



Sustainability is the New Luxury

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GROWTH
WITH OUR CORE
DIRECTIONS

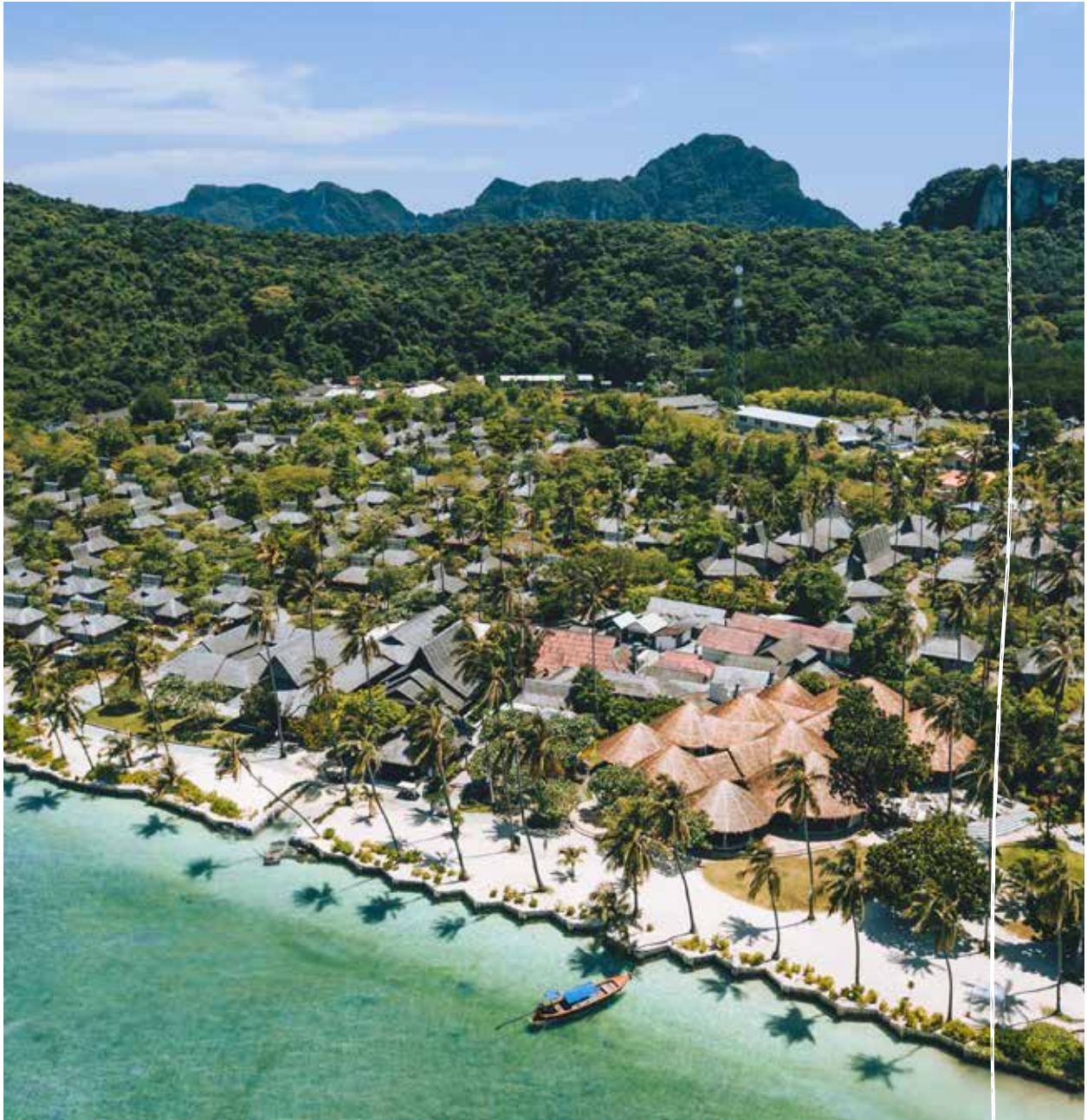
THAI-INSPIRED HOSPITALITY



WELL-KNOWN REGIONAL
BRANDS & GLOBAL BRAND
COLLABORATIONS



LEISURE SEGMENT
AT MOST DESIRED GLOBAL
DESTINATIONS



GEN LIFESTYLE
(UPPER-MIDSCALE
TO UPPER-UPSCALE)



FINANCIAL HIGHLIGHTS

	2017	2018	2019	2020
CONSOLIDATED FINANCIAL RESULTS (BT.MN)				
Total Revenue from services¹	1,074.0	2,575.7	3,818.1	1,562.9
Room Revenue	662.8	1,535.2	2,197.1	851.2
F&B Revenue	254.8	765.3	1,140.9	456.2
Other Revenue	156.4	275.3	480.1	255.5
Gross profit (loss)	500.3	1,106.4	1,327.7	(105.4)
Earning before financial costs and taxes	482.6	777.4	97.6	(1,997.0)
Net profit (loss)²	113.1	232.0	(466.9)	(2,370.7)
Earnings per share³ (Baht)	11.09	0.38	(0.20)	(0.66)

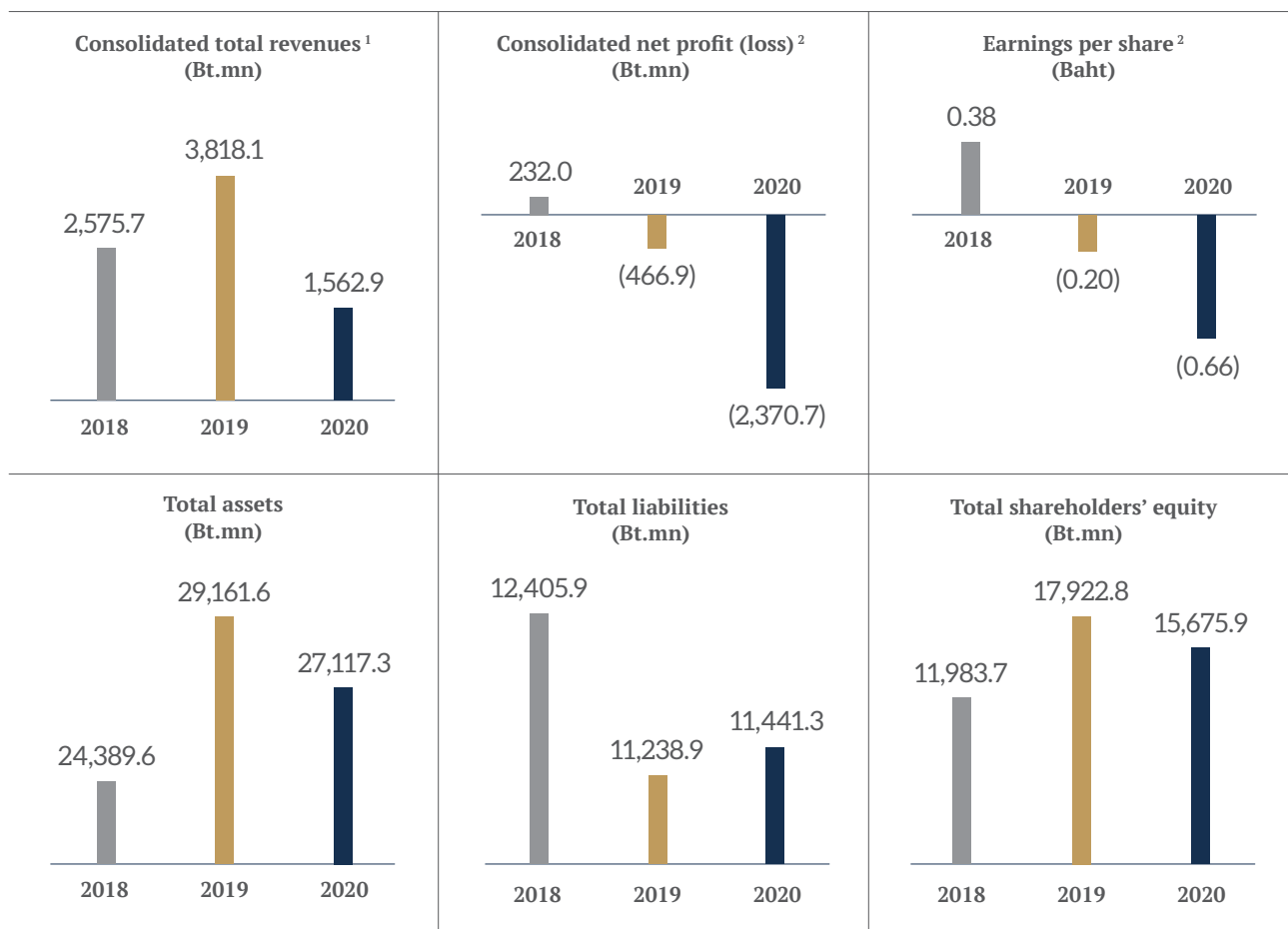
Remark: ¹ Excludes Other income.

² For the year attributable to ordinary shareholders of the Company

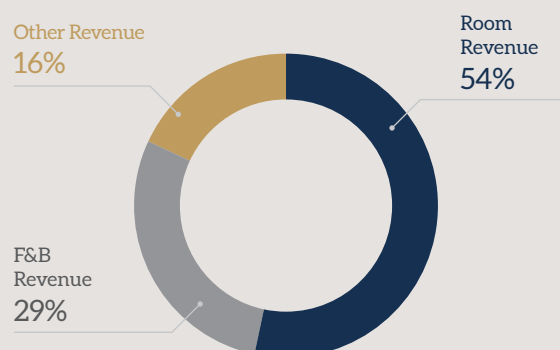
³ Calculated by weighted average shares (Par value at 5 Baht per share)

	2017	2018	2019	2020
CONSOLIDATED STATEMENT OF FINANCIAL POSITION (BT.MN)				
Total assets	11,876.5	24,389.6	29,161.6	27,117.3
Total liabilities	3,102.8	12,405.9	11,238.9	11,441.3
Net interest-bearing debt	2,616.9	10,030.2	7,847.5	8,353.4
Total shareholders' equity	8,773.7	11,983.7	17,922.8	15,675.9
Retained earning	128.3	356.1	(110.7)	(2,480.4)
Issued and paid-up share capital	51.0	10,780.9	17,968.2	17,968.2
Total number of shares (million shares)	0.5	107.8	3,593.6	3,593.6

		2017	2018	2019	2020
KEY FINANCIAL RATIO					
Net interest-bearing debt / Total equity	Times	0.30	0.84	0.44	0.53
Gross profit (loss) margin	%	46.59	42.95	34.77	(6.74)
Net profit (loss) margin	%	10.53	9.01	(12.23)	(151.68)
Return on assets	%	0.95	0.95	(1.60)	(8.74)
Return on equity	%	1.29	1.94	(2.60)	(15.12)
Earnings per share	Baht	11.09	0.38	(0.20)	(0.66)

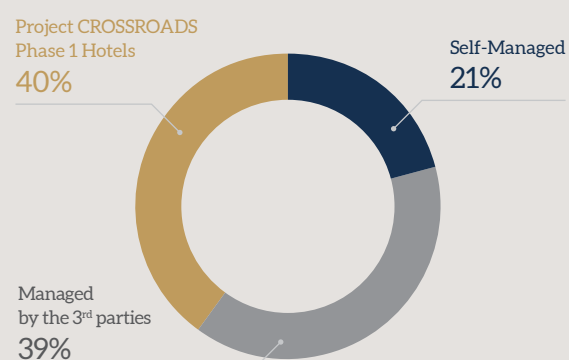


% REVENUE BY TYPE OF SERVICES IN 2020



	2017	2018	2019	2020
Room Revenue	62%	60%	58%	54%
F&B Revenue	24%	30%	30%	29%
Other Revenue	14%	10%	12%	16%

% REVENUE BY TYPE OF HOTELS IN 2020



	2017	2018	2019	2020
Self-Managed	100%	43%	26%	21%
Managed by the 3rd parties	0%	57%	64%	39%
Project CROSSROADS Phase 1 Hotels	0%	0%	10%	40%

MESSAGE FROM THE CHAIRMAN OF THE BOARD AND CHIEF EXECUTIVE OFFICER



Mr. Sompong Tantapart
(Chairman of the Board of Directors)

Dear Shareholders,

S Hotels and Resorts Public Company Limited (the “Company”) started the year 2020 with the excellent performance, as occupancy rate during January of 2 self-managed hotels and 6 hotels managed by Outrigger was up to 80%, and occupancy rate of 2 newly launched hotels in CROSSROADS project in Maldives was also up to 75% though it was only the 5th month after the officially opening. However, those were the past success that we may no more wait and see to witness again. Suspension of hotel operations for full quarter during Q2/2020, closure of borders, restriction of foreign tourists for almost a year, work from home and broadly digital conferences, those were crises which happened just over a year caused by Covid-19 pandemic all over the globe. There were many questions and analysis from the experts in the industry about “When will travel businesses resume to the levels as those of 2019?” In the next 2 years, 3 years, or 4 years? Before answering those questions, I would like to recall to major milestones occurred to our Company and exchange viewpoints with you about my introspection at the ending part.

Beginning the year with quality

Let’s flash back to the first quarter of the year, apart from excellent performance in January as mentioned earlier, on February 17, 2020, the Company also concluded an agreement on joint venture partnership for development of a high-end lifestyle resort on Island 3 in the CROSSROADS project, worth USD 16.2 million. This agreement was regarded as the major achievement on funding for hotel development before the crisis. Thus, such project development which was under planning and design phases could still follow the work plan, though construction phase may take longer time caused by impact from source of fund and mobilization of construction supplies and labor.



Mr. Dirk Andre L. De Cuyper
(Chief Executive Officer)

Temporary suspension of hotels in Q2 and gradually open businesses in Q3

Since April 1, 2020, the Company announced for temporary suspension of 39 hotels in conformity with travel restriction and lockdown measures implemented by many countries, excluding some hotels in the United Kingdom which still continued their operations as requested by the government sectors to support their personnel. Almost all hotels could recommence businesses in July, except Outrigger Konotta in the Republic of Maldives and Outrigger Mauritius and some hotels in the United Kingdom. During the initial period of hotel re-opening, visiting customers were rebounded gradually, and most of them were domestic customers.

New normal way of tourism industry and business operator

During temporary suspension and gradually recovery of the Company's hotel operations in Q2-Q3 of such year, the Company used its best endeavors to maintain discipline on cash spending, control and reduce fix expenses, reduce employee-related expenses

as well as generate income to make it cover the operating expenses (EBITDA Breakeven) of each hotel as fast as possible amidst pricing competition, limited number of tourists and change of government support policy on tourism of each country.

Lessons learnt and adjustment of strategies during such period began to yield favorable results to the Company's performance during the end of Q3 to Q4. These led to major development of strategies and changes employed by the Company to handle new way of tourism which may stay with us for a long time and can be concluded as follows:

1) Hotel Operating Model or adjustment of workforce based on occupancy rate

Number of employees of each hotel must be flexible with the hotel's occupancy rate. Employment of temporary employee and employee transfer among our cluster are key factors for management of different occupancy rate of each hotel during weekdays and weekend.

2) Increase proportion of self-managed hotels and cluster cash management and workforce

The Company has communicated its strategies continually about a plan to increase proportion of self-managed hotels by conversion of 3 hotels managed by Outrigger, including Outrigger Laguna Phuket Beach Resort, Outrigger Koh Samui Beach Resort and Outrigger Konotta Maldives Resort, to the self-managed hotels by Q1/2021. These strategies cannot only increase profitability from reduction of management expenses paid to the third party, but they can also increase efficiency on usage of the Company's common resources as cluster-based, i.e. personnel, raw material, information technology and etc.

3) Create its own brand to support the Hotel Management Agreement ("HMA") business of the Company

The Company launched its "SAii" Brand, an upper upscale brand, for the first time at SAii Lagoon Maldives, CROSSROADS project, the Republic of Maldives which received good feedbacks from the guests and from international rankings, as witnessed by the awards received by this hotel in 2020, such as World Luxury Hotel Awards 2020 on Luxury Brand, Restaurant and Spa. It has also been recognized as the Indian Ocean's Best New MICE Hotel in 2020 from World MICE Awards as well as TripAdvisor's Travelers' Choice Award 2020. In 2021, the Company plans to expand SAii Brand to include 2 of the Company's other properties, i.e. Phi Phi Island Village Beach Resort and Outrigger Laguna Phuket Beach Resort. In addition, the Company also unveils "nābor", an all-new "luxury-midscale" brand focusing on experimental travelers who need to explore insight travelling experiences and local cultures. The Company intends to use 2 flagship brands to manage properties to the third parties and gain income as hotel management fees. Consequently, expansion of a number of hotels under our own management through this platform will be faster. This will benefit us on not only economy of scale on usage of the Company's resources but also an increase in return on investment and reduction of an investment budget.

4) Moving forward to digital platform

The Company anticipates that new tourism style tends to growingly move to the digital distribution channel. Demand for room reservation flexibility, dynamic on promotion and/or pricing mechanism, communication to our customers and seeking of business partner will be progressively move to digital format. The Company places importance to this change and prepares readiness on personnel, organizational restructure, information technology system, public relation channel, and business partner seeking. Concrete changes will be materialized and communicated via various channels for all relevant parties soon.

Awards of Achievement

Despite numerous challenges encountered during the past year as mentioned earlier, the Company is very delighted to inform the shareholders that the Company's resorts and hotels achieved and won several prestigious awards at international levels as a result from efforts of all parties concerned. List of awards included:

S Hotels and Resorts Public Company Limited received Asia Responsible Enterprise Awards 2020 ("AREA"), in Green Leadership category for sustainable hospitality, organized by Enterprise Asia, a leading non-governmental organization for responsible entrepreneurship in Asia. AREA has been presented to compliment and honor the outstanding businesses and leaders on social responsibility in Asia. It has been arranged for the 2nd year with over 200 contestants from 19 countries across Asia.

Awards of the subsidiary hotels

- 1) **Santiburi Koh Samui** signed UNESCO's Sustainable Tourism Pledge 2020 and has also been recognized from the guests as the hotel that the foreigners needed to stay the most on the island, as guaranteed by TripAdvisor Travelers' Choice "Best of the Best" Award 2020 and Agoda's 2020 Customer Review Awards.
- 2) **Phi Phi Island Village Beach Resort**, a seafront resort on Phi Phi Island, has been named as the 6th best resort in Thailand by Condé Nast Readers' Choice Awards 2020, as well as TripAdvisor's Travelers' Choice Award 2020 and Agoda's 2020 Customer Review Awards. It is also 1 of 6 hotels in Thailand amongst 600 nominated hotels which received the Responsible Thailand Awards, in Marine and Nature category, arranged by Tourism Authority of Thailand ("TAT") in cooperation with Wanderlust Travel Media from England.
- 3) **Hard Rock Hotel Maldives** was voted as the 23rd best resort in Indian Ocean from the Condé Nast Readers' Choice Awards 2020. It also received World Luxury Hotel Awards 2020 in Luxury Brand category (Global), Luxury Resort Restaurant, and Luxury Spa Retreat, including Luxury Lifestyle Awards 2020, as well as TripAdvisor's Travelers' Choice Award 2020.
- 4) **SAii Lagoon Maldives** received the Indian Ocean's Best New MICE Hotel 2020 from the World MICE Awards, as well as World Luxury Hotel Awards 2020 in Luxury Brand category (Continent), World Luxury Restaurant Awards 2020, World Luxury Spa Awards 2020, including TripAdvisor's Travelers' Choice Award 2020.

Lastly, before turning back to the suggestive issue, I would like to quote the movingly remark of one scholar, very suitable with this situation:

**“The secret of change
is to focus all of your energy,
not on fighting the old,
but on building the new.”**

Socrates

We think that the way of traveling may never go back to the same way. If we are finding strategy or doing business on “waiting (and hoping) for the time” to resume to normal, it means that we are going backward because who can answer that how long we have to wait or even will it ever return to the old day? Thus, the Company put all of its energy and resources to build and find new business instead. When combining with the Company’s solid foundation, with regards to qualified human capital, marvelous hotel locations, which are the tourists’ dream destinations, strong financial structure, our teams and I believe that the Company can overcome this crisis and move forward to build success on new way of tourism.

These are only a part of strong determination of the Board of Directors, the Executives and all teams of S Hotels and Resorts Public Company Limited. Finally, on behalf of the Board of Directors, the Executives and all employees, we would like to thank all shareholders, investors, business partners, customers, employees and all relevant parties, including domestic and international financial institution for their trust and strong supports of our business operations. We hope that you will continue trusting us on moving forward to become one of the leaders on hotels and resorts investment and management together.

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

-Signed-

Mr. Sompong Tantapart
(Chairman of the Board of Directors)

-Signed-

Mr. Dirk Andre L. De Cuyper
(Chief Executive Officer)

REPORT OF THE AUDIT COMMITTEE

Dear Shareholders,

The Audit Committee of S Hotels and Resorts Public Company Limited (the “Company”), which has been appointed by the Board of Directors, consists of three independent directors who are fully qualified according to the notification of the Stock Exchange of Thailand (“SET”). Each committee member has a term of three years. The Audit Committee performed duties independently as assigned by the Board of Directors and under scope of duties and responsibilities stipulated in the Audit Committee Charter, which aligned with the securities and exchange act, SET’s requirements and the laws pertaining to the Company’s businesses.

In 2020, the Audit Committee held 4 meetings to consider, review and verify the Company’s financial reports together with the executives, external auditor, and internal auditor. The Audit Committee and the external auditor also attended one meeting without the executives to assure that the external auditor could perform duties independently, including to examine internal audit findings and monitor the corrective actions of the Company. Details of the Audit Committee’s meeting attendance are as follows:

NAME	POSITION	NUMBER OF ATTENDANCE / NUMBER OF MEETINGS
1. Mr. Sompong Tantapart	Chairman	4/4
2. Mr. Praisun Wongsmith	Member	4/4
3. Mr. Jukr Boon-Long	Member	3/4*

* At the Audit Committee’s Meeting No. 1/2020, one committee member could not attend the meeting because he engaged in an important mission abroad.

Ms. Pawornsiree Tipchaieur, Assistant Vice President of Internal Audit is Secretary of the Audit Committee.

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

1. Review of 2020 financial reports

The Audit Committee reviewed the quarterly and the 2020 annual financial reports which have been reviewed and audited by the external auditor to ensure that information in the financial statements have been correctly, completely and credibly disclosed and they have been prepared according to the generally accepted accounting principles and the SET’s notifications. The external auditor has been invited to attend the meeting every time when the meeting agenda involved with consideration and certification of the financial statements in order to consult and discuss about the issues found during the auditing, independency of the external auditor, sufficient disclosure of information beneficial to shareholders, investors

or financial information users, and recommendations of the external auditor on preparation of the financial statements before the Audit Committee provide consent of such financial statements and further proposed to the Board of Directors for consideration and approval.

2. Review adequacy of internal control system and oversight of internal audit

The Audit Committee considered and reviewed the internal control system of the Company and its subsidiaries with regard to rules and regulations, accounting & finance, property protection, operations and monitoring on compliance performance including considered and approved the annual internal audit plan to ensure that scope of the Company’s audit plan completely covered material matters, with proper internal control system suitable for business operations by

considering from the assessment of the Internal Control Sufficiency Evaluation Form ("Evaluation Form") according to the international standard, report of the independent external expert consultant, and report of the Company's Internal Audit. Upon reviewing internal audit findings of the Internal Audit, and consulting with the external auditor and the executives, no material defects or issue was found, so the Audit Committee was of the opinion that the Company has a sufficient and suitable internal control system and the auditing performance of the Internal Audit was appropriate, effective and according to the international standards.

3. Review of risk management

The Board of Directors, the Risk Management Committee, and the management have placed emphasis on risk management and thus prescribed assessment of risk factors, risk potential, and impacts as well as compiled risk management plans to prevent or mitigate potential impacts on the business to an acceptable level. The management is responsible for reporting risk developments regularly. The Audit Committee reviewed the efficiency of SHR's risk management based on the performance reports of SHR as well as reports of internal auditor and external auditor and found that SHR's management had effectively reduced risks to an acceptable level.

4. Compliance with the Securities and Exchange Act, requirements of the Stock Exchange of Thailand and/or the relevant laws

The Audit Committee monitored and reviewed the Company's operations every quarter in order to ensure the Company's compliance with the Securities and Exchange Act, the SET's requirements and the laws relevant to the Company's businesses. The Audit Committee viewed that the Company correctly complied with relevant laws because there was no incident which could materially indicate non-compliance with laws, the SET's requirements, and other laws relevant to the Company's businesses.

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

The Audit Committee monitored and reviewed disclosure of the related transactions/connected transaction with the subsidiaries which may have potential conflicts of interest as per requirements of the Office of the Securities and Exchange Commission and the SET.

6. Consider on appointment of external auditors for 2020

Upon considering the last year's performance, independence, and appropriateness of the audit fees of the external auditor, the Audit Committee proposed to the Board of Directors to request for approval from the annual general meeting of shareholders to appoint PricewaterhouseCoopers ABAS Ltd. as the Company's external auditor for the year 2020 including to approve the audit fee for 2020.

7. Self-assessment

The Audit Committee assessed its own performance once a year with regards to financial information, compliance with the laws and regulations, internal control, connected transaction, selection and appointment of the internal auditor and the external auditor. Assessment results revealed that the Audit Committee has completely carried out the works pursuant to duties and responsibilities as per assigned by the Board of Directors, and as per specified in the Audit Committee Charter including pursuant to the corporate governance principles by utilizing knowledge, competency, experiences with carefulness and adequate independence without the limitation of information received from the executives, employees and all related parties. The Audit Committee also provided comments and recommendations for benefits of all stakeholders equally.

In summary, the Audit Committee completely performed duties as stipulated in the Audit Committee Charter that has been approved by the Board of Directors. The Audit Committee opined that the Board of Directors, all executives, and employees in the organization earnestly determined to comply with rules and regulations in accordance with the Company's Code of Conduct to achieve the targets by placing importance on operations under the internal control system and the corporate governance effectively and efficiently. The financial reports were made pursuant to the generally accepted accounting principles with adequate disclosure and according to the external audit's report. Securities and Exchange Act and requirements of the SET and/or other relevant have been fully complied and performance has been constantly reported for the Board of Directors' acknowledgement.

-Signed-

(Mr. Sompong Tantapart)
Chairman of the Audit Committee

REPORT OF THE EXECUTIVE COMMITTEE

Dear Shareholders,

The Executive Committee (the “Committee”), which has been established by the approval of the Board of Directors of S Hotels and Resorts Public Company Limited (the “Company”) consists of 4 members from the Company’s Board of Directors and Executives, namely:

1. Mr. Naris Cheyklin	Chairman of the Executive Committee
2. Mr. Dirk Andre L. De Cuyper	Member of the Executive Committee
3. Mrs. Thitima Rungkwansiroj	Member of the Executive Committee
4. Mr. Chairath Sivapornpan	Member of the Executive Committee

whereas Mr. Chairath Sivapornpan, Chief Financial Officer and Company Secretary, is the secretary of the Committee.

The Committee has duties to consider, monitor and screen material matters to ensure compliance with the Company’s relevant regulations, criteria and requirements, as well as transparency and accountability before proposal to the Company’s Board of Directors for consideration so that the Group can effectively operate businesses pursuant to the Board’s policies and resolutions. In 2020, the Committee held 13 meetings to consider the following matters:

- Consider and monitor performance of the Company and its subsidiaries including proposing solution guidelines and recommendations which conformed to the business plans and targets assigned by the Board.
- Consider the investment and financial business plans and strategies of the Company and its subsidiaries, including its joint ventures, and then propose to the Board for approval, in-principle, so that the Management can implement it accordingly and in conformity with the specified targets.
- Consider and screen important matters, such as assets acquisition and disposition, connected transactions and investments of the Company and its subsidiaries, including its joint ventures, before Board’s approval.
- Consider and approve transactions pursuant to scope of authorities granted by the Board then report for the Board’s acknowledgement. Report meeting results including accurate and appropriate solution guidelines and recommendations for the Board’s consideration.

- Consider the annual budget plan of the Company and its subsidiaries, including its joint ventures, before proposal for the Board’s consideration and approval.
- Conduct performance assessment of the whole Committee and individual members for 2020 and assessment results will be used as basis for improvement.

The Committee strongly performs duties with integrity, honesty, prudence and intends to develop the Group’s business for sustainable growth by taking into consideration the best interests of all shareholders and stakeholders. The Committee also oversees and monitors to ensure efficiency of the Company’s operations pursuant to the corporate strategic and business plans under the relevant regulations and laws, in line with the corporate governance principles and code of business conducts which are regarded as main cornerstone for management of the Committee in driving the organization forward steadily and sustainably.

On behalf of the Executive Committee

-Signed-

(Mr. Naris Cheyklin)
Chairman of the Executive Committee

REPORT OF THE RISK MANAGEMENT COMMITTEE

Dear Shareholders,

The Board of Directors of S Hotels and Resorts Public Company Limited (the "Company") appointed the Risk Management Committee (the "RMC") on February 26, 2020, which consisted of the independent director and the executive directors who possess experiences, knowledge and capability including understanding about the Company's business operations. The RMC has duties to oversee the implementation of the Company's risk management and review the risk assessment every quarter to ensure that the Company can manage material risks appropriately. Three members of the RMC are as follows:

NAME	POSITION	ATTENDANCE / TOTAL NUMBER OF MEETING (TIMES)
1. Mr. Praisun Wongsmith	Chairman of the Risk Management Committee (Independent Director)	3/3
2. Mr. Dirk Andre L. De Cuyper	Member of the Risk Management Committee	3/3
3. Mrs. Thitima Rungkwansiriroj	Member of the Risk Management Committee	3/3

Mr. Chairath Sivapornpan, Chief Financial Officer and Company Secretary, served as RMC secretary.

Performance of the Risk Management Committee in 2020

During 2020, the RMC held three meetings where all meetings have been attended by every member. The main works undertaken by the RMC are outlined below:

1. Reviewed and approved the Charter of the RMC to ensure conformity, appropriateness and support the organization to manage risk effectively and efficiently before proposing to the Board of Directors for approval.
2. Reviewed and approved the enterprise risk management policy before proposing to the Board of Directors for approval.
3. Reviewed and approved the enterprise risk Management framework, risk appetite, and risk management framework on exchange rates and interest rates to ensure that the risk management was well-suited and consistent with the strategic plans and operations of the Company amidst the changing situations.
4. Reviewed and provided opinions on risks factors for the year 2020 and constantly monitored the progress of the risk mitigation plan on quarterly basis to ascertain that such risks have been managed pursuant to the risk control guidelines and in accordance with the Company's strategy.
5. Continuously promote the culture of enterprise risk management through advocating education for executives and employees at all levels.
6. Evaluated the performance of the RMC and used the results as information to improve the performance of duties to improve efficiency and effectiveness.
7. Monitored the progress on preparation of the business continuity plan.

In conclusion, the RMC has completely performed all duties as specified in the Charter of the RMC by putting emphasis on fostering an organizational culture in risk management, monitored and provided recommendations on enterprise risk management continually, inclusively and consistently with the changing situations in order to ensure that risk management is adequate and consistently implemented and the risks can be managed to an acceptable level that allows the Company can achieve its specified business goals to maximize value for the shareholders and all groups of stakeholders.

This report was reviewed and approved
by the Risk Management Committee on February 16, 2021.

-Signed-

(Mr. Praisun Wongsmith)
Chairman of the Risk Management Committee

BOARD OF DIRECTORS AND EXECUTIVES

01) Mr. Sompong Tantapart

- Independent Director
- Chairman of the Board of Directors
- Chairman of the Audit Committee

02) Mr. Praisun Wongsmith

- Independent Director
- Member of the Audit Committee
- Chairman of the Risk Management Committee

03) Mr. Jukr Boon-long

- Independent Director
- Member of the Audit Committee

04) Mr. Chayanin Debhakam, D.B.A.

- Director

05) Mr. Naris Cheykin

- Director
- Chairman of the Executive Committee

06) Mr. Dirk Andre L. De Cuyper

- Director
- Member of the Executive Committee
- Member of the Risk Management Committee
- Chief Executive Officer

07) Mrs. Thitima Rungkwansiroj

- Director
- Member of the Executive Committee
- Member of the Risk Management Committee

08) Mr. Terachart Numanit

- Director

09) Mr. Chairath Sivapornpan

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

10) Ms. Kankanid Wichitcharoen

- Senior Vice President - Finance

11) Mr. Stefano Alberto Ruzza

- Senior Vice President - Operations

12) Ms. Matana Thienthong

- Senior Vice President - Global Commerce



VISION AND BUSINESS STRATEGIES

VISION

Our vision is to be a premier international hospitality management and hotel investment company that sets new standards for the quality of leisure and lifestyle, based upon a philosophy of sustainable development and benefits for the local community. To that end, we aim to provide accessible and affordable luxury, hotel experiences, promote collaborative partnerships and improve our corporate governance.



BUSINESS STRATEGIES

In order to achieve its vision, the Company has set strategies as follows:

1. Strategies in acquisition and management of new assets

The Company seeks opportunities to acquire new hotels or resorts situated in popular tourist destinations which will provide good returns for the investment in favourable market conditions. The Company also considers the variety of hotels in terms of geography, market position, and customer base. The types of hotels in the Company's interests are upper upscale hotels, upper midscale hotels in a potential location which focus on accommodating experiential-travelling tourists. The Company also increases its opportunities to acquire new assets by using both domestic and international networks of Singha Estate and Boon Rawd Brewery Co., Ltd.

2. Strategies in the management of profit-making competency from assets

After business acquisition, the Company aims to increase profit-making competency from hotel operations through assets renovation, an increase in room number and facilities in a hotel. These hotel renovation plans are one of the important factors that the Company considers before making an acquisition of that particular asset or business. The increase in the profit-making competency also includes the possibility of changing from managing under a third-party hotel management agreement to a franchise agreement or self-management. The Company still employs the strategy of balancing the proportion of the hotels under the Company's own management, hotels under a franchise agreement, and hotels managed by third-party operators. By benefitting from being a business partner with world-leading brands of hotels and the variety of assets the Company maximises the competency of management for sustainable growth.

3. Strategies in developing the Company's hotel management service for other companies

The Company aims to consolidate a hotel management service for other companies through hotel management agreements under the brands that the Company creates and develops by itself such as SAii and nābor, including the hotel management agreement platform under the customer's own brand or so called White Label Management. The Company focuses on the assets to which the Company has already been familiar especially hotels or resorts that situate in popular experiential travelling tourist destinations. This type of management is an important strategy to increase the capacity to make profit from the number of hotels managed by the Company without unnecessarily increasing the size of assets in possession, and to maintain the balance of the profits from assets owned by the Company.

The Company developed a strategy to increase the capacity of expanding the hotel management service for other companies by providing funds for the owner of the assets with expected returns in the agreed forms and rates. The purpose of providing funds is for the development and renovation of the assets and facilities according to the standards of the Company's brand.

In addition, the Company planned to establish a real estate investment trust as a way to raise fund through the purchase of the Company's or other parties' assets. The Company will earn regular hotel management fees, and also the dividends from the investment in the mentioned trust.

4. Sustainability Development Strategy

The Company regards integrated sustainability development and social responsibility as an important aspect of the Company's business operation. The Company's principle in business operation is to maintain sustainable value for all stakeholders including nearby communities and the customers staying in the area where a hotel is located. The Company places great emphasis on the environment conservation and the support of environmental activities in the areas. The Company takes pride in having provide sustainable value to all stakeholders, in the care for the unique natural resources in any different areas in which the Company's hotels situate, and in the quality of life of local communities, because the Company believes that these activities will help every sector develop sustainably, help promote unity among communities, the environment, and local economies, and also will help create the appeal and distinctiveness of the Company's hotels.

CORE VALUES

P

P a r t n e r s h i p

R

R e f i n e d

I

I n t e g r i t y

D

D y n a m i c

E

E n t r e p r e n e u r s h i p

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

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

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

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

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

YEAR IN BRIEF IN 2020

February 2020

S Hotels and Resorts Public Company Limited (the "Company") entered into a share sale transaction for ordinary shares in Prime Locations Management 3 Limited (the "Joint Venture Company"), which is a wholly owned subsidiary of S Hotels and Resorts (SC) Co., Ltd. ("SHR SC"), of 4,000,000 ordinary shares, representing 50% of the total ordinary shares in the Joint Venture Company, to Wai Eco World Developer Pte. Ltd. ("EWD") to jointly develop high-end lifestyle resorts on Island 3 of CROSSROADS project composing of 80 villas. Currently, this project is under design development, permit submission, and construction planning process.



July 2020

The Company developed and renovated uplift programs of Outrigger Laguna Phuket Beach Resort, in Edge Water Restaurant and Edgewater Bar areas with objectives to enhance spending per person. A multi-purpose hall with total areas of 1,900 square meters has also been constructed to support for meeting and seminar activities (MICE) and wedding ceremony arrangement to enhance the company's revenue growth. Such renovation projects have already been completed in November 2020.

October 2020

The Company established S Hotels and Resorts Management Company Limited, a new subsidiary in Thailand with an objective to support the Hotel Management Agreement business.



December 2020

The Company has launched its latest hotels and resorts brand called "nābor". A locally inspired design to redefine travel experience for new generation of travelers with technologically sophisticated lifestyle. Tapping into "Luxury Midscale" market, nābor aims to take the travelers "Out There" to experience true authenticity of each destination. The development of the brand plays a vital role in the Company's portfolio enhancement and expansion in the future.

AWARDS & RECOGNITION

The Company drives businesses for sustainability with responsibilities to environment, economy and society including all stakeholders. Awards that the Company received from the leading organizations, domestically and globally, can explicitly confirm the Company's excellent management of hotels located in Thailand and abroad.

S Hotels & Resorts *Awards & Recognition* 2020

We are very proud of our success!
Let's take a look at what we have achieved so far.

Excellent Work !

Asia Responsible Enterprise Awards 2020
Green Leadership category





- UNESCO's Sustainable Tourism Pledge 2020
- TripAdvisor's Travelers' Choice Best of the Best Awards 2020
- Agoda's 2020 Customer Review Awards



- Condé Nast Traveler Readers' Choice Awards 2020
- TripAdvisor's Travelers' Choice Awards 2020
- Agoda's 2020 Customer Review Awards
- Responsible Thailand Awards by TAT UK -Marine & Nature category



- World MICE Awards - Indian Ocean's Best New MICE Hotel 2020
- World Luxury Hotel Awards 2020 - Luxury Brand category (Continent)
- TripAdvisor's Travelers' Choice Awards 2020



- World Luxury Hotel Awards 2020 - Luxury Brand category (Global)
- Condé Nast Traveler Readers' Choice Awards 2020
- TripAdvisor's Travelers' Choice Awards 2020

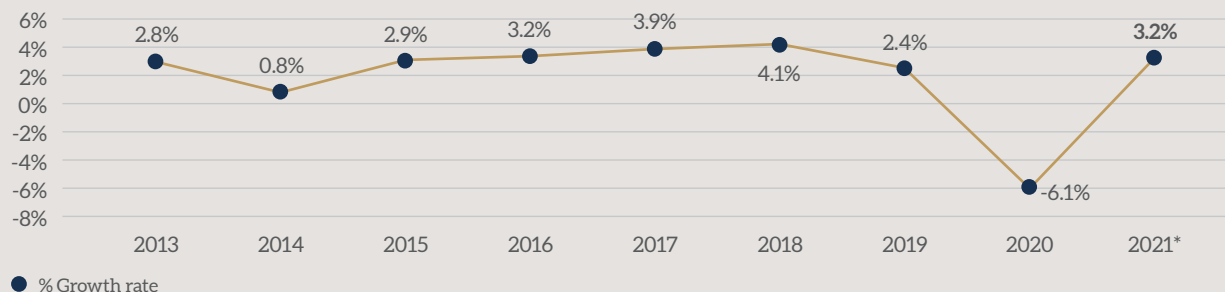
OVERVIEW OF THE THAILAND ECONOMY AND HOSPITALITY BUSINESS IN 2020 AND 2021 OUTLOOK

OVERVIEW OF THE THAILAND ECONOMY IN 2020

The Office of the National Economic and Social Development Council announced that Thailand's economy shrank by 6.1 percent in 2020. Exports were down 6.6 percent in line with the global economic slowdown and decline in global trade. Consumption in the private sector reduced by 1.0 percent while total investment reduced by 4.8 percent. As a result of the uncertainties regarding the Covid-19 pandemic despite supporting factors such as low interest rate as well as the government's stimulus package for business owners and low-income populations. Meanwhile, Thailand recorded the inflation rate of -0.8 percent with a current account surplus of 3.3 percent of the country's Gross Domestic Product (GDP) in 2020.

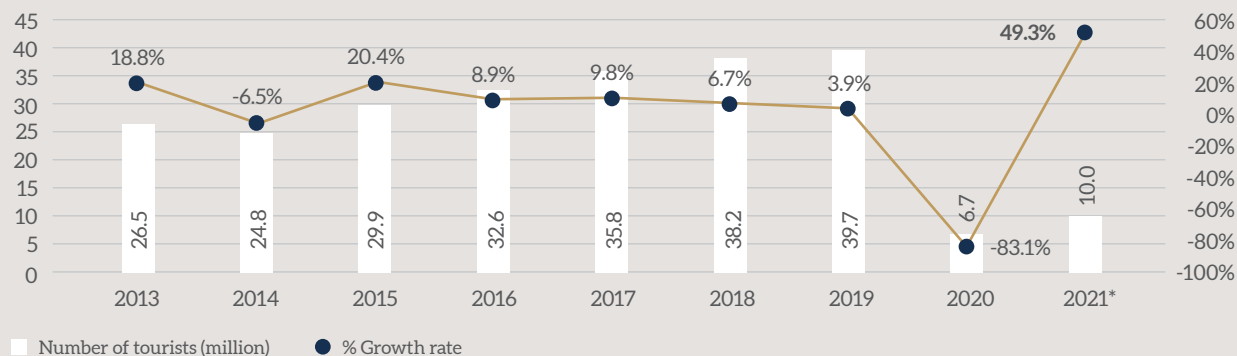
The average exchange rate for the whole year was at Baht 31.3 per US Dollar in 2020 which is slightly weakened from Baht 31.0 per US Dollar in 2019 due to concerns over the economic slowdown. The tourism and service industry, which accounting for a significant part of the GDP, was impacted heavily by the Covid-19 pandemic. However, the Baht's appreciation is poised to continue towards the second half of 2020 and the beginning of 2021, against the US Dollar. This was attributed to Thailand's economic recovery and account balance surplus, causing a foreign fund inflow. The United States of America (USA), on the hand, is suffering from the severity of the pandemic which caused an economic slowdown. The US federal bank (Fed) has continued to use an easing monetary policy, i.e., kept the interest rate near zero to sustain the economy and maintained a fiscal policy that increases the budget deficit.

Figure 1: Thailand's Gross Domestic Product (GDP)



Remark: Thailand's actual Gross Domestic Product (GDP) reported by Office of the National Economic and Social Development Council
Thailand's Gross Domestic Product (GDP) in 2021* as forecasted by the Bank of Thailand (BOT)

Figure 2: Number of international tourist arrivals to Thailand



Remark: Thailand's Gross Domestic Product (GDP) in 2021* as forecasted by the Bank of Thailand (BOT)

HOSPITALITY BUSINESS AND TOURISM INDUSTRY OF THAILAND

Overall, the tourism industry in 2020 have been heavily impacted by the Covid-19 pandemic and travel restrictions. There were no tourists entering into Thailand starting in April 2020. Therefore, cumulative inbound tourists recorded only 6.7 million persons in 2020 which is an overall reduction of 83.2 percent, compared to 2019 or decreased from 39.7 million tourists. The total revenue from international tourists was Baht 0.33 trillion which is a reduction of 82.6 percent from 2019 (Source: Tourism Authority of Thailand). However, the Thai government has started easing travel restrictions in October 2020 by allowing Special Tourist VISA (STV), special tourists group (Thailand Privilege Card) and other groups such as business travelers and long-term medical tourists.

Domestic tourism was also affected by the national lockdown which imposed during April 2020 to June 2020, the infection control measures to limit the spread of coronavirus, and the economic slowdown. Consequently, the number of cumulative domestic tourists in 2020 stood at 90.5 million persons/trips or a reduction of 47.6 percent, compared to 2019. Revenue from domestic tourism was Baht 0.5 trillion in 2020, declined by 55.4 percent from 2019. After the government eased restrictions on economic and social activities together with an implementation of tourism stimulus and mitigation measures, there were, however, reflect the recovery sign of domestic tourism and household consumption. Nonetheless, the growth during the recovery period is much slower than before the pandemic. The number of tourists in the last quarter of 2020 shrank by 20 - 30 percent. The top three provinces with the most domestic tourists were Bangkok, Chonburi, and Chiang Mai, respectively.

Given the aforesaid impact, the hospitality business remains under pressure in tandem with the tourism industry which heavily rely on domestic demand. The hotel business in 2020 posted an average occupancy of 29 percent, down from 69 percent occupancy in 2019. The regions impacted by the decline in tourists the most were the Southern and Eastern of Thailand, respectively. While hotels in the Northern and Northeastern of Thailand were also impacted but less-than-average. In relation to the hotel oversupply amidst industry before pandemic, the hospitality business was faced with the intense competition. Especially, in the segment of 3-star hotels and budget hotels which have a large portion of properties developer. Moreover, the spending per head of domestic tourists which lower than the international tourists was putting pressure on the 4-star hotels and above segment.

HOSPITALITY BUSINESS AND TOURISM INDUSTRY OF THE REPUBLIC OF MALDIVES

For the year 2020, the tourism industry and hospitality business sector of the Republic of Maldives (Maldives) were impacted by the spread of the Covid-19. Consequently, international tourists cannot enter the country between March 27 and July 15, 2020. The number of international arrivals in 2020, thus, recorded at 5.6 hundred thousand persons, decreased from 1.7 million persons in 2019 or a reduction of 67.4 percent. Among those regions, Chinese tourists contracted the most by 87.9 percent, followed by Southeast Asia tourists with a reduction of 85.5 percent. This was mainly from these regions were affected by the pandemic since Q1/2020 and still remained tightening travel restrictions due to the prolonged outbreaks. However, tourists from Europe only declined by 33.1 percent. After the international borders started to reopen in the third quarter of 2020, the number of tourists has gradually rebounded. The major international tourists are from Europe, United Arab Emirates, and the United States. The hospitality business reflected the positive recovery sign towards December 2020 to the beginning of 2021. In December 2020, the number of tourists from India, Russia, and the United Kingdom increased by 15 - 20 percent, compared to the same period last year. As of December 2020, 60 percent of the total airlines flying to Maldives have resumed its flight operations (according to our estimates). Providing that the Covid-19 situation continues to improve in many countries, the airlines would resume its operations and increase the flights frequency. Therefore, the number of international tourist arrivals would improve significantly. At the same time, the government of Maldives has set an ambitious target of 1.5 million tourists for 2021.

TRENDS OF ECONOMY AND TOURISM INDUSTRY OF THAILAND IN 2021

Thailand economy in 2021 is estimated to continue recover after passing the lowest point in the first half of 2020. The recovery is the result of the easing of lockdown measures to control the spread of Covid-19. Such the relaxation of control measures impacted the recovery of economic activities and domestic demand. The Bank of Thailand predicts that the 2021 GDP will increase by 3.2 percent on the back of supporting factors such as:

- 1) The recovery of exports which is aligned with the global economic recovery and global trade volume. Even though many countries tighten lockdown measures in the end of 2020, it is expected that the impact will be limited when compared to the first round of lockdown. The trade tension is poised to ease with the global trade policy of the new president of the USA as well.
- 2) Economic stimulus package implemented by the Thai government in terms of monetary and fiscal policy to help support the economic recovery for those impacted by the pandemic. Also, the public debt level is still considered low when compared to other countries. Therefore, there is still room for increasing public debt to help stimulate the economy.
- 3) Private consumption starts to recover in the second half of 2021 in accordance with the recovery of the tourism industry.

Nonetheless, the estimations of economic growth rate depend on the following key assumptions:

- 1) Vaccine availability and the ability to treat Covid-19 patients including the ability to produce, distribute and administer the vaccine in various countries. In case of there are no escalation of number of cases and prolonged outbreaks which causes each country to implement strict lockdown measures. Many countries are expected to start an easing lockdown measures and restrictions on international travel in the fourth quarter of 2021.
- 2) There are no international trade barriers due to trade wars.
- 3) There is no financial crisis that stems from manufacturing sector among the world's superpowers.

The tourism industry is forecasted to recover at a slower pace. Even though the Covid-19 vaccine development has progressive improvement, the distribution of the vaccine still has limitation. Nonetheless, many countries are looking at the possibility of establishing unrestricted air travel without quarantine (Travel Bubble) especially the low-risk countries, e.g., between Australia - New Zealand and between Singapore - Vietnam. This will result in more international travel especially in the second half of 2021.

The pandemic situation is still uncertain and may be prolonged. This coupled with the fluctuation of the global economy and finances indicates that the travel industry remains susceptible to change. These factors have an impact on the industry as well as tourist behavior such as length of stay and spending on accommodations. Special discount is used to compete for a limited customer base which consist almost entirely of domestic tourists. The aforesaid impact remains a challenge for hotel operators to adjust their strategies such as rolling out promotion packages and collaboration with business partners as well as finding new source of income from new products and services in order to mitigate the risks due to the uncertainty of the tourism market.

Bank of Thailand estimates a limited number of international tourists to Thailand for the year 2021. Assuming that vaccine will be available for the general population in the last half of the year, there expected be around 5.5 million foreign tourists in 2021. However, the number of tourists will start to rebound in proportion to the distribution of vaccine in Thailand and other countries that would see an acceleration in the last half of 2022. While the tourist arrivals in 2022 were estimated at 23.0 million persons.

Whereas the ministry of tourism and sports predicts that if Thailand reopens international borders and allows vaccinated foreign tourists to enter Thailand without quarantine in the second half of 2021, tourist arrivals would stand at 10.0 million persons, translating into Baht 0.5 trillion of tourism revenue. For the domestic tourism market was estimated of 120 million persons/trips, generating Baht 0.7 trillion in revenue. Therefore, the total revenue from tourism in 2021 is predicted at Baht 1.2 trillion.

The challenges for the tourism industry in 2021 drove a shift in marketing strategy away from quantity-based marketing. The traditional mass tourism of the past previously had brought in 30-40 million tourists per year before the pandemic. However, going forward, in order to compensate for the decline in the number of tourists, the marketing strategy will target specific segments, i.e., long stay tourists and medical tourists, to attract tourists who spend more per trip. During the pandemic, Thailand had built a reputation for its strength in health infrastructure. Once the vaccine is generally available for all, there is confidence that foreign tourists will return to Thailand in time to support the economic recovery.



MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE PERFORMANCE OF THE YEAR 2020

PERFORMANCE OVERVIEW

For the year 2020, S Hotels and Resorts Public Company Limited ("the Company") had revenue from services of THB 1,562.9 million, decreased by 59.1% from the year 2019, as a result of temporary suspension of hotel operations in all countries where the Company owns or operates its businesses during the second quarter of 2020. In addition, the hotels performance after the reinstatement of its operation in the second half of 2020 were pressured by the stagnant tourism industry due to the tightened travel restrictions in several countries.

UPDATE ON RE-OPENING PLAN

The Company announced the temporary suspension on hotel operations from April 1, 2020 to react to the border closures and preventive measures. Since Q3/2020, the Company has resumed its operation following an easing of economic activities. As of December 31, 2020, 30 properties out of 39 total hotel properties in the portfolio have resumed its operation, equivalent to 85% of number of keys in total. Whereas, the Company revised its strategies and adapted the policies in relation to the tourism industry amid various conditions of each country as detail follows:



COUNTRIES	SUSPENSION PERIOD	INDUSTRY OUTLOOK
Maldives	April 1, 2020 – July 14, 2020, except Outrigger Konotta Maldives Resort which continues to suspend its service until December 31, 2020.	After an easing lockdown measures on July 15, 2020, the international tourists has been gradually rebounded in Q3/2020 and reflected the positive recovery sign towards the end of 2020 and the beginning of 2021. Traffic mostly driven from India, Russia, United States of America, Europe, and Middle East. As of December 2020, the international airlines have reinstated their commercial flights, at approximately 60% of the total airlines flying to Maldives.
Thailand	Phuket and Koh Phi Phi: April 1, 2020 – June 30, 2020 Koh Samui: April 1, 2020 – July 14, 2020	The tourism industry has rebounded at sluggish rate, pressured by the heavily reliant on domestic market amid the intense price competition. However, the tourism industry in the last quarter of the year continued to recover on the back of government stimulus schemes and long holiday. In addition, the government may introduce the further measures to attract the inbound visitors in 2021 such as the opening borders for the Thailand Special Tourist Visa (STV) and the considering of Vaccine Passport.
Fiji	Outrigger Fiji Beach Resort: April 1, 2020 – June 30, 2020 Castaway Island Fiji: April 1, 2020 – July 30, 2020	The tourism industry was materially affected by the travel restrictions and national curfews, damaged the number of international tourists. As a result, the domestic tourism business has gradually rebounded. However, Fiji's government is pressing ahead with its quarantine-free travel with New Zealand and Australia, following with other low-risk countries in Pacific (Pacific Bubble) that would expect to occur in April 2021.
Mauritius	April 1, 2020 – November 30, 2020	Foreseen positive recovery of domestic demand in December 2020, supported by the long weekend and school holiday. However, the hospitality business in 2021 is pressured by the dependence on local market.
United Kingdom	April 1, 2020 – June 30, 2020 Majority has re-opened in July 2020. However, the Company considered to suspend its operation of 8 hotels from 29 hotels in late November 2020 due to the reintroduced lockdown measures, following the rise of COVID-19 case	After the relaxation of lockdown measures in the Q3/2020, the hotel businesses continued to improve month-on-month in accordance with domestic and interregional travel demand. The positive trend was disrupted as the government imposed the lockdown measures in November 2020. The tourism industry is estimated to recover in Q2/2021, backed by progress of vaccination and the entering to the high season in Spring and Summer.

During the challenging situation, the Company implemented the Hotel Operating Model, focusing on workforce realignment. The number of employees would be flexible and able to adjust to be in line with the occupancy rate. The temporary employees and employee transferring among our cluster are key factors to manage the variation of occupancy rate of each hotel during weekdays and weekend. Along with the reduction in the remuneration of employees to enable the Company to surpass the challenge of cash sufficiency during the crisis and be complied with relevant law and regulation in the countries where the hotels operate. With regards to the Company's financial status, the Company emphasizes first and foremost on effective cash management. In the meantime, the Company has requested the support to ease cash utilization from financial institution and its business partners. The Company believes that all properties will be able to overcome the challenge in financial aspect with the current cash, cooperation amongst employees, business partners and financial institutions, and the availability of banking facilities if needed.



SIGNIFICANT DEVELOPMENT

December 15, 2020	The Company has launched its latest hotels and resorts brand called “nābor”. A locally inspired design to redefine travel experience for new generation of travelers with technologically sophisticated lifestyle, Tapping into “Luxury Midscale” market. The development of the brand plays a vital role in the Company's portfolio enhancement and expansion in the future.
February 1, 2021	The Company proceeded to terminate of 3 hotels from the total of 6 hotels under hotel management agreement with Outrigger and enter into self-managed platform. This will help SHR to enhance potential and profitability. With objective to roll-out of its homegrown brands, SHR also launched its next two SAii resorts in Thailand: SAii Laguna Phuket and SAii Phi Phi Island Village.
February 17, 2021	The Board of Directors passes a resolution for SHotels and Resorts (UK) Limited (“SHR UK”), a 100%-owned subsidiary of the Company to enter into the Sale and Purchase Agreement and related documents of FS JV Co., Ltd. (“FS JV”) for the purpose of the acquisition of 500,000 ordinary shares of GBP 1.00 each in the capital of FS JV, representing 50 percent of the total issued shares of FS JV from the previous partner - FICO Holding (UK) Limited (“FICO UK”). The transaction value is GBP 13.75 million (or equivalent to THB 564.49 million). After the completion of transaction, SHR UK will 100%-hold in FS JV and its performance will be consolidated within the Company's financial statement since February 2021 onwards.



OVERVIEW

The Company is a holding company engaging in the management of hotels and investments in international hotel companies. Over the past four fiscal years (year 2016-2019), the Company's consolidated total assets has grown at an average rate of 69.7% per year. The Company has a unique portfolio of hotels in desirable global holiday destinations, as follows

- (1) Two self-manage hotels in Thailand, operate under independent branding, namely, Phi Phi Island Village Beach Resort located on Beachfront of Phi Phi Don Island in Krabi and Santiburi Hotel located on Beachfront of Koh Samui in Surat Thani **"Self-Managed Hotels"**;
- (2) Six hotels operate under the Outrigger brand and manage under hotel management agreements, which consists of two hotels in Thailand, two hotels in the Republic of Fiji Islands, one hotel in the Republic of Maldives and one hotel in Mauritius **"Outrigger Hotels"**;
- (3) Two upper upscale successfully developed hotels, as part of Project CROSSROADS Phase 1 in the Emboodhoo lagoon in the Republic of Maldives, consists of two islands undergoing development, (i) SAii Lagoon Maldives, Curio Collection by Hilton and (ii) Hard Rock Hotel Maldives **"Project CROSSROADS Phase 1 Hotels"**; and
- (4) Twenty-nine upper midscale hotels operated under the Mercure and Holiday Inn brands in the United Kingdom, of which the Company holds 50% in an equal joint venture **"UK Portfolio Hotels"**.

Results for the UK Portfolio, operating under a joint venture, are not consolidated within the Company's hospitality business, and are instead accounted for using the equity method, pursuant to which the Company receives a share of profit or loss from the investment in the joint ventures.

As of December 31, 2020, the Self-Managed Hotels, Outrigger Hotels, UK Portfolio Hotels and Project CROSSROADS Phase 1 are comprised with the total of 39 hotels and 4,647 rooms,

Revenue from services for the year ended 2018 to 2020

(Unit: THB Million)	FY2018	FY2019	FY2020	CHANGE (2020 VS 2019)
Self-Managed Hotels	1,099.0	995.1	328.9	(66.9%)
Outrigger Hotels	1,476.7	2,443.9	607.1	(75.2%)
Project CROSSROADS Phase 1 Hotels	-	379.1	626.9	65.4%
Total revenue from services	2,575.7	3,818.1	1,562.9	(59.1%)

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

Self-Managed Hotels

INDICATORS	FY2018	FY2019	FY2020	CHANGE (2020 VS 2019)
No. of Hotels	2	2	2	-
No. of Keys	291	297	297	-
Average Occupancy Rate (%)	76.1%	71.9%	24.3%	(47.5%)
ADR (THB)	8,415	7,777	7,757	(0.3%)
RevPAR (THB)	6,401	5,591	1,889	(66.2%)

In relation to the Self-Managed Hotels, the RevPAR, Average Occupancy Rate, and ADR for the year 2020 was THB 1,889, 24.3, and THB 7,757 respectively. This was mainly due to the hotels suspension during April 1, 2020 to July 14, 2020. As well as, a decrease in hotel performance both Phi Phi Island Village Beach Resort and Santiburi Koh Samui in the second half of 2020 (2H2020) were materially affected by travel restrictions that pushed pressure to inbound foreign travellers.

Outrigger Hotels

INDICATORS	FY2018	FY2019	FY2020	CHANGE (2020 VS 2019)
No. of Hotels	6	6	6	-
No. of Keys	859	859	859	-
Average Occupancy Rate (%)	78.5%	78.4%	20.3%	(58.1%)
ADR (THB) ⁽¹⁾	6,303	6,076	5,879	(3.2%)
RevPAR (THB) ⁽¹⁾	4,947	4,762	1,193	(75.0%)

Remark: ⁽¹⁾ Reference exchange rate of the year 2019: 31.05 THB/USD, 14.41 THB/FJD, 0.87 THB/MUR
Reference exchange rate of the year 2020: 31.29 THB/USD, 14.44 THB/FJD, 0.80 THB/MUR

In relation to the Outrigger Hotels, the RevPAR, Average Occupancy Rate, and ADR for the year 2020 was THB 1,193, 20.3%, and THB 5,879 respectively. This was mainly due to the hotels suspension since April 1, 2020. As well as, the progressive reopening of 5 Outrigger Hotels from the total of 6 hotels during the 2H/2020 were faced with the drop in operational performance due to the COVID-19 pandemic, damaged the number of international tourists.

Project CROSSROADS Phase 1 Hotels ⁽²⁾

INDICATORS	FY2018	FY2019	FY2020	CHANGE (2020 VS 2019)
No. of Hotels	-	2	2	-
No. of Keys	-	376	376	-
Average Occupancy Rate (%)	-	35.3%	27.6%	(7.7%)
ADR (THB) ⁽³⁾	-	11,519	9,248	(19.7%)
RevPAR (THB) ⁽³⁾	-	4,629	2,636	(43.0%)

Remark: ⁽²⁾ Start commenced its commercial operation on September 1, 2019

⁽³⁾ Reference exchange rate of the year 2019: 31.05 THB/USD

Reference exchange rate of the year 2020: 31.29 THB/USD

In relation to the Project CROSSROADS Phase 1 Hotels, the RevPAR, Average Occupancy Rate, and ADR for the year 2020 was THB 2,636, 27.6%, and THB 9,248 respectively. This was mainly due to the hotels suspension during April 1, 2020 to July 14, 2020. As well as, a decrease in hotels performance in the 2H/2020 were materially affected by the gradual recovery of tourism industry, dragged down by the tightening travel restrictions in several countries. However, the occupancy rate was recovered significantly towards December 2020 and the beginning of 2021.

UK Portfolio Hotels

INDICATORS	FY2018	FY2019	FY2020	CHANGE (2020 VS 2019)
No. of Hotels	29	29	29	-
No. of Keys	3,115	3,115	3,115	-
Average Occupancy Rate (%)	71.5%	69.5%	26.2%	(43.3%)
ADR (THB) ⁽⁴⁾	2,752	2,657	2,372	(10.7%)
RevPAR (THB) ⁽⁴⁾	1,968	1,864	621	(66.7%)

Remark: ⁽⁴⁾ Reference exchange rate of the year 2019: 39.65 THB/GBP

Reference exchange rate of the year 2020: 40.14 THB/GBP

In relation to the UK Portfolio hotels, the RevPAR, Average Occupancy Rate, and ADR for the year 2020 was THB 621, 26.2%, and THB 2,372 respectively. This was mainly due to the hotels suspension since April 1, 2020. As well as, the progressive reopening of hotels were faced with a decrease in operational performance owing to the escalating COVID-19 pandemic of the country, extremely damaged the travel demand.

Discussion of results of operations: the fourth quarter of 2019 and 2020

	2018		2019		2020		CHANGE (2020 VS 2019)	
	THB MILLION	%	THB MILLION	%	THB MILLION	%	THB MILLION	%
Revenue from services	2,575.7	100.0%	3,818.1	100.0%	1,562.9	100.0%	(2,255.2)	(59.1%)
Costs of services	(1,469.3)	(57.0%)	(2,490.4)	(65.2%)	(1,668.3)	(106.7%)	822.1	33.0%
Gross profit	1,106.4	43.0%	1,327.7	34.8%	(105.4)	(6.7%)	(1,433.1)	(107.9%)
Selling expenses	(239.0)	(9.3%)	(366.3)	(9.6%)	(171.5)	(11.0%)	194.8	53.2%
Administrative expenses	(663.1)	(25.7%)	(1,083.8)	(28.4%)	(2,200.8)	(140.8%)	(1,116.9)	(103.1%)
Other income	489.6	19.0%	199.8	5.2%	652.8	41.8%	453.0	226.7%
Share of profit (loss) from investment in an associate and joint ventures	83.6	3.2%	20.2	0.5%	(172.1)	(11.0%)	(192.3)	(950.0%)
Finance costs (Interest expenses)	(292.7)	(11.4%)	(424.6)	(11.1%)	(377.4)	(24.2%)	47.2	11.1%
Profit (loss) before income taxes	484.8	18.8%	(327.0)	(8.6%)	(2,374.4)	(151.9%)	(2,047.4)	(626.1%)
Income tax expenses	(34.7)	(1.3%)	(139.8)	(3.7%)	3.7	0.2%	143.6	102.7%
Profit (loss) of the year	450.1	17.5%	(466.9)	(12.2%)	(2,370.7)	(151.7%)	(1,903.8)	(407.8%)
<i>Adjusted items</i>								
Net unrealized loss on exchange rate	-	-	39.2	1.0%	68.3	4.4%	29.1	74.2%
Non-recurring items	(138.7)	(5.4%)	329.3	8.6%	394.1	25.2%	64.9	19.7%
Adjusted EBITDA ¹	997.0	38.7%	1,105.0	28.9%	(596.7)	(38.2%)	(1,701.7)	(154.0%)
Adjusted Net Profit (loss) for the period ²	311.4	12.1%	(98.4)	(2.6%)	(1,908.2)	(122.1%)	(1,809.8)	(1839.5%)

NON-RECURRING ITEMS	FY2018	FY2019	FY2020
Expenses related to Outrigger acquisition	104.1	-	-
IPO EXPENSES		27.5	-
CROSSROADS pre-operation expenses		242.3	-
Others one-time expense		59.5	-
Impairment of assets (PPE & GW)		-	567.9
Fair values adjustment of investments property and Write-off inventory		-	162.8
Provision for doubtful accounts		-	93.1
Gain from sale share and sublease		-	(429.6)
Gain from exchange rate	(242.8)		
Total Non-recurring items	(138.7)	329.3	394.1

Remark: ¹ Adjusted EBITDA is calculated from EBT plus Finance cost, Depreciation and Amortization, Interest income from Loan to JVs and deduct Interest income, unrealized loss from exchange rates and non-recurring items

² Adjusted Net Profit (loss) for the period is calculated from Profit (loss) of the year deduct unrealized loss from exchange rates and non-recurring items

REVENUE FROM SERVICES

The revenue from services for the year 2020 amounted to THB 1,562.9 million, declined by 59.1% from the year 2019, primarily due to a result of the hotel temporary suspension in all countries where the Company owns or operates its businesses during the second quarter of 2020, together with the stagnant of tourism industry during the 2H/2020 due to the travel restrictions.

	FY2018	FY2019	FY2020	CHANGE (2020 VS 2019)
Room Revenue	1,535.2	2,197.1	851.2	-61.3%
Food and Beverage Revenue	765.3	1,140.9	456.2	-60.0%
Other Revenue	275.3	480.1	255.5	-46.8%
Revenue from services	2,575.7	3,818.1	1,562.9	-59.1%

COSTS OF SERVICES

The costs of services for the year 2020 amounted to THB 1,668.3 million, or down by 33.0% from 2019. The decline in costs of services was largely consistent with the temporary suspension during the second quarter of 2020 and the gradually resumed hotels operation during the 2H2020.

GROSS PROFIT

Gross profit (loss) for the year 2020 amounted to THB (105.4) million, decreased from THB 1,327.7 million in 2019. This was substantially due to the decrease in operating revenue of Self- Managed Hotels and Outrigger Hotels, impacted by COVID-19 pandemic.

SELLING EXPENSES

The selling expenses for the year 2020 amounted to THB 171.5 million, declined by 53.2% from the same period last year. This was primarily attributable to the decrease in selling and advertising expenses and the manpower planning in relation to the cost reduction proposal.

ADMINISTRATIVE EXPENSES

The administrative expenses for the year 2020 amounted to THB 2,200.8 million, increased from THB 1,083.8 million in 2019. The increase of administrative expenses was primarily attributable to the recognition impairment of assets, fair values adjustment of investments property, costs of services incurred during the suspension period which was considered as administrative expenses, together with an increase in allowance for doubtful accounts during the temporary closures.

