

S HOTELS AND RESORTS PUBLIC COMPANY LIMITED

CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

31 DECEMBER 2023

Independent Auditor's Report

To the Shareholders of S Hotels and Resorts Public Company Limited

My opinion

In my opinion, the consolidated financial statements and separate financial statements present fairly, in all material respects, the consolidated financial position of S Hotels and Resorts Public Company Limited (the Company) and its subsidiaries (the Group), and the separate financial position of the Company as at 31 December 2023, and its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with Thai Financial Reporting Standards (TFRS).

What I have audited

The consolidated financial statements and the separate financial statements comprise:

- the consolidated and separate statements of financial position as at 31 December 2023;
- the consolidated and separate statements of comprehensive income for the year then ended;
- the consolidated and separate statements of changes in equity for the year then ended;
- the consolidated and separate statements of cash flows for the year then ended; and
- the notes to the consolidated and separate financial statements, which include significant accounting policies and other explanatory information.

Basis for my opinion

I conducted my audit in accordance with Thai Standards on Auditing (TSAs). My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the consolidated and separate financial statements section of my report. I am independent of the Group and the Company in accordance with the Code of Ethics for Professional Accountants including Independence Standards issued by the Federation of Accounting Professions (TFAC Code) that are relevant to my audit of the consolidated and separate financial statements, and I have fulfilled my other ethical responsibilities in accordance with TFAC Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key audit matters

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the consolidated and separate financial statements of the current period. I determine one key audit matter: Impairment assessment of goodwill. The matter was addressed in the context of my audit of the consolidated and separate financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on the matter.

Key audit matter	How my audit addressed the key audit matter
<p>Impairment assessment of goodwill</p> <p>Refer Note 7, Critical accounting estimates and judgements and Note 16 Goodwill.</p> <p>As at 31 December 2023, the Group had goodwill of Baht 1,628 million contributing to 4% of total assets in the consolidated financial statements. Goodwill arose from the acquisition of hospitality businesses in Thailand and overseas including Republic of Maldives, Republic of Mauritius, Republic of Fiji and United Kingdom.</p> <p>Management tests impairment of goodwill annually. The impairment test is performed at the level of the cash generating unit (CGU) and computed its recoverable amount by applying a value-in-use model. This model involves significant judgements made by the management in respect to the future operating results of businesses, projected cash flows, growth rate and discount rate. As a result of impairment testing, the Group did not recognise the impairment loss of goodwill in the consolidated financial statements of 2023.</p> <p>I focussed on the impairment assessment of goodwill because its significant value and the fact that the determination of recoverable amount depends on a number of assumptions. Those assumptions involve significant judgement made by management in assessing the possibility of future business plans.</p>	<p>I performed the following key procedures to assess the impairment of goodwill tested by the Group's management:</p> <ul style="list-style-type: none"> assessed the appropriateness of management's identification of the Group's CGU including goodwill by inquiring and observing how the information is collected and segregated comparing to the accounting data. inquired management to understand the inputs and assumptions used in the impairment testing of goodwill and assessed the key data and assumptions used in the impairment testing process. inquired and challenged management's significant assumptions applied in the impairment testing of goodwill, specifically the business plan and the projected future cash flows including the occupancy rate, growth rate and discount rate, and also checked whether they were in line with the business volatility. I compared those inputs and assumptions to the appropriate published information of the industry. inquired and assessed the reasonableness of the business plan and estimated future cash flows in 2023 by comparing them with actual results. regarding the goodwill arose from the acquisition of hospitality business in United Kingdom, I planned the audit of the consolidation purpose and communicated it to the component auditor in the United Kingdom who performed audit over the subsidiaries' financial information. I understood and evaluated the work of the auditor to obtain sufficient and appropriate audit evidence of the estimated future cash flows for the impairment testing of the group of assets arisen from the hospitality businesses in United Kingdom. I also evaluated the qualification, competency, and independence of the component auditor. performed a sensitivity analysis of the key assumptions used in impairment testing to consider the potential impact of a material change in those assumptions would make on the impairment assessment of goodwill. <p>As a result of these procedures, I found that management's determination is reasonable based on the available evidence.</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.

Rodjanart Banyatananusard
 Certified Public Accountant (Thailand) No. 8435
 Bangkok
 21 February 2024

S Hotels and Resorts Public Company Limited

Statement of Financial Position

As at 31 December 2023

	Notes	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
		Baht	Baht	Baht	Baht
Assets					
Current assets					
Cash and cash equivalents	9	2,216,334,109	2,477,332,055	325,693,233	28,454,573
Financial assets measured at fair value through profit or loss	6	-	2,049,026	-	6,467
Trade and other receivables, net	10	534,555,821	501,355,520	1,376	164,731
Short-term loan to a related party	27	21,922,000	-	-	-
Inventories		230,951,405	228,505,793	-	-
Amounts due from related parties	27	34,053,150	38,122,558	393,525,558	369,200,132
Current portion of financial lease receivable - a related party, net	27	18,348,069	7,741,978	-	-
Group of non-current assets classified as held-for-sale, net	11	360,745,134	979,696,574	-	-
Other current assets		354,932,066	298,161,691	33,044,709	32,449,204
Total current assets		3,771,841,754	4,532,965,195	752,264,876	430,275,107
Non-current assets					
Restricted bank deposits		45,209,324	16,845,411	-	-
Investments in an associate and joint ventures	12	274,708,557	371,850,849	-	-
Investments in subsidiaries	13	-	-	16,835,649,210	16,835,649,210
Financial lease receivable - a related party, net	27	264,463,922	224,559,386	-	-
Long-term loans to related parties	27	489,393,190	331,893,550	6,220,717,304	4,886,419,725
Investments properties	14	480,972,437	922,188,148	-	-
Property, plant and equipment, net	15	30,414,394,150	28,045,953,198	3,922,572	4,230,933
Goodwill, net	16	1,627,700,580	1,629,586,347	-	-
Intangible assets, net		77,221,106	81,061,069	4,369,592	4,352,621
Derivative assets	6	52,604,508	105,290,167	-	-
Deferred income tax assets	17	187,278,287	94,848,982	3,084,443	2,363,309
Other non-current assets		36,915,700	92,556,588	6,067,399	1,248,749
Total non-current assets		33,950,861,761	31,916,633,695	23,073,810,520	21,734,264,547
Total assets		37,722,703,515	36,449,598,890	23,826,075,396	22,164,539,654

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

S Hotels and Resorts Public Company Limited

Statement of Financial Position

As at 31 December 2023

	Notes	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
		Baht	Baht	Baht	Baht
Liabilities and equity					
Current liabilities					
Trade and other payables	18	1,666,948,275	1,710,634,057	48,086,954	20,476,617
Amounts due to related parties	27	90,008,653	23,351,528	104,278,229	17,276,494
Short-term borrowing from a related party	27	-	-	897,600,000	557,600,000
Current portion of long-term borrowings, net	19	1,386,331,283	1,952,025,507	454,788,116	436,282,237
Current portion of lease liabilities, net	21	106,579,379	79,767,046	980,961	989,212
Income tax payables		50,751,111	16,059,267	2,283,789	-
Retention payables		21,131,268	15,020,401	-	-
Other current liabilities		187,211,032	378,949,232	2,637,917	2,510,166
Total current liabilities		3,508,961,001	4,175,807,038	1,510,655,966	1,035,134,726
Non-current liabilities					
Long-term borrowings, net	19	11,255,238,576	11,128,136,769	3,702,767	225,294,441
Debentures, net	20	1,290,228,524	-	1,290,228,524	-
Lease liabilities, net	21	3,968,606,720	3,514,186,726	960,790	1,739,905
Deferred income tax liabilities	17	1,386,572,755	1,263,942,072	-	-
Derivative liability	6	4,602,906	-	-	-
Employee benefit obligations		52,369,421	48,271,570	20,186,655	16,488,601
Other non-current liabilities		165,076,165	300,085,463	26,400	-
Total non-current liabilities		18,122,695,067	16,254,622,600	1,315,105,136	243,522,947
Total liabilities		21,631,656,068	20,430,429,638	2,825,761,102	1,278,657,673

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

S Hotels and Resorts Public Company Limited

Statement of Financial Position

As at 31 December 2023

	Note	Consolidated		Separate	
		financial statements		financial statements	
		2023	2022	2023	2022
		Baht	Baht	Baht	Baht
Liabilities and equity (Cont'd)					
Equity					
Share capital					
Authorised share capital					
Ordinary shares 3,593,640,000 shares					
at par value of Baht 5 each					
(31 December 2022: Ordinary Shares					
3,663,640,000 shares					
at par values of Baht 5 each)					
22		17,968,200,000	18,318,200,000	17,968,200,000	18,318,200,000
Issued and paid-up share capital					
Ordinary shares 3,593,640,000 shares					
at paid-up of Baht 5 each					
22		17,968,200,000	17,968,200,000	17,968,200,000	17,968,200,000
Premium on share capital	22	2,917,681,981	3,335,183,869	2,917,681,981	3,335,183,869
Discount from business transferred					
under common control					
		(2,119,140,909)	(2,119,140,909)	-	-
Share-based payment	22	-	43,754,206	-	43,754,206
Retained earnings (deficits)		(3,155,242,070)	(3,702,905,034)	114,432,313	(461,256,094)
Other components of equity		479,548,445	494,077,120	-	-
Total equity		16,091,047,447	16,019,169,252	21,000,314,294	20,885,881,981
Total liabilities and equity		37,722,703,515	36,449,598,890	23,826,075,396	22,164,539,654

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

S Hotels and Resorts Public Company Limited
Statement of Comprehensive Income
For the year ended 31 December 2023

	Notes	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
		Baht	Baht	Baht	Baht
Revenue from hospitality business and other related services		9,701,079,185	8,692,553,854	-	-
Revenue from management services		-	-	108,475,508	88,664,064
Costs of hospitality business and other related services		(6,326,416,542)	(5,807,442,940)	-	-
Costs of management services		-	-	(51,310,716)	(51,985,762)
Gross profit		3,374,662,643	2,885,110,914	57,164,792	36,678,302
Other income	23	395,675,364	131,734,592	166,099,509	110,504,312
Dividend income from a subsidiary	27	-	-	129,441,540	-
Selling expenses		(441,271,108)	(352,257,033)	(4,662,863)	(3,212,709)
Administrative expenses		(1,934,475,652)	(1,795,123,636)	(155,340,781)	(117,600,216)
Finance costs		(1,123,879,070)	(841,610,678)	(102,579,161)	(29,252,584)
Net gain (loss) on exchange rate		(4,777,541)	20,969,007	34,669,196	(87,651,692)
Share of loss from an associate and joint ventures		(88,213,613)	(21,465,125)	-	-
Profit (loss) before income taxes		177,721,023	27,358,041	124,792,232	(90,534,587)
Income tax	25	(91,314,153)	(12,975,791)	(10,359,919)	(1,052,094)
Profit (loss) for the year		86,406,870	14,382,250	114,432,313	(91,586,681)
Other comprehensive income (expense), net of taxes					
Items that will be reclassified subsequently to profit or loss					
- Cash flow hedges	5.1.1	(58,196,671)	117,282,396	-	-
- Currency translation differences		31,403,627	31,132,386	-	-
- Income tax relating to items that will be reclassified subsequently to profit or loss		12,264,369	(25,485,932)	-	-
Total items that will be reclassified subsequently to profit or loss, net of taxes		(14,528,675)	122,928,850	-	-
Other comprehensive income (expense) for the year, net of taxes		(14,528,675)	122,928,850	-	-
Total comprehensive income (expense) for the year		71,878,195	137,311,100	114,432,313	(91,586,681)

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

S Hotels and Resorts Public Company Limited
Statement of Comprehensive Income
For the year ended 31 December 2023

	Note	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
		Baht	Baht	Baht	Baht
Profit (loss) attributable to:					
Owners of the parent		86,406,870	14,382,250	114,432,313	(91,586,681)
Non-controlling interests		-	-	-	-
		<u>86,406,870</u>	<u>14,382,250</u>	<u>114,432,313</u>	<u>(91,586,681)</u>
Total comprehensive income (expense)					
attributable to:					
Owners of the parent		71,878,195	137,311,100	114,432,313	(91,586,681)
Non-controlling interests		-	-	-	-
		<u>71,878,195</u>	<u>137,311,100</u>	<u>114,432,313</u>	<u>(91,586,681)</u>
Earnings (loss) per share					
Basic earnings (loss) per share	26	0.024	0.004	0.032	(0.025)

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

S Hotels and Resorts Public Company Limited
Statement of Changes in Equity
For the year ended 31 December 2023

Consolidated financial statements										
Attributed to owners of the parent										
Note	Other components of equity									
	Other comprehensive income (expense)							Equity		Total equity
	Issued and paid-up share capital	Premium on share capital	Discount from business transferred under common control	Share-based payment	Retained earnings (deficits)	Cash flow hedge	Currency translation differences	Total other components of equity	attributable to owner of the parent	
	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht
Opening balance as at 1 January 2023	17,968,200,000	3,335,183,869	(2,119,140,909)	43,754,206	(3,702,905,034)	81,603,069	412,474,051	494,077,120	16,019,169,252	16,019,169,252
Allocation of share premium and share-based payment to compensate for the accumulated loss	22	-	(417,501,888)	-	(43,754,206)	461,256,094	-	-	-	-
Total comprehensive income (expense) for the year		-	-	-	86,406,870	(45,932,302)	31,403,627	(14,528,675)	71,878,195	71,878,195
Closing balance as at 31 December 2023	<u>17,968,200,000</u>	<u>2,917,681,981</u>	<u>(2,119,140,909)</u>	<u>-</u>	<u>(3,155,242,070)</u>	<u>35,670,767</u>	<u>443,877,678</u>	<u>479,548,445</u>	<u>16,091,047,447</u>	<u>16,091,047,447</u>
Opening balance as at 1 January 2022	17,968,200,000	3,335,183,869	(2,119,140,909)	43,754,206	(3,717,287,284)	(10,193,395)	381,341,665	371,148,270	15,881,858,152	15,881,858,152
Total comprehensive income for the year		-	-	-	14,382,250	91,796,464	31,132,386	122,928,850	137,311,100	137,311,100
Closing balance as at 31 December 2022	<u>17,968,200,000</u>	<u>3,335,183,869</u>	<u>(2,119,140,909)</u>	<u>43,754,206</u>	<u>(3,702,905,034)</u>	<u>81,603,069</u>	<u>412,474,051</u>	<u>494,077,120</u>	<u>16,019,169,252</u>	<u>16,019,169,252</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 Changes in Equity
For the year ended 31 December 2023

