross Operating Profit	<u>34</u>	<u>3</u>	<u>1,273</u>	<u>38</u>	<u>1,529</u>	<u>43</u>

- Hotel revenues and expenses were Baht 2,150 million and Baht 911 million respectively lower than last year as the Covid-19 pandemic significantly impacted the Group's businesses, especially the hotel business.
- The Group's hotels had to cease operations from April to May 2020 to comply with the government's measures to stop the spread of COVID-19. To reduce the Group's overhead costs, the Group's hotels continued to remain closed from June to August 2020 due to the lack of tourists and reopened in September 2020 after the Thai Government launched the subsidized travel scheme to stimulate domestic travel in Thailand.

Property Sales and Holiday Club Membership Operations

(Unit: Million Baht)

	2020	%	2019	%	2018	%
Revenues	1,573	100	2,568	100	1,706	100
Expenses	<u>863</u>	<u>55</u>	<u>1,486</u>	<u>58</u>	<u>1,133</u>	<u>66</u>
Gross Operating Profit	<u>710</u>	<u>45</u>	<u>1,082</u>	<u>42</u>	<u>573</u>	<u>34</u>

- Revenues and expenses were Baht 995 million and Baht 623 million, respectively, lower than last year resulting in revenue recognition of property sales projects namely Cassia which was lower but offset by an increase in revenue recognition of the Angsana Beach Front project this year. However, the operating margin of 45 percent was higher than the years 2019 and 2018 which were 42 percent and 34 percent, respectively.
- The income of the remaining sold units of Baht 2,473 million will be recognized in the future barring any cancellations.

Balance Sheet

The main balance sheet items at 31 December 2020 and 2019 are as follows:

(Unit: Million Baht)

	Note	31 December 2020	31 December 2019
Cash and cash equivalents	1	569	633
Trade and other receivables	2	1,506	1,559
Property development cost	3	4,165	4,138
Investment in associates	4	960	981
Investment properties	5	1,411	1,411
Property, plant, equipment and land	6	12,653	13,178
Loans from banks	7	6,404	5,975
Deferred tax liabilities	8	2,811	2,676
Shareholders' equity	9	10,752	12,213

The main points regarding the Balance Sheet movements in the year ended 31 December 2020 are:

1. The main movements of cash and cash equivalents are explained in the commentary on Cash Flows below.
2. Trade accounts receivable and other account receivable balances are slightly lower than last year because hotel receivables decreased but were partially offset by an increase in property sales receivables.
3. The slight increase in property development cost is mainly due to the progress of property under construction of Laguna Park 2, Angsana Beach Front projects during the year.
4. The decrease in investment in associates is attributed to the dividend received from Thai Wah Public Company Limited.
5. The investment property is similar to the prior year as there were no changes in revaluation by a Market approach based on the appraisal report when compared to last year.
6. The decrease in property, plant, equipment and land is mainly due to a reduction in the value of hotel buildings, golf course, and depreciation during the year.
7. Loans from banks increased in 2020 due to the drawdowns of long-term loans of Baht 789 million and short-term loans of Baht 192 million offset by long-term loan repayments of Baht 548 million.
8. Deferred tax liabilities consist mainly of a revaluation surplus of assets amounting to Baht 1,904 million and unearned income of Baht 920 million.
9. The decrease in shareholders' equity is mainly due to the Baht 500 million dividend payment and the Baht 947 million net loss for the year 2020.

Cash Flows

The cash and cash equivalents of Baht 569 million as at 31 December 2020 is Baht 64 million lower as compared to 31 December 2019. The main component of cash inflow during the year was the net cash flow from operations amounting to Baht 32 million. This was largely a function of loss for the year adjusted for depreciation and working capital movements.

The drawdown of long-term loans from financial institutions and related companies of Baht 789 million, the drawdown of short-term loans amounting to Baht 192 million, and the dividend received from investment in associates of Baht 12 million also contributed to the cash inflow in 2020.

Cash outflow comprised of fixed assets of Baht 163 million which largely relates to hotel capital expenditures and the renovations of Banyan Tree Bangkok, Banyan Tree Phuket, Angsana Phuket, and

Cassia Phuket. Furthermore, the Company paid a dividend payment of Baht 370 million, the payment for lease liabilities of Baht 12 million, and long-term loan repayments amounting to Baht 548 million.

Cash Inflow	Million Baht	Cash Outflow	Million Baht
Cash flow from operations	32	Payments made on construction	163
Dividend received from investment in associate	12	Long term loan repayment	548
Increase in short-term loan	192	Dividend payment	370
Long-term bank loan drawdown	789	Payment of lease liabilities	12
Received - others	4		
Decrease in cash and cash equivalent	64		
Total	1,093	Total	1,093

Commentary on Consolidated Financial Ratios

Liquidity ratios

- Current ratio and Quick ratio – This is lower than the prior-year due to an increase in short-term loans from a financial institution.
- Cash flow from operating activities ratio – This is lower than the prior-year due to a decrease in hotel revenue coupled with higher average current liabilities.
- Receivable turnover – This is lower than the prior-year due to the significant decrease in revenue from hotels and property development operations.
- Inventory turnover – This is lower than the prior-year due to the lower direct hotel operations expenses coupled with the lower average inventory.
- Inventory turnover period – This is higher than the prior-year as the inventory turnover is low.
- Accounts payable turnover – This is lower than the prior-year due to lower supplier purchases but average accounts payables are high.
- Payment period – This is higher than the prior-year due to accounts payable turnover is low.
- Cash cycle – This is lower than the prior-year due to the long collection period for property sales, increase inventory turnover period of hotel operation, and longer payment period.

Profitability ratios

- Gross profit margin – This is lower than the prior-year due to a significant reduction in revenue from hotel operations, property sales, and office rental operations.
- Profit margin from operations, net profit margin from operations, and return on equity – These are negative due to the loss from operating results.

Efficiency ratios

- Return on total assets, return on fixed assets, and assets turnover – These are negative due to the loss from operating results.

Financial policy ratios

- Debt to equity – This is higher than the prior-year due to an increase in loans from financial institution both short-term and long-term.
- Interest coverage – This is lower than the prior-year due to lower cash flow from operations.
- Pay-out ratio (cash) – This is lower than the prior-year due to lower cash flow from operations coupled with dividend payment and long-term loan repayments.
- 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.

