

SHANGRI-LA GROUP

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

Shangri-La Asia Limited

(Incorporated in Bermuda with limited liability)

website: www.ir.shangri-la.com

(Stock code: 00069)

OVERSEAS REGULATORY ANNOUNCEMENT

Shangri-La Hotel Public Company Limited (“**SHPCL**”) is a company listed on the Stock Exchange of Thailand (“**SET**”) and a 73.61% owned subsidiary of Shangri-La Asia Limited. SHPCL released to SET an announcement (“**Announcement**”) today. The following is a reproduction of the Announcement as required by the Note to Rule 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

Hong Kong, 9 May 2022

As at the date hereof, the directors of Shangri-La Asia Limited are:

Executive director(s)

Ms KUOK Hui Kwong (Chairman)

Mr LIM Beng Chee (Group CEO)

Independent non-executive director(s)

Professor LI Kwok Cheung Arthur

Mr YAP Chee Keong

Mr LI Xiaodong Forrest

Mr ZHUANG Chenchao

Ms KHOO Shulamite N K

Shangri-La Hotel Public Company Limited
and its subsidiaries
Review report and interim financial information
For the three-month period ended 31 March 2022

Independent Auditor's Report on Review of Interim Financial Information

To the Shareholders of Shangri-La Hotel Public Company Limited

I have reviewed the accompanying consolidated statement of financial position of Shangri-La Hotel Public Company Limited and its subsidiaries as at 31 March 2022, and the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the three-month period then ended, as well as the condensed notes to the interim consolidated financial statements. I have also reviewed the separate financial information of Shangri-La Hotel Public Company Limited for the same periods (collectively "interim financial information"). Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34 *Interim Financial Reporting*. My responsibility is to express a conclusion on this interim financial information based on my review.

Scope of Review

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

Conclusion

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

Emphasis of Matter

I draw attention to Note 1.1 to the consolidated financial statement. The Coronavirus disease 2019 pandemic still affects the Group's hotel business and has adversely impacted the Group's financial position, operating results, and cash flows at present, and is expected to do so in the future. This situation may bring uncertainties and have an impact on the environment in which the group operates. The Group's management has continuously monitored ongoing developments and assessed the financial impact in respect of the valuation of assets, provisions and contingent liabilities, and has used estimates and judgement in respect of various issues as the situation has evolved.

My conclusion is not modified in respect of this matter.

Chonlaros Suntiasvaraporn
Certified Public Accountant (Thailand) No. 4523

EY Office Limited
Bangkok: 9 May 2022

Shangri-La Hotel Public Company Limited and its subsidiaries

Statement of financial position

As at 31 March 2022

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>		
	<u>Note</u>	<u>31 March 2022</u>	<u>31 December 2021</u>	<u>31 March 2022</u>	<u>31 December 2021</u>
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Assets					
Current assets					
Cash and cash equivalents		1,344,486	1,352,193	49,318	52,947
Fixed deposits with financial institutions		907,600	957,600	885,000	935,000
Trade and other receivables	4	29,831	28,897	29,170	28,210
Inventories		19,427	20,297	19,427	20,297
Other current assets		21,725	18,342	21,714	18,342
Total current assets		2,323,069	2,377,329	1,004,629	1,054,796
Non-current assets					
Other non-current financial assets	6	438,426	466,103	-	-
Investments in subsidiaries		-	-	1,303,000	1,303,000
Investments in associates	5	-	-	-	-
Long-term loans to and interest receivables					
from related parties	3,5	1,105,293	1,113,630	-	-
Property, plant and equipment		3,372,560	3,416,582	3,370,707	3,414,729
Intangible assets		794	750	794	750
Deferred tax assets		201,788	199,661	199,508	199,508
Other non-current assets		3,362	3,396	3,362	3,396
Total non-current assets		5,122,223	5,200,122	4,877,371	4,921,383
Total assets		7,445,292	7,577,451	5,882,000	5,976,179

The accompanying notes are an integral part of the financial statements.

Shangri-La Hotel Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 31 March 2022

