

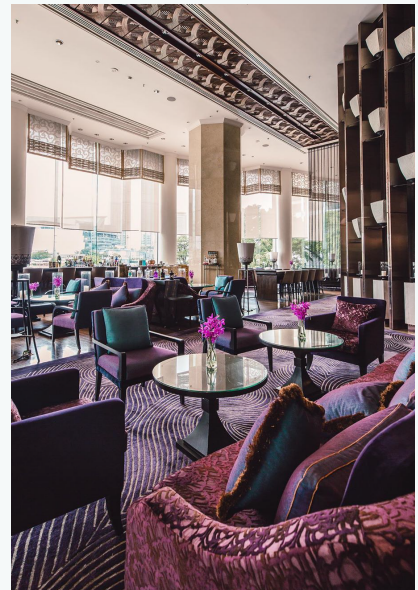


SHANGRI-LA



Shangri-La Hotel Public Company Limited  
Annual Registration Statement/  
**Annual Report 2025**  
(Form 56-1 One Report)

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## Vice Chairman's Statement

In 2025, Thailand's tourism and hospitality industries continues its transition from recovery toward a more normalized operating environment. While international visitor arrivals remain on gradual upward trend supported by government tourism promotion initiatives, visa facilitation measures, and improved regional connectivity, overall industry performance is increasingly shaped by external, structural, and perceptual headwinds. Global economic uncertainty, geopolitical tensions, volatile energy prices, and inflationary pressures continue to influence travel demand, spending behavior, and operating costs across the sector. In addition, a series of safety and security incidents, including isolated cases involving tourist kidnappings, earthquake impact, shooting incidents, and attacks targeting tourists, have temporarily affected destination sentiment and traveler confidence in certain source markets.

Demand recovery in 2025 remains uneven by market and segment. Short-haul and regional travelers contribute positively to overall arrivals; however, mid-to long-haul demand from North Asia, Europe and North America show more cautious growth due to cost-of-living pressures, constrained discretionary spending and currency exchange value. At the same time, increased competition from alternative destinations in Asia places additional pressure on Thailand's ability to sustain rate growth, particularly outside peak travel period. Domestic tourism continues to play a vital stabilizing role for the industry. Nevertheless, domestic travelers demonstrate heightened price sensitivity, shorter booking windows, and a preference for promotional and value-added offers. These behavioral shifts limit pricing flexibility and place pressure on average daily rates (ADR). As a result, industry-wide revenue growth in 2025 is increasingly driven by volume and market mix optimization rather than rate expansion.

From supply perspective, the continued entry of new hotels, property renovations, and brand repositioning has intensified competition across all segments. This oversupply dynamic, combined with demand volatility, has constrained occupancy growth and placed downward pressure on RevPAR, particularly within the upscale and luxury segments. Operationally, the industry faces persistent cost headwinds in 2025. Labor shortages, rising wage levels, energy costs, and inflation in food and beverage inputs continue to weigh on operating margins. In response, hotel operators have shifted focus toward cost discipline, productivity improvements, and the use of technology to enhance efficiency and optimize resource utilization. Sustainability initiatives, while essential for long-term competitiveness and regulatory alignment, require careful capital allocation in a margin-constrained environment.

Against this backdrop, Shangri-La Hotel Public Company Limited ("Company") remains committed to navigating the evolving market landscape with a balanced focus on resilience, service excellence, and sustainable growth. The Company leverages its strong brand positioning, operational expertise, and diversified portfolio to mitigate market volatility while adapting to changing guest expectations. In 2025, The Company continues to prioritize the following strategic initiatives:



1. **Customer Experience and Differentiation:** Delivering consistent service quality and personalized experiences to strengthen brand loyalty and protect market positioning in a highly competitive environment.

2. **Demand Diversification and Market Mix Optimization:** Reducing reliance on any single source market by balancing domestic, regional, and mid-to-long haul demand across leisure, corporate, and MICE Segment.

3. **Cost Management and Operational Efficiency:** Implementing disciplined cost control measures and leveraging technology to improve productivity and margin resilience amid sustained inflationary pressures.

4. **Sustainability:** In an era where sustainability is a critical factor for long-term success, the Company has integrated ESG (Environmental, Social, and Governance) principles into its operational strategy.

5. **Talent Development:** Human resources are a core element in creating competitive advantage. The Company has invested in employee skill development programs to ensure that staff can meet customer needs professionally.

6. **Data-driven Decision Making:** Utilizing data analytics to enhance revenue management, forecasting accuracy, and strategic planning in an increasing volatile demand environment.

Despite the ongoing headwinds in 2025, the Company's strategic execution and operational discipline have supported performance resilience relative to the broader market. While growth remains moderated by safety concerns, natural calamity, geopolitical situation, pricing pressure, and cost inflation, the Company continues to emphasize long-term value creation, brand strength, and sustainable operations.

Beyond its commercial objective, the Company recognize its role as a responsible contributor to Thailand's economic and social development. Throughout 2025, the Company has advanced initiatives aligned with its environmental, social, and governance (ESG) commitments, including progress toward carbon neutrality, enhancements to disaster preparedness and climate resilience, and investments in sustainable water resource management. These efforts are designed to support both environmental stewardship and long-term business continuity.

Looking ahead, the Company acknowledges that Thailand's tourism and hospitality sectors will remain sensitive to global economic conditions and external shocks. However, through disciplined strategy execution, collaboration with public and private stakeholders, and a continued focus on sustainability and resilience, the Company believes the sector can contribute meaningfully to economic stability and sustainable development in Thailand over the long term.

## Results

The consolidated profit before corporate income tax for the financial year ended 31 December 2025 was Baht 366.0 million, representing a decrease of Baht 188.6 million or 34.0% compared to Baht 554.5 million in the same period of 2024. As a result, the consolidated net profit attributable to the equity holders of the Company for the year ended 31 December 2025 was Baht 240.9 million, a decrease of Baht 130.1 million or 35.1% from Baht 371.0 million in 2024. This resulted in earnings per share of Baht 1.85 in 2025, compared to Baht 2.85 in 2024.

As per details provided in the Management Discussion and Analysis section, the hotel performances were as follows:

- **Shangri-La Hotel, Bangkok**

Comparing to the previous year, the hotel's total operating revenues decreased by Baht 198.5 million or 10.5%. Occupancy decreased by 4.3% points. The Average Daily Rate ("ADR") decreased by Baht 105.9 or 1.7%. Food and Beverage revenues decreased by Baht 76.6 million or 11.3% and formed 35.4% of the hotel's total operating revenues.

In 2025, amid an increasingly dynamic and competitive business environment, the hotel continues to demonstrate resilient growth. Guided by a robust corporate governance framework and adherence to internationally recognized standards, the Company is dedicated to enhancing customer experiences, fostering innovation, and driving continuous value creation in a rapidly changing global landscape.

- **Shangri-La Hotel, Chiang Mai**

Comparing to the previous year, the hotel's total operating revenues decreased by Baht 3.3 million or 0.7%. Occupancy was higher by 0.7% points. The ADR increased by Baht 58.4 or 1.2%. Food and Beverage revenues decreased by 7.2% and formed 25.7% of the hotel's total operating revenues.

As the hospitality industry continues to navigate evolving market conditions, Shangri-La Hotel, Chiang Mai remains focused on resilience, adaptability, and disciplined growth. Building on the foundations established in the previous year, the hotel continues to strengthen its operations through prudent management, cost efficiency, and strategies aligned with changing travel patterns and guest expectations. Our priority remains the pursuit of stable and sustainable growth while creating long-term value for shareholders, colleagues, guests, and the communities we serve. Sustainability continues to guide our decision-making, with a balanced approach across economic performance, social responsibility, and environmental stewardship embedded into daily operations.

Supported by strong corporate governance and adherence to international standards, Shangri-La Chiang Mai continues to uphold the principles of trust, accountability, and service excellence that define our brand.

Finally, on behalf of the Board of Directors, I sincerely thank and admire for the hard work, diligence, honesty, and dedication of the management and all employees as well as shareholders and business partners of the Company who have trusted and support the Company's operations all along. We will perform our duties responsibly to the best of our abilities so that the organization can grow steadily, sustainably and be able to create appropriate returns for shareholders in the future.



**Mr. Maris Pakdeetaveevivat**

Vice Chairman and Managing Director

23 February 2026

# Financial Highlights

(Million Baht)

Consolidated	2025	2024	2023
Total Assets	8,261.98	8,067.43	7,848.68
Total Liabilities	752.88	628.21	550.40
Shareholders' Equity	7,506.10	7,436.23	7,295.30
Revenues from Hotel Operations	2,133.15	2,334.88	2,157.04
Total Revenues	2,153.39	2,430.17	2,186.19
Gross Profit	1,437.93	1,600.71	1,480.21
Profit before Income Tax	365.96	554.53	323.54
Net Profit after Income Tax	240.91	370.96	137.99
Gross Profit Margin	67.41%	68.56%	68.62%
Net Profit Margin	11.19%	15.26%	6.31%
Return on Equity	3.22%	5.04%	1.91%
Return on Assets	2.95%	4.66%	1.76%
Assets Turnover (Times)	0.26	0.31	0.28
Book value per share (Baht)	57.74	57.20	56.12
Earnings Per Share (Baht)	1.85	2.85	1.06
Dividend per share (Baht)	0.50	1.00	1.00





# Awards and Certificates

For the year 2025, the Company received several awards and recognitions as follows:

## - Shangri-La Hotel, Bangkok

- Five-star Hotel Standard certified 2023-2025 by Department of Tourism (Ongoing since January 2023)
- The “ASEAN Green Hotel Standard Certificate 2024-2026” by the Ministry of Tourism and Sports, Thailand (Ongoing since November 2023)
- The TripAdvisor Travelers’ Choice Award Winner 2025 (May 2025)
- Volti Tuscan Grill & Bar, awarded “Tre Forchette” (Three Forks) by Gambero Rosso, Italy’s leading authority on Italian food, wine and travel. (June 2025)
- AMCHAM Corporate Impact Recognition Award (Platinum) for outstanding commitment to sustainable business practices and corporate impact programming for 12 consecutive years, presented by The American Chamber of Commerce in Thailand (12 November 2025)
- Salathip Thai Restaurant was awarded the “Thai Select” Certificate for Thai Cuisine by the Ministry of Commerce, Thailand (24 November 2025)
- Shang Palace Chinese Restaurant, HELLO Taste Awards 2025 – Editor’s Choices (March 2025)
- Shang Palace Chinese Restaurant: Lifestyle Asia – LSA Best Bites 2025 (December 2025)
- The “Best Wedding Location in Bangkok” Award at Praew The Best Wedding 2025 by Praew Wedding Magazine (9 December 2025)

## - Shangri-La Hotel, Chiang Mai

- Thailand Tourism Awards 2025 – Luxury Hotel (Thailand Tourism Outstanding Awards), awarded by the Tourism Authority of Thailand
- 5-Stars Sustainable Tourism Goals (STGs) Star Certificate, valid 2025–2027
- Chiang Mai Green Kitchen Certificate, recognizing environmentally responsible F&B operations
- Five-Star Hotel Standard Certification, awarded by Department of Tourism under the Ministry of Tourism and Sports, valid 2025–2027
- Thailand MICE Venue Standard (TMVS) Certification, awarded by Thailand Convention and
- Trip.com Top Engagement Award 2025 and Trip.Best Premium Hotel Award 2025
- TripAdvisor Travelers’ Choice Awards 2025 for China Kitchen and Kad Kafé



# Part 1

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Business Operation  
and Operating Results

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# 1. Organizational Structure and Operation of The Group of the Companies

## 1.1 Policy and Operation of the Company

The Company has established clear policies and strategic directions for its business operations, aligning with the guidelines set forth by Shangri-La Group. These initiatives are designed to position the organization as the premier hospitality group, dedicated to fostering sustainable enjoyment of life's vibrant experiences, delivering empowering hospitality, uplifting local communities, and honoring the rich cultural heritage of Asia.

In 2025, the Company delivered resilient business performance amid a challenging operating environment. Although service revenue faced downward pressure compared to 2024, the Company remained focused on strengthening service quality and enhancing customer experience across its operations. The Company continues to pursue its long-term development and expansion strategy within the premium market segment across Asia and globally. These ongoing initiatives have supported the strengthening of customer loyalty and further reinforced the Company's brand presence and recognition in the international market.

In addition, the Company remains firmly committed to upholding ESG (Environmental, Social, Governance) principles, emphasizing transparent business management and a deep sense of responsibility toward society and the environment. The Company also prioritizes the development of employee capabilities, recognizing this as a pivotal factor in driving business success. Advancing the organization's ESG initiatives not only fortifies the business but also generates enduring value for shareholders over the long term.

Shangri-La Hotel Public Company Limited was established to operate a five-star hotel in 1981. There are important changes as follows:

**1981**

- Shangri-La Hotel Public Company Limited ("Company") was established to operate a five-star hotel in Bangkok with the collaboration of Thai Roong Ruang Sugar Group and a foreign investor, Mr. Kuok Hock Nien.

**1986**

- Partial operations started in March 1986 and fully operated in August of the same year.

**1988**

- Additional land of 5 rai-2 ngan-75 square wa which was adjacent to the hotel parking building was purchased to construct a new tower called "Krungthep Wing".
- A plot of land of 17 rai-1 ngan-69 3/10 square wa in Chiang Mai Province was also purchased with the intention to build another 5-star hotel.



1991

- The Krungthep Wing was opened in August 1991.

2003

- The construction of Shangri-La Hotel, Chiang Mai started at the end of 2003.

2007

- Shangri-La Hotel, Chiang Mai has been operated since December 2007.

#### 1.1.1 Vision, Mission, Goals and Strategies for Operations



##### Our Vision

To be the best-loved hospitality group, pioneering new horizons and setting new benchmarks.



##### Our Purpose

We host people to the colorful joys of life in a sustainable manner.



##### Our Business

Inspired by our Asian heritage, we enable people to live, work, play, eat, and rest well through the environments we create and the memorable experiences we deliver.

#### 1.1.2 Major changes and developments

During the year 2025, the following matters have been resolved:

- **At the Board of Directors' Meeting No. 1/2025 held on 24 February 2025**

Mrs. Wipada Tantiprabha was appointed as a new Independent Director to replace Mr. Kovit Poshyananda, who resigned from his positions as Independent Director and Chairman of the Audit Committee, with effect from 24 February 2025. Following the appointment of Mrs. Wipada Tantiprabha, the total number of directors is 11 directors. Among the 11 directors, 4 of them are independent directors.

1. Mr. Maris Pakdeetaveevivat (Vice Chairman and Managing Director)
2. Mr. Christopher Phong Siew San
3. Mr. Wu Hoi Fai Alfred
4. Mrs. Chanida Asdathorn
5. Mr. Surin Asdathorn
6. Mr. Nutthapol Asadathorn
7. Mrs. Pavinee Meensuk
8. Mr. Kledchai Benjaathonsirikul (Independent Director)
9. Mr. Jayavadh Bunnag (Independent Director)
10. Mr. Supot Singhasaneh (Independent Director)
11. Mrs. Wipada Tantiprabha (Independent Director)

The authority of directors who are authorized to sign to bind the Company remains unchanged as follows:

“Any two of Mr. Maris Pakdeetaveevivat and/or Mr. Christopher Phong Siew San and/or Mr. Wu Hoi Fai Alfred and/or Mrs. Chanida Asdathorn and/or Mr. Surin Asdathorn and/or Mr. Nutthapol Asadathorn and/or Mrs. Pavinee Meensuk to sign jointly and affix the Company’s seal”.

Furthermore, due to the vacancy in the position of Chairman of the Audit Committee after resignation of Mr. Kovit Poshyananda, the Board of Directors unanimously resolved to appoint Mr. Kledchai Benjaathonsirikul as the new Chairman of the Audit Committee with effect from 24 February 2025. Accordingly, the Audit Committee shall comprise 3 members as follows:

Chairman of the Audit Committee:	Mr. Kledchai Benjaathonsirikul
Member of the Audit Committee:	Mr. Jayavadh Bunnag
Member of the Audit Committee:	Mr. Supot Singhasaneh

Subsequent to the purchase of land for developing a new four-star hotel under the brand “Hotel Jen” (the “New Hotel Project”), the Company has taken various factors including the economic status, political situation, the hospitality industry and consumer behaviors into consideration and will further decide on how to proceed with the Project plan and timeline. In case the Company decides on how to further proceed on the development of the New Hotel Project, the Company will disclose the updated status once the details are finalized.

### **1.1.3 Fundraising objective**

None

### **1.1.4 Obligations that the Company promises in the securities offering registration statement and/or the office's licencing conditions.**

None

### 1.1.5 Corporate Information

#### **Name**

Shangri-La Hotel Public Company Limited

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#### **Registration Number**

0107537001773

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#### **Registered Office**

**Head Office** 89 Soi Wat Suan Plu, New Road, Bangrak, Bangkok 10500

Telephone : 0 2236 7777

E-mail : bangkok@shangri-la.com

Website : www.shangri-la.com/bangkok

**Branch Office** 89/8 Chang Klan Road, Muang District, Chiang Mai Province 50100

Telephone : 053-253-888

E-mail : Chiangmai@shangri-la.com

Website : www.shangri-la.com/chiangmai

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#### **Corporate website**

www.shangri-la.com/group/investors/public-disclosures-thailand

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#### **Registered and Issued Capital**

Registered and Issued Capital is Baht 1,300 million, divided into 130 million ordinary shares, at a par value of Baht 10 each, fully paid-up.

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#### **Share Registrar**

Thailand Securities Depository Co., Ltd.

14<sup>th</sup> Floor, 93, Ratchadaphisek Road, Din Daeng, Bangkok 10400

Telephone : 0 2009 9999

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#### **Auditors**

EY Office Limited

1875 One Bangkok Tower 3, Level 34-37, Rama 4 Road, Lumpini, Pathumwan,  
Bangkok 10330, Thailand

Telephone : 0 2264 9090

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#### **Legal Adviser**

Baker & McKenzie Ltd.

195 One Bangkok Tower 4, 30<sup>th</sup>-33<sup>rd</sup> Floors, Wireless Road, Lumpini, Pathum Wan,  
Bangkok 10330

Telephone : 0 2636 2000

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#### **Consultant Under the Hotel Management Agreement**

Shangri-La International Hotel Management Pte. Ltd.

1 Kim Seng Promenade, #16-09/12 Great World City West, Singapore 237994

Telephone : (65) 69185670

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## 1.2 Business Overview

The Company's principal activities are those of a hotelier which provides lodging, food and beverage services, facilities for conferences and functions and others services and facilities in connection with hotel business and investment holding. The Company currently manages two properties as follows:

1. Shangri-La Hotel, Bangkok
2. Shangri-La Hotel, Chiang Mai

### - Subsidiaries

Town Development Company Limited ("TDCL"), a wholly owned subsidiary of the Company, was incorporated in Thailand. TDCL has no business other than investments in the various companies as follows:

1) Apizaco Limited ("Apizaco"), a wholly owned subsidiary of TDCL, was incorporated in Hong Kong. Apizaco has no business other than investment in other companies as follows:

1.1) Holding 10,501,055 shares in Shangri-La Asia Limited ("SA"), representing 0.29 percent of the total issued and paid-up capital of SA; and

1.2) Holding 100 percent interest in Zukerman Limited ("Zukerman") which was incorporated in British Virgin Island. Zukerman has no business other than investments in 3 companies in Myanmar as follows:

1.2.1) Holding 23.53 percent interest in Traders Yangon Company Limited;

1.2.2) Holding 22.22 percent interest in Shangri-La Yangon Company Limited; and

1.2.3) Holding 23.56 percent interest in Traders Square Company Limited.

2) Hasfield Holdings Pte Ltd ("HHL"), a wholly owned subsidiary of TDCL, was incorporated in Singapore. HHL now has no business.

3) TRR-Kerry Development Co., Ltd. ("TRR-Kerry"), a subsidiary in which TDCL has a 57.33 percent interest, was incorporated in Thailand. TRR-Kerry was registered for dissolution on 15 September 2025 and is currently in the liquidation process.

4) Traders Hotel and Resort Limited ("THRL"), a wholly owned subsidiary of TDCL, was incorporated in Thailand. THRL now has no business.

### - Associated Companies

The Company's associated companies are as follows:

1) Traders Yangon Company Limited developed and operates Sule Shangri-La Hotel, an international 5-star hotel in Yangon, Myanmar for residential, food and beverage services, facilities for conferences and functions and other services and facilities in connection with hotel business. The Hotel has been closed since 1 February 2021. Subsequently, Sule Shangri-La Hotel resumed limited operations on 16 December 2025 with the reopening of one outlet only, the Peacock Lounge, located in the hotel lobby.

2) Shangri-La Yangon Company Limited developed and operates 2 towers of serviced apartments. named Shangri-La Residences. Tower 1 was opened on 21 November 2013 and Tower 2 was opened on 21 October 2014. The total inventory of the two towers is 240 units.

3) Traders Square Company Limited developed a retail center and office tower complex in Yangon, Myanmar, named Sule Square. The project was opened to operate on 1 December 2016. The project comprises of a shopping mall, office spaces and a car park.

### 1.2.1 Revenue Structure

The comparison of revenues for three years is as follows:-

Main Activities	Operated by	Equity Interest (percent)	2025		2024		2023	
			Revenue		Revenue		Revenue	
			Million Baht	percent	Million Baht	percent	Million Baht	percent
Hotel and restaurant	<b>Shangri-La Hotel Public Company Limited:-</b>	<b>100%</b>						
	- Revenues from hotel operations							
	- Room Revenue		1,316.47	61.14	1,409.33	57.99	1,281.45	58.62
	- Food & Beverage Revenue		713.45	33.13	798.75	32.87	748.68	34.25
	- Departmental Revenue		103.23	4.79	126.80	5.22	126.91	5.80
	- Other income		20.24	0.94	95.29	3.92	29.15	1.33
<b>Total operating income</b>			<b>2,153.39</b>	<b>100.00</b>	<b>2,430.17</b>	<b>100.00</b>	<b>2,186.19</b>	<b>100.00</b>

### 1.2.2 Product / Service information

#### (1) Product or Service Characteristics and Business Innovation Development

Product or Service Characteristics

- **Shangri-La Hotel Public Company Limited and Traders Yangon Company Limited**

Both mentioned companies operate hotel and hotel services which can be divided into 4 main parts:

1. Accommodation services
2. Food and beverage services
3. Meetings, events and conventions
4. Other services such as laundry, health club and spa.

The majority of the Company's customers are international tourists visiting Thailand and businessmen both domestically and aboard.

- **Shangri-La Yangon Company Limited**

Shangri-La Yangon Company Limited is a company operating Shangri-La Residences, these are serviced apartments that are comprised of 2 Towers. There are 240 units in total.

- **Traders Square Company Limited**

Traders Square Company Limited is a company engaged in the rental business of retail tenants and office space branded as Sule Square Mall & Offices. The project consists of rental space for shopping center and offices.

- **Town Development Company Limited, Apizaco Limited and Zukerman Limited**  
Investment Holding.

- **Hasfield Holdings Pte Ltd and TRR-Kerry Development Co., Ltd\***

Investment Holding and currently has no business operations.

(\*TRR-Kerry Development Co.,Ltd. is currently in the liquidation process)

- **Traders Hotels & Resorts Limited**

Dormant.

## **(2) Business Innovation Development**

In 2025, Thailand's tourism and hospitality industries continue their transition from post-pandemic recovery toward a more normalized and resilient operating environment. Building on the progress achieved during the reopening and recovery phases, the Tourism Authority of Thailand (TAT) has refined its marketing direction to emphasize sustainability, quality-driven growth, and long-term competitiveness. The industry's focus has evolved beyond volume recovery toward strengthening Thailand's positioning within a New Tourism Ecosystem that balances economic value, safety, environmental responsibility, and visitor confidence. This direction remains aligned with the government's IGNITE Thailand policy, which aims to reinforce Thailand's role as a regional Tourism Hub and a leading global destination.

In 2025, TAT's communication strategy continues to promote Thailand's unique identity through experiential tourism, expanding upon established concepts such as the "5 Must Do in Thailand." This approach highlights regional diversity and encourages travelers to engage in meaningful experiences across the country through Must Taste, Must Try, Must Buy, Must Seek, and Must See activities. These initiatives support dispersal of tourism demand beyond major gateways while enhancing visitor satisfaction and economic benefits for local communities.

In alignment with national tourism strategies, the hotel industry continues to enhance every stage of the customer journey. This includes facilitating seamless travel experiences, strengthening communication to build trust and a positive destination image, and delivering memorable stays supported by elevated safety and security standards. In light of isolated security incidents and heightened traveler awareness in 2025, the industry has placed greater emphasis on risk management, crisis preparedness, and visible safety measures to maintain international traveler confidence.

The Company recognizes that continuous service development remains critical in an increasingly competitive and technology-driven environment. In 2025, digital innovation continues to play a central role in enhancing the guest experience. The e-Boutique platform enables members

to redeem loyalty points for online purchases, extending engagement beyond the physical stay. Additionally, the Company continues to enhance its AI-driven website functionality, offering personalized package and rate recommendations based on user behavior, thereby improving conversion efficiency and guest satisfaction.

Incorporation of information technology remains closely aligned with the Company's business objectives and operational strategies. Advanced systems—including reservation platforms, guest registration, billing and collection systems, room status monitoring, data control and security solutions, restaurant point-of-sale systems, and smartphone-enabled ordering devices—have been further optimized to support operational efficiency, data accuracy, and responsiveness to diverse customer needs.

Environmental sustainability continues to be a core priority in response to growing consumer expectations and regulatory considerations. In 2025, the Company has expanded initiatives to reduce energy consumption, manage waste more effectively, and adopt environmentally friendly products and processes. These efforts aim to lower operational costs while minimizing environmental impact. Technology is also leveraged to maintain a secure, hygienic, and sustainable environment for guests under all operating conditions.

With respect to health and safety, although COVID-19 is no longer a defining operational constraint, the Company continues to uphold high hygiene and cleanliness standards as part of its long-term service philosophy. Comprehensive staff training in cleaning and sanitation procedures remains in place, while hygiene facilities such as handwashing stations and sanitizers are maintained throughout service areas to reinforce guest confidence and comfort.

As a service-driven organization, the Company recognizes that sustained leadership in the hotel industry depends on strong management practices, innovation, and effective collaboration. In 2025, the Company remains committed to developing the capabilities of its experienced workforce through continuous training in line with the standards of the Shangri-La Group. Equal emphasis is placed on maintaining and upgrading tools, equipment, and facilities through enhanced maintenance protocols designed to extend asset lifespan and ensure consistent service quality.

To strengthen its competitive positioning, the Company continues to invest in infrastructure upgrades that support the growing MICE segment. Enhancements such as LED screens and high-lumen LCD systems are designed to improve event experiences, attract international MICE clients, and reinforce the hotel's competitiveness in both local and global markets.

Digital engagement and online distribution remain key strategic priorities in 2025. The Company continues to develop modern online platforms to support accommodation bookings, promotional campaigns, and bundled packages tailored to target segments. Social media and targeted digital marketing are actively utilized to stimulate demand and drive direct bookings through the official hotel website. Additional online sales channels, including food and merchandise purchases via the hotel's website and e-shop, further enhance customer convenience and service accessibility. Expanded payment options, such as QR code payments, continue to support faster, more efficient transactions.

The Company's management places strong emphasis on continuous improvement and cross-departmental collaboration. Initiatives such as the Employee Feedback Program remain instrumental in gathering insights from employees at all levels to enhance service performance, operational efficiency, and cost management. These efforts support sustainable revenue growth while maintaining high service standards.

Through ongoing integration of technology, innovation, sustainability, and people development, the Company is well positioned to address the evolving expectations of modern travelers in 2025. These initiatives are fully aligned with national tourism strategies, including the Amazing Thailand Grand Tourism Year 2025, which aims to reinforce Thailand's global tourism appeal and support the long-term resilience and growth of the tourism sector.

### **Rights and Restrictions on Business Operations**

The Company's major rights and restrictions on doing business are prescribed under three agreements as below which have been effective since 1 January 2025. The execution of these agreements was approved by the Company's Board of Directors at its meeting on 11 November 2024. The Company's Board of Directors Meeting resolved at its Meeting No. 4/2024 held on 11 November 2024 approved for the termination of the Licence Agreement, the Marketing & Promotion Agreement and the HR Training Services Agreement with effect on 31 December 2024, and the execution of the

- 1) Hotel Management Agreement (HMA)
- 2) Proprietary Technology Services Agreement (PTSA)
- 3) Global Human Resources Information Technology (HRIT) Services Agreement

HMA is made between the Company and Shangri-La International Hotel Management Pte Ltd (SLIM SG). The purpose of this agreement is to acquire services required to manage a hotel, including but not limited to trademark access, e-direct and CEPT channels, sales and marketing support, training and brand. The term is from 1 January 2025 until 31 December 2029 with an option to renew for another 10 years.

PTSA is made between the Company and Shangri-La International Hotel Management Ltd (SLIM HK). The purpose of this agreement is to acquire technology support services including the platforms for Advanced Book 360 (Property Reservation and Booking Management system), Service 360 (Guest Service Management system on mobile/PC), Data Insights (Database) and Support services for the above platforms. The term is same as the HMA Agreement until it terminates or expires or a PTSA termination event, whichever is earlier.

HRIT Services Agreement is made between the Company and Shangri-La International Hotel Management Ltd (SLIM HK). The purpose of this agreement is to acquire human resources related technology services including platforms for HR Connect (HR and employee self-service platform) and HR Information System (HR Core, C&B, PSP functions). The term is same as the HMA until it terminates or expires or a HRIT Agreement termination event, whichever is earlier.



### **(3) Industry and Competition**

#### **Industry Situation and Business Competition - Thailand**

The hotel industry in Thailand, particularly Bangkok, continued its recovery in 2025, supported by tourism promotion measures and the gradual return of international travel. However, overall tourist arrivals fell short of earlier expectations, as demand recovery remained uneven across source markets. While domestic tourism and short-haul regional travel provided a degree of support, long-haul and certain key inbound markets recovered at a more measured pace.

In addition to global economic and geopolitical headwinds, domestic political uncertainty in Thailand during 2025 weighed on travel sentiment, particularly among international travelers and event organizers. Periodic political developments, together with heightened regional sensitivities, including concerns surrounding border-related tensions between Thailand and Cambodia, contributed to a more cautious approach to travel planning. These factors affected booking lead times, group and MICE decision-making, and overall inbound demand during certain periods of the year.

In Bangkok, new hotel supply continued to enter the market in 2025, particularly in the upper-upscale and luxury segments, resulting in intensified competition. The combination of increased supply, softer-than-expected international arrivals, and elevated operating costs - including labor shortages, energy, and procurement expenses - placed pressure on room rates and operating margins, especially during shoulder and off-peak periods. In response, hotel operators focused on disciplined yield management, diversified market segmentation, and distribution optimization, alongside continued investments in digitalization, automation, and sustainability initiatives to enhance operational efficiency and competitiveness.

Overall, market conditions in 2025 were characterized by a challenging and highly competitive operating environment, with performance influenced not only by supply-demand dynamics but also by political and regional factors affecting traveler confidence.

#### **Projected Tourist Arrival**

According to statistics released by the Tourism Authority of Thailand (TAT), Thailand recorded approximately 33 million international tourist arrivals in 2025. While this represented a slight moderation compared to 2024 levels, it remained a notable improvement from the 28.0 million arrivals recorded in 2023, underscoring the continued recovery of Thailand's tourism sector. The slower-than-anticipated growth in 2025 reflected a more uneven recovery across source markets, influenced by global economic conditions, geopolitical developments, and regional factors affecting travel sentiment.

#### **Economic Contribution**

In 2025, the tourism industry contributed over THB 2.5 trillion to the Thai economy, reflecting a moderation from the strong rebound recorded in 2024 but remaining significantly above pre-pandemic levels. Thailand received approximately 33 million international tourists during the year. The key factors influencing Thailand's tourism revenue in 2025 are as follows:

- **Ease of travel policy:** Continued visa facilitation measures and extended length-of-stay schemes for foreign visitors supported inbound travel, particularly from short-haul and regional markets.
- **International flight capacity:** Seat capacity on international routes recovered to approximately the mid-80% range of pre-COVID levels, providing stable connectivity despite more measured airline capacity expansion.
- **Tourist spending:** While overall tourist spending remained resilient, growth moderated compared to 2024, with spending continuing to be concentrated on accommodation, food and beverage, and selected experiential activities amid more cautious consumer behavior.

### Seasonal Variations

The tourism pattern in Thailand varies across the year. Key peak periods in 2025 included Chinese New Year during January–February, which continued to attract significant visitor volumes, and the Songkran Festival in April, which supported both international and domestic travel demand. The monsoon season from May through September resulted in a softer demand environment, particularly for leisure travel, although urban destinations such as Bangkok benefited from relatively more stable corporate and MICE activity. The period from October to December continued to represent the peak travel season, with higher tourist arrivals driven by more favorable weather conditions, year-end holidays, and international travel demand.

### Strategic Focus

The Thai government and tourism authorities are focusing on revitalizing the industry with a particular emphasis on increasing the number of international visitors, enhancing the quality of tourism experiences and promoting sustainable practices.

#### Increasing number of visitors:

- **Visa facilitation measures:** Visa exemption arrangements for citizens of 93 countries, allowing stays of up to 63 days, continued to support inbound travel, particularly from short-haul and regional markets.
- **Streamlined immigration procedures:** The removal of six immigration forms across 16 border checkpoints improved entry efficiency and enhanced the overall travel experience for international visitors.
- **Expanded airline capacity:** International airline capacity increased as carriers resumed suspended routes and introduced new services, strengthening connectivity to Thailand despite more measured capacity growth compared to 2024.
- **Destination diversification initiatives:** Ongoing promotion of lesser-known and secondary cities, aligned with evolving tourist preferences for experiential, cultural, and sustainable travel, helped broaden demand beyond traditional gateway destinations.

**Improving travel experience:**

- **National tourism promotion activities:** In 2025, Thailand continued to implement tourism promotion activities under the “Amazing Thailand” branding, including the Amazing Thailand Countdown and the Maha Songkran World Water Festival, to stimulate both international and domestic travel during key festive periods.
- **Event-led tourism initiatives:** Thailand supported tourism demand through the hosting of international concerts and large-scale entertainment events, enhancing the country’s positioning as a regional hub for lifestyle and event-driven tourism.
- **Creative and soft-power tourism promotion:** In line with initiatives promoted by the TAT, Thailand leveraged exposure from international films, television programmes, and music content to promote tourist attractions and encourage experiential and destination-driven travel.

**Sustainable tourism:**

- Promoting eco-friendly activities and resorts
- Promoting artificial intelligence, big data, and mobile apps to improve experience

**• Shangri-La Hotel, Bangkok**

Bangkok’s hotel occupancy levels moderated in 2025 following a strong recovery year in 2024. The luxury segment recorded an average occupancy rate of 68% in 2025, compared with 72% compared to previous year, reflecting a normalization in demand amid ongoing market headwinds and increased competition. While this represents a year-on-year decline of 4 percentage points, occupancy levels remained within a relatively stable range of approximately 58% to 77% throughout the year. Importantly, even during traditionally softer periods in 2025, occupancy did not experience a sharp downturn, underscoring the underlying resilience of Bangkok’s luxury hotel market. Overall, these trends suggest a transition from recovery-driven growth to a more normalized operating environment, with performance supported by sustained international demand and disciplined revenue management.

**Number of Competitors**

Despite continued recovery in international travel, growth in room rates moderated in 2025, reflecting a more competitive market environment. While demand from international visitors remained supportive, the increase in average room rates was more measured compared to 2024, as new supply continued to enter the market.

In Bangkok, hotel supply expanded further following a wave of new openings in the prior year. By end-2025, the market had absorbed at least eleven newly opened hotels, adding approximately 2,700 rooms across the luxury, upper-upscale, and midscale segments. These included The Ritz-Carlton (260 rooms), Dusit Thani (257 rooms), Hyatt Place Bangkok Sukhumvit (222 rooms), StandardX Hotel (62 rooms), GLOW Riverside (126 rooms), Marriott Executive Apartments Sukhumvit (300 rooms), Nysa Hotel (264 rooms), TRIBE Living Sukhumvit 39 (272 rooms), Moxy Ratchaprasong (504 rooms), and Mercure Bangkok Surawong (219 rooms).

The addition of these properties intensified competition, particularly in central business and prime leisure locations, placing pressure on pricing and occupancy levels during non-peak periods. As a result, hotel operators increasingly focused on pricing discipline, segmentation strategies, and distribution optimisation to maintain market share amid a higher supply base in 2025.

#### **Bangkok's most anticipated openings 2025 - 2026**

- The Langham, Custom House (78 rooms)
- Fairmont Bangkok Sukhumvit (419 rooms)
- AMAN Nai Lert Bangkok (52 rooms)
- Andaz One Bangkok (512 rooms)
- Dusit Thani Central Park (257 rooms)

#### **Major Issues Affecting Competitiveness**

Following the strong recovery momentum that began in 2023 and continued into early 2024, tourism performance in 2025 moderated, with foreign tourist arrivals improving year-on-year but falling short of full recovery expectations. While peak travel periods, particularly during the fourth quarter, continued to support demand, the overall operating environment remained challenging and highly competitive.

Hotel operators faced persistent cost pressures, including higher labor, energy, and procurement expenses. At the same time, intensifying competition arising from continued new hotel openings and the entry of international brands, particularly in Bangkok and key urban locations, increased pressure on pricing and margins. Although demand remained resilient, the growing supply base required existing hotels to adopt more disciplined pricing strategies, differentiated service offerings, and enhanced value propositions to maintain competitiveness and market share.

#### **Competitiveness/ Ability to Compete**

Nestled along the large riverfront setting resides Shangri-La Hotel, Bangkok, an enchanting riverside retreat in the heart of a vibrant city. Here, guests are hosted with friendly and thoughtful service, entertained by innovative dining experiences and immersed with ease in the authentic Bangkok surrounds. With direct access to the Skytrain, public ferries terminal and buses, the hotel is a lovely gateway to explore and discover Bangkok. Being the largest urban-resort hotel in the riverside area with full functionalities, prime location and accessibility to all modes of transport including variety choices of food and beverage that strengthens the hotel as one of the leading hotels in Bangkok.

#### **Economy and Political Situation**

In 2025, Thailand continued to experience a fluid political environment, with political stability remaining subject to risks under the current administration. While the government-maintained continuity in policy direction, progress on political reforms, including proposed constitutional amendments, remained incremental and selective, contributing to ongoing policy uncertainty.

From an economic perspective, Thailand's economy continued to expand in 2025, supported by private consumption, government stimulus measures, and the ongoing recovery of the tourism sector. Economic growth remained moderate, reflecting both domestic support measures and external headwinds, including global economic uncertainties and geopolitical developments. Tourism and exports continued to play a key role in supporting economic activity, although growth momentum moderated compared to the previous year amid uneven global demand conditions.

Overall, the operating environment in 2025 was characterized by moderate economic growth and heightened sensitivity to political and external factors, which continued to influence business confidence and investment sentiment.

### Challenges

- **Global trade tensions and geopolitical uncertainties:** Ongoing trade frictions and geopolitical developments continued to pose risks to global economic growth in 2025, with potential spillover effects on Thailand's exports, investment sentiment, and long-haul travel demand.
- **Elevated household debt levels:** Thailand continued to face high household debt, which constrained domestic consumption growth and limited discretionary spending, including domestic travel and leisure-related expenditure.
- **Political uncertainty:** Political developments during and following 2024 contributed to a degree of policy uncertainty in 2025. Changes in political leadership and ongoing political sensitivities affected investor confidence and, at times, delayed the implementation of economic and fiscal measures, with indirect implications for the tourism sector.

### • Shangri-La Hotel, Chiang Mai

During the year, Shangri-La Hotel, Chiang Mai faced a more challenging operating environment. Regional security concerns, including a widely reported cross-border criminal incident involving a Chinese national, affected traveler confidence, particularly from the Chinese market. In addition, a natural disaster, including an earthquake in the first quarter, contributed to a slowdown in travel demand at the beginning of the year.

In response, the hotel focused on strengthening demand from individual travelers across a broader range of source markets. This diversification strategy helped mitigate the impact of softer demand from certain segments.

The competitive landscape also intensified during the year, as key competitors completed hotel renovations and introduced enhanced facilities and new technologies. These upgrades, including immersive meeting rooms and additional entertainment offerings, increased competition in the MICE segment and affected market share in certain areas.

During the Chinese New Year period, booking trends were similar to the previous year, with initially slow demand followed by a late surge toward the holiday period. However, demand



from Chinese travelers remained below historical levels, reflecting earlier market sentiment. The hotel partially offset this shortfall through increased bookings from other markets, particularly South Korea and Malaysia.

The MICE segment experienced sluggish demand throughout the year, particularly until the third quarter. In addition, our Ballroom was closed for repairing from February until mid-June this cause our revenue shortfall in MICE and catering for the first half of the year. However, we managed to narrow the shortfall in quarter three onward to secured the group business until year end with also short lead demand from this segment. On a positive note, individual travelers showed increased activity this year, helping to offset the shortfall from the MICE business.

During the year, the hotel hosted a range of media representatives and key opinion leaders in collaboration with the TAT offices in India and China, as well as in partnership with travel agents to organise familiarisation trips from South America, South Korea, and Europe. These activities were aimed at broadening market reach and exploring demand from diversified source markets. In addition, the hotel accommodated well-known television personalities from Channel 3 as part of promotional activities surrounding the Loy Krathong festival in Chiang Mai, one of the city's peak tourism periods.

Separately, Shangri-La Hotel, Chiang Mai participated in and supported the Tourism Authority of Thailand's "Nihao Month" campaign during the Mid-Autumn holiday period, which specifically targeted the Chinese market. Under this initiative, the hotel accommodated invited content creators and influencers participating in structured familiarisation activities across key destinations in Thailand, including Chiang Mai. The campaign focused on digital engagement and user-generated content distributed across major Chinese platforms, supporting the hotel's visibility and brand awareness in the Chinese market while contributing to broader destination-level promotion.

Chiang Mai has officially been named the No. 1 Best City in Asia in Travel + Leisure's 2025 World's Best Awards, earning a stellar score of 91.94 from readers who praised its warm hospitality, flavorful cuisine, and immersive cultural offerings. This marks a major milestone for Thailand's beloved northern city, which also secured No. 2 in the world overall, reaffirming its status as a must-visit destination. It was also recognized as the safest city in Southeast Asia for 2025, outperforming even Singapore in safety rankings.

Despite ongoing challenges in short-haul markets, Thailand's tourism sector continues to demonstrate resilience in 2025. By year-end, the country welcomed approximately 32.97 million international visitors, representing a 7.2% year-on-year decline compared to 2024, yet the overall volume reflects a sustained recovery momentum. Strong growth in long-haul markets across Europe, Russia, Australia, and the United States, together with expanding contributions from select regional markets, has helped support industry stability. International visitors generated an estimated THB 1.48 trillion in tourism receipts, reinforcing tourism's vital role in Thailand's economic recovery and providing a solid foundation for future growth.

