



Airport



Cha am



Pattaya



ASIA HOTEL GROUP

ASIA HOTEL GROUP ANNUAL REPORT

2020



Bangkok



Darley Hotel
Chiangmai



Ratchapruet
Inna Boutique



Quality Inn
Long Beach - Signal Hill

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Definition

ASIA	means	Asia Hotel Public Company Limited
AP	”	Asia Pattaya Hotel Co., Ltd.
AA	”	Asia Airport Hotel Co., Ltd.
ZP	”	Zeer Property Public Company Limited
ZA	”	Zeer Asset Co., Ltd.
ZO	”	Zeer Oversea LLC.
SPA	”	Spa Hotel Co., Ltd.
ABK	”	A.B.K. Enterprise Co., Ltd.
DM	”	Don Muang Grand Plaza Co., Ltd.

Message from Chairman

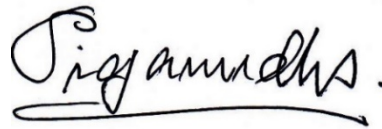
In 2020, the world is facing the challenging pandemic of Coronavirus (COVID-19) which has greatly impacted the tourism sector, together with the economic activities. To prevent and slow down the spread of the COVID-10, the government announced the lockdown restrictions and temporary closure of non-essential businesses during quarter 2. Indeed, the local transmissions and infections had been controlled. However, by the end of 2020, there was a new outbreak again.

Asia Hotel Public Company Limited and its subsidiaries have been impacted by the COVID-19 pandemic. Of the eight hotels, seven hotels in Thailand were temporarily closed during April-June 2020, yet, the hotel located in the US was still operating. Zeer Rangsit Shopping Center was temporarily closed at the end of March and was reopened in mid-May 2020. Certainly, for shopping malls, rent collection measures are offered to sustain tenants in this challenging environment. Together, these temporary closures and measures caused a decrease in the group revenue.

In July 2020, the six hotels in Thailand were reopened, the management of the Asia Hotel Group has added measures to accommodate and mitigate the impact. Importantly, cost control strategy includes controlling energy costs as well as reducing operating costs to sustain the hotel business. As a result, the Asia Hotel Group has sufficient operating cash flow to cover their expenses and interest on loans. Readily, the revolving credit line is offered from financial institutions for Asia Hotel Group if necessary, to accommodate the impact of this crisis steadily.

In 2021, Globally and locally, the government has eagerly prepared various measures to prevent and slow down the spread of COVID-19. The focus includes the speed of production, procurement of the vaccine, and vaccination rollout. Confidently, the tourism sector and economic conditions passed the lowest point and are expected to recover by the end of 2021.

On behalf of the Board of Directors and the management of Asia Hotel Group, I would like to sincerely thank you shareholders and all stakeholders who have always support and trust us all along.



Piyawudh Senapoopitaksa
Chairman

BOARD OF DIRECTOR



นายปิยะวุฒิ เสนาภู่พิทักษ์
MR. PIYAWUDH SENAPOOTAKSA
ประธานกรรมการ (นกรรมการอิสระ)
CHAIRMAN (INDEPENDENT DIRECTOR)



นายอมร เตชะหฐวิจิตร
MR. AMORN TECHARUVICHIT
รองประธานกรรมการ
VICE CHAIRMAN
(ตั้งถิ่นฐานเมื่อ 22 สิงหาคม 2563)



นายสุรพล เตชะหฐวิจิตร
MR. SURAPOL TECHARUVICHIT
ประธานเจ้าหน้าที่บริหาร
CHIEF EXECUTIVE OFFICER



นายสุรพงษ์ เตชะหฐวิจิตร
MR. SURAPONG TECHARUVICHIT
กรรมการผู้จัดการ
MANAGING DIRECTOR



นางสุวิมล เตชะหฐวิจิตร
MRS. SUMIMOL TECHARUVICHIT
กรรมการ
DIRECTOR



นางพรพรรณ ตันอริยกุล
MRS. PORNPUN TANARIYAKUL
กรรมการรองผู้จัดการ
DEPUTY MANAGING DIRECTOR



นางอ้อยทิพย์ เหราบัตย์
MRS. OYETIP HAYRABUT
กรรมการรองผู้จัดการ
DEPUTY MANAGING DIRECTOR



นายสมบัติ พุฒิปพัฒนศิริญกุล
MR. SOMBUT PUIPATHIRUNKUL
กรรมการ (นกรรมการอิสระ)
DIRECTOR (INDEPENDENT DIRECTOR)



นายสุวัฒน์ ดุสิตโรจนวงศ์
MR. SUVAT DUSTROJANAWONGSE
กรรมการ (นกรรมการอิสระ)
DIRECTOR (INDEPENDENT DIRECTOR)



นางรุชร สิริโยธิน
MRS. RUCHUKORN SIRIYODHIN
กรรมการ (นกรรมการอิสระ)
DIRECTOR (INDEPENDENT DIRECTOR)



ดร.โชติมา พัวศิริ
DR. CHOTIMA PUASIRI
กรรมการ (นกรรมการอิสระ)
DIRECTOR (INDEPENDENT DIRECTOR)



นายพลภัทร เตชะหฐวิจิตร
MR. POLPAT TECHARUVICHIT
กรรมการ
DIRECTOR



นางสาวกชชา เตชะหฐวิจิตร
MISS PATCHA TECHARUVICHIT
กรรมการ
DIRECTOR

PART 1
Business Operation

1. Policy and the Overall picture of the business operation

The Company: Asia Hotel Public Company Limited (ASIA)
 Business Type: There are two types of the business including Hotel and restaurant business and Shopping Center business (Rental Area Business).

Hotel and Restaurant Business

Includes Asia Hotel Public Company Limited that manages “ASIA” located at Phayathai Road, Ratchathevi, Bangkok.

Asia Pattaya Hotel Company Limited (AP), a subsidiary company that manages “AP” located at PhraTamnak Hill, Pattaya, Chonburi.

Asia Airport Hotel Company Limited (AA), a subsidiary company that manages 4 hotels “Asia Airport Hotel” located at Zeer Rangsit Building, Phaholyothin Roadside, Lamlukka District, Pathumthani “Asia Cha-am Hotel” located at Cha-am seaside, Petchaburi Province, “The Darley Hotel Chiangmai” located at Chang Moi Ampue Mueang, Chiang Mai and Ratchapruek Lanna Boutique” located Ampue Hang dong, Chiang Mai.

Shopping Center Business (Rental Area Business)

Includes the Zeer Property Public Company Limited (ZP), a subsidiary company that manages “Zeer Rangsit Shopping Center” located at Phaholyothin Road, LamlukkaDistric, Pathumthani. ZP has other 3 subsidiary companies running real estate business such as

1. Zeer Asset Company Limited (ZA) runs real estate business and rents “Ratchapruek Lanna Boutique Hotel”
2. ZEER OVERSEA LLC (ZO) runs the shopping center business at Los Angeles, USA, and manages hotel business in USA. “Quality Inn Long Beach - Signal Hill” located Signal Hill, CA. USA.
3. Spa Hotel Company Limited. (SPA) is also a real estate business running a shopping mall “Laan Sook Plaza” which the construction improvement project will be completed by quarter 2 of 2020 and “The Darley Hotel Chiangmai” at Chang Moi, Amphoe Mueang, Chiang Mai. Both projects will be completed and beready to open for service in mid - 2021.

1.1 Vision

The Company Policy on the hotel and restaurant business is to maintain the standard of a four star level, emphasize on providing the impressive service to every level of clients with the social and environmental responsibility, continuously improve and develop knowledge and give precedence to all stakeholder groups for sustainable business success.

Hotel and Restaurant Business: the objective is to support targeted clients at business location of each hotel including:

Asia Hotel, Rajathevee: it was established in 1966. It is well known and popular for several years because it is located near high-end shopping centers such as Siam Paragon, Siam Center, Siam Discovery and Marboonkrong Shopping Center where you will find various stores for wholesale or retail, IT products at high price or second hand price. The Hotel building is also connected to the BTS at “Ratchathevi Station” making it most convenient and safe for tourist who traveling alone or with tourist group, clients who join catering and seminar or get dining service at the restaurant in the hotel.

Asia Airport Hotel: It is located at Zeer Rangsit Shopping Center, Pathumthani. It has catering, seminar and hotel rooms for tourists who use Donmuang Airport and support client groups locating at the northern area of Bangkok and all neighboring Provinces with continuously high economic growth.

Asia Pattaya Hotel: It is located at PhraTamnak Hill with more than 44 Rai of the land. Its environment is peace and adjacent to beautiful seaside and beach making guests feel relaxed. It has meeting rooms for seminar market which are pleasing both foreign and Thai clients.

Asia Cha-am Hotel: It is located near Cha-am Beach, Petchburi Province. It supports Foreign and Thai clients who want relaxation. It is convenient, rustic and not far away from Hua Hin, a new tourist attraction opened nearby. It has meeting rooms for seminar market which are pleasing both foreign and Thai clients.

The Darley Hotel Chiangmai: It is located in the heart of city which is near to Waroros market. It supports Foreign and Thai clients who want convenient and modern styles such as internet booking and check-in system online.

Ratchapruek Lanna Boutique Hotel: It is located in Ampue Hang dong Chiang Mai, near Suan Luang Rachapruek. It supports Foreign and Thai clients, middle to high class who like natural and peace including service package, accommodation - travel - health care.

Shopping Center Business (Rental Area Business): the objective is to develop communities locating at the northern area of Bangkok and all neighboring Provinces. It has facilities such as a large shopping center located on of more than 88 Rai of the land. Currently, it is promoted to be IT Shopping Center under the name of “Zeer Rangsit Shopping Center” and there are two extension projects of Zeer Rangsit, one is “The Hub Shopping Center”. The concept of ‘The Hub Shopping Center’ is to be the wholesale and retail cloths destination for customers in the north and northeast of Thailand, which conected to Zeer Rangsit building. The other project is “AA-Town Apartment”, a residential project becomes apartments for worker groups at neighboring area are able to rent a room at reasonable price and occupancy almost 90%.

The subsidiary company, “Spa Hotel Co., Ltd.” also invested in property which is located in the heart of the Chiang Mai in order to develop a shopping mall “Laan Sook Plaza” and a hotel “Darley Hotel Chiengmai”.

In 2018, The other subsidiary company, “Zeer Asset Co., Ltd.”, invested a Project “Pratch Rajapruek Resort” located on 2-0-31 rais Tumbon Nongkwai, Aumpur Handong, Chieng Mai Province, named “ Project: Ratchapruek Lanna Boutique”

Moreover, the subsidiary company, “Zeer Oversea LLC”, has expanded its business to Los Angeles, California, U.S.A. Last, In November 2018, the subsidiary company invested at Long Beach U.S.A., the Franchise Hotel “Quality Inn of Choice Internation Hotels” named “Quality Inn Long Beach-Signal Hill ” it is far from the airport about 40 minutes, now it is opened.

1.2 Important Changes and Developments

Company’s History

Asia Hotel Public Company Limited (ASIA) established in 1966 by Techaruvichit Group with the register capital 17 million Baht. This Hotel is located at Phayathai Road which there area is 2 Rai and 9 level high of the building.

In 1972, ASIA had cooperated investment in Asia Pattaya Hotel Company Limited (AP) as 35% of registered capital as 12 million Baht. Asia Pattaya Hotel is located at Khoa-Pratumnak, Pattaya Beach, Chonburi Province. Afterward ASIA had increased their investment up to 99.42% and the registered capital is 120 million Baht.

Between 1986 – 1987, Asia Hotel had done their building renovation and construction to 601 guest rooms and provided Banquet Rooms and restaurant in the Hotel. In 1989, ASIA had registered with the Stock Exchange of Thailand (the SET) with the capital as 240 million Baht and the common stock amount of 24 million shares.

In 1992, ASIA had invested in Asia Airport Hotel Co., Ltd. (AA) to run hotel business, restaurant and service apartment as named “Asia Airport Hotel”. The location is at Kukot, Lumluka, Pathumthani Province. It is about 3 kilometers from Donmuang Airport. ASIA has stock share proportion in AA as 75% and has proportion through AP 24.99%. Consequently, these made ASIA holding AA’s shares 99.99%. Asia Airport Hotel Co., Ltd. has registered capital 300 million Baht and in late 1992, Asia Airport Hotel Co., Ltd. has also registered and reformed its company into Asia Airport Hotel Pub Co., Ltd. The company registered number is Bor Mor Jor 67.

In 1993, the ASIA has increased in registered capital to 500 million Baht, paid capital 320 million baht and it was divided the company’s common shares in to 32 million shares. The shares was valued as 10 Baht each. The company had disbursed to financial institution and turned some capital into working capital fund within the company.

In late of 2000, ASIA adjusted liability for A.B.K. Enterprise Company Limited (ABK) which is a large company and being a debtor of ASIA. This liability adjustment resulted that ASIA hold Zeer Property Public Co. Ltd. (ZP) which own the rental area for especially IT center named Zeer Rangsit Project.

The occurrence in 2000 brought into three subsidiary company establishment which are Asia Pattaya Hotel Co., Ltd., Asia Airport Hotel Co., Ltd. and B.K. Ratchatevi Enterprise Company Limited (included Zeer Property Public Co. Ltd.)

Before 2000, ZP invested in four further companies in the proportion of 19%. Later on 2000 to 2001, ZP had distributed these all investment regarding these companies could not earn profits for ZP.

Since 1997 – 2000, the company had effected from economic recession. This incidence caused decelerated in tourist industry and led to decrease in number of tourist. Besides highly aggregating in the interest expenditure, these causes influenced company’s financial statement 2001. Furthermore, these causes also effected to company registration with the SET which categorized into REHABCO class. This classify indicates that the company is required for rehabilitation and obligated to suspended from securities trading since August 2002.

In late of December 2005, the company had reconstruction regarding classified shareholders. This related to distinctness and reductionism in our organization. Then the transformation of company structure will be as the following:

1. ASIA directly owned AA shares as 100% and
2. ASIA directly owned ZP shares as 73.98% and ASIA had dispensed investment fund of ZP for the entire portions. The determination was for unburden the company in forthcoming.

In the early of 2006, Asia Airport Hotel Co., Ltd., which is a subsidiary company, had done the increased capital registration from 300 million Baht to 660 million Baht. This investment had already disbursed for full amount and ASIA would hold the company shares in the same proportion.

Afterward the reconstruction of shareholding and the financial refurbishment by disbursed company liabilities with financial institute and inter-organization related liability, there was consequent to company's financial budget during 2005 – 2006. It was aggregation of shareholder proportion. There was also at least three quarter that the company could earn profit from our key business. This occurrences resulted that the company evened out to the SET which meant that the company can trade their shares and relapsed to ordinary business classify. On the 22nd January 2007 was the first date that the company did trade their share in the stock market again among Service Industry, classification Tourism.

January 2007, ZP did reduction of capital. Previously, the company registered authorized capital at 4 million shares and priced for 100 Baht each, total balance as 400 million Baht. Later ZP decreased its authorized capital to 1 million shares but still remaining shares priced, total balance as 100 million Baht. Reducing authorized capital of ZP resulted in decreased in accumulated deficit as 300 million Baht.

May 2007, ZP had augmented registered authorized capital more 3 million shares valued 100 Baht for each share, totally 300 million Baht. The authorized capital of ZP turned into 400 million Baht. ASIA as the major entrepreneur had approved ZP to newly issued ordinary shares following this ASIA had purchased the shares as its rights. This consent did confer with Advisory Plus Company Limited, which is the financial advisory company. The recommendation from advisory company mentioned that ZP has potential of development and also stated the company prosper for the year to come. ASIA owned 93.5% of ZP's authorized capital shares and this convey to empower of ASIA to administrate ZP obviously. This can reduce especially conflicts of interests between organizations.

August 2007, the Extraordinary General Meeting of Shareholders of ASIA approved the connected transaction, the type of land lease agreement with additional buildings and to make additional land lease agreements between ZP "tenant" with Donmuang Grand Plaza Company Limited (DM) which is a related company by transferring 8 rai of land of 59 square wah of AA to DM. ZP has leasehold rights in 78 rai 1 plot of land with buildings (Zeer Rangsit project location) extended for another 25 years (ending the contract on March 31, 2048) and having leasehold rights in the land of 8 rai 59 square wah for a period of 40 years 7 months (from 1 September 2007 to March 31, 2048). This related to usability benefits of ZP to both land regarding future investment and this will make profits for ASIA as well.

August 2008, ZP reduced its authorized capital from 4 million shares to 1 million shares. It was for conforming capital structure plan of ZP. Dropped accumulated loss was the significant purpose of ZP; however ASIA still held the equivalent shares percentage.

In December 2008, AA subsidized diminished its registered capital to 165 million Baht, comprised with ASIA was a shareholder 100% as the same. It was from 600 million Baht to 495 million Baht and valued 100 Baht for each share.

Formerly, AA subsidized company held ASIA's shares in amount of 3.79 million shares since 2007. However, it was a cross shareholding incidence that the company attempted to remedy the situation. This could be untangled by ASIA obtained entire shares from AA and partly for Asia Pattaya Hotel Co., Ltd. (AP), which is a subsidiary, resulted that AP held ASIA's shares amount 2.24 shares. End of year 2009, ASIA made an effort to amend this cross shareholding by trickling traded ASIA shares from AP. It was completed in 2011 and the cross shareholding are depleted recently.

November 2009, ZP has registered other subsidized company named Zeer Asset Company Limited (ZA) with 1 million Baht registered capital, 10,000 shares and valued at 100 Baht each share. ZP held 96.99% of ZA's shares. ZA run a real property business and its earliest project was at Cha-am Beach, Petchaburi Province. Later on December 2011, ZP had purchased the asset from ZA.

In April 2010, Extraordinary General Meeting of ZP's Shareholders 1/2010 had approved transforming the company into Public Company as the Zeer Property Public Company Limited (ZP) with its registered capital 225 million Baht, amount of 225 million shares and valued at 1 Baht of each share. Regarding the changing business classify registration, it was resulted in approaching to a company registered system of The SET.

Afterward, AA had participated in submit a tender to did contract of Asia Cha-am Hotel in 2010. After the submit AA took the liberty of renting and managing Asia Cha-am Hotel, where is at Cha-am Beach, Petchaburi Province from ZP. The contract had 3 years session and the hotel has established in December, 2010. The property provided 106 guests room rental and later on 2011 had additional built up 108 guests room rental. Summarily, Asia Cha-am Hotel has provided 214 guest room rental currently.

Meanwhile ZP founded ZEER OVERSEA LLC (ZO) in 2010 at United State of America with the capital registration US\$100,000. ZP held sharing as 94% of ZEER OVERSEA LLC for real asset investment objective. In April 2011 the ZEER OVERSEA LLC had invested in "Glendale Plaza", which is shopping mall located at Glendale Boulevard, Los Angeles, California, US. The investment valued US\$6.29 million, approximately 190.5 million Baht.

Duration 2011 – 2012, ZP started new projects Zeer 2 (The Hub) and apartment rental business (AA Town Apartment). These two schemes constructed neighboring to Zeer Rangsit Building and approximated budget for the projects valued at 1,900 million Baht. The projects was completed in 2015.

August 2013, ZO, which is subsidized company of ZP, had arranged shareholder meeting on 16 August 2013, mentioned 1/2013. The meeting voted to increase capital for disbursement to ZP US\$5.66 million. Furthermore

on 16 September 2013, ZP held the committee meeting 6/2013 and voted to approve the capital increment by converted ZO liabilities to investment instead. Previously ZP loaned to ZO US\$6.2 million; however once the adjustment ZO outstanding liabilities dropped to US\$5.66. This caused that ZO invested US\$5,760,000 in USA by ZP contributing US\$5,754,000. ZP shareholding ratio in ZO had adjust from 94% to 99.9%. This investment related to ZO capability of future business growth as accompaniment.

Mr. Kumpol Techaruvichit, who was Chairman of Director and Managing Director of ASIA, perished on 16 December 2013. Mr. Kumpol Techaruvichit was also Founder and Executive Director of ASIA Group more than 46 years. Afterward there was a committee meeting on 17 February 2014, mentioned 2/2014, appointed Mr. Surapong Techaruvichit being a Managing Director of ASIA Group. The voted became effective since 18 February 2014. For the committee members still on selection process by classified as Independent Directors. In order to, Mr. Amorn Techaruvichit duty on behalf of President and Vice-Chairman of the board of ASIA Group. At present, the Board of Directors appoints Mr. Piyawudh Senapoopitaksa, Independent Director, is the Chairman of the Board of Directors from March 13, 2018 onwards.

In February 2015, ASIA subsidized company, Zeer Property Public Company Limited, had delayed fundraising to be a registered company in The SET. It is because The Hub project had released the project amidst Economic Recession Crisis. This project then was retarded to obtain more information about gathering capital in various methods.

August 2016, there was a committee meeting between AA and ZP regarding signing contract of Asia Cham Hotel project. The arrangement indicated for extending contract for further 3 years, since December 2016 – December 2019.

ZP, as a subsidized company of ASIA, formed a new company named SPA HOTEL CO. LTD. (SPA) in October 2016, with the registered capital 140 million Baht. ZP is the main shareholder as 92%, the share valued as 10 Baht for each share. SPA transacts regarding shopping center business, Laan Sook Plaza and The Darley Hotel. They located at center of Chiang Mai, and closed to Warorot Market. The area included 2-2-93.3 Rai. At present, the project is developing to retails rental project and apartment for rent. For the Darley Hotel Chiang Mai already initiated in October 2018.

In February 2017, the organization had transformed their business segregation policy between ASIA Group (Hotel Business) and ZP (Rental Area Business). The intention of this policy was for avoiding the redundancy of the two-business group. Initially year 2017, there was a revision of the policy and apprehended that this policy was limited the business growth. Then during the committee meeting on February 2017, committees voted to cancel the business segregation policy. Then the policy was obliteration since that meeting approved the vote.

ZO had disbursed to ZP as amount of 99.08 million Baht (US\$3.16 million) on 4th August 2017. This resulted in changes of shareholding proportion from 99.9% at previously to 99.77% instead. It was also changed the investment capital amount 0.45 million Baht too. On November 1, 2018, the subsidiary, Zeer Property Plc., changed a proportion in shareholding of the subsidiary, ZEER OVERSEA LLC. from 99.79 % to 99.93 % from the 2nd increased capital by Baht 197.03 million (USD 6.1 million).

In April 2018, ZA, which is a subsidiary company of ZP, had invested in the former Prat Rajapruek Resort. This project regards hotel services at Hang Dong District, Chiang Mai. At present, the project was renamed to Ratchapruek Lanna Boutique and have started services from May 2018.

The 56th of Annual General Meeting on 23 April 2018, the meeting voted to change the share valued from 10 Baht to 1 Baht in its place. This resulted that ASIA had ordinary shares as amount of 320 million shares. It was increased the company liquidity of share trading in The SET. However, the change was not influencing the registered capital and paid-in capital of the company. The company also did mend the valued change with Ministry of Commerce on 11 May 2018.

Further, Zeer Oversea LLC, subsidiary of ZP, had invested in Quality Inn Long Beach at the US on November 2018. The hotel contains area of 1.3 acers or approximately 4.5 Rai. It provides guest room services and retails with valued US\$14.44 (roughly 472.19 million Baht). Together with Franchise provider, Choice International Hotels, to support hotel management especially marketing, accounting and financing context.

August 2019, the Board of Directors meeting Asia Airport Hotel Company Limited and Zeer Property Public Company Limited have extended the lease agreement of the Asia Cha-Am Hotel Project for another 3 years from November 2019 - October 2022.

In the year 2020, the Thai economy, including the global economy, was affected by the COVID-19, which was initiated in Huan, China. Still, the number of infected populations continued to increase gradually. As a result, the pandemic has caused a severe slowdown in the tourism sector. ASIA and its subsidiaries announced the temporary closure of 3 months (from April, 1st 2020 to June, 30th 2020) of their 6 hotels (Asia Hotel Bangkok, Asia Pattaya Hotel, Asia Airport Hotel, Asia Cha Am Hotel, Darley Hotel Chiangmai, and Ratchapruek Lanna Boutique) During the closure period, food deliveries and Pickups services were opened for both Asia Hotel Bangkok and Asia Airport Hotel to serve customers in nearby areas. The hotels were reopened on July, 1st 2020. Out of the total of 590 rooms, Asia Hotel Bangkok has reopened its hotel operation for 200 rooms along with hotel banquet rooms. Asia Pattaya Hotel entered a contract with the Thai government to become State Quarantine (SQ). Asia Airport Hotel, Asia Cha Am Hotel, Darley Hotel Chiangmai, and Ratchapruek Lanna Boutique were reopened for their full operation for domestic travelers which are mainly supported by the stimulus campaign of “We Travel Together”. Together, Zeer Rangsit and The Hub Rangsit were under temporary closure from March, 22nd 2020 to April, 30th 2020 due to the

official announcement issued by the Phatumthani governor to slow down the spread of COVID-19. Yet, the exceptions for the essential business which includes supermarkets, restaurants, and banks were opened.

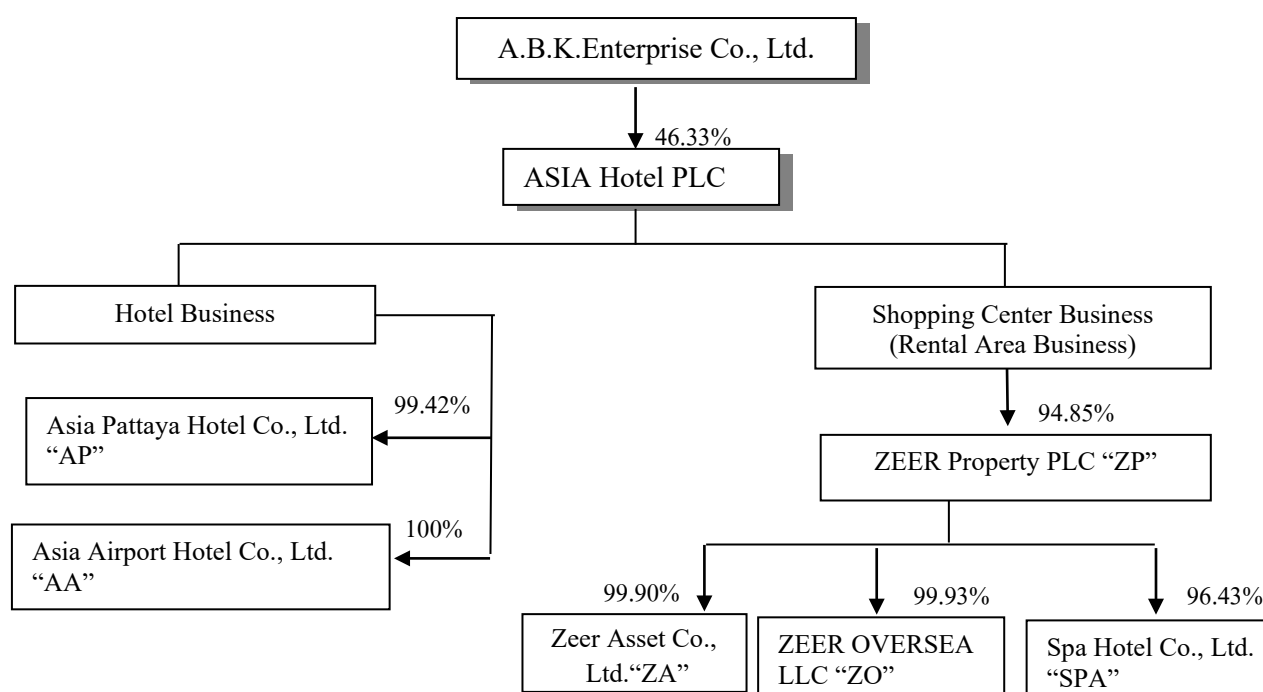
Resulted from the COVID-19 pandemic, ASIA Group had postponed the shareholding meeting from April 2020 to July, 23rd 2020. The meeting was held cautiously with the practice of preventions complied with the restrictions required by the Ministry of Public Health of Thailand.

During August – November 2020, Zeer Property Public Co., Ltd., entered into a share purchase with an existing shareholder of the subsidiary, Spa Hotel Co., Ltd. of 620,000 shares, at a par value of Baht 10 per share, totaling Baht 6.2 Million. The subsidiary, Zeer Property Plc., which holds a total of 13,499,987 shares in the subsidiary, Spa Hotel Co., Ltd., holds 96.43% interest of the capital.

Overall Picture of the Operating Results of the Company Group

There are currently 2 business groups of the Company: Hotel and Restaurant business and Area Sub-contracting Business. The businesses are operated by the companies in the Group as follows:

Shareholding Structure of the Company Group as at 31st December 2020



Relation with the Company Group of Major Shareholders

A.B.K. Enterprise Company Limited (ABK) is a Holding Company held Asia Hotel Public Company Limited (ASIA) shares of 46.33% and got income from dividend provided by ASIA only not from any other business that might cause the conflict or necessary dependence. The ABK shares held by Techaruvichit Group who is executive of ASIA of 29.41% and others held 70.59% shares. Therefore, as at 31st December 2020, Techaruvichit Group who is current executive of ASIA directly held 19.67% shares and indirectly held shares through ABK. The total shares held directly and indirectly in ASIA of 67.12%

2. Nature of Business

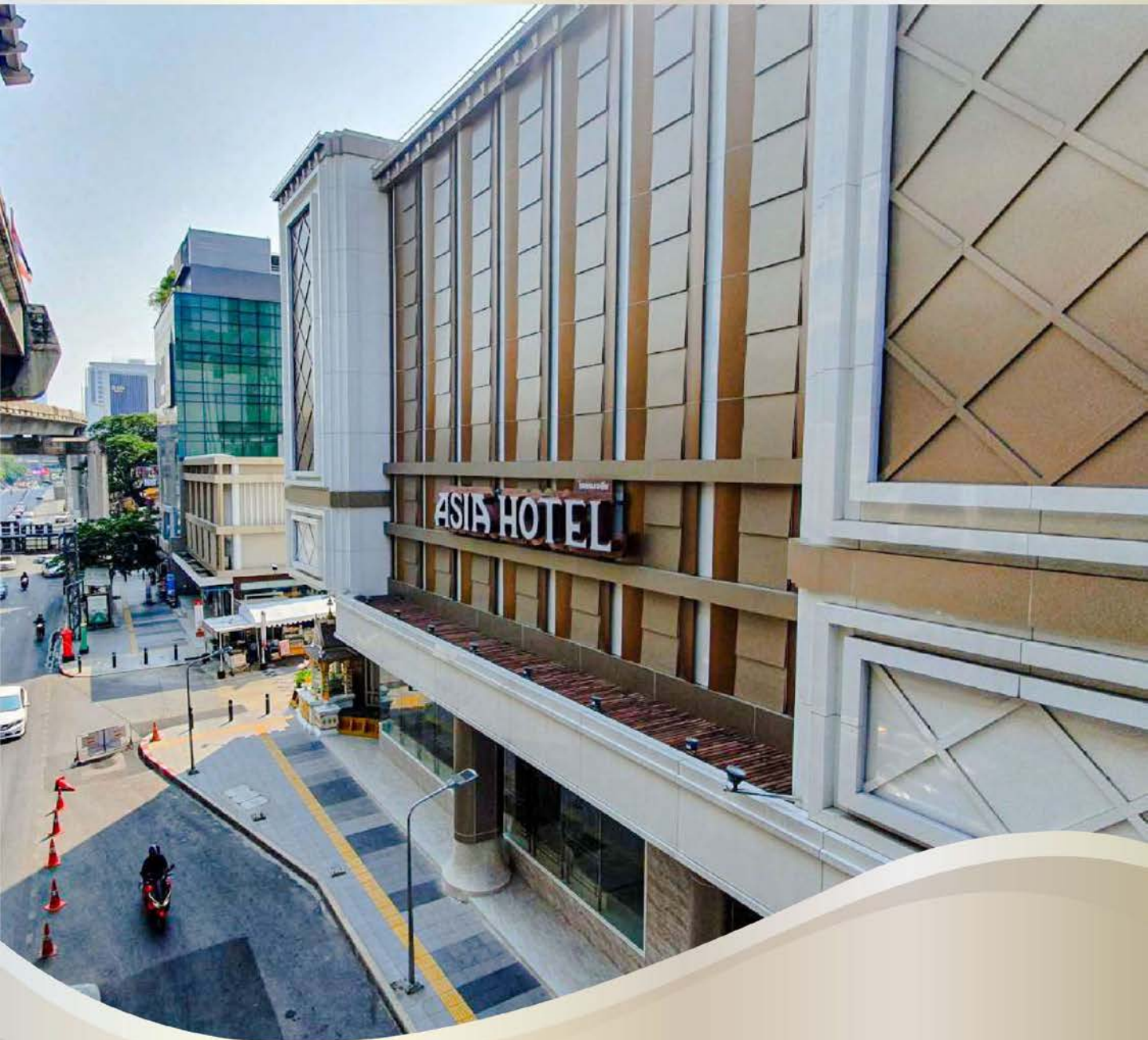
Asia Hotel Public Company Limited (ASIA) was engaged in hotel and restaurant business by operating under the trade name “Asia Hotel” which was founded in 1966. The company has also invested in other three hotel properties, one is Asia Pattaya Hotel, located Pattaya Beach Chonburi, two is “Asia Airport Hotel”, located at Lumluka district Pathumthani and another “Asia Cha-um Hotel” located Cha-um Beach, Petchaburi and the Shopping Center and area rental business, IT Zeer Center, The Hub at Zeer Rangsit Shopping Complex and AA-Town Apartment, located at Lumluka Pathumthani, Darley Hotel Chiang Mai and Laan Sook Plaza new project, located center of Chiang Mai, “Glendale Plaza” located Los Angeles, California, U.S.A. and “Quality Inn Long Beach - Signal Hill” located Long Beach, U.S.A. that run by its group of subsidiaries companies.

Major Revenues from Hotel and Restaurant Business and Shopping Center business (Rental Area) in past 3 years:

Type of Business	Operated by	% of Share Held	2018		2019		2020	
			MB	%	MB	%	MB	%
- Hotel	Asia Hotel Public	Parent Company	256.73	19.22	246.71	18.19	67.69	8.35
- Restaurant	Company Limited	Listed Company	138.43	10.36	130.58	9.63	63.51	7.84
Total			395.16	29.58	377.29	27.82	131.20	16.19
- Hotel	Asia Pattaya Hotel	99.42%	66.79	5.00	61.14	4.51	37.80	4.66
- Restaurant	(Subsidiary Company)		38.74	2.90	42.03	3.10	18.80	2.32
Total			105.53	7.90	103.17	7.61	56.60	6.98
- Hotel	Asia Airport Hotel	Direct 100%	147.52	11.04	143.73	10.60	76.68	9.46
- Restaurant	(Subsidiary Company)		82.79	6.20	83.52	6.16	42.38	5.23
Total			230.31	17.24	227.25	16.76	119.06	14.69
- Hotel	Zeer Property Public	Direct 94.85%	9.30	0.69	62.86	4.64	57.86	7.14
- Shopping Center (Rental Business)	Co., Ltd. (Subsidiary Company)		595.77	44.59	585.56	43.17	445.82	55.00
Total			605.07	45.28	648.42	47.81	503.68	62.14
Grand Total			1,336.07	100.0	1,356.13	100.0	810.54	100.00

ASIA HOTEL BANGKOK

Travelers' popular choice in the heart of Bangkok



ACCOMMODATIONS

HOTEL ROOM & SUITE



HOTEL FACILITIES

GYM, SWIMMING POOL, AND TENNIS COURT



HOTEL FACILITIES

MEETING & EVENT



ASIA HOTEL WEDDING STUDIO



DINING

TIVOLI COFFEE SHOP



SAIGON VIETNAMESE RESTAURANT



THE GREATWALL
CHINESE RESTAURANT



RIO GRILL
BRAZILIAN CHURRASCARIA



THE CRYSTAL
LOBBY BAR



ASIA BAKERY



ASIA PATTAYA HOTEL

Asia Pattaya Hotel is perfect for those looking for a glorious vacation in their own private paradise.



ACCOMMODATIONS

HOTEL ROOM & SUITE



HOTEL FACILITIES

SWIMMING POOL & GYM



MEETING & EVENT



DINING

THE DEN LOBBY BAR



CLIFFTOP SEAFOOD PAVILION



GARDEN TERRACE



THE MORAKOT COFFEE SHOP



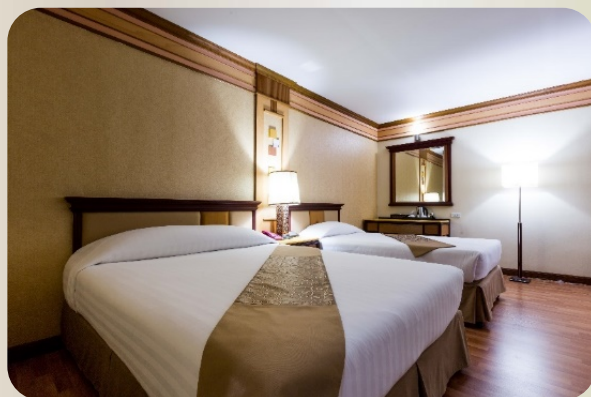
ASIA AIRPORT HOTEL

Ideal for Stopover, Transit or the rest and last night of a trip



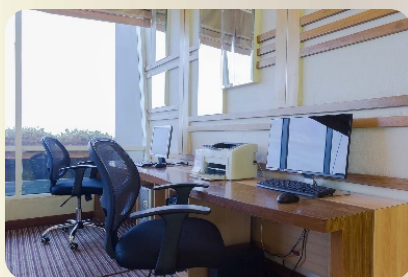
ACCOMMODATIONS

HOTEL ROOM & SUITE



HOTEL FACILITIES

SWIMMING POOL & GYM



MEETING & EVENT



DINING

ROSY COURT



RIO GRILL



ORCHID AMERICAN BREAKFAST



COFFEE CORNER



ASIA CHA AM HOTEL

Let the nature cleanse your mood and lift your spirit at
Cha am Beach.



ACCOMMODATIONS

HOTEL ROOM & SUITE



HOTEL FACILITIES

HEALTH & LIFESTYLE



MEETING & EVENT



DINING



LOBBY LOUNGE AND BAR
POCKET GARDEN

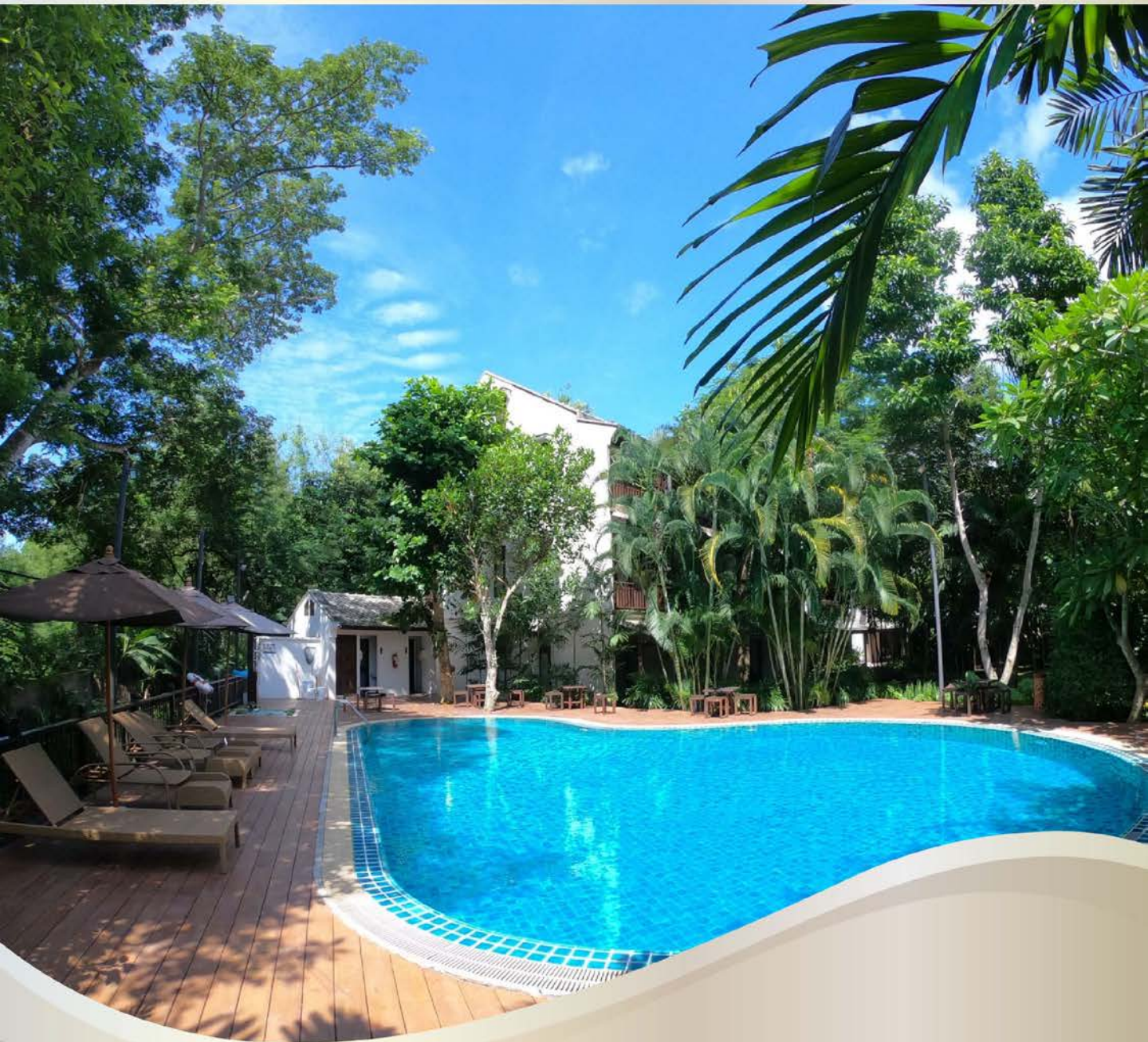


THINYOK COFFEE SHOP



RATCHAPRUEK LANNA BOUTIQUE

Welcome to our colonial Lanna style boutique resort



ACCOMMODATIONS

HOTEL ROOM & SUITE



HOTEL FACILITIES

GARDEN AND SWIMMING POOL



MEETING & EVENT



DARLEY HOTEL CHIANGMAI



ACCOMMODATIONS

HOTEL ROOM & SUITE



Quality Inn Long Beach - Signal Hill

3201 E Pacific Coast Hwy, Long Beach, CA 90755



LOBBY



ROOM & SUITE



SWIMMING POOL



2.1 Hotel Business

2.1.1 Nature of Business

Asia Hotel Public Company Limited

Asia Hotel Public Company Limited or Asia Hotel provides hotel services and restaurant business included 6-0-6 Rai on Phyathai Rd., Ratchathevi, Bangkok. Asia Hotel evaluate at the standard for a four-star level which offers hotel services as follows:

1. Guest Room Services which offer 590 rooms and divided into

	<u>Rooms</u>	<u>Priced (Baht)</u>
Superior	232	3,700 – 4,000
Executive	198	4,100 – 4,400
Premier	139	4,500 – 4,800
Suite	<u>21</u>	8,000 – 14,500
Total	<u>590</u>	

2. Food and Beverage Services which available for hotel customers and others in Thai and International Restaurant, bars, lounges and banquet rooms as follows:

Restaurant and Coffee Shop for 5 places:

- Tivoli Coffee Shop provides breakfast as buffet, international buffet at lunch and dinner. Moreover, the place also offers A la carte for 24 hours which contains 180 – 200 seats.
- Saigon Restaurant provides Vietnamese Food opening from 11.30 – 14.30 and 18.00 – 22.30. The restaurant can server 120 seats.
- Rio Grill Restaurant, which is Brazilian Restaurant, open between 11.30 – 14.30 and 18.00 – 22.30. The places can cover 64 seats.
- Great Wall Restaurant, it offers Chinese food, open between 11.30 – 14.00 and 18.00 – 22.00. The places can cover 100 – 140 seats.
- Crystal Bar provides beverage and light meals open between 8.00 -01.00 contained 70 seats for customers.

Banquet Rooms: 12 Banquet Rooms with the different sizes, for service customers such as seminar of government department and the private company , birthday party, wedding party , retirement party and etc.

<u>Capacity (people)</u>	<u>Quantity (rooms)</u>
10-20	4
30-50	2
60-100	2
150-300	3
600-1,500	1

3. Other Services: There are Health Club, 2 pools (located at level 5 and 12), Spa (named “Asia Spa” at level 4), rental areas, other services such as local retails, souvenirs, prophesy and Internet Services.

Asia Pattaya Hotel Company Limited (a subsidiary company)

Asia Pattaya Hotel Company Limited or Asia Pattaya Hotel provides hotel services and restaurant business with 7 stories building and included 44-0-15.8 Rai. The hotel locates at PhraTamnak Hill, Bang Lamung District, Chonburi Province. The hotel provides accommodation, banquet rooms, seminar rooms, restaurants, coffee shops, golf club and others facilities for Thai and foreign customers which offers hotel services as following:

1. Guest Room Services which offer 305 rooms by divided into

	<u>Rooms</u>	<u>Priced (Baht)</u>
Standard Rooms	270	2,800-3,300
Executive Suite	4	3,900-4,600
Asia Suite	5	4,400-7,000
Jacuzzi Suite	10	6,400
President Suite	<u>16</u>	7,000-11,000
Total	<u>305</u>	

2. Food Services included restaurants, banquet rooms and seminar rooms which can be separated into:

Restaurant and Coffee Shop

Morakot Coffee Shop	Provided buffet for breakfast and served A la carte for 24 hours. The restaurant can serve for 300 customers.
Garden Terrace Café	This place serves food with music as a complementary opened between 18.00 – 22.00 and contained 30 customers.
Poolside Bar	The bar that serve various beverages in the hotel pool provided services between 10.00 – 19.00.
Cliff Top Seafood Pavilion	Provided seafood dishes between 11.00 – 14.00 and 18.00 – 22.00. This place can service 200 customers.
Neptune Sport Club	Provided beverages, karaoke, snooker and huge screen for sport competitions with 100 seats service.

Banquet Rooms Service The hotel has provided 5 rooms for seminar both government and private organizations. It can be divided as the following:

<u>Capacity (people)</u>	<u>Quantity (rooms)</u>
50-120	4
450	1

3. Other Services such as retails, beauty salon, Thai Massage, health club, golf club, tennis court, pool, internet together with transportation between hotel and Pattaya tourist attractions.

Asia Airport Hotel Co., Ltd. (a subsidiary company)

Recently, Asia Airport Hotel Co., Ltd. provides customer for 4 hotels as following:

1. Asia Airport Hotel operates hotel and restaurant at level 5, 6, 9-18 of the Zeer Rangsit with total space of 39,380 sq. meters, is located on Phaholyothin Rd., Kukot, Lumluka, Pathumthani. The hotel offers accommodation with total 512 rooms and is separated as following:

1. Accommodations

1.1 Hotel Guest Room Service totally 402 rooms which consists of;

	<u>Rooms</u>	<u>Priced (Baht)</u>
Superior	238	2,900-3,200
Executive	152	3,200-3,500
Premire	8	3,500-3,800
Suite	<u>4</u>	5,300
Total	<u>402</u>	

1.2 Service Apartment 110 rooms (between level 11-12) divided into;

Studio – Deluxe	87	rooms
Suite	<u>23</u>	rooms
Total	<u>110</u>	rooms

2. Food and Beverages Services

Banquet Rooms and Seminar Rooms totally 6 rooms are provided for customers as following;

Capacity (people)	Quantity (rooms)
100 – 200	3
150 – 300	1
300 – 500	1
500 – 800	1
<u>Restaurant</u> for 2 places which are;	
Rosy Court	for 50 – 200 seats, quantity 1 room
Rio Grill	for 50 – 100 seats, quantity 1 room

3. Other Services such as pool, fitness and beauty salon

2. Asia Cha-am Hotel: Asia Airport Hotel Co., Ltd. had done rental contract with Zeer Property Public Company Limited (ZP), who is a titleholder in 2010, for business expansion. It is located on 3-3-46 Rai plot of land at Cha-Um beach, with 3 buildings: 17 stories building (Building A) and 4 stories buildings (Building B and C). The hotel has 214 rooms. At present the contract will be ended on October 2022. The hotel has divided as following;

1. Accommodations for 3 buildings totally 214 rooms

	<u>Rooms</u>	<u>Priced (Baht)</u>
Superior	78	3,500
Executive	111	4,000
Premier	22	4,500
Suite	<u>3</u>	5,500 – 10,000
Total	<u>214</u>	

2. Food and Beverages Services

THINYOK COFFEE SHOP, contained 50 – 200 seats for 1 room.

Banquet Room and Seminar Rooms for 9 units as following;

	Capacity (people)	Quantity (rooms)
SUWANNASIN 1 – 2	100 – 200	2
PETCHNAPHA 1 – 2	100 – 200	2
RUENROM 1 – 2	100 – 300	2
PHUPAILIN	150 – 200	1
CHOMTALAY	300 – 350	1
V.I.P.	85 – 90	1

3. Other Services as such fitness, sauna and pool on level 17 and a pool besides beach.

3. Ratchapruerk Lanna Boutique Hotel: Asia Airport Hotel Co., Ltd. had done rental contract with Zeer Asset Company Limited (ZA) (a subsidiary company), who is a titleholder Ratchapruerk Lanna Boutique Hotel. It is a land rental included buildings on 2 Rai 31 square Wah. There are 4 buildings and a swimming pool. The hotel capacity is 35 rooms and can divided the services into;

1. Accommodations 35 rooms

	<u>Rooms</u>	<u>Priced (Baht)</u>
Superior	2	4,500
Deluxe	31	6,500
Junior	1	8,500
Executive	<u>1</u>	10,000
Total	<u>35</u>	

2. Food and Beverage Services

Chiang Khum Restaurant	capacity	50	people
Nakornping Meeting Room	capacity	60	people

3. Other Services such as Massage – SPA and outdoor swimming pool.

4. “The Darley Hotel Chiangmai”: Asia Airport Hotel Co., Ltd. had done rental contract with SPA HOTEL CO., LTD. (a subsidiary company), who is a titleholder of the hotel. This is a land rental with building on 1 Rai area. The hotel is 4 stories building and contains 116 room service. The hotel also provides local breakfast. The room serves into 5 types as following;

Accommodation 116 rooms divided into;

	<u>Rooms</u>	<u>Priced (Baht)</u>
Superior	53	1,200
Deluxe	12	1,500-1,600
Premier	27	1,800
Double Single	4	2,000
Double Deluxe	<u>20</u>	2,200-3,000
Total	<u>116</u>	

5. "Quality Inn Long Beach -Signal Hill" is an investment by Zeer Oversea LLC, a subsidiary of Zeer Property Public Company Limited in November 2018 onwards, with an area of 1.3 acres (4.5 rai) consisting of guestroom 74 rooms, 6 rental shops under the Choice Hotels International, Francise Brand: Quality Inn franchise to help with marketing and accounting management. In 2020, the construction improvements which included the interior of hotel rooms, hotel common areas, and landscaping were completed. The improvements have lifted the overall experience of the hotel as well as have complied with the Choice Hotel International franchise standard requirements.

Accommodation 74 rooms divided into;

	<u>Rooms</u>	<u>Priced (USD)</u>
King Bedroom	25	\$110.-
Double Queen Bedroom	48	\$110.-
Suite Room	<u>1</u>	\$130.-
Total	<u>74</u>	

Business Season and Business Cycle

The seasonal effect can influent to the company and its subsidiaries. Typically, the hotel high season is on October – March and the low season is on April – September of mostly every year. However, the tourist industry market is enormous and numerous which each market has its identity depending on the difference of traveling season. The challenging environment from COVID-19 pandemic caused the immediate halt to the global tourism economy. The supply chain of the sector includes the airline, the hospitality business, as well as the service business are highly impacted.

