



Veranda collection
SAMUI
Rocky's Resort

A unique, Intimate Boutique Resort in Koh Samui

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Message from the Chairman of the Board of Directors

Veranda Resort Public Company Limited was a company in the hotel and tourism business that continued to be affected by the situation of the Covid-19 epidemic that had a widespread crisis around the world. However, under the aforementioned circumstances, the Company was still able to cope with the volatile economic situation very well and had adjusted its strategy to suit the situation, thus enabling satisfactory risk management.

In 2021, the economy was likely to recover due to the relaxation of disease control measures and government economic stimulus measures. The Company continued to operate its business with caution and took into account the best interests of the Company and stakeholders as a priority under the principles of good corporate governance and effective risk management. It also continued to focus on engaging with stakeholders in the business value chain.

2022 is a challenging year for the Company's operations with all factors of economic, political, and global economic conditions that will affect the Company's performance in the near future. Maintaining a good turnover is an important strategy that the Company upholds and accelerates to manage under the current economic and situation.

On behalf of the Board of Directors, I would like to thank all groups of stakeholders and all shareholders who have always trusted and supported the Company's business operations. Moreover, I would like to thank the management team and all employees for their dedication to the fullest potential in performing duties for the Company. Please be assured that the Board of Directors, executives, and employees of the Company will strive to perform duties with awareness and responsibility in order for the Company's business operations to be successful and to grow sustainably.



Mr. Chai Jroongtanapibarn

Chairman of the Board of Directors

Message from the Chief of Executive Officer

The Covid-19 situation has spread throughout the world continuously until 2021, causing the tourism industry to continue to be affected, including restrictions on foreign tourists entering Thailand.

In the past year, the company had taken strategic steps to cope with the business impact of the COVID-19 epidemic, with the utmost priority to focus on the health and safety of our customers and employees in order to build confidence among tourists and deliver long-term sustainable returns.

For the company's performance, strategic plans had been prepared and adjusted to suit the current global situation by emphasizing operations in three areas: cost and expense management, maintaining liquidity, and adjustment of various investment plans, which were considered the heart of financial management.

In addition, the government's economic stimulation and tourism from the "We Travel Together" project, including the fact that people in the country received more complete vaccine doses that led to lower rates of severe morbidity and mortality, more people returned to their usual lives which had a positive effect on tourism in the country to become more active. Although the overall income of the hotel business compared to the previous year would be significantly affected in 2021, however, the recovery in late-year revenues allowed the Company to generate a net profit from its fourth-quarter results, with some hotel chains generating the highest revenue since opening.

As for the outlook in 2022, the Company will review investment plans in new projects that have been delayed to maintain financial liquidity in 2021 for both hotels and real estate by continuing to focus on strategic locations and maintain the uniqueness of the VERANDA brand to create happiness and impressions for customers. In addition, the company still cares and pays attention to the safety and hygiene of employees, customers, and all stakeholders. As it always has been, when the situation returns to normal, the Company believes that VERANDA hotels will be the top choice that customers and tourists will definitely come back to use the service.

On behalf of the Chief Executive Officer and Management of Veranda Resort Public Company Limited, I would like to thank our employees, shareholders, customers, communities, and all stakeholders for your continued support. Your trust and confidence make us determined to overcome the crisis that arises and create sustainable growth in the future.



Verawat Ongvasith

Chief Executive Officer

Financial Summary



Financial Summary

Summary of Veranda Resort PCL.

Unit: Million Baht

Descriptions	2019	2020	2021
Performance summary			
Revenue from hotel business	1,252.21	561.61	395.04
Revenue from real estate development	370.55	1,260.38	756.44
Revenue from food and beverage businesses	44.83	133.49	103.17
Revenue from management service	28.77	17.97	15.79
Total Revenues	1,746.90	2,002.93	1,307.47
Gross Profit	623.55	503.10	228.34
Profit before finance costs and income tax	166.06	106.17	(64.26)
Net Profit (Loss)	83.19	18.67	(107.25)
Statement of financial position			
Total Assets	5,453.62	5,353.62	4,795.43
Total Liabilities	3,364.88	3,284.50	2,865.40
Equity	2,088.74	2,069.25	1,930.03
Earnings per share (Loss)	0.28	0.06	(0.34)
Important financial ratios			
Liquidity ratio (Times)	0.92	0.74	0.49
Gross profit rate to total income %	35.69	25.12	17.46
Net profit rate to total income %	4.76	0.93	-8.20
Return on assets %	3.24	1.96	-1.27
Return on equity %	4.85	0.90	-5.36
Debt to equity ratio (Times)	1.61	1.59	1.48

The Board of Directors



Mr.Chai Jroongthanapibarn

Chairman of the Boards / Independent Director /
Chairman of Nomination & Remuneration Committee



Mr.Verawat Ongvasith

Vice Chairman of the Board / Chairman of
Executive Director / Chief Executive Officer



Mr.Paiboon Kujareevanich

Chairman of Audit Committee / Independent Director
Member of Nomination & Remuneration Committee



Mr.Trairak Tengtrairat

Member of Audit Committee /
Independent Director

The Board of Directors



Mrs. Siriporn Maneepun
Member of Audit Committee / Independent Director



Mrs. Tosaporn Angsuwarangsi
Director / Executive Director /
Chief Financial Officer



Mrs. Napassorn Sunthornmanokul
Director / Executive Director



Mr. Surasak Wongkiatthavorn
Director / Executive Director / Vice Executive
Officer of Hotel Operation

The Board of Directors



Mr. Kittisak Sopchokchai
Director



Mr. Siriwat Vongjarukorn
Director / Member of Nomination &
Remuneration Committee



BUSINESS OVERVIEW

Part 1

Business Operations and Performance

1. Policy and Overall Business

Veranda Resort Public Company Limited (“the Company”) was established on 10th October 1991 with an initial authorized capital of 1,000,000 baht. Later in 2002, Mr. Verawat Ongvasith’s group jointly invested in the Company to operate hotel, real estate, food and beverage businesses under the operation of the Company and was listed on the Stock Exchange of Thailand on 3rd May 2019. At present, there are 8 subsidiary companies: 1) Hua Hin Pool Suite Company Limited (“HHP”); 2) Oak Tree Company Limited (“OKT”); 3) Veranda Beach Pattaya Company Limited (“VBP”); 4) Oak Tree Realty Company Limited (“OTR”); 5) The Isa Resort Company Limited (“ISA”); 6) Veranda Cuisine Company Limited (“VCS”); 7) PDS Holding Company Limited (“PDS”); 8) Veranda Pastry Company Limited (“VPT”) (collectively referred to as “Corporate Group” or Company and Subsidiaries).

Vision, Mission, and Operational Goals of the Company Group

The Company has a business goal of being a leading operator in the hotel business, real estate development business, including food and beverage business by focusing on being the destination of the customer and creating a memorable experience to remind customers of the Company Group first when they want to relax, have accommodation or dining and dessert. In addition, the Company's management has communicated to employees at all levels of the Company Group for everyone to participate in leading the Company Group towards the same goal. The Company has a vision, mission, and goals as follows:

Vision

Develop hotels, resorts, residence and lifestyle business that focus on customers experience and put great emphasis on design

Missions

Build unique lifestyle business and create Impressive and memorable experience for long-term popularity

Core Value

V - Value:	Create maximum value for stakeholders.
E – Entrepreneur:	Has a good entrepreneurial spirit.
R – Respect:	Respect opinions and needs of all parties.
A - Accountability:	Has a good awareness to all stakeholders.
N - Neat:	Every creation is exquisite.
D - Development:	Develop the organization for relentless
A - Attractive:	Has a unique charm that spells every

Business Goal

The goal of operating the business of the Company is to be the leading hotel in the country by providing a comprehensive service that fully meets all the customers' needs and maintains the same level of service quality everywhere to impress customers who have come to use the service and recommend others to use the service with impressions.

With a commitment to maintaining service standards for all target groups of customers, hotels and business groups in the Company Group have gained more popularity from customers, begun to be widely known, and be able to expand more customer base. Additionally, the locations of the hotel that are important tourist destinations, including Pattaya, Hua Hin, Chiang Mai, Samui, as well as hotels in Bangkok, make them possible to meet the customers' needs and cover many regions of the main tourist attractions.

In addition, the company has plans to expand the hotel business, real estate, and restaurants to Phuket, a tourist destination in southern Thailand that is popular with both domestic and international tourists, in order to increase income and expand the service area thoroughly.

Strategies

- Branding Leverage: utilization of what is available to increase income or add value to the Company whether it is knowledge, expertise, or business relationships with partners and customers of the Company.
- Big Data Analysis: analysis of information from existing customers of their lifestyles, preferences, interests, so that the Company can offer products and services that meet the customers' needs.
- Entrepreneur Spirit: cultivating employees' awareness of being a valued part of the Company, love the organization, and have a sense of ownership.
- Diversification: The Company has several types of business that meet a wide range of customers' lifestyles, so the Company does not have to rely on a single revenue stream. In addition to the fact that the hotels are located in various areas causing the Company to diversify its risks if there are crises in a specific area.

Major Changes and Developments in The Past 10 Years

Year	Details
2011	- The Company established the Oak Tree Realty Co., Ltd., in collaboration with OKT's existing shareholders, where the Company holds 51% of the paid-in capital in the OTR. The objective was to acquire a 4-storey commercial building adjacent to the SO Sofitel Bangkok Hotel and used as a residence for the hotel's manager and/or employees of the SO Sofitel Bangkok Hotel.
2012	- The SO Sofitel Bangkok Hotel was opened with 237 rooms at Sathorn Sub-district, Bangkok District, Bangkok Province.
2013	- The Company increased its authorized capital to 400 million baht (250 million baht of paid-in capital) to invest in the OKT.

Year	Details
2014	<ul style="list-style-type: none"> - The VBP, a company under the same control as the Company arising from a joint venture between Mr. Verawat Ongvasit's group, Mr. Sakorn Suksriwong's group, and other shareholders, launched the second residential condominium project under the name of "Veranda Residence Pattaya" in the high-rise category. The 35-storey residential condominium consisting of 325 units and 4 pool villas, 329 rooms in total, located in Na Jomtien, Mueang Pattaya District, Chonburi Province. The total project value was approximately 1,946 million baht.
2015	<ul style="list-style-type: none"> - The Company established the Veranda Cuisine Company Limited with the objective to operate food and beverage business; and opened the first dessert and beverage restaurant under the name of "Skoop Beach Café", Pattaya Branch. - The Company acquired all shares of The Isa Resort Company Limited from a third party. The ISA operates the Rocky's Boutique Resort Hotel with 50 rooms in Maret Sub-district, Koh Samui District, Surat Thani Province. - The VBP opened the Veranda Resort Pattaya with 145 rooms located in Na Jomtien Sub-district, Mueang Pattaya District, Chonburi Province.
2016	<ul style="list-style-type: none"> - The Company increased its authorized capital to 1,223.41 million baht (1,223.41 million baht of paid-in capital) in order to adjust the shareholding structure within the Group by issuing capital increase shares of 823.41 million baht and 186.68 million baht to exchange for the Company's common stock with the common stock of existing shareholders of 1) OTR, 2) OKT, and 3) VBP at the rate of 0.10 OTR's existing common stock per 1 common stock of the Company, 0.20 OKT's existing common stock per 1 common stock of the Company, and 2.67 VBP's existing common stock per 1 common stock of the Company. The Company also issued capital increased shares of 636.73 million baht to repay the loans of existing shareholders. Therefore, after the shareholders restructuring, the Company held 99.99 percent of the shares in all 3 companies. - The VCS sold the assets of the Skoop Beach Café, Pattaya Branch and allowed the VBP to continue the business. - Opened 26 additional rooms in the Veranda Resort Hua Hin project, resulting in a total of 137 rooms.
2017	<ul style="list-style-type: none"> - The Company started developing a low-rise residential condominium under the project name of "Veranda Residence Hua Hin", 3-7-storey residential condominium project with 270 units worths approximately 2,461 million baht. - The Company opened the second restaurant in the category of dessert and beverage, called the "Skoop Beach Cafe", Hua Hin Branch. - The Veranda Residence Pattaya project was completed and ready to transfer the ownership.
2018	<ul style="list-style-type: none"> - Opened a dessert and beverage restaurant under the name of "KOF", the first branch located on the ground floor of SO Sofitel Bangkok and operated by the OKT.

Year	Details
	<ul style="list-style-type: none"> - Opened the dessert and beverage restaurant under the name of “KOF”, the second branch located at J Avenue Thonglor and operated by the VCS. - The Company registered as a public company and changed its name to “Veranda Resort Public Company Limited” on 5th September 2018.
2019	<ul style="list-style-type: none"> - The Company was listed on the Stock Exchange of Thailand (SET) and had its initial public offering (IPO) on 3rd May 2019 with the authorized capital of 1,750,000,000 baht and 1,598,408 baht for paid-in capital, divided into 319,681,672 of common stock with a par value of 5.00 baht. - The Company acquired all shares of the PDS Holding Company Limited, which owned 4 Master Franchise of the “Gram Pancakes” and 3 branches of the “Pablo Cheese Tart”.
2020	<ul style="list-style-type: none"> - The Company launched a new 38 rooms hotel on the beach near Khao Takiab, Hua Hin District, Prachuap Khiri Khan Province, under the name of “VERSO Hua Hin” – a Veranda Collection. - PDS has expanded 5 branches of the Gram Pancakes. - The VCS has expanded a branch of “KOF” - The Company began the transfer of condominium ownership of the Veranda Residence Hua Hin project. - The ISA improved the scenery of the Rocky-Samui Hotel in the lobby area at the hotel entrance and swimming pool to have a unique style of Veranda Resort.
2021	<ul style="list-style-type: none"> - Renovation the Rocky Samui hotel and Re-Brand to the name as Veranda Collection Samui – Rocky Resort - PDS has expanded 5 branches of Gram Pancakes, totally 13 branches - VCS has expanded 5 branches of “KOF” - VCS invested in “Veranda Pastry” to operate in food and beverage business with registered capital of 5.00 million baht

Overview of hotel business and tourism industry

2021 was the year that the tourism and hospitality industry continued to suffer from the impact of 2020, and the spread of Covid-19 still had a broad impact on all countries around the world. Overall, the Thai tourism industry still depended mainly on domestic tourism.

Overview of the number of tourists in 2021, approximately 0.4 million foreign tourists entered Thailand, a decrease of 93% from the previous year, which was reduced from the target that in 2021 there would be 1.2 million foreign tourists entering Thailand or 66% reduced from the previous year, with an income of approximately 40 billion baht, representing a decrease in revenue from the previous year by 87%.

According to the Ministry of Tourism and Sports summarizing the business situation in the tourism sector for 2021, businesses in all areas were experiencing the issue of declining income, mainly affected by the third wave of the Covid-19 epidemic. The tourism in the area around Bangkok and the eastern region, which was usually a popular destination with Thai tourists due to its distance from Bangkok, had declined more than in other areas and was more severe than the impact of the lockdown during May - June 2020. Many businesses lacked liquidity, causing them to cease or disengage, and workers were laid off. Remedial measures may not be sufficient if there was a further lockdown. The main factor was the plan to accelerate the Covid-19 vaccination to 100 million people by 2021, which could bring the business sector back to business and the people to live their lives.

Signs of a recovery in tourism in 2022 are still unclear, partly because most parts of the world still use travel restrictions together with other measures that change all the time, causing insecurities and fear of traveling. Moreover, travelers constantly question the latest regulations that each destination enforces and different quarantine rules. People are trying to understand rules; for example, the difference between essential and non-essential travel, how to travel safely during the Covid-19 crisis, whether it is safe to travel by plane, which countries are safe, which countries do not require quarantine, and if so, how many days it will take, and how many days it will take to quarantine when returning from a trip. The regulations are constantly changing, and there are so many opinions and theoretical guidance as to what can and cannot do. People are ultimately confused because there is too much information from many sources. The organizations involved should conclude and provide the most up-to-date and accurate information to consumers. The clearer and up-to-date the information is, the more confident people will be in traveling to that destination. Therefore, 2021 was a year of adjustment.

2022 is a year of change. While many parties are looking for new goals and cores for the Thai tourism industry, the rehabilitation approach under the new turnaround plan aims to revitalize tourism creatively. It is to build Thai tourism into high-value tourism based on responsible tourism and proper supply by focusing heavily on reducing dependence on foreign tourists and potential marketing to earn more than the quantity to cope with the world in the post-Covid era.

Overview of real estate business

In 2021, real estate market capitalization accounted for 8% of gross domestic product (GDP) played a key role in driving the economy by enabling large amounts of cash flow in the system, increased employment and income, along with connecting with other industries such as construction business, building materials business, financial institution business, electrical appliance business, furniture and decoration business, etc.

Residential business in the region grew and concentrated in six main provinces, namely Chiang Mai, Chonburi, Rayong, Nakhon Ratchasima, Khon Kaen, and Phuket. It reflected in the 2019 construction permit application, with a combined share of 23% of the total application area nationwide (horizontal proportion of 24% and high-rise 13% of both horizontal and high-rise application areas across the country, respectively), and 39% of all provincial areas (37% horizontal and 73% high-rise of both horizontal and high-rise application areas in the provinces, respectively). It was because of the potential areas that include a city center of economics, industry, trade, investment, tourism, and education. It also benefited from the government's policy to spread prosperity to the region to help drive growth, such as infrastructure investment plans, the opening of the ASEAN Economic Community, and the development of the Eastern Economic Corridor (EEC). The above factors led to employment, immigration, and urbanization which increased the population density in the area (the non-registered population who moved in to study and work, including foreigners who came to work); and brought the development of commercial real estate projects and residential projects, especially low-rise because the land price was still not very high.

The demand for high-rise housing (condominiums) was popular in the main provinces that were tourist cities such as Chon Buri, Chiang Mai, and Phuket to serve the demand of foreigners, which included buying and renting for a home/second home or investment. The demand for Thai customers increased significantly after the great flood in late 2011. In addition, the housing market in Bangkok and the surrounding provinces had reached saturation with a very competitive market and rising land prices in potential locations. As a result, large operators from the central and local communities shifted to develop more condominium projects in the main provinces, causing the number of condominium projects to accelerate. In 2021, the housing business gradually recovered. The operators benefited from purchasing power that tended to recover and economic stimulus measures from the government. The Covid-19 epidemic, however, continued to pressure housing growth in provinces that relied on tourism, especially high-rise projects; consequently, the sales rate was expected to be low with maybe a large increase in marketing promotion costs to stimulate sales.

For the low-rise projects, the management of housing projects was quite resilient to volatile situations due to the phases in project development which were different from condominiums that the whole project must be launched at the same time. Moreover, the housing market mainly depended on Thai customers who wanted to live rather than buy for speculation. For residential condominium business sales in other provinces, medium and small entrepreneurs were capital groups/local entrepreneurs with existing accumulated land. The big ones in the stock exchange started to expand the market to open up selling projects to compete with local entrepreneurs. Most of them focused on low-rise condominium projects with a height of no more than eight floors.

Overview of food and beverage business

Due to the impact of the Covid-19 situation during 2021, restaurant operators had to face challenging problems and adapt because consumers were more cautious in their spending due to uncertain economic conditions and the shrinking tourism sector. There was also an issue of intense competition in the restaurant business. The competition for a market share of street food and online restaurants had resulted in a decrease in the average daily number of restaurant users, causing an impact on the overall revenue of entrepreneurs while the cost of doing business increased due to hidden costs arising from business model modifications to support additional revenue-generating channels or expenses for cleaning equipment, etc. Such impacts were expected to occur in most types of restaurants due to the changing business environment.

The behavior of consumers who were more familiar with using online and delivery services had forced all types of restaurant operators to accelerate their adaptation to the business new normal by following the changing needs of consumers. The current restaurant style had been changed to a compact size restaurant with more flexibility in management, making it possible to quickly modify various procedures and formats such as food trucks, cloud kitchens, and small restaurants with limited space (e.g., kiosks). These types of restaurants had the advantage of less upfront investment and working capital than medium-large restaurants and could focus on reaching potential customers comprehensively and quickly.

Business Operation overview
Revenue Structures of the Company group

Unit: Million Baht

Business Type	2019		2020		2021	
	Revenues	%	Revenues	%	Revenues	%
Hotel	1252.20	72%	561.61	28%	395.04	30%
Property	370.55	21%	1260.38	63%	756.44	58%
Food – Beverage	44.83	3%	133.49	7%	103.17	8%
Management Service	28.77	2%	17.97	1%	15.79	1%
Other	50.55	2%	29.48	1%	37.03	3%
Total Revenue	1,746.90	100%	2,002.93	100%	1,307.47	100%

The business operation of the company group

The company and its subsidiaries have operated the hotel, real estate development, and food and beverage business. As of December 31, 2021, the company has 6 hotel projects, that are currently in operation and 1 hotel that is under construction design and permission. The company has 3 residential projects are ready to move in and another is under construction design and permission. Besides, the company group own 30 restaurants and cafés. The details are as follows;

Hotels Business

The Company Group invests and develops hotel projects under the Company Group's operations or as an acquisition of other existing hotels. However, to do so, there must be the assessment of the project's feasibility and study on the value of the investment, and must be under the Company's specified hotel and condominium project development process. For hotels that the Company Group has invested and developed, the Company Group will choose a brand suitable for its location and target customers. The brand "Veranda Resort", the main brand of the Company, will focus on the location with beautiful natural scenery, near tourist attractions, or a city of tourism which is a suitable location and has potential in the future. The Company Group may use a global brand to suit its target customers, location, image, or the hotel's market positioning under the concept that each hotel project will have a unique style and identity according to the company's design. The design of each project takes into account the location, environment, and tourist attractions under the concept of "Contemporary Architecture" (Modern Contemporary), which makes the hotels of the Group differ from other hotels.

The company has developed VRANDA's hotel business with an in-depth understanding of customer insight, enabling the company to achieve great success. Under the business expansion concept of "Veranda Collection", which has the strengths of cost-effectiveness and small investments to build a hotel with a suitable number of rooms and services, it aims to create a memorable vacation experience for visitors.

Additionally, the Company Group chooses to use the brand “SO” which is a French global brand. The hotel project will focus on the design that is unique and different in architecture, emphasizing the aspects of lifestyle diversity, the balance of the five elements, and city's liveliness as a basis for hotel design. For the hotel business of the Company Group to perform, compete with other hotel operators, attract customers to use the service, the Company Group has to repair and renovate each hotel building to look new, modern to follow the customers' needs. In this regard, the Company Group will plan and reserve a budget for major maintenance and repair at approximately two percent of the hotel business revenue each year. The Company Group has a policy for major improvement and repair every 10-15 years. The details of the hotel business operations of the Company Group are as follows:

1. Veranda Resort & Villas Hua Hin Cha Am

Veranda Resort & Villas Hua Hin Cha Am covers the total area of 12-2-31 Rai. The hotel consists of 137 rooms, where is located at 737/12 Phetkasem Road, Cha Am Sub-disdriect, Cha Am Disdriect, Petchburi 76120, Thailand, which is a designed hotel with the buildings and other facilities. Details are as follows;

1. Restaurants and bars

1.1 Dining Room Restaurant

The restaurant serves up the breakfast buffet and all-day dining brasserie offering both western and Thai cuisine with choice of seating arrangement- outdoor al fresco on the wooden deck besides the water or shaded indoor with air condition comfort. The restaurant can service maximum of 150 guests.

1.2 I-Sea Beach Bar and Restaurant

I-Sea Beach Bar and Restaurant services a la carte menus for lunch, afternoon break, and dinner with its sleek and sophisticated Asian contemporary architecture. Guests can enjoy choice of seating arrangement either at the restaurant area on the 1st floor or bar area on the 2nd floor where the guests can enjoy the majestic sea view. The restaurant can service maximum of 54 guests.

2. Conference and meeting rooms

2.1 Conference room

Consist of 1 conference room which is a multi-purpose room perfect for various types of events. Located at the 1st floor, the room can service the maximum of 200 guests

2.2. Meeting room

Two meeting rooms located at the 2nd floor of the 6-storey building, ideal for meeting up to 25-50 persons.

3. Other services

3.1 Veranda Spa

The ultimate relaxing spa service the spa is located on the 1st floor of the reception building and the restaurant with the service capacity of 6 guests

3.2 Swimming pool

Large free form infinity pool located at Cha-am Beach with artificial beach, water slider, water curtain features, and huge-size slider under the natural shade of mature trees. The pool bar serves cool refreshing drinks and tasty snacks throughout the day with the panoramic view of Cha-am.

3.3 Fitness

The fitness center equipped with multigym equipment including treadmills, static bike, cardio area, and weight lifting machine. The fitness can serve a maximum of 5 guests.

3.4 Kid's club

Kid's club is dedicated to the space for children's creative playing and learning and a are skills and intelligence enhancement, suiting for spending their quality time. Kid's club features a range of education toys and daily programs of indoor and outdoor activities to entertain the children under the supervision of well-trained hotel's staffs. Located at the 1st floor of the hotel building, kid's club can service up to 10 kids.

2. Veranda High Resort Chiang Mai

Veranda the High Resort Chiang Mai covers the total area of 22-2-18 Rai. The hotel consists of 5 types, 71 rooms, where is located at 192 Moo 2 Samerng-Hangdong Road, Bangpong Sub-district, Hangdong District, Chiang Mai 50230, Thailand, which is a designed hotel with the buildings and other facilities. Details are as follows;

1. Restaurants and bars

1.1 The Higher Room Restaurant

The restaurant offers a breakfast buffet and a la carte for lunch and dinner. The guests can have the choice of Thai, European, as well as premium wine from Thailand and abroad. The restaurant can service the guests a maximum of 100 people.

1.2 Rabiang Cha restaurant

The restaurant offers a la carte emus of fusion of Lanna Thai cuisine with a modern touch. The guests can have the choice of seat either in the barn or outdoor terrace. The restaurant can service up to 60 persons.

1.3 Lobby Bar

Lobby Bar serves all kind of beverage including soda, alcohol drink, fruit juice and coffee, Located at the 1st floor of reception building, the bar suits for the guests who are waiting for checking-in and checking-out. The resort's Lobby Bar offers a scenic view of the restaurant and the surrounded valley.

2. Conference and meeting rooms

2.1 Conference room

The hotel service the 1 private conference room which can by adjusted to use for many functions, a perfect venue for all type of event. The conference room is located on the 1st floor of the reception building and can service up to 160 people.

2.2 Meeting room

Hotel's meeting room is a perfect venue for meetings and seminars, offering 3 types of the rooms as follows;

- Boardroom 1 with the size of 36 sq.m located at the lower floor of the reception building. The room can service a maximum of 10 people
- Boardroom 2 with the size of 36 sq.m located at the lower floor of the reception building. The room can service a maximum of 10 people
- The conference room with a size of 300 sq.m located on the 1st floor of the reception building. The room can service a maximum of 160 people

3. Other services

3.1 Veranda Spa

The ultimate relaxing spa service with the relaxing ambience of the nature setting. The guests can indulge in the true natural experience where they can enjoy the relaxing and peaceful atmosphere. The spa offers twin treatment beds ideal for couples. Located at the 2nd floor at the activity building, the spa can service up to 6 guests.

3.2 Swimming pool

Hotels' infinity pool is on the 4th floor of the activity building overlooking the valley. The guest can enjoy the ultimate panoramic view of the valley. A children's pool is also available for a young guest as well as the bar beside the pool.

3.3 Fitness

The fitness center equipped with a multigym equipment's. The fitness is located on the 2nd floor of the activity building can serve a maximum of 10 guests.

3.4 Kid's club

Kid's club area is dedicated to a learning space for children. It offers A range of educational toys and daily programs of indoor and outdoor activities to entertain the children.

3.5 Cultural Pavilion

Cultural Pavilion is an open space for various activities including yoga, meditation, cultural learning. The Cultural Pavilion is located in the front of the activity building and can service of the maximum of 15 guests.

3. SO Bangkok Hotel

SO Bangkok Hotel covers the total area of 2-1-37 Rai, where is located at 2 North Sathorn Road, Bangrak Sub-district, Sathorn District 10500 Bangkok, Thailand. The hotel offers a choice of 8 types 238 rooms which is a designed hotel with the buildings and other facilities. Details are as follows;

1. Restaurants and Bars

1.1 Chocolab

Chocolab serves up the mix flavors and types of chocolate made with premium ingredient by the seasoned chef of the hotel. The area of Chocolab consists of the chocolate kitchen where the guests can observe every process of making chocolate behind the glass windows. The guests can also select whether to eat the well-decorated chocolate at the hotel or order to take home as a gift. Beyond that, the guests can sign up for chocolate cooking class. Chocolab is located at the ground floor with the space for up to 30 guests.

1.2 Red Oven Restaurant

Located at the 7th floor of the hotel, Red Oven offers the buffet breakfast, lunch, and dinner. Red Oven features a wide array of food choices including Thai, Japanese, Chinese, seafood, healthy food and desserts prepared by experienced chefs. Besides, Red Oven serves the selection of premium wine and champagne from Thailand and abroad. From the restaurant, the guests can enjoy the scenic view of Lumpini Park and panoramic view of Bangkok with the option of seating arrangement either indoor or outdoor. The restaurant can service for up to 120 guests.

1.3 Mixo

Mixo is designed to be a venue for hanging out for Bangkokians. It serves tea set, alcohol drinks, and desserts. Mixo's ambience is relaxing and suits to be social lounge for casual meet for the millennials. The guests can try to create their own drink with unbeatable panoramic park view of Bangkok. The restaurant Located at the 9th floor of the hotel, can service for up to 78 guests.

1.4 The Water Club

The Water Club serves all kind of drinks including cocktail, fruit juice, and alcohol drink. The bar area of The Water Club is surrounded by the swimming pool at the 10th floor of the building. Expect to join the specialty here monthly or in special occasion. The restaurant can service for up to 50 guests.

1.5 Hi-So Rooftop Bar

Located at the 29th floor of the hotel, Hi-So Rooftop Bar serves tailor-made a la carte dinner and all kind of drink including alcohol drinks and fruit juice. The restaurant can service for up to 50 guests.

1.6 KOF

KOF serves kind of coffee drinks, other drinks and desserts under "Grab & Go" concept. The guests can pick the seating either in or out the shop. KOF can service for up to 20 guests.

2. Conference and meeting room

2.1 Ballroom

The Ballroom is a perfect venue for banquet and big private meeting with the multi-functional equipment suit for all type of event which tailor-made for each group. The event consultant experts are also available for any event at the hotel. Located at the 8th floor of the hotel, the venue allows the technology conference and can service up to 400 guests.

2.2 Social Club

Comprising of 4 separate meeting rooms and an accommodating pre-function space, Social Club is surrounded with the relaxing ambience of Lumpini park. Inside Social Club is the open-kitchen lounge ideal for guests to mingle with technology Conference available

2.3 The Box

The Box provides a personal space where is nestled away in a corner on the 9th floor and surrounded with the walls of glass, offering an uninterrupted panoramic view of Lumpini Park. Also, technology conference is available at this venue.

2.4 Solution Center

The medium size meeting room and private working room with a separate meeting room inside and a number of facilities including computer, printer, scanner and private assistant, ideal place for working and meeting.

3. Other services

3.1 SO/ SPA

SO/ SPA offers the ultimate spa treatment with the concept of worldwide spa techniques combining with the best spa products from France. The guests can spend a relaxing time at SO/ SPA on the 11th floor at the hotel where it can service up to 40 guests.

3.2 Swimming pool

Extending over 32 meters length, 5 meters width and 1.3 meters depth on the 10th floor, SO/ Bangkok's infinity swimming pool is 5-meter wide and 1.3 meter deep. From the pool, the guests can enjoy the panoramic view of Lumpini park. At the nighttime, underwater LED lights will create ever-changing shades of vibrant color for a joyful swimming experience

3.3 SO/ FIT

SO/ FIT fitness center offers a range of innovative activities and the high-quality technogym fitness equipment under the guidance of personal trainers. Located at the 10th floor of the hotel, SO/ FIT is opened 24 hrs. and can service up to 30 guests

4. Spaces for rent

4.1 Hotel's 10th floor is rented out for beauty salon

4.2 Hotel's 12th floor is rented out commercial banks

4.3 Hotel's sidewall is rented out for LED advertising board

4.4 Hotel's 29th and 30th roof top floor is rent out for "Cassette" foods and beverages

4. Veranda Resort Pattaya Na Jomtien

Veranda Resort Pattaya Na Jomtien covers the total area as appeared on title deed of 5-2-22 Rai. The hotel offers a choice of 145 rooms where is located at 211, 221/1, 221/2 Moo 1 Na Jomtien Soi 4 Road, Na Jomtien Sub-district, Sattahip District, Chonburi 20250, Thailand which is a designed hotel with the buildings and other facilities. Details are as follows;

1. Restaurants and Bars

1.1 The Deck Restaurant

The Deck Restaurant serves breakfast buffet and a la carte menu for lunch and dinner which the guests can choose the wide array of choices of Thai and Western food. The guests can select to sit both indoor or nearby the pool with the capacity of up to 160 guests.

1.2 Waves

Located the pool area of the hotel, Waves serves up all kind of beverage including alcohol drink, soda, and fruit juice. The guests can order the drink whilst they can enjoy the signature design of the pool.

1.3 I-Sea Sky

I-Sea Sky serves a la carte menu for lunch, afternoon break, and dinner where the guest can sit at the 2nd floor of the restaurant and can enjoy the scenic view of Pattaya beach, with the capacity up to 74 guests.

1.4 The Jetty

The Jetty features a la carte menu for afternoon break and fusion-style dinner. Located at the 5th floor of the hotel, The Jetty is surrounded with the water enabling the guest to feel like they sit on the water where they can enjoy the uninterrupted view of Pattaya Beach. The Jetty can service up to 25 guests.

1.5 The Glass Room–Espresso Bar

The Glass Room–Espresso Bar serves desserts and beverage with the relaxing and warm atmosphere with the glass wall design. The guests can have a choice of seating arrangement both indoor and outdoor. The Glass Room - Espresso Bar features more than 8 types of desserts and beverages which they can service up to 28 guests.

1.3 Skoop Beach Café

The seaside café was designed to serve the customers who want to experience the seaside atmosphere, along with sitting and having snacks and drinks that the menu has been designed in a cute style. Skoop Beach Café can accommodate a maximum of 40 guests indoor and outdoor.

2. Conference and meeting rooms

2.1 Conference room

The hotel consists of 1 Conference room which could be used for multi purposed and is an ideal venue for all type of event. Located at the 7th floor of hotel building, the conference room and service up to 200 people.

2.2 Seminar room

The hotel offers 1 seminar room suit for the meeting at G Floor of the hotel building where it can service up to 50 people.

3. Other Services

3.1 Let's Relax

Hotel rental spaces for health massage business. Let's Relax offers a full range of health massage services such as oil massage, foot massage, etc.

3.2 Swimming pool

Hotel's Infinity Pool swimming pool enables the guests to indulge in the panoramic view of Pattaya beach. They can enjoy the service of the pool bar serving all-day beverage and snack

3.3 Fitness

The fitness center equipped with a multigym equipment's including treadmills, static bike, and weight lifting machine. The fitness is located at the 2nd floor of the hotel building and can service maximum of 12 guests.

5. Veranda Collection Samui – Rocky Resort

Veranda Collection Samui – Rocky Resort project covers the area of 7-3-65.9 Rai. The hotel offers a choice of 50 rooms where is located at 438/1 Moo 1, Maret Sub-district, Koh Samui District, Surat Thani 84310, Thailand, which is a designed hotel with the buildings and other facilities. Details are as follows;

1. Restaurants and Bars

1.1 The Dining Room

This place offers a selection of breakfast buffet line, an A la cart for lunch, Thai contemporary dining experience and international cuisine. Besides the exquisite Thai decoration and atmosphere, the Dining Room shares a magnificent sea view with a maximum service of 120 guests at a time.

1.2 The Bistro Restaurant

The Bistro Restaurant serves up a wide range of A la carte menu at lunch, a selection of afternoon snacks and a savory taste of dining, with options for indoor seating areas and outdoor tables by the pool for up to the maximum of 60 guests.

1.3 Pool Bar

Pool Bar welcomes its guests with a variety of drinks, from soft drinks to alcoholic beverages. The bar sits on a marvelous location by the hotel poolside near the Bistro Restaurant where options of poolside tables are offered with a maximum service of 60 guests.

1.4 The Glass Room–Espresso Bar

This is the place for the finest choices of dessert and coffee for a real lover. The Glass Room-Espresso Bar also lays a stylish decoration of tall glasses all around where its guests can enjoy a variety of desserts and menus of more than 9 choices of beverages with a fantastic sea view. The maximum service is 10 guests at a time.

2. Conference and meeting rooms

2.1 Conference Room

The hotel arranges a personalized conference and meeting room that is suitable for specific occasions, well located on the second floor of the Dining Room with a maximum capacity of 80 guests.

3. Other services

3.1 Spa and Thai massage

Make every holiday count with this traditional spa and Thai massage from the team of qualified masseuse guaranteed by professional certificates for Thai massage and oil massage. This spa and Thai massage place also offer a wonderful surrounding of the garden and tall trees, giving its customers a body and soul relaxation beneath the soothing atmosphere, with a maximum service of 2 guests.

3.2 Swimming Pool

There are two swimming pools within the hotel, one is located nearby the beachside with a wonderful sea view, and the second sits amid the garden. Customers can also enjoy the hotel's pool bar where beverages and snacks are served all day.

3.3 Kid's Club

Kid's Club provides educational and skill-practice toys, games and books for children, locates inside the one-storey building with a maximum capacity for 10 at a time.

3.4 Garden Sala

Garden Sala welcomes all guests with its open area for personal leisure and cultural learning activities for the guests.

3.5 Fitness

The fitness center equipped with a multigym equipment's including treadmills, static bike, and weight lifting machine. The fitness is located at the 1ST floor of the hotel building and can service maximum of 5 guests.

6. Verso Hua Hin – A Veranda Collection

Verso Hotel Hua Hin is a subsidiary of Veranda with the total land area according to the title deed of 3-1-0.0 rai, opened in December 2020 with 38 rooms. The hotel is located at 122/210, Soi Khao Takiab Village, Khao Takiab Road, Nong Kae Subdistrict, Hua Hin District, Prachuap Khiri Khan Province. The hotel offers the following amenities for the customers:

1. Restaurant and Bar

1.1 The Dining Room

Serves breakfast buffet and a la carte for lunch and dinner with a selection of Thai and Western food. The restaurant can accommodate a maximum of 40 guests.

1.2 The Page Beach Bar

Serves a la carte for lunch, contemporary snacks for afternoon, and dinner in Spanish, Mexican, Italian, and Thai styles. The Page Beach Bar can accommodate a maximum of 25 guests.

1.3 Skoop Beach Café

The seaside café was designed to serve the customers who want to experience the seaside atmosphere, along with sitting and having snacks and drinks that the menu has been designed in a cute style. Skoop Beach Café can accommodate a maximum of 40 guests indoor and outdoor.

2. Conference and meeting rooms

2.1. Executive Board Room

Provide meeting and seminar venues, consisting of 1 meeting room that can accommodate a maximum of 16 people with a view of the swimming pool and relaxing ambience.

3. Other Services

3.1 Verso Spa

Provide a full range of spa treatments. The Verso Spa is located on the 1st floor of the building, separated from the main building and near the swimming pool. The spa can accommodate a maximum of 4 guests.

3.2 Swimming Pool

The hotel has 4 outdoor swimming pools with 1 kid's pool where the kids can enjoy the water slides; and 3 adult pools with a design suitable for the customers who like to take pictures that no matter which angle it takes, it is exotic with the atmosphere of relaxing by the sea.

3.3 Fitness

Hotel fitness center consists of a variety of exercise equipment, where the customers can use the fitness center from 7.00 AM to 8.00 PM. The fitness can accommodate a maximum of 5 guests.

3.4 Kid's Club

Kid's club is a space that will encourage children to play and learn creatively. Within the Kid's club area, there will be hotel staff taking care of the children who come to use the service. The Kid's club is located on the 1st floor of the same building where the Verso Spa and fitness are located, and can accommodate up to 5 children.