International arrival flights increased from 8,555 flights in 2024 to 9,116 flights in 2025, representing a 6.5% year-on-year increase. Despite this growth, international flight volumes remained 27.4% below 2019 levels (12,560 flights).

Domestic flights rose from 21,192 flights in 2024 to 22,938 flights in 2025, an 8.2% year-on-year increase, but were still 15.1% lower than 2019 levels (27,038 flights).

Direct international flights were available from 12 countries, including South Korea, China, Taiwan, Vietnam, Hong Kong, Malaysia, Singapore, Japan, Laos, the Philippines, Myanmar, and the United Arab Emirates.

In the fourth quarter, international arrival flights increased from 2,492 flights in 2024 to 2,568 flights in 2025, representing a 3.0% year-on-year increase, but remained 19.9% below 2019 levels (3,209 flights).

- China: Direct flights to Chiang Mai operate from seven cities—Beijing, Chengdu, Guangzhou, Jinghong, Kunming, Shanghai, and Xi'an—served by six airlines: Air China, Chengdu Airlines (January–March), China Southern, Spring Airlines, Ruili Airlines (January–March), and China Eastern.
- South Korea: Direct flights are available from two cities, Seoul and Busan, served by five airlines: Eastar Jet, Jeju Air, Jin Air, Korean Air, and T'way Air.
- Taiwan: Direct flights operate from two airports, Kaohsiung and Taipei, served by China Airlines, EVA Air, Starlux Airlines, Thai AirAsia, and Thai Lion Air (January–March).
- United Arab Emirates: One direct route to Chiang Mai is operated by Etihad Airways, commencing from November 2025 through March 2026.

The TAT has announced a 2026 campaign strategy to strengthen the Amazing Thailand brand and support tourism growth. The initiative features a global branding push led by Lalisa “Lisa” Manobal as an Amazing Thailand Ambassador, reinforced by international KOL engagement and continued emphasis on traveller confidence through the “Trusted Thailand” programme. Under the theme “Amazing Thailand: Healing is the New Luxury,” the campaign will prioritise high-value and wellness tourism. TAT is also targeting a strong recovery in the China market, with a goal of at least 6.7 million Chinese arrivals in 2026—representing growth of over 40% from 2025—supported by a comprehensive China-focused marketing programme.

### **Number of Competitors**

Shangri-La Hotel, Chiang Mai operates within a competitive environment that includes a defined peer group of four comparable hotels in the Chiang Mai market, alongside a broader hospitality landscape characterised by a wide range of accommodation offerings across multiple segments. Competitive intensity remained elevated during the year as peer hotels continued to enhance their facilities and guest offerings.

In addition, the overall market remains highly fragmented. As of December 2025, approximately 2,809 hotels were listed on Booking.com within the Chiang Mai market, underscoring the competitive nature of the operating environment. This level of supply highlights the importance of continued differentiation, disciplined pricing, and targeted demand generation in sustaining performance.

### **Major Issues Affecting Competitiveness**

A key challenge for Shangri-La Hotel, Chiang Mai is the increasing competition from hotels that have upgraded their meeting and event facilities with advanced technology. Many competitor hotels in Chiang Mai have positioned LED-equipped meeting rooms as a key competitive advantage.

### **Competitiveness/Ability to compete**

While several competitors in Chiang Mai have invested in property renovations, modern technology, enhanced family facilities, and LED-equipped meeting spaces, Shangri-La Hotel, Chiang Mai continues to compete effectively through clear differentiation. The hotel's extensive resort-style outdoor facilities, family-oriented amenities, and service-led approach remain key competitive strengths. Dedicated family concierge services, together with the city's largest free-form swimming pool, continue to support demand from the family leisure segment.

The hotel further reinforces its competitive positioning by integrating Lanna cultural elements into its design and guest experience. This distinctive positioning was recognised in 2025, when Shangri-La Hotel, Chiang Mai received the Thailand Tourism Awards 2025 – Luxury Hotel (Outstanding Tourism Awards) from the TAT, being one of only five hotels nationwide—and the only hotel in Chiang Mai—to receive this recognition.

In the MICE and wedding segments, Shangri-La Hotel, Chiang Mai continues to maintain a strong market presence despite increased competition from newly upgraded facilities in the city. The hotel's large-scale venues, outdoor event spaces, and established service capabilities support its ability to compete in these segments. During the year, the hotel received the ASEAN MICE Standard Hotel certification, further reinforcing its credentials in the MICE market. In addition, the hotel's outside catering business remains competitive, particularly in the premium and high-end event segment.

The hotel also continues to adapt to evolving consumer preferences by exploring opportunities in the growing wellness segment, enhancing its competitiveness among higher-value leisure travelers.

Food and beverage operations contribute to the hotel's overall competitiveness by positioning key outlets as social and lifestyle destinations through curated activities such as poolside events and guest chef collaborations. China Kitchen's continued recognition, including Michelin Plate and Michelin Recommended distinctions in recent years, together with Tripadvisor Travelers' Choice Awards for both China Kitchen and Kad Kafé, has strengthened the hotel's positioning within the competitive dining landscape.

In addition, the expansion of ancillary business activities through external laundry services, with outlets located in major shopping malls in Chiang Mai, provides revenue diversification and further supports overall competitiveness.

## **Economic and Political Situations**

According to the Bank of Thailand, the Thai economy showed moderate improvement in October 2025, supported by growth in merchandise exports excluding gold, particularly electronic products, and continued recovery in tourism, with higher foreign arrivals and increased tourist receipts. Private consumption improved, partly due to government support measures that also stimulated service-sector activity, including tourism-related businesses. Manufacturing production remained broadly unchanged as higher electronics output was offset by reduced petroleum production due to temporary maintenance shutdowns, while private investment contracted following accelerated investment in the previous period. Headline inflation remained negative, mainly reflecting lower energy prices, while core inflation stayed positive and stable, alongside gradual improvement in labor market conditions.

Foreign tourist arrivals increased during the period, supported by both short-haul markets such as China and South Korea and continued growth in long-haul markets including Europe and Russia, resulting in higher tourism receipts and improved service-sector activity, particularly in hotel, restaurant, and transportation services. Looking ahead, businesses have adopted a more cautious outlook for 2025, with forecasts for foreign tourist arrivals slightly revised downward, reflecting a slower-than-expected recovery in short-haul markets during the high season, as indicated by advance booking trends. Continued support from long-haul markets is expected to partially offset this moderation. At the same time, concerns remain that further appreciation of the baht could weigh on tourism spending and business competitiveness.

Sustainability considerations are also becoming increasingly important for Thailand's tourism sector. Managing tourist density to preserve destination quality and reduce environmental impact may constrain growth in visitor numbers, reinforcing the need to diversify tourism beyond major destinations to secondary cities. While short-haul demand remains more volatile, continued growth in long-haul and high-value segments, including wellness and medical tourism, presents opportunities to enhance competitiveness and support more sustainable, higher-quality tourism growth over the longer term.

According to the Bank of Thailand, economic activity in Thailand's Northern region in 2025 showed mixed developments. Agricultural income expanded, supported by higher output from off-season rice and improved fruit production, although agricultural prices declined in line with lower export prices. Industrial activity contracted due to weaker production in sugar, dairy products, and selected consumer goods, partly offset by growth in electronic components. Private consumption and investment softened amid cautious spending, weather-related disruptions, and reduced construction and capital goods investment.

Tourism in the Northern region continued to expand, though at a slower pace. Domestic tourism improved, supported by festivals, events, and extended public holidays, while foreign tourist arrivals remained broadly stable, reflecting a decline in Chinese visitors despite an increase in South Korean tourists. Hotel occupancy rates and overall tourism receipts continued to grow, supporting service-sector activity, particularly in hotels, restaurants, and transportation services. Looking ahead,

tourism activity is expected to stabilize following the peak season, while economic conditions remain subject to external demand and broader economic uncertainties. Over the longer term, the region's growth prospects continue to be supported by tourism and service-sector activity, alongside opportunities for diversification and sustainable development.

Thailand's political environment in 2025 remains subject to underlying structural challenges, with periodic developments related to government administration and parliamentary processes. Such conditions have contributed to episodes of political uncertainty, which may affect policy continuity and overall economic sentiment.

With respect to the tourism sector, political developments may influence traveler sentiment and business confidence, particularly in international markets. While tourism operations generally continue without material disruption, periods of heightened political activity could result in more cautious travel decisions and variability in demand. Tourism-related businesses therefore continue to monitor the political environment and its potential implications for operating conditions and market confidence.

### **Industry Situation and Business Competition – Myanmar**

- **Sule Shangri-La Yangon**

The hotel has been temporarily closed since 1 February 2021 primarily due to the unstable political situation in the country.

There are 5 hotels in our competitive set. Except for The Pullman, all the hotels are currently open although with much reduced occupancy levels and average rates due to lack of demand. As per STR report, 08 prominent hotels in Yangon subscribing to STR reported an average occupancy of 40% for 2025 with an ADR of USD 39 which is the same as previous year. While the occupancy increased by 11% over 2023, the average rates declined by 10% for the same period resulting in no real growth in revenue performance.

Hotels with a long stay product as part of their inventory compete directly with serviced apartments aiming to secure their base business from serviced apartments while they are accepting short stay businesses.

In the Downtown CBD, Sule Shangri-La Hotel resumed its Peacock Lounge operations to an encouraging start from 16th Dec 2025 serving light meals, snacks, High Tea and beverages from 11 am to 9 pm. Other prominent hotels in this area that resumed its operations with a limited rooms inventory are The Strand Hotel and the Eravati (ex-Rosewood). Pullman hotel remains closed.

Other properties that have not opened are the Hoya Hotel, The Sheraton and the Sule Square by Marriott.

### **Outlook**

International business & leisure travel is minimal. Most hotels drive businesses from domestic demand specially staycation & domestic MICE like social (weddings) and corporate events.



Currently, both volume and price levels present no significant signs of improvement, unless the post-election environment provides an accelerated path toward economic liberalization and opening. However, this outcome appears unlikely at present.

- **Shangri-La Residences, Yangon (Shangri-La Serviced Apartments)**

Shangri-La Residences, Yangon are operational with an inventory of 240 units. Top supporters are predominantly from the Embassies, International Non-Governmental Organizations (“INGO”) in Yangon who place their expatriate team members at the serviced apartments as it provides a high level of security in a “gated community”. There are also clients from multinational corporate companies. The profile of tenants is predominantly single status, however there are 36 families with 55 children. The Shangri-La Serviced Apartments, Yangon competitor’s set is made up of the following 6 properties:

Golden Hill Tower Serviced Apartments (Japanese)	Primary competitor for Japanese market. This is a Japanese managed product.	210 Rooms
Lotte Serviced Apartments (Korea)	Key Competitor	315 Rooms
Mercure Yangon Kaba Aye	Mid-range Apartments	183 Rooms
Marina Residence	Locally Owned, Mid-range	128 Rooms
Sakura Residence (Japanese)	Mid-range, Japanese Managed	262 Rooms
Kantharyar Serviced Apartments (Chinese)	Mid-range Apartments	171 Rooms
<b>Total</b>		<b>1,269 Rooms</b>

- **Sule Square, Yangon**

Sule Square was opened for commercial business on 1 December 2016. As of 31 December 2025, the total available leasable area for offices is 29,706 sqm and currently leased in 2025 is 19,921 sqm or 67.1%.

Retail let table space is 5,295 sqm and currently leased in 2025 is 5,103 sqm or 96.4%

## **The Myanmar Economy & Political Situation**

The IMF sharply revised down Myanmar’s 2025 GDP growth down to -2.7% in October as ongoing conflict and the March 2025 earthquake continue to disrupt logistics, infrastructure, and production. Transport bottlenecks and shortages of materials and labor are constraining manufacturing and agricultural distribution. As a result, exports are unlikely to meaningfully support growth despite government efforts under the “export-first policy.”

In 2026, GDP growth is expected to rebound to 3.0%, post-earthquake reconstruction supporting industrial and services activities. This is partly reflected in forward-looking manufacturing

PMI readings, which continue to stay above 50, but input shortages and ongoing political instability will keep the recovery modest and uneven.

Internal conflicts remain a structural drag on the economy, as supply chain disruptions from the 2021 coup, escalating ethnic armed conflict, and the recent earthquake—combined with sanctions and tighter trade policies\*—have raised input costs, pushed up living expenses, and driven GDP per capita below pre-coup levels

### **Natural Disasters**

In Myanmar, a major earthquake occurred on 28 March 2025, with a magnitude of 7.7–7.9 Mw in the Sagaing Region of Myanmar. The epicenter was located near Mandalay. The earthquake, caused by strike-slip fault movement, registered a maximum intensity of “Catastrophic” on the Modified Mercalli Intensity (MMI) scale. This was the strongest earthquake in Myanmar since 1912 and the second most powerful earthquake in the country’s modern history, following the 1930 Bago earthquake, which is estimated to have been of greater magnitude. The event caused widespread and severe damage across Myanmar.

### **Inflation and Exchange Rate**

Inflation is expected to remain extremely high, with the IMF projecting 31% in 2025 and 28% in 2026, further eroding households’ real purchasing power.

The recent appreciation of the kyat reflects heavy central bank intervention and stricter import-related FX controls, rather than genuine market strength. Under the export-first policy—which requires proof of export earnings to access foreign currency for imports—foreign currency access is effectively limited to exporters, leaving importers facing severe shortages of inputs and finished goods. This makes the kyat appear stronger than the underlying fundamentals and has resulted in significant operational and financial disruptions for businesses engaging with Myanmar.

Such restrictive policies and frequent market interventions are likely to continue in the near term, but they will worsen foreign currency shortages, elevate inflation, and deepen market inefficiencies. The widening gap between official and market rates is likely to expand further. As a result, these policies cannot deliver sustainable kyat stability. Instead, they will further deter foreign direct investment and complicate trade financing, constraining Myanmar’s economic recovery and stability.

### **Political Situation**

Even if the military completes the planned election phases, the status quo of conflict is likely to persist. External pressures, such as weak trade and investment flows and ongoing FX constraints, are unlikely to ease, as international acceptance of the new government will remain difficult given concerns over fairness and inclusivity. The UN has explicitly described the planned vote as a “charade,” reinforcing the view that political legitimacy will not be restored.

## Marketing Strategies

As of the aforementioned circumstances, the Company has formulated the following business strategies:

- **Shangri-La Hotel, Bangkok**

Market indicators continue to trend upward as Bangkok's hotel sector moves beyond the recovery phase toward more normalized growth. The market has demonstrated resilience, with key performance indicators—particularly Revenue per Available Room (RevPAR)—showing continued improvement across most segments, supported by the gradual return of international demand and strengthening average daily rates, though the growth is uneven and more moderate than in the initial post-reopening rebound years. The luxury and upper-upscale segments remain the primary drivers of performance, benefiting from stronger pricing power and demand from long-haul and premium travelers. Overall, these trends underscore Bangkok's solid recovery trajectory and a cautiously optimistic outlook for the hospitality sector in 2025.

- **Targeting Customers**

In year 2025, we continued to focus on the strong momentum on capturing the international travelling demand for business, leisure and MICE. This year's top inbound guests came from China, United States of America, United Kingdom, South Korea, India, Germany, Thailand, Japan, Singapore, and Hong Kong.

The Company therefore adjusted its strategy to meet the needs of the target customer group as follows.

- **Emphasizing digital marketing**

Shangri-La Hotel, Bangkok maintained a strong focus on creating engaging content for social media, particularly lifestyle-focused posts, to enhance brand visibility and connect with its audience. The hotel activated an AI personalization tool on its brand website, elevating the guest experience by offering tailored recommendations and content.

The hotel's e-Boutique, launched in December 2024, generated incremental revenue of THB 8M in 2025 while driving Shangri-La Circle (SLC) member engagement and spending. This evolved from the hotel's now expired e-Shop ([www.shangrila-eshop-bangkok.com](http://www.shangrila-eshop-bangkok.com)), originally launched in December 2021.

The hotel utilized a mix of organic social media, paid social media, and paid media campaigns to increase traffic and drive revenue to the official website ([Shangri-La.com](http://Shangri-La.com)) and the Boutique. Call-to-action messages with tracking links were implemented across all Facebook and Instagram posts to promote room reservations, restaurant bookings, Chi, The Spa, Health Club e-vouchers, and other offerings. Additionally, Shangri-La Hotel, Bangkok actively Monitored Search Engine Marketing (SEM), Metasearch, and Display Retargeting campaigns in collaboration with the Regional Digital Marketing team, effectively increasing online bookings from targeted markets.

#### **- Pricing and Revenue Management**

The hotel has adjusted the Best Available Rate (BAR) as well as online offers to be more dynamic while still allowing flexibility to be made including free cancellation or postponement. In response to market headwinds in 2025, a number of targeted pricing-led packages and offers were introduced to address softer demand periods and maintain competitiveness. These initiatives have contributed meaningfully to overall performance. ADR is showing 1.7 percent slight decrease from the previous year to stay competitive.

#### **- Strengthening Distribution and Sales Channels.**

From overall room revenue production, Hotel Direct platform remained the majority distribution channel representing 52 percent which came from booking made directly with the hotel by guests and for hotel's official website (Shangri-la.com). Another 28 percent made through online intermediary channels and Global Distribution System and 20 percent contributed from Offline intermediary channel including tour operators and travel agencies.

#### **- 2025 Digital Distribution & Performance Marketing Strategy**

In 2025, Shangri-La Hotel, Bangkok strategically leveraged a combination of advanced personalization technology and high-performing global distribution platforms to optimise retail performance and drive substantial revenue growth. The results underscore the effectiveness of a balanced approach across Brand.com and major Online Travel Agencies (OTAs).

#### **Brand.com Personalisation – E-Direct Performance**

The hotel implemented an industry-leading personalisation platform developed by The Hotels Network on Brand.com, enabling tailored content, messaging, and offers based on user behaviour and intent. This initiative significantly enhanced the guest journey and conversion efficiency, generating Baht 304 million in full-year e-direct revenue, reinforcing Brand.com as a core revenue driver.

#### **OTA Paid Media Performance – Expedia, Booking.com & Ctrip**

Across 2025, Shangri-La Bangkok invested a combined THB 3.6 million in paid campaigns on its three major OTAs—Expedia, Booking.com, and Ctrip. These campaigns collectively delivered Baht 67.4 million in revenue, achieving an average Return on Ad Spend (ROAS) of 17:1, demonstrating strong efficiency and disciplined budget optimisation.

Expedia TravelAds - TravelAds on Expedia delivered robust performance, achieving a 16:1 ROAS and maintaining an average search visibility rank of 2.34. With an investment of Baht 1.4 million, the campaign generated Baht 43.3 million in revenue, highlighting the effectiveness of targeted, performance-led media placement.

Booking.com Sponsored Ads - Booking.com Sponsored Ads further supported demand generation, with an investment of Baht 1.17 million resulting in 2,015 room nights sold and Baht 14 million in revenue, contributing incremental volume at efficient cost levels.

Strategic Impact - By optimising Brand.com personalisation while strategically deploying paid media across key OTAs, Shangri-La Hotel, Bangkok successfully strengthened its retail mix, maximised revenue returns, and enhanced overall market competitiveness. The 2025 results demonstrate the value of integrating data-driven personalisation with disciplined performance marketing to deliver sustainable commercial growth.

- **Shangri-La Hotel, Chiang Mai**

In response to a challenging operating environment and softer demand from certain source markets, Shangri-La Hotel, Chiang Mai adjusted its marketing strategy to focus on demand diversification and resilience. Greater emphasis was placed on individual leisure travelers and on expanding reach across multiple international markets to reduce reliance on any single segment. Softer demand from the Chinese market was partially offset by increased bookings from alternative markets, particularly South Korea and Malaysia.

In parallel, marketing efforts supported demand recovery in the MICE segment following the temporary ballroom closure by prioritising short lead-time group bookings and securing business through year end. Increased activity from individual travelers further helped mitigate the impact of weaker MICE demand during the first half of the year.

- **Targeting Customers**

The key feeder market for both individual travelers and group business remained South Korea, supported by direct flight connectivity to Chiang Mai. Demand from the Chinese market declined across both individual and group segments during the year, reflecting heightened market sensitivity; however, China continues to be regarded as an important source market in the hotel's longer-term strategy. Malaysia and Taiwan also contributed as short-haul markets, supported by direct flight connections. Growth was observed in other long-haul markets aligned with TAT initiatives, including the United States, the United Kingdom, Europe, the Middle East, and Australia. The domestic Thai market also remained a key contributor across all segments.

- **Digital Marketing**

The hotel continued to strengthen its digital marketing efforts across social media platforms and online channels, including online travel agencies (OTAs), recognising their importance in driving visibility and revenue. During the year, greater emphasis was placed on collaborations with influencers and key opinion leaders from a range of source markets, including India, China, Thailand, South Korea, the United Kingdom, and the United States, to increase reach and engagement. Content generated through these collaborations was also shared across the hotel's own social media platforms.

In addition, the hotel focused on enhancing its website performance, with particular emphasis on improving search engine visibility through Search Engine Optimisation (SEO). Complementary investments were made in Search Engine Marketing (SEM), targeting selected markets to support demand generation and facilitate online access for potential guests. The hotel also continued to



develop its online retail presence through Shangri-La Boutique, supporting the sale of retail products via digital channels.

- **Focusing on retail sales**

The hotel continues to develop its retail operations through a combination of direct-to-consumer sales, partnerships with online platforms, and the introduction of curated packaged offerings. Targeted promotional activities and seminars are also used to support room bookings. In addition, retail sales have been expanded across food and beverage and other ancillary operations, including spa, bakery, floral, and laundry services, through the Shangri-La Boutique online platform. - Promoting food and beverage sales.

Food and beverage operations continue to support cash flow, particularly during periods of lower room demand, through a diversified mix of on-site and off-site offerings. The hotel maintains operational standards through dedicated specialty chef teams and appropriate adjustments to restaurant operations. External recognition received by key outlets, including China Kitchen and Kad Kafé, supports the hotel's positioning within a competitive dining environment.

- **Focusing on banquets and seminars**

The hotel continues to focus on hosting large-scale seminars and banquets, including international events, while actively promoting its venues for a wide range of functions and ceremonies throughout the year, particularly outdoor events. Emphasis is also placed on strengthening relationships with repeat clients and working closely with event organisers and wedding planners to support sustained demand across the banqueting and meetings segments.

- **Pricing Policy – Tier Pricing and Yield Management**

In 2025, room rates were selectively adjusted upward during peak demand periods, particularly in the high season and festive periods. As a result, Average Daily Rate (ADR) increased by 2.8% year-on-year, exceeding budget expectations. This improvement was supported by both FIT and group bookings. The hotel continued to apply flexible and dynamic pricing strategies in response to demand conditions across different periods.

In international markets, ADR was further optimised during festive periods through yield management initiatives, broadly aligned with prevailing market pricing following competitors' hotel renovations. Meanwhile, the average check for food and beverage increased by 7.6% compared with the previous year, reflecting pricing adjustments amid slower demand conditions and a competitive market environment.

- **Distribution and Sales Channels**

In 2025, the hotel continued to manage its distribution mix with an emphasis on rate integrity and channel effectiveness. Rate parity across distribution channels was monitored to support pricing consistency. The Fornova Distribution Score (DSH) was 84, indicating stable rate compliance.

Distribution initiatives remained focused on increasing direct bookings and supporting the loyalty programme through targeted offers and value-added experiences, while maintaining competitive positioning relative to both peer hotels and online travel agencies.

- **Sule Shangri-La, Yangon**

- The Sule Shangri-La Hotel is budgeted to remain closed for 2025. Peacock Lounge (Lobby Lounge) has resumed its operations from 16th Dec. 2025. It serves popular Asian & Western cuisine comprised of light meals, snacks, High Tea and beverages in a lounge style setting. There is a counter that offers regular bakery products with attractive seasonal and local offerings using Facebook posts to communicate with the local audience. This facility continues to cater and promote small sized private catering and events for the tenants of Shangri-La Residences.
- Other services remain closed temporarily.
- The laundry continues to operate albeit with a scaled down commercial operation to support the requirements of the Guests of Shangri-La Residences and the demands from our three entities.

- **Shangri-La Residences, Yangon**

Particulars	2025 YE Actual	2024 YE Actual
Occupancy %	48.6%	51.2%
Monthly average rental rate (MAR)	4,128	4,063
GOR	5,870,926	6,128,451

Overall demand remains well below pre-2021 levels, particularly for larger and premium units. The citywide average occupancy is approximately 52%, while Shangri-La Residences achieved 49% for YE 2025

**Key factors contributing to weakened demand:**

- Lack of New Foreign Investment, closing the Embassies and withdrawal of the companies
- Declining Expatriate Footprint
- Shift in Expat Profiles
- Visa and Posting Challenges

**Outlook**

Retention, flexibility, competitive shifting is the common approach of all.

- **Supply**

- HAGL Group's mixed use development comprising Myanmar Center, Myanmar Plaza, Melia Hotel, added Myanmar Center Residences – 222 apartments of which 50 are serviced units and rest are for outright sales.

- Sedona hotel - Garden Wing has 318 units including 31 Serviced Apartments and they plan to convert additional 32 units to apartments but that is delayed due to import restrictions.

- Lotte's inventory has changed from 315 to 310 by changing 1 BR apartment to 2 BR apartments from January 2026 onwards.

- Spring Line Hotel & Apartments near the industrial suburb of Hlaing Thar Yar has been contracted as a managed property & rebranded as a Fairfield by Marriott Yangon expected to be opened by end 2026 with the inventory of 200 rooms & 300 apartments but they are not serviced. No impact to Shangri-La Residences, Yangon.

- Other new developments & projects that had started in 2019-2020 or earlier, are stalled.

- **Rental**

- Rental rates are expected to continue declining as most of the demand is for smaller apartments.

- For shorter stays, guests prefer hotels over serviced apartments due to the full range of services and facilities, especially food and beverage.

- Some embassies and corporations have also revised their housing allowances downward.

- **Strategy**

Shangri-La Residences continues to uphold its strong market position as a preferred choice, particularly for family stays. This reputation is driven by its spacious accommodations, tranquil environment, and unwavering commitment to safety and peace of mind, supported by 24-hour generator power backup. These features, combined with the renowned Shangri-La friendly service, make it a considered option for expatriates seeking accommodation solutions in Yangon.

**Overall Strategy**

- Retention of existing tenants and acquiring new business with flexible pricing as per market conditions and driving occupancies.
- Use the recently commissioned Golf driving practice range to attract new long stay business especially from Japanese & Korean nationalities. Using chamber of Commerce to advertise.
- Drive short-stay business through e-direct channels as well as connected OTAs and GDS.
- Increased digital marketing activity to improve visibility and drive leads on Facebook – both for short stay Staycation business and for long stay leads.
- Increased collaboration with Shangri-La's global and regional sales to secure inclusion in Corporate Travel programs (RFPs).
- Maintain a pricing strategy to prevent conflict and price parity issues as we pursue both long stay and short stay businesses simultaneously.

- Leverage barter collaborations with influencers to promote our business and increase brand visibility.
- To grow business from indirect sales channels, develop, and build relationships with real estate agents.
- Continue local networking through the various Chambers of Commerce present such as like MHKCCI, BritCham, SAM, and TBAM.

- **Retention of existing business:**

- Lease renewals are done keeping in view the market situation and customization on a case to case with value add-ons such as including SLC points, Hotel Credits, Laundry and F&B Credits.
- Continue collaborations that benefit our residents with other facilities like the Sule Square outlets offering discounts to our residents and such similar tie-up.

• **Sule Square, Yangon**

**1. Offices**

- **Demand**

In 2025, the office market favors tenants in Grade-A buildings, while landlords have the advantage in affordable local business hubs. International demand remains weak, and local firms and NGOs are moving cautiously toward secure, well-equipped Grade B and C offices due to election-period uncertainty.

- **Supply**

In 2025, Yangon's office and mall market still has too much supply, especially in older buildings. Grade A projects face high vacancies, rents favor tenants, and delays to major CBD developments have helped prevent excess new supply.

- **Rentals**

Sule Square Mall and Office's ("SQMO") average office rental rate stands at USD 22.3 per square meter and average office occupancy rate stands at 67.1% (FY 2025). Rental rates are expected to remain highly competitive.

- **Strategy for Office**

- Sule Square is classified as a Grade A building, and the average office rent is USD 22.3 per sqm (2025).
- As of FY 2025, the city-wide occupancy rates stabilized at 67% for Grade-A buildings.
- Target tenants of Grade B buildings, stand-alone houses and office towers within a 2 km. radius offering services that are uninterrupted during load shedding.
- Continue to focus on Shipping & Logistics consulting, and trading companies which are located near the port and our office location.

- **Retention**

- Maintaining relationships has worked well for the team and contributed to retention of existing leases.

## **2. Retail**

- Sule Square Retail
- Sule Square Mall attained full occupancy from July 2025.

- **Demand**

In 2025, retail is the strongest sector, with malls now the main social hubs and cinemas and F&B nearly fully occupied. Shoppers are buying goods to protect value, but strict import limits are holding back supply.

- **Supply**

The critical factor for Sule Square is the suspension of major mixed-use projects that were intended to bring massive retail supply to CBD. No new supply is anticipated soon.

- **Retail Rentals**

Average rental rate in the shopping mall sector remained unchanged at US\$ 20 per square meter. At SQMO, the average retail rental rate stands at US\$ 21 per square meter and average retail occupancy rate stands at 96.4% (FY 2025).

Rental rates are likely to remain low and fiercely competitive in 2025. Sule Square customer footfall has improved and overtook 2019 levels.

- **Strategy for Retail**

- To maintain 100% Mall occupancy.
- Pipeline of new prospects should the space become available.
- Use Digital marketing for increased visibility and campaigns.
- To grow business from the network of real estate agents.

- **Retention**

- Increased annual events activity to drive footfall using the basement space.

## **(4) Procurement of Products and Services**

The Company maintains a policy of procuring products and services from multiple suppliers, both domestic and international, in order to mitigate reliance on any single supplier. This procurement is conducted in collaboration with subsidiaries within the Shangri-La Group. Recognizing the inflation risks in 2025, the Company plans to enter into contracts for the purchase of goods and services, ensuring fixed pricing, quantities, and quality for both the short and long term.

The Company continually selects and evaluates suppliers to ensure they meet specified criteria and conducts thorough quality inspections with each delivery to guarantee the receipt of high-quality products.

In the selection of new business partners, the Company prioritizes sourcing suppliers from the local community, thereby fostering local economic activity, supporting the development of suppliers, and enhancing employment opportunities both directly and indirectly. This strategy also serves to reduce operational and transportation costs.

When potential new business partners emerge, the Company requires prospective partners to perform a self-assessment on sustainability, using environmental criteria and evaluating the social compliance standards of goods and service suppliers.

For existing suppliers, the Company conducts an evaluation to categorize them into high, medium, or low tiers, based on their awareness and management of environmental and social engagement. The supplier ratings are utilized in the decision-making process for awarding contracts and approving new qualified suppliers. This strategy is intended to cultivate strong, collaborative relationships between the Company and its suppliers, working together to enhance social standards and regulatory compliance. Ultimately, this approach aims to contribute to the development of a sustainable supply chain.

### Personnel Recruitment

To ensure the delivery of high-quality service and gain acceptance from users, a critical factor is the recruitment of personnel possessing the necessary knowledge, skills, potential, and diverse qualifications to support efficient operations.

The Company has implemented a hiring and personnel management policy to align with the current workload and the Company's revenue projections for each period. Department Heads are responsible for specifying positions, numbers, and qualifications, seeking approval from authorized executives to recruit new personnel, whether as permanent employees or on a fixed-term basis.

As of 31 December, 2025, the Company has a total of 955 full-time employees, including 733 employees of Shangri-La Hotel, Bangkok and 222 employees of Shangri-La Hotel, Chiang Mai. The detailed breakdown of the Company's workforce, classified by department, is provided in the table below.

(Unit: Person)

Employees	Shangri-La Hotel, Bangkok		Shangri-La Hotel, Chiang Mai	
	2025	2024	2025	2024
- Operations employees	640	652	178	172
- Office employees	93	94	44	45
<b>Total</b>	<b>733</b>	<b>746</b>	<b>222</b>	<b>217</b>



## (5) Assets used in Business Operations

From the separate financial statements as at 31 December 2025, the Company's property, plant and equipment were 3,025.46 million Baht representing 41.88% of total assets which are mainly consist of:

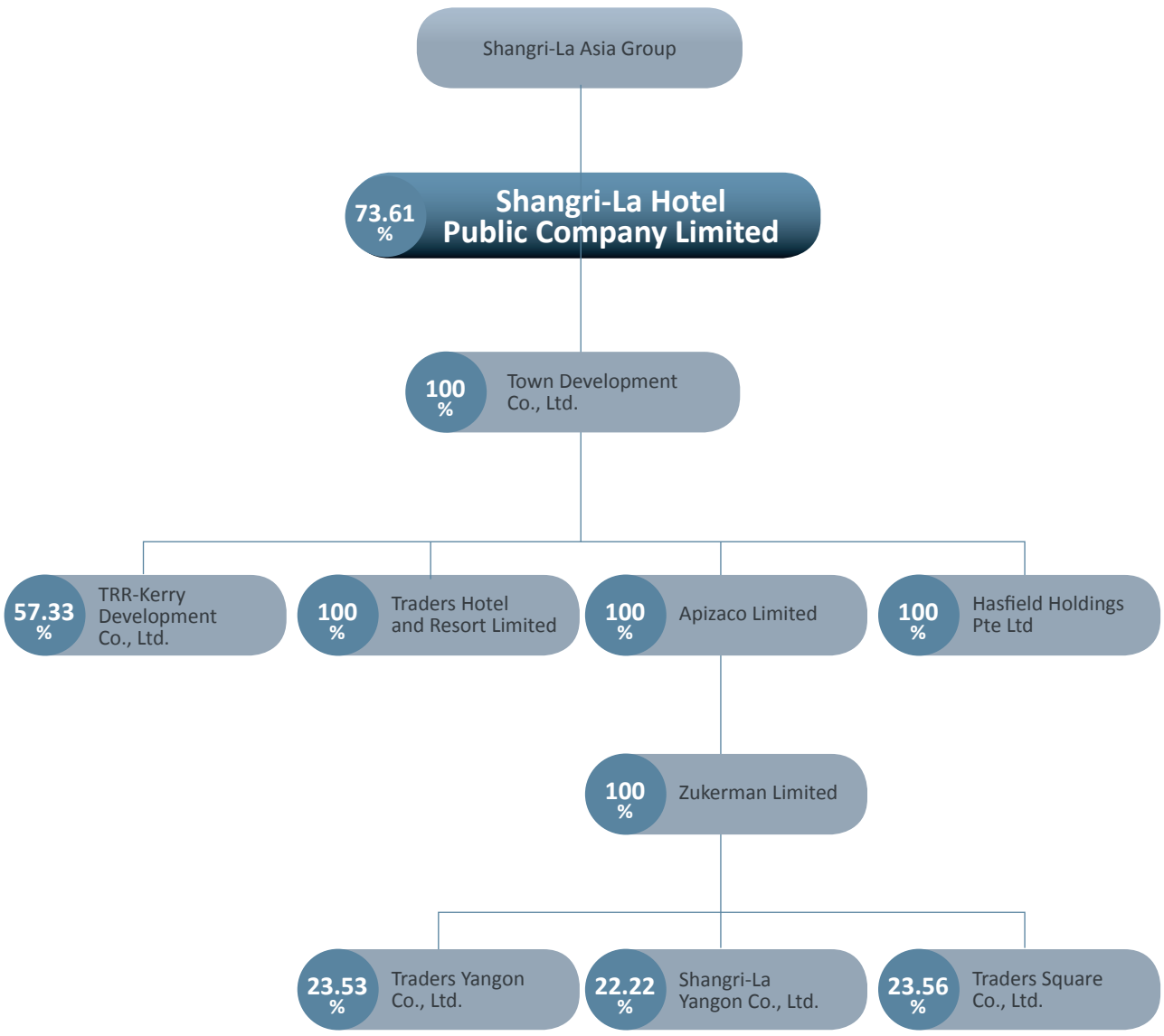
Assets	Ownership	Encumbrances	Book Value as of 31 December 2025
1 Land for operations of Shangri-La Hotel, Bangkok, area of 17 rai, 5 ngan, 23 square wah, located at Soi Wat Suan Plu, New Road, Bangrak, Bangkok	Company owned	No	385.95 million Baht
2 Land for the New Hotel Project consists of area 657.50 square wah, located at Soi Sukhumvit 55, Watthana, Bangkok, and area of 48 square wa, located at Soi Sukhumvit 57, Phra Khanong, Bangkok	Company owned	No	2,033.41 million Baht
3 Land for operations of Shangri-La Hotel, Chiang Mai, area of 17 rai, 2 ngan, 5.3 square wah, located at Changkhlan Road, Muang District, Chiang Mai	Company owned	No	107.56 million Baht
4 Buildings located at Soi Wat Suan Plu, New Road, Bangrak, Bangkok, consists of 2 hotel buildings, 1 building for office rental and 2 parking buildings	Company owned	No	102.61 million Baht
5 Building located at Changkhan Road, Muang District Chiang Mai	Company owned	No	123.28 million Baht
6 Machinery and building equipment of Shangri-La Hotel, Bangkok	Company owned	No	54.85 million Baht
7 Machinery and building equipment of Shangri-La Hotel, Chiang Mai	Company owned	No	16.41 million Baht
8 Furniture, fixtures, equipment and computer of Shangri-La Hotel, Bangkok	Company owned	No	67.91 million Baht
9 Furniture, fixtures, equipment and computer of Shangri-La Hotel, Chiang Mai	Company owned	No	53.21 million Baht

### Intangible Assets

Intangible assets consist of computer software. The book value of intangible assets as of 31 December 2025 of Shangri-La Hotel, Bangkok and Shangri-La Hotel, Chiang Mai are 0.58 million Baht and 0.53 million Baht, respectively.

### 1.3 Shareholding Structure

#### 1.3.1 Shareholding Structure of The Group of Companies



Companies	Issued and paid-up capital	Types of business
1. Town Development Co., Ltd. No. 89 Soi Wat Suan Plu, New Road, Bangrak, Bangrak, Bangkok, Thailand Telephone: (66) 2236 7777	1,303 Million Baht	Investment Holdings
2. TRR-Kerry Development Co., Ltd. No. 89 Soi Wat Suan Plu, New Road, Bangrak, Bangrak, Bangkok, Thailand Telephone: (66) 2236 7777	3.61 Million Baht	Investment Holdings**
3. Traders Hotel and Resort Limited No. 89 Soi Wat Suan Plu, New Road, Bangrak, Bangrak, Bangkok, Thailand Telephone: (66) 2236 7777	0.2 Million Baht	Dormant
4. Apizaco Limited No. 683 Kerry Center, 28th Floor, King's Road, Quarry Bay, Hong Kong Telephone: (852) 2525 7211	HKD 206.46 Million	Investment Holdings
5. Hasfield Holding Pte Ltd No. 1 Kim Seng Promenade, Great World City #07-01, Singapore Telephone: (65) 69185660	SGD 34.22 Million	Investment Holdings
6. Zukerman Limited No. 1 Kim Seng Promenade, Great World City #05-02, Singapore 237994 Telephone: (65) 69185660	USD 1	Investment Holdings
7. Traders Yangon Co., Ltd. No. 223 Sule Pagoda Road, Yangon, Myanmar Telephone: (951) 242828	Kyat 21.60 Million	Hotel Operation
8. Shangri-La Yangon Co., Ltd. No. 223 Sule Pagoda Road, Yangon, Myanmar Telephone: (951) 242828	Kyat 11.88 Million	Serviced Apartment
9. Traders Square Co., Ltd. No. 223 Sule Pagoda Road, Yangon, Myanmar Telephone: (951) 242828	Kyat 0.52 Million	Commercial Complex

\*\* TRR-Kerry Development Co., Ltd. was registered for dissolution on 15 September 2025 and is currently in the liquidation process.

### **1.3.2 Person with a potential conflict of interest holds shares of a subsidiary or associated company at an amount exceeding 10 percent of the voting shares of such company**

None

### **1.3.3 Relationship with Major Shareholders' Business**

Shangri-La Asia Group is a major shareholder, holding of shares in the Company through its subsidiaries including Siam Suite Holding Limited which is a company duly registered in Thailand. Shangri-La Asia Limited is a holding company listed in the Stock Exchange of Hong Kong Limited with a secondary listing on the Singapore Exchange Securities Trading Limited.

The Company provides services to juristic persons related to directors and major shareholders, following standard procedures such as bidding, consideration for work acceptance, and providing services under normal trading conditions. The Company maintains the same approach for third-party employers not affiliated with the Company.

### **1.3.4 Shareholders**

Top ten major shareholders as of 12 March 2025 (which was the latest record date on which shareholders have the right to attend and vote at the Annual General Meeting No.1/2025) were as follows:

Shareholder	No. of shares	Percentage (%)
1. Shangri-La Asia Group	95,694,648	73.61
2. Mr. Surin Asdathorn	3,473,200	2.67
3. Mr. Chana Asdathorn	3,055,500	2.35
4. Bangkok Bank Public Company Limited	2,832,600	2.18
5. Mr. Ekaratana Tejavej	1,550,000	1.19
6. Ms. Srisuda Sintavanarong	1,544,400	1.19
7. Mr. Boon Sintavanarong	1,518,800	1.17
8. Mr. Somkiat Asdathorn	1,161,300	0.89
9. Mr. Utai Asdathorn	1,109,657	0.85
10. Mr. Thitikorn Asdathorn	788,750	0.61

## **1.4 Number of Registered Capital and Paid-up Capital**

As of 31 December 2025, the registered capital and issued capital stand at 1,300 million Baht, divided into 130 million common shares, each with a par value of 10 Baht, and all shares have been fully paid.

### **1.4.1 Other types of shares such as preferred share whose rights or terms differ from those of common shares**

None

#### 1.4.2 Convertible securities as an underlying security for issuance of investment units of mutual funds for foreign investors (Thai Trust Fund) and the Non-Voting Depository Receipts (NVDR)

None

### 1.5 Issuance of Other Securities

None

### 1.6 Dividend Policy

The Company upholds an annual dividend policy of the remaining net profit, accounting for various reserves as mandated by law and consolidated financial statements. Nevertheless, dividend payouts are subject to modification contingent on economic conditions, cash flow, investment plans, legal considerations, financial status and performance. The Company meticulously assesses the necessity and appropriateness of dividends, ensuring they shall not significantly impact regular operations. Resolutions from the Board of Directors' meetings approving dividend payments necessitate presentation to shareholders meeting for endorsement. The Board of Directors is empowered to deliberate on interim dividends, with appropriate reports presented at subsequent shareholders meeting if deemed suitable without adverse effects on the Company's operations.

