

S HOTELS AND RESORTS PUBLIC COMPANY LIMITED

**INTERIM CONSOLIDATED AND SEPARATE FINANCIAL INFORMATION
(UNAUDITED)**

31 MARCH 2023

AUDITOR'S REPORT ON THE REVIEW OF THE INTERIM FINANCIAL INFORMATION

To the Shareholders of S Hotels and Resorts Public Company Limited

I have reviewed the interim consolidated financial information of S Hotels and Resorts Public Company Limited and its subsidiaries, and the interim separate financial information S Hotels and Resorts Public Company Limited. These comprise the consolidated and separate statements of financial position as at 31 March 2023, the related consolidated and separate statements of comprehensive income, changes in equity, and cash flows for the three-month period then ended, and the condensed notes to the interim financial information. Management is responsible for the preparation and presentation of this interim consolidated and separate financial information in accordance with Thai Accounting Standard 34, "Interim Financial Reporting". My responsibility is to express a conclusion on this interim consolidated and separate financial information based on my review.

Scope of review

I conducted my review in accordance with the Thai Standard on Review Engagements 2410, "Review of interim financial information performed by the independent auditor of the entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Thai Standards on Auditing and consequently does not enable me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion.

Conclusion

Based on my review, nothing has come to my attention that causes me to believe that the accompanying interim consolidated and separate financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard 34, "Interim Financial Reporting".

PricewaterhouseCoopers ABAS Ltd.

Chanchai Chaiprasit

Certified Public Accountant (Thailand) No. 3760

Bangkok

9 May 2023

S Hotels and Resorts Public Company Limited
Statement of Financial Position
As at 31 March 2023

	Notes	Consolidated financial information		Separate financial information	
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
		31 March	31 December	31 March	31 December
		2023	2022	2023	2022
		Baht'000	Baht'000	Baht'000	Baht'000
Assets					
Current assets					
Cash and cash equivalents		2,118,586	2,477,332	22,288	28,455
Financial assets measured at fair value					
through profit or loss		2,562	2,049	6	6
Trade and other receivables, net		437,075	501,356	1	165
Inventories		222,848	228,506	-	-
Amounts due from related parties	14	56,188	38,123	377,856	369,200
Current portion of lease receivable					
- a related party, net	14	11,457	7,742	-	-
Group of non-current assets classified as					
held-for-sale	9	1,200,275	979,697	-	-
Other current assets		323,967	298,161	40,342	32,449
Total current assets		4,372,958	4,532,966	440,493	430,275
Non-current assets					
Restricted bank deposits		16,857	16,845	-	-
Investments in an associate					
and joint ventures	10	362,385	371,851	-	-
Investments in subsidiaries		-	-	16,835,649	16,835,649
Lease receivable - a related party, net	14	221,136	224,559	-	-
Long-term loans to related parties	14	634,918	331,894	5,230,435	4,886,420
Investments properties		909,545	922,188	-	-
Property, plant and equipment, net	11	27,670,261	28,045,953	4,341	4,231
Goodwill		1,607,155	1,629,586	-	-
Intangible assets, net		79,619	81,061	4,401	4,353
Derivatives assets		76,061	105,290	-	-
Deferred income tax assets		95,366	94,849	2,563	2,363
Other non-current assets		93,597	92,557	1,834	1,249
Total non-current assets		31,766,900	31,916,633	22,079,223	21,734,265
Total assets		36,139,858	36,449,599	22,519,716	22,164,540

The notes to the interim financial information are an integral part of this financial information.

S Hotels and Resorts Public Company Limited

Statement of Financial Position

As at 31 March 2023

	Notes	Consolidated financial information		Separate financial information	
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
		31 March	31 December	31 March	31 December
		2023	2022	2023	2022
		Baht'000	Baht'000	Baht'000	Baht'000
Liabilities and equity					
Current liabilities					
Short-term borrowing from financial institution	12.1	60,000	-	-	-
Trade and other payables		1,726,671	1,710,634	18,122	20,477
Amounts due to related parties	14	36,124	23,352	24,529	17,276
Short-term borrowing from a related party	14	-	-	931,600	557,600
Current portion of long-term borrowings, net	12.2	1,863,896	1,952,025	303,815	436,283
Current portion of lease liabilities, net		81,303	79,767	961	989
Income tax payables		16,296	16,059	-	-
Retention payables		18,586	15,020	-	-
Other current liabilities		208,212	378,950	1,641	2,510
Total current liabilities		4,011,088	4,175,807	1,280,668	1,035,135
Non-current liabilities					
Long-term borrowings					
from financial institutions, net	12.2	11,063,712	11,128,137	327,003	225,294
Lease liabilities, net		3,511,419	3,514,187	1,523	1,740
Deferred income tax liabilities		1,241,177	1,263,942	-	-
Employee benefit obligations		49,435	48,272	17,413	16,489
Other non-current liabilities		289,511	300,085	-	-
Total non-current liabilities		16,155,254	16,254,623	345,939	243,523
Total liabilities		20,166,342	20,430,430	1,626,607	1,278,658