Real Estate Development Business

The Company's group conducts the real estate development business, both low rise and high-rise condominiums, under the operation of the Company and VBP, and attaches importance to the location of the projects, i.e. in tourist attractions or tourist destinations of Thailand under the "Veranda Residence" brand. In this regard, the Company's group aims to give each residential condominium project Veranda's unique style by taking into consideration the project's location and environment. The design would be done under the "Modern Contemporary Architecture" concept that takes into account the residents' utility as the main consideration. The Company thus exercises care in every step of the design and considers the construction quality as well as the differences in the presentation styles of each project, in order for the residents to feel as if they are receiving services from the Company's group's hotels – the feature that sets them apart from that of other typical residential condominium projects. The details of the real estate development business operation of the Company's group are as follows:

The completed development project and in process of sale

1) Veranda High Residence Chiang Mai	
Address	Veranda High Residence Chiang Mai Samerng-Hang Dong Road, Baan Pong Subdistrict, Hang Dong, Chaing Mai 50230
General Information	The company initiated the development for the project of Veranda High Residence Chiang Mai as a first Low-Rise residential property.
Project Area	6-0-0.0 Rai
Project Category	Low Rise Residential Property (3-Storey) and 3 units of Presidential Pool Villa
Unit	30 units and 1 units of Presidential Pool Villa
Price Per Unit	Approximately 6.62 – 23.18 Million Baht
Project Strength	Veranda High Residence Chiang Mai introduces Chiang Mai a Low-Rise residential property with its Modern Contemporary design and outlook, located in a commuting distance to the Chiang Mai International Airport and other tourist spots in the city.

	<p>The project also provides facilities with partial luxurious services at Veranda Chiang Mai the High Resort, for instance, accessibility to an outdoor swimming pool, fitness suite and Kid's club. The project also includes a wonderful option of Presidential Pool Villa for those who seek an exclusive experience amid the nature in Veranda High Residence.</p>
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2) Veranda Residence Pattaya	
Address	Veranda Residence Pattaya 211 Moo1 Na Jomtien Soi4 Na Jomtien Subdistrict, Pattaya, Chon Buri 20250
General Information	VBP launched the development of Veranda Residence Pattaya as a first High-Rise residential project in 2015 and finished the construction in the third quarter of 2017
Project Area	3-1-88 Rai
Project Category	A 35-Storey High Rise residential property with 4 units of Pool Villa
Unit	329 units
Price Per Unit	Approximately 3.4 - 27.2 Million Baht
Project Strength	Veranda Residence Pattaya introduces a modern contemporary High-Rise residential property with the company's resort-style format. Every unit of the property can experience a touch of holiday relaxation through a sight of the sea view and a beach front connected to the property area. Veranda Residence Pattaya also provides a magnificent set of facility and service as to the hotel standard of Veranda, including 40-metre long swimming pool, spacious communal area, fitness suite, steam room, garden and parking space.

3) Veranda Residence Hua Hin	
Address	Veranda Residence Huahin, Khao Takiap Road, Nong Kae, Hua Hin District, Prachuap Khiri Khan 77110
General Information	This project has been under development and continuing a presale process, aiming to present the company's second Low-Rise residential property. The construction began in the first quarter of 2018, due to finish the development in the second quarter of 2020
Project Area	11-0-81 Rai
Project Category	5 Buildings of A Low Rise (3-7 Storey) Residential Property with 1 Parking Building
Unit	270 Units
Price Per Unit	Approximately 4.4 - 38.0 Million Baht
Project Strength	Veranda Residence Huahin presents a Low-Rise residential property project with its modern contemporary design concept. This project allowing the resident to live close to nature and serenity with connecting beach front. Veranda Residence Huahin also handpicks pieces of furniture in an exquisite Quattro Design laying a stylish sense of living as well as accommodates excellence of facilities including one of the largest swimming pool in Huahin and fitness suite. The location of this project sits on a prime area of Huahin, providing convenience in traveling and close to the hospital, shopping malls and tourist famous spots.

Food and beverage business

The Company's group's food and beverage business is conducted under the operation of the Company, VBP, OKT, VCS and PDS. The food and beverage business includes restaurants and dessert cafés under the name Skoop Beach Café at Pattaya and Hua-Hin branches, a beverage and dessert café under the name KOF a dessert café under the name Gram Pancake, a dessert café under the name Pablo Cheesetart. Gram Pancake and Pablo Cheesetart joined the Company's group through investment in PDS in November 2019. The details of the food and beverage business operation are as follows:

1. Skoop Beach Café	
Brand	Skoop Beach Café
Type of Business	Food, Dessert and Beverage
Branch	2 Branches
Type of Service	<p>Skoop Beach Café represents a restaurant serving menus of food, dessert and beverage under the concept of 'chillaxation', aims to approach various target groups. At Skoop Beach Café, customers have options of an indoor or an outdoor seating area, either faces the beach front with a maximum service of up to 50 customers per branch. Skoop Beach Café comes with menus on the list, put into categories as follow,</p> <ul style="list-style-type: none"> - Food menus consist of home-like dishes such as Mac&Cheese, Savory French Toast, Sweet Potato Truffle Fries etc. - Dessert menus include a Home made ice cream, Ice Cream Sandwich, Nutella French Toast, selection of Waffles etc. - Fancy Drinks such as Skoop Iced Tea, Shakes, Smoothies etc.

2. KOF	
Brand	KOF
Type of Business	Beverage and dessert
Branch	8 Branches
Type of Service	<p>KOF operates a beverage and dessert business providing excellent service through its menu including coffee, other drink menus and dessert. Using the concept of "Grab & Go", KOF makes use of spaces through modern contemporary design where customers can sit inside or outside the cafe with a maximum service of 20 customers per branch. This menu also comprises more than 20 categories of tasty selection as follow,</p> <ul style="list-style-type: none"> - Choices of beverage such as KOF Kone, Camo Latte, Marocchino and Belgian Chocolate - Dessert menus, for instance, Chocolate, Canale Cookie Seasonal Pastries and Croissant

3. Gram Pancakes	
Brand	Gram Pancakes
Type of Business	Beverage and dessert
Branch	13 branches
Type of Service	<p>Gram Pancakes operates a beverage and dessert business providing excellent service through its menu including coffee. Main menu is Pancake. The highlight is the soft and fresh. Design in minimal Japanese style concept Suitable for relaxing and taking photos on Social Network.</p> <ul style="list-style-type: none"> - Premium Pancakes, a famous bouncy, soufflé-like and warm pancake from Osaka presents a different texture by using 20 minute slow-baked technique and handpicked Japanese ingredients to maintain its premium quality, fresh-baked smell and exclusive taste for the customers - Premium To Go offers a to-go option for GRAM pancake fans where they can enjoy its warm bouncy Premium Pancakes with extreme fillings of Nama Milk Cream in the middle, available for a takeaway or through delivery service applications: Grabfood, Lineman and Foodpanda

4. Pablo Cheesetart	
Brand	Pablo Cheesetart
Type of Business	Beverage and dessert
Branch	7 Branches
Type of Service	<p>A dessert cafe runs under the name of "Pablo Cheese tart", offering selections of dessert and beverage. Its famous Cheesetart menu becomes unique by the taste and aromatic smell of cheese and seasonal menus for special occasions. Pablo also comes up with the concept of "Grab & Go" which requires less space for shops and more convenient for a pop-up kiosk for the events</p>
Business Strengths	<ul style="list-style-type: none"> - A taste of an original Cheese tart from Osaka, Japan which provides a delicate melt-in-the-mouth texture, daily baked and always served warm for its best - A variety of menus including cheese tarts, cookies, wafers, beverages and ice creams with numbers of flavor

Marketing of the Company

Creating a Uniqueness and trademark to be recognized and remembered by the customers (Brand Awareness)

The Corporate Group focuses and dedicates itself to create a unique identity of hotel service and residential condominium projects under the concept of Modern Contemporary design which creates memories for customers. With the service quality according to the standards of the Corporate Group that are different from other service providers makes it possible to attract current customers and new customers to use the service.

The Corporate Group has designed the hotel and residential condominium projects in accordance with the identity of the Company by partnering with well-known architectural and engineering design companies in the country. For example, the rooms are designed to feel the comfort of home by utilizing the maximum usable space, decorating the garden and the hotel area to have a clear view of the nature, as well as the unique design of the “Infinity Pool” that represents the Corporate Group’s identity. Moreover, it has been marketing to create awareness and recognition of the hotel styles and the Company’s trademark through marketing on various online media. It creates word of mouth and makes the service and trademark of the Company become well known and be able to create memories in a wide range of consumers. This can be evidenced by the constant increase in the number of followers through the Corporate Group’s social media channels such as Facebook and Instagram. As of 31st December 2021, there were more than 600,000 followers in Facebook and 38,000 followers in Instagram.

With the above-mentioned uniqueness, the hotel and residential condominium projects of the Corporate Group have consistently received good feedback from customers since the opening of Veranda Resort Hua Hin, Cha Am in 2004, one of the first “Designed Hotel” in Hua Hin. The hotels of the Corporate Group also have received several awards related to service and design. thereby, there are many more hotels to be developed and extended. that in the next order.

Hotel and residential condominium projects of the Corporate Group locate in potential areas and popular tourist destinations in Thailand

The Corporate Group pay attention in area selection or locations of the hotel and residential condominium projects. It must be an area with beautiful natural scenery, an important tourist city in Thailand, a popular economic zone for both Thais and foreigners with convenient transportation systems for customers to get satisfaction from beautiful natural scenery and convenience in traveling for a vacation or stay in the hotel or the condominium projects of the Corporate Group. In addition, the Corporate Group takes into account for the customers who use the service; therefore, expands the hotel and residential condominium projects into various locations that cover major cities or the main tourist destinations in Thailand. And, if affected by external factors such as natural disasters or political unrest, the customers are able to use the hotel services in other areas of the Corporate Group.

The Corporate Group pays attention to maintain a competitive advantage and emphasize on using existing strengths to extend the business of the Corporate Group

The Corporate Group has started with the development of hotel projects. The goal is to expand room service business to be more diverse in terms of both existing business expansion and expanding into new businesses in the real estate industry and tourism by drawing on the strengths of the Company. With the potential and ability to operate the hotel business, experience, expertise and strong branding, the Company has expanded to develop the real estate projects in residential condominium projects in the area adjacent to the Company's hotel. The projects bring out the ambience and the hotel's stunning "Blended Design" with complete facilities as if the residents use a hotel service every day as the selling points for the Corporate Group's real estate projects. The Corporate Group also works with Accor, a world-class hotel manager with experience in operating more than 110 hotels in more than 40 countries around the world, to manage SO Sofitel Bangkok and conduct marketing operations for the Corporate Group. Accor will (1) operate the room management system by applying the Reservation System to the hotel booking process of the Corporate Group; (2) conduct sales and marketing operations, where Accor will present and share information and marketing expertise from both domestic and international markets to the Corporate Group's Marketing Department; and (3) manage the hotel, where Accor will be the Hotel Manager, as well as recruits employees with knowledge, capability and expertise for the Corporate Group. This alliance is one example that will help the Corporate Group has more potential in hotel management operations. It helps to expand the customer base of the Corporate Group through the Accor's website, make the hotels become more famous, and confirm the service standards. In addition, the Corporate Group's partnership with M gallery by Accor, a unique collection of Design Hotels around the world which provide uniqueness hotel and booking system through the Accor and M gallery by Sofitel's websites, helps the Corporate Group's hotels become well-known and be able to attract both current clients and new clients to constantly choose our hotel service. The Corporate Group is ready to expand its business and customer base in the future, such as expanding business into tourist destinations or various economic zones in Thailand, including extending and developing the ability to provide services in other related businesses such as food and beverage. In addition, the company has also adjusted the investment to suit the size and area of the hotel, then has evolved to become a brand "Veranda Collection"

Management by experienced and skilled executives

The Corporate Group's management team has an average of more than 20 years of experience in the hotel management and real estate. Most of the management team have started working for the Corporate Group since its establishment in 2002 which is a key factor that provide the management team of the Corporate Group a strong understanding of the hotel and real estate industries in terms of land acquisition, study of project feasibility, financing, selection of contractors, construction projects, marketing operations, including laws and regulations related to business operations, supervision and management of the Company's business in order to generate appropriate returns in the future.

Company's competitive strategies

The Company's Strategy of Hotels Business are as follows;

Location of the Project

The Corporate Group emphasizes on the project's location as the first priority in the project development because it is the most important factor for the hotel business and property development. The Corporate Group is one of the pioneers and one of the leaders in the project development of land with potential in the future at an appropriate price level. Such locations must have beautiful natural scenery, interesting attractions in the area, near tourist destinations or a city of tourism that can easily travel, close to major transportation systems, and surround by a variety of utilities such as hospitals and department stores to fully meet the needs of customers. All of these can be seen from the project development of Veranda Resort Group such as Cha Am – HuaHin, Chiangmai, Pattaya, Samui, Khao Takieb, Bangkok and Phuket where is the latest project in the processing.

Products and Services

The Corporate Group has an idea for the development of the hotel projects and use a unique design under the concept of Modern Contemporary which combines modern design and perfectly blend and balance various pieces under the architectural design of the "Designed Hotel" for each hotel of the Corporate Group to stand out and attract customers to use the service. Moreover, the hotels of the Corporate Group have been designed by some of the nation's renowned engineering and architectural designers, architects, decorators, and land designers. For example, Veranda Resort Pattaya has been designed under the concept of "Life by the sea" that makes each part of the hotel relevant to life and sea. The Corporate Group also give importance to the design and decoration of the landscape around the project, such as decorating garden or area for the scenery of the sea or mountains to match with the needs of the target customers. The hotel projects also comprise of restaurants and various facilities such as the uniquely designed "Infinity Pool", which represents the Corporate Group's identity, spa services, fitness room, kid's club, library, etc. to provide the customers a variety of services and additional activities other than relaxing within the hotel premises to meet the needs of customers of all genders and ages.

Pricing

For the hotel projects, the Corporate Group has guidelines for setting room rates and service fees by considering the suitability of the market price, travel seasons, needs of the customers, as well as service costs. The Corporate Group will determine the price that is suitable for the quality of the service and the image of the hotel. A price increase strategy may be used based on the room availability, amount of remaining time before check-in, and increasing demands of the customers. The Corporate Group may also use a price reduction strategy at certain times to stimulate sales and access the hotel services during low seasons or weekdays other than weekends within the framework of the Company's approval process Etc.

Marketing and Promotions

The Corporate Group has sales and promotion strategies with appropriate approaches to communicate with customers through multiple channels for maximum efficiency so that the target customers can receive the content thoroughly and be able to memorize and access information of the Corporate Group's projects. The Company has chosen a variety of public relation channels to cover as many target customers as possible.

In the situation of the epidemic of Covid-19 in the past two years makes the Company to adapt the strategy and channels of sales and services Online Marketing and Event Marketing for current situation. There are 2 main channels as follows;

- Online Marketing

The Company uses online media to communicate between consumers and the Company, public relations for hotel and residential condominium projects, and create market opportunities to reach more target customers. Online communication channels are convenient and fast, allowing the Company to be able to know the needs of the target customers. The Company has various forms of online media such as the Corporate Group's website, Line, Instagram, Facebook, video clips, activities and campaigns.

- Event Marketing

The company uses the exhibition booths with various trade shows such as Thai Teaw Thai, food festivals. To publicize the company and is one of the channels that can reach the target customers well and help expand the customer base of the company's group.

Marketing strategy and competition for hotel business are as follows:

Veranda High Resort Chiang Mai Hotel

Number of rooms	71 rooms
Target customer groups and competitive strategies	The original target customer base was foreign tourists; the epidemic situation of COVID-19, however, caused the travel of foreign customers to halt. Domestic customers were also slow down their traveling because of the suspension of flights from Bangkok, the main airport of the country, and avoided traveling with airlines from Bangkok. Therefore, the Company had adjusted its strategy by focusing on customers in the region and nearby areas instead. Most of the customers who stayed in the hotel were from the northern region or domiciled in the North and travel by car. They usually stayed in the hotel as a family, couple, and/or staycation.
Condition of competition	Moderate due to low demand
Examples of competitor	The competitors had changed due to the demand for hotels in the city that used to be bustling, but quiet now. There were more demands for resorts outside the city, such as Panviman and Flora Creek.

Veranda Resort & Villas Hua Hin – Cha-am

Number of rooms	137 rooms
Target customer groups and competitive strategies	The target group was all Thai people due to the country's lockdown. A large group of customers was the family market who preferred large rooms with private pools. The new target group was people who wanted to bring their pets to stay with them. This group of customers was a group that was looking for high quality and service standards. From October, after the curfew was relaxed and meetings were allowed, the symposium group returned in the last quarter.
Condition of competition	Very high
Examples of competitor	Vala, Marriott Hua Hin, AVANI+, InterContinental Hua Hin

So Bangkok Hotel

Number of rooms	237 rooms
Target customer groups and competitive strategies	So Bangkok Hotel is a leading hotel in the Luxury Life Style category. Previously to the Covid-19 crisis, the hotel had a mixed proportion of tourists, business groups, and the Meeting Incentive Conference Exhibition (MICE) group. Most of the tourist groups were from Korea, the United States of America, France, Germany, and Australia, the business groups were from Singapore and Hong Kong, and MICE was from various countries. During the COVID-19 crisis and with the country's closure, the hotel had adjusted its strategy to market more with Thai people by focusing on online marketing and issuing Trade fair Vouchers that were popular for buying deals first and then using them later. In addition, due to the overall uncertain situation during the severe Covid outbreak, the hotel had partnered with Bumrungrad Hospital to provide premium hospitality. The hotel was officially opened in October 2021 and started marketing domestically and abroad by focusing on long-haul customers from Europe, America, and Australia; and long-stay by focusing more on social media promotions and influencers.
Condition of competition	High
Examples of competitor	Kimpton Malai, Banyan Tree, W Hotel

Veranda Resort Pattaya Na Jomtien Hotel

Number of rooms	145 rooms
Target customer groups and competitive strategies	The Covid-19 infection rate in Chonburi province was high and had always been in the red zone. The vaccination rate in the province was lower than in other zones such as Hua Hin, causing the Pattaya area to recover slower than it should be. The booking would be a close reservation. Most of the customers were family groups and people who wanted a staycation. The symposium group returned in October and November 2021 at lower prices than the previous year; and lower than Hua Hin and Cha-am.
Condition of competition	High, competitive on price
Examples of competitor	Renaissance, Movenpick, Ana Anan, Intercontinental Pattaya, Cape Dara

Veranda Collection Samui Hotel – Rocky's Resort

Number of rooms	50 rooms
Target customer groups and competitive strategies	The original market base was foreign customers. The country was closed, and the hotel had renovated all the rooms. When the curfew was released, people in the country could travel. The resort, however, still needed time to promote its new look that was more appealing to Thai people and to continue to focus on excellent service and food. Foreign customers who came to the Samui Sandbox project were not as many as they should be since the process of entering the project was more complicated than Phuket Sandbox.
Condition of competition	Moderate
Examples of competitor	Existing competitors with foreign target groups such as Samui Pavilion, Zazen, Boput Competitors in the domestic market such as AVANI+, Silavadee

VERSO Hua Hin Hotel

Number of rooms	38 rooms
Target customer groups and competitive strategies	A group of young people who liked a new, small, different style resort with a balance and complete living space. It was a group of customers who had the purchasing power to try new things and luxury in a minimalist style. With a limited number of rooms, the target group was private and family groups, not a symposium one.
Condition of competition	High
Examples of competitor	Yana, Cape Nidhra, Kundara

Marketing strategies for real estate business were as follows:

Locations of the project

The Company has developed hotel projects in parallel with real estate projects (Mixed Use), since the location of projects is an important factor for both hotel business and real estate. The locations must have beautiful natural scenery and interesting attractions in the area, convenient transportation destinations and surrounded by a variety of utilities such as hospitals and department stores in order to fully serve the needs our clients.

Product/Service

For the residential condominium projects, the Corporate Group has an idea to develop both low-rise and high-rise residential condominium projects under the concept of Modern Contemporary to create the difference and for a competitive advantage. The Corporate Group had considered the design to utilize the space for the residents to get the most out of it and match with their lifestyles. The layout of the rooms and the common facilities of the project such as the swimming pool, fitness room, and central living room, were in stunning modern design and consistent with the decoration styles of the Corporate Group. Moreover, the project was also designed to be close to nature, allowing the residents a panoramic view of the sea or surrounding mountains. The residents could also utilize other services of the hotel.

Pricing

For the residential condominium projects, the Corporate Group had guidelines for determining the selling price of each project to be suitable for the target group because housing is a high-price asset in which the customers had to consider and took time to make decisions. The selling price was determined based on the cost of land, construction costs, locations of the project, facilities, identity, and image of the Corporate Group; and had to be the price that the Corporate Group could obtain a reasonable return rate and compete with other operators nearby. The Corporate Group would determine the preliminary selling price of the condominium units since the feasibility study of the project and set the actual selling price again after it started selling. The price for each residential unit varied depending on the scenery, location and size of the room, and sales period. Therefore, the selling price would increase steadily since the project started selling, during construction, until the project was complete; and based on customer demands, the economic and competitive environment of the Corporate Group.

Marketing and Promotion

The Company emphasized the following channels for informing news and promotions:

1. Offline Channel

- a. Newspaper and Magazine

The Company used print media for advertising the hotel and residential condominium projects of the Corporate Group to promote residential condominium projects, room layout, facilities, restaurants, activities in different columns of the publications.

b. Outdoor Media

The Company used outdoor media to stimulate and reinforce customer recognition of the Company's trademarks and services because outdoor media was a medium that consumers could easily observe and access and was also in line with the consumers' changing behavior.

c. Exhibited booths in conjunction with various exhibitions

The Company used the exhibition booths in conjunction with various exhibitions such as Thai Teaw Thai Fair, Thai Food Festival, etc. to publicize the Company. It was one of the channels that could reach the target customers well and helped expand the customer base of the Corporate Group.

2. Online Channel

The Company used online media to communicate between consumers and the Company, including public relations for hotels and condominium projects, and create marketing opportunities to reach more target customers because online communication channels were convenient and fast for the Company to know the needs of the target customers. The Company had various forms of online media such as the Corporate Group's website, Line, Instagram, Facebook, video clips, activities, and campaigns. In addition, the Company had given opportunities for famous and influential people of Thailand to use the hotel services and visit the condominium projects of the Corporate Group to advertise and promote the image of the hotel and residential condominium projects of the Corporate Group.

Marketing strategies for food and beverage business were as follows:

Growth Strategy

- **New Café Model**

There were more adaptations to various environments and locations. Sometimes the locations may have limited space sizes according to the department store/shopping center. It also included managing expenses to be more productive, whether it was a rental fee or expense management within the store. These were the reasons for launching a small café with a small number of seats or for takeaway only and setting up a booth/kiosk in front of the supermarket.

- **Product Development**

Released new products regularly with more variety of products that could be bought back home or order from various delivery platforms to increase sales per bill and attract new customers.

- **Seasonal Product**

Launched new products and organized promotional programs for each season that rotated every two months throughout the year.

- **Brand Collaboration Product**

Developed products with potential brands and launched products for a limited time.

- **Product Diversification**

Distributed products in many forms such as takeaway menus, delivery menus, and catering menus.

Expansion Strategy

- **Locations**

Choosing a location for the expansion was an important part to make the brand known and easy to access.

- **Customers Type**

Specified target customers to match the concept of the product, such as groups of teenage customers, groups of customers who liked to try new desserts, groups of customers with high purchasing power, customer groups who favored Japanese brands, etc.

Distribution Channel Expansion Strategy

- **Delivery Platform**

Focused on selling through various delivery platforms such as Grab, Food panda, Lineman, GOJEK, etc.

- **Online Platform**

Sold products through online platforms such as Villa Market online, CU Next (Chula mobile application), and deals selling in Shopee/Lazada.

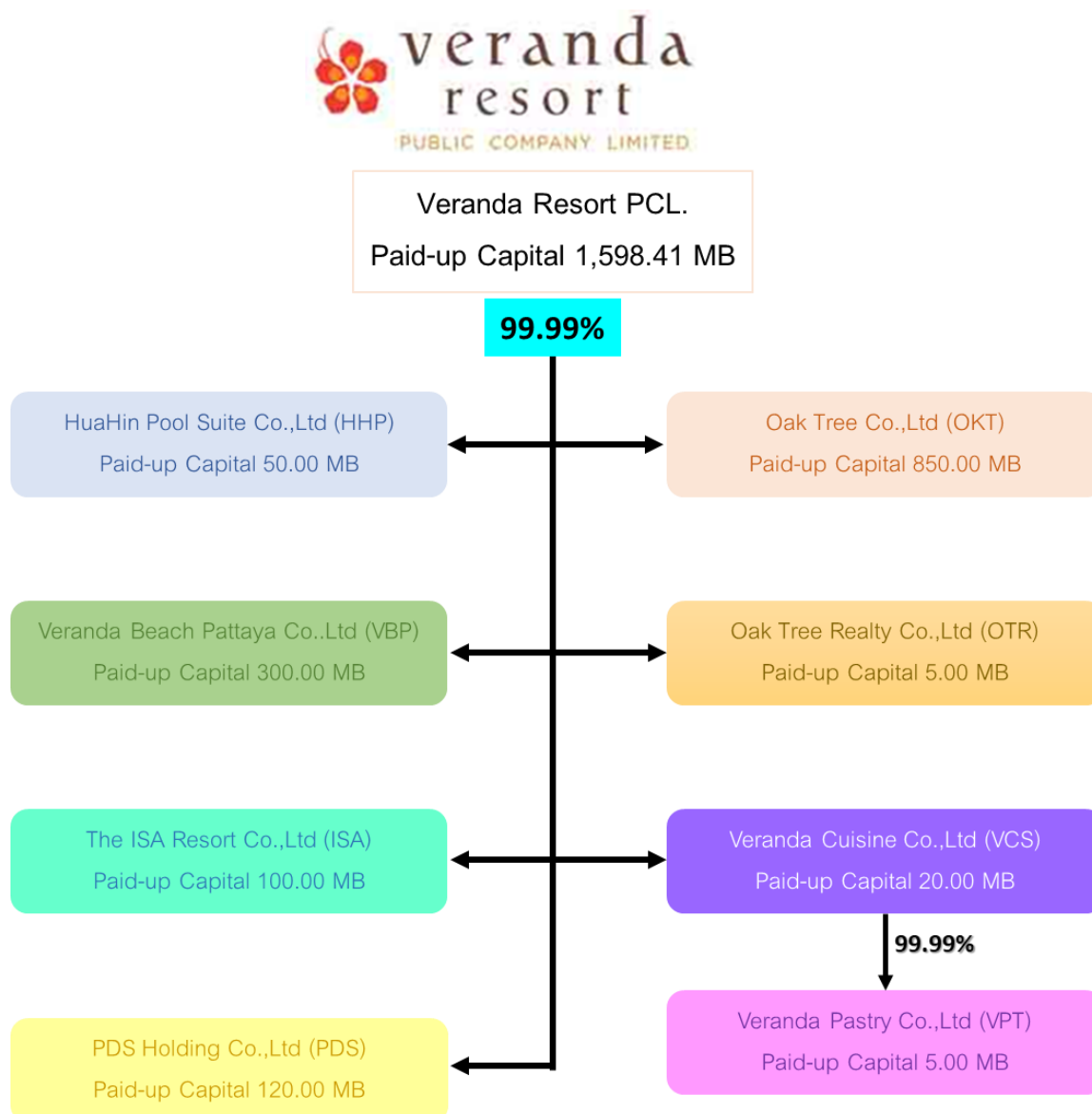
- **Catering Platform**

Increased more revenue from the catering platform.

- **Event and Pop-Up Store**

Exhibited booths in various events and set up pop-up stores in community areas.

Company's Structure



Relationship with Business of major shareholders

- None -

Securities information and Shareholders information

Amount of registered and paid-up capital

Ordinary Share

As of 31 December 2021. The Company has the Registered Capital 1,750.00 million Baht and the Paid-Up Capital 1,598,408,360.00 Baht. Divided into 319,681,672 ordinary shares with a par value of 5.00 baht per share.

Debenture

- None -

Major Shareholders

The list of major shareholders as of 31 December 2021 is as follows:

Major Shareholders	Number of Shares	%
1. Mr.Verawat Ongvasith	84,168,842	26.33
1.1 Mrs.Kanittha Ongvasith	1,130,288	0.35
Mr.Verawat's Family	85,299,130	26.68
2. Hangjew Holding PTE.LTD.	74,890,014	23.43
3. Mrs.Penthipa Ongvasith	11,175,660	3.50
4. Mrs.Tosaporn Angsuwarangsi	10,365,716	3.24
5. Mrs,Paradee Poolvaraluck	9,464,960	2.96
6. Mrs.Napasorn Soonthornmanokul	8,094,036	2.52
7. Mr.Kittisak Sopchokechai	7,869,626	2.46
8. Sureetriboon Holding Co.,Ltd.	6,785,504	2.12
9. Mr.Sakorn Suksriwong	5,726,928	1.79
10. Mrs,Mittira Suksriwong	5,596,928	1.75
Total of Major Shareholders	225,268,502	70.45
Other Shareholders	94,413,170	29.55
Total	319,681,672	100.00

Restrictions of foreign Shareholders.

The foreigners can share ownership of The Company not more than 49 % of the total issued and paid-up shares, as of 31 December 2021, has foreign holding of 26.46 % of the total shares.

Issuance of others assets

- None -

Dividend Payment Policy of the Company

The Company has a policy to pay the shareholders their dividends at the rate of no less than 40 % of the company's net profit of consolidated financial statements after corporate income taxes and after all specified legal deductions and specified company deductions set each year. In this regard, the Board of Directors will consider the payment of dividends by considering various factors mainly for the benefit of the shareholders. This includes considering economic conditions, operations, financial status of the Company, cash flow, reserved funds for future investment, reserved money for loan repayment, or for working capital within the Company. Conditions and limitations as specified in the loan agreement and the payment of dividends must have no significant effect on the Company's operations as the Board of Directors deems appropriate.

However, during year 2019-2021, the dividend payment of the Company is performed as following:

Dividend Payment	Separate Financial Statements		Consolidate ² Financial Statement
	2019	2020	2021
Net Profit (Baht per Share)	0.25	0.53	(0.34) ¹
Dividend (Baht per Share)	0.225	0.10	0
Dividend payment rate per net profit (%)	83.18	18.86	N/A

Remark; 1. The BOD Meeting No.1/2022 resolved to propose the Shareholders' Annual General Meeting for the year of 2022 to

Dividend Omission

2. Resolution of the BOD meeting No.1/2021 approved to change the dividend policy from separate Financial to Consolidate Financial

Dividend Payment Policy of the Subsidiaries

The Board of Directors of the Subsidiary may consider paying annual dividends of the Subsidiary. It must be approved by the shareholders' meeting of the Subsidiary except for interim dividend payment, which the Board of Directors of Subsidiary has the authority to approve the dividend payment occasionally when it deems that the Subsidiary has sufficient profits to do so. The Board of Directors of the Subsidiary shall then report to the shareholders' meeting of the Subsidiary in the next meeting.

The Subsidiary has the policy to pay dividends to shareholders at not less than 40 percent of the net profit according to the separate financial statements after deduction of corporate income tax and all other types of the reserve as required by law and subsidiaries each year. The Board of Directors of the Subsidiary will consider the dividend payment by taking into account various factors, mainly for the benefit of shareholders such as economic conditions, operating results and financial status of subsidiaries, cash flows, reserves for future investments, reserve money to pay off loans or as working capital within the subsidiary, conditions and restrictions as stipulated in the loan agreement, and the dividend payment does not significantly affect the normal operations of the subsidiary as the Board of Directors deems appropriate or proper.

Report on Securities Holding of Directors, Executives, Director's spouse or minor child of directors and Executives

The Board of Directors has determined that directors and executives have a duty to report holdings of its own securities and related since the election as the directors and executives of the company. Each time there is a change in the holding of such securities. Must Reports to the company and the Securities and Exchange Commission of Thailand (SEC) Within 3 business days for report. In the Board of Directors Meeting No.1/2018 has approved the Company's Secretary to make report on Securities Holding of Directors, Executives, Director's spouse or minor child of directors and Executives to acknowledge before the Board of Directors Meeting on a quarterly basis as at 31 December 2021 are as follows;

No.	Names	Positions	Number of Shares			% of the shares
			31-Dec-19	31-Dec-20	31-Dec-21	
1	Mr.Chai Jroonthanapibarn	Chairman of Boards / Independent Director	150,000	150,000	150,000	0.05%
	spouse or minor child		-	-	-	-
2	Mr.Paiboon Kujareevanich	Chairman of Audit / Independent Director	-	-	-	-
	spouse or minor child		-	-	-	-
3	Mr.Trairak Tengtrairat	Member of Audit / Independent Director	100,000	-	-	-
	spouse or minor child		-	-	-	-
4	Assoc.Prof.Siriporn Maneepan	Member of Audit / Independent Director	-	-	-	-
	spouse or minor child		-	100,000	100,000	0.03%
5	Mr.Verawat Ongvasith	Director / Chief Executive Officer	82,907,542	83,762,542	84,168,842	26.33%
	spouse or minor child		1,946,288	1,046,288	1,130,288	0.35%
6	Mrs.Tosaporn Angsuwarangsi	Director	10,315,716	10,365,716	10,365,716	3.24%
	spouse or minor child		-	-	-	-
7	Mrs.Napasorn Soonthornmanokul	Director	8,094,036	8,094,036	8,094,036	2.53%
	spouse or minor child		-	-	-	-
8	Mr.Surasak Wongkiattavorn	Director	409,964	319,964	152,464	0.05%
	spouse or minor child		319,964	319,964	319,964	0.10%
9	Mr.Siriwat Vongjarukorn	Director	3,168,524	3,273,524	3,410,824	1.07%
	spouse or minor child		-	-	-	-
10	Mr.Kittisak Sopchokechai	Director	7,869,626	7,869,626	7,869,626	2.46%
	spouse or minor child		-	-	-	-
11	Ms.Ladda Somsiripornchai	Senior Vice President Accounting	50,000	50,000	50,000	0.02%
	spouse or minor child		-	-	-	-
12	Mr.Varut Tantipipop	Vice President Corporate Finance / IR / Company Secretary	4,107,020	4,257,020	4,334,620	1.36%
	spouse or minor child		-	-	-	-

2. Risk Managements

The company takes into consideration the essence of risk management which arises from both inside and outside the organization. The company's management shall implement risk management policies to minimize negative impact to the company. The company possesses a risk control system with reference to COSO (The Committee of Sponsoring of the Treadway Commission) to direct policies, processes, and procedures of risk management no matter where such risks originated from business operation, finance, or management factors. The Company has disclosed the Risk Management Policy on the website (https://www.verandaresort.com/ir_index.php?risk_management) , which has risks for each of the following factors:

RISKS ASSOCIATED WITH BUSINESS OPERATIONS

Risks associated with investment in hotel and residential projects

The company group is facing risks from investing in under developing projects mentioned above as well as new hotel and residential ones which may occur in the future, and from other factorial impacts such as capital volume for project operation, economic status, political disruptions, current political uncertainty, market demand and supply, etc. In regards to the above-mentioned factors, negative business operation, financial status, company cash flow and so on might be affected.

However, the company group is considering an investment procedure for new projects. Before investing in construction of each project, the company group shall study its possibilities starting from acquisition of potential pieces of land in rural cities or popular areas of target group. The company's selling point shall be in beautiful natural surroundings, close to tourist attractions and within positive environment. The company group shall employ an international property development consultant namely CBRE Thailand Company Limited which shall join the company group to do researches on the property development market – land acquisition, competitive studies, including project designing of satisfactory sizes and styles. The company group shall give thought to financial prospects, including sources of capital to contract for land sale of the next projects. Moreover, the company group shall contemplate external factors such as economic status, hotel business industrial conditions, property development business, policies or various measures that might impact development of the new projects in order to reduce risks.

Risks associated with land acquisition for prospective hotel and residential projects

The company group has no interest to occupy waste land that is not ready because of unfavorable capital burden or risks of its declining value in the future. Hence, the company group may risk inability of land acquisition for hotel and residential projects as intended. As most of the company's hotel and residential projects are located in touristic cities and close to outstanding Thailand tourist attraction areas, there shall be competition of land purchase among other entrepreneurs, or risks caused by increasing value of the desirable pieces of land. Consequently, the capital for hotel and residential projects increases over the budget planned, and might affect financial status and business operations of the company group in the future.

The company group thinks out future plans to acquire and purchase-in-advance parcels of land corresponding to developing time frame of hotel and residential projects that is in compliance with the company group's development policies in hotel and residential projects. The company group shall monitor and research for land information continually, considering trends and potentiality of land development. The company sets policies towards land acquisition to be suitable, prospective potential, convenient in transport, satisfactory utility system, and straight to the right target groups. Furthermore, the company group shall give thought to nearby parcels of land in comparison between land use and acceptable land price.

Risks associated with delay of project development and constructor's expertise

The company group like most of the entrepreneurs in property development industry shall hire only a few constructors to construct each project, resulting in risks of construction delays from those constructors. Although construction work shall be finished on time, quality of work does not meet construction standards or not relate to planned designs or not complete. The cost of construction may be higher and that affects financial status negatively and significantly as well as operation performance and cash flow in the future.

However, the company group is considering hiring constructors by auctions as stated in policies. The contractors shall have quotations on construction cost, construction expenses, labor cost, construction supplies. The company group shall reflect upon constructors who meet qualification criteria of the company comprising of experience, work, quality and standard of construction, cash potential, etc. so that the company's hotel and residential project construction is standardized, in relation to designs, and within time frame as planned. Moreover, the contract of hotel and residential projects requires contractors to pay fine to the company group who is the owner of the project in case of impotent submission, or work delays and unscheduled submission as agreed.

Risks associated with the fact that the company group operates in business industries that have increasing rate of supply higher than growth rate of demand

Hotel and tourism industry as well as property development industry are high competitive industries, which provide options to Thai and foreign tourists to appreciate different designs of rooms, resulting in higher marketing competition among price, quality and various services in that if the company group cannot keep pace with sever changes and competitions, the company' s performance may be affected negatively.

Developing hotel and residential projects, however, the company tends to study project marketing feasibility, project design analysis, financial possibility analysis, appropriate funding, unique design strategies under the concept of modern contemporary to reflect uniqueness and customer's attractions together with competing with other entrepreneurs in this industry.

Risks associated with residential projects during the sale

Considering the inventory of the residential projects of the company which is comprised of Veranda High residence Chiangmai, Veranda Residence Pattaya, and Veranda Residence Hua Hin, the company group has sold residence lower than the set price. consequently, the company's return on investment may not be as prospected; provision for diminution in value of inventory shall be made which may affect the company's performance negatively.

Prior to developing any projects, nonetheless, the company's group shall hire international property development consulting companies namely CBRE Thailand Limited to supervise the projects, to research property development marketing to eliminate such risks. During construction of the projects, supporting financial institutions shall be welcome to evaluate the company's solvency and sales volume. Furthermore, the company group shall implement marketing and sales promotion policies for residential projects to increase sales volume, including expanding customer base to be wider by adding more channels of marketing towards target customers, mass communications, strait communications, including communications and public relations of current and trendy new media, for instance communications through company's website, social media as well as sales promotion to boost up sales volume of residential projects such as joint promotion among banks providing credit services, etc.

Risks associated with adjustments of rules, regulations and law which might affect business operations of the company group

Adjustment of rules, regulations and law concerning property development business of hotel and residential is a factor affecting business operations of the company group in terms of capital and expenses to run its projects in pursuant to the modified ones.

However, the company group shall execute measures of study and pursue modification of related rules, regulations, law which may occur consistently. The operating departments concerned such as management and accounting etc. are well prepared for any variations which may occur in the future to ensure that the company group will not be significantly affected by such legal adjustments relating to the company's business operations, and it can shift its business operation in accordance with such changes.

Risks associated with economic fluctuation, political uncertainty and natural disaster

Business operation of the hotel projects and real estate business of the Corporate Group may be affected by the fluctuation of the economic conditions, political instability, and natural disasters. These factors may affect consumer confidence in the economy, causing a decline in consumer spending which may also affect the hotel and real estate businesses directly. Moreover, this may adversely affect the financial status and operating result of the Corporate Group. In 2020, there were significant events that had a direct impact on the hotel business, such as the halt of tourism industry due to the Covid-19 outbreak and foreign tourists could not travel to Thailand.