The dividend payment policy for the subsidiary is not explicitly outlined, contingent upon the operating outcomes of the subsidiaries after accounting for corporate income tax and deducting reserves as mandated by various laws. Adherence to legal requirements is paramount, and the decision is influenced by the suitability of the investment plan, taking into consideration the cash flow and financial standing of the subsidiaries as pivotal factors.

Due to the Company had a net profit of 457,019,151 Baht for the year ended 31 December 2025, Board of Directors' Meeting No. 1/2026, which was held on 23 February 2026 resolved that the declaration of the annual dividend payment for the operation of the Company from 1 January to 31 December 2025 at the rate of 0.50 Baht (Fifty Satang) per share for 130,000,000 ordinary shares amounting to 65,000,000 Baht, representing 14.2% of 2025 Company's net profit, which will be payable to shareholders of the Company on 26 May 2026, be recommended to the Shareholders for approval at the Annual General Meeting of Shareholders scheduled to be held on 28 April 2026.

**The comparison of dividend payment for year 2024, 2023 and 2022 are as follows:**

Particular	Financial Year		
	2024	2023	2022
Net profit in the separate financial statements (Baht)	617,396,170	539,088,650	25,583,448
Number of issued shares (Shares)	130,000,000	130,000,000	130,000,000
Dividend per share (Baht/Share)	1	1	-
Total dividend payment (Baht)	130,000,000	130,000,000	-
Dividend payment as percentage to net profit (percent)	21.1%	24.1%	-

## 2. Risk Management

### 2.1 Policy and Risk Management Plan

#### Shangri-La's Integrated Assurance Framework ("IAF")

The Company has collaborated with Shangri-La Group to adhere to the Integrated Assurance Framework (IAF), which includes risk management, internal controls and auditing practices by adopting the Group's important policies and procedures (P&Ps), including risk management processes. These P&Ps are regularly reviewed and updated to reflect changes in order to manage risks according to changing factors in a timely manner.

A 5-step approach is embedded within the IAF to establish a structured risk management process throughout the organization. It is important to note that the IAF is designed to manage rather than eliminate all potential risks of failure in achieving business objectives, and is aimed at providing reasonable, instead of absolute, assurance against material risks.

Management bears primary responsibility for the effective execution of risk management, supported by the Group's internal and external auditors, who strengthen the adequacy and effectiveness of internal controls through their independent assessments.





## 2.2 Risk Factors on Business Operation

1. Shifts in Product Demand Risk – Competition and Consumer Behavior Changes
2. Business Disruption Risk
3. Financing Risk
4. Regulatory and Compliance Risk
5. Cybersecurity Risk
6. Climate Change Risk
7. Fraud and Corruption Risk

### 1. Shifts in Product Demand Risk – Competition and Consumer Behavior Changes

Although Thailand's tourism industry in 2025 showed continued signs of recovery, supported by government stimulus measures and the return of approximately 33 million international tourist arrivals, overall tourism demand remained below earlier expectations. This reflects the fragile nature of the recovery, which continues to be influenced by global economic conditions, regional uncertainties, and international traveler confidence. While domestic tourism has partially supported the overall industry, the hotel revenue structure remains largely dependent on international markets, rendering the business sensitive to fluctuations in global travel demand.

At the same time, competition within the hotel industry has intensified, driven by both existing operators and new market entrants, as well as investment and acquisition activities involving large-scale hotel assets with strong future value potential, particularly in key tourism destinations. This has resulted in increasing pressure on pricing, market share, and marketing expenditures. Hotels that are unable to clearly differentiate their products and customer experiences may face declining competitiveness.

In addition, consumer behavior is evolving rapidly. Travelers are placing greater emphasis on personalized experiences, sustainability, safety, wellness, and the use of digital technology in planning and accessing services. If hotels are unable to adapt their products and service offerings to align with these expectations, this may result in lower demand, shorter lengths of stay, and increased pricing pressure.

In response, the Company has adopted proactive strategies to address competitive challenges, including the development of seasonal activities, the creation of new food and beverage experiences, and the expansion of revenue streams from the MICE segment, flexible workspace offerings, and wellness services to align with changing demand patterns.

Furthermore, the ability to closely monitor market trends, continuously adapt product and service strategies, and create distinctive experiential value—alongside the integration of technology and sustainable practices—remains a key factor in managing risks associated with changes in demand and consumer behavior in the hotel business.

## **2. Business Disruption**

Operational disruptions stemming from external events and economic uncertainties, beyond the Company's control, pose significant challenges for the hotel business. Various sectors, including hospitality, are vulnerable to external factors such as increases in oil prices, political unrest, epidemics, natural disasters, or unforeseen force majeure events. The global economic landscape, marked by fluctuations in raw material prices and disruptions in the supply chain, introduces risks that reverberate across most business sectors. The ripple effect of global economic conditions may lead to disruptions in the supply chain, causing shortages in certain products and transportation delays. This poses a substantial risk to the Company's business operations, potentially impacting its ability to achieve set goals. Such risks are deemed critical as they can lead to operational interruptions, property damage, and have a pronounced negative impact on both short-term and long-term operational results.

The Company has established a clear and comprehensive business plan, placing a significant emphasis on thorough market and competitor analysis while formulating appropriate strategic approaches. This includes evaluating key suppliers to enhance the accuracy of information regarding various situations in collaboration with business partners. Additionally, the Company assesses potential impacts on the supply chain and implements a business continuity plan to evaluate risks that may affect operations, such as natural disasters, disease outbreaks, or political instability. This plan encompasses emergency response measures, the management of critical systems, and the implementation of insurance policies to mitigate the impact of disasters and operational disruptions. Furthermore, continuous monitoring and evaluation of both internal and external risks are conducted, with regular updates and reviews to ensure that risk levels remain within acceptable thresholds. These efforts enable the efficient allocation of resources, the systematic assessment of risks, and the implementation of appropriate mitigation measures.

Natural disasters, such as flooding and earthquakes, pose a significant risk to the hotel industry by disrupting travel patterns and business operations. In addition, regional security incidents and cross-border tensions during the year adversely affected traveler confidence, particularly among Chinese tourists, resulting in a slowdown in arrivals. These factors negatively impacted occupancy levels and contributed to a revenue shortfall.

## **3. Financing Risk**

In hotel operations, the Company may be exposed to liquidity risk due to its high fixed cost structure, including staff costs, maintenance expenses and utilities. In addition, revenue volatility arising from fluctuations in occupancy rates—driven by external factors such as inflation, global economic conditions, pandemics, geopolitical tensions among major powers, and shifts in consumer preferences—may have a significant positive or negative impact on the Company's operating performance.

Foreign currency risk : considered low Thai Baht is the functional currency for our hotel businesses operating.

In order to manage risks effectively, the Company has implemented strategic adjustments, including the bulk procurement of raw materials to optimize cost efficiency. Additionally, the Company

has expanded its target market to regions with stronger currencies, such as the Middle East and Europe.

#### **4. Regulatory and Compliance Risk**

The Company's business operations are mandated to adhere to rules, laws, and regulations overseen by relevant authorities. This is essential to ensure seamless operations and establish appropriate supervision mechanisms, encompassing compliance with national tourism regulations. Given the dynamic nature of legal environments, which may evolve or introduce new laws periodically, this also encompasses the laws and ESG (Environmental, Social, and Governance) regulations, which are pivotal to the Company's business operations. There exists the possibility that the Company might not be fully compliant. In such instances, grievances could arise, leading to potential lawsuits seeking damages or compensation from customers or relevant agencies.

Nonetheless, the Company remains committed to continuously monitoring legislative changes or the enactment of new laws that are periodically enforced, ensuring that such developments do not adversely affect its reputation, financial standing, customer relationships, or its capacity to sustain competitiveness, credibility, and long-term organizational sustainability.

#### **5. Cybersecurity Risk**

There has been a noticeable increase in cyberattacks over the past few years. Hence, dependence on digital technology may heighten the susceptibility of business operations to cyber threats, including the theft of critical company information and disruptions to various work systems. Of significant concern is the potential impact on the Company's network system, as unauthorized individuals may gain access. Without proper oversight or operational planning, this could lead to financial repercussions, with the risk of business and customer confidential information being leaked or lost. To mitigate this risk, the Company has invested in information security systems, including (1) the installation of firewalls, (2) the implementation of antivirus protection, (3) conducting penetration testing on the organization's core applications, and (4) establishing access control measures.

The Company will conduct regular reviews and updates of these measures to ensure their continued relevance and adequacy in supporting the Company's operations. Additionally, employees will undergo comprehensive cybersecurity training to enhance awareness and fortify their capabilities in preventing and responding to emerging threats. The Group's Global Artificial Intelligence Acceptable Use Policy which applies to the Company has been in place since August 2025.

#### **6. Climate Change Risk**

At present, climate change has become a significant global issue, particularly among leading organizations that prioritize the reduction of greenhouse gas emissions. This phenomenon is reflected in the increasing frequency and severity of extreme events such as floods, droughts, and climate variability, which may cause both direct and indirect impacts on lives, property, and economic activities, including the tourism and hotel industries.

For the Company, operational activities associated with greenhouse gas emissions include electricity consumption, water usage, paper consumption, and other pollution-generating activities. These activities contribute to the rising concentration of greenhouse gases in the atmosphere and may lead to long-term risks, including increased operating costs resulting from environmental measures and new regulations, evolving expectations from customers and investors, as well as reputational risks.

In 2025, Thailand experienced flooding and drought as a result of climate change. Although such events have not directly affected the hotel's operations, they remain risk factors that the Company continues to monitor closely, as they may impact supply chains, tourist travel, resource costs, and the stability of public utilities in the future.

The Company places importance on systematic climate risk management by focusing on reducing impacts from greenhouse gas-emitting activities and enhancing climate resilience. Key approaches include:

- Efficient energy and water management through the adoption of technology and control systems to minimize unnecessary resource consumption
- Systematic waste management to limit pollution and reduce environmental impacts
- Collection and assessment of greenhouse gas emissions data to support planning, emission reduction, and disclosure to stakeholders
- Monitoring trends in environmental regulations and standards to ensure compliance with requirements and alignment with the Group's objectives

These approaches enable the Company to mitigate environmental risks, manage long-term costs, and strengthen stakeholder confidence, while supporting the Group's overall sustainability goals.

## **7. Fraud and Corruption Risk**

The Company boasts a favorable business reputation characterized by transparent and verifiable operations. Acknowledging corruption as a risk that can result in the organization losing credibility, dishonor, missed competitive opportunities, and unnecessary expenses, the company places significant importance on mitigating its impact on business operations. The absence of effective corporate governance could pose a potential risk of corruption and misconduct by employees, including executives. This scenario may lead to detrimental consequences for the Company's financial standing and reputation, impacting reliability from the stakeholders' perspective.

The Company upholds a comprehensive anti-corruption and anti-bribery policy that spans all facets of its operations, prioritizing transparency in transactions and decision-making processes. All employees, at every level, undergo training on anti-corruption measures, bribery prevention, and the proper management of situations involving corrupt practices which promote a zero-tolerance environment for fraud and corruption.

The Group's Code of Conduct and Ethics has set out the Group's policy in areas of anti-bribery, corruption and fraud. A standalone Anti-Bribery, Corruption and Fraud Policy, which is derived from the Group's Code of Conducts and Ethics and applies to the Company, has been in effect since May 2025.

### 3. Sustainability Management

#### 3.1 Corporate Sustainability Management Policy

The Company is committed to conducting business sustainably by integrating environmental, social, and governance (ESG) principles into its strategies and operations at all levels, with the aim of creating long-term value for all stakeholder groups. International standards and frameworks are adopted as guidelines in formulating policies, management approaches, and systematic performance monitoring to elevate the organization toward sustainable growth and the achievement of its corporate objectives.

In 2025, the Company recognizes the importance of aligning its business operations with the United Nations Sustainable Development Goals (SDGs) and the FTSE Russell framework. These are applied as operational guidelines across all three key dimensions—Environmental, Social, and Governance—while also emphasizing economic aspects. The scope covers environmental management, climate change, efficient resource utilization, human rights and labor practices, employee care and development, health and safety, customer responsibility, community engagement, as well as good corporate governance, business ethics, risk management, and operational transparency. The Company also demonstrates its commitment to identifying appropriate opportunities that support sustainable business operations.

The Company's operations are carried out in accordance with policies established by the Shangri-La Group, with the objective of creating economic value while maintaining a balanced approach to social and environmental stewardship. This approach supports stable and sustainable growth and strengthens long-term confidence among stakeholders.economic, social, and environmental dimensions.

##### **Sustainability Management Policy**

The Company places importance on conducting its business sustainably and has systematically identified and analyzed material sustainability topics relevant to its operations, covering environmental, social, governance, and economic dimensions. The process for determining material issues takes into account the needs and expectations of each stakeholder group, alongside an assessment of significant impacts, risks, and opportunities that may affect the Company's business operations and performance in the short, medium, and long term.

The Company has comprehensively analyzed both internal and external information sources. Internal information includes the nature of operations, business model, direction, strategies, and value chain of the Company and its group entities. External information covers sustainability issues within the hotel industry domestically and internationally, national and global sustainability trends, corporate social responsibility practices recommended by the Stock Exchange of Thailand, as well as international reporting frameworks such as the Global Reporting Initiative (GRI Standards), the United Nations Sustainable Development Goals (SDGs), and the Environmental, Social, and Governance (ESG) assessment framework of FTSE Russell.

The outcomes of the materiality analysis have been used to develop and establish the Company's sustainability policy, serving as a framework for governance, management, and the advancement of sustainability practices in alignment with the Company's corporate strategy. The Company's sustainability policy is structured into three main pillars.

The Sustainability Management Policy comprises of 3 dimensions:

- Environmental
- Social
- Governance

The Company has implemented the Shangri-La Group's sustainability policy in its operations, emphasizing the balance between economic growth, social responsibility, and environmental care. The Company believes that operations which consider all stakeholders will lead to long-term shared sustainability and help build trust among all groups of stakeholders. Additionally, the Company aims to play a key role in driving the service industry toward sustainable growth, creating a positive impact on the communities in which it operates, and inspiring positive change on a global scale, while simultaneously ensuring environmental responsibility, community development, and the preservation of cultural heritage.

### **Certified Standards**

The Company places great importance on its customers and is committed to enhancing customer satisfaction in both product quality and service excellence. Accordingly, the Company emphasizes the implementation of various quality management systems and standards as follows:

- Food and Beverage Safety Measurement Standards (Hazard Analysis Critical Control Point: HACCP) Good Manufacturing Practice (GMP)
- ISO 14001 Environmental Management Standard
- ISO 45001 Occupational Health and Safety Management System Standard
- SHA Extra Plus Health and safety standards for tourists
- GDPR (General Data Protection Regulation) as defined in EU law and the Personal Data Protection Act.

### **ESG Vision**

"We aim to be the best-loved hospitality group by hosting people to the colorful joys of life in a sustainable manner, delivering hospitality that empowers our people, uplifts local communities, nurtures the planet, and celebrates Asian heritage."

The Company has introduced the "ESG Framework – Triple S," which is in alignment with the Shangri-La Group's ESG strategy. This framework emphasizes sustainable operations across the economic, social, and environmental dimensions, while ensuring a balanced approach to the diverse interests of stakeholders. The goal is to generate a sustainable and positive impact on local communities in all regions where the Company operates.



In alignment with the ESG strategy, the Company places significant emphasis on delivering the optimal experience under the concept of Stay, Savour, and Shine in collaboration with Shangri-La. The Company's ESG strategy is reinforced by robust corporate governance, concentrating on critical issues that are pertinent to both the business and its stakeholders. To operationalize this ESG vision, the Company has implemented the Triple S ESG strategy as the foundational framework for ensuring sustainable practices across all areas, including environmental stewardship, social responsibility, and corporate governance.

- **STAY:** STAY with us and experience the colorful joys in a sustainable manner curated by Shangri-La.
- **SAVOUR:** SAVOUR safe, healthy and delicious food and memorable experiences that are sustainably sourced and created.
- **SHINE:** Enable our colleagues, guests, suppliers and communities to unleash their potential and SHINE.
- **GOVERNANCE:** Do the right thing in the right way with integrity

Additionally, the Company is dedicated to fostering a better future by strengthening the capabilities of its workforce, enhancing the quality of life within communities, safeguarding the environment, and honoring the cultural heritage of Asia. This commitment is pursued while adhering to international standards and respecting local traditions, ensuring the Company fulfills its responsibility as an organization that is genuinely accountable to both society and the environment.

## **3.2 Effective Stakeholder Impact Management across the Business Value Chain**

### **3.2.1 Business Value Chain**

The Company engages in the hospitality and related services industry, with its offerings categorized into four key sectors: accommodation services, food and beverage services, banquet and conference facilities, as well as additional services including laundry, wellness centers, and spa facilities. These services are meticulously designed to cater to the varied needs and preferences of customers, ensuring comprehensive and high-quality experiences across all aspects.

#### **Primary Activities**

The Company's guidelines for supply chain management embody a procedural approach that considers both stakeholder groups impacted by business operations and management. Undertaking sustainability initiatives across the entire business value chain, the Company's operations are categorized into five primary activities. Each of these main activities is intricately linked to specific stakeholder groups, as outlined below:

### **1. Procurement Process Management**

The procurement of raw materials, materials, equipment, and fixed assets used in the Company's operations is conducted in accordance with corporate governance principles. Emphasis is placed on selecting high-quality, safe materials that meet relevant standards and certifications, with a particular focus on sourcing local products at fair prices. Additionally, there is a strong commitment to utilizing resources efficiently, in order to reduce unnecessary costs and promote sustainability throughout all procurement processes.

### **2. Operations**

Internal hotel management is carried out to ensure the efficient delivery of services and products. The focus is on developing new innovations to enhance operational processes, ensuring accuracy, speed, and precision. This approach aims to build customer trust and satisfaction, particularly in meeting the diverse needs of customers in the present era.

### **3. Product and Service Distribution or Outbound Logistics**

The Company places great emphasis on delivering high-quality products and services with safety to customers, while ensuring compliance with relevant laws and regulations. This includes strict management of environmental issues, workplace safety, occupational health, and the protection of human rights.

### **4. Marketing and Sales**

The Company is dedicated to delivering superior customer experiences by prioritizing efficient communication through digital media, online platforms, and various social media channels, thereby expanding its reach to target audiences both domestically and internationally. It ensures that pricing for food and accommodation is appropriately set, while providing accurate, comprehensive, and transparent information regarding its services. Moreover, the Company is committed to the ongoing development and refinement of its room booking channels, service package offerings, and special promotions, ensuring they are aligned with the evolving behaviors and preferences of contemporary customers and effectively meeting the diverse needs of all customer segments.

### **5. Customer Services**

The Company places significant emphasis on customer satisfaction, aiming to build and continuously enhance strong relationships with customers. This is achieved through the establishment of dedicated departments and personnel responsible for directly receiving feedback and suggestions regarding products and services from customers. This feedback is then utilized to improve and develop service quality to meet the expectations of customers.

## **Sustainable Supply Chain**

The hotel business represents a network of sourcing and delivering all goods and services essential to hotel operations. This process spans from the procurement of raw materials (such as food, beverages, and amenities), inventory management (including linens and minibar items), and production or preparation (such as food preparation in the kitchen), to the distribution of goods to various service areas (guest rooms, restaurants, and other facilities), and ultimately the delivery of services directly to customers.

This comprehensive process covers both tangible products and service components, all of which are integrated systematically to create a comfortable, high-quality, and satisfying guest experience.

### **1. Procurement / Sourcing**

The procurement process involves purchasing raw materials and goods from suppliers, including fresh food, ingredients, beverages, cleaning supplies, bathroom amenities, furniture, and in-room equipment such as linens and towels.

### **2. Manufacturing / Preparation**

This refers to operational processes related to the preparation of food and beverages in kitchen operations, laundry services for bed linens and towels, and guest room preparation to ensure readiness and service quality.

### **3. Storage / Inventory Management**

The Company manages inventory efficiently for both perishable and durable goods to control costs, maintain product quality, and prevent shortages or overstock situations.

### **4. Distribution & Logistics**

This covers the internal distribution of goods from storage areas to various operational points within the hotel, such as guest rooms, restaurants, bars, and public areas, including interdepartmental logistics coordination.

### **5. Service Delivery**

This includes all processes directly related to customer service, such as food and beverage service, housekeeping, and front office operations, which collectively contribute to delivering a high-quality guest experience.

## **Key Challenges**

- Managing a large and diverse supplier base across various product categories, including fresh food, durable goods, and personal-use items.
- Handling significantly different product requirements, such as shelf life, storage conditions, and usage frequency.
- Maintaining consistently high quality standards and delivering a uniform guest experience across all services.

- Effective supply chain management is therefore critical to cost control, guest satisfaction, and enhancing the hotel's overall operational efficiency.

### 3.2.2 Stakeholders Analysis in Business Value Chain

The Company acknowledges the critical importance of all stakeholders who play an essential role in supporting the organization's operations in achieving its objectives and fostering sustainable growth. The Company is committed to establishing effective collaborations with stakeholders to maximize mutual benefits for all parties involved, in alignment with the principles of sound corporate governance, operational effectiveness, and respect for rights. The Company ensures that all stakeholders are treated with fairness and equality, while upholding transparency, ethical conduct, and adherence to a code of ethics that is consistent with the organization's core values.

The Company adheres to the internationally recognized AA1000 Stakeholder Engagement Standards (AA1000SES) in identifying stakeholder groups, analyzing their relevance within the value chain, and assessing their needs, expectations, and the impacts they have on the Company's operations. This approach allows for the evaluation and prioritization of issues, ensuring that the Company develops practices that effectively address the distinct needs and expectations of each stakeholder group. These practices are communicated through efficient and transparent channels aimed at maximizing stakeholder satisfaction. The stakeholders are classified into six primary groups: shareholders and investors, employees, customers, business partners, government agencies, and local communities.

Stakeholders throughout the value chain	Business Value Chain					
		Procurement Process Management	Operations	Product and Service Distribution or Outbound Logistics	Marketing and Sales	Customer Services
	Shareholders and investors	-	-	-	/	/
	Employees	/	/	/	/	/
	Clients	/	/	/	/	/
	Business partners	/	/	/	/	/
	Government sectors	/	/	/	/	/
	Communities	/	/	/	/	/

## 3.3 Sustainability Management in the Environmental Dimension

### 3.3.1 Environmental Policy and Guideline

The Company conducts its business with comprehensive consideration for environmental sustainability, aiming to transition toward a low-carbon organization and to support long-term sustainable growth. The Company has established environmental policies focused on minimizing the environmental impacts of its operations through the reduction of greenhouse gas (GHG) emissions,

the adoption of clean energy and efficient technologies, and the continuous improvement of operational processes. These efforts are designed to enhance the Company's long-term adaptability and business resilience, while promoting the conservation of natural resources through ecosystem restoration and green space development initiatives.

In addition, the Company promotes efficient resource utilization, pollution reduction, and the ongoing management of waste, water, and energy. Key priorities include minimizing single-use plastics and food waste. The Company also supports the selection of environmentally responsible suppliers and fosters environmental awareness among employees and all stakeholder groups.

### **3.3.2 Sustainability Performance Results on the Environmental Dimension**

The Company has established climate-related policies and strategies, integrating climate change risks and opportunities into its corporate business planning. It continues to enhance the effectiveness of its environmental management practices, with a strong commitment to reducing greenhouse gas (GHG) emissions from its operations through increased adoption of clean energy and environmentally friendly technologies, as well as the long-term reduction of resource consumption and energy costs.

The Company has reduced waste generation and pollution from its operations, particularly by minimizing single-use plastics and implementing systematic food waste management. These efforts are complemented by improvements in wastewater treatment systems, efficient water utilization, and water recycling initiatives, which collectively help mitigate impacts on water resources and the surrounding environment.

In addition, the Company promotes biodiversity conservation by participating in ecosystem restoration, expanding green spaces, and preserving natural resources. These initiatives contribute to environmental quality and enhance the quality of life for surrounding communities. The Company also strengthens collaboration with suppliers and stakeholders to advance environmentally responsible and sustainable business practices.

## **3.4 Sustainability Management in the Social Dimension**

### **3.4.1 Social Policy and Guideline**

The Company places great importance on conducting business with social responsibility, aiming to create shared value for employees, customers, communities, and all stakeholder groups. This is undertaken within a framework that respects human rights, international labor principles, and fair practices throughout the supply chain. The Company has established social policies and practices that cover labor rights protection, diversity, equity, and non-discrimination, as well as the prevention of child labor, forced labor, and all forms of human rights violations. The Company also upholds strict measures against human trafficking and modern slavery.

The Company also establishes codes of conduct for suppliers and stakeholders across the supply chain to ensure that operations comply with labor standards, human rights principles, and business ethics in alignment with international standards, fostering shared responsibility throughout the value chain.

### **3.4.2 Sustainability Performance Results on the Social Dimension**

The Company delivers tangible positive outcomes for employees, communities, customers, and stakeholders by establishing labor standards and human rights policies in alignment with applicable laws and relevant best practices. These policies are communicated to employees through internal channels to continuously promote respect for human rights, labor rights, and diversity within the organization. The Company upholds non-discrimination, equality, and mutual respect, fostering an open and collaborative organizational culture.

In caring for and developing employees, the Company invests in human capital development through training, skills enhancement, and lifelong learning, alongside providing appropriate and fair welfare and benefits. These efforts support employees' quality of life, engagement, and job security. At the same time, the Company consistently implements occupational health and safety measures by improving work processes, tools, and the working environment to reduce risks and impacts on employee well-being.

The Company conducts its business with responsibility toward customers by prioritizing quality, safety, and service standards to build long-term trust and satisfaction. In parallel, the Company contributes to community and social development through various initiatives aimed at improving quality of life, supporting education, well-being, and local economic development, as well as environmental conservation and biodiversity protection. These efforts strengthen relationships with communities and create sustainable positive impacts.

Regarding supply chain management, the Company has established guidelines and expectations on human rights, labor practices, and business ethics for suppliers to ensure responsible operations throughout the supply chain, in line with international standards, and to support the Company's long-term sustainable growth.

## **3.5 Sustainability Management in the Governance Dimension**

### **3.5.1 Governance Policy and Guideline**

The Company conducts its business in accordance with the principles of good corporate governance alongside the creation of sustainable economic value. It is committed to strengthening business resilience, long-term growth, and the confidence of all stakeholder groups. The Company emphasizes transparent, fair, and accountable management practices in compliance with applicable laws, regulations, and internationally recognized best practices.

Directors, executives, and employees at all levels are required to adhere to the Code of Conduct and Ethics, upholding integrity, accountability, transparency, and fair treatment of stakeholders. Anti-corruption is established as a key organizational priority. The Company maintains a zero-tolerance policy toward all forms of corruption, including bribery, improper benefits, or any actions that violate laws, ethical standards, or governance principles.

From an economic perspective, the Company continuously enhances operational efficiency and strengthens competitiveness through investments in technology to support service delivery,



improvements to guest rooms and service areas, and the development of products and services aligned with market demand. The Company focuses on creating business value while ensuring efficient and prudent use of resources to support sustainable long-term growth.

### **3.5.2 Sustainability Performance Results on the Governance Dimension**

The Company continuously operates under a robust corporate governance framework, supported by a clearly defined governance structure that covers the roles and responsibilities of the Board of Directors, executive oversight, and transparent, fair, and auditable operational processes. This ensures that management practices adhere to good governance principles and comply with applicable laws and regulations.

The Company has established a Code of Conduct and Ethics as a guideline for directors, executives, and employees at all levels to foster an organizational culture grounded in integrity, accountability, and fair treatment of stakeholders. This is reinforced by the implementation of a comprehensive anti-corruption policy, under which the Company maintains a zero-tolerance stance toward all forms of corruption, including bribery, improper benefits, and any actions that violate legal or ethical standards.

From an economic perspective, the Company has implemented strategies to enhance operational efficiency and competitiveness through investments in technology to support service delivery, upgrades to guest rooms and service areas, and the development of products and services aligned with market demand. The Company focuses on value creation alongside the efficient use of resources.

The Company has established independent and transparent grievance and whistleblowing mechanisms, with measures in place to protect whistleblowers. These channels enable employees, business partners, and stakeholders to safely report concerns or inappropriate conduct. In addition, the Company places strong emphasis on risk management, with processes to identify, assess, and manage risks across strategic, operational, financial, and compliance dimensions, enabling the organization to address uncertainties and changes in the business environment.

Furthermore, the integration of risk management into business planning and decision-making processes enables the Company to mitigate potential impacts from risks, support business continuity, and strengthen long-term business stability.

**For more details of “Sustainability Management”, kindly refer to the 2025 Sustainability Report at [www.shangri-la.com/group/investors/public-disclosures-thailand](http://www.shangri-la.com/group/investors/public-disclosures-thailand)**

## 4. Management Discussion and Analysis (MD&A)

### Overview

Thailand's tourism industry in 2025 recorded approximately 32.97 million international tourist arrivals for the year, representing a decrease of 7.23% from 2024. Factors affecting the recovery of the industry included the slowdown of tourists from some major markets, particularly China, increasing tourism competition from countries in the region, the strong Thai Baht, and higher travel costs. Nevertheless, the hotel sector continued to be supported by government tourism promotion policies under the "Amazing Thailand Grand Tourism and Sports Year 2025" campaign, the increase in international flights, the growth of tourists from high-spending emerging markets, and the trend of tourists seeking quality travel experiences. Meanwhile, hotel performance indicators showed strong performance toward the end of the year, with the occupancy rate reaching 78.05% in December 2025, reflecting the continued recovery trend of the hotel industry.

#### - Shangri-La Hotel, Bangkok

Hotel market sentiment in Thailand continued to improve in 2025, supported by sustained growth in international tourist arrivals and the gradual normalization of travel demand. Short-haul markets remained the primary source of inbound traffic, underpinned by expanded flight capacity and improved regional connectivity, while long-haul demand showed steady recovery. This increase in tourist activity continued to support hotel performance, with average daily rates (ADR) remaining above pre-pandemic (2019) levels. However, occupancy rates moderated compared with 2024, reflecting supply additions, demand dispersion, and broader market headwinds.

In 2025, Shangri-La Hotel, Bangkok focused on navigating a more competitive and normalized operating environment following the strong recovery momentum achieved in prior years. The strategy emphasized proactive demand stimulation across international business, leisure, and MICE segments, while maintaining pricing discipline and brand positioning. Although market conditions were more challenging than in 2024, the hotel continued to deliver resilient performance, supported by diversified demand sources and targeted commercial initiatives.

New hotel developments in Bangkok remained concentrated within the CBD and surrounding areas, particularly along the Chao Phraya River and Sukhumvit Road, which continue to serve as key demand generators for the hospitality sector. Additional room supply introduced in late 2024 and 2025 contributed to heightened competition, particularly in the upper-upscale and luxury segments. While new openings reflect ongoing investor confidence in Bangkok's long-term tourism fundamentals, they have also placed pressure on occupancy levels, reinforcing the importance of effective revenue management and product differentiation in 2025.

#### - Shangri-La Hotel, Chiang Mai

During the year, Shangri-La Hotel, Chiang Mai operated in a challenging environment due to external factors affecting travel demand, including regional security concerns impacting the Chinese

market and a natural disaster in the first quarter. However, the hotel maintained operational resilience through market diversification and segment rebalancing.

To mitigate softer demand from certain markets, the hotel increased its focus on individual leisure travelers and broadened its international market reach. While demand from China declined, it remains a key long-term market. This was partially offset by stronger performance from South Korea, supported by direct flights, as well as Malaysia and Taiwan. Growth was also observed in selected long-haul markets aligned with TAT initiatives, alongside continued support from the domestic Thai market.

International and domestic flight volumes increased year-on-year, supported by expanded direct connectivity from 12 countries. Despite these improvements, flight volumes remained below pre-pandemic levels, reflecting a gradual recovery in inbound travel.

The MICE segment faced subdued demand, particularly in the first half of the year, compounded by the temporary closure of the ballroom for repairs. From the third quarter onward, performance improved through short lead-time group bookings and confirmed business through year end, while increased leisure demand helped offset weaker MICE performance.

Marketing efforts focused on demand diversification and brand visibility through collaboration with Tourism Authority of Thailand offices, travel trade partners, and media representatives. Participation in destination-level campaigns, including “Nihao Month,” supported digital engagement and maintained brand presence in key international markets.

Despite increased competition, Shangri-La Hotel, Chiang Mai continues to differentiate itself through its resort-style setting, outdoor venues, and service-led positioning. This was recognised in 2025 with the Thailand Tourism Awards – Luxury Hotel, alongside ASEAN MICE Standard Hotel certification. Food and beverage operations and ancillary businesses, including external laundry services, further supported revenue diversification and overall competitiveness.

## Revenue, Expenses & Profit

### - Shangri-La Hotel, Bangkok

Occupancy was lower by 4.3% points from last year. ADR was lower than last year by Baht 105.9 while Revenue Per Available Room (Revpar) was lower than last year by Baht 325.1. Overall revenue from rooms decreased by Baht 99.0 million or 8.9%.

Lower occupancy has impacted the number of F&B covers, which decreased by 56,681 or 8.3% from last year. Average check was higher by Baht 1.3 or 0.1%. Overall Food and Beverage revenues decreased by Baht 76.6 million or 11.3% from the previous year. Total F&B departmental profit for the year was Baht 254.3 million lower than last year by Baht 44.3 million or 14.8%.

Minor Operating Department (“MOD”) revenues slightly decreased by Baht 22.9 million or 22.0%

- **Shangri-La Hotel, Chiang Mai**

Room Revenue increased by Baht 6.1 million. ADR for the year closed below Shangri-La Hotel, Bangkok by 20.5%, which was in line with the differential rate between the two cities. Room profitability was lower than Shangri-La Hotel, Bangkok by 0.6% points.

Food and Beverage revenues in the hotel were encouraging and formed 25.7% of total hotel operating revenues. Food and Beverage Department showed a profit decreased of Baht 2.0 million (4.2%) compared to the previous year, while profitability was at 40.0% which was higher than last year 1.2% points. Food and Beverage profitability was lower than Shangri-La Hotel, Bangkok by 2.3% points.

## Consolidated

In the overall results of the two hotels, there was a decrease in operating revenues by Baht 201.7 million or 8.6% compared to year 2024. Cost of sales decreased by Baht 38.9 million or 5.3%. As a result, gross profit decreased by Baht 162.8 million or 10.2% from the previous year.

## Investment review

- **Apizaco Limited**

The Company, through its 100 % subsidiary based in Hong Kong called Apizaco Limited holds 10,501,055 shares of Shangri-La Asia Limited. As on 31 December 2025, the market value of the balance shares was HKD 49.8 million against the cost of HKD 83.7 million, thus creating an unrealized loss as reflected in the accounts.

- **Traders Yangon Company Limited**

Traders Yangon Company Limited ("TYCL"), the 23.53% associated company held through Apizaco Limited and Zukerman Limited, operates Sule Shangri-La Hotel (formerly known as Traders Hotel). TYCL recorded gross revenue of USD 0.23 million in 2025, which represents decrease of USD 0.12 million or decrease of 34.3% from previous year. There was no room revenue in 2025 as the Hotel closed effective 1 February 2021, Food and Beverage revenue also recorded USD 0.04 million or decrease of USD 0.03 million compared to year 2024. The hotel recorded net loss of USD 7.1 million.

- **Shangri-La Yangon Company Limited**

Shangri-La Yangon Company Limited ("SYCL"), the 22.22% associated company held through Apizaco Limited and Zukerman Limited, operates 2 towers of serviced apartment - Shangri-La Residences, Yangon. Both Tower 1 and 2 became fully operational on 21 October 2014 with an inventory of 240 apartments. The Serviced Apartments closed the year 2025 with an occupancy of 48.6% (Last Year 51.2%) at an average monthly rental rate of USD 4,128 (Last Year USD 4,063),

contributed to a total revenue of USD 5.9 million in 2025 (Last Year USD 6.1 million), decrease of 4.2% and gross operation profit of USD 2.6 million (Last Year USD 2.5 million), increase of 4.4%. SYCL recorded net loss of USD 1.0 million.

**- Traders Square Company Limited**

Traders Square Company Limited ("TSCL"), the 23.56% associated company held through Apizaco Limited and Zukerman Limited, operates Sule Square commercial complex, which commenced commercial business effective 1 December 2016. The Commercial Complex closed the year 2025 with office occupancy of 67.1% at an average rent of USD 22.3 per sqm, contributed to Gross Operating Revenue of USD 5.3 million and retail occupancy of 96.4% at an average rent of USD 21.0 per sqm, contributed to Gross Operating Revenue of USD 1.2 million. Gross operation profit of 48.1% (USD 3.3 million) with the office leasable area of 29,706 sqm and retail leasable area of 5,295 sqm. TSCL recorded net loss of USD 3.0 million.

## **Contingent Liabilities / Commitments**

Since the year 2013, the Company has signed up a short-term loan agreement with a subsidiary company, Hasfield Holdings Pte Ltd. The amount of loan is USD 15 million or Baht 487.8 million without security, interest free and payable upon demand.

On 8 October 2025, the Company made a repayment for short-term loan from subsidiary of USD 15 million or approximately Baht 487.8 million.

Capital commitments at the end of the year stood at Baht 79 million, relating to hotel project improvements of Shangri-La Hotel, Bangkok and Shangri-La Hotel, Chiang Mai included the development of Hotel Jen Thonglor.

## **Financial Review**

The consolidated balance sheet of the Company consists primarily of fixed assets of the hotel, cash and cash equivalents and investments as mentioned above in addition to borrowing from a related company. As at 31 December 2025, cash and cash equivalents represent 11.9% of total assets (previous year: 6.5%), while short-term investments in financial assets – fixed deposits represent 43.3% of total assets (previous year: 44.1%).

## **Assets**

As at 31 December 2025, the total assets amounted to Baht 8,262 million, an increase of 2.4% over the assets at the end of 2024. These were comprised as follows:

	2025		Increase/ (Decrease)	2024	
	Thousand Baht	% to Total Assets		Thousand Baht	% to Total Assets
Cash and cash equivalents	982,866	11.89%	461,306	521,560	6.46%
Short-term investments in financial assets - fixed deposits	3,579,991	43.33%	23,488	3,556,503	44.08%
Trade and other receivables	90,013	1.09%	9,949	80,064	0.99%
Inventories	27,883	0.34%	(849)	28,732	0.36%
Other current assets	34,019	0.41%	(2,057)	36,076	0.45%
Other non-current financial assets	202,171	2.45%	(41,545)	243,716	3.02%
Long-term loans to and interest receivables from related parties	289,611	3.51%	(169,589)	459,200	5.69%
Property, plant and equipment	3,027,315	36.64%	(88,127)	3,115,442	38.62%
Intangible assets	1,105	0.01%	(207)	1,312	0.02%
Deferred tax assets	23,864	0.29%	2,877	20,987	0.26%
Other non-current assets	3,138	0.04%	(703)	3,841	0.05%
<b>Total</b>	<b>8,261,976</b>	<b>100.00%</b>	<b>194,543</b>	<b>8,067,433</b>	<b>100.00%</b>

## Liabilities and Shareholders' Equity

The Company's authorized capital of Baht 1,300 million has been fully paid up and it has a share premium account of Baht 1,590.4 million. Statutory reserves amounted to Baht 130 million as at the end of the year. The Company has a short-term loan of USD 15 million or Baht 487.8 million from a related party since year 2013. The loan was fully repaid on 8 October 2025.

The Current ratio decreased to 8.3 against 9.4 in the previous year as a result of a significant increase in advances from customers, despite positive cash inflows from operating activities.



## Cash flows

The cash flow statement highlights the changes in cash flows in operating, investment and financing activities during the year. The ending balance of cash and cash equivalents as 31 December 2025 was Baht 982.9 million, an increase of Baht 461.3 million from the previous year. Fixed deposit with financial institutions increased of Baht 23.5 million from previous year with ending balance as 31 December 2025 was Baht 3,580.0 million caused by the additional of new fixed deposit and the renewal with a long-term fixed deposits due to the favorable and a downward trend in the interest rate. Long-term loans to and interest receivables from related parties ending balance as 31 December 2025 was Baht 289.6 million, a decrease of Baht 169.6 million from previous year due to the impairment losses on financial assets in Yangon properties.

## Performance

The Company's consolidated revenues from hotel operations decreased by Baht 201.7 million for the year 2025 or a decrease of 8.6% point from the previous year. The decrease in revenues was a result of decrease in occupancies in Shangri-La Hotel, Bangkok by 4.3% points. Whereas occupancy levels in Shangri-La Hotel, Chiang Mai was increased by 0.7% points. ADR of Shangri-La Hotel, Bangkok decreased by 1.7% point and ADR of Shangri-La Hotel, Chiang Mai increased by 1.2% point. Food and Beverage revenues decreased in total by 10.7% point mainly from low F&B covers than prior year due to the impact of the earthquake in March 2025 and the border dispute between Thailand and Cambodia in July 2025.

The consolidated profit before corporate income tax for the year ended 31 December 2025 decreased by Baht 188.6 million from the previous year. The decrease in consolidated profit before corporate income tax was due to the decrease in the Company's profit before corporate income tax of Baht 200.3 million and the decrease in loss of subsidiaries of Baht 11.7 million. The decrease in loss of subsidiaries was mainly due to the decrease in the impairment losses on loan to associated company, offset by an increase in exchange loss from loan to a related company.

In line with decrease in revenues, selling expenses increased by Baht 21.7 million or 14.9% point, administrative expenses increased by Baht 36.0 million or 6.1% point. Depreciation decreased by Baht 0.2 million or 0.1%. Consequently, the total profit before corporate income tax was at Baht 366.0 million. The corporate income tax for this year was Baht 125.1 million. The loss attributable to non-controlling interest of the subsidiary for this year was Baht 0.01 million. As a result, the Company recorded a net profit after corporate income tax attributable to the equity holders of the Company of Baht 240.9 million for the year ended 31 December 2025, representing a decrease of Baht 130.1 million (decreased by 35.1%).

Earnings per share in 2025 was Baht 1.85 whereas Earnings per share in 2024 was Baht 2.85.