FINANCIAL COSTS (INTEREST EXPENSES)

The financial costs for the year 2020 was at THB 377.4 million, which decreased by 11.1%, compared to 2019. The decrease was primarily attributable to intercompany loan repayment, along with a decrease in cost of debt in line with the tendency of interest rate. Even though, this was partially offset by an increase in financial cost for Project CROSSROADS Phase 1.

OTHER INCOME

The other income for the year 2020 was at THB 652.8 million, consisting of gain on disposal of share of JV company transaction according to the Joint Venture Agreement and disposal of sublease amounted to THB 429.6 million, interest income from loans to joint ventures amounted to THB 144.1 million, and other income amounted to THB 79.1 million.

While, the other income for the year 2019 was at THB 199.8 million, consisting of interest income from loans to joint ventures amounted to THB 119.9 million, and other income and realized gain in exchange rate amounted to THB 79.9 million.

SHARE OF PROFIT (LOSS) FROM AN ASSOCIATE AND JOINT VENTURES

The share of profit (loss) from an associate and joint ventures for the year 2020 amounted to THB (172.1) million, which decreased from THB 20.2 million for the year 2019. The decreased was primarily due to the performance from joint ventures that invested in UK portfolio.

ADJUSTED EBITDA

Adjusted EBITDA for the year 2020 in an amount of (596.7) million, reversed from THB 1,105.0 million for the year 2019. This was primarily due to an absence of revenue during the suspension period together with a decrease in Share of profit (loss) from an associate and joint ventures.

PROFIT (LOSS) FOR THE PERIOD

For the year 2020, the Company had a profit (loss) of THB (2,370.7) million, decreased from THB (466.9) million in 2019, primarily due to an absence of revenue during the suspension period together with a decrease in Share of profit (loss) from an associate and joint ventures.

In relation to the Non-recurring items which were realised as the administrative expenses, consisting of the recognition of impairment of assets, fair values adjustment of investments property, and allowance for doubtful accounts. Excluding those one-time expense, **Adjusted Net income** for the year 2020 in an amount of THB (1,908.2) million, decreased from THB (98.4) million for the previous year as a result of COVID-19 pandemic as aforementioned.

ANALYSIS OF FINANCIAL POSITION AND INVESTMENT STRUCTURE

The total assets as at December 31, 2020 in amount of THB 27,117.3 million, decreased THB 2,044.4 million from December 31, 2019, mainly due to a drop in current assets amounted to THB 1,488.2 million. Along with, the recognition of impairment of assets and fair values adjustment of investments property amounted to THB 655.4 million. The impairment of the asset led to the lower value of fixed asset and its depreciation in the future.

The total liabilities was at THB 11,441.3 million, increased THB 202.5 million from December 31, 2019. The increase was primarily attributable to the adoption of financial reporting standards relating to leases standard (IFRS 16). As at December 31, 2020, the interest-bearing debt amounted to THB 8,353.4 million.

The total equity was at THB 15,675.9 million, decreased THB 2,246.8 million from December 31, 2019, mainly due to the loss for the period.

As at December 31, 2020, the Company has cash and cash equivalents in an amount of THB 2,492.7 million and maintain the robust interest-bearing debt to equity ratio at 0.53 times.

	DECEMBER 31, 2018	DECEMBER 31, 2019	DECEMBER 31, 2020	CHANGE (2020 VS 2019)	
	THB MILLION	THB MILLION	THB MILLION	THB MILLION	%
Cash and cash equivalents	1,892.9	3,591.6	2,492.7	(1,098.9)	(30.6%)
Total current assets	2,962.9	5,126.6	3,638.4	(1,488.2)	(29.0%)
Property, plant and equipment, net	16,321.5	18,768.6	16,853.0	(1,915.6)	(10.2%)
Total non-current assets	21,427.7	24,035.0	23,478.9	(556.1)	(2.3%)
Total assets	24,389.6	29,161.6	27,117.3	(2,044.4)	(7.0%)
Total interest-bearing debt	10,030.2	7,847.5	8,353.4	505.9	6.4%
Other liabilities	2,375.7	3,391.3	3,087.9	(303.4)	(8.9%)
Total liabilities	12,405.9	11,238.9	11,441.3	202.5	1.8%
Total equity	11,983.7	17,922.8	15,675.9	(2,246.8)	(12.5%)
Interest-bearing debt to equity (times)	0.84	0.44	0.53	0.10	21.7%



NATURE OF BUSINESS

S Hotels and Resorts Public Company Limited (the “Company” or “SHR”) is a fast-growing holding company that engages in the management of hotels and investments in international hotel companies with continuous growth of assets. The Company’s objectives are to build new standard of relaxation and quality of living by offering travelling and staying opportunity in the affordable luxury hotels and resorts and to determine to provide services with maximum safety and industrial hygiene standards. In 2020, the Company owns 39 hotels with a total of 4,647 keys located in prime tourist locations, i.e. Thailand, the Republic of Maldives, the Republic of Fiji, the Republic of Mauritius and the United Kingdom

Since our establishment in 2014 with two properties in Thailand with a total of 227 keys, and up to 2020, we have successfully grown by a CAGR of 65.4% (in terms of total number of keys). This has been driven by our established track record of growth from acquisitions, developments and asset enhancement initiatives through disciplined capital management and proven ability of having access to domestic and international capital. We have a highly experienced and forward-looking senior management team and the Board of Directors with strong and committed support from Singha Estate as a hospitality business flagship company of the Singha Estate Group.





SIGNIFICANT CHANGES AND DEVELOPMENTS

In 2014, through Singha Estate, we acquired our first hotel assets, namely the luxury resort Santiburi Koh Samui with 71 villas and upscale resort Phi Phi Island Village Beach Resort with 156 bungalows in Thailand.

In 2015, we added six pool grand deluxe villas in Santiburi Koh Samui. Our portfolio grew in 2015 with the acquisition of a 50% equity stake in the Jupiter Group through a 50%/50% joint venture with FICO UK. The Jupiter Group's hotel portfolio consists of 26 upper midscale Mercure branded hotels.

In 2016, we acquired the Hotelier Group Limited through a 50%/50% joint venture with FICO UK. The Hotelier Group's hotel portfolio consists of three upper midscale hotels, two under the Holiday Inn brand and one under the Mercure brand. In the same year, we renovated 110 bungalows (standard) and all restaurants at Phi Phi Island Village Beach Resort.

In 2018, we acquired the leasehold over the land in CROSSROADS Project Phase 1. In the same year, we expanded our operations in Thailand and into the Maldives, Fiji, and Mauritius through the acquisition of six hotel properties managed by the Outrigger Hotel Group. We commenced development and construction of CROSSROADS Project Phase 1. This project comprises the development and operations of two internationally branded hotels, The Marina @ CROSSROADS, and another reclaimed island where another hotel can be developed. We also added 19 newly built grand deluxe pool villas to Santiburi Koh Samui.

For the year 2019, the Company issued and offered the ordinary shares by initial public offering (IPO) in the Stock Exchange of Thailand ("SET") on November 12, 2019, under tourism & leisure sector. After capital increase, Singha Estate Public Company Limited still maintained shareholding proportion in the Company at 60 percent of paid-up capital.

In the third quarter of 2020, two hotels as part of the CROSSROADS Project Phase 1 in the Emboodhoo Lagoon in the Republic of Maldives including SAii Lagoon Maldives, Curio Collection by Hilton (198 keys), and Hard Rock Hotel Maldives (178 keys) commenced its operation, including The Marina @ CROSSROADS with retail shops, restaurants, beach club, museum, facilities, and entertainments.

POLICY AND OVERVIEW OF BUSINESS

The Company has flexible management policies to suit its investment policy as seen in various business platforms of the current assets in which the Company has been investing. Not only flexibility in management lets the Company utilise its resources to the most efficiency, but it also increases the Company's opportunities to invest. The Company has four types of business platforms as follows:

1. Self-managed hotels with own management and operation

under its own brand (self-managed). Mostly the Company uses this platform with hotels that the Company already has great familiarity with the management, property, customers, competition and location of property.

2. Self-managed hotels with Franchise Agreement.

The Company increases the availability to marketing channels through the established well-known brands which will quickly raise awareness of the hotels under the management system familiar to the Company.

3. Hotels managed under the Third-Party Hotel Management Agreement.

The Company appoints third-party management operators to manage hotels possessed by the Company and pays management fees as remuneration. The benefits of this platform are that most of these management operators are internationally renowned, which promotes good brand image for our assets. These operators have thorough understanding about their customers and property location. Another benefit of this platform is that the Company spends least resources to manage this type of assets.

4. Third-party hotels managed under the Hotel Management Agreement Platform by using the Company's brands.

This is the platform that the Company aims to acquire more in the future. Management fees are remunerated to the Company for our management operation under the hotel management agreement that the Company will manage this type of assets.

The Company categorises its assets according to different business platforms as follows:

1) "Self-managed hotels"

are the hotels that the Company manages and operates under its own brands which include Phi Phi Island Village Beach Resort and Santiburi Koh Samui.



2) "Outrigger hotels"

is a group of six hotels under the brand Outrigger. The Company manages these hotels under hotel management agreements.

3) "CROSSROADS Project Phase 1"

is a hotel development project on Islands 3 in the CROSSROADS Project, located in the Republic of Maldives. At the present time, the CROSSROADS Project Phase 1 consists of two already-operating hotels which include SAii Lagoon Maldives, Curio Collection by Hilton and Hard Rock Hotel Maldives. The Company manages and operates under franchise agreements. The Company also manages an entertainment and recreation complex in The Marina @ CROSSROADS Project, and an island currently under development to be a hotel.

4) "The Company's own hotels in the United Kingdom"

are a group of 29 hotels in the United Kingdom under the brands Mercure and Holiday Inn. The Company holds 50 per cent of the investment in the joint venture that owns these hotels.

Revenue generating by types of business platform

	2018		2019		2020	
(UNIT: BAHT MIL.)	BAHT MIL.	%	BAHT MIL.	%	BAHT MIL.	%
Self-Managed Hotels	1,099.0	42.7%	995.1	26.1%	328.9	21.1%
Outrigger Hotels	1,476.7	57.3%	2,443.9	64.0%	607.1	38.8%
Project CROSSROADS Phase 1 Hotels	-	-	379.1	9.9%	626.9	40.1%
Total revenue from services	2,575.7	100.0%	3,818.1	100.0%	1,562.9	100.0%

Number of hotels and keys by type of business platform

	SELF-MANAGED HOTELS		OUTRIGGER HOTELS	CROSSROADS PROJECT PHASE 1		COMPANY'S OWN HOTELS IN THE UK
Hotel name/Brand	Phi Phi Island Village Beach Resort	Santiburi Koh Samui	Outrigger	SAii Lagoon Maldives, Curio Collection by Hilton	Hard Rock Hotel Maldives	Mercure and Holiday Inn
Number of hotel(s)	1	1	6	1	1	29
Number of rooms(s)	201	96	859	198	178	3,115
Business platform	Self-Managed	Self-Managed	Third Party Management Agreement	Franchise Agreement	Franchise Agreement	Franchise Agreement
Scale	Upscale	Luxury	Upper Upscale	Upper Upscale	Upper Upscale	Upper Mid-Scale
Hotel type	Resort	Resort	Resort	Resort	Resort	Resort

DETAILS AND PROGRESS ON UTILIZATION OF DEBT INSTRUMENT PROCEEDS

The Company received payment for additional ordinary shares for the amount of 1,437,456,000 shares offered for initially offering to the public. Such ordinary shares have a par value of Baht 5 per share, which was offered at the price of Baht 5.20 per share, totaling the net offering of Baht 7,351.6 million (after deduction of related fees and expenses).

In 2019, proceeds totaled Baht 5,673 million had been used to repay loan for acquisition of Outrigger hotels business in 2018, repay other loans to Singha Estate Group, and to use as working capital. Hence, debt to equity ratio and finance cost have significantly reduced. This share offering increased financial potentials to support for the growth of the business.

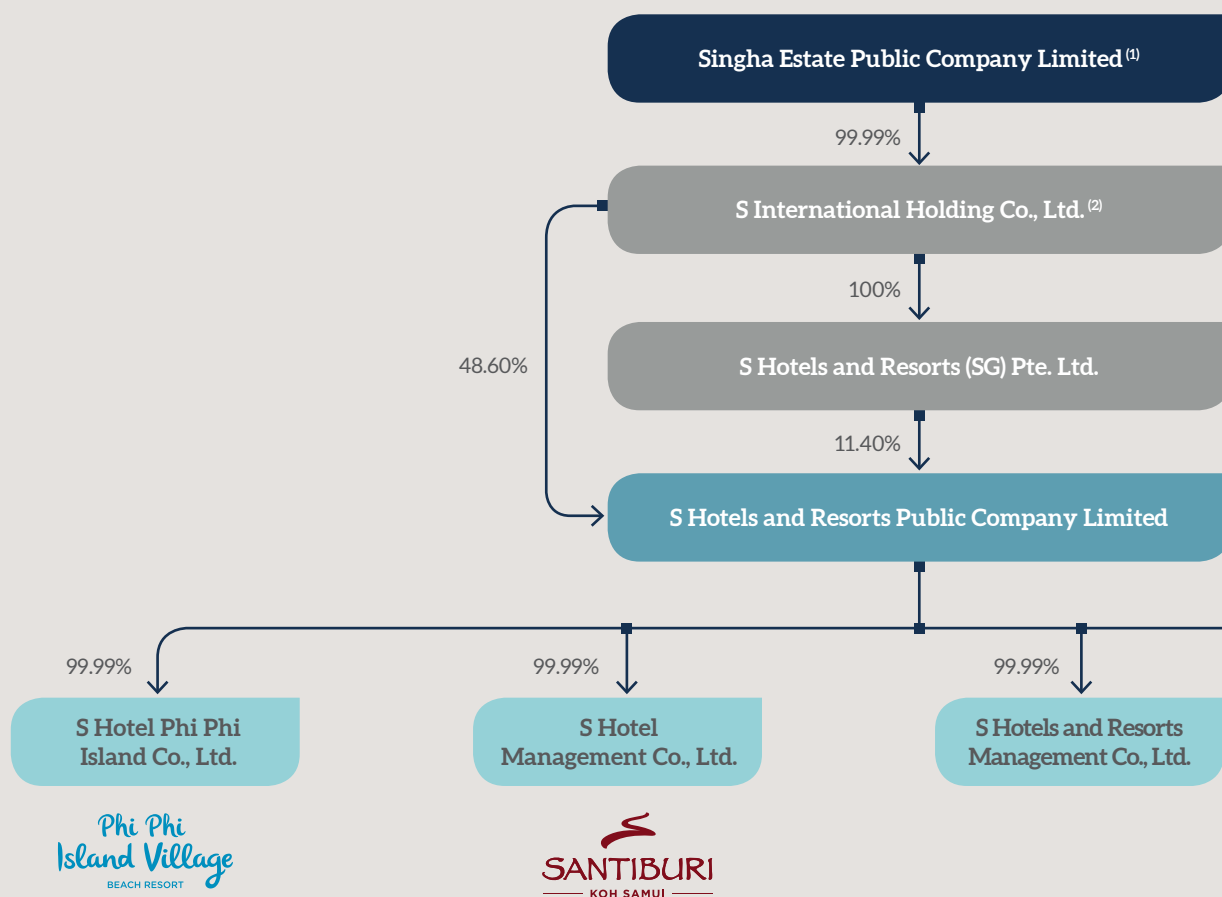
In 2020, the Company invested Baht 559.5 million in development of various projects, namely 1) CROSSROADS Phase 1; 2) Renovation uplift programs of Outrigger Laguna Phuket Beach Resort; and 3) Renovation and development of Phi Phi Island Village Beach Resort. In addition, some capital of Baht 174.1 million had been used for business expansion and as working capital purpose and/or general purpose. Thus, as at December 31, 2020, remaining amount of proceeds from offering of debt instrument was Baht 945.4 million.

BUSINESS STRUCTURE OF THE GROUP OF COMPANIES

As at December 31, 2020, the Company has 25 direct and indirect subsidiaries and 18 associated companies. Overview of investment structure of the Group of Companies, classified by business group, is summarized as follows:

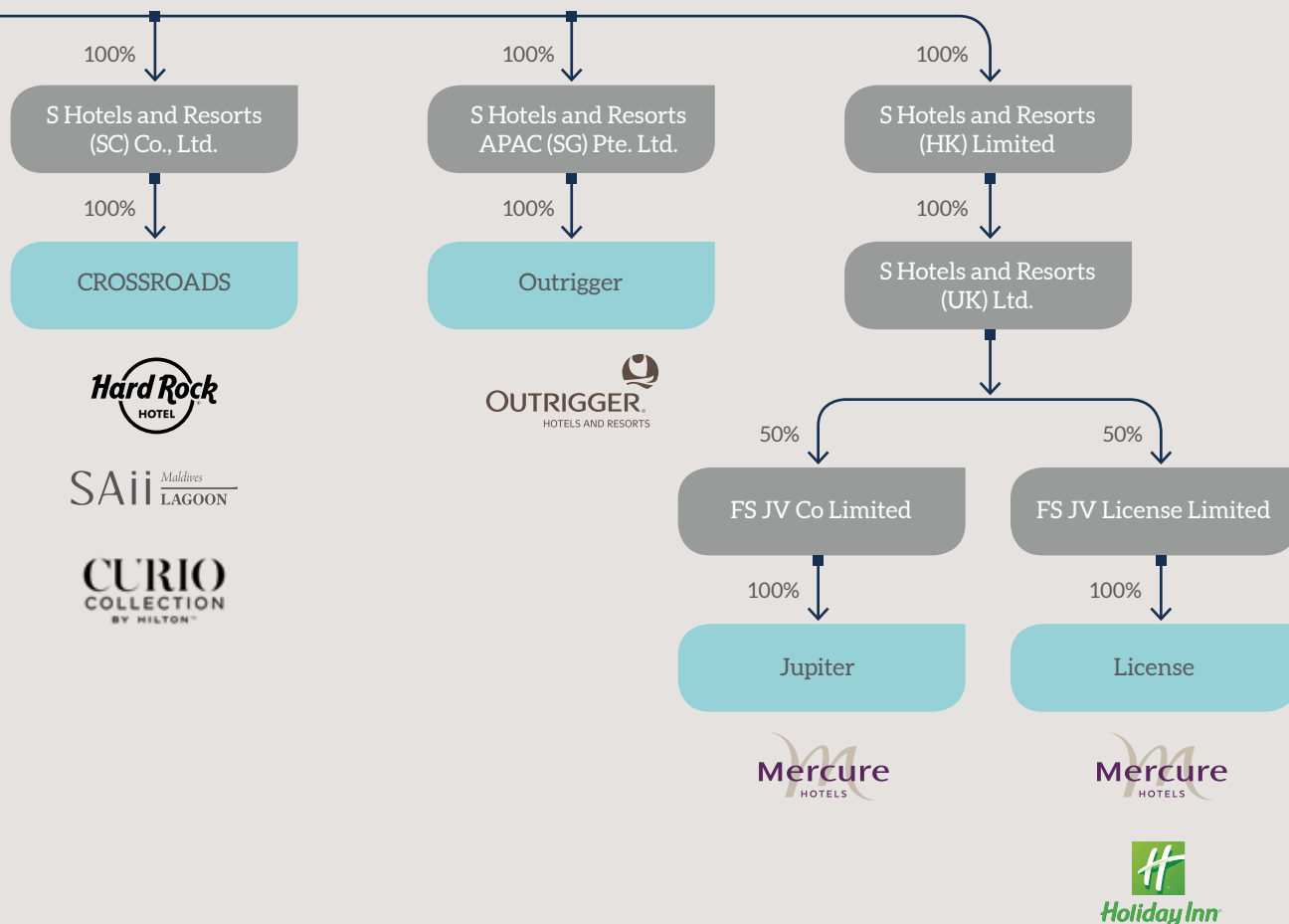
BUSINESS STRUCTURE

Business Structure of S Hotels and Resorts Public Company Limited
As of December 31, 2020



Remark: ⁽¹⁾ please see 2020 Annual Report of Singha Estate Plc. for more details.

⁽²⁾ formerly named S Hotels and Resorts Inter Co., Ltd. Name change was taken effect on 16 Oct. 2020.



KEY BUSINESS SEGMENTS



Mercure

2,964



Holiday Inn

151



SAii Lagoon
Maldives,
Curio Collection
by Hilton

198



Hard Rock Hotel
Maldives

178



Outrigger
Mauritius
Beach Resort

181



Remark: Core portfolio excludes Holiday Inn and Mercure hotels in the UK which are held through a 50% stake in our equal joint venture with FICO UK.
⁽¹⁾ Includes Self-Managed Hotels under franchise agreement(s).



Outrigger Laguna
Phuket Beach Resort

255

Outrigger Koh Samui
Beach Resort

52

Phi Phi Island
Village Beach
Resort

201



Santiburi
Koh Samui

96



Outrigger Fiji
Beach Resort

253



Castaway
Island, Fiji

65



Outrigger Konotta
Maldives Resort

53



REVENUE STRUCTURE OF THE COMPANY AND ITS SUBSIDIARIES

Revenue structure of the Company and its subsidiaries

	2018		2019		2020	
TYPE OF BUSINESS/OPERATED BY	BAHT MIL.	%	BAHT MIL.	%	BAHT MIL.	%
Total Revenue from services	2,576	81.80	3,818	94.55	1,563	76.48
Room Revenue	1,535	48.75	2,197	54.41	851	41.64
F&B Revenue	765	24.30	1,141	28.25	456	22.31
Other Revenue	275	8.74	480	11.89	256	12.53
Other incomes	490	15.55	200	4.95	653	31.94
Other incomes	103	3.26	80	1.26	509	24.89
Interest income	144	4.57	120	2.97	144	7.05
Gain from fx	243	7.71	0	0.72	0	0.00
Share of profit (loss) from investment in joint venture	84	2.65	20	0.50	(172)	(8.42)
Total revenues	3,149	100.00	4,038	100.00	2,044	100.00

Revenue structure of the Company from domestic and overseas

	2018		2019		2020	
TYPE	BAHT MIL.	% TOTAL REVENUE	BAHT MIL.	% TOTAL REVENUE	BAHT MIL.	% TOTAL REVENUE
Domestic revenue	1,629	52%	1,640	41%	578	28%
Overseas revenue	1,520	48%	2,398	59%	1,466	72%



ASSETS USED IN OPERATIONS AND INFORMATION OF ASSET ASSESSMENT

1. OPERATING ASSETS OF THE COMPANY

As of December 31, 2020, the Company has assets used for business operation consisting of commercial properties, lands, buildings and equipment used for hotel business operation, and leasehold rights with a total value of Baht 20,094 million (pursuant to the consolidated financial statements). Details are as follows:

LIST OF ASSETS	VALUE (MILLION BAHT)
Commercial Properties (or Properties for Investment) ¹	805
Lands, Buildings and Equipment (Hotel Business) ¹	16,853
Leasehold Rights	2,436
Total	20,094

Commercial Properties

PROJECT	PROJECT TYPE	LOCATION	SIZE OF LAND FOR ENTIRE PROJECT (RAI-NGAN-SQ. WAH.)	CHARACTERIZED OWNERSHIP	ENCUMBRANCES (PARTIAL / ENTIRE MORTGAGE WITH)
The Marina @ CROSSROADS, Maldives	Retail Area for Rent	Emboodhoo Lagoon in Kaafu Atoll, the Republic of Maldives	74-1-67.63	Owner	EXIM BANK ²





Lands, Buildings and Equipment (Hotel Business)

PROJECT	PROJECT TYPE	LOCATION	SIZE OF LAND FOR ENTIRE PROJECT (RAI-NGAN-SQ. WAH.)	CHARACTERIZED OWNERSHIP	ENCUMBRANCES (PARTIAL / ENTIRE MORTGAGE WITH)
Phi Phi Island Village Beach Resort	Hotel	Phi Phi Don Island, Ao Nang Subdistrict, Mueang District, Krabi Province	167-1-42	Owner	KBANK ³
SAii Lagoon Maldives	Hotel	Emboodhoo Lagoon in Kaafu Atoll, the Republic of Maldives,	37-0.94-0	Owner	EXIM BANK ²
Hard Rock Hotel Maldives	Hotel	Emboodhoo Lagoon in Kaafu Atoll, the Republic of Maldives,	46-3-3	Owner	EXIM BANK ²
Outrigger Laguna Phuket Beach Resort	Hotel	Choeng Thale Subdistrict, Thalang District, Phuket Province	52-3-87	Owner	KBANK ³
Outrigger Fiji Beach Resort	Hotel	Conua District, Viti Levu Island, the Republic of Fiji	967-1-24.75	Owner	ANZ ⁴
Castaway Island, Fiji	Hotel	Castaway (Qalito) Island, the Republic of Fiji	183-2-39	Owner	ANZ ⁴
Outrigger Mauritius Beach Resort	Hotel	Allee des, Bel Ombre, the Republic of Mauritius	55-1-87	Owner	Afrasia ⁵

Remark: ¹ Market price pursuant to the consolidated financial statements

² Export - Import Bank of Thailand

³ Kasikornbank Public Company Limited

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

⁵ Afrasia Bank Limited

Leasehold Rights

PROJECT	PROJECT TYPE	LOCATION	SIZE OF LAND FOR ENTIRE PROJECT (RAI-NGAN-SQ. WAH.)	CHARACTERIZED OWNERSHIP	OWNERSHIP	TERM OF AGREEMENT	ENCUMBRANCES (PARTIAL / ENTIRE MORTGAGE WITH)
Castaway Island, Fiji	Hotel	Malolo District, Nadi, the Republic of Fiji	183-2-39	Owner	Tokatoka Nalotulevu Mataqali Ketenamasi of the Solevu village	Starting from July 1, 1993, 89-year lease agreement	ANZ ⁴
Outrigger Koh Samui Beach Resort	Hotel	Bophut Subdistrict, Koh Samui District, Surat Thani Province	12-3-32.5	Owner	Mr. Somkid Plomchan	Starting from 1 May 2004, 30-year lease agreement	Nil
Outrigger Mauritius Beach Resort	Hotel	BelOmbre Beach, Savanne District, the Republic of Mauritius	55-1-87.37	Owner	Government of Mauritius	Starting from February 2, 2004, 59-year and 4-month lease agreement	Afrasia ⁵
Outrigger Konotta Maldives Resort	Hotel	Gaafu Dhaalu Atoll, the Republic of Maldives	56-0-384	Owner	Government of the Republic of Maldives represented by the Ministry of Tourism	Starting from May 5, 2005, 50-year lease agreement	Nil
Santiburi Koh Samui	Hotel	Koh Samui, Maenam Subdistrict, Koh Samui District, Surat Thani Province	57-0-22.7	Owner	Singha Estate Plc.	Starting from December 1, 2018, 90-year lease agreement	Nil
CROSSROADS	Hotel and retail space for rent	Emboodhoo Lagoon in Kaafu Atoll, the Republic of Maldives	206-0-18-0	Owner	The Government of Maldives represented by the Ministry of Tourism	Starting from February 9, 2016, 50-year lease agreement	EXIM BANK ²

Remark: ² Export - Import Bank of Thailand⁴ Australia and New Zealand Banking Group Limited (Fiji Branch)⁵ Afrasia Bank Limited

2. INTANGIBLE ASSETS OF THE COMPANY AND ITS SUBSIDIARIES

Intangible assets that are important to the operations of the Company and its subsidiaries as at December 31, 2020 are as follows:

TYPE OF ASSETS	NET BOOK VALUE (MILLION BAHT)
Goodwill	1,022.92
Computer software	38.30
Trademark	3.86
Franchise	45.75
Total	1,110.83



3. INFORMATION OF APPRAISED VALUE OF ASSETS

Information of appraised value of assets of the Company and its subsidiaries as at December 31, 2020 are as listed below:

ASSETS	LOCATION	CHARACTERIZED OWNERSHIP	APPRAISAL COMPANY	APPRAISAL OBJECTIVE	VALUE APPRAISAL METHOD	DATE OF APPRAISAL/ DATE OF REPORT	APPRAISED VALUE (MILLION BAHT)
1. The Marina @ CROSSROADS, Maldives	Emboodhoo Lagoon in Kaafu Atoll, the Republic of Maldives	Owner	American Appraisal (Thailand) Ltd.	To appraise the fair market value of property	Income approach and Cost approach	10 February 2021	756.93
2. Outrigger Konotta Maldives Resort	Gaafu Dhaalu Atoll, the Republic of Maldives	Owner	American Appraisal (Thailand) Ltd.	To appraise the fair market value of property	Income approach and Cost approach	10 February 2021	792.98
3. Outrigger Koh Samui Beach Resort	Bophut Subdistrict, Koh Samui District, Surat Thani Province	Owner	American Appraisal (Thailand) Ltd.	To appraise the fair market value of property	Income approach and Cost approach	4 February 2021	261.00

Policy on Investment in Subsidiary and Associate Companies

The Company has the policy to invest in subsidiary or associate companies which are aligned with the Company's goals, vision, and strategic plans for the business growth in order to increase the Company's operating performance or profit, or to invest in businesses that create synergy, which would boost the Company's ability to stay competitive, and enable it to achieve leadership in its core business.

The Company may consider investing in other businesses if they prove beneficial for their growth capability, business expansion, or for the best interest of the group companies, and would generate good returns on investment. The Company shall ensure a regulatory mechanism which will allow it to supervise and account for the operation of its subsidiary companies as though they are units of the Company itself, as well as a suitable and sufficiently secure measure to monitor the management of and an internal control system for the subsidiary companies, so as to safeguard the Company's investment, in accordance with the prescribed criteria, whereby the Company deems that they shall create synergy, increase revenue channels, and increase its profitability. Before going through with investment in a project, the Company shall consider the investment ratio, expected profit, potential risks, and its financial status, with an appropriate analytical procedure. Such investment shall also be subject to consideration and approval by

the Board of Directors or the Meeting of Shareholders (as the case may be), with the application for approval of which being subject to the relevant notifications of the Capital Market Supervisory Board and the Stock Exchange of Thailand.

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

From the Company's separate financial statements as of December 31, 2020, the Company has investments in subsidiaries at the total amount Baht 16,835.65 million or 78.37% of the total assets.



OUR PROJECTS IN 2020

OUR PROJECTS IN 2020

The continuous investment and expansion of the business at the end of 2020 resulted in the Company possessing 39 hotels in both Thailand and other countries that are already operating under the Company's operations, subsidiaries in which the Company has a 99.99% shareholding, and a joint venture with the following details:





SANTIBURI KOH SAMUI

The 5-star resort, which has been well-known to tourists for over 20 years, is the first hotel business which Singha Estate acquired in 2014. The Company entered into a contract with Singha Estate for rent of land and buildings of Santiburi Koh Samui. In 2018, the Company completed the construction of 19 additional Pool Villa rooms and opened in May 2018, resulting in the total number of keys increasing from 77 to 96 keys in order to accommodate the ever-growing number of tourists.



Location:
Koh Samui, Mae Nam Sub-district,
Koh Samui District, Surat Thani
Province



Area:
56-3-93 rai
(The Company has a leasehold right
to land ending in 2048 with the
right to renew the contract 2 times,
each time for 30 years)



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



Number of keys:
96 keys, including Duplex Suites and
private villas



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





Awards:

2020

- UNESCO's Sustainable Tourism Pledge 2020
- "Best of the Best" Award 2020 - by TripAdvisor Travelers' Choice, having been recognized from the guests as the hotel that the foreigners needed to stay the most on the island
- Agoda Award - 2020 Customer Review

2019

- Thailand Greenhouse Gas Management Organization - 'Carbon Neutral' Certificate 2019
- Holiday Check Award - One of the 'most popular hotels worldwide' 2019
- TripAdvisor Award - Top 25 Luxury Hotels in Thailand 2019

2018

- Luxury Life Style Award - Symbol of Excellence
- Smart Travel Asia - Best Top 25 Family & Wellbeing Resort in Asia
- TripAdvisor Award
- Holiday Check Award
- Expedia Award - Top 5 Most Improved Hotel Partner

2016

- Booking.com Award - Guest Review Award
- World Luxury Hotel Award
- Gold Thai Spa World Class by Ministry of Public Health

ROOM TYPE	AVERAGE SIZE (sq. m.)	NO. OF KEYS
One Bedroom Duplex Suite	55	8
Two Bedroom Duplex Suite	91	4
Deluxe Garden Villa	60	10
Grand Deluxe Garden Villa	65	20
Grand Deluxe Garden Villa with Plunge Pool	115	12
Deluxe Pool Villa	136	4
Grand Reserve Pool Villa	250	19
Grand Deluxe Pool Villa	285	6
Deluxe Beachfront Villa	65	7
Deluxe Beachfront Villa with Plunge Pool	121	4
Two Bedroom Grand Deluxe Beachfront Villa	176	1
Two Bedroom Grand Deluxe Beachfront Villa with Private Pool	195	1
Total		96

PHI PHI ISLAND VILLAGE BEACH RESORT

This 4-star hotel which the Company acquired in November 2014 has been well-known to tourists and divers for over 20 years. The hotel was renovated in accordance with the Value Enhancement Project continuously with the construction of 45 additional bungalows, second swimming pool and the improvement of facility systems which were completed and opened for operation in 2015, as well as the refurbishment of all existing rooms to increase the competitiveness and support the number of tourists that continue to grow. All of these were completed in 2016.



Location:
Phi Phi Don Island, Ao Nang Sub-district, Mueang Krabi District, Krabi Province

Area:
167-1-42 rai
(The Company holds the ownership of the land)

Description:
4-star hotel on a private beach about 800 meters long, complete with facilities including 2 large swimming pools, a beach restaurant and spa centre

Number of keys:
201 private villas consisting of bungalow and villa cluster

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





Awards:

2020

- Condé Nast Readers' Choice Awards 2020 as the 6th best resort in Thailand
- Responsible Thailand Awards in Marine and Nature category arranged by Tourism Authority of Thailand ("TAT") in cooperation with Wanderlust Travel Media from England
- Tripadvisor Award - Travelers' Choice 2020
- Agoda Award - 2020 Customer Review

2019

- Green Hotel Award - Gold Level
- Thai Hotels Association - Plastic Free Resort
- TripAdvisor Award - Hall of Fame
- Recommended hotels on HolidayCheck
- Expedia Award - Top 4 Star Hotel Partner
- Hotels.com Loved by Guests Award - guests rating 8.9
- Plaque of Recognition of Business & Biodiversity Check From GDF (Global Nature Fund) and BEDO (Biodiversity-Based Economy Development Office)
- Tripadvisor Award - Certificate of Excellence 2013-2019

2018

- Green Leaf Foundation - Recognition of '3 Leaves'
- Hotels.com Award - Loved By Guests Most Wanted
- Agoda Award - Guests Review
- Ctrip Award - Best Resort in Krabi

2017

- Agoda Award - Gold Circle Award Winner
- Expedia Award - Top 4 Stars Hotel Partner Wine 2017-2018
- Booking.com Award - Guest Review

2016

- Ctrip Award - Top Performance

ROOM TYPE	AVERAGE SIZE (sq. m.)	NO. OF KEYS
Superior Bungalow Double	35	60
Superior Bungalow Twin	35	12
Deluxe Garden Double	38	39
Deluxe Garden Twin	38	5
Deluxe Bungalow Double	59	36
Deluxe Bungalow Twin	59	1
Deluxe Connecting Double	51	5
Deluxe Connecting Twin	51	5
Deluxe Seaview Double	59	11
Deluxe Seaview Twin	59	1
Beachfront Junior Suite	79	14
Hillside Pool Villa	110	12
Total		201

OUTRIGGER GROUP (6 HOTELS)

Outrigger Group has over 70 years of experience managing hotels and resorts, expanding services from Hawaii to top tourist destinations in the Republic of Fiji, Thailand, the Republic of Mauritius, and the Republic of Maldives. Outrigger Group owns various brands of hotel and resort such as Outrigger Resorts, OHANA Hotels by Outrigger, and Hawaii Vacation Condos by Outrigger.

On June 12, 2018, the Company successfully invested in the hotels and resorts of Outrigger, a total of 6 projects in 4 countries namely (1) Outrigger Fiji Beach Resort, Republic of Fiji (2) Castaway Hotel Island Fiji, Republic of Fiji, (3) Outrigger Laguna Phuket Beach Resort, Thailand (4) Outrigger Koh Samui Beach Resort, Thailand (5) Outrigger Mauritius Beach Resort, Republic of Mauritius, and (6) Outrigger Konotta Maldives Resort, Republic of Maldives, with details as follows:

OUTRIGGER FIJI BEACH RESORT

4.5-star hotel located on the coast of Viti Levu Island in the Republic of Fiji, surrounded by palm trees and over 40 acres of lush landscapes, adjacent to the coral reefs of the Republic of Fiji's Coral Coast which have been famous among tourists and divers for a long time.



Location:

Sydney Drive, Off the Queens Highway, Sigatoka, Republic of Fiji



Area:

967-1-25 rai

(The Company holds the ownership of the land)



Description:

4.5-star hotel on a private beach with complete facilities including 2 large swimming pools, a beachfront restaurant, kids club, tennis court and spa centre.



Number of keys:

253 keys consisting of Deluxe Suites and bungalow-style private villas (Bures)



Target group:

Experiential or high-end leisure travelers





Awards:

2018

- Holiday with Kids - Number 1 Family Resort Destination in Fiji
- HM Awards Australia - Best Fiji Property
- Pevonia - Spa Excellence in Customer Service Awards
- Fiji Human Resources Institute Awards 2018 - HR Executive of the Year, Learning and Development Programme of the Year
- Health & Safety Well Being Programme of the Year
- HR Practitioner of the Year and Rising Star of the Year

2017

- Fiji Excellence in Tourism Awards - Best Deluxe Accommodation
- Holiday with Kids - Number 1 Family Resort Destination in Fiji
- HM Awards Australia - Best Fiji Property, Pevonia Awards - Best Spa Design

2016

- Fiji Excellence in Tourism Awards
- Best Visitor Dining Experience for Ivi restaurant
- Fiji Excellence in Tourism Awards - Best Deluxe Accommodation
- Out & About With Kids - Best Family Resort in Fiji
- Pevonia Awards - Best Spa Design

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

CASTAWAY ISLAND, FIJI

5-star resort located on Qalito Island, with privacy, surrounded by white sand beaches, coral reefs, and clear water. The island is part of the Mamanuca archipelago, about 30 kilometres from the mainland, well-known for tourists and divers. It received numerous tourism Awards.



Location:

Castaway (Qalito) Island,
Republic of Fiji



Area:

183-2-39 rai

(The Company owns a leasehold
right to land ending in 2082).



Description:

5-star hotel with private beach and
complete facilities including 2 large
swimming pools, a beach restaurant,
spa centre and water sport activity
& diving centre



Number of keys:

65 keys consisting of bungalow-
style private villas



Target group:

Experiential or high-end leisure
travelers



Awards:

2018

- HM Awards - Hotel and Accommodation Excellence (Fijian Property Finalist)
- Holiday with Kids - Number 1 Family Resort in Fiji (from upscale level downward)

2017

- Holiday with Kids - Top 10 Readers' Choice Awards
- Outrigger Hotels & Resorts - Property of the Year
- Out & About with Kids - Finalist for Best Family Resort in Fiji

2016

- Fiji Excellence in Tourism Awards - Finalist for Best Deluxe Accommodation

2015

- Fiji Excellence in Tourism Awards - Best Restaurant for Restaurant 1808
- Fiji Excellence in Tourism Awards - Best Deluxe Accommodation
- Holiday with Kids - Number 1 Family Resorts I Fiji
- Out & About with Kids - Best Family Resort in the Pacific Islands (Finalist)

2014

- Holiday with Kids - Top 10 family resorts for Australians
- Fiji Excellence in Tourism Awards - Best Restaurant for 1808
- Out & About with Kids - Best Family Resort in the Pacific Islands (Finalist)

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

OUTRIGGER LAGUNA PHUKET BEACH RESORT

The 4.5-star hotel next to Bang Tao Beach is one of the hotels located in the area of Laguna Phuket Group, which has been well known by tourists for a long time. Suitable for tourists travelling as a family.



Location:

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



Area:

52-1-20 rai

(The Company holds the ownership
of the land)



Description:

4.5-star hotel on a private beach
with complete facilities including a
large swimming pool, restaurant,
game room, tennis court and spa
centre.



Number of keys:

255 keys consisting of Duplexes and
Suites



Target group:

Experiential or high-end leisure
travelers



OUTRIGGER
HOTELS AND RESORTS



Awards:

2018

- Thailand MICE Venue Standard Accreditation (TMVS) from Thailand Exhibition and Convention Bureau
- Certificate of Excellent Service from TripAdvisor for the restaurant Metzo's

2017

- Best Resort (Service Excellence) for Asia Pacific from Travel Weekly Asia, Readers' Choice Awards
- Holiday Check - Recommended Hotels
- Certificate of Excellent Service from TripAdvisor for the restaurant Metzo's, Top Performing Hospitality Business as reviewed by travellers
- Certificate of Excellent Service from TripAdvisor for Outrigger Laguna Phuket Beach Resort - Top Performing Hospitality Business as reviewed by travellers

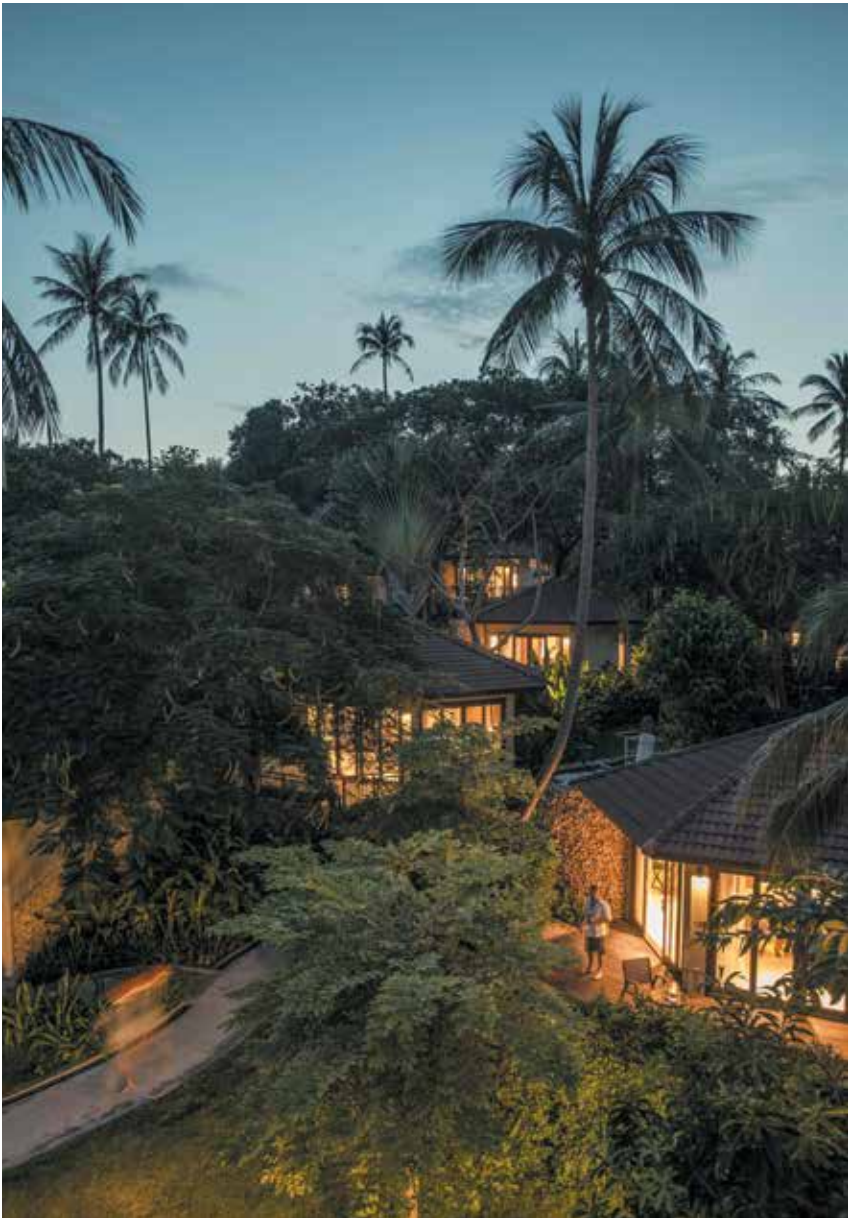
2016


- World Luxury Hotel Awards - Best Family Luxury Resort
- Design Et AI - International Hotel and Property Awards 2016 - Best Restaurant Within a Hotel for Metzo's
- travAlliancemedia - Travvy Award Winner - Best Family Hotel/Resort in Asia and Australia (Gold)
- China & Meetings Industry Award, Best Island Resort for MICE


ROOM TYPE	AVERAGE SIZE (sq. m.)	NO. OF KEYS
Lagoon View	43	109
Ocean View Balcony	43	20
Ocean View Terrace	43	17
Oceanfront Balcony	43	9
Oceanfront Terrace	43	9
Club Lagoon View	54	54
Club Ocean View	54	19
Club Oceanfront	54	9
One Bedroom Suite Lagoon	104	2
One Bedroom Suite Ocean View	104	3
One Bedroom Suite Ocean Front	104	3
Two Bedroom Suite	120	1
Total		255


OUTRIGGER KOH SAMUI BEACH RESORT

The 4.5-star resort offering an elegant escape on Hanuman Bay, with contemporary decor, privacy and perfect for relaxation. The resort is located on a private beach next to Hanuman bay with beautiful sea water, only 10 minutes from Koh Samui International Airport.




 **Location:**
Koh Samui, Mae Nam Sub-district,
Koh Samui District, Surat Thani
Province

 **Area:**
12-0-0 rai
(The Company owns a leasehold
right to land ending in 2045)

 **Description:**
4.5-star resort on a 300-meter
private beach with full facilities
Including a private pool in every
room, one large swimming pool,
beach restaurant and spa centre

 **Number of keys:**
52 keys consisting of Suites and
private villas

 **Target group:**
Experiential or high-end leisure
travelers



ROOM TYPE	AVERAGE SIZE (sq. m.)	NO. OF KEYS
Plunge Pool Suite	80	28
Ocean View Plunge Pool Suite	80	3
One Bedroom Pool Villa	100	18
Beachfront Plunge Pool Suite	80	3
Total		52

OUTRIGGER MAURITIUS BEACH RESORT

4.5-star hotel in the natural reservation area of Bel Ombre, one of the top choices for tourists. With spectacular views of the Indian Ocean.



Location:

Allee des Cocotiers, Bel Ombre,
Republic of Mauritius



Area:

55-1-87 rai

(The Company owns a leasehold right to the land until the end of 2023 with the right to refuse the first tenancy of additional 10 years for 4 times, ending in 2063)



Description:

4.5-star hotel on a private beach with complete facilities including 3 swimming pools, a beachfront restaurant, kid's club, tennis court, spa centre, and a water sport activity centre



Number of keys:

181 keys consisting of Deluxe Suites and private villas.



Target group:

Experiential or high-end leisure travelers.



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

OUTRIGGER KONOTTA MALDIVES RESORT

A luxurious and private 5-star resort located on the Konotta Island in the Republic of Maldives. It situates on beautiful clear water and is popular with divers, located in a convenient area, 18 kilometres from Kaadedhdhoo Airport.



Location:
Konotta Island, South Huvadhoo,
Gaafu Dhaalu Atoll, Republic of
Maldives

Area:
56-0-65 rai
(the Company owns a leasehold
right to the land ending in 2055)

Description:
5-star hotel on a private beach with
complete facilities Including 4
swimming pools, a beachfront
restaurant, kid’s club, spa centre and
a water sport activity & diving
centre

Number of keys:
53 keys consisting of Beach Pool
Villas, Lagoon Pool Villas, and
Ocean Pool Villas.

Target group:
Experiential or high-end leisure
travelers.





Awards:

2016

- Best Serviced Luxury Villas of World Luxury Hotel Award
- Regional Winner: Indian Ocean Islands
- Haute Grandeur Best New Hotel, Indian-Ocean

ROOM TYPE	AVERAGE SIZE (sq. m.)	NO. OF KEYS
Beach Pool Villa	211	21
Lagoon Pool Villa	160	1
Ocean Pool Villa	225	21
Two Bedroom Beach Pool Villa	282	8
Two Bedroom Lagoon Pool Villa	230	1
Grand Konotta Villa	600	1
Total		53

HOTELS IN THE CROSSROADS PROJECT

The CROSSROADS Project is a development project on Emboodhoo Lagoon, located in Kaafu Atoll South Male Atoll in the Republic of Maldives. The lagoon area is approximately 7 kilometres long. The total dry land from reclamation is approximately 63.51 hectares and the lagoon ecosystem is still in good conditions. Coral reefs are beautiful and have plenty of marine animals living nearby. In addition to the beautiful nature, CROSSROADS stands out from other projects in the Republic of Maldives. CROSSROADS is granted the right to develop 9 resorts and many tourist and leisure destinations (integrated tourism facilities) and is with convenient transportation just about 15 minutes from Velana International Airport by a high speed ferry.

The CROSSROADS project commenced commercial operation on September 1, 2019, consisting of 1) Sii Lagoon Maldives, Curio Collection by Hilton 2) Hard Rock Hotel Maldives 3) The Marina @ CROSSROADS and 4) Hotels in a high-end lifestyle resort style on Island 3 which is still under development (Please see more details at "Future Projects"). Details of the currently operating sections are as follows:

SAII LAGOON MALDIVES, CURIO COLLECTION BY HILTON



Location:

Emboodhoo Lagoon, Kaafu Atoll
South Male Atoll Republic of
Maldives



Area:

27.5 rai

(The Company owns a leasehold
right to the land ending year 2066
with additional lease right for a
period of 49 years ending in 2115)



Description:

4-star hotel.



Number of keys:

198 keys.



Target group:

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

SAii Maldives
LAGOON

**Awards:****2020**

- Indian Ocean's Best New MICE Hotel 2020 - World MICE Awards
- World Luxury Hotel Awards 2020 - Luxury Brand category (Continent)
- World Luxury Restaurant Awards 2020 - Mediterranean Cuisine - Miss Olive Oyl (Continent)
- World Luxury Spa Awards 2020 - Luxury Spa Retreat - Lèn Be Well (Regional)
- Luxury Lifestyle Awards 2020 - Best Luxury Dining Experience in Maldives (Miss Olive Oyl)
- Tripadvisor's Travelers' Choice Award 2020

2019

- Hitch Bird - Best Wedding Destination Maldives
- China's Voyage Magazine - Best Overseas Hotel Award

**ROOM TYPE****AVERAGE SIZE (sq. m.)****NO. OF KEYS**

Sky Room

44

76

Beach Room

44

76

Beach Villa

60

20

Overwater Villa

84

20

Two Bedroom Beach Villa

120

4

Two Bedroom Overwater Pool Villa

240

2

Total**198**

HARD ROCK HOTEL MALDIVES



Location:

Emboodhoo Lagoon, Kaafu Atoll
South Male Atoll Republic of
Maldives



Area:

37.5 rai

(The Company owns a leasehold
right to the land ending year 2066
with additional lease right for
a period of 49 years ending in 2115)



Description:

4.5-star hotel



Number of keys:

178 keys



Target group:

Families, MICE travelers and music
enthusiasts.





Awards:

2020

- Choice Awards 2020 - Condé Nast Traveler Readers as the 23rd best resort in Indian Ocean
- World Luxury Hotel Awards 2020 - Luxury Brand category (Global)
- World Luxury Restaurant Awards 2020 - Luxury Resort Restaurant at The Elephant & Butterfly (Continent)
- World Luxury Spa Awards 2020 - Luxury Spa Retreat - Rock Spa (Continent)
- Luxury Lifestyle Awards 2020 - Best Luxury Romantic Resort in Maldives
- Luxury Lifestyle Awards 2020 - Best Luxury Dining Experience in Maldives (The Elephant & The Butterfly)
- Tripadvisor's Travelers' Choice 2020

2019

- China's Voyage Magazine - Best Overseas Hotel Award
- Best Hotel Design Award by The Bund Magazine China - The Best Hotel Art with Cultural Value

ROOM TYPE	AVERAGE SIZE (sq. m.)	NO. OF KEYS
Silver Sky Studio	46	32
Silver Beach Studio	46	32
Silver Family Suite with two bedrooms	107	16
Gold Beach Villa	62	20
Platinum Overwater Villa	75	37
Platinum Overwater Pool Villa	76	37
Rock Royalty Overwater Pool Villa with two bedrooms	144	3
Rock Star Villa	445	1
Total		178

THE MARINA @ CROSSROADS

The Marina @ CROSSROADS is the first project for entertainment and recreation in the Republic of Maldives. It consists of retail shops, entertainment halls, beach clubs, a marina, Marine Discovery Center, Marina and a Yacht Club, and a water sports and diving centre.



Location:

Emboodhoo Lagoon, Kaafu Atoll
South Male Atoll, Republic of
Maldives.



Area:

106.5 rai

(The Company owns a leasehold
right to the land ending year 2066
with additional lease right for a
period of 49 years ending in 2115)



Description:

Retail shops, entertainment halls,
beach clubs, a marina, Marine
Discovery Center, Marina and a
Yacht Club, and a water sports and
diving centre



Target group:

Hotel customers, general tourists,
and Maldivian tourists



The
MARINA
CROSSROADS
MALDIVES

HOTELS IN THE UNITED KINGDOM

As of the end of 2020, the Company operates 29 hotels in the United Kingdom (22 in England and 7 in Scotland) with a total of 3,115 keys, operated through a joint venture with a company and the Company is holding 50 per cent of its shares. Each hotel is located in a location with much potential such as business centres, domestic tourist attractions and MICE centres (local conferences, seminars and banquets).

Hotels in the United Kingdom, as of December 31, 2020, are as follows:



HOTELS	RATING	ADDRESS (CITY, COUNTRY)	OWNERSHIP	NUMBER OF KEYS
Mercure Ayr	3	Ayr, Scotland	Freehold	118
Mercure Bolton Georgian House	3	Bolton, England	Freehold	91
Mercure Bradford Bankfield	3	Bingley, England	Freehold	103
Mercure Brighton Seafront	4	Brighton, England	Freehold	116
Mercure Bristol North, The Grange	4	Bristol, England	Freehold	68
Mercure Burton Upon Trent, Newton Park	3	Staffordshire, England	Freehold	50
Mercure Chester Abbots Well	4	Chester, England	Freehold	126
Mercure Edinburgh City - Princes Street	3	Edinburgh, Scotland	Leasehold (end 2038)	169
Mercure Glasgow City	3	Glasgow, Scotland	Leasehold (end 2036)	91
Mercure Gloucester, Bowden Hall	4	Gloucester, England	Freehold	72
Mercure Hull Grange Park	3	Hull, England	Freehold	100
Mercure Inverness	3	Inverness, Scotland	Freehold	121
Mercure Bewdley The Heath	4	Kidderminster, England	Freehold	44
Mercure Leeds Parkway	3	Leeds, England	Freehold	118
Mercure Leicester The Grand	4	Leicester, England	Freehold	104
Mercure Livingston	3	Livingston, Scotland	Leasehold (end 2033)	120
Mercure London Watford	4	Watford, England	Freehold	218
Mercure Maidstone Great Danes	4	Maidstone, England	Freehold	126
Mercure Manchester Piccadilly	4	Manchester, England	Leasehold (end 2060)	280
Mercure Newbury Elcot Park	4	Newbury, England	Freehold	73
Mercure Norwich	4	Norwich, England	Freehold	76
Mercure Perth	3	Perth, Scotland	Leasehold (end 2033)	76
Mercure Swansea	3	Swansea, England	Leasehold (end 2109)	119
Mercure Tunbridge Wells	4	Tunbridge Wells, England	Freehold	84
Mercure Wetherby	3	Wetherby, England	Freehold	103
Mercure York, Fairfield Manor	4	Skelton, England	Freehold	89
Mercure Sheffield Parkway	4	Sheffield, England	Freehold	78
Holiday Inn Darlington North	3	Darlington, England	Freehold	80
Holiday Inn Dumfries	3	Dumfries, Scotland	Leasehold (end 2105)	71

Guest returns

For the year ended 2020, according to TripAdvisor and Google's Customer Satisfaction Survey for domestic and international hotels, the Company's hotels located in Thailand and the Republic of Maldives received the customer satisfaction survey rating as detailed below:



SAii Phi Phi Island Village

received the customer satisfaction rating of 91.2% and 93.3%, respectively.

 TripAdvisor	2/4	=	 Google	2/4	↓ 1
SAii Phi Phi Island Village	91.2%	+4.7	SAii Phi Phi Island Village	93.3%	+1.9
Zeavola Resort	96.1%	+1.4	Holiday Inn Resort Phi Phi Island	89.1%	+1.3
Holiday Inn Resort Phi Phi Island	84.8%	-0.2	Holiday Inn Resort Phi Phi Island	94.5%	+3.4
Villa 360	84.6%	+0.8	Villa 360	0%	-



Santiburi Koh Samui

received the customer satisfaction rating of 96.1% and 94.3%, respectively.

 TripAdvisor	2/5	↓ 1	 Google	4/5	↓ 2
Anantara Lawana Koh Samui Resort	96.4%	+1.6	InterContinental Koh Samui Resort	94.1%	+1.4
InterContinental Koh Samui Resort	94.2%	-0.8	Six Senses Samui	96.4%	+2.2
Santiburi Koh Samui	96.1%	+0.3	Anantara Lawana Koh Samui Resort	96.2%	+3.7
Belmond Napasai	93.7%	-0.2	Santiburi Koh Samui	94.3%	+0.4
Six Senses Samui	95.1%	+4.2	Belmond Napasai	99.5%	-



SAii Lagoon Maldives, Curio Collection By Hilton

received the customer satisfaction rating of 93.2% and 95.3%, respectively.

 TripAdvisor	7/9		 Google	2/9	
Centara Grand Island Resort & Spa Maldives	97.8%	+1.5	Centara Grand Island Resort & Spa Maldives	95.6%	+0.2
Kurumba Maldives	97.2%	+1.6	SAii Lagoon Maldives, Curio Collection By Hilton	95.3%	+2.1
Anantara Veli Maldives Resort	96.6%	+0.6	Dusit Thani Maldives	95.0%	-1.1
Centara Ras Fushi Resort & Spa Maldives	95.8%	+1.4	Paradise Island Resort & Spa	94.5%	+0.1
Dusit Thani Maldives	95.1%	-2.7	Kurumba Maldives	94.1%	-0.5
Paradise Island Resort & Spa	94.4%	+0.5	Holiday Inn Resort Kandooma Maldives	92.7%	+0.5
SAii Lagoon Maldives, Curio Collection By Hilton	93.2%	-1.7	Sheraton Maldives Full Moon Resort & Spa	91.8%	+0.5
Holiday Inn Resort Kandooma Maldives	91.7%	-1.4	Anantara Veli Maldives Resort	91.8%	-5.2
Sheraton Maldives Full Moon Resort & Spa	86.6%	-2.7	Centara Ras Fushi Resort & Spa Maldives	89.8%	-5.0

Hard Rock Hotel Maldives

received the customer satisfaction rating of 95.8% and 87.3%, respectively.

 TripAdvisor	4/6	↓ 3	 Google	6/6	↓ 4
Hard Rock Hotel Maldives	95.8%	-0.8	Centara Ras Fushi Resort & Spa Maldives	89.8%	-5.0
Centara Ras Fushi Resort & Spa Maldives	95.8%	-1.4	Kuramathi Maldives	94.1%	-0.5
Grand Park Kodhipparu Maldives Resort	91.0%	-2.3	Sheraton Maldives Full Moon Resort & Spa	91.8%	+0.5
Kuramathi Maldives	97.2%	+1.6	Hard Rock Hotel Maldives	87.3%	-8.4
Sheraton Maldives Full Moon Resort & Spa	86.6%	-2.7	Grand Park Kodhipparu Maldives Resort	87.5%	-6.0
Anantara Dhigu Maldives Resort	95.8%	+1.1	Anantara Dhigu Maldives Resort	88.6%	-7.3

FUTURE PROJECTS

In order for the Company to grow and expand its businesses according to the targets, apart from engaging in investment or joint investment, the Company also approaches with merger and acquisition of potential businesses or assets with high growth, in which are the main strategies for business expansion. In addition, the Company has guidelines on expansion of investment through renovation of the Company's existing assets to increase income and profitability and planning for the Hotel Management Agreement business under the Company's brands in the future.

As of December 31, 2020, the Company has under development projects as follows:

CROSSROADS PROJECT, PHASE 1, ISLAND 3

The Company was granted the right to develop the CROSSROADS Project Phase 1 under a 50-year rent agreement counting from February 9, 2016. Development of Phase 1 for Island 1 and Island 2 have completed and opened for operation. This section includes: 1) SAii Lagoon Maldives, Curio Collection by Hilton 2) Hard Rock Hotel Maldives, and 3) The Marina @ CROSSROADS (Please see more details in "Current Projects").

As for the project on Island 3, the Company entered into the Joint Venture Agreement for development of a high-end lifestyle resort with the strategic partner - Wai Eco World Developer Pte. Ltd., a conglomerate business partner from the Republic of the Union of Myanmar who invest in various businesses including property development, mining automotive and food & beverage. The resort on Island 3 in the CROSSROADS will comprise 80 villas. Currently, this project is under design development, permit application, and construction planning processes.





ASSET ENHANCEMENT

With objectives to boost capability on generation of hotels income for further growth. In 2021, the Company has asset enhancement plan for 3 existing hotels and resorts, with details as follows:

- 1) Phi Phi Island Village Beach Resort: The Company will revamp and decorate the resort by adding charm of Thainess and environmentally-friendly ambiances, covering Spa Pavilion and treatment rooms, Fun Pool Restaurant, and the renovation of 12 premium rooms with private swimming pool, "Hillside Pool Villa" to better suit private and tranquility leisure experience with the beautiful scenery view of Loh Bagao Bay.
- 2) Castaway Island, Fiji: The Company has plans for additionally construction of 16 family rooms with approximately 60 sq.m. per room, the renovation and decoration of Spa areas with 45 sq.m. of Double Treatment Room, and the renovation and interior decoration of Kid Club zone.
- 3) Outrigger Fiji Beach Resort: The Company has plans for renovation and interior decoration including reception areas, lounge, All Day Dining restaurant, and the renovation of 253 existing rooms.

DEVELOPMENT OF LIFESTYLE BRANDS FOR HOTEL MANAGEMENT AGREEMENT PLATFORM

The Company is heading for significant development of its hotel brands with objectives to expand hotels and resorts in Thailand and Asia-Pacific through the Hotel Management Agreement ("HMA") by development of 2 lifestyle brands: 1) "SAii", an aspirational lifestyle upper-upscale brand for savvy travelers with a thrill-seeking soul on artisanal journeys presenting unique experiences and new adventures; and 2) "nābor", a younger, experiential and more digitally connected under "Luxury Midscale" brand with a home-grown personality designed for all-in and beyond travelers.

In order to prepare readiness for expansion of lifestyle brands and manage under hotel management agreements in 2021, the Company is currently under brand conversion process of its 3 existing properties to SAii and nābor Brands: 1) SAii Laguna Phuket, previously known as Outrigger Laguna Phuket Beach Resort: Facilities will be modernized, and banquet hall, seaside restaurant, and beachfront bar will be revamped into new style, 2) SAii Phi Phi Island Village, previously known as Phi Phi Island Village Beach Resort: Restaurant, Spa, and premium room with private swimming pool - Hillside Pool Villa will be refurbished, 3) nābor koh samui bophut, previously known as Outrigger Koh Samui Beach Resort.

In addition, the Company has plan to develop "nābor" Mobile Application to elevate seamless service standards with fully integrated digital platform, covering the guest journey from reservation to post-stay experience, and nāborhood guides featuring nearby attractions, local dining options restaurants, and activities to explore during the stay.

SECURITIES AND SHAREHOLDERS

1. REGISTERED CAPITAL AND PAID-UP CAPITAL OF THE COMPANY

As of December 31, 2020, the Company was under the following capital structure:

- Registered capital of Baht 18,318,200,000
comprising 3,663,640,000 ordinary shares with a par value of Baht 5 per share
- Issued and paid-up capital of Baht 17,968,200,000
comprising of 3,593,640,000 ordinary shares with a par value of Baht 5 per share

listing in the Stock Exchange of Thailand.

The Company does not offer any other types of shares apart from ordinary shares.

2. SHAREHOLDERS STRUCTURE

Share distribution as shown in the shareholders registration as of December 30, 2020 was as follows:

SHAREHOLDERS	NUMBER OF SHARES	% SHARES
Paid-up capital	3,593,640,000	100.00
Thai shareholders		
• Juristic persons	2,098,872,636	58.40
• Ordinary persons	874,521,663	24.34
Total	2,973,394,299	82.74
Foreign shareholders		
• Juristic persons	619,755,962	17.25
• Ordinary persons	489,739	0.01
Total	620,245,701	17.26

The top 10 major shareholders as shown in the shareholders registration as of December 30, 2020 were as follows:

NO.	NAME	NUMBER OF SHARES	% OF PAID-UP SHARES
1.	S International Holding Company Limited ^{/1}	1,746,506,820	48.60
2.	S Hotels and Resorts (SG) Pte. Ltd.	409,677,100	11.40
3.	Thai NVDR Company Limited	174,647,832	4.86
4.	Singha Property Management (Singapore) Pte. Ltd.	125,222,472	3.48
5.	Singha Estate Public Company Limited	80,500,000	2.24
6.	Mr. Ekkachai Puangpetch	36,000,000	1.00
7.	Citibank Nominees Singapore Pte Ltd-UBS Switzerland AG	34,695,600	0.97
8.	DBS Vickers Securities (Singapore) Pte Ltd A/C Clients	28,331,200	0.79
9.	Singha Property Management Company Limited	24,114,589	0.67
10.	Mr. Sinchok Piriyoaisakul	22,154,700	0.62
	Total	2,681,850,313	74.63
	Other shareholders	911,789,687	25.37

Remark: ^{/1} formerly named S Hotels and Resorts Inter Co., Ltd., the registration for the name change was made on October 16, 2020

Details of shareholding of the Company's directors and management are described under the topic of "The Company's Securities Holding of Directors and Executives".

Agreement among major shareholders

There is not any agreement signed among major shareholders and the Company, which will affect the issuing and offering securities or the management of the Company.

Restrictions on foreign nationals' portfolio

The Company's foreign limit is 49% of the paid-up capital. As of December 31, 2020, foreigners' shares accounted for 17.26%.