However, the Corporate Group has spread the hotel and residential condominium projects into various locations to cover major cities or the main tourist destinations in Thailand with various customer groups. And, if affected by external factors such as natural disasters, political unrest or the Covid-19 outbreak that makes the foreign tourists unable to travel

to Thailand, the Company still has hotels that were popular among Thai customers to replace the missing foreign customer group. In this regard, the Corporate Group has guidelines to follow-up on such changes which affect the business operations of the Corporate Group. The Company's management has guidelines for planning and adjusting strategies for hotel and residential condominium projects to be consistent and appropriate for various changes for the business of the Corporate Group to be able to operate continuously. The Company also has insurance against natural disasters and riots in case of any damage.

FINANCIAL RISKS

Risks associated with loans, loan interest rate fluctuations, and interest coverage ratio

As of December 31, 2021, the company has total liability of 2,865 million baht, which is interest bearing debt at 2,404 million baht or shall be converted to percentage at 83.91 of total liability. Thus, when debt to equity ratio is compared with interest-bearing debt-to-equity ratio, it equals to 1.48 and 1.25 times respectively.

However, the company monitors risk management by tracing interest rate movement, and there shall be measures to examine financial ratios of the company to appear good consistently.

Risks associated with the fact that the company may not be able to or may choose not to pay dividends.

The company's ability to pay promising dividends depends on results of financial performance of the company group in the future. Such performance relies on the success of business operations as planned, including several factors, for example, marketing and competition, financial, and legal factors. Some of those factors are beyond the control of the company group. In addition, the company's board of directors may give suggestions to minimize or cancel dividend payment for any defined periods of time in compliance with prospective business growth plan of the company, including capital need for investment and revolving funds or any other factors as deem appropriate. Hence, the company group cannot assure investors whether it makes profit in the future or guarantee whether its board of directors or borrowers approves payment of dividends although the company is able to make profits.

Besides, Public Limited Companies Act and the company's regulations require that the company group shall not be able to pay dividends, should it have deficit retained earning although it yields net profits in that year. In addition, should the company earn net profits in any year, retained earnings must be allocated as reserved capital not less than 5 percent of annual net profit when being deducted by the sum of historical accumulated deficit until total reserved capital equals to 10 percent of the company's registered capital. Therefore, if the company cannot earn sufficient profit, or it sees any other appropriate options, then promising dividends are allowed not to be paid. However, the company is obliged to pay dividends to shareholders at the rate not less than 40 percent of net profit from consolidate financial statements after being deducted by corporate income tax and by all types of reserve money stated in the law and regulations of the company.

Risk Associate with Management

Risks associated with major groups of shareholders holding over 50 percent of shares on the day of closing the register of shareholders as of 31 December 2021, Mr. Verawat Ongvasith's group holds the company's shares at 64.26 percent of paid-up capital which means that Mr. Verawat Ongvasith's group can control resolutions of the meeting such as the appointment of the board of directors or any resolutions requiring majority votes of shareholder's meetings. In addition, participants in Mr. Verawat Ongvasith's group are titled as directors and company executives, therefore, Mr. Verawat Ongvasith's group are the major shareholders controlling business operations as well.

The company has resolved management framework though, so that business operations shall be transparent, justified, clearly counterbalanced in management operations. The company clearly defines purviews of the audit committee, the nomination and remuneration committee and the executive directors, along with appointing independent outsiders to join the board of directors totaling 4 out of 10 people to examine, balance powers of authorities when decision is made; to give opinions and concur in any listicles before presenting to the shareholder's meeting for their consent later.

Risks associated with loss of personnel in the board of directors

The Board of Directors has expertise in hotel and residential industry for over 15 years since the company was founded. The success of the company's projects in the past reflected the performance of business operation has carried out by the prudent management of the boards of directors in land acquisition, feasibility analysis, and architectural designs. Should the personnel of board of directors are gone or inadequate or leaving the jobs, the company may have negative effects on business operations, business opportunities, and business performances.

Succession plans, still, are implemented to prevent such losses including additional recruitment for management staffing is resolved in accordance with business operations and expansion in the future. Staff training, or any other workshops to develop knowledge, competency, and experience are to be held so that business operations shall resume smoothly and efficiently in case any of such losses may incur.

Emerging Risk**The Risk in Information Management and Cyber Threats**

The Group Company provides measures to prevent and manage risks from cybercrime that may be the act of a criminal group which tends to increase at present, or it may be the actions of the employees of the company itself. The Company has established data protection and a structure for managing important data and documents and assigning rights only to authorized persons or persons involved in accessing such information or documents.

The Risk of the Covid-19 Outbreak

The Covid-19 epidemic situation that has spread all over the world since the beginning of 2020 impacts directly to the Company, which is a business related to hotels and tourism. The government has announced measures to shut down the country, and the commercial aviation business temporarily halted the service, causing the Company to announce the closure of the hotel service. When the government announced the release of lockdown, the Company was aware of the change in service behavior; and the New Normal service has adopted whether it is about the cleanliness of public areas, rooms, and all areas in the restaurant, social distancing, temperature measurement, etc. Marketing has also changed from focusing on foreign customers that are the majority of hotel customers to Thai customers. The Company has responded to the policy from the government, “We Travel Together” to stimulate more tourism economy and consumption.

The Risk of Compliance with Personal Data Protection Act (PDPA)

Thailand has announced the Personal Data Protection Act B.E. 2019, which was published in the Government Gazette on 27 May 2019, and has now been postponed to take effect on 1 June 2022.

The Company has adhered to the Thailand Data Protection Guidelines as guidelines for the management of the personal information of customers, business partners, and employees. The Company has conducted training for all employees to understand the details and correct practices to comply with the said Personal Data Protection Act.

In addition, the Company has prepared a Personal Data Protection Policy as a guideline, informed customers, business partners, employees, and all stakeholders, and announced the use of personal data protection policy which has already been published on the Company's website.

Other Risk

- NONE -



CORPORATE SOCIAL
RESPONSIBILITY &
SUSTAINABLE DEVELOPMENT



Driving Business for Sustainability

“To drive sustainable business, it requires cooperation from all parties whether executives or all employees, including giving importance to all groups of stakeholders. A responsible company that covers all dimensions of economy, society and environment will add value to the organization and drive the business sustainably.”

Verawat Ongvasith
Chief Executive Officer

The Principles of Sustainable Business Are:

“When the business focuses on economic growth, has good corporate governance system and effective risk management along with operating with social and environmental responsibility consider as part of normal business processes.”

Veranda Resort Public Company Limited (“the Company”) operates its business under the framework of good governance, transparency, and accountability with a commitment to business development while balancing the economy, society, and environment. The Company is determined to maintain itself as a role model for the society (Good Corporate Citizen) for sustainable business operations and be able to manage the business to grow steadily and be accepted in society based on ethics and good corporate governance principles as well as generating effective returns for shareholders by taking into account the impact of business operations on those involved in all aspects of the company.



The Company has established the Sustainable Development Practice Guidelines to operate the business for sustainable growth which cover all dimensions of economy, society, and environment. The concept of sustainable development is brought into the core of every operational process and transferred to various operational lines of the organization by integrating the coherence of operational plans to create a balance in the dimensions of economy, society, and environment throughout the supply chain and create achievements of sustainable development to bring the greatest benefit to all groups of stakeholders. It also creates sustainability guidelines in the processes of various parties and results in driving sustainability at the employee level throughout the organization. The framework and goals for driving sustainability are laid out in three areas:

Economic Development	Social Development	Environmental Development
<ul style="list-style-type: none"> Operate the business under the principles of good governance. Effective risk management. Improve the quality of services and products to cover the needs of all customer groups. 	<ul style="list-style-type: none"> Take care and treat employees fairly and equally. Develop the ability of personnel for the organization and society. Encourage employees and business partners to have a sense of responsibility. 	<ul style="list-style-type: none"> Conduct business in an environmentally friendly manner and reduce the impact on the environment. Manage and create a positive environmental impact in all areas where it operates. Use various resources for maximum efficiency.

Sustainability Management Approach

Veranda Resort Public Company Limited (“the Company”) operates its business in the country, consisting of three main businesses; hotel, real estate, and food and beverage. In addition, as a guideline for sustainable business growth, the Company has formulated the concept of sustainable development to cover all dimensions of economy, society, and environment to bring the most benefit to all groups of stakeholders as follows:

Economic Development

The Company is committed to improving the quality of products and services to cover the needs of all customer groups and give importance to the knowledge of the employees, especially in the field of service to create quality personnel for the country’s tourism industry with the following operating guidelines:

1. Comply with relevant laws; conduct business under the principles of good governance; have good corporate governance, and create social responsibility both as a producer and a consumer.
2. Manage business risks concisely, prudently, and efficiently following international guidelines and practices.
3. Adhere to the customers' needs as the center to provide customers with the best products and services following international standards.

4. Continuously invent, create and develop service innovations to meet the diverse customers' needs and to provide customers the most satisfaction.
5. Maintain the best security, privacy, and personal information of the customers with an efficient information technology system.

Social Development

The Company is committed to creating stability for society and the community by developing skills, knowledge, and abilities of employees to provide quality service to society. These also include creating jobs and distributing income to the local community with the following operating guidelines:

1. Take care and treat employees equally and fairly without discrimination of gender, race, color, age, nationality, citizenship rights, sexual orientation, or disability so that all employees have a good quality of life in society.
2. Develop personnel in the organization through continuous training to increase the potential of all employees to have knowledge, skills, and behaviors necessary for work both short term and long term.
3. Support a good working environment in accordance with relevant laws, including a focus on hygiene, occupational health, and safety of employees in the workplace to achieve the best performance at work.
4. Employ disabled people to provide opportunities for persons with disabilities to have equal rights as the general people and to generate income for families and communities.
5. Promote, support, and participate in social activities in the local community.

Environmental Development

The Company is committed to operating its business under the principles of good governance and social responsibility and taking into account the impact on the environment by giving importance to all activities in operation including supporting global warming mitigation and climate change.

1. Manage the optimal and efficient use of natural resources such as raw materials, water, and energy as well as process improvements to optimize the use of those resources.
2. Manage waste from service processes responsibly and systematically by adhering to the principle of 3R (Reduce, Reuse, and Recycle) to reduce environmental impacts both in short term and long term.
3. Conserve and protect terrestrial and marine biodiversity in the areas where the Company operates, as well as encourage the customers, business partners, and communities to participate in continual conservation of nature.
4. Operate a business in accordance with environmental laws and other related regulations strictly.

The Company has shown its commitment to sustainable business operations through various important policies and practices which express the Company's intention to achieve sustainability goals that cover all dimensions of economy, society, and environment.

Stakeholders Impact Management in the Business Value Chain

Value chain refers to activities that are interrelated and connected to create value for production and service, starting from the process of bringing raw materials into the production process or service, distribution process, product delivery process to consumers, and after-sales service process. Creating value for that product or service may be done by one company or several companies by dividing the scope of activities and passing on the values in each successive phase.

Value chain analysis is an analysis to consider the ability of the business to compete by studying both core and supporting activities whether it can provide a cost advantage or differentiation ability when compared to competitors. These will serve as guidelines to determine the strengths and weaknesses of the activities as well.

The Company has divided stakeholder groups into six groups as follows:

Stakeholder Group	Communication Channels	Interests and Expectations	Response to expectations
1. Customers	<ul style="list-style-type: none"> Company's website. Interaction with customers while providing services. Post-service satisfaction questionnaire. Channels for receiving complaints. Social Media. 	<ul style="list-style-type: none"> Service quality under Covid-19 situation. Diversity and speed of response to customers' needs. Customer data protection and privacy. 	<ul style="list-style-type: none"> ✓ Train employees to maintain service standards. ✓ Deliver a variety of products and services. ✓ Survey the opinions and satisfaction of customers through various communication channels of the company. ✓ Develop and improve customer information systems by bringing modern and efficient technology. ✓ Regularly present and review promotional programs and sales prices.
2. Partners	<ul style="list-style-type: none"> Company's website. Phone/Email Channels for receiving complaints Visit/Meet with partners 	<ul style="list-style-type: none"> Proper treatment of partners under the Covid-19 situation. Transparent procurement. Treat business partners fairly and equitably. 	<ul style="list-style-type: none"> ✓ Facilitate partners under the framework of the Covid-19 situation ✓ Selection principles and procurement processes are transparent and verifiable. ✓ Clearly comply with agreed commercial terms.
3. Employees	<ul style="list-style-type: none"> New employee orientation Annual performance evaluation. Channels for hearing opinions and suggestions. 	<ul style="list-style-type: none"> Career Growth and Advancement. Employee skill and knowledge development. Reasonable compensation and benefits. 	<ul style="list-style-type: none"> ✓ Promote training to enhance the skills, knowledge, and abilities of employees ✓ Satisfaction Survey and Annual Performance Assessment

Stakeholder Group	Communication Channels	Interests and Expectations	Response to expectations
		<ul style="list-style-type: none"> Measures to take care of employees under the Covid-19 situation. 	<ul style="list-style-type: none"> ✓ Review the compensation and benefits of employees. ✓ Modify the work accordingly to prevent the epidemic under the Covid-19 situation. ✓ Determine operational procedures from the Human Resources Department and strictly comply with labor laws.
4. Shareholders	<ul style="list-style-type: none"> Company's website General meeting of shareholders. Meetings with analysts/investors. Disclosure of information to the Stock Exchange of Thailand. Online media and print media. 	<ul style="list-style-type: none"> Sustainable business performance and growth. Handle critical situations that affect businesses. Manage and deal with risks quickly, concisely, and prudently. Business rehabilitation plan after being affected by the Covid-19 situation. 	<ul style="list-style-type: none"> ✓ Listen to the opinions and suggestions of all shareholders equally. ✓ Present the Company's operating results with directions and business plans. ✓ Manage the organization and operate the business under the principles of good corporate governance. ✓ Assess and manage risks prudently and carefully.
5. Community and Society	<ul style="list-style-type: none"> Various contact channels and channels for receiving complaints. Social and Community Activities. 	<ul style="list-style-type: none"> Create jobs and careers for people in the community. Support local social and community activities. Community development for sustainable growth. 	<ul style="list-style-type: none"> ✓ Promote procurement and employment from local communities. ✓ Generate income to the community both directly and indirectly. ✓ Promote and build good relationships with society and local communities.
6. Environment	<ul style="list-style-type: none"> Survey and assess the environmental impact. Channels for receiving complaints. 	<ul style="list-style-type: none"> Take care of the environment around the community. Reduce environmental impact and manage pollution. 	<ul style="list-style-type: none"> ✓ Manage the use of natural resources with efficiency and maximum benefits. ✓ Support environmental conservation in local communities. ✓ Improve processes to reduce environmental impact regularly.

Environmental Sustainability Management

The Company has operational guidelines and preventive measures to reduce environmental impact by complying with related laws, rules, and regulations. The Company has hired outside agencies to monitor environmental quality, determine preventive measures, and correct environmental impacts. These measures to monitor environmental impacts will be done regularly every six months with various audits such as

1. Operation of the wastewater treatment system.
2. Analyze the quality of seawater and wastewater from the treatment system samplings.
3. The garbage disposal system in the hotel before the municipality collects the garbage for disposal.

In addition, the Company has a campaign and asks for cooperation from the customers and residents of the hotel in saving water and electricity to reduce and sustainably maintain the environment. These include arranging central green spaces and planting perennials to increase the air humidity, which creates a pleasant atmosphere within the hotel and reduces the heat of sunlight and wind speed from the coast. Moreover, the Company has established guidelines for preventing disasters that may occur at any time.

At present, the Company is in the process of preparing policies, guidelines, and work plans for the development of environmental sustainability management and expects to be completed by 2022.

Sustainability Development in Social Dimensions

The Company gives great importance to sustainability in the social dimension under good governance practices to build confidence for all groups of stakeholders as follow:

Human Resource Development

The Company believes that the importance under the social dimension is employment, training, and education. As a responsible employer, the Company is always committed to creating a good and safe working environment for its 900 employees. Developing professional knowledge and skills for executives and employees is a part of promoting stable and sustainable business development.

From the operating results of 2021, the Company has encouraged executives and employees to attend training/seminars related to business and apply the skills to use in work in a total of more than 60 courses, more than 500 hours of training/seminars, and a total of 815 employees attended the training/seminars.

Corporate Governance Report Assessment of Thai Listed Companies

Result of 2021, the Company got a **Very Good** rating from the Corporate Governance Report of Thai Listed Companies (CGR) 2021 of the Thai Institute of Directors (IOD) supported by the Stock Exchange of Thailand (SET), developed from a good level in 2020.

Company Summary

VRANDA VERANDA RESORT PUBLIC COMPANY LIMITED

Services/Tourism & Leisure

SET

 CG Report: 

ช่วงคะแนน Score Range	สัญลักษณ์ Number of Logo	ความหมาย Description
90 - 100		ดีเลิศ Excellent
80 - 89		ดีมาก Very Good
70 - 79		ดี Good
60 - 69		ดีพอใช้ Satisfactory
50 - 59		ผ่าน Pass
ต่ำกว่า 50	No logo given	N/A N/A

Quality Assessment of Annual General Meeting of Shareholders

The Company received 98% of the assessment results from the Quality Assessment of Annual General Meeting (AGM) project conducted by the TLCA in 2021, an increase of 88% from 2020. The goal for 2022 is a score of 100 percent.



Business Ethics

Ethical commitment, including fairness and morality in conducting business with all groups of stakeholders, is the heart of business operations. The Board of Directors has established principles and guidelines for directors, executives, employees, and all groups of stakeholders and has been disclosed on the Company's website.

Anti-Corruption

The Board recognizes and places importance on anti-corruption. By cooperating with various agencies in combating corruption as appropriate The Company is in the process of raising the of anti-corruption of the organization. To be certified as a member of the Private Sector Collective Action Coalition Against Corruption Project (CAC). The Company has disclosed the anti-corruption policy on the Company's website.

Whistle blowing, corruption or complaints

The Company has provided channels for all stakeholders to report or complain about unlawful activities or those in violation of the law, rules, regulations, or corporate governance principles including incorrect financial reports or defective internal control systems of the Company to the Independent Director and Audit Committee. which can be contacted via the following channels:

Audit Committee

E-mail : auditcom@verandaresort.com

Chief Executive Officer

E-mail : verawat@verandaresort.com

Post Mail : The Audit Committee

Veranda Resort Public Company Limited
No. 555 Rasa Tower building 27th Floor, Paholyothin Road,
Chatuchak, Bangkok, 10900 Thailand.

Action after Receive the Complaint

Once we received the complaint, the Audit Committee will consider the complaint and inform the relevant parties to investigate facts about the complaint and resolve the complaint appropriately. The Audit Committee will periodically monitor the progress of complaint. The relevant parties will notify the result to the complainant within a reasonable period. The Audit Committee shall report to the Board of Directors.

Protection and Confidentiality of the Complainant

To protect the rights of complainant and relevant informants who acts in good faith, the Company shall keep all information of complainants and informants in confidentiality. Only the persons who are responsible in conducting inspection about the complaints can have access to such information. The assigned persons to handling the complaint are responsible for keeping all information regarding the complaint, relevant documents as confidential and shall not disclose such information to other persons unless the disclosure is required by laws.

If you have any questions about anti-corruption policies and measures. You can ask questions or advice at

Company Secretary Department

Tel: (02) 513-3003 ext. 802

Email: com-secretary@verandaresort.com

Post Mail:

Company Secretary Department

Veranda Resort Public Company Limited

No. 555 Rasa Tower building 27th Floor, Paholyothin Road,

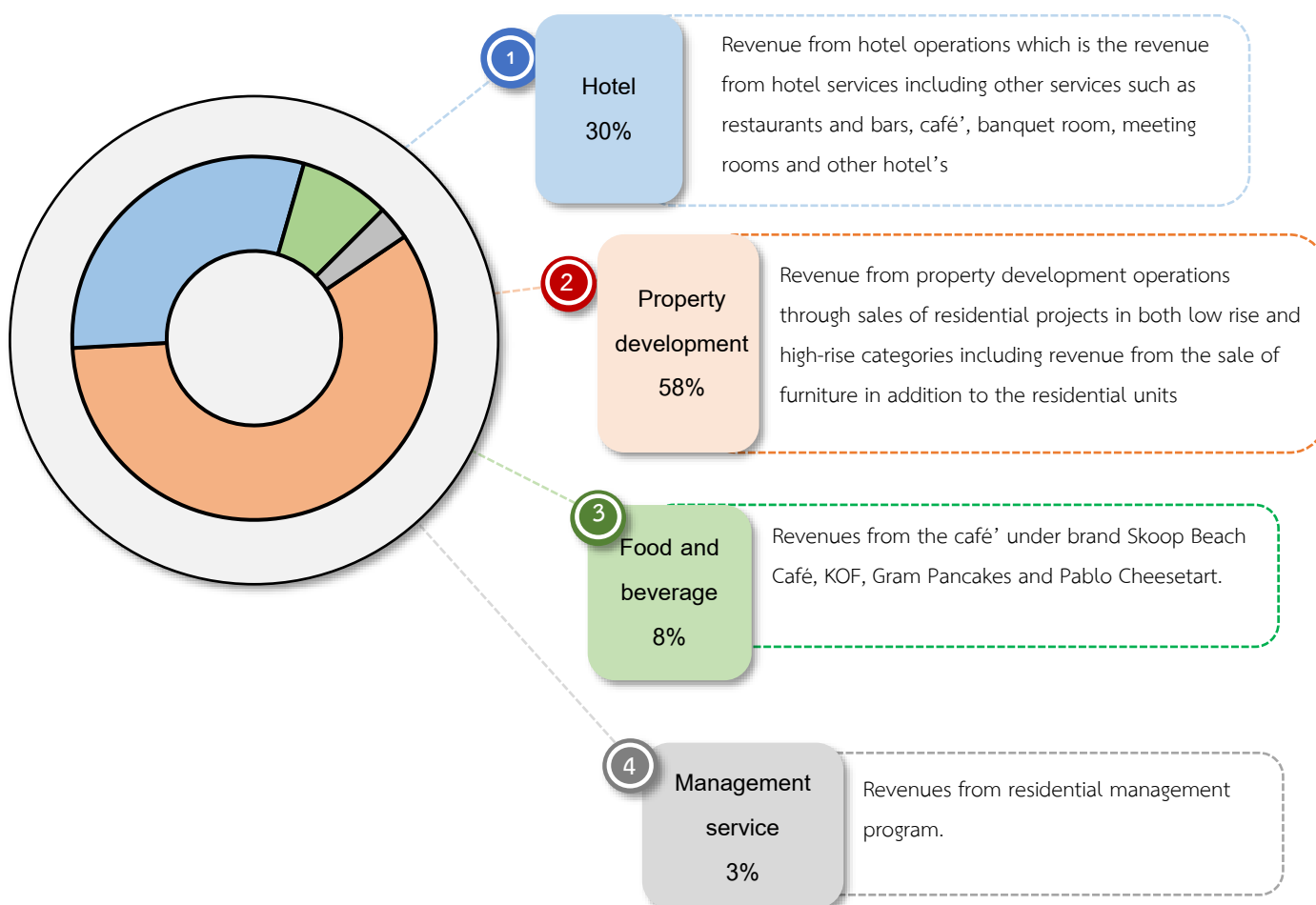
Chatuchak, Bangkok, 10900 Thailand.

Management Discussion & Analysis of the year 2021

Revenue Structure

In 2021, The company has total revenue of 1,307 THB mm. The main revenue proportion of 58% from the property development business, which decreased from 63% in 2020 mainly due to the decrease in Veranda Residence Hua-Hin ownership transferred following the transfer progress. While the proportion of revenue from hotel business was 30%, an increase from 28% in 2020 as the following details.

Revenues	Y2021	%	Y2020	%	YoY	Q4/21	%	Q3/21	%	QoQ
Revenue from hotel operations	395	30%	562	28%	-30%	198	50%	57	24%	+247%
Revenue from property development operations	756	58%	1,260	63%	-40%	150	38%	154	64%	-3%
Revenue from sales of food and beverage	103	8%	133	7%	-23%	36	9%	21	9%	+73%
Revenue from management service	16	3%	18	1%	-12%	8	2%	2	1%	+321%
Other income	37	1%	29	1%	+25%	5	1%	6	2%	-5%
Total revenue	1,307	100%	2,003	100%	-35%	397	100%	240	100%	+66%



For 2021, The company has total revenue 1,307 THB mm decreased from last year by 696 THB mm or representing a decreased rate of 35% compared to 2020, mainly due to 504 THB mm decrease in revenue from property development operations. or representing a decreased rate of 40% due to progress in the ownership transfer of residential units at Veranda Residence Hua-Hin, with representing 77% of the project value. In addition, 30% decreased of revenue from hotel operation affected by the COVID-19 outbreak.

For three-month period ended 31 December 2021 the Company has total revenue 397 THB mm increased 157 THB mm or representing an increased rate of 66% from previous quarter due to increase in revenue from hotel operation 141 THB mm or representing an increased rate of 247% which is the result of growth in occupancy rate and Average Daily Rate from government's tourism stimulus campaign. As a result, the revenue from the hotel business significantly recovered when compared to the previous quarter

Revenues and gross profit from hotel operations

Revenues from hotel operations

The details of revenues from hotel operation for the three-month period ended 31 December 2021.

	Unit	For the year ended 31 December			For the three-month period ended		
		2021	2020	YoY	31 Dec	30 Sep	QoQ
The number of operating hotels	Hotel	6	6		6	6	
The number of rooms	Room	675	675		675	675	
Occupancy rate	%	23%	29%	-6%	44%	13%	+31%
Average daily room rate	Baht/Room/ Night	3,920	4,227	-7%	4,407	3,865	+14%
REVPAR	Baht/Room/ Night	914	1,223	-25%	1,923	502	+283%
<u>Revenues from hotel operations</u>							
Room revenues	THB mm	230	308	-25%	116	37	+283%
Food and beverage revenues	THB mm	110	179	-38%	55	11	+384%
Revenues from other service	THB mm	55	75	-26%	27	9	+213%
Total revenues from hotel operations	THB mm	395	562	-30%	198	57	+247%

For 2021, revenues from hotel business have a decrease 167 THB mm or representing a decreased rate of 30% compared to 2020 as affected by severe outbreak of COVID-19 in Q1-Q3

For the three-month period ended 31 December 2021, revenues from hotel business have an increase 141 THB mm or representing an increased rate of 247% compared to the previous quarter due to the recovery of occupancy rate with continued support from Thai customers and stimulating tourism "We travel together" from the government.

Gross profit from hotel operations

Details	Unit	For the year ended December 31			For the three-month period ended		
		2021	2020	YoY	31 Dec	30 Sep	QoQ
Revenues from hotel operations	THB mm	395	562	-30%	198	57	+247%
Cost from hotel operations	THB mm	245	319	-23%	96	42	+130%
Gross profit from hotel operations	THB mm	150	243	-38%	102	15	+561%
Gross profit margin from hotel operations	%	38%	43%	-5%	52%	27%	+25%
Gross profit from hotel operations after depreciation	THB mm	-38	43	N/A	55	-33	N/A

For 2021, gross profit from hotel operations decreased by 93 THB mm or representing decrease rate of 38% compare to previous year affected by severe outbreak of COVID-19 in Q1-Q3.

For the three-month period ended 31 December 2021, gross profit from hotel operations increased 87 THB mm and 52% gross profit margin from hotel operations increased 25% from previous quarter in line with increased of revenue from hotel operations.

Earnings before interest tax depreciation and amortization (EBITDA)

Hotel Operations	Unit	For the year ended December 31			For the three-month period ended		
		2021	2020	YoY	31 Dec	30 Sep	QoQ
EBITDA	THB mm	36	81	-55%	65	-5	N/A
EBITDA Margin	%	9%	14%	-5%	33%	-8%	+41%

For 2021, the EBITDA decreased by 55% THB mm from decreased of hotel revenues. However, due to a significant recovery in hotel revenue in the 4th quarter resulted in positive EBITDA in hotel operation in 2021 with EBITDA Margin of 9%

For the three-month period ended 31 December 2021, Earnings before interest tax depreciation and amortization (EBITDA) increased by 70 THB mm compared to the previous quarter due to the increasing hotel revenues and cost and expense control.

Revenue and gross profit from property development operations

Revenue from property development operations

Residential project	Project value	Transfer status					
		For the year ended December 31			For the three-month period ended		
		2021	2020	YoY	31 Dec	30 Sep	QoQ
Veranda Residence Hua-Hin	2,417	734	1,148	-36%	140	154	-9%
Veranda Residence Pattaya	1,899	14	97	-85%	10	0	N/A
Veranda High Residence Chiang Mai	198	8	16	-48%	0	0	-
Total	4,514	756	1,260	-40%	150	154	-3%

For 2021, revenues from property development operations decreased by 504 THB mm or representing a decreased rate of 40% due to Veranda resort Hua-Hin began to transfer ownership of the condominium units since March 2020, thus causing the revenue during the initial transfer period to be quite high and gradually decrease in 2021.

For the three-month period ended 31 December 2021, the company has revenues from property development operations 150 THB mm decreased by 4 THB mm from previous quarter or representing a decreased rate of 3%

Gross profit from property development operations

Details	Unit	For the year ended December 31			For the three-month period ended		
		2021	2020	YoY	31 Dec	30 Sep	QoQ
Revenues from property development operations	THB mm	756	1,260	-40%	150	154	-3%
Cost from property development operations	THB mm	548	863	-36%	113	116	-2%
Gross profit from property development operations	THB mm	208	397	-48%	37	39	-5%
Gross profit margin from property development operations	%	28%	32%	-4%	25%	25%	-

For 2021, the company has gross profit from property development operations 208 THB mm decreased by 189 THB mm or representing of 48% decreased rate compared with previous year due to decreased of revenue from property development operations. Gross profit margin decreased from 32% to 28% in 2020.

For the three-month period ended 31 December 2021, the company generated gross profit from property development operations 37 THB mm with 25% Gross profit margin.

Selling expenses and administrative expenses

	For the year ended 31 December			For the three-month period ended		
	2021	2020	YoY	2020	2021	QoQ
Selling expenses	132	197	-33%	36	25	+44%
Selling expenses to total revenue (%)	10%	10%	-	9%	11%	-2%
Administrative expenses	160	199	-20%	45	33	+36%
Administrative expenses to total revenue (%)	12%	10%	+2%	11%	14%	-3%
Selling expenses and administrative expenses	292	396	-26%	81	58	+40%
Selling expenses and administrative expenses to total revenue (%)	22%	20%	+2%	20%	25%	-5%

For 2021, selling expenses decreased 33% compare to 2020 mainly due to decrease in expenses due to lower revenue from properties development operations and issuing measures to control fixed expenses such as requesting employee and management cooperation in salary cut, reduction of advertising costs and negotiation for various services as appropriate.

the three-month period ended 31 December 2021, selling expenses increased 44% compare to previous quarter mainly due to the increase in revenue from hotel operations.

For 2021, administrative expenses decreased 39 THB mm or representing 20% compare to previous year mainly due to proper human resource management policy and strictly issuing cost reduction measures resulting in lower selling and administrative expenses from 2020

For the three-month period ended 31 December 2021, administrative expenses increased 36% compare to previous quarter mainly due to increase in employee expenses, commission for room sales, franchise, which are variable with the increase of revenue from hotel operations.

Earnings before interest tax depreciation and amortization (EBITDA)

Details	Unit	For the year ended 31 December			For the three-month period		
		2021	2020	YoY	31 Dec	30 Sep	QoQ
EBITDA	THB mm	172	352	-51%	87	16	+449%
EBITDA Margin	%	13%	18%	-5%	22%	7%	15%

For 2021, EBITDA decreased 51% compare to previous year due to decrease in revenue from properties development operations dur to progress in the ownership transfer. However, EBITDA being sufficient to cover interest payments.

For the three-month period ended 31 December 2021, EBITDA increased 449% compare to previous quarter due to revenue from hotel operations strongly recovered.

Depreciation and amortization

For 2021, The Company has depreciation and amortization 236 THB mm decreased by 10 THB mm or represent increase rate of 4% compare to 2020 due to

- Veranda Resort Hua Hin and Veranda Resort Pattaya have assets that have reached their useful life.
- Extending the useful life of So Bangkok Hotel's assets from the original contract expiring in 2039, extending the contract until 2044.

Financial expenses

Financial expenses for 2021 and 2020 were 75 THB mm baht and 81 THB mm, respectively. The decrease in financial expenses was mainly due to interest rate negotiations in 2021 and full repayment of loans from the Veranda Residence Hua-in project in the 3rd quarter of 2021

Net profit and net profit margin

	Unit	For the year ended 31 December			For the three-month period		
		2021	2020	YoY	31 Dec	30 Sep	QoQ
Net (Loss) profit	THB mm	(107.2)	18.7	N/A	12.6	(49.8)	N/A
Net (Loss) profit Margin	%	N/A	1%	N/A	3%	N/A	N/A

For 2021, the Company has net loss of 107.2 THB mm decreased by 125.9 THB mm due to the decrease in revenue from hotel operations which was affected by the outbreak of the COVID-19 and decrease in revenue from property development operations by progress of transfer ownership.

For the three-month period ended 31 December 2021, the Company has net profit of 12.6 THB increase 62 THB mm from previous quarter mainly due to an increase in revenue and gross profit from the hotel operations with support from Thai tourists and the government stimulus campaign resulting in increased occupancy rates that strongly recovered compared to Q3/2021.

Financial Statement

Details	Unit	31 Dec 2021	31 Dec 2020	Change %
Total assets	THB mm	4,795	5,354	-10%
Total liabilities	THB mm	2,865	3,285	-13%
Total equity	THB mm	1,930	2,069	-7%
D/E	times	1.48	1.59	
IBD/E	times	1.25	1.24	

As 31 December 2021, the group had total assets of 4,795 THB mm, decrease from 31 December 2020 by 559 THB mm or 10%, mainly due to

- Reduced properties development costs from the transfer of ownership of the Veranda Residence Hua-Hin project.
- PPE assets increased from the purchase of land for project development in Cha-am District, Petchaburi Province, and from the renovation of rooms at Rocky's Boutique Resort Hotel.

As of 31 December 2021, the group had total liabilities of 2,865 THB mm, decreased from 31 December 2020 by 420 THB mm or 13%, mainly due to

- Long-term loans from financial institutions decreased by fully repayment for the Veranda project. Residence Hua-hin in the 3rd quarter of 2021
- Short-term loans from financial institutions increased from investment in Phuket projects.

As of 31 December 2021, the group had shareholders' equity of 1,930 THB mm decreased by 139 THB mm or 7% from 31 December 2020, mainly due to

- Decrease by 32.0 THB mm from 2020 annual dividend payment
- Decrease by 107.2 THB mm from net loss in 2021

As of 30 December 2021, the Company D/E ratio is 1.48 times and the IBD/E ratio is 1.25 times which is at a level similar to the previous year, by the company has capital structure at an appropriate level.

General and other important information

Thai's name	: Veranda Resort Public Company Limited (VRANDA)
English's name	: Veranda Resort Public Company Limited
Type of Business	: Hotel, Real estate and Restaurant
Head Office address	: 555 Rasa Tower Unit 2701-2704 Floor.27th, Paholyothin Road, Chatuchak, Bangkok, 10900 Thailand
Company Registration No	: 0107561000382
Telephone No.	: (66) 2513 3300
Fax No.	: (66) 2513 5110
Website	: www.verandaresort.com
Registered Capital as of 31 Dec 2021	: 1,750.00 Million Baht
Paid-up capital as of 31 Dec 2021	: 1,598.41 Million Baht

Subsidiaries' Information

Name of Company	: (1) Veranda Beach Pattaya Co.,Ltd (VBP)
Type of Business	: Hotel and Real estate
Head Office	: 555 Rasa Tower Unit 2701-2704 Floor.27 th , Paholyothin Road, Chatuchak, Bangkok, 10900 Thailand
Company Registration No	: 0105549089601
Tel.	: (66) 2513 3300
Fax.	: (66) 2513 5110
Website	: www.verandaresort.com
Registered Capital	: 300 Million Baht
Paid-up capital	: 300 Million Baht
Name of Company	: (2) Hua Hin Pool Suite Co.,Ltd (HHP)
Type of Business	: Hotel
Head Office	: 555 Rasa Tower Unit 2701-2704 Floor. 27 th , Paholyothin Road, Chatuchak, Bangkok, 10900 Thailand
Company Registration No	: 0105546028296
Tel.	: (66) 2513 3300
Fax.	: (66) 2513 5110
Website	: www.verandaresort.com
Registered Capital	: 50 Million Baht
Paid-up capital	: 50 Million Baht

Name of Company	: (3) Oaktree Co.,Ltd (OKT)
Type of Business	: Hotel
Head Office	: No. 2 North Sathorn, Silom, Bangrak, Bangkok, 10500
Company Registration No	: 0105548045937
Tel.	: (66) 2513 3300
Fax.	: (66) 2513 5110
Website	: www.so-sofitel-bangkok.com
Registered Capital	: 850 Million Baht
Paid-up capital	: 850 Million Baht
Name of Company	: (4) Oaktree Realty Co.,Ltd (OTR)
Type of Business	: Commercial buildings for rent
Head Office	: 555 Rasa Tower Unit 2701-2704 Floor. 27, Paholyothin Road, Chatuchak, Bangkok, 10900 Thailand
Company Registration No	: 0105554122531
Tel.	: (66) 2513 3300
Fax.	: (66) 2513 5110
Registered Capital	: 5 Million Baht
Paid-up capital	: 5 Million Baht
Name of Company	: (5) The ISA Resort Co.,Ltd (ISA)
Type of Business	: Hotel
Head Office	: 438/1 Moo. 1, Maret, Koh Samui Suratthani, 84310
Company Registration No	: 0845546002797
Tel.	: (66) 7733 2888 - 95
Fax.	: (66) 7741 8367
Website	: www.rockyresort.com
Registered Capital	: 100 Million Baht
Paid-up capital	: 100 Million Baht
Name of Company	: (6) Veranda Cuisine Co.,Ltd (VCS)
Type of Business	: Foods and Beverages
Head Office	: 555 Rasa Tower Unit 2701-2704 Floor. 27, Paholyothin Road, Chatuchak, Bangkok, 10900 Thailand
Company Registration No	: 0105558148003
Tel.	: (66) 2513 3300
Fax.	: (66) 2513 5110

Registered Capital	:	20 Million Baht
Paid-up capital	:	20 Million Baht
Name of Company	:	(7) PDS Holding Co.,Ltd (PDS)
Type of Business	:	Foods and Beverages
Head Office	:	120/109, Ratchapralop Road, Phyathai, Rachtewi, Bangkok
Company Registration No	:	0105554026329
Tel.	:	(66) 2656 3653
Fax.	:	(66) 2656 3653
Registered Capital	:	120 Million Baht
Paid-up capital	:	120 Million Baht
Name of Company	:	(8) Veranda Pastry Co.,Ltd (VPT)
Type of Business	:	Veranda Pastry Company Limited
Head Office	:	Foods and Beverages
Company Registration No	:	555 Rasa Tower Unit 2701-2704 Floor. 27 th , Paholyothin Road, Chatuchak, Bangkok, 10900 Thailand
Tel.	:	0105564162292
Fax.	:	(66) 2513 3300
Website	:	(66) 2513 5110
Registered Capital	:	5.00 Million Baht
Paid-up capital	:	5.00 Million Baht

Reference

Securities registrar	:	Thailand Securities Depository Co., Ltd (TSD)
Head Office	:	93, Rachadapisek Road, Din Daeng Bangkok 10400
Tel.	:	(66) 2009 9000
Fax.	:	(66) 2009 9991
Auditors	:	KPMG Phoomchai Audit Ltd.
Head Office	:	No. 1 Empire Tower, 50 th Floor, South Sathorn Road, Yannawa, Sathorn, Bangkok, 10120
Tel.	:	(66) 2677 2000
Fax.	:	(66) 2677 2222

Other Informations

- None -

Legal Dispute

As of 31st December 2021, the Company as its subsidiaries had legal disputes as follows:

Administrative Case, Undecided Case No. 26/2562, Decided Case No. 94/2563

The Company had purchased several plots of land located in Khao Takiab, Hua Hin District, Prachuap Khiri Khan Province. After the Company accepted the transfer of property ownership of the said plots of land, the Company acknowledged that those lands had been legal disputes in court, claiming that the issuance of the title deeds was illegal. However, the Supreme Court dismissed the case on 1st December 2016, seeing that the title deeds issuance and the survey for land boundary verification of Prachuap Khiri Khan Provincial Land Office, Hua Hin Branch were correct. As a result, the judgement was final and the title deeds were legally issued.

