

SHANGRI-LA GROUP

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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, 8 August 2022

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

Executive directors

Ms KUOK Hui Kwong (Chairman)

Mr LIM Beng Chee (Group CEO)

Independent non-executive directors

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 and six-month periods ended
30 June 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 30 June 2022, and the related consolidated statements of comprehensive income for the three-month and six-month periods then ended, and the related consolidated statement of changes in shareholders' equity and cash flows for the six-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: 8 August 2022

Shangri-La Hotel Public Company Limited and its subsidiaries

Statement of financial position

As at 30 June 2022

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>		
	<u>Note</u>	<u>30 June 2022</u> (Unaudited but reviewed)	<u>31 December 2021</u> (Audited)	<u>30 June 2022</u> (Unaudited but reviewed)	<u>31 December 2021</u> (Audited)
Assets					
Current assets					
Cash and cash equivalents		1,457,994	1,352,193	119,908	52,947
Fixed deposits with financial institutions		852,600	957,600	830,000	935,000
Trade and other receivables	4	43,417	28,897	41,124	28,210
Inventories		19,074	20,297	19,074	20,297
Other current assets		<u>24,322</u>	<u>18,342</u>	<u>24,310</u>	<u>18,342</u>
Total current assets		<u>2,397,407</u>	<u>2,377,329</u>	<u>1,034,416</u>	<u>1,054,796</u>
Non-current assets					
Other non-current financial assets	6	463,106	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	1,165,539	1,113,630	-	-
Property, plant and equipment		3,329,345	3,416,582	3,327,492	3,414,729
Intangible assets		596	750	596	750
Deferred tax assets		202,092	199,661	199,508	199,508
Other non-current assets		<u>3,751</u>	<u>3,396</u>	<u>3,751</u>	<u>3,396</u>
Total non-current assets		<u>5,164,429</u>	<u>5,200,122</u>	<u>4,834,347</u>	<u>4,921,383</u>
Total assets		<u>7,561,836</u>	<u>7,577,451</u>	<u>5,868,763</u>	<u>5,976,179</u>

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 30 June 2022

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		30 June 2022 (Unaudited but reviewed)	31 December 2021 (Audited)	30 June 2022 (Unaudited but reviewed)	31 December 2021 (Audited)
Liabilities and shareholders' equity					
Current liabilities					
Trade and other payables		90,167	99,652	88,597	98,613
Short-term loans from related party	3	-	-	531,957	503,894
Income tax payable		457	2,185	-	-
Other current liabilities		134,992	95,380	134,992	95,380
Total current liabilities		225,616	197,217	755,546	697,887
Non-current liabilities					
Provision for long-term employee benefits		98,040	96,326	98,040	96,326
Deferred tax liabilities		9,433	8,604	-	-
Other non-current liabilities		21,840	24,138	21,840	24,138
Total non-current liabilities		129,313	129,068	119,880	120,464
Total liabilities		354,929	326,285	875,426	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		3,233,264	3,362,751	1,972,937	2,137,428
Other components of shareholders' equity		842,257	754,369	-	-
Equity attributable to owners of the Company		7,095,921	7,137,520	4,993,337	5,157,828
Non-controlling interests of the subsidiary		110,986	113,646	-	-
Total shareholders' equity		7,206,907	7,251,166	4,993,337	5,157,828
Total liabilities and shareholders' equity		7,561,836	7,577,451	5,868,763	5,976,179
		-	-	-	-

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

Directors

(Unaudited but reviewed)

