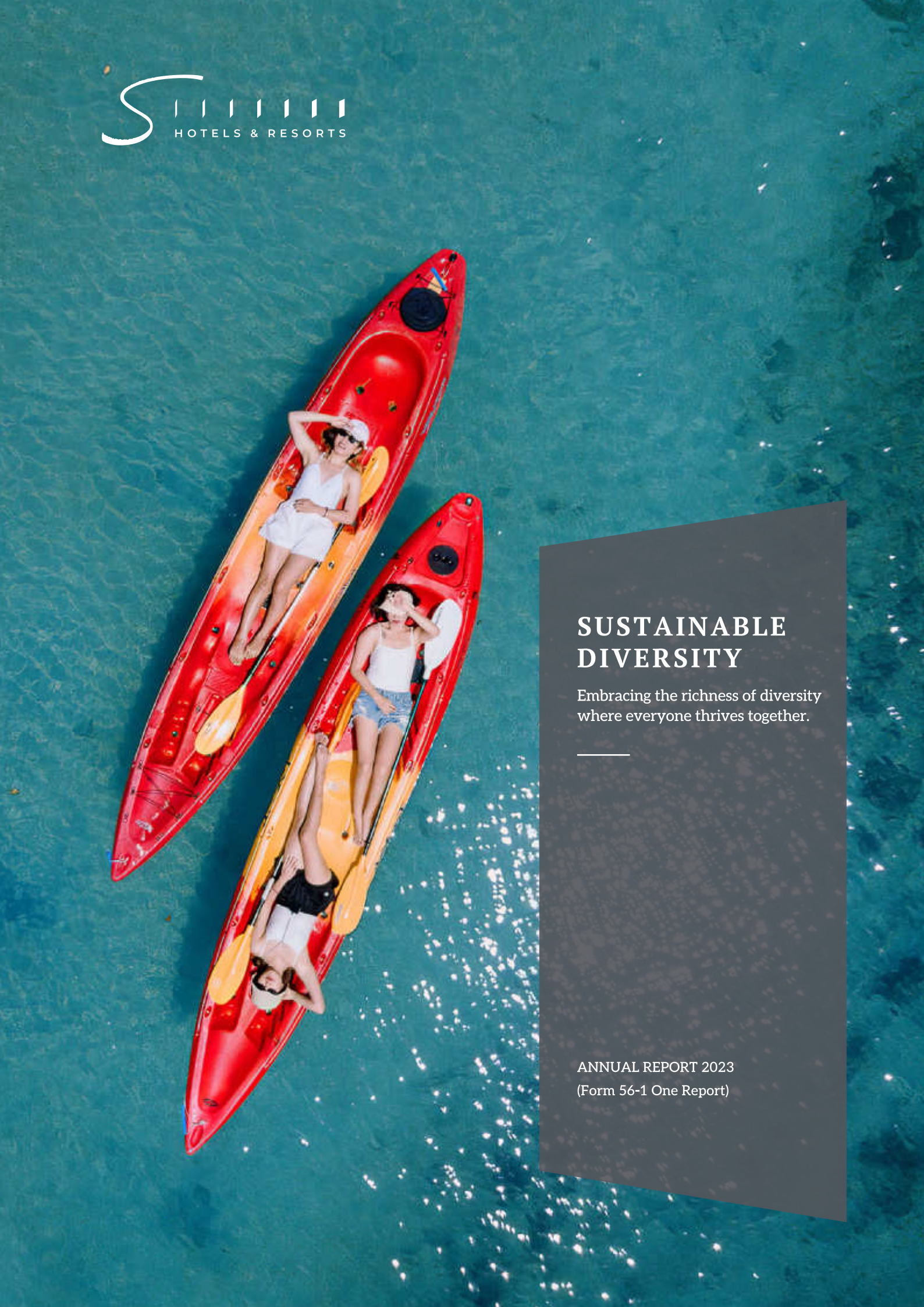
HOTELS & RESORTS



SUSTAINABLE DIVERSITY

Embracing the richness of diversity where everyone thrives together.

ANNUAL REPORT 2023
(Form 56-1 One Report)

i SAii

Different experiences unfold with every step of the journey, fueling your passion for exploration and curating unforgettable moments.

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FINANCIAL HIGHLIGHTS

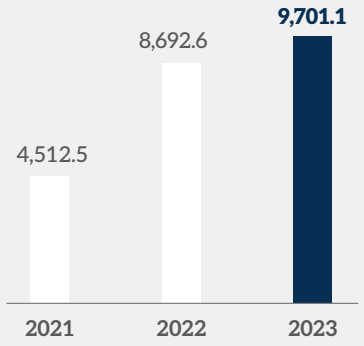
CONSOLIDATED FINANCIAL RESULTS (BT.MN)	2021	2022	2023
Total Revenue from services[1]	4,512.5	8,692.6	9,701.1
Room Revenue	2,437.5	4,945.4	5,700.4
F&B Revenue	1,370.4	2,736.3	2,874.9
Other Revenue	704.5	1,010.9	1,125.8
Gross profit (loss)	916.5	2,885.1	3,374.7
Earning before financial costs and taxes	(672.8)	869.0	1,301.6
Net profit (loss)[2]	(1,234.2)	14.4	86.4
Earnings per share [3] (Baht)	(0.34)	0.00	0.02

Remark:
[1]Excludes Other income.
[2]For the year attributable to ordinary shareholders of the Company
[3]Calculated by weighted average shares (Par value at 5 Baht per share)

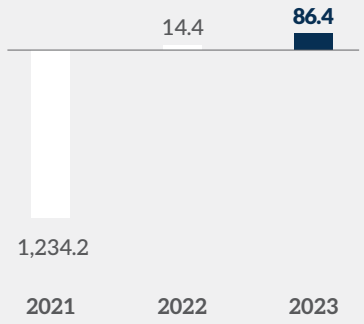
CONSOLIDATED STATEMENT OF FINANCIAL POSITION (BT.MN)	2021	2022	2023
Total assets	37,214.1	36,449.6	37,722.7
Total liabilities	21,332.3	20,430.4	21,631.7
Net interest-bearing debt	14,126.0	13,080.2	13,931.8
Total shareholders' equity	15,881.9	16,019.2	16,091.0
Retained earning	(3,717.3)	(3,702.9)	(3,155.2)
Issued and paid-up share capital	17,968.2	17,968.2	17,968.2
Total number of shares (million shares)	3,593.6	3,593.6	3,593.6

KEY FINANCIAL RATIO	2021	2022	2023
Net interest-bearing debt / Total equity (times)	0.89	0.82	0.87
Gross profit (loss) margin (%)	20.31	33.19	34.79
Net profit (loss) margin (%)	(27.35)	0.17	0.89
Return on assets (%)	(2.09)	2.36	3.51
Earnings per share (THB/share)	(0.34)	0.00	0.02

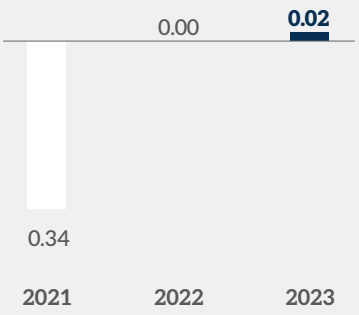
Consolidated total revenues[1] (Bt.mn)



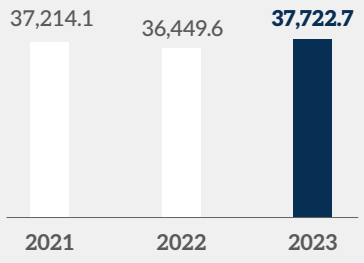
Consolidated net profit (loss) [2] (Bt.mn)



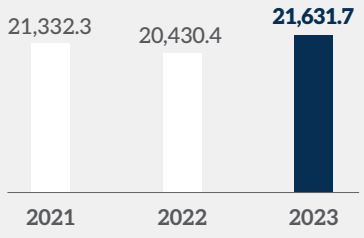
Earnings per share [2] (Baht)



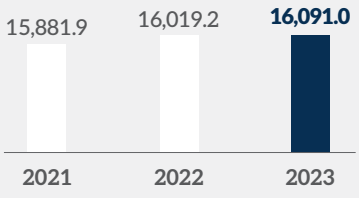
Total assets (Bt.mn)

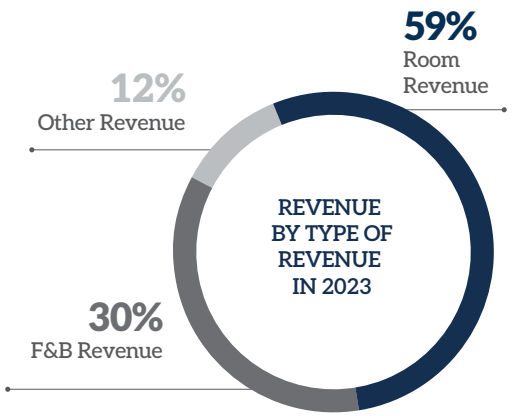


Total liabilities (Bt.mn)

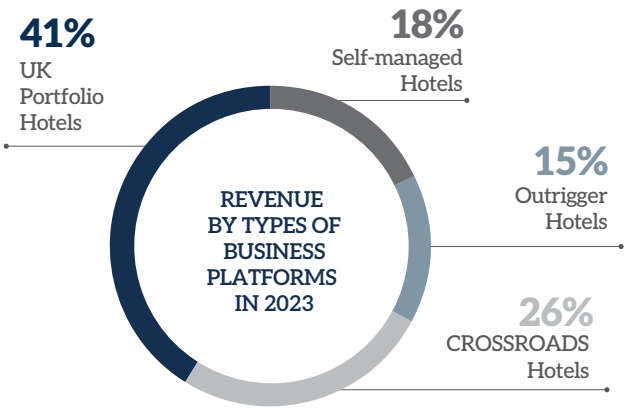


Total shareholders' equity (Bt.mn)





	2021	2022	2023
Room Revenue	54%	57%	59%
F&B Revenue	30%	31%	30%
Other Revenue	16%	12%	12%



	2021	2022	2023
Self-managed Hotels	5%	13%	18%
Outrigger Hotels	5%	17%	15%
CROSSROADS Hotels	36%	28%	26%
UK Portfolio Hotels	54%	42%	41%

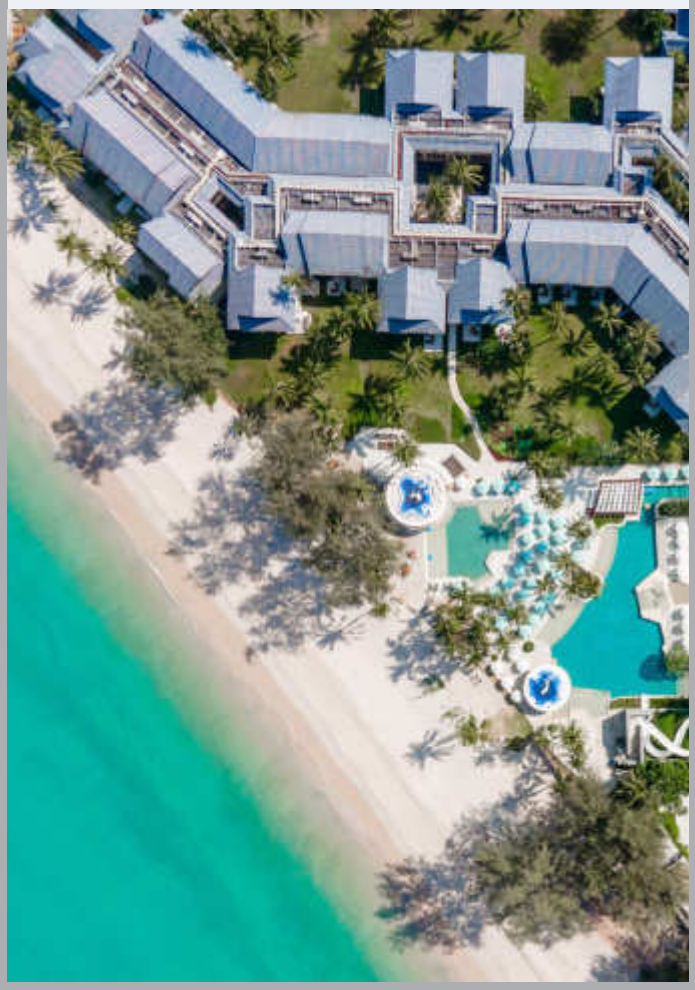
SIGNIFICANT DEVELOPMENT IN 2023

SEPTEMBER 2023

SHR has reached an agreement to acquire land with buildings and equipments of the Mercure Glasgow hotel in the United Kingdom for a total value of GBP 7.5 million (or equivalent to THB 338.4 million), which is part of the Company's UK portfolio management plan and portfolio optimization strategy.

OCTOBER 2023

SHR has successfully issued its' 1st corporate bond to the public. The bond has a tenor of 3 years and a coupon rate of 5.00% per annum. The total offering size was THB 1,300 million. The proceeds will be used primarily for hotel renovations and business expansion to promote sustainable revenue growth.



NOVEMBER 2023

"SO/ Maldives", the third resort in the CROSSROADS Maldives project, officially opened for commercial service on November 1, 2023. It is a 5-star lifestyle hotel with 80 luxurious villas, both beachfront and over-water, managed by Accor, a leading global hotel and hospitality group. The opening of SO/ Maldives marks a new chapter for CROSSROADS as an integrated leisure destination, offering a wide range of products and services to meet the needs of all types of travelers.

NOVEMBER 2023

The Company has been included in the SET ESG Ratings (formerly known as Thailand Sustainability Investment (THSI)) list of the Stock Exchange of Thailand (SET) for the second consecutive year, which confirms its commitment to operating its business with environmental and social responsibility.

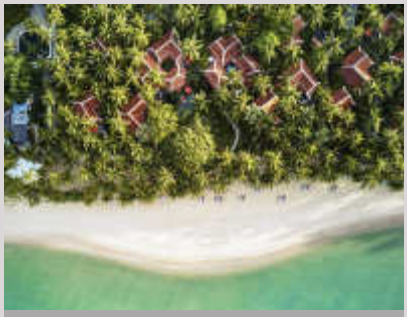
AWARDS & RECOGNITIONS 2023

The Company operates the business for sustainability with responsibilities to environment, economy, and society including all stakeholders. Awards that the Company has received from the leading local and global organizations in the past year can explicitly tell the Company's excellent management of hotels located in Thailand and abroad along with the social responsibility, environment and corporate governance.

S HOTELS & RESORTS

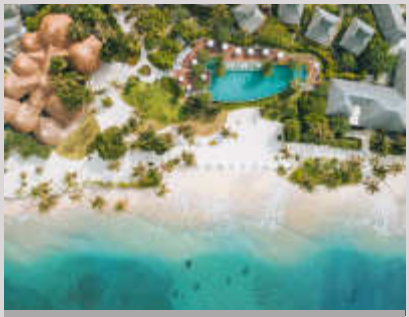
- Be honorably listed in SET ESG Rating at A class for the year of 2023 of the Stock Exchange of Thailand (SET). This implies the Company's determination to constantly operate the business under social and environmental responsibilities.
- Obtaining "5 stars" or "Excellent CG Scoring" from Thai Institute of Directors (IOD) for the year of 2023 as supported by The Stock Exchange of Thailand for third consecutive years

SANTIBURI KOH SAMUI



- TripAdvisor Travelers' Choice Award 2023

SAii Phi Phi Island VILLAGE



- TripAdvisor Travelers' Choice Award 2023
- Green Hotel Award 2022 – 2024 at Gold Level

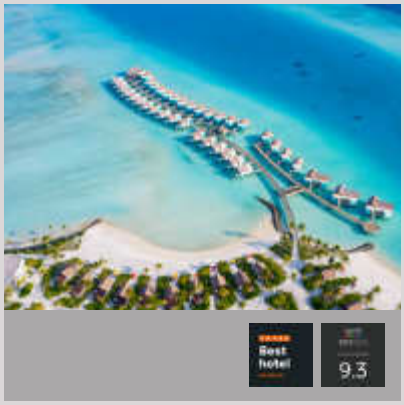
SAii Phuket LAGUNA

- TripAdvisor Travelers' Choice Award 2023

CROSSROADS MALDIVES by S Hotels & Resorts under Singha Estate

- TTM Awards 2023 - Best MICE Destination
- TTM Awards 2023 - Best Wedding Destination

Hard Rock HOTEL MALDIVES



- 2023 KAYAK Travel Award
- Agoda 2023 Review Award
- Hotel of The Year (Hard Rock International selected award)
- 7th Star Awards by Travelling Scope (China) - Best Resort/ Hotel Award

SAii Maldives LAGOON

- Agoda 2023 Review Award
- Connie Award 2022
- 7th Star Awards by Travelling Scope (China) – Best Conference Resort Hotel
- World GM Awards - Alexander Traeger as the Most Promising General Manager
- Condé Nast Traveller Readers' Choice Awards 2023 - Ranked 9th in the Top 20 Resorts in The Indian Ocean

CASTAWAY ISLAND, FIJI

- Green Seal Certification - BRONZE Certified
- Sustainable Hotel of the Year - Runner-up by Ultratravel 2022
- Travelers' Choice - Best of the Best 2023
- Holidays with Kids Readers' Choice - Best Family Resorts - 3 and 4-Star Resorts
- Travel+Leisure Luxury Awards Asia Pacific - South Pacific "Best Family Resorts"
- HM Awards 2023 - SOUTH PACIFIC GENERAL MANAGER - HIGHLY COMMENDED Steven Andrews
- HM Awards 2023 – Fijian Property – Highly Commended

OUTRIGGER RESORTS & HOTELS

- Fiji's Excellence in Tourism Awards – Silver, Spa Services and Weddings
- Outrigger Way Annual Awards; Global host of the Year winner, Leadership Award winner, Property of the Year – finalist, Caring for our Place - finalist
- Travelers Choice Best of the Best 2023
- Holidays with Kids Readers' Choice - 5 star Resorts
- Global Chef of the Year Awards – Lina Toga, Akshay Goundar and Jeremaia Rafai
- Readers Choice award - Best mainland property with Out and About With Kids 2023
- HM Awards 2023 - FRONT OFFICE ASSOCIATE OF THE YEAR – WINNER, Gerald Sharma
- HM Awards 2023 - FOOD & BEV ERAGE ASSOCIATE OF T HE YEAR – WINNER, Emmanuel Fumanu
- HM Awards 2023 - SOUTH PACIFIC GENERAL MANAGER OF THE YEAR – WINNER, Darren Shaw
- HM Awards 2023 – CONCIERGE ASSOCIATE OF THE YEAR - RUNNER-UP, Salote Bali

UK Portfolio

- Best Team in Accor EMEA 2023 for ALL Enrolment
- Scottish Hospitality Awards - Highly commended hotel of the year
- The Best Bar None Awards - Gold award
- IHG Summer Brilliance Award
- Scottish Hotel Association - Best 3-star Hotel 2023

MESSAGE FROM CHAIRMAN AND CHIEF EXECUTIVE OFFICER

(Mr. Apisak Tantivorawong)
Chairman

(Mr. Michael David Marshall)
Chief Executive Officer

Dear Shareholders and Stakeholders,

FY2023 was a year marked by both challenges and opportunities for S Hotels and Resorts Public Company Limited (SHR or the Company) in the backdrop of a dynamic global economy, rising inflation, soaring financial costs, and geopolitical uncertainties. Despite these uncertainties, we witnessed a robust recovery in tourism, particularly in SHR's key operating destinations. This, combined with exceptional flexibility and strategic foresight in business planning, has empowered the Company to overcome the challenges and accomplish three significant milestones: (1) Achieving record-breaking operating revenue surpassing THB 9,700 million, (2) Earning strong investor confidence, resulting in oversubscription of the Company's first public debenture offering, (3) Successfully completing pivotal project developments as scheduled, including the renovation of key properties in Thailand and the Republic of Fiji, which garnered positive feedback from tourists. Additionally, the commercial launch of SO/ Maldives in November marked a pivotal moment in the CROSSROADS project, establishing it as a premier integrated leisure destination in the Maldives, offering an array of tailored experiences to cater to diverse traveler segments.

The key drivers behind our success in 2023, which lay the solid foundation for sustained business growth and enduring competitive advantage, encompass an uninterrupted commitment to refining the efficiency of our portfolio through adaptable business strategies, our properties' prime locations favored by tourists, as well as dynamic marketing strategies aimed at catering diverse target customer segments, to achieve an optimal market mix to optimize RevPAR in various scenarios, along with the simultaneous enhancement of distribution channels and room reservations through our brand website, complemented by the utilization of advanced technology for analytical insights to tailor personalized campaigns.

Looking ahead into 2024, we maintain unwavering confidence in the steady recovery of the global tourism industry. We are resolute in building upon the foundation laid in 2023, with a steadfast focus on enhancing asset quality and amplifying the international recognition of the SAii brand, alongside improving operational efficiency through asset rotation strategies, thereby driving our operational performance to new heights. Moreover, we are committed to reinforcing our business strategies, which encompass diversifying revenue streams, exploring new market segments pursuing investment opportunities in new assets, and fostering strategic partnerships. These efforts, combined with initiatives to strengthen financial stability, solidify our position as a leading hotel management service provider dedicated to sustainable growth and accountability to all stakeholders.

The Company, together with the Board of Directors, Executives, and our dedicated team, remains steadfast in adhering to principles of good corporate governance and upholding our commitment to sustainable development initiatives. We understand that our success is deeply intertwined with the integrity of nature, the environment, and the well-being of communities. Our achievements thus far represent only a fraction of our dedication to mutual growth. As the representative of the Board of Directors, Executives, and our entire team, I extend heartfelt gratitude to our shareholders, business partners, suppliers, customers, employees, and all other stakeholders, including domestic and international financial institutions, for their unwavering trust and support in our company's endeavors. We eagerly anticipate your continued confidence in us as we strive to lead in investment and hotel management.

On behalf of the Board of Directors and Executives of S Hotels and Resorts Public Company Limited.

We understand that our success is deeply intertwined with the integrity of nature, the environment, and the well-being of communities.

REPORT OF THE AUDIT COMMITTEE

Dear Shareholders,

S Hotels and Resorts Public Company Limited (the "Company"), has appointed the Audit Committee comprised of 3 independent directors, holding full qualifications, and having knowledge, expertise, and experience in various fields, including accounting, finance and law etc. The Audit Committee performs its duties independently and fairly within the scope of responsibilities specified in the Audit Committee Charter and in accordance with the duties and responsibilities as assigned by the Board of Directors, and aligned with the requirements of the Stock Exchange of Thailand ("SET"), the best practice guidelines of the Audit Committee, and the principles of good corporate governance for listed companies.

THE AUDIT COMMITTEE	POSITION	MEETING ATTENDANCE (TIME)	
		THE AUDIT COMMITTEE MEETING	JOINT MEETING BETWEEN THE AUDIT COMMITTEE AND THE RISK MANAGEMENT COMMITTEE
1. Mr. Sompong Tantapart	Chairman	5/5	2/2
2. Mr. Praisun Wongsmith	Chairman	5/5	2/2
3. Mr. Jukr Boon-long	Chairman	5/5	2/2

Mr. Saratool Sakarin, Assistant Vice President of the Internal Audit Department, serves as the Secretary of the Audit Committee

In the year 2023, the Audit Committee convened 5 meetings, and each of these meetings witnessed the presence of a full quorum of members of the Audit Committee. The discussions in these meetings involved the exchange of opinions between the management, related executives, internal auditor, and auditor on relevant agendas. Furthermore, 2 joint meetings were held between the Audit Committee and the Risk Management Committee to discuss and exchange information and perspectives. The primary objective of these joint meetings was to coordinate relevant matters that would help to manage the risk factors and internal controls of the Company.

The Audit Committee's duties and responsibilities could be summarized as follows:

1. Review of 2023 financial reports

The Audit Committee reviewed the financial statements of the Company, encompassing both quarterly and annual financial statements, items that may pose conflicts of interest. The Audit Committee considered significant issues, special items, and other relevant information while being open to clarifications from both the auditor andmanagement. The purpose of this review is ensuring for the accuracy, completeness, and reliability of the financial reports. Additionally,the notes in the financial statements have been adequately disclosed, and the financial statements conform to financial reporting standards and related laws which are beneficial to users of the financial statements. Furthermore, the Audit Committee held a separate meeting with the auditor in attendance, without management,to discuss the receipt of information that supports the examination of the financial statements. This meeting was of utmost importance in reviewing the financial statements, including the Key Audit Matters, and ensuring that the auditor performed their duties with independence. The auditor informed the Audit Committee that they received the necessary cooperation from the management in reviewing the financial statements and that no significant observations or suspicious circumstances were found. The Audit Committee has determined that the financial statements were reviewed and audited by the auditor. The preparation of the statements has been carried out with due diligence and complied with established financial reporting standards. The selection of accounting policies is deemed to be reasonable, and the financial statements are deemed to be comprehensive, with all relevant information being adequately disclosed.

2. Review of adequacy of internal control system

The Audit Committee conducted a comprehensive review of the adequacy of the internal control system. This involved a careful consideration of the internal audit report of the Company and its affiliates, both national and international. Furthermore, the Audit Committee evaluated the internal audit report on operations, in accordance with the recommendations of the Audit Committee, which were carried out by the management. The auditor also reviewed the internal controls in accounting and finance. The review revealed no significant issues or defects that could have impacted the financial statements. The Audit Committee also assessed the adequacy and suitability of internal controls in accordance with the Securities and Exchange Commission (SEC) assessment form, which was conducted by the department in charge. The review revealed no significant issues or deficiencies that affected the Company's main objectives. Based on the findings, the Audit Committee is of the opinion that the Company has a robust internal control system that is effective, appropriate, and fit for purpose. No significant defects were identified during the review process.

3. Review of risk management

The Audit Committee acknowledged the organizational risk management information form quarterly risk assessment reports and the monitoring of significant risk management progress presented by Risk Management. Additionally, joint meetings between the Risk Management Committee and, the Audit Committee were held 2 meetings to discuss and exchange opinions on risk issues affecting the Company group's operations and internal audit plans, and suggest enhancements to processes to be prepared for unforeseen circumstances. The Audit Committee was of the opinion that the Company has appropriately identified significant risk factors that have the potential to impact its operations. The Company has taken steps to mitigate these risks by assigning a designated individual with the responsibility of managing them. Furthermore, the Company has implemented comprehensive risk management measures that cover both short and long-term risk issues.

4. Supervision of internal audit

The Audit Committee oversaw the internal audit operations to ensure independence and objectivity and create value for the Company through internal audit activities.

In addition, the Audit Committee considered and approved the internal audit charter and internal audit guidelines. The Audit Committee also approved the annual internal audit plan, which is based on a risk-based approach and supports sufficient and adequate capital resources for the Internal Audit Function. The Audit Committee was of the opinion that the Company's internal audit was independent and effective.

5. Review of compliance with the Securities and Exchange Act, requirements of the Stock Exchange of Thailand and/or the relevant laws

The Audit Committee has considered and reviewed the Company's operations to ensure the Company's compliance with the Securities and Exchange Act, the SET's requirement, laws relevant to the Company's businesses, and other domestic or international law relevant to the Company's businesses through internal audit reports. Additionally, it has requested to monitor new laws that may come into effect in the future and could potentially impact to the Company, both domestically and internationally where the Company invests. The Audit Committee was of opinion that there are no findings of any violations against Stock Exchange regulations or other applicable laws that pertain to the operations of the Company.

6. Review of connected transactions and transaction with potential conflicts of interest

The Audit Committee reviewed and provided opinions on related transactions or transactions with potential conflicts of interest of the Company on a quarterly basis, adhering to principles of fairness, transparency, and maximum benefit to the Company and stakeholders. The Audit Committee was of opinion that the related transactions occurring during the year were normal business transactions and supported normal business transactions, conducted under general trading conditions, and were reasonable and beneficial to the Company and stakeholders, including complete, accurate, and sufficient disclosure that complied with the criteria and requirements of the SET.

7. Consider on appointment of external auditors for 2023

The Audit Committee reviewed and proposed the appointment of auditors based on their independence, qualifications, knowledge, abilities, and performance according to the Code of Ethics for Professional Accountants set by Federation of Accounting Professions and the requirements of the SEC, including appropriate compensation. The Audit Committee proposed the appointment of auditors from PricewaterhouseCoopers ABAS Limited as the Company's external auditor and the audit fee for the year 2023, to the Board of Directors prior to further propose to the annual general meeting of shareholders for approval.

8. Review of the Audit Committee Charter

The Audit Committee conducted an annual review of the Audit Committee Charter to ensure compliance with the principles and good practice guidelines as prescribed by the SEC. Additionally, the Committee regularly reported its performances to the Board of Directors for acknowledgment.

9. Evaluation of Audit Committee Performance

The Audit Committee evaluated the performance of both the collective committee and individual and reported the results to the Board of Directors to enhance the performance of the Audit Committee. The evaluation indicated that the Audit Committee has fulfilled its duties and responsibilities as specified in the Audit Committee Charter comprehensively, with knowledge, competency, due care, and sufficient independence.

Comments and observations from fulfilling duties as specified in the Audit Committee charter

In the year 2023, the Audit Committee was of opinion that the Company accurately and reliably prepared financial reports while disclosing adequate information. The Company adhered to accounting standards and generally accepted financial reporting standards and remained compliant with relevant laws and regulations concerning its business operations. Additionally, the Company established an adequate and appropriate internal control system and conducted good internal audit activities, as well as monitoring emerging risks for preparedness in handling current and future. As a result of these efforts, the Company's operations have been moving forward steadily towards sustainable success, aligning with its overall objectives and goals.

This report was reviewed and approved by the Audit Committee on 19 February 2024.

On behalf of the Audit Committee

(Mr. Sompong Tantapart)
Chairman of the Audit Committee

REPORT OF THE EXECUTIVE COMMITTEE

Dear Shareholders,

The Executive Committee has been established by the approval of the Board of Directors. Entrusted with the responsibility to support the Board of Directors in supervising the Company's business undertaking, all members of the Executive Committee possess sufficient knowledge, ability and experience that are beneficial to the Company's business operations. The Executive Committee consists of 5 members from the Board of Directors, individuals appointed by the Board of Directors and executives, namely:

THE AUDIT COMMITTEE	POSITION	MEETING ATTENDANCE (TIME)
1. Mrs. Thitima Rungkwansiriroj	Chairman	12/12
2. Mr. Chairath Sivapornpan	Member	12/12
3. Mr. Michael David Marshall	Member	2/2
4. Mr. Issarin Patramai	Member	5/5
5. Mr. Stefano Alberto Ruzza	Member	11/12

Remarks:

(1) Ms. Samitta Tinnam resigned from the positions of the member of the Executive Committee and Chief Financial Officer, effective from 1 March 2023 onwards. Therefore, the number of the Executive Committee's meetings required Ms. Samitta to attend was 3 meetings and she entirely attended all meetings.

(2) The Board of Directors' meeting on 17 August 2023, resolved to approve the appointment of Mr. Issarin Patramai, Chief Financial Officer, as the member of the Executive Committee, effective from 17 August 2023 onwards. Therefore, the number of the Executive Committee's meetings required Mr. Issarin to attend was 5 meetings and he entirely attended all meetings.

(3) The Board of Directors' meeting on 17 August 2023, resolved to approve the change of member of the Executive Committee to align with the restructuring of organization, consequently, Ms. Kankanid Wichitcharoen ceased to be a member of the Executive Committee, effective from 17 August 2023 onwards. Therefore, the number of the Executive Committee's meetings required Ms. Kankanid to attend was 7 meetings and she entirely attended all meetings.

(4) Mr. Dirk Andre L. De Cuyper, resigned from the positions of the member of the Executive Committee and Chief Executive Officer, effective from 16 November 2023 onwards. Therefore, the number of the Executive Committee's meetings required Mr. Dirk to attend was 11 meetings and he entirely attended all meetings. effective from, onwards.

(5) The Board of Directors' meeting on 27 October 2023, resolved to approve the appointment of Mr. Michael David Marshall as the member of the Executive Committee and Chief Executive Officer, in replacement of the resignation of Mr. Dirk Andre L. De Cuyper, effective from 17 November 2023 onwards. Therefore, the number of the Executive Committee's meetings required Mr. Michael to attend was 2 meetings and he entirely attended all meetings.

Mr. Issarin Patramai, Chief Financial Officer and Company Secretary acts as the secretary to the Executive Committee.

The Executive Committee has duties to manage and control business undertaking as assigned by the Board of Directors, which include reviewing, monitoring and screening of material matters to ensure compliance with the Company's regulations and related rules and requirements, as well as to ensure transparency of the matters before proposing to the Board of Directors for consideration so that the Company Group can operate businesses effectively pursuant to the Board of Directors' policies and resolutions. In 2023, the Executive Committee held 12 meetings to consider the matters as follows:

- Performed the duties based on applicable laws, objectives, the Company's Articles of Associations, resolutions of the Board of Directors' meetings, and resolutions of the shareholders' meetings in a duly, careful, responsible, and ethical manner while, on an equitable basis, taking in consideration the interests of all stakeholders and shareholders.
- Provided recommendations to the management to consider the Company's strategic direction, management structure, business plan, and annual budget plan before proposing to the Board of Directors for approval. In 2023, the Executive Committee has approved the Company's 5-year strategic plan for the period of 2024 – 2028 and the 2024 budget plan prior to proposal to the Board of Directors for approval.
- Monitored, supervised, reviewed the operational and financial performance of the Company group on monthly basis, along with proposing solutions to problems, approached to increasing business potential, and provided recommendations to ensure that relevant plans and targets to align with the business goals and policies assigned by the Board of Directors, including reporting the operational and financial performance to the Board of Directors for acknowledgment.
- Considered and followed up the progress and movements in the industry to which the Company belongs to determine business direction, strategy, and expenditure plan that correspond to the industry's situation.
- Approved, within the authority provided by the Board of Directors and reported to the Board, including screening and approving significant items that value exceeding the authority limit before tabling to the Board of Directors for approval, where those transactions included acquisition or disposition of assets, connected transactions based on the regulations of the Stock Exchange of Thailand, investment

or joint venture with any individual or entity, any material transactions of the Company and its subsidiaries that are non-listed companies, including the transactions with banks and financial institutions for borrowing, applying for credit facility, and banking and financial services for the benefit of the Company's operations.

- Conducted an annual review of the Charter of the Executive Committee and viewed that the current charter was efficiency, adequacy, and suitability with current business circumstance and corporate governance principles for the listed company.
- Evaluated performances of the Executive Committee for the year 2023, of which the results would be used as a basis for further improvement.

The Executive Committee performs duties with integrity, honesty, prudence, and with commitment to developing the Group's business towards sustainable growth by taking into consideration the best interests of all shareholders and stakeholders. The Executive Committee also oversees and monitors the Company's operations to ensure efficiency pursuant to the corporate strategic and business plans; compliance with relevant regulations and laws; and adherence to good corporate governance and business ethics, which are the key principles of the Committee for driving the organization forward in a stable and sustainable manner.

This report was reviewed and approved by the Executive Committee on 20 February 2024.

On behalf of the Executive Committee

(Mrs. Thitima Rungkwansiriroj)
Chairman of the Executive Committee

REPORT OF THE RISK MANAGEMENT COMMITTEE

Dear Shareholders,

The Risk Management Committee (RMC) consists of the independent director and the executive directors who possess experience, knowledge and capability including an understanding of the Company's business operations. The Committee has duties to oversee the implementation of the Company's risk management and to regularly review the risk assessment on the quarterly basis and whenever any material issue occurs to ensure that the Company manages the material risks appropriately. The four members of the Risk Management Committee are as follows:

THE AUDIT COMMITTEE	POSITION	MEETING ATTENDANCE	
		RISK MANAGEMENT COMMITTEE MEETING	JOINT MEETING BETWEEN THE AUDIT COMMITTEE AND THE RISK MANAGEMENT COMMITTEE
1. Mr. Parinya Patanaphakdee	Chairman	4/4	2/2
2. Mr. Naris Cheyklin	Member	2/2	2/2
3. Mr. Michael David Marshall	Member	-	1/1
4. Mrs. Thitima Rungkwansiriroj	Member	4/4	2/2

Remarks:

(1) Mr. Naris Cheyklin has been appointed as the member of Risk Management Committee, effective from 25 April 2023 onwards. Therefore, the total number of meetings required Mr. Naris to attend were 2 meetings of the Risk Management Committee and 2 meetings of the joint meeting between the Audit Committee and the Risk Management Committee. Hence, he entirely attended all meetings.

2) Mr. Dirk Andre L. De Cuyper, resigned from the position of the member of the Risk Management Committee, effective from 16 November 2023 onwards. Therefore, the total number of meetings required Mr. Dirk to attend was 4 meetings of the Risk Management Committee and 1 meeting of the joint meeting between the Audit Committee and the Risk Management Committee. Hence, he entirely attended all meetings.

3) Mr. Michael David Marshall has been appointed as the member of Risk Management Committee to replace the vacant position, effective from 16 November 2023 onwards. Therefore, the number of joint meeting between the Audit Committee and the Risk Management Committee's meeting required Mr. Michael to attend was 1 meeting. Hence, he entirely attended the meeting.

Mrs. Amornrat Su-archawarat acts as the Secretary to the Risk Management Committee.

During 2023, the Risk Management Committee held six meetings, at which all meetings were attended by every member. The main tasks undertaken by the committee are outlined below:

1. Reviewed and approved the Charter of the Risk Management Committee to ensure conformity, appropriateness, and support to the organization for quality, effective and efficient risk management before proposing such charter to the Board of Directors for approval.
2. Reviewed and approved the corporate risk management policy and the business continuity policy before proposing them to the Board of Directors for approval.
3. Reviewed and approved the corporate risk management framework, risk appetite, and risk management framework on exchange rates and interest rates to ensure that the risk management is consistent with the strategic plans and operations of the Company amidst the changing situations.
4. Reviewed and provided opinions on corporate risk factors for the year 2023; constantly monitored the progress of the risk mitigation plan at least on a quarterly basis; and monitored the long-term risk management plan, especially the part relating to the business strategy to ensure that such risks have been managed pursuant to the risk control guidelines and in accordance with the Company's strategy.
5. Reported the results of the corporate risk management to the Board of Directors for acknowledgment on every quarter.
6. Communicated information about corporate risks and internal control with the Audit Committee by reporting the progress of the corporate risk management to the Audit Committee on the quarterly basis and having the joint meeting between two groups.
7. Continuously promoted the culture of corporate risk management through advocating education to executives and employees at all levels with aims of cultivating awareness of risk management in all of their roles and of embedding in "DNA" of all "SHR personnel" throughout the organization.
8. Monitored the progress on the preparation and rehearsal of implementing the business continuity plan.
9. Evaluated the performance of the Risk Management Committee; and used the evaluation results to improve the performance of duties for better efficiency and effectiveness.
10. Reported the Company's operations and duties relating to risk management in the annual registration statement/annual report and for the shareholders' acknowledgment.

The Risk Management Committee has completely and comprehensively performed its duties as specified in the Charter of the Risk Management Committee, and other duties particularly assigned by the Board of Directors. Furthermore, there has been a focus on the formulating policies and providing oversight to ensure the results of proactive risk management of the Company and fostering engagement in risk management from all SHR personnel. This aims to ensure the effectiveness, quality, adequacy, and appropriateness of the Company's risk management, and to utilize it in management practices with earnest and continuous implementation, resulting in fair and equitable outcomes, enabling the Company to manage risks at an acceptable level and achieve its business objectives as specified, ultimately maximizing benefits for all shareholders and stakeholders. This report was reviewed and approved by the Risk Management Committee on 13 February 2024.

On behalf of the Risk Management Committee

(Mr. Parinya Patanaphakdee)
Chairman of the Risk Management Committee

REPORT OF THE NOMINATION AND REMUNERATION COMMITTEE

Dear Shareholders,

The Nomination and Remuneration Committee of the Company consisting of three members, including two independent directors and one non-executive director is responsible for considering and establishing the criteria and procedure of recruiting qualified candidates to be nominated for directors, members of sub-committees, and senior executives of the Company, of selecting individuals pursuant to the nomination procedure established; of considering the criteria of remuneration payment and payment forms to directors before further proposing to the shareholders' meeting for approval; of placing the criteria of fair, transparent, and reasonable remuneration payment and payment forms to the senior executives in accordance with the Corporate Governance Policy to build confidence and reliability among stakeholders; and of promoting the Company's sustainable growth.

THE AUDIT COMMITTEE	POSITION	MEETING ATTENDANCE (TIME)
1. Chayanin Debhakam, D.B.A.	Chairman	8/8
2. Mr. Parinya Patanaphakdee	Member	8/8
3. Mr. Praisan Wongsmith	Member	8/8

Mr. Issarin Patramai, Chief Financial Officer and Company Secretary, acts as the Secretary to the Nomination and Remuneration Committee.

In 2023, the Nomination and Remuneration Committee had 8 meetings in total. All members of the committee attended every meeting, and the meeting results were reported to the Board of Directors regularly to ensure good corporate governance principles. The significant details of the performance of the Nomination and Remuneration Committee can be summarized as follows:

- Selected and nominated Mr. Michael David Marshall, who possesses the qualifications to hold the position of Chief Executive Officer, Director, member of Executive Committee, member of Risk Management Committee, and member of Corporate Governance and Sustainable Development Committee, in replacement of the resignation of Mr. Dirk Andre L. De Cuyper, since he had knowledge, expertise, and experience related to the Company's business operation and conformed with the Company's business strategy and direction, and proposed to the Board of Directors for approval.
- Considered and nominated a qualified person to serve as member of sub-committee by nominating Mr. Naris Cheyklin to hold the position of member of the Risk Management Committee, and considered the change of member of the Executive Committee to align with the restructuring of organization, and further proposed to the Board of Directors for approval.
- Selected and nominated candidates for appointment as directors in replacement of directors who retired by rotation in 2023, by taking into account their legal qualifications and other criteria of the Company, as well as knowledge, expertise and experience for the utmost benefit of the Company, alignment with the Company's business strategy and direction, and suitability in terms of Board Diversity, including skills of the director that is necessary but lacking in the Board of Directors, and further proposed the same to the Board of Directors and the Annual General Meeting of Shareholders for approval.
- Considered and approved the appointment of senior executives of the Company, namely 1) Mr. Issarin Patramai, to hold the position of the Chief Financial Officer and 2) Mr. Frederic Lebegue, to hold the position of General Manager at Hardrock Hotel Maldives, since they had knowledge, capability, expertise, experience, and possesses the qualifications of respective positions.
- Considered the annual performance assessment results and determined the Corporate KPIs of Chief Executive Officer in order to ensure that the CEO's performance is in conjunction with the Company's expectations and is appropriate and relevant to the Company's operating performance.
- Considered and approved the succession plan policy for selecting key personnel with suitability and transparency, to ensure that the Company can move forward under the management of professionals, including considering the succession plan of the Chief Executive Officer and senior executives of the Company.
- Considered and amended the performance evaluation forms of the Company's Board of Directors and sub-committees to ensure consistency with good corporate governance principles, including determining the directors' annual compensation based on performance assessment results of the Board of Directors and sub-committees, and further proposed the same to the Board of Directors and the Annual General Meeting of Shareholders for approval.
- Encouraged and facilitated the Company's minority shareholders to nominate a list of qualified individuals to be appointed as the Company's director to the Company at least 3 months prior to the Annual General Meeting of

Shareholders. The criteria of the nomination are disseminated and announced through the Company's website, the nomination result shall be proposed to the Board of Directors for consideration.

- Conducted an annual review of the Charter of the Nomination and Remuneration Committee and viewed that the current charter is sufficient and aligns with current business circumstances and corporate governance principles for the listed company.
- Evaluated performances of the Nomination and Remuneration Committee for the year 2023, of which the results would be used as a basis for further improvement.

The Nomination and Remuneration Committee has performed duties with honesty, integrity, and prudence by taking account of the best interest of all shareholders and stakeholders under the scope of power, duties, and responsibilities specified in the Charter, rules and regulations, and related laws, and relevantly to the Corporate Governance Principles and Business Code of Conduct completely, carefully, transparently and fairly, and in line with the Corporate Governance Principles.

This report was reviewed and approved by the Nomination and Remuneration Committee on 12 February 2024.

On behalf of the Nomination and Remuneration

(Dr. Chayanin Debhakam)
Chairman of the Nomination and
Remuneration Committee

REPORT OF THE CORPORATE GOVERNANCE AND SUSTAINABLE DEVELOPMENT COMMITTEE

Dear Shareholders,

The Corporate Governance and Sustainable Development Committee was established by the Board of Directors of S Hotels and Resorts Public Company Limited ("the Company"). The Committee consists of 4 members who are the representatives from the Board of Directors and senior executives of the Company as listed below:

CORPORATE GOVERNANCE AND SUSTAINABLE DEVELOPMENT COMMITTEE	POSITION	MEETING ATTENDANCE
1. Mr. Jukr Boon-long	Chairman of Corporate Governance and Sustainable Development Committee	8/8
2. Chayanin Debhakam, D.B.A.	Member of Corporate Governance and Sustainable Development Committee	5/6
3. Mrs. Thitima Rungkwansiriroj	Member of Corporate Governance and Sustainable Development Committee	6/6
4. Mr. Michael David Marshall	Member of Corporate Governance and Sustainable Development Committee	1/1

Remarks:

1) Mr. Dirk Andre L. De Cuyper resigned from a member of Corporate Governance and Sustainable Development Committee, effective 16 March 2023, therefore, he had attended a total of 5 meetings to which he had completely attended every meeting.
2) Mr. Michael David Marshall was appointed as a member of Corporate Governance and Sustainable Development Committee, effective 16 November 2023, therefore, he had attended a total 1 meeting to which he had completely attended the meeting.

Miss Sirithorn Thamrongnawasawat acts as Secretary to the Corporate Governance and Sustainable Development Committee.

The Corporate Governance and Sustainable Development Committee performs duties such as defining the practice guidelines, and proposing the policy, formulating strategy, developing operating framework, and defining goals for the Company to embrace corporate governance and sustainable development, morals and Code of Conduct, as well as implementing Anti-corruption policy/measures, which would be proposed to the Board of Directors and the top management in order to implement the policies and practice guideline to stay in line with standards and proper accepted guidelines while meeting the Company's objectives as an organization intending to create confidence and sustainability for all stakeholders; and to make the business operation of the Group of Companies efficient pursuant to the policies and resolutions of the Board of Directors. In 2023, the Corporate Governance and Sustainable Development Committee held a total of 6 meetings and took into account matters relating to the promotion of good corporate governance and sustainable development provided that the results of operations were segregated and categorized into corporate governance and sustainable development performance as described below.

Performance relating to promoting Good Corporate Governance

- Considered and concurred the revision of the Company's policies relating to good corporate governance to stay consistence wth the requirements of the supervisory agencies such as (1) Code of Conduct (amended in 2023) and (2) Human Rights Policy (amended in 2023).
- Considered and concurred new policies such as (1) Biodiversity Policy (2) Procurement Policy, and (3) Supplier Code of Conduct in 2023.
- Considered and acknowledged the revision of the Charter of Corporate Governance and Sustainable Development Committee to stay in line with the Good Corporate Governance principles for Thai listed Companies of the Stock Exchange of Thailand and the Office of the Securities and Exchange Commission, Thailand which recommends listed company to revise its Charter at least once a year.
- Considered and concurred with the Whistle Blowing report for the fiscal year 2023 that relates to important stakeholders such as community provided that the management has established compliant channels and the procedure to lodge the report in order to embrace transparency in the work process.
- Considered and acknowledged the Corporate Governance Report (CGR) requirements and the Company's participation in CGR assessment in 2023, including acknowledgment of the result of the assessment, recommendations and guidelines to improve the performance according to the assessment requirements in 2024.
- Considered and acknowledged the participation in the 2023 THSI assessment, including the result of the assessment, recommendations and guidelines to improve the sustainability development performance to stay in line with the THSI assessment requirements in 2024.
- Considered and acknowledged the Code of Conduct violation statistics for the fiscal year 2023 provided that there was 1 violation case in Maldives and the violator has been disciplined and the case has been reported to the local police to take further legal action.
- Considered and acknowledged the results of the assessment of the Corporate Governance and Sustainable Development Committee performance during the fiscal year 2023 provided that the result of the assessment will be used to improve the performance.

Performance relating to Sustainability Development

- Considered and acknowledged the 2023 sustainability development plan.
- Considered and acknowledged the Carbon Neutrality Plan 2030, including the Company's targets to achieve Carbon Neutrality 2030.
- Considered and acknowledged the progress report on Net Zero Pathway and guidelines to minimize GHG emissions.
- Considered and concurred the Key Biodiversity 30x30 plan (KBAs – CROSSROADS, SAii Phi Phi Mangroove, SAii Phi Phi Coral) in 2023.
- Considered and acknowledged the progress report on "The Nature Trail" project in Santiburi Hotel and Key Biodiversity Project.
- Considered and acknowledged the progress report on the Human Right Due Dilligence and risk assessment on the human rights of the Company which covers self-managed hotels in Thailand, Maldives, hotels in the UK and Outriggers.
- Considered and acknowledged the Marine Youth Camp which was organized in CROSSROAD, Maldives.
- Considered and acknowledged the progress report on Sala Thai restaurant renovation by adopting the sustainability development concept as part of the plan such as revising the food menu to have authentic Thai taste and designing the interior of the restaurant to have Thai atmosphere.
- Considered and acknowledged the MOU signing relating to OECM with the Ministry of Climate Change, Environment and Energy, Maldives government in order to collaborate and work on protecting Maldives' natural environment, including the acknowledgment of theprogress report on biodiversity conservation efforts such as surveying the area and coral reefs and nearly extinct marine species.
- Considered and acknowledged the MOU signing with the Bird Conservation Society of Thailand.
- Supervised and monitored the results of sustainability development performance under the hotels and resorts' management as well as providing comprehensive recommendations, particularly on addressing the stakeholders' expectations, which is within the framework of sustainable business strategies.
- Considered and acknowledged the progress on the Green Globe recertification, including providing recommendations and practice guidelines to achieve upon the aforementioned assessment provided that during 2022, the six hotels under the Company's management have entered the assessment and between January to February 2023, the Company's hotels managed to receive Green Globe Standard Certified with 1 year certification period.
- Considered and acknowledged the decision to enter the EIC Sustainable Event Standards assessment in 2024.
- Considered and acknowledged the results of work relating to using Sustainability Hash Tags in social media.
- Considered and acknowledged the report on the impacts of El Niño Phenomenon, and set up water management task force to address drought issues faced by hotels in Thailand.
- Considered and acknowledged the report relating to COP26, COP27 and COP28 meetings.
- Considered and acknowledged the guidelines to build SAii brand for the hotels of the Company.
- Considered and acknowledged the plan to set up the Company's booth at the ITB event in Berlin, Germany in 2024.
- Considered and acknowledged the results of performance relating to hotels' solar cells.
- Considered and acknowledged the Company's Sustainability Development Plan 2024 such as reforestation project called, "Plook Pah Duay Plai New", Green Globe recertification and S & SHR Supply Chain Seminar 2024, etc.

The Corporate Governance and Sustainable Development Committee has performed duties with honesty, integrity, diligence and carried out the works relating to corporate governance and sustainable development, which would lead to the participation in working with internal and external parties in various projects and is in accordance with the corporate governance and sustainable development framework to meet the international standards. This would drive the Company to grow sustainably by taking account of the best interests of all shareholders and stakeholders. The Corporate Governance and Sustainable Development Committee also supervises the Company to effectively operate with good corporate governance consistent with the business plan, corporate strategies, and is in compliance with related laws and rules and the Good Corporate Governance Principles and Code of Conduct. This is the main management principle of the Corporate Governance and Sustainable Development Committee that aims to drive the Company forward securely and sustainably.

On behalf of the Corporate Governance and
Sustainable Development Committee

(Mr. Jukr Boon-long)
Chairman of the Corporate Governance and
Sustainable Development Committee

BOARD OF DIRECTORS AND EXECUTIVE COMMITTEE

01 Mr. Apisak Tantivorawong
- Chairman of the Board of Directors
- Independent Director

02 Mr. Sompong Tantapart
- Independent Director
- Chairman of the Audit Committee

03 Mr. Praisun Wongsmith
- Independent Director
- Member of the Audit Committee
- Member of the Nomination and Remuneration Committee

04 Mr. Jukr Boon-long
- Independent Director
- Member of the Audit Committee
- Chairman of the Corporate Governance and Sustainable Development Committee

05 Mr. Parinya Patanaphakdee
- Independent Director
- Chairman of the Risk Management Committee
- Member of the Nomination and Remuneration Committee

06 Chayanin Debhakam, D.B.A
- Director
- Chairman of the Nomination and Remuneration Committee
- Member of the Corporate Governance and Sustainable Development Committee

07 Mr. Naris Cheyklin
- Director
- Member of the Risk Management Committee

08 Mrs. Thitima Rungkwansiriroj
- Director
- Chairman of the Executive Committee
- Member of the Risk Management Committee
- Member of the Corporate Governance and Sustainable Development Committee

09 Mr. Michael David Marshall
- Director
- Member of the Executive Committee
- Member of the Risk Management Committee
- Member of the Corporate Governance and Sustainable Development Committee
- Chief Executive Officer

01 Mrs. Thitima Rungkwansiriroj

- Director
- Chairman of the Executive Committee
- Member of the Risk Management Committee
- Member of the Corporate Governance and Sustainable Development Committee

02 Mr. Michael David Marshall

- Director
- Member of the Executive Committee
- Member of the Risk Management Committee
- Member of the Corporate Governance and Sustainable Development Committee
- Chief Executive Officer

03 Mr. Chairath Sivapornpan

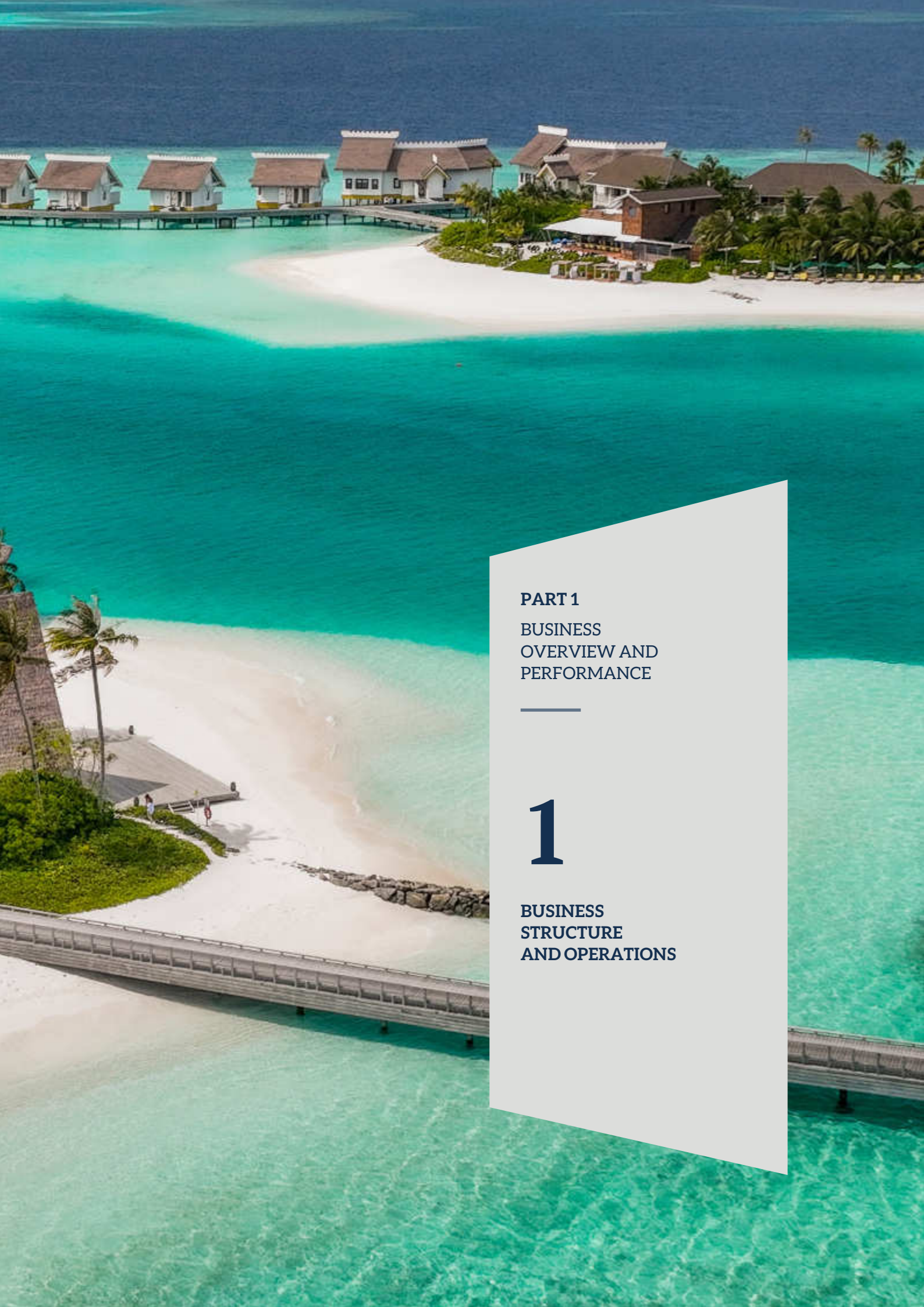
- Member of the Executive Committee

04 Mr. Issarin Patramai

- Member of the Executive Committee
- Chief Financial Officer
- Company Secretary

05 Mr. Stefano Alberto Ruzza

- Member of the Executive Committee
- Senior Vice President - Operations



PART 1

BUSINESS OVERVIEW AND PERFORMANCE

1

BUSINESS STRUCTURE AND OPERATIONS

BUSINESS STRUCTURE AND OPERATIONS

POLICY AND BUSINESS OVERVIEW

S Hotels & Resorts Public Company Limited ("the Company" or "SHR") is a holding company that engages in the hotel development and management business. The Company operates through strategic investments in fast-growing international hotel businesses, actively seeking opportunities to expand its business and partnerships with investors in ventures and assets exhibiting significant growth potential. SHR is committed to establishing industry-leading standards for both leisure and quality of living by offering the best products and services that create value and enrich the travel experience in affordable luxury hotels and resorts. Our dedication to excellence extends to upholding the highest standards of safety and hygiene across all operations. Recognizing the importance of environmental and social responsibility, SHR fosters positive relationships with local communities and implements sustainable practices throughout our business activities.

The Company was established in 2014 as a business unit of Singha Estate Public Company Limited. At that time, the Company owned two hotels in Thailand with a total of 227 rooms. Over the years, the Company has steadily expanded its business through both organic growth and inorganic growth through acquisitions. As of 2023, the Company owns and operates a total of 38 hotels with 4,552 keys located in key global tourist destinations, including Thailand, the Republic of Maldives, the Republic of Fiji, the Republic of Mauritius, and the United Kingdom. The Company's strategic investment in hotels across diverse geographic locations, tourist seasons, and management models serves to mitigate risks to its operational performance. This balanced diversification creates sustainable growth and ensures the delivery of exceptional leisure experiences to travelers worldwide.

The Company's current portfolio growth strategy focuses on optimizing profitability and generating returns from existing assets. This has been achieved through investment restructuring over the past four years (2020-2023) to enhance operational efficiency. Key initiatives include (1) Value enhancement project, (2) Asset rotation, (3) Effective cost control and expenses management, and (4) Enhancing access to domestic and international funding sources. Including further supported by an experienced and visionary board of directors and senior management team, and the backing of Singha Estate as the flagship hotel and resort company of the Singha Estate Group.

CORPORATE VISION AND STRATEGY

VISION

The Company endeavors to step up as a leader in hotel and resort investment and management, which establishes a new benchmark for quality leisure and lifestyle experience grounded in the principles of sustainable development and offering genuine interest to local communities. The Company aims to deliver great experiences in staying in luxury hotels and resorts at affordable rates. The Company also promotes collaboration with business alliances and strives for continuous improvement in corporate governance.

CORPORATE STRATEGY

The Company prioritizes the operation and expansion of its business endeavors to foster balanced diversity, ultimately achieving sustainable growth. In pursuit of our corporate vision, we have outlined the following strategies.

1. Maximizing the asset's potential to boost revenue and optimize profitability

The Company emphasizes the importance of bolstering competitiveness to maximize shareholder returns. Key factors facilitating increased returns include enhancing asset quality, augmenting revenue share from other services beyond accommodation, implementing comprehensive cost and expense management, and ensuring the most efficient investment management. Additionally, the Company aims to rebalance its investment portfolio to consistently achieve higher returns through various operational strategies.

1) Asset rotation and Portfolio optimization involves reallocating investments by divesting from hotels with limited growth potential or declining performance and reinvesting in other hotels within the Company's portfolio, aiming to enhance profitability potential, or acquiring additional businesses.
2) Exploring the feasibility of transitioning the management model of hotels from third-party management agreements to franchising contracts or self-management arrangements, to minimize expenses associated with engaging external management services.
3) Seeking opportunities to reduce asset ownership through the Asset Light Model or via hotel management contracts, aiming to improve investment management efficiency, enhance management flexibility, and facilitate rapid business expansion. This can be categorized into the following avenues:
   - Utilizing the "SAii" brand, the Company-owned brand, to manage the Home-grown Brand platform.
   - Integrating international brands to manage the Franchise brand platform.
   - Establishing new brands through strategic partnerships with business allies to manage (White Label Brand platform).

2. Brand enhancement strategy and business partnership development

SAii is a lifestyle resort brand that prioritizes offering guests a sense of relaxation and freedom, catering to those who seek luxury and exceptional service at affordable prices during their stays. Managed by the Company, which specializes in hotel management and international tourism business, SAii aims to deliver the ultimate luxurious vacation experience by focusing on attention to detail, meticulousness, and excellent service quality while also celebrating cultural uniqueness and local communities, aiming to create impressive experiences and contribute to the sustainability of the environment and neighboring communities. Every aspect is carefully attended to warmly welcome travelers from all corners of the world.

The remarkable success of SAii Lagoon Maldives, the first hotel under the SAii brand, which commenced operations in late 2019, marks a significant milestone in SAii's expansion plan and brand diversification into other hotels. This initiative commenced with the Company's self-managed hotels, including SAii Laguna Phuket, SAii Phi Phi Island Village, and SAii Koh Samui Choengmon, along with prospective investments in additional hotels and partner hotels that the Company deems suitable. The development of the SAii brand is considered a vital foundation in bolstering the hotel management business, aligning with the strategy of reducing asset ownership (Asset Light Model), to foster robust growth and future prosperity.

3. Strategy of acquiring and managing new assets

The Company focuses on a well-diversified portfolio strategy, intending to expand its operations and investments to diverse destinations,including tourist attractions and emerging business hubs globally. This strategy aims to ensure a year-round influx of tourists to the Company's hotel portfolio, thereby nurturing steady revenue streams. Furthermore, the Company remains committed to seeking strategic business partnerships to address market demands and enhance its competitive differentiation.

4. Sales and marketing strategy to expand customer base and reach diverse customer groups

The Company is transitioning towards a digital platform to augment the capabilities of room reservation channels and hotel revenue management. Additionally, it utilizes big data analysis technology to analyze tourist information, aiming to improve efficiency in accessing customer groups. This initiative is complemented by efforts to boost revenue generation efficiency through the following marketing strategies:

1) Broadening reservation channels involves the development of an internet-based room reservation system via the brand.com website, enabling direct access to hotel services for customers and reducing intermediary operational expenses.
2) Utilizing data science technology to enhance analytical capabilities regarding tourist satisfaction and behavior, thereby refining sales and marketing strategies in each period to outperform competitors.
3) Establishing partnerships with business allies to collaborate in expanding the customer base and maintaining good relationships with existing customers, thereby bolstering brand loyalty, and fostering long-term growth potential.

5. Sustainable Development Strategy

In addition to its commitment to enhancing service standards for creating exceptional guest experiences and unforgettable memories, fostering employee development, and implementing supportive systems to ensure outstanding service delivery, as well as prioritizing environmentally friendly in managing hotels, the Company has formulated a comprehensive sustainable development strategy. This strategy includes the goal of achieving Carbon Neutrality by 2030 and committing social responsibility as a fundamental aspect of its business operations. Furthermore, the Company's core business philosophy revolves around generating sustainable value for all stakeholders, including society, local communities, and hotel guests. It places significant emphasis on conserving and supporting environmental initiatives in the area through collaborative efforts with relevant organizations. The Company takes pride in its contribution to sustainable value creation for all stakeholders, demonstrated through its commitment to preserving the unique natural resources in each location where its hotels are situated. Additionally, it strives to enhance the quality of life for local residents through job creation and income generation. The Company believes that these various initiatives will facilitate sustainable development for all stakeholders, fostering mutual development among communities,the environment, and the economic prosperity in the area. Moreover, it endeavors to infuse interest and distinctiveness into its hotel portfolio.

CORE VALUES

PARTNERSHIP

1. Build good relationship among business partner, team and community
2. Cooperate with others to make things happen to achieve common interest
3. We understand our roles

REFINED

1. Create works meticulously and punctiliously
2. Select best materials, be the best in class
3. Strive to offer best quality products and services for customers, pay attention to details
4. Maintain good appearance and good manner in different situations

P R

Integrity

1. Persist in commitment and be responsible for engagement that we gave to customers, team members, business partners and communities
2. Treat others with honor and equality
3. Stand for what is right, be honest

Dynamic

1. Be positive, ready to cope with challenges
2. Strive for self-development and develop others continuously in order to be ready for changes of business, dare to think differently, share out-of-the-box ideas
3. Increase effectiveness and quality for different situations

Entrepreneurship

1. Work with passion and dedicate to achieve goals
2. Take consequences with others into consideration (Customers, Business partner, Team members, and communities)
3. Be confident and proud, proven by actions
4. Ready to dedicate for common interest

I D E

Significant changes and developments

In 2014, through Singha Estate, we acquired luxury hotel businesses for the first time, including Santiburi Koh Samui Hotel with 71 villas and Phi Phi Island Village Beach Resort with 156 bungalows in Thailand.

In 2015, the Company was registered as a limited company and constructed an additional 6 grand deluxe pool villas at Santiburi Koh Samui Hotel. In the same year, the Company expanded its investment in hotel properties by acquiring a 50% stake in Jupiter Group through a joint venture with FICO Holding (UK) Limited ("FICO UK"). The Jupiter Group's portfolio comprises 26 midscale to upscale hotels under the Mercure brand.

In 2016, the Company acquired Hotelier Group Limited through a joint venture with FICO UK. The Hotelier Group's portfolio comprises 3 midscale to upscale hotels, including 2 hotels under the Holiday Inn brand and 1 hotel under the Mercure brand. In the same year, the Company renovated 110 bungalows and all restaurants at Phi Phi Island Village Beach Resort.

In 2018, the Company acquired the leasehold rights to land in the CROSSROADS project. During the same year, the Company extended its domestic operations and initiated international expansion into the Maldives, Fiji, and Mauritius by acquiring 6 hotels managed by the Outrigger Hotel Group. Furthermore, the Company also commenced construction and development of the CROSSROADS project, which includes the development and operation of two upper upscale hotels managed by international brands, The Marina @ CROSSROADS, and another reclaimed island under development as a hotel. In addition, we also added 19 newly built grand deluxe pool villas to Santiburi Koh Samui Hotel in the same year.

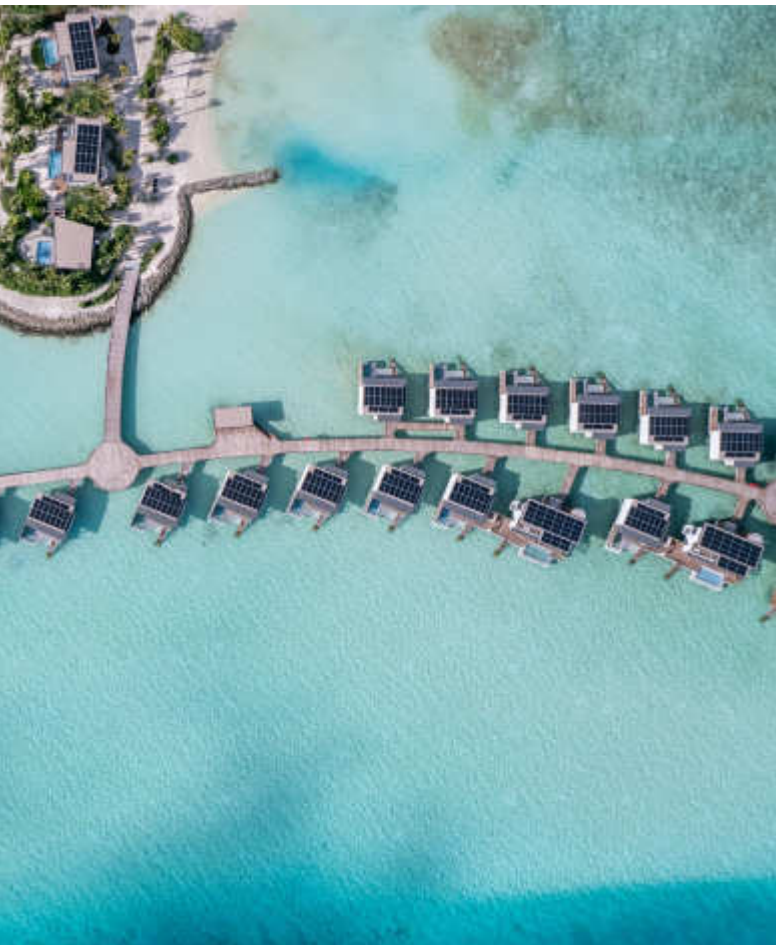
In May 2019, the Company registered as a public company and offered ordinary shares by initial public offering (IPO) in the Stock Exchange of Thailand ("SET") on 12 November 2019, under the tourism & leisure sector. Following the capital increase, Singha Estate Public Company Limited maintained a 60% stake in the Company's paid-up capital. In the third quarter of 2019, the Company commenced commercial operations at two hotels in the CROSSROADS project in Emboodhoo Lagoon, Maldives: SAii Lagoon Maldives, Curio Collection by Hilton (198 rooms) and Hard Rock Hotel Maldives (178 rooms). The Marina @ CROSSROADS also began its operations, featuring shopping outlets, restaurants, beach clubs, museums, various amenities, and recreational activities.

In this endeavor, the Company has developed its own SAii lifestyle brand in the Republic of Maldives, widely acclaimed by hotel guests for its exceptional product delivery, guest experience, and outstanding service quality, infused with a vibrant brand

personality. This is achieved through the integration of Thailand's renowned virtues, such as compassion, humility, and friendliness, coupled with creativity and the charm of the destination, before adopting this brand concept to an additional three hotels in Thailand in 2021. Beyond establishing the SAii brand, the operations of both hotels in the CROSSROADS project are also under a franchise agreement with leading global hotel brand partners. This leverages strong distribution channels in their respective markets to attract a significant number of tourists worldwide.

Subsequently, during the first quarter of 2020, the Company disposed of shares in Prime Locations Management 3 Ltd. ("Joint Venture Company"), representing 50% of the total ordinary shares, to Wai Eco World Developer Pte. Ltd. ("WEWD") for the collaborative develop luxury lifestyle resorts on Island 3 of CROSSROADS Project. This development comprises 80 villas aimed at expanding the customer base into the luxury market segment in the Republic of Maldives. The construction was completed according to the established plan and commenced commercial operations under the SO/ Hotels & Resorts brand, a modern lifestyle brand infused with the vibrancy and excitement characteristic of Accor.

In the third quarter of 2020, the Company undertook renovations at SAii Laguna Phuket Hotel (formerly known as Outrigger



Laguna Phuket Beach Resort) in Phuket. This included upgrades to the Edge Water Restaurant and Edgewater Bar, aimed at increasing guest spending per person. Additionally, a multi-purpose hall spanning 1,900 square meters was constructed to facilitate business meetings and wedding events, thereby boosting the hotel's revenue potential. This renovation project was completed in November 2020.

In 2021, the Company reached an agreement to acquire ordinary shares and related agreements of FS JV Co Limited ("FS JV"), a joint venture of the Company, to acquire 500,000 ordinary shares of FS JV at a par value of GBP 1 per share, representing 50% of the paid-up capital. Subsequently, the Company acquired the rights and obligations of a loan agreement between FICO UK as creditor and FS JV as debtor. Following these transactions, the Company held 100% of the shares in FS JV, making FS JV a subsidiary of the Company. Additionally, the Company has successfully reached an agreement for the disposal of land, buildings, and other fixtures of Mercure Newbury Elcot Park Hotel in the United Kingdom, aligning with the Company's strategic hotel management strategy in the UK and in line with its vision and business plans. Furthermore, the Company took over the management of three hotels previously managed by the Outrigger group, out of a total of six hotels. These hotels include SAii Phi Phi Island Village Hotel, SAii Laguna Phuket Hotel, and SAii Koh Samui Choengmon Hotel, with the aim of improving operational efficiency and profitability. Moreover, the Company signed a hotel management agreement with Accor, a leading global hotel and service business group, under the SO/ brand to develop and operate the luxury hotel on Island 3 of the CROSSROADS project. The hotel commenced operations in November 2023.

In 2022, the Company reached agreements for the disposal of land, buildings, and other fixtures of Mercure Burton Upon Trent, Newton Park Hotel, and Mercure London Watford Hotel in the United Kingdom. This aligns with the Company's hotel management strategy in the UK and its portfolio optimization strategy, alongside a Head Lease Acquisition of Mercure Perth Hotel to boost the Company's efficiency in managing assets in the United Kingdom. Additionally, in October 2022, the Company initiated Phase 1 renovations for 154 rooms at the Outrigger Fiji Beach Resort, aimed at boosting competitiveness and fostering potential revenue growth. These renovations were completed as scheduled in July 2023.

In 2023, the Company carried out Phase 2 renovations at the Outrigger Fiji Beach Resort, including the reception area, guest facilities, all day dining restaurant, and 99 guest rooms. These renovations were completed in November of the same year. Moreover, the Company undertook renovation projects at two hotels in Thailand, recognized as core assets with considerable potential. The primary objective was to elevate brand recognition and bolster revenue and profitability, thereby fostering sustainable revenue growth in the future. These properties include the SAii Phi Phi Island Village Hotel, comprising 72 rooms, and the SAii Laguna Phuket Hotel, comprising 82 rooms. The renovation initiatives encompassed enhancements to reception areas, restaurants, and spa facilities, all aimed at elevating the overall guest experience and consequently increasing non-room revenue. These renovations were completed in December.

In the third quarter of 2023, the Company reached an agreement to acquire land, buildings, and other fixtures of Mercure Glasgow Hotel in the United Kingdom, aligning with its hotel management strategy in the United Kingdom and its portfolio optimization strategy. Furthermore, in the fourth quarter, the Company successfully issued and offered its first corporate bonds to the public, amounting to THB 1,300 million. Additionally, the Company achieved a significant milestone with the commercial launching of the SO/ Maldives hotel, featuring 80 luxury villas. This establishment aims to enrich and broaden the range of offerings within the CROSSROADS project, ensuring comprehensive accommodation for diverse market segments. Serving as the premier integrated leisure destination in the Maldives, it elevates CROSSROADS' global recognition, bolstered by the robust network of Accor's membership program.

Use of proceeds from debenture issuance

The Company has issued and offered the debentures of S Hotels and Resorts Public Company Limited No.1/2023, with a total offering amount of THB 1,300, million. The issuance and offering of these debentures serve the following purposes: (1) to facilitate investment, renovate and develop hotels, or expand business, and (2) to utilize as working capital.

The Company hereby provides a report on the utilization of debentures proceeds according to the stated objectives until 31 December 2023, as follows:

OBJECTIVES	APPROXIMATE AMOUNT (THB MILLION)	PERIOD	DETAIL OF PROCEEDS
Facilitate investment, renovate and develop hotels, or expand business	THB 410.0 Million	31 October to 29 November 2023	Investment in renovation of the Company's hotels as part of the business expansion plan, and investment to expand the business of the debenture issuer.
Working capital	THB 100.0 Million	31 October to 29 November 2023	To serve as working capital for expanding investments in the debenture issuer's core business.

Moreover, the Company retains funds from the debenture issuance totaling THB 790.0 million. The Company intends to allocate the remaining funds in alignment with the objectives and timeline outlined in the offering document (Form 69-PO-PRICING) and the prospectus for the No.1/2023 debentures.

BUSINESS DESCRIPTION

The Company has flexible management policies to suit its investment policy as seen in various business platforms of the existing assets in which the Company has been investing. Apart of flexibility in management, the Company enables the most efficient utilization of its resources, but also from increased opportunities for investment. The Company operates through 5 distinct business platforms, outlined as follows:

1. Self-managed hotels with own management and operation under its own brand, consisting of 4 hotels in Thailand namely, Santiburi Koh Samui, SAii Phi Phi Island Village, SAii Laguna Phuket, SAii Koh Samui Choengmon, and another one in the Republic of Maldives namely, Konotta Maldives Resort ("Self-managed Hotels").
2. Self-managed hotels with Franchise Agreement, whereby the Company enhances the hotel's distribution channels by leveraging established brand distribution networks, intending to promptly solidify hotel recognition within the Company's well-established management framework. This encompasses two hotels within the CROSSROADS project in the Republic of Maldives: SAii Lagoon Maldives, Curio Collection by Hilton, and Hard Rock Hotel Maldives ("CROSSROADS Hotels").
3. Hotels managed under the Third-party Hotel Management Agreement, The Company appoints third-party management operators, internationally renowned, to maintain the property's prestige. These operators manage the Company's hotels, providing excellent branding, in exchange for management fees. This arrangement is divided into two hotel groups.
   (3.1) Three hotels, comprising two in the Republic of Fiji and one in the Republic of Mauritius, are managed under the Outrigger brand ("Outrigger Hotels").
   (3.2) A total of 24 midscale to upscale hotels in the United Kingdom are managed by Aimbridge Hospitality EMEA (formerly known as Interstate Hotels & Resorts), a leading hotel management company renowned for its expertise in hotel management and widely recognized in the United Kingdom and Europe. These hotels operate under the well-known Mercure brand franchise ("UK Portfolio Hotels").

4. Hotels operated under the Joint Venture Agreement platform, consisting of 3 hotels in the United Kingdom operating under the Mercure and Holiday Inn brands, with the Company and FICO UK each holding a 50% investment share in the joint venture. Additionally, the SO/ Maldives hotel, part of the CROSSROADS project on Island 3 in the Republic of Maldives, is jointly invested in by the Company and Wai Eco World Developer, with each holding a 50% investment share. Ennismore, a prominent global hotel and service network esteemed for its exceptional diversity and comprehensive services, has been designated as the asset manager for the hotels operated through this joint venture ("Joint Venture Hotels"). Operational results from hotels operated as joint ventures are accounted for using the equity method, whereby the Company recognizes its share of profits or losses from the investment in the joint venture.

Revenue structure

Revenue generated by types of business platforms:

BUSINESS GROUP (UNITE: THB MILLION)	2021		2022		2023	
	THB MILLION	%	THB MILLION	%	THB MILLION	%
Self-managed Hotels	234	5.19%	1,098	12.63%	1,749	18.03%
Outrigger Hotels	205	4.54%	1,486	17.09%	1,456	15.01%
CROSSROADS Hotels	1,628	36.07%	2,445	28.13%	2,545	26.23%
UK Portfolio Hotels	2,446	54.20%	3,664	42.15%	3,951	40.73%
Total Revenue from Sales and Services	4,513	100.00%	8,693	100.00%	9,701	100.00%

Revenue structure of the Company and its subsidiaries:

TYPE OF REVENUE	2021		2022		2023	
	THB MILLION	%	THB MILLION	%	THB MILLION	%
Total revenue from operations	**4,512**	**96.70**	**8,693**	**98.52**	**9,701**	**96.97**
Room revenue	2,438	52.24	4,946	56.05	5,700	56.98
F&B revenue	1,370	29.36	2,736	31.01	2,875	28.74
Other revenue	705	15.11	1,011	11.46	1,126	11.25
Other incomes	**157**	**3.36**	**153**	**1.73**	**391**	**3.91**
Other incomes	142	3.04	92	1.04	277	2.77
Interest income	35	0.75	40	0.45	119	1.19
Gain (loss) from exchange rate	(20)	(0.43)	21	0.24	(5)	(0.05)
Share of loss from investment in joint venture	**(3)**	**(0.06)**	**(22)**	**(0.25)**	**(88)**	**(0.88)**
Total revenues	4,667	100.00	8,824	100.00	10,004	100.00

Operating revenue structure of the Company from domestic and overseas:

SOURCE OF INCOME	2021		2022		2023	
	THB MILLION	%	THB MILLION	%	THB MILLION	%
Domestic revenue	234	5.19%	1,081	12.43%	1,750	18.04%
Overseas revenue	4,278	94.81%	7,612	87.57%	7,951	81.96%

Number of hotels and keys by types of business platforms:

	SELF-MANAGED HOTELS	SELF-MANAGED HOTELS WITH FRANCHISE AGREEMENT		THIRD-PARTY HOTEL MANAGEMENT AGREEMENT		
				OUTRIGGER HOTELS	UK PORTFOLIO HOTELS	JOINT VENTURE HOTELS
Hotel name/ Brand	SAii Phi Phi Island Village, SAii Laguna Phuket, SAii Koh Samui Choengmon, Santiburi Koh Samui	SAii Lagoon Maldives, Curio Collection by Hilton	Hard Rock Hotel Maldives	Outrigger Fiji Beach Resort, Castaway Island, Outrigger Mauritius	Mercure	Mercure, Holiday Inn, SO/ Maldives
Number of hotel(s)	5	1	1	3	24	4
Number of rooms(s)	657	198	178	499	2,711	309
Segment	Upper upscale/ Upscale/ Luxury	Upper Upscale	Upper Upscale	Upper Upscale	Mid-upscale	Mid-upscale / Luxury
Hotel type	Resort	Resort	Resort	Resort	Hotel	Hotel / Resort

PROPERTIES INFORMATION

OUR CURRENT PROJECTS

SANTIBURI KOH SAMUI

A renowned 5-star beachfront resort with a longstanding reputation among tourists for over two decades, it is also the first hotel that Singha Estate Public Company Limited ("Singha Estate" or "S") acquired in 2014. Subsequently, the Company forged an agreement with Singha Estate to lease the land and buildings of Santiburi Resort, Koh Samui, comprising a total of 96 rooms, including 12 Duplex Suites, 65 traditional Thai-style houses that evoke the ancient Sukhothai villages, and 19 spacious modern-style Grand Reserve Pool Villas with private pools.