Later in 2019, a group of plaintiffs filed a lawsuit against the Director-General of the Department of Lands and et. al. defendants with the Phetchaburi Administrative Court. The Phetchaburi Administrative Court had ordered the Company to become the interpleader of a case. The plaintiffs claimed the Director-General of the Department of Lands and et. al. defendants had issued title deeds, invading or overlapping the road or public way along the beach of Hua Hin Sea and at the foothill of Khao Takiab. Afterward, the Phetchaburi Administrative Court gave judgment on 15th July 2020 to revoke only the invasive part or the part that overlapped the road boundary that may affect a total area of approximately 53 squares wah with a book value of 4.9 million baht (buildings excluded). The Company had already set up a reserve for damages from such lawsuits that may occur in full amount in the 2021 financial statements (a set up under the Conservatism Principles of Accounting).

However, the Company and other defendants did not agree with the judgement in the said case, therefore appealed to the Supreme Administrative Court. The Company filed an appeal and an amendment to the appeal on 13th August 2020 and 27th November 2020, respectively. As of 31st December 2021, the case is still under consideration by the Supreme Administrative Court.

Major Labor Disputes

- None -

Secondary Market

- None -



CORPORATE GOVERNANCE

cy of staff recruitment

which means we need to grasp the entire topic in a
new program, a new set of methods, a new
mindset. It's generally understood today that
the fact we have an active role means we
are in a new kind of relationship.
We have experienced and experienced engaged in
an, objectively speaking, an something in the
past for a number of years, we have found
and whatever sentences of movements
through more than structural elements. That is,
the fact of humanity have needed aggression,
the fact we have seen interrupted by the repression
of "the fact" - but more than the will to resist been
a "culture of resistance" founded on an
unbroken. We are powered by it by the vision
that sets in this personal motion.
The words are rarely recognized. And when

Part 2 Corporate Governance

Corporate Governance

The company realizes how important good corporate governance is. It supports business operations to run efficiently and yielding sustainable growth as well as maximizing benefits to all concerned – employees, shareholders, other stakeholders. Therefore, the company's board of directors has proper perspective to have a good corporate governance policy covering major contents starting from board of director's organization chart, their roles, duties, and responsibilities to their management principles which shall be transparent, clear, and verifiable to be used as a management direction of the organization, and to ensure that any operations go right, just, and optimize benefits of all shareholders and stakeholders. The company's corporate governance policies embrace good governance practices for companies registered in 2017 which are compiled by Securities and Exchange Commission as a procedure.

Corporate Governance Policy

In conducting business for the sustainability of the Company and the balanced interests of the Company's stakeholders, the Board of Directors has set the operational management policy and a governance system based on the principles of good corporate governance by adhering to transparency and responsibilities to all stakeholders and society as guidelines for business operations for directors, executives and employees of the Company. The Board of Directors has constantly reviewed and updated the corporate governance principles.

Directors, executives, and employees have acknowledged the Code of Conduct and Corporate Governance Policy and complied with such regulations as part of the discipline. In addition, the Company has disseminated and communicated to everyone in the organization to be aware of the code of conduct and good practice. The said policy has been disseminated through the Company's website

https://www.verandaresort.com/ir_index.php?corporate_governance and new employee orientation. The Good Corporate Governance Policy according to the CG Code has laid down eight principles of practice for the Board of Directors as follows:



Principle 1: The Board of Directors' Roles and Responsibilities

- **Principle 1.1**

The Board of Directors understands their roles, duties, and responsibilities as leaders directing the organization to be well-managed. Such management encompasses objectives and goals, strategies, operations, resource supplies, observations, evaluations, and reporting's at least in every three months.

- **Principle 1.2**

The Board of Directors superintends the organization to have governance outcome. In other words, the organization holds competitive advantage and favorable turnovers in the long run. It shall transact on the basis of ethics, respect for the rights and responsibilities of shareholders and stakeholders. It shall generate benefits to society and apt to unfavorable factors.

- **Principle 1.3**

The Board of Directors supervises directors and executives to have their duties of care, and of loyalty. The Board shall operate the organization in compliance with laws, regulations, shareholder resolutions, policies/procedures mentioned. The Board shall authorize salient operational processes regarding investment, business transactions which are of significant importance and impact, reports of business connections, acquisition/distribution of assets and dividend payments, etc.

- **Principle 1.4**

The Board of Directors comprehends their roles and responsibilities. The Board directs chairman's and management's roles, responsibilities, and performances as assigned. It also supervises and suffices risk management system, internal control, financial and non-financial public disclosure to be accountable.

Principle 2: Directing to Achieve and Sustain Organization's Objectives and Goals

- **Principle 2.1**

The Board of Directors shall direct or supervise, sustain, and align organization's objectives and goals with value proposition to the organization, clients, stakeholders, and overall society, profitability or value proposition competition, and long-term existence of organization under risk and chance factors influencing organization and stakeholders.

- **Principle 2.2**

The Board of Directors directs and superintends objectives and goals including aligning intermediate-range and/or annual strategies of the organization with objectives and goals by prudent uses of technology and safety in regard to current surrounding factors, opportunities, and acceptable risks.

Principle 3: Building a Competent Board

- **Principle 3.1**

The Board of Directors directs and reviews the organization structure – the company's size, numbers of independent directors relevant and favorable to achieve organization's objectives and goals. The Board shall appoint and assign the Nomination and Remuneration Committee to seek qualified, skillful, expertise, and

specialized directors for itself and its nomination sub-committee. The Board shall publicize organizational policies, organization chart, background of directors age, education, experience, shareholding proportion, terms of service as director, and other titles in other registered companies in the annual report and company website.

- **Principle 3.2**

As of 31 December 2021, The Board of Directors was comprised of 4 independent directors, 4 executives directors, and 6 non-executives directors.

The Board of Directors shall select an appropriate person as a chairman to ensure that the board composition and operation render independent consideration and judgement. Moreover, the board splits the person entitled as board chairman out of that resumes the same executive title; clearly defining board chairman's and executive's roles and responsibilities so that either of them cannot overpower; monitoring public disclosure of the Board's and sub-committee's roles and responsibilities, previous attendances, and reporting performance of every sub-committee.

The company shall render a nomination and remuneration committee to perform their duties in Principles 3.3 and 3.4. Most of the board members and chairman of the nomination and remuneration committee are independent directors.

- **Principle 3.3**

The Board directs, nominates, and selects the nomination and remuneration committee to be in a clear and transparent process aligning to the set compositions:

3.3.1 The nomination and remuneration committee shall confer to bring out criteria and qualified candidates to fulfill an effective manpower composition. Candidate backgrounds are to be presented to the board before the shareholder's meeting is being held to appoint directors of the board. Furthermore, the company will suffice candidate's background information to shareholders for their consideration.

3.3.2 The nomination and remuneration committee shall review criteria and procedures to be presented to directors for their suggestions before the end of their service terms. In case, the nomination and remuneration committee propose the same list of candidates, those candidate's performances must be considered.

3.3.3 Providing that the committee appoints a person as a consultant of the nomination and remuneration committee, disclosure of the consultant's background, including his independency or none of his conflict of interest shall be noted in the annual report.

- **Principle 3.4**

When proposing director's remuneration to the shareholders' meeting for approval, the board under the proposal of the nomination and remuneration committee shall consider whether the remuneration structure is appropriate for the directors' respective roles and responsibilities, and provides incentives for the board to lead the company in satisfying its objectives, both in the short and long terms.

- **Principle 3.5**

The board shall superintend all directors to perform their duties with responsibility and to allocate time sufficiently. Each director must attend at least half of total numbers of committee meetings held in a year, except in case of necessary grounds.

The Board shall arrange a meeting at least every three months. The date of the board's meeting is booked in advance and informed to all directors by meeting invite letter at least 7 days.

The board sets a reporting system of board director's other post take ups to be opened and acknowledged. In case board directors hold a post of a director or an executive or having gain & loss directly or indirectly in other companies either competitors or exploitations by using company's information or business opportunities, the board must declare and confirm its preventive measures and report to shareholders properly.

- **Principle 3.6**

The board shall direct the company's governance framework and mechanism applicable to policies and operations of subsidiaries and other businesses in which it has a significant investment for good understanding and suitability.

The Board shall consider governance policies for subsidiaries covering:

- (1) levels of authorities – directors, executives, or heads of subsidiaries – are appointed by the board except such subsidiaries are small and appear as operating arms of the company. The board shall assign the chairman of executive directors to appoint those positions.
- (2) to define roles and responsibilities of company delegates stated in (1). Such delegates supervise operations aligning subsidiary's policies. In case subsidiaries have other joint ventures, the board shall set policies for the best benefits of subsidiaries for delegates to perform. Such policies shall be in compliance with mother companies.
- (3) Internal control system of subsidiaries shall be executed appropriately, precisely, and sufficiently. Doing other transactions is run by the rule of law and concerned criteria.
- (4) Information disclosure of financial status, operational outcomes, and doing other transactions with related persons, acquisition and distribution of assets, other significant transacting, capital increase, capital decrease, termination of subsidiaries, etc.

- **Principle 3.7**

The Board is to arrange performance evaluation of all directors as a whole and individually. Working performance, problems, obstacles in each year are reviewed in order to use results of evaluation for developing and improving performances in many areas.

- The Board requires company's directors to assess themselves. Assessment is carried out into 3 types 1) self-assessment form as the whole board of directors 2) self-assessment form as per sub-committee and 3) self-assessment form of individual sub-committee member. Assessment criteria are in line with the example of self-assessment of The Stock Exchange of Thailand. The secretary of the company has compiled, summarized and reported assessment results to the board of directors.

The criteria for self-assessment of directors in 2021 are as follows:

More than 90 %	=	Excellent
More than 80%	=	Very Good
More than 70%	=	Good
More than 60%	=	Fair
Less than 60%	=	Should Improve

1. The self-assessment form of the entire Board of Directors received an average score of 96.03%, at an excellent level. The category with the highest score was the section of the board meetings because the Board of Directors recognized the importance of performing duties in meetings to consider, approve, and comment / advise on matters that were important and relevant to the Company's performance.

Section	Assessment Topic	Average Score	%
1	Board Structure and qualifications	3.78	94.58
2	Roles, duties, and responsibilities of directors	3.82	95.50
3	Board meetings	3.96	98.88
4	Duties of the Board of Directors	3.89	97.13
5	Relationship with management	3.92	98.00
6	Self-development of directors and executives	3.68	92.08
In Total		3.84	96.03

2. The self-assessment form of each sub-committee received an average score of 96.48%, at an excellent level.

Section	Assessment Topic	Average Score	%
1	Th structure and qualifications of directors were appropriate, enabling directors to work efficiently.	3.819	95.48
2	The meetings of the sub-committees were conducted on the following matters in order for the Board of Directors to effectively perform their duties in the meetings.	3.90	97.50
3	The importance of taking to consider, review, and act on the following matters appropriately and adequately:		
3.1	Audit Committee	3.627	90.68
3.2	Nomination and Remuneration Committee	4.0	100.00
3.3	Board of Directors	3.95	98.75
In Total		3.86	96.48

3. The self-assessment form of individual sub-committees received an average score of 96.42%, at an excellent level.

Section	Assessment Topic	Average Score	%
1	Board structure and qualifications	3.85	96.25
2	Board meetings	3.90	97.50
3	Roles, duties, and responsibilities of directors	3.82	95.50
In Total		3.86	96.42

- The company arranges to have performance evaluation of the chairman of the executive officers covering leadership, strategic planning, financial planning and financial performance so as to develop operations more effectively.

● **Principle 3.8**

The board directs individual director to understand his roles, business characteristics, related business legal terms as well as supporting them to build up skills and knowledge necessary to director-on-duty performance regularly.

The Company encourages the directors to attend the training program to increase their understanding on the roles and responsibilities under the good corporate governance campaign by internal training Program and others institute.

The Company provides education training for new directors in various courses related to the roles and responsibilities of the directors under the good corporate governance framework such as roles and duties of directors in accordance with the rules and regulations of the directors, the Securities and Exchange Commission (SEC), Stock Exchange of Thailand (SET), Public Company Limited Act and Thai Institute of Directors (IOD) etc. also encourage specialized knowledge for directors to promote effective performance such as financial reporting knowledge.

Training of The Board of directors

The Company encourages training and knowledge sharing for directors, to promote continuous performance improvement in management under good corporate governance. There are the directors who has been trained in IOD courses are as follows;

Name	Positions	Courses of IOD						
		Director Accreditation Program (DAP)	Director Certification Program (DCP)	Advanced Audit Committee Program (AAP)	Audit Committee Program (ACP)	Corporate Governance for Capital Market Intermediaries (CGI)	Effective Minute Taking (EMT)	Company Secretary Program (CSP)
Mr.Chai Jroongthanapibarn	Chairman of the Boards / Independent		29/2003		4/2005			
Mr.Paiboon Kujareevanich	Chairman of AC / Independent Director	113/2014					108/2008	159/2018
Assoc.Prof.Siriporn Maneepan	Member of AC / Independent Director	27/2004						
Mr.Trairak Tengtrairat	Member of AC / Independent Director	109/2014		15/2014				
Mr.Verawat Ongasith	Director / Chief Executive Officer	22/2004						
Mrs.Tosaporn Angsuwarangsi	Director / Chief Financial Officer	22/2004						
Mrs.Napasorn Soonthornmanokul	Director	137/2017						
Mr.Surasak Wongkiatthavorn	Director	137/2017						
Mr.Kittisak Sopchokchai	Director	9/2004	42/2004					
Mr.Sirivat Vongjarukorn	Director	54/2006						

Training/seminar courses that the Board of Directors had attended in 2021 are as follows:

Mr. Paiboon Kujareewanich, Chairman of the Audit Committee / Nomination and Remuneration Committee

- Audit Committee and Auditor, Key Mechanisms for Improving the Quality of Financial Reports on September 13th 2021 by the SEC and IOD
- Sustainability, ESG and a Company's Reporting on September 9th 2021 by EY

Mr. Trairak Tengtrirat, Audit Committee

- A refresher course to increase knowledge for those working in the financial advisory field.
 - Impact on Financial Statements during the COVID-19 Situation and Accounting Standards in 2022.
 - Internal Control System for IPO Companies.
 - Personal Data Protection Laws for Investment Banking Business
 - Share-Based Payments, Practices, Key Accounting, Tax, and Legal Issues by the Association of Securities Companies, the Investment Banking Club.

Mr. Verawat Ongvasith, Vice Chairman of Board / Chairman of Executive Directors / Chief Executive Officer

- Security Management for Senior Executives Course (SML) 2nd Batch, National Defence College of Thailand
- ASEAN New Economy Day, Credit Suisse
- The Data & Insight You Need to Plan Your Recovery, Questex LLC.
- Profit Talk: Profit Matters, Questex LLC.

Mrs. Tosaporn Angsuwarangsi, Director/ Executive Director / Executive Vice President of Financial and Accounting

- Accounting Standards Related to Land, Building, and Equipment Course on October 28th – November 2nd 2021 by Department of Business Development, Ministry of Commerce

● Principle 3.9

The Board monitors the director's business operations whether it is in place, being able to access necessary data, having a qualified, resourceful and experienced secretary to support operation of the board.

Principle 4: Nomination and Development of Chief Executives and Personnel Management

● Principle 4.1

The Board runs organizational operations to make certain that there is a nomination and trainings for the chairman of the executive officers and chief executives to become skillful, experienced, and being a value asset of the company so that business operations run continuously.

● Principle 4.2

The Board recommended by the nomination and remuneration committee governances the appropriate structure and assessment.

- **Principle 4.3**

The Board perceives structures and relationship among shareholders which may influence management and operations of the company.

- **Principle 4.4**

The Board observed human resource management and personnel development to be resourceful, skillful, experienced, having satisfactory incentives, being treated fairly to retain capable personnel's, including setting a provident fund or other caring mechanism to help personnel's have their savings sufficient for retirements.

Principle 5: Business Operations with Responsibility's

- **Principle 5.1**

The Board priorities and supports business operations which enrich business values together with creating benefits to clients and to whom it may concern, and having social and environmental responsibilities.

- **Principle 5.2**

The Board oversees the management to operate business with social and environmental responsibilities by compiling business ethical policies covering the following topics:

- (1) Responsibility to Staff and Employees by operating under the rule of law and involved standards, treating staff and employees with fairness and with respect to human rights such as defining fair remunerations and other fringe benefits, providing welfare within the limit or exceeding terms of law as deem appropriate, having health care and safeguarding at workplace, training, developing potentiality, career promoting, and giving opportunities for staff to develop other fields of skill.
- (2) Responsibilities to Clients by complying with laws and involved standards; considering health, safety, and fairness, client confidentiality, after-sale service throughout product life span and years of service, assessment of customer satisfaction to improve product quality, services, including advertising and public relations. Sales promotion shall be done with responsibilities, avoid misunderstanding or exploitation of client's misunderstanding.
- (3) Responsibilities for Business Partners by engaging in fair procurement process, contracting or agreement conditions; providing access to training, developing potentiality, enhancing production and service standards; supervising business partners; respecting for human rights, treating company's workforce fairly; responsible for society and environment; monitoring, checking, and evaluating partners so as to develop mutual transactions sustainably.
- (4) Responsibilities to the community by applying business knowledge and experience to develop projects that can concretely add value to the community, while observing and assessing long-term progress and success .
- (5) Responsibilities to the environment by preventing, reducing and managing negative impact on the environment from all aspects of the company's operations, including uses of raw material, energy, water, renewable resources, waste and emission management from business operations.

(6) Fair competition by conducting open and transparent business transactions and avoid making unfair competitive advantages.

(7) Anti-fraud and corruption by complying with applicable laws and standards; implementing and announcing anti-fraud and corruption policies to the public. The company may consider its participation in anti-corruption with network associates; supporting other companies and business partners to launch their own anti-corruption policies and joining network associates.

- **Principle 5.3**

The board shall monitor the management to allocate and manage resources efficiently and effectively to enable the company to meet its objectives sustainably.

- **Principle 5.4**

The board shall establish a framework of information technology (IT) governance in the organization, aligning with the company's needs and priorities in order to add up business opportunities and performance. The board shall recognize that the company's risk management encompasses the IT risk management, namely the compliance with IT law, regulations, articles, and standards, the information security system for confidentiality, integrity and availability, including preventive measures for abuses and misuses of information, or changing data without permission, business continuity management, and incident management, etc.

Principle 6: Supervision of Accountable Risk Management and Internal Control

- **Principle 6.1**

The Board shall thoroughly oversee that the company has effective and appropriate risk management and internal control systems that are aligned with the company's objectives, and comply with applicable law and standards.

- **Principle 6.2**

The board shall establish an audit committee that can act effectively and independently and whose member's qualifications meet the requirements of the Securities and Exchange Commission and the Stock Exchange of Thailand. The board shall direct the audit committee's duties as noted in charters of the audit committee.

The board shall establish an internal control section that holds independency in sphere of working to be responsible for reviewing and improving the effectiveness and the adequacy of the company's internal control and risk management systems, in addition to reporting review results to the audit committee and disclosing its opinion in the company's annual report.

- **Principle 6.3**

The board shall manage and monitor conflicts of interest that might occur between the company and the management, directors, or shareholders. The board should also prevent the inappropriate use of corporate assets, information, and opportunities, including preventing inappropriate transactions with related parties.

The board shall set requirements and practices to have the said transactions run and disclosed under legal terms and for the benefits of the company and shareholders as a whole. Directors and stakeholders are not to get involved in decision making or abstain from being present for discussion on that agenda item.

- **Principle 6.4**

The board should establish clear anti-corruption policies and practices, including communicating those to all levels of organization and to outsiders to take actions.

- **Principle 6.5**

The board should establish a mechanism for handling complaints and whistleblowing as well as making aware of the complaint channels through the company's website or annual reports.

Principle 7: Retainment of Disclosure and Financial Integrity

- **Principle 7.1**

- The board shall observe the company's financial reporting system and disclosure of significant information to be in time, sufficient, accurate and consistent with applicable requirements, standards, and practices. The board shall manage personnel who deal with preparation and disclosure of any information of the company to have relevant knowledge, skills and experiences qualified for their responsibilities and sufficient volume of staffing. Such personnel's can be referred to chief financial officer in accounting and finance, accountant, internal auditor, company secretary, and investor relations officer.
- The board shall supervise the information disclosures such as financial statements, annual reports, and Form 56-1 to reflect the company's financial status and performance properly. The board shall promote the inclusion of the Management Discussion and Analysis (MD&A) in quarterly financial reports in order to provide to investors more complete and accurate information about the company's true financial status, performance and variable circumstances apart from data in financial statements only

For disclosures related to any individual director, that director shall reveal his information with accuracy and completeness such as his own shareholders' information and any of his shareholders' agreement.

- **Principle 7.2**

The board shall monitor the company's financial liquidity and solvency by assigning the management section to regularly monitor, evaluate and report to the board regarding the company's financial status. The board and management shall collaborate to find solutions providing that any threats to the company's financial liquidity and solvency are being addressed.

In regard to approving of any transactions or comments in shareholder's meetings, the board shall take into consideration that those are done without negative impacts towards business continuity, financial liquidity, and solvency.

- **Principle 7.3**

When the company faces financial difficulties or inclining to have obstacles, the board shall take into account the solution plans or other mechanism to mitigate those and in regards to stakeholder's rights.

- **Principle 7.4**

The board shall manage sustainability reporting appropriately. The board shall also report data on the company's compliance and ethical performances, including anti-corruption performance, its manners towards

employees and stakeholders (including fair treatment and respect for human rights) and social and environmental responsibilities within a report framework that meets domestic and international standards. The board can disclose this information in the annual report.

- **Principle 7.5**

The board shall direct the management to have an Investor Relations officer responsible for exchanging information with shareholders and other stakeholders such as investors and analysts in appropriate means of communication, equality, and timing. In 2021, the Company has communicated with analysts total 4 meeting.

- **Principle 7.6**

The board shall encourage the use of information technology in disseminating information. In addition to the company's mandatory disclosure of information pursuant to applicable requirements and by the channel of The Stock Exchange of Thailand, the board shall consider regularly disclosing current information in both Thai and in English through company's website.

Principle 8 : The Support of Engagement and Communication with Shareholders

- **Principle 8.1**

The board shall take into account that shareholders have the opportunity to participate in decision-making involving significant corporate matters.

8.1.1 The board shall supervise significant corporate issues both stated in legal terms and impacted directions of business's operations. Such issues shall be considered and/or approved by the shareholders and to be included in the agenda for the shareholders' meeting.

8.1.2 The board shall support participation of all shareholders through reasonable criteria as following:

(1) Establishing criteria that allow minority shareholders to propose agenda items in shareholder's meetings. The board shall consider shareholders' proposals being included in the agenda, and if the board rejects any of the proposals, the reasons should be given in shareholder's meetings.

(2) Establishing criteria for minority shareholders to nominate persons to serve as directors of the company.

8.1.3 The board shall arrange for the notice of the shareholders' meeting and related papers to contain accurate, complete, and sufficient information both in Thai and English versions and to be sent to shareholders and posted on the company's website at least 14 days before the meeting.

8.1.4 Shareholders shall be allowed to submit questions prior to the meeting. The board shall declare clear criteria for shareholders to submit advanced questions. The criteria shall be posted on the company's website.

- **Principle 8.2**

The board shall supervise the shareholder's meetings to be held as scheduled with transparency and efficiency, and supporting inclusive and equitable treatment of all shareholders and their ability to exercise their rights. The board shall set the date, time, and venue of the meeting by considering the interests of shareholders. The board shall promote the use of information technology in the shareholders' meetings such as registration and vote counting to be fast and accurate.

The chairman of the board is the chairman of the shareholders' meeting with responsibility for complying with applicable legal requirements and the company's articles of association, allocating sufficient time for consideration and debate of agenda items, and providing opportunity to all shareholders who wish to share their opinions or ask questions related to the company, and agreeing with the right of shareholders to participate in the company's decision-making. Directors as participants of the meeting and as shareholders shall not support any adding items which are not sent beforehand and without necessary to the meeting agenda. On account of important agenda, shareholders need time to analyze before making their decisions. All directors and relevant executives shall attend the meeting to answer questions from shareholders on company-related matters.

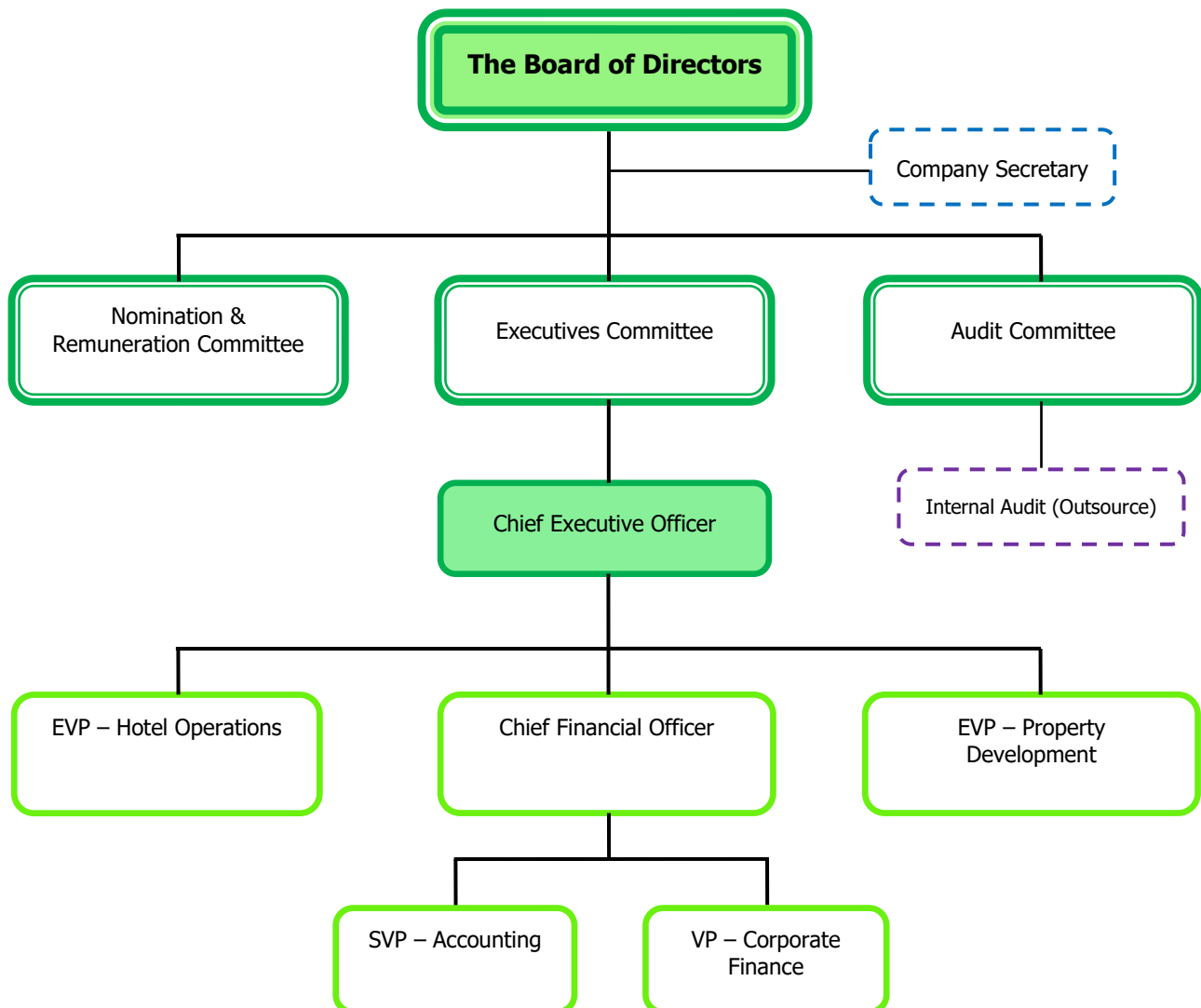
The board shall promote the use of ballots for voting on important resolutions proposed at the shareholders' meeting and designate an independent party to count or to audit the voting results in the meeting, and to disclose such voting results at the meeting by identifying the number of "for", "against" and "abstain" votes. The voting results for each proposed resolution shall be noted in minutes of the meeting.

- **Principle 8.3**

The board shall monitor the disclosure of voting results on proposed resolutions at the shareholders' meeting through the designated Stock Exchange of Thailand channels and through the company's website. The board should circulate copies of minutes of the shareholders' meeting to the Stock Exchange of Thailand within 14 days from the date issued in the shareholder's meeting.

Management Structure

Company's Structure at 31st December 2021



Remark: The internal Audit Unit works directly to the Audit Committee. The Committee assigned Ms.Ladda Somsiripornchai representing to the internal auditor by liaise with the firm performing which the Company hires to perform on internal Audit Unit reports its auditing work and give advice to the Audit Committee Directly to improve upon the recommendation of the independent evaluation of the internal control system.

As of 31 December 2021, the management structure of the Company consists of the Board of Directors and the Executives. The Board of Directors consists of Independent Directors, executive and non-executive Directors. 1/3 of the members are Independent Directors.

The Board of Directors determine to have 3 sets of committees with the Audit Committee, Nomination & Remuneration Committee and Executives Committee. And determine that the Chairman of the Board of Directors, Audit Committee and Nomination & Remuneration Committee are Independent Director.

Structure of Directors and composition of the Board of Director

The Board of Directors provides the appropriate size businesses. The current Board has 10 directors consisting of 4 executives' directors and 6 non-executives' directors (Four are Independent Directors). The Independent Directors are as follows;

1.	Mr.Chai	Jroongthanapibarn	Chairman of the Board / Independent Director
2.	Mr.Paiboon	Kujareevanich	Chairman of Audit Committee / Independent Director
3.	Assoc.Prof Siriporn	Maneeapan	Member of Audit Committee / Independent Director
4.	Mr.Trairak	Tengtrairat	Member of Audit Committee / Independent Director

Independent Directors

The present Board of Directors consists of 4 Independent Directors, which is a half of all Directors. The Company realizes the importance of good corporate governance which defined the Chairman of the Board must not be the same person as the President in view of clear-cut responsibilities and duties. The Board of Directors gives consent of the definition and qualifications of Independent Directors, the regulations of which are more stringent than those of the Securities and Exchange Commission (SEC) and Stock Exchange of Thailand (SET), as follows:

1. Hold no more than 1% of the overall shares in the Company, subsidiaries, associated companies, or person(s) with potential conflicting interests.
2. Take no part in the Director administration, including not being an employee, personnel, permanent advisor, professional advisor to the Company such as an auditor, lawyer or authorized person of the Company or subsidiaries, or Associated companies, or person(s) with potential conflicting interests and with no invested interest for no less than two years and can attend the Directors' meetings with independent opinions.
3. Have no business connection, no vested interest, whether directly or indirectly, financially or administratively, including not being a client, partner, supplier, trade or creditor/debtor of the Company, subsidiaries, associated companies, or person(s) with potential conflicts of interest and thus lacking independence.
4. Have no or never had business relationship with the applicant, its parent company, subsidiaries, associates, major shareholders, or controlling parties of the applicant in respect of holding the power which may cause the obstacle of the independent decision, including not being or never been the significant shareholder, or controlling parties of any person having business relationship with the applicant, its parent company, subsidiaries, associates, major shareholders, or controlling parties of the applicant unless the foregoing status ended at least 2 years prior to the date of submitting the application to SEC.

5. Is not or has never been the auditor of the applicant, its parent company, subsidiaries, associates, major shareholders, or controlling parties of applicant, and is not the significant shareholder, controlling parties, or partner of the auditing firm which employs such auditor of the applicant, its parent company, subsidiaries, associates, major shareholders, or controlling parties of the applicant unless the foregoing status ended at least 2 years prior to the date of submitting the application to the SEC.
6. Is not or has never been the professional service provider, including but not limited to legal service or financial advisor with received service fee more than 2 million baht per year from the applicant, its parent company, subsidiaries, associates, major shareholders, or controlling parties, and is not the significant shareholder, controlling parties, or partner of the above mentioned service firms unless the foregoing status ended at least 2 years prior to the date of submitting the application to the SEC.
7. Is not the director who is nominated to be the representative of directors of the applicant, major shareholders, or any other shareholder related to the major shareholders.
8. Do not operate the same and competitive business with the business of the applicant, or its subsidiaries, or is not a significant partner of the partnership, or is not an executive director, employee, staff, advisor who receives salary, nor holds shares for more than 1% of the total shares with voting right of any other company which operates same and competitive business with the business of the applicant, or its subsidiaries.
9. Is not any otherwise which is unable to have the independent opinion regarding the business operation of the applicant.

Board of Directors

According to the Company's regulations, the Board of Directors consists of at least five and at least half of the directors must reside in the Kingdom without sex discrimination. The Directors must carry out their duties under the laws, objectives and regulations of the Company, as well as the resolutions of shareholders' meetings, safeguarding the Company's benefit and assign Company Executives to work on their behalf.

The Board of Directors on 31 December 2021 have 10 members are as follows;

1.	Mr.Chai	Jroongthanapibarn	Chairman of the Boards and Independent Director
2.	Mr.Verawat	Ongvasith	Director and Vice Chairmam of the Boards
3.	Mr.Paiboon	Kujareevanich	Independent Director
4.	Assoc.Prof. Siriporn	Maneepan	Independent Director
5.	Mr.Trairak	Tengtrairat	Independent Director
6.	Mrs.Tosaporn	Angsuwarangsi	Director
7.	Mrs.Napasorn	Soonthornmanokul	Director
8.	Mr.Surasak	Wongkiatthavorn	Director
9.	Mr.Kittisak	Sopchokchai	Director
10.	Mr.Siriwat	Vongjarukorn	Director

Mr.Varut Tuntipiphop is a Company Secretary

Certification documents of the Company stipulate that the binding signatures and seal must include 2 out of 5 authorized directors, consisting of Mr. Verawat Ongvasith, Mrs. Tosaporn Angsuwarangsi, Mrs. Napasorn Soonthornmanokul, Mr. Surasak Wongkiattavorn, Mr. Kittisak Sopchokchai. Both directors must sign and affix the Company's seal.

The Board of Directors' Roles and Responsibilities

1. Arrange the annual general meeting of shareholders within 4 months from the end of the company's accounting period.
2. Arrange for a committee meeting at least every three months.
3. Perform duties in accordance with the laws, objectives, regulations of the company, board resolutions and shareholders meeting resolutions with responsibility, caution and honesty.
4. Supervise the administration and performance of the Executive Committee, Chairman of the Board, Chairman of the Executive Committee, management, or any person assigned to perform the said duties In order to be in accordance with the vision, mission, business strategies, business directions, business policies, goals, guidelines, operational plans and the budget set by the board of directors.
5. Supervise and taking care of the management and various operations of the company and subsidiaries in accordance with the policies of the company, securities law as well as announcements, regulations, and rules relevant of the Capital Market Supervisory Board, Securities and Exchange Commission, and the Stock Exchange of Thailand, for instance, related transactions operation, the acquisition or distribution of important assets to the extent that it is not contrary to or inconsistent with other laws, including establishing an adequate and appropriate internal control and internal audit system.
6. Assess the performance of the entire board including evaluating the performance of individual board to review the workings Problems and obstacles each year and to be able to improve working operations in various fields.
7. Determine the details and approve the vision, mission, business strategies, business directions, business policies, goals, guidelines, operational plans and the company's budget and its subsidiaries' according to the operation of executive committee and the management.
8. Arrange for a balance sheet and the income statement at the end of the company's fiscal year and those of subsidiaries and signing to certify the said financial statements to be presented to the shareholders' meeting at the annual general meeting for approval; the annual financial statements which have been audited by the auditor is to send to the Stock Exchange of Thailand within the period specified by law; to prepare and submit quarterly financial statements which have been reviewed by the auditor to the Stock Exchange of Thailand within the period specified by law.
9. Consider and approve the selection, appointment and terminate of the auditor and consider the appropriate remuneration as proposed by the audit committee before presenting to the shareholders' meeting at the annual general meeting for approval.
10. Appoint sub-committee including the audit committee, board of directors or any other sub-committee and determine the authorities and duties of the said sub-committee to assist and support the board's duties as work

as considering the remuneration for the sub-committee (Not more than the total amount approved by the shareholders).

11. Appoint a person to be a committee or executives of subsidiary company for the least proportion of number of shares held in the subsidiary company; define a framework of duties and responsibilities of the directors and executives who are clearly appointed. This includes determining the framework for the exercise of clear discretion in voting in the board of directors' meeting of the subsidiary company on important matters that must be approved by the board of directors first in order to have management control in accordance with company policy and to legally do various items which includes the disclosure of financial status, information, performance and related party transactions together with the complete and correct of the acquisition or distribution of significant assets.
12. Consider and approve the expenditure for investment, various operations, borrowing or requesting any credit from financial institutions as well as becoming a guarantor for normal business operations of the company, subsidiaries, including affiliated companies without limit regulated by company regulations Including relevant rules and regulations of the Stock Exchange of Thailand and the Capital Market Supervisory Board.
13. Consider and approve the connected transaction between companies and subsidiary companies stated in the Securities and Exchange Act B.E. 2535 (including additional amendments) including announcements, regulations and / or relevant regulations complying with the Stock Exchange of Thailand and the Capital Market Supervisory Board. Consider and approve the connected transactions between companies; subsidiary companies and directors, executives, or related parties in order to establish a framework for the management group to empower to conduct such transactions within the framework and scope of relevant laws and regulations
14. Consider and approve the payment of interim dividends.
15. To consider and approve spending for investment, various operations, and borrowing or requesting any loans from financial institutions as well as being a guarantor for normal business operations of the Company, subsidiaries, and affiliated companies without limit under the Company's regulations and relevant regulations of the Stock Exchange of Thailand and the Capital Market Supervisory Board.
16. Consider the determining and amending the director' name who has the authorization to sign to bind the company.
17. Supervise the operations of the company to be effective and protecting any interests related to all stakeholders.
18. The Board of Directors can authorize and/or assign other persons to perform specific tasks on their behalf. It is done by authorization or authorization during the said period within the scope of authorization under the power of attorney provided and / or in accordance with the rules, regulations, or orders that the Board of Directors and / or the company specified.
19. Provide appropriate channels of communication within each group of shareholders, and to supervise the disclosure of information to ensure accuracy, clarity, transparency, reliability and for the highest standards.
20. Review the board charter at least once a year.

However, any matters where the directors and/or related person have interest or conflict of interest with The Company and/or its subsidiaries (if any), the said directors have not right to vote on such matter.

The appointment and retirement of the Board of Directors

1. At each annual general meeting of shareholders, 1/3 of the directors, or if the number is not a multiple of 3, then the number nearest to 1/3, must retire from office. The directors who have been the longest in office shall retire first. The retiring directors may be re-elected.
2. Prior to annual general meeting of shareholder, the company will give an opportunity to any stakeholders to submit candidates, then the Nomination and Remuneration Committee will select and nominate qualified persons to be directors to the Board of Directors before seeking approval from the shareholders' meeting.
3. The shareholders' meeting shall appoint the Directors upon the rules and procedures below
 - 3.1 Each shareholder shall have one vote per share.
 - 3.2 Each shareholder may cast all his/her vote(s) according to electing one or several candidates as directors, and can allot the votes to any person at any number.
 - 3.3 The candidates receiving the highest number of votes in the respective order of the votes shall be elected as directors at such time. In the event that a number of candidates receiving an equal number of votes for the last directorship exceed the number of directors required, Chairman of the meeting shall have a casting vote.
4. Apart from retirement by rotation, the Directors shall vacate the office upon:
 - Death;
 - Resignation;
 - Lack of qualification or possession of prohibited characteristics as written in section 68 Public Limited Companies Act B.E. 2535;
 - Removal by resolutions of the Shareholders' meeting as written in section 76 Public Limited Companies Act B.E. 2535;
 - Dismissal by a court order.
5. In the case of any vacancy on the Board of Directors not by purpose of retirement by rotation, the Nomination and Remuneration Committee shall elect a person who is qualified and does not possess any prohibited characterize as provided by the Public Limited Companies Act and the Securities and Exchange Act, to become member of the subsequent Board of Directors' meeting. Unless the remaining term of the directorship is less than 2 months, the replacement shall retain his/her office as same as the period for which the former director was entitled to retain. The resolution of the Board of Directors in respect of the first paragraph shall consist of not less than three-fourth votes of the remaining directors.

