

**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	1 April – 14 July 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: 1 April – 30 June 2020 - Koh Samui: 1 April – 14 July 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.

Countries	Suspension Period	Industry Outlook
Fiji	Outrigger Fiji Beach Resort: 1 April – 30 June 2020 Castaway Island Fiji: 1 April – 30 July 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	1 April – 30 November 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	1 April – 30 June 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**

<p>15 December 2020</p>	<p>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.</p>
<p>1 February 2021</p>	<p>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.</p>
<p>17 February 2021</p>	<p>The Board of Directors passes a resolution for S Hotels 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.</p>

**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: the fourth quarter and the full-year ended 2019 and 2020**

<i>(Unit: THB Million)</i>	Q4/2019	Q4/2020	Change (%)	FY2019	FY2020	Change (%)
Self-Managed Hotels	235.8	35.3	(85.0%)	995.1	328.9	(66.9%)
Outrigger Hotels	646.7	52.3	(91.9%)	2,443.9	607.1	(75.2%)
Project CROSSROADS Phase 1 Hotels	295.9	209.7	(29.1%)	379.1	626.9	65.4%
<b>Total revenue from services</b>	<b>1,178.4</b>	<b>297.3</b>	<b>(74.8%)</b>	<b>3,818.1</b>	<b>1,562.9</b>	<b>(59.1%)</b>

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

Self-Managed Hotels

Indicators	Q4/2019	Q4/2020	Change (%)	FY2019	FY2020	Change (%)
No. of Hotels	2	2	-	2	2	-
No. of Keys	297	297	-	297	297	-
Average Occupancy Rate (%)	69.6%	22.7%	(46.9%)	71.9%	24.3%	(47.5%)
ADR (THB)	7,350	4,048	(44.9%)	7,777	7,757	(0.3%)
RevPAR (THB)	5,117	921	(82.0%)	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 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	Q4/2019	Q4/2020	Change (%)	FY2019	FY2020	Change (%)
No. of Hotels	6	6	-	6	6	-
No. of Keys	859	859	-	859	859	-
Average Occupancy Rate (%)	82.3%	13.7%	(68.6%)	78.4%	20.3%	(58.1%)
ADR (THB) <sup>(1)</sup>	6,123	2,181	(64.4%)	6,076	5,879	(3.2%)
RevPAR (THB) <sup>(1)</sup>	5,037	298	(94.1%)	4,762	1,193	(75.0%)

**Note**

- (1) Reference exchange rate of the year 2019: 31.05THB/USD, 14.41THB/FJD, 0.87THB/MUR  
Reference exchange rate of the year 2020: 31.29THB/USD, 14.44THB/FJD, 0.80THB/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<sup>(2)</sup>

Indicators	Q4/2019	Q4/2020	Change (%)	FY2019	FY2020	Change (%)
No. of Hotels	2	2	-	2	2	-
No. of Keys	376	376	-	376	376	-
Average Occupancy Rate (%)	37.6%	41.3%	3.7%	35.3%	27.6%	(7.7%)
ADR (THB) <sup>(3)</sup>	11,657	7,149	(38.7%)	11,519	9,248	(19.7%)
RevPAR (THB) <sup>(3)</sup>	4,895	3,018	(38.3%)	4,629	2,636	(43.0%)

**Note**

- (2) Start commenced its commercial operation on September 1, 2019
- (3) Reference exchange rate of the year 2019: 31.05THB/USD  
Reference exchange rate of the year 2020: 31.29THB/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 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	Q4/2019	Q4/2020	Change (%)	FY2019	FY2020	Change (%)
No. of Hotels	29	29	-	29	29	-
No. of Keys	3,115	3,115	-	3,115	3,115	-
Average Occupancy Rate (%)	69.1%	20.4%	(48.7%)	69.5%	26.2%	(43.3%)
ADR (THB) <sup>(4)</sup>	2,532	2,248	(11.2%)	2,657	2,372	(10.7%)
RevPAR (THB) <sup>(4)</sup>	1,753	458	(73.9%)	1,864	621	(66.7%)

**Note**

- (4) Reference exchange rate of the year 2019: 39.65THB/GBP  
Reference exchange rate of the year 2020: 40.14THB/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