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>		
	<u>Note</u>	<u>31 March 2022</u>	<u>31 December 2021</u>	<u>31 March 2022</u>	<u>31 December 2021</u>
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Liabilities and shareholders' equity					
Current liabilities					
Trade and other payables		74,864	99,652	73,499	98,613
Short-term loans from related party	3	-	-	501,830	503,894
Income tax payable		2,405	2,185	-	-
Other current liabilities		107,455	95,380	107,455	95,380
Total current liabilities		184,724	197,217	682,784	697,887
Non-current liabilities					
Provision for long-term employee benefits		98,196	96,326	98,196	96,326
Deferred tax liabilities		8,712	8,604	-	-
Other non-current liabilities		21,973	24,138	21,973	24,138
Total non-current liabilities		128,881	129,068	120,169	120,464
Total liabilities		313,605	326,285	802,953	818,351
Shareholders' equity					
Share capital					
Registered, issued and fully paid up					
130,000,000 ordinary shares of Baht 10 each		1,300,000	1,300,000	1,300,000	1,300,000
Share premium		1,590,400	1,590,400	1,590,400	1,590,400
Retained earnings					
Appropriated-statutory reserve		130,000	130,000	130,000	130,000
Unappropriated		3,278,120	3,362,751	2,058,647	2,137,428
Other components of shareholders' equity		723,139	754,369	-	-
Equity attributable to owners of the Company		7,021,659	7,137,520	5,079,047	5,157,828
Non-controlling interests of the subsidiary		110,028	113,646	-	-
Total shareholders' equity		7,131,687	7,251,166	5,079,047	5,157,828
Total liabilities and shareholders' equity		7,445,292	7,577,451	5,882,000	5,976,179
		-	-	-	-

The accompanying notes are an integral part of the financial statements.

Directors

Shangri-La Hotel Public Company Limited and its subsidiaries

Statement of comprehensive income

For the three-month period ended 31 March 2022

(Unit: Thousand Baht except earnings per share expressed in Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2022	2021	2022	2021
Profit or loss:					
Revenues					
Revenues from hotel operations		123,140	74,963	123,140	74,963
Exchange gains		41	1,383	-	-
Other income		3,228	691	3,228	691
Total revenues		126,409	77,037	126,368	75,654
Expenses					
Cost of hotel operations		67,552	59,991	67,552	59,991
Selling expenses		17,976	13,988	17,976	13,988
Administrative expenses		78,705	66,229	78,376	65,958
Depreciation and amortisation expenses		44,622	51,708	44,622	51,708
Reversal allowance for expected credit losses of trade receivables		(30)	(116)	(30)	(116)
Total expenses		208,825	191,800	208,496	191,529
Operating loss		(82,416)	(114,763)	(82,128)	(115,875)
Share of losses from investments in associates	3	(9,089)	(3,449)	-	-
Finance income		7,256	7,559	3,347	1,831
Finance cost		-	-	-	(19,476)
Loss before income tax		(84,249)	(110,653)	(78,781)	(133,520)
Income tax benefits (expenses)		(369)	26,628	-	26,731
Loss for the period		(84,618)	(84,025)	(78,781)	(106,789)
Other comprehensive income:					
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</i>					
Exchange differences on translation of financial statements in foreign currency		(12,141)	93,850	-	-
Other comprehensive income to be reclassified to profit or loss in subsequent periods		(12,141)	93,850	-	-
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods:</i>					
Gain (loss) on changes in value of equity investments designated at fair value through other comprehensive income - net of income tax	6	(22,720)	34,668	-	-
Other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of income tax		(22,720)	34,668	-	-
Total other comprehensive income for the period		(34,861)	128,518	-	-
Total comprehensive income for the period		(119,479)	44,493	(78,781)	(106,789)

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

Shangri-La Hotel Public Company Limited and its subsidiaries

Statement of comprehensive income (continued)

For the three-month period ended 31 March 2022

(Unit: Thousand Baht except earnings per share expressed in Baht)

		<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>Note</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Profit (loss) attributable to:					
Equity holders of the Company		(84,631)	(84,019)	<u>(78,781)</u>	<u>(106,789)</u>
Non-controlling interests of the subsidiary		<u>13</u>	<u>(6)</u>		
		<u>(84,618)</u>	<u>(84,025)</u>		
Total comprehensive income attributable to:					
Equity holders of the Company		(115,861)	44,499	<u>(78,781)</u>	<u>(106,789)</u>
Non-controlling interests of the subsidiary		<u>(3,618)</u>	<u>(6)</u>		
		<u>(119,479)</u>	<u>44,493</u>		
Earnings per share					
Basic earnings (loss) per share					
Loss attributable to equity holders of the Company	7	<u>(0.65)</u>	<u>(0.65)</u>	<u>(0.61)</u>	<u>(0.82)</u>

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

Shangri-La Hotel Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity (continued)

For the three-month period ended 31 March 2022

(Unit: Thousand Baht)