The notes to the interim financial information are an integral part of this financial information.

S Hotels and Resorts Public Company Limited

Statement of Financial Position

As at 31 March 2023

	Consolidated		Separate	
	financial information		financial information	
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
	31 March	31 December	31 March	31 December
	2023	2022	2023	2022
	Baht'000	Baht'000	Baht'000	Baht'000
Liabilities and equity (Cont'd)				
Equity				
Share capital				
Authorised share capital				
Ordinary shares 3,663,640,000 shares				
at par value of Baht 5 each	18,318,200	18,318,200	18,318,200	18,318,200
Issued and paid-up share capital				
Ordinary shares 3,593,640,000 shares				
at paid-up of Baht 5 each	17,968,200	17,968,200	17,968,200	17,968,200
Premium on share capital	3,335,184	3,335,184	3,335,184	3,335,184
Discount from business transferred				
under common control	(2,119,141)	(2,119,141)	-	-
Share-based payment	43,754	43,754	43,754	43,754
Deficits	(3,578,024)	(3,702,905)	(454,029)	(461,256)
Other components of equity	323,543	494,077	-	-
Total equity	15,973,516	16,019,169	20,893,109	20,885,882
Total liabilities and equity	36,139,858	36,449,599	22,519,716	22,164,540

The notes to the interim financial information are an integral part of this financial information.

S Hotels and Resorts Public Company Limited
Statement of Comprehensive Income
For the three-month period ended 31 March 2023

	Notes	Consolidated financial information		Separate financial information	
		(Unaudited) 2023	(Unaudited) 2022	(Unaudited) 2023	(Unaudited) 2022
		Baht'000	Baht'000	Baht'000	Baht'000
Revenue from hospitality business and other related services		2,544,273	1,689,622	-	-
Revenue from management services		-	-	37,046	21,011
Costs of hospitality business and other related services		(1,604,888)	(1,258,798)	-	-
Costs of management services		-	-	(12,398)	(12,869)
Gross profit		939,385	430,824	24,648	8,142
Other income		32,486	10,428	22,298	35,598
Selling expenses		(114,631)	(80,681)	(619)	(769)
Administrative expenses		(461,459)	(379,095)	(36,213)	(32,291)
Finance costs		(248,200)	(175,624)	(16,059)	(3,476)
Net gains (losses) on exchange rate		(17,065)	(4,644)	12,973	(40,735)
Share of loss from an associate and joint ventures	10	(4,281)	(8,954)	-	-
Profit (loss) before income taxes		126,235	(207,746)	7,028	(33,531)
Income tax	13	(1,354)	3,660	199	167
Profit (loss) for the period		124,881	(204,086)	7,227	(33,364)
Other comprehensive income (expense), net of taxes					
Items that will be reclassified subsequently to profit or loss					
- Cash flow hedges		(29,969)	8,831	-	-
- Currency translation differences		(146,539)	(135,592)	-	-
- Income tax relating to items that will be reclassified subsequently to profit or loss		5,974	(1,325)	-	-
Total items that will be reclassified to profit or loss, net of taxes		(170,534)	(128,086)	-	-
Other comprehensive expense for the period, net of taxes		(170,534)	(128,086)	-	-
Total comprehensive income (expense) for the period		(45,653)	(332,172)	7,227	(33,364)
Profit (loss) attributable to:					
Owners of the parent		124,881	(204,086)	7,227	(33,364)
Non-controlling interests		-	-	-	-
		124,881	(204,086)	7,227	(33,364)
Total comprehensive income (expense) attributable to:					
Owners of the parent		(45,653)	(332,172)	7,227	(33,364)
Non-controlling interests		-	-	-	-
		(45,653)	(332,172)	7,227	(33,364)
Earnings (loss) per share					
Basic earnings (loss) per share (Baht)		0.035	(0.057)	0.002	(0.009)

The notes to the interim financial information are an integral part of this financial information.