Shangri-La Hotel Public Company Limited and its subsidiaries**Statement of comprehensive income****For the three-month period ended 30 June 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 or loss:					
Revenues					
Revenues from hotel operations		181,555	51,646	181,555	51,646
Exchange gains		12,991	-	-	-
Other income		5,005	14,111	1,207	3,454
Total revenues		<u>199,551</u>	<u>65,757</u>	<u>182,762</u>	<u>55,100</u>
Expenses					
Cost of hotel operations		82,545	53,130	82,545	53,130
Selling expenses		21,039	11,165	21,039	11,165
Administrative expenses		92,332	53,895	92,019	53,400
Depreciation and amortisation expenses		44,095	51,369	44,095	51,369
Exchange losses		-	11,613	-	-
Reversal allowance for expected credit losses of trade receivables		(83)	(86)	(83)	(86)
Total expenses		<u>239,928</u>	<u>181,086</u>	<u>239,615</u>	<u>168,978</u>
Operating loss		<u>(40,377)</u>	<u>(115,329)</u>	<u>(56,853)</u>	<u>(113,878)</u>
Share of losses from investments in associates		(11,067)	(3,520)	-	-
Finance income		9,125	7,849	1,270	1,696
Finance cost		-	-	(30,127)	(10,751)
Loss before income tax		<u>(42,319)</u>	<u>(111,000)</u>	<u>(85,710)</u>	<u>(122,933)</u>
Income tax benefits (expenses)		(1,061)	3,602	-	-
Loss for the period		<u>(43,380)</u>	<u>(107,398)</u>	<u>(85,710)</u>	<u>(122,933)</u>
Other comprehensive income:					
<i>Other comprehensive income to be reclassified</i>					
<i>to profit or loss in subsequent periods:</i>					
Exchange differences on translation of financial statements in foreign currency		114,130	74,608	-	-
Other comprehensive income to be reclassified to profit or loss in subsequent periods		<u>114,130</u>	<u>74,608</u>	<u>-</u>	<u>-</u>
<i>Other comprehensive income not to be reclassified</i>					
<i>to profit or loss in subsequent periods:</i>					
Gain on changes in value of equity investments designated at fair value through other comprehensive income - net of income tax		4,470	119,730	-	-
Other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of income tax		<u>4,470</u>	<u>119,730</u>	<u>-</u>	<u>-</u>
Total other comprehensive income for the period		<u>118,600</u>	<u>194,338</u>	<u>-</u>	<u>-</u>
Total comprehensive income for the period		<u>75,220</u>	<u>86,940</u>	<u>(85,710)</u>	<u>(122,933)</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 comprehensive income (continued)

For the three-month period ended 30 June 2022

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

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
Note	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Profit (loss) attributable to:				
Equity holders of the Company	(44,856)	(113,427)	<u>(85,710)</u>	<u>(122,933)</u>
Non-controlling interests of the subsidiary	<u>1,476</u>	<u>6,029</u>		
	<u>(43,380)</u>	<u>(107,398)</u>		
Total comprehensive income attributable to:				
Equity holders of the Company	74,262	26,217	<u>(85,710)</u>	<u>(122,933)</u>
Non-controlling interests of the subsidiary	<u>958</u>	<u>60,723</u>		
	<u>75,220</u>	<u>86,940</u>		
Earnings per share				
Basic earnings (loss) per share	7			
Loss attributable to equity holders of the Company	<u>(0.35)</u>	<u>(0.87)</u>	<u>(0.66)</u>	<u>(0.95)</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 comprehensive income****For the six-month period ended 30 June 2022**

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

	Note	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
		<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Profit or loss:					
Revenues					
Revenues from hotel operations		304,695	126,609	304,695	126,609
Exchange gains		13,032	-	-	-
Other income		8,233	14,802	4,435	4,145
Total revenues		<u>325,960</u>	<u>141,411</u>	<u>309,130</u>	<u>130,754</u>
Expenses					
Cost of hotel operations		150,097	113,121	150,097	113,121
Selling expenses		39,015	25,153	39,015	25,153
Administrative expenses		171,037	120,124	170,395	119,358
Depreciation and amortisation expenses		88,717	103,077	88,717	103,077
Exchange losses		-	10,230	-	-
Reversal allowance for expected credit losses of trade receivables		(113)	(202)	(113)	(202)
Total expenses		<u>448,753</u>	<u>371,503</u>	<u>448,111</u>	<u>360,507</u>
Operating loss		<u>(122,793)</u>	<u>(230,092)</u>	<u>(138,981)</u>	<u>(229,753)</u>
Share of losses from investments in associates	3	(20,156)	(6,969)	-	-
Finance income		16,381	15,408	2,553	3,527
Finance cost		-	-	(28,063)	(30,227)
Loss before income tax		<u>(126,568)</u>	<u>(221,653)</u>	<u>(164,491)</u>	<u>(256,453)</u>
Income tax benefits (expenses)		(1,430)	30,230	-	26,731
Loss for the period		<u>(127,998)</u>	<u>(191,423)</u>	<u>(164,491)</u>	<u>(229,722)</u>
Other comprehensive income:					
<i>Other comprehensive income to be reclassified</i>					
<i>to profit or loss in subsequent periods:</i>					
Exchange differences on translation of financial statements in foreign currency		101,989	168,458	-	-
Other comprehensive income to be reclassified to profit or loss in subsequent periods		101,989	168,458	-	-
<i>Other comprehensive income not to be reclassified</i>					
<i>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		(18,250)	154,398	-	-
Other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of income tax		(18,250)	154,398	-	-
Total other comprehensive income for the period		<u>83,739</u>	<u>322,856</u>	<u>-</u>	<u>-</u>
Total comprehensive income for the period		<u>(44,259)</u>	<u>131,433</u>	<u>(164,491)</u>	<u>(229,722)</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 comprehensive income (continued)