	Separate financial statements				Total shareholders' equity
	Issued and fully paid-up share capital	Share premium	Retained earnings		
			Appropriated	Unappropriated	
Balance as at 1 January 2021	1,300,000	1,590,400	130,000	2,508,336	5,528,736
Total comprehensive income for the period	-	-	-	(106,789)	(106,789)
Balance as at 31 March 2021	<u>1,300,000</u>	<u>1,590,400</u>	<u>130,000</u>	<u>2,401,547</u>	<u>5,421,947</u>
Balance as at 1 January 2022	1,300,000	1,590,400	130,000	2,137,428	5,157,828
Total comprehensive income for the period	-	-	-	(78,781)	(78,781)
Balance as at 31 March 2022	<u>1,300,000</u>	<u>1,590,400</u>	<u>130,000</u>	<u>2,058,647</u>	<u>5,079,047</u>

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

Shangri-La Hotel Public Company Limited and its subsidiaries

Cash flow statement

For the three-month period ended 31 March 2022

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Cash flows from operating activities				
Loss before tax	(84,249)	(110,653)	(78,781)	(133,520)
Adjustments to reconcile loss before tax to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	44,622	51,708	44,622	51,708
Reversal allowance for expected credit loss of trade receivables	(30)	(116)	(30)	(116)
Reversal reduction of inventory to net realisable value	(304)	-	(304)	-
Share of losses from investments in associates	9,089	3,449	-	-
Gain on disposals of equipment	(159)	(27)	(159)	(27)
Provision for long-term employee benefits	2,069	1,894	2,069	1,894
Unrealised loss (gain) on exchange	-	-	(2,064)	19,476
Finance income	(7,256)	(7,559)	(1,283)	(1,831)
Loss from operating activities before changes in operating assets and liabilities	(36,218)	(61,304)	(35,930)	(62,416)
Operating assets (increase) decrease				
Trade and other receivables	(1,377)	8,397	(1,378)	8,397
Inventories	1,174	1,584	1,174	1,584
Other current assets	(2,813)	3,659	(2,802)	3,651
Other non-current assets	34	62	34	62
Operating liabilities increase (decrease)				
Trade and other payables	(24,788)	(8,685)	(25,114)	(9,009)
Other current liabilities	12,075	(8,287)	12,075	(8,287)
Provision for long-term employee benefits	(199)	(781)	(199)	(781)
Other non-current liabilities	(2,165)	(2,050)	(2,165)	(2,050)
Cash flows used in operating activities	(54,277)	(67,405)	(54,305)	(68,849)
Cash paid for corporate income tax	(571)	(1,239)	(570)	(572)
Net cash flows used in operating activities	(54,848)	(68,644)	(54,875)	(69,421)

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

Shangri-La Hotel Public Company Limited and its subsidiaries

Cash flow statement (continued)

For the three-month period ended 31 March 2022

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Cash flows from investing activities				
Decrease in fixed deposits with financial institutions	50,000	59,000	50,000	59,000
Cash received from interest income	2,861	2,573	1,731	2,236
Acquisitions of equipment and construction in progress	(292)	(1,208)	(292)	(1,208)
Acquisitions of intangible assets	(352)	-	(352)	-
Proceeds from disposals of equipment	159	33	159	33
Net cash flows from investing activities	<u>52,376</u>	<u>60,398</u>	<u>51,246</u>	<u>60,061</u>
Increase in translation adjustments	<u>491</u>	<u>1,209</u>	<u>-</u>	<u>-</u>
Net decrease in cash and cash equivalents	<u>(1,981)</u>	<u>(7,037)</u>	<u>(3,629)</u>	<u>(9,360)</u>
Effects of exchange rate changes on cash and cash equivalents	(5,726)	29,464	-	-
Cash and cash equivalents at beginning of period	<u>1,352,193</u>	<u>1,162,613</u>	<u>52,947</u>	<u>59,731</u>
Cash and cash equivalents at end of period	<u><u>1,344,486</u></u>	<u><u>1,185,040</u></u>	<u><u>49,318</u></u>	<u><u>50,371</u></u>
	-	-	-	-

The accompanying notes are an integral part of the financial statements.

Shangri-La Hotel Public Company Limited and its subsidiaries
Notes to consolidated interim financial statements
For the three-month period ended 31 March 2022

1. General information

1.1 Coronavirus disease 2019 Pandemic

The Coronavirus disease 2019 pandemic still affects the Group's hotel business and has adversely impacted the Group's financial position, operating results, and cash flows at present, and is expected to do so in the future. This situation may bring uncertainties and have an impact on the environment in which the group operates. The Group's management has continuously monitored ongoing developments and assessed the financial impact in respect of the valuation of assets, provisions and contingent liabilities, and has used estimates and judgement in respect of various issues as the situation has evolved.

1.2 Basis for the preparation of interim financial statements

These interim financial statements are prepared in accordance with Thai Accounting Standard No. 34 Interim Financial Reporting, with the Company choosing to present condensed interim financial statements. However, the Company has presented the statements of financial position, comprehensive income, changes in shareholders' equity, and cash flows in the same format as that used for the annual financial statements.