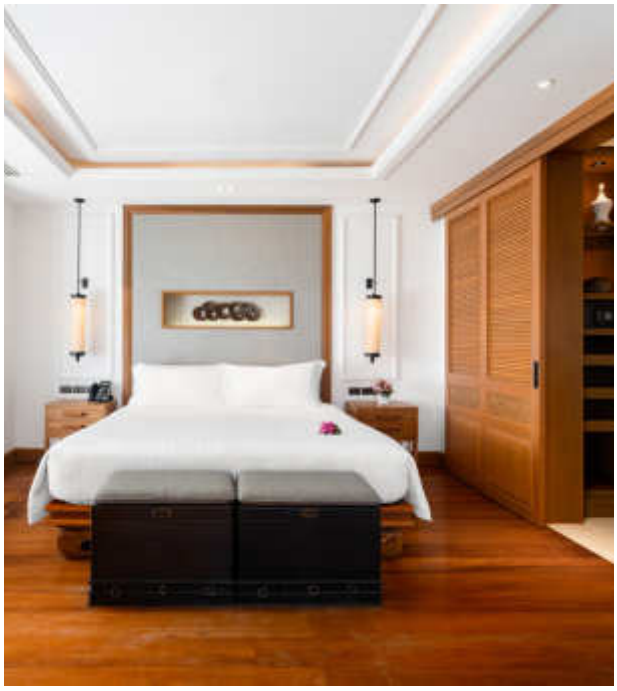
Location:
Koh Samui, Mae Nam Subdistrict, Koh Samui District, Surat Thani Province, Thailand

Description:
5-star hotel on a private beach more than 300 meters long with full facilities, including large swimming pools, restaurants, beach center, spa center, fitness center, and water sport activity center

Target group:
High-end and experiential global travelers, honeymooners, families, MICE groups, destination wedding groups

Number of keys:
96 keys

ROOM TYPE	AVERAGE SIZE (SQ. M.)	NO. OF KEYS
Duplex Suite	62	8
Two Bedrooms Duplex Suite	105	4
Deluxe Garden Villa	115	35
Grand Deluxe Garden Villa with Plunge Pool	127	8
Deluxe Pool Villa	136	4
Grand Deluxe Pool Villa	285	6
Grand Reserve Pool Villa	250	19
Deluxe Beachfront Villa	80	7
Deluxe Beachfront Villa with Plunge Pool	121	3
Two Bedrooms Deluxe Beachfront Villa with Jacuzzi	176	1
Two Bedrooms Deluxe Beachfront Pool Villa	195	1
Total		96



SAII PHI PHI ISLAND VILLAGE

SAii Phi Phi Island VILLAGE

An upscale lifestyle resort, located amidst the captivating scenery of beauty of the beach and magnificent mountains, SAii Phi Phi Island Village Hotel lies along the beachfront of Phi Phi Don Island, boasting over 800 meters of fine white sandy beaches. This continuously developed resort has garnered popularity among international tourists and diving enthusiasts, enabling it to sustain a robust operational performance throughout the years. Since its rebranding in 2021, the resort has undergone extensive renovations, enhancing both accommodations and amenities. These enhancements include beautifully designed open-concept lobby areas, free-form swimming pools, serene spa facilities, and ocean-view dining venues. The resort offers premium accommodations such as the Hillside Pool Villas, offering private pools available in both one and two-bedroom for serene and secluded retreats. The latest addition, the Deluxe Garden Villas, showcases contemporary designs with calming natural tones seamlessly blending with the surrounding landscape. Furthermore, the resort actively promotes environmental conservation and awareness through initiatives at the Marine Discovery Centre, located within the premises, encouraging travelers to appreciate and safeguard the marine ecosystem.

Location:
Phi Phi Don Island, Ao Nang Subdistrict, Mueang Krabi District, Krabi Province, Thailand

Description:
Upper upscale hotel on a private beach about 800 meters long, complete with facilities including 2 large swimming pools, a beach restaurant, and spa center.

Target group:
Experiential global travelers, honeymooners, families, MICE groups, destination wedding groups

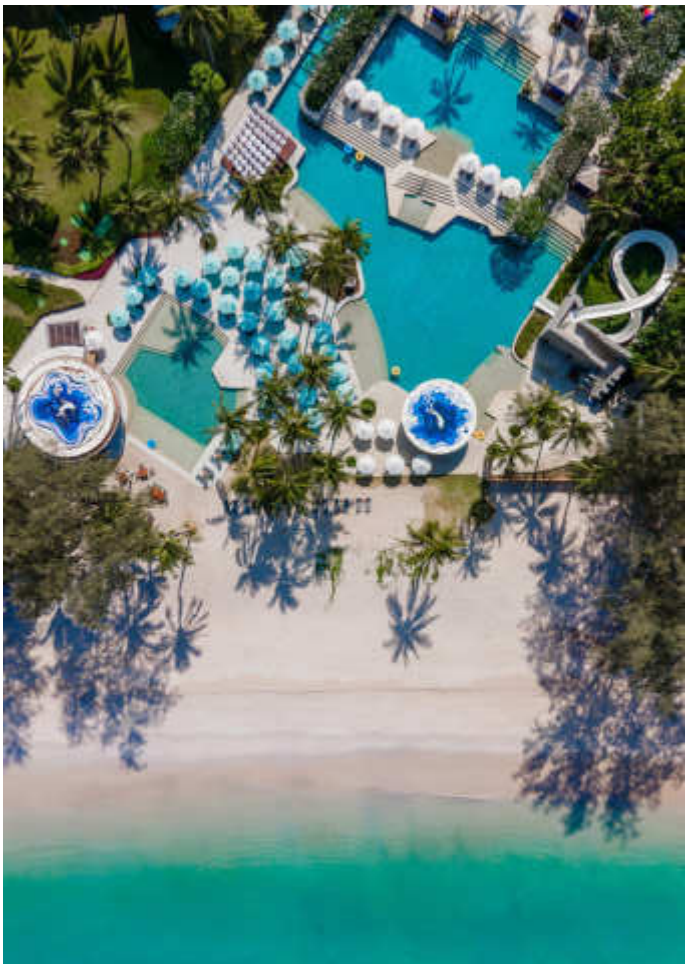
Number of keys:
201 private villas

ROOM TYPE	AVERAGE SIZE (SQ. M.)	NO. OF KEYS
Deluxe Garden Bungalow	50	44
Deluxe Garden Villa	45	72
Deluxe Premium Bungalow	59	37
Deluxe Seaview Bungalow	59	12
2 Bedrooms Family Bungalow	102	10
Beachfront Junior Suite	79	14
Oceanview Hillside Pool Villa	125	8
2 Bedrooms Oceanview Hillside Pool Villa	150	4
Total		201

SAII LAGUNA PHUKET

SAii Phuket LAGUNA

An upper upscale lifestyle resort located in the heart of Laguna Phuket, Thailand's premier resort destination, on the beautiful Bang Tao Beach, considered one of the most stunning beaches on Phuket Island. This resort offers breathtaking views of the lagoon and the Andaman Sea, garnering excellent feedback from international tourists seeking relaxing vacations and family-friendly holiday activities. Since its rebranding in 2021, accompanied by a transition to self-management, this resort has elevated its offerings through enhancements of beachfront restaurants and bars, serene spa facilities, as well as room renovations, and the introduction of new products such as the Premium Lagoon and Premium Club Lagoon. Additionally, it features a large convention center spanning over 1,900 square meters, inclusive of the grand Similan Ballroom with a 6-meter-high ceiling, capable of accommodating up to 350 guests, along with 9 smaller meeting rooms, VIP rooms, and expansive foyer areas equipped with state-of-the-art audiovisual technology, making it an ideal choice for MICE business events in Phuket. Hotel guests can enjoy modern conveniences throughout the resort, including newly redesigned event spaces, uniquely beautiful beachfront restaurants and bars, and various water activities offered at the Beach & Marine Center. With its diverse offerings, this resort caters to couples, families, and groups of friends, while also serving as a memorable venue for special events and weddings.



Location:
Bang Tao Beach, Bang Tao/Laguna,
Phuket Province, Thailand

Description:
Upper upscale hotel on a private beach with complete facilities including a large swimming pool, restaurant, game room, tennis court, and spa center

Target group:
Experiential or high-end leisure travelers, families, MICE groups, destination wedding groups

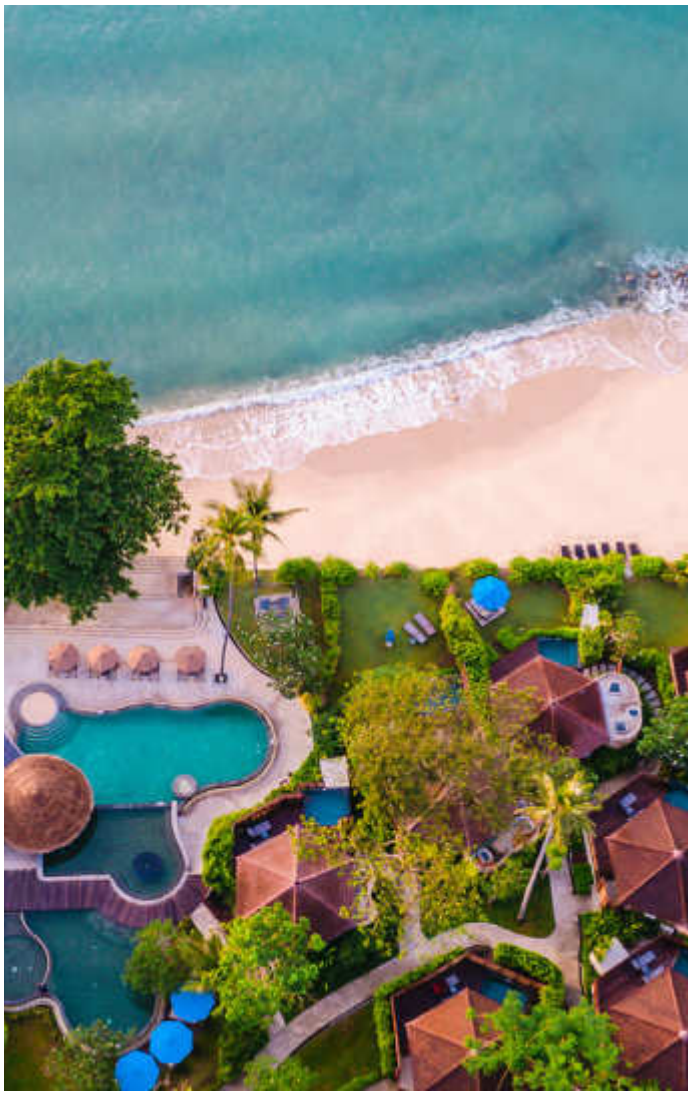
Number of keys:
255 keys

ROOM TYPE	AVERAGE SIZE (SQ. M.)	NO. OF KEYS
Lagoon View	43	55
Premium Lagoon View	43	54
Ocean View Balcony	43	20
Ocean View Terrace	43	17
Oceanfront Balcony	43	9
Beach Access	43	9
Club Lagoon View	54	28
Premium Club Lagoon	54	26
Club Ocean View	54	19
Club Oceanfront	54	9
One Bedroom Suite	104	8
Two Bedrooms Lagoon View Villa	152	1
Total		255

SAII KOH SAMUI CHOENGMON

SAii Koh Samui CHOENGMON

The upper upscale resort, which underwent a rebranding along with a transition to self-management, and resumed operations in December 2021, is located on the finest sandy beaches stretching over 300 meters of the Hanuman Bay, on the beautiful northeastern coastline of Koh Samui. This allows visitors to experience nature up close. SAii Koh Samui Choengmon Resort features suites and villas, each boasting its private swimming pool. Guests also relax with spa treatments, yoga classes, and a variety of dining options catering to both couples and families.

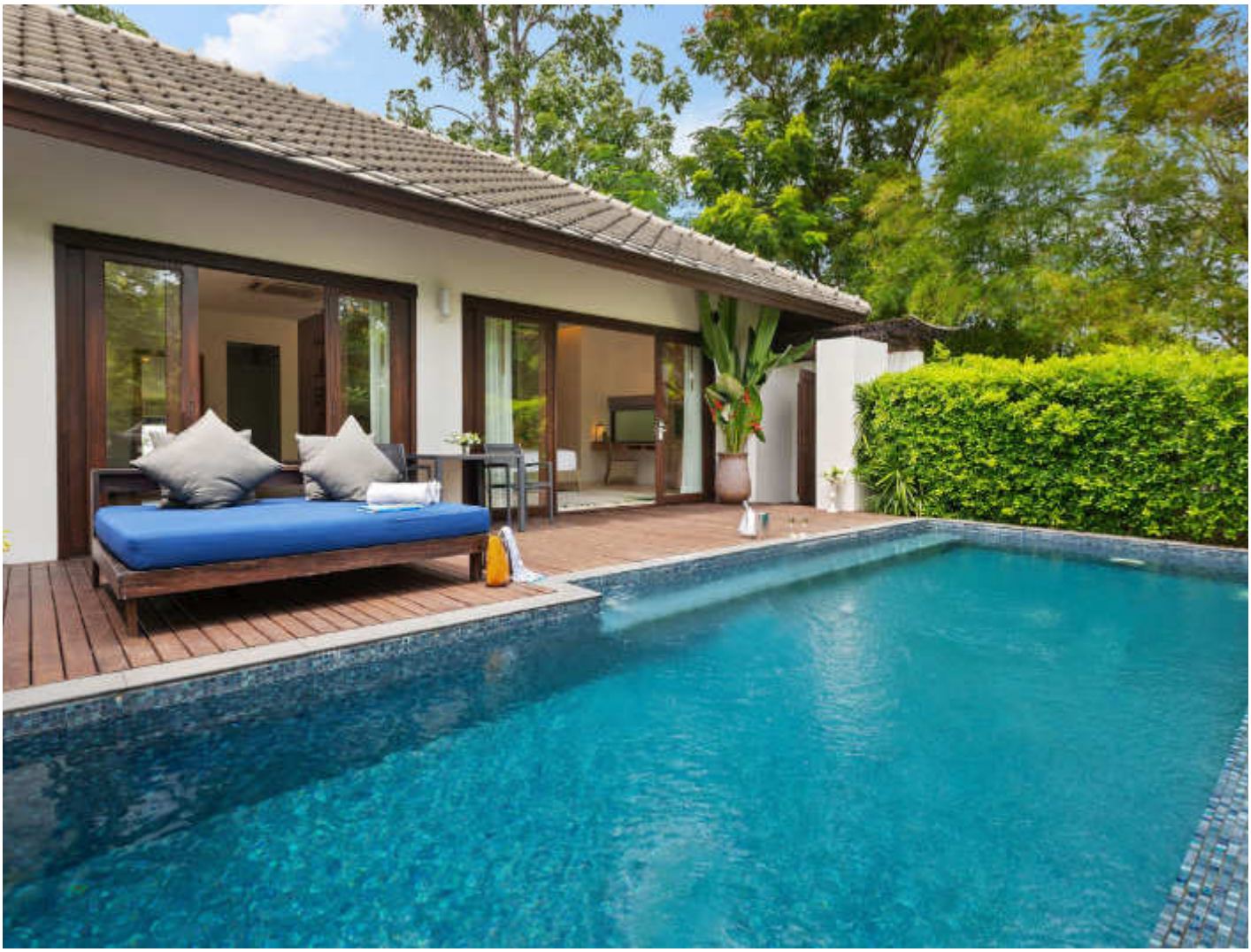


Location:
Koh Samui, Koh Samui District,
Surat Thani Province, Thailand

Description:
Upper upscale resort on a 300-meter private beach with full facilities including a private pool in every room, one large swimming pool, beach restaurant, and spa center

Target group:
Experiential or high-end leisure travelers, honeymooners, and families

Number of keys:
52 keys



ROOM TYPE	AVERAGE SIZE (SQ. M.)	NO. OF KEYS
Pool Suite	80	31
Deluxe Pool Villa	100	18
Beachfront Pool Villa	80	3
Total		52

KONOTTA MALDIVES RESORT

A 5-star luxury and private resort located on Konotta Island, located in the Gaafu Dhaalu Atoll in the southern part of the Republic of Maldives, amidst the crystal-clear waters, is a favorite among diving enthusiasts. It is conveniently located just 18 kilometers away from Kaadedhdhoo Airport. As of 31 December 2023, the resort remains closed to align with the recovery and competitiveness in the industry. The Company is currently considering appropriate operational plans for this property.

OUTRIGGER

The Company possesses hotels and resorts managed and operated by the Outrigger Group, comprising a total of 3 properties located in 2 countries, namely: (1) Outrigger Fiji Beach Resort in the Republic of Fiji, (2) Castaway Island, Fiji in the Republic of Fiji, and (3) Outrigger Mauritius Beach Resort in the Republic of Mauritius, with the following details:

OUTRIGGER FIJI BEACH RESORT

OUTRIGGER
FIJI BEACH RESORT

The upper upscale resort, located on Viti Levu Island in the Republic of Fiji, is surrounded by coconut palm gardens and verdant tropical rainforest scenery. Nestled along the famed Coral Coast shoreline of Fiji, it has long been favored and popular among tourists and divers. Recent renovations have enhanced the reception area, guest facilities, and all-day dining restaurants, as well as introducing brand-new accommodations totaling 253 rooms. These include various types of hotel rooms, including contemporary suites and those imbued with the traditional Fijian atmosphere, catering to travelers seeking relaxation or couples planning memorable weddings. Furthermore, the resort offers a wide range of cultural activities such as Meke Performances (traditional Fijian dance), firewalking, and environmental conservation activities like coral planting.

Location:
Sydney Drive, Off The Queens Highway,
Sigatoka, Republic of Fiji

Description:
Upper upscale hotel on a private beach with complete facilities including 2 large swimming pools, a beachfront restaurant, kids club, tennis court and spa centrt

Target group:
Experiential or high-end leisure travelers

Number of keys:
253 keys

ROOM TYPE	AVERAGE SIZE (SQ. M.)	NO. OF KEYS
Resort View Room	47	71
Ocean View Room	47	127
Plantation Bure	50	28
Ocean Breeze Bure	50	7
One Bedroom Suite	87	8
Plantation Family Bure	120	5
Beachfront Bure	50	7
Total		253

CASTAWAY ISLAND, FIJI

The upper upscale resort in the Malolo District, Nadi Town, on the northwest coast of Viti Levu Island, Republic of Fiji, commonly known as Castaway Island or locally referred to as Qalito Island, is renowned for its pristine white sandy beaches stretching along both the northern and southern shores of the island. Encompassing a total area of 294,400 square meters and centrally located within the private Mamanuca Islands, it is surrounded by secluded coastlines, vibrant coral reefs, and crystal-clear waters. This island enjoys widespread recognition and popularity among tourists and diving enthusiasts, having garnered numerous tourism awards over the years.

Location:
Castaway (Qalito) Island, Republic of Fiji

Description:
Upper upscale hotel with private beach and complete facilities Including 2 large swimming pools, a beach restaurant, spa center and water sport activity & diving center

Target group:
Experiential or high-end leisure travelers and wedding groups

Number of keys:
65 keys

ROOM TYPE	AVERAGE SIZE (SQ. M.)	NO. OF KEYS
Island Bure	47	26
Ocean Bure	47	15
Beach Bure	47	23
Grand Bure	224	1
Total		65

OUTRIGGER MAURITIUS BEACH RESORT

OUTRIGGER
MAURITIUS BEACH RESORT

The upper upscale resort seamlessly blends modern comfort with traditional charm, nestled in the natural reserve of Bel Ombre along the stunning southern coastline of the Republic of Mauritius. Located 45 kilometers away from the Sir Seewoosagur Ramgoolam International Airport in the Plaine Magnien area of Port Louis, it features 181 sea-facing rooms, including 180 standard rooms and 1 villa. It stands as a popular choice among travelers seeking a perfect blend of relaxation and adventure, offering a plethora of recreational activities ranging from infinity poolside lounging to coral reef exploration and snorkeling amidst the breathtaking scenery of the Indian Ocean.

Location:
Allée des Cocotiers, Bel Ombre, Republic of Mauritius

Description:
Upper upscale hotel on a private beach with complete facilities including 3 swimming pools, a beachfront restaurant, kid's club, tennis court, spa center, and a water sport activity center.

Target group:
Experiential or high-end leisure travelers

Number of keys:
181 keys

ROOM TYPE	AVERAGE SIZE (SQ. M.)	NO. OF KEYS
Ocean View	63	85
Ocean View Family	74	37
Beachfront	63	34
Beachfront Family	74	4
Beachfront Junior Suite	78	18
Beachfront Senior Suite	130	2
Beachfront Villa	400	1
Total		181

CROSSROADS Maldives

The CROSSROADS Maldives project stands out from other endeavors in the Republic of Maldives through its distinctive design and positioning as the ultimate integrated lifestyle destination. Situated in the Kaafu Atoll and Emboodhoo Lagoon, it enjoys a convenient location just a 15-minute speedboat ride away from Velana International Airport and the capital city of Male. This project offers a comprehensive and world-class leisure experience by seamlessly integrating various services, including hotels, resorts, and The Marina @ CROSSROADS. This central hub combines a wide array of lifestyle activities, diverse dining options, retail outlets, wellness centers, water sports facilities, diving centers, kids' clubs, seaside wedding venues, and a yacht marina with the capacity to accommodate over 400 vessels, catering to both small and large yachts.

SAII LAGOON MALDIVES, CURIO COLLECTION BY HILTON

SAii Maldives LAGOON

The upper upscale resort boasts exceptional decor and holds the distinction of being the inaugural resort to operate under the "SAii" brand, conceived by the Company. Additionally, it functions as a franchise within the globally renowned Hilton brand network. The hotel rooms are spacious and private and, feature outdoor relaxation areas. The hotel comprises 198 rooms in various formats, including beachfront rooms, beachside villas, and overwater villas, ranging from 44 to 240 square meters per room, the resort caters to a wide range of preferences, appealing to couples, families, and groups of friends seeking a memorable retreat.

Location:
Emboodhoo Lagoon, Kaafu Atoll South
Malé Atoll, Republic of Maldives

Description:
The hotel is located in CROSSROADS Maldives with full facilities such as beachfront restaurants and swimming pools, as well as direct access to The Marina

Target group:
Millennial mindset global experience seekers, high-end leisure travelers and MICE travelers

Number of keys:
198 keys

ROOM TYPE	AVERAGE SIZE (SQ. M.)	NO. OF KEYS
Ocean View	44	76
Ocean View Family	44	68
Beachfront	44	8
Beachfront Family	60	12
Beachfront Junior Suite	60	12
Beachfront Senior Suite	84	20
Beachfront Villa	240	2
Total		198

HARD ROCK HOTEL MALDIVES

The high-end resort draws inspiration from local culture, including distinctive authentic music, and is the first hotel under the brand and franchise agreement with the globally recognized Hard Rock, in the Republic of Maldives. Showcasing a fusion of tropical-themed décor and contemporary designs, it seamlessly integrates with indigenous music. The resort offers 178 rooms in various formats, including beachfront rooms, beachside villas, and overwater villas, it also introduces the exclusive Platinum Overwater Pool Villa and Rock Royalty Overwater Pool Villa, with sizes ranging from 46 square meters to 445 square meters per room. These accommodations pledge an immersive encounter synonymous with the Hard Rock brand, prioritizing entertainment through a musical ambiance enhanced by Bose speakers resonating throughout the entirety of Hard Rock Hotel Maldives. Moreover, the resort offers a comprehensive array of amenities suitable for all ages, encompassing the Rock Spa and an extensive selection of activities within its premises.

Location:
Emboodhoo Lagoon, Kaafu Atoll
South Malé Atoll, Republic of Maldive

Description:
The hotel is located in CROSSROADS Maldives with full facilities such as swimming pools, spa, and shops. Moreover, it has direct access to The Marina.

Target group:
Families, MICE travelers and music enthusiasts

Number of keys:
178 keys

ROOM TYPE	AVERAGE SIZE (SQ. M.)	NO. OF KEYS
Silver Sky Studio	46	32
Silver Beach Studio	46	32
Silver Family Suite (Duplex, Two Bedrooms)	107	16
Gold Beach Villa	62	9
Gold Beach Pool Villa	62	11
Platinum Overwater Villa	75	37
Platinum Overwater Pool Villa	76	37
Rock Royalty Overwater Pool Villa (Two Bedrooms)	144	3
Rock Star Villa	445	1
Total		178

SO/ MALDIVES

SO/
MALDIVES

The Luxury resort, characterized by its modernity, draws inspiration from the realms of fashion and art, employing natural elements and cool minimalist color tones. It consists of 80 villas, including Beachfront and Over-water villas, each with a private swimming pool, ranging in size from 120 to 330 square meters. It offers distinctive dining experiences, a spa nestled amidst nature, and a variety of recreational activities catering to travelers of all types, from couples to families.

Location:
Emboodhoo Lagoon, Kaafu Atoll South
Malé Atoll, Republic of Maldives

Description:
The resort takes centre stage on the third island of CROSSROADS Maldives with full facilities such as beachfront and over-water villas, a private pool in every room, kid's club, and spa

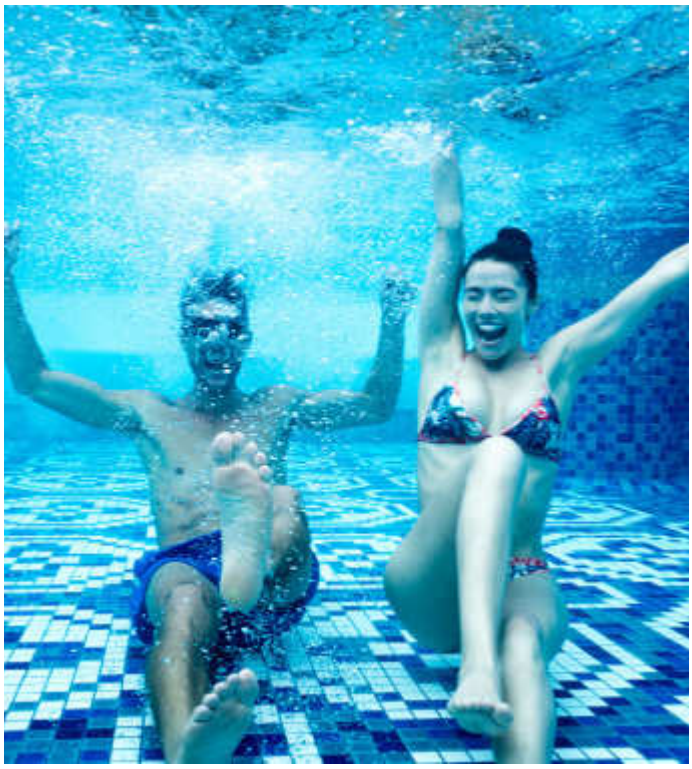
Target group:
High-end leisure travelers, modern travelers, honeymooners, and families

Number of keys:
80 keys

ROOM TYPE	AVERAGE SIZE (SQ. M.)	NO. OF KEYS
Lagoon Water Pool Villa	120	18
Ocean Water Pool Villa	120	32
Two-Bedroom Ocean Water Pool Atelier	240	2
Three-Bedroom Ocean Water Pool Atelier	410	1
Beach Pool Villa Collection	228	18
Family Beach Pool Villa with Capsule	238	6
Two-Bedroom Lagoon Beach Pool Loft	322	3
Total		80

THE MARINA @ CROSSROADS

The Marina @ CROSSROADS is the first entertainment and recreational project in the Republic of Maldives, comprising retail outlets, entertainment venues, a leisure hall, a beach club, a yacht marina, a cultural center, the Marine Discovery Centre, the Marina and Yacht Club, as well as water sports and diving facilities. Additionally, it features a beachfront promenade that provides scenic views of the neighboring Emboodhoo Lagoon.



The marina

UNITED KINGDOM PORTFOLIO HOTELS

The United Kingdom portfolio hotels consist of 27 hotels with a total of 2,940 rooms. This includes (1) hotels in which the Company holds a 99.99% stake, totaling 24 hotels with 2,711 rooms, and (2) hotels in which the Company holds a 50% stake through joint venture companies, totaling 3 hotels with 229 rooms.

However, the Mercure London Watford hotel, which has 218 rooms, operates under a management lease agreement encompassing both land and buildings, with the lease ending on 31 December 2023.

These hotels are strategically located, surrounded by factors driving demand for hotel businesses, such as business hubs, major domestic tourist destinations, and local MICE (Meetings, Incentives, Conferences, and Exhibitions) hubs. The portfolio comprises a diverse range of hotel styles, from small country house-style hotels to large conference center hotels like Mercure Manchester, and leisure hotels such as Mercure Brighton. Additionally, the Company operates in major cities in the United Kingdom, including Manchester, Edinburgh, and Glasgow.

Hotels in the UK, as of 31 December 2023, are as follow

- **The following are the 24 hotels in which the Company owns a 100% stake:**

HOTELS	LOCATION (CITY, COUNTRY)	NUMBER OF KEYS	TARGET GROUP	TENURE
Mercure Ayr	Ayr, Scotland	118	Corporate / MICE	Freehold
Mercure Bolton Georgian House	Bolton, England	91	MICE / Domestic travel	Freehold
Mercure Bradford Bankfield	Bingley, England	103	MICE / Domestic travel	Freehold
Mercure Brighton Seafront	Brighton, England	123	Leisure Market	Freehold
Mercure Bristol North, The Grange	Bristol, England	68	Corporate / Weddings	Freehold
Mercure Chester Abbots Well	Chester, England	126	Leisure Market	Freehold
Mercure Edinburgh City - Princess Street	Edinburgh, Scotland	169	Leisure Market	Leasehold (end 2038)
Mercure Glasgow City	Glasgow, Scotland	91	Corporate / MICE	Freehold
Mercure Gloucester, Bowden Hall	Gloucester England	72	Leisure Market, Weddings	Freehold
Mercure Hull Grange Park	Hull, England	100	Weddings / Domestic travel	Freehold
Mercure Inverness	Inverness, Scotland	121	Leisure Market	Freehold
Mercure Bewdley The Health	Kidderminster, England	44	MICE / Domestic travel	Freehold
Mercure Leeds Parkway	Leeds, England	118	MICE / Domestic travel	Freehold
Mercure Leicester The Grand	Leicester, England	104	Corporate / MICE	Freehold
Mercure Livingston	Livingston, Scotland	120	MICE / Domestic travel	Leasehold (end 2033)
Mercure London Watford	Watford, England	159	MICE / Domestic travel	Leasehold (end 2023)

HOTELS	LOCATION (CITY, COUNTRY)	NUMBER OF KEYS	TARGET GROUP	TENURE
Mercure Maidstone Great Danes	Maidstone, England	126	MICE / Domestic travel	Freehold
Mercure Manchester Piccadilly	Manchester, England	280	Corporate / MICE/ Domestic travel	Leasehold (end 2060)
Mercure Norwich	Norwich, England	107	Corporate	Freehold
Mercure Perth	Perth, Scotland	76	Leisure Market	Leasehold (end 2033)
Mercure Swansea	Swansea, England	119	MICE / Domestic travel	Leasehold (end 2109)
Mercure Tunbridge Wells	Tunbridge Wells, England	84	MICE / Domestic travel	Freehold
Mercure Wetherby	Wetherby, England	103	Corporate / MICE	Freehold
Mercure York, Fairfield Manor	Skelton, England	89	Leisure Market	Freehold
TOTAL		2,711		

The following are the 3 hotels in which the Company owns a 50% stake through a joint venture:

HOTELS	LOCATION (CITY, COUNTRY)	NUMBER OF KEYS	TARGET GROUP	TENURE
Mercure Sheffield Parkway	Sheffield, England	78	MICE / Domestic travel	Freehold
Holiday Inn Darlington North	Darlington, England	80	MICE / Domestic travel	Freehold
Holiday Inn Dumfries	Dumfries, Scotland	71	MICE / Domestic travel	Leasehold (end 2105)
TOTAL		229		

CUSTOMER SATISFACTION AND RELATIONSHIPS

The Company pays attention to serve the best for customer's satisfaction toward service with caring and sincerity. In addition, the Company provides a customer support channel to receive their feedback in order to continually improve service quality. The customer satisfaction is monthly summarized by each hotel for closely monitoring customer's feedback.

TARGET

To enhance the quality of service throughout the customer journey of all the Company's businesses (100%).

MANAGEMENT APPROACHES

The Company specifies that customer satisfaction is the key performance indicator in all areas of operation. This is achieved through a process called the Customer Journey, which focuses on creating customer satisfaction at every touchpoint of service for all businesses. Additionally, the Company adheres to the PRIDE principle to create value for employees and to convey this value to customers.

GUEST SATISFACTION

For the year ended 2023, according to TrustYou, Google, TripAdvisor, and ReviewPro's Customer Satisfaction Survey for domestic and international hotels, received the customer satisfaction survey rating as detailed below:

Santiburi Koh Samui

TRUSTYOU

overall score
93.43
(EXCELLENT)

Google

94.00/100
score
CompIndex: 1.00

Tripadvisor

100.00/100
score
CompIndex: 1.11

SAii Phi Phi Island Village

TRUSTYOU

overall score
87.32
(EXCELLENT)

Google

90.00/100
score
CompIndex: 0.96

Tripadvisor

90.00/100
score
CompIndex: 0.97

SAii Laguna Phuket

TRUSTYOU

overall score
87.74
(EXCELLENT)

Google

92.00/100
score
CompIndex: 0.99

Tripadvisor

90.00/100
score
CompIndex: 1.00

SAii Koh Samui Choengmon

TRUSTYOU

overall score
90.32
(EXCELLENT)

Google

90.00/100
score
CompIndex: 0.98

Tripadvisor

90.00/100
score
CompIndex: 1.00

SAii Lagoon Maldives

TRUSTYOU

overall score
93.37
(EXCELLENT)

Google

94.00/100
score
CompIndex: 0.99

Tripadvisor

90.00/100
score
CompIndex: 0.98

Hard Rock Hotel Maldives

TRUSTYOU

overall score
92.18
(EXCELLENT)

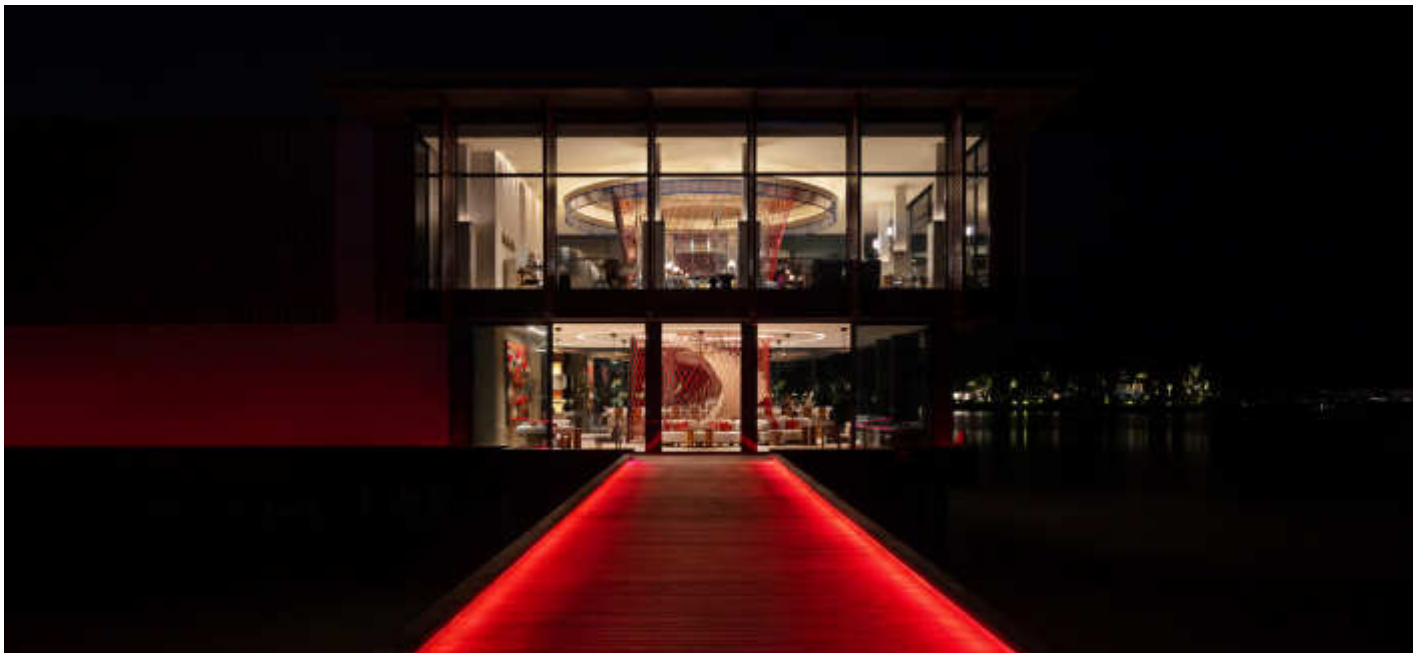
Google

94.90/100
score

Tripadvisor

97.00/100
score

FUTURE PROJECTS



The Company has actively engaged in pursuing opportunities for mergers and acquisitions (M&A) and investments/joint ventures in high-growth potential businesses and/or assets, recognizing them as pivotal strategies for driving business expansion. The Company has allocated approximately THB 15,000 million for mergers and acquisitions over the next 5 years. The investment consideration criteria will focus on leading global tourist destinations such as Europe's Mediterranean region, the Indian Ocean rim, and the Asia-Pacific region, aiming to diversify the Company's portfolio and achieve sustainable revenue growth while mitigating the seasonal effects of hotel portfolios.

Furthermore, the Company is strategically positioned to enhance its brand recognition, with a particular emphasis on bolstering the SAii brand to achieve global prominence and establish itself as a sustainable luxury tourism destination. This involves elevating guest experiences to meet the evolving demands of international tourism and travel trends. Additionally, the Company intends to leverage its brand strength to facilitate more flexible and less restrictive growth, potentially under an asset-light business model, such as hotel management agreements (HMA) and/or joint ventures.

Ongoing projects include (1) self-managed hotel and resort renovation projects, (2) initiatives aimed at optimizing the efficiency of the investment portfolio, and (3) the development of various products and services. Further details are outlined as follows:

Self-managed hotel and resort renovation projects

The Company has a strategy to expand its investments by renovating its existing properties to enhance revenue generation capabilities and profitability, thereby supporting sustainable long-term growth.

For the year 2024, the Company has outlined plans for hotel and resort renovations, which include:
(1) Renovation of the SAii Laguna Phuket Hotel, where the Company plans to revamp and refurbish various sections within the hotel, including the reception area, Miss Olive Oyl restaurant, All-Day Dining, and Bean/Co café, including room upgrades totaling 172 rooms are planned, aimed at elevating the guest experience and enhancing competitiveness. The Company also intends to increase the average daily rate by 15-25% and further boost non-room revenue.

These renovation initiatives will be undertaken during the off-peak tourist season and will be organized into phases and zones, allowing the hotel to maintain its usual level of tourist accommodation. The Company plans to complete these renovations by the end of 2024 to be prepared to accommodate tourists for the upcoming peak tourist season.

(2) Soft upgrades of the rooms at the SAii Phi Phi Island Village Hotel are also scheduled to occur during the off-peak tourist season. This initiative involves upgrading 45 Deluxe & Family rooms and 44 Deluxe Garden View rooms, along with

enhancements to the Ruen Thai restaurant. Similar to the objectives of the SAii Laguna Phuket Hotel renovation, the goals here are to elevate the guest experience, improve competitiveness, raise the average daily rate by 15-25%, and boost non-room revenue.

Moreover, in 2025, the SAii Phi Phi Island Village Hotel plans to renovate additional rooms, including Beachfront Villas and Sea View Villas, totaling 28 rooms, along with other common areas such as the reception area, spa facilities, and treatment rooms. The Company aims to complete these renovations between November and December 2025, ensuring readiness for the subsequent peak tourist season.

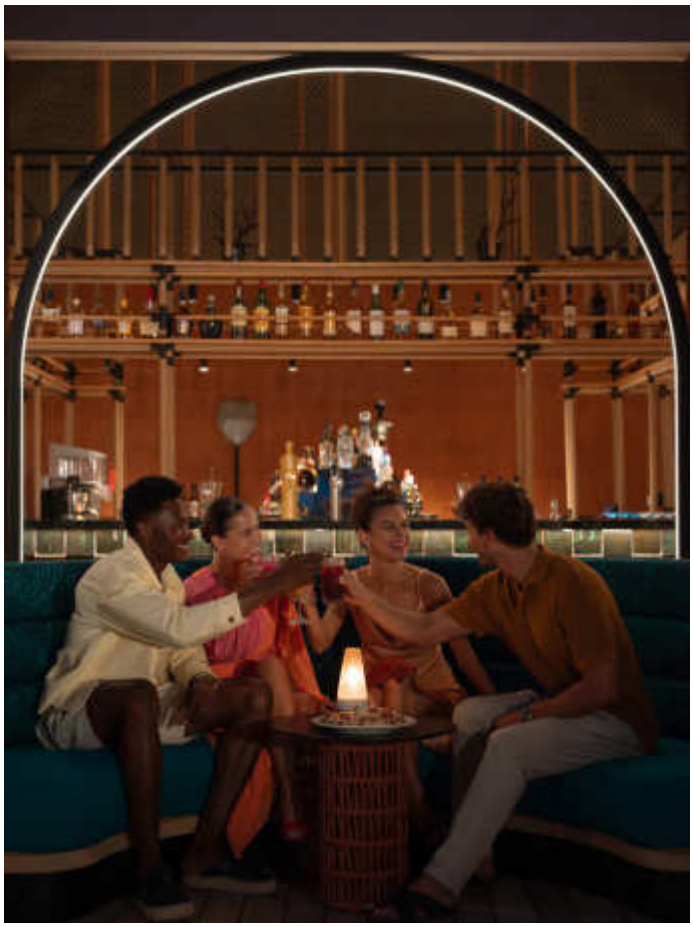
Investment portfolio efficiency optimization initiatives

The Company realized opportunities to expand its operations to strengthen its investment portfolio in the United Kingdom. Currently, the Company is undergoing initiatives aimed at improving the efficiency and profitability of its portfolio by divesting underperforming assets that do not meet the Company's standards. The proceeds from these divestments will be reinvested in renovating hotels with high competitiveness. These renovations will encompass upgrades to rooms, common areas, reception areas, and restaurants. Moreover, the Company is exploring the possibility of rebranding and repositioning certain hotels that show promise to better target high-spending market segments that are less price-sensitive and more responsive to current travel trends. The Company's strategy for rebranding and repositioning hotels will concentrate on key tourist destinations such as Manchester, Edinburgh, Leicester, and Glasgow, to tap into new customer segments, particularly potential markets like the United States and the Middle East. The Company aims to increase the average daily rate by approximately 10-15% and achieve an Internal Return Rate (IRR) of no less than 12%. These hotel renovations will be carried out continuously in 2024 without full closures; instead, phased closures of specific areas will be implemented to ensure uninterrupted hotel operations.

Furthermore, the Company is in the process of restructuring lease agreements at The Marina @ CROSSROADS to better align with current circumstances, while also managing space within the CROSSROADS project. This includes attracting new businesses to enhance the area and developing and upgrading potential assets to gain a competitive advantage.

Development of various products and services

The Company is undertaking development projects for products and services aimed at attracting not only hotel guests but also a wider range of tourists. This includes introducing food and beverage menus with brand-specific characteristics and plans to establish Beach Clubs at every SAii resort, along with developing



other products and services to meet the demands of the MICEs (Meetings, Incentives, Conferences, and Exhibitions) market by providing event services, including weddings and business conferences. Additionally, as part of the ongoing efforts to enhance products and services in 2024, there will be upgrades and refinements to the ambiance, culinary offerings, and menus of various hotel restaurants, including Terra & Mar, Mr. Tomyam, Miss Olive Oyl, among others. This initiative also encompasses the development of Beach Clubs and Pool Bars to cater to varying guest preferences, as well as the enhancement of spa facilities and treatment services to further bolster the brand's unique identity, thus supporting sustainable growth in non-room revenue.

Furthermore, the Company has continuously developed environmental sustainability standards aligned with the United Nations Sustainable Development Goals 2030 (UN SDG 2030). This commitment extends to environmental conservation efforts and responsible community engagement. Through consistent planning and implementation of various initiatives, the Company achieved the Green Globe Certificate in 2023 and aims to uphold these sustainability standards continuously to maintain certification. Furthermore, the Company also aims to acquire the EIC Certificate, which bolsters its ability to attract customers seeking environmentally friendly meeting facilities and tourists who prioritize sustainable tourism practices.

MARKET ENVIRONMENT AND COMPETITION

2023 Economic overview and outlook of 2024

In 2023, the global economy showed diverse signs of recovery across different regions. Private consumption and investment, buoyed by a resilient labor market, played a pivotal role in driving the United States economy to grow steadily amid tight monetary policy throughout the past year. Similarly, China's economy has grown faster than expected, particularly with its consumption sector bouncing back to normal level in the latter half of the year and showing continuous expansion trends. This phenomenon is poised to significantly bolster the global economy in 2024. Meanwhile, Europe's overall economic performance remained lackluster due to a slow recovery in international trade. Additionally, there are also risks from energy price concerns stemming from geopolitical tensions, which may impact economic expansion in a broader context.

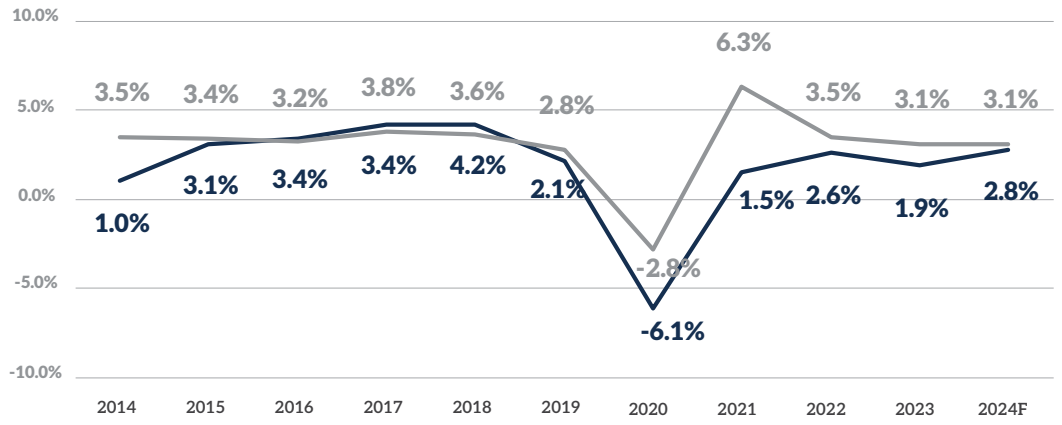
The global economy exhibited stronger growth than anticipated in the previous year, while the trend of decreasing inflation rates persisted. This has led the International Monetary Fund (IMF) to project that the global economy in the year 2024 will grow by approximately 3.1%, at a similar level to the previous year. The United States economy is experiencing a gradual deceleration in growth (Soft Landing), driven by higher financial costs, which has prompted the private sector to prioritize spending or investments aimed at enhancing value. Meanwhile, the European economy and emerging markets, relying on international trade and the high proportion of service sector economies, are expected to see improved expansion trends, supported by increased demand across all sectors, particularly from China.

Nevertheless, geopolitical tensions and high levels of debt burdens, both in the public and private sectors globally, along with uncertainty regarding post-election government policies in several countries, may pose significant risks to economic expansion in the upcoming year. However, the shift towards more accommodative monetary and expansionary fiscal policies in the latter part of 2024, including interest rate cuts by major central banks globally following a decline in inflation rates towards target levels, as well as stimulus measures, particularly from China through liquidity injections, government investments, and various support policies, will play pivotal roles in stabilizing global economic recovery and achieving objectives amidst the potential uncertainty ahead.

In 2023, the Thai economy experienced a growth of 1.9%, primarily driven by robust private consumption and the service sector. Notably, the tourism industry demonstrated significant expansion, fueled by a more than 1.5-fold increase in international tourist arrivals compared to the previous year, alongside consistent growth in private sector investments. However, public consumption and investment decelerated due to delays in budget disbursement approvals, as did the recovery of the export sector, which fell short of expectations. However, for the year 2024, the Ministry of Finance of Thailand anticipates an improved economic expansion ranging from 2.3% to 3.3%, buoyed by sustained private consumption and investment growth, as well as the continued strength of the tourism sector as a key driver. The outlook for a clearer recovery is supported by an expected increase in tourist arrivals, particularly from China following the implementation of the Free Visa policy between the two countries, coupled with increased per-person tourist spending. Meanwhile, the export sector is expected to recover gradually in tandem with global economic cycles and the recovery of trading partners.

However, despite the favorable signs of economic growth in Thailand in 2024, particularly from the recovery of the tourism sector and private consumption, there remain various risk factors that need to be closely monitored. These include 1) Significant reliance on the tourism sector, which could be impacted if global economic expansion falls below expectations. 2) Geopolitical tensions that may escalate commodity prices and production costs. 3) Increasing interest rates and household debt levels. 4) Political stability and uncertainties regarding governmental policies, both domestically and internationally.

Chart 1: Gross Domestic Product or GDP



Note:

1) Thailand's actual Gross Domestic Product (GDP) for 2014-2023 as reported Office of the National Economic and Social Development Council. While 2024 as forecasted by the Ministry of Finance of Thailand.
2) World's Gross Domestic Product (GDP) both Actual and Forecasts for 2014 – 2024 references from reports and forecasts of the International Monetary Fund (IMF)

2023 Tourism industry overview and outlook of 2024

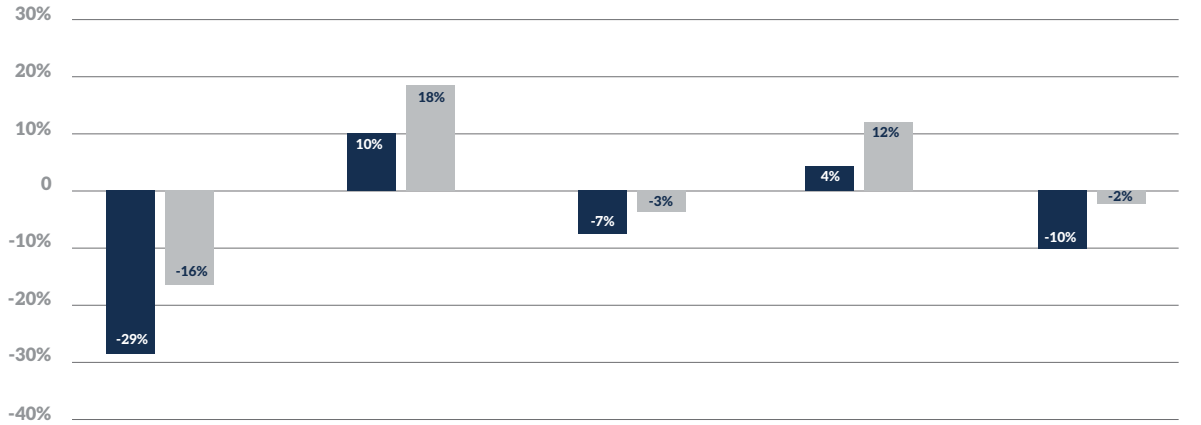
The United Nations World Tourism Organization (UNWTO) reported that in 2023, there were more than 1.3 billion international tourist arrivals, marking a 34% increase from the previous year, or approximately an 88% recovery rate compared to the pre-COVID-19 level.

However, various indicators indicate differing levels of recovery across regions. The strongest recovery was observed in the Middle East region, with arrivals surpassing pre-pandemic levels by 22%, followed by Africa and Europe, which recovered to 96% and 94% of 2019 levels, respectively. Meanwhile, Asia experienced the slowest recovery at 65%, consistent with slower border reopening compared to other regions.

Although the resurgence of tourist arrivals varies across regions, tourism revenue in 2023 has outpaced the recovery rate of tourist arrivals in many regions. According to UNWTO, global tourism revenue in 2023 reached $1.4 trillion, representing a recovery rate of 93% compared to 2019. Furthermore, several countries in various regions, including those in Europe's Mediterranean region, as well as Central and South America, have reported tourism revenue surpassing pre-COVID-19 levels, driven by sustained high demand for travel and a continuous increase in flight numbers.

For the year 2024, UNWTO anticipates a robust recovery in both the volume of international tourists and tourism revenue, surpassing pre-COVID-19 levels. Despite risks in both the global economic outlook and potential labor shortages that may intensify in the tourism sector, the growth trajectory of the tourism industry in 2024 is underpinned by several key factors: 1) Projected growth in the number of Chinese tourists, who held the largest global market share in 2019, is expected to increase by over 1-fold from 2023, or approximately 80% recovery compared to the pre-COVID-19 level. This is coupled with the ongoing increase of high-spending tourists from the United States and the Middle East regions. 2) Growing demand for travel during off-peak tourism seasons and the rising popularity of eco-friendly tourism trends. And 3) The significant increase in flight numbers, leading to reduced travel costs, which will serve as a significant catalyst for global tourism to shine in 2024.

Chart 2: Comparison of international tourist arrivals to countries where the Company operates in 2023 and 2024, as compared to 2019 figures.



	THAILAND	REPLUBLIC OF MALDIVES	UNITED KINGDOM	REPLUBLIC OF FIJI	REPLUBLIC OF MAURITIUS
2023	-29%	10%	-7%	4%	-10%
2024F	-16%	18%	-3%	12%	-2%

Note:
The 2024 forecasts for Thailand are based on estimates from the Ministry of Finance, for Maldives are referenced from the Maldives Association of Travel Agents and Tour Operators (MATATO), for the United Kingdom are based on estimates from VisitBritain, for Fiji are referenced from the Ministry of Commerce of the Republic of Fiji, and for Mauritius are based on estimates from the Mauritius Tourism Promotion Authority.

Market conditions and competition in the countries where the Company operates are as follows:

1) Thailand

The Tourism Authority of Thailand reported that in 2023, approximately 28 million tourists visited Thailand, marking a 1.5-fold increase compared to 2022. Malaysia, China, and South Korea constituted the top three tourist demographics, respectively. The increase was attributed to the full border reopening throughout the year for the first time since 2019, along with supportive government policies such as visa waivers and visa extensions for tourists from certain countries. Furthermore, European tourists exhibited increased per capita spending, attributed to prolonged stays in Thailand. Similarly, Chinese tourists, known for their higher expenditures on shopping and dining per capita, also experienced a doubling in numbers.

For 2024, the Tourism Authority of Thailand anticipates a substantial recovery, with an estimated 33.5 million foreign tourists visiting the country, representing a 19% growth from the previous year or an 84% recovery compared to 2019. Couple with aimed is to boost tourism revenue from foreign visitors to THB 1.48 trillion throughout the year, reflecting a 23% surge from 2023 and a 67% recovery compared to 2019. This growth is expected to be fueled by the expected increase in Chinese tourists traveling to Thailand, facilitated by the visa waiver policy between the two countries scheduled to begin on 1 March 2024. Additionally, tourists from other markets with high purchasing power, such as Russia, South Korea, and Kazakhstan, are anticipated to contribute significantly to the recovery in 2024. Overall, tourists from other regions are also expected to continue recovering steadily, with a return to pre-COVID-19 levels anticipated in 2025.

In addition to the visa policies mentioned earlier, Thailand's tourism industry has also been boosted by other measures, such as: 1) A strategic policy aimed at positioning Thailand as a regional hub for tourism by targeting markets with high purchasing power, including special interest groups such as Health & Wellness tourists and environmentally conscious travelers, to support sustainable tourism. 2) The implementation of the "easy e-receipt" policy, facilitates private consumption, including domestic tourism, with the added benefit of tax deductions. 3) Increasing the number of flights both domestically and internationally, along with the enhancement of land transportation connections to Thailand, to accommodate the increasing number of tourists. These efforts are poised for the growth of Thailand's tourism sector in terms of both tourist arrivals and revenue amid heightened competition from neighboring countries in the region.

2) Republic of Maldives

In 2023, international tourist arrivals in the Maldives, as reported by the Ministry of Tourism of the Maldives, reached 1.9 million, marking a 12% increase from the previous year and surpassing 2019 levels by 10%. Notable among the tourists experiencing significant recovery were those from the United Arab Emirates, Russia, and the United States, with growth rates of 479%, 9%, and 13%, respectively, compared to pre-COVID-19 levels.

For 2024, the Maldives Association of Travel Agents and Tour Operators (MATATO) anticipates a continued rise in international tourist arrivals, aiming for 2 million arrivals. This growth is attributed to 1) Policies supporting the introduction of new products and services catering to the diverse needs of international tourists, targeting key market segments such as family travelers, Millennials and Gen Z seeking travel experiences, and the MICEs (Meetings, Incentives, Conferences, and Exhibitions) segment. This is in addition to the steady growth of the primary customer base from Europe and the Middle East region. 2) The continuous increase in flight numbers and the resurgence of Chinese tourists since the fourth quarter of 2023, with Chinese tourist arrivals in 2023 were nearly tenfold higher than the previous year. 3) Enhanced capacity for welcoming tourists following investments in improvements at Velana International Airport, expected to be completed in the early fourth quarter of 2024, which will enable to 7.5 million tourist annually.

3) United Kingdom

Tourism in the United Kingdom continues to exhibit strong and sustained recovery, led by primary tourists from the United States, who saw both an increase in numbers and spending in 2023 compared to the previous year, surpassing 2019 levels. This pattern aligns with the depreciation of the pound against the US dollar since late 2022. Similarly, visitors from within Europe showed significant recovery, marking a 30% increase in 2023 compared to the previous year, representing a 91% recovery compared to 2019 levels. Meanwhile, tourists from other regions continued their gradual recovery. In 2023, the total number of international tourist arrivals into the United Kingdom reached approximately 37.8 million, growing by 21% from 2022, representing a 92% recovery of the pre-pandemic level. The majority of tourists traveled for leisure and to visit friends/family, accounting for over 76% of the overall figure.

Looking ahead to 2024, it is anticipated that around 39.5 million international tourists will visit the United Kingdom, signifying a 97% recovery from 2019 levels and a 5% increase from 2023. The projected tourist expenditure for 2024 is estimated at GBP 34.1 billion, reflecting a 7% growth from the previous year and exceeding 2019 levels by 20%. It is expected that more than 65% of the primary tourist groups will continue to be international tourists from within Europe, while Chinese tourists, who ranked second in terms of expenditure in 2019, are expected to show clearer signs of recovery. It is estimated that their total expenditure is projected to reach GBP 1.7 billion in 2024. However, amid increasing competition from other tourist destinations in the region, the United Kingdom government agency is launching campaigns targeting markets with high growth potential, including Australia, and the United States, as well as major countries in Europe and the Middle East.

4) Republic of Fiji

In 2023, the Republic of Fiji achieved a significant milestone in its tourism sector by hosting the highest number of international tourists in its history, reaching 929,740 tourist arrivals. This marked a 46% surge compared to the previous year and a 4% surpassing the pre-COVID-19 level. The top three main tourist demographics were from Australia, New Zealand, and the United States, which collectively accounted for 81% of the market share. Additionally, the opening of direct flight routes from Canada led to a significant increase in Canadian tourists, up by 65% compared to the previous year. Furthermore, the resumption of flight operations from Japan, Hong Kong, and especially China, where a pronounced rebound in tourist arrivals has been observed since April 2023, contributed to the anticipation of another record-breaking year in 2024, with an expected one million international arrivals. This is supported by the continuous growth in tourism demand. The majority of international tourists expected to visit Fiji in 2024 are still anticipated to come from Australia and New Zealand, mirroring the trend observed in 2023.

5) Republic of Mauritius

Tourism in the Republic of Mauritius has rapidly rebounded in the latter half of 2023, attributed to the effective implementation of measures to mitigate the spread of the Marburg virus. This is evident from the influx of international tourists to Mauritius throughout 2023, reaching a total of 1.25 million arrivals. This marked a 25% increase compared to the previous year and a remarkable 90% recovery compared to 2019. The top three main tourist demographics hailed from France, the United Kingdom, and Germany, accounting for 25%, 11%, and 9% respectively. Additionally, there has been a noteworthy rise in potential tourists from emerging markets such as Poland, Australia, India, Russia, and China. This upsurge is further bolstered by the expanded flight operations from Australia, India, and Turkey, contributing to the sustained growth in tourist arrivals to Mauritius. Projections indicate that the figure is poised to surpass 1.35 million in 2024.

2023 Hospitality business overview and outlook of 2024

The determinants of growth trends in 2024 go beyond macroeconomic factors, encompassing economic expansion, inflation rates, and the diverse support policies adopted by individual countries, along with their geographical locations. The growth trajectory of the hotel industry depends on various specific factors, including product characteristics, the competitive landscape within the industry, and the capacity to adjust to changing patterns in tourist behavior. These factors can be clarified as follows.

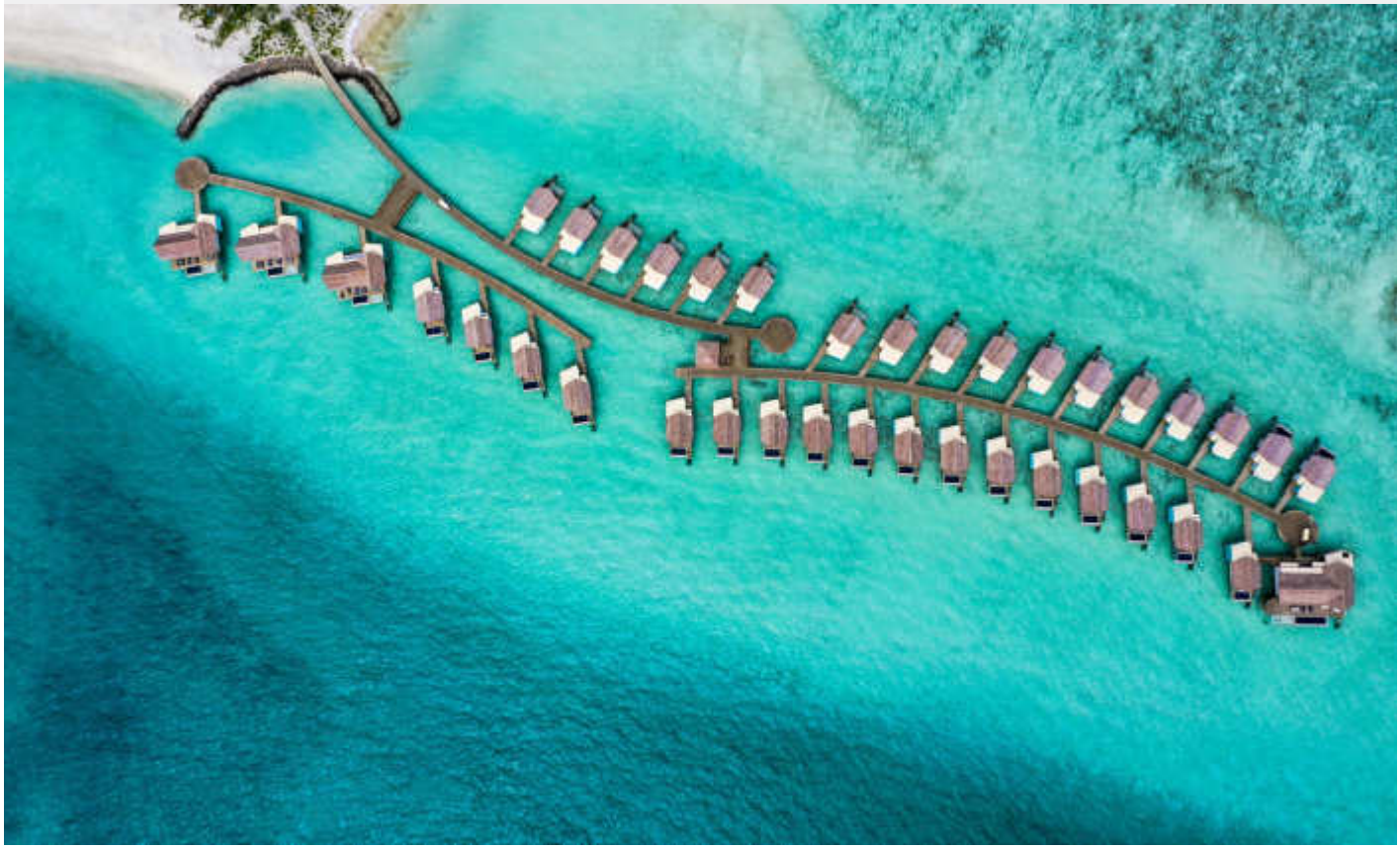
1) Popular product features fall into the leisure segment, accommodating travelers in pursuit of relaxation through convenient amenities and services tailored to specific group requirements, such as: 1) Prioritizing physical and mental well-being with offerings like spa treatments, exercise classes, healthy dining options, and mindfulness pursuits. 2) Facilitating culturally and environmentally immersive stays through cooking classes, art workshops, or local guided tours, highly favored by family-oriented travelers. 3) Providing convenient work amenities and easy access to nearby tourist attractions, including modest adventure activities, catering to Bleisure tourists blending business and leisure travel.

2) The rise in competition within the hotel industry arises from the promotion of new tourist destinations by each country's government, a greater variety of accommodations and room formats, and the importance of management in leveraging technology to elevate guest convenience. These dynamics underscore the necessity for businesses to innovate and upgrade accommodations, common areas, and services that can cater to the evolving behaviors and specific needs of targeted tourist segments. Hotels in the Mid-upscale to Upper-upscale categories, offering special packages, loyalty programs, and transparent pricing, are positioned favorably in the market due to their excellent value for money.

3) Trends and behaviors in tourism are evolving, such as:
   - Travelers seeking longer lengths of stay at destinations, allowing for deeper immersion in the local culture and environment, a trend particularly favored by Bleisure travelers and family-oriented groups.
   - A shift towards shorter booking lead times and a desire for greater flexibility in travel plans is apparent, evidenced by the increasing number of hotel bookings made directly through hotels. This trend facilitates more flexible reservation management and better accommodating to specific requests, consequently contributing to the support of the local economy, an aspect increasingly prioritized by travelers.
   - The demand for private accommodation amenities within rooms is on the rise, including room designs and decorations that authentically reflect local culture and history. Additionally, travelers seek diverse activity options such as kayaking, cycling, hiking, spa treatments, yoga classes, and meditation, indicative of a heightened focus on health and wellness, and a preference for shared experiences, particularly prevalent among family travelers.
   - A growing interest in nature-based and eco-friendly tourism is shaping accommodation preferences, with properties featuring environmentally conscious designs and amenities such as energy-efficient lighting, solar power, and water conservation technologies gaining favor.

Furthermore, almost all the Company's hotels have exhibited impressive recovery and demonstrated improved operational performance compared to the period before the COVID-19 pandemic. This is due to the geographical advantage of each hotel's location in key tourist destinations, bolstered by improved product offerings such as room enhancements, alongside curated experiential stays featuring various activities. Additionally, the provision of high-quality services tailored to travelers' requirements, along with the Company's proactive marketing strategies in targeting customer segments and evolving travel behaviors, can be explained by distinctive characteristics as follows.

Segments	Business Hubs	Leisure Destinations	
Luxury		SANTIBURI KOH SAMUI	SO/ MALDIVES Maldives
Upper-upscale		Thailand SAii Phi Phi Island VILLAGE SAii Phuket LAGUNA	Hard Rock HOTEL MALDIVES SAii Maldives LAGOON OUTRIGGER CASTAWAY ISLAND FIJI Fiji & Mauritius
Upscale		SAii Koh Samui CHOENGMON	
Mid-upscale	UK Portfolio Holiday Inn MERCURE HOTELS		



The Company's hotels and/or resorts in Thailand

The advantageous locations of all the Company's hotels in Thailand, located in prime locations of key tourist destinations in Phuket, Phi Phi Island, and Koh Samui, contributed to an impressive average occupancy rate of 78% in 2023, after excluding temporarily closed rooms for renovation. This reflects their strong appeal as preferred leisure accommodations for international tourists. With the introduction of new products aimed at enhancing the guest experience, the Company managed to raise average daily rates accordingly. Furthermore, effective marketing strategies targeting new high-spending tourist demographics, such as Australians and Middle Easterners, along with the loyalty of European customers who prefer the Company's hotels, will be pivotal in ensuring operational stability in 2024.

The Company's resorts located in the CROSSROADS project, Republic of Maldives

The CROSSROADS project boasts strengths in its strategic location, comprehensive amenities, recreational offerings, and diverse range of products, establishing unique selling propositions capable of appealing to and accommodating tourists across various segments and travel preferences. This is particularly demonstrated by the commencement of operation of the SO/ Maldives, which further solidified its position as a leading integrated leisure destination. Together with the Hard Rock Hotel Maldives and SAii Lagoon Maldives, the project provides distinctive spa and wellness services that reflect the unique identity of the brand, along with enhanced dining experiences, flavors, and menus tailored to meet the diverse travel behaviors and specific preferences of different traveler segments. Consequently, in 2023, the Company's hotels exceeded the industry's average occupancy rate, with an anticipated upward trajectory in operational performance for 2024.

The Company's hotels in the United Kingdom

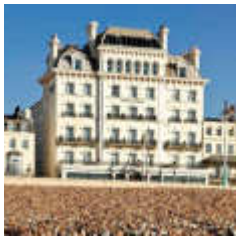
The Company's hotels in the United Kingdom are typically positioned in the mid-upscale segment and are strategically located in tourist destinations and major economic cities across the country. They predominantly serve domestic tourists, constituting approximately 90% of the total hotel guests. In 2023, the Company's portfolio of hotels in the United Kingdom achieved notable milestones in revenue per available room (RevPAR), reaching historic highs driven by a significant uptick in both domestic and European regional tourism demand. This was facilitated by continuous strategic portfolio enhancement strategies, including room renovations, upgrades to common areas, lobbies, and dining venues, alongside considerations for rebranding and repositioning in select properties where deemed appropriate. These efforts are anticipated to sustainably boost the overall operational performance of the Company's hotel portfolio in the United Kingdom throughout 2024.

The Company's hotels and resorts in the Republic of Fiji and the Republic of Mauritius

The unique characteristics of the Company's hotels managed under the agreement with the Outrigger Hospitality Group, enable them to satisfy the demand for exclusive leisure accommodations in exceptional tourist destinations. Coupled with renovated rooms aimed at elevating the guest experience, this has led to a remarkable performance of the Company's hotels in Fiji, characterized by high rates of repeat customers and a sustained growth trajectory anticipated to continue into 2024. Concurrently, hotels in the Republic of Mauritius have displayed steady signs of recovery since reopening towards the end of the previous year, with a notable anticipated resurgence in operational performance expected throughout 2024.

KEY BUSINESS SEGMENTS

5	7	38*	4,552*
Portfolio outreach/ Number of countries	Hotel Brands	Total Number of Resorts/Hotels	Total Number of Keys



MERCURE HOTELS

Mercure

2,771 Keys

Holiday Inn

Holiday Inn

229 Keys

SAii Maldives LAGOON

Saii Lagoon Maldives, Curio Collection by Hilton

198 Keys

Hard Rock HOTEL MALDIVES

Hard Rock Hotel Maldives

178 Keys

SO/ MALDIVES

SO/ Maldives

80 Keys

OUTRIGGER. MAURITIUS BEACH RESORT

Outrigger Mauritius Beach Resort

181 Keys

Core portfolio includes
Three (3) hotels in the UK (Two Holiday Inn and One Mercure) which are held through a 50% stake in equal joint venture with FICO UK, and SO/ Maldives which is held through a 50% stake in equal joint venture with WEWD.
* Include The Mercure London Watford hotel, comprising 218 rooms, which has its management lease ending on 31 December 2023.

MALDIVES
509
4 Hotels
THAILAND
604
4 Hotels
FIJI
318
2 Hotels
SAii Phuket LAGUNA
SAii Laguna Phuket
255 Keys
SAii Koh Samui CHOENGMON
SAii Koh Samui Choengmon
52 Keys
SAii Phi Phi Island VILLAGE
SAii Phi Phi Island Village
201 Keys
SANTIBURI KOH SAMUI
Santiburi Koh Samui
96 Keys
OUTRIGGER FIJI BEACH RESORT
Outrigger Fiji Beach Resort
253 Keys
CASTAWAY ISLAND FIJI
Castaway Island, Fiji
65 Keys
Konotta Maldives Resort
53 Keys

Assets used in operations and information of asset value assessment

Core-operating fixed assets of the Company

As of 31 December 2023 the Company possess core assets, utilized in business operation consisting of commercial properties, lands, buildings, and equipment used for hotel business operation, and leasehold rights with a total value of THB 30,895 million (pursuant to the consolidated financial statements). Details are as follows:

LIST OF ASSETS	VALUE (THB MILLION)
Commercial Properties (or Investment Properties)[1]	481
Lands, Buildings and Equipment[1]	24,517
Leasehold Rights	5,897
TOTAL	30,895

Commercial Properties

PROJECT	PROJECT TYPE	LOCATION	SIZE OF LAND FOR ENTIRE PROJECT (RAI-NGAN-SQ. WAH.)	CHARACTERIZED OWNERSHIP	ENCUMBRANCES (PARTIAL / ENTIRE MORTGAGE WITH)
The Marina @ CROSSROADS, Maldives	Retail Area for Rent	Emboodhoo Lagoon in Kaafu Atoll, the Republic of Maldives	3-2-21	Owner	EXIM BANK[2], BOCTH[8] and BOCHK[9]

Lands, Buildings and Equipment

PROJECT	PROJECT TYPE	LOCATION	SIZE OF LAND FOR ENTIRE PROJECT (RAI-NGAN-SQ. WAH.)	CHARAC-TERIZED OWNERSHIP	ENCUMBRANCES (PARTIAL / ENTIRE MORTGAGE WITH)
SAii Phi Phi Island Village	Hotel	Phi Phi Don Island, Ao Nang Subdistrict, Mueang District, Krabi Province	167-1-42	Owner	KBANK[3]
SAii Lagoon Maldives	Hotel	Emboodhoo Lagoon in Kaafu Atoll, the Republic of Maldives,	49-1-46	Owner	EXIM BANK[2] , BOCTH[8] and BOCHK[9]
Hard Rock Hotel Maldives	Hotel	Emboodhoo Lagoon in Kaafu Atoll, the Republic of Maldives,	46-3-3	Owner	EXIM BANK[2] , BOCTH[8] and BOCHK[9]
SAii Laguna Phuket	Hotel	Choeng Thale Subdistrict, Thalang District, Phuket Province	52-3-87	Owner	KBANK[3]
Outrigger Fiji Beach Resort	Hotel	Conua District, Viti Levu Island, the Republic of Fiji	967-1-24.75	Owner	ANZ[4]

[1] Market price pursuant to the consolidated financial statements
[2] Export – Import Bank of Thailand
[3] Kasikornbank Public Company Limited
[4] Australia and New Zealand Banking Group Limited (Fiji Branch)
[8] Bank of China (Thai) Public Company Limited
[9] Bank of China (Hong Kong) Limited

Lands, Buildings and Equipment

PROJECT	PROJECT TYPE	LOCATION	SIZE OF LAND FOR ENTIRE PROJECT (RAI-NGAN-SQ. WAH.)	CHARAC-TERIZED OWNERSHIP	ENCUMBRANCES (PARTIAL / ENTIRE MORTGAGE WITH)
Mercure Ayr Hotel	Hotel	Dalblair Road, Ayr KA7 1UG, Scotland, United Kingdom	2-2-0	Owner	Santander UOB Bank of Ireland[6]
Mercure Bolton Georgian House Hotel	Hotel	Manchester Road, Blackrod, Bolton BL6 5RU, England, United Kingdom	9-2-52	Owner	Santander UOB Bank of Ireland[6]
Mercure Bradford Bankfield Hotel	Hotel	Bradford Road, Bingley BD16 1TU, England, United Kingdom	21-1-33	Owner	Santander UOB Bank of Ireland[6]
Mercure Brighton Seafront Hotel	Hotel	149 Kings Road, Brighton, BN1 2PP, England, United Kingdom	1-2-64	Owner	Santander UOB Bank of Ireland[6]
Mercure Bristol North The Grange Hotel	Hotel	Old Gloucester Road, Winterbourne, Bristol BS36 1RP, England, United Kingdom	38-3-98	Owner	Santander UOB Bank of Ireland[6]
Mercure Chester Abbots Well Hotel	Hotel	Whitchurch Road, Chester CH3 5QL, England, United Kingdom	9-3-8	Owner	Santander UOB Bank of Ireland[6]
Mercure Gloucester Bowden Hall Hotel	Hotel	Bondend Road, Gloucester GL4 8ED, England, United Kingdom	48-1-45	Owner	Santander UOB Bank of Ireland[6]
Mercure Hull Grange Park Hotel	Hotel	Grange Park Lane, Hull, HU10 6EA, England, United Kingdom	39-1-66	Owner	Santander UOB Bank of Ireland[6]
Mercure Inverness Hotel	Hotel	Church Street, Inverness, IV1 1DX, Scotland, United Kingdom	2-0-76	Owner	Santander UOB Bank of Ireland[6]
Mercure Leeds Parkway Hotel	Hotel	Otley Road, Leeds LS16 8AG, England, United Kingdom	19-3-89	Owner	Santander UOB Bank of Ireland[6]
Mercure Leicester The Grand Hotel	Hotel	Granby Street, Leicester LE1 6ES, England, United Kingdom	3-2-93	Owner	Santander UOB Bank of Ireland[6]

[6] Santander UK Public limited company, United Overseas Bank Limited, London branch and Bank of Ireland Group Public limited company

Lands, Buildings and Equipment

PROJECT	PROJECT TYPE	LOCATION	SIZE OF LAND FOR ENTIRE PROJECT (RAI-NGAN-SQ. WAH.)	CHARAC-TERIZED OWNERSHIP	ENCUMBRANCES (PARTIAL / ENTIRE MORTGAGE WITH)
Mercure Maidstone Great Danes Hotel	Hotel	Ashford Road, Holling-bourne, Maidstone, ME17 1RE, England, United Kingdom	59-3-49	Owner	Santander UOB Bank of Ireland[6]
Mercure Norwich Hotel	Hotel	Boundary Road, Norwich, NR3 2BA, England, United Kingdom	7-1-28	Owner	Santander UOB Bank of Ireland[6]
Mercure Tunbridge Wells Hotel	Hotel	8 Tonbridge Rd, Pembury, Tunbridge Wells TN2 4QL, England, United Kingdom	15-0-85	Owner	Santander UOB Bank of Ireland[6]
Mercure York Fairfield Manor Hotel	Hotel	Shipton Road, York YO30 1XW, England, United Kingdom	20-3-11	Owner	Santander UOB Bank of Ireland[6]
Mercure Glasgow City Hotel	Hotel	201 Ingram Street, Glasgow, G1 1DQ, Scotland, United Kingdom	1-2-57	Owner	Santander UOB Bank of Ireland[6]

[6] Santander UK Public limited company, United Overseas Bank Limited, London branch and Bank of Ireland Group Public limited company

Leasehold Rights

PROJECT	PROJECT TYPE	LOCATION	SIZE OF LAND FOR ENTIRE PROJECT (RAI-NGAN-SQ. WAH.)	CHARAC-TERIZED OWNERSHIP	OWNERSHIP	TERM OF AGREEMENT	ENCUMBRANCES (PARTIAL / ENTIRE MORTGAGE WITH)
Castaway Island, Fiji	Hotel	Castaway (Qalito) Island, the Republic of Fiji	183-2-39	Leasehold	Tokatoka Nalotulevu Mataqali Ketenamasi of the Solevu Village	Starting from 1 July 1993, 89-year lease agreement	ANZ[4]
SAii Koh Samui Choengmon	Hotel	Bophut Subdistrict, Koh Samui District, Surat Thani Province	12-3-32.5	Leasehold	Mr. Somkid Plomchan	Starting from 1 May 2004, 30-year lease agreement	

[4] Australia and New Zealand Banking Group Limited (Fiji Branch)

Leasehold Rights

PROJECT	PROJECT TYPE	LOCATION	SIZE OF LAND FOR ENTIRE PROJECT (RAI-NGAN-SQ. WAH.)	CHARAC-TERIZED OWNERSHIP	OWNERSHIP	TERM OF AGREEMENT	ENCUMBRANCES (PARTIAL / ENTIRE MORTGAGE WITH)
Outrigger Mauritius Beach Resort	Hotel	Allee des, Bel Ombre, the Republic of Mauritius	55-1-87.37	Leasehold	Government of Mauritius	Starting from 2 February 2004, 59-year and 4-month lease agreement	Afrasia[5]
Santiburi Koh Samui	Hotel	Koh Samui, Maenam Subdistrict, Koh Samui District, Surat Thani Province	57-0-22.7	Leasehold	Singha Estate Plc.	Starting from 1 December 2018, 90-year lease agreement	UOB[7]
CROSSROADS	Hotel and retail space for rent	Emboodhoo Lagoon in Kaafu Atoll, the Republic of Maldives	206-0-18	Leasehold	The Government of Maldives represented by the Ministry of Tourism	Starting from 9 February 2016, 50-year lease agreement	EXIM BANK[2] BOCTH[8] and BOCHK[9]
Outrigger Konotta Maldives Resort	Hotel	Gaafu Dhaalu Atoll, the Republic of Maldives	56-0-3.84	Leasehold	The Government of Maldives represented by the Ministry of Tourism	Starting from 5 May 2005, 50-year lease agreement	Nil
Mercure Edinburgh City Princes Street Hotel	Hotel	54-58 Princes Street, Edinburgh EH2 2DG, Scotland, United Kingdom	3-0-78	Leasehold	Mount Royal Property Group Limited	Starting from 1 December 2005,	Santander UOB Bank of Ireland[6]
Mercure Livingston Hotel	Hotel	Almondview, Livingston, EH54 6QB, Scotland, United Kingdom	12-1-100	Leasehold	Welling Properties Limited	33-year lease agreement	Santander UOB Bank of Ireland[6]

[2] Export – Import Bank of Thailand
[5] Afrasia Bank Limited
[6] Santander UK Public limited company, United Overseas Bank Limited, London branch and Bank of Ireland Group Public limited company
[7] United Overseas Bank (Thai) Public Company Limited
[8] Bank of China (Thai) Public Company Limited
[9] Bank of China (Hong Kong) Limited

Leasehold Rights

PROJECT	PROJECT TYPE	LOCATION	SIZE OF LAND FOR ENTIRE PROJECT (RAI-NGAN-SQ. WAH.)	CHARAC-TERIZED OWNERSHIP	OWNERSHIP	TERM OF AGREEMENT	ENCUMBRANCES (PARTIAL / ENTIRE MORTGAGE WITH)
Mercure Manchester Piccadilly Hotel	Hotel	Portland Street, Manchester, M1 4PH, England, United Kingdom	2-1-35	Leasehold	BNP Paribas Securities Services Trust Company Limited	Starting from 24 August 1999, 34-year lease agreement	Santander UOB Bank of Ireland[6]
Mercure Perth Hotel	Hotel	West Mill Street, Perth PH1 5QP, Scotland, United King-dom	2-3-35	Leasehold	Aviva Life & Pensions UK Limited	Starting from 24 August 1999, 34-year lease agreement	Santander UOB Bank of Ireland[6]
Mercure Swansea Hotel	Hotel	Phoenix Way, Swansea SA7 9EG, Wales, United Kingdom	9-1-99	Leasehold	Comfort Lodge (UK) Limited	Starting from 24 June 1997, 112-year lease agreement	Santander UOB Bank of Ireland[6]

[6] Santander UK Public limited company, United Overseas Bank Limited, London branch and Bank of Ireland Group Public limited company

Intangible assets of the Company and its subsidiaries

Significant intangible assets for the operations of the Company and its subsidiaries at 31 December 2023 are as follows:

TYPE OF ASSETS	NET BOOK VALUE (THB MILLION)
Goodwill	1,628
Computer software	27
Trademark	4
Franchise	46
Total	1,705

Information of appraised value of assets

The Company and its subsidiaries have conducted the assets appraisal on commercial properties including evaluating other assets for financial statements purpose. Significant details of which are as follows:

Commercial Properties

ASSETS	LOCATION	CHARACTER-IZED OWNERSHIP	APPRAISAL COMPANY	APPRAISAL OBJECTIVE	VALUE APPRAISAL METHOD	DATE OF APPRAISAL / DATE OF REPORT	APPRAISED VALUE (THB MILLION)
The Marina @ CROSSROADS, Maldives	Emboodhoo Lagoon in Kaafu Atoll, the Republic of Maldives	Owner	American Appraisal (Thailand) Ltd.	To appraise the fair market value of property	Income and Cost approach	9 February 2024	492.82

Lands, Buildings and Equipment

ASSETS	LOCATION	CHARACTER-IZED OWNERSHIP	APPRAISAL COMPANY	APPRAISAL OBJECTIVE	VALUE APPRAISAL METHOD	DATE OF APPRAISAL / DATE OF REPORT	APPRAISED VALUE (THB MILLION)
SAii Koh Samui Choengmon	Bophut Subdistrict, Koh Samui District, Surat Thani Province	Owner	HVS – Singapore Office	To appraise the fair market value of property	Income and Cost approach	26 January 2024	302.60
The Marina @ CROSSROADS, Maldives – Beach Club	Emboodhoo Lagoon in Kaafu Atoll, the Republic of Maldives	Owner	American Appraisal (Thailand) Ltd.	To appraise the fair market value of property	Income and Cost approach	9 February 2024	544.15

Policy on Investment in Subsidiary and Associate Companies

The Company has the policy to invest in subsidiaries or associate companies which are aligned with the Company's goals, vision, and strategic plans for the business growth in order to increase the Company's operating performance or profitibility, or to invest in businesses that create synergy, which would boost the Company's ability to stay competitive, and facilitate its attainment of leadership within its core business.