14.2 Factors or Events Probably affecting Financial Position or Operation

Please see section 2 - Nature of business that identifies the factors or events probably affecting Financial Position and Operation.

Please see section 13- 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.

PART IV

VERIFICATION OF INFORMATION

“After reviewing the information contained in this Annual Registration Statement (Form 56-1) with proper care, the Company hereby certifies that the foregoing information is complete and accurate and is not false, misleading, or lacking in any material statement that should be disclosed. The Company further certifies that:

- (1) The financial statements and the summary of financial particulars in Form 56-1 are true and accurate in all material respects in respect of the financial position, operating results, and cash flow of the Company and its subsidiaries;
- (2) The Company set in place the information disclosure structure to ensure that the Company properly discloses, in all material respects, the information of the Company and its subsidiaries and that the aforementioned structure is complied with; and
- (3) The Company set in place the internal control system and for compliance therewith. The Company completed an evaluation of the internal control system as of 31 December 2020 to the Company's auditor and the Audit, Risk and Corporate Governance Committee. Such report covered all material weaknesses and changes to the system, including any unlawful actions which may adversely affect the preparation of financial statements of the Company and its subsidiaries.

To confirm that the certified information is contained in the same copy of the document, the Company hereby authorizes Mr. Edmund Tan Min Hai and Ms. Areewan Sriwichupong to initial each page of the document. In the absence of the initial of Mr. Edmund Tan Min Hai and Ms. Areewan Sriwichupong on any page, it will be deemed that the information therein is not certified by the Company."

Name	Position	Signature
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Mr. Shankar Chandran	Director and Managing Director	_____
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Mr. Stuart David Reading	Director	_____
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Authorized Persons	Position	Signature
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Mr. Edmund Tan Min Hai	Assistant Vice President - Head of Finance and Accounting	_____
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Ms. Areewan Sriwichupong	Assistant Vice President - Finance	_____
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หนังสือรับรอง

ขอรับรองว่าบริษัทนี้ ได้จดทะเบียน เป็นนิติบุคคลตามกฎหมายว่าด้วยบริษัทมหาชนจำกัด เมื่อวันที่ 28 ธันวาคม 2535 ทะเบียนเลขที่ 0107535000371

ปรากฏข้อความในรายการตามเอกสารทะเบียนนิติบุคคล ณ วันออกหนังสือนี้ ดังนี้

1. ชื่อบริษัท บริษัท ลาภานา รีสอร์ท แอนด์ โฮเทล จำกัด (มหาชน)
2. กรรมการของบริษัทมี 12 คน ตามรายชื่อต่อไปนี้
 1. นายโฮ กวงปิง
 2. นายโฮ กวงจิง
 3. นายชิงชัย หาญเจนลักษณ์
 4. นายวุฒิพล สุริยาภิวัฒน์
 5. นายเอเรียล พี วีร์
 6. นายสจ๊วต เดวิด เรดดิง
 7. นายโฮ เรน ฮวา
 8. นายเอ็ดดี้ ซี ฮอก ไล
 9. นายชานคราร์ ชานดราน
 10. นางสาวศรีนคร อุณโยโกวิท
 11. นายธงชัย อานันโทไทย
 12. นางโฮ เรน ยุง/

3. ชื่อและจำนวนกรรมการ ซึ่งมีอำนาจลงลายมือชื่อแทนบริษัท คือ นายโฮ กวงปิง

นายโฮ กวงจิง นายสจ๊วต เดวิด เรดดิง นายโฮ เรน ฮวา

นายเอ็ดดี้ ซี ฮอก ไล และ นายชานคราร์ ชานดราน

กรรมการสองในหกคนนี้ลงลายมือชื่อร่วมกันและประทับตราสำคัญของบริษัท

ข้อจำกัดอำนาจของกรรมการ ไม่มี/

- 4.ทุนจดทะเบียน 2,116,753,580.00 บาท /

(สองพันหนึ่งร้อยสิบหกล้านเจ็ดแสนห้าหมื่นสามพันห้าร้อยแปดสิบบาทถ้วน)

ทุนชำระแล้วเป็นเงิน 1,666,827,010.00 บาท /

(หนึ่งพันหกร้อยหกสิบหกล้านแปดแสนสองหมื่นเจ็ดพันสิบบาทถ้วน)

5. สำนักงานใหญ่ ตั้งอยู่เลขที่ 21/17บี, 21/17ซี, 21/65, 21/66 และ 21/68 อาคารไทยวา 1 ชั้นที่ 7 , 22 และ 24 ถนนสาทรใต้ แขวงทุ่งมหาเมฆ เขตสาทร กรุงเทพมหานคร/

สำนักงานสาขา ตั้งอยู่ (1) เลขที่ 390/1 หมู่ที่ 1 ถนนศรีสุนทร ตำบลเชิงทะเล อำเภอถลาง จังหวัดภูเก็ต/

คำเตือน : ผู้ใช้ควรตรวจสอบข้อควรทราบท้ายหนังสือรับรองฉบับนี้ทุกครั้ง



จัดพิมพ์ เมื่อเวลา 09:29 น.

กรมพัฒนาธุรกิจการค้า กระทรวงพาณิชย์
Department of Business Development
Ministry of Commerce
โทร. 02 528 7600

"จับเงิน ไม่เสีย 99% ใจบริการ"
Creative Services
สายด่วน 1570 www.dbd.go.th

ที่ สจก. 000171



กรมพัฒนาธุรกิจการค้า กระทรวงพาณิชย์

หนังสือรับรอง

6. วัตถุประสงค์ของบริษัทมหาชนจำกัดนี้มี 42 ข้อ ดังปรากฏในสำเนาเอกสารแนบท้ายหนังสือรับรองนี้ จำนวน 4 แผ่น โดยมีลายมือชื่อนายทะเบียนซึ่งรับรองเอกสารและประทับตรากรมพัฒนาธุรกิจการค้าเป็นสำคัญ