## Significant Financial Information

Shangri-La Hotel Public Company Limited and its subsidiaries

Statement of financial position

As at 31 December 2025 2024 and 2023

(Unit: Baht)

	Consolidated financial statements		
	2025	2024	2023
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	982,865,757	521,560,293	1,488,173,873
Short-term investments in financial assets			
- fixed deposits	3,579,990,680	3,556,503,285	1,957,600,000
Trade and other current receivables	90,012,916	80,064,390	75,487,750
Inventories	27,882,812	28,732,256	31,039,661
Other current assets	34,019,198	36,075,881	34,737,280
<b>Total current assets</b>	<b>4,714,771,363</b>	<b>4,222,936,105</b>	<b>3,587,038,564</b>
<b>Non-current assets</b>			
Other non-current financial assets	202,171,120	243,715,835	245,263,271
Investments in subsidiaries	-	-	-
Investments in associates	-	-	-
Long-term loans to and interest receivables			
from related parties	289,611,208	459,199,955	741,776,349
Property, plant and equipment	3,027,315,229	3,115,441,544	3,209,706,836
Intangible assets	1,105,376	1,312,295	749,907
Deferred tax assets	23,863,656	20,987,389	57,480,124
Other non-current assets	3,137,586	3,840,716	6,660,638
<b>Total non-current assets</b>	<b>3,547,204,175</b>	<b>3,844,497,734</b>	<b>4,261,637,125</b>
<b>Total assets</b>	<b>8,261,975,538</b>	<b>8,067,433,839</b>	<b>7,848,675,689</b>

## Significant Financial Information (continued)

Shangri-La Hotel Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 31 December 2025 2024 and 2023

(Unit: Baht)

	Consolidated financial statements		
	2025	2024	2023
<b>Liabilities and shareholders' equity</b>			
<b>Current liabilities</b>			
Trade and other current payables	259,240,028	234,956,762	222,811,039
Short-term loans from related party	-	-	-
Income tax payable	54,191,645	88,417,573	31,389,822
Advance from customers	230,929,953	102,554,300	138,361,512
Other current liabilities	22,422,917	23,114,342	20,980,348
<b>Total current liabilities</b>	<b>566,784,543</b>	<b>449,042,977</b>	<b>413,542,721</b>
<b>Non-current liabilities</b>			
Non-current provision for employee benefits	115,200,552	102,501,784	92,822,207
Deferred tax liabilities	58,934,460	48,710,324	21,061,885
Other non-current liabilities	11,962,097	27,952,066	22,970,651
<b>Total non-current liabilities</b>	<b>186,097,109</b>	<b>179,164,174</b>	<b>136,854,743</b>
<b>Total liabilities</b>	<b>752,881,652</b>	<b>628,207,151</b>	<b>550,397,464</b>
<b>Shareholders' equity</b>			
Share capital			
Registered, issued and fully paid up			
130,000,000 ordinary shares of Baht 10 each	1,300,000,000	1,300,000,000	1,300,000,000
Share premium	1,590,400,000	1,590,400,000	1,590,400,000
Retained earnings			
Appropriated-statutory reserve	130,000,000	130,000,000	130,000,000
Unappropriated	3,801,414,345	3,695,978,178	3,456,048,445
Other components of shareholders' equity	684,290,531	719,850,902	818,852,570
Equity attributable to owners of the Company	7,506,104,876	7,436,229,080	7,295,301,015
Non-controlling interests of the subsidiary	2,989,010	2,997,608	2,977,210
<b>Total shareholders' equity</b>	<b>7,509,093,886</b>	<b>7,439,226,688</b>	<b>7,298,278,225</b>
<b>Total liabilities and shareholders' equity</b>	<b>8,261,975,538</b>	<b>8,067,433,839</b>	<b>7,848,675,689</b>

## Significant Financial Information (continued)

Shangri-La Hotel Public Company Limited and its subsidiaries

Statement of comprehensive income

For the year ended 31 December 2025 2024 and 2023

(Unit: Baht)

	Consolidated financial statements		
	2025	2024	2023
<b>Profit or loss:</b>			
<b>Revenue</b>			
Revenue from hotel operations	2,133,151,414	2,334,879,438	2,157,035,264
Exchange gains	-	65,890,177	-
Other income	20,237,417	29,396,187	29,154,470
<b>Total revenue</b>	<b>2,153,388,831</b>	<b>2,430,165,802</b>	<b>2,186,189,734</b>
<b>Expenses</b>			
Cost of hotel operations	695,217,498	734,166,315	676,827,696
Selling expenses	167,503,189	145,773,643	128,353,377
Administrative expenses	623,373,756	587,372,168	573,080,665
Depreciation and amortisation	168,578,351	168,782,024	161,936,550
Exchange losses	77,195,403	-	31,399,412
Impairment losses on financial assets	117,399,442	300,648,922	270,447,472
<b>Total expenses</b>	<b>1,849,267,639</b>	<b>1,936,743,072</b>	<b>1,842,045,172</b>
<b>Operating profit</b>	<b>304,121,192</b>	<b>493,422,730</b>	<b>344,144,562</b>
Share of losses from investments in associates	(30,813,722)	(48,307,969)	(110,147,023)
Finance income	92,654,726	109,416,632	89,542,434
<b>Profit before income tax</b>	<b>365,962,196</b>	<b>554,531,393</b>	<b>323,539,973</b>
Income tax expenses	(125,058,570)	(183,554,919)	(184,022,198)
<b>Profit for the year</b>	<b>240,903,626</b>	<b>370,976,474</b>	<b>139,517,775</b>

## Significant Financial Information (continued)

Shangri-La Hotel Public Company Limited and its subsidiaries

Statement of comprehensive income (continued)

For the year ended 31 December 2025 2024 and 2023

(Unit: Baht)

	Consolidated financial statements		
	2025	2024	2023
<b>Other comprehensive income:</b>			
<i>Other comprehensive income to be reclassified</i>			
<i>to profit or loss in subsequent periods:</i>			
Exchange differences on translation of			
financial statements in foreign currency	(20,571,575)	(97,705,313)	30,926,852
Other comprehensive income to be reclassified			
to profit or loss in subsequent periods	(20,571,575)	(97,705,313)	30,926,852
<i>Other comprehensive income not to be reclassified</i>			
<i>to profit or loss in subsequent periods:</i>			
Remeasurement loss on defined benefit plans - net of income tax	(5,476,057)	(1,026,343)	(4,523,635)
Loss on changes in value of equity investments			
designated at fair value through other comprehensive income	(14,988,796)	(1,296,355)	(44,475,826)
Other comprehensive income not to be reclassified			
to profit or loss in subsequent periods - net of income tax	(20,464,853)	(2,322,698)	(48,999,461)
<b>Total other comprehensive income for the year</b>	<b>(41,036,428)</b>	<b>(100,028,011)</b>	<b>(18,072,609)</b>
<b>Total comprehensive income for the year</b>	<b>199,867,198</b>	<b>270,948,463</b>	<b>121,445,166</b>
<b>Profit attributable to:</b>			
Equity holders of the Company	240,912,224	370,956,076	137,985,618
Non-controlling interests of the subsidiary	(8,598)	20,398	1,532,157
	<u>240,903,626</u>	<u>370,976,474</u>	<u>139,517,775</u>
<b>Total comprehensive income attributable to:</b>			
Equity holders of the Company	199,875,796	270,928,065	118,247,350
Non-controlling interests of the subsidiary	(8,598)	20,398	3,197,816
	<u>199,867,198</u>	<u>270,948,463</u>	<u>121,445,166</u>
<b>Earnings per share</b>			
Basic earnings per share			
Profit attributable to equity holders of the Company	<u>1.85</u>	<u>2.85</u>	<u>1.06</u>

## Significant Financial Information (continued)

### Shangri-La Hotel Public Company Limited and its subsidiaries

#### Cash flow statement

For the year ended 31 December 2025 2024 and 2023

(Unit: Baht)

	Consolidated financial statements		
	2025	2024	2023
<b>Cash flows from operating activities</b>			
Profit before tax	365,962,196	554,531,393	323,539,973
Adjustments to reconcile profit before tax to			
net cash provided by (paid from) operating activities:			
Depreciation and amortisation	168,578,351	168,782,024	161,936,551
Bad debts	53,330	427,175	525,535
Reversal allowance for expected credit loss of trade receivables	(25,554)	(616,691)	(2,040,917)
Reversal reduction of inventory to net realisable value	(5,402)	-	(57,739)
Impairment losses on financial assets	117,399,442	300,648,922	270,447,472
Share of losses from investments in associates	30,813,722	48,307,969	110,147,023
Loss on write-off of assets under construction	2,338,134	-	8,738,458
Loss (gain) on disposals of equipment	353,485	(198,330)	(839,694)
Employee benefits expense	11,385,596	11,548,312	10,254,306
Unrealised gain on exchange	-	-	-
Gain on exchange	-	-	-
Dividend income	(6,645,750)	(9,502,194)	-
Finance income	(92,654,726)	(109,416,632)	(89,542,434)
Profit from operating activities before			
changes in operating assets and liabilities	597,552,824	964,511,948	793,108,534
Operating assets (increase) decrease			
Trade and other current receivables	(13,025,848)	1,387,384	20,307,631
Inventories	854,848	2,307,405	(6,797,494)
Other current assets	(5,138,306)	(653,681)	(6,455,604)
Other non-current assets	703,130	2,819,922	110,720
Operating liabilities increase (decrease)			
Trade and other current payables	14,260,362	12,145,723	19,058,224
Advance from customers	128,375,653	(35,807,212)	(32,340,949)
Other current liabilities	(691,425)	2,133,994	(7,503,109)
Non-current provision for employee benefits	(5,531,900)	(3,151,664)	(11,156,552)
Other non-current liabilities	(15,989,969)	4,981,415	1,518,949
Cash flows from operating activities	701,369,369	950,675,234	769,850,350
Refund of corporate income tax	3,648,896	2,723,036	2,248,591
Paid for corporate income tax	(145,973,091)	(63,236,475)	(4,454,347)
<b>Net cash flows from operating activities</b>	<b>559,045,174</b>	<b>890,161,795</b>	<b>767,644,594</b>



## Significant Financial Information (continued)

### Shangri-La Hotel Public Company Limited and its subsidiaries

#### Cash flow statement (continued)

For the year ended 31 December 2025 2024 and 2023

(Unit: Baht)

	Consolidated financial statements		
	2025	2024	2023
<b>Cash flows from investing activities</b>			
Increase in short-term investments in financial assets			
- fixed deposits	(23,487,395)	(1,598,903,285)	(1,897,600,000)
Cash received from interest income	90,226,413	91,815,125	68,006,679
Dividend income	6,645,330	9,502,194	-
Proceeds from sales of other non-current financial assets	-	-	42,061,560
Increase in long-term loans to related party	-	(48,919,439)	(70,998,622)
Acquisitions of property, plant and equipment	(72,735,686)	(74,951,677)	(88,632,941)
Increase in intangible assets	(544,502)	(599,626)	(656,511)
Proceeds from disposals of equipment	366,355	670,513	872,375
<b>Net cash flows used in investing activities</b>	<u>470,515</u>	<u>(1,621,386,195)</u>	<u>(1,946,947,460)</u>
<b>Cash flows from financing activities</b>			
Repayment of short-term loans from related party	-	-	-
Dividend paid of the Company	(130,000,000)	(130,000,000)	-
Dividend paid of the subsidiary	-	-	(18,774,096)
Capital reduction paid to non-controlling interests of the subsidiary	-	-	(97,023,800)
<b>Net cash flows used in financing activities</b>	<u>(130,000,000)</u>	<u>(130,000,000)</u>	<u>(115,797,896)</u>
<b>Increase (decrease) in translation adjustments</b>	<u>65,544,302</u>	<u>(61,654,786)</u>	<u>26,297,753</u>
<b>Net increase (decrease) in cash and cash equivalents</b>	<u>495,059,991</u>	<u>(922,879,186)</u>	<u>(1,268,803,009)</u>
Effects of exchange rate changes on cash and cash equivalents	(33,754,527)	(43,734,394)	11,761,237
Cash and cash equivalents at beginning of year	<u>521,560,293</u>	<u>1,488,173,873</u>	<u>2,745,215,645</u>
<b>Cash and cash equivalents at end of year</b>	<u><u>982,865,757</u></u>	<u><u>521,560,293</u></u>	<u><u>1,488,173,873</u></u>
<b>Supplemental cash flows information</b>			
Non-cash item			
Payables on acquisition of equipment	10,022,902	-	11,271,317

## Financial Ratio

<u>Consolidated Financial Statements</u>		<u>2025</u>	<u>2024</u>	<u>2023</u>
<b>Liquidity Ratios</b>				
Current Ratio	(Times)	8.32	9.40	8.67
Quick Ratio	(Times)	8.21	9.26	8.51
Operating Cash Flow to Current Liabilities	(Times)	1.10	2.06	1.90
Account Receivable Turnover	(Times)	35.90	41.92	34.95
Average Collection Period	(Days)	10.03	8.59	10.30
Inventory Turnover	(Times)	24.56	24.57	24.51
Average Inventory Period	(Days)	14.66	14.65	14.69
Account Payable Turnover	(Times)	11.36	11.50	11.65
Average Payment Period	(Days)	31.70	31.32	30.91
Cash Cycle	(Days)	(7.02)	(8.07)	(5.92)
<b>Profitability Ratios</b>				
Gross Profit Margin	(%)	67.41	68.56	68.62
Net Profit Margin	(%)	11.19	15.26	6.31
Return on Equity	(%)	3.22	5.04	1.91
<b>Efficiency Ratio</b>				
Return on Assets	(%)	2.95	4.66	1.76
Fixed Asset Turnover	(%)	13.33	17.07	9.24
Total Asset Turnover	(Times)	0.26	0.31	0.28
<b>Financial Policy Ratio</b>				
Debt to Equity Ratio	(Times)	0.10	0.08	0.08
Interest Coverage	(Times)	-	-	-
Debt Service Coverage - cash basis	(Times)	2.75	7.15	2.78
Dividend Ratio	(%)	26.98	35.0	94.21

## 5. General and Other Significant Information

### 5.1 General Information

The Company holds shares in various juristic persons, contributing to its diversified portfolio of investments. For detailed information on these entities, including financial disclosures and references, kindly refer to the dedicated section on "Business Overview

### 5.2 Other Information

#### 5.2.1 Other information that may strongly influence investors' decisions.

None

5.2.2 The restrictions of foreign shareholders in the case where the Company has a policy to seek a resolution of the shareholders' meeting for offering of capital shares or issuance of transferable subscription right (TSR) to offer to shareholders according to the shareholding proportion without issuance and offering to shareholders in such a way that would oblige the Company to have a duty under foreign law

None

### 5.3 Legal Disputes

As of 31 December 2025, the Company is not entangled in any substantial legal disputes.

### 5.4 Secondary Market

None



## Part 2

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### Corporate Governance

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## 6. Corporate Governance Policy

### 6.1 Overview of Corporate Governance Policy

The Company has always recognized the importance of shareholders' transparency and accountability. It is the belief of the Board of Directors of the Company (the "Board") that shareholders can maximize their benefits from good corporate governance. The Board has complied with the 8 principles of Corporate Governance Code for listed companies 2017, or the Corporate Governance Code (CG Code) recommended by the Securities and Exchange Commission (SEC) and understanding of their responsibilities and leadership role in driving good corporate governance.

#### **Principle 1 Establish Clear Leadership Role and Responsibilities of the Board**

The Board recognizes their roles and responsibilities in establishing business strategies and policies with accountability, prudence, and integrity in the best interest of the Company on the basis of social and environmental responsibility. The Board is responsible for the leadership and control of the Company and approving financial performance, operating and capital expenditure budgets, including any other significant matters that affect the operation of the Company.

The Board is responsible for the preparation of the financial statements. In preparing the financial statements, the generally accepted accounting standards in Thailand have been adopted, appropriate accounting policies have been used and applied consistently and reasonably. The external auditor has primary responsibility for auditing and reporting on the financial statements and the Auditors' Report to the Shareholders is included in this report.

It is deemed essential duty of directors to attend the Board of Directors' Meeting on a consistent basis so as to acknowledge the results of operations and various problems arising, to expressing their opinions and to make decisions on these matters of the Company. The Board is scheduled to meet at least four times a year at quarterly intervals and meets more frequently as and when required. The Board Meeting dates for a financial year are agreed in the final Board Meeting of the preceding year in order that all directors can arrange their time for the meetings efficiently. Every director attends every Board Meeting, except with reasonable excuses. The Board's Meeting minutes contain all important information and are kept properly by the Company Secretary. Furthermore, the Company proposes the Board Meeting to certify such Minutes thereof as proposed in the first agenda of the following Meeting of the Board of Directors.

#### **Principle 2 Define Objectives that Promote Sustainable Value Creation**

The Board participates in considering and approving operational plans and budgets of the Company, as well as supervises Management to ensure that the operational plans are effectively implemented to meet budget plans. Furthermore, the Board considers direction to do business for sustainable growth and its ability to compete.

### **Principle 3 Strengthen Board Effectiveness**

The Board is responsible for determining and reviewing the Board structure, number of directors, proportion of Independent Director as well as diversity and qualifications including knowledge, expertise, experience, and specializations to align with the Company's business operations. The Board also appoints the Audit Committee to assist and to support the Board's discharge of duties.

#### **Nomination and Appointment of Directors and Independent Directors**

The Company has not established a nomination committee. New directors are sought mainly through referrals or internal promotion. In evaluating whether an appointee is suitable to act as a Director of the Company, the Board will review the independence, experience, skills, and knowledge of the appointee including integrity of the appointee.

The Company mandates that at least 1/3 of the total number of directors be Independent Directors. Currently, the Board of Directors consists of four Independent Directors as follows:

1. Mr. Kledchai Benjaathonsirikul
2. Mr. Jayavadh Bunnag
3. Mr. Supot Singhasaneh
4. Mrs. Wipada Tantiprabha

### **Principle 4 Ensure Effective CEO and People Management**

The Company has put in place a proper and transparent nomination process for key management positions at every level in order to ensure that all of our top executives are professionals who perform their duties independently from the major shareholder and other shareholders. The Company also encourages the top executives to attend seminar and courses beneficial to the fulfillment of their duties as well as exchange ideas with the executives of different organizations.

The Company has the policy to develop personnel by setting up a Learning and Development department with the objective to increase knowledge and develop working skills for both operational employees and office staff. Training was organized both inside and outside the premises. In addition, training was provided on a regular basis with close follow-up. This is to ensure that employees are able to provide the highest standards of service and create customer satisfaction.

### **Principle 5 Nurture Innovation and Responsible Business**

The Board values and supports to support the creating of innovation through the Company's Management which will create value for the Company and its stakeholders in a sustainable manner. Various policies have been set and implemented into the business operations with concern for safety, hygiene, social and environmental responsibility and development of employees.

#### **Role of the Stakeholders**

The Company has adopted the AA1000 Stakeholder Engagement Standards (AA1000SES) for identifying stakeholder groups, analyzing engagement in the value chain, analyzing needs and



expectations, assessing and prioritizing using impact criteria, and clarifying the influence of stakeholders on the Company's operations.

The Company is conscious of the rights of various stakeholders involved in operations such as shareholders, customers, business partners, employees, community and environment, and government sectors. The rights have been fairly appropriated to all stakeholders in order to strengthen cooperation between those and the Company and to create the highest mutual benefits on Good Corporate Governance basis.

The Company has issued a Code of Conduct and Ethics for employees (based on the Shangri-La Group guidelines) as ethical principles to follow in the workplace day to day operations. It also has in place clear channels of communication for whistleblowers in line with the Shangri-La Group whistleblowing guidelines. At Shangri-La, we believe that treating people fairly, honestly and with respect is not only part of our culture but the key to our business success. In dealing with guests, colleagues, business partners, shareholders, or suppliers, and government sectors, we are committed to certain core values that define our reputation and brand: integrity, fairness, respect, ethical business conduct, and excellence in service.

### **1. Shareholders and Investors**

The Board of Directors places significant emphasis on upholding the rights and equality of shareholders. This commitment is manifested through the specification that shareholders possess the right to receive share certificates and transfer shares. Furthermore, shareholders are entitled to receive information that is sufficient, timely, and conducive to decision-making. They also retain the right to attend and vote at shareholder meetings, crucial for deciding on significant changes in the company's policies, the election and removal of directors, and the approval of the appointment of the Company's annual auditor. In addition, shareholders have the right to partake in the determination of compensation and the allocation of profits in shareholder meetings based on the number of shares, ensuring equal distribution. The proceedings of shareholder meetings are diligently recorded, and resolutions are disclosed to shareholders and relevant government agencies in accordance with information disclosure guidelines mandated by government regulations.

### **2. Customers**

The Company is committed to ensuring customer satisfaction and fostering confidence. A key focus is on providing attentive and responsible customer service, ensuring customers receive high-quality products at fair prices and in accordance with established standards. The Company adheres strictly to terms and conditions set with customers. Continuous efforts are made to elevate the quality standards of products and services. A serious and consistent approach is maintained to cultivate and sustain strong relationships with customers. Importantly, customer information is not utilized unlawfully for the company's benefit or that of related parties, except when mandated by legal enforcement, rules and regulations, or with the explicit consent of the information owner.

### **3. Business Partners**

The Company follows a systematic process for selecting business partners, facilitating equal competition among trading partners and ensuring fair partner selection. The criteria for evaluating and selecting business partners are clearly defined. In addition, the Company has established a contract format that is equitable for all parties involved. A monitoring system is in place to guarantee full compliance with contract conditions, mitigating the risk of corruption and misconduct throughout the procurement process. The Company engages in the purchase of products and/or services from trading partners in accordance with trade conditions and strictly adheres to the terms outlined in contracts with its trading partners.

### **4. Employees**

The Company recognizes the paramount importance of its personnel as a key success factor. As part of its established policy, the company is committed to ensuring fair treatment for employees at all levels, fostering an environment free from discrimination in terms of opportunities, rewards, appointments, and transfers. A core focus is on maintaining a safe working environment that prioritizes the well-being of employees, guided by comprehensive safety, occupational health, and working environment policies. These policies aim to prevent loss of life from accidents and mitigate the risk of injuries and work-related illnesses. The Company is dedicated to continuous learning and development opportunities for its personnel, aiming to harness their knowledge and abilities to their full potential. This involves regular and thorough initiatives such as organizing training sessions, seminars, and workshops, ensuring equal access for all employees. In an effort to retain employees with high knowledge and abilities, the Company provides incentives, contributing to ongoing organizational development. Furthermore, the Company has instituted guidelines to combat corruption, fostering a culture of compliance with relevant laws and regulations among all employees. Stringent measures are in place, including the strict prohibition of the use of inside information and other unethical practices.

### **5. Communities and Environment**

The Company gives importance to cohabitation with community by arranging activities beneficial for community, including keeping cleanliness and safety of the community in a continuous manner, such as providing training to the employees to be informed of fire prevention, fire distinguishing practice, and cleansing of surrounding areas. Various CSR activities are established and implemented in corresponding to the community's need. In addition, the Company aims to support the employees to have a concern about environment to conserve natural resources and to take care of environment, as a policy on management which has been observed by the Company. Shangri-La Hotel is the first hotel in Thailand to achieve ISO 14001 Certification. Moreover, Shangri-La Hotel, Bangkok also achieved HACCP (Hazard Analysis and Critical Point System) certification.

## **6. Government Sectors**

The Company is committed to conducting business with transparency, fairness, and compliance with regulations and laws, aiming to set a positive example for other companies.

### **Principle 6 Effective Risk Management and Internal Control**

The Board has responsibility to review and ensure effective risk management systems and internal control together with reviewing and assessing the systems periodically and in the wake of a change in risk levels.

The Board has established the Audit Committee to review the financial reporting and accounting system to meet international standards, and review internal control, internal auditing, and risk management systems to ensure their prudence, suitability, and efficiency. The Audit Committee can act and exercise independent judgement in the interest of the Company and the Shareholders.

### **Principle 7 Ensure Disclosure and Financial Integrity**

The Board is responsible for overseeing and monitoring to ensure that the preparation of financial statements and disclosure of material information are accurate, sufficient, timely and complying with the relevant regulations and guidelines. The Board also realizes the importance of information disclosure and distribution to investors and shareholders; hence, the Board assigns the Company Secretary to supervise financial information and crucial information disclosure, inclusive of other information which may affect the decision-making of investors and shareholders, in the correct, complete, and punctual manners as prescribed by laws and in accordance with the rules set out by the Stock Exchange of Thailand and the Office of the SEC, and also enables shareholders and investors or the public to inquire the information as to the Company via the Company Secretary.

The Board realizes the importance of accurate and reliable financial statements, and thus produces a report of the Board of Directors' Responsibilities for financial statements which includes all the main issues as prescribed in the SET's guidelines.

The Company has a policy to prevent Board of Directors and Executive Management from using inside information or information obtained from their duties for their own benefits by imposing a requirement for reporting on the shareholding by the Board and Executive Management at every Board of Directors' Meeting and every time upon change in their securities holding to prevent the directors and management from using internal information to the extent that may cause damage to overall shareholders.

### **Principle 8 Ensure Engagement and Communication with Shareholder**

The Company has always recognized the importance of transparent and equal treatment for shareholders by taking into account basic rights under laws to be given to the shareholders, such as knowledge of correct and sufficient information of the Company; right to dividend allocation; share trade and transfer; and participation in shareholders' meeting to appoint or remove directors, to determine director remuneration, and to appoint the auditor and determine audit fee; including to do any act affecting the Company, by holding the shareholders' meeting at least once a year to enable

the shareholders to know a variety of information of the Company and to consider and approve various matters.

Further details are available in Attachment 5.

## **6.2 Business Ethics**

The Shangri-La Group upholds moral principles, conducting business with transparency, morality, and responsibility towards stakeholders, society, and the environment. It establishes standards for business conduct, believing that treating co-workers with fairness, honesty, and respect is not only an organizational culture but also the key to business success in fostering connections with guests, fellow employees, business associates, shareholders, and trading partners. We remain committed to our core values, including honor and the Shangri-La brand's principles of honesty, fairness, respect, business ethics, and excellent service. The Shangri-La Code of Conducts and Ethics ("Code") is designed to affirm, support, and promote these values, serving as a guide for all employees on behalf of Shangri-La. Recognizing that fair, honest, and respectful business standards contribute to success, we understand the importance of maintaining an ethical organization that develops and creates sustainable value.

Additional details shall be reviewed from the Code of Conducts and Ethics in Attachment 5.

## **6.3 Significant Changes and Developments in Policies, Practices and Corporate Governance Systems in the Past Year.**

None

## 7. Corporate Governance Structure and Significant Information about the Board of Directors, Sub-committees, Executives, Employees, and Others

### 7.1 Corporate Governance Structure



## 7.2 Information on The Board of Directors

### 7.2.1 Composition of the Board of Directors

To ensure appropriate segregation of policy issuing from regular managerial responsibilities, the Chairman of the Board is an independent and not one of the Management except for the period that Chairman position, who is an independent director, is vacant. The Board also comprises another four independent directors who bring independent judgment, knowledge, and experience to the Board's deliberation.

### 7.2.2 Names and Positions of the Board of Directors

#### Board of Directors

As of 31 December 2025, the Company's Board of Directors comprised 11 members including 4 independent directors.

Board of Director	Position
1. Mr. Maris Pakdeetaveevivat	Vice Chairman and Managing Director
2. Mr. Christopher Phong Siew San	Director
3. Mr. Wu Hoi Fai Alfred	Director
4. Mrs. Chanida Asdathorn	Director
5. Mr. Surin Asdathorn	Director
6. Mr. Nutthapol Asadathorn	Director
7. Mrs. Pavinee Meensuk	Director
8. Mr. Kledchai Benjaathonsirikul	Independent Director
9. Mr. Jayavadh BunnagIndependent	Independent Director
10. Mr. Supot Singhasaneh	Independent Director
11. Mrs. Wipada Tantiprabha *	Independent Director

\* Mrs. Wipada Tantiprabha was appointed as the new independent director by the Board of Directors' Meeting on 24 February 2025 and be registered with the Department of Business Development on 27 February 2025.

#### Authorized Signatory

The directors who are authorized to sign to bind the Company are as follows:

"Any two of Mr. Maris Pakdeetaveevivat and/or Mr. Christopher Phong Siew San and/or Mr. Wu Hoi Fai Alfred and/or Mrs. Chanida Asdathorn and/or Mr. Surin Asdathorn and/or Mr. Nutthapol Asadathorn and/or Mrs. Pavinee Meensuk to sign jointly and affix the Company's seal".

#### Controlling person

None



### **7.2.3 Roles and Duties of the Board of Directors**

The Board is responsible for leading and controlling of the Company, approving financial performance, operating and capital expenditure budgets, including any other significant matters that affect the operation of the Company.

The Board is responsible for the preparation of the financial statements. In preparing the financial statements, the financial reporting standards have been adopted, appropriate accounting policies have been used and applied consistently and reasonably. The external auditor has primary responsibility for auditing and reporting on the financial statements and the Auditors' Report to the shareholders is included in this Form 56-1 One Report.

It is deemed essential duty of directors to attend the Board of Directors' Meeting on a consistent basis so as to acknowledge the results of operations and various problems arising, to join expressing their opinions and making their decisions in the problem-solving for operations of the Company. The Board is scheduled to meet at least four times a year at quarterly intervals and meets more frequently as and when required. The Board Meeting dates for a financial year are pre-scheduled in the final Board Meeting of the preceding year in order that all directors can arrange their time for the meetings efficiently. Every director attends every Board meeting, except with reasonable excuses. The Board's meeting minutes contains all important information and are kept properly by the Company Secretary. Furthermore, the Company proposes the Board Meeting to certify such Minutes thereof as proposed in the first agenda of the following Board Meeting.

In addition, in order to support the performance of duty of the Board of Directors to meet the goals set forth, the Company provides the Company Secretary to render recommendations on rules, regulations, laws, and criteria, in relation to the businesses of the Company, and to oversee and coordinate a variety of activities of the Board of Directors and the management done in compliance with the resolutions of the Board and the resolutions of shareholders.

The Company has not established a nomination committee. New directors are sought mainly through referrals or internal promotion. In evaluating whether an appointee is suitable to act as a Director of the Company, the Board will review the independence, experience, skills, and knowledge of the appointee including integrity of the appointee.

### **Aggregation or Segregation**

The Company emphasizes on transparent business. To ensure appropriate segregation of policy issuing from regular managerial responsibilities, the Chairman of the Board is normally an independent director. The Board also comprises another four independent directors who bring independent judgment, knowledge, and experience to the Board's deliberation.

### **Leadership and Vision**

The Board of Directors participates in considering and approving operational plans and budgets of the Company, as well as supervises Management to ensure that the operational plans are effectively implemented to meet budget plans. Furthermore, the Board considers direction to do business for sustainable growth and its ability to compete.

## Remuneration for Directors and Management

The Company discloses the remuneration information in this Form 56-1 One Report. The remuneration for directors and management is appropriate and comparable to the general practice in the same industry. Remuneration for directors is approved by the shareholders.

## Conflict of Interests

To avoid any conflict of interests, all directors of the Company are required to follow rules and regulations of the Stock Exchange of Thailand regarding Connected Transaction and relevant laws including obvious disclosure of related party transactions. Moreover, the Company has policies to prevent directors, management, or related parties from appropriating the internal information for their own benefits.

## Business Code of Conduct

### Business Ethics

To achieve good corporate governance as well as to promote ethical business practices, the employee manual is produced and distributed to all employees. The Board of Directors has complied with the Code of Best Practice for Directors of Listed Companies in accordance with the Stock Exchange of Thailand's guidelines.

## 7.3 Information of Sub-committees

### 7.3.1 Structure and Composition of Sub-committees

The Board of Directors appoints one sub-committee to assist in supervising the Company's operations, namely the Audit Committee.

### 7.3.2 The name of the sub-committee is as follows:

#### Audit Committee

The Audit Committee was established on 15 November 1999, and currently comprises three independent directors. The Audit Committee comprises three independent directors as follows:

Audit Committee	Position
1. Mr. Kledchai Benjaathonsirikul *	Chairman of the Audit Committee
2. Mr. Jayavadh Bunnag	Member of the Audit Committee
3. Mr. Supot Singhasaneh	Member of the Audit Committee with expertise in financial and accounting matters.

\* Mr. Kledchai Benjaathonsirikul was appointed as the new Chairman of the Audit Committee by the Board of Directors' Meeting on 24 February 2025.

**The scope of work of the Audit Committee are as follows:**

1. To review the financial reporting process of the Company to ensure accurate and adequate disclosure.
2. To review the Company's internal control system and internal audit system to ensure that they are suitable and efficient.
3. To ensure the Company is in compliance with the Securities and Exchange Acts, the regulations of the Stock Exchange of Thailand, and any other laws governing the Company's business.
4. To determine the independence of the internal audit department, as well as to approve the appointment, transmission, and dismissal of the internal audit manager.
5. To consider, select and nominate an independent person to act as an external auditor of the Company, to recommend his/her remuneration, and to attend the non-management meeting with the external auditor at least once a year.
6. To review and ensure that connected transactions or the transactions that may lead to potential conflict of interest are conducted in compliance with the laws and regulations of the Stock Exchange of Thailand so as to ascertain such transactions are for the best interests of the Company.
7. To prepare and disclose the Report of the Audit Committee in the Form 56-1 One Report of the Company. The Report of the Audit Committee must be signed by the Chairman of the Audit Committee and contains the following details:
  - a) The opinion of the Audit Committee regarding the accuracy, completeness, reliability of the financial statements of the Company.
  - b) The opinion of the Audit Committee regarding the adequacy of the internal control system of the Company.
  - c) The opinion of the Audit Committee regarding the compliance with the Securities and Exchange Acts, the regulations of the Stock Exchange of Thailand, and any other laws governing the Company's business.
  - d) The opinion of the Audit Committee regarding the suitability of the external auditor of the Company.
  - e) The opinion of the Audit Committee regarding the transactions that may lead to potential conflict of interest.
  - f) The number of the meeting of the Audit Committee held during the year and individual attendance of each member.
  - g) Any other opinions or remarks received by the Audit Committee, when performing its duty in accordance with the Charter of the Audit Committee.
  - h) Other issues deemed necessary to be disclosed to the shareholders and the investors under the roles and responsibilities authorized by the Board.
8. In performing the duty of the Audit Committee, when the following transactions or actions that may materially affect the financial status or operational performance of the Company are found or suspected, the Audit Committee must report the finding of the said event to the Board for corrective actions within a proper period as fixed by the Audit Committee:
  - a) Transaction with conflict of interest.
  - b) Fraud, irregularity, or material defect in the internal control system.

- c) Violation of the Securities and Exchange Acts, the regulations of the Stock Exchange of Thailand, and any other laws governing the Company's business.

In the case that the Board or the management fails to make rectification within the specified period, any one of the Audit Committee members may report such transactions or actions to the Securities and Exchange Commission or the Stock Exchange of Thailand.

9. To review and ensure efficiency of the risk management system of the Company.
10. To review and amend the Charter of the Audit Committee, subject to the approval of the Board.
11. To perform any other tasks as assigned by the Board and agreed by the Audit Committee.

The Company has not appointed any other subcommittees, as the Board of Directors holds full responsibility for overseeing all aspects of the Company's management. All operational decisions are formulated and regulated under the Board's authority to ensure alignment with the Company's objectives, particularly in fostering sustainable development and long-term growth. The Board is committed to ensuring that business operations are executed in accordance with the established strategic plan while maintaining the agility to promptly adapt to market dynamics and shifts in the business landscape. This approach is designed to enhance long-term profitability and ensure sustained corporate success.

## 7.4 Names and Positions of the Company's Executives

### 7.4.1 List of names and positions of the executives

#### - Shangri-La Hotel, Bangkok

- |                                   |                                  |
|-----------------------------------|----------------------------------|
| 1. Ms. Yue Toy Hang               | General Manager                  |
| 2. Mr. Alexander Michael Scott    | Resident Manager                 |
| 3. Ms. Ubonwadee Maneesai         | Area Financial Controller        |
| 4. Mr. Almario Villanueva Mungcal | Director of Commercial Marketing |
| 5. Ms. Puey Kee Lim               | Director of Commercial Sales     |
| 6. Mrs. Nuchanart Arterburn       | Director of Rooms                |
| 7. Mr. Chee Hoong Lee             | Director of Engineering          |
| 8. Mrs. Patchanee Phuritrat       | Director of Human Resources      |
| 9. Mr. Jeremiah Timothy Stefan    | Director of Revenue Optimization |
| 10. Mr. Stephane Antoine Calvet   | Executive Chef                   |

#### - Shangri-La Hotel, Chiang Mai

- |                          |                                 |
|--------------------------|---------------------------------|
| 1. Mr. Gabriele Lombardo | General Manager                 |
| 2. Ms. Wiyada Sornprapha | Director of Sales and Marketing |
| 3. Mr. Songkran Tiranon  | Financial Controller            |
| 4. Ms. Sukanya Jittanan  | Director of Human Resources     |
| 5. Mr. Boo Aik Ming      | Director of Food and Beverage   |
| 6. Mr. Chalerm Proka     | Director of Engineering         |

The General Managers are entrusted by the Board of Directors with overseeing operations in accordance with the policies established by the Board to achieve the Company's objectives. Additionally, the General Managers are also authorized by the Board to execute contracts related to procurement and hiring within the scope of daily operations, ensuring efficient management and alignment with the established policies.

#### 7.4.2 Remuneration Policy for Executive Directors and Executives

To maintain the Company's world-class service standard which is recognized internationally and create morale for the management team who have devoted all their strength and experience that has been accumulated for a long time to create sustainability for the Company's business. Therefore, it is necessary to set appropriate remuneration policies for directors and executives, both in terms of professional standards and in accordance with the situation and overall performance of the Company.

#### 7.4.3 Remuneration for Directors and Executive Management

The remuneration paid to the Company's Board of Directors and Executive Management for the year ended 31 December 2025 are as follows:

**- Board of Directors:**

Name	Remuneration (Baht)		Total
	Board	Audit Committee	
1. Mr. Maris Pakdeetaveevivat	180,000	-	180,000
2. Mr. Christopher Phong Siew San	180,000	-	180,000
3. Mr. Wu Hoi Fai Alfred	180,000	-	180,000
4. Mrs. Chanida Asdathorn	180,000	-	180,000
5. Mr. Surin Asdathorn	180,000	-	180,000
6. Mr. Nutthapol Asadathorn	180,000	-	180,000
7. Mrs. Pavinee Meensuk	180,000	-	180,000
8. Mr. Kledchai Benjaathonsirikul	180,000	385,206	565,206
9. Mr. Jayavadh Bunnag	180,000	300,000	480,000
10. Mr. Supot Singhasaneh	180,000	300,000	480,000
11. Mrs. Wipada Tantiprabha (Appointed on 24 February 2025, and registered with the Department of Business Development on 27 February 2025)	151,890	-	151,890
<b>Total</b>	<b>1,951,890</b>	<b>985,206</b>	<b>2,937,096</b>

The Annual General Meeting of Shareholders No. 1/2025, which was held on 29 April 2025, resolved to approve the payment of annual remuneration of the Board of Directors and the Audit Committee for the year 2025 at rates specified in the table below. No other benefits or remuneration was provided to the directors:

Position	Remuneration per annum for each position (Baht)
Chairman of the Board of Directors	500,000
Director	180,000
Chairman of the Audit Committee	400,000
Member of the Audit Committee	300,000

**- Executive Management**

In the year 2025, the Company paid salary and bonus including provident fund contribution to the Company's Executive Management in a total amount of 59.6 million Baht.

## 7.5 Employees

As of 31 December 2025, the Company has a total of 955 full-time employees, comprising 733 employees at the Shangri-La Hotel, Bangkok, and 222 employees at the Shangri-La Hotel, Chiang Mai, which can be categorized as follows:

(unit: person)		
Type of Staff	Shangri-La Hotel, Bangkok	Shangri-La Hotel, Chiang Mai
- Operational staff	640	178
- Office staff	93	44
<b>Total</b>	<b>733</b>	<b>222</b>

The Company has the policy to develop personnel by setting up a Learning and Development department with the objective to increase knowledge and develop working skills for both operational employees and office staff. Trainings were organized both inside and outside the premises. In addition, in-house trainings were provided on a monthly basis with close follow-up. This is to ensure that employees are able to provide the highest standards of service and create customer satisfaction.

In 2025, the Company incurred employee expenses totaling 504.7 million Baht.



## **Post-employment Benefits and Other Long-term Employee Benefits**

### **- Defined Contribution**

The Company provides a provident fund as one of its key employee benefits to support savings and retirement preparedness, under a management framework that is transparent, fair, and aligned with good corporate governance principles.

Employees are allowed to determine their voluntary contribution rates ranging from 5% to 15% of their salary, encouraging financial discipline and continuous savings in accordance with each individual's capacity.

The Company and its employees have jointly established a provident fund, which is managed by Principal Asset Management Company Limited. Employees contribute to the fund on a monthly basis at a rate of not less than 5% and not exceeding 15% of their salary. The Company makes a monthly contribution to the fund at a rate of 5% of the employee's salary.

### **- Post-employment Benefits and Other Long-term Benefits**

The Group has obligations for severance payments to employees upon termination of employment in accordance with labor law. These represent post-employment benefit plans for employees. The Company also provides long-service awards. Actuarial estimates are performed, and provisions for long-term employee benefits have been recognized accordingly.

## **7.6 Other Significant Information**

### **7.6.1 Company Secretary**

The Company Secretary, Miss Nongthanus Tansavatdi, is responsible for giving advice on rules, regulations, laws, and regulations related to the company's business; and supervising and coordinating the activities of the Board of Directors and Executive Management to comply with the resolutions of the Board of Directors and shareholders' resolutions. The responsibilities also include the disclosure of financial reports, important information, as well as other information that may affect the decision of investors and shareholders with accuracy, completeness, and timeliness as required by laws and criteria set by the Stock Exchange of Thailand ("SET") and the Office of Securities and Exchange Commission ("SEC"). The profile of the Company Secretary is shown in Attachment 1.

### **7.6.2 Person assigned the highest responsibility in Accounting and Finance**

The person who has been assigned the highest responsibility in the Company's accounting and finance department is Ms. Ubonwadee Maneesai who is the Area Financial Controller, appear in Attachment 1.

### **7.6.3 Person holding the position of Internal Audit of the Company**

The Company has an established Internal Audit Department responsible for providing independent oversight and ensuring effective checks and balances over management processes. The department also follows up on the outcomes of Shangri-La Group Internal Audit ("GIA") reports and works with the GIA and the local operations team in carrying out internal control activities.

The Internal Audit Department reports directly to the Audit Committee to ensure that the Company's key operational and significant financial activities are conducted in accordance with the established policies, procedures, and guidelines of the Shangri-La Group.

### **7.6.4 Person holding the position of Head of Compliance Unit**

The Company did not officially appoint the Head of the Compliance; however, the Board of Directors has assigned the Company Secretary to give advice on rules, regulations, laws, and regulations related to the company's business. The Company Secretary also has duties to supervise and coordinate the activities of the Board of Directors and executives to comply with the resolutions of the Board of Directors and shareholders' resolutions and to ensure that the disclosure of financial reports, important information, and other information that may affect the decision of investors and shareholders is accurate, complete, and in a timely manner as required by law and in accordance with the criteria set by the SET and the SEC. There is also a general manager to supervise the administration and operations in accordance with the policies received from the Board in order to achieve the Company's objectives.