2.1.2 Marketing and Competition

(1) Marketing Strategy

❖ Marketing Strength

Since business experienced of hotel and restaurant over 50 years, it resulted in auspicious and advantages of its marketing aspect. Moreover, these characteristics are leading the company successful. The hotel marketing strategies can divide in three contexts which are management, marketing and services as the following;

1) Management

- 1.1 Hotel administration team has experienced over 54 years.
- 1.2 Mostly assets approximately 95% is owned by the company more than 20 years and they are Assets Appreciation which make a better value in every day.
- 1.3 The company does not earn an income from only hotel but also from their restaurants as high percentage included banquet rooms, seminar rooms and rental hotel areas such as retails, carpark and souvenir arcade too.
- 1.4 For front and back office are controlled by the computerized system. It resulted in information conveying which significant to administrate rapidly and effective.
- 1.5 The Employee Policy holds the royalty principles which concentrate on working dedication. Also, the hotel supplied employees with training and benefit income leading to employee working exertion and hotel service standard occupied the international standards of hotel.

2) Marketing

- 2.1 Since the various market target of the company, there are several customers come from across the world and the majority country are China, Europe, Australia, New Zealand and Thailand. This cause the deduction of market slow down either market.
- 2.2 Sale team is hardworking. They usually encounter and communicate with customers.
- 2.3 There is the internet room reservation system via hotel website, <http://www.asiahotel.co.th>. It usually advertises in search engine to be rank with the searching keyword as Hotel in Thailand. Moreover, the hotel was promoted via other traveling agencies websites Then the revenue from internet has grown speedily.
- 2.4 There is a benefit from the hotel location where is placed at BTS station in front of the hotel. This is an advantage for advertising in foreign customers who preferred travelling with public transportation. It is a strange of the hotel that better than others hotel. Sometimes the hotel collaborated with BTS sky train to provide package for our customers as such free BTS ticket package for some customer groups. Moreover, some BTS station has connected to MRT, which is underground train in Thailand, station. It is very convenience for tourists because it is easy and more cover traveling places. In addition, the hotel itself has connect to Airport Rail Link which support tourists traveling to Suvarnabhumi Airport too.

3) Services

- 3.1 The location advantage as mentioned previously which located in the center of Bangkok and placed among shopping malls. Moreover, the hotel also provide souvenir arcade for customers too.
- 3.2 The Hotel building is also connected to the BTS at “Ratchathevi Station” making it most convenient for customers. In addition, the hotel itself has connect to Airport Rail Link which support tourists traveling to Suvarnabhumi Airport too.
- 3.3 The hotel also provides various restaurants for our customers such as Thai, Chinese, Vietnamese and Brazilian food. In 2020, due to the COVID-19 pandemic, the four restaurants were combined to one as the international dining restaurant.
- 3.4 More than 70% of catering/meeting/seminar customers are our regular customers.
- 3.5 Provided parking for approximately 420 spaces at Asia Building.

The competition strength of Asia Pattaya Hotel is its location. The hotel building is situated on the sea cliff and has its own private beach. Customers can enjoy their beach activities on hotel beach. Additionally, the hotel has provided banquet rooms and seminar rooms that customers can indicate room size. The rooms have the updated technology and completely equipment for meeting. Asia Pattaya Hotel is renowned regarding the best of banquet rooms and seminar rooms provider in Pattaya for long time. Also, the hotel is awarded about “Green Hotel” from Green Leaf Foundation. In 2020, Asia Pattaya Hotel has entered into a contract with the Thai government to become State Quarantine (SQ). The 250-room hotel is operated as the State Quarantine. In addition to that, banquet rooms and conventions have been temporarily closed since July 2020.

Asia Airport Hotel provides customers for hotel services and long-term rental and these are the advantage of the hotel. It is because in the north of Bangkok is industrial area. There is countless international co-investment company located around this area. Besides, the hotel is located closing to Donmuang Airport where is developed to the international airport at currently. Furthermore, the hotel has provided banquet rooms and seminar rooms that customers can indicate room size. There are rooms for wedding, party, meeting and seminar. The competition in this area is still not a high competitive level.

Asia Cha-am Hotel is a newly improvement hotel. Rooms and facilities have recently renovated both. For the hotel location, it is a seaside of Cha-am beach hotel and this beach is very famous for tourists. Also, the location is at the economics progressive center of Cha-am beach. The hotel provides banquet rooms and seminar rooms for various size with the professional kitchen for large group of customers. The hotel has two swimming pools supporting customers which located on level 17 of hotel building and in front of hotel.

Ratchapruek Lanna Boutique has a unique of hotel style. It located among natural and this is suitable for customers who prefer peace and shady place. There is also activities provided such as Yoga, Spa and Massage. The location is near Royal Park Rajapruek in Hang Dong District which is not far from Chiang Mai city.

The Darley Hotel Chiang Mai is a modern renovated hotel which is located in the center of Chiang Mai and near Warorot Market. The location is crowded with tourist around the world because there is a center of local souvenirs. Also, the location is close to Chiang Mai International Airport too.

Quality Inn Long Beach – Signal Hill, USA. It has the advantage of being a hotel in Long Beach which is a leisure city for people traveling in the United States. It is near the LGB Airport (Long Beach Airport) 5 minutes and it is located on the road behind the Pacific Coast Highway near tourist attractions. In 2020, the hotel entered into a contract with the County of Los Angeles to become the quarantine for the elderly. The timeframe was from April – October 2020.

❖ Marketing Weakness

Marketing weaknesses of the company and its subsidiaries company has showed as the following;

Asia Hotel

Asia Hotel had opened business for long time. Between 2009 – 2010, there was a great renovation such as reducing the number of hotel rooms to make the better room size. At recently, Asia Hotel has 594 guest rooms for serving our customers. The hotel has planned to renovate lobby and restaurants for renewing the place to up-to-date style on February 2020. However, the plan was delayed because the hotel cannot close to do renovation at this time.

Asia Pattaya Hotel

Asia Pattaya Hotel does not renovation for long time. This results in deteriorated rooms and this leads to hotel disadvantaged competition comparing with rounded hotels.

Asia Airport Hotel

Asia Airport Hotel is located in Zeer Rangsit Shopping Center which has many customers. This leads to customers' privacy and the hotel required to strictly lay the security policy in the hotel. Too, parking sufficiency when there are load of customers both hotel and shopping center.

Asia Cha-am Hotel

The hotel located at Cha-am Beach where popular less than Hua-hin Beach. The room price will be cheaper than hotels in Hua-hin.

Ratchapruek Lanna Boutique

Ratchapruek Lanna Boutique is away from main road and the entrance is also not convenience. However, it located among natural and this is suitable for customers who prefer peace and shady place. The hotel suits for tourists who prefer privacy accommodation. The hotel price is higher if comparing with other hotels around this area.

The Darley Hotel Chiang Mai

The hotel just launched business and unbeknown in the market. This place does not have restaurant like others; however there is local food serving for breakfast, the breakfast price is already included in the hotel charge. Employees have a little number in the hotel because checking in system practices IT approach and mostly customers will make a reservation on the internet. These reason lead to a few employees to service customers.

Quality Inn Long Beach – Signal Hill, U.S.A.

The hotel location is not near the beach 3 kilometers away from the beach causing a disadvantage in price competition.

Market Competition

Asia Hotel

- Target Market:**
1. Customers from Internet advertisement
 2. Traveling agencies in Thailand and from aboard
 3. Government organizations and private company for seminar service
 4. Corporate Company

Competitor: There are hotels in Bangkok which serve tourists in the same price with us and locate in the same area.

- | | | |
|--------------------------|------------------------|------------------------|
| 1. Bangkok Palace Hotel | 2. Prince Palace Hotel | 3. Dema Pavilion Hotel |
| 4. Twin Towers Hotel | 5. Eastin Hotel | 6. Narai Hotel |
| 7. Indra Hotel | 8. Mandarin Hotel | 9. Royal River Hotel |
| 10. Tawanna Ramada Hotel | 11. Amari Atriam Hotel | 12. Siam@Siam |

Competitive Environment: Technologies development resulted in customer decision change especially hotel reservation approach. Internet has effected in reservation timing as well. Customers will make a reservation before checking in hotel shorter than before. Also, there is many illegal hotels occurs that leads to high competition in hotel industry.

Asia Pattaya Hotel

- Target Market:**
1. Government organizations and private company for seminar service
 2. Traveling agencies in Thailand and from aboard
 3. Thai customers who prefer to travel near Bangkok
 4. Customers from Internet advertisement

Competitor:

1. Pattaya Park Hotel	2. Amari Orchid Hotel	3. A-One Royal Cruise Hotel
4. D-varee Hotel	5. Jomtien Palm Beach	6. Siam Bay View Hotel

Competitive Environment: Technologies development also effects to Asia Pattaya Hotel. The meeting and seminar from government organizations and private companies, which are the significant target market of the hotel, similarly are decreased in last year. In Pattaya area is likewise having many illegal hotels occurs that leads to high competition in hotel industry.

Asia Airport Hotel

- Target Market:**
1. Government organizations and private company for seminar service
 2. Traveling agencies in Thailand and from aboard
 3. Internet customers
 4. Tourists who transport to Donmuang Airport
 5. Corporate companies which located upper Donmuang Airport area such as in Nawanakorn area.

Competitor:

1. Amari Airport Hotel	2. Quality Suite Hotel
3. Miracle Grand Hotel	4. Rama Gardens Hotel

Competitive Environment: There is also technologies development effect in Asia Airport Hotel too. Moreover, the meeting and seminar from government organizations and private companies, which are the significant target market of the hotel, similarly are decreased in last year.

Asia Cha-am Hotel

- Target Market:**
1. Government organizations and private company for seminar service
 2. Traveling agencies in Thailand and from aboard
 3. Thai customers who prefer to travel near Bangkok
 4. Customers from Internet advertisement

Competitor:

1. Long Beach Hotel	2. Methavalai Hotel	3. Bann Pantai Resort
4. Golden Beach Resort	5. Regent Cha-am	6. Beach Garden Hotel

Competitive Environment: The technologies development effects in the hotel too. Moreover, the meeting and seminar from government organizations and private companies, which are the significant target market of the hotel, similarly are decreased in last year.

The Darley Hotel Chiang Mai

- Target Market:**
1. Traveling agencies in Thailand and from aboard
 2. Internet customers

Competitor:

1. Prince Hotel	2. Karou Lotus Chang Moi Boutique Hotel
3. Chiangmai Ratanakosin Hotel	4. Karinthip Village

Competitive Environment: There is various hotels occurred in Chiang Mai at present and they are also similar hotel comparing with us. They provide lower price services. The competition is high as a result of new hotels opening business.

Ratchapruerk Lanna Boutique Chiang Mai

Target Market: 1. Thai and foreign tourists
 2. Internet customers

Competitor: 1. E-Outfitting Doikhum 2. July Garden Resort
 3. Romsak Resort

Competitive Environment: There is a high competition in this area especially pricing. Ratchapruerk Lanna Boutique has a higher price than other places there. It is because the hotel provides the better environment than others and near the Royal Park Rajapruek.

Quality Inn Long Beach – Signal Hill, USA.

Target Market: 1. Thai and foreign tourists
 2. Internet customers

Competitor: 1. Econo Lodge Long Beach 2. Queen City Inn
 3. Sea Rock Inn 4. Super 8 by Wyndham

Competitive Environment: There is a high price competition. The advantage is that the hotel is in a good location and has a small shopping plaza with restaurants.

(2) Distribution Approaches

Asia Hotel distribution approaches can describe as following;

1) Foreign Customers

The company has advertised its hotel with the following channels;

- 1.1 Usually communicating with Wholesale Tour Operators
- 1.2 Normally conducting Road Show with Tourism Authority of Thailand
- 1.3 Doing sale promotion by joining tourism fair in Thailand
 - Thailand Travel Mart Plus Mekhong Region
 - Hotels Meet Travel Agents
 - Hotels Meet Corporate
 - Thai Teaw Thai Exhibition

2) Traveling Agencies both in our country and from aboard

Our sale officers usually contact with the administrator of traveling agencies and sign contract for Group Tour regarding accommodations and restaurants. In this case, local traveling agencies mean tour representative, who locate their office and running business in Thailand, induce foreign customers to use our hotel services.

3) Internet Sale

It is another sale approach that more significant in every day and there is also grown rapidly in the marketing industry.

3.1 The hotels has its own website, which is www.asiahotel.co.th. Additionally this website can be a public relation approach to communicate the hotel activities. Sometimes this website can be an approach to communicate with hotel shareholders too.

3.2 Promoted our hotel with traveling agencies website that have a various supporting websites.

Other sale strategy on the Internet is to bring Blogger to review the hotel services and reviewing on Facebook or their own website to promote our hotels.

4) Organizations in Thailand

The hotel will contact with organizations that are required to functioning with foreigners and sometimes have to welcome their business partner. The hotel will keep these organizations' contact to advertise.

5) Customers from Restaurants and Banquet Rooms

This approach can be divided into;

5.1 The hotel room rental customer: the advertisement for this target customers are described as the following;

1. Advertisement within the hotel
2. Distributing leaflets to customer rooms
3. TV advertisement on the hotel signal within the hotel

5.2 Business customers who work in Phayathi area

This group of customer normally use restaurant services such as Tivoli Coffee Shop, Great Wall Restaurant, Saigon Restaurant or Rio Grill Restaurant. The hotel advertisement approaches are;

1. Distributing leaflets in hotel quarter
2. Sale team will advertise to the target organizations for example The Revenue Department and commercial bank.

5.3 General customers

The general customer target generally using the hotel' banquet room service. The advertisement for this customer classify will be;

1. Sale team will make sale to the targets that have purchasing potential and tend to conduct meeting or seminar at that time. Also, communicating with target customers by advertising on newspaper.
2. Promote the hotel by advertising on radio or TV. Also, collaborated with credit card advertisement.
3. Sending newsletters to customers for informed them the hotel's promotions.

Sale approaches, procedure and proportion

Asia Hotel Public Company Limited

Customer types	Services Valued			
	2019		2020	
	Million Baht	%	Million Baht	%
1. COMPANY GROUP	8.18	3.18	6.13	8.77
2. GROUP TOUR AGENCY	31.81	12.38	2.15	3.08
3. INTERNET	179.17	69.69	46.78	66.92
4. GOVERNMENT	25.38	9.87	7.63	10.91
5. OTHERS	12.55	4.88	7.21	10.32
Total	257.09	100.00	69.90	100.00

Note: Services valued percentages of each customer group calculated from the hotel services valued revenues as a standard

Asia Pattaya Hotel Company Limited (a subsidiary company)

Customer types	Services Valued			
	2019		2020	
	Million Baht	%	Million Baht	%
1. COMPANY GROUP	5.16	7.93	0.77	1.94
2. GROUP TOUR AGENCY	37.09	57.00	9.31	23.19
3. INTERNET	11.74	18.04	2.35	5.87
4. GOVERNMENT	4.72	7.25	1.09	2.72
5. OTHERS	6.36	9.78	26.63	66.28
Total	65.07	100.00	40.15	100.00

Note: Services valued percentages of each customer group calculated from the hotel services valued revenues as a standard

Asia Airport Hotel Co., Ltd. (a subsidiary company)

Customer types of Asia Airport Hotel Rangsit	Services Valued			
	2019		2020	
	Million Baht	%	Million Baht	%
1. COMPANY GROUP	22.91	23.87	3.85	9.94
2. GROUP TOUR AGENCY	11.41	11.89	1.48	3.81
3. INTERNET	21.26	22.15	11.34	29.27
4. GOVERNMENT	31.26	32.56	18.86	48.68
5. OTHERS	9.15	9.53	3.22	8.3
Total	95.99	100.00	38.75	100.00

Note: Services valued percentages of each customer group calculated from the hotel services valued revenues as a standard

Customer types of Asia Cha-am Hotel	Services Valued			
	2019		2020	
	Million Baht	%	Million Baht	%
1. COMPANY GROUP	2.39	6.41	1.06	3.69
2. GROUP TOUR AGENCY	7.98	21.42	4.87	17.00
3. INTERNET	14.06	37.74	12.47	43.47
4. GOVERNMENT	4.51	12.10	5.55	19.35
5. OTHERS	8.32	22.33	4.73	16.49
Total	37.26	100.00	28.68	100.00

Note: Services valued percentages of each customer group calculated from the hotel services valued revenues as a standard

Customer types of Darley Chiangmai Hotel	Services Valued			
	2019		2020	
	Million Baht	%	Million Baht	%
1. COMPANY GROUP	0.00	0.00	0.02	0.34
2. GROUP TOUR AGENCY	1.10	23.31	0.38	7.46
3. INTERNET	2.74	57.91	3.92	77.43
4. GOVERNMENT	0.06	1.31	0.05	1.13
5. OTHERS	0.82	17.47	0.69	13.64
Total	4.72	100.00	5.06	100.00

Note: Services valued percentages of each customer group calculated from the hotel services valued revenues as a standard

Customer types of Ratchapruerk Lanna Boutique Hotel	Services Valued			
	2019		2020	
	Million Baht	%	Million Baht	%
1. COMPANY GROUP	0.43	18.21	0.30	14.78
2. GROUP TOUR AGENCY	0.01	0.45	0.01	0.42
3. INTERNET	1.50	63.80	1.44	71.34
4. GOVERNMENT	0.08	3.24	0.00	0.15
5. OTHERS	0.33	14.30	0.27	13.31
Total	2.35	100.00	2.02	100.00

Note: Services valued percentages of each customer group calculated from the hotel services valued revenues as a standard

Agency and nomination, essence of contract

Asia Hotel Group and subsidiaries hotels (Bangkok, Pattaya, Airport, Cha-am, Ratchapruerk and Darley) obtains the same policy that the hotels do not have any agency. The hotels only communicate with customers by the company sale representative. Located in California, USA, Quality Inn Long Beach entered into the franchise contract with Choice Hotels Internationals as our franchisor and agency.

(3) Customer characteristics and relations between customer and the company/subsidiaries

Customer characteristics are non-specify. The relationship is respectful in the hotels, confidently in hotel services quality and satisfaction of our customers.

Asia Hotel has promoted and advertised on credit card member newsletters, newspapers and direct leaflet to customers with in the hotel. The hotel customers typically are regular customers who satisfy in hotel services.

Pricing Policy

Pricing policy depends on target customers which will be different in each target group that are;

1. Traveling agency company which are;
 - 1.1 Thai traveling agency company
 - 1.2 Foreign traveling agency company
2. Airline contract
3. Corporate company
4. Government sector
5. Other organizations
6. Internet customer target
7. Others such as the hotel regular customers or walking-in customers etc.

Pricing Policy is also depended on many influences for instance quantity of customers which the hotel expects from market or advantages and disadvantages of market reaching.

Rights and limitations of managing business

- None –

2.1.3 Goods and services providing

Quality and quantity of the hotel services in 2020 compared with 2019

- Asia Hotel** the hotel provides 590 rooms to serve customers which mostly are tourists and the average room rate is at 1,122.- Baht with hotel occupancy is 28.86% in 2020. The average room rate is at 1,402 baht with occupancy rate is 85.15% in 2019.
- Asia Pattaya Hotel** the hotel provides 305 rooms. The hotel average room rate is at 915.- Baht with occupancy rate is 39.55% in 2020. The hotel average room rate 1,053 baht with occupancy in 2019 is 55.65%
- Asia Airport Hotel** the hotel provides 402 guest room hotel. The average room rate is at 1,054.-Baht with the occupancy rate is 23.79% in 2020. The average room rate is at 1,090 baht with occupancy rate was 57.04% in 2019. There is also service apartment 110 rooms which is average room rate is at 32,845.47 Baht with occupancy rate is 9.17% in 2020. The average room rate is 33,029.34 baht with occupancy rate is 12.80% in 2019.
- Asia Cha-am Hotel** the hotel provides 214 rooms for rental. The average room rate is at 929 Baht with occupancy 36.33% in 2020. The average room rate was at 977 Baht with occupancy 44.38% in 2019.
- The Darley Hotel Chiang Mai** the hotel provides 76 guest rooms. The average room rate is 782.51 Baht with occupancy is 20.74% in 2020. The average room rate is 678 Baht with occupancy is 24.35% in 2019.
- Ratchapruek Lanna Boutique Hotel** this place contains 35 guest rooms. The average room rate is 1,276 Baht with occupancy 20.94% in 2020. The average room rate is 1,415 Baht with occupancy 15.08% in 2019.
- Quality Inn Long Beach – Signal Hill, USA.** the hotel provides 74 guest rooms. The average room rate is 3,009 Baht (USD88) with occupancy is 71% in 2020. The average room rate was 3,415 Baht (USD100.30) with occupancy is 68.19% in 2019.

For the capital investment, the 6 hotels in Thailand have the same expenditure structure regarding salary, facilities and material cost.

COMMERCIAL PROPERTY

ZEER RANGSIT



THE HUB RANGSIT



AA TOWN APARTMENT

GLENDALE & GLENHURST SHOPPING CENTER, LOS ANGELES, USA



2.2 Rental Area Business

2.2.1 Nature of business

Zeer Property Public Company Limited ("ZEER") operates the business of developing and managing shopping centers and real estate development by owning a large shopping center business Zeer Rangsit Project which is located on Vibhavadi-Rangsit Road, Km. 28-29, Khukhot Subdistrict, Lam Luk Ka District, Pathum Thani Province. The project has an area of approximately 86 rai 1 ngan 59 square wah. The Company (ZP) entered into a sub-lease agreement for the land from Don Mueang Grand Plaza Company Limited ("DM") which is a related company. Currently, the remaining rental period is approximately 28 years. At present, the project has 3 main buildings, consisting of Zeer-Rangsit Shopping Center Building, The Hub, Rangsit Shopping Center and AA Town Apartment Building, short and long term with retail operators.

Shopping Complex Business

Shopping center business is the main business of the company causing the company to have rental income from service fees from renting, retail space in Zeer Rangsit shopping center including providing utilities, security, cleanliness service within the shopping center. In the middle of 2000, the company adjusted the area development strategy by changing the business model from being a shopping center for renting retail space to general consumer goods to sell a particular product by adjusting to an electronic center and computer which was well responded. There are more entrepreneurs joining to rent more space, resulting in the present, Zeer Rangsit Shopping Center is a center for selling computers and electronic equipment with the largest rental area in the country and is expected to increase the rental space.

Rental area detailing in Zeer Rangsit Shopping Center

Zeer Rangsit Shopping Center is an 18 stories building (included underground floor). It is emphasized on IT Center. There is Mixed – Use development within the building which comprised of hotel, shopping mall and service apartment. These included 273,960 square meters of all area. It is divided in to rental area for 137,000 square meters, common area for 71,000 square meters and parking for 65,000 square meters. Every floor details are described as the following;

- Underground Mostly there is restaurants and supermarket for example food court, TOPs supermarket, KFC, MK, BBQ Plaza, Pizza Company and Yayoi etc.
In 2016, ZEER had opened ZEER MARKET zone for food and beverages.
- 1st Floor Typically, there are shops regarding electronics equipment, computer and electrics equipment. This floor also provides customer with mobile phone services, camera, computer and electronics equipment.
- 2nd Floor The rent shops have a similar retails as the 1st floor. However, there is interesting retails such as The Future AV and SE-ED book Shop.
- 3rd Floor In this floor still has the similar retails as computer, software and electrics equipment etc. The major retails in this floor is IT City.
- 4th Floor This floor has provided customers with commercial banks and financial institutes more than 6 banks, Amon Shop, Offices, retailing stores and computer providers.
- 5th Floor It is opened for large group of meeting and seminar, named Diamond Hall which is 51% of the whole floor area. The place can support 4,000 people.
- 6th Floor this floor for hotel rental area and the remainder is building systematics
- 7th – 9th Floor are managed for office rental which provide for companies and government sectors.
- 10th – 17th Floor is Asia Airport Hotel which provides 402 guest room service and also included in 110 rooms of service apartment.
- Retails around buildings are divided into market fair and fresh-food market totally 5,000 square meters. These retails pay rent as both daily and weekly and the tenant are crowded.

The company has divided rental area into 2 sections which are;

- Short-term space rental, There is a rental period of not more than 3 years, with monthly rental fees charged, accounted for approximately 70% of the rented space for the rental area. The outside of the building in the form of a flea market and a fresh market in the front and around the Zeer Rangsit building, there is a daily and weekly rental charged.
- Long-term rental. The contract will be over 3 years and lessee required to pay rent in yearly. It is 30% of rental area.

Rental area of The Hub Rangsit

The Hub Center, the building area of 48,231 square meters, is a 3-storey building and has a basement which is located on the side of the building, Zeer Rangsit Shopping Center, is an extension of the shopping center for rent to clothing stores and other products associated for wholesale and retail. Most stores will expand from Pratunam Shopping Area and manufacturers. Currently, the Hub open for service. The basement is a parking lot, 1st and 2nd floor as a rental shop. There are more than 44.76% of the shops that are available.

AA Town Apartment

AA Town Apartment is located behind ZEER Rangsit Shopping Center building. It is 7-stories building and provides 130 rooms for rent. Approximately rent is 4,500/4,800/5,500 Baht per month. This project was launched since November 2014. Recently, there is occupancy 63.85%.

Assets investment for leasing

At present, there are 5 projects, which invest in Thailand for 3 project and in aboard 2 projects.

1. Asia Cha-am Hotel at Petchaburi Province

This hotel locates on Cha-am Beach, Ruam Jit Road, Petchburi. This is a land and building investment included economics building. The hotel has provides 214 rooms. Asia Airport offer the best rent price and took the contract of Asia Cha-am Hotel since late 2010. In 2016, ZEER and Asia Airport had extended contract further 3 years and will be ended in 2022.

2. Glendale Shopping Center, Los Angeles, USA

It is land and community mall investment for this project. This shopping center in located away from Los Angeles Downtown about 7 miles. The lessees have operated more than 5 years. Totally rental area is 11,735 square feet which is 100% of rental area.

3. Lan Sook Plaza and the Darley Hotel Chiang Mai

In 2016, the company "ZP" had collaborated with the original business owner and established a new company named SPA HOTEL CO., LTD. (SPA) and ZP currently holds 96.43% of SPA registered capital. SPA had invested in land and structures located at Chang Moi, Amphoe Mueang, Chiang Mai with 140 million Baht. The location potential is closed to the famous Warorot Market. The construction is completed and tenants are currently moving in.

4. Quality Inn Long Beach – Signal Hill, Los Angeles, USA

This is 1.83 acres hotel or 4.5 Rai. There is management under franchise of Choice Hotels International named "Quality". The franchise will support marketing and accounting context under their management.

5. Ratchapruek Lanna Boutique Project, Hang Dong District, Chiang Mai Province

In 2018, Zeer Asset Co., Ltd., a subsidiary, invested in the purchase of land and building in Hang Dong District, Chiang Mai Province, purchased at a price of 86.4 million baht. Asia Airport Hotel Co., Ltd. rented to operate 35 guest rooms for rent.

2.2.2 Marketing and Competitions

Marketing Policy and Characteristics

❖ Shopping Center Policy

ZEER Rangsit Shopping Complex has a noticeably policy regarding marketing aspect which concentrated on IT and electronics to responding customers from northern of Bangkok, additional center, northern and north east region of Thailand. The reason is ZEER Rangsit locates at Bangkok Gateway.

ZEER Rangsit Shopping Center has 3 buildings within the area which are IT Center Zeer-Rangsit, The Hub and Apartment Building.

Zeer Rangsit Shopping Center has opened the rental area of the total 6 floors. In the basement, tenants are mainly dining restaurants and food center. Computers, electronics, and accessories stores are on 1st to 3rd floor. In the 4th floor, tenants used to be office and storages, the floor is under development introducing the new zone, educational institutions and services such as banks. The major tenant on 5th floor is Asia Airport Hotel, mainly

banquet and function rooms. Throughout the year, some part of the 5th floor is renovated to be a 9,000-sqm convention center, the Diamond Hall.

The Hub Shopping Center, with the total area of 48,231 square meters, is located next to Zeer Rangsit Shopping Center. There are 3 retail floors with a parking basement. The project is an extension retail component to complete the unmet element as a whole. The main concept is being the wholesale destination for retailers, majority of tenants are from Phatunam (Major wholesale center in Bangkok) and showcase for factory. On 1st and 2nd floor are retail rental area, however 3rd floor still not operate yet.

AA Town Apartment is located at the back of Zeer Rangsit Shopping Center, 7-stories building, with 130 rooms, 4,500/ 4,800/ 5,500 baht monthly, launched in November 2015. Occupancy rate is 63.85% at recently.

❖ Marketing Objectives

1. Expanded services area both plaza and residence
2. Advertised IT Zeer Rangsit Shopping Center and The Hub
3. Increased electronics and computer retails
4. Income incentive for retails in Zeer Rangsit Shopping Center
5. Expanded new target market such as customers who is interesting fashion and decorations

❖ Marketing Strategies

Zeer Rangsit Shopping Center has cooperated with major retails within Zeer Rangsit and plan marketing strategies together. Advertisement to support new customers come to the shopping center and effort to expand market target by opened educational zones such as technology and languages.

❖ Marketing Strength and Weakness

1. Zeer Rangsit IT Center is the biggest IT center in Thailand at the moment.
2. Expanded customers target by opened Consumption Goods zones.
3. Underground of the Shopping Center has provided various foods for customers.
4. Convenience and comfortable parking. Adding car spaces behind the building.
5. Within Zeer Rangsit complex, there are wholesale and retail cloths and fashion. Also, the place provides accommodation too.

For the weakness of Zeer Rangsit shopping complex which still have to resolve for example traffic in front of the complex entrance and exit. Additional promoted the project image to be well-known in the market.

❖ Target Customers

Zeer Rangsit Shopping Complex has 2 group customers as a majority target customer that are;

Direct Customers, which are tenants in the shopping center, distribute computer, computer equipment, electronics equipment and other retails. This group can divided into;

First Group the main anchor, who rent retails in the complex, distribute computers, electronics, and accessories. There are both major and minor tenants who supply quality goods and services for customers. The sample of this customer group is IT City, Future AV, NPE Best Buy the Technology City and Amorgroup etc.

Second Group Co-tenant, who is an expanded zone for new target customers such as furniture retails, food and beverage zone, supermarket, book store, commercial bank, government sector and private organization office.

Indirect Customers, This is a group of people who come to use the service, to buy products in Zeer Rangsit shopping center, most of which are residential customers or studying in the Rangsit area and nearby. Because in this area there are many villages. It also has a tendency for expansion of government agencies, private agency, educational institution and housing in the immediate vicinity including the expansion of public transportation projects such as the Red Line BTS Bang Sue-Rangsit etc.

❖ Industry Crisis and Competition

Zeer Rangsit Shopping Center

Government Policy has supported technologies in society at present. Furthermore, the best location of Zeer Rangsit Shopping Center which is located at expanded central business district. Conversely, in this area still does not have IT center which can supply the residence in this area. Afterward the economic crisis in Thailand, Zeer Rangsit has been demanded in the good quantity from customers. There was also the area development and more retails to attract new target customers such as Tops Supermarket, Office Depot, KFC, McDonalds, MK restaurant, Pizza Hut, Future AV, commercial bank more than 7 institutes and Asia Airport Hotel.

Pricing Competition

Zeer Rangsit Shopping Complex usually considers its business capacity both for company itself and tenants within the shopping mall by planned company strategies for long term. The company has pricing policy described as following;

- Rental and services capital of the company included land, buildings, expansion, management fees, advertisement and promotions.
- Business owner capital which concentrates on growth market and considers pricing for comparing between tenants and rental area.
- The comparing price and conditions with other shopping centers in this area.

2.2.3 Goods and Services Providing

Goods of the company are managing rental area, providing facilities for tenants and developing rental area in good conditions.

Rental Management and Facilities

Mostly the rental tenants do contract with the company by short-term contract. The contract provides 3 year or less. However, the company delivers employees to communicate with tenants every month for updating rental status. Once there is a free space for rent, there is also a list of applying tenants for lease immediately.

Others approach of rental area management is contacting the target tenants directly for example education institute or private organization. Moreover, the company will conduct promotional campaign such as setting up promotion during festival to encourage customer expenditures.

To support the rising number of lessees, the company has improved facilities system such as electricity, lighting, water, sewage, and parking traffic included entrance area.

Hotel Project at Cha-am Beach, Petchaburi Province

This project is renting land and building for running hotel business. Presently, the hotel was developing meeting rooms and swimming pool to add asset valued. The company is not required to provide any service for the lessees; however the company will send officer to do inspection area as schedule.

Glendale Shopping Center, Los Angeles, USA

The company hired a property management company to manage tenants in this project, Glendale Shopping Center, the project administrator will report the collection of income, various repair expenses to the company on a monthly basis. The company sends the company staff to survey, inspect the project area periodically.

The Darley Hotel Chiang Mai

This project is renting land and building for running hotel business. The company is not required to provide any service for the lessees; however the company will send officer to do inspection area as schedule.

Lan Sook Plaza Shopping Complex

In the year 2018, the company conducted the construction and decoration of the project in order to be a project that combines famous and popular stores in Chiang Mai which is expected to be available for service in the year 2021.

Quality Inn Long Beach – Signal Hill

The company uses the hotel management under the Francise Brand name, Quality of Choise International Hotels, to manage marketing and accounting. In the year 2019, the company improved according to Choise's standards.

3. Risk Factors

3.1 External Risk

- ***The COVID-19 Pandemic risk***

The COVID-19 Pandemic has caused an immediate halt to the tourism economy globally where the full tourism supply chains are extremely impacted. Full lockdowns are held in many countries where there is a rising number of COVID-19 cases. Before Covid, in 2019, Tourism receipts alone account for almost 14% of GDP in Thailand. (Tourism Authority of Thailand). Being the large portion of the revenue to the country, the hit of Covid-19 has caused an extreme decline in revenue. As the borders are opened, the 14-day mandatory quarantine requirement for anyone arriving has become a barrier for leisure travelers. Together, the government stimulus campaign of ‘We Travel Together’ aimed to support the industry yet could not fully offset the absent demand of international tourists. Complied to the government order, the hotel business was under temporary closure for 3 months. After the reopening, as the overall pandemic situation has not been fully resolved, the hotels could not operate their businesses as the normal pre-covid situation. Under this challenging environment, the hotels are managing their costs cautiously and effectively, underlining the efficiency of human resource management. In the meantime, the hotels focus on the sales strategy for hotel rooms as well as food and beverages to generate income. After the vaccine and medication has been widely used, the overall situation would improve gradually and continuously.

3.2 Internal Risk

- ***Human Resource Risk***

ASIA and its subsidiaries emphasize human resource management. The pandemic has impacted the workforce extensively in the tourism industry. Importantly, the policy of ASIA aims to retain all employees. However, a group of employees decided to resign to join other less affected industries or go back to their homes in rural areas. The company supports current employees by allowing them to stay at the company’s apartment as well as allowing them to bring a cooked meal to their families. These policies also applied to foreign workers. All in all, the number of the group workforce in 2020 is less than the number of the group workforce in 2019.

- ***Foreign Investment Risk***

The subsidiary company (ZP) has investment in the United States of America. Initially, the subsidiary company loans from local bank in term of Thai Baht, and investing in US property. Hence, the miss matching between the total revenue received in foreign currency (USD) and the interest expensed in Thai Baht made the risk in the fluctuation of foreign currency exchange rates.

The subsidiary company always recognized risks relating to the fluctuation in foreign currency exchange rates in converting the involved total value of foreign currency revenues from its overseas operations into Thai Baht. However, With regards to sourcing funds for its operations, generally the Company will borrow funds in the same currency as to be able to offset risks relating to foreign currency exchange rates fluctuations.

- ***Financial Risk***

The company and its subsidiaries company have always recognized the financial management. As of 31 December 2020, the total interest bearing debt was Baht 2,410 million or equal to 0.45 times of interest bearing debt to equity ratio, most of which apply a Minimum Lending Rate (MLR). Risks relating to fluctuating interest rates may have some effect on the Company’s cash flow. However, for the risk management of company and its subsidiaries company has controlled the D/E Ratio, together with the potential rises funds form capital market.

4. Business Asset Structure

4.1 Assets that use for the company and subsidiaries business on 31 December 2020.

Assets	Rights	Valued (Million Baht)	Obligation (noted 1)
1. Land including hotel/parking/office buildings totally 6-0-6 Rai located at Ratchathevi, Bangkok. <i>Managing "Asia Hotel"</i>	ASIA is a titleholder.	1,857.41	1,790.00
2. Land including 6 stories building and employees apartment 7 plots totally 44-0-15.8 Rai located at Pattaya, Bang La Muang, Chonburi. (obligation area 39-1-0.2 Rai) <i>Managing "Asia Pattaya Hotel"</i>	Asia Pattaya Hotel Company Limited (AP) is a titleholder own both land and building.	1,598.31	660.00
3. Rental rights in 4 stories building at Soi Phayanak, Ratchathevi, Bangkok. <i>Managing office building of Asia Hotel</i>	ASIA do contract with Crown Property Bureau since 1982 and continue contract with 20 years lease, ending 2032.	13.98	-
4.1 Land and 11 stories hotel building totally 39,380 sq. m. located at Zeer Rangsit Shopping Center on Phaholyothin Rd., Kukot, Lumluka, Pathumthani for 600 million Baht. <i>Managing "Asia Airport Hotel"</i>	Asia Airport Hotel Co., Ltd. (AA) (lessee) do contract with Zeer Property Public Co., Ltd. (ZP) (lessor) for 42 years and 5 months since 1 November 1996 to 31 March 2039 (currently 20 years 3 months in contract)	354.59	150.00
4.2 Rental rights in Asia Cha-am Hotel on 3 Rai 3 Ngan 46 sq. Wah on Cha-am Beach, Petchaburi with 17 stories building, 106 rooms and 4 stories building, 108 rooms. <i>Managing "Asia Cha-am Hotel"</i>	Asia Airport Hotel Co., Ltd. (AA) (lessee) do contract with Zeer Property Public Co., Ltd. (ZP) (lessor) for 3 years since 1 November 2019 to 31 October 2022.	-NONE-	15.00
5.1 Rental rights on land 86 Rai 1 Ngan 59 sq. Wah with Zeer Rangsit Complex building under rental contract with equipment.	Zeer Property Public Co., Ltd. (ZP) (lessee) and DonMuang Grand Plaza Co., Ltd. (DM) do contract for 55 years since 1 April 1993 to 31 March 2048 (currently 30 years 3 months in contract)	3,009.16	1,590.00 As financial institute Mortgage
5.2 Asset with building at Cha-am, Petchaburi which include (1) Land and hotel building with 214 rooms	Zeer Property Public Co., Ltd. is a titleholder	330.41	220.00 As financial institute Mortgage
(2) Land and commercial building at Ruamjit Rd.	Zeer Property Public Co., Ltd. is a titleholder	19.95	-

Assets	Rights	Valued (Million Baht)	Obligation (noted 1)
6. Asset with building at Chang Moi Sub-district, Muang District, Chiang Mai province as Hotel and Plaza on 2 Rai 3 Ngan 29.3 sq. Wah land. <i>Managing "Darley Hotel Chiang Mai"</i>	SPA HOTEL CO. LTD. (SPA) is a titleholder	358.29	206.00 As financial institute Mortgage
7. Asset with building at Nong Kwai Sub-district, Hangdong District, Chiang Mai province as resident 35 rooms on 2 Rai 31 sq.wah with 3 stories,1 building, 2 stories 1 building, office building <i>Managing "Ratchapruek Lanna Boutique "</i>	Zeer Assets Co., Ltd. is a titleholder	78.16	
8.1 Glendale Shopping Center, Los Angeles, USA	Zeer Oversea LLC is a titleholder	219.79	-
8.2 Asset with building at Quality Inn Long Beach, CA., U.S.A. on 1.83 acres or 4.5 Rai as hotel 68 rooms and 6 shops <i>Managing "Quality Inn Long Beach - Signal Hill"</i>	Zeer Oversea LLC is a titleholder	422.24	
9. Machinery and equipment	ASIA Owner	39.11	-
10. Decorations and installments	ASIA Owner	151.32	-
11. Furniture and decorations	ASIA Owner	3.90	-
12. Hotel and restaurant supply	ASIA Owner	8.61	-
13. Office supply	ASIA Owner	11.91	-
14. Vehical	ASIA Owner	7.10	1.39

Noted: (1) Financial institute Mortgage as liabilities at present

4.2 Subsidiaries and joint company investment policy

On 31 December 2020, Subsidiaries and joint companies had invested in hotels and restaurants business valued 711.80 million Baht. Also, they invested in shopping center (rental area business) (ZP) valued 428.79 million Baht. The investment proportion is 11.92% of total asset.

4.3 Asset Evaluation

In 2020, the Company and its subsidiaries did not revalue assets during the accounting period.

5. Legal Dispute

The company do not have legal dispute which effects the company assets over 5% of shareholders.

6. General Information and Parties of References

Company : ASIA HOTEL PUBLIC COMPANY LIMITED (ASIA)

Business Type 2 major business: Hotel Business and Shopping Center Business (Rental Area Business)

Company register : No. 0107535000346

Telephone no. : 0-2217-0808 Fax no.0-2215-2645

Home Page : //www.asiahotel.co.th

Address : 296 Phyathai Road, ThanonPetchaburi, Rajathevi, Bangkok 10400

Authorized share capital: 500 million baht consisting of 500 million shares with par value of Baht 1.- each

Paid up capital : 320 million baht consisting of 320 million fully paid shares with par value of Baht 1.- each

The Annual General Meeting no. 56 for year 2018 approved the change of the par value from 10 baht per share to 1 baht per share totaling 500,000,000 shares with the registered capital of 500 million baht and 320 million baht of paid-up capital without a change.

Details of Juristic Persons Which Company held at least 10% of issued and paid-up capital

	Address	Type of Business	Type of Share	Issued and paid-up (MB)	No. of Shares Held	% of Shares Held
Asia Pattaya Hotel Co., Ltd. "AP" (Subsidiary Company)	352 Moo 2 Kao PraTumnuk Road Pattaya Beach Cholburi.	Hotel and Restaurant	Ordinary Shares	120.0	1,193	99.42%
Asia Airport Hotel Co., Ltd."AA" (Subsidiary Company)	99/2 Moo 8 Paholyothin Rd. Kukot Lumlukka Pathumthani	Hotel & Service Apartment and Restaurants	Ordinary Shares	495.0	4,949,993	100.00%
Zeer Property Co., Ltd. "ZP" (Subsidiary Company)	99 Moo 8 Paholyothin Rd. Kukot Lumlukka Pathumthani	Shopping Center (Rent Area) Business	Ordinary Shares	225.0	213,412,200	94.85%
Zeer Asset Co., Ltd. "ZA" (Subsidiary Company) By ZP	165 Rungsit-Nokornnayok Rd. Prachatipat, Pathumthani	Real Estate	Ordinary Shares	30.0	299,699	99.90%
Zeer Oversea LLC"ZO" (Subsidiary Company) By ZP	2662, 22 nd Avenue San Francisco, CA., USA 94116	Shopping Mall for Rent	Ordinary Shares	US\$ 8,850,000	US\$ 8,844,000	99.93%
Spa Hotel Co., Ltd. "SPA" (Subsidiary Company) By ZP	99 Moo 8 Paholyothin Rd. Kukot Lumlukka Pathumthani	Real Estate	Ordinary Shares	140.0	13,499,987	96.43%

Remarks: ZP has established three subsidiaries, Zeer Asset Co., Ltd, Zeer Oversea LLC. And Spa Hotel Co., Ltd. holding the ordinary shares of 99.90%, 99.93% and 96.43% respectively, resulting ASIA hold the shares indirectly.

**Shares
Registrar**

Name : Thailand Securities Depository Co., Ltd.
Address : 93 Rachadapisek Road, Dindaeng, Dindaeng, Bangkok 10400
Telephone No. : (662)-009-9738-89

Auditor

Company's Name : ANS Audit Co., Ltd.
Auditor's Name : Mr. Sathien Vongsnan C.P.A (Thailand) No. 3495 or
: Miss Patcharee Siriwongsin C.P.A (Thailand) No. 9037 or
: Miss Panita Chotesaengmaneekul C.P.A (Thailand) No. 9575

Address : 100/72, 22nd100/2 Vongvanij B Bldg., Rama 9 Rd., Huaykwang, Bangkok 10310
Tel. (662) 645-0109 Fax. (662)645-0110.

Legal Advisor

Name/Address : Mr. Krisadang Nutcharut,
25/7 Moo 19 Soi 21/1, Phutthamonthon sai 2 Rd., Sala Thammasop, Thawi Wattaana,
Bangkok 10170
Telephone No. : 081-646-6293

PART 2

Management and Corporate Governance

7. Share Information and Shareholders

7.1 Number of registered capital and paid capital

As of December 31, 2020, The Company has registered capital of 500 million baht and paid up capital of 320 million baht. The number of common shares 320 million shares, par value equal to 1 baht each. The company has no transaction in increasing and decreasing in capital in the past 5 year.

The Annual General Meeting of Shareholder no. 56 on April 23, 2018 approved the change of the par value from 10 baht per share to 1 baht per share totaling 500,000,000 shares with the registered capital of 500 million baht and 320 million baht of paid-up capital without a change.

7.2 Shareholders

(A) Details of Top-Ten Major Shareholders as at the latest closing dated on 29 June 2020 are as follow:

No.	Name	No. of Shares Held	% of Share Held
1	A.B.K. Enterprise Groups.	148,240,000	46.325
2	Mrs. Pornpun Tanariyakul and spouse	35,727,750	11.165
3.	Mr. Surapol Techaruvichit and spouse	15,808,330	4.940
4.	Mr. Patcharapol Techaruvichit	14,470,000	4.522
5.	Mr. Wutimate Lertvilai	11,529,990	3.603
6.	Mr. Somsak Komvutichai	8,609,000	2.690
7.	Mr. Soh Chee Yong	7,650,000	2.391
8.	Mrs. Suvimol Techaruvichit	5,619,960	1.765
9.	Mr. Wichai Arunkamolsri	5,396,000	1.686
10.	Pattaya Hotel Trading Co., Ltd.	3,600,000	1.125
	Total	256,651,030	80.203

Remarks : Counting the total amount of shares of related shareholders according to the Section 258 (including spouse and minor child)

(B) The major shareholder group having behavior influences policy setting or management of company

Name list of major shareholder	No. of Shares Held	% of Share Held
1. Techaruvichit Family	77,624,270	24.257
Mrs. Suvimol Techaruvichit	5,619,270	1.756
Mr. Surapol Techaruvichit and Miss Aree Techaruvichit spouse	14,735,000	4.605
	1,073,330	0.335
Mr. Polpat Techaruvichit	1,459,000	0.456
Mr. Patcharapol Techaruvichit	14,470,000	4.522
Mr. Surapong Techaruvichit	2,266,660	0.708
Miss Patcha Techaruvichit	24,600	0.007
Mr. Poom Techaruvichit	207,310	0.065
Mrs.PornpunTanariyakul and Mr.Samart Tanariyakul spouse	34,723,750	10.851
	1,004,000	0.314
Mrs. Oyetip Hayrabut	2,040,660	0.638
2. A.B.K. Enterprise Co., Ltd.	148,240,000	46.325
3. Pattaya Hotel Trading Co., Ltd.	3,600,000	1.125

The persons in Techaruvichit Family holds direct ASIA shares totaling 82,324,930 shares or 25.73%

As at December 31, 2020 Techaruvichit group, who is a current executive of ASIA, holds direct shares of the company of 19.67% and holds indirect shares via the company group of A.B.K. Enterprise Company Limited according to the note in item (a) of 47.45%, It is totally direct and indirect holding of 67.12% as follows:

A.B.K. Enterprise Company Limited is a Holding Company, 29.41% of shares are held by Techaruvichit Group, the executive of ASIA and others held 70.59% shares

Pattaya Hotel Trading Company Limited is a Holding Company, 69.17% of shares are held by Techaruvichit Group, the executive of ASIA and others held 30.83% shares

In addition, there's currently no shareholders' agreement about issuing and initial public offering of common stock as well as any agreement of the company's management.

Director and Executive	No. of Shares Held in 2020	% of Share Held in 2020	No. of Shares Held in 2019	% of Share Held in 2019
Mr. Piyawudh Senapoopitaksa	266,660	0.08	266,660	0.08
Mr. Amorn Techaruvichit*	500,000	0.16	700,000	0.22
Mr. Surapong Techaruvichit	2,266,660	0.71	2,266,660	0.71
Mrs. Suvimol Techaruvichit	5,619,960	1.76	5,619,960	1.76
Mrs.Pornpun Tanariyakul and Mr. Samart Tanariyakul spouse	34,723,750 1,004,000	10.85 0.31	34,723,750 1,004,000	10.85 0.31
Mrs. Oyetip Hayrabut	2,040,660	0.64	2,040,660	0.64
Mr. Polpat Techaruvichit	1,459,000	0.46	1,459,000	0.46
Miss Patcha Techaruvichit	24,600	0.01	0	0.00
Mr. Sombut Pupipathirunkul and Mrs. Sunantha Pupipathirunkul spouse	497,990 32,000	0.16 0.01	497,990 32,000	0.16 0.01
Mr. Suwat Dusitrojjanawongse	850,000	0.27	850,000	0.27
Dr. Chotima Puasiri	660	0.00	660	0.00
Mrs. Ruchukorn Siriyodhin	0	0.00	0	0.00
Mr. Surapol Techaruvichit and Miss Aree Techaruvichit spouse	14,735,000 1,073,330	4.61 0.33	14,735,000 1,073,330	4.61 0.33
Mr. Kriengsak Jumaree	0	0.00	0	0.00
Director and Executives hold ASIA shares	65,094,270	20.34	49,461,340	15.46

Remarks : Mr. Amorn Techaruvichit, Vice Chairman passed away on August 22, 2020 and the resolution of the board meeting on November 13, 2020 appointed Mrs. Ruchukorn Siriyodhin as Independent director substituted director Mr.Amorn Techaruvichit.

7.3 Other Securities

-NONE-

7.4 Payment of Cash Dividend

- Asia Hotel Public Company Limited

: The company has a policy to pay the dividend to shareholders around 60% of the net profit after deduction of statutory reserves of particular company's financial statement. The dividend payout ratio depends on cash flow and investment of the company and its subsidiaries including the consideration of legal restriction and any necessary matters.

Past 3 years record of dividend paid

<u>Period</u>	<u>dividend/share</u>	<u>date paid</u>
1 July – 31Dec 2019	0.00	No dividend payment
1 Jan - 30 Jun 2019	0.05	12 December 2019
1 Jul – 31 Dec 2018	0.03	9 May 2019
1 Jan - 30 Jun 2018	0.10	12 December 2018*
1 Jul – 31 Dec 2017	1.25	22 May 2018
1 Jan - 30 Jun 2017	0.60	12 December 2017

Note : * The payment date on 12 December 2018, onward is the payment of dividends from the value of 1 baht per share which has changed the par value according to the resolution Shareholders' Meeting No. 56 on April 23, 2018

Payment of Cash Dividend of Subsidiary Companies

- Asia Pattaya Hotel Company Limited

: The policy for paying the dividend is in accordance with the company regulation. The company should reserve the money by not less than 5% until the reserved money is totally up to 10% of the company fund. There is not other regulation.

The company has a policy to pay the dividend not less than 60% of the net profit after deduction of statutory reserves.

- Asia Airport Hotel Company Limited

: The policy for paying the dividend is in accordance with the company regulation. The company should reserve the money by not less than 5% until the reserved money is totally up to 10% of the company fund. There is not other regulation.

The company has a policy to pay the dividend not less than 60% of the net profit after deduction of statutory reserves.