The Term of Office of Directors

Since year 2019, the Board of Directors has stipulated these members should not have a term of office exceed 3 consecutive terms. Unless any director who is qualified to hold the position longer, the Board shall consider the independence and efficiency of the duties of the Director and report a reason to shareholders.

Scope of duties and responsibilities of the Chairman of the Board of Directors

1. To be responsible as the leader of the Board of Directors to oversee the operations of the Company to achieve the objectives pursuant to the specified plan;
2. To act as the Chairman of the Board of Directors Meeting and the Shareholders' Meeting and ensure that the said meetings run in good order in accordance with the Public Limited Company Act and the Securities and Exchange Act;
3. To have a casting vote in case the Board of Directors Meeting and Shareholders' Meeting has a tie vote.

Board of Directors' Meeting

The Board of Directors announced the Board Meeting's schedule in advance for 1 entire year to the directors and the relevant parties requiring that arranged every quarter, with a special session meeting involved with company's benefit allowed to be convened as deemed necessary.

In the year 2020, there are schedules of Directors' Meeting for the year 2021 in advance, excluding the special meeting agenda. As the follow;

No.	Board of Directors Meeting	Audit Committee Meeting	Nomination & Remuneration Committee Meeting	Non-Executives Directors Meeting
1	24 February 2021	24 February 2021	24 February 2021	24 February 2021
2	11 May 2021	11 May 2021		
3	9 August 2021	9 August 2021		
4	10 November 2021	10 November 2021		

In each meeting, The Company Secretary shall submit an invitation letter complete with the meeting agenda and accompanied by related documents to all board members at least 7 days ahead of the meeting date to allow the board members sufficient time to consider the issues whereas all board members are entitled to propose agenda items independently through the company secretary or shareholders.

The Chairman of the Board of Directors will be person who stipulate and consider agenda topic that allows each director to express his/her opinions freely and efficiently. In case of a Director having a stake in a matter being considered, the Director shall inform the meeting of such stake and shall not participate in discussing the matter and not exercise the voting right on the matter. In the event that the votes are equal, Chairman of the meeting shall have an additional casting vote for.

In addition, the minute report will be written completely after the meeting, information approved and stored so that it could be examined by authorized person. At least 2/3 of the total number of directors shall be presented to form a quorum at the same time of the Board passing a resolution. The Board of Directors should attend the board meeting consistently, with an average participation of at least 75% of total number of board meetings held in each year.

In the year 2021, Meeting attendance of the Board of Directors are 97.5% of all meetings. Details are as follow;

	Name	Position	Attendance (Times)			
			Normal Term	Extra Term	Total	Meeting of Shareholders
1	Mr.Chai	Jroongthanapibarn Chairman / Independent Director	4/4	-	4	1/1
2	Mr.Paiboon	Kujareevanich Independent Director	4/4	-	4	1/1
3	Mr.Trairak	Tengtrairat Independent Director	3/4	-	3	1/1
4	Assoc.Prof.Siriporn	Maneeapan Independent Director	4/4	-	4	0/1
5	Mr.Verawat	Ongvasith Director / Chief Executive Officer	4/4	-	4	1/1
6	Mrs.Tosaporn	Angsuwarangsi Director	4/4	-	4	1/1
7	Mrs.Napasorn	Soonthornmanokul Director	4/4	-	4	1/1
8	Mr.Surasak	Wongkiatthavorn Director	4/4	-	4	1/1
9	Mr.Kittisak	Sopchokchai Director	4/4	-	4	1/1
10	Mr.Siriwat	Vongjarukorn Director	4/4	-	4	1/1

The Audit Committee

The present Audit Committee consists of 3 Directors and they are specialist in accounting and finance or audit. Their meetings are to be convened at least once per quarter.

In the year 2021, Audit Committee held 4 meetings. Or 91.67%. Details are as follow:

Name - Surname	Position	The Meeting of the Audit Committee (Times)
Mr.Paiboon Kujareevanich	Chairman of Audit Committee	4/4
Assoc.Prof.Siriporn Maneeapan	Member of Audit Committee	4/4
Mr.Trairak Tengtrairat	Member of Audit Committee	3/4

Ms.Ladda Somsiripornchai is a secretary of the Audit Committee

Moreover, The Audit Committee Meeting has approved Wynn Alliance Limited to be the Company's Internal Auditor As an external agency (Outsource) and reports directly to the Audit Committee every quarter.

Scope of Authority and Responsibilities of the Audit Committee

1. Review the company's financial reports to be accurate and sufficient financial by coordinating with external auditors and responsible executives; preparing quarterly and annual financial reports. The audit committee may suggest that the auditor should review or inspect any items that are considered important and necessary during the audit of the company.
2. Review the company to have an internal control system and internal audit system that are appropriate, sufficient, and effective, including considering the independence of the internal audit department as well as giving approval to the appointment, transfer, and dismissal of the head of the internal audit department or any other departments responsible for internal auditing.

3. Review the company to comply with the law on securities and stock exchange regulations of the Stock Exchange of Thailand or laws related to the company's business.
4. Consider, select, nominate and terminate the company's auditors, including propose the remuneration of the said person to the Board of Directors to propose to the Meeting of Shareholders, also to attend the meetings with auditors without the attendance of management at least once a year.
5. Consider the connected transaction or transactions that may have conflicts of interest to be accurate and complete and to be in accordance with the laws and regulations of the Stock Exchange of Thailand in order to ensure that such transactions are reasonable and to the maximum benefit for the company.
6. Prepare the report of the Corporate Governance Committee of the Audit Committee by disclosing in the company's annual report. The said report must be signed by the chairman of the audit committee and must contain at least the following information:
 - (1) Comments on the accuracy, completeness, and credibility of the company's financial reports.
 - (2) Comments on the sufficiency of the company's internal control system.
 - (3) Comments on compliance with the Securities and Exchange Act Regulations of the Stock Exchange of Thailand or laws related to the company's business.
 - (4) Comments on the suitability of the auditor.
 - (5) Comment on transactions that may have conflicts of interest.
 - (6) The number of the audit committee meetings and the attendance of each member of the audit committee.
 - (7) Overall opinion or observation that the Audit Committee received from performing its duties under the Charter and
 - (8) Other transactions that shareholders and general investors should know within the scope of duties and responsibilities assigned by the Board of Directors.
7. Perform other duties as assigned by the Board of Directors with the approval of the audit committee.
8. In the performance of duties of the audit committee, if found or suspect that the following items or actions may have a significant impact on the company's financial status and operating results, the Audit Committee must report to the Board of Directors for improvement within the time that the Audit Committee deems appropriate. The Audit Committee has the power to seek independent opinions from any other professional advisors when considering necessary at the company's expense in order to successfully perform tasks under responsibility:
 - (1) Items that cause conflicts of interest
 - (2) Fraud or irregularities or significant defects in the internal control system
 - (3) Violations of laws governing securities and exchange, regulations of the Stock Exchange of Thailand, or laws related to the company's business.
9. Review and propose to amend the scope of duties and responsibilities of the audit committee as appropriate
10. Review and discuss with management about the company's key risks, including following up and controlling the management to proceed in accordance with the company's risk management policy.
11. Review regulations and the previous year's performance at least once a year.

Nomination and Remuneration Committee

The Board of Directors appoints the Nomination and Remuneration Committee to nominate and define criteria for transparent and fair remuneration to Directors and the senior executives in compliance. The Nomination and Remuneration Committee hold at least one meeting a year.

In the year 2021, the Nomination and Remuneration Committee held 1 meeting or 100%. Details are as follow:

Name	Position	The Meeting of the Committee
Mr.Chai Jroonthanapibarn	Chairman of NRC / Independent Director	1/1
Mr.Paiboon Kujareevanich	Member of NRC / Independent Director	1/1
Mr.Siriwat Vongjarukorn	Member of NRC / Director	1/1

Mr.Varut Tantiphop is a secretary of the Nomination and Remuneration Committee.

Scope of Authority and Responsibilities of the Nomination and Remuneration Committee

Regarding the nomination and selection of directors

- 1) Consider and propose the structure, composition and qualifications of the Board of Directors and various sub-committees
- 2) Consider the criteria and process for recruiting; nominate a suitable person to be a director and a chairman of the executive officers. When it is the end of the term or there is vacancy of other executive positions as assigned by the Board of Directors, the Board of Directors shall consider and present to the Board of Directors 'meeting and / or shareholders' meeting (depending on the case).
- 3) Suggest the names of the directors who will be in various sub-committees of the company
- 4) Determine the criteria for evaluating the performance of the executive committee and present to the Board of Directors for approval.
- 5) Evaluate the performance of the Chief Executive Officer and directors in various sub-committees to review the work problems and obstacles each year in order to be able to use the evaluation results to develop and improve operations in various areas and propose to the Board of Directors for further consideration.

Regarding remuneration

- 1) Consider and recommend the monetary and non-monetary remuneration of the Board of Directors, Chief Executive Officer and various sub-committee directors, including other benefits to be suitable for both compensation at a fixed rate (such as regular remuneration, meeting allowances) and remuneration according to the company's performance (such as bonus pension), which is linked to the value that the company created for shareholders but not too high to focus just short-term operational outcomes only. It shall be presented to the Board of Directors meeting for consideration and approval and to the shareholders' meeting for further approval.
- 2) Disclose policies and criteria for determining remuneration for directors that reflect each of their duties and responsibilities Including the form and the amount of compensation as well. The amount of compensation shall be disclosed, including the remuneration that each director receives from being a director of the subsidiary company.

Executives Committee

The Executive Committee of the Company consisted of 4 persons. In the year 2021, the Executives Committee held 7 meetings. There were directors attending the meeting. accounted for 96.43% of all meetings. Details are as follow;

Name	Position	Executives Committee Meeting (Time)
Mr.Verawat Ongvasith	Chairman of Executives Committee	6/7
Mrs.Tosaporn Angsuwarangsi	Executives Director	7/7
Mrs.Napasorn Soonthornmanokul	Executives Director	7/7
Mr.Surasak Wongkiattavorn	Executives Director	7/7

Authorities and Duties of Chief Executives Officer

1. Govern and monitor the performance of Executive Committee
2. Advise the management on business procedure
3. Govern and monitor Management to perform according to the resolution of the Board of Directors
4. Perform other duties as assigned by the Board of Directors

Scope of Authority and Responsibilities of the Executive Committee

1. Run and manage the business of the company and subsidiaries according to the objectives, regulations, policies, regulations, requirements, orders and resolutions of the Board of Directors' meeting.
2. Consider and create business directions, policies, strategies, goals and action plans, financial and budget goals, human resource management, investment, outreach, public relations of the company and subsidiaries to be in accordance with the framework determined by the Board of Directors. To approve, control and supervise the operations of the appointed working group to achieve its goals by considering appropriate business factors; to propose and request for approval to the Board of Directors. In the event that the situation is changeable, the Executive Board will review the approved budget to suit the situation.
3. Supervise, inspect and monitor the company's business operations to be in accordance with the policy, business strategy, goals and action plans, financial goals and the company's budget which has been approved by the Board of Directors to be spent efficiently and effectively for business conditions as well as providing advice and recommendations of management to senior executives.
4. Study the feasibility of investing in new projects, hold authority to consider and approve the company to invest or jointly invest with individuals, juristic persons, or other business organizations In the form that the Executive Committee deems appropriate to operate the business according to the company's objectives as well as considering and approving the spending for the said investment; entering juristic acts, agreements, and / or any actions related to such matters until the completion of the specified limit and / or the relevant laws and regulations and / or the regulations of the company.
5. Track the performance and progress of investment projects of each business and report the results including problems or obstacles occurred and guidelines for improvement to the Board of Directors.

6. Examine and make recommendations regarding the dividend payment policy of the company and report to the Board of Directors.
7. Consider and give suggestions or opinions to the Board of Directors regarding projects, proposals or entering any transaction related to the company's business operations, including considering funding options when needed and beyond the specified limit and / or the relevant laws and regulations or the company's regulations; assign to the shareholders' meeting and / or the Board of Directors to consider and approve.
8. Consider and approve financial transactions with financial institutions for opening accounts, borrowing loans, pledge mortgages, guarantees and others, including the purchase and registration of any land ownership according to the objectives for the benefit of the company's business as well as entering legal acts, contracts, submitting requests for proposals and making legal contact with government in order to obtain the rights of the company and / or any actions related to such matters until the completion of the specified limit and / or the relevant laws and regulations or company regulations.
9. Consider and approve orders, regulations, management policies and business operations or any operations which are binding the company.
10. Define organizational structure and executive power
11. Appoint and / or assign executive directors, one or many directors or any person or any act that is within the scope of the Executive Committee or may authorize the said person to have power as the Executive Committee deems appropriate and within as the Executive Board deems appropriate. The Executive Committee may cancel, withdraw or amend the authorized persons or such power as it deems appropriate. There will be no authorization given to persons who may have conflicts of interest in the operation.
12. Direct the executives, managers, or employees to attend the board meeting or prepare and provide information relating to matters to be discussed in the Executive Committee meeting.
13. Command any authority and responsibility as may be assigned or according to the policies assigned by the Board of Directors from time to time.
14. Procurement of consultants or those with independent opinions to provide opinions or recommendations as necessary.
15. Report to the Board of Directors of the activities within the scope, authority and duties of the Executive Committee on a regular basis, including any other matters that are necessary and appropriate to be submitted to the Board of Directors for acknowledgment.
16. Consider and approve operation manual and the scope of responsibility of the management for the various operations follow the systematic procedures
17. Consider and approve the normal business operations of the company according to the investment budget or budget approved by the board of directors. The limit for each transaction is specified in the approval of authority table which has been approved by the Board of Directors, which is not more than the annual budget approved by the board of directors, including entering various contracts related to the said matter.

Executives

As of 31 December 2021, The Company has 5 Executives, namely are as follows;

- | | | | |
|----|--------------|-----------------|--|
| 1. | Mr.Verawat | Ongvasith | Chief Executive Officer and Acting Vice President of Property Development |
| 2. | Mrs.Tosaporn | Angsuwarangsi | Chief Financial Officer |
| 3. | Mr.Surasak | Wongkiatthavorn | Executive Vice President of Hotel Operations |
| 4. | Ms.Ladda | Somsiripornchai | Senior Vice President Accounting |
| 5. | Mr.Varut | Tantiphipop | Vice President Corporate Finance, Investor Relations and Company Secretary |

Company Secretary

The Board of Directors approved Mr.Varut Tantiphipop as a Corporate Secretary since 16 October 2020. To perform the duties and responsibilities as follows:

1. To provide preliminary information and advices to the Board and executives in regard to the compliance with business-related laws, regulations, and company's rules and ensure the concise and effective compliance, as well as report the change of the laws that might have significant impacts on the Board and executives.
2. To follow and oversee the disclosure of report and information regarding practices, announcements, and regulations of The Stock Exchange of Thailand, Securities and Exchange Commission, and Capital Market Supervisory Board.
3. To conclude the report of the Securities Holding and the change of Securities Holding of Directors, Managers, Executives and their spouses/partners, underage offspring or adopted child, the Juristic Persons that Directors, Managers, Executives and their spouses/partners and the minors which their holdings are over 30% of the total vote of that the Juristic Persons in the Board meeting that is head every 6 months.
4. To follow and oversee the shareholders' meetings and the Board of Directors' Meeting to be align with the laws and company's rules and practice, as well as follow the implementation of the agreement in shareholders' meeting and in the Board of Directors' Meeting.
5. To Prepare and maintain important documents as follows;
 - a. A register of directors
 - b. A register of shareholders
 - c. Notice of the Board of Directors' Meeting, Minutes of the Board of Directors' Meeting and sub-committee meeting
 - d. Notice of the shareholders' meeting and minutes of the shareholders' meeting
 - e. Company's annual report
6. To keep the conflict-of-interest report and the Certificate of Independent authorized by the Board or executives.

7. To create knowledge and understanding about the guidelines and drive the effective management of the company.
8. Oversee the activities of the Board of Directors and any other procedure to be align with the laws and/or the announcement of Capital Market Supervisory Board and/or as being assigned by the Board of Directors.

Remuneration of Directors and Executives

The company has stipulated the remuneration policy to be fair, transparent, and in line with the job responsibility. The remuneration has been considered by Remuneration and Nomination Committee with the respect of company's benefit. The detail are as follows:

Monetary Remuneration

The 2021 Annual General Meeting of Shareholders on 21 April 2021 approved the annual rate of remuneration for directors of year 2021, which specified the directors and sub-committees shall receive the remuneration within Baht 3 million. The details are as follows;

Positions	Remuneration (Baht per Year)		
	2019	2020	2021
Chairman of the Board of Director	420,000	420,000	420,000
Vice-Chairman of the Board of Director	210,000	210,000	210,000
Director	210,000	210,000	210,000
Chairman of the Audit Committee	150,000	150,000	150,000
Member of the Audit Committee	90,000	90,000	90,000
Other Sub Committee	-None-	-None-	-None-

The details of the remuneration for each director in the year 2021 are as follows:

Name of Directors			Positions	2020 (THB)	2021 (THB)
1.	Mr.Chai	Jroongthanapibarn	Chairman / Independent Director	315,000	420,000
2.	Mr.Verawat	Ongvasith	Vice Chairman	157,500	210,000
3.	Mr.Paiboon	Kujareevanich	Chairman of Audit Committee / Independent Director	75,484	360,000
4.	Assoc.Prof.Siriporn	Maneeapan	Audit Committee / Independent Director	132,661	300,000
5.	Mr.Trairak	Tengtrairat	Audit Committee / Independent Director	225,000	300,000
6.	Mrs.Tosaporn	Angsuwarangsi	Director	157,500	210,000
7.	Mrs.Napasorn	Soonthornmanokul	Director	157,500	210,000
8.	Mr.Surasak	Wongkiatthavorn	Director	157,500	210,000
9.	Mr.Kittisak	Sopchokchai	Director	157,500	210,000
10.	Mr.Siriwat	Vongjarukorn	Director	157,500	210,000
Total				1,965,484	2,640,000

Remuneration of Executives

The Nomination and Remuneration Committee has guidelines for evaluating the performance of the executives by assigning the Chief Executive Officer to consider and approve the appropriateness of determining the remuneration individually and comparing remuneration in the same position and industry with short-term benefits to adjust the salary rate, annual bonus and other benefits, and long-term benefits include provident fund.

In 2021, the Company paid remuneration for executives comprising of salary, bonus, provident fund, and social security worth totaling Baht 12.32 million

Remuneration	2019		2020		2021	
	Persons	THB	Persons	THB	Persons	THB
Executives	6	21,264,200	5	16,660,781	5	12,318,545

Other Remuneration

The Board and executives have been provided the appropriate benefits following the company's Board executives, and employee benefit regulation approved by the shareholders in 2020. The benefit of food expenses and room expenses for the hotels business of the company and sub-companies which The Board and executives have been received worth totaling Bath 0.17 million.

The succession plans

Company recognizes importance of succession planning for top executives and the President to ensure sustainable management. Nomination and Remuneration Committee determines qualifications of the successor to all aspects of management including knowledge management skills and experiences to ensure that the successor has knowledge sufficient ability to officiate. It also sets the potential for good leadership that information is based on assessment of the Stock Exchange of Thailand and applied to the context of company and assigned Human Resources Management to be responsible for project. Starting from the process of selection of external quality institutes and developed a program of qualified executive development that meets the criteria and guidelines which includes the testing and selection process on summary and report format. This will be used to provide information to the Nomination and Remuneration Committee.

Holding the position of the President in another company

The Board takes into account importance on the performance of duties as President to ensure the sufficient time to perform his duties. The Board of Directors has determined the policy for the Managing Director shall not be appointed as a Director in more than 2 other listed companies and must be agreed by the Board of Directors.

In addition, the Managing Director/Chief Executive Officer shall not hold Director Position in other company which has the same nature as and is in competition with the business of the Company unless the Board of Director has agreed. The above regulations are except being Director in subsidiary company.

Personnel and Employee

The Company and subsidiaries have employees (exclude the Executives) as of 31 December 2021, thus;

Categorized by work department as follows:

Departments	Employees
Hotels Operation	670
Food & Beverage Operation	129
Real Estate and Business	8
Business Support (Headquarters)	56
Total	863

The ratio of employees by gender is as follows:

gender	No. of employees	%
male	405	46.93
female	458	53.07
Total	863	100.00

The ratio of employees by age is as follows:

By age	No. of employees	%
20 – 30 years old	290	33.60
31 – 40 years old	335	38.82
41 – 50 years old	195	22.60
More than 51 years old	43	4.98
Total	863	100.00

Rules on Consideration of Remuneration for employees of the Company

The Company has considered establishing format and rule for payment of remuneration and welfare for employees which is consistent with the company's operating results in both short term and long term as follows.

Consideration of Short-Term Remuneration:

- The Company has established the Salary structure and considered from education, knowledge and experience by comparing with other companies in the same industrial sector
- The Company has considered of salary adjustment and bonus payment once a year which is consistent with the company's operating results.
- The company providing welfare services to the employees; Accident Insurance, Health Insurance and arrange annual health check once a year for employee healthy. Other's welfare is allowance for cremation and employee's seminar etc.

Consideration of Long-Term Remuneration:

- Company has a criterion for considering adjustment of staff level on a regular basis, once a year to consider of performance and ability of employees
- The Company has established the Provident Fund for employees to encourage money saving by the employees.

In the year 2020 and 2021, the Company and subsidiaries have provided the remuneration to the employee in forms of salary, overtime pay, addition expenses support, bonus, and other remuneration including provident fund, social security, food expense, work uniforms, and others. Details are as follows;

Remuneration	2020		2021	
	employees	amount (MB)	employees	amount (MB)
Employee	947	321	863	246

The Audit Fee

The Company had proposed to appoint KPMG Phoomchai Audit Ltd. to be the independent auditor of the Company and its subsidiaries for 2021 by considering independence, qualifications, background, the performance of duties, and the efficiency of the auditor's audit; and that they were reliable and had no relationship and/or interests with the Company, subsidiaries, directors, executives, major shareholders, or related persons. Auditor's fee for the company and its subsidiaries in 2021, a total of 9 companies, was 3,220,000 baht in total, comprising quarterly and annual audit fees. However, the audit fee exceeded the limit approved by the resolution of the Annual General Meeting of Shareholders for the year 2021 by 0.02 million baht due to the Company's establishment of Pastry Company Limited as a subsidiary in November 2021.

Comparing of Audit Fee

Audit Fee	2020 (EY)	2021 (KPMG)
Yearly Audit Fee	4,025,000	2,320,000
Quarterly Reviewed Financial Statements	990,000	900,000
Total	5,015,000	3,220,000

The Company's Human Resources Development Policy

The Company commits to operate the business in align with Good Corporate Governance- being transparent, impartial, responsible for the society, culture and environment, as well as to support the capability development of personnel's excellence in all dimension. The Company well realizes the importance of human resource as the most valuable and critical force to drive the organization. By this mean, the Company focuses on cultivating employees to be highly capable, ethnical, honest, to be responsible for organization and society. Beyond that, the Company also encourage the employees to involve in Corporate Social Responsibility, which the Company believe that cultivating of employees to be good and capable will support the sustainable growth of the organization. The Company has concrete plan for employee development in all dimension to support to company to continue business effectively. The details are as follows;

1. Executive development

- 1.1. The Company has implemented Managerial Competency to be implemented as a foundation for the executive's development in regard to their skill, knowledge, and the capacity to accomplish their work.
- 1.2. The Company has organized the training courses and other development programs for Company's executives that suits with their capabilities.
- 1.3. The Company has organized the orientation for new executives who just take the positions to enable them to seamlessly adjust themselves to the new roles, responsibilities, and the new expectation of the given roles.
- 1.4. The Company has continually encouraged the executives to share their experience to other executives and Company's staffs to create a learning atmosphere in the company and lead to organizational development

2. Personnel Management

The Company will nominate, support, and look after the highly capable, ethical employees and encourage them to apply their knowledge and capability effectively and efficiently at work that could enable and support the company to be successful as targeted. To do so, the company has set the following policies as the guidelines for human resource management

- a. Every employee will be treated fairly with respect and dignity like they are the important parts of the Company
- b. The company will conduct a fair recruiting proceed by considering the qualifications, skills, knowledge, capability, and other qualifications that suit with each role. The employees will be appointed to the role that suit with their skillset and could be shifted depending on the appropriateness suggested by the Company.
- c. The company put the importance on effective communication which could enhance the effectiveness and good relations within the organization. Thus, the Company will ensure the employees receive the useful information in the right occasion and will provide information as much as possible.

- d. The Company will consider fair remuneration to the employees, following the nature and type of work and their performances.
- e. The Company will assess employee's performance at least once a year in order to improve the work efficiency and enhance each employee's capability. Also, the company will give suggestions and development plans following the result of the assessment.

3. Human Resource Development

The Company has the policy to develop the capability, skill, knowledge, for the employees continuously in order to support the development of employee's idea, personality, and technique for work as follows;

- a. Training Plan- to stipulate the human resource development plan of each department to enhance employees' knowledge, understanding, that would enable them to work effectively in their given role
- b. External Training- to develop capability, knowledge, ability in accordance with the scope of work. The Company will enable employee to attend the seminars and trainings with external organizations as well as provide the fieldtrips domestically and internationally
- c. In-house Training- to develop the idea, capability, knowledge, ability to perform their work, to be in align with the goal of the Company and with the competitive circumstance at the present time
- d. On the Job Training- to develop employees' skills so that they could work more effectively

In 2021, employees of the Company had training in skills and knowledge to be used in the operation as follows:

No.	Branches / Sub-Company	number of courses	Number of employees to attending	Number of Hrs. Total
1	Head Office	6	20	42
2	Veranda Huahin - Cha Am	5	147	62
3	Veranda Chiang Mai	10	49	20
4	SO/Bangkok	20	327	147
5	Veranda Pattaya	6	150	30
6	Rocky Samui	5	59	24
7	Verso Huahin	3	37	24
8	PDS (Food&Beverage)	8	26	153
Total		63	815	502

4. Talent Workforce and Succession Planning

To create stability, continue proceeding the work to achieve goals, and to avoid the loss that might happen, The Company has prepared the plan of talent workforce to prepare for any circumstance or transformation that might happen. The plans are as follows;

- 4.1 The company has set the rules for the resignation notification of 30 days for employees and 60 days for executive positions so that the company has sufficient time to recruit new positions
- 4.2 The Company has set the competency of the main roles or high-level executives' roles as the guideline for recruiting the right successors who will replace such roles
- 4.3 The Company has set the performance assessment in accordance with the competency of each role and implement that assessment result into Talent workforce plan as the preparation for the future successors.
- 4.4 The company has the successor plans as follows;
 - Organizing internal training for employees to support them to gain more knowledge and capability to perform their work more efficiently, in align with the competency required for the new roles
 - Organizing leadership training courses in various topics to prepare the employees to be a qualified successor for the higher positions

Cooperation of employees in ethics and code of conduct and corporate governance.

The Board has established policies and encourages employees abide by the ethics and The Company's code of ethics, including corporate governance policies by applying the code of ethics and business ethics as part of the new employee orientation course. On the first day of work, employees are given explanations and understanding for implementation. There are still communications to employees about The Company's corporate governance policy continuously with the aim of raising awareness and it is everyone's duty to help each other to keep The Company's operations to be consistent with the intention. In the past year, there were no cases of employees who failed to comply with or violated the ethics and corporate governance policies of The Company.

Investment Policy in Subsidiaries and Associated Companies

The Company has the policy to invest in companies that are in line with the Goals, Vision, and strategic plan for the Company's growth to increase operating results or profits for the Company; or to invest in businesses that provide benefits (Synergy) to the Company to increase the competitiveness of the Company and for the Company to achieve the goal of being a leading entrepreneur in the Company's core business. The Company, its subsidiaries, and/or associated companies may consider investing in other businesses if it is a business that has growth potential, be able to expand the business, or is beneficial to the business of the Company Group, which can generate a good return on investment. For the consideration of the investments of the Company, its subsidiaries, and/or associated companies, the Company will analyze the feasibility, potentiality, and risk factors of the investment with proper investment analysis procedures, which must be endorsed, and/or approved by the Board of Directors' meeting or the shareholders' meeting of the Company (as the case may be). However, the request for investment approval of such subsidiaries and/or associated companies must be in accordance with the relevant Notification of the Capital Market Supervisory Board and the Notification of the Board of Governors of the Stock Exchange of Thailand.

Operational Governance Policy in Subsidiaries and Associated Companies

The Company has established a policy to supervise and manage the business of its subsidiaries and associated companies with the objectives of determining direct and indirect measures and mechanisms for the Company to be able to supervise and manage the business of subsidiaries and associated companies. The policy also includes monitoring to ensure that subsidiaries and associated companies are in compliance with various measures and mechanisms as if they are the Company's own units, and in accordance with the Company's policy, Public Limited Companies Act, Civil and Commercial Law, The Securities and Exchange Act, and related laws as well as notifications, rules and regulations related to the Capital Market Supervisory Board of the Securities and Exchange Commission and the Stock Exchange of Thailand. In this regard, to maintain the benefit of the Company's investment in such subsidiaries and associated companies, the details are as follows:

- 1) The Company will send a person to be a representative of the Company to become a director in each subsidiary and/or an associated company according to the shareholding proportion in each company to supervise subsidiary and/or associated company to operate under the law, Good Corporate Governance Policy, and other policies of the Company. However, the representative of the Company to be a director in each subsidiary and/or associated company must be considered and approved by the Board of Directors' meeting and taking into account the suitability of each company.
- 2) In case of entry into transactions or any action of subsidiaries that are considered or are the acquisition or disposal of assets according to the notifications of the acquisition or disposal of assets, or related party transactions according to the notifications of related parties transaction that will result in the Company's responsibility to seek for an approval from the Company's Board of Directors' meeting and/or the shareholders' meeting or from relevant legal authorities before entering into the transaction, subsidiaries will be able to enter

into the transaction or proceed only after they have already been approved by the Company's Board of Directors and/or the shareholders' meeting, and/or related agencies (as the case may be).

In addition, if the entry into transactions or the occurrence of certain events of the subsidiaries will result in the Company's responsibility to disclose information to the Stock Exchange of Thailand in accordance with the prescribed rules and relevant notifications of the Board of Governors of the Stock Exchange of Thailand, the representative directors of the said subsidiaries are obliged to notify the Company's management as soon as they are known that the subsidiaries plan to enter into the transaction or such event occurs.

- 3) The board of directors and executives of each subsidiary and/or associated company will have a significant scope of powers, duties, and responsibilities in accordance with relevant laws, such as disclosing information about the financial status and operating results to the Company by applying, mutatis mutandis, the relevant notifications of the Capital Market Supervisory Board, and the Notifications of the Board of Governors of the Stock Exchange of Thailand. This also includes disclosing and submitting information of interests of oneself and related persons to the Board of Directors for their acknowledgment of the relationship and transactions with the Company, subsidiaries, and/or associated companies in a manner that may cause conflicts of interest and avoid transactions that may cause conflicts of interest.
- 4) The Company will formulate plans and take necessary actions to ensure that its subsidiaries and/or associated companies have disclosed information about their operating results and financial position. The Company will take necessary actions and follow up to ensure that subsidiaries and/or associated companies have adequate and appropriate information disclosure systems and internal control systems for business operations. In addition, the Company will closely monitor the operating results and operations of such subsidiaries and/or associated companies, present the analysis results, and express opinions or recommendations to the Board of Directors and the Board of Directors of subsidiaries or associated companies to be used in consideration of policy-making or improvements to promote continuous development and growth of the subsidiaries' and/or associated companies' businesses

Internal Control

The company's board of directors assigns the audit committee which has 3 independent members to examine the company's internal control and internal audit systems, as well as to justify independency of auditors in compliance with satisfactory quality, sufficiency, and suitability of internal control system, to reduce risks or damages which may occur and to achieve company's goals and objectives.

The company employs Wynn Alliance Ltd whose internal auditing team leader is Mrs. Wimonlak Phanrattanapong an experienced, versatile internal auditor, to inspect company internal controls. She will assist the audit committee to investigate, evaluate the internal control system and overall risks, to write a formal report and to give suggestions from her findings.

The Board of Directors had assessed the internal control system of the Company by asking for information from the management, reviewed and evaluated the sufficiency of the internal control system by referring to the "Internal Control System Sufficiency Evaluation Form" of the Securities and Exchange Commission and had concluded that the Company had adequate internal control covering various aspects. The summary was as following:

1. Organizational and Environmental Controls

- The company requires positive internal control environment. The company's board sets operational business goal clearly and cooperates with management team to plan operational activities of the company and its subsidiaries. Previous organization's operations and goals are reviewed. So are the economic status and risk factors. Vision, strategies, budget planning are also implemented to comply with objectives laid out.
- The company sets an organization chart due to management efficiency, well organized internal controls, and appropriate levels of authorities.
- The company declares codes of ethics in organization's operation to all employees. Honesty and morality shall be in sphere of working. Penalty is applied to violations against ethical requirements. Moreover, the company launches a policy of good governance to create fairness to whom it may concern.

2. Risk Management Control

The company lays out risk management process to control and reduce risks which may occur from internal and external factors by appointing a risk management team consisting of chief executives of each department. They are tasked to manage risks at reasonable levels and to determine suitability for current situation. Regular meetings are held in order to collect, analyze, evaluate risks of organization's operations. Effective measures shall be executed to reduce such risks together with the satisfactory follow-up of those measures.

3. Management Performance Control

The company clearly implements policies and practices to limit authorities and approval authority in cash amount at each level of management. Job descriptions are also clearly stated. Transactions with other companies or individuals are conducted under acceptable rules and conditions of normal trade. Mutual transactions shall be presented to the audit committee for approval before they are being conducted. The approval is approved by nonpartisan persons only and with regard to maximum benefit of the company and shareholders.

4. Information System and Communication Control

The company administers information system to cover operations in both organizational and functioning levels. Systematic development is carried out consistently so that information is correct and updated. Information security and data collection are to be well organized with respect to availability, functioning, and timing for the need of chief executives, and for communicating to people involved fast and effectively.

5. Tracking System Control

The audit committee is tasked to monitor and evaluate the internal controls. The internal auditor is to review and evaluate performance with respect to annual audit plan approved by the audit committee. The audit committee meets chief executives, internal auditors, external auditors concerning internal controls every quarter to hear errors in marking and remedy to overcome in appropriate time. In 2020 according to the formal report from the auditor, the company and its subsidiaries had efficient internal controls; no major risks were uncovered.

INTERCOMPANY TRANSACTIONS

Intercompany transactions with related entities in the year of 2021

Person / Legal Entities which may arise conflicts	Relationship	Types of transactions	Million Baht in 2021	Reasonableness of intercompany transactions
VC Land Company Limited	director / executives / majority shareholders are directors and majority shareholders	Building space rental service	1.31	Rent approximately 396 baht per square meter which is comparable to neighborhood office rent.
Siam Future Development Public Company Limited <i>(Related company until August 29th, 2021 due to the resignation of the company's director of the said company)</i>	directors / executives / majority shareholders are directors in the said company	rent and space service charge	0.75	Transactions are caused by normal business operations which is comparable to neighborhood office rent
Mrs.Wannipa Vongjarukorn	Spouse of the director	Costs of management service	0.52	Transactions are caused by normal business operations with the remuneration and general commercial terms are the same as the Company does with third parties.
Miss Nicha Angsuwarangsi	daughter of director, executive, majority shareholders	Income from the sale of Condominuims	7.50	Discount offer at 20.0 percent is given from the set price. Such rate is abided by welfare policy applicable to directors and executives of the company group
Miss Sirada Soonthornmanokul	daughter of director, shareholder	Income from the sale of Condominuims	6.86	Discount offer at 20.0 percent is given from the set price. Such rate is abided by welfare policy applicable to directors and executives of the company group
Mr. Thitikorn Sopchokchai	Son of Director, Shareholder	Income from the sale of Condominuims	6.39	Discount offer at 20.0 percent is given from the set price. Such rate is abided by welfare policy applicable to directors and executives of the company group



FINANCIAL STATEMENTS

Report of the Board of Directors' Responsibilities in Regard to Financial Statements

The Board of Directors duly recognized their obligations and responsibilities with regard to the financial statements for Veranda Resort Public Company Limited and its subsidiaries. The financial statements were prepared in accordance with Accounting Act, B.E. 2543 (2000) and regulations of the Securities and Exchange Commission on the preparation and presentation of financial report under the Securities and Exchange Act, B.E. 2535 (1992); based on the adoption of appropriate accounting policies on a consistent basis. In addition, the adequate significant information was disclosed in notes to the financial statements. The financial statements were duly audited and reviewed with an unqualified opinion in the auditor's report

The Board of Directors had exercised efforts to promote good corporate governance principle, and to establish risk management and internal control systems to ensure the recording of accounting information was accurate, complete, and sufficient in order to secure the assets of the company, as well as to prevent fraud or significant unusual operations. The Board of Directors had appointed the Audit Committee whose members comprising independent directors to supervise the financial statements and assess the internal control system and internal audit to be efficient and effective. The opinions of the Audit Committee were in the Audit Committee's report contained in the annual report.

Accordingly, the Board of Directors concluded that the internal control system and internal audit of the company could provide confidence that the financial statements of Veranda Resort Public Company Limited and its subsidiaries had shown financial status, performance and cash flow in an accurate and reliable manner.



(Mr. Chai Jroongtanapibarn)
Chairman of the Board of Directors



(Mr. Verawat Ongwasith)
Chief Executive Officer

The Audit Committee Report

The Board of Directors has appointed an audit committee, comprises of 3 independent directors who were qualified and experienced in accounting, finance, law and management, and meet the requirements of the Securities and Exchange Commission and the Stock Exchange of Thailand, namely Mr. Paiboon Kujareevanich as the Chairman of Audit Committee, Mr. Trairak Tengtrirat and Asst Prof. Siriporn Maneepun as the Audit Committee Members.

In 2021, the Audit Committee has held a total of 4 meetings. Each meeting was a meeting with the Company's management staff, internal auditors, and auditors (except for the 1st meeting that it was a meeting with the auditors without the presence of the Company's management) the meeting of each member of the Audit Committee can be summarized as follows:

Audit Committee Member	Position	Number of Meetings
		Attended
1. Mr. Paiboon Kujareevanich	Audit Committee Chairman	4
2. Mr. Trairak Tengtrirat	Audit Committee Member	3
3. Asst.Prof. Siriporn Maneepun	Audit Committee Member	4

The Audit Committee has performed its duties and independently shared opinions within the scope of duties and responsibilities according to the Audit Committee Charter. and the contents may be summarized as follows:

- Financial Report:** The Audit Committee reviewed the quarterly and 2021 financial statements of the Company and its subsidiaries to ensure that the Company had accurate and reliable financial reporting. The Audit Committee provided opinions that such financial statements were prepared in accordance with the Thai Financial Reporting Standards (TFRS) with correct and sufficient disclosure of information, consistent with the auditor's opinion.
- Connected Transactions or Transactions which might give rise to conflicts of interest:** The Audit Committee reviewed the disclosure of intercompany transactions with the companies or related people to ensure that the Company operated its business with reasonableness and normal trade practices for the best interest of the Company. The Audit Committee provided opinions that such connected transactions were disclosed correctly and completely with normal business conditions in accordance with regulations set by the Stock Exchange of Thailand.
- Internal Control System:** The Audit Committee reviewed the adequacy and appropriateness of the Company's internal control system from the report of the internal auditors together with the management every quarter, including follow-up on the outcome of the auditor's review of the Company's internal control and information systems to ensure that the operations of the Company had an adequate internal control system and did not have any significant deficiencies.