3. OTHER SECURITIES ISSUANCES

Issuance and offering of PO Warrant to the directors, executives, and employees of Singha Estate, the subsidiaries of Singha Estate, the Company, and the Company's subsidiaries

The Company's Annual General Meeting of Shareholders on April 26, 2019 resolved to approve the issuance and offering of warrants to purchase ordinary shares of the Company (PO Warrant or SHR-W1) to the directors and employees of Singha Estate, the subsidiaries of Singha Estate, the Company, and the Company's subsidiaries, which were already issued and offered. Details are as follow:

TYPE AND CATEGORY OF THE WARRANTS:	The Warrants to purchase the SHR's ordinary shares to be issued and offered for sale, not only to the directors and employees of the Company and SHR, but also to directors and employees of (1) the Company, (2) the Company's subsidiaries, (3) Singha Estate, and (4) Singha Estate's subsidiaries y in accordance with the SEC's requirements, registered name of the holder and non-transferrable Warrants, except for cases specified in the Warrants' terms and conditions.
TERM OF THE WARRANTS:	Not exceeding 2 (Two) years from the date of issuance and offering of the Warrants
NUMBER OF WARRANTS ISSUED AND OFFERED SHARES:	Not exceeding 70,000,000 (Seventy Million) shares
NUMBER OF UNDERLYING SHARES:	Not exceeding 70,000,000 (Seventy Million) shares, at a par value of Baht 5 (Five) each, accounting for less than 2.10 (Two point one zero) percent of paid-up capital of SHR, following capital increase.
OFFERING PRICE PER UNIT:	Baht 0 (Zero) per unit
EXERCISE RATIO:	1 (One) unit of the Warrants will be entitled to purchase 1 (One) newly issued ordinary share (except for the subsequent case pursuant to the terms and condition of the adjustment rights)
EXERCISE PERIODS, PRICES, AND AMOUNT:	<p>Except for the case of adjustment rights pursuant to the terms and condition of the adjustment rights, directors, executives and employees, to whom will be allocated with the Warrants, may exercise their rights to purchase the Warrants as determined for each exercise period as the followings:</p> <ol style="list-style-type: none"> (1) During the period of 3rd month to 24th month from the date of issuance and the offering of the Warrants, the Exercise Price is at the rate of 100 (One hundred) percent of the Offering Price of the IPO with the Exercise Amount of 30 (Thirty) percent of the total Warrants allocated. (2) During the period of 6th month to 24th month from the date of issuance and the offering of the Warrants, the Exercise Price is at the rate of 105 (One hundred and five) percent of the Offering Price of the IPO with the Exercise Amount of 30 (Thirty) percent of the total Warrants allocated. (3) During the period of 12th month to 24th month from the date of issuance and the offering of the Warrants, the Exercise Price is at the rate of 110 (One hundred and ten) percent of the Offering Price of the IPO with the Exercise Amount of 40 (Forty) percent of the total Warrants allocated. <p>Directors or employees, to whom the Warrants are allocated, may exercise their rights to purchase of shares on the last business day of each 3 (Three) month period from the date of issuance and offering of the Warrants, except for the last exercise date, which is 2 (Two) years from the date of issuance and offering of the Warrants. In the event that any exercise date falls on the Company's holiday, it shall be on the last business day prior to such holiday.</p>

ALLOTMENT METHOD: The Warrants were allocated to the directors, executives and employees of the Company and Singha Estate (including the subsidiaries of the Company and Singha Estate).

EXERCISE TERMS AND CONDITIONS:

- (1) Directors, executives or employees that are allocated the Warrants which executives and/or employees must have been appointed or employed by the Company or Singha Estate (including the subsidiaries of the Company and Singha Estate) for not less than 1 (One) year at the exercise date.
- (2) In case where directors or employees, to whom the Warrants are allocated, deceased or become a disappearing person by a court order, an incompetent and/or a quasi-incompetent person, such allocated Warrants shall be transferred to his or her descendant pursuant to such director's or employee's will, a guardian or a curator (as the case may be) at the date of his or her decease or becoming the disappearing person by a court order, an incompetent and/or a quasi-incompetent person (as the case may be).
- (3) In case where directors, executives or employees, to whom the Warrants are allocated, (a) retires in accordance with the rules and regulations of the Company or Singha Estate (including the subsidiaries of the Company and Singha Estate) or relieves from the director position by rotation, or (b) is transferred from a department to another department within the company or from a company to another by an approval of the Board of Directors of the Company or Singha Estate (including the subsidiaries of the Company and Singha Estate) (as the case maybe), while still being appointed or employed by the Company or Singha Estate (including the subsidiaries of the Company and Singha Estate) (as the case maybe), such director, such executive, or such employee shall remain entitled to exercise his or her rights of such allocated Warrants.
- (4) In case where directors or employees, to whom the Warrants are allocated, is relieved from being a director, an executives or an employee of the Company or Singha Estate (including the subsidiaries of the Company and Singha Estate) prior to or on the exercise date by any reason other than those mentioned in (2) and (3) above, such director, such executive or such employee shall immediately no longer be entitled to exercise his or her rights of such allocated Warrants, and such remaining non-exercised Warrants shall be cancelled and become ineffective immediately.
- (5) After the last exercise date, any directors or employees, whom the Warrants are allocated, (a) has not exercised the right to purchase of shares, (b) has not fully exercised the right to purchase of shares, or (c) has not completed all the terms and conditions governing the exercise within the last exercise date, it shall be deemed that such directors or such employees waives his or her right to purchase the remaining shares and has no claim against the Company or Singha Estate (including the subsidiaries of the Company and Singha Estate).

OFFERING PERIOD: Offering within 1 (One) year from the date of approval by the shareholders meeting of SHR, and fully offered for sale at one time, simultaneously along with the IPO.

PERIOD OF NOTIFICATION OF THE INTENTION TO EXERCISE THE RIGHT:

Each entitled person shall provide the intent to exercise the rights to purchase the ordinary shares of SHR between 09.00 a.m. and 3.00 p.m. within 5 (Five) business days prior to each exercise date, except for the last exercise date, which the entitled person shall provide the intent to exercise the rights within 15 (Fifteen) days prior to the exercise date. In the event that any exercise date falls on SHR's holiday, it shall be on the last business day prior to such holiday.

SHR may reserve the right to exercise the Warrant during the period between 1 (One) month prior to the submission of its annual financial statements and/or quarterly financial statements (as the case may be) to the SET and any other cases as the Chief Executive Officer of SHR deems appropriate.

ISSUE DATE OF THE WARRANTS:	November 5, 2019
MATURITY DATE	November 5, 2021
NUMBER OF NON-EXERCISED WARRANTS AS OF DECEMBER 31, 2020:	70,000,000 units
SECONDARY MARKET OF THE WARRANTS:	None. SHR will not list the Warrants as registered securities on the Stock Exchange of Thailand ("SET").
SECONDARY MARKET OF NEWLY ISSUED ORDINARY SHARES AS A RESULT OF THE EXERCISE OF RIGHT OF THE WARRANTS:	The SET
WARRANT REGISTRAR:	SHR

4. DIVIDEND POLICY

Dividend policy of the Company

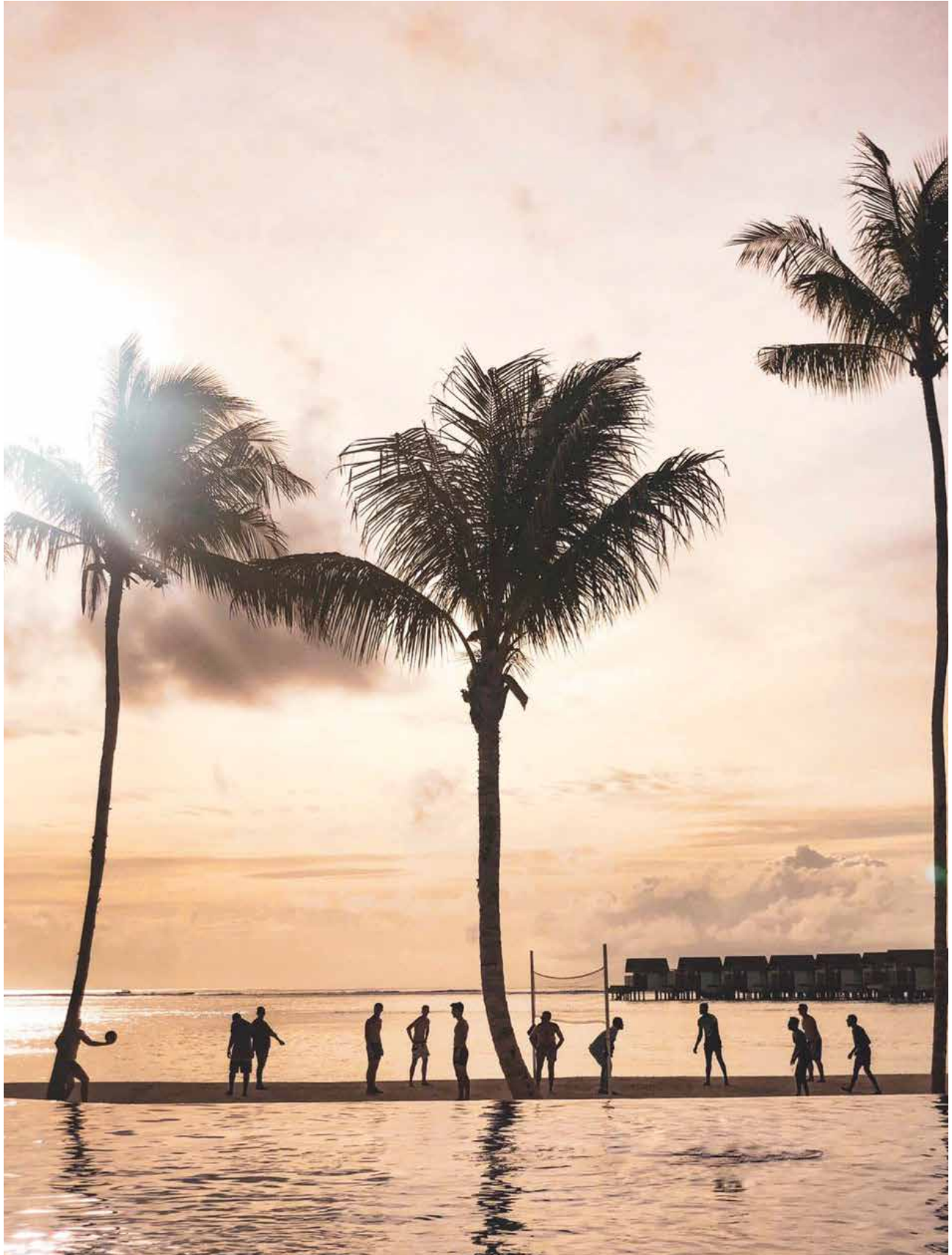
The Company has a policy to pay dividends of not less than 40% of the net profit under the separate financial statements, after deduction of corporate income tax, and deduction of all specified reserves under the law and as specified by the Company in each year (with additional conditions). Each year the Company set dividend payment rates which subject to operating results, financial status, liquidity, necessity of investment, additional investment, business expansion, reserves to repay loans, or as working capital within the Company, conditions and restrictions as specified in loan agreements, and other relevant factors in management as the Board and/or shareholders of the Company view as appropriate. The dividend payment will not exceed the retained profits as appeared in the Company's financial statements and will be in compliance with the related laws. After the Board of Directors approved the annual dividend payment they must propose for approval to the shareholders' meeting of the Company, except for the interim dividend payment which the Board of Directors has the power to approve the payment of dividends and report to the shareholders' meeting at the next meeting.

The dividend payout shall be pursuant to Clause 54 of the Company's Articles of Association, stipulating that the dividend shall not be paid other than out of profits. In the case where the Company still has an accumulated loss, no dividends shall be paid. For the year 2020, the Company did not pay dividend to shareholders as the Company still has an accumulated loss and needs working capital in business operations.

Dividend policy of the subsidiary

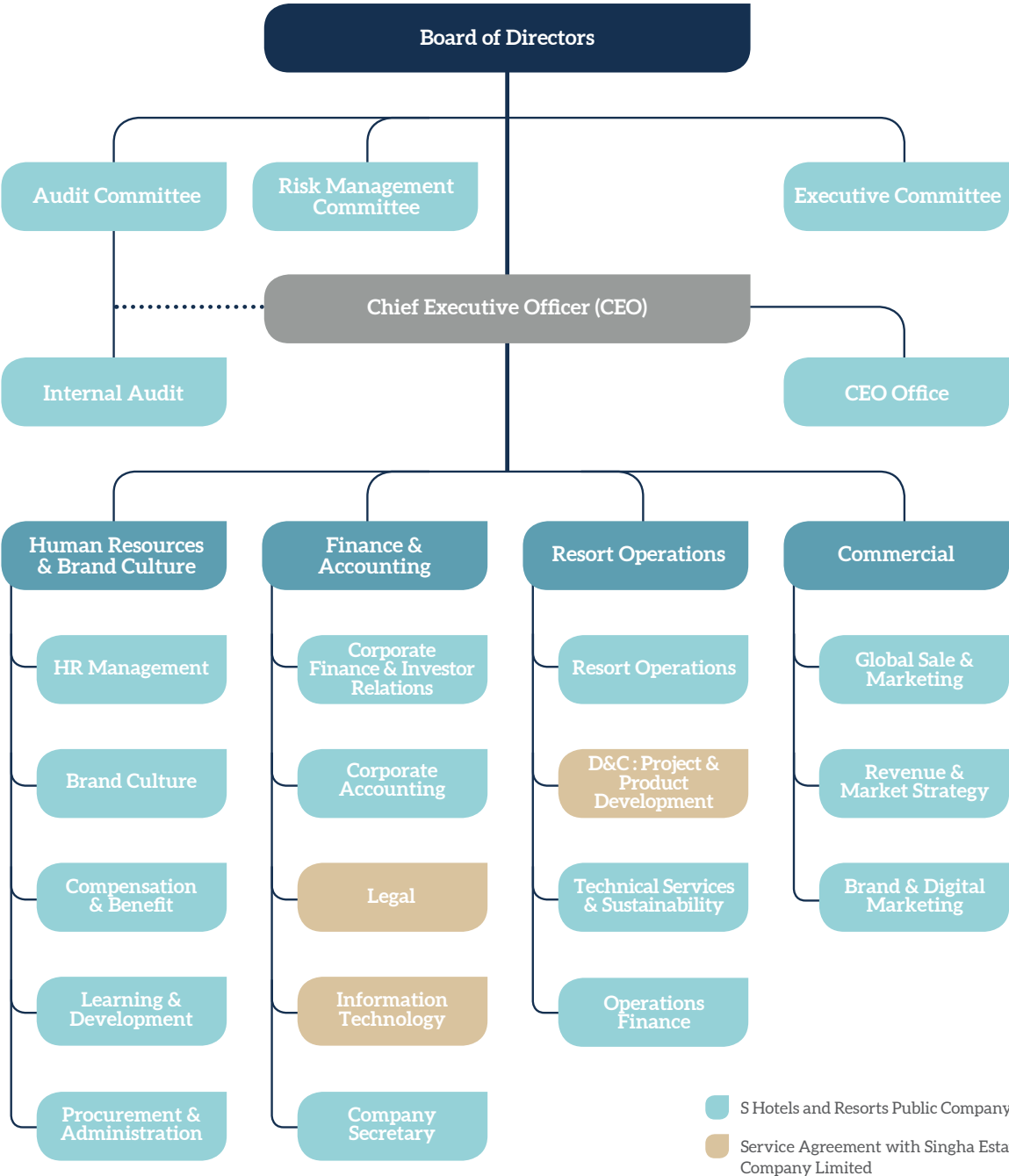
The Board of Directors of the subsidiary may consider the annual dividend payment of the subsidiary, but it is subject to the approval of the shareholders' meeting of the subsidiary, unless it is an interim dividend which the Board of Directors of the subsidiary is authorized to approve periodically if it deems that the subsidiary has sufficient profit to do so, and the Board of Directors shall report to the shareholders' meeting of the subsidiary for acknowledgement at the next meeting.

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



MANAGEMENT STRUCTURE

The management structure of S Hotels and Resorts Public Company Limited as of December 31, 2020.



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

1. BOARD OF DIRECTORS

The Board is made up of directors with expertise and experience in various fields, being properly qualified and without forbidden qualities under the Public Limited Companies Act B.E. 2535 and the Securities and Exchange Act B.E. 2535. The directors must not possess any distrustful characteristics unsuitable for the management position in public limited companies under the announcement of the Securities and Exchange Commission (SEC).

The Board of Directors as of December 31, 2020 consists of eight directors, being:

- seven non-executive directors, three of whom are independent directors, representing more than one-third of the members of the Board of Directors.
- one executive director

List of Directors as of December 31, 2020

NAME	POSITION	FIRST APPOINTMENT DATE	NO. OF MEETING ATTENDED		
			BOARD OF DIRECTORS' MEETING (TOTAL 9)	NON-EXECUTIVE DIRECTORS MEETING ¹	ANNUAL GENERAL MEETING OF SHAREHOLDERS 2020 ²
1. Mr. Sompong Tantapart	Independent Director, Chairman of the Board of Directors, and Chairman of the Audit Committee	January 10, 2019	9/9	1/1	1/1
2. Mr. Praisun Wongsmith	Independent Director, Member of the Audit Committee, and Chairman of the Risk Management Committee	November 30, 2018	8/9	0/1	1/1
3. Mr. Jukr Boon-long	Independent Director, Member of the Audit Committee	November 30, 2018	8/9	1/1	1/1
4. Mr. Chayanin Debhakam, D.B.A.	Director	November 10, 2015	9/9	1/1	1/1
5. Mr. Naris Cheyklin	Director, and Chairman of the Executive Committee	November 10, 2015	9/9	1/1	1/1
6. Mr. Dirk Andre L. De Cuyper	Director, Member of the Executive Committee, Member of the Risk Management Committee, and Chief Executive Officer	November 14, 2018	9/9	-	1/1
7. Mrs. Thitima Runkwansiroj	Director, Member of the Executive Committee, and Member of the Risk Management Committee	June 29, 2018	9/9	1/1	1/1
8. Mr. Terachart Numanit	Director	January 10, 2019	9/9	1/1	1/1

Mr. Chairath Sivapornpan serves as the Company Secretary.

Note: ¹ The Non-Executive Director Meeting was convened on July 16, 2020.

² The 2020 Annual General Meeting of Shareholders was held on June 29, 2020. It was postponed due to the impact of Covid-19 pandemic situation.

Authorized Directors

The directors who are authorized to sign on behalf of the Company are: Mr. Chayanin Debhakam, D.B.A, and Mr. Naris Cheyklin to jointly sign with the Company's seal affixed, or any two directors from Group 1 Director and Group 2 Director jointly sign with the Company's seal affixed. The group of directors are as follows:

Group 1 Director: Mr. Chayanin Debhakam, D.B.A, Mr. Naris Cheyklin, Mrs. Thitima Runkwansiroj

Group 2 Director: Mr. Terachart Numanit, Mr. Dirk Andre L. De Cuyper

2. SUBCOMMITTEE

As of December 31, 2020, the Company consists of 3 subcommittees, namely 1) the Audit Committee, 2) the Executive Committee, and 3) the Risk Management Committee.

1) Audit Committee

NAME	POSITION
1. Mr. Sompong Tantapart	Chairman
2. Mr. Praisun Wongsmith	Member
3. Mr. Jukr Boon-long	Member

Ms. Pawornsiree Tipchaieur, Assistant Vice President of the Internal Audit, serves as Secretary to the Audit Committee.

2) Executive Committee

NAME	POSITION
1. Mr. Naris Cheyklin	Chairman
2. Mr. Dirk Andre L. De Cuyper	Member
3. Mrs. Thitima Rungkwansiroj	Member
4. Mr. Chairath Sivapornpan	Member

Mr. Chairath Sivapornpan, the Chief Financial Officer and Company Secretary, serves as Secretary to the Executive Committee.

3) Risk Management Committee

NAME	POSITION
1. Mr. Praisun Wongsmith	Chairman
2. Mr. Dirk Andre L. De Cuyper	Member
3. Mrs. Thitima Rungkwansiroj	Member

Mr. Chairath Sivapornpan, the Chief Financial Officer and Company Secretary, serves as Secretary to the Risk Management Committee.

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

Further details relating to the roles, duties and responsibilities of the Board of Directors, and each subcommittee can be found under the section "Corporate Governance".

Details of Meeting Attendance of the Board of Directors and Subcommittees for the year 2020

NAME OF DIRECTORS	MEETING ATTENDANCE FOR YEAR 2020									ANNUAL GENERAL MEETING OF SHAREHOLDERS (TOTAL 1)
	BOARD OF DIRECTORS (TOTAL 9)		AUDIT COMMITTEE (TOTAL 4)		EXECUTIVE COMMITTEE (TOTAL 13)		RISK MANAGEMENT COMMITTEE (TOTAL 3)		NON-EXECUTIVE DIRECTORS (TOTAL 1)	
	NO. OF MEETINGS	%	NO. OF MEETINGS	%	NO. OF MEETINGS	%	NO. OF MEETINGS	%	NO. OF MEETINGS	
1. Mr. Sompong Tantapart	9/9	100	4/4	100	-	-	-	-	1/1	1/1
2. Mr. Praisun Wongsmith	8/9	89	4/4	100	-	-	3/3	100	0/1	1/1
3. Mr. Jukr Boon-long	8/9	89	3/4	75	-	-	-	-	1/1	1/1
4. Mr. Chayanin Debhakam, D.B.A.	9/9	100	-	-	-	-	-	-	1/1	1/1
5. Mr. Naris Cheykin	9/9	100	-	-	13/13	100	-	-	1/1	1/1
6. Mr. Dirk Andre L. De Cuyper	9/9	100	-	-	13/13	100	3/3	100	-	1/1
7. Mrs. Thitima Rungkwansiroj	9/9	100	-	-	13/13	100	3/3	100	1/1	1/1
8. Mr. Terachart Numanit	9/9	100	-	-	-	-	-	-	1/1	1/1

Note: 1. Mr. Dirk Andre L. De Cuyper is non-executive director.

2. During the year 2020, Mr. Praisun Wongsmith was appointed as the Chairman of the Risk Management Committee on 26 February 2020. Mr. Dirk Andre L. De Cuyper and Mrs. Thitima Rungkwansiroj were also appointed as members of the Risk Management Committee on 26 February 2020.

3. EXECUTIVES

As of December 31, 2020, the Company's Executives consists of top five Management (as defined in the Notification of Stock Exchange Commission) as follows:

NAME	POSITION
1. Mr. Dirk Andre L. De Cuyper	Chief Executive Officer
2. Mr. Chairath Sivapornpan	Chief Financial Officer
3. Ms. Kankanid Wichitcharoen	Senior Vice President - Finance
4. Mr. Stefano Alberto Ruzza	Senior Vice President - Operations
5. Ms. Matana Thienthong	Senior Vice President - Global Commerce

Changes of the Company's Executives during the year 2020

- Ms. Meg Elizabeth Evans - Vice President, Global Sales & Marketing resigned from the Company effective on February 29, 2020.
- Ms. Elinor Elizabeth Drennan Spindel - Senior Director, Global Revenue and Market Strategy resigned from the Company effective on February 29, 2020.
- Mrs. Kornkamol Tantinam - Vice President, Human Resources and Brand Culture resigned from the Company effective on March 15, 2020.
- Mr. Stefano Alberto Ruzza was appointed as Senior Vice President - Operations effective on June 1, 2020.
- Ms. Matana Thienthong was appointed as Senior Vice President - Global Commerce effective on November 1, 2020.

4. COMPANY SECRETARY AND THE PERSONS ASSIGNED TO BE DIRECTLY RESPONSIBLE FOR SUPERVISING ACCOUNTING

Company Secretary

The Board of Directors shall appoint a person who is knowledgeable, competent, and suitable as the Company Secretary. The Board of Directors Meeting No. 7/2019 on August 8, 2019 approved the appointment of Mr. Chairath Sivapornpan as the Company Secretary in compliance with the requirements of the Securities and Exchange Act B.E. 2535 (as amended) and principles of good corporate governance of listed companies.

Further details relating to duties and responsibilities of the Company Secretary can be found under the topic of “Corporate Governance” and in the Company’s website at www.shotelsresorts.com.

Persons assigned to be directly responsible for supervising accounting

The Company has assigned Mr. Chairath Sivapornpan, Chief Financial Officer, to be the highest responsible person in the accounting and finance and delegated Ms. Kankanid Wichitcharoen, Senior Vice President - Finance, who has qualifications and requirements of bookkeepers pursuant to the notification of the Department of Business Development, to have a direct responsibility for overseeing accounting to ensure full and strict compliance with accounting standards and various accounting rules. Ms. Kankanid Wichitcharoen holds a bachelor’s degree of Business Administration Program in Accounting from Assumption University.

Mr. Chairath Sivapornpan and Ms. Kankanid Wichitcharoen, both took training courses for continuing development course in accounting knowledge not less than 6 hours per year in 2020 (Refresh) in compliance with the notification of Department of Business Development and the Stock Exchange of Thailand.

(Profiles of Mr. Chairath Sivapornpan and Ms. Kankanid Wichitcharoen can be found under the section “the Information of the Directors, Executives and persons supervising accounting”)

Bachelor of Business Administration Program in Accounting, Assumption University

5. REMUNERATION OF DIRECTORS AND EXECUTIVES

5.1 Monetary Remuneration

A) Directors’ remuneration

Criteria for Directors’ remuneration

The Board of Directors (the “Board”) is responsible for defining the criteria for directors’ remuneration, considering the following aspects:

- Directors’ Responsibilities
- Linking the remuneration to Company overall performance
- Comparing directors’ remuneration with peers listed in the stock exchange of the same business and the same size.

The 2020 AGM held on 29 June 2020 approved the remuneration for Directors and members of subcommittees in the forms of monthly retainer, meeting allowance, privilege for use of accommodation and services at any of the Company’s hotels. Details are as follows:

Details of remuneration for the Board of Directors and subcommittees for year 2020 are as follows:

1) Remuneration for the Board of Directors

COMMITTEE	POSITION	TYPE OF REMUNERATION		
		MEETING ALLOWANCE (SHALL BE PAID TO INDEPENDENT DIRECTOR ONLY) (BAHT/PERSON/MEETING)	FIXED RETAINER (BAHT/PERSON/ MONTH)	OTHER PRIVILEGES (BAHT/PERSON/YEAR)
Board of Directors	Chairman	50,000	100,000	Privileges for use of accommodation and services at any of the Company's hotels of not exceeding Baht 100,000
	Director	30,000	40,000	

2) Remuneration for the Subcommittees

COMMITTEE	POSITION	TYPE OF REMUNERATION	
		MEETING ALLOWANCE (BAHT/PERSON/MEETING)	FIXED RETAINER (BAHT/PERSON/MONTH)
Audit Committee	Chairman	30,000	30,000
	Director	20,000	20,000
Executive Committee *	Chairman	30,000	-
	Director	20,000	-
Risk Management Committee, and other subcommittees	Chairman	30,000	-
	Director	20,000	-

Remark: * Executive director shall not receive meeting allowance for holding the position as a member of the Executive Committee.

There was no other form of remuneration or benefit for directors other than those described above.

In summary, the monetary remuneration in 2020 for 8 directors in the total amount of Baht 6,699,010 comprises the followings.

TYPE OF REMUNERATION	AMOUNT (BAHT)
1. Monthly Retainer	4,455,000
2. Meeting allowances	
• Board of Directors	930,000
• Audit Committee	260,000
• Executive Committee	650,000
• Risk Management Committee	210,000
3. Privilege for use of accommodation and services at any of the Company's hotels (actual spending)	194,010
4. Bonus	-None-
Total	6,699,010

(Details are illustrated in the table "2020 Monetary Remuneration of the Board of Directors and subcommittees")

2020 Monetary Remuneration of the Board of Directors and Subcommittees

MONETARY REMUNERATION (BAHT)							
NAME OF DIRECTORS	MONTHLY RETAINER	BOARD OF DIRECTORS	MEETING ALLOWANCES			OTHER REMUNERATION ^{1/}	TOTAL REMUNERATION
			AUDIT COMMITTEE	EXECUTIVE COMMITTEE	RISK MANAGEMENT COMMITTEE		
1. Mr. Sompong Tantapart	1,287,000.00	450,000.00	120,000.00	-	-	-	1,857,000.00
2. Mr. Praisun Wongsmith	594,000.00	240,000.00	80,000.00	-	90,000.00	-	1,004,000.00
3. Mr. Jukr Boon-long	594,000.00	240,000.00	60,000.00	-	-	-	894,000.00
4. Mr. Chayanin Debhakam, D.B.A.	396,000.00	-	-	-	-	-	396,000.00
5. Mr. Naris Cheykin	396,000.00	-	-	390,000.00	-	70,275.00	856,275.00
6. Mr. Dirk Andre L. De Cuyper	396,000.00	-	-	-	60,000.00	-	456,000.00
7. Mrs. Thitima Rungkwansiriroj	396,000.00	-	-	260,000.00	60,000.00	99,110.53	815,110.53
8. Mr. Terachart Numanit	396,000.00	-	-	-	-	24,624.47	420,624.47
Total	4,455,000.00	930,000.00	260,000.00	650,000.00	210,000.00	194,010.00	6,699,010.00

Note: ^{1/} Privilege for use of accommodation and services at any of the Company's hotels was approved by the 2020 AGM at the rate of 100,000 Baht/person/year, which would be recorded as actual spending.

B) Executive's Remuneration

For the financial year ended December 31, 2020, the total remuneration for the first four Executives, from the Chief Executive Officer to all positions equivalent to the fourth Executive (totaling five persons) including those who resigned during the year (totaling three persons), amounted to Baht 39.38 million, consisting of Baht 27.72 million for salaries and allowances; Baht 5.79 million for bonus; Baht 0.98 million for provident fund contribution; Baht 0.03 million for social security fund, and Baht 4.85 million for others.

For year 2020, the Executives who are members of the Provident Fund shall be entitled to a contribution of 5% of their salaries from January – April 2020 and a contribution of 2% of their salaries from May – December 2020 under the rules of the Provident Fund, which applies to all in the Company.

Note: The first four Executives from the CEO and all positions equivalent to the fourth Executive (according to the executive listing system of SEC) as of December 31, 2020, were

- | | |
|--------------------------------|--|
| 1. Mr. Dirk Andre L. De Cuyper | Chief Executive Officer |
| 2. Mr. Chairath Sivapornpan | Chief Finance Officer |
| 3. Ms. Kankanid Wichitcharoen | Senior Vice President – Finance |
| 4. Mr. Stefano Alberto Ruzza | Senior Vice President – Operations
(appointed on June 1, 2020) |
| 5. Ms. Matana Thienthong | Senior Vice President – Global Commerce
(appointed on November 1, 2020) |

Executives who resigned during the year 2020 were

- | | |
|---|--|
| 1. Ms. Meg Elizabeth Evans | Vice President - Global Sales & Marketing
(resigned from the Company effective on February 29, 2020) |
| 2. Ms. Elinor Elizabeth Drennan Spindel | Senior Director - Global Revenue and Market Strategy
(resigned from the Company effective on February 29, 2020) |
| 3. Mrs. Kornkamol Tantinam | Vice President - Human Resources and Brand Culture
(resigned from the Company effective on March 15, 2020) |

5.2 Non-Monetary Remuneration

PO Warrants to purchase the Company's ordinary shares to be issued and offered for sale to the directors and employees of the Company and/or its subsidiaries

On November 5, 2019, the Company issued and offered the warrants to purchase the Company's ordinary shares allocated to the directors and employees of the Company and/or its subsidiaries (PO Warrant), totaling 70 million units with the term of 2 years from the issued date and no offered price as approved by the Company's 2019 AGM, to encourage their ownership, build their morale and courage in performing their duties, and retain their engagement with the Company in the long run. The criteria of the rights to exercise the warrants is in accordance with the Company's policy. The exercise ratio and price on the issued date are as follows:

NO.	EXERCISE PRICE BAHT/UNIT	NUMBER OF ISSUED WARRANTS UNITS*	EXERCISE RATIO UNIT/SHARE	EXERCISE PERIOD	
				START	END
1	5.20	30%	1:1	February 28, 2020	November 5, 2021
2	5.46	30%	1:1	May 29, 2020	November 5, 2021
3	5.72	40%	1:1	November 30, 2020	November 5, 2021

* Number of exercised warrants of the total allocated units.

Details of the PO warrant or SHR-W1 are described in "Securities and Shareholders". There was no allocation of the warrants of exceeding 5 percent of the total number of units to directors and/or employees.

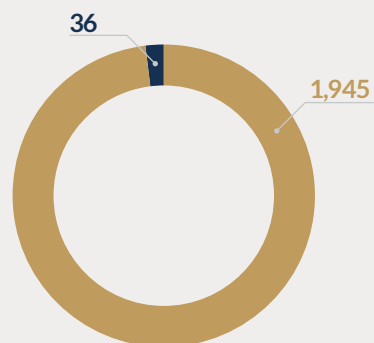
Non-Monetary Remuneration of Directors as of December 31, 2020

NAME OF DIRECTORS	NON-MONETARY REMUNERATION	
	WARRANTS (SHR-W1)	
	NO. OF WARRANTS (UNITS)	% OF ISSUED WARRANTS
1. Mr. Sompong Tantapart	1,500,000	2.14
2. Mr. Praisun Wongsmith	1,000,000	1.43
3. Mr. Jukr Boon-long	1,000,000	1.43
4. Mr. Chayanin Debhakam, D.B.A.	1,000,000	1.43
5. Mr. Naris Cheyklin	1,000,000	1.43
6. Mr. Dirk Andre L. De Cuyper	1,250,000	1.79
7. Mrs. Thitima Rungkwansiroj	1,500,000	2.14
8. Mr. Terachart Numanit	1,500,000	2.14
Total	9,750,000	13.93

6. PERSONNEL**Number of Executives and Employees as of December 31, 2020.**

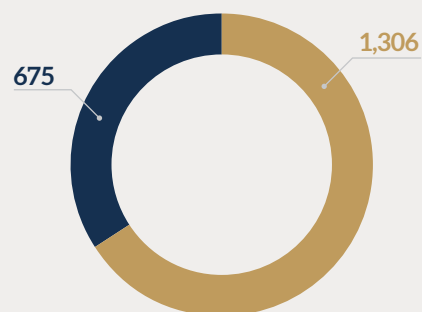
YEAR 2020	SHR (CORPORATE)	HOTEL BUSINESS	TOTAL
Operation/Service (head)	0	1,754	1,754
Management (head)	5	191	196
Corporate (head)	31	0	31
Total (head)	36	1,945	1,981

By type of business



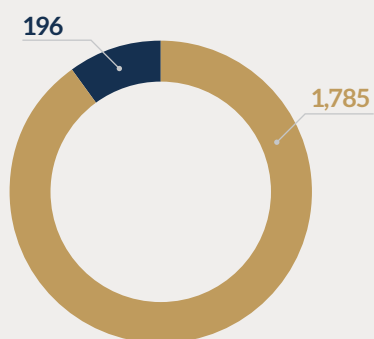
● SHR (Corporate) ● Hotel business

By gender



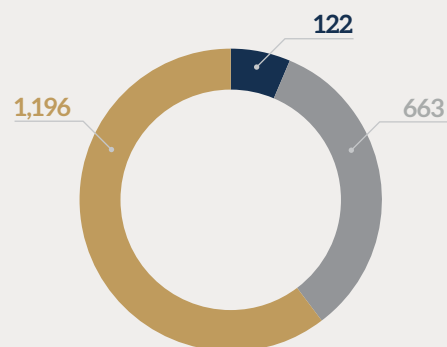
● Female ● Male

By level



● Management ● Officer

By age



● Below 30 ● 30-50 ● Above 50

Significant change of the number of employees in the past 3 years

YEAR	2018	2019	2020
Number of employees at the end of the year	722	1,455	1,981



Major Labor Dispute in the past 3 years

There was no major legal dispute that impacted to the Company's business operations and financial statements.

Human Resources and Brand Culture

The Company is highly committed to employee, one of the most valuable assets of our company. We have worked closely with external consultant and have developed our own Employee Values Proposition called SVP (S Hotels & Resorts Employee Value Proposition). The SVP outlines the structure of Human Resources & Brand culture from creating "awareness" of the Company as the preferred employer in hospitality industry, "attracting" right caliber personnel through unique offering "recruitment" experience and creating the meaningful "engagement and retention" career journey for employees.

Organizational Development and Brand Culture Establishment

As part of the Company's Employee Value Proposition, we have developed "Our PRIDE Moments" octagon to reflect the commitment that we have towards employees by establishing the structural approach on Recognition, Celebration, Survey & Feedback, Well Being of our employees, Training & support, Team Activities, Community Event and Rewards.

In embracing the working environment that recognize and rewarding the star performers, we have established the Recognition & Rewarding program that allows employees to be recognized and inspire other employees to follow. Monthly celebration such as birthday, work anniversary celebration has been rolled out to engage employees.

We attentively value the feedback through anonymous survey in all activities including training & development. The open-door policy has always been our common practice for the management, this demonstrates the transparency approach that we have towards employees.

In creating opportunities for learning and capability development for the management and employees, the Company focuses on strengthening knowledge and skills required for each career path to support future business growth. Therefore, it conducts training needs assessment to identify the knowledge and skills required for each function, resulting in training roadmap of each position as well as the annual training plans to train employees for future business expansion. The meaningful and constructive career conversation is taken place to all employees to demonstrate our commitment in career development.



Performance Evaluation

In 2019, the Company implemented the Performance Review System which consists of key performance indicators (KPI) and competencies used to evaluate employee performance for mid-year and end-year. The results of the evaluation were used in the administration related to remuneration, bonus, promotion for career path advancement.

Training and Personal Development

The Company emphasizes on employee development by encouraging through the Individual Development Plan, which is consistent with the needs of each employee. The Company promotes learning and development of individual potential and advancement by supporting and organizing training sessions both inside and outside the Company and through the online platform, both during normal working hours at the office and while performing duties from home (work from home) in order to reduce social distance due to the epidemic situation of the new coronavirus (COVID-19). Courses are selected appropriately with the year of service, career path, and responsibilities in 2020. Training and support are provided for employees to receive various training courses covering both technical knowledge and various skills in working (Technical Skills and Soft Skills), activities to build good relationships based on corporate values as well as the policies that the Company emphasizes on e.g., environmental awareness, sustainability, anti-corruption, risk management and personal data protection Act.

Moreover, the Company arranged for its employees at all level to take a test of knowledge and understanding about the anti-corruption policy, code of conduct, enterprise risk management, and personal data protection in online form with measurement criteria specified by the Company. Also, during the work from home, the Company arranged for employees to receive various e-Learning

training courses that will benefit their working performance with count of training hours as part of employee development plan.

The Company encouraged for provision of knowledge and trainings on environment to the employees. In 2020, the abovementioned operations were as follows:

- During every new employee's training (Familiarization Program/Company Overview), information on the Company's environmental conservation through projects and activities has been provided with aims to foster their awareness and support for common consciousness on social and environmental preservation for sustainability following to the meaning of Socially Responsible in Item 6 of the Company's 7 Gates to Success.
- The Company dispatched the employees' representative to attend the "Sustainable and Low Carbon Society, A New Business Model of the Future" and "Sustainable and Low Carbon Business to Respond to SDGs" seminar arranged by the Thailand Greenhouse Management Organization (Public Organization) on September 8, 2020.
- The Company dispatched the employees' representative to attend an online-seminar on "It Takes an Island - Sustainability and the New Tourist" which was about conservation of marine environment relevant to tourism industry, arranged by Delivering Asia Communications on July 9, 2020. Mr. Dirk Andre L. De Cuyper, the Company's Chief Executive Officer, also participated as the guest speaker in this seminar.

The Company believes strongly that developing employees' capability will enhance the competitiveness of the organization over the long term. In 2020, the Company has total training hours of 1,175.50 hours and averaging 32.65 hours of training per person per year which increases more than in the year 2019 of 106 percent by spending the total budget of Baht 476,132.

Summary of training hours in 2020

TRAINING HOURS BY LEVEL	OVERALL TRAINING HOURS	AVERAGE TRAINING HOURS
Top management	180 hours	25.71 Hours/Person/Year
Mid-level management	563 hours	28.15 Hours/Person/Year
Operational level officers	432.50 hours	48.05 Hours/Person/Year
Total training hours	1,175.50 hours	32.65 Hours/Person/Year

Guidelines for Code of Business Conduct and Ethics

Since PRIDE is the Company's standard for business conduct, and "Integrity" is one crucial value, the Company particularly values transparency at every stage of business processes. It provides code of conduct and ethics training to all employees from day one. The management lead as role models, strictly observe ethical principles, keep promises given to every sector, and stay true to their duties so that they may serve as models for the entire team. Finally, clear preventive measures and punitive provisions are in place.

Guidelines for Whistleblowing

The Company firmly observes its code of conduct. To demonstrate fairness in particular for complaints and whistleblowing handling, established written practical guidelines of 2019 are communicated to all personnel through internal channels such as announcement via email, notice board, internal communication platform, and training.

In 2020, the Company did not receive any complaints or reports on misconduct.

Occupational Health, Safety and Work Environment

We put personnel health, both physical & mental, security and safety at work as one of our priorities. The Company demonstrates its commitment through activities, communication, and various regulations as follows:

- Improving the work environment in hygiene and safety
- Disseminating safety procedures and assigning all to ensure good housekeeping in work areas and common areas
- Conducting annual medical checkups
- Conducting training and create awareness of Occupational Health, Safety and Work environment trends.
- Establishing rules and eligibility for medical treatment for sick personnel as well as health care and benefits in case of disability and death
- Providing employees with opportunities and venues to express opinions and suggestions to improve occupational safety and work conditions.

In 2020, the Company achieved zero work-related accident and sickness with no statistic report on dead or severely injured at work.

Employee Engagement

To obtain the constructive feedback and truly understand personnel's expectations, the Company commissioned an external consultant to conduct a 2019 Employee Engagement Opinion survey (EOS) to identify issues and areas to improve work satisfaction and engagement towards company. The management in all functions paid full attention and led the development and implementation of action plans based on those findings to increase employee engagement to a level comparable to leading hospitality company.

Recruiting Right Talent and Retain High the Potentials

The Company strongly believes that recruiting the right talents and retain high potential employees are the foundation of success in our business. A systematic screening system through various world-renowned assessments are being utilized to screen personnel with qualifications and tailored-made behavior based interview guideline which reflect the Company's value, "PRIDE" has been established to ensure that we recruit the "right talent" and employees can contribute at their best capabilities to the business goals as well as fulfilling their individual career development goals.

Determination on remuneration of the Management and the Employees

The Company has a policy to provide remuneration to the management and the employees as salary and/or bonus suitable with potential including for building security in line of profession and career path fairly, in conformity with the Company's operating results and at competitive rates in order to attract, motivate and retain the management and employees who play vital roles for long-term success of the Company. The Company also provided other welfares for its employees as per stipulated by the laws, such as social security, provident fund and annual health check-up and welfares beyond those stipulated by the laws, such as health insurance, accident insurance for the employees including their family, special room prices for employees, annual party, transportation vans and etc.

The Company employed 1,981 employees and Executives as of December 31, 2020. The total remuneration, which includes salary, overtime payments, living allowances, bonuses, special allowances, social security payment, and joint contributions to the provident fund, was worth approximately Baht 0.967 billion.

(Details of executive remuneration appear under "Remuneration for Directors and Executives".)

Provident Fund

Apart from the above compensation, the Company established a provident fund in 2015 under the Provident Fund Act B.E. 2530 (1987) by contributing 5%, 8%, or 10% of a given employee's salary into the fund. Employees are able to choose and match their contribution to the fund at 3%, 5%, 8%, 10% or 15% of their salaries.

Chief Executive Officer Remuneration

The Board of Directors conducts the CEO's performance appraisal annually. Findings determine his total remuneration including salary, bonus, or other payments by considering appropriateness and competitiveness in comparison with peer listed companies of similar sizes. Since it is personal information, the Company cannot disclose his compensation.

CORPORATE GOVERNANCE

CORPORATE GOVERNANCE POLICY

The Board of Directors of S Hotels and Resorts Public Company Limited (the “Company”) is committed to a transparent, fair and accountable business conduct in strict adherence to Corporate Governance (CG) Principles. Besides enhancing the Company’s competitiveness and strengthening the confidence of all investors and stakeholders at the domestic and international levels, such practices are key drivers for the Company’s business success, sustainable growth, and flexible adaptation under a changing business environment, and good relationship with all stakeholders.

FORMULATION OF CG POLICY

The Board of Directors (the “Board”) agreed to have a better written corporate governance policy on January 10, 2019, covering the main principles, structure, roles, duties and responsibilities of the Board, and management principles of the executives which are meant to be transparent, clear and examinable by using the principles and guidelines of 2017 Good Corporate Governance for Listed Companies of the Securities and Exchange Commission. These are the guidelines for managing the Company to ensure that the operations of the Company are with fairness and taking into account the best interests of shareholders and all stakeholders.

In 2020, the Board followed the guidelines for corporate governance in other matters as follows:

- Appointed the Risk Management Committee; prepared Risk Management Committee Charter, enterprise risk management policy, enterprise risk management framework, and foreign exchange and interest rate risk management framework of the Company in order to specify risk management policy and framework including oversee to ensure that the Company has operations on the enterprise-wide risk management.
- Prepared the personal Data Protection Policy to serve as a guideline for undertaking the works involving personal data, which comprising collection, use or disclosure of personal data including data subject rights, keeping and erasure of personal data and handling personal data breach case pursuant to the Personal Data Protection Act, B.E. 2562; supported communications with the employees and conducted the test via e-learning system.

- Reviewed and amended the Charter of the Board of Directors and of subcommittees to make them conform to the amendment of the Company’s Articles of Association on electronic meeting.
- Reviewed and improved the performance self-assessment form of the Board of Directors and of subcommittees to make them cover duties and responsibilities of all committees.
- Reviewed the Corporate Governance Policy by applying the Corporate Governance Code for Listed Companies 2017 (“CG Code”) of the Security and Exchange Commission of which it was considered that overall corporate governance policy of the Company was concordantly with the CG Code and some practices that the Company has not yet adopted or fully adopted have also been considered and recorded as part of the resolution of the Board of Directors’ meeting No. 9/2020 on December 17, 2020 in order to uplift the Company’s existing corporate governance level within the current business environment and context of the Company.
- Communicated the Company’s Anti-Corruption Policy and practices, Code of Conduct to the employees at all levels in the organization for their acknowledgement and requested for the employees’ cooperation to read the policy and conducted online-test to evaluate their understanding then measured results pursuant to criteria specified by the Company.

AWARDS BESTOWED FOR CORPORATE GOVERNANCE

In 2020, the Company received the following awards:

- The Company earned 100 scores on the quality of the 2020 AGM score assessment program of listed companies organized by the Thai Investors Association.
- The Company’s CG score was ranked “Very Good” equivalent to 4-star rating from the Corporate Governance Report of Thai Listed Company 2020 (CGR 2020) conducted by Thai Institute of Directors (IOD).

CG PRINCIPLES AND CG CODE COMPLIANCE ASSESSMENT

The Board acknowledged the principles under the CG Code and fully understood its leadership role in creating sustainable value for the Company's business, and conducted an assessment of overall compliance with CG Code, based on the outcomes of the Company Secretary's preliminary assessment and report. Meanwhile, the Company is considering some principles under SET's CG which have not been complied with at this stage as follows:

ISSUE UNDER CONSIDERATION	REASON / EXPLANATION
The Board should consider the appointment of the Nomination and Remuneration Committee.	The Company is in the process of appointment of the Nomination and Remuneration Committee. In the meantime, the Board will oversee the recruitment and selection of directors with transparency, clear rules and procedures. The Board must consider the educational background and professional experience of the candidates, including qualifications and non-prohibited characteristics with sufficient details to consider. In addition, the Board has rules and guidelines for determining remuneration for directors, senior management, and persons with fair and reasonable management authority. The consideration of the remuneration of the Board to propose to the shareholders' meeting for approval must take into account various factors such as the consistency with the strategy and long-term goals of the Company, experience, duties, scope and roles and responsibilities, and the expected benefits of each director.
The Board should consider the appointment of the Corporate Governance Committee.	The appointment of the Corporate Governance Committee is under the consideration of the Board. In operating the business to be in compliance with the policy and principles of good corporate governance of the Company and its subsidiaries at present, it has been under the governing of the Board of Directors as the leader (Governing Body) of the organization.
Quorum of the Board meeting at the time of voting should be at least two-thirds of the total number of directors	Quorum of the Board meeting of the Company is not less than half of the total number of directors as per the Company's Articles of Association. The Company has not yet set up a policy of two-thirds of the total number of the directors for the quorum of the Board meeting at the time of voting.
The Board should be composed of more than 50% independent directors.	<p>As of December 31, 2020, the Board is composed of a total of eight directors. Three of them are independent directors and the number is not less than one-third of the entire Board members and not less than three persons according to the Company's Articles of Association. In consideration of selecting an additional director, it depends on the context and business environment of the Company.</p> <p>However, in 2021, the Board of Directors' Meeting No. 2/2021 on February 23, 2021 passed a resolution to approve the appointment of Mr. Parinya Patanaphakdee as an Independent Director in place of Mr. Teerachat Numanit, a resigned director, effective from February 23, 2021 onward. Therefore, at present, the Company consists of 8 directors, 4 of which are independent directors. The proportion of independent directors then has increased to 50%.</p>

To enhance the knowledge and understanding of all directors, executives and employees of their obligations in performing their duties in compliance with the Corporate Governance Code ("CG Code") for Listed Companies 2017 of the Securities and Exchange Commission ("SEC") and as a guide for corporate management to raise confidence in the business conduct of the Company for sustainable value creation, long-term satisfactory performance and with responsibility to all shareholders and stakeholders, the Board has defined eight CG principles as follows:

PRINCIPLE 1: ESTABLISH CLEAR LEADERSHIP ROLE AND RESPONSIBILITIES OF THE BOARD OF DIRECTORS

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

- Set objectives and key goals, important guidelines, policies and strategies with due regard to ethics, the impact on society and the environment, financial objectives, various business plans and budgets of the Company and subsidiaries, providing important resources to achieve objectives and goals, supervise the administration and management of the Executive Committee and the Management to be in accordance with the policies, plans and budgets with efficiency and effectiveness for the best interest of the Company, its subsidiaries and shareholders. In 2020, the Board reviewed and approved the Company's business strategic plan for year 2021-2025, vision, short-term and long-term target, and business direction. The Board also monitors and follows up to ensure that the Company's strategies are put into practice. The Management is assigned to report on the Company's operation and financial performance to the Board according to the strategic plans at every quarterly meeting.
- Continuously monitor the operations of the Company, subsidiaries and associated companies to meet the goals, guidelines, policies, business plans and budgets of the Company and subsidiaries. Regularly evaluate the performance of the Executive Committee and Management. Fix remuneration and review the succession planning at least one time per year.
- Supervise the adequacy of financial liquidity and ability to pay off debt.

- Consider, determine, and amend the names of directors who have the binding authority to sign for the Company. In the case of a vacancy of a director due to reasons other than retire by rotation, let the Board, according to the recommendations of the Nomination and Remuneration Committee (if any), select people who are qualified and do not have prohibited characteristics under the Public companies and the Securities and Exchange Act, or any other relevant announcements, rules or regulations, to be a director in the next Board meeting, unless the term of office of the retired director is less than 2 months.
- Consider and approve the Company and subsidiaries' operations in accordance with the regulations of each company.
- Consider the management structure. Hold the authority to appoint the Executive Committee, CEO, and other subcommittees as appropriate. Determine the scope of authority and remuneration of the appointed Executive Committee, CEO, and other subcommittees.

The delegation of authority within the scope of specified duties must not constitute delegation that allows the Executive Committee, the CEO, and subcommittees to consider and approve transactions that may cause conflicts with the Company or subsidiaries, except for the approval of transactions that are in accordance with the policies and criteria considered and approved by the shareholders' or the Board's meeting.

- Perform other shareholder-assigned tasks related to the Company's business.

1.2 The Board establishes various policies, including corporate governance policy and corporate social responsibility policy to create sustainable business values in order to promote ethical business practices, to respect the rights and responsibilities to shareholders and stakeholders, to achieve success in the business operations of the Company, to benefit the society, to develop or reduce environmental impact, and to adapt under changing factors.

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

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

- Providing appropriate information disclosure to stakeholders, person with conflicts of interest and related parties, and disclosure of important information to shareholders in the financial statements and various reports made to the shareholders appropriately. Such information should be distributed via the SET's system first and may be further disseminated via the Company's website. Assigning responsible persons for providing information to investors. The Board should disseminate accurate, complete, appropriate and punctual information.
 - Considering, reviewing, and approving the vision, policy, direction, strategy, business plan of the Company and subsidiaries as prepared by the Executive Committee and management at least once a year to suit the changing economic, market, and competitive conditions.
 - Arranging for a balance sheet and a profit and loss account at the end of the calendar year which is the Company's fiscal year in order to accurately and correctly show the financial status and operating results of the previous fiscal year in accordance with generally accepted accounting standards to propose to the shareholders' meeting in the annual general meeting of shareholders for approval. The Board must arrange for the auditor approved by the Office of the SEC to complete the check of balance sheet and profit and loss account before presenting to the shareholders' meeting, also the preparation and review of the financial statements for the quarterly period.
 - Having the Company and subsidiaries introduce the accounting system, financial reporting, and an appropriate and effective audit. Providing an internal control system, sufficient and effective internal audit system, and establishing a process to assess the suitability of the internal control system of the Company and subsidiaries regularly.
 - Supervising to have a system or process for risk management by establishing supporting measures and control methods to appropriately reduce the impact on the Company's business and subsidiaries.
 - Considering and/or providing opinions on connected transactions between the Company, its subsidiaries, associated companies, and connected persons as specified in the Securities and Exchange Act, relevant rules and regulations of the Stock Exchange of Thailand (the "SET") and the Capital Market Supervisory Board. Approving the principles of trade agreements with general trade terms for entering into transactions between the Company, its subsidiaries, affiliated companies, and directors, executives, or related parties in order to establish a framework for the executive committee and the management to have the power to execute such transactions within the framework and scope of the relevant laws and regulations. Considering and/or providing opinions on making various business transactions for the Company (if the value of the transaction does not fall under the conditions that must be considered and approved by the shareholders' meeting) in accordance with the relevant laws, announcements, rules and regulations.
 - Appointing the Company Secretary and determine the scope of duties and responsibilities of the Company Secretary in order to be responsible for the various operations on behalf of the Company or the Board such as the preparation and maintenance of the register of directors notice of the Board meeting and the minutes of the Board meeting invitation to shareholders' meeting, minutes of shareholders' meeting, reports of interest, etc.
- 1.4 The Board understands the role, scope of duty and responsibilities of the Board, clearly specifies the scope of delegation of duties and responsibilities to the subcommittees and management, follows up and supervises them to perform the duties as assigned. The Board establishes various charters of the Board and subcommittees in writing and will review the said charters regularly at least once a year to be in line with the Company's direction.
- In addition, the Company separates the roles and responsibilities between the Board and management to be clear in the performance of duties of each position in order to balance the power, to be able to review their administration, and to manage the Company with efficiency and transparency as follows:

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

Although the Board has delegated specific powers to subcommittees, the CEO and senior management, it has reserved its authorisation over certain matters, including:

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

PRINCIPLE 2: DEFINE OBJECTIVES AND GOALS THAT PROMOTE SUSTAINABLE VALUE CREATION

- 2.1 The Board values the definition of the Company's core objectives and goals in the conduct of its business for sustainable growth together with society, value creation and benefit for the organisation, customers, business partners, employees, shareholders, stakeholders, and society as a whole. The Board promotes communication and ensures that the corporation's core objectives and goals are reflected in the decision-making and performance of all its employees that they become corporate culture in conformity to the corporate governance principles.
- 2.2 The Board ensures that the Company formulates annual corporate strategies and 5- year corporate plans in line with its business objectives and goals, environment, factors and risks that may affect all stakeholders, ensures that the Company adopts innovations and technology appropriately and safely. In addition, the Board must be aware of the risks of setting goals that may lead to illegal or unethical conducts as well as supervise the transfer of objectives and goals through strategies and plans throughout the organisation.

PRINCIPLE 3: STRENGTHEN BOARD OF DIRECTORS EFFECTIVENESS

- 3.1 The Board has the duties and responsibility for determining and reviewing its structure especially composition, qualifications, proportion of independent directors, term of tenure and limit of directorship in listed companies that each of the Company's directors can hold, as deemed proper and necessary for achieving the Company's objectives. The principle includes:

3.1.1 Board Composition

In optimising the diversity of its structure, the Board is composed of at least five to twelve directors with various qualifications, that is, gender, professional skills, knowledge, competency, and fields of specialisation and experience, that are relevant to the Company's business operations. The Board charter also requires that at least one-third of the directors, and no less than three, must be independent ones; and at least half of the Board must reside in Thailand.

As of December 31, 2020, the Board comprises one executive director and seven non-executive directors, totalling eight members. Among the non-executive directors, which represent 87.5% of the entire Board, are three independent directors, representing 37.5%.

All directors are knowledgeable, competent, skilful and experienced in fields useful to the Company's business and are able to fully devote their time to the performance of their duties.

3.1.2 Qualifications of directors

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

3.1.3 Qualifications of independent directors

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

- (1) Hold up to 0.5% of the voting shares of the Company, holding company, subsidiaries, associates, major shareholders, or its controllers. For this purpose, the shares held by related persons of individual independent directors are to be included.
- (2) Are not or have not been involved in the management, wage earners, employees, advisers on regular payroll, or controllers of the Company, holding company, subsidiaries, associates, sister companies, major shareholders, or the Company's controllers unless such status has ended for at least two years.
- (3) Are not of blood relationship or legal registration as father, mother, spouse, sibling, or children, including the spouses of the children of other directors, executives, major shareholders, controllers, or those nominated as directors, executives, or controllers of the Company or its subsidiaries.
- (4) Do not have or have not had business relationship with the Company, holding company, subsidiaries, associates, major shareholders, or the Company's controllers that could obstruct their independent exercise of discretion; are not or have not been significant shareholders, or controllers of those with business relationship with the Company, holding company, subsidiaries, associates, major shareholders, or the Company's controller unless such status has ended for not less than two years.

Under the previous paragraph, business relationships include trade transactions routinely engaged for renting of properties, asset-related or service-related transactions, or financial assistance provided or received involving loans or collateral, provision of assets as loan collateral or the likes, all of which result in the Company or its contract counterpart owing from 3% of its net tangible assets or Baht 20 million upward (whichever is lower). The calculation of such debts is to follow the method of calculating the value of related-party transactions under the announcement of the Capital Market Supervisory Board on the criteria for engagement in related transactions *mutatis mutandis*. However, in the consideration of such debts, they are to incorporate debts incurred during the year before the business relationship date with the same person.

- (5) Are not or have not been the auditor of the Company, holding company, subsidiaries, associates, major shareholders, or the Company's controllers, and are not significant shareholders, controllers, or partners of the auditing firm which the auditor of the Company, holding company, subsidiaries, associates, major shareholders, or the Company's controllers are attached to unless such status has ended for not less than two years.
- (6) Are not or have not been professional advisers, whether legal or financial, with a consulting fee of more than Baht 2 million a year from the Company, holding company, subsidiaries, associates, major shareholders or the Company's controllers, and are not significant shareholders, controllers, or partners of such professional advisers unless such status has ended for not less than two years.
- (7) Are not directors appointed as the representatives of other directors of the Company, major shareholders, or shareholders related to the Company's major shareholders.
- (8) Are not engaged in similar businesses and significantly competitive businesses with those of the Company, its subsidiaries and are not significant partners in partnerships, management directors, wage earners, employees, advisers on regular payroll, or those holding more than 1% of the total voting rights in other companies engaged in similar businesses and significantly competitive businesses with those of the Company or its subsidiaries.
- (9) Do not have any characteristics that hinder free expression of views on the Company's business.

3.1.4 Terms of directors

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

- Independent directors can serve up to three consecutive terms.

3.1.5 Limiting number of listed companies to serve as directors

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

- 3.2 The Board will appoint the appropriate person to be the Chairman of the Board and ensure that the components and operations of the Board facilitate the exercise of independent discretion to perform the following duties:

- Chairing and calling Board meetings by assigning the Company Secretary to issue meeting notices no less than seven days before each meeting so that the directors may have enough time to study, deliberate, and make proper decisions at each meeting.
- Setting meeting agenda on consultation with the CEO.
- Efficiently control meetings, allocating enough time for the management to present supporting data for decision-making.
- Giving the directors opportunities to ask questions and express opinions and discretion freely; controlling discussion issues; and summarising resolutions.
- Encouraging the directors to attend the shareholders' meetings and chairing such meetings to efficiently control Board proceeding and answer shareholders' questions.
- In the consideration of agenda which directly concerns a given director with conflicts of interest, the Chairman must ask that director to abstain from attending and voting during that portion of the meeting until the agenda has passed.
- Playing a key role in promoting directors' conformance to corporate governance and performance of their duties under the lawful authority of the Board, and promoting good relationship among the Board and the management.
- Inform the Board about crucial information and data.

3.3 The Board will supervise the nomination and selection of each committee to have a transparent and clear process in order to establish the Board and subcommittees that have qualifications consistent with the specified components. The Board will review the skills and characteristics of the Board and the overall composition of the Board in accordance with the Company's business strategy compared with current and future business directions, and create a Board Skill Matrix table to determine the necessary skills that are still missing from the Board and set criteria for nominating directors who are sought every year. In the above review, the Board also considers the diversity both in terms of skills, experience, knowledge, expertise, independence, age and gender of the Company's directors.

3.4 The Board considers the policy and criteria of clear, fair, reasonable and appropriate remuneration, both monetary and non-monetary, of directors and subcommittees, for their duties and responsibilities and linked to their individual as well as Company's performance (both short-term and long-term) that is also comparable with that of industry peers. The Board then proposes for approval of the remuneration at the shareholders' meeting.

3.5 The Board ensures that all directors are properly accountable for their duties, responsibilities and actions, and allocate sufficient time to discharge their duties and responsibilities effectively. This year the Board held nine meetings, with meeting attendance of each director over 75%. Details of directors' attendance are shown in the table of Details of Meeting Attendance of the Board of Directors and Subcommittees for the year 2020 under the section Management Structure.

In the circumstance that any director was unable to attend the meeting due to other missions or rescheduling of meeting, they would inform the Company Secretary Department in advance to notify the Chairman afterward for acknowledgement.

3.6 The Board considers the regulatory mechanism that makes the Company able to supervise the management and be responsible for the operations of its subsidiaries as if they were a department of the Company, provides measures to monitor the operations of its subsidiaries in order to protect the benefits of the Company's investments to be in accordance with the announcement of Thor. 39/2016, as well as ensures that the subsidiaries and associates have the same understanding and meet the same standards for the whole group.

3.7 The Board conducts an annual performance assessment of itself, subcommittees and individual directors as a scope for monitoring Board performance and whether it has been following good practices, so as to improve Board performance and to review problems and obstacles during the past year. The result of the assessment will also be used for the improvement of performance in the future.

The Company has devised a Board self-assessment in accordance with SET's guidelines and adapting it to the business and structure of the Board. The assessment comprises two sets of evaluation forms:

- 1) Board and all subcommittees performance self-assessment (group assessment)
- 2) Board's individual self-assessment

Criteria for evaluation cover the following essential points:

- 1) Board and subcommittee structure and qualifications
- 2) Board Meetings
- 3) Roles, duties and responsibilities of the Board and subcommittees
- 4) Others, such as relations with the management, directors' self-development, and executive development

Scoring In each of the topics, five levels of score are assigned:

- 1 = totally disagree or nothing has been done
- 2 = disagree or a few things have been done
- 3 = agree or reasonable action has been done
- 4 = rather agree or good action has been taken
- 5 = totally agree or there has been excellent undertaking

The criteria for assessment in percentage:

- 90-100% = Excellent
- 80-89% = Very good
- 70-79% = Good
- 60-69% = Fair
- 50-59% = Need an improvement
- Below 50% = Need an improvement immediately

Evaluation process

The Board considers and reviews the Board' Performance Evaluation Form. The Company Secretary then distributes copies of the evaluation form to all directors to be evaluated and handed in at the end of each year. The calculated results will be summarised in an evaluation report to be submitted to the Board to determine appropriate annual remuneration for the directors in each year. The evaluation report will be submitted to the Board for acknowledgment and for discussion for future improvement.

Evaluation results

The evaluation outcomes of the Board's performance in 2020 can be summarised as follows:

EVALUATION FORM		EVALUATION RESULT			
		2019		2020	
		AVERAGE SCORE	%	AVERAGE SCORE	%
Form 1	Group Assessment	4.69	94 (Excellent)	4.73	95 (Excellent)
	a) Board's Performance Assessment	4.67	93 (Excellent)	4.69	94 (Excellent)
	b) Subcommittees' Performance Assessment (all subcommittees)				
	- Audit Committee Assessment	4.88	98 (Excellent)	4.88	98 (Excellent)
	- Executive Committee Assessment ^{1/}	-	-	4.67	93 (Excellent)
	- Risk Management Committee Assessment ^{2/}	-	-	4.90	98 (Excellent)
Form 2	Self-assessment	4.74	95 (Excellent)	4.63	93 (Excellent)

Note: ^{1/} The Executive Committee had no meeting held in 2019, so there was no performance assessment conducted in 2019.

^{2/} The Risk Management Committee was established in February 2020 as approved by the Board.

3.8 The Company organises directors' orientation, where the CEO or senior executives briefs new directors on business operations, approaches to business management, and other necessary information useful for taking up the directorship. The Company prepares documents for new directors comprising key information such as business description, business structure, management structure, directions and strategies for business operations, charters of the Board and/or subcommittees, Manual of Listed Company Directors, manual of independent directors, and other manuals related to serving on subcommittees (if applicable).

Moreover, to increase the efficiency of the directors' performance, the Company encourages the directors, executives, and employees responsible for the Company's corporate governance to attend training and seminars in courses beneficial to their work in cooperation with other institutions, such as Thai Institute of Directors Association ("IOD"), SET, and Thai Listed Companies Association. The Company also distributes training schedules beforehand to all directors and subsidises all costs of attendance. The goal is constant work improvement.

In this connection, in 2020, the Board and senior executives attended particular training courses in relating to their duties arranged by the IOD and other institutes with details as follows:

NAME	POSITION	COURSE
Mr. Praisun Wongsmith	Director	<ul style="list-style-type: none"> Boardroom Success Through Financing and Investment (BFI 9/2020) 2020 Cyber Security Awareness for BOD, TMB Bank Public Company Limited Personal Data Protection Act, TMB Bank Public Company Limited Economic and Sectoral Outlook: A High-Frequency Data Perspective, TMB Bank Public Company Limited Sustainability Training, TMB Bank Public Company Limited
Mr. Terachart Numanit	Director	<ul style="list-style-type: none"> Director Accreditation Program (DAP 174/2020)
Mrs. Thitima Rungkwansiroj	Director	<ul style="list-style-type: none"> Tax burden in the whole system of real estate, house, land, housing estate, condominium selling business, Dharmniti Seminar and Training Company Limited TFRS 15: Revenue from Contracts with Customers and TFRS 16: Lease by Dharmniti Seminar and Training Company
Mr. Chairath Sivapornpan	Chief Financial Officer and Company Secretary	<ul style="list-style-type: none"> Financial Statements Analysis Course by the Business Accounting Supervision Division, Department of Business Development, the Ministry of Commerce on 13 -15 May 2020 (7 hours e-learning) Financial Advisor Refresher Course 2020 by Association of Thai Securities Companies
Ms. Kankanid Wichitcharoen	Senior Vice President - Finance	<ul style="list-style-type: none"> TFRS 15: Revenue from Contracts with Customers and TFRS 16: Lease by Dharmniti Seminar and Training Company Limited on 22 October 2020 (6 hours) Tax burden in the whole system of real estate, house, land, housing estate, condominium selling business, Dharmniti Seminar and Training Company Limited on 16 November 2020

3.9 To ensure the smoothness of the Board's operation and access to essential information, the Board appoints the Company Secretary with necessary and appropriate knowledge and experience to support the Board's operations as follows:

- The Board meets at least every three months, at least 9 meetings a year, and can schedule special meetings if appropriate and necessary, also meeting of non-executive directors in the absence of management is scheduled to be taken place at least once a year. The meeting should be fully attended unless there is a necessity which cannot be avoided, and when the meeting is to consider for resolutions on important matters or significant transactions that should be included, and items required by law to be approved by the meeting of the Board. The Board schedules meetings with the exact date and time for the entire year in advance and notifies each Director to ensure that the Board members can allocate their time for the meetings, also clearly outlines the agenda of each meeting, for instance, the approval of quarterly financial performance, review and approval of business strategy plans, and approval of annual budget. Particularly for the Board meetings relating to the approval of quarterly financial performance, it will be scheduled for approval on the third or fourth week of last month of each quarter.