- Zeer Property Public Company Limited

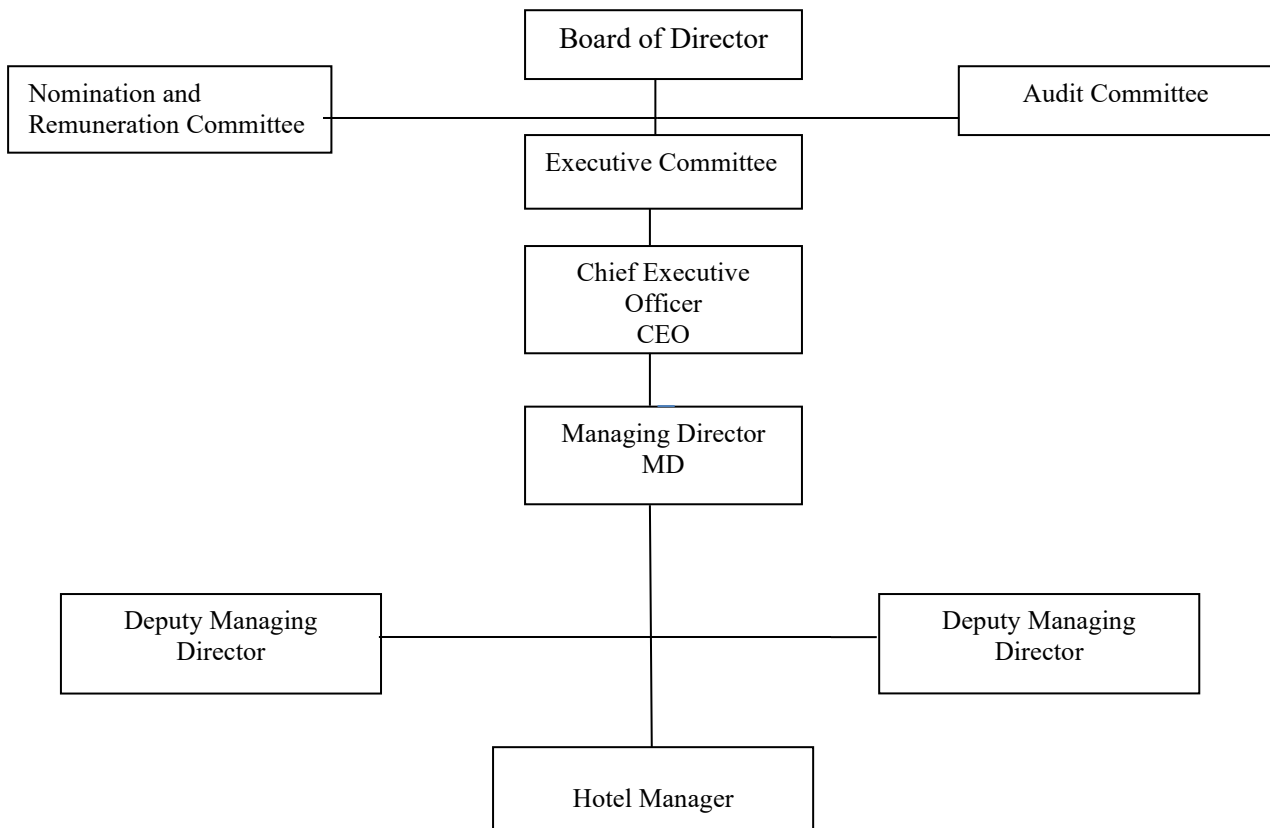
: The policy for paying the dividend is in accordance with the company regulation. The company should reserve the money by not less than 5% until the reserved money is totally up to 10% of the company fund. There is not other regulation.

The company has a policy to pay the dividend not less than 40% of the net profit which is already statutory reserved.

8. Management

The company consisting with 4 committees, those are the company committee, executive committee, audit committee and the nomination and remuneration committee.

Management Structure as of 31 December 2020



8.1 Board of Directors presently consists of 11 members as at 31 December 2020

1. Mr. Piyawudh	Senapoopitaksa	Chairman (Independent Director)
2. Mr. Surapong	Techaruvichit	Director
3. Mrs. Suvimol	Techaruvichit	Director
4. Mrs. Pornpun	Tanariyakul	Director
5. Mrs. Oyetip	Hayrabut	Director
6. Mr. Polpat	Techaruvichit	Director
7. Miss Patcha	Techaruvichit	Director
8. Mr. Sombut	Pupipathirunkul	Director (Independent Director)
9. Mr. Suwat	Dusitrojanawongse	Director (Independent Director)
10. Dr. Chotima	Puasiri	Director (Independent Director)
11. Mrs. Ruchukorn	Siriyodhin	Director (Independent Director)*
Miss Sudaratana	Wisnuwatanakit	Secretary to the Board

Remarks* The Board Meeting 11/2020 nominated Mrs. Ruchukorn Siriyodhin as Independent Director on November 13th, 2020 as the replacement of position of the late Mr. Amorn Techaruvichit.

Board of directors of the Company consists of persons with knowledge, competence and experience in business relating to the Company's operations. They are not persons who are in the list and not considered by the Securities and Exchange Commission (SEC) to be the management executives nominated by the nomination and remuneration committee through the board of director for approval and will be appointed in the shareholders meeting.

- The term of office is 3 years according to the company's regulations. In the shareholders annual meeting each year one third of the committee will leave the office and they can be re-elected again.
- The Company shall consist of the directors a minimum of 7 persons, but no more than 15 persons, the Company will propose to shareholder meeting to appoint at least 3 independent directors or not less than 1/3 of total company directors according to regulations of the Security and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET). The qualifications of independent Directors are in item 8.3 Selection of committee and executives
- The ratio of directors who will represent each group of shareholders is not fixed, it depends on resolution of the Shareholder meeting
- The Shareholders' meeting shall elect directors according to the Article of Association of the Company no. 17, the shareholders shall elect the Directors according to the following criteria and methods:
 - (1) A shareholder has the vote of one share per one vote.
 - (2) Each shareholder must put all of his/her votes under (1) to elect a person or several persons as directors, but he/she is not allowed to split his/her votes.
 - (3) Those who receive the highest number of votes will be elected in descending order as directors, equaling the numbers of directors to have or to be elected at that time. In case of tie between runners-up, exceeding the numbers of directors to have or to be elected at that time, the Chairman shall make the casting vote.
- The directors are not allowed to be involved in any same business types that are competitors of the company even though to benefit others excluding if the director already notified in the shareholder's meeting before an appointment.
- The director can hold a position of the director of other company if it doesn't hinder the duty of the director. The director of the company shouldn't hold a position as a director of more than 5 listed companies.

Authorities of the company committee are tentatively specified as follows:-

- (1) Consider and approve the organizational structure and management of the Company and its subsidiaries.
- (2) Approve policy, strategy and operational goal proposed by executive committee. To govern and share opinion for making decision in executive for achieving operational goals as established.
- (3) Consider and approve the annual operating budget, capital expenditure budget and investment projects of the Company and its subsidiaries.
- (4) Appoint Independent director, executive committee, sub-committee groups and top executives of company and approve the remuneration proposed by the Nomination and Remuneration Committee.
- (5) Consider and approve the issues of contingent liabilities, commitments and guarantees of the company and its subsidiaries.
- (6) Propose the director whose tenure will end and the new director in the Shareholders' Meeting and propose the meeting attendance remuneration, bonus for the Board members as well as dividend payment to shareholders.
- (7) Propose the appointment of company's auditor and audit fees in the Shareholders' Meeting in accordance with Audit committee's recommendation.
- (8) Consider and agree on Quarterly and Annual Financial Statements, Annual filing Form 56-1 and Form 56-2 according to the regulation of the Stock Exchange of Thailand (SET) and the Security and Exchange Commission (SEC).
- (9) Consider and approve the related transaction and conflict of interest relating to the purchase or disposal of assets according to the SEC.
- (10) Follow up the monthly and quarterly operating results and financial status of the Company and its subsidiaries
- (11) Consider and approve the agreement on purchasing, hiring servicing, renting and leasing with exceeding value of Baht 20 million
- (12) Consider the purchase of the out-of budget items which value more than Baht 20 million, and the over-budget expense exceeding 20% of approved value.
- (13) Consider on renting and leasing assets for period over 6 years.
- (14) Consider and approve on any matters presented by Executive Committee including legally-required matters to be presented to the Board.
- (15) Board may assign a director or any other persons to take action or have authority for the Board within an acceptable period of time under the Board's consideration. The Board may abrogate, change or revise the assigned person as appropriate, except for the acquisition and disposition of asset and related party transaction which shall follow the regulation of the SEC and the SET.
- (16) The Board Meeting shall be at least 1 time per 3 months with at least 50% of attendants
- (17) Any directors whose interest relating to the issue shall not be entitled to vote and shall leave the meeting

(18) Board prepare the annual report of conflict of interest of director and related person or changing item in the report within 30 days, this report will be kept by the company secretary

❖ The Company's structure of directors comprises of 11 members:

- Management executives 3 members : Mr.Amorn Techaruvichit (passed away) , Mr.Surapong Techaruvichit, Mrs. PornpunTanariyakul and Mrs. Oyetip Hayrabut
- Non-management executives 3 members : Mrs. Suvimol Techaruvichit, Mr. Polpat Techaruvichit and Miss Patcha Techaruvichit
- Independent 5 members : Mr. Piyawudh Senapooitaks, Mr. Sombut Pupipathirunkul, Mr. Suwat-Dusitrojanawongse, Dr.Chotima Puasiri and Mrs.Ruchukorn Siriyodhin.

Therefore, to balance and to inspect the execution of the Company, structure of board of directors consists of 8 members of non-management executives that more than a half of total members of directors and the Company also appointed 5 members of independent as audit committee. (equal to 45.45 percentage or more than 1/3 of 11 members of board of directors).

The Audit committee and the Nomination and Remuneration committee are the independent committee, the Board of directors approved audit committee charter and nomination and remuneration committee charter. The duties and responsibilities of these committees can be searched for further information in *item 9.2 Committee*.

❖ Committee's Meeting

Company arranges the meeting monthly on the date of 13th. In case of having the special case that the meeting has to be done, the letter of invitation of a meeting will be sent to notify the committees at least 7 days in advance so that they can make a careful discretion and arrange the time for making decision of the matter or subject proposed by the management team and discussing major problem carefully.

The committees well concern that they have to participate the meeting every time except in case of having a special reason the chairman will be informed. All this, the approved meeting will be record in writing and the meeting report which approved by the committee will be kept and audit by the related committee.

Shareholder Meeting participation

Every director should participate in every shareholder meetings to explain the question from shareholders especially the committees including the audit committee, the nomination and remuneration committee and the executives except for any inevitable reasons which the directors have to notify the chairman in advance.

In 2020, there are totally 12 committees' meeting and the participants are as follows:

Name	Position	Tenure	Participate /Number of meeting	Participate 2020 AGM
1.Mr.Piyawudh Senapooitaks*	Chairman ID, AC and NRC	APR. 2017- APR. 2020	11/12	1
2. Mr.Amorn Techarucihit* (Passed away)	Vice Chairman	APR. 2019- AUG. 2020	8/12	1
3. Mr.Surapong Techaruvichit	Director	APR. 2019- APR. 2022	12/12	1
4. Mrs.Suvimol Techaruvichit	Director	APR.2018- APR. 2021	12/12	1
5. Mrs.Pornpun Tanariyakul	Director	APR.2017- APR. 2020	12/12	1
6. Mrs.Oyetip Hayrabut	Director	APR. 2018- APR. 2021	12/12	1
7. Mr.Polpat Techaruvichit	Director	APR. 2018- APR. 2021	11/12	1
8. Miss Patcha Techaruvichit	Director	APR. 2018- APR. 2021	12/12	1
9. Mr.Sombut Pupipathirunkul	Director, ID, AC and NRC	APR. 2018- APR. 2021	7/12	1
10. Mr. Suwat Dusitrojanawongse	Director, ID, AC and NRC	APR. 2019- APR. 2022	12/12	1
11. Dr. Chotima Puasiri	Director, ID, AC	APR.2018- APR. 2021	11/12	1
12. Mrs. Ruchukorn Siriyodhin	Director, ID	NOV.2020- APR.2022	1/1	-

ID = Independent Director, AC = Audit Committee, NRC = Nomination and Remuneration Committee

Remark: 1. Mr. Amorn Techaruvichit, Vice Chairman Passed away on August 22, 2020 and the Board of Directors Meeting No. 11/2020 on November 13, 2020 passed a resolution to appoint Mrs. Ruchukorn Siriyothin, Independent Director to take the position with the remaining term of Mr. Amorn Techaruvichit.

Authorized Directors

“ Mr. Amorn Techaruvichit or Mrs. Suvimol Techaruvichit or Mr. Surapong Techaruvichit or Mrs. Pornpun Tanariyakul jointly sign, totaling two directors together with the Company’s seal affixed.”

Later, on September 3, 2020, the Company registered the amendment to the power of directors due to Mr. Amorn Techaruvichit, Authorized Director, revised the authorized signatory to bind the company as follows:

“Mrs. Suvimol Techaruvichit or Mr. Surapong Techaruvichit or Mrs. Pornpun Tanariyakul jointly sign, totaling two directors together with the Company’s seal affixed.”

The Limit of the Authority of Directors: - None -

Scope of duties and responsibilities of Chairman of Directors

Chairman of Directors of the Company has to serve as the Chairman of the Board of Directors’ Meeting and Chairman of Shareholders’ Meeting. Chairman should be able to control the Meeting to comply with the rules and regulations of the Company in respect of the Meeting and to run the Meeting to be in accordance with the Meeting Agendas as specified in the meeting invitation letter.

Scope of duties and responsibilities of Chief Executive Officer

Chief Executive Officer is the top executive of the organization who is responsible for the management of the company as well as the investment according to the policy of the company outlined in the Executive Committee and the Board of Directors. In addition to the disapproval of the related transaction (as defined in the notification of the Securities and Exchange Commission (SEC), Section 58 and close relatives) who have interests or there may be a conflict of interest in the company or subsidiary of the Company.

Scope of duties and responsibilities of Managing of Directors

Managing Director is the Executive deputy under the Chief Executive Officer who supervises the management of the marketing department and the brand of the organization .according to the policy of the company outlined in the Executive Committee and the Board of Directors. In addition to the disapproval of the related transaction (as defined in the notification of the Securities and Exchange Commission (SEC), Section 58 and close relatives) who have interests or there may be a conflict of interest in the company or subsidiary of the company.

8.2 Executive

Executive Committee as at December 31, 2020

1. Mr. Surapol	Techaruvichit	Chief Executive Officer
2. Mr. Surapong	Techaruvichit	Managing Director
3. Mrs. Pornpun	Tanariyakul	Deputy Managing Director
4. Mrs. Oyetip	Hayrabut	Deputy Managing Director

Remark: The Board of Directors Meeting No. 11/2020 on November 13, 2020, appointed Mr. Surapol Techaruvichit as Chief Executive Officer of the company, effective from 13 November 2020 onwards.

Duties and Responsibilities of Executive committee as follows:

- (1) Setting strategy, goal and plan and proposing to Board of Directors. Controlling the operation to be in according to the strategy and goal and appointing individuals at every level to be responsible to the goal and policy approved by the Board of Directors.
- (2) Proposing the operating result and financial status of the group of Company, inspection and summarizing important matters to propose to Board of Directors.
- (3) Administer and control individuals for operation, set salary and remuneration to all employees.
- (4) Governance to be in accordance with the government law and regulations.
- (5) Approval of procurement, service, rent and leasing with the budget not exceed than Baht 20 million.

- (6) Approve buying assets with no budget valued not exceed than Baht 20 million and expenses that over budget of not more than 20%.
- (7) Approve renting and leasing with the contract period of not more than 6 years.
- (8) Approve any other matters propose by executive directors.
- (9) Do any other task assigned by Board of Directors.

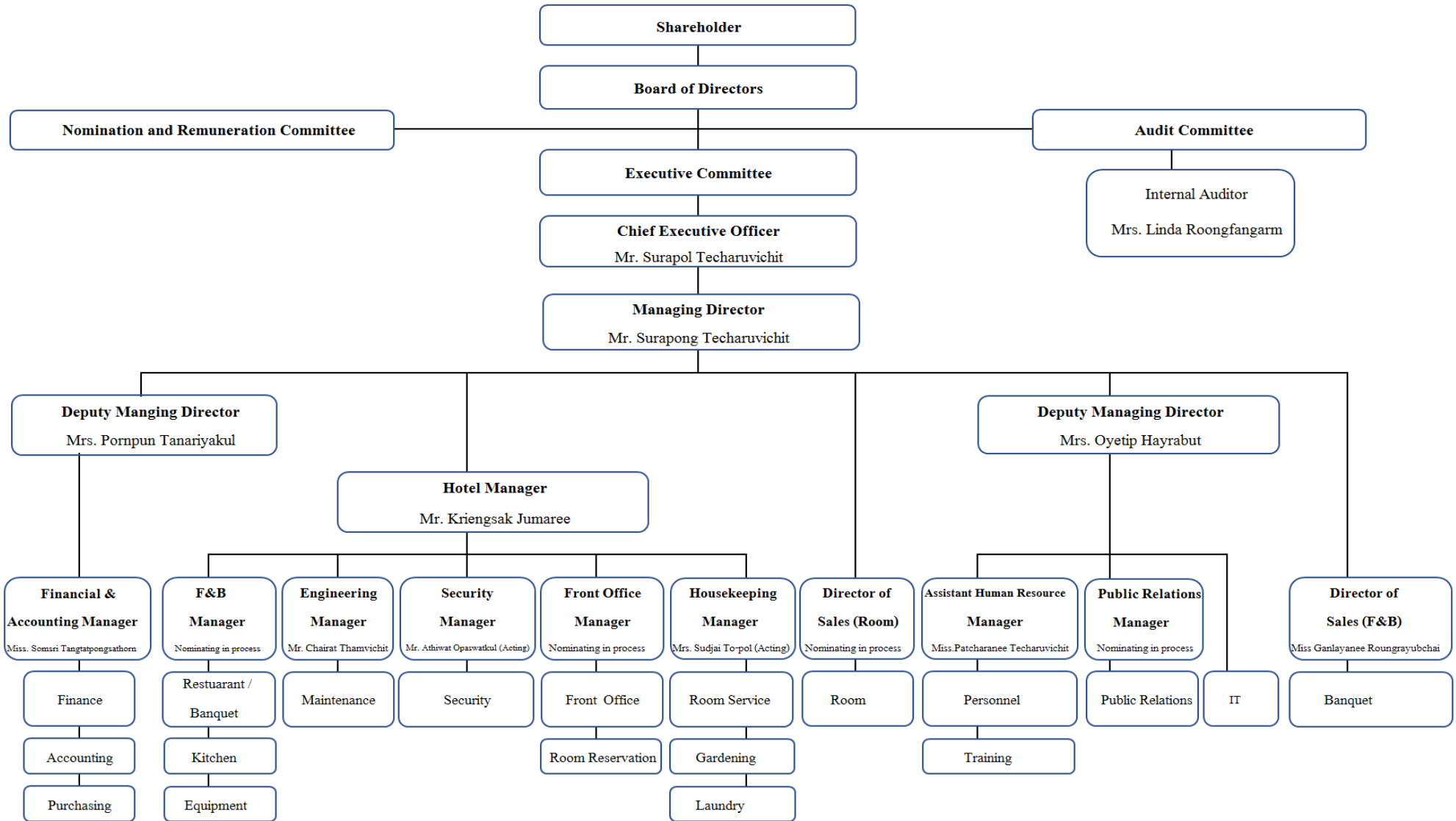
Management Team as 31 December 2020

1. Mr. Surapol	Techaruvichit	Chief Executive Officer
2. Mr. Surapong	Techaruvichit	Managing Director
3. Mrs. Pornpun	Tanariyakul	Deputy Managing Director
4. Mrs. Oyetip	Hayrabut	Deputy Managing Director
5. Mr. Kriengsak	Jumaree	Hotel Manager
6. (Nominating in process)		Director of Sales (Room)
7. Miss Ganlayanee	Rounggrayubchai	Director of Sales (F&B)
8. Miss Somsri	Tungstatpongsathorn	Financial & Accounting Manager
9. Mrs. Sudjai	Topol	Acting Housekeeping Manager
10. (Nominating in process)		Front Office Manager
11. (Nominating in process)		Food and Beverage Manager
12. Miss Patcharane	Techaruvichit	Assistant Personnel Manager
13. (Nominating in process)		Public Relations Manager
14. Mr. Chairat	Thamvichit	Engineering Manager
15. Mr. Athptiwat	Opaswatkul	Acting Security Manager

Four executive levels below the chief executive (MD) according to the regulation of the SEC.

1. Mr. Surapong	Techaruvichit	Managing Director
2. Mrs. Pornpun	Tanariyakul	Deputy Managing Director
3. Mrs. Oyetip	Hayrabut	- Deputy Managing Director
4. Mr. Kriengsak	Jumaree	Hotel Manager

Organization Charts of ASIA



8.3 Company Secretary and CFO and Chief Accountant Qualifications

The Board of Director has appointed Miss Sudaratana Wisnuwatanakit as Company Secretary effective from 18 May 2011 onwards. Qualification of Company Secretary see Attach No. 1

Secretary of the Company appointed since August 2008 has responsibilities to co-ordinate between the Company and Board of Directors, Sub-Committee and the Company's shareholders, facilitate directors and related persons to always receive current information such as announcement and new regulations of the SEC and the SET, prepare and arrange Shareholder Meeting. In addition, Secretary also has to act on behalf of the Company and Board of Directors for the following:

- (1) Prepare and filing the following document:
 - a) Registry record of directors
 - b) Appointment Letter for Board of Directors' Meeting, Minutes of the Board of Directors' Meeting and the Annual Report of the Company.
 - c) Appointment Letter for Shareholders' Meeting and Minutes of Shareholders Meeting
- (2) Keep equity items reported by directors or management
- (3) Operate other task according to the Announcement of Capital Market Committee

In case that the Secretary of the Company resigned or cannot perform the duty, Board of Directors shall appoint a new secretary within 90 days starting from the date of resignation or cannot perform the duty. Board of Directors is authorized to assign any director to act on instead Secretary during that time.

The company has appointed Miss Somsri Tangtatpongsatorn to be the most responsible person in the finance and accounting field and the company directly assigned her to control the company's accounting. She has performed her duties in the position Accounting and Finance Manager since July 2005, has met the qualifications specified by the SEC and the Stock Exchange of Thailand as the attachment No.1

CFO and Chief Accountant Qualifications

The SEC's Rule	Qualifications for the individuals who already holds such position in listed companies	In case listed companies appoint new CFO or Chief Accountant	
		A) The person had been CFO/Chief Accountant in Listed companies <u>and</u> is out of the position in less than 1 year	B) The person has never been CFO/Chief Accountant or is <u>out</u> of the position more than 1 year
CFO Education : Minimum bachelor's degree or equivalent Experience <ul style="list-style-type: none"> • Minimum 3 years in accounting or finance within the last 5 years <u>or</u> • Minimum 5 years in any field that is beneficial to the company's business within the last 7 years Traning <ul style="list-style-type: none"> • Orientation 12 hours • Continuing development course in accounting knowledge 6 hours/year 	- - - / - /	- - - / - /	/ / / / / /
Chief Accountant <u>Registration certificate as an Accountant</u> with criteria specified by Department of Business Development Experience <ul style="list-style-type: none"> • Minimum 3 years in accounting within the last 5 years Traning <ul style="list-style-type: none"> • Continuing development course in accounting knowledge 6 hours/year in compliance with Department of Business Development 	/ - /	/ - /	/ / /

In case of a change in the appointment of CFO or Chief Accountant, the company must notify SET within 3 business days. If the company appoints acting personnel in the said position, the person should fully be qualified as per applicable regulation.

8.4 Remuneration and Benefits to Board and Management

(1) Remuneration in Cash

Remuneration in cash is paid in term of meeting allowance and bonus. The company currently doesn't have the compensation policy excluding the salary and bonus which executives are the only one who received.

Nomination and Remuneration Committee has considered the remuneration and benefits to Board and Management, has compared with operating of company and economics status, give the opinion of remunerations to the Board of Directors, has considered that remuneration to directors by proposing to the Ordinary Shareholders' Meeting for approval. In the year 2020 due to the pandemic of COVID-19, affecting the hotel business greatly, the 2020 Annual General Meeting of Shareholders approve as follows:

Remunerations	Year 2020	Year 2019
Board of Directors		
1. Bonus of Board of Director		
- Chairman of Board of Director	none	224,000
- Vice Chairman	none	168,000
- Director	none	112,000
2. Meeting Allowance per meeting		
- Chairman of Board of Director	20,000 Baht	20,000 Baht
- Vice Chairman	15,000 Baht	15,000 Baht
- Director	10,000 Baht /person	10,000 Baht /person
	The meeting allowance is not paid for June-December 2020	
Remuneration of Committee		
Remuneration of Audit Committee : No payment of the annual remuneration to the audit committee in 2020		
-Chairman of Audit Committee	none	60,000 Baht per year
- Audit Committee member	none	40,000 Baht /person
Remuneration of Nomination and Remuneration Committee : their remuneration was meeting allowance		
-Chairman of Nomination and Remuneration committee	15,000 Baht /meeting	15,000 Baht/meeting
-Nomination and Remuneration Committee member	10,000 Baht /person/meeting	10,000 Baht / person/meeting
	The meeting allowance is not paid for June-December 2020	

Remuneration of Board of Director in 2020

- No Pay Bonus to Board of Directors for operation of year 2019
- If at any time, director is not available to attend the meeting, the meeting allowance will not be given. The director shall not receive shares, debentures or rights in receipt/purchase of extra shares from the company anymore.

Remuneration of Audit Committee for year 2020, the Nomination and Remuneration Committee has considered and proposed to the committee meeting and shareholder meeting for approval with annual remuneration to be paid in May yearly, which the Annual General Meeting in the year 2020 has resolution meeting not paid this remuneration.

Remuneration of Nomination and Remuneration Committee for year 2020, the Nomination and Remuneration Committee has considered and proposed to the committee meeting and shareholder meeting for approval. Their remuneration was approved at the rate to be given at each meeting.

Remuneration of Subsidiary Companies; is the remuneration of director who serves as a director in subsidiary companies:

Asia Pattaya Hotel Co., Ltd. and Asia Airport Hotel Co., Ltd.

Meeting Allowance for Directors per meeting time:

Chairman of the meeting is Baht 6,000.-, Vice Chairman is Baht4,500.- and Director is Baht3,000.-. If at any time, director is not available to attend the meeting, the meeting allowance and other bonus will not be paid.

In 2020, the subsidiaries appointed an advisor to the Managing Director, they will receive meeting allowance at the same rate as director allowance in each meeting.

The compensation for the year 2020, the Board of Directors and the Advisory of the Managing Director. Directors received meeting allowances in January - March 2020. In the Shareholders General Meetings of both companies passed a resolution not to pay the remuneration from April to December 2020 because the business was greatly impacted by the COVID-19 outbreak.

Zeer Property Public Company Limited.

In year 2020, the company has separated the operation of the business and the company does not send any representative to be a director in this subsidiary.

The Remuneration of Board and Executive as at 31 December, 2020

Due to the COVID-19 pandemic in 2020, the committee received monthly compensation in January - March 2020. Later, the board of directors proposed that the general meeting of shareholders refrain from paying meeting allowances until the end of 2020 and no payment of the board's gratuity and remuneration for the two sub-committees, the Audit Committee and the Nomination and Remuneration Committee. Besides, the management sacrifices and waives salaries or cuts salaries from April 2020 onwards.

	<u>Year 2020</u>	<u>Year 2019</u>
a) Total remuneration for 11 directors: Bonus and meeting allowance #	Baht 410,000.-	Baht 3,135,000.-
b) Total remuneration for 6 executives and management		
Bonus and meeting allowance, salary	Baht 2,422,085.-	Baht 7,468,860.-

Remark. 6 Executives are MD and 4 persons in the next four executive levels below Chief Executive Officer according to the regulation of the SEC. and CFO (Mr.Amorn Techaruvichit, Mr.Surapong Techaruvichit, Mrs. Pornpun Tanariyakul, Mrs.Oyetip Hayrabut, Mr. Thienrat Techaruvichit, Mr.Kriengsuk Jumaree and Miss Somsri Tangtatpongsatorn)

Table shows the remuneration received by each director in fiscal year 2020

Name	Meeting Allowance	Meeting allowance for subsidiary AP, AA	Director Bonus	Bonus for Audit Committee	Bonus for Nomination/ Remuneration Director	Total Remuneration
1. Mr.Piyawudh Senapoopitaksa	60,000	18,000*	-	-	10,000	88,000
2. Mr. Amorn Techaruvichit	45,000	27,000	-	-	-	72,000
3. Mrs.Suvimol Techaruvichit	30,000	18,000	-	-	-	48,000
4. Mr.Surapong Techaruvichit	30,000	18,000	-	-	-	48,000
5. Mrs.Pornpun Tanariyakul	30,000	18,000	-	-	-	48,000
6. Mrs.Oyetip Hayrabut	30,000	-	-	-	-	30,000
7. Mr. Polpat Techaruvichit	30,000	-	-	-	-	30,000
8. Miss Patcha Techaruvichit	30,000	-	-	-	-	30,000
9. Mr.Sombut Pupipathirunkul	20,000	9,000*	-	-	15,000	44,000
10.Mr. Suwat Dusitrojjanawongse	30,000	9,000*	-	-	10,000	49,000
11. Mrs.Chotima Puasiri	30,000	-	-	-	-	30,000
12. Mrs. Ruchukorn Siriyodhin**	-	-	-	-	-	-

Remarks * 3 directors have appointed as consult of Managing Director of subsidiaries in year 2020.

** Mrs.Ruchukorn Siriyodhin was appointed as independent director since November 13,2020 onward.

(2) Other remuneration (If any)

- Other remuneration of director -none-

- Other remuneration of Executives: Provident Fund for executives, company support proportion 5% of salary.

The company pays for 4 executives (Mr.Amorn Techaruvichit, Mr.Surapong Techaruvichit, Mrs. Pornpun – Tanariyakul and Mrs. Oyetip Hayrabut) total amount Baht 53,126.00

8.5 Employee

In 31 December 2020, the company (Asia Bangkok) has a total of 411 employees.

	<u>Year 2020</u>	<u>Year 2019</u>	<u>Year 2018</u>
1. Accounting and finance	53	61	64
2. Food and Beverage	136	189	186
3. Personnel	11	15	16
4. Public Relations	5	6	7
5. Marketing	12	16	19
6. Management	28	34	31
7. Front Office	37	52	41
8. Laundry	22	32	29
9. House Keeping	66	93	97
10. Maintenance	27	33	34
11. Security	9	10	10
12. Computer	<u>5</u>	<u>4</u>	<u>4</u>
Total	<u>411</u>	<u>545</u>	<u>538</u>

Within these 3 years the company doesn't have any serious labor dispute and any significant change in number of employees.

Net compensation of employees includes salary, overtime earning, bonus, social security fund, and provident fund.

Provident fund: The Company has started the provident fund since 2011 for employees who have worked for at least 4 months. A part of salary of the registered employees will be contributed to the provident fund define the terms as follows:

6 months to 3 years working age: the registered pay for 3 percents and the company pay for 3 percents

3 years or more working age: the registered pay for 5 percents and the company pay for 5 percents

If employees terminate the registered state, they will earn their portion and interests as follows:

1 year to 3 years as a fund member: the member earns 100 percents of their portion and 50 percents of company's portion.

3 years to 5 years as a fund member: the member earns 100 percents of their portion and 75 percents of company's portion.

5 years or more as a fund member: the member earns 100 percents of their portion and 100 percents of company's portion.

Unit: Baht

	Year 2020	Year 2019	Year 2018
Salary	60,007,228.00	132,519,757.00	144,870,813.00
Bonus	4,862,348.00	6,676,181.00	6,920,330.00
Provident Fund	888,101.00	3,851,053.00	3,942,391.00

Remuneration consideration: the Company has proper elementary remuneration procedure by consider remuneration information of other companies of same industry and similar size and the company's turnover as well. For directors, the company will presents to the shareholders' meeting as a final consideration.

Furthermore, subsidiaries' remuneration procedure is similar to the company totaling of Baht 114,547,048.- Details are as follows:

Year 2019	Asia Pattaya Co., Ltd. (AP)		Asia Airport Co., Ltd. (AA)		Zeer Property PLC (ZP)	
	2020	2019	2020	2019	2020	2019
Total Employee (person)	169	233	209	317	353	434
Employee's Remuneration (Salary and Bonus) : Baht	27,572,062	46,877,573	30,620,241	68,660,672	55,220,374	97,539,148
Provident Fund : Baht	229,655	1,291,294	395,793	1,380,293	508,923	1,836,468

The employee compensation of the Company and its subsidiaries in 2020 decreased from the previous year. The businesses have been directly affected by the spread of the coronavirus since the beginning of the year and the businesses were temporarily closed for 3 months in the second quarter. The reopening was in July 2020. It is the company's policy of retaining the employees in this crisis. However, the company reduced the number of working days for employees. The labor rate remains the same yet the amount of money that employees received is lower than the previous year. It is the management strategy in this challenging environment. Yet, a portion of employees decided to pursue their path in other less affected industries.

Employee Development Policy

The Company has developed the employee with a training center by defining the standard of performance as the norm. The consideration and training will be in accordance with such standards. In addition, the training unit is always responsible for monitoring the service standards of employees in various departments.

Annually, the company's training department has organized a course of operation supervisor level, assistant level of department head and the level of department heads, divided into 3 groups as follows:

1. Service courses (Practical) The officer will give knowledge of each department, both the hotel and food and beverage departments on a monthly basis.
2. New employee orientation course. Important recommendations and information about the company are advised. Together, the duties and rights of employees are advised.
3. Curriculum development for supervisor skills The Company has sending employees at the chief level to train to develop skills in being a good leader with external agencies.

In 2020, the hotel has launched two programs as follows:

- 1) February 2020, “Understand the situation of COVID-19”
- 2) March 2020, “ Think positive, for the excellence service”

The employees at all levels have cooperated in each training course well and the company emphasizes the evaluation of skills and behavior of the employee. The supervisor evaluates the subordinates individually and gives an opportunity to have inter-departmental evaluations at various levels in order to know the improvement or the comments from other departments result to their department leads to higher work efficiency that is consistent with the organization's goal.

In 2020, As a result of the COVID-19 pandemic, the hotel is temporarily closed from April 2020 - June 2020. They are reopened in July 2020. The pandemic has not been fully resolved. As international tourists have not recovered, the hotels do not operate under their full services. Besides, employees are not working fully in their normal hours so the annual training is postponed.

9. Governance

9.1 Policy on Corporate Governance

The company recognizes the importance of conducting or operating on good corporate governance since 2004, based on the information in accordance with the previous governance principles 15 items. Later, the Board of Director had reviewed and improved the corporate governance policy by focusing on anti-corruption as announced by the company since 2013. All the board, executives and employees are informed and comply with the corporate governance policy of the company and comply with laws and the Company's Article of Association.

In 2020, the company received an assessment of the 2020 Annual General Meeting of Shareholders from the Thai Investors Association, scoring 98 points out of 100 points (2019 AGM = 99 points) from the overall assessment of 712 companies with the average scoring of 93.1 points, reflecting the attention to information disclosure and equitable treatment of shareholders that in the following year, the company will try to increase the rating to be higher. In addition, the company has been evaluated the corporate governance of Thai listed companies (CGR) for the year 2020, the level of 84% "very good" from the Thai Institute of Directors (IOD) with CG score 4 stars that the same as the previous year.

The Securities and Exchange Commission (SEC) has introduced the Corporate Governance Code (CG Code) in the year 2017 as a guideline for the Board of Directors who are the leader and governing body of the listed company. It is used to regulate the business operations in the long run. Trust for the shareholders and the people around them for the sake of sustainability. The Office of the Securities and Exchange Commission (SEC) has provided the Company with corporate governance reports in the form of CG Code, commencing in 2018, which has been acknowledged by the Board of Directors for consideration. In 2018, the Board of Directors has considered in order to be clear and agreed to cancel the former corporate governance policy and approved the use of Corporate Governance Principles of the company (2561) with 5 items that the Company is doing as follows:

1. **Rights of shareholders:** Shareholders own the company, controlling it by appointing the board of directors to act as their representatives. Shareholders are eligible to make decisions on any significant corporate changes.
2. **Equitable treatment of shareholders:** All shareholders, including those with management positions, non-executive shareholders and foreign shareholders should be treated fairly and equally. Minority shareholders whose rights have been violated should be redressed.
3. **Role of stakeholders:** stakeholders of a company should be treated fairly in accordance with their legal rights. The board of directors should provide mechanisms to promote cooperation between the company and its stakeholders in order to create wealth, financial stability and sustainability of the firm.
4. **Disclosure and Transparency:** The board of directors should ensure that all important information relevant to the company, both financial and non-financial, is disclosed correctly, accurately, on a timely basis and transparently through easy-to-access channels that are fair and trustworthy.
5. **Responsibilities of the Board:** The board of directors plays an important role in corporate governance for the best interests of the company. The board is accountable to shareholders and independent of management with 8 principles of CG-Code that the Board of Directors must adhere to as follows:

In addition to the principles of good governance, the company has reviewed Business Code of Conduct, Directors, Executives and Employee's Ethics, Code of Conducts for Directors, Executives and Employees, and policies such as Internal Control Policy, Disclosure and Transparency Policy, Environmental Policy, Health and safety Policy, Whistleblower Policy and Complaint Protection and the Manual Supplements to the Policy on Anti-Corruption including regulations for giving gifts, award, charitable donations and sponsorship regulations, which were approved on 11 January 2019 by the Board of Directors and written in writing and published on the company website (www.asiahotel.co.th).

In December 2019, the company reviewed the policy, principles of corporate governance to improve more clearly. The Board of Directors Meeting No. 12/2019 has approved some additional covers and completely and publish on the company website as well.

The company has adopted the principles of good governance. Please see attachment 5 in the topic Others.

The Board has self assessed in Corporate Governance for the year 2020 as follow:

1. Rights of shareholders and Equitable treatment of shareholders

The Company has taken into account on the importance of the good governance to shareholders. The Company has established of the policy of such governance by covering the Right and equality of shareholders. Shareholders will be acted equally and have fundamental rights according to the law, for example:

1. To obtain shared profit and have right to sell and transfer shares of the company etc.
2. To consider and approve to appoint directors and remuneration of the board of director, the committee: the audit committee and nomination and remuneration committee.
3. To consider and approve to appoint the auditor and audit fee.
4. To consider the effect the operation of company such as dividend payment, the amendment of the Articles of Association of the Company, the amendment of the Memorandum of Association of the Company, Increasing and decreasing capital and approval the extra item.
5. To be provided business disclosure information. The Company has taken into account on shareholders and investors that they should be quarterly provided information regarding the business status, liability progress and operational result of all activities of the Company through "Straight Through" system. These will be included in daily news on website of SET (www.set.or.th) for equally and transparently distributing to all investors (shareholders). The quarterly report, minute of shareholder's meeting, annual report, F56-1, Corporate Governance and other information of company will be added to Investor Relation of the company's website. (www.asiahotel.co.th)
6. In determining the date of the annual general meeting of shareholders, the date, time and place that the shareholders are able to attend the meeting is convenient. The company office is Asia Hotel, located in the heart of the city and connect the BTS station "BTS Ratchathewi" and the meeting date is not on public holidays.

The shareholders' meeting is normally held in April every year. However, due to the spread of COVID-19, the business operation was halted. The company has temporarily closed the service for 3 months, so the meeting was postponed. The situation was better, the Meeting was held in July 2020, where the meeting is held under the preventive measures as specified by the Ministry of Public Health.

7. In October 2020, the Company considered giving chance to the minor shareholders to propose the meeting agenda in advance including nominating qualified persons to be director and shareholder question's according to specified criteria. Forms can be downloaded from the company website under topic Investor Relation. Complete forms to be submitted within 31 December 2020 to company secretary, email address: sudarat@asiahotel.co.th, to allow enough time for the Board of Directors to consider before proposing in the shareholders meeting 2021.

On 31 December 2020, no one of shareholder propose any agenda and the person who nominating qualified persons to be director and no question about the meeting for annual general meeting for the year 2020.

For institutional investors who wish to attend the shareholders' meeting. The company welcomes and encourages to attend the meeting as well as every shareholder and all groups, the company do not set rules to be complicated without the need for shareholders to appoint proxies to attend the meeting instead such as requiring the document certification by Government agencies, etc.

8. The Company provided sufficient information of each meeting agenda in invitation letter for considering as follow:

Agenda for election of directors The directors who have completed their terms and are nominated for a new term. The company has provided information on Director's Profile, type of director to proposed, age, gender, education history, training, shareholding proportion in the company, past 5 years working experience, family relationship, term of directorship and directorship in other listed companies or non-listed companies, participate in the meeting of the Board or Committees or Shareholders' Meeting in the past year (In the case of directors who have completed their term)

Auditor election agenda The company provides 4 names of auditors, including work history, educational background, and number of years signed in the company's financial statements along with the audit fee / other expenses (if any) for both the company and its subsidiaries by comparing the previous year and the proposed year

In every agenda, in 2020, the criteria for voting must be passed with a majority vote or not less than two-thirds or not less than three-fourths of the attendees and entitled to vote.

However, there are procedures and evidence of registration documents for the registration of both individuals / juristic persons. Shareholder and proxy, Regulations relating to attending shareholders' meetings, Proxy Form B, Information of Independent Directors who may be Proxies and travel map to Asia Hotel.

9. The shareholder's meeting in 2020, The meeting documents were sent to shareholders through QR Code by TSD to save energy and protect the environment, by sending not less than 14 days in advance and the meeting information were also presented on the Company's website; www.asiahotel.co.th not less than 21 days before. For the next years, the Company has a target to complete the meeting information 30 days before the meeting according to the corporate governance
10. The Company gave right to shareholders to study the company's information that wanted to be disclosed according to the rule and regulations. Annual Report was made in QR Code for the shareholders and made in documents if they request. When the meeting needed to be held suddenly, no additional document distributed to shareholders, no meeting agenda added or no important information changed

without prior notice. The Company gave shareholders right to have questions in the meeting and did not limit shareholders right to attend the meeting when they came late. The Company informed how to attend the meeting in advance by sending meeting invitation letter.

11. In case of appointing the proxy to attend the meeting. The Company has prepared 3 Proxy Forms according to the rule and regulation of the Ministry of Commerce and they are available on the Company's website. The Company recommends shareholders to use the Proxy Form (Form B) as it can put opinion for voting. This Form is attached with invitation letter. Moreover, the Company provides an additional option to shareholders to give the proxy to the Chairman of the audit committee and independent committee to attend the meeting.
12. In 2019, total 11 directors (include 2 sub-committees) participated equal 100% of total board in the shareholder meeting together with the auditor, the legal consultant who be the witness voting and also the managing director of Zeer company, the subsidiary, to participate in the meeting so that when the shareholders have any questions, they can get explanation.
13. The Company uses card for voting in the meeting. Before starting the meeting, the secretary informs the meeting how to use the voting card in various agenda. Some agenda items require a majority vote or not less than two-thirds or not less than three-fourths of the eligible voters attending the meeting. According to the company's regulations, including the agenda for the election of directors The Company provides voting on an individual basis. The vote counting method in order to speedily use the scoring method, all the quorum is considered "Agree" with the opinion of the board. If there are any shareholders "Disagree" or "Abstain", use voting cards to inform the company before announcing the results at the meeting, for deducting the vote from the total number of quorum then get the total "Agree" or "Disagree" or "Abstain", summarize and inform the meeting. This method agreed by the meeting and the Company has applied it every meeting, especially, for the important agenda such as continuing connected transaction, acquisition and sale of asset and if any member of the committee should conflict of interest from any agenda he will not be allowed to participate in that agenda.

In 2020, due to the COVID-19 policy to limit the shareholders who attend the meeting to prevent the spread of COVID, 45 shareholders gave 31 proxies. The online system for counting votes in the meeting room was used to display in LCD for accuracy and transparency.

14. Chairman of the meeting provide opportunity to shareholders to give their opinion and have questions regarding activities and operating result in the past year and will do of the Company and subsidiaries expected in the future. Time is provided sufficiently and equally. There is no special agenda other than those specified and report the resolution of the shareholders' meeting via the Setlink system within the said date.
15. The Company takes minute of shareholder meeting and record information and important matters such as name of directors participated, company information, name of independent financial consultants (if any) as well as summarizes the opinion and questions from shareholders, how to vote and count the vote and the meeting resolution separately by "Agree", "Disagree", "Abstain" for each agenda and send information to the Stock Exchange of Thailand and the registrar of Ministry of Commerce according to the law within 14 days after the meeting completed. The minute of meeting is planed to present to shareholders for giving opinion and verify through the Company's Website within 15 days for thai version and within 30 days for English version after the meeting completed.
16. The Company has the control on the use of inside information both financial and non-financial bring personal benefits. Especially, board of directors and management executives established a policy to examine and supervise the operational results regularly. In other words, directors and executives are not allowed to trade the stock of the company before the financial statement disclosure for 1 month.
17. The Company Secretary discloses information of stakeholders who related with directors, management executives and related persons to directors to the first Board Meeting of the year. For the new director will sent this information to Company Secretary within 30 days from date of appointment and every directors will discloses information such as security holding, change of security holding, resigning and commencing so that the Securities and Exchange Commission (SEC) Office and the SET distribute information to shareholders and investors.

However, the company does not have a policy that requires the board to notify in advance to the company in the purchase and sale of the company's securities due to the lack of movement of securities holding by the directors.

2. The Role of Stakeholders

The Board of Directors defines the governance policy, is aware on the right of stakeholders according to the law and supervises to ensure that their rights will be protected and well treated. For example:

- 1) **Employees:**
 The company treats all employees equally, have a responsibility to maintain a safe working environment for the life and property of employees and strictly adhere to labor laws. Yearly assessment has been done fairly and provide appropriate returns and pay attention to health. The company support savings for retirement with happiness. There are a staff welfare committee and provident fund for all employees and executives, all departments beyond the law.
- 2) **Clients:** There are regulations to follow. Employees will be trained how to treat the clients fairly, render the best service, keep the client's secret and follow up with the complaints immediately.
- 3) **Debtors:** The Company has performed according to the condition of loan contract of every financial institution and asks for late payment of loans according to the help the company measure during Covid-19 period by the financial institute and interest payment as scheduled.
- 4) **Competitors:** Company supports the free trade competition policy and against destroying the competitors unethically.
- 5) **Supplier:** Company treats all suppliers and contractors justly and equally which will never damage the company's reputation and always take into account the equality in doing business and profit sharing. Consider that suppliers are the main factor to help add value of confidence to the customers.
- 6) **Communities:** The Company would not do any thing to damage the communities especially at the area nearby the business establishment of the Company.
- 7) **Environment:** The Company realizes the importance of environment and engaged in many environmental projects, giving knowledge to employees and monitoring the environmental quality continuously.

In 2013, the company has focused on the implementation of anti-corruption policy by participating in an alignment of private sector of Thailand against corruption (Collective Anti-Corruption) "CAC" to benefit both inside and outside of the organization. Currently, the company begins to prepare policies in accordance with the procedures. The board approved Anti-Corruptions Policy for Asia Hotel and subsidiaries and inform the staff about this act in company on 15 July 2015, and in December 21, 2016, the Company filed for being a member of private sector of Thailand Against Corruption (Collective Anti-Corruption) "CAC" to Thai Institute of Directors, the secretary of the project. In November 2017, the Company has acknowledged from the IOD that the company would have to submit additional information on certain issues that were not yet complete.

However, even though not yet certified to be a member of "CAC". The company has adhered to the Anti-Corruption policy and Policy manual. As well as various regulations that have already appeared on the company website and has been publicized to all stakeholders directly which has been consistently practiced consistently.

3. Disclosure and Transparency

The Company discloses important information of the Company including financial and non-financial information correctly, completely, timely, and transparently and in accordance with the regulation of the SEC Office and the SET both in Thai and English language through Setlink System which has been developed to pass information straight through to the shareholders and SETSMART or in news title, www.set.or.th of the SET. At present the company added one more website to obtain information through www.asiahotel.co.th on various topics as follows:

- Vision
- Nature of business / Management structure
- The Board
- Financial information - 5 years past financial statements and operational results from management
- Information about major shareholders
- Stock price of the company
- Corporate Governance Policy
- Sustainability Report
- Inquiries / complaints

The information is also disclosed in form of the annual report (Form 56-1) and the annual report (Form 56-2) for example:

- The performance of Board of Directors and the Committees in the past year.
- The annual remuneration that directors received from the Company and Its subsidiaries.
- The report of audit committee and report of the nomination and remuneration committee.
- The report of the board of directors' responsibilities to the annual financial report that has been performed in accordance with the certified accounting principle, suitable with the business and contain correct, complete and real information.

Company has an officer who can provide all the company's information to those who are interested and has an office responsible for disclosure of company's important information correctly, transparently and timely, but has not yet

established as the Investor Relations. The company's marketing information can be obtained from our website at www.asiahotel.co.th. Investors who are interested in financial and investment information, advanced appointment can be made to get the information from the management at tel. no. 02-217-0808 ext.5512 and Company Secretary email address sudarat@asiahotel.co.th

4. Board Responsibilities

In 2020, the Board of Directors approved the principles of corporate governance "CG Code" (Issue 2561) on December 13, 2019, published within the organization and outside the organization through the company website.

The Company has a structure of the Board of Directors that is diverse in terms of skills, experience, knowledge, specific competencies that are useful to the company and non-discrimination in sex which the whole group has 11 persons, consisting of:

- **Management executives** 3 members: Mr. Amorn Techaruvichit (pass away), Mr. Surapong Techaruvichit, Mrs. Pornpun Tanariyakul and Mrs. Oyetip Hayrabut responsible for the management of all 4 Hotels.

- **Non-management executives** 3 members (Mrs. Suvimol Techaruvichit, Mr. Polpat Techaruvichit has knowledge of real estate business, shopping center, apartment, and Miss Patcha Techaruvichit has knowledge in hotel business both domestically and internationally and new entrepreneurial knowledge)

- **Independent** 5 members (Mr. Piyawudh Senapootitaksa, Mr. Sombut Pupipathirunkul, Mr. Suwat Dusitrojjanawongse, Dr. Chotima Puasiri who have knowledge of insurance business, construction, accounting, business administration and economics and Mrs. Ruchukorn Siriyodhin who has knowledge economics and financial sector)

In addition, in the year 2019, the Company has promoted all 3 new directors, namely Mrs. Oyetip Hayrabut, Mr. Polpat Techaruvichit, and Miss Patcha Techaruvichit take the DCP Course (Director Certificate Program) of the Thai Institute of Directors (IOD), which is a course in which directors must perform their duties with care, complying with the rules and regulations of company, resolutions of the Board of Directors and Shareholders' Meeting with honesty, disclosing information to shareholders correctly, transparently. The company is ready to propose other courses if directors are interested. See detail of directors as attachment 1. In 2020, due to the spread of COVID19, it was inconvenient to participate in training activities with IOD.

Sub-committee Namely the Audit Committee, 4 persons, the Nomination and Remuneration Committee, 3 persons and the management team 15 persons.

However, to balance and to inspect the execution of the Company, structure of board of directors consists of 7 members of non-management executives that more than a half of total members of directors and the Company also appointed 4 members of independent as audit committee. (more than 1/3 of 11 members of board of directors). The company also appointed audit committee and nomination and remuneration committee that is the independent committee, responsible for selecting director or Managing Director and proposing to the Board of Directors Meeting, supporting the Good Governance Policy.

The Board of Directors clearly determines the authority and duties of the Chairman and Managing Director, to prevent anyone from having unlimited power. There is no policy for the Chairman and the Managing Director to be the same person or in the same family. The company has a policy to appoint the chairman of the board as an independent director which was appointed in March 2018 ago.

However, the position of director, the company is still unable to determine the number of terms that must be held as long as possible. As well as determining the number of years that an independent director can remain for a period of not more than 9 years from the date of his first appointment as an independent director, with tradition, corporate culture and confidence in the independence of good governance for the organization of all independent directors.