Separate financial statements					
	Issued and paid-up share capital	Premium on share capital	Share-based payment	Retained earnings (deficits)	Total equity
Note	Baht	Baht	Baht	Baht	Baht
Opening balance as at 1 January 2023	17,968,200,000	3,335,183,869	43,754,206	(461,256,094)	20,885,881,981
Allocation of share premium and share-based payment to compensate for the accumulated loss	22	-	(417,501,888)	461,256,094	-
Total comprehensive income for the year	-	-	-	114,432,313	114,432,313
Closing balance as at 31 December 2023	<u>17,968,200,000</u>	<u>2,917,681,981</u>	<u>-</u>	<u>114,432,313</u>	<u>21,000,314,294</u>
Opening balance as at 1 January 2022	17,968,200,000	3,335,183,869	43,754,206	(369,669,413)	20,977,468,662
Total comprehensive expense for the year	-	-	-	(91,586,681)	(91,586,681)
Closing balance as at 31 December 2022	<u>17,968,200,000</u>	<u>3,335,183,869</u>	<u>43,754,206</u>	<u>(461,256,094)</u>	<u>20,885,881,981</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 2023

	Notes	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
		Baht	Baht	Baht	Baht
Cash flows from operating activities					
Profit (loss) for the year before income taxes		177,721,023	27,358,041	124,792,232	(90,534,587)
Adjustment to reconcile net profit (loss) before income taxes for cash receipts (payments) from operations					
Depreciation and amortisation expenses	24	1,270,622,476	1,116,192,139	1,931,579	1,759,883
(Reversal) recognised of expected credit loss on financial assets	10, 24	(21,957,798)	25,470,485	-	-
Fair value adjustment of investment properties	14	(177,435,040)	1,502,567	-	-
Gain from disposal of financial assets measure at fair value through profit or loss		(29,820)	(772,658)	(145)	-
Loss (gain) from changes in fair value of financial assets measure at fair value through profit or loss		2,168	659,844	96	(26)
Loss from changes in fair value of derivative		4,547,735	-	-	-
Gain on financial lease receivable - a related party		(9,917,181)	-	-	-
Reversal of loss from impairment of assets	15, 24	(42,980,629)	-	-	-
Employee benefit obligations		6,914,377	5,778,677	3,698,054	3,431,840
Loss from write-off and disposals of assets		738,236	4,568,733	-	-
Loss from write-off of withholding tax		12,419,262	18,703,171	2,182,950	15,401,197
Gain from lease modification and derecognition		(17,483,959)	(7,292,722)	(4,200)	(180,749)
Share of loss from investment in an associate and joint ventures		88,213,613	21,465,125	-	-
Unrealised loss (gain) on exchange rate		10,410,564	(19,849,881)	(23,232,702)	88,354,678
Dividend income		-	-	(129,441,540)	-
Interest income	23	(118,619,072)	(39,711,599)	(123,273,616)	(100,297,101)
Financial costs		1,123,879,070	841,610,678	102,579,161	29,252,584
Cash flows before changes in working capital		2,307,045,025	1,995,682,600	(40,768,131)	(52,812,281)
Changes in working capital					
Trade and other receivables		(2,642,559)	(152,364,629)	163,355	(162,809)
Amounts due from related parties		(11,235,363)	3,463,575	67,157,797	(2,685,721)
Inventories		(2,794,030)	(28,122,398)	-	-
Other current assets		(31,280,706)	(25,921,550)	(605,244)	(942,730)
Other non-current assets		32,367,670	(55,112,064)	(1,300)	-
Trade and other payables		(118,485,990)	133,110,494	14,472,096	8,918,405
Amounts due to related parties		66,657,125	9,497,866	43,877,212	(31,720)
Retention payables		6,270,838	(59,733,974)	-	-
Employee benefits paid		(2,689,058)	(525,208)	-	-
Other current liabilities		(204,168,096)	284,987,313	127,751	166,977
Other non-current liabilities		(81,917,857)	218,657,013	26,400	-
Cash generated from (used in) operating activities		1,957,126,999	2,323,619,038	84,449,936	(47,549,879)
Interest paid		(920,214,845)	(632,104,434)	(44,560,426)	(20,375,965)
Income tax paid		(44,560,403)	(13,905,438)	(15,787,825)	(9,122,575)
Cash receipts from tax refund		-	22,292,958	-	-
Net cash generated from (used in) operating activities		992,351,751	1,699,902,124	24,101,685	(77,048,419)

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

S Hotels and Resorts Public Company Limited
Statement of Cash Flows
For the year ended 31 December 2023

	Notes	Consolidated		Separate	
		financial statements		financial statements	
		2023	2022	2023	2022
		Baht	Baht	Baht	Baht
Cash flows from investing activities					
Cash payments for purchase of financial assets measure at fair value through profit or loss		(606,760,000)	(393,064,100)	-	-
Cash receipts from disposal of financial assets measure at fair value through profit or loss		608,836,678	486,497,663	6,516	-
Cash receipts from dividend income		-	-	128,923,673	-
Cash receipts from short-term loans to a related party	27	-	-	1,266,854	-
Cash payments for long-term loans to related parties	27	(984,902,260)	(315,552,225)	(2,227,113,797)	(624,526,342)
Cash receipts for long-term loans to related parties	27	800,450,600	-	920,113,735	31,368,071
Cash payments for purchase property, plant and equipment		(1,549,434,544)	(535,119,128)	(1,276,399)	(416,700)
Cash receipts from disposal of property, plant and equipment		1,145,556	267,010	-	-
Cash payments for purchase intangible assets		(2,613,373)	(1,908,841)	(180,000)	(112,305)
Cash receipts from interest income		110,452,156	3,686,858	26,975,343	151,685
Cash receipts from disposal of assets held-for-sales		-	806,082,585	-	-
Net cash generated from (used in) investing activities		(1,622,825,187)	50,889,822	(1,151,284,075)	(593,535,591)
Cash flows from financing activities					
Cash receipts from short-term borrowings from related parties	27	1,084,600,000	-	1,968,600,000	557,600,000
Cash payment for short-term borrowings from related parties	27	(1,084,600,000)	-	(1,628,600,000)	-
Cash receipts from short-term borrowings from financial institutions		600,000,000	-	400,000,000	-
Cash payments for short-term borrowings from financial institutions		(600,000,000)	-	(400,000,000)	-
Cash receipts from long-term borrowings from financial institutions	19	4,143,140,291	-	-	-
Repayments of long-term borrowings from financial institutions	19	(4,737,194,164)	(834,679,071)	(204,064,950)	(4,759,536)
Cash payments for deferred financing fees for long-term borrowings from financial institutions	19	(19,338,443)	(54,594,862)	-	-
Cash receipts from debenture issuance	20	1,300,000,000	-	1,300,000,000	-
Cash payments for debenture issuance fees	20	(10,479,000)	-	(10,479,000)	-
Repayment of principal of lease agreement	21	(302,470,760)	(299,912,435)	(1,035,000)	(1,039,200)
Net cash generated from (used in) financing activities		373,657,924	(1,189,186,368)	1,424,421,050	551,801,264
Net increase (decrease) in cash and cash equivalents		(256,815,512)	561,605,578	297,238,660	(118,782,746)
Currency translation differences of cash and cash equivalents		(4,182,434)	1,979,648	-	-
Cash and cash equivalents at beginning of the year		2,477,332,055	1,913,746,829	28,454,573	147,237,319
Cash and cash equivalents at ending of the year		2,216,334,109	2,477,332,055	325,693,233	28,454,573
Non-cash transactions					
Material non-cash transactions as of 31 December as follows:					
Payables from purchase of property, plant and equipment increase (decrease)		32,619,968	(378,917)	-	-
Property, plant and equipment increase from lease agreement		2,027,044	18,637,741	183,789	2,834,733
Property, plant and equipment increase (decrease) from lease modification	15	724,729,003	(132,103,528)	-	-
Property, plant and equipment decrease from lease derecognition	15	(249,295,054)	-	-	-
Lease liabilities (increase) decrease from lease modification and derecognition	21	(457,949,990)	139,467,611	-	-

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

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 in Thailand and overseas.

These consolidated and separate financial statements were authorised by the Board of Directors on 21 February 2024.

2 Basis of preparation

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

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

The preparation of financial statements in conformity with TFRSs requires management to use certain critical accounting estimates and to exercise its judgement in applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas that are more likely to be materially adjusted due to changes in estimates and assumptions of the consolidated and separate financial statements are disclosed in Note 7.

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

3 Amended financial reporting standards

3.1 Amended financial reporting standards that are effective for accounting period beginning or after 1 January 2023 which related to the Group

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

3.2 Amended financial reporting standards that are effective for the accounting period beginning on or after 1 January 2024 which related to the Group

The Group has not early adopted the following amended TFRSs for the current reporting period and the Group is in process of impact assessment from adoption of the following amended financial reporting standards.

- a) **Amendment to TAS 1 - Presentation of financial statements** revised the disclosure from 'significant accounting policies' to 'material accounting policies'. The amendment also provides guidelines on identifying when the accounting policy information is material. Consequently, immaterial accounting policy information does not need to be disclosed. If it is disclosed, it should not obscure material accounting information.
- b) **Amendment to TAS 8 - Accounting policies, changes in accounting estimates and errors** revised the definition of 'accounting estimates' to clarify how companies should distinguish between changes in accounting policies and changes in accounting estimates. The distinction is important because changes in accounting estimates are applied prospectively to transactions, other events and conditions from the date of that change. Whereas changes in accounting policies are generally applied retrospectively to past transactions and other past events as well as the current period as if the new accounting policy had always been applied.

c) Amendments to TAS 12 - Income taxes

- 1) The Group must recognise any deferred tax related to assets and liabilities arising from a single transaction that, on initial recognition, gives rise to equal amounts of taxable and deductible temporary differences. Example transactions are leases and decommissioning obligations.

The amendment should be applied to transactions on or after the beginning of the earliest comparative period presented. In addition, entities should recognise deferred tax assets (to the extent that they can probably be utilised) and deferred tax liabilities at the beginning of the earliest comparative period for all deductible and taxable temporary differences associated with:

- right-of-use assets and lease liabilities, and
- decommissioning, restoration and similar liabilities, and the corresponding amounts recognised as part of the cost of the related assets.

The cumulative effect of recognising these adjustments is recognised at the beginning of retained earnings or any other component of equity, as appropriate.

- 2) Companies must apply all income taxes arising from the tax law enacted or substantively enacted to implement the Pillar Two model rules published by the Organisation for Economic Co-operation and Development (OECD), an international organisation. In December 2021, the OECD released the Pillar Two model rules to apply the Global Anti-Base Erosion Proposal, or 'GloBE') to reform international corporate taxation. Large multinational enterprises within the rules' scope must calculate the GloBE effective tax rates for each territory in which they operate and pay a top-up tax for the differences between these and the 15% minimum rate.

In December 2023, the amendments to TAS 12 provide a temporary relief from the requirement to recognise and disclose deferred taxes arising from enacted or substantively enacted tax law that implements the Pillar Two model rules, including tax law that implements qualified domestic minimum top-up taxes described in those rules. The amendments also require affected companies to disclose:

- the fact that they have applied the exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes
- their current tax expense (if any) related to the Pillar Two income taxes, and
- during the period between the legislation being enacted or substantially enacted and the legislation becoming effective, known or reasonably estimable information that would help users of financial statements to understand an entity's exposure to Pillar Two income taxes arising from that legislation. If this information is not known or reasonably estimable, entities are instead required to disclose a statement to that effect and information about their progress in assessing the exposure.

4 Accounting policies

4.1 Principles of consolidation

a) Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns 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 method less allowance for impairment (if any).

b) Associates

Associates are all entities over which the Group has significant influence but not control or joint control. In the consolidated financial statements, investments in associates are accounted for using the equity method. In the separate financial statements, investments in associates are accounted for using cost method less allowance for impairment (if any).

c) Joint ventures

A joint venture is a joint arrangement whereby the Group has rights to the net assets of the arrangement. In the consolidated financial statements, interests in joint ventures are accounted for using the equity method. In the separate financial statements, investments in joint ventures are accounted for using cost method less allowance for impairment (if any).

d) Equity method

The investment is initially recognised at cost which is consideration paid and directly attributable costs. The Group's subsequently recognises shares of its associates and joint ventures' profits or losses and other comprehensive income in the profit or loss and other comprehensive income, respectively. The subsequent cumulative movements are adjusted against the carrying amount of the investment.

When the Group's share of losses in associates and joint ventures equals or exceeds its interest in the associates and joint ventures, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associates and joint ventures.

e) Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A difference between the amount of the adjustment to non-controlling interests to reflect their relative interest in the subsidiary and any consideration paid or received is recognised within equity.

If the ownership interest in associates and joint ventures is reduced but significant influence and joint control is retained, only a proportionate share of the amounts previously recognised in other comprehensive income is reclassified to profit or loss or retained earnings where appropriate. Profit or loss from reduce of the ownership interest in associates and joint ventures is recognise in profit or loss.

When the Group losses control, joint control or significant influence over investments, any retained interest in the investment is remeasured to its fair value, with the change in carrying amount recognised in profit or loss. The fair value becomes the initial carrying amount of the retained interest which is reclassified to investment in an associate, or a joint venture or a financial asset accordingly.

f) Intercompany transactions on consolidation

Intra-group transactions, balances and unrealised gains on transactions are eliminated. Unrealised gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in the associates and joint ventures. Unrealised losses are also eliminated in the same manner unless the transaction provides evidence of an impairment of the asset transferred.

4.2 Business combination

The Group applies the acquisition method to account for business combinations with an exception on business combination under common control. The consideration transferred for the acquisition of a subsidiary comprises.

- Fair value of the assets transferred,
- Liabilities incurred to the former owners of the acquiree
- Equity interests issued by the Group

Identifiable assets and liabilities acquired and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

The excess of the consideration transferred, the amount of any non-controlling interest recognised and the acquisition-date fair value of any previous equity interest in the acquiree (for business combination achieved in stages) over the fair value of the identifiable net assets acquired is recorded as goodwill. In the case of a bargain purchase, the difference is recognised directly in profit or loss.

Acquisition-related cost are recognised as expenses in profit or loss in consolidated financial statements.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measured are recognised in profit or loss.

Subsequent changes to the fair value of the contingent consideration that is an asset or liability is recognised in profit or loss.

The Group accounts for business combination under common control by measuring acquired assets and liabilities of the acquiree at their carrying values presented in the highest level of the consolidation. The Group retrospectively adjusted the business combination under common control transactions as if the combination had occurred on the later of the beginning of the preceding comparative period and the date the acquiree has become under common control.

Consideration of business combination under common control are the aggregated amount of fair value of assets transferred, liabilities incurred and equity instruments issued by the acquirer at the date of which the exchange in control occurs.

The difference between consideration under business combination under common control and the acquirer's interests in the carrying value of the acquiree is presented as "discount from business combination under common control" in equity and is derecognised when the investment is disposed of, transferred to retained earnings.

4.3 Foreign currency translation

a) Functional and presentation currency

The financial statements are presented in Thai Baht, which is the Company's functional and the Company's and the Group's presentation currency.

b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit or loss.

c) Group companies

The operational results and financial position of the Group's entities (none of which has the currency of a hyper-inflationary economy) that have a different functional currency from the Group's presentation currency are translated into the presentation currency as follows.

- Assets and liabilities are translated at the closing rate at the date of respective statement of financial position;
- Income and expenses for statement of comprehensive income are translated at average exchange rates; and
- All resulting exchange differences are recognised in other comprehensive income.