ออกให้ ณ วันที่ 21 เดือน มกราคม พ.ศ. 2564



ข้อควรทราบ ประกอบหนังสือรับรอง ฉบับที่ สจก. 000171

1. กรณีที่เป็นบริษัทจดทะเบียนในตลาดหลักทรัพย์แห่งประเทศไทย กรรมการและผู้บริหารจะต้องมีคุณสมบัติ และไม่มีลักษณะต้องห้ามตามพระราชบัญญัติหลักทรัพย์และตลาดหลักทรัพย์ พ.ศ.2535 โปรดตรวจสอบ รายละเอียดที่สำนักงานคณะกรรมการกำกับหลักทรัพย์และตลาดหลักทรัพย์
2. บริษัทนี้เดิมชื่อ บริษัท ไทยวาริสอร์ตดีเวลอปเม้นท์ จำกัด ทะเบียนเลขที่ 0105529014771 ได้จดทะเบียนแปรสภาพเป็นบริษัทมหาชนจำกัด เมื่อวันที่ 28 ธันวาคม 2535 และได้จดทะเบียนเปลี่ยนชื่อเป็น บริษัท ลาгуน่า รีสอร์ท แอนด์ โฮเทล จำกัด (มหาชน) เมื่อวันที่ 15 พฤษภาคม 2541/
3. นิติบุคคลนี้ได้ส่งงบการเงินปี 2562
4. หนังสือรับรองเฉพาะข้อความที่ห้าง/บริษัทได้นำมาจดทะเบียนไว้เพื่อผลทางกฎหมายเท่านั้น ข้อเท็จจริงเป็นสิ่งที่ควรหาไว้พิจารณาฐานะ
5. นายทะเบียนอาจเพิกถอนการจดทะเบียน ถ้าปรากฏว่าข้อความอันเป็นสาระสำคัญที่จดทะเบียน ไม่ถูกต้อง หรือเป็นเท็จ



จัดพิมพ์ เมื่อเวลา 09:29 น.

กรมพัฒนาธุรกิจการค้า กระทรวงพาณิชย์
Department of Business Development
Ministry of Commerce
โทร. 02 528 7600

"จับจ่าย ไม่เสียใจในบริการ"
Creative Services

สายด่วน 1570 www.dbd.go.th

1. Details of Directors, Audit, Risk and Corporate Governance Committee Members, Nomination and Remuneration Committee Members, Management of the Company, Head of Group Internal Audit and Company Secretary as at 31 December 2020

1.1 Board of Directors as at 31 December 2020

Name • Current Position • Date of First Appointment as Director	Age (Years)	Highest Educational Background and Director Certificate Program	Percentage of Shareholding in the Company	Family Relation between Management	Working Experiences for the Past 5 Years		
					Time	Position	Company
1 Mr. Ho KwonPing⁽¹⁾ • Chairman of the Board • 4 July 1986	68	○ 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	None (No movement during the year)	Mr. Ho KwonCjan's elder brother and Mr. Ho Ren Hua and Ms. Ho Ren Yung's father	Present	<u>In Listed Companies</u> ○ Chairman of the Board and Chief Executive Officer ○ Chairman of the Board ○ Director and Executive Chairman	○ Laguna Resorts & Hotels Public Company Limited ○ Thai Wah Public Company Limited ○ Banyan Tree Holdings Limited ○ Diageo plc
					2013-2020	○ Non-Executive Director, Audit Committee Member, Nomination Committee Member and Remuneration Committee Member	
					2000-2015	○ Chief Executive Officer	○ Thai Wah Food Products Public Company Limited
					1997-2015	○ Chairman of the Board	○ Thai Wah Food Products Public Company Limited
					Present	<u>In Non-Listed Companies</u> ○ 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
						○ Director	○ Bibace Investments Ltd. and certain related companies
						○ Director	○ Bibace Management Company Limited
						○ 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	○ 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
					2013-2018	○ Chairman	○ School of Hotel and Tourism Management of the Hong Kong Polytechnic University - School Advisory Committee
					2000-2016	○ Director	○ Asia Tapioca Products Company Limited

1. Details of Directors, Audit, Risk and Corporate Governance Committee Members, Nomination and Remuneration Committee Members, Management of the Company, Head of Group Internal Audit and Company Secretary as at 31 December 2020 (continued)

1.1 Board of Directors as at 31 December 2020

Name • Current Position • Date of First Appointment as Director	Age (Years)	Highest Educational Background and Director Certificate Program	Percentage of Shareholding in the Company	Family Relation between Management	Working Experiences for the Past 5 Years		
					Time	Position	Company
2 Mr. Vudhiphol Suriyabhivadh • Independent Director • 7 May 2003	76	○ 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	None (No movement during the year)	No relation	Present	<u>In Listed Companies</u>	
						○ 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 and Nomination and Remuneration Committee Member	○ Thai Wah Public Company Limited
					2015-2020	○ Independent Director, Vice-Chairman of the Board of Directors and Audit Committee Chairman	○ L.P.N. Development Public Company Limited
						○ 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
					2003-2015	○ Nomination and Remuneration Committee Member	○ Thai Wah Food Products Public Company Limited
					1999-2015	○ Audit and Risk Committee Member	○ Thai Wah Food Products Public Company Limited
					1996-2015	○ Independent Director	○ Thai Wah Food Products Public Company Limited
						<u>In Non-Listed Companies</u> None	

1. Details of Directors, Audit, Risk and Corporate Governance Committee Members, Nomination and Remuneration Committee Members, Management of the Company, Head of Group Internal Audit and Company Secretary as at 31 December 2020 (continued)