In November 2020, the Board of Directors' Meeting No. 11/2020 passed a resolution to appoint the position of the first Chief Executive Officer for the company. This role is to lead the management to strategize direction to generate revenue and plan the workforce during the COVID crisis. The Committee outlines the duties of each position. Chairman of Board of Direct, Chief Executive Officer, and Managing Director are clearly stated. These three positions are for three persons, as the company has no policy to be the same person. The Chairman of the Board is not a member of the family and must be an independent director as outlined in 2019.

In addition, the number of directors (excluding independent directors) in the Board of Directors is not in accordance with the fair proportion of each shareholder's investment. The company has considered the knowledge, appropriateness and ability of each director as important as proposed by the Nomination and Remuneration Committee.

Selection of directors as well as defining qualification of directors and independent directors, duties and responsibilities of board of directors and company secretary referred in **Item 8 Management; Item 8.1 Authorities in the Management Structure and item 9.2 Committee Information**. Regarding the biography, education, work experience, share holding and term commencing from the date of appointment to be directors in other companies of each directors are showed in enclosed document of Form 56-1 and annual report.

9.2 Committee

The company consisting with 2 committees, those are the audit committee and the nomination and remuneration committee

- Audit Committee

: The Audit Committee was formed and appointed by company directors to be independent body supporting the company directors to perform efficient audit on the reliability of the financial statements. Nevertheless, there must be at least 1 audit committee who has sufficient knowledge and experience to review the reliability of the financial statement. The term of office of the committee member is three years. The committee members may be re-appointed for another term.

Qualifications of Audit Committee: Apart from being independent, must also possess the followings:

- Must not be assigned by the Board of Directors to make decision relating the business operation of the registered company, major company, subsidiary companies, affiliated companies or juristic persons that may have conflicts.
- Must not be director of major company, subsidiary company or affiliated of other registered company.
- Possess enough knowledge and experience and also devote enough time to carry out the duties assigned as the Audit committee.
- Should not be director in more than 5 registered companies since it might affect duties in any of the companies.

The current Audit Committee has completed the 3 year term of service in May 2018. The Nomination and Remuneration Committee considered and proposed to the Board of Directors Meeting No. 6/2561(6/2018) to consider and be appointed as the Audit Committee of the Company for another term. It will be completed in May, 2021.

Audit Committee as at 31 December 2020

1. Mr. Suwat	Dusitrojanawogse	Chairman (Independent Director)
2. Mr. Piyawudh	Senapoopitaksa	Member (Independent Director)
3. Mr. Sombut	Pupipathirunkul*	Member (Independent Director)
4. Dr. Chotima	Puasiri*	Member (Independent Director)
Mrs. Pornpun	Tanariyakul	Secretary

*Remark: *Mr. Sombut Pupipathirunkul and Dr. Chotima Puasiri, directors who graduated in financial and accounting and holds the expertise in reviewing the Financial Statement. Every member of audit committee has also attended Financial Statements for Director Course by IOD.*

Duties and responsibilities report to the company committee as follows:-

- (1) Review the accuracy and adequacy of the Company's financial statements.
- (2) Review the appropriateness and effectiveness of internal control systems, and internal audit functions and determine the independence of the Internal Audit Office, as well as to approve the appointment, rotation and removal, and performance development and appraisal of the Chief Internal Audit or the Internal Auditor.
- (3) Monitor the Company's compliance with the Securities and Exchange Acts and Regulations of the SET, and any other laws relevant to the Company's business.
- (4) Recommend the Board of Directors an independent person to be the Company's auditor as well as the audit fees for appointment by the shareholders to audit the Company's financial statements.
- (5) Attend a meeting with external auditors without the presence of the Company's Management at least once a year.
- (6) Consider connected transactions or transactions with potential conflict of interests to ensure full compliance with relevant regulations and requirements of the SET for reasonableness and the best interests of the Company.
- (7) Review the Internal Audit Charter prior to submission to the Board of Directors for approval.
- (8) Approve the annual audit plan, scope of audit and internal audit budgeting.
- (9) Review the internal audit reports and follow up the significant issues from the reports.
- (10) Review the Code of Conduct prior to submission to the Board of Directors for approval.
- (11) Review jointly with the Management the risk management policy, the practice compliance with such policy, as well as the Company's risk management guidelines.
- (12) Review jointly with the Management the Management's Discussion and Analysis or MD&A section which is disclosed in the Company's annual report.

- (13) Prepare the Audit Committee's Report, signed by the Chairman of Audit Committee, Promulgated in the Company's annual report and contained the information required by the SET.
- (14) Inspect any suspiciousness reported by the company's auditor, that the Chairman, the Management or any person responsible for the company's operation commits an offence under the Securities and Exchange Act (No. 4) B.E. 2551 and report the result of preliminary inspection to the Office of the Securities and Exchange Commission and the auditor within thirty days after being informed by the auditor.
- (15) Any other tasks assigned by the Board of Directors and agreed by Audit Committee.

The Charter of Audit Committee was reviewed according to the regulations of the Security and Exchange Commission and the newly revised edition is effective as of 18 May 2011 onwards.

The meeting of audit committee according to its charter shall be arranged at least once in a quarter. In 2020, there were 6 meetings arranged by audit committee and the result of the meeting and auditing including the consideration of the connected transaction, internal control and financial statement of the company and subsidiaries every quarterly have been reported to the board of director for making conclusion and proposing to the committees' meeting of the company.

Meeting Participation of Audit Committee Table

Name	Position	Participate /Number of meeting 2020	Participate /Number of meeting 2019
1.Mr. Suwat Dusitrojanawongse	Chairman of Audit Committee	6/6	9/9
2.Mr.Piyawudh Senapoopitaksa	Audit Committee member	6/6	9/9
3.Mr.Sombut Pupipathirunkul	Audit Committee member	4/6	9/9
4.Dr.Chotima Puasiri	Audit Committee member	6/6	8/9

- Nomination and Remuneration Committee:

The company formed the Nomination and Remuneration Committee to set up criteria and process of selecting appropriate person for executive committee and top executive of the company whose tenure will end and ensure the approved Charter is followed. The committee consists of 3 directors and at least 2 must be independent directors. The term of office of each Nomination and Remuneration Committee member is 3 years and may be reappointed after term of office ends.

The Current Nomination and Remuneration Committee had appointed by the resolution of the Board of Directors' Meeting No. 1/2562 held on January 11, 2019, the three directors had be re-elected for another term. It will be completed in January, 2022.

Nomination and Remuneration Committees as at 31 December 2020

1. Mr. Sombut	Pupipathirunkul	Chairman (Independent Director)
2. Mr. Piyawudh	Senapoopitaksa	Member (Independent Director)
3. Mr. Suwat	Dusitrojanawogse	Member (Independent Director)
Mrs. Pornpun	Tanariyakul	Secretary

Responsibilities of the Nomination and Remuneration Committee as follows:

- (1) To recommend the structure and composition of the Board and committee together with the qualification of its members.
- (2) To recommend policy and process to recruit knowledgeable and capable persons suitable to nature of business of the company as directors and executives positions.
- (3) To recommend the list of nominees for the Board of Directors to be proposed to the shareholders' annual general meeting in case of vacancies by rotation and to the board in case of casual vacancies.
- (4) To recommend the list of directors for the committee members of the Company's.
- (5) To scrutinize the list of nominees for the Managing Director, Deputy Managing Director and Assistant Managing Director of the Company in case of vacancy including the establishment of the succession plan for executives.
- (6) To recommend the remuneration structure of the directors and Managing Director of the Company

- (7) To set up the performance evaluation of Management and propose to the Board.
- (8) To evaluate the performance of Managing Director and propose to the Board.
- (9) To recommend the remuneration structure of the directors and senior executives of the Company including meeting allowances, bonus, welfare and other benefits both in monetary and non-monetary terms.

The nomination and remuneration committee meeting according to its charter has not been specified but must be arranged as suitable in order to gather information on committees whose term will be ended and name list of the individuals to be advanced nominated by shareholders within 31st December of every year. In 2020 the above committee held three meeting and submitted a report to the Board of Director on the suitable persons nominated for committee. Committee remuneration to be concluded and proposed to the Board of Director's meeting before proposing to the shareholders' meeting for approval.

Meeting participation of Nomination and Remuneration Table

Name	Position	Participate /Number of meeting 2020	Participate /Number of meeting 2019
1. Mr. Sombut Pupipathirunkul	Chairman of Nomination & Remuneration Committee	2/3	1/1
2. Mr. Piyawudh Senapoopitaksa	Nomination & Remuneration Committee Member	3/3	1/1
3. Mr. Suwat Dusitrojjanawongs	Nomination & Remuneration Committee Member	3/3	1/1

9.3 Selection of committees and executives.

(1) Independent Director

Qualifications of Independent Directors are equal as the Securities and Exchange Commission's condition as follows:

- Hold shares of not more than 1.00% of the voting shares of the company, holding company, subsidiaries company, associated company, major shareholder or person control over the company, including shares held by related persons of such independent director. The shareholding is in accordance with the Securities and Exchange Commission's Condition. Currently, all independent directors of the company hold not more than 0.5 percent of shares, which is lower than specified.
- Must not be nor have ever been a director with participation in management, a hired worker, an employee, an advisor with fixed salary, or a person control over the company, subsidiaries company, associated company, the same level of subsidiaries, major shareholders or a person control over the company unless having been relieved from such title for not less than 2 years before the date of appointment.
- Must not be a person related by blood or by legal registration as father, mother, spouse, sibling, and offspring including spouse of offspring of an executive or major shareholder, controlling person or person who will be nominated as executive or controlling person of the Company and subsidiary companies.
- Must not have nor ever had any business relationship with the company, holding company, subsidiaries company, associated company, major shareholder or person control over the company, to the extent that may obstruct the using of his/her independent discretion, and is not nor ever have been a shareholder or controlling person with business relationship with the company, holding company, subsidiaries company, associated company, major shareholder or controlling person unless having been relieved from such title for not less than 2 years before the date of appointment.
- Must not have nor ever been an auditor of the company, holding company, subsidiaries company, associated company, major shareholder or person control over the company and is not major shareholder, controlling person or a managing partner of the audit firm where the auditors of the company, holding company, subsidiaries company, associated company, major shareholder are working for unless having been relieved from such title for not less than 2 years before the date of appointment.
- Must not have nor ever been a provider of any professional service, including legal consultant of financial consultant, with the remuneration in excess of Baht 2 million per annum from the company, holding company, subsidiaries company, associated company, major shareholder or person control over the company and is not major shareholder, controlling person or a managing partner of such professional service provider, unless having been relieved from such title for not less than 2 years before the date of appointment.
- Must not be a director appointed as the representative of the Company director, major shareholder or any shareholder who are connected persons of the major shareholder.
- Must not operate the similar business that will compete with the business of the company or its subsidiaries or not holding shares or be a committee member, employee, staff, consultant with salary or

holding more than 1% of other company's or its subsidiaries' shares with the similar business and competition.

- Must not possess any other characteristics that will prevent the independent expression of opinions in respect of the operations of the company.
- Independent Directors may be assigned by Board of Directors to make a collective decision regarding the business operation of the Company, major company, subsidiary companies, affiliated companies and sub-companies at the same level or juristic persons that may have confliotions.
- Disclose information of being independent director of other group of companies including remuneration obtained from the group in the form 56-1 and annual report (remuneration from each individual company is not required)

Nonetheless, company can not legitimate independent director to be in charge to maximum for 9 years (3 times of 3-year full term), in order to meet the Principles of Corporate Gerverance, the company culture has not yet supported as well as independent directors are experts in different fields, which the company is confident that each one can act freely and efficiently.

(2) Selection of Directors and executives

Nomination of the directors and executives: Assigning the nomination and remuneration committee to determine the policies and markedly nomination procedures including an initial inspection of the nominee's attribute to match up with the qualification of the committee and accuracy of selection process. Invited the nominee to take a position and request the appointment from the committee and/or approve the qualifications of the directors who is retired by rotation to serve for more term of the shareholders' meeting. The qualification is concluded by the performance evaluation of the committee while the director is in a position.

Based on the self-assessment of the directors for the year 2020, the committee evaluated in early 2021. All directors assessed individually and the whole group. As well as the self-assessment of committees which the secretary of the committee gathers to present to the Nomination and Remuneration Committee. Summary of the proposal to the Board of Directors for acknowledgment to improve the process development according to the guidelines of the Stock Exchange of Thailand.

Self-assessment results of the entire board of all categories are 91% of all criteria, are divided to 6 catagories.

Section 1 Committee Structure and Qualifications	94% out of 100%
Section 2 Roles, Duties and Responsibilities of the Board	89% out of 100%
Section 3 The Board of Directors Meetings	86% out of 100%
Section 4 Performance of the Committee	94% out of 100%
Section 5 Relationship with the Management	94% out of 100%
Section 6 Directors Development and Management Development	96% out of 100%

-Self-assessment results of the sub-committees, in total, of all categories were in the criteria of 99%, divided into 3 categories:

Section 1: The structure and qualifications of the Board of Directors in the following matters are appropriate.

Allow the Board to work efficiently 100% out of 100%

Section 2: Meetings of the Board of Directors are carried out in the following matters:

Perform duties in meetings effectively. 100% out of 100%

Section 3: Roles, duties, and responsibilities of the Board emphasizes

Consider, review, and practice the following matter adequately 98% out of 100%

-Self-assessment results of the Board of Directors individually, in total, of all categories were in the criteria of 98%, divided into 3 categories:

Section 1 Board Structure and Qualifications	98% out of 100%
Section 2 Meetings of the Board of Directors	97% out of 100%
Section 3 Roles, Duties and Responsibilities of the Board	98% out of 100%

The Company has given a chance to minor shareholders to propose individuals to be considered as director and also propose meeting agenda in advance which criteria and qualifications are stated in the company's website under Investor Relation heading. The proposals were to made to the Secretary of Board of Directors for the 2021 Annual Shareholder Meeting within December 31, 2020. The Secretary of Board of Directors will compile individual names proposed to Nominating Committee for verifying and proposing to Board of Directors for consideration before proposing to the Shareholder Meeting for appointment approval.

The nomination of directors and executives is independent and is not influenced by anyone including the management. Managing Director will hold an orientation meeting for directors or executives by briefing for 2 hours to make them understand the business and duty, guidelines on business operation, and the organization's strategic plan.

For the number of directors according to the Articles of Association of the Company No. 16. The Board of Directors of the Company shall not be less than 7 persons but not more than 15 persons. The total number of the Board of Directors is currently 11 persons. There are 5 independent directors equally 45.45% or 1 in 3 of the total number of directors and being a qualified person as required by law.

Succession Plan

The Board designated the Nomination and Remuneration Committee to recruit and formulate a succession plan of management's highest executives, to ensure continued performances. More importantly, the company has implemented a succession plan for management level which supervised by the Nomination and Remuneration Committee.

The Company has implement the succession plan from the management level or higher. As such, the analysis of knowledge, skills, strength and weakness have to be implement for the next candidate, for those who qualified to enter the development program. As 2018, the Nomination and Remuneration Committee have already been recruit and formulate a succession plan to the board.

The Shareholders' meeting shall elect directors according to the Article of Association of the Company no. 17, the shareholders shall elect the Directors according to the following criteria and methods:

- (1) A shareholder has the vote of one share per one vote.
- (2) Each shareholder must put all of his/her votes under (1) to elect a person or several persons as directors, but he/she is not allowed to split his/her votes.
- (3) Those who receive the highest number of votes will be elected in descending order as directors, equaling the numbers of directors to have or to be elected at that time. In case of tie between runners-up, exceeding the numbers of directors to have or to be elected at that time, the Chairman shall make the casting vote.

In the case the directorship is vacated by other than rotation, the board of directors shall select a person with the qualification as prescribed by law as a substitute director in the next board meeting except the term of the director is less than two months. The substitute director shall remain in the directorship for the remaining term of the substituted director.

The resolution of the board as refers to the first paragraph shall consist of a minimum of three-fourths of the votes of the remaining directors.

9.4 Subsidiary Company Governance

The Company and its subsidiaries operate two main businesses: 1. Hotel and restaurant business and 2. Shopping center business. In 2011, the Board set the policy for the management of each group separately. Later in the year 2017, the shareholders resolved to cancel the policy of separating the company's business and its subsidiaries. There were many restrictions on running business in the past. Therefore, the business of the company may be overlap in two business in the future. However, the company has not changed the control of the subsidiary in any way. The practice continues as follows:

1. **Hotel and restaurant business**: the company sends more than a half of the entire committee to be representatives in each subsidiary company. Also, the company assigns the management to plan annual operation, report the operative results in the committee conference every month, and follow up the result closely by adjusting the operative plan in every trimester. The internal control system is regulated in hotel business of the company.

As the company hold shares of two hotel business group of subsidiary company for 99-100%, regulation about committee nomination as well as voting on each agenda is not determined. However, the shareholders, the committee and the executive are the same group of people in both main and subsidiary company. Therefore, the group of people has the right to manage and operate the subsidiary company freely. The company and subsidiary company set a regulation about any related transaction, acquisition and disposal of assets, and any major items of the company for the purpose of revealing information and related items. Furthermore, information storages and accounting records of subsidiary company are determined for traceability and preparation of financial statement.

2. **Shopping Center business (rental)**: The Company supervises the operations of the subsidiaries by inviting the executive directors of the subsidiary to attend the meeting with the board of directors on a quarterly basis in order to monitor the operating results and business direction of the subsidiaries. And sometimes the Board gives advice and requests to adjust the direction of the business of the subsidiary to be consistent with the overall picture of the entire business group.

9.5 Control of Inside Information

According to the rules on securities holding of the company executives from the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand that requires the directors and executives to report when there is a change in the number of securities held. The company has a policy to supervise the management to prevent the use of internal information, both financial and non-financial information to use for personal gain by prohibiting directors and executives including spouse and underage children of such executives use insider information that has not been disclosed for trading. Transfer or accept transfer of securities issued by the company before the information is disclosed to the public for 1 month and every trading, transfer or acceptance of the securities issued by the company. The directors, as well as the executives who report to the company, must notify the company within 3 working days from the date of purchase-sale or transfer, including sending copies of such documents to the administrative office for reporting of the company.

In practice, all committees are the same understanding that if one of them transacts the company securities, committees or management executive will use the means of telephone to inform the authorities at office of management informally and in the next morning day it will be informed in written immediately. To help keep track of the form 59 notification online to the Office of the SEC within 3 days that has changed according to the regulations of the office.

9.6 Auditor Remuneration

(1) Audit Fee

The company and subsidiary companies pay the audit fee to:

- Audit and Consultant Office that auditor occupied, person or business related to the auditor and audit and consultant office that the auditor occupied in last fiscal year.

<u>Name</u>	Unit: Baht		
	<u>Audit Fee year</u> <u>2020</u>	<u>Audit Fee year</u> <u>2019</u>	<u>Increase/decrease</u>
Asia Hotel Public Co., Ltd.	1,655,000.00	1,755,000.00	(100,000.00)
<u>Subsidiaries</u>			
1. Asia Pattaya Hotel Co., Ltd.	1,040,000.00	1,100,000.00	(60,000.00)
2. Asia Airport Hotel Co., Ltd.	1,130,000.00	1,150,000.00	(20,000.00)
3. Zeer Property Public Co. Ltd.	1,670,000.00	1,790,000.00	(120,000.00)
4. Zeer Asset Co., Ltd.	93,000.00	100,000.00	(7,000.00)
5. ZEER OVERSEA LLC	347,000.00	370,000.00	(23,000.00)
6. Spa Hotel Co., Ltd.	<u>365,000.00</u>	<u>385,000.00</u>	<u>(20,000.00)</u>
Total Audit Fee	<u>6,300,000.00</u>	<u>6,650,000.00</u>	<u>(350,000.00)</u>

(2) Other Service Fees (Non-Audit Fee)

10. Corporate Social Responsibility

10.1 Overall Policy

Making a report of social responsibility or corporate sustainability report is a compilation of social and environmental activities and also activities inside and outside of the company by using existing resource of the company and outsourced resources. This can lead to the coexistence in the society with happiness. The company believes that these activities can enhance the development of both the company and the society enduringly.

Consequently, the Board of Directors has established a policy regarding the responsibility to all stakeholder groups under the corporate governance policy which has been drawn up in 2004 and the latest policy review every year in December 2019, as described in the topic 9. Corporate Governance and disclose the said policy on the company website at www.asiahotel.co.th and in the annual report as well.

Nevertheless, the company currently does not report in accordance with the framework of GRI (Global Reporting Initiative). All of these may take time.

Because the company is divided into 2 business groups which are hotel and restaurant business group and shopping rental area business group (real estate), major stakeholders of business, in addition to the company's shareholders, are our employees, customers, partners, surrounding environments, and societies. At present, the company focuses on the business operations of the company and its subsidiaries on corporate social responsibility as following:

1. Fair Operating Practice The company promotes and enhances a free and fair trade competition policy, not monopolize the trade or require traders to specifically supply goods for the company only and no policy to obtain the competitors' information illegally and unethically. Dealing with business partners should not cause the damage of the company's reputation or conflict of the relevant laws. Equality and mutual benefits should be considered and Business partners should be selected fairly. By the way, the Company considered that partners are an important factor to create value and reliability for customers.

2. Anti – Corruption The Company determines directors, executives and employee act with integrity, honesty and transparency by considering the highest benefits of the Company and related persons. Must not accept or offer gifts or presents from customers, partners, contractors, vendors, service providers or government officials. If employee accepts gift of more than nominal value, given on traditional occasions, employee must inform supervisor. Accepting to do any task for any business activities by receiving payment directly or indirectly, employee must report to supervisor about the relationship. Accepting or entertaining customers, partners, contractors, vendors or service providers must only be done for benefiting the Company business deal. Entertaining must not cause damages to reputation of the Company and its stakeholders.

In 2013, the company focuses on anti corruption policy. 12th/2013 committee meeting on 13th December 2013 considers the approval of participating in an alignment of private cooperation against corruption (Collective Anti – Corruption) "CAC". This is to provide benefits to both inside and outside organization.

In July 2014, the Board of Directors meeting No. 9/2014 has approved the Anti-Corruption Policy and are adopted in the company and its subsidiaries. The company has reviewed Corporate Governance Policy, prepared Guide of the Anti-Corruption Policy, as well as A Whistle-Blowing and Protection of the Complainant Policy, Regulations of Give and Receive a gift, Regulations of donation for a charity or becoming a patron, which will be consistent and support Anti-Corruption Policy. In addition, there has been a communication to all concerned parties. In particular, training employees to have knowledge, understanding, and awareness of the policy. The Audit Committee is reviewed for completeness and correctness of the implementation of the Anti-Corruption Policy.

In December 21, 2016, the Company sent out the self-assessment report and the related anti-corruption details to Institute of Directors (IOD) which is secretary of this "CAC" project, in order to be approved of being a member of private sector of Thailand Against Corruption (Collective Anti-Corruption) "CAC". Subsequently, the CAC Council held a meeting on November 10, 2017. The resolution was approved by the CAC Council to bring the documents back to the CAC on the recommendation of the CAC sub-committee. Asia Hotel Public Company Limited can re-enter the project by signing the declaration of intent again. The aforementioned policy and the policy manual can be found in Attachment 5. Other topics are as attached.

3. Respect for Human Rights The Company give a respect to basic human rights categorized into 2 category. The first category is the civil and political rights and rights of freedom in expression and the second category is socio-economic and cultural rights, right to work or right to receive food, and right in health. The Company support social activities and employee activities which don't affect or damage to the reputation or interest of the Company or doesn't polished any duties of people. Use political right according to the law and avoid actions that can cause misunderstanding that the Company involved in any political parties. However, in terms of political rights, the company encourages employees to take 2-hour voting right without deduction.

4. Fair Labour Practice Employees are the most valuable resource and a key to the success of the company business. The company, therefore, creates a good work culture and environment as well as enhances teamwork, treats to employees gently and respects each individual's right to privacy. Employment, appointment and transfer of employees will be considered, based on ethical conduct and human resource will be utilized to gain the most benefit for the company.

The company will treat employees equally and fairly without regard to gender, race, nationality, religion and creed. The company has a responsibility to create a good work environment and safety for life and assets of employees and persists to follow labor law strictly as follow:

- 4.1 Children of employees are encouraged to come to hotel with their parents during their school break, to read or enjoy their day in a provided area. Moreover, employees are allowed to look after their children during lunch break.
- 4.2 The company also supports the employees saving project by approving the Asia Hotel Saving and Credit Cooperative Limited to be founded more than 20 years and operated by their own committee. It is well established and recently received a certificate of a high standard from the Cooperative Promotion Bangkok Metropolitan Office (year 2020) as the previous year.
- 4.3 The company set up the welfare staff committee including the hotel manager and the head of departments to monitor the welfare of employees such as cremation funds and helping the flooding victim.
- 4.4 Provident Fund managed by Thanachart Fund Management Co., Ltd. has been provided for employees' and executives' security since 2011.
- 4.5 The management has set up a project to benefit the employees and extended to their relatives and friends to book accommodations in all 4 hotels: ASIA Bangkok, Asia Airport, Asia Pattaya, Asia Cha-am and Darley Hotel Chiangmai at special prices. The bookings need to be verified by Personnel Department.
- 4.6 The company provides flu vaccination and annual physical examination.

5. Consumer Responsibility The company is willful to provide the satisfactory and reliable service to customers with quality rooms, foods and beverages at reasonable price as well as maintain a good relationship. The company, therefore, establish a code of conduct **quality rooms, food and beverage service**. The Company is willful to raise the standard to a higher position continuously and disclose information regarding the location and service completely, correctly and accurately.

6. Care of Environment The company considers the environment to be a related relationship between human, animals, trees, life, mind, balance and living together. Therefore, environmental care is the responsibility of the company to society and is the duty of every employee with the objective, protect pollution, Control the weather, wastewater and waste material from operations to be better than the standard and the regulations prescribed by law, saving resources, comply with the existing and future applicable law and improve the environmental quality continuously.

Occupational Health and Safety Policy

The Company recognizes that the occupational health and safety management system is a part of the business which is important. It is the direct responsibility of all executives and employees to ensure that the operations are in accordance with the occupational health and safety plan and comply with The Thai law and international standard and to improve the prevention of hazards that might affect to employees, clients and related persons continuously according to the objectives set up from risk assessment as follows:

- To prevent accidents caused by fire and explosion.
- To prevent chemical hazards
- To prevent injuries caused by mechanical works
- To prevent dangers from electrical works

In order that, executives shall inform all employees about objectives, provide adequate and sufficient resources for achieving defined objectives and goal, set up proper training for employees at every level to be able to perform their duties and responsibilities as well as review management policy, execute the audit periodically and support employees to share their opinions.

The Company realizes the importance of environment and engages in many environmental projects, as well as gives knowledge to employee and improves the environmental quality continuously such as:

6.1 Producing micro organism water from the fruit skin and use it to clean fat residue in the kitchen, use as fertilizer for plants and spray to keep away insects. Those help reduce the use of chemical and the waste from food scraps.

6.2 For energy conservation the light bulbs have been changed to energy saving bulbs. Glass windows and doors are heat protected. Light sensors have been installed at the car park building. Also automatic door was installed to keep the cool air inside and water saving type of bathroom appliances are used in the guestrooms.

6.3 To help reduce the waste the cancelled bed sheets and towels are made and used as hand towels replacing paper towels in the public toilets.

6.4 “Save natural resources campaign” has been set and invite guests to join by not changing bed sheets and towels everyday if guests stay more than one night. Besides that company has joined Green Leaf Project

6.5 Reduction of plastic use. The company has reduced plastic waste with the following actions:

- 6.5.1 Change some disposable plastic containers into other biodegradable containers.
- 6.5.2 Canceling use of wrapped plastic of water bottle caps.
- 6.5.3 Reduce the plastic tubes in various dining rooms, except in the case of customer requesting.
- 6.5.4 Reduction of spoon-fork plastic for food or snacks that customers buy back home and the bakery shop, except in the case of customers requesting.
- 6.5.5 Encourage customers to refrain plastic bags when buying snacks in the hotel bakery, the customer will receive the gift as paper wrapped cookies

6.6 “Green ASIA Hotel” Project. The company has participated in Green Leaf Project to develop the efficiency of the energy usage and also to develop the tourism and hotel business environment. The aim is to focus on the energy and resource usage with realization. Asia hotel has already supported this project continuously by establishing the Green ASIA committee including restaurant personnels, housekeepers, mechanic personnels, stewards, and accountants which are add up to around 40 persons. These committees together with outside consultants are brainstorming and established 3 issues to improve including energy, waste materials sorting, and safety.

In 2014, Asia hotel has been selected to be an operative model of “Green Hotel” for other hotels who are participated in. The model of operation including

1. Every stewards in the hotel to understand the objective of sorting waste materials in accordance with Green Improvement Plan. The content for stewards to understand also includes scoping where to improve and follow up the plan.
2. To train the associated personnels
3. To record the quantity by weight and sorting the type of wasted material
4. To set rules for mechanic personnels and chefs to always wear shoes during their works.
5. Set up a plan to reduce the electricity usage by using energy conserving light bulbs, recording the electric usage of light bulbs, set up time for dish cleaning due to its high water and electricity usage.
6. Arrange Green hotel slogan contest for all levels of Asia hotel personnels and hotel subsidiaries.

At the present Asia hotel did not join in Green Leaf Project but Asia hotel has already supported Green ASIA Hotel continuously and has continue to apply to subsidiary hotels.

6.7 Employee Safty. The Company always reminds of the safety of all the employees.

In 2020, there were no accidents. This is due to a decrease in the sales of the hotel restaurant and catering, which is affected by the coronavirus outbreak.

7. Involvement in society and community The Company currently doesn't determine the policy about participation in community, society but has performed society and community activities as follows

- 7.1 On 12 January 2020, the company invited neighbors to join food offering to 108 monks. The activity is scheduled annually and it has been done for over 10 consecutive years.
- 7.2 On 10 January 2020, the company joined activities with the community and schools nearby – Sammachevasil School and Kingpetch School on the National Children’s Day by hosting lunch, gift and provided some activities.

Due to the COVID10, many activities that were previously held have been suspended or postponed indefinitely.

8. Innovation and dissemination of CSR innovation from social responsibility

The company places importance on saving energy, saving time to increase efficiency and quality of work. By using the internal communication system with a convenient application via modern mobile phones to work in various departments such as the housekeeping department, reception desk, etc. In addition, additional computer systems have been used in these kitchen tasks, it can increase the efficiency of work within the organization. Both in providing good customer service and faster. As well as increase the efficiency of internal control, data storage, report preparation for management and coordination between departments can be improved in addition to increasing efficiency and quality of work, also makes it possible to reduce work time and reduce work problems as well.

In addition, the company has improved and changed many large machines that have a long service life, cumbersome work, consumes energy, long time and labor, such as changing the boiler machine from the grade A fuel oil system to a gas system to reduce air pollution. The changing of the chiller machine from the original system to a new system with better machine performance, thus saving energy. In the laundry department have changed the old ironing machine, to be a large automatic fabric ironing machine add automatic towel roll machine which can save working time, save electricity, steam energy and save labor significantly. In the kitchen has added many modern kitchen types of equipments, making cost savings and significantly save working time.

The company has continued planning to improve work efficiency and modernize various machinery by using new innovations computer system, the computer program as well as various tools for organizational development and society continuously and sustainably forever.

Human resource is one of the key in order to operate hotel business successfully. In 2020, The company participates in a program of human resource development for hotel and tourism with renowned institutions, to develop bachelor, and vocational and high-vocational certificate graduate.

1. Bachelor Degree

Human resource development for hotel and tourism program has established with the participation of University of Thai Chamber of Commerce, Thai Hotel Association (THA), Association of Thai Travel Agent (ATTA), DusitThani PCL, Erawan Group PCL, Hotel and resort under Centara, Siam @ Siam Hotel group, Regent Cha-am beach resort, and Asia Hotel PCL.

Project Objective: To allow students in University of Thai Chamber of Commerce to participate in hotel and tourism industry with highly experienced professionals. Student shall graduate to become a quality professional worker, appropriate to the needs of business and increase the ability to complete with international sustainable.

The project outline and agreement are the followings:

- 1.1 Requirement for Hotel participated in the program**
 - 1.1.1 Management and Service Policy Standard
 - 1.1.2 Responsible people to cooperate and give advice for students
 - 1.1.3 Prepare sufficient resource and budget for students
 - 1.1.4 Propose a job description to the university prior to the program
 - 1.1.5 Present legitimate criteria of student selection to the program
- 1.2 Academic standard**
 - 1.2.1 Preparation process, orientation training session and the company regulation to acknowledge students
 - 1.2.2 Students need to work full-time with employee, the hotel assign the task to match the course of study
- 1.3 A mentor, have to expertise in the work, be consulting, take care, advice and evaluate the performance of student, present to the institution. The hotel must inform mentor's name in advance.**
- 1.4 Evaluation standard and audit process will be made by hotel.**

The above project, the student will work is at least 3 star-hotel according to THA standard. The program lasts for 3 year from August 1, 2016 to July, 31st 2019. The agreement will be reviewed every year to update and evaluate the program. This agreement has established since December 16th, 2015.

2. Vocational and high-vocational certificate

There are 4 programs established with 4 schools as the followings:

2.1 Sukhothai Commerce Technological College, Dusit Bangkok

The program has started since September 2015

Objective: To support and develop students in high-vocational level of hotel and business program in accordance with the requirement of the enterprises in systematic and continuous. To develop the curriculum. To develop teacher practice. To get the graduate to work in the company.

Participation includes teacher from the college and 2 hotel representatives to cooperate and run the program together. It has started since 2014. Yet, the timeline of program is open-ended. It needs a year notice either from hotel or school to end the program. However, hotel need to responsible for students participated to graduate.

2.2 Khemarat Industrial And Community Education College, Ubonratchathani Thailand

The program has started since May 2014 to March 2015, 2015. As the period of this memorandum has expired, it shall be automatically renewed for 3 semesters.

Objective: To support, promote knowledge and practice student experience at vocational certificate level (vocational certificate), produce personnel at the level of semi-skilled craftsmen, craftsmen, technicians and in the hotel and tourism business. To develop students' potential Students have higher professional qualifications together with Asia Hotel, this is the development of a bilateral vocational education system to practice student performance to be consistent with the needs of the workplace systematically and

continuously. There is a 3-semester cooperation period from 1 April 2014 to the present. The hotel must arrange for accommodation allowances, uniforms, transportation costs, medical expenses and supervisor to take care students throughout the career training period. If this agreement due, they can be automatically renewed for another 3 semesters.

2.3 Pathumthani Technical College, Pathumthani Province

The program has started since September 2015 onwards.

Asia Hotel Public Company Limited and Pathum Thani Technical College, Pathum Thani Province agreed with the Asian Hotel to use the same rights as the MOU students. The two sides have shared responsibility. MOU student rights as follows:

Responsibility of the hotel

1. Cooperate with Pathum Thani Technical College, Pathum Thani Province, to make study plans teaching and career training plans of students.
2. Accepting bilateral students from Pathum Thani Technical College, Pathum Thani Province, to take professional training in hotels
3. Organize a supervisor for the training according to the curriculum of the hotel rules and the college
4. Organize job training teachers, to advise the students
5. Evaluation of the student performance training together with the course instructor
6. Issue a certificate for students who have met the course criteria.
7. Providing compensation and various benefits to a student as agreed

Responsibility of the college

1. Cooperate with the Asia Hotel, arrange and select students for admission
2. Send students to join the career according to the curriculum.
3. Manage coordinating teacher to organize for bilateral vocational education with the Asia Hotel
4. Supervisor to evaluate the vocational supervision of students. The bilateral system shall be in accordance with the rules and regulations of the hotel and educational institutions at least 1 time per month.
5. Evaluate students from the bilateral system according to the curriculum.

2.4 Nakhon Pathom Vocational College

The project has started since September 2017 as the hotel and college had sign the contract at least 5 years

Objective: To support the development of human resources of the Office of Vocational Education in a systematic and continuous manner. To coordinate cooperation between the government and the private sector in the development of manpower, morality, knowledge, skills and technology and to increase the number of vocational students to meet the needs of enterprises.

This program period are not less than 5 years. The Asia Hotel is responsible for co-developing the training program with the educational institutions and monitoring the evaluation and solve problems arising from student internships and students effectively.

2.5 Chetupon Commercial College

The project has started since May 19, 2017

Objective:

- 2.5.1 To coordinate cooperation between public and private sectors in vocational education by promoting and supporting teaching and learning management together for students Academic branch of the Chetupon Commercial College under the Office of the Vocational Education Commission.
- 2.5.2 To produce and develop manpower to meet international standards in line with the needs of the labor market which is changing rapidly.

2.6 Banphang Technical College

The project has started since October 1, 2019. Project Period 5 years

Objective:

- 2.6.1 To collaborate to improve and develop competency work, courses Diploma (vocational certificate), higher vocational certificate (Diploma) and Bachelor of Technology (DDS) to be suitable for management. Manage to teach and learning effectively with together.
- 2.6.2 To jointly develop knowledge of stationed teachers, educational institutions and hotel personnel to have knowledge and ability in managing bilateral education together.

- 2.6.3 To cooperate, promote, support learning and vocational training, allowing students to professionally match the needs of the Asia Hotel and the needs of the labor market.

Besides, the company cooperates with institutions that do not have an agreement to improve cooperation between vocational institutions regularly. These institutions allow students to intern in various disciplines to gain work experience in the real world. The institutions are as followed:

- | | | |
|----|--|------------------------------------|
| 1. | Kanchanaburi Rajabhat University | January 3, 2020 to April 17, 2020 |
| 2. | Suan Dusit University | January 13, 2020 to April 30, 2020 |
| 3. | Srinakharinwirot University (a period of 48 hours) | 18,20,22,23,24,26 February 2020 |
| 4. | Ratana Bundit University | March 9, 2020 to May 22, 2020 |
| 5. | Bangkok University | May 18, 2020 to July 31, 2020 |
| 6. | Nakhon Pathom Rajabhat University | December 1, 2020 to April 1, 2021 |

Due to the COVID-19 pandemic which has affected tourism businesses, Asia Hotel Bangkok has been impacted greatly. For the safety of students who are interning, the hotel has decided to let them return to their institutions until the pandemic situation improves. At the present, there are still students from some institutes who are interning at Asia Hotel Bangkok.



มอบของขวัญเด็กประจำปี 2563

โรงเรียนกิ่งเพชร และ โรงเรียนสัมนาวิชวล ราชเทวี

วันที่ 12 มกราคม 2563

Toys Donation to Local Public Schools on National Children's Day 2020

12 January 2020



สุปีที่ 13 การบูชารอยพระบาทมงคลธรรม
ตักบาตรพระสงฆ์ 108 รูป พุทธศักราช 2563

ในวันที่ 14 มกราคม 2563

Annual Buddhist Ritual
and Alms Giving Ceremony 2020

14 January 2020

มอบของให้มูลนิธิวัดสวนแก้ว ,
องค์กรสาธารณประโยชน์
ในวันที่ 4 กุมภาพันธ์ 2563
Donation for Suan Kaew Foundation,
Public Benefit Organization
4 February 2020



มาตรการป้องกัน
การแพร่ระบาดของเชื้อไวรัสโคโรนา 2019 (COVID-19)
ในวันที่ 13 มีนาคม 2563
Preventive Measure Coronavirus Disease 2019
13 March 2020



อบรมป้องกันระงับอัคคีภัย และซ้อมอพยพหนีไฟ ประจำปี 2563

ในวันที่ 4 พฤศจิกายน 2563

Annual Fire Safety and Fire Drill Training 2020

4 November 2020



ทำบุญครบรอบ 54 ปี โรงแรมเอเชีย ราชเทวี กรุงเทพฯ

ในวันที่ 27 พฤศจิกายน 2563

Annual Making Merit for 54th Anniversary of Asia Hotel , Bangkok

27 November 2020



จัดซื้อเครื่องแสงยูวี ป่าเชื้อโรคในห้องพักร

27 พฤศจิกายน 2563

Purchasing a UV Light Machine

Disinfect the room

27 November 2020

11. Internal Control and Risk Management

The Board of Directors sees the importance of a good internal control system. All the boards give a priority to all the risk factors in the company; therefore, they establish a Risk Management Team in order to supervise all the related risk factors. The Risk Management Team are comprised of the executives and management, the chief divisions and the chief departments. The Risk Management Team set rules, regulations and procedures to prevent and manage risks in terms of revenue, operating costs and anti- corruption. There are also the follow up of the project by preparing the report of internal risk management and send to Audit Committee every quarter. It is also the company's policy to have internal control management system that is adequate and suitable for the internal control of the Company including the inspection for the operational control and good governance in accordance with the related laws, rule regulations and policies.

The Risk Management Team as at 31 December 2020

1. Mr. Kriengsak	Jumaree	Hotel Manager
2. <i>Nominating In Process</i>		Food & Beverage Manager
3. <i>Nominating In Process</i>		Front Office Manager
4. Mr. Thongpoon	Duangchompoo	Assistant F&B Manager
5. Miss Somsri	Tangtatpongsathorn	Accounting & Finance Manager
6. Miss Ganlayanee	Rounggrayubchai	Director of Sales
7. Miss Chrinphat	Wittayakeeratinun	Assistant Director of Sales
8. <i>Nominating In Process</i>		Assistant Public Relations Manager
9. Mr. Piya	Tongpim	Assistant Chief Engineer
10. Miss Patcharanee	Techaruvichit	Assistant HR Manager
11. Mrs. Sudjai	To-Pol	Assistant Housekeeper
12. Mr. Kumporn	Thepchana	Laundry Manager
13. Mr. Wuttinun	Srisuk	IT Manager
14. Mr. Apiwat	Opaswongkul	Chief Security

In this year, the Risk Management Team has joined and prepare a risk assessment report for each department to reduce risks, increased productivity and submitted to the Audit Committee every quarter.

The company has appointed Mrs. Linda Roongfangarm to be an Internal Auditor of the Company. Her duty is to be a consultant of the company, evaluate the internal control system, and follow up the risk management and governance of the company to be arranged sufficiently and efficiently according to the objective established. She also performs a role of inspecting the company to ensure that the practice of the company is under the rules, regulations and laws relating to the business of the company according to annual internal audits plan. Mrs.Linda Roongfangarm has performed her duty satisfactorily according to the internal audit procedure of 2019.

In the Year 2020, The adequacy of the internal control system finds that the company has a concise, appropriate and adequate control system. Each of the system in the company is controlled with enough efficiency and effectiveness. The operations have been carried out according to the rules, regulations and laws without any significant faults in the internal control system.

Audit Committee has audited according to the audit form of adequacy and suitability for internal control of the SEC of Thailand and SET by considering 5 aspects for internal control and proposed to the meeting of board of directors No. 1/2564 that held on 22 February 2020. The conclusion was that the Company has adequacy and suitability for internal control of the existing operation according to 5 aspects for the internal control as follows:

- Control Environment:** the board of director of the company has established the operation policies, which were conducted in writing based on ethical provision and integrity. The committee has the role of surveillance, monitoring the administrative section and follow up the business performance respecting the particular objectives. The committee can also develop the internal control system continuously in accordance with their discretion and knowledge of the company. The company also has a policy to develop and preserve the competent personnel. The personnel evaluation is assessed through the performance based on the Code of Conduct.
- Risk Management:** The Company lends significance to the risk management by forming the risk management team to conduct the assessment on risks that might affect the Company's operation significantly from both internal and external risk factors everly quarter. The company has assessed risk factors whether it is acceptable or not and also evaluated if the risk factors can be reduced, avoided or shared to find out measures for preventing or reducing the risk by considering a chance of corruption within the company. Another prupose is to consider the situation related to risk factors for evaluating the tendency of any effect on the company.

3. Control activities: The Company has clearly defined the scope of duty and amount shall be authorized by each level of management executives in writing. Duties are separated to protect racketeering activities. The company has set the follow up measure according to SET and SEC regulation to inspect the related documents in order to maintain the benefits of the company. The Company continuously monitors the operations of subsidiaries and sets the direction to the person who has been appointed by the Company to be directors or management executives to follow. Moreover, Audit Committee has placed great emphasis on assessing the compliance to the rules and regulations relating to the business activities of the Company to diminish the risk in the business and maintain the fame of the Company.
4. Information and Communication: The Company provided effective internal and external communication, accounting and financial information system as well as providing enough useful information for the board directors for consideration and making decision. Conference proceedings and documentaries also provide if any retrospective examining is required. Communication between committees, auditors, and internal auditors is also consented besides the conference. Moreover, the company provides the notification center for any compliments and complaints through the company's website.
5. Monitoring activities: The Company provided the measure to follow up internal control system continuously. The auditing result will be reported to the Audit Committee and its copy will be proposed to the management executives and inspectors for acknowledgement and taking the opinion of internal auditor to improve defects or weakness found from auditing as well as reporting the follow-up result for improvement of each department to Audit Committee.

From the auditing result of internal control of the Company in many aspects above, board of directors has opinion that the Company has follows the direction set by the SEC of Thailand and SET sufficiently and suitably. Moreover, board of directors has opinion that the Company has sufficient internal control system for any transaction relating to major shareholders, directors, management executives or related persons as mentioned above.

Audit Committee has an opinion that the internal control of the Asia Hotel Public Co., Ltd. is effective enough. This helps ensure that the assets of the Company are well protected from any corruption and damage. The accounting items are recorded suitably and the resources are utilized efficiently as well.

12. Related Parties and Transactions

Standard and procedure of entering into connected transaction

Standard of entering into connected transaction between the Company and its subsidiaries and connected parties who have conflict of interest or may have in the future are determined to be in accordance with related regulations and/or notifications of the Securities and Exchange Commission (the SEC) and/or the Stock Exchange of Thailand (the SET).

The Company's audit committee will provide opinions regarding the necessity of entering into the transactions and the properness of the prices by considering if the transactions contain common agreements and the prices can be compared to market prices. In case that the prices cannot be compared to market prices, both parties will consider together to determine a mutually agreeing price of the transaction.

In case that the audit committee does not have expertise to consider connected transactions occurred, the Company will provide an independent specialist or auditor to give opinions regarding the said connected transactions so that the Board of Directors and/or audit committee and/or shareholders can consider. Note that persons who have conflict of interest in each transaction will not be eligible to vote for the transaction.

In addition, the Company will disclose information of connected transactions and disposal or acquisition transactions for the Company or its subsidiaries to comply with the regulations of the SEC and/or the SET as well as the accounting standards issued by Institute of Certified Accountants and Auditors of Thailand

Policy or tendency of entering into connected transaction in the future

The Company and its subsidiaries may enter into connected transactions in the future. If the transactions are common business transactions which have common business conditions, agreeing persons who may have conflict of interest, especially with a company in Asia Hotel Group, such as space rental, or service between each other, the Company has determined a policy of entering into connected transaction to contain common business agreements and standard price which can be compared with market price. In case that the transaction price cannot be compared to market price, both parties will consider for mutually agreed price. This is in accordance with the concept that the Board of Directors has determined, and Securities and Exchange Act B.E. 2535, that the Company must strictly follow the agreeing contract.

Note that in case that the Company renews or makes changes about price and condition in the contract, it must report to the Company's audit committee to consider and provide opinions regarding the fairness of the price and the properness of the transaction every quarter.

The company will follow the procedure of entering into connected transaction indicated above before entering into connected transaction which has common conditions and agreements.

In year 2020, The company and its subsidiaries had 17 connected transactions as follows:-

ASIA	Asia Hotel Public Co., Ltd.	AA	Asia Airport Hotel Co., Ltd.
AP	Asia Pattaya Hotel Co., Ltd.	ZP	Zeer Property Public Co., Ltd.
ABK	A.B.K.Enterprised Co., Ltd.	DM	DonMuang Grand Plaza Co., Ltd.
ZA	Zeer Asset Co., Ltd.	SPA	Spa Hotel Co., Ltd.
NSI	Num Seng Insurance Public Co., Ltd.		

1. Name and Relationship	AA, a subsidiary (in the proportion of shares of 100%) and ASIA, the registered company
Nature of Transaction	Inter-transaction of loan and accrued interest payable
Value (Million Baht)	Baht 47.35 Million for the year 2019 Baht 37.85 Million for the year 2020
Importance and Reasons	AA had granted loan to the ASIA for supporting the operation. The interest was calculated and the current interest rate is at 7.25%.

2. Name and Relationship	AP, a subsidiary (in the proportion of shares of 99.42%) and ASIA, the registered company
Nature of Transaction	Inter-transaction of loan and accrued interest payable
Value (Million Baht)	Baht 146.44 Million for the year 2019 Baht 129.07 Million for the year 2020
Importance and Reasons	AP had granted loan to the ASIA for supporting the operation. The Interest was calculated and the current interest rate is at 7.25%.

3. Name and Relationship	ZP, a subsidiary (in the proportion of shares of 94.85%) and ASIA, the registered company
Nature of Transaction	Inter-transaction of loan and accrued interest payable
Value (Million Baht)	Baht 90.45 Million for the year 2019 Baht 90.89 Million for the year 2020
Importance and Reasons	ZP had granted loan to the ASIA for supporting the operation. The interest was calculated and the current interest rate is at 4.970%.

4. Name and Relationship	ASIA, a registered company and AP, a subsidiary of ASIA held share in proportion 99.42%
Nature of Transaction	Income from rental
Value (Million Baht)	Baht 1.20 Million for the year 2019 Baht 0.30 Million for the year 2020
Importance and Reasons	AP rented the ASIA area for setting the office at the monthly rate of Baht100,000.- It is the rent of January - March 2020. Due to the COVID-19, AP requested to cancel the lease.

5. Name and Relationship	ASIA, a registered company, AA, AP, ZP, a subsidiary company and Namseng Insurance Public Company Limited “NSI” has 1 members on the board of directors of ASIA, AA, AP and hold shares in the ASIA, NSI (Mrs.PornpunTanariyakul)
Nature of Transaction	Made property risk insurance with the All Risk Insurance and Public Liability Insurance. The value is calculated as premium. In year 2020, ZP especially made business interruption insurance increased, to support the potential diaster because the Shopping center has high risk of unexpected accident. The period of insurance was 1 year, NSI -- The insurer and ASIA, AA, AP, ZP -- The insured
Value (Million Baht)	ASIA= Baht 0.69 million for ASIA Amount Insured: Baht 1,850.0 million AA = Baht 0.42 million for AA, Amount Insured: Baht 1,266.0 million AP = Baht 0.26 million for AP, Amount Insured: Baht 750.0 million ZP = Baht 3.45 million for ZP, Amount Insured: Baht 5,380.0 million
Importance and Reasons	It was the insurance made for supporting normal business with the general trading conditions and the remuneration can be calculated from the assets and referred values.

6. Name and Relationship	AA, a subsidiary of ASIA held share in the proportion 100% and ZP subsidiary of ASIA (in the proportion of shares of 94.85%)
Nature of Transaction	AA rented 5 th floor area from ZP to use as function room.
Value (Million Baht)	Baht 11.70 million for the year 2019 Baht 7.91 million for the year 2020. Due to COVID-19 pandemic, ZP received the discounted lease and service fees which is similar to other tenants.
Importance and Reasons	AA rented area on 5 th floor with an area of 9,072 square meters from ZP to use as function room. Rental period is 3 years from 1 st April 2019 to 31 st March 2022 by using the same rate as the other clients in nearby area.

7. Name and Relationship	AA, a subsidiary of ASIA held share in the proportion 100% and ZP subsidiary of ASIA (in the proportion of shares of 94.85%)
Nature of Transaction	AA extending rental contract period of area 39,380 square meters with ZP
Value (Million Baht)	Baht 390 Million as the end year 2019 Baht 390 Million as the end year 2020
Importance and Reasons	AA has leased some areas of G floor, the 6 th floor and the 9 th floor and entire area of the 10 th -17 th floor, with a total area of 39,380 square meters from ZP. The contract period will be expired on Mar 31, 2023 or 12 years remaining. On Dec 18, 2009, AA renewed the lease contract for extension of the contract period for another 16 years that is from April 1, 2023 to Mar 31, 2039 or 28 years remaining. ZP charges the lease rate at Baht 390 Million, it will be paid in 3 installments; Baht 170 Million in December 2009, Baht 180 Million in February 2010 and Baht 40 Million in June 2010. These lease rate included the monthly service fee of Baht 0.59 million (starting April 2023), the rate will be adjusted of 10% increasingly at every 3 years. The value of lease rate is concordant with the value evaluated by valuers approved by the Thai Valuers Association (TVA) and the Valuers Association of Thailand (VAT) that is Agency for Real Estate Affairs Co., Ltd. valued at Baht 425 Million.