In 2020, the Company held nine Board meetings. The details of the meeting attendance of each director are shown in the table of Meeting Attendance of the Board of Directors and Subcommittees for the year 2020 under the section "Management Structure".

- Two or more directors may request convening a Board meeting. The Chairman shall fix a date of the meeting within 14 days from the date of the request.
- To constitute a quorum, at least half of the total number of directors must be present. The Chairman presides over the meeting. If the Chairman cannot perform his or her duty, he or she may designate the Vice Chairman to take his place. In the case that there is no Vice Chairman, or the Vice Chairman cannot perform his duty, the directors present at the meeting shall among themselves elect any one of them to preside over the meeting.
- All resolutions of the Board meeting shall be decided by a majority of the votes of the directors present. In the case of a tie in votes, the Chairman of the meeting shall cast one extra vote as a decisive vote. Any director who has an interest in any resolution is not entitled to vote on such resolution.

- The Chairman approves the agenda of the meeting in consultation with the CEO and the Company Secretary. Directors can propose meeting agenda items for inclusion to the Chairman in advance before each Board meeting date.
- The Company Secretary will send the directors an invitation letter to the Board meeting along with the agenda and complete accompanying documents at least seven days in advance for sufficient study time before each meeting, except for an emergency in which the rights or benefits of the Company must be preserved, in which case the Company may tender a notice of invitation to the Board meeting by other means and give a shorter notice period. For convenience and rapidity on submission of meeting document/information and for paperless purposes, the Company has arranged OneDrive System with high data security system to submit information to all directors, so they can conveniently and rapidly access to meeting accompanying documents via computer and iPad everywhere and any time.
- During the meeting, the Chairman allocates sufficient time for and encourages all directors to freely express their views and ask questions, controls the meeting to be brief and completed in the time allotted, and encourages executives or concerned management to participate in the meeting to provide information or explanation of related issues that are significant to the business operation, to report financial performance, financial positions, and to monitor their operation as assigned by the Board to ensure that closely monitoring of the Company's business operation has been taken according to the strategies and annual plan.
- The Board can seek professional opinions on business operations by hiring external advisors on the Company's expenses.
- Non-executive directors shall meet separately in the absence of executive directors and the management at least once a year to discuss or exchange their views on any issues related to their responsibilities. In 2020, there was one meeting of non-executive directors in the absence of management held on July 16, 2020 to provide opinions and suggestions on business operation amidst the prevailing change.
- The Company Secretary must ensure the meeting minutes are composed and finished within 14 days after the meeting, and then presented to all directors. The meeting minutes include details of proposals, opinions of the Board, and resolutions, and are to be systematically filed along with accompanying documents.

The Board shall appoint a person who is knowledgeable, competent, and suitable as Company Secretary by establishing and filing important documents such as director roster, Board meeting notices, minutes of Board meetings, minutes of shareholders' meetings, and annual reports, maintaining reports on vested interests filed by the directors, and executives, and holding Board meetings and shareholders' meetings. Moreover, the Company Secretary provides recommendations on laws and regulations for the Board, oversees the Board's activities, and coordinates and monitors compliance with the resolutions of the Board and shareholders' meetings.

Details of profile of the Company Secretary, role and responsibilities, including training courses can be found in the section "Information of Directors, Executives, and person supervising accounting" and "Management Structure", also in the Company's website at www.shotelsresorts.com.

PRINCIPLE 4: ENSURE EFFECTIVE CEO AND PEOPLE MANAGEMENT

4.1 The Board, jointly with the Human Resources and Brand Culture Vice President, prepare a CEO Succession Plan to ensure business continuity if the position becomes vacant. The Committee is to nominate a person to assume the position by selecting a competent, qualified person with experience beneficial to the Company's operations from either inside or outside the Company. The committee is also responsible for regularly reviewing this succession plan.

The Board assigns Human Resources and Brand Culture Department to develop succession plans for senior executives and puts in place a system for personnel development for them to become ready to assume such positions. Moreover, the CEO may serve as a director in other companies, but such position(s) must not obstruct the work as CEO. Moreover, the business type must not be the same as or must not compete with the Company's business. The CEO must seek prior approval from the Board before taking up directorship of another company.

4.2 The Board considers and reviews the annual CEO Performance Evaluation Form by determining each year's performance goals with the CEO. The evaluation then compares performance results against the annual goals. The Board will use the evaluation result to determine appropriate annual remuneration for the CEO that is attractive and comparable to industry peers.

The criteria for CEO evaluation can be divided into

- Part 1 Corporate KPIs of the Company and policies that the Board has prioritised.
- Part 2 Evaluation of management
- Part 3 Development of the CEO's career and other suggestions.

The Company discloses information on the remuneration of individual directors and the overall remuneration of the executives in this Annual Information Disclosure Form / Annual Report ("Form 56-1 One Report") under the section "Management Structure" as disseminated on the Company's website and detailed under the Remuneration of Directors and Management.

- 4.3 The Board has a policy to understand the structure and relationship of shareholders that may affect the administration of the business and the power to control the management of the business so as not to hinder the performance of the Board. And the Board will ensure the appropriate disclosure of information that may affect the control of the business.
- 4.4 The Board will monitor and manage the personnel development to have the appropriate knowledge, skills, experience and motivation.

PRINCIPLE 5: NURTURE INNOVATION AND RESPONSIBLE BUSINESS OPERATION

- 5.1 The Board values the promotion of value-creating innovations in parallel with benefit to all stakeholders and responsibilities towards society and the environment by promoting actions that add value to the Company according to the changing environmental factors. These may cover the business model, perspectives about the design and development of products and services, analysis of the improvement of production processes and work processes, and cooperation with partners.
- 5.2 The Board monitors the Company's business operations, as reflected in the Company's operating plans, to ensure responsibility toward society and the environment in accordance with the Company's objectives, core targets, and strategic plans. The Board takes into account the roles of the stakeholders and will provide a mechanism to ensure that the business operates ethically, undertake social and environmental responsibility, and not violate the rights of stakeholders in order to be a guideline for all sectors in the organisation to achieve the main objectives and goals sustainably. The Board has established guidelines for various stakeholders as part of the Corporate Social Responsibility Policy (CSR) and the Code of Conduct, and will sufficient and reliable disclose sufficient, reliable, and important information that is relevant and necessary to those stakeholders on time.

The Board takes seriously the rights of all stakeholders, consisting of shareholders, investor, analysts, customers, employees, business partners, the public and society with transparency, appropriateness, equality and fairness.

Shareholders, Investors, and Analysts

The Company treats all shareholders and investors with equality. Directors, executives, and all employees are committed to working with integrity, transparency, and fairness, taking into account the maximum benefit to the shareholders. They do not engage in conflicts of interest, use inside information for the benefit of their own or their families and friends, and do not disclose confidential information to outsiders. Moreover, the Company recognises and respects the rights of all shareholders, investors, and analysts in having regular access to accurate and essential information regarding the Company's performance. The Company publicises its operating results and essential information through various activities such as meeting investors quarterly at the Opportunity Day event arranged by the SET, and the Investor Relations Webpage.

Customers

The Company builds long-term relationships and cooperation with customers by adhering to the principles of honesty and mutual trust. The Company has a duty to provide maximum satisfaction for the customers of the Company by being responsible, attentive and paying attention to the problems and needs of customers first. By having all executives and employees comply with this policy, the Company ensures that it places great importance to providing good quality service and not stopping to develop new services that are effective for the Company's customers. In addition, the Company will operate and conduct business with its customers based on ethics, strictly abide by the agreements, agreements and trade conditions, keep confidential information of customers and not use the information to seek benefits for themselves and their allies, except with the consent of the customer.

Employees

Employees are considered the most valuable resources. Therefore, the Company strictly complies with laws regarding labour, social welfare, and human rights. It is the Company's policy to treat all employees with fairness, equality, and without discrimination regardless of differences in race, place of birth, skin colour, religion, gender, age, disability, or personal characteristics irrelevant to their duties. It is committed to ensuring that all employees have a healthy work attitude, awareness of duties and responsibilities, pride and confidence in the organisation, as well as focus on teamwork. The Company's core value and organisation culture to be instilled in all employees is "PRIDE". The Company also encourages employees to take various training courses relevant and useful to work. It pays attention to employees' health by arranging annual physical check-ups for all employees, promoting safety and good work environment, and providing sufficient and suitable remuneration and welfare. Moreover, the consideration of employees' remuneration is mainly based on the assessment of their performances, relating to the Company's short-term and long-term operating results, against their industry peers.

In addition, the Company also focuses on continuously promoting and developing personnel to have knowledge and ability. The Company considers the rights of employees as a priority, and give the opportunity to the employees to file a complaint in case of unfair treatment via various channels such as the comments box or through the Human Resources department. The Company is responsible for providing a safe, hygienic and conducive working environment for effective work.

Business Partners

The Company treats its business partners with honesty and equality to ensure that the Company's business operations are appropriate, fair and benefit both parties. The Company advocates sustainable development and being long-term partners. The Company will choose to do business with partners from various conditions such as price, quality, control and environmental protection, technical expertise, legal compliance, trust, and adherence to the right things.

Business Competitors

Under the Company's policy guidelines, it is committed to operating business in compliance with laws and regulations based on fairness and transparency, abstaining from seeking business competitors' confidentiality through dishonest and unlawful means, slandering business competitors, engaging in anything that is false and unfair, and violating others' intellectual property rights.

Creditors

The Company creates relationships and treats with creditors with of honesty, mutual trust, responsibility, attentiveness to various conditions as agreed with the creditors. The Company manages loans in accordance with objectives and will not spend money in a way that may cause damage to the Company. The Company aims to manage the capital with the most efficiency so that the creditors are confident in the financial status and repayment ability of the Company. If the Company is unable to comply with the obligations in the contract, it will hurry to inform creditors to find solutions together.

During the last year, there was no payment default occurred.

Communities, Society, and the Environment

The Company is well aware that it must be responsible for communities, society, and the environment. Therefore, its business is conducted under the principle of creating mutual values among business and society. It emphasises environmental protection by promoting efficient and effective resource use to help reduce energy consumption, to prevent the operations of the Company from causing damage to the quality of life of a society, communities and the environment.

The Company and employees are committed to conducting business responsibly to benefit the society and community, to behave themselves towards neighbourhood communities with friendliness, to help and support the development of communities be well-being, as well as to be responsible for the Company's business operations with fairness and equality to promote sustainable development.

In addition, the Company must treat the environment in accordance with the social responsibility policy, support conservation of natural resources for sustainability, and support environment and natural resources conservation projects. The Company discloses various activities including the support of employee participation that demonstrates the implementation of the social responsibility policy. The Company also oversees the preparation of sustainable development report in the Form 56-1 One Report.

Related Government Agencies

Various government agencies ensure that the Company comply with relevant laws and regulations. The Company supports various government activities on any appropriate occasions. The Company will adhere to providing services and selling quality products and services and in accordance with the law. In addition, the Company will treat government and government agencies with political neutrality as specified in the Code of Conduct (Anti-Corruption Policy).

- 5.3 The Board will monitor the management to allocate and manage resources efficiently. The Company takes into account the impact and the development of resources throughout the value chain in order to achieve the main objectives and goals sustainably. The resources concerning the Company are at least of 4 types: financial capital, human capital, social and relationship capital, and natural capital.
- 5.4 The Company and its subsidiaries use information technology as a tool for their operations of various work systems and customer service. The system and the information, whether in the form of files, databases, documents, etc., are considered important assets of the Company. Therefore, safety measures were established to protect computer systems and information security to ensure that various systems and information are in accordance with the Computer Crime Act and other related laws.

PRINCIPLE 6: STRENGTHEN EFFECTIVE RISK MANAGEMENT AND INTERNAL CONTROL

6.1 The Board will ensure that the Company has a risk management system and internal control to achieve the objectives effectively and complies with relevant laws and standards.

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

6.3 The Board monitors and manages any potential conflicts of interest between the Company and the management, the Board, or shareholders. The Board also prevents undue use of property, information about the Company, and transactions with persons who have a relationship with the Company in an inappropriate manner. The Company set out a guideline in the Code of Conduct and internal data usage policy in writing. The details are as follows:

- Report of Conflicts of Interest: To comply with Announcement of the Capital Market Supervisory Board (CMSB) TorJor. 2/2552 Re: Report of Directors, Executives, and Other Related Persons' Change of Interest, the Board approved the criteria for preparing a report on directors' and executives' vested interests annually and any changes to be reported quarterly. The Company Secretary is responsible for compiling and sending copies of such report to the Chairman of the Board and the Chairman of the Audit Committee within seven days after the date of receipt. The information, however, is kept for internal use only.

- Consideration of entering into connected transactions: In deliberating connected transactions, the director(s) or executive(s) with vested interests is not allowed to join the meeting or pass any approval concerning the issue. The Chairman will ask each director to identify himself/herself and abstain from voting or leave the meeting until such agenda has passed. It is the Company's policy to engage in any transactions with related parties on an arm's length basis, namely at the market price and in the normal course of business, with primary regard for the best interests of the Company.

6.4 The Board has a clear Anti-Corruption Policy. The Company communicates with all levels of the organisation and third parties for actual implementation. The Board will arrange a project or a guideline to combat corruption, and support activities that promote and encourage all employees to comply with relevant laws and regulations.

6.5 The Board set up a mechanism for receiving complaints and taking action in case of whistleblowing and specified a clear guideline in the policy on accepting whistleblower complaints by providing channels for receiving complaints, and/or comments from an insider and outsider as following:

Whistleblowing Channels

1) By postal mail

To be delivered to the Chairman of the Board of Directors, or the Chairman of the Audit Committee

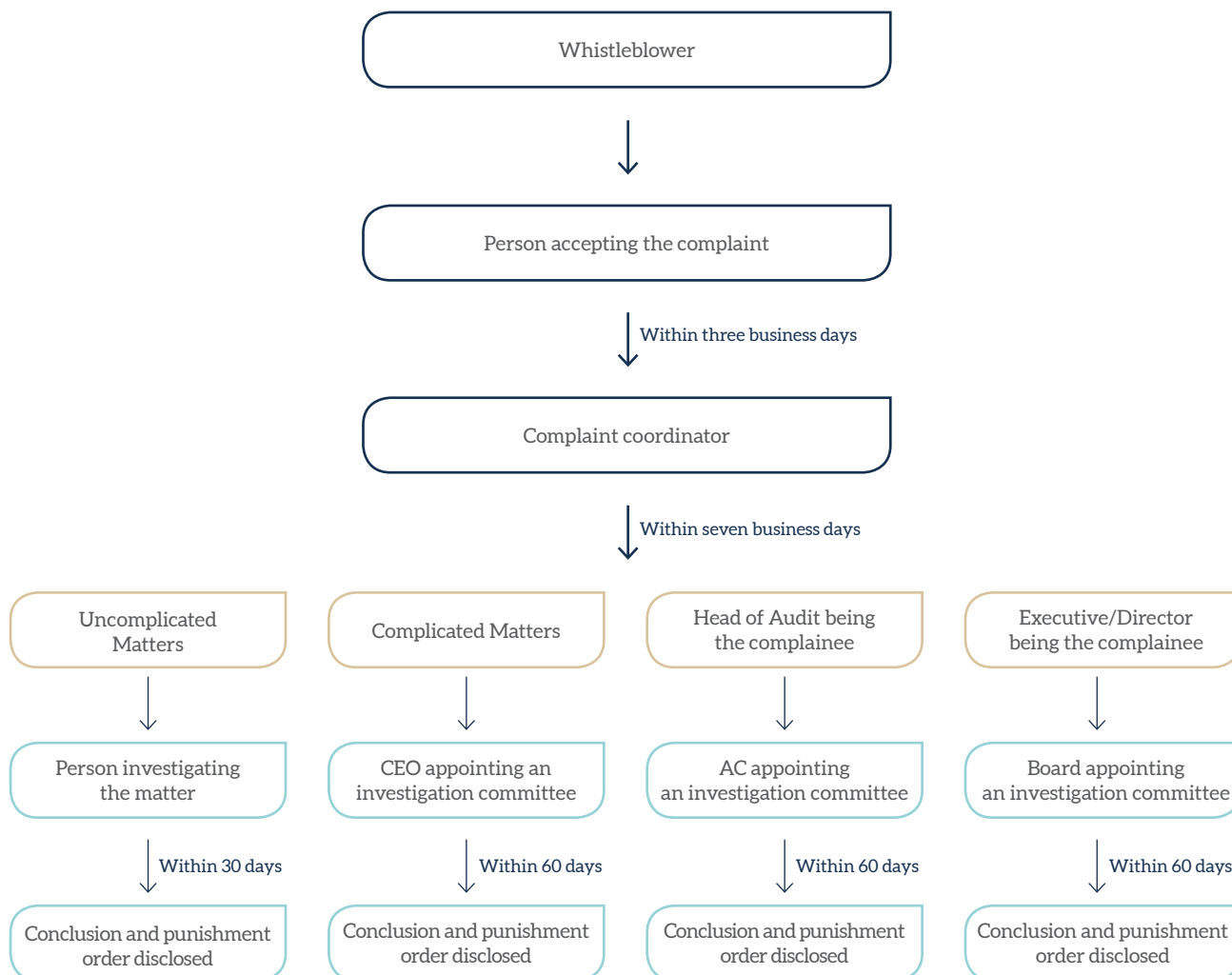
S Hotels and Resorts Public Company Limited
123 Sun Towers B, 10th Floor, Vibhavadi-Rangsit Road,
Chomphon Subdistrict, Chatuchak District, Bangkok 10900

2) By email

To be sent to the Company Secretary Department:
comsec-shr@shotelsresorts.com

3) Via the Company's website at www.shotelsresorts.com under the section Investor Relations > Contact-us > Complaint box

4) Through suggestion/ comment/ complaint boxes within the Company

Investigation Process for Complaints**Whistleblowers Protection Measure**

The Board will protect the whistleblowers by not disclosing their personal information but will keep it confidential. First, the Internal Audit will compile a summary of the issues and present them to the Audit Committee for proof and fact finding. If there is any information that may affect the Company, the Committee must present to the Board for further consideration.

The person that is inspected by the Company to commit an offence against the Code of Conduct or Anti-Corruption Policy, he or she shall be subject to disciplinary actions specified by the Company's regulations. In addition, if such an act constitutes a legal offence, the offender may also be subject to civil, criminal, or other relevant laws.

In 2020, there were no complaint received from both insider and outsider.

PRINCIPLE 7: ENSURE DISCLOSURE AND FINANCIAL INTEGRITY

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

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

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

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

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

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

To prevent conflicts of interest, the Board has defined the criteria for the preparation of annual reports on directors' and executives' vested interests along with quarterly reports of subsequent changes, the information of which is kept for internal use only. Strictly adhering to the Company's information disclosure policy and CG principles, Investor Relations represents the Company in communicating and providing accurate information to, as well as sharing opinions with, shareholders, institutional investors, securities analysts, and various stakeholders through the conveniently accessible channels via postal mail, telephone, email or website as following:

Contact information of Investor Relations Department

Address : S Hotels and Resorts Public Company Limited
123 Suntowers Building B, 10th Floor, Vibhavadi-Rangsit Road
Chom Phon, Chatuchak, Bangkok 10900
Tel. : +66 (0) 2058 9888 Ext. 342
Email : IR@shotelsresorts.com
Contact : Ms. Janthakarn Chanhorm
Investor Relations Manager

In 2020, the activities of Investor Relations included the following:

TYPE OF ACTIVITY	TIMES
Virtual conference and/or One-on-one Meeting	6
Discussion with investors by phone	36
Analysts meeting	4
Meeting investors on the SET's Opportunity Day	4
Press conference	2

PRINCIPLE 8: ENSURE ENGAGEMENT AND COMMUNICATION WITH SHAREHOLDERS

The Board recognises the importance of the shareholders of the Company by ensuring that the shareholders receive fair treatment and the shareholders can fully exercise their basic rights as shareholders, such as (1) the right to buy or sell shares (2) the right to receive dividends from the Company (3) the right to receive relevant information via the Company's website or the website of SET, or by any other means (4) the right to participate in a meeting to exercise the right to vote in a shareholders' meeting independently to appoint or remove directors, to consider the remuneration of directors, appoint auditors, dividend payment, to determine or amend the Articles of Association or Memorandum of Association, capital reduction, increase of capital and issue new shares, as well as the right to ask questions to the Board regarding the report of the Board and any other matters proposed to the meeting for consideration and approval, the right to propose meeting agendas and to nominate persons to be elected as directors, and participation in decision-making on important matters of the Company in which every shareholder has the right to vote according to the number of shares he holds and each share has one vote.

It is the Company's policy to treat all shareholders with fairness, regardless of gender, age, colour, race, nationality, origin, religion, beliefs or political views without discrimination against any group or individual shareholders. Moreover, the Company has a policy to encourage and facilitate the full exercise of rights relating to shareholders' meetings. The following measures were undertaken:

1. The Company holds its AGM within four months of the end of its fiscal year to inform the shareholders about its past performance and avoids setting the meeting date close to public holidays. For the 2020 AGM, due to the COVID-19 pandemic impact, with strong concern over the Meeting attendees' health, the Company postponed the AGM arrangement previously scheduled in April 2020 to June 29, 2020 at 2.00 P.M. at Pride Lounge, 15th Floor, Singha Complex, No. 1788 New Petchburi Road, Bangkok, Huaykwang, Bangkok 10900.

The meeting venue was easily accessible through public transportation systems and convenient for shareholders to travel to the place of the meeting with appropriate time allocation, sufficient for discussion. The Company informed the shareholders of the date, time, place, and meeting agendas together with the rationales and opinion of the Board on each agenda via SET Portal on the same day on which the Board resolved to call the shareholders' meeting on May 15, 2020.

On the date of the Meeting, the Company requested full cooperation of the attending shareholders to ensure strict compliance with the preventive measures for the safety of all shareholders and proxies in accordance with the relevant announcements and measures of authorities.

2. The Company prepared its meeting notice along with the relevant documents in Thai and English, indicating the meeting date, time and venue, including other details comprising a map of the meeting venue, an invitation letter, minutes of the previous meeting, the Form 56-1 One Report which can be downloadable via QR code, meeting agenda with explanation of objectives, details, directors' opinions and information required for consideration of each agenda item; explanation of credentials to be presented for attending the meeting, a list of all independent directors who serve as proxies for voting; the Company's Articles of Association concerning shareholders' meeting, a registration form with a barcode, and proxy forms. All these were mailed to shareholders no later than 14 days before the meeting date. For the 2020 AGM held on June 29, 2020, the Company prepared its meeting notice along with the relevant documents in Thai and English containing barcode for registration form with QR code for downloading the 2019 Annual Report in digital version and managed to have them all sent to shareholders by postal mail not less than 21 days ahead of the meeting on June 5, 2020, also publicised the full version of the invitation notice on its website at www.shotelsresorts.com more than 30 days in advance of the meeting date since May 29, 2020 in compliance with the good corporate governance practices so that shareholders may have time to study and acquire sufficient, accurate and complete information before casting their votes. The meeting notice was also advertised for three consecutive days in Thai and English newspapers at least three days before the meeting to announce the calling of the shareholders' meeting in advance from June 8-10, 2020.
3. The Company facilitated shareholders who could not attend the meeting in person by enclosing Proxy Form B (as specified by the Ministry of Commerce), the invitation letter and a list of independent directors serving as proxies with names and biographies included for consideration as their proxies, also details of the proxy assignment process and documents

required to facilitate the procedure as well as detailed explanation of credentials to be presented for attending the meeting were enclosed with the invitation letter. All of these was available in Thai and English, so that shareholders might prepare appropriate documents. Shareholders could also download Proxy Forms A, B and C (for foreign shareholders who appoint custodians in Thailand) from the Company's website and appoint proxies or appoint independent directors as notified in the invitation letter as proxies. Stamp duties were also provided for shareholders' and institutional investors' proxies on the actual day.

4. The Company will refrain from any actions that violate or restrict or deprive the right of shareholders to access the Company's information that have to be disclosed according to various regulations and in the shareholders' meeting, for example, by not unexpectedly presenting documents with important information and not adding meeting agendas or changing important information without notifying shareholders in advance.
5. The Company allowed and encouraged institutional investors to pre-register to save time for document review on the actual day.
6. A barcode system was used to ensure the accuracy and efficiency of the vote-counting process. The registration is open two hours before the meeting. After two hours, shareholders could still register until the vote counting of the last agenda was done if they wished to attend the meeting without losing rights.
7. The Company provided independent legal advisers and shareholder representatives as witnesses to verify the accuracy and transparency of the vote-counting process on each agenda item. It also invited an internal auditor to attend the shareholders' meeting to provide answers about the Company's financial report.
8. The Chairman allotted time and opportunities for the shareholders to express their views and ask questions fully and equitably. The Chairman of the Board, the Chairman of each subcommittee, all directors, senior executives, as well as external auditors, financial advisers and/or legal advisers related to the agenda of each meeting attended the meeting to answer shareholders' questions. All expressed questions and opinions were fully recorded in the minutes of AGM. However, for the 2020 AGM held on June 29, 2020, due to the COVID-19 pandemic impact situation, the Chairman conducted the meeting concisely to finish within 2 hours to limit exposure time. Also, the shareholders who had any

question or suggestion would write it on a given question form and sent to the Company's staff in order to reduce the risk exposure from the COVID-19 spreading through the using of microphone. All 8 directors attended the meeting, representing 100% of total directors. Top management, auditors, legal advisors, were also present. In pursuit of the best practice and good corporate governance of the holding of an annual general meeting of shareholders of listed companies, the Chairman invited the witness in the vote counting. There was no witness from shareholder. The Chairman then assigned Mr. Pukkapol Khuntamane, a legal advisor from Baker & McKenzie Ltd. presented as a witness to inspect the voting and vote counting procedures.

9. All resolutions of the meeting as well as the results of the voting on each agenda, a complete set of the "for", "against", "abstain", and invalid ballots of each agenda item were reported via SET portal system and uploaded onto the Company's website immediately after the meeting or no later than 9.00 AM on the following work day.
10. The minutes of the meeting containing detailed records of all essential contents in line with good CG principles were prepared and submitted to SET and SEC within 14 days of the meeting. The Company also disseminated on its website the minutes in Thai and English and informed the public about such dissemination via SET's channel.

The Company's shareholders minutes presented the following information:

- (1) List of the Directors, Executives, and other attendees with ratio showing the directors who attend the meeting and those who did not.
 - (2) Meeting procedures showing how to vote and how to count votes, resolutions, and voting results (approve, disapprove, and abstain vote) of each agenda.
 - (3) Instructions for significant matters.
 - (4) Questions and answers, brief opinions, and names of both questioners and answerers.
11. The Company granted an opportunity to all shareholders to propose agenda, nominate a director candidate, and submit questions no less than three months in advance of the 2021 AGM under the criterion and conditions specified by the Company in accordance with the good corporate governance regarding equitable treatment of shareholders, which was from October 1, 2020 to January 31, 2021. Criteria and conditions were announced on the Company's website at www.shotelsresorts.com under the section Investor Relations > Shareholders' Information > Shareholders' Meeting from

October 1, 2020 onwards through the news release system of the SET. During such period, there were no shareholders proposed any matters to be included in the meeting agenda or nominated a person to be elected as a director, or submitted any question in advance of the AGM meeting.

12. The Chairman conducted the meeting by the agenda and all issues outlined in the meeting notice without adding any agenda item.
13. Before the meeting, the Company informed the shareholders about the number and ratio of shareholders attending in person and assigning proxies, the steps and the voting process. Each shareholder had one vote per share. After summarising the vote counting result of each agenda item, shareholders were informed about the result and resolution of such agenda item.
14. The Company prepared ballots for voting on each of the agenda items for "for", "against", or "abstain". As for election of directors, individual voting is required to ensure transparency and auditability.
15. To prevent potential conflicts of interest, directors and executives are required to disclose information on the vested interest of themselves and related persons, while director(s) or executive(s) with vested interests in any transaction of the Company is not allowed to take part in any deliberation for the approval of such transaction. In addition, for the agenda regarding the appointment of directors, the directors who have conflict of interest in such matter would temporarily leave the meeting room to promote shareholders' freedom for questioning and voting.
16. The Company's securities trading policy forbids all directors, executives and employees from using or disclosing information for the benefit of themselves or related persons any inside information that is not yet publicised or could significantly affect share prices.

SUBCOMMITTEES AND COMPANY SECRETARY

The Board appointed 3 subcommittees, namely the Audit Committee, the Executive Committee, and the Risk Management Committee with the duties and responsibilities assigned to help ease the burden by defining various duties and responsibilities according to the Charter of each subcommittee.

1. The Audit Committee (“AC”)

The AC consists of at least three independent directors, with qualifications of independence under the announcement of the SEC. At least one of them must possess adequate expertise and experience in accounting and finance to review the creditability of financial reports.

As of December 31, 2020, the AC comprised the following three independent directors:

NAME	POSITION	FIRST APPOINTMENT DATE
1. Mr. Sompong Tantapart	Chair	January 10, 2019
2. Mr. Jukr Boon-long	Member	November 30, 2018
3. Mr. Praisun Wongsmith	Member	November 30, 2018

All AC members are independent directors. Mr. Sompong Tantapart has adequate expertise and experience in accounting and finance to review the creditability of financial reports. Ms. Pawornsiree Tipchaieur, Assistant Vice President of the Internal Audit, was appointed to serve as the Secretary to the Audit Committee. In 2020, the AC convened four meetings.

Scope of duties and responsibilities of the AC

1. To review the Company to ensure that it has accurate and sufficient financial reporting in accordance with financial reporting standards by coordinating with external auditors and management responsible for preparing quarterly and annual financial reports. The AC may suggest that the auditor review or examine any transactions that are important and necessary during the Company's audit.
2. To review the Company's internal control system and internal audit system to ensure that they are suitable and efficient, to determine an internal audit unit's independence, as well as to

approve the appointment, transfer and dismissal of the head of Internal Audit or any other unit in charge of Internal Audit and support the internal audit unit's in performing their duties in accordance with professional practice and adequacy of the audit resources.

3. To review the Company's compliance with the Securities and Exchange Act, SET and the Capital Market Supervisory Board requirements, and/or laws related to the Company's business and subsidiaries. As well as to review the subsidiaries and associates to ensure they comply with the rules and regulations, and management of subsidiaries that operate core businesses and associates that operate core businesses.

4. The AC should hold a meeting to consider various matters as assigned as follows:
 - 4.1) The review of financial statements and related financial reports, accounting principles and accounting practices, compliance with accounting standards, the existence of the business, significant changes in accounting policies, and the reasoning of management regarding accounting policy determination before submitting to the Board for distribution to shareholders and general investors.
 - 4.2) The review of the internal control and internal audit.
 - 4.3) The review of the Company's annual audit plan, the process of coordination of relevant audit plans, and the evaluation of the inspection together with the internal auditor, and the auditor. The AC should inquire about the planned audit scope to ensure that the audit plan will help detect fraud or defects in the internal control system.
 - 4.4) The review with the internal auditor regarding problems or limitations that occur during the audit, and reviewing the performance of the internal auditor.
 - 4.5) The review with the auditor about problems or limitations arising from the audit of financial statements.
 - 4.6) The review with internal auditors and auditors to ensure that there are plans to review methods and controls for electronic data processing and inquire about specific security programmes, to prevent fraud or misuse of the computer by the employees of the Company or outsiders.
 - 4.7) The review of transactions that may cause conflicts of interest, such as connected transactions of the Company.
 - 4.8) The compliance with the Securities and Exchange Act or SET regulations, and/or other related laws.
 - 4.9) Any other duties assigned by the Board.
5. To consider, select, appoint, and remove independent individuals to act as the Company's auditors and propose the remuneration of the said person. To attend meetings with auditors without the attendance of management at least once a year to acknowledge the quarterly financial statement review, annual financial statements, audit results, and discuss the problems and obstacles that may arise from the work of the auditor.
6. To consider the connected transactions, transaction that may cause conflicts of interest, requirements, cancellation of transactions different from the requirements of the cancellation of transactions which were reviewed before the substantial making of transactions. And to review the acquisition or disposition of the Company and its subsidiaries to ensure that the aforementioned transactions are reasonable and to the highest benefits to the Company. If the AC does not have the expertise in reviewing the connected transactions or transactions of other kinds, the Company will have an independent expert or the Company's auditor provide opinions on the connected transactions or other transactions for the consideration and/or decision of the AC.
7. To review, assess, and monitor the risk management results from the risk management group.
8. To review the AC Charter at least once a year to submit to the Board for approval.

Authority

1. To perform any acts as assigned by the Board and agreed by the AC.
2. To request independent opinions from advisors in other professions as necessary in order to be able to perform duties according to the Charter efficiently at the Company's expense. The employment is in accordance with the Company's rules.
3. To request information from various departments of the Company and its subsidiaries for further consideration in various matters. The Committee may invite the executives, management, supervisors, employees, or related persons to attend the meeting to clarify, deliver, and provide relevant information within the scope of duties assigned by the Board.
4. To perform any other duties as required by law, including future laws.

Reporting

1. The Committee must prepare operational reports to the Board at least once a year.
2. The Committee must prepare a report of the AC in the Company's the Form 56-1 One Report . The report must be signed by the Chairman of the AC and must contain at least the following information:
 - 2.1) An opinion on the accuracy, completeness, and reliability of the Company's financial statements.
 - 2.2) An opinion on the adequacy of the Company's internal control.
 - 2.3) An opinion on the Company's compliance with the Securities and Exchange Act, requirements of SET, or other laws related to the Company's business.
 - 2.4) An opinion on the appropriateness of the auditor.
 - 2.5) An opinion on the transactions that may cause conflicts of interest.
 - 2.6) The number of the AC meetings and the attendance of each member of the Committee.
 - 2.7) An opinion or overall observations that the AC received from performing the duties under the Charter.
 - 2.8) Other items that should be known by shareholders and general investors, within the scope of duties and responsibilities assigned by the Board.
3. The Committee must regularly report to the Board in order to keep the Board informed of the actions of the Committee.
4. If the AC suspect that there are transactions or actions that may have a significant impact on the Company's financial status and operating results such as these following items:
 - 4.1) Transactions that cause conflicts of interest,
 - 4.2) Fraud or irregularities or significant defects in the internal control system,
 - 4.3) Violation of the Securities and Exchange Act, the regulations of the SET, or laws related to the Company's business,

The AC shall report to the Board for improvement within the time that the AC deems appropriate. If the Board or the executives do not make improvements within that time, any member of the AC may report such transactions or actions to the SEC or the SET.

5. In case there is a change in the duties of the AC, the Company shall notify the resolution of the change in duty and prepare a list of names and scope of work of the AC that is changed with the form specified by the SET and deliver to SET within 3 working days from the date of the change by the methods declared in the regulations of SET on reporting through electronic media.

Appointment of the Auditors and determination of the Audit Fee

The Board assigned the AC to consider and propose the appointment of the external auditors and the audit fee to shareholders for approval at the shareholders' meeting. In carrying its duty on the selection of the auditors of the Company, the AC will consider the selection of auditors pursuant to the Company's assessment criteria, which consist of the auditors' performance, knowledge and experience in auditing, independence and audit fee, and expressed opinions to the Board.

At the 2020 AGM held on June 29, 2020, the Meeting resolved to approve the appointment of any one of Mr. Chanchai Chaiprasit, Certified Public Accountant No. 3760, or Ms. Nopanuch Apichatsatien, Certified Public Accountant No. 5266, or Mr. Boonrueng Lerdwisewit, Certified Public Accountant No. 6552 from PricewaterhouseCoopers ABAS Limited to be the Company's auditor for the year 2020. In case that the aforementioned auditors could not perform their duty, the Company might appoint other certified public accountants from PricewaterhouseCoopers ABAS Limited to carry out the work. The Meeting also approved the determination of the 2020 audit fee (exclusive of audit fee of subsidiaries) in the total amount of Baht 2,300,000.

In this regard, Mr. Chanchai Chaiprasit was the auditor in charge of auditing the Company and expressed opinions on the financial statements of the Company for the year ended December 31, 2020.

2. Executive Committee

The Executive Committee was appointed by the Board and should be made up of at least three persons from the Board members or senior executives.

As of December 31, 2020, the Executive Committee comprised the following four members:

NAME	POSITION	FIRST APPOINTMENT DATE
1. Mr. Naris Cheykin	Chair	January 10, 2019
2. Mr. Dirk Andre L. De Cuyper	Member	January 10, 2019
3. Mrs. Thitima Rungkwansiroj	Member	January 10, 2019
4. Mr. Chairath Sivapornpan	Member	July 4, 2019

Mr. Chairath Sivapornpan, the Chief Financial Officer and Company Secretary, was appointed to serve as the Secretary to the Executive Committee. In 2020, the Executive Committee convened 13 meetings.

Scope of duties and responsibilities of the Executive Committee

1. Perform and manage businesses of the Company and subsidiaries pursuant to objectives, regulations, policies, rules, regulations, orders, and resolutions of the Board of Directors' meeting.
2. Screen and propose goal, policy, business plan, including business operation strategy, financial targets & annual budget, business expansion, management structure, annual operation plan, human resources management policy, financial plan, public relations and budgets of the Company and its subsidiaries by appropriately considering from business factors for the Board's consideration and approval; consider and screen the management's proposal before presenting to the Board for consideration and approval.
3. Oversee, inspect, and supervise business operations, and monitor performance of the Company and its subsidiaries to ensure that they achieve the predetermined target, policy, and business plan, as well as control disbursement of expenses as per budgets approved by the Board, and report the operating results to the Board.
4. Appoint, supervise, coordinate, and specify authority and duty of the special working group or the management team, including consider and approve recommendations proposed by the management team or the special working group, as well as have power to appoint the consulting chairman, the consultant or team of consultants of the Executive Committee, as appropriated.
5. Specify appropriate transaction procedures and methods between the Company or the subsidiaries with the Company's major shareholder, director, management, and the party relevant to those persons to prevent transfer of benefit, then propose to the Board for approval in principle and control on compliance with the principle and regulation approved by the Board.
6. Consider and approve operations which are normal business transactions of the Company, enter into the agreement, investment or disposition of assets of the Company and its subsidiaries, as well as operations which support normal business of the Company having general trading condition within the limit not exceeding the budget approved by the Board or as per resolutions approved in principle by the Board, provided that, it must be subject to criteria of the Office of the Securities and Exchange Commission and the Stock of Thailand with regards to the connected transaction, disposition and acquisition of assets, including (consider and approve) delegation of authority specified by the Board; and the authority to open and close bank account with the banks or financial institutes and usage of financial services.

7. Consider profit and loss of the Company and its subsidiaries and propose interim dividend payment for the Board's approval; inspect and give recommendation on dividend payment policy and consider proposing the annual dividend payment of the Company and its subsidiary for the Board's approval before further proposing to the shareholders' meeting.
8. Conduct the feasibility study for investment in new projects, by studying both technical and financial aspects suitably and thoroughly to support decision-making or consideration for cancellation of investment to propose to the Board.
9. Follow-up performance and progress of investment project of each business and report results which consisting of problems or obstacles incurred and improvement guideline for the Board' acknowledgement.
10. Provide the Company's important information to propose to the Board and the shareholders to adequately support their decision-making, as well as prepare credible and transparent financial reports pursuant to the prudent standards.
11. Invite the management, employee, and relevant person to attend the Executive Committee's meeting or provide information relevant to the agenda discussed in the meeting as well as have authority to request for additional information from any departments of the Company and the subsidiaries to support for consideration in any matter.
12. Have authority to consider and approve the entering into the financial transaction with the financial institutes with regard to opening bank account, loan, cash withdrawal and usage of credit as well as mortgage the Company's assets as collateral for such loan, regardless of registered and unregistered, for benefits of the Company's business operations, including to enter into the contract, and any undertaking relevant to such matter until it is completed as per the specified credit limit and/ or as per the delegation of authority stipulated by the Board and/or the relevant laws and criteria and/or the Company's articles of association.
13. Possess authority to request for independent opinion from the professional consultant, if it deems necessary, at the Company's expenses. Such employment of consultant shall be as per the Company's rules and regulations.
14. Oversee the arrangement of procedures to make the operator report any incident or abnormal act or violation of the law to the Executive Committee immediately. In case such incident has material impact, the Executive Committee must report to the Board for acknowledgement and consideration for rectification within the reasonable period.
15. Report the operating results to the Board regularly.
16. The Executive Committee has authority to authorize any person or persons to perform any operations under supervision of the Executive Committee or may authorize such person to have authority as per the Executive Committee deems appropriate.
17. Perform any operation as per suggested by the Board or as per authorized by the Board.
18. Inspect and evaluate adequacy of the charter by comparing with performance of the Executive Committee to ensure compliance with the regulations specified in the charter. Results gained from such evaluation will be used to further improve their operations.

3. Risk Management Committee ("RMC")

The RMC comprises at least three members, with at least one of them being independent director. The CEO, when taking up the position, shall automatically serve as a member of the RMC.

As of December 31, 2020, the RMC comprised the following three members:

NAME	POSITION	FIRST APPOINTMENT DATE
1. Mr. Praisun Wongsmith	Chair	February 26, 2020
2. Mr. Dirk Andre L. De Cuyper	Member	February 26, 2020
3. Mrs. Thitima Rungkwansiroj	Member	February 26, 2020

Mr. Chairath Sivapornpan, the Chief Financial Officer and Company Secretary, was appointed to serve as the Secretary to the RMC. In 2020, the RMC convened 3 meetings.

Scope of duties and responsibilities of the RMC

- Review the RMC's Charter annually and tabling them to the Board meeting for approval.
- Define and review a risk management framework, consisting of a risk management policy, structure, and process, risk appetite, and risk management framework on the interest and exchange rate, at least once a year to ensure that it is efficient, on a par with international standards, and conforms to strategic directions and business plans before tabling it for acknowledgement of the Board.
- Supervise, monitor, and review corporate's key risk management reports, including risk management reports for investment projects as required, and provide recommendations on the findings of risk assessment, risk management measures, and management plans for the Company's residual risks to ensure that efficient risk management is in place, fitting the Company's business and able to deal with assorted risks to manageable levels in line with the risk management policy.
- Report key-risk management outcomes to the Board in case of factors or events that could significantly affect the Company.
- Annually define and revise the RMC's Charter in line with the risk management policy for effectiveness and adequacy, matching prevailing circumstances, and tabling them to the Board meeting for approval.
- Provide support to continually and efficiently develop risk management and related tools across the Company. Constantly and regularly support amendment and development of corporate risk management.
- Take responsibility for other Board-assigned matters concerning risk management.
- In performing its duties, the RMC may seek comments from independent advisors as needed and as seen fit, for which the Company will fund the expenses.
- Regularly communicate and share data and coordinate with the AC matters concerning risks and internal control.

Charters of the Board of Directors and Subcommittees

The Board approved the Charter of the Board, Audit Committee, Executive Committee, and Risk Management Committee, which identifies the composition, qualifications, terms of office and scopes of duties according to good corporate governance principles. Details of the charters in full version are disclosed on the Company's website at www.shotelsresorts.com under the section Investor Relations > Corporate Governance > CG documents and download > Charters (<https://investor.shotelsresorts.com/en/corporate-governance/cg-document-and-download>).

4. Company Secretary

The Board appointed Mr. Chairath Sivapornpan to serve as Company Secretary on August 8, 2019 in compliance with the Securities and Exchange Commission Act, Sections 89/15 and 89/16 to take responsibility for matters in connection with meetings of the Board and the shareholders, as well as contribute to good corporate governance practices. He also serves as the Secretary of the Board to coordinate subsequent actions under the Board's resolutions.

Company Secretary's duties and responsibilities include:

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

1. Establish and maintain the following documents:
 - Director roster
 - Board meeting notices, minutes of meetings, and the Company's the Form 56-1 One Report
 - Shareholders' meeting notices and minutes of meetings
2. Maintain reports on vested interests filed by the directors, executives, or related parties, and send a copy of the reports on vested interests under Article 89/14 to the Chairman of the Board and the Chairman of the AC within seven days of the Company's acknowledgment.
3. Hold the Board meetings and shareholders' meetings under the applicable regulations and laws.
4. Provide recommendations on company businesses and the Board in line with the Company's Memorandum of Association and Articles of Association, the Securities and Exchange Act, the Public Limited Companies Act, and applicable legislation.

5. Serve as a center of news and information for the directors, executives, and shareholders.
6. Coordinate and monitor compliance with the resolutions of the Board and shareholders' meetings.
7. Ensure disclosure of information and reporting of information under her responsibility to the regulators as required by the authority.
8. Take other actions as announced or required by the Capital Market Supervisory Board and as assigned by the Board.

Details of the Company Secretary

Details of the Company Secretary's duties and responsibilities are disclosed on the Company's website www.shotelsresorts.com, and the Form 56-1 One Report. The Company Secretary has background in business administration in finance and economics with experiences benefit to the Company business. Moreover, he has been participated in many programs of Thai Institute of Directors Association ("IOD") which are related to the position as well as attended continuous trainings beneficial to his role from the SET and other relevant authorities.

Training for the Company Secretary

The Board of Directors encourages the Company Secretary to receive continuous training that will benefit his role in assisting the Board of Directors. In 2020, the Company Secretary participated in Financial Statements Analysis Course arranged by the Business Accounting Supervision Division, Department of Business Development, the Ministry of Commerce, and Financial Advisor Refresher Course 2020 arranged by Association of Thai Securities Companies, including other courses beneficial to his role during the year.

Term of the Company Secretary

In the event that the Company Secretary is removed or being an incompetent person, the Board shall appoint the new Company Secretary within 90 days from the date of such removal or becoming an incompetent person of such Company Secretary. The Board shall authorize one of any of directors to act on behalf based on temporary basis for such period of time.

Compliance function

Mr. Chairath Sivapornpan, the Company Secretary, is also acting the Head of Compliance. His responsibility is to ensure that the Company complies with the Securities and Exchange Act, related regulations, and guidelines for good corporate governance, and report the compliance issues in relation to business operations of the Company and its subsidiaries to the AC and the Board on a quarterly basis.

(profile of Mr. Chairath Sivapornpan can be found in the section “the Information of Directors, Executives and persons supervising accounting”).

NOMINATION AND APPOINTMENT OF DIRECTORS AND SENIOR EXECUTIVES

Nomination and appointment of directors

Criteria and procedures

The Company recruited and nominated qualified persons under securities and exchange laws and in line with the Company’s defined qualifications to be selected as a director of the Company. In so doing, the following channels will be considered:

- An opportunity given for shareholders to nominate directors during at least a 3-month period before each AGM, the latest one being from October 1, 2020 to January 31, 2021, under the criteria and terms announced on the Company’s website.
- Persons recommended by the Company’s executives, directors, and reliable external sources, including director pool.
- Qualified persons recommended by professional search firms.
- An opportunity given for directors to nominate qualified persons.

The Company reviews annually the directors’ skills and characteristics together with the Board’s overall composition conforming to the Company’s strategy and business direction. Then, the Board Skill Matrix is tabled annually for consideration of the gap of necessary skills and set-up of nomination criteria. In such reviews, the Company also considers the diversity of skills, expertise, proficiency, experience, and other special competencies of directors, regardless of age and gender.

Qualifications of directors and independent directors are disclosed in Item 3.1 under the section “Corporate Governance”, Principle 3 Strengthen Board of Directors Effectiveness.

Recruitment and appointment processes

- **When a position becomes vacant with term completion for a given director.**

In the case that the position of a director becomes vacant due to the expiration of the term, the Company allows the shareholders to propose a list of qualified persons under the Securities and Exchange Act and the qualifications specified by the Company in order to be elected as a director of the Company in advance before the annual general meeting of shareholders. The criteria and conditions will be announced on the website of the Company. The Company has specified the minimum shareholding ratio for shareholders with the right to nominate directors in advance. A shareholder must hold shares not less than 1 percent of the total voting rights of the Company. The Company Secretary will consider, select and nominate qualified persons according to the laws and regulations by considering experience, knowledge, and capability that will benefit the Company for the Board to consider. When the meeting of the Board passes a resolution approving the proposal, the Company will nominate the said person to request approval for election as a director in the general meeting of shareholders. The Company will select the one with the majority votes of the shareholders who attend the meeting and have the right to vote.

Directors’ election conforms to the Company’s regulations and relevant laws, which must be transparent and clear. Below are the criteria and methodology of directors’ election at a shareholders’ meeting:

- 1) Each shareholder’s votes equal his or her number of shares held, one share per one vote.
- 2) Voting is to be done for individual nominees, for which each shareholder is to exercise his or her entire votes for individual directors, one by one.
- 3) To pass the resolution for director appointment, it requires a majority vote of the shareholders who are present at the meeting and entitled to vote.
- 4) Those that secure the highest votes, and those with the second highest votes, and so on, are regarded as being elected, matching the number of directors to be elected. Should there be more than one person with equal votes for a given position, the chairman of the meeting is to cast a deciding vote.

In 2020, Mr. Sompong Tantapart, Mrs. Thitima Rungkwansiroj, and Mr. Dirk Andre L. De Cuyper were re-appointed as the Company's directors for another term, including the position held in the subcommittees following the aforesaid procedures.

- **Position becomes vacant for other reasons.**

The Board recruits and nominates qualified persons without any legal prohibitions as defined by the Public Limited Companies Act for appointment replacing the resigned director(s) at the next Board meeting. An exception applies if the remaining term is less than two months, in which case an approval is needed from the AGM. In any case, the term of the replacement director is only as long as that remaining of the resigned one. The decision of the Board in this case needs no less than three-quarters of the remaining directors on the Board.

Director removal and dismissal

- 1) Besides completing their terms, directors may leave their positions in the following cases:
 - 1.1) Death
 - 1.2) Resignation
 - 1.3) Lack of qualifications or having forbidden qualities under the Public Company Act.
 - 1.4) Dismissal by shareholders' votes
 - 1.5) Court order
- 2) Directors who wish to leave their positions are required to submit a resignation to the Company, which becomes effective from the date it is received by the Company. Such directors may also notify the public limited company registrar.
- 3) The shareholders' meeting may decide to have any director leave his or her position before term completion with a vote of no less than three-quarters of the attending eligible voters, which is no less than a half of the total shares of the attending eligible voters.

If the entire Board leave their positions, they are to remain in office to carry on business only as essential until the new Board takes office, except otherwise ordered by the court for the Board that leaves their positions at the court's order.

The Board that left their positions are to hold a shareholders' meeting to elect the new Board within one month after leaving their positions. To this end, it sends meeting notices to the shareholders no less than 14 days ahead of the meeting date, which are advertised in newspapers for three consecutive days and no less than three days ahead of the meeting date.

NOMINATION AND APPOINTMENT OF SENIOR EXECUTIVES

Nomination and Appointment of the CEO

The Board prepares a CEO Succession Plan to ensure business continuity if the position becomes vacant. The Board will nominate a qualified person to assume the position by selecting a competent, qualified person with experience beneficial to the Company's operation from either inside or outside the Company before tabling his or her name to the Board for appointment. The Board is also responsible for regularly reviewing this succession plan as well as the list of those eligible for succession.

Nomination and Appointment of Senior Executives

The CEO recruits qualified person(s) suitable for the positions, duties, and responsibilities from those competent ones with experience beneficial to the Company. Such selection must conform to Human resources and Brand Culture's personnel recruitment protocols.

Human Resources and Brand Culture develops succession plans for senior executives and puts in place a system for personnel development for lesser positions to become ready to assume such positions.

GOVERNANCE OF SUBSIDIARIES

At present, the Company has 25 direct and indirect subsidiaries and 18 associated companies. The Company has a policy to supervise and manage its subsidiaries and associates with the following guidelines:

In this regard, “subsidiary companies” and “associated companies” means a subsidiary company or an associated company that operates core businesses as specified in Clause 24 in which the combined size is specified in Clause 23 (2) of the Notification No. 39/2559 according to Clause 2 (11) and Clause 2 (13) of the Notification of the Securities and Exchange Commission No. Kor.Jor. 17/2551 regarding the definition of definitions in the announcement regarding the issuance and offering of securities (and which has been amended).

If this policy specifies that any transactions or actions that have a significant effect on the financial status and operating results of the subsidiary or associated company are subject to approval from the Board of the Company or the shareholders’ meeting of the Company (As the case may be), the Company’s directors is responsible for arranging the board meeting and/or the meeting of shareholders of the Company to consider and approve the matter before the subsidiary or associated companies hold a board meeting, and/or organise a shareholder meeting to consider approving the transaction or proceed on that matter. In this regard, the Company shall completely and correctly disclose the information and comply with the rules, conditions, and procedures related to the matter to be approved as defined in the Public Company Act, the Civil and Commercial Code, the Securities and Exchange Act as well as the announcements, rules and regulations of the Capital Market Supervisory Board, the Office of the Securities and Exchange Commission (As far as not contradicting or contradictory).

1. In the following cases, a subsidiary or an associate (as the case may be) must be approved by the meeting of the Board of the Company before executing transaction or operation:

- (1) Appointment or nomination of a person as a director and executive representative of the Company for subsidiaries or associates, at least according to the Company’s shareholding proportion in the said subsidiary company or associated company.

Except that this policy or the Board of the Company specifies otherwise, directors and executives at the Company will appoint or nominate persons with the discretion to vote in the Board of the subsidiaries and associated companies in matters relating to general management and normal business operations of the subsidiaries and associated companies as the directors and executives deem appropriate for the best interest of the Company, and subsidiaries or associates (depending on the case).

The above directors or executives who are appointed or nominated must be the persons whose names are listed in the list of directors and executives of the issuing company (White List) and must have the qualifications, roles, duties and responsibilities as specified as stipulated in relevant laws. Also, those persons must not have a lack of trustworthiness in accordance with the SEC’s announcement regarding determination of a lack of trustworthiness of directors and executives of the Company.

- (2) Capital increase through the issuance of shares in subsidiaries and allocation of shares. The reduction of registered capital, and/or the paid-up capital of the subsidiary which is not in accordance with the existing shareholders’ proportion. Any other actions which will result in the direct and indirect proportion of voting rights of the Company at the shareholders’ meeting of any subsidiaries decreasing by more than 10 percent of the total votes of that subsidiary, unless it is in the business plan or regular budget year of the subsidiary, which has been approved by the Board.
- (3) Consideration and approval of the annual dividend payment, and interim dividends (if any) of subsidiaries.
- (4) The amendment of the regulations of the subsidiary, except for the amendment of the regulations on significant matters under Item 2 (5), which must be approved by the shareholders’ meeting of the Company.
- (5) Consideration and approval of the Company’s total annual budget and all subsidiaries of the Company except as specified in the Line of Authority of the subsidiary.
- (6) The appointment of auditors of a subsidiary, only if the said auditor is not under the audit office that is a full member in the same network as the auditor, which does not comply with the Company’s auditor appointment policy. The auditors of a subsidiary must be affiliated with the auditing office in the same network as the auditors of the Company.

Items from item (7) to item (10) are considered significant. And if entering into the transaction, those will have a significant impact on the subsidiary's financial status and operating results. Therefore, before the meeting of the subsidiary's Board, and the directors that are appointed by the Company to hold positions in subsidiaries to vote in those matters, such directors must be approved by the Board of the Company first. This must be the case when calculating the size of the transaction that the subsidiary will enter into transaction to compare with the characteristics and/or the size of the Company (by using the criteria for calculating the size of transaction as specified in the relevant announcement of the Capital Market Supervisory Board and the Board of Governors of the SET regarding connected transactions or the acquisition of assets (as the case may be)) and must be approved by the Company's Board. The following items are:

- (7) If the subsidiary enters into transaction with the connected person of the Company or subsidiary, or transactions relating to the acquisition or disposition of assets of subsidiaries, including but not limited to the following cases:
 - a) The transfer or waive of benefits, and the waiver of claims against the person who caused damage to the subsidiary.
 - b) The sale or transfer of the business of a subsidiary in whole or in part to a third party.
 - c) The purchase or acceptance of a transfer of business of other companies to the subsidiary.
 - d) The entering, amending or terminating a contract regarding the leasing of all or some important subsidiaries' businesses. The assignment of other persons to manage the subsidiary's business or the consolidation of subsidiaries with other persons with the objective of sharing profit and loss.
 - e) Rental or hire-purchase of business or assets of all subsidiaries or significant parts
 - (8) The borrowing, lending, credit granting, guarantees and legal acts that bind a subsidiary company to have an increased financial burden, or providing financial assistance in any other manners to other persons in significant amounts and is not of a normal business of the subsidiary, except for loans between the companies and subsidiaries.
 - (9) The dissolution of a subsidiary.
 - (10) Any transactions which are not of a normal business of a subsidiary and is a transaction that will significantly affect the subsidiary.
2. Before a subsidiary enters into the following transactions, it must be approved by the shareholders' meeting of the Company with a vote of not less than three-quarters (3/4) of the total number of votes of the shareholders who attend the meeting and have the right to vote.
 - (1) If a subsidiary company enters into transaction with the connected person of the Company or subsidiary. This must be the case when calculating the size of the transaction that the subsidiary company entered into the transaction comparing with the characteristics and/or the size of the Company (by using the criteria for calculating the size of the transaction as specified in the relevant announcements of the Capital Market Supervisory Board and the Stock Exchange Commission regarding connected transactions or the disposition of assets (as the case may be)) and must be approved by the shareholders' meeting of the Company.
 - (2) The capital increase through the issuance of shares in subsidiaries and allocation of shares, the reduction of registered capital and/or the paid-up capital of the subsidiary which is not in accordance with the existing shareholders' proportion, or other actions resulting in the proportion of voting rights of the Company directly or indirectly in the shareholders' meeting of any subsidiaries reducing to less than the proportion specified in the law applicable to the subsidiary, which results in the Company losing control over that subsidiary. This must be the case when calculating the size of the transaction compared to the size of the Company, and be in a range approved by the shareholders of the Company (by using the criteria for calculation of items as specified in the relevant announcement of the Capital Market Supervisory Board and the announcement of the SET).
 - (3) The dissolution of a subsidiary company. However, this must be the case when calculating the size of the business of the subsidiary to be dissolved in comparison with the size of the Company (with the rules for calculating the size of the transaction as specified in the relevant notifications of the Capital Market Supervisory Board and the SET regarding the acquisition or disposal of assets) must be in a range approved at the shareholders' meeting of the Company.
 - (4) Any other transactions that are not of a normal business of a subsidiary and that will have a significant impact on the subsidiary (with the rules for calculating the size of the transaction as specified in the relevant notifications of the Capital Market Supervisory Board and the SET regarding the acquisition or disposal of assets) must be in a range approved at the shareholders' meeting of the Company.
 - (5) The amendment of the Articles of Association of a subsidiary company in matters that may have a significant impact on the financial status and the operating results of the subsidiary. This includes, but is not limited to,

amendments to the Articles of Association of subsidiaries that affect the voting rights of the Company at the meeting of the board of the subsidiary, and/or the shareholders' meeting of subsidiaries, or the dividend payment of the subsidiary.

3. The Company's Board monitors and ensures that the Board of subsidiaries and associated companies proposed or appointed by the Company will perform the duties and responsibilities according to the laws and Company policies.
4. The Company's Board monitors the subsidiaries' operations in accordance with the work plan continuously to ensure that the subsidiaries disclose information, financial status, performance, connected transactions, acquisition or disposition of assets, other significant transactions with the Company, and various operations in accordance with the regulations on supervision and management of the subsidiaries and associated companies are complete and accurate according to the relevant announcements of the Capital Market Supervisory Board and the SET (depending on the case).
5. Directors and executives of the Company or subsidiaries have the following duties:
 - (1) Directors and executives of the Company or subsidiaries must disclose information about financial status and operating results, transactions related to the Company or subsidiary, and the acquisition or disposal of significant assets for the Company with precision and within a reasonable time as specified by the Company. The Board of the Company or subsidiaries must review the execution of transactions, acquisition or disposition of significant assets of the Company or subsidiaries by using relevant notifications of the Capital Market Supervisory Board and the announcement of the Stock Exchange of Thailand Commission.
 - (2) Directors and executives of the Company or subsidiaries must disclose and deliver the information of their own interests either directly or indirectly, and related parties to the Company's or subsidiaries' Board to make them aware of the relationships and transactions with the Company or subsidiaries in a manner that may cause conflicts of interest and avoid transactions that may cause conflicts of interest with the Company or its subsidiaries. The Board of the Company or subsidiaries has a duty to notify the Board of the matter within a reasonable time specified by the Company in order to support any decision or approval. That consideration must be carried out for the overall benefits of the Company or subsidiaries.

Directors and executives of the Company or subsidiaries must not participate in the approval of matters in which they have vested interests or conflicts of interest, both directly and indirectly.

The following actions which result in the directors, executives, or related parties of the Company or subsidiaries receiving

financial benefits other than those that are normally expected, or causing damage to the Company or subsidiaries shall be presumed to be a significant conflict of interest with the Company:

- a) Transactions between the Company or subsidiaries and directors, executives, or related persons which do not comply with the rules of connected transactions.
 - b) The use of Company or subsidiaries' information that they have come to know, unless the information has already been disclosed to the public.
 - c) The use of the Company or subsidiaries' assets and business opportunities in the same manner that the Company or subsidiaries (as the case may be) have done and is in violation of the rules or general practice as specified by the Capital Market Supervisory Board.
- (3) Directors and executives of the Company or subsidiaries must report the business operations, business expansion, large investment projects, and the participation in investing with other operators to the Company through monthly performance reports and explain or deliver documents for consideration of the said case, if the Company requests.
 - (4) Directors and executives of the Company or subsidiaries must deliver the information or documents relating to the operations to the Company when requested.
 - (5) Directors and executives of the Company or subsidiaries must clarify or send supporting documents to the Company if the Company detects any significant issues.
 - (6) Directors and executives of the Company or subsidiaries must provide an internal control system, risk management system, corruption prevention system that is appropriate and concise enough to prevent fraud that may occur to the Company, other systems that are necessary, a clear system to show that the Company has sufficient systems for disclosing information, continuous and credible transactions with significant rules and regulations, channels for the directors and executives of the Company or subsidiaries to receive information about the Company for monitoring the results of operations and financial status, transactions between the companies and the directors or executives of the Company, transactions between subsidiaries and directors and executives of subsidiaries, and other significant transactions of the Company. The directors and executives must also provide a mechanism for checking those systems in the Company by having a team of internal auditors and independent directors of the Company that can access data directly and report the results of those systems' inspection to the directors and executives of the Company or subsidiaries to ensure that the Company or subsidiaries follow the established work system on a regular basis.

6. Directors, management, staff members, employees, or the persons assigned by the Company or subsidiaries, and their spouses and children who have not yet become sui juris, are prohibited from using the inside information of the Company or subsidiaries of either from acting on duty or in any other ways that have or may have a significant impact on the Company or subsidiaries for the benefit of themselves or the others, whether directly or indirectly and whether or not there is a reward for them.
7. The Company must appoint a director in a subsidiary Company for attending the meeting and voting as according to the Company's specification in a subsidiary's Board meeting to consider every matter that is significant to the business of the subsidiary.
8. Director, executive, or any person related to the Company or subsidiaries will be able to make a transaction with the Company or subsidiaries only when they are approved by the Board or the Company's shareholders' meeting, according to the calculated item size defined in the rules of connected transactions.

MONITORING THE USE OF INSIDER INFORMATION

The Board has defined a policy on the control of the use of insider information, computer and IT system prevention and hierarchy of information of which the details can be summarized as follows:

Guideline for Insider Information Protection

- (1) Inside information is a trade secret, therefore it must be protected from being disclosed to outsiders. This information may be divided into several levels of confidentiality, such as information that can be disclosed, confidential information, secret information, and top-secret information. The common use of inside information must be within the scope of duties and responsibilities assigned to them only.
- (2) The disclosure of confidential information to the public must be approved by the CEO. The CEO may be the one that discloses the information himself if the information is of much significance. They may assign a person with a duty to provide information to the public. The Company has a duty to distribute information to the public. The Company is responsible to the investor relations and the contact with investment agencies in various projects by coordinating with the internal department that owns the information.
- (3) The Company's personnel will not answer questions or give opinions to any other third parties unless they have a duty or are assigned to answer those questions. If there is no duty or assignment, those personnel will politely decline the comments.

Guideline for insider information usage

- (1) The Company will educate the Board, executives, personnel in management positions in accounting or finance that are department managers or equivalent, and the Company's auditors, plan makers, plan administrators, and temporary plan administrators under the bankruptcy law, on the duty to prepare, disclose and submit the report of holding and changes in the holding of securities and derivatives that belong to them, their spouses, cohabitants, and children who have not yet become sui juris, to the SEC Office in accordance with the provisions of the Securities and Exchange Act, the SEC and the Capital Market Supervisory Board, and relevant penalties under the law.
- (2) The Board, executives, personnel in management positions in accounting or finance that are department managers or equivalent, and the Company's auditors, plan makers, plan administrators, and temporary plan administrators under the bankruptcy law, have the duty to prepare, disclose and submit the report of holding and changes in the holding of securities and derivatives that belong to them, their spouses, cohabitants, children who are underage, and juristic persons in accordance with the provisions of the Securities and Exchange Act, the announcement of the Securities and Exchange Commission, and the notifications of the Capital Market Supervisory Board, to the Company Secretary before submitting to the SEC. The report shall be prepared in accordance with the form and submitted to the SEC within the following period:
 - (2.1) Seven (7) business days from the date of purchase, sale, transfer or acceptance of transfer of securities or derivatives, if the person with the duty to report is a director or executive of the Company, and is within the criteria as follows:
 - (2.1.1) The Company notifies the list of directors and executives to the list of directors and executives of securities issuing companies in accordance with the procedures specified by the SEC, the SEC's announcement on the notification and methods to notify or change the information of the Company's directors and executives.

(2.1.2) Persons responsible for reporting, buying, selling, transferring or providing a securities transfer service or derivatives, before the date that their names appear in the list of directors and executives of the Company under (2.1).

(2.2) Within three (3) business days from the date of purchase, sale, transfer of securities or derivatives in cases other than (2).

The Company Secretary shall prepare a summary on the number of the securities of each individual Director and Executive for submission to the Board's meeting every quarter and with a notification on the penalty in the case of violation or non-compliance with the Policy and such requirements as well. The information on the holding of such securities shall be disclosed in the Form 56-1 One Report under the section "the Company's securities holding of Directors and Executives".

- (3) Aforementioned personnel at all levels of the Company, including all their family members who receive the insider information of the Company, facts which can affect the price or value of securities and information still undisclosed to the public, are prohibited from using such information, whether for (a) buying or selling of securities whether for themselves or for others, or (b) disclosing insider information to other persons either directly or indirectly and whether by any means that the recipient of the information may use that information to buy or sell securities, whether for themselves or for others, unless it is done in a way that does not take advantage of other persons or in the manner as specified in the notification of the SEC, or (c) persuading others to buy, sell, offer to buy or sell the Company's shares, whether by themselves or through a broker, regardless of whether such actions are done for the benefit of themselves or others.
- (4) The aforementioned personnel and their family members are prohibited from disclosing such undisclosed facts that can change the price or value of securities to other people for the benefits of themselves.
- (5) The Company will regard the illegal use of insider information for the purpose of trading the Company's securities as securities trading for speculation, or as an advantage for a particular group, which is considered an offense under the law, and is considered a disciplinary offence. The Company has set a policy to prevent the use of insider information

by requiring that directors, executives, and personnel in management positions in accounting or finance that are department managers or equivalent who have been informed of significant insider information affecting price changes or value of securities, refrain from trading the Company's securities in the period before the financial statements, information about the Company's financial status, and the Company's status until the Company discloses them to the public. The Company Secretary is assigned to notify the Board, executives, personnel in management positions in accounting or finance that are department managers or equivalent, and the Company's auditors to refrain from trading the Company's securities in writing for at least thirty (30) days in advance of public disclosure. They should wait for at least 24 hours after the disclosure. They must also not disclose such significant information to other parties.