1.1 Board of Directors as at 31 December 2020

Name • Current Position • Date of First Appointment as Director	Age (Years)	Highest Educational Background and Director Certificate Program	Percentage of Shareholding in the Company	Family Relation between Management	Working Experiences for the Past 5 Years		
					Time	Position	Company
3 Dr. Jingjai Hanchanlash • Independent Director • 15 May 2001	78	◦ 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	None (No movement during the year)	No relation	Present	<u>In Listed Companies</u>	
						◦ 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 and Nomination and Remuneration Committee Chairman	◦ Thai Wah Public Company Limited
						◦ Vice-Chairman	◦ Muang Thai Insurance Public Company Limited
						◦ Advisor the Executive Board	◦ Loxley Public Company Limited
					2017-2019	◦ Director and Executive Director	◦ Asian Phytoceuticals Public Company Limited
					2014-2019	◦ Vice-Chairman of the Executive Board	◦ Loxley Public Company Limited
					2013-2015	◦ Director	◦ Loxley Public Company Limited
					2000-2015	◦ Nomination and Remuneration Committee Member	◦ Thai Wah Food Products Public Company Limited
					2000-2015	◦ Independent Director and Audit and Risk Committee Member	◦ Thai Wah Food Products Public Company Limited
					Present	<u>In Non-Listed Companies</u>	
						◦ Honorary Chairman	◦ Greater Mekong Sub-Region Business Forum
						◦ Chairman of the Executive Board	◦ Rutnin-Gimbel Excimer Laser Eye Centre
						◦ Vice-Chairman	◦ Thai Chamber of Commerce
						◦ Board Member	◦ King Prajadhipok's Institute
						◦ Board Member	◦ SPIE Oil & Gas Services (Thailand) Limited

1. Details of Directors, Audit, Risk and Corporate Governance Committee Members, Nomination and Remuneration Committee Members, Management of the Company, Head of Group Internal Audit and Company Secretary as at 31 December 2020 (continued)

1.1 Board of Directors as at 31 December 2020

Name • Current Position • Date of First Appointment as Director	Age (Years)	Highest Educational Background and Director Certificate Program	Percentage of Shareholding in the Company	Family Relation between Management	Working Experiences for the Past 5 Years		
					Time	Position	Company
4 Mr. Thongchai Ananthothai <ul style="list-style-type: none"> Independent Director 2 March 2017 	59	<ul style="list-style-type: none"> 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 	None (No movement during the year)	No relation	Present 2011-2016	<u>In Listed Companies</u> <ul style="list-style-type: none"> Independent Director, Audit, Risk and Corporate Governance Committee Member and Nomination and Remuneration Committee Member Executive Vice President, Corporate Banking Executive Vice President and Head of Provincial Commercial Banking <u>In Non-Listed Companies</u> None	<ul style="list-style-type: none"> Laguna Resorts & Hotels Public Company Limited Bangkok Bank Public Company Limited Bangkok Bank Public Company Limited
5 Ms. Srinthorn Ounayakovit <ul style="list-style-type: none"> Independent Director 9 March 2015 	50	<ul style="list-style-type: none"> Bachelor of Art - Economics, Smith College, USA Director Accreditation Program (2015), Thai Institute of Directors Association 	None (No movement during the year)	No relation	Present 1999-2015	<u>In Listed Companies</u> <ul style="list-style-type: none"> Independent Director <u>In Non-Listed Companies</u> <ul style="list-style-type: none"> Chief Executive Officer 	<ul style="list-style-type: none"> Laguna Resorts & Hotels Public Company Limited Burda (Thailand) Company Limited
6 Mr. Surapon Supratya <ul style="list-style-type: none"> Independent Director 22 March 1996 	68	<ul style="list-style-type: none"> Master of Accounting, Thammasat University Certified Public Accountant of Thailand Director Accreditation Program (2009), Thai Institute of Directors Association 	None (No movement during the year)	No relation	Present 2016-2019 2013-2016 1996-2015 2003-2016 2000-2016 1996-2016	<u>In Listed Companies</u> <ul style="list-style-type: none"> Independent Director Non-Executive Director Non-Executive Director Deputy Chairman of the Board Director <u>In Non-Listed Companies</u> <ul style="list-style-type: none"> Director Director Director 	<ul style="list-style-type: none"> Laguna Resorts & Hotels Public Company Limited Thai Wah Public Company Limited Laguna Resorts & Hotels Public Company Limited Laguna Resorts & Hotels Public Company Limited Thai Wah Food Products Public Company Limited Vietnam Tapioca Company Limited Asia Tapioca Products Company Limited Tay Ninh Tapioca Joint Stock Company

1. Details of Directors, Audit, Risk and Corporate Governance Committee Members, Nomination and Remuneration Committee Members, Management of the Company, Head of Group Internal Audit and Company Secretary as at 31 December 2020 (continued)

1.1 Board of Directors as at 31 December 2020

[illegible]

1. Details of Directors, Audit, Risk and Corporate Governance Committee Members, Nomination and Remuneration Committee Members, Management of the Company, Head of Group Internal Audit and Company Secretary as at 31 December 2020 (continued)

1.1 Board of Directors as at 31 December 2020

Name • Current Position • Date of First Appointment as Director	Age (Years)	Highest Educational Background and Director Certificate Program	Percentage of Shareholding in the Company	Family Relation between Management	Working Experiences for the Past 5 Years		
					Time	Position	Company
9 Mr. Eddy See Hock Lye⁽¹⁾ <ul style="list-style-type: none"> • Director • 21 November 2012 	56	<ul style="list-style-type: none"> ◦ 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) 	None (No movement during the year)	No relation	Present 2004-2018 Present	<u>In Listed Companies</u> <ul style="list-style-type: none"> ◦ Director ◦ President and Group Managing Director ◦ Chief Financial Officer <u>In Non-Listed Companies</u> <ul style="list-style-type: none"> ◦ Director ◦ Director ◦ Director ◦ Director ◦ Director ◦ Director ◦ Director ◦ Director ◦ Director 	<ul style="list-style-type: none"> ◦ Laguna Resorts & Hotels Public Company Limited ◦ Banyan Tree Holdings Limited ◦ Banyan Tree Holdings Limited ◦ Certain related companies of Laguna Resorts & Hotels Public Company Limited ⁽²⁾ ◦ Certain related companies of Banyan Tree Holdings Limited ◦ Tropical Resorts Limited and certain related companies ◦ Singapore-Bintan Resort Holdings Pte Ltd ◦ Donvale Limited ◦ Debenham Limited ◦ Hotel Management Ltd ◦ Private Collection (S) Pte. Ltd.
10 Mr. Shankar Chandran⁽¹⁾ <ul style="list-style-type: none"> • Director • 21 November 2012 	58	<ul style="list-style-type: none"> ◦ Postgraduate Diploma in Management Studies, Kingston University, London, UK ◦ Higher National Diploma Finance South West London College, UK 	None (No movement during the year)	No relation	Present 2017-2019 Present 2011-2016	<u>In Listed Companies</u> <ul style="list-style-type: none"> ◦ Director and Managing Director ◦ Executive Vice President - Group Business Performance ◦ Non-Executive Director ◦ Managing Director, Owned Hotels and Managing Director (Spa Operations) <u>In Non-Listed Companies</u> <ul style="list-style-type: none"> ◦ Director ◦ Director ◦ Director ◦ Managing Director 	<ul style="list-style-type: none"> ◦ Laguna Resorts & Hotels Public Company Limited ◦ Banyan Tree Holdings Limited ◦ Thai Wah Public Company Limited ◦ Banyan Tree Holdings Limited ◦ Certain related companies of Laguna Resorts & Hotels Public Company Limited ⁽²⁾ ◦ Certain related companies of Banyan Tree Holdings Limited ◦ Banyan Tree Hotels & Resorts (Thailand) Limited ◦ Laguna Lang Co Vietnam