The Company may consider investing in other businesses if they prove beneficial for their growth capability, business expansion, or for the best interest of the group companies, and would generate good returns on investment. The Company shall ensure a regulatory mechanism which will allow it to supervise and account for the operation of its subsidiary companies as though they are units of the Company itself, as well as a suitable and sufficiently secure measure to monitor the management of and an internal control system for the subsidiary companies, so as to safeguard the Company's investment, in accordance with the prescribed criteria, whereby the Company deems that they shall create synergy, increase revenue channels, and increase its profitability. The Company will assess investment allocations, expected returns, potential risks, and its financial status with an appropriate analytical procedure. Such investment shall also be subject to consideration and approval by the Board of Directors or the Meeting of Shareholders (as the case may be), with the application for approval of which being subject to the relevant notifications of the Capital Market Supervisory Board and the Stock Exchange of Thailand.

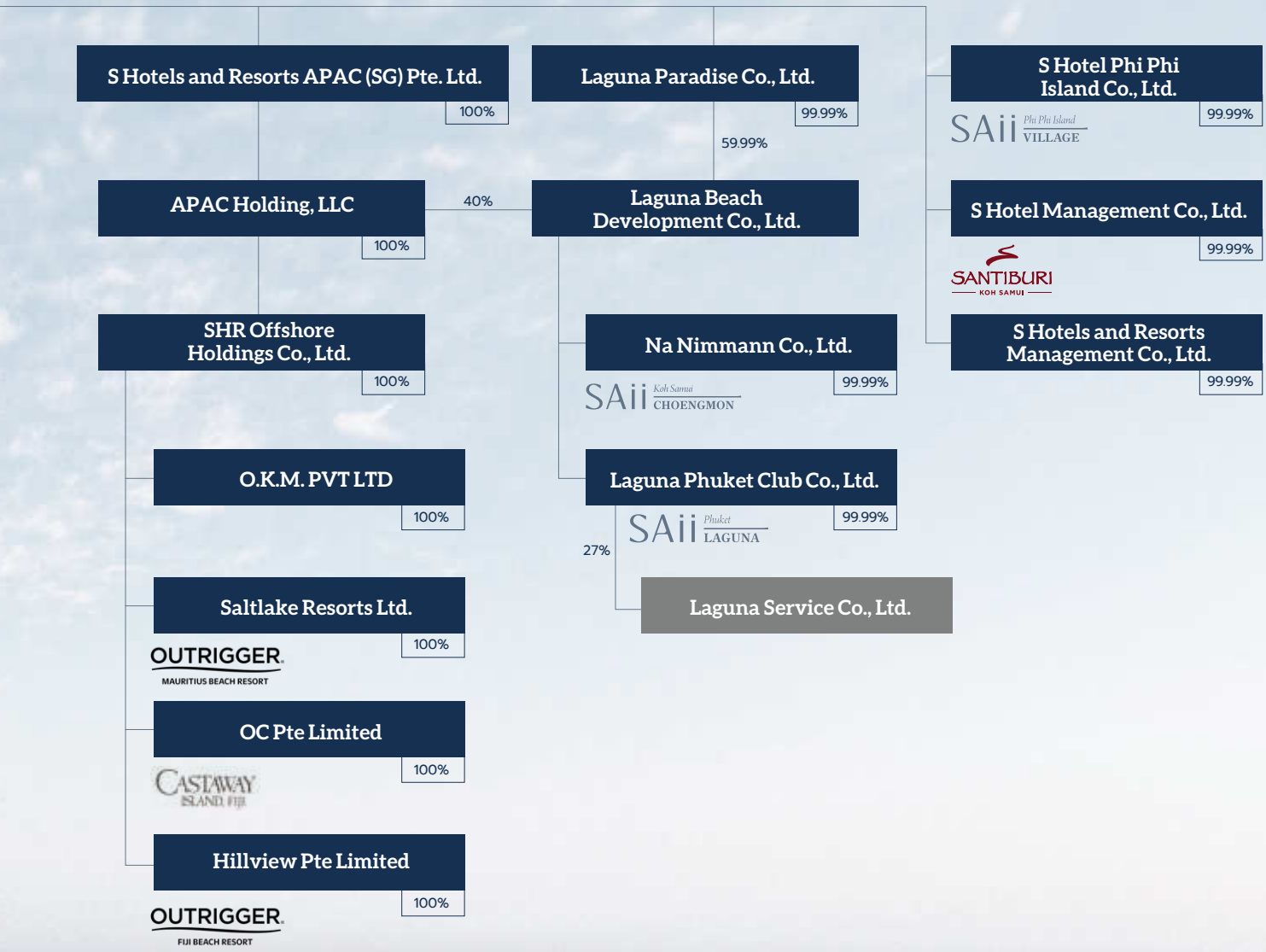
In addition, the Company shall appoint its qualified and experienced representatives to join the companies' Board of Directors of the subsidiary or associate companies, the structure of which shall at least be in accordance with the shareholding ratio (as the case may be), so that the Company can determine important policies and supervise the operations of such subsidiary and associate companies, as well as to protect the shareholders' interest as the Company deems it appropriate. Moreover, the Company has the policy to monitor the management of the subsidiary and associate companies, for the purpose of safeguarding its investment, by requiring the subsidiary and affiliate companies to submit monthly operating reports and quarterly financial statements audited by certified external auditors, including their supporting data used in the preparation of such financial statements.

From the Company's separate financial statements as of 31 December 2023, the Company has investments in subsidiaries at the total amount of THB 16,835.65 million or 70.66% of the total assets.

SHAREHOLDING STRUCTURE OF THE GROUP

SHR Group Shareholding Structure as of 31 December 2023

RESORTS PCL.



Subsidiary of SHR

Joint venture / Associated company

INFORMATION OF SUBSIDIARIES, ASSOCIATED COMPANIES, AND JOINT VENTURE COMPANIES (HOLDING 10% UPWARDS)

As of December 31, 2023

COMPANY NAME AND ADRESS	NATURE OF BUSINESS	REGISTERED CAPITAL	TYPE OF SHARE	NUMBER OF PAID-UP SHARES (SHARES)	VALUE OF SHARE	SHARE-HOLDING
S Hotel Phi Phi Island Co., Ltd. 123 Suntowers Building B, 10th Floor, Vibhavadi-Rangsit Road, Chom Phon, Chatuchak, Bangkok, Thailand	Hotel management and investment	THB 300,000,000	Ordinary	3,000,000	THB 100	99.99%
S Hotel Management Co., Ltd. 123 Suntowers Building B, 10th Floor, Vibhavadi-Rangsit Road, Chom Phon, Chatuchak, Bangkok, Thailand	Hotel management and investment	THB 1,531,122,890	Ordinary	153,112,289	THB 10	99.99%
Laguna Beach Development Co., Ltd. 323 Moo 2, Srisoonthorn Road, Tambol Cherngtalay, Amphur Thalang, Phuket Province	Investment in other companies	THB 10,000,000	Ordinary Preference	600,000 400,000	THB 10	99.99%
Laguna Paradise Co., Ltd. 323 Room no.1, Moo 2, Srisoonthorn Road, Tambol Cherngtalay, Amphur Thalang, Phuket Province	Investment in other companies	THB 1,000,000	Ordinary	100,000	THB 10	99.99%
Laguna Phuket Club Co., Ltd. 323 Moo 2, Srisoonthorn Road, Tambol Cherngtalay, Amphur Thalang, Phuket Province	Hotel management and investment	THB 373,000,000	Ordinary Preference	37,137,000 163,000	THB 10	99.99%
Laguna Service Co., Ltd. 57 Moo 4, Srisoonthorn Road, Tambol Cherngtalay, Amphur Thalang, Phuket Province	Hotel management and investment	THB 90,500,000	Ordinary	905,000	THB 10	27.09%
Na Nimmann Co., Ltd. 63/182 Moo 5, Tambol Bohput, Ampher Koh Samui, Suratthani Province	Hotel management and investment	THB 118,000,000	Ordinary	11,800	THB 10,000	99.99%
S Hotels and Resorts Management Co., Ltd. 123 Suntowers Building B, 10th Floor, Vibhavadi-Rangsit Road, Chom Phon, Chatuchak, Bangkok, Thailand	Hotel management and investment	THB 20,000,000	Ordinary	200,000	THB 100	99.99%

COMPANY NAME AND ADRESS	NATURE OF BUSINESS	REGISTERED CAPITAL	TYPE OF SHARE	NUMBER OF PAID-UP SHARES (SHARES)	VALUE OF SHARE	SHARE-HOLDING
S Hotels and Resorts (HK) Limited 31/F., Tower Two, Time Square 1, Matheson Street, Causeway Bay, Hong Kong	Investment in other companies	GBP 42,632,000	Ordinary	42,632,000	GBP 1	100%
S Hotels and Resorts (UK) Ltd. The Broadgate Tower, 3rd Floor, 20 Primrose Street, London, United Kingdom, EC2A 2RS	Investment in other companies	GBP 500,000	Ordinary	500,000	GBP 1	100%
FS JV CO LIMITED C/O Blaser Mills Law, 40 Oxford Road, High Wycombe, England, HP11 2EE	Investment in other companies	GBP 1,000,000	Ordinary	1,000,000	GBP 1	100%
FS Mezz Co Limited C/O Blaser Mills Law, 40 Oxford Road, High Wycombe, England, HP11 2EE	Investment in other companies	GBP 1,000,000	Ordinary	1,000,000	GBP 1	100%
FS Mid Co Limited C/O Blaser Mills Law, 40 Oxford Road, High Wycombe, England, HP11 2EE	Investment in other companies	GBP 1,000,000	Ordinary	1,000,000	GBP 1	100%
FS Senior Co Limited C/O Blaser Mills Law, 40 Oxford Road, High Wycombe, England, HP11 2EE	Investment in other companies	GBP 1,000,000	Ordinary	1,000,000	GBP 1	100%
Jupiter Hotels Holdings Limited C/O Blaser Mills Law, 40 Oxford Road, High Wycombe, England, HP11 2EE	Investment in other companies	GBP 27,100,000	Ordinary	27,100,000	GBP 1	100%
Jupiter Hotels Midco Limited C/O Blaser Mills Law, 40 Oxford Road, High Wycombe, England, HP11 2EE	Investment in other companies	GBP 27,100,000	Ordinary	27,100,000	GBP 1	100%
Jupiter Hotels Limited C/O Blaser Mills Law, 40 Oxford Road, High Wycombe, England, HP11 2EE	Investment in other companies and hotel management and investment	GBP 35,776,000	Ordinary Preference	35,750,000 26,000	GBP 1	100%

COMPANY NAME AND ADRESS	NATURE OF BUSINESS	REGISTERED CAPITAL	TYPE OF SHARE	NUMBER OF PAID-UP SHARES (SHARES)	VALUE OF SHARE	SHARE-HOLDING
Jupiter Hotels Wetherby Limited C/O Blaser Mills Law, 40 Oxford Road, High Wycombe, England, HP11 2EE	Hotel management and investment	GBP 4,505,000	Ordinary Preference	4,500,000 5,000	GBP 1	100%
Jupiter Hotels Management Limited C/O Blaser Mills Law, 40 Oxford Road, High Wycombe, England, HP11 2EE	Hotel management and investment	GBP 1	Ordinary	1	GBP 1	100%
FS JV License Limited C/O Blaser Mills Law, 40 Oxford Road, High Wycombe, England, HP11 2EE	Investment in other companies	GBP 3,264,000	Ordinary	3,264,000	GBP 1	50%
FS Mid License Limited C/O Blaser Mills Law, 40 Oxford Road, High Wycombe, England, HP11 2EE	Investment in other companies	GBP 1	Ordinary	1	GBP 1	50%
The Hotelier Group Limited C/O Blaser Mills Law, 40 Oxford Road, High Wycombe, England, HP11 2EE	Investment in other companie	GBP 8,022,378.70	Ordinary	80,223,787	GBP 0.1	50%
Aston Hotels Limited C/O Blaser Mills Law, 40 Oxford Road, High Wycombe, England, HP11 2EE	Hotel management and investment	GBP 1,500,000	Ordinary	1,500,000	GBP 1	50%
Aston Ventures Limited C/O Blaser Mills Law, 40 Oxford Road, High Wycombe, England, HP11 2EE	Hotel management and investment	GBP 1,000,000	Ordinary	1,000,000	GBP 1	50%
Aston Hotels (Sheffield) Limited C/O Blaser Mills Law, 40 Oxford Road, High Wycombe, England, HP11 2EE	Hotel management and investment	GBP 1,000,000	Ordinary	1,000,000	GBP 1	50%
SHR Offshore Holdings Co., Ltd. Oliaji Trade Centre, 1st Floor, Victoria, Mahe', the Republic of Seychelles	Investment in other companies	USD 14,000,000	Ordinary	68,024,132	USD 1	100%

COMPANY NAME AND ADRESS	NATURE OF BUSINESS	REGISTERED CAPITAL	TYPE OF SHARE	NUMBER OF PAID-UP SHARES (SHARES)	VALUE OF SHARE	SHARE-HOLDING
S Hotels and Resorts (SC) Co., Ltd. Oliaji Trade Centre, 1st Floor, Victoria, Mahe', the Republic of Seychelles	Investment in other companies	USD 500,000,000	Ordinary	177,700,001	USD 1	100%
Prime Locations Management 2 Ltd Oliaji Trade Centre, 1st Floor, Victoria, Mahe', the Republic of Seychelles	Investment in other companies	USD 500,000,000	Ordinary	1	USD 1	100%
Prime Locations Management 3 Ltd. Oliaji Trade Centre, 1st Floor, Victoria, Mahe', the Republic of Seychelles	Investment in other companies	USD 74,200,000	Ordinary	24,000,000	USD 1	50%
Dream Islands Development 2 Private Limited #02-01, Millennia Tower, 10 Ameer Ahmed Magu, Male' 20026, Republic of Maldives	Hotel management and investment	MVR 2,829,662,520	Ordinary	183,506,000	MVR 15.42	100%
Dream Islands Development 3 Private Limited #02-01, Millennia Tower, 10 Ameer Ahmed Magu, Male' 20026, Republic of Maldives	Hotel management and investment	MVR 638,388,000	Ordinary	638,388,000	MVR 1	50%
O.K.M PVT LTD #02-01, Millennia Tower, 10 Ameer Ahmed Magu, Male' 20026, Republic of Maldives	Hotel management and investment	MVR 1,217,290,574.40	Ordinary	7,894,232	MVR 154.2	100%
APAC HOLDING, LLC PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands	Hotel management and investment	No concept of share capital	Member	N/A	N/A	100%
Hillview Pte Limited Outrigger Fiji Beach Resort, Queens Road, Coral Coast, Sigatoka, Viti Levu	Hotel management and investment	FJD 14,338,979	Ordinary	14,338,979	FJD 1	100%

COMPANY NAME AND ADRESS	NATURE OF BUSINESS	REGISTERED CAPITAL	TYPE OF SHARE	NUMBER OF PAID-UP SHARES (SHARES)	VALUE OF SHARE	SHARE-HOLDING
OC Pte Limited Outrigger Fiji Beach Resort, Queens Road, Coral Coast, Sigatoka, Viti Levu	Hotel management and investment	FJD 9,546,323	Ordinary	9,546,323	FJD 1	100%
Saltlake Resorts Ltd Allee Des Cocotiers Bel Ombre Mauritius	Hotel management and investment	MUR 216,505,000	Ordinary	216,505	MUR 1,000	100%
S Hotels and Resorts APAC (SG) Pte. Ltd. 38 Beach Road, #29-11 South Beach Tower Singapore 189767	Investment in other companies and hotel management and investment	USD 177,096,094	Ordinary	177,096,094	USD 1	100%

RELATIONSHIP WITH THE MAJOR SHAREHOLDERS

- **The Group of major shareholders whose actions significantly influenced the establishment of the policy or operations of the Company.**

As of the book closing date on 28 December 2023, the Group of Singha Property Management Company Limited (wholly owned by Boon Rawd), was the group of major shareholders whose aggregate shareholding was approximately 66.40% of the total issued shares of the Company, exerting de facto significant influence on the Company's policy or business operation because of their 2 representatives directors namely, Chayanin Debhakam, D.B.A. and Mrs. Thitima Rungkwangsiriroj, from the total of 9 directors in the board.

STRUCTURE OF SHAREHOLDERS

As of the book closing date on 28 December 2023, the Company had the total of 11,404 shareholders. The major shareholder was a group of Singha Property Management Company Limited, holding 66.40% of the total issued shares of the Company. The Company's free float shareholding was at 33.60% of the Company's total issued shares. The details of shareholding are as shown in the following table:

SHAREHOLDERS	NUMBER OF SHARES	SHAREHOLDING RATIO (%)
Paid-up capital	3,593,640,000	100.00
Thai Shareholders		
· Juristic persons	2,145,271,498	59.69
· Ordinary persons	830,722,040	23.12
Total	**2,975,993,538**	**82.81**
Foreign shareholders		
· Juristic persons	617,226,362	17.18
· Ordinary persons	420,100	0.01
Total	**617,646,462**	**17.19**

The top 10 major shareholders of the Company as shown in the book of shareholders' registration as of 28 December 2023 were as follows:

NO.	NAME OF SHAREHOLDERS	NAME OF SHAREHOLDERS	RATIO OF PAID-UP CAPITAL (%)
1.	**Group of Singha Property ManagementCompany Limited**	**2,386,020,981**	**66.40**
	- S International Holding Company Limited	1,746,506,820	48.60
	- S Hotels and Resorts (SG) Pte. Ltd.	409,677,100	11.40
	- Singha Property Management (Singapore) Pte. Ltd.	125,222,472	3.48
	- Singha Estate Public Company Limited	80,500,000	2.24
	- Singha Property Management Company Limited	24,114,589	0.67
2.	Thai NVDR Company Limited	143,604,576	4.00
3.	Mr. Ekachai Puangpet	36,000,000	1.00
4.	CGS-CIMB Securities (Singapore) Pte., Ltd.	34,692,600	0.97
5.	**Group of Bhirombhakdi Family**	**33,363,683**	**0.93**
	- Mr. Santi Bhirombhakdi	15,774,685	0.44
	- Mr. Naiyanobh Bhirombhakdi	10,001,166	0.28
	- Ms. Preerati Bhirombhakdi	4,730,000	0.13
	- Mr. Bhurit Bhirombhakdi	1,500,000	0.04
	- Mr. Vudha Bhirombhakdi	1,000,000	0.03
	- Mr. Jeeranuch Bhirombhakdi	350,150	0.01
	- Mr. Jutinuant Bhirombhakdi	7,709	0.00
6.	Thailand Securities Depository Company Limited for Depositor	25,766,239	0.72
7.	Bangkok Life Assurance Public Company Limited	18,211,700	0.51
8.	THE BANK OF NEW YORK MELLON	14,853,000	0.41
9.	Allianz Ayudhya Assurance Public Company Limited	11,000,000	0.31
10.	N.C.B TRUST LIMITED-NORGES BANK 1	9,900,000	0.31
	Total	**2,713,412,779**	**75.51**
	Other shareholders	**880,227,221**	**24.49**

- **Agreement between major shareholders and the Company**

The Company has not signed any agreement with the Company's group of major shareholder on matters which may take effect to an issuance and offering of securities or the management of the Company.

- **Foreigner limit of ordinary shareholdings**

The Company's foreign limit is set at 49% of the paid-up capital. As of 28 December 2023 the foreigners held securities totaling 17.19% of the paid-up capital of the Company.

NUMBER OF REGISTERED CAPITAL AND PAID-UP CAPITAL

As of 31 December 2023 the Company has the registered capital and paid-up capital as follows:

	AMOUNT	TYPE OF SHARE / NUMBER OF SHARES	PAR VALUE
Registered capital	THB 17,968,200,000	3,593,640,000 ordinary shares	THB 5 per share
Paid-up capital	THB 17,968,200,000	3,593,640,000 ordinary shares	THB 5 per share

Number of Shares and Effects of NVDR Issuance on Shareholders' Voting Rights

NVDR or Non-voting Depository Receipt is a trading instrument issued by the Thai NVDR Company Limited ("Thai NVDR"). The main purpose is to promote trading activities in the Thai stock market, and it is the alternative for the foreign investors who are interested in making investment in the listed companies but unable to make such investment because of foreign ownership restrictions. NVDR investors are entitled to receive all financial benefits, such as dividends, right issues, or warrants, but not be entitled to vote in listed company's shareholders' meetings except only in the case where the Company wishes to delist itself from the Stock Exchange of Thailand.

As of 28 December 2023, Thai NVDR holds 143,604,576 ordinary shares of the Company or representing 4.00 percent of the total issued and paid-up capital of the Company.

OTHER SECURITIES

As of 31 December 2023 the Company has outstanding debentures in the total amount of THB 1,300 million. On 19 October 2023, the Company has issued and offered the "Debentures of S Hotels and Resorts Public Company Limited No. 1/2023, due 2026" in the amount of THB 1,300 million to the Public Offering for the purpose of facilitating the investment, hotels' renovation and development or business expansion and utilizing as a working capital of the Company, the details of which are as follows:

DEBENTURE TYPE	Long-term, name-registered, unsubordinated and unsecured debentures with debenture holders' representative
ISSUE SIZE	THB 1,300 million
INTEREST RATE AND INTEREST PAYMENT DATE	Fixed rate at 5.00% per year, with interest paid every 3 months
TERM OF DEBENTURES	3 years
MATURITY DATE	19 October 2026
PAR VALUE	THB 1,000
CREDIT RATING OF DEBENTURES	BBB / Stable by TRIS Rating Company Limited (as of 9 August 2023)

DIVIDEND PAYMENT POLICY

Dividend Payment Policy of the Company

The Company has a policy to pay dividends of not less than 40% of the net profit under the separate financial statements after deduction of corporate income tax, and all specified reserves required by law and as specified by the Company in each year. The Company shall set the dividend payment rate subject to operating results, financial status, liquidity, necessity of investment, additional investment, business expansion, reserves to repay loans, or working capital of the Company, terms and conditions as specified in loan agreements, and other relevant factors in management as the Board and/or shareholders of the Company deem appropriate. The dividend payment shall not exceed the retained earnings as appeared in the Company's separate financial statements and conforms to all related laws. Upon the Board of Directors' approval for the annual dividend payment, the dividend payment must be proposed to the shareholders' meeting of the Company for approval, except for the interim dividend payment for which the Board of Directors has the power to approve and then, report it to the shareholders' meeting at the next meeting.

Dividend payment from the Company's 2023 operating performance

The Board of Directors' Meeting held on 21 February 2024, resolved to approve to propose that the 2024 Annual General Meeting of Shareholders consider and approve the appropriation of net profit as the legal reserve and the dividend payment from the Company's 2023 operating performance at the rate of THB 0.015 per share to the Company's shareholders, totaling of not exceeding THB 53,904,600, or equivalent to 62.38 percent of the net profit under the consolidated financial statements, and 47.11 percent of the net profit under the separate financial statements pursuant to the dividend payment policy of the Company.

Dividend Policy of the Subsidiaries

The Board of Directors of each subsidiary may consider its annual dividend payment as approved by the shareholders' meeting of that particular subsidiary, except an interim dividend which the Board of Directors of each subsidiary is authorized to approve periodically if it deems that such subsidiary has sufficient profit to do so, and the Board of Directors shall report to the shareholders' meeting of the subsidiary for acknowledgment at the next meeting.

In addition, the Board of Directors of the subsidiary will consider its dividend payment by taking into consideration various factors for primarily benefits of the shareholders, such as performance, financial status, liquidity, necessity for additional investment, business expansion, reserve for loan repayment or working capital of the subsidiary, conditions and restrictions specified in the loan agreements and other factors relevant to the management as deemed appropriate by the Board of Directors and/or shareholders of the subsidiary.

PART 1

BUSINESS OVERVIEW AND PERFORMANCE

2

RISK MANAGEMENT

RISK MANAGEMENT POLICY AND PLAN

1. RISK MANAGEMENT POLICY AND PLAN

The Company has applied the risk management process according to international standard of the 2017 Committee of Sponsoring Organization of the Treadway Commission-Enterprise Risk Management (COSO-ERM 2017) for efficiency and quality. By linking the function of the risk management mechanism to the Company's strategies and operations, it facilitate to prevent and minimize risks that may obstruct the Company from achieving the target as well as ensuring that the risks are well managed in an acceptable level. all executives and "SHR personnel" are well-aware and play important role in managing the risk under their own responsibility and setting up a risk management process in accordance with the principles of good corporate governance. In addition, the Risk Management Committee is responsible for overseeing and monitoring the corporate risk management to ensure the effectiveness by focusing on the material risks and performing a risk assessment every year.

Furthermore, the Company has implemented the Business Continuity Management to ensure that the Company can continue its operation in the event of major crisis such as political unrest, terrorism, war, pandemic, natural disaster, cyber attack or any other serious events caused by other external unexpected or inevitable factors. Therefore, the Company gives precedence to formulating the strategy and plans to respond to those events; for example, preparation of the emergency plan, and annual drills of emergency situations throughout the organization, testing of the Business Continuity Plan, and taking out insurances covering the potential loss of assets and revenues in the crisis, e.g., Industry All Risk Insurance, and Business Interruption Insurance, etc. to minimize the impact.

2. RISK RELATED TO THE COMPANY'S BUSINESS OPERATIONS

The Company analyzes various risk factors according to the type of risks which are strategic risks, operational risks, financial risks, and compliance risks, emerging risks as well as focusing on Environmental, Social, and Governance (ESG) risk assessment. However, such risk factors are only some of the material risk factors that the Company considers that there is a significant impact on the Company's business goals as well as the rights and investments of the Company's securities holders. The Company's risk factors in 2023 can be summarized as follows:

2.1 Strategic Risks

Risks from the economic uncertainty

In 2023, there were some adverse situations taking significant effect on the global economy and the business operation of the Company as stated below:

- The Russia and Ukraine conflict has disrupted trade and escalated the inflation's stemmed from increase in goods and commodities prices.
- The Us Federal Reserve is tightening monetary policy by increasing interest rates in response to the rising inflation rate.
- The broading of the potential economic slowdown, especially in the United States of America, and the United Kingdom.

Meanwhile, the tourism industry of most countries has recovered from the previous year. The number of international tourists has increased significantly, however, the number of flights is lower than the previous year since the airline has returned to operate in certain destinations.

Therefore, the Company has adjusted its business plan to fit to those situations by focusing on diversifying market and attracting potential groups of customers in order to increase the market diversification, and to mitigate the impact of various factors. The Company has also put emphasis on the management measures, and close control of operating expenses and costs; for example, increasing the efficiency of equipment and machinery to reduce the energy consumption in hotels, and applying solar energy for the operations readiness to the economic circumstances, etc.

Risks from political uncertainty

The Company has closely monitored the risk after the election in both Thailand in May 2023 and the Republic of Maldives in September 2023 in order to promptly respond to any situation. However, there was no major conflict that led to protests or critical incidents in both countries.

2.2 Operational Risks

Uninsurable risk

Although the Company has purchased several types of insurance for its local and international hotels as appropriate to transfer the risks, however, there are some uninsurable risks such as terrorism not occurring at the insured place, etc. due to the standard exclusion in insurance.

Cyber threat risks

Nowadays, business operation systems are increasingly being transitioned to digital systems, and since cybercrime or computer crime occurs at an increasing rate in every part of the world each year, the likelihood of being attacked by cybercrime is higher and more serious. As a result, the Company has implemented the preventive guidelines and invested in security systems and developed disaster recovery plans and drills on an annual basis. The Company also purchased cyber insurance to transfer the risks that may impact the business from cybercrime.

2.3 Financial Risks

Risks from inability to comply with the credit facility conditions of the financial institutions and debenture

The Company borrowed money from the financial institutions to use for investment and working capital in its business operations, so the Company is burdened with interest payments and loan repayment, as well as adhering to the terms of the credit facilities agreement, such as maintaining a financial ratio, and so on. As a result, the financial plans have been arranged to ensure that the Company has sufficient cashflow to pay interest and loan repayments, as well as the ability to meet the financial conditions as specified in the credit facilities agreement and/or request a waiver on meeting the obligations specified in the relevant credit facilities agreement. Nonetheless, the lenders consistently provided support for the Company. However, the Company always manages the financial risk appropriately. For the principle and interest payment for unsubordinated debenture holders, the Company is able to make such payment in full amount as scheduled.

Risks from financing and liquidity

The Company places importance on working capital management and seeking sufficient funds for investment in various projects with reasonable financial costs. However, external financing depends on a number of factors, including operating results, tourism industry conditions, and domestic and international economic and financial market circumstances. As a result, the Company selected to employ the financing tools suitable for the situations from other sources of funds. In 2023, the Company has issued the unsubordinated debenture during 16-18 October 2023 in the amount of THB 1,300 million and been fully subscribed as targeted.

Risks from exchange rate fluctuations

The primary functional currency of the Company is Baht. Whereas some of sales, purchase and borrowing transactions are denominated in Euro, US Dollar, Fiji Dollar and Pound sterling. The Company has put in place the hedging policy by applying hedging method to mitigate exchange rate fluctuations exposure.

Risks from interest rate fluctuations

The ongoing high inflation from 2022 has pressed the central banks of many countries to increase the interest rate for several times up until the end of 2023 to reduce the pressure arise from inflation. For risk management from interest rate trend and movement, the Company has constantly monitored interest rate, and prevented this risk via interest rate swap for some portions of loans of the Company, either US Dollar or Pound sterling, under the Company's risk management framework relating to interest rate.

2.4 Compliance Risks

Risks from non-compliance with the Personal Data Protection Act

The Company realizes this risk and has prepared for such full enforcement since 2020 together with comprises an internal working team comprising of representatives from each department. The Company has also reviewed the Customer Privacy Policy in accordance with the Personal Data Protection Act, and the Privacy Notice posted on the Company's website. In addition, the Company has also arranged PDPA training program in corporate level and hotel operation level for its employees to ensure that the customers' personal data being collected, used and disclosed in accordance with the law.

Fraud and Corruption Risks

The Company has implemented the Corporate Governance Policy and Code of Business. As the Company has adhered to the intent of countering all types of fraud and corruption, the anti-corruption policy and implementations have been communicated to all of its employees and stakeholders. In this regard, the Company's employees and suppliers had to disclose the relationship, attend the training, and pass the understanding test for every executive and employee to arouse them to refrain from corruption, and to realize risks from such action. Meanwhile, the Company's employees would be rooted to be involved in the anti-corruption as a corporate culture of the Company, which is a main topic in the orientation for new employees. In addition, the stakeholders

may report any wrongdoing, and submit a petition in case of discovering any fraudulent behaviors. Future actions would be taken pursuant to the Whistleblowing Policy of the Company. The appropriate protection measures would be provided to the whistleblowers as well.

The Company has compiled and reported all petitions through such channel to the Audit Committee. During the previous year, no petition on corruption was submitted.

2.5 Environmental, Social, and Governance (ESG) Risks

Environmental risks

As the Company operates hotels and resorts in a variety of locations across the world, particularly in mojor maritime tourism destinations, the Company realizes that a lack of care in its operations may pose risks to marine natural resources. Over the years, the Company has prioritized the conservation and restoration of the coral reefs and marine life in the surrounding areas, paid attention to wastewater quality, installed a wastewater management system to prevent sewage contamination into the sea, reduced overall garbage amount, and implemented a policy to stop using single-use plastic in every property that operated by the Company.

The Company has implemented the energy conservation plan by using the alternative energy in its hotels and arranging the activities to campaign and to arouse awareness of environment among its employees.

Social and risks

Conflicts or differences of community's opinions towards the Company's operations may cause complaints and accusations against the Company. Over the past period, the Company has consistently taken steps to build understanding and good relationships with the neighboring communities in order to gain confidence and trust by enabling the Company's business operations to be part of the community, as well as maintain a positive public image and organize Corporate Social Responsibility (CSR) activities, etc.

The Company also placed a high priority on conducting business in a manner that is responsible to its staff and employees, and under this policy, especially in the following matters:

- Human rights: The Company has evaluated human rights risk under both corporate level and self-managed hotels as prescribed by the United Nations Guiding Principles on Business and Human Rights (UNGPs) in 2023. Therefore, there was no human rights risk at significant level during the past year, and no petition or lawsuit relating to the violation of human rights was filed.
- Occupational safety and health: The Company defines the occupational safety and health practice guidelines to be consistent with all related laws, obligations, and international standards. The Company has also arranged some activities to promote the occupational safety and health of employees such as training on occupational safety and health for all new employees, and annual fire drill.

Governance risks

- Governance risks from no disclosure of significant information as expected by stakeholders: The Company has operated the business transparently, and disclosed its necessary corporate information to the stakeholders in conformity with the criteria imposed by the Stock Exchange of Thailand, and the corporate governance principles completely, and subject to the determined period via appropriate channels available such as Company's website, notifying the Company's news via SET's system, disclosure of the Company's information via the annual report, arrangement of the shareholders' meeting to report the Company's operating performance and to ask for approval for important matters as required by the criteria of the SET, etc.

2.6 Emerging Risks

Risks from climate changes

Climate change is currently being emphasized all around the world. The rising global temperature may cause natural disasters, such as turbulent weather conditions, rainstorms, floods, PM2.5, coral bleaching, beach erosion, and so on. The rise of global warming concerns put vital signs on the planet, encouraging different sectors to enact legislation involving climate change issues of both financial and non-financial related policies such as Carbon tax enforcement and promoting renewable energy sources to reduce greenhouse gas emissions. Utilizing renewable energy (Solar Cell) has been implemented to the hotel under the Company's portfolio in Thailand of 3 hotels, and Republic of Maldives of 2 hotels in 2023.

Risks from the advancement of digital technology

At present, digital technology has a tendency to evolve at a rapid pace coupled with the practice of new normal lifestyles, which may result in the Company to adopting the use of technology in business operation such as using check-in solution, showing hotel and restaurants, advertising activities within hotel, staff contact through application to uplift health and safety standard as well as optimizing guest experience. Moreover, the Company continues to uplift applications to create guest experiences.

3.RISKS OF THE SECURITIES HOLDERS' INVESTMENT

Risks from number of free-float stock and Equitable treatment of shareholders

As of 28 December 2023 most of the Company's shares or 2,386,020,981 shares, representing 66.40% were held by Singha Group and the parties involved in the management, while 1,207,619,019 shares were held by others, representing 33.60% are considered higher than the criteria set by the Stock Exchange of Thailand.

Moreover, in order to operate its business with transparency and adhere to the principle of good corporate governance that will protect the rights of shareholders, the Company set up various grounds to serve such purpose i.e. the Board of Directors structure which consists of 5 independent directors out of a total of 9 and all members of the Audit Committee are independent directors, a transparency and equality of Information disclosure, and the facilitation of all shareholders to exercise their right in AGM with compliance to SET's regulation.

4. RISKS OF FOREIGN SECURITIES INVESTMENT

The Company has not held any securities traded in overseas capital markets. However, the Company had an investment in subsidiaries incorporated under foreign overseas laws which operate business in overseas.

PART 1

BUSINESS OVERVIEW AND PERFORMANCE

3

DRIVING THE BUSINESS TOWARDS SUSTAINABILITY

DRIVING BUSINESS TOWARDS SUSTAINABILITY

The Company pays attention to the business operation with care for impact on economy, environment, and society, and is equipped with corporate governance, ethics, and responsibility to all related stakeholders in conformity with the Sustainable Development Policy.

The Company is determined to enrich social value and environmental values, and to fulfill "Enriching Journey" experience, which are consistent with "Enriching Life" concept, and to settle a quality society in every area where the Company operates the business.

Economic dimension, the Group of Companies aims to make its business strong and competitive in the present circumstances while it is able to enrich sustainable journey to customers; enhance the good governance in accordance with the corporate governance principles; pay attention to sustainable procurement and supply chain management; and become the business that in creates revenue stream and improv competence of local communities, promotes local employment at all levels, support the purchase of community products so that the community economy can grow along with the Company's businesses while the sustainable economic network at all levels.

Social dimension, the Group of Companies gives importance to different social geography of each country where the Company invests and operates the business. That is, the Company's business operation must be fair and care for the quality of life of all groups of stakeholders in the business value chain, either officers, employees, customers, or service users, who must have good health and safety pursuant to the Company's standards. Meanwhile, the Company must comply with all related rules and regulations, laws, and international agreements, respect human rights and personal rights, have fair employment for all employees, lift the employees' competence for their occupational progress, create the value for its employees fully by placing on emphasis on employees participation and satisfaction, join hands with local communities and society to upgrade their well-being, and mutually protect historical sites and preseves local cultures. The Company and these related parties wish to create the quality society and grow in parallel.

Environmental dimension, the Group of Companies always conserves the natural resources, environment, and ecosystem by taking into account of negative impact on the environment caused by land-based activities, water, and air. The Group of Companies encourages the protection, recovery, and conservation of natural resources, and uses them appreciatively for utmost efficiency. In addition, the Group of Companies has hired KPMG as the consultant to develop "Decarbonization Pathway" strategy by collecting and analyzing greenhouse gas emission data from various activities of the Group of Companies in order to find ways to reduce long-term greenhouse gas emissions to achieve Carbon Neutrality goal by 2030 (Carbon Neutrality 2030).

SUSTAINABLE DEVELOPMENT POLICY AND GOALS

Goals

The Company determined to operate the business pursuant to UN Sustainable Development Goals 2030 (SDG 2030) provided that the focus is to achieve the Carbon Neutrality goal by 2030 (Carbon Neutrality 2030), including conserving 30% of the biodiversity area by 2030 and creating an enriching journey experience through various activities.

In addition, the Company continuously pays attention to the SDG Goal 14: To sustainably use the oceans, seas, and marine resources with a focus to protect and preserve marine biodiversity and zero-marine debris.

For other SDGs, the Company places importance on occupatinal health and safety and human rights of employees as per SDG 8: Decent Work and Economic Growth, on community engagement and local network enhancement as per SDG 11, and on reduction of food waste and food loss to be in line with SDG 12: Responsible Consumption and Production. The Company's management approaches were as follows:

SDG14:
USE OF OCEANS, SEAS AND MARINE RESOURCES

MANAGEMENT APPROACHES

- To reduce impact of land-based activities which may be risky to marine-life; and to arrange for sustainable management to conserve and restore marine and coastal biological diversity.
- To foster awareness and changes of behaviors which may impact oceans and marine resources through #SeaYouTomorrow initiative.
- To establish the Marine Discovery Centre in the hotels located close to areas with high marine biological diversity.
- To give importance to increasing and developing the capability, and to transfer the technology and knowledge about marine research organize marine learning activities.
- To support products from small-scale fisheries; and to maintain artisanal fisheries through the Company's procurement processes by compliance with the United Nations Convention on the Law of the Sea (UNCLOS).

MANAGEMENT APPROACHES

- To protect the labor rights, promote safe and secure work environment for all workers; to care for occupational health, safety, and good quality of working life of employees, communities, and stakeholders throughout the value chain of the Company's businesses.
- To support sustainable tourism through the roles of employment and procurement from localities, including conservation of local heritage and culture.

SDG8:
DECENT WORK AND ECONOMIC GROWTH

SDG11:
SUSTAINABLE CITIES AND COMMUNITIES

MANAGEMENT APPROACHES

- To perform works to strengthen good relationships with the communities and the people living surrounding such areas; to take actions to prevent and reduce impact on environment and quality of life of the community people which may result from rendering of services, construction, or renovation of hotels, by applying the international standards relevant to hotel services and sustainable tourism in all hotels., and reduce some damages from natural disaster by means of analysis and planning to cope with any situations that may occur in each area; and to have the good handling for air pollution and waste.
- To protect cultural and natural heritage of local communities.
- To build the quality society and communities; to build areas for better quality of life and public green space for universal access by all groups of people for public interest in the countries that the Company has significant operations.

SDG12:
RESPONSIBLE CONSUMPTION AND PRODUCTION

MANAGEMENT APPROACHES

- To put emphasis on appreciative consumption of resources; to enhance efficiency of utilization of water, energy, construction materials, and resources including green procurement, by considering on usage of environmentally friendly products.
- To reduce and manage waste from constructions and operations; to promote and cultivate consciousness of garbage separation; to keep coastal areas and the sea and areas where we operate the business and surrounding areas clean.
- To cultivate consciousness and develop the management guidelines for reducing food waste.
- To cultivate consciousness and sustainable lifestyle through the hotels' products and services presentation.
- To cooperate with external organizations, agencies, and networks for utmost waste management.

MANAGEMENT APPROACHES

- To design, renovate, and construct hotels by taking into consideration greenhouse gas emissions; to take account of using clean energy sources, i.e., solar energy; to install solar cell panels for efficient energy management; and to reduce activities possibly causing high carbon footprint.
- To monitor and assess greenhouse gas emissions of every SHR's self-managed hotel to find out solutions and to take actions which help reduce carbon and carbon offset.
- To coordinate with external organizations, agencies and networks for energy management and reduction of greenhouse gas emissions.
- To improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning.

SDG13:
CLIMATE ACTION

SDG17:
PARTNERSHIPS FOR THE GOALS

MANAGEMENT APPROACHES

- To build cooperation with stakeholders throughout business value chains through Corporate Governance Policy, knowledge sharing, and joint operations.
- To support fair trade networks; to coordinate with external agencies, public and private sectors, and networks to enhance clear operations, and to be extended to be the strong network on sustainability.
- To develop accessible technology and knowledge for sharing collaboration and supporting innovation.

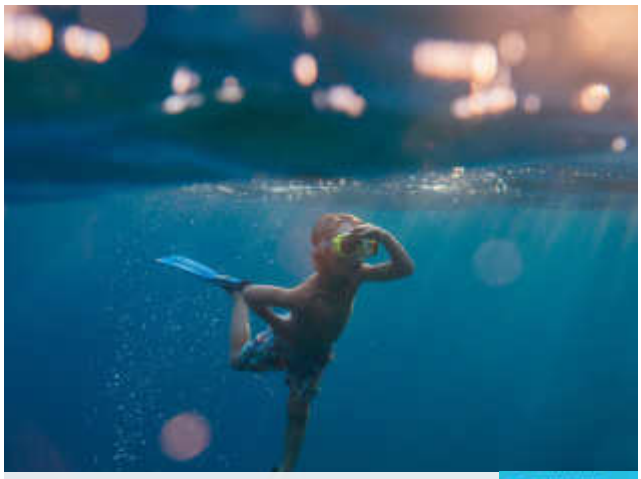
SDG2:
ZERO HUNGER

MANAGEMENT APPROACHES

- To attain food stability through organic vegetable farming in Chef's Garden, access to safe food, upgrade the nutrition, and promote sustainable agriculture.
- To add productivity, and access to resources and opportunities of small farmers and local fishery.
- To share any benefits incurred fairly and equitably.

MANAGEMENT APPROACHES

- To help everyone access to purified and clean drinking water enforce safety measures, and adequate and fair sanitation.
- To upgrade the water quality by using water treatment process, segregating and eliminating wastes, and reducing an emission of chemicals and hazardous substances.
- To protect and recover the ecosystem relating to water sources including mountains, forests, wetlands, rivers, aquifers, and lakes.
- To support and strengthen an engagement of local communities in water and sanitation management.



SDG6:
ENSURE ACCESS TO WATER AND SANITATION FOR ALL

SDG7:
ENSURE ACCESS TO CLEAN AND AFFORDABLE ENERGY

MANAGEMENT APPROACHES

- To increase the proportion of alternative energy e.g. Solar Cell, and to improve efficiency in energy consumption and utilize new technologies to conserve energy within our properties.
- To support investment in infrastructure relating to energy and clean energy technologies to achieve Carbon Neutrality goal by 2030 (Carbon Neutrality 2030).

IMPACT MANAGEMENT TOWARDS STAKEHOLDERS IN THE BUSINESS VALUE CHAIN

The Company recognizes the importance of stakeholders in our business value chain, because our hotels are located in many areas; therefore, our business operation can potentially impact the society and the environment. As a result, SHR diligently works with surrounding communities, local residents, researchers, business partners, regulators and government agencies. As a result, cooperation with the value chain has helped us drive successful and sustainable business practices. In addition, the detail of business value chain, including stakeholder engagement analysis throughout the Company's business value chain, which is consistent with the internal and external stakeholders' expectations, is disclosed in the Company's 2023 Sustainability Report via https://investor.shotelsresorts.com/th/downloads/sd-reports.

- **Sustainability Practices towards International Standards**

As most of our hotels are operated in various areas around the world, it is necessary that our social and environmental responsibilities must be extended in parallel with our business scope. Consequently, it is targeted that every self-managed hotels of the Company dose not only comply with the laws and regulations of each countries, but also adheres with international sustainability standards applicable to hospitalities and tourism businesses such as Green Globe Certification or others in order to handle the impact to the stakeholders in the business value chain completely and to be internationally accepted.

At present, every hotels in Thailand have implemented the hygiene measures or health safety in accordance with SHA+ (Amazing Thailand Safety & Health Administration) as developed by Tourism Authority of Thailand in collaboration with the Ministry of Public Health, which aims to upgrade the hygiene measures or health safety. Three hotels located in Thailand; namely, Santiburi Koh Samui Hotel, SAii Laguna Phuket Hotel, and SAii Phi Phi Island Village, together with SAii Lagoon Maldives, Hardrock Hotel Maldives Hotel, and CROSSROADS project at the Republic of Maldives were presented the Green Globe Certification. Such standard has been applied in the Company's operations, which involves the sustainable management in terms of social and economic dimensions, environmental dimension, and cultural heritage dimensions.

- **Corporate Governance and Sustainable Development Committee**

The Corporate Governance and Sustainable Development Committee performs duties of placing the guideline, policy, strategy, operating framework, and target of being a company operated by corporate governance and sustainable development, ethics and code of conduct, and other policies as standards for the Company to enhance confidence and sustainability to all groups of stakeholders. In 2023, the Corporate Governance and Sustainable Development Committee convened 6 meetings.

The Corporate Governance and Sustainable Development Committee considered and concurred on the amendments of corporate governance-related policies such as Human Rights Policy, Whistle Blowing Policy, Insider Trading Policy and Code of Conduct as well as concurred on newly proposed policies such as Biodiversity Policy, Procurement Policy and Supplier Code of Conduct, while announcing these policies to every hotels and resorts in order to promote clarity, transparency and integrity in the hotel operations, while complying with the criteria and principles of good corporate governance of the relevant supervisory authorities. Further details can be found in the Company website via https://investor.shotelsresorts.com/th/corporate-governance/cg-document-and-download.

- **Sustainability Working Team**

The Company establishes the Sustainability Working Team at its Head Office in Bangkok, and in other self-managed hotels to plan and implement the Sustainable Development Policy, to cope with the impact to stakeholders in the business value chain tangibly, and to respond to various stakeholders promptly.

A Working Team consists of the representatives who are the executives and employees from several sectors. The Team holds the meeting every 3 months to carry out the sustainable development tasks at all levels constantly.

SOCIAL AND ENVIRONMENTAL PERFORMANCE AND ACHIEVEMENT

Environment Dimension

- **Marine Biodiversity**

Expansion of coral reefs in conserved areas: From our continual endeavors to preserve abundance of nature, we constantly survey and monitored expansion of coral reefs at the CROSSROADS Project in the Maldives and it was found that coral reefs had significantly increased from the previous year's by 39.66% to 8,011 square meters or an increase of 2,275 square meters or an increase 7,532 square meters (equivalent to 1,672.44%) if compared to year 2016 that is the base year.

The Seagrass survey in the area: The result of survey has discovered the presence of Cymodocea serrulate seagrass in front of SAii Phi Phi Island Village Resort beach covering 158 square meters which serves as a blue carbon reservoir in the sea.

IUCN Red List of Threatened Species (IUCN Red List): In order to monitor environmental impact and changes on marine biodiversity, our marine scientists are able to record up to 29 species that are listed on the IUCN Red List. These numerous species that could be found within our area indicating our success for the environmental efforts of the Company.

Marine Discovery Centers ("MDC") and Maldives Discovery Centre: The Company established the Marine Discovery Centre where visitors can study marine ecology in order to create environmental awareness for all groups of stakeholders. The number of tourists interested in marine ecology increased to the highest level since the centers commenced. In the year 2023, there were 20,273 visitors at the centers which partially derived from the significant increase in the number of 2023 visitors in the MDC center in both Maldives and SAii Phi Phi Islands Village Resort, Phuket.

SOS: Save Our Shark: The project represents the collaboration between the Company and Singha Estate Public Company Limited under the supervision of Thailand's Department of Marine and Coastal Resources and the Department of National Park, Wildlife and Plant Conservation to conserve bamboo sharks and other endangered shark species. The Company designated the Marine Discovery Centre at the SAii Phi Phi Island Village as an observatory and nursery. The Company is a private entity entrusted by the Phuket Marine Biological Center to jointly nurture sharks, and has been given the opportunity to study, take care of sharks from eggs to hatchlings and eventually release them into their suitable natural habitat. Currently, there are 61 bamboo sharks in our care. 25 sharks have already been released back to the environment.

Such project requires the cooperation of many stakeholders including researchers, fishermen, villagers, local students as well as government agencies in the surrounding areas. The Company has designated a part of the hotel property for public use, i.e., to be a hub for marine learning center for research and studies which are beneficial for the environment as well as create experiences in all dimensions.

The Nature Trail: is a biodiversity learning pathway which has been developed with the objective of allowing guests to explore our enriching natural environment, encompassing diverse vegetation as well as high biodiversity trees. In addition, hotel guests are provided with biodiversity knowledge in order to foster understanding and a sense of appreciation for the origin and significance of natural life and co-existence with nature.

Singha Estate Public Company Limited and the Company have jointly signed the MOU with the Bird Conservation Society of Thailand (BCST) to promote "biodiversity".

SHR has signed the MOU with the Maldives' Ministry of Climate Change, Environment & Energy to preserve the biodiversity within CROSSROADS Maldives' rich marine biodiversity provided that this MOU signing is part of the Other Effective Area-based Conservation Measures (OECMs) Program to conserve biodiversity.

- **Effluent and Waste Management**

The Company gives much importance on proper waste management because most of our hotels are situated near the sea. There is a risk that effluent, and waste can be more easily swept into the sea.

Apart from the proper management of effluent and waste from the hotels, the Company is also regularly involved in cleaning up and collecting trash on the shoreline under the concept of "Zero-waste to landfill, zero-waste to ocean".

In the previous year, our employees, tourists, and other stakeholders have jointly participated in keeping the shorelines clean. For this activity, the Company worked with some partners like PARLEY, and SecureBag in the Republic of Maldives.

In addition, the Company also stopped the use of single-use plastic, e.g., plastic bottles, plastic wrapping, room amenities, straws, etc., which were replaced by eco-friendly substitutes. Moreover, every hotel also adopted an eco-friendly procurement process to ensure that supplies have been suitably procured and used, while each hotel is able to manage the effluent and waste properly.

Greenhouse Gas Management

The hospitality business of the Company has monitored and assessed greenhouse gas emissions since 2019. These monitoring and assessments have gradually been expanded to other self-managed hotels of the Company. The Company installed the solar cell panels in all self-managed hotels of the Company in order to reduce the use of fossil energy, which is an old combusted energy that emit carbon. Detail of the Greenhouse Gas Management is disclosed in the 2023 Sustainability Report of the Company https://investor.shotelsresorts.com/th/downloads/sd-reports.

Social Dimension

- **Human Right Respect**

The Company has policy to operate the business with care and precaution by not violating the human rights throughout its business value chain, which is in accordance with international standards such as the Universal Declaration of Human Rights (UDHR), and United Nations Guiding Principles on Business and Human Rights (UNGP), involving 3 principles including protect, respect, remedy. The Company treats all stakeholders in the business value chain fairly and equitably and with a sense of respect as well as prohibits any discrimination against gender, race, religion, culture and tradition, local identities, belief, color, origin, ethnic, native people, physical difference, personal characteristics, disability, age, opinion and personal rights, or other differences/diversities. The Company pays respect to individualism and human dignity, cares for the quality of life of workers and promotes safe and healthy workplace, while avoiding and not supporting any actions that may not respect and/or violate human rights. The Company provides the whistleblowing channels and remedy according to UNGP principles. The Company's whistleblowing channels are provided to accept the petition, and to lodge a report regarding any actions which violates or do not respect human rights. The Company also takes into account and identifies any risks relating to human rights, including any potential impact throughout its business value chain.

In 2023, the Company did not receive any report on human rights violation from its activities and business operations throughout the business supply chain.

For 3 hotels of the Group of Companies in Thailand, comprising Santiburi Koh Samui Hotel, SAii Phi Phi Island Village Hotel, and SAii Laguna Phuket Hotel, the Welfare Committee was established in accordance with the Labor Protection Act, B.E. 2541 as stipulated under Section 96 that, in a place of business with 50 employees or more, an Employer shall arrange to have a welfare committee to accept any opinions or recommendations that may be useful and necessary to present circumstances, which would be further improved employees' interest.

- **Local Procurement**

This matter is regarded as a significant topic about sustainability for hospitality business because the Company wishes that every economy and society where we operate our business could grow in parallel with us.

The Company purchases some products and services from local communities and fishermen to help contribute local economy, and generate income. For example, at SAii Phi Phi Island Village, all food ingredients and supplies such as seafood and vegetables (totaling 100%) are purchased from local entrepreneurs. Meanwhile, at Santiburi Koh Samui, 99% of food and beverages were sourced locally.

- **Local Employment**

Like local procurement, the Company not only distributes income to the communities through the purchase of local products and services, but it also promotes the occupation, and develops potential of locals by employing local people as the sustainable business practices implemented by the Company. The ratio of Maldivians employed as permanent and temporary employees at the CROSSROADS project in the Maldives, accounted for 40.52%.

- **Sustainability Achievements**

During the past year, the Company has been rated "A" in the 2023 SET ESG Rating of the Stock Exchange of Thailand (SET), which reaffirms the Company's dedication to conducting its business with continuous environmental and social responsibility. Additionally, the Company also received a 5-stars rating or "Excellent CG Scoring" for the year 2023 from the Thai Institute of Directors (IOD) with the support from the SET. This marks the third consecutive year with this award.

SAii Phi Phi Island Village received "Gold Level - Green Hotel Awards 2022-2024" from the Department of Environmental Quality Promotion, Ministry of Natural Resources and Environment.

In addition, Outriggers' Castaway Island, Fiji Resort also received the Runner-Up Sustainable Hotel of the Year during the Ultratravel Forum event which was held in London, UK.

This year, the Company has provided a Sustainable Development Report or SD Report in compliance with the GRI Standards. The details on driving sustainable business for sustainability will be extremely beneficial for all stakeholders. For more information, please see our 2023 Sustainable Development Report at https://investor.shotelsresorts.com/en/downloads/sd-reports.

PART 1

BUSINESS OVERVIEW AND PERFORMANCE

4

MANAGEMENT DISCUSSION AND ANALYSIS (MD&A)

MANAGEMENT DISCUSSION AND ANALYSIS FOR THE PERFORMANCE OF THE YEAR ENDED 31 DECEMBER 2023

PERFORMANCE OVERVIEW

S Hotels and Resorts Public Company Limited ("SHR" or "the Company") and its subsidiaries ("the Group") reported revenue from sales and services for FY2023 at a record high level of THB 9,701.1 million, marking a notable 12% growth from the previous year amidst the impact of partial closure for renovations of two hotels in Thailand during the off-peak season as a part of the strategy to enhance the quality of high-potential assets in the portfolio and the temporary closure of Outrigger Mauritius Beach Resort to upgrade its water management system. The revenue growth was supported by the recovery trend in the tourism industry and a continuous increase in travel demand, resulting in outstanding performance for self-managed hotels in Thailand, maintaining an impressive occupancy rate of 67% while witnessing a substantial 42% YoY increase in the Average Daily Rate (ADR). Moreover, the UK portfolio reported the highest average occupancy rate since operation, reaching 70%, coupled with an 8% YoY increase in ADR. Despite a slight dip in the average occupancy rate for our Fiji properties, strategic asset enhancement initiatives led to an impressive 25% YoY increase in ADR for hotels in Fiji, contributing to the overall performance of the Company portfolio in 2023 to have an 8% increase in average occupancy rate from the previous year to 68%, as well as an increase in ADR by 9% YoY to THB 5,675, leading to a robust 23% YoY growth in Revenue per Available Room (RevPAR) to THB 3,871. Additionally, the success of product and service development efforts to diversify sources of revenue resulted in a 21% YoY growth in non-room revenue for hotels within the CROSSROADS project, effectively offsetting the challenges posed by competitive dynamics in the Maldives over the past year. When combined with continuous cost control and streamlined management expenses, SHR reported an impressive Adjusted EBITDA of THB 2,343.4 million for the year, marking a substantial 20% increase from the previous year, which outpaced the revenue growth rate. Furthermore, the Company reported a net profit of THB 86.4 million for 2023, more than five times higher than that of the previous year.

TOURISM INDUSTRY TRENDS AND HOTEL OPERATIONS BY LOCATION

The international tourism industry continues to exhibit sustained recovery, as evidenced by the report from the United Nations World Tourism Organization (UNWTO). In 2023, global international tourist arrivals exceeded 1.3 billion, marking a 34% increase from 2022 or equivalent to an impressive 88% recovery rate compared to the pre-COVID-19 levels. However, regional recovery rates varied, with the Middle East region displaying the most remarkable rebound, with international tourist arrivals surpassing pre-pandemic levels by 22%. Meanwhile, Africa and Europe managed to recover to 96% and 94% of 2019 levels, respectively. The slowest recovery was observed in the Asian region, aligned with the delayed reopening of tourist destinations compared to other regions. In terms of tourism revenue, the recovery pace outstripped that of international tourist arrivals in many regions, UNWTO reported 2023 global tourism revenue reaching $1.4 trillion, representing a robust 93% recovery rate compared to 2019 levels. Moreover, several countries, including those in Europe's Mediterranean Countries, Central America, and South America, reported tourism revenue exceeding pre-pandemic levels, driven by sustained high travel demand and continuous growth in flight numbers.

Looking ahead to 2024, UNWTO anticipates a strong and resilient recovery in both international tourist arrivals and tourism revenue, surpassing pre-pandemic levels. Despite risks stemming from potentially slower-than-expected economic expansion, ongoing geopolitical tensions, and potential labour shortages in the tourism sector, key supporting factors include: (1) Anticipated recovery trends among Chinese tourists, who hold the largest market share globally in 2019, coupled with strong tourism demand from the United States and Middle East markets, (2) Increasing demand for off-season travel and the rising popularity of sustainable tourism trends, and (3) Significant increase in flight numbers leading to reduced travel costs, acting as a significant stimulus for global tourism, poised for remarkable recovery in 2024.

The estimated number of international tourist arrivals in the countries where the Company's existing business can be summarized as follows:

Number of inbound tourists in countries where the Company operates

(UNIT: MILLION VISITORS)	2019	2023	FORECAST 2024*
Thailand	39.9	28.2	33.5
Republic of Maldives	1.7	1.9	2.0
United Kingdom	40.9	37.8	39.5
Republic of Fiji	0.9	0.9	1.0
Republic of Mauritius	1.4	1.2	1.4

Notes:
*Forecasts for the year 2024 for Thailand, as referenced from the Thai Ministry of Finance's estimation, Maldives as cited from the Maldives Association of Travel Agents and Tour Operators (MATATO), the United Kingdom as referenced from VisitBritain's estimation, Fiji as cited from the Ministry of Commerce of the Republic of Fiji, Islands, and Mauritius as cited from the Mauritius Tourism Promotion Authority.

Thailand

Thailand's Ministry of Tourism and Sports reported that, in 2023, Thailand welcomed approximately 28 million foreign visitors, marking a 1.5-fold increase compared to the previous year. Malaysia, China, and South Korea constituted the top three tourist demographics, respectively. The increase was attributed to fully opening up to tourists throughout the year for the first time since 2019, bolstered by supportive government measures such as visa exemptions and extended visa durations for visitors from certain countries. In 2024, it is estimated that the number of foreign tourists visiting Thailand will increase to around 33.5 million, a 19% growth from the previous year and accounting for an 84% recovery compared to 2019. Key factors contributing to this growth include (1) the projected increase in Chinese tourist arrivals due to the introduction of a bilateral visa waiver starting from March 1, 2024, as well as potential tourist influx from other high-potential markets like Russia, South Korea, and Kazakhstan, (2) Government marketing strategies targeting high-spending groups and special interest groups such as Health & Wellness and eco-conscious travelers, (3) Increased domestic and international flights, as well as improved land transportation connections to accommodate the rising demand.

Combined with the aforementioned supportive factors, the continuous efforts to enhance the SAii brand through room and communal space renovations, activity development, and service upgrades aim to elevate the experience for guests. This resulted in the recovery of the RevPAR in 2023 for the self-managed hotels in Thailand to rebound above pre-COVID-19 levels. The positive momentum from these recovery, along with the popularity of SHR's properties among global tourists and targeted marketing strategies focusing on new potential markets like Australia and the Middle East, positions the Company for robust performance in the first quarter of 2024. This performance will be driven by fully operational rooms and potential increases in ADR from new product offerings, offsetting the impact of temporary closures for renovations at SAii Laguna Phuket during the off-peak tourism season.

Republic of Maldives

For the year 2023, more than 1.9 million tourists traveled to the Republic of Maldives, an increase of 12% from the previous year, which was higher than the figures estimated by the Ministry of Tourism at the beginning of the year. This notable upsurge, exceeding 2019 levels by 10%, reflects a robust revival in the Maldives' tourism sector, renowned as a leading destination for international tourists. The top three tourist origins, comprising approximately 32% of the total, were tourists from Russia, India, and China, respectively. However, the heightened competition, especially during the off-peak tourism season in the past year, prompted the Company to implement various strategies including dynamic pricing strategies for rooms, targeted marketing efforts in emerging tourist markets such as China, Kazakhstan, and the Middle East, and emphasizing product and service development to diversify revenue streams. As a result, overall occupancy rates for the year 2023 remained above the market average, experiencing a slight increase to 67%. Moreover, the notable uptick in non-room revenue has offset the impact of ADR decline contributed to the continuous growth in service revenue in 2023.

For the year 2024, the Maldives Association of Travel Agents and Tour Operators (MATATO) anticipates a sustained growth trajectory, targeting 2 million foreign visitors. This is supported by (1) policy initiatives aimed at introducing new offerings tailored to diverse market segments, including family travelers, Millennials and Gen Z seeking experiential journeys, and MICEs, in addition to the main base of tourists from Europe and the Middle East which continue to grow steadily, (2) the upward trend in flight frequencies and Chinese tourist arrivals since the fourth quarter of 2023, expected to contribute to improving average occupancy rates especially during the off-peak tourism season from the previous year, and (3) the increased capacities to accommodate more tourists after the completion of investments in the international airport terminal upgrade, which expected to be completed in the fourth quarter of 2024. With these supporting factors, coupled with the elevation of the CROSSROADS project,

following the opening of SO/ Maldives hotels as an integrated leading leisure destination offering diverse product options catering to all types of tourists. This development is expected to draw more high-spending tourist groups from key markets such as the United Kingdom, Russia, the United States, and the Middle East. As a result, the Company foresees a robust performance in the first half of 2024, anticipating substantial growth in both occupancy rates and ADR compared to the previous year.

United Kingdom

The tourism sector in the United Kingdom continues to demonstrate robust recovery, both domestically and internationally. In 2023, the primary influx of international tourists was led by the United States, with significant growth in both visitor numbers and expenditures compared to pre-pandemic levels . Similarly, tourists from Europe saw a notable rebound, with a 30% increase from the previous year, achieving a recovery rate of 91% compared to 2019. Meanwhile, travelers from other regions continued to recover gradually. As a result, in 2023, the total number of foreign tourists entering the United Kingdom was approximately 37.8 million, growing by 21% YoY and reaching a recovery rate of 92% compared to 2019. The aforementioned recovery momentum contributed to outstanding operational performance in 2023 for UK portfolio hotels, excelling across all performance indicators. Notably, the Revenue per Available Room (RevPAR) reached GBP 60, representing the highest level in the portfolio's history since its inception.

Nevertheless, heightened competitive pressures from other tourist destinations in the region prompted the United Kingdom to launch campaigns targeting high-growth potential markets such as Australia, and the United States, as well as major countries in Europe and the Middle East. It is projected that in 2024, the number of foreign tourists entering the United Kingdom will reach approximately 39.5 million, representing a recovery rate of 97% compared to 2019 and growing by 5% YoY. Moreover, it is anticipated that more than 65% of foreign tourists will continue to come from countries within the European continent. Forecasts for tourist expenditures in 2024 stand at GBP 34.1 billion, growing by 7% YoY and significantly exceeding 2019 levels by 20%. Building upon the aforementioned recovery trends, the UK portfolio hotels are undergoing asset enhancements across accommodations, common areas, reception areas, and dining establishments, alongside considerations for rebranding and repositioning strategies aimed at tapping high-spending market segments with less price-sensitive and enhanced responsiveness to prevailing travel preferences. These initiatives align with efficiency improvement strategies and profitability improvement of the portfolio. The operational performance of hotel groups in the United Kingdom is expected to sustain continuous growth in 2024.

Republic of Fiji

The Republic of Fiji welcomed the highest number of foreign tourists in history in 2023, with 929,740 visitors, marking a 46% increase from the previous year and surpassing pre-pandemic 2019 levels by 4%. The top three tourist source markets were Australia, New Zealand, and the United States, collectively comprising 81% of the market share. This rapid recovery underscores the destination's exceptional allure, particularly favored by travelers seeking leisurely vacations, as evidenced by the expansion of flight routes in numerous countries. For example, Canada witnessed a substantial 65% YoY increase in tourist arrivals. Furthermore, the resumption of flight operations from Japan, Hong Kong, and China signals a definitive resurgence in tourist volumes since April 2023. Capitalizing on these conducive factors, alongside an increase in ADR resulting from the introduction of new offerings post-renovation, which mitigated the impact of limited room availability at the Outrigger Fiji Beach Resort due to ongoing renovations in the previous year, resulted in remarkable operational growth in 2023, recording highest-ever RevPAR, amounting at FJD 421.

For 2024, it is projected that the number of foreign tourists traveling to the Republic of Fiji will reach another record high, exceeding 1 million, driven by sustained tourism demand. Additionally, there is a high rate of repeat customer stays among the primary customer groups from Australia and New Zealand. The successful execution of wedding business operations within the Company's hotel properties, combined with the return to full room capacity and the potential for further increases in ADR at the Outrigger Fiji Beach Resort, is expected to significantly contribute to the Company's anticipated strong operational performance throughout 2024.

Republic of Mauritius

The successful implementation of robust Marburg virus spread control measures has led to a swift recovery in tourism for the Republic of Mauritius in the 2nd half of 2023. This is evident from the significant increase in international tourists throughout the year, totaling 1.25 million. This marked a 25% YoY increase and a 90% recovery compared to 2019 levels. The top three tourist source markets were France, the United Kingdom, and Germany, accounting for 25%, 11%, and 9% of the market share, respectively. However, the operational performance of the Outrigger Mauritius Beach Resort in 2023 experienced a setback due to temporary closures for the improvement of the hotel's water management system. With these improvements completed, the hotel was able to resume operations by the end of October last year.

The clear indication of a more substantial recovery in the average occupancy rate of Outrigger Mauritius Beach Resort hotels since

December 2023, sustained through the first quarter of 2024, coupled with the upward trajectory in ADR from the previous year, aligns with the projected increase in tourist arrivals to the Republic of Mauritius in 2024, expected to exceed 1.35 million. This growth stems from both traditional key tourist groups and potential travelers from emerging markets, notably Poland, Australia, India, Russia, and China. Furthermore, the increase in flight frequencies from Australia, India, and Turkey provides further support for the Company's anticipation that the RevPAR of hotels in Mauritius in 2024 will revert to pre-COVID-19 levels.

SIGNIFICANT DEVELOPMENT

- In September 2023, SHR reached an agreement to purchase land with buildings and installations of the Mercure Glasgow hotel in the United Kingdom, totaling GBP 7.5 million (or approximately THB 338.4 million). This transaction was in line with the Company's hotel management plan in the United Kingdom and the strategy to enhance the efficiency of the Company's portfolio.
- In October 2023, the Company successfully issued and offered corporate debentures to public investors for the first time. These debentures have a maturity of 3 years and an interest rate of 5.00% per annum, with a total offering value of THB 1,300 million. The proceeds will be used primarily for hotel renovations to promote sustainable revenue growth, which aligns with the Company's financial strategy, resulting in improved flexibility and efficiency in cash flow management.

NATURE OF BUSINESS

The Company operates its business by holding shares in other companies (Holding Company) engaged in hotel management and investments in the international hotel business. It focuses on achieving growth through both organic and inorganic means, alongside enhancing profitability, to ensure sustainable long-term growth. The unique portfolio of assets consists of hotels located in world-class tourist destinations, namely:

(1) Five hotels under a self-managed platform which consists of four hotels in Thailand operate under independent brands, namely, Santiburi Koh Samui, SAii Phi Phi Island Village, SAii Laguna Phuket, SAii Koh Samui Choengmon, and Konotta Maldives Resort in the Republic of Maldives ("Self-managed Hotels");

(2) Three hotels operate under the Outrigger brand and are managed under hotel management agreements, which consist of two hotels in the Republic of Fiji, consisting of Outrigger Fiji Beach Resort and Castaway Island Fiji, and one hotel in Mauritius named Outrigger Mauritius Beach Resort ("Outrigger Hotels");

(3) Two upper upscale successfully developed hotels, as part of CROSSROADS project in the Emboodhoo lagoon in the Republic of Maldives, consisting of SAii Lagoon Maldives, Curio Collection by Hilton and Hard Rock Hotel Maldives ("Hotel in CROSSROADS Project");

(4) Twenty-four upper midscale hotels operated in the United Kingdom operated under the Mercure brands and managed by Aimbridge Hospitality EMEA (previously named Interstate Hotels & Resorts) which is a leading hotel operator in the United Kingdom, ("UK Portfolio Hotels"), and

(5) Four hotels under the Joint Venture Agreement, consisting of three upper midscale hotels operated under the Mercure and Holiday Inn brands, with both FICO UK and the Company holding a 50% investment share in the venture. Additionally, the SO/ Maldives hotel operates under a hotel management agreement with Ennismore, as part of the CROSSROADS project in the Republic of Maldives, with both Wai Eco World Developer and the Company holding a 50% investment share in the venture ("Joint Ventures Hotels"). The operating performance of the joint ventures are not consolidated with the Company's revenue from services, but are instead a ccounted for using the equity method, where the Company receives a share of profit or loss from the investment in the joint ventures.

The Company has 38 commercially operating hotels, comprising hotels under its management, the Outrigger Hotel, hotels in the CROSSROADS project, the Company's hotels in the United Kingdom, and hotels under joint ventures that have a total of 4,552 rooms. As of 31 December 2023, 37 hotels out of 38 have resumed their normal operation, equivalent to 98.8% of the total number of rooms (4,499 out of a total of 4,552 rooms).

BUSINESS OPERATIONS AND SUSTAINABLE DEVELOPMENT

The Company is committed to creating social and environmental value and enriching the travel experience in line with the concept of "Enriching Life" and fostering quality societies in all areas where we conduct business. We prioritize the sustainable development goals of the United Nations (UN Sustainable Development Goals 2030: SDG 2030), including various targets such as Goal 12: Responsible Consumption and Production; Goal 13: Climate Action; Goal 14: Sustainably Use the Oceans, Seas and Marine Resources; among others. Some of the Company's actions are as follows:

(1) The Company is dedicated to energy conservation efforts, which involve establishing objectives to enhance the utilization of eco-friendly energy across all self-operated hotels. This is achieved through the installation of solar panels in four hotels: Santiburi Koh Samui, SAii Laguna Phuket, SAii Phi Phi Island Village, and The CROSSROADS Maldives, aiming to reduce greenhouse gas emissions by 5% annually.

(2) The Company remains committed to caring for and prioritizing water resources and marine life by mitigating the

impact of land-based business activities on the environment. It promotes awareness of ocean and marine resource impacts through various activities, including the establishment of Marine Discovery Centers in two company-owned hotels, which have received positive feedback from guests. Additionally, it has signed a Memorandum of Understanding (MOU) to support Other Effective Area-based Conservation Measures (OECMs) under the CROSSROADS project, covering an area of over 3.1 million square meters, considered the largest marine biodiversity conservation area in the Indian Ocean.

(3) Due to its diverse hotel business operations across various regions, the Company prioritizes stakeholders along the entire business spectrum and evaluates potential societal and environmental impacts. As a result, the Company collaborates with local communities, residents, experts from various fields, as well as partners and relevant agencies to manage various aspects appropriately. This includes supporting local employment, supporting small-scale fishermen through the Company's procurement processes, ensuring occupational health and safety standards, and improving the overall living quality for all stakeholders. Additionally, initiatives are made to minimize both environmental impacts and elevate the living quality of neighbouring communities.

Due to the Company's dedication and commitment, in November 2023, the Company was selected to be included in the SET ESG Ratings (formerly known as Thailand Sustainability Investment (THSI)) for the second consecutive year. This underscores the Company's business approach, which emphasizes environmental and social responsibility. Furthermore, in the past year, five hotels including Hard Rock Hotel Maldives and SAii Lagoon Maldives in the Republic of Maldives, as well as SAii Laguna Phuket, Santiburi Koh Samui in Thailand, and CROSSROADS Maldives project, successfully obtained Green Globe™ Certification, which is the highest standard for sustainable tourism and hospitality providers, further affirming the success and commitment to conducting business based on sustainability and environmental and social responsibility principles.

Revenue from sales and services by management platforms

(UNIT: THB MILLION)	FY 2021	% REVENUE	FY 2022	% REVENUE	FY 2023	% REVENUE	% CHANGE
Self-managed Hotels[1]	234.0	5.2%	1,098.2	12.6%	1,748.5	18.0%	59.2%
Self-managed Hotels[1]	205.3	4.6%	1,486.2	17.1%	1,456.5	15.0%	-2.5%
CROSSROADS Project Phase 1 Hotels	1,627.4	36.1%	2,444.5	28.1%	2,545.0	26.2%	4.1%
Self-managed Hotels[1]	2,445.7	54.2%	3,663.6	42.1%	3,951.1	40.7%	7.8%
Total Revenue from services	**4,512.5**	**100.0%**	**8,692.6**	**100.0%**	**9,701.1**	**100.0%**	**11.6%**

Note:

[1] Three of Outrigger hotels were rebranded and converted to self-managed hotels since February 2021. However, the revenues of the three Outrigger hotels were included in self-managed hotels for the first quarter of 2021 for ease of comparison.

[2] The Company has changed the method of revenue recognition from share of profit or loss from joint venture investments to proportionate consolidation accounting since March 2021.

The overall performance for 2023, the Group achieved a revenue from sales and services of THB 9,701.1 million, marking a 12% increase compared to the previous year. This growth was primarily driven by the outstanding performance of the self-managed hotels in Thailand witnessing a revenue surge of over THB 650 million, equivalent to 59% YoY growth. This aligns with the consistent growth performance of the Outrigger hotels in the Republic of Fiji and the UK portfolio hotels, which saw revenue increases of 13% and 8% from the previous year, respectively. This growth is supported by the recovery of the tourism industry and improved operational efficiency within the Company's hotel management. Moreover, the strategic emphasis on product development and various services to diversify revenue sources resulted in a 21% growth in non-room revenue for hotels in the CROSSROADS project, compared to the previous year.

Key indicators in respect of the Hotels performance are set out as follows:

Self-managed Hotels

INDICATORS	FY 2021	FY 2022	FY 2023	CHANGE
No. of Hotels	4[1]	4[1]	4[1]	-
No. of Rooms	604	604	604	-
Occupancy Rate (%)	18.6%	56.7%	66.6%	9.9%
ADR (THB)	3,402	5,709	8,096	41.8%
RevPAR (THB)	634	3,237	5,391	66.6%

Note:
[1] Konotta Maldives Resort has temporarily closed since the second quarter of 2020. Therefore, the number of rooms for this hotel was removed from the calculation for the year 2021-2022 to reflect the real performance.

The self-managed hotels, , strategically situated in prime locations across Thailand, which are favored among international tourists, particularly from Russia, Germany, the United States, and various European countries. Pricing strategies implemented after the room upgrades, have resulted in a robust performance recovery, evidenced by the ADR increase of 42% YoY to THB 8,096. Simultaneously, the average occupancy rate rose by 10% YoY, despite partial closures of the SAii Phi Phi Island Village Hotel and the SAii Laguna Phuket Hotel as a part of ongoing room renovation efforts aimed at bolstering the property competitiveness. This successful recovery has led to the RevPAR surpassing pre-pandemic levels.

Outrigger Hotels

INDICATORS	FY 2021	FY 2022	FY 2023	CHANGE
No. of Hotels	3	3	3	-
No. of Rooms	499	499	499	-
Occupancy Rate (%)	13.4%	63.6%[3]	62.6%	-1.0%
ADR (THB)[2]	4,890	7,296[3]	9,527	30.6%
RevPAR (THB)[2]	656	4,638[3]	5,962	28.6%

Note:
[2] Reference exchange rate for FY 2021 is 15.45 THB/FJD, 0.77 THB/MUR. Reference exchange rate for FY 2022 is 16.01 THB/FJD, 0.80 THB/MUR. Reference exchange rate for FY 2023 is 15.61 THB/FJD, 0.77 THB/MUR.
[3] For the Outrigger Mauritius Beach Resort, the hotel was temporarily closed from April to October, in which the Company didn't put into calculation the rooms during closure period.

The Outrigger Hotel comprises two properties in the Republic of Fiji and an additional one in the Republic of Mauritius. FY2023 marked the first full year of operation for both countries, with positive feedback from tourists, particularly notable in the Republic of Fiji, where tourist arrivals exceeded pre-pandemic levels. Consequently, the overall performance of the Outrigger hotels in the Republic of Fiji has experienced significant strengthening. The average occupancy rate, specifically for rooms that were open for service, reached 84%, with the ability to significantly increase ADR following the introduction of new products after the renovation of the Outrigger Fiji Beach Resort, which mitigated the impact of temporary closure of the Outrigger Mauritius Beach Resort for water management system upgrades, completed in October, and partial room closures at the Outrigger Fiji Beach Resort in the past year, led to only a marginal drop in overall occupancy rate for 2023, while the ADR soared 31% YoY to THB 9,527.

CROSSROADS Hotels

INDICATORS	FY 2021	FY 2022	FY 2023	CHANGE
No. of Hotels	2	2	3[5]	1
No. of Rooms	376	376	456[5]	80
Occupancy Rate (%)	57.8%	65.8%	66.5%	0.7%
ADR (THB)[4]	10,197	14,120	13,334	-5.5%
RevPAR (THB)[4]	5,895	9,293	8,877	-4.5%

Note:
[4] Reference exchange rate for FY 2021 is 31.98 THB/USD. Reference exchange rate for FY 2022 is 35.06 THB/USD. Reference exchange rate for FY 2023 is 34.80 THB/USD.
[5] Number of hotels and rooms changed from start of commercial operation of SO/ Maldives in November 2023.

The CROSSROADS hotels' performance has been affected by heightened competition over the past year, due to the increase in the number and diversity of accommodation options within the country, as well as the emergence of more travel destinations worldwide following the easing of travel restrictions. However, the implementation of marketing strategies targeting new potential tourist markets like China, Kazakhstan, and the Middle East, in addition to traditional tourist arrivals from Russia and Europe, coupled with the increase in number of flights to the Maldives since the last quarter of 2023, has contributed to maintaining overall occupancy rates for 2023 above market averages with a slight increase from the previous year, reaching 67%, with an ADR of THB 13,334. This reflects the project's strategic advantage in terms of location and its reputation as a leading integrated leisure destination in the Maldives.

UK Portfolio Hotels

INDICATORS	FY 2021	FY 2022	FY 2023	CHANGE
No. of Hotels	28	27[7]	27	-
No. of Rooms	2,990	2,940[7]	2,940	-
Occupancy Rate (%)	49.3%	59.9%	69.5%	9.6%
ADR (THB)[6]	3,373	3,476	3,764	8.3%
RevPAR (THB)[6]	1,663	2,083	2,617	25.6%

Note:
[6] Reference exchange rate for FY 2021 is 43.99 THB/GBP. Reference exchange rate for FY 2022 is 43.26 THB/GBP. Reference exchange rate for FY 2023 is 43.29 THB/GBP.
[7] Chage in number of rooms as a result of the sale of Mercure Burton upon Trent Newton Park (50 rooms).

The 2023 performance of the UK portfolio hotels and those under joint ventures in the United Kingdom has significantly improved across all key performance indicators, with the recorded RevPAR reaching an all-time high for the portfolio at THB 2,617, marking a remarkable 26% increase from the previous year. This impressive growth was underpinned by the robust and continuous expansion of domestic travel demand, resulting in a 10% YoY increase in occupancy rates, surpassing pre-pandemic levels and reaching 70% for the first time. Additionally, the ADR experienced steady growth due to the successful implementation of efficiency and profitability improvement strategies of the portfolio, which stood at THB 3,764.

Discussion of the results of operations:

Table comparing financial performances of 2021, 2022, and 2023.