### **7.6.5 The Remunerations of the Auditor**

#### **Audit fee**

The following auditors of EY Office Limited, Ms. Kessirin Pinpuvadol - Certified Public Accountant (Thailand) No. 7325 and/or Ms. Krongkaew Limkittikul - Certified Public Accountant (Thailand) No. 5874 and/or Mr. Chatchai Kasemsrithanawat - Certified Public Accountant (Thailand) No. 5813, were appointed as auditors of the Company and its subsidiaries for the fiscal year ended 31 December 2025 with the remuneration of 2,393,000 Baht.

In addition, there are other subsidiaries whose financial statements are audited by other audit firms, with audit fees amounting to approximately 437,500 Baht.

#### **Non-Audit fee**

There was no transaction for non-audit fee paid during the year 2025.

## 8. Report on Key Operating Results related to Corporate Governance

### 8.1 Summary of duty performance of the Board of Directors in the past year

The Board of Directors acknowledges the significance of conducting business with transparency, aligning with the principles of good corporate governance, and demonstrating responsibility to stakeholders, society, and the environment. In this regard, we adhere to the principles of good governance, aiming for sustainable long-term benefits to all involved parties. Throughout the year 2025, the Board of Directors has diligently fulfilled its duties by providing support and offering recommendations beneficial to business operations in various aspects. This includes policymaking, strategy formulation, overseeing the adequacy of the internal control system, and managing organizational risks. The collaboration of all executives and employees within the group of companies, committed to operating in accordance with the Company's guidelines and policies, has been instrumental in these efforts.

#### 8.1.1 Recruitment, Development and Evaluation of Committee Performance

The Board of Directors is entrusted with the responsibility of overseeing the recruitment and evaluation of qualified individuals to serve as directors, ensuring the organization's success and long-term sustainable growth. The Company also prioritizes the ongoing development of its directors' knowledge and skills through continuous training and knowledge sharing, enabling them to effectively adapt and lead the organization through the challenges of an ever-evolving business landscape.

The Board has performed its duties and responsibilities in overseeing the Company's operations in accordance with its policies, plans, strategies, objectives, and regulations, while fulfilling its duties with responsibility and fairness towards the Company, shareholders, and all stakeholders. The Board is committed to managing the organization in alignment with good corporate governance principles to enhance transparency and credibility, which will lead to the organization's stable and sustainable growth.

#### 8.1.2 The Board of Directors' Meetings and the Attendance of Each Member

During the financial year ended 31 December 2025, four Board of Directors' Meetings were held to consider various business matters including the results of operations and other problems, to express their opinions and make their decisions relating to the operations of the Company. The Board has reviewed and approved the financial statements, operating and capital expenditure budgets. Moreover, any other significant matters that affect the operation of the Company has been proposed and approved by the Board.

Every director attends every Board meeting, except with reasonable excuses. The attendance record is set out in the table below:

Director	Meeting attended / Eligible to attend	percent
1. Mr. Maris Pakdeetaveevivat	4/4	100 %
2. Mr. Christopher Phong Siew San	4/4	100 %
3. Mr. Wu Hoi Fai Alfred	4/4	100 %
4. Mrs. Chanida Asdathorn	4/4	100 %
5. Mr. Surin Asdathorn	4/4	100 %
6. Mr. Nutthapol Asadathorn	4/4	100 %
7. Mrs. Pavinee Meensuk	4/4	100 %
8. Mr. Kledchai Benjaathonsirikul	4/4	100 %
9. Mr. Jayavadh Bunnag	4/4	100 %
10. Mr. Supot Singhasaneh	4/4	100 %
11. Mrs. Wipada Tantiprabha *	2/3	67 %

\* Mrs. Wipada Tantiprabha was appointed as the new independent director at the Board of Directors' Meeting on 24 February 2025 and be registered with the Department of Business Development on 27 February 2025.

### 8.1.3 Supervision of Subsidiaries and Associated Companies

The Board of Directors supervises its subsidiaries and associates on their corporate governance for all operations. The appointment of directors and executives of subsidiaries/associates has been carried out with due consideration to ensure that the appointed persons are qualified and knowledgeable and possess work ethics, a sense of responsibility, and leadership qualities, all of which will enable them to manage the subsidiaries/associates efficiently, create long-term returns and add value for shareholders, as well as to inspire confidence in all stakeholders and promote proper auditing and the system of check and balance in the subsidiaries/associates.

The Company also oversees disclosure of financial information and operating results; connected transactions between subsidiaries/associates and related parties; disposal or acquisition of assets; or material transactions to completely and accurately comply with the rules and procedures stipulated by the announcement of the Office of SEC and/or the SET.

### 8.1.4 Corporate Governance Policy and Guideline Compliance Control

#### (1) Prevention of Conflict of Interests

##### Conflict of Interests

To avoid any conflict of interests, all directors of the Company are required to follow rules and regulations of the Stock Exchange of Thailand regarding Connected Transaction and relevant laws including obvious disclosure of related party transaction. Moreover, the Company has policies to prevent directors, management or related parties from appropriating the internal information for their own benefits.

## **(2) Use of Inside Information to Seek Benefits**

The Company has a policy to prevent Board of Directors and Executive Management from using inside information or information obtained from their duties for their own benefits by imposing a requirement for reporting on the holding of shares by Board of Directors and Executive Management at every Board of Directors' Meeting.

## **(3) Anti-corruption Action**

### **Guidelines for Disclosure of Results of Anti-corruption Measures**

The Board of Directors put a lot of focus on corporate governance for all operations within the Company and its subsidiaries and affiliates. In addition, the Company has issued a Code of Conduct and Ethics for employees (based on the Shangri-La Group guidelines) as ethical principles to follow in the workplace day to day operations. It also has in place clear channels of communication for whistleblowers in line with the Shangri-La Group whistle-blowing guidelines and whistle-blowing protection policy. At Shangri-La we believe that treating people fairly, honestly and with respect is not only part of our culture but key to our business success. In dealing with guests, colleagues, business partner, shareholders or suppliers, we are committed to certain core values that define our reputation and brand: integrity, fairness, respect, ethical business conduct and excellence in service.

The Shangri-La Group upholds a firm commitment to comply with anti-corruption regulations at both local and international levels, ensuring that the organization's operations are conducted with the utmost transparency, thereby safeguarding the reputation and integrity of the brand. The Group is resolutely dedicated to cultivating a corporate culture anchored in responsibility and honesty, addressing issues of corruption with unwavering seriousness and persistence.

This approach is designed not only to shield the organization from financial and reputational risks but also to play a pivotal role in fostering confidence and trust among customers, employees, and business partners. Shangri-La Group remains steadfast in its commitment to supporting sustainable and transparent business practices through strict adherence to ethical standards and legal requirements across all the jurisdictions in which it operates.

With a strong commitment to anti-corruption principles, the Company aims to be a model organization of the highest ethical standards, conducting business with transparency to create value for society and meet the expectations of stakeholders across all sectors in a sustainable manner.

## **(4) Whistleblowing**

The Company has notices and requirements regarding the Code of Conduct and Ethics for Employees which are in accordance with the Shangri-La Group's policy as the principle of ethical conduct. communication with the organization so that employees can report fraud clues, suspicious incidents and wrongdoings, quickly and transparency.

Because the Company believes that treating everyone with fairness, honesty and dignity is not only part of corporate culture but also essential to making any business successful. The Company is committed to adhering to the corporate values such as adherence to moral principles, honesty, equal treatment with mutual respect and conducting business with ethical principles and providing

excellent service to reflect the reputation and good image of the organization.

Shangri-La Group has developed a Code of Conduct and Ethics as a guideline for all employees at all levels. This Code of Conduct and Ethics covers the aspect human right issues, treating each other with respect accept diversity and differences, promoting career growth without discrimination of gender, religion, ethnicity, status, family status, etc., and do not support harassment of any kind in the workplace or outside of the workplace. or any actions that cause the party being acted to feel embarrassed or uncomfortable. Shangri-La Hotel Group has organized training courses on operational guidelines for all employees as well as opens a channel for complaints and a policy called Whistle-Blowing. It is a tool for receiving complaints from employees for reporting human rights violations or other wrongdoings related to corruption.

## 8.2 Report on the Results of Duty Performance of the Audit Committee

### 8.2.1 The Audit Committee's Meetings and the Attendance of Each Member

The Audit Committee met four times during the financial year ended 31 December 2025 and the attendance record is set out in the table below:

Audit Committee	Position	Meeting attended / Eligible to attend	percent
1. Mr. Kledchai Benjaathonsirikul	Chairman of Audit Committee	4/4	100%
2. Mr. Jayavadh Bunnag	Member of Audit Committee	4/4	100%
3. Mr. Supot Singhasaneh	Member of Audit Committee	4/4	100%

\* Mr. Kledchai Benjaathonsirikul was appointed as the new Chairman of the Audit Committee with effect from 24 February 2025.

### 8.2.2 Duties Performance of the Audit Committee

The Audit Committee performed activities within the scope of its Charter as assigned by the Board of Directors for the year 2025 as follows:

1. The Audit Committee checked the reliability of financial reports by reviewing the quarterly and annual financial statements. The Audit Committee invited external auditors and the management to attend the meetings to consider that financial reporting was in conformity with the auditing standards, the accounting standards and financial reporting standards to ensure all financial reports were presented fairly in all respects. In one of the meetings, the Audit Committee also took the liberty

of meeting with external auditors without the Company representatives. The external auditors confirmed that they performed the engagements objectively and independently, with good cooperation of the management.

2. The Audit Committee checked the reliability of Internal Control, conformance to tax laws and business operations were in line with their objectives.

3. The Audit Committee received and approved the Internal Audit Summary Report for the year 2024 and follow-up reports on corrective actions taken. In reviewing the Company's system of internal control, the Audit Committee discussed the matter with the Financial Controller and Internal Audit Manager. The Committee has come to the conclusion that the Company has an adequate and appropriate internal control system.

4. The Audit Committee assessed the independence of the Company's auditors before proposing them as the Company's auditors for the accounting period ending 31 December 2026. The Board of Directors will consider this assessment, including determining the remuneration for the auditors. On 23 February 2026, the Audit Committee also reviewed the financial statements of the Company for the year ended 31 December 2025 prior to recommending them to the Board of Directors for approval.



## 9. Internal Control and Related Party Transactions

### 9.1 Internal Control

#### **Opinion of the Board of Directors**

The Board realizes the importance of building internal control systems for operations and compliance. The Board also monitors its internal financial control system through management reviews and a program of internal audits. There is an internal audit team to review and monitor the Company's compliance with the established systems. The internal audit team reviews the major operational and financial systems on a continuing basis and aims to cover all major operations within every division on a rotational basis. The internal audit function reports directly to the Audit Committee.

At the Board of Directors' Meeting No. 1/2026 held on 23 February 2026 with directors in attendance, two of whom were members of the Audit Committee, the Board of Directors reviewed the Management's Summary of Internal Control of the Company for all five components: Control Environment, Risk Assessment, Control Activities, Information and Communications System, and Monitoring System.

The Board concurred that the internal control system of the Company was adequate and appropriate, and the Board found no significant insufficiencies.

#### **9.1.1 The Adequacy and Suitability of the Internal Control System**

The Company emphasizes the establishment of a suitable internal control system that is adequate to effectively supervise operations, ensuring alignment with goals, objectives, and relevant laws and regulations. This system is designed to prevent, manage, and mitigate risks and potential damages to the company and its stakeholders. It safeguards assets from corruption and harm while ensuring the provision of accurate and reliable accounting reports. The Audit Committee, comprised of independent directors, has been appointed to oversee risk management and audit processes, evaluating the adequacy and effectiveness of the Company's risk management system, as well as the reliability of financial reports and internal control systems by evaluating under the framework, which consists of

- (1) Control Environment
- (2) Risk Assessment
- (3) Control Activities
- (4) Information and Communication
- (5) Monitoring Activity

#### **9.1.2 Use of Inside Information to Seek Benefits**

The Company has a policy to prevent Board of Directors and Executive Management from using inside information or information obtained from their duties for their own benefits by imposing a requirement for reporting on the securities holding of Board of Directors and Executive Management at every Board of Directors' Meeting.

### 9.1.3 Opinion of the Audit Committee

Reference: Attachment 6

## 9.2 Related Party Transactions

To ensure the Company's best interests and in accordance with the rules and regulations as prescribed by law for consideration of granting of approval for connected transactions, related transactions or transactions with potential conflict of interest, the Directors and Management shall disclose to the Company in advance whether they hold any stakes involving potential conflict of interest. The Company, in turn, shall consider the appropriateness of any transaction, and in cases where such transactions need approval in accordance with the regulations and procedures prescribed by law, the management shall propose such matters to the Board of Directors or at the Shareholders' Meeting, and shall disclose the information to investors in a transparent manner. Under no circumstances shall the Directors or Management concerned be allowed to participate in the process of considering approval of those transactions.

During the year 2025, the Company had significant business transactions with related parties as per details in Note 6 of Notes to Consolidated Financial Statements.



## Part 3

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### Financial Statements

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# Report on the Board of Directors' Responsibility for the Financial Statements

The Board of Directors is accountable for the financial statements of the Company and its subsidiaries, as well as the financial information presented in this report. The financial statements, subject to review by the Audit Committee, were prepared in compliance with the financial reporting standards. Appropriate accounting policies were selected and consistently applied in their preparation.

The Board of Directors has instituted effective corporate governance practices and upheld a robust risk management system and internal controls. This is to guarantee accurate and comprehensive recording of accounting information, presenting information based on key facts in a timely and sufficient manner. The objective is to safeguard assets and prevent corruption or significantly abnormal operations.

The Board of Directors has appointed an Audit Committee comprising the independent directors to supervise and assess the reliability and accuracy of financial reports. This includes evaluating the effectiveness of the internal control system and internal audit. The Audit Committee's opinion on this matter is detailed in the Audit Committee's Report presented in this Form 56-1 One Report.

The Board of Directors is of the opinion that the financial statements of the Company and its subsidiaries for the year ending 31 December 2025, provide comprehensive, accurate, and reliable information in accordance with financial reporting standards. This alignment is affirmed by the auditor's examination and opinions expressed in the certified public accountant's report presented in this Form 56-1 One Report.

# Independent Auditor's Report

To the Shareholders of Shangri-La Hotel Public Company Limited

## Opinion

I have audited the accompanying consolidated financial statements of Shangri-La Hotel Public Company Limited and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2025, and the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information, and have also audited the separate financial statements of Shangri-La Hotel Public Company Limited for the same period (collectively "the financial statements").

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Shangri-La Hotel Public Company Limited and its subsidiaries and of Shangri-La Hotel Public Company Limited as at 31 December 2025, their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

## Basis for Opinion

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

## Key Audit Matters

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

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

Key audit matters and how audit procedures respond to the matter is described below.

### **Impairment of long-term loans to and interest receivables from related parties**

As disclosed in Note 6 to financial statements, as of 31 December 2025 the Group had long-term loans to and interest receivables from related parties, specifically three associated companies, which are significant to the consolidated statements of financial position. I have paid particular attention to the determination of the recoverable amount of loans to and interest receivables from those associates, as these considerations required the exercise of significant management judgment regarding to projections of the future operating performance of the associates, as well as determining the discount rate and key assumptions.

I gained an understanding of and assessed management's valuation method and identification of the cash-generating units of the associated companies, the assumptions underlying the future cash flow projections of the associated companies provided by an independent appraiser and management to determine the recoverable amount of long-term loans to and interest receivables from associates, and the process of obtaining such figures. I compared these assumptions with external and internal sources of information, as well as previous cash flow projections with actual operating results, in order to assess management's judgement in preparing the cash flow projections of the associated companies. Additionally, I conducted a comparison between the long-term growth rate and economic and industry forecasts. I assessed the discount rate used by comparing it to available comparable industry data.

### **Other Information**

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

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



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

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

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

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

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

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

### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

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



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

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

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

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

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



**Kessirin Pinpuvadol**

Certified Public Accountant (Thailand) No. 7325

EY Office Limited

Bangkok: 23 February 2026

# Statement of financial position

As at 31 December 2025

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2025	2024	2025	2024
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents	7	982,865,757	521,560,293	60,197,717	105,103,572
Short-term investments in financial assets					
- fixed deposits		3,579,990,680	3,556,503,285	2,664,000,000	2,615,000,000
Trade and other current receivables	6, 8	90,012,916	80,064,390	80,760,315	73,073,804
Inventories	9	27,882,812	28,732,256	27,882,812	28,732,256
Other current assets		34,019,198	36,075,881	34,001,357	34,867,301
<b>Total current assets</b>		<b>4,714,771,363</b>	<b>4,222,936,105</b>	<b>2,866,842,201</b>	<b>2,856,776,933</b>
<b>Non-current assets</b>					
Other non-current financial assets	10	202,171,120	243,715,835	-	-
Investments in subsidiaries	11	-	-	1,303,000,000	1,303,000,000
Investments in associates	12	-	-	-	-
Long-term loans to and interest receivables					
from related parties	6, 12	289,611,208	459,199,955	-	-
Property, plant and equipment	13	3,027,315,229	3,115,441,544	3,025,461,615	3,113,587,930
Intangible assets		1,105,376	1,312,295	1,105,376	1,312,295
Deferred tax assets	19	23,863,656	20,987,389	23,863,656	20,987,389
Other non-current assets		3,137,586	3,840,716	3,137,586	3,840,716
<b>Total non-current assets</b>		<b>3,547,204,175</b>	<b>3,844,497,734</b>	<b>4,356,568,233</b>	<b>4,442,728,330</b>
<b>Total assets</b>		<b>8,261,975,538</b>	<b>8,067,433,839</b>	<b>7,223,410,434</b>	<b>7,299,505,263</b>

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

# Statement of financial position (Continued)

As at 31 December 2025

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2025	2024	2025	2024
Liabilities and shareholders' equity					
Current liabilities					
Trade and other current payables	6, 14	259,240,028	234,956,762	256,598,440	232,225,950
Short-term loans from related party	6	-	-	-	512,191,500
Income tax payable		54,191,645	88,417,573	54,016,013	88,227,953
Advance from customers		230,929,953	102,554,300	230,929,953	102,554,300
Other current liabilities		22,422,917	23,114,342	22,422,917	23,114,342
Total current liabilities		566,784,543	449,042,977	563,967,323	958,314,045
Non-current liabilities					
Non-current provision for employee benefits	15	115,200,552	102,501,784	115,200,552	102,501,784
Deferred tax liabilities	19	58,934,460	48,710,324	-	-
Other non-current liabilities		11,962,097	27,952,066	11,962,097	27,952,066
Total non-current liabilities		186,097,109	179,164,174	127,162,649	130,453,850
Total liabilities		752,881,652	628,207,151	691,129,972	1,088,767,895
Shareholders' equity					
Share capital					
Registered, issued and fully paid up					
130,000,000 ordinary shares of Baht 10 each		1,300,000,000	1,300,000,000	1,300,000,000	1,300,000,000
Share premium		1,590,400,000	1,590,400,000	1,590,400,000	1,590,400,000
Retained earnings					
Appropriated-statutory reserve	16	130,000,000	130,000,000	130,000,000	130,000,000
Unappropriated		3,801,414,345	3,695,978,178	3,511,880,462	3,190,337,368
Other components of shareholders' equity		684,290,531	719,850,902	-	-
Equity attributable to owners of the Company		7,506,104,876	7,436,229,080	6,532,280,462	6,210,737,368
Non-controlling interests of the subsidiary	11	2,989,010	2,997,608	-	-
Total shareholders' equity		7,509,093,886	7,439,226,688	6,532,280,462	6,210,737,368
Total liabilities and shareholders' equity		8,261,975,538	8,067,433,839	7,223,410,434	7,299,505,263

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

# Statement of comprehensive income

For the year ended 31 December 2025

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2025	2024	2025	2024
Profit or loss:					
Revenue					
Revenue from hotel operations		2,133,151,414	2,334,879,438	2,133,151,414	2,334,879,438
Exchange gains		-	65,890,177	24,391,500	3,622,500
Other income		20,237,417	29,396,187	13,591,667	19,893,993
Total revenue		2,153,388,831	2,430,165,802	2,171,134,581	2,358,395,931
Expenses					
Cost of hotel operations		695,217,498	734,166,315	695,217,498	734,166,315
Selling expenses		167,503,189	145,773,643	167,503,189	145,773,643
Administrative expenses		623,373,756	587,372,168	619,928,167	585,859,588
Depreciation and amortisation		168,578,351	168,782,024	168,578,351	168,782,024
Exchange losses		77,195,403	-	-	-
Impairment losses on financial assets	6, 12	117,399,442	300,648,922	-	-
Total expenses		1,849,267,639	1,936,743,072	1,651,227,205	1,634,581,570
Operating profit		304,121,192	493,422,730	519,907,376	723,814,361
Share of losses from investments in associates	6, 12	(30,813,722)	(48,307,969)	-	-
Finance income	17	92,654,726	109,416,632	50,342,077	46,710,493
Profit before income tax		365,962,196	554,531,393	570,249,453	770,524,854
Income tax expenses	19	(125,058,570)	(183,554,919)	(113,230,302)	(153,128,684)
Profit for the year		240,903,626	370,976,474	457,019,151	617,396,170

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

# Statement of comprehensive income (Continued)

For the year ended 31 December 2025

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2025	2024	2025	2024
Other comprehensive income:					
Other comprehensive income to be reclassified					
to profit or loss in subsequent periods:					
Exchange differences on translation of					
financial statements in foreign currency		(20,571,575)	(97,705,313)	-	-
Other comprehensive income to be reclassified					
to profit or loss in subsequent periods		(20,571,575)	(97,705,313)	-	-
Other comprehensive income not to be reclassified					
to profit or loss in subsequent periods:					
Remeasurement loss on defined benefit plans - net of income tax		(5,476,057)	(1,026,343)	(5,476,057)	(1,026,343)
Loss on changes in value of equity investments					
designated at fair value through other comprehensive income	10	(14,988,796)	(1,296,355)	-	-
Other comprehensive income not to be reclassified					
to profit or loss in subsequent periods - net of income tax		(20,464,853)	(2,322,698)	(5,476,057)	(1,026,343)
Total other comprehensive income for the year		(41,036,428)	(100,028,011)	(5,476,057)	(1,026,343)
Total comprehensive income for the year		199,867,198	270,948,463	451,543,094	616,369,827
Profit attributable to:					
Equity holders of the Company		240,912,224	370,956,076	457,019,151	617,396,170
Non-controlling interests of the subsidiary	11	(8,598)	20,398		
		240,903,626	370,976,474		
Total comprehensive income attributable to:					
Equity holders of the Company		199,875,796	270,928,065	451,543,094	616,369,827
Non-controlling interests of the subsidiary		(8,598)	20,398		
		199,867,198	270,948,463		
Earnings per share					
Basic earnings per share	20				
Profit attributable to equity holders of the Company		1.85	2.85	3.52	4.75

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

# Statement of changes in shareholders' equity

For the year ended 31 December 2025

(Unit: Baht)

	Consolidated financial statements									
	Equity attributable to owners of the Company									
	Other components of shareholders' equity									
	Other comprehensive income									
	Exchange differences on translation of financial statements in foreign currency									
Issued and fully paid-up share capital	Share premium	Appropriated	Retained earnings	Fair value reserve - net of income tax	Total other components of shareholders' equity	Total equity attributable to owners of the Company	Equity attributable to non-controlling interests of the subsidiary	Total		
			Unappropriated							
<b>Balance as at 1 January 2024</b>	1,300,000,000	1,590,400,000	130,000,000	3,456,048,445	(121,481,244)	7,295,301,015	2,977,210	7,298,278,225		
Profit for the year	-	-	-	370,956,076	-	370,956,076	20,398	370,976,474		
Other comprehensive income for the year	-	-	-	(1,026,343)	(1,296,355)	(100,028,011)	-	(100,028,011)		
Total comprehensive income for the year	-	-	-	369,929,733	(1,296,355)	270,928,065	20,398	270,948,463		
Dividend paid (Note 23)	-	-	-	(130,000,000)	-	(130,000,000)	-	(130,000,000)		
<b>Balance as at 31 December 2024</b>	1,300,000,000	1,590,400,000	130,000,000	3,695,978,178	(122,777,599)	7,436,229,080	2,997,608	7,439,226,688		
<b>Balance as at 1 January 2025</b>	1,300,000,000	1,590,400,000	130,000,000	3,695,978,178	(122,777,599)	7,436,229,080	2,997,608	7,439,226,688		
Profit for the year	-	-	-	240,912,224	-	240,912,224	(8,598)	240,903,626		
Other comprehensive income for the year	-	-	-	(5,476,057)	(14,988,796)	(41,036,428)	-	(41,036,428)		
Total comprehensive income for the year	-	-	-	235,436,167	(14,988,796)	199,875,796	(8,598)	199,867,198		
Dividend paid (Note 23)	-	-	-	(130,000,000)	-	(130,000,000)	-	(130,000,000)		
<b>Balance as at 31 December 2025</b>	1,300,000,000	1,590,400,000	130,000,000	3,801,414,345	(137,766,395)	7,506,104,876	2,989,010	7,509,093,886		

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



# Statement of changes in shareholders' equity (Continued)

For the year ended 31 December 2025

	Separate financial statements				(Unit: Baht)
	Issued and fully paid-up share capital	Share premium	Retained earnings		Total shareholders' equity
			Appropriated	Unappropriated	
Balance as at 1 January 2024	1,300,000,000	1,590,400,000	130,000,000	2,703,967,541	5,724,367,541
Profit for the year	-	-	-	617,396,170	617,396,170
Other comprehensive income for the year	-	-	-	(1,026,343)	(1,026,343)
Total comprehensive income for the year	-	-	-	616,369,827	616,369,827
Dividend paid (Note 23)	-	-	-	(130,000,000)	(130,000,000)
Balance as at 31 December 2024	1,300,000,000	1,590,400,000	130,000,000	3,190,337,368	6,210,737,368
Balance as at 1 January 2025	1,300,000,000	1,590,400,000	130,000,000	3,190,337,368	6,210,737,368
Profit for the year	-	-	-	457,019,151	457,019,151
Other comprehensive income for the year	-	-	-	(5,476,057)	(5,476,057)
Total comprehensive income for the year	-	-	-	451,543,094	451,543,094
Dividend paid (Note 23)	-	-	-	(130,000,000)	(130,000,000)
Balance as at 31 December 2025	1,300,000,000	1,590,400,000	130,000,000	3,511,880,462	6,532,280,462

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

Shangri-La Hotel Public Company Limited and its subsidiaries

# Cash flow statement

For the year ended 31 December 2025

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2025	2024	2025	2024
Cash flows from operating activities					
Profit before tax		365,962,196	554,531,393	570,249,453	770,524,854
Adjustments to reconcile profit before tax to					
net cash provided by (paid from) operating activities:					
Depreciation and amortisation	18	168,578,351	168,782,024	168,578,351	168,782,024
Bad debts		53,330	427,175	53,330	427,175
Reversal allowance for expected credit loss of trade receivables		(25,554)	(616,691)	(25,554)	(616,691)
Reversal reduction of inventory to net realisable value		(5,402)	-	(5,402)	-
Impairment losses on financial assets		117,399,442	300,648,922	-	-
Share of losses from investments in associates		30,813,722	48,307,969	-	-
Loss on write-off of assets under construction		2,338,134	-	2,338,134	-
Loss (gain) on disposals of equipment		353,485	(198,330)	353,485	(198,330)
Employee benefits expense		11,385,596	11,548,312	11,385,596	11,548,312
Unrealised gain on exchange		-	-	-	(3,622,500)
Gain on exchange		-	-	(24,391,500)	-
Dividend income		(6,645,750)	(9,502,194)	-	-
Finance income		(92,654,726)	(109,416,632)	(50,342,077)	(46,710,493)
Profit from operating activities before					
changes in operating assets and liabilities		597,552,824	964,511,948	678,193,816	900,134,351
Operating assets (increase) decrease					
Trade and other current receivables		(13,025,848)	1,387,384	(13,026,268)	1,387,384
Inventories		854,848	2,307,405	854,848	2,307,405
Other current assets		(5,138,306)	(653,681)	(4,984,367)	(658,583)
Other non-current assets		703,130	2,819,922	703,130	2,819,922
Operating liabilities increase (decrease)					
Trade and other current payables		14,260,362	12,145,723	14,349,587	11,580,926
Advance from customers		128,375,653	(35,807,212)	128,375,653	(35,807,212)
Other current liabilities		(691,425)	2,133,994	(691,425)	2,148,353
Non-current provision for employee benefits		(5,531,900)	(3,151,664)	(5,531,900)	(3,151,664)
Other non-current liabilities		(15,989,969)	4,981,415	(15,989,969)	4,981,415
Cash flows from operating activities		701,369,369	950,675,234	782,253,105	885,742,297
Refund of corporate income tax		3,648,896	2,723,036	2,443,550	2,723,036
Paid for corporate income tax		(145,973,091)	(63,236,475)	(145,542,735)	(31,558,946)
Net cash flows from operating activities		559,045,174	890,161,795	639,153,920	856,906,387

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

# Cash flow statement (Continued)

For the year ended 31 December 2025

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2025	2024	2025	2024
Cash flows from investing activities					
Increase in short-term investments in financial assets					
- fixed deposits		(23,487,395)	(1,598,903,285)	(49,000,000)	(785,000,000)
Cash received from interest income		90,226,413	91,815,125	55,654,058	40,473,302
Dividend income		6,645,330	9,502,194	-	-
Increase in long-term loans to related party		-	(48,919,439)	-	-
Acquisitions of property, plant and equipment		(72,735,686)	(74,951,677)	(72,735,686)	(74,287,037)
Increase in intangible assets		(544,502)	(599,626)	(544,502)	(1,264,266)
Proceeds from disposals of equipment		366,355	670,513	366,355	670,513
Net cash flows used in investing activities		470,515	(1,621,386,195)	(66,259,775)	(819,407,488)
Cash flows from financing activities					
Repayment of short-term loans from related party	6	-	-	(487,800,000)	-
Dividend paid of the Company	23	(130,000,000)	(130,000,000)	(130,000,000)	(130,000,000)
Net cash flows used in financing activities		(130,000,000)	(130,000,000)	(617,800,000)	(130,000,000)
Increase (decrease) in translation adjustments		65,544,302	(61,654,786)	-	-
Net increase (decrease) in cash and cash equivalents		495,059,991	(922,879,186)	(44,905,855)	(92,501,101)
Effects of exchange rate changes on cash and cash equivalents		(33,754,527)	(43,734,394)	-	-
Cash and cash equivalents at beginning of year		521,560,293	1,488,173,873	105,103,572	197,604,673
Cash and cash equivalents at end of year		982,865,757	521,560,293	60,197,717	105,103,572
Supplemental cash flows information					
Non-cash item					
Payables on acquisition of equipment		10,022,902	-	10,022,902	

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

# Notes to consolidated financial statements

For the year ended 31 December 2025

## 1. General information

Shangri-La Hotel Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. Its parent company is Shangri-La Asia Limited, which was incorporated in Bermuda. The Company is principally engaged in hotel operations in Bangkok and Chiang Mai provinces. The registered office of the Company is at No. 89, Soi Wat Suan Plu, New Road, Bangrak, Bangrak, Bangkok.

## 2. Basis of preparation

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

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

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

## 2.2 Basis of consolidation

- a) The consolidated financial statements include the financial statements of Shangri-La Hotel Public Company Limited (“the Company”) and the following subsidiary companies (“the subsidiaries”) (collectively as “the Group”):

Company	Nature of business	Country of incorporation	Percentage of shareholding	
			<u>2025</u>	<u>2024</u>
			(Percent)	(Percent)
<b><u>Subsidiary held directly by the Company</u></b>				
Town Development Company Limited	Holding investment	Thailand	100.00	100.00
<b><u>Subsidiaries held through its subsidiaries</u></b>				
Apizaco Limited	Holding investment	Hong Kong	100.00	100.00
Hasfield Holdings Pte Ltd	Holding investment	Singapore	100.00	100.00
Zukerman Limited	Holding investment	British Virgin	100.00	100.00
TRR-Kerry Development Company Limited	Holding investment	Thailand	57.33	57.33
(Under liquidation)				
Traders Hotel and Resort Limited	Dormant	Thailand	100.00	100.00

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

2.3 The separate financial statements present investments in subsidiaries under the cost method.

### **3. New financial reporting standards**

#### **3.1 Financial reporting standards that became effective in the current year**

During the year, the Group has adopted the revised financial reporting standards which are effective for fiscal years beginning on or after 1 January 2025. 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.

### **3.2 Financial reporting standard that will become effective for fiscal years beginning on or after 1 January 2026**

The Federation of Accounting Professions issued a revised financial reporting standard, which is effective for fiscal years beginning on or after 1 January 2026. These financial reporting standard was aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

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

## **4. Accounting policies**

### **4.1 Revenue and expense recognition**

#### *Revenue from hotel operations*

Revenue from hotel business, comprises room revenue is recognised over time during the period of stay for the hotel guests. Revenue from sales of food and beverages is recognised when a customer obtains control of the goods, generally on delivery of the goods to the customers and represent the invoiced value, excluding value added tax, of goods delivered and services rendered after deducting discounts and service charges.

#### *Interest income*

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

#### *Dividends*

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

### **4.2 Cash and cash equivalents**

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

### **4.3 Inventories**

Inventories are valued at the lower of cost (under the weighted average method) and net realisable value.

#### **4.4 Investments in associates**

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

Interests in associates are the carrying amount of the investments in associates determined using the equity method together with any long-term interests that, in substance, form part of the entity's net investments in associates such as long-term loans to and interest receivables from associates for which the settlement is neither planned nor likely to occur in the foreseeable future.

When the Group's share of losses exceeds its interests in associates, the carrying amount of the interests, including long-term loans to and interest receivables from associates, is reduced to zero, and the recognition of further losses is discontinued except to the extent that the Group has an obligation, whether legal or constructive, to make payments on behalf of those associates.

#### **4.5 Investments in subsidiaries**

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

#### **4.6 Property, plant and equipment/Depreciation**

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

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

Buildings	-	5 - 40 years
Machinery and building equipment	-	10 - 15 years
Furniture, fixtures and equipment	-	5 - 20 years
Computer	-	3 - 5 years
Motor vehicles	-	5 years

Depreciation is included in determining income.

No depreciation is provided on land and assets under construction.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on disposal of an asset is included in profit or loss when the asset is derecognised.



#### **4.7 Intangible assets**

Intangible assets are recognised at cost. Following the initial recognition, the intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses (if any).

Intangible assets with finite lives are amortised on the straight line basis over the economic useful life.

The useful lives of intangible asset, computer software are 3 and 5 years.

#### **4.8 Related party transactions**

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

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

#### **4.9 Foreign currencies**

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

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

Gains and losses on exchange are included in determining income.

#### **4.10 Impairment of non-financial assets**

At the end of each reporting period, the Group performs impairment reviews in respect of the non-financial assets, whenever events or changes in circumstances indicate that an asset may be impaired. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount.

In determining value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by a valuation model that, based on information available, reflects the amount that the Group could obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the costs of disposal.

An impairment loss is recognised in profit or loss.

#### **4.11 Employee benefits**

##### ***Short-term employee benefits***

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

##### ***Post-employment benefits and other long-term employee benefits***

###### ***Defined contribution plans***

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

###### ***Defined benefit plans and other long-term employee benefits***

The Group have obligations in respect of the severance payments it must make to employees upon retirement under labor law. The Group treat these severance payment obligations as a defined benefit plan. In addition, the Group provide other long-term employee benefit plan, namely long service awards.

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

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

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

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

#### **4.12 Provisions**

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

#### **4.13 Income tax**

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

##### **Current tax**

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

##### **Deferred tax**

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

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

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

#### **4.14 Financial instruments**

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

## **Classification and measurement of financial assets**

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

### ***Financial assets at amortised cost***

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

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

### ***Financial assets designated at FVOCI (equity instruments)***

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

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

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

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

## **Classification and measurement of financial liabilities**

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

**Regular way purchases and sales of financial assets**

Regular way purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace are recognised on the trade date, i.e., the date on which the Group commits to purchase or sell the asset.

**Derecognition of financial instruments**

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

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

**Impairment of financial assets**

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

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

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

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

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

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

### **Offsetting of financial instruments**

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

## **4.15 Fair value measurement**

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

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

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

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

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

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

## **5. Significant accounting judgements and estimates**

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

### **Impairment of long-term loans to and interest receivables from related parties**

The Group had paid particular attention to the determination of the impairment of loans to and interest receivables from those associates, since these considerations required the exercise of significant management judgement with respect to projections of the future operating performance of the associates, and the determination of an appropriate discount rate and key assumptions.

### **Property, plant and equipment/Depreciation**

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

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

### **Deferred tax assets**

Deferred tax assets are recognised for deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the temporary differences and losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of estimate future taxable profits.

### **Post-employment benefits under defined benefit plans and other long-term employee benefits**

The obligation under the defined benefit plan and other long-term employee benefit plans is determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary increase rate, mortality rate and staff turnover rate.



## 6. Related party transactions

During the years, the Group had significant business transactions with related parties. Such transactions, which are summarised below, were concluded on terms and bases agreed upon between the Company and those related parties.

(Unit: Million Baht)

	Consolidated		Separate		Transfer Pricing Policy
	financial statements		financial statements		
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>	
<u>Transactions with associated companies</u>					
Interest income	5	12	-	-	0.92 to 5.50 percent per annum
<u>Transactions with related companies</u>					
Revenue from hotel operations	26	45	26	45	Contract price and normal business price
Management fees	103	75	103	75	Contract price
Marketing and promotion fees	21	5	21	5	Contract price
Advertising and reservation fees	31	18	31	18	Contract price
Training fees	3	3	3	3	Contract price

The balances of the accounts between the Company and these related companies as at 31 December 2025 and 2024 are as follows:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
<u>Trade receivables - related parties (Note 8)</u>				
<b>Directors</b>				
Directors	55	110	55	110
<b>Related companies</b>				
Others	250	875	250	875
Total trade receivables - related parties	305	985	305	985
<u>Other current receivables - related parties (Note 8)</u>				
<b>Related companies</b>				
Shangri-La International Hotel Management Pte. Ltd.	4,608	4,995	4,608	4,995
Others	115	724	115	724
Total other current receivables - related parties	4,723	5,719	4,723	5,719

		(Unit: Thousand Baht)	
		Consolidated	Separate
		financial statements	financial statements
		<u>2025</u>	<u>2024</u>
		<u>2025</u>	<u>2024</u>
<b><u>Long-term loans to and interest receivables</u></b>			
<b><u>from related parties</u></b>			
<b>Associated companies</b>			
<b>Non-interest bearing</b>			
Traders Square Company Limited	42,810	46,071	-
	42,810	46,071	-
<b>Interest bearing</b>			
Traders Yangon Company Limited	624,707	672,284	-
Shangri-La Yangon Company Limited	787,344	841,646	-
Traders Square Company Limited	804,251	865,502	-
	2,216,302	2,379,432	-
Total	2,259,112	2,425,503	-
Less: Allowance for impairment losses on			
financial assets (Note 12)	(1,511,606)	(1,505,384)	-
Total	747,506	920,119	-
Less: Share of losses from investments in			
associates (Note 12)	(457,895)	(460,919)	-
Total long-term loans to and interest receivables			
from related parties - net	289,611	459,200	-

The interest-bearing portions of the loans carry interest at rates of 0.92 to 5.50 percent per annum. The loans are unsecured and repayable on demand. The Group deemed these long-term loans that, in substance, form part of the interests in associates as described in Note 12.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
<b><u>Other current payables (Note 14)</u></b>				
<b>Related companies</b>				
Shangri-La International Hotel Management Pte. Ltd.	62,949	34,009	62,159	33,502
Others	3,365	1,386	2,619	362
Total other current payables - related parties	66,314	35,395	64,778	33,864
<b><u>Short-term loans from related party</u></b>				
<b>Subsidiary</b>				
Hasfield Holdings Pte Ltd	-	-	-	512,192
Total short-term loans from related party	-	-	-	512,192

The above loans are repayable on demand and no interest bearing.

During the current year, movements of loans to and interest receivables from related parties and loans from related party were as follows:

	(Unit: Thousand Baht)				
	Consolidated financial statements				
	Balance	Increase	Decrease		Balance
	as at	during	during	Translation	as at
	1 January 2025	the year	the year	adjustment	31 December 2025
<b><u>Long-term loans to and interest receivables from related parties</u></b>					
<b>Associated companies</b>					
<b>Non-interest bearing</b>					
Traders Square Company Limited	46,071	-	-	(3,261)	42,810
<b>Interest bearing</b>					
Traders Yangon Company Limited	672,284	-	-	(47,577)	624,707
Shangri-La Yangon Company Limited	841,646	5,478	-	(59,780)	787,344
Traders Square Company Limited	865,502	-	-	(61,251)	804,251
Total	2,425,503	5,478	-	(171,869)	2,259,112
Less: Allowance for impairment losses on financial assets (Note 12)	(1,505,384)	(117,399)	-	111,177	(1,511,606)
Total	920,119	(111,921)	-	(60,692)	747,506
Less: Share of losses from investments in associates (Note 12)	(460,919)	(30,814)	-	33,838	(457,895)
Total long-term loans to and interest receivables from related parties - net	459,200	(142,735)	-	(26,854)	289,611

The significant increase of Baht 117.4 million (2024: Baht 300.6 million) in the allowance for impairment losses on loans to and interest receivable from related parties in 2025 was mainly due to impacts of the political uncertainty in Myanmar, which significantly affected the businesses, operating results and financial position of the associates and resulted in a reduction in the associates' ability to repay debts.

(Unit: Thousand Baht)

	Separate financial statements				
	Balance				Balance
	as at	Increase	Decrease		as at
	1 January	during the	during the	Gains on	31 December
	2025	year	year	exchange	2025
<b><u>Short-term loans from related party</u></b>					
<b><u>Subsidiary</u></b>					
Hasfield Holdings Pte Ltd	512,192	-	(487,800)	(24,392)	-
Total short-term loans from related party	512,192	-	(487,800)	(24,392)	-

#### Directors and management's benefits

During the years ended 31 December 2025 and 2024, the Group had employee benefit expenses to their directors and management as detailed below.

(Unit: Thousand Baht)

	Consolidated financial statements/ Separate financial statements	
	<u>2025</u>	<u>2024</u>
Short-term employee benefits	60,405	75,148
Post-employment benefits	2,160	2,786
Total	62,565	77,934

## 7. Cash and cash equivalents

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Cash	1,614	1,697	1,551	1,691
Bank deposits	981,252	519,863	58,647	103,413
Total	982,866	521,560	60,198	105,104

As at 31 December 2025, the Group has bank deposits in saving accounts and fixed deposits carried interests between 0.00 and 4.20 percent per annum (2024: between 0.00 and 4.92 percent per annum) (the Company only: between 0.20 and 0.25 percent per annum, 2024: between 0.40 and 1.35 percent per annum).