4. **Legal Compliance:** The Audit Committee reviewed the Company's operations to comply with the law on securities and exchange, Regulations of the Stock Exchange of Thailand and the Securities and Exchange Commission, and other laws relating to the Company's business. The Audit Committee provided opinions that no significant issues had been found in the areas of non-compliance with relevant laws and regulations.
5. **Consideration for Selection and Nomination of the Auditor and Determination of Remuneration for the Auditor:** The Audit Committee considered the selection and nomination of the auditor by taking into account the auditor's reliability, independence, knowledge, experience and reasonableness of the auditing fee. The Audit Committee proposed the Board of Directors to appoint KPMG Phoomchai Audit Limited as the Company's auditor for 2021.
6. **Risk Management:** The Audit Committee reviewed the adequacy and appropriateness of the risk management from the internal auditor's report and the report of the Risk Management Committee. The Risk Management Committee was responsible for risk assessment, risk probability and impact on business operations, along with finding ways to prevent risks to reduce the potential impacts to an acceptable level. The Audit Committee provided opinions that the Company had a risk management system that was suitable and sufficient for its business conditions and regularly adjusted to suit the current situation.

In summary, the Audit Committee fully performed its duties by applying knowledge, competence, prudence and expressed independent opinions throughout the working period, and adhere to the principle of accuracy and transparency for the equal benefit of all stakeholders.



(Mr.Paiboon Kujareevanich)

Audit Committee Chairman

Veranda Resort Public Company Limited and its Subsidiaries

Financial statements for the year ended
31 December 2021
and
Independent Auditor's Report

Independent Auditor's Report

To the Shareholders of Veranda Resort Public Company Limited

Opinion

I have audited the consolidated and separate financial statements of Veranda Resort Public Company Limited and its subsidiaries (the "Group") and of Veranda Resort Public Company Limited (the "Company"), respectively, which comprise the consolidated and separate statements of financial position as at 31 December 2021, the consolidated and separate statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

In my opinion, the accompanying consolidated and separate financial statements present fairly, in all material respects, the financial position of the Group and the Company, respectively, as at 31 December 2021 and their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards (TFRSs).

Basis for 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 issued by the Federation of Accounting Professions that is relevant to my audit of the consolidated and separate financial statements, and I have fulfilled my other ethical responsibilities in accordance with these requirements. 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 judgment, were of most significance in my audit of the consolidated and separate financial statements of the current period. These matters were 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 these matters.

Valuation of Property, plant and equipment and investment in subsidiaries	
Refer to Notes 4(m) 10 and 12 to the consolidated and separate financial statements.	
The key audit matter	How the matter was addressed in the audit
<p>To respond to the Group and the Company's growth strategy, the Group and the Company have expanded their activities through hotel development and restaurants by investing in property plant and equipment and investment in subsidiaries. Certain hotels and restaurants have not operated in line with initial expectations. These factors are considered as impairment indicator.</p> <p>In the impairment testing, the recoverable amount has been determined by discounted future cash flows for which require management to make judgements on key assumptions. Overall, due to the involvement of high level of judgement, this is key judgemental areas that my audit is concentrated on.</p>	<p>My audit procedures included:</p> <p>Understanding and assessing management's procedures for identify potential impairment, process of impairment testing and determining the recoverable amount.</p> <p>In respect of each hotel and restaurant for which an impairment indicator exists, I obtained the discounted future cash flows, inquired management, tested calculation and evaluated the appropriateness of key assumptions by comparing them against historical data, budget plan of the Group and the Company and external data in the same industry.</p> <p>I have also considered the adequacy of disclosures according to Thai Financial Reporting Standards.</p>

Other Matter

The consolidated and separate financial statements of the Group and the Company for the year ended 31 December 2020 were audited by another auditor who expressed an unmodified opinion on those statements on 24 February 2021 by including emphasis of matters regarding the impact of COVID-19 pandemic and adoption of new accounting policies.

Other Information

Management is 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 those charged with governance and request that the correction be made.

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

Management is responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with TFRSs, and for such internal control as management determines 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, management is 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 management either intends to liquidate the Group and the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible 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 judgment and maintain professional skepticism 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 management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's 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 those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

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

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the 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.

Vilaivan V.

(Vilaivan Pholprasert)
Certified Public Accountant
Registration No. 8420

KPMG Phoomchai Audit Ltd.
Bangkok
25 February 2022

Veranda Resort Public Company Limited and its subsidiaries

Statement of financial position

Assets	Note	Consolidated		Separate	
		financial statements		financial statements	
		31 December		31 December	
		2021	2020	2021	2020
(in Baht)					
Current assets					
Cash and cash equivalents	7	85,737,345	69,832,330	40,439,151	48,239,473
Trade and other receivables	6, 8	42,683,581	32,556,165	29,864,205	18,173,391
Inventories		18,875,952	22,855,771	4,845,398	5,131,044
Real estate development for sale	9, 15	570,992,711	1,052,256,973	558,701,233	1,026,443,590
Advance payment for construction		-	43,729	-	43,729
Cost to obtain contracts		6,218,586	21,299,063	6,091,583	20,172,461
Other current financial assets	6, 23	30,466,347	64,751,455	29,999,547	64,603,968
Other current assets		15,290,284	26,734,741	1,167,270	9,625,518
Total current assets		770,264,806	1,290,330,227	671,108,387	1,192,433,174
Non-current assets					
Restricted deposit at financial institution		260,000	262,291	60,000	62,291
Investments in subsidiaries	10	-	-	1,929,278,982	1,929,278,982
Long-term loans to related parties	6	-	-	162,990,000	80,750,000
Investment property	11, 15	12,500,000	12,500,000	12,500,000	12,500,000
Property, plant and equipment	12, 15	3,493,797,498	3,630,384,267	1,279,436,964	1,329,253,439
Right-of-use assets	12, 15	280,066,207	218,710,140	32,876,928	42,295,529
Goodwill	13	50,069,483	50,069,483	-	-
Intangible assets	14	88,340,831	95,263,384	5,545,567	4,850,065
Deferred tax assets	20	81,159,616	39,180,757	4,903,823	1,814,691
Other non-current financial assets	6	5,815,204	4,838,516	2,416,860	2,411,788
Other non-current assets		13,159,335	12,204,842	7,241,319	4,310,739
Total non-current assets		4,025,168,174	4,063,413,680	3,437,250,443	3,407,527,524
Total assets		4,795,432,980	5,353,743,907	4,108,358,830	4,599,960,698

The accompanying notes form an integral part of the interim financial statements.

Veranda Resort Public Company Limited and its subsidiaries

Statement of financial position

Liabilities and equity	Note	Consolidated		Separate	
		financial statements		financial statements	
		31 December		31 December	
		2021	2020	2021	2020
(in Baht)					
Current liabilities					
Bank overdrafts and short-term borrowings					
from financial institutions	15	602,189,475	489,724,480	552,188,814	452,724,474
Trade and other payables	6	184,912,502	260,916,268	120,619,115	185,382,260
Current portion of long-term borrowings					
from financial institutions	15	588,510,924	606,894,569	131,129,137	498,264,290
Short-term borrowings from related parties	6, 15	-	-	1,000,000	9,500,000
Current portion of leases liabilities	15	24,784,557	22,351,029	8,703,985	9,602,935
Current portion of deferred revenue from					
leasehold rights		-	7,805,320	-	-
Income tax payable		3,699,194	2,068,330	3,699,194	2,068,330
Advance received from customers	6, 18	172,184,954	341,806,178	130,817,889	306,126,417
Other current liabilities		6,533,556	6,063,326	4,482,216	3,692,121
Total current liabilities		1,582,815,162	1,737,629,500	952,640,350	1,467,360,827
Non-current liabilities					
Long-term borrowings from					
financial institutions	15	983,204,261	1,308,534,884	444,805,836	437,245,666
Lease liabilities	15	205,618,382	139,714,558	25,684,787	34,388,772
Deferred revenue from leasehold rights		-	500,000	-	-
Deferred tax liabilities	20	51,114,067	57,737,802	-	-
Non-current provisions for employee benefits	16	18,978,085	17,224,033	12,193,193	10,876,807
Other non-current provisions	25	4,904,752	4,904,752	4,904,752	4,904,752
Other non-current financial liabilities		5,669,003	3,615,866	-	-
Other non-current liabilities	6	13,100,991	14,636,686	4,473,989	5,318,877
Total non-current liabilities		1,282,589,541	1,546,868,581	492,062,557	492,734,874
Total liabilities		2,865,404,703	3,284,498,081	1,444,702,907	1,960,095,701

The accompanying notes form an integral part of the interim financial statements.

Veranda Resort Public Company Limited and its subsidiaries

Statement of financial position

	Consolidated financial statements		Separate financial statements	
	31 December		31 December	
Liabilities and equity	2021	2020	2021	2020
	(in Baht)			
Equity				
Share capital				
Authorised share capital				
(350,000,000 ordinary shares, par value				
at Baht 5 per share)	<u>1,750,000,000</u>	<u>1,750,000,000</u>	<u>1,750,000,000</u>	<u>1,750,000,000</u>
Issued and paid-up share capital				
(319,681,672 ordinary shares, par value				
at Baht 5 per share)	1,598,408,360	1,598,408,360	1,598,408,360	1,598,408,360
Shares premium on ordinary shares	819,968,299	819,968,299	819,968,299	819,968,299
Share discount on business combination				
under common control	(120,629,995)	(120,629,995)	-	-
Share discount from change in shareholding				
in subsidiaries	(471,467,670)	(471,467,670)	-	-
Retained earnings				
Appropriated				
Legal reserve	17 23,180,000	20,380,000	23,180,000	20,380,000
Unappropriated	<u>80,569,283</u>	<u>222,586,832</u>	<u>222,099,264</u>	<u>201,108,338</u>
Total equity	<u>1,930,028,277</u>	<u>2,069,245,826</u>	<u>2,663,655,923</u>	<u>2,639,864,997</u>
 Total liabilities and equity	 <u>4,795,432,980</u>	 <u>5,353,743,907</u>	 <u>4,108,358,830</u>	 <u>4,599,960,698</u>

The accompanying notes form an integral part of the interim financial statements.

Veranda Resort Public Company Limited and its subsidiaries

Statement of comprehensive income

		Consolidated financial statements		Separate financial statements	
		Year ended 31 December		Year ended 31 December	
	Note	2021	2020	2021	2020
		(in Baht)			
Revenue					
Revenue from hotel operations	18	395,038,226	561,612,987	182,027,000	197,438,864
Revenue from management service	6, 18	15,791,388	17,969,861	21,898,673	18,359,418
Revenue from sales of real estate	6, 18	756,439,997	1,260,381,262	742,340,538	1,163,249,212
Revenue from sales of food and beverage	18	103,171,389	133,488,943	7,070,035	7,912,622
Other income	6, 26	37,031,467	29,478,347	21,581,955	28,223,407
Total revenue		1,307,472,467	2,002,931,400	974,918,201	1,415,183,523
Expenses					
Costs of hotel operations	6	433,732,056	518,919,762	146,127,301	138,387,224
Costs of management service	6	9,065,856	10,254,790	2,120,471	2,379,210
Costs of sales of real estate	9	548,426,595	863,022,562	534,779,425	785,026,919
Costs of sales of food and beverage	6	87,912,206	107,637,023	4,771,121	4,813,131
Selling expenses	6	132,345,569	197,099,792	88,369,871	127,594,300
Administrative expenses	6	160,245,783	199,828,892	96,531,860	112,269,875
Total expenses		1,371,728,065	1,896,762,821	872,700,049	1,170,470,659
Profit (loss) from operating activities		(64,255,598)	106,168,579	102,218,152	244,712,864
Finance costs	6	(74,746,094)	(80,602,533)	(32,856,208)	(37,573,242)
Profit (loss) before income tax expense		(139,001,692)	25,566,046	69,361,944	207,139,622
Tax income (expense)	20	31,752,310	(6,893,115)	(13,602,851)	(37,649,542)
Profit (loss) for the year		(107,249,382)	18,672,931	55,759,093	169,490,080
Other comprehensive income					
<i>Items that will not be reclassified to profit or loss</i>					
Gain (loss) on remeasurements of defined benefit plans	16	-	1,641,966	-	(772,112)
Other comprehensive income (expense)					
for the year, net of tax		-	1,641,966	-	(772,112)
Total comprehensive income (expense) for the year		(107,249,382)	20,314,897	55,759,093	168,717,968
Profit (loss) attributable to:					
Owners of parent		(107,249,382)	18,672,931	55,759,093	169,490,080
Total comprehensive income (expense) attributable to:					
Owners of parent		(107,249,382)	20,314,897	55,759,093	168,717,968
Basic earnings (loss) per share (in Baht)	21	(0.34)	0.06	0.17	0.53

The accompanying notes form an integral part of the interim financial statements.

Veranda Resort Public Company Limited and its subsidiaries

Statement of changes in equity

Consolidated financial statements								
		Issued and paid-up share capital	Share premium	Share discount on business combination under common control	Share discount from change in shareholding in subsidiaries <i>(in Baht)</i>	Retained earnings		Total equity
	<i>Note</i>					Legal reserve	Unappropriated	
Year ended 31 December 2020								
Balance at 1 January 2020		1,598,408,360	819,968,299	(120,629,995)	(471,467,670)	11,905,000	242,715,102	2,080,899,096
Transactions with owners, recorded directly in equity								
<i>Distributions to owners</i>								
Dividends	22	-	-	-	-	-	(31,968,167)	(31,968,167)
<i>Total distributions to owners</i>		-	-	-	-	-	(31,968,167)	(31,968,167)
Total transactions with owners, recorded directly in equity		-	-	-	-	-	(31,968,167)	(31,968,167)
Comprehensive income for the year								
Profit for the year		-	-	-	-	-	18,672,931	18,672,931
Other comprehensive income		-	-	-	-	-	1,641,966	1,641,966
Total comprehensive income for the year		-	-	-	-	-	20,314,897	20,314,897
Transfer to legal reserve	17	-	-	-	-	8,475,000	(8,475,000)	-
Balance at 31 December 2020		1,598,408,360	819,968,299	(120,629,995)	(471,467,670)	20,380,000	222,586,832	2,069,245,826

The accompanying notes form an integral part of the interim financial statements.

Veranda Resort Public Company Limited and its subsidiaries

Statement of changes in equity

Consolidated financial statements								
		Issued and paid-up share capital	Share premium	Share discount on business combination under common control	Share discount from change in shareholding in subsidiaries <i>(in Baht)</i>	Retained earnings		Total equity
	<i>Note</i>					Legal reserve	Unappropriated	
Year ended 31 December 2021								
Balance at 1 January 2021		1,598,408,360	819,968,299	(120,629,995)	(471,467,670)	20,380,000	222,586,832	2,069,245,826
Transactions with owners, recorded directly in equity								
<i>Distributions to owners</i>								
Dividends	22	-	-	-	-	-	(31,968,167)	(31,968,167)
<i>Total distributions to owners</i>		-	-	-	-	-	(31,968,167)	(31,968,167)
Total transactions with owners, recorded directly in equity		-	-	-	-	-	(31,968,167)	(31,968,167)
Comprehensive expense for the year								
Loss for the year		-	-	-	-	-	(107,249,382)	(107,249,382)
Total comprehensive expense for the year		-	-	-	-	-	(107,249,382)	(107,249,382)
Transfer to legal reserve	17	-	-	-	-	2,800,000	(2,800,000)	-
Balance at 31 December 2021		1,598,408,360	819,968,299	(120,629,995)	(471,467,670)	23,180,000	80,569,283	1,930,028,277

The accompanying notes form an integral part of the interim financial statements.

Veranda Resort Public Company Limited and its subsidiaries

Statement of changes in equity

	Note	Separate financial statements			
		Issued and paid-up share capital	Share premium	Retained earnings	
				Legal reserve (in Baht)	Unappropriated
					Total equity
Year ended 31 December 2020					
Balance at 1 January 2020		1,598,408,360	819,968,299	11,905,000	72,833,537
Transactions with owners, recorded directly in equity					
<i>Distributions to owners</i>					
Dividends	22	-	-	-	(31,968,167)
<i>Total distributions to owners</i>		-	-	-	(31,968,167)
Total transactions with owners, recorded directly in equity		-	-	-	(31,968,167)
Comprehensive income (expense) for the year					
Profit for the period		-	-	-	169,490,080
Other comprehensive loss		-	-	-	(772,112)
Total comprehensive income for the year		-	-	-	168,717,968
Transfer to legal reserve	17	-	-	8,475,000	(8,475,000)
Balance at 31 December 2020		1,598,408,360	819,968,299	20,380,000	201,108,338

The accompanying notes form an integral part of the interim financial statements.

Veranda Resort Public Company Limited and its subsidiaries

Statement of changes in equity

	Note	Separate financial statements			
		Issued and paid-up share capital	Share premium	Retained earnings	
				Legal reserve (in Baht)	Unappropriated
					Total equity
Year ended 31 December 2021					
Balance at 1 January 2021		1,598,408,360	819,968,299	20,380,000	201,108,338
					2,639,864,997
Transactions with owners, recorded directly in equity					
<i>Distributions to owners</i>					
Dividends	22	-	-	-	(31,968,167)
					(31,968,167)
<i>Total distributions to owners</i>		-	-	-	(31,968,167)
					(31,968,167)
Total transactions with owners, recorded directly in equity		-	-	-	(31,968,167)
					(31,968,167)
Comprehensive income for the year					
Profit for the year		-	-	-	55,759,093
					55,759,093
Total comprehensive income for the year		-	-	-	55,759,093
					55,759,093
Transfer to legal reserve	17	-	-	2,800,000	(2,800,000)
					-
Balance at 31 December 2021		1,598,408,360	819,968,299	23,180,000	222,099,264
					2,663,655,923

The accompanying notes form an integral part of the interim financial statements.

Veranda Resort Public Company Limited and its subsidiaries
Statement of cash flows

	Consolidated		Separate	
	financial statements		financial statements	
	Year ended 31 December		Year ended 31 December	
	2021	2020	2021	2020
	<i>(in Baht)</i>			
<i>Cash flows from operating activities</i>				
Profit (loss) for the year	(107,249,382)	18,672,931	55,759,093	169,490,080
<i>Adjustments to reconcile profit (loss) to cash receipts (payments)</i>				
Tax income	(31,752,310)	6,893,115	13,602,851	37,649,542
Finance costs	74,746,094	80,602,533	32,856,208	37,573,242
Depreciation and amortisation	236,194,353	245,990,791	69,004,936	58,852,218
Provisions	-	4,904,752	-	4,904,752
(Reversal of) allowance for expected credit loss	(31,724)	739,040	(31,724)	484,340
Bad debt	111,819	666,235	-	608,137
(Reversal of) allowance for declining in value of real estate development for sale	(1,727,950)	1,734,320	(454,173)	-
Reversal of loss on inventories devaluation	-	(17,605)	-	-
Difference from reduction of lease payment	863,661	97,659	68,527	114,334
Provisions for employee benefits	2,383,260	2,444,863	1,422,346	614,548
(Gain) loss on change in fair value of financial assets	(127,730)	1,321,925	(127,658)	1,322,694
Loss on disposal of property, plant and equipment	625,076	17,954	412,004	19,029
Loss on write-off property, plant and equipment	3,439,142	2,707,191	458,803	269,019
(Gain) loss on sales of financial assets	(5,384)	793,377	(11,810)	793,376
Loss on non-refundable withholding tax deducted at source	1,516,137	5,643,730	1,351,836	4,486,756
Recognised deferred income to income	(8,305,320)	(7,805,320)	-	-
Interest income	(74,592)	(601,477)	(4,833,097)	(17,298,728)
	<u>170,605,150</u>	<u>364,806,014</u>	<u>169,478,142</u>	<u>299,883,339</u>
<i>Changes in operating assets and liabilities</i>				
Trade and other receivables	(10,207,511)	21,098,959	(9,289,180)	(205,227)
Inventories	3,979,819	(795,182)	285,646	(1,377,697)
Real estate development for sale	539,204,526	470,537,019	525,172,346	391,960,626
Advance payment for construction	43,729	57,938,119	43,729	56,394,152
Cost to obtain contracts	15,080,477	21,448,355	14,080,878	19,592,529
Other current assets	11,444,457	6,159,705	8,458,248	(1,344,819)
Other current financial assets	(466,800)	-	-	-
Other non-current financial assets	(976,688)	(434,877)	(5,072)	101,735
Other non-current assets	(3,336,670)	4,620,201	(4,282,416)	3,963,718
Trade and other payables	(65,270,135)	(119,664,470)	(46,912,320)	(58,215,932)
Advance received from customers	(169,621,224)	(259,929,097)	(175,308,528)	(227,564,608)
Employee benefits paid	(629,208)	(1,072,768)	(105,960)	(652,400)
Other current liabilities	470,230	(30,580,945)	790,095	(4,755,770)
Other non-current financial liabilities	2,053,137	(162,817)	-	-
Other non-current liabilities	(1,535,695)	(3,291,393)	(844,888)	(3,331,123)
Net cash generated from operating	<u>490,837,594</u>	<u>530,676,823</u>	<u>481,560,720</u>	<u>474,448,523</u>
Interest paid	(66,061,287)	(96,867,842)	(37,436,618)	(53,998,572)
Taxes paid	(14,353,380)	(14,650,322)	(15,061,119)	(10,804,100)
Net cash from operating activities	<u>410,422,927</u>	<u>419,158,659</u>	<u>429,062,983</u>	<u>409,645,851</u>

The accompanying notes form an integral part of the interim financial statements.

Veranda Resort Public Company Limited and its subsidiaries
Statement of cash flows

	Note	Consolidated		Separate	
		financial statements		financial statements	
		Year ended 31 December		Year ended 31 December	
		2021	2020	2021	2020
(in Baht)					
Cash flows from investing activities					
Payments for long-term loans to related parties	-	-	(185,740,000)	(152,060,000)	
Proceeds from repayment of long-term loans to related parties	-	-	103,500,000	609,012,777	
Proceeds from sales of financial assets	60,197,708	330,617,622	60,056,575	330,617,622	
Proceeds from distribution to unitholders of financial assets	4,689,605	58,048,270	4,689,605	58,048,270	
Acquisition of financial assets	(30,000,000)	(331,000,000)	(30,000,000)	(331,000,000)	
Cash payment for share subscription of subsidiaries	-	-	-	(446,209,388)	
Acquisition of property, plant and equipment	(136,215,651)	(630,541,111)	(78,970,439)	(578,444,699)	
Acquisition of right-of-use assets	(4,745,411)	(360,000)	-	-	
Acquisition of intangible assets	(1,651,293)	(1,418,483)	(2,000,830)	(970,450)	
Proceeds from sales of property, plant and equipment	293,105	55,399	1,065,623	1,052,112	
Interest received	74,592	421,848	2,463,187	19,881,763	
Net cash used in investing activities	(107,357,345)	(574,176,455)	(124,936,279)	(490,071,993)	
Cash flows from financing activities					
Increase in bank overdraft and short-term borrowings from financial institutions	112,034,890	488,880,189	99,034,234	451,886,110	
Proceeds from borrowings from related parties	-	-	15,000,000	13,000,000	
Repayment of borrowings from related parties	-	-	(23,500,000)	(3,500,000)	
Proceeds from long-term borrowings from financial institutions	48,600,000	399,166,435	31,600,000	323,785,000	
Repayment of long-term borrowings from financial institutions	(392,831,938)	(701,791,274)	(391,548,446)	(670,501,554)	
Payment of lease liabilities	(22,995,352)	(17,659,777)	(10,544,647)	(8,707,253)	
Dividends paid to owners of the Company	(31,968,167)	(31,968,167)	(31,968,167)	(31,968,167)	
Net cash used in financing activities	(287,160,567)	136,627,406	(311,927,026)	73,994,136	
Net increase (decrease) in cash and cash equivalents	15,905,015	(18,390,390)	(7,800,322)	(6,432,006)	
Cash and cash equivalents at 1 January	69,832,330	88,222,720	48,239,473	54,671,479	
Cash and cash equivalents at 31 December	7	85,737,345	69,832,330	40,439,151	48,239,473
Non-cash transactions					
Increase (decrease) in other payables from purchase of assets	(24,127,202)	12,107,809	(23,794,770)	10,564,693	
Finance cost recorded as property, plant and equipment	10,200,084	6,645,524	10,200,084	6,322,203	
Finance cost recorded as real estate development for sale	2,550,021	10,585,167	2,550,021	10,585,167	
Transfer real estate development for sale to property, plant and equipment	763,502	23,106,598	-	22,742,389	
Transfer right-of-use assets to property, plant and equipment	471,703	364,516	252,526	-	
Transfer property, plant and equipment to real estate development for sale	(54,425,795)	-	(54,425,795)	-	
Reduction of lease payments from lessors	7,867,623	6,297,349	1,570,959	1,450,116	

The accompanying notes form an integral part of the interim financial statements.

Veranda Resort Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2021

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Veranda Resort Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2021

These notes form an integral part of the financial statements.

The financial statements issued for Thai statutory and regulatory reporting purposes are prepared in the Thai language. These English language financial statements have been prepared from the Thai language statutory financial statements, and were approved and authorised for issue by the Board of Directors on 25 February 2022.

1. General information

Veranda Resort Public Company Limited, the “Company”, is incorporated in Thailand and was listed on the Stock Exchange of Thailand on 3 May 2019. The Company’s registered office at

- (a) Head office : 555 Rasa Tower, 27th floor, Unit 2701-2704, Phaholyothin Road, Chatuchak Bangkok
- (b) Branch : 737/12 Mung Talay Road, Cha-Am, Cha-Am, Petchaburi
- (c) Branch : 192 Moo 2 Ban Pong, Hang Dong, Chaing Mai
- (d) Branch : 122/211 Nong Kae, Hua Hin , Prachuap Khiri Khan

The Company’s major shareholders during the financial year were Mr.Verawat Ongvasith (26.33% shareholding) and Hangjew Holding Pte. Ltd. (23.43% shareholding) which incorporated in Singapore.

The principal activities of the Company are hotel, real estate development for sale and sale of food and beverages. Details of the Company’s subsidiaries as at 31 December 2021 and 2020 are given in note 10.

2. Basis of preparation of the financial statements

(a) Statement of compliance

The financial statements are prepared in accordance with Thai Financial Reporting Standards (“TFRS”), guidelines promulgated by the Federation of Accounting Professions and applicable rules and regulations of the Thai Securities and Exchange Commission. The financial statements are presented in Thai Baht, which is the Company’s functional currency.

The preparation of financial statements in conformity with TFRS requires management to make judgements, estimates and assumptions that affect the application of the Group’s accounting policies. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

(b) Use of going concern basis of accounting

As at 31 December 2021, the Group and the Company’s current liabilities exceeded its current assets by Baht 813 million and Baht 282 million, respectively (*31 December 2020: Baht 447 million and Baht 275 million, respectively*) and their financial performance for the year ended 31 December 2021, the Group incurred a loss in the consolidated statement of comprehensive income of Baht 107 million. The Group and the Company’s operation was and may continue to be affected by the economic uncertainty resulting from the spread of COVID-19.

Veranda Resort Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2021

The Group and the Company have implemented policies and procedures in order to manage its liquidity risk by reducing budgeted expenditures and sales real estate projects at the Group and the Company's normal business activities. During 2021 and in February 2022, the financial institutions have granted extending loan payment terms for principal and/or interest due in 2021 and 2022. The aforementioned actions by management will enable the Group and the Company to have sufficient liquidity for its business operations and pay off debts when due. The Group and the Company's management is confident that it is appropriate to adopt the going concern basis in the preparation of the financial statements.

3. Change in accounting policy

COVID-19-related rent concessions

From 1 January 2021, the Group has adopted the amendment to TFRS 16 *COVID-19-related rent concessions* which provides an option for lessees not to assess whether eligible COVID-19 related rent concessions are lease modification. The Group has applied the option to all lease contracts

In 2021, the Group and the Company received COVID-19 related rent concessions resulting in a decrease in lease payment for the year ended 31 December 2021, amounting to Baht 7.87 million and Baht 1.57 million, respectively.

4. Significant accounting policies

(a) Basis of consolidation

The consolidated financial statements relate to the Company and its subsidiaries (together referred to as the "Group").

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Intra-group balances and transactions, and any unrealised income or expenses arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

Business combinations

The Group applies the acquisition method when the Group assess that the acquired set of activities and assets include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create output. The acquisition date is the date on which control is transferred to the Group, other than business combinations with entities under common control. Expenses in connection with a business combination are recognised as incurred.

The Group elect to apply a 'concentration test' that permits a simplified assessment of whether an acquired set of activities and assets is an assets rather than a business acquisition when substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets.

Veranda Resort Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2021

Goodwill is measured as the fair value of the consideration transferred less net fair value of the identifiable assets acquired and liabilities assumed. Any gain on bargain purchase is recognised in profit or loss immediately.

Consideration transferred includes assets transferred, liabilities incurred by the Group to the previous owners of the acquiree, any contingent consideration.

Any contingent consideration is measured at fair value at the date of acquisition, and remeasured at fair value at each reporting date. Subsequent changes in the fair value are recognised in profit or loss.

A contingent liability of the acquiree is assumed in a business combination only if such a liability represents a present obligation and arises from a past event, and its fair value can be measured reliably.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group estimates provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date.

Business combination under common control are accounted for using a method similar to the pooling of interest method, by recognising assets and liabilities of the acquired businesses at their carrying amounts in the consolidated financial statements of the ultimate parent company at the transaction date. The difference between the carrying amount of the acquired net assets and the consideration transferred is recognised as surplus or deficit from business combinations under common control in shareholder's equity. The surplus or deficit will be written off upon divestment of the businesses acquired. The results from operations of the acquired businesses will be included in the consolidated financial statements of the acquirer from the beginning of the comparative period or the moment the businesses came under common control, whichever date is later, until control ceases.

(b) *Investments in subsidiaries*

Investments in subsidiaries in the separate financial statements are measured at cost less allowance for impairment losses. Dividend income is recognised in profit or loss on the date on which the Group's right to receive payment is established. If the Company disposes of part of its investment, the deemed cost of the part sold is determined using the weighted average method. Gains and losses on disposal of the investments are recognised in profit or loss.

(c) *Financial instruments*

(c.1) *Classification and measurement*

Financial assets and financial liabilities (except trade and other receivables (see note 4(e))) are initially recognised when the Group becomes a party to the contractual provisions of the instrument, and measured at fair value, taking into account for transaction costs that are directly attributable to its acquisition, except for financial assets and financial liabilities measured at FVTPL, which are initially and subsequently measured at fair value, and any transaction costs that are directly attributable to its acquisition are recognised in profit or loss.

On initial recognition, a financial asset is classified as measured at: amortised cost; fair value through other comprehensive income (FVOCI); or fair value through profit or loss (FVTPL). Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified prospectively from the reclassification date.

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On initial recognition, financial liabilities are classified as measured at amortised cost using the effective interest method. Interest expense, foreign exchange gains and losses and any gain or loss on derecognition are recognised in profit or loss.

Financial assets measured at amortised costs are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by expected credit losses. Interest income, foreign exchange gains and losses, expected credit loss and any gain or loss on derecognition are recognised in profit or loss.

(c.2) Derecognition and Offset

The Group derecognises a financial asset when the contractual rights to receive the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

The difference between the carrying amount extinguished and the consideration received or paid is recognised in profit or loss.

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and the Group intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(c.3) Impairment of financial assets other than trade receivables

The Group recognises allowances for expected credit losses (ECLs) on financial assets measured at amortised cost.

The Group recognises ECLs equal to 12-month ECLs unless there has been a significant increase in credit risk of the financial instrument since initial recognition or credit-impaired financial assets, in which case the loss allowance is measured at an amount equal to lifetime ECLs.

ECLs are a probability-weighted estimate of credit losses based on forward-looking and historical experience. Credit losses are measured as the present value of all cash shortfalls discounted by the effective interest rate of the financial asset.

The Group considers a financial asset to have low credit risk when the Group recognises ECLs for low credit risk financial asset as 12-month ECLs.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 90 days past due, significant deterioration that have a significant adverse effect on the debtor's ability to meet its obligation to the Group.

The Group considers a financial asset to be in default when the financial asset is more than 180 days past due.

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(c.4) Write-off

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering. Subsequent recoveries of an asset that was previously written off, are recognised as a reversal of impairment in profit or loss in the period in which the recovery occurs.

(c.5) Interest

Interest income and expense is recognised in profit or loss using the effective interest method. In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability.

(d) Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits Bank overdrafts that are repayable on demand are a component of financing activities in the statement of cash flows.

(e) Trade and other receivables

A receivable is recognised when the Group has an unconditional right to receive consideration. A receivable is measured at transaction price less allowance for expected credit loss. Bad debts are written off when incurred.

The Company estimates lifetime expected credit losses (ECLs), using a provision matrix to find ECLs rate. This method groups the debtors based on shared credit risk characteristics and past due status, taking into account historical credit loss data, adjusted for factors that are specific to the debtors and an assessment of both current economic conditions and forward-looking general economic conditions at the reporting date.

(f) Inventories

Inventories are measured at the lower of cost and net realisable value. Cost is calculated using the weighted average cost principle. Cost includes direct costs incurred in acquiring the inventories. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs to complete and to make the sale.

(g) Real estate development for sale

Real estate development for sale is real estate that is held with the intention to sell in the ordinary course of business. This real estate is measured at the lower of cost and net realisable value.

The cost of real estate development for sale comprises the cost of land, including acquisition costs, development expenditure, borrowing costs and other related expenditure. Borrowing costs payable on loans funding real estate development projects are capitalised as part of the cost of the property until the completion of development. Cost of real estate development for sale includes an allocation of common area property development expenditure based on saleable area.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs to complete and to make the sale.

When real estate development for sale are sold, the cost of that real estate is recognised as an expense in the period in which the related revenue is recognised.

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(h) *Investment property*

Investment property is consists of land which measured at cost less impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the investment property.

Determined by comparing the proceeds from disposal with the carrying amount of investment property, and are recognised in profit or loss.

(i) *Property, plant and equipment*

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes capitalised borrowing costs and the costs of dismantling and removing the items and restoring the site on which they are located. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Differences between the proceeds from disposal and the carrying amount of property, plant and equipment are recognised in profit or loss.

The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item when the future economic benefits embodied within the part will flow to the Group, and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

Depreciation is calculated on a straight-line basis over the estimated useful lives of each component of an asset and recognised in profit or loss. No depreciation is provided on freehold land and assets under construction.

The estimated useful lives are as follows:

Land improvement	5 - 20 years
Building and building improvements	5 - 40 years
Tools and equipment	5 - 20 years
Furniture and fixtures	5 - 20 years
Vehicles	5 and 10 years

(j) *Goodwill*

Goodwill is measured at cost less impairment losses.

(k) *Intangible assets*

Intangible assets are measured at cost less accumulated amortisation and impairment losses. Subsequent expenditure is capitalised only when it will generate the future economic benefits. Amortisation is calculated on a straight-line basis over the estimated useful lives of intangible assets and recognised in profit or loss.

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The estimated useful lives are as follows:

Software licenses	5 and 10	years
Trademarks	6 and 25	years
Franchise	3 - 20	years

(l) Leases

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

As a lessee

At commencement or on modification of a contract, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices of each component. For the leases of property, the Group has elected not to separate non-lease components and accounted for the lease and non-lease components wholly as a single lease component.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date, except for leases of low-value assets and short-term leases which is recognised as an expense on a straight-line basis over the lease term.

Right-of-use asset is measured at cost, less any accumulated depreciation and impairment loss, and adjusted for any remeasurements of lease liability. The cost of right-of-use asset includes the initial amount of the lease liability adjusted for any prepaid lease payments, plus any initial direct costs incurred. Depreciation is charged to profit or loss on a straight-line method from the commencement date to the end of the lease term.

The lease liability is initially measured at the present value of all lease payments that shall be paid under the lease. The Group uses the Group's incremental borrowing rate to discount the lease payments to the present value. The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a lease modification. When the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero. However, for leases that received COVID-19 related rent concessions and the Group elected not to assess that the rent concessions are lease modification, the impact will be adjusted on lease liabilities.

As a lessor

At inception or on modification of a contract, the Group allocates the consideration in the contract to each component on the basis of their relative standalone selling prices.

At lease inception, the Group considers to classify a lease that transfers substantially all of the risks and rewards incidental to ownership of the underlying asset to lessees as a finance lease. A lease that does not meet this criteria is classified as an operating lease.

The Group recognises lease payments received under operating leases in profit or loss on a straight-line basis over the lease term as part of other income. Initial direct costs incurred in arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income.

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(m) *Impairment of non-financial assets*

The carrying amounts of the Group's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated. For goodwill, the recoverable amount is estimated each year at the same time.

An impairment loss is recognised in profit or loss if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount.

The recoverable amount is the greater of the asset's value in use and fair value less costs to sell. In assessing recoverable amount, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

Impairment losses of assets recognised in prior periods is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss in respect of goodwill is not reversed. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(n) *Employee benefits*

Defined contribution plan

Obligations for contributions to the Group's provident funds are expensed as the related service is provided.

Defined benefit plans

The Group's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods. The defined benefit obligations is discounted to the present value, which performed annually by a qualified actuary using the projected unit credit method.

Remeasurements of the net defined benefit liability, actuarial gain or loss are recognised immediately in OCI. The Group determines the interest expense on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period, taking into account any changes in the net defined benefit liability during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

Termination benefits are expensed at the earlier of when the Group can no longer withdraw the offer of those benefits. If benefits are not expected to be settled wholly within 12 months of the end of the reporting period, then they are discounted.

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

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(o) Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as a finance cost.

(p) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Group has access at that date. The fair value of a liability reflects its non-performance risk.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: inputs for the asset or liability that are based on unobservable input.

If an asset or a liability measured at fair value has a bid price and an ask price, then the Group measures assets and asset positions at a bid price and liabilities and liability positions at an ask price.

The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price – i.e. the fair value of the consideration given or received. If the Group determines that the fair value on initial recognition differs from the transaction price, the financial instrument is initially measured at fair value adjusted for the difference between the fair value on initial recognition and the transaction price and the difference is recognised in profit or loss immediately. However, for the fair value categorised as level 3, such difference is deferred and will be recognised in profit or loss on an appropriate basis over the life of the instrument or until the fair value level is transferred or the transaction is closed out.

(q) Revenue from contracts with customers

Revenue recognition

Revenue is recognised when a customer obtains control of the goods or services in an amount that reflects the consideration to which the Group expects to be entitled, excluding those amounts collected on behalf of third parties, value added tax or other sales taxes and is after deduction of any trade discounts.

Revenue from sales of goods is recognised on the date on which the goods are delivered to the customers.

Revenue for rendering of services is recognised over time. The related costs are recognised in profit or loss when they are incurred.

Revenue from hotel operations

Hotel revenues from room, food and beverages and other services are recognised when the rooms are occupied, food and beverages are sold and the services are rendered.

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Revenue from sale of real estate

Revenue from sale of real estate is recognised when a customer obtains control of the real estate.

Deposits and installments received from customers on real estate sold prior to the date of revenue recognition are presented as advance received from customers in the statement of financial position. Advance received from customers are recognised as revenue when the Group transfers control over the real estate to the customers. For advances that contain a significant financing component interest expense. Interest expense is recognised using the effective interest method.

Contract balances

Contract liabilities which presented as advance received from customers in the statement of financial position are the obligation to transfer goods or services to the customer. The contract liabilities are recognised when the Group receives or has an unconditional right to receive non-refundable consideration from the customer before the Group recognises the related revenue.

Cost to obtain contracts

Cost to obtain contracts are the incremental costs to obtain a contract with a customer. The Group expects to recover these costs.

Cost to obtain contracts are measured at cost less accumulated amortisation and impairment losses. Amortisation is charged to profit or loss on a straight-line basis consistent with the related revenue recognition.

(r) Income tax

Income tax expense for the year comprises current and deferred tax, which is recognised in profit or loss except to the extent that they relate to items recognised directly in equity or in other comprehensive income.

Current tax is recognised in respect of the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss.

The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities, using tax rates enacted or substantively enacted at the reporting date. Current deferred tax assets and liabilities are offset in the separate financial statements.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

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(s) *Earnings per share*

Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period.

(t) *Related parties*

A related party is a person or entity that has direct or indirect control, or has significant influence over the financial and managerial decision-making of the Group; a person or entity that are under common control or under the same significant influence as the Group; or the Group has direct or indirect control or has significant influence over the financial and managerial decision-making of a person or entity.