SUMMARY OF PROFIT (LOSS) STATMENT	2021		2022		2023		% CHANE YoY	
	THB MILLION	%	THB MILLION	%	THB MILLION	%	THB MILLION	%
Revenue from services	4,512.5	100.0%	8,692.6	100.0%	9,701.1	100.0%	1,008.5	11.6%
Costs of services	3,596.0	79.7%	5,807.4	66.8%	6,326.4	65.2%	519.0	8.9%
Gross profit	916.5	20.3%	2,885.1	33.2%	3,374.7	34.8%	489.6	17.0%
Other income	177.1	3.9%	131.7	1.5%	395.7	4.1%	264.0	200.4%
Selling expenses	223.0	4.9%	352.3	4.1%	441.3	4.5%	89.0	25.3%
Administrative expenses	1,520.3	33.7%	1,795.1	20.7%	1,934.5	19.9%	139.4	7.8%
Gain (Loss) from Exchange rate	(20.3)	(0.4%)	21.0	0.2%	(4.8)	(0.0%)	(25.8)	(122.9%)
Share of profit (loss) from investment in an associate and joint ventures	(2.9)	(0.1%)	(21.5)	(0.2%)	(88.2)	(0.9%)	(66.7)	(310.9%)
Finance costs (Interest expenses)	692.7	15.4%	841.6	9.7%	1,123.9	11.6%	282.3	33.5%
Profit (loss) before income taxes	(1,365.5)	(30.3%)	27.4	0.3%	177.7	1.8%	150.3	549.5%
Income tax expenses (income)	(131.3)	(2.9%)	13.0	0.1%	91.3	0.9%	78.3	603.6%
Profit (loss) of the year	(1,234.2)	(27.4%)	14.4	0.2%	86.4	0.9%	72.0	500.7%
Adjusted items								
Net unrealized gain (loss) on exchange rate	21.4	0.5%	15.8	0.2%	(4.2)	(0.0%)	(20.0)	(126.6%)
Non-recurring items[1]	(16.6)	(0.4%)	-	-	(233.1)	(2.4%)	(233.1)	-
Adjusted EBITDA[2]	518.0	11.5%	1,948.4	22.4%	2,343.4	24.2%	394.9	20.3%
Extra-ordinary items from depreciation and tax[3]	-	-			222.4	2.3%	222.4	-
Adjusted profit (loss) of the year	(1,229.4)	(27.2%)	(1.4)	(0.0%)	79.9	0.8%	81.3	5,865.8%

Note:

(1) Non-recurring items are defined as Gain (Loss) on the disposal of assets and shares of JV companies, and Gain (Loss) from fair value adjustment of investment in the joint ventures or investment properties.

(2) Adjusted EBITDA is calculated from EBT plus Finance cost, Depreciation and Amortization, Interest income, and deduct unrealized loss from exchange rates, and non-recurring items.

(3) Extra-ordinary items from depreciation led by asset reclassification and non-recurring tax items.

REVENUE FROM SERVICES

For FY2023, the Group's total revenue from sales and services amounted to THB 9,701.1 million, indicating an 11.6% YoY increase. This growth was driven by outstanding performance from the self-managed hotels in Thailand, with revenue increasing by 59% from the previous year. Similarly, revenue from Outrigger hotels in the Republic of Fiji and non-room revenue from hotels in the CROSSROADS project also increased by 13% and 21% respectively compared to those of the previous year.

COST OF SERVICES

The Group's service costs in 2023, stood at THB 6,326.4 million, indicating a 9% increase from the previous year, in line with revenue growth. The cost of services to sales margin for 2023 was 65.2%, demonstrating an improvement from 66.8% in the previous year, reflecting more effective cost management.

GROSS PROFIT

The Group reported gross profit at THB 3,374.7 million for FY2023, marking a 17% increase from THB 2,885.1 million in the previous year, with an improved gross profit margin of 34.8%, up from 33.2% in the previous year. This improvement was largely fueled by revenue growth resulting from effective pricing strategies and efficient cost management practices implemented across self-managed hotels in Thailand and Outrigger hotels in the Republic of Fiji.

SELLING EXPENSES

The Group's selling expenses in 2023, totaled THB 441.3 million, which increased by 25.3% YoY. The primary factors for this increase were attributed to an uptick in advertising expenses for self-managed hotels in Thailand and marketing for hotels in the CROSSROADS.

ADMINISTRATIVE EXPENSES

The Group's administrative expenses in 2023, the amount totaled THB 1,934.5 million, increasing by 7.8% YoY, which aligns with the revenue growth due to the recovery of the tourism industry. The relatively lower growth rate of administrative expenses compared with revenue growth highlights the improved efficiency in expense management observed in 2023.

FINANCE COSTS

Finance costs of the Group for 2023 rose by 33.5% YoY, reaching THB 1,123.9 million. This rise was attributed to continuously increasing interest rates in 2023, especially on loans denominated in US dollars and Pound Sterling, as well as the corporate debenture issuance in the amount of THB 1,300 million in the fourth quarter, resulting in increased interest expenses in Thai Baht.

OTHER INCOME

Other income of the Group for 2023 amounted to THB 395.7 million, increasing from the previous year's THB 131.7 million, mainly due to gain from the fair value adjustment of investment properties and an increase in interest income.

SHARE OF PROFIT (LOSS) FROM ASSOCIATES AND JOINT VENTURES

The Group recorded share of losses from associates and joint ventures in FY 2023 amounting to THB 88.2 million, due to the commencement of commercial operations of SO/ Maldives under the joint venture in the Republic of Maldives in November.

ADJUSTED EBITDA

The adjusted EBITDA of the Group for FY 2023 amounted to THB 2,343.4 million, increased by 20.3% YoY, driven by increased revenue from sales and services in line with the tourism recovery, as well as improved cost management and efficient expense control. Consequently, the Adjusted EBITDA margin improved to 24.2%.

PROFIT (LOSS) FOR THE PERIOD

The Group recorded net profit for FY 2023 amounted to THB 86.4 million, a significant increase of 501% from the previous year, driven by the continuous recovery trend in the global tourism industry, the strength of the Company's portfolio, as well as its effective marketing strategies and more efficient cost control and operating expense management.

ANALYSIS OF FINANCIAL POSITION AND INVESTMENT STRUCTURE

As of 31 December 2023, the Company's total assets amounted to THB 37,722.7 million, an increase of THB 1,273.1 million or 3.5% from December 31, 2022. Meanwhile, the total liabilities of the Company amounted to THB 21,631.7 million, rising by THB 1,201.2 million from those at the end of 2022. Among these liabilities, interest-bearing debts totaled THB 13,931.8 million, rising from THB 13,080.2 million, attributed by the issuance of corporate bonds worth THB 1,300 million in October 2023. At the end of 2023, the Group's shareholders' equity amounted to THB 16,091.0 million, increasing from THB 16,019.2 million at the end of 2022, mainly due to the profits generated in FY2023.

The increase in interest-bearing debt at a higher proportion than the growth in shareholders' equity resulted in a marginal rise in interest-bearing-debt-to-equity ratio (IBD/E) to 0.87 times as of 31 December 2023. However, this ratio remains far below the Company's targeted financial leverage threshold.

SUMMARY OF STATEMENT OF FINANCIAL POSITION	31 DEC 21 THB MILLION	31 DEC 22 THB MILLION	31 DEC 23 THB MILLION	CHANGE	
				THB MILLION	%
Cash and cash equivalents	1,913.7	2,477.3	2,216.3	(261.0)	(10.5%)
Current assets	4,723.0	4,533.0	3,771.8	(761.1)	(16.8%)
Property, plant and equipment (net)	29,068.1	28,046.0	30,414.4	2,368.4	8.4%
Non-current assets	32,491.2	31,916.6	33,950.9	2,034.2	6.4%
Total assets	37,214.1	36,449.6	37,722.7	1,273.1	3.5%
Interest-bearing debt	14,126.0	13,080.2	13,931.8	851.6	6.5%
Other liabilities	7,206.2	7,350.3	7,699.9	349.6	4.8%
Total liabilities	21,332.3	20,430.4	21,631.7	1,201.2	5.9%
Total equity	15,881.9	16,019.2	16,091.0	71.9	0.4%
Interest-bearing debt to equity ratio (IBD/E) (times)	0.89	0.82	0.87	0.05	

Financial Ratios

FINANCIAL RATIO	2021	2022	2023
Liquidity Ratios			
Current Ratio (times)	0.7	1.1	1.1
Quick Ratio (times)	0.3	0.7	0.8
Profitability Ratios			
Gross Profit Margin (%)	20.3%	33.2%	34.8%
Operating Profit Margin (%)	(18.3%)	8.5%	10.3%
Net Profit Margin (%)	(27.4%)	0.2%	0.9%
Return on Equity (%)	(7.82%)	0.09%	0.54%
Efficiency Ratios			
Return on Assets (%)	(2.1%)	2.4%	3.5%
Total Assets Turnover (times)	14.0%	23.6%	26.2%
Leverage Ratios			
Debt to Equity Ratio (times)	1.3	1.3	1.3
Interest-bearing Debt to Equity Ratio (times)	0.9	0.8	0.9
Net Interest-bearing Debt to Equity Ratio (times)	0.8	0.7	0.7

Financial ratios as of 31 December 2023 in comparison to those as of December 2022 are as follows:

LIQUIDITY RATIO

For FY 2023, the Group maintained a current ratio similar to that of the previous year, at 1.1 times. This was primarily due to a reduction in current assets resulting from the reclassification of one hotel from non-current assets classified as held-for-sale to property, plant and equipment, and a decrease in current liabilities stemming from the refinancing of long-term loans denominated in THB, which were scheduled to mature within one year and had been due in 2023. Additionally, the quick ratio improved from 0.7 times in the preceding year to 0.8 times, indicating an improvement in liquidity position over the past year.

PROFITABILITY RATIOS

The profitability ratios of the Group for FY 2023 improved compared to the previous year across various aspects including the gross profit margin, operating profit margin, net profit margin, and return on equity. This was primarily driven by the recovery of the tourism industry during the first year following the global reopening to tourists throughout the year and the Company's marketing strategies, leading to a 12% growth in the Group's revenue. Additionally, efficient cost management and expense control contributed to the growth in the gross profit margin to 34.8%, operating profit margin to 10.3%, net profit margin to 0.9%, and return on equity to 0.5%, compared to the preceding year which stood at 33.2%, 8.5%, 0.2%, and 0.1% respectively.

EFFICIENCY RATIOS

Due to the improved overall performance of the Group, resulting in increased net profits compared to the previous year, the return on assets rose from 2.4% in 2022 to 3.5% in 2023, and the total asset turnover ratio improved to 26.2%, demonstrating the strong recovery of the tourism business and the management capabilities of the Group.

LEVERAGE RATIOS

The Group's financial position remained strong in FY 2023, with debt-to-equity ratio of 1.3 times, similar to that of the previous year. Although there was a slight increase in the interest-bearing-debt-to-equity ratio, it stayed low at 0.9 times, demonstrating the Group's robust financial standing. This slight uptick was attributed to the issuance of corporate bonds worth THB 1,300 million during the year.

The Company made a number of efforts to ensure robust and agile business operations by adjusting its strategies to address challenges and changes, enhancing risk management to ensure business continuity, as well as ensuring strong finance through effective cash cycle and cash flow management. The Company has made it a policy to maintain a collection period or credit term between 30-45 days on average. The actual average collection period in FY2022 was 19 days, which was lower than the threshold as the Company had a higher proportion of revenue from cash sales than credit sales.

	FY 2021	FY 2022	FY 2023
Credit Term Policy			
• General customers	30-45 days		
Actual Average Credit Term			
• General customers	30-45 days	15-30 days	15-30 days

PART 1

BUSINESS OVERVIEW AND PERFORMANCE

5

GENERAL AND OTHER SIGNIFICANT INFORMATION

COMPANY INFORMATION AND OTHER SIGNIFICANT INFORMATION

GENERAL INFORMATION

INFORMATION OF THE COMPANY AS OF 31 DECEMBER 2023	
Company Name	S Hotels and Resorts Public Company Limited
Securities Symbol	SHR
Head Office Address	No. 123 Suntowers Building B, 10th Floor, Vibhavadi-Rangsit Road Chom Phon, Chatuchak, Bangkok 10900, Thailand
Telephone	+66 (0) 2058 9888
Website	www.shotelsresorts.com
Type Of Business	Holding company that engages in the management of hotels and resorts and investments in international hotel companies
Company Registration Number	0107562000190
Year Of Establishment	2015
First Trade Date in The Stock Exchange of Thailand	12 November 2019
Registered Capital	Baht 17,968,200,000 comprising 3,593,640,000 ordinary shares
Paid-Up Capital	Baht 17,968,200,000 comprising 3,593,640,000 ordinary shares
Par Value	Baht 5
Investor Relations	Telephone: +66 (0) 2058 9888 Ext. 335 Email: IR@shotelsresorts.com
Company Secretary Department	Telephone: +66 (0) 2058 9888 Ext. 344 - 345 Email: comsec-shr@shotelsresorts.com

REFERENCE INFORMATION

REFERENCE INFORMATION	
Regulator	The Securities and Exchange Commission of Thailand No. 333/3 Viphavadi Rangsit Road, Chomphon, Chatuchak, Bangkok 10900, Thailand Telephone: +66 (0) 2033 9999 Facsimile: +66 (0) 2033 9660
Regulator	The Stock Exchange of Thailand No. 93 Ratchadaphisek Road, Dindaeng, Dindaeng, Bangkok 10400, Thailand Telephone: +66 (0) 2009 9000 Facsimile: +66 (0) 2009 9991
Share Registrar	Thailand Securities Depository Company Limited No. 93, 14th Floor, Ratchadaphisek Road, Dindaeng, Bangkok 10400, Thailand Telephone: +66 (0) 2009 9380 Facsimile: +66 (0) 2009 9992
Auditor	PricewaterhouseCoopers ABAS Limited No. 179/74-80, 15th Floor, Bangkok City Tower, South Sathorn Road, Bangkok 10120, Thailand Telephone: +66 (0) 2844 1000 Facsimile: +66 (0) 2286 5050 1. Mr. Chanchai Chaiprasit, Certified Public Accountant No. 3760 or 2. Mr. Boonrueng Lerdwiseswit, Certified Public Accountant No. 6552 or 3. Ms. Rodjanart Banyatananusard, Certified Public Accountant No. 8435 or 4. Mr. Kan Tanthawirat, Certified Public Accountant No. 10456
Legal Advisor	Baker & McKenzie Limited No. 990, 5th Floor, 21st - 25th Floor, Abdulrahim Place, Rama IV Road, Silom, Bangrak, Bangkok 10500, Thailand Telephone: +66 (0) 2636 2000 Facsimile: +66 (0) 2636 2111
Debenture Registrar and Debenture Holders' Representative	Krungthai Bank Public Company Limited No. 35 Sukhumvit Road, Klong Toey Nua, Wattana, Bangkok 10110, Thailand Telephone: +66 (0) 2111 1111 or +66 (0) 2255 9391

Other Significant Information

The Company has no other significant information that might influence investors' decision making.

Legal Disputes

As of 31 December 2023, the Company and its subsidiaries have no legal disputes which may have a negative impact on the assets exceeding 5% of shareholders' equity and no lawsuit that has a significant impact on the business operations of the Company and its subsidiaries.

Financial Institutions

- **Kasikornbank Public Company Limited**
  No. 400/22 Phahon Yothin Road, Sam Sen Nai, Phaya Thai, Bangkok 10400, Thailand
  Telephone: +66 (0) 2222 0000
  Website: www.kasikornbank.com

- **United Overseas Bank (Thai) Public Company Limited**
  No. 690 Sukhumvit Road, Khlong Tan, Khlong Toei, Bangkok 10110, Thailand
  Telephone: +66 (0) 2343 3000
  Facsimile: +66 (0) 2287 2973 – 4
  Website: www.uob.co.th

- **Government Savings Bank**
  No. 470 Phaholyothin Road, Samsen Nai, Phayathai, Bangkok 10400, Thailand
  Telephone: +66 (0) 2299 8000
  Website: www.gsb.or.th

- **Bank of China (Thai) Public Company Limited**
  No. 179/4 Bangkok City Tower, South Sathorn Road, Tungmahamek, Sathorn, Bangkok 10120 Thailand
  Telephone: +66 (0) 2286 1010
  Facsimile: +66 (0) 2286 1020
  Website: www.bankofchina.co.th

- **Krungthai Bank Public Company Limited**
  No. 35 Sukhumvit Road, Klong Toey Nua, Wattana, Bangkok 10110, Thailand
  Telephone: +66 (0) 2111 1111
  Facsimile: +66 (0) 2255 9391 – 3
  Website: www.krungthai.com

- **Export-Import Bank of Thailand**
  No. 1193 EXIM Building, Phahonyothin Road, Phaya Thai, Phaya Thai, Bangkok 10400, Thailand
  Telephone: +66 (0) 2169 9999
  Facsimile: +66 (0) 2271 3204
  Website: www.exim.go.th

- **Industrial and Commercial Bank of China (Thai) Public Company Limited**
  No. 622 L,11-13 Floor, Emporium Tower, Sukhumvit Road, Khlong Ton, Khlong Toei, Bangkok 10110, Thailand
  Telephone: +66 (0) 2629 5588
  Website: www.icbcthai.com

PART 2

CORPORATE GOVERNANCE

6

CORPORATE GOVERNANCE POLICY

CORPORATE GOVERNANCE

CORPORATE GOVERNANCE POLICY

S Hotels and Resorts Public Company Limited (the "Company") recognizes the importance of conducting business with transparency, fairness and adherence to Good Corporate Governance Principles, which will help increase business competitiveness and strengthen confidence among investors and all groups of stakeholders, both nationally and internationally. Conducting business according to these guidelines is the key that will lead the organization to business success and sustainable growth, enabling it to adapt effectively under changing factors while also building good relationships with all groups of stakeholders.

Overview of Policies and Practices related to Corporate Governance

The Company is managed in accordance with the principles of good corporate governance of the Securities and Exchange Commission ("SEC") and the Stock Exchange of Thailand ("SET"). The Company recognizes the importance of conducting business and elevating the existing level of corporate governance for the purpose of long-term sustainable business growth and support for transparency. Good corporate governance not only builds confidence among shareholders, investors, or all stakeholders but also create benefits and good business results for the Company and create overall benefits to the Company's competitiveness and sustainable growth.

In addition, the Company continuously places importance on shareholders' rights and its responsibilities towards shareholders and stakeholders of the Company, as reflected in equal treatment of shareholders, consideration for the role of stakeholders, disclosure of information and transparency. Moreover, the Board of Directors places importance on accountability and compliance with the principles of good corporate governance. In order to increase confidence among shareholders, investors, and all related parties, the Board of Directors has therefore resolved that an improved version of the corporate governance policy should be formalized encompassing important principles which are transparent, clear and accountable, from the structure, roles, duties and responsibilities of the Board of Directors to the management principles of executives based on the principles and practices in accordance with the Principles of Good Corporate Governance for Listed Companies of 2017 of the SEC Office ("CG Code") as a guideline for managing the organization, creating confidence that any and all of the Company's operations are fair and take into account the maximum benefits of shareholders and all stakeholders. This undertaking is also aimed at promoting and supporting all directors, executives, and employees to have greater knowledge and understanding in performing their duties according to the policy. The essence of the policy can be divided into 8 principles as follows:

Principle 1	Establish clear leadership role and responsibilities of the Board of Directors
Principle 2	Define objectives and goals that promote sustainable value creation
Principle 3	Strengthen the Board of Directors effectiveness
Principle 4	Nominate and develop senior executives and human resource management
Principle 5	Nurture innovation and responsible business operation
Principle 6	Strengthen effective risk management and internal control
Principle 7	Ensure disclosure and financial integrity
Principle 8	Ensure Engagement and Communications with Shareholders

The details of "Corporate Governance Policy" are available in the document attached to this report which is displayed on the Company's website at www.shotelsresorts.com

Policies and Guidelines related to the Board of Directors

The Board of Directors is an important entity in determining the direction, policy and strategy for the Company's business operations, as well as supervising the management of the Company and its subsidiaries to comply with relevant laws, objectives and articles of association to create value for the business and for the best interest of the Company, its subsidiaries, and shareholders in the long term. The Board of Directors realizes the importance of good governance principles in building confidence among shareholders and all stakeholders, thereby prompting each Board member to perform their duties with responsibility, honesty and care to protect the interests of the Company and its subsidiaries, including having to act in accordance with the law, objectives, articles of association and resolutions of the Board of Directors' meeting, as well as the resolutions of the shareholders' meeting.

Further details on the policies and guidelines regarding the Board of Directors can be found in sections 7. Corporate Governance Structure and 8. Corporate Governance Performance Report.

- **Nomination and Remuneration of Directors**

The Board of Directors is responsible for overseeing that the recruitment and selection of directors is done so in a transparent

and clear process in order to obtain directors with qualifications consistent with the specified composition and in accordance with relevant statutes. In this regard, the Board of Directors has appointed a Nomination and Remuneration Committee to consider the selection criteria and methods for recruiting individuals in order to gain qualified directors that will provide the Company's Board with the appropriate composition, knowledge and abilities as well as bringing in diverse experiences into the structure of the Company's Board while also not having prohibited characteristics and not having characteristics that indicate they are unsuitable to be trusted as a director as required by the relevant laws, announcements, rules and/or regulations. Following the screening process, suitable candidates are nominated for the consideration of the Board of Directors' meeting or shareholders' meeting for approval of their appointment (as the case may be).

For determining the remuneration of directors, the shareholders' meeting has the authority to approve the structure and rate of remuneration for directors, both monetary and non-monetary. When considering the remuneration of the Board, the Company' Board of Directors, as proposed by the Nomination and Remuneration Committee for consideration and approval by shareholders' meeting, must take into account various factors, such as consistency with the Company's long-term strategy and goals, the candidate's experience, duties, scope of responsibility, roles and responsibilities, including the expected benefits from each director, etc.

- **Nomination and Remuneration of Executives**

The Board of Directors has taken steps to ensure that a process is in place to enable the Company to select the Chairman of the Executive Committee and senior executives who have the knowledge, skills, experience and characteristics necessary to drive the organization towards its goals. For this purpose, the Board of Directors has appointed a Nomination and Remuneration Committee to be responsible for considering and determining the qualifications of the Chief Executive Officer and senior executives to serve as a guideline for the Chairman of the Executive Committee and/or the Chief Executive Officer (as the case may be) to screen individuals who are suitable to hold the position before submitting candidates to the Nomination and Remuneration Committee for consideration and approval or the Board of Directors for consideration and approval (as the case may be).

Regarding determining the compensation of senior executives, the Board of Directors oversees the establishment of an appropriate compensation structure and evaluation system whereby the Nomination and Remuneration Committee has been assigned to consider, approve, and review the structure and components of said compensation for the Chief Executive Officer and senior executives annually.

- **Independence of the Board of Directors from Management**

The Company has clear separation of the roles and responsibilities between the Board of Directors and management to provide distinction in the performance of duties of each position in order to have a balance of power which enables an effective review of management of the business operation and management of the Company to ensure efficiency and transparency. In this regard, the directors can use their discretion independently in considering various matters. In addition, the structure of the Company's Board of Directors requires that at least one-third of the total number of members of the Board and no less than 3 members must be independent directors. The independent directors must be independent from the control of the executives and major shareholders, and must not be involved or have a vested interest in the finances and management of the business in addition to having all the qualifications as required by relevant laws and regulations.

- **Development of Directors**

The Board of Directors oversees and ensures that each director has knowledge and understanding of their roles and duties and the nature of, as well as the laws related to business operations. In addition, the Board is also entrusted with supporting all directors to gain enhanced skills and knowledge for performing their duties. The Company encourages the Board of Directors to receive appropriate skills development through various processes, such as training and assessment, etc.

- **Performance Evaluation of Directors**

Evaluation of the performance of the Board of Directors is conducted on an annual basis, both as a collective group and individually, in order to improve operations for maximum effectiveness and benefits to shareholders and the organization. The overall criteria, procedures, and evaluation results are disclosed in Section 8. Corporate Governance Performance Report.

- **Governance of Subsidiaries and Associated Companies**

The Board of Directors is responsible for ensuring that there is a framework and mechanism for supervising the policies and operations of subsidiaries and associated companies by appointing people to serve as directors or executives thereof at least in proportion to their shareholding in said subsidiaries and associated companies, as well as determining their remuneration and the scope of authority, duties and responsibilities of said appointed

directors and executives. The Board also sets the framework for voting authority in the board meetings of subsidiaries and associated companies on important matters that must receive prior opinions from the Board of Directors, and supervises the administration and management of subsidiaries and associated companies to be in accordance with the operating plans and policies of the Company, and oversees various transactions in accordance with relevant laws and regulations, including monitoring and overseeing that subsidiaries and associated companies disclose information about their financial status and operating results, engagement in connected transactions, and significant acquisition or disposal of assets in a complete and accurate manner. It is incumbent on the Board of Directors to monitor and ensure that directors and executives of subsidiaries perform their duties and responsibilities as required by law.

Further details on the supervision and management of the Company's subsidiaries and associated companies can be found in Section 8. Corporate Governance Performance Report .

POLICIES AND PRACTICES REGARDING SHAREHOLDERS AND STAKEHOLDERS

The Board of Directors monitors and ensures that the management conducts business with social and environmental responsibility as reflected in the action plan to ensure that every department of the organization operates in line with the main objectives, goals and strategic plans of the Company, taking into account the roles of stakeholders. The Board of Directors oversees the establishment of a mechanism to ensure that the Company conducts business ethically, with social and environmental responsibility and is mindful to not violate the rights of stakeholders. The Board further requires that guidelines are in place for all sectors in the organization to achieve their objectives and main goals sustainably, as well as guidelines for various stakeholders as part of its corporate social responsibility (CSR) policy and Code of Conduct, and undertakes to disclose important information that is relevant and necessary to stakeholders in an adequate, reliable and timely manner.

The Board of Directors places importance on the role of stakeholders and treat all groups of stakeholders transparently, appropriately, equitably and fairly, whether they are shareholders, employees, customers, trade partners, the public and society as a whole. Set guidelines related to stakeholders are as follows:

Shareholders, Investors, and Analysts

The Company treats all shareholders and investors equally with the intention on the part of Board of Directors, executives and all employees to perform their duties with honesty and integrity, take action with transparency and fairness, while adhering to the highest interests of shareholders and refraining from any action in a manner that may cause conflict of interest, not using inside information to seek benefits for themselves or others, including not disclosing confidential information to outsiders. In addition, the Company recognizes and respects the rights of every shareholder, including investors and analysts, to receive necessary information regarding the Company's operating results completely and regularly. It has communicated operating results and necessary information through various activities, such as meeting investors at the SET's Opportunity Day activity on a quarterly basis, preparing Investor Relations Webpage, etc.

Employees

Employees are the most valuable resource of the Company. The Company places importance on compliance with labor and social welfare laws and strictly adheres to human rights principles in the equitable and fair treatment of all employees, without discrimination based on personal characteristics such as race, color, national origin, religion, gender, age or any disability that is not relevant to their work performance. The Company strives to encourage all employees to have a good attitude, a sense of duty and responsibility, as well as pride and confidence in the organization, with a focus on working as a team by fostering compliance with the core values of the "PRIDE" organization and human rights policy engendering an organizational culture. Employees are also encouraged to attend training on topics that are relevant and beneficial to their work, give importance to their health care with the Company arranging annual health examinations for all employees and promoting occupational health and safety, thereby creating a good working environment. Moreover, the Company provides adequate and appropriate compensation and welfare. Consideration of employee compensation is in accordance with performance-based assessment of each employee and in accordance with the performance of the Company, both in the short term and in the long term, comparable to businesses in the same industry.

In addition, the Company also aims to continuously promote and develop personnel to have knowledge and ability, taking into account basic rights according to the law, including placing importance on human rights of employees. The Company further provides opportunities for employees to file complaints in cases where employees are not being treated fairly through various channels such as feedback booths or through the human resources department, etc. The Company is responsible for maintaining a work environment that is safe, hygienic, and conducive to working effectively.

Customers

The Company builds long-term relationships and cooperation with customers by adhering to the principles of honesty and integrity, building credibility and mutual trust in each other. The Company has a duty to provide services and create maximum satisfaction for its customers by being responsible, attentive and placing importance to customers' problems and needs as first priority. In this regard, all executives and employees are required to follow the Company's policies and various guidelines to ensure that the Company's personnel adhere to providing good quality service and never stop developing new skills and rendering efficient services to the Company's customers. In addition, the Company conducts business with its customers in strict compliance with ethical principles and guidelines for providing quality service by honestly performing and delivering services as per its contractual obligations. Any messages or advertising content that are published will not use false or exaggerated messaging and must not be considered unfair to consumers or use messages that may have a negative effect on society as a whole, regardless of whether such messages pertain to the origin, condition, quality or characteristics of products, rooms or services, including the delivery, procurement or use of products or services. Moreover, the Company strictly complies with various trade conditions such as protecting customers' confidential information by not publishing such information or using it for one's own or others' benefit unless there is written consent from the customer.

Creditors

The Company has operated within its policy framework, including strict compliance with contracts, agreements, loan conditions, and guarantee conditions with creditors, repaying principal and interest as specified and on time. The Company manages loans to meet set objectives, does not use the money in a way that may cause damage to the Company, and is committed to managing funds with maximum efficiency so that creditors have confidence in the Company's financial position and ability to repay debts. If the Company is unable to fulfill its contractual obligations, it is required to immediately notify creditors in order to jointly find a solution.

In 2023, the Company has no default on debt payments or financial institution creditors.

Trade Partners

The Company treats its trading partners with honesty, transparency and equality to ensure that its business operations are appropriate, fair and beneficial to both sides, resulting in sustainable development and long-term partnership with the Company. The Company selects to do business with partners that meet the general procurement and green procurement criteria and comply with its various stated conditions, such as price, delivery time, quality, product and service standards, environmental control and protection, technical expertise, compliance with the law, fair labor treatment and human rights principles, including being trustworthy and adhering to what is right.

Society and Community

The Company is well aware and mindful of being responsible to society and the community. Therefore, it conducts business under a policy framework and guidelines of creating shared value between business and society to ensure that its business operations will not cause damage to the quality of life, society, and community.

The Company and its employees are committed to conducting business in a responsible way that is beneficial to society and the community and treat nearby communities with respect and amity by providing assistance and supporting the development of communities to have a good quality of life through employment opportunities for local residents, education opportunities for children in the community, as well as being responsible in conducting its business operations in a fair and equitable manner to promote sustainable development.

Over the past year, the Company has hired people in the community to generate income locally whereby local residents around Santiburi Hotel were hired to play Thai music and dance at the Hotel's New Year event to promote and preserve Thai culture and provide entertainment to hotel guests.

In addition, the Company has prepared a product development plan together with community partners in Koh Samui to develop a coconut oil formula for Santiburi Hotel's spa and helped improve the style of product bottles to be modern and more attractive for sale, thereby creating added value and increasing

the selling power for the community's product. It also opens up the opportunity to sell the products abroad because the hotel's main customers are foreigners, which may result in sustainable self-reliance in the community. The sale of such products under the brand "Len Spa" has been satisfactory.

Environment

The Company is well aware and mindful of environmental responsibility. Therefore, it conducts business under the concept of giving priority to environmental conservation whereby the efficient use of resources for maximum benefit is promoted to help reduce energy consumption well as taking care to prevent the Company's operations from causing damaging impacts to the quality of life of society, communities, and the environment.

In addition, the environment must be treated according to sustainable development policy and biodiversity policy which enable the Company to take part in conserving natural resources and wildlife for sustainable development, including promoting and supporting projects in resource and environmental conservation. In this regard, the Company can reveal various activities which included events which promoted employee participation that demonstrate implementation of social responsibility policies, such as collecting trash on the beach and ensuring that a separate report on sustainable development is prepared.

Business Competitors

The Company operates within its policy framework and adheres to conducting business under the relevant law and rules with fairness and transparency, not seeking competitors' secrets through dishonest or illegal means, and not destroying competitors' reputations by slander, or committing any act that is untruthful or unfair, or infringing on others' intellectual property. In 2023, there were no disputes, lawsuits or claims between the Company or its subsidiaries and business competitors.

Government Agencies

The Company ensures its compliance with the relevant legal and regulatory requirements and supports various activities of government agencies on various appropriate occasions. In addition, it is committed to providing services and selling quality products of high standard and in accordance with the law. In addition, the Company engages with the government sector and various government agencies with political neutrality as specified in its Charter and Code of Conduct, as well as anti-corruption policy.

Additional details on policies and practices related to shareholders and stakeholders, policies and practices related to the Board of Directors are available in sections 7. Corporate Governance Structure and 8. Corporate Governance Performance Report.

- **Preventing the Use of Inside Information.**

The Company has managed its operations by adhering to the principles of good corporate governance of the SET and SEC, and has placed importance on overseeing the handling of inside information in accordance with the principles of good corporate governance by conducting business with honesty and integrity, ensuring that investors in the Company's securities receive reliable information equally and in a timely manner, requiring all its directors, executives, and employees to keep confidential the inside information gained from the performance of their duties and to not disclose said information to others or use it to seek profit or gain from illegal securities trading or cause the Company to lose benefits, whether directly or indirectly, as well as strictly following guidelines for the protection of inside information.

- **Preventing Conflicts of Interests**

The Company places importance on preventing transactions that may be a conflict of interest, related items or connected transactions, whereby guidelines are set prescribing various prohibitions and considerations so that the directors, executives, and employees of the Company understand how to comply with the policy to prevent conflicts of interest. In addition, directors, executives, and employees at all levels must avoid having vested interest or being involved in actions that create a conflict of interest as this will cause the Company to lose benefits. In the event that such transaction cannot be avoided, the responsible department will oversee that such transaction is transparent, clear and for the highest benefit of the Company.

- **Anti-corruption**

The Company is aware of the importance and necessity of combating all forms of corruption and is therefore committed to doing so, whether it comes in the form of offering, requesting, demanding, giving or receiving bribes or other actions that lead to corruption. In addition, the Company supports and encourages directors, executives and employees at all levels to be aware and mindful of working together to fight corruption including through establishing an internal control system to prevent corruption, as well as preventing receiving or giving bribes in all forms, etc. In February 2024, the Company announced its intention to join the Thai Private Sector Coalition Against Corruption (CAC).

CODE OF CONDUCT

The Company has established a Code of Conduct on business ethics to serve as a framework for directors, executives at all levels, all employees and all parties involved in conducting business. The aforementioned are required to be informed of and practice said Code in the performance of their duties with a conscience that adheres to honesty, morality, ethics, and maintaining the Company's reputation, as well as professionalism and responsibility for the economy and society as a whole. It is believed that the Code of Conduct is an important tool in supporting the efficiency and effectiveness of the performance of directors, executives and employees, as well as strengthening the confidence of investors or all parties concerned. Key contents of the Code of Conduct are as follows.

1) Code of Conduct for the Company's Board of Directors, Executives, and Employees
2) Responsibility for business operations
   - Compliance with relevant laws, statutes and related regulations
   - Anti-fraud and anti-corruption
   - Interests and conflicts of interest
   - Handling inside information and protection of confidential information
   - Intellectual property
   - Respect for human rights
   - Occupational health, safety and work environment
3) Responsibility to stakeholders
   - Treatment of shareholders, investors, and analysts
   - Treatment of customers
   - Treatment of employees
   - Treatment of trade partners
   - Treatment of business competitors
   - Treatment of creditors
   - Treatment of community and society
   - Treatment of the environment
4) Measures for handling complaints and whistleblowing, and guidelines for preventing repeat offenses

The Company reviews the Code of Conduct every year and has consistently promoted and monitored compliance with the said guidelines on a regular basis, including communicating and creating awareness thereof to directors, executives, and employees, as well as organizing training, producing teaching media complete with testing for executives and employees at all levels of the Company and its subsidiaries to promote knowledge and understanding of business ethics as follows:

- Delivery of, and communication pertaining to the Code of Conduct to all directors as well as requiring their signature in acknowledgment thereof, resulted in all directors (100 percent) signing their acknowledgement.
- Organizing training through the e-Learning system along with annual comprehension tests for executives and employees at all levels, as well as orientation for new employees. The results of the training and assessment covered 100 percent of executives and employees at all levels. Furthermore, the Code of Conduct on business ethics was also published through the Company's internal website (Intranet).
- In 2023, there was 1 violation of the code of ethics and best practices, which was duly punished according to the Company's procedures, additional details of which are available from the 2023 Sustainability Report.

- **Supplier Code of Conduct**

The Company has produced a Supplier Code of Conduct to serve as a framework for conducting business with suppliers in an appropriate and transparent manner based on adherence to honesty, integrity and anti-corruption principles, compliance with relevant laws, including avoidance of all forms of conflicts of interest, respecting human rights principles and fair treatment of labor, respect for personal rights and intellectual property, protection of confidentiality, responsible sourcing and delivery of goods and services, and compliance with occupational health and safety principles, etc.

The Company plans to communicate and foster understanding with its trading partners through the delivery of official letters and meetings with executives of partner companies in 2024 to interview and advocate the supplier code of conduct policy with its trade partners.

In this matter, further details of "Code of Conduct" and "Supplier Code of Conduct" are available in the attached documentation to this report which are displayed on the Company's website at www.shotelsresorts.com.

SIGNIFICANT CHANGES AND DEVELOPMENTS IN GOOD CORPORATE GOVERNANCE POLICIES AND PRACTICES OVER THE PAST YEAR.

In 2023, the Company has undergone significant changes and developments regarding its good corporate governance system which can be summarized as follows:

1) The Board of Directors considered reviewing and improving the Charter of the Board of Directors and that of every sub-committee, including the Audit Committee, Risk Management Committee, the Nomination and Remuneration Committee, the Corporate Governance and Sustainable Development Committee and the Executive Committee so as to be current and consistent with the relevant rules and regulations, as well as with the changing situations. The significant details of the additional amendments are as follows:

- Reviewed and amended the Audit Committee Charter by adding the duties and responsibilities of the Audit Committee for considering and approving the hiring of auditors to perform other work (Non-assurance Services) in addition to auditing annual financial reports, taking into account the independence of the auditor in performing audit work in accordance with the law and specified criteria.
- Reviewed and amended the Nomination and Remuneration Committee Charter by adding criteria for the annual performance evaluation of senior executives, whereby the Chairman of the Executive Committee together with the Chief Executive Officer are assigned to be the assessors, before presenting the evaluation results to the Nomination and Remuneration Committee for approval.
- Reviewed and amended the Executive Committee Charter to be consistent with current duties and the principles of good corporate governance on the topic regarding the composition of the executive committee, duties and responsibilities of the Executive Committee, term of office and election of executive directors, and executive committee meetings, etc.

2) The Board of Directors has considered, reviewed, improved and/or established policies in various areas related to the principles of good corporate governance, which are determined to be consistent with business operations and the current circumstances of the industry, as well as being in line or in compliance with relevant laws, statutes, and regulations. The key points of the amendments are as follows:
   - The Code of Conduct was revised in its entirety so as to be in line with the principles of good corporate governance and sustainable development, as well as to also provide a framework for conducting business for directors, executives at all levels, all employees and all concerned parties. The main topics are: 1) ensuring compliance with the Code of Conduct; 2) Code of Conduct for the Company's Board of Directors, executives, and employees; 3) responsibility towards business operations 4) responsibility to stakeholders 5) complaint and whistleblowing measures 6) policy review.
   - The Corporate Governance Policy was revised in its entirety to be consistent with the principles of good corporate governance and sustainable development by 1) adding content on promoting the Board of Directors and defining the scope of responsibilities by distinctly separating the roles and responsibilities of the Chairman of the Board of Directors and the Chief Executive Officer and explicitly disclosing the roles, duties and responsibilities of said positions; 2) adding content about the Corporate Governance and Sustainable Development Committee to be in line with the appointment of the said sub-committees; and 3) adding content on promoting innovation and responsibility towards efficient business operations by including guidelines on responsible treatment of creditors, society and the community, and business competitors in accordance with the principles of good corporate governance and sustainable development of the corporate group.
   - The Company has formalized a human rights policy in which the content is in line with the principles of good corporate governance and sustainable development, with the following objectives: 1) to serve as a guideline for conducting business with respect and care to not infringe on human rights in accordance with international principles; 2) to support the declaration of cooperation to drive the United Nations' Guiding Principles on Business and Human Rights (UNGP) in Thailand; 3) to conduct business in accordance with the principles of good corporate governance, as well as being responsible to society and all concerned stakeholders; 4) to create internationally accepted standards and practices; and 5) to comply with the best practices of the SET, Thai Institute of Directors Association and guidelines or operational frameworks of regulatory agencies and/or other relevant agencies, including amendments to human rights policies. Amendments to the guidelines regarding the Company's human rights governance are to be consistent with the UNGP's standards and more equitable to all groups of stakeholders.
   - The Information Technology Security Policy has been created of which its content is specified in accordance with the principles of good corporate governance and sustainable development and as prescribed in the contracts with various contracting parties.
   - The Supplier Code of Conduct was established with the objective to promote the commitment of the Company's trading partners to the values of conducting business with sustainability, transparency, and consideration for the environment, society, human rights, and corporate governance, which is in line with the law and ethics of the Company as well as other related standards.
   - The Biodiversity Policy was established with the objective to formalize principles and guidelines for operations which would ensure that environmental and social actions play a part in supporting business growth and foster confidence that actions are taken by the Company to protect the environment, and to prevent and reduce environmental impacts by means of maintaining biological diversity and healthy ecosystems, whereby consideration is given to possible impacts on biodiversity in the decision-making process and business operations throughout the value chain, including preventing possible damage that may occur to stakeholders.

- The Procurement Policy was established with the purpose to serve as a guideline for the Company's process which encompasses selecting appropriate business partners and transparent procurement procedures that are systematic and efficient, as well as preventing possible conflicts of interest.
- The Whistleblowing Policy was improved by 1) adding the definition of the word "Misconduct" to include actions resulting from breach or non-compliance with the human rights policy; 2) modification of the email address for receiving complaints; and 3) adding a complaint channel through the Company's website.
- The policy was established regarding notification of the Company's securities trading 1 day in advance of proceeding with the securities trading for directors, executives and related employees as an additional protection measure for policies and practices related to insider trading, and to comply with the principles of good corporate governance of Thai listed companies. The said policy has been added to be part of the Code of Conduct and the Insider Information Policy.
- A policy was established requiring notification of directors' conflicts of interest to the Chairman of the Board of Directors and the Chairman of the Audit Committee. The said policy has been added to be part of the Code of Conduct.

3) The Board of Directors considered and resolved to amend the performance evaluation form of the Board of Directors and sub-committees (individual group form) in order to evaluate the performance of the Board as a whole according to the guidelines of the SET and the Thai Institute of Directors Association, including principles of good corporate governance of listed companies.
4) The Company submitted a declaration of intent to join the Thai Private Sector Coalition Against Corruption (CAC) in February 2024 to demonstrate the Company's intent and commitment to combatting corruption in all forms.

COMPLIANCE WITH THE 2017 PRINCIPLES OF GOOD CORPORATE GOVERNANCE FOR LISTED COMPANIES

The Company has always placed importance on adhering to the Principles of Good Corporate Governance for Listed Companies of 2017 (Corporate Governance Code; CG Code). In the past year, the Company has considered and reviewed the application of the CG Code and good corporate governance principles in the CGR (Corporate Governance Report of Listed Companies) of the Thai Institute of Directors Association, for adapted use to suit the business context of the Company and to ensure that significant developments regarding good corporate governance are well covered. It was found that the Company has already adopted for practice most of the principles except in some cases where it is not yet practical when the highest benefits of all stakeholders are taken into consideration. It is, therefore, determined that said principles as they stand remain appropriate for the Company's current situation. Nevertheless, the Company is steadfast in its commitment to continue developing and following the principles of good corporate governance in its entirety. The details on the issues that the Company has yet to implement are as follows:

UNIMPLEMENTED OF CG PRINCIPLE	REASON/EXPLANATION
The Chairman of the Nomination and Remuneration Committee should be an independent director.	Pursuant to the Charter of the Nomination and Remuneration Committee of the Company, the Committee is required to consist of not less than 3 directors, at least half of whom must be independent directors, and the members of Nomination and Remuneration Committee must not be the Chairman of the Board of Directors or the Chief Executive Officer. As of 31 December 2023, the Company's Nomination and Remuneration Committee consists of 3 directors, 2 of whom are independent directors, which is more than half of the number of directors on this committee which is responsible for recruiting and considering all compensation of company directors. There is 1 non-executive director who holds the position of Chairman of the Nomination and Remuneration Committee. This is in line with the charter of the Company's Nomination and Remuneration Committee. It is noted that all directors are able to perform their assigned duties to the utmost ability and express their opinions independently without any intervention whatsoever.

UNIMPLEMENTED OF CG PRINCIPLE	REASON/EXPLANATION
The Corporate Governance and Sustainable Development Committee should comprise more than 50 percent of independent directors	Pursuant to the Charter of the Corporate Governance and Sustainable Development Committee of the Company, the Committee is required to consist of no less than 3 directors, with the Chairman not being the Chairman of the Board of Directors or the Chief Executive Officer, and the Chief Executive Officer is an ex officio director of said committee. As of 31 December 2023, the Company's Corporate Governance and Sustainable Development Committee consists of 4 directors, with 1 independent director serving as its Chairman. There are 2 non-executive directors and 1 executive director, as specified in said committee's charter, and all directors are able to perform their assigned duties to the fullest extent of their ability and express opinions independently. The current composition of said committee enables effective balance of power and efficient review of the Company's administration and management transparently, taking into important account the benefits of the Company and its shareholders.
Setting a policy regarding the minimum number of directors constituting a quorum at the time the Board votes at a Board meeting that there must be no less than two-thirds of the total number of directors.	The minimum quorum for a meeting of the Board of Directors according to Company's Articles of Association is specified as being no less than half of the total number of directors present at the meeting. The Board of Directors has considered and is of the view that the minimum quorum as currently prescribed for the Board to vote at the Company's Board of Directors meeting is still appropriate and consistent with the current business context of the Company and in accordance with the law.
The requirement that the structure of the Company's Board of Directors includes at least 2 female directors or at least 30 percent of the total number of directors on the Board.	The Company has stipulated that the Board of Directors have all required qualifications and must have none of the prohibited characteristics as specified by law. In addition, members of the Board of Directors are required to have knowledge, ability and experience that will be beneficial to business operations. Directors must also be honest, trustworthy, possess business ethics and have enough time, knowledge and ability to fully dedicate to performing duties for the Company and its subsidiaries. Candidates for the position of directors are considered without being limited by gender, race, religion, age or other specific abilities.

AWARDS FOR CORPORATE GOVERNANCE AND SUSTAINABILITY

In 2023, the Company received the following awards:

- The Company received a full score of 100 points from the project to assess the quality of the 2023 Annual General Meeting of Shareholders of listed companies (AGM Assessment Program), which is carried out by the Thai Investor Association for the fourth consecutive year.
- The Company has undergone the Thai listed companies' corporate governance (CGR) assessment and received a rating at the "excellent" or the 5-star level ▲▲▲▲▲ for the third consecutive year from the announcement of the survey results on corporate governance of listed companies for the year 2023 (2023 CGR) from the Thai Institute of Directors (IOD).
- The Company was selected as one of the companies listed in the group of "Sustainable Stocks SET ESG Ratings" for the year 2023 for the second year in a row in the service industry category, and has been classified as Level A which is operated by the SET. It is an assessment based on data pertaining to sustainable business operations, including environmental, social, and corporate governance (ESG) data, as a result of the Company establishing a strategy for sustainable development and giving importance to sustainable business operations while taking into account every stakeholder group and focusing on creating business growth under the principles of good corporate governance, transparency, and accountability, along with the mission of living in harmony with the community and the environment

PART 2

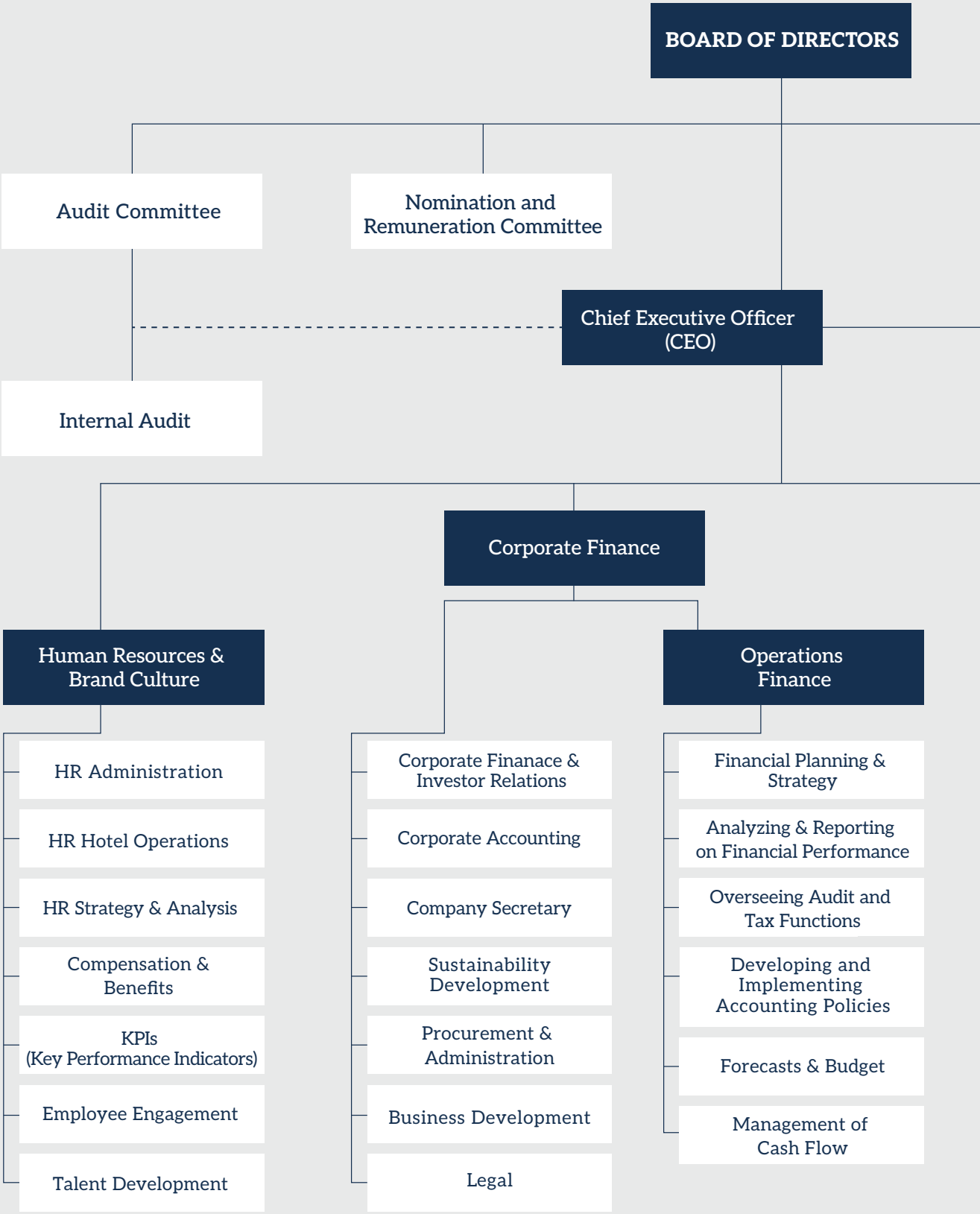
CORPORATE GOVERNANCE

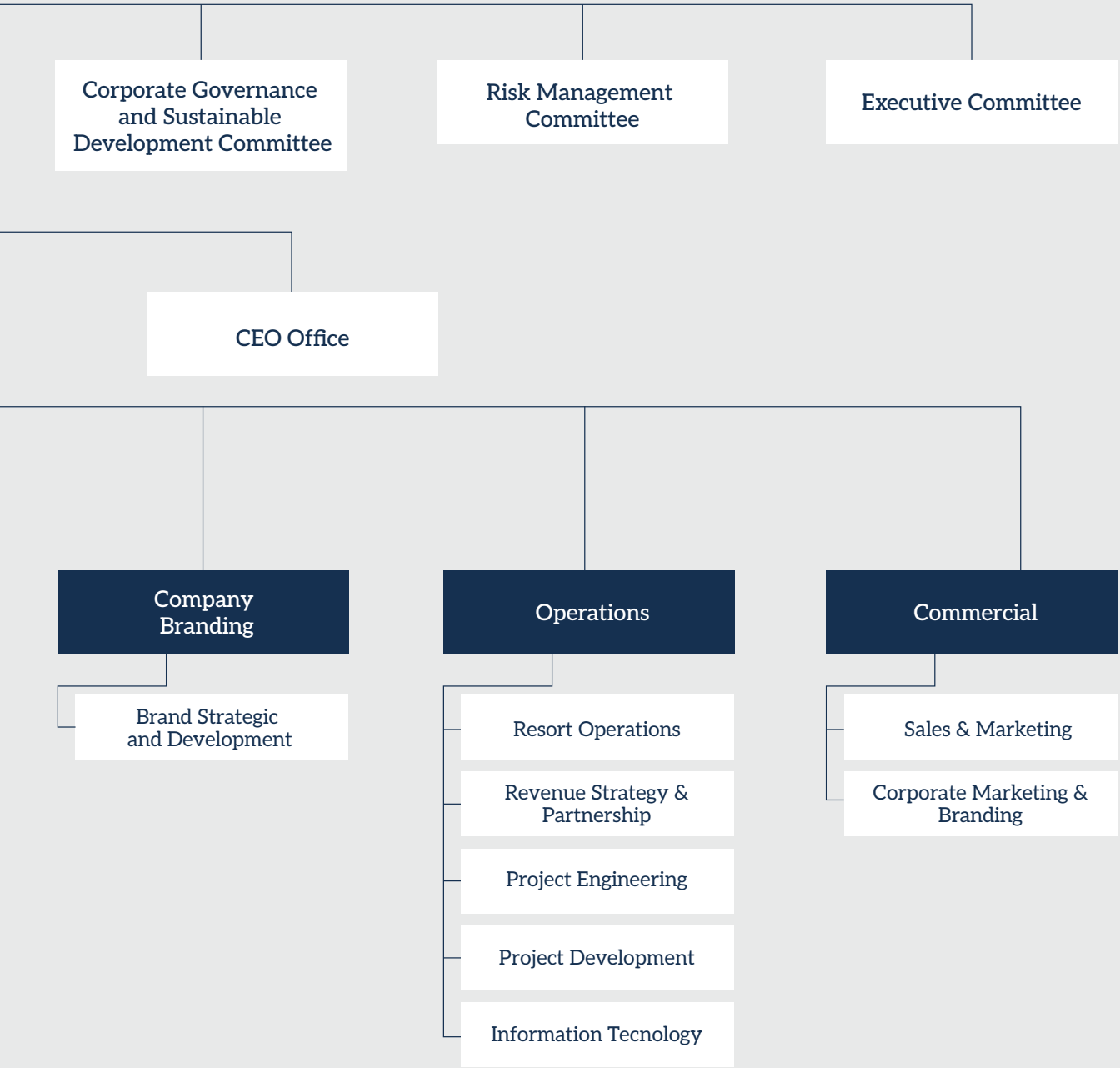
7

CORPORATE GOVERNANCE STRUCTURE

CORPORATE GOVERNANCE STRUCTURE

CORPORATE GOVERNANCE STRUCTURE OF S HOTELS AND RESORTS PUBLIC COMPANY LIMITED AS OF 31 DECEMBER 2023.





S Hotels and Resorts Public Company Limited

Service Agreement with Singha Estate Company Limited

BOARD OF DIRECTORS INFORMATION

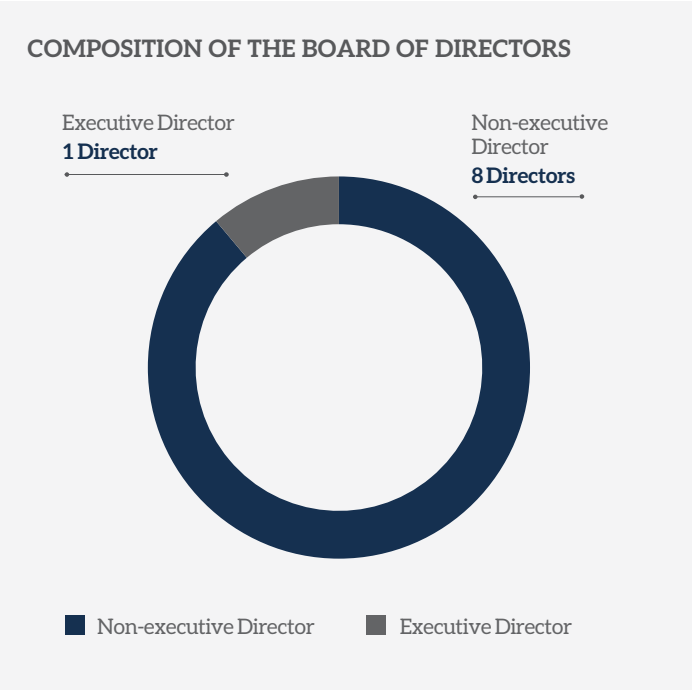
The Company's management structure as described below allows clear segregation of roles, duties, and responsibilities of the Board of Directors (or the "Board"), the sub-committees, and the management for checks and balances, as well as cross-checking of their performances.

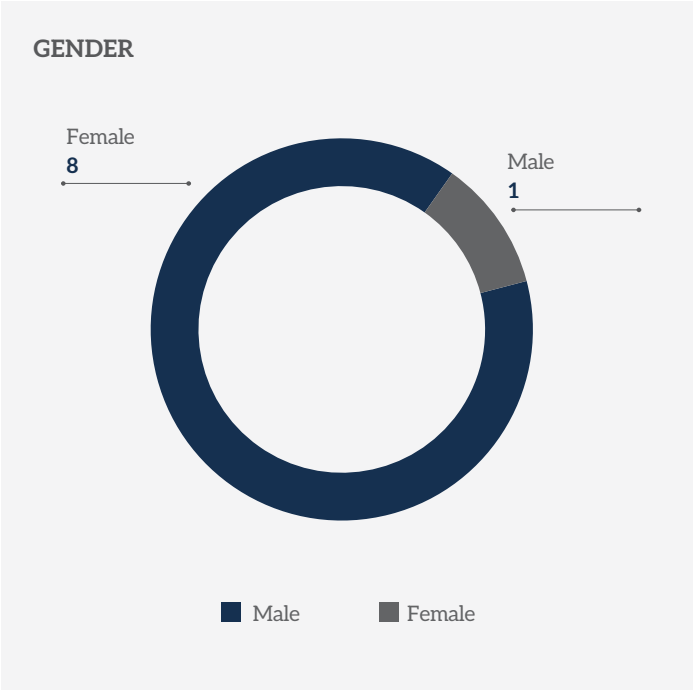
1. Board of Directors

The Board of Directors consists of directors with expertise and experience in various fields, with qualifications and no prohibited characteristics as stipulated in the Public Limited Companies Act, B.E. 2535 and the Securities and Exchange Act, B.E 2535. The directors must not possess any distrustful characteristics unsuitable for the management position in public limited companies under the announcement of SEC.

The Board of Directors, as of 31 December 2023, consists of nine directors which is suitable for the for business size and the Company's strategy as follows:

- 5 Independent Directors, representing more than one-thirds or 55.55% of the total members of the Board of Directors
- 8 Non-Executive Directors, representing 88.88% of the total members of the Board of Directors
- 1 Executive Director, representing 11.11% of the total members of the Board of Directors
- 1 Female Director, representing 11.11% of the total members of the Board of Directors





List of the Company's Directors as of 31 December 2023

NAME	AGE	GENDER	POSITION	FIRST APPOINTMENT DATE	YEARS IN POSITION
1. Mr. Apisak Tantivorawong	70	Male	Independent Director, and Chairman of the Board of Directors	15 October 2021	2 Years 2 Months
2. Mr. Sompong Tantapart	66	Male	Independent Director, and Chairman of the Audit Committee	30 November 2018	5 Years 1 Month
3. Mr. Praisun Wongsmith	64	Male	Independent Director, Member of the Audit Committee, and Member of the Nomination and Remuneration Committee	30 November 2018	5 Years 1 Month
4. Mr. Parinya Patanaphakdee	65	Male	Independent Director, Chairman of the Risk Management Committee, and Member of the Nomination and Remuneration Committee	23 February 2021	2 Years 10 Months
5. Mr. Jukr Boon-long	66	Male	Independent Director, Member of the Audit Committee, and Chairman of the Corporate Governance and Sustainable Development Committee	30 November 2018	5 Years 1 Month
6. Chayanin Debhakam, D.B.A.	54	Male	Director, Chairman of the Nomination and Remuneration Committee, and Member of the Corporate Governance and Sustainable Development Committee	10 November 2015	8 Years 1 Month
7. Mr. Naris Cheyklin	62	Male	Director, and Member of the Risk Management Committee	10 November 2015	8 Years 1 Month
8. Mrs. Thitima Rungkwansiriroj	62	Female	Director, Chairman of the Executive Committee, Member of the Risk Management Committee, and Member of the Corporate Governance and Sustainable Development Committee	29 June 2018	5 Years 1 Month
9. Mr. Michael David Marshall	61	Male	Director, Member of the Executive Committee, Member of the Risk Management Committee, Member of the Corporate Governance and Sustainable Development Committee, and Chief Executive Officer	16 November 2023	1 Month
AVERAGE DURATION OF TENURE FOR ALL BOARD MEMBERS					4 YEARS 6 MONTHS

Note:
The Board of Directors' Meeting No.7/2023 held on 27 October 2023, resolved to appoint Mr. Michael David Marshall as the Company's director and sub-committees, consisting of Member of the Executive Committee, Member of the Risk Management Committee, and Member of the Corporate Governance and Sustainable Development Committee in replacement of the resignation of Mr. Dirk Andre L. De Cuyper with effect from 16 November 2023 onwards.

AUTHORIZED DIRECTORS

The directors who are authorized to sign on behalf of the Company are: Chayanin Debhakam, D.B.A., and Mrs. Thitima Rungkwansiriroj who jointly sign with the Company's seal affixed, or any one director from Directors Group 1 jointly sign with any one director from Directors Group 2 with the Company's seal affixed. The group of directors are as follows:

Directors Group 1:	Chayanin Debhakam, D.B.A.,
	Mrs. Thitima Rungkwansiriroj
Directors Group 2:	Mr. Michael David Marshall

Duties, Authorities, and Responsibilities of the Board of Directors

(1) The Board of Directors shall have the powers, duties and responsibilities in the supervising of the business operation of the Company and its subsidiaries for compliance with the law, objectives and regulations of the Company, resolutions of the Board of Directors' meeting, and resolutions of the shareholders' meeting. It shall perform such powers, duties and responsibilities with honesty, integrity, and care for the best interests of the Company and its subsidiaries and shareholders. It shall also oversee compliance of the Company and its subsidiaries with the policies of the Company and its subsidiaries, relevant laws on the business operation of the Company and its subsidiaries as well as the anti-bribery and anti-corruption laws.

(2) To perform its duties with the same level of responsibility and caution that any entrepreneur in such business shall exercise under the same circumstance for the maximum benefits of the Company, its subsidiaries, and shareholders.

(3) To hold the Board of Directors meetings at least once every quarter. The meetings should be attended by all members of the Board of Directors when resolution on material issue or material transaction is required unless it is unavoidable for reason of necessity. Material transactions should include transactions required by law to have the approval resolution of the shareholders' meeting. Such material transactions are, for example, acquisition or sale of the Company's or its subsidiaries' assets that has significant impact on the Company or its subsidiaries, extended investment projects, consideration and authorization of related party transactions under the relevant criteria prescribed by the SEC and SET, setting the level of power as well as financial and risk management policies of the Company and its subsidiary, etc.

(4) To arrange to have the Company and its subsidiaries adopt appropriate and efficient accounting, financial reporting, and audit systems as well as adequate and efficient internal control and internal audit systems. Enforce regular suitability assessment of the internal control system of the Company and its subsidiaries.

(5) To have the Company's balance sheets and profit and loss statements on the last day of the calendar year, which is also the end date of the Company's accounting year, fully and accurately prepared to indicate its financial position and performance in the previous accounting year. This should be carried out under the generally acceptable accounting standards and shall be presented to the annual general meeting of shareholders for consideration and approval. The Board of Directors must arrange to have an auditor, who is approved by the SEC, audit the said balance sheets and profit and loss statements before presenting them to the shareholder's meeting. The financial statements shall be prepared and reviewed on a quarterly basis.

(6) To consider and approve the selection and nomination of an auditor. Consider appropriate remunerations as proposed by the Audit Committee before presenting them to the annual general meeting of shareholders for consideration and authorization.

(7) To set the objectives, primary goals, directions, policies, and important strategies by taking into consideration the business code of ethics, significant impacts on society and the environment as well as the financial objectives, business plans and budgets of the Company and its subsidiaries. Allocate key resources to achieve such objectives and goals. Oversee efficient and effective copliance of the Executive Committee's and the Management's administration with the prescribed policies, business plans and budgets to create maximum benefits for the Company, its subsidiaries, and shareholders.

(8) To consider, review, examine and authorize the business visions, policies, directions, strategies and plans of the Company and its subsidiaries, which are prepared by the Executive Committee and the Management, at least once a year to ensure suitability with the changing economic, marketing, and competitive situations.

(9) To consider and authorize the operations of the Company and its subsidiaries which must be consistent with the regulations of each company.

(10) To continuously monitor the operations of the Company, its subsidiaries and associate companies for compliance with the objectives, directions, policies, business plans and budgets of the Company and its subsidiaries. Regularly conduct performance evaluation of the Executive Committee and the Management as well as determine their remunerations and review their succession plans at least once a year.

(11) To consider and determine comprehensive risk management policies for the whole organization. Supervise the establishment of risk management systems or processes together with appropriate support and control measures to mitigate the impacts of risks on the business operations of the Company and its subsidiaries.

(12) To consider and determine mechanism of corporate governance that will enable the Company to monitor management of its subsidiaries as if it is one of the Company's own units. Set up measures for the monitoring of a subsidiary management to safeguard the Company's investment in compliance with Notification TorJor. 39/2559.

(13) To arrange to have corporate governance policies set up and adopted by the Company and its subsidiaries governance policies underwritten good governance principles. Encourage communication of such principles, such as the anti-corruption, whistleblowing, and use of insider information policies, to everyone in the Company for acknowledgment and strict compliance. Efficiently modify and implement such policies to ensure that the Company and its subsidiaries shall treat all relevant parties with fairness and responsibility.

(14) To consider and authorize the operating expenses and Delegation of Authority Schedule of the Company and its subsidiaries.

(15) To arrange to have written business code of conduct and ethics prepared and used as performance standards for the Company's directors, executives and officers. The Board of Directors should earnestly monitor their compliance with said business code of conducts and ethics.

(16) To arrange to have the Charter of the Board of Directors and sub-committees prepared and revised. Approve the sub-committee's proposed modifications of the Charter's contents to keep them updated and in compliance with the changing rules, regulations, and circumstances.

(17) To consider and determine the Company's administrative structure. The Board of Directors shall have the power to appoint the Executive Committee, Chief Executive Officer and other sub-committees as it deems appropriate as well as to determine the scope of authority and remunerations for the Executive Committee, Chief Executive Officer and sub-committees. Authorization of power under the prescribed scope of authority must not be done in a manner that allows the Executive Committee, Chief Executive Officer and sub-committees to be able to consider and approve transactions that may create any conflict, stake or conflict of interests with the Company or its subsidiaries, except when it is the authorization of transactions under the policies and guidelines that have been previously approved by the Board of Directors.

(18) To consider, determine, and change authorized directors. In the case where the position of a director is vacant due to reason other than expiration of the term of office, the Board of Directors, upon the recommendation of the Nomination and Remuneration Committee, shall select a person with the required qualifications and none of the prohibited characteristics under the Public Limited Companies Act and the Securities and Exchange Act as well as the relevant notifications, regulations and/or rules as a replacement director at the next meeting of the Board of Directors. This shall be carried out except when the remaining term of the outgoing director is less than two months.

(19) To appoint a person(s) to become a director or executive of the Company's subsidiary and associate companies proportionally to the number of their shares in such subsidiary and associate company. Determine the remunerations and scope of authority and responsibilities of appointed directors and executives, the power to vote at a meeting of the Company's subsidiary and associate company on important issues that require prior approval of the Board of Directors. Supervise the administration and the Management of the Company's subsidiaries and associate companies for compliance with the Company's operation plans and policies. Oversee accurate and full disclosure of the financial position and performance, related party transactions, and acquisition or disposal of material assets. Monitor and supervise compliance of directors and executives of the Company's subsidiaries and associate companies with their duties and responsibilities as prescribed by the law.

(20) To consider and propose remunerations for the Board of Directors as recommended by the Nomination and Remuneration Committee to a shareholder's meeting for consideration and approval. In determining such remunerations, the Board of Directors must take into consideration such factors as consistency with the Company's long-term strategies and goals, candidate's experiences, missions, roles, and scope of responsibilities as well as expected benefits from each director. The Company is prohibited from paying any money or asset to a director, except when it is specified in the Company's regulations. When the Company's regulations have not specified the forms of remunerations, payment of remunerations shall be as decided by the resolution of a shareholders' meeting, which must be passed by a vote of no less than two-thirds of the number of shareholders present at the meeting.

(21) To appoint the Company Secretary and determine his/her scope of authority and accountability when acting on behalf of the Company or the Board of Directors, for example, the preparation and keeping of the directors' registrar, sending letters of invitation to a shareholders' meeting, preparation of meeting minutes and keeping stakeholder reports.

(22) To consider and approve acquisition or disposal of assets of the Company and its subsidiaries, investment in new business and operations required by the law, notifications and/or regulations of the SET and SEC, other relevant rules, and criteria.

(23) To consider and/or give opinions on related party transactions between the Company, its subsidiaries, associate companies, and related parties as defined by the Securities and Exchange Act, relevant rules and regulations of the SET and SEC. Consider

and approve general trade agreement principles for entering related party transactions between the Company, its subsidiaries, associate companies and the directors, executives, or related parties. Determine fram works for the operation of the Executive Committee and the Management and their power to enter such transactions within the legal framework, scope of law, and relevant criteria. Consider and/or give opinions on entry into the Company's transactions (at the amount not requiring the approval of the shareholders' meeting) for compliance with the relevant laws, notifications, criteria, and regulations.

(24) To supervise, control, and prevent any conflict of interest between stakeholders of the Company and its subsidiaries. Solve problems of conflict of interests, unlawful use of the Company's and its subsidiaries' assets and inappropriate transactions between related parties and the Company and/or its subsidiaries.

(25) To ensure that existing structure and practices of the Board of Directors and sub-committees can support and provide appropriate supervision as well as can be suitably modified when necessary.

(26) To hold annual general meeting of shareholders within four months of the end date of the Company's accounting year.

(27) To disclose appropriate information and news to stakeholders, people with conflict of interests and related parties, and appropriately disclose important information and news to shareholders in the Company's financial statements and reports by initially disseminating them via the SET's system. Additional information may be disseminated on the Company's website. Appoint a responsible person(s) to provide data to investors. The Board of Directors should disseminate such information in an accurate, complete, appropriate, and timely manner.

(28) To prepare the Board of Directors' annual reports and is responsible for the preparation and disclosure of the Company's financial statements and performance outcome in the previous year and present them to shareholders' meetings for consideration and approval.

(29) The Board of Directors may authorize one or more directors to perform any task on its behalf under its supervision or may authorize said person(s) to act for a specific period that it deems appropriate. The Board of Directors may cancel, revoke, modify or revise its authorization as it deems appropriate. Such authorization must not be a delegation or sub-delegation of power that enable such person(s) to consider and approve any transaction that he/she or another person who may have any conflict, stake or conflict of interests can enter into with the Company or its subsidiaries (if any) (as defined in the Notification of the SEC and/or the SET and/or any notification of a relevant agency), unless it is the Company's regular transaction and is under the same criteria for an arm's length transaction with a third party.

(30) To solicit independent opinions from consultants in another profession when it deems necessary at the expense of the Company and its subsidiaries. The hiring of such consultants shall be in accordance with rules of the Company and its subsidiaries.

(31) To have joint accountability toward buyers or sellers of the Company's securities for any damage caused by the disclosure of information to shareholders of the general public by giving materially false statements or concealing material facts that should be disclosed under the laws on Securities and the Stock Exchange, unless such director can prove that his/her position or duties do not permit him/her to learn the truth of the information or to possess the information that should have been notified.

(32) It is the duties of the Company's directors and executives to inform the Company about their relationship, holding of shares or debentures of the Company, its subsidiaries or associate companies, including transactions by the Company's directors and executives or by a person(s) related to such directors and executives with the Company or its subsidiaries in a manner that may cause a conflict of interest. Avoid conducting any transaction that may cause a conflict of interests with the Company or its subsidiaries. Perform these duties in an accurate, complete, and timely manner.

(33) To have joint accountability toward any damage to the Company in accordance with the criteria prescribed in the Public Limited Companies Act.

(34) To consider and authorize payment of interim dividends in accordance with the Company's regulations when it is deemed that the Company has earned sufficient profits to do so. Report such interim dividend payments to the shareholders' meeting for acknowledgement.

(35) To perform any other duties related to the Company's business operations as assigned by the shareholders.

(36) To review the Charter of the Board of Directors at least once a year.

The additional details can be found in the "Charter of Board of Directors" stated in the document attached to this report, which is available on the Company's website at www.shotelsresorts.com.

Separation of the Chairman of the Board and the Chief Executive Officer Positions

The Board of Directors shall determine a clear scope of powers and duties for the Chairman of the Board and the Chief Executive Officer to prevent cases where anyone of these two positions has unlimited power. The Company will have different persons hold the positions of Chairman of the Board and Chief Executive Officer. The Chairman will not participate in managing day-to-day operations which is the responsibility of the Chief Executive Officer. This is for the balance of power between the Board of Directors and the management.

Roles, Duties, and Responsibilities of the Chairman of the Board of Directors

The Board of Directors shall appoint a suitable individual as the Chairman of the Board and entrusts them with ensuring the independence of expression within the Board's framework and operations. The Chairman plays an important role in overseeing, promoting, and supporting the duties of the directors to ensure compliance with laws and corporate governance for the accomplishment. In addition, the independent is the key factorn appointing the Chairman, which currently Mr. Apisak Tantivorawong, an independent director has been appointed as the Chairman of the Board of Directors with key responsibilities and duties of the chairman as follows:

- To preside over and call the Board of Directors meetings by assigning the Company Secretary to issue invitation to the said meeting with no less than 7 days prior to each meeting so that the directors may have sufficient time to study, deliberate, and make proper decisions at each meeting;
- To set meeting agenda in consultation with Chief Executive Officer;
- To efficiently control meetings, and to ensure sufficient time for the management to present supporting information for decision-making;
- To encourage and allow directors to make inquiries and express opinions and free discretion, including controlling issues to be discussed and summarizing resolutions of the meetings;
- To encourage the directors to attend the shareholders' meetings;
- To preside over the shareholders' meetings with efficiency as well as respond to inquiries from shareholders at the said meetings;
- In the consideration of agenda which directly concerns a given director with conflicts of interest, the Chairman of the Board of Directors must request that the given director with conflict of interest to declare his/her conflicts of interest and abstain from voting and leaving the meeting until the end of consideration of such agenda;
- To play a key role in encouraging and promoting directors' efficient performance and conformance to corporate governance and undertake any matters under their duties and responsibilities required by applicable laws, including promoting good relationship between the Board of Directors and the management; and
- To communicate crucial information with the Board of Directors.

The additional details can be found in the "Corporate Governance Policy" stated in the document attached to this report, which is available on the Company's website at www.shotelsresorts.com.

Roles, Duties, and Responsibilities of the Chief Executive Officer

The Chief Executive Officer as the head and leader of the Company's executives, is assigned by the Board of Directors to perform day-to-day business duties for the Company by strictly and honestly administering tasks with integrity under the business plans and budgets approved by the Board of Directors for the utmost benefits of the Company and its shareholders. The Chief Executive Officer shall not engage in vested interests or conflicts of interest with the Company and its subsidiaries. The scope of authority and responsibilities of the shall be as follows:

(1) To partake in determining policies, vision, objectives, strategies, business plans, and budgets with the Company's Board of Directors.

(2) To supervise the performance of the management for the benefit of the Company and ensure its conformity with the policies, vision, objectives, strategies, business plans, and budgets approved and authorized by the Company's Board of Directors and/or Shareholders' Meeting.

(3) To communicate with the Company's management and senior executives on how to manage the business operations under the vision and mission determined by its Board of Directors, as well as to maintain compliance with the strategies, business plans, and budgets approved and authorized by the Company's Board of Directors and/or Shareholders' Meeting, so that the management and senior executives can have a framework for the preparation of their operation and management plans.

(4) To supervise the overall management of finance, marketing, human resource, internal control, and other operations of the Company and subsidiary companies, in order to ensure compliance with the Company's policies and business plans approved and authorized by the Company's Board of Directors and/or Shareholders' Meeting, the law, rules, regulations, and requirements of relevant authorities, including the Company's rules, regulations, and Articles of Association.

(5) To order and issue regulations, criteria, notifications, and internal memoranda on the Company's operations to ensure compliance with its policies for the benefit of the Company, as well as to maintain good discipline in the organization.

(6) To ensure by supervision that every personnel of the management and executive is involved in promoting moral ethics and corporate governance as a corporate culture in the Company.

(7) To improve the organization and its operating results, as well as maintain constant development under the Company's strategies in order to achieve sustainable growth.

(8) To represent the Company in its communication with the shareholders, and encourage the Board of Directors to arrange appropriate and regular communication channels, including arranging disclosure of information in a transparent manner and under good standards.

(9) To represent the Company in its public relations efforts, particularly in networking and creating good corporate images for the Company, both domestically and internationally.

(10) To perform other undertakings as assigned or delegated by the Company's Board of Directors.

(11) Not to attend or approve a matter in which the Chief Executive Officer or a person with a potential conflict of interests (as defined in the notifications of the SEC) may be a stakeholder, receive benefits in any nature, or be involved in a conflict of interest of any other nature with the Company or subsidiary company, unless it is an authorization of a matter under a policy or criteria which has already been considered and approved by the Company's Board of Directors and/or Shareholders' Meeting.

(12) To consider and approve the day-to-day business of the Company, as well as operations in support thereof, which are under general commercial terms and whose commitment amounts do not exceed the budget approved by the Board of Directors, subject to the criteria of the SEC and SET in relation to connection transactions, and acquisition and disposal of assets, including the schedule for delegation of authority prescribed by the Company's Board of Directors;

(13) To monitor, investigate, and control the operating results of the Company, subsidiary and/or associate companies, in order to ensure good operating results according to the targets, report to the Board of Directors of the Company every quarter, and find new opportunities to further develop and improve such operating results.

(14) To arrange for studies into good investment opportunities in new projects, both in the technical and financial aspects in an appropriate and comprehensive manner, to support decision-making.

(15) To ensure compliance with the criteria of the SEC and SET in relation to connected transactions, and acquisition and disposal of assets, as well as the regulations of the Company as approved by its Board of Directors.

(16) To determine regulations, criteria, guidelines, and requirements for the corporate structure in relation to positions outside of the authority of the Nomination and Remuneration Committee, including employment, transfer, and termination of the Company's employees whose positions are outside of the authority of the Nomination and Remuneration Committee.

(17) To determine salaries, compensation, rewards, bonuses, and raises for executives and employees whose positions are outside of the authority of the Nomination and Remuneration Committee, subject to the scope and policies set out by the Company's Board of Directors.

(18) To consider and appoint advisors for matters necessary to the Company's operations.

(19) To delegate and/or assign his or her authority to a person or group of persons to carry out as instructed on his or her behalf under the scope of authority specified within the power of attorney of the Company and/or regulations, rules, or the resolution of its Board of Directors. Such delegation of authority by the Chief Executive Officer shall not cause any conflict of interests or any conflict in relation to the Company or subsidiary company. Otherwise, such transaction shall be presented for the consideration and approval of the Company's Board of Directors and/or Shareholders' Meeting (as the case may be) unless it is a regular transaction carried out by the Company under the criteria similar to an arm's length basis.

(20) In the event that the Chief Executive Officer holds a position as a director or executive in another company, the Chief Executive Officer must inform the Board of Directors prior to holding such position.

The additional details can be found in the "Scope of authority and responsibilities of the Chief Executive Officer" stated in the document attached to this report, which is available on the Company's website at www.shotelsresorts.com.

DETAILS OF SUB-COMMITTEES

The Sub-committees and Company Secretary

The Board of Directors assigns duties and responsibilities to five sub-committees consisting of the Audit Committee, the Risk Management Committee, the Nomination and Remuneration Committee, the Corporate Governance and Sustainable Development Committee, and the Executive Committee, in order to lighten the burden and transfer responsibilities in various aspects, with duties and responsibilities explicitly specified in the Charter of each committee. Please consider the performance report of each sub-committee in 2023 on the topic of "Report of the Audit Committee", "Report of the Risk Management Committee", "Report of the Nomination and Remuneration Committee", "Report of the Corporate Governance and Sustainable Development Committee", and "Report of the Executive Committee" which appeared in this One Report.

1. Audit Committee

The Audit Committee consists of independent directors, no less than three directors, with qualifications related to independence as specified by the SEC. The committee must include at least one member with sufficient knowledge and experience to perform the duty of reviewing the credibility of financial statements.

As of 31 December 2023, the Audit Committee consists of 3 members as follows:

NAME	POSITION	FIRST APPOINTMENT DATE
1. Mr. Sompong Tantapart	Chairman (Independent Director)	10 January 2019
2. Mr. Jukr Boon-long	Member (Independent Director)	30 November 2018
3. Mr. Praisun Wongsmith	Member (Independent Director)	30 November 2018

Mr. Sompong Tantapart serves as the Chairman of the Audit Committee, he has knowledge and sufficient experience in accounting and finance to perform his duty in reviewing the reliability of the Company's financial statements. The qualifications and work experience are appeared in attachment 1. Additionally, Mr. Saratool Sakarin, Assistant Vice President of Internal Audit, has been appointed to act as the secretary to the Audit Committee.

In 2023, the Audit Committee held a total of 5 meetings. Additionally, there were 2 joint meetings with the Risk Management Committee.

Scope of power, duties, and responsibilities of the Audit Committee

1. To review and ensure that the Company has prepared accurate and adequate financial reports in accordance with the financial statement standards. Collaborate with external auditor(s) and the executives responsible for the preparation of both the quarterly and annual financial statements. The Audit Committee may suggest that the auditor(s) reviews or examines any item that it deems important and necessary during an audit of the Company's accounts.
2. To review suitability and effectiveness of the internal control and internal audit systems. Consider freedom of the internal audit unit and approve appointment, transfer, termination consideration of the head of the internal audit unit or any other units responsible for the Company's internal audit and encourage compliance of the internal audit unit's operations with the professional standard for internal auditing in terms of suitability and adequacy of audit resources.
3. To review the Company's compliance with the laws on securities and stock exchange, requirements of the SET and SEC and/or the laws on the businesses of the Company and its subsidiary, including a review of compliance of subsidiary and associate companies with the criteria and policy on the regulation and management of subsidiary company and associate companies operating key businesses.
4. The Audit Committee should hold meetings to consider its assigned tasks as follows:
   a) To consider relevant financial statements and financial reports, accounting principles and practices, compliance with the accounting standards, business continuity, major accounting policy changes, including the Management's reasons for formulating specific accounting policies before presenting them to the Board of Directors for dissemination to shareholders and general investors.
   b) To consider the Company's internal control and internal audit.
   c) To consider and review the Company's annual audit plans, collaborate on relevant audit plans, conduct joint evaluation of the audit outcomes with the internal auditor and auditor. The Audit Committee should enquire about the scope of planned audit to ensure that such audit plan will enable detection of frauds or shortcomings of the internal control system.
   d) To consider and concur the annual budget, as well as the manpower and resources necessary to execute the duties of the Internal Audit Department.
   e) To conduct joint consideration with the internal auditor regarding problems or limitations detected during an audit. Review the internal auditor's performance.
   f) To conduct joint consideration with the auditor on the problems or limitations arising from an audit of financial statements.
   g) To conduct joint consideration with the internal auditor and auditor to ensure that there are plans for a review of the methods and control of electronic data processing in place. Enquire about specific safety projects to prevent computer fraud or abuse by the Company's officers or a third party.
   h) To consider and review transactions that may constitute a conflict of interest such as the Company's related party transactions.
   i) To consider the details related to the utilization of fundraising proceeds and monitoring that they are being employed in a correct and appropriate manner in accordance with the objectives that have been disclosed.

j) To comply with the laws on securities and stock exchange and/or other relevant laws.
k) To perform any other tasks assigned by the Board of Directors.