## 8. Trade and other current receivables

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
<u>Trade receivables - related parties</u> (Note 6)				
Age on the basis of invoice date				
Less than 120 days	305	985	305	985
Total trade receivables - related parties	305	985	305	985
<u>Trade receivables - unrelated parties</u>				
Age on the basis of invoice date				
Less than 120 days	64,898	53,083	64,898	53,083
120 - 180 days	4	291	4	291
Over 180 days	262	306	262	306
Total	65,164	53,680	65,164	53,680
Less: Allowance for expected credit losses	(251)	(277)	(251)	(277)
Total trade receivables - unrelated parties, net	64,913	53,403	64,913	53,403
Total trade receivables - net	65,218	54,388	65,218	54,388
<u>Other current receivables</u>				
Other current receivables - related parties (Note 6)	4,723	5,719	4,723	5,719
Other current receivables - unrelated parties	3,374	210	3,374	210
Interest receivables	16,698	19,747	7,445	12,757
Total other current receivables	24,795	25,676	15,542	18,686
Total trade and other current receivables - net	90,013	80,064	80,760	73,074

The normal credit term is 30 days to 180 days.

During the year 2025, the Company write-off trade receivables of Baht 0.05 million (2024: 0.4 million).

## 9. Inventories

(Unit: Thousand Baht)

	Consolidated financial statements/Separate financial statements					
			Reduce cost to net			
	Cost		realisable value		Inventories - net	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Food and beverages	14,512	15,059	-	-	14,512	15,059
General supplies	9,172	9,468	-	-	9,172	9,468
Engineering tools, spare parts and supplies	5,054	5,065	(855)	(860)	4,199	4,205
Total	28,738	29,592	(855)	(860)	27,883	28,732

## 10. Other non-current financial assets

(Unit: Thousand Baht)

	Consolidated financial statements	
	<u>2025</u>	<u>2024</u>
<u>Equity instruments designated at FVOCI</u>		
Listed equity instruments		
Shangri-La Asia Limited - related party	202,171	243,716
Total equity instruments designated at FVOCI	202,171	243,716

Equity instruments designated at FVOCI of listed equity instruments which the Group considers these instruments to be strategic in nature.

Movements of the equity instruments designated at FVOCI for the years ended 31 December 2025 and 2024 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	
	Shangri-La Asia Limited	
	<u>2025</u>	<u>2024</u>
<b>Fair value as at 1 January</b>	243,716	245,263
Loss recognised into other comprehensive income	(14,989)	(1,296)
Translation adjustment	(26,556)	(251)
<b>Fair value as at 31 December</b>	202,171	243,716

During the year 2025, the subsidiary received dividend income amounting to Baht 6.6 million from Shangri-La Asia Limited.

Equity instruments were measured at fair value with hierarchy level 1 and there were no transfers within the fair value hierarchy during the current year.

## 11. Investments in subsidiaries

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

(Unit: Thousand Baht)						
Company's name	Paid-up capital		Shareholding		Cost	
			percentage			
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
			(Percent)	(Percent)		
Town Development Company Limited	Baht 1,303 million	Baht 1,303 million	100	100	1,303,000	1,303,000
Total investments in subsidiary					1,303,000	1,303,000

For the years 2025 and 2024, the Company has not received dividends from investments in subsidiaries.

The Company's subsidiaries held through its subsidiaries are summarised below.

Company's name	Nature of business	Country of incorporation	Paid-up capital		Percentage of shareholding	
			<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
					(Percent)	(Percent)
<b><u>Subsidiaries held through Town Development Company Limited</u></b>						
TRR-Kerry Development Company Limited (Under liquidation)	Holding investment	Thailand	Baht 3.6 million	Baht 3.6 million	57.33	57.33
Apizaco Limited	Holding investment	Hong Kong	HKD 206 million	HKD 206 million	100.00	100.00
Hasfield Holdings Pte Ltd	Holding investment	Singapore	SGD 34 million	SGD 34 million	100.00	100.00
Traders Hotel and Resort Limited	Dormant	Thailand	Baht 0.2 million	Baht 0.2 million	100.00	100.00
<b><u>Subsidiary held through Apizaco Limited</u></b>						
Zukerman Limited	Holding investment	British Virgin	USD 1	USD 1	100.00	100.00



## 11.2 Dissolution of the subsidiary

On 15 September 2025, TRR-Kerry Development Co., Ltd., an indirect subsidiary of the company registered the dissolution process with the Ministry of Commerce. Currently, it is under the liquidation process.

## 11.3 Details of investments in subsidiaries that have material non-controlling interests

(Unit: Thousand Baht)

Company's name	Proportion of equity interest held by non-controlling interests		Accumulated balance of non-controlling interests		Profit/loss allocated to non-controlling interests during the year	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
	(Percent)	(Percent)				
TRR-Kerry Development Company Limited (Under liquidation)	42.67	42.67	2,989	2,998	(9)	20

## 11.4 Summarised financial information that based on amounts before inter-company elimination about subsidiary (TRR-Kerry Development Company Limited) that have material non-controlling interests;

### Summarised information about financial position

(Unit: Thousand Baht)

	<u>2025</u>	<u>2024</u>
Current assets	7,081	7,095
Current liabilities	76	70

### Summarised information about comprehensive income

(Unit: Thousand Baht)

	For the year ended 31 December	
	<u>2025</u>	<u>2024</u>
Revenue	73	127
Profit (loss)	(20)	48
Total comprehensive income	(20)	48

## Summarised information about cash flow

		(Unit: Thousand Baht)	
		For the year ended 31 December	
		<u>2025</u>	<u>2024</u>
Cash flow used in operating activities		1,119	(983)
Cash flow from investing activities		79	135
Cash flow used in financing activities		-	-
Net increase (decrease) in cash and cash equivalents		<u>1,198</u>	<u>(848)</u>

## 12. Investments in associates

### 12.1 Details of associates:

(Unit: Thousand Baht)										
Company's name	Nature of business	Country of incorporation	Paid-up capital		Consolidated financial statements					
					Shareholding		Cost		Carrying amounts	
			as at 31 December		percentage				based on equity method	
			2025	2024	2025	2024	2025	2024	2025	2024
					(Percent)	(Percent)				
<u>Associated companies (owned by Zukerman Limited)</u>										
Traders Yangon Company Limited	Hotel	Myanmar	USD 3.6 million	USD 3.6 million	23.53	23.53	28,237	30,388	-	-
Shangri-La Yangon Company Limited	Serviced apartments	Myanmar	USD 2.0 million	USD 2.0 million	22.22	22.22	16,698	17,970	-	-
Traders Square Company Limited	Commercial complex and office for rent	Myanmar	USD 0.1 million	USD 0.1 million	23.56	23.56	666	716	-	-
Total							45,601	49,074	-	-

## 12.2 Summarised financial information of associates

The financial information of these associated companies for the years ended 31 December 2025 and 2024, which was included in the consolidated financial statements, was prepared by the associates' management. However, the Company's management believes that there would have been no significant difference to financial information if those financial information had been audited by auditors.

Financial information of the associated companies is summarised below.

(Unit: Thousand Baht)

	As at 31 December					
	Traders Yangon		Shangri-La Yangon		Traders Square	
	Company Limited		Company Limited		Company Limited	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Total assets	913,960	1,025,908	3,029,208	3,242,481	2,568,514	2,810,041
Total liabilities	(4,186,459)	(4,305,038)	(3,739,761)	(3,973,061)	(3,915,604)	(4,156,689)
Net (liabilities)/assets	(3,272,499)	(3,279,130)	(710,553)	(730,580)	(1,347,090)	(1,346,648)

(Unit: Thousand Baht)

	For the years ended 31 December					
	Traders Yangon		Shangri-La Yangon		Traders Square	
	Company Limited		Company Limited		Company Limited	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Total revenue	7,489	12,228	193,052	216,295	226,770	230,122
Loss	(234,711)	(256,638)	(32,979)	(30,240)	(99,685)	(176,523)

### 12.3 The reconciliation of interests in associates

Since 2020, the Group's management decided to change the objective of the long-term loans to these three associated companies. Given the situation with the Coronavirus disease 2019 pandemic, no plans have been set for collection of these long-term loans for the foreseeable future, and the long-term loans were, therefore, deemed in substance to form part of the interests in associates.

	(Unit: Thousand Baht)			
	Consolidated financial statements			
	As at 31 December 2025			
	Traders	Shangri-La	Traders	
	Yangon	Yangon	Square	
	Company	Company	Company	
	Limited	Limited	Limited	Total
<b><u>Interests in associates</u></b>				
Net assets/ (liabilities) of associates	(3,272,499)	(710,553)	(1,347,090)	(5,330,142)
Shareholding percentage (Percent)	23.53%	22.22%	23.56%	
The Group's interests in associates	(770,019)	(157,885)	(317,374)	(1,245,278)
<b><u>Investments in associates</u></b>				
Ordinary shares, at cost	28,237	16,698	666	45,601
Less: Cumulative share of losses from				
investments in associates	(28,237)	(16,698)	(666)	(45,601)
Total	-	-	-	-
<b><u>Long-term loans to and interest receivables</u></b>				
<b><u>from related parties (Note 6)</u></b>				
Long-term loans to and interest receivables				
from related parties	624,707	787,344	847,061	2,259,112
Less: Impairment losses on financial assets	(624,707)	(356,546)	(530,353)	(1,511,606)
Total - net	-	430,798	316,708	747,506
Less: Cumulative share of losses from				
investments in associates	-	(141,187)	(316,708)	(457,895)
Total long-term loans to and interest				
receivables from related parties - net	-	289,611	-	289,611
Unrecognised cumulative share of losses				
from investments in associates	(741,782)	-	(36,245)	(778,027)

(Unit: Thousand Baht)

	Consolidated financial statements			
	As at 31 December 2024			
	Traders Yangon Company Limited	Shangri-La Yangon Company Limited	Traders Square Company Limited	Total
<b><u>Interests in associates</u></b>				
Net assets/ (liabilities) of associates	(3,279,130)	(730,580)	(1,346,648)	(5,356,358)
Shareholding percentage (Percent)	23.53%	22.22%	23.56%	
The Group's interests in associates	(771,579)	(162,335)	(317,270)	(1,251,184)
<b><u>Investments in associates</u></b>				
Ordinary shares, at cost	30,388	17,970	716	49,074
Less: Cumulative share of losses from investments in associates	(30,388)	(17,970)	(716)	(49,074)
Total	-	-	-	-
<b><u>Long-term loans to and interest receivables from related parties (Note 6)</u></b>				
Long-term loans to and interest receivables from related parties	672,284	841,646	911,573	2,425,503
Less: Impairment losses on financial assets	(672,284)	(367,053)	(466,047)	(1,505,384)
Total - net	-	474,593	445,526	920,119
Less: Cumulative share of losses from investments in associates	-	(144,365)	(316,554)	(460,919)
Total long-term loans to and interest receivables from related parties - net	-	330,228	128,972	459,200
Unrecognised cumulative share of losses from investments in associates	(741,191)	-	-	(741,191)

(Unit: Thousand Baht)

Shangri-La Hotel Public Company Limited 135

(Unit: Thousand Baht)

	Separate financial statements						
	Land	Buildings and building improvement	Machinery and building equipment	Furniture, fixtures, equipment and computer	Operating equipment	Motor vehicles	Assets under construction
<b>Cost:</b>							
1 January 2024	2,526,921	3,406,547	1,304,362	3,909,336	98,695	6,233	56,029
Additions	-	2,227	12,689	57,047	-	45	2,944
Disposals/write-off	-	(2,387)	(3,891)	(37,356)	-	(1,185)	-
Transfer to Intangible assets	-	-	-	-	-	-	(665)
Transfer in (out)	-	3,945	-	4,406	-	-	(8,351)
31 December 2024	2,526,921	3,410,332	1,313,160	3,933,433	98,695	5,093	49,957
Additions	-	5,996	3,155	25,931	-	-	47,677
Disposals/write-off	-	(46,729)	(38,091)	(638,546)	-	(86)	(2,338)
Transfer in (out)	-	185	-	14,884	-	-	(15,069)
31 December 2025	2,526,921	3,369,784	1,278,224	3,335,702	98,695	5,007	80,227
<b>Accumulated depreciation:</b>							
1 January 2024	-	2,977,448	1,206,691	3,811,246	98,686	6,199	-
Depreciation for the year	-	107,784	21,150	39,110	-	36	-
Depreciation on disposals/write-off	-	(1,996)	(3,828)	(37,338)	-	(1,185)	-
31 December 2024	-	3,083,236	1,224,013	3,813,018	98,686	5,050	-
Depreciation for the year	-	106,982	21,037	39,799	-	9	-
Depreciation on disposals/write-off	-	(46,322)	(38,086)	(638,237)	-	(86)	-
31 December 2025	-	3,143,896	1,206,964	3,214,580	98,686	4,973	-
<b>Net book value:</b>							
31 December 2024	2,526,921	327,096	89,147	120,415	9	43	49,957
31 December 2025	2,526,921	225,888	71,260	121,122	9	34	80,227

As at 31 December 2025, certain items of plant, equipment and vehicles were fully depreciated but are still in use. The gross carrying amount before deducting accumulated of those assets amounted to approximately Baht 5,159 million (2024: Baht 5,798 million).



#### 14. Trade and other current payables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Trade payables - unrelated parties	58,869	63,574	58,869	63,574
Other current payables - related parties (Note 6)	66,314	35,395	64,778	33,864
Other current payables - unrelated parties	24,088	18,096	24,088	18,003
Payables for purchase of assets	25,837	15,814	25,837	15,814
Retention payables	3,887	4,720	3,887	4,720
Accrued expenses	80,245	97,358	79,139	96,251
Total trade and other current payables	259,240	234,957	256,598	232,226

#### 15. Non-current provision for employee benefits

Provision for employee benefits as at 31 December 2025 and 2024, which is compensations on employees' retirement and other long-term employee benefits, were as follows:

	(Unit: Thousand Baht)					
	Consolidated financial statements/Separate financial statements					
	Post-employment					
	benefits from		Other long-term		Total	
	employee's retirement		employee benefits plan			
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
<b>Provision for employee benefits at beginning of year</b>	97,384	87,848	5,118	4,974	102,502	92,822
<i>Included in profit or loss:</i>						
Current service cost	8,398	8,589	519	485	8,917	9,074
Interest cost	2,001	2,157	111	126	2,112	2,283
Past service costs and gains or losses on settlement	-	-	357	191	357	191
<i>Included in other comprehensive income:</i>						
Remeasurement (gain) loss arising from						
Financial assumptions changes	4,028	2,436	-	-	4,028	2,436
Experience adjustments	2,817	(1,153)	-	-	2,817	(1,153)
<i>Benefits paid during the year</i>	<u>(4,895)</u>	<u>(2,493)</u>	<u>(637)</u>	<u>(658)</u>	<u>(5,532)</u>	<u>(3,151)</u>
<b>Provision for employee benefits at end of year</b>	109,733	97,384	5,468	5,118	115,201	102,502

The Company expects to pay Baht 22.9 million of long-term employee benefits during the next year (2024: Baht 22.2 million).

As at 31 December 2025, the weighted average duration of the liabilities for long-term employee benefit is 12 and 13 years (2024: 12 and 14 years).

Key actuarial assumptions used for the valuation are as follows:

	Consolidated financial statements/ Separate financial statements	
	<u>2025</u>	<u>2024</u>
	(% per annum)	(% per annum)
Discount rate	1.94, 2.02	2.45, 2.55
Future salary increase rate	5.00	5.00
Turnover rate	2.39 - 34.38	2.39 - 34.38

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 December 2025 and 2024 are summarised below:

(Unit: Million Baht)

	Consolidated financial statements/Separate financial statements			
	As at 31 December 2025		As at 31 December 2024	
	<u>Increase 0.5%</u>	<u>Decrease 0.5%</u>	<u>Increase 0.5%</u>	<u>Decrease 0.5%</u>
Discount rate	(4)	4	(3)	4
Salary increase rate	<u>Increase 1%</u>	<u>Decrease 1%</u>	<u>Increase 1%</u>	<u>Decrease 1%</u>
	9	(8)	7	(7)
Turnover rate	<u>Increase 20%</u>	<u>Decrease 20%</u>	<u>Increase 20%</u>	<u>Decrease 20%</u>
	(6)	7	(5)	6

## 16. Statutory reserve

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside a statutory reserve at least 5 percent of its net profit after deducting accumulated deficit brought forward (if any), until the reserve reaches 10 percent of the registered capital. The statutory reserve is not available for dividend distribution. At present, the statutory reserve has fully been set aside.

## 17. Finance income

Finance income for the years ended 31 December 2025 and 2024 are summarised below:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
<b>Finance income</b>				
Interest income	92,655	109,417	50,342	46,710
Total	92,655	109,417	50,342	46,710

## 18. Expenses by nature

Significant expenses classified by nature are as follows:

	(Unit: Thousand Baht)	
	Consolidated financial statements/ Separate financial statements	
	<u>2025</u>	<u>2024</u>
Salaries and wages and other employee benefits	504,670	522,299
Depreciation and amortisation	168,578	168,782
Direct cost of food and beverage	206,688	232,997
Other direct cost of hotel operations	244,810	243,371
Utilities expenses	142,259	150,272
Management fees	102,805	75,451
Advertising and promotion expenses	94,419	73,180
Maintenance expenses	56,655	56,142

## 19. Income tax

Income tax expenses for the years ended 31 December 2025 and 2024 are made up as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
<b>Current income tax:</b>				
Current corporate income tax charge	115,363	116,856	114,954	116,379
Adjustment in respect of income tax of previous year	(207)	-	(216)	-
<b>Deferred tax:</b>				
Relating to origination and reversal of temporary differences	9,903	66,699	(1,508)	36,750
<b>Income tax expenses reported in profit or loss</b>	<u>125,059</u>	<u>183,555</u>	<u>113,230</u>	<u>153,129</u>

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2025 and 2024 are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Deferred tax on actuarial losses	(1,369)	(257)	(1,369)	(257)
Total	(1,369)	(257)	(1,369)	(257)

The reconciliation between accounting profit and income tax expenses is shown below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Accounting profit before tax	365,962	554,531	570,249	770,525
Applicable tax rate	0, 17, 20%	0, 17, 20%	20%	20%
Accounting profit before tax multiplied by income tax rate	65,802	109,298	114,050	154,105
Adjustment in respect of income tax of previous year	(207)	-	(216)	-
Unrecognised deferred tax assets on temporary differences	51,906	67,695	-	-
Effects of:				
Exemption of income	(1,508)	(8,033)	(1,508)	-
Non-deductible expenses	9,866	281	1,433	281
Additional expense deductions allowed	(342)	(1,682)	(342)	(1,682)
Share of losses from investments in associates	6,163	9,662	-	-
Others	(6,621)	6,334	(187)	425
Total	7,558	(6,562)	(604)	(976)
Income tax expenses reported in profit or loss	125,059	183,555	113,230	153,129

The tax rate enacted at the end of the reporting period of the subsidiaries in overseas countries are 0 percent to 17 percent.

The components of deferred tax assets and deferred tax liabilities are as follows:

(Unit: Thousand Baht)

	Statements of financial position			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
<b>Deferred tax assets</b>				
Allowance for expected credit losses				
of trade receivables	51	55	51	55
Allowance for diminution in value of inventory	171	172	171	172
Provision for employee benefits	23,040	20,500	23,040	20,500
Provisions and other accruals	602	260	602	260
<b>Total</b>	<u>23,864</u>	<u>20,987</u>	<u>23,864</u>	<u>20,987</u>
<b>Deferred tax liabilities</b>				
Undued tax remitted	58,934	48,710	-	-
<b>Total</b>	<u>58,934</u>	<u>48,710</u>	<u>-</u>	<u>-</u>
<b>Net balance</b>	<u>(35,070)</u>	<u>(27,723)</u>	<u>23,864</u>	<u>20,987</u>
Presented as				
Deferred tax assets	23,864	20,987	23,864	20,987
Deferred tax liabilities	58,934	48,710	-	-
<b>Total</b>	<u>(35,070)</u>	<u>(27,723)</u>	<u>23,864</u>	<u>20,987</u>

As at 31 December 2025, the Group has deductible temporary differences totalling Baht 1,886 million (2024: Baht 1,738 million), on which deferred tax assets have not been recognised as the Group believes future taxable profits may not be sufficient to allow utilisation of the temporary differences.

#### Effect from international tax reform - Pillar Two model rules

The Group is within the scope of the Pillar Two model rules published by the Organisation for Economic Co-operation and Development (OECD). The Group operates in several countries where Pillar Two legislation has been enacted and is effective for fiscal years beginning on or after 1 January 2025. Based on management's assessment, the Group expects to benefit from the "Transitional CbCR Safe Harbour" in most of these jurisdictions. Therefore, the Group has not recognised an additional provision for liabilities related to the top-up tax in the financial statements for the years end 31 December 2025 and 2024.

## 20. Earnings per share

Basic earnings per share is calculated by dividing profit for the year attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year.

The following table sets forth the computation of basic earnings per share.

	Consolidated financial statements		Separate financial statements	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Profit for the year (Thousand Baht)	240,912	370,956	457,019	617,396
Weighted average number of ordinary shares (Thousand shares)	130,000	130,000	130,000	130,000
Profit per share (Baht per share)	1.85	2.85	3.52	4.75

## 21. Segment information

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance.

For management purposes, the Group are organised into business units based on its services and have 2 reportable segments as follows:

- (1) Hotel business
- (2) Holding investment

No operating segments have been aggregated to form the above reportable operating segments.

The chief operating decision maker monitors the operating results of the business units separately for the purpose of making decisions about resource allocation and assessing performance. Segment performance is measured based on operating profit or loss and total assets and on a basis consistent with that used to measure operating profit or loss and total assets in the financial statements.

The basis of accounting for any transactions between reportable segments is consistent with that for third party transactions.

The following tables present revenue, profit and total assets information regarding the Group's operating segments for the years ended 31 December 2025 and 2024.

	Hotel business												(Unit: Million Baht)	
	Hotel in		Hotel in											
	Bangkok		Chiangmai						Holding Investment		Total segments			Adjustments and eliminations
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024		2025
Revenue														
Revenue from external customers														
	1,697	1,896	436	439	-	-	2,133	2,335	-	-	2,133	2,335		
Total revenue	1,697	1,896	436	439	-	-	2,133	2,335	-	-	2,133	2,335		
Operating results														
Segment gross profit	1,136	1,298	302	303	-	-	1,438	1,601	-	-	1,438	1,601		
Other income	9	17	4	3	7	9	20	29	-	-	20	29		
Depreciation and amortisation	(92)	(94)	(77)	(75)	-	-	(169)	(169)	-	-	(169)	(169)		
Exchange gains (losses)	24	4	-	-	(101)	62	(77)	66	-	-	(77)	66		
Impairment losses on financial assets	-	-	-	-	(117)	(301)	(117)	(301)	-	-	(117)	(301)		
Share of losses from investments in associates	-	-	-	-	(31)	(48)	(31)	(48)	-	-	(31)	(48)		
Finance income	50	47	-	-	43	63	93	110	-	-	93	110		
Unallocated expenses											(791)	(733)		
Income tax expenses											(125)	(184)		
Profit for the year											241	371		
Segment total assets														
	6,951	6,977	272	323	1,039	767	8,262	8,067	-	-	8,262	8,067		



## Major customers

For the years 2025 and 2024, the Group have no major customer with revenue of 10 percent or more of an entity's revenue.

## 22. Provident fund

The Company and its employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. Both employees and the Company contribute to the fund monthly at the rate of 5 percent of basic salaries. The fund, which is managed by Principal Asset Management Limited, will be paid to employees upon termination in accordance with the fund rules. During the year 2025, the Company contributed Baht 13 million (2024: Baht 13 million) to the fund.

## 23. Dividends

Dividends declared for the years 2025 and 2024 consisted of the follows:

Dividends	Approved by	Total dividends (Million Baht)	Dividend per share (Baht)
Final dividends for 2023	Annual General Meeting of the shareholders on 26 April 2024	130.00	1.00
Total for the year 2024		130.00	1.00
Final dividends for 2024	Annual General Meeting of the shareholders on 29 April 2025	130.00	1.00
Total for the year 2025		130.00	1.00

## 24. Commitments and contingent liabilities

### 24.1 Capital commitments

As at 31 December 2025, the Company had capital commitments of approximately Baht 79 million (2024: Baht 62 million), relating to the construction and renovation of the hotel building and acquisition of equipment.

### 24.2 Long-term service commitments

The Company has entered a long-term service contract. Under the terms of the contract, the Company is required to pay a monthly service fee. The fee for the year 2025 amounting to approximately Baht 11 million were recognised as expenses (2024: 8 million).

### 24.3 Guarantees

As at 31 December 2025, there were outstanding bank guarantee of approximately Baht 10 million (2024: Baht 11 million) issued by a bank on behalf of the Company in respected of electricity usage.

## **25. Financial instruments**

### **25.1 Financial risk management objectives and policies**

The Group's financial instruments principally comprise cash and cash equivalents, short-term investments in financial assets - fixed deposits, trade and other current receivables, long-term loans to and interest receivables from related parties, other financial assets, trade and other current payables and short term loans from related party. The financial risks associated with these financial instruments and how they are managed is described below.

#### **Credit risk**

The Group is exposed to credit risk primarily with respect to trade and other current receivables, long-term loans to and interest receivables from related parties and Short-term investments in financial assets - fixed deposits. The maximum exposure to credit risk is limited to the carrying amounts as stated in the statement of financial position.

##### ***Trade and other current receivables***

The Group manages the risk by adopting appropriate credit control policies and procedures and regularly monitoring outstanding trade receivables. As a result, the Group does not expect to incur material financial losses.

An impairment analysis is performed at each reporting date to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar credit risks. The calculation reflects the reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Generally, trade receivables and other current receivables are written-off in accordance with the Group's policy, by appropriate consideration.

##### ***Cash deposits***

Credit risk from balances with banks and financial institutions is managed in accordance with the Group's policy by making investments only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits may be updated throughout the year. The limits are set to minimise the concentration of risks and therefore mitigate risk through a counterparty's potential failure to make payments.

##### ***Long-term loans to and interest receivables from related parties***

The Group manages the credit risk from balances of long-term loans to and interest receivables from related parties in accordance with the Parent's policy and performed an impairment analysis at each reporting date to measure expected credit losses.

## Market risk

There are two types of market risk comprising foreign currency risk and interest rate risk.

### Foreign currency risk

The Group's exposure to the foreign currency risk relates primarily to its borrowing and lendings that are denominated in foreign currencies. The balances of financial assets and liabilities denominated in foreign currencies are summarised below.

Foreign currency	Consolidated financial statements				Average exchange rate	
	Financial assets		Financial liabilities		as at 31 December	
	as at 31 December		as at 31 December			
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
	(Million)	(Million)	(Million)	(Million)	(Baht per 1 foreign currency unit)	
US dollar	27	17	-	-	31.5826	33.9879

Foreign currency	Separate financial statements				Average exchange rate	
	Financial assets		Financial liabilities		as at 31 December	
	as at 31 December		as at 31 December			
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
	(Million)	(Million)	(Million)	(Million)	(Baht per 1 foreign currency unit)	
US dollar	-	-	-	15	31.5826	33.9879

### Foreign currency sensitivity

The following tables demonstrate the sensitivity of the Group's profit before tax to a reasonably possible change in US dollar exchange rate, with all other variables held constant. The impact on the Group's profit before tax is due to changes in the fair value of monetary assets and liabilities as at 31 December 2025 and 2024.

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
<b>Impact to profit before tax</b>				
THB against USD				
- Increase 5 %	42,988	29,459	-	(25,610)
- Decrease 5 %	(42,988)	(29,459)	-	25,610

This information is not a forecast or prediction of future market conditions and should be used with care.

### Interest rate risk

The Group's exposure to interest rate risk relates primarily to its long-term loans to related parties. Most of the Group's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate.

As at 31 December 2025 and 2024, significant financial assets and liabilities classified by type of interest rate are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.

(Unit: Million Baht)

	Consolidated financial statements						
	As at 31 December 2025						
	Fixed interest rates			Floating	Non-	Total	Effective interest rate (% per annum)
	Within	Over	5 years	interest	interest		
	1 year	1-5 years		rate	bearing		
<b>Financial assets</b>							
Cash and cash equivalents	884	-	-	38	61	983	0.00 - 4.20
Short-term investments in							
financial assets - fixed deposits	3,580	-	-	-	-	3,580	1.70 - 4.79
Trade and other current receivables	-	-	-	-	90	90	-
Long-term loans to and							
interest receivables from							
related parties	-	-	56	-	234	290	0.92 - 5.50
	4,464	-	56	38	385	4,943	
<b>Financial liabilities</b>							
Trade and other current payables	-	-	-	-	259	259	-
	-	-	-	-	259	259	

(Unit: Million Baht)

## Consolidated financial statements

As at 31 December 2024

	Fixed interest rates			Floating interest rate	Non- interest bearing	Total	Effective interest rate (% per annum)
	Within 1 year	1-5 years	Over 5 years				
<b>Financial assets</b>							
Cash and cash equivalents	420	-	-	51	51	522	0.00 - 4.92
Short-term investments in							
financial assets - fixed deposits	3,557	-	-	-	-	3,557	1.70 - 4.79
Trade and other current receivables	-	-	-	-	80	80	-
Long-term loans to and							
interest receivables from							
related parties	-	-	212	-	247	459	0.92 - 5.50
	3,977	-	212	51	378	4,618	

**Financial liabilities**

Trade and other current payables	-	-	-	-	235	235	-
	-	-	-	-	235	235	

(Unit: Million Baht)

## Separate financial statements

As at 31 December 2025

	Fixed interest rates			Floating interest rate	Non- interest bearing	Total	Effective interest rate (% per annum)
	Within 1 year	1-5 years	Over 5 years				
<b>Financial assets</b>							
Cash and cash equivalents	-	-	-	37	23	60	0.20 - 0.25
Short-term investments in							
financial assets - fixed deposits	2,664	-	-	-	-	2,664	1.10 - 2.20
Trade and other current receivables	-	-	-	-	81	81	-
	2,664	-	-	37	104	2,805	
<b>Financial liabilities</b>							
Trade and other current payables	-	-	-	-	257	257	-
	-	-	-	-	257	257	

(Unit: Million Baht)

	Separate financial statements						
	As at 31 December 2024						
	Fixed interest rates			Floating	Non-		
	Within		Over	interest	interest		Effective
	1 year	1-5 years	5 years	rate	bearing	Total	interest rate
							(% per annum)
<b><u>Financial assets</u></b>							
Cash and cash equivalents	32	-	-	50	23	105	0.40 - 1.35
Short-term investments in							
financial assets - fixed deposits	2,615	-	-	-	-	2,615	1.70 - 2.45
Trade and other current receivables	-	-	-	-	73	73	-
	2,647	-	-	50	96	2,793	
<b><u>Financial liabilities</u></b>							
Trade and other current payables	-	-	-	-	232	232	-
Short-term loan from related party	-	-	-	-	512	512	-
	-	-	-	-	744	744	

*Interest rate sensitivity*

The Group considers that there is no significant impact on the Group's profit before tax arising from the possible change in interest rates on financial assets which bear floating interest rates.

**Liquidity risk**

The Group monitors its liquidity requirements to ensure it has sufficient cash to meet operational needs. However, the Group has assessed and concluded the risk is low, since the majority of the Group's financial liabilities are short-term loans from related party, which has maturity within 12 months can be rolled over with the lender.

The table below summarises the maturity profile of the Group's non-derivative financial liabilities as at 31 December 2025 and 2024 based on contractual undiscounted cash flows:

(Unit: Million Baht)

	Consolidated financial statements				
	As at 31 December 2025				
		Less than	1-5	Over	
	On demand	1 year	years	5 years	Total
<b>Non-derivatives</b>					
Trade and other current payables	-	259	-	-	259
<b>Total non-derivatives</b>	-	259	-	-	259

(Unit: Million Baht)

	Separate financial statements				
	As at 31 December 2025				
		Less than	1-5	Over	
	On demand	1 year	years	5 years	Total
<b>Non-derivatives</b>					
Trade and other current payables	-	257	-	-	257
<b>Total non-derivatives</b>	-	257	-	-	257

(Unit: Million Baht)

	Consolidated financial statements				
	As at 31 December 2024				
		Less than	1-5	Over	
	On demand	1 year	years	5 years	Total
<b>Non-derivatives</b>					
Trade and other current payables	-	235	-	-	235
<b>Total non-derivatives</b>	-	235	-	-	235

(Unit: Million Baht)

	Separate financial statements				
	As at 31 December 2024				
		Less than	1-5	Over	
	On demand	1 year	years	5 years	Total
<b>Non-derivatives</b>					
Trade and other current payables	-	232	-	-	232
Short-term loans from related party	512	-	-	-	512
<b>Total non-derivatives</b>	512	232	-	-	744



## **25.2 Fair values of financial instruments**

Since the majority of the Group's financial instruments are short-term in nature or carrying interest at rates close to the market interest rates, their fair value is not expected to be materially different from the amounts presented in the statement of financial position.

## **26. Capital management**

The primary objective of the Group' capital management is to ensure that it has appropriate capital structure in order to support its business and maximise shareholder value. As at 31 December 2025, the Group's debt-to-equity ratio was 0.10:1 (2024: 0.08:1) and the Company's was 0.11:1 (2024: 0.18:1).

## **27. Events after the reporting period**

On 23 February 2026, the Board of Director's meeting of the Company passed a resolution approved to propose to the Annual General Meeting of Shareholders to consider and approve the dividend payment for the year 2025 at the rate of Baht 0.50 per share, totaling of Baht 65 million.

## **28. Approval of financial statements**

These financial statements were authorised for issue by the Company's Board of Directors on 23 February 2026.

# Attachment 1

## Information of Directors, Executives, the Person assigned to take the highest responsibility in Accounting and Finance and Company Secretary

### - Board of Directors

Name of Director	Age (Years)	% of shareholding in the Company**	Family relationship between Director and Management	Education /Training	Current position in other company	Skill and Expertise
					Period, Position and Company	
1. Mr. Maris Pakdeetaveevivat Vice Chairman and Managing Director	82	-	None	- Technical College, Hong Kong	- Nov 1991-Present Director Kerry Trading Company Limited - Sep 2008-Present Director Kerry Mining (Hong Kong) Limited	- Engineering - Leadership - Governance/ Compliance
2. Mr. Christopher Phong Siew San Director	57	-	None	- Master of Business Administration, Nanyang Technological University, Singapore - Bachelor of Economics and Political Science, University of Calgary, Canada	- 2011-2015 Senior Director of Nexif (InfraCo) Management Pte Ltd, the appointed manager of InfraCo Asia Development Pte Ltd - 2015-2023 Director of PT Adaro Power and its various project companies, and PT Kalimantan Aluminum Industry - 2024-Present Group Head of Investment & Asset Management (ex-China) of Shangri-La Asia Limited	- Economics - Banking - Construction Services - Property Development - Energy & Utilities - Finance - Sustainability - Negotiation - Project Management - Corporate Management - Leadership - Strategic Management - Risk Management - Internal Control - Budgeting - Governance/ Compliance
3. Mr. Wu Hoi Fai Alfred Director	65	-	None	- Master of Science in Financial Economics, University of London - Master of Practising Accounting, Monash University	- Jan 2001-Apr 2019 Treasurer Shangri-La Asia Limited - May 2019-Dec 2022 Vice President, Corporate Finance Shangri-La Asia Limited - Jan 2023-Present Senior Vice President Corporate Finance & Treasury Shangri-La Asia Limited	- Finance & Securities - Accounting - Finance - Sustainability - Fund Management

## - Board of Directors (Continued)

Name of Director	Age (Years)	% of shareholding in the Company**	Family relationship between Director and Management	Education /Training	Current position in other company	Skill and Expertise
					Period, Position and Company	
4. Mrs. Chanida Asdathorn Director	85	0.23%	Sister-in-law to Mr. Surin Asdathorn and Aunt-in-law to Mr. Nutthapol Asadathorn	<ul style="list-style-type: none"> <li>- Bachelor's Degree in Business Administration, Pasadena College, California, USA</li> <li>- Directors Accreditation Program (DAP) (March 2006), Thai Institute of Directors Association</li> </ul>	<ul style="list-style-type: none"> <li>- Present Chairperson Thai Roong Ruang Sugar Group</li> <li>- Present Director Thai Ruam Toon Warehouse Co., Ltd.</li> <li>- Present Director Thai Roong Ruang Warehouse Co., Ltd.</li> <li>- Present Director TRR Property Co., Ltd.</li> <li>- Present Managing Director Thai Roong Ruang Industry Co., Ltd.</li> <li>- 1979-Present Director The Cholburi Sugar &amp; Trading Corp., Ltd.</li> <li>- 1984-Present Managing Director Siam Sugar Export Corporation Limited</li> <li>- 1989-Present Director Kerry Flour Mills Limited</li> <li>- 1990-Present Director KLN Seaport Limited</li> <li>- 2000-Present Director Thai Ruam Charoen Sugar (2000) Co., Ltd.</li> <li>- 2015- Present Managing Director TRR Molasses Trading Co., Ltd.</li> <li>- 1988-Jul 2017 and Dec 2018-Present Director Fine Metal Technologies Public Company Limited</li> </ul>	<ul style="list-style-type: none"> <li>- Economics</li> <li>- Agribusiness</li> <li>- Food &amp; Beverage</li> <li>- Banking</li> <li>- Property Fund &amp; REITs</li> <li>- Commerce</li> <li>- Health Care Services</li> <li>- Tourism &amp; Leisure</li> <li>- Transportation &amp; Logistics</li> <li>- Marketing</li> <li>- Finance</li> <li>- Corporate Social Responsibility</li> <li>- Sustainability</li> <li>- Procurement</li> <li>- Data Analysis</li> <li>- Negotiation</li> <li>- Change Management</li> <li>- Leadership</li> <li>- Strategic Management</li> <li>- Risk Management</li> </ul>
5. Mr. Surin Asdathorn Director	84	2.67%	Brother-in-law to Mrs. Chanida Asdathorn and Uncle to Mr. Nutthapol Asadathorn	<ul style="list-style-type: none"> <li>- Bachelor of Art Degree in Political Science, Ramkhamhaeng University</li> </ul>	<ul style="list-style-type: none"> <li>- Present Chief Executive Officer Thai Roong Ruang Sugar Group</li> </ul>	<ul style="list-style-type: none"> <li>- Agribusiness</li> <li>- Food &amp; Beverage</li> <li>- Industrial Materials &amp; Machinery</li> <li>- Steel</li> <li>- Construction Materials</li> </ul>

**- Board of Directors (Continued)**

Name of Director	Age (Years)	% of shareholding in the Company**	Family relationship between Director and Management	Education /Training	Current position in other company	Skill and Expertise
					Period, Position and Company	
						<ul style="list-style-type: none"> <li>- Energy &amp; Utilities</li> <li>- Transportation &amp; Logistics</li> <li>- Corporate Social Responsibility</li> <li>- Human Resource Management</li> <li>- Leadership</li> </ul>
6. Mr. Nutthapol Asadathorn Director	60	0.36%	Nephew to Mr. Surin Asdathorn and Mrs. Chanida Asdathorn	<ul style="list-style-type: none"> <li>- Bachelor's Degree (2<sup>nd</sup> Class Honours), Faculty of Industrial Engineering, Chulalongkorn University</li> <li>- M. Eng (Operations Reserch &amp; Industrial Engineering), Cornell University, Ithaca, New York, USA</li> <li>- Ph.D. (Industrial Engineering), New Jersey Institute of Technology, Newark, New Jersey, USA</li> <li>- Director Certification Program (DCP) Thai Residential, Class 352/2023 (Nov 2023), Thai Institute of Directors Association</li> <li>- The Executive Program in Energy Literacy for a Sustainable Future, TEA Class 14</li> </ul>	<ul style="list-style-type: none"> <li>- 1997-Present Director The Thai Sugar Producers Association</li> <li>- Present Deputy Managing Director Thai Roong Ruang Industry Co., Ltd.</li> <li>- 2001-Present Director Thai Sugar Millers Co., Ltd.</li> <li>- 2001-Present Director Charoenvieng 2001 Co., Ltd.</li> </ul>	<ul style="list-style-type: none"> <li>- Economics</li> <li>- Agribusiness</li> <li>- Energy &amp; Utilities</li> <li>- Finance</li> <li>- IT Management</li> <li>- Data Analysis</li> <li>- Statistics</li> <li>- Project Management</li> <li>- Corporate Management</li> <li>- Engineering</li> <li>- Leadership</li> <li>- Strategic Management</li> </ul>
7. Mrs. Pavinee Meensuk Director	68	-	None	<ul style="list-style-type: none"> <li>- Bachelor's Degree in Accounting, Thammasat University</li> <li>- Bachelor's Degree in Law, Thammasat University</li> </ul>	<ul style="list-style-type: none"> <li>- 1989-Present Director Kerry Flour Mills Limited</li> <li>- 1990-Present Director KLN Seaport Limited</li> </ul>	<ul style="list-style-type: none"> <li>- Transportation &amp; Logistics</li> <li>- Law</li> <li>- Accounting</li> <li>- Finance</li> <li>- Human Resource Management</li> </ul>

## - Board of Directors (Continued)

Name of Director	Age (Years)	% of shareholding in the Company**	Family relationship between Director and Management	Education /Training	Current position in other company	Skill and Expertise
					Period, Position and Company	
				- Directors Accreditation Program (DAP) (December 2004), Thai Institute of Directors Association		- Data Analysis - Corporate Management - Change Management - Budgeting
8. Mr. Kledchai Benjaathonsirikul Independent Director and Chairman of Audit Committee	71	0.001%	None	- Bachelor's Degree in Law, University of Birmingham, England - Directors Accreditation Program (DAP) (May 2006), Thai Institute of Directors Association	- 2000-Present Director KLN Seaport Limited - 2019-Nov 2025 Non-Executive Director KEX Express (Thailand) Public Company Limited	- Transportation & Logistics - Law - Leadership - Strategic Management - Risk Management - Audit - Internal Control - Budgeting - Governance/ Compliance
9. Mr. Jayavadh Bunnag Independent Director and Member of Audit Committee	82	-	None	- LL.B., Chulalongkorn University - LL.M., Harvard Law School - Fellow of the Chartered Institute of Arbitrators (U.K.), Chartered Arbitrator - Adjunct Professor of Commercial Law, Thammasat University - Directors Accreditation Program (DAP) (2006), Thai Institute of Directors Association	- 1987-Present Managing Director ILCT Ltd.	- Law - Governance/ Compliance
10. Mr. Supot Singhasaneh Independent Director and Member of Audit Committee	77	-	None	- Bachelor's Degree in Accounting Thammasat University - Master of Finance, University of Michigan, USA - Certified Public Accountant - Ph.D. (Hon.) in Accounting Thammasat University	- 2018-Present Chairman of the Audit Committee TPI Polene Public Company Limited - 2018-Present Chairman of the Board of Directors and Chairman of the Audit Committee Samart Aviation Solutions Public Company Limited	- Accounting - Finance