S Hotels and Resorts Public Company Limited
Statement of Changes in Equity
For the three-month period ended 31 March 2023

Consolidated financial information (Unaudited)										
Attributed to owners of the parent										
	Issued and paid-up share capital Baht'000	Premium on share capital Baht'000	Discount from business transferred under common control Baht'000	Share-based payment Baht'000	Retained earnings (deficits) Baht'000	Other components of equity				
						Other comprehensive income (expense)		Total other components of equity Baht'000	Equity attributable to owner of the parent Baht'000	Total equity Baht'000
						Cash flow Hedges Baht'000	Currency translation differences Baht'000			
Opening balance as at 1 January 2023	17,968,200	3,335,184	(2,119,141)	43,754	(3,702,905)	81,603	412,474	494,077	16,019,169	16,019,169
Total comprehensive income (expense) for the period	-	-	-	-	124,881	(23,995)	(146,539)	(170,534)	(45,653)	(45,653)
Closing balance as at 31 March 2023	<u>17,968,200</u>	<u>3,335,184</u>	<u>(2,119,141)</u>	<u>43,754</u>	<u>(3,578,024)</u>	<u>57,608</u>	<u>265,935</u>	<u>323,543</u>	<u>15,973,516</u>	<u>15,973,516</u>
Opening balance as at 1 January 2022	17,968,200	3,335,184	(2,119,141)	43,754	(3,717,287)	(10,193)	381,341	371,148	15,881,858	15,881,858
Total comprehensive income (expense) for the period	-	-	-	-	(204,086)	7,506	(135,592)	(128,086)	(332,172)	(332,172)
Closing balance as at 31 March 2022	<u>17,968,200</u>	<u>3,335,184</u>	<u>(2,119,141)</u>	<u>43,754</u>	<u>(3,921,373)</u>	<u>(2,687)</u>	<u>245,749</u>	<u>243,062</u>	<u>15,549,686</u>	<u>15,549,686</u>

The notes to the interim financial information are an integral part of this financial information.

S Hotels and Resorts Public Company Limited
Statement of Changes in Equity
For the three-month period ended 31 March 2023

	Separate financial information (Unaudited)				
	Issued and	Premium on	Share-based	Retained earnings	Total
	paid-up	share capital	payment	(deficits)	equity
	share capital	share capital	payment	(deficits)	equity
	Baht'000	Baht'000	Baht'000	Baht'000	Baht'000
Opening balance as at 1 January 2023	17,968,200	3,335,184	43,754	(461,256)	20,885,882
Total comprehensive income for the period	-	-	-	7,227	7,227
Closing balance as at 31 March 2023	<u>17,968,200</u>	<u>3,335,184</u>	<u>43,754</u>	<u>(454,029)</u>	<u>20,893,109</u>
Opening balance as at 1 January 2022	17,968,200	3,335,184	43,754	(369,669)	20,977,469
Total comprehensive expense for the period	-	-	-	(33,364)	(33,364)
Closing balance as at 31 March 2022	<u>17,968,200</u>	<u>3,335,184</u>	<u>43,754</u>	<u>(403,033)</u>	<u>20,944,105</u>

The notes to the interim financial information are an integral part of this financial information.

S Hotels and Resorts Public Company Limited
Statement of Cash Flows
For the three-month period ended 31 March 2023