5. To consider, select, appoint, and terminate of independent auditors by a company requires careful consideration. The compensation offered to such personnel must be commensurate with their expertise and experience. The scope of the employment is well-defined by considering the auditor's independence and competency, as well as the duration of their duties for the Company. In addition, to attend a meeting with the auditor at least once a year to receive the results of the quarterly financial statement review and the annual financial statement audit. This meeting excludes management to ensure impartiality. During this meeting, any issues or obstacles that arise during the auditor's work need to be discussed.
6. To consider the approval of the engagement of an auditor for the purpose of undertaking additional work, specifically Non-Assurance Services, beyond the scope of the annual financial report audit as outlined in Section 5. The consideration is undertaken with the purpose of upholding the independence of the auditor during the audit process while ensuring compliance with prevailing laws and stipulated criteria.
7. To consider the establishment of a framework that would allow for the submission of both quarterly and annual financial statements in a manner that affords sufficient time for external auditors and the Audit Committee to conduct a comprehensive review of the statements.
8. To consider related party transactions or transactions that may cause a conflict of interests, consider the transaction requirements and terminate the transaction when they materially deviate from the requirements of previously determined transactions, and consider the acquisition or disposal of material transactions of the Company and its subsidiary for compliance with the laws and the SET's requirements to ensure that such transactions are reasonable and create maximum benefits to the Company. If the Audit Committee does not have the required expertise for the consideration of potentially related party transactions or other transactions, the Company shall engage an independent expert or the Company's auditor to provide opinions on related party transactions or said transactions to supplement the consideration and/or decision of the Audit Committee.
9. To review, assess, and monitor the risk management results from the Risk Management Committee.
10. To review Charter of the Audit Committee at least once a year and present it to the Board of Directors for approval.

The additional details can be found in the "Charter of the Audit Committee" stated in the document attached to this report, which is available on the Company's website at www.shotelsresorts.com.

2. RISK MANAGEMENT COMMITTEE

The Risk Management Committee shall consist of no less than three directors and at least one of its members must be an independent director. The Chief Executive Officer shall be an ex-officio member of the Risk Management Committee.

As of 31 December 2023, the Risk Management Committee consists of 4 members as follows:

NAME	POSITION	FIRST APPOINTMENT DATE
1. Mr. Parinya Patanaphakdee	Chairman (Independent Director)	11 August 2021
2. Mr. Naris Cheyklin	Member	25 April 2023
3. Mrs. Thitima Rungkwansiriroj	Member	26 February 2020
4. Mr. Michael David Marshall	Member	16 November 2023

Ms. Amornrat Su-archawarat[1] has been appointed as Secretary of the Risk Management Committee. In 2023, the Risk Management Committee held a total of 4 meetings. Additionally, there were 2 joint meetings with the Audit Committee.

[1] Ms. Amornrat Su-archawarat has been assigned under service agreement with the Company and Singha Estate.

Scope of power, duties, and responsibilities of the Risk Management Committee

1. To conduct an annual review of the Company's organizational risk management policy and present it to the Board of Directors for approval.
2. To determine and regularly review the Company's organizational risk management framework (consisting of risk management structure and process as well as risk appetite) and the Company's interest rate and currency exchange rate risk management framework at least once a year to ensure efficiency and compliance with international standards and compliance with the Company's business directions, strategies, and operation plans. Present the reviewed framework to the Board of Directors for acknowledgment.
3. To supervise, monitor and review key organizational risk management reports as well as reports on risk management in unusual circumstances, risk management of investment projects, risk assessment of fraudulence and corruption. Give advice and opinions on risk assessment outcomes, risk management measures and the Company's remaining risks to ensure that the Company's risk management measures are efficient and suitable for the Company's business operations and risk appetite as well as consistent with its risk management policy.
4. To report key risk management outcomes to the Board of Directors for acknowledgment when there are material factors or events that may affect the Company.
5. To conduct an annual review of the Charter of the Risk Management Committee to ensure efficiency, adequacy, and consistency with the changing situations, and present them to the Board of Directors for authorization.
6. To provide continuous and efficient support for the promotion of risk management and development of risk management tools at all organizational levels. Encourage and support improvement and development of organizational risk management system on a continuous and regular basis.
7. To be responsible for the performing of any other risk management tasks as assigned by the Board of Directors.
8. In performing its duties, the Risk Management Committee may ask for opinions of independent advisors, at the Company's expenses, when it deems necessary and appropriate.
9. To regularly communicate, share information as well as coordinate risk management and internal control operations with the Audit Committee.

The additional details can be found in the "Charter of the Risk Management Committee" stated in the document attached to this report, which is available on the Company's website at www.shotelsresorts.com.

3. THE NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee consists of at least 3 directors, half of whom must be independent directors and all of whom must not concurrently serve as Chairman of the Board of Directors or Chief Executive Officer.

As of 31 December 2023, the Nomination and Remuneration Committee consists of 3 members as follows:

NAME	POSITION	FIRST APPOINTMENT DATE
1. Chayanin Debhakam D.B.A.	Chairman	21 April 2022
2. Mr. Parinya Patanaphakdee	Member (Independent Director)	21 April 2022
3. Mr. Praisun Wongsmith	Member (Independent Director)	21 April 2022

Mr. Issarin Patramai, Chief Financial Officer and Company Secretary, serves as the Secretary to the Nomination and Remuneration Committee. In the year 2023, the Nomination and Remuneration Committee held a total of 8 meetings.

Scope of power, duties, and responsibilities of the Risk Management Committee

1. **Nomination Scope**
   1) To consider and establish nomination criteria and process as well as nominating a qualified person to serve as a director, member of subcommittees when their terms are due, or the positions become vacant whereby the Committee shall propose to the Board of Directors for consideration and/or the Shareholders for consideration (as the case may be).
   2) To review the structures, sizes, and compositions of the Board and subcommittees to ensure it is commensurate with the Company's size and business strategies as well as changing circumstances.
   3) In determining the method and criteria of nomination, the following must be considered.
      - Qualifications of individuals that are appropriate and in line with the Company's business strategy and according to the size structure and the composition of the board of directors as prescribed by the Board of Directors, as well as board diversity and the competencies of directors that are necessary and still lacking in the Board of Directors (Board Skill Matrix).
      - Diversity in knowledge, expertise, skills, experience, and time dedication of the directors.
   4) In case the position of 6.1 (1) becomes vacant due to
      4.1 Term completion: Recruit and nominate qualified director and propose them to the Board before seeking approval from the annual general meeting of shareholders
      4.2 Other reasons: Recruit and nominate qualified individualsto propose to the Board of Directors for approval on appointment to fill such position.
   5) To spur the Company on giving minor shareholders opportunities to nominate directors.
   6) To select directors that are qualified to serve as members of sub-committees to propose to the Board of Directors for approval on the appointment where necessary or when a position becomes available.
   7) To determine the qualifications of the Chief Executive Officer and select the top management, C-Level and Senior Vice President, or other positions which are the same level including General Manager of Self-managed Hotel as (1) a guideline for the Chairman of Executive Committee in scrutinizing qualified person to serve as the Chief Executive Officer before proposing to the committee and the Board of Directors for approvals, respectively. And as (2) a guideline for the Chairman of Executive Committee and/or the Chief Executive Officer in scrutinizing qualified persons to serve as the Company's top executives before proposing to the Committee for approval.
   8) In the case of a listed subsidiary and/or an associate, the Committee shall consider and propose a list of qualified individuals to serve as representative directors and/or representative executives in key positions (including the proposal for removal) and shall propose to the Board of Directors for consideration and approval to submit the list to a listed subsidiary and/or an associate according to the principle of exercising rights in proportion to the Company's shareholding.
   9) In the case of a non-listed subsidiary and/or associate, the Committee shall consider and approve the structure of the directors and management positions that the Group Companymay fill as representative directors ("Specific Persons") and propose to the Chairman of Executive Committee for consideration to select and appoint such persons from Specific Persons as representative directors according to the type of business conducted and/or the sort of business by each company including to determine their remuneration (if any). The aforementioned appointment shall be reported to the Committee for acknowledgment on an annual basis. In terms of a representative executive, the Chief Executive Officer is responsible for the consideration and appointment of representative executives.
   10) To regularly review the succession plan for the Chief Executive Officer togeter with the list of potential successorsand propose the appointment to the Board of Directors when the position becomes available.

2. **Remuneration Scope**
   2.1 Directors' Remuneration
   1) To establish policies and criteria for remuneration payment andremunerationratesinbothmonetaryandnon-monetary forms for the Board of Directors and subcommittees that are clear, fair, reasonable and commensurate with their responsibilities and the Company's performance both short-term and long-term and at a level that is attractive compared with other listed companies in the same industry and present to the Board of Directors for consideration prior to the Board of Directors proposing the remuneration for directors at the annual general meeting of shareholders for approval.
   2) To endorse and review the Board performance assessment forms and table it at the Board of Directors' meeting for approval and assessment. The Committee will use such assessment results for their Charter of the Nomination and Remuneration Committee consideration of directors' remuneration each year and report the

assessment results to the Board for acknowledgment including seeking guidelines for further improvements.

3) To propose appropriate remuneration criteria that are commensurate with directors' responsibilities by juxtaposing remunerations with performance outcomes, business plans, and overall performance of the Company to motivate and retain competent, quality, and capable directors. The Board of Directors shall certify such criteria and recommend them to the annual general meeting of shareholders for approval.

2.2 Chief Executive Officer's and Senior Executives' Remuneration

1) To consider, approve, and review the annual performance assessment form together with the Corporate KPI of Chief Executive Officer and top management (C-Level and Senior Vice President, or other positions which are the same level including General Manager of Self-managed Hotel).
2) To consider, approve, and review the structure and elements of the Chief Executive Officer and acknowledge the structure and elements of top management (C-Level and Senior Vice President, or other positions which are the same level including General Manager of Self-managed Hotel)'s remuneration annually.
3) To conduct annual performance assessment of the Chief Executive Officer and use the assessment results to arrive at a decision on suitable remuneration for the Chief Executive Officer.
4) To acknowledge and agree the annual performance of top management (C-Level and Senior Vice President, or other positions which are the same level including General Manager of Self-managed Hotel) as assessed by the Chief Executive Officer of which the Committee could make any comment and/or disagree with it.

3. To consider, review, and revamp the Charter of the Nomination and Remuneration Committee at least once a year and propose to the Board of Directors for approval.

4. To perform other actions as assigned by the Board of Directors with the approval of the Committee.

The additional details can be found in the "Charter of the Nomination and Remuneration Committee" stated in the document attached to this report, which is available on the Company's website at www.shotelsresorts.com.

4. THE CORPORATE GOVERNANCE AND SUSTAINABLE DEVELOPMENT COMMITTEE

The Corporate Governance and Sustainable Development Committee consists of at least 3 directors whereby the Chairman of the Committee must not be the Chairman of the Board of Directors or Chief Executive Officer. The Chief Executive Officer shall be an ex-officio member of the Corporate Governance and Sustainable Development Committee.

As of 31 December 2023, the Corporate Governance and Sustainable Development Committee consists of 4 members as follows:

NAME	POSITION	FIRST APPOINTMENT DATE
1. Mr. Jukr Boon-long	Chairman (Independent Director)	21 April 2022
2. Chayanin Debhakam D.B.A.	Member	21 April 2022
3. Mrs. Thitima Rungkwansiriroj	Member	21 April 2022
4. Mr. Michael David Marshall	Member	16 November 2023

Ms. Sirithorn Thamrongnawasawas[2], has been appointed to the position of Secretary of the Corporate Governance and Sustainable Development Committee. In the year 2023, the Corporate Governance and Sustainable Development Committee held a total of 6 meetings.

[2]Ms. Sirithorn Thamrongnawasawas has been assigned under service agreement with the Company and Singha Estate

Scope of power, duties, and responsibilities of the Executive Committee

1. To consider and develop guidelines and make recommendation on a policy, strategy, operating framework including identifying goals to achieve corporate governance and sustainable development pertaining to ethics and code of business conduct as well as policies/measures against corruption to the Board of Directors and the Management Team in an effort to adopt an entire organization regulation that meets acceptable standard in line with the objective of an organization that aims to build confidence and bring in sustainability to all stakeholders.
2. To supervise, monitor, advise and review corporate governance and sustainable development operations; leading to practice, promoting participation in carrying out various projects under the corporate governance and sustainable development framework with both relevant internal and external units to reach international standards.
3. To provide consultation, promote, and support both resources and personnel for the dissemination of strategies and instilling culture of corporate governance and sustainable development to ensure executives and employees at all levels share the same perception and ensure that the entire enterprise as well as subsidiaries shall adhere to the practice and perform it in the same direction.
4. To support and advise the Board of Directors and the Management Team to receive the assessment or ranking of corporate governance to consistently raise the Company's corporate governance standards.
5. To summarize annual performance comprising management of corporate governance and sustainable development, and report to the Board of Directors at least once a year.
6. To review or update the Charter of Corporate Governance and Sustainable Development at least once a year and present it to the Board of Directors for approval.

The additional details can be found in the "Charter of the Corporate Governance and Sustainable Development Committee" stated in the document attached to this report, which is available on the Company's website at www.shotelsresorts.com.

5. THE EXECUTIVE COMMITTEE

The Executive Committee is appointed by the Board of Directors at the number and composition of executives that the Board of Directors deems appropriate. There shall be at least three members, consisting of a certain number of directors and the Company's executives or qualified individuals who have been appointed by the Company's Board of Directors.

As of 31 December 2023, the Executive Committee consists of 5 members as follows:

NAME	POSITION	FIRST APPOINTMENT DATE
1. Mrs. Thitima Rungkwansiriroj	Chairman	10 January 2019
2. Mr. Chairath Sivapornpan	Member	4 July 2019
3. Mr. Michael David Marshall	Member	16 November 2023
4. Mr. Issarin Patramai	Member	17 August 2023
5. Mr. Stefano Alberto Ruzza	Member	23 February 2021

Mr. Issarin Patramai, Chief Financial Officer, serves as the Secretary to the Executive Committee. In the year 2023, the Executive Committee held a total of 12 meetings.

Scope of power, duties, and responsibilities of the Executive Committee

1. To operate and manage the operations of the Company and its subsidiaries in accordance with the objectives, regulations, policies, rules, requirements, directions, and resolutions of the Board of Directors meetings.
2. To screen and propose the objectives, business plans and business strategies, financial goals and annual budgets, business expansion, management structure, annual operational plans, human resource management plans, financial plans, public relations and budgets of the Company and its subsidiaries with consideration to appropriate business factors and present them to the Board of Directors for consideration and approval. The Executive Committee shall also consider and screen the Management's proposals and subsequently submit them to the Board of Directors for consideration and approval.
3. To regulate, inspect and supervise business conducts of the Company and its subsidiaries; monitor performance of the Company and its subsidiaries for compliance with the prescribed goals, policies and business plans. Supervise the spending of the Board of Directors' approved budgets and report its performance to the Board of Directors.
4. To appoint, supervise, collaborate, and determine the powers and duties of special task forces or administrative teams as well as consider and approve their proposals. It shall have the power to appoint Chairman of the Advisory Board, advisors, or the Executive Committee's advisory board as it deems suitable. It shall also have the power to determine remunerations, allowances, welfare, facilities and other expenses for Chairman of the Advisory Board, advisors and members of the Advisory Board as deemed appropriate.
5. To determine appropriate procedures and methods of transaction between the Company or its subsidiaries and the Company's major shareholders, directors and executives to prevent misappropriation of interests and present them to the Board of Directors for approval in principle as well as oversee compliance with the principles and requirements that have been approved by the Board of Directors.
6. To consider and approve the Company's normal business transactions, agreements, investment or divestment of assets of the Company and its subsidiaries, human capital management, finance and treasury, general administrative affairs as well as any transactions made to support the Company's normal business under general trading conditions within the amount authorized by the Board of Directors or the amount that the Board of Directors has resolved to approve in principle in accordance with the rules of the SEC and the SET regarding connected transactions, acquisition and disposal of assets and the Delegation of Authority prescribed by the Board of Directors. It shall have the power to approve the opening or closing of bank accounts and using banks and financial institutions' financial services.
7. To consider profits and losses of the Company and its subsidiaries, proposed interim dividend payment, and present them to the Board of Directors for approval. Give advice on dividend payment policies and consider proposed payment of annual dividends of the Company and its subsidiaries for approval of the Board of Directors before presenting to the shareholders' meeting.
8. To conduct feasibility study for investment in new projects by conducting appropriate and full technical and financial studies. Submit feasibility study results to supplement its decision or consideration on investment termination and present them to the Board of Directors.
9. To monitor the performance and progress of the Company's investment projects in individual businesses and report the performance outcome as well as problems or obstacles and guidelines for their improvement or correction to the Board of Directors for acknowledgment.
10. To obtain the Company's vital data for presentation to the Board of Directors and shareholders to supplement their decision-making efforts. Prepare reliable financial reports in accordance with the best transparency practices and standards.
11. To have executives, employees and relevant persons attend the Executive Committee's meetings or provide information related to the meeting agenda under discussion at the Executive Committee's meetings. Have the power to call for information from various work units of the Company and its subsidiaries to supplement additional consideration on various matters.
12. To have the power to consider and authorize financial transactions with financial institutes regarding the opening of an account, obtaining loans, withdrawing money from all of the Company's accounts as well as to use the Company's credits and assets as collaterals for such loans, both registered and non-registered loans, for the benefit of the Company's operations. Enter into legal contracts, submit applications, proposals, communications and enter into legal contracts with government agencies in order to obtain the Company's rights and/or act in any way relating to such matters within the prescribed amount and/or complete the work under the Delegation of Authority prescribed by the Board of Directors and/or the relevant laws and criteria and/or the Company's regulations.

13. To have the power to obtain independent opinions from professional advisors, at the Company's expense, when it is deemed necessary. Hiring of such independent advisors shall be in accordance with the Company's practices and regulations.
14. To arrange to set up procedures requiring operators to report unusual incidents or acts of violation of the law to the Executive Committee in a timely manner. For incidents with material impacts, the Executive Committee must report them to the Board of Directors for acknowledgment and solution consideration within an appropriate time period.
15. To regularly report its performance and any necessary matters that should be submitted to the Board of Directors for acknowledgment presentation to the next Board of Directors' meeting.
16. The Executive Committee has the power to authorize one or more persons to perform any task on its behalf under its supervision or may authorize such person(s) to act for a specific period that it deems appropriate. The Executive Committee may cancel, revoke, modify or amend the name of the authorized person as it deems appropriate. Such authorization must not be a delegation or sub-delegation of power that enables the authorized person(s) to approve any transaction that he/she or another person who may have any conflict (as defined in the Notification of the SEC and/or the SET and/or any notification of a relevant agency), stake or any conflict of interests can enter into with the Company. The Executive Committee has no power to authorize the execution of such matters, which must be presented to the Board of Directors meeting and/or the shareholders' meeting (as the case maybe) for further approval, unless it is the Company's ordinary business transaction and is under the same criteria for an arm's length transaction with a third party.
17. To conduct any operation in accordance with the Board of Directors' opinions or as authorized by the Board of Directors.
18. To check and assess the adequacy of this Charter by comparing the performance of the Executive Committee for compliance with the requirements of the Charter in order to apply the results of such assessment to improve its future performance.

The additional details can be found in the "Charter of the Executive Committee" stated in the document attached to this report, which is available on the Company's website at www.shotelsresorts.com.

DETAILS OF EXECUTIVES

As of 31 December 2023, the management team consists of 9 executives (as defined in the Notification of SEC) as follows:

NAME	TITLE
1. Mr. Michael David Marshall	Chief Executive Officer (Appointed on 16 November 2023)
2. Mr. Issarin Patramai	Chief Financial Officer and Company Secretary (Appointed on 24 July 2023)
3. Ms. Kankanid Wichitcharoen	Senior Vice President – Finance (Appointed on 1 January 2019)
4. Mr. Stefano Alberto Ruzza	Senior Vice President – Operations (Appointed on 1 June 2020)
5. Ms. Patteera Maneesri	Vice President – Human Resource and Corporate Culture (Appointed on 1 March 2022)
6. Mr. Hyunsu An	Vice President – Revenue Strategy and Partnership (Appointed on 21 November 2022)
7. Mr. Ludovic Gallerne	Vice President – Global Commerce (Appointed on 7 March 2023)
8. Ms. Supapun Sthianrapapong	Vice President – Accounting (Appointed on 1 March 2023)
9. Mr. Ekachai Keeratikrittin	Vice President – Corporate Finance (Appointed on 16 October 2023)

Note: The Executives who resigned during the year 2023 were as follows.

NAME	TITLE
1. Mr. Dirk Andre Lena De Cuyper	Chief Executive Officer (Resigned from the position, effective from 16 November 2023)
2. Ms. Samitta Tinnam	Chief Financial Officer and Company Secretary (Resigned from the position, effective from 1 March 2023)

REPORT ON CHANGE OF SECURITIES HOLDING OF DIRECTORS AND EXECUTIVES

As of 31 December 2023, the report on changes of securities holding of Directors and Executives is as follows:

NAME	SHAREHOLDING INFORMATION AS OF 31 DECEMBER 2022			SHAREHOLDING INFORMATION AS OF 31 DECEMBER 2023			CHANGE
	DIRECT	INDIRECT	SHAREHOLDING PROPORTION (%)	DIRECT	INDIRECT	SHAREHOLDING PROPORTION (%)	NUMBER OF SHARES
1. Mr. Apisak Tantivorawong	-	-	-	-	-	-	-
2. Mr. Sompong Tantapart	-	-	-	-	-	-	-
3. Mr. Praisun Wongsmith	-	-	-	-	-	-	-
4. Mr. Jukr Boon-long	-	-	-	-	-	-	-
5. Mr. Parinya Patanaphakdee	-	-	-	-	-	-	-
6. Chayanin Debhakam, D.B.A.	40,020	-	0.0011	40,020	-	0.0011	-
7. Mr. Naris Cheyklin	1,000,060	-	0.0278	60	-	0.0000	1,000,000
8. Mrs. Thitima Rungkwansiriroj	-	-	-	-	-	-	-
9. Mr. Michael David Marshall	-	-	-	-	-	-	-
10. Mr. Issarin Patramai	80,000	-	0.0022	80,000	-	0.0022	-
11. Ms. Kankanid Wichitcharoen	10,000	-	0.0002	21,000	-	0.0005	11,000
12. Mr. Stefano Alberto Ruzza	-	-	-	-	-	-	-
13. Ms. Patteera Maneesri	-	-	-	-	-	-	-
14. Mr. Hyunsu An	-	-	-	-	-	-	-
15. Mr. Ludovic Gallerne	-	-	-	-	-	-	-
16. Ms. Supapun Sthianrapapong	-	-	-	-	-	-	-
17. Mr. Ekachai Keeratikrittin	-	-	-	-	-	-	-

Note:
The number of indirect shares mentioned above included the shares held by spouse and minor children of the Company's directors and executives.

Executives Remuneration

Criteria of Remuneration for Chief Executive Officer and Senior Executives

The Nomination and Remuneration Committee has been annually assigned by the Board of Directors to consider, approve, review the performance evaluation, and formulate the Corporate KPI as well as the remuneration structure and composition of the Chief Executive Officer and other top executives. The evaluation result shall be included when considering an appropriate remuneration for the Chief Executive Officer, which shall be further proposed to the Board of Directors for acknowldgement. The remuneration of the Chief Executive Officer may be paid in forms of salary, bonus and/or other remunerations as appropriate and by comparing them with other listed companies in the same industry and similar business size.

Chief Executive Officer's Remuneration

The evaluation result of the Chief Executive Officer was in the standard level. At present, the remuneration of the Chief Executive Officer accounts for 15.79% of the total wages of office employees working at the head office.

Monetary Remuneration

In the fiscal period ended 31 December 2023 the total remuneration of the first 4 executives, which included the Chief Executive Officer and another 4 executives holding the equivalent titles in the total of 9 persons, and another 2 executives who resigned during this year amounted to THB 56.93 million. This total remuneration consisted of salary and allowance amounting to THB 44.41 million, bonus amounting to THB 3.19 million, Provident Fund amounting to THB 2.69 million, social securities fund contributions amounting to THB 66,000, and others amounting THB 6.58 million.

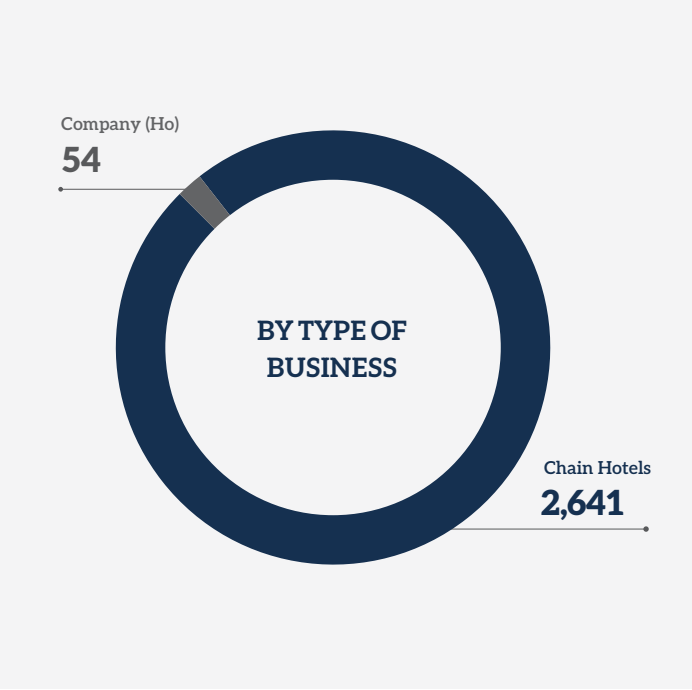
In 2023, the Company's executives who were members of the Provident Fund were contributed 5% of their salary rate. The executives who have served for the Company longer than 5 years were contributed 8% of their salary rate in line with general rules and obligations of the Provident Fund complied by the Company.

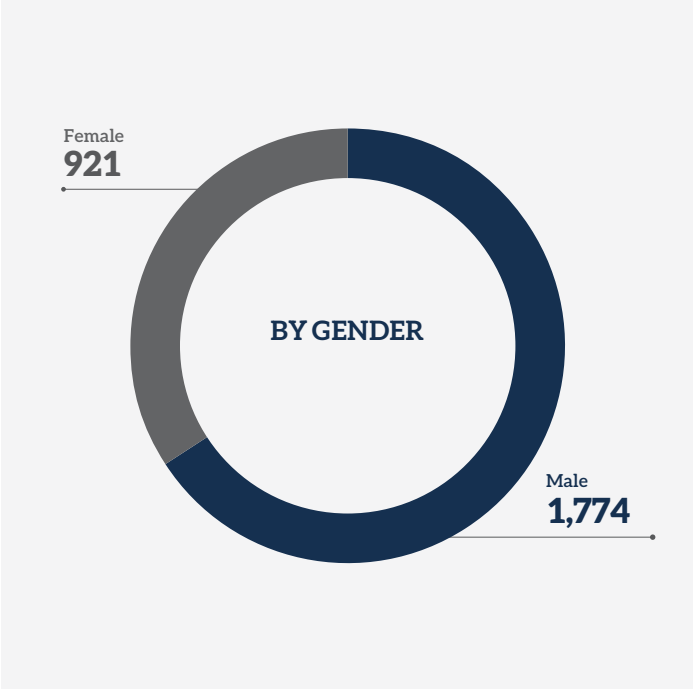
Privilege for special price of accommodation rooms at any of the Company's hotels, either local or foreign. For the long-term remuneration, it would be a plan for the Employee Stock Option Program (ESOP).

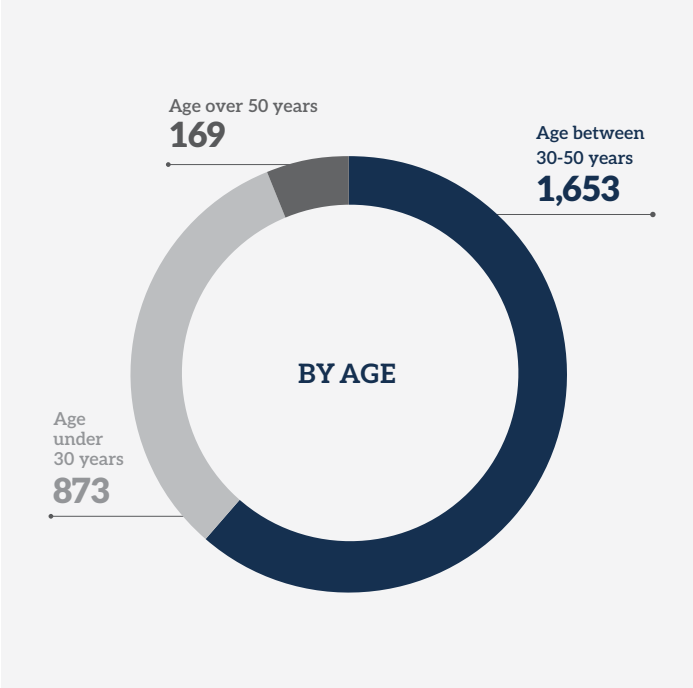
PERSONNEL

Number of executives and employees as of 31 December 2023

YEAR 2023	COMPANY (HO)	CHAIN HOTELS	TOTAL
Operating/service staff (person)	0	2,580	2,580
Management staff (person)	10	61	71
Employees in the Head Office (person)	44	0	44
Total (person)	**54**	**2,641**	**2,695**







Changing number of employees during the past 3 years

YEAR	2021	2022	2023
Number of employees at the end of the year	2,273	2,663	2,695

Employees Compensation

The Company has the policy of the compensation payment to its executives and employees in forms of salary and/or bonus which are relevant to appropriateness, competence, security of career path, and fair career progress. Such compensation must be also subject to the Company's operating performance, which is competitive to attract and retain the executives and employees who are essential to the Company's long-term success. Other fringe benefits are also provided for the Company's employees as required by law, such as social security, Provident Fund, annual physical check-up, and other beyond legal requirements such as health insurance, accident insurance for employees and their family members, cost of living allowance, accommodation room rates specifically offered for employees, parties, and employee shuttle bus, etc.

The Company and its subsidiaries, as of 31 December 2023, consisted of 2,695 executives and employees. In 2023, the Company and subsidiaries have paid the compensation, including salary, overtime, cost of living allowance, bonus, special financial support, social security, and contributions to the Provident Fund, etc. amounted to THB 1,539.18 million. In 2023, the proportion of compensation between female employees and male employees accounted for 41%.

Provident Fund

Except for the compensation mentioned above, the Company supports the saving as a financial security of employees. The provident fund was established in 2015 in accordance with the Provident Fund Act, B.E. 2530, which prescribes the Company to pay the contribution into the fund at rates of 5%, 8%, or 10% of salary of employees while the employee may decide to pay his savings to the fund through the employer's deduction from wages for 3%, 5%, 8%, 10% or 15% of each payment of his wages. As of 31 December 2023, the proportion of employees participating in the provident fund if compared with the total number of employees was as follows:

COMPANY	NUMBER OF EMPLOYEES PARTICIPATING IN THE PROVIDENT FUND	PROPORTION OF EMPLOYEES PARTICIPATING IN THE PROVIDENT FUND / TOTAL EMPLOYEES (%)
Company and Subsidiaries	1,676	62.19

Human Capital Management and Corporate Culture

The Company has been highly determined to personnel development as it strongly believes that personnel are one of the most valuable assets of the Company. The Company's structure of human resources and corporate culture works are summarized to make it be known as an organization in the service sector that general people want to work with through development under S Hotels and Resorts Employee Value Proposition. The capable and appropriate personnel are invited to work with the Company through the unique recruitment process. The engagement between employees and organization have been tied sustainably through the professional development of each employee.

Organizational Development and Brand Culture Establishment

The Company has developed "Our PRIDE Moments" indicating 8 dimensions in order to offer the pleasant environment and organization to all employees through activities of recognition, celebration, survey & feedback, well-being of our employees, training & support, team activities, community event, and rewards.

The Company pays attention to create the working environment which provokes creativity to the organization, and inspires other employees to conform to, e.g., birthday celebration activity, work anniversary activity, Happy to Se(a) You activity in order to have the organization engagement.

The Company values the opinion sharing through any survey in every activity it arranges, as well as training and development. All executives support the opinion acceptance policy to show the transparent management to employees and business management.

The Company also pays attention to giving opportunities of learning and potential development in its executives and staff, which must go on in the same direction of the future businesses. The Company also takes account of necessities in building knowledge and skills of each working line. Therefore, the demands on learning in each working line have been surveyed and used to establish the development plan of each title. The annual training plan is always planned along with the personnel development through other channels to support the business expansion in the future. The occupational development plan of each employee is formulated as well.

Fair Employment / Dismissal

The Company carries out the fair employment and dismissal and has fair treatment to workers whereas they must comply with laws, rules, and regulations required by law strictly. The Company also adheres to and complies with the human rights principles.

Recruitment of smart and proper employees, and personnel development to keep potential employees in the organization

The Company has adhered to the intent that a successful factor of the business operation is to recruit "smart and appropriate personnel, and to develop potential employees to work for the organization sustainably". Therefore, the Company uses the personnel screening system with international standards to screen the preliminary qualifications. The work interview system has been developed as well to be relevant to the main corporate value "PRIDE". This shall be a main force driving the Company to grow up and attain the business goals established efficiently. Meanwhile, the Company sets up the individual career development plans for potential employees to retain them for the organization sustainably.

- Manpower: For employment of employees, the Company takes account of the manpower as necessary under the work plan, strategy, work development framework, rules, and regulations, working procedure, internal control, budget, and economic outlook, and adaptation under crises, as well as the allocation and adjusting the manpower to fit to the Company's business operation.
- Recruitment and selection of employees: The Company's employment must be fair without discrimination, equitable to everyone with no bias in race, religion, color, gender, or belief. This also covers the disabled or other underprivileged persons. The applicants are to be employed by the Company based on their qualifications and experience, skills, appropriate abilities that are relevant to positions to be employed. The Company has no policy of employing unlawful labors.
- Employment of the disabled, underprivileged persons or elderly in accordance with the cooperation policy with the government sector: This type of employment was based on appropriateness. In 2023, the Company has employed 1 employee aged older than 60, and contributed THB 598,600 to the Fund for Empowerment of Persons with Disabilities as required by law completely and punctually.
- The Company has supported the educational institutes which requested for the Company's support for internship and career development for students in the training project. Such support was in conformity with related rules and laws and based on students' consent and willingness. In this regard, the Company strictly complies with its policy neither to violate the child labor's human rights nor to seek any unlawful benefits.

Occupational Safety and Health and Environment

To ensure that the employees of the Company have good physical and mental health, and work safety, the Company cares for safety, health, and work environment through the following projects, activities, communications, and rules and regulations:

- Arrangement of healthy and safe work environment where the fire equipment is properly installed in specific points, and is also checked regularly
- Communications about safety practice guideline, controlling all personnel to care for hygiene and order in working and common areas
- Annual physical check-up
- Medical rules and privileges for sick personnel, and coverage for personnel who become disabled or dead.
- Sharing of opinion on improving safe working conditions and methods
- Internal announcement regarding the prohibition on Cannabis and Kratom
- Provision of the first aid kit at the Company's office
- Spraying the disinfectant if the COVID-19 case is found in the office
- Annual fire drill
- Arrangement of the basic firefighting training program, both theoretical and practical

In the year 2023, the Company encountered cases of work-related injuries leading the number of lost times a total of 51 times. The Company has implemented accident prevention measures, including the following:

- Improving the work environment to be conducive and safe.
- Communicating safety guidelines and ensuring that all employees maintain cleanliness and orderliness in the work area and the common areas' health.
- Providing training to impart knowledge and raise awareness of safety, health, and environmental conditions in the workplace.
- Establishing regulations and benefits regarding medical care for employees who has injuries and protection benefits for employees who are disabled or deceased.
- All employees are encouraged to provide feedback on improving working conditions and safety practices.

Employee Training and Development

The Company focuses on employee development, propelled through the individual development plan, which must be relevant to the corporate strategy and employee's competence. The Company supports and provides both internal and external training programs via online and onsite during working hours at the office or working from home. The training programs are provided based on service length, career, and responsibility. In 2023, the Company has provided and supported every employee to attain different training programs, covering both technical skills and soft skills. For the corporate governance aspect, the Company has provided online training programs to its employees at all levels pertaining to the anti-corruption policy and practice guidelines, and code of conduct, corporate risk management, safety standard security, and personal data protection policy of the Company. These employees passed the test measuring their knowledge and understanding. The measurement is based on the criteria defined by the Company through SurveyMonkey platform.

For the social and environmental aspects, the Company promotes the training and educating the employees about environment. In 2023, this matter has been undertaken continuously, especially the familiarization program/ company overview where the new employees would be given the information about the Company's social and environmental care through various activities and projects to arouse the employees' awareness and consciousness in caring for the society and environment for sustainability due to the meaning of 7 doors to success of the Company whereas the sixth door mentions about 'socially responsible'.

In addition, due to awareness of sustainability, and aim to the reduction of carbon dioxide, the Company delegated some employees to attain the following training programs:

- "Decarbonization Pathway" in collaboration with KPMG on January 23, 2023.
- Arranging the workshop seminar on sustainable development for the Company's officers at the Head Office, and other representatives from hotels to respond to the Company's target to promote the sustainable development, and to be certified by certain agencies providing the Best Practice Guideline on environment, e.g., Green Global, which is globally accepted as the highest standard in the tourism and service industry.

The Company believes that the development of competitiveness in employees would boost the Company's competitiveness in the long term. In 2023, the Company's employees attended the training programs for 1,232 hours in total, representing 22.82 hours per person per year for the Head Office, and the number of training hours totaled 111,647 hours, the hotels directly managed by the Company or representing 41.55 hours per person per year.[3]

[3]Note: Not included Konotta Maldives Resort as it was not in operation during 2023.

Summary of training for personnel working at the Head Office as classified by personnel level in 2023

LEVEL OF PERSONNEL	TOTAL TRAINING HOURS (HOUR)	AVERAGE TRAINING HOURS (HOUR/PERSON/YEAR)
Top executives	351	20.68
Middle executives	654	24.24
Employees at practitioner level	227	22.65
Total training hours	**1,232**	**22.82**

Business Code of Conduct Practice Guideline

As "PRIDE" is the business standard while "integrity" is one of corporate values prioritized by the Company, every point of the business operation of the Company must be transparent. The Company always guides and emphasizes all personnel since the first working date on the business code of conduct. Every executive must be the working model by adhering to and being responsible for commitments given to all sectors. They must be honest in their duties, be a good model for the working team and everyone in the Company while the Company places the precise preventive measures and penalties.

Whistleblowing Guideline

The Company operates the business by adhering to the business code of conduct to ensure impartiality in its operations, especially the petition and whistleblowing. Therefore, the whistleblowing policy was provided in 2023 as the practice guideline for the petition and whistleblowing. This has been communicated to all personnel via several internal communication channels, e.g., delivery of related notifications via e-mail, communication board for employees, etc. This matter is also inserted as one training topic in the personnel training. In 2023, no petition or whistleblowing was submitted.

Work Performance Evaluation

In 2023, the Company evaluated the work performance of all employees by applying Key Performance Indicator (KPI), and competency. The evaluation was done on the quarterly basis for the level of general officers up to senior managers. The evaluation was done on midyear and end of each year for the level of Vice President up to Chief Executive Officer. The evaluation results were further utilized in the management, annual wage revision, bonus payment, promotion, and career progress.

Employee Engagement

To obtain the tangible opinions and to understand individuals' expectations, in 2023, the Company conducted the Employee Opinion Survey (EOS). As a result, the Company learned about the factors to be improved while the employees had happiness in workplace and had engagement with the organization. From the survey result in this year, the executives in each working line focused on and defined the work plan to improve the organization and working environment tangibly so that the employee engagement would be lifted and could be compared with other leading organizations in the future. For the Head Office, there were more than 50 employees since December 2023; the Welfare Committee in accordance with the Labor Protection Act, B.E. will be established in the year 2024. However, from the annual EOS Survey, the employees' satisfaction in respect with benefits was still good.

The means of the Employee Engagement Survey was at 86%, which fell into the good criteria. The employee turnover was at 2.3%.[4]

Key Labor Disputes during the past 3 years

The Company has had no labor dispute significantly taking effect to its business operation and financial statements.

[4] Note: Employee engagement survey was conducted in hotel branches, not the head office.

OTHER IMPORTANT INFORMATION

• Company Secretary

The Board of Directors' Meeting on August 20, 2023, resolved to approve the appointment of Mr. Issarin Patramai as the Company Secretary in compliance with the Securities and Exchange Act (Section 89/15 and 89/16), to take responsibility for matters in connection with the meetings of the Board of Directors and the shareholders, and assist with tasks related to principles of good corporate governance as well as performing the duties as the secretary to the Board of Directors, overseeing the activities of the Board of Directors, and coordinating subsequent actions under the Board's resolutions.

The Responsibilities of the Company Secretary

The Company Secretary must perform the defined duties under Article 89/15 and Article 89/16 of the Securities and Exchange Act (No. 4), B.E. 2551 (2008), promulgated on 31 August 2008, with accountability, prudence, and integrity, while complying with the law, company objectives and articles of association, as well as the resolutions of the Board and shareholders' meetings. The duties are as follows:

1. To establish and maintain the following documents:
   - Director register
   - Board meeting notices, minutes of meetings, and the Company's the Annual Report (Form 56-1 One Report)
   - Shareholders' meeting notices and minutes of meetings
2. To maintain reports on vested interests filed by the directors, executives, or related parties, and send a copy of the reports on vested interests under Article 89/14 to the Chairman of the Board of Directors and the Chairman of the Audit Committee within seven days of the Company's acknowledgment.
3. To hold the Board meetings and shareholders' meetings under the applicable regulations and laws.
4. To provide recommendations on company businesses and the Board in line with the Company's Memorandum of Association and Articles of Association, the Securities and Exchange Act, the Public Limited Companies Act, and applicable legislation.
5. To serve as a center of news and information for the directors, executives, and shareholders.
6. To coordinate and monitor compliance with the resolutions of the Board and shareholders' meetings.
7. To ensure disclosure of information and reporting of information under her responsibility to the regulators as required by the authority.
8. To take other actions as announced or required by the Capital Market Supervisory Board and as assigned by the Board.

Furthermore, the Company Secretary holds educational qualifications in finance and accounting and he has an experience which is beneficial to the Company's business operations. Additionally, he has undergone training courses related to the Company secretary field from the Thai Institute of Directors (IOD) and continuously participated in various training courses which is beneficial to his role from the SET and other relevant authorities. The qualifications and work experience have appeared in Attachment 1.

• Designated Person to Take Direct Responsibility for Accounting Supervision

The Board of Directors Company has appointed Ms. Kankanid Wichitcharoen as designated person to take direct responsibility for accounting supervision since 1 January 2019, in order to be in compliance with disclosure guidelines of the SEC and the SET regarding the person with the highest responsibility for accounting supervision. The qualifications and work experience are appeared in Attachment 1.

• Head of Internal Audit

The Audit Committee has appointed Mr. Saratool Sakarin as head of internal audit since 9 August 2023, and viewed that he is suitable for performing the duties efficiently since he has educational qualifications, work experience and training in courses related to internal audit operations. The qualifications and work experience are appeared in Attachment 3.

• Head of Investor Relations

The Company has established an Investor Relations department to serve as a representative of the Company in communicating, exchanging opinions, and providing accurate information to shareholders, institutional investors, analysts, and stakeholders through the conveniently accessible channels. The communication and disclosure of information will adhere to the information disclosure policy and good corporate governance principles. Mr. Korkiat Makpirom has been appointed as the Investor Relations Manager. All stakeholders can contact the Investor Relations Department through mail, telephone, email, or the Company's website as follows.

Address:
S Hotels and Resorts Public Company Limited
123 Sun Towers B, 10th Floor, Vibhavadi Rangsit Road,
Chom Phon Subdistrict, Chatuchak District, Bangkok 10900
Telephone: +66 (0) 2058 9888 ext. 335
Email: IR@shotelsresorts.com
Website: www.shotelsresorts.com

In 2023, the activities of Investor Relations included the following

TYPES OF ACTIVITIES	AMOUNT (TIMES)
Virtual Conference and/or One-on-one Meeting with Management	6
Discussion with investors, individual or group, by conference and Live Broadcast	120
Analyst Meeting	4
Investors Meeting on the SET Opportunity Day	4
Participated in SET Thailand Focus	1
Participated in a conference with institutional investors organized by the securities company (One-on-one and/or One-on-Group Meeting)	4
Investor Company Visit Activities (On site Company Visit)	3
Press Conference	1

AUDITOR REMUNERATION

In 2023, the Company and its subsidiaries engaged PricewaterhouseCoopers ABAS Limited ("PWC") as the auditors of the Company and its subsidiaries (excluding subsidiaries incorporated in overseas) and incurred the fees as follows:

(1) Audit Fee

The Company and its subsidiaries (excluding subsidiaries incorporated in overseas) paid the audit fee for the fiscal year of 2023 totaling THB 5,085,992.

(2) Non-audit Fee

The Company and its subsidiaries (excluding subsidiaries incorporated in overseas) did not paid any non-audit fee.

PART 2

CORPORATE GOVERNANCE

8

CORPORATE GOVERNANCE PERFORMANCE REPORT

CORPORATE GOVERNANCE PERFORMANCE REPORT

PERFORMANCE OF THE BOARD OF DIRECTORS

The Company operates its business under the Corporate Governance Principles of the SEC and SET with recognition of the importance of business operation and the enhancement of existing corporate governance to ensure sustainable corporate growth and transparency. The Corporate Governance Principles not only increase confidence among shareholders, investors or all stakeholders but also benefit the Company's operations, business performance, competitiveness and sustainable growth. The essence of the Company's corporate governance policy consists of eight principles as follows:

Principle 1 Establish clear leadership role and responsibilities of the Board of Directors

1.1 The Board of Directors understands and is aware of its roles and responsibilities as the leader who oversees the overall operations of the Company. The roles and responsibilities of the Board include:

- To set objectives and key goals, important guidelines, policies and strategies with due regard to ethics, the impact on society and the environment, financial objectives, various business plans and budgets of the Company and subsidiaries, providing important resources to achieve objectives and goals, supervising the administration and management of the Executive Committee and the Management to be in accordance with the policies, plans and budgets with efficiency and effectiveness for the best interest of the Company, its subsidiaries and shareholders.
- To continuously monitor the operations of the Company, it's subsidiaries, and associate companies to meet the goals, guidelines, policies, business plans and budgets of the Company and subsidiaries. Regularly evaluate the performance of the Executive Committee and Management. Determine remuneration and review the succession planning regularly.
- To consider, determine, and amend the names of directors who have the binding authority to sign for the Company. In the case of vacancy of a director due to reasons other than retiring by rotation, the Board, according to the advice of the Nomination and Remuneration Committee (if any), shall select persons who are qualified and do not have prohibited characteristics under the Public Companies Act and the Securities and Exchange Act, or any other relevant announcements, rules or regulations, to be a director in the next Board meeting, unless the term of office of the retired director is less than 2 months.
- To consider the nomination of appropriate persons to be directors or representatives of the Company subject to the proportion of shares held by the Company in listed subsidiaries and associate companies to ensure that those subsidiaries and associate companies define the policy and business operation in line with the Company's policy.
- To consider and approve the Company and subsidiaries' operations in accordance with the regulations of each company.
- To consider the management structure, authorize to appoint the Executive Committee, the Chief Executive Officer, and other subcommittees as appropriate. Determine the scope of authority and remuneration of the appointed Executive Committee, Chief Executive Officer, and other subcommittees. The delegation of authority under the scope of specified duties must not constitute delegation that allows the Executive Committee, the Chief Executive Officer, and subcommittees to consider and approve transactions that may cause conflicts with the Company or subsidiaries, except for the approval of transactions that are in accordance with the policies and criteria considered and approved by the shareholders' or the Board of Directors meeting.
- To control and prevent conflicts of interest of stakeholders of the Company.
- To perform other tasks related to the Company's business as assigned by shareholders.

1.2 The Board of Directors establishes various strategies and policies, including Corporate Governance Policy, Social Responsibility Policy, and Sustainable Development and Business Code of Conduct Policy to create sustainable business values in order to promote ethical business practices, to respect the rights and to be responsible for shareholders and stakeholders throughout the business chain, to achieve success in the business operations of the Company, to benefit the society, to develop or reduce environmental impact, and to adapt under changing factors, to review and update the Company's policies to be appropriate for its business operation, and to support the communications those policies to all personnel of the Company for their implementations.

1.3 The Board of Directors is responsible for supervising the directors and executives to perform their duties with responsibility (Accountability and Responsibility), to be careful (Duty of Care), to be honest to the organization (Duty of Loyalty) for the maximum benefits of the Company, as well as to comply with the law, objectives, regulations, resolutions of the Board's meeting, the resolution of the

shareholders' meeting, and the policy or guidelines specified by the Company. The Board of Directors has to provide sufficient mechanisms to ensure that the operations of the Company are in compliance with relevant laws, objectives, regulations, resolutions of the Board and shareholders' meetings, and various policies of the Company such as related party transaction policy, anti-corruption policy, the delegation of authority. The Board of Directors must also supervise processes of important operations such as investment, transactions that affect the Company, significant transactions with connected persons, acquisition or disposition of assets, and dividend payment with the following actions:

- Providing appropriate information disclosure to stakeholders, persons with conflicts of interest and related parties, and disclosure of important information to shareholders in the financial statements and various reports made to the shareholders appropriately. Such information should be distributed via the SET's system first and may be further disseminated via the Company's website. Assigning responsible persons for providing information to investors. The Board of Directors should disseminate accurate, complete, appropriate and punctual information.
- Considering, reviewing, and approving the vision, mission, policy, business direction, strategy, business plan of the Company and subsidiaries as prepared by the Executive Committee and the management at least once a year to suit the changing economic, market, and competitive conditions. In 2023, the Board of Directors reviewed and approved the Company's business strategic plan for the year 2024 - 2028, including vision, business goal and direction in short-term and long-term plans. In addition, the Board of Directors also monitors and follows up to ensure that the Company's strategies are put into practice. The Management is assigned to report on the Company's operation and financial performance, including sustainability performance to the Board according to the strategic plans at every Board of Directors' meeting.
- Arranging for a balance sheet and a profit and loss account at the end of the calendar year which is the Company's fiscal year in order to accurately and correctly show the financial status and operating results of the previous fiscal year in accordance with generally accepted accounting standards to propose to the shareholders' meeting in the annual general meeting of shareholders for approval. The Board of Directors must arrange for the auditor approved by the SEC to complete the check of balance sheet and profit and loss account before presenting to the shareholders' meeting, also the preparation and review of the financial statements for the quarterly period.
- Ensuring that the Company and its subsidiaries introduce the accounting system, financial reporting, and an appropriate and effective audit. Providing an internal control system, sufficient and effective internal audit system, and establishing a process to assess the suitability of the internal control system of the Company and subsidiaries regularly.
- Supervising to have a system or process for risk management by establishing supporting measures and control methods to appropriately reduce the impact on the Company's business and subsidiaries.
- Considering and/or providing opinions on connected transactions between the Company, its subsidiaries, associate companies, and connected persons as specified in the Securities and Exchange Act, relevant rules and regulations of the SET and SEC. Approving the principles of trade agreements with general trade terms for entering into transactions between the Company, its subsidiaries, affiliated companies, and directors, executives, or related parties in order to establish a framework for the Executive Committee and the management to have the power to execute such transactions within the framework and scope of the relevant laws and regulations. Considering and/or providing opinions on making various business transactions for the Company (if the value of the transaction does not fall under the conditions that must be considered and approved by the shareholders' meeting) in accordance with the relevant laws, announcements, rules, and regulations.

1.4 The Board of Directors understands roles, scope of duties and responsibilities of the Board, clearly specifies the scope of delegation of duties and responsibilities to the committees and management such as the Audit Committee, the Nomination and Remuneration Committee, Risk Management Committee, the Corporate Governance and Sustainable Development Committee, and the Executive Committee as well as the Management, follows up and supervises them to perform the duties as assigned. The Board of Directors establishes various charters of the Board and subcommittees in writing and will review the said charters regularly at least once a year to be in line with the Company's direction.

In addition, the Company establishes clear separation of the roles, duties and responsibilities between the Board and the Management for clarity of performance of each position, creation of a balance of power, administrative review, efficient and transparent management as follows:

- **The Board of Directors** plays a key role in defining directions, policies, and business strategies for maximum returns of investment and benefit of shareholders. The Board is also responsible for supervising and monitoring the performance of the management to ensure

conformity with such policies and strategies and in line with laws, corporate objectives and articles of association, and shareholders' resolutions.

- **The Management** is responsible for managing the Company's businesses to achieve goals and in line with the business directions, policies, and strategies defined by the Board, and managing routine work and businesses to ensure smooth operation.
- **The Chairman of the Board of Directors**, as the leader of the Board, takes important roles in supervising and promoting Board performance in compliance with the laws and corporate governance, etc.
- **The Chairman of the Executive Committee** ensures that the overall operation conforms to the management's policies and in compliance with the laws, corporate objectives, and articles of association, as well as the Board and shareholders' resolutions.
- **The Chief Executive Officer**, as the leader of the management, is assigned by the Board to perform day-to-day business duties for the Company by administering tasks strictly and honestly, as well as with integrity under the Board's approved plans and budgets in the best interests of the Company and its shareholders. The CEO must not engage in vested interests or conflicts of interest with the Company and its subsidiaries.

Although the Board of Directors has delegated specific powers to subcommittees, the Chief Executive Officer and senior executives, it has reserved its authorization over certain matters, including:

- Corporate strategies, business plans and budgets
- Capital expenditure and expenses which exceed the approved authority of the Executive Committee
- Expenses for the Company's operations and subsidiaries including the table of authorization matrix (Delegation of Authority)
- Strategic investments in new businesses and divestments
- Acquisition or disposition of the Company's assets or subsidiaries
- Significant policies
- Material contracts
- Material litigation
- Dividend policy

Principle 2 Define objectives and goals that promote sustainable value creation

2.1 The Board of Directors values the definition of the Company's core objectives and goals in the conduct of its business for sustainable growth together with society, value creation and benefit for the organization, customers, business partners, employees, shareholders, stakeholders, and society as a whole. The Board of Directors promotes communication and ensures that the corporation's core objectives and goals are reflected in the decision-making and performance of all its employees, fostering corporate culture in conformity with the corporate governance principles.

2.2 The Board of Directors ensures that the Company formulates annual corporate strategies and 5-year long-term action plans to be relevant to the vision of business growth, and sustainable value is delivered to all stakeholders in line with its business objectives and goals, environment, factors, and risks that may affect all stakeholders, ensures that the Company adopts innovations and technology appropriately and safely. In addition, the Board of Directors must be aware of the risks of setting goals that may lead to illegal or unethical conduct as well as supervise the transfer of objectives and goals through strategies and plans throughout the organization.

Principle 3 Strengthen the Board of Directors effectiveness

3.1 The Nomination and Remuneration Committee is assigned by the Board of Directors to have duties and responsibility in determining, screening, and reviewing the board structure, especially composition, qualifications, proportion of independent directors, term of directorship, and number of listed companies where each of the Company's directors can hold directorship, as appropriate and necessary for achieving the Company's objectives and goals. The implementations include as follows;

3.1.1 Board Composition

The Board of Directors shall consist of qualified persons with diverse knowledge, professional skills, specific experiences and expertise that are beneficial to the business operations of the Company, irrespective of their gender, age, religion, ethnicity, or professional skill. The Board of Directors shall consist of not less than 5 and no more than 12 members, at least one-third of the total number of Board members, but not less than three members, must be independent directors, and not less than half of the Board members must reside in Thailand. The Company intends that the board composition shall consist of at least 5 directors having knowledge and experience in the Company's business operation; at least one director having knowledge and experience in law; at least one director having knowledge and experience in accounting and finance; at least one director having knowledge and experience in risk management and/or sustainable development for best interest of the Company's business operation. The Board Skill Matrix are detailed below.

NO.	EXPERTISE / EDUCATION	MR. APISAK TANTIVORAWONG	MR. SOMPONG TANTAPART	MR. PARINYA PATANAPHAKDEE	MR. PRAISUN WONGSMITH	MR. JUKR BOON-LONG	CHAYANIN DEBHAKAM, D.B.A.	MR. NARIS CHEYKLIN	MRS. THITIMA RUNGKWAN-SIRIROJ	MR. MICHAEL DAVID MARSHALL
1	Hotel and service business		/				/	/	/	/
2	Administration and business management	/	/	/	/	/	/	/	/	/
3	Accounting / finance	/	/	/	/			/	/	/
4	Strategy	/	/	/	/	/	/	/	/	/
5	Corporate risk management and crisis management	/	/	/	/	/		/	/	/
6	Law			/		/				
7	International business			/		/	/	/	/	/
8	Corporate governance and sustainable development				/	/	/	/	/	/
9	Technology and cyber security			/	/					
10	Property business	/	/				/	/	/	
11	Energy	/	/			/	/		/	

As of 31 December 2023, the Board of Directors comprises nine directors, of which 8 out of 9 directors are non-executive directors, representing 88.88% of total directors, while 5 out of 8 non-executive directors are five independent directors, representing 55.55% of total directors. Among these 9 directors, 8 out of them are male and one director is female. All directors possess knowledge, competence, skills, and experience in fields beneficial in fields useful for the Company's business and were able to fully devote their time to perform their duties.

In addition, the Board of Directors consists of the directors who have full qualification, experience and expertise in various fields as follows 2 directors in legal field, 7 directors in accounting and finance field; 8 directors in risk management field; 6 directors in sustainable development field; and 5 directors in hotel and service business field which related to the Company's business operation (4 out of directors are non-executive directors) which are in line with the board diversity as targeted.

3.1.2 Qualifications of directors

- The directors must be properly qualified without forbidden characteristics under the Public Limited Companies Act B.E. 2535 (including any amendment thereto) and the Securities and Exchange Act B.E. 2535 (including any amendment thereto), relevant notices, regulations and/or relevant regulations, and must not have characteristics that indicate lack of appropriateness to be entrusted to be a director or executive as specified by the Securities and Exchange Commission and/or the Capital Market Supervisory Board. A director must be a person whose name is in the list of directors and executives of the Company issuing securities in accordance with the notification of the Capital Market Supervisory Board regarding the rules for displaying the name of a person in the list of directors and executives of the Company issuing securities.
- Must be knowledgeable, competent, and experienced so that will be beneficial to business operations, honest, ethical in conducting business, and have enough time to fully devote knowledge and ability and perform duties for the Company and subsidiaries regardless of gender, race, religion, age and other fields of expertise.
- Be unable to operate the business that has the same conditions and that is in competition with the business of the Company or subsidiaries, or become a partner in an ordinary partnership, or a partner with no limited liability in a limited partnership, or being a director in other juristic persons operating businesses that have the same conditions and are in competition with the Company's business or subsidiaries whether doing it for his own benefit or for the benefit of another person, unless notifying to the shareholders' meeting before a resolution is made to appoint that director.

3.1.3 Qualifications of independent director

An independent director of the Company must possess qualifications required by the Capital Market Supervisory Board and must be able to protect the benefits of all shareholders equally in order to avoid conflicts of interest. Moreover, they must also be able to express their opinions independently at the Board meetings. The Company has set out the qualifications of independent directors as follows:

(1) Holding no more than 0.5 percent of the total voting shares of the Company, parent companies, subsidiaries, associate companies, major shareholders, or its controllers; for this purpose, shares held by related persons of such independent directors are to be included;

(2) Neither being nor not having been an executive director, employee, staff, salaried consultant, or controlling persons of the Company, parent companies, subsidiaries, associate companies, same-level subsidiaries, major shareholders, or the Company's controlling persons, unless foregoing status has ended for not less than 2 years;

(3) Not being a blood-related person or legal registration as father, mother, spouse, sibling, or child, including the spouses of the children of the directors, executives, major shareholders, controlling persons, or persons to be nominated as directors, executives, or controlling persons of the Company or its subsidiaries;

(4) Not having business relationship with the Company, parent companies, subsidiaries, associate companies, major shareholders, or the Company's controlling persons in a manner which may interfere with his/her independent judgment; neither being nor have been a strategic shareholder, or controlling person of any person having business relationship with the Company, parent companies, subsidiaries, associate companies, major shareholders, or controlling persons, unless foregoing status has ended for not less than 2 years.

Subject to business relationship specified in the first paragraph,including any normal business transaction, leasing or being leased of property, asset-related or service-related transactions, or financial assistance provided or received through receiving or extending loans, guarantee or provision of assets as loan collateral or any actions in the same manner resulting in obligations to the Company or relevant parties, one against another, to be responsible to at least 3 percent of its net tangible assets or THB 20 million upwards (whichever is lower). The calculation of such debts is to follow the method of calculating the value of connected transactions pursuant to the notifications of the Capital Market Supervisory Board on the criteria for engaging in connected transactions mutatis mutandis. However, in the consideration of such debts, they incorporated debts i curred during the year before the business relationship date with the same person;

(5) Neither being nor having been an auditor of the Company, parent companies, subsidiaries, associate companies, major shareholders, or controlling persons of the Company, and not being a strategic shareholder, controlling person, or partners of an auditing firm of which the auditor of the Company, parent companies, subsidiaries, associate company, major shareholder, or controlling person of the Company, is a member, unless foregoing status has ended for not less than 2 years;

(6) Not being nor having been any professional advisor, including legal advisor or financial advisor who receives service fees exceeding to THB 2 million per annum from the Company, parent companies, subsidiaries, associate

companies, major shareholders or controlling persons, and not being a strategic shareholder, controlling person, or partners of such professional advisors, unless foregoing status has ended for not less than 2 years;

(7) Not being a director appointed as a representative of the Company's directors, major shareholders, or shareholders related to the Company's major shareholders;

(8) Not engaging a business having the same nature and significantly competitive with businesses of the Company and its subsidiaries; nor being key partner in partnership; nor being executive director, employee, staff, salaried consultant, nor holding shares exceeding 1 percent of total voting shares of other companies which engages in the business in the same nature and competitive with business of the Company and its subsidiaries; and

(9) Not possessing any characteristics disabling the expression of independent opinions with respect to the Company's business operation.

3.1.4 Term of directorship and election of directors

- A director can serve the office no longer than three years in each term and may be re-elected to resume office.
- At each annual general meeting of shareholders, at least one-third of the directors, or, if their number is not a multiple of three, then the number nearest to one-third, must retire from office. Directors to retire from office in the first year and the second year after the registration of the Company shall be determined by drawing lots. In subsequent years, directors who have remained in office for the longest term shall retire.
- Independent directors can serve up to nine consecutive years.

3.1.5 Limiting number of listed companies to serve as directors

To ensure their full dedication of time for efficient duties to optimize the Company's benefit, directors are required by the charter of the Board of Directors to serve as a director in no more than five SET-listed companies (including the appointment as the Company's director).

3.2 The Board of Directors appoints the suitable person to be the Chairman of the Board of Directors and ensures that the components and operations of the Board allow independent judgment and decision of members of the Board of Directors.

3.3 The Board of Directors has appointed and assigned the Nomination and Remuneration Committee to supervise the nomination and selection of each committee to have a transparent and clear process in order to establish the Board and committees that have qualifications consistent with the specified components. The Board will review skills and characteristics of the Board and the overall composition of the Board in accordance with the Company's business strategy compared with current and future business directions, and create a Board Skill Matrix table to determine the necessary skills that are still missing from the Board and set criteria for nominating directors who are sought every year.

The Board of Directors also considers the diversity of directors in terms of skills, experience, knowledge, expertise, and independence regardless of age, gender, religion, race, nationality, or origin. Therefore, the nomination process must be transparent and clear. The Nomination and Remuneration Committee has a duty of nominating and proposing qualified candidates to the Board of Directors for consideration. The Nomination and Remuneration Committee may use other sources to find out directors, e.g., Directors' Pool, professional firm, or other sources as the Nomination and Remuneration Committee deems appropriate.

3.4 The Board of Directors appoints and assigns the Nomination and Remuneration Committee to consider and define the policy and criteria of clear, fair, reasonable and appropriate remuneration of directors and committees, both monetary and non-monetary forms, for their duties and responsibilities and linked to their individual as well as Company's performance (in short-term and long-term) that is also comparable with other listed peers in the same industry. Such remuneration policy and payment criteria shall be proposed to the Board of Directors for approval before being further proposed to the shareholders' meeting for approval.

3.5 The Board of Directors ensures that all directors are properly accountable for their duties, responsibilities and actions, and allocate sufficient time to perform their duties and responsibilities effectively. In 2023, the Board held 8 meetings whereas the meeting attendance of each director was over 75%of the total number of meetings. Details of directors' attendance are shown in the table of Details of Meeting Attendance of the Board of Directors and Committees for the year 2023 under the section of "2023 Meeting Attendance". In any meeting, if any director was unable to attend the meeting due to other tasks or rescheduling of meeting, they would inform the Company Secretary Department in advance to inform the Chairman afterward for acknowledgment.

3.6 The Board of Directors has prescribed appropriate frameworks and mechanisms for policy regulation and operations of individual subsidiaries and associate compaies. It also ensures that both the subsidiaries and associate companies have correct and mutual understanding of such frameworks and mechanisms.

3.7 The Board of Directors conducts an annual performance assessment of the Board of Directors, subcommittees and individual directors as a scope for monitoring Board performance and whether it has been following good practices, so as to improve board performance and to review

problems and obstacles during the past year. The result of the assessment will also be used for the improvement of performance in the future.

3.8 The Board of Directors shall strive to have each director understand his/her roles, duties, the characteristics of the Company's business operations and the relevant laws. All directors are encouraged to acquire the necessary skills and knowledge for the conducting of their duties on a regular basis.

3.9 The Board of Directors ensures the smoothness of the Board's operation and access to essential information, the Board appoints the Company Secretary with necessary and appropriate knowledge and experience to support the Board's operations as follows.

- The Board of Directors shall hold the board meeting at least every three months and can schedule special meetings if appropriate and necessary, also meeting of non-executive directors in the absence of management is scheduled to be taken place at least once a year, The meeting should be fully attended unless there is a necessity which cannot be avoided, and when the meeting is to consider for resolutions on important matters or significant transactions that should be included, and items required by law to be approved by the meeting of the Board. The Board schedules meetings with the exact date and time for the entire year in advance and notifies each Director to ensure that the Board members can allocate their time for the meetings, also clearly outlines the agenda of each meeting, for instance, the approval of quarterly financial performance, review and approval of business strategy plans, and approval of annual budget.
- At least two directors may request Chairman of the Board of Directors to call a meeting. In such case, Chairman of the Board of Directors shall set the date of meeting within 14 days of receiving the request.
- To constitute a quorum, at least half of the total number of directors must be present. The Chairman presides over the meeting. If the Chairman cannot perform his or her duty, he or she may designate the Vice Chairman to take his place. In the case that there is no Vice Chairman, or the Vice Chairman cannot perform his duty, the directors present at the meeting shall among themselves elect any one of them to preside over the meeting.
- All resolutions of the Board meeting shall be decided by a majority of the votes of the directors present. In the case of a tie in votes, the Chairman of the meeting shall cast one extra vote as a decisive vote. Any director who has an interest in any resolution is not entitled to vote on such resolution.
- The Chairman of the Board of Directors approves the agenda of the meeting in consultation with the Chief Executive Officer and the Company Secretary. Directors can propose meeting agenda items for inclusion to the Chairman in advance before each Board meeting date
- The Company Secretary sends the directors an invitation letter to the board meeting along with the agenda and complete supporting documents at least seven days in advance to ensure that every Board member has sufficient time to study all information before each meeting, except in an urgent case in which the rights or benefits of the Company must be retained when the Company may tender a notice of invitation to the Board meeting by other means and give a shorter notice period. For convenience and rapidity on submission of meeting document/information and for paperless purposes, the Company has arranged OneDrive System with high data security system to deliver information to all directors, so they can conveniently and rapidly access to meeting accompanying documents via electronic devices, e.g., computer and tablet, etc. everywhere and any time. These means also help reduce the paper use in the organization, reduce the cost of documentation in the long term, increase the Company's efficiency from more active working system, and add stability of the document system. In this regard, the Company sets up the high and accurate information security system under the reliable and safe procedures and criteria required by law on electronic means.
- The Chairman of the Board of Directors allocates sufficient time for and encourages all directors to freely express their views and to ask questions and controls the meeting to be in good order and concise in the time allotted during the meeting. The Chairman of the Board of Directors encourages executives or related management to attend the meeting to provide information or explanation of related issues significant to the business operation, to report financial performance, financial positions, and to monitor their operation as assigned by the Board to ensure that the Company's business operation has been taken according to the strategies and annual action plan assigned by the Board of Directors
- The Board can seek professional opinions on business operations by hiring external advisors on the Company's expenses.
- Non-executive directors shall meet separately in the absence of executive directors and the management at least once a year to discuss or exchange their views on any issues related to their responsibilities. In 2023, one meeting of non-executive directors was held on 6 July 2023 in the absence of management. The minutes of the meeting of non-executive directors were also sent to the Chief Executive Officer for acknowledgment.

- The Company Secretary must ensure the meeting minutes are composed and completed within 14 days after the meeting, and then presented to all directors. The meeting minutes include details of proposals, opinions of the Board, and resolutions, and are to be systematically filed along with accompanying documents.
- The Board of Directors appoints a Company Secretary to perform their duties on behalf of the Company by preparing and filing important documents such as director registration, board meeting notices, minutes of the board meeting, minutes of shareholders' meetings, and keeping conflict of interest form. In 2023, Mr. Issarin Patramai, Chief Financial Officer, who is knowledgeable and experienced, was appointed as the Company Secretary by the Board of Directors with effect from 10 August 2023.

Principle 4 Nominate and develop senior executives and human resource management

4.1 The Board of Directors shall ensure that the Company has the nomination and development process for the Chief Executive Officer and senior executives. The Board of Directors assigns the Nomination and Remuneration Committee to consider Chief Executive Officer succession plan as jointly prepared by Chairman of the Executive Committee and Vice President of Human Resources and Corporate Culture to nominate qualified individuals with vision, knowledge and abilities, experience beneficial to the Company's operations, either inside or outside the Company, and suitable for its corporate culture to ensure business continuity if any management position becomes vacant. The Nomination and Remuneration Committee is responsible for reviewing the succession plan regularly, and reporting the operating result according to such succession plan to the Board of Directors for acknowledgement by annually. The detail of the nomination process is prescribed by the Charter of Nomination and Remuneration Committee.

For the senior executives succession plan, the Board of Directors assigns the Nomination and Remuneration Committee to consider it. The Chairman of the Executive Committee shall join hands with the Chief Executive Officer and the Human Resources and Corporate Culture Department to develop succession plans for senior managements, and provides the personnel development plan prepared for their higher management positions.

In addition, the Company allows the Chief Executive Officer to serve as director or executive in another company but it must not interfere Chief Executive Officer's responsibility in the Company and such other company shall not carry out the same business nature or compete with the Company's business. The Chief Executive Officer must seek prior approval from the Board of Directors therebefore holding a directorship or executive position in another company.

4.2 The Board of Directors monitors and determines the appropriateness of remuneration structure and evaluation.

4.3 The Board of Directors has a policy to understand the structure and relationship of shareholders that may affect the administration of the business and the power to control the management of the business so as not to hinder the performance of the Board. And the Board of Directors shall ensure the appropriate disclosure of information that may affect the control of the business.

4.4 The Board of Directors monitors and manages the personnel development to have the appropriate knowledge, skills, experience, and motivation.

Principle 5 Nurture innovation and responsible business operation

5.1 The Board of Directors values the promotion of value-creating innovations in parallel with benefit to all stakeholders and responsibilities towards society and the environment by promoting actions that add value to the Company according to the changing environmental factors. These may cover the business model, perspectives about the design and development of products and services, analysis of the improvement of production processes and work processes, and cooperation with partners.

Promoting Creativity and Innovation Development for Employees

In 2023, Singha Estate Group organized an activity to promote collaboration among employees within the Singha Estate Group, including the Company's group to develop new innovations and advance the businesses of the group as well as prioritizing sustainable development as part of the "S Hackathon" event.

The Company's representative team namely S Campaigner team, received a monetary reward and the 2023 Hackathon Trophy as "The 1st Runner Up." The S Campaigner team presented a business plan for the SHR Affiliate Program, providing employees with the opportunity to participate in the hotel room reservation program within the Company's network. The team created a Portal for employees within the Singha Estate Group and Boon Rawd Company, allowing them to apply for the Affiliate Portal. The Portal includes Branded Video Contents produced by the Company's team for employees to share the URL through social media and other channels. Employees participating in the Affiliate Program receive commissions when the hotel room bookings

are completed. Additionally, if the room bookings reach a specified number, they are rewarded with a voucher for a 2-night stay under the Company's hotel network.

5.2 The Board of Directors monitors the Company's business operations, as reflected in the Company's operating plans, to ensure responsibility toward society and the environment in accordance with the Company's objectives, core targets, and strategic plans. The Board of Directors takes into account the roles of the stakeholders.

5.3 The Board of Directors monitors the management to allocate and manage resources efficiently. The Company takes into account the impact and the development of resources throughout the value chain in order to achieve the main objectives and goals sustainably. The resources concerning the Company are at least of 4 types: financial capital, human capital, social and relationship capital, and natural capital.

5.4 The Company and its subsidiaries use information technology as a tool for their operations of various work systems and customer service. The system and the information, whether in the form of files, databases, documents, etc., are considered important assets of the Company. Therefore, safety measures were established to protect computer systems and information security to ensure that various systems and information are in accordance with the Computer Crime Act and other related laws.

Personal Data Protection

The Company has prioritized to the personal data protection to conform to the Personal Data Protection Act B.E. 2562. Personal Data Protection Policy was formulated to ensure the Company's conformity to laws and international standards in relation to the protection of personal data. In addition, the regulations to protect personal data of data subjects were stipulated, along with appropriate security measures to prevent loss and unauthorized or unlawful access, usage, change, modification or disclosure of personal data. These measures shall be reviewed as necessary or upon changes.

Furthermore, the PDPA training course was organized to raise the employees' awareness of the significance of personal data and to provide understanding of risks associated with the personal data processed, collected by, or transferred within the Company. This enabled all employees to recognize their responsibilities in safeguarding the personal data received in the course of duties and to cooperate in observing the Act, which helped mitigate risks of personal data leakage or exploitation by attackers, reduce the Company's possible loss of resources or assets due to legal disputes, and strengthen corporate credibility in business.

Intellectual Property

Intellectual propertyis deemed a valuable property making the Company superior in business competition such as brand, company name, logo, copyright, patent, trademark, trade secret, innovation, and all knowledge belonging to the Company. It is greatly important that the Company must protect these properties, but pays respect to other persons' rights in intellectual property. To elaborate, before obtaining or using the works or information under rights of external persons, the Company must check to ensure that it would not infringe other people's intellectual property. The Company also requires that the Computer which is its property contains the authorized software program only. The Company's employees must not download or upload any unauthorized software programs via internet. The IT Department is responsible for overseeing this matter in accordance with the regulations.

Principle 6 Strengthen effective risk management and internal control

6.1 The Board of Directors shall ensure that the Company has a risk management system and internal control to achieve the objectives effectively and comply with relevant laws and standards. To achieve this, the Company established the Internal Audit Department, set up efficient internal control and internal audit systems across the organization. It also arranges for the annual assessment of the adequacy of the internal control system. The assessment covers the 5 following components:

1) Control Environment
2) Risk Assessment
3) Control Activities
4) Information & Communication
5) Monitoring Activities

6.2 The Board of Directors appointed at least 3 members of the Audit Committee, all of whom must be independent directors that do not have prohibited characteristics under the relevant laws. The Audit Committee must have the qualifications and duties in accordance with the regulations of the SEC and the SET. The Committee must perform various duties as assigned by the Board which includes the duty to review audited financial reports, internal control system, legal compliance, independence of the Internal Audit department, selection of auditor, disclosure of Company information, and preparation of the Audit committee's report, as these items appears in the Audit Committee charter.

6.3 The Board of Directors monitors and manages any potential conflicts of interest between the Company and the management, the Board, or shareholders. The Board of Directors also prevents undue use of property, information about the Company, and transactions with persons who have a relationship with the Company in an inappropriate manner.

The Company set out a guideline in the Code of Conduct and internal data usage policy in writing.

6.4 The Board of Directors has a clear Anti-corruption Policy. The Company communicates with all levels of the organization and third parties for actual implementation. The Board of Directors will arrange a project or a guideline to combat corruption, and support activities that promote and encourage all employees to comply with relevant laws and regulations. In addition, the Company has formulated a practice guideline on "Integrity" as one of corporate values. This matter is placed as an important issue for the new employee orientation to underline the significance, and to cultivate awareness of integrity among all employees. To this end, all executives are to serve as role models for conscientious performance. Preventive and punitive guidance are clearly stated in the work rules.

6.5 The Board of Directors set up a mechanism for receiving complaints and taking actions in case of whistleblowing and specified a clear guideline in the policy on accepting whistleblower complaints by providing channels for receiving complaints, and disclosed a whistleblowing channel on the Company's website or the Company's One report.

Principle 7 Ensure disclosure and financial integrity

The Board of Directors is aware of its role to maintain financial credibility with its shareholders and stakeholders through reliable financial reporting and auditing, as well as monitoring the adequacy of liquidity and ability to repay loans. However, if the business situation is facing financial problems or is likely to encounter ones, the Board of Directors will ensure that the business has a plan for resolving problems or other mechanisms that can solve financial problems, under consideration of the rights of stakeholders and reasonability. Moreover, the Board of Directors focuses on transparent, accurate, and complete disclosure of information in a timely manner, both financial and nontinancial, to the shareholders, investors, analysts, mass media, and stakeholders. Respecting the right of equal access for all parties, the Company has therefore prepared regular disclosure of information in Thai and English through various communication channels:

- The Company's website www.shotelsresorts.com and Investor Relations Webpage
- Electronic system for disclosure of news and information of SET and SEC
- The Annual Report (Form 56-1 One Report)
- Various media, such as newspapers and magazines
- Information released to analysts and investors visiting the Company and meeting the executives
- Domestic and overseas roadshows
- Sending notices of shareholders' meetings and key information through postal mail
- Meeting with investors at the SET's Opportunity Day event to communicate operating results and key information
- Press conferences to disclose key company investment projects after dissemination on SET Portal system.

The Company sets out its practice guidelines for disclosure of information as follows:

- Confidential information must be disclosed without discrimination.
- It will not publicize material information that could affect share prices until it has notified SET, in which case it will immediately post such information on its website.
- It has no policy to comment on rumors or speculations that could skew the Company's share trading, particularly where it is clear that such rumors are not originated by the Company.
- The Company has set a silent period (non-communication for executives and Investor Relations regarding disclosure of financial information and general information to analysts and investors) at one month before the announcement of its operating results, quarterly and annually, to the public. This is to prevent inappropriate disclosure of information or unfair release of information that may affect the prices of Company securities.

In compliance with the information disclosure rules of SEC, SET, and/or other supervising agencies, the Company discloses the following material information to the public:

(1) Financial position and financial performance
(2) A report on the Board's responsibility for financial statements and the external auditor's report that are disclosed next to each other in the Company's Annual Report (Form 56-1 One Report).
(3) A report on vested interests of directors, executives, and other related persons/changes in their holding of the Company's shares.
(4) The roles and duties of the Board and subcommittees, the number of their meetings, and individual directors' attendance.
(5) Directors' remuneration policy, including the form and amount of remuneration received by individual directors.
(6) CG Policy, Code of Conduct, an Anti-corruption Guidelines, and the Charters of the Board of Directors and subcommittees.
(7) Report on sustainable development and CSR under GRI
(8) Other relevant information, including the Company's vision, mission, risk factors, shareholding structure, business description, internal control, connected transactions, and legal disputes, and others.

(9) Information about the acquisition/disposal of assets and connected transactions, and others.

To prevent conflicts of interest, the Board of Directors has defined the criteria for the preparation of annual reports on directors' and executives' vested interests along with quarterly reports of subsequent changes, the information of which is kept for internal use only.

Principle 8 Ensure Engagement and Communication with Shareholders

The Board of Directors recognizes the importance of the shareholders of the Company by ensuring that the shareholders receive fair treatment and the shareholders can fully exercise their basic rights as shareholders, such as (1) the right to buy or sell shares (2) the right to receive dividends from the Company (3) the right to receive relevant information via the Company's website or the website of SET, or by any other means (4) the right to participate in a meeting to exercise the right to vote in a shareholders' meeting independently to appoint or remove directors, to consider the remuneration of directors, appointment of auditors, dividend payment, to determine or amend the Articles of Association or Memorandum of Association, capital reduction, increase of capital and issue new shares, as well as the right to ask questions to the Board regarding the report of the Board and any other matters proposed to the meeting for consideration and approval, the right to propose meeting agendas and to nominate persons to be elected as directors, and participation in decision-making on important matters of the Company in which every shareholder has the right to vote according to the number of shares he holds and each share has one vote. The Company shall not make the shareholders agreement giving significant impact to itself and other shareholders, while having no policy on treasury stock.

It is the Company's policy to treat all shareholders with fairness, regardless of gender, age, color, race, nationality, origin, religion, beliefs, or political views without discrimination against any group or individual shareholders. Moreover, the Company has a policy to encourage and facilitate the full exercise of rights relating to shareholders' meetings. The following measures were undertaken in 2023:

Date of shareholder meeting	25 April 2023
Type of shareholder meeting	Electronic means (E-AGM)
Date of publishment of the notice to shareholder meeting on the Company's website	20 March 2023
Date of submission of the notice to shareholder meeting by registered postal	27 March 2023
Starting time	14.00 hours

1. The Company held the shareholder meeting through electronic means by using e-Voting as vote casting method and counting votes by electronic system, in which the system standard and criteria are in line with the conditions and procedure as stipulated in the Emergency Decree Governing e-Meeting B.E. 2563 and the announcement of Ministry of Digital Economy RE: Standard of Security and Safety of e-Meeting B.E. 2563. In addition, the Meeting by electronic means was aligned with the Article 43 of the Company's Articles of Association, which specifies that "the meeting of shareholders of the Company can be held through electronic media conferencing in line with the criteria, methods, and conditions as prescribed by laws".
2. The Company prepared the notice of invitation to the shareholder meeting along with the relevant documents in Thai and English, indicating the meeting date, time and venue, including other details comprising a map of the meeting venue, an invitation letter, minutes of the previous meeting, the Annual Report (Form 56-1 One Report) which is downloadable via QR code, meeting agenda with explanation of objectives, details, directors' opinions and information required for consideration of each agenda item; explanation of credentials to be presented for attending the meeting via the electronic means, guidelines for attending the shareholder meeting, a list of all independent directors who serve as proxies; the Company's Articles of Association concerning shareholders' meeting, a registration form with a barcode, and proxy forms. All these were mailed to shareholders no later than 21 days before the meeting date. The full information is also posted on the Company's website at www.shotelsresorts.com at least 30 days prior to the meeting date in compliance with good corporate governance practices so that shareholders may have time to study and acquire sufficient, accurate and complete information before casting their votes. The meeting notice was also advertised for three consecutive days in Thai and English newspapers at least three days before the meeting to announce the calling of the shareholders' meeting in advance.
3. The Company facilitated shareholders who could not attend the meeting in person by enclosing Proxy Form B (as specified by the Ministry of Commerce), the invitation letter and a list of independent directors serving as proxies with names and biographies included for consideration as their proxies, also details of the proxy assignment process and documents required to facilitate the procedure as well as detailed explanation of credentials to be presented for attending the meeting were enclosed with the invitation letter. All of these were available in Thai and English, so that shareholders might prepare appropriate documents. Shareholders could also download Proxy Forms A, B and C (for foreign shareholders who appoint custodians in Thailand) from the

Company's website and appoint proxies or appoint independent directors as notified in the invitation letter as proxies. Stamp duties were also provided for shareholders' and institutional investors' proxies on the meeting day.