- (6) Directors, executives and employees of the Company are obligated to strictly comply with the Company's Charter and Code of Conduct and guidelines for the use of insider information of the Securities and Exchange Act and other relevant regulations.
- (7) Violators of the use of insider information for their own benefits will be disciplined, beginning with written warnings, wage cuts, a leave of absence without pay, or dismissal, depending on the intent of the action and the seriousness of the offence. Those may be punished by law by the relevant departments, as the case may be.

In the year 2020, there were no directors, executives, and employees using the company's inside information to seek benefits for themselves.

Computer and Information System Security Measures

To ensure the compliance with the policy, the Company established the following computer security and information security measures:

- (1) The computers and information technology of the Company should be used in accordance with the Computer Crime Act and other related laws.
 - (2) The Company restricts the access to undisclosed information to only be available for the CEO, Chief Financial Officer, Investor Relations Vice President, Company Secretary, and as many persons in management positions in related fields as possible. Undisclosed information is disclosed to the employees of the Company as much as it is necessary for them to know. The Company informs its employees that the information is confidential and has restrictions on their use.
 - (3) Changes, duplication, deletion, destruction of the Company's information, disclosure of information in the Company's information system are prohibited unless with permission from the Company.
 - (4) The Company established a workplace security system to prevent access and the use of data files and confidential documents.
 - (5) The share, distribution, and disclosure of usernames and passwords is prohibited.
 - (6) The Company's emails must not be used to forward malicious messages or images that cause disparagement, obscenity, intimidation, harassment, annoyance, or things that are against the law.
 - (7) The owner of undisclosed information must advise the relevant parties to strictly follow the security procedures.
1. Not to conduct him or herself in a manner which implies an intention of Corruption, intention to give or accept bribes, whereas the other party is an official of the government, private sector, or a stakeholder of the Company, for the purpose of obtaining or maintaining business, a competitive advantage, or for the benefits of him or herself, or any related person, as well as not to demand or offer bribes to any other person contacted on a business matter, including any government agency, for the purpose of obtaining any undue benefit.
 2. Not to ignore or neglect any incident he or she has witnessed which may be considered Company-related Corruption. It shall be deemed a duty to inform his or her supervisor or a person in charge of such matters about such incidents, as well as to cooperate in any inspection.
 3. The Company shall give fair treatment and protection to a person who has refused to be involved in Corruption or has provided information on a Corruption-related activity to the Company, as specified in the protection measures for informants and persons reporting Corruption-related activities under the Whistleblowing Policy.
 4. An act of Corruption violates the Code of Conduct and shall entail inspection and punishment under the Company's applicable employee disciplinary rules and may be punishable by law where such Corruption-related action constitutes an offence.
 5. The Company acknowledges the importance of educating, cultivating, and disseminating understanding on matters which must comply with this Anti-Corruption Policy, amongst persons whose duties are related to the Company or may affect the Company.
 6. The Company has implemented an appropriate and effective internal control as well as an audit system, with frequent inspection on finance, accounting, data collection, and other issues, including implementing a risk management system to prevent Corruption.
 7. The Company has implemented a human resource management process which reflects its commitment to anti-corruption measures, covering its selection of personnel, training, evaluation, compensation, and promotion.
 8. The Company has a policy to comply with the law and standards relating to anti-corruption both in Thailand and in every country where it has a representative operating under its name.
 9. The scope of application of this policy includes every agent, contractual party, and person operating under the name of the Company and the Company's subsidiary companies.

ANTI-CORRUPTION POLICY AND PRACTICE

Acknowledging its importance and necessity, the Company is determined to ensure zero tolerance against corruption of all kinds, including offers, promises, soliciting, demands, giving or accepting bribes, and any conduct which may indicate corruption. In order to comply with the principle of corporate governance and corporate responsibilities towards the society and stakeholders, and to provide a guideline for the conducts of the Company's directors, executives, and employees, the meeting of the Board of Directors held on May 3, 2019 resolved to approve the implementation of Anti-Corruption Policy with measures in each respect thereof. Personnel of the Company and its subsidiary companies shall maintain strict compliance with the Anti-Corruption Policy and Code of Conduct, and shall not be involved, whether directly or indirectly, in any kind of Corruption. They shall also comply with the followings:

10. In order to maintain integrity in the performance of matters highly susceptible to Corruption, the Company's directors, executives, and employees of every level shall carry out the following matters with diligence:

10.1 Political Contribution

- (1) The Company shall operate its business with political neutrality by not providing any support or acting in favour of any particular political party;
- (2) The Company shall not provide money or property in support of any political party, politician, or any candidate in a political election, with an aim to secure a political benefit to the Company;
- (3) All personnel of the Company shall operate its business with political neutrality, refrain from being politically involved, favouring a professional politician under any particular political party, and refrain from providing money or property in support of any political party, politician, or candidate in a political election, with an aim to secure a business benefit for the Company;
- (4) All personnel of the Company shall have the right and freedom to participate in political activities under the provision of the Constitution. However, they shall not make any claim of being the Company's employee or use any of the Company's property, equipment, or tool for a political purpose. While participating in a political activity, the Personnel of the Company shall exercise caution as to prevent any action which will mislead others into thinking that the Company supports or favours a particular political party.

10.2 Charitable Donation and Sponsorship

- (1) Charitable donation, financial or in-kind, such as contribution of knowledge or time, is permissible by the Company. It may be carried out as a part of the Company's corporate social responsibility activities, including public relations and promoting the Company's corporate images, without demanding any benefit from the recipient of such donation or expecting business interests;
- (2) Sponsorship of any activity or project, whether in the form of money or property, shall be carried out with transparency and in compliance with the law. It shall only specify the Company as the sponsor and shall have passed an approval process under the Company's prescribed regulation, in order to ensure that such sponsorship is not exploited as a

manoeuvre for bribery. Such sponsorship shall be for the purpose of public relations and promotion of the Company's business and corporate images, and may be carried out in various forms, such as sponsorship of cultural, social, environmental, educational, or sporting activities.

- (3) Personnel of the Company and its subsidiary companies shall exercise caution to ensure that no charitable donation and sponsorship is a subterfuge for bribery. Each charitable donation or sponsorship shall be considered in a transparent approval process in compliance with relevant laws and regulations, with a request in writing to specify the purpose of such charitable donation or sponsorship and supporting documents submitted for an approval by the person in charge in each level of the process;
- (4) Clear and reliable evidence shall be issued for each charitable donation and sponsorship, in order to ensure that it is not provided as a means of Corruption.

10.3 Gifts and Entertainment Expenses

The Company acknowledges that forging good relations with its business allies is essential to its continual success. As such, the Company has determined the following guideline:

- (1) Personnel of the Company may give gifts to and entertain a business ally when every of the following conditions are met:
 - (a) It is not carried out to dominate, influence, or return a favour to a person in exchange for an advantage gained through an improper activity, or hidden benefit or assistance;
 - (b) It complies with all the relevant laws, rules, and prescribed regulations of the Company;
 - (c) It is carried out transparently in the name of the Company, as opposed to the employee;
 - (d) The type and value of the gift and entertainment is proportionate to and appropriate for the circumstance. For instance, no gift or entertainment shall be given to any relevant government official, company employee, or government agency during a bidding process;
 - (e) It shall be appropriate for the occasion. For instance, trivial gifts may be given during important holiday seasons, as it is customary;

- (2) Transparent exchanges of gifts shall be allowed. Personnel of the Company may accept gifts or any benefit during celebratory occasions or as is customary, where the value of which shall not exceed THB 3,000 (three thousand baht). Such gifts shall not be cash or any cash-equivalent, such as a gift voucher or coupon. In a circumstance where acceptance of such gift or benefit cannot be refused, the recipient shall immediately inform his or her supervisor, produce a report on the acceptance of such gift, and deliver the gift to the Human Capital Department, in order for the gift to be used as an employee reward in an important celebratory occasion or to be approved for charitable donation, as appropriate;
- (3) The Company shall implement expense claim regulations, which shall specify a limit amount, authorities to approve, list of objectives, and recipients, and requires clear evidence thereof, in order to prevent Political Contribution and Corruption.

Communication and Training

1. The Company shall implement communication on and distribution of the Anti-Corruption Policy to the Personnel of the Company and persons on every level within the Company and its subsidiary companies, through various channels such as orientation of new directors and employees, annual trainings and seminars, announcement on the Company's bulletin boards, intranet, email, and website. In addition, Personnel of the Company and personnel of its subsidiary companies shall be informed in their periodical training of the various forms of Corruption and risks from being involved in such activities, as well as the whistleblowing channel, in order to ensure that every person involved complies with such policy. The session shall also be included in the Company's orientation.

Moreover, the Company shall encourage training programmes for the Personnel of the Company to promote honesty, integrity, and accountability in undertaking their duties and responsibilities, as well as to create a common understanding on the giving and accepting gifts, property, or any other benefit, entertainment for business purpose or as is customary, sponsorship, charitable donation, and Political Contribution.

2. The Company shall communicate and distribute the Anti-Corruption Policy and whistleblowing channel to the public, its subsidiary and associated companies, as well as its relevant business agents and partners, and stakeholders through various channels of the Company, such as its website, the Form 56-1 One Report in order to create common understanding and promote the standards of corporate social responsibility in anti-corruption, as upheld by the Company.
3. Personnel of the Company may contact the Secretary to the Audit Committee for any question or query in relation to this policy or any anti-corruption measure.

Penalties

Any person who intentionally fails to comply with this policy, including those who unlawfully mistreat, threaten, or discriminate against a whistleblower or a person related to a matter complained or information provided under this policy, as a result of such complaint or whistleblowing, shall be deemed to have committed a disciplinary offence, and shall be subject to payment of compensation to the Company or a person affected by such offence for the damage caused, as well as any civil and criminal liability as may be applicable.

Whistleblowing Channel

The Company has implemented a whistleblowing channel for complaints and information in relation to violation of the law and the Code of Conduct, as well as activities which may indicate Corruption carried out by Personnel of the Company, including appropriate whistleblowing protection measures under the Whistleblowing Policy, in order to ensure a clear guideline and efficient whistleblowing operation, further details of which can be found in the Company's Whistleblowing Policy.

RESPECT HUMAN RIGHTS

The Company realizes that the business must respect life and human dignity of every human being as it is fundamental for human resources management and development, and for enhancement of human relations in the society.

Consequently, the Company formulated guidelines to strengthen and encourage on compliance with fundamental human rights principles and equality, irrespective of race, color, gender, language, religion, political or other opinion, ethnic or social original, property, birth, or status. The Company will constantly monitor and supervise to ensure that the Company's business will not directly and indirectly involve in violation of rights and freedom of the people. For instance, the Company will not tolerate the use of forced labor or child labor and will respect and treat all stakeholders equally based on human dignity. It will also take precaution on compliance with the human rights regulations within the Company and stimulate for compliance with the international human right principles which is in conformity with the United Nations Universal Declaration of Human Rights. The business's responsibility on human rights will also extend to cover the subsidiaries, joint venture and business partners. The Company also has guidelines to encourage and open opportunities for the employees to express their opinion or to lodge complaint concerning violation of rights of each individual.

CODE OF CONDUCT

The Board in its meeting held on May 3, 2019, approved the establishment of a code of business ethics and the code of conduct for all directors, executives, employees at all levels, including any concerned parties to acknowledge and observe. These codes shall serve as practice guidelines for all involved to discharge their duties in an honest, moral, ethical, and professional manner, to preserve the Company's reputation in compliance with applicable laws and regulations, and to be responsible for the economy and society as a whole, including the practice for disclosure of information, the acceptance of money, gifts, or any other benefits, also the practices towards themselves, coworkers, customers and business partners, avoidance of any conflict of interest, and so on.

The Company has arranged the Code of Conduct training to all employees to ensure that they understand good practices and has included the Code of Conduct training as part of the orientation for new employees who have acknowledged, well understood and retained as their working principles and signed the Acknowledge Form.

The Company's Code of Conduct in full details is disclosed to shareholders, investors, and any related parties which can be downloadable via the Company's website at www.shotelsresorts.com under the section Investor Relations > Corporate Governance > CG Document and Download > Company Policy (<https://investor.shotelsresorts.com/storage/content/corporate-governance/cg-document-and-download/20201030-code-of-conduct-en.pdf>).

COMPLIANCE WITH THE CORPORATE GOVERNANCE POLICY

The Company places importance to committing to the Good Corporate Governance Principles for Listed Companies, following the guidelines of the SET and the SEC. In 2019, the Board reviewed and deemed the application of Good Corporate Governance Principles for Listed Companies 2017 ("CG Code") to be suitable for the business context. They found that the Company was determined to comply more with the principles of Good Corporate Governance in next year and beyond.

However, the Company was unable to comply with the Good Corporate Governance Principles in certain areas as explained in the topic "Assessment of Compliance with Good Corporate Governance Principles and CG Code" under the section "Corporate Governance" and recorded as part of the Board's resolution of its meeting No. 9/2020 held on December 17, 2020.

DRIVING BUSINESSES TOWARDS SUSTAINABILITY

Overall sustainable development practices of S Hotels and Resorts Public Company Limited ("SHR") are in conformity with the sustainable development policy of Singha Estate Public Company Limited ("S") as SHR is S's subsidiary.

The Company determines to enrich social and environmental values in every journey which are consistent with the "Enriching Life" concept and to build quality society in every area that we operate business, pursuant to Singha Estate's model.

With regard to **Economic and Social dimensions**, we operate through enhancement of local engagement, employment of local people and local communities, local procurement, and etc., while on **Environmental dimension**, as we realize about sustainability risks which may occur from the hotels situated in the tourist attractions closed to areas with biological diversity, thus our main targets on environment are to put efforts to reduce impacts from land-based activities for conservation and restoration of marine lives.





SUSTAINABLE DEVELOPMENT POLICY AND GOALS

Goals

The Company determines to operate business pursuant to UN Sustainable Development Goals 2030 (SDG 2030), especially SDG14: Life Below Water, with a focus on zero-marine debris.

For other SDGs, the Company placed importance on safety and respecting human rights for employees, as per SDG8: Decent Work and Economic Growth; emphasis on community engagement and local network enhancement, as per SDG11: Sustainable Cities and Communities; and setting up target on reduction of food waste and food loss to be in line with SDG12: Responsible Consumption and Production.

SDG 14: Life Below Water

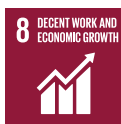


Management Approaches

- Reduce impacts from land-based activities which may jeopardize marine-life and arrange for sustainable management for conservation and restoration of marine and coastal biological diversity.
- Foster awareness and changes of behaviors which may impact to the oceans and marine resources through #SeaYouTomorrow initiative.
- Establish Marine Discovery Centre in the hotels located closed to areas having high marine biological diversity.
- Support products from small-scale fisheries and maintain artisanal fisheries through the Company's procurement processes.
- Comply with the United Nations Convention on the Law of the Sea (UNCLOS).



SDG 8: Decent Work and Economic Growth



Management Approaches

- Supervise on occupational health, safety, and good quality of working life of the employees, communities, and stakeholders throughout value chains of the Company's businesses.
- Support sustainable tourism through the roles of employment and procurement from localities, including conservation of local heritage and culture.

SDG 11: Sustainable Cities and Communities



Management Approaches

- Undertake the works to strengthen good relationship with the communities and the people living surrounding such areas, take action to prevent and reduce impacts on environment and quality of life of the community people which may incur from rendering of services, construction, or renovation of hotels, by applying the international standards relevant to hotel services and sustainable tourism in all hotels.
- Build quality society and communities, build areas for better quality of life and public green space for universal access by all groups of people for public interest in the countries that the Company has significant operations.

SDG 12: Responsible Consumption and Production



Management Approaches

- Put emphasis on worthiness consumption of resources, enhance efficiency of utilization of water, energy, construction materials, and resources including green procurement, by considering on usage of environmentally friendly products.
- Reduce and manage waste from constructions and operations, promote and cultivate consciousness of garbage sorting, maintaining cleanliness both along the coastal and in the seas in areas where we operate business and the surrounding areas.
- Cooperate with external organizations, agencies, and networks for utmost waste management.
- Cultivate consciousness and sustainable lifestyle through the hotel's products and services presentation.

SDG 13: Climate Action



Management Approaches

- Design, renovate, and construct hotel by taking into consideration greenhouse gas emission, installation of clean energy sources, i.e., solar energy, for efficient energy management, and reduction of activities which may generate high carbon footprint.
- Monitor and assess on greenhouse gas emission of every SHR's self-managed hotels with own management and operation, so that the Company could manage on its carbon reduction and carbon offset initiatives and programs.
- Coordinate with external organizations, agencies and networks for energy management and reduction of greenhouse gas emission.

SDG 17: Partnerships for the Goals



Management Approaches

- Build cooperation with the stakeholders throughout business value chains through policy, governance, knowledge exchange and joint operations.
- Support fair trade networks, coordinate with external agencies, public and private sectors, and networks to enhance clear operations and extension to be the strong network on sustainability.



IMPACT MANAGEMENT TOWARDS STAKEHOLDERS IN THE BUSINESS VALUE CHAIN

Apart from SHR's internal stakeholders such as shareholders, executives, and employees, external stakeholders, i.e., those who located closed to the hotels; the nearby communities and schools, as well as the regulatory and government agencies of the operating countries, are considered as our significant stakeholders.

Sustainability Practices towards International Standards

As most of our hotels operate business in various areas around the world, hence, it is necessary that our social and environmental responsibilities have to be extended as per expansion in business. Consequently, not only compliance with laws and regulations of the operating countries, but adhering to international sustainability standards for hospitalities and tourism business such as Green Globe Certification or others, is also set as a goal for all of our self-managed hotels with own management and operation. Regarding to this, the Company aims to achieve comprehensive impact management on stakeholders in our business value chain and to be recognized at the international level.

CROSSROADS Project in the Republic of Maldives is the first project which implemented Green Globe Certification Standards with its operations, and it is now under improvement of work processes to conform to such standards, which consisting of sustainable management, social and economic dimension, environment dimension and cultural heritage dimension. The Company planned to be certified by such standards in the future.



CROSSROADS Sustainable Development Committee in the Republic of Maldives

CROSSROADS Project in the Maldives is a project of pride of Singha Estate and it is the project that the Company has to closely operate the works amidst the diversified marine natural resources, Maldives government agencies and communities. Thus, in 2020, the Company has established the CROSSROADS Sustainable Development Committee (CSC) to concretely manage impacts to the stakeholders in value chain of business and promptly respond to the stakeholders.



SOCIAL AND ENVIRONMENTAL PERFORMANCE AND ACHIEVEMENT

Marine Biodiversity

Expansion of coral reefs in conserved areas: With our continual endeavors to preserve abundance of nature, we constantly surveyed and monitored expansion of coral reef at CROSSROADS Project in the Maldives and it was found that coral reefs had significantly increased up to 3,267 square meters or 682 percent increase from year 2016. In addition, 3,321 corals have been additional planted both in areas surrounding CROSSROADS Project in the Maldives and within areas of Hat Noppharat Thara-Mu Ko Phi Phi National Park, Krabi Province with cooperation of the Department of Natural Parks, Wildlife and Plant Conservation.



Appearance of various marine lives: During the period of CROSSROADS Project in the Maldives has to temporarily suspend its operations due to the pandemic situations of Covid-19, in the midst of tranquility and abundance of nature that the Company intended to preserve, we found 10 additional species of protected marine animals under the IUCN Red List (International Union for Conservation of Nature (IUCN) Red List). It was also found that "Olive Ridley Sea Turtle", a very rare species of sea turtle laid their eggs for the first time at the CROSSROADS Project in the Maldives since the completion of construction of this project. These findings signified significant achievement indicator on environment of the Company.

Two Marine Discovery Centres (MDC): Even though in 2020, the Company has to encounter Covid-19 situations which made 2 MDCs at Phi Phi Island Village Beach Resort and at the CROSSROADS Project have to temporarily close services for some periods, hence the number of visitors was declined. Nonetheless, MDCs still can attract attentions of the travelers during the re-operating period. In 2020, there were 1,831 visitors visiting the MDCs, in total.

Effluent and Waste Management

During the period that the hotels suspended operations caused by COVID-19 pandemic situation, we took this opportunity to arrange the trainings to our employees on waste and garbage management at the CROSSROADS Project in the Maldives. In this regard, "Keep CROSSROADS Clean" project has been arranged to provide knowledge on the right management of waste, with aim to change the garbage littering behavior within the project. These knowledge provision activities have been arranged 3 times, with 630 employees participated in, and 460 kilograms of garbage can be collected.

In addition, the Company also cooperated with PARLEY, a non-governmental organization in the Republic of Maldives, to deliver 780 kilograms of plastic bottles, as well as collect ocean trash, clean-up beaches and coastal areas of all hotels. These activities still keep on operating throughout the year. Total garbage collected was 6,752 kilograms.

The Company also abolished usage of single-use plastic, i.e., plastic bottle, plastic wrapping, and room amenities. The Company, by Phi Phi Island Village Beach Resort, became a member of "Thai Hotels Plastic Free Project" with aims to reduce impacts from plastic trash sweeping into the sea, which are the global-attentive and concerned problems.



Greenhouse Gas Management

The Company's hotel business still determined to manage greenhouse gas emission of each of its self-owned or managed hotel. After Santiburi Koh Samui in Surat Thani Province, the first hotel which participated in the "Extension of Carbon Offsetting Activities Outcome to Support Domestic Voluntary Carbon Market" project, which has been arranged for the 6th year by jointly coordinating with the Center of Excellence on Environmental Strategy for GREEN Business (VGREEN), Faculty of Environment, Kasetsart University on arrangement of Carbon Footprint for Organization (CFO) or Corporate Carbon Footprint (CCF) to calculate emitted amount of greenhouse gas in 2019, later in 2020, Phi Phi Island Village Beach Resort, Krabi Province, started to assess its emission amount of greenhouse gas under the same project and it has been certified on carbon offsetting of 413 tonCO₂ equivalent from Thailand Greenhouse Gas Management Organization (Public Organization).

Local Procurement

This matter is regarded as material sustainability topic for hospitality business because the Company wishes that every economy and society that we operate business with will grow together with our business. For overseas investment like CROSSROADS Project in the Maldives, in 2020, ratio of local suppliers accounted for 65.14 percent, or representing 71.27 percent of total expenses for purchase of products and services from total suppliers, while products procurement ratio from local suppliers by Santiburi Koh Samui was 92.86 percent of total procurement value.

Local Employment

Just like local procurement, the Company does not only need to distribute income to the communities through purchase of local products and services, but it also needs to enhance career and develop potential of locals through our local employment practice, as it is regarded as the sustainable business practices that we determine. Ratio of Maldivians employed as permanent and temporary employees at the CROSSROADS Project in the Maldives, the Company's overseas business, accounted for 62.11 percent, while ratio of local people employed as permanent and temporary employees in the hotels that the Company operates business in Thailand¹ was 31.79 percent.



Sustainability Achievement

Results from continual efforts on sustainability, the Company received Asia Responsible Enterprise Awards 2020 (AREA) in Green Leadership category, organized by Enterprise Asia, for the first year. In addition, Phi Phi Island Village Beach Resort also received Responsible Thailand Awards, in Marine and Nature category, arranged by the Tourism Authority of Thailand at the United Kingdom. Both awards were achievement at international level that the Company is really proud of.

As the Company is a subsidiary of Singha Estate Group, more details on driving business for sustainability which will be extensively benefits to all groups of stakeholders can be found in 2020 Sustainability Development Report of Singha Estate or <https://investor.singhaestate.co.th/sdreport.html>.

Remark: ¹ Santiburi Koh Samui employed local people who are residents of Koh Samui and Surat Thani Province, while Phi Phi Island Village Beach Resort employed local people who are residents of Krabi Province.

RISK MANAGEMENT

RISK MANAGEMENT POLICY AND PLAN

S Hotels and Resorts Public Company Limited (the "Company") strives to strengthen the risk management to be an integral part of the corporate culture by formulating the risk management policy in accordance with the good corporate governance principles and COSO (the Committee of Sponsoring Organization of Treadway Commission), which is an international standard of the risk management. All these intention and actions will create the long-term sustainable return to all stakeholders. Various risks, which may affect the achievement of the Company's objectives and strategy are identified, assessed for the likelihood and potential impacts thereof and the risk mitigation plan will be established taking into account of the reasonable of the costs and benefits that the Company may obtain in order to manage the risks at acceptable level as well as to continuously monitor the risk management of the Company.

In February 2020, the Company's Board of Directors (the "Board") appointed the Risk Management Committee ("RMC"). The RMC is the representative of the Board and has been delegated the duties regarding the risk management of the Company. Such main roles are covering as follows:

- Review the risk management policy, risk management framework, enterprise risk management plan as well as the risk appetite of the Company.
- Monitor the management of key risks affecting the business operations in order to ensure that the Company has the risk management covering the strategic risks, operational risks, financial risks, and compliance risks including identifying the key risk indicators in order to follow up of the trends as well as to monitor such risks to be at the acceptable to the Company.
- Report the significant risks to the Board for acknowledgement.
- Promote a risk management culture continuously to all executives and employees of the Company.

RISK FACTORS TO THE BUSINESS OPERATIONS OF THE COMPANY

The Company has a systematic risk management, which there is a clear process and the risk owners are assigned to be responsible for the risk assessment, determining the mitigation plan and taking the steps to reduce such risks. In 2020, the Company assessed the risks factors, which may have affect the Company's business objectives. Such risks can be summarized as follows:

Business Risks of the Company or its Group of Companies

Strategic Risks

- Risks from the economic uncertainty: Due to the severe COVID-19 pandemic situation which directly impact on the tourism industry both in Thailand and abroad throughout the year 2020, resulting in the Company's business operations are not able to achieve its objectives significantly. However, the Company has implemented several measures to reduce the impacts of external factors that arising immediately and cause effects on many aspects including delay decision for investment on business expansion, controlling operating expenditure to be in accordance with the occupancy rates, etc. All these actions will be further described in the assessment of other related risk factors thereafter.
- Risks of the Company's growth: From the economic risk factor as aforementioned, the Company may have an opportunity to invest in good quality assets. However, the financial institutions tend to review granting of the credit facilities to the hotel business by strengthening the control of the granting of the credit facilities. However, the Company still has the funds to support the business expansion from fund raising through the listing on the Stock Exchange of Thailand and still has the low debt-to-equity ratio. Therefore, the Company still has the ability to enter into credit facilities for further business expansion if it is found that there are potential assets that could generate good returns.

Operational Risks

- Risks of the pandemic resulting business interruption: The COVID-19 pandemic in early 2020 was very severe. Several countries around the world implemented the lockdown measure. Although this situation causes each hotel to suspend its operations but the critical operations of the Company still being carried on continuously. The Company, under the duties of the Crisis Management Team, has determined various occupational health measures and allowed the employees to work from home by providing necessary tools to support such works. This allows several critical processes to continue without interruption. However, during the time that several measures seem to be ease up, almost all hotels in the group of companies are able to recover, resume its operation under the principle of maintaining service quality of the hotels, and take care of customers according to the social distancing principle and effective cost management.
- Risks of the human capital management: Due to the lockdown situations both in Thailand and abroad, almost all hotels in the group of companies have been temporary suspended for a period of 3 to 6 months according to the restrictions of each country resulting the Company need to adjust the work plan and management of the number of employees in order to be in consistent with the situation. The Company has adopted the planning model that employee attendance in accordance with the occupancy rate of the customers during each period and also adjusted the management structure to be more in cluster group in order to manage the personnel expenses in both service and management areas for maximum efficiency.

Financial Risks

- Risks from exchange rate fluctuations: The Company's hospitality business operation in overseas will use the currency of that country such as US dollars, Pound Sterling, and/or Euro, etc. Therefore, the Company has a policy to reduce the fluctuations of the exchange rate by applying the "Natural Hedge" method, i.e. the Company will apply for credit facilities with the currency corresponding to the source of income in that country so that the effects of the currency exchange rates of the incomes, profits, and sources of a capital are in the same direction. However, the fluctuations of the exchange from the foreign currency translation into Baht still exist which appears in the consolidated financial statements of the Company, but it is only the impact on accounting reports which has no effect on the cash flow of the Company.

- Risks from interest rate fluctuations: Due to the low volatility of the market interest rates and its trend is likely to remain at low level for a while. Such fluctuations then have minimal impact on the performance of the Company. However, the Company still closely monitors the movement of interest rates.

Risks of the Compliance, Contracts and Applicable Laws

- Risks from non-compliance with the Personal Data Protection Laws: As the General Data Protection Regulations ("GDPR") has already been enforced for the European people for a while, and in Thailand, the grace period for the Personal Data Protection Act ("PDPA") will be lasted and the PDPA will be fully enforced in June 2021. Therefore, during the previous period, the Company has started working on the project to ensure the readiness of the Company by engaging a consulting company and gradually adjusted some processes including providing the knowledge and training to all employees and the comprehension test has been given to measure the understanding of all employees about the personal data protection. In addition, the Company is in the process of developing its own information technology system to support operations as to comply with such laws.
- Risks from fraud and corruption: In doing business, there are activities that may pose a risk of the fraud and corruption in each work process, especially the procurement process. This may cause unnecessary cost increase and impact on the reputation and creditability of the Company. The Company, however, is determined to conduct a business in accordance with good governance principles. The Company therefore established the anti-corruption policy, declared the intent and guidelines of conducting the business activities of the Company to all counterparties of the Company. The Company requires employees and counterparties of the Company declaring their relationship. Also, the Company organized the anti-corruption training including conduct a comprehension test for all the managements and employees in every year. In addition, the Company provides a channel for all stakeholders to report clues and complaints if behavior is discovered falling into the scope of fraud and corruption. These clues and complaints will be proceeded on a fact check. In this regard, the right protection measures for the persons who report the clues and complaints have also been set in accordance with the Whistle-Blowing policy of the Company.

Risks of the Safety, Environment, and Social

- **Risks from the violation of the occupational health and safety:** The Company gives a great importance on the occupational health, safety, and work environment. The Company has reviewed its to create knowledge on the safety, occupational health, and work environment of the Company and to ensure its practices are in accordance with laws, regulations, and international standards. These actions will elevate the occupational health, safety, and work environment standards in better degree. Also, the response plan is developed to cope with safety issues.
- **Environmental Risks:** Since the Company has hotels and resorts scattering in several regions around the world, especially in the important marine tourist areas. The Company realizes that if there is a lack of carefulness in the operations may cause risks on the marine natural resources and the southern shorelines. During the past period, the Company has placed great importance on the rehabilitation of the marine life and coral reefs in the surrounding area. The Company also maintains the quality of the wastewater and installs the water treatment system to protect the contamination of sewage into the sea. The Company implements the stop use of single-use plastic policy in every properties, which the Company manages, to reduce the risks of having the sea garbage. The Company also reduces the emission of the greenhouse gas, which are the major cause of the climate changes as well as the rise of the sea water temperature. All these changes will cause the phenomenon of coral bleaching problems which has a widespread effect on the world's food chain from the imbalance of ocean ecosystems.
- **Risks from human rights violations:** The Company conducts its business activities in several countries, which has its own different labor laws and human rights regulations. However, the Company realizes that all human rights and fundamental freedoms are universal, indivisible and should be implemented in a fair and equitable manner, without prejudice. The Company then has a policy to conduct business with strictly respect to the laws and human rights principles both in the nationally and internationally. The Company will not support any activities that violate human rights principles. Besides, the Company applies these principles as the fundamental ground and be part of all the processes in every levels.

Emerging Risks

Cyber threat risks: Nowadays, technology plays an important role in conducting business and over the past several years, there were many cyber-attacks arising in many businesses. Therefore, over the years, the Company has developed the information technology systems to be able to handle the changes that have occurred. However, these external factors are still difficult to predict and there is a possibility that can occur with every companies.

Risks of the Securities Holders' Investment

Risks from having low percentage of Free Float: As of December 31, 2020, 62.28% of the Company's shares are held by Singha group and the involving parties in management. The minority shareholders, who holding shares less than 5%, are representing 37.72% in Free Float or 1,335,462,000 shares of the Company, which the percentage of the Free Float is higher than the requirements of the Stocks Exchange of Thailand and the numbers of shares are at a sufficient level to support the normal stock trading.

Risks of the Foreign Securities Investment

The Company does not invest in foreign securities.



INTERNAL CONTROL

S Hotels and Resorts Public Company Limited (the “Company”) recognises the importance and encourages all directors, executives and employees in the organization to aware about the importance of an internal control. Organization structure has been arranged to facilitate effective management and operations and the Internal Audit which is an independent unit and directly reports to the Audit Committee has been established. The Company has a written business practice on code of conduct, for strictly observance by the directors, executive and employees.

During the Board of Directors’ Meeting No. 3/2020 on May 15, 2020, all 3 members of the Audit Committee attended in the meeting to provide opinions on the adequacy and appropriateness of the internal control system by using the Internal Control Sufficiency Evaluation Form (“Evaluation Form”) of the Securities and Exchange Commission (“SEC.”). The Audit Committee has clarified and briefly reported the assessment results on adequacy of internal control system of the Company and its subsidiaries in 5 components: control environment, risk assessment, control activities, information & communication, monitoring activities, so that the Board of Directors could effectively monitor the operations of the Company, ensure that the Company’s business operations comply with regulations and related laws, and achieve the policies and objectives set by the management.

In 2020, the Audit Committee provided comments in the Report of the Audit Committee that the Company has appropriate and sufficient internal control system to effectively conduct business pursuant to the policies, objectives, relevant laws and regulations. The Company has internal control system on monitoring and supervision of the subsidiaries that could be able to protect properties from fraud or damage. Accounting and financial reports have been accurately and reliably made pursuant to the accounting standards with adequate disclosure and information on transaction with the person who might have conflict or the connected person were adequately. The opinions on internal

control above was similar to those of the Board of Directors, the independent directors and the Company’s external auditor, PricewaterhouseCoopers ABAS Ltd., who audited the Company’s financial statements for the year 2020, and did not provide any significant suggestion on internal control.

During the Audit Committee’s Meeting No. 1/2019 on February 21, 2019, the meeting has appointed Ms. Pawornsiree Tipchaieur as the Assistant Vice President of Internal Audit and the Secretary of the Audit Committee because she has extensive auditing experiences for more than 18 years and has attended many internal control related courses, such as IT audit, new accounting standards (TFRS9, TFRS16) and value added tax relevant to the real estate business. She also has understanding about the Company’s operations, hence, it was deemed appropriate and adequate to appoint her to perform such duties.

The Board of Directors placed importance on having adequate, effective and efficient internal control system as follows:

CONTROL ENVIRONMENT

The Company has an appropriate internal control environment and sufficient for business operations where roles, authorities, duties and scope of responsibilities of the Board of Directors and the committees have been clearly defined under the charter of each respective committee. In addition, the Company places an emphasis on Code of Conduct and work practices, so that the Board, executives and employees will perform their duties by adhering to the value of integrity, moral, ethics, business ethics including responsibility to general economy and society and benefits of overall stakeholders, i.e. shareholders, employees, partners, customers, creditors or business competitors. Such code has been publicized in the Company’s website at <https://investor.shotelsresorts.com/th/corporate-governance/cg-document-and-download>.

The Company's Board of Directors consists of the directors who are genuinely independent to perform their duties and possess the qualifications specified by the Securities and Exchange Commission (SEC) who have duties to oversee and develop operations of internal control system, organisational structure, and chain of command with clearly assignment of duties and responsibilities in line with the Company's business plans. Budget plans with Corporate Key Performance Indicators (Corporate KPI) have been defined to properly evaluate performance of each department. Every personnel in the organisation had been encouraged to recognise the necessity of the internal control system, and a good environment which will help make the internal control system effective.

RISK ASSESSMENT

The Company has risk management and risk identification processes in various aspects, such as strategic risks, operation risks, financial risks, compliance risks, physical environmental security risks, and emerging risks which may affect the business operations of the organization. Risks have been analysed by considering from likelihood and impact. Internal and external factors, measures and action plans to support, manage and monitor the risks to be within an acceptable level (risk appetite) and suitable with the current situation of the Company have also been considered. The Company also identified risk factors that are used as a guideline to assess the risks associated with personnel, and the process of considering the succession plan for important positions.

Moreover, the Company's the Risk Management Committee assessed the likelihood of fraud along with the risk assessment. Accounting has been audited by a certified external auditor who has been approved by the SEC. An Anti-Corruption Policy also has been defined. The Internal Audit has prepared an annual audit plan to assess the Company's risks including likelihood of corruption and fraudulent acts which may lead to loss of properties, and etc.

CONTROL ACTIVITIES

The Company has the control measures to reduce the risk which has not achieved the Company's objectives to be within an acceptable level by defining a scope, authority, and level of approving authority in writing. The Company defined management structure to clearly segregate duties and responsibilities of each department, especially those that may bring about conflicts in their operations. Before proposal every transaction to the respective approver for approval, its correctness and completeness shall be verified by the relevant departments pursuant to the Corporate Authorization Index (CAI) which has been approved by the Board of Directors.

The Company also defined "Conflict of Interests Policy" which included the prevention of transaction with potential conflict of interest, the connected transaction or the related transactions which are a part of Code of Conduct. The Board of Directors and the Audit Committee shall constantly review the related transactions every quarter.

Furthermore, the Company has developed general controlling actions by using technology to help achieve the objectives by defining the written policies related to computer and information system security, which included access to the computer centre, defining user's rights, data and work system backup, data recovery, and development, change, and maintenance of technology to be in proper conditions.

INFORMATION & COMMUNICATION

The Company has set a policy regarding important document, which included storage of information obtained from both inside and outside the Company for supporting analysis and decision-making by taking into account necessity, benefit and accuracy of information and compliance with the relevant laws. The Company Secretary shall send a meeting invitation together with support document containing matters to consider and a complete support information for consideration to all members of the Board of Directors at least 7 days in advance of the meeting which conforms to the period specified by the laws. Minutes of meeting with completed details on comments and resolutions of the meeting shall be prepared.

For internal communication between management and employees, various information as well as quarterly meetings between executives and all employees in the organization is circulated through the S@NET system, electronic mail (e-mail), bulletin boards, in order to keep the employees informed and complied for achievement of the specified targets. The Company also established a special or an extra communication channel for personnel both inside and outside the Company for reporting information or details about fraud or dishonesty to the Company via postal service, electronic mail, the Company's website, and suggestion/comment/complaint box within the Company as specified in the Code of Conduct regarding the written measure on Complaints and Whistleblowing. The Company also established an Investor Relations Department to communicate important information that is beneficial to the external stakeholders via the Company's website or email: ir@shotelsresorts.com.

MONITORING ACTIVITIES

The Company established a process to monitor compliance with the internal control system. In this regard, the Internal Audit, which directly reports to the Audit Committee every quarter, shall constantly carry out the inspection and assessment of the Company's internal control system in various aspects. Defects and improvements of the Company's internal control system shall be directly reported to the Audit Committee, so that the Company can monitor, improve and resolve such defect right away. The Company also employed the outsourced internal auditor for such task who opined that the Company has suitable internal control measures both at organizational level and departments' business processes level.

HEAD OF INTERNAL AUDIT'S PROFILE IN BRIEF

Name: Ms. Pawornsiree Tipchaieur
 Position: Assistant Vice President – Internal Audit
 Age: 39 years

Appointment date

February 21, 2019

Education

- Master of Business Administration, Chulalongkorn University
- Bachelor of Accounting, Chulalongkorn University

Certification

- Certified Public Accountant
- Certified Internal Auditor

Training Courses:

YEAR	COURSE	INSTITUTE
2020	<ul style="list-style-type: none"> • IT Audit for Non-IT Auditor • TFRS 9 Workshop Classification and Measurement • TFRS 15 Revenue from Contracts with Customers and TFRS 16 Lease • VAT related to real estate business 	Federation of Accounting Professions Federation of Accounting Professions Dharmniti Seminar and Training Dharmniti Seminar and Training
2019	<ul style="list-style-type: none"> • Using Microsoft Excel in auditing accounting data 	Federation of Accounting Professions
2018	<ul style="list-style-type: none"> • Changes in Financial Reporting from NPAs to PAES • Updates in Corporate Income Tax and Value Added Tax • Updates in Auditor's report and Auditing Standards 	Dharmniti Seminar and Training GTO Training GTO Training
2017	<ul style="list-style-type: none"> • Professional Auditing • Differences between Accounting Profit and Tax Profits 	Thai CPD Online Thai CPD Online
2016	<ul style="list-style-type: none"> • Presentation and Analysis of Financial Statements • Personal Data Protection Act 	Thai CPD Online Millennium & Copthorne

Work Experience**Position held in Listed Companies in SET**

Present Assistance Vice President, Internal Audit, S Hotels and Resorts Public Company Limited
 2007 - 2011 Internal Audit Manager, Laguna Resorts and Hotels

Position held in Other Companies/Organizations

2016 - 2018 Group Internal Audit Manager, Millennium & Copthorne International
 2014 - 2016 Internal Audit Manager, Exchange Tower
 2013 - 2014 Internal Audit Manager, Holcim Services (Asia)
 2011 - 2012 Senior Manager - Group Overseas Accounting, TCC Land
 2002 - 2006 Senior Assistant Auditor, Ernst & Young Office

Relevant Key Executive Position

-None-

Securities Holding in the Company as of December 31, 2020**Ordinary shares (SHR)**

-None-

Warrants (SHR-W1)

-None-

Family Relation among Executives

-None-

Lawsuits in the 10 Preceding Years

-None-

RELATED PARTY TRANSACTIONS

POLICY AND TREND FOR TRANSACTIONS WITH RELATED PARTIES

The Board of Directors of S Hotels and Resorts Public company Limited (the “Company”) values the compliance of good corporate governance concerning oversight of conflicts of interest. The Board of Directors steers the management by instituting clear, transparent processes concerning related parties and compliance with the rules, procedures, and approach for disclosing related transactions strictly in line with the law or regulators’ requirements. As a rule, in engaging in transactions with the Company’s related parties, most transactions occurred in the normal course of business. Therefore, engagement in transactions with these businesses or parties is likely to recur. What is important is that the Company’s policy or trend for engagement is still based on the same principle observed last year, namely observing arm’s length commercial terms with primary regard for the best interests of the Company and its shareholders.

Transactions between the Company and its subsidiaries and parties/juristic persons of potential conflicts of interest as of December 31, 2018, December 31, 2019 and December 31, 2020 are as follows:

INDIVIDUAL / JURISTIC PERSON WHO MAY HAVE CONFLICTS OF INTEREST (RELATIONSHIP)	TYPE OF TRANSACTION	TRANSACTION VALUE (MILLION BAHT)			DETAILS AND RATIONALE
		2018	2019	2020	
Boon Rawd Brewery Co., Ltd. (Ultimate major shareholder and related parties of the Company served as major shareholders, directors, management, or controlling persons)	Trade receivables	-	0.26	0.19	Revenues from rooms and services including other services such as accomodation, food and beverage, and transportation etc.for site visit and event.
	Revenues from service	0.92	-	0.59	
Bo Phut Property and Resort Co., Ltd. (Related parties of the Company served as major shareholders, directors, management, or controlling persons)	Other receivables	0.04	0.02	0.02	Rental and services income from Santiburi Koh Samui. Rates and terms are based on agreed rate and conditions, comparable to those offered to key account customers.
	Services income	0.15	0.19	0.05	
Beer Singha Co., Ltd. (Related parties of the Company served as major shareholders, directors, management, or controlling persons)	Trade payables	-	-	0.01	Purchases of goods and services.
	Purchases of goods	-	0.03	0.04	
Singha Park Chiang Rai Co., Ltd. (Related parties of the Company served as major shareholders, directors, management, or controlling persons)	Other payables	-	0.03	0.01	Purchases of goods and services.
	Purchases of goods	0.21	0.12	0.05	
Santiburi Samui Country Club Co., Ltd. (Related parties of the Company served as major shareholders, directors, management, or controlling persons)	Trade receivables, and Other receivables	0.03	0.02	0.01	Revenues from laundry service and commission charges from using golfing facilities at Santiburi Samui Country Club by guests of Santiburi Koh Samui.
	Services income	0.30	0.27	0.09	
	Other payables	0.23	0.21	0.02	Service charges from using golfing facilities at Santiburi Samui Country Club by guests of Santiburi Koh Samui.
	Services expense	2.85	2.93	1.51	

INDIVIDUAL / JURISTIC PERSON WHO MAY HAVE CONFLICTS OF INTEREST (RELATIONSHIP)	TYPE OF TRANSACTION	TRANSACTION VALUE (MILLION BAHT)			DETAILS AND RATIONALE
		2018	2019	2020	
Boon Rawd Trading Co., Ltd. (Related parties of the Company served as major shareholders, directors, management, or controlling persons)	Revenues from service	-	0.02	0.43	Revenues from rooms and services including other services such as accomodation, food and beverage, and transportation etc. for site visit and event.
CTG 2002 Co., Ltd. (Related parties of the Company served as major shareholders, directors, management, or controlling persons)	Other payables	-	0.82	-	Advertising expenses and consulting fees for organizing public relations. Rates and terms are in line with normal business practice following the condition of general trading.
	Rental and services expense	-	0.76	-	
Singha Estate PCL. (Related parties of the Company served as major shareholders, directors, management, or controlling persons)	Trade receivables	0.18	-	0.09	Revenues from rooms and services including other services such as accomodation, food and beverage, and transportation etc. for site visit and event.
	Revenues from service	1.17	2.79	0.45	
	Other receivables	-	3.22	18.71	Warrants to executives and employees of: the major shareholder of the parent, the parent, and its subsidiaries; and the Company and its subsidiaries recorded at fair value.
	Other receivables	-	-	0.21	Service income such as personnel service fee are in accordance with the Management Service Agreement.
	Services income	-	-	0.20	
	Advances to	-	0.03	-	Advances for employee benefits from employee transferred to the Group.
	Other payables	112.54	2.05	20.13	Management fees such as personnel service fees, legal fees, accounting fees and information technology service fees, etc., are in accordance with the Management Service Agreement.
	Management fee	105.51	9.41	9.96	
	Other payables	4.33	5.26	0.88	Warrants of Singha Estatic PCL. to executives and employees of: the major shareholder of the parent, the parent, and its subsidiaries; and the Company and its subsidiaries recorded at fair value.
	Share-based payment transaction	4.33	5.26	1.48	
	Other payables	0.18	0.80	2.73	Miscellaneous expenses such as travel expenses and postage etc. that were paid on behalf for the Group.
	Services expense	-	1.77	5.28	
	Consulting service fee	-	-	31.30	Consulting service fee for entering into a Joint Venture Agreement.
	Advances from	1.29	1.20	-	Advance payment for legal advisor fees.

INDIVIDUAL / JURISTIC PERSON WHO MAY HAVE CONFLICTS OF INTEREST (RELATIONSHIP)	TYPE OF TRANSACTION	TRANSACTION VALUE (MILLION BAHT)			DETAILS AND RATIONALE
		2018	2019	2020	
S International Holding Company Limited (Formerly named S Hotels and Resorts Inter Co., Ltd.) (Related parties of the Company served as major shareholders, directors, management, or controlling persons)	Other receivables	-	-	0.06	Warrants to executives and employees of: the major shareholder of the parent, the parent, and its subsidiaries; and the Company and its subsidiaries recorded at fair value.
	Advances to	-	0.01	-	Advances for employee benefits from employee transferred to the Group.
	Other payables	84.86	166.96	17.15	Management fees such as personnel service fees, legal fees, accounting fees and information technology service fees, etc., are in accordance with the Management Service Agreement.
	Management fee	-	12.08	28.23	
	Advances from	2.90	-	-	Miscellaneous expenses such as travel expenses and postage etc. that were paid on behalf for the Group.
	Services expense	-	8.02	-	
	Loans from related parties of the company	5,295.83	-	-	Short-term loans used as working capital, purchase of Outrigger hotels and restructuring of the Group for preparing to be listed in the stock market the Company made the full repayment of the loan after IPO.
	Interest payables	112.43	-	-	
	Interest expenses	33.34	172.84	-	
Max Future Co., Ltd. (Related parties of the Company served as major shareholders, directors, management, or controlling persons)	Other receivables	-	0.07	0.73	Warrants to executives and employees of: the major shareholder of the parent, the parent and its subsidiaries; and the Company and its subsidiaries recorded at fair value.
	Other payables	-	0.01	0.01	Office rental and parking service rental at Suntowers tower and Parking Building 1.
	Rental and services expense	0.08	0.23	0.08	
Prime Locations Management Ltd. (Related parties of the Company served as major shareholders, directors, management, or controlling persons)	Advances from	5.67	-	-	Advance payment for transportation service and equipment for construction of the CROSSROADS Project Phase 1.

INDIVIDUAL / JURISTIC PERSON WHO MAY HAVE CONFLICTS OF INTEREST (RELATIONSHIP)	TYPE OF TRANSACTION	TRANSACTION VALUE (MILLION BAHT)			DETAILS AND RATIONALE
		2018	2019	2020	
Dream Islands Development Pvt. Ltd. (Related parties of the Company served as major shareholders, directors, management, or controlling persons)	Advance to	-	-	17.45	Advance payment for dredging and miscellaneous expenses such as travelling expenses of CROSSROADS Project Phase 2.
	Revenues from service	-	-	0.16	Revenues from rooms and services including other services such as accommodation, food and beverage, and transportation etc. for site visit and event.
	Other receivables	102.25	-	-	Marketing services income for the development of tourist facilities in the Republic of Maldives are in accordance with the Marketing Support Service Agreement.
	Services income	96.46	61.41	30.71	
	Unearned revenues	-	29.10	-	
S Services (Maldives) Pvt. Ltd. (Related parties of the Company served as major shareholders, directors, management, or controlling persons)	Other receivables	3.59	-	-	Rental deposit
	Advances to	9.60	6.1	-	Advance payment for office decoration, office rental and miscellaneous expenses such as utilities and travelling expenses of CROSSROADS Project Phase 1.
	Other payables	15.01	7.17	-	Management fees such as personnel service fees, legal fees, accounting fees, and information technology service fees, etc., are in accordance with the Management Service Agreement.
	Management fee	51.57	15.12	3.96	
Laguna Service Co., Ltd. (An associate company)	Trade receivables	-	-	0.25	Revenue from room services, utilities charges and transportation services from Outrigger Laguna Phuket Beach Resort. Rate and term are in line with normal business practice following the condition of general trading.
	Revenues from service	-	0.09	0.24	
	Other payables	3.24	1.81	1.49	Management expenses and service expenses from Laguna Service Co., Ltd etc. laundry services, facility services, common area services and marketing services to Dusit Thani hotel, Laguna Phuket Club and Angsana Laguna Phuket. Rate and term are in line with normal business practice following the condition of general trading.
	Services expense	16.47	29.33	11.57	

INDIVIDUAL / JURISTIC PERSON WHO MAY HAVE CONFLICTS OF INTEREST (RELATIONSHIP)	TYPE OF TRANSACTION	TRANSACTION VALUE (MILLION BAHT)			DETAILS AND RATIONALE
		2018	2019	2020	
Babylon Property Co., Ltd. (Related parties of the Company served as major shareholders, directors, management, or controlling persons)	Rental expense	-	0.27	-	Monthly apartment rental of a director which operated by a company's director. Rate and term are in line with normal business practice following the condition of general trading.
S Prime Growth Leasehold Real Estate Investment Trust. (Related parties of the Company served as major shareholders, directors, management, or controlling persons)	Other payables	-	0.12	0.10	Rental and service expense at Suntowers Building
	Rental and service expense	-	3.57	3.62	
Qtech Products Co., Ltd. (Related parties of the Company served as major shareholders, directors, management, or controlling persons)	Advances to	-	-	1.42	Advance payment for miscellaneous expenses such as utilities and travelling expenses of CROSSROADS Project.
	Trade payables	23.87	4.40	4.53	Payables for the development cost of CROSSROADS Project which are labor costs and construction materials in accordance with the conditions of the contract.
S Hotels and Resorts (SG) Pte. Ltd. (Related parties of the Company served as major shareholders, directors, management, or controlling persons)	Advances to	-	0.03	0.03	Advance payment for shares submission fee
Jupiter Hotels Limited (A joint party)	Revenues from service	-	0.06	-	Revenues from rooms and services including other services such as accomodation, food and beverage, and transportation etc. for site visit and event.
S KLAS Management Co., Ltd. (Related parties of the Company served as major shareholders, directors, management, or controlling persons)	Other receivables	-	0.04	0.20	Warrants to executives and employees of: the major shareholder of the parent, the parent, and its subsidiaries; and the Company and its subsidiaries recorded at fair value.
S REIT Management Co., Ltd. (Related parties of the Company served as major shareholders, directors, management, or controlling persons)	Other receivables	-	0.05	-	Warrants to executives and employees of: the major shareholder of the parent, the parent and its subsidiaries; and the Company and its subsidiaries recorded at fair value.

INDIVIDUAL / JURISTIC PERSON WHO MAY HAVE CONFLICTS OF INTEREST (RELATIONSHIP)	TYPE OF TRANSACTION	TRANSACTION VALUE (MILLION BAHT)			DETAILS AND RATIONALE
		2018	2019	2020	
Singha Property Development Co., Ltd. (Related parties of the Company served as major shareholders, directors, management, or controlling persons)	Other receivables	-	0.04	-	Warrants to executives and employees of: the major shareholder of the parent, the parent and its subsidiaries; and the Company and its subsidiaries recorded at fair value.
	Other payables	-	-	0.04	Rental and service expense for the Group's activities. Rate and term are in line with normal business practice following the condition of general trading.
	Rental and service expense	-	0.02	0.07	
Dream Islands Development 3 Private Ltd. (A joint venture)	Lease receivable	-	-	218.78	The Group has entered into a sublease agreement to sublease the right-of-use of land in Maldives to Dream Islands Development 3 Private Ltd. and recognized gain from disposal of the right-of-use to statement of income. This sublease agreement is classified as finance lease so the Group recognized interest income.
	Gain from disposal of right-of-use	-	-	96.54	
	Interest income from finance lease receivable	-	-	10.19	
EST. COMPANY (1933) Co., Ltd. (Related parties of the Company served as major shareholders, directors, management, or controlling persons)	Other payables	-	-	0.04	Service expense, food, and beverage for the Group's press conference. Rate and term are in line with normal business practice following the condition of general trading.
	Service expenses	-	-	0.04	

RESPONSIBILITY OF THE BOARD OF DIRECTORS TO FINANCIAL STATEMENTS

The Board of Directors of S Hotels and Resorts Public Company Limited (the "Company") is responsible for the consolidated financial statements of the Company and its subsidiaries as well as financial information in the Form 56-1 One Report. The financial statements are prepared in accordance with generally accepted accounting standards which are appropriately applied on a consistent basis. Conservation judgment and best estimate are adopted in this preparation. In addition, all important information is adequately disclosed in the notes to financial statements.

The Board of Directors has set up and maintained an effective internal control to reasonably ensure that all accounting records are accurate, complete and sufficient to secure its assets. Moreover, all possible weakness could be found to prevent fraud or material unusual transactions.

The Board of Directors had appointed the Audit Committee which comprises three independent directors, to control quality of financial report and internal control system. The opinion of the Audit Committee on this matter has already been presented in the Audit Committee Report.

The Board of Directors is of an opinion that internal control systems of the Company are in the satisfactory and sufficient level to reasonably build the confidence in the reliability of the consolidated financial statements of the Company and its subsidiaries as of 31 December 2020.

-Signed-

(Mr. Sompong Tantapart)
Chairman of the Board of Directors

-Signed-

(Mr. Dirk Andre L. De Cuyper)
Director and Chief Executive Officer

INDEPENDENT AUDITOR'S REPORT

To the Shareholders and Board of Directors of S Hotels and Resorts Public Company Limited

My opinion

In my opinion, the consolidated financial statements and separate financial statements present fairly, in all material respects, the consolidated financial position of S Hotels and Resorts Public Company Limited (the Company) and its subsidiaries (the Group), and the separate financial position of the Company as at 31 December 2020, and its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with Thai Financial Reporting Standards (TFRS).

What I have audited

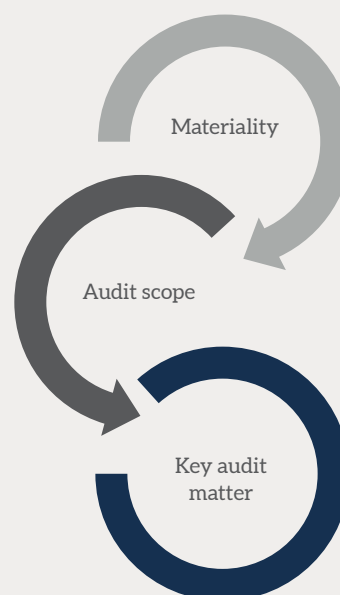
The consolidated financial statements and the separate financial statements comprise:

- the consolidated and separate statements of financial position as at 31 December 2020;
- the consolidated and separate statements of comprehensive income for the year then ended;
- the consolidated and separate statements of changes in equity for the year then ended;
- the consolidated and separate statements of cash flows for the year then ended; and
- the notes to the consolidated and separate financial statements, which include significant accounting policies and other explanatory information.

Basis for my opinion

I conducted my audit in accordance with Thai Standards on Auditing (TSAs). My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the consolidated and separate financial statements section of my report. I am independent of the Group and the Company in accordance with the Code of Ethics for Professional Accountants issued by the Federation of Accounting Professions that are 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.

My audit approach - overview



Materiality

Overall group materiality: 54.97 million which represents 5% of Group's profit before tax.

Audit scope

I conduct with audit work of the consolidated financial statements by focusing on the significant components which account for 76% of the Group's profit before tax and 85% of the Group's total assets.

Key audit matter

I identified the following matter as key audit matter;

- Impairment testing of assets and goodwill
- Valuation of investment properties

Materiality

The scope of my audit was influenced by my application of materiality. An audit is designed to obtain reasonable assurance whether the consolidated financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.

Based on my professional judgment, I determined certain quantitative thresholds for materiality, including the overall group materiality for the consolidated financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped me to determine the scope of my audit and the nature, timing and extent of my audit procedures and to evaluate the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Overall group materiality	Baht 54.97 million
How I determined it	5% of profit before tax
Rationale for the materiality benchmark applied	I chose profit before tax as the critical measure because, in my view, it is the measure against which the performance of the Group is most commonly assessed. The 5% benchmark is a generally accepted auditing practice and there were no significant unusual elements that merited adjustments to this benchmark.

I agreed with the audit committee that I would report to them misstatements identified during my audit above Baht 2.7 million, in my view, warranted reporting for qualitative reasons.

How I tailored my group audit scope

I tailored the scope of my audit in order to perform sufficient work to enable me to provide an opinion on consolidated the financial statements as a whole, taking into account the structure of the Group, the accounting processes and controls, and the industry in which the Group operates.

Key audit matter

Key audit matters are those matters that, in my professional judgement, 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 don't provide a separate opinion on these matters.

Key Audit Matter	How my audit addressed the key audit matter
<p>Impairment testing of assets and goodwill</p> <p>Refer to Note 9 critical accounting estimates and judgements, Note 19 property, plant and equipment, net and Note 20 goodwill.</p> <p>As at 31 December 2020, the Group recorded property, plant and equipment, net of Baht 19,288.7 million and goodwill of Baht 1,022.9 million, contributing to 71.1% and 3.8% of total assets in the consolidated financial statements.</p> <p>The management identified the cash generating unit (CGU), in which the Group's goodwill was included. Management tested impairment by comparing the book value with the recoverable amount of asset which was the higher of the value-in-use or fair value less costs to sell. Key assumptions used by management to calculate carrying value are growth rate and discount rate. During the year, the Group recognised loss from impairment of assets and goodwill of Baht 567.9 million in the consolidated comprehensive income for the year.</p> <p>I focused on this area due to the significant amount of the goodwill. Moreover, business volatility could impact the assumptions, e.g. the business plan, revenue, growth rate and discount rate which required the management's judgement. Management needed to identify the appropriate assumption to be in line with the current situation.</p>	<p>I tested impairment of assets and goodwill which was assessed by management as follows;</p> <p>I assessed the appropriateness of management's identification of the Group's CGU by inquiring and observing how the information is collected and segregated comparing to the accounting data.</p> <p>I read management's report of the Group's annual impairment test of assets and goodwill and performed reasonableness testing of estimates by comparing to historical data.</p> <p>I assessed the impairment testing process and assessed the inputs and assumptions used in the impairment testing of assets and goodwill, specifically the revenue growth rate and discount rate assumptions, and also checked whether they were in line with the business volatility. I compared those inputs and assumptions to the appropriate published information and the approved business plan. It was, including the impact from Coronavirus Disease 2019 ("COVID-19") pandemic and checking the accuracy of transactions of the accounting records.</p> <p>I inquired and assessed the reasonableness of the business plan and forecasts by comparing them with historical results. Also, I performed a sensitivity analysis of the key assumptions used by management in its valuation model to consider the potential impact of a material change in a key assumption would make on the impairment assessment.</p> <p>As a result of the procedures performed, I found that management's determination is reasonable based on the available evidence.</p>
<p>Valuation of investment properties</p> <p>Refer to Note 9 critical accounting estimates and judgements and Note 18 investment properties.</p> <p>As at 31 December 2020, the Group recorded investment property, measured at fair value, of Baht 804.7 million, contributing to 3.0% of the total assets in the consolidated financial statements. During the year, the Group recognised loss arising from changes in the fair value of investment property of Baht 87.6 million in the consolidated comprehensive income for the year.</p> <p>The Group assessed the fair value of the rental buildings using the income approach, which was carried out by a professional appraiser. This appraiser was engaged by the Group after the appraiser's qualifications and expertise were assessed.</p> <p>I focussed on this area because of the magnitude of the value of investment property and because the valuation model depends on judgment of the appropriateness and reliability of the information and assumptions, such as revenue growth rate and discount rate.</p>	<p>I performed the key procedures as follows;</p> <p>I read the valuation report prepared by the appraiser and verified the appropriateness of the valuation approach and source data.</p> <p>I assessed the fair value of rental buildings using an income approach, which identified the future economic benefits that the Group expected to generate from the property, and discounted these cash flows with a reasonable rate of return. I compared the projected cash flows for revenue, revenue growth rate, and occupancy rate with the historical results and the approved business plan and compared the discounted rate to the Group's appropriate rate of return, including the impact from Coronavirus Disease 2019 ("COVID-19") pandemic. I also assessed the accuracy of transactions of the accounting records.</p> <p>I assessed the appraiser's qualifications and expertise and read the terms of their engagement with the Group to determine whether there were any matters that might have affected their objectivity or imposed a scope limitation on their work.</p> <p>As a result of the procedures performed, I noted that the assumptions used for determining the fair value of the investment property are reasonable.</p>

Other information

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

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

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

When I read the annual report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to the audit committee.

Responsibilities of the directors for the consolidated and separate financial statements

The directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with TFRS, and for such internal control as the directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

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

The audit committee assists the directors in discharging their responsibility for overseeing the Group's and the Company's financial reporting process.

Auditor's responsibilities for the audit of the consolidated and separate financial statements

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

As part of an audit in accordance with TSAs, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.


- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

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

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

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

PricewaterhouseCoopers ABAS Ltd.



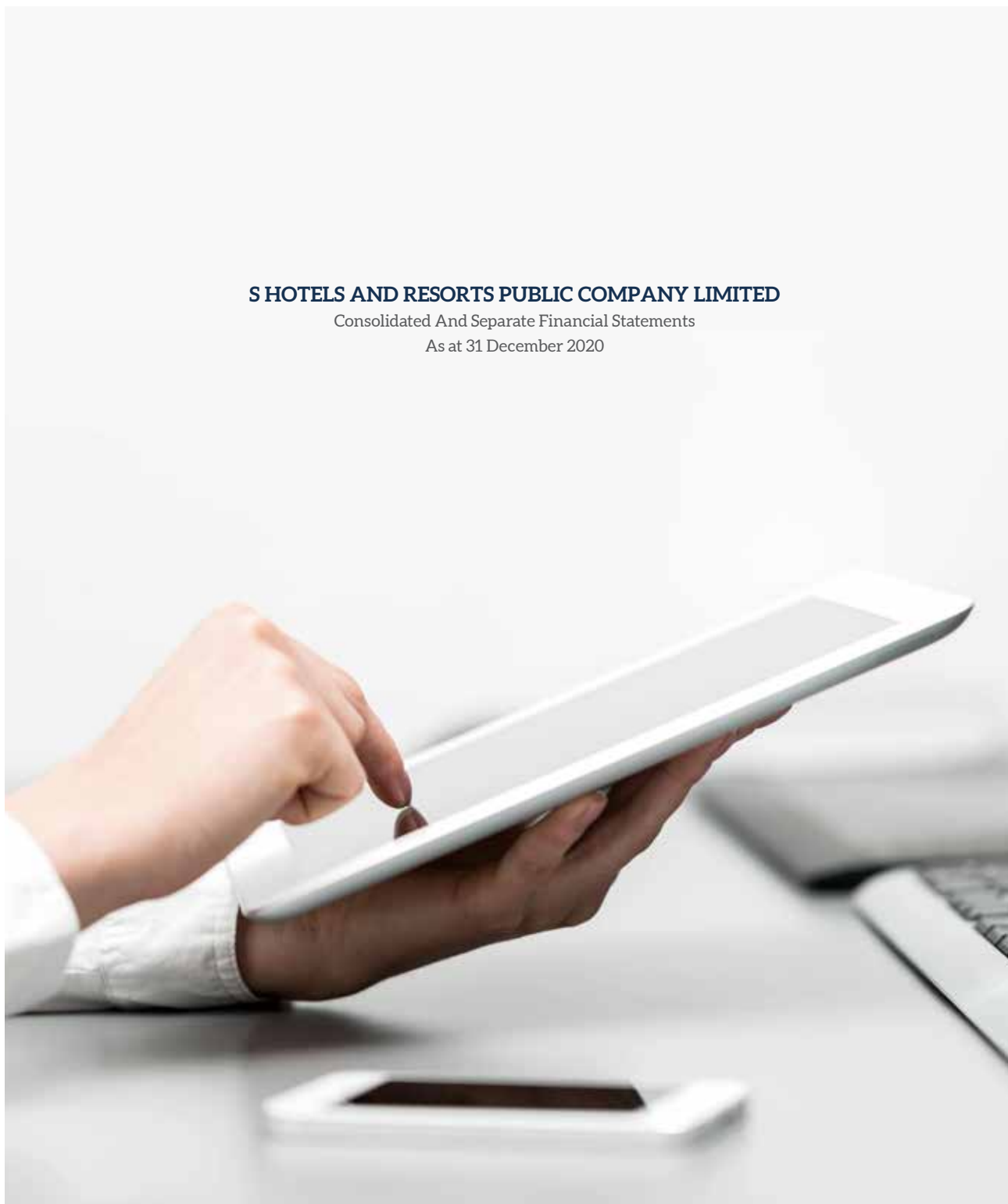
Chanchai Chaiprasit
Certified Public Accountant (Thailand) No. 3760
Bangkok
February 23, 2021

FINANCIAL STATEMENTS

S HOTELS AND RESORTS PUBLIC COMPANY LIMITED

Consolidated And Separate Financial Statements

As at 31 December 2020



S HOTELS AND RESORTS PUBLIC COMPANY LIMITED

Statement of Financial Position

As at 31 December 2020

	Notes	Consolidated financial statements		Separate financial statements	
		2020	2019	2020	2019
		Baht	Baht	Baht	Baht
Assets					
Current assets					
Cash and cash equivalents	11	2,492,656,998	3,591,606,082	1,219,695,209	1,730,962,368
Financial assets measured at fair value					
through profit or loss		93,931,001	-	6,425	-
Short-term investments		-	155,766,423	-	-
Trade and other receivables, net	12	52,299,091	287,832,325	84,647	111,535
Inventories	14	175,761,742	302,509,264	-	-
Amounts due from related parties	30	459,390,818	307,655,316	127,808,945	25,611,388
Other current assets	15	364,361,745	481,265,214	29,656,909	22,757,442
Total current assets		3,638,401,395	5,126,634,624	1,377,252,135	1,779,442,733
Non-current assets					
Restricted bank deposits		26,834,040	36,801,408	-	-
Investments in an associate and joint ventures	16	91,973,508	257,155,560	-	-
Investments in subsidiaries	17	-	-	16,835,649,210	19,065,876,905
Long-term loans to related parties	30	1,862,713,313	1,501,628,823	3,252,692,162	938,965,871
Investments properties	18	804,683,432	568,080,273	-	-
Property, plant and equipment, net	19	19,288,734,353	18,768,597,762	4,082,954	3,425,322
Goodwill	20	1,022,917,068	1,111,701,701	-	-
Intangible assets, net		87,911,594	97,280,615	4,182,457	3,861,000
Leasehold rights		-	1,620,040,373	-	-
Deferred income tax assets	21	38,541,155	36,748,694	947,604	326,639
Lease receivable from a related party, net		218,778,673	-	-	-
Other non-current assets		35,779,951	36,974,142	5,673,395	4,387,304
Total non-current assets		23,478,867,087	24,035,009,351	20,103,227,782	20,016,843,041
Total assets		27,117,268,482	29,161,643,975	21,480,479,917	21,796,285,774

The notes to the consolidated and separate financial statements are an integral part of these financial statements.