8. Name and Relation	AA (A subsidiary of ASIA holding 100% of its shares) and ZP (A subsidiary of ASIA holding 94.85% of its shares)
Nature of Transaction	Income from rental area and service fee, ZP received from AA
Value (Million Baht)	Baht 1.87 Million for the year 2019 Baht 1.24 Million for the year 2020. In 2020, Due to COVID-19 pandemic, ZP received the discounted lease and service fees which is similar to other tenants.
Importance and Reasons	AA rented the area on 8 th floor from ZP with area 520.4 square meters with a 3-year contract from 1 July 2018 – 30 June 2021 with the new monthly rate of Baht 156,120 with the same rate as the other clients in the nearby area.

9. Name and Relation	AA (A subsidiary of ASIA holding 100% of its shares) and ZP (A subsidiary of ASIA holding 94.85% of its shares)
Nature of Transaction	Income from area rental AA received from ZP
Value (Million Baht)	Baht 1.55 Million for the year 2019 Baht 1.55 Million for the year 2020
Importance and Reasons	ZP rented 6 th floor area from AA with 3 years contract from from 1 January 2019 – 31 December 2021 with the new monthly rate of Baht 129,300 with the increased 10% as the other clients in the nearby area.

10. Name and Relation	AA (A subsidiary of ASIA holding 100% of its shares) and ZP (A subsidiary of ASIA holding 94.85% of its shares)
Nature of Transaction	Income from Maintenance Fee ZP received from AA
Value (Million Baht)	Baht 3.18 Million for the year 2019 Baht 2.50 Million for the year 2020
Importance and Reasons	AA hired personnel from ZP for maintenance service of electrical tools and devices in the hotel area. AA pays for the service fee to ZP monthly. The maintenance service contract is 3 years from 1 January 2018 – 31 December 2020 with the monthly rate of Baht 265,250.- Currently, the service contract has been renewed for another 3 years (1 January 2021 - 31 December 2023) as follows: 1 January 2021 - 31 December 2021 = 274,500 baht per month, 1 January 2022 - 31 December 2022 = 284,100 baht per month m, 1 January 2023 - 31 December 2023 = 294,000 baht per month.

11. Name and Relation	AA (A subsidiary of ASIA holding 100% of its shares) and ZP (A subsidiary of ASIA holding 94.85% of its shares)
Nature of Transaction	Rental transaction “Asia Cha-am Hotel” running hotel business (AA is a rentee and ZP is a renter)
Value (Million Baht)	Baht19.12 Million for the year 2019 Baht19.12 Million for the year 2020
Importance and Reasons	ZP is the owner of property Asia Cha-am Hotel, Petchaburi Province. The bid for rental fee and managing hotel business has been made and AA has been selected to operate the hotel business by using the name “Asia Cha-am Hotel”. The rental contract is 3 years (1 November 2019 – 31 October 2022).

12. Name and Relationship	AA (A subsidiary of ASIA holding 100% of its shares) and ZP (A subsidiary of ASIA holding 94.85% of its shares)
Nature of Transaction	Income from rental area for parking, ZP received from AA
Value (Million Baht)	Baht 0.92 Million for the year 2019 Baht 0.47 Million for the year 2020, In 2020, due to COVID-19 pandemic, ZP received the discounted lease and service fees which is similar to other tenants.
Importance and Reasons	AA rented parking area from ZP for the convenience of hotel clients with 3 year contract from March 1 st , 2019 to February 28 th , 2022 at the rate of Baht 77,800.- per month for the 1 st year, 85,500 baht/month for the 2 nd year and 94,000 baht/month for the 3 rd year.

13. Name and Relationship	AA (A subsidiary of ASIA holding 100% of its shares) and ZP (A subsidiary of ASIA holding 94.85% of its shares)
Nature of Transaction	Income from management service for parking income, ZP received from AA
Value (Million Baht)	Baht 0.94 Million for the year 2019 Baht 0.77 Million for the year 2020. In 2020, due to COVID-19 pandemic, ZP received the discounted lease and service fees which is similar to other tenants.
Importance and Reasons	AA uses the parking management service from ZP with 3 years contract period from June 1 st , 2020 to May 31 st , 2021 at the rate of 82,350 baht/month for the 1 st year, 85,230 baht/month for the 2 nd year and 88,200 baht/month for the 3 rd year.

14. Name and Relationship	ZP, a subsidiary of ASIA, held share in proportion 94.85%. And DM, a related company. Some members of board of directors held shares in ZP and DM. These directors are Mr.Surapong Techaruvichit and Mr. Tospol Vachiradecha
Nature of Transaction	ZP rented the land and building from DM

Value (Million Baht)	Baht 22.34 Million for the year 2019 Baht 0.00 Million for the year 2020
Importance and Reasons	It was that ZP had made subleasing the land from DM, which was the location of the ZEER project. The leasing contract period is 30 years, from year 1993-2023. The resolution of EGM in 2 nd quarter of 2007 approved extension of lease agreement for another 25 years. Total remaining period is 29 years according to TAS16
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15. Name and Relationship	ZP, a subsidiary of ASIA, held share in proportion 94.85%. And DM, a related company. Some members of board of directors (Mr. Amorn Techaruvichit and Mr. Surapong Techaruvichit) held shares in ZP and DM.
Nature of Transaction	Debt guarantee transaction of ZP secured by DM
Value (Million Baht)	Baht 1,125 Million for the year 2019 to guarantee for credit line Baht 1,125 Million for the year 2020 to guarantee for credit line
Importance and Reasons	It is a condition of Financial Institution that ZP is given a credit with DM security because ZP sub-leased the land and construction from DM and without any payment used as a guarantee.
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16. Name and Relation	AA (A subsidiary of ASIA holding 100% of its shares) and ZA (A subsidiary of ZP holding 99.90% of its shares)
Nature of Transaction	Income from rental area for Ratchapruerk Lanna Boutique, Ampor Hangdong Chiang Mai, ZA received from AA
Value (Million Baht)	Baht 3.60 Million for the year 2019 Baht 2.79 Million for the year 2020. In 2020, due to COVID-19 pandemic, ZP received the discounted lease and service fees which is similar to other tenants.
Importance and Reasons	AA rented Ratchapruerk Lanna Boutique, Ampor Hangdong Chiang Mai from ZA for operate room for rent, 35 guest rooms with 3 year contract from May 1 st , 2018 to April 30 th , 2021 at the rate of Baht 300,000.- per month
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17. Name and Relation	AA (A subsidiary of ASIA holding 100% of its shares) and SPA (A subsidiary of ZP holding 96.43% of its shares)
Nature of Transaction	Income from rental area for Darley Hotel, Ampor Changmoi, Chiang Mai, SPA received income from AA
Value (Million Baht)	Baht 5.40 Million for the year 2019 Baht 6.62 Million for the year 2020
Importance and Reasons	AA rented Ratchapruerk Lanna Boutique, Ampor Hangdong Chiang Mai from ZA for operate room for rent, 76 guest rooms with 3 year contract from October 1 st , 2018 to September 30 th , 2021 by adjusting the rental fee according to the conditions of the lease agreement in the first period Oct. 2018 - December 2018, monthly rate of 50,000 baht, January - December 2019, rental rate 300,000-600,000 baht, Jan 2020 - Dec 2020, rental rate 600,000-850,000 Baht during January 2021 - September 2021, rental rate 850,000-1,000,000 baht.
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Part 3

Financial Status and Operating Result

13. Important Financial Information

1. Table of Consolidate Financial Statement

ASIA HOTEL PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT DECEMBER 31, 2020 , 2019 AND 2018

(Unit : Million Baht)

Item	2020		2019		2018	
	Amount	%	Amount	%	Amount	%
ASSETS						
Current assets						
Cash and cash equivalents	106.71	1.12	50.60	0.53	56.90	0.59
Other current financial assets	0.72	0.01	0.72	0.01	0.72	0.01
Trade and other receivables-net	136.25	1.42	120.97	1.28	109.90	1.14
Inventories-net	40.33	0.42	42.68	0.45	43.11	0.45
Total current assets	284.01	2.97	214.97	2.27	210.63	2.18
Non-current assets						
Restricted deposit with financial institution	4.00	0.04	4.00	0.04	4.00	0.04
Investment properties -net	54.57	0.57	56.56	0.60	60.16	0.62
Property, plant and equipment	8,718.38	91.11	8,943.73	94.42	9,150.23	94.56
Right-of-use assets	439.50	4.59	0.00		0.00	
Goodwill	40.11	0.42	40.26	0.43	43.33	0.45
Intangible assets -net	8.65	0.09	11.06	0.12	5.12	0.05
Deferred tax assets	3.15	0.03	2.67	0.03	2.35	0.02
Prepaid rental	0.00		176.15	1.86	165.87	1.71
Deposit for purchase of assets	4.63	0.05	6.30	0.07	21.52	0.22
Other non-current assets	12.28	0.13	16.51	0.17	13.03	0.13
Total non-current assets	9,285.27	97.03	9,257.24	97.73	9,465.61	97.82
Total assets	9,569.28	100.00	9,472.21	100.00	9,676.24	100.00

ASIA HOTEL PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT DECEMBER 31, 2020 , 2019 AND 2018

(Unit : Million Baht)

Item	2020		2019		2018	
	Amount	%	Amount	%	Amount	%
LIABILITIES AND SHAREHOLDER'S EQUITY						
Current liabilities						
Bank overdrafts and short-term loans						
from financial institutions	224.16	2.34	220.17	2.32	124.45	1.29
Trade payables	21.65	0.23	31.85	0.34	29.26	0.30
Other current payables	94.96	0.99	97.51	1.03	97.12	1.00
Current portion of long-term loan from financial	194.24	2.03	243.01	2.57	212.92	2.20
Current portion of lease liabilities	24.66	0.26	1.39	0.01	1.45	0.01
Current portion of deferred income	7.68	0.08	7.68	0.08	7.68	0.08
Assets payable	26.98	0.28	47.58	0.50	51.73	0.53
Accrued income tax	1.81	0.02	-	-	0.33	0.00
Total current liabilities	596.14	6.23	649.19	6.78	524.94	5.43
Non-current liabilities						
Long-term loan from financial institutions - net	1,991.40	20.81	1,919.65	20.27	2,138.66	22.10
Liabilities under financial lease agreements - net	228.51	2.39	-	-	1.39	0.01
Deferred tax liabilities	1,135.28	11.28	1,138.11	12.02	1,145.47	11.84
Employee benefit obligation	127.00	1.33	114.19	1.21	82.36	0.85
Guarantee for rental	141.59	1.48	163.83	1.73	165.16	1.71
Deferred revenue – leasehold rights on leased area	4.80	0.05	11.27	0.12	17.91	0.19
Other non-current liabilities	4.17	0.04	4.92	0.05	5.00	0.05
Total non-current liabilities	3,632.75	37.96	3,351.97	35.39	3,555.95	36.75
Total liabilities	4,228.89	44.19	4,001.16	42.24	4,080.89	42.17

ASIA HOTEL PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT DECEMBER 31, 2020 , 2019 AND 2018

(Unit : Million Baht)

Item	2020		2019		2018	
	Amount	%	Amount	%	Amount	%
Shareholders' equity						
Share capital						
Authorized share capital						
Common shares Baht 1 par value 500,000,000 shares	<u>500.00</u>		<u>500.00</u>		<u>500.00</u>	
Issued and fully paid - up						
Common shares Baht 1 par value 320,000,000 shares	320.00	3.34	320.00	3.34	320.00	3.31
Capital surplus						
Premium on share - sale of parent's common share held						
By subsidiaries	112.74	1.18	112.74	1.19	112.74	1.17
Surplus on change of proportion interest in subsidiary	35.67	0.37	36.40	0.38	36.40	0.38
Retained earnings						
Legal reserve	45.61	0.48	45.61	0.48	44.67	0.46
Unappropriated	505.35	5.28	559.45	5.91	575.02	5.94
Other components of equity	4,163.25	43.51	4,231.91	44.68	4,338.86	44.84
Total equity of the parent company	5,182.62	54.12	5,306.11	56.02	5,427.69	56.09
Non-controlling interests	157.77	1.65	164.94	1.74	167.66	1.73
Total shareholders' equity	5,340.39	55.81	5,471.05	57.76	5,595.35	57.83
Total liabilities and shareholders' equity	9,569.28	100.00	9,472.21	100.00	9,676.24	100.00

ASIA HOTEL PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED DECEMBER 31, 2020, 2019 AND 2018

(Unit : Million Baht)

Item	2019		2018		2017	
	Amount	%	Amount	%	Amount	%
REVENUES						
Income from hotel business	364.72	45.00	770.57	56.82	740.30	55.41
Rental and services income	445.82	55.00	589.56	43.18	595.77	44.59
Total revenues	810.54	100.00	1,356.13	100.00	1,336.07	100.00
COST OF SALES AND SERVICES						
Cost of hotel business	308.32	38.04	540.82	39.88	472.67	35.38
Cost of rental and services	393.86	48.59	491.44	36.24	496.59	37.17
Total cost of sales and services	702.18	86.63	1,032.26	76.12	923.48	72.55
GROSS PROFIT	108.36	13.37	323.87	23.88	366.81	27.45
Other income	82.59	10.19	83.65	6.17	85.27	6.38
Profit before expenses	190.95	23.56	407.52	30.05	452.08	33.84
Distribution Cost	36.90	4.55	78.32	5.78	66.64	4.99
Administrative expenses	132.48	16.34	244.64	18.04	244.68	18.31
Loss on Goodwill impairment	-	-	-	-	4.90	0.37
Management benefit expenses	5.80	0.72	16.03	1.18	15.80	1.18
Directors' remuneration	0.69	0.09	5.11	0.38	4.49	0.34
Profit before financial cost	15.08	1.86	63.42	4.68	115.57	8.65
Financial cost	124.32	15.34	123.51	9.11	105.06	7.86
Impairment loss determined in accordance TFRS 9	13.45	1.66	0.26	0.02	4.07	0.30
Profit (loss) before income tax	(122.69)	(15.14)	(60.35)	(4.45)	6.44	0.48
Income tax (expense) revenue	0.39	(0.05)	(4.77)	(0.35)	3.77	0.28
Net profit for the year	(122.30)	(15.09)	(55.58)	(4.10)	2.67	0.20

ASIA HOTEL PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED DECEMBER 31, 2020, 2019 AND 2018

(Unit : Million Baht)

Item	2020	2019	2018
Other comprehensive income			
<i>Items that will not be reclassified to profit or loss</i>			
Actuarial gain (loss)		(0.08)	
Difference on exchange rate from currency translation	(2.17)	(42.58)	(4.25)
Profit from revaluation of new assets	-	-	-
Changes in revaluation surplus	-	-	-
Income tax on other comprehensive income			
Relating to items that will not be reclassified		0.02	-
Other comprehensive income (loss) for the year	(2.17)	(42.64)	(4.25)
Total comprehensive income for the year	(124.47)	(98.22)	(1.58)
Attributable to:			
Equity holders of the parent	(120.70)	(55.46)	3.06
Non-controlling interests	(1.59)	(0.13)	(0.39)
	122.29)	(55.59)	2.67
Total comprehensive income attributable to			
Equity holders of the parent	(122.76)	(95.98)	(0.97)
Non-controlling interests	(1.59)	(2.25)	(0.61)
	(124.46)	(98.23)	(1.58)
BASIC EARNINGS PER SHARE			
Basic earnings per share (Baht)	(0.38)	(0.17)	0.01
Number of weighted average (shares)	320,000,000	320,000,000	320,000,000

ASIA HOTEL PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2020, 2019 AND 2018

(Unit : Million Baht)

Item	2020	2019	2018
Cash flows from operating activities:			
Net profit before corporate income tax	(122.30)	(55.59)	2.67
Adjustment to reconcile net profit (loss) to cash provided by (used in) operating activities			
Income tax expense (revenue)	(0.39)	(4.77)	3.77
Non-current provisions for employee benefit	14.81	34.89	10.97
Depreciation	282.88	305.51	282.70
Amortized prepaid rental	0.00	23.55	23.55
Amortized intangible assets	2.57	1.75	1.47
Depreciation right-of-use assets	18.45	0.00	0.00
Impairment loss determined in accordance with TFRS 9)	13.45	0.26	4.07
Gain on compensation from insurance claim	-	0.00	(2.98)
(Gain) loss on sale of fixed assets	(0.09)	1.28	0.57
Loss from written off fixed assets	0.33	0.76	0.53
Corporate income tax deducted at source written off	0.85	0.24	0.28
Income on leasehold rights	(6.47)	(6.63)	(6.63)
Loss on Goodwill impairment	-	0.00	4.90
Financial cost – interest expense	124.32	123.51	105.06
Profit from operations before changes in operating assets and liabilities	328.41	424.76	430.93
Operating assets (increase) decrease			
Trade and other receivables	(26.40)	(0.66)	(5.08)
Inventories	2.35	0.43	(1.09)
Other non-current assets	(0.39)	(3.92)	(1.09)
Operating assets (increase) decrease			
Trade payables	(10.19)	2.59	(1.23)
Other current payables	(25.91)	0.00	4.40
Guarantee for rental	(22.24)	(1.34)	0.87
Other non-current liabilities	(0.75)	(0.08)	0.33

ASIA HOTEL PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CASH FLOWS (continue)

FOR THE YEAR ENDED DECEMBER 31, 2019, 2018 and 2017

(Unit : Million Baht)

Item	2020	2019	2018
Cash received from operating activities	244.88	421.78	428.04
Cash paid for non-current provisions for employee benefit	(2.01)	(3.14)	(3.36)
Cash received from insurance compensation receivable	0.00	0.00	182.76
Corporate income tax refund	10.00	7.07	2.01
Corporate income tax paid	(13.02)	(19.61)	(20.76)
Net cash provided by operating activities	239.85	406.10	588.69
Cash flow from investing activities:			
Cash paid deposit for purchase of assets	(0.46)	(1.35)	(20.19)
Cash received from sale of fixed assets	0.11	2.13	1.81
Cash paid for purchase of fixed assets and intangible assets	(42.32)	(106.11)	(778.34)
Cash paid for prepaid rental	-	(33.83)	(32.63)
Assets payable decrease	(35.04)	(35.39)	(12.64)
Net cash provided by (used in) investing activities	(77.71)	(174.55)	(841.99)
Cash flow from financing activities:			
Bank overdraft and short loan from financial institution increase (decrease)	3.99	95.72	6.18
Cash paid for financial cost	(85.02)	(123.55)	(104.46)
Cash paid for dividend	0.00	(26.06)	(73.75)
Non-controlling interests increase (decrease)	(6.20)	-	(11.20)
Cash paid for long-term loans	(55.04)	(212.81)	(190.93)
Cash received from long-term loans	74.17	32.45	623.85
Cash paid for liabilities under financial lease agreement	(37.46)	(1.45)	(1.35)
Net cash used in financing activities	(105.56)	(235.70)	248.34
Cash and cash equivalents decrease - net	56.58	(4.15)	(4.96)
Difference from currency translation	(0.47)	(2.15)	(4.64)
Cash and cash equivalents at the beginning of year	50.60	56.90	66.50
Cash and cash equivalents at the ending of year	106.71	50.60	56.90

2. Financial Ratio

ASIA HOTEL PUBLIC COMPANY LIMITED AND SUBSIDIARIES

Financial Ratio (Consolidated Financial Statement)

FOR THE YEAR ENDED DECEMBER 31, 2020, 2019 and 2018

Item		2020	2019	2018
<u>Liquidity Ratio</u>				
Current Ratio	(time)	0.48	0.33	0.40
Quick Ratio	(time)	0.41	0.27	0.32
Cash Flow Ratio	(time)	0.39	0.69	1.06
Account Receivable Turnover	(time)	4.94	9.35	9.88
Average Collection Period	(day)	72.87	38.50	36.44
Inventory Turnover	(time)	13.17	20.05	18.72
Average Inventory Period	(day)	27.33	17.96	19.23
Account Payable Turnover	(time)	26.25	33.78	32.44
Average Payment Period	(day)	13.71	10.66	11.10
Cash Cycle	(day)	86.49	45.80	44.57
<u>Profitability Ratio</u>				
Gross Profit Margin	(%)	13.37	23.88	27.45
Operating Profit Margin	(%)	(13.48)	(4.43)	0.79
Cash ratio to Profitability	(%)	(219.56)	(675.75)	5601.78
Net Profit Margin	(%)	(13.51)	(3.85)	0.22
Return on Equity	(%)	(2.23)	(1.00)	0.05
<u>Efficiency Ratio</u>				
Return on Asset	(%)	(1.27)	(0.58)	0.03
Return on Fixed Asset	(%)	1.82	2.75	3.19
Total Asset Turnover	(time)	0.09	0.15	0.15
<u>Financial Policy Ratio</u>				
Debt /Equity Ratio	(time)	0.79	0.73	0.73
Interest Coverage Ratio	(time)	2.93	4.25	6.64
Commitment Ability Payment Ratio (cash basis)	(time)	1.31	0.99	0.99
Dividend Payout Ratio (Based on the net profit of the company financial statements)	(%)	0.00	83.33	61.90
<u>Growth Ratio</u>				
Total Assets	(%)	1.02	(2.11)	4.05
Total Liabilities	(%)	5.69	(1.95)	12.79
Net Profit	(%)	117.63	(1,910.23)	(98.00)

14. Analysis and explanations by the management

1. Overall picture of the business operations

In the year 2020, the company and subsidiaries had total revenue of 810.54 million baht (in the year 2019 had total revenue of 1,356.13 million baht), a decreased of 545.59 million baht or 40.23% from the previous year. Overview of business operations in the year 2020, the Thai economy, including the global economy, were affected by the Coronavirus 2019 (COVID 19) pandemic that occurred since the first quarter of 2020, resulting in a severe economic slowdown and many countries continue to have a growing number of infected and the restrict international travel, resulting in a slowdown in tourism impact, government spending consumption and the consumption also contracted. Both household purchasing power weakened in both income Employment and confidence.

According to a government order that the department store closed temporarily from March 22, 2020, to control the spread of the Coronavirus 2019 (COVID-19) by Zeer Property Public Co., Ltd., a subsidiary company, fully cooperates with the government sector. The subsidiary reopened the shopping center on May 17, 2020, the Company provided assistance and remedies to the rentees in the shopping center that were affected by the exemption of rental fees to the shops that could not operate from the temporary closure of the store's services, including giving discounts on the rental fee to the affected stores but still operate in the shopping center as usual.

In the hotel business, the company has resumed its hotel service from July 1, 2020, after the temporary closure on April 1, 2020.

Hotel Business in Thailand (The Asia Pattaya Hotel, Cholburi)

Thailand still restricts the travel of foreign tourists, causing the tourism business to be severely affected. Asia Pattaya Hotel serves as a State Quarantine.

Hotel Business in the U.S.A. (Quality Inn Long Beach Signal Hill)

In March 2020, to contain the impact of COVID-19 in the U.S.A., the governments decided to control the Coronavirus 2019 (COVID 19) pandemic. This event will significantly affect the hotel business and since mid-April 2020, the hotel has been contacted by the government of the County of Los Angeles to request to rent rooms of the hotel to be a place to stay for the elderly that the government provides.

In the second half of the year, the Thai Government has taken measures to ease the lockdown, causing the economy to recover, including the government released economic stimulus measures such as a trip together project, to help with shopping, stimulate domestic travel, allowed to sit and dine in the restaurant.

At the beginning of 2021, the economy slowed again due to a new outbreak and the government took some lockdown measures, affecting domestic tourism and worries from the situation.

In the year 2020, the company and subsidiaries had total revenue of 810.54 million baht (in the year 2019 had total revenue of 1,356.12 million baht), a decrease of 545.58 million baht, or 40.23% from last year, consist of revenue from hotel business a decrease of 405.85 million baht or 52.67% from last year and revenue from rental and service a decreased of 139.73 million baht or 23.86%. The total revenue of the hotel business group decreased from the previous year due to the Coronavirus 2019 (COVID 19) pandemic.

Overall picture of Revenue and gross profit from operating result in 2020

	Revenue				Cost				Gross Profit			
	2020	2019	Increase (decrease)	%	2020	2019	Increase (decrease)	%	2020		2019	
Hotel Revenue												
Room	240.03	516.86	(276.83)	-53.6%	193.24	317.43	(124.19)	-39.1%	46.79	19.5%	199.43	38.6%
F&B	124.69	253.71	(129.02)	-50.9%	115.08	223.39	(108.31)	-48.5%	9.61	7.7%	30.32	12.0%
	364.72	770.57	(405.85)	-52.7%	308.32	540.82	(232.50)	-43.0%	56.40	15.5%	229.75	29.8%
Rent & Service Revenue												
Domestic	419.58	556.13	(136.55)	-24.6%	384.07	483.81	(99.74)	-20.6%	35.51	8.5%	72.32	13.0%
Overseas	26.24	29.43	(3.19)	-10.8%	9.79	7.63	2.16	28.3%	16.45	62.7%	21.80	74.1%
	445.82	585.56	(139.74)	-23.9%	393.86	491.44	(97.58)	-19.9%	51.96	11.7%	94.12	16.1%
TOTAL	810.54	1,356.13	(545.59)	-40.2%	702.18	1,032.26	(330.08)	-32.0%	108.36	13.4%	323.87	23.9%

The company and subsidiaries had revenue from hotel business of 364.72 million baht, decreased of 405.85 million baht or 52.7% from last year and revenue from rental and service of 445.82 million baht, decreased from last year 139.74 million baht or 23.9%.

The company and its subsidiaries had a total gross profit of 108.36 million baht, decreased from the previous year by 215.51 million baht or 66.5% lower, and had net loss (the net worth of the parent company) amount to 120.7

million baht, in the year 2019 had net loss 55.46 million baht, increased from last year 65.24 million baht. Mainly, the impact caused from the Coronavirus 2019 (COVID 19) pandemic.

2. Operation results and profitability

In an analysis of the operation results for 2020 and profitability of the company and its subsidiaries classified according to the revenue structure, cost of sale and service, expense on the operations and financial cost as follows:

Revenue from the hotel business

The company and its subsidiaries had revenue from the total hotel business for 2020 in the amount of 364.72 million baht, a decrease from the previous year by 405.85 million baht or 52.7% lower. The revenue from the hotel business consisted of income from rooms and income from food and beverages as follows:

Details on Revenue from Hotel Business (Unit: Million baht)	Room		Food & beverages		Total Hotel Business	
	2020	2019	2020	2019	2020	2019
Revenue						
Revenue from hotel business	240.03	516.86	124.69	253.71	364.72	770.57
Proportion of room : F&B	65.8%	67.1%	34.2%	32.9%	100.0%	100.0%
Cost of sale						
Cost ratio (Cost of Sale/ Revenue)	193.24	317.43	115.08	223.39	308.32	540.82
	80.5%	61.4%	92.3%	88.0%	84.5%	70.2%
Gross Profit						
GP margin (Gross profit/Revenue)	46.79	199.43	9.61	30.32	56.40	229.75
	19.5%	38.6%	7.7%	12.0%	15.5%	29.8%

A) Income from the rooms

The company and its subsidiaries operated 7 hotels consisted of 1) Asia Hotel, which situated in Ratcha Thewi district, Bangkok, 2) Asia Pattaya Hotel at Pattaya city, 3) Asia Airport Hotel in Rangsit, Pathum Thani province, 4) Asia Hotel Cha-um, at Cha-um Beach, Phetchaburi province, 5) Ratchapruek Lanna Boutique at Nongkwai Sub-district, Hang Dong District, Chiang Mai, 6) Darley Hotel Chiang Mai at Chang Moi, Amphoe Mueang, Chiang Mai and 7) Quality Inn Long Beach – Signal Hill, located 3201 E. Pacific High Way, Signal Hill, California, U.S.A..

The company and its subsidiaries had revenue from rooms in the year 2020 totaled 240.03 million baht (domestic room revenue 182.17 million baht and abroad room revenue 57.86 million), decreased from the previous year by 276.83 million baht, or 53.6% lower. It was resulted from the Coronavirus 2019 (COVID 19) pandemic.

The average room rate of the hotel business group in the year 2020 is 1,231 baht, in 2019 equal to 1,336 baht. The details of each hotel are as follows:

The average occupancy and the average room rate of hotel business

Average Occupancy (%)	2020	2019	Increased/(decreased)
Asia Hotel Bangkok	28.86%	85.15%	-56.29%
Asia Pattaya Hotel	39.55%	55.65%	-16.10%
Asia Airport Hotel	23.79%	57.04%	-33.25%
Asia Cha-um Hotel	36.33%	44.38%	-8.05%
Ratchapruek Lanna Boutique	20.94%	15.08%	5.86%
Darley Hotel Chiangmai	20.74%	24.35%	-3.61%
Quality Inn Long Beach Airport	71.00%	68.19%	2.81%

Average Room Rate (Baht)	2020	2019	Increased/(decreased)
Asia Hotel Bangkok	1,122.00	1,402.00	(280.0)
Asia Pattaya Hotel	915.00	1,053.00	(138.00)
Asia Airport Hotel	1,054.00	1,090.00	(36.00)
Asia Cha-um Hotel	929.00	977.00	(48.00)
Ratchapruek Lanna Boutique	1,276.00	1,415.00	(139.00)
Darley Hotel Chiangmai	782.51	678.00	104.51
Quality Inn Long Beach Airport	3,009.00	3,413.00	(404.00)

Average Occupancy Rate (%)	2020	2019	Increased/(decreased)
		31.80%	63.83%

Average Room Rate (Baht)	2020	2019	Increased/(decreased)
		1,231.00	1,336.00

Other than the revenue from the guest rooms in the hotels as mentioned above Asia Airport Hotel, which is a subsidiary also had incomes from serviced apartments, a long-term rent of rooms with the same service as a hotel. This revenue is not much compared with the room income of the hotels. In 2020 it had the revenue from the serviced apartments was 3.97 million, or about 11.53% of the guest room income of Asia Airport Hotel Rangsit.

B) Income from food and beverages

The company and its subsidiaries had the income from food and beverages from restaurants and banquets in 2020 amounted to 124.69 million baht, decreased from the previous year in the amount of 129.02 million baht, or 50.9% lower. They had the ratio of income from the room compare to food and beverage in 2020 was 65.8:34.2 and the ratio of income from the room compare to food and beverage in 2019 was 67.1:32.9

The income from food and beverage consist of hotel restaurant income and banquet income. The relationship between room income and restaurant income is not correlated as former time because the customer group has modified their online booking behavior. Most customers will book the room only.

Income from rent and services

Income from rent and services came from the income from leasing space of Zeer Property and the subsidiaries. They are at Zeer Rangsit Shopping Center. The company has opened the apartment business "AA Town" at the end of 2014, 130 rooms and has opened a wholesale and retail shopping center as a building. The 3-storey shopping center in the middle of year 2015 "The Hub Shopping Center".

In 2016, Zeer Property PCL had collaborated with the original business owner and established new company named SPA HOTEL CO., LTD. (SPA) located at Chang Moi, Amphoe Mueang, Chiang Mai, project "Laan Sook Plaza and Darley Hotel Chiang Mai" which launched since October 2018. The location potential is closed to Warorot Market, the development aims to attract both Thai and international visitors who spend their vacation time in Chiang Mai, Thailand. SPA did renovation this area to shopping Plaza and Apartment.

In April 2018, the subsidiary, Zeer Asset Co., Ltd. entered into a purchase and sale of land and construction agreement with other party. The property is located at Nongkwai Sub-district, Hang Dong District, Chiang Mai (Ratchapruek Lanna Boutique formerly named: Prat Rajapruek Resort & Spa) with 35 rooms. Ratchapruek Lanna Boutique was opened in May 2018.

On November 1, 2018, the subsidiary, ZEER OVERSEA LLC. invested in a hotel business and acquired land and buildings (Quality Inn Long Beach Airport) from the third party, located 3201 E. Pacific High Way, Signal Hill, California, U.S.A. with 74 rooms.

The rental business of the company had lower revenue in 2020. The company and its subsidiaries had income from rent and service amounted to 445.82 million baht, decreased from the previous year by 139.74 million baht or 23.9% lower.

Other Income

Other revenue consisted of health club, car parking, rental, service and electricity, laundry, telephone, gain on exchange rate, income on insurance compensation and other revenue collected from customers and miscellaneous things.

Details on other incomes	2020		2019		Increase (decrease)	
	Million Baht	%	Million Baht	%	Million Baht	%
Health club and car parking	3.58	4.33	4.27	5.09	(0.69)	- 16.16
Rental, Service and Electricity	44.05	53.34	58.93	70.45	(14.88)	-25.3
Gain on Exchange rate	0.31	0.38	1.06	1.27	(0.75)	-70.8
Gain from sale of assets	0.02	0.02	0.44	0.53	(0.42)	95.5
Income on insurance compensation	0.79	0.96	0.55	0.66	0.24	43.6
Guarantee for rental	16.53	20.01	-	-	16.53	100.0
Others	17.31	20.96	18.40	22.00	(1.09)	-5.92
Total Other Income	82.59	100.00	83.65	100.00	(1.06)	-1.27

In 2020 the company and its subsidiaries had other incomes totaling 82.59 million baht, decreased from the previous year amount 1.06 million baht or 1.27% lower.

Cost of sale and service

Cost of sale and service consists of two main items according to the type of revenue from the operations are the cost of sale from hotel operations and cost of rentals and services.

In the year 2020, the Company and its subsidiaries had a total cost of sales and services of 702.18 million baht, a decrease of 330.08 million baht from the previous year or 32% lower, which was resulted from the Coronavirus 2019 (COVID 19) pandemic.

Cost of sale and service (Unit: Million baht)	Room		Food & beverages		Rent and service		Total Hotel Business	
	2020	2019	2020	2019	2020	2019	2020	2019
Cost of sale	193.24	317.43	115.08	223.39	393.86	491.44	702.18	1,032.26
Cost Ratio	80.5%	61.4%	92.3%	88.0%	88.3%	83.9%	86.6%	76.1%
Gross Profit	46.79	199.43	9.61	30.32	51.96	94.11	108.36	323.86
GP Margin	19.5%	38.6%	7.7%	12.0%	11.7%	16.1%	13.4%	23.9%

In 2020 and 2019 the company and its subsidiaries has the cost ratio equaled 86.6% and 76.1% respectively. The company and its subsidiaries has gross profit margin in 2020 and 2019 equaled 13.4% and 23.9% respectively. The cost of sale and service can be classified as following:

a) Cost of room sale

In 2020, the Company and its subsidiaries had cost of room sale of 193.24 million baht, a decrease of 124.19 million baht from the previous year or 39.1% lower, while room revenues in 2020 decreased by 53.6% from the previous year, therefore, the company has gross profit margin for room revenue decreased from the previous year. The cost of sales ratio for the year 2020 and 2019 is 80.5% and 61.4% respectively and the gross margin (GP Margin) for the year 2020 and 2019 is 19.5% and 38.6% respectively.

b) Cost of food sale and beverages

In 2020, the company and its subsidiaries had the cost of food and beverage sale of 115.08 million baht, in the year 2019 had the cost of food and beverage sale of 223.39 million baht decreased by 108.31 million baht, or 48.5% lower from the previous year. There were the ratio of the cost of food and beverage sale for 2020 and 2019 equaled to 92.3% and 88% and the gross profit margin for 2020 and 2019 equaled to 7.7% and 12% respectively.

Cost of rental and service

In 2020 the company and its subsidiaries had the cost of rent and service at 393.86 million baht, a decreased by 97.58 million baht, or 19.9% lower from the previous year due to income from rent and service in 2020 was lower to 139.73% so the gross profit margin for rental and service income was lower. The Cost ratio for 2020 and 2019 equaled to 88.3% and 83.9%, and the gross profit margin for 2020 and 2019 equaled to 11.7% and 16.1% respectively.

Expenses on the sale, administration and others

In 2020 the company and its subsidiaries incurred the expense on sale and service and other expenses totaled 175.87 million baht, decreased from the last year by 168.23 million baht, or 48.89% lower.

Expenses on the sale, administration and others (Unit: Million)	2020	2019	Increase (decrease)	
			Amount	%
Distribution Cost	36.90	78.32	(41.42)	-52.89
Administrative expense	132.48	244.64	(112.16)	-45.85
Management benefit expense	5.80	16.30	(10.23)	-63.82
Directors' remuneration	0.69	5.11	(4.42)	-86.50
Total Other Expense	175.87	344.10	(168.23)	-48.89

Profit before the financial cost and the income tax

In 2020, the company and its subsidiaries had the earnings before interest and taxes (EBIT) of 15.08 million baht, decreased from the previous year by 48.34 million baht, or 76.23% lower.

In 2020, the company and its subsidiaries had the financial cost amounted to 124.32 million baht, increased from the previous year by 0.81 million baht, or 0.66% higher.

Earnings before Income Tax and Income Tax Expense

In 2020 the company and its subsidiaries had the loss before income tax totaled 122.69 million baht, increased from the previous year of 62.34 million baht and the company incurred an income tax revenue in 2020 totaled 0.39 million baht.

Net Profit

Ratio of profitability

		<u>2020</u>	<u>2019</u>	<u>2018</u>
Net profit margin	percentage	(13.51)	(3.85)	0.22
Return on equity (ROE)	percentage	(2.23)	(1.00)	0.05
Return on assets (ROA)	percentage	(1.27)	(0.58)	0.03

In 2020 the company and its subsidiaries had a net loss (net worth of the parent company) totaled 120.7 million baht, increased from the previous year by 65.24 million baht and loss per share equaled to 0.38 baht (in 2019 loss per share equaled to 0.17 baht). The company had the net profit margin equaled to -13.51%, which lower from the previous years (2019 and 2018 had the net profit margin equaled to -3.85% and 0.22% respectively). It shows the return on equity (ROE) in 2020 equaled to -2.23% and the return on assets (ROA) equaled to -1.27%.

3. Capability of Asset Management

The change in assets, liabilities, and shareholders' equity in 31 December 2020 compared to 31 December 2019

	31/12/2020	31/12/2019	Increased (Decreased)	Portion
Total Assets	9,569.28	9,472.21	97.07	1.02%
Total Liabilities	4,228.89	4,001.16	227.73	5.69%
Total shareholders' equity	5,4340.39	5,471.05	(130.66)	-2.39%

Structure of the assets

As of 31 December 2020 the company and its subsidiaries had the consolidated assets amounted to 9,569.28 million baht, increased over the previous year by 97.07 million baht, or 1.02% higher. It has details on the increase or decrease from the previous year of each type of assets as follows:

The company and its subsidiaries had the consolidated current assets of 284.01 million baht, increased from previous year by 69.04 million baht, or 32.12% higher. Since the company had cash and cash equivalents increased from the previous year by 56.11 million baht, consisted of cash at bank increased by 58.15 million baht, cash on hand decreased by 2.15 million baht and non-clearing cheques increased by 0.11 million baht.

The company and its subsidiaries had non-current assets totaled 9,285.27 million baht, increased from the previous year by 28.03 million baht, or 0.3% higher due to investment properties was decreased by 1.99 million baht, property, plant and equipment was decreased by 225.35 million baht, goodwill was decreased by 0.15 million baht, right of use assets – net was increased by 439.5 million baht, intangible assets was decreased by 2.41 million baht, the deferred tax assets was increased by 0.48 million, prepaid rental was decreased by 176.15 million baht, deposit for purchase of assets was decreased by 1.67 million baht, other non-current assets was decreased by 4.23 million baht.

The structure of the assets of the company and its subsidiaries on 31 December 2020 compared with 2019 can be summarized as follows:

List of Assets	2020		2019		Increase (decrease)	
	Million Baht	%	Million Baht	%	Million Baht	%
Current assets						
Cash and the equivalent	106.71	1.12	50.60	0.53	56.11	110.89
Current investment	0.72	0.01	0.72	0.01	-	0.00
Trade and other receivables	136.25	1.42	120.97	1.28	15.28	12.63
Inventory	40.33	0.42	42.68	0.45	(2.35)	-5.51
Total Current assets	284.01	2.97	214.97	2.27	69.04	32.12
Non-current assets						
Restricted deposits with financial institution	4.00	0.04	4.00	0.04	0	0.00
Investment Properties	54.57	0.57	56.56	0.60	-1.99	-3.52
Land, building and equipment	8,718.38	91.11	8,943.73	94.42	-225.35	-2.52
Right-of-use assets	439.50	4.59	-	0.00	439.5	100.00
Goodwill	40.11	0.42	40.26	0.43	-0.15	-0.37
Intangible asset	8.65	0.09	11.06	0.12	-2.41	-21.79
Deferred tax assets	3.15	0.03	2.67	0.03	0.48	17.98
Prepaid rental	-	0.00	176.15	1.86	-176.15	-100.00
Deposit for purchase of asset	4.63	0.05	6.30	0.07	-1.67	-26.51
Other non-current assets	12.28	0.13	16.51	0.17	-4.23	-25.62
Total non-current assets	9,285.27	97.03	9,257.24	97.73	28.03	0.30
Total assets	9,569.28	100.00	9,472.21	100.00	97.07	1.02

In the above table can be seen that the company and its subsidiaries had the structure of the current assets was increased by 69.04 million baht and the non current assets was increased by 28.03 million baht from the previous year, there were current assets of about 2.97% and the non-current asset of about 97.03%. The company had the return of assets in 2020 equaled to -1.27% and in 2019 equaled to -0.58%.

A) Inventory

As of 31 December 2020 the company and its subsidiaries had net inventory of 40.33 million baht, decreased from the previous year by 2.35 million. It consisted of inventory of the restaurant business amounted to 7.22 million baht and the inventory of the hotel business of 33.25 million baht. The company and its subsidiaries had the current inventory ratio in 2020 equaled to 13 times and the duration of average goods sold equaled to 28 days. The company and its subsidiaries had the policy to set allowance for declining product value for quality deteriorated products, damaged and outdated with the allowance for diminution in value of goods at the end of year 2019 amounting to 0.134 million baht and in 2020, this has not changed.

B) Land, Building and Equipment

As of 31 December 2020 the company and its subsidiaries had the net book value of the land, buildings and equipment valued at 8,718.38 million baht, down from the previous year by 225.35 million baht, or 2.52% lowr. The company and its subsidiaries had the rate of asset turning in 2020 equaled to 0.09 times. The increase or decrease of land, buildings and equipment in 2020 and depreciation charge of the asset value can be summarized according to the table below:

Land, Building and Equipment (Unit: Million Baht)	31 Dec.2019		Increased Purchase Sale/Transfer		31 Dec.2020	
	Historical cost	Revaluation surplus	Increase	Decrease	Historical cost	Revaluation surplus
Cost/increased price						
Land and cost of land improvement	690.62	2,892.05		1.36	689.49	2,891.82
Building and its improvement	4,742.22	3,583.88	10.56	1.34	4,751.45	3,583.87
Work under construction	141.49		50.08	38.98	152.59	
Equipment, vehicle and others	2,063.58		38.41	21.53	2,080.46	
Total cost and appreciated price	7637.91	6,475.93	99.05	63.21	7,673.99	6,475.69
	14,113.84				14,149.68	
Accrued depreciation cost						
Land improvement	1.54				1.54	
Building/improvement-Historical cost	2,311.41		99.49	0.43	2,410.47	
Building/improvement-Revaluation surplus		1,073.98	87.19	-		1,161.17
Equipment, vehicle and other	1,785.29		94.19	21.36	1,858.12	
Total accrued depreciation	4,098.24	1,073.98	280.87	21.79	4,270.13	1,161.17
	5,172.22				5,431.30	
Net accounting value						
Land and cost of improvement	689.08	2,892.05			687.95	2,891.82
Building and its improvement	2,430.82	2,509.89			2,340.98	2,422.70
Work under construction	141.49				152.59	
Equipment, vehicle and others	280.40				222.34	
Total net accounting value	3,541.78	5,401.94			3,403.86	5,314.52
	8,943.73				8,718.38	

The company has land, building, and equipment for 8,718.38 million baht in 2020 which is 225.35 million baht, decreased from the previous year as follow:

- Land and cost of improvement – the historical cost is 687.95 million baht, decreased from the previous year by 1.13 million baht or 0.16% lower.
- Land and cost of improvement – the revaluation surplus is 2,891.82 million baht, decreased from the previous year by 0.23 million baht or 0.01% lower.
- Building and its improvement – the historical cost is 2,340.98 million baht, decreased from the previous year by 89.83 million baht or 3.7% lower.
- Building and its improvement – the revaluation surplus is 2,422.70 million baht, decreased from the previous year by 87.2 million baht or 3.47% lower.
- Work under construction – 152.59 million baht, increased from the previous year by 11.1 million baht or 7.85% higher.
- Equipment, vehicle and others – 222.34 million baht, decreased from the previous year by 58.06 million baht or 20.71% lower.

Land, building, and its cost of improvement, revaluation surplus are recorded according to fair value which is evaluated by an independent appraisal and the depreciation cost was calculated according to the remaining age of usage. The independent appraisal is appointed by the company to evaluate the asset cost in every 5 years or before if any significant effect that influence the asset cost is found during the period.

C) Trade debtors and other debtors

As of 31 December 2020 the company and its subsidiaries had trade debtors and other debtors amounted to 136.25 million baht, increased from the previous year by 15.28 million baht. It consisted of trade debtors – net increased by 20.10 million baht and other debtors decreased by 4.82 million baht.

Details on trade debtors and other debtors	2020		2019		Increase (decrease)	
	Million Baht	%	Million Baht	%	Million Baht	%
Trade debtors – net						
Trade debtor – hotel business	32.26	33.60	20.67	27.23	11.59	56.07
Trade debtor- rental shopping business	<u>63.76</u>	<u>66.40</u>	<u>55.25</u>	<u>72.77</u>	<u>8.51</u>	15.40
	<u>96.02</u>	<u>100.00</u>	<u>75.92</u>	<u>100.00</u>	<u>20.10</u>	26.48
Other debtors						
Construction prepayment	-		-		-	-
Advance payment and other debtor	<u>40.23</u>		<u>45.05</u>		<u>(4.82)</u>	-10.70
	<u>40.23</u>		<u>45.05</u>		<u>(4.82)</u>	-10.70
Total trade debtors and others	136.25		120.97		15.28	12.63

In 2020 the company and its subsidiaries had the average debt collection of about 73 days. It has details on analysis of the debtors of Asia Hotel (ASIA) and two subsidiaries (AP & AA) that operated the hotel business and Zeer Property (ZP) that operated the shopping center as follows:

Analysis of trade debtor life On 31 December 2020	ASIA, AP, AA Hotels		ZP Shopping Center		Total
	Million Baht	%	Million Baht	%	Million Baht
Before the due debt	11.90	33.83	4.63	5.50	
Debt owed 1-30 days	6.76	19.22	14.82	17.64	
Debt owed 31-60 days	5.63	16.00	10.91	12.97	
Debt owed 61-90 days	4.52	12.85	8.34	9.91	
Debt owed 91-365 days	3.42	9.72	25.67	30.51	
Debt owed more than 1 year	<u>2.95</u>	<u>8.38</u>	<u>19.75</u>	<u>23.47</u>	
	35.18	100.00	84.14	100.00	119.32
<u>Deduct</u> – Allowance for bad debts	<u>2.92</u>		<u>28.38</u>		<u>31.30</u>
Trade debtor – net	32.26		55.76		88.02
Prepaid check	-		8.00		8.00
Total trade debtor – net	32.26		63.76		96.02

Commitments in Liabilities

The consolidated liabilities of the company and its subsidiaries as of 31 December 2020 had 4,228.89 million baht compared with the total consolidated liabilities on 31 December 2019 valued at 4,001.16 million baht. The liabilities were increased by 227.73 million baht, as a result from the company and its subsidiaries has the commitment to repay the loan to financial institutions and the subsidiary company made long term loan agreement for renovate and decoration as at 31 December 2020 the company and subsidiaries may have liabilities as follow:

- Letters of guarantee issued by banks Letters of guarantee issued by banks total equals 26.4 million baht.
- The Company guarantees liabilities of its two subsidiaries in the amount of 1,629.50 million baht.
- The subsidiary – Asia Pattaya Hotel Co., Ltd. guarantees liabilities of the Company and two subsidiaries in the amount of 2,417 million baht.
- The subsidiary - Asia Airport Hotel Co., Ltd. guaranteed liabilities of the Company and another subsidiary in the amount of 2,926 million baht.
- The subsidiary- ZEER OVERSEA LLC guaranteed liabilities of the subsidiary in the amount of 960 million baht.
- The subsidiary– Zeer Property Plc. has credit line for foreign exchange of 480 million baht from a bank.
- The Company- Asia Hotel Public Co., Ltd. has credit line for façade improvement of 1.85 million baht.

- The subsidiary - Zeer Property Plc. has obligation to pay for construction project in the future as at December 31, 2020 in the amount of Baht 24.15 million.
- The subsidiary– Spa Hotel Co., Ltd. has obligation to pay for construction project of hotel and shopping complex at Chiang Mai in the future as at December 31, 2020 in the amount of 8.36 million baht.

4. Liquidity and Sufficiency of the Capital of the Company

Ratio of liquidity

	<u>2020</u>	<u>2019</u>	<u>2018</u>
Liquidity ratio (time)	0.48	0.33	0.40
Ratio of quick ratio (time)	0.41	0.27	0.32

As of 31 December 2020, the company and its subsidiaries had liquidity ratio equal 0.48 time and a ratio of quick ratio equal 0.41 time due to the cash and cash equivalents of the company was increased by 56.11 million baht and trade receivable was increased by 15.28 million baht.

Debt Management Ratios

	<u>2020</u>	<u>2019</u>	<u>2018</u>
Debt to equity ratio (time)	0.79	0.73	0.73
Interest coverage ratio (time)	2.93	4.25	6.64

In 2020 the company and its subsidiaries had total liabilities 4,228.89 million baht, increased by 227.73 million baht from the previous year. The shareholder's equity of net worth gradually decreased from 5,471.0 million baht in 2019 to 5,340.39 million baht at the end of 2020, thus the debt to equity ratio was 0.79 times in 2020 and the debt to equity ratio in the year 2019 was 0.73 times.

The interest coverage ratio in 2020 was 2.93 times compared to 4.25 times in 2019.

Cash Flow

The company and its subsidiaries had a cash flow statement from various activities according to the cash flow statement in the past three years as follows:

(Unit: Million Baht)

	2020	2019	2018
Net cash provided by operating activities	239.85	406.10	588.69
Net cash used in investing activities	(77.71)	(174.55)	(841.99)
Net cash used in financing activities	(105.56)	(235.70)	248.34
Cash & the equivalent increased (decreased)	56.58	(4.15)	(4.96)
Difference from conversion of finance	(0.47)	(2.15)	(4.64)
Cash and cash equivalent at the beginning of period	<u>50.60</u>	<u>56.90</u>	<u>66.50</u>
Cash & the equivalent at the ending of period	<u>106.71</u>	<u>50.60</u>	<u>56.90</u>

In 2020 the company and its subsidiaries had net cash from operating activities by 239.85 million baht decreased from the last year equaled 166.25 million baht. The company paid net cash in the investment activities amounted to 77.71 million baht, which was a purchase of fixed assets and assets payable. It also paid net cash from financing activities for 105.56 million baht, which is paid cash the long term loan and interest to the financial institutions.