	Consolidated		Separate	
	financial information		financial information	
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
	2023	2022	2023	2022
	Baht'000	Baht'000	Baht'000	Baht'000
Cash flows from operating activities				
Profit (loss) for the period before income taxes	126,235	(207,746)	7,028	(33,531)
Adjustment to reconcile profit (loss) before income tax for cash generated from (used in) operations activities				
Depreciation and amortisation expenses	277,432	288,171	444	451
Expected credit loss on financial assets	695	3,900	-	-
Fair value adjustment on investment properties	287	689	-	-
Gain from disposal of financial assets				
measure at fair value through profit or loss	(10)	-	-	-
Loss (gain) from changes in fair value of financial assets				
measure at fair value through profit or loss	1	(54)	-	-
Employee benefit obligations	1,674	1,595	924	858
Gain from lease derecognition	(23)	-	-	-
Gain from write-off and disposals of assets	(99)	(101)	-	-
Loss from write-off of withholding tax	4,015	-	2,183	-
Share of loss from investments in an associate and joint ventures	4,281	8,954	-	-
Unrealised (gain) loss on exchange rate	23,443	5,416	(13,571)	40,642
Interest income	(22,900)	(3,657)	(20,454)	(34,569)
Financial costs	248,200	175,624	16,059	3,476
Cash flows before changes in working capital	663,231	272,791	(7,387)	(22,673)
Changes in working capital				
Trade and other receivables	61,584	(3,113)	164	(108)
Amounts due from related parties	(2,696)	15,866	11,233	9,541
Inventories	3,543	3,542	-	-
Other current assets	(31,228)	(15,420)	(7,893)	(3,205)
Other non-current assets	(1,704)	(30,213)	-	9,181
Trade and other payables	17,371	52,707	(423)	737
Amounts due to related parties	12,772	(1,881)	(1,689)	(6,191)
Retention payables	3,745	(8,883)	-	-
Employee benefit paid	(82)	-	-	-
Other current liabilities	(169,760)	7,908	(869)	(560)
Other non-current liabilities	(11,499)	(61,779)	-	-
Cash generated from (used in) operating activities	545,277	231,525	(6,864)	(13,278)
Interest paid	(197,203)	(129,228)	(8,687)	(3,236)
Income tax paid	(3,071)	(2,877)	(2,768)	(1,546)
Net cash generated from (used in) operating activities	345,003	99,420	(18,319)	(18,060)

The notes to the interim financial information are an integral part of this financial information.

S Hotels and Resorts Public Company Limited
Statement of Cash Flows
For the three-month period ended 31 March 2023

	Notes	Consolidated		Separate	
		financial information		financial information	
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
		2023	2022	2023	2022
		Baht'000	Baht'000	Baht'000	Baht'000
Cash flows from investing activities					
Cash payments for purchase of financial assets					
measure at fair value through profit or loss		(209,700)	(48,874)	-	-
Cash receipts from disposal of financial assets					
measure at fair value through profit or loss		209,196	63,083	-	-
Cash receipts from long-term loans to related parties	14	-	-	28,264	-
Cash payments for long-term loans to related parties	14	(305,210)	-	(358,143)	(97,995)
Cash payments for purchase of intangible assets		(482)	(594)	(85)	(112)
Cash payments for purchase of property, plant and equipment		(251,454)	(37,940)	(517)	-
Cash receipts from disposal of property, plant and equipment		192	113	-	-
Cash receipts from interest income		2,353	-	-	-
Net cash used in investing activities		(555,105)	(24,212)	(330,481)	(98,107)
Cash flows from financing activities					
Cash receipts from short-term borrowing from a related party	14	-	-	374,000	12,500
Cash receipts from short-term borrowing					
from financial institution	12.1	60,000	-	-	-
Cash receipts from long-term borrowings					
from financial institutions	12.2	52,703	-	-	-
Cash payments for long-term borrowings					
from financial institutions	12.2	(198,965)	(92,501)	(31,102)	(1,209)
Cash payments for principal of lease agreements		(65,512)	(81,473)	(265)	(261)
Net cash generated from (used in) financing activities		(151,774)	(173,974)	342,633	11,030
Net decrease in cash and cash equivalents		(361,876)	(98,766)	(6,167)	(105,137)
Currency translation differences of cash and cash equivalents		3,130	(6,366)	-	-
Cash and cash equivalents at beginning of the period		2,477,332	1,913,747	28,455	147,237
Cash and cash equivalents at ending of the period		2,118,586	1,808,615	22,288	42,100
Non-cash transaction					
Material non-cash transaction:					
Payables from purchase of property, plant and equipment					
decreased		(154)	(41)	-	-

The notes to the interim financial information are an integral part of this financial information.

1 General information

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

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

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

These interim consolidated and separate financial information are presented in Thai Baht and rounded to the nearest thousand, unless otherwise stated.

As at 31 March 2023, the Company has total current liabilities exceed total current assets of Baht 840.17 million which the majority of current liabilities mainly came from short-term borrowings from a subsidiary of Baht 931.60 million while short-term loans to subsidiaries amounting to Bath 3,136.43 million were classified as non-current assets. However, the subsidiary has no intention to recall the borrowings within one year. Nevertheless, the Company's management has assessed that the Company has ability to remain its liquidity, working capital for the next 12-month period and continue as a going concern.