S HOTELS AND RESORTS PUBLIC COMPANY LIMITED

Statement of Financial Position

As at 31 December 2020

	Notes	Consolidated financial statements		Separate financial statements	
		2020	2019	2020	2019
		Baht	Baht	Baht	Baht
Liabilities and equity					
Current liabilities					
Short-term borrowings from financial institutions		129,605,426	-	-	-
Trade and other payables	22	587,284,843	1,714,059,830	20,552,065	74,844,113
Amounts due to related parties	30	47,125,589	224,984,949	29,175,008	9,013,729
Current portion of long-term borrowings, net	23	2,628,923,371	382,101,159	324,477,342	-
Income tax payable		17,599,318	4,775,057	-	-
Current portion of lease liabilities, net		25,980,602	-	982,217	-
Retention payables		243,057,380	242,066,666	-	-
Other current liabilities		39,557,662	338,996,330	1,851,225	3,043,061
Total current liabilities		3,719,134,191	2,906,983,991	377,037,857	86,900,903
Non-current liabilities					
Long-term borrowings, net	23	5,724,464,622	7,465,419,033	324,618,724	648,551,921
Derivatives liabilities		35,617,437	-	-	-
Lease liabilities, net		1,107,660,825	-	1,085,085	-
Deferred income tax liabilities	21	743,720,310	806,386,886	-	-
Employee benefits obligations		36,580,763	41,656,155	7,294,421	5,685,762
Other non-current liabilities		74,153,329	18,413,165	-	-
Total non-current liabilities		7,722,197,286	8,331,875,239	332,998,230	654,237,683
Total liabilities		11,441,331,477	11,238,859,230	710,036,087	741,138,586

The notes to the consolidated and separate financial statements are an integral part of these financial statements.

S HOTELS AND RESORTS PUBLIC COMPANY LIMITED

Statement of Financial Position

As at 31 December 2020

	Notes	Consolidated		Separate	
		financial statements		financial statements	
		2020	2019	2020	2019
		Baht	Baht	Baht	Baht
Liabilities and equity (Cont'd)					
Equity					
Share capital	24				
Authorised share capital					
Ordinary shares 3,663,640,000 shares					
at par value of Baht 5 each		18,318,200,000	18,318,200,000	18,318,200,000	18,318,200,000
Issued and paid-up share capital					
Ordinary shares 3,593,640,000 shares					
at paid-up of Baht 5 each		17,968,200,000	17,968,200,000	17,968,200,000	17,968,200,000
Premium on share capital	24	3,335,183,869	3,335,183,869	3,335,183,869	3,335,183,869
Discount from business transferred					
under common control		(2,119,140,909)	(2,119,140,909)	-	-
Share-based payment	29	30,741,538	4,733,108	30,741,538	4,733,108
Deficits					
Unappropriated		(2,480,377,794)	(110,710,785)	(563,681,577)	(252,969,789)
Other components of equity		(1,058,669,699)	(1,155,480,538)	-	-
Total equity		15,675,937,005	17,922,784,745	20,770,443,830	21,055,147,188
Total liabilities and equity		27,117,268,482	29,161,643,975	21,480,479,917	21,796,285,774

The notes to the consolidated and separate financial statements are an integral part of these financial statements.

S HOTELS AND RESORTS PUBLIC COMPANY LIMITED

Statement of Comprehensive Income
For the year ended 31 December 2020

	Notes	Consolidated financial statements		Separate financial statements	
		2020	2019	2020	2019
		Baht	Baht	Baht	Baht
Revenue from services		1,562,902,607	3,818,111,757	15,442,078	24,594,070
Costs of services		(1,668,308,904)	(2,490,412,820)	(23,947,942)	(15,563,660)
Gross profit		(105,406,297)	1,327,698,937	(8,505,864)	9,030,410
Other income	25	652,779,147	199,786,086	65,723,123	24,756,906
Selling expenses		(171,490,063)	(366,298,697)	(5,383,578)	(12,223,562)
Administrative expenses		(2,200,753,111)	(1,083,805,620)	(341,513,441)	(107,232,319)
Finance costs (interest expenses)		(377,445,393)	(424,646,986)	(21,652,993)	(177,991,246)
Share of profit (loss) from an associate and joint ventures		(172,101,637)	20,246,757	-	-
Loss before income taxes		(2,374,417,354)	(327,019,523)	(311,332,753)	(263,659,811)
Income tax expenses	27	3,747,670	(139,834,862)	620,965	(10,625,893)
Loss for the year		(2,370,669,684)	(466,854,385)	(310,711,788)	(274,285,704)
Other comprehensive income (expense), net of taxes					
Items that will not be reclassified to profit or loss					
- Acturaial gains, net of taxes		930,203	-	-	-
Total items that will be reclassified to profit or loss, net of taxes		930,203	-	-	-
Items that will be reclassified subsequently to profit or loss					
- Cash flow hedges		(30,618,958)	-	-	-
- Change in value of available-for-sale investments		-	(103,684)	-	-
- Currency translation differences		127,158,133	(865,403,984)	-	-
- Income tax relating to items that will be reclassified		4,592,844	20,737	-	-
Total items that will be reclassified to profit or loss, net of taxes		101,132,019	(865,486,931)	-	-
Other comprehensive income (expense) for the year, net of taxes		102,062,222	(865,486,931)	-	-
Total comprehensive expense for the year		(2,268,607,462)	(1,332,341,316)	(310,711,788)	(274,285,704)

The notes to the consolidated and separate financial statements are an integral part of these financial statements.

S HOTELS AND RESORTS PUBLIC COMPANY LIMITEDStatement of Comprehensive Income
For the year ended 31 December 2020

	Note	Consolidated		Separate	
		financial statements		financial statements	
		2020	2019	2020	2019
		Baht	Baht	Baht	Baht
Loss attributable to:					
Owners of the parent		(2,370,669,684)	(466,854,385)	(310,711,788)	(274,285,704)
Non-controlling interests		-	-	-	-
		<u>(2,370,669,684)</u>	<u>(466,854,385)</u>	<u>(310,711,788)</u>	<u>(274,285,704)</u>
Total comprehensive expense					
attributable to:					
Owners of the parent		(2,268,607,462)	(1,332,341,316)	(310,711,788)	(274,285,704)
Non-controlling interests		-	-	-	-
		<u>(2,268,607,462)</u>	<u>(1,332,341,316)</u>	<u>(310,711,788)</u>	<u>(274,285,704)</u>
Loss per share					
Basic loss per share	28	(0.66)	(0.20)	(0.09)	(0.12)

The notes to the consolidated and separate financial statements are an integral part of these financial statements.

SHOTELS AND RESORTS PUBLIC COMPANY LIMITED

Statement of Changes in Equity

For the year ended 31 December 2020

Consolidated financial statements																										
		Attributed to owners of the parent																								
Notes		Other components of equity																								
		Fair value						Currency																		
		Issued and paid-up share capital		Premium on share capital		Discount from business transferred under common control		Share-based payment		Retained earnings (deficits) Unappropriated		Fair value reserve of available-for-sale investments		Cash flow hedge		Translation differences		Total other components of equity		Equity attributable to owner of the parent		Non-controlling interests		Total equity		
Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht
	Opening balance as at 1 January 2020	17,968,200,000	3,335,183,869	(2,119,140,909)	4,733,108	(110,710,785)	72,472	-	(1,155,553,010)	(1,155,480,538)	17,922,784,745	-	17,922,784,745													
	- previously reported																									
	Retrospective adjustments from changes in accounting policy	-	-	-	-	72,472	(72,472)	(4,248,708)	-	(4,321,180)	(4,248,708)	-	(4,248,708)													
5	Opening balance as at 1 January 2020	17,968,200,000	3,335,183,869	(2,119,140,909)	4,733,108	(110,638,313)	-	(4,248,708)	(1,155,553,010)	(1,159,801,718)	17,918,536,037	-	17,918,536,037													
	- restated																									
	Share-based payment	-	-	-	26,008,430	-	-	-	-	-	26,008,430	-	26,008,430													
29	Total comprehensive income (expense) for the year	-	-	-	-	(2,369,739,481)	-	(26,026,114)	127,158,133	101,132,019	(2,268,607,462)	-	(2,268,607,462)													
	Closing balance as at 31 December 2020	17,968,200,000	3,335,183,869	(2,119,140,909)	30,741,538	(2,480,377,794)	-	(30,274,822)	(1,028,394,877)	(1,058,669,699)	15,675,937,005	-	15,675,937,005													
	Opening balance as at 1 January 2019	10,780,920,000	3,255,790,774	(2,119,140,909)	-	356,143,600	155,419	-	(290,149,026)	(289,993,607)	11,983,719,858	-	11,983,719,858													
	Increase of share capital	7,187,280,000	79,393,095	-	-	-	-	-	-	-	7,266,673,095	-	7,266,673,095													
24	Share-based payment	-	-	-	4,733,108	-	-	-	-	-	4,733,108	-	4,733,108													
29	Total comprehensive expense for the year	-	-	-	-	(466,854,385)	(82,947)	-	(865,403,984)	(865,486,931)	(1,332,341,316)	-	(1,332,341,316)													
	Closing balance as at 31 December 2019	17,968,200,000	3,335,183,869	(2,119,140,909)	4,733,108	(110,710,785)	72,472	-	(1,155,553,010)	(1,155,480,538)	17,922,784,745	-	17,922,784,745													

The notes to the consolidated and separate financial statements are an integral part of these financial statements.

S HOTELS AND RESORTS PUBLIC COMPANY LIMITED

Statement of Changes in Equity

For the year ended 31 December 2020

Separate financial statements					
Notes	Issued and paid-up share capital	Premium on share capital	Share-based payment	Retained earnings (deficits) Unappropriated	Total equity
	Baht	Baht	Baht	Baht	Baht
Opening balance as at 1 January 2020	17,968,200,000	3,335,183,869	4,733,108	(252,969,789)	21,055,147,188
Share-based payment	29 -	-	26,008,430	-	26,008,430
Total comprehensive expense for the year	-	-	-	(310,711,788)	(310,711,788)
Closing balance as at 31 December 2020	<u>17,968,200,000</u>	<u>3,335,183,869</u>	<u>30,741,538</u>	<u>(563,681,577)</u>	<u>20,770,443,830</u>
Opening balance as at 1 January 2019	10,780,920,000	3,255,790,774	-	21,315,915	14,058,026,689
Increase of share capital	24 7,187,280,000	79,393,095	-	-	7,266,673,095
Share-based payment	29 -	-	4,733,108	-	4,733,108
Total comprehensive expense for the year	-	-	-	(274,285,704)	(274,285,704)
Closing balance as at 31 December 2019	<u>17,968,200,000</u>	<u>3,335,183,869</u>	<u>4,733,108</u>	<u>(252,969,789)</u>	<u>21,055,147,188</u>

The notes to the consolidated and separate financial statements are an integral part of these financial statements.

S HOTELS AND RESORTS PUBLIC COMPANY LIMITED

Statement of Cash Flows

For the year ended 31 December 2020

	Notes	Consolidated		Separate	
		financial statements		financial statements	
		2020	2019	2020	2019
		Baht	Baht	Baht	Baht
Cash flows from operating activities					
Loss for the year before income taxes		(2,374,417,354)	(327,019,523)	(311,332,753)	(263,659,811)
Adjustment to reconcile net loss for					
cash receipts (payments) from operations					
Depreciation and amortisation expenses		985,747,610	675,903,046	1,630,152	351,870
Allowance for doubtful accounts and write-off of receivables		93,143,069	2,780,445	-	-
Loss from write-off inventories		75,208,866	-	-	-
Loss from fair value adjustment for investment properties		87,548,030	-	-	-
Gain from disposal of short-term investments		(368,548)	(2,151,095)	(6,371)	-
Gain from sale of investment in subsidiary	25	(333,092,728)	-	-	-
Share-based payment		7,690,483	6,587,374	7,337,542	4,316,216
Employee benefits obligations		17,953,687	11,089,747	1,608,659	1,335,363
Gain from disposal of right-of-use of assets		(96,543,003)	-	-	-
Loss from impairment of assets and goodwill		567,878,297	-	-	-
Loss from write-off and disposals of assets		13,449,674	13,179,555	1,710,000	-
Share of (profit) loss from investment in an associate and joint ventures		172,101,637	(20,246,757)	-	-
Unrealised loss on exchange rate		75,432,345	38,845,409	11,594,025	10,065,169
Realised loss on exchange rate from restructure		-	-	187,806,220	-
Losses (Gains) from fair value of financial assets		1,869,713	-	(54)	-
Interest income	25	(144,146,856)	(119,912,758)	(59,782,108)	(24,441,662)
Financial costs		377,445,393	424,646,986	21,652,993	177,991,246
Cash flows before changes in working capital		(473,099,685)	703,702,429	(137,781,695)	(94,041,609)
Changes in working capital					
Trade and other receivables		152,271,607	(64,542,065)	(7,133,964)	(111,525)
Amounts due from related parties		5,829,369	(49,510,722)	21,294,885	(9,196,617)
Inventories		51,538,656	38,528,507	-	-
Other current assets		58,907,525	(186,272,185)	(6,926,100)	(14,786,050)
Other non-current assets		26,592,258	136,518,850	54,506	(815,654)
Trade and other payables		(457,967,524)	362,895,992	(54,021,452)	47,859,749
Amounts due to related parties		(179,344,062)	(148,802,187)	14,815,953	(105,240,455)
Retention payables		990,714	40,319,568	-	-
Other current liabilities		(96,385,816)	107,956,243	(1,191,836)	2,588,775
Other non-current liabilities		(64,919)	(1,189,873)	-	-
Cash generated from (used in) operating activities		(910,731,877)	939,604,557	(170,889,703)	(173,743,386)
Employee benefits paid		(22,387,071)	(3,285,294)	-	(1,941)
Interest paid		(249,975,082)	(460,043,807)	(21,286,712)	(212,590,722)
Income tax paid		(33,653,433)	(93,956,536)	(1,340,598)	(8,451,341)
Net cash generated from (used in) operating activities		(1,216,747,463)	382,318,920	(193,517,013)	(394,787,390)

The notes to the consolidated and separate financial statements are an integral part of these financial statements.

S HOTELS AND RESORTS PUBLIC COMPANY LIMITED

Statement of Cash Flows

For the year ended 31 December 2020

	Notes	Consolidated financial statements		Separate financial statements	
		2020	2019	2020	2019
		Baht	Baht	Baht	Baht
Cash flows from investing activities					
Cash payments for purchase short-term investments		(452,100,000)	(916,000,000)	(60,000,000)	-
Cash receipts from disposal of short-term investments		505,300,346	822,866,558	60,000,000	-
Cash payments for short-term loans to related party		-	-	-	(21,900,000)
Cash receipts from short-term loans to related party		-	-	-	21,900,000
Cash payments for long-term loans to related parties	30	(318,997,700)	-	(2,318,200,672)	(650,000,000)
Cash receipts from disposal of investment in subsidiary		119,229,528	-	-	-
Cash payments for expenses relating to disposal of investment in subsidiary		(46,163,575)	-	-	-
Cash receipts for long-term loans to related party	30	-	-	-	116,000,000
Cash payments for purchase property, plant and equipment		(569,146,566)	(3,806,177,250)	(1,082,999)	(3,777,192)
Cash receipts from disposal of right-of-use of assets and property, plant and equipment		249,882,386	-	-	-
Cash payments for purchase leasehold rights		-	(2,753,296)	-	-
Cash payments for purchase intangible assets		(2,686,464)	(39,569,631)	(321,457)	(3,861,000)
Cash payments for investments in subsidiary		-	-	(4,999,925)	-
Cash receipts from capital reduction of subsidiary		-	-	1,981,650,000	-
Cash receipts from interest income		15,981,260	9,509,372	26,145,759	38,344,375
Cash receipts from dividend from an associate		-	31,882,240	-	-
Net cash used in investing activities		(498,700,785)	(3,900,242,007)	(316,809,294)	(503,293,817)
Cash flows from financing activities					
Cash receipts from short-term borrowings from related party		-	62,000,000	-	162,000,000
Repayments of short-term borrowings from related party		-	(5,357,830,000)	-	(5,457,830,000)
Cash receipts from short-term borrowings from financial institutions		129,605,426	-	-	-
Cash receipts from long-term borrowings from financial institutions		572,369,175	4,149,013,715	-	648,375,000
Repayments of long-term borrowings from financial institutions		(93,644,442)	(865,752,485)	-	-
Repayment of principal of lease agreement		(39,762,390)	-	(940,852)	-
Cash receipts from increase of share capital of the Company		-	7,275,497,979	-	7,275,497,979
Net cash generated from (used in) financing activities		568,567,769	5,262,929,209	(940,852)	2,628,042,979
Net increase (decrease) in cash and cash equivalents		(1,146,880,479)	1,745,006,122	(511,267,159)	1,729,961,772
Gain (loss) on exchange rate on cash and cash equivalents		47,931,395	(46,303,865)	-	-
Cash and cash equivalents at beginning of the year		3,591,606,082	1,892,903,825	1,730,962,368	1,000,596
Cash and cash equivalents at ending of the year		2,492,656,998	3,591,606,082	1,219,695,209	1,730,962,368

The notes to the consolidated and separate financial statements are an integral part of these financial statements.

S HOTELS AND RESORTS PUBLIC COMPANY LIMITED

Statement of Cash Flows

For the year ended 31 December 2020

	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
	Baht	Baht	Baht	Baht
Non-cash transactions				
Material non-cash transaction as of 31 December as follows:				
Trade and other payables from purchase of property, plant and equipment	98,649,884	767,245,714	-	-
Property, plant and equipment arising from lease agreement	26,889,772	-	-	-
Receivables arising from disposal of right-of-use assets and property, plant and equipment	216,726,457	-	-	-
Amounts due from a related party from share capital deduction	-	-	60,074,200	-

The notes to the consolidated and separate financial statements are an integral part of these financial statements.

NOTES TO FINANCIAL STATEMENTS

S HOTELS AND RESORTS PUBLIC COMPANY LIMITED

Notes to financial statements
For the year ended 31 December 2020



S HOTELS AND RESORTS PUBLIC COMPANY LIMITED

Notes to the Consolidated and Separate Financial Statements
For the year ended 31 December 2020

1 General information

S Hotels and Resorts Public Company Limited (the Company) is a public limited company, which is listed on the Stock Exchange of Thailand and incorporated in Thailand. The address of the Company's registered office is as follows:

123 Sun Towers Building B, 10th floor, Vibhavadi-Rangsit Road, Chom Phon, Chatuchak, Bangkok 10900.

The principal business operations of the Company and its subsidiaries (the Group) are engaged in investment, hospitality business and related businesses in Thailand and overseas.

These consolidated and separate financial statements was authorised by the Board of Directors on 23 February 2021.

2 Significant events during the current year

Coronavirus Disease 2019 outbreak

The outbreak of Coronavirus Disease 2019 ("COVID-19") in early 2020 has adverse effects on operating results for the year ended 31 December 2020 particularly on the hotel businesses, the principal business.

The global COVID-19 outbreak initiated government-imposed travelling restrictions and controls as well as upended the normal way of living and economic activities. As a result, operating profit / revenue significantly dropped by comparing to 2019. This is due to temporary operational closures from April to June 2020 from travel restrictions and preventive measures previously suspended and currently diminished domestic and international travels. In response, the Group offered various marketing activities and promotions such as room and food and beverage discount to attract customers. The management expects all countries where the Group operates its business will open borders for international tourists on the second half of 2021. As a result, the Group's performance will recover to the normal level in 2022.

3 Basis of preparation

The consolidated and separate financial statements have been prepared in accordance with Thai Financial Reporting Standards ("TFRSs") and the financial reporting requirements issued under the Securities and Exchange Act.

The consolidated and separate financial statements have been prepared under the historical cost convention except as which is explained in the relevant accounting policies.

The preparation of financial statements in conformity with TFRSs requires management to use certain critical accounting estimates and to exercise its judgement in applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas that are more likely to be materially adjusted due to changes in estimates and assumptions are disclosed in Note 9.

An English version of the consolidated and separate financial statements have been prepared from the statutory financial statements that are in the Thai language. In the event of a conflict or a difference in interpretation between the two languages, the Thai language statutory financial statements shall prevail.

4 New and amended financial reporting standards

4.1 New and amended financial reporting standards that are effective for accounting period beginning on or after 1 January 2020 and have significant impacts to the Group

a) Financial instruments

The new financial standards related to financial instruments are as follows:

TAS 32	Financial instruments: Presentation
TFRS 7	Financial instruments: Disclosures
TFRS 9	Financial instruments
TFRIC 16	Hedges of a net investment in a foreign operation
TFRIC 19	Extinguishing financial liabilities with equity instruments

S HOTELS AND RESORTS PUBLIC COMPANY LIMITED

Notes to the Consolidated and Separate Financial Statements
For the year ended 31 December 2020

4 New and amended financial reporting standards**4.1 New and amended financial reporting standards that are effective for accounting period beginning on or after 1 January 2020 and have significant impacts to the Group (Cont'd)****a) Financial instruments (Cont'd)**

The new financial reporting standards related to financial instruments introduce new classification and measurement requirements for financial instruments as well as provide derecognition guidance on financial assets and financial liabilities. The new guidance also provides an option for the Group to apply hedge accounting to reduce accounting mismatch between hedged item and hedging instrument. In addition, the new rule provides detailed guidance on financial instruments issued by the Group whether it is a liability or an equity. Among other things, they require extensive disclosure on financial instruments and related risks.

The new classification requirements of financial assets require the Group to assess both i) business model for holding the financial assets; and ii) cash flow characteristics of the asset whether the contractual cash flows represent solely payments of principal and interest (SPPI). The classification affects the financial assets measurement. The new guidance requires assessment of impairment of financial assets as well as contract assets and recognition of expected credit loss from initial recognition.

On 1 January 2020, the Group has adopted the financial reporting standards related to financial instruments in its financial statements. The impact from the first-time adoption has been disclosed in Note 5.

b) TFRS 16, Leases

Where the Group is a lessee, TFRS 16, Leases will result in almost all leases being recognised on the statement of financial position as the distinction between operating and finance leases is removed. A right-of-use assets and a lease liability will be recognised, with exception on short-term and low-value leases.

On 1 January 2020, the Group has adopted the new lease standard in its financial statements. The impact from the first-time adoption has been disclosed in Note 5.

4.2 New and amended financial reporting standards that are effective for accounting period beginning or after 1 January 2021 and have significant impacts to the Group

Certain amended financial reporting standards have been issued that are not mandatory for current reporting period and have not been early adopted by the Group.

a) Revised Conceptual Framework for Financial Reporting added the following key principals and guidance:

- Measurement basis, including factors in considering difference measurement basis
- Presentation and disclosure, including classification of income and expenses in other comprehensive income
- Definition of a reporting entity, which may be a legal entity, or a portion of an entity
- Derecognition of assets and liabilities

The amendment also includes the revision to the definition of an asset and liability in the financial statements, and clarification to the prominence of stewardship in the objective of financial reporting.

b) Amendment to TFRS 3, Business combinations amended the definition of a business which requires an acquisition to include an input and a substantive process that together significantly contribute to the ability to create outputs. The definition of the term 'outputs' is amended to focus on goods and services provided to customers and to exclude returns in the form of lower costs and other economic benefits.**c) Amendment to TFRS 9, Financial instruments and TFRS 7, Financial instruments: disclosures** amended to provide relief from applying specific hedge accounting requirements to the uncertainty arising from interest rate benchmark reform such as IBOR. The amendment also requires disclosure of hedging relationships directly affected by the uncertainty.**d) Amendment to TAS 1, Presentation of financial statements and TAS 8, Accounting policies, changes in accounting estimates and errors** amended to definition of materiality. The amendment allows for a consistent definition of materiality throughout the Thai Financial Reporting Standards and the Conceptual Framework for Financial Reporting. It also clarified when information is material and incorporates some of the guidance in TAS 1 about immaterial information.

The Group's management is currently assessing the impact of adoption of this standard.

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4 New and amended financial reporting standards (Cont'd)

4.3 Amended financial reporting standards that are effective for accounting period beginning or after 1 January 2022 and have significant impacts to the Group

Amendment to TFRS 16, Leases amended to include a practical expedient for leases that are modified as a direct consequence of IBOR reform (e.g. replacement of THBFIX as a benchmark interest rate due to the cancellation of LIBOR) for lessee to remeasure the lease liability by discounting the revised lease payments using a discount rate that reflects the change in the interest rate. An early application of the amendment is permitted.

The Group's management is currently assessing the impact of adoption of this standard.

5 Impacts from initial application of the new and revised financial reporting standards

Since 1 January 2020, the Group has adopted financial reporting standards relating to Financial instruments (TAS 32, TFRS 7 and TFRS 9) and leases standard (TFRS 16), but has not restated comparatives for the 2019 reporting period, as permitted in the standards. The reclassifications and adjustments arising from the new requirements are therefore recognised in the opening statement of financial position on 1 January 2020.

The following table shows the adjustments made to the amounts recognised in each line item in the statement of financial position upon adoption of the financial reporting standards relate to financial instruments (TAS 32 and TFRS 9) and leases standard (TFRS 16):

		Consolidated financial statements			
Statement of Financial Position	Notes	As at 31 December 2019 Previously reported	TAS 32 and TFRS 9 Reclassifications and adjustments	TFRS 16 Reclassifications and adjustments	As at 1 January 2020 Restated
		Baht	Baht	Baht	Baht
Assets					
Current assets					
Financial assets measured at fair value through profit or loss	5.1	-	155,766,423	-	155,766,423
Short-term investments	5.1	155,766,423	(155,766,423)	-	-
Other current assets	5.1	481,265,214	-	(55,142,085)	426,123,129
Total current assets		637,031,637	-	(55,142,085)	581,889,552
Non-current assets					
Property, plant and equipment, net	5.2	18,768,597,762	-	2,696,459,264	21,465,057,026
Leasehold right	5.2	1,620,040,373	-	(1,620,040,373)	-
Deferred income tax assets ⁽¹⁾	5.1	36,748,694	749,772	-	37,498,466
Total non-current assets		20,425,386,829	749,772	1,076,418,891	21,502,555,492
Total assets affected		21,062,418,466	749,772	1,021,276,806	22,084,445,044
Liabilities and equity					
Current liabilities					
Other current liabilities	5.2	338,996,330	-	(67,783,677)	271,212,653
Current portion of lease liabilities	5.2	-	-	8,368,427	8,368,427
Total current liabilities		338,996,330	-	(59,415,250)	279,581,080
Non-current liabilities					
Derivative liabilities	5.1	-	4,998,480	-	4,998,480
Lease liabilities, net	5.2	-	-	1,080,692,056	1,080,692,056
Total non-current liabilities		-	4,998,480	1,080,692,056	1,085,690,536
Total liabilities affected		338,996,330	4,998,480	1,021,276,806	1,365,271,616

⁽¹⁾ Impacts from initial application of the new financial reporting standards.

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5 Impacts from initial application of the new and revised financial reporting standards (Cont'd)

The impact of first-time adoption of new financial reporting standards on the consolidated and separate statements of financial position are as follows (Cont'd) :

		Consolidated financial statements			
Statement of Financial Position	Note	As at 31 December 2019 Previously reported	TAS 32 and TFRS 9 Reclassifications and adjustments	TFRS 16 Reclassifications and adjustments	As at 1 January 2020 Restated
		Baht	Baht	Baht	Baht
Equity					
Retained earnings (deficits)					
Unappropriated	5.1	(110,710,785)	72,472	-	(110,638,313)
Other components of equity	5.1	(1,155,480,538)	-	-	(1,155,480,538)
- Remeasurements of available-for-sale financial asset	5.1	-	(72,472)	-	(72,472)
- Cash flow hedge	5.1	-	(4,248,708)	-	(4,248,708)
Total equity		(1,266,191,323)	(4,248,708)	-	(1,270,440,031)
Total liabilities and equity affected		(927,194,993)	749,772	1,021,276,806	94,831,585
		Separate financial statements			
Statement of Financial Position	Note	As at 31 December 2019 Previously reported	TAS 32 and TFRS 9 Reclassifications and adjustments	TFRS 16 Reclassifications and adjustments	As at 1 January 2020 Restated
		Baht	Baht	Baht	Baht
Assets					
Property, plant and equipment, net	5.2	3,425,322	-	2,914,784	6,340,106
Total non-current assets		3,425,322	-	2,914,784	6,340,106
Total assets affected		3,425,322	-	2,914,784	6,340,106
Liabilities and equity					
Current liabilities					
Current portion of lease liabilities	5.2	-	-	945,831	945,831
Total current liabilities		-	-	945,831	945,831
Non-current liabilities					
Lease liabilities, net	5.2	-	-	1,968,953	1,968,953
Total non-current liabilities		-	-	1,968,953	1,968,953
Total liabilities affected		-	-	2,914,784	2,914,784
Equity		-	-	-	-
Total liabilities and equity affected		-	-	2,914,784	2,914,784

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5 Impacts from initial application of the new and revised financial reporting standards (Cont'd)

5.1 Financial instruments

On 1 January 2020 (the date of initial application), the management has assessed which business models apply to the financial assets and financial liabilities, and has classified its financial instruments into the appropriate TFRS 9 categories below.

5.1.1 Reclassification from available-for-sale to financial assets at fair value through profit or loss (FVPL)

Certain investments in preference shares as at 1 January 2020, the Group classified available-for-sale investment to investment measured at FVPL of Baht 156 million since their cash flows do not represent solely payments of principal and interest (SPPI).

Related fair value gains of Baht 0.07 million were transferred from the other comprehensive income to retained earnings on 1 January 2020.

5.1.2 Recognition of derivative at fair value through profit or loss

As of 1 January 2020, the Group recognised derivatives at their fair values with a corresponding adjustment to opening retained earnings of Baht 4.25 million. During the year 2020, the fair value losses of Baht 26.03 million were recognised under other comprehensive income in consolidated financial statement.

5.1.3 Reclassifications of financial instruments on adoption of TFRS 9

On 1 January 2020, the date of initial application of TFRS 9, the measurement categories and carrying amounts of financial assets and financial liabilities were as follows.

Consolidated financial statements					
Measurement categories			Carrying amounts		
	Previously reported (TAS 105 and other TAS)	New (TFRS 9)	Previously reported Baht	New Baht	Difference Baht
Current financial assets					
Cash and cash equivalents	Amortised cost	Amortised cost	3,591,606,082	3,591,606,082	-
Financial assets at fair value through profit or loss (Short-term investments)	Fair value	FVPL	155,766,423	155,766,423	-
Trade and other receivables, net	Amortised cost	Amortised cost	287,832,325	287,832,325	-
Amounts due from related parties	Amortised cost	Amortised cost	307,655,316	307,655,316	-
Other current assets	Amortised cost	Amortised cost	28,181,315	28,181,315	-
Non-current financial assets					
Restricted bank deposits	Amortised cost	Amortised cost	36,801,408	36,801,408	-
Long-term loans to related parties	Amortised cost	Amortised cost	1,501,628,823	1,501,628,823	-
Other non-current assets	Amortised cost	Amortised cost	36,974,142	36,974,142	-
Current financial liabilities					
Trade and other payables	Amortised cost	Amortised cost	1,714,059,830	1,714,059,830	-
Amounts due from related parties	Amortised cost	Amortised cost	224,984,949	224,984,949	-
Current portion of long-term borrowings	Amortised cost	Amortised cost	382,101,159	382,101,159	-
Current portion of lease liabilities, net	Amortised cost	Amortised cost	8,368,427	8,368,427	-
Retention payables	Amortised cost	Amortised cost	242,066,666	242,066,666	-
Other current liabilities	Amortised cost	Amortised cost	5,358,102	5,358,102	-
Non-current financial liabilities					
Long-term borrowings, net	Amortised cost	Amortised cost	7,465,419,033	7,465,419,033	-
Lease liabilities, net	Amortised cost	Amortised cost	1,080,692,056	1,080,692,056	-
Derivative liabilities	Unrecognised	FVPL	-	4,998,480	4,998,480
Other non-current liabilities	Amortised cost	Amortised cost	18,413,165	18,413,165	-

Note : FVPL = Fair value through profit or loss

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Notes to the Consolidated and Separate Financial Statements
For the year ended 31 December 2020

5 Impacts from initial application of the new and revised financial reporting standards (Cont'd)**5.1 Financial instruments (Cont'd)****5.1.3 Reclassifications of financial instruments on adoption of TFRS 9 (Cont'd)**

On 1 January 2020, the date of initial application of TFRS 9, the measurement categories and carrying amounts of financial assets and financial liabilities were as follows. (Cont'd)

	Separate financial statements				
	Measurement categories		Carrying amounts		
	Previously reported (TAS 105 and other TAS)	New (TFRS 9)	Previously reported Baht	New Baht	Difference Baht
Current financial assets					
Cash and cash equivalents	Amortised cost	Amortised cost	1,730,962,368	1,730,962,368	-
Trade and other receivables, net	Amortised cost	Amortised cost	111,535	111,535	-
Amounts due from related parties	Amortised cost	Amortised cost	25,611,388	25,611,388	-
Non-current financial assets					
Long-term loans to related parties	Amortised cost	Amortised cost	938,965,871	938,965,871	-
Other non-current assets	Amortised cost	Amortised cost	815,760	815,760	-
Current financial liabilities					
Trade and other payables	Amortised cost	Amortised cost	74,844,113	74,844,113	-
Amount due from related parties	Amortised cost	Amortised cost	9,013,729	9,013,729	-
Current portion of lease liabilities, net	Amortised cost	Amortised cost	1,968,953	1,968,953	-
Non-current financial liabilities					
Long-term borrowings, net	Amortised cost	Amortised cost	648,551,921	648,551,921	-
Lease liabilities, net	Amortised cost	Amortised cost	945,831	945,831	-

5.1.4 Impairment of financial assets

The Group and the Company have following financial assets that are subject to the expected credit loss model:

- Cash and cash equivalents
- Trade and other receivables
- Loans to related parties

The Group was required to revise its impairment methodology under TFRS 9. The Management has assessed expected credit loss using the expected credit loss model to the financial assets as mentioned above. However, the impact was immaterial.

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Notes to the Consolidated and Separate Financial Statements

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5 Impacts from initial application of the new and revised financial reporting standards (Cont'd)

5.1 Financial instruments (Cont'd)

5.1.5 Derivatives and hedging activities

Before 1 January 2020 the Group and the Company did not recognise derivatives as assets or liabilities in the financial statements. The derivative contracts and related fair values were disclosed in the note.

The Group recognises adjustments of the fair value of the derivatives in cash flow hedges reserve and retained earnings as follows.

	Consolidated financial statements
	Cash flow hedges reserve
	Baht
As of 1 January 2020	
Non-current liabilities	
Interest rate swaps - cash flow hedges	4,998,480
Total derivative liabilities - non-current	4,998,480
As at 31 December 2020	
Non-current liabilities	
Interest rate swaps - cash flow hedges	35,617,437
Total derivative liabilities - non-current	35,617,437

Hedging reserve

The Group's reserves disclosed comprises the hedging instruments:

	Consolidated financial statements	
	Cash flow hedge reserves	
	Interest rate swaps	Total hedge
	Baht	reserves
	Baht	Baht
Opening balance 1 January 2020 - as restated	(4,248,708)	(4,248,708)
Add: Costs of hedging deferred and recognised in OCI	(30,618,958)	(30,618,958)
Less: Deferred income tax	4,592,844	4,592,844
Closing balance 31 December 2020	(30,274,822)	(30,274,822)

5.2 Leases

On adoption of TFRS 16, the Group recognised lease liabilities in relation to leases which had previously been classified as 'operating leases' under the principles of TAS 17 Leases for leases of land, buildings and equipments with lease terms more than 12 months. These liabilities were measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate as of 1 January 2020. The weighted average lessee's incremental borrowing rate applied to the lease liabilities on 1 January 2020 ranging from 3% to 6%.

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5 Impacts from initial application of the new and revised financial reporting standards (Cont'd)**5.2 Leases (Cont'd)**

The associated right-of-use assets were measured at the amount equal to the lease liability in which the incremental borrowing rate for the remaining lease terms on 1 January 2020, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the statement of financial position as at 31 December 2020.

	Consolidated financial statement Baht	Separate financial statement Baht
Operating lease commitments disclosed as at 31 December 2019	2,832,252,802	12,127,680
Less : Discounted using the lessee's incremental borrowing rate of at the date of initial application	(1,899,845,400)	(170,816)
Less : Short-term leases recognised on a straight-line basis as expense	(1,371,115)	(413,000)
Less : Low-value leases recognised on a straight-line basis as expense	(1,925,612)	-
Less : Contracts reassessed as service agreements / service portion included in leases	(16,041,648)	(8,715,680)
Add : Adjustments as a result of a different treatment of extension and termination options	175,991,456	86,600
Lease liability as at 1 January 2020	1,089,060,483	2,914,784
Current lease liabilities	8,368,427	945,831
Non-current lease liabilities	1,080,692,056	1,968,953
Total lease liability recognised as at 1 January 2020	1,089,060,483	2,914,784

6 Accounting policies**6.1 Principles of consolidation and equity accounting****a) Subsidiaries**

Subsidiaries are all entities over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group till the date that control ceases. In the separate financial statements, investments in subsidiaries are accounted for using cost.

b) Associates

Associates are all entities over which the Group has significant influence but not control or joint control. In the consolidated financial statements, investments in associates are accounted for using the equity method. In the separate financial statements, investments in associates are accounted for using cost.

c) Joint ventures

A joint venture is a joint arrangement whereby the Group has rights to the net assets of the arrangement. In the consolidated financial statements, interests in joint ventures are accounted for using the equity method. In the separate financial statements, investments in joint ventures are accounted for using cost.

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Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2020

6 Accounting policies (Cont'd)

6.1 Principles of consolidation and equity accounting (Cont'd)

d) Equity method

The investment is initially recognised at cost which is consideration paid and directly attributable costs.

The Group's subsequently recognises shares of its associates and joint ventures' profits or losses and other comprehensive income in the profit or loss and other comprehensive income, respectively. The subsequent cumulative movements are adjusted against the carrying amount of the investment.

When the Group's share of losses in associates and joint ventures equals or exceeds its interest in the associates and joint ventures, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associates and joint ventures.

e) Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A difference between the amount of the adjustment to non-controlling interests to reflect their relative interest in the subsidiary and any consideration paid or received is recognised within equity.

If the ownership interest in associates and joint ventures is reduced but significant influence and joint control is retained, only a proportionate share of the amounts previously recognised in other comprehensive income is reclassified to profit or loss where appropriate. Profit or loss from reduce of the ownership interest in associates and joint ventures is recognise in profit or loss.

When the Group losses control, joint control or significant influence over investments, any retained interest in the investment is remeasured to its fair value, with the change in carrying amount recognised in profit or loss. The fair value becomes the initial carrying amount of the retained interest which is reclassified to investment in an associate, or a joint venture or a financial asset accordingly.

f) Intercompany transactions on consolidation

Intra-group transactions, balances and unrealised gains on transactions are eliminated. Unrealised gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in the associates and joint ventures. Unrealised losses are also eliminated in the same manner unless the transaction provides evidence of an impairment of the asset transferred.

Lists of subsidiaries, associates and joint ventures of the group are presented in Note 16 and 17.

6.2 Business combination

The Group applies the acquisition method to account for business combinations with an exception on business combination under common control. The consideration transferred for the acquisition of a subsidiary comprises.

- fair value of the assets transferred,
- liabilities incurred to the former owners of the acquiree
- equity interests issued by the Group

Identifiable assets and liabilities acquired and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

On an acquisition-by-acquisition basis, the Group initially recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets.

The excess of the consideration transferred, the amount of any non-controlling interest recognised and the acquisition-date fair value of any previous equity interest in the acquiree (for business combination achieved in stages) over the fair value of the identifiable net assets acquired is recorded as goodwill. In the case of a bargain purchase, the difference is recognised directly in profit or loss.

Acquisition-related cost are recognised as expenses in profit or loss.

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Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2020

6 Accounting policies (Cont'd)**6.2 Business combination (Cont'd)**

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measured are recognised in profit or loss.

Subsequent changes to the fair value of the contingent consideration that is an asset or liability is recognised in profit or loss. Contingent consideration that is classified as equity is not re-measured.

The Group accounts for business combination under common control by measuring acquired assets and liabilities of the acquiree at their carrying values presented in the highest level of the consolidation. The Group retrospectively adjusted the business combination under common control transactions as if the combination had occurred on the later of the beginning of the preceding comparative period and the date the acquiree has become under common control.

Consideration of business combination under common control are the aggregated amount of fair value of assets transferred, liabilities incurred and equity instruments issued by the acquirer at the date of which the exchange in control occurs.

The difference between consideration under business combination under common control and the acquirer's interests in the carrying value of the acquiree is presented as "surplus arising from business combination under common control" in equity and is derecognised when the investment is disposed of, transferred to retained earnings.

6.3 Foreign currency translation**a) Functional and presentation currency**

The financial statements are presented in Thai Baht, which is the Company's functional and the Company's and the Group's presentation currency.

b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit or loss.

Any exchange component of gains and losses on a non-monetary item that recognised in profit or loss, or other comprehensive income is recognised following the recognition of a gain or loss on the non-monetary item. Currency translation component will also be recognised in profit and loss.

c) Group companies

The operational results and financial position of the Group's entities (none of which has the currency of a hyper-inflationary economy) that have a different functional currency from the Group's presentation currency are translated into the presentation currency as follows.

- Assets and liabilities are translated at the closing rate at the date of respective statement of financial position;
- Income and expenses for statement of comprehensive income are translated at average exchange rates; and
- All resulting exchange differences are recognised in other comprehensive income.

6.4 Cash and cash equivalents

In the statements of cash flows, cash and cash equivalents includes cash on hand, deposits held at call, short-term highly liquid investments with maturities of three months or less from acquisition date. In the statements of financial position, bank overdrafts are shown in current liabilities.

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Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2020

6 Accounting policies (Cont'd)

6.5 Trade accounts receivable

Trade accounts receivable are amounts due from customers for goods sold or service performed in the ordinary course of business. Trade accounts receivable are recognised initially at the amount of consideration that is unconditionally unless they contain significant financing components, when they are recognised at its present value. The Group holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost. Consideration relating to allowance for decrease in value of trade and other receivables is disclosed in Note 6.

6.6 Inventories

The Group's inventories comprise food and beverage, supplies and hotel operating equipment. Inventories are stated at the lower of cost or net realisable value. Cost of inventories is determined by the weighted average method.

Cost of inventories comprise all purchase cost and costs directly attributable to the acquisition of the inventory. Net realisable value is the estimate of the selling price in the ordinary course of business less costs of completions and applicable variable selling expenses. The Group recognises allowance for decrease in value as appropriate.

6.7 Financial asset

For the year ended 31 December 2020

a) Classification

From 1 January 2020, the Group classifies its debt instrument financial assets in the following measurement categories depending on i) business model for managing the asset and ii) the cash flow characteristics of the asset whether they represent solely payments of principal and interest (SPPI).

- those to be measured subsequently at fair value (either through other comprehensive income or through profit or loss); and
- those to be measured at amortised cost.

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

b) Recognition and derecognition

Regular way purchases, acquires and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

c) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at FVPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether the cash flows are solely payment of principal and interest.

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Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2020

6 Accounting policies (Cont'd)**6.7 Financial asset (Cont'd)**For the year ended 31 December 2020 (Cont'd)**d) Debt instruments**

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the financial assets. There are three measurement categories into which the Group classifies its debt instruments:

- **Amortised cost:** Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in other income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented as a separate line item in the statement of comprehensive income.
- **FVOCI:** Financial assets that are held for i) collection of contractual cash flows; and ii) for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through other comprehensive income (OCI), except for the recognition of impairment gains or losses, interest income using the effective interest method, and foreign exchange gains and losses which are recognised in profit or loss. When the financial assets is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income is included in other income. Impairment expenses are presented separately in the statement of comprehensive income.
- **FVPL:** Financial assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within other gains/(losses) in the period in which it arises.

e) Impairment

From 1 January 2020, the Group applies the TFRS 9 simplified approach in measuring the impairment of trade receivables and lease receivables, which applies lifetime expected credit loss, from initial recognition, for all trade receivables and lease receivables.

To measure the expected credit losses, management classified trade receivables based on shared credit risk characteristics and the days past due. The expected credit loss rates are based on payment profiles, historical credit losses as well as forward-looking information and factors that may affect the ability of the customers to settle the outstanding balances.

The expected loss rates are based on the payment profiles of sales over a period of 13 months before 1 January 2020 and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Group has identified economic situation of the countries in which it sells its goods and services to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.

For other financial assets carried at amortised cost, the Group applies TFRS 9 general approach in measuring the impairment of those financial assets. Under the general approach, the 12-month or the lifetime expected credit loss is applied depending on whether there has been a significant increase in credit risk since the initial recognition.

The significant increase in credit risk (from initial recognition) assessment is performed every end of reporting period by comparing i) expected risk of default as of the reporting date and ii) estimated risk of default on the date of initial recognition.

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For the year ended 31 December 2020

6 Accounting policies (Cont'd)

6.7 Financial asset (Cont'd)

For the year ended 31 December 2020 (Cont'd)

e) Impairment (Cont'd)

The Group assesses expected credit loss by taking into consideration forward-looking information and past experiences. The expected credit loss is a probability-weighted estimate of credit losses (probability-weighted present value of estimated cash shortfall). The cash shortfall is the difference between all contractual cash flows that are due to the Group and all cash flows expected to receive, discounted at the original effective interest rate.

When measuring expected credit losses, the Group reflects the following:

- probability-weighted estimated uncollectible amounts
- time value of money; and
- supportable and reasonable information as of the reporting date about past experience, current conditions and forecasts of future situations.

Impairment (and reversal of impairment) losses are recognised in profit or loss included in administrative expenses.

Classification and measurement of financial assets for the year ended 31 December 2019 is disclosed in Note 5.1.

For the year ended 31 December 2019

Investments in debt and equity securities

Investments other than investments in subsidiaries, associates and joint ventures are initially recognised at fair value of consideration paid plus direct transaction cost.

Trading and available-for-sale investments

Trading investments and available-for-sale investments are subsequently measured at fair value. The unrealised gains and losses of trading investments are recognised in profit or loss. The unrealised gains and losses of available for sale investments are recognised in other comprehensive income and are subsequently reclassified to profit or loss when the investment is disposed.

Disposal of investments

On a disposal of an investment, the difference between the net disposal proceeds and the carrying amount (including cumulative changes in fair value recognised in equity) is recognised to the profit or loss. When the Group disposes an investment partially, the carrying amount of the disposed part is determined by the weighted average method.

6.8 Investment property

Property that is held for rental yields or for capital appreciation or both, and that is not occupied by the companies in the Group, is classified as investment property. Investment property also includes property that is being constructed or developed for future use as investment property.

Investment property of the Group is land and building held for long-term rental yields, including certain building under construction.

Investment property is measured initially at its cost, including related transaction costs and borrowing costs. Borrowing costs are incurred for the purpose of acquiring, constructing or producing a qualifying investment property and are capitalised as part of its cost. Borrowing costs are capitalised while acquisition or construction is actively underway and cease once the asset is substantially completed, or suspended if the development of the asset is suspended.

S HOTELS AND RESORTS PUBLIC COMPANY LIMITED

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2020

6 Accounting policies (Cont'd)**6.8 Investment property (Cont'd)**

After initial recognition, investment property is carried at fair value. Investment property under construction is measured at fair value if the fair value is considered to be reliably determinable. Investment property under construction for which the fair value cannot be determined reliably but for which the Group expects that the fair value of the property will be reliably determinable when construction is completed, are measured at cost less impairment until the fair value becomes reliably determinable or construction is completed - whichever is earlier.

The fair value of investment property reflects, among other things, rental income from current leases and other assumptions market participants would make when pricing the property under current market conditions.

Change in fair values are recognised in profit or loss. Investment property are derecognised when they have been disposed or when the investment property is permanently withdrawn from use and no future economic benefits are expected from its disposal.

Where the Group disposes of a property at fair value in an arm's length transaction, the carrying value immediately prior to the sale is adjusted to the transaction price, and the adjustment is recorded in profit or loss within net gain from fair value adjustment on investment property.

If an investment property becomes owner-occupied, it is reclassified as property, plant and equipment. Its fair value at the date of reclassification becomes its cost for subsequent accounting purposes. Where an investment property undergoes a change in use, evidenced by commencement of development with a view to sale, the property is transferred to inventories. A property's deemed cost for subsequent accounting as inventories is its fair value at the date of change in use.

6.9 Property, plant and equipment

All property, plant and equipment are stated at historical cost less accumulated depreciation and impairment losses (if any). Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount, only when it is probable that future economic benefits associated with the item will flow to the Group. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to profit or loss when incurred.

Land is not depreciated. Depreciation on other assets is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

Land improvements	5 to 47 years
Buildings and building improvements	Shorter of lease period or 5 to 50 years
Furniture, fixtures and office equipment	3 to 10 years
Vehicles	5 to 10 years

The assets' residual values and useful lives are reviewed and adjusted, if appropriate, at the end of each reporting period.

Gains or losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

6.10 Goodwill

The Group will test goodwill for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses.

Goodwill is allocated to cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes, being the operating segments.

6.11 Leasehold right

Leasehold right is stated at historical cost. Leasehold right is amortised over their estimated useful lives, 15 to 90 years.

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Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2020

6 Accounting policies (Cont'd)

6.12 Intangible assets

Intangible assets are initially measured at cost.

The assets with infinite useful life are hotel operating licenses and trademark which subsequently measured at cost less impairment losses (if any) and will be considered for impairment annually.

The assets with finite useful life are computer programs which subsequently measured at cost less amortisation and impairment losses (if any). Amortisation expense is calculated using straight-line method over the expected useful life of 3 years to 10 years. Costs associated with maintaining of computer programs are recognised when incurred.

6.13 Impairment of assets

Assets that have an indefinite useful life are tested annually for impairment, or more frequently if events or changes in circumstances indicate that it might be impaired. Assets that are subject to amortisation are reviewed for impairment whenever there is an indication of impairment. An impairment loss is recognised for the amount by which the carrying amount of the assets exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. Where the reasons for previously recognised impairments no longer exist, the impairment losses on the assets concerned other than goodwill is reversed.

6.14 Leases

For the year ended 31 December 2020

Leases - where the Group is the lessee

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of real estate for which the group is a lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate
- amounts expected to be payable by the lessee under residual value guarantees
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, the lessee's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT-equipment and small items of office furniture.

S HOTELS AND RESORTS PUBLIC COMPANY LIMITED

Notes to the Consolidated and Separate Financial Statements
For the year ended 31 December 2020

6 Accounting policies (Cont'd)**6.14 Leases (Cont'd)**For the year ended 31 December 2020 (Cont'd)**Leases - where the Group is the lessor**

When assets are leased out under a finance lease, the present value of the lease payments is recognised as a receivable. The difference between the gross receivable and the present value of the receivable is recognised as unearned finance income. Lease income is recognised over the term of the lease which reflects a constant periodic rate of return. Initial direct costs are included in initial measurement of the finance lease receivable and reduce the amount of income recognised over the lease term.

Rental income under operating leases (net of any incentives given to lessees) is recognised on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognised as an expense over the lease term on the same basis as lease income. The respective leased assets are included in the statement of financial position based on their nature.

The investment properties are leased to tenants under operating leases with rentals payable monthly. Lease payments for some contracts include CPI increases, but there are no other variable lease payments that depend on an index or rate. Where considered necessary to reduce credit risk, the Group may obtain bank guarantees for the term of the lease.

For the year ended 31 December 2019**Leases - where the Group is the lessee**

Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease.

At the inception of finance lease, the lower of the fair value of the leased property and the present value of the minimum lease payments is capitalised. Each lease payment is allocated between the liability and finance charges to achieve a constant rate on the liabilities balance outstanding. The corresponding rental obligations is presented net of finance charges. Finance cost is charged to profit or loss over the lease period.

Leases - where the Group is the lessor

When assets are leased out under a finance lease, the present value of the lease payments is recognised as a receivable. The difference between the gross receivable and the present value of the receivable is recognised as unearned finance income. Lease income is recognised over the term of the lease which reflects a constant periodic rate of return. Initial direct costs are included in initial measurement of the finance lease receivable and reduce the amount of income recognised over the lease term.

Rental income under operating leases (net of any incentives given to lessees) is recognised on a straight-line basis over the lease term.

6.15 Financial liabilitiesFor the year ended 31 December 2020**a) Classification**

Financial instruments issued by the Group are classified as either financial liabilities or equity securities by considering contractual obligations.

- Where the Group has an unconditional contractual obligation to deliver cash or another financial asset to another entity, it is considered a financial liability unless there is a predetermined or possible settlement for a fixed amount of cash in exchange of a fixed number of the Group's own equity instruments.
- Where the Group has no contractual obligation or has an unconditional right to avoid delivering cash or another financial asset in settlement of the obligation, it is considered an equity instrument.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

S HOTELS AND RESORTS PUBLIC COMPANY LIMITED

Notes to the Consolidated and Separate Financial Statements
For the year ended 31 December 2020

6 Accounting policies (Cont'd)

6.15 Financial liabilities (Cont'd)

For the year ended 31 December 2020 (Cont'd)

b) Measurement

Financial liabilities are initially recognised at fair value and are subsequently measured at amortised cost.

c) Derecognition and modification

Financial liabilities are derecognised when the obligation specified in the contract is discharged, cancelled, or expired.

Where the terms of a financial liability are renegotiated/modified, the Group assesses whether the renegotiation / modification results in the derecognition of that financial liability. Where the modification results in an extinguishment, the new financial liability is recognised based on fair value of its obligation. The remaining carrying amount of financial liability is derecognised. The difference as well as proceed paid is recognised as other gains/losses in profit or loss.

Where the modification does not result in the derecognition of the financial liability, the carrying amount of the financial liability is recalculated as the present value of the renegotiated / modified contractual cash flows discounted at its original effective interest rate. The difference is recognised in other gains/losses in profit or loss.

For the year ended 31 December 2019

Borrowings

Borrowings are recognised initially at the fair value, net of directly attributable transaction costs incurred. Borrowings are subsequently stated at amortised cost.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it will be drawn down. The fee is deferred until the drawn down occurs and included in effective interest calculation. However, if it is probable that facility will not be drawn down, that portion of the fee paid is recognised as a prepayment and amortised over the period of related facility.

Borrowings are removed from the statement of financial position when the obligation specified in the contract is discharged, cancelled, or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as finance costs.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

6.16 Borrowing costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets (assets that take times to get ready for its intended use or sale) are added to the cost of those assets less investment income earned from those specific borrowings. The capitalisation of borrowing costs is ceased when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

Other borrowing costs are expensed in the period in which they are incurred.

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Notes to the Consolidated and Separate Financial Statements
For the year ended 31 December 2020

6 Accounting policies (Cont'd)**6.17 Current and deferred income taxes**

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

The current income tax is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognised on temporary differences arising from differences between the tax base of assets and liabilities and their carrying amounts in the financial statements. However, deferred income tax is not recognised for temporary differences arise from:

- initial recognition of an asset or liability in a transaction other than a business combination that affects neither accounting nor taxable profit or loss is not recognised.
- investments in subsidiaries, associates and joint arrangements where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax is measured using tax rates of the period in which temporary difference is expected to be reversed, based on tax rates and laws that have been enacted or substantially enacted by the end of the reporting period.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

6.18 Employee benefits

The Group operates various post-employment benefits schemes. The Group has both defined benefit and defined contribution plans.

A defined contribution plan is a retirement plan under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. The Group pays contributions to a separate fund which is managed by an external fund manager in accordance with the provident fund Act. B.E. 2530. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due.

A defined benefit plan is a retirement plan that is not a defined contribution plan. Typically defined benefit plans define an amount of retirement benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

The liability recognised in the statement of financial position in respect of defined benefit retirement plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using market yield of government bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related retirement liability.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise.

Past-service costs are recognised immediately in profit or loss.

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Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2020

6 Accounting policies (Cont'd)

6.19 Share-based payment (*Employee options*)

The Group receives services from employees as consideration for equity instruments (options) of the Group companies. The fair value of the options is recognised as an expense over the vesting period, with a corresponding increase in equity. The fair value of the options is determined by:

- including any market performance conditions (e.g. the entity's share price);
- including the impact of any non-vesting conditions (for example, the requirement for employees to save or holdings shares for a specific period of time); and
- excluding the impact of any service and non-market performance vesting conditions (e.g. profitability, sales growth targets and remaining an employee of the entity over a specified time period).

Non-market performance and service conditions are included in assumptions about the number of options that are expected to vest.

At the end of each reporting period, the Group reviews the number of options that are expected to vest. It recognises the impact of the revision, if any, in profit or loss with a corresponding adjustment to equity.

When the options are exercised, the Company issues new shares. The proceeds received net of any directly attributable transaction costs are credited to share capital and share premium.

6.20 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

6.21 Share capital

Ordinary shares with discretionary dividends are classified as equity.

Incremental costs directly attributable to the issue of new shares or options (net of tax) are shown as a deduction in equity from the proceed.

6.22 Revenue recognition

Revenue are recorded net of value added tax. They are recognised in accordance with the provision of goods or services, provided that collectibility of the consideration is probable.

Multiple element arrangements involving delivery or provision of multiple products or services are separated into distinct performance obligations. Total transaction price of the bundled contract is allocated to each performance obligation based on their relative standalone selling prices or estimated standalone selling prices. Each performance obligation is recognised as revenue on fulfillment of the obligation to the customer.

Services

The Group recognised service contracts with a continuous service provision as revenue on a straight line basis over the contract term, regardless of the payment pattern.

Hotel

Revenue from hotel ownership comprises amounts earned in respect of service of rooms, food and beverage sales, and other ancillary services. Revenue is recognised over the period when rooms are occupied or services are performed. Revenue from the sale of food and beverages and goods is recognised at the point of sale when the food and beverages and goods are delivered to customers. Payment is due immediately when the hotel guest occupies the room and receives the services and goods.

Other income

Other income is recognised on an accrual basis.

S HOTELS AND RESORTS PUBLIC COMPANY LIMITED

Notes to the Consolidated and Separate Financial Statements
For the year ended 31 December 2020

6 Accounting policies (Cont'd)**6.23 Derivatives and hedging activities**

- a) Embedded derivative and derivatives that do not qualify for hedge accounting

Embedded derivative that is separately accounted for and derivatives that do not qualify for hedge accounting is initially recognised at fair value. Changes in the fair value are included in other gains (losses).

Fair value of derivatives is classified as a current or non-current following its remaining maturity.

- b) Hedge accounting

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period. The Group designates certain derivatives as either hedges of a particular risk associated with the cash flows of i) recognised assets and liabilities and ii) highly probable forecast transactions (cash flow hedges); or

At inception of the hedge relationship, the Group documents i) the economic relationship between hedging instruments and hedged items including whether changes in the cash flows of the hedging instruments are expected to offset changes in the cash flows of hedged items and ii) its risk management objective and strategy for undertaking its hedge transactions.

The full fair value of a hedging derivative is classified as a current or non-current asset or liability following the maturity of related hedged item.

The fair values of derivative financial instruments designated in hedge relationships and movements in the hedging reserve in shareholders' equity are shown in Note 7.

Hedge effectiveness

Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments, to ensure that an economic relationship exists between the hedged item and hedging instrument.

For hedges of foreign currency purchases, the Group enters into hedge relationships where the critical terms of the hedging instrument match exactly with the terms of the hedged item. The Group therefore performs a qualitative assessment of effectiveness. If changes in circumstances affect the terms of the hedged item such that the critical terms no longer match exactly with the critical terms of the hedging instrument, the Group uses the hypothetical derivative method to assess effectiveness.

In hedges of foreign currency purchases, ineffectiveness may arise if the timing of the forecast transaction changes from what was originally estimated, or if there are changes in the credit risk of the derivative counterparty.

The Group enters into interest rate swaps that have similar critical terms as the hedged item, such as reference rate, reset dates, payment dates, maturities and notional amount. The Group does not hedge 100% of its loans, therefore the hedged item is identified as a proportion of the outstanding loans up to the notional amount of the swaps. As all critical terms matched during the year, there is an economic relationship.

Hedge ineffectiveness for interest rate swaps is assessed using the same principles as for hedges of foreign currency purchases. It may occur due to:

- the credit value/debit value adjustment on the interest rate swaps which is not matched by the loan, and
- differences in critical terms between the interest rate swaps and loans.

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Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2020

6 Accounting policies (Cont'd)

6.23 Derivatives and hedging activities (Cont'd)

b) Hedge accounting (Cont'd)

Cash flow hedges that qualify for hedge accounting

The effective portion of changes in the fair value of derivatives that are designated and qualified as cash flow hedges is recognised in the cash flow hedge reserve within equity. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss within other gains (losses).

When interest rate swap are used to hedge forecast transactions, the Group generally designates only the change in fair value of the interest rate swap as the hedging instrument. Gains or losses of the interest rate swap contracts are recognised in the cash flow hedge reserve within equity.

Amounts accumulated in equity are reclassified in the periods when the hedged item affects profit or loss relating to the effective portion of the interest rate swaps hedging variable rates borrowings is recognised in profit or loss within finance costs at the same time as the interest expense on the hedged borrowings.

7 Financial risk management

7.1 Financial risk

The Group exposes to interest rate risk from its Group's normal business operation. The Group uses financial instruments to minimise uncertainty associated with expected cashflow arising from interest rate fluctuation and manage liquidity of cash.

Financial risks and how these risks could affect the future financial performance are as follows:

Risk	Exposure arising from	Measurement	Management
Market risk - foreign exchange	Future commercial transactions Recognised financial assets and liabilities not denominated in Baht	Cash flow forecasts Sensitivity analysis	General Hedge
Market risk - interest rate	Long-term borrowings at variable rates	Sensitivity analysis	Interest rate swaps
Credit risk	Cash and cash equivalents, trade and other receivables, derivative financial instruments, debt investment and long-term loans to related parties	Aging analysis Credit ratings	Diversification of bank deposits, credit limits and letter of credit, investment guidelines for debt investments
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities

The Group's risk management is controlled by a central treasury department under policies approved by the board of directors. Group treasury identifies, evaluates and manages financial risks in close co-operation with the Group's operating units. The board provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative and other financial instruments as well as investment of excess liquidity.

Where all relevant criteria are met, hedge accounting is applied to remove the accounting mismatch between the hedging instrument and the hedged item. This will effectively result in recognising interest expense at a fixed interest rate for the hedged floating rate loans.

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For the year ended 31 December 2020

7 Financial risk management (Cont'd)**7.1 Financial risk (Cont'd)****7.1.1 Market risk****a) Foreign exchange risk**

The Group's primary functional currency is Baht, while sales, purchases and borrowings transactions are primarily denominated in Euro, SG Dollar and US Dollar. The Group applies General Hedge Method to manage foreign exchange rate risk.

Exposure

The Group and the Company exposure to foreign currency risk at the end of the reporting period, expressed in Baht are as follows:

	Consolidated financial statements							
	2020				2019			
	US Dollar Baht	Euro Baht	AU Dollar Baht	SG Dollar Baht	US Dollar Baht	Euro Baht	AU Dollar Baht	SG Dollar Baht
Long-term borrowings, net	94,682,663	413,444,608	-	-	94,973,132	379,228,230	-	-

	Separate financial statements					
	2020			2019		
	US Dollar Baht	Euro Baht	SG Dollar Baht	US Dollar Baht	Euro Baht	SG Dollar Baht
Amounts due from related parties	95,382,104	5,901,651	-	9,049,716	-	-
Long-term loan to related parties	637,383,361	240,416,930	-	639,715,871	-	-

Sensitivity

As shown in the table above, the Group is primarily exposed to changes in Baht, US Dollar and Euro exchange rates. The sensitivity of profit or loss to changes in the exchange rates arises mainly from financial assets and financial liabilities denominated in US Dollar.

	Consolidated financial statements	
	Impact to net profit	
	2020 Baht	2019 Baht
US Dollar to Baht exchange rate		
- increase 2.42% (2019: 2.02%)*	2,307,778	1,925,397
US Dollar to Baht exchange rate		
- decrease 2.42% (2019: 2.02%)*	(2,307,778)	(1,925,397)
Euro to Baht exchange rate		
- increase 2.99% (2019: 2.98%)*	12,361,090	11,319,817
Euro to Baht exchange rate		
- decrease 2.99% (2019: 2.98%)*	(12,361,090)	(11,319,817)

	Separate financial statements	
	Impact to net profit	
	2020 Baht	2019 Baht
US Dollar to Baht exchange rate		
- increase 2.42% (2019: 2.02%)*	13,098,442	12,712,553
US Dollar to Baht exchange rate		
- decrease 2.42% (2019: 2.02%)*	(13,098,442)	(12,712,553)

*Holding all other variables constant

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Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2020

7 Financial risk management (Cont'd)

7.1 Financial risk (Cont'd)

7.1.1 Market risk (Cont'd)

b) Cash flow and fair value interest rate risk

The Group's main interest rate risk arises from long-term borrowings with variable rates, which expose the Group to cash flow risk. Generally, the Group enters into long-term borrowings at floating rates and swaps them into fixed rates that are lower than those available if the Group borrowed at fixed rates directly. During 2020 and 2019, the Group's borrowings at variable rate were mainly denominated in Baht, Fiji dollars, Euro and US dollars.

The Group's borrowings and receivables are carried at amortised cost. The borrowings are periodically contractually repriced (see the table below) and to that extent are also exposed to the risk of future changes in market interest rates.

The exposure of the Group's borrowings to interest rate changes and the contractual re-pricing dates of the borrowings at the end of the reporting period are as follows:

	Consolidated financial statements			
	2020		2019	
	Baht	% of total loans	Baht	% of total loans
Variable rate borrowings	8,353,387,993	100	7,847,520,192	100
	8,353,387,993	100	7,847,520,192	100
	Separate financial statements			
	2020		2019	
	Baht	% of total loans	Baht	% of total loans
Variable rate borrowings	649,096,066	100	648,551,921	100
	649,096,066	100	648,551,921	100

The percentage of total loans shows the proportion of loans that are currently at variable rates in relation to the total amount of borrowings. An analysis by maturities is provided in Note 7.1.3.