Sources of Investment Funds

Loans from financial institutions

Long-term loans from financial institution - net as at December 31, 2020 and 2019 are as follows:

Unit: Thousands Baht

	Consolidated financial statements		Separate financial statements	
	December 31,	December 31,	December 31,	December 31,
	2020	2019	2020	2019
Long-term loans from banks	2,185,645	2,162,658	531,001	511,060
<u>Less</u> current portion of long-term loans from financial institutions	(194,241)	(243,011)	(44,000)	(59,000)
Total long-term loans - net	1,991,404	1,919,647	487,001	452,060

5. Factors affecting the operation and financial statement in the future

1. Factors or conditions that affect the hotel's financial status and overall operation.

a. External Factor for Hotel Business

i. Opportunities

1. Perceptions and confidence of foreign tourists on compliance with safety and cleanliness measures

In the first wave and a new outbreak, Thailand is one of the countries that have better control over the outbreak and fewer infections than any other country in the world. Well-managed care emphasizes that Thailand has a strong public health system and measures. Besides, the government issued a measure of a project to raise Thai hotel standards, Amazing Thailand Safety & Health Administration: SHA, to build confidence for locals to travel within the country. And, when the borders are opened, foreign tourists are confident to travel to Thailand. The 3 hotels in the Asia Hotel Group receive this standard.

2. Thailand remains the top destination for Chinese people.

In 2020, the growth of the economy in China remains at the top of the world, and in 2021, China has set a 6% gross domestic product (GDP) growth target, indicating a growth rate in people's income. It also indicates the well-being of the Chinese people as a whole. Thailand is a destination that Chinese people prefer to travel to for a vacation. Also, when the border is opened, it is expected that Chinese tourists will return to Thailand as their first preference. Chinese tourists remain the main customers of the Asia hotel group.

3. Fiscal measures to stimulate tourism sectors

In 2020, the government issued stimulus packages to enhance spending in the tourism sector locally, for example, 'We Travel Together', 'Holiday for Heroes' package, 'Domestic Meetings and Incentives' package, Soft Loan from Government Saving Bank to assist business operators in the tourism sector. While the population has not been vaccinated, international travel has not returned to normal, therefore the government gradually issued measures to support the hotel business, employment in the tourism sector. Extensively, to stimulate the stability of the economy as a whole.

4. In a short term, government measures and policies to relieve the detention period from 14 days to 7 days. In a long term, borders are freely opened, the international travel is back to normal after the vaccines are widely used.

In a short time, the government begins to consider easing the quarantine period for the vaccinated population by reducing the quarantine period, tourists may begin to consider leisure tourism in Thailand. When the vaccine is widely used and herd immunity occurs, the open of international borders is expected. The travel may return to normal so does the number of tourists and leisure activities. International meetings and conferences may return to normal.

ii. Threats

1. Aggressive Price War

Currently, Thailand is a semi-closed country to enter freely. Thus, the hotels offer sale promotions, discounted rates, giving more benefits. Various sale strategies have been offered to compete for Thai tourists. Travelers have the option to choose from, from four-star to five-star hotels. Five-star hotels are offering a 50% -80% discount, becoming a competitor to the Company.

2. Limitations to the traveling

The number of foreign tourists incoming is one of the main factors driving the tourism sector in Thailand. The number of tourists in 2020 decreased from the number of tourists in 2019 to around 30 million, representing a lost 15 trillion baht in foreign currency income. The domestic tourist factor is just an auxiliary factor. The government is managing the balance between the economy and public health. At present, there is no clear signal from the government to open up the country to travel freely.

3. The Delay, Uncertainty of Vaccine

The uncertainty to manage, purchase and distribute the vaccine to the people. Many countries in Europe have temporarily delayed the vaccination of AstraZeneca due to concerns over the effectiveness and safety of the vaccine. Moreover, there are concerns raised about the safety of the Sinovac vaccine. In addition to that, the government has not announced a clear confident timeframe to distribute the vaccine to the people.

4. The Political Stability of Thailand

In 2020, there are many political protests, after relaxing the COVID-19 measures. In 2021, although the protests have been decreased, the political stability has not been yet fully restored. The tourism sector has been impacted by every political protest over the past 10 years.

b. Internal Factor for Hotel Business

i. Strengths

1. Well-established four-star experienced hotel operator

Asia Hotel Group has been established as a four-star hotel operator for 50 years. The Company has retained skills and experienced employees who maintain the standard and services that guarantee a smooth and comfortable customer experience. Importantly, as the reputable hotel operator, the company has built trust and loyalty in a strong customer base.

2. Diversification of investment in various asset type

In 2020, the year when the business of Company is highly impacted by the COVID-19, Net Cash Flow is 106.71 Million THB, underlining the stable and strong cash position. A large portion of the positive cash flow comes from the rental business in the subsidiary company.

3. A large portion of existing customers are convention meetings for government officials and private companies.

As a reputable convention and meeting facility, a large portion of revenue comes from government meetings and conventions, as well as private companies holding meetings and events. Extensively, Asia Hotel Group remains as the top of the choice for these royalty customers during COVID-19.

ii. Weaknesses

1. Hotel Branding and image, comparing to the well-known international hotel chain

The 4-star international hotel chain remains the top competitor for the Asia Hotel Brand. Customer perceptions may view the local brand as inferior to the international brand. Asia Hotel may command lessor pricing.

2. Induced operating costs due to the COVID-19 preventive measures

There are preventive measures that the business needs to prepare in order to ensure customer confident during the stay, the meetings, and the events. The standard measures include increased level of hygiene and cleanliness, numbers of hand sanitizer stations, protective barriers, to name a few. These standard induced additional costs to the operation.

2. Factors or conditions that affect the shopping plaza’s financial status and overall operation.

a. External Factors

i. Opportunities

1. IT shops and services become the essential goods during the pandemic.

The growth of technology is accelerated by the COVID-19. Online meetings, as well as classes, are required for businesses and schools to continue their activities. Therefore, computers and IT accessories become necessary goods during the pandemic.

2. Strategic location as the city is expanding outward to cover Rangsit Area.

The city is expanding toward the northern part of Thailand. Red Line Mass Transit is opened in December 2020. As Kookod Station is 15 minutes from Zeer Rangsit, more residential projects are expected to be built around the neighborhoods, adding the demand in the area.

ii. Threats

1. Online Shopping

During the pre-Covid, Thai starts to shop online as the new applications are introduced with discounts and promotions. During the Covid, Social distancing is encouraged, people are discouraged to shop in the public, thus online shopping usage is accelerated. Online shopping becomes a competitor because of its convenience.

2. Economic slow down due to the COVID19 crisis

The employment rate is lowered caused by the pandemic. Large gatherings are canceled, and people undertake social distancing, making it impossible for many businesses to continue. The current decline in economic activity and constraints on people’s movements is impacting shopping malls indirectly. The confidence index has not returned to the pre-covid time as there still no clear timeframe and plans to roll out the vaccine. Internal Factor

i. Strengths

1. The main target customer of the shopping centers is locals around Rangsit neighborhood who needs to buy essential goods.

The target customer of the shopping centers are locals. The business does not rely on the international tourists where they cannot travel during this pandemic. In comparison to the hotel business, by percentage, the revenue of the business is less affected.

2. Zeer Rangsit is the well-established as the largest IT center in Thailand

The shopping center becomes the top destination for Computer and IT accessories when the customer would like to shop for the goods. Its strategic location captures the customer from the northern part of Bangkok, as well as the north and northeast part of Thailand who would like to travel to Bangkok. In the needs of these particular shops, Zeer Rangsit remains at the top of their mind.

ii. Weaknesses

1. Zeer Rangsit is established as Computer and IT Center, when launching the newer concept to attract new tenants and customers, takes time for them to adopt.

The branding and its concept remain the strong positioning as the specialized retail center. When Zeer is launching the new zone as well as concept, such as hobby and handy, it takes some time for customers to adopt. However, the concept of IT Center shares a similar group of customers as ‘Hobby and Handy’.

Report of the Audit Committee

At present, the company audit committee comprises of 4 members of independent directors. They are Mr. Suwat Dusitrojnanawongse, Chairman of the committee, Mr. Sombut Pupipathirunkul, Mr. Piyawudh Senapoopitaksa, and Dr. Chotima Puasiri. In this regard, the Audit Committee has been the trust and confidence in operation independently from the Board of Directors to reelect to be the Audit Committee for another term. In 2020 Audit Committee held a total of 6 meetings for auditing and taking care of the Company according to the scope of duties and responsibilities that can be summarized as follows:

➤ Audit Committee verified the quarterly, annually and consolidated financial statement of the company and its subsidiaries with Auditor of the Company regarding audit result and opinion of auditor and to consult regarding accounting system every quarter before proposing to board of directors of the company.

➤ Audit Committees followed up the report of inter-transactions, control and check the inter-transactions of related person or business to be in proper way and will disclose that information into the note to the financial statement, annual information report (Form 56-1) and annual report (Form 56-2) continuously for the efficiency and transparency.

➤ Audit Committee proposes the director of the company to propose to the shareholders' meeting for considering the election of Mr. Satien Vongsanun or Miss Patcharee Siriwongsin or Miss Panita Chotesaengmaneekul the certified auditor of the ANS Audit Co., Ltd. to be an auditor of the company for the year ended as at December 31, 2021.

The Audit Committee agreed that the company has disclosed the financial reports of the company and its subsidiaries completely, clearly and reliably. There was a good and adequate internal control system for all aspects of operations with transparency, prudence, fairness in accordance with relevant laws and regulations as the expected.



Mr. Suwat Dusitrojnanawongse
Chairman of the Audit Committee
February 22, 2021

Report of the Nomination and Remuneration Committee

To Shareholders,

Nomination and Remuneration Committee consists of 3 independent directors, all of whom are not executives of the company as follows:

Name	Position	Participate in the 2020 Meeting
Mr. Sombut Pupipathirankul	Chairman	2/3
Mr. Piyawudh Senapoopitaksa	Member	3/3
Mr. Suwat Dusitrojanawongse	Member	3/3

In nominating members of the Board of Directors, the Committee takes into consideration the individuals' specific qualifications, knowledge, abilities, skills, experience, range of expertise, and leadership, as well as their vision and attitude toward the organization, with the view that such qualities would be able to contribute to the organization's operations. Furthermore, in nominating members of the Board of Directors, the Committee also takes into consideration to promote good corporate governance and efficient management.

For determining the remuneration of the Board of Directors, including the Director's bonus and the meeting allowance for the year 2021. The Nomination and Remuneration Committee considered the remuneration for the year 2021 at the same rate as the previous year, taking into account the appropriateness of the duties and responsibilities assigned, including the company's performance compared to the same industry and factors that may affect the business or the overall economy. Such remuneration has been considered and approved by the Board of Directors.

At present, the Board of Directors consists of 11 members who have different expertise, be able to supervise and keep pace with the changes in the business of the new generation. The Committee hopes that this new board will be able to push the company and its subsidiaries to achieve the goals that are firmly and sustainably.

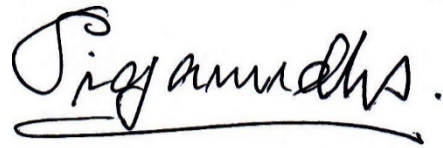


(Mr. Sombut Pupipathirankul)
Chairman of the Nomination and Remuneration Committee
February 22, 2021

Statement of Directors Responsibilities

The Board of Directors of Asia Hotel Public Company Limited reviewed the company financial statements for the year ended 31 December 2020 in coordination with the management and the external auditor and concluded that the company's financial report has conformed in accordance with generally accepted accounting standards including use of appropriated accounting policies applied on a consistent basis. In addition, the report is supported by reasonable judgment and estimates.

The Board of Directors is also responsible for the presentation of accurate and appropriate financial position and performance by having correct and adequate financial information. In addition, it ensures the company has relevant policy to maintain the company's net asset value and internal control system to prevent any fraud of mismanagement and maximum benefit to the shareholders.



Mr. Piyawudh Senapoopitaksa
Chairman



Mr. Surapong Techaruvichit
Managing Director



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Independent Auditor's Report

To the Shareholders and the Board of Directors of Asia Hotel Public Company Limited

Opinion

I have audited the consolidated and separate financial statements of Asia Hotel Public Company Limited and its subsidiaries, and of Asia Hotel Public Company Limited, respectively, which comprise the consolidated and separate statements of financial position as at December 31, 2020, the consolidated and separate statements of comprehensive income, statements of changes in shareholders' equity and statements of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying consolidated and separate financial statements referred to above present fairly, in all material respects, the consolidated and separate financial position of the Asia Hotel Public Company Limited and its subsidiaries, and of Asia Hotel Public Company Limited, respectively, as at December 31, 2020, and their financial performance and cash flows for the year then ended, in accordance with Thai Financial Reporting Standards (TFRSs).

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in my professional judgment, were of most significance in my audit of the consolidated and separate financial statements of the current year. These matters were addressed in the context of my audit of the consolidated and separate financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

Impairment of property, plant and equipment and investments in subsidiaries

Risk

As at December 31, 2020, the Group has property, plant and equipment related to hotel business with a net book value amount of Baht 5 Billion, approximately. The hotel business have an impact of COVID-19 which is an indication of impairment of the property, plant and equipment, and might affect to the recoverable amount of the investments in subsidiary in the separate financial statements. The provision for impairment requires significant judgment by Management.

Auditor's response

My audit procedures included the following:

- 1) I obtained an understanding of the Group's policy to determine the allowance for impairment of property, plant and equipment and investments in subsidiary in the separate financial statements.
- 2) I also considered the appropriateness of the allowance for impairment of the property, plant and equipment of the Group and investments in subsidiary in the separate financial statements by verifying Management's cash flow projection. Verification of the cash flow projection includes the assessment of significant assumptions made by the Management, such as the occupancy rate, the room rate and the growth rate which is in comparison with the current and historical data and the discount rate which is comparison with industry information as well as testing the calculations.
- 3) Verifying the mathematical accuracy of the impairment calculation.
- 4) Analyzed historical information to support the precision in the Group's forecasting process.
- 5) Assessed the adequacy of the Group's disclosure in accordance with Thai Financial Reporting Standards.

Impairment of goodwill

Risk

As described in Notes to the financial statements No. 15, with respect to goodwill as at December 31, 2020, amounting to Baht 40.11 million. These items arise from the business acquisition of the subsidiary, ZEER OVERSEA LLC. invested in a hotel business and acquired land and buildings (Quality Inn Long Beach Signal Hill). Impairment of goodwill is a significant accounting estimate required a significant judgment and assumptions of the management, therefore, I consider this matter as a key audit mater.

Auditor's Response

My audit procedures included the following:

- 1) Evaluated the discounted cash flow method (DCF) provided by the Group and the Group's assumptions applied in the value-in-use method against relevant documents as well as externally derived data.
- 2) Analyzed historical information to support the precision in the Group's forecasting process.
- 3) Tested the principles and mathematical accuracy of the DCF.
- 4) Assessed the adequacy of the Group's disclosure in accordance with Thai Financial Reporting Standards.

Emphasis of Matter

Without qualifying my opinion, I draw attention to Note 2 to the financial statements, due to the COVID-19 outbreak at the beginning of 2020, Thailand and many other countries have enacted several protective measures against the outbreak, the Government order to temporarily shut down the Group's hotels operation. The Company, however, cannot reasonably estimate the length or severity of this pandemic, or the extent to which the disruption may materially impact the Company's financial position, results of operations, or future cash flows.

Other Information

Management is responsible for the other information. The other information comprises the information include in Annual Report, but does not include the consolidated and separate financial statements and my auditor's report thereon. The Annual Report for the year is expected to be made available to me after the date of this auditor's report.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated.

When I read the Annual Report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance for correction of the misstatement.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with TFRSs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with TSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with TSAs, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



Sathien Vongsnan
Certified Public Accountant
Registration Number 3495

ANS Audit Co., Ltd.
Bangkok, February 22, 2021

FINANCIAL STATEMENTS AND AUDITOR'S REPORT
ASIA HOTEL PUBLIC COMPANY LIMITED AND SUBSIDIARIES
FOR THE YEAR ENDED DECEMBER 31, 2020

ASIA HOTEL PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT DECEMBER 31, 2020

		Unit: Baht				
		Consolidated financial statements		Separate financial statements		
Notes		December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019	
ASSETS						
Current assets						
	Cash and cash equivalents	6	106,710,770	50,598,762	2,484,170	4,144,842
	Trade and other current receivables - net	3,7,8	136,249,931	120,968,688	9,207,589	14,355,791
	Inventories - net	9	40,330,958	42,685,685	16,946,051	18,018,243
	Other current financial assets	3,10	717,684	717,684	-	-
	Total current assets		284,009,343	214,970,819	28,637,810	36,518,876
Non-current assets						
Other non-current financial assets						
	Investments in other company - net	11	-	-	-	-
	Restricted deposit with financial institution	12	4,000,000	4,000,000	-	-
	Investments in subsidiary companies	13	-	-	1,140,593,700	1,140,593,700
	Investment properties - net	14	54,573,765	56,564,175	-	-
	Property, plant and equipment - net	3,15	8,718,378,899	8,943,725,424	1,970,860,669	1,994,140,394
	Right-of-use assets - net	3,17	439,499,303	-	15,644,928	-
	Goodwill	15	40,107,158	40,263,249	-	-
	Intangible assets - net	18	8,650,001	11,055,169	642,921	1,053,157
	Deferred tax assets	19	3,149,096	2,674,138	-	-
	Prepaid rental - net	3,8,20	-	176,152,809	-	5,889,915
Other non-current assets						
	Deposit for purchase of assets	3	4,625,381	6,301,673	746,307	1,400,007
	Prepaid withholding income tax		10,690,089	11,470,610	9,570,980	10,581,000
	Others	3	1,590,493	5,034,680	-	-
	Total non-current assets		9,285,264,185	9,257,241,927	3,138,059,505	3,153,658,173
	Total assets		9,569,273,528	9,472,212,746	3,166,697,315	3,190,177,049

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

ASIA HOTEL PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT DECEMBER 31, 2020

Unit: Baht

	Notes	Consolidated financial statements		Separate financial statements	
		December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019
LIABILITIES AND SHAREHOLDER'S EQUITY					
Current liabilities					
Bank overdrafts and short-term loans from financial institutions	21	224,157,324	220,171,747	84,516,873	52,775,393
Trade payables		21,654,625	31,854,221	5,491,493	10,000,191
Other current payables	8, 22	94,960,244	97,503,929	8,505,311	24,346,209
Current portion of long-term loan from financial institutions	23	194,240,738	243,010,861	44,000,000	59,000,000
Current portion of lease liabilities	3, 8, 24	24,660,015	1,391,141	973,457	-
Current portion of deferred income	27	7,681,949	7,681,949	-	-
Short-term loans and accrued interest expense					
- related companies	8	-	-	257,809,851	284,237,003
Assets payable		26,981,101	47,580,451	3,086,580	2,522,491
Accrued income tax		1,802,627	-	-	-
Total current liabilities		596,138,623	649,194,299	404,383,565	432,881,287
Non-current liabilities					
Long-term loan from financial institutions - net	23	1,991,404,212	1,919,647,023	487,000,681	452,059,970
Lease liabilities - net	3,8,24	228,507,319	-	8,558,998	-
Deferred tax liabilities	19	1,135,282,051	1,138,112,545	308,240,687	310,726,036
Non-current provisions for employee benefit	25	126,992,610	114,184,606	63,444,053	58,441,209
Guarantee for rental	26	141,587,803	163,825,066	11,848,182	12,429,618
Deferred revenue - leasehold rights on leased area	27	4,801,501	11,272,636	-	-
Other non-current liabilities		4,169,274	4,920,309	960,599	1,177,797
Total non-current liabilities		3,632,744,770	3,351,962,185	880,053,200	834,834,630
Total liabilities		4,228,883,393	4,001,156,484	1,284,436,765	1,267,715,917

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

ASIA HOTEL PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT DECEMBER 31, 2020

Unit: Baht

Notes	Consolidated financial statements		Separate financial statements		
	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019	
Shareholders' equity					
Share capital					
Authorized share capital					
	Common shares Baht 1 par value 500,000,000 shares	500,000,000	500,000,000	500,000,000	500,000,000
Issued and fully paid-up					
	Common shares Baht 1 par value 320,000,000 shares	320,000,000	320,000,000	320,000,000	320,000,000
Capital surplus					
Premium on share - sale of parent's common share held					
	by subsidiaries	112,743,250	112,743,250	-	-
	Surplus on change of proportion interest in subsidiary	35,672,277	36,401,650	-	-
Retained earnings					
Appropriated					
	Legal reserve	45,606,933	45,606,933	45,606,933	45,606,933
	Unappropriated	505,351,577	559,451,726	232,255,731	266,752,484
Other components of shareholders' equity					
		4,163,245,205	4,231,907,837	1,284,397,886	1,290,101,715
Total shareholders' equity of the parent company					
		5,182,619,242	5,306,111,396	1,882,260,550	1,922,461,132
Non-controlling interests					
		157,770,893	164,944,866	-	-
Total shareholders' equity					
		5,340,390,135	5,471,056,262	1,882,260,550	1,922,461,132
Total liabilities and shareholders' equity					
		9,569,273,528	9,472,212,746	3,166,697,315	3,190,177,049

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

ASIA HOTEL PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED DECEMBER 31, 2020

		Unit: Baht			
		Consolidated financial statements		Separate financial statements	
		2020	2019	2020	2019
		"Reclassified"			
Notes					
REVENUES	8,31,34				
Income from hotel business		364,716,612	770,569,214	131,202,180	377,294,946
Rental and services income		445,821,733	585,557,196	-	-
Total revenues		810,538,345	1,356,126,410	131,202,180	377,294,946
COST OF SALES AND SERVICES					
Cost of hotel business					
Cost of hotel business	39	(290,393,068)	(519,124,360)	(117,582,973)	(237,515,341)
Depreciation - Revaluation surplus of assets	15	(17,924,695)	(21,697,700)	(5,357,080)	(7,129,786)
Cost of rental and services					
Cost of rental and services		(331,523,071)	(425,984,712)	-	-
Depreciation - Revaluation surplus of assets	15	(62,339,617)	(65,458,590)	-	-
Total cost of sales and services		(702,180,451)	(1,032,265,362)	(122,940,053)	(244,645,127)
GROSS PROFIT		108,357,894	323,861,048	8,262,127	132,649,819
Dividend income	13	-	-	-	8,536,488
Other income	33	82,592,736	83,658,475	48,164,423	61,074,759
Distribution costs	39	(36,904,722)	(78,319,960)	(10,011,492)	(26,594,299)
Administrative expenses	39	(132,479,984)	(244,643,545)	(46,444,133)	(101,233,516)
Management benefit expenses	36	(5,797,497)	(16,026,560)	(2,422,085)	(7,468,860)
Directors' remuneration	35	(691,400)	(5,110,800)	(410,000)	(3,135,000)
Profit (loss) from operating activities		15,077,027	63,418,658	(2,861,160)	63,829,391
Financial cost		(124,319,913)	(123,513,299)	(39,731,306)	(42,722,380)
Impairment loss determined in accordance with TFRS 9					
(2019 : Reversal of provision for doubtful debt (Doubtful debt))		(13,446,349)	(263,512)	(93,465)	56,620
Profit (loss) before income tax		(122,689,235)	(60,358,153)	(42,685,931)	21,163,631
Income tax (expense) revenue	19	394,121	4,768,588	2,485,349	(2,371,522)
Net profit (loss) for the year		(122,295,114)	(55,589,565)	(40,200,582)	18,792,109

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

ASIA HOTEL PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED DECEMBER 31, 2020

	Notes	Unit: Baht			
		Consolidated financial statements		Separate financial statements	
		2020	2019	2020	2019
			"Reclassified"		
Other comprehensive income(expense)					
<i>Components of other comprehensive income that will be reclassified to profit or loss</i>					
Exchange differences on translating financial statement		(2,171,013)	(42,581,512)	-	-
<i>Components of other comprehensive income that will not be reclassified to profit or loss</i>					
Losses on re-measurements of defined benefit plans	25	-	(77,236)	-	(3,890,679)
Income tax relating to components of other comprehensive income that will not be reclassified to profit or loss		-	15,447	-	778,136
Other comprehensive expense for the year, net of tax		(2,171,013)	(42,643,301)	-	(3,112,543)
Total comprehensive income (expense) for the year		<u>(124,466,127)</u>	<u>(98,232,866)</u>	<u>(40,200,582)</u>	<u>15,679,566</u>
Profit (loss) attributable to:					
Equity holders of the parent		(120,704,374)	(55,463,440)	(40,200,582)	18,792,109
Non-controlling interests		(1,590,740)	(126,125)	-	-
		<u>(122,295,114)</u>	<u>(55,589,565)</u>	<u>(40,200,582)</u>	<u>18,792,109</u>
Total comprehensive income (expense) attributable to:					
Equity holders of the parent		(122,762,781)	(95,983,915)	(40,200,582)	15,679,566
Non-controlling interests		(1,703,346)	(2,248,951)	-	-
		<u>(124,466,127)</u>	<u>(98,232,866)</u>	<u>(40,200,582)</u>	<u>15,679,566</u>
BASIC EARNINGS (LOSS) PER SHARE					
Basic earnings (loss) per share (Baht)		(0.38)	(0.17)	(0.13)	0.06
Number of weighted average share (Shares)		<u>320,000,000</u>	<u>320,000,000</u>	<u>320,000,000</u>	<u>320,000,000</u>

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

ASIA HOTEL PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CHANGE IN SHAREHOLDERS EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2020

Unit: Baht

Consolidated financial statements												
Equity attributable to equity holders of the Company												
Notes	Retained earnings					Other components of shareholders' equity						
	Paid-up share capital	Premium on share - sale of parent's common share held by subsidiaries	Surplus on change of proportion interest in subsidiary	Legal reserve	Unappropriated	Other comprehensive income			Total other components of shareholders' equity	Total shareholders' equity of the parent company	Non-controlling interest	Total shareholders' equity
						Gains on revaluation of assets (Note 16)	Losses on re-measurements of defined benefit plans	Currency translation				
Balance as at January 1, 2019	320,000,000	112,743,250	36,401,650	44,667,328	575,019,391	4,323,638,325	-	15,224,897	4,338,863,222	5,427,694,841	167,657,329	5,595,352,170
Changes in equity for the year :												
Dividends	29	-	-	-	(25,599,530)	-	-	-	-	(25,599,530)	(463,512)	(26,063,042)
Legal reserve	28	-	-	939,605	(939,605)	-	-	-	-	-	-	-
Transferred to retained earnings		-	-	-	66,434,910	(66,576,207)	141,297	-	(66,434,910)	-	-	-
Exchange differences on translating financial statement		-	-	-	-	(3,216,416)	-	(37,162,762)	(40,379,178)	(40,379,178)	(2,202,334)	(42,581,512)
Comprehensive loss for the year		-	-	-	(55,463,440)	-	(141,297)	-	(141,297)	(55,604,737)	(46,617)	(55,651,354)
Balance as at December 31, 2019	320,000,000	112,743,250	36,401,650	45,606,933	559,451,726	4,253,845,702	-	(21,937,865)	4,231,907,837	5,306,111,396	164,944,866	5,471,056,262
Changes in equity for the year :												
Non-controlling interest decreased												
from investments in subsidiary	2	-	-	(729,373)	-	-	-	-	-	(729,373)	(5,470,627)	(6,200,000)
Transferred to retained earnings	16	-	-	-	66,604,225	(66,604,225)	-	-	(66,604,225)	-	-	-
Exchange differences on translating financial statement		-	-	-	-	(163,777)	-	(1,894,630)	(2,058,407)	(2,058,407)	(112,606)	(2,171,013)
Comprehensive loss for the year		-	-	-	(120,704,374)	-	-	-	-	(120,704,374)	(1,590,740)	(122,295,114)
Balance as at December 31, 2020	320,000,000	112,743,250	35,672,277	45,606,933	505,351,577	4,187,077,700	-	(23,832,495)	4,163,245,205	5,182,619,242	157,770,893	5,340,390,135

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

ASIA HOTEL PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CHANGE IN SHAREHOLDERS EQUITY

FOR THE YEAR ENDED DECEMBER 31, 2020

Unit: Baht

	Separate financial statements							
	Notes	Retained earnings			Other components of shareholders' equity			Total shareholders' equity
		Paid-up share capital	Legal reserve	Unappropriated	Other comprehensive income		Total other components of shareholders' equity	
					Gains on revaluation of assets (Note 16)	Losses on re-measurements of defined benefit plans		
Balance as at January 1, 2019		320,000,000	44,667,328	271,908,224	1,295,805,544	-	1,295,805,544	1,932,381,096
Changes in equity for the year :								
Dividends	29	-	-	(25,599,530)	-	-	-	(25,599,530)
Legal reserve	28	-	939,605	(939,605)	-	-	-	-
Transferred to retained earnings		-	-	2,591,286	(5,703,829)	3,112,543	(2,591,286)	-
Comprehensive income (loss) for the year		-	-	18,792,109	-	(3,112,543)	(3,112,543)	15,679,566
Balance as at December 31, 2019		320,000,000	45,606,933	266,752,484	1,290,101,715	-	1,290,101,715	1,922,461,132
Changes in equity for the year :								
Transferred to retained earnings	16	-	-	5,703,829	(5,703,829)	-	(5,703,829)	-
Comprehensive loss for the year		-	-	(40,200,582)	-	-	-	(40,200,582)
Balance as at December 31, 2020		320,000,000	45,606,933	232,255,731	1,284,397,886	-	1,284,397,886	1,882,260,550

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

ASIA HOTEL PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2020

	Unit: Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Cash flows from operating activities :				
Net profit (loss) for the year	(122,295,114)	(55,589,565)	(40,200,582)	18,792,109
Adjustment to reconcile net profit (loss) to cash provided by (used in) operating activities				
Income tax expense (revenue)	(394,121)	(4,768,588)	(2,485,349)	2,371,522
Non-current provisions for employee benefit	14,814,994	34,890,656	6,468,884	17,892,535
Depreciation	282,884,450	305,510,287	42,799,801	52,632,594
Amortized prepaid rental	-	23,548,090	-	1,212,413
Amortized intangible assets	2,572,510	1,746,869	410,236	672,610
Depreciation right-of-use assets	18,450,086	-	1,635,484	-
Impairment loss determined in accordance with TFRS 9 (2019 : Reversal of provision for doubtful debt (Doubtful debt))	13,446,349	263,512	93,465	(56,620)
Reversal of provision for devaluation of inventory	-	(168)	-	(168)
(Gain) loss on sale of fixed assets	(99,393)	1,282,926	(14,703)	(302,908)
Loss from written off fixed assets	330,629	757,667	-	-
Corporate income tax deducted at source written off	853,951	236,674	-	-
Income on leasehold rights	(6,471,135)	(6,632,507)	-	-
Dividend income	-	-	-	(8,536,488)
Financial cost - interest expense	124,319,913	123,513,299	39,731,306	42,722,380
Profit from operations before changes in operating assets and liabilities	328,413,119	424,759,152	48,438,542	127,399,979
Operating assets (increase) decrease				
Trade and other current receivables	(26,395,987)	(662,560)	4,886,121	1,695,240
Inventories	2,354,727	429,251	1,072,192	438,049
Other non-current assets	(394,811)	(3,924,176)	(266,152)	31,072

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

ASIA HOTEL PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2020

	Unit: Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Operating liabilities increase (decrease)				
Trade payables	(10,199,596)	2,592,773	(4,508,698)	(480,167)
Other current payables	(25,912,083)	4,266	(16,960,998)	(1,918,258)
Guarantee for rental	(22,237,263)	(1,336,060)	(581,436)	89,285
Other non-current liabilities	(751,035)	(77,918)	(217,198)	(194,603)
Cash received from operating activities	244,877,071	421,784,728	31,862,373	127,060,597
Cash paid for non-current provisions for employee benefit	(2,006,990)	(3,141,641)	(1,466,040)	(2,206,200)
Corporate income tax refund	10,003,837	7,070,178	2,092,609	-
Corporate income tax paid	(13,021,735)	(19,612,651)	(1,082,589)	(1,487,054)
Net cash provided by operating activities	239,852,183	406,100,614	31,406,353	123,367,343
Cash flow from investing activities :				
Dividend income from investment	-	-	-	8,536,488
Cash received from sale of fixed assets	111,124	2,134,036	20,938	343,741
Cash paid for deposit for purchase of assets	(464,997)	(1,349,915)	-	(1,158,450)
Cash paid for purchase of fixed assets and intangible assets	(42,321,101)	(106,111,009)	(11,425,893)	(26,612,631)
Cash paid for prepaid rental	-	(33,833,179)	-	-
Assets payable decrease	(35,039,223)	(35,385,725)	(5,494,092)	(3,665,602)
Net cash used in investing activities	(77,714,197)	(174,545,792)	(16,899,047)	(22,556,454)

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

ASIA HOTEL PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2020

Unit: Baht

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Cash flow from financing activities :				
Bank overdrafts and short term loans from				
financial institution increase	3,985,577	95,721,358	31,741,480	30,545,272
Cash paid for short-term loans				
and accrued interest expense - related party	-	-	(63,105,560)	(54,199,488)
Cash received for short-term loans				
and accrued interest expense - related parties	-	-	30,500,000	27,500,000
Cash paid for financial cost	(85,023,404)	(123,551,421)	(31,074,053)	(35,276,253)
Cash paid for dividend	-	(26,063,042)	-	(25,599,530)
Non-controlling interests decrease	(6,200,000)	-	-	-
Cash paid for long-term loans	(55,035,243)	(212,809,362)	(14,000,000)	(56,000,000)
Cash received from long-term loans	74,174,681	32,448,944	31,956,025	12,059,970
Cash paid for lease liabilities	(37,458,168)	(1,449,264)	(2,185,870)	(286,952)
Net cash used in financing activities	(105,556,557)	(235,702,787)	(16,167,978)	(101,256,981)
Cash and cash equivalents increase (decrease) - net	56,581,429	(4,147,965)	(1,660,672)	(446,092)
Difference from currency translation	(469,421)	(2,154,459)	-	-
Cash and cash equivalents at the beginning of year	50,598,762	56,901,186	4,144,842	4,590,934
Cash and cash equivalents at the ending of year	106,710,770	50,598,762	2,484,170	4,144,842

Supplemental cash flow information:

Non-cash transactions

Transfer of Trade and other current receivables to

right-of-use assets	168,616	-	168,616	-
Transfer of property, plant and equipment to right-of-use assets	2,100,159	-	-	-
Transfer of prepaid rental to right-of-use assets	176,152,809	-	5,889,915	-
Transfer of other non-current assets to right-of-use assets	3,000,000	-	-	-
Right-of-use assets increased from lease agreements	276,527,805	-	11,221,882	-

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

ASIA HOTEL PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

1. GENERAL INFORMATION

1.1. The Company and its six subsidiaries,

- The Company and two of its subsidiaries, Asia Pattaya Hotel Co., Ltd. and Asia Airport Hotel Co., Ltd. are involved in the hotel business, with their principal activities consisting of room service and operating restaurants. Hotels operated by Asia Airport Hotel Co., Ltd. include:
 - Asia Cha Am Hotel
 - Ratchapruek Lanna Boutique
 - Darley Hotel
- A Subsidiary, Zeer Property Plc., is involved in rental shopping complex business.
- A Subsidiary, ZEER OVERSEA LLC., is involved in rental of shopping complex business and the hotel business consisting of room service (Quality Inn Long Beach Signal Hill).
- A subsidiary, Zeer Asset Co., Ltd., is involved in the rental of hotel business.
- A Subsidiary, Spa Hotel Co., Ltd., is involved in rental of shopping complex business and the rental of hotel business.

1.2. The Company was incorporated on March 24, 1964, and has been listed on the Stock Exchange of Thailand since 1989. Its office is located at 296 Phayathai Road, Rajathevee, Bangkok.

1.3. A.B.K. Enterprise Co., Ltd., the Company's major shareholder, held about 46% of the Company's share capital.

2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

The accompanying financial statements are prepared in accordance with Thai Financial Reporting Standards ("TFRS") including related interpretations and guidelines promulgated by the Federation of Accounting Professions ("FAP") and applicable rules and regulations of the Securities and Exchange Commission.

The presentation of the financial statements compliance Notification of the Department of Business Development, dated December 26, 2019, issued under the Accounting Act B.E. 2543.

The accompanying financial statements have been prepared in the Thai language and expressed in Thai Baht. Such financial statements have been prepared for domestic reporting purposes. For the convenience of the readers not conversant with the Thai language, an English version of the financial statements has been provided, translated based on the Thai version.

Preparation of the financial statements in conformity with Thai Financial Reporting Standards ("TFRS") requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying amounts of assets and liabilities that are not readily apparent from other sources. Subsequent actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, and in the period of the revision and future periods, if the revision affects both current and future periods.

Impact of COVID-19 Outbreak

Due to the COVID-19 outbreak at the beginning of 2020, Thailand and many other countries have enacted several protective measures against the outbreak, e.g. the order to temporarily shut down operating facilities or reduce operating hours, social distancing, etc. This event has affected to the Group's businesses as follows:

Hotel business in Thailand

In April 2020, in an effort to contain the impact of COVID-19, provincial governments decided to temporarily shut down the Group's hotel. This event will significantly affect the hotel business of the Group in 2020 and the impact is hard to predict at this stage.

Hotel business in USA (Quality Inn Long Beach Signal Hill)

In March 2020, in an effort to contain the impact of COVID-19, provincial governments decided to temporarily shut down the Group's hotel. This event will significantly affect the hotel business of the subsidiary, ZEER OVERSEA LLC. in 2020, resulting in a very low occupancy rate since mid-April 2020, the hotel has been contacted by the government of the County of Los Angeles to request to rent 50 rooms of the hotel, or about 70 percent of all rooms. In order to be a place to stay for the elderly that the government provides, which when combined with the usual guests of the hotel causing the hotel occupancy rate to be similar to normal hotel conditions. Therefore, until now the hotel has been less affected.

Rental and services in shopping complex, and office buildings

In March 2020, in an effort to contain the impact of COVID-19, provincial governments decided to temporarily shut down shopping centers of the subsidiary, Zeer Property Plc., the shopping complex remain to open the supermarket, restaurants (take-away), and some businesses according to provincial government orders. During temporarily shut down the shopping complex, the subsidiary considered to provide rental discounts to tenants in the shopping complex that has affected.

Basis of consolidation

- a) The consolidated financial statements include the financial statements of Asia Hotel Public Company Limited and the following subsidiary companies (together referred to as the "Group"). Details of the Company's subsidiaries are as follows:

Subsidiaries directly held by the Company

Asia Pattaya Hotel Co., Ltd.	Hotel and restaurant	Thailand	99.42	99.42
Asia Airport Hotel Co., Ltd.	Hotel and restaurant	Thailand	100.00	100.00
Zeer Property Plc.	Rental shopping complex business and utility services	Thailand	94.85	94.85

Subsidiaries held by Zeer Property Plc.

Zeer Asset Co., Ltd.	Rental hotel	Thailand	99.90	99.90
ZEER OVERSEA LLC.	Rental shopping complex and hotel	USA	99.93	99.93
Spa Hotel Co., Ltd.	Rental shopping complex and rental hotel	Thailand	96.43	92.00

On August 10, 2020, the subsidiary, Zeer Property Plc., entered into a share purchase with an existing shareholder of the subsidiary, Spa Hotel Co., Ltd. of 200,000 shares, at a par value of Baht 10 per share, totaling Baht 2 million. The subsidiary, Zeer Property Plc., which holds a total of 13,079,987 shares in the subsidiary, Spa Hotel Co., Ltd., holds 93.43% interest of the capital. This increased the discount on changing in a proportion of the investment of Baht

0.19 million which presented as net from the surplus on change of proportion interest in subsidiary in the shareholder's equity in "statements of change in shareholders' equity" and will be recognised as profit or loss upon disposal of investment.

On November 11, 2020, the subsidiary, Zeer Property Plc., entered into a share purchase with an existing shareholder of the subsidiary, Spa Hotel Co., Ltd. of 420,000 shares, at a par value of Baht 10 per share, totaling Baht 4.20 million. The subsidiary, Zeer Property Plc., which holds a total of 13,499,987 shares in the subsidiary, Spa Hotel Co., Ltd., holds 96.43% interest of the capital. This increased the discount on changing in a proportion of the investment of Baht 0.54 million which presented as net from the surplus on change of proportion interest in subsidiary in the shareholder's equity in "statements of change in shareholders' equity" and will be recognised as profit or loss upon disposal of investment.

- b) Subsidiary is an entity controlled by the Company. Control exists when the Company has the power, directly or indirectly through other subsidiaries, to govern the financial and operating policies of an entity so as to obtain benefits from its activities.
- c) Subsidiaries are fully consolidated as from the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.
- d) The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.
- e) Assets and liabilities denominated in foreign currencies in the financial statements of the subsidiary in US Dollar are translated into Thai Baht at exchange rates at the end of reporting period. Revenue and expenses are translated into Thai Baht at exchange rates using monthly average exchange rates. The difference from currency translation is presented in "Currency Translation" in the Statements of Changes in Shareholders' Equity.
- f) Material balances and transactions between the Group have been eliminated from the consolidated financial statements.
- g) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Company and are presented separately in the consolidated profit or loss and within equity in the consolidated statement of financial position.

The separate financial statements present investments in subsidiaries under the cost method.

3. New financial reporting standards and accounting treatment guidance

(a) Financial reporting standards that became effective in the current year

During the year 2020, the Group adopted the revised (revised 2020) and new financial reporting standards and interpretations which are effective for fiscal periods beginning on or after January 1, 2020. These financial reporting standards seek alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards. The adoption of these financial reporting standards does not have any significant impact on the financial statements of either the Group, except the adoption of the financial reporting standards related to financial instruments and TFRS 16 Leases. The changes to key principles and impacts are summarized as follows:

Financial reporting standards related to financial instruments

TFRSs related to financial instruments consists of the following five accounting standards and interpretations:

Financial reporting standards:

TFRS 7	Financial Instruments: Disclosures
TFRS 9	Financial Instruments

Accounting standard:

TAS 32	Financial Instruments: Presentation
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Financial Reporting Standard Interpretations:

TFRIC 16	Hedges of a Net Investment in a Foreign Operation
TFRIC 19	Extinguishing Financial Liabilities with Equity Instruments

These TFRSs, related to financial instruments, make stipulations related to the classification of financial instruments and their measurement at fair value or amortised cost (taking into account the type of instrument, the characteristics of the contractual cash flows and the Company's business model), calculation of impairment using the expected credit loss method, and hedge accounting. These include stipulations regarding the presentation and disclosure of financial instruments.

TFRS 16 Leases

TFRS 16 supersedes TAS 17 Leases together with related Interpretations. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases, and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is low value.

Accounting by lessors under TFRS 16 is substantially unchanged from TAS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles to those used under TAS 17.

Impacts on the financial statements

The Group has adopted these two groups of reporting standards as from January 1, 2020 under the modified retrospective approach. The comparative figures have not been restated. The reclassifications and the adjustments arising from the changes in accounting policies are therefore recognised in the statement of financial position as at January 1, 2020.

The impact of first-time adoption of new accounting standards on the consolidated and separate statement of financial position as at January 1, 2020 are as follows:

	Unit: Thousands Baht			
	Consolidated financial statements			
	Financial reporting standards related			
	December 31, 2019	to financial instruments	TFRS 16	January 1, 2020
Statement of financial position				
Current assets				
Current investments	718	(718)	-	-
Trade and other current receivables - net	120,969	-	(169)	120,800
Other current financial assets	-	718	-	718
Non-current assets				
Property, plant and equipment - net	8,943,725	-	(2,100)	8,941,625
Right-of-use assets - net	-	-	455,905	455,905
Prepaid rental - net	176,153	-	(176,153)	-
Deposit for purchase of assets	5,068	1,233	-	6,301
Deposits and guarantee	1,233	(1,233)	-	-
Other non-current assets	5,035	-	(3,000)	2,035
Current liabilities				
Current portion of lease liabilities	1,391	-	22,980	24,371
Non-current liabilities				
Lease liabilities - net	-	-	251,503	251,503

	Unit: Thousands Baht			
	Separate financial statements			
	Financial reporting standards related			
	December 31, 2019	to financial instruments	TFRS 16	January 1, 2020
Statement of financial position				
Current assets				
Trade and other current receivables - net	14,356	-	(169)	14,187
Non-current assets				
Right-of-use assets - net	-	-	15,236	15,236
Prepaid rental - net	5,890	-	(5,890)	-
Deposit for purchase of assets	1,158	242	-	1,400
Deposits and guarantee	242	(242)	-	-
Current liabilities				
Current portion of lease liabilities	-	-	567	567
Non-current liabilities				
Lease liabilities - net	-	-	8,610	8,610

For the change in the accounting policies due to the adoption of the set of TFRSs related to financial instruments and TFRS 16, Leases, there is no effect on retained earnings as at January 1, 2020.

Financial instruments

Classification and measurement

On January 1, 2020 (the date of initial application), Group management assessed the business models applied to the financial assets and liabilities. Group management classified and measured all financial assets and liabilities at amortised cost, except the financial assets - investment in other company, which are measured at fair value through profit or loss.

Impairment of financial assets

The Group has trade receivables that are subject to the expected credit loss model. Such change in accounting policy has no material impacts on the consolidated and separate financial statements.

Lease agreement

On adoption of TFRS 16, the Group recognised lease liabilities in relation to leases, which had previously been classified as operating leases under the principles of TAS 17 Leases. Right-of-use assets were measured at amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the statement of financial position immediately before the date of initial application. These liabilities were measured

at the present value by discounting remaining lease payments using the Group's implicit interest rate. The Group implicit interest rate applied to the lease liabilities as at January 1, 2020 was between 4.78% to 5.74%.

For leases previously classified as finance leases applying TAS 17, the Group recognised the carrying amount of the lease assets and lease liabilities immediately before adoption of TFRS 16 as the carrying amount of the right-of-use assets and the lease liabilities at the date of initial application.

As at January 1, 2020, the Group has the following right-of-use assets and lease liabilities:

	Unit: Thousands Baht	
	Consolidated financial statements	Separate financial statements
Present value of the remaining lease payments	479,869	12,140
<u>Less</u> Deferred interest expenses	(205,386)	(2,963)
Additional lease liabilities from TFRS 16 adoption	274,483	9,177
Finance lease liabilities as at December 31, 2019	1,391	-
Finance lease liabilities recognised as at January 1, 2020	<u>275,874</u>	<u>9,177</u>
Of which are:		
Current lease liabilities	24,371	567
Non-current lease liabilities	251,503	8,610
Total lease liabilities	<u>275,874</u>	<u>9,177</u>

The accounting policies under TFRS16 that the Group applied as a lessor are not different from those under TAS 17.

(b) Revised financial reporting standards

In January 2021, the Federation of Accounting Professions announced the new TFRS 16 Lease (revised 2020), which was amended to provide the following two practical forms of relief:

- 1) Rent concessions to lessees as a result of the COVID-19 pandemic:
A lessee may elect not to assess whether a COVID-19 related rent concession is a lease modification and shall account for those rent concessions as if they were not lease modifications. This amendment is effective for fiscal periods beginning on or after June 1, 2020.
- 2) Lease modifications as a result of interest rate benchmark reform:
This will be effective for fiscal periods beginning on or after January 1, 2022.

The management of the Group has evaluated that the revised financial reporting standards do not have any significant impact on the Company's financial statements in the year when they are adopted.

(c) Accounting Treatment Guidance on "Temporary relief measures on accounting alternatives in response to the impact of COVID-19"

The Federation of Accounting Professions announced Accounting Treatment Guidance on "Temporary relief measures on accounting alternatives in response to the impact of COVID-19."

The Accounting Treatment Guidance was published in the Royal Government Gazette on April 22, 2020, and is effective for financial statements prepared for reporting periods between January 1, 2020 and December 31, 2020.

The Group has elected to apply the following temporary relief measures on accounting alternatives to not to consider forward-looking information to measure the expected credit losses of trade receivable when using simplified approach.

The Group has elected to apply the following temporary relief measures on accounting alternatives:

- Not to consider forward-looking information to measure the expected credit losses.
- Not to consider the COVID-19 situation as an indication that an asset may be impaired in accordance with TAS 36, Impairment of Assets. As at December 31, 2020, a subsidiary, Asia Pattaya Hotel Co., Ltd., has processed to engaged independent appraiser to reappraise its assets.

4. SIGNIFICANT ACCOUNTING POLICIES

4.1 Revenues and expenses recognition

- 4.1.1. Incomes from room service and other related services are recognised when services have been rendered.
- 4.1.2. Incomes from food and beverage sales are recognised when food and beverage sales have been serviced.
- 4.1.3. Building rental income and area rental income are recognised over the lease period according to the rate specified in the agreement except for income from Long-Term contract which is recognised by the straight line method over the lease period.
- 4.1.4. Service income is recognised when service has been rendered.
- 4.1.5. Deferred income on leasehold rights is recognised as income by the straight line method over the leasehold period.
- 4.1.6. Dividend income is recognised in full amount when the dividend is declared.
- 4.1.7. Other incomes and expenses are recognised on an accrual basis.

4.2 Cash and cash equivalents

Cash and cash equivalents represent cash on hand and deposits with bank with maturities of less than three months without restriction of usage or obligation.

4.3 Trade and other current receivable

Trade receivables are amounts due from customers for goods sold or service performed in the ordinary course of business.

Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at present value.

The Group applies TFRS 9's simplified approach to measure expected credit losses. The simplified approach requires expected lifetime losses to be recognised from initial recognition of the receivables.

4.4 Financial assets and financial liabilities

Classification and measurement of financial assets and financial liabilities

Classification

The classification of financial assets depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

The Group classifies its debt instruments in the following categories:

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

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

The equity instruments held must be irrevocably classified to two measurement categories; i) at fair value through profit or loss (FVPL), or ii) at fair value through other comprehensive income (FVOCI) without recycling to profit or loss.

Measurement

At initial recognition, where a financial asset is not at FVPL, the Group measures the financial asset at its fair value plus or minus transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

There are three measurement categories into which the Group classifies its debt instruments:

- *Amortised cost:* A financial asset will be measured at amortised cost when the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows. In addition, the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Interest income from these financial assets is included in financial income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented in profit or loss.
- *FVOCI:* A financial asset will be measured at FVOCI when it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets. In addition, the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Movements in the carrying amount are taken through other comprehensive income, except for the recognition of impairment gains or losses, interest income and related foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss and recognised on other gains/(losses). Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains/(losses) and impairment expenses are presented as separate line item in the statement of comprehensive income.
- *FVPL:* A asset that does not meet the criteria for amortised cost or FVOCI is measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within other gains/(losses) in the period in which it arises.

Equity instruments shall be subsequently measured at fair value and the fair value change is to be recognised through profit or loss or other comprehensive income depending on the classification of such equity instrument.

Derivatives are classified and measured at fair value through profit or loss unless hedge accounting is applied.

Dividends from such investments continue to be recognised in profit or loss when the Group's right to receive payments is established.

Impairment

Expected credit losses associated with financial assets carried at amortized cost and FVOCI, and assets from loan commitments and financial guarantees, are assessed without the increases in credit risk. The Company applies the general approach to the measurement of expected credit losses. In the case of trade receivables, however, the Company applies the simplified approach to measure expected credit losses.

4.5 Inventory

The Group stated inventory at the lower of cost or net realizable value.

The Company determined cost by using weighted average method and the subsidiaries determined cost by using the first-in, first-out method.

Cost comprised of product price and other direct expenses for acquiring the product.

The Group provided allowance for impairment of inventories for quality-deteriorated, damaged, obsolete stock.

4.6 Investments in subsidiary companies

Investments in subsidiary companies are accounted for in the separate financial statements using the cost method net of allowance for impairment loss (if any).

Cost of investment is calculated by weighted average method.

4.7 Investment properties

Investment properties of the Group comprise of property, plant and equipment (Apartment project) that are leased to other parties for rental income.

Investment properties are initially recognised at cost, including expenses directly associated with the asset acquisition, less accumulated depreciation and allowance for impairment (If any).