This consolidated and separate financial information was authorised by the Board of Directors on 9 May 2023.

2 Basis of preparation

The interim consolidated and separate financial information has been prepared in accordance with Thai Accounting Standard 34, Interim Financial Reporting and other financial reporting requirements issued under the Securities and Exchange Act.

This interim consolidated and separate financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2022.

An English version of these interim consolidated and separate financial information has been prepared from the interim financial information that is in the Thai language. In the event of a conflict or a difference in interpretation between the two languages, the Thai language interim financial information shall prevail.

3 Accounting policies

The accounting policies used in the preparation of the interim financial information are consistent with those used in the annual financial statements for the year ended 31 December 2022, except for the adoption of the amended financial reporting standards as described in Note 4.

4 Amended financial reporting standards

Since 1 January 2023, the Group has adopted the amended financial reporting standards those are effective for accounting period beginning or after 1 January 2023. The adoption of these amendments will not have any significant impact on the Group's financial statements.

5 Estimates

The preparation of interim financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

6 Fair value

Financial assets, measured by amortised cost method, which is approximately at fair value, consist of cash and cash equivalent, restricted bank deposits, trade and other receivables, amounts due from related parties, other current assets, lease receivable - a related party, long-term loans to related parties and other non-current assets.

Financial liabilities, measured by amortised cost method, which is approximately at fair value, consist of borrowings from financial institutions, trade and other payables, amounts due to related parties, borrowing from a related party, lease liabilities, retention payables, other current liabilities and other non-current liabilities.

Financial assets measured at fair value through profit or loss measured at fair value hierarchy level 1.

The valuation techniques used to determine the fair value of level 2

Fair value of interest rate swap is determined using expected cashflow following contractual interest rate (fixed rate) or forward interest rate extracted from observable yield curves (floating rate). The cashflows are discounted at the rate derived from observable yield curve in original currency. All market data are derived from observable market inputs. The Group apply hedge accounting to recognise the effective portion of interest rate swap. As at 31 March 2023 the cost of hedging reserve with an amount of Baht 8.13 million (31 December 2022: amount of Baht 7.79 million) is included in this item.

The valuation techniques used to determine the fair value of level 3

Investment properties are non-financial assets measured at fair value hierarchy level 3.

Valuation technique of investment properties was comprised of 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 cash flows, using the risk-adjusted discount rate from income approach. There is no significant change on the quantitative information about significant unobservable inputs used in fair value measurements.

There was no transfer between levels of fair value hierarchy during the period.

7 Segment and revenue information

The Group's strategic steering committee, consisting of the chief executive officer and the chief financial officer, examines the Group's performance identified 5 management approaches of the Group's businesses.

The steering committee primarily uses a measure of segments' revenue and profit to assess the performance of the operating segments. The revenue of the Group majorly comprises revenue from hotel in respect of service of room, food and beverage sales and other ancillary services. The Group recognised at point of goods or services delivered in which the Group completes the performance satisfaction at point in time.

Significant information relating to revenue and profit of the reportable segments are as follows.

Consolidated financial information						
For the three-month period ended 31 March 2023						
	Hospitality business - Own Operate (Thailand, Republic of Maldives) Baht'000	Hospitality business - Outrigger (Republic of Mauritius, Republic of Fiji) Baht'000	Hospitality business - Crossroad (Republic of Maldives) Baht'000	Hospitality business - United Kingdom Baht'000	Holding companies Baht'000	Total Baht'000
Segment revenue	658,995	306,929	836,080	783,255	64,350	2,649,609
Intersegment revenue	(13,393)	(1,002)	(78)	-	(62,658)	(77,131)
Revenue from external customers	645,602	305,927	836,002	783,255	1,692	2,572,478
Profit (loss) before income taxes	209,077	(27,675)	70,455	(111,446)	(14,176)	126,235
Income tax						(1,354)
Profit for the period						124,881

S Hotels and Resorts Public Company Limited
Notes to the interim financial information (Unaudited)
For the interim period ended 31 March 2023

Consolidated financial information						
For the three-month period ended 31 March 2022						
	Hospitality business - Own Operate (Thailand, Republic of Maldives) Baht'000	Hospitality business - Outrigger (Republic of Mauritius, Republic of Fiji) Baht'000	Hospitality business - Crossroad (Republic of Maldives) Baht'000	Hospitality business - United Kingdom Baht'000	Holding companies Baht'000	Total Baht'000
Segment revenue	192,186	156,585	658,899	659,433	80,611	1,747,714
Intersegment revenue	(3,732)	27,220	(76)	-	(80,030)	(56,618)
Revenue from external customers	188,454	183,805	658,823	659,433	581	1,691,096
Profit (loss) before income taxes	(82,118)	(81,792)	78,817	(140,257)	17,604	(207,746)
Income tax						3,660
Loss for the period						(204,086)