The interim financial statements are intended to provide information additional to that included in the latest annual financial statements. Accordingly, they focus on new activities, events and circumstances so as not to duplicate information previously reported. These interim financial statements should therefore be read in conjunction with the latest annual financial statements.

The interim financial statements in Thai language are the official statutory financial statements of the Company. The interim financial statements in English language have been translated from the Thai language financial statements.

1.3 Basis of consolidation

These consolidated financial statements include the financial statements of Shangri-La Hotel Public Company Limited ("the Company") and its subsidiaries ("the subsidiaries") (collectively as "the Group") and have been prepared on the same basis as that applied for the consolidated financial statements for the year ended 31 December 2021. There have been no changes in the composition of the Group during the current period.

2. Significant accounting policies

The interim financial statements are prepared by using the same accounting policies and methods of computation as were used for the financial statements for the year ended 31 December 2021.

The revised financial reporting standards which are effective for fiscal years beginning on or after 1 January 2022, do not have any significant impact on the Group's financial statements.

3. Related party transactions

During the periods, the Group had significant business transactions with related parties. Such transactions, which are summarised below, arose in the ordinary course business. There were no significant changes in the transfer pricing policy of transactions with related parties during the current period.

Summaries significant business transactions with related parties as follows.

	(Unit: Million Baht)			
	For the three-month periods ended 31 March			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
<u>Transactions with associated companies</u>				
Interest income	5	5	-	-
<u>Transactions with related companies</u>				
Revenue from hotel operations	10	10	10	10
Management fees	6	4	6	4
Marketing and promotion fees	1	1	1	1
Advertising and reservation fees	2	2	2	2
Training fees	1	1	1	1

The balances of the accounts between the Company and these related companies as at 31 March 2022 and 31 December 2021 are as follows:

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate financial statements	
	31 March 2022	31 December 2021	31 March 2022	31 December 2021
		(Audited)		(Audited)
<u>Trade receivables - related parties (Note 4)</u>				
Related companies				
Others	1,067	1,079	1,067	1,079
Total trade receivables - related parties	<u>1,067</u>	<u>1,079</u>	<u>1,067</u>	<u>1,079</u>
<u>Other receivables - related parties (Note 4)</u>				
Associated company				
Traders Yangon Company Limited	-	34	-	34
Related companies				
Others	6,188	5,372	6,188	5,372
Total other receivables - related parties	<u>6,188</u>	<u>5,406</u>	<u>6,188</u>	<u>5,406</u>
<u>Long-term loans to and interest receivables from related parties</u>				
Associated companies				
Non-interest bearing				
Traders Square Company Limited	45,135	45,301	-	-
	<u>45,135</u>	<u>45,301</u>	<u>-</u>	<u>-</u>
Interest bearing				
Traders Yangon Company Limited	541,884	543,879	-	-
Shangri-La Yangon Company Limited	803,371	803,512	-	-
Traders Square Company Limited	829,348	830,296	-	-
	<u>2,174,603</u>	<u>2,177,687</u>	<u>-</u>	<u>-</u>
Total	2,219,738	2,222,988	-	-
Less: Allowance for impairment losses on financial assets (Note 5)	(843,964)	(847,071)	-	-
Total	<u>1,375,774</u>	<u>1,375,917</u>	<u>-</u>	<u>-</u>
Less: Share of losses from investments in associates (Note 5)	(270,481)	(262,287)	-	-
Total long-term loans to and interest receivables from related parties - net	<u>1,105,293</u>	<u>1,113,630</u>	<u>-</u>	<u>-</u>

The interest-bearing portions of the loans carry interest at rates of USD LIBOR and 0.92 to 2.05 percent per annum. The loans are unsecured and repayable on demand. The Group deemed these long-term loans that, in substance, form part of the interests in associates (Note 5 to the interim financial statements).

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 March	31 December	31 March	31 December
	2022	2021	2022	2021
	(Audited)		(Audited)	
<u>Other payables - related parties</u>				
Related companies				
Shangri-La International Hotel Management Pte., Ltd.	19,051	22,182	18,964	22,103
Shangri-La International Hotel Management Limited	-	2,739	-	2,739
Other	165	92	14	92
Total other payables - related parties	19,216	25,013	18,978	24,934

Short-term loans from related party**Subsidiary**

Hasfield Holdings Pte., Ltd.	-	-	501,830	503,894
Total short-term loans from related party	-	-	501,830	503,894

The above loans are repayable on demand and no interest bearing.