4. The Company will refrain from any actions that violate or restrict or deprive the right of shareholders to access the Company's information that have to be disclosed according to various regulations and in the shareholders' meeting, for example, by not unexpectedly presenting documents with important information and not adding meeting agendas or changing important information without notifying shareholders in advance.
5. The Company allowed and encouraged institutional investors to pre-register to save time for document review on the meeting day.
6. A barcode system was used to ensure accuracy and convenience for the registration and vote-counting process, including a reliable and verifiable electronic vote-counting system. The registration is open 2 hours before the meeting. However, after 2 hours, shareholders could still register until the vote counting of the last agenda was completed if they wished to attend the meeting without losing their rights.
7. The Company provided independent legal advisers as witnesses to verify the accuracy and transparency of the vote-counting process on each agenda item. It also invited an internal auditor to attend the meeting to provide answers about the Company's financial statements.
8. The Chairman of the Meeting allocated time and opportunities for the shareholders fully to express their opinions and make inquiries through a reliable and verifiable electronic system. The Chairman of the Board, the Chairman of each committee, all directors, senior executives, as well as external auditors, financial advisers and/or legal advisers related to the agenda of each meeting attended the meeting to answer shareholders' questions. All expressed questions and opinions were fully recorded in the minutes of AGM. At the 2023 AGM held on 25 April 2023 via electronic means, all 9 directors attended the meeting, representing 100% of total directors. Top management, auditors, legal advisors, were also present. In pursuit of the best practice and good corporate governance of the holding of an annual general meeting of shareholders of listed companies, the Chairman assigned a legal advisor from Baker & McKenzie Ltd. to witness the inspection of vote counting, and to make the meeting transparent, relevant to laws and the Company's Regulations. The Company also provided an interpreter to facilitate foreign directors and executives present at the meeting.
9. The Company disclosed all resolutions of the meeting as well as the voting result on each agenda via the Stock Exchange of Thailand's website and the Company's website after the meeting adjourned. The shareholders' voting to "agree", "disagree", or "abstain", and invalid ballots of each agenda item was disclosed as well.
10. The minutes of the meeting contain detailed records of all essential contents in line with good CG principles were prepared and submitted to the SET and SEC within 14 days after the meeting held on 2 May 2023. The Company also disseminated on its website the minutes in Thai and English and informed the public about such dissemination via SET's disclosure channel.

    The Company's shareholders minutes presented the following information:

    (1) List of the Directors, Executives, and other attendees with ratio showing the directors who attend the meeting and those who did not.
    (2) Meeting procedures showing how to vote and how to count votes, resolutions, and voting results (approve, disapprove, abstain vote, and void ballots) of each agenda.
    (3) Questions and answers, brief opinions, and names of both questioners and answerers.
11. The Company granted an opportunity to all shareholders to propose agenda, nominate a director candidate, and submit questions no less than three months in advance of the AGM under the criterion and conditions specified by the Company in accordance with good corporate governance regarding equitable treatment of shareholders. For the 2023 Annual General Meeting of Shareholders, the Company set up the proposal period from 1 October 2022 to 31 January 2023. Criteria and conditions were announced on the Company's website at www.shotelsresorts.com under the section Investor Relations > Shareholders' Information > Shareholders' Meeting through the news release system of the SET. During such period, there were no shareholders proposing any matters to be included in the meeting agenda, or nominating any person to be elected as a director or submitting any question in advance to the AGM meeting.
12. The Chairman conducted the meeting by the agenda and all issues outlined in the meeting notice without adding any agenda item.
13. Before the meeting commencement, the Company informed the shareholders about the number and ratio of shareholders attending in person and by proxy, the voting process and procedure. Each shareholder had one vote per share. After summarizing the vote counting result of each agenda item, shareholders were informed about the result and resolution of such agenda item.
14. The Company has allowed shareholders to exercise their voting rights on each of the agenda items, either voting to "agree", "disagree", or "abstain" via electronic system. For the agenda with respect to the election of directors, the vote casting shall be made on an individual basis to ensure transparency and auditability.

NOMINATION, DEVELOPMENT AND ASSESSMENT OF DIRECTORS

Nomination and appointment of directors

Criteria and procedures

The Company recruits and nominates qualified persons under securities and exchange laws and in line with the Company's defined qualifications to be selected as a director of the Company. The Company considers such qualified director through the following channels will be considered:

- An opportunity given to shareholders to nominate directors during at least a 3-month period before each AGM, the latest one being from 1 October 2022 to 31 January 2023, under the criteria and terms announced on the Company's website.
- Persons recommended by the Company's managements, directors, and reliable external sources, including Directors' Pool.
- Qualified persons recommended by professional search firms.
- An opportunity is given for directors to nominate qualified persons.

The Company reviews annually the directors' skills and characteristics together with the Board's overall composition conforming to the Company's strategy and business direction. Then, the Board Skill Matrix is tabled annually for consideration of the gap of necessary skills and set-up of nomination criteria. In such reviews, the Company also considers the diversity of skills, expertise, proficiency, experience, and other special competencies of directors, regardless of age and gender.

Qualifications of directors and independent directors are disclosed in Item 3.1 under the section "Corporate Governance", Principle 3: Strengthen Effective Board of Directors.

Nomination and appointment processes

- In case of director vacancy due to retirement by rotation

In the case that the position of a director becomes vacant due to the expiration of the term, the Company allows the shareholders to propose a list of qualified persons under the Securities and Exchange Act and the qualifications specified by the Company in order to be elected as a director of the Company in advance before the annual general meeting of shareholders. The criteria and conditions will be announced on the website of the Company. The Company has specified the minimum shareholding ratio for shareholders with the right to nominate directors in advance. A shareholder must hold shares not less than 1 percent of the total voting rights of the Company. The Company Secretary will consider, select and nominate qualified persons according to the laws and regulations by considering experience, knowledge, and capability that will benefit the Company for the Board to consider. When the meeting of the Board passes a resolution approving the proposal, the Company will nominate the said person to request approval for election as a director in the general meeting of shareholders. The Company will select the one with the majority votes of the shareholders who attend the meeting and have the right to vote.

Directors' election conforms to the Company's regulations and relevant laws, which must be transparent and clear. Below are the criteria and methodology of directors' election at a shareholders' meeting:

1) Each shareholder's votes equal his or her number of shares held, one share per one vote.
2) Voting is to be done for individual nominees, for which each shareholder is to exercise his or her entire votes for individual directors, one by one.
3) To pass the resolution for director appointment, it requires a majority vote of the shareholders who are present at the meeting and entitled to vote.
4) Those that secure the highest votes, and those with the second highest votes, and so on, are regarded as being elected, matching the number of directors to be elected. Should there be more than one person with equal votes for a given position, the chairman of the meeting is to cast a deciding vote.

In 2023, Mr. Sompong Tantapart, Mrs. Thitima Rungkwansiriroj, and Mr. Dirk Andre L. de Cuyper were re-appointed as the Company's directors for another term, including the position held in the committees following the aforesaid procedures.

- Director vacancy by other reasons

The Board of Directors recruits and nominates qualified persons without any legal prohibitions as defined by the Public Limited Companies Act for appointment replacing the resigned director(s) at the next Board meeting. An exception applies if the remaining term is less than two months, in which case an approval is needed from the AGM. In any case, the term of the replacement director is only as long as that remaining of the resigned one. The decision of the Board in this case needs no less than three-quarters of the remaining directors on the Board.

In 2023, the Nomination and Remuneration Committee selected a suitable qualified and experienced person to hold the position of director, sub-committees, and Chief Executive Officer of the Company in replacement of the resignation of Mr. Dirk Andre L. De Cuyper. The Committee has taken the Board Diversity, including skills of the director that are necessary but lacking in the Board of Directors into consideration, and further nominated Mr. Michael David Marshall to hold such positions since he has knowledge, expertise, and experience related to the Company's business

operation and conformed with the Company's business strategy, including having a vision and suitability for the Company's corporate culture, as well as to possess all qualifications and do not have the prohibited characteristics under the laws, and proposed to the Board of Directors for approval. Such appointment comes into effect from 16 November 2023 onwards.

Director removal and dismissal

1) Besides completing their terms, directors may leave their positions in the following cases:
   1.1) Death
   1.2) Resignation
   1.3) Lack of qualifications or having forbidden qualities under the Public Company Act.
   1.4) Dismissal by shareholders' votes
   1.5) Court order
2) Directors who wish to leave their positions are required to submit a resignation to the Company, which becomes effective from the date it is received by the Company. Such directors may also notify the public limited company registrar.
3) The shareholders' meeting may decide to have any director leave his or her position before term completion with a vote of no less than three-quarters of the attending eligible voters, which is no less than a half of the total shares of the attending eligible voters.

If the entire Board leave their positions, they are to remain in office to carry on business only as essential until the new Board takes office, except otherwise ordered by the court for the Board that leaves their positions at the court's order.

The Board that left their positions are to hold a shareholders' meetingto elect the new Board within one month after leaving their positionsTo this end, it sends meeting notices to the shareholders no less than 14 days ahead of the meeting date, which are advertised in newspapers for three consecutive days and no less than three days ahead of the meeting date.

Nomination and Appointment of Senior Executives

Nomination and appointment of Chief Executive Officer

When the position of the Chief Executive Officer becomes vacant or the person holding such a position is unable to perform his or her duties, the Company shall implement a system where an executive of the similar level or a deputy will temporarily hold the Chief Executive Officer's office until a person who has the qualifications prescribed by the Company's criteria has been selected and nominated. Such a person shall also have a vision, knowledge, skills, experience, and suitability for the Company's corporate culture. The Human Resource Department shall consider and nominate him or her for further consideration and approval of the Company's Board of Directors. The Chief Executive Officer shall report the result of operations under the succession plan to the Board of Directors at least once a year. The detail of nomination process is prescribed in the Charter of the Nomination and Remuneration Committee.

Nomination and appointment of senior executives

When the position of a senior executive (Chief level and Senior Vice President or similar level by including General Manager of Self-managed Hotel) becomes vacant or the person holding such a position is unable to perform his or her duties, the Chief Executive Officer or the Chairman of Executive Committee shall nominate a successor who has been previously selected for the consideration to the Nomination and Remuneration Committee, the Executive Committee, and the Board of Directors, respectively. The detail of nomination process is prescribed in the Charter of the Nomination and Remuneration Committee.

Orientation of new director

The Company organizes directors' orientation, where the Chief Executive Officer or senior executives briefs new directors on business operations, approaches to business management, and other necessary information useful for taking up the directorship. The Company prepares documents for new directors comprising key information such as business description, business structure, management structure, directions and strategies for business operations, charters of the Board and/or subcommittees, Manual of Listed Company Directors, manual of independent directors, and other manuals related to serving on subcommittees (if applicable), including Code of Conduct, Corporate Governance policy, Anti-corruption policy, Inside information policy, policy on Prevention of Conflict of Interests, in order to ensure that the directors well understand the business and related regulations of the Company.

In 2023, the Company organized an orientation program for the new director, Mr. Michael David Marshall as the Company's Director and the Chief Executive Officer. The overview of the business operations, strategies, and goals, organizational management structure, and relevant information pertaining to the roles and responsibilities of the director and the subcommittees for the new directors were jointly presented by the senior executives from each department and the Company Secretary.

Director Development

The Company has policy to encourage the directors, managements, and employees responsible for the Company's corporate governance to attend training and seminars in courses beneficial to their responsibility in cooperation with other institutions, such as the Thai Institute of Directors Association ("IOD"), SET, and Thai Listed Companies Association. The Company also distributes training schedules beforehand to all directors and subsidizes all costs of attendance in order to continuously improve exercises and develop the best interest of the Company.

In 2023, the directors attended particular training courses in relating to their duties arranged by the IOD and other institutes with details as follows:

NAME	POSITION	COURSE
Mr. Jukr Boon-long	Independent Director Member of the Audit Committee, and the Chairman of the Corporate Governance and Sustainable Development Committee	• Role of the Chairman Program (RCP 55/2023) by IOD • Financial Statement for Directors (FSD 49/2023) by IOD

At present, there are 9 directors or equivalent to 100 percent of all directors on the board attended training courses related to the performance of directors such as Director Certification Program (DCP) and Director Accreditation Program (DAP) organized by the Thai Institute of Directors Association. In 2023, all directors attended the conferences which presented the global economic situation, an overview of the tourism industry, marketing and competition, an overview of the tourism businesses, as well as the Company's business outlook and sustainable business operations. In addition, the Board of Directors went to CROSSROADS, the Republic of Maldives to attend the seminar on sustainability in business operations and practice guidelines of this hotel. The Board also visited several projects with an aim to operate the business pursuant to UN Sustainable Development Goals 2030: SDG 2030. These seminars would help enhance knowledge and performance of directors in the past year.

Evaluation of the Board of Directors and Sub-committees

The Board of Directors conducts an annual performance assessment of itself, committees and individual directors as a scope for monitoring Board performance and whether it has been following good practices, so as to improve board performance and to review problems and obstacles during the past year. The result of the assessment will also be used for the improvement of performance in the future.

The Company has devised a board self-assessment in accordance with SET and IOD guidelines by annually reviewing it to the business and structure of the Board and sub-committee. The assessment comprises two sets of evaluation forms

1) Board and all subcommittees performance self-assessment (group assessment)
2) Board's individual self-assessment

Criteria for evaluation cover the following essential points:

1) Board and subcommittee structure and qualifications
2) Board Meetings
3) Roles, duties and responsibilities of the Board and subcommittees
4) Others, such as relations with the management, directors' self-development, and Independent expression

Scoring In each of the topics, five levels of score are assigned:

1 = totally disagree or nothing has been done
2 = disagree or a few things have been done
3 = agree or reasonable action has been done
4 = rather agree or good action has been taken
5 = totally agree or there has been excellent undertaking

The criteria for assessment in percentage:

90-100% = Excellent
80-89% = Very good
70-79% = Good
60-69% = Fair
50-59% = Need an improvement
Below 50% = Need an improvement immediately

Evaluation process

The Board of Directors considers and reviews the Board' Performance Evaluation Form. The Company Secretary then distributes copies of the evaluation form to all directors to be evaluated and handed in at the end of each year. The calculated results will be summarized in an evaluation report to be submitted to the Nomination and Remuneration Committee to determine appropriate annual remuneration for the directors in each year and will report the results to the Board for acknowledgment. The evaluation report will be submitted to the Board for acknowledgment and for discussion for future improvement.

Evaluation results

The evaluation outcomes of the Board's performance in 2023 can be summarized as follows:

EVALUATION FORM	EVALUATION RESULT			
	2022		2023	
	AVERAGE SCORE	%	AVERAGE SCORE	%
Form 1 Group Assessment				
a) Board's Performance Assessment	4.79	96%	4.88	98%
b) Audit Committee Assessment	4.61	92%	4.89	98%
c) Risk Management Committee Assessment	5.00	100%	4.92	98%
d) Nomination and Remuneration Committee Assessment	4.53	91%	4.87	97%
e) Corporate Governance and Sustainable Development Committee Assessment	4.97	99%	4.93	99%
f) Executive Committee Assessment	4.77	95%	5.00	100%
Form 2 Self-assessment	4.84	97%	4.97	99%

Evaluation of the Chief Executive Officer

The Board of Directors assigns the Nomination and Remuneration Committee to consider and review the annual Chief Executive Officer Performance Evaluation Form by determining each year's performance goals with the Chief Executive Officer. The evaluation then compares performance results against the annual goals. The Board of Directors will use the evaluation result to determine appropriate annual remuneration for the Chief Executive Officer that is attractive and comparable to industry peers.

The criteria for Chief Executive Officer evaluation can be divided into

Part 1 Corporate KPIs of the Company and policies that the Board has prioritized.

Part 2 Evaluation of management

Part 3 Development of the CEO's career and other suggestions.

The Company discloses information on the remuneration of individual directors under section of Director Remuneration and the lump sum remuneration of the executives under section of Management Remuneration in this Annual Report (Form 56-1 One Report).

Meeting Attendance and Remuneration of Director

The Board of Directors has set the meeting schedule in advance in each year. In 2023, the Board of Directors held more than 6 meetings. Pursuant to the good corporate governance principle, the Company promotes and encourages each director to attend the Board of Directors' meeting at least 75 percent of the total number of meetings in each fiscal year and supports to provide the meeting materials to the directors in advance at least 7 days prior to the meeting except in case of necessity. In addition, the non-executive directors will hold a meeting at least once a year in order to allow a discussion on any issues of concern without the attendance from the management as well as holding an extra meeting to consider, review, and determine the vision, mission, and strategy of the Company, as well as to follow up and monitor the strategy implementation.

As regards the sub-committees, the Audit Committee shall hold a meeting on a quarterly basis and may call additional meetings as appropriate, including an extraordinary meeting with the Risk Management Committee at least once a year. The Risk Management Committee shall hold a meeting at least once every quarter. The Corporate Governance and Sustainable Development Committee shall hold a meeting at least 4 meetings a year. The Nomination and Remuneration Committee shall hold a meeting at least 2 meetings a year. The Executive Committee shall hold a meeting at least once a month. In this regard, the sub-committees may hold the additional meeting as deemed necessary and appropriate.

NAME	2023 MEETING ATTENDANCE																		
	BOARD OF DIRECTORS (Total 8 meetings)				AUDIT COMMITTEE (Total 5 meetings)		RISK MANAGEMENT COMMITTEE (Total 4 meetings)		NOMINATION AND REMUNERATION COMMITTEE (Total 8 meetings)		CORPORATE GOVERNANCE AND SUSTAINABLE DEVELOPMENT COMMITTEE (Total 6 meetings)		EXECUTIVE COMMITTEE (Total 12 meetings)		NON-EXECUTIVE DIRECTORS (Total 1 meeting)		JOINT MEETING BETWEEN THE AUDIT COMMITTEE AND RISK MANAGEMENT COMMITTEE (Total 2 meetings)		ANNUAL SHARE-HOLDERS' MEETING (Total 1 meeting)
	No. of Meetings	%	Present at the Meeting	Via Electronic Platform	No. of Meetings	%	No. of Meetings	%	No. of Meetings	%	No. of Meetings	%	No. of Meetings	%	No. of Meetings	%	No. of Meetings	%	No. of Meetings
1. Mr. Apisak Tantivorawong	8/8	100	6/8	2/8	-	-	-	-	-	-	-	-	-	-	1/1	100	-	-	1/1
2. Mr. Sompong Tantapart	8/8	100	5/8	3/8	5/5	100	-	-	-	-	-	-	-	-	1/1	100	2/2	100	1/1
3. Mr. Praisun Wongsmith	8/8	100	7/8	1/8	5/5	100	-	-	8/8	100	-	-	-	-	1/1	100	2/2	100	1/1
4. Mr. Jukr Boon-long	8/8	100	5/8	3/8	5/5	100	-	-	-	-	6/6	100	-	-	1/1	100	2/2	100	1/1
5. Mr. Parinya Patanaphakdee	8/8	100	7/8	1/8	-	-	4/4	100	8/8	100	-	-	-	-	1/1	100	2/2	100	1/1
6. Chayanin Debhakam, D.B.A.[2]	7/8	87.5	7/8	0/8	-	-	-	-	8/8	100	5/6	83.3	-	-	1/1	100	-	-	1/1
7. Mr. Naris Cheyklin[3]	8/8	100	5/8	3/8	-	-	2/2	100	-	-	-	-	-	-	1/1	100	2/2	100	1/1
8. Mrs. Thitima Rungkwansiriroj	8/8	100	8/8	-	-	-	4/4	100	-	-	6/6	100	12/12	100	1/1	100	2/2	100	1/1
9. Mr. Michael David Marshall[4]	-	-	-	-	-	-	-	-	-	-	1/1	100	2/2	100	-	-	1/1	100	-
10. Mr. Chairath Sivapornpan	-	-	-	-	-	-	-	-	-	-	-	-	12/12	100	-	-	-	-	-
11. Issarin Patramai[5]	-	-	-	-	-	-	-	-	-	-	-	-	5/5	100	-	-	-	-	-
12. Mr. Stefano A. Ruzza[6]	-	-	-	-	-	-	-	-	-	-	-	-	11/12	91.6	-	-	-	-	-
Mr. Dirk Andre L. De Cuyper[7]	8/8	100	7/8	1 /1	-	-	4/4	100	-	-	5/5	100	10/10	100	-	-	1/1	100	1/1
Ms. Samitta Tinnam[8]	-	-	-	-	-	-	-	-	-	-	-	-	2/2	100	-	-	-	-	-
Ms. Kankanid Wichitcharoen[9]	-	-	-	-	-	-	-	-	-	-	-	-	7/7	100	-	-	-	-	-
Average meeting attendance (%)	98.7				100.0		100.0		100.0		96.7		98.6		100.0		100.0		100.0

[1]The 2023 Annual Shareholders' Meeting held on 25 April 2023, was conducted via electronic platform, according to the article of association of the Company, criteria, procedures, and conditions as specified by law.

[2]Chayanin Debhakam, D.B.A was absent from the Meeting of the Board of Directors No. 8/2023 on 9 November 2023, and the Corporate Governance and Sustainable Development No. 4/2023 on 7 June 2023 due to his other business engagement, where he had duly notified his absence to the Meeting prior to the Meeting date.

[3]Mr. Naris Cheyklin has been appointed as the member of the Risk Management Committee, with effective from 25 April 2023 onwards. Therefore, the number of meetings to attend in 2023 were as follows: 1) 2 meetings of Risk Management Committee , and 2) 2 meetings of joint meetings between the Audit Committee and the Risk Management Committee, Mr. Naris fully attended all the meetings.

[4]Mr. Michael David Marshall has been appointed as the Director, member of the Executive Committee, member of the Risk Management Committee, member of the Corporate Governance and Sustainable Development Committee and the Chief Executive Officer in replacement of the resignation of Mr. Dirk Andre L. De Cuyper, with effective from 16 November 2023 onwards. Therefore, the number of meetings to attend in 2023 were as follows: 1) 1 meeting of Corporate Governance and Sustainable Development Committee 2) 2 meetings of Executive Committee 3) 1 meeting of joint meetings between the Audit Committee and the Risk Management Committee, Mr. Michael fully attended all the meetings.

[5]Mr. Issarin Patramai, Chief Financial Officer, has been appointed as Member of the of Executive Committee, with effective from 17 August 2023 onwards. Therefore, the number of Executive Committee meetings to attend was 5 meetings, Mr. Issarin fully attended all the meetings.

[6]Mr. Stefano A. Ruzza was absent from the Meeting of the Executive Committee No.7/2023 on 2 August 2023, due to his other business engagement, where he had duly notified his absence to the Meeting prior to the Meeting date.

[7] Mr. Dirk Andre L. De Cuyper resigned from the Director, member of the Executive Committee, member of the Risk Management Committee, member of the Corporate Governance and Sustainable Development Committee and the Chief Executive Officer, with effect from 16 November 2023 onwards. Therefore, the number of meetings to attend in 2023 were as follows: 1) 8 meetings of Board of Directors 2) 4 meetings of Risk Management Committee 3) 5 meetings of Corporate Governance and Sustainable Development Committee 4) 10 meetings of Executive Committee and 5) 1 meeting of joint meeting between the Audit Committee and the Risk Management Committee , and 6) 1 meeting of the Annual General Meeting of Shareholders, Mr. Dirk fully attended all the meetings.

[8]Ms. Samitta Tinnam resigned from the Chief Financial Officer and member of the Executive Committee, with effect from 1 March 2023 onwards. Therefore, the number of the Executive Committee meetings to attend was 2 meetings, Ms. Samitta fully attended all the meetings.

[9]The Board of Directors' Meeting has approved the changing of the member of Executive Committee to align with the restructuring of organization of the Company. As a result, Ms. Kankanid Wichitcharoen has ceased to be a member of the Executive Committee, effective from 17 August 2023 onwards. Therefore, the number of Executive Committee meetings to attend was 7 meetings. Ms. Kankanid fully attended all the meetings.

REMUNERATION OF DIRECTORS

Monetary Remuneration

A) Directors' Remuneration

Criteria of remuneration for directors

The Board of Directors has assigned the Nomination and Remuneration Committee to be responsible for defining the criteria for the directors' remuneration before proposing to the Board for approval, then presenting to the Annual Shareholders' Meeting for consideration and approval, based on the following aspects:

- Appropriateness regarding duty and responsibility of directors;
- Linkage of the remuneration to the Company's overall performance; and
- Comparison of the Company's directors' remuneration with peer listed companies in the SET under the same business nature and the similar size.

The 2023 Annual General Meeting of Shareholders held on 25 April 2023 resolved to approve the remuneration for the Board of Directors and the sub-committees in forms of monthly remuneration, meeting allowance, privilege for use of accommodation and services at any of the Company's hotels. Details are as follows:

Details of remuneration for the Board of Directors and committees for year 2023 are as follows:

1) Remuneration for the Board of Directors

COMMITTEE	POSITION	TYPE OF REMUNERATION		
		MEETING ALLOWANCE (BAHT / PERSON / MEETING)	FIXED REMUNERATION (BAHT / PERSON / MONTH)	OTHER PRIVILEGE (BAHT / PERSON / YEAR)
Board of Directors	Chairman	50,000	100,000	Privilege for use of accommodation and services at any of the Company's hotels of not exceeding THB 100,000
	Director	30,000	40,000	

2) Remuneration for subcommittees

COMMITTEE	POSITION	TYPE OF REMUNERATION	
		MEETING ALLOWANCE (BAHT / PERSON / MEETING)	FIXED REMUNERATION (BAHT / PERSON / MONTH)
Audit Committee	Chairman	30,000	30,000
	Director	20,000	20,000
Risk Management Committee	Chairman	30,000	-
	Director	20,000	-
Nomination and Remuneration Committee	Chairman	30,000	-
	Director	20,000	-
Corporate Governance and Sustainable Development Committee	Chairman	30,000	-
	Director	20,000	-
Executive Committee *	Chairman	30,000	-
	Director	20,000	-

Remark: * Executive Director shall not receive meeting allowance for holding the position as a member of the Executive Committee.

There was no other form of remuneration or benefit for directors other than those described above.
In summary, the monetary remuneration in 2023 for 9 directors totaled THB 10,990,839, comprising of:

TYPE OF REMUNERATION	AMOUNT (BAHT)
1. Monthly remuneration	5,880,000
2. Meeting allowances	
• Board of Directors	2,290,000
• Audit Committee	350,000
• Risk Management Committee	320,000
• Nomination and Remuneration Committee	560,000
• Corporate Governance and Sustainable Development Committee	520,000
• Executive Committee	600,000
• Joint meetings between the Audit Committee and the Risk Management Committee	320,000
3. Privilege for use of accommodation and services at any of the Company's hotels (actual spending)	150,839
Total	10,990,839

Summary of monetary remuneration paid to individual directors in 2023 is detailed as below.

2023 Monetary Remuneration of the Board of Directors and Sub-Committees

NAME	MONETARY RENUMERATION (THB)									
	MONTHLY REMUNERATION	MEETING ALLOWANCES							OTHER REMUNERATION	TOTAL REMUNERATION
		BOARD OF DIRECTORS	AUDIT COMMITTEE	RISK MANAGEMENT COMMITTEE	NOMINATION AND REMUNERATION COMMITTEE	CORPORATE GOVERNANCE AND SUSTAINABLE DEVELOPMENT COMMITTEE	EXECUTIVE COMMITTEE	JOINT MEETINGS BETWEEN THE AUDIT COMMITTEE AND THE RISK MANAGEMENT COMMITTEE		
1. Mr. Apisak Tantivorawong	1,200,000	400,000	-	-	-	-	-	-	-	1,600,000
2. Mr. Sompong Tantapart	840,000	240,000	150,000	-	-	-	-	60,000	53,437	1,343,437
3. Mr. Praisun Wongsmith	720,000	240,000	100,000	-	160,000	-	-	40,000	-	1,260,000
4. Mr. Jukr Boon-long	720,000	240,000	100,000	-	-	180,000	-	40,000	-	1,280,000
5. Mr. Parinya Patanaphakdee	480,000	240,000	-	120,000	160,000	-	-	60,000	-	1,060,000
6. Chayanin Debhakam, D.B.A.	480,000	210,000	-	-	240,000	100,000	-	-	97,402	1,127,402
7. Mr. Naris Cheyklin[3]	480,000	240,000	-	40,000	-	-	-	40,000	-	800,000
8. Mrs. Thitima Rungkwansiriroj	480,000	240,000	-	80,000	-	120,000	360,000	40,000	-	1,320,000
9. Mr. Michael David Marshall	60,000	-	-	-	-	20,000	-	20,000	-	100,000
10. Mr. Chairath Sivapornpan	-	-	-	-	-	-	240,000	-	-	240,000
11. Mr. Dirk Andre L. De Cuyper	420,000	240,000	-	80,000	-	100,000	-	20,000	-	860,000
TOTAL	5,880,000	2,290,000	350,000	320,000	560,000	520,000	600,000	320,000	150,839	10,990,839

Remark:

[1]Mr. Michael David Marshall has been appointed as the Director, member of the Executive Committee, member of the Risk Management Committee, member of the Corporate Governance and Sustainable Development Committee and the Chief Executive Officer in replacement of the resignation of Mr. Dirk Andre L. De Cuyper, with effective from 16 November 2023 onwards.

[2] Privilege for use of accommodation and services at any of the Company's hotels was approved by the 2023 AGM at the rate of 100,000 Baht/person/year, which would be recorded as actual spending.

Governance of Subsidiaries and Associate Companies

As of 31 December 2023, the Company has subsidiaries that are directly and indirectly owned by shareholders, namely 28 limited companies, 1 associate company, and 8 joint venture companies, which the Company manages with strict adherence to guidelines in accordance with good corporate governance principles of listed companies. It is evident that in its decision to invest in various businesses, the Company not only considers the returns that all stakeholders will receive from such investment, but also takes into account conducting business in accordance with the principles of good corporate governance of the SET and the SEC. Therefore, the Company has established a policy on regulation and governance of subsidiary and associate companies operating the core business according to the Announcement of the Capital Market Supervisory Board No. TorJor. 39/2559 Re: Application for and approval of offer for sale of newly issued shares, as well as the guidelines for good corporate governance of the SET.

The Board of Directors has monitored the operations of the subsidiaries, and associate companies to meet the goals, guidelines, policies, business plans and budgets of the Company, and prescribed mechanisms for policy regulation and operations for each subsidiary and associate company. In addition, the Board of Directors has considered the nomination of appropriate persons to be directors or representatives of the Company subject to the proportion of shares held by the Company to ensure that those subsidiaries and associate companies define the policy and business operation in line with the Company's policy for the utmost benefit of the Company, its subsidiaries and associate companies.

Details of "Policy on Regulation and Governance of Subsidiary and Associate Companies Operating the Core Business" stated in the document attached to this report, which is available on the Company's website at www.shotelsresorts.com.

Monitoring to ensure compliance with corporate governance policies and guidelines.

Preventing conflicts of interest.

The Board of Directors monitors and manages conflicts of interest that may occur between the Company and management, or the Board of Directors, or shareholders, including preventing the improper use of the. Company's property, information and opportunities, as well as preventing inappropriate connected transactions with people who have a relationship with the Company, including setting guidelines in the charter and Code of Conduct and formalizing a written policy on the use of inside information. The details of which are as follows:

- **Disclosure of conflicts of interest:** In order to comply with the Announcement of the Capital Market Supervisory Board No. TorJor. 2/2552 regarding disclosure of interests of directors, executives and related persons, the Board of Directors approved the criteria for preparing reports on interests of directors and executives which require the directors and executives of the Company to have a duty to disclose their interests and those of their related persons on an annual basis, and report when there are changes on a quarterly basis. The Company Secretary is responsible for collecting and delivering a copy of the disclosures of interest to the Chairman of the Board and the Chairman of the Audit Committee within 7 business days from the date of receipt of the reports and keeps said disclosure as internal information only.
- **Consideration of entering into related transactions:** It is prohibited for any Director or executive who has an interest in a certain matter to participate in the consideration and approval of said matter. The chairman of the meeting would request such persons who may have a conflict of interest to present themselves and abstain from voting or leave the meeting until consideration of the matter is completed. The Company will consider entering into connected transactions on arm's length basis at a fair price according to the market price and according to the normal course of business for the highest benefit of the Company.

2023 Key Performance

- The Audit Committee considered connected transactions or items with possible conflicts of interest and is of the opinion that most transactions with related businesses or persons during the year were commercial transactions that occurred in the normal course of business which complied with general trade conditions were reasonable, fair, and rendered the highest benefit to the Company.
- All directors, executives, and employees strictly complied with this policy, and it was not found that there were any persons performed their duties against the Policy on Prevention of Conflict of Interests.
- All directors and executives submitted the conflict of interest report on an annual basis, and reported when there are changes on a quarterly basis (or equivalent to 100 percent).
- All levels of employees submitted the compliance form (disclosure of relationships with employees/executives of the Company, and contractor/business partner of the Company) to prevent the conflict of interest (or equivalent to 100 percent).
- The Company delivered the Corporate Governance Policy and Code of Conduct covering the policy and guideline on the prevention of conflict of interests to all directors as well as requiring their signature in acknowledgment thereof, resulted in all directors (100 percent) signing their acknowledgment.
- For the orientation of new employees, the Company delivered Code of Conduct and Policy on Prevention of Conflict of Interests to the new employees and executives,

it resulting in all employees and executives (100 percent) signing their acknowledgment to comply with the policy and guideline on the prevention of conflict of interests.

- The Company organized training through the e-Learning system under the topic "the Corporate Governance Policy and Code of Conduct" along with annual comprehension tests for executives and employees at all levels. The results of the training and assessment covered 100 percent of executives and employees at all levels. Furthermore, the policy and guideline on the prevention of conflict of interests was also published through the Company's internal website (Intranet).

In this regard, the Company gives importance to transparency in the consideration of matters in the best interests of the Company. As such, it places an emphasis on the prevention of matters which may cause a conflict of interests or constitute connected transactions or related-party transactions, and has set out a guideline, prohibitions, and considerations thereof, to ensure that directors, executives, and employees of the Company understand how to comply with the Policy on Prevention of Conflict of Interests. Details of "Policy on Prevention of Conflict of Interests" are stated in the document attached to this report, which is available on the Company's website at www.shotelsresorts.com.

Governance of the use of inside information

The Company is well aware that the unpublished significant internal information and news that may interfere the stock price shall be treated as confidential by directors, executives and all employees, and shall be refrain from distributing to others, unlawfully using such information to trade securities for personal gains or benefits or causing the Company to deprive from the opportunity either directly or indirectly. The Company has a policy on use of the Company's internal information, information and cyber security and hierarchy of the Company's information and Code of Conduct under the topic "Internal information usage and confidential information" which can be summarized as follows.

Guidelines regarding internal information

(1) Inside information is commercial-in-confidence and it is, therefore, necessary to prevent the disclosure of said information to outsiders. This information may be classified into several levels of confidentiality according to importance: i.e. restricted information, confidential information, secret information, and highly secret information. However, the sharing of inside information must be within the framework of the assigned duties and responsibilities of one's position only.

(2) Disclosure of confidential information to the public must be approved by the Chief Executive Officer. The Chief Executive Officer may respond in cases where the information is highly significant, or a person may be assigned to provide information to the public. The Company has a person responsible for disseminating information to the public who is responsible for investor relations and contacting investment agencies in various projects by coordinating with internal departments that have controlling rights of the information.

(3) Company personnel will not answer questions or express opinions to any third party unless there is a duty or assignment to do so. If there is no duty or assignment, personnel will politely decline to express their opinions.

Guidelines on the use of inside information

(1) The Company will provide the necessary knowledge base to the Board of Directors and executives, including those holding management positions in the accounting or finance areas who are department managers or equivalent of the Company, and the Company's auditors as well as the architects of plans, plan administrators, and temporary plan administrators according to the bankruptcy law concerning the duties of preparing, disclosing and submitting reports on holdings and changes in holdings of securities and futures contracts of spouses or people living together as husband and wife and children who are not yet of legal age to the SEC in accordance with the provisions of the Securities Act, announcements of the SEC, and relevant announcements of the Capital Market Supervisory Board. including provisions related to penalties according to law.

(2) The Company's Board of Directors and executives, including those holding management positions in the accounting or finance fields who are department managers or equivalent of the Company, and the Company's auditors have a duty to report their securities holdings and those held by their spouse and minor children upon their appointment to the position. However, there is no requirement to report said holdings according to Section 59 of the Securities and Exchange Act until the securities or futures contracts are bought, sold, transferred or received, which is then done through electronic disclosure methods within 7 business days from the date of purchase, sale, transfer or receipt of transferred securities or futures contracts and the Company has already notified the names of said directors and executives. Moreover, when buying, selling, transferring or receiving transferal of the Company's securities, disclosure of the changes in securities holdings must be undertaken through the electronic disclosure system within 3 business days in accordance with Section 59 of the Securities and Exchange Act.

In addition, the Company Secretary will collect information on securities holdings of directors and executives, including their spouse and minor children, and report to the Company's Board of Directors meeting for acknowledgement on

a quarterly basis whereby the penalty for violation or non-compliance with the said policy and regulations is also reiterated.

(3) It is strictly prohibited for Company personnel at all levels as mentioned above, including family members of all such personnel who are aware of the Company's internal information,facts that are material to changes in the price or value of securities and that have not yet been disclosed to the public, to use such information, whether for (a) buying or selling securities either for themselves or for other persons unless required to do so by law; or (b) to disclose inside information to other persons, whether directly or indirectly, and by any means, whether knowingly or at least seemingly known, that the recipient of the information may use said information for the benefit of buying or selling securities, whether for themselves or another person unless it is done in a manner that does not take advantage of another person or in a manner as specified in the notification of the SEC; or (c) to induce another person to buy, sell, offer to buy, or offer to sell the Company's shares, whether by themselves or through a broker, regardless of whether such action is done for their benefit or others'.

(4) It is strictly prohibited for Company personnel as mentioned above and their family members to reveal facts that are material to the change in the price or value of securities and that have not yet been disclosed to the public so that others may do so and receive benefits in return.

(5) The Company will consider the unlawful use of inside information for the benefit of trading the Company's securities as mentioned above, as securities trading for speculative purposes or creating an advantage for any group, which is considered an illegal act as well as a disciplinary offense. The Company has established a policy to additionally prevent the use of inside information by requiring directors and executives, including those holding management positions in accounting or finance who are department managers or equivalent of the Company and be informed of important inside information that affects changes in the price or value of securities, to refrain from trading in the Company's securities in the period before publishing financial statements or disseminating information about the Company's financial position and status, until after the Company has disclosed said information to the public. The Company Secretary is assigned the duty of informing the Board of Directors and abovementioned senior executives, as well as the Company's auditors to stop trading in the Company's securities in writing at least thirty (30) days in advance of public disclosure and at least 24 hours after public disclosure, including prohibiting the disclosure of such material information to any third party.

(6) In cases where directors, executives and related employees intend to buy and sell the Company's securities, these must be reported to the Board of Directors and/or the person assigned by the Board of Directors concerning the trading of the Company's securities at least 1 day in advance before proceeding with securities trading.

(7) Directors, executives and employees of the Company have the duty to strictly comply with the Company's Charter and Code of Conduct and the guidelines for use of inside information under the Securities Act and the Public Company Act, as well as other related regulations.

(8) Violators who use inside information for personal gain will be disciplined, starting with a written warning, wage cut, work suspension without pay or may even be dismissed from the Company, depending on the intent of the act and the seriousness of the offense, or may be punished according to law by relevant agencies, as the case may be.

2023 Key Performance

- All directors, executives, and employees strictly complied with this policy, and it was not found that there were any persons performed their duties against the Policy on the Use of Inside Information in order to seek benefits for themselves.
- All directors, executives and related persons did not trade their securities during the blackout period.
- The Company delivered the Corporate Governance Policy and Code of Conduct to all directors as well as requiring their signature in acknowledgment thereof, resulting in all directors (100 percent) signing their acknowledgement. In addition, for the orientation of new employees, the Company delivered Code of Conduct to the new employees and executives, it resulted in all employees and executives (100 percent) signing their acknowledgment to comply with the policy and guidelines on the use of inside information. The use of inside information was stipulated in the Corporate Governance Policy, Code of Conduct, and Policy on the Use of Inside Information.
- The Company organized training through the e-Learning system under the topic "the Corporate Governance Policy and Code of Conduct" along with annual comprehension tests for executives and employees at all levels. The results of the training and assessment covered 100 percent of executives and employees at all levels. Furthermore, the policy and guideline on the Use of Inside Information were also published through the Company's internal website (Intranet).

Details of "Policy on use of the Company's internal information, information and cyber security and hierarchy of the Company's information" are stated in the document attached to this report, which is available on the Company's website at www.shotelsresorts.com.

Measures to protect the security of computer systems and information

The Company has established an information technology security policy to operate an information security risk management system appropriate to the Company's business and in line with international standard guidelines for protecting the Company's information assets, including those of individual customers and other external agencies under the Company's responsibility from various threats, whether internal or external, intentional or unintentional, in order to correctly comply with various related laws and regulations.

In addition, in order to ensure smooth compliance with the policy, the Company also has measures to protect the security of computer systems and information as follows.

(1) The Company's computers and information technology should be used in accordance with the Computer Crime Act. and other related laws.

(2) Access to non-public information is restricted to only the Chief Executive Officer, Chief Financial Officer, Investor Relations Vice President and the Company Secretary. and those holding various related executive positions as much as possible, and only disclosed to the Company's employees as necessary, only on a need-to-know basis, whereby such employees would be informed that it is confidential information and its use is restricted.

(3) The Company's information must not be changed, duplicated, deleted, or destroyed. This includes prohibiting disclosure of information in the Company's information system without permission from the Company.

(4) A security system in the workplace is established to prevent access and use of confidential files and documents.

(5) Individual usernames and passwords must be protected and maintained, and must not be shared or published, distributed or disclosed to others.

(6) The Company's email address must not be used to forward messages or images that are slanderous, degrading or be vulgar, obscene, threatening, harassing, or offensive to others. or anything which may be deemed to violate the law.

(7) Those who have controlling rights over information that have not yet been disclosed to the public must instruct relevant persons to strictly follow security procedures.

Anti-corruption Policy

The Company is aware of the importance and necessity of being committed to combating all forms of corruption within the Company, whether it is by presenting, promising, requesting, demanding, giving or receiving a bribe, or any action that may be construed as fraud or corruption.

To comply with the principles of good corporate governance and conduct business responsibly towards society and stakeholders, and to serve as a guideline for the conduct of directors, executives, and employees of the Company, the Board of Directors has resolved to approve the anti-corruption policy at the Board of Directors' meeting on 3 May 2019. The guidelines encompass all businesses and transactions in every country and every relevant agency. Company personnel and subsidiaries are required to strictly comply with the anti-corruption policy, Company Charter and Code of Conduct and must not get involved in any form of corruption, whether directly or indirectly, under the anti-corruption guidelines according to the anti-corruption policy.

The Board of Directors has established a policy and guidelines against corruption. It covers all businesses and transactions in all countries and all related entities. The directors, executives, and employees of the Company and its subsidiaries must strictly comply with the Company's policy and must not get involved in any form of corruption, whether directly or indirectly, including having to do the following:

(1) Not to commit any action which shows intention of corruption, i.e. giving or receiving a bribe to government and private officials or stakeholders related to the Company to gain or maintain business or competitive advantage or for the benefit of oneself and those involved, as well as not requesting and paying bribes to any other person with whom they have a working contact, including government agencies. in order to gain illegitimate benefits.

(2) Not neglect or be indifferent when witnessing actions that are considered corruption related to the Company, but rather consider it a duty to notify the supervisor or responsible person, and cooperate fully in investigating various facts surrounding such incidents.

(3) The Company will be fair and protect those who refuse to engage in corruption, or report incidents of corruption to the Company as specified in the measures to protect complainants or those who cooperate in reporting corruption according to the policy for receiving complaints about corruption and wrongdoing.

(4) Acts of corruption are unethical and those who commit such acts must face punishment according to the regulations regarding discipline of employees of the Company as specified, and may be punished according to law if their action is illegal.

(5) The Company is mindful of the importance of disseminating knowledge and understanding to those who must perform their duties in relation to the Company or may have an impact on the Company in matters that must be followed in accordance with this anti-corruption policy.
(6) The Company has in place an audit process and internal control system that is appropriate and efficient on a consistent basis, including in its finance, accounting, record-keeping processes, etc., as well as providing a risk management system to prevent corruption.
(7) The Company provides a human resource management process that reflects its commitment to anti-corruption measures in selection, training, and performance evaluation, as well as providing compensation and promotion.
(8) The Company has a policy to comply with laws and standards related to anti-corruption in Thailand and in every country where the Company is represented and where business is conducted on behalf of the Company.
(9) In order to provide clarity on operations in matters with a high risk of corruption, directors, executives and employees at all levels of the Company must perform their duties with caution in related matters such as providing political support, charitable donations and sponsorships, gifts and entertainment expenses.

2023 Key Performance

- The rules for receiving gifts during the festive seasons have been communicated to executives and employees are informed thereof through the Company's email channel. In addition, close monitoring of possible wrongdoing regarding corruption is regularly undertaken and it did not appear that any violation of the law had occurred.
- In February 2024, the Company submitted a declaration of intent to the Thai Private Sector Coalition Against Corruption (CAC) to demonstrate the Compny's intentions and commitment in combatting corruption in all forms.
- For the orientation of new employees, the Company delivered Anti-corruption policy to the new employees and executives, it resulted in all employees and executives (100 percent) signing their acknowledgment to comply with the Anti-corruption policy.
- The Company communicated and disseminated the policy and guidelines in relation to the anti-corruption to all employees and executives as well as requiring their signature in acknowledgment thereof. In addition, the Company organized training through the e-Learning system under the topic "the Corporate Governance Policy and Code of Conduct" along with annual comprehension tests for executives and employees at all levels. The results of the training and assessment covered 100 percent of executives and employees at all levels. The topic of Anti-corruption was a part of the Code of Conduct of the Company.

Details of "Anti-corruption Policy" stated in the document attached to this report, which is available on the Company's website at www.shotelsresorts.com.

Whistleblowing Policy

The Company has established a mechanism for receiving complaints and taking action in cases where there are clues regarding illegal acts or violations of the Charter and Code of Conduct of the Company or behavior that may indicate corruption of the Company's personnel. This includes a clear guideline on appropriate protection measures for whistleblowers according to this policy for receiving complaints about corruption and wrongdoing in order to efficiently receive complaints of corruption and wrongdoing. The relevant details appear in accordance with the Company's policy for receiving complaints of corruption and wrongdoing.

The Board of Directors has overseen the establishment of a mechanism for receiving complaints and taking action in the event clues are discovered, and setting clear guidelines in the whistleblowing policy regarding receiving complaints of corruption and wrongdoing by providing channels for receiving complaints and/or expressing opinions for people inside and outside the organization as follows:

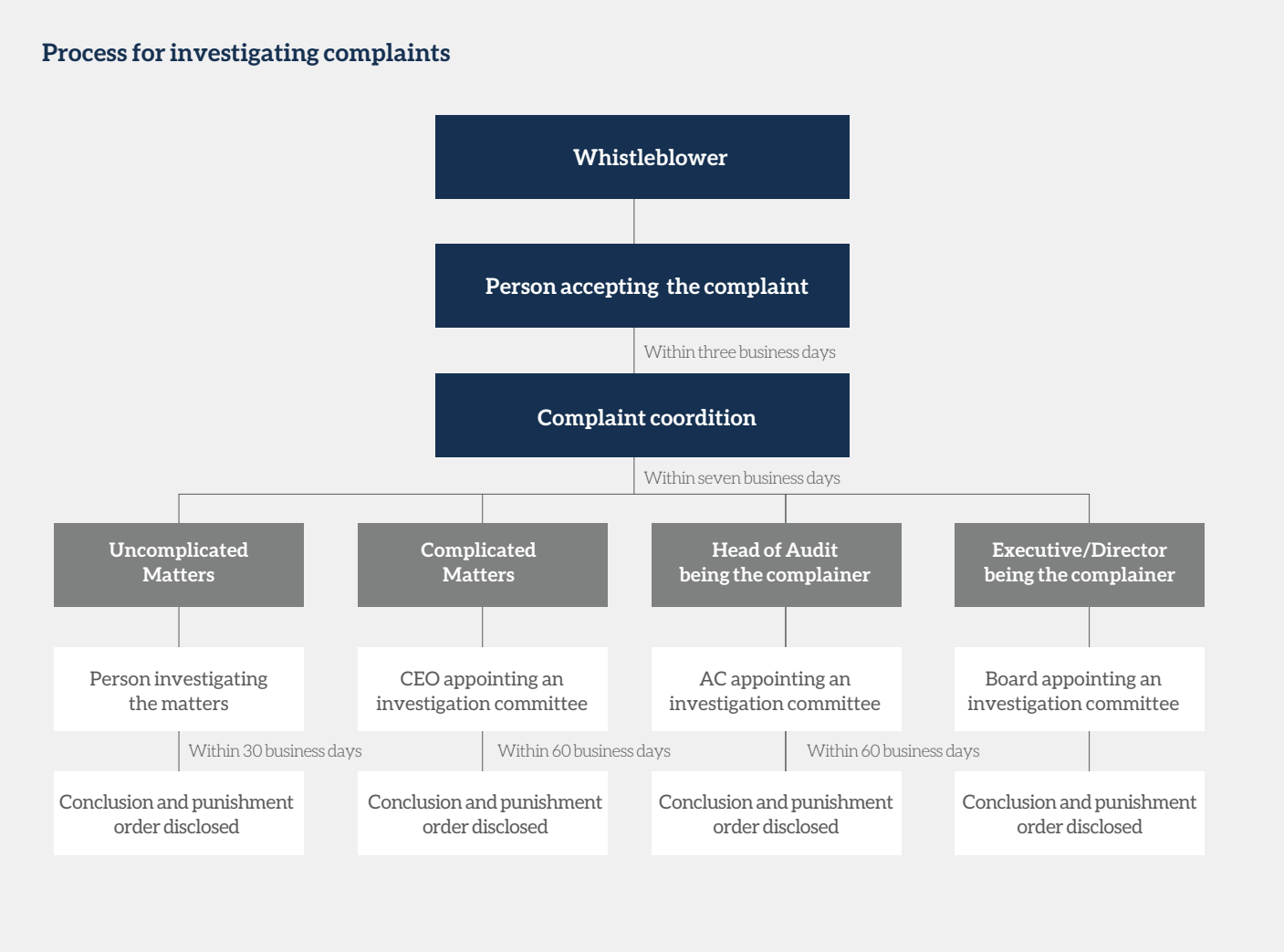
Channels for receiving clue notifications or complaints

1) By postal service
   Address it to:
   The Chairman of the Board of Directors or the Chairman of the Audit Committee or the Head of Internal Audit.
   S Hotels and Resorts Public Company Limited
   123 Suntowers Building B, 10th Floor, Vibhavadi Rangsit Road, Chom Phon Subdistrict, Chatuchak District, Bangkok 10900
2) Via email:

Receiving Complaints	Email
Company channel for receiving complaints	compliance@shotelsresorts.com

3) Box(es) for receiving suggestions/comments/complaints within the Company
4) Via the Company website: www.shotelsresorts.com under the topic Investor Relations >>good corporate governance >> complaint channel

The Company has established a process for investigating complaints as follows:

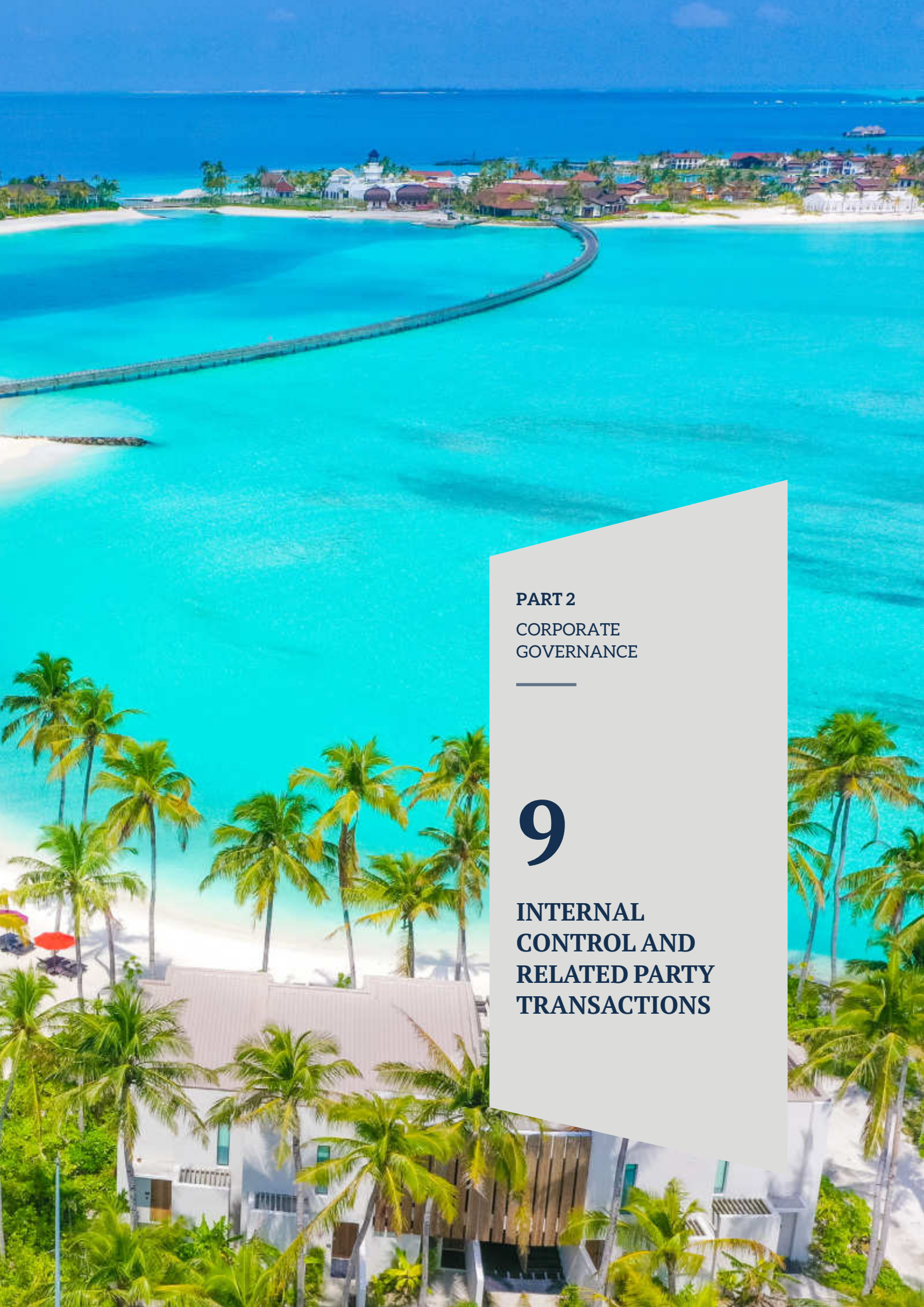


Measures to protect whistleblowers

The Board of Directors provides protection for whistleblowers by not disclosing their identity and keeping various information. of the whistleblower confidential. Initially, the internal audit department will compile a summary of the matter and present it to the Audit Committee for consideration and verification. If it is found that the information affects the Company, it must be presented to the Company's Board of Directors for further consideration.

Persons at the Company who are investigated and found to have violated the anti-corruption policy, Charter and Code of Conduct must face disciplinary punishment according to the regulations set by the Company and if the offense is against the law, the offender may be subject to legal punishment, whether civil or criminal. or according to relevant legal provisions.
Details of "Whistleblowing Policy" specified in the document attached to this report which is available on the Company's website at www.shotelsresorts.com

In 2023, there was no report on misconduct and corruption from both insiders and outsiders.



PART 2

CORPORATE GOVERNANCE

9

INTERNAL CONTROL AND RELATED PARTY TRANSACTIONS

INTERNAL CONTROL

The Company has instituted internal controls in compliance with international standards established by the Committee of Sponsoring Organizations of the Treadway Commission (COSO), which ensure that the Company achieves its objectives of internal control across all three areas, including Operations, Reporting, and Compliance. Furthermore, the Board of Directors evaluates the sufficiency of the Company's internal control system based on assessments conducted by the SEC, as utilized by management for annual assessments. Additionally, the Company has the internal audit department responsible for reviewing the internal control system and reporting directly to the Audit Committee. This measure guarantees that the Company's operations are appropriate, efficient, effective, and conform to the relevant regulations and international standards. The internal control system comprises 5 critical components, as follows:

1) Control Environment

The Board of Directors and executives advocate for a corporate culture that prioritizes transparency and ethical conduct in both operations and oversight. This approach is consistent with the Company's vision and mission.

Additionally, the Company has implemented a robust internal control environment that is well-suited for conducting business operations as follows:

- The Board of Directors defines the Company's vision, mission, and objectives clearly, which ought to serve as a management and employee guide. Regular monitoring is necessary to ensure that operations align with goals, encompassing environmental, social, and corporate governance issues. The primary objective is to create long-term value for the Company while promoting fairness among all stakeholder groups.
- The Board of Directors has established an organizational structure with suitable reporting lines to achieve various objectives. In important work areas, there should be a separation of duties to achieve a balance between them.
- The Board of Directors defines, in writing, the Code of Conduct, good corporate governance principles, prevention of conflict of interest and use of inside information to be adhered to any and complied by each director, executive, and employee, which would be reviewed when appropriate. The Board of Directors also supports the Company to provide a training orientation to new employees to ensure that they understand and acknowledge the practice on these matters as well as the prevention of conflicts of interest.
- The Board of Directors defines, in writing, the rules, regulations and assigns duties, responsibility that have been announced to all employees for acknowledgment and implementation.
- The Board of Directors sets an anti-corruption policy and announces the anti-corruption measures for directors, executives, and employees to follow as a common practice.
- The Board of Directors supervises the establishment, improvement, development, and review of goals, plans, policies, and strategies for business operations on a regular basis. This includes clearly defined indicators to ensure that operations align with the environment and are appropriate even as the economic situation changes rapidly.
- The Company has established the internal control guidelines which the Board of Directors assigned the Audit Committee to review the adequacy and proficiency of the Company's internal control system. This is to ensure that the Company and its subsidiaries in the group protect the Company's assets and interests of shareholders adequately and sufficiently. The internal audit department is responsible for inspecting the operations of all departments. Additionally, there are measures to prevent or mitigate impacts and chances of incidents through joint meeting of the Audit Committee and Risk Management Committee. This is to ensure that these processes are implemented and reported to the meetings of joint meeting of the Audit Committee and the Risk Management Committee on biannual.

2) Risk Assessment

The Board of Directors and executives of the Company have placed a great deal of emphasis on the proper management of risks. The Risk Management Committee is tasked with supervising the identification of enterprise-level risks and conducting impact assessments in order to determine guidelines for effective risk management.

The Risk Management Department, working alongside with Risk Coordinator, collects and carefully analyzes risk factors, both internal and external, identifying those with a higher level of risk which is found that significant change for enterprise-level risks and impact the business operations, internal control, and financial reports. The Risk Owner is then responsible for monitoring and reporting on the progress of significant enterprise risk management activities to the Risk Management Department. The Risk Management Department compiles, summarizes, and reports its findings to the Risk Management Committee, the Audit Committee, and the Board of Directors on a quarterly basis. This report includes measures to prevent or reduce the impact of

risk factors and opportunities, as well as key risk management effectiveness indicators (KRIs) used to manage and control risks to an acceptable level. To minimize the impact of risks on the Company, an enterprise risk management plan and a response plan have been prepared for 2023. This includes the risks of economic recession and return on assets, among others.

In addition, the Company has reviewed its policy and Business Continuity Management Policy and Framework, including the establishment of a Business Continuity Management Working Group (Business Continuity Committee: BCM) and Business Continuity Management Plan (Business Continuity Plan: BCP). This operation covers every line of work throughout the organization for preparing and addressing risks that may arise from unexpected crises which could impact business operations. In 2023, the Company organized a rehearsal for organizational crisis response plans, including firefighting and fire evacuation drills, as well as communication throughout the organization. This ensures that employees are well-prepared for emergency situations in the case of an emergency.

3) Control Activities

The Company implements measures to optimize its operations and mitigate risks to an acceptable level. These methods are as follows:

- Control measures should be established to mitigate risks based on the specific characteristics of the environment and nature of work. Policies and operating procedures should support adequate and appropriate internal control, covering various essential processes, such as finance and procurement. Also, regulations for approval authority and operations should be consistent and appropriate for business operations. The job description should clearly outline the scope of operations, authority, duties, and approval authority at each level to ensure flexibility and have appropriate controls. The policy should be communicated through work regulations and operating manuals, and relevant personnel should be informed immediately when it comes into effect.
- Control activities should be defined for both prevention and detection by considering good internal control principles such as segregation of duties and authorization which should be granted systematically to employees to ensure that there are checks and balances of power.
- To prevent conflicts of interest that may arise, information on interests of directors, executives, and related persons should be disclosed. They should not participate in approval considerations in cases where they have a vested interest in matters that the Company will enter the transaction. However, if a connected transaction is entered, it should be based on Arm's Length Basis at a fair price according to the market price and in accordance with normal business practices for the highest benefit of the Company.

4) Information & Communication

The Company places a significant emphasis on the quality of its information and communication technology systems and develops them continuously. Its objective is to continuously develop and enhance these systems to ensure that decision-making is based on current, accurate, and verifiable information that is up to date with the evolving business environment and circumstances. Such an approach supports sustainable growth and expansion of the business, in line with its operations which are summarized below:

- The efficient management of crucial financial and non-financial information is a requisite for the Board of Directors to consider and promptly take effective decisions. As such, it is imperative that such information be communicated to the Board of Directors in advance of meetings, in accordance with the law.
- The performance must be reported to the Board of Directors, which includes financial results, risk management reports, internal control system sufficiency, and reports from various sub-committees, such as the Executive Committee, Risk Management Committee, Audit Committee and included External Auditor. The Board of Directors must be informed on a regular basis regarding the past year's performance of duties by the Board of Directors and each sub-committee, as outlined in the Board of Directors' charter. This information must be presented in the annual report (Form 56-1 One Report) for shareholders' acknowledgment.
- An IT Security policy must be put in place, which covers computer center access, company information hierarchy, user rights, data usage, backup, and work systems, as well as data recovery development, change, and maintenance of technological systems. It is the Company's responsibility to ensure that the security of its information technology has been performed to comply with the policy, which is adequate, and can prevent any risks that may arise with the Company's information system.
- Channels for receiving complaints, such as Whistleblower, must be provided for both employees and outsiders. This will help them believe that complaints will be handled transparently, fairly, and confidentially within a reasonable period.
- The Company must establish internal and external communication channels, including meetings, announcements, electronic mail (e-mail), intranet (S@NET), and the Company's website, so that the interested parties can receive information about the Company news.

5) Monitoring Activities

The Company conducts regular monitoring and evaluation of its internal controls and establishes guidelines to facilitate the development and enhancement of these controls to ensure that the Company's operations effectively achieve the objectives and goals set as follows:

- The Company's performance is regularly monitored to ensure that it meets its business goals at least once every quarter.
- All departments are informed of the principles of good internal control. The internal audit department, which operates independently of the management, conducts to audit according to an annual audit plan that is approved by the Audit Committee. The objective of these audits is assessment for adequacy and efficiency of the internal control system. Additionally, the internal audit department presents suggestions for improvement to the Audit Committee regularly, which reports directly to the Audit Committee on a quarterly basis.
- The internal control system in financial accounting is audited and reviewed by an external auditor. The auditor presents the inspection results and review to the Audit Committee, which considers them on a quarterly and annual basis. In 2023, the auditor did not find any significant issues to recommend that the Company make improvements to its internal control system.
- The Company has established a clear policy and communication channel for reporting of the Audit Committee to the Board of Directors. Anyone encountering or having questions about an item or action that may significantly impact the Company's financial position or operating results can report it. The Board of Directors is expected to take corrective action within the period that the Audit Committee considers appropriate.

During the Board of Directors' Meeting No. 2/2024 held on 21 February 2024, the Audit Committee submitted the results of the evaluation of the Company's internal control system. Following a thorough review, the Board of Directors agreed with the Audit Committee's assessment that the internal control system of the Company is adequate, appropriate, and efficient, with no material defects or issues identified. The Company's auditor concurred with this evaluation. Moreover, the audit conducted on the Company's accounts for the year ending 31 December 2023, did not reveal any significant observations regarding internal control.

Head of Internal Audit

The Audit Committee Meeting No. 3/2023 held on A9 August 2023 appointed Mr. Saratool Sakarin, as the Secretary to the Audit Committee. He has an experience currently serves as the Assistant Vice President of the Internal Audit Department, possessing a wealth of experience in internal auditing and internal control spanning over 17 years. Additionally, he has attended numerous training courses related to his work, including good practices for the Board of Directors, with a for improvement competitiveness and creating sustainable value for the business. His understanding of the Company's operating activities makes him highly suited to perform his duties effectively.

The meeting also discussed the need for the Audit Committee's approval for the appointment, transfer, and termination of the head of the internal audit of the Company which contains details of the head of the internal audit' s qualifications and work experience, is attached as Attachment 3.

RELATED PARTY TRANSACTIONS

POLICY AND TREND FOR TRANSACTIONS WITH RELATED PARTIES

The Board of Directors of the Company values the compliance of good corporate governance concerning oversight of conflicts of interest. The Board of Directors steers the management by instituting clear, transparent processes concerning related parties and compliance with the rules, procedures, and approach for disclosing related transactions strictly in line with the law or regulators' requirements. As a rule, in engaging in transactions with the Company's related parties, most transactions occurred in the normal course of business and the pricing is akin to fair market price or at an arm's length basis. Therefore, engagement in transactions with these businesses or parties is likely to recur.

What is important is that the Company's policy or trend for engagement is still based on the same principle conducted last year at arm's length commercial terms and conditions with primary regard for the best interests of the Company and its shareholders.

Transactions between the Company and its subsidiaries and parties/juristic persons of potential conflicts of interest as of 31 December 2021, 31 December 2022 and 31 December 2023 are as follows:

INDIVIDUAL / JURISTIC PERSON WHO MAY HAVE CONFLICTS OF INTEREST (RELATIONSHIP)	TYPE OF TRANSACTION	TRANSACTION VALUE (THB MILLION)			DETAILS AND RATIONALE
		2021	2022	2023	
Boon Rawd Brewery Co., Ltd. (Ultimate major shareholder and related parties of the Company served as major shareholders, directors, management, or controlling persons)	Trade receivables	3.27	0.35	0.15	Revenues from rooms and services including other services such as accommodation, food and beverage, and transportation, etc., for site visit and event.
	Revenue from services	3.79	2.78	2.14	
Bo Phut Property and Resort Co., Ltd. (Related parties of the Company served as major shareholders, directors, management, or controlling persons)	Services income	-	0.09	-	Rental and services income for counter service at Samui International Airport to charge Santiburi Koh Samui. Rates and terms are based on agreed rate and conditions, comparable to those offered to key account customers.
Beer Singha Co., Ltd. (Related parties of the Company served as major shareholders, directors, management, or controlling persons)	Other payables	0.01	0.01	0.01	Purchases of goods and services.
	Purchases of goods	0.03	0.04	0.07	
Singha Park Chiang Rai Co., Ltd. (Related parties of the Company served as major shareholders, directors, management, or controlling persons)	Other payables	0.04	0.06	0.17	Purchases of goods and services.
	Purchases of goods	0.09	0.27	0.43	

INDIVIDUAL / JURISTIC PERSON WHO MAY HAVE CONFLICTS OF INTEREST (RELATIONSHIP)	TYPE OF TRANSACTION	TRANSACTION VALUE (THB MILLION)			DETAILS AND RATIONALE
		2021	2022	2023	
Santiburi Samui Country Club Co., Ltd. (Related parties of the Company served as major shareholders, directors, management, or controlling persons)	Trade receivables	-	-	0.02	Revenues from laundry service and commission charges from using golfing facilities at Santiburi Samui Country Club by guests of Santiburi Koh Samui.
	Services income	0.01	0.05	0.15	
	Other payables	0.02	0.11	0.29	Service charges from using golfing facilities at Santiburi Samui Country Club by guests of Santiburi Koh Samui.
	Services expense	0.11	0.86	3.03	
Boon Rawd Trading Co., Ltd. (Related parties of the Company served as major shareholders, directors, management, or controlling persons)	Trade receivables	0.01	0.43	-	Revenues from rooms and services including other services such as accommodation, food and beverage, and transportation, etc., for site visit and event.
	Revenue from services	0.01	0.49	0.08	
CTG 2002 Co., Ltd. (Related parties of the Company served as major shareholders, directors, management, or controlling persons)	Other payables	-	-	0.24	Advertising expenses and consulting fees for organizing public relations. Rates and terms are in line with normal business practice following the condition of general trading.
	Rental and services expense	-	0.18	0.55	
Singha Estate PCL. (Related parties of the Company served as major shareholders, directors, management, or controlling persons)	Trade receivables	0.34	0.13	1.08	Revenues from rooms and services including other services such as accommodation, food and beverage, and transportation, etc., for site visit and event.
	Revenue from services	0.52	0.43	1.25	
	Other receivables	10.26	-	-	Warrants to executives and employees of: the major shareholder of the parent, the parent, and its subsidiaries; and the Company and its subsidiaries recorded at fair value.
	Finance cost	-	-	0.72	Finance cost from short-term loan for construction project. The Interest and principal amount have been fully paid.
	Other payables	8.38	8.77	16.48	Management fees such as personnel service fees, legal fees, accounting fees and information technology service fees, etc., are in accordance with the Management Service Agreement.
	Management fee	5.28	7.40	15.59	

INDIVIDUAL / JURISTIC PERSON WHO MAY HAVE CONFLICTS OF INTEREST (RELATIONSHIP)	TYPE OF TRANSACTION	TRANSACTION VALUE (THB MILLION)			DETAILS AND RATIONALE
		2021	2022	2023	
Singha Estate PCL. (Related parties of the Company served as major shareholders, directors, management, or controlling persons)	Share-based payment transaction	0.22	-	-	Warrants of Singha Estate PCL. to executives and employees of: the major shareholder of the parent, the parent, and its subsidiaries; and the Company and its subsidiaries recorded at fair value.
	Other payables	0.83	-	-	Miscellaneous expenses such as travel expenses, postage, vehicles rental fee, services expense and training expense, etc., that were paid on behalf of the Group.
	Services expense	1.02	0.21	0.59	
	Trade payables	-	-	0.64	Service fees for hotel renovate are in accordance with the Service Agreement.
S International Holding Company Limited (Related parties of the Company served as major shareholders, directors, management, or controlling persons)	Finance cost	-	-	2.57	Finance cost from short-term loan for construction project. The Interest and principal amount have been fully paid.
	Other receivables	0.49	-	-	Miscellaneous income such as legal fees, that the Group advance paid.
	Miscellaneous income	0.46	-	-	
	Other payables	4.48	4.14	4.35	Management fees such as personnel service fees, legal fees, accounting fees and information technology service fees, etc., are in accordance with the Management Service Agreement.
	Management fee	2.88	-	-	
Max Future Co., Ltd. (Related parties of the Company served as major shareholders, directors, management, or controlling persons)	Other payables	0.01	0.01	0.05	Rental and parking services expense at Suntowers and S-Oasis Building.
	Rental and services expense	0.02	0.21	0.41	
Dream Islands Development Pvt. Ltd. (Related parties of the Company served as major shareholders, directors, management, or controlling persons)	Other receivables	2.26	9.34	1.89	Management services of Crossroads project Phase 2 in accordance with the Property Management Service Agreement.
	Services income	10.06	12.69	12.18	

INDIVIDUAL / JURISTIC PERSON WHO MAY HAVE CONFLICTS OF INTEREST (RELATIONSHIP)	TYPE OF TRANSACTION	TRANSACTION VALUE (THB MILLION)			DETAILS AND RATIONALE
		2021	2022	2023	
S Services (Maldives) Pvt. Ltd. (Related parties of the Company served as major shareholders, directors, management, or controlling persons)	Advances to	-	0.01	-	Advance payment for insurance expense.
	Management fee	-	-	3.33	Project management and construction management fees for Crossroads Dormitory C project in accordance with the Service Agreement.
S Prime Growth Leasehold Real Estate Investment Trust. (Related parties of the Company served as major shareholders, directors, management, or controlling persons)	Other payables	0.11	0.13	0.19	Office rental and services expense at Suntower Building.
	Rental and services expense	3.91	4.10	4.28	
S Hotels and Resorts (SG) Pte. Ltd. (Related parties of the Company served as major shareholders, directors, management, or controlling persons)	Advances to	0.03	0.03	0.03	Advance payment for ordinary shares submission fee.
Singha Property Development Co., Ltd. (Related parties of the Company served as major shareholders, directors, management, or controlling persons)	Other receivables	0.27	-	-	Warrants to executives and employees of: the major shareholder of the parent, the parent, and its subsidiaries; and the Company and its subsidiaries recorded at fair value.
	Rental and services expense	0.06	0.05	0.19	Rental and services expense for the Group's activities. Rate and term are in line with normal business practice following the condition of general trading.
EST. COMPANY (1933) Co., Ltd. (Related parties of the Company served as major shareholders, directors, management, or controlling persons)	Services expense	0.01	-	-	Services expense, food, and beverage for the Group's press conference. Rate and term are in line with normal business practice following the condition of general trading.

INDIVIDUAL / JURISTIC PERSON WHO MAY HAVE CONFLICTS OF INTEREST (RELATIONSHIP)	TYPE OF TRANSACTION	TRANSACTION VALUE (THB MILLION)			DETAILS AND RATIONALE
		2021	2022	2023	
S Residential Development Co., Ltd. (Related parties of the Company served as major shareholders, directors, management, or controlling persons)	Other receivables	3.13	-	-	Warrants to executives and employees of: the major shareholder of the parent, the parent, and its subsidiaries; and the Company and its subsidiaries recorded at fair value.
	Other payables	-	4.69	16.19	Project management and construction management fees for Picnic project in accordance with the Service Agreement.
	Revenue from services	0.10	0.16	-	Revenues from rooms and services including other services such as accommodation, food and beverage.
	Other payables	-	-	0.01	Services expense for employee training.
	Services expense	-	-	0.01	
Singha Corporation Co., Ltd. (Related parties of the Company served as major shareholders, directors, management, or controlling persons)	Revenue from services	-	0.05	-	Revenues from rooms and services including other services such as accommodation, food and beverage.
S.IF. Company Limited (Related parties of the Company served as major shareholders, directors, management, or controlling persons)	Revenue from services	-	0.19	-	Revenues from rooms and services including other services such as accommodation, food and beverage.
S.IF.1 Company Limited (Related parties of the Company served as major shareholders, directors, management, or controlling persons)	Trade payables	-	0.03	0.28	Electricity services expense, rates and terms are in line with normal business practice following the condition of general trading.
	Services expense	-	0.03	3.02	
S Maldives Private Limited (Related parties of the Company served as major shareholders, directors, management, or controlling persons)	Trade payables	-	-	0.59	Electricity services expense, rates and terms are in line with normal business practice following the condition of general trading.
	Services expense	-	-	3.80	

PART 3

FINANCIAL STATEMENTS

RESPONSIBILITY OF THE BOARD OF DIRECTORS TO FINANCIAL STATEMENTS

The Board of Directors of S Hotels and Resorts Public Company Limited (the "Company") is responsible for the consolidated financial statements of the Company and its subsidiaries as well as financial information in the Form 56-1 One Report. The financial statements are prepared in accordance with generally accepted accounting standards which are appropriately applied on a consistent basis. Conservation judgment and best estimate are adopted in this preparation. In addition, all important information is adequately disclosed in the notes to financial statements.

The Board of Directors has set up and maintained an effective internal control to reasonably ensure that all accounting records are accurate, complete, and sufficient to secure its assets. Moreover, all possible weaknesses could be found to prevent fraud or material unusual transactions.

The Board of Directors had appointed the Audit Committee which comprises three independent directors, to control quality of financial report and internal control system. The opinion of the Audit Committee on this matter has already been presented in the Audit Committee Report.

The Board of Directors is of an opinion that internal control systems of the Company are in the satisfactory and sufficient level to reasonably build the confidence in the reliability of the consolidated financial statements of the Company and its subsidiaries as of 31 December 2023.

(Mr. Apisak Tantivorawong)
Chairman of the Board of Directors

(Mr. Michael David Marshall)
Director and Chief Executive Officer

INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF S HOTELS AND RESORTS PUBLIC COMPANY LIMITED

MY OPINION

In my opinion, the consolidated financial statements and separate financial statements present fairly, in all material respects, the consolidated financial position of S Hotels and Resorts Public Company Limited (the Company) and its subsidiaries (the Group), and the separate financial position of the Company as at 31 December 2023, and its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with Thai Financial Reporting Standards (TFRS).

WHAT I HAVE AUDITED

The consolidated financial statements and the separate financial statements comprise:

- the consolidated and separate statements of financial position as at 31 December 2023;
- the consolidated and separate statements of comprehensive income for the year then ended;
- the consolidated and separate statements of changes in equity for the year then ended;
- the consolidated and separate statements of cash flows for the year then ended; and
- the notes to the consolidated and separate financial statements, which include significant accounting policies and other explanatory information.

BASIS FOR MY OPINION

I conducted my audit in accordance with Thai Standards on Auditing (TSAs). My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the consolidated and separate financial statements section of my report. I am independent of the Group and the Company in accordance with the Code of Ethics for Professional Accountants including Independence Standards issued by the Federation of Accounting Professions (TFAC Code) that are relevant to my audit of the consolidated and separate financial statements, and I have fulfilled my other ethical responsibilities in accordance with TFAC Code. 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 conso lidated and separate financial statements of the current period. I determine one key audit matter: Impairment assessment of goodwill. The matter was addressed in the context of my audit of the consolidated and separate financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on the matter.

KEY AUDIT MATTER	HOW MY AUDIT ADDRESSED THE KEY AUDIT MATTER
Impairment assessment of goodwill Refer Note 7, Critical accounting estimates and judgements and Note 16 Goodwill. As at 31 December 2023, the Group had goodwill of THB 1,628 million contributing to 4% of total assets in the consolidated financial statements. Goodwill arose from the acquisition of hospitality businesses in Thailand and overseas including Republic of Maldives, Republic of Mauritius, Republic of Fiji and United Kingdom.	I performed the following key procedures to assess the impairment of goodwill tested by the Group's management: • assessed the appropriateness of management's identification of the Group's CGU including goodwill by inquiring and observing how the information is collected and segregated comparing to the accounting data. • inquired management to understand the inputs and assumptions used in the impairment testing of goodwill and assessed the key data and assumptions used in the impairment testing process.

KEY AUDIT MATTER	HOW MY AUDIT ADDRESSED THE KEY AUDIT MATTER
Management tests impairment of goodwill annually. The impairment test is performed at the level of the cash generating unit (CGU) and computed its recoverable amount by applying a value-in-use model. This model involves significant judgements made by the management in respect to the future operating results of businesses, projected cash flows, growth rate and discount rate. As a result of impairment testing, the Group did not recognise the impairment loss of goodwill in the consolidated financial statements of 2023. I focussed on the impairment assessment of goodwill because its significant value and the fact that the determination of recoverable amount depends on a number of assumptions. Those assumptions involve significant judgement made by management in assessing the possibility of future business plans.	• inquired and challenged management's significant assumptions applied in the impairment testing of goodwill, specifically the business plan and the projected future cash flows including the occupancy rate, growth rate and discount rate, and also checked whether they were in line with the business volatility. I compared those inputs and assumptions to the appropriate published information of the industry. • inquired and assessed the reasonableness of the business plan and estimated future cash flows in 2023 by comparing them with actual results. • regarding the goodwill arose from the acquisition of hospitality business in the United Kingdom, I planned the audit of the consolidation purpose and communicated it to the component auditor in the United Kingdom who performed audit over the subsidiaries' financial information. I understood and evaluated the work of the auditor to obtain sufficient and appropriate audit evidence of the estimated future cash flows for the impairment testing of the group of assets arisen from the hospitality businesses in the United Kingdom. I also evaluated the qualification, competency, and independence of the component auditor. • performed a sensitivity analysis of the key assumptions used in impairment testing to consider the potential impact of a material change in those assumptions would make on the impairment assessment of goodwill. As a result of these procedures, I found that management's determination is reasonable based on the available evidence.

OTHER INFORMATION

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

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

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

When I read the annual report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to the audit committee.

RESPONSIBILITIES OF THE DIRECTORS FOR THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

The directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with TFRS, and for such internal control as the directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the directors are responsible for assessing the Group's and the Company'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 the directors either intend to liquidate the Group and the Company or to cease operations, or has no realistic alternative but to do so.

The audit committee assists the directors in discharging their responsibility for overseeing the Group's and the Company's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

My objectives are to obtain reasonable assurance about whether the consolidated and separate 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 TSAs 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 consolidated and separate financial statements.

As part of an audit in accordance with TSAs, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the consolidated and separate 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 and the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' 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 and the Company'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 consolidated and separate 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 and the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

I communicate with the audit committee 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 the audit committee 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 the audit committee, I determine those matters that were of most significance in the audit of the consolidated and separate 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.