4.4 Cash and cash equivalents

In the statements of cash flows, cash and cash equivalents includes cash on hand, deposits held at call, short-term highly liquid investments with maturities of three months or less from acquisition date. In the statements of financial position, bank overdrafts are shown in current liabilities.

4.5 Trade accounts receivable

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. They are generally due for settlement within 30 days and therefore are all classified as current.

Trade accounts receivable are recognised initially at the amount of consideration that is unconditionally unless they contain significant financing components. The Group holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost. The impairment of trade receivables are disclosed in Note 4.7 e).

4.6 Inventories

The Group's inventories comprise food and beverage, supplies and hotel operating equipment. Inventories are stated at the lower of cost or net realisable value. Cost of inventories is determined by the weighted average method.

Cost of inventories comprise all purchase cost and costs directly attributable to the acquisition of the inventory. Net realisable value is the estimate of the selling price in the ordinary course of business less costs of completions and applicable variable selling expenses. The Group recognises allowance for decrease in value as appropriate.

4.7 Financial asset

a) Classification

The Group classifies its debt instrument financial assets in the following measurement categories depending on i) business model for managing the asset and ii) the cash flow characteristics of the asset whether they represent solely payments of principal and interest (SPPI).

- those to be measured subsequently at fair value (either through other comprehensive income (FVOCI) or through profit or loss (FVPL)); and
- those to be measured at amortised cost.

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

The Group classifies its financial assets as at amortised cost only if both of the following criteria are met:

- the asset is held within a business model whose objective is to collect the contractual cash flows; and
- the contractual terms give rise to cash flows that are solely payments of principal and interest.

The Group classifies the debt investments that do not qualify for measurement at either amortised cost or FVOCI at fair value through profit or loss (FVPL).

b) Recognition and derecognition

Regular way purchases, acquires and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

c) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus transaction costs that are directly attributable to the acquisition of the financial asset for those recognised at FVPL. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

d) Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the financial assets. There are the measurement categories into which the Group classifies its debt instruments:

- Amortised cost: Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in other income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains (losses) together with foreign exchange gains and losses.
- FVPL: Financial assets that do not meet the criteria for amortised cost are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within other gains (losses) in the period in which it arises

e) Impairment

The Group applies the TFRS 9 simplified approach in measuring the impairment of trade receivables which applies lifetime expected credit loss for all trade receivables.

To measure the expected credit losses, management classified trade receivables based on shared credit risk characteristics and the days past due. The expected credit loss rates are based on payment profiles, historical credit losses as well as forward-looking information and factors that may affect the ability of the customers to settle the outstanding balances.

For other financial assets carried at amortised cost, the Group applies TFRS 9 general approach in measuring the impairment of those financial assets. Under the general approach, the 12-month or the lifetime expected credit loss is applied depending on whether there has been a significant increase in credit risk since the initial recognition.

The significant increase in credit risk (from initial recognition) assessment is performed every end of reporting period by comparing expected risk of default as of the reporting date and estimated risk of default on the date of initial recognition.

The Group assesses expected credit loss by taking into consideration forward-looking information and past experiences. The expected credit loss is a probability-weighted estimate of credit losses (probability-weighted present value of estimated cash shortfall). The cash shortfall is the difference between all contractual cash flows that are due to the Group and all cash flows expected to receive, discounted at the original effective interest rate.

When measuring expected credit losses, the Group reflects the following:

- probability-weighted estimated uncollectible amounts
- time value of money; and
- supportable and reasonable information as of the reporting date about past experience, current conditions and forecasts of future situations.

Impairment and reversal of impairment losses are recognised in profit or loss included in administrative expenses.

4.8 Group of non-current assets held-for-sale

Non-current assets (or disposal groups) are classified as assets held-for-sale when their carrying amount will be recovered principally through a sale transaction and a sale is considered highly probable. They are measured at the lower of the carrying amount and fair value less costs to sell.

An impairment loss is recognised for write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised.

4.9 Investment property

Property that is held for rental yields or for capital appreciation or both, and that is not occupied by the companies in the Group, is classified as investment property. Investment property also includes property that is being constructed or developed for future use as investment property.

Investment property of the Group is majorly land and building held for long-term rental yields, including certain building under construction, the right-of-use per land lease agreement and are not occupied by the Group.

Investment property is measured initially at its cost, including related transaction costs and borrowing costs. Borrowing costs are incurred for the purpose of acquiring, constructing or producing a qualifying investment property and are capitalised as part of its cost. Borrowing costs are capitalised while acquisition or construction is actively underway and cease once the asset is substantially completed, or suspended if the development of the asset is suspended.

After initial recognition, investment property is carried at fair value. Investment property under construction is measured at fair value if the fair value is considered to be reliably determinable. Investment property under construction for which the fair value cannot be determined reliably but for which the Group expects that the fair value of the property will be reliably determinable when construction is completed, are measured at cost less impairment until the fair value becomes reliably determinable or construction is completed - whichever is earlier.

The fair value of investment property reflects, among other things, rental income from current leases and other assumptions market participants would make when pricing the property under current market conditions.

Change in fair values are recognised in profit or loss. Investment property are derecognised when they have been disposed or when the investment property is permanently withdrawn from use and no future economic benefits are expected from its disposal.

Where the Group disposes of a property at fair value in an arm's length transaction, the carrying value immediately prior to the sale is adjusted to the transaction price, and the adjustment is recorded in profit or loss within net gain from fair value adjustment on investment property.

If an investment property becomes owner-occupied, it is reclassified as property, plant and equipment. Its fair value at the date of reclassification becomes its cost for subsequent accounting purposes. Where an investment property undergoes a change in use, evidenced by commencement of development with a view to sale, the property is transferred to inventories. A property's deemed cost for subsequent accounting as inventories is its fair value at the date of change in use.

4.10 Property, plant and equipment

All property, plant and equipment are stated at historical cost less accumulated depreciation and impairment losses (if any). Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount, only when it is probable that future economic benefits associated with the item will flow to the Group. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to profit or loss when incurred.

Land is not depreciated. Depreciation on other assets is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

Land improvements	5 to 46 years
Buildings and building improvements	3 to 50 years
Furniture and fixtures, office equipment and machinery and equipment	3 to 15 years
Vehicles	5 to 10 years
Right-of-use assets	15 to 90 years

The assets' residual values and useful lives are reviewed and adjusted, if appropriate, at the end of each reporting period.

Gains or losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

Right-of-used assets are presents with property, plant and equipment in the statement of financial position.

4.11 Goodwill

The Group will test goodwill for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Impairment of goodwill which was recognised will not be reversed.

Goodwill is allocated to cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes, being the operating segments.

Goodwill represents the excess of the consideration transferred over the fair value of the Group's share of the net identifiable assets, liabilities and contingent liabilities of the acquired subsidiary undertaking or associate or joint venture at the date of acquisition.

Goodwill on acquisitions of subsidiaries is separately reported in the consolidated statement of financial position. Goodwill on acquisition of joint ventures or associates is included in investments in joint ventures or associates and is tested for impairment as part of the overall balance.

4.12 Intangible assets

Intangible assets of the Group are categorised to followings:

- a) The assets with finite useful life are rights of used of computer programs and application which are initially measured at cost and subsequently measured at cost less amortisation and impairment losses (if any). Amortisation expense is calculated using straight-line method over the expected useful life of 3 years to 10 years. Costs associated with maintaining of computer programs are recognised when incurred.
- b) The assets with infinite useful life are hotel operating licenses and trademark which are initially measured at cost and subsequently measured at cost less impairment losses (if any) and will be considered for impairment annually.

4.13 Impairment of assets

Assets that have an indefinite useful life are tested annually by the Group for impairment, or more frequently if events or changes in circumstances indicate that it might be impaired. Other assets are reviewed by the Group for impairment whenever there is an indication of impairment. An impairment loss is recognised for the amount by which the carrying amount of the assets exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use.

Where the reasons for previously recognised impairments no longer exist, the impairment losses on the assets concerned other than goodwill is reversed.

4.14 Leases

Leases - where the Group is the lessee

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of real estate for which the Group is a lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate
- amounts expected to be payable by the lessee under residual value guarantees
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, the lessee's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT-equipment and small items of office furniture.

Leases - where the Group is the lessor

When assets are leased out under a finance lease, the present value of the lease payments is recognised as a receivable. The difference between the gross receivable and the present value of the receivable is recognised as unearned finance income. Lease income is recognised over the term of the lease which reflects a constant periodic rate of return. Initial direct costs are included in initial measurement of the finance lease receivable and reduce the amount of income recognised over the lease term.

Rental income under operating leases (net of any incentives given to lessees) is recognised on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognised as expense over the lease term on the same basis as lease income. The respective leased assets are included in the statement of financial position based on their nature.

4.15 Financial liabilities

a) Classification

Financial instruments issued by the Group are classified as either financial liabilities or equity securities by considering contractual obligations.

- Where the Group has an unconditional contractual obligation to deliver cash or another financial asset to another entity, it is considered a financial liability unless there is a predetermined or possible settlement for a fixed amount of cash in exchange of a fixed number of the Group's own equity instruments.
- Where the Group has no contractual obligation or has an unconditional right to avoid delivering cash or another financial asset in settlement of the obligation, it is considered an equity instrument.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

b) Measurement

Financial liabilities are initially recognised at fair value and are subsequently measured at amortised cost.

c) Derecognition and modification

Financial liabilities are derecognised when the obligation specified in the contract is discharged, cancelled, or expired.

Where the terms of a financial liability are renegotiated or modified, the Group assesses whether the renegotiation or modification results in the derecognition of that financial liability. Where the modification results in an extinguishment, the new financial liability is recognised based on fair value of its obligation. The remaining carrying amount of financial liability is derecognised. The difference as well as proceed paid is recognised as other gains or losses in profit or loss.

Where the modification does not result in the derecognition of the financial liability, the carrying amount of the financial liability is recalculated as the present value of the renegotiated or modified contractual cash flows discounted at its original effective interest rate. The difference is recognised in other gains or losses in profit or loss.

4.16 Borrowing costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets (assets that take times to get ready for its intended use or sale) are added to the cost of those assets less investment income earned from those specific borrowings. The capitalisation of borrowing costs is ceased when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

Other borrowing costs are expensed in the period in which they are incurred.

4.17 Current and deferred income taxes

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Income tax expense

The current income tax is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax

Deferred income tax is recognised on temporary differences arising from differences between the tax base of assets and liabilities and their carrying amounts in the financial statements. 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.

4.18 Employee benefits

a) Defined contribution plan

The Group pays defined contributions to a separate fund which is managed by an external fund manager in accordance with the provident fund Act. B.E. 2530. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due.

b) Defined benefit plan

A defined benefit plan is a retirement plan that is not a defined contribution plan. Typically defined benefit plans define an amount of retirement benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using market yield of government bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related retirement liability.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise. They are included in retained earnings in the statements of changes in equity.

Past-service costs are recognised immediately in profit or loss.

4.19 Share-based payment

Employee options

The Group receives services from employees as consideration for equity instruments (options) of the Group companies. The fair value of the options is recognised as an expense over the vesting period, with a corresponding increase in equity.

At the end of each reporting period, the Group reviews the number of options that are expected to vest. It recognises the impact of the revision, if any, in profit or loss with a corresponding adjustment to equity.

When the options are exercised, the Company issues new shares. The proceeds received net of any directly attributable transaction costs are credited to share capital (par value) and share premium.

4.20 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated.

4.21 Share capital

Ordinary shares with discretionary dividends are classified as equity.

Incremental costs directly attributable to the issue of new shares or options (net of tax) are shown as a deduction in equity from the proceed.

4.22 Revenue recognition

Revenue are recorded net of value added tax. They are recognised in accordance with the provision of goods or services, provided that collectibility of the consideration is probable.

Multiple element arrangements involving delivery or provision of multiple products or services are separated into distinct performance obligations. Total transaction price of the bundled contract is allocated to each performance obligation based on their relative standalone selling prices or estimated standalone selling prices. Each performance obligation is recognised as revenue on fulfillment of the obligation to the customer.

Hotel

Revenue from hotel comprises amounts earned in respect of service of rooms, food and beverage sales, and other ancillary services. Revenue is recognised over the period when rooms are occupied or services are performed. Revenue is net from tax and discount.

Management services

Management services are recognised when service rendered.

Marketing services

Marketing services are recognised on a straight line basis over the contract term, regardless of the payment pattern.

Other income

Other income is recognised on an accrual basis.

4.23 Derivatives and hedging activities

a) Derivatives that do not qualify for hedge accounting

Derivatives that do not qualify for hedge accounting is initially recognised at fair value. Changes in the fair value are included in other income or administrative expenses.

Fair value of derivatives is classified as a current or non-current following its remaining maturity.

b) Hedge accounting

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period. The Group designates certain derivatives as either hedges of a particular risk associated with the cash flows of

- recognised assets and liabilities; or
- highly probable forecast transactions (cash flow hedges)

At inception of the hedge relationship, the Group documents i) the economic relationship between hedging instruments and hedged items including whether changes in the cash flows of the hedging instruments are expected to offset changes in the cash flows of hedged items and ii) its risk management objective and strategy for undertaking its hedge transactions.

The full fair value of a hedging derivative is classified as a current or non-current asset or liability following the maturity of related hedged item.

Hedge effectiveness

Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments, to ensure that an economic relationship exists between the hedged item and hedging instrument.

The Group enters into interest rate swaps that have similar critical terms as the hedged item, such as reference rate, reset dates, payment dates, maturities and notional amount. The Group does not hedge 100% of its loans, therefore the hedged item is identified as a proportion of the outstanding loans up to the notional amount of the swaps. As all critical terms matched during the year, there is an economic relationship.

Hedge ineffectiveness for interest rate swaps is assessed using principles as follows:

- the credit value/debit value adjustment on the interest rate swaps which is not matched by the loan, and
- differences in critical terms between the interest rate swaps and loans.

Cash flow hedges

The effective portion of changes in the fair value of derivatives that are designated and qualified as cash flow hedges is recognised in the cash flow hedge reserve within equity. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss within other gains (losses).

Amounts accumulated in equity are reclassified in the periods when the hedged item affects profit or loss relating to the effective portion of the interest rate swaps hedging variable rates borrowings is recognised in profit or loss within finance costs at the same time as the interest expense on the hedged borrowings.

5 Financial risk management

5.1 Financial risk

The Group's risk management is controlled by Chief Executive Officer under policies approved by the board of directors. Group treasury identifies, evaluates and manages financial risks in close co-operation with the Group's operating units. The board provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative and other financial instruments as well as investment of excess liquidity.

The Group applied hedge accounting to remove the accounting mismatch between the hedging instrument and the hedged item. This will effectively result in recognising interest expense at a fixed interest rate for the hedged floating rate loans.

Financial risks and how these risks could affect the future financial performance are as follows:

5.1.1 Market risk

a) Foreign exchange risk

The Group's primary functional currency is Baht, while sales, purchases and borrowings transactions are partly denominated in Euro, US Dollar and Pound. The Group's foreign exchange risk management by changes these exposure to functional currency of each entities. The foreign exchange risk from cash and cash equivalent is not significant.