During the current period, movements of loans to and interest receivables from related parties and loan from related party were as follows:

(Unit: Thousand Baht)

	Consolidated financial statements				Balance as at 31 March 2022
	Balance as at 1 January 2022	Increase during the period	Decrease during the period	Translation adjustment	
<u>Long-term loans to and interest receivables from related parties</u>					
Associated companies					
Non-interest bearing					
Traders Square Company Limited	45,301	-	-	(166)	45,135
Interest bearing					
Traders Yangon Company Limited	543,879	-	-	(1,995)	541,884
Shangri-La Yangon Company Limited	803,512	2,785	-	(2,926)	803,371
Traders Square Company Limited	830,296	2,083	-	(3,031)	829,348
Total	2,222,988	4,868	-	(8,118)	2,219,738
Less: Allowance for impairment losses on financial assets	(847,071)	-	-	3,107	(843,964)
Total	1,375,917	4,868	-	(5,011)	1,375,774
Less: Cumulative share of losses from investments in associates (Note 5)	(262,287)	(9,089)	-	895	(270,481)
Total long-term loans to and interest receivables from related parties - net	1,113,630	(4,221)	-	(4,116)	1,105,293

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Separate financial statements				
	Balance as at 1 January 2022	Increase during the period	Decrease during the period	Gain on exchange	Balance as at 31 March 2022
<u>Short-term loans from related party</u>					
Subsidiary					
Hasfield Holdings Pte., Ltd.	503,894	-	-	(2,064)	501,830
Total short-term loans from related party	503,894	-	-	(2,064)	501,830

Directors and management's benefits

(Unit: Thousand Baht)

	For the three-month periods ended 31 March	
	Consolidated financial statements/ Separate financial statements	
	<u>2022</u>	<u>2021</u>
Short-term employee benefits	11,061	8,830
Post-employment benefits	752	673
Total	11,813	9,503

Guarantee obligations with related parties

The Company has outstanding guarantee obligations with its related parties, as described in Note 9.2 to the interim financial statements.

4. Trade and other receivables

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 March 2022	31 December 2021	31 March 2022	31 December 2021
	(Audited)		(Audited)	
<u>Trade receivables - related parties</u> (Note 3)				
Age on the basis of invoice date				
Less than 120 days	1,067	1,079	1,067	1,079
Total trade receivables - related parties	1,067	1,079	1,067	1,079

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 March	31 December	31 March	31 December
	2022	2021	2022	2021
		(Audited)		(Audited)
<u>Trade receivables - unrelated parties</u>				
Age on the basis of invoice date				
Less than 120 days	20,925	20,327	20,925	20,327
120 - 180 days	130	-	135	-
Over 180 days	3,449	3,479	3,449	3,479
Total	24,509	23,806	24,509	23,806
Less: Allowance for expected credit losses	(3,449)	(3,479)	(3,449)	(3,479)
Total trade receivables - unrelated parties, net	21,060	20,327	21,060	20,327
Total trade receivables - net	22,127	21,406	22,127	21,406
<u>Other receivables</u>				
Other receivables - related parties (Note 3)	6,188	5,406	6,188	5,406
Other receivables - unrelated parties	151	247	151	247
Interest receivables	1,365	1,838	704	1,151
Total other receivables	7,704	7,491	7,043	6,804
Total trade and other receivables - net	29,831	28,897	29,170	28,210

5. Investments in associates

5.1 Details of associates:

(Unit: Thousand Baht)

Company's name	Nature of business	Country of incorporation	Paid-up capital as at		Shareholding percentage		Consolidated financial statements			
			31 March	31 December	31 March	31 December	Cost		Carrying amounts based on equity method	
			2022	2021	2022	2021	2022	2021	2022	2021
					(Percent)	(Percent)	(Audited)		(Audited)	
Associated companies (owned by Zukerman Limited)										
Traders Yangon Company Limited	Hotel	Myanmar	USD 3.6 million	USD 3.6 million	23.53	23.53	29,770	29,880	-	-
Shangri-La Yangon Company Limited	Serviced apartments	Myanmar	USD 2.0 million	USD 2.0 million	22.22	22.22	17,605	17,669	-	-
Traders Square Company Limited	Commercial complex and office for rent	Myanmar	USD 0.1 million	USD 0.1 million	23.56	23.56	702	705	-	-
Total							48,077	48,254	-	-

5.2 Summarised financial information of associates

The financial information of these associated companies for three-month periods ended 31 March 2022 and 2021, and for the year ended 31 December 2021, which was included in the consolidated financial statements, was prepared by the associates' management. However, the Company's management believes that there would have been no significant difference to financial information if those financial information had been audited by auditors.

Financial information of the associated companies is summarised below.