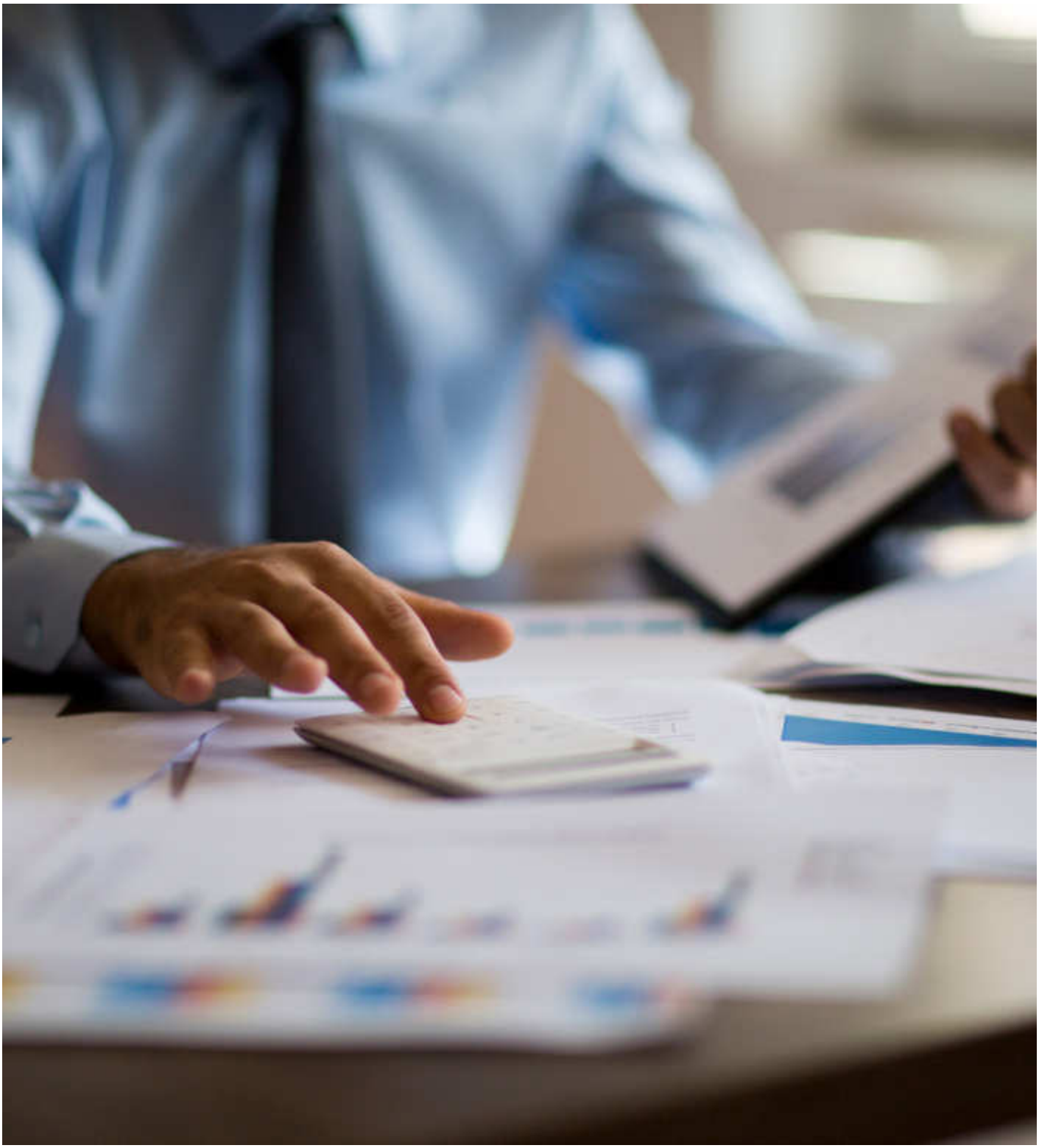
PricewaterhouseCoopers ABAS Ltd.

Rodjanart Banyatananusard
Certified Public Accountant (Thailand)
No. 8435 Bangkok
21 February 2024

FINANCIAL STATEMENTS

S HOTELS AND RESORTS PUBLIC COMPANY LIMITED

Consolidated and Separate Financial Statements
31 December 2023



S HOTELS AND RESORTS PUBLIC COMPANY LIMITED

Statement of Financial Position

As at 31 December 2023

		Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
	Notes	Baht	Baht	Baht	Baht
Assets					
Current assets					
Cash and cash equivalents	9	2,216,334,109	2,477,332,055	325,693,233	28,454,573
Financial assets measured at fair value through profit or loss	6	-	2,049,026	-	6,467
Trade and other receivables, net	10	534,555,821	501,355,520	1,376	164,731
Short-term loan to a related party	27	21,922,000	-	-	-
Inventories		230,951,405	228,505,793	-	-
Amounts due from related parties	27	34,053,150	38,122,558	393,525,558	369,200,132
Current portion of financial lease receivable - a related party, net	27	18,348,069	7,741,978	-	-
Group of non-current assets classified as held-for-sale, net	11	360,745,134	979,696,574	-	-
Other current assets		354,932,066	298,161,691	33,044,709	32,449,204
Total current assets		3,771,841,754	4,532,965,195	752,264,876	430,275,107
Non-current assets					
Restricted bank deposits		45,209,324	16,845,411	-	-
Investments in an associate and joint ventures	12	274,708,557	371,850,849	-	-
Investments in subsidiaries	13	-	-	16,835,649,210	16,835,649,210
Financial lease receivable - a related party, net	27	264,463,922	224,559,386	-	-
Long-term loans to related parties	27	489,393,190	331,893,550	6,220,717,304	4,886,419,725
Investments properties	14	480,972,437	922,188,148	-	-
Property, plant and equipment, net	15	30,414,394,150	28,045,953,198	3,922,572	4,230,933
Goodwill, net	16	1,627,700,580	1,629,586,347	-	-
Intangible assets, net		77,221,106	81,061,069	4,369,592	4,352,621
Derivative assets	6	52,604,508	105,290,167	-	-
Deferred income tax assets	17	187,278,287	94,848,982	3,084,443	2,363,309
Other non-current assets		36,915,700	92,556,588	6,067,399	1,248,749
Total non-current assets		33,950,861,761	31,916,633,695	23,073,810,520	21,734,264,547
Total assets		37,722,703,515	36,449,598,890	23,826,075,396	22,164,539,654

The notes to the consolidated and separate financial statements are an integral part of these financial statements.

S HOTELS AND RESORTS PUBLIC COMPANY LIMITED

Statement of Financial Position

As at 31 December 2023

		Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
	Notes	Baht	Baht	Baht	Baht
Liabilities and equity					
Current liabilities					
Trade and other payables	18	1,666,948,275	1,710,634,057	48,086,954	20,476,617
Amounts due to related parties	27	90,008,653	23,351,528	104,278,229	17,276,494
Short-term borrowing from a related party	27	-	-	897,600,000	557,600,000
Current portion of long-term borrowings, net	19	1,386,331,283	1,952,025,507	454,788,116	436,282,237
Current portion of lease liabilities, net	21	106,579,379	79,767,046	980,961	989,212
Income tax payables		50,751,111	16,059,267	2,283,789	-
Retention payables		21,131,268	15,020,401	-	-
Other current liabilities		187,211,032	378,949,232	2,637,917	2,510,166
Total current liabilities		3,508,961,001	4,175,807,038	1,510,655,966	1,035,134,726
Non-current liabilities					
Long-term borrowings, net	19	11,255,238,576	11,128,136,769	3,702,767	225,294,441
Debentures, net	20	1,290,228,524	-	1,290,228,524	-
Lease liabilities, net	21	3,968,606,720	3,514,186,726	960,790	1,739,905
Deferred income tax liabilities	17	1,386,572,755	1,263,942,072	-	-
Derivative liability	6	4,602,906	-	-	-
Employee benefit obligations		52,369,421	48,271,570	20,186,655	16,488,601
Other non-current liabilities		165,076,165	300,085,463	26,400	-
Total non-current liabilities		18,122,695,067	16,254,622,600	1,315,105,136	243,522,947
Total liabilities		21,631,656,068	20,430,429,638	2,825,761,102	1,278,657,673

The notes to the consolidated and separate financial statements are an integral part of these financial statements.

		Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
	Note	Baht	Baht	Baht	Baht
Liabilities and equity (Cont'd)					
Equity					
Share capital					
Authorised share capital					
Ordinary shares 3,593,640,000 shares					
at par value of Baht 5 each					
(31 December 2022: Ordinary Shares					
3,663,640,000 shares					
at par values of Baht 5 each)	22	17,968,200,000	18,318,200,000	17,968,200,000	18,318,200,000
Issued and paid-up share capital					
Ordinary shares 3,593,640,000 shares					
at paid-up of Baht 5 each	22	17,968,200,000	17,968,200,000	17,968,200,000	17,968,200,000
Premium on share capital	22	2,917,681,981	3,335,183,869	2,917,681,981	3,335,183,869
Discount from business transferred					
under common control		(2,119,140,909)	(2,119,140,909)	-	-
Share-based payment	22	-	43,754,206	-	43,754,206
Retained earnings (deficits)		(3,155,242,070)	(3,702,905,034)	114,432,313	(461,256,094)
Other components of equity		479,548,445	494,077,120	-	-
Total equity		16,091,047,447	16,019,169,252	21,000,314,294	20,885,881,981
Total liabilities and equity		37,722,703,515	36,449,598,890	23,826,075,396	22,164,539,654

The notes to the consolidated and separate financial statements are an integral part of these financial statements.

S HOTELS AND RESORTS PUBLIC COMPANY LIMITED

Statement of Comprehensive Income

For the year ended 31 December 2023

		Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
	Notes	Baht	Baht	Baht	Baht
Revenue from hospitality business and other related services		9,701,079,185	8,692,553,854	-	-
Revenue from management services		-	-	108,475,508	88,664,064
Costs of hospitality business and other related services		(6,326,416,542)	(5,807,442,940)	-	-
Costs of management services		-	-	(51,310,716)	(51,985,762)
Gross profit		3,374,662,643	2,885,110,914	57,164,792	36,678,302
Other income	23	395,675,364	131,734,592	166,099,509	110,504,312
Dividend income from a subsidiary	27	-	-	129,441,540	-
Selling expenses		(441,271,108)	(352,257,033)	(4,662,863)	(3,212,709)
Administrative expenses		(1,934,475,652)	(1,795,123,636)	(155,340,781)	(117,600,216)
Finance costs		(1,123,879,070)	(841,610,678)	(102,579,161)	(29,252,584)
Net gain (loss) on exchange rate		(4,777,541)	20,969,007	34,669,196	(87,651,692)
Share of loss from an associate and joint ventures		(88,213,613)	(21,465,125)	-	-
Profit (loss) before income taxes		177,721,023	27,358,041	124,792,232	(90,534,587)
Income tax	25	(91,314,153)	(12,975,791)	(10,359,919)	(1,052,094)
Profit (loss) for the year		86,406,870	14,382,250	114,432,313	(91,586,681)
Other comprehensive income (expense), net of taxes					
Items that will be reclassified subsequently to profit or loss					
- Cash flow hedges	5.1.1	(58,196,671)	117,282,396	-	-
- Currency translation differences		31,403,627	31,132,386	-	-
- Income tax relating to items that will be reclassified subsequently to profit or loss		12,264,369	(25,485,932)	-	-
Total items that will be reclassified subsequently to profit or loss, net of taxes		(14,528,675)	122,928,850	-	-
Other comprehensive income (expense) for the year, net of taxes		(14,528,675)	122,928,850	-	-
Total comprehensive income (expense) for the year		71,878,195	137,311,100	114,432,313	(91,586,681)

The notes to the consolidated and separate financial statements are an integral part of these financial statements.

S HOTELS AND RESORTS PUBLIC COMPANY LIMITED

Statement of Comprehensive Income

For the year ended 31 December 2023

		Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
	Note	Baht	Baht	Baht	Baht
Profit (loss) attributable to:					
Owners of the parent		86,406,870	14,382,250	114,432,313	(91,586,681)
Non-controlling interests		-	-	-	-
		86,406,870	14,382,250	114,432,313	(91,586,681)
Total comprehensive income (expense) attributable to:					
Owners of the parent		71,878,195	137,311,100	114,432,313	(91,586,681)
Non-controlling interests		-	-	-	-
		71,878,195	137,311,100	114,432,313	(91,586,681)
Earnings (loss) per share					
Basic earnings (loss) per share	26	0.024	0.004	0.032	(0.025)

The notes to the consolidated and separate financial statements are an integral part of these financial statements.

S HOTELS AND RESORTS PUBLIC COMPANY LIMITED

Statement of Changes in Equity

For the year ended 31 December 2023

		Consolidated financial statements									
		Attributed to owners of the parent									
							Other components of equity				
							Other comprehensive income (expense)				
	Note	Issued and paid-up share capital Baht	Premium on share capital Baht	Discount from business transferred under common control Baht	Share-based payment Baht	Retained earnings (deficits) Baht	Cash flow hedge Baht	Currency translation differences Baht	Total other components of equity Baht	Equity attributable to owner of the parent Baht	Total equity Baht
Opening balance as at 1 January 2023		17,968,200,000	3,335,183,869	(2,119,140,909)	43,754,206	(3,702,905,034)	81,603,069	412,474,051	494,077,120	16,019,169,252	16,019,169,252
Allocation of share premium and share-based payment to compensate for the accumulated loss	22	-	(417,501,888)	-	(43,754,206)	461,256,094	-	-	-	-	-
Total comprehensive income (expense) for the year		-	-	-	-	86,406,870	(45,932,302)	31,403,627	(14,528,675)	71,878,195	71,878,195
Closing balance as at 31 December 2023		17,968,200,000	2,917,681,981	(2,119,140,909)	-	(3,155,242,070)	35,670,767	443,877,678	479,548,445	16,091,047,447	16,091,047,447
Opening balance as at 1 January 2022		17,968,200,000	3,335,183,869	(2,119,140,909)	43,754,206	(3,717,287,284)	(10,193,395)	381,341,665	371,148,270	15,881,858,152	15,881,858,152
Total comprehensive income for the year		-	-	-	-	14,382,250	91,796,464	31,132,386	122,928,850	137,311,100	137,311,100
Closing balance as at 31 December 2022		17,968,200,000	3,335,183,869	(2,119,140,909)	43,754,206	(3,702,905,034)	81,603,069	412,474,051	494,077,120	16,019,169,252	16,019,169,252

The notes to the consolidated and separate financial statements are an integral part of these financial statements.

S HOTELS AND RESORTS PUBLIC COMPANY LIMITED

Statement of Changes in Equity

For the year ended 31 December 2023

		Separate financial statements				
	Note	Issued and paid-up share capital Baht	Premium on share capital Baht	Share-based payment Baht	Retained earnings (deficits) Baht	Total equity Baht
Opening balance as at 1 January 2023		17,968,200,000	3,335,183,869	43,754,206	(461,256,094)	20,885,881,981
Allocation of share premium and share-based payment to compensate for the accumulated loss	22	-	(417,501,888)	(43,754,206)	461,256,094	-
Total comprehensive income for the year		-	-	-	114,432,313	114,432,313
Closing balance as at 31 December 2023		17,968,200,000	2,917,681,981	-	114,432,313	21,000,314,294
Opening balance as at 1 January 2022		17,968,200,000	3,335,183,869	43,754,206	(369,669,413)	20,977,468,662
Total comprehensive expense for the year		-	-	-	(91,586,681)	(91,586,681)
Closing balance as at 31 December 2022		17,968,200,000	3,335,183,869	43,754,206	(461,256,094)	20,885,881,981

The notes to the consolidated and separate financial statements are an integral part of these financial statements.

S HOTELS AND RESORTS PUBLIC COMPANY LIMITED

Statement of Cash Flows

For the year ended 31 December 2023

	Notes	Consolidated financial statements 2023 Baht	Consolidated financial statements 2022 Baht	Separate financial statements 2023 Baht	Separate financial statements 2022 Baht
Cash flows from operating activities					
Profit (loss) for the year before income taxes		177,721,023	27,358,041	124,792,232	(90,534,587)
Adjustment to reconcile net profit (loss) before income taxes for cash receipts (payments) from operations					
Depreciation and amortisation expenses	24	1,270,622,476	1,116,192,139	1,931,579	1,759,883
(Reversal) recognised of expected credit loss on financial assets	10, 24	(21,957,798)	25,470,485	-	-
Fair value adjustment of investment properties	14	(177,435,040)	1,502,567	-	-
Gain from disposal of financial assets measure at fair value through profit or loss		(29,820)	(772,658)	(145)	-
Loss (gain) from changes in fair value of financial assets measure at fair value through profit or loss		2,168	659,844	96	(26)
Loss from changes in fair value of derivative		4,547,735	-	-	-
Gain on financial lease receivable - a related party		(9,917,181)	-	-	-
Reversal of loss from impairment of assets	15, 24	(42,980,629)	-	-	-
Employee benefit obligations		6,914,377	5,778,677	3,698,054	3,431,840
Loss from write-off and disposals of assets		738,236	4,568,733	-	-
Loss from write-off of withholding tax		12,419,262	18,703,171	2,182,950	15,401,197
Gain from lease modification and derecognition		(17,483,959)	(7,292,722)	(4,200)	(180,749)
Share of loss from investment in an associate and joint ventures		88,213,613	21,465,125	-	-
Unrealised loss (gain) on exchange rate		10,410,564	(19,849,881)	(23,232,702)	88,354,678
Dividend income		-	-	(129,441,540)	-
Interest income	23	(118,619,072)	(39,711,599)	(123,273,616)	(100,297,101)
Financial costs		1,123,879,070	841,610,678	102,579,161	29,252,584
Cash flows before changes in working capital		2,307,045,025	1,995,682,600	(40,768,131)	(52,812,281)
Changes in working capital					
Trade and other receivables		(2,642,559)	(152,364,629)	163,355	(162,809)
Amounts due from related parities		(11,235,363)	3,463,575	67,157,797	(2,685,721)
Inventories		(2,794,030)	(28,122,398)	-	-
Other current assets		(31,280,706)	(25,921,550)	(605,244)	(942,730)
Other non-current assets		32,367,670	(55,112,064)	(1,300)	-
Trade and other payables		(118,485,990)	133,110,494	14,472,096	8,918,405
Amounts due to related parties		66,657,125	9,497,866	43,877,212	(31,720)
Retention payables		6,270,838	(59,733,974)	-	-
Employee benefits paid		(2,689,058)	(525,208)	-	-
Other current liabilities		(204,168,096)	284,987,313	127,751	166,977
Other non-current liabilities		(81,917,857)	218,657,013	26,400	-
Cash generated from (used in) operating activities		1,957,126,999	2,323,619,038	84,449,936	(47,549,879)
Interest paid		(920,214,845)	(632,104,434)	(44,560,426)	(20,375,965)
Income tax paid		(44,560,403)	(13,905,438)	(15,787,825)	(9,122,575)
Cash receipts from tax refund		-	22,292,958	-	-
Net cash generated from (used in) operating activities		992,351,751	1,699,902,124	24,101,685	(77,048,419)

The notes to the consolidated and separate financial statements are an integral part of these financial statements.

S HOTELS AND RESORTS PUBLIC COMPANY LIMITED

Statement of Cash Flows

For the year ended 31 December 2023

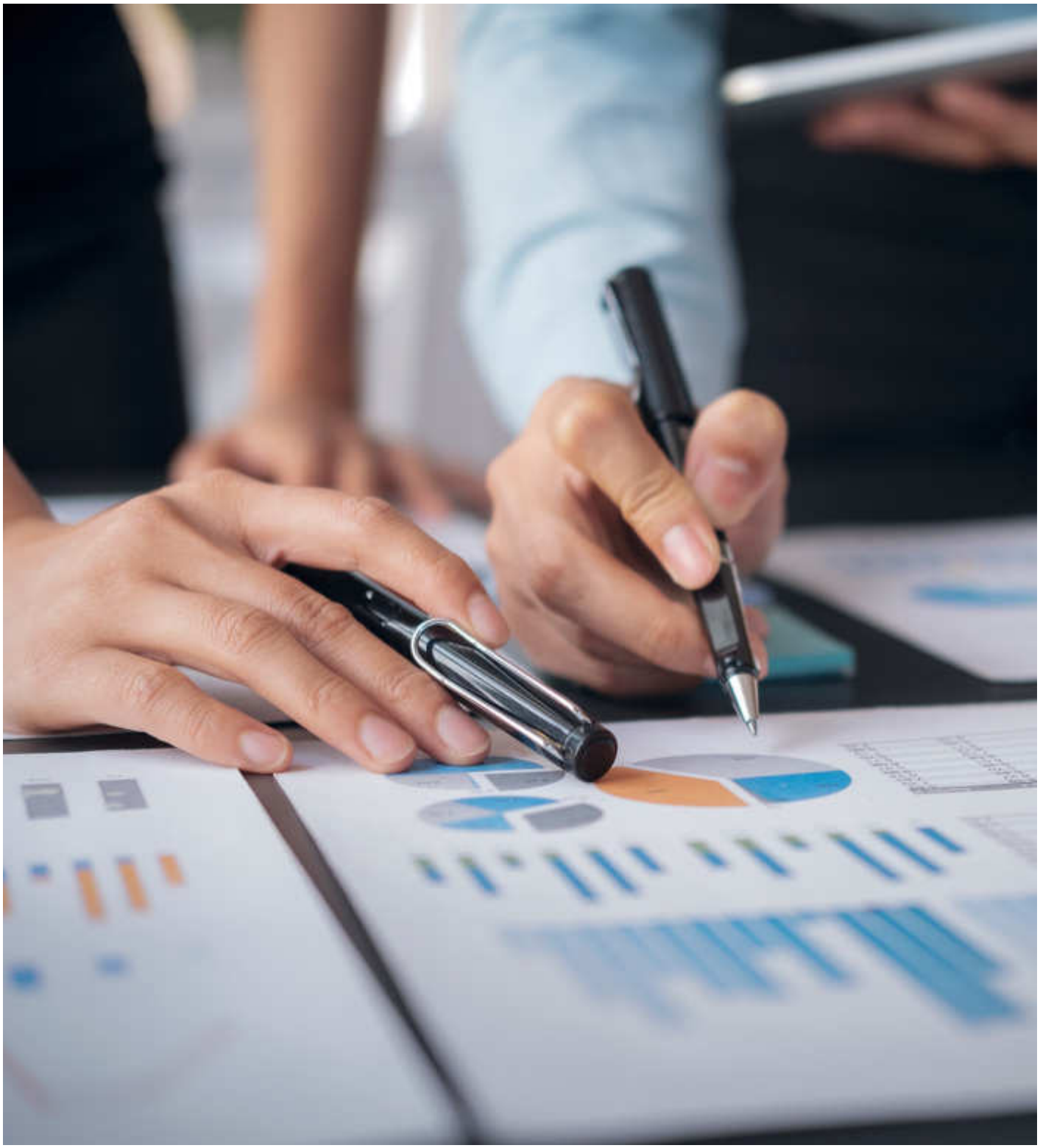
	Notes	Consolidated financial statements 2023 Baht	Consolidated financial statements 2022 Baht	Separate financial statements 2023 Baht	Separate financial statements 2022 Baht
Cash flows from investing activities					
Cash payments for purchase of financial assets measure at fair value through profit or loss		(606,760,000)	(393,064,100)	-	-
Cash receipts from disposal of financial assets measure at fair value through profit or loss		608,836,678	486,497,663	6,516	-
Cash receipts from dividend income		-	-	128,923,673	-
Cash receipts from short-term loans to a related party	27	-	-	1,266,854	-
Cash payments for long-term loans to related parties	27	(984,902,260)	(315,552,225)	(2,227,113,797)	(624,526,342)
Cash receipts for long-term loans to related parties	27	800,450,600	-	920,113,735	31,368,071
Cash payments for purchase property, plant and equipment		(1,549,434,544)	(535,119,128)	(1,276,399)	(416,700)
Cash receipts from disposal of property, plant and equipment		1,145,556	267,010	-	-
Cash payments for purchase intangible assets		(2,613,373)	(1,908,841)	(180,000)	(112,305)
Cash receipts from interest income		110,452,156	3,686,858	26,975,343	151,685
Cash receipts from disposal of assets held-for-sales		-	806,082,585	-	-
Net cash generated from (used in) investing activities		(1,622,825,187)	50,889,822	(1,151,284,075)	(593,535,591)
Cash flows from financing activities					
Cash receipts from short-term borrowings from related parties	27	1,084,600,000	-	1,968,600,000	557,600,000
Cash payment for short-term borrowings from related parties	27	(1,084,600,000)	-	(1,628,600,000)	-
Cash receipts from short-term borrowings from financial institutions		600,000,000	-	400,000,000	-
Cash payments for short-term borrowings from financial institutions		(600,000,000)	-	(400,000,000)	-
Cash receipts from long-term borrowings from financial institutions	19	4,143,140,291	-	-	-
Repayments of long-term borrowings from financial institutions	19	(4,737,194,164)	(834,679,071)	(204,064,950)	(4,759,536)
Cash payments for deferred financing fees for long-term borrowings from financial institutions	19	(19,338,443)	(54,594,862)	-	-
Cash receipts from debenture issuance	20	1,300,000,000	-	1,300,000,000	-
Cash payments for debenture issuance fees	20	(10,479,000)	-	(10,479,000)	-
Repayment of principal of lease agreement	21	(302,470,760)	(299,912,435)	(1,035,000)	(1,039,200)
Net cash generated from (used in) financing activities		373,657,924	(1,189,186,368)	1,424,421,050	551,801,264
Net increase (decrease) in cash and cash equivalents		(256,815,512)	561,605,578	297,238,660	(118,782,746)
Currency translation differences of cash and cash equivalents		(4,182,434)	1,979,648	-	-
Cash and cash equivalents at beginning of the year		2,477,332,055	1,913,746,829	28,454,573	147,237,319
Cash and cash equivalents at ending of the year		2,216,334,109	2,477,332,055	325,693,233	28,454,573
Non-cash transactions					
Material non-cash transactions as of 31 December as follows:					
Payables from purchase of property, plant and equipment increase (decrease)		32,619,968	(378,917)	-	-
Property, plant and equipment increase from lease agreement		2,027,044	18,637,741	183,789	2,834,733
Property, plant and equipment increase (decrease) from lease modification	15	724,729,003	(132,103,528)	-	-
Property, plant and equipment decrease from lease derecognition	15	(249,295,054)	-	-	-
Lease liabilities (increase) decrease from lease modification and derecognition	21	(457,949,990)	139,467,611	-	-

The notes to the consolidated and separate financial statements are an integral part of these financial statements.

NOTES TO FINANCIAL STATEMENTS

S HOTELS AND RESORTS PUBLIC COMPANY LIMITED

Notes to the Consolidated and Separate Financial Statements
For the year ended 31 December 2023



1 General information

S Hotels and Resorts Public Company Limited (the Company) is a public limited company, which is listed on the Stock Exchange of Thailand and incorporated in Thailand. The address of the Company's registered office is as follows:

123 Suntowers Building B, 10th floor, Vibhavadi-Rangsit Road, Chom Phon, Chatuchak, Bangkok 10900.

The principal business operations of the Company and its subsidiaries (the Group) are engaged in investment, hospitality business in Thailand and overseas.

These consolidated and separate financial statements was authorised by the Board of Directors on 21 February 2024.

2 Basis of preparation

The consolidated and separate financial statements have been prepared in accordance with Thai Financial Reporting Standards ("TFRSs") and the financial reporting requirements issued under the Securities and Exchange Act.

The consolidated and separate financial statements have been prepared under the historical cost convention except as which is explained in the relevant accounting policies.

The preparation of financial statements in conformity with TFRSs requires management to use certain critical accounting estimates and to exercise its judgement in applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas that are more likely to be materially adjusted due to changes in estimates and assumptions of the consolidated and separate financial statements are disclosed in Note 7.

An English version of the consolidated and separate financial statements have been prepared from the statutory financial statements that are in the Thai language. In the event of a conflict or a difference in interpretation between the two languages, the Thai language statutory financial statements shall prevail.

3 Amended financial reporting standards

3.1 Amended financial reporting standards that are effective for accounting period beginning or after 1 January 2023 which related to the Group

Since 1 January 2023, the Group has adopted the amended financial reporting standards those are effective for accounting period beginning or after 1 January 2023. The adoption of these amendments will not have any significant impact on the Group's financial statements.

3.2 Amended financial reporting standards that are effective for the accounting period beginning on or after 1 January 2024 which related to the Group

The Group has not early adopted the following amended TFRSs for the current reporting period and the Group is in process of impact assessment from adoption of the following amended financial reporting standards.

a) **Amendment to TAS 1 - Presentation of financial statements** revised the disclosure from 'significant accounting policies' to 'material accounting policies'. The amendment also provides guidelines on identifying when the accounting policy information is material. Consequently, immaterial accounting policy information does not need to be disclosed. If it is disclosed, it should not obscure material accounting information.

b) **Amendment to TAS 8 - Accounting policies, changes in accounting estimates and errors** revised to the definition of 'accounting estimates' to clarify how companies should distinguish between changes in accounting policies and changes in accounting estimates. The distinction is important because changes in accounting estimates are applied prospectively to transactions, other events and conditions from the date of that change. Whereas changes in accounting policies are generally applied retrospectively to past transactions and other past events as well as the current period as if the new accounting policy had always been applied.

c) **Amendments to TAS 12 - Income taxes**

1) The Group must recognise any deferred tax related to assets and liabilities arising from a single transaction that, on initial recognition, gives rise to equal amounts of taxable and deductible temporary differences. Example transactions are leases and decommissioning obligations.

The amendment should be applied to transactions on or after the beginning of the earliest comparative period presented. In addition, entities should recognise deferred tax assets (to the extent that they can probably be utilised) and deferred tax liabilities at the beginning of the earliest comparative period for all deductible and taxable temporary differences associated with:

- right-of-use assets and lease liabilities, and
- decommissioning, restoration and similar liabilities, and the corresponding amounts recognised as part of the cost of the related assets.

The cumulative effect of recognising these adjustments is recognised at the beginning of retained earnings or any other component of equity, as appropriate.

2) Companies must apply all income taxes arising from the tax law enacted or substantively enacted to implement the Pillar Two model rules published by the Organisation for Economic Co-operation and Development (OECD), an international organisation. In December 2021, the OECD released the Pillar Two model rules to apply the Global Anti-Base Erosion Proposal, or 'GloBE') to reform international corporate taxation. Large multinational enterprises within the rules' scope must calculate the GloBE effective tax rates for each territory in which they operate and pay a top-up tax for the differences between these and the 15% minimum rate.

In December 2023, the amendments to TAS 12 provide a temporary relief from the requirement to recognise and disclose deferred taxes arising from enacted or substantively enacted tax law that implements the Pillar Two model rules, including tax law that implements qualified domestic minimum top-up taxes described in those rules. The amendments also require affected companies to disclose:

- the fact that they have applied the exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes
- their current tax expense (if any) related to the Pillar Two income taxes, and
- during the period between the legislation being enacted or substantially enacted and the legislation becoming effective, known or reasonably estimable information that would help users of financial statements to understand an entity's exposure to Pillar Two income taxes arising from that legislation. If this information is not known or reasonably estimable, entities are instead required to disclose a statement to that effect and information about their progress in assessing the exposure.

4 Accounting policies

4.1 Principles of consolidation

a) Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns though its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group till the date that control ceases in the separate financial statements. Investments in subsidiaries are accounted for using cost method less allowance for impairment (if any).

b) Associates

Associates are all entities over which the Group has significant influence but not control or joint control. In the consolidated financial statements, investments in associates are accounted for using the equity method. In the separate financial statements, investments in associates are accounted for using cost method less allowance for impairment (if any).

c) Joint ventures

A joint venture is a joint arrangement whereby the Group has rights to the net assets of the arrangement. In the consolidated financial statements, interests in joint ventures are accounted for using the equity method. In the separate financial statements, investments in joint ventures are accounted for using cost method less allowance for impairment (if any).

d) Equity method

The investment is initially recognised at cost which is consideration paid and directly attributable costs. The Group's subsequently recognises shares of its associates and joint ventures' profits or losses and other comprehensive income in the profit or loss and other comprehensive income, respectively. The subsequent cumulative movements are adjusted against the carrying amount of the investment.

When the Group's share of losses in associates and joint ventures equals or exceeds its interest in the associates and joint ventures, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associates and joint ventures.

e) Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A difference between the amount of the adjustment to non-controlling interests to reflect their relative interest in the subsidiary and any consideration paid or received is recognised within equity.

If the ownership interest in associates and joint ventures is reduced but significant influence and joint control is retained, only a proportionate share of the amounts previously recognised in other comprehensive income is reclassified to profit or loss or retained earnings where appropriate. Profit or loss from reduce of the ownership interest in associates and joint ventures is recognise in profit or loss.

When the Group losses control, joint control or significant influence over investments, any retained interest in the investment is remeasured to its fair value, with the change in carrying amount recognised in profit or loss. The fair value becomes the initial carrying amount of the retained interest which is reclassified to investment in an associate, or a joint venture or a financial asset accordingly.

f) Intercompany transactions on consolidation

Intra-group transactions, balances and unrealised gains on transactions are eliminated. Unrealised gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in the associates and joint ventures. Unrealised losses are also eliminated in the same manner unless the transaction provides evidence of an impairment of the asset transferred.

4.2 Business combination

The Group applies the acquisition method to account for business combinations with an exception on business combination under common control. The consideration transferred for the acquisition of a subsidiary comprises.

- Fair value of the assets transferred,
- Liabilities incurred to the former owners of the acquiree
- Equity interests issued by the Group

Identifiable assets and liabilities acquired and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

The excess of the consideration transferred, the amount of any non-controlling interest recognised and the acquisition-date fair value of any previous equity interest in the acquiree (for business combination achieved in stages) over the fair value of the identifiable net assets acquired is recorded as goodwill. In the case of a bargain purchase, the difference is recognised directly in profit or loss.

Acquisition-related cost are recognised as expenses in profit or loss in consolidated financial statements.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measured are recognised in profit or loss.

Subsequent changes to the fair value of the contingent consideration that is an asset or liability is recognised in profit or loss.

The Group accounts for business combination under common control by measuring acquired assets and liabilities of the acquiree at their carrying values presented in the highest level of the consolidation. The Group retrospectively adjusted the business combination under common control transactions as if the combination had occurred on the later of the beginning of the preceding comparative period and the date the acquiree has become under common control.

Consideration of business combination under common control are the aggregated amount of fair value of assets transferred, liabilities incurred and equity instruments issued by the acquirer at the date of which the exchange in control occurs.

The difference between consideration under business combination under common control and the acquirer's interests in the carrying value of the acquiree is presented as "discount from business combination under common control" in equity and is derecognised when the investment is disposed of, transferred to retained earnings.

4.3 Foreign currency translation

a) Functional and presentation currency

The financial statements are presented in Thai Baht, which is the Company's functional and the Company's and the Group 's presentation currency.

b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit or loss.

c) Group companies

The operational results and financial position of the Group's entities (none of which has the currency of a hyper-inflationary economy) that have a different functional currency from the Group's presentation currency are translated into the presentation currency as follows.

- Assets and liabilities are translated at the closing rate at the date of respective statement of financial position;
- Income and expenses for statement of comprehensive income are translated at average exchange rates; and
- All resulting exchange differences are recognised in other comprehensive income.

4.4 Cash and cash equivalents

In the statements of cash flows, cash and cash equivalents includes cash on hand, deposits held at call, short-term highly liquid investments with maturities of three months or less from acquisition date. In the statements of financial position, bank overdrafts are shown in current liabilities.

4.5 Trade accounts receivable

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. They are generally due for settlement within 30 days and therefore are all classified as current.

Trade accounts receivable are recognised initially at the amount of consideration that is unconditionally unless they contain significant financing components. The Group holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost. The impairment of trade receivables are disclosed in Note 4.7 e).

4.6 Inventories

The Group's inventories comprise food and beverage, supplies and hotel operating equipment. Inventories are stated at the lower of cost or net realisable value. Cost of inventories is determined by the weighted average method.

Cost of inventories comprise all purchase cost and costs directly attributable to the acquisition of the inventory. Net realisable value is the estimate of the selling price in the ordinary course of business less costs of completions and applicable variable selling expenses. The Group recognises allowance for decrease in value as appropriate.

4.7 Financial asset

a) Classification

The Group classifies its debt instrument financial assets in the following measurement categories depending on i) business model for managing the asset and ii) the cash flow characteristics of the asset whether they represent solely payments of principal and interest (SPPI).

- those to be measured subsequently at fair value (either through other comprehensive income (FVOCI) or through profit or loss (FVPL)); and
- those to be measured at amortised cost.

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

The Group classifies its financial assets as at amortised cost only if both of the following criteria are met:

- the asset is held within a business model whose objective is to collect the contractual cash flows; and
- the contractual terms give rise to cash flows that are solely payments of principal and interest.

The Group classifies the debt investments that do not qualify for measurement at either amortised cost or FVOCI at fair value through profit or loss (FVPL).

b) Recognition and derecognition

Regular way purchases, acquires and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

c) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus transaction costs that are directly attributable to the acquisition of the financial asset for those recognised at FVPL. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

d) Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the financial assets. There are the measurement categories into which the Group classifies its debt instruments:

- Amortised cost: Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in other income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains (losses) together with foreign exchange gains and losses.

- FVPL: Financial assets that do not meet the criteria for amortised cost are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within other gains (losses) in the period in which it arises

e) Impairment

The Group applies the TFRS 9 simplified approach in measuring the impairment of trade receivables which applies lifetime expected credit loss for all trade receivables.

To measure the expected credit losses, management classified trade receivables based on shared credit risk characteristics and the days past due. The expected credit loss rates are based on payment profiles, historical credit losses as well as forward-looking information and factors that may affect the ability of the customers to settle the outstanding balances.

For other financial assets carried at amortised cost, the Group applies TFRS 9 general approach in measuring the impairment of those financial assets. Under the general approach, the 12-month or the lifetime expected credit loss is applied depending on whether there has been a significant increase in credit risk since the initial recognition.

The significant increase in credit risk (from initial recognition) assessment is performed every end of reporting period by comparing expected risk of default as of the reporting date and estimated risk of default on the date of initial recognition.

The Group assesses expected credit loss by taking into consideration forward-looking information and past experiences. The expected credit loss is a probability-weighted estimate of credit losses (probability-weighted present value of estimated cash shortfall). The cash shortfall is the difference between all contractual cash flows that are due to the Group and all cash flows expected to receive, discounted at the original effective interest rate.

When measuring expected credit losses, the Group reflects the following:

- probability-weighted estimated uncollectible amounts
- time value of money; and
- supportable and reasonable information as of the reporting date about past experience, current conditions and forecasts of future situations.

Impairment and reversal of impairment losses are recognised in profit or loss included in administrative expenses.

4.8 Group of non-current assets held-for-sale

Non-current assets (or disposal groups) are classified as assets held-for-sale when their carrying amount will be recovered principally through a sale transaction and a sale is considered highly probable. They are measured at the lower of the carrying amount and fair value less costs to sell.

An impairment loss is recognised for write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised.

4.9 Investment property

Property that is held for rental yields or for capital appreciation or both, and that is not occupied by the companies in the Group, is classified as investment property. Investment property also includes property that is being constructed or developed for future use as investment property.

Investment property of the Group is majorly land and building held for long-term rental yields, including certain building under construction, the right-of-use per land lease agreement and are not occupied by the Group.

Investment property is measured initially at its cost, including related transaction costs and borrowing costs. Borrowing costs are incurred for the purpose of acquiring, constructing or producing a qualifying investment property and are capitalised as part of its cost. Borrowing costs are capitalised while acquisition or construction is actively underway and cease once the asset is substantially completed, or suspended if the development of the asset is suspended.

After initial recognition, investment property is carried at fair value. Investment property under construction is measured at fair value if the fair value is considered to be reliably determinable. Investment property under construction for which the fair value cannot be determined reliably but for which the Group expects that the fair value of the property will be reliably determinable when construction is completed, are measured at cost less impairment until the fair value becomes reliably determinable or construction is completed - whichever is earlier.

The fair value of investment property reflects, among other things, rental income from current leases and other assumptions market participants would make when pricing the property under current market conditions.

Change in fair values are recognised in profit or loss. Investment property are derecognised when they have been disposed or when the investment property is permanently withdrawn from use and no future economic benefits are expected from its disposal.

Where the Group disposes of a property at fair value in an arm's length transaction, the carrying value immediately prior to the sale is adjusted to the transaction price, and the adjustment is recorded in profit or loss within net gain from fair value adjustment on investment property.

If an investment property becomes owner-occupied, it is reclassified as property, plant and equipment. Its fair value at the date of reclassification becomes its cost for subsequent accounting purposes. Where an investment property undergoes a change in use, evidenced by commencement of development with a view to sale, the property is transferred to inventories. A property's deemed cost for subsequent accounting as inventories is its fair value at the date of change in use.

4.10 Property, plant and equipment

All property, plant and equipment are stated at historical cost less accumulated depreciation and impairment losses (if any). Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount, only when it is probable that future economic benefits associated with the item will flow to the Group. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to profit or loss when incurred.

Land is not depreciated. Depreciation on other assets is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

Land improvements	5 to 46 years
Buildings and building improvements	3 to 50 years
Furniture and fixtures, office equipment and machinery and equipment	3 to 15 years
Vehicles	5 to 10 years
Right-of-use assets	15 to 90 years

The assets' residual values and useful lives are reviewed and adjusted, if appropriate, at the end of each reporting period.

Gains or losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

Right-of-used assets are presents with property, plant and equipment in the statement of financial position.

4.11 Goodwill

The Group will test goodwill for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Impairment of goodwill which was recognised will not be reversed.

Goodwill is allocated to cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes, being the operating segments.

Goodwill represents the excess of the consideration transferred over the fair value of the Group's share of the net identifiable assets, liabilities and contingent liabilities of the acquired subsidiary undertaking or associate or joint venture at the date of acquisition.

Goodwill on acquisitions of subsidiaries is separately reported in the consolidated statement of financial position. Goodwill on acquisition of joint ventures or associates is included in investments in joint ventures or associates and is tested for impairment as part of the overall balance.

4.12 Intangible assets

Intangible assets of the Group are categorised to followings:

a) The assets with finite useful life are rights of used of computer programs and application which are initially measured at cost and subsequently measured at cost less amortisation and impairment losses (if any). Amortisation expense is calculated using straight-line method over the expected useful life of 3 years to 10 years. Costs associated with maintaining of computer programs are recognised when incurred.

b) The assets with infinite useful life are hotel operating licenses and trademark which are initially measured at cost and subsequently measured at cost less impairment losses (if any) and will be considered for impairment annually.

4.13 Impairment of assets

Assets that have an indefinite useful life are tested annually by the Group for impairment, or more frequently if events or changes in circumstances indicate that it might be impaired. Other assets are reviewed by the Group for impairment whenever there is an indication of impairment. An impairment loss is recognised for the amount by which the carrying amount of the assets exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use.

Where the reasons for previously recognised impairments no longer exist, the impairment losses on the assets concerned other than goodwill is reversed.

4.14 Leases

Leases - where the Group is the lessee

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of real estate for which the Group is a lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate
- amounts expected to be payable by the lessee under residual value guarantees
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, the lessee's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT-equipment and small items of office furniture.

Leases - where the Group is the lessor

When assets are leased out under a finance lease, the present value of the lease payments is recognised as a receivable. The difference between the gross receivable and the present value of the receivable is recognised as unearned finance income. Lease income is recognised over the term of the lease which reflects a constant periodic rate of return. Initial direct costs are included in initial measurement of the finance lease receivable and reduce the amount of income recognised over the lease term.

Rental income under operating leases (net of any incentives given to lessees) is recognised on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognised as expense over the lease term on the same basis as lease income. The respective leased assets are included in the statement of financial position based on their nature.

4.15 Financial liabilities

a) Classification

Financial instruments issued by the Group are classified as either financial liabilities or equity securities by considering contractual obligations.

- Where the Group has an unconditional contractual obligation to deliver cash or another financial asset to another entity, it is considered a financial liability unless there is a predetermined or possible settlement for a fixed amount of cash in exchange of a fixed number of the Group's own equity instruments.
- Where the Group has no contractual obligation or has an unconditional right to avoid delivering cash or another financial asset in settlement of the obligation, it is considered an equity instrument.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

b) Measurement

Financial liabilities are initially recognised at fair value and are subsequently measured at amortised cost.

c) Derecognition and modification

Financial liabilities are derecognised when the obligation specified in the contract is discharged, cancelled, or expired.

Where the terms of a financial liability are renegotiated or modified, the Group assesses whether the renegotiation or modification results in the derecognition of that financial liability. Where the modification results in an extinguishment, the new financial liability is recognised based on fair value of its obligation. The remaining carrying amount of financial liability is derecognised. The difference as well as proceed paid is recognised as other gains or losses in profit or loss.

Where the modification does not result in the derecognition of the financial liability, the carrying amount of the financial liability is recalculated as the present value of the renegotiate or modified contractual cash flows discounted at its original effective interest rate. The difference is recognised in other gains or losses in profit or loss.

4.16 Borrowing costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets (assets that take times to get ready for its intended use or sale) are added to the cost of those assets less investment income earned from those specific borrowings. The capitalisation of borrowing costs is ceased when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

Other borrowing costs are expensed in the period in which they are incurred.

4.17 Current and deferred income taxes

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Income tax expense

The current income tax is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax

Deferred income tax is recognised on temporary differences arising from differences between the tax base of assets and liabilities and their carrying amounts in the financial statements. Howerver, deferred income tax is not recognised for temporary differences arise from:

- initial recognition of an asset or liability in a transaction other than a business combination that affects neither accounting nor taxable profit or loss is not recognised.
- investments in subsidiaries, associates and joint arrangements where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax is measured using tax rates of the period in which temporary difference is expected to be reversed, based on tax rates and laws that have been enacted or substantially enacted by the end of the reporting period.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

4.18 Employee benefits

a) Defined contribution plan

The Group pays defined contributions to a separate fund which is managed by an external fund manager in accordance with the provident fund Act. B.E. 2530. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due.

b) Defined benefit plan

A defined benefit plan is a retirement plan that is not a defined contribution plan. Typically defined benefit plans define an amount of retirement benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using market yield of government bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related retirement liability.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise. They are included in retained earnings in the statements of changes in equity.

Past-service costs are recognised immediately in profit or loss.

4.19 Share-based payment

Employee options

The Group receives services from employees as consideration for equity instruments (options) of the Group companies. The fair value of the options is recognised as an expense over the vesting period, with a corresponding increase in equity.

At the end of each reporting period, the Group reviews the number of options that are expected to vest. It recognises the impact of the revision, if any, in profit or loss with a corresponding adjustment to equity.

When the options are exercised, the Company issues new shares. The proceeds received net of any directly attributable transaction costs are credited to share capital (par value) and share premium.

4.20 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated.

4.21 Share capital

Ordinary shares with discretionary dividends are classified as equity.

Incremental costs directly attributable to the issue of new shares or options (net of tax) are shown as a deduction in equity from the proceed.

4.22 Revenue recognition

Revenue are recorded net of value added tax. They are recognised in accordance with the provision of goods or services, provided that collectibility of the consideration is probable.

Multiple element arrangements involving delivery or provision of multiple products or services are separated into distinct performance obligations. Total transaction price of the bundled contract is allocated to each performance obligation based on their relative standalone selling prices or estimated standalone selling prices. Each performance obligation is recognised as revenue on fulfillment of the obligation to the customer.

Hotel

Revenue from hotel comprises amounts earned in respect of service of rooms, food and beverage sales, and other ancillary services. Revenue is recognised over the period when rooms are occupied or services are performed. Revenue is net from tax and discount.

Management services

Management services are recognised when service rendered.

Marketing services

Marketing services are recognised on a straight line basis over the contract term, regardless of the payment pattern.

Other income

Other income is recognised on an accrual basis.

4.23 Derivatives and hedging activities

a) Derivatives that do not qualify for hedge accounting

Derivatives that do not qualify for hedge accounting is initially recognised at fair value. Changes in the fair value are included in other income or administrative expenses.

Fair value of derivatives is classified as a current or non-current following its remaining maturity.

b) Hedge accounting

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period. The Group designates certain derivatives as either hedges of a particular risk associated with the cash flows of

- recognised assets and liabilities; or
- highly probable forecast transactions (cash flow hedges)

At inception of the hedge relationship, the Group documents i) the economic relationship between hedging instruments and hedged items including whether changes in the cash flows of the hedging instruments are expected to offset changes in the cash flows of hedged items and ii) its risk management objective and strategy for undertaking its hedge transactions.

The full fair value of a hedging derivative is classified as a current or non-current asset or liability following the maturity of related hedged item.

Hedge effectiveness

Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments, to ensure that an economic relationship exists between the hedged item and hedging instrument.

The Group enters into interest rate swaps that have similar critical terms as the hedged item, such as reference rate, reset dates, payment dates, maturities and notional amount. The Group does not hedge 100% of its loans, therefore the hedged item is identified as a proportion of the outstanding loans up to the notional amount of the swaps. As all critical terms matched during the year, there is an economic relationship.

Hedge ineffectiveness for interest rate swaps is assessed using principles as follows:

- the credit value/debit value adjustment on the interest rate swaps which is not matched by the loan, and
- differences in critical terms between the interest rate swaps and loans.

Cash flow hedges

The effective portion of changes in the fair value of derivatives that are designated and qualified as cash flow hedges is recognised in the cash flow hedge reserve within equity. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss within other gains (losses).

Amounts accumulated in equity are reclassified in the periods when the hedged item affects profit or loss relating to the effective portion of the interest rate swaps hedging variable rates borrowings is recognised in profit or loss within finance costs at the same time as the interest expense on the hedged borrowings.

5 Financial risk management

5.1 Financial risk

The Group's risk management is controlled by Chief Executive Officer under policies approved by the board of directors. Group treasury identifies, evaluates and manages financial risks in close co-operation with the Group's operating units. The board provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative and other financial instruments as well as investment of excess liquidity.

The Group applied hedge accounting to remove the accounting mismatch between the hedging instrument and the hedged item. This will effectively result in recognising interest expense at a fixed interest rate for the hedged floating rate loans.

Financial risks and how these risks could affect the future financial performance are as follows:

5.1.1 Market risk

a) Foreign exchange risk

The Group's primary functional currency is Baht, while sales, purchases and borrowings transactions are partly denominated in Euro, US Dollar and Pound. The Group's foreign exchange risk management by changes these exposure to functional currency of each entities. The foreign exchange risk from cash and cash equivalent is not significant.

Exposure

The Group and the Company material exposure to the foreign currency risk at the end of the reporting period, expressed in Baht are as follows:

	Consolidated financial statements			
	2023		2022	
	US Dollar Baht	Euro Baht	US Dollar Baht	Euro Baht
Long-term borrowings	106,722,370	419,374,236	108,687,173	414,344,547

	Separate financial statements			
	2023		2022	
	US Dollar Baht	Pound Baht	US Dollar Baht	Pound Baht
Amounts due from related parties	9,197,221	870,661	182,558,903	61,125,534
Loan to related parties	-	-	1,038,802,208	1,362,012,830

Sensitivity

As shown in the table above, the Group is primarily exposed to changes in Baht, US Dollar, Euro and Pound exchange rates. The sensitivity of profit or loss to changes in the exchange rates arises mainly from financial assets and financial liabilities denominated in US Dollar, Euro and Pound.

	Consolidated financial statements	
	Impact to net profit	
	2023 Baht	2022 Baht
Baht to US Dollar exchange rate - increase 2.69% (2022: 4.67%)*	(2,875,653)	(4,928,644)
Baht to US Dollar exchange rate - decrease 2.69% (2022: 4.67%)*	2,875,653	4,928,644
Baht to Euro exchange rate - increase 2.38% (2022: 1.33%)*	(9,991,169)	(5,509,507)
Baht to Euro exchange rate - decrease 2.38% (2022: 1.33%)*	9,991,169	5,509,507

	Separate financial statements	
	Impact to net profit	
	2023 Baht	2022 Baht
Baht to US Dollar exchange rate - increase 2.69% (2022: 4.67%)*	245,239	57,084,497
Baht to US Dollar exchange rate - decrease 2.69% (2022: 4.67%)*	(245,239)	(57,084,497)
Baht to Pound exchange rate - increase 3.31% (2022: 2.20%)*	28,853	31,326,914
Baht to Pound exchange rate - decrease 3.31% (2022: 2.20%)*	(28,853)	(31,326,914)

* Holding all other variables constant

b) Interest rate risk

The Group's main interest rate risk arises from long-term borrowings with variable rates, which expose the Group to cash flow risk from change in interest rate. Generally, the Group enters into long-term borrowings at floating rates and swaps them into fixed rates and minimum or maximum rate that are lower than those available if the Group borrowed at fixed rates directly. During 2023 and 2022, the Group's borrowings at variable rate were mainly denominated in Baht, Euro, Fijian Dollars, US Dollars and Pound.

In 2022, the Group planned for an IBOR transition. This involved amending existing contracts and agreements that reference USD LIBOR which mature after 30 June 2023 to use other reference rates SOFR, or include fallback provisions. The Group had completed the transition, which was before the USD LIBOR cessation date, and not have any significant impact on the Group's financial statements.

The Group's borrowings are carried at amortised cost. The borrowings are periodically contractually repriced and to that extent are also exposed to the risk of future changes in market interest rates.

The exposure of the Group's borrowings to interest rate changes and the contractual re-pricing dates of the borrowings at the end of the reporting period are as follows:

	Consolidated financial statements			
	2023		2022	
	Baht	% of total loans	Baht	% of total loans
Variable rate borrowings	12,502,300,500	99	12,927,786,994	99

	Separate financial statements			
	2023		2022	
	Baht	% of total loans	Baht	% of total loans
Variable rate borrowings	458,490,883	34	661,576,678	54

The percentage of total borrowings shows the proportion of borrowings that are currently at variable rates in relation to the total amount of borrowings.

Financial instruments used by the Group

Interest rate swaps currently in place cover approximately 39% per annum (2022: 39% per annum) of the Group's variable principal loan outstanding. The fixed interest rate swaps ranged between 2.325% and 3.250% per annum (2022: 2.325% and 3.250% per annum) are hedged to the variable rates of the loans are SONIA plus margin rate. The interest rate swaps ranged 5.77% per annum (2022: 5.77% per annum) are hedged to the variable rates of the loans are SOFR plus margin rate.

The swap contracts require settlement of net interest receivable or payable every 90 days. The settlement dates coincide with the dates on which interest is payable on the underlying debt.

Effect of hedge accounting on the financial position and performance

The effects of the interest rate-related hedging instruments on the Group financial position and performance are as follows:

	Consolidated financial statements	
	2023 Baht	2022 Baht
Interest rate swaps		
Carrying amount	52,604,508	105,290,167
Notional amount	US Dollar 70 million and Pound 72.2 million	US Dollar 70 million and Pound 72.2 million
Maturity date	30 June 2026 and 30 June 2025	30 June 2026 and 30 June 2025
Hedge ratio	1:1	1:1
Change in fair value of outstanding hedge instruments since 1 January	58,196,671	(117,282,396)
Change in value of hedged item used to determine hedge effectiveness	(58,196,671)	117,282,396
Weighted average strike rate for outstanding hedging instruments	2.325% to 5.77%	2.325% to 5.77%

The Group discloses cashflow of interest rate swap in Note 5.1.3.

The Group's hedge accounting is as follow:

	Consolidated financial statements
	Cash flow hedges
	Interest rate swaps Baht
As at 1 January 2022	(10,193,395)
Change in fair value of hedging instrument recognised in other comprehensive income	107,527,057
Reclassify from other comprehensive income to profit or loss (finance costs)	9,755,339
Deferred income tax	(25,485,932)
As at 31 December 2022	81,603,069
As at 1 January 2023	81,603,069
Change in fair value of hedging instrument recognised in other comprehensive income	(30,876,606)
Reclassify from other comprehensive income to profit or loss (finance costs)	(27,320,065)
Deferred income tax	12,264,369
As at 31 December 2023	35,670,767

Sensitivity

Profit or loss is sensitive to higher or lower interest income from cash and cash at bank, and interest expenses from borrowings as a result of changes in interest rates. Other components of equity changes as a result of an increase or decrease in the fair value of the cash flow hedges of borrowings and interest rate swaps. The group's management estimates that the effect of increasing interest rates and decreasing interest rates of 0.25% to the risk of insignificant variable interest rates.

5.1.2 Credit risk

Credit risk arises from cash and cash equivalents as well as credit exposures to customers, including outstanding receivables.

a) Risk management

Credit risk is managed on a group basis. For deposits at banks and financial institutions, only independently rated parties and bank facilities are deal in accordance with the approved goup policy.

If customers are independently rated, these ratings are used. Otherwise, if there is no independent rating, risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on tjps assessments in accordance with limits set by the board. The compliance with credit limits by customers is regularly monitored by line management.

Sales to retail customers are required to be settled in cash or using major credit cards to mitigate credit risk. There are no significant concentrations of credit risk, whether through exposure to individual customers or specific group of customers.

The Group's and the Company's investments in debt instruments are considered to be low risk investments. The Group regularly monitors the credit ratings of the investments for credit deterioration.

b) Impairment of financial assets

The Group and the Company has types of financial assets that are subject to the expected credit loss model:

- Cash and cash equivalents
- Restricted bank deposit
- Trade and other receivables
- Amount due from related parties
- Lease receivable from a related party
- Loan to related parties

While other financial assets are also subject to the impairment requirements of TFRS 9, the identified impairment loss was immaterial.

Cash and cash equivalents

The Group and the Company considers that cash and cash equivalents have low credit risk, and the loss allowance recognised during the year was therefore limited to 12 months expected losses. Management consider 'low credit risk' for debt instruments to be an investment grade credit rating with at least one major rating agency. Other instruments are considered to be low credit risk when they have a low risk of default and the issuer has a strong capacity to meet its contractual cash flow obligations.

Trade and other receivables

The Group applies TFRS 9 the simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for all trade receivables as mentioned in Note 4.7 e).

The expected loss rates are based on the payment profiles of sales over a period of 36 months before the end of accounting period and the corresponding historical credit losses experienced within this period. The payment profiles of sales and historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Group has identified eonomic situation of the countries in which it sells its goods and services to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.

The Group write-off trade receivable and asset from contract when there is no reasonable expectation of recovery and indicators that there is no reasonable expectation of recovery.

Other financial assets

The Group classifies its financial assets as at amortised cost which recognised expected credit losses as mentioned in Note 4.7 e).

5.1.3 Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. At the end of the reporting period the Group held deposits at call of Baht 2,200 millions (2022: Baht 2,459 millions) that are expected to readily generate cash inflows for managing liquidity risk. Due to the dynamic nature of the underlying businesses, the Group Treasury maintains flexibility in funding by maintaining availability under committed credit lines.

Management continuously monitors the Group's estimated cash flows by using: a) rolling forecasts of the Group's liquidity reserve (comprising the undrawn borrowing facilities below); and b) cash and cash equivalents on the basis of expected cash flows. In addition, the Group's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary, monitoring balance sheet liquidity ratios and maintaining financing plans The Group and the Company has the undrawn loan facilities as mentioned in Note 19.

Maturity of financial liabilities

	Consolidated financial statements			
Maturity of financial liabilities	**Within 1 year Baht**	**1 - 5 years Baht**	**Over 5 years Baht**	**Total Baht**
As at 31 December 2023				
Trade and other payables	1,038,787,493	-	-	1,038,787,493
Amounts due to related parties	54,196,311	-	-	54,196,311
Retention payables	21,131,268	-	-	21,131,268
Lease liabilities	326,528,180	1,303,117,414	6,938,910,490	8,568,556,084
Borrowings from financial institutions	1,984,045,094	7,864,074,559	6,149,089,443	15,997,209,096
Debentures	65,178,082	1,416,821,918	-	1,482,000,000
Other non-current liabilities	-	165,076,165	-	165,076,165
Total financial liabilities	3,489,866,428	10,749,090,056	13,087,999,933	27,326,956,417
As at 31 December 2022				
Trade and other payables	1,167,638,890	-	-	1,167,638,890
Amounts due to related parties	23,351,528	-	-	23,351,528
Retention payables	15,020,401	-	-	15,020,401
Lease liabilities	273,113,781	1,094,611,820	6,247,294,255	7,615,019,856
Borrowings from financial institutions	2,562,899,502	8,107,252,821	6,086,077,683	16,756,230,006
Other non-current liabilities	-	-	63,661,331	63,661,331
Total financial liabilities	4,042,024,102	9,201,864,641	12,397,033,269	25,640,922,012

Maturity of financial liabilities	Separate financial Statement			
	Within 1 year Baht	1 - 5 years Baht	Over 5 years Baht	Total Baht
As at 31 December 2023				
Trade and other payables	47,911,172	-	-	47,911,172
Amounts due to related parties	68,465,888	-	-	68,465,888
Lease liabilities	988,800	988,800	-	1,977,600
Borrowings from financial institutions	466,767,560	3,797,458	-	470,565,018
Debentures	65,178,082	1,416,821,918	-	1,482,000,000
Other non current liabilities	-	26,400	-	26,400
Total financial liabilities	649,311,502	1,421,634,576	-	2,070,946,078
As at 31 December 2022				
Trade and other payables	19,981,517	-	-	19,981,517
Amounts due to related parties	17,276,494	-	-	17,276,494
Lease liabilities	1,039,200	1,812,800	-	2,852,000
Long-term borrowings from financial institutions	453,162,448	228,080,918	-	681,243,366
Total financial liabilities	491,459,659	229,893,718	-	721,353,377

As at 31 December 2023, loans from financial institutions and debentures are presented at the contractual amounts, including the estimated cash outflows from the interest rate specified in the contract and net cash outflows or inflows arisen from interest rate swap contracts for loans with financial institutions, most of which are due within 2 - 4 years (2022: due within 2 - 3 years).

5.2 Capital management

The objectives when managing capital are to:

- safeguard their ability to continue as a going concern, to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt. Consistent with others in the industry, the Group monitors capital based on gearing ratio which is determined by dividing net debt with equity.

During 2023, the Group's strategy which was unchanged from prior year, was to maintain a gearing ratio within 1.5 times.

6 Fair value

The following table presents fair value of financial assets and liabilities are recognised or disclosed by their fair value hierarchy but does not include financial assets and financial liability measured by amortised cost method.

		Consolidated financial statements		Separate financial statement	
		Fair Value through profit or loss			
	Fair Value Hierarchy	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Financial assets					
Debt investments	Level 1	-	2,049,026	-	6,467
Financial liabilities					
Interest rate swap	Level 2	4,602,906	-	-	-

		Consolidated financial statements	
		Fair Value through OCI	
	Fair Value Hierarchy	2023 Baht	2022 Baht
Financial assets			
Interest rate swap - Hedge accounting*	Level 2	52,604,508	105,290,167

*As at 31 December 2023 The cost of hedging reserve with an amount of Baht 5.79 million is included in this item and it is recognised as part of the other comprehensive income (2022: Baht 7.79 million).

Financial assets, measured by amortised cost method, consist of cash and cash equivalent, restricted bank deposits, trade and other receivables, amounts due from related parties, other current assets, lease receivable from a related party and long-term loans to related parties.

Financial liabilities, measured by amortised cost method, consist of borrowings from financial institutions, debentures trade and other payables, amounts due to related parties, short-term borrowing from a related party, lease liabilities and retention payables.

The following table presents non-financial assets that are measured at fair value:

		Consolidated financial statements	
		Fair Value through profit or loss	
	Fair Value Hierarchy	2023 Baht	2022 Baht
Assets			
Investment properties	Level 3	480,972,437	922,188,148

Fair values are categorised into hierarchy based on inputs used as follows:

Level 1: The fair value of financial instruments is based on the current bid price by reference to the Stock Exchange of Thailand or Asset Management Company.
Level 2: The fair value of financial instruments is determined using significant observable inputs and, as little as possible, entity-specific estimates.
Level 3: The fair value of financial instruments is not based on observable market data.

There were no transfer between levels of fair value hierarchy during the year.

The valuation techniques used to determine the fair value of level 2

Fair value of interest rate swap is determined using expected cashflow following contractual interest rate (fixed rate) or forward interest rate extracted from observable yield curves (floating rate). The cashflows are discounted at the rate derived from observable yield curve in original currency. All market data are derived from observable market inputs.

The valuation techniques used to determine the fair value of level 3

Fair value hierarchy level 3 for non-financial assets including the significant unobservable input of fair value hierarchy are disclosed in Note 14.

The Group's valuation processes

The Group's valuation team discusses on valuation processes to assess the reasonableness of the results.

7 Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Impairment of goodwill

The recoverable amounts of cash-generating units (CGU) have been determined based on value-in-use calculations. The calculations use cash flow projections based on financial budget approved by management covering a ten-year period. Cash flows beyond the five-year period are extrapolated using the estimated growth rates stated in Note 16. These growth rates are consistent with forecasts included in industry reports specific to the industry in which each CGU operates.

8 Segment information

The Group's strategic steering committee, consisting of the chief executive officer and the chief financial officer, examines the Group's performance has identified 5 management approaches of the Group's businesses.

The steering committee primarily uses a measure of segments' revenue and profit to assess the performance of the operating segments. The revenue of the Group majorly comprises revenue from hotel in respect of service of room, sales and other ancillary services. The Group recognised revenue when service is completed in which the Group completes the performance satisfaction at over time. Whereas the revenue from hotel in respect of food and beverage sales, the Group recognised at point of goods or services delivered in which the Group completes the performance satisfaction at point in time.

Significant information relating to revenue and profit of the reportable segments are as follows.

	Consolidated financial statement					
	For the year ended 31 December 2023					
	Hospitality business - Self manage (Thailand, Republic of Maldives) Baht	Hospitality business - Outrigger (Republic of Mauritius, Republic of Fiji) Baht	Hospitality business - Republic of Maldives Baht	Hospitality business - United Kingdom Baht	Holding companies Baht	Total Baht
Segment revenue	1,824,207,936	1,472,630,368	2,754,909,974	3,989,683,371	297,017,344	10,338,448,993
Intersegment revenue	(72,613,066)	(4,171,730)	(323,410)	-	(252,799,851)	(329,908,057)
Revenue from external customers	1,751,594,870	1,468,458,638	2,754,586,564	3,989,683,371	44,217,493	10,008,540,936
Profit (loss) before income taxes	165,511,236	115,860,908	(74,561,594)	32,076,574	(61,166,101)	177,721,023
Income tax expenses						(91,314,153)
Profit for the year						86,406,870
Assets as at 31 December 2023						
Segment assets	9,821,899,284	6,704,306,050	11,148,862,104	11,693,108,258	29,806,689,509	69,174,865,205
Intersegment assets	(1,519,314,275)	(493,206,381)	(13,030,269)	-	(29,426,610,765)	(31,452,161,690)
Total	8,302,585,009	6,211,099,669	11,135,831,835	11,693,108,258	380,078,744	37,722,703,515

	Consolidated financial statement					
	For the year ended 31 December 2022					
	Hospitality business - Self manage (Thailand, Republic of Maldives) Baht	Hospitality business - Outrigger (Republic of Mauritius, Republic of Fiji) Baht	Hospitality business - Republic of Maldives Baht	Hospitality business - United Kingdom Baht	Holding companies Baht	Total Baht
Segment revenue	1,129,794,060	1,549,088,306	2,486,020,849	3,657,062,679	258,524,192	9,080,490,086
Intersegment revenue	(22,604,741)	(4,204,125)	(325,921)	-	(250,531,978)	(277,666,765)
Revenue from external customers	1,107,189,319	1,544,884,181	2,485,694,928	3,657,062,679	7,992,214	8,802,823,321
Profit (loss) before income taxes	(96,241,631)	292,158,220	(36,737,040)	(98,897,003)	(32,924,505)	27,358,041
Income tax expenses						(12,975,791)
Profit for the year						14,382,250
Assets as at 31 December 2022						
Segment assets	9,684,111,162	6,438,382,108	11,200,901,124	10,666,750,385	28,183,137,185	66,173,281,964
Intersegment assets	(1,117,402,029)	(493,906,947)	(12,882,558)	-	(28,099,491,540)	(29,723,683,074)
Total	8,566,709,133	5,944,475,161	11,188,018,566	10,666,750,385	83,645,645	36,449,598,890

9 Cash and cash equivalents

As at 31 December 2023, the Group's cash at banks of 2,200,075,175 Baht and the Company's cash at bank of 325,688,233 Baht are saving and current accounts. The interest rate of bank deposit was 0.01% to 0.60% per annum (2022: the Group's cash at bank of 2,458,799,999 Baht and the Company's cash at bank of 28,429,573 Baht with the interest of 0.01% to 1.50% per annum).

10 Trade and other receivables, net

10.1 Trade and other receivables, net

	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Trade accounts receivable	490,255,660	488,211,547	-	-
Less Expected credit loss	(28,986,609)	(49,215,894)	-	-
Trade accounts receivable, net	461,269,051	438,995,653	-	-
Accrued income	4,756	-	64	-
Other receivables	73,282,014	62,359,867	1,312	164,731
Trade and other receivables, net	534,555,821	501,355,520	1,376	164,731

10.2 Impairments of trade account receivables

The loss allowance for trade account receivables was determined as follows:

	Consolidated financial statements					
	Not yet due Baht	Up to 3 months Baht	3 - 6 months Baht	6 - 12 months Baht	More than 12 months Baht	Total Baht
As at 31 December 2022						
Gross carrying amount	283,069,963	138,936,380	29,772,356	28,747,692	7,685,156	488,211,547
Loss allowance	-	(6,672,060)	(9,041,670)	(26,985,342)	(6,516,822)	(49,215,894)
Trade account receivables, net	283,069,963	132,264,320	20,730,686	1,762,350	1,168,334	438,995,653
As at 31 December 2023						
Gross carrying amount	306,774,881	154,273,576	15,194,102	4,750,281	9,262,820	490,255,660
Loss allowance	-	(10,032,895)	(5,536,291)	(4,458,171)	(8,959,252)	(28,986,609)
Trade account receivables, net	306,774,881	144,240,681	9,657,811	292,110	303,568	461,269,051

The reconciliations of loss allowance for trade account receivables for the year ended 31 December are as follows:

	Consolidated financial statements	
	2023 Baht	2022 Baht
As at 1 January	49,215,894	56,144,363
(Reversal) recognised expected credit loss	(21,857,426)	25,470,485
Write-off receivables	-	(28,261,491)
Currency translation differences	1,628,141	(4,137,463)
As at 31 December	28,986,609	49,215,894

11 Group of non-current assets classified as held-for-sale, net

As at 31 December 2023, 2 hotel assets in the United Kingdom amount of GBP 8.23 million or equivalent to Baht 360.75 million (31 December 2022: a hotel asset in the United Kingdom amount of GBP 2.78 million or equivalent to Baht 115.70 million and a hotel asset in the Republic of Maldives amount of US Dollar 25.00 million or equivalent to Baht 864.00 million totaling Baht 979.70 million) were classified as assets held-for-sale which was measured at the lower of its carrying amount and fair value less costs to sell.

As at 31 December 2023, the Group has transferred a held-for-sale assets in the Republic of Maldives to property, plant and equipment at the book value is US Dollar 25.00 million or equivalent to Baht 855.52 million due to the change in management direction and the group of assets are no longer met the criteria for measurement as assets held-for-sale. The Group recognised at the related depreciation charge of Baht 112.72 milion in the statement of comprehensive income for the year.

12 Investments in an associate and joint ventures

As at 31 December, investments in an associate and joint ventures are as follows:

An associate

Name	Nature of business	Place of Business/country of incorporation	% of ownership interest		Consolidated financial statements At equity method	
			2023	2022	2023	2022
Laguna Service Co., Ltd.	Provide support hotel service	Thailand	27	27	6,351,807	10,764,320
					6,351,807	10,764,320

Joint ventures

Name	Nature of business	Place of Business/country of incorporation	% of ownership interest		Consolidated financial statements At equity method	
			2023	2022	2023	2022
FS JV License Limited	Holding company	United Kingdom	50	50	66,534,813	55,345,093
Prime Location Management 3 Ltd.	Holding company	The Republic of Seychelles	50	50	201,821,937	305,741,436
					268,356,750	361,086,529

An associate and all joint ventures are limited companies and have no available quoted price in the market.

Summarised material financial information for joint ventures

The table below is summarised of financial information for joint ventures that are material to the Group. The financial information is included in joint venture own financial statements which has been adjusted with the adjustments necessary for the equity method including, adjusting fair value and differences in accounting policy of the Group and joint ventures.

Summarised statement of other comprehensive income

	Prime Location Management 3 Ltd.		FS JV License Limited		Total	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Revenues	28,446,707	459,026	279,630,583	229,148,794	308,077,290	229,607,821
Cost of sales	(66,568,798)	-	(131,665,799)	(108,404,817)	(198,234,597)	(108,404,817)
Operating expenses	(116,731,156)	(16,204,015)	(107,579,110)	(127,084,918)	(224,310,266)	(143,288,932)
Interest expenses	(39,298,327)	-	(22,760,144)	(14,847,773)	(62,058,471)	(14,847,773)
Post-tax profit (loss) from continuing operations	(194,151,574)	(15,744,988)	17,625,530	(21,188,714)	(176,526,044)	(36,933,702)
Other comprehensive income (expense)	(1,110,361)	26,305,082	4,753,909	(19,627,447)	3,643,548	5,048,143
Total comprehensive income (expense)	(195,261,935)	10,560,093	22,379,439	(40,816,161)	(172,882,496)	(30,256,068)

Summarised the statements of financial position

	Prime Location Management 3 Ltd.		FS JV License Limited		Total	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Current assets						
Cash and cash equivalent	188,932,892	36,235,564	35,160,227	62,737,334	224,093,119	98,972,898
Other current assets	148,328,900	101,381,190	25,869,652	31,095,112	174,198,552	132,476,302
Total current assets	337,261,792	137,616,754	61,029,879	93,832,446	398,291,671	231,449,200
Non-current assets						
Non-current assets	2,677,924,463	1,326,586,867	460,049,078	442,979,693	3,137,973,541	1,769,566,560
Total Non-current assets	2,677,924,463	1,326,586,867	460,049,078	442,979,693	3,137,973,541	1,769,566,560
Current liabilities						
Financial Liabilities	(555,133,096)	(318,803,578)	(43,844,000)	(41,663,900)	(598,977,096)	(360,467,478)
Other current liabilities	(348,554,215)	(117,219,295)	(72,879,212)	(116,794,078)	(421,433,428)	(234,013,373)
Total current liabilities	(903,687,311)	(436,022,873)	(116,723,212)	(158,457,978)	(1,020,410,524)	(594,480,851)
Non-current liabilities						
Financial liabilities	(264,463,921)	(224,559,386)	(268,655,480)	(267,663,976)	(533,119,401)	(492,223,361)
Other non-current liabilities	(1,271,869,896)	(33,194,297)	(2,630,640)	-	(1,274,500,536)	(33,194,297)
Total non-current liabilities	(1,536,333,817)	(257,753,683)	(271,286,120)	(267,663,976)	(1,807,619,937)	(525,417,659)
Net assets	575,165,127	770,427,065	133,069,625	110,690,185	708,234,752	881,117,250

Reconciliation of the summarised financial statements presented to the carrying amount of its interests in joint venture.

	Prime Location Management 3 Ltd.		FS JV License Limited		Total	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Opening net assets	770,427,064	759,866,970	110,690,185	151,506,347	881,117,249	911,373,317
Profit (loss) for the year	(194,151,574)	(15,744,988)	17,625,530	(21,188,714)	(176,526,044)	(36,933,702)
Other comprehensive income (expense)	(1,110,363)	26,305,082	4,753,910	(19,627,448)	3,643,547	6,677,634
Closing net assets	575,165,127	770,427,064	133,069,625	110,690,185	708,234,752	881,117,250
Interest in joint venture	50%	50%	50%	50%	50%	50%
Carrying value before adjustment	287,582,564	385,213,532	66,534,813	55,345,093	354,117,377	440,558,625
Impact from realised profit on sales of the right-of-use	(85,760,627)	(79,472,096)	-	-	(85,760,627)	(79,472,096)
Carrying value	201,821,937	305,741,436	66,534,813	55,345,093	268,356,750	361,086,529

Individually immaterial an associate

The table below is the carrying amount of its interests, in aggregate, all individually immaterial an associate and a joint venture that are accounted for using equity method.

	2023 Baht	2022 Baht
Aggregate carrying amount of individually immaterial an associate	6,351,807	10,764,320
The Group's share from an associate of:		
Loss (gain) from continuing operations	(2,635,975)	435,059

13 Investments in subsidiaries

As at 31 December, investments in subsidiaries are as follows:

	Separate financial statements	
	2023 Baht	2022 Baht
S Hotel Phi Phi Island Co., Ltd.	299,999,600	299,999,600
S Hotel Management Co., Ltd.	2,872,999,900	2,872,999,900
S Hotels and Resorts APAC (SG) Pte. Ltd.	5,823,939,031	5,823,939,031
S Hotels and Resorts (SC) Co., Ltd.	5,768,887,646	5,768,887,646
S Hotels and Resorts (HK) Ltd.	2,063,823,128	2,063,823,128
S Hotels and Resorts Management Co., Ltd.	4,999,925	4,999,925
Laguna Paradise Co., Ltd.	999,980	999,980
Total	16,835,649,210	16,835,649,210

As at 31 December, the subsidiaries included in the consolidated financial statements. The subsidiaries have only ordinary shares in which the Group directly holds those shares. The proportion of ownership interests held by the Group is equal to voting rights in subsidiaries held by the Group.

Name	Place of business/ Country incorporation	Business	Proportion of ordinary share directly held by the parent		Proportion of ordinary share directly held by the Group	
			2023 (%)	2022 (%)	2023 (%)	2022 (%)
S Hotel Phi Phi Island Co., Ltd.	Thailand	Hospitality	99.99	99.99	-	-
S Hotel Management Co., Ltd.	Thailand	Hospitality	99.99	99.99	-	-
S Hotels and Resorts Management Co., Ltd.	Thailand	Management of domestic and foreign hotels	99.99	99.99	-	-
S Hotels and Resorts APAC (SG) Pte. Ltd.	Singapore	Holding company	100.00	100.00	-	-
APAC Holding, LLC	Cayman Islands	Holding company	-	-	100.00	100.00
OC Pte Limited	The Republic of Fiji	Hospitality	-	-	100.00	100.00
Hillview Pte Limited	The Republic of Fiji	Hospitality	-	-	100.00	100.00
Saltlake Resorts Limited	The Republic of Mauritius	Hospitality	-	-	100.00	100.00
O.K.M. Private Limited	The Republic of Maldives	Hospitality	-	-	100.00	100.00
Na Nimmann Co., Ltd.	Thailand	Hospitality	-	-	99.98	99.98
Laguna Paradise Co., Ltd.	Thailand	Holding company	99.99	99.99	-	-
Laguna Beach Development Co., Ltd.	Thailand	Holding company	-	-	100.00	100.00
Laguna Phuket Club Co., Ltd.	Thailand	Hospitality	-	-	99.00	99.00
S Hotels and Resorts (HK) Ltd.	Hongkong	Holding company	100.00	100.00	-	-
S Hotels and Resorts (UK) Ltd.	United Kingdom	Holding company	-	-	100.00	100.00
S Hotels and Resorts (SC) Co., Ltd.	The Republic of Seychelles	Holding company	100.00	100.00	-	-
Prime Locations Management 2 Ltd.	The Republic of Seychelles	Holding company	-	-	100.00	100.00
Dream Islands Development 2 Pvt. Ltd.	The Republic of Maldives	Hospitality	-	-	100.00	100.00
SHR Offshore Holdings Co., Ltd.	The Republic of Seychelles	Holding company	-	-	100.00	100.00
FS JV Co Limited	United Kingdom	Holding company	-	-	100.00	100.00
FS Mezz Co Limited	United Kingdom	Holding company	-	-	100.00	100.00
FS Mid Co Limited	United Kingdom	Holding company	-	-	100.00	100.00
FS Senior Co Limited	United Kingdom	Holding company	-	-	100.00	100.00
Jupiter Hotels Holdings Limited	United Kingdom	Holding company	-	-	100.00	100.00
Jupiter Hotels Midco Limited	United Kingdom	Holding company	-	-	100.00	100.00
Jupiter Hotels Limited	United Kingdom	Hospitality	-	-	100.00	100.00
Jupiter Hotels Wetherby Limited	United Kingdom	Hospitality	-	-	100.00	100.00
Jupiter Hotels Management Limited	United Kingdom	Holding company	-	-	100.00	100.00

All subsidiaries undertaking are included in the consolidation.

14 Investments properties

	Consolidated financial statements Baht
As at 1 January 2022	893,140,468
Net loss from fair value adjustments	(1,502,567)
Currency translation differences	30,550,247
As at 31 December 2022	922,188,148
As at 1 January 2023	922,188,148
Net gain from fair value adjustments	177,435,040
Reclassification to property, plant and equipment (Note 15)	(616,006,227)
Currency translation differences	(2,644,524)
As at 31 December 2023	480,972,437

During the year 2023, the Group had change the current use of investment property for the hotel in Republic of Maldives and reclassify to property, plant and equipment of US Dollar 17.70 million or equivalent to Baht 616.01 million.

The Group's investment properties were valued by independent professionally qualified valuers who hold a recognised relevant professional qualification and have recent experience in the locations and segments of the investment properties valued. For all investment properties, their current use equates to the highest and best use.

Valuation of investment properties was classified as fair value in Level 3 based on information use in valuation technique which is use for fair value assessment.

Valuation technique and principal unobservable input use in measuring fair value of investment properties were as follows:

Valuation techniques
Fair values are assessed by present values of operation cash flow from assets, which is calculated from expected rental rate and net cash flows, using the risk-adjusted discount rate.

Principal unobservable inputs
- Occupancy rate 44.90% to 91.70%
- Rental rate throughout the remaining lease agreement
- Risk-adjusted discount rate 12.00% per annum

The association of unobservable input with fair values

Estimated valuation of fair value will increase (decrease), if:
- Occupancy rate increase (decrease)
- Market rental rate increase (decrease)
- Risk adjusted discount rate decrease (increase)

There were no transfers between levels of fair value hierarchy during the year.

As at 31 December 2023 and 2022, the Group used entire investment properties as collaterals in order to pledge the long-term borrowings from financial institutions (Note 19).

Amounts recognised in profit or loss that are related to investment properties are as follows:

	Consolidated financial statements	
	2023 Baht	**2022 Baht**
Rental income	38,864,097	48,100,340
Direct operating expense that generated rental income	9,107,530	25,097,817

As at 31 December 2023, the Group has right-of-use assets under the leases of land that are classified as investment properties of Baht 23.68 million (2022: Baht 87.09 million) and total cash outflow for right-of-use assets under the lease agreement of Baht 3.43 million (2022: Baht 2.99 million).

The minimum rental income of the existing lease contracts from investment properties which is not include the variable rental income of the consolidated financial statements due within 1 year is Baht 16.68 million (2022: Baht 32.92 million) and due over 1 year is Baht 2.85 million (2022: Baht 70.36 million).