	Q4/2019		Q4/2020		Change	
	THB million	%	THB million	%	THB million	%
Revenue from services	1,178.4	100.0%	297.3	100.0%	(881.1)	(74.8%)
Costs of services	(808.0)	(68.6%)	(501.0)	(168.5%)	307.0	38.0%
<b>Gross profit</b>	<b>370.4</b>	<b>31.4%</b>	<b>(203.7)</b>	<b>(68.5%)</b>	<b>(574.1)</b>	<b>(155.0%)</b>
Selling expenses	(121.3)	(10.3%)	(11.7)	(3.9%)	109.5	90.3%
Administrative expenses	(284.4)	(24.1%)	(938.7)	(315.8%)	(654.3)	(230.0%)
Other income	52.3	4.4%	74.6	25.1%	22.3	42.6%
Share of profit (loss) from investment in an associate and joint ventures	21.8	1.9%	(14.7)	(4.9%)	(36.5)	(167.2%)
Finance costs (Interest expenses)	(110.0)	(9.3%)	(89.8)	(30.2%)	20.2	18.4%
<b>Profit (loss) before income taxes</b>	<b>(71.2)</b>	<b>(6.0%)</b>	<b>(1,184.0)</b>	<b>(398.3%)</b>	<b>(1,112.8)</b>	<b>(1,563.7%)</b>
Income tax expenses	(95.8)	(8.1%)	(11.5)	(3.9%)	84.4	88.0%
<b>Profit (loss) of the year</b>	<b>(167.0)</b>	<b>(14.2%)</b>	<b>(1,195.4)</b>	<b>(402.2%)</b>	<b>(1,028.5)</b>	<b>(615.9%)</b>
<u>Adjusted items</u>						
Net unrealized loss on exchange rate	(1.6)	(0.1%)	15.8	5.3%	17.4	1,101.7%
Non-recurring items	10.2	0.9%	823.8	277.1%	813.6	7,990.5%
<b>Adjusted EBITDA<sup>1</sup></b>	<b>253.0</b>	<b>21.5%</b>	<b>(22.5)</b>	<b>(7.6%)</b>	<b>(275.5)</b>	<b>(108.9%)</b>
<b>Adjusted Net Profit (loss) for the period<sup>2</sup></b>	<b>(158.4)</b>	<b>(13.4%)</b>	<b>(355.8)</b>	<b>(119.7%)</b>	<b>(197.5)</b>	<b>(124.7%)</b>

Non-recurring items	2019	2020	Q4/2019	Q4/2020
IPO expenses	27.5	-	10.2	-
Crossroads pre-operation expenses	242.3	-	-	-
Others one-time expense	59.5	-	-	-
Impairment of assets (PPE & GW)	-	567.9	-	567.9
Fair values adjustment of investments property and Write-off inventory	-	162.8	-	162.8
Provision for doubtful accounts	-	93.1	-	93.1
Gain from sale share and sublease	-	(429.6)	-	-
<b>Total Non-recurring items</b>	<b>329.3</b>	<b>394.1</b>	<b>10.2</b>	<b>823.8</b>

<sup>1</sup> **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

<sup>2</sup> **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

Discussion of results of operations: the year ended of 2019 and 2020

	2019		2020		Change	
	THB million	%	THB million	%	THB million	%
Revenue from services	3,818.1	100.0%	1,562.9	100.0%	(2,255.2)	(59.1%)
Costs of services	(2,490.4)	(65.2%)	(1,668.3)	(106.7%)	822.1	33.0%
<b>Gross profit</b>	<b>1,327.7</b>	<b>34.8%</b>	<b>(105.4)</b>	<b>(6.7%)</b>	<b>(1,433.1)</b>	<b>(107.9%)</b>
Selling expenses	(366.3)	(9.6%)	(171.5)	(11.0%)	194.8	53.2%
Administrative expenses	(1,083.8)	(28.4%)	(2,200.8)	(140.8%)	(1,116.9)	(103.1%)
Other income	199.8	5.2%	652.8	41.8%	453.0	226.7%
Share of profit (loss) from investment in an associate and joint ventures	20.2	0.5%	(172.1)	(11.0%)	(192.3)	(950.0%)
Finance costs (Interest expenses)	(424.6)	(11.1%)	(377.4)	(24.2%)	47.2	11.1%
<b>Profit (loss) before income taxes</b>	<b>(327.0)</b>	<b>(8.6%)</b>	<b>(2,374.4)</b>	<b>(151.9%)</b>	<b>(2,047.4)</b>	<b>(626.1%)</b>
Income tax expenses	(139.8)	(3.7%)	3.7	0.2%	143.6	102.7%
<b>Profit (loss) of the year</b>	<b>(466.9)</b>	<b>(12.2%)</b>	<b>(2,370.7)</b>	<b>(151.7%)</b>	<b>(1,903.8)</b>	<b>(407.8%)</b>
<u>Adjusted items</u>						
Net unrealized loss on exchange rate	39.2	1.0%	68.3	4.4%	29.1	74.2%
Non-recurring items	329.3	8.6%	394.1	25.2%	64.9	19.7%
<b>Adjusted EBITDA<sup>3</sup></b>	<b>1,105.0</b>	<b>28.9%</b>	<b>(596.7)</b>	<b>(38.2%)</b>	<b>(1,701.7)</b>	<b>(154.0%)</b>
<b>Adjusted Net Profit (loss) for the period<sup>4</sup></b>	<b>(98.4)</b>	<b>(2.6%)</b>	<b>(1,908.2)</b>	<b>(122.1%)</b>	<b>(1,809.8)</b>	<b>(1,839.5%)</b>

Revenue from services

The revenue from services for the fourth quarter of year 2020 (Q4/2020) in an amount of THB 297.3 million, declined by 74.8% from the fourth quarter of year 2019 (Q4/2019), was attributable to the intense price competition from the heavily dependent on the domestic market, generating the lower spending per head. 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.