1. Details of Directors, Audit, Risk and Corporate Governance Committee Members, Nomination and Remuneration Committee Members, Management of the Company, Head of Group Internal Audit and Company Secretary as at 31 December 2020 (continued)

1.1 Board of Directors as at 31 December 2020

Name • Current Position • Date of First Appointment as Director	Age (Years)	Highest Educational Background and Director Certificate Program	Percentage of Shareholding in the Company	Family Relation between Management	Working Experiences for the Past 5 Years		
					Time	Position	Company
11 Mr. Stuart David Reading⁽¹⁾ <ul style="list-style-type: none"> • Director • 10 August 2006 	53	<ul style="list-style-type: none"> ◦ 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 	<p>None</p> <p>(No movement during the year)</p>	No relation	<p>Present</p> <p>2013</p> <p>Present</p>	<p><u>In Listed Companies</u></p> <ul style="list-style-type: none"> ◦ Director ◦ Deputy Managing Director <p><u>In Non-Listed Companies</u></p> <ul style="list-style-type: none"> ◦ Director ◦ Senior Vice President - Group Property Development 	<ul style="list-style-type: none"> ◦ Laguna Resorts & Hotels Public Company Limited ◦ Laguna Resorts & Hotels Public Company Limited ◦ Certain related companies of Laguna Resorts & Hotels Public Company Limited ⁽²⁾ ◦ Laguna Banyan Tree Limited
12 Mr. Ho Ren Hua⁽¹⁾ <ul style="list-style-type: none"> • Director • 9 November 2011 	38	<ul style="list-style-type: none"> ◦ 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 	<p>None</p> <p>(No movement during the year)</p>	<p>Mr. Ho KwonPing's son,</p> <p>Mr. Ho KwonCjan's nephew</p> <p>and</p> <p>Ms. Ho Ren Yung's elder brother</p>	<p>Present</p> <p>2015</p> <p>2011-2015</p> <p>Present</p> <p>2016-2017</p>	<p><u>In Listed Companies</u></p> <ul style="list-style-type: none"> ◦ Director ◦ Director and Chief Executive Officer ◦ Non-Executive and Non-Independent Director ◦ Director and Chief Executive Officer ◦ Director <p><u>In Non-Listed Companies</u></p> <ul style="list-style-type: none"> ◦ Board of Commissioner ◦ Chairman of the Board / Director ◦ Chairman of the Board ◦ Director ◦ Director ◦ Director ◦ Director ◦ Director ◦ Director ◦ Director ◦ Director ◦ Director ◦ Director ◦ Director ◦ Director ◦ Director ◦ Director 	<ul style="list-style-type: none"> ◦ Laguna Resorts & Hotels Public Company Limited ◦ Thai Wah Public Company Limited ◦ Banyan Tree Holdings Limited ◦ Thai Wah Starch Public Company Limited ◦ Thai Wah Food Products Public Company Limited ◦ PT Thai Wah Indonesia ◦ Certain related companies of Banyan Tree Holdings Limited ◦ Thai Wah International Trade (Shanghai) Company Limited ◦ Bibace Management Company Limited ◦ Casita Holdings Ltd. ◦ Dawina Investments Ltd. ◦ ICD (HK) Limited ◦ Maypole Ltd. and certain related companies ◦ RY LTD ◦ Rocket International Investments Limited ◦ Sin-Hai Offshore Company Limited ◦ Tapioca Development Corporation Limited ◦ Thai Wah Vietnam Company Limited ◦ TWPC Investment (Cambodia) Co., Ltd. ◦ United Insulation Services Pte. Ltd. ◦ Asia Tapioca Products Company Limited

1. Details of Directors, Audit, Risk and Corporate Governance Committee Members, Nomination and Remuneration Committee Members, Management of the Company, Head of Group Internal Audit and Company Secretary as at 31 December 2020 (continued)

1.1 Board of Directors as at 31 December 2020

Name • Current Position • Date of First Appointment as Director	Age (Years)	Highest Educational Background and Director Certificate Program	Percentage of Shareholding in the Company	Family Relation between Management	Working Experiences for the Past 5 Years		
					Time	Position	Company
13 Ms. Ho Ren Yung • Non-Executive Director • 29 April 2020	35	o Bachelor of Science in Sociology and Economics Development, London School of Economics o A Certificate in Accounting and Finance, National University of Singapore	None (No movement during the year)	Mr. Ho KwonPing's daughter, Mr. Ho KwonCjan's niece and Mr. Ho Ren Hua's younger sister	Present	<u>In Listed Companies</u> o Non-Executive Director o Non-Executive Director o Vice President	o Laguna Resorts & Hotels Public Company Limited o Thai Wah Public Company Limited o Banyan Tree Holdings Limited
					Present	<u>In Non-Listed Companies</u> o Director o Director o Director o Director o Business Unit Head o Co-Founder o Director of Retail Operations	o ICD (HK) Limited o Bibace Management Company Limited o Mamaboss Pte. Ltd. o RY LTD o Banyan Tree Spa and Gallery o Matter Prints o Banyan Tree Gallery
					2016-2017		

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⁾ Authorized directors as shown in the Company Affidavit
⁽²⁾ Details as shown in the section of "Position of Directors and Management as at 31 December 2020"