(u) *Segment reporting*

Segment results that are reported to the Group's the chief operating decision maker include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly primarily the Company's headquarters, head office expenses, and tax assets and liabilities.

5. *Impact of COVID-19 pandemic*

COVID-19 pandemic is still ongoing. The Group's and the Company's operation was and may continue to be affected by the economic uncertainty resulting from the Government's measures to control the spread of COVID-19. Such measures including travel restriction in certain areas since July 2021 resulted in decreasing of hotel occupancy rate which directly affected to revenue from hotel operations.

However, on 1 November 2021, the Government has eased the measures to control the pandemic in many areas. Therefore, domestic travelers are allowed to travel including welcoming foreign tourists from the low risk countries. As a result, the occupancy rate of hotel business has been increased.

Due to high uncertainty of current situation, management could not assess the impact of ongoing COVID-19 pandemic. Nevertheless, management has continuously monitored the situation and take actions to minimise the impact.

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6. Related parties

Relationships with subsidiaries are described in notes 10. Other related parties that the Group had significant transactions with during the year were as follows:

Name of entities	Country of incorporation/ nationality	Nature of relationships
V C Land Co., Ltd.	Thailand	Related company, some common shareholders and directors
Siam Future Development Public Company Limited ⁽¹⁾	Thailand	Related company, common director
Related person	Thailand	Director, executive officer and related person with director and executive officer
Key management personnel	Thailand	Persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of the Company.

⁽¹⁾ Siam Future Development Public Company Limited was the Company's related party until 29 August 2021 as the director of the Company submitted the resignation letter from director position of the aforesaid company.

Significant transactions with related parties	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
Subsidiaries				
Revenue from management service	-	-	15,813	14,817
Interest income	-	-	4,771	16,819
Other income	-	-	4,768	8,242
Costs of hotel operations	-	-	-	400
Selling expenses	-	-	360	3,214
Administrative expenses	-	-	829	2,518
Finance costs	-	-	224	54
Purchase of assets	-	-	1,578	-
Sale of assets	-	-	2,721	1,052
Other related parties				
Costs of sales of food and beverage	1,265	1,900	-	-
Administrative expenses	797	799	-	-
Purchase of assets	-	2,230	-	-
Related persons				
Revenue from sales of real estate	20,752	23,625	20,752	23,625
Costs of management service	523	465	-	-
Directors and key management personnel compensation				
Short-term benefit	14,958	18,528	14,419	17,227
Post-employment benefits	519	498	475	451
Total directors and key management personnel compensation	15,477	19,026	14,894	17,678

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Balances as at 31 December with related parties were as follows:

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
Trade and other receivables				
Subsidiaries	<u>-</u>	<u>-</u>	<u>9,946</u>	<u>3,473</u>
Other current financial assets				
Other related parties	<u>-</u>	<u>408</u>	<u>-</u>	<u>-</u>
Loans to				
Subsidiaries	<u>-</u>	<u>-</u>	<u>162,990</u>	<u>80,750</u>
Other non-current financial assets				
Other related parties	<u>-</u>	<u>437</u>	<u>-</u>	<u>-</u>
Trade and other payables				
Subsidiaries	-	-	11,272	3,856
Directors of the Group	-	1,167	-	1,101
Other related parties	-	700	-	437
Related persons	523	504	-	39
Total	<u>523</u>	<u>2,371</u>	<u>11,272</u>	<u>5,433</u>
Loans from				
Subsidiaries	<u>-</u>	<u>-</u>	<u>1,000</u>	<u>9,500</u>
Advance received from customers				
Related persons	<u>-</u>	<u>6,371</u>	<u>-</u>	<u>6,371</u>
Other non-current liabilities				
Other related parties	<u>-</u>	<u>175</u>	<u>-</u>	<u>-</u>

Significant agreements with related parties

Hotel management agreement

The Company has entered into hotel management agreement with a subsidiary which the Company shall provide management service, hotel operation including marketing and promotion activities. The terms of the agreement is for one year and indefinite extendible. The subsidiary is committed to pay fees at the rates, terms and basis specified in the agreement.

Loan to related party agreements

The Company entered into loan to agreements with subsidiaries in terms of promissory notes which bore interest at stated in promissory. These loans are repayable at call. At 31 December 2021 the Company signed an addendum not to call loan within one year. Therefore, loans to subsidiaries are classified as non-current assets.

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Loan from related party agreements

The Company entered into loan from agreements with subsidiaries in terms of promissory notes which bore interest at stated in promissory. These loans are repayable at call.

7. Cash and cash equivalents

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
Cash on hand	1,981	1,980	655	769
Cash at banks	83,756	67,852	39,784	47,470
Total	85,737	69,832	40,439	48,239

8. Trade and other receivables

	Consolidated financial statements		Separate financial statements	
At 31 December	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
Trade receivables				
Within credit terms	23,117	11,419	11,139	4,242
Overdue:				
Up to 3 months	5,699	4,533	77	245
3 - 6 months	1	50	-	12
6 - 12 months	9	1,923	8	1,288
Over 12 months	1,064	225	608	14
Total	29,890	18,150	11,832	5,801
Less allowance for expected credit loss	(807)	(839)	(524)	(556)
Net	29,083	17,311	11,308	5,245
Interest receivable	-	-	3,656	1,286
Accrued income	96	23	226	134
Other receivables	13,505	15,222	14,674	11,508
Total	42,684	32,556	29,864	18,173

	Consolidated financial statements		Separate financial statements	
<i>Allowance for expected credit loss</i>	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
At 1 January	839	111	556	72
Addition (reversal)	(32)	1,036	(32)	792
Write-off	-	(308)	-	(308)
At 31 December	808	839	524	556

Information of credit risk is disclosed in note 23 (b.1).

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9. Real estate development for sale

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
Real estate under development	283,131	382,263	281,900	379,919
Developed real estates	292,242	676,102	280,721	650,899
Total	575,373	1,058,365	562,621	1,030,818
Less allowance for devaluation	(4,380)	(6,108)	(3,920)	(4,374)
Net	570,993	1,052,257	558,701	1,026,444
Finance costs capitalised in real estate development for sale during the year	2,550	10,585	2,550	10,585
Capitalisation rate (% per annum)	3.52	3.53 - 4.50	3.52	3.53 - 4.50
Cost of real estate development for sale recognised in 'cost of sale of real estate:				
- Cost	550,113	861,289	535,233	785,027
- Write-down to net realisable value	-	1,734	-	-
- Reversal of allowance for devaluation	(1,686)	-	(454)	-
Net	548,427	863,023	534,779	785,027

As at 31 December 2021, the Group and the Company have mortgaged real estate development for sale amounting to Baht 523 million and Baht 523 million, respectively. (2020: Baht 1,014 million and Baht 988 million, respectively) to secure credit facilities received from financial institutions.

As at 31 December 2021, real estate under development of the Group and the Company amounting to Baht 157 million and Baht 157 million, respectively (2020: Baht 97 million and Baht 97 million, respectively) are expected to be completed more than one year after the reporting period.

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10. Investments in subsidiaries

Separate financial statements													
	Type of business	Ownership interest		Paid-up capital		Cost		Impairment		At cost - net		Dividend income for the year	
		2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
		(%)		(in thousand Baht)									
Direct subsidiaries													
Huahin Pool Suite Company Limited	Hotel	99.99	99.99	50,000	50,000	49,999	49,999	-	-	49,999	49,999	-	-
Oak Tree Company Limited	Hotel	99.99	99.99	850,000	850,000	1,069,430	1,069,430	-	-	1,069,430	1,069,430	-	-
Oak Tree Realty Company Limited	Rental properties and human resource outsourcing services	99.99	99.99	5,000	5,000	6,944	6,944	-	-	6,944	6,944	-	-
Veranda Cuisine Company Limited	Sales of food and beverage	99.99	99.99	20,000	20,000	20,000	20,000	(3,368)	(3,368)	16,632	16,632	-	-
The isa Resort Company Limited	Hotel	99.99	99.99	100,000	100,000	377,438	377,438	(11,300)	(11,300)	366,138	366,138	-	-
Veranda Beach Pattaya Company Limited	Hotel and real estate development for sale	99.99	99.99	300,000	300,000	282,642	282,642	-	-	282,642	282,642	-	-
PDS Holding Company Limited	Sales of food and beverage	99.99	99.99	120,000	120,000	137,494	137,494	-	-	137,494	137,494	-	-
Total						1,943,947	1,943,947	(14,668)	(14,668)	1,929,279	1,929,279	-	-
Indirect subsidiary													
Veranda Pastry Company Limited	Sales of food and beverage	99.99	-	5,000	-	-	-	-	-	-	-	-	-
						-	-	-	-	-	-	-	-

Veranda Resort Public Company Limited and its Subsidiaries
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Direct subsidiaries

All subsidiaries were incorporated and operate in Thailand.

<i>Material movement for the year ended 31 December</i>	Separate financial statements	
	2021	2020
	<i>(in thousand Baht)</i>	
Increase share capital of Oak Tree Company Limited	-	250,000
Increase share capital of Veranda Cuisine Company Limited	-	15,000
Increase share capital of The isa Resort Company Limited	-	86,000
Increase share capital of PDS Holding Company Limited	-	99,703

Indirect subsidiary

Veranda Pastry Company Limited

At 31 December 2021, Veranda Pastry Company Limited, an indirect subsidiary, has authorised share capital of 50,000 ordinary shares at a par value of Baht 100, totaling Baht 5,000,000 and paid-up share capital of Baht 5,000,000 which is 99.99% holding and paid by Veranda Cuisine Company Limited of Baht 4,999,700.

11. Investment property

<i>Cost and net book value</i>	Consolidated and separate financial statements
	Land
	<i>(in thousand Baht)</i>
As at 1 January 2020	12,500
As at 31 December 2020 and 1 January 2021	12,500
As at 31 December 2021	12,500

As at 31 December 2021, the Company have mortgaged investment property amounting to Baht 12.5 million. (2020: Baht 12.5 million) to secure credit facilities received from financial institutions, as described in Notes 15.

The fair value of investment properties as at 31 December 2021 of Baht 29.3 million (2020: Baht 12.5 million) was determined by using market approach. The fair value of investment property has been categorised as a Level 3 fair value.

Veranda Resort Public Company Limited and its Subsidiaries
Notes to the financial statements
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12. Property, plant and equipment and right-of-use assets

	Consolidated financial statements						Assets under construction and installation	Total
	Land	Land improvements	Buildings and building improvements	Tools and equipment (in thousand Baht)	Furniture and fixtures	Vehicles		
Cost								
At 1 January 2020	776,173	96,704	2,639,908	247,449	896,892	18,896	98,704	4,774,726
Additions	413,260	163	11,794	17,312	6,644	66	193,410	642,649
Transfer from real estate development for sale	952	27	14,325	430	7,372	-	-	23,106
Transfer from right-of use assets	-	-	-	-	-	365	-	365
Capitalised interest	2,765	-	-	-	-	-	3,880	6,645
Transfer	1,121	9,287	168,319	3,865	63,961	-	(246,553)	-
Disposal/write-off	-	-	(3,660)	(1,555)	(2,538)	-	-	(7,753)
At 31 December 2020 and 1 January 2021	1,194,271	106,181	2,830,686	267,501	972,331	19,327	49,441	5,439,738
Additions	33,678	1,734	13,908	12,739	4,105	47	45,877	112,088
Transfer from right-of use assets	-	-	-	-	-	472	-	472
Capitalised interest	-	-	-	-	-	-	10,200	10,200
Transfer	-	341	41,261	936	7,004	-	(49,542)	-
Disposal/write-off	-	(94)	(12,047)	(29,871)	(10,832)	(443)	-	(53,287)
Transfer from (to) real estate development for sale	(54,426)	-	-	-	764	-	-	(53,662)
At 31 December 2021	1,173,523	108,162	2,873,808	251,305	973,372	19,403	55,976	5,455,549

Veranda Resort Public Company Limited and its Subsidiaries
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Consolidated financial statements								
	Land	Land improvements	Buildings and building improvements	Tools and equipment (in thousand Baht)	Furniture and fixtures	Vehicles	Assets under construction and installation	Total
Depreciation								
At 1 January 2020	-	30,655	940,043	168,768	446,881	15,777	-	1,602,124
Depreciation charge for the year	-	5,868	107,499	31,488	66,426	1,190	-	212,471
Disposal/write-off	-	-	(1,303)	(1,388)	(2,550)	-	-	(5,241)
At 31 December 2020 and 1 January 2021	-	36,523	1,046,239	198,868	510,757	16,967	-	1,809,354
Depreciation charge for the year	-	6,778	113,450	24,702	54,757	1,341	-	201,028
Disposal/write-off	-	(94)	(8,581)	(28,998)	(10,514)	(443)	-	(48,630)
At 31 December 2021	-	43,207	1,151,108	194,572	555,000	17,865	-	1,961,752
Net book value								
At 31 December 2020	<u>1,194,271</u>	<u>69,658</u>	<u>1,784,447</u>	<u>68,633</u>	<u>461,574</u>	<u>2,360</u>	<u>49,441</u>	<u>3,630,384</u>
At 31 December 2021	<u>1,173,523</u>	<u>64,955</u>	<u>1,722,700</u>	<u>56,733</u>	<u>418,372</u>	<u>1,538</u>	<u>55,976</u>	<u>3,493,797</u>

Veranda Resort Public Company Limited and its Subsidiaries
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	Separate financial statements						Assets under construction and installation	Total
	Land	Land improvements	Buildings and building improvements	Tools and equipment (in thousand Baht)	Furniture and fixtures	Vehicles		
Cost								
At 1 January 2020	273,285	17,752	609,784	68,150	169,933	11,375	96,798	1,247,077
Additions	413,260	57	1,941	7,305	1,491	42	164,913	589,009
Capitalised interest	2,765	-	-	-	-	-	3,557	6,322
Transfer	1,121	9,287	159,598	3,461	63,318	-	(236,785)	-
Transfer from real estate development for sale	952	27	14,325	66	7,372	-	-	22,742
Disposal/write-off	(459)	-	(688)	(100)	(74)	-	-	(1,321)
At 31 December 2020 and 1 January 2021	690,924	27,123	784,960	78,882	242,040	11,417	28,483	1,863,829
Additions	33,677	1,717	827	4,571	748	33	13,603	55,176
Transfer from right-of use assets	-	-	-	-	-	253	-	253
Capitalised interest	-	-	-	-	-	-	10,200	10,200
Transfer	-	342	22,899	724	3,894	-	(27,859)	-
Disposal/write-off	(965)	(94)	(580)	(18,609)	(5,874)	(255)	-	(26,377)
Transfer to real estate development for sale	(54,426)	-	-	-	-	-	-	(54,426)
At 31 December 2021	669,210	29,088	808,106	65,568	240,808	11,448	24,427	1,848,655

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	Separate financial statements						Assets under construction and installation	Total
	Land	Land improvements	Buildings and building improvements	Tools and equipment (in thousand Baht)	Furniture and fixtures	Vehicles		
Depreciation								
At 1 January 2020	-	11,328	309,142	50,108	105,163	10,139	-	485,880
Depreciation charge for the year	-	1,049	25,707	7,206	14,520	464	-	48,946
Disposal/write-off	-	-	(117)	(94)	(39)	-	-	(250)
At 31 December 2020 and 1 January 2021	-	12,377	334,732	57,220	119,644	10,603	-	534,576
Depreciation charge for the year	-	1,961	31,117	7,826	17,521	658	-	59,083
Disposal/write-off	-	(94)	(349)	(17,999)	(5,744)	(255)	-	(24,441)
At 31 December 2021	-	14,244	365,500	47,047	131,421	11,006	-	569,218
Net book value								
At 31 December 2020	<u>690,924</u>	<u>14,746</u>	<u>450,228</u>	<u>21,662</u>	<u>122,396</u>	<u>814</u>	<u>28,483</u>	<u>1,329,253</u>
At 31 December 2021	<u>669,210</u>	<u>14,844</u>	<u>442,606</u>	<u>18,521</u>	<u>109,387</u>	<u>442</u>	<u>24,427</u>	<u>1,279,437</u>

The gross amount of the Group's and the Company's fully depreciated plant and equipment that was still in use as at 31 December 2021 amounted to Baht 470 million and Baht 270 million, respectively (2020: Baht 445 million and Baht 249 million, respectively).

Capitalised borrowing costs related to the hotel under construction for the Group are amounted to Baht 10.2 million and Baht 10.2 million, respectively (2020: Baht 6.6 million and Baht 6.3 million, respectively) with interest rate of 3.52% and 3.52%, respectively (2020: 3.67% and 3.68%, respectively).

The Group and the Company have mortgaged their land, buildings and improvements, with net book values as at 31 December 2021 of Baht 2,884 million and Baht 1,054 million, respectively (2020: Baht 2,885 million and Baht 972 million, respectively), as collateral against credit facilities received from financial institutions (see note 15). In addition, the ownership of buildings and improvements on the leased land of certain agreements will be transferred to the lessors upon the termination of the agreements.

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<i>Right-of-use assets at 31 December</i>	Consolidated		Separate	
	financial statements 2021	financial statements 2020	financial statements 2021	financial statements 2020
		(in thousand Baht)		
Land and land improvements	190,109	148,614	1,569	1,545
Buildings and building improvements	88,578	66,973	30,914	39,345
Equipment	117	271	117	158
Vehicles	1,262	2,852	277	1,248
Total	280,066	218,710	32,877	42,296

In 2021, additions to the right-of-use assets of the Group and the Company were Baht 103.1 million and Baht 0.8 million, respectively (2020: Baht 21.3 million and Baht 1.6 million, respectively).

The Group has mortgaged their right-of-use assets, with net book values as at 31 December 2021 of Baht 115 million (2020: Baht 84 million), as collateral against credit facilities received from financial institutions (see note 15).

The Group leased land, commercial spaces, office building spaces, equipment and vehicles for 2 - 35 years with extension options. The payment terms are payable by monthly at the rates specified in the agreements.

Extension options

The Group has extension options on property leases exercisable up to one year before the end of the contract period. The Group assesses at lease commencement date whether it is reasonably certain to exercise the extension options and will regularly reassess so.

<i>Year ended 31 December</i>	Consolidated		Separate	
	financial statements 2021	financial statements 2020	financial statements 2021	financial statements 2020
		(in thousand Baht)		
<i>Amounts recognised in profit or loss</i>				
COVID-19 related rent concessions	7,868	6,297	1,571	1,450
Depreciation expense of right-of-use assets:				
- Land and land improvements	11,128	10,573	797	67
- Buildings and buildings improvements	14,240	11,419	7,061	7,166
- Equipment	123	235	40	40
- Vehicles	1,119	2,163	719	1,422
Interest on lease liabilities	7,182	6,938	1,455	1,826
Expense relating to short-term leases	4,590	4,053	-	68
Expense relating to leases of low-value assets	1,214	729	571	197
Variable lease payments	1,120	5,609	-	-

In 2021, total cash outflow for leases of the Group and the Company were Baht 30.0 million and Baht 11.1 million, respectively (2020: Baht 28.3 million and Baht 9.8 million, respectively).

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13. Goodwill

	Consolidated financial statements	
	2021	2020
	<i>(in thousand Baht)</i>	
Cost		
At 1 January	63,570	44,950
Acquired through business combinations	-	18,620
At 31 December	63,570	63,570
Impairment losses		
At 1 January	(13,500)	(13,500)
At 31 December	(13,500)	(13,500)
Net book value		
At 31 December	50,070	50,070

Impairment testing for CGUs containing goodwill

For the purposes of impairment testing, goodwill has been allocated to the Group's CGUs as follows.

	Consolidated financial statements	
	2021	2020
	<i>(in thousand Baht)</i>	
The isa Resort Company Limited	31,450	31,450
PDS Holding Company Limited	18,620	18,620
Total	50,070	50,070

The isa Resort Company Limited

The recoverable amount of The isa Resort Company Limited was based on its value in use, measured by discounting the future cash flows to be generated from the continuing operations of The isa Resort Company Limited, and was amounting to Baht 443 million.

The key assumptions used in the estimation of the recoverable amount are set out below. The values assigned to the key assumptions represent management's assessment of future trends in the relevant industries and have been based on historical data from both external and internal sources.

	Consolidated financial statements	
	2021	2020
	<i>(%)</i>	
Discount rate	9.74	7.80
Terminal value growth rate	3	2

The discount rate was a pre-tax measure estimated based on the historical industry average weighted-average cost of capital, with a possible debt leveraging of 62.10% at a market interest rate of 3.58%.

The cash flow projections included specific estimates for five years and a terminal growth rate thereafter. The terminal growth rate was determined based on management's estimate of the long-term compound annual EBITDA growth rate, consistent with the assumptions that a market participant would make.

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Based on the impairment testing, the estimated recoverable amount was estimated to be higher than its carrying amount and no impairment was required to the financial statements for the year ended 31 December 2021.

PDS Holding Company Limited

The recoverable amount of PDS Holding Company Limited was based on its value in use, measured by discounting the future cash flows to be generated from the continuing operations of PDS Holding Company Limited, and was amounting to Baht 145 million.

The key assumptions used in the estimation of the recoverable amount are set out below. The values assigned to the key assumptions represent management's assessment of future trends in the relevant industries and have been based on historical data from both external and internal sources.

<i>Key assumptions used in the estimation of value in use</i>	Consolidated financial statements	
	2021	2020
	(%)	
Discount rate	12.82	12.01

The discount rate was a pre-tax measure estimated based on the historical industry average weighted-average cost of capital, with a possible debt leveraging of 61.05% at a market interest rate of 3.85%.

The cash flow projections included specific estimates for 17 years according to the remaining period of franchise agreement. The growth rate was determined based on management's estimate of the long-term compound annual EBITDA growth rate, consistent with the assumptions that a market participant would make.

Based on the impairment testing, the estimated recoverable amount was estimated to be higher than its carrying amount and no impairment was required to the financial statements for the year ended 31 December 2021.

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14. Intangible assets

	Consolidated financial statements			
	Software licences	Trademarks	Franchise	Total
	<i>(in thousand Baht)</i>			
<i>Cost</i>				
At 1 January 2020	31,518	9,846	19,842	61,206
Additions	1,418	-	67,093	68,511
Disposals	(419)	-	-	(419)
At 31 December 2020 and 1 January 2021	32,517	9,846	86,935	129,298
Additions	1,652	-	-	1,652
Disposals	(990)	-	-	(990)
At 31 December 2021	33,179	9,846	86,935	129,960
<i>Amortisation</i>				
At 1 January 2020	17,660	2,663	4,733	25,056
Amortisation for the year	3,176	445	5,508	9,129
Disposals	(150)	-	-	(150)
At 31 December 2020 and 1 January 2021	20,686	3,108	10,241	34,035
Amortisation for the year	2,999	445	5,112	8,556
Disposals	(972)	-	-	(972)
At 31 December 2021	22,713	3,553	15,353	41,619
<i>Net book value</i>				
At 31 December 2020	11,831	6,738	76,694	95,263
At 31 December 2021	10,466	6,293	71,582	88,341

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	Separate financial statements
	Software licences (in thousand Baht)
<i>Cost</i>	
At 1 January 2020	10,498
Additions	971
Disposals	(420)
At 31 December 2020 and 1 January 2021	11,049
Additions	2,001
Disposals	(744)
At 31 December 2021	12,306
<i>Amortisation</i>	
At 1 January 2020	5,139
Amortisation for the year	1,211
Disposals	(151)
At 31 December 2020 and 1 January 2021	6,199
Amortisation for the year	1,305
Disposals	(744)
At 31 December 2021	6,760
<i>Net book value</i>	
At 31 December 2020	4,850
At 31 December 2021	5,546

15. Interest-bearing liabilities

Consolidated financial statements						
	Secured	2021 Unsecured	Total (in thousand Baht)	Secured	2020 Unsecured	Total
Bank overdrafts	2,189	-	2,189	3,155	-	3,155
Short-term loans from financial institutions	600,000	-	600,000	486,569	-	486,569
Long-term loans from financial institutions	1,570,125	1,590	1,571,715	1,913,720	1,709	1,915,429
Lease liabilities	-	230,403	230,403	-	162,066	162,066
Total interest-bearing liabilities	2,172,314	231,993	2,404,307	2,403,444	163,775	2,567,219
Separate financial statements						
Note	Secured	2021 Unsecured	Total (in thousand Baht)	Secured	2020 Unsecured	Total
Bank overdrafts	2,189	-	2,189	3,155	-	3,155
Short-term loans from						
- financial institutions	550,000	-	550,000	449,569	-	449,569
- related parties	6	1,000	1,000	-	9,500	9,500
Long-term loans from financial institutions	575,935	-	575,935	935,510	-	935,510
Lease liabilities	-	34,389	34,389	-	43,992	43,992
Total interest-bearing liabilities	1,128,124	35,389	1,163,513	1,388,234	53,492	1,441,726

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As at 31 December 2021, the Group has bank overdrafts, short-term loans and long-term loans from financial institutions as follow:

Loan agreement	Type of interest bearing	Approved credit facilities (in million Baht)	Interest rate (% per annum)	Term of payment
Bank overdrafts				
1	Secured	26	MOR	-
2	Secured	5	MOR	Available up to October 2025
3	Secured	5	MOR	-
4	Secured	23	MOR	-
5	Secured	25	MOR	-
6	Secured	5	MOR	Available up to May 2030
Short-term loans from financial institutions				
1	Secured	40	MLR - fixed rate p.a.	As stated in promissory notes
2	Secured	200	MLR - fixed rate p.a.	As stated in promissory notes
3	Secured	300	MLR - fixed rate p.a.	As stated in promissory notes
4	Secured	45	MRR	As stated in promissory notes
5	Secured	40	MMR	As stated in promissory notes
6	Secured	40	MLR - fixed rate p.a.	As stated in promissory notes
7	Secured	40	Fixed rate p.a.	As stated in promissory notes
8	Secured	55	MLR - fixed rate p.a.	As stated in promissory notes
9	Secured	15	Fixed rate p.a.	As stated in promissory notes
Long-term loans from financial institutions				
1	Secured	224	MLR - fixed rate p.a.	Every month commencing from January 2022
2	Secured	140	MLR - fixed rate p.a.	Every month commencing from January 2022
3	Secured	100	MLR - fixed rate p.a.	Every month commencing from January 2022
4	Secured	75	MLR - fixed rate p.a.	Every month commencing from January 2022
5	Secured	20	Fixed rate p.a.	Every month commencing from May 2022
6	Secured	156	MLR - fixed rate p.a.	Every month commencing from July 2023
7	Secured	280	MLR - fixed rate p.a.	Every month commencing from January 2022
8	Secured	30	Fixed rate p.a.	Commencing in September 2023 and March 2024
9	Secured	17	Fixed rate p.a.	Every 6 months commencing from September 2023
10	Secured	550	MLR - fixed rate p.a.	Every month commencing from July 2023
11	Secured	20	Fixed rate p.a.	Every month commencing from May 2022
12	Secured	1,150	MLR - fixed rate p.a.	Every month commencing from January 2023
13	Secured	20	MLR - fixed rate p.a.	Every month commencing from April 2022
14	Unsecured	2	0%	Every month commencing from July 2021

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During the year 2021, the Group and the Company entered into loan agreements with financial institutions which the Group and the Company were granted additional short term credit facilities in form of promissory note to support the Group's and the Company's liquidity and operating expense under soft loan totaling of Baht 55 million and Baht 40 million, respectively. In addition, the Group and the Company have entered into addendums to the loan agreements to expand debt repayment term and reduce interest rates which financial institutions provided the Group and the Company a grace period and reduced interest rates. As a result, the certain loans have been classified as long-term borrowings from financial institutions as of 31 December 2021.

In February 2022, a subsidiary has entered into addendums to the loan agreements to expand debt repayment term which financial institutions provided such subsidiary a grace period.

As at 31 December 2021, the Group and the Company had unutilised credit facilities of totaling Baht 261 million and 189 million, respectively (2020: Baht 331 million and 244 million, respectively).

Under the loan agreements, the Group has to comply with certain covenants and restrictions e.g. maintain interest bearing debt-to-equity ratio and debt service coverage ratio including obtaining of consent letter from the financial institutions before the Company and a subsidiary provide loan facility to their directors, shareholders and related companies and also the Company shall maintain shareholding proportion in the subsidiary as prescribed in the agreement.

In 2021, certain subsidiaries have already received the waiver letters to revoke the restriction of maintenance of certain financial ratios for the year 2021 from the financial institutions.

<i>Assets pledged as security for liabilities as at 31 December</i>	<i>note</i>	Consolidated financial statements		Separate financial statements	
		2021	2020	2021	2020
		<i>(in thousand Baht)</i>			
Real estate development for sale	9	523,357	988,378	523,357	988,378
Investment property	11	12,500	12,500	12,500	12,500
Property, plant and equipment	12	2,884,314	2,885,192	1,053,858	972,082
Right-of-use assets	12	114,737	83,999	-	-
Total		3,534,908	3,970,069	1,589,715	1,972,960

16. Non-current provisions for employee benefits

At 31 December	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
Post-employment benefits	18,978	17,224	12,193	10,877
Total	18,978	17,224	12,193	10,877

Defined benefit plan

The Group and the Company operate a defined benefit plan based on the requirement of Thai Labour Protection Act B.E 2541 (1998) to provide retirement benefits to employees based on pensionable remuneration and length of service. The defined benefit plans expose the Group to actuarial risks, such as longevity risk, currency risk, interest rate risk and market (investment) risk.

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<i>Present value of the defined benefit obligations</i>	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
At 1 January	17,224	17,901	10,877	9,950
<i>Recognised in profit or loss:</i>				
Current service cost	2,134	1,994	1,261	380
Interest on obligation	249	451	161	234
<i>Recognised in other comprehensive income:</i>				
Actuarial gain (loss)				
- Demographic assumptions	-	42	-	95
- Financial assumptions	-	(4,007)	-	(2,176)
- Experience adjustment	-	1,916	-	3,046
Benefit paid	(629)	(1,073)	(106)	(652)
At 31 December	18,978	17,224	12,193	10,877

<i>Principal actuarial assumptions</i>	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
	<i>(%)</i>			
Discount rate	1.49 - 2.22	1.49 - 2.22	1.49	1.49
Future salary growth	2.00	2.00	2.00	2.00
Employee turnover	2.87 - 57.30	2.87 - 57.30	7.16 - 28.65	7.16 - 28.65

Assumptions regarding future mortality have been based on published statistics and mortality tables.

At 31 December 2021, the weighted-average duration of the defined benefit obligation was 11 - 23.4 years (2020: 11 - 23.4 years).

Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

<i>Effect to the defined benefit obligation</i>	Consolidated financial statements			
	1% increase in assumption		1% decrease in assumption	
<i>At 31 December</i>	2021	2020	2021	2020
	<i>(in million Baht)</i>			
Discount rate	(1.6)	(1.5)	1.9	1.8
Future salary growth	1.9	1.7	(1.7)	(1.5)
	20% increase in assumption		20% decrease in assumption	
	2021	2020	2021	2020
	<i>(in million Baht)</i>			
Employee turnover	(3.3)	(2.8)	4.3	3.7

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<i>Effect to the defined benefit obligation At 31 December</i>	Separate financial statements			
	1% increase in assumption		1% decrease in assumption	
	2021	2020	2021	2020
	<i>(in million Baht)</i>			
Discount rate	(0.9)	(0.9)	1.0	1.0
Future salary growth	1.1	0.9	(1.0)	(0.8)
	20% increase in assumption		20% decrease in assumption	
	2021	2020	2021	2020
	<i>(in million Baht)</i>			
Employee turnover	(1.7)	(1.5)	2.2	1.9

17. Legal reserve

Section 116 of the Public Companies Act B.E. 2535 Section 116 requires that a public company shall allocate not less than 5% of its annual net profit, less any accumulated losses brought forward, to a reserve account (“legal reserve”), until this account reaches an amount not less than 10% of the registered authorised capital. The legal reserve is not available for dividend distribution.

18. Segment information and disaggregation of revenue

(a) Segment information

Management determined that the Group has three reportable segments which are the Group’s strategic divisions for different products and services, and are managed separately because they require different technology and marketing strategies. The following summary describes the operations in each of the Group’s reportable segments.

- Segment 1 Hotel
- Segment 2 Real estate development for sale
- Segment 3 Food and beverages

None of other segments meet the quantitative thresholds for determining reportable segments in 2021 or 2020.

Each segment's performance is measured based on segment profit before tax, as included in the internal management reports that are reviewed by the Group’s CODM. Segment profit before tax is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Inter-segment pricing is determined on an arm’s length basis.

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Information about reportable segments

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<i>Year ended 31 December</i>	Hotel		Real estate development for sale		Food and beverages		Others		Total reportable segments		Eliminations		Total	
	2021	2020	2021	2020	2021	2021	2021	2020	2021	2020	2021	2020	2021	2020
	<i>(in million Baht)</i>													
Revenue														
External revenues	395	562	756	1,260	103	134	30	31	1,284	1,987	-	-	1,284	1,987
Inter-segment revenue	-	-	-	-	-	-	16	15	16	15	(16)	(15)	-	-
Total Revenue	395	562	756	1,260	103	134	46	46	1,300	2,002	(16)	(15)	1,284	1,987
Segment profit (loss)	(55)	28	208	397	15	26	37	37	205	488	-	-	205	488
Other income													23	16
Selling expenses													(132)	(197)
Administrative expenses													(160)	(200)
Finance costs													(75)	(81)
Profit (loss) before income													(139)	26
Tax income (expense)													32	(7)
Profit (loss) for the period													(107)	19
Timing of revenue														
At a point in time	146	226	756	1,260	103	134	3	3	1,008	1,623	-	-	1,008	1,623
Over time	249	336	-	-	-	-	43	43	292	379	(16)	(15)	276	364
Total revenue	395	562	756	1,260	103	134	46	46	1,300	2,002	(16)	(15)	1,284	1,987

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(b) Geographical segments

The Group is managed and operates principally in Thailand. There are no material revenues derived from, or assets located in, foreign countries.

(c) Contract Balances

Advance received from customers primarily related to the sale of real estate development for sale which the Group will recognise revenue from sales on the date on which control over the real estate is transferred to customers.

The Group's and the Company's advance received from customers at 31 December 2020 amounted of Baht 208.8 million and Baht 198.4 million, respectively, have been recognised as revenue in 2021 (2020: Baht 309.4 million and Baht 258.1 million, respectively).

(d) Cost to obtain contracts

At 31 December 2021, the Group and the Company have cost to obtain contracts with customers amounted of Baht 6.2 million and Baht 6.1 million, respectively (2020: Baht 21.3 million and Baht 20.2 million, respectively).

(e) Revenue expected to be recognised in the future related to performance obligations that are unsatisfied

At 31 December 2021, the Group and the Company have revenue expected to be recognised in the future arising from performance obligations that are unsatisfied amounted of Baht 284.1 million and Baht 278.2 million, respectively (2020: Baht 1,038.6 million and Baht 1,018.7 million, respectively). The Group and the Company will recognise this revenue when a customer obtain ownership of the real estate, which is expected to occur over the next 12 months (2020: next 12 months).

19. Expenses by nature

	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
Salary and wages and other employee benefits	260,989	327,246	112,697	114,976
Depreciation and amortisation	236,194	245,990	69,005	58,852
Operating lease expenses	8,552	12,352	839	617
Repair and maintenance	11,618	13,647	4,055	4,902
Water supply and electricity	40,932	44,631	16,795	16,039
Supplies expenses	28,872	35,103	9,147	8,643
Consulting fee and other service fee	12,314	15,717	8,013	17,003
Bank charges	5,254	8,804	2,837	3,873
Management fee and franchise fee	4,351	9,695	1,278	4,015
Commission fee	40,824	64,408	28,686	38,218
Selling and marketing expenses	49,636	74,023	42,574	60,438
Cost of food and beverages	72,012	106,809	18,351	19,982
Interest expense for loans	67,421	73,226	31,235	35,504

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20. Income tax

<i>Income tax recognised in profit or loss</i>	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
Current tax expense				
Current year	16,716	14,708	16,692	14,737
Under provided in prior years	134	-	-	-
	<u>16,850</u>	<u>14,708</u>	<u>16,692</u>	<u>14,737</u>
Deferred tax expense				
Movements in temporary differences	(48,602)	(7,815)	(3,089)	22,913
	<u>(48,602)</u>	<u>(7,815)</u>	<u>(3,089)</u>	<u>22,913</u>
Total income tax	<u>(31,752)</u>	<u>6,893</u>	<u>13,603</u>	<u>37,650</u>

Consolidated financial statements						
<i>Income tax</i>	Before tax	2021	Net of tax	2020	Net of tax	
		Tax (expense) benefit		Tax (expense) benefit		
Recognised in other comprehensive income						
Defined benefit plan actuarial gains	-	-	-	2,052	(410)	1,642
Total	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,052</u>	<u>(410)</u>	<u>1,642</u>

Separate financial statements						
<i>Income tax</i>	Before tax	2021	Net of tax	2020	Net of tax	
		Tax (expense) benefit		Tax (expense) benefit		
Recognised in other comprehensive income						
Defined benefit plan actuarial loss	-	-	-	(965)	193	(772)
Total	<u>-</u>	<u>-</u>	<u>-</u>	<u>(965)</u>	<u>193</u>	<u>(772)</u>

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Reconciliation of effective tax rate

	Consolidated financial statements				Separate financial statements			
	2021	2020	2021	2020	2021	2020	2021	2020
	Rate (%)	(in thousand Baht)	Rate (%)	(in thousand Baht)	Rate (%)	(in thousand Baht)	Rate (%)	(in thousand Baht)
Profit (loss) before income tax expense		<u>(139,002)</u>		<u>25,566</u>		<u>69,362</u>		<u>207,140</u>
Income tax using the Thai corporation tax rate	Exempted - 20	(27,655)	Exempted - 20	5,201	20	13,872	20	41,428
Expenses not deductible for tax purposes		668		1,704		547		1,382
Additional deductible expenses		(1,236)		(8,923)		(692)		(5,486)
Recognition of previously unrecognised tax losses		(3,513)		-		-		-
Current year losses for which no deferred tax asset was recognised		(185)		8,664		-		-
Under provided in prior years		134		-		-		-
Others		35		247		(124)		326
Total	23	(31,752)	27	6,893	20	13,603	18	37,650

<i>Deferred tax</i> <i>At 31 December</i>	Consolidated financial statements				Separate financial statements			
	Assets		Liabilities		Assets		Liabilities	
	2021	2020	2021	2020	2021	2020	2021	2020
	(in thousand Baht)							
Total	89,133	47,114	(59,088)	(65,671)	6,281	6,223	(1,377)	(4,408)
Set off of tax	(7,974)	(7,933)	7,974	7,933	(1,377)	(4,408)	1,377	4,408
Net deferred tax assets (liabilities)	81,159	39,181	(51,114)	(57,738)	4,904	1,815	-	-

<i>Deferred tax</i>	Consolidated financial statements			
	(Charged) / Credited to			
	At 1 January	Profit or loss	Other comprehensive income	At 31 December
	(in thousand Baht)			
2021				
<i>Deferred tax assets</i>				
Trade receivables	168	(6)	-	162
Real estate development for sale	1,222	(346)	-	876
Provisions for employee benefits	3,164	632	-	3,796
Lease liabilities	2,482	76	-	2,558
Other payables	1,353	785	-	2,138
Provisions	2,129	(745)	-	1,384
Other non-current liabilities	3,579	138	-	3,717
Loss carry forward	33,017	41,485	-	74,502
Total	47,114	42,019	-	89,133
<i>Deferred tax liabilities</i>				
Other receivables	(16)	(10)	-	(26)
Cost to obtain contracts	(4,260)	3,016	-	(1,244)
Property, plant and equipment	(3,299)	(3,272)	-	(6,571)
Long-term loans from financial institutions	(358)	225	-	(133)
Fair value adjustment of assets from business acquisition	(57,738)	6,624	-	(51,114)
Total	(65,671)	6,583	-	(59,088)

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	Consolidated financial statements (Charged) / Credited to			
	At 1 January	Profit or loss	Other comprehensive income	At 31 December
<i>Deferred tax</i>		<i>(in thousand Baht)</i>		
2020				
<i>Deferred tax assets</i>				
Trade receivables	20	148	-	168
Real estate development for sale	1,214	8	-	1,222
Provisions for employee benefits	3,196	378	(410)	3,164
Lease liabilities	68	2,414	-	2,482
Other payables	1,299	54	-	1,353
Provisions	1,838	291	-	2,129
Other non-current liabilities	3,785	(206)	-	3,579
Acquisitions through business combinations	9,296	(9,296)	-	-
Loss carry forward	31,803	1,214	-	33,017
Total	52,519	(4,995)	(410)	47,114
<i>Deferred tax liabilities</i>				
Other receivables	(14)	(2)	-	(16)
Cost to obtain contracts	(8,549)	4,289	-	(4,260)
Property, plant and equipment	(1,850)	(1,449)	-	(3,299)
Long-term loans from financial institutions	(370)	12	-	(358)
Fair value adjustment of assets from business acquisition	(56,266)	(1,472)	-	(57,738)
Total	(67,049)	1,378	-	(65,671)
		Separate financial statements (Charged) / Credited to		
	At 1 January	Profit or loss	Other comprehensive income	At 31 December
<i>Deferred tax</i>		<i>(in thousand Baht)</i>		
2021				
<i>Deferred tax assets</i>				
Trade receivables	111	(6)	-	105
Real estate development for sale	875	(91)	-	784
Provisions for employee benefits	2,175	263	-	2,438
Lease liabilities	411	(100)	-	311
Other payables	632	323	-	955
Provisions	2,019	(331)	-	1,688
Total	6,223	58	-	6,281
<i>Deferred tax liabilities</i>				
Other receivables	(16)	(10)	-	(26)
Cost to obtain contracts	(4,034)	2,816	-	(1,218)
Long-term loans from financial institutions	(358)	225	-	(133)
Total	(4,408)	3,031	-	(1,377)

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		Separate financial statements (Charged) / Credited to			
	At 1 January	Profit or loss (in thousand Baht)	Other comprehensive income	At 31 December	
<i>Deferred tax</i>					
<i>2020</i>					
<i>Deferred tax assets</i>					
Trade receivables	14	97	-	111	
Real estate development for sale	1,214	(339)	-	875	
Provisions for employee benefits	1,990	(8)	193	2,175	
Lease liabilities	68	343	-	411	
Other payables	647	(15)	-	632	
Provisions	195	1,824	-	2,019	
Other non-current liabilities	286	(286)	-	-	
Loss carry forward	28,358	(28,358)	-	-	
Total	32,772	(26,742)	193	6,223	
<i>Deferred tax liabilities</i>					
Other receivables	(14)	(2)	-	(16)	
Cost to obtain contracts	(7,953)	3,919	-	(4,034)	
Long-term loans from financial institutions	(370)	12	-	(358)	
Total	(8,337)	3,929	-	(4,408)	
<i>Unrecognised deferred tax assets</i>		Consolidated financial statements	Separate financial statements		
		2021	2020	2021	2020
		<i>(in million Baht)</i>			
Tax losses		42,859	57,619	-	-
Total		42,859	57,619	-	-

The tax losses of subsidiaries expire in 2022 - 2026. The deductible temporary differences do not expire under current tax legislation. The Group has not recognised these items as deferred tax assets because it is not probable that the Group will have sufficient future taxable profit to utilise the benefits therefrom.