For the six-month period ended 30 June 2022

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

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
Note	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Profit (loss) attributable to:				
Equity holders of the Company	(129,487)	(197,446)	<u>(164,491)</u>	<u>(229,722)</u>
Non-controlling interests of the subsidiary	<u>1,489</u>	<u>6,023</u>		
	<u>(127,998)</u>	<u>(191,423)</u>		
Total comprehensive income attributable to:				
Equity holders of the Company	(41,599)	70,716	<u>(164,491)</u>	<u>(229,722)</u>
Non-controlling interests of the subsidiary	<u>(2,660)</u>	<u>60,717</u>		
	<u>(44,259)</u>	<u>131,433</u>		
Earnings per share				
Basic earnings (loss) per share	7			
Loss attributable to equity holders of the Company	<u>(1.00)</u>	<u>(1.52)</u>	<u>(1.27)</u>	<u>(1.77)</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

For the six-month period ended 30 June 2022

(Unit: Thousand Baht)

Consolidated financial statements										
Equity attributable to owners of the Company										
				Other components of shareholders' equity						
				Other comprehensive income						
				Exchange						
				differences on						
				translation of						
				financial						
				statements in						
				foreign currency						
				Fair value						
				reserve -						
				net of income tax						
				Total other						
				components of						
				shareholders'						
				equity						
				Total equity						
				attributable to						
				owners of						
				the Company						
				Equity attributable						
				to non-controlling						
				interests of						
				the subsidiary						
				Total						
				shareholders'						
				equity						
Issued and	Share premium	Retained earnings		foreign currency	net of income tax	equity	the Company	the subsidiary	equity	
fully paid-up		Appropriated	Unappropriated							
share capital										
Balance as at 1 January 2021	1,300,000	1,590,400	130,000	3,842,243	499,138	(43,136)	456,002	7,318,645	62,361	7,381,006
Profit or loss for the period	-	-	-	(197,446)	-	-	-	(197,446)	6,023	(191,423)
Other comprehensive income for the period	-	-	-	-	168,458	99,704	268,162	268,162	54,694	322,856
Total comprehensive income for the period	-	-	-	(197,446)	168,458	99,704	268,162	70,716	60,717	131,433
Transfer gain on changes in fair value of equity instruments sold to retained earnings	-	-	-	22,981	-	(22,981)	(22,981)	-	-	-
Balance as at 30 June 2021	<u>1,300,000</u>	<u>1,590,400</u>	<u>130,000</u>	<u>3,667,778</u>	<u>667,596</u>	<u>33,587</u>	<u>701,183</u>	<u>7,389,361</u>	<u>123,078</u>	<u>7,512,439</u>
Balance as at 1 January 2022	1,300,000	1,590,400	130,000	3,362,751	784,658	(30,289)	754,369	7,137,520	113,646	7,251,166
Profit or loss for the period	-	-	-	(129,487)	-	-	-	(129,487)	1,489	(127,998)
Other comprehensive income for the period	-	-	-	-	101,989	(14,101)	87,888	87,888	(4,149)	83,739
Total comprehensive income for the period	-	-	-	(129,487)	101,989	(14,101)	87,888	(41,599)	(2,660)	(44,259)
Balance as at 30 June 2022	<u>1,300,000</u>	<u>1,590,400</u>	<u>130,000</u>	<u>3,233,264</u>	<u>886,647</u>	<u>(44,390)</u>	<u>842,257</u>	<u>7,095,921</u>	<u>110,986</u>	<u>7,206,907</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 six-month period ended 30 June 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	-	-	-	(229,722)	(229,722)
Balance as at 30 June 2021	<u>1,300,000</u>	<u>1,590,400</u>	<u>130,000</u>	<u>2,278,614</u>	<u>5,299,014</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	-	-	-	(164,491)	(164,491)
Balance as at 30 June 2022	<u>1,300,000</u>	<u>1,590,400</u>	<u>130,000</u>	<u>1,972,937</u>	<u>4,993,337</u>