Instruments used by the Group

The Group entered into interest rate swaps covering approximately 18% (2019: 18%) of the variable loan principal outstanding. The fixed interest rates of the swaps is 4.54% (2019: 4.54%).

The swap contracts require settlement of net interest receivable or payable every 90 days. The settlement dates coincide with the dates on which interest is payable on the underlying debt.

Effect of hedge accounting on the financial position and performance

The effects of the interest rate-related hedging instruments on the Group financial position and performance are as follows:

	Consolidated financial statements
	2020 Baht
<i>Interest rate swaps</i>	
Carrying amount (liabilities)	35,617,437
Notional amount	US Dollar 50 million
Maturity date	30 June 2022
Hedge ratio	1:1
Change in fair value of outstanding hedge instruments since 1 January	30,618,957
Change in value of hedged item used to determine hedge effectiveness	(30,618,957)
Weighted average strike rate for outstanding hedging instruments	4.54%

S HOTELS AND RESORTS PUBLIC COMPANY LIMITED

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2020

7 Financial risk management (Cont'd)**7.1 Financial risk (Cont'd)****7.1.1 Market risk (Cont'd)****b) Cash flow and fair value interest rate risk (Cont'd)***Sensitivity*

Profit or loss is sensitive to higher or lower interest income from cash and cash equivalents, and interest expenses from borrowings as a result of changes in interest rates. Other components of equity changes as a result of an increase or decrease in the fair value of the cash flow hedges of borrowings.

	Consolidated financial statements			
	Impact to net profit		Impact to other components of equity	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Interest rate - increase 0.25%*	(16,511,802)	(13,852,830)	(5,684,971)	-
Interest rate - decrease 0.25%*	16,511,802	13,852,830	5,684,971	-

	Separate financial statements	
	Impact to net profit	
	2020 Baht	2019 Baht
Interest rate - increase 0.25%*	(1,625,000)	(812,500)
Interest rate - decrease 0.25%*	1,625,000	812,500

*Holding all other variables constant

7.1.2 Credit risk

Credit risk arises from cash and cash equivalents, contractual cash flows of debt investments carried at amortised cost and at fair value through profit or loss (FVPL), derivative financial instruments as well as credit exposures to customers, including outstanding receivables.

a) Risk management

Credit risk is managed on a group basis. For deposits at banks and financial institutions, only independently rated parties and bank facilities are dealt in accordance with the approved group policy.

If customers are independently rated, these ratings are used. Otherwise, if there is no independent rating, risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on tips assessments in accordance with limits set by the board. The compliance with credit limits by customers is regularly monitored by line management.

Sales to retail customers are required to be settled in cash or using major credit cards to mitigate credit risk. There are no significant concentrations of credit risk, whether through exposure to individual customers or specific industry sectors.

The Group's and the Company's investments in debt instruments are considered to be low risk investments. The Group regularly monitors the credit ratings of the investments for credit deterioration.

S HOTELS AND RESORTS PUBLIC COMPANY LIMITED

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2020

7 Financial risk management (Cont'd)

7.1 Financial risk (Cont'd)

7.1.2 Credit risk (Cont'd)

b) Impairment of financial assets

The Group and the Company has types of financial assets that are subject to the expected credit loss model:

- Cash and cash equivalents
- Trade and other receivables
- Loan to related parties

Cash and cash equivalents

The Group and the Company considers that all debt investments measured at amortised cost and FVOCI have low credit risk, and the loss allowance recognised during the year was therefore limited to 12 months expected losses. Management consider 'low credit risk' for debt instruments to be an investment grade credit rating with at least one major rating agency. Other instruments are considered to be low credit risk when they have a low risk of default and the issuer has a strong capacity to meet its contractual cash flow obligations.

Trade receivables

The Group applies TFRS 9 the simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for all trade receivables. To measure the expected credit losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due. The contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade receivables for the same types of contracts. The Group has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

In the year 2019, the Group recognised allowance for doubtful of trade receivables based on the incurred loss model such as uncollectible, which was not taken into account future losses. Therefore, loss allowance and allowance for doubtful accounts are not comparable.

Loans to related parties

Loans to related parties measured at amortised cost are considered to have low credit risk, and the loss allowance recognised during the year was therefore limited to 12 months expected losses. Lifetime expected credit losses is recognised for the loans that the credit risk is significant increased.

7.1.3 Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. At the end of the reporting period the Group held deposits at call of Baht 2,466 millions (2019: Baht 3,584 millions) that are expected to readily generate cash inflows for managing liquidity risk. Due to the dynamic nature of the underlying businesses, the Group Treasury maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors a) rolling forecasts of the Group's liquidity reserve (comprising the undrawn borrowing facilities below); and b) cash and cash equivalents on the basis of expected cash flows. In addition, the Group's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary, monitoring balance sheet liquidity ratios and maintaining financing plans.

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For the year ended 31 December 2020

7 Financial risk management (Cont'd)**7.1 Financial risk (Cont'd)****7.1.3 Liquidity risk (Cont'd)****a) Maturity of financial liabilities**

The tables below analyse the maturity of financial liabilities grouping based on their contractual maturities. The amounts disclosed are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant. For interest rate swaps, the cash flows have been estimated using forward interest rates applicable at the end of the reporting period.

Maturity of financial liabilities	Consolidated financial statements					Carrying amount Baht
	On demand Baht	Within 1 year Baht	1 - 5 years Baht	Over 5 years Baht	Total Baht	
As at 31 December 2020						
Shortterm borrowing from financial institution	-	129,605,426	-	-	129,605,426	129,605,426
Trade and other payables	-	587,284,843	-	-	587,284,843	587,284,843
Lease liabilities	-	93,405,714	304,210,357	2,578,315,350	2,975,931,421	1,133,641,427
Long-term borrowings	-	2,631,328,815	3,428,270,236	2,303,800,712	8,363,399,763	8,353,387,993
Total financial liabilities that is not derivatives	-	3,441,624,798	3,732,480,593	4,882,116,062	12,056,221,453	10,203,919,689
Derivative financial instruments						
Foreign currency forwards - cash flow hedge	-	23,276,800	11,542,742	-	34,819,542	35,617,437
- Net cash outflows	-	23,276,800	11,542,742	-	34,819,542	35,617,437
Total	-	3,464,901,598	3,744,023,335	4,882,116,062	12,091,040,995	10,203,919,689
As at 31 December 2019						
Trade and other payables	-	1,714,059,830	-	-	1,714,059,830	1,714,059,830
Long-term borrowings	-	384,545,307	5,076,190,899	2,394,860,760	7,855,596,966	7,847,520,192
Total financial liabilities that is not derivatives	-	2,098,605,137	5,076,190,899	2,394,860,760	9,569,656,796	9,561,580,022
Total	-	2,098,605,137	5,076,190,899	2,394,860,760	9,569,656,796	9,561,580,022
Maturity of financial liabilities	Separate financial statements					Carrying amount Baht
	On demand Baht	Within 1 year Baht	1 - 5 years Baht	Over 5 years Baht	Total Baht	
As at 31 December 2020						
Trade and other payables	-	20,552,065	-	-	20,552,065	20,552,065
Lease liabilities	-	1,139,548	1,007,200	-	2,144,748	2,067,302
Long-term borrowings	-	325,020,000	324,980,000	-	650,000,000	649,096,066
Total financial liabilities that is not derivatives	-	346,709,613	325,987,200	-	672,696,813	671,715,433
Total	-	346,709,613	325,987,200	-	672,696,813	671,715,433
As at 31 December 2019						
Trade and other payables	-	74,844,113	-	-	74,844,113	74,844,113
Long-term borrowings	-	-	650,000,000	-	650,000,000	648,551,921
Total financial liabilities that is not derivatives	-	74,844,113	650,000,000	-	724,844,113	723,396,034
Total	-	74,844,113	650,000,000	-	724,844,113	723,396,034

Long-term borrowings are presented in amount as stated in the loan agreement with interest rate as of 31 December 2020.

7.2 Capital management**7.2.1 Risk Management**

The objectives when managing capital are to:

- safeguard their ability to continue as a going concern, to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt. Consistent with others in the industry, the Group monitors capital based on gearing ratio which is determined by dividing net debt with equity.

During the year 2020, the Group's strategy, which remains unchanged, was to maintain a gearing ratio within 20% to 40% and a good credit rating.

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8 Fair value

The following table shows fair values and carrying amounts of financial assets and liabilities by category, excluding those with the carrying amount approximates fair value.

	Consolidated financial statements			
	Fair value through profit or loss (FVPL) Baht	Fair value through other comprehensive income (FVOCI) Baht	Amortised cost Baht	Total carrying amount/ Fair value Baht
31 December 2020				
<i>Financial assets measured at fair value</i>				
Financial assets at FVPL	93,931,001	-	-	93,931,001
	93,931,001	-	-	93,931,001
<i>Financial assets not measured at fair value</i>				
Cash and cash equivalents	-	-	2,492,656,998	2,492,656,998
Trade and other receivables, net	-	-	52,299,091	52,299,091
Amounts due from related parties	-	-	459,390,818	459,390,818
Other current assets	-	-	12,036,418	12,036,418
Restricted bank deposit	-	-	26,834,040	26,834,040
Long-term loans to related parties	-	-	1,862,713,313	1,862,713,313
Lease receivable from a related party, net	-	-	218,778,673	218,778,673
Other non-current assets	-	-	31,488,873	31,488,873
	-	-	5,156,198,224	5,156,198,224
<i>Financial liabilities measured at fair value</i>				
Derivative financial instruments	-	35,617,437	-	35,617,437
	-	35,617,437	-	35,617,437
<i>Financial liabilities not measured at fair value</i>				
Short-term borrowings	-	-	129,605,426	129,605,426
Trade and other payables	-	-	587,284,843	587,284,843
Amounts due to related parties	-	-	47,125,589	47,125,589
Current portion of long-term borrowings, net	-	-	2,628,923,371	2,628,923,371
Current portion of lease liabilities, net	-	-	25,980,602	25,980,602
Retention payables	-	-	243,057,380	243,057,380
Other current liabilities	-	-	403,901	403,901
Long-term borrowings, net	-	-	5,724,464,622	5,724,464,622
Lease liabilities	-	-	1,107,660,825	1,107,660,825
Non-current liabilities	-	-	74,153,329	74,153,329
	-	-	10,568,659,888	10,568,659,888

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8 Fair value (Cont'd)

The following table shows fair values and carrying amounts of financial assets and liabilities by category, excluding those with the carrying amount approximates fair value. (Cont'd)

Consolidated financial statements				
	Fair value through profit or loss (FVPL)	Fair value through other comprehensive income (FVOCI)	Amortised cost	Total carrying amount / Fair value
	Baht	Baht	Baht	Baht
1 January 2020				
<i>Financial assets measured at fair value</i>				
Financial assets at FVPL	155,766,423	-	-	155,766,423
	155,766,423	-	-	155,766,423
<i>Financial assets not measured at fair value</i>				
Cash and cash equivalents	-	-	3,591,606,082	3,591,606,082
Trade and other receivables, net	-	-	287,832,325	287,832,325
Amount due from related parties	-	-	307,655,316	307,655,316
Other current assets	-	-	28,181,315	28,181,315
Restricted bank deposit	-	-	36,801,408	36,801,408
Long-term loans to related parties	-	-	1,501,628,823	1,501,628,823
Other non-current assets	-	-	27,917,597	27,917,597
	-	-	5,781,622,866	5,781,622,866
<i>Financial liabilities measured at fair value</i>				
Derivative financial instruments	-	4,998,479	-	4,998,479
	-	4,998,479	-	4,998,479
<i>Financial liabilities not measured at fair value</i>				
Short-term borrowings				
Trade and other payables	-	-	1,714,059,830	1,714,059,830
Amount due to related parties	-	-	224,984,949	224,984,949
Current portion of long-term borrowings, net	-	-	382,101,159	382,101,159
Current portion of lease liabilities, net	-	-	8,368,427	8,368,427
Retention payables	-	-	242,066,666	242,066,666
Other current liabilities	-	-	5,358,102	5,358,102
Long-term borrowings, net	-	-	7,465,419,033	7,465,419,033
Lease liabilities, net	-	-	1,080,692,056	1,080,692,056
Non-current liabilities	-	-	18,413,165	18,413,165
	-	-	11,141,463,387	11,141,463,387

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8 Fair value (Cont'd)

The following table shows fair values and carrying amounts of financial assets and liabilities by category, excluding those with the carrying amount approximates fair value. (Cont'd)

	Separate financial statements			Total carrying amount / Fair value Baht
	Fair value through profit or loss (FVPL) Baht	Fair value through other comprehensive income (FVOCI) Baht	Amortised cost Baht	
31 December 2020				
<i>Financial assets measured at fair value</i>				
Financial assets at FVPL	6,425	-	-	6,425
	6,425	-	-	6,425
<i>Financial assets not measured at fair value</i>				
Cash and cash equivalents	-	-	1,219,695,209	1,219,695,209
Trade and other receivables, net	-	-	84,647	84,647
Amounts due from related parties	-	-	127,808,945	127,808,945
Other current assets	-	-	42,900	42,900
Long-term loans to related parties	-	-	3,252,692,162	3,252,692,162
Other non-current assets	-	-	815,760	815,760
	-	-	4,601,139,623	4,601,139,623
<i>Financial liabilities not measured at fair value</i>				
Trade and other payables	-	-	20,552,065	20,552,065
Amounts due to related parties	-	-	29,175,008	29,175,008
Current portion of long-term borrowings, net	-	-	324,477,342	324,477,342
Current portion of lease liabilities, net	-	-	982,217	982,217
Long-term borrowings, net	-	-	324,618,724	324,618,724
Lease liabilities, net	-	-	1,085,085	1,085,085
	-	-	700,890,441	700,890,441

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8 Fair value (Cont'd)

The following table shows fair values and carrying amounts of financial assets and liabilities by category, excluding those with the carrying amount approximates fair value. (Cont'd)

	Separate financial statements			
	Fair value through profit or loss (FVPL) Baht	Fair value through other comprehensive income (FVOCI) Baht	Amotised cost Baht	Total carrying Amount / Fair value Baht
1 January 2020				
<i>Financial asses measured at fair value</i>				
Financial assets at FVPL	-	-	-	-
	-	-	-	-
<i>Financial asses not measured at fair value</i>				
Cash and cash equivalents	-	-	1,730,962,368	1,730,962,368
Trade and other receivables, net	-	-	111,535	111,535
Amount due from related parties	-	-	25,611,388	25,611,388
Long-term loans to related parties	-	-	938,965,871	938,965,871
Other non-current assets	-	-	815,760	815,760
	-	-	2,696,466,922	2,696,466,922
<i>Financial liabilities not measured at fair value</i>				
Trade and other payables	-	-	74,844,113	74,844,113
Amount due to related parties	-	-	9,013,729	9,013,729
Long-term borrowings, net	-	-	648,551,921	648,551,921
Lease liabilities, net	-	-	1,968,953	1,968,953
	-	-	734,378,716	734,378,716

The following table presents fair value of financial assets and liabilities recognised or disclosed by their fair value hierarchy.

	Consolidated financial statements							
	Level 1		Level 2		Total		Carrying amount	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Assets								
Debt investments	93,931,001	155,766,423	-	-	93,931,001	155,766,423	93,931,001	155,766,423
Total assets	93,931,001	155,766,423	-	-	93,931,001	155,766,423	93,931,001	155,766,423
Liabilities								
Interest rate swap	-	-	35,617,437	-	35,617,437	-	35,617,437	-
Total liabilities	-	-	35,617,437	-	35,617,437	-	35,617,437	-

	Separate financial statements					
	Level 1		Total		Carrying amount	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Assets						
Debt investments	6,425	-	6,425	-	6,425	-
Total assets	6,425	-	6,425	-	6,425	-

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8 Fair value (Cont'd)

The following table presents non-financial assets that are measured at fair value:

	Consolidated financial statements			
	Level 3		Total	
	2020	2019	2020	2019
Assets				
Investment properties	804,683,432	568,080,273	804,683,432	568,080,273
Total non-financial assets measured at fair value	804,683,432	568,080,273	804,683,432	568,080,273

Fair values are categorised into hierarchy based on inputs used as follows:

Level 1: The fair value of financial instruments is based on the current bid price by reference to the Stock Exchange of Thailand or the Thai Bond Dealing Centre.

Level 2: The fair value of financial instruments is determined using significant observable inputs and, as little as possible, entity-specific estimates.

Level 3: The fair value of financial instruments is not based on observable market data.

Fair value measurement of financial assets and liabilities aligns with accounting policies disclosed in Note 6.7 and Note 6.15.

There were no transfer between levels of fair value hierarchy during the year.

The Group's valuation processes

Chief Financial Officer (CFO), Audit Committee (AC) and a valuation team discuss valuation processes and results at least every quarter.

Significant unobservable input of fair value hierarchy level 3 for non-financial assets are disclosed in Note 13.

9 Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Goodwill impairment

The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. The calculations use cash flow projections based on financial budget approved by management covering a five-year period.

Cash flows beyond the five-year period are extrapolated using the estimated growth rates stated in Note 20. These growth rates are consistent with forecasts included in industry reports specific to the industry in which each CGU operates.

Investments property

The fair value of investment property is carried base on valuations by independent valuers. Fair value is measured by discounted cash flow projections which reflects rental income from current leases and assumptions about rental income from future leases in the light of current market conditions. The fair value also reflects any cash out flows that could be expected in respect of the property. The discount reflects current market assessments of the time value of the money (Note 18).

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10 Segment information

The Group's strategic steering committee, consisting of the chief executive officer and the chief financial officer, examines the Group's performance both from a geographic perspective and has identified 3 reportable segments of the Group's businesses.

The steering committee primarily uses a measure of segments' revenue and profit to assess the performance of the operating segments.

Significant information relating to revenue and profit of the reportable segments are as follows.

Consolidated financial statement				
For the year ended 31 December 2020				
	Hospitality business - Inbound Baht	Hospitality business - Outbound * Baht	Others ** Baht	Total Baht
Segment revenue	329,746,209	1,234,253,303	554,649,702	2,118,649,214
Intersegment revenue	(823,503)	(273,402)	(73,972,192)	(75,069,097)
Revenue from external customers	328,922,706	1,233,979,901	480,677,510	2,043,580,117
Timing of revenue recognition				
At a point in time	328,922,706	1,233,979,901	449,972,265	2,012,874,872
Over time	-	-	30,705,245	30,705,245
Total revenue	328,922,706	1,233,979,901	480,677,510	2,043,580,117
Loss before income taxes	(237,393,671)	(1,974,537,487)	(162,486,196)	(2,374,417,354)
Income tax expenses				3,747,670
Loss for the year				(2,370,669,684)

* means hospitality business under hotel management agreement and hospitality business under Crossroad project

** means hospitality business under joint venture agreement and investment in other holding companies.

Consolidated financial statement				
For the year ended 31 December 2019				
	Hospitality business - Inbound Baht	Hospitality business - Outbound * Baht	Others ** Baht	Total Baht
Segment revenue	995,144,508	2,443,880,130	656,787,918	4,095,812,556
Intersegment revenue	(145,894)	-	(57,522,062)	(57,667,956)
Revenue from external customers	994,998,614	2,443,880,130	599,265,856	4,038,144,600
Timing of revenue recognition				
At a point in time	994,998,614	2,443,880,130	537,856,348	3,976,735,092
Over time	-	-	61,409,508	61,409,508
Total revenue	994,998,614	2,443,880,130	599,265,856	4,038,144,600
Profit (loss) before income taxes	147,495,145	89,882,134	(564,396,802)	(327,019,523)
Income tax expenses				(139,834,862)
Loss for the year				(466,854,385)

* means hospitality business under hotel management agreement.

** means hospitality business under joint venture agreement, hospitality business under Crossroads project which started on 1 September 2019 and other holding companies.

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10 Segment information (Cont'd)

Significant information relating to assets of the reportable segments as at 31 December are as follows.

	Consolidated financial statement			
	As at 31 December 2020			
	Hospitality business - Inbound Baht	Hospitality business - Outbound * Baht	Others ** Baht	Total Baht
Segment assets	5,605,130,785	20,007,426,094	23,798,971,932	49,411,528,810
Intersegment assets	(2,050,243,507)	(47,809,647)	(20,196,207,174)	(22,294,260,328)
Total	3,554,887,278	19,959,616,447	3,602,764,758	27,117,268,482

* means hospitality business under hotel management agreement and hospitality business under Crossroads project.

** means hospitality business under joint venture agreement and investment in order other holding companies.

	Consolidated financial statement			
	As at 31 December 2019			
	Hospitality business - Inbound Baht	Hospitality business - Outbound * Baht	Others ** Baht	Total Baht
Segment assets	5,853,050,549	11,232,148,550	34,183,091,917	51,268,291,016
Intersegment assets	(2,043,363,114)	(45,243,059)	(20,018,040,868)	(22,106,647,041)
Total	3,809,687,435	11,186,905,491	14,165,051,049	29,161,643,975

* means hospitality business under hotel management agreement.

** means hospitality business under joint venture agreement, hospitality business under Crossroads project which started on 1 September 2019 and other holding companies.

Impact on segment disclosures

Segment assets are all increased as a result of the change in accounting policies as follows:

	Consolidated financial statements		
	Segment assets		
	Previously reported Baht	Reclassifications and adjustments Baht	Segment assets Restated Baht
1 January 2020			
Hospitality business - Inbound	3,809,687,435	15,273,507	3,824,960,942
Hospitality business - Outbound *	11,186,905,491	368,627,591	11,555,533,082
Others **	14,165,051,049	638,125,480	14,803,176,529
Total	29,161,643,975	1,022,026,578	30,183,670,553

* means hospitality business under hotel management agreement and hospitality business under Crossroads project.

** means hospitality business under joint venture agreement and investment in order other holding companies.

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11 Cash and cash equivalents

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Cash	26,173,490	7,361,879	25,000	25,000
Bank deposits	2,466,483,508	3,584,244,203	1,219,670,209	1,730,937,368
Cash and cash equivalents	2,492,656,998	3,591,606,082	1,219,695,209	1,730,962,368

The interest rate of bank deposit was 0.01% to 1.50% per annum (2019 : 0.01% to 1.50% per annum).

12 Trade and other receivables, net**12.1 Trade and other receivables, net**

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Trade accounts receivable	119,999,024	250,019,024	-	-
<u>Less</u> Loss allowance (2019: Allowance for doubtful accounts under TAS 101)	(82,499,248)	(2,889,052)	-	-
Trade accounts receivable, net	37,499,776	247,129,972	-	-
Accrued income	84,316	335,719	84,188	-
Other receivables	14,714,999	40,366,634	459	111,535
Trade and other receivables, net	52,299,091	287,832,325	84,647	111,535

12.2 Impairments of trade receivables

The loss allowance for trade receivables was determined as follows:

	Consolidated financial statements				
	Up to 3 months Baht	3 - 6 months Baht	6 - 12 months Baht	More than 12 months Baht	Total Baht
As of 1 January 2020 (under TAS 101)					
Gross carrying amount - trade receivables	214,154,034	20,610,753	15,254,237	-	250,019,024
Loss allowance	-	-	(2,889,052)	-	(2,889,052)
As of 31 December 2020					
Gross carrying amount - trade receivables	42,489,963	4,172,634	69,094,125	4,242,302	119,999,024
Loss allowance	(5,231,590)	(3,373,631)	(69,774,354)	(4,119,673)	(82,499,248)

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12 Trade and other receivables, net (Cont'd)

12.2 Impairments of trade receivables (Cont'd)

The reconciliations of loss allowance for trade receivables for the year ended 31 December are as follows:

	Consolidated financial statements	
	Trade receivables	
	2020 Baht	2019 Baht
As of 1 January - calculated under TAS 101	2,889,052	209,094
Opening loss allowance as at 1 January 2020 - calculated under TFRS 9 (2019: TAS 101)	2,889,052	209,094
Increase in loss allowance recognised in profit or loss during the year (2019: TAS 101)	93,143,069	2,679,958
Receivable written off during the year as uncollectible	(3,400,028)	-
Currency translation differences	(10,132,845)	-
As of 31 December - calculated TFRS 9 (2019 under TAS 101)	82,499,248	2,889,052

13 Financial assets and financial liabilities

As at 31 December 2020, classification of the Group's financial assets and liabilities disclosed in Note 8.

13.1 Other financial assets at amortised cost

a) Classification of financial assets at amortised cost (2019 amortised cost)

The Group classifies its financial assets as at amortised cost only if both of the following criteria are met:

- the asset is held within a business model whose objective is to collect the contractual cash flows; and
- the contractual terms give rise to cash flows that are solely payments of principal and interest

b) Fair values of other financial assets at amortised cost

Due to the short-term nature of the other current receivables, their carrying amount is considered to be the same as their fair value. For the majority of the non-current receivables, the fair values are also not significantly different to their carrying amounts.

As at 31 December 2020, the fair value of loans to related parties approximately equals their carrying amount, as the impact of discount is not significant. They are classified as level 3 fair values.

c) Loss allowance

Information related to loss allowance and credit risk of the Group is disclosed in Note 7.

13.2 Financial assets at fair value through profit or loss

The Group classifies debt investments that do not qualify for measurement at either amortised cost or FVOCI as financial assets at fair value through profit or loss (FVPL) (2019 fair value / cost under TAS 105).

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14 Inventories

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Food and beverages	41,089,140	59,261,474	-	-
Supplies used in operation	114,357,478	205,766,755	-	-
Finished goods	20,315,124	37,481,035	-	-
Inventories	175,761,742	302,509,264	-	-

The Group recognised inventories as costs of the operation in the consolidated financial statements of comprehensive income of Baht 286 million (2019: Baht 486 million).

15 Other current assets

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Undue input vat	38,824,249	6,907,938	1,222,123	1,006,270
Prepaid expenses	104,853,855	122,891,899	2,409,699	1,862,137
Deposits	4,099,340	15,408,207	42,900	-
Leasehold rights	-	49,737,559	-	-
Withholding tax deducted at source	214,631	195,587	-	-
Prepaid corporate income tax	1,784,141	4,702,434	-	-
Vat refundable	212,048,898	267,610,406	25,982,187	19,889,035
Others	2,536,631	13,811,184	-	-
Other current assets	364,361,745	481,265,214	29,656,909	22,757,442

16 Investments in an associate and joint ventures

The amounts recognised in the statements of financial position of as at 31 December are as follows:

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
An associate	12,716,320	20,863,794	-	-
Joint ventures	79,257,188	236,291,766	-	-
	91,973,508	257,155,560	-	-

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16 Investments in an associate and joint ventures (Cont'd)

An associate

Name	Nature of business	Place of Business/country of incorporation	% of ownership interest		Consolidated financial statements At equity method		Separate financial statements At cost method	
			2020	2019	2020	2019	2020	2019
Laguna Service Co., Ltd.	Provide support hotel service	Thailand	27	27	12,716,320	20,863,794	-	-
					12,716,320	20,863,794	-	-

Joint ventures

Name	Nature of business	Place of Business/country of incorporation	% of ownership interest		Consolidated financial statements At equity method		Separate financial statements At cost method	
			2020	2019	2020	2019	2020	2019
FS JV CO LIMITED	Holding company	United Kingdom	50	50	-	160,980,860	-	-
FS JV LICENSE LIMITED	Holding company	United Kingdom	50	50	59,247,824	75,310,876	-	-
SHR Offshore Holding Co., Ltd.	Holding company	The Republic of Seychelles	-	50	-	30	-	-
(Former named SW Development Holding Co., Ltd. and Prime location Management 4 Ltd.)								
Prime Location Management 3 Ltd.	Holding company	The Republic of Seychelles	50	-	20,009,364	-	-	-
					79,257,188	236,291,766	-	-

An associate and all joint ventures are limited companies and have no available quoted price in the market.

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16 Investments in an associate and joint ventures (Cont'd)**Joint ventures (Cont'd)****Change in investment in joint ventures****Prime Locations Management 3 Ltd.**

On 19 February 2020, S Hotels and Resorts (SC) Co., Ltd. (SHC) transferred 50% shareholding of Prime Locations Management 3 Ltd. (PLM3) (a subsidiary of SHC) to Wai Eco World Developer Pte. Ltd. according to a Joint Venture Agreement. The agreement resulted in the change in shareholding percentage in PLM3 of SHC and Wai Eco World Developer Pte. Ltd. to 50% and 50%, respectively. SHC received consideration in cash amounting to US Dollar 16.2 million and recognised gain from disposal of investment in a subsidiary amounting to US Dollar 10.7 million or equivalent to Baht 333.09 million in profit or loss. Then Dream Islands Development 2 Private Limited (DID2) entered into a sublease agreement to sublease the right-of-use of land in Maldives to Dream Islands Development 3 Private Limited (DID3), a subsidiary of PLM3, and recognised gain from disposal of right-of-use amounting to US Dollar 3 million or equivalent to Baht 96.54 million in profit or loss.

SHR Offshore Holding Co., Ltd.

On 28 February 2020, Wai Eco World Developer Pte. Ltd. transferred 1 share of SHR Offshore Holdings Co., Ltd. (SHOH) to S Hotels and Resorts (SC) Co., Ltd. (SHC) resulted in the change in shareholding percentage in SHOH to be a subsidiary of the Group with SHC as the major shareholder.

As at 31 December 2020, the Group has no future aggregate minimum lease payments under non-cancellable operating leases of joint ventures, based on the percentage of interest (2019: GBP 95.3 million).

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16 Investments in an associate and joint ventures (Cont'd)

Joint ventures (Cont'd)

Summarised financial statements of joint ventures

Summarised the statements of financial position

	FS JV CO LIMITED						FS JV LICENSE LIMITED						Prime Location Management 3 Ltd.		Total	
	2020		2019		2020		2020		2019		2020		2020		2020	
	Baht		Baht		Baht		Baht		Baht		Baht		Baht		Baht	
Current assets																
Cash and cash equivalent	68,455,822		311,798,192		39,897,964		42,965,951		40,788,374		149,142,160		354,764,143			
Other current assets	254,360,932		364,087,299		22,283,899		33,659,693		185,519		276,830,350		397,746,922			
Total current assets	322,816,754		675,885,491		62,181,863		76,625,644		40,973,893		425,972,510		752,510,065			
Non-current assets																
Non-current assets	6,668,242,664		6,653,747,496		436,171,638		435,714,254		499,223,737		7,603,638,039		7,089,461,750			
Total Non-current assets	6,668,242,664		6,653,747,496		436,171,638		435,714,254		499,223,737		7,603,638,039		7,089,461,750			
Current liabilities																
Trade accounts payable and other current liabilities	(5,565,978,119)		(5,321,802,734)		(88,962,958)		(75,849,098)		(31,891,817)		(5,686,832,894)		(5,397,651,832)			
Financial liabilities	-		-		-		-		-		-		-			
Total current liabilities	(5,565,978,119)		(5,321,802,734)		(88,962,958)		(75,849,098)		(31,891,817)		(5,686,832,894)		(5,397,651,832)			
Non-current liabilities																
Financial liabilities	(1,789,367,781)		(1,481,867,959)		-		(285,869,032)		(60,074,200)		(1,849,441,981)		(1,767,736,991)			
Other non-current liabilities	(303,401,419)		(232,361,354)		(290,894,895)		-		(218,778,673)		(813,074,987)		(232,361,354)			
Total non-current liabilities	(2,092,769,200)		(1,714,229,313)		(290,894,895)		(285,869,032)		(278,852,873)		(2,662,516,968)		(2,000,098,345)			
Net assets	(667,687,901)		293,600,940		118,495,648		150,621,768		229,452,940		(319,739,313)		444,222,708			

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16 Investments in an associate and joint ventures (Cont'd)

Joint ventures (Cont'd)

Summarised financial statements of joint ventures (Cont'd)

Summarised statement of other comprehensive income

	FS JV CO LIMITED		FS JV LICENSE LIMITED		Prime Location Management 3 Ltd.		Total	
	2020	2019	2020	2019	2020	2019	2020	2019
	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht
Revenues	1,247,570,546	3,334,021,448	96,551,899	207,720,208	253,841	1,344,376,286	3,541,741,656	
Cost of sales	(707,105,047)	(1,515,900,348)	(60,703,393)	(109,150,358)	-	(767,808,440)	(1,625,050,706)	
Operating expenses	(1,193,473,029)	(1,462,795,194)	(58,707,587)	(74,672,217)	(9,541,173)	(1,261,721,789)	(1,537,467,411)	
Interest expenses	(285,140,950)	(275,131,242)	(9,342,911)	(11,684,172)	(10,504,163)	(304,988,024)	(286,815,414)	
Profit (loss) from continuing operations	(938,148,480)	80,194,664	(32,201,992)	12,213,461	(19,791,495)	(990,141,967)	92,408,125	
Income tax	(7,705,812)	(48,587,084)	-	-	-	(7,705,812)	(48,587,084)	
Post-tax profit (loss) from continuing operations	(945,854,292)	31,607,580	(32,201,992)	12,213,461	(19,791,495)	(997,847,779)	43,821,041	
Other comprehensive income (expense)	(15,434,548)	(7,826,918)	75,872	(5,880,542)	16,774,380	1,415,704	(13,707,460)	
Total comprehensive income (expense)	(961,288,840)	23,780,662	(32,126,120)	6,332,919	(3,017,114)	(996,432,075)	30,113,581	

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16 Investments in an associate and joint ventures (Cont'd)
Joint ventures (Cont'd)

Reconciliation of the summarised financial statements presented to the carrying amount of its interests in joint ventures.

	FS JV CO LIMITED		FS JV LICENSE LIMITED		Prime Location Management 3 Ltd.		Total	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Opening net assets	293,600,939	269,820,277	150,621,768	144,288,849	-	-	444,222,707	414,109,126
Additions	-	-	-	-	232,470,055	232,470,055	232,470,055	-
Profit (loss) for the year	(945,854,292)	31,607,580	(32,201,992)	12,213,461	(19,791,495)	(997,847,779)	(997,847,779)	43,821,041
Other comprehensive income (expense)	(15,434,548)	(7,826,918)	75,872	(5,880,542)	16,774,380	1,415,704	(13,707,460)	(13,707,460)
Closing net assets	(667,687,901)	293,600,939	118,495,648	150,621,768	229,452,940	(319,739,313)	444,222,707	444,222,707
Interest in joint ventures	50%	50%	50%	50%	50%	50%		
Carrying value before adjust	-	146,800,470	59,247,824	75,310,876	114,726,470	173,974,294	222,111,346	222,111,346
Goodwill	-	14,180,390	-	-	-	-	-	14,180,390
Elimination of gain on disposal of right-of-use of assets	-	-	-	-	(94,717,106)	(94,717,106)		-
Carrying value	-	160,980,860	59,247,824	75,310,876	20,009,364	79,257,188	236,291,736	236,291,736

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16 Investments in an associate and joint ventures (Cont'd)*Individually immaterial an associate and a joint venture*

The table below is the carrying amount of its interests, in aggregate, all individually immaterial an associate and a joint venture that are accounted for using equity method.

	2020 Baht	2019 Baht
Aggregate carrying amount of individually immaterial an associate and a joint venture	12,716,320	20,863,824
The Group's share of:		
Loss from continuing operations	8,264,010	20,246,757

17 Investments in subsidiaries

As at 31 December, investments in subsidiaries are as follows:

	Separate financial statements At cost method	
	2020 Baht	2019 Baht
S Hotel Phi Phi Island Co., Ltd.	299,999,600	299,999,600
S Hotel Management Co., Ltd.	2,872,999,900	2,872,999,900
S Hotels and Resorts APAC (SG) Pte. Ltd.	5,823,939,031	8,060,166,631
S Hotels and Resorts (SC) Co., Ltd.	5,768,887,646	5,768,887,646
S Hotels and Resorts (HK) Ltd.	2,063,823,128	2,063,823,128
S Hotels and Resorts Management Co., Ltd.	4,999,925	-
Laguna Paradise Co., Ltd.	999,980	-
	16,835,649,210	19,065,876,905

On 11 November 2020, S Hotels and Resorts APAC (SG) Pte. Ltd. (SHAS), reduced its shares by means of shares reduction to restructure the capital structure and manage capital efficient of US Dollar 68 million. The Company received the share reduction in the amount of US Dollar 66 million.

On 15 October and 16 October 2020, the Company invested in subsidiaries which are S Hotels and Resorts Management Co., Ltd. and Laguna Paradise Co., Ltd. for 199,997 shares at 25% of Baht 100 per share, totalling Baht 5 million and 99,988 shares at Baht 10 per share, totalling Baht 0.9 million.

As at 31 December 2020, the Group used investments in subsidiaries, which the net book value totalling to Baht 6,142 million and US Dollar 183 million (2019: Baht 5,769 million and US Dollar 5,999 million), as collaterals in order to pledge the long-term borrowings from financial institutions (Note 23).

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17 Investments in subsidiaries (Cont'd)

As at 31 December, the subsidiaries included in the consolidated financial statements. The subsidiaries have only ordinary shares in which the Group directly holds those shares. The proportion of ownership interests held by the Group is equal to voting rights in subsidiaries held by the Group.

Name	Place of business/ Country incorporation	Business	Proportion of ordinary share directly held by the parent		Proportion of ordinary share directly held by the Group		Proportion of ordinary share directly held by non-controlling interest	
			2020 (%)	2019 (%)	2020 (%)	2019 (%)	2020 (%)	2019 (%)
S Hotel Phi Phi Island Co., Ltd.	Thailand	Hospitality	99.99	99.99	-	-	-	0.01
S Hotel Management Co., Ltd.	Thailand	Hospitality	99.99	99.99	-	-	-	0.01
S Hotels and Resorts Management Co., Ltd.	Thailand	Management of domestic and foreign hotels	99.99	-	-	-	-	-
S Hotels and Resorts APAC (SG) Pte. Ltd.	Singapore	Holding company	100.00	100.00	-	-	-	-
APAC Holding, LLC	Cayman Islands	Holding company	-	-	100.00	-	-	-
Madison Offshore Holdings I, LLC	Cayman Islands	Holding company	-	-	-	100.00	-	-
OTRG APAC Holdings, LLC	Cayman Islands	Holding company	-	-	-	100.00	-	-
SHR Hotels USA, Inc	United State of America	Holding company	-	-	100.00	100.00	-	-
SHR Global Holdings LLC	United State of America	Holding company	-	-	100.00	100.00	-	-
APAC Real Estate Holdings LLC	United State of America	Holding company	-	-	100.00	100.00	-	-
LBR LLC	United State of America	Holding company	-	-	-	100.00	-	-
AREH II LLC	United State of America	Holding company	-	-	-	100.00	-	-
OCL US LLC	United State of America	Holding company	-	-	100.00	100.00	-	-
OHL US LLC	United State of America	Holding company	-	-	100.00	100.00	-	-
AREH III LLC	United State of America	Holding company	-	-	-	100.00	-	-
SHR Global Holdings II LLC	United State of America	Holding company	-	-	100.00	100.00	-	-
Hillview Global Pte Limited	The Republic of Fiji	Holding company	-	-	100.00	100.00	-	-
OC Pte Limited	The Republic of Fiji	Hospitality	-	-	100.00	100.00	-	-
OH Pte Limited	The Republic of Fiji	Holding company	-	-	99.00	100.00	-	-
OHH (Fiji) Pte Limited	The Republic of Fiji	Holding company	-	-	99.00	100.00	-	-
Hillview Pte Limited	The Republic of Fiji	Hospitality	-	-	100.00	100.00	-	-
Saltlake Resorts Limited	The Republic of Mauritius	Hospitality	-	-	100.00	100.00	-	-
O.K.M Private Limited	The Republic of Maldives	Hospitality	-	-	99.00	100.00	-	-
Castleton Hotels & Resorts PTE. LTD.	Singapore	Holding company	-	-	-	100.00	-	-

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17 Investments in subsidiaries (Cont'd)

As at 31 December, the subsidiaries included in the consolidated financial statements. The subsidiaries have only ordinary shares in which the Group directly holds those shares. The proportion of ownership interests held by the Group is equal to voting rights in subsidiaries held by the Group. (Cont'd)

Name	Place of business/ Country incorporation	Business	Proportion of ordinary share directly held by the parent		Proportion of ordinary share directly held by the Group		Proportion of ordinary share directly held by non-controlling interest	
			2020 (%)	2019 (%)	2020 (%)	2019 (%)	2020 (%)	2019 (%)
Madison Offshore (Thailand) Co., Ltd.	Thailand	Holding company	-	-	-	100.00	-	-
Na Nimmann Co., Ltd.	Thailand	Hospitality	-	-	99.98	100.00	-	-
Laguna Beach Development Co., Ltd.	Thailand	Holding company	-	-	100.00	100.00	-	-
Laguna Phuket Club Co., Ltd.	Thailand	Hospitality	-	-	99.00	100.00	-	-
Laguna Paradise Co., Ltd.	Thailand	Holding company	99.99	-	-	100.00	-	-
S Hotels and Resorts (HK) Ltd.	Hongkong	Holding company	100.00	100.00	-	-	-	-
S Hotels and Resorts (UK) Ltd.	United Kingdom	Holding company	-	-	100.00	100.00	-	-
S Hotels and Resorts (SC) Co., Ltd.	The Republic of Seychelles	Holding company	100.00	100.00	-	-	-	-
Prime Locations Management 2 Ltd.	The Republic of Seychelles	Holding company	-	-	100.00	100.00	-	-
Dream Islands Development 2 Pvt. Ltd.	The Republic of Maldives	Hospitality	-	-	99.98	99.98	0.02	0.02
Prime Locations Management 3 Ltd.	The Republic of Seychelles	Holding company	-	-	50.00	100.00	-	-
Dream Islands Development 3 Pvt. Ltd.	The Republic of Maldives	Hospitality	-	-	50.00	100.00	-	-
SHR Offshore Holdings Co., Ltd. (Former named Prime location Management 4 Ltd.)	The Republic of Seychelles	Holding company	-	-	100.00	50.00	-	50.00

All subsidiaries undertaking are included in the consolidation.

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18 Investments properties

	Consolidated financial statements		
	Right-of-use assets Baht	Building and building improvement Baht	Total Baht
As at 1 January 2019			
Transfer from property, plant and equipment	-	584,914,946	584,914,946
Currency translation differences	-	(16,834,673)	(16,834,673)
As at 1 January 2020			
Transfer from property, plant and equipment	78,099,311	568,080,273	568,080,273
Adjustment	-	298,630,330	376,729,641
Currency translation differences	(1,551,526)	(38,559,116)	(38,559,116)
Net gain (loss) from fair value adjustments	(12,467,810)	(14,019,336)	(14,019,336)
	2,375,873	(89,923,903)	(87,548,030)
As at 31 December 2020	78,923,658	725,759,774	804,683,432

The Group's investment properties were valued by independent professionally qualified valuers who hold a recognised relevant professional qualification and have recent experience in the locations and segments of the investment properties valued. For all investment properties, their current use equates to the highest and best use.

Valuation of investment properties was classified as fair value in Level 3 based on information use in valuation technique which is comparable to the current price.

Valuation technique and principal unobservable input use in measuring fair value of investment properties were as follows:

Valuation techniques

- Discount projected of operation cash flows
Fair values are assessed by present values of operation cash flow from assets, which is calculated from expected rental rate and net cashflows, using the risk-adjusted discount rate.
- Income approach

Principal unobservable inputs

- Occupancy rate (63.44% to 100%)
- Rental rate throughout the remaining lease agreement
- Risk-adjusted discount rate (12%)

The association of unobservable input with fair values

Estimated valuation of fair value will increase (decrease), if:

- Occupancy rate increase (decrease)
- Market rental rate increase (decrease)
- Risk adjusted discount rate decrease (increase)

There were no transfers between levels of fair value hierarchy during the year.

As at 31 December 2020 and 2019, the Group used entire investment properties as collaterals in order to pledge the long-term borrowings from financial institutions (Note 23).

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18 Investments properties (Cond't)

Amounts recognised in profit or loss that are related to investment properties are as follows:

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Rental income	13,122,315	15,878,688	-	-
Direct operating expense that generated rental income	12,046,257	18,531,661	-	-
Direct operating expense that did not generate rental income	24,873,817	16,596,776	-	-

As at 31 December the Group has right-of-use assets for the leases of land that are classified as investment properties as follows:

	Consolidated financial statements	
	2020 Baht	2019 Baht
Lands	78,923,658	-
Total cash outflows for leases	1,527,127	-

19 Property, plant and equipment, net

Consolidated financial statements											
Furnitures, fixtures and office equipments											
	Land improvements	Land	Building and building improvements	Baht	Baht	Baht	Baht	Vehicles	Baht	Construction in progress	Total Baht
	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht
At 1 January 2019											
Cost	5,460,900,861	189,035,900	6,984,607,667	2,021,793,670	53,404,063	4,563,759,590	19,273,501,751				
Less Accumulated depreciation	-	(41,341,168)	(1,494,386,406)	(1,388,670,814)	(27,613,307)	-	(2,952,011,695)				
Net book amount	5,460,900,861	147,694,732	5,490,221,261	633,122,856	25,790,756	4,563,759,590	16,321,490,056				
Year ended 31 December 2019											
Opening net book amount	5,460,900,861	147,694,732	5,490,221,261	633,122,856	25,790,756	4,563,759,590	16,321,490,056				
Additions	-	2,834,619	17,216,607	39,563,089	17,683,410	4,497,464,786	4,574,762,511				
Transfer in (out)	-	79,431,453	7,437,200,778	653,223,304	-	(8,748,984,004)	(579,128,469)				
Write-offs and disposals, net	-	-	(11,122,350)	(1,898,012)	(1,971)	(136,023)	(13,158,356)				
Depreciation charge	-	(20,758,504)	(374,211,078)	(225,468,788)	(9,715,357)	-	(630,153,727)				
Currency translation differences	(200,235,563)	(6,832,272)	(449,905,080)	(49,307,196)	(900,479)	(198,033,663)	(905,214,252)				
Closing net book amount	5,260,665,298	202,370,028	12,109,400,138	1,049,235,253	32,856,359	114,070,686	18,768,597,762				
At 31 December 2019											
Cost	5,260,665,298	260,338,944	12,767,365,961	2,543,968,229	69,240,932	114,070,686	21,015,650,050				
Less Accumulated depreciation	-	(57,968,916)	(657,965,823)	(1,494,732,976)	(36,384,573)	-	(2,247,052,288)				
Net book amount	5,260,665,298	202,370,028	12,109,400,138	1,049,235,253	32,856,359	114,070,686	18,768,597,762				

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	Consolidated financial statements													
	Land improvements			Building and building improvements		Furnitures, fixtures and office equipments		Vehicles		Construction in progress		Right-of-use assets		Total
	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht
At 1 January 2020	5,260,665,298	202,370,028	12,109,400,138	1,049,235,253	32,856,359	114,070,686	-	-	-	-	-	-	-	18,768,597,762
Adjustments from change in accounting policy (Note 5)	-	-	-	-	-	-	-	-	-	-	-	-	-	2,696,459,264
Net book amount	5,260,665,298	202,370,028	12,109,400,138	1,049,235,253	32,856,359	114,070,686	2,696,459,264	21,465,057,026						
Year ended 31 December 2020														
Opening net book amount	5,260,665,298	202,370,028	12,109,400,138	1,049,235,253	32,856,359	114,070,686	2,696,459,264	21,465,057,026						
Additions	-	1,046,298	11,569,409	65,924,827	18,932,009	116,404,553	70,133,191	284,010,287						
Transfer in (out)	-	1,009,741	(158,016,309)	(94,678,361)	162,354	(44,744,867)	(78,099,311)	(374,366,753)						
Disposal of right-of-use of assets, net	-	-	-	-	-	-	(187,071,675)	(187,071,675)						
Write-offs and disposals, net	-	-	(96,641,056)	(1,235,585)	(186,583)	(1,710,000)	-	(99,773,224)						
Depreciation charge	-	(22,252,052)	(504,243,858)	(373,400,981)	(9,814,315)	-	(65,208,998)	(974,920,204)						
Currency translation differences	(6,094,693)	207,571	(10,248,143)	(7,846,585)	(557,419)	1,104,960	(487,725)	(23,922,034)						
Adjustment	-	-	(753,043,359)	431,137,704	-	3,894,991	-	(318,010,664)						
Adjustment for impairment assets	-	-	(482,268,406)	-	-	-	-	(482,268,406)						
Closing net book amount	5,254,570,605	182,381,586	10,116,508,416	1,069,136,272	41,392,405	189,020,323	2,435,724,746	19,288,734,353						
At 31 December 2020														
Cost	5,254,570,605	262,025,792	12,887,567,329	2,909,998,794	87,685,661	189,020,323	2,608,160,876	24,199,029,380						
Less Accumulated depreciation	-	(79,644,206)	(2,289,742,337)	(1,840,862,522)	(46,293,256)	-	(172,436,130)	(4,428,978,451)						
Less Accumulated impairment	-	-	(481,316,576)	-	-	-	-	(481,316,576)						
Net book amount	5,254,570,605	182,381,586	10,116,508,416	1,069,136,272	41,392,405	189,020,323	2,435,724,746	19,288,734,353						

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19 Property, plant and equipment, net (Cont'd)

	Separate financial statements				
	Building and building improvements Baht	Furnitures, fixtures, and office equipment Baht	Construction in progress Baht	Right-of-use assets Baht	Total Baht
At 1 January 2019					
Cost	-	-	-	-	-
<u>Less</u> Accumulated depreciation	-	-	-	-	-
Net book amount	-	-	-	-	-
Year ended 31 December 2019					
Opening net book amount	-	-	-	-	-
Additions	879,029	1,818,163	1,080,000	-	3,777,192
Depreciation charge	(58,307)	(293,563)	-	-	(351,870)
Closing net book amount	820,722	1,524,600	1,080,000	-	3,425,322
At 31 December 2019					
Cost	879,029	1,818,163	1,080,000	-	3,777,192
<u>Less</u> Accumulated depreciation	(58,307)	(293,563)	-	-	(351,870)
Net book amount	820,722	1,524,600	1,080,000	-	3,425,322
At 1 January 2020	820,722	1,524,600	1,080,000	-	3,425,322
Adjustments from change in accounting policy (Note 5)	-	-	-	2,914,784	2,914,784
Net book amount	820,722	1,524,600	1,080,000	2,914,784	6,340,106
Year ended 31 December 2020					
Opening net book amount	820,722	1,524,600	1,080,000	2,914,784	6,340,106
Additions	37,500	415,500	630,000	-	1,083,000
Write-offs and disposals, net	-	-	(1,710,000)	-	(1,710,000)
Depreciation charge	(90,269)	(527,407)	-	(1,012,476)	(1,630,152)
Closing net book amount	767,953	1,412,693	-	1,902,308	4,082,954
At 31 December 2020					
Cost	916,529	2,233,663	-	2,914,784	6,064,976
<u>Less</u> Accumulated depreciation	(148,576)	(820,970)	-	(1,012,476)	(1,982,022)
Net book amount	767,953	1,412,693	-	1,902,308	4,082,954

During 2020, the Group recognised loss on impairment of particular assets categories for outbound hospitality business. Therefore, the Group realised loss on impairment in accordance with the net book value amounting Baht 482.27 million under administrative expenses in statement of comprehensive income for the year ended 31 December 2020.

As at 31 December 2020, the Group uses land, building and right-of-use assets of Baht 15,988.46 million (2019: Baht 16,232.99 million) as collaterals in order to pledge the long-term borrowings from financial institutions (Note 23).

For the Group, depreciation expense of Baht 660,419,218 and Baht 314,500,986 has been charged in cost of services and administrative expenses, respectively (2019: Baht 617,371,301 and Baht 12,782,426, respectively). For the Company, depreciation expense of Baht 1,630,152 has been charged in administrative expenses (2019: Baht 351,870).

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19 Property, plant and equipment, net (Cont'd)

As at 31 December 2020, the net book value of right-of-use assets has been included in property, plant and equipment are as follows:

	Consolidated financial statements	Separate financial statements
	Baht	Baht
Land	2,431,902,168	-
Buildings and building improvement	2,183,954	1,763,216
Furniture, fixtures and office equipments	1,638,624	139,092
	2,435,724,746	1,902,308
Total cash outflow for leases	38,235,263	940,852

As at 31 December 2020, right-of-use asset balance are as follows:

	Consolidated financial statements			
	Land	Buildings and building improvements	Furniture, fixtures and office equipment	Total
	Baht	Baht	Baht	Baht
Balance as at 1 January 2020 (Note 5)	2,692,223,940	3,055,950	1,179,374	2,696,459,264
Additions	68,554,953	465,198	1,113,040	70,133,191
Transfer out	(78,099,311)	-	-	(78,099,311)
Disposal of right-of-use of assets, net	(187,071,675)	-	-	(187,071,675)
Depreciation	(63,218,014)	(1,337,194)	(653,790)	(65,208,998)
Translation adjustments	(487,725)	-	-	(487,725)
Balance as at 31 December 2020	2,431,902,168	2,183,954	1,638,624	2,435,724,746

	Separate financial statements		
	Buildings and building improvement	Furniture, fixtures and office equipment	Total
	Baht	Baht	Baht
Balance as at 1 January 2020 (Note 5)	2,727,846	186,938	2,914,784
Depreciation	(964,630)	(47,846)	(1,012,476)
Balance as at 31 December 2020	1,763,216	139,092	1,902,308

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19 Property, plant and equipment, net (Cont'd)

During 2020, the Group recognises loss from impairment of goodwill for hospitality business outbound of Baht 85.61 million. The outbreak of COVID-19 has adverse effects on operating. As a result, operating profit/revenue significantly drop. The carrying amount of the segment has been reduced to its recoverable amount. Loss from impairment of goodwill was reduced in administrative expense in the consolidated comprehensive income for the year.

The recoverable amount of a CGU is determined based on value-in-use calculations. These calculations use pre-tax cash flow projections based on financial budgets approved by management covering a five-year period. and estimate terminal value. The weighted growth rates stated below, the growth rate does not exceed the long-term average growth rate for the business in which the CGU operates. Based as the calculation, there are sufficient headroom over the book value.

The key assumptions used for value-in-use calculations are as follows:

	2020	2019
Weighted growth rate	3%	3%
Discount rate	7.13% to 12%	7.35% to 12%

These assumptions have been used for the analysis of each CGU within the business segment.

Management determined budgeted gross margin based on past performance and its expectations of market development. The weighted average growth rates used are consistent with the forecasts included in industry reports. The discount rates used are pre-tax and reflect specific risks relating to the relevant segments.

If the assumptions used in calculation on impairment test for goodwill changes, the growth rate decrease by 0.5% per annum or discount rate increase by 0.5% per annum, there is still no impairment of goodwill.

20 Goodwill

	Consolidated financial statements	
	2020 Baht	2019 Baht
At 1 January		
Cost	1,111,701,701	1,207,972,046
<u>Less</u> Provision for impairment	-	-
Net book amount	1,111,701,701	1,207,972,046
For the year ended 31 December		
Opening net book amount	1,111,701,701	1,207,972,046
Impairment charge	(85,609,891)	-
Currency translation differences	(3,174,742)	(96,270,345)
Closing net book amount	1,022,917,068	1,111,701,701
At 31 December		
Cost	1,108,357,994	1,111,701,701
<u>Less</u> Allowance for impairment	(85,440,926)	-
Net book amount	1,022,917,068	1,111,701,701

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Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2020

20 Goodwill

During 2020, the Group recognises loss from impairment of goodwill for hospitality business outbound of Baht 85.61 million. The outbreak of COVID-19 has adverse effects on operating. As a result, operating profit/revenue significantly drop. The carrying amount of the segment has been reduced to its recoverable amount. Loss from impairment of goodwill was reduced in administrative expense in the consolidated comprehensive income for the year.

Goodwill is allocated to the Group's cash-generating units (CGUs) identified according to business segment.

A segment-level summary of the goodwill allocation is presented below.

	Consolidated financial statements	
	2020 Baht	2019 Baht
Goodwill allocation:		
Hospitality business - Inbound	249,202,677	249,202,677
Hospitality business - Outbound	773,714,391	862,499,024
Net book amount	1,022,917,068	1,111,701,701

The recoverable amount of a CGU is determined based on value-in-use calculations. These calculations use pre-tax cash flow projections based on financial budgets approved by management covering a five-year period and cash flow beyond the five-year period to calculate the terminal value which are approved by the management. The projections are weighted average growth rates stated below. The weighted average growth rate does not exceed the long-term average growth rate for the business in which the CGU operates. Based as the calculation, there are sufficient headroom over the book value.

The key assumptions used for value-in-use calculations are as follows:

	2020	2019
Weighted average growth rate	3%	3%
Discount rate	7.22%	7.22%

These assumptions have been used for the analysis of each CGU within the business segment.

Management determined budgeted gross margin based on past performance and its expectations of market development. The weighted average growth rates used are consistent with the forecasts included in industry reports. The discount rates used are pre-tax and reflect specific risks relating to the relevant segments.

If the assumptions used in calculation on impairment test for goodwill changes, the growth rate decrease by 0.5% per annum or discount rate increase by 0.5% per annum, there is still no impairment of goodwill.

21 Deferred income taxes

Deferred income tax presented in the statements of financial position comprised of:

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Deferred income tax assets	38,541,155	36,748,694	947,604	326,639
Deferred income tax liabilities	(743,720,310)	(806,386,886)	-	-
Deferred income tax, net	(705,179,155)	(769,638,192)	947,604	326,639

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Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2020

21 Deferred income taxes (Cont'd)

The analysis of deferred income tax assets and liabilities is as follows:

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Deferred income tax assets:				
Deferred income tax asset to be recovered within 12 months	-	-	-	-
Deferred income tax asset to be recovered after more than 12 months	76,272,950	33,047,968	973,362	333,092
	<u>76,272,950</u>	<u>33,047,968</u>	<u>973,362</u>	<u>333,092</u>
Deferred income tax liabilities:				
Deferred income tax liabilities to be settled within 12 months	(94,893)	(18,118)	-	-
Deferred income tax liabilities to be settled after more than 12 months	(781,357,212)	(802,668,042)	(25,758)	(6,453)
	<u>(781,452,105)</u>	<u>(802,686,160)</u>	<u>(25,758)</u>	<u>(6,453)</u>
Deferred income tax, net	<u>(705,179,155)</u>	<u>(769,638,192)</u>	<u>947,604</u>	<u>326,639</u>

The movement of the deferred income tax account is as follows:

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
At 31 December	(769,638,192)	(782,169,287)	326,639	-
Adjustments from changes in accounting policies (Note 5)	749,772	-	-	-
Increase (decrease) to profit or loss	52,648,311	(46,867,472)	620,965	326,639
Increase to other comprehensive income	4,592,844	20,737	-	-
Currency translation differences	6,468,110	59,377,830	-	-
At 31 December	<u>(705,179,155)</u>	<u>(769,638,192)</u>	<u>947,604</u>	<u>326,639</u>

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Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2020

21 Deferred income taxes (Cont'd)

The movement in deferred income tax assets and liabilities is as follows:

	Consolidated financial statements						
	Employee benefit obligation Baht	Re-measuring of fair value Baht	Allowance for doubtful debt Baht	Tax losses Baht	Share-based payment Baht	Others Baht	Total Baht
Deferred income tax assets							
As at 1 January 2019	4,572,967	28,236,159	20,097	30,390,704	-	6,209,365	69,429,292
Increase (decrease) to profit or loss	2,116,253	(2,200,711)	402,232	(28,095,547)	66,407	(5,908,411)	(33,619,777)
Currency translation differences	(165,436)	-	-	(2,295,157)	-	(300,954)	(2,761,547)
As at 31 December 2019	6,523,784	26,035,448	422,329	-	66,407	-	33,047,968
Adjustments from changes in accounting policies (Note 5)	-	-	-	-	-	749,772	749,772
As at 1 January 2020	6,523,784	26,035,448	422,329	-	66,407	749,772	33,797,740
Increase (decrease) to profit or loss	(1,162,112)	-	-	19,231,763	310,289	202,694	18,582,634
Increase to other comprehensive income	-	-	-	-	-	4,592,844	4,592,844
Currency translation differences	(59,810)	-	(27,084)	(862,269)	-	157	(949,006)
As at 31 December 2020	5,301,862	26,035,448	395,245	18,369,494	376,696	5,545,467	56,024,212

	Consolidated financial statements				
	Re-measuring of fair value Baht	Depreciation Baht	Share profit from joint ventures Baht	Others Baht	Total Baht
Deferred income tax liabilities					
As at 1 January 2019	(772,415,544)	(51,071,240)	(20,849,361)	(7,262,434)	(851,598,579)
Increase (decrease) to profit or loss	13,526,635	(19,262,925)	(6,767,028)	(744,377)	(13,247,695)
Increase to other comprehensive income	20,737	-	-	-	20,737
Currency translation differences	54,260,844	7,264,013	46,151	568,369	62,139,377
As at 31 December 2019	(704,607,328)	(63,070,152)	(27,570,238)	(7,438,442)	(802,686,160)
As at 1 January 2020	(704,607,328)	(63,070,152)	(27,570,238)	(7,438,442)	(802,686,160)
Increase (decrease) to profit or loss	13,754,536	(8,924,813)	29,235,954	-	34,065,677
Currency translation differences	2,079,990	5,878,656	(250,310)	(291,220)	7,417,116
As at 31 December 2020	(688,772,802)	(66,116,309)	1,415,406	(7,729,662)	(761,203,367)

	Separate financial statements			
	Employee benefit obligation Baht	Share-based payment Baht	Others Baht	Total Baht
Deferred tax assets				
At 1 January 2019	-	-	-	-
Increase to profit or loss	266,685	66,407	-	333,092
At 31 December 2019	266,685	66,407	-	333,092
At 1 January 2020	266,685	66,407	-	333,092
Increase to profit or loss	321,731	310,289	8,250	640,270
At 31 December 2020	588,416	376,696	8,250	973,362

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For the year ended 31 December 2020

21 Deferred income taxes (Cont'd)

The movement in deferred income tax assets and liabilities is as follows (Cont'd):

	Separate financial statements	
	Depreciation Baht	Total Baht
Deferred income tax liabilities		
At 1 January 2019	-	-
Decrease to profit or loss	(6,453)	(6,453)
At 31 December 2019	(6,453)	(6,453)
At 1 January 2020	(6,453)	(6,453)
Decrease to profit or loss	(19,305)	(19,305)
At 31 December 2020	(25,758)	(25,758)

Deferred income tax assets are recognised for tax loss and carry forwards only to the extent that realisation of the related tax benefit through the future taxable profits is probable. The Group did not recognise deferred income tax assets of Baht 488.74 million in respect of losses amounting to Baht 2,052.52 million that can be carried forward against future taxable income. These loss carry forward will be expired in 2025.

22 Trade and other payables

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Trade accounts payable	197,853,476	335,735,160	-	-
Other payables	18,256,605	40,811,640	1,434,279	3,304,241
Accrued expenses	193,916,769	1,058,718,551	18,502,685	68,646,292
Unearned revenue	177,257,993	278,794,479	615,101	2,893,580
Trade and other payables	587,284,843	1,714,059,830	20,552,065	74,844,113

23 Borrowings

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Current				
Current portion of long-term borrowings, net	2,628,923,371	382,101,159	324,477,342	-
Total current	2,628,923,371	382,101,159	324,477,342	-
Non-current				
Long-term borrowings, net	5,724,464,622	7,465,419,033	324,618,724	648,551,921
Total non-current	5,724,464,622	7,465,419,033	324,618,724	648,551,921
Total borrowings, net	8,353,387,993	7,847,520,192	649,096,066	648,551,921

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Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2020

23 Borrowings (Cont'd)

Movements of borrowings from financial institutions for the year ended 31 December are as follows:

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
At 1 January	7,847,520,192	4,734,366,964	648,551,921	-
Borrowings during the year	576,124,416	4,169,267,271	-	650,000,000
Repayment	(93,644,442)	(865,752,485)	-	-
Increase in deferred financing fee	(3,755,241)	(20,253,556)	-	(1,625,000)
Amortisation of deferred financing fees	3,347,704	13,758	544,145	176,921
Unrealised gain on exchange rate	75,432,345	38,845,409	-	-
Currency translation differences	(51,636,981)	(208,967,169)	-	-
At 31 December	8,353,387,993	7,847,520,192	649,096,066	648,551,921

Borrowings of Baht 7,704 million (2019: Baht 7,199 million) are secured by the Group's land, buildings and shares of subsidiaries of the Group.

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For the year ended 31 December 2020

23 Borrowing (Cont'd)

Long-term borrowings from financial institutions as at 31 December are detailed as follows:

Condition of borrowing				Consolidated financial statements		Separate financial statement		
No.	Credit facility	Payment term	Secured by	Interest % per annum	2020 Baht	2019 Baht	2020 Baht	2019 Baht
S Hotels and Resorts Public Company Limited								
1.	Baht 650,000,000	On quarterly basis from 31 May 2021 to 31 August 2022	Nil	MLR minus certain margin	649,096,066	648,551,921	649,096,066	648,551,921
S Hotel Phi Phi Island Co., Ltd.								
2.	Baht 2,320,000,000	On quarterly basis from 31 March 2018 to 31 August 2027	Land and buildings and the transfer of the beneficiary rights under insurance policy to bank	MLR minus certain margin	1,790,181,274	1,833,227,288	-	-
Dream Islands Development 2 Private Limited								
3.	USD 120,000,000	On quarterly basis from 30 June 2021 to 31 March 2037	Subsidiaries' shares hold by the Group and Land and buildings	LIBOR plus certain margin	3,419,698,045	2,877,963,017	-	-
S Hotels and Resorts APAC (SG) Pte. Ltd. and its subsidiaries								
4.	USD 3,560,000	Quarterly basis within 31 December 2025	Land and buildings	LIBOR plus certain margin	94,682,664	94,973,132	-	-
5.	EUR 12,673,600	Quarterly basis within 31 December 2025	Land and buildings	LIBOR plus certain margin	413,444,608	379,228,231	-	-
6.	FJD 48,333,959	Monthly basis within 31 August 2022	Land and buildings	Published index rate minus certain margin	402,291,383	417,859,372	-	-
7.	FJD 16,140,457	Monthly basis within 31 July 2022	Land and buildings	Published index rate minus certain margin	219,802,360	219,605,252	-	-
8.	Baht 1,425,000,000	Quarterly basis within 31 March 2021	Land and buildings	MLR minus certain margin	1,364,191,593	1,376,111,979	-	-
Total long-term borrowings from financial institutions, net					8,353,387,993	7,847,520,192	649,096,066	648,551,921
Less: Current portion of long-term borrowings, net					(2,628,923,371)	(382,101,159)	(324,477,342)	-
Long-term borrowings, net					5,724,464,622	7,465,419,033	324,618,724	648,551,921

Interest rate risk of borrowing for the Group and the Company is disclosed in Note 7 financial risk management.