15 Property, plant and equipment, net

	Consolidated financial statements							
	Land Baht	Land improvements Baht	Building and building improvements Baht	Furniture and fixtures, office equipments and machinery and equipments Baht	Vehicles Baht	Construction in progress Baht	Right-of-use assets Baht	Total Baht
At 1 January 2022								
Cost	7,933,441,529	285,604,625	15,792,834,475	5,318,527,084	100,723,090	150,979,089	5,929,910,562	35,512,020,454
Less Accumulated depreciation	-	(99,980,303)	(2,989,111,285)	(2,681,020,223)	(59,893,902)	-	(564,938,965)	(6,394,944,678)
Less Accumulated impairment	-	-	(48,967,200)	-	-	-	-	(48,967,200)
Net book amount	7,933,441,529	185,624,322	12,754,755,990	2,637,506,861	40,829,188	150,979,089	5,364,971,597	29,068,108,576
Year ended 31 December 2022								
Opening net book amount	7,933,441,529	185,624,322	12,754,755,990	2,637,506,861	40,829,188	150,979,089	5,364,971,597	29,068,108,576
Additions	-	168,054	17,620,578	150,808,664	4,766,438	234,622,057	146,149,994	554,135,785
Transfer in (out)	-	65,578,972	90,004,407	24,598,824	3,081,465	(183,263,668)	-	-
Reclassification	(69,109,559)	1,254,287,435	(1,246,993,028)	22,201,309	-	-	41,743,981	2,130,138
Write-offs and disposals, net	-	-	-	(723,530)	(2,501)	-	-	(726,031)
Lease modification	-	-	-	-	-	-	(132,103,528)	(132,103,528)
Depreciation charge	-	(45,454,479)	(503,246,148)	(342,631,177)	(8,742,192)	-	(209,494,002)	(1,109,567,998)
Currency translation differences	(85,331,424)	(14,323,858)	(79,699,769)	37,633,636	1,255,792	58,416	(195,616,537)	(336,023,744)
Closing net book amount	7,779,000,546	1,445,880,446	11,032,442,030	2,529,394,587	41,188,190	202,395,894	5,015,651,505	28,045,953,198
At 31 December 2022								
Cost	7,779,000,546	1,656,900,620	14,304,667,585	5,519,732,068	104,459,249	202,395,894	5,801,339,617	35,368,495,579
Less Accumulated depreciation	-	(211,020,174)	(3,272,225,555)	(2,990,337,481)	(63,271,059)	-	(735,046,908)	(7,271,901,177)
Less Accumulated impairment	-	-	-	-	-	-	(50,641,204)	(50,641,204)
Net book amount	7,779,000,546	1,445,880,446	11,032,442,030	2,529,394,587	41,188,190	202,395,894	5,015,651,505	28,045,953,198

S Hotels and Resorts Public Company Limited

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2023

	Consolidated financial statements							
	Land Baht	Land improvements Baht	Building and building improvements Baht	Furniture and fixtures, office equipment and machinery and equipment Baht	Vehicles Baht	Construction in progress Baht	Right-of-use assets Baht	Total Baht
At 1 January 2023								
Cost	7,779,000,546	1,656,900,620	14,304,667,585	5,519,732,068	104,459,249	202,395,894	5,801,339,617	35,368,495,579
Less Accumulated depreciation	-	(211,020,174)	(3,272,225,555)	(2,990,337,481)	(63,271,059)	-	(735,046,908)	(7,271,901,177)
Less Accumulated impairment	-	-	-	-	-	-	(50,641,204)	(50,641,204)
Net book amount	7,779,000,546	1,445,880,446	11,032,442,030	2,529,394,587	41,188,190	202,395,894	5,015,651,505	28,045,953,198
Year ended 31 December 2023								
Opening net book amount	7,779,000,546	1,445,880,446	11,032,442,030	2,529,394,587	41,188,190	202,395,894	5,015,651,505	28,045,953,198
Additions	50,581,647	-	364,478,319	483,397,091	18,500,478	471,895,237	195,228,784	1,584,081,556
Reclassification	(254,739)	282,947,208	(92,885,656)	284,810,897	2,068,028	(487,553,023)	10,867,285	-
Reclassification from investment properties	-	-	406,888,266	146,466,714	-	-	62,651,247	616,006,227
Transfer from (to) group of non-current assets classified as held-for-sale - cost less accumulated depreciation and allowance for impairment	(88,359,340)	-	442,187,932	106,700,414	-	4,139,609	211,414,335	676,082,950
Write-offs and disposals, net	-	-	(150,702)	(1,655,677)	(77,360)	-	(19,030,478)	(20,914,217)
Lease modification	-	-	-	-	-	-	724,729,003	724,729,003
Lease derecognition	-	-	-	-	-	-	(249,295,054)	(249,295,054)
Depreciation charge	-	(70,641,555)	(510,763,784)	(425,053,045)	(19,211,992)	-	(238,740,392)	(1,264,410,768)
Reversal of loss from impairment	-	-	-	-	-	-	42,980,629	42,980,629
Currency translation differences	15,440,222	(18,928,509)	130,417,271	(10,259,094)	(349,508)	2,431,730	140,428,514	259,180,626
Closing net book amount	7,756,408,336	1,639,257,590	11,772,613,676	3,113,801,887	42,117,836	193,309,447	5,896,885,378	30,414,394,150
At 31 December 2023								
Cost	7,756,408,336	1,934,138,756	17,256,843,932	6,609,959,321	120,998,468	193,309,447	7,016,805,778	40,888,464,038
Less Accumulated depreciation	-	(294,881,166)	(4,850,104,266)	(3,496,157,434)	(78,880,632)	-	(963,829,263)	(9,683,852,761)
Less Accumulated impairment	-	-	(634,125,990)	-	-	-	(156,091,137)	(790,217,127)
Net book amount	7,756,408,336	1,639,257,590	11,772,613,676	3,113,801,887	42,117,836	193,309,447	5,896,885,378	30,414,394,150

As at 31 December 2023, the Group uses land, building and right-of-use assets at the net book value of Baht 24,479.96 million (2022: Baht 23,416.25 million) as collaterals in order to pledge the long-term borrowings from financial institutions (Note 19).

The net book value of right-of-use assets are as follows:

	Consolidate financial statements			
	Land Baht	Buildings and building improvements Baht	Furniture and fixtures, office equipment and machinery and equipment Baht	Total Baht
As at 1 January 2022				
Cost	2,504,177,286	3,155,139,006	142,023,325	5,801,339,617
Less Accumulated depreciation	(244,025,946)	(353,228,173)	(137,792,789)	(735,046,908)
Less Accumulated impairment	(50,641,204)	-	-	(50,641,204)
Net book amount	2,209,510,136	2,801,910,833	4,230,536	5,015,651,505
As at 1 January 2023				
Cost	2,898,446,028	3,937,138,855	181,220,895	7,016,805,778
Less Accumulated depreciation	(292,939,965)	(506,817,010)	(164,072,288)	(963,829,263)
Less Accumulated impairment	(156,091,137)	-	-	(156,091,137)
Net book amount	2,449,414,926	3,430,321,845	17,148,607	5,896,885,378

Cash outflows for leases is as follows:

	Consolidated financial statements	
	2023 Baht	2022 Baht
Total cash outflow for leases	299,042,118	296,918,205

	Separate financial statements				
			Right-of-use assets		
	Building and building improvements Baht	Furniture and fixtures and office equipment Baht	Building and building improvements Baht	Furniture and fixtures and office equipment Baht	Total Baht
At 1 January 2022					
Cost	916,529	2,460,843	2,727,846	186,938	6,292,156
Less Accumulated depreciation	(240,229)	(1,429,908)	(1,926,623)	(95,561)	(3,692,321)
Net book amount	676,300	1,030,935	801,223	91,377	2,599,835
For the year ended 31 December 2022					
Opening net book amount	676,300	1,030,935	801,223	91,377	2,599,835
Additions	18,500	398,200	2,834,733	-	3,251,433
Depreciation charge	(91,856)	(521,769)	(958,995)	(47,715)	(1,620,335)
Closing net book amount	602,944	907,366	2,676,961	43,662	4,230,933
At 31 December 2022					
Cost	935,029	2,859,043	5,562,579	186,938	9,543,589
Less Accumulated depreciation	(332,085)	(1,951,677)	(2,885,618)	(143,276)	(5,312,656)
Net book amount	602,944	907,366	2,676,961	43,662	4,230,933
For the year ended 31 December 2023					
Opening net book amount	602,944	907,366	2,676,961	43,662	4,230,933
Additions	-	1,276,399	-	183,789	1,460,188
Depreciation charge	(93,503)	(687,335)	(944,049)	(43,662)	(1,768,549)
Closing net book amount	509,441	1,496,430	1,732,912	183,789	3,922,572
At 31 December 2023					
Cost	935,029	4,135,442	5,562,580	370,727	11,003,778
Less Accumulated depreciation	(425,588)	(2,639,012)	(3,829,668)	(186,938)	(7,081,206)
Net book amount	509,441	1,496,430	1,732,912	183,789	3,922,572

The Group recorded depreciation expense of Baht 1,140.21 million and Baht 124.20 million has been charged in cost of hospitality business and other related services and administrative expenses, respectively (2022: Baht 1,098.42 million and Baht 11.15 million, respectively). The Company recorded depreciation expense of Baht 1.77 million has been charged in administrative expenses (2022: Baht 1.62 million).

16 Goodwill

	Consolidated financial statements	
	2023 Baht	2022 Baht
At 1 January		
Cost	1,727,899,548	1,735,621,420
Less Allowance for impairment	(98,313,201)	(95,063,346)
Net book amount	1,629,586,347	1,640,558,074
For the year ended 31 December		
Opening net book amount	1,629,586,347	1,640,558,074
Currency translation differences	(1,885,767)	(10,971,727)
Closing net book amount	1,627,700,580	1,629,586,347
At 31 December		
Cost	1,723,043,688	1,727,899,548
Less Allowance for impairment	(95,343,108)	(98,313,201)
Net book amount	1,627,700,580	1,629,586,347

Goodwill is allocated to the Group's cash-generating units (CGUs) identified according to business segment.

Goodwill allocation is presented below.

	Consolidated financial statements	
	2023 Baht	2022 Baht
Goodwill allocation:		
Hospitality business - Self manage (Thailand and Republic of Maldives)	524,719,654	524,719,654
Hospitality business - Outrigger (Republic of Mauritius and Republic of Fiji)	587,232,043	614,762,919
Hospitality business - United Kingdom	515,748,882	490,103,774
Net book amount	1,627,700,580	1,629,586,347

The recoverable amount of a CGU is determined based on value-in-use calculations. These calculations use pre-tax cash flow projections based on financial budgets approved by management covering a ten-year period and cash flow beyond the ten-year period to calculate the terminal value which are approved by the management. The projections are weighted average growth rates stated below. The weighted average growth rate does not exceed the long-term average growth rate for the business in which the CGU operates.

The key assumptions used for value-in-use calculations are as follows:

	2023	2022
Weighted average growth rate	2.00% - 3.50%	3.00%
Discount rate	8.00% - 12.50%	4.33% - 12.36%

These assumptions have been used for the analysis of each CGU within the business segment.

Management determined budgeted gross margin based on past performance and its expectations of market development. The weighted average growth rates used are consistent with the forecasts included in industry reports. The discount rates used are pre-tax and reflect specific risks relating to the relevant segments. The recoverable amount in the impairment assessment of goodwill includes impairment of trademark and hotel operation licenses which are presented under intangible assets, with no impairment loss.

For the year ended 31 December 2023, if the discount rate used in calculation of the goodwill arising from business acquisition in Thailand, the Republic of Fiji and the United Kingdom increased by 0.50% per annum, the goodwill of the Group will not be impaired. For the goodwill impairment test of the goodwill arisen from business acquisition in the Republic of Mauritius, if the discounted rate used in calculation increased by 0.50% per annum, the recoverable amount will approximate the carrying amount.

17 Deferred income taxes

Deferred income tax presented in the statements of financial position comprised of:

	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Deferred income tax assets	187,278,287	94,848,982	3,084,443	2,363,309
Deferred income tax liabilities	(1,386,572,755)	(1,263,942,072)	-	-
Deferred income tax, net	(1,199,294,468)	(1,169,093,090)	3,084,443	2,363,309

The movement of the deferred income tax account is as follows:

	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
At 1 January	(1,169,093,090)	(1,145,185,308)	2,363,309	2,161,977
Increase (decrease) to profit or loss	(40,734,386)	(2,529,345)	721,134	201,332
Increase (decrease) to other comprehensive income	12,264,369	(25,485,932)	-	-
Currency translation differences	(1,731,361)	4,107,495	-	-
At 31 December	(1,199,294,468)	(1,169,093,090)	3,084,443	2,363,309

The movement in deferred income tax assets and liabilities is as follows:

	Consolidated financial statements								
	Employee benefit obligations Baht	Re-measuring of fair value Baht	Allowance for doubtful debt Baht	Tax losses Baht	Share-based payment Baht	Corporate Interest Restriction (CIR) Baht	Share loss from associates and joint ventures Baht	Others Baht	Total Baht
Deferred income tax assets									
At 1 January 2022	5,971,826	26,035,448	983,024	191,993,688	456,343	42,178,444	-	15,834,789	283,453,562
Increase (decrease) to profit or loss	321,481	(6,602,132)	7,784,583	(61,182,176)	(456,343)	(34,366,441)	2,648,506	8,649,974	(83,202,548)
Decrease to other comprehensive income	-	-	-	-	-	-	-	(1,798,835)	(1,798,835)
Currency translation differences	11,488	-	(419,455)	(3,889,337)	-	(1,524,356)	(118,428)	(1,485,455)	(7,425,543)
At 31 December 2022	6,304,795	19,433,316	8,348,152	126,922,175	-	6,287,647	2,530,078	21,200,473	191,026,636
At 1 January 2023	6,304,795	19,433,316	8,348,152	126,922,175	-	6,287,647	2,530,078	21,200,473	191,026,636
Increase (decrease) to profit or loss	1,588,997	(2,200,711)	(3,006,848)	156,410,831	-	104,770,381	(1,684,206)	(7,174,722)	248,703,722
Currency translation differences	4,216	2,876,206	443,581	(2,226,944)	-	(2,018,332)	157,847	1,197,179	433,753
As at 31 December 2023	7,898,008	20,108,811	5,784,885	281,106,062	-	109,039,696	1,003,719	15,222,930	440,164,111

	Consolidated financial statements				
	Re-measuring of fair value Baht	Depreciation Baht	Share profit from joint ventures Baht	Others Baht	Total Baht
Deferred income tax liabilities					
At 1 January 2022	(1,372,278,297)	(47,607,557)	(430,542)	(8,322,474)	(1,428,638,870)
Increase to profit or loss	78,804,076	1,438,585	430,542	-	80,673,203
Decrease to other comprehensive income	-	-	-	(23,687,097)	(23,687,097)
Currency translation differences	13,214,872	(1,770,715)	-	88,881	11,533,038
At 31 December 2022	(1,280,259,349)	(47,939,687)	-	(31,920,690)	(1,360,119,726)
At 1 January 2023	(1,280,259,349)	(47,939,687)	-	(31,920,690)	(1,360,119,726)
Increase (decrease) to profit or loss	(230,635,678)	(59,511,565)	-	709,135	(289,438,108)
Increase to other comprehensive income	-	-	-	12,264,369	12,264,369
Currency translation differences	(482,194)	(453,425)	-	(1,229,495)	(2,165,114)
At 31 December 2023	(1,511,377,221)	(107,904,677)	-	(20,176,681)	(1,639,458,579)

	Separate financial statements			
	Employee benefit obligations Baht	Share-based payment Baht	Others Baht	Total Baht
Deferred income tax assets				
At 1 January 2022	1,740,883	456,343	9,813	2,207,039
Increase (decrease) to profit or loss	686,367	(456,343)	(9,386)	220,638
At 31 December 2022	2,427,250	-	427	2,427,677
At 1 January 2023	2,427,250	-	427	2,427,677
Increase to profit or loss	739,611	-	828	740,439
At 31 December 2023	3,166,861	-	1,255	3,168,116

	Separate financial statements	
	Depreciation Baht	Total Baht
Deferred income tax liabilities		
At 1 January 2022	(45,062)	(45,062)
Decrease to profit or loss	(19,306)	(19,306)
At 31 December 2022	(64,368)	(64,368)
At 1 January 2023	(64,368)	(64,368)
Decrease to profit or loss	(19,305)	(19,305)
At 31 December 2023	(83,673)	(83,673)

Deferred income tax assets are recognised for tax loss and carry forwards only to the extent that realisation of the related tax benefit through the future taxable profits is probable. The Group did not recognise deferred income tax assets of Baht 598.25 million in respect of losses amounting to Baht 3,374.95 million that can be carried forward against future taxable income. These loss carry forward will be expired in 2028. (2022: unrecognised deferred income tax asset of Baht 587.51 million in respect of losses amounting to Baht 3,347.90 million).

18 Trade and other payables

	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Trade accounts payable	367,385,681	364,362,355	-	-
Other payables	165,173,298	462,787,240	3,677,385	3,537,484
Accrued expenses	506,228,514	340,489,296	44,233,788	16,444,033
Unearned revenue	628,160,782	542,995,166	175,781	495,100
Trade and other payables	1,666,948,275	1,710,634,057	48,086,954	20,476,617

19 Borrowings

Movements of borrowings from financial institutions for the year ended 31 December are as follows:

	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
At 1 January	13,080,162,276	14,126,022,978	661,576,678	666,135,945
Borrowings during the year	4,143,140,291	-	-	-
Repayment	(4,737,194,164)	(834,679,071)	(204,064,950)	(4,759,536)
Increase in deferred financing fee	(19,338,443)	(54,594,862)	-	-
Amortisation of deferred financing fees	35,921,967	18,655,499	979,155	200,269
Unrealised loss (gain) exchange rate	10,410,564	(19,849,881)	-	-
Currency translation differences	128,467,368	(155,392,387)	-	-
At 31 December	12,641,569,859	13,080,162,276	458,490,883	661,576,678

During the year, the subsidiary of the Group entered into the new long-term loan agreements with the financial institution to repay the loan according to the original contract. The repayment term is in September 2032, bearing an interest rate SOFR plus margin. Moreover, the Group has entered into interest rate swap agreements for the loan facility agreement in amount of US Dollar 18.69 million to hedge the interest rate exposure from a floating to rate as stated on the interest rate swap agreements.

As at 31 December 2023, the Group's borrowings of Baht 12,165.89 million (2022: Baht 12,395.73 million) were secured by the Group's land and buildings, shares of subsidiaries of the Group, leasehold under the lease agreement, and the transfer of the beneficiary rights under insurance policy to bank and guarantee by the Company.

The Group is required to maintain Interest-Bearing Debt to Equity ratio and Debt-Service Coverage ratio in accordance with the conditions in loan agreements. As at 31 December 2023, the Group has complied with the debt covenant condition specified in the loan agreements.

Long-term borrowings from financial institutions as at 31 December are detailed as follows:

		Condition of borrowing			Consolidated financial statements		Separate financial statement	
No.	Credit facility	Payment term	Secured by	Interest % per annum	2023 Baht	2022 Baht	2023 Baht	2022 Baht
S Hotels and Resorts Public Company Limited								
1.	Baht 650,000,000	Quarterly basis within August 2024	Nil	MLR minus certain margin	449,699,697	648,720,542	449,699,697	648,720,542
2.	Baht 20,000,000	Monthly basis within September 2025	Nil	MLR	8,791,186	12,856,136	8,791,186	12,856,136
S Hotel Phi Phi Island Co., Ltd.								
3.	Baht 2,320,000,000	Quarterly basis within 30 September 2027	Land and buildings and the transfer of the beneficiary rights under insurance policy to bank	MLR minus certain margin	1,664,145,714	1,767,693,187	-	-
4.	Baht 65,000,000	Monthly basis within 31 August 2027	Land and buildings and the transfer of the beneficiary rights under insurance policy to bank	MLR minus certain margin	53,798,124	65,999,111	-	-
S Hotel Management Co., Ltd.								
5.	Baht 800,000,000	Within May 2028	Land and buildings	BIBOR plus 3%	776,578,706	799,013,116	-	-
6.	Baht 20,000,000	Monthly basis within September 2025	Nil	MLR	8,791,187	12,856,136	-	-
7.	Baht 10,000,000	Monthly basis within December 2027	Nil	MLR	8,400,978	10,000,000	-	-
Laguna Phuket Club Co., Ltd.								
8.	Baht 1,460,291,341	Quarterly basis within 31 December 2030	Land and buildings and Subsidiaries' shares hold by the Group	MLR minus certain margin	1,413,953,008	1,447,105,136	-	-
Dream Islands Development 2 Private Limited								
9.	USD 109,456,000	Quarterly basis within 30 September 2032	Subsidiaries' shares hold by the Group and leasehold under lease agreement and buildings	SOFR plus certain margin (2022: LIBOR plus certain margin)	3,559,591,403	3,907,121,986	-	-

		Condition of borrowing			Consolidated financial statements		Separate financial statement	
No.	Credit facility	Payment term	Secured by	Interest % per annum	2023 Baht	2022 Baht	2023 Baht	2022 Baht
S Hotels and Resorts APAC (SG) Pte. Ltd. and its subsidiaries								
10.	USD 3,560,000	Quarterly basis within 30 June 2030	Land and buildings	SOFR plus certain margin (2022: LIBOR plus certain margin	106,722,370	108,687,174	-	-
11.	EUR 12,673,600	Quarterly basis within 30 June 2030	Land and buildings	SOFR plus certain margin (2022: LIBOR plus certain margin	419,374,236	414,344,548	-	-
12.	FJD 20,023,077	Monthly basis within 30 September 2032	Land and buildings	Published index rate minus certain margin	280,570,342	304,910,703	-	-
13.	FJD 8,000,000	Monthly basis within 30 November 2033	Land and buildings	3.5%	111,893,453	121,995,429	-	-
14.	FJD 28,500,698	Monthly basis within May 2034	Land and buildings	Published index rate minus certain margin	333,400,225	-	-	-
15.	FJD 13,329,304	Monthly basis within 31 May 2031	Land and buildings	Published index rate minus certain margin	181,801,605	203,607,678	-	-
16.	FJD 2,000,000	Monthly basis within 31 August 2031	Land and buildings	3.5%	27,375,906	30,379,852	-	-
FS Senior Co Limited								
17.	GBP 90,298,774	Quarterly basis within 30 June 2025	Land and buildings and the transfer of the beneficiary rights under insurance policy to bank, Subsidiaries' shares hold by the Group and leasehold under lease agreement and buildings	SONIA plus certain margin	3,236,681,719	3,224,871,542	-	-
Total long-term borrowings from financial institutions, net					12,641,569,859	13,080,162,276	458,490,883	661,576,678
Less Current portion of long-term borrowings, net					(1,386,331,283)	(1,952,025,507)	(454,788,116)	(436,282,237)
Long-term borrowings, net					11,255,238,576	11,128,136,769	3,702,767	225,294,441

Interest rate risk of borrowing for the Group and the Company is disclosed in Note 5 financial risk management.

The effective interest rates at the statements of financial position date are as follows:

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Borrowings from financial institutions	3.00 % to 6.27%	2.00% to 6.15%	4.59% to 4.92%	3.60% to 6.15%

The fair value of borrowings approximate at their carrying amount, because the borrowings bear the interest at floating rate as marketing rate and the impact of discount is not significant.

Borrowing facilities

The Group have the following undrawn committed borrowing facilities:

	Consolidated financial statements (Original currency)				
	2023		2022		
	Baht	Fijian Dollar	Baht	US Dollar	Fijian Dollar
Floating rate					
- expiring within 1 year	210,000,000	-	210,000,000	10,000,000	-
- expiring beyond 1 year	-	7,118,109	-	-	28,500,698
Total	210,000,000	7,118,109	210,000,000	10,000,000	28,500,698

20 Debentures, net

Movements of debentures for year ended 31 December 2023 are as follows:

	Consolidated and Separate financial statements Baht
Opening net book value	-
Additions	1,300,000,000
Increase in deferred issuance fees	(10,479,000)
Amortisation of deferred issuance fees	707,524
Closing net book value	1,290,228,524
Fair value as at 31 December 2023	1,311,205,181

During the year, the Company has issued Baht denominated debentures to public offering and bondholders with offering price per unit at Baht 1,000. The debentures, maturity is three years from the issuance date, with a fixed interest rate of 5.00% per annum and payable every three months. The debentures are not optionally redeemable prior to the maturity date by the issuer and the holder.

The Company is required to maintain net interest-bearing debt to equity ratio not over than 2.5 times in respect of an audited consolidated financial statement.

21 Lease liabilities, net

	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
As at 31 December				
Lease liabilities	8,568,556,084	7,615,019,856	1,977,600	2,852,000
Less future interest expense	(4,493,369,985)	(4,021,066,084)	(35,849)	(122,883)
Present value of lease liabilities, net	4,075,186,099	3,593,953,772	1,941,751	2,729,117

Movements of lease liabilities of the Group and the Company are as follows:

	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
As at 1 January	3,593,953,772	3,966,425,517	2,729,117	1,088,837
Cash flow:				
Repayment of lease liabilities	(302,470,760)	(299,912,435)	(1,035,000)	(1,039,200)
Other non-cash movements:				
Finance cost	215,372,460	208,758,017	68,045	25,496
Additions	2,027,044	18,637,740	183,789	2,834,733
Changes related to any modification, lease derecognition and reassessment events	457,949,990	(139,467,611)	(4,200)	(180,749)
Currency translation differences	108,353,593	(160,487,456)	-	-
As at 31 December	4,075,186,099	3,593,953,772	1,941,751	2,729,117

22 Equity

As at 31 December 2023, registered ordinary share of 3,593,640,000 shares (2022: 3,593,640,000 shares) at a par value of Baht 5 per share (2022: Baht 5 per share) were issued and fully paid up.

On 25 April 2023, the 2023 Annual General Meeting of Shareholders approved the reduction of the Company's registered capital in the amount of Baht 350.00 million from the existing registered capital in amount of Baht 18,318.20 million to Baht 17,968.20 million by way of cancellation of 70.00 million unallocated ordinary shares with a par value of 5 Baht per share, which were allocated to accommodate the exercise of the SHR-W1(ESOP) and approved the allocation of the Company's partial share premium to compensate for the Company's total accumulated loss. As a result, the Company allocated the Company's share-based payment in the amount of Baht 43.75 million and the Company's partial share premium in the amount of Baht 417.50 million to compensate for the Company's total deficits in the total amount of Baht 461.25 million.

23 Other income

	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Interest income	118,619,072	39,711,599	123,273,616	100,297,101
Management fee	19,067,560	20,139,042	7,625,820	9,584,822
Gains from disposal of financial assets measured at fair value through profit or loss	27,652	112,814	49	26
Compensation income from insurance	-	37,284,343	-	-
Gain from fair value adjustment of investment properties	177,435,040	-	-	-
Gain from disposals of assets	10,990,926	-	-	-
Revenue from arrangement fee and guarantee fee	34,693,205	-	34,693,205	-
Gain from lease modification and derecognition	17,483,959	7,292,722	4,200	180,749
Others	17,357,950	27,194,072	502,619	441,614
Total	395,675,364	131,734,592	166,099,509	110,504,312

24 Expense by nature

The expense by functions of the Group and the Company for the year ended 31 December as reflected in the statement of comprehensive income consisted of the following majority expenses. Other significant expense by nature are mainly from property tax expense, insurance premium and software copyright.

	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Cost of services	1,693,416,809	1,456,754,876	-	-
Raw material and consumables used	225,861,637	204,576,356	-	-
Staff costs	3,065,006,243	2,837,718,640	149,458,874	122,818,478
Depreciation and amortisation	1,270,622,476	1,116,192,139	1,931,579	1,759,883
Marketing expenses	193,266,885	136,355,709	3,830,261	3,124,967
Operating lease payment	84,078,630	56,055,172	2,368,640	2,273,040
Repair and maintenance	232,732,049	238,391,135	11,855	11,677
Consulting fees	50,965,391	52,081,104	7,913,971	6,001,410
Services fees	354,059,506	305,246,112	26,020,636	10,779,679
Utilities expenses	628,193,872	608,479,888	917,620	695,775
Losses of write-off and disposals of assets	1,811,981	4,568,733	-	-
Losses from fair value adjustment of investment properties	-	1,502,567	-	-
(Reversal) recognised expected credit loss on financial assets	(21,957,798)	25,470,485	-	-
Reversal of loss from impairment of assets	(42,980,629)	-	-	-

25 Income tax expenses

For the year ended 31 December	Consolidated financial statements 2023 Baht	Consolidated financial statements 2022 Baht	Separate financial statements 2023 Baht	Separate financial statements 2022 Baht
Current income tax:				
Current tax on profits for the year	50,579,767	10,446,448	11,081,053	1,253,426
Total current income tax	50,579,767	10,446,448	11,081,053	1,253,426
Deferred income tax:				
Origination temporary differences	40,734,386	2,529,343	(721,134)	(201,232)
Total deferred income tax	40,734,386	2,529,343	(721,134)	(201,232)
Total income tax expenses	91,314,153	12,975,791	10,359,919	1,052,094

The tax on the Group's profit (loss) before tax differs from the theoretical amount that would arise using the basic tax rate of the home country of the Company as follows:

	Consolidated financial statements 2023 Baht	Consolidated financial statements 2022 Baht	Separate financial statements 2023 Baht	Separate financial statements 2022 Baht
Profit (loss) before tax	177,721,023	27,358,041	124,792,232	(90,534,587)
Tax calculated at a tax rate of 20% (2022: 20%)	35,544,205	5,471,608	24,958,446	(18,106,917)
Tax effect of:				
Expense (income) adjustment in accordance with Revenue Code	163,220,133	13,346,196	(21,798,475)	2,075,377
Utilisation of previously unrecognised tax losses	(65,148,131)	(88,505,761)	(11,272,184)	-
Tax losses for which no deferred income tax asset was recognised	50,221,336	47,806,340	4,697,927	5,915,688
Tax effect from different overseas tax rate	(83,450,197)	32,628,628	-	-
Tax effect from different privilege tax rate	13,774,205	11,167,946	13,774,205	11,167,946
Others	(22,847,398)	(8,939,166)	-	-
Tax charge	91,314,153	12,975,791	10,359,919	1,052,094

During the year 2023, as a result of the change in the income tax rate from 19% to 25% in United Kingdom and from 20% to 25% in the Republic of Fiji, it is considered that it is reasonably expected that on 1 April 2023 and 30 June 2023, respectively. It will become effective, there will be deferred income taxes. related items have been remeasured. Deferred taxes that are expected to reverse in the year to 31 December 2023 are measured using the tax rate that will be effective for the year, 25%.

The weighted average applicable tax rate for the Group and the Company was 51.38% and 8.30%, respectively (2022: 47.43% and 20%, respectively). The Group did not recognise deferred income tax assets from some loss carried forward as the Group is uncertain for utilising the deferred tax assets in the future as mentioned in note 17. The Company applied tax rate of 5% due to the Company is International Business Centre (IBC).

26 Basic earnings (loss) per share

Basic earnings (loss) per share is calculated by dividing the net profit (loss) attributable to shareholders by the weighted average number of ordinary shares in issue and paid-up during the year.

Basic earnings (loss) per share for the year ended 31 December are as follows:

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Profit (loss) for the year attributable to ordinary shareholders of the Company (Baht)	86,406,870	14,382,250	114,432,313	(91,586,681)
Weighted average number of ordinary shares outstanding (shares)	3,593,640,000	3,593,640,000	3,593,640,000	3,593,640,000
Earnings (loss) per share (Baht per share)	0.024	0.004	0.032	(0.025)

For the year ended 31 December 2023, no diluted earnings per share (2022: Nil).

27 Related-party transactions

27.1 Parent entities

The Group is controlled by S International Holding Co., Ltd., held by Singha Estate Public Co., Ltd. (Parent), incorporated in Thailand, and S Hotels and Resorts (SG) Pte. Ltd., incorporated in Singapore, which hold 60% interest in the Group, the remaining interests are held by others and other related parties. The Group's ultimate parent is Boon Rawd Brewery Co., Ltd. incorporated in Thailand.

The relationship with the related parties are controlled by, or are under common control with, the Company, including holding companies, subsidiaries and fellow subsidiaries as at 31 December 2023 are listed below.

Entities' name	Country/Nationality	Relationship
Boon Rawd Brewery Co., Ltd.	Thailand	Ultimate parent
Singha Estate Public Co., Ltd.	Thailand	Parent
Singha Corporation Co., Ltd.	Thailand	Director is shareholder
Singha Property Management (Singapore) Pte. Ltd.	Singapore	Parent's shareholder
S International Holding Co., Ltd.	Thailand	Shareholder
S Hotels and Resorts (SG) Pte. Ltd.	Singapore	Shareholder
Santiburi Samui Country Club Co., Ltd.	Thailand	Director is shareholder
Bophut Property and Resort Co., Ltd.	Thailand	Director is shareholder
Singha Park Chiang Rai Co., Ltd.	Thailand	Director is shareholder
Boon Rawd Trading Co., Ltd.	Thailand	Director is shareholder
Beer Singha Co., Ltd.	Thailand	Director is shareholder
Prime Locations Management Ltd.	Republic of Seychelles	The Group's ultimate parent is shareholder
Dream Islands Development Pvt. Ltd.	Republic of Maldives	The Group's ultimate parent is shareholder
S Services (Maldives) Pvt. Ltd.	Republic of Maldives	Director is shareholder
S Prime Growth Leasehold Real Estate Investment Trust	Thailand	The Group's parent is shareholder
Max Future Co., Ltd.	Thailand	Director is shareholder
Singha Property Development Co., Ltd.	Thailand	The Group's parent is shareholder
S.IF.1 Co., Ltd.	Thailand	The Group's parent is shareholder
S Residential Development Co., Ltd.	Thailand	The Group's parent is shareholder
CTG2002 Co., Ltd.	Thailand	The Group's parent is shareholder

The aforementioned related parties other than the ultimate parent company, parent company, associates and joint ventures and subsidiaries, referred to other related parties. Entity's name and country of registration of associates and joint ventures and subsidiaries are shown in the Note 12 and 13 repectively.

27.2 The following significant transactions were carried out with related parties:

a) Sales and purchases of goods and services

	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Purchases of goods and services				
Other related parties	314,054	311,462	73,907	49,163
Rental and services income				
Parent	1,251,690	426,212	-	-
Joint venture	14,071,094	246,079	-	-
Associate	24,969	25,921	-	-
Other related parties	2,302,021	3,807,043	-	-
Management income				
Subsidiaries	-	-	108,475,508	88,664,064
Interest income				
Subsidiaries	-	-	121,121,994	100,145,416
Joint ventures	105,711,630	36,024,610	-	-
Other income				
Subsidiaries	-	-	736,711	2,592,299
Joint venture	51,499,496	7,913,024	41,582,314	7,452,580
Other related party	12,178,455	12,686,462	-	-
Dividend income				
Subsidiary	-	-	129,441,540	-
Management fee				
Parent	15,591,100	7,396,753	15,591,100	7,396,753
Associate	4,266,071	2,710,326	-	-
Rental and services expense				
Parent	590,330	206,489	590,330	206,489
Subsidiaries	-	-	277,918	200,208
Associate	25,412,656	18,499,302	-	-
Other related parties	15,466,355	5,411,287	5,345,728	4,383,761
Intertest expense				
Parent	720,250	-	720,250	-
Subsidiaries	-	-	52,656,292	8,390,586
Other related party	2,569,947	-	2,569,947	-

During the year 2023, the Company provided guarantee to a joint venture for its borrowings of USD 48.16 million or equivalent to Baht 1,648.19 million for 12 years. The Company recognised the guarantee fee received from a joint venture as other income.

b) Outstanding balances arising from sales/purchases of goods and services

	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Amounts due from related parties				
Trade accounts receivable				
Parent	1,081,516	126,343	-	-
Subsidiaries	-	-	14,362,873	15,706,588
Associate	-	27,480	-	-
Joint venture	23,746,561	101,010	-	-
Other related parties	165,405	778,590	-	-
	24,993,482	1,033,423	14,362,873	15,706,588
Other receivables				
Parent	-	-	210,000	-
Subsidiaries	-	-	2,556	69,012,570
Joint ventures	921,997	6,190,847	442,293	6,190,847
Other related parties	1,891,716	9,341,701	-	-
	2,813,713	15,532,548	654,849	75,203,417
Interest receivables				
Subsidiaries	-	-	375,599,370	276,316,566
Joint ventures	6,213,855	21,518,627	-	-
	6,213,855	21,518,627	375,599,370	276,316,566
Advances to				
Subsidiaries	-	-	2,876,366	1,941,461
Other related parties	32,100	37,960	32,100	32,100
	32,100	37,960	2,908,466	1,973,561
Total amounts due from related parties	34,053,150	38,122,558	393,525,558	369,200,132
Amounts due to related parties				
Trade accounts payable				
Parent	638,000	-	-	-
Associate	11,367,115	5,423,405	-	-
Other related parties	1,047,945	53,160	-	-
	13,053,060	5,476,565	-	-
Other payables				
Parent	16,482,504	8,769,221	16,482,504	8,769,221
Subsidiaries	-	-	6,949	31
Other related parties	24,660,748	9,105,742	496,670	152,005
	41,143,252	17,874,963	16,986,123	8,921,257
Interest payables				
Subsidiary	-	-	51,479,765	8,355,237
	-	-	51,479,765	8,355,237
Unearned revenue				
Joint venture	35,812,341	-	35,812,341	-
	35,812,341	-	35,812,341	-
Total amounts due to related parties	90,008,653	23,351,528	104,278,229	17,276,494

c) Lease receivable from a related party, net

	Consolidated financial statements	
	2023 Baht	2022 Baht
Joint venture	282,811,991	232,301,364
Total lease receivable from a related party, net	282,811,991	232,301,364

As at 31 December 2023, the Group had sublease agreement to sublease the right-of-use of land to a joint venture for 46 years. The Group will request for lease payment every 3 month by February 2066.

d) Loans to related parties

Loan - joint ventures

	Consolidated financial statements			
	Interest rate (% per annum)		Amount (Baht)	
	2023	2022	2023	2022
Short-term loan - joint ventures				
FS JV License Limited	9.00	-	21,922,000	-
Long-term loan - joint ventures				
FS JV License Limited	-	8.00	-	20,831,950
Dream Islands Development 3 Pvt. Ltd.	SOFR plus certain margin	14.00	489,393,190	311,061,600
Total			511,315,190	331,893,550

As at 31 December 2023, the Group had short-term loans to a joint venture of GBP 0.50 million or equivalent to Baht 21.92 million, the repayment term is in 2024 (2022: No short-term loans to a joint venture).

As at 31 December 2023, the Group had long-term loans to a joint ventures of US Dollar 14.30 million or equivalent to Baht 489.39 million, the repayment term is at call (2022: GBP 0.50 million or equivalent to Baht 20.83 million, the repayment term is in 2023 and US Dollar 9.00 million or equivalent to Baht 311.06 million, the repayment term is at call).

Loan - subsidiaries

	Separate financial statements			
	Interest rate (% per annum)		Amount (Baht)	
	2023	2022	2023	2022
S Hotel Phi Phi Island Co., Ltd.	0.48	0.48 - 3.15	443,150,533	443,150,533
S Hotels and Resorts (SC) Co., Ltd.	1.35 - 5.71	0.48 - 4.78	1,380,069,835	940,445,119
S Hotel and Resort (HK) Ltd.	1.35 - 5.71	3.00 - 4.07	2,013,542,888	1,362,012,830
Laguna Paradise Co., Ltd.	0.48 - 5.71	0.48 - 4.08	2,014,290,362	2,042,454,154
O.K.M. Private Limited	1.35 - 5.71	3.00 - 4.07	121,897,107	75,066,991
Saltlake Resort Ltd.	5.30 - 5.71	4.07	247,766,579	21,972,911
S Hotels and Resorts APAC (SG) Pte. Ltd.	-	3.00 - 3.15	-	1,317,187
Total			6,220,717,304	4,886,419,725

As at 31 December 2023, the Company had long-term loans to subsidiaries represented loan of Baht 4,112.93 million (2022: GBP 0.30 million or equivalent to Baht 12.37 million and US Dollar 8.86 million or equivalent to Baht 304.88 million and Baht 2,485.60 million), the repayment term is at call, and Baht 2,107.79 million (2022: US Dollar 21.34 million or equivalent to Baht 733.93 million and GBP 32.74 million or equivalent to Baht 1,349.64 million), the repayment is in 2026 to 2029.

For loans to related parties and interest income, the Group charges interest by considering the average cost of borrowing and market interest rate.

The fair value of long-term loans approximately equals their carrying amount, as the impact of discount is not significant.

Movement of loans to related parties for the years ended 31 December is as follows:

	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
At 1 January	331,893,550	22,549,200	4,886,419,725	4,380,930,691
Addition during the year	984,902,260	315,552,225	2,227,113,797	624,526,342
Repayment	(800,450,600)	-	(921,380,589)	(31,368,071)
Unrealized gain (loss) from exchange rate	-	-	28,564,371	(87,669,237)
Currency translation differences	(5,030,020)	(6,207,875)	-	-
At 31 December	511,315,190	331,893,550	6,220,717,304	4,886,419,725

e) Borrowing from a related party

As at 31 December 2023, the short-term borrowing from a subsidiary amounting to Baht 897.60 million, bearing an interest rate at 5.24% per annum. The repayment term is at call. However, the subsidiary has no intention to recall the borrowings within one year (2022: Baht 557.60 million, interest rate 3.97% to 4.68% per annum).

f) Management remuneration

	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Salaries and other short-term employee benefits	217,478,604	201,653,459	67,877,918	63,901,426
Retirement benefits	3,498,248	3,579,246	2,713,592	2,780,655
Total	220,976,852	205,232,705	70,591,510	66,682,081

28 Commitment

a) Capital expenditure commitments

As at 31 December, capital expenditure commitments but not recognised in the financial statements is as follows:

	Consolidated financial statements						
	2023				2022		
	Million Baht	Million US Dollar	Million Fijian Dollar	Million Pound	Million Baht	Million US Dollar	Mliion Fijian Dollar
Capital expenditure commitments	68.42	1.47	3.09	9.94	1.50	6.54	20.75

b) Services commitments

As at 31 December, the Group leases services under non-cancellable services agreements as follow:

	Consolidated financial statements		Separate financial statements	
	2023 Million Baht	2022 Million Baht	2023 Million Baht	2022 Million Baht
Within 1 year	14.07	8.80	2.27	2.27
Later than 1 year but not later than 5 years	3.05	5.67	1.71	4.17
Total	17.12	14.47	3.98	6.44

c) Bank guarantee

As at 31 December 2023, the Group had outstanding bank guarantees for the normal course of business, issued by banks of Baht 5.50 million and Fijian Dollar 0.28 million (2022: Baht 5.35 million and Fijian Dollar 0.28 million).

ATTACHMENT

ATTACHMENT 1
DETAILS OF DIRECTORS, EXECUTIVES, AND COMPANY SECRETARY

MR. APISAK TANTIVORAWONG
Chairman of the Board of Directors
and Independent Director
70 years

First Appointment Date:
15 October 2021

Education
- Honorary Doctorate of Arts in Economics, University of the Thai Chamber of Commerce
- MBA., Industrial Management, University of Tennessee, USA
- Bachelor of Engineering in Chemical Engineering, Chulalongkorn University

Training / Certification
Certification from the Thai Institute of Directors Association (IOD)
- Director Certification Program (DCP 18/2002)

Other Trainings
- Diploma, National Defence College, The Joint State-Private Sectors Course, Class 16/2003

Work Experience in the 5 Preceding Years
Position held in Other Listed Companies in SET

Present	Independent Director and Member of Executive Committee, SCB X Public Company Limited
Present	Chairman of the Board of Directors and Independent Director, Siam Commercial Bank Public Company Limited
Present	Chairman of the Board of Directors and Independent Director, T.K.S. Technologies Public Company Limited

Position held in Other Companies / Organizations

Present	Honorable Committee Members of the Chulabhorn Royal Academy Council
Present	Advisor, Chulavadhana Co., Ltd.
2020 – 2023	Independent Director and Chairman of Audit Committee, PTT Global Chemical Public Company Limited
2015 – 2019	Finance Minister, Ministry of Finance

Securities Holding in the Company as of 31 December 2023
Ordinary shares (SHR)

Director	-None-
Spouse / Minor child	-None-

Family Relation among Directors and Executives
-None-

Lawsuits in the 10 Preceding Years
-None-

MR. SOMPONG TANTAPART

Independent Director and
Chairman of the Audit Committee
66 years

First Appointment Date:
30 November 2018
(Re-elected on 25 April 2023)

Education

- Master of Public Administration, Chulalongkorn University
- Bachelor of Accounting, Thammasat University

Training / Certification

Certification from the Thai Institute of Directors Association (IOD)

- Ethical Leadership Program (ELP 23/2021)
- Advanced Audit Committee Program (AACP 33/2019)
- Director Certification Program (DCP 210/2015)

Other Trainings

- Senior Governing Executive, Class 61/2013, Damrong Rajanubhab Office of the Permanent Secretary for Interior
- Financial Executive Development Program (FINEX), Class 14, the Thai Institute of Banking and Finance Association

Work Experience in the 5 Preceding Years

Position held in Other Listed Companies in SET

Present	Independent Director, Member of the Audit Committee, and Member of the Nomination and Remuneration Committee, Central Retail Corporation Public Company Limited

Position held in Other Companies / Organizations

2017 – 2018	Vice President and Chairman of the Executive Committee, Dhanarak Asset Development Company Limited
2016 – 2018	Principal Advisor on Strategic Tax Administration (Finance and Banking), The Revenue Department
2014 – 2018	Director, Erawan Hotel Public Company Limited

Securities Holding in the Company as of 31 December 2023

Ordinary shares (SHR)

Director	-None-
Spouse / Minor child	-None-

Family Relation among Directors and Executives

-None-

Lawsuits in the 10 Preceding Years

-None-

MR. PRAISUN WONGSMITH

Independent Director, Member of the Audit Committee, and Member of the Nomination and Remuneration Committee
64 years

First Appointment Date:
30 November 2018
(Re-elected on 22 April 2021)

Education

- Master of Economics / Finance, Oklahoma State University, USA
- Bachelor of Economics, Oklahoma State University, USA

Training / Certification

Certification from the Thai Institute of Directors Association (IOD)

- Subsidiary Governance Program (SGP 2/2022)
- Risk Management Program for Corporate Leaders (RCL 25/2021)
- Director Leadership Certification Program (DLCP 2/2021)
- Boardroom Success Through Financing and Investment (BFI 9/2020)
- Digital Transformation – A Must for all companies (2018)
- IT Governance and Cyber Resilience Program (ITG 8/2018)
- Ethical Leadership Program (ELP 10/2017)
- Advanced Audit Committee Program (AACP 24/2016)
- Boards that Make a Difference (BMD 1/2016)
- Role of the Chairman Program (RCP 37/2015)
- Director Certification Program (DCP 92/2007)
- Director Accreditation Program (DAP 12/2004)

Other Trainings

- 2020 Cyber Security Awareness for BOD, TMB Bank Public Company Limited
- Personal Data Protection Act, TMB Bank Public Company Limited
- Economic and Sectoral Outlook: A High-frequency Data Perspective, TMB Bank Public Company Limited
- Sustainability Training, TMB Bank Public Company Limited
- Branding and NPS Update, TMB Bank Publi Company Limited
- Inside Information and Data Privacy, TMB Bank Public Company Limited
- IFRS 9 Implication and Readiness, TMB Bank Public Company Limited
- Cyber Resilience Awareness, TMB Bank Public Company Limited
- Cyber Resilience Leadership Seminar, TMB Bank Public Company Limited
- Bangkok Sustainable Banking Forum 2018, Bank of Thailand
- Business Sustainability in Digital Trend, EY Company Limited
- Advanced Security Management Program, Class 5, The National Defence College Association of Thailand (NDCAT)
- Capital Market Academy Leader Program, Class 14, Capital Market Academy
- The Leadership Grid, Grid Teamwork Limited

Work Experience in the 5 Preceding Years

Position held in Other Listed Companies in SET

Present	Chairman of the Board of Directors and Independent Director, Thantawan Industry Public Company Limited
2018 – 2022	Independent Director and Chairman of the Audit Committee, Jakpaisan Estate Public Company Limited
2016 – 2022	Independent Director and Chairman of the Audit Committee, TTB Bank Public Company Limited

Position held in Other Companies / Organizations

Present	Chairman of the Board of Directors and Independent Director, TLeasing Company Limited
Present	Director, Keycapital Company Limited
Present	Director, P Advisory Company Limited
Present	Director, PW Consultants Company Limited
2017 – 2019	Independent Director, Industrial Estate Authority of Thailand
2017 – 2019	Independent Director, Islamic Bank Asset Management Limited

Securities Holding in the Company as of 31 December 2023

Ordinary shares (SHR)

Director	-None-
Spouse / Minor child	-None-

Family Relation among Directors and Executives
-None-

Lawsuits in the 10 Preceding Years
-None-

MR. JUKR BOON-LONG

Independent Director, Member of the Audit Committee, and Chairman of the Corporate Governance and Sustainable Development Committee
66 years

First Appointment Date:
30 November 2018
(Re-elected on 22 April 2021)

Education

- Master of Arts (International Politics and Economics), University of Detroit, USA
- Bachelor of Law, Ramkhamhaeng University

Training / Certification

Certification from the Thai Institute of Directors Association (IOD)

- Role of Chairman Program (RCP 55/2023)
- Financial Statement for Directors (FSD 49/2023)
- Director Certification Program (DCP 271/2019)
- Risk Management Program for Corporate Leaders (RCL 17/2019)

Other Trainings

- The Programme for Senior Executives on Energy Science, Thailand Energy Academy (TEA), Class 17
- Capital Market Academy Leader Program, Capital Market Academy, Class 29
- Diploma, National Defence College, The National Defence Course, Class 52
- The Programme for Senior Executives on Justice Administration, Class 16

Work Experience in the 5 Preceding Years

Position held in Other Listed Companies in SET

Present	Independent Director, Member of the Audit Committee, and Chairman of the Nomination and Remuneration Committee, P.C.S. Machine Group Holding Public Company Limited
Present	Independent Director, Member of the Audit Committee, and Member of the Corporate Governance Committee, Siam Makro Public Company Limited

Position held in Other Companies / Organizations

Present	Independent Director and Member of the Audit Committee, Glow Energy Public Company Limited
Present	Director, Glow Company Limited
Present	Director, Glow SPP 11 Company Limited
Present	Director, Glow SPP 2 Company Limited
Present	Director, Glow SPP 3 Company Limited
Present	Director, Glow IPP Company Limited
Present	Director, Glow IPP 2 Holding Company Limited
Present	Director, Member of the Audit Committee, and Chairman of Risk Management Subcommittee, Neighbouring Countries Economic Development Cooperation Agency (Public Organization)
2017 – 2018	Ambassador, Royal Thai Embassy in Yangon, Myanmar

Securities Holding in the Company as of 31 December 2023

Ordinary shares (SHR)

Director	-None-
Spouse / Minor child	-None-

Family Relation among Directors and Executives
-None-

Lawsuits in the 10 Preceding Years
-None-

MR. PARINYA PATANAPHAKDEE

Independent Director, Chairman of the Risk Management Committee, and Member of the Nomination and Remuneration Committee
65 years

First Appointment Date:
23 February 2021

Education

- Master of Political Science in Politics and Government, Sukhothai Thammathirat Open University
- Master of Business Administration, National Institute of Development Administration
- Barrister-at-Law, Institute of Legal Education of the Thai Bar Association
- Bachelor of Laws (First Class Honors), Ramkhamhaeng University

Training / Certification

Certification from the Thai Institute of Directors Association (IOD)

- Role of Chairman Program (RCP 43/2018)
- Director Certification Program (DCP 248/2017)
- Successful Formulation and Execution of Strategy (SFE 16/2012)
- Financial Institution Governance Program (FGP 1/2010)

Other Trainings

- National Defence Course for the Joint State Private Sectors (NDC), Class 18/2005, National Defence College
- Advanced Master of Management Program (AMM), Class 3, National Institution of Development Administration
- Energy Literacy for a Sustainable Future (TEA), Class 11/2018, Thailand Energy Academy
- Bhumipalung Phandin (BPP), Class 4/2015, Chulalongkorn University
- Top Executive Program in Commerce and Trade (TEPCoT), Class 6/2013, Academic Service Center University of the Thai Chamber of Commerce
- Proud to be a Leader, Human Behavior Modification & Development Center (HMDC)
- Advance Security Management Program (ASMP), Class 4/2013, National Defence College
- Think Like an Influencer, PacRim Group
- Administrative Justice for Executives (BYP), Class 2/2011, The Administrative Court
- Capital Market Academy, Class 10/2010, The Stock Exchange of Thailand
- Advanced Certificate Course in Politics and Governance in Democratic Systems for Executives, Class 8/2004, King Prajadhipok's Institute
- The Program for Senior Executives in Criminal Justice Administration Batch, Class 7/2003, National Justice Academy, Office of the Judiciary
- Financial Executive Development Program (FINEX XI), Class 11/2002, The Thai Institute of Banking and Finance Association

Work Experience in the 5 Preceding Years

Position held in Other Listed Companies in SET

2017 – 2021	Chairman of the Board of Directors and Chairman of the Nomination and Remuneration Committee, Krungthai Card Public Company Limited
2017 – 2019	First Senior Executive Vice President, Krung Thai Bank Public Company Limited

Position held in Other Companies / Organizations

Present	Director and treasurer, Shinnavornsiriwat Supreme Patriarch of the Buddhist Priest Foundation
Present	Chairman of the Board of Directors, L.C.Broker Company Limited
Present	Director, PPK Advisory Company Limited
Present	Advisor attached to the Committee, Committee on Economics / Finance and Monetary Affairs Senate, Parliament
Present	International Trade and Investment Advisor
2021 – 2022	Chairman of the Board of Directors, Sukhumvit Asset Management Company Limited
2019 – 2021	Chairman of the Board of Directors, Government Housing Bank
2016 – 2019	Advisor to the Minister, Ministry of Industry
2010 – 2019	Vice Chairman, KTBLAW Company Limited

Securities Holding in the Company as of 31 December 2023

Ordinary shares (SHR)

Director	-None-
Spouse / Minor child	-None-

Family Relation among Directors and Executives
-None-

Lawsuits in the 10 Preceding Years
-None-

CHAYANIN DEBHAKAM, D.B.A.

Director (Non-executive Director),
Chairman of the Nomination and Remuneration Committee,
and Member of the Corporate Governance and Sustainable Development Committee (Authorized Director)
54 years

First Appointment Date:
10 November 2015
(Re-elected on 22 April 2021)

Education

- Doctorate degree in Business Administration, Rattana Bundit University
- Master of Management, Sasin Graduate Institute of Business Administration, Chulalongkorn University
- Biomedical Science, Kingston University, United Kingdom

Training / Certification

Certification from the Thai Institute of Directors Association (IOD)

- Director Certification Program (DCP 191/2014)

Other Trainings

- Securities & Exchange Commission Capital Markets Leader Program: Building Competitiveness of Nation and Thai Capital Markets, The Securities and Exchange Commission (SEC)
- Advanced Certificate Course in Politic and Governance in Democratic Systems for Executive Class of 12, King Prajadhipok's Institute
- Advanced Certificate Course in Judicial Training for Executive Class of 15, Judicial Training Institute

Work Experience in the 5 Preceding Years

Position held in Other Listed Companies in SET

Present	Director (Non-Executive Director), Chairman of the Executive Committee, Chairman of the Nomination and Remuneration Committee, and Member of the Corporate Governance and Sustainable Development Committee, Singha Estate Public Company Limited

Position held in Other Companies / Organizations

Present	38 directorships in the subsidiaries and associate companies of the Company and Singha Estate Public Company Limited
Present	Director, Solar Innovation Company Limited
Present	Director, G-Force Company Limited
Present	Director, Bangkok 12 Company Limited
Present	Director, Kasem Wanarom Company Limited
Present	Director and Deputy Managing Director, Singha Corporation Company Limited
Present	Director, Singha Property Management Company Limited
Present	Director, Boon Rawd Supply Chain Company Limited
Present	Member of the Executive Committee, Boonrawd Brewery Company Limited

Securities Holding in the Company as of 31 December 2023

Ordinary shares (SHR)

Director 40,020 shares, representing 0.0011% of total paid-up capital

Spouse / Minor child -None-

Family Relation among Directors and Executives

-None-

Lawsuits in the 10 Preceding Years

-None-

MR. NARIS CHEYKLIN

Director (Non-executive Director)
and Member of the Risk Management Committee
62 years

First Appointment Date:
10 November 2015
(Re-elected on 21 April 2022)

Education

- Master of Accounting, Thammasat University
- Bachelor of Accounting, Thammasat University

Training/Certification

Certification from the Thai Institute of Directors Association (IOD)

- Director Certification Program (DCP 9/2002)

Other Trainings

- Institute of Metropolitan Development (Class 4)
- Advanced Security Management Program (Class 4/2013)
- Capital Market Academy Leader Program (Class 2/2006)
- Organizational Risk Management Program, Sasin Graduate Institute of Business Administration of Chulalongkorn University (Class 2/2004)
- Corporate Financial Strategies, Kellogg School of Management, Chicago, USA
- Executive Development Program in Real Estate Management, Thammasat University (1993)
- Computer Audit Program, Arthur Andersen
- General Audit Program, SGV-Na Thalang, Bangkok and SGV, Manila, Philippines

Work Experience in the 5 Preceding Years

Position held in Other Listed Companies in SET

Present	Chief Executive Officer, The Mall Group Company Limited
2017 – 2022	Vice Chairman of the Board of Directors, Member of the Executive Committee, Member of the Risk Management Committee, and Member of the Corporate Governance and Sustainable Development Committee, Singha Estate Public Company Limited
2014 – 2021	Chief Executive Officer, Singha Estate Public Company Limited
2017 – 2021	Director, Chairman of the Executive Committee, and Member of the Nomination and Remuneration Committee, Nirvana Daii Public Company Limited

Position held in Other Companies / Organizations

Present	Director, Siratara Company Limited
2017 – 2021	Chairman of the Board of Directors, Nirvana River Company Limited
1993 – 2021	Director, Interaccy Company Limited

Securities Holding in the Company as of 31 December 2023

Ordinary shares (SHR)

Director 60 shares, representing 0.0000% of total paid-up capital

Spouse / Minor child -None-

Family Relation among Directors and Executives

-None-

Lawsuits in the 10 Preceding Years

-None-

MRS. THITIMA RUNGKWANSIRIROJ

Director (Non-executive Director),
Chairman of the Executive Committee, Member of the Risk Management Committee, and Member of the Corporate Governance and Sustainable Development Committee
(Authorized Director)
62 years

First Appointment Date:
29 June 2018
(Re-elected on 25 April 2023)

Education

- Master of Accounting, Thammasat University
- Bachelor of Accounting, Thammasat University

Training/Certification

Certification from the Thai Institute of Directors Association (IOD)

- Director Certification Program (DCP 131/2015)
- Director Accreditation Program (DAP 65/2007)
- Director Leadership Certification Program (DLCP 7/2022)

Other Trainings

- Advanced Management Program, INSEAD Business School, Singapore
- Advance Derivative and Financial Risk Management, Hong Kong
- CFO Becoming a Strategic Partner, Singapore
- CFO Regional Summit Forum, Singapore

Work Experience in the 5 Preceding Years

Position held in Other Listed Companies in SET

Present	Director, Member of the Executive Committee, Member of the Risk Management Committee, Member of the Corporate Governance and Sustainable Development Committee, and Chief Executive Officer, Singha Estate Public Company Limited
2018 – 2021	Chief Financial Officer and Company Secretary, Singha Estate Public Company Limited
2018 – 2021	Director and Member of the Executive Committee, Nirvana Daii Public Company Limited

Position held in Other Companies / Organizations

Present	56 directorships in the subsidiaries and associated companies of the Company and Singha Estate Public Company Limited
2021 – 2022	Chairman of the Board of Directors, S REIT Management Company Limited
2017 – 2018	Director and President, Sukhumvit Asset Management Company Limited

Securities Holding in the Company as of 31 December 2023

Ordinary shares (SHR)

Director	-None-
Spouse / Minor child	-None-

Family Relation among Directors and Executives
-None-

Lawsuits in the 10 Preceding Years
-None-

MR. MICHAEL DAVID MARSHALL

Director, Member of the Executive Committee, Member of the Risk Management Committee, Member of the Corporate Governance and Sustainable Development Committee, and Chief Executive Officer (Authorized Director)

61 years

First Appointment Date:
16 November 2023

Education

- Post Graduate Marketing Diploma of Institute of Marketing
- Bachelor of Business Studies & Marketing

Training / Certification

Certification from the Thai Institute of Directors Association (IOD)

- Director Certification Program

Other Trainings

- C-Level Assessment and Development Programme - DDI
- Situational Leadership II
- Covey 7-Habits of Highly Effective People
- Academee Management / Leadership Development Programme
- Emergentics Training Programme
- David Ulrich Leadership Code
- SIGMA Presentation Skills & Management Assessment Programme
- Creative Circle Advertising Development Programme
- IHG Management Development Programme
- Mercuri Advanced Sales Training & Negotiation Skills
- MHA Sales Training, I, II, III
- TSA ESS 1, 2, 3

Work Experience in the 5 Preceding Years

Position held in Other Listed Companies in SET

2014 – 2023	Chief Commercial Officer, Hotel Group - Minor International Public Company Limited

Position held in Other Companies / Organizations

Present	36 directorships in the Company's and Group's subsidiaries and associate companies

Securities Holding in the Company as of 31 December 2023

Ordinary shares (SHR)

Director	-None-
Spouse / Minor child	-None-

Family Relation among Directors and Executives

-None-

Lawsuits in the 10 Preceding Years

-None-

MR. CHAIRATH SIVAPORNPAN

Member of the Executive Committee

41 years

Appointment Date as Executive:

10 January 2019

Education

- Master of Business Administration – Finance, University of Illinois – Urbana Champaign, USA
- Bachelor of Economics, Thammasat University

Training / Certification

Certification from the Thai Institute of Directors Association (IOD)

- Director Accreditation Program (DAP 184/2021)
- Company Secretary Program (CSP 101/2019)

Other Trainings

- Top Executive Program in Commerce and Trade (TEPCoT) Class 15/2023 by Trade Science Academy, University of the Thai Chamber of Commerce
- Cash Flow Course by the Business Accounting Supervision Division, the Department of Business Development, the Ministry of Commerce, 18-22 June 2021 (7 hours e-learning)
- Financial Statements Analysis Course, the Business Accounting Supervision Division, the Department of Business Development, the Ministry of Commerce, 13-15 May 2020 = (7 hours e-learning)
- Financial Advisor Refresher Course 2020, Association of Thai Securities Companies
- RE-CU CEO Class 5, RE-CU Academy
- Strategic CFO Class 6/2018, The Stock Exchange of Thailand
- Certificate in Investor Relations 2016, Thai Investor Relations Club
- Thai Intelligent Investors Program (TIIP 9), Thai Investors Association

Work Experience in the 5 Preceding Years

Position held in Other Listed Companies in SET

Present	Member of the Executive Committee and Chief Financial Officer, Singha Estate Public Company Limited
2021 – 2023	Company Secretary, Singha Estate Public Company Limited
2019 – 2021	Chief Financial Officer and Company Secretary
2018 – 2019	Senior Vice President - Corporate Finance, Singha Estate Public Company Limited
2011 – 2018	First Vice President - Capital Market and Investor Relations, B.Grimm Power Public Company Limited

Position held in Other Companies / Organizations

Present	37 directorships in the subsidiaries and associated companies of the Company and Singha Estate Public Company Limited

Securities Holding in the Company as of 31 December 2023

Ordinary shares (SHR)

Director	-None-
Spouse / Minor child	-None-

Family Relation among Directors and Executives

-None-

Lawsuits in the 10 Preceding Years

-None-

MR. ISSARIN PATRAMAI

Member of the Executive Committee,
Chief Financial Officer and Company Secretary
(The person taking the highest responsibility
in finance and accounting)
49 years

Appointment Date as Executive:
24 July 2023

Appointment Date as Company Secretary:
10 August 2023

Education

- Master of Business Administration in Finance, Investment, Banking and International Business, University of Wisconsin-Madison
- Bachelor's degree in Chemical Engineering with First Class Honor, Chulalongkorn University

Training / Certification

Certification from the Thai Institute of Directors Association (IOD)

- Board Nomination and Compensation Program (BNCP)
- Director Certification Program (DCP)
- Successful Formulation & Execution of Strategy Program (SFE)

Other Trainings

- CFO's Orientation Course by Stock Exchange Thailand (SET), August 2023 (12 Hours e-Learning)
- CFA Charterholder / CFA Institute
- Capital Market Academy Program, Capital Market Academy
- The CFO Orientation: Focus on Financial Reporting, Federation of Accounting Professions under the Royal Patronage of His Majesty the King and Securities and Exchange Commission

Work Experience in the 5 Preceding Years

Position held in Other Listed Companies in SET

2020 - 2023	Executive Committee and Risk Management Committee, Kerry Express (Thailand) Public Company Limited
2019 - 2023	Chief Investment Officer, Kerry Express (Thailand) Public Company Limited
2021 - 2022	Director and Nomination and Remuneration Committee, TEAM Consulting Engineering and Management Public Company Limited
2018 - 2021	Director, Surapoon Foods Public Company Limited
2017 - 2021	Director, TEAM Consulting Engineering and Management Public Company Limited
2017 - 2018	Executive Committee and Risk Management Committee, TEAM Consulting Engineering and Management Public Company Limited
2016 - 2018	Senior Executive Vice President - Finance, TEAM Consulting Engineering and Management Public Company Limited

Position held in Other Companies / Organizations

Present	Director, ICN Systems Co., Ltd.
2021 - 2023	Director, Kerry Express - Central Co., Ltd.
2021 - 2023	Director, Kerry Express Betagro Co., Ltd.
2020 - 2023	Director, Kerry Express Service Ltd.
2017 - 2019	Director, ATT Consultant Co., Ltd.
2017 - 2019	Director, TEAM SQ Co., Ltd.
2014 - 2019	Director, Geotechnical & Foundation Engineering Co., Ltd.
2014 - 2019	Director, TEAM Construction Management Co., Ltd.
2014 - 2019	Director, TEAM Consulting International Co., Ltd.
2010 - 2019	Director, HB9 Co., Ltd.

Securities Holding in the Company as of 31 December 2023

Ordinary shares (SHR)

Director 80,000 shares, representing 0.0022% of total paid-up capital
Spouse / Minor child -None-

Family Relation among Directors and Executives
-None-

Lawsuits in the 10 Preceding Years
-None-

MR. STEFANO ALBERTO RUZZA

Member of the Executive Committee
and Senior Vice President – Operations
50 years

Appointment Date as Executive:
1 June 2020

Education

- Diploma of Hospitality-Restauration HF/SHL
  Swiss Hotel School of Lucerne, SHL

Training / Certification

Certification from the Thai Institute of Directors Association (IOD)

-None-

Other Trainings

- GDPR Compliance
- Advice for Leaders During a Crisis

Work Experience in the 5 Preceding Years

Position held in Other Listed Companies in SET

-None-

Position held in Other Companies / Organizations

2017 – 2020	General Manager, Conrad Maldives Rangali Island

Securities Holding in the Company as of 31 December 2023

Ordinary shares (SHR)

Director	-None-
Spouse / Minor child	-None-

Family Relation among Directors and Executives

-None-

Lawsuits in the 10 Preceding Years

-None-

MS. KANKANID WICHITCHAROEN

Senior Vice President – Finance
(The person supervising accounting)
57 years

Appointment Date as Executive:
1 January 2019

Education

- Bachelor of Business Administration Program in Accounting, Assumption University

Training / Certification

Certification from the Thai Institute of Directors Association (IOD)

-None-

Continuing Development Course in Accounting Knowledge (Refresh Course)

- Revenue: Difference between Accounting an Taxation Course, the Business Accounting Super vision Division, Department of Business Development, the Ministry of Commerce, 10 August 2023 (6.30 hours e-learning)
- Budget Analysis Course, the Business Accounting Supervision Division, Department of Business Development, the Ministry of Commerce, 2 August 2023 (5 hours e-learning)
- Accountant Ethics Course, the Business Accounting Supervision Division, Department of Business Development, the Ministry of Commerce, 23 July 2023 (1 hours e-learning)
- Revenue: Difference between Accounting and Taxation Course, the Business Accounting Supervision Division, Department of Business Development, the Ministry of Commerce, 15 June 2022 (6.50 hours e-learning)
- Accounting Standard Regarding Property, Plant and Equipment Course, the Business Accounting Supervision Division, Department of Business Development, the Ministry of Commerce, 6 July 2022 (6 hours e-learning)
- Financial Statements Analysis Course, the Business Accounting Supervision Division, Department of Business Development, the Ministry of Commerce, 10-17 June 2021 (7 hours e-learning)
- Accounting Information 1 Course, the Business Accounting Supervision Division, Department of Business Development, the Ministry of Commerce, 21-22 June 2021 (6 hours e-learning)
- TFRS 15: Revenue from Contracts with Customers and TFRS 16: Lease, Dharmniti Seminar and Training Company Limited, 22 October 2020 (6 hours)
- CFO' s Orientation Course for New IPOs, Class 3, Thailand Securities Institute (TSI), the Stock Exchange of Thailand, 26-27 January 2019 (12 hours)

Other Trainings

- Mini Master of Management Program (MMM) + Class 73, Graduate School of Public Administration, National Institute of Development Administration, November 2020 – April 2021
- Tax burden in the whole system of real estate, house, land, housing estate, condominium selling business, Dharmniti Seminar and Training Company Limited, 16 November 2020
- VAT principles of real estate development business both in the rental and service including the correct purchase tax average, Dharmniti Seminar and Training Company Limited
- Update Accounting Standard 2018, Boon Rawd Brewery Company Limited
- Advanced Excel Charts for Accounting Presentation, Dharmniti Seminar and Training Company Limited
- In-depth Financial Statements Analysis Course, Dharmniti Seminar and Training Company Limited
- 41 issues with 7 standards for accurate accounting, Dharmniti Seminar and Training Company Limited
- COSO 2013 Internal Control System Guidelines Model, Class 1/2016, Federation of Accounting Professions

Work Experience in the 5 Preceding Years

Position held in Other Listed Companies in SET

-None-

Position held in Other Companies / Organizations

-None-

Securities Holding in the Company as of 31 December 2023

Ordinary shares (SHR)

Director 10,000 shares, representing 0.0003% of total paid-up capital

Spouse / Minor child -None-

Family Relation among Directors and Executives

-None-

Lawsuits in the 10 Preceding Years

-None-

MR. EKACHAI KEERATIKRITTIN

Vice President – Corporate Finance

38 years

Appointment Date as Executive:

16 October 2023

Education

- Master's degree of Business Administration (International Program) in Finance Management (First-Class Honors), Mahidol University
- Bachelor's degree of Commerce and Accountancy (International Program) in Accountancy (First-Class Honors), Thammasat University

Training / Certification

Certification from the Thai Institute of Directors Association (IOD)

- Director Accreditation Program (DAP 200/2023)

Other Trainings

-None-

Work Experience in the 5 Preceding Years

Position held in Other Listed Companies in SET

2022 – 2023	Deputy Managing Director of Investment Management, Prime Road Power Public Company Limited
2018 – 2022	Investment Manager, Intouch Holdings Public Company Limited

Position held in Other Companies / Organizations

-None-

Securities Holding in the Company as of 31 December 2023

Ordinary shares (SHR)

Director	-None-
Spouse / Minor child	-None-

Family Relation among Directors and Executives

-None-

Lawsuits in the 10 Preceding Years

-None-

MISS SUPAPUN STHIANRAPAPONG

Vice President of Accounting

42 years

Appointment Date as Executive:

1 March 2023

Education

- Master of Science Program in Corporate Governance, Chulalongkorn University
- Bachelor of Accounting Program, Thammasat University

Training / Certification

Certification from the Thai Institute of Directors Association (IOD)

-None-

Continuing Development Course in Accounting Knowledge (Refresh Course)

- Summary of Changes and Interesting points in TFRS for NPAEs (Revised 2022) for Singha Estate Public Company Limited by the Faculty of Commerce and Accountancy, Chulalongkorn University on 26 September 2023 (6.30 hours)
- Accounting for Business Acquisition and Corporate Restructuring Course, Including Relevant Taxes by KPMG Audit (Thailand) Company Limited on 21 July 2023 (3 hours e-learning)
- TFRS 9 Financial Tools course (principles of application and illustrative examples) organized by the Professional Accounting Council on 22 June 2023 (6 hours)
- The Key Principle of Integrating Business and Considering the Depreciation of Popular Values and the asset units that generate cash course, by the Professional Accounting Council on 15 June 2023 (6 hours)
- Overall Financial Reporting Standards, 4/65 by Federation of Accounting Professions on 22 December 2022 (6 hours e-learning)
- Update TFRS 9 and TFRS 16 Overall 2/65 by Federation of Accounting Professions on 15 November 2022 (6 hours)
- Financial Reporting Standards for Singha Estate Public Company Limited by Faculty of Commerce and Accountancy Chulalongkorn University on 12 October 2022 (5.30 hours)
- TFRS 15 Accounting practices and Income tax by Federation of Accounting Professions on 9 December 2021 (6 hours e-learning)
- Fundamental of TFRS 9, 2/64 by Federation of Accounting Professions on 25 November 2021 (6 hours e-learning)

Other Trainings

- Issues and strategies for M&A by Stock Exchange of Thailand on 29-30 September 2021 (5 hours e-learning)
- Transfer Pricing by EY on 23 September 2021 (1.30 hours e-learning)

Work Experience in the 5 Preceding Years

Position held in Other Listed Companies in SET

-None-

Position held in Other Companies / Organizations

2015 - 2019	Director of Accounting, Red Planet Hotels Limited

Securities Holding in the Company as of 31 December 2023

Ordinary shares (SHR)

Director	-None-
Spouse / Minor child	-None-

Family Relation among Directors and Executives

-None-

Lawsuits in the 10 Preceding Years

-None-

MR. LUDOVIC LOUIS MICHEL GALLERNE

Vice President – Global Commerce

51 years

Appointment Date as Executive:

7 March 2023

Education

- Master's Degree: Marketing & International Business, Lincoln International Business School (France & USA) Training / Certification

Training / Certification

Certification from the Thai Institute of Directors Association (IOD)

-None-

Other Trainings

-None-

Work Experience in the 5 Preceding Years

Position held in Other Listed Companies in SET

-None-

Position held in Other Companies / Organizations

2021 – 2023	Vice President Sales & Marketing – Asia Middle East, The Standard International
2019 – 2021	Vice President Sales & Marketing, The Pavilions Hotels & Resorts
2014 – 2019	Regional Director Sales & Marketing, Banyan Tree Resorts & Spa

Securities Holding in the Company as of 31 December 2023

Ordinary shares (SHR)

Director	-None-
Spouse / Minor child	-None-

Family Relation among Directors and Executives

-None-

Lawsuits in the 10 Preceding Years

-None-

MS. PATTEERA MANEESRI

Vice President –
Human Resources and Brand Culture
48 years

Appointment Date as Executive:
1 March 2022

Education

- Master of Science Program in Information Technology Management
- Bachelor of Business Administration in General Management, Ramkhamhaeng University

Training / Certification

Certification from the Thai Institute of Directors Association (IOD)

-None-

Other Trainings

-None-

Work Experience in the 5 Preceding Years

Position held in Other Listed Companies in SET

-None-

Position held in Other Companies / Organizations

2019 – 2020	Owner Representative, Kitprasan Group
2016 – 2019	Cluster Director of Human Resources, Minor International – Thailand, M I Squared Company Limited

Securities Holding in the Company as of 31 December 2023

Ordinary shares (SHR)

Director	-None-
Spouse / Minor child	-None-

Family Relation among Directors and Executives

-None-

Lawsuits in the 10 Preceding Years

-None-

MR. HYUNSU AN

Vice President – Revenue Strategy and Distribution

41 years

Appointment Date as Executiv:

21 November 2022

Education

- Bachelor's Degree: Applied Hospitality & Tourism Management, Pacific International Hotel Management School (PIHMS) New Zealand

Training / Certification

Certification from the Thai Institute of Directors Association (IOD)

-None-

Other Trainings

-None-

Work Experience in the 5 Preceding Years

Position held in Other Listed Companies in SET

-None-

Position held in Other Companies / Organizations

2022	Group Director of Revenue and Analytics – Naumi Hotels
2019 – 2022	Director of Revenue Management, Rosewood Hotels and Resorts
2017 – 2019	Area Director of Revenue Management, Beijing Market – Kempinski Hotels
2016 – 2017	Regional Director of Sales, Southeast Asia – IDeaS A SAS Company

Securities Holding in the Company as of 31 December 2023

Ordinary shares (SHR)

Director	-None-
Spouse / Minor child	-None-

Family Relation among Directors and Executives

-None-

Lawsuits in the 10 Preceding Years

-None-

ATTACHMENT 2 LIST OF DIRECTORS IN THE COMPANY, ITS SUBSIDIARIES, AND ASSOCIATE COMPANIES

List of Directors in Subsidiaries as of 31 December 2023

NAME	S HOTELS AND RESORTS PUBLIC COMPANY LIMITED	S HOTEL PHI PHI ISLAND CO., LTD.	S HOTEL MANAGEMENT CO., LTD.	LAGUNA BEACH DEVELOPMENT CO., LTD.	LAGUNA PARADISE CO., LTD.	LAGUNA PHUKET CLUB CO., LTD.	NA NIMMANN CO., LTD.	S HOTELS AND RESORTS MANAGEMENT CO., LTD.	S HOTELS AND RESORTS (HK) LIMITED	S HOTELS AND RESORTS (UK) LTD.	FS JV CO LIMITED	FS MEZZ CO LIMITED	FS MID CO LIMITED	FS SENIOR CO LIMITED
1. Mr. Apisak Tantivorawong	✪													
2. Mr. Sompong Tantapart	/													
3. Mr. Praisun Wongsmith	/													
4. Mr. Jukr Boon-long	/													
5. Mr. Parinya Patanaphakdee	/													
6. Chayanin Debhakam, D.B.A.	/	/	/	/	/	/	/		/	/				
7. Mr. Naris Cheyklin	/													
8. Mrs. Thitima Rungkwansiriroj	/, ▲	/	/	/	/	/	/	/	/	/	/	/	/	/
9. Mr. Michael David Marshall	/, //, ●, ▲	/	/	/	/	/	/	/	/	/	/	/	/	/
10. Mr. Chairath Sivapornpan	▲							/	/	/	/	/	/	/
11. Mr. Issarin Patramai	//, ▲													
12. Mr. Stefano Alberto Ruzza	//, ▲													
13. Ms. Kankanid Wichitcharoen	//													
14. Ms. Patteera Maneesri	//													
15. Mr. Hyunsu An[2]	//													
16. Ms. Supapun Sthianrapapong	//													
17. Mr. Ekachai Keeratikrittin	//													
18. Mr. Ludovic Louis Michel Gallerne	//													
19. Mr. Sanjay Kumar Singh														
20. Mr. Krit Srichawla														
21. Mr. Sai Shang														
22. Mr. Khin Saw Hlaing														
23. Mr. Zaw Win Maung														
24. Ms. Le Le Wai														
25. Mr. Mohamed Shahdy Anwar														
26. Mr. Hussain Siraj														
27. Mr. Russell Graham Blaik														
28. Mr. Muhammad Assad Yussuf Abdullatiff														
29. Ms. Nadia Sayed Khadija														
30. Ms. Ng Hooi Shan														
31. Mr. Kontee Worrapitayut														
32. Mr. Eddy Sea Hock Lye														
33. Mr. Edmund Tan Min Hai														
34. Ms. Areewan Sriwitchupong														
35. Mr. Stuart David Reading														
36. Ms. Ungkhana Tosilanon														
37. Mr. Amnuay Navachotchaikul														
38. Mr. Chatchai Chordokrak														

✪ = Chairman of the Board of Directors, / = Director, ● = Executive Director, // = Executive, ▲ = Member of Executive Committee

	SUBSIDIARIES															JOINT VENTURE								ASSOCIATE
	JUPITER HOTELS HOLDINGS LIMITED	JUPITER HOTELS MIDCO LIMITED	JUPITER HOTELS LIMITED	JUPITER HOTELS WETHERBY LIMITED	JUPITER HOTELS MANAGEMENT LIMITED	SHR OFFSHORE HOLDINGS CO., LTD.	S HOTELS AND RESORTS (SC) CO., LTD.	PRIME LOCATIONS MANAGEMENT 2 LTD.	DREAM ISLANDS DEVELOPMENT 2 PRIVATE LIMITED	O.K.M PVT LTD	APAC HOLDING, LLC	HILLVIEW PTE LIMITED	OC PTE LIMITED	SALTLAKE RESORTS LTD.	S HOTELS AND RESORTS APAC (SG) PTE. LTD.	PRIME LOCATIONS MANAGEMENT 3 LTD.	DREAM ISLANDS DEVELOPMENT 3 PRIVATE LIMITED	FS JV LICENSE LIMITED	FS MID LICENSE LIMITED	THE HOTELIER GROUP LIMITED	ASTON HOTELS LIMITED	ASTON VENTURES LIMITED	ASTON HOTELS (SHEFFIELD) LIMITED	LAGUNA SERVICE CO., LTD.
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ATTACHMENT 3
DETAIL OF HEAD OF INTERNAL AUDIT'S PROFILE

Mr. Saratool Sakarin

Assistant Vice President - Internal Audit

Age: 40 years

Appointment date:

9 August 2023

Education

- Master's degree in international business financial economics, University of East Anglia.
- Bachelor's degree in accounting, Kasetsart University.

Training / Certification

- 2022: Root cause analysis by Price Waterhouse Coopers ABAS Company Limited
- 2021: Certified Internal Auditor (CIA) preparation for testing by Institute of Internal Auditors of Thailand (IIAT)
- 2020: Cyber treats in new normal by Thailand Digital Government Academy (TDGA)
- 2018: Value Creation and Enhancement for Listed Companies with the New COSO 2017 Enterprise Risk Management (ERM) by the Stock Exchange of Thailand.
- 2017: Good Corporate Governance for Directors in Listed Company by Price Waterhouse Coopers ABAS Company Limited

Work Experience

Position held in Other Listed Companies in SET

2021 – 2023	Manager, Internal Audit, Central Retail Corporation Public Company Limited

Position held in Other Companies / Organizations

2013 – 2020	Manager, Internal Audit and Internal Control, Price Waterhouse Coopers ABAS Company Limited
2012 – 2013	Internal Control Officer, National Starch & Chemical (Thailand) Ltd.
2006 – 2009	Audit Assistant, KPMG Phoomchai Audit Company Ltd.

Securities Holding in the Company as of 31 December 2023

Ordinary shares (SHR) -None-

Family Relation among Directors and Executives

-None-

Lawsuits in the 10 Preceding Years

-None-

ATTACHMENTS APPEARED ON THE COMPANY'S WEBSITE*

Charters

- Charter of the Board of Directors
- Charter of the Executive Committee
- Charter of the Audit Committee
- Charter of Risk Management Committee
- Charter of the Nomination and Remuneration Committee
- Charter of the Corporate Governance and Sustainable Development Committee

Company Policy

- Code of Conduct
- Corporate Governance Policy
- Sustainable Development Policy
- Corporate Social Responsibilities Policy
- Human Rights Policy
- Anti-corruption Policy
- Whistleblowing Policy
- Policy on Use of the Company's Internal Information, Information and Cybersecurity, and Hierarchy of the Company's Information
- Policy on Regulation and Governance of Subsidiary and Associate Companies Operating the Core Business
- Conflict of Interest Policy
- Succession Plans Policy
- Procurement Policy
- Supplier Code of Conduct
- Biodiversity Policy

Please find more details of the Company's information from the attachments which are on the website at www.shotelsresorts.com.

*The Company's Annual Report 2023 (Form 56-1 One Report) has been prepared in accordance with the Annual Information Disclosure Form / Annual Report (Form 56-1 One Report) pursuant to the announcement of the Capital Market Supervisory Board No. TorJor. 55/2563 Re: Criteria, Conditions and Procedures on Reporting Information Relating to the Financial Conditions and Operations of a Company Issuing Securities. The Information made available to investors on the Company's website at www.shotelsresorts.com

In addition, this Annual Report (56-1 One Report) referred to the information disclosed on the Company's website, which is an integral part of the 56-1 One Report and the Board of Directors certifies the correctness and completeness of such referred information.

S HOTELS AND RESORTS PUBLIC COMPANY LIMITED
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Vibhavadi-Rangsit Road, Chom Phon
Chatuchak, Bangkok 10900
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www.shotelsresorts.com