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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 six-month period ended 30 June 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	(126,568)	(221,653)	(164,491)	(256,453)
Adjustments to reconcile loss before tax to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	88,717	103,077	88,717	103,077
Reversal allowance for expected credit loss of trade receivables	(113)	(207)	(113)	(207)
Reversal reduction of inventory to net realisable value	(304)	-	(304)	-
Share of losses from investments in associates	20,156	6,969	-	-
Gain on disposals of equipment	(161)	(27)	(161)	(27)
Provision for long-term employee benefits	4,139	3,864	4,139	3,864
Dividend income	(3,798)	(10,658)	-	-
Unrealised loss on exchange	-	-	28,063	30,227
Finance income	(16,381)	(15,408)	(2,553)	(3,527)
Loss from operating activities before changes in operating assets and liabilities	(34,313)	(134,043)	(46,703)	(123,046)
Operating assets (increase) decrease				
Trade and other receivables	(12,686)	12,739	(12,686)	12,739
Inventories	1,527	2,172	1,527	2,172
Other current assets	(4,800)	2,222	(4,788)	2,212
Other non-current assets	(355)	403	(355)	403
Operating liabilities increase (decrease)				
Trade and other payables	(9,485)	(24,939)	(10,016)	(24,408)
Other current liabilities	39,612	(2,618)	39,612	(2,622)
Provision for long-term employee benefits	(2,425)	(1,087)	(2,425)	(1,087)
Other non-current liabilities	(2,298)	(1,491)	(2,298)	(1,491)
Cash flows used in operating activities	(25,223)	(146,642)	(38,132)	(135,128)
Cash paid for corporate income tax	(3,743)	(3,575)	(1,180)	(1,128)
Net cash flows used in operating activities	(28,966)	(150,217)	(39,312)	(136,256)

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 six-month period ended 30 June 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 investing activities				
Decrease in fixed deposits with financial institutions	105,000	129,000	105,000	129,000
Cash received from interest income	4,671	4,853	2,438	3,669
Dividend income	3,798	10,658	-	-
Proceeds from sales of other non-current financial assets	-	87,778	-	-
Acquisitions of property, plant and equipment	(975)	(6,223)	(975)	(6,223)
Acquisitions of intangible assets	(352)	-	(352)	-
Proceeds from disposals of equipment	162	33	162	33
Net cash flows from investing activities	112,304	226,099	106,273	126,479
Increase (decrease) in translation adjustments	(8,098)	12,628	-	-
Net increase (decrease) in cash and cash equivalents	75,240	88,510	66,961	(9,777)
Effects of exchange rate changes on cash and cash equivalents	30,561	57,033	-	-
Cash and cash equivalents at beginning of period	1,352,193	1,162,613	52,947	59,731
Cash and cash equivalents at end of period	1,457,994	1,308,156	119,908	49,954
	-		-	

Supplemental cash flows information

Non-cash item

Purchase of plant and equipment for which no cash
has been paid

- 1,309 - 1,309

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 and six-month periods ended 30 June 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 30 June			
	Consolidated		Separate	
	financial statements	financial statements	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>				
Revenues from hotel operations	11	9	11	9
Management fees	7	4	7	4
Marketing and promotion fees	2	-	2	-
Advertising and reservation fees	3	2	3	2

(Unaudited but reviewed)

(Unit: Million Baht)

	For the six-month periods ended 30 June			
	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	10	10	-	-
<u>Transactions with related companies</u>				
Revenues from hotel operations	21	19	21	19
Management fees	13	8	13	8
Marketing and promotion fees	3	1	3	1
Advertising and reservation fees	5	4	5	4
Training fees	1	1	1	1

The balances of the accounts between the Company and these related companies as at 30 June 2022 and 31 December 2021 are as follows:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 June	31 December	30 June	31 December
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
		(Audited)		(Audited)
<u>Trade receivables - related parties (Note 4)</u>				
Related companies				
Others	1,168	1,079	1,168	1,079
Total trade receivables - related parties	<u>1,168</u>	<u>1,079</u>	<u>1,168</u>	<u>1,079</u>
<u>Other receivables - related parties (Note 4)</u>				
Associated company				
Traders Yangon Company Limited	-	34	-	34
Related companies				
Shangri-La International Hotel Management Pte., Ltd.	2,070	4,562	2,070	4,562
Others	411	810	411	810
Total other receivables - related parties	<u>2,511</u>	<u>5,406</u>	<u>2,511</u>	<u>5,406</u>

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 June	31 December	30 June	31 December
	2022	2021	2022	2021
		(Audited)		(Audited)
<u>Long-term loans to and interest receivables</u>				
<u>from related parties</u>				
Associated companies				
Non-interest bearing				
Traders Square Company Limited	47,845	45,301	-	-
	<u>47,845</u>	<u>45,301</u>	<u>-</u>	<u>-</u>
Interest bearing				
Traders Yangon Company Limited	574,428	543,879	-	-
Shangri-La Yangon Company Limited	854,625	803,512	-	-
Traders Square Company Limited	881,405	830,296	-	-
	<u>2,310,458</u>	<u>2,177,687</u>	<u>-</u>	<u>-</u>
Total	2,358,303	2,222,988	-	-
Less: Allowance for impairment losses on financial assets (Note 5)	<u>(894,649)</u>	<u>(847,071)</u>	<u>-</u>	<u>-</u>
Total	1,463,654	1,375,917	-	-
Less: Share of losses from investments in associates (Note 5)	<u>(298,115)</u>	<u>(262,287)</u>	<u>-</u>	<u>-</u>
Total long-term loans to and interest receivables from related parties - net	<u>1,165,539</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	
	30 June	31 December	30 June	31 December
	2022	2021	2022	2021
		(Audited)		(Audited)
<u>Other payables - related parties</u>				
Related companies				
Shangri-La International Hotel Management Pte., Ltd.	20,941	22,182	20,856	22,103
Shangri-La International Hotel Management Limited	-	2,739	-	2,739
Other	315	92	26	92
Total other payables - related parties	21,256	25,013	20,882	24,934