1.2 Management of the Company *, Head of Group Internal Audit and Company Secretary as at 31 December 2020

Name/Position	Age (Years)	Highest Educational Background / Director Certificate Program	Percentage of Shareholding in the Company	Family Relation between Management	Working Experiences for the Past 5 Years		
					Time	Position	Company
1 Mr. Ho KwonPing Chief Executive Officer					-----Profile as shown in the section of "Board of Directors as at 31 December 2020"-----		
2 Mr. Shankar Chandran Managing Director							
3 Mr. Kuan Chiet Chief Financial Officer, ⁽²⁾ Vice President - Finance & Administration and Company Secretary	54	<ul style="list-style-type: none"> o Bachelor of Business Administration, National University of Singapore o Director Certification Program (2002), Thai Institute of Directors Association 	None (No movement during the year)	No relation	Present 2018-2019 2014-2016 2000-2015 Present 2008-2015	<u>In Listed Companies</u> <ul style="list-style-type: none"> o Chief Financial Officer, Vice President - Finance & Administration and Company Secretary o Chief Financial Officer o Senior Assistant Vice President - Finance & Administration o Director <u>In Non-Listed Companies</u> <ul style="list-style-type: none"> o Director o Director 	<ul style="list-style-type: none"> o Laguna Resorts & Hotels Public Company Limited o Banyan Tree Holdings Limited o Laguna Resorts & Hotels Public Company Limited o Thai Wah Food Products Public Company Limited o Certain related companies of Laguna Resorts & Hotels Public Company Limited ⁽¹⁾ o Tapioca Development Corporation Limited
4 Ms. Piploy Pluemarom Assistant Vice President - Group Human Resources	62	<ul style="list-style-type: none"> o Master of Public Administration, Chulalongkorn University 	None (No movement during the year)	No relation	Present Present	<u>In Listed Companies</u> <ul style="list-style-type: none"> o Assistant Vice President - Group Human Resources <u>In Non-Listed Companies</u> <ul style="list-style-type: none"> o Director 	<ul style="list-style-type: none"> o Laguna Resorts & Hotels Public Company Limited o Certain related company of Laguna Resorts & Hotels Public Company Limited ⁽¹⁾
5 Ms. Areewan Sriwichupong Chief Accountant and Assistant Vice President - Finance	49	<ul style="list-style-type: none"> o Master of Business Administration (Strategic Management), Thammasat University o Director Certification Program (2014), Thai Institute of Directors Association 	None (No movement during the year)	No relation	Present Present	<u>In Listed Companies</u> <ul style="list-style-type: none"> o Chief Accountant and Assistant Vice President - Finance <u>In Non-Listed Companies</u> <ul style="list-style-type: none"> o Director 	<ul style="list-style-type: none"> o Laguna Resorts & Hotels Public Company Limited o Certain related companies of Laguna Resorts & Hotels Public Company Limited ⁽¹⁾

1.2 Management of the Company*, Head of Group Internal Audit and Company Secretary as at 31 December 2020 (continued)

Name/Position	Age (Years)	Highest Educational Background / Director Certificate Program	Percentage of Shareholding in the Company	Family Relation between Management	Working Experiences for the Past 5 Years		
					Time	Position	Company
Head of Group Internal Audit 6 Mr. Toeh Tian Eng Head of Group Internal Audit	40	<ul style="list-style-type: none">o Bachelor of Commerce, University of Western Australia, Australiao Certified Public Account of Australia	None (No movement during the year)	No relation	Present 2008-2020	<u>In Listed Companies</u> <ul style="list-style-type: none">o Head of Group Internal Audito Head of Group Internal Audito Assistant Vice President - Internal Audit IA Section Head of Group Lodging Business <u>In Non-Listed Companies</u> None	<ul style="list-style-type: none">o Laguna Resorts & Hotels Public Company Limitedo Banyan Tree Holdings Limitedo CapitaLand Limited
Company Secretary Mr. Kuan Chiet	----- Profile as shown above -----						

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.

* Effective 1 February 2015, all positions from Assistant Vice President and above are considered management of the Company in accordance with the definition of the Securities and Exchange Commission.

(1) Details as shown in the section of "Information on the Directors of Subsidiaries as at 31 December 2020"

(2) Mr. Kuan Chiet resigned as Chief Financial Officer on 15 January 2021 and was replaced by Mr. Edmund Tan Min Hai.

2. Details of Positions of Directors and Management as at 31 December 2020

No.	Name List		LRH	Subsidiaries														
				AVCI	BGL	BT1	BT2	BT3	BT4	BTL	BTG(S)	BTG(T)	CGL	L3	LBTL	LEL	LGL	LHC
1	Mr. Ho	KwonPing	BoDC, CEO, M	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
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. Surapon	Supratya	ID	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7	Mr. Ho	KwonCjan	/	-	/	/	/	/	/	/	-	/	-	/	/	-	-	-
8	Mr. Ariel	P. Vera	NED	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Mr. Eddy	See Hock Lye	/	PC	/	/	/	/	/	/	/	/	/	/	/	-	-	/
10	Mr. Ho	Ren Hua	/	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Mr. Shankar	Chandran	/, MD, M	-	/	/	/	/	/	/	-	/	/	/	/	-	/	/
12	Mr. Stuart	David Reading	/	PD	/	/	/	/	/	/	/	/	-	/	/	/	/	/
13	Ms. Ho	Ren Yung	NED	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Mr. Kuan	Chiet	M	/	/	/	/	/	/	/	-	/	/	/	/	/	/	/
15	Ms. Piploy	Pluemarom	M	-	-	-	-	-	-	-	-	-	-	-	-	/	/	-
16	Ms. Areewan	Sriwichupong	M	-	/	/	/	/	/	/	-	/	/	/	/	/	/	-

Remark BoDC = Board of Directors Chairman, CEO = Chief Executive Officer, ID = Independent Director, MD = Managing Director, PD = President Director, PC = President Commissioner

ARCGC = Audit, Risk and Corporate Governance Committee Chairman, ARCG = Audit, Risk and Corporate Governance Committee Member, NRCC = Nomination and Remuneration Committee Chairman,