(Unit: Thousand Baht)

	Statements of financial position					
	Traders Yangon Company Limited		Shangri-La Yangon Company Limited		Traders Square Company Limited	
	31 March	31 December	31 March	31 December	31 March	31 December
	2022	2021	2022	2021	2022	2021
Total assets	1,197,575	1,216,455	3,207,583	3,304,132	3,518,780	3,603,087
Total liabilities	(3,717,675)	(3,686,739)	(3,778,151)	(3,858,175)	(4,206,416)	(4,271,816)
Net (liabilities)/assets	(2,520,100)	(2,470,284)	(570,568)	(554,043)	(687,636)	(668,729)

(Unit: Thousand Baht)

	For the three-month periods ended 31 March					
	Traders Yangon Company Limited		Shangri-La Yangon Company Limited		Traders Square Company Limited	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Total revenue	2,274	5,654	50,809	77,270	62,159	72,526
Profit (loss)	(51,835)	(52,350)	(18,421)	1,899	(21,203)	(16,430)

5.3 The reconciliation of interests in associates

Since 2020, the Group's management decided to change the objective of the long-term loans to these three associated companies. Given the situation with the Coronavirus disease 2019 pandemic, no plans have been set for collection of these long-term loans for the foreseeable future and the long-term loans were, therefore, deemed in substance to form part of the interests in associates.

(Unit: Thousand Baht)

	Consolidated financial statements			
	As at 31 March 2022			
	Traders Yangon Company Limited	Shangri-La Yangon Company Limited	Traders Square Company Limited	Total
<u>Interests in associates</u>				
Net assets (liabilities) of associates	(2,520,100)	(570,568)	(687,636)	(3,778,304)
Shareholding percentage (Percent)	23.53%	22.22%	23.56%	
The Group's interests in associates	(592,980)	(126,780)	(162,007)	(881,767)
<u>Investments in associates</u>				
Ordinary shares, at cost	29,770	17,605	702	48,077
Less: Cumulative share of losses from investments in associates	(29,770)	(17,605)	(702)	(48,077)
Total	-	-	-	-
<u>Long-term loans to and interest receivables from related parties (Note 3)</u>				
Long-term loans to and interest receivables from related parties	541,884	803,371	874,483	2,219,738
Less: Impairment losses on financial assets	(541,884)	(46,749)	(255,331)	(843,964)
Total - net	-	756,622	619,152	1,375,774
Less: Cumulative share of losses from investments in associates	-	(109,176)	(161,305)	(270,481)
Total long-term loans to and interest receivables from related parties - net	-	647,446	457,847	1,105,293
Unrecognised cumulative share of losses from investments in associates	(563,209)	-	-	(563,209)

(Unaudited but reviewed)

(Unit: Thousand Baht)

Consolidated financial statements

As at 31 December 2021

	Traders Yangon Company Limited	Shangri-La Yangon Company Limited	Traders Square Company Limited	Total (Audited)
<u>Interests in associates</u>				
Net assets (liabilities) of associates	(2,470,284)	(554,043)	(668,729)	(3,693,056)
Shareholding percentage (Percent)	23.53%	22.22%	23.56%	
The Group's interests in associates	(581,258)	(123,108)	(157,553)	(861,919)
<u>Investments in associates</u>				
Ordinary shares, at cost	29,880	17,669	705	48,254
Less: Cumulative share of losses from investments in associates	(29,880)	(17,669)	(705)	(48,254)
Total	-	-	-	-
<u>Long-term loans to and interest receivables from related parties (Note 3)</u>				
Long-term loans to and interest receivables from related parties	543,879	803,512	875,597	2,222,988
Less: Impairment losses on financial assets	(543,879)	(46,921)	(256,271)	(847,071)
Total - net	-	756,591	619,326	1,375,917
Less: Cumulative share of losses from investments in associates	-	(105,439)	(156,848)	(262,287)
Total long-term loans to and interest receivables from related parties - net	-	651,152	462,478	1,113,630
Unrecognised cumulative share of losses from investments in associates	(551,378)	-	-	(551,378)

(Unaudited but reviewed)

6. Other non-current financial assets

(Unit: Thousand Baht)

	Consolidated financial statements	
	31 March 2022	31 December 2021
		(Audited)
<u>Equity instruments designated at FVOCI</u>		
Listed equity instruments		
Shangri-La Asia Limited - related party	274,334	291,375
Don Muang Tollway Public Company Limited	164,092	174,728
Total equity instruments designated at FVOCI	438,426	466,103

Movements of the equity instruments designated at FVOCI during the three-month period ended 31 March 2022 are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements		
	Shangri-La Asia Limited	Don Muang Tollway Public Company Limited	Total
Fair value as at 1 January 2022	291,375	174,728	466,103
Loss recognised into other comprehensive income	(14,212)	(10,636)	(24,848)
Translation adjustment	(2,829)	-	(2,829)
Fair value as at 31 March 2022	274,334	164,092	438,426

Equity instruments were measured at fair value with hierarchy level 1 and there were no transfers within the fair value hierarchy during the current period.