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

Hasfield Holdings Pte., Ltd.	-	-	531,957	503,894
Total short-term loans from related party	-	-	531,957	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 30 June 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	-	-	2,544	47,845
Interest bearing					
Traders Yangon Company Limited	543,879	-	-	30,549	574,428
Shangri-La Yangon Company Limited	803,512	5,715	-	45,398	854,625
Traders Square Company Limited	830,296	4,274	-	46,835	881,405
Total	2,222,988	9,989	-	125,326	2,358,303
Less: Allowance for impairment losses on financial assets	(847,071)	-	-	(47,578)	(894,649)
Total	1,375,917	9,989	-	77,748	1,463,654
Less: Cumulative share of losses from investments in associates (Note 5)	(262,287)	(20,156)	-	(15,672)	(298,115)
Total long-term loans to and interest receivables from related parties - net	1,113,630	(10,167)	-	62,076	1,165,539

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Separate financial statements			
	Balance as at 1 January 2022	Increase during the period	Decrease during the period Loss on exchange	Balance as at 30 June 2022
<u>Short-term loans from related party</u>				
Subsidiary				
Hasfield Holdings Pte., Ltd.	503,894	-	- 28,063	531,957
Total short-term loans from related party	503,894	-	- 28,063	531,957

Directors and management's benefits

(Unit: Thousand Baht)

For the three-month periods ended 30 June

	Consolidated financial statements /Separate financial statements	
	<u>2022</u>	<u>2021</u>
Short-term employee benefits	10,320	8,929
Post-employment benefits	752	598
Total	11,072	9,527

(Unit: Thousand Baht)

For the six-month periods ended 30 June

	Consolidated financial statements /Separate financial statements	
	<u>2022</u>	<u>2021</u>
Short-term employee benefits	21,381	17,759
Post-employment benefits	1,504	1,271
Total	22,885	19,030

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	
	30 June	31 December	30 June	31 December
	2022	2021	2022	2021
		(Audited)		(Audited)
<u>Trade receivables - related parties</u> (Note 3)				
Age on the basis of invoice date				
Less than 120 days	1,168	1,079	1,168	1,079
Total trade receivables - related parties	1,168	1,079	1,168	1,079
<u>Trade receivables - unrelated parties</u>				
Age on the basis of invoice date				
Less than 120 days	35,667	20,327	35,667	20,327
120 - 180 days	239	-	239	-
Over 180 days	3,425	3,479	3,425	3,479
Total	39,331	23,806	39,331	23,806
Less: Allowance for expected credit losses	(3,366)	(3,479)	(3,366)	(3,479)
Total trade receivables - unrelated parties, net	35,965	20,327	35,965	20,327
Total trade receivables - net	37,133	21,406	37,133	21,406
<u>Other receivables</u>				
Other receivables - related parties (Note 3)	2,511	5,406	2,511	5,406
Other receivables - unrelated parties	214	247	213	247
Interest receivables	3,559	1,838	1,267	1,151
Total other receivables	6,284	7,491	3,991	6,804
Total trade and other receivables - net	43,417	28,897	41,124	28,210

5. Investments in associates

5.1 Details of associates:

(Unit: Thousand Baht)

Company's name	Nature of business	Country of incorporation	Consolidated financial statements							
			Paid-up capital as at		Shareholding percentage		Cost		Carrying amounts based on equity method	
			30 June	31 December	30 June	31 December	30 June	31 December	30 June	31 December
			2022	2021	2022	2021	2022	2021	2022	2021
				(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	31,558	29,880	-	-
Shangri-La Yangon Company Limited	Serviced apartments	Myanmar	USD 2.0 million	USD 2.0 million	22.22	22.22	18,662	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	744	705	-	-
Total							50,964	48,254	-	-

5.2 Summarised financial information of associates

The financial information of these associated companies for three-month and six-month periods ended 30 June 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	
	30 June	31 December	30 June	31 December	30 June	31 December
	2022	2021	2022	2021	2022	2021
Total assets	1,246,198	1,216,455	3,404,450	3,304,132	3,742,601	3,603,087
Total liabilities	(3,975,411)	(3,686,739)	(4,033,629)	(3,858,175)	(4,496,916)	(4,271,816)
Net (liabilities)/assets	(2,729,213)	(2,470,284)	(629,179)	(554,043)	(754,315)	(668,729)