The Group has selected the cost model for accounting for its investment properties. This model is in accordance with that described in the accounting policy for property, plant and equipment.

Depreciation is charged to profit or loss on a straight-line basis over the estimated useful lives of each property. The estimated useful lives are as follows:

Building and building improvement	33 years
Furniture and fixtures	5 years
Tool and office equipment	5 years

4.8 Property, plant and equipment

Land is stated at the new revaluation.

Building and building improvement are stated at the new revaluation less accumulated depreciation and impairment losses (if any). Equipment is stated at cost less accumulated depreciation and impairment losses (if any).

The Group depreciate its building and equipment by the straight-line method over their estimated useful lives as follows:

Buildings and Building improvements	10 - 89 years
Public utility system	5 - 54 years
Machinery and equipment	5 - 20 years
Furniture and fixtures	5 - 20 years
Furniture and ornaments	5 - 10 years
Equipment for hotel and restaurants	5 - 20 years
Tools and office equipment	3 - 20 years
Vehicles	5 - 10 years

Costs of dismantlement, removal and restoration are charged as cost of assets and calculated depreciation for the year-end.

Depreciation is calculated separately for each significant parts of cost of property, plant and equipment when each of component parts has material cost compared to total cost of those assets.

Residual value of property, plant and equipment has to be measured by the amount expected to obtain from disposal of assets as if the assets had aging and expected condition at the end of its useful lives. In addition, residual value and useful lives is required to review at least at the year-end.

The revaluation of land, building and building improvement will be recorded at fair value, valued by an independent expert and depreciate according to the remaining term. The Group will provide an independent expert to revalue such assets every 5 years. However, in case there is any factor which materially effects to the asset value, the Group will provide an independent expert to revalue such assets in the occurring year.

Differences arising from the revaluation are dealt with in the financial statements as follows:

- When an asset's carrying amount is increased as a result of the revaluation of the Group assets, the increase is credited directly to the other comprehensive income and the cumulative increase is recognised equity under the heading of "Revaluation surplus on assets". However, a revaluation increase is recognised as income to the extent that it reverses a revaluation decrease in respect of the same asset previously recognised as an expense.
- When an asset's carrying amount is decreased as a result of a revaluation of the Group assets, the decrease is recognised in profit or loss. However, the revaluation decrease is charged to the other comprehensive income to the extent that it does not exceed an amount already held in "Revaluation surplus on assets" in respect of the same assets.

The Group recognised repairs and maintenance as building improvement when their future economic benefits are in excess of one fiscal year.

4.9 Leases

Leases - where the Group is the lessee

At inception of a contract, the Group assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group recognises right-of-use asset and lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, initial direct costs and estimated costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any incentive received.

The lease liability is initially measured at the present value by discounting lease payments that are not paid at the commencement date using the interest rate implicit in the lease, if the rate can be readily determined. If that rate cannot be readily determined, the Group uses the Group's incremental borrowing rate.

Lease payments included in the measurement of the lease liability are as follows:

- fixed payments including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee;
- the exercise price, under a purchase option that the Group is reasonably certain to exercise, whereby the exercise price is considered as lease payments in an optional renewal period; and
- payments of penalties for early termination of a lease if the Group is reasonably certain to terminate early.

To apply a cost model, the Group measures the ROU asset at cost, less accumulated depreciation and accumulated impairment loss and then makes adjustments for any remeasurement of the lease liability. The ROU asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the ROU asset or the end of the lease term. However, if the lease transfers ownership of the underlying asset to the Group by the end of the lease term or if the cost of the ROU asset reflects that the Group will exercise a purchase option, the Group depreciates the ROU asset from the commencement date to the end of the useful life of the underlying asset. The useful life of the ROU asset is determined on the same basis as those of property, plant and equipment.

The straight-line basis over the shorter of their estimated useful lives and the lease term.

Land	28, 15 years
Buildings and Building improvements	28 years
Vehicles	5 years

The lease liability is re-measured when there is a change in future lease payments arising from the following:

- a change in an index or a rate used to determine those payments
- a change in the Group's estimate of the amount expected to be payable under a residual value guarantee
- the Group changes its assessment of whether it will exercise a purchase, extension or termination option

When the lease liability is re-measured to reflect changes to the lease payments, the Group recognises the amount of the remeasurement of the lease liability as an adjustment to the ROU asset. However, if the carrying amount of the ROU asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Group recognises any remaining amount of the remeasurement in profit or loss.

Short-term leases and leases of low-value assets

The Group has elected not to recognise ROU assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Leases - where the Group is the lessor

The Group determines at lease inception whether each lease is a finance lease or an operating lease. To classify each lease, the Group makes an overall assessment of whether the lease substantially transfers all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease.

When assets are leased out under a finance lease, the present value of the lease payments is recognised as a receivable. The difference between the gross receivable and the present value of the receivable is recognised as unearned finance income. Lease income is recognised over the term of the lease using the net investment method, which reflects a constant periodic rate of return. Initial direct costs are included in the initial measurement of the finance lease receivable and will be gradually reduced against the income over the lease term.

Assets leased out under operating leases are included in property, plant and equipment in the statement of financial position. They are depreciated over their expected useful lives on a basis consistent with other similar property, plant and equipment owned by the Group. Rental income (net of any incentives given to lessees) is recognised on a straight-line basis over the lease term.

4.10 Goodwill

Goodwill represents the excess of the cost of investment over the fair value of net identifiable assets of the subsidiary at the date of acquisition. Goodwill on acquisition of net assets is presented as a separate line in the consolidated financial statements.

The goodwill recognised is tested annually for impairment and carried at cost less accumulated impairment losses. The impairment of goodwill is determined by calculating the realizable value based on the value-in-use calculation. Such calculation requires the use of estimates made by management. The allowance for impairment loss on goodwill is not reversed.

As for the cost of acquiring an investment that is lower than the fair value of net identifiable assets of the subsidiary, the difference is negative goodwill and will be recognised immediately in the statement of profit or loss.

4.11 Borrowing cost

Borrowing costs are recognised as expense in the period when incurred except the borrowing cost that are directly attributable to the acquisition, construction or production of asset as part of the cost of the asset. The capitalization of borrowing costs are ceased when substantially all the activities necessary to prepare the asset for its intended use or sale are complete. The Company shall suspend capitalization of borrowing cost during extended periods in which it suspends active development of asset.

4.12 Intangible assets

Computer software is considered as intangible assets and stated at cost less accumulated amortization and impairment (if any). Intangible assets are amortized by the straight-line method over 3 - 10 years.

Trademark of a subsidiary, ZEER OVERSEA LLC. represents the right to use trademark "Quality inn" which is considered as intangible assets and stated at cost less accumulated amortization and impairment (if any). Trademark is amortized by the straight-line method over 20 years according to the term of contract.

4.13 Impairment of assets

At the end of each reporting period, the Group performs impairment reviews in respect of the property, plant and equipment, other related right-of-use assets and other intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount. In determining value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by a valuation model that, based on information available, reflects the amount that the Group could obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the costs of disposal.

An impairment loss is recognised in profit or loss or decrease appraisal surplus if those assets have been revaluated and recorded as appraisal surplus include in shareholders' equity.

In the assessment of asset impairment if there is any indication that previously recognised impairment losses may no longer exist or may have decreased, the Group estimates the asset's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The increased carrying amount of the asset attributable to a reversal of an impairment loss shall not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss or "appraisal surplus", whichever is practical.

4.14 Transactions in foreign currencies

The Group recorded its transactions in foreign currencies converting into Thai Baht by using the exchange rates ruling on the transaction dates. The outstanding balances of accounts in foreign currencies as at the statement of financial position date are converted into Thai Baht by using the exchange rates ruling on the same day.

Gain or loss on exchange is taken into income or expense as incurred.

The financial statements of the subsidiary which were prepared in foreign currency were converted into Thai Baht. The currency translation in the statements of comprehensive income was made by using weighted average rate during the period and the currency translation in the statements of financial position was made by using the exchange rates ruling on the date of statements of financial position. Difference from currency translation will be presented under other component of equity.

When the overseas company was taken over, the Group will record the difference from currency translation as income or expense from sale of such overseas company.

4.15 Provident Fund and Employee benefit obligation

4.15.1 Provident Fund

The Group has established provident fund under the defined contribution plan. The fund's assets are separated entities which are administered by the external fund manager. The Group and employee made contribution into such provident fund. The Group's contribution payments to the provident fund were recorded as expense in the statements of income in the incurred period.

4.15.2 Employee benefits

Short-term benefits

The Group recognises salaries, wages, bonus and social security contribution as expenses on an accrual basis.

Post-employment benefits – defined benefit plan

The employee benefits liabilities in relation to the severance payment under the labor law are recognised as a charge to results of operations over the employee's service period. It is calculated by the estimation of the amount of future benefit to be earned by the employee in return for the service provided to the Group through the service period up to the retirement age and the amount is discounted to determine the present value. The reference discount rate is the yield rate of government bonds as at the reporting date. The calculation is based on the actuarial technique using the Projected Unit Credit Method.

When the actuarial assumptions are changed, the Group recognises gains (losses) on re-measurements of defined benefit plan in the other comprehensive income and loss in the period in which they arise.

4.16 Income tax

Income tax expense represents the sum of corporate income tax currently payable and deferred tax.

Current tax

Current income tax is provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

Deferred tax

Deferred income tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the end of each reporting period, using the tax rates enacted at the end of the reporting period.

The Group recognises deferred tax liabilities for all taxable temporary differences while they recognise deferred tax assets for all deductible temporary differences and tax losses carried forward to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilised.

The Group recognises corporate income tax as expense for the occurring period as described in the Revenue Code.

At each reporting date, the Group reviews and reduce the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

The Group records deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

4.17 Segment Information

Segment information is the management views for reporting the Group's operation information which referenced from the internal information that the most authorized operation officer has consistently reviewed.

Geographical segments provide services within a particular economic environment that is subject to risks and returns that are different from those of components operating in other economic environments.

4.18 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Group apply a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Group measure fair value using valuation technique that are appropriate in the circumstances and maximises the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into three levels based on categorise of input to be used in fair value measurement as follows:

Level 1 - Use of quoted market prices in an observable active market for such assets or liabilities

Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly

Level 3 - Use of unobservable inputs such as estimates of future cash flows

At the end of each reporting period, the Group determine whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

4.19 Basic earnings (loss) per share

Basic earnings (loss) per share are determined by dividing the net profit (loss) for the year by the weighted average number of shares outstanding during the year.

5. CRITICAL ACCOUNTING ESTIMATES, ASSUMPTION AND JUDGMENT

The preparation of the financial statements in conformity with Financial Reporting Standards requires management to make judgments and estimates. Judgments and estimations will affect the amounts in the financial statements and the information presented in the Notes to financial statements. Actual results may differ from these judgments and estimates. Significant judgments and estimates are as follows:

Allowance for expected credit losses of trade receivables

In determining an allowance for expected credit losses of trade receivables, the management needs to make judgement and estimates based upon, among other things, past collection history, aging profile of outstanding debts and the forecast economic condition for groupings of various customer segments with similar credit risks. The Group's historical credit loss experience and forecast economic conditions may also not be representative of whether a customer will actually default in the future.

Allowance for obsolete, slow-moving and defective inventories

The Group maintain an allowance for obsolete, slow-moving and defective inventories to reflect impairment of inventories. The allowance is based on consideration of inventory turnover and deterioration of each category.

Fair valuation of financial assets and derivatives

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. The Group uses judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period.

Impairment of assets

The Group consider asset as impaired when there is an indication that an asset may be impaired. If any such indication exists when there has been a significant decline in the fair value, the Group make an estimate of the asset recoverable amount. The determination of recoverable amount is requires judgment. An impairment loss is recognised as an expense in the statement of profit or loss.

Building, equipment, investment properties and intangible assets.

Management determines the estimated useful lives and residual values for the Group's building, equipment, investment properties and intangible assets. Management will revise the depreciation charge where useful lives and residual values previously estimated have changed or subject to be written down for their technical obsolescence or no longer in use.

Goodwill/Intangible assets acquired from business acquisition

In recording the initial recognition and measurement of goodwill as at the acquired date and subsequent impairment testing, the management to make estimates of cash flows to be generated by the asset or the cash generating units and to choose a suitable discount rate in order to calculate the present value of those cash flows.

Leases

Determining the lease term with extension and termination options - The Group as a lessee

In determining the lease term, the management is required to exercise judgment in assessing whether the Group is reasonably certain to exercise the option to extend or terminate the lease, considering all relevant factors and circumstances that create an economic incentive for the Group to exercise either the extension or termination option. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to extend or to terminate.

Estimating the incremental borrowing rate - The Group as a lessor

The Group cannot readily determine the interest rate implicit in the lease, therefore, the management is required to exercise judgement in estimating its incremental borrowing rate (IBR) to discount lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

Lease classification - The Group as a lessor

In determining whether a lease is to be classified as an operating lease or finance lease, the management is required to exercise judgement as to whether significant risk and rewards of ownership of the leased asset has been transferred, taking into consideration terms and conditions of the arrangement.

Retirement employee benefits

The Group has commitments on retirement benefits to employees under the Thai Labour Law. The amount of provision presented in the statement of financial position represents the present value of employee benefit obligations which is determined on an actuarial basis using various assumptions. The assumptions used in determining the net period cost for employee benefits includes the discount rate, the rate of salary inflation and employee turnover and others. Any changes in these assumptions will impact the net periodic cost recorded for employee benefits. On an annual basis, the Group determines those assumptions i.e. the appropriate discount rate, which should represent the interest rate that should be used to determine the present value of future cash flows currently expected to be required to settle the employee benefits. In determining the appropriate discount rate, the Group considers the current yields on long-term government bonds.

Provisions

Provisions are recognised when the Group has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

6. CASH AND CASH EQUIVALENTS

Cash and cash equivalents as at December 31, 2020 and 2019 are as follows:

	Unit: Thousands Baht			
	Consolidated financial statements		Separate financial statements	
	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019
Cash on hand	2,372	4,516	1,781	2,662
Non-clearing cheques	106	-	104	-
Cash at banks				
Current account	31,010	15,026	419	1,295
Saving account	73,214	31,048	180	188
Fixed deposit with maturity of less than 3 months	9	9	-	-
Total cash and cash equivalents	106,711	50,599	2,484	4,145

7. TRADE AND OTHER CURRENT RECEIVABLES - NET

Trade and other current receivables - net as at December 31, 2020 and 2019 are as follows:

	Unit: Thousands Baht			
	Consolidated financial statements		Separate financial statements	
	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019
Trade receivable				
The Company and its three subsidiaries, involved in the hotel business :				
Current accounts	11,901	15,181	4,854	9,567
Overdue 1 - 30 days	6,756	3,764	827	1,494
Overdue 31 - 60 days	5,632	890	587	690
Overdue 61 - 90 days	4,521	279	467	257
Overdue 91 - 365 days	3,421	593	1,590	429
Overdue more than 1 year	2,953	2,627	515	454
	35,184	23,334	8,840	12,891
Less Allowance for expected credit loss/				
Allowance for doubtful debt	(2,922)	(2,665)	(515)	(421)
Total	32,262	20,669	8,325	12,470

Unit: Thousands Baht

	Consolidated financial statements		Separate financial statements	
	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019
Subsidiary company - Zeer Property Plc. involved in				
rental shopping complex business :				
Current accounts	4,633	3,711	-	-
Overdue 1 - 30 days	14,840	21,887	-	-
Overdue 31 - 60 days	10,909	11,901	-	-
Overdue 61 - 90 days	8,345	5,485	-	-
Overdue 91 - 365 days	25,666	6,708	-	-
Overdue more than 1 year	19,747	19,876	-	-
	<u>84,140</u>	<u>69,568</u>	<u>-</u>	<u>-</u>
<u>Less Allowance for expected credit loss/</u>				
Allowance for doubtful debt	(28,379)	(16,935)	-	-
	<u>55,761</u>	<u>52,633</u>	<u>-</u>	<u>-</u>
Total	88,023	73,302	8,325	12,470
Post dated cheques	8,001	2,617	-	-
Trade receivable - net	<u>96,024</u>	<u>75,919</u>	<u>8,325</u>	<u>12,470</u>
Other current receivable				
Other current receivable	7,922	7,865	-	-
Prepaid expenses	4,933	6,040	663	1,333
Withholding tax	25,158	23,087	-	-
Others	12,428	18,167	220	553
Total other current receivable	<u>50,441</u>	<u>55,159</u>	<u>883</u>	<u>1,886</u>
<u>Less Allowance for expected credit loss/</u>				
Allowance for doubtful debt	(10,215)	(10,109)	-	-
Trade other receivable - net	<u>40,226</u>	<u>45,050</u>	<u>883</u>	<u>1,886</u>
Total trade and				
other current receivable - net	<u>136,250</u>	<u>120,969</u>	<u>9,208</u>	<u>14,356</u>
Change in allowance for expected credit loss/				
allowance for doubtful debt				
Beginning balance	29,709	29,610	421	478
Increase (Decrease) during the year	11,807	99	94	(57)
Ending balance	<u>41,516</u>	<u>29,709</u>	<u>515</u>	<u>421</u>

8. RELATED PARTIES TRANSACTIONS

Related parties are those parties linked to the Group and the Company as shareholders or by common shareholders or directors. Transactions with related parties are conducted at prices based on market prices or, where no market price exists, at contractually agreed prices.

Relationships with related parties that control the Company or are being controlled by the Company or have transactions with the Group were as follows:

<u>Name of entities</u>	<u>Country of Incorporation</u>	<u>Relationship</u>	<u>Related by</u>
Asia Pattaya Hotel Co., Ltd.	Thailand	Subsidiary	Direct shareholder
Asia Airport Hotel Co., Ltd.	Thailand	Subsidiary	Direct shareholder
Zeer Property Plc.	Thailand	Subsidiary	Direct shareholder
Zeer Asset Co., Ltd.	Thailand	Subsidiary	Indirect shareholder
ZEER OVERSEA LLC.	USA	Subsidiary	Indirect shareholder
Spa Hotel Co., Ltd.	Thailand	Subsidiary	Indirect shareholder
A.B.K. Enterprise Co., Ltd.	Thailand	Related company	Common major shareholder and director
Don Mueng Grand Plaza Co., Ltd.	Thailand	Related company	Common shareholder and director
Nam Seng Insurance Plc.	Thailand	Related company	Common director

Balances with related parties as at December 31, 2020 and 2019 are summarized below:

	Unit: Thousands Baht			
	Consolidated financial statements		Separate financial statements	
	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019
Trade receivables				
Subsidiaries				
Asia Pattaya Hotel Co., Ltd.	-	-	119	54
Asia Airport Hotel Co., Ltd.	-	-	6	9
Zeer Property Plc.	-	-	11	18
Prepaid insurance expense				
Related company				
Nam Seng Insurance Plc.	2,204	2,417	279	365

Unit: Thousands Baht

	Consolidated financial statements		Separate financial statements	
	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019
Other current payable				
Directors	4,017	-	-	-
Lease liabilities				
Related company				
Don Mueng Grand Plaza Co., Ltd	237,903	-	-	-

Unit: Thousands Baht

	Consolidated financial statements		Separate financial statements		Policy to charge the Inter-company borrowing cost (%)	
	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019
Short-term loans and accrued interest expenses from related parties						
Subsidiaries						
Asia Pattaya Hotel Co., Ltd.						
- Loans	-	-	-	6,500	7.25	7.25
- Accrued interest expenses	-	-	129,070	139,938		
Total	-	-	129,070	146,438		
Asia Airport Hotel Co., Ltd.						
- Loans	-	-	5,521	15,021	7.25	7.25
- Accrued interest expenses	-	-	32,325	32,325		
Total	-	-	37,846	47,346		
Zeer Property Plc.						
- Loans	-	-	90,000	90,000	4.97	5.87 - 5.995
- Accrued interest expenses	-	-	894	453		
Total	-	-	90,894	90,453		
Total short-term loans and accrued interest expenses from related parties	-	-	257,810	284,237		

The Company has loans from 3 subsidiaries, Asia Pattaya Hotel Co., Ltd., and Asia Airport Hotel Co., Ltd. in form of promissory notes, which are due at call and without collateral and Zeer Property Plc. in form of promissory notes, and are due on January to March 2021 and without collateral.

Movements of the short-term loans and accrued interest expense - related parties consisted of:

	Unit: Thousands Baht			
	Consolidated financial statements		Separate financial statements	
	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019
Short-term loans				
Subsidiaries				
Asia Pattaya Hotel Co., Ltd.				
Beginning balance	-	-	6,500	15,000
Increase during the year	-	-	1,000	-
Repayment during the year	-	-	(7,500)	(8,500)
Ending balance	-	-	-	6,500
Asia Airport Hotel Co., Ltd.				
Beginning balance	-	-	15,021	25,021
Repayment during the year	-	-	(9,500)	(10,000)
Ending balance	-	-	5,521	15,021
Zeer Property Plc.				
Beginning balance	-	-	90,000	90,000
Increase during the year	-	-	29,500	27,500
Repayment during the year	-	-	(29,500)	(27,500)
Ending balance	-	-	90,000	90,000

Unit: Thousands Baht

	Consolidated financial statements		Separate financial statements	
	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019
Accrued interest expenses				
Subsidiaries				
Asia Pattaya Hotel Co., Ltd.				
Beginning balance	-	-	139,938	139,259
Increase during the year	-	-	232	679
Repayment during the year	-	-	(11,100)	-
Ending balance	-	-	129,070	139,938
Asia Airport Hotel Co., Ltd.				
Beginning balance	-	-	32,325	31,011
Increase during the year	-	-	818	1,314
Repayment during the year	-	-	(818)	-
Ending balance	-	-	32,325	32,325
Zeer Property Plc.				
Beginning balance	-	-	453	3,100
Increase during the year	-	-	5,129	5,553
Repayment during the year	-	-	(4,688)	(8,200)
Ending balance	-	-	894	453
Rental prepayment				
Related company				
Don Mueng Grand Plaza Co., Ltd.	-	170,263	-	-
Total	-	170,263	-	-

Sales and purchases of goods and services

Transactions between the Company and related parties for the years ended December 31, 2020 and 2019 are summarized below:

	Unit: Thousands Baht				Pricing Policy
	Consolidated financial		Separate financial		
	statements		statements		
	2020	2019	2020	2019	
Rooms revenue					
Subsidiary					
Nam Seng Insurance Plc.	662	-	662	-	At the agreed price
Food & Beverage income					
Subsidiary					
Nam Seng Insurance Plc.	662	-	662	-	At the agreed price
Rental income					
Subsidiary					
Asia Pattaya Hotel Co., Ltd.	-	-	300	1,200	As specified in agreement
Other income					
Subsidiaries					
Asia Airport Hotel Co., Ltd.	-	-	31	108	At the agreed price
Asia Pattaya Hotel Co., Ltd.	-	-	298	450	At the agreed price
Zeer Property Plc.	-	-	60	65	At the agreed price
Nam Seng Insurance Plc.	43	715	43	332	At the agreed price
Land rental					
Related company					
Don Mueng Grand Plaza Co., Ltd.	-	22,336	-	-	As specified in agreement
Insurance premiums expenses					
Related company					
Nam Seng Insurance Plc.	5,438	6,130	780	718	As specified in agreement

Unit: Thousands Baht

	Consolidated financial statements		Separate financial statements		Pricing Policy
	2020	2019	2020	2019	
	Financial cost				
Interest expenses					
Subsidiaries					
Asia Airport Hotel Co., Ltd.	-	-	818	1,314	7.25% per annum
Asia Pattaya Hotel Co., Ltd.	-	-	232	679	7.25% per annum
Zeer Property Plc.	-	-	5,129	5,553	4.97 - 5.87% per annum
Interest expense on lease liabilities					
Related company					
Don Mueng Grand Plaza Co., Ltd.	11,930	-	-	-	The incremental borrowing rate

9. INVENTORIES - NET

Inventories - net as at December 31, 2020 and 2019 are as follows:

	Unit: Thousands Baht			
	Consolidated financial statements		Separate financial statements	
	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019
Restaurant				
- Food	2,010	3,175	1,004	1,458
- Beverage	1,051	1,260	641	765
- Supplies	4,155	4,295	103	101
Hotel				
- Supplies	8,200	8,821	1,694	1,941
- Operating equipment	13,391	13,392	1,980	2,010
- Reserve of operating equipment	11,658	11,877	11,658	11,877
Total	40,465	42,820	17,080	18,152
<u>Less Allowance for impairment</u>				
of inventories	(134)	(134)	(134)	(134)
Inventories - net	40,331	42,686	16,946	18,018

10. OTHER CURRENT FINANCIAL ASSETS

Other current financial assets as at December 31, 2020 and December 31, 2019 are as follows:

	Unit: Thousands Baht	
	Consolidated financial statements	
	December 31, 2020	December 31, 2019
Fixed deposit	718	718
Total other current financial assets	718	718

11. INVESTMENTS IN OTHER COMPANY - NET

Types of Business	Unit: Thousands Baht								
	Paid-up shared capital		% of shareholding		Cost method		Dividend income		
	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019	
Jet Cat Tour Co., Ltd.									
Travelling	80,000	80,000	19.00	19.00	15,200	15,200	-	-	
<u>Less</u> Allowance for expected credit loss/ Allowance for doubtful debt					(15,200)	(15,200)			
Total investment in other company - net					-	-			

12. RESTRICTED DEPOSITS WITH FINANCIAL INSTITUTION

Fixed deposit of a subsidiary, Zeer Property Plc. in amount of Baht 4 million was pledged to guarantee for overdraft as stated in Note 21.

13. INVESTMENTS IN SUBSIDIARY COMPANIES

Investments in subsidiary companies as at December 31, 2020 and 2019, and dividend income for the years ended December 31, 2020 and 2019 are as follows:

		Unit: Thousands Baht							
		Paid-up capital		% of shared holding		Cost method		Dividend income	
Type of business		December 31,	December 31,	December 31,	December 31,	December 31,	December 31,	December 31,	December 31,
		2020	2019	2020	2019	2020	2019	2020	2019
Asia Pattaya Hotel Co., Ltd.	Hotel	120,000	120,000	99.42	99.42	119,300	119,300	-	-
Asia Airport Hotel Co., Ltd.	Hotel	495,000	495,000	100.00	100.00	592,499	592,499	-	-
Zeer Property Plc.	Shopping Complex for rent	225,000	225,000	94.85	94.85	428,794	428,794	-	8,536
Total investments in subsidiary companies						1,140,593	1,140,593	-	8,536

At Ordinary Shareholders' Meeting No. 1/2019 held on April 10, 2019 of the subsidiary, Zeer Property Plc., passed a resolution to pay dividend to shareholders from the operating results of 2018 at the rate of Baht 0.04 per share for 225 million shares, totaling Baht 9 million. The dividend was paid on May 7, 2019.

The following subsidiaries have material Non-controlling interests.

Unit: Thousands Baht

Name of subsidiary	Type of business	Ownership interests held by NCI (percentage)	Comprehensive income			
			attributable to Non-controlling interest		Accumulated Non-controlling interest	
			2020	2019	2020	2019
Asia Pattaya Hotel Co., Ltd.	Hotel	0.58	(75)	(143)	7,783	7,858
Zeer Property Plc.	Shopping Complex for rent	5.15	(1,628)	(2,106)	149,988	157,087
Total			(1,703)	(2,249)	157,771	164,945

The following is summarized financial information of subsidiaries before inter-company elimination.

	Unit: Thousands Baht					
	Asia Pattaya Hotel Co., Ltd.		Zeer Property Plc.		Total	
	2020	2019	2020	2019	2020	2019
Current assets	153,114	158,480	350,417	270,924	503,531	429,404
Non-current assets	1,610,443	1,616,613	5,152,996	5,046,574	6,763,439	6,663,187
Current liabilities	(66,220)	(65,808)	(332,298)	(386,816)	(398,518)	(452,624)
Non-current liabilities	(355,496)	(354,434)	(2,411,423)	(2,146,712)	(2,766,919)	(2,501,146)
Net assets	1,341,841	1,354,851	2,759,692	2,783,970	4,101,533	4,138,821
Net assets attributable to						
Non-controlling interests	7,783	7,858	149,988	157,087	157,771	164,945
Revenues	56,605	103,170	560,875	723,065	617,480	826,235
Net profit (loss) for the year Attributable to						
Non-controlling interests	(75)	(145)	(1,515)	19	(1,590)	(126)
Total other comprehensive profit (loss)						
attributable to non-controlling interests	-	2	(113)	(2,125)	(113)	(2,123)
Total comprehensive loss for the year						
attributable to non-controlling interests	(75)	(143)	(1,628)	(2,106)	(1,703)	(2,249)
Dividends paid to						
Non-controlling interests	-	-	-	(464)	-	(464)
Net cash provided by (used in)						
Operating activities	(11,233)	(10,591)	241,123	282,986	229,890	272,395
Investing activities	6,319	6,966	(49,441)	(127,810)	(43,122)	(120,844)
Financing activities	2,678	3,630	(132,309)	(158,766)	(129,631)	(155,136)
Cash and cash equivalents						
Increase(decrease) - net	(2,236)	5	59,373	(3,590)	57,137	(3,585)

14. INVESTMENT PROPERTIES - NET

Investment properties - net as at December 31, 2020 and 2019 are as follows:

	Unit: Thousands Baht			
	Consolidated financial statements			
	Building and building improvement and public utility system	Furniture and fixtures	Tool and office equipment	Total
Cost				
As at January 1, 2020	65,575	8,909	1,031	75,515
Purchase	-	-	27	27
Disposal	-	(7)	-	(7)
Written off	-	-	(32)	(32)
As at December 31, 2020	65,575	8,902	1,026	75,503
Less Accumulated depreciation				
As at January 1, 2020	(9,502)	(8,507)	(942)	(18,951)
Depreciation for the year	(1,873)	(114)	(30)	(2,017)
Disposal	-	7	-	7
Written off	-	-	32	32
As at December 31, 2020	(11,375)	(8,614)	(940)	(20,929)
Net book value				
As at December 31, 2019	56,073	402	89	56,564
As at December 31, 2020	54,200	288	86	54,574

The subsidiary uses land with its construction as collateral for loan from banks as stated in Notes 21 and 23.

The fair values of the investment properties (Apartment Project for rent) as at December 31, 2020 and 2019 were appraised by independent appraiser according to the appraisal report date February 23, 2018. The fair values have been determined based on income approach. The main assumptions used in the valuation are yield rate, Inflation rate, long-term vacancy rate and long-term growth in rental rates.

	Unit: Thousands Baht	
	Consolidated financial statements	
	Fair value	
	December 31, 2020	December 31, 2019
Apartment Project	64,000	64,000

15. PROPERTY, PLANT AND EQUIPMENT – NET

For the year ended December 31, 2020, the Company and subsidiaries have following movements in the property, plant and equipment – net:

	Consolidated financial statements															Unit: Thousands Baht
	Land		Building and building improvement and public utility system				Outside	Machinery	Furniture	Equipment for	Tool and	Work	Total			
	Historical	Revaluation	Land	Historical	Revaluation	Loss from fixed	project	Leasehold	and	and	Furniture	hotel and		office	under	
	cost	surplus	improvement	cost	surplus	assets revaluation	improvement	improvement	equipment	fixtures	ornaments	restaurants	equipment	Vehicles	construction	
Cost																
As at January 1, 2020 - before restated	689,078	2,892,051	1,545	4,579,567	3,634,630	(50,754)	162,657	3,657	281,179	1,355,636	101,883	168,482	77,615	80,438	141,486	14,119,150
Transfer to right-of-use assets due to TFRS 16 adoption	-	-	-	-	-	-	-	-	-	-	-	-	-	(5,310)	-	(5,310)
As at January 1, 2020 - as restated	689,078	2,892,051	1,545	4,579,567	3,634,630	(50,754)	162,657	3,657	281,179	1,355,636	101,883	168,482	77,615	75,128	141,486	14,113,840
Purchase	-	-	-	-	-	-	-	-	2,226	5,642	97	552	1,464	-	50,081	60,062
Disposals	-	-	-	-	-	-	-	-	(318)	(798)	(8)	(451)	(113)	-	-	(1,688)
Written off	-	-	-	(301)	-	-	-	-	-	(18,556)	(198)	(181)	(674)	-	-	(19,910)
Transfer in (Transfer out)	-	-	-	10,558	-	-	-	-	647	27,508	270	-	-	-	(38,983)	-
Financial statement translation	(1,128)	(234)	-	(1,034)	-	-	-	-	-	(233)	-	-	-	-	-	(2,629)
As at December 31, 2020	687,950	2,891,817	1,545	4,588,790	3,634,630	(50,754)	162,657	3,657	283,734	1,369,199	102,044	168,402	78,292	75,128	152,584	14,149,675
Less Accumulated depreciation																
As at January 1, 2020 - before restated	-	-	1,544	2,252,237	1,073,984	-	59,171	3,067	236,470	1,166,727	96,346	156,716	61,507	67,656	-	5,175,425
Transfer to right-of-use assets due to TFRS 16 adoption	-	-	-	-	-	-	-	-	-	-	-	-	-	(3,210)	-	(3,210)
As at January 1, 2020 - as restated	-	-	1,544	2,252,237	1,073,984	-	59,171	3,067	236,470	1,166,727	96,346	156,716	61,507	64,446	-	5,172,215
Depreciation for the year																
Cost	-	-	-	83,821	-	-	15,666	182	8,473	70,636	2,002	3,706	5,609	3,578	-	193,673
Revaluated	-	-	-	-	87,194	-	-	-	-	-	-	-	-	-	-	87,194
Disposals	-	-	-	-	-	-	-	-	(318)	(793)	(8)	(447)	(112)	-	-	(1,678)
Written off	-	-	-	(23)	-	-	-	-	-	(18,556)	(197)	(181)	(622)	-	-	(19,579)
Financial statement translation	-	-	-	(397)	-	-	-	-	-	(132)	-	-	-	-	-	(529)
As at December 31, 2020	-	-	1,544	2,335,638	1,161,178	-	74,837	3,249	244,625	1,217,882	98,143	159,794	66,382	68,024	-	5,431,296
Net book value																
As at December 31, 2020	687,950	2,891,817	1	2,253,152	2,473,452	(50,754)	87,820	408	39,109	151,317	3,901	8,608	11,910	7,104	152,584	8,718,379
As at December 31, 2019	689,078	2,892,051	1	2,327,330	2,560,646	(50,754)	103,486	590	44,709	188,909	5,537	11,766	16,108	12,782	141,486	8,943,725

Separated financial statements

Unit: Thousands Baht

	Land		Building and building improvement		Public utility system	Machinery and equipment	Furniture and fixtures	Furniture ornaments	Equipment for hotel and restaurants	Tool and office equipment	Vehicles	Work under construction	Total
	Historical cost	Revaluation surplus	Historical cost	Revaluation surplus									
Cost													
As at January 1, 2020	159,120	1,348,825	501,299	366,988	103,933	155,090	450,996	85,832	89,876	19,813	5,932	9,669	3,297,373
Purchase	-	-	-	-	-	1,468	384	-	163	181	-	17,331	19,527
Disposals	-	-	-	-	-	(262)	(670)	(7)	(377)	(73)	-	-	(1,389)
Written off	-	-	-	-	-	-	(431)	(198)	(181)	(7)	-	-	(817)
As at December 31, 2020	159,120	1,348,825	501,299	366,988	103,933	156,296	450,279	85,627	89,481	19,914	5,932	27,000	3,314,694
Less Accumulated depreciation													
As at January 1, 2020	-	-	403,833	103,185	63,721	117,889	422,224	84,341	87,130	15,714	5,196	-	1,303,233
Depreciation for the year													
Cost	-	-	4,673	-	6,659	6,475	14,564	1,170	591	1,339	199	-	35,670
Revaluated	-	-	-	7,130	-	-	-	-	-	-	-	-	7,130
Disposals	-	-	-	-	-	(262)	(670)	(7)	(374)	(71)	-	-	(1,384)
Written off	-	-	-	-	-	-	(431)	(197)	(181)	(7)	-	-	(816)
As at December 31, 2020	-	-	408,506	110,315	70,380	124,102	435,687	85,307	87,166	16,975	5,395	-	1,343,833
Net book value													
As at December 31, 2020	159,120	1,348,825	92,793	256,673	33,553	32,194	14,592	320	2,315	2,939	537	27,000	1,970,861
As at December 31, 2019	159,120	1,348,825	97,466	263,803	40,212	37,201	28,772	1,491	2,746	4,099	736	9,669	1,994,140

Depreciation in the statements of profit or loss for the years ended December 31, 2020 and 2019 are as follow:

	Unit: Thousands Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Depreciation - Historical Cost	193,673	214,708	35,670	45,503
Depreciation - Revaluation surplus	87,194	87,156	7,130	7,130

Building and equipment as at December 31, 2020 and 2019 in amount of Baht 1,685.70 million and Baht 1,302.31 million, respectively in consolidated financial statements and Baht 707.32 million and Baht 484.16 million, respectively in separate financial statements, have been fully depreciated but still in use.

The Company and subsidiaries uses land with its construction as collateral for loan from a bank as stated in Notes 21 and 23

As at December 31, 2020 and 2019, the subsidiary, ZEER OVERSEA LLC., has goodwill from the invested in a hotel business (Quality Inn Long Beach Signal Hill) in amount of Bath 40.11 million and Bath 40.26 million, respectively, the management has considered and believed that no impairment was required for goodwill.

16. REAPPRAISAL

The Group recorded excess over cost of the appraised value in “revaluation surplus of assets” under “shareholders’ equity” in the statements of financial position.

The revaluation resulted in a surplus of the assets are as follows:

	Unit: Thousands Baht				
	Consolidated financial statement				
	Balance as at January 1, 2020	Amortization during the year	Deferred tax liability decreased	Difference from foreign exchange rates	Balance as at December 31, 2020
Land	2,309,115	-	-	(164)	2,308,951
Building and building improvement and public utility system	2,907,982	-	-	-	2,907,982
Total excess of revaluation surplus	5,217,097	-	-	(164)	5,216,933
<u>Less</u> Accumulated revaluation surplus - write-off	(860,111)	(87,193)	17,438	-	(929,866)
Total revaluation surplus	4,356,986	(87,193)	17,438	(164)	4,287,067
<u>Less</u> Non-controlling interest - net	(103,140)	3,938	(788)	1	(99,989)
Total revaluation surplus - net	4,253,846	(83,255)	16,650	(163)	4,187,078

As at December 31, 2020, a subsidiary, Asia Pattaya Hotel Co., Ltd., has processed to engaged independent appraiser to reappraise its assets, and the subsidiary has elected to apply the temporary relief measures on accounting alternatives. (Note 3c).

	Unit: Thousands Baht			
	Seperated financial statement			
	Balance as at January 1, 2020	Amortization during the year	Deferred tax liability decreased	Balance as at December 31, 2020
Land	1,079,061	-	-	1,079,061
Building and building improvement and public utility system	293,589	-	-	293,589
Total excess of revaluation surplus	1,372,650	-	-	1,372,650
<u>Less</u> Accumulated revaluation surplus- write-off	(82,548)	(7,130)	1,426	(88,252)
Total revaluation surplus - net	<u>1,290,102</u>	<u>(7,130)</u>	<u>1,426</u>	<u>1,284,398</u>

17. RIGHT-OF-USE ASSETS – NET

For the year ended December 31, 2020, the Group have following movements in the right-of-use assets - net:

	Unit: Thousands Baht	
	Consolidated financial statements	Separate financial statements
Net book value as at January 1, 2020 - before restated	-	-
Adjustment due to TFRS 16 adoption as at January 1, 2020	274,483	9,177
Transfer from due to TFRS 16 adoption		
- Trade and other current receivables	169	169
- Property, plant and equipment	2,100	-
- Prepaid rental	176,153	5,890
- Other non-current assets	3,000	-
Net book value as at January 1, 2020 - as restated	<u>455,905</u>	<u>15,236</u>
Increase during the year	2,044	2,044
Depreciation	(18,450)	(1,635)
Net book value as at December 31, 2020	<u>439,499</u>	<u>15,645</u>

The recognized right-of-use assets – net relate to the following types of assets:

	Unit: Thousands Baht			
	Consolidated financial statements		Seperated financial statement	
	December 31, 2020	January 1, 2020	December 31, 2020	January 1, 2020
Land	422,778	438,569	-	-
Building and building improvement	13,984	15,236	13,984	15,236
Vehicles	2,737	2,100	1,661	-
Total right-of-use assets	439,499	455,905	15,645	15,236

18. INTANGIBLE ASSETS - NET

Intangible assets - net as at December 31, 2020 are as follows:

	Unit: Thousands Baht				
	Consolidated financial statement				
	Balance as at January 1, 2020	Movement during the year			Financial statement translation
Increased		Decreased			
Cost					
Computer Software	22,786	170	-	-	22,956
Trademark	1,281	-	-	(5)	1,276
Total cost	24,067	170	-	(5)	24,232
Accumulated amortization					
Computer Software	(12,937)	(2,506)	-	-	(15,443)
Trademark	(75)	(67)	-	3	(139)
Total accumulated amortization	(13,012)	(2,573)	-	3	(15,582)
Intangible assets - net	11,055				8,650

Unit: Thousands Baht

	Seperated financial statement			Balance as at December 31, 2020
	Balance as at	Movement during the yaer		
	January 1, 2020	Increased	Decreased	
Cost				
Computer Software	5,743	-	-	5,743
Accumulated amortization				
Computer Software	(4,690)	(410)	-	(5,100)
Intangible assets - net	1,053			643

Amortization for the years ended December 31, 2020 and 2019 in the consolidated statement of profit or loss are Baht 2.57 million and Baht 1.75 million, respectively and in the separate statements of profit or loss are Baht 0.41 million and Bath 0.67 million, respectively.

On October 31, 2018, the subsidiary, ZEER OVERSEA LLC. entered into a “Franchise Agreement” with an overseas company for using the trademark “Quality Inn”. The term of contract is 20 years from the date of starting the hotel operation and the franchise fee is specified in the contract.

19. DEFERRED TAX

Deferred tax as at December 31, 2020 and 2019 are as follows:

	Unit: Thousands Baht					
	Consolidated financial statements					
	Assets		Liabilities		Net	
	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019
Property, plant and equipment - revaluated	-	-	1,081,488	1,098,467	1,081,488	1,098,467
Non-current provisions for employee benefit	(25,399)	(22,837)	-	-	(25,399)	(22,837)
Deferred revenue - leasehold rights on leased area	(1,903)	(2,761)	-	-	(1,903)	(2,761)
Tax loss carried forward	(6,392)	(6,392)	-	-	(6,392)	(6,392)
Depreciation	-	-	63,478	52,848	63,478	52,848
Loss form fixed assets revaluation	(10,764)	(10,913)	-	-	(10,764)	(10,913)
Leases	-	-	20,887	18,812	20,887	18,812
Others	(574)	(524)	11,312	8,738	10,738	8,214
Total	(45,032)	(43,427)	1,177,165	1,178,865	1,132,133	1,135,438
Income tax offSetting	41,883	40,753	(41,883)	(40,753)	-	-
Deferred tax (assets) and liabilities - net	(3,149)	(2,674)	1,135,282	1,138,112	1,132,133	1,135,438

Unit: Thousands Baht

	Separate financial statements					
	Assets		Liabilities		Net	
	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019
Inventories	(27)	(27)	-	-	(27)	(27)
Property, plant and equipment - revaluated	-	-	321,100	322,525	321,100	322,525
Non-current provisions for employee benefit	(12,689)	(11,688)	-	-	(12,689)	(11,688)
Leases	(40)	-	-	-	(40)	-
Other	(103)	(84)	-	-	(103)	(84)
Total	(12,859)	(11,799)	321,100	322,525	308,241	310,726
Income tax offsetting	12,859	11,799	(12,859)	(11,799)	-	-
Deferred tax liabilities - net	-	-	308,241	310,726	308,241	310,726

Income tax expense for the years ended December 31, 2020 and 2019 are as follows:

	Unit: Thousands Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Corporate income tax expense	(2,852)	(1,852)	-	(1,349)
Deferred taxes income (expense)	3,246	6,621	2,485	(1,023)
Income tax (expense) revenue	394	4,769	2,485	(2,372)

Reconcile between income tax expenses and the accounting profit multiplied by the applicable tax rates are as follows:

	Unit: Thousands Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Profit (Loss) before income tax	(122,689)	(60,358)	(42,686)	21,164
Income tax rate	20%	20%	20%	20%
Current income tax expense (revenue) as tax rate	(24,538)	(12,072)	(8,537)	4,233
Non-deductible expenses by the Revenue Code	4,763	1,250	565	208
Allowance by the Revenue Code	(190)	(390)	(188)	(362)
Dividend income	-	-	-	(1,707)
Non-taxable income	(4,104)	(5,007)	-	-
Income tax from loss related parties	(183)	(4,319)	-	-
Net loss in current year,				
not recognized as deferred tax	22,219	15,185	5,675	-
Difference from income tax rate	665	56	-	-
Other	974	528	-	-
Income tax expense (revenue)	(394)	(4,769)	(2,485)	2,372
The average effective tax rate	(0%)	(8%)	(6%)	11%

The Group have tax losses carried forward. Due to the uncertainty of the utilization, the Management, therefore, considers not to recognize part of tax loss as deferred tax. Unrecognized tax loss are as follow:

Unit: Million Baht	
Expiry date	Consolidated financial statements
2021	35.23
2022	19.50
2023	42.59
2024	75.93
2025	111.10
Total	284.35

According to Act No. 42 B.E. 2559 dated March 3, 2016, the corporate income tax rate has been continued at 20 % on net profit for the accounting periods beginning on January 1, 2016.

The subsidiary in oversea calculated income tax using the flat rate at 29.84% on net profit for the accounting periods beginning on January 1, 2018.

20. PREPAID RENTAL - NET

For the year ended December 31, 2020, the Group have following movement in the prepaid rent under operation lease – net:

	Unit: Thousands Baht	
	Consolidated financial statements	Separate financial statements
As at January 1, 2020	176,153	5,890
Transfer to right-of-use assets due to TFRS 16 adoption	(176,153)	(5,890)
As at December 31, 2020	-	-

21. BANK OVERDRAFTS AND SHORT-TERM LOANS FROM FINANCIAL INSTITUTION

Bank overdrafts and short-term loans from financial institution as at December 31, 2020 and 2019 are as follows:

	Unit: Thousands Baht			
	Consolidated financial statements		Separate financial statements	
	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019
Bank overdrafts	60,157	104,072	30,517	21,175
Promissory notes	164,000	116,100	54,000	31,600
Total bank overdrafts and short-term loans from financial institutions	224,157	220,172	84,517	52,775

As at December 31, 2020 and 2019 the Group has short-term loans from financial institutions as follows:

	Credit line (Million Baht)				Interest Rate (Percent per annum)
	Consolidated financial statements		Separate financial statements		
	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019	
Bank overdrafts	137	140	41	41	MOR, MOR+1, Fixed Deposit+1.5 and Fixed rate 15
Promissory notes	203	160	60	40	MOR-1, MLR and Fixed rate 2
Total	340	300	101	81	

On June 23, 2020, the Company and a subsidiary, Asia Airport Hotel Co., Ltd., have entered into promissory notes credit facilities with one financial institution for working capital in business operations totaling Baht 20 million and Baht 20 million, respectively, bearing fixed interest rate at 2% per annum.

The Group's bank overdrafts and short-term loans from financial institutions are guaranteed by:

- Fixed deposits at financial institutions. (Note 12).
- Mortgage of certain land with building of the Cha-am Project, and other of the Group's land with building. (Note 15).
- Certain leasehold rights over land from a related company along with Apartment Project and building of Zeer Rangsit. (Note 14, 15 and 17).
- Certain directors of the Group and those of a related company.
- Joint guaranties among certain companies within the Group.

22. OTHER CURRENT PAYABLES

Other current payables as at December 31, 2020 and 2019 are as follows:

	Unit: Thousands Baht			
	Consolidated financial statements		Separate financial statements	
	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019
Advances from directors	4,017	-	-	-
Accrued expenses	57,510	56,151	4,947	16,838
Unearned revenue	5,848	13,280	2,010	3,844
VAT payable and undue output tax	3,798	5,575	202	1,830
Retention	13,570	13,466	1,122	511
Others	10,217	9,032	224	1,323
Total other current payables	94,960	97,504	8,505	24,346

23. LONG-TERM LOANS FROM FINANCIAL INSTITUTION – NET

Long-term loans from financial institution - net as at December 31, 2020 and 2019 are as follows:

	Unit: Thousands Baht			
	Consolidated financial statements		Separate financial statements	
	December 31,	December 31,	December 31,	December 31,
	2020	2019	2020	2019
Long-term loans from banks	2,185,645	2,162,658	531,001	511,060
<u>Less</u> current portion of long-term loans from financial institutions	(194,241)	(243,011)	(44,000)	(59,000)
Total long-term loans - net	1,991,404	1,919,647	487,001	452,060

At as December 31, 2020 and 2019, the Group has long-term loans facilities from two domestic financial institutions and from one overseas financial institution as follows:

Unit: Million					
Credit line					
Currency	Consolidated financial		Separate financial		Interest rate in agreement (Percent per annum)
	statements		statements		
	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019	
Baht	3,851.00	3,801.00	1,470.00	1,470.00	MLR-2.125 to MLR-0.125
USD	3.92	3.80	-	-	LIBOR (1 month)+2.15 and Fixed rate 1

On February 14, 2020, the Company entered the 4th Addendum Agreement with the financial institution to change the principal and interest repayment terms of the loan agreement facilities, valued at Baht 120 million. The Company committed to repay the loan on a quarterly basis, in 46 installments, and pay a monthly interest at the MLR-1.50% per annum to MLR-0.375% per annum. The first repayment is on September 2021 and a complete repayment within June 2030.

On March 18, 2020, a subsidiary, Spa Hotel Co., Ltd., entered into an amended loan agreement with a financial institution. The revised agreement grants the Company additional loan facilities totaling Baht 50 million. Along with the previous agreement credit line of Baht 111 million, the Company now has a total of Baht 161 million. The Company will use the funds to renovate its buildings, furnishings, and equipment, as well as resolve other expenses, for its hotel renovation project, all totaling Baht 84 million. The Company will also purchase land with building for Baht 11 million, and renovate its buildings, furnishings, and equipment, as well as resolve other expenses, for its plaza and apartment buildings, all totaling Baht 66 million.

The interest rate for the first three years is the MLR-1.5% per annum, fourth through seventh year is MLR-1.0% per annum; and for the eighth year onwards is MLR-0.5% per annum. The principal is re-paid quarterly, (40 installments with the first installment starting in April 2020). Interest is paid on a monthly basis. The Company must complete repayments within January 2030.

In March, April September and October 2020, the Group entered the addendum agreements with the financial institutions to amend the repayment terms of the long-term loan facility agreements and reduce interest rates as follows:

Companies	Credit line (Million Baht)	Moratorium the principal (Months)	Complete the principal repayment within	Moratorium the interest (Months)
Asia Hotel Plc.	1,350	12	February, 2029	-
Asia Pattaya Hotel Co., Ltd.	220	12	April, 2024	-
Asia Airport Hotel Co., Ltd.	150	12	April, 2024	-
Zeer Property Plc.	140	12	August, 2022	6*
Zeer Property Plc.	950	12	April, 2027	6*
Zeer Property Plc.	150	12	December, 2024	6*
Zeer Property Plc.	80	12	January, 2028	6*
Zeer Property Plc.	50	12	September, 2022	-
Zeer Property Plc.	280	12	September, 2029	-
Spa Hotel Co., Ltd.	161	12	January, 2031	6*

* Commit to repay moratorium interest on monthly basis in 2021 (12 months)

Companies	Credit line (Million Baht)	Old interest rate (Percent per annum)	New interest rate (Percent per annum)	Periods
Asia Hotel Plc.	1,350	MLR-0.125	MLR-1.125	May 1, 2020 to October 31, 2020
Asia Hotel Plc.	120	MLR-1.50	MLR-2.50	May 1, 2020 to October 31, 2020
Asia Pattaya Hotel Co., Ltd.	220	MLR-0.125	MLR-1.125	May 1, 2020 to October 31, 2020
Asia Airport Hotel Co., Ltd.	150	MLR-0.125	MLR-1.125	May 1, 2020 to October 31, 2020
Zeer Property Plc.	50	MLR-0.25	MLR-1.25	May 1, 2020 to October 31, 2020
Zeer Property Plc.	480	MLR-2.125	MLR-3.125	May 1, 2020 to October 31, 2020

On May 3, 2020, a subsidiary, ZEER OVERSEA LLC., entered into a long-term loans Agreement for Small Business Administration (SBA) with the one overseas financial institution, a program to assist small businesses in the United States that has affected from COVID-19, amount of USD 116,105 and pay the interest monthly at the fixed interest rate at 1% per annum. The principal is repaid on monthly basis, commencing in November 2020 and will be completed in May 2022.