8 Trade accounts receivable, net

As at 31 March 2023 and 31 December 2022, trade accounts receivable, included in trade and other receivables, net in statements of financial position, can analyse aging as follows:

Consolidated financial information		
	31 March 2023 Baht'000	31 December 2022 Baht'000
Not yet due	219,963	283,070
Less than 3 months	158,227	138,937
Over 3 months but less than 6 months	16,014	29,772
Over 6 months but less than 12 months	7,797	28,748
Over 12 months	26,280	7,685
	428,281	488,212
<u>Less</u> Expected credit loss	(50,358)	(49,216)
Trade accounts receivable, net	377,923	438,996

9 Group of non-current assets classified as held-for-sale

As at 31 March 2023, 2 hotels assets in the United Kingdom amount of GBP 8.23 million or equivalent to Baht 347.87 million and a hotel asset in the Republic of Maldives amount of US Dollar 25.00 million or equivalent to Baht 852.41 million, totaling Baht 1,200.28 million (31 December 2022: 1 hotel asset in the United Kingdom amount of GBP 2.78 million or equivalent to Baht 115.70 million and 1 hotel asset in the Republic of Maldives amount of US Dollar 25.00 million or equivalent to Baht 864.00 million, totaling Baht 979.70 million) were classified as assets held for sale which were measured at the lower of its carrying amount and fair value less costs to sell.

10 Investments in an associate and joint ventures

Movements of investments in equity method in an associate and joint ventures for three-month period ended 31 March 2023 are as follows:

	Consolidated financial information Baht'000
Opening net book value	371,851
Share of loss	(4,281)
Currency translation differences	(5,185)
Closing net book value	362,385

11 Property, plant and equipment, net

Movements of property, plant and equipment for three-month period ended 31 March 2023 are as follows:

	Consolidated financial information Baht'000	Separate financial information Baht'000
Opening net book value	28,045,953	4,231
Additions	251,339	517
Disposals and write-offs, net	(93)	-
Depreciation	(275,910)	(407)
Transfer to group of non-current assets classified as held-for-sale, net	(224,691)	-
Currency translation differences	(126,337)	-
Closing net book value	27,670,261	4,341

As at 31 March 2023, the net book value of right-of-use assets was included in property, plant and equipment of the consolidated and separate financial information amount of Baht 5,014.14 million and amount of Baht 2.48 million, respectively (31 December 2022: Baht 5,015.65 million and Baht 2.72 million, respectively).

As at 31 March 2023, the Group used land, building and right-of-use assets of Baht 23,362.89 million (31 December 2022: Baht 23,416.25 million) as collaterals in order to pledge the long-term borrowings from financial institutions (Note 12.2).

12 Borrowings from financial institutions

12.1 Short-term borrowing

During the period of three-month ended 31 March 2023, the Group has addition in short-term borrowing amounting to Baht 60 million, bearing an interest rate at 3.95% per annum. The repayment term is in May 2023.

12.2 Long-term borrowing

Movements of borrowings for three-month period ended 31 March 2023 are as follows:

	Consolidated financial information Baht'000	Separate financial information Baht'000
Opening net book value	13,080,162	661,577
Borrowings during the year	52,703	-
Repayments	(198,965)	(31,102)
Amortisation of deferred financing fees	5,589	343
Unrealised loss on exchange rate	23,443	-
Currency translation differences	(35,324)	-
Closing net book value	<u>12,927,608</u>	<u>630,818</u>

As at 31 March 2023, the Group's borrowings of Baht 12,222.82 million (31 December 2022: Baht 12,395.73 million) were secured by the Group's land and buildings, shares of subsidiaries of the Group, leasehold under the lease agreement, and the transfer of the beneficiary rights under insurance policy to bank and guarantee by the Company.

As at 31 March 2023, the Group had undrawn committed borrowing facilities of Baht 210.00 million, US Dollar 10.00 million, and Fijian Dollar 25.08 million (31 December 2022: Baht 210 million, US Dollar 10 million, and Fijian Dollar 28.50 million).