(Unaudited but reviewed)

(Unit: Thousand Baht)

For the three-month periods ended 30 June

	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	<u>3,588</u>	<u>1,163</u>	<u>52,350</u>	<u>74,449</u>	<u>67,316</u>	<u>67,459</u>
Profit (loss)	<u>(56,247)</u>	<u>(48,464)</u>	<u>(23,635)</u>	<u>9,410</u>	<u>(24,684)</u>	<u>(23,816)</u>

(Unit: Thousand Baht)

For the six-month periods ended 30 June

	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	<u>5,862</u>	<u>6,817</u>	<u>103,159</u>	<u>151,719</u>	<u>129,475</u>	<u>139,985</u>
Profit (loss)	<u>(108,082)</u>	<u>(100,814)</u>	<u>(42,056)</u>	<u>11,309</u>	<u>(45,887)</u>	<u>(40,246)</u>

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.

(Unaudited but reviewed)

(Unit: Thousand Baht)

Consolidated financial statements

As at 30 June 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	(2,729,213)	(629,179)	(754,315)	(4,112,707)
Shareholding percentage (Percent)	23.53%	22.22%	23.56%	
The Group's interests in associates	(642,184)	(139,804)	(177,717)	(959,705)
<u>Investments in associates</u>				
Ordinary shares, at cost	31,558	18,662	744	50,964
Less: Cumulative share of losses from investments in associates	(31,558)	(18,662)	(744)	(50,964)
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	574,428	854,625	929,250	2,358,303
Less: Impairment losses on financial assets	(574,428)	(49,556)	(270,665)	(894,649)
Total - net	-	805,069	658,585	1,463,654
Less: Cumulative share of losses from investments in associates	-	(121,142)	(176,973)	(298,115)
Total long-term loans to and interest receivables from related parties - net	-	683,927	481,612	1,165,539
Unrecognised cumulative share of losses from investments in associates	(610,626)	-	-	(610,626)

(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)

6. Other non-current financial assets

(Unit: Thousand Baht)

	Consolidated financial statements	
	30 June 2022	31 December 2021
		(Audited)
<u>Equity instruments designated at FVOCI</u>		
Listed equity instruments		
Shangri-La Asia Limited - related party	300,533	291,375
Don Muang Tollway Public Company Limited	162,573	174,728
Total equity instruments designated at FVOCI	463,106	466,103

Movements of the equity instruments designated at FVOCI during the six-month period ended 30 June 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	(8,526)	(12,155)	(20,681)
Translation adjustment	17,684	-	17,684
Fair value as at 30 June 2022	300,533	162,573	463,106

During the current period, the subsidiary received dividends amounting to Baht 3.8 million from Don Muang Tollway Public Company Limited.

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 and six-month periods ended 30 June 2022 and 2021.

(Unit: Million Baht)

	For the three-month periods ended 30 June											
	Hotel business				Holding		Total segments		Adjustments and		Consolidated	
	Hotel in Bangkok		Hotel in Chiangmai		Investment				eliminations			
	<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	148	40	34	12	-	-	182	52	-	-	182	52
Total revenues	148	40	34	12	-	-	182	52	-	-	182	52
Operating results												
Segment gross profit (loss)	83	-	16	(2)	-	-	99	(2)	-	-	99	(2)
Other income	1	3	-	-	4	11	5	14	-	-	5	14
Depreciation and amortisation expenses	(25)	(31)	(19)	(20)	-	-	(44)	(51)	-	-	(44)	(51)
Exchange gains (losses)	-	-	-	-	43	-	43	-	(30)	(11)	13	(11)
Share of losses from investments in associates	-	-	-	-	(11)	(4)	(11)	(4)	-	-	(11)	(4)
Finance income	1	2	-	-	8	5	9	7	-	-	9	7
Finance cost	(30)	(11)	-	-	-	-	(30)	(11)	30	11	-	-
Profit (loss) before income tax	(54)	(86)	(31)	(37)	43	12	(42)	(111)	-	-	(42)	(111)
Income tax benefits	-	-	-	-	(1)	4	(1)	4	-	-	(1)	4
Profit (loss) for the period	(54)	(86)	(31)	(37)	42	16	(43)	(107)	-	-	(43)	(107)

(Unaudited but reviewed)

(Unit: Million Baht)