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21. Earnings (loss) per share

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
<i>Profit (loss) attributable to ordinary shareholders for the year ended 31 December</i>				
Profit (loss) for the year attributable to ordinary shareholders of the Company	<u>(107,249)</u>	<u>18,673</u>	<u>55,759</u>	<u>169,490</u>
Profit (loss) attributable to ordinary shareholders of the Company (basic)	<u>(107,249)</u>	<u>18,673</u>	<u>55,759</u>	<u>169,490</u>
<i>Ordinary shares outstanding</i>				
Weighted average number of ordinary shares outstanding (basic) at 31 December	<u>319,682</u>	<u>319,682</u>	<u>319,682</u>	<u>319,682</u>
Earnings per share (basic) (in Baht)	<u>(0.34)</u>	<u>0.06</u>	<u>0.17</u>	<u>0.53</u>

22. Dividends

	Approval date	Payment schedule	Dividend rate per share (Baht)	Amount (in million Baht)
2021				
Annual dividend 2020	21 April 2021	19 May 2021	0.10	31.97
2020				
Interim dividend 2019	15 April 2020	14 May 2020	0.10	31.97

23. Financial instruments

(a) Carrying amounts and fair values

The following table shows the carrying amounts and fair values of financial assets, including their levels in the fair value hierarchy. It does not include fair value information for financial assets measured at amortised cost if the carrying amount is a reasonable approximation of fair value.

	Consolidated financial statements / Separate financial statements				
	Carrying amount	Fair value			Total
		Level 1	Level 2	Level 3	
	Financial instruments measured at FVTPL	<i>(in million Baht)</i>			
<i>At 31 December 2021</i>					
Other current financial assets					
Investment unit	30	-	30	-	30
<i>At 31 December 2020</i>					
Other current financial assets					
Investment unit	65	-	65	-	65

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The following table presents valuation technique of financial instruments measured at fair value in statement of financial position

Type	Valuation technique
Investments in marketable unit trusts classified as financial assets measured at FVTPL	The net asset value as of the reporting date.

(b) Financial risk management policies

Risk management framework

The Group's board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The board of directors has established the risk management committee, which is responsible for developing and monitoring the Group's risk management policies. The committee reports regularly to the board of directors on its activities.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Group audit committee oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Group audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

(b.1) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers.

(b.1.1) Trade receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry and country in which customers operate.

The risk management committee has established a credit policy under which each new customer is analysed individually for creditworthiness before the Group's commercial terms and conditions are offered. The Group's review sale limits are established for each customer and reviewed yearly. Any sales exceeding those limits require approval from Executive Vice President of hotel operation.

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The Group limits its exposure to credit risk from trade accounts receivables by establishing a maximum payment period of 90 days. Outstanding trade receivables are regularly monitored by the Group. An impairment analysis is performed by the Group at each reporting date. The provision rates of expected credit loss are based on days past due for individual trade receivables/groupings of various customer segments with similar credit risks to reflect differences between economic conditions in the past, current conditions and the Group's view of economic conditions over the expected lives of the receivables.

Information relevant to trade receivables are disclosed in note 8.

(b.1.2) Cash and cash equivalent

The Group's exposure to credit risk arising from cash and cash equivalents is limited because the counterparties are banks and financial institutions which the Group considers to have low credit risk.

(b.2) Liquidity risk

The Group monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's operations and to mitigate the effects of fluctuations in cash flows.

The following table are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted and include contractual interest payments and exclude the impact of netting agreements.

<i>At 31 December</i>	Consolidated financial statements				
	Carrying amount	1 year or less	Contractual cash flows		Total
			More than 1 year but less than 5 years <i>(in thousand Baht)</i>	More than 5 years	
2021					
Bank overdrafts and short-term loans from financial institutions	602,189	602,189	-	-	602,189
Trade and other payables	184,913	184,913	-	-	184,913
Lease liabilities	230,403	25,283	108,380	99,731	233,394
Long-term loans from financial institutions	1,571,715	627,483	740,715	443,165	1,811,363
Other financial liabilities	5,669	-	1,669	4,000	5,669
	<u>2,594,889</u>	<u>1,439,868</u>	<u>850,764</u>	<u>546,896</u>	<u>2,837,528</u>
2020					
Bank overdrafts and short-term loans from financial institutions	489,724	493,278	-	-	493,278
Trade and other payables	260,916	260,916	-	-	260,916
Lease liabilities	162,066	29,106	79,133	112,539	220,778
Long-term loans from financial institutions	1,915,429	665,878	1,131,179	290,280	2,087,337
Other financial liabilities	3,616	1,648	1,968	-	3,616
	<u>2,831,751</u>	<u>1,450,826</u>	<u>1,212,280</u>	<u>402,819</u>	<u>3,065,925</u>

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Separate financial statements					
Contractual cash flows					
<i>At 31 December</i>	Carrying amount	1 year or less	More than 1 year but less than 5 years (in thousand Baht)	More than 5 years	Total
2021					
Bank overdrafts and short-term loans from financial institutions	552,189	552,189	-	-	552,189
Trade and other payables	120,619	120,619	-	-	120,619
Lease liabilities	34,389	10,025	27,249	-	37,274
Long-term loans from financial institutions	575,935	147,601	502,139	-	649,740
	1,283,132	830,434	529,388	-	1,359,822
2020					
Bank overdrafts and short-term loans from financial institutions	452,724	456,100	-	-	456,100
Trade and other payables	185,382	185,382	-	-	185,382
Short-term loans from related parties	9,500	9,500	-	-	9,500
Lease liabilities	43,992	11,328	37,262	-	48,590
Long-term loans from financial institutions	935,510	522,739	388,247	89,092	1,000,078
	1,627,108	1,185,049	425,509	89,092	1,699,650

(b.3) Market risk

(b.3.1) Interest rate risk

Interest rate risk is the risk that future movements in market interest rates will affect the results of the Group's operations and its cash flows because loan interest rates (see note 15) are mainly variable. So the Group is primarily exposed to interest rate risk. The Group mitigates this risk by ensuring that the majority of its borrowings are approximate at market rates.

<i>Exposure to interest rate risk</i> <i>At 31 December</i>	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
	<i>(in million Baht)</i>			
Financial instruments with variable interest rates				
Financial liabilities	(2,123)	(2,373)	(1,128)	(1,389)

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Cash flow sensitivity analysis for variable-rate instruments

A reasonable possible change of 1% in interest rates at the reporting date; this analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

	Consolidated financial statements		Separate financial statements	
	1% increase in interest rate	1% decrease in interest rate	1% increase in interest rate	1% decrease in interest rate
<i>Impact to profit or loss</i>				
<i>2021</i>				
Financial instruments with variable interest rate	21	(21)	11	(11)
The sensitivity of cashflow	<u>21</u>	<u>(21)</u>	<u>11</u>	<u>(11)</u>
<i>2020</i>				
Financial instruments with variable interest rate	24	(24)	14	(14)
The sensitivity of cashflow	<u>24</u>	<u>(24)</u>	<u>14</u>	<u>(14)</u>

24. Capital management

The Board of Directors' policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board regularly monitors the return on capital, by evaluating result from operating activities divided by total shareholders' equity and also monitors the level of dividends to ordinary shareholders.

25. Commitments with non-related parties

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
<i>At 31 December</i>				
	<i>(in million Baht)</i>			
<i>Capital commitments</i>				
Construction of hotel buildings and condominium	40	27	39	27
<i>Future minimum lease payments under non-cancellable operating leases</i>				
Within 1 year	7	12	1	1
1 - 5 years	2	5	-	-
Total	<u>9</u>	<u>17</u>	<u>1</u>	<u>1</u>
<i>Other commitments</i>				
Bank guarantees	8	9	3	3

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Hotel management agreement

A subsidiary has entered into franchise agreements with the Accor Group to operate hotel under SO/ Bangkok brand. Under the terms, a subsidiary is committed to pay fees to Accor Group at the rates, terms and basis specified in the agreement. The term of the franchise agreement is for 27 years from commencement of hotel operation and extendible for a further period of 2 years upon the conditions specified in the agreement.

Franchise agreements

Subsidiaries have entered into franchise agreements with third parties in order to obtain rights to operate food restaurants and beverage. According to the agreements, subsidiaries are committed to pay franchise fees as specified in the agreement. Furthermore, subsidiaries have to pay royalty fees based on a percentage of sales and have to comply with certain terms and conditions as specified in the agreement.

Litigation

During the year 2019, the Company received a letter from the Phetchaburi Administrative Court notifying the Company, as an interpleader, to enter in a legal case between an individual and its parties (“the plaintiff”) and the Director-General of the Department of Lands and 2 other parties (“the defendant”). The Company has purchased many plots of land located in Khao Takiab District, Hua Hin District, Prachuap Khiri Khan. After receiving the ownership of the land, the Company found that the villagers nearby the land, led by the plaintiff, had previously sued the Department of Lands and the Director-General of the Department of Lands as defendant on the grounds that the defendant unlawfully issued land title deeds, blocking a path to access the beach and the defendant moved the pins of land which was a thoroughfare for the villagers. The Prachuap Khiri Khan Provincial Land Office, Hua Hin Branch, in collaboration with the Regional Harbor Office, Prachuap Khiri Khan Branch, and Hua Hin Municipality Office, had inspected the said area and viewed favorably that such land did not block the public beachfront thoroughfare. The plaintiff might be based on a misconception. The Supreme Court had dismissed the case on 1 December 2016.

On 15 July 2020, the Phetchaburi Administrative Court rendered a verdict on the said case to revoke the land title deeds of 4 plots of the Company, only the sections that overlap or overlap the road boundary. The total area of land that may be affected is approximately 53 Square wah and the book value is in the amount of Baht 4.9 million.

On 13 August 2020, the Company filed an appeal against the judgement of the Phetchaburi Administrative Court to the Supreme Administrative Court. The case is still under consideration of the Supreme Administrative Court.

As at 31 December 2021, the Company has already set up provision for loss arising from litigation of Baht 4.9 million (2020: Baht 4.9 million). The management of the Company believes that the provisions made in the accounts are adequate to cover any losses that may arise from this case.

Servitude commitments

As at 31 December 2021, the Group and the Company have servitude over land amounting to 1,482.80 Square wah and 1,264.77 Square wah (2020: approximately 632.50 Square wah and 499.50 Square wah). Cost of servitude over land is included in the Group’s and the Company’s property, plant and equipment.

Veranda Resort Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2021

26. Reclassification of accounts

Some items in the financial statement for the year 2020 have been reclassified to consistent with the classifications of the financial statement for the year 2021 as follow:

	2020					
	Consolidated financial statements			Separate financial statements		
	Before reclass	Reclass	After reclass <i>(in thousand Baht)</i>	Before reclass	Reclass	After reclass
<i>Statement of comprehensive income</i>						
Interest income	601	(601)	-	17,299	(17,299)	-
Other income	28,877	601	29,478	10,924	17,299	28,223
		<u>-</u>			<u>-</u>	



Attachments

Details of Directors, Executives and Controller Person

Full Name/ Position	Age	Academic Qualification/ Professional Certification	Shareholding Percentage	Family Relations	Work Experiences		
					Time Period	Positions	Company
1. Mr.Chai Jroongtanapibarn · Chairman of Board · Independent Director · Chairman of Nomination and Remuneration Committee Former Name -	68	- Bachelor of Accounting, Chulalongkorn University - Master of Accounting, Thammasat University - Certificates of Thai Institute of Directors (IOD) in - Director Certification Program (DCP) Class. 29/2003 - Audit Committee Program (ACP) Class. 4/2005	0.05	-	2017 – Present	Chairman of Board/ Independent Director/ Chairman of Nomination and Remuneration Committee	Veranda Resort Public Company Limited
					<u>Other Companies</u>		
					2007 – Present	Audit Committee/ Independent Director/Risk Management Committee	Siam Food Products PCL.
					2006 – Present	Audit Committee/ Independent Director/ Sustainability and Risk Management Committee	Oishi Group PCL.
					2005 – Present	Chairman of Board / Chairman of Audit Committee / Independent Director	TMT Steel PCL.
					2002 – Present	Chairman of Audit Committee / Independent Director	Major Cineplex Group PCL.
					2000 – Present	Chairman of Audit Committee / Independent Director	Team Precision PCL.

Full Name/ Position	Age	Academic Qualification/ Professional Certification	Shareholding Percentage	Family Relations	Work Experiences		
					Time Period	Positions	Company
2. Mr. Verawat Ongvasith - Vice Chairman of Board - Chairman of Executive - Chief Executive Officer - Acting Vice President of Business and Property Development Department Former Name -	51	- Bachelor of Business Administration (Honours), Chulalongkorn University - Master of Business Administration, Boston University, USA - Certificate of Thai Institute of Directors (IOD) in - Director Accreditation Program (DAP) 22/2004	26.33	- Younger sibling of persons in 6 th and 7 th - Uncle of the person in 12 th	2004 – Present	Vice Chairman of Board/ Chairman of Executive Committee /Chief Executive Officer/ Acting Vice President of Business and Property Development Department	Veranda Resort Public Company Limited
					<u>Subsidiaries</u> 2021 - Present 2019 - Present 2015 – Present 2015 – Present 2013 – Present 2012 – Present 2006– Present	Director Director Director Director Director Director Director	Veranda pastry Co.,Ltd PDS Holding Co.,Ltd Veranda Cuisine Co.,Ltd The Isa Resort Co.,Ltd Veranda Beach Pattaya Co.,Ltd Oak Tree Realty Co.,Ltd Oak Tree Co.,Ltd
					<u>Other Companies</u> 2018 – Present 2018 – Present 2016 – Present 2012 – Present 2010 – Present 2005 – Present 2003 – Present 2001 – Present	Director Director Director Director Director Director Director Director/Executive Director	Hangiew Holding PTE. LTD. Vivat Investment Limited VBK Consultant Co.,Ltd Ajis Thailand Co.,Ltd BLP Holding Co.,Ltd VC Land Co.,Ltd Major Cineplex Group PCL. Subvivat Construction Co.,Ltd

Full Name/ Position	Age	Academic Qualification/ Professional Certification	Shareholding Percentage	Family Relations	Work Experiences		
					Time Period	Positions	Company
3. Mr.Paiboon Kujareevanich - Independent Director - Chairman of Audit Committee - Nomination & Remuneration Committee Former Name -	64	- Bachelor of Accounting, Chulalongkorn University - Master of Business Administration, Thammasat University - Certificate of Thai Institute of Directors (IOD) in - Director Accreditation Program (DAP) class.113/2014 - Effective Minute Taking (EMT) Class. 10/2008 - Company Secretary Program (CSP) class. 159/2019	0.00	-	2020 – Present	Independent Director / Chairman of Audit Committee / Nomination & Remuneration Committee	Veranda Resort Public Company Limited
					<u>Other Companies</u> 22018 – Present	Independent Director / Chairman of Audit Committee	I and I Group PCL.
					2016 – Present	Independent Director / Member of Audit and Risk Management Committee	Chumporn Palm Oil Industry PCL.
					2018 - 2019	Chief Financial Officer	Bangpakok hospital Group Co.,Ltd
					2013 – 2017	Director / Executive Director Risk Management Committee	Carabao Group PCL.
					2006 – 2013	Executive Director / Risk Management Committee / Deputy Managing Director of Finance	Oishi Group PCL.

Full Name/ Position	Age	Academic Qualification/ Professional Certification	Shareholding Percentage	Family Relations	Work Experiences		
					Time Period	Positions	Company
4. Asst.Prof.Siriporn Maneepon - Independent Director - Audit Committee Former Name -	51	<ul style="list-style-type: none"> - Bachelor of Law, Chulalongkorn University - Master of Comparative Jurisprudence, Howard University, U.S.A. - Master of Laws, Temple University, U.S.A. - Barrister-at-Law, the Thai Bar under the Royal Patronage - Certificate of Thai Institute of Directors Association (IOD) in Director Accreditation Program (DAP), Class 27/2004 	0.00	-	2020 – Present	Audit Committee/ Independent Director	Veranda Resort Public Company Limited
					<u>Other Companies</u> 2020 - Present 2020 - Present 2020 – Present 2020 - Present 2010 – Present 2010 – Present 2010 – Present	Director Director Director Director Director Director Director	Chumpon Bay Hills Co.,Ltd Khao Khor Thani Co.,Ltd Hin Rong Khla Thani Co.,Ltd Phu Nam Fah Co.,Ltd Suk Sri Wong Co.,Ltd Dragon Tale Co.,Ltd Nana Hotel Co.,Ltd

Full Name/ Position	Age	Academic Qualification/ Professional Certification	Shareholding Percentage	Family Relations	Work Experiences		
					Time Period	Positions	Company
5. Mr. Trairak Tengtrairat - Audit Committee - Independent Director Former Name -	52	<ul style="list-style-type: none"> - Bachelor of Business Administration in International Marketing, Chulalongkorn University - Master of Business Administration, Seattle University, USA - Certificates of Thai Institute of Directors (IOD) in - Director Accreditation Program (DAP) 109/2014 - Corporate Governance for Capital Market (CGI) 7/2015 - Advanced Audit Committee Program Class (AACP) 15/2014 - Capital Market Academy (CMA) 11/2010 	0.00	-	2017 – Present	Audit Committee/ Independent Director	Veranda Resort Public Company Limited
					<u>Other Companies</u> 2020 – Present 2020 – Present 2019 – Present 2018 – Present 2014 – Present 2014 – Present 2008 – Present	Managing Director Executive Director Director Vice President Director Director Director	Kiatnakin Phatra Securities PCL Kiatnakin Phatra Bank PCL. Kruem Co.,Ltd Kiatnakin Phatra Securities PCL KKP Capital PCL. Kiatnakin Phatra Securities PCL Crystal Football Club

Full Name/ Position	Age	Academic Qualification/ Professional Certification	Shareholding Percentage	Family Relations	Work Experiences		
					Time Period	Positions	Company
6. Mrs. Tosaporn Angsuwarangsi - Director - Executive Director - Chief Finance Officer Former Name Ms.Tosaporn Ongvasith	57	- Bachelor of Accounting, Chulalongkorn University - Master of Accounting and Finance, Clark University, USA - Certificate of Thai Institute of Directors (IOD) in Director Accreditation Program (DAP) 22/2004 - Certificate of Thailand Securities Institute (TSI), the Stock Exchange of Thailand in Strategic CFO in Capital Markets Program 5/2017	3.24	- Older sibling of the person in 2 nd - Younger sibling of the person in 7 th - Aunt of the person in 12 th	2004 – Present	Director / Executive Director / Chief Financial Officer	Veranda Resort Public Company Limited
					<u>Subsidiaries</u> 2021 – Present 2019 – Present 2015 – Present 2015 – Present 2013 – Present 2012 – Present 2006 – Present	Director Director Director Director Director Director Director	Veranda pastry Co.,Ltd PDS Holding Co.,Ltd Veranda Cuisine Co.,Ltd The Isa Resort Co.,Ltd Veranda Beach Pattaya Co.,Ltd Oak Tree Realty Co.,Ltd Oak Tree Co.,Ltd
					<u>Other Companies</u> 2561 – Present 2561 – Present 2555 – Present 2553 – Present 2553 – Present 2538 – Present	Director Director Director Director Director Director	Hangiew Holding PTE. LTD. Vivat Investment Limited 988 Plus Co.,Ltd Verawat incorporation Co.,Ltd BLP Holding Co.,Ltd Subvivat Construction Co.,Ltd

Full Name/ Position	Age	Academic Qualification/ Professional Certification	Shareholding Percentage	Family Relations	Work Experiences		
					Time Period	Positions	Company
7. Mrs.Napasorn Soonthornmanokul - Director - Executive Director Former Name Ms.Napasorn Ongvasith	65	- Diploma in Secretary, YWCA Vocational Training Institute - Certificate of Thai Institute of Directors (IOD) in Director Accreditation Program (DAP) 137/2017	2.53	- Older sibling of persons in 2 nd and 6 th - Aunt of the person in 12 th	2004 – Present	Director / Executive Director / Chief Financial Officer	Veranda Resort Public Company Limited
					<u>Subsidiaries</u> 2021 - Present 2019 - Present 2015 – Present 2015 – Present 2013 – Present 2012 – Present 2006 – Present	Director Director Director Director Director Director Director	Veranda pastry Co.,Ltd PDS Holding Co.,Ltd Veranda Cuisine Co.,Ltd The Isa Resort Co.,Ltd Veranda Beach Pattaya Co.,Ltd Oak Tree Realty Co.,Ltd Oak Tree Co.,Ltd
					<u>Other Companies</u> 2013 – Present 2010 – Present 2005 – Present 2005 – Present 1990 – Present	Director Director Director Director Director	Executive Cinema Corporation Co.,Ltd Verawat incorporation Co.,Ltd BLP Holding Co.,Ltd VC Land Co.,Ltd Subvivat Construction Co.,Ltd

Full Name/ Position	Age	Academic Qualification/ Professional Certification	Shareholding Percentage	Family Relations	Work Experiences		
					Time Period	Positions	Company
8. Mr. Surasak Wongkiattavorn - Director - Executive Director - Deputy Chief Executive Officer of Hotel operations Former Name -	52	- Bachelor of Business Administration, Chulalongkorn University - Certificates of Thai Institute of Directors (IOD) in Director Accreditation Program (DAP) 137/2017 - TLCA Executive Development Program (EDP) Class of Year 2019: Building Regional Leaders	0.05	-	2004 – Present	Director / Executive Director / Deputy Chief Executive Officer of Hotel operations	Veranda Resort Public Company Limited
					<u>Subsidiaries</u> 2015 – Present 2013 – Present	Director Director	The Isa Resort Co.,Ltd Veranda Beach Pattaya Co.,Ltd

Full Name/ Position	Age	Academic Qualification/ Professional Certification	Shareholding Percentage	Family Relations	Work Experiences		
					Time Period	Positions	Company
9. Mr. Kittisak Sopchokchai - Director Former Name -	66	<ul style="list-style-type: none"> - Bachelor of Economics, Thammasat University - Certificate of Thai Institute of Directors (IOD) in - Director Accreditation Program (DAP) 54/2006 	2.46	-	2018 - Present	Director	Veranda Resort Public Company Limited
					<u>Subsidiaries</u> 2008 – Present 2011 – Present	Director Director	Oak Tree Co.,Ltd Oak Tree Realty Co.,Ltd
					<u>Other Companies</u> 2016 – Present 2016 – Present 2015 – Present 2010 – Present 2008 – Present 2006 – Present 2006 – Present 2003 – Present 1996 – Present 1983 – Present 1985 – Present	Director Director Director Director Director Director Director Director / Nomination and Remuneration Committee Director Chairman of The Board Director	Tonkoon Development Co.,Ltd Villanova Khaoyai Co.,Ltd Sureetriboon Development Co.,Ltd TOA Electronics (Thailand) Co.,Ltd Sureetriboon Holding Co.,Ltd KSP Square Co.,Ltd Digit Control Co.,Ltd Advance Information Technology PCL. Audio Engineering Service Co.,Ltd Vichai Trading (1983) Co.,Ltd Sound System Co.,Ltd

Full Name/ Position	Age	Academic Qualification/ Professional Certification	Shareholding Percentage	Family Relations	Work Experiences		
					Time Period	Positions	Company
10. Mr. Siriwat Vongjarukorn - Director - Nomination and Remuneration Committee Former Name -	53	<ul style="list-style-type: none"> - Bachelor of Engineering, Chulalongkorn University - Honorary Doctorate Degree of Science in Information Technology, Sripatum University - Certificates of Thai Institute of Directors (IOD) in - Director Accreditation Program (DAP) 9/2004 - Director Certification Program (DCP) 42/2004 	1.07	-	2017 – Present	Director / Nomination and Remuneration Committee	Veranda Resort Public Company Limited
					<u>Other Companies</u> 2021 - Present 2021 - Present 2021 - Present 2021 - Present 2020 - Present 2017 – Present 2016 – Present 2013 – Present 2011 – Present 2005 – Present 2003 – Present	Director Director Chairman of the Advisory Subcommittee Director Director Director Director Director Director / Chairman of Executives	Omega Grid Co.,Ltd Venture Lab Co.,Ltd Rabbit Digital Group Co.,Ltd National Science Museum Organization I2 Enterprise Co.,Ltd Angstrom Solutions Co.,Ltd Matichon PCL. Promp Now Co.,Ltd M.I.S. Outsourcing Co.,Ltd Pra In FinTech Co.,Ltd MFEC PCL.

Full Name/ Position	Age	Academic Qualification/ Professional Certification	Shareholding Percentage	Family Relations	Work Experiences		
					Time Period	Positions	Company
11. Ms.Ladda Somsiripornchai - Senior Vice President Accounting - Secretary of Audit Committee Former Name -	55	- Bachelor of Accounting, Thammasat University - Master of Business Administration, Thammasat University - Certificates of Continuing Professional Development in - TFRS 1/2019 (Minor Course 301) in TFRS 15, TFRIC 17 - Financial Reporting Standards 3/2019 - TFRS 2/2019 (Minor Course 501) TFRS 16	0.015	-	2016 – Present	Senior Vice President Accounting	Veranda Resort Public Company Limited
					<u>Other companies</u> 2010 – 2016	Central Accounting Senior Director	K.E, Retail Co.,Ltd

Full Name/ Position	Age	Academic Qualification/ Professional Certification	Shareholding Percentage	Family Relations	Work Experiences		
					Time Period	Positions	Company
12. Mr.Varut Tantiphipop - Vice-President Corporate Finance - Investor Relations - Company Secretary Former Name -	36	- Bachelor of Finance, Northern Illinois University	1.33	- Grandchild of Persons in 2 nd , 6 th and 7 th	2015 – Present	Vice-President Corporate Finance / Investor Relations / Company Secretary	Veranda Resort Public Company Limited
					<u>Subsidiaries</u> 2021 - Present 2019 – Present 2016 – Present 2016 – Present 2016 – Present 2015 – Present	Director Director Director Director Director	Veranda Pastry PDS Holding Hua Hin Pool Suite Oak Tree Oak Tree Realty The Isa Resort
					<u>Other Companies</u> 2018 – Present 2018 – Present	Director Director	Hung Jew Holding PTD.LTD Vivat Investment Limited

* Remarks: The calculation of shareholding percentage has been applied to an effective rate as of 31 December 2021

Attachment 2

Details of Directors of subsidiaries

As of 31 December 2021, details are as follows;

Name of Director Subsidiaries	Oak Tree	The ISA Resort	Veranda Beach Pattaya	Veranda Cuisine	Huahin Pool Suite	Oaktree Realty	PDS Holding	Veranda Pastry
1. Mr.Verawat Ongvasith	/	/	/	/		/	/	/
2. Mrs.Tosaporn Angsuwarangsi	/	/	/	/		/	/	/
3. Mr.Kittisak Sopchokchai	/					/		
4. Mrs.Napassorn Soonthornmanokul	/	/	/	/		/	/	/
5. Mrs.Penthipa Ongvasith		/	/		/			
6. Mrs.Pornnapus Ongvasith					/			
7. Mr.Surasak Wongkiatthavorn		/	/					
8. Mrs.Kanittha Ongvasith			/					
9. Mr.Varut Tantiphipop	/	/		/	/	/	/	/
10. Mr.Sakorn Suksriwong	/		/					
11. Mr.Piyalert Baiyok							/	
12. Ms.Paphavarin Chatkul Na Ayuttaya				/			/	/

Remark: / = Director

Attachment 3

Details of the Company's Head of Internal Audit and Head of Compliance

Name: Mrs. Wimollak Punrattanapongs

Position: Head of Internal Audit

Age: 55 years old

Education/Training:

- Master of Business Administration, Major in Corporate Finance, St. Louis University, Missouri, USA
- Bachelor of Business Administration, Major in Accounting, Thammasat University

Work Experience:

2016 - Present	Director, Wynn Alliance Limited
1999 - 2016	Director, CAS Company Limited
1996 - 1999	Director, Accounting Solution Company Limited
1994 - 1996	Managing Director, CAS Company Limited
1989 - 1994	Audit Assistant, SGV-Na Thalang Office Company Limited

Business Assets

Main assets used in business operation

Property, Plant and equipment.

As of 31st December 2021, the Company and its subsidiaries have main fixed assets such as land, land improvements and exterior decorations; buildings and building improvements; tools, appliances and equipment; furniture and fixtures; vehicles and assets under construction with the net book value of 3,493.80 million baht or 72.86 percent of the total assets as in the following details:

Property Types/Characteristics	Proprietary	Net Book Value (million baht)	Obligation
1. Land	The Company / HHP / VBP / ISA / OTR	1,173.52	Mortgage as collateral with a financial institution
2. Land improvements and exterior decorations	The Company / HHP / VBP / OKT / OTR	64.95	Mortgage as collateral with a financial institution
3. Buildings and building improvements	The Company / HHP / VBP / ISA / OTR / VCS / PDS / OKT make a long term lease of 32 years	1,722.70	Mortgage as collateral with a financial institution Mortgage as collateral with a financial institution
4. Tools, appliances, equipment	The Company / HHP / VBP / ISA / OKT / OTR / VCS / PDS / VPT	56.73	None
5. Furniture and fixtures	The Company / HHP / VBP / ISA / OKT / VCS / PDS	418.37	Mortgage as collateral with a financial institution
6. Vehicles	The Company / VBP / ISA / OKT / PDS	1.54	None
7. Assets under construction and installation	The Company / ISA / HHP / VBP	55.99	Mortgage as collateral with a financial institution
Total		<u>3,493.80</u>	

Real Estate Development Costs

As of 31st December 2021, the Company and its subsidiaries had the real estate development costs with the net book value of 1,052.26 million baht or 19.65 percent of the total assets as in the following details:

Project Name	Project Details	Net Book Value (million baht)	Appraisal Price (million baht)				Ownership	Obligation
			Appraisal Price	Appraisal Date	Appraised By	Remark		
1. Veranda High Resident Chiang Mai Project	7 rooms waiting for ownership transfer, in total of 890.32 square meters	35.34	87.70	13 th September 2018	Prospec Appraisal Company Limited	Estimated price including construction cost	The Company	None
2. Veranda Residence Pattaya Project	6 rooms waiting for ownership transfer, in total of 339.08 square meters	12.29	1,159.00	27 th April 2018	Agency for Real Estate Affairs Company Limited	Estimated price including construction cost	VBP	Mortgage as collateral with a financial institution
3. Veranda Residence Hua Hin Project	151 rooms waiting for ownership transfer, in total of 10,145.04 square meters.	366.01	501.80	19 th April 2018	Agency for Real Estate Affairs Company Limited	Estimated price including construction cost	The Company	Mortgage as collateral with a financial institution
4. Veranda Residence Phuket Project	The project is under the design with an area of approximately 3 rai.	157.35	-	-	-	-	The Company	Mortgage as collateral with a financial institution
Total		<u>570.99</u>	<u>1,748.50</u>					

Investment Property

As of 31st December 2021, the Company was the owner of a land with the net book value of 12.50 million baht. The land was adjacent to the Rocky Boutique Resort, with a total area of 4 rai, 1 ngan, 23.6 square wah. The appraised price as of 13th February 2018 by the Agency for Real Estate Affairs Company Limited was 30.16 million baht. The Company had mortgaged such land as collateral with a financial institution.

Right-of-use assets/Leasehold

As of 31st December 2021, the Company and its subsidiaries had a right-to-use assets/leasehold of land, buildings, equipment, and vehicles with the net book value of 280.07 million baht or 5.84 percent of the total assets as in the following details:

Branch/Location	Period of Lease Agreement	Net Book Value (million baht)	Obligation
Land lease in Bang Rak District, Bangkok, totalling 2 rai, 1 ngan, and 37 square wah for the location of the SO Bangkok Hotel.	30 years Ended in 2044	183.76	Mortgage as collateral with a financial institution
Land lease in Na Chom Thian Sub-District, Sattahip District, Chonburi Province, totalling 6 rai, 45 square wah for the location of the Skoop, a parking lot and a recreational area.	3 years Ended in 2022	4.02	None
Land lease in Nong Kae Sub-district, Hua Hin District, Prachuap Khiri Khan Province, totalling 2 rai, 3 ngan, and 11.20 square wah for a parking lot of the Skoop and Verso Hotel Hua Hin.	4 years Ended in 2024	1.57	None
Space lease of 73.92 square meters at Siam Paragon Shopping Centre for the location of the Gram Pancakes.	1-3 years Ended in 2022 and 2024	31.43	None
Land lease with a building at 47/1, Setthasiri Road, Samsen Nai Sub-district, Phayathai District, Bangkok for the location of the Gram Pancakes.	2-3 years. Ended in 2021 and 2022	0.79	None
Space lease of 148 square meters at J Avenue Thonglor for the location of the KOF and the Gram Pancakes.	6 years Ended in 2024 และ 2025	5.07	None
Space lease of 18.75 square meters at the Little Walk Bangna for the location of the Gram Pancakes.	3 years Ended in 2023	0.56	None
Space lease of 147.73 square meters at The Circle Ratchapruek for the location of the Gram Pancakes.	3 years Ended in 2023	2.91	None
Space lease of 48.4 square meters at La Villa for the location of the KOF and Gram Pancakes	3 years Ended in 2024	3.66	None
Space lease of 88 square meters at Krungthep Kreetha Center for the location of the KOF and Gram Pancakes	3 years Ended in 2024	2.23	None
Space lease of 1,389 square meters on the 27th Floor at the Rasa Tower 2 for the location of the office.	3 years Ended in 2022	30.91	None

Branch/Location	Period of Lease Agreement	Net Book Value (million baht)	Obligation
Space lease of 381 square meters at Building No. 178/7, Ratchada Road, Chatuchak District, Bangkok for the location of the office.	3 years Ended in 2022	11.78	None
Equipment leasing for the operations.	4 years Ended in 2023	0.12	None
Vehicle leasing to use in the operations.	4 years Ended in 2023 and 2024	1.26	None
Total		<u>280.07</u>	

Intangible assets

As of 31st December 2021 The Company and its subsidiaries had intangible assets with the net book value of 88.34 million baht or 1.84 percent of the total assets as in the following details:




Trademark / Copy right	Owner	Net Book Value (million baht)	Remark
1. Software	The Company / VBP / OKT / VCS / ISA / PDS	9.53	-
2. Trademarks	OKT / VCS	6.29	-
3. Franchise	VCS / PDS	71.58	-
4. Other intangible assets	The Company	0.94	-
total		<u>88.34</u>	

Trademarks

As of 31st December 2021, The Company and its subsidiaries have owned the trademark 13 items as follows;

Trademarks	Registration No.	owner	Services	Timing	Remark
	181122497	The Company	Real estate development, Condominium for sale and rent Condominium management Construction of condominiums, hotels, health care facilities	8 Jun. 2017 – 7 Jun. 2027	

Trademarks	Registration No.	owner	Services	Timing	Remark
	181122499	The Company	Hotel	21 Jun. 2017 – 20 Jun. 2027	
	191113125	The Company	Hotel	21 Jun. 2017 – 20 Jun. 2027	
	181122498	The Company	Food & Beverage	21 Jun. 2017 – 20 Jun. 2027	
	181124723	The Company	Food & Beverage	28 Jun. 2017 – 27 Jun. 2027	
	191106673	The Company	Food & Beverage	15 Dec.2017 - 14 Dec. 2027	
	Bor55444	OKT	Food & Beverage	14 Dec.2011- 13 Dec. 2021	Renew 28 Nov. 2021
	Bor55445	OKT	Food & Beverage	14 Dec. 2011– 13 Dec. 2021	Renew 28 Nov. 2021
	201124346	ISA	Hotel	27 Mar. 2010 – 26 Mar. 2030	
	171127172	VCS	Food & Beverage	12 Feb. 2016 - 11 Feb. 2026	

Trademarks	Registration No.	owner	Services	Timing	Remark
	191101773	The Company	Food & Beverage	15 Sep. 2020 – 14 Sep. 2030	
	Request No. 210110924	VCS	Food & Beverage	in the process of registering	Registration filing date 23 Mar. 2021
	Request No. 210114227	OKT	Food & Beverage	in the process of registering	Registration filing date 20 Apr. 2021

Note: This trademark is valid for 10 years from the date of registration.

Policy and practice guidelines for corporate governance and code of conduct

Veranda Report Public Company Limited has disclosure full version of the Policies and Practice guidelines for corporate governance and code of conduct on the Company's website. In this regard, shareholders, investors and interested persons You can view the information at https://www.verandaresort.com/ir_index.php. The details are followings;

- Corporate Governance Policy
https://www.verandaresort.com/ir_index.php?corporate_governance
- Anti-Corruption Policy
https://www.verandaresort.com/ir_index.php?anti_corruption
- Risk Management Policy
https://www.verandaresort.com/ir_index.php?risk_management
- Corporate Social Responsibility Policy
https://www.verandaresort.com/ir_index.php?csr
- Charter of the Board of Directors and Sub-Committee
https://www.verandaresort.com/ir_index.php?charter_committee
- Code of Conduct
https://www.verandaresort.com/ir_index.php?ethics



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