7. Earnings per share

Basic earnings per share is calculated by dividing profit (loss) for the periods attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the period.

8. Segment information

The Group is organised into business units based on its services. During the current period, the Group have not changed the organisation of their reportable segments.

The following tables present revenue and profit information regarding the Group's operating segments for the three-month periods ended 31 March 2022 and 2021.

(Unit: Million Baht)

	For the three-month periods ended 31 March											
	Hotel business				Holding Investment	Total segments		Adjustments and eliminations		Consolidated		
	Hotel in Bangkok		Hotel in Chiangmai			2022	2021	2022	2021	2022	2021	2022
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Revenues												
Revenue from external customers	98	59	25	16	-	-	123	75	-	-	123	75
Total revenues	98	59	25	16	-	-	123	75	-	-	123	75
Operating results												
Segment gross profit	46	12	10	3	-	-	56	15	-	-	56	15
Other income	3	1	-	-	-	-	3	1	-	-	3	1
Depreciation and amortisation expenses	(26)	(31)	(19)	(21)	-	-	(45)	(52)	-	-	(45)	(52)
Exchange gains (losses)	-	-	-	-	(2)	20	(2)	20	2	(19)	-	1
Share of losses from investments in associates	-	-	-	-	(9)	(3)	(9)	(3)	-	-	(9)	(3)
Finance income	3	2	-	-	6	6	9	8	(2)	-	7	8
Finance cost	-	(19)	-	-	-	-	-	(19)	-	19	-	-
Profit (loss) before income tax	(46)	(95)	(33)	(39)	(6)	23	(85)	(111)	-	-	(85)	(111)
Income tax benefits	-	19	-	8	-	-	-	27	-	-	-	27
Profit (loss) for the period	(46)	(76)	(33)	(31)	(6)	23	(85)	(84)	-	-	(85)	(84)

9. Commitments and contingent liabilities

9.1 Capital commitments

As at 31 March 2022, the Company had capital commitments of approximately Baht 50 million (31 December 2021: Baht 51 million), relating to the construction new hotel.

9.2 Guarantees

- (1) As at 31 March 2022, there were outstanding bank guarantees of approximately Baht 11 million (31 December 2021: Baht 11 million) issued by a bank on behalf of the Company in respect of electricity usage.
- (2) As at 31 March 2022 and 31 December 2021, the Company entered into the Counter Indemnity Agreement with the parent company to indemnify the contingent liability relating to loan facilities of its two associated companies, i.e. Traders Yangon Company Limited and Shangri-La Yangon Company Limited, in proportion to the subsidiary's shareholding not exceeding USD 11.77 million and USD 6.67 million, respectively.

10. Financial instruments

10.1 Fair value of financial instruments

Most of the Group's financial instruments are classified as short-term or have interest rates that are close to market rate. Therefore, the carrying amounts of these financial instruments is estimated to approximate their fair value.

10.2 Foreign currency risk

The balances of financial assets and liabilities denominated in foreign currencies of the Group as at 31 March 2022 and 31 December 2021 are summarised below.

Foreign currency	Consolidated financial statements					
	Financial assets		Financial liabilities		Average exchange rate	
	As at	As at	As at	As at	As at	As at
	31 March	31 December	31 March	31 December	31 March	31 December
	2022	2021	2022	2021	2022	2021
	(Million)	(Million)	(Million)	(Million)	(Baht per 1 foreign currency unit)	
		(Audited)		(Audited)		
US dollar	38	38	-	-	33.2973	33.4199

(Unaudited but reviewed)

Foreign currency	Separate financial statements					
	Financial assets		Financial liabilities		Average exchange rate	
	As at	As at	As at	As at	As at	As at
	31 March	31 December	31 March	31 December	31 March	31 December
	2022	2021	2022	2021	2022	2021
	(Million)	(Million)	(Million)	(Million)	(Baht per 1 foreign currency unit)	
		(Audited)		(Audited)		
US dollar	-	-	15	15	33.2973	33.4199

11. Approval of interim financial statements

These interim financial statements were authorised for issue by the Company's Board of Directors on 9 May 2022.