Exposure

The Group and the Company material exposure to the foreign currency risk at the end of the reporting period, expressed in Baht are as follows:

	Consolidated financial statements			
	2023		2022	
	US Dollar Baht	Euro Baht	US Dollar Baht	Euro Baht
Long-term borrowings	106,722,370	419,374,236	108,687,173	414,344,547
	Separate financial statements			
	2023		2022	
	US Dollar Baht	Pound Baht	US Dollar Baht	Pound Baht
Amounts due from related parties	9,197,221	870,661	182,558,903	61,125,534
Loan to related parties	-	-	1,038,802,208	1,362,012,830

Sensitivity

As shown in the table above, the Group is primarily exposed to changes in Baht, US Dollar, Euro and Pound exchange rates. The sensitivity of profit or loss to changes in the exchange rates arises mainly from financial assets and financial liabilities denominated in US Dollar, Euro and Pound.

	Consolidated financial statements	
	Impact to net profit	
	2023 Baht	2022 Baht
Baht to US Dollar exchange rate		
- increase 2.69% (2022: 4.67%)*	(2,875,653)	(4,928,644)
Baht to US Dollar exchange rate		
- decrease 2.69% (2022: 4.67%)*	2,875,653	4,928,644
Baht to Euro exchange rate		
- increase 2.38% (2022: 1.33%)*	(9,991,169)	(5,509,507)
Baht to Euro exchange rate		
- decrease 2.38% (2022: 1.33%)*	9,991,169	5,509,507

	Separate financial statements	
	Impact to net profit	
	2023	2022
	Baht	Baht
Baht to US Dollar exchange rate		
- increase 2.69% (2022: 4.67%)*	245,239	57,084,497
Baht to US Dollar exchange rate		
- decrease 2.69% (2022: 4.67%)*	(245,239)	(57,084,497)
Baht to Pound exchange rate		
- increase 3.31% (2022: 2.20%)*	28,853	31,326,914
Baht to Pound exchange rate		
- decrease 3.31% (2022: 2.20%)*	(28,853)	(31,326,914)

* Holding all other variables constant

b) Interest rate risk

The Group's main interest rate risk arises from long-term borrowings with variable rates, which expose the Group to cash flow risk from change in interest rate. Generally, the Group enters into long-term borrowings at floating rates and swaps them into fixed rates and minimum or maximum rate that are lower than those available if the Group borrowed at fixed rates directly. During 2023 and 2022, the Group's borrowings at variable rate were mainly denominated in Baht, Euro, Fijian Dollars, US Dollars and Pound.

In 2022, the Group planned for an IBOR transition. This involved amending existing contracts and agreements that reference USD LIBOR which mature after 30 June 2023 to use other reference rates SOFR, or include fallback provisions. The Group had completed the transition, which was before the USD LIBOR cessation date, and not have any significant impact on the Group's financial statements.

The Group's borrowings are carried at amortised cost. The borrowings are periodically contractually repriced and to that extent are also exposed to the risk of future changes in market interest rates.

The exposure of the Group's borrowings to interest rate changes and the contractual re-pricing dates of the borrowings at the end of the reporting period are as follows:

	Consolidated financial statements			
	2023		2022	
	Baht	% of total loans	Baht	% of total loans
Variable rate borrowings	12,502,300,500	99	12,927,786,994	99

	Separate financial statements			
	2023		2022	
	Baht	% of total loans	Baht	% of total loans
Variable rate borrowings	458,490,883	34	661,576,678	54

The percentage of total borrowings shows the proportion of borrowings that are currently at variable rates in relation to the total amount of borrowings.

Financial instruments used by the Group

Interest rate swaps currently in place cover approximately 39% per annum (2022: 39% per annum) of the Group's variable principal loan outstanding. The fixed interest rate swaps ranged between 2.325% and 3.250% per annum (2022: 2.325% and 3.250% per annum) are hedged to the variable rates of the loans are SONIA plus margin rate. The interest rate swaps ranged 5.77% per annum (2022: 5.77% per annum) are hedged to the variable rates of the loans are SOFR plus margin rate.

The swap contracts require settlement of net interest receivable or payable every 90 days. The settlement dates coincide with the dates on which interest is payable on the underlying debt.

Effect of hedge accounting on the financial position and performance

The effects of the interest rate-related hedging instruments on the Group financial position and performance are as follows:

	Consolidated financial statements	
	2023 Baht	2022 Baht
<i>Interest rate swaps</i>		
Carrying amount	52,604,508	105,290,167
Notional amount	US Dollar 70 million and Pound 72.2 million	US Dollar 70 million and Pound 72.2 million
Maturity date	30 June 2026 and 30 June 2025	30 June 2026 and 30 June 2025
Hedge ratio	1:1	1:1
Change in fair value of outstanding hedge instruments since 1 January	58,196,671	(117,282,396)
Change in value of hedged item used to determine hedge effectiveness	(58,196,671)	117,282,396
Weighted average strike rate for outstanding hedging instruments	2.325% to 5.77%	2.325% to 5.77%

The Group discloses cashflow of interest rate swap in Note 5.1.3.

The Group's hedge accounting is as follow:

	Consolidated financial statements Cash flow hedges Interest rate swaps Baht
As at 1 January 2022	(10,193,395)
Change in fair value of hedging instrument recognised in other comprehensive income	107,527,057
Reclassify from other comprehensive income to profit or loss (finance costs)	9,755,339
Deferred income tax	(25,485,932)
As at 31 December 2022	81,603,069
As at 1 January 2023	81,603,069
Change in fair value of hedging instrument recognised in other comprehensive income	(30,876,606)
Reclassify from other comprehensive income to profit or loss (finance costs)	(27,320,065)
Deferred income tax	12,264,369
As at 31 December 2023	35,670,767

Sensitivity

Profit or loss is sensitive to higher or lower interest income from cash and cash at bank, and interest expenses from borrowings as a result of changes in interest rates. Other components of equity changes as a result of an increase or decrease in the fair value of the cash flow hedges of borrowings and interest rate swaps. The group's management estimates that the effect of increasing interest rates and decreasing interest rates of 0.25% to the risk of insignificant variable interest rates.

5.1.2 Credit risk

Credit risk arises from cash and cash equivalents as well as credit exposures to customers, including outstanding receivables.

a) Risk management

Credit risk is managed on a group basis. For deposits at banks and financial institutions, only independently rated parties and bank facilities are 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 group of customers.

The Group's and the Company's investments in debt instruments are considered to be low risk investments. The Group regularly monitors the credit ratings of the investments for credit deterioration.

b) Impairment of financial assets

The Group and the Company has types of financial assets that are subject to the expected credit loss model:

- Cash and cash equivalents
- Restricted bank deposit
- Trade and other receivables
- Amount due from related parties
- Lease receivable from a related party
- Loan to related parties

While other financial assets are also subject to the impairment requirements of TFRS 9, the identified impairment loss was immaterial.

Cash and cash equivalents

The Group and the Company considers that cash and cash equivalents have low credit risk, and the loss allowance recognised during the year was therefore limited to 12 months expected losses. Management consider 'low credit risk' for debt instruments to be an investment grade credit rating with at least one major rating agency. Other instruments are considered to be low credit risk when they have a low risk of default and the issuer has a strong capacity to meet its contractual cash flow obligations.

Trade and other receivables

The Group applies TFRS 9 the simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for all trade receivables as mentioned in Note 4.7 e).

The expected loss rates are based on the payment profiles of sales over a period of 36 months before the end of accounting period and the corresponding historical credit losses experienced within this period. The payment profiles of sales and historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Group has identified 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.

The Group write-off trade receivable and asset from contract when there is no reasonable expectation of recovery and indicators that there is no reasonable expectation of recovery.

Other financial assets

The Group classifies its financial assets as at amortised cost which recognised expected credit losses as mentioned in Note 4.7 e).

5.1.3 Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. At the end of the reporting period the Group held deposits at call of Baht 2,200 millions (2022: Baht 2,459 millions) that are expected to readily generate cash inflows for managing liquidity risk. Due to the dynamic nature of the underlying businesses, the Group Treasury maintains flexibility in funding by maintaining availability under committed credit lines.

Management continuously monitors the Group's estimated cash flows by using: a) rolling forecasts of the Group's liquidity reserve (comprising the undrawn borrowing facilities below); and b) cash and cash equivalents on the basis of expected cash flows. In addition, the Group's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary, monitoring balance sheet liquidity ratios and maintaining financing plans. The Group and the Company has the undrawn loan facilities as mentioned in Note 19.

Maturity of financial liabilities

Maturity of financial liabilities	Consolidated financial statements			
	Within 1 year Baht	1 - 5 years Baht	Over 5 years Baht	Total Baht
As at 31 December 2023				
Trade and other payables	1,038,787,493	-	-	1,038,787,493
Amounts due to related parties	54,196,311	-	-	54,196,311
Retention payables	21,131,268	-	-	21,131,268
Lease liabilities	326,528,180	1,303,117,414	6,938,910,490	8,568,556,084
Borrowings from financial institutions	1,984,045,094	7,864,074,559	6,149,089,443	15,997,209,096
Debentures	65,178,082	1,416,821,918	-	1,482,000,000
Other non-current liabilities	-	165,076,165	-	165,076,165
Total financial liabilities	3,489,866,428	10,749,090,056	13,087,999,933	27,326,956,417
As at 31 December 2022				
Trade and other payables	1,167,638,890	-	-	1,167,638,890
Amounts due to related parties	23,351,528	-	-	23,351,528
Retention payables	15,020,401	-	-	15,020,401
Lease liabilities	273,113,781	1,094,611,820	6,247,294,255	7,615,019,856
Borrowings from financial institutions	2,562,899,502	8,107,252,821	6,086,077,683	16,756,230,006
Other non-current liabilities	-	-	63,661,331	63,661,331
Total financial liabilities	4,042,024,102	9,201,864,641	12,397,033,269	25,640,922,012

Maturity of financial liabilities	Separate financial Statement			
	Within 1 year Baht	1 - 5 years Baht	Over 5 years Baht	Total Baht
As at 31 December 2023				
Trade and other payables	47,911,172	-	-	47,911,172
Amounts due to related parties	68,465,888	-	-	68,465,888
Lease liabilities	988,800	988,800	-	1,977,600
Borrowings from financial institutions	466,767,560	3,797,458	-	470,565,018
Debentures	65,178,082	1,416,821,918	-	1,482,000,000
Other non current liabilities	-	26,400	-	26,400
Total financial liabilities	649,311,502	1,421,634,576	-	2,070,946,078
As at 31 December 2022				
Trade and other payables	19,981,517	-	-	19,981,517
Amounts due to related parties	17,276,494	-	-	17,276,494
Lease liabilities	1,039,200	1,812,800	-	2,852,000
Long-term borrowings from financial institutions	453,162,448	228,080,918	-	681,243,366
Total financial liabilities	491,459,659	229,893,718	-	721,353,377

As at 31 December 2023, loans from financial institutions and debentures are presented at the contractual amounts, including the estimated cash outflows from the interest rate specified in the contract and net cash outflows or inflows arisen from interest rate swap contracts for loans with financial institutions, most of which are due within 2 - 4 years (2022: due within 2 - 3 years).

5.2 Capital management

The objectives when managing capital are to:

- safeguard their ability to continue as a going concern, to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt. Consistent with others in the industry, the Group monitors capital based on gearing ratio which is determined by dividing net debt with equity.

During 2023, the Group's strategy which was unchanged from prior year, was to maintain a gearing ratio within 1.5 times.

6 Fair value

The following table presents fair value of financial assets and liabilities are recognised or disclosed by their fair value hierarchy but does not include financial assets and financial liability measured by amortised cost method.

		Consolidated financial statements		Separate financial statement	
		Fair Value through profit or loss			
	Fair Value Hierarchy	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Financial assets					
Debt investments	Level 1	-	2,049,026	-	6,467
Financial liabilities					
Interest rate swap	Level 2	4,602,906	-	-	

	Fair Value Hierarchy	Consolidated financial statements	
		Fair Value through OCI	
		2023 Baht	2022 Baht
Financial assets			
Interest rate swap - Hedge accounting*	Level 2	52,604,508	105,290,167

*As at 31 December 2023 The cost of hedging reserve with an amount of Baht 5.79 million is included in this item and it is recognised as part of the other comprehensive income (2022: Baht 7.79 million).

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

Financial liabilities, measured by amortised cost method, consist of borrowings from financial institutions, debentures trade and other payables, amounts due to related parties, short-term borrowing from a related party, lease liabilities and retention payables.

The following table presents non-financial assets that are measured at fair value:

	Fair Value Hierarchy	Consolidated financial statements	
		Fair Value through profit or loss	
		2023 Baht	2022 Baht
Assets			
Investment properties	Level 3	480,972,437	922,188,148

Fair values are categorised into hierarchy based on inputs used as follows:

Level 1: The fair value of financial instruments is based on the current bid price by reference to the Stock Exchange of Thailand or Asset Management Company.

Level 2: The fair value of financial instruments is determined using significant observable inputs and, as little as possible, entity-specific estimates.

Level 3: The fair value of financial instruments is not based on observable market data.

There were no transfer between levels of fair value hierarchy during the year.

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

Fair value of interest rate swap is determined using expected cashflow following contractual interest rate (fixed rate) or forward interest rate extracted from observable yield curves (floating rate). The cashflows are discounted at the rate derived from observable yield curve in original currency. All market data are derived from observable market inputs.

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

Fair value hierarchy level 3 for non-financial assets including the significant unobservable input of fair value hierarchy are disclosed in Note 14.

The Group's valuation processes

The Group's valuation team discusses on valuation processes to assess the reasonableness of the results.

7 Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Impairment of goodwill

The recoverable amounts of cash-generating units (CGU) have been determined based on value-in-use calculations. The calculations use cash flow projections based on financial budget approved by management covering a ten-year period. Cash flows beyond the five-year period are extrapolated using the estimated growth rates stated in Note 16. These growth rates are consistent with forecasts included in industry reports specific to the industry in which each CGU operates.