The Group is required to maintain Interest-Bearing Debt to Equity ratio and Debt-Service Coverage ratio in accordance with the conditions in loan agreements.

Effect of IBOR reform

For the period ended 31 March 2023, the Group has long-term borrowing amount of MUR 142.66 million or equivalent to Baht 107.02 million and US Dollar 110.09 million or equivalent to Baht 3,781.70 million totalling Baht 3,888.72 million and interest rate swap amounting to US Dollar 0.37 million or equivalent to Baht 12.61 million referring to the LIBOR interest rate which has not been changed to other interest rate benchmark. The Group is in the process of amending the contract to set a new interest rate benchmark with the counterparty bank. These will be effective when the original interest rate benchmark ceases to be published.

13 Income tax

Income tax expense is recognised based on management's estimate of the weighted average effective annual income tax rate expected for the full financial year. The Group uses the different income tax rate from prior period in accordance with the timing difference to recognise the taxable temporary difference, including unrecognised tax loss carried forward to the deferred income tax assets for the increasing taxable profit in the current period.

14 Related-party transactions

a) Sales of goods and services

Sales of goods and services with related parties for the three-month period ended 31 March are as follows:

	Consolidated financial information		Separate financial information	
	2023 Baht'000	2022 Baht'000	2023 Baht'000	2022 Baht'000
Purchases of goods and services				
Other related parties	24	48	220	8
Management income				
Subsidiaries	-	-	37,046	21,011
Other related parties	-	2,990	-	-
Rental and services income				
Parent	13	110	-	-
Joint ventures	1,130	177	-	-
Other related parties	1,933	338	-	-
Interest income				
Subsidiaries	-	-	20,454	34,462
Joint ventures	20,544	3,550	-	-
Other income				
Subsidiaries	-	-	151	587
Joint ventures	1,692	-	1,692	-
Other related parties	3,068	-	-	-
Management fee				
Parent	5,625	1,849	5,625	1,849
Associate	1,662	619	-	-
Other related parties	157	-	157	-
Rental and service expenses				
Parent	2	-	2	-
Subsidiaries	-	-	127	-
Associate	6,604	4,042	-	-
Other related parties	3,240	1,411	1,260	1,009
Interest expense				
Subsidiaries	-	-	8,941	10

b) Outstanding balances arising from sales and purchases of goods and services

The outstanding balances at the end of the reporting period in relation to transactions with related parties are as follows:

	Consolidated financial information		Separate financial information	
	31 March 2023 Baht'000	31 December 2022 Baht'000	31 March 2023 Baht'000	31 December 2022 Baht'000
Amounts due from related parties				
Trade accounts receivable				
- Parent	53	126	-	-
- Subsidiaries	-	-	11,165	15,707
- Associate	-	27	-	-
- Joint ventures	728	101	-	-
- Other related parties	2,611	779	-	-
	3,392	1,033	11,165	15,707
Other receivables				
- Subsidiaries	-	-	67,871	69,012
- Joint ventures	711	6,191	510	6,191
- Other related parties	15,166	9,342	-	-
	15,877	15,533	68,381	75,203
Interest receivables				
- Subsidiaries	-	-	295,738	276,317
- Joint ventures	36,887	21,519	-	-
	36,887	21,519	295,738	276,317
Advances to				
- Subsidiaries	-	-	2,540	1,941
- Other related parties	32	38	32	32
	32	38	2,572	1,973
Total amounts due from related parties	56,188	38,123	377,856	369,200
Amounts due to related parties				
Trade accounts payable				
- Associate	4,805	5,424	-	-
- Other related parties	43	53	-	-
	4,848	5,477	-	-
Other payables				
- Parent	6,389	8,769	6,389	8,769
- Subsidiaries	-	-	126	-
- Other related parties	24,887	9,106	717	152
	31,276	17,875	7,232	8,921
Interest payables				
- Subsidiaries	-	-	17,297	8,355
	-	-	17,297	8,355
Total amounts due to related parties	36,124	23,352	24,529	17,276

c) Lease receivable - a related party, net

	Consolidated financial information	
	31 March 2023	31 December 2022
	Baht'000	Baht'000
Joint venture	232,593	232,301
Total lease receivable from a related party, net	232,593	232,301

d) Loans to related parties

The movements of the long-term loans to related parties for the three-month period ended 31 March are as follows:

	Consolidated financial information	Separate financial information
	2023	2023
	Baht'000	Baht'000
Opening net book value	331,894	4,886,420
Addition	305,210	358,143
Repayment	-	(28,264)
Unrealised gain on exchange rate	-	14,136
Currency translation differences	(2,186)	-
Closing net book value	634,918	5,230,435

As at 31 March 2023, the Group had long-term loans to related parties of GBP 0.50 million or equivalent to Baht 21.14 million (31 December 2022: GBP 0.50 million or equivalent to Baht 20.83 million), bear the interest rate of 8.00% per annum, the repayment term is in 2023 the Group is in process to consider the revision of loan agreement relating to the maturity date and has no intention to call for repayment and US Dollar 18.00 million or equivalent to Baht 613.78 million (31 December 2022: US Dollar 9.00 million or equivalent to Baht 311.06 million), bear the interest rate of 12.00% per annum, the repayment term is at call.

As at 31 March 2023, the Company had long-term loans to subsidiaries represented loan of GBP 0.30 million or equivalent to Baht 12.55 million and US Dollar 19.64 million or equivalent to Baht 666.54 million and Baht 2,457.34 million (31 December 2022: GBP 0.30 million or equivalent to Baht 12.37 million and US Dollar 8.86 million or equivalent to Baht 304.88 million and Baht 2,485.60 million), bear the interest rate of 0.48% to 5.20% per annum, the repayment term is at call, and US Dollar 21.34 million or equivalent to Baht 724.18 million (31 December 2022: US Dollar 21.34 million or equivalent to Baht 733.93 million), bear the interest rate of 3.55% per annum and GBP 32.74 million or equivalent to Baht 1,369.82 million (31 December 2022: GBP 32.74 million or equivalent to Baht 1,349.64 million), bear the interest rate of 0.48% to 4.38% per annum, the repayment is in 2027 and 2026 respectively.

For the interest rate of long-term loans to related parties, the Group charges the interest by considering the average cost of borrowing and market interest rate.

e) Borrowing from a related party

As at 31 March 2023, the short-term borrowing from a subsidiary amounting to Baht 931.60 million, bearing an interest rate at 3.97% to 5.10% per annum (31 December 2022: Baht 557.60 million, bearing an interest rate at 3.97% to 4.68% per annum). The repayment term is at call. However, the subsidiary has no intention to recall the borrowings within one year.

f) Management remuneration

The compensation paid or payable to key management for the three-month period ended 31 March are as follows:

	Consolidated financial information		Separate financial information	
	2023	2022	2023	2022
	Baht'000	Baht'000	Baht'000	Baht'000
Salaries and other short-term benefits	53,879	51,181	15,778	16,295
Retirement benefits	875	924	678	725
Total	54,754	52,105	16,456	17,020

15 Commitments and contingencies

15.1 Capital commitments

Capital expenditure commitments but not recognised in the financial information are as follows:

	Consolidated financial information						
	31 March 2023				31 December 2022		
	Million Baht	Million US Dollar	Million Fijian Dollar	Million Pound	Million Baht	Million US Dollar	Million Fijian Dollar
Capital expenditure commitments	1.60	2.24	16.89	8.37	1.50	6.54	20.75

15.2 Non-cancellable service agreement

Commitments for minimum in relation to non-cancellable service agreement are as follows:

	Consolidated financial information		Separate financial information	
	31 March 2023	31 December 2022	31 March 2023	31 December 2022
	Million Baht	Million Baht	Million Baht	Million Baht
Within 1 year	14.15	8.80	2.27	2.27
Later than 1 year but not later than 5 years	4.95	5.67	3.60	4.17
Total	19.10	14.47	5.87	6.44

15.3 Bank guarantee

As at 31 March 2023, the Group had outstanding bank guarantees for the normal course of business, issued by banks of Baht 5.35 million and Fijian Dollar 0.28 million (31 December 2022: Baht 5.35 million and Fijian Dollar 0.28 million).

16 Events occurring after the reporting date

At the Annual General Meeting of Shareholders on 25 April 2023 the shareholders approved the reduction of the Company's registered capital in the amount of Baht 350.00 million from the existing registered capital in amount of Baht 18,318.20 million to Baht 17,968.20 million by way of cancellation of 70.00 million unallocated ordinary shares with a par value of 5 Baht per share, which were allocated to accommodate the exercise of the SHR-W1(ESOP) and the amendment of the Memorandum of Association to be in line with the decrease of the Company's registered capital.