S HOTELS AND RESORTS PUBLIC COMPANY LIMITED

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2020

23 Borrowing (Cont'd)

The effective interest rates at the statements of financial position date are as follows:

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Borrowings from financial institutions	2.34% to 5.42%	3.01% to 7.34%	3.75%	3.75%

Maturities of borrowings are as follows:

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Within 1 year	2,628,923,371	382,101,159	324,477,342	-
Later than 1 year but not later than 5 years	3,420,663,910	5,070,558,273	324,618,724	648,551,921
Later than 5 years	2,303,800,712	2,394,860,760	-	-
Total borrowings	8,353,387,993	7,847,520,192	649,096,066	648,551,921

Borrowing facilities

The Group have the following undrawn committed borrowing facilities:

	Consolidated financial statements (Original currency)					
	2020			2019		
	Baht	US Dollar	Fijian Dollar	Baht	US Dollar	Fijian Dollar
Floating rate						
- expiring within 1 year	-	8,857,610	-	-	-	-
- expiring beyond 1 year	40,000,000	5,589,749	16,750,698	302,465,000	24,000,000	16,750,698
Total	40,000,000	14,447,359	16,750,698	302,465,000	24,000,000	16,750,698

S HOTELS AND RESORTS PUBLIC COMPANY LIMITED

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2020

24 Share capital and premium on share capital

	Consolidated and separate financial statements			
	Number of shares Shares	Ordinary shares Baht	Premium on share capital Baht	Total Baht
At 1 January 2019	2,156,184,000	10,780,920,000	3,255,790,774	14,036,710,774
Increase of share capital	1,437,456,000	7,187,280,000	79,393,095	7,266,673,095
At 31 December 2019	3,593,640,000	17,968,200,000	3,335,183,869	21,303,383,869
Increase of share capital	-	-	-	-
At 31 December 2020	3,593,640,000	17,968,200,000	3,335,183,869	21,303,383,869

As at 31 December 2020, registered ordinary share of 3,593,640,000 shares (2019: 3,593,640,000 shares) at a par value of Baht 5 per share (2019: Baht 5 per share) were issued and fully paid up.

25 Other income

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Interest income	144,146,856	119,912,758	59,782,108	24,441,662
Gains on sale of investment in a subsidiary	333,092,728	-	-	-
Gains on disposal of right-of-use of assets	96,543,003	-	-	-
Management fee	30,883,867	61,429,508	4,417,235	-
Gains on disposal of short-term investments	-	2,151,095	6,425	-
Others	48,112,693	16,292,725	1,517,355	315,244
Total	652,779,147	199,786,086	65,723,123	24,756,906

26 Expense by nature

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Cost of services	319,403,922	737,332,449	-	-
Raw material and consumables used	68,467,700	100,984,428	-	-
Staff costs	976,041,015	1,229,900,329	115,346,417	73,762,514
Depreciation and amortisation	985,747,610	675,903,047	1,630,152	351,870
Marketing expenses	81,289,115	216,044,432	3,992,846	11,344,472
Operating lease payment	10,822,105	59,974,166	3,263,491	4,261,390
Repair and maintenance	82,626,732	84,948,356	58,357	122,943
Consulting fees	39,341,646	61,322,058	9,780,158	18,627,306
Losses on exchange rate	69,661,269	30,870,599	200,388,213	11,347,849
Services fees	104,029,900	181,990,633	25,016,882	11,252,293
Utilities expenses	129,788,665	177,257,826	512,384	612,374
Losses of written-off of fixed assets	7,668,782	13,179,555	1,710,000	-
Losses from impairment of assets	567,878,297	-	-	-
Losses from fair value adjustment for investment properties	87,548,030	-	-	-
Allowance for doubtful accounts	93,143,069	2,679,958	-	-
Losses of written-off of inventories	75,208,866	-	-	-

S HOTELS AND RESORTS PUBLIC COMPANY LIMITED

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2020

27 Income tax expenses

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
For the year ended 31 December				
Current income tax:				
Current tax on profits for the year	48,900,641	92,967,390	-	10,952,532
Total current income tax	48,900,641	92,967,390	-	10,952,532
Deferred income tax:				
Origination temporary differences	(52,648,311)	46,867,472	(620,965)	(326,639)
Total deferred income tax	(52,648,311)	46,867,472	(620,965)	(326,639)
Total income tax expenses	(3,747,670)	139,834,862	(620,965)	10,625,893

The tax on the Group's profit (loss) before tax differs from the theoretical amount that would arise using the basic tax rate of the home country of the Company as follows:

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Loss before tax	(2,374,417,354)	(327,019,523)	(311,332,753)	(263,659,811)
Tax calculated at a tax rate of 20% (2019 : 20%)	(474,883,471)	(65,403,905)	(62,266,550)	(52,731,962)
Tax effect of:				
(Income) expense adjustment in accordance with Revenue Code	(209,238,960)	71,839,126	(23,884,376)	(165,717)
Tax losses for which no deferred income tax asset was recognised	516,943,775	100,228,452	38,830,048	23,974,601
Income not subject to tax	-	(30,992,484)	-	-
Tax effect from different tax rate	161,522,798	14,025,223	46,699,913	39,548,971
Others	1,908,188	50,138,450	-	-
Tax charge	(3,747,670)	139,834,862	(620,965)	10,625,893

The weighted average applicable tax rate for the Group and the Company was 0.16% and 0.20%, respectively (2019: 42.76% and 4.03%, respectively).

28 Basic loss per share

Basic loss per share is calculated by dividing the loss attributable to shareholders by the weighted average number of ordinary shares in issue and paid-up during the year.

Basic loss per share for the year ended 31 December are as follows:

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Loss for the year attributable to ordinary shareholders of the Company (Baht)	(2,370,669,684)	(466,854,385)	(310,711,789)	(274,285,704)
Weighted average number of ordinary shares outstanding (shares)	3,593,640,000	2,368,848,723	3,593,640,000	2,368,848,723
Loss per share (Baht per share)	(0.66)	(0.20)	(0.09)	(0.12)

As mentioned in Note 29, warrants which can be converted of 70 million units are instruments that are convertible into ordinary shares as to increase the number of ordinary shares for calculating of diluted earnings per share. Adjustments on finance costs relating to the warrants should be made to net profit. However, for the year ended 31 December 2020, the assumed conversion of the shares has resulted in antidilutive as shown in Note 29. Therefore, no diluted earnings (loss) per share (2019: Nil) has been presented in the consolidated and separate financial statements.

S HOTELS AND RESORTS PUBLIC COMPANY LIMITED

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2020

29 Share-based payment

The Company issued and offered grants of warrants to the executives and employees of: the major shareholder of the parent, the parent, and its subsidiaries; and the Company and its subsidiaries. In totalling 70 million units were issued. The term of the warrants is 2 years from the issued date and no offered price. The criteria of the right to exercise the warrants is in accordance with the Company policy. The exercise ratio and price on the issued date are as follows:

No.	Exercise price Baht/unit	Number of issued warrants units*	Exercise Ratio unit/share	Exercise period	
				Start	End
1	5.20	30%	1:1	28 February 2020	5 November 2021
2	5.46	30%	1:1	29 May 2020	5 November 2021
3	5.72	40%	1:1	30 November 2020	5 November 2021

* Number of exercised warrants of the total allocated units.

The fair value of the warrant is measured by a Black-Scholes Model with the following financial assumptions:

	No 1	No 2	No 3
Fair value of the warrant at the grant date	0.92	0.82	0.72
Share price at the grant date	5.20	5.20	5.20
Exercise price	5.20	5.46	5.72
Expected volatility	29.7%	29.7%	29.7%
The expected period, that shareholders will completely use their right on warrant	5 Novemebr 2021	5 Novemebr 2021	5 Novemebr 2021
Risk free interest rate	1.36%	1.36%	1.36%

Movements of capital reserve for share-based payment for the years ended 31 December are as follows:

	Consolidated and Separate financial statements	
	2020 Baht	2019 Baht
At 1 January	4,733,108	-
Increase during the year	26,008,430	4,733,108
At 31 December	30,741,538	4,733,108

Movements of warrant for the year ended 31 December are as follows:

	Consolidated financial statements		Separate financial statements	
	2020 Unit	2019 Unit	2020 Unit	2019 Unit
At 1 January	70,000,000	-	70,000,000	-
Warrants expired during the year	(5,050,000)	70,000,0000	(5,050,000)	70,000,0000
At 31 December	64,950,000	70,000,0000	64,950,000	70,000,0000

S HOTELS AND RESORTS PUBLIC COMPANY LIMITED

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2020

30 Related-party transactions**30.1 Parent entities**

The Group is controlled by S International Holding Co., Ltd. (Former named “S Hotels and Resorts Inter Co., Ltd.”), incorporated in Thailand, and S Hotels and Resorts (SG) Pte. Ltd., incorporated in Singapore, which hold 60% interest in the Group, the remaining interests are held by others. The Group’s ultimate parent is Boon Rawd Brewery Co., Ltd. incorporated in Thailand.

The relationship with the related parties are controlled by, or are under common control with, the Company, including holding companies, subsidiaries and fellow subsidiaries as at 31 December 2020 are listed below.

Entities’ name	Country/Nationality	Relationship
Mr. Santi Bhirombhakdi	Thai	Shareholder and Director of shareholder
Boon Rawd Brewery Co., Ltd.	Thailand	Ultimate parent
Singha Corporation Co., Ltd.	Thailand	Director is shareholder
Singha Property Management Co., Ltd.	Thailand	Shareholder
Singha Property Management (Singapore) Pte. Ltd.	Singapore	Shareholder
Damerius Pte. Ltd.	Singapore	Shareholder and Director is shareholder
Singha Estate Public Co., Ltd.	Thailand	Parent
S International Holding Co., Ltd. (Former named “S Hotels and Resorts Inter Co., Ltd.)	Thailand	Shareholder
S Hotels and Resorts (SG) Pte. Ltd.	Singapore	Shareholder
Santiburi Samui Country Club Co., Ltd.	Thailand	Director is shareholder
Bophut Property and Resort Co., Ltd.	Thailand	Director is shareholder
Singha Trend Co., Ltd.	Thailand	Director is shareholder
Singha Park Chiang Rai Co., Ltd.	Thailand	Director is shareholder
CTG 2002 Co., Ltd.	Thailand	Director is shareholder
Boon Rawd Trading Co., Ltd.	Thailand	Director is shareholder
Beer Singha Co., Ltd.	Thailand	Director is shareholder
Prime Locations Management Ltd.	Republic of Seychelles	The Group’s ultimate parent is shareholder
Dream Islands Development Pvt. Ltd.	Republic of Maldives	The Group’s ultimate parent is shareholder
S Services (Maldives) Pvt. Ltd.	Republic of Maldives	Director is shareholder
Max Future Co., Ltd.	Thailand	Director is shareholder
Qtech Products Co., Ltd.	Thailand	Director is shareholder
S Prime Growth Leasehold Real Estate Investment Trust	Thailand	The Group’s parent is shareholder
S Commercials (Singapore) Pte. Ltd.	Singapore	The Group’s parent is shareholder
S KLAS Management Co., Ltd.	Thailand	The Group’s parent is shareholder
S REIT Management Co., Ltd.	Thailand	The Group’s parent is shareholder
Singha Property Development Co., Ltd.	Thailand	The Group’s parent is shareholder

Entity’s name and country of registration of subsidiaries, associates and joint ventures are shown in the Note 16 and 17.

S HOTELS AND RESORTS PUBLIC COMPANY LIMITED

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2020

30 Related-party transactions (Cont'd)

30.2 Pricing policy for transactions between the Company and related parties are summarised below:

- Management and other services income are based on actual cost plus a contribution margin not more than 5% or agreed price.
- Purchase of inventories is based on an agreed price comparable to third parties's rates.
- Rental is based on agreed rate comparable to third parties' rates.
- Project management expense is based on an agreed rate in accordance with the co-venture agreement.
- Consulting fee is based on an agreed rate for the contracts.

30.3 The following significant transactions were carried out with related parties:

- a) Sales and purchases of goods and services

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Purchases of goods and services				
Parent	-	718	-	-
Other related parties	97,926	158,722	44,490	40,000
Rental and services income				
Parent	451,174	2,791,810	-	-
Subsidiaries	-	-	-	1,483
Joint ventures	661	-	661	-
Associate	240,973	91,102	-	-
Other related parties	1,309,767	24,162,571	-	684
Management income				
Subsidiaries	-	-	20,031,377	24,594,070
Interest income				
Subsidiaries	-	-	46,101,990	21,957,872
Joint ventures	129,622,348	112,023,021	-	-
Other income				
Parent	199,479	-	199,479	-
Joint ventures	96,543,003	-	-	-
Other related parties	30,705,245	61,409,508	-	-
Interest expense				
Subsidiaries	-	-	-	416,438
Other related parties	-	172,838,982	-	172,838,982
Management fee				
Parent	9,962,972	9,405,561	6,779,205	8,634,788
Associate	1,319,646	4,032,556	-	-
Other related parties	29,957,082	27,200,625	8,890,760	-
Rental and services expense				
Parent	36,581,035	1,769,967	5,199,416	1,685,587
Subsidiaries	-	-	188,316	462,802
Associate	10,253,402	25,301,669	-	-
Joint ventures	-	56,345	-	56,345
Other related parties	7,545,235	15,798,726	5,967,819	4,768,010
Share-based payment transactions				
Parent	1,484,702	5,259,230	879,892	2,988,072

S HOTELS AND RESORTS PUBLIC COMPANY LIMITED

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2020

30 Related-party transactions (Cont'd)

30.3 The following significant transactions were carried out with related parties: (Cont'd)

b) Outstanding balances arising from sales/purchases of goods and services

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Amounts due from related parties				
Trade accounts receivable				
Parent	89,104	726,498	-	-
Associate	254,244	-	-	-
Other related parties	189,277	260,321	-	-
	532,625	986,819	-	-
Other receivables				
Parent	18,919,025	7,705,778	18,919,025	7,705,778
Subsidiaries	-	-	63,597,945	8,121,213
Associate	661	-	661	-
Other related parties	1,012,742	787,107	990,571	747,577
	19,932,428	8,492,885	83,508,202	16,574,520
Interest receivables				
Subsidiaries	-	-	41,309,428	8,676,299
Joint ventures	420,018,825	292,004,611	-	-
	420,018,825	292,004,611	41,309,428	8,676,299
Advances to				
Parent	102	34,559	102	34,559
Subsidiaries	-	-	2,958,428	286,448
Other related parties	18,906,838	6,136,442	32,785	39,562
	18,906,940	6,171,001	2,991,315	360,569
Total amounts due from related parties	459,390,818	307,655,316	127,808,945	25,611,388
Amounts due to related parties				
Trade accounts payable				
Other related parties	4,529,314	4,400,431	-	-
	4,529,314	4,400,431	-	-
Other payables				
Parent	23,736,170	12,602,343	17,476,225	7,607,684
Subsidiaries	-	-	75,632	159,410
Associate	1,487,849	1,806,344	-	-
Joint ventures	-	30	-	-
Other related parties	17,372,256	175,877,341	11,398,151	952,676
	42,596,275	190,286,058	28,950,008	8,719,770
Advance from Parent	-	1,196,052	-	293,959
	-	1,196,052	-	293,959
Unearned revenue				
Subsidiaries	-	-	225,000	-
Other related parties	-	29,102,408	-	-
	-	29,102,408	225,000	-
Total amounts due to related parties	47,125,589	224,984,949	29,175,008	9,013,729

S HOTELS AND RESORTS PUBLIC COMPANY LIMITED

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2020

30 Related-party transactions (Cont'd)

30.3 The following significant transactions were carried out with related parties (Cont'd) :

c) Loans to related parties

	Consolidated financial statements			
	Interest rate (% per annum)		Amount (Baht)	
	2020	2019	2020	2019
<u>Long-term loan - joint ventures</u>				
FS JV CO LIMITED	LIBOR plus 6.50	LIBOR plus 6.50	1,812,356,063	1,481,867,973
FS JV LICENSE LIMITED	8.00	8.00	20,320,150	19,760,850
Prime Locations Management 3 Ltd.	-	-	30,037,100	-
Total			1,862,713,313	1,501,628,823
	Separate financial statements			
	Interest rate (% per annum)		Amount (Baht)	
	2020	2019	2020	2019
<u>Long-term loan - subsidiaries</u>				
S Hotel Phi Phi Island Co., Ltd.	3.75	3.75	380,372,385	299,250,000
S Hotels and Resorts (SC) Co., Ltd.	4.00	6.00	637,383,360	639,715,871
S Hotel and Resort (HK) Ltd.	4.00	-	240,416,931	-
Na Nimmann Co., Ltd.	3.25	-	4,519,486	-
Laguna Paradise Co., Ltd.	3.00	-	1,990,000,000	-
Total			3,252,692,162	938,965,871

As at 31 December 2020, the Company had long-term loans to subsidiaries represented loan of GBP 5 million and Baht 2,374.89 million (2019: Baht 299.25 million, the repayment term is at call, and US Dollar 21.34 million (2019: US Dollar 21.34 million) and GBP 0.98 million, the repayment is in 2022 and 2025 respectively.

As at 31 December 2020, the Group had long-term loans to related parties of US dollar 1.00 million, the repayment term is at call, and GBP 45.10 million (2019: GBP 37.99 million), the repayment term is in 2025.

The fair value of long-term loans approximately equals their carrying amount, as the impact of discount is not significant.

Movement of long-term loans to related parties for the years ended 31 December is as follows:

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
At 1 January	1,501,628,823	1,560,331,169	938,965,871	-
Addition during the year	318,997,700	-	2,318,200,672	650,000,000
Repayment	-	-	-	(116,000,000)
Reclassification	-	-	-	415,250,000
Unrealised loss on exchange rate	-	-	(4,474,381)	(10,284,129)
Currency translation differences	42,086,790	(58,702,346)	-	-
At 31 December	1,862,713,313	1,501,628,823	3,252,692,162	938,965,871

S HOTELS AND RESORTS PUBLIC COMPANY LIMITED

Notes to the Consolidated and Separate Financial Statements
For the year ended 31 December 2020

30 Related-party transactions (Cont'd)

30.3 The following significant transactions were carried out with related parties (Cont'd):

d) Management remuneration

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Salaries and other short-term employee benefits	89,197,016	90,235,801	47,979,531	38,202,540
Other long-term benefits	26,064,881	13,474,933	26,064,881	13,322,163
Share-based payments	6,236,913	6,587,374	6,018,427	4,316,216
Total	121,498,810	110,298,108	80,062,839	55,840,919

31 Commitment

a) Capital expenditure commitments

Capital expenditure commitments but not recognised in the financial statements is as follows:

	Consolidated financial statements			
	2020		2019	
	Million Baht	Million US Dollar	Million Baht	Million US Dollar
Capital expenditure commitments	21.34	3.65	46.36	16.20

b) Operating lease commitments

As at 31 December 2019, the Group leases land, office areas, vehicles and other services under non-cancellable operating lease agreements.

The future aggregate minimum lease payments under non-cancellable operating leases are as follows:

	Consolidated financial statements									
	2020					2019				
	Million Baht	Million US Dollar	Million Mauritian Rupee	Million AU Dollar	Million Pound	Million Baht	Million US Dollar	Million Mauritian Rupee	Million AU Dollar	Million Pound
Within 1 year	11.23	-	-	-	-	15.91	2.17	3.15	0.01	0.01
Later than 1 year but not later than 5 years	2.05	-	-	-	-	15.74	8.67	7.88	-	-
Later than 5 years	-	-	-	-	-	9.19	81.40	-	-	-
Total	13.28	-	-	-	-	40.84	92.24	11.03	0.01	0.01

	Separate financial statements	
	2020 Million Baht	2019 Million Baht
Not later than 1 year	4.85	6.00
Later than 1 year but not later than 5 years	1.90	6.13
Later than 5 years	-	-
Total	6.75	12.13

c) Bank guarantee

As at 31 December 2020, the Group had outstanding bank guarantees for the normal course of business, issued by banks of Baht 3.35 million and Fijian Dollar 0.28 million (2019 : Baht 5.03 million and Fijian Dollar 0.28 million).

S HOTELS AND RESORTS PUBLIC COMPANY LIMITED

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2020

32 Events occurring after the reporting date

- 32.1 On 16 February 2021, the Group acquired additional 50% of the share capital of FS JV Co., Ltd. (FS JV) (a joint venture of the group) from a third party for a total consideration of GBP 13.75 million, therefore of holding was changed to 100% of the share capital. As a result, the investment in FS JV was changed from the investment in a joint venture to investment in a subsidiary.

Details of the purchase consideration, the net assets acquired and goodwill are as follows:

	Million GBP
Purchase consideration - Cash paid	13.75
Total purchase consideration	13.75

The assets and liabilities recognised as a result of the acquisition are as follows:

Total assets	165.30
Borrowings	(137.80)
Net identifiable assets acquired	27.50
Less Investment in the joint venture held before business acquisition	(13.75)
Goodwill	-
Net assets acquired	13.75

The Group was under the process of determining fair value of the acquired net assets and reviewing purchase price allocation (PPA) of an acquisition. Therefore, the balance may be subject to further adjustments depending on the determination of fair value and the result of the PPA, which is expected to be finalised within 12 months from the acquisition date.

- 32.2 On 19 January 2021, Prime Locations Management 3 Ltd. , a joint venture of S Hotels and Resorts (SC) Co., Ltd. (SHC) called for a payment of ordinary shares of US Dollar 8 million. SHC has paid for the shares.



REMUNERATION OF AUDITORS

AUDIT FEE

For the financial year 2020 ended December 31, 2020 (January 1, 2020 – December 31, 2020)

Unit: Thai Baht

COMPANY	AUDIT FEE FOR PWC	AUDIT FEE FOR OTHER AUDITING FIRMS	TOTAL FEE (BY COMPANY)
SHR	2,300,000	-	2,300,000
SHR's Subsidiaries	5,247,455	780,784	6,028,239
Total Audit Fee (by auditing firm)	7,547,455	780,784	8,328,239

NON-AUDIT SERVICE FEES

For the financial year 2020 ended December 31, 2020 (January 1, 2020 – December 31, 2020)

Unit: Thai Baht

COMPANY	NON-AUDIT SERVICE FEES FOR PWC	NON-AUDIT SERVICE FEES FOR OTHER AUDITING FIRMS	TOTAL FEE (BY COMPANY)
SHR	1,600,000	-	1,600,000
SHR's Subsidiaries	981,194	200,842	1,182,036
Total Non-Audit Service Fees (by auditing firm)	2,581,194	200,842	2,782,036

Note: Non-audit service fees for the financial year 2020 ended December 31, 2020 (January 1, 2020 – December 31, 2020) were relating to accounting and tax service fees, etc., but exclusive of out of pocket expense.

LEGAL DISPUTES

As of December 31, 2020, there is no material litigation against the Company or its subsidiaries which could have a negative effect on our assets exceeding 5% of shareholder's equity. In addition, there is no lawsuit, which could have a significant effect on our business.

INFORMATION OF DIRECTORS, EXECUTIVES, AND PERSON SUPERVISING ACCOUNTING



MR. SOMPONG TANTAPART

Independent Director, Chairman of the Board of Directors, and Chairman of the Audit Committee

Age : 63 years

First Appointment Date

November 30, 2018
(Re-elected on June 29, 2020)

Education

- Master of Public Administration, Chulalongkorn University
- Bachelor of Accounting, Thammasat University

Training/Certification

Certification from the Thai Institute of Directors Association (IOD)

- Advanced Audit Committee Program (AACP 33/2019)
- Director Certification Program (DCP 210/2015)

Other Trainings

- Senior Governing Executive, Class 61, Damrong Rajanubhab Office of the Permanent Secretary for Interior
- Financial Executive Development Program (FINEX), Class 14, the Thai Institute of Banking and Finance Association

Work Experience in the 5 Preceding Years

Position held in Other Listed Companies in SET

Present Independent Director,
Member of the Audit Committee,
and Member of the Nomination and Remuneration
Committee,
Central Retail Corporation Public Company Limited

Position held in Other Companies/Organizations

2017 – 2018 Vice President and
Chairman of the Executive Committee,
Dhanarak Asset Development Company Limited
2016 – 2018 Principal Advisor on Strategic Tax Administration
(Finance and Banking), The Revenue Department
2014 – 2018 Director, Erawan Hotel Public Company Limited
2014 – 2017 Director and Member of the Executive Committee,
Dhanarak Asset Development Company Limited
2014 – 2015 Deputy Director-General, The Revenue Department

Securities Holding in the Company as of December 31, 2020

Ordinary shares (SHR)

-None-

Warrants (SHR-W1)

1,500,000 units

Family Relation among Directors and Executives

-None-

Lawsuits in the 10 Preceding Years

-None-

**MR. PRAISUN WONGSMITH**

Independent Director, Member of the Audit Committee,
and Chairman of the Risk Management Committee

Age : 61 years

First Appointment Date

November 30, 2018

Education

- Master of Economics/Finance, Oklahoma State University, USA
- Bachelor of Economics, Oklahoma State University, USA

Training/Certification**Certification from the Thai Institute of Directors Association (IOD)**

- Boardroom Success Through Financing and Investment (BFI 9/2020)
- Digital Transformation – A Must of all Companies (November 6, 2018)
- IT Governance and Cyber Resilience Program (ITG 8/2018)
- Ethical Leadership Program (ELP 10/2017)
- Advanced Audit Committee Program (AACP 24/2016)
- Boards that Make a Difference (BMD 1/2016)
- Role of the Chairman Program (RCP 37/2015)
- Director Certification Program (DCP 92/2007)
- Director Accreditation Program (DAP 11/2004)

Other Trainings

- 2020 Cyber Security Awareness for BOD, TMB Bank Public Company Limited
- Personal Data Protection Act, TMB Bank Public Company Limited
- Economic and Sectoral Outlook: A High-Frequency Data Perspective, TMB Bank Public Company Limited
- Sustainability Training, TMB Bank Public Company Limited
- Branding and NPS Update, TMB Bank Public Company Limited
- Inside Information and Data Privacy, TMB Bank Public Company Limited

- IFRS 9 Implication and Readiness, TMB Bank Public Company Limited
- Cyber Resilience Awareness, TMB Bank Public Company Limited
- Cyber Resilience Leadership Seminar, TMB Bank Public Company Limited
- Bangkok Sustainable Banking Forum 2018, Bank of Thailand
- Business Sustainability in Digital Trend, EY Company Limited
- Advanced Security Management Program, Class 5, The National Defence College Association of Thailand (NDCAT)
- Capital Market Academy Leader Program, Class 14, Capital Market Academy
- The Leadership Grid, Grid Teamwork Limited

Work Experience in the 5 Preceding Years**Position held in Other Listed Companies in SET**

Present	Independent Director and Member of the Audit Committee, TMB Bank Public Company Limited
Present	Chairman of the Board of Directors and Independent Director, Thantawan Industry Public Company Limited

Position held in Other Companies/Organizations

Present	Independent Director and Member of the Audit Committee, Thanachart Bank Public Company Limited
Present	Independent Director and Chairman of the Audit Committee, Jakpisan Estate Public Company Limited
Present	Director, P Advisory Company Limited
Present	Director, PW Consultants Company Limited
2017 – 2019	Independent Director, Industrial Estate Authority of Thailand
2017 – 2019	Independent Director, Islamic Bank Asset Management Limited
2016 – 2018	Independent Director, CAT Telecom Public Company Limited
2016 – 2017	Advisor to the Ministry of Industry, Ministry of Industry
2015 – 2016	Advisor to the Minister, Ministry of Information and Communication Technology

Securities Holding in the Company as of December 31, 2020**Ordinary shares (SHR)**

-None-

Warrants (SHR-W1)

1,000,000 units

Family Relation among Directors and Executives

-None-

Lawsuits in the 10 Preceding Years

-None-

**MR. JUKR BOON-LONG**

Independent Director, and Member of the Audit Committee

Age : 63 years**First Appointment Date**

November 30, 2018

Education

- Master of Arts (International Politics and Economics), University of Detroit, USA
- Bachelor of Law, Ramkhamhaeng University

Training/Certification**Certification from the Thai Institute of Directors Association (IOD)**

- Director Certification Program (DCP 271/2019)
- Risk Management Program for Corporate Leaders (RCL 17/2019)

Other Trainings

- Capital Market Academy Leader Program, Capital Market Academy, Class 29
- Diploma, National Defence College, The National Defence Course, Class 52
- The Programme for Senior Executives on Justice Administration, Class 16

Work Experience in the 5 Preceding Years**Position held in Other Listed Companies in SET**

Present	Independent Director, and Member of the Audit Committee, Glow Energy Public Company Limited
Present	Independent Director, Member of the Audit Committee, and Chairman of the Nomination and Remuneration Committee, P.C.S. Machine Group Holding Public Company
Present	Independent Director, Member of the Audit Committee, and Member of the Corporate Governance Committee, Siam Makro Public Company Limited

Position held in Other Companies/Organizations

Present	Director, Glow Company Limited
Present	Director, Glow SPP 11 Company Limited
Present	Director, Glow SPP 2 Company Limited
Present	Director, Glow SPP 3 Company Limited
Present	Director, Glow IPP Company Limited
Present	Director, Glow IPP 2 Holding Company Limited
Present	Director, Member of Audit Subcommittee, and Chairman of Risk Management Subcommittee, Neighbouring Countries Economic Development Cooperation Agency (Public Organization)
2017 - 2018	Ambassador of Royal Thai Embassy in Yangon, The Republic of Union of Myanmar
2014 - 2016	Ambassador of Royal Thai Embassy in Oslo, Norway

Securities Holding in the Company as of December 31, 2020**Ordinary shares (SHR)**

-None-

Warrants (SHR-W1)

1,000,000 units

Family Relation among Directors and Executives

-None-

Lawsuits in the 10 Preceding Years

-None-

**MR. CHAYANIN DEBHAKAM, D.B.A.**

Director
(Authorized Director)

Age : 51 years

First Appointment Date

November 10, 2015
(Re-elected on April 30, 2018)

Education

- Doctorate degree in Business Administration, Rattana Bundit University
- Master of Management, Sasin Graduate Institute of Business Administration, Chulalongkorn University
- Biomedical Science, Kingston University, United Kingdom

Training/Certification

Certification from the Thai Institute of Directors Association (IOD)

- Director Certification Program (DCP 191/2014)

Other Trainings

- Securities & Exchange Commission Capital Markets Leader Program: Building Competitiveness of Nation and Thai Capital Markets, the Securities and Exchange Commission (SEC)
- Advanced Certificate Course in Politic and Governance in Democratic Systems for Executive 12
- Advanced Certificate Course in Judicial Training for Executive 15

Work Experience in the 5 Preceding Years

Position held in Other Listed Companies in SET

Present Director, Chairman of the Nomination and Remuneration Committee, Member of the Corporate Governance and Sustainable Development Committee, and Chairman of the Executive Committee, Singha Estate Public Company Limited

Position held in Other Companies/Organizations

Present Director of 25 subsidiaries and/or joint ventures of the Company
Present Director, Singha Property Management Company Limited
Present Director, Park Industry Company Limited
Present Director, Mahasan Enterprise Company Limited
Present Director, Angthong Power Company Limited
Present Director, Siam Parboiled Rice Company Limited
Present Director, Khao Pun Dee Company Limited
Present Director, Absolute Power P Company Limited
Present Director, Solar Innovation Company Limited
Present Director, G-Force Company Limited
Present Director, Bangkok 12 Company Limited
Present Director, Kasem Wanarom Company Limited
Present Director and Deputy Managing Director, Singha Corporation Company Limited
Director, CTG 2002 Company Limited
Director, Boonrawd Brewery Company Limited
Director, C.V.S. Syndicate Company Limited
Director, Leo Links Company Limited
Director, Fine Food Capital Company Limited

Securities Holding in the Company as of December 31, 2020

Ordinary shares (SHR)

40,020 shares, 0.0011% of total paid-up capital

Warrants (SHR-W1)

1,000,000 units

Family Relation among Directors and Executives

-None-

Lawsuits in the 10 Preceding Years

-None-

**MR. NARIS CHEYKLIN**

Director, and Chairman of the Executive Committee
(Authorized Director)

Age : 59 years

First Appointment Date

November 10, 2015
(Re-elected on April 26, 2019)

Education

- Master of Accounting, Thammasat University
- Bachelor of Accounting, Thammasat University

Training/Certification

Certification from the Thai Institute of Directors Association (IOD)

- Director Certification Program (DCP 9/2002)

Other Trainings

- Institute of Metropolitan Development (Class 4)
- Advanced Security Management Program (Class 4/2013)
- Capital Market Academy Leader Program (Class 2/2006)
- Organizational Risk Management Program, Sasin Graduate Institute of Business Administration of Chulalongkorn University (Class 2/2004)
- Corporate Financial Strategies, Kellogg School of Management, Chicago, U.S.A.
- Executive Development Program in Real Estate Management, Thammasat University (1993)
- Computer Audit Program, Arthur Andersen
- General Audit Program, SGV-Na Thalang, Bangkok and SGV Manila, Philippines

Work Experience in the 5 Preceding Years

Position held in Other Listed Companies in SET

Present	Director, Member of the Risk Management Committee, Member of the Sustainable Development Committee, Member of the Executive Committee, and Chief Executive Officer, Singha Estate Public Company Limited ^{/1}
2017 - Jan. 21	Director, Chairman of the Executive Committee, and Member of the Nomination and Remuneration Committee, Nirvana Daii Public Company Limited

Position held in Other Companies/Organizations

Present	Director of 42 subsidiaries and/or joint ventures of the Company
Present	Director, Siratara Company Limited
Present	Director, Interacccy Company Limited
2017 - Jan. 21	Chairman, Nirvana River Company Limited
2015 - 2017	Director, S 36 Property Company Limited
2015 - 2017	Chairman, Nirvana Development Company Limited
2014 - 2017	Director, Thai Setakij Insurance Public Company Limited

Securities Holding in the Company as of December 31, 2020

Ordinary shares (SHR)

1,060,060 shares, 0.0295% of total paid-up capital

Warrants (SHR-W1)

1,000,000 units

Family Relation among Directors and Executives

-None-

Lawsuits in the 10 Preceding Years

-None-

**MR. DIRK ANDRE L. DE CUYPER**

Director, Member of the Executive Committee, Member of the Risk Management Committee, and Chief Executive Officer
(Authorized Director)

Age : 55 years

First Appointment Date

November 14, 2018
(Re-elected on June 29, 2020)

Education

- Bachelor of Hotel Management, Brussels Erasmus University, Belgium

Training/Certification**Certification from the Thai Institute of Directors Association (IOD)**

- Director Certification Program (English Program) (DCP 247/2017)

Other Trainings

- Executive Leadership - Cornell, IMD and LBS

Work Experience in the 5 Preceding Years**Position held in Other Listed Companies in SET**

Present Member of the Executive Committee,
Singha Estate Public Company Limited

Position held in Other Companies/Organizations

Present Director of 42 subsidiaries and/or joint ventures of
the Company
2012 – 2015 Regional General Manager Thailand & General
Manager, Millennium Hilton Bangkok,
Hilton Worldwide

Securities Holding in the Company as of December 31, 2020**Ordinary shares (SHR)**

-None-

Warrants (SHR-W1)

1,250,000 Units

Family Relation among Directors and Executives

-None-

Lawsuits in the 10 Preceding Years

-None-



MR. TERACHART NUMANIT

Director ^{/1}

(Authorized Director)

Age : 64 years

First Appointment Date

January 10, 2019

(Re-elected on April 26, 2019)

Education

- Bachelor Degree in Civil Engineering, Polytechnic University, New York, U.S.A.

Training/Certification

Certification from the Thai Institute of Directors Association (IOD)

- Director Accreditation Program (DAP 174/2020)

Other Trainings

-None-

Work Experience in the 5 Preceding Years

Position held in Other Listed Companies in SET

- | | |
|----------------|--|
| 2018 - Jan. 21 | Member of the Executive Committee,
and Chief Design and Construction Officer,
Singha Estate Public Company Limited |
| 2017 | Director and Member of the Executive Committee,
Nirvana Daii Public Company Limited |

Position held in Other Companies/Organizations

- | | |
|----------------|--|
| 2020 - Feb. 21 | Director, S Hotels and Resorts Management Co., Ltd. |
| 2019 - Jan. 21 | Director, S43 Property Company Limited |
| 2017 | Director of 5 subsidiaries and/or joint ventures of
Nirvana Daii Public Company Limited |
| 2014 - 2017 | Director of 8 subsidiaries and/or joint ventures of
the Company |

Securities Holding in the Company as of December 31, 2020

Ordinary shares (SHR)

100,000 shares, 0.0028% of total paid-up capital

Warrants (SHR-W1)

1,500,000 units

Family Relation among Directors and Executives

-None-

Lawsuits in the 10 Preceding Years

-None-

**MRS. THITIMA RUNGKWANSIROJ**

Director, Member of the Executive Committee, and Member of the Risk Management Committee
(Authorized Director)

Age : 59 years

First Appointment Date

June 29, 2018

(Re-elected on June 29, 2020)

Education

- Master of Accounting, Thammasat University
- Bachelor of Accounting, Thammasat University

Training/Certification**Certification from the Thai Institute of Directors Association (IOD)**

- Director Certification Program (DCP 131/2015)
- Director Accreditation Program (DAP 65/2007)

Other Trainings

- Tax burden in the whole system of real estate, house, land, housing estate, condominium selling business, Dharmniti Seminar and Training Company Limited on 16 November 2020
- TFRS 15: Revenue from Contracts with Customers and TFRS 16: Lease by Dharmniti Seminar and Training Company Limited on 22 October 2020
- Financial Statement Analysis, Faculty of Commerce and Accountancy, Chulalongkorn University
- Withholding Tax and Tax Deduction, GTO Training, Co., Ltd.
- Advanced Management Program, INSEAD Business School, Singapore
- Advance Derivative and Financial Risk Management, Hong Kong
- CFO Becoming a Strategic Partner, Singapore
- CFO Regional Summit Forum, Singapore

Work Experience in the 5 Preceding Years**Position held in Other Listed Companies in SET**

- | | |
|----------------|--|
| Present | Member of the Executive Committee, Chief Financial Officer, and Company Secretary, Singha Estate Public Company Limited ¹ |
| 2018 – Jan. 21 | Director, and Member of the Executive Committee, Nirvana Daii Public Company Limited |

Position held in Other Companies/Organizations

- | | |
|-------------|--|
| Present | Director of 7 subsidiaries and/or joint ventures of the Company |
| 2017 – 2018 | President and Director, Sukhumvit Asset Management Company Limited |
| 2014 – 2016 | Executive Director, KPMG Phoomchai Advisory (Thailand) Limited |

Securities Holding in the Company as of December 31, 2020**Ordinary shares (SHR)**

-None-

Warrants (SHR-W1)

1,500,000 units

Family Relation among Directors and Executives

-None-

Lawsuits in the 10 Preceding Years

-None-

Remark: ¹ Mrs. Thitima Rungkwansiroj has been appointed as the Chief Executive Officer of Singha Estate Public Company Limited, effective from February 10, 2021 onwards.



MR. CHAIRATH SIVAPORNPAN

Member of Executive Committee, Chief Financial Officer, and Company Secretary
(the person taking the highest responsibility in finance and accounting)

Age : 38 years

Appointment Date as Executive

July 4, 2019

Appointment Date as Company Secretary

August 8, 2019

Education

- Master of Business Administration – Finance, University of Illinois – Urbana Champaign, USA
- Bachelor of Economics, Thammasat University

Training/Certification

Certification from the Thai Institute of Directors Association (IOD)

- Company Secretary Program (CSP 101/2019)

Continuing Development Course in Accounting Knowledge (Refresh Course)

- Financial Statements Analysis Course by the Business Accounting Supervision Division, Department of Business Development, the Ministry of Commerce on 13 -15 May 2020 (7 hours e-learning)

Other Trainings

- Financial Advisor Refresher Course 2020 by Association of Thai Securities Companies
- RE-CU CEO Class 5, RE-CU Management Unit
- Strategic CFO Class 6/2018, The Stock Exchange of Thailand
- Certificate in Investor Relations 2016, Thai Investor Relations Club
- Thai Intelligent Investors Program (TIIP 9) by Thai Investors Association

Work Experience in the 5 Preceding Years

Position held in Other Listed Companies in SET

- | | |
|-------------|---|
| 2018 – 2019 | Senior Vice President, Corporate Finance, Singha Estate Public Company Limited |
| 2011 – 2018 | First Vice President, Capital Market and Investor Relations, B.Grimm Power Public Company Limited |

Position held in Other Companies/Organizations

-None-

Securities Holding in the Company as of December 31, 2020

Ordinary shares (SHR)

-None-

Warrants (SHR-W1)

1,208,650 units

Family Relation among Directors and Executives

-None-

Lawsuits in the 10 Preceding Years

-None-

**MS. KANKANID WICHITCHAROEN**

Senior Vice President - Finance
(the person supervising accounting)

Age : 54 years

Appointment Date as Executive

January 1, 2019

Education

- Bachelor of Business Administration Program in Accounting, Assumption University

Training/Certification**Certification from the Thai Institute of Directors Association (IOD)**

-None-

Continuing Development Course in Accounting Knowledge (Refresh Course)

- TFRS 15: Revenue from Contracts with Customers and TFRS 16: Lease by Dharmniti Seminar and Training Company Limited on 22 October 2020 (6 hours)
- CFO' s Orientation Course for New IPOs, Class 3, the Stock Exchange of Thailand by Thailand Securities Institute (TSI), the Stock Exchange of Thailand on 26-27 January 2019 (12 hours)

Other Trainings

- Tax burden in the whole system of real estate, house, land, housing estate, condominium selling business, Dharmniti Seminar and Training Company Limited on 16 November 2020
- VAT principles of real estate development business both in the rental and service Including the correct purchase tax average, Dharmniti Seminar and Training Company Limited
- CFO' s Orientation Course for New IPOs, Class 3, the Stock Exchange of Thailand
- Update Accounting Standard 2018, Boon Rawd Brewery Company Limited

- Advanced Excel Charts for Accounting Presentation, Dharmniti Seminar and Training Company Limited
- In-depth course, Analyzing Financial Statements, Dharmniti Seminar and Training Company Limited
- 41 issues with 7 standards for accurate accounting, Dharmniti Seminar and Training Company Limited
- COSO-2013 Internal Control System Guidelines Model, Class 1/2016, Federation of Accounting Professions

Work Experience in the 5 Preceding Years**Position held in Other Listed Companies in SET**

-None-

Position held in Other Companies/Organizations

2014 - 2015 Vice President, Finance and Accounting,
Boutique Group Company Limited

Securities Holding in the Company as of December 31, 2020**Ordinary shares (SHR)**

10,000 shares, 0.0003% of total paid-up capital

Warrants (SHR-W1)

1,062,500 units

Family Relation among Directors and Executives

-None-

Lawsuits in the 10 Preceding Years

-None-



MR. STEFANO ALBERTO RUZZA

Senior Vice President – Operations

Age : 47 years

Appointment Date as Executive

June 1, 2020

Education

- Diploma of Hospitality-Restauratation HF/SHL Swiss Hotel School of Lucerne, SHL

Training/Certification

Certification from the Thai Institute of Directors Association (IOD)

-None-

Other Trainings

- GDPR Compliance training
- Advice for leaders During a Crisis training

Work Experience in the 5 Preceding Years

Position held in Other Listed Companies in SET

-None-

Position held in Other Companies/Organizations

2017 – May 20 General Manager, Conrad Maldives Rangali Island

2013 – 2017 General Manager, Conrad Koh Samui, Thailand

Securities Holding in the Company as of December 31, 2020

Ordinary shares (SHR)

-None-

Warrants (SHR-W1)

-None-

Family Relation among Directors and Executives

-None-

Lawsuits in the 10 Preceding Years

-None-

**MS. MATANA THIENTHONG**

Senior Vice President - Global Commerce

Age : 48 years**Appointment Date as Executive**

November 1, 2020

Education

- Master of Science in Economics, Portland State University, Portland, OR, USA
- Bachelor of Science in Economics (Dean's list), University of Oregon, Eugene, OR, USA
- B.A., Sociology and Anthropology, Thammasat University, Bangkok, Thailand

Training/Certification**Certification from the Thai Institute of Directors Association (IOD)**

-None-

Other Trainings

- 2008 Marketing Guru
- 2016 Human Resource Aviation Management
- 2016 Aviation Management for Executives
- 2018 Bootcamp on Design, Making, and Disruptive Thinking
- 2018 Design Thinking Deep Dive for Leaders
- 2019 Design Thinking Deep Dive for Leaders

Work Experience in the 5 Preceding Years**Position held in Other Listed Companies in SET**

-None-

Position held in Other Companies/Organizations

- 2016 - Oct. 20 Regional Commercial Head (Japan / Korea / Australia), Thai AirAsiaX Company Limited
- 2004 - 2015 Marketing Director, GMM Media Public Company Limited

Securities Holding in the Company as of December 31, 2020**Ordinary shares (SHR)**

-None-

Warrants (SHR-W1)

-None-

Family Relation among Directors and Executives

-None-

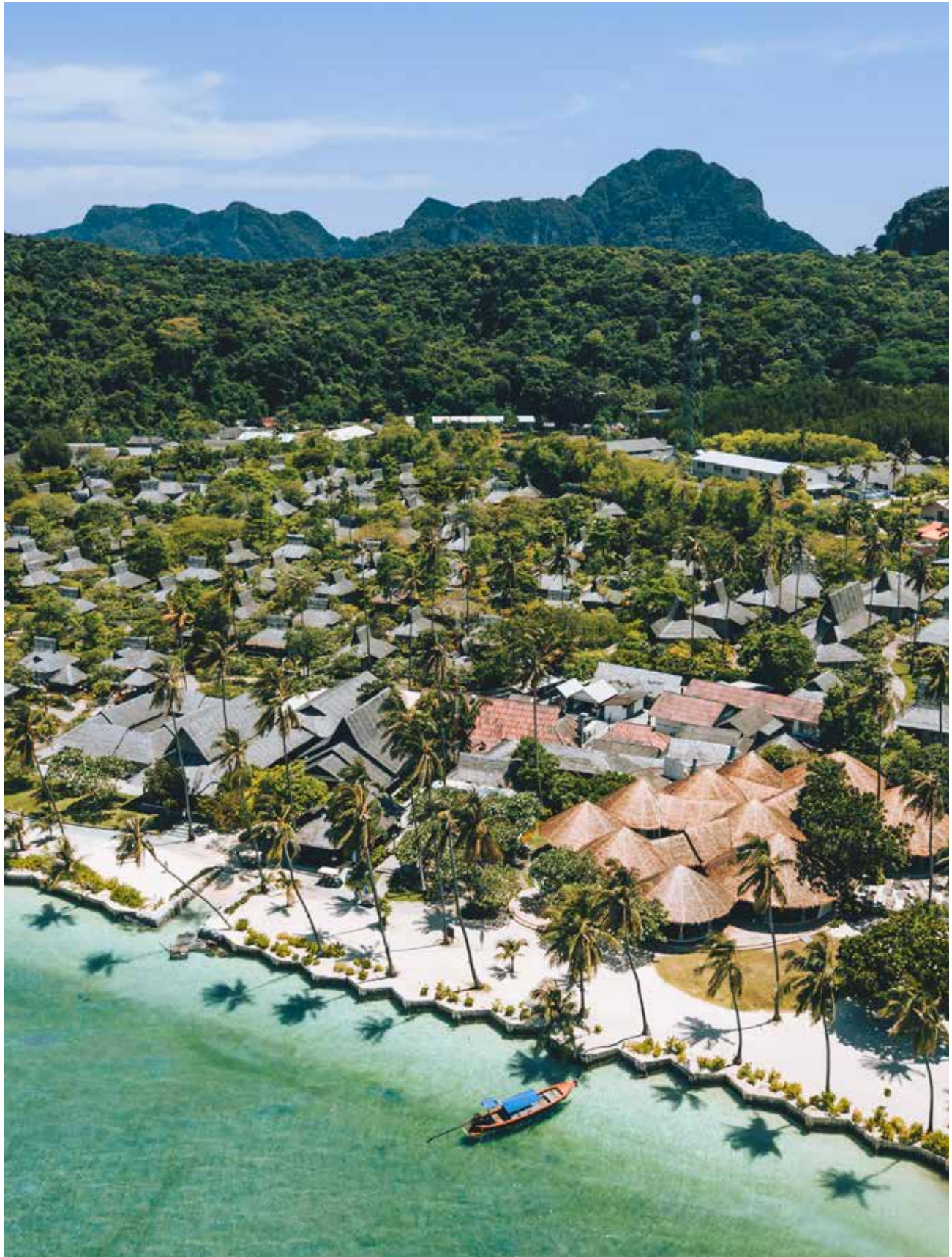
Lawsuits in the 10 Preceding Years

-None-

THE COMPANY'S SECURITIES HOLDING OF DIRECTORS AND EXECUTIVES ^{/1}

NAMES	POSITION	ORDINARY SHARES				WARRANT (SHR-W1)			
		AS AT DECEMBER 31, 2019		AS AT DECEMBER 31, 2020		AS AT DECEMBER 31, 2019		AS AT DECEMBER 31, 2020	
		NUMBER OF SHARES (SHARES)	% OF TOTAL PAID-UP CAPITAL	NUMBER OF SHARES (SHARES)	% OF TOTAL PAID-UP CAPITAL	NUMBER OF WARRANTS (UNITS)	% OF REMAINING LISTED WARRANTS	NUMBER OF WARRANTS (UNITS)	% OF REMAINING LISTED WARRANTS
1. Mr. Sompong Tantapart	Chairman of the Board Independent Director Chairman of the Audit Committee	-	-	-	-	1,500,000	21429	1,500,000	21429
Spouse / underage children		-	-	-	-	-	-	-	-
2. Mr. Praisun Wongsmith	Independent Director Member of the Audit Committee Chairman of the Risk Management Committee	-	-	-	-	1,000,000	14286	1,000,000	14286
Spouse / underage children		-	-	-	-	-	-	-	-
3. Mr. Jukr Boon-long	Independent Director Member of the Audit Committee	-	-	-	-	1,000,000	14286	1,000,000	14286
Spouse / underage children		-	-	-	-	-	-	-	-
4. Mr. Chayanin Dehakam, D.B.A.	Director	40,020	0.0011	40,020	0.0011	1,000,000	14286	1,000,000	14286
Spouse / underage children		-	-	-	-	-	-	-	-
5. Mr. Naris Cheykin	Director Chairman of the Executive Committee	1,060,060	0.0295	1,060,060	0.0295	1,000,000	14286	1,000,000	14286
Spouse / underage children		-	-	-	-	-	-	-	-
6. Mr. Dirk Andre L. De Cuyper	Director Member of the Executive Committee Member of the Risk Management Committee Chief Executive Officer	-	-	-	-	1,250,000	17857	1,250,000	17857
Spouse / underage children		-	-	-	-	-	-	-	-
7. Mrs. Thitima Rungkwansiriroj	Director Member of the Executive Committee Member of the Risk Management Committee	-	-	-	-	1,500,000	21429	1,500,000	21429
Spouse / underage children		-	-	-	-	-	-	-	-
8. Mr. Terachart Numanit	Director	100,000	0.0028	100,000	0.0028	1,500,000	21429	1,500,000	21429
Spouse / underage children		-	-	-	-	-	-	-	-
9. Mr. Chairath Sivapornpan	Member of the Executive Committee Chief Financial Officer Company Secretary	-	-	-	-	1,208,650	17266	1,208,650	17266
Spouse / underage children		-	-	-	-	-	-	-	-
10. Ms. Kankanid Wichitcharoen	Senior Vice President - Finance	10,000	0.0003	10,000	0.0003	1,062,500	15179	1,062,500	15179
Spouse / underage children		-	-	-	-	-	-	-	-
11. Mr. Stefano Alberto Ruzza	Senior Vice President - Operations	-	-	-	-	-	-	-	-
Spouse / underage children		-	-	-	-	-	-	-	-
12. Ms. Matana Thienthon	Senior Vice President - Global Commerce	-	-	-	-	-	-	-	-
Spouse / underage children		-	-	-	-	-	-	-	-
Total shares held by directors and management not exceeding 25% of paid-up capital		1,210,080	0.0337	1,210,080	0.0337	12,021,150	171731	12,021,150	171731

Remark: ^{/1} List of the directors and executives according to the definition under the Notification of the Capital Market Supervisory Board No.Tor Jor 23/2551.



GENERAL INFORMATION OF BUSINESS HELD BY THE COMPANY 10% UPWARDS (DIRECTLY AND INDIRECTLY)

As of December 31, 2020

NO.	COMPANY NAME AND ADDRESS	REGISTERED CAPITAL	TYPE OF SHARE	NUMBER OF PAID-UP SHARES (SHARES)	VALUE OF SHARE	SHAREHOLDING
Type of business: Hotel management and investment						
1	S Hotel Phi Phi Island Co., Ltd. 123 Suntowers Building B 10 th Floor, Vibhavadi-Rangsit Road Chom Phon, Chatuchak Bangkok, Thailand 10900	THB 300,000,000	Ordinary	3,000,000	THB 100	99.99%
2	S Hotel Management Co., Ltd. 123 Suntowers Building B 10 th Floor, Vibhavadi-Rangsit Road Chom Phon, Chatuchak Bangkok Thailand 10900	THB 1,531,122,890	Ordinary	153,112,289	THB 10	99.99%
3	S Hotels and Resorts Management Co., Ltd. 123 Suntowers Building B 10 th Floor, Vibhavadi-Rangsit Road, Chom Phon, Chatuchak Bangkok, Thailand 10900	THB 20,000,000	Ordinary	200,000	THB 100	99.99%
4	Laguna Phuket Club Co., Ltd. No. 323 Moo 2, Srisoonthorn Road, Tambol Cherngtalay Amphur Thalang, Phuket province	THB 373,000,000	Ordinary Preference	37,137,000 163,000	THB 10 THB 10	99.99%
5	Na Nimmann Co., Ltd. 63/182 Moo 5, Tambol Bohput Amphur Koh Samui, Suratthani province	THB 118,000,000	Ordinary	11,800	THB 10,000	99.99%
6	Laguna Service Co., Ltd. No. 57 Moo 4, Srisoonthorn Road Tambol Cherngtalay, Amphur Thalang, Phuket province	THB 90,500,000	Ordinary	905,000	THB 100	27.09%
7	Jupiter Hotels Wetherby Limited 40 Oxford Road, High Wycombe BUCKS HP11 2EE	GBP 4,505,000	Common Preference	4,500,000 5,000	GBP 1 GBP 1	50%
8	Jupiter Hotels Management Limited 40 Oxford Road, High Wycombe BUCKS HP11 2EE	GBP 1	Common	1	GBP 1	50%
9	Aston Hotels Limited 40 Oxford Road, High Wycombe BUCKS HP11 2EE	GBP 3,000,000	Common	3,000,000	GBP 1	50%

NO.	COMPANY NAME AND ADDRESS	REGISTERED CAPITAL	TYPE OF SHARE	NUMBER OF PAID-UP SHARES (SHARES)	VALUE OF SHARE	SHAREHOLDING
10	Aston Ventures Limited 40 Oxford Road, High Wycombe BUCKS HP11 2EE	GBP 1,000,000	Common	1,000,000	GBP 1	50%
11	Aston Hotels (Sheffield) Limited 40 Oxford Road, High Wycombe BUCKS HP11 2EE	GBP 1,000,000	Common	1,000,000	GBP 1	50%
12	Dream Islands Development 2 Private Limited #02-01, Millennia Tower, 10 Ameer Ahmed Magu, Male' 20026, Republic of Maldives	MVR 2,829,662,520	Ordinary	183,506,000	MVR 15.42	99.99%
13	Dream Islands Development 3 Private Limited #02-01, Millennia Tower, 10 Ameer Ahmed Magu, Male' 20026, Republic of Maldives	MVR 638,388,000	Ordinary	123,360,000	MVR 1	49.99%
14	O.K.M Pvt Ltd H. Orchid Maage, 02nd Floor Ameer Ahmed Magu, K.Male' The Republic of Maldives	MVR 1,217,290,574	Member	7,894,232	MVR 154.2	100%
15	APAC Holding, LLC MAPLES CORPORATE SERVICES LIMITED PO Box 309 Ugland House, Grand Cayman KY1-1104, Cayman Islands	No concept of share capital	Member		No par value	100%
16	Hillview Pte Limited KPMG, Level 10, BSP Suva Central, Renwick Road, Suva The Republic of Fiji	FJD 14,338,979	Ordinary	14,338,979	FJD 1	100%
17	OC Pte Limited KPMG, Level 10, BSP Suva Central, Renwick Road, Suva The Republic of Fiji	USD 9,546,323	Ordinary	9,546,323	USD 1	100%
18	Saltlake Resorts Ltd Allee Des Cocotiers Royal, Bel Ombre, The Republic of Mauritius	MUR 216,505,000	Ordinary	216,505	MUR 1,000	100%

NO.	COMPANY NAME AND ADDRESS	REGISTERED CAPITAL	TYPE OF SHARE	NUMBER OF PAID-UP SHARES (SHARES)	VALUE OF SHARE	SHAREHOLDING
Type of business: Investment in other companies						
19	Laguna Beach Development Co., Ltd. No. 323 Moo 2, Srisoonthorn Road, Tambol Chergtalay Amphur Thalang, Phuket province	THB 10,000,000	Ordinary Preference	600,000 400,000	THB 10 THB 10	100%
20	Laguna Paradise Co., Ltd. No. 323 Room no.1, Moo 2 Srisoonthorn Road, Tambol Chergtalay, Amphur Thalang Phuket province	THB 1,000,000	Ordinary	100,000	THB 10	99.99%
21	S Hotels and Resorts (HK) Limited 18 th Floor, One Exchange Square 8 Connaught Place, Central Hong Kong	GBP 42,632,000	Common	42,632,000	GBP 1	100%
22	S Hotels and Resorts (UK) Ltd. The Broadgate Tower, 3 rd Floor, 20 Primrose Street, London, United Kingdom, EC2A 2RS	GBP 500,000	Common	500,000	GBP 1	100%
23	FS JV Co Limited 40 Oxford Road, High Wycombe BUCKS HP11 2EE	GBP 1,000,000	Common	1,000,000	GBP 1	50%
24	FS Mezz Co Limited 40 Oxford Road, High Wycombe BUCKS HP11 2EE	GBP 1,000,000	Common	1,000,000	GBP 1	50%
25	FS Mid Co Limited 40 Oxford Road, High Wycombe BUCKS HP11 2EE	GBP 1,000,000	Common	1,000,000	GBP 1	50%
26	FS Senior Co Limited 40 Oxford Road, High Wycombe BUCKS HP11 2EE	GBP 1,000,000	Common	1,000,000	GBP 1	50%
27	Jupiter Hotels Holdings Limited 40 Oxford Road, High Wycombe BUCKS HP11 2EE	GBP 27,100,000	Common	27,100,000	GBP 1	50%
28	Jupiter Hotels Midco Limited 40 Oxford Road, High Wycombe BUCKS HP11 2EE	GBP 27,100,000	Common	27,100,000	GBP 1	50%
29	FS JV License Limited 40 Oxford Road, High Wycombe BUCKS HP11 2EE	GBP 3,264,000	Common	3,264,000	GBP 1	50%
30	FS Mid License Limited 40 Oxford Road, High Wycombe BUCKS HP11 2EE	GBP 1	Common	1	GBP 1	50%
31	The Hotelier Group Limited 40 Oxford Road, High Wycombe BUCKS HP11 2EE	GBP 8,022,378.7	Common	80,223,787	GBP 0.1	50%
32	SHR HOTELS USA, INC. 71 Washington Street, Reno Nevada 89503, USA	USD 25,000	Ordinary	25,000	USD 1	100%

NO.	COMPANY NAME AND ADDRESS	REGISTERED CAPITAL	TYPE OF SHARE	NUMBER OF PAID-UP SHARES (SHARES)	VALUE OF SHARE	SHAREHOLDING
33	SHR GLOBAL HOLDINGS LLC 71 Washington Street, Reno Nevada 89503, USA	No concept of share capital	Member		No par value	100%
34	SHR GLOBAL HOLDINGS II LLC 71 Washington Street, Reno Nevada 89503, USA	No concept of share capital	Member		No par value	100%
35	SHR Offshore Holdings Co., Ltd. Oliaji Trade Centre, 1 st Floor Victoria, Male', the Republic of Seychelles	USD 68,024,132	Ordinary	68,024,132	USD 1	100%
36	S Hotels and Resorts (SC) Co., Ltd. Oliaji Trade Centre, 1 st Floor Victoria, Mahe' The Republic of Seychelles	USD 500,000,000	Ordinary	177,700,001	USD 1	100%
37	Prime Locations Management 2 Ltd. Oliaji Trade Centre, 1 st Floor Victoria, Male', the Republic of Seychelles	USD 500,000,000	Ordinary	1	USD 1	100%
38	Prime Locations Management 3 Ltd. Oliaji Trade Centre, 1 st Floor Victoria, Male', the Republic of Seychelles	USD 65,000,000	Ordinary	8,000,000	USD 1	50%
39	OH Pte Limited KPMG, Level 10, BSP Suva Central, Renwick Road, Suva The Republic of Fiji	FJD 9,444,406	Ordinary	9,444,406	FJD 1	100%
40	OHH (Fiji) Pte Limited KPMG, Level 10, BSP Suva Central, Renwick Road, Suva The Republic of Fiji	FJD 2	Ordinary	2	FJD 1	100%
41	Hillview Global Pte Limited KPMG, Level 10, BSP Suva Central, Renwick Road, Suva The Republic of Fiji	USD 10,000	Ordinary	2	USD 1	100%
Type of business: Investment in other companies and hotel management and investment						
42	Jupiter Hotels Limited 40 Oxford Road, High Wycombe BUCKS HP11 2EE	GBP 35,776,000	Common Preference	35,750,000 26,000	GBP 1 GBP 1	50%
43	S Hotels and Resorts APAC (SG) Pte. Ltd. 38 Beach Road, #29-11 South Beach Tower, Singapore 189767	USD 177,096,094	Ordinary	177,096,094	USD 1	100%

LIST OF DIRECTORS IN SUBSIDIARIES

List of Directors in Subsidiaries as of December 31, 2020

NAME	S Hotels and Resorts Public Company Limited	SUBSIDIARIES																	
		S Hotel Phi Phi Island Co., Ltd.	S Hotel Management Co., Ltd.	S Hotels and Resorts Management Co., Ltd.	Laguna Beach Development Co., Ltd.	Laguna Paradise Co., Ltd.	Laguna Phuket Club Co., Ltd.	Na Nimmann Co., Ltd.	S Hotels and Resorts (HK) Limited	S Hotels and Resorts (UK) Ltd.	SHR Hotels USA, Inc.	SHR Global Holdings LLC	SHR Global Holdings II LLC	SHR Offshore Holdings Co., Ltd.	S Hotels and Resorts (SC) Co., Ltd.	S Hotels and Resorts APAC (SG) Pte. Ltd.	Prime Locations Management 2 Ltd.	Dream Islands Development 2 Private Limited	O.K.M PVT LTD
1. Mr. Sompong Tantapart	★																		
2. Mr. Jukr Boon-Long	/																		
3. Mr. Praisun Wongsmith	/																		
4. Mr. Chayanin Debhakam, DBA	/	/	/		/	/	/	/	/	/	/	/	/	/		/	/	/	/
5. Mr. Naris Cheyklin	/, △	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/
6. Mr. Dirk Andre L. De Cuyper	/, //, ○, △	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/
7. Mrs. Thitima Rungkwansiroj	/, △	/	/	/	/	/	/	/	/	/	/	/	/		/		/	/	/
8. Mr. Terachart Numanit	/			/															
9. Mr. Chairath Sivapornpan	//, △																		
10. Ms. Kankanid Wichitcharoen	//																		
11. Mr. Stefano Alberto Ruzza	//																		
12. Ms. Matana Thienthong	//																		
13. Mr. Sanjay Kumar Singh																			
14. Mr. Krit Srichawla																			
15. Mr. Andrew Edward Pring																			
16. Mr. Mohamed Shahdy Anwar																	/	/	
17. Mr. Assad Abdullatiff																			
18. Mr. Russell Graham Blaik																			
19. Mr. Lai Foon Kuen																/			
20. Mr. Kontee Worrapitayut																			
21. Mr. Shankar Chandran																			
22. Mr. Kuan Chiet																			
23. Ms. Areewan Sriwitchupong																			
24. Mr. Stuart David Reading																			
25. Ms. Piploy Pluamarom																			
26. Mrs. Nanchalee Kecharananta																			
27. Ms. Nadia Sayed Khadija																			
28. Mr. Sai Shang																			
29. Mr. Khin Saw Hlaing																			
30. Mr. Zaw Win Maung																			
31. Ms. Le Le Wai																			

Note: ★ = Chairman of the Board of Directors

/ = Director

○ = Executive Director

// = Executive

△ = Member of Executive Committee

[illegible]

COMPANY INFORMATION AND OTHER SIGNIFICANT INFORMATION

INFORMATION OF THE COMPANY AS OF DECEMBER 31, 2020

COMPANY NAME	S Hotels and Resorts Public Company Limited
SECURITIES SYMBOL	SHR
HEAD OFFICE	No. 123 Sun Towers Building B, 10 th Floor, Vibhavadi-Rangsit Road Chom Phon, Chatuchak, Bangkok 10900, Thailand
TELEPHONE	+66 (0) 2058 9888
WEBSITE	www.shotelsresorts.com
TYPE OF BUSINESS	Holding company that engages in the management of hotels and resorts and investments in international hotel companies
COMPANY REGISTRATION NUMBER	0107562000190
YEAR OF ESTABLISHMENT	2014
FIRST TRADE DATE IN SET	November 12, 2019
REGISTERED CAPITAL	Baht 18,318,200,000 comprising 3,663,640,000 ordinary shares
PAID-UP CAPITAL	Baht 17,968,200,000 comprising 3,593,640,000 ordinary shares
PAR VALUE	Baht 5
INVESTOR RELATIONS	Telephone: +66 (0) 2058 9888 Ext. 342 Email: IR@shotelsresorts.com Contact: Ms. Janthakarn Chanhorm, Investor Relations Manager
COMPANY SECRETARY DEPARTMENT	Telephone: +66 (0) 2058 9888 Ext. 344 - 345 Email: comsec-shr@shotelsresorts.com

REFERENCE INFORMATION

REGULATOR	Securities and Exchange Commission, Thailand No. 333/3 Viphavadi Rangsit Road, Chomphon, Chatuchak, Bangkok 10900, Thailand Telephone: +66 (0) 2033 9999 Facsimile: +66 (0) 2033 9660
REGULATOR	The Stock Exchange of Thailand No. 93 Ratchadaphisek Road, Dindaeng, Bangkok 10400, Thailand Telephone: +66 (0) 2009 9000 Facsimile: +66 (0) 2009 9991
SECURITIES REGISTRAR	Thailand Securities Depository Co., Ltd. No. 93, 14 th Floor, Ratchadaphisek Road, Dindaeng, Bangkok 10400, Thailand Telephone: +66 (0) 2009 9380 Facsimile: +66 (0) 2009 9992
AUDITOR	PricewaterhouseCoopers ABAS Ltd. No. 179/74-80, 15 th Floor, Bangkok City Tower, South Sathorn Road Bangkok 10120, Thailand Telephone: +66 (0) 2844 1000 Facsimile: +66 (0) 2286 5050 1. Mr. Chanchai Chaiprasit, Certified Public Accountant No. 3760, or 2. Ms. Nopanuch Apichatsatien, Certified Public Accountant No. 5266, or 3. Mr. Boonrueng Lerdwiseswit, Certified Public Accountant No. 6552
LEGAL ADVISOR	Baker & McKenzie Ltd. No. 990, 5 th Floor, 22 nd - 25 th Floor, Abdulrahim Place, Rama IV Road, Silom Bangrak, Bangkok 10500, Thailand Telephone: +66 (0) 2636 2000 Facsimile: +66 (0) 2636 2111

OTHER SIGNIFICANT INFORMATION

No other significant information that could affect investors' decision making.

* The Company's Annual Report 2020 (Form 56-1 One Report) has been prepared in accordance with the form Annual Information Disclosure Form/ Annual Report (Form 56-1 One Report) pursuant to the announcement of the Capital Market Supervisory Board No. Tor.Jor. 55/2563 regarding the regulations, conditions and reporting methods, disclosure of information on financial position and operating results of the securities issuer company. Investors can acquire the information publicized on the Company's website www.shotelsresorts.com.

S HOTELS AND RESORTS PUBLIC COMPANY LIMITED

123 Suntowers Building B, 10th Floor
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Chatuchak, Bangkok 10900
Tel : +66 (0) 2058 9888

www.shotelsresorts.com