8 Segment information

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

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

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

Consolidated financial statement						
For the year ended 31 December 2023						
	Hospitality business - Self manage (Thailand, Republic of Maldives) Baht	Hospitality business - Outrigger (Republic of Mauritius, Republic of Fiji) Baht	Hospitality business - Republic of Maldives Baht	Hospitality business - United Kingdom Baht	Holding companies Baht	Total Baht
Segment revenue	1,824,207,936	1,472,630,368	2,754,909,974	3,989,683,371	297,017,344	10,338,448,993
Intersegment revenue	(72,613,066)	(4,171,730)	(323,410)	-	(252,799,851)	(329,908,057)
Revenue from external customers	1,751,594,870	1,468,458,638	2,754,586,564	3,989,683,371	44,217,493	10,008,540,936
Profit (loss) before income taxes	165,511,236	115,860,908	(74,561,594)	32,076,574	(61,166,101)	177,721,023
Income tax expenses						(91,314,153)
Profit for the year						86,406,870
Assets as at 31 December 2023						
Segment assets	9,821,899,284	6,704,306,050	11,148,862,104	11,693,108,258	29,806,689,509	69,174,865,205
Intersegment assets	(1,519,314,275)	(493,206,381)	(13,030,269)	-	(29,426,610,765)	(31,452,161,690)
Total	8,302,585,009	6,211,099,669	11,135,831,835	11,693,108,258	380,078,744	37,722,703,515
Consolidated financial statement						
For the year ended 31 December 2022						
	Hospitality business - Self manage (Thailand, Republic of Maldives) Baht	Hospitality business - Outrigger (Republic of Mauritius, Republic of Fiji) Baht	Hospitality business - Republic of Maldives Baht	Hospitality business - United Kingdom Baht	Holding companies Baht	Total Baht
Segment revenue	1,129,794,060	1,549,088,306	2,486,020,849	3,657,062,679	258,524,192	9,080,490,086
Intersegment revenue	(22,604,741)	(4,204,125)	(325,921)	-	(250,531,978)	(277,666,765)
Revenue from external customers	1,107,189,319	1,544,884,181	2,485,694,928	3,657,062,679	7,992,214	8,802,823,321
Profit (loss) before income taxes	(96,241,631)	292,158,220	(36,737,040)	(98,897,003)	(32,924,505)	27,358,041
Income tax expenses						(12,975,791)
Profit for the year						14,382,250
Assets as at 31 December 2022						
Segment assets	9,684,111,162	6,438,382,108	11,200,901,124	10,666,750,385	28,183,137,185	66,173,281,964
Intersegment assets	(1,117,402,029)	(493,906,947)	(12,882,558)	-	(28,099,491,540)	(29,723,683,074)
Total	8,566,709,133	5,944,475,161	11,188,018,566	10,666,750,385	83,645,645	36,449,598,890

9 Cash and cash equivalents

As at 31 December 2023, the Group's cash at banks of 2,200,075,175 Baht and the Company's cash at bank of 325,688,233 Baht are saving and current accounts. The interest rate of bank deposit was 0.01% to 0.60% per annum (2022: the Group's cash at bank of 2,458,799,999 Baht and the Company's cash at bank of 28,429,573 Baht with the interest of 0.01% to 1.50% per annum).

10 Trade and other receivables, net

10.1 Trade and other receivables, net

	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Trade accounts receivable	490,255,660	488,211,547	-	-
<u>Less</u> Expected credit loss	(28,986,609)	(49,215,894)	-	-
Trade accounts receivable, net	461,269,051	438,995,653	-	-
Accrued income	4,756	-	64	-
Other receivables	73,282,014	62,359,867	1,312	164,731
Trade and other receivables, net	534,555,821	501,355,520	1,376	164,731

10.2 Impairments of trade account receivables

The loss allowance for trade account receivables was determined as follows:

	Consolidated financial statements					
	Not yet due Baht	Up to 3 months Baht	3 - 6 months Baht	6 - 12 months Baht	More than 12 months Baht	Total Baht
As at 31 December 2022						
Gross carrying amount	283,069,963	138,936,380	29,772,356	28,747,692	7,685,156	488,211,547
Loss allowance	-	(6,672,060)	(9,041,670)	(26,985,342)	(6,516,822)	(49,215,894)
Trade account receivables, net	283,069,963	132,264,320	20,730,686	1,762,350	1,168,334	438,995,653
As at 31 December 2023						
Gross carrying amount	306,774,881	154,273,576	15,194,102	4,750,281	9,262,820	490,255,660
Loss allowance	-	(10,032,895)	(5,536,291)	(4,458,171)	(8,959,252)	(28,986,609)
Trade account receivables, net	306,774,881	144,240,681	9,657,811	292,110	303,568	461,269,051

The reconciliations of loss allowance for trade account receivables for the year ended 31 December are as follows:

	Consolidated financial statements	
	2023 Baht	2022 Baht
As at 1 January	49,215,894	56,144,363
(Reversal) recognised expected credit loss	(21,857,426)	25,470,485
Write-off receivables	-	(28,261,491)
Currency translation differences	1,628,141	(4,137,463)
As at 31 December	28,986,609	49,215,894

11 Group of non-current assets classified as held-for-sale, net

As at 31 December 2023, 2 hotel assets in the United Kingdom amount of GBP 8.23 million or equivalent to Baht 360.75 million (31 December 2022: a hotel asset in the United Kingdom amount of GBP 2.78 million or equivalent to Baht 115.70 million and a hotel asset in the Republic of Maldives amount of US Dollar 25.00 million or equivalent to Baht 864.00 million totaling Baht 979.70 million) were classified as assets held-for-sale which was measured at the lower of its carrying amount and fair value less costs to sell.

As at 31 December 2023, the Group has transferred a held-for-sale assets in the Republic of Maldives to property, plant and equipment at the book value is US Dollar 25.00 million or equivalent to Baht 855.52 million due to the change in management direction and the group of assets are no longer met the criteria for measurement as assets held-for-sale. The Group recognised at the related depreciation charge of Baht 112.72 million in the statement of comprehensive income for the year.

12 Investments in an associate and joint ventures

As at 31 December, investments in an associate and joint ventures are as follows:

An associate

Name	Nature of business	Place of Business/country of incorporation	% of ownership interest		Consolidated financial statements At equity method	
			2023	2022	2023	2022
Laguna Service Co., Ltd.	Provide support hotel service	Thailand	27	27	6,351,807	10,764,320
					6,351,807	10,764,320

Joint ventures

Name	Nature of business	Place of Business/country of incorporation	% of ownership interest		Consolidated financial statements At equity method	
			2023	2022	2023	2022
FS JV License Limited	Holding company	United Kingdom	50	50	66,534,813	55,345,093
Prime Location Management 3 Ltd.	Holding company	The Republic of Seychelles	50	50	201,821,937	305,741,436
					268,356,750	361,086,529

An associate and all joint ventures are limited companies and have no available quoted price in the market.

Summarised material financial information for joint ventures

The table below is summarised of financial information for joint ventures that are material to the Group. The financial information is included in joint venture own financial statements which has been adjusted with the adjustments necessary for the equity method including, adjusting fair value and differences in accounting policy of the Group and joint ventures.

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Summarised statement of other comprehensive income

	Prime Location Management 3 Ltd.		FS JV License Limited		Total	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Revenues	28,446,707	459,026	279,630,583	229,148,794	308,077,290	229,607,821
Cost of sales	(66,568,798)	-	(131,665,799)	(108,404,817)	(198,234,597)	(108,404,817)
Operating expenses	(116,731,156)	(16,204,015)	(107,579,110)	(127,084,918)	(224,310,266)	(143,288,932)
Interest expenses	(39,298,327)	-	(22,760,144)	(14,847,773)	(62,058,471)	(14,847,773)
Post-tax profit (loss) from continuing operations	(194,151,574)	(15,744,988)	17,625,530	(21,188,714)	(176,526,044)	(36,933,702)
Other comprehensive income (expense)	(1,110,361)	26,305,082	4,753,909	(19,627,447)	3,643,548	5,048,143
Total comprehensive income (expense)	(195,261,935)	10,560,093	22,379,439	(40,816,161)	(172,882,496)	(30,256,068)

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Summarised the statements of financial position

	Prime Location Management 3 Ltd.		FS JV License Limited		Total	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Current assets						
Cash and cash equivalent	188,932,892	36,235,564	35,160,227	62,737,334	224,093,119	98,972,898
Other current assets	148,328,900	101,381,190	25,869,652	31,095,112	174,198,552	132,476,302
Total current assets	337,261,792	137,616,754	61,029,879	93,832,446	398,291,671	231,449,200
Non-current assets						
Non-current assets	2,677,924,463	1,326,586,867	460,049,078	442,979,693	3,137,973,541	1,769,566,560
Total Non-current assets	2,677,924,463	1,326,586,867	460,049,078	442,979,693	3,137,973,541	1,769,566,560
Current liabilities						
Financial Liabilities	(555,133,096)	(318,803,578)	(43,844,000)	(41,663,900)	(598,977,096)	(360,467,478)
Other current liabilities	(348,554,215)	(117,219,295)	(72,879,212)	(116,794,078)	(421,433,428)	(234,013,373)
Total current liabilities	(903,687,311)	(436,022,873)	(116,723,212)	(158,457,978)	(1,020,410,524)	(594,480,851)
Non-current liabilities						
Financial liabilities	(264,463,921)	(224,559,386)	(268,655,480)	(267,663,976)	(533,119,401)	(492,223,361)
Other non-current liabilities	(1,271,869,896)	(33,194,297)	(2,630,640)	-	(1,274,500,536)	(33,194,297)
Total non-current liabilities	(1,536,333,817)	(257,753,683)	(271,286,120)	(267,663,976)	(1,807,619,937)	(525,417,659)
Net assets	575,165,127	770,427,065	133,069,625	110,690,185	708,234,752	881,117,250

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Reconciliation of the summarised financial statements presented to the carrying amount of its interests in joint venture.

	Prime Location Management 3 Ltd.		FS JV License Limited		Total	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Opening net assets	770,427,064	759,866,970	110,690,185	151,506,347	881,117,249	911,373,317
Profit (loss) for the year	(194,151,574)	(15,744,988)	17,625,530	(21,188,714)	(176,526,044)	(36,933,702)
Other comprehensive income (expense)	(1,110,363)	26,305,082	4,753,910	(19,627,448)	3,643,547	6,677,634
Closing net assets	575,165,127	770,427,064	133,069,625	110,690,185	708,234,752	881,117,250
Interest in joint venture	50%	50%	50%	50%	50%	50%
Carrying value before adjustment	287,582,564	385,213,532	66,534,813	55,345,093	354,117,377	440,558,625
Impact from realised profit on sales of the right-of-use	(85,760,627)	(79,472,096)	-	-	(85,760,627)	(79,472,096)
Carrying value	201,821,937	305,741,436	66,534,813	55,345,093	268,356,750	361,086,529

Individually immaterial an associate

The table below is the carrying amount of its interests, in aggregate, all individually immaterial an associate and a joint venture that are accounted for using equity method.

	2023 Baht	2022 Baht
Aggregate carrying amount of individually immaterial an associate	6,351,807	10,764,320
The Group's share from an associate of:		
Loss (gain) from continuing operations	(2,635,975)	435,059

13 Investments in subsidiaries

As at 31 December, investments in subsidiaries are as follows:

	Separate financial statements	
	2023 Baht	2022 Baht
S Hotel Phi Phi Island Co., Ltd.	299,999,600	299,999,600
S Hotel Management Co., Ltd.	2,872,999,900	2,872,999,900
S Hotels and Resorts APAC (SG) Pte. Ltd.	5,823,939,031	5,823,939,031
S Hotels and Resorts (SC) Co., Ltd.	5,768,887,646	5,768,887,646
S Hotels and Resorts (HK) Ltd.	2,063,823,128	2,063,823,128
S Hotels and Resorts Management Co., Ltd.	4,999,925	4,999,925
Laguna Paradise Co., Ltd.	999,980	999,980
Total	16,835,649,210	16,835,649,210

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As at 31 December, the subsidiaries included in the consolidated financial statements. The subsidiaries have only ordinary shares in which the Group directly holds those shares. The proportion of ownership interests held by the Group is equal to voting rights in subsidiaries held by the Group.

Name	Place of business/ Country incorporation	Business	Proportion of ordinary share directly held by the parent		Proportion of ordinary share directly held by the Group	
			2023 (%)	2022 (%)	2023 (%)	2022 (%)
S Hotel Phi Phi Island Co., Ltd.	Thailand	Hospitality	99.99	99.99	-	-
S Hotel Management Co., Ltd.	Thailand	Hospitality	99.99	99.99	-	-
S Hotels and Resorts Management Co., Ltd.	Thailand	Management of domestic and foreign hotels	99.99	99.99	-	-
S Hotels and Resorts APAC (SG) Pte. Ltd.	Singapore	Holding company	100.00	100.00	-	-
APAC Holding, LLC	Cayman Islands	Holding company	-	-	100.00	100.00
OC Pte Limited	The Republic of Fiji	Hospitality	-	-	100.00	100.00
Hillview Pte Limited	The Republic of Fiji	Hospitality	-	-	100.00	100.00
Saltlake Resorts Limited	The Republic of Mauritius	Hospitality	-	-	100.00	100.00
O.K.M. Private Limited	The Republic of Maldives	Hospitality	-	-	100.00	100.00
Na Nimmann Co., Ltd.	Thailand	Hospitality	-	-	99.98	99.98
Laguna Paradise Co., Ltd.	Thailand	Holding company	99.99	99.99	-	-
Laguna Beach Development Co., Ltd.	Thailand	Holding company	-	-	100.00	100.00
Laguna Phuket Club Co., Ltd.	Thailand	Hospitality	-	-	99.00	99.00
S Hotels and Resorts (HK) Ltd.	Hongkong	Holding company	100.00	100.00	-	-
S Hotels and Resorts (UK) Ltd.	United Kingdom	Holding company	-	-	100.00	100.00
S Hotels and Resorts (SC) Co., Ltd.	The Republic of Seychelles	Holding company	100.00	100.00	-	-
Prime Locations Management 2 Ltd.	The Republic of Seychelles	Holding company	-	-	100.00	100.00
Dream Islands Development 2 Pvt. Ltd.	The Republic of Maldives	Hospitality	-	-	100.00	100.00
SHR Offshore Holdings Co., Ltd.	The Republic of Seychelles	Holding company	-	-	100.00	100.00
FS JV Co Limited	United Kingdom	Holding company	-	-	100.00	100.00
FS Mezz Co Limited	United Kingdom	Holding company	-	-	100.00	100.00
FS Mid Co Limited	United Kingdom	Holding company	-	-	100.00	100.00
FS Senior Co Limited	United Kingdom	Holding company	-	-	100.00	100.00
Jupiter Hotels Holdings Limited	United Kingdom	Holding company	-	-	100.00	100.00
Jupiter Hotels Midco Limited	United Kingdom	Holding company	-	-	100.00	100.00
Jupiter Hotels Limited	United Kingdom	Hospitality	-	-	100.00	100.00
Jupiter Hotels Wetherby Limited	United Kingdom	Hospitality	-	-	100.00	100.00
Jupiter Hotels Management Limited	United Kingdom	Holding company	-	-	100.00	100.00

All subsidiaries undertaking are included in the consolidation.

14 Investments properties

	Consolidated financial statements Baht
As at 1 January 2022	893,140,468
Net loss from fair value adjustments	(1,502,567)
Currency translation differences	<u>30,550,247</u>
As at 31 December 2022	<u>922,188,148</u>
As at 1 January 2023	922,188,148
Net gain from fair value adjustments	177,435,040
Reclassification to property, plant and equipment (Note 15)	(616,006,227)
Currency translation differences	<u>(2,644,524)</u>
As at 31 December 2023	<u>480,972,437</u>

During the year 2023, the Group had change the current use of investment property for the hotel in Republic of Maldives and reclassify to property, plant and equipment of US Dollar 17.70 million or equivalent to Baht 616.01 million.