NRC = Nomination and Remuneration Committee Member, NED = Non-Executive Director, / = Director, - = None, M = Management according to the definition of the Securities and Exchange Commission

Full Company name as shown in the section of "Abbreviations" in Attachment 6

2. Details of Positions of Directors and Management as at 31 December 2020 (continued)

No.	Name List														Associated Companies		Related Companies		
			LSC	LVL	MCP	PGR	PSD	TLDC	TWL	TWPL	TWRH	TWT	TWT2	V9F	BTC	TRL	BI	HHBR	TWPC
1	Mr. Ho	KwonPing	-	-	-	-	-	-	-	-	-	-	-	-	-	BoDC	/	-	BoDC
2	Mr. Vudhiphol	Suriyabhivadh	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	ID
3	Dr. Jingjai	Hanchanlash	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	ID
4	Mr. Thongchai	Ananthothai	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Ms. Srinthorn	Ounayakovit	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Mr. Surapon	Supratya	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	NED
7	Mr. Ho	KwonCjan	-	-	/	/	/	-	/	-	/	/	/	-	-	-	-	-	NED
8	Mr. Ariel	P. Vera	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	NED
9	Mr. Eddy	See Hock Lye	-	/	/	/	/	-	/	-	/	/	/	-	/	/	-	-	-
10	Mr. Ho	Ren Hua	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	CEO, /
11	Mr. Shankar	Chandran	/	/	/	/	/	-	/	/	/	/	/	-	-	-	-	-	NED
12	Mr. Stuart	David Reading	/	/	/	/	/	/	/	/	/	/	/	-	-	-	-	-	-
13	Ms. Ho	Ren Yung	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	NED
14	Mr. Kuan	Chiet	/	/	/	/	/	/	/	/	/	/	/	-	-	-	-	-	-
15	Ms. Piploy	Pluemarom	/	-	-	-	-	-	-	/	-	-	-	-	-	-	-	-	-
16	Ms. Areewan	Sriwichupong	/	/	/	/	/	-	/	/	/	/	/	-	-	-	-	-	-

Remark BoDC = Board of Directors Chairman, CEO = Chief Executive Officer, ID = Independent Director, MD = Managing Director, PD = President Director, PC = President Commissioner

ARCGC = Audit, Risk and Corporate Governance Committee Chairman, ARCG = Audit, Risk and Corporate Governance Committee Member, NRCC = Nomination and Remuneration Committee Chairman,

NED = Non-Executive Director, / = Director, - = None, M = Management according to the definition of the Securities and Exchange Commission

Full Company name as shown in the section of "Abbreviations" in Attachment 6

Information on the Directors of Subsidiaries as at 31 December 2020

No.	Name list		Subsidiaries													
			AVCI	BGL	BT1	BT2	BT3	BT4	BTL	BTG(S)	BTG(T)	CGL	L3	LBTL	LEL	LGL
1	Mr. Ho	KwonCjan	-	/	/	/	/	/	/	-	/	-	/	/	-	-
2	Mr. Kuan	Chiet	/	/	/	/	/	/	/	-	/	/	/	/	/	/
3	Mr. Stuart	David Reading	PD	/	/	/	/	/	/	/	/	-	/	/	/	/
4	Ms. Areewan	Sriwichupong	-	/	/	/	/	/	/	-	/	/	/	/	/	/
5	Mr. Shankar	Chandran	-	/	/	/	/	/	/	-	/	/	/	/	-	/
6	Ms. Claire	Chiang See Ngoh	-	-	-	-	-	-	-	/	/	-	-	-	-	-
7	Mr. Phitak	Boonpojanasoontorn	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8	Mr. Eddy	See Hock Lye	PC	/	/	/	/	/	/	/	/	/	/	/	-	-
9	Mr. Boon	Yongsakul	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Ms. Sriya	Yongsakul	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Ms. Piploy	Pluemarom	-	-	-	-	-	-	-	-	-	-	-	-	/	/
12	Mr. Kontee	Warapitayut	-	/	/	/	/	/	/	-	/	-	/	/	/	/
13	Mr. Amnuay	Navachotechaiyakul	-	-	-	-	-	-	-	-	-	-	-	-	-	/
14	Ms. Berty Maydiana	Santy	/	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Mr. Paul Anthony	Wilson	/	-	-	-	-	-	-	-	-	-	-	-	-	-
16	Mrs. Wanwipa	Noble	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Remark PC = President Commissioner, PD = President Director, / = Director, - = None

Full Company name as shown in the section of "Abbreviations" in Attachment 6

Information on the Directors of Subsidiaries as at 31 December 2020 (continued)

No.	Name list		Subsidiaries													
			LHC	LLL	LSC	LVL	MCP	PGR	PSD	TLDC	TWL	TWPL	TWRH	TWT	TWT2	V9F
1	Mr. Ho	KwonCjan	-	-	-	-	/	/	/	-	/	-	/	/	/	-
2	Mr. Kuan	Chiet	/	/	/	/	/	/	/	/	/	/	/	/	/	-
3	Mr. Stuart	David Reading	/	/	/	/	/	/	/	/	/	/	/	/	/	-
4	Ms. Areewan	Sriwichupong	-	-	/	/	/	/	/	-	/	/	/	/	/	-
5	Mr. Shankar	Chandran	/	/	/	/	/	/	/	-	/	/	/	/	/	-
6	Ms. Claire	Chiang See Ngoh	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7	Mr. Phitak	Boonpojanasoontorn	-	-	-	-	-	-	-	/	-	-	-	-	-	-
8	Mr. Eddy	See Hock Lye	-	/	-	/	/	/	/	-	/	-	/	/	/	-
9	Mr. Boon	Yongsakul	-	/	-	-	-	-	-	-	-	-	-	-	-	-
10	Ms. Sriya	Yongsakul	-	/	-	-	-	-	-	-	-	-	-	-	-	-
11	Ms. Piploy	Pluemarom	-	-	/	-	-	-	-	-	-	/	-	-	-	-
12	Mr. Kontee	Warapitayut	/	/	/	/	/	/	/	-	/	/	/	/	/	-
13	Mr. Amnuay	Navachotechaiyakul	/	-	/	-	-	-	-	-	-	/	-	-	-	-
14	Ms. Berty Maydiana	Santy	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Mr. Paul Anthony	Wilson	-	-	-	-	-	-	-	-	-	-	-	-	-	-
16	Mrs. Wanwipa	Noble	-	-	-	-	-	-	-	-	-	-	-	-	-	/

Remark / = Director, - = None

Full Company name as shown in the section of "Abbreviations" in Attachment 6

DETAILS OF ASSET REVALUATION

As a policy, land and building revaluation by 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 29 November 2019. There were land and building revaluation in December 2020 to update the impacted value related to the COVID-19.