## - Board of Directors (Continued)

Name of Director	Age (Years)	% of shareholding in the Company**	Family relationship between Director and Management	Education /Training	Current position in other company	Skill and Expertise
					Period, Position and Company	
				<ul style="list-style-type: none"> <li>- Ph.D. (Hon.) of Arts in Accounting Sripatum University</li> <li>- ASEAN Chartered Professional Accountant – Registration No. 000048</li> <li>- Director Certification Program, Class 90/2007, Thai Institute of Directors Association</li> <li>- Role of the Chairman Program, Class 18/2008, Thai Institute of Directors Association</li> <li>- Successful Formulation &amp; Execution of Strategy Program Class 4/2009, Thai Institute of Directors Association</li> </ul>	<ul style="list-style-type: none"> <li>- 2019-Present Chairman of the Board of Directors and Chairman of the Audit Committee Saksiam Leasing Public Company Limited</li> <li>- 2024-Present Chairman of the Audit Committee Fine Metal Technologies Public Company Limited</li> <li>- 2018-Present Member of the Audit Committee Thammasat University</li> <li>- 2022-Present Council Member Krirk University</li> <li>- 2022-Present Chairman of the Tax Auditor Examination Committee Revenue Department</li> <li>- Nov 2023-Present Member of the Audit Committee Office for National Education Standards and Quality Assessment (Public Organization)</li> </ul>	
11. Mrs. Wipada Tantiprabha Independent Director	66	-	None	<ul style="list-style-type: none"> <li>- Bachelor in Business Administration (Majoring in Accounting), 2<sup>nd</sup> Class Honors, Thammasat University</li> <li>- Master's Degree in Business Administration (Majoring in Accounting), The University of Texas at Austin, U.S.A.</li> <li>- Master's Degree in Business Administration, Thammasat University</li> </ul>	<ul style="list-style-type: none"> <li>- 2005-present Member and secretary of the Accounting Standard Board, Federation of Accounting Professions under the royal patronage</li> <li>- 2008-present Director of the Master's Degree Program in Accounting Faculty of Commerce and Accountancy, Thammasat University</li> <li>- 2020-Present Special teacher, Faculty of Commerce and Accountancy, Thammasat University</li> </ul>	<ul style="list-style-type: none"> <li>- Accounting</li> <li>- Finance</li> </ul>

**Remarks :** \*\* Including the shareholding of the spouse and minor children.

## - Executives

### - Shangri-La Hotel, Bangkok

Name	Age (Years)	% of shareholding in the Company**	Family relationship between Director and Management	Education / Background	Working Experience	Skill and Expertise
					Position and Company name	
1. Mrs. Yue Toy Hang General Manager	62	-	-	- Diploma of Civil Engineering, Federal Institute of Technology, Malaysia	- Nov 2011-Aug 2015 General Manager Shangri-La Rasa Sayang Resort & Spa, Penang - Sep 2015-Oct 2021 General Manager Shangri-La Rasa Sayang Resort & Spa, Penang & Golden Sands Resort, Penang	- Tourism & Leisure - Finance - Corporate Social Responsibility - Human Resource Management - Sustainability - Procurement - Fund Management - Data Management - Data Analysis - Negotiation - Corporate Management - Change Management - Leadership - Strategic Management - Risk Management - Audit - Internal Control - Budgeting - Governance/ Compliance
2. Mr. Alexander Michael Scott Resident Manager	42	-	-	- Bachelor of Business Administration in Hospitality & Tourism Management Macquarie University/ International College of Management Sydney, Australia	- Jan 2020-Jun 2022 Cluster General Manager The Oaks Sydney Goldsbrough Suites & Oaks Sydney North Ryde Suites (MINOR Hotels & Resorts, Sydney, Australia) - Jul 2022-Aug 2024 Director of Operations (Hotel Manager) Shangri-La Hotel, Sydney, Australia	- Food & Beverage - Professional Services - Tourism & Leisure - Corporate Social Responsibility - Human Resource Management - Sustainability - Procurement - Data Management - Data Analysis - Statistics - Digital Marketing - Brand Management

**- Executives (Continued)**

**- Shangri-La Hotel, Bangkok (Continued)**

Name	Age (Years)	% of shareholding in the Company**	Family relationship between Director and Management	Education / Background	Working Experience	Skill and Expertise
					Position and Company name	
						<ul style="list-style-type: none"> <li>- Negotiation</li> <li>- Project Management</li> <li>- Corporate Management</li> <li>- Change Management</li> <li>- Leadership</li> <li>- Strategic Management</li> <li>- Risk Management</li> <li>- Audit</li> <li>- Internal Control</li> <li>- Budgeting</li> <li>- Governance/ Compliance</li> </ul>
3. Ms. Ubonwadee Maneesai Area Financial Controller (The person who has been assigned the responsibility in the Company's accounting and finance department)	46	-	-	<ul style="list-style-type: none"> <li>- Master's Degree in Business Administration, Chulalongkorn University, Thailand</li> <li>- Company Secretary Program (CSP) (2020), Thai Institute of Directors Association</li> </ul>	<ul style="list-style-type: none"> <li>- Mar 2016-Jul 2019 Financial Controller Shangri-La Hotel, Chiang Mai</li> <li>- Jul 2019-Jul 2025 Director of Finance Mandarin Oriental, Bangkok</li> </ul>	<ul style="list-style-type: none"> <li>- Accounting</li> <li>- Finance</li> <li>- Audit</li> <li>- Tax</li> <li>- Internal Control</li> <li>- Budgeting</li> <li>- Governance/ Compliance</li> <li>- Strategic Management</li> <li>- Risk Management</li> </ul>
4. Mr. Almario Villanueva Mungcal Director of Commercial Marketing	49	-	-	<ul style="list-style-type: none"> <li>- Bachelor of Mass Communications, University of the Philippines</li> </ul>	<ul style="list-style-type: none"> <li>- Feb 2018-Feb 2020 Director of Online &amp; Marketing Communications Le Méridien Phuket Beach Resort</li> <li>- Jun 2021-Feb 2023 Director of Marketing Communications (Digital &amp; Field) W Koh Samui</li> </ul>	<ul style="list-style-type: none"> <li>- Economics</li> <li>- Commerce</li> <li>- Media &amp; Publishing</li> <li>- Tourism &amp; Leisure</li> <li>- Information &amp; Communication Technology</li> <li>- Marketing</li> <li>- Corporate Social Responsibility</li> <li>- Sustainability</li> <li>- Data Analysis</li> <li>- Digital Marketing</li> <li>- Brand Management</li> <li>- Negotiation</li> <li>- Corporate Management</li> </ul>



- Executives (Continued)

- Shangri-La Hotel, Bangkok (Continued)

Name	Age (Years)	% of shareholding in the Company**	Family relationship between Director and Management	Education / Background	Working Experience	Skill and Expertise
					Position and Company name	
						<ul style="list-style-type: none"> <li>- Change Management</li> <li>- Leadership</li> <li>- Strategic Management</li> <li>- Risk Management</li> <li>- Audit</li> <li>- Internal Control</li> <li>- Budgeting</li> <li>- Governance/ Compliance</li> </ul>
5. Ms. Puey Kee Lim Director of Commercial Sales	49	-	-	- Diploma in Secretarial Educational, Rima College, Malaysia	- Apr 2015-Jun 2022 Director of Sales Director of Events Management Shangri-La Hotel, Bangkok	<ul style="list-style-type: none"> <li>- Tourism &amp; Leisure</li> <li>- Marketing</li> <li>- Finance</li> <li>- Corporate Social Responsibility</li> <li>- Data Analysis</li> <li>- Digital Marketing</li> <li>- Change Management</li> <li>- Leadership</li> <li>- Strategic Management</li> <li>- Risk Management</li> <li>- Audit</li> <li>- Internal Control</li> <li>- Budgeting</li> <li>- Governance/ Compliance</li> </ul>
6. Mrs. Nuchanart Arterburn Director of Rooms	59	0.0002%	-	- Diploma Degree in Secretary, Kasem Polytechnic College	- Jul 2013-Dec 2023 Assistant Director of Rooms Shangri-La Hotel, Bangkok	<ul style="list-style-type: none"> <li>- Tourism &amp; Leisure</li> <li>- Corporate Social Responsibility</li> <li>- Sustainability</li> <li>- Change Management</li> <li>- Leadership</li> <li>- Strategic Management</li> <li>- Risk Management</li> <li>- Audit</li> <li>- Internal Control</li> <li>- Budgeting</li> <li>- Governance/ Compliance</li> </ul>

**- Executives (Continued)**

**- Shangri-La Hotel, Bangkok (Continued)**

Name	Age (Years)	% of shareholding in the Company**	Family relationship between Director and Management	Education / Background	Working Experience	Skill and Expertise
					Position and Company name	
7. Mr. Chee Hoong Lee Director of Engineering	67	-	-	<ul style="list-style-type: none"> <li>- Master of Business Administrative, University of Otago, New Zealand</li> <li>- Bachelor of Engineering (Electrical), University of Canterbury, New Zealand</li> </ul>	<ul style="list-style-type: none"> <li>- Aug 2014-Aug 2017 Cluster Chief Engineer The Mulia, Mulia Resort &amp; Villas, Bali, Indonesia</li> <li>- May 2019-Mar 2020 Director of Engineering – Projects Shangri-La Hotel, Kowloon, Hong Kong</li> <li>- Jun-Nov 2020 Director, Facilities- MEP Systems and Landscape, Marina Bay Sands Resort, Singapore</li> </ul>	<ul style="list-style-type: none"> <li>- Energy &amp; Utilities</li> <li>- Tourism &amp; Leisure</li> <li>- Corporate Social Responsibility</li> <li>- Project Management</li> <li>- Engineering</li> <li>- Architecture</li> <li>- Design</li> <li>- Change Management</li> <li>- Leadership</li> <li>- Strategic Management</li> <li>- Risk Management</li> <li>- Audit</li> <li>- Internal Control</li> <li>- Budgeting</li> <li>- Governance/ Compliance</li> </ul>
8. Mrs. Patchanee Phuritatt Director of Human Resources	45	-	-	<ul style="list-style-type: none"> <li>- Bachelor of Arts, Kasetsart University</li> </ul>	<ul style="list-style-type: none"> <li>- Oct 2015-Jul 2018 Training Manager / Senior Training Manager, Shangri-La Hotel, Bangkok</li> <li>- Aug 2018-Jul 2023 Assistant to Director of Human Resources Shangri-La Hotel, Bangkok</li> </ul>	<ul style="list-style-type: none"> <li>- Tourism &amp; Leisure</li> <li>- Corporate Social Responsibility</li> <li>- Human Resource Management</li> <li>- Sustainability</li> <li>- Change Management</li> <li>- Leadership</li> <li>- Strategic Management</li> <li>- Risk Management</li> <li>- Audit</li> <li>- Internal Control</li> <li>- Budgeting</li> <li>- Governance/ Compliance</li> </ul>
9. Mr. Jeremiah Timothy Stefan Director of Revenue Optimization	44	-	-	<ul style="list-style-type: none"> <li>- Bachelor of Economics, Wijaya Putra University, Surabaya</li> </ul>	<ul style="list-style-type: none"> <li>- Nov 2018-Feb 2021 Director of Revenue Strategy The Westin Kuala Lumpur</li> </ul>	<ul style="list-style-type: none"> <li>- Tourism &amp; Leisure</li> <li>- Information &amp; Communication Technology</li> </ul>

**- Executives (Continued)**

**- Shangri-La Hotel, Bangkok (Continued)**

Name	Age (Years)	% of shareholding in the Company**	Family relationship between Director and Management	Education / Background	Working Experience	Skill and Expertise
					Position and Company name	
					<ul style="list-style-type: none"> <li>- Mar 2021-Apr 2022 Cluster Director of Revenue Strategy Marriott International, Kuala Lumpur</li> <li>- May-Dec 2022 Marketing Director of Revenue Strategy Marriott International, Kuala Lumpur</li> </ul>	<ul style="list-style-type: none"> <li>- Finance</li> <li>- Corporate Social Responsibility</li> <li>- IT Management</li> <li>- Data Analysis</li> <li>- Statistics</li> <li>- Digital Marketing</li> <li>- Brand Management</li> <li>- Change Management</li> <li>- Leadership</li> <li>- Strategic Management</li> <li>- Risk Management</li> <li>- Audit</li> <li>- Internal Control</li> <li>- Budgeting</li> <li>- Governance/ Compliance</li> </ul>
10. Mr. Stephane Antoine Calvet Executive Chef	52	-	-	<ul style="list-style-type: none"> <li>- Technical Degree Baccalaureate with option Electronics St. Louise De Marillac-Perpignan France</li> <li>- HACCP Level 2 Highfield Qualifications</li> </ul>	<ul style="list-style-type: none"> <li>- Mar 2015-Mar 2018 Executive Chef Four Seasons Hotel Chiang Mai, Thailand</li> <li>- Mar 2018-Mar 2020 Executive Chef Four Seasons Hotel Bengaluru, India</li> <li>- Oct 2020-Mar 2023 Executive Chef Aberdeen Marina Club by Shangri-La Hongkong</li> <li>- Mar 2023- June 2025 Culinary Director One&amp;Only &amp; SIRO One Zaabeel Dubai, UAE</li> </ul>	<ul style="list-style-type: none"> <li>- Food &amp; Beverage</li> <li>- Professional Services</li> <li>- Tourism &amp; Leisure</li> <li>- Corporate Social Responsibility</li> <li>- Sustainability</li> <li>- Procurement</li> <li>- Data Analysis</li> <li>- Negotiation</li> <li>- Corporate Management</li> <li>- Change Management</li> <li>- Leadership</li> <li>- Strategic Management</li> <li>- Risk Management</li> <li>- Audit</li> <li>- Internal Control</li> <li>- Budgeting</li> <li>- Governance/ Compliance</li> </ul>

**Remarks :** \*\* Including the shareholding of the spouse and minor children.

## - Executives (Continued)

### - Shangri-La Hotel, Chiang Mai

Name	Age (Years)	% of shareholding in the Company**	Family relationship between Director and Management	Education / Background	Working Experience	Skill and Expertise
					Position and Company name	
1. Mr. Gabriele Lombardo General Manager	54	-	-	- Bachelor Degree in Hospitality Sciences, Ecole Hoteliere de Lausanne, Switzerland	<ul style="list-style-type: none"> <li>- Oct 2014-Jan 2015 Secondment to Shangri-La's Villingli Resort &amp; Spa, Maldives as Stand-in General Manager</li> <li>- Jan 2015-May 2015 Secondment to Corporate Office on special Project assignment</li> <li>- May 2015-Feb 2017 General Manager Shangri-La's Le Touessrok Resort &amp; Spa, Mauritius</li> </ul>	<ul style="list-style-type: none"> <li>- Economics</li> <li>- Food &amp; Beverage</li> <li>- Fashion</li> <li>- Home &amp; Office Products</li> <li>- Automotive</li> <li>- Tourism &amp; Leisure</li> <li>- Marketing</li> <li>- Corporate Social Responsibility</li> <li>- Human Resource Management</li> <li>- Sustainability</li> <li>- Digital Marketing</li> <li>- Project Management</li> <li>- Corporate Management</li> <li>- Design</li> <li>- Change Management</li> <li>- Leadership</li> <li>- Strategic Management</li> <li>- Risk Management</li> <li>- Audit</li> <li>- Internal Control</li> <li>- Budgeting</li> <li>- Governance/ Compliance</li> </ul>
2. Ms. Wiyada Sornprapha Director of Sales and Marketing	57	-	-	- Master of Business Administration – Marketing, University of New Haven, United States of America	<ul style="list-style-type: none"> <li>- Dec 2011-Jun 2013 Director of Conventions &amp; Incentive Sales Thailand Shangri La Hotel, Bangkok</li> <li>- Jul 2013-Dec 2013 Director of Sales Shangri La Hotel, Chiang Mai</li> </ul>	<ul style="list-style-type: none"> <li>- Commerce</li> <li>- Professional Services</li> <li>- Tourism &amp; Leisure</li> <li>- Marketing</li> <li>- Data Analysis</li> <li>- Digital Marketing</li> <li>- Brand Management</li> <li>- Negotiation</li> <li>- Project Management</li> <li>- Corporate Management</li> </ul>

## - Executives (Continued)

### - Shangri-La Hotel, Chiang Mai (Continued)

Name	Age (Years)	% of shareholding in the Company**	Family relationship between Director and Management	Education / Background	Working Experience	Skill and Expertise
					Position and Company name	
						<ul style="list-style-type: none"> <li>- Leadership</li> <li>- Strategic Management</li> <li>- Budgeting</li> </ul>
3. Mr. Songkran Tiranon Financial Controller	45	-	-	- Bachelor of Accounting, Thonburi University	<ul style="list-style-type: none"> <li>- Nov 2014-Dec 2019 Chief Accountant Shangri-La Hotel, Chiang Mai</li> <li>- Dec 2019-Jun 2023 Asst. Financial Controller Shangri-La Hotel, Chiang Mai</li> </ul>	<ul style="list-style-type: none"> <li>- Economics</li> <li>- Banking</li> <li>- Finance &amp; Securities</li> <li>- Insurance</li> <li>- Commerce</li> <li>- Accounting</li> <li>- Finance</li> <li>- Procurement</li> <li>- Leadership</li> <li>- Strategic Management</li> <li>- Audit</li> <li>- Internal Control</li> <li>- Budgeting</li> <li>- Governance/ Compliance</li> </ul>
4. Ms. Sukanya Jittanan Director of Human Resources	49	-	-	- Bachelor of Laws Chiang Mai University	<ul style="list-style-type: none"> <li>- Apr 2011-Jan 2016 Human Resources Manager Four Seasons Resort, Chiang Mai</li> <li>- Jan 2016-Jun 2019 Director of Human Resources Park Hyatt, Bangkok</li> </ul>	<ul style="list-style-type: none"> <li>- Home &amp; Office Products</li> <li>- Tourism &amp; Leisure</li> <li>- Law</li> <li>- Corporate Social Responsibility</li> <li>- Human Resource Management</li> <li>- Sustainability</li> <li>- Data Management</li> <li>- Leadership</li> <li>- Strategic Management</li> <li>- Budgeting</li> <li>- Governance/ Compliance</li> </ul>
5. Mr. Boo Aik Ming Director of Food and Beverage	33	-	-	- Bachelor's Degree In Hotel Management University Malaysia Sabah	<ul style="list-style-type: none"> <li>- Mar 2018-Dec 2021 Outlet Manager, Shangri-La Rasa Sayang- Malaysia</li> <li>- Jan 2022-May 2025 Asst. F&amp;B Director, Shangri-La Rasa Sayang Malaysia</li> </ul>	<ul style="list-style-type: none"> <li>- Food and Beverage</li> <li>- Professional Services</li> <li>- Tourism &amp; Leisure</li> <li>- Marketing</li> <li>- Budgeting</li> <li>- Strategic Management</li> <li>- Leadership</li> </ul>

**- Executives (Continued)**

**- Shangri-La Hotel, Chiang Mai (Continued)**

Name	Age (Years)	% of shareholding in the Company**	Family relationship between Director and Management	Education / Background	Working Experience	Skill and Expertise
					Position and Company name	
6. Mr. Chalerm Proka Director of Engineering	58	-	-	- Bachelor of Engineering, Rajamangala University of Technology	- Aug 2017-Nov 2019 Chief Engineer 137 Pillar House, Chiang Mai, Thailand - Nov 2019-Dec 2025 Chief Engineer, Shangri-La Hotel, Chaing Mai	- Industrial Materials & Machinery - Construction Materials - Energy & Utilities - Engineering - Architecture - Leadership

**Remarks :** \*\* Including the shareholding of the spouse and minor children.

## - Company Secretary

Name	Age (Years)	% of shareholding in the Company**	Family relationship between Director and Management	Education Background	Working Experience
					Position and Company name
Ms. Nongthanus Tansavatdi	50	-	-	<ul style="list-style-type: none"> <li>- Bachelor of Law Chulalongkorn University</li> <li>- Master of Science Human Resources Management Chapman University, USA</li> <li>- Master of Comparative Law Indiana University, Bloomington, USA</li> <li>- Master of Law (LLM) Indiana University, Bloomington, USA</li> </ul>	<ul style="list-style-type: none"> <li>- Apr 2015-Jan 2020 Vice President Head of Contracts and Commercial Department Total Access Communication Public Company Limited</li> </ul>

**Remarks :** \*\* Including the shareholding of the spouse and minor children.

## Attachment 2

### Details of the directors of Subsidiaries

#### Directorship of the Board of Director in Subsidiaries and Associated Companies

Name of Director	Company	Subsidiaries Companies						Associated Companies		
		Town Development Co., Ltd.	Apizaco Limited	Zukerman Limited	Hasfield Holdings Pte Ltd	Traders Hotel and Resort Limited	TRR-Kerry Development Co., Ltd.**	Traders Yangon Company Limited	Shangri-La Yangon Company Limited	Traders Square Company Limited
1. Mr. Maris Pakdeetaveevivat	/	/	/		/	/				
2. Mr. Christopher Phong Siew San	/	/	/	/	/			/	/	/
3. Mr. Wu Hoi Fai Alfred	/				/			/	/	/
4. Mrs. Chanida Asdathorn	/	/				/				
5. Mr. Surin Asdathorn	/									
6. Mr. Nutthapol Asadathorn	/	/								
7. Mrs. Pavinee Meensuk	/	/				/				
8. Mr. Kledchai Benjaathonsirikul	/									
9. Mr. Jayavadh Bunnag	/									
10. Mr. Supot Singhasaneh	/									
11. Mrs. Wipada Tantiprabha	/									

**Remarks :** / = Director

X = Chairman

\*\* TRR-Kerry Development Co., Ltd. was registered for dissolution on 15 September 2025 and is currently in the liquidation process.



## Attachment 3

### Details of the Internal Audit and Compliance Units

Name	Age (Years)	% of shareholding in the Company	Family relationship between Director and Management	Education History	Working Experience		Attending Internal Audit training program
					Period	Company and Position	
Ms. Pastharee Theerajittiwong (Internal Audit Manager)	32	-	-	- Bachelor of Accounting, Thammasat University	May 2015-Jun 2018	- Senior Assurance EY Company Limited	-
					Sep 2018-Jan 2022	- Corporate Account Supervisor Shangri-La Hotel Public Company Limited	

The Company has an established Internal Audit Department responsible for providing independent oversight and ensuring effective checks and balances over management processes. The department also follows up on the outcomes of Shangri-La Group Internal Audit ("GIA") reports and works with the GIA and the local operations team in carrying out internal control activities.

The Internal Audit Department reports directly to the Audit Committee to ensure that the Company's key operational and significant financial activities are conducted in accordance with the established policies, procedures, and guidelines of the Shangri-La Group.

The Company does not have the Head of the Compliance Unit; however, the Board of Directors has assigned the Company Secretary to give advice on rules, regulations, laws, and regulations related to the company's business. The Secretary also has duties to supervise and coordinate the activities of the Board of Directors and Executives to comply with the resolutions of the Board of Directors and shareholders' resolutions and to ensure that the disclosure of financial reports, important information, and other information that may affect the decision of investors and shareholders is accurate, complete, and in a timely manner as required by law and in accordance with the criteria set by the Stock Exchange of Thailand and the SEC Office. There is also a General Manager to supervise the administration in accordance with the policies received from the Board in order to achieve the Company's objectives.

# Attachment 4

## Assets used in Business Operations and Detail of Asset Appraisal

- **Assets used in business operations**

The Company has assets used in business operations as per details appeared in this report under the section “Assets Used in Business Operations”.

- **Asset Appraisal**

None

# Attachment 5

## Unabridged policy and Guidelines on Corporate Governance and Unabridged Code of Business Conduct prepared by the Company

### CORPORATE GOVERNANCE POLICY

The Company firmly recognizes and upholds the importance of good corporate governance principles, with the conviction that the compliance with good corporate governance principles will ensure the success and achievement of the Company's objectives, resulting in long-term sustainable growth of the Company. In addition, good corporate governance will create confidence among investors, financial institutions, business partners, and all stakeholders. The Board of Directors has, therefore, considered implementing the Principle of Good Corporate Governance for Listed Companies 2017 or the Corporate Governance Code (CG Code) issued by the Office of Securities and Exchange Commission (SEC), by considering and realizing its role as a leader of the organization (Governing Board) as well as deliberately contemplating and acknowledging the advantage and significance of CG Code compliance, which focuses on the integration and corporate governance used to create value for the business for sustainable development. The appropriate definition of structure, qualification, and scope of authority of the Board of Directors will benefit the operational efficiency. Likewise, the person to be appointed as a director of the Company shall have knowledge, ability, experience, vision, and honesty as well as devote time to the Company in order to fully perform as a director of the Company and have an independence towards decision making for the best interests of the Company and its shareholders as a whole.

### Scope of Responsibility of the Board of Directors

The Board of Directors is responsible for the operation of the Company as well as directing the Company's conduct in compliance with the objectives and guidelines to maintain the highest interests of the Company with fairness to all stakeholders. The Board of Directors shall also direct the Company's operation in compliance with the laws, objectives, Articles of Association, resolutions of the Board of Directors' Meeting and resolutions of Shareholders' Meetings in good faith and with care, prudence, integrity, and be consistently responsible to shareholders. The Board of Directors also has the following duties:

#### **Take responsibility as the leaders who sustainably bring value to the Company's business**

1. Directing the Company's visions, missions, and business strategies, and operational policies as well as allocating key resources to achieve the objectives and goals of the Company's business operations, creating value for the entire Company, customers, stakeholders, and society as a whole in a sustainable manner.

2. Following up and supervising the results of operations to be reported to the Board of Directors on a regular basis as well as evaluating and improving the efficiency of business operations.

3. Overseeing good corporate governance policy and Code of Conducts and Ethics including ensuring communication with all directors, executives, and employees for their acknowledgment, understanding, and practical implementation, as well as monitoring performance and regularly reviewing policies and practices.

4. Overseeing to ascertain the directors and executives performing their duties with responsibility, caution, and honesty to the organization as well as ensuring that the operation is performed in accordance with the laws, regulations, and resolutions of the shareholders' meetings.

5. Establishing a process for approving important operations such as investments and other important matters which have high risks and impact the Company.

### **Defining key objectives and business goals that promote sustainable value creation**

6. Directing or ensuring the Company's objectives and goals can create value to the Company, stakeholders, and society as a whole, taking into account the environment and changes on various factors as well as opportunities and acceptable risks, needs of customers and stakeholders, readiness, expertise, competitiveness of the business including the appropriate use of innovation and technology.

7. Overseeing to ascertain the transmission of objectives and goals through strategies and plans across the organization, ensuring appropriate resource allocation and operational control as well as monitoring the implementation of strategies and annual plans.

### **Strengthening Board effectiveness**

8. Defining and reviewing the structure of the Board of Directors, number of directors, proportion of independent directors as well as Board diversity and director qualifications, including knowledge, expertise, experience, specializations, gender, and age to align with the Company's business operations and achieve the objectives and main goals of the organization; and appointing the chairman and members of sub-committees to assist and support the Board's discharge of duties.

9. Selecting and nominating a person suitable to be a director; and ensuring that the composition and operation of the Board facilitate independent decision-making.

10. Overseeing the selection and nomination process of a director to ensure that it is carried out transparently and the remunerations for directors and Sub-committee members are determined appropriately and in line with their responsibilities to provide both short-term and long-term incentives.

11. Devoting sufficient time to perform their duties, attending all meetings of the Board of Directors and Shareholders' Meetings, except in unavoidable circumstances. The directors who are unable to attend a meeting must notify the Chairman or the Company Secretary in advance of the meeting.

12. Developing their knowledge and competency related to their duties through courses or curricula related to directorial duties or seminars that enhance their knowledge; and ensuring the newly appointed directors receive advice and useful information for performing their duties.

13. Overseeing to ascertain a framework and mechanism to oversee and monitor the policies and operations of subsidiaries and other businesses in which the Company has significantly invested appropriately for each business, including the appointment of persons to be directors, executives, or authorized persons.

#### **Nominating executives and developing their skills and knowledge and managing the Company personnel**

14. Overseeing to ascertain the nomination of managing director and executive management and providing development and training for managing director and executive management to have knowledge, skills, experiences and qualifications necessary for the work; and ensuring the effective performance assessment of top executives on an annual basis as well as determining appropriate remuneration in line with their responsibilities and operating results to provide both short-term and long-term incentives.

15. Overseeing and monitoring the management and development of personnel to have appropriate quantity, knowledge, skills, experience, motivation, and fair treatment; and encouraging employees to have knowledge and understanding of money management, investment suitable to the age, and risk level as well as ensuring the provident funds or other mechanisms are established to ascertain that employees have sufficient savings for retirement.

#### **Promoting innovation and business responsibility**

16. Overseeing and supporting the creation of innovations causing value for the Company along with benefits for all stakeholders based on ethics; and being responsible for the society and environment as well as ensuring the efficient and effective management and allocation of resources in order to sustainably achieve the objectives and main goals.

17. Overseeing and monitoring IT management to be in line with the business needs; and increasing business opportunities as well as having the implementation of the IT security system, taking into account the risks involved.

#### **Monitoring the implementation of effective risk management and internal control systems**

18. Overseeing to ensure effective risk management systems pursuant to internal control of Shangri-La Group together with reviewing and assessing the systems periodically and in the wake of a change in risk levels.

19. Establishing the Audit Committee that can perform their duty effectively, which consists of not less than three directors all of whom are independent directors; and providing mechanisms or tools that allow the Audit Committee to access information necessary for their operation.

20. Selecting an independent person or internal audit office to be responsible for developing and reviewing the efficiency of risk management and internal control systems as well as reporting to the Audit Committee and disclosing the review report in the annual report.

21. Monitoring and managing any potential conflicts of interest between the Company, the Management, the Board of Directors, or shareholders as well as ensuring that there are guidelines

and procedures ascertaining such processes are in accordance with the procedures and disclosures required by law, and that they are mainly for the benefit of the Company and shareholders as a whole without stakeholders' participation in decision-making; and overseeing the prevention of the inappropriate use of the Company's assets and information as well as preventing inappropriate transactions with related parties.

22. Encouraging staff at all levels to be conscious of ethics and morality and to comply with the Code of Conduct; providing anti-corruption guidelines as well as supporting activities that promote and instill in all employees to comply with the applicable laws and regulations.

23. Overseeing and monitoring to ensure that there are mechanisms and channels that are convenient for receiving complaints, management processes (recording, auditing, tracking progress, resolving problems, reporting), and appropriate protection measures for whistleblowers.

#### **Maintaining accountability of disclosure of information and financial integrity**

24. Overseeing and monitoring to ensure that the preparation of financial statements and disclosure of material information are accurate, sufficient, and timely and are in compliance with the relevant regulations, standards, and guidelines.

25. Overseeing and monitoring the Company's liquidity and debt service coverage together with emergency plans and mechanisms in case of problems arising.

26. Ensuring an annual sustainability report is prepared in accordance with the international reporting framework.

27. Ensuring the establishment of a dedicated function responsible for regular, effective, and fair communication with shareholders and other stakeholders (such as analysts and potential investors).

28. Encouraging the current, accurate, and timely disclosure of information in both Thai and English.

#### **Ensuring engagement and communication with shareholders**

29. Ensuring that shareholders have the opportunity to participate effectively in decision-making involving the Company's significant matters, and that the shareholders' meetings are held as scheduled, and conducted properly, with transparency and efficiency as well as ascertaining inclusive and equitable treatment of all shareholders and their ability to exercise their rights as appropriate; and ensuring accurate, timely and complete disclosure of shareholder resolutions and preparation of the minutes of the shareholders' meetings.

### **Role and Responsibilities of the Chairman of the Board of Directors**

The Chairman of the Board of Directors has the following roles and responsibilities:

1. Setting Board meeting agenda in consultation with the managing director and ensuring that Board members receive accurate, complete, timely, and clear information prior to the meeting to assist in their decision making process.

2. Leading and directing the Board of Directors and chairs meetings of the Board.

2.1 Conducting a Board meeting according to the agendas, the Company's Articles of Association, and applicable laws.

2.2 Encouraging and allocating sufficient time to each Board member to discuss and express their free and frank opinion with due circumspection and concern for all stakeholders.

2.3 Summing up the Board meeting resolutions and the actions to take clearly.

2.4 Setting up a Board meeting without the presence of the Executive Director.

3. Chairing meetings of shareholders according to the agendas, the Company's Articles of Association, and applicable laws by allocating time appropriately along with providing opportunities for shareholders to express their opinions equitably and ensuring that shareholders' inquiries are responded to appropriately and transparently.

4. Supporting and being a role model in compliance with the principles of good corporate governance and the Company's Code of Conduct.

5. Fostering a positive working relationship between the Board of Directors and the Management and supports the performance of the duties of the managing director and the Management in accordance with the Company's policy.

6. Overseeing to ensure the transparent disclosure of information and management in the event of conflicts of interest.

7. Overseeing to ensure the Board of Directors has appropriate structure and composition.

8. Overseeing that the Board of Directors as a whole, Sub-committee members, and each individual director perform their duties effectively and efficiently.

9. Performing any other duties as required by law.

## **Composition of the Board of Directors**

The composition of the Board of Directors is as follows:

1. The Board of Directors consists of not less than five members, each of whom shall be appointed and removed by shareholders' meeting. In order for the Company to perform its duties efficiently, not less than half of the directors shall be residents of Thailand.

2. The Board of Directors consists of at least one-third but not less than three persons or has the proportion of independent directors according to the law or the Office of the Securities and Exchange Commission (SEC), being independent directors.

3. The Board of Directors shall elect one of their members to be the Chairman of the Board.

## **Qualifications of Directors**

The directors of the Company shall have the following qualifications:

## Directors

1. Being duly qualified and have no prohibited characteristics pursuant to the Public Limited Company Act, requirements of the Securities and Exchange Commission, and requirements of the Stock Exchange of Thailand.
2. Being an expert with knowledge, capability and experience that is beneficial to the Company's operations. Being able to devote sufficient time fully to perform his/her duty. Being an ethical and integrity filled leader as well as possessing good background experience.
3. Performing duties and using discretion independently in making decisions on various matters both from the management and majority shareholders. Each director has the duty and freedom to ask questions, express opinions, visions, or objections in case of conflicts in order to manage the Company's operations to be a sustainable business; and being a business leader who will bring the utmost benefit to the Company, shareholders, and stakeholders.
4. Being able to have their profiles disclosed and verified.

## Independent Directors

1. Shall hold no more than one percent of all the voting shares of the Company, parent company, subsidiaries, affiliates, major shareholders or controller persons. An independent director's shares must include those held by any person related to that independent director.
2. Shall not be nor ever have been a director who is involved with management, an employee, a salaried adviser, or a controlling person of the Company, or any of its subsidiaries, affiliates, major shareholders or controlling person. An exception is made in the case of a candidate who used to hold one of the positions mentioned above but left it at least two years prior to the date of appointment.
3. Shall not have familial (bloodties or legal) relations to individuals, other directors, an executive, a major Shareholder, a controlling person, or a person who is about to be nominated as a Director, an executive or a controlling person of the Company or any of its subsidiaries.
4. Shall not have nor ever had a business relationship with the Company, parent company, or any of its subsidiaries, affiliates, major shareholders, or controlling person in a manner that might obstruct their independent use of discretion. In addition, they must not be nor have ever been a significant shareholder or a controlling person of an entity having a business relationship with the Company, or any of its subsidiaries, affiliates, major shareholders or the Company controlling person. An exception is made in the case of a candidate who used to have such a relationship or hold one of the positions mentioned above but ended it or left it at least two years prior to the date of appointment.
5. Shall not be nor ever have been an auditor of the Company, parent company, or any of its subsidiaries, affiliates, major shareholders or controlling individuals/entities. In addition, he/she shall not be a significant shareholder, a controlling individual or a partner of the audit firm where the auditors of the Company, parent company, or any of its subsidiaries, affiliates, major shareholders or controlling person work. An exception is made in the case of a candidate who used to hold any of the positions mentioned above but left it at least two years prior to the date of appointment.



6. Shall not be nor ever have been a provider of any professional service (including services as a legal or financial adviser) who receives remuneration to the amount of over two million baht per year from the Company, parent company, or any of its subsidiaries, affiliates, major shareholders or controlling person. In addition, he/she shall not be a significant shareholder, a controlling person or a partner of a provider of such professional services. An exception is made in the case of a candidate who used to hold any of the positions mentioned above but left it at least two years prior to the date of appointment.

7. Shall not be appointed as an agent of the Company's director, a Company's major shareholder, or a Company's shareholder connected with a Company's major shareholder.

8. Shall not own businesses that are in the same industry and be in significant competition to the business of the Company or any of its subsidiaries. He/she shall not be significant partners in a limited partnership or directors who are involved in management, employees, and salaried advisers or own more than one percent of all voting shares of another firm that runs a business that is in the same industry as and is in significant competition with the business of the Company or any of its subsidiaries.

9. Shall not have any other characteristics that might hinder the independence of their opinions about the Company's operations.

## **Director Nomination**

The Board of Directors considers the nomination of the Company's directors from a list of names proposed by the Company's directors, shareholders, or as compiled from reliable sources; and considers selecting persons with qualifications, knowledge, ability and relevant work experience, including the composition, age, gender, diversity in professional skills, specialization skills that are still lacking as criteria for considering the nomination of the Company's directors as well as the qualifications of a director or independent director set forth pursuant to the Public Limited Company Act, Securities and Exchange Act, and other relevant laws and regulations of the Company as stipulated. The Board of Directors subsequently presents to the shareholders' meeting for further approval.

## **Term of Office**

At the annual general meeting (AGM) of shareholders, one-third of the directors, or if their number is not in multiples of three, the number nearest one-third, shall retire from the office. The directors to be retired shall be considered from the directors who have been in office the longest. A director has a term in office for not more than nine consecutive years. The director who retires by rotation is eligible to be nominated to the shareholders' meeting for re-appointment. In addition, any independent director being suitable to continue holding the position after the expiration of the term may be considered by the Board of Directors for independence, suitability, and efficiency in

performing duty. The Board of Directors thereby clarifies the reasons and performance of duties to the shareholders in order to consider and select such an independent director who has been an independent director for more than nine consecutive years to continue being an independent director of the Company.

In case of vacancy on the Board of Directors for any reasons other than the retire by rotation, the Board of Directors shall appoint a person who is fully qualified and not prohibited by law to be the substitute director. If the remaining term of office of the said director is less than two months, the substitute director shall hold office only for the remaining term of office of the director whom he/she replaces. In this regard, such appointment shall be approved by the Board of Directors with a vote of not less than three-fourths of the number of remaining directors.

## **Meeting of the Board of Directors**

The Board of Directors has stipulated that there shall be ordinary meetings on a quarterly basis. In addition, extraordinary meetings can be held as necessary. The meetings are scheduled in advance throughout the year according to the laws and the Company's Articles of Association.

In order to promote the regular attendance of the Board of Directors' meeting, the Company has allowed the meetings to be attended in person and through electronic means to enable discussions and exchange of opinions among directors who may not be in the same location.

## **Authority of Directors**

The Board of Directors has authority to approve various matters in accordance with the scope of authority stipulated by laws, the Company's Articles of Association, and the shareholders' meeting resolution. Such matters include the delegation of authority, defining and reviewing corporate vision, mission, operating strategies, operating plans, annual budget and business plans, and medium-range business plans. Added to this is the defining of the target operating results, following up and assessing the operating results to ensure they are consistent with the plan, and overseeing capital expenditure, material connected transactions, merger and acquisition, corporate spin-off, and joint venture deals.

## **Monitoring and Assessment**

The Board of Directors stipulates that management shall regularly report on the Company's performance by comparing what actually happened with the set goals, along with financial reports and progress of operations in various areas of the Company in order to achieve business goals; otherwise, the Board of Directors will ensure the improvement and oversee the management to correct the situation along with the continuous development of that matter.

## **The Directors and Executives Remuneration**

The Board of Directors considers and determines remuneration for the Company's directors under appropriate and verifiable processes before presenting to the shareholders for further consideration and approval of the Company's director remuneration. Regarding the determination of the remuneration for the Company's directors, the Board of Directors will consider comparing references from companies in the industry and businesses of similar size. The remuneration shall be appropriate and consistent with the duties, performance, and responsibilities assigned, including being able to attract qualified directors who can complete their duties to achieve a desirable goal and direction for the Company.

For the executives' remuneration, the Company considers duties, responsibilities, and individual performance together with the operating performance of the Company. The remuneration is adjusted appropriately when compared with the same industry and at a level that is able to motivate and retain qualified directors and executives.

## **The Directors' Development**

The Company supports and encourages all directors to attend seminars and study in various beneficial and comprehensive training courses organized by the Thai Institute of Directors Association (IOD) and the Stock Exchange of Thailand, including independent organizations or agencies in order to perform duties efficiently and suitably for changes in external circumstances and the Company's sustainable development.

## **The Company Secretary**

The Board of Directors has appointed a Company Secretary in order to comply with the law and good corporate governance principles. The Company Secretary is responsible for giving advice on rules, regulations, laws and other rules related to the Company's business, and also supervising and coordinating activities of the Board of Directors and executives in accordance with the resolutions of the Board of Directors and the resolutions of the shareholders. Besides he or she also has to ensure that the disclosure of financial reports, important information as well as other information that may affect the decisions of investors and shareholders are accurately, completely, and timely done as required by law and in accordance with the criteria set by the Stock Exchange of Thailand and the Office of the Securities and Exchange Commission.

## **The Sub-committee**

The Board of Directors appoints one sub-committee to assist in supervising the Company's operations, namely the Audit Committee. The composition, qualifications, meetings, term of office,

and scope of duties responsibilities of the committee will be as stipulated by the Board of Directors regarding the Audit Committee appointment. The meetings for the Audit Committee are stipulated in advance where the additional meetings can be stipulated as necessary. The meeting minutes are prepared in writing and kept systematically as well.

In addition, the Board of Directors stipulates details of the structure, composition, roles, duties and responsibilities, performance, meeting attendance, and remuneration for sub-committees in the Annual Registration Statement/Annual Report (Form 56-1 One Report).

## **Stakeholder Engagement**

The Company is committed to undertake business with integrity and responsibility to the community as well as operating by adhering to the principle of creating core values shared between the organization and all stakeholders for sustainable mutual benefits. The Company stipulates a process to promote cooperation between the Company and all stakeholders, including customers, employees, business partners, shareholders or investors, creditors and communities, society or the government sector. and other groups of stakeholders, namely competitors, for instance. in creating stability and sustainability of the business. In order to create stability and sustainability to business, the Company emphasizes the rights of all groups of stakeholders as follows:

### **1. Shareholders**

The Company values the shareholders as the owners of the Company; therefore, it stipulates the Board of Directors as the representatives of shareholders. The executives and employees of the Company also have a duty to conduct business in order to maximize benefits and add value to shareholders in the long run.