The Group's investment properties were valued by independent professionally qualified valuers who hold a recognised relevant professional qualification and have recent experience in the locations and segments of the investment properties valued. For all investment properties, their current use equates to the highest and best use.

Valuation of investment properties was classified as fair value in Level 3 based on information use in valuation technique which is use for fair value assessment.

Valuation technique and principal unobservable input use in measuring fair value of investment properties were as follows:

Valuation techniques

Fair values are assessed by present values of operation cash flow from assets, which is calculated from expected rental rate and net cash flows, using the risk-adjusted discount rate.

Principal unobservable inputs

- Occupancy rate 44.90% to 91.70%
- Rental rate throughout the remaining lease agreement
- Risk-adjusted discount rate 12.00% per annum

The association of unobservable input with fair values

Estimated valuation of fair value will increase (decrease), if:

- Occupancy rate increase (decrease)
- Market rental rate increase (decrease)
- Risk adjusted discount rate decrease (increase)

There were no transfers between levels of fair value hierarchy during the year.

As at 31 December 2023 and 2022, the Group used entire investment properties as collaterals in order to pledge the long-term borrowings from financial institutions (Note 19).

Amounts recognised in profit or loss that are related to investment properties are as follows:

	Consolidated financial statements	
	2023 Baht	2022 Baht
Rental income	38,864,097	48,100,340
Direct operating expense that generated rental income	9,107,530	25,097,817

As at 31 December 2023, the Group has right-of-use assets under the leases of land that are classified as investment properties of Baht 23.68 million (2022: Baht 87.09 million) and total cash outflow for right-of-use assets under the lease agreement of Baht 3.43 million (2022: Baht 2.99 million).

The minimum rental income of the existing lease contracts from investment properties which is not include the variable rental income of the consolidated financial statements due within 1 year is Baht 16.68 million (2022: Baht 32.92 million) and due over 1 year is Baht 2.85 million (2022: Baht 70.36 million).

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15 Property, plant and equipment, net

	Consolidated financial statements							Total Baht
	Land Baht	Land improvements Baht	Building and building improvements Baht	Furniture and fixtures, office equipments and machinery and equipments Baht	Vehicles Baht	Construction in progress Baht	Right-of-use assets Baht	
At 1 January 2022								
Cost	7,933,441,529	285,604,625	15,792,834,475	5,318,527,084	100,723,090	150,979,089	5,929,910,562	35,512,020,454
<u>Less</u> Accumulated depreciation	-	(99,980,303)	(2,989,111,285)	(2,681,020,223)	(59,893,902)	-	(564,938,965)	(6,394,944,678)
<u>Less</u> Accumulated impairment	-	-	(48,967,200)	-	-	-	-	(48,967,200)
Net book amount	7,933,441,529	185,624,322	12,754,755,990	2,637,506,861	40,829,188	150,979,089	5,364,971,597	29,068,108,576
Year ended 31 December 2022								
Opening net book amount	7,933,441,529	185,624,322	12,754,755,990	2,637,506,861	40,829,188	150,979,089	5,364,971,597	29,068,108,576
Additions	-	168,054	17,620,578	150,808,664	4,766,438	234,622,057	146,149,994	554,135,785
Transfer in (out)	-	65,578,972	90,004,407	24,598,824	3,081,465	(183,263,668)	-	-
Reclassification	(69,109,559)	1,254,287,435	(1,246,993,028)	22,201,309	-	-	41,743,981	2,130,138
Write-offs and disposals, net	-	-	-	(723,530)	(2,501)	-	-	(726,031)
Lease modification	-	-	-	-	-	-	(132,103,528)	(132,103,528)
Depreciation charge	-	(45,454,479)	(503,246,148)	(342,631,177)	(8,742,192)	-	(209,494,002)	(1,109,567,998)
Currency translation differences	(85,331,424)	(14,323,858)	(79,699,769)	37,633,636	1,255,792	58,416	(195,616,537)	(336,023,744)
Closing net book amount	7,779,000,546	1,445,880,446	11,032,442,030	2,529,394,587	41,188,190	202,395,894	5,015,651,505	28,045,953,198
At 31 December 2022								
Cost	7,779,000,546	1,656,900,620	14,304,667,585	5,519,732,068	104,459,249	202,395,894	5,801,339,617	35,368,495,579
<u>Less</u> Accumulated depreciation	-	(211,020,174)	(3,272,225,555)	(2,990,337,481)	(63,271,059)	-	(735,046,908)	(7,271,901,177)
<u>Less</u> Accumulated impairment	-	-	-	-	-	-	(50,641,204)	(50,641,204)
Net book amount	7,779,000,546	1,445,880,446	11,032,442,030	2,529,394,587	41,188,190	202,395,894	5,015,651,505	28,045,953,198

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	Consolidated financial statements							
	Land Baht	Land improvements Baht	Building and building improvements Baht	Furniture and fixtures, office equipment and machinery and equipment Baht	Vehicles Baht	Construction in progress Baht	Right-of-use assets Baht	Total Baht
At 1 January 2023								
Cost	7,779,000,546	1,656,900,620	14,304,667,585	5,519,732,068	104,459,249	202,395,894	5,801,339,617	35,368,495,579
<u>Less</u> Accumulated depreciation	-	(211,020,174)	(3,272,225,555)	(2,990,337,481)	(63,271,059)	-	(735,046,908)	(7,271,901,177)
<u>Less</u> Accumulated impairment	-	-	-	-	-	-	(50,641,204)	(50,641,204)
Net book amount	7,779,000,546	1,445,880,446	11,032,442,030	2,529,394,587	41,188,190	202,395,894	5,015,651,505	28,045,953,198
Year ended 31 December 2023								
Opening net book amount	7,779,000,546	1,445,880,446	11,032,442,030	2,529,394,587	41,188,190	202,395,894	5,015,651,505	28,045,953,198
Additions	50,581,647	-	364,478,319	483,397,091	18,500,478	471,895,237	195,228,784	1,584,081,556
Reclassification	(254,739)	282,947,208	(92,885,656)	284,810,897	2,068,028	(487,553,023)	10,867,285	-
Reclassification from investment properties	-	-	406,888,266	146,466,714	-	-	62,651,247	616,006,227
Transfer from (to) group of non-current assets classified as held-for-sale								
- cost less accumulated depreciation and allowance for impairment	(88,359,340)	-	442,187,932	106,700,414	-	4,139,609	211,414,335	676,082,950
Write-offs and disposals, net	-	-	(150,702)	(1,655,677)	(77,360)	-	(19,030,478)	(20,914,217)
Lease modification	-	-	-	-	-	-	724,729,003	724,729,003
Lease derecognition	-	-	-	-	-	-	(249,295,054)	(249,295,054)
Depreciation charge	-	(70,641,555)	(510,763,784)	(425,053,045)	(19,211,992)	-	(238,740,392)	(1,264,410,768)
Reversal of loss from impairment	-	-	-	-	-	-	42,980,629	42,980,629
Currency translation differences	15,440,222	(18,928,509)	130,417,271	(10,259,094)	(349,508)	2,431,730	140,428,514	259,180,626
Closing net book amount	7,756,408,336	1,639,257,590	11,772,613,676	3,113,801,887	42,117,836	193,309,447	5,896,885,378	30,414,394,150
At 31 December 2023								
Cost	7,756,408,336	1,934,138,756	17,256,843,932	6,609,959,321	120,998,468	193,309,447	7,016,805,778	40,888,464,038
<u>Less</u> Accumulated depreciation	-	(294,881,166)	(4,850,104,266)	(3,496,157,434)	(78,880,632)	-	(963,829,263)	(9,683,852,761)
<u>Less</u> Accumulated impairment	-	-	(634,125,990)	-	-	-	(156,091,137)	(790,217,127)
Net book amount	7,756,408,336	1,639,257,590	11,772,613,676	3,113,801,887	42,117,836	193,309,447	5,896,885,378	30,414,394,150

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As at 31 December 2023, the Group uses land, building and right-of-use assets at the net book value of Baht 24,479.96 million (2022: Baht 23,416.25 million) as collaterals in order to pledge the long-term borrowings from financial institutions (Note 19).

The net book value of right-of-use assets are as follows:

	Consolidate financial statements			
	Land Baht	Buildings and building improvements Baht	Furniture and fixtures, office equipment and machinery and equipment Baht	Total Baht
As at 1 January 2022				
Cost	2,504,177,286	3,155,139,006	142,023,325	5,801,339,617
<u>Less</u> Accumulated depreciation	(244,025,946)	(353,228,173)	(137,792,789)	(735,046,908)
<u>Less</u> Accumulated impairment	(50,641,204)	-	-	(50,641,204)
Net book amount	2,209,510,136	2,801,910,833	4,230,536	5,015,651,505
As at 1 January 2023				
Cost	2,898,446,028	3,937,138,855	181,220,895	7,016,805,778
<u>Less</u> Accumulated depreciation	(292,939,965)	(506,817,010)	(164,072,288)	(963,829,263)
<u>Less</u> Accumulated impairment	(156,091,137)	-	-	(156,091,137)
Net book amount	2,449,414,926	3,430,321,845	17,148,607	5,896,885,378

Cash outflows for leases is as follows:

	Consolidated financial statements	
	2023 Baht	2022 Baht
Total cash outflow for leases	299,042,118	296,918,205

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	Separate financial statements				
	Right-of-use assets				
	Building and building improvements Baht	Furniture and fixtures and office equipment Baht	Building and building improvements Baht	Furniture and fixtures and office equipment Baht	Total Baht
At 1 January 2022					
Cost	916,529	2,460,843	2,727,846	186,938	6,292,156
<u>Less</u> Accumulated depreciation	(240,229)	(1,429,908)	(1,926,623)	(95,561)	(3,692,321)
Net book amount	676,300	1,030,935	801,223	91,377	2,599,835
For the year ended 31 December 2022					
Opening net book amount	676,300	1,030,935	801,223	91,377	2,599,835
Additions	18,500	398,200	2,834,733	-	3,251,433
Depreciation charge	(91,856)	(521,769)	(958,995)	(47,715)	(1,620,335)
Closing net book amount	602,944	907,366	2,676,961	43,662	4,230,933
At 31 December 2022					
Cost	935,029	2,859,043	5,562,579	186,938	9,543,589
<u>Less</u> Accumulated depreciation	(332,085)	(1,951,677)	(2,885,618)	(143,276)	(5,312,656)
Net book amount	602,944	907,366	2,676,961	43,662	4,230,933
For the year ended 31 December 2023					
Opening net book amount	602,944	907,366	2,676,961	43,662	4,230,933
Additions	-	1,276,399	-	183,789	1,460,188
Depreciation charge	(93,503)	(687,335)	(944,049)	(43,662)	(1,768,549)
Closing net book amount	509,441	1,496,430	1,732,912	183,789	3,922,572
At 31 December 2023					
Cost	935,029	4,135,442	5,562,580	370,727	11,003,778
<u>Less</u> Accumulated depreciation	(425,588)	(2,639,012)	(3,829,668)	(186,938)	(7,081,206)
Net book amount	509,441	1,496,430	1,732,912	183,789	3,922,572

The Group recorded depreciation expense of Baht 1,140.21 million and Baht 124.20 million has been charged in cost of hospitality business and other related services and administrative expenses, respectively (2022: Baht 1,098.42 million and Baht 11.15 million, respectively). The Company recorded depreciation expense of Baht 1.77 million has been charged in administrative expenses (2022: Baht 1.62 million).

16 Goodwill

	Consolidated financial statements	
	2023 Baht	2022 Baht
At 1 January		
Cost	1,727,899,548	1,735,621,420
<u>Less</u> Allowance for impairment	(98,313,201)	(95,063,346)
Net book amount	1,629,586,347	1,640,558,074
For the year ended 31 December		
Opening net book amount	1,629,586,347	1,640,558,074
Currency translation differences	(1,885,767)	(10,971,727)
Closing net book amount	1,627,700,580	1,629,586,347
At 31 December		
Cost	1,723,043,688	1,727,899,548
<u>Less</u> Allowance for impairment	(95,343,108)	(98,313,201)
Net book amount	1,627,700,580	1,629,586,347

Goodwill is allocated to the Group's cash-generating units (CGUs) identified according to business segment.

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Goodwill allocation is presented below.

	Consolidated financial statements	
	2023 Baht	2022 Baht
Goodwill allocation:		
Hospitality business - Self manage (Thailand and Republic of Maldives)	524,719,654	524,719,654
Hospitality business - Outrigger (Republic of Mauritius and Republic of Fiji)	587,232,043	614,762,919
Hospitality business - United Kingdom	515,748,882	490,103,774
Net book amount	1,627,700,580	1,629,586,347

The recoverable amount of a CGU is determined based on value-in-use calculations. These calculations use pre-tax cash flow projections based on financial budgets approved by management covering a ten-year period and cash flow beyond the ten-year period to calculate the terminal value which are approved by the management. The projections are weighted average growth rates stated below. The weighted average growth rate does not exceed the long-term average growth rate for the business in which the CGU operates.

The key assumptions used for value-in-use calculations are as follows:

	2023	2022
Weighted average growth rate	2.00% - 3.50%	3.00%
Discount rate	8.00% - 12.50%	4.33% - 12.36%

These assumptions have been used for the analysis of each CGU within the business segment.

Management determined budgeted gross margin based on past performance and its expectations of market development. The weighted average growth rates used are consistent with the forecasts included in industry reports. The discount rates used are pre-tax and reflect specific risks relating to the relevant segments. The recoverable amount in the impairment assessment of goodwill includes impairment of trademark and hotel operation licenses which are presented under intangible assets, with no impairment loss.

For the year ended 31 December 2023, if the discount rate used in calculation of the goodwill arising from business acquisition in Thailand, the Republic of Fiji and the United Kingdom increased by 0.50% per annum, the goodwill of the Group will not be impaired. For the goodwill impairment test of the goodwill arisen from business acquisition in the Republic of Mauritius, if the discounted rate used in calculation increased by 0.50% per annum, the recoverable amount will approximate the carrying amount.