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 31 March 2020.

The detail of types of asset revaluation, the purpose of revaluation, the name of appraiser, and the date of revaluation is disclosed under the section 4.1 Operating assets of the Company and its subsidiaries.

REPORT OF THE AUDIT AND RISK COMMITTEE

The Audit, Risk and Corporate Governance (“ARCG”) Committee of Laguna Resorts & Hotels Public Company Limited comprises 3 independent directors and is empowered to:-

- review the Company’s financial reports, internal control and internal audit systems, connected transactions and compliance with all relevant regulations and laws;
- recommend 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;
- advise management on matters related to the principles of good corporate governance;
- recommend the appointment and termination of the Company’s external auditors and their remuneration;
- review or discuss policies regarding risk assessment and risk management and the steps management has taken to monitor and control such exposures;
- seek to oversee and ensure a continuous process for managing risk;
- oversee the compliance with the Anti-Corruption Policy; and
- supervise and offer advice related to the operation concerning the Company’s sustainable development.

In 2020 the ARCG Committee convened 4 meetings with the Company’s external auditors, internal auditors, and 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 2020. Apart from this, the ARCG Committee attended one non-management meeting with the external auditor to deliberate on accounting approaches and audit plans.

Each of the ARCG Committee members attended all meetings convened in 2020.

Regarding risk management, the ARCG Committee reviewed the risk registers of the Company’s major business units with the Company’s Group Risk Committee. During the review, the ARCG Committee advised on mitigation measures for identified risks and checked that the risk management policies and work undertaken by the Company’s Group Risk Committee continue to be adequate and effective.

The ARCG Committee is satisfied that the Group's internal controls are sufficient and effective both to support its operations and to enable the external auditors to express an opinion on the financial statements that they are presented fairly in all material respects. Where internal control weaknesses have been detected during the ARCG Committee's reviews, they are not considered material and in all cases, management has been alerted and appropriate corrective action has been taken.

The ARCG Committee believes that risk management is now well understood and practiced throughout the Group and that systems are generally in place to ensure an ongoing process of risk management.

The ARCG Committee is satisfied that the Company is in compliance with the SEC and SET rules and regulations and the laws related to the business of the Company and that the Company has supported and continuously developed its good corporate governance principles. As a pledge of the Company's ongoing commitment to operate its business ethically and to avoid any corrupt practices, the ARCG Committee recommended the Company to join the Thailand Private Sector Collective Action Coalition Against Corruption (CAC), establish an Anti-Corruption Policy and adopt the Good Corporate Governance Policy. The Company has since joined the CAC and established the Anti-Corruption Policy to promote anti-bribery and anti-corruption practices and serve as clear guidelines for Directors, Executives, Employees, and related persons in conducting the Company's business. After putting in place all necessary anti-corruption policies and measures under the stringent guidelines of the CAC, the Company became a certified member of CAC in February 2019.

Despite the complexity of the Group's structure which is primarily due to the integration of several resorts at Laguna Phuket, the ARCG Committee is satisfied that all connected transactions in 2020 that it reviewed were fair and reasonable and had been entered into on an arms-length basis applying the principles of an open market transaction between willing parties.

The interests 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 within the terms of its Charter with both the management and the external and internal auditors.

The ARCG Committee has recommended the Board to appoint Ms. Runnapa Lertsuwankul, Certified Public Accountant No. 3516 and/or Ms. Pimjai Manitkajohnkit, Certified Public Accountant No. 4521 and/or Ms. Sumana Punpongsanon, Certified Public Accountant No. 5872 and/or Mr. Chayapol Suppasdtanon, 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 Atsawarangsali, Certified Public Accountant No. 4496 of EY Office Limited to be the Company's auditors for the fiscal year 2021 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

18 February 2021

REPORT OF THE NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee (“NRC”) of Laguna Resorts & Hotels Public Company Limited comprises three independent directors and has the following objectives:

1. To formulate and align HR policies and programs for senior management to business goals and market practices;
2. To attract and retain the right people for senior management positions in the Company;
3. To ensure that the Company’s senior management remuneration and benefits 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 resolve and/or advise on any employee's remuneration which has conflict-of-interest issues.

In the pursuit of its objectives, the NRC is empowered to perform the following functions:

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 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 2020 the NRC reviewed the NRC Charter and Nomination and Remuneration Policy, made recommendations to the Board regarding the re-nomination of those retiring directors by rotation and the remuneration for the directors and sub-committee members. Additionally, the NRC considered and recommended the amount of annual bonus and salary increment policy for the Company's employees. Due to the adverse impact of the Covid-19 pandemic on the Company's business, the NRC initiated a 15% voluntary reduction in fees for all Directors of the Board and Members of the ARCG and NRC which took effect from August 2020.



Dr. Jingjai Hanchanlash
Nomination and Remuneration Committee Chairman
15 January 2021

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
BT4	Bangtao (4) Limited
BTC	Banyan Tree China Pte. Ltd.
BTL	Bangtao Laguna Limited <i>(Formerly know as Bangtao Development Limited)</i>
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
LLL	Laguna Lakes Limited
LRH	Laguna Resorts & Hotels Public Company Limited
LSC	Laguna Service Company Limited
LVL	Laguna Village Limited
MCP	Mae Chan Property Company Limited
PGR	Phuket Grande Resort Limited <i>(Formerly know as Phuket Resort Development Limited)</i>
PSD	Pai Samart Development Company Limited
TLDC	Talang Development Company Limited
TRL	Tropical Resorts Limited
TWL	Twin Waters Limited <i>(Formerly know as Twin Waters Development Company Limited)</i>
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