To : Managing Director
The Stock Exchange of Thailand

Date : May 9, 2022

Re : Management Discussion and Analysis for the period ended March 31, 2022

The Board of Directors is pleased to announce the Company's results of operation for the period ended March 31, 2022 as follows: -

Net loss after corporate income tax for the period ended March 31, 2022 and 2021:

(Baht in million)	<u>2022</u>	<u>2021</u>	<u>Change</u>
The Company	78.78	106.79	(26.23)%
Consolidated	84.63	84.02	0.73%

The Company:

The Company's loss before corporate income tax benefits for the period ended March 31, 2022 decreased by Baht 54.74 million against the corresponding period of last year. The decrease in the Company's loss was mainly attributed to the decrease in loss before income tax benefits of Shangri-La Hotel, Bangkok ("SLBK") by Baht 49.08 million and decrease in loss of Shangri-La Hotel, Chiang Mai ("SLCM") by Baht 5.66 million.

Revenues from hotel operations of SLBK increased by Baht 38.93 million from Baht 58.74 million to Baht 97.67 million mainly due to the increase in all types of revenue including room, food & beverages and other revenue resulting from higher occupancy. Gross Profit before expenses increased by Baht 33.15 million. Selling and administrative expenses increased by Baht 3.31 million and Baht 9.74 million, respectively. Depreciation expense decreased by Baht 5.50 million against last year. Finance cost decreased by Baht 21.00 million mainly due to decrease in unrealized exchange loss US Dollar loan compared to 2021. As a result, the loss before corporate income tax benefits decreased by Baht 49.08 million from Baht 95.12 million to Baht 46.04 million.

Loss before corporate income tax benefits of SLCM decreased by Baht 5.66 million as compared to 2021, mainly attributed to higher revenues from hotel operations by Baht 9.25 million from Baht 16.22 million to Baht 25.47 million as a result of higher room occupancy and average room rates in 2022. Gross Profit before expenses increased by Baht 7.47 million. Selling and administrative expenses increased by Baht 0.67 million and Baht 2.77 million, respectively. Depreciation Expenses decreased by Baht 1.59 million against last year. As a result, the loss before corporate income tax benefits decreased by Baht 5.66 million from Baht 38.40 million to Baht 32.74 million.

Consequently, the total loss of SLBK and SLCM before corporate income tax benefits decreased by Baht 54.74 million from Baht 133.52 million to Baht 78.78 million. The corporate income tax benefits decreased by Baht 26.73 million as compared to 2021 due to record the deferred tax asset regarding loss before income tax in first quarter of 2021. The Company recorded a net loss after tax benefits of Baht 78.78 million for the period ended March 31, 2022 compared to loss of Baht 106.79 million last year (decreased by 26.23%).

Consolidated:

The consolidated loss before corporate income tax benefits for the period ended March 31, 2022 decreased by Baht 26.40 million against last year. The decrease in consolidated loss before corporate income tax benefits was due to decrease in the Company's loss before corporate income tax benefits of Baht 54.74 million and increase in loss from subsidiaries by Baht 28.34 million. The increase in loss of subsidiaries was due to the impairment losses on financial assets and share of losses investments in associates. As a result, the corporate income tax benefits decreased by Baht 27.00 million. Overall, the consolidated net loss after tax benefits attributable to the equity holders of the Company for the period ended March 31, 2022 increased by Baht 0.61 million against last year (increased by 0.73%).

Yours faithfully,

(Mrs. Pavinee Meensuk)
Director

Headline: Financial Performance Quarter 1 (F45) (Reviewed)

Security Symbol: SHANG

Announcement Details

Financial Statement (F45)			
Company name	SHANGRI-LA HOTEL PUBLIC COMPANY LIMITED		
Quarter	Quarter 1		
(In thousands)			
Financial Statement			
	Quarter 1		
Status	Reviewed		
Ending	31 March		
Year	2022	2021	
Profit (loss) attributable to equity holders of the Company *	(84,631)	(84,019)	
EPS (baht)	(0.65)	(0.65)	
Type of report	Unqualified opinion with an emphasis of matters /Others		

*For consolidated financial statements

Please review financial statement (Full Version) before making investment decision

"The company hereby certifies that the information above is correct and complete. In addition, the company has already reported and disseminated its financial statements in full via the SET Electronic Listed Company Information Disclosure (SET Portal)."

Signature _____

(Mrs. Pavinee Meensuk)

Director

Authorized Persons to Disclose Information

This announcement was prepared and disseminated by listed company or issuer through the electronic system which is provided for the purpose of dissemination of the information and related documents of listed company or issuer to the Stock Exchange of Thailand only. The Stock Exchange of Thailand has no responsibility for the correctness and completeness of any statements, figures, reports or opinions contained in this announcement, and has no liability for any losses and damages in any cases. In case you have any inquiries or clarification regarding this announcement, please directly contact listed company or issuer who made this announcement.