17 Deferred income taxes

Deferred income tax presented in the statements of financial position comprised of:

	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Deferred income tax assets	187,278,287	94,848,982	3,084,443	2,363,309
Deferred income tax liabilities	(1,386,572,755)	(1,263,942,072)	-	-
Deferred income tax, net	(1,199,294,468)	(1,169,093,090)	3,084,443	2,363,309

The movement of the deferred income tax account is as follows:

	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
At 1 January	(1,169,093,090)	(1,145,185,308)	2,363,309	2,161,977
Increase (decrease) to profit or loss	(40,734,386)	(2,529,345)	721,134	201,332
Increase (decrease) to other comprehensive income	12,264,369	(25,485,932)	-	-
Currency translation differences	(1,731,361)	4,107,495	-	-
At 31 December	(1,199,294,468)	(1,169,093,090)	3,084,443	2,363,309

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The movement in deferred income tax assets and liabilities is as follows:

	Consolidated financial statements								
	Employee benefit obligations Baht	Re-measuring of fair value Baht	Allowance for doubtful debt Baht	Tax losses Baht	Share-based payment Baht	Corporate Interest Restriction (CIR) Baht	Share loss from associates and joint ventures Baht	Others Baht	Total Baht
Deferred income tax assets									
At 1 January 2022	5,971,826	26,035,448	983,024	191,993,688	456,343	42,178,444	-	15,834,789	283,453,562
Increase (decrease) to profit or loss	321,481	(6,602,132)	7,784,583	(61,182,176)	(456,343)	(34,366,441)	2,648,506	8,649,974	(83,202,548)
Decrease to other comprehensive income	-	-	-	-	-	-	-	(1,798,835)	(1,798,835)
Currency translation differences	11,488	-	(419,455)	(3,889,337)	-	(1,524,356)	(118,428)	(1,485,455)	(7,425,543)
At 31 December 2022	6,304,795	19,433,316	8,348,152	126,922,175	-	6,287,647	2,530,078	21,200,473	191,026,636
At 1 January 2023	6,304,795	19,433,316	8,348,152	126,922,175	-	6,287,647	2,530,078	21,200,473	191,026,636
Increase (decrease) to profit or loss	1,588,997	(2,200,711)	(3,006,848)	156,410,831	-	104,770,381	(1,684,206)	(7,174,722)	248,703,722
Currency translation differences	4,216	2,876,206	443,581	(2,226,944)	-	(2,018,332)	157,847	1,197,179	433,753
As at 31 December 2023	7,898,008	20,108,811	5,784,885	281,106,062	-	109,039,696	1,003,719	15,222,930	440,164,111
	Consolidated financial statements								
	Re-measuring of fair value Baht	Depreciation Baht	Share profit from joint ventures Baht	Others Baht	Total Baht				
Deferred income tax liabilities									
At 1 January 2022	(1,372,278,297)	(47,607,557)	(430,542)	(8,322,474)	(1,428,638,870)				
Increase to profit or loss	78,804,076	1,438,585	430,542	-	80,673,203				
Decrease to other comprehensive income	-	-	-	(23,687,097)	(23,687,097)				
Currency translation differences	13,214,872	(1,770,715)	-	88,881	11,533,038				
At 31 December 2022	(1,280,259,349)	(47,939,687)	-	(31,920,690)	(1,360,119,726)				
At 1 January 2023	(1,280,259,349)	(47,939,687)	-	(31,920,690)	(1,360,119,726)				
Increase (decrease) to profit or loss	(230,635,678)	(59,511,565)	-	709,135	(289,438,108)				
Increase to other comprehensive income	-	-	-	12,264,369	12,264,369				
Currency translation differences	(482,194)	(453,425)	-	(1,229,495)	(2,165,114)				
At 31 December 2023	(1,511,377,221)	(107,904,677)	-	(20,176,681)	(1,639,458,579)				

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	Separate financial statements			
	Employee benefit obligations Baht	Share-based payment Baht	Others Baht	Total Baht
Deferred income tax assets				
At 1 January 2022	1,740,883	456,343	9,813	2,207,039
Increase (decrease) to profit or loss	686,367	(456,343)	(9,386)	220,638
At 31 December 2022	2,427,250	-	427	2,427,677
At 1 January 2023	2,427,250	-	427	2,427,677
Increase to profit or loss	739,611	-	828	740,439
At 31 December 2023	3,166,861	-	1,255	3,168,116

	Separate financial statements	
	Depreciation Baht	Total Baht
Deferred income tax liabilities		
At 1 January 2022	(45,062)	(45,062)
Decrease to profit or loss	(19,306)	(19,306)
At 31 December 2022	(64,368)	(64,368)
At 1 January 2023	(64,368)	(64,368)
Decrease to profit or loss	(19,305)	(19,305)
At 31 December 2023	(83,673)	(83,673)

Deferred income tax assets are recognised for tax loss and carry forwards only to the extent that realisation of the related tax benefit through the future taxable profits is probable. The Group did not recognise deferred income tax assets of Baht 598.25 million in respect of losses amounting to Baht 3,374.95 million that can be carried forward against future taxable income. These loss carry forward will be expired in 2028. (2022: unrecognised deferred income tax asset of Baht 587.51 million in respect of losses amounting to Baht 3,347.90 million).

18 Trade and other payables

	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Trade accounts payable	367,385,681	364,362,355	-	-
Other payables	165,173,298	462,787,240	3,677,385	3,537,484
Accrued expenses	506,228,514	340,489,296	44,233,788	16,444,033
Unearned revenue	628,160,782	542,995,166	175,781	495,100
Trade and other payables	1,666,948,275	1,710,634,057	48,086,954	20,476,617

19 Borrowings

Movements of borrowings from financial institutions for the year ended 31 December are as follows:

	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
At 1 January	13,080,162,276	14,126,022,978	661,576,678	666,135,945
Borrowings during the year	4,143,140,291	-	-	-
Repayment	(4,737,194,164)	(834,679,071)	(204,064,950)	(4,759,536)
Increase in deferred financing fee	(19,338,443)	(54,594,862)	-	-
Amortisation of deferred financing fees	35,921,967	18,655,499	979,155	200,269
Unrealised loss (gain) exchange rate	10,410,564	(19,849,881)	-	-
Currency translation differences	128,467,368	(155,392,387)	-	-
At 31 December	12,641,569,859	13,080,162,276	458,490,883	661,576,678

During the year, the subsidiary of the Group entered into the new long-term loan agreements with the financial institution to repay the loan according to the original contract. The repayment term is in September 2032, bearing an interest rate SOFR plus margin. Moreover, the Group has entered into interest rate swap agreements for the loan facility agreement in amount of US Dollar 18.69 million to hedge the interest rate exposure from a floating to rate as stated on the interest rate swap agreements.

As at 31 December 2023, the Group's borrowings of Baht 12,165.89 million (2022: Baht 12,395.73 million) were secured by the Group's land and buildings, shares of subsidiaries of the Group, leasehold under the lease agreement, and the transfer of the beneficiary rights under insurance policy to bank and guarantee by the Company.

The Group is required to maintain Interest-Bearing Debt to Equity ratio and Debt-Service Coverage ratio in accordance with the conditions in loan agreements. As at 31 December 2023, the Group has complied with the debt covenant condition specified in the loan agreements.

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Long-term borrowings from financial institutions as at 31 December are detailed as follows:

		Condition of borrowing			Consolidated financial statements		Separate financial statement	
No.	Credit facility	Payment term	Secured by	Interest % per annum	2023 Baht	2022 Baht	2023 Baht	2022 Baht
S Hotels and Resorts Public Company Limited								
1.	Baht 650,000,000	Quarterly basis within August 2024	Nil	MLR minus certain margin	449,699,697	648,720,542	449,699,697	648,720,542
2.	Baht 20,000,000	Monthly basis within September 2025	Nil	MLR	8,791,186	12,856,136	8,791,186	12,856,136
S Hotel Phi Phi Island Co., Ltd.								
3.	Baht 2,320,000,000	Quarterly basis within 30 September 2027	Land and buildings and the transfer of the beneficiary rights under insurance policy to bank Land and buildings and the transfer of the beneficiary rights under insurance policy to bank	MLR minus certain margin	1,664,145,714	1,767,693,187	-	-
4.	Baht 65,000,000	Monthly basis within 31 August 2027		MLR minus certain margin	53,798,124	65,999,111	-	-
S Hotel Management Co., Ltd.								
5.	Baht 800,000,000	Within May 2028	Land and buildings	BIBOR plus 3%	776,578,706	799,013,116	-	-
6.	Baht 20,000,000	Monthly basis within September 2025	Nil	MLR	8,791,187	12,856,136	-	-
7.	Baht 10,000,000	Monthly basis within December 2027	Nil	MLR	8,400,978	10,000,000	-	-
Laguna Phuket Club Co., Ltd.								
8.	Baht 1,460,291,341	Quarterly basis within 31 December 2030	Land and buildings and Subsidiaries' shares hold by the Group	MLR minus certain margin	1,413,953,008	1,447,105,136	-	-
Dream Islands Development 2 Private Limited								
9.	USD 109,456,000	Quarterly basis within 30 September 2032	Subsidiaries' shares hold by the Group and leasehold under lease agreement and buildings	SOFR plus certain margin (2022: LIBOR plus certain margin)	3,559,591,403	3,907,121,986	-	-

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		Condition of borrowing			Consolidated financial statements		Separate financial statement	
No.	Credit facility	Payment term	Secured by	Interest % per annum	2023 Baht	2022 Baht	2023 Baht	2022 Baht
S Hotels and Resorts APAC (SG) Pte. Ltd. and its subsidiaries								
10.	USD 3,560,000	Quarterly basis within 30 June 2030	Land and buildings	SOFR plus certain margin (2022: LIBOR plus certain margin	106,722,370	108,687,174	-	-
11.	EUR 12,673,600	Quarterly basis within 30 June 2030	Land and buildings	SOFR plus certain margin (2022: LIBOR plus certain margin	419,374,236	414,344,548	-	-
12.	FJD 20,023,077	Monthly basis within 30 September 2032	Land and buildings	Published index rate minus certain margin	280,570,342	304,910,703	-	-
13.	FJD 8,000,000	Monthly basis within 30 November 2033	Land and buildings	3.5%	111,893,453	121,995,429	-	-
14.	FJD 28,500,698	Monthly basis within May 2034	Land and buildings	Published index rate minus certain margin	333,400,225	-	-	-
15.	FJD 13,329,304	Monthly basis within 31 May 2031	Land and buildings	Published index rate minus certain margin	181,801,605	203,607,678	-	-
16.	FJD 2,000,000	Monthly basis within 31 August 2031	Land and buildings	3.5%	27,375,906	30,379,852	-	-
FS Senior Co Limited								
17.	GBP 90,298,774	Quarterly basis within 30 June 2025	Land and buildings and the transfer of the beneficiary rights under insurance policy to bank, Subsidiaries' shares hold by the Group and leasehold under lease agreement and buildings	SONIA plus certain margin	3,236,681,719	3,224,871,542	-	-
Total long-term borrowings from financial institutions, net					12,641,569,859	13,080,162,276	458,490,883	661,576,678
Less Current portion of long-term borrowings, net					(1,386,331,283)	(1,952,025,507)	(454,788,116)	(436,282,237)
Long-term borrowings, net					11,255,238,576	11,128,136,769	3,702,767	225,294,441

Interest rate risk of borrowing for the Group and the Company is disclosed in Note 5 financial risk management.

The effective interest rates at the statements of financial position date are as follows:

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Borrowings from financial institutions	3.00 % to 6.27%	2.00% to 6.15%	4.59% to 4.92%	3.60% to 6.15%

The fair value of borrowings approximate at their carrying amount, because the borrowings bear the interest at floating rate as marketing rate and the impact of discount is not significant.

Borrowing facilities

The Group have the following undrawn committed borrowing facilities:

	Consolidated financial statements (Original currency)					
	2023			2022		
	Baht	Fijian Dollar		Baht	US Dollar	Fijian Dollar
Floating rate						
- expiring within 1 year	210,000,000	-	210,000,000	10,000,000	-	-
- expiring beyond 1 year	-	7,118,109	-	-	-	28,500,698
Total	210,000,000	7,118,109	210,000,000	10,000,000		28,500,698

20 Debentures, net

Movements of debentures for year ended 31 December 2023 are as follows:

	Consolidated and Separate financial statements Baht
Opening net book value	-
Additions	1,300,000,000
Increase in deferred issuance fees	(10,479,000)
Amortisation of deferred issuance fees	707,524
Closing net book value	1,290,228,524
Fair value as at 31 December 2023	1,311,205,181

During the year, the Company has issued Baht denominated debentures to public offering and bondholders with offering price per unit at Baht 1,000. The debentures, maturity is three years from the issuance date, with a fixed interest rate of 5.00% per annum and payable every three months. The debentures are not optionally redeemable prior to the maturity date by the issuer and the holder.

The Company is required to maintain net interest-bearing debt to equity ratio not over than 2.5 times in respect of an audited consolidated financial statement.

21 Lease liabilities, net

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
	Baht	Baht	Baht	Baht
As at 31 December				
Lease liabilities	8,568,556,084	7,615,019,856	1,977,600	2,852,000
<u>Less</u> future interest expense	(4,493,369,985)	(4,021,066,084)	(35,849)	(122,883)
Present value of lease liabilities, net	4,075,186,099	3,593,953,772	1,941,751	2,729,117

Movements of lease liabilities of the Group and the Company are as follows:

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
	Baht	Baht	Baht	Baht
As at 1 January	3,593,953,772	3,966,425,517	2,729,117	1,088,837
Cash flow:				
Repayment of lease liabilities	(302,470,760)	(299,912,435)	(1,035,000)	(1,039,200)
Other non-cash movements:				
Finance cost	215,372,460	208,758,017	68,045	25,496
Additions	2,027,044	18,637,740	183,789	2,834,733
Changes related to any modification, lease derecognition and reassessment events	457,949,990	(139,467,611)	(4,200)	(180,749)
Currency translation differences	108,353,593	(160,487,456)	-	-
As at 31 December	4,075,186,099	3,593,953,772	1,941,751	2,729,117

22 Equity

As at 31 December 2023, registered ordinary share of 3,593,640,000 shares (2022: 3,593,640,000 shares) at a par value of Baht 5 per share (2022: Baht 5 per share) were issued and fully paid up.

On 25 April 2023, the 2023 Annual General Meeting of Shareholders approved the reduction of the Company's registered capital in the amount of Baht 350.00 million from the existing registered capital in amount of Baht 18,318.20 million to Baht 17,968.20 million by way of cancellation of 70.00 million unallocated ordinary shares with a par value of 5 Baht per share, which were allocated to accommodate the exercise of the SHR-W1(ESOP) and approved the allocation of the Company's partial share premium to compensate for the Company's total accumulated loss. As a result, the Company allocated the Company's share-based payment in the amount of Baht 43.75 million and the Company's partial share premium in the amount of Baht 417.50 million to compensate for the Company's total deficits in the total amount of Baht 461.25 million.

23 Other income

	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Interest income	118,619,072	39,711,599	123,273,616	100,297,101
Management fee	19,067,560	20,139,042	7,625,820	9,584,822
Gains from disposal of financial assets measured at fair value through profit or loss	27,652	112,814	49	26
Compensation income from insurance	-	37,284,343	-	-
Gain from fair value adjustment of investment properties	177,435,040	-	-	-
Gain from disposals of assets	10,990,926	-	-	-
Revenue from arrangement fee and guarantee fee	34,693,205	-	34,693,205	-
Gain from lease modification and derecognition	17,483,959	7,292,722	4,200	180,749
Others	17,357,950	27,194,072	502,619	441,614
Total	395,675,364	131,734,592	166,099,509	110,504,312

24 Expense by nature

The expense by functions of the Group and the Company for the year ended 31 December as reflected in the statement of comprehensive income consisted of the following majority expenses. Other significant expense by nature are mainly from property tax expense, insurance premium and software copyright.