	Q4/2019	Q4/2020	Change (%)	FY2019	FY2020	Change (%)
Room Revenue	663.8	139.0	-79.1%	2,197.1	851.2	-61.3%
Food and Beverage Revenue	361.5	108.3	-70.0%	1,140.9	456.2	-60.0%
Other Revenue	153.1	49.9	-67.4%	480.1	255.5	-46.8%
<b>Revenue from services</b>	<b>1,178.4</b>	<b>297.3</b>	<b>-74.8%</b>	<b>3,818.1</b>	<b>1,562.9</b>	<b>-59.1%</b>

<sup>3</sup> **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

<sup>4</sup> **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

**Costs of services**

The costs of services in Q4/2020 in an amount of THB 501.0 million, decreased by 38.0% from Q4/2019 in relation to number of hotels which resumed its operation and the occupancy rate. Along with the reduction of variable cost to adapt to the challenging situation. 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) in Q4/2020 in an amount of THB (203.7) million, reversed from THB 370.4 million in Q4/2019. 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 in Q4/2020 in an amount of THB 11.7 million, declined by 90.3% from Q4/2019. 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 in Q4/2020 in an amount of THB 938.7 million, increased from THB 284.4 million in Q4/2019. This was mainly from the recognition of impairment of assets, fair values adjustment of investments property, and write-off inventory amounted to THB 730.6 million. Excluding those one-time expense, the administrative expenses stood at THB 208.1 million, reduced by 26.8% from the same period last year as a result of the proactive cost reduction. 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, write-off inventory, 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 in Q4/2020 was THB 89.8 million, declined by 18.4% from Q4/2019. For the year 2020 was 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 Q4/2020 was at THB 74.6 million, consisting of interest income from loans to joint ventures amounted to THB 36.2 million, and other income amounted to THB 38.4 million. 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 Q4/2019 was at THB 52.3 million, consisting of interest income from loans to joint ventures amounted to THB 31.4 million, and other income and realized gain in exchange rate amounted to THB 20.9 million. For the year 2020 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 was THB (14.7) million for Q4/2020, which decreased from THB 21.8 million. 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 Q4/2020 in an amount of THB (22.5) million, reversed from THB 253.0 million from Q4/2019. 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**

In Q4/2020, the Company had a profit (loss) of THB (1,195.4) million, incurred a higher loss from THB (167.0) million at the same period last year. For the year 2020 amounted to 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, write-off inventory, loss from fx, 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. For Q4/2020 amounted to THB (355.8) million, decreased from THB (158.4) million for the same period last year. As a result of COVID-19 pandemic as aforementioned. However, the core performance improved 25.4%, compared to Q3/2020, representing the rebounded of tourism industry in the end of 2020 along with the cost containment of the company.

### 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 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 (TFRS 16). As at December 31, 2020, the interest-bearing debt amounted to THB 8,353.4 million.

The total equity was 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, 2019	December 31, 2020	Change	
	(THB million)	(THB million)	(THB million)	%
Cash and cash equivalents	3,591.6	2,492.7	(1,098.9)	(30.6%)
Total current assets	5,126.6	3,638.4	(1,488.2)	(29.0%)
Property, plant and equipments, net	18,768.6	16,853.0	(1,915.6)	(10.2%)
Total non-current assets	24,035.0	23,478.9	(556.1)	(2.3%)
<b>Total assets</b>	<b>29,161.6</b>	<b>27,117.3</b>	<b>(2,044.4)</b>	<b>(7.0%)</b>
Total interest-bearing debt	7,847.5	8,353.4	505.9	6.4%
Other liabilities	3,391.3	3,087.9	(303.4)	(8.9%)
<b>Total liabilities</b>	<b>11,238.9</b>	<b>11,441.3</b>	<b>202.5</b>	<b>1.8%</b>
<b>Total equity</b>	<b>17,922.8</b>	<b>15,675.9</b>	<b>(2,246.8)</b>	<b>(12.5%)</b>
<b>Interest-bearing debt to equity (times)</b>	<b>0.44</b>	<b>0.53</b>	<b>0.10</b>	<b>21.7%</b>

Yours faithfully,

S Hotels and Resorts Public Company Limited

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(Mr. Chairath Sivapornpan)

Chief Financial Officer / Company Secretary

### Investor Relations Contact

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