The Company respects the rights of shareholders and recognizes the duty to treat shareholders equally including the basic rights set forth by law and the Company's regulations such as the right to attend the shareholders' meeting, elect directors, receive fair returns; and provides the right to shareholders to suggest various opinions over business operations of the Company through independent directors.

### **2. Employees**

#### **Labour and Human Rights**

Regarding the treatment of employees who are considered a valuable human resource, the Company has a policy that employees shall be treated fairly in terms of remuneration and potential development as well as ensuring quality of life, safety, and hygiene in the workplace. For the remuneration, the Company has a guideline to consider based on the ability level and effective performance. The Company recognizes human rights principles; therefore, does not have a policy of discrimination, but ensures equality of opportunities for all employees as well as considering employment without discrimination of origin, race, ethnicity, color, national or social origin, religion,

social status, gender, age, physical appearance or figure, language, political opinion, property or other status, or any disability that is not related to the operation. The Company cares and treats all employees equally and provides appropriate returns.

### **Employee Treatment**

#### **Remuneration Management**

The Company clearly stipulates the employee remuneration management policy and its procedures which are disclosed in the personnel management regulations. There is an appropriate remuneration structure for each position level. The company stipulates the remuneration management budget that is in line with the Company's performance both in the short and long terms. The short-term remuneration is based on the Company's performance each year. For long-term remuneration, it is considered based on the results of long-term business plans, such as business expansion, profit growth rate, market share, and continuous improvement of operational efficiency.

#### **Welfare Management**

The Company clearly stipulates employee remuneration management policy and its procedures, focusing on welfare arrangements to all groups of employees appropriately and fairly by having a review of various welfare arrangements on a regular basis according to the change of economic and social conditions. Welfare arrangements for employees cover all periods from employment to retirement as well as covering all aspects from welfare related to work (e.g. allowances, travel expenses uniforms), health welfare, (e.g. annual health check-up) and other welfare benefits or assistance to employees in various circumstances (e.g. provident fund, health and accident insurance, opportunity allowance).

#### **Long-Term Employee Treatment**

The Company has a policy to continuously treat its employees in the long run by providing a provident fund (the employees who are members will pay monthly contributions to the fund at the rate of five percent of employee wages whilst the Company will pay a monthly contribution to the fund at the rate of five percent of the employee's wages according to the period of work of the employee).

#### **Employee Development and Training Hours**

The Company establishes a strategy for employees learning and development by requiring employees to attend not less than 48 hours of internal and external training per year as for training and self-development to their operations. In this regard, the Company also provides training by inviting external speakers with expertise to educate employees regularly.

### **3. Customers**

The Company is committed to provide maximum satisfaction to the customers by taking care and taking responsibility as well as providing services to customers according to the set standards, safeguarding customers' confidentiality, not disclosing information without the permission of the customers. The Company has a system and a unit responsible for receiving customers' complaints as

well as having guidelines to expedite the process of finding a fair resolution and resolving such complaints as soon as possible.

#### **4. Business Partners**

The Company complies with the framework of honest and transparent trade competition by strictly adhering to trade and contractual conditions as defined with business partners with the consideration of a fair price taking into account the reasonableness of price, quality, and service received. The Company stipulates clear regulations for procurement and various actions as well as not demanding or accepting any assets or benefits from business partners; and supports environmentally and friendly procurement and does not conduct business with business partners whose business behavior is illegal.

The Company stipulates guidelines for the management and selection of business partners by clearly specifying the procurement and selection policy, qualification, business process that is systematic, fair, and transparent; and supports business partners who conduct their business with integrity, social and environmental responsibility, and does not engage in transactions with individuals or juristic persons that violate the law or have behaviors that indicate corruption.

#### **5. Community**

The company is aware of being a part of the community for helping each other in society. In order to give back to the local communities where the company is located and beyond, as well as providing significance to the needs of the community, the Company continuously participates in various social assistance activities. For giving back to society in a larger scale, the Company organizes activities to promote the quality of communities in various aspects including donations for the public benefit for a long time.

#### **6. Governmental Organizations and related parties**

The Company strictly complies with relevant laws in various fields in terms of environment, safety, labor, tax management, and accounting, including regulations and announcements of the government related to the business operations of the Company. The Company does not take any action that may induce government officials to take improper actions; and supports government activities and listens to opinions, suggestions, or complaints of various related government agencies and related parties.

In addition to the above-mentioned operational guidelines, the Board of Directors stipulates guidelines for other areas of action related to social responsibility and preservation and protection of the interests of stakeholders as follows:

##### **Guideline for Actions on Human Rights Violations**

The Company respects the human rights of employees and other stakeholders. The Company will not discriminate against any person with differences in concepts, race, nationality, skin color, religion, gender, sexual preference, culture, or any other status that is considered a human right, as

well as applying appropriate human rights practices to the organization; and will not support or participate in any with persons and/or activities involved in human rights violations.

#### Guideline for Anti-Corruption

The Company has a policy to support anti-bribery and corruption in any and all cases; and provides cooperation with various agencies fighting against corruption as appropriate. At the same time, the Company stipulates that all directors, executives, and employees of the Company shall not participate in corruption and not give or accept bribes from public or private officials, both directly and indirectly in order to obtain or maintain business or competitive advantages or take advantage of donations; and provides continuous communication and education to employees about anti-corruption practices. The Company also arranges an inspection and assessment of corruption; and monitoring the result of the compliance with guidelines for anti-bribery and corruption of the Company on an ongoing and appropriate basis in order to ensure that the Company's business operations will be in accordance with the intentions in such matters.

#### Guidelines for Whistleblowing and Complaints

The Company provides measures for overseeing and channels for all stakeholders which includes employees in notifying clues or making complaints for suspected violations or non compliance with laws, rules, regulations, or good corporate governance policies as well as inaccurate financial reporting, or defective internal control system to the Audit Committee directly through various channels, by giving access to a channel through the Company's website as follows:

### **Whistleblowing Channels or Complaint**

Report complaints or clues about misconduct and corruption through various channels as deemed appropriate as follows:

1. If employees have whistleblowing concerns, they may raise their concerns with the relevant line manager or Division Head. They may be able to agree a way of resolving their whistleblowing concerns quickly and effectively. In some cases, they may refer the matter to the Whistleblowing Officer.
2. If employees, who consider the matter to be more serious, or prefer not to raise it with the line manager or Division Head for any reason, may contact the Whistleblowing Officer or the Chairman of the Audit Committee directly.
3. If the whistleblowing concern involves a Director, the Whistleblower may report directly to the Chairman of the Audit Committee. The Chairman of the Audit Committee, in consultation with the Board, may set up a special committee to investigate the matter independently.
4. Disclosures can be made in person or in writing. Employees are required to identify themselves when submitting a complaint so that the complaint can be looked into fully and fairly.
5. Disciplinary action may be taken against any person who attempts to impede, prevent, or obstruct a whistleblowing complaint from being made or an investigation from being carried out.



The Company has guidelines for the protection of whistleblowers or complainants. It is assumed that the personal information of the whistleblower or the complainant is confidential, and the Company will not disclose the name of the whistleblower or complainant unless its disclosure is required by law and the relevant regulatory agencies. Accordingly, the Company has a policy not to harass or give any punishment to whistleblowers or complainants who are employees, trying to keep them from providing such clues or complaints unless such action is done in bad faith or with malicious intention to destroy the Company or another person, or is illegal, or violates the Company regulations.

After considering corrective actions as improved according to complaints or clues received, the Company will notify the whistleblower or complainant in accordance with the procedures and within an appropriate time frame.

In addition, if there is a case where complaints or clues are made with good faith and free from malicious intention to damage the reputation of the Company or the person involved, and the Company is ruled by the court to have violated the law and rights of that person, the person shall be entitled to compensation from the Company as appropriate, reasonable, and in accordance with the rules prescribed by law.

## **Disclosure and Transparency**

### **Disclosure**

The Company recognizes and values the disclosure of important information related to the Company including both financial and non-financial information, and other important information that may affect the price of the Company's securities with accuracy, completeness, timeliness, transparency, and credibility to all shareholders equally and fairly. The Company, therefore, provides guidelines for information disclosure, which cover all communication channels of the Company as follows:

1. The Board of Directors is responsible for the disclosure of the Company's information including financial reports, non-financial information, and other information according to the regulations of the Stock Exchange of Thailand (SET) and the Office of the Securities and Exchange Commission (SEC) with the accuracy, clearness, completeness, transparency, and concise and easy-to-understand language. Important information, both positive and negative, shall be disclosed and passed through the consideration process pursuant to the required procedures, taking into account the need to maintain the information which is business secret, business strategy, or information that, if disclosed, may cause loss of benefits and ability to compete.

2. The Board of Directors oversees the information report and performance results according to the annual registration statement/annual report (Form 56-1 One Report) with completeness, accuracy, and in accordance with the period required by laws and regulations of the Stock Exchange of Thailand and the Securities and Exchange Commission (SEC) or other relevant agencies; and discloses such information on the Company's website allowing shareholders and stakeholders to receive information accurately and equally.



3. The Board of Directors is responsible for the preparation of the Company's financial reports, by ensuring the report on the Board of Directors' responsibilities for financial reports is provided along with the Auditor's report in the annual report. as well as overseeing the management to prepare financial statements and financial information with accuracy and completeness under generally accepted accounting principles in Thailand and in accordance with accounting standards and certified public accountants of Thailand; and applies appropriate accounting policies including the use of careful discretion as well as considering the reasonableness of the preparation and sufficient disclosure of significant information in the notes to the financial statements.

4. The Company establishes unit to act as a contact person, communicate, and provide accurate information to institutional investors, shareholders, and related analysts in an accurate, equal, and fair manner.

5. The Company provides information disclosure channels which is a channel that shareholders, investors, and the general public can easily access and equally receive the information of the Company. The information is available in both Thai and English languages, allowing investors and interested people to access the Company's information accurately, timely, and equally.

### **Management of The Use of Inside Information and Conflicts of Interest**

#### **1. Use of inside information**

The management of the use of inside information is an important responsibility of the directors, executives, and employees of the Company who must strictly maintain the Company's confidential information, especially the inside information that has not yet been disclosed to the public or information that affects business operations or stock prices. The Company prohibits the use of the opportunity or information obtained from being a directors, executives, or employees of the Company for personal benefit, including the limitation of acknowledgment of information to only directors and senior executives related to the Company. In addition, the Company stipulates that the executives shall report their securities holdings and changes in securities holding to the Office of the Securities and Exchange Commission (SEC), Section 59 of the Securities and Exchange Act B.E. 2535. The Company also stipulates the written policy prohibiting the directors, executives, and employees, who works in the organizations acknowledging inside information, including husbands, wives, and minors, from trading the Company's securities; and disseminating the news (Quiet Period) for 30 days before the announcement of the operating results or announcement of quarterly and annual financial statements. In a case where any executives or employees commit a disciplinary breach, they will be sanctioned which ranges from admonishment to the termination of employment, including legal proceedings. The announcement is prepared and notified to the executives, directors, and employees of the Company in advance every time.

#### **2. Conflicts of Interest**

The Board of Directors and executive management of the Company are cautious about conflicts of interest that may arise, by overseeing executives or related persons not to use inside information of the Company for their own benefit. In addition, the directors and executives of the Company are

required to report their own interests in accordance with the criteria set by the law and the Board of Directors.

Regarding the act of entering into the Company's related transactions that occur with persons who may have conflicts of interest, vested interest, or potential conflict of interest in the future, the Board of Directors assigns the Audit Committee to give opinions on the necessity and suitability of such transaction. In the case where the Audit Committee does not have expertise in considering related party transactions that may occur, the Audit Committee may employ independent experts or the Company's auditor to give opinions on such connected transactions, used for decision making by the Board of Directors or shareholders, as the case may be, and to prevent conflicts of interest that may occur. The Board of Directors stipulates policies and guidelines to prevent directors and employees of the Company from seeking personal benefits, requiring that the directors and employees avoid making transactions that may involve themselves and cause conflicts of interest with the Company.

In addition, to prevent conflicts of interest, the Company clearly stipulates a policy to manage transactions that may cause conflicts of interest. In the event that the Company's director has interests in any agenda, such director shall have no right to vote or participate in the consideration of such agenda, as well as setting policies and procedures to prevent executives and related persons from using the Company's inside information for their own benefit.

## **Internal Control and Internal Audits**

The Board of Directors establishes an internal control system for the business operation of the Company, which covers all aspects including finance, performance, procedure in accordance with relevant laws, and rules and regulations; and establishes a check and balance mechanism to prevent unlawful exploitation. The Board of Directors stipulates the authority to operate and approve of executives and the Company's employees. The hierarchy of approval authority and responsibilities of executives and employees is specified in the Company's approval authority manual which shall be strictly complied with and has an internal audit function reviewing the internal control system to assess the efficiency, effectiveness, and compliance with international standards in both operations and information technology systems; and reporting directly to the Audit Committee who is responsible for ensuring the work of the internal audit function to be independent, fair, ethical, and have professional expertise in accordance with international standards of the internal audit profession, including international standards for internal auditing and standards for auditing information technology systems, clearly setting missions, scope of work, authority, and responsibilities as well as guidelines for the audit operation, and reviewing it regularly. In addition, the Board of Directors ensures the establishment of an information technology system used to collect information, monitor, and report the results of the review of the internal control system to the Board of Directors and the Audit Committee in order to increase the efficiency of performance.

## **Risk Management**

The Board of Directors is aware of the importance of the management and control of potential risks that may occur to the Company, by assigning the Audit Committee to monitor and ensure the efficient and effective risk management process. The key risks to the organization are identified as well as proper assessment and management. The Board of Directors stipulates that executives and employees have the responsibility to own the risks, being responsible for identifying, analyzing, and evaluating opportunities and impacts of risks and opportunities, and formulating business strategies and managing risks in a balanced manner including business continuity management under efficient and effective resource allocation, by regularly monitoring, reviewing, and reporting on the effectiveness of key risk and early warning management. The Board of Directors also cultivates risk management as part of the organizational culture, and continuously develops knowledge and competencies of employees in risk management as well as having review of the risk management policy, taking into account changes that are significant to the Company.

## **Communication and Promotion of Compliance with The Company's Corporate Governance Policy and Code of Conduct**

The Board of Directors recognizes the importance of publication and promotion of awareness, understanding, and cooperation of everyone in the organization to strictly adhering to and complying with the corporate governance policy and the Company's Code of Conduct in order to achieve the objectives and goals towards the development, and elevate the corporate governance of the Company. The Board of Directors therefore establishes a policy to provide a continual communication to employees about the corporate governance policy and the Company's Code of Conduct as well as organizing activities that promote knowledge, understanding, and process to monitor the continual compliance with the Company's policies and Code of Conduct, used to improve, correct, and develop various regulatory compliances to be in the same direction or intention throughout the organization.

## SHANGRI-LA GROUP CODE OF CONDUCT AND ETHICS

Adopted and effective as of 31 December 2024

### 1. INTRODUCTION

At Shangri-La, we believe that treating people fairly, honestly and with respect is not only part of our culture but key to our business success. In dealing with guests, colleagues, business partners, shareholders or suppliers, we are committed to certain core values that define our reputation and brand: integrity, fairness, respect, ethical business conduct and excellence in service. The Shangri-La Code of Conduct and Ethics (“this Code”) is designed to reaffirm and promote these values by setting out the standards required of employees in the performance of their duties as representatives of Shangri-La.

Unless stated otherwise, this Code applies to all directors, officers and employees of the Shangri-La group of companies including Shangri-La Asia Limited, its subsidiaries, business units and controlled affiliates (collectively, “the Group”) as well as employees of properties and businesses operated by the Group (collectively, “Employees” or “employees”).

### 2. COMPLIANCE WITH THIS CODE AND THE LAW

Employees are required to understand and comply with the letter and spirit of this Code as well as all policies, guidelines and directives issued by the Group from time to time (“the Group’s Policies”).

The Group is committed to conducting its affairs in full compliance with all applicable laws, rules and regulations of all applicable jurisdictions, including listing rules that are applicable to the Group’s entities whose shares are publicly traded. No employee is authorized to commit an illegal act, or to instruct others to do so, for any reason. Employees who work or have business responsibilities overseas must ensure that they understand and obey the laws, rules and regulations of those countries. This Code sets out the minimum standards to be applied across the Group, and to the extent that local laws, rules, regulations, customs and/or industry practice prescribe more stringent behavior, such laws, rules, regulations, customs and/or industry practice shall prevail.

This Code is not intended to be a comprehensive rulebook and cannot cover every situation. Employees are required to exercise good judgment and act in the Group’s interest at all times. Employees should approach their supervisors, their Human Resources Manager or the Legal Department whenever they have any questions concerning this Code, the Group’s Policies, or any laws or regulations.

As work extends beyond the Group’s properties and can include remote working, work-related activities such as functions, conferences and travel, and any use of Group systems, equipment and technology, employees’ actions should always reflect positively on the Group’s reputation and comply with the Code.

Employees who become aware of any suspected or known violation of this Code or any of the Group's Policies must promptly report the matter to their department head, the Human Resources Department, the Legal Department or in accordance with the Whistleblowing Policy (described in section 23 below).

All Employees must cooperate fully with any investigations into any suspected breach of this Code or Group's Policies. This includes responding promptly to requests for information, including meeting requests, and providing full, accurate and truthful information, and preserving relevant documents and evidence, as part of any review, enquiry or investigation by the Group.

Any failure to comply with this Code or the Group's Policies may result in disciplinary action including suspension with or without pay, warnings, an impact on remuneration or promotion, or termination of employment. Disciplinary action may also be taken against any Employee who authorises, facilitates or encourages such act, or otherwise attempts to conceal any breach of this Code or the Group's Policies.

### **3. LEADERSHIP RESPONSIBILITIES**

The leaders of the Group including directors, officers, managers or employees who have supervisory responsibilities over any business unit, management function or other employees are responsible for ensuring that this Code is understood by employees reporting to them. Leaders must create a workplace environment that encourages compliance with this Code through their own personal conduct and by clear and regular communication with employees about the requirements of this Code.

Leaders must maintain an "open door" for employees to freely discuss any aspects of this Code, to raise concerns about or discuss difficult business decisions, or to report any suspected or known violations of this Code. Leaders must encourage employees to speak up and ensure that there is no retaliation or reprisal against employees who do.

Leaders are not permitted to authorize any act that may lead to a violation of this Code. Leaders must also avoid putting undue or unreasonable pressure on employees or placing them in positions that may lead to a compromise of this Code.

Leaders must promptly report all suspected or known violations of this Code to the Human Resources Department, the Internal Audit Department, the Legal Department or the office of the Chief Executive Officer.

### **4. EQUAL OPPORTUNITY AND RESPECT**

The Group is committed to maintaining a diverse, equitable and inclusive environment for all. It is vital that employees treat others with courtesy, consideration and respect at all times irrespective of position, title or background. Employees must act in a way that is collaborative and inclusive, and that aligns with our shared values and this Code.

Employees must avoid any form of discrimination based on gender, race, ethnicity, religion, nationality, disability, marital status, sexual orientation, pregnancy, family status or any other personal characteristic protected by applicable laws.

Employment decisions (including hiring, promotions, remuneration, training and transfers) must be made on fair and equitable grounds based on merit and what is in the best interest of the Group.

The Group prohibits any form of harassment (including sexual harassment) irrespective of whether this occurs within or outside the workplace or whether it occurs verbally, physically, via visual means or otherwise. Harassment includes inappropriate conduct that a reasonable person may, in the circumstances, consider to be humiliating, hostile, intimidating or demeaning.

Sexual harassment includes unwanted sexual advances or attention, inappropriate references to sex or issues of a sexual nature or any form of conduct of a sexual nature that may reasonably cause another person to feel offended, humiliated or intimidated. It includes conduct of a sexual nature that creates a hostile or intimidating environment.

Employees must comply with the Group's Equal Opportunity and Respect, and Anti- Harassment Policies.

## **5. PROTECTING GROUP ASSETS**

Employees must use Group assets only for authorised business purposes and in accordance with the Group's Policies. Group assets encompass not only assets owned by the Group but also assets managed by the Group on behalf of third parties such as guests, customers or hotel owners. Group assets must not be used for personal purposes or gain or illegal activities. Employees are required to protect Group assets from loss, damage, theft and misuse. Employees are not permitted to remove any Group asset without proper authorisation.

Group assets include (but are not limited to) rooms and facilities, equipment, machinery, furnishing, vehicles, properties (including but not limited to hotels, offices, shopping malls and apartments), supplies and products, business plans, manuals, software, inventories, communication systems, computer and IT systems, funds, cash, food and beverage items, data (including personal data of guests and employees) confidential information, and all forms of intellectual property including patents, trademarks, copyrights, proprietary information and work products.

The Group operates various programmes involving loyalty points, discounts, gift vouchers, promotional offers and preferential room rates for the benefit of loyal guests, customers and employees. Employees are required to adhere to the terms and conditions of these programmes and ensure that the benefits extended by these programmes are not misused or resold for profit. Any misappropriation of loyalty points by employees is a violation of this Code.

## **6. FULL DEDICATION TO GROUP MATTERS**

All employees are required to perform their duties diligently, faithfully and with proper care and skill. Whilst at work, employees are required to dedicate their time and attention to Group matters

and reasonably avoid personal activities that detract from their normal duties or any other activity of a non-work related nature. Employees must comply with the Group's Policies concerning the use of the Group's information and technology systems and equipment at all times.

## **7. CONFLICT OF INTEREST**

All employees must avoid situations in which their personal interests may conflict, or appear to conflict, with the interests of the Group, or the Group's reputation. Employees must not allow their personal interests to impair or compromise, or appear to impair and compromise, their duty to act or make decisions in the best interests of the Group.

It is not possible to list every situation that might give rise to a conflict of interest. The following are some of the important areas where such conflict may arise. In each of these areas below, employees shall make declarations and/or seek approvals under the Group's Policies.

### **Personal Interest**

No employee shall have a direct or indirect personal interest in a transaction involving the Group except when this interest has been fully disclosed to and approved by the Group.

### **Outside Employment**

Employees are not permitted to engage in any outside employment or provide any services as a consultant, advisor or similar, without the prior approval of the Human Resources Department or engage in any business ventures that may interfere with their ability to perform their duties for the Group in an objective, effective and timely manner or which may negatively impact the reputation of the Group. Employees must refer to the Group's Outside Employment Policy.

### **Outside Directorship**

Other than non-executive directors of the boards of any of the Group companies, all employees must :

- a) seek prior approval from the Human Resources Department before accepting any directorship of any of the following :
  - (i) any public company outside the Group;
  - (ii) any company outside the Group that carries on businesses similar to those of the Group;
  - (iii) any company outside the Group who is the supplier, customer, consultant and/or contractor of the Group, or who is seeking to do business with the Group (collectively, "Suppliers"); or
  - (iv) any other company outside the Group in which the acceptance of such directorship may conflict, or appear to conflict, with the interests of the Group; and
- b) declare their directorships in any other company outside the Group, in accordance with the Group's Outside Directorship Policy.



### **Improper Personal Benefits**

Employees must not abuse their position with the Group to obtain any unlawful personal benefits, gains or favors. Please see “Preventing Bribery and Corruption” and “Gifts and Entertainment” below for further guidelines in this area.

Employees may not divert or take for themselves any business or financial opportunity that they discover because of their position with the Group or through the use of Confidential Information (as hereinafter defined) or material non-public information about the Group without the Group’s written consent. Please see “Protecting Confidential Information” and “Insider Dealing” below for further guidelines in this area.

### **Dealing with Suppliers**

Employees must select and deal with Suppliers in an honest, fair and impartial manner, taking into account the best interests of the Group. In the selection and appointment of Suppliers, employees are required to comply with the Group’s Policies on procurement.

Without full disclosure and prior approval of the Human Resources Department, employees must not :

- (a) have any form of financial interest, whether direct or indirect, in Suppliers (other than publicly-listed companies);
- (b) select or transact with Suppliers that are owned by their family members;
- (c) be employed or act as a director or consultant for any Supplier; and
- (d) have any financial dealings with Suppliers such as loans, guarantees, contracts or joint ventures, but this does not prohibit arms-length retail transactions with banks or financial institutions.

### **Dealing with Relatives**

The hiring, placement and transfer of relatives of employees by the Group are subject to the Group’s Policies. An employee must not directly supervise the work of his/her relative or make decisions involving a direct benefit to his/her relative (including those relating to compensation, reward recommendations and performance assessments).

## **8. PREVENTING BRIBERY AND CORRUPTION**

The Group is fully committed to conducting business in an honest and ethical manner. Employees must understand and comply with all applicable laws and regulations against bribery and corruption as well as this Code and the Group’s Policies.

In this section, the term “advantage” (commonly known as “bribes”, “kickbacks” or “sweeteners”) includes anything that could be of benefit or value to the recipient, regardless of what the monetary amount of such “advantage” may be. This may include but is not limited to any form of payment, gift, property, loan, fee, donation, commission, reward, favour, employment, contract, service or accommodation.



The Group strictly prohibits all forms of bribery and corruption. Employees must:

- (a) decline any advantage offered to them if accepting the advantage would violate applicable laws or the Group's Policies or may otherwise compromise, or appear to compromise, their ability to make objective and fair business decisions in the interests of the Group. Please see "Gifts and Entertainment" below for further guidelines in this area;
- (b) not solicit or accept, directly or indirectly, either for themselves or any other person, any form of advantage in connection with the performance of their duties for the Group;
- (c) not offer any advantage, directly or indirectly, to any person or entity to improperly influence such person or entity in obtaining or retaining business for, or directing business to the Group or any other improper benefit for the employee individually or for the Group;
- (d) not use any of the funds, assets, services or facilities of the Group or that of any of its places of business, hotels or properties to improperly influence or corrupt the action of any person or entity; and
- (e) not give any discounts, pay any commissions, make any payments, concede any favorable terms or provide any advantages to any person in the conduct of the Group's business.

For the avoidance of doubt, all forms of bribery and corruption conducted indirectly through a third party (such as an agent, consultant, or intermediary) are also strictly prohibited. It is important to ensure that all third parties engaged by the Group adhere to the same standards of integrity and compliance with anti-bribery and anti-corruption laws. Any attempt to circumvent applicable laws, this Code, or the Group's Policies pertaining to anti-bribery and corruption through indirect means will be treated with the same severity.

## **9. GIFTS AND ENTERTAINMENT**

The Group recognises that there will be circumstances when it is appropriate, out of courtesy, relationship building or in line with cultural norms, to give or receive small gifts of nominal value with business associates or provide and receive reasonable business meals or entertainment to or from business associates. For example, employees attending or organising conferences, seminars and corporate events may give away or accept promotional or marketing items if these items are given or accepted in connection with their participation in the event. Employees must at all times exercise good judgment and moderation in giving and receiving business gifts and entertainment. Any offer or receipt of business gifts, meals, hospitality and entertainment must be done so :-

- (a) on a voluntary basis, openly, and transparently;
- (b) for a legitimate business purpose; and
- (c) in accordance with local market practice, all applicable anti-bribery and corruption laws, this Code, and our Group's Policies.

The business gift, meal, or entertainment offered or received must not be inappropriate or excessive. There must be no reasonable likelihood of improper influence on the performance of duties by the intended recipient.

Employees must decline gifts, entertainment or other advantages that could compromise, or appear to compromise, their ability to make objective and fair business decisions. The monetary value of a gift, meal, or entertainment is not the sole factor to consider when determining whether such gift, meal, or entertainment is improper. However, gifts over a value of US\$100 should generally be declined. If a gift cannot be declined or returned due to cultural or social norms, the gift must be disclosed to the Human Resources Department who may decide whether the gift should be retained or donated to the Group or charity.

Reasonable business entertainment includes regular business meals and attendance at cultural or sporting events. However, employees should avoid accepting invitations to meals or entertainment that are lavish, or excessive in nature or frequency, as this could compromise, or appear to compromise, their ability to make objective and fair business decisions.

Employees are encouraged to check with the Human Resources Department if they have any concerns about the appropriateness of any gift or entertainment.

## **10. PROTECTING CONFIDENTIAL INFORMATION**

Employees are obliged to maintain and protect the confidentiality of all non-public information relating to the Group's affairs including (but not limited to) proprietary information, trade secrets, intellectual properties, brand standards, training manuals, operating manuals, data processing systems, programs, databases, data, sales and marketing information, rates and pricing, business plans, financial information, personnel information, shareholder information, work products and correspondences ("Confidential Information") both during and after their employment with the Group.

Employees must not disclose any Confidential Information to outside parties unless authorised to do so by the Group or unless such disclosure is required by law. Employees may not use Confidential Information for any purpose other than work-related matters. Employees must at all times take reasonable precautions to safeguard against inadvertent disclosure or theft of Confidential Information.

Upon leaving the Group or at such time as may be requested by the Group, employees must return all Group property, including documents, devices, and any other materials containing Confidential Information.

Employees must comply with the Group's Policies regarding the use and protection of Confidential Information.

## **11. INFORMATION AND CYBERSECURITY**

Each employee has a duty to ensure that their actions do not compromise the security of the Group's information systems and data. Employees are required to adhere to the Group's cybersecurity, artificial intelligence, acceptable use, retention and related IT Policies.

Employees must not modify, disable or circumvent any security controls or applications (e.g. anti-virus software) when using the Group's information systems or Group-issued devices.

Employees must not cause or allow third parties to access the Group's information systems and data without proper authorisation and compliance with the Group's Policies. Employees should remain alert to potential cyber threats, including phishing emails, suspicious links, and communications from unknown sources.

The Group reserves the right to audit, monitor, search, access and review network traffic, Group-issued devices, and all emails and information in the Group's systems. Emails sent or received on the Group's email system are the property of the Group.

## **12. PRIVACY AND DATA PROTECTION**

Employees must protect the privacy and confidentiality of personal data of colleagues, guests, customers and service providers by ensuring that such data is secure at all times and not used or disclosed without the proper authorisation of the Group. Personal data includes any data which identifies an individual such as names, addresses, identity card or passport details, credit card details, telephone numbers, email addresses, personal identification numbers, employment records, health information or location data. Employees must ensure that the collection, storage, transfer, disclosure, disposal or use of any personal data is in accordance with the Group's Policies and procedures on privacy and data protection and the applicable data protection laws and regulations. Employees must familiarise themselves with the Group's Policies (especially, the Corporate Data Protection Policy), as failure to do so may result in disciplinary action. Employees must report any actual or suspected privacy or security breaches or violations of the Group's Policies to the Data Protection Officer immediately. Employees must fully cooperate with the investigations into such breaches or violations and comply with the remediation and notification procedures. Employees can contact the Data Protection Officer by email at [dataprotectionofficer@shangri-la.com](mailto:dataprotectionofficer@shangri-la.com) for any questions or guidance on the handling of personal data.

## **13. INSIDER DEALING**

Employees are prohibited from using Confidential Information to secure personal advantage or gain. Employees must not trade in the listed securities (or their derivatives) of the Group while in possession of any inside information (also commonly referred to as material non-public information) about the Group. Inside information is information not generally known to the public, that is likely to have a material effect on the price of listed securities. In general, "materiality" is judged by whether the information would influence persons in determining whether to buy or sell stocks.

Employees must not disclose any inside information to outsiders such as friends and relatives, or other employees who do not need to know of such information in the performance of their duties for the Group. Restrictions on insider dealing include prohibitions against encouraging or procuring a third party to deal in relevant listed securities where the employee is in possession of inside information.

## **14. ANTI-COMPETITIVE PRACTICES**

The Group is committed to competing fairly and openly in each market we serve so as to provide the highest level of service to our guests and customers at fair value. Employees must not engage in anti-competitive practices such as price fixing. This means that employees must not enter into any form of agreement, arrangement, understanding or plan, whether expressed, implied, formal or informal, with a competitor in regard to competitive information such as pricing, rate, terms of sales and service, distribution, territories or guests. Employees must also avoid discussing, disclosing, sharing or exchanging information with a competitor about such competitive information.

Employees working in overseas countries may be subject to laws and regulations that prohibit anti-competitive or antitrust practices. Violation of such laws or regulations may subject employees or the Group to criminal sanctions and fines. Employees in these countries must therefore ensure that they familiarise themselves and fully comply with applicable laws and regulations.

## **15. MAINTAINING PROPER BOOKS AND RECORDS**

The Group depends on complete and accurate business records to fulfill its responsibilities to shareholders, customers, suppliers, regulators and other stakeholders. Employees must ensure that the Group's business books and records, such as accounting records, travel and entertainment expense claims, emails, memos, financial statements, presentations and reports, are complete, fair and accurate, and properly maintained in accordance with the Group's Policies.

Employees must not resort to fraudulent or deceptive practices in the conduct of their duties. The intentional creation of false, misleading and deceptive business records or documents is strictly prohibited. The destruction or alteration of documents, books and records with intent to conceal information is also strictly prohibited.

Employees must ensure that they comply with applicable reporting requirements under the Group's internal controls processes on a timely and accurate basis. Depending on the employee's role, these may include the reporting and/or proper maintenance of records pertaining to matters such as work hours, absences, material incidents and other matters as applicable.

## **16. HEALTH AND SAFETY**

The health, safety and security of the Group's guests, customers and employees are paramount. Employees must conduct their work in a safe, careful and hygienic manner in accordance with the Group's Policies and all applicable laws and regulations.

Employees will make every reasonable effort to safeguard the safety and security of the Group's guests, customers and visitors who visit the Group's places of business, hotels and properties. Employees are required to report any health and safety incident or risk, hazard, defective equipment, danger, suspicious activity, or any other security concern immediately to their supervisors.

The Group strictly prohibits the following and any employee found to be in violation of any of the following may face disciplinary action:

- (a) the use of any drugs or controlled substances (whether legal or not) other than medication for legitimate medical conditions by employees at any of the Group's places of business, hotels or properties;
- (b) the use of cannabis or marijuana (whether legalised or not) by employees at any of the Group's places of business, hotels or properties;
- (c) employees from being at work whilst under the influence of any drugs, controlled substances or medication that may impair or interfere with the performance of their duties; and
- (d) employees from dealing with or in possession of cannabis, marijuana, drugs or controlled substances other than medication for legitimate medical conditions, at any of the Group's places of business, hotels or properties, and any employee so found will be reported immediately to the police if such act may violate any applicable laws or regulations.

Employees are required to exercise good judgment and moderation in the consumption of alcohol during business meals and engagements. Whilst consuming alcohol at any of the Group's places of business, hotels or properties, employees must not be intoxicated and disorderly, or allow their behavior to tarnish the image and reputation of the Group. Employees must not allow alcohol or drug dependencies to interfere with their duties and should seek treatment for such dependencies in such situations.

The health, safety and security of the Group's guests, customers and visitors can be affected by the actions of any person on the Group's premises as well as the actions of any contractors, suppliers or other entities/personnel that the Group engages.

Employees should undertake appropriate diligence prior to engaging third parties, and regularly assess their health and safety standards and performance in accordance with the Group's Procurement Policy and Health and Safety Policy. Third party personnel must be hired in accordance with the Group's Human Resources Policies, with appropriate diligence and ongoing monitoring to ensure that such persons are properly trained and qualified for the role. An enhanced level of diligence is required when engaging third parties and personnel whose work scope entail a heightened degree of health and safety risks, including where children, elderly or the vulnerable are involved.

The Group encourages active participation by employees in all its health and safety training and refresher courses. Employees whose roles require specialised training or certifications must take reasonable steps to ensure that their training and certifications remain up to date.

## **17. PROTECTING THE GROUP'S NAME**

Employees are responsible for protecting the reputation of the Group. Employees must conduct themselves at all times in accordance with the community's standards of integrity, honesty and good morals and avoid any act of moral turpitude that could adversely affect the image and reputation of the Group. Employees taking part in activities which bring the Group's reputation into disrepute or

impair the Group's ability to meet any applicable legal or regulatory requirements may face disciplinary action including termination of employment.

## **18. SUSTAINABILITY**

The Group is committed to operating in an economically, socially and environmentally responsible manner while balancing the interests of our diverse stakeholders in order to make a long-term positive impact on our local communities. Our ESG strategy is underpinned by strong corporate governance, with an emphasis on topics that are material to our business and stakeholders. Many of these material topics are considered throughout this Code.

The Group holds itself accountable to international standards on corporate sustainability. As stewards of society and the environment, employees must carry out their work in keeping with the Group's Environmental, Human Rights and Responsible Sourcing Policies, as well as other Policies referenced in this Code. Aspects covered by these Policies include carbon footprint, energy efficiency, biodiversity, water conservation, waste management, labour practices, and more.

Employees are encouraged to reduce the amount of waste that goes to landfills by reducing and diverting our waste. Where local conditions permit, waste can be diverted by reusing, recycling, donating surpluses, and composting. Employees must handle, store and dispose of waste safely and responsibly, in accordance with applicable procedures and the Group's Environmental Management System. Waste management procedures applicable to any form of hazardous material, toxic substances or waste must be strictly complied with.

The Group aims to build a better shared future by, among other things, uplifting local communities and considering local culture. Employees must be sensitive to and respectful of local cultures and customs. Employees are encouraged to contribute to and participate in community and civic affairs so long as this is in keeping with the Group's Policies.

Where appropriate, employees should undertake reasonable diligence and ongoing monitoring of business partners or other third parties in the Group's chain of activities to assess the extent to which their standards are consistent with the Group's human rights and sustainability commitments.

## **19. EXTERNAL COMMUNICATIONS**

The Group is committed to providing accurate and complete information to the public in compliance with legal requirements. Only authorised spokespersons may communicate on behalf of the Group concerning its official position on topics such as financial performance, business strategies, development plans, operations status, legal matters and public policy issues.

Employees must not discuss any matters relating to the activities and performance of the Group with representatives of the media unless specifically authorised.

Employees must comply with the Group's Policies on the use of social media. All content relating to the Group or its associated entities/persons shared on employees' personal and professional social

media channels must remain in line with the Group's Policies, violation of which may result in disciplinary action.

## **20. ANTI-MONEY LAUNDERING**

Involvement in money laundering activities can seriously damage the Group's reputation and can expose the Group and its employees to severe regulatory sanctions, fines and imprisonment.

Employees must understand and comply with all applicable anti-money laundering laws and regulations, as well as this Code and the Group's Policies including those on anti-money laundering, customer due diligence, suspicious transaction reporting, and ongoing monitoring.

Employees are prohibited from engaging in or facilitating transactions anywhere in the world that involve funds that were derived from criminal activities. Employees must be alert when handling payments and transactions with third parties including guests, suppliers, service providers and business partners and ensure that the Group and its employees do not accept cash or funds that are suspected to have come from criminal activities. In the event of any doubt, employees are advised to seek guidance from their respective Financial Controllers or the Chief Financial Controller.

## **21. SLAVERY AND HUMAN TRAFFICKING**

The Group is committed to observing the highest standards of human rights and does not tolerate any form of slavery and human trafficking either within the Group's properties, operations or supply chains. The use of any form of forced labour, including trafficked, coerced, bonded, indentured or child labour is strictly prohibited.

The Group prohibits its places of business, hotels and properties from being used as locations for human rights violations such as human trafficking or sexual exploitation. As per the Group's Human Rights Policy, employees are required to report to their supervisors immediately if they become aware that the Group's places of business, hotels or properties are being mis-used for any such purposes.

## **22. POLITICAL INVOLVEMENT**

It is the Group's general policy to remain politically neutral and avoid making political donations.

Employees must not make political contributions or expenditures (including use of the Group's name, assets, funds or services) on behalf of the Group or involve the Group in any kind of political activities without prior approval by the Group.

Whilst employees are not restricted from taking part personally in lawful political activities in their own time, they must not create the impression that they represent the Group in these matters. Employees must not take part in any unlawful political activities.



## **23. WHISTLEBLOWING POLICY**

It is the duty of employees who become aware of any suspected or known violation of this Code to promptly report the matter to the Group. The Group has issued the Whistleblowing and Whistleblower Protection Policy which sets out the process in which such reports are to be made.

Employees making a report in accordance with the Whistleblowing and Whistleblower Protection Policy or raising any genuine concerns about this Code will be protected from reprisal or retaliation. Any employee who engages in such reprisal or retaliation will be subject to serious disciplinary action including possible termination of employment.

Reports and complaints are to be made in good faith. For the purposes of this Code, good faith is evident when the report is made without malice and the employee has a genuine or reasonable basis to believe that the report is true. If an employee deliberately discloses false information or if the report is found to be made for malicious purposes, this may result in disciplinary action including possible termination of employment. The Group may refuse to respond to anonymous reports or complaints.

The Whistleblowing and Whistleblower Protection Policy is not intended to apply to complaints relating to an employee's personal circumstances, or grievances at work, or any personal disputes, or questions concerning the financial or business decisions taken by the Group. Employees should raise such grievances separately through the Group's Grievance Handling Procedures Policy.

## **24. INTERPRETATION OF THIS CODE AND COMMENTS**

The Board of Directors of Shangri-La Asia Limited, through the Legal Department, is responsible for the interpretation of this Code. This Code will be periodically reviewed and may be revised from time to time.

The Group values the input of employees on any matter relating to the Code. Employees should not hesitate to contact the Human Resources Department with any queries or comments concerning any aspect of this Code.



# Attachment 6

## Report of the Audit Committee

The Audit Committee performed activities within the scope of its Charter as assigned by the Board of Directors for the year 2025 as follows:

1. The Audit Committee checked the reliability of financial reports by reviewing the quarterly and annual financial statements. The Audit Committee invited external auditors and the management to attend the meetings to consider that financial reporting was in conformity with the auditing standards, the accounting standards and financial reporting standards to ensure all financial reports were presented fairly in all respects. In one of the meetings, the Audit Committee also took the liberty of meeting with external auditors without the Company representatives. The external auditors confirmed that they performed the engagements objectively and independently, with good cooperation of the management.

2. The Audit Committee checked the reliability of Internal Control, conformance to tax laws and business operations were in line with their objectives.

3. The Audit Committee received and approved the Internal Audit Summary Report for the year 2025 and follow-up reports on corrective actions taken. In reviewing the Company's system of internal control, the Audit Committee discussed the matter with the Financial Controller and Internal Audit Manager. The Committee has come to the conclusion that the Company has an adequate and appropriate internal control system.

4. The Audit Committee assessed the independence of the Company's external auditor prior to recommending to the Board of Directors the appointment and remuneration of the external auditor for the coming year.

On 23 February 2026, the Audit Committee also reviewed the financial statements of the Company for the year ended 31 December 2025 prior to recommending them to the Board of Directors for approval.



**Mr. Kledchai Benjaathonsirikul**  
Chairman of the Audit Committee  
23 February 2026



SHANGRI-LA

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