	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Cost of services	1,693,416,809	1,456,754,876	-	-
Raw material and consumables used	225,861,637	204,576,356	-	-
Staff costs	3,065,006,243	2,837,718,640	149,458,874	122,818,478
Depreciation and amortisation	1,270,622,476	1,116,192,139	1,931,579	1,759,883
Marketing expenses	193,266,885	136,355,709	3,830,261	3,124,967
Operating lease payment	84,078,630	56,055,172	2,368,640	2,273,040
Repair and maintenance	232,732,049	238,391,135	11,855	11,677
Consulting fees	50,965,391	52,081,104	7,913,971	6,001,410
Services fees	354,059,506	305,246,112	26,020,636	10,779,679
Utilities expenses	628,193,872	608,479,888	917,620	695,775
Losses of write-off and disposals of assets	1,811,981	4,568,733	-	-
Losses from fair value adjustment of investment properties	-	1,502,567	-	-
(Reversal) recognised expected credit loss on financial assets	(21,957,798)	25,470,485	-	-
Reversal of loss from impairment of assets	(42,980,629)	-	-	-

25 Income tax expenses

	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
For the year ended 31 December				
Current income tax:				
Current tax on profits for the year	50,579,767	10,446,448	11,081,053	1,253,426
Total current income tax	50,579,767	10,446,448	11,081,053	1,253,426
Deferred income tax:				
Origination temporary differences	40,734,386	2,529,343	(721,134)	(201,232)
Total deferred income tax	40,734,386	2,529,343	(721,134)	(201,232)
Total income tax expenses	91,314,153	12,975,791	10,359,919	1,052,094

The tax on the Group's profit (loss) before tax differs from the theoretical amount that would arise using the basic tax rate of the home country of the Company as follows:

	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Profit (loss) before tax	177,721,023	27,358,041	124,792,232	(90,534,587)
Tax calculated at a tax rate of 20% (2022: 20%)	35,544,205	5,471,608	24,958,446	(18,106,917)
Tax effect of:				
Expense (income) adjustment in accordance with Revenue Code	163,220,133	13,346,196	(21,798,475)	2,075,377
Utilisation of previously unrecognised tax losses	(65,148,131)	(88,505,761)	(11,272,184)	-
Tax losses for which no deferred income tax asset was recognised	50,221,336	47,806,340	4,697,927	5,915,688
Tax effect from different overseas tax rate	(83,450,197)	32,628,628	-	-
Tax effect from different privilege tax rate	13,774,205	11,167,946	13,774,205	11,167,946
Others	(22,847,398)	(8,939,166)	-	-
Tax charge	91,314,153	12,975,791	10,359,919	1,052,094

During the year 2023, as a result of the change in the income tax rate from 19% to 25% in United Kingdom and from 20% to 25% in the Republic of Fiji, it is considered that it is reasonably expected that on 1 April 2023 and 30 June 2023, respectively. It will become effective, there will be deferred income taxes. related items have been remeasured. Deferred taxes that are expected to reverse in the year to 31 December 2023 are measured using the tax rate that will be effective for the year, 25%.

The weighted average applicable tax rate for the Group and the Company was 51.38% and 8.30%, respectively (2022: 47.43% and 20%, respectively). The Group did not recognise deferred income tax assets from some loss carried forward as the Group is uncertain for utilising the deferred tax assets in the future as mentioned in note 17. The Company applied tax rate of 5% due to the Company is International Business Centre (IBC).

26 Basic earnings (loss) per share

Basic earnings (loss) per share is calculated by dividing the net profit (loss) attributable to shareholders by the weighted average number of ordinary shares in issue and paid-up during the year.

Basic earnings (loss) per share for the year ended 31 December are as follows:

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Profit (loss) for the year attributable to ordinary shareholders of the Company (Baht)	86,406,870	14,382,250	114,432,313	(91,586,681)
Weighted average number of ordinary shares outstanding (shares)	3,593,640,000	3,593,640,000	3,593,640,000	3,593,640,000
Earnings (loss) per share (Baht per share)	0.024	0.004	0.032	(0.025)

For the year ended 31 December 2023, no diluted earnings per share (2022: Nil).

27 Related-party transactions

27.1 Parent entities

The Group is controlled by S International Holding Co., Ltd., held by Singha Estate Public Co., Ltd. (Parent), incorporated in Thailand, and S Hotels and Resorts (SG) Pte. Ltd., incorporated in Singapore, which hold 60% interest in the Group, the remaining interests are held by others and other related parties. The Group's ultimate parent is Boon Rawd Brewery Co., Ltd. incorporated in Thailand.

The relationship with the related parties are controlled by, or are under common control with, the Company, including holding companies, subsidiaries and fellow subsidiaries as at 31 December 2023 are listed below.

Entities' name	Country/Nationality	Relationship
Boon Rawd Brewery Co., Ltd.	Thailand	Ultimate parent
Singha Estate Public Co., Ltd.	Thailand	Parent
Singha Corporation Co., Ltd.	Thailand	Director is shareholder
Singha Property Management (Singapore) Pte. Ltd.	Singapore	Parents shareholder
S International Holding Co., Ltd.	Thailand	Shareholder
S Hotels and Resorts (SG) Pte. Ltd.	Singapore	Shareholder
Santiburi Samui Country Club Co., Ltd.	Thailand	Director is shareholder
Bophut Property and Resort Co., Ltd.	Thailand	Director is shareholder
Singha Park Chiang Rai Co., Ltd.	Thailand	Director is shareholder
Boon Rawd Trading Co., Ltd.	Thailand	Director is shareholder
Beer Singha Co., Ltd.	Thailand	Director is shareholder
Prime Locations Management Ltd.	Republic of Seychelles	The Group's ultimate parent is shareholder
Dream Islands Development Pvt. Ltd.	Republic of Maldives	The Group's ultimate parent is shareholder
S Services (Maldives) Pvt. Ltd.	Republic of Maldives	Director is shareholder
S Prime Growth Leasehold Real Estate Investment Trust	Thailand	The Group's parent is shareholder
Max Future Co., Ltd.	Thailand	Director is shareholder
Singha Property Development Co., Ltd.	Thailand	The Group's parent is shareholder
S.IF.1 Co., Ltd.	Thailand	The Group's parent is shareholder
S Residential Development Co., Ltd.	Thailand	The Group's parent is shareholder
CTG2002 Co., Ltd.	Thailand	The Group's parent is shareholder

The aforementioned related parties other than the ultimate parent company, parent company, associates and joint ventures and subsidiaries, referred to other related parties. Entity's name and country of registration of associates and joint ventures and subsidiaries are shown in the Note 12 and 13 respectively.

27.2 The following significant transactions were carried out with related parties:

a) Sales and purchases of goods and services

	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Purchases of goods and services				
Other related parties	314,054	311,462	73,907	49,163
Rental and services income				
Parent	1,251,690	426,212	-	-
Joint venture	14,071,094	246,079	-	-
Associate	24,969	25,921	-	-
Other related parties	2,302,021	3,807,043	-	-
Management income				
Subsidiaries	-	-	108,475,508	88,664,064
Interest income				
Subsidiaries	-	-	121,121,994	100,145,416
Joint ventures	105,711,630	36,024,610	-	-
Other income				
Subsidiaries	-	-	736,711	2,592,299
Joint venture	51,499,496	7,913,024	41,582,314	7,452,580
Other related party	12,178,455	12,686,462	-	-
Dividend income				
Subsidiary	-	-	129,441,540	-
Management fee				
Parent	15,591,100	7,396,753	15,591,100	7,396,753
Associate	4,266,071	2,710,326	-	-
Rental and services expense				
Parent	590,330	206,489	590,330	206,489
Subsidiaries	-	-	277,918	200,208
Associate	25,412,656	18,499,302	-	-
Other related parties	15,466,355	5,411,287	5,345,728	4,383,761
Interest expense				
Parent	720,250	-	720,250	-
Subsidiaries	-	-	52,656,292	8,390,586
Other related party	2,569,947	-	2,569,947	-

During the year 2023, the Company provided guarantee to a joint venture for its borrowings of USD 48.16 million or equivalent to Baht 1,648.19 million for 12 years. The Company recognised the guarantee fee received from a joint venture as other income.

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

	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Amounts due from related parties				
Trade accounts receivable				
Parent	1,081,516	126,343	-	-
Subsidiaries	-	-	14,362,873	15,706,588
Associate	-	27,480	-	-
Joint venture	23,746,561	101,010	-	-
Other related parties	165,405	778,590	-	-
	24,993,482	1,033,423	14,362,873	15,706,588
Other receivables				
Parent	-	-	210,000	-
Subsidiaries	-	-	2,556	69,012,570
Joint ventures	921,997	6,190,847	442,293	6,190,847
Other related parties	1,891,716	9,341,701	-	-
	2,813,713	15,532,548	654,849	75,203,417
Interest receivables				
Subsidiaries	-	-	375,599,370	276,316,566
Joint ventures	6,213,855	21,518,627	-	-
	6,213,855	21,518,627	375,599,370	276,316,566
Advances to				
Subsidiaries	-	-	2,876,366	1,941,461
Other related parties	32,100	37,960	32,100	32,100
	32,100	37,960	2,908,466	1,973,561
Total amounts due from related parties	34,053,150	38,122,558	393,525,558	369,200,132
Amounts due to related parties				
Trade accounts payable				
Parent	638,000	-	-	-
Associate	11,367,115	5,423,405	-	-
Other related parties	1,047,945	53,160	-	-
	13,053,060	5,476,565	-	-
Other payables				
Parent	16,482,504	8,769,221	16,482,504	8,769,221
Subsidiaries	-	-	6,949	31
Other related parties	24,660,748	9,105,742	496,670	152,005
	41,143,252	17,874,963	16,986,123	8,921,257
Interest payables				
Subsidiary	-	-	51,479,765	8,355,237
	-	-	51,479,765	8,355,237
Unearned revenue				
Joint venture	35,812,341	-	35,812,341	-
	35,812,341	-	35,812,341	-
Total amounts due to related parties	90,008,653	23,351,528	104,278,229	17,276,494

c) Lease receivable from a related party, net

	Consolidated financial statements	
	2023 Baht	2022 Baht
Joint venture	282,811,991	232,301,364
Total lease receivable from a related party, net	282,811,991	232,301,364

As at 31 December 2023, the Group had sublease agreement to sublease the right-of-use of land to a joint venture for 46 years. The Group will request for lease payment every 3 month by February 2066.

d) Loans to related parties

Loan - joint ventures

	Consolidated financial statements			
	Interest rate (% per annum)		Amount (Baht)	
	2023	2022	2023	2022
<u>Short-term loan - joint ventures</u>				
FS JV License Limited	9.00	-	21,922,000	-
<u>Long-term loan - joint ventures</u>				
FS JV License Limited	-	8.00	-	20,831,950
Dream Islands Development 3 Pvt. Ltd.	SOFR plus certain margin	14.00	489,393,190	311,061,600
Total			511,315,190	331,893,550

As at 31 December 2023, the Group had short-term loans to a joint venture of GBP 0.50 million or equivalent to Baht 21.92 million, the repayment term is in 2024 (2022: No short-term loans to a joint venture).

As at 31 December 2023, the Group had long-term loans to a joint ventures of US Dollar 14.30 million or equivalent to Baht 489.39 million, the repayment term is at call (2022: GBP 0.50 million or equivalent to Baht 20.83 million, the repayment term is in 2023 and US Dollar 9.00 million or equivalent to Baht 311.06 million, the repayment term is at call).

Loan - subsidiaries

	Separate financial statements			
	Interest rate (% per annum)		Amount (Baht)	
	2023	2022	2023	2022
S Hotel Phi Phi Island Co., Ltd.	0.48	0.48 - 3.15	443,150,533	443,150,533
S Hotels and Resorts (SC) Co., Ltd.	1.35 - 5.71	0.48 - 4.78	1,380,069,835	940,445,119
S Hotel and Resort (HK) Ltd.	1.35 - 5.71	3.00 - 4.07	2,013,542,888	1,362,012,830
Laguna Paradise Co., Ltd.	0.48 - 5.71	0.48 - 4.08	2,014,290,362	2,042,454,154
O.K.M. Private Limited	1.35 - 5.71	3.00 - 4.07	121,897,107	75,066,991
Saltlake Resort Ltd.	5.30 - 5.71	4.07	247,766,579	21,972,911
S Hotels and Resorts APAC (SG) Pte. Ltd.	-	3.00 - 3.15	-	1,317,187
Total			6,220,717,304	4,886,419,725

As at 31 December 2023, the Company had long-term loans to subsidiaries represented loan of Baht 4,112.93 million (2022: GBP 0.30 million or equivalent to Baht 12.37 million and US Dollar 8.86 million or equivalent to Baht 304.88 million and Baht 2,485.60 million), the repayment term is at call, and Baht 2,107.79 million (2022: US Dollar 21.34 million or equivalent to Baht 733.93 million and GBP 32.74 million or equivalent to Baht 1,349.64 million), the repayment is in 2026 to 2029.

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

The fair value of long-term loans approximately equals their carrying amount, as the impact of discount is not significant.

Movement of loans to related parties for the years ended 31 December is as follows:

	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
At 1 January	331,893,550	22,549,200	4,886,419,725	4,380,930,691
Addition during the year	984,902,260	315,552,225	2,227,113,797	624,526,342
Repayment	(800,450,600)	-	(921,380,589)	(31,368,071)
Unrealized gain (loss) from exchange rate	-	-	28,564,371	(87,669,237)
Currency translation differences	(5,030,020)	(6,207,875)	-	-
At 31 December	511,315,190	331,893,550	6,220,717,304	4,886,419,725

e) Borrowing from a related party

As at 31 December 2023, the short-term borrowing from a subsidiary amounting to Baht 897.60 million, bearing an interest rate at 5.24% per annum. The repayment term is at call. However, the subsidiary has no intention to recall the borrowings within one year (2022: Baht 557.60 million, interest rate 3.97% to 4.68% per annum).

f) Management remuneration

	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Salaries and other short-term employee benefits	217,478,604	201,653,459	67,877,918	63,901,426
Retirement benefits	3,498,248	3,579,246	2,713,592	2,780,655
Total	220,976,852	205,232,705	70,591,510	66,682,081

28 Commitment

a) Capital expenditure commitments

As at 31 December, capital expenditure commitments but not recognised in the financial statements is as follows:

	Consolidated financial statements						
	2023				2022		
	Million Baht	Million US Dollar	Million Fijian Dollar	Million Pound	Million Baht	Million US Dollar	Million Fijian Dollar
Capital expenditure commitments	68.42	1.47	3.09	9.94	1.50	6.54	20.75

b) Services commitments

As at 31 December, the Group leases services under non-cancellable services agreements as follow:

	Consolidated financial statements		Separate financial statements	
	2023 Million Baht	2022 Million Baht	2023 Million Baht	2022 Million Baht
Within 1 year	14.07	8.80	2.27	2.27
Later than 1 year but not later than 5 years	3.05	5.67	1.71	4.17
Total	17.12	14.47	3.98	6.44

c) Bank guarantee

As at 31 December 2023, the Group had outstanding bank guarantees for the normal course of business, issued by banks of Baht 5.50 million and Fijian Dollar 0.28 million (2022: Baht 5.35 million and Fijian Dollar 0.28 million).