For the six-month periods ended 30 June

	Hotel business											
	Hotel in Bangkok		Hotel in Chiangmai		Holding Investment		Total segments		Adjustments and eliminations		Consolidated	
	<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	246	99	59	28	-	-	305	127	-	-	305	127
Total revenues	<u>246</u>	<u>99</u>	<u>59</u>	<u>28</u>	<u>-</u>	<u>-</u>	<u>305</u>	<u>127</u>	<u>-</u>	<u>-</u>	<u>305</u>	<u>127</u>
Operating results												
Segment gross profit	129	12	26	1	-	-	155	13	-	-	155	13
Other income	4	4	-	-	4	11	8	15	-	-	8	15
Depreciation and amortisation expenses	(51)	(62)	(38)	(41)	-	-	(89)	(103)	-	-	(89)	(103)
Exchange gains (losses)	-	-	-	-	41	20	41	20	(28)	(30)	13	(10)
Share of losses from investments in associates	-	-	-	-	(20)	(7)	(20)	(7)	-	-	(20)	(7)
Finance income	3	4	-	-	13	11	16	15	-	-	16	15
Finance cost	(28)	(30)	-	-	-	-	(28)	(30)	28	30	-	-
Profit (loss) before income tax	<u>(100)</u>	<u>(181)</u>	<u>(64)</u>	<u>(76)</u>	<u>37</u>	<u>35</u>	<u>(127)</u>	<u>(222)</u>	<u>-</u>	<u>-</u>	<u>(127)</u>	<u>(222)</u>
Income tax benefits (expenses)	-	19	-	8	(1)	4	(1)	31	-	-	(1)	31
Profit (loss) for the period	<u>(100)</u>	<u>(162)</u>	<u>(64)</u>	<u>(68)</u>	<u>36</u>	<u>39</u>	<u>(128)</u>	<u>(191)</u>	<u>-</u>	<u>-</u>	<u>(128)</u>	<u>(191)</u>

9. Commitments and contingent liabilities

9.1 Capital commitments

As at 30 June 2022, the Company had capital commitments of approximately Baht 61 million (31 December 2021: Baht 51 million), relating to the construction and renovation of the hotel building and acquisition of machinery.

9.2 Guarantees

- (1) As at 30 June 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 30 June 2022, the Company has the Counter Indemnity Agreement with the parent company to indemnify the contingent liability relating to loan facilities of its associated company, Traders Yangon Company Limited, in proportion to the subsidiary's shareholding not exceeding USD 11.77 million. (31 December 2021: the Company has 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 30 June 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
	30 June	31 December	30 June	31 December	30 June	31 December
	2022	2021	2022	2021	2022	2021
	(Million)	(Million)	(Million)	(Million)	(Baht per 1 foreign currency unit)	
		(Audited)		(Audited)		
US dollar	38	38	-	-	35.2970	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
	30 June	31 December	30 June	31 December	30 June	31 December
	2022	2021	2022	2021	2022	2021
	(Million)	(Million)	(Million)	(Million)	(Baht per 1 foreign currency unit)	
		(Audited)		(Audited)		
US dollar	-	-	15	15	35.2970	33.4199

11. Approval of interim financial statements

These interim financial statements were authorised for issue by the Company's Board of Directors on 8 August 2022.

To : Managing Director
The Stock Exchange of Thailand

Date : August 8, 2022

Re : Management Discussion and Analysis for the period ended June 30, 2022

The Board of Directors is pleased to announce the Company's results of operation for the period ended June 30, 2022 as follows: -

Net loss after corporate income tax for the three-month period ended June 30, 2022 and 2021:

(Baht in million)	<u>2022</u>	<u>2021</u>	<u>Change</u>
The Company	85.71	122.93	(30.28) %
Consolidated	44.86	113.43	(60.45) %

The Company:

The Company's loss before corporate income tax benefits for the three-month period ended June 30, 2022 decreased by Baht 37.22 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 31.37 million and decrease in loss of Shangri-La Hotel, Chiang Mai ("SLCM") by Baht 5.85 million.

Revenues from hotel operations of SLBK increased by Baht 108.03 million from Baht 39.93 million to Baht 147.96 million mainly due to the increase in all types of revenue including room, food & beverages and other revenue resulting from relaxation of Thailand travel restrictions in May 2022. Gross Profit before expenses increased by Baht 83.27 million. Selling and administrative expenses increased by Baht 7.49 million and Baht 27.98 million, respectively. Depreciation expense decreased by Baht 5.74 million against last year. Finance cost increased by Baht 19.80 million mainly due to weakening of Thai Baht currency against US Dollar. As a result, the loss before corporate income tax benefits decreased by Baht 31.37 million from Baht 85.81 million to Baht 54.44 million.

Loss before corporate income tax benefits of SLCM decreased by Baht 5.85 million as compared to 2021, mainly attributed to higher revenues from hotel operations by Baht 21.89 million from Baht 11.71 million to Baht 33.60 million as a result of higher occupancy. Gross Profit before expenses increased by Baht 17.23 million. Selling and administrative expenses increased by Baht 2.39 million and Baht 10.64 million, respectively. Depreciation Expenses decreased by Baht 1.54 million against last year. As a result, the loss before corporate income tax benefits decreased by Baht 5.85 million from Baht 37.12 million to Baht 31.27 million.

Consequently, the total loss of SLBK and SLCM before corporate income tax benefits decreased by Baht 37.22 million from Baht 122.93 million to Baht 85.71 million. The Company recorded a net loss after tax benefits of Baht 85.71 million for the three-month period ended June 30, 2022 compared to Baht 122.93 million last year (decreased by 30.28%).

Consolidated:

The consolidated loss before corporate income tax benefits for three-month period ended June 30, 2022 decreased by Baht 68.68 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 37.22 million and increase in profit from subsidiaries by Baht 31.46 million. The increase in profit of subsidiaries was largely due to the increase in exchange gain from loan to a related company and the dividend income from Don Muang Tollway Public Company Limited. As a result, the corporate income tax benefits decreased by Baht 4.66 million mainly as a result of lower loss from the Company. Overall, the consolidated net loss after tax benefits attributable to the equity holders of the Company for the three-month period ended June 30, 2022 decreased by Baht 68.57 million against last year (decreased by 60.45%).

Net loss after corporate income tax for the six-month period ended June 30, 2022 and 2021:

(Baht in million)	<u>2022</u>	<u>2021</u>	<u>Change</u>
The Company	164.49	229.72	(28.40%)
Consolidated	129.49	197.45	(34.42%)

The Company:

The Company's loss before corporate income tax benefits for the six-month period ended June 30, 2022 decreased by Baht 91.96 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 80.44 million and decrease in loss of Shangri-La Hotel, Chiang Mai ("SLCM") by Baht 11.52 million.

Revenues from hotel operations of SLBK increased by Baht 146.96 million from Baht 98.67 million to Baht 245.63 million mainly due to the decrease in all types of revenue including room, food & beverages and other revenue resulting from higher occupancy and catering revenue due to restrictions were gradually relaxed. Gross Profit before expenses increased by Baht 116.41 million. Selling and administrative expenses increased by Baht 10.80 million and Baht 37.72 million, respectively. Depreciation expense decreased by Baht 11.23 million against last year. Finance cost decreased by Baht 1.19 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 80.44 million from Baht 180.93 million to Baht 100.49 million.

Loss before corporate income tax benefits of SLCM decreased by Baht 11.52 million as compared to 2021, mainly attributed to higher revenues from hotel operations by Baht 31.13 million from Baht 27.93 million to Baht 59.06 million as a result of higher room occupancy and average room rates in 2022 due to relaxation of Thailand travel restrictions and government stimulus program to drive domestic demand. Gross Profit before expenses increased by Baht 24.70 million. Selling and administrative expenses increased by Baht 3.06 million and Baht 13.41 million, respectively. Depreciation Expenses decreased by Baht 3.13 million against last year. As a result, the loss before corporate income tax benefits decreased by Baht 11.52 million from Baht 75.52 million to Baht 64.00 million.

Consequently, the total loss of SLBK and SLCM before corporate income tax benefits decreased by Baht 91.96 million from Baht 256.45 million to Baht 164.49 million. The corporate income tax benefits decreased by Baht 26.73 million as compared to 2021 due to lower loss before income tax in 2022. The Company recorded a net loss after tax benefits of Baht 164.49 million for the six-month period ended June 30, 2022 compared to loss of Baht 229.72 million last year (decreased by 28.40%).

Consolidated:

The consolidated loss before corporate income tax benefits for the six-month period ended June 30, 2022 decreased by Baht 95.08 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 91.96 million and increase in profit from subsidiaries by Baht 3.12 million. The increase in profit of subsidiaries was largely due to the increase in exchange gain from loan to a related company. As a result, the corporate income tax benefits decreased by Baht 31.66 million. Overall, the consolidated net loss after tax benefits attributable to the equity holders of the Company for the six-month period ended June 30, 2022 decreased by Baht 67.96 million against last year (decreased by 34.42%).

Yours faithfully,

(Mrs. Pavinee Meensuk)
Director

Headline: Financial Performance Quarter 2 (F45) (Reviewed)

Security Symbol: SHANG

Announcement Details

Financial Statement (F45)

Company name	SHANGRI-LA HOTEL PUBLIC COMPANY LIMITED
Quarter	Quarter 2

(In thousands)

Financial Statement	Quarter 2		For 6 Months	
Status	Reviewed		Reviewed	
Ending	30 June		30 June	
Year	2022	2021	2022	2021
Profit (loss) attributable to equity holders of the Company *	(44,856)	(113,427)	(129,487)	(197,446)
EPS (baht)	(0.35)	(0.87)	(1.00)	(1.52)

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

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