As at December 31, 2020, the subsidiary, Zeer Property Plc., has processed of an amended long-term loan agreement with a financial institution facility to change principal repayment term of the loan agreement facilities, valued at Baht 200 million. The repayment of final principal, then, is extended within year end 2021 to year end 2023.

Long-term loans from the financial institution are guaranteed by:

- Mortgage of land with building of the Cha-am Project, and other of the Group's land with building. (Note 15).
- Certain leasehold rights over land from a related company along with Apartment Project and building of Zeer Rangsit and Zeer 2 Project. (Note 14, 15 and 17)
- Certain directors of the Group and those of a related company.
- Joint guaranties among certain companies within the Group.

The long-term loan from the overseas financial institution is guaranteed by land and buildings of the Glendale & Glenhurst Project and by certain directors of the subsidiary.

The Group must comply with material terms of the long-term loan agreement, including maintain a certain Debt to Equity ratio (D/E) and Debt Service Coverage ratio (DSCR).

24. LEASES LIABILITIES - NET

Leases liabilities – net as at December 31, 2020 and 2019 consisted of:

	Unit: Thousands Baht			
	Consolidated financial statements □		Separate financial statements	
	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019
Leases liabilities	446,031	1,438	12,136	-
<u>Less</u> Deferred interest expenses	(192,864)	(47)	(2,604)	-
Present value of lease liabilities	253,167	1,391	9,532	-
<u>Less</u> Current portion of lease liabilities	(24,660)	(1,391)	(973)	-
Lease liabilities - net	228,507	-	8,559	-

Information about leases

The Company entered into rental agreement with the Bureau of Crown Property; term of agreement is 20 years end on March 2032.

The subsidiary – Zeer Property Plc. entered into rental agreement with Don Mueng Grand Plaza Co., Ltd.; term of agreement is 55 years end on March 2048.

The subsidiary – Spa Hotel Co., Ltd. entered into a land rental agreement with third parties; term of agreement is 15 years end on December 2034.

The Group entered into lease agreements with a financial institution for vehicles; term of agreements are 3 and 4 years end on November 2020 and April 2023, respectively.

25. NON-CURRENT PROVISIONS FOR EMPLOYEE BENEFIT

Movements of the present value of non-current provisions for employee benefit for the years ended December 31, 2020 and 2019 are as follows:

	Unit: Thousand Baht			
	Post-employment benefit plan			
	Consolidated financial statements		Separate financial statement	
	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019
Non-current provisions for				
employee benefit at beginning of year	114,185	82,358	58,441	38,864
Included in profit or loss:				
Current service cost	12,304	11,128	5,170	4,528
Past service cost	-	21,664	-	12,271
Interest cost	2,511	2,100	1,299	1,093
Included in other comprehensive income:				
Gain (losses) on re-measurements of defined benefit plans				
Financial assumptions changes	-	1,506	-	2,424
Experience adjustments	-	(1,429)	-	1,467
Benefit paid during the year	(2,007)	(3,142)	(1,466)	(2,206)
Non-current provisions for				
employee benefit at end of year	126,993	114,185	63,444	58,441

Employee benefit expenses in profit or loss for the years ended December 31, 2020 and 2019, consisted of:

	Unit: Thousand Baht			
	Consolidated financial statements		Separate financial statement	
	2020	2019	2020	2019
Cost of sales	7,451	17,967	3,089	9,305
Distribution costs	913	1,266	-	-
Administrative expenses	6,451	15,659	3,380	8,587
Total employee benefit expenses	14,815	34,892	6,469	17,892

The Group has defined benefit plan in accordance with severance payment under the labor law which entitled retired employee within work service period in various rates.

The actuarial assumption of discount rate is estimated from weighted average of yield rate of government bonds that reflects the estimated timing of benefit payments.

The actuarial assumption of mortality rate for reasonable estimation of probability of retirement in the future is estimated from mortality table from the Office of Insurance Commission.

The actuarial assumption of resignation rate is estimated based on historical data based on employee age ranges.

Principal actuarial assumptions as at December 31, 2020 and 2019 (represented by the weighted-average) consisted of:

	(Percentage (%)/annum)			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Discount rate	2.20-2.37%	2.20-2.37%	2.25%	2.25%
Salary rate increases in the future	4-5%	4-5%	4.5%	4.5%
Mortality rate	100% of Thai Mortality Ordinary Tables of 2017	100% of Thai Mortality Ordinary Tables of 2017	100% of Thai Mortality Ordinary Tables of 2017	100% of Thai Mortality Ordinary Tables of 2017
Turnover rate				
Monthly employees				
Under 31 years old	22-38%	22-38%	26%	26%
31 - 40 years old	14-23%	14-23%	17%	17%
41 - 50 years old	9-18%	9-18%	9%	9%
51 - 55 years old	6-10%	6-10%	6%	6%
Above 55 years old	0%	0%	0%	0%
Daily employees				
Under 31 years old	36-48%	36-48%	46%	46%
31 - 40 years old	36-48%	36-48%	41%	41%
41 - 50 years old	23-36%	23-36%	36%	36%
51 - 55 years old	15-29%	15-29%	29%	29%
Above 55 years old	0%	0%	0%	0%
Retire	60 years	60 years	60 years	60 years

The result of sensitivity analysis for significant assumptions that affect the present value of the non-current provisions for employee benefit as at December 31, 2020 are summarized below:

Unit: Thousand Baht				
Change of the present value of the non-current provisions for employee benefit				
Increase (Decrease)				
	Consolidated financial statement		Separate financial statement	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
Discount rate	(5,563)	6,276	(2,626)	2,972
Salary rate increases in the future	8,482	(7,667)	4,066	(3,672)
Turnover rate	(6,025)	3,364	(2,822)	1,607

26. GUARANTEE FOR RENTAL

Guarantee for rental as at December 31, 2020 and 2019 are as follows:

Unit: Thousands Baht				
	Consolidated financial statements		Separate financial statements	
	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019
Asia Hotel Plc.	11,848	12,430	11,848	12,430
Asia Airport Hotel Co., Ltd.	703	703	-	-
Asia Pattaya Hotel Co., Ltd.	168	168	-	-
Zeer Property Plc.	128,869	150,524	-	-
Total	141,588	163,825	11,848	12,430

Guarantee for rent of the Group will be returned to the lessees when the lease agreements are terminated.

27. DEFERRED REVENUE – LEASEHOLD RIGHTS ON LEASED AREA

Deferred revenue – leasehold rights on leased area as at December 31, 2020 and 2019 are as follows:

	Unit: Thousands Baht	
	Consolidated financial statements	
	December 31, 2020	December 31, 2019
Deferred income - leasehold rights on lease area	220,195	220,195
<u>Less Accumulated amortization</u>	<u>(207,711)</u>	<u>(201,240)</u>
Deferred income - leasehold rights on lease area - net	<u>12,484</u>	<u>18,955</u>
Deferred income is recognized as revenue as follow :		
Within 1 year	7,682	7,682
Over 1 year but not over 5 years	4,802	11,273
Total	<u>12,484</u>	<u>18,955</u>

A subsidiary, Zeer Property Plc., entered into a lease agreement with the lessees to rent the area in Zeer Rangsit Complex, for a leasehold rights period of 21-28 years. Zeer Property Plc. recognised the deferred income - leasehold rights on leased area, as income using the straight-line method over 21-28 years as per lease agreement period and the agreement will end in 2022 – 2023.

28. LEGAL RESERVE

Under the provisions of the Public Company Limited Act B.E. 2535, the Company is required to set aside as legal reserve at least 5% of its net income for the year until the reserve reaches an amount not less than 10% of the authorized common share capital. The legal reserve is not available for dividend distribution.

29. DEIVIDEND PAYMENTS

According to the Board of Director meeting No. 11/2019 held on November 13, 2019, the Board approved to pay an interim dividend for operating result from January 1, 2019 to June 30, 2019 at the rate of Baht 0.05 per share of 320 million shares totaling Baht 16 million. The shareholders' names who have right to receive dividend were on November 28, 2019. The dividend was paid on December 12, 2019.

According to the Annual Shareholders' Meeting No. 57 held on April 10, 2019, the shareholders passed the resolution to pay dividend for operating result from January 1, 2018 to December 31, 2018 at the rate of Baht 0.13 per share of 320 million shares totaling Baht 41.60 million. The Company paid interim dividend at the rate of Baht 0.10 per share totaling Baht 32 million on December 12, 2018. Therefore, the remaining dividend to be paid at the rate of Baht 0.03 per share amounted of Baht 9.60 million which was paid on May 9, 2019.

30. COMMITMENTS AND CONTINGENT LIABILITIES

As at December 31, 2020, the Group had the commitments and contingent liabilities, as follows:

30.1 Letters of guarantee issued by banks are as follows:

- 30.1.1 The Company: in the amount of Baht 5.87 million.
- 30.1.2 Subsidiary – Asia Pattaya Hotel Co., Ltd.: in the amount of Baht 1.30 million.
- 30.1.3 Subsidiary – Zeer Property Plc. and subsidiary: in the amount of Baht 18.71 million.
- 30.1.4 Subsidiary – Asia Airport Hotel Co., Ltd.: in the amount of Baht 0.52 million.

30.2 The Company guarantees liabilities of its two subsidiaries in the amount of Baht 1,629.50 million.

30.3 The subsidiary – Asia Pattaya Hotel Co., Ltd. guarantees liabilities of the Company and two subsidiaries in the amount of Baht 2,417 million.

30.4 The subsidiary - Asia Airport Hotel Co., Ltd. guaranteed liabilities of the Company and two subsidiaries in the amount of Baht 2,926 million.

30.5 The subsidiary - ZEER OVERSEA LLC. guarantees liabilities of the subsidiary, Zeer Property Plc. in the amount of Baht 960 million

30.6 The subsidiary - Zeer Property Plc. has credit line for foreign exchange of Baht 480 million from a bank which has not been withdrawn yet.

30.7 As at December 31, 2020, the Company and subsidiaries has future commitment are as follows:

	Unit: Million baht
Commitments of the Company	
Construction contract of Hotel Facade Renovation Project.	1.85
Commitments of the subsidiary - Zeer Property Plc.	
Construction contracts of Apartment Project, Zeer II Project and Zeer I Project.	24.15
Commitments of the subsidiary - Spa Hotel Co., Ltd.	
Construction contracts of hotel and shopping complex at Chiang Mai.	8.36

31. INFORMATION BY SEGMENT

The Group segmental information is divided into the room service, food and beverage and rental of shopping complex and real estate and are mainly carried on both in Thailand and overseas which is operated by a subsidiary.

The financial information of the Group by segment, for the year ended December 31, 2020 and 2019 are as follows:

	Unit: Thousand Baht											
	Domestics						Oversea				Total	
	Room		Food and beverage		Rental and services		Room		Rental and services			
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
Income from hotel business	182,172	454,004	124,688	253,707	-	-	57,857	62,858	-	-	364,717	770,569
Cost of hotel business												
Cost of hotel business	(123,558)	(238,171)	(111,342)	(218,861)	-	-	(55,493)	(62,092)	-	-	(290,393)	(519,124)
Depreciation - Revaluation surplus of assets	(14,187)	(17,170)	(3,738)	(4,528)	-	-	-	-	-	-	(17,925)	(21,698)
Income from rental and service	-	-	-	-	419,584	556,125	-	-	26,238	29,432	445,822	585,557
Cost of rental and service												
Cost of rental and service	-	-	-	-	(321,727)	(418,346)	-	-	(9,796)	(7,638)	(331,523)	(425,984)
Depreciation - Revaluation surplus of assets	-	-	-	-	(62,340)	(65,459)	-	-	-	-	(62,340)	(65,459)
Gross profit	44,427	198,663	9,608	30,318	35,517	72,320	2,364	766	16,442	21,794	108,358	323,861

	Unit: Thousand Baht											
	Domestics					Oversea					Total	
	Room		Food and beverage		Rental and services		Room		Rental and services			
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
Others income											82,593	83,658
Distribution costs											(36,905)	(78,320)
Administrative expenses											(132,480)	(244,644)
Management benefit expenses											(5,798)	(16,027)
Directors' remuneration											(691)	(5,111)
Profit from operating activities											15,077	63,417
Financial cost											(124,320)	(123,513)
Impairment loss determined in accordance with TFRS 9												
(2019 : Doubtful debt)											(13,446)	(263)
Loss before income tax											(122,689)	(60,359)
Income tax revenue											394	4,769
Net loss for the year											(122,295)	(55,590)
Loss attributable to												
Equity holders of the parent											(120,704)	(55,464)
Non-controlling interests											(1,591)	(126)
											(122,295)	(55,590)

Segment information on geographic of the Company and subsidiaries as at December 31, 2020 and 2019 were as follows:

	Unit: Thousands Baht					
	Domestics		Overseas		Total	
	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019
Investment properties - net	54,574	56,564	-	-	54,574	56,564
Property, plant and equipment - net	8,116,464	8,333,032	601,915	610,693	8,718,379	8,943,725
Right-of-use assets - net	439,499	-	-	-	439,499	-
Total assets	8,878,260	8,793,078	691,014	679,135	9,569,274	9,472,213

32. PROVIDENT FUND

On January 28, 2011, the Group and employees jointly registered the provident fund according to the Provident Fund Act B.E. 2530 and the Provident Fund Act (No. 2) B.E. 2542 and appointed an authorized manager to administer the fund. The fund is accumulated by the Company and employees and will be paid to the employees when they resign according to the fund's regulations.

The Group paid for employee's provident funds for the year ended December 31, 2020 and 2019 in amount of Baht 1.86 million and Baht 8.06 million, respectively in consolidated financial statements and Baht 0.89 million and Baht 3.55 million, respectively in separate financial statements.

33. OTHER INCOME

Other income for the years ended December 31, 2020 and 2019 are as follows:

	Unit : Thousands Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
Health club and car parking	3,578	4,266	3,492	3,919
Rental, service and electricity	44,051	58,930	38,072	50,454
Gain on exchange rate	307	1,062	287	989
Gain from sale of assets	21	446	14	303
Gain on compensation from insurance claim	791	556	-	-
Guarantee for rental	16,534	-	-	-
Others	17,311	18,398	6,299	5,410
Total	82,593	83,658	48,164	61,075

34. EXPENSES BY NATURE

Significant expenses analyzed by nature for the years ended December 31, 2020 and 2019 are as follows:

	Unit: Thousands Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
Salaries, wages and other benefits for employee	228,053	473,237	69,742	185,359
Depreciation	214,140	218,353	37,305	45,503
Depreciation - Revaluation surplus	87,194	87,156	7,130	7,130
Change in inventories	(2,355)	(429)	(1,072)	(438)
Electricity and water	156,046	220,837	21,159	35,028
Cost of foods and beverage	49,377	90,087	24,239	43,165
Repair and maintenance	29,540	58,626	4,463	11,526
Advertising and sale promotion	15,239	31,185	3,108	11,490
Property tax	13,282	30,192	370	8,966

35. DIRECTORS' REMUNERATION

Directors' remuneration represents the benefits paid to the Company's directors in accordance with Section 90 of the Public Limited Companies Act, excluding salaries and related benefits payable to executive directors.

36. MANAGEMENT BENEFIT EXPENSES

Management benefit expenses focuses expenses relating to salaries, remunerations and other benefits to the directors and management, in accordance with the definitions of the Office of the Securities and Exchange Commission. Management under definition includes a chief executive officer, the next four executive levels immediately below that chief executive officer and all persons in positions comparable to these fourth executive levels.

37. CAPITAL MANAGEMENT

The Board's policy is to maintain a strong capital base so as to maintain assurance of shareholder, investor, creditor and market confidence and to sustain future development of the business. The Board monitors the return on capital which the Company defines as result from operating activities divided by total shareholders' equity, excluding Non-controlling interests and also monitors the level of dividends to ordinary shareholders.

38. FINANCIAL INSTRUMENT

Interest Rate Risk

Interest rate risk arises from the potential change in interest rates that have an adverse effect on the earnings of the Group in the current reporting period and in future years, and the Group have a risk on the change of interest rates because of their huge liabilities.

Credit risk

Credit risk refers to the risk if the other parties fail to perform their obligations, resulting in a financial loss to the Group. However, there is no significant concentration of credit risk for the Group. If the other parties fail to perform their contracts, the Group provides as allowance for expected credit loss in the full amount.

In the case of financial assets, the carrying amount of the assets recorded in the statement of financial position, net of allowance for expected credit loss, represents the Group's maximum exposure to credit risk.

Fair value of financial instruments

The following methods and assumptions are used to estimate a fair value of each class of the Company's financial instruments.

- Financial assets are shown at estimated fair value.
- Financial liabilities are shown at the book value which is considered fair value because such liabilities will be matured in short-term and long-term loan bears the floating interest rate.

39. Reclassification

During the year, the subsidiary - Zeer Property Plc. has reclassified certain accounts in the statement of comprehensive income for the years ended December 31, 2019 to conform to the presentation of the financial statements of current period. There is no effect to net profit or shareholders' equity are as follow:

	Unit: Baht		
	Consolidated financial statements		
	For the years ended December 31, 2019		
	As previously reported	Reclassification	After reclassification
Statements of comprehensive income			
Cost of hotel business	502,722,028	16,402,332	519,124,360
Distribution costs	75,139,703	3,180,257	78,319,960
Administrative expense	264,226,134	(19,582,589)	244,643,545

40. APPROVAL OF FINANCIAL STATEMENTS

These financial statements have been approved by the Company's board of directors on February 22, 2021.

Details of Directors as of December 31, 2020

Attachment 1

Name	Educational Background	No. of Shares Held	Family Relationship	Experience for the past 5 years	Type of Business
1. Mr.Piyawudh Senapoopitaksa Chairman (Independent Director) Audit Committee Member Nomination and Remuneration Committee Member Age 92 years. As director since year 1968.	Certificate of Life Insurance Certificate of Attendance DAP # 6/2003 , FSD # 4/2009 from IOD.	266,660 (0.08%)	-none-	14 Mar 2018 - Present Chairman of the Board, Asia Hotel Public Company Limited. Jan 2010 - Present Nomination and Remuneration Committee Member, ASIA May 1999- Present Audit Committee Member, Asia Hotel Public Company Limited. 1968 - Present Director, Asia Hotel Public Company Limited .	Hotel & Rest. Hotel & Rest. Hotel & Rest. Hotel & Rest.
Current position in other organization in previous year Director - Parent Company Advisor - subsidiary company				1988 - Present Director, A.B.K. Enterprise Co.,Ltd Aug.2013 - Present Advisor to MD, Asia Airport Hotel Co.,Ltd. Aug.2013 - Present Advisor to MD, Asia Pattaya Hotel Co.,Ltd.	Holding Company Hotel & Rest. Hotel & Rest.
2. Dr. Amorn Techaruvichit Authorized Director Vice Chairman, Age 73 years As director since year 1981 Passed away on August 22, 2020	An Honorary Doctorate of Art in Hotel Degree, Bangkok Thonburi University MBA. WORDBARY COLLEGE, L.A.,USA. Certificate of Attendance DAP # 7/2004 from IOD.	500,000 (0.16%)	Uncle of Mr.Surapong Mrs.Pornpun Mrs.Oyetip	Feb.2014 - Aug. 2020 President of Asia Hotel Groups 1992- Aug. 2020 Vice Chairman, Executive Director Asia Hotel Public Company Limited 1992 - Aug. 2020 Director , Asia Airport Hotel Co.,Ltd. 1972 - Aug. 2020 Director , Asia Pattaya Hotel Co.,Ltd.	Hotel & Rest. Hotel & Rest. Hotel & Rest. Hotel & Rest.
Current position in other organization in previous year Director - Parent company				1988 - August 2020 Chairman, A.B.K. Enterprise Co.,Ltd.	Holding Company
3. Mr.Surapong Techaruvichit Authorized Director Executive Director Managing Director Appointed on 18 February,2014 Age 62 years As director since year 1984	Bachelor Degree in Economics Chulalongkorn University MBA, NIDA, Bangkok Certificate of Attendance DAP # 7/2004 and DCP # 167/2012 from IOD.	2,266,660 (0.71%)	Son of Mrs.Suvimol Elder brother of Mrs.Pornpun and Mrs.Oyetip Father of Miss Patcha Techaruvichit	Feb. 2014 - Present Managing Director, Asia Hotel Public Company Limited Managing Director , Asia Pattaya Hotel Co.,Ltd. Managing Director , Asia Airport Hotel Co.,Ltd. 1990 - March.2012 Director,Zeer Property Public Co.,Ltd. 1992 - Feb.2014 Assistant Managing Director, Asia Airport Hotel Co.,Ltd. 1984 - Feb.2014 Assistant Managing Director,Asia Hotel Public Company Limited 1983 - Feb.2014 Assistant Managing Director, Asia Pattaya Hotel Co.,Ltd.	Hotel & Rest. Hotel & Rest. Hotel & Rest. Rental Area Hotel & Rest. Hotel & Rest. Hotel & Rest.
Current position in other organization in previous year Advisor - Travel Advisory Director - parent company and related company				2017 - Present Board Member, National Tourism Policy Board, Ministry of Tourism & Sports 2016 - Present Board Member, Poh Teck Tung Foundation 2003 - Present Vice President, Thailand Hotel Standard Foundation 1989 - Present Director, Pamatoy Co., Ltd. 1988 - Present Director, A.B.K. Enterprise Co.,Ltd.	Tourism Manufacture Holding Company

Details of Directors as of December 31, 2020 (continued)

Name	Educational Background	No. of Shares Held	Family Relationship	Experience for the past 5 years	Type of Business
4. Mrs.Pornpun Tanariyakul Authorized Director Executive Director Deputy Managing Director As director since year 2000 Age 61 years	Bachelor Degree in Accounting and MBA, Chulalongkorn University Certificate of Attendance DAP # 6/2003 from IOD.	35,727,750 (11.16%) Mrs.Pornpun = 34,723,750 shares Spouse=1,004,000 shares	Daughter of Mrs.Suvimol Techaruvichit Younger sister of Mr.Surapong and elder sister of Mrs.Oyetip Hayrabut	Feb.2014 - Present Deputy Managing Director , ASIA Hotel Public Company Limited Deputy Managing Director , Asia Pattaya Hotel Co., Ltd. Deputy Managing Director , Asia Airport Hotel Co., Ltd. April.2000 - Present Director and Executive Director , ASIA Hotel Public Company Limited 1992 -Feb.2014 Asst. Managing Director,Asia Airport Hotel Co., Ltd. 1988 - Feb.2014 Asst. Managing Director, Asia Pattaya Hotel Co., Ltd.	Hotel & Rest. Hotel & Rest. Hotel & Rest. Hotel & Rest. Hotel & Rest.
Current position in other organization in previous year Director - company				1988 - Present Director, A.B.K. Enterprise Co.,Ltd. 2003 - Present Managing Director , Pamatoy Co., Ltd. 2014 - Present Director, Namseng Insurance Public Company Limited.	Holding Company Manufacture Insurance
5. Mrs.Suvimol Techaruvichit Director Age 88 years As director since year 1966	Certificate in Commerce and Accountancy Certificate of Attendance DAP # 7/2004 from IOD.	5,619,960 (1.76%)	Mother of Mr.Surapong, Mrs.Pornpun and Mrs. Oyetip	1992- Present Director, Asia Airport Hotel Co.,Ltd. 1972 - Present Director, Asia Pattaya Hotel Co.,Ltd. 1966 - Present Director, Asia Hotel Public Company Limited	Hotel & Rest. Hotel & Rest. Hotel & Rest.
Current position in other organization in previous year Director - company				1989 - Present Chairman, Pamatoy Co.,Ltd. 1988 - Present Director, A.B.K. Enterprise Co.,Ltd.	Manufacture Holding Company
6. Mr.Sombut Pupipathirunkul Director (Independent Director) Audit Committee Member and Nomination and Remuneration Committee Chairman Age 81 years. As director since year 1989.	Bachelor Degree in Economics Thammasart University Certificate of Attendance DAP # 6/2003 , FSD # 4/2009 from IOD.	529,990 (0.16%) Mr.Sombut = 497,990 shares Spouse = 32,000 shares	-none-	Jan 2010 - Present Nomination and Remuneration Committee Chairman, ASIA May 1999- Present Audit Committee Member, Asia Hotel Public Company Limited. 1989 - Present Director, Asia Hotel Public Company Limited .	Hotel & Rest. Hotel & Rest. Hotel & Rest.
Current position in other organization in previous year Director - Company Advisor - subsidiary company				1996 - Present Director, A.B.K. Enterprise Co.,Ltd Aug.2013 - Present Advisor to MD., Asia Airport Hotel Co.,Ltd.	Holding Company Hotel & Rest.

Details of Directors as of December 31, 2020 (continued)

Name	Educational Background	No. of Shares Held	Family Relationship	Experience for the past 5 years		Type of Business
7. Mr.Suwat Dusitrojnanawongse - Director (Independent Director) Audit Committee Chairman - Nomination and Remuneration Committee Member Age 75 years. As director since year 1989.	Bachelor Degree in Economics Kinki University, Japan Certificate of Attendance DAP # 7/2004 , FSD # 4/2009 from IOD.	850,000 (0.27%)	-none-	Jan 2010 - Present Nomination and Remuneration Committee Member, ASIA May 2008 - Present Audit Committee Chairman, Asia Hotel Public Company Limited. 1989 - Present Director, Asia Hotel Public Company Limited .	Hotel & Rest. Hotel & Rest. Hotel & Rest.	
Current position in other organization in previous year Director - Company Advisor - subsidiary company				Feb 2009 - Present Director, A.B.K. Enterprise Co.,Ltd. 1983 - Present Managing Director, Thepdusit Co., Ltd. Aug.2013 - Present Advisor to MD., Asia Airport Hotel Co.,Ltd.	Holding Company Construction Hotel & Rest.	
8. Dr. Chotima Puasiri Independent Director and Audit Committee Member Age 42 years. As director since year 2008.	Master of Commerce, Marketing UNSW, Sydney, Australia & Master of Art, Management. Phd. Business Administration Ramkhamhaeng University Nottingham University, UK. Certificate of Attendance DAP # 78/2009, FSD# 16/2012 ACP# 41 /2012 from IOD	660 (0.00%)	-none-	May. 2011 - Present Audit Committee Member, Asia Hotel Public Company Limited. May. 2010 - Present Independent Director , Asia Hotel Public Company Limited. Aug. 2008 - Present Director, Asia Hotel Public Company Limited.	Hotel & Rest. Hotel & Rest. Hotel & Rest.	
Current position in other organization in previous year Director - Company				2009 - Present Director, N.S.B. Co., Ltd. 2008 - Present Manager, Non-Motor Dep., Nam Seng Insurance Public Company Limited.	Real Estate Insurance	
9. Mrs. Oyetip Hayrabut Deputy Managing Director, Executive Director Age 58 yers. As director since Apr 23 year 2018	Bachelor Degree in Accounting Chulalongkorn University, MBA, Sul Ross States University, U.S.A. Certificate of Attendance จาก IOD DCP อนุมัติ 278/2019	2,040,660 (0.64%)	Dauther of Mrs.Suvimol Younger Sister of Mr. Surapong and Mrs. Pornpun	Dec 2020 - Present Director, Asia Pattaya Hotel Co., Ltd. Dec 2020 - Present Director, Asia Airport Hotel Co., Ltd. Apr 2018 - Present Director, Asia Hotel Public Company Limited 2014 -May 2018 Deputy to Managing Director, Asia Hotel Public Company Limited 2011 - Present General Manager, Asia Hotel Public Company Limited	Hotel & Rest. Hotel & Rest. Hotel & Rest. Hotel & Rest. Hotel & Rest.	
Current position in other organization in previous year Director - company				1996 - Present Director, A.B.K. Enterprise Co., Ltd. 1989 - Present Director, Pamatoy. Enterprise Co., Ltd.	Holding Company Manufacture	

Details of Directors as of December 31, 2020 (continued)

Name	Educational Background	No. of Shares Held	Family Relationship	Experience for the past 5 years	Type of Business
10. Mr. Polpat Techaruvichit Age 33 yrs. As director since Apr 23 year 2018	Bachelor Degree in Business Administration, Mahidol University International College (MUIIC), Nakorn Pathom -DCP no. 281/2019 Certificate of Attendance from IOD	1,459,000 (0.46%)	Grandson of Mrs.Suvimol Techaruvichit, Nephew of Mr. Surapong Techaruvichit Mrs. Pornpun Tanariyakul Mrs.Oyetip Hayrabut	Mar 2018 - Present Director, Asia Hotel Public Company Limited 2017 - Present Asst. to General Manager, Asia Airport Hotel Co., Ltd. 2015 - Present Asst. to Executive Director, Zeer Property Plc. Co., Ltd.	Hotel & Rest. Hotel & Rest. Rental Area-Business
Current position in other organization in previous year Director - company				2016 - Present Managing Director, Polsirapat Co., Ltd. 2013 - Present Consultant of Rescue and Volunteers Dept. Poh Teck Tung Foundation 2013 - 2014 Sales Executive, Bond L. Corporation Co., Ltd.	
11. Miss. Patcha Techaruvichit Age 31 yrs. As director since Apr 23 year 2018	Master of International Business, swiss Hotel Management school, Switzerland Graduate Certificate: International Hotel Management, Blue Mountains Hotel Managemrnt School Australia. Bachelor in communication Arts, Major in New Media Communication Assumption University of Thailand. Course: YECBK Season 1, (Young Entrepreneur Chamber of Commerce) -FBG #13/2018 and DCP #279/2019 Certificate of Attendance from IOD	24,600 (0.01%)	Grand daughter of Mrs.Suvimol Techaruvichit, Daughter of Mr.Surapong Techaruvichit, Niece of Mrs. Pornpun Tanariyakul and Mrs. Oyetip Hayrabut	May 2018 - Present Director, Asia Hotel Public Company Limited Jan 2017 - Present Asst. Marketing Manager, Asia Hotel Public Company Limited Nov 2016 - Present Board member, Mater Dei Alumnae Association under The Royal Patronage of H.M. The King May 2015 - Dec 2016 Management Trainee, Asia Hotel Plc Co., Ltd. Jun 2015 - Mar 2015 Receptionist INFUZIONI, Australia	Hotel & Rest. Hotel & Rest.
Current position in other organization in previous year -none-					

Details of Directors as of December 31, 2020 (continued)

Name	Educational Background	No. of Shares Held	Family Relationship	Experience for the past 5 years		Type of Business
12. Mrs. Ruchukorn Siriyodhin - Director (Independent Director) Age 62 years As director since 13 Nov.2020	Bachelor Degree in Economics Chulalongkorn University Master Degree in Economics Thammasart University Advance Management Program (AMP), Harward University National Defence College of Thailand class 24 Capital Market Academy Program (CMA 16) Executive Program on Justice Administration class 12 DCP no.142/2012, RCL no.20/2020 from IOD	-none-	-none-	Nov.2020 - Present Nov.2020 - Present 2019 - Present 2019 - Present	Independent Director, Asia Hotel Public Co., Ltd. Director, Office of Insurance Commission Director, Board of Bank for Agriculture and Agricultural Cooperatives Director, Board of Botanical Garden Organisation	Hotel & Rest. Insurance Sector Financial Institute State Enterprise
Current position in other organization in previous year Director - company				2016 - 2020	Director, The Transport Co., Ltd.	Transport
13. Miss Sudaratana Wisnuwatanakit Company Secretary Age 62 years	Bachelor Degree in Economics, Chulalongkorn University MBA., Kasetsart University CSDP no. 15/2550 , BRP 4/2010, EMT 18/2010	2,512,600 (0.79%)	-none-	May 2011- Present 2011 - Present 2011 - Present	Company Secretary, Asia Hotel Public Company Limited Secretary to the Board, Asia Pattaya Hotel Company Limited. Secretary to the Board , Asia Airport Hotel Company Limited .	Hotel & Rest. Hotel & Rest. Hotel & Rest.
Current position in other organization in previous year -none-						

Training Course from Thai Institute of Directors.(IOD)

DAP = Directors Accreditation Program

DCP = Director Certification Program

FSD = Financial Statement for Directors

ACP = Audit Committee Program

FBG = Family Business Governance

EMT = Effective Minute Taking from IOD

RCL = Risk Management Program for Corporate Leaders

BRP = Board Report Program from IOD

CSDP= Corporate Secretary Development Program no.15/2550 by SET./ Thai Secretary Club

Management Team as at December 31, 2020

Name	Educational Background	No. of Share Held	Family Relationships	Experience for the past 5 years	Type of Business	
1. Mr.Surapong Techaruvichit Authorized Director Executive Director Managing Director Appointed on 18 February,2014 Age 62 years As director since year 1984	Bachelor Degree in Economics Chulalongkorn University MBA, NIDA, Bangkok Certificate of Attendance DAP # 7/2004 and DCP # 167/2012 from IOD.	2,266,660 (0.71%)	Son of Mrs.Suvimol Elder brother of Mrs.Pornpun and Mrs.Oyetip Father of Miss Patcha Techaruvichit	Feb. 2014 - Present Managing Director, Asia Hotel Public Company Limited Managing Director , Asia Pattaya Hotel Co.,Ltd. Managing Director , Asia Airport Hotel Co.,Ltd. 1990 - March.2012 Director,Zeer Property Public Co.,Ltd. 1992 - Feb.2014 Assistant Managing Director, Asia Airport Hotel Co.,Ltd. 1984 - Feb.2014 Assistant Managing Director,Asia Hotel Public Company Limited 1983 - Feb.2014 Assistant Managing Director, Asia Pattaya Hotel Co.,Ltd.	Hotel & Rest. Hotel & Rest. Hotel & Rest. Rental Area Hotel & Rest. Hotel & Rest. Hotel & Rest.	
Current position in other organization in previous year				2017 - Present 2016 - Present 2016 - Present 2003 - Present 1989 - Present 1988 - Present	Board Member, National Tourism Policy Board, Ministry of Tourism & Sports Board Member, Poh Teck Tung Foundation Board Member, Council of Huachiew Chalermprakiet University Vice President, Thailand Hotel Standard Foundation Director, Pamatoy Co., Ltd. Director, A.B.K. Enterprise Co.,Ltd.	Tourism Manufacture Holding Company
2. Mrs.Pornpun Tanariyakul Authorized Director Executive Director Deputy Managing Director As director since year 2000 Age 61 years	Bachelor Degree in Accounting and MBA, Chulalongkorn University Certificate of Attendance DAP # 6/2003 from IOD.	35,727,750 (11.16%) Mrs.Pornpun = 34,723,750 shares Spouse=1,004,000 shares	Dauther of Mrs.Suvimol, younger sister of Mr.Surapong elder sister of Mrs.Oyetip	Feb.2014 - Present Deputy Managing Director , ASIA Hotel Public Company Limited Deputy Managing Director , Asia Pattaya Hotel Co., Ltd. Deputy Managing Director , Asia Airport Hotel Co., Ltd. April.2000 - Present Director and Executive Director , ASIA Hotel Public Company Limited 1992 -Feb.2014 Asst. Managing Director,Asia Airport Hotel Co., Ltd. 1988 - Feb.2014 Asst. Managing Director, Asia Pattaya Hotel Co., Ltd.	Hotel & Rest. Hotel & Rest. Hotel & Rest. Hotel & Rest. Hotel & Rest. Hotel & Rest.	
Current position in other organization in previous year				1988 - Present 2003 - Present 2014 - Present	Director, A.B.K. Enterprise Co.,Ltd. Managing Director , Pamatoy Co., Ltd. Director, Namseng Insurance Public Company Limited.	Holding Company Manufacture Insurance
3. Mrs. Oyetip Hayrabut Deputy Managing Director Age 58 years As director since year 2018	Bachelor Degree in Accounting Chulalongkorn University, MBA, Sul ross States University, U.S.A.	2,040,660 (0.64%)	Daughter of Mrs.Suvimol, Younger Sister of Mr.Surapong and Mrs.Pornpun	Dec 2020 - Present Director, Asia Pattaya Hotel Co., Ltd. Dec 2020 - Present Director, Asia Airport Hotel Co., Ltd. Apr 2018 - Present Director, Asia Hotel Public Company Limited 2014 -May 2018 Deputy to Managing Director, Asia Hotel Public Company Limited 2011 - Present General Manager, Asia Hotel Public Company Limited	Hotel & Rest. Hotel & Rest. Hotel & Rest. Hotel & Rest. Hotel & Rest.	
Current position in other organization in previous year				1989 - Present 1996 - Present	Director , Pamatoy Co., Ltd. Director, A.B.K. Enterprise Co.,Ltd.	Manufacture Holding Company

Management Team as at December 31, 2020 (continued)

Name	Educational Background	No. of Share Held	Family Relationships	Experience for the past 5 years	Type of Business
5. Mr.Kriengsak Jumaree Hotel Manager Age 57 years	Bachelor of Political Science Ramkhamhaeng University	-	-none-	Dec. 2011-Present Hotel Manager, Asia Hotel Public Company Limited Aug 2011 - Oct. 2011 General Manager, KOSA Hotel, Khon Kaen Oct. 2010- July 2011 General Manager, V-ONE Hotel, Nakornchaisima	Hotel & Rest. Hotel & Rest. Hotel & Rest.
Current position in other organization in previous year -none-					
6. Nominating in Process Director of Sale (Room)					
7. Miss Ganlayanee Roungrayabchai Director of Sales (Banquet) Age 49 years	Bachelor Degree in Marketing Ramkhamhaeng University	-	-none-	2014 - Present Director of Sales , Asia Hotel Public Company Limited 2013 Senior Sales Manager , Mandarin Hotel 2011 - 2013 Senior Sales Manager , Asia Hotel Public Company Limited	Hotel & Rest. Hotel & Rest. Hotel & Rest.
Current position in other organization in previous year -none-					
8. Miss Somsri Tangtatpongsathorn Financial & Accounting Manager Age 52 years	Bachelor Degree in Accounting, Bangkok University	-	-none-	Jul 2005 - Present Financial & Accounting Manager , Asia Hotel Public Company Limited	Hotel & Rest.
Current position in other organization in previous year -none-					
9. Mrs.Sudjai Topol Acting Housekeeper Manager Age 66 years	High school Wat Sawadiwareesimaram School	66,660 (0.02%)	-none-	Jan 2014 - Present Acting Housekeeper Manager , Asia Hotel Public Co., Ltd. 2004 - Dec 2013 Senior Supervisor	Hotel & Rest.
Current position in other organization in previous year -none-					

Management Team as at December 31, 2020 (continued)

Attachment 1

Name	Educational Background	No. of Share Held	Family Relationships	Experience for the past 5 years	Type of Business
10. Nominating in process Front office Manager					
Current position in other organization in previous year -none-					
11. Nominating in Process F&B Manager					
Current position in other organization in previous year -none-					
12. Miss Patcharanee Techaruvichit Asst. HR Manager Age 41 years	Master of Business Administration (HRM) Thammasat University	500,000 (0.16%)	Niece of Mr.Amorn	2007 - Present Asst. HR Manager , Asia Hotel Public Co., Ltd.	Hotel & Rest.
Current position in other organization in previous year -none-					
13. Nominating in process Public Relation Manager					
Current position in other organization in previous year -none-					
14. Mr. Atiwat Opaswongkul Chief Security Age 53 years	High school Bang Bua Tong School	-	-none-	Jan 2021 - Present 2017-Dec.2020 2012-2016 Chief Security , Asia Hotel Public Co., Ltd. Reservation Manager, Asia Hotel Public Co., Ltd. Reception Manager, Asia Hotel Public Co., Ltd.	Hotel & Rest.
Current position in other organization in previous year -none-					
15. Mr. Chairat Thamvichit Chief Engineer Age 74 years	Patumwan Institute of Technology	-	-none-	1987 - Present Chief Engineer , Asia Hotel Public Co., Ltd.	Hotel & Rest.
Current position in other organization in previous year -none-					

Company Name Name of Directors		ASIA	Subsidiaries		
			AP	AA	ZP
1. Mr. Piyawudh	Senapoopitaksa	X			
2. Mr. Amorn	Techaruvichit *	/	/, //	/, //	
3. Mr. Surapong	Techaruvichit	/, //	/, //	/, //	
4. Mrs. Suvimol	Techaruvichit	/	/	/	
5. Mr. Sombut	Pupipathirunkul	/			
6. Mr. Suwat	Dusitrojanawongse	/			
7. Mrs. Pornpun	Tanariyakul	/, //	/, //	/, //	
8. Dr. Chotima	Puasiri	/			
9. Mrs. Oyetip	Hayarabut	/, //			
10. Mr. Polpat	Techaruvichit	/			
11. Miss. Patcha	Techaruvichit	/			
12. Mrs. Ruchukorn	Siriyodhin	/			
13. Pol.Maj.Gen Supchan	Mnutham				X
14. Mr. Surapol	Techaruvichit				/, //
15. Mr. Tosapol	Vachiradaecha				/, //
16. AM Choomsak	Sakulratana				/
17. Gen. Tawatchai	Boonsri				/
18. Mr. Anant	Gatepithaya				/
19. Mr. Somboon	Fusriboon				/
20. Mr. Grish	Attagrish				/
21. Mr. Surayuth	Panchavinin				/
22. Miss Aree	Sayasaevee				/, //
23. Mr. Ekachai	Pattaranutaporn				/, //

Remarks : X = Chairman, / = Director, // = Executive Director

Mr. Amorn Techaruvichit passed away on August 22, 2020, and Mrs. Ruchukorn Siriyodhin has to be appointed a substitute for him.

Details about the head of the internal audit and the supervisor of the company's operations (Compliance)

Details of the head of Internal Audit

- | | | | | | | | | | |
|--------------------|---|-------------|------------|-----------------|----------------|-------------------|----------------------------------|--------------------|------------------------|
| 1. Name | Mrs. Linda Rungfangam | | | | | | | | |
| 2. Age | 61 years | | | | | | | | |
| 3. Education | Bachelor's Degree in Graduate Studies (B.Ed.) PhD in Accounting Education Business, Srinakharinwirot Prasarnmit University | | | | | | | | |
| 4. Experience | Start working with the company since 1983 - present in the following Positions
<table border="0" style="margin-left: 40px;"> <tr> <td>1983 - 2002</td> <td>Accountant</td> </tr> <tr> <td>2003 - Oct 2012</td> <td>Credit Manager</td> </tr> <tr> <td>Jan 2012-Sep 2012</td> <td>Assistant Internal Audit Manager</td> </tr> <tr> <td>Oct 2012 – Present</td> <td>Internal Audit Manager</td> </tr> </table> | 1983 - 2002 | Accountant | 2003 - Oct 2012 | Credit Manager | Jan 2012-Sep 2012 | Assistant Internal Audit Manager | Oct 2012 – Present | Internal Audit Manager |
| 1983 - 2002 | Accountant | | | | | | | | |
| 2003 - Oct 2012 | Credit Manager | | | | | | | | |
| Jan 2012-Sep 2012 | Assistant Internal Audit Manager | | | | | | | | |
| Oct 2012 – Present | Internal Audit Manager | | | | | | | | |

5. Head of the Compliance Department is responsible for being the center of business supervision of the Company and its subsidiaries. (In the hotel business group, Asia Pattaya Hotel Co., Ltd. and Asia Airport Hotel Co., Ltd.) prepare a short-term, long-term audit plan, divided each segment thoroughly. To comply with laws, rules, regulations, policies and requirements of relevant authorities such as the SEC Office, Revenue Department, other government agencies. The Board of Directors has approved the internal audit charter, specify the scope of authority in the audit as well as the procedure of inspection, in compliance with the rules (Compliance Policy) by requiring the Board of Directors, Audit Committee, senior manager Department or department and employees must comply with the law. Including having communication with employees, realizing that every employee has a duty and responsibility for studying and understanding the law, including the rules and regulations involved in the work that is responsible and practice correctly in strict accordance with the rules.

Supervisor of the company's operations (Compliance) -None-

Details about the property appraisal list

- No property appraisal in 2020 -

Other related information

Corporate Governance Code ASIA HOTEL PUBLIC COMPANY LIMITED

The Board of Directors of Asia Hotel Public Company Limited has placed great emphasis on good corporate governance since 2004 and the rules and guidelines have been constantly improved. Subsequently, The Company has improved the Corporate Governance Policy (CG Code) that the Securities and Exchange Commission (SEC) in 2018 as a guideline for the Board of Directors which is the leader or the most responsible person of the organization to apply in the corporate governance to be reliable for shareholders and all groups of stakeholders. Therefore, as the benefit of creating sustainable value for the business in December 2019, the company has resolved to completely revise this supervision principle and to start using it from 13 December 2019 onwards.

Therefore, the principles of corporate governance of the company Consisting of principles and best practices divide into 5 categories including:-

- 1. Rights of shareholders:** Shareholders own the company, controlling it by appointing the board of directors to act as their representatives. Shareholders are eligible to make decisions on any significant corporate changes.
- 2. Equitable treatment of shareholders:** All shareholders, including those with management positions, non-executive shareholders and foreign shareholders should be treated fairly and equally. Minority shareholders whose rights have been violated should be redressed.
- 3. Role of stakeholders:** stakeholders of a company should be treated fairly in accordance with their legal rights. The board of directors should provide mechanisms to promote cooperation between the company and its stakeholders in order to create wealth, financial stability and sustainability of the firm.
- 4. Disclosure and Transparency:** The board of directors should ensure that all important information relevant to the company, both financial and non-financial, is disclosed correctly, accurately, on a timely basis and transparently through easy-to-access channels that are fair and trustworthy.
- 5. Responsibilities of the Board:** The board of directors plays an important role in corporate governance for the best interests of the company. The board is accountable to shareholders and independent of management with 8 principles of CG-Code that the Board of Directors must adhere to as follows:

The Board of Directors has 8 principles of CG-Code:

Principle 1: Establish Clear Leadership Role and Responsibilities of the Board

The Board of Directors is aware of the roles, duties, and responsibilities as leaders who must supervise the organization to have good management by defining the objectives and goals of the organization, setting strategies and operating policies accordingly as well as allocating important resources to achieve the objectives and goals laid down including monitoring the performance regularly.

To achieve sustainable value creation, the board should exercise its leadership role and pursue the following governance outcomes such as the competitiveness and performance with a long-term perspective, the ethical and responsible business, the good corporate citizenship and corporate resilience.

In addition, all directors and executives must perform their duties with duty of care and duty of loyalty and ensure that the operations are in accordance with laws, regulations and resolutions of the shareholders' meeting as well as policy or the guidelines, understanding the scope of duties and responsibilities of the Board of Directors and clearly define the scope of assignments, duties and responsibilities for the Managing Director and the management to monitor and ensure that the Managing Director and the Management perform the duties as assigned.

Guidelines in Practice

1.1 In evaluating the performance of the company, the board should not just consider the company's financial results but also take into account non-financial performance such as its ethical performance and impact on stakeholders, society and the environment.

1.2 The board assume a leadership role in creating and driving a culture of compliance and ethical conduct throughout the company, and lead by example.

1.3 The board ensure the creation of written policies and guidelines, such as a corporate governance policy, codes of ethics, and business conduct, applicable to all directors, executives, employees and staff of the company.

1.4 The board ensure effective implementation including regular communication of the company's policies and guidelines to all directors, executives, employees, and staff. The board ensures adequate mechanisms are in place for monitoring, reviewing and reporting compliance with the company's policies and guidelines annually.

Principle 2: Define objectives that Promote Sustainable Value Creation

The board will define objectives that promote sustainable value creation and governance outcomes as a framework for the operation of the company, customer, stakeholder, and social as well. The board ensures the company's objectives, goal, strategies, and plans are consistent with long-term objectives while utilizing innovation and technology effectively.

Guidelines in Practice

2.1 The board will ensure that the company has clearly defined objectives that support the company's business model. The board should ensure company-wide communication of the objectives, for instance, in the form of the company's vision and value creation.

2.2 When developing the business model for sustainable value creation, the board should take into consideration the following factors: the company's ecosystem, including changes to business conditions and opportunities, and the company's effective use of innovation and technology, the need of customers and other stakeholders; and available resources and competitiveness of the company.

2.3 The company's values reflect characteristics of good corporate governance, accountability, integrity, transparency, and due consideration of social and environmental responsibilities. The board promote a good corporate governance culture and strive to have the company's objectives embedded in company-wide decision-making and conduct through effective communication.

2.4 The board will ensure that the company's strategies and plans take into account all relevant factors influencing the value chain, including the company's ecosystem, risks, resources, competitiveness, and stakeholders. The board should ensure that a mechanism for stakeholder engagement is in place that all groups and can be analyzed to get results.

2.5 The board will promote innovation and the use of technology to enhance competitiveness, respond to stakeholder concerns and expectations, and meet social and environmental responsibilities.

2.6 The board will consider the company's targets (financial and non-financial), the board has to ensure that they are suitable to the company's business target, and they do not cause the company to engage in illegal or unethical conduct.

Principle 3: Strengthen Board Effectiveness

The board understand in leadership role and governance of the company, to determining and reviewing the board structure for hotel business and real estate business, ensure that the board consists of directors with appropriate and the necessary qualifications, knowledge skills, experience, character traits, with an appropriate gender and age balance and the proportion of executive directors and independent directors so as to ensure its leadership role in achieving the company's objective.

The Company has the selection policy to appoint independent director as chairman of the board and ensure that the policy and procedures for the selection and nomination of directors are clear and transparent resulting in the desired composition of the board. The Board appoint relevant committees to review specific matters, to screen information, and to recommend action for board approval; however, the board remains accountable for all decisions and actions.

When proposing director remuneration to the shareholders' meeting for approval, the board will consider whether the remuneration structure is appropriate for the directors' respective roles and responsibilities, linked to their individual and company performance, and provide incentives for the board to lead the company in meeting its objectives, both in the short and long term.

The board conducts an annual performance evaluation of the board, its committees, and each individual director. The evaluation results should be used to strengthen the effectiveness of the board. The board will ensure that the board and each and individual director understand their roles and responsibilities, the nature of the business, the company's operations, relevant law and standards, and other applicable obligations. The board support all directors in updating and refreshing their skills. The board ensures that it can perform its duties effectively and have access to accurate, relevant and timely information. The board appoint a company secretary with necessary qualifications, knowledge, skills and experience to support the board in performing its duties.

Guidelines in Practice

3.1 The board consider the board structure and ensure that the proportion of non-executive directors including independent directors more than the number of executive directors in order to inspect and balances in operating in the company.

3.2 The board establish a nomination and remuneration committee with all members and the chairman being independent directors. The nomination and remuneration committee is responsible for setting the nomination criteria and process of director and remuneration that are consistent with the company's strategies and long-term objectives and reflects the experience, obligations, scope of work, accountability, responsibilities of each director by comparable to industry practice that the board proposes to approval from the shareholder meeting.

3.3 The board set the criteria of the number of director positions directors can hold simultaneously in other companies and consider the effectiveness of directors who hold multiple board seats. The number of companies of which a person can simultaneously be a director should be appropriate to the natures and types of businesses involved but should not exceed five listed companies and report to public disclosure of directors assuming or holding positions at other companies.

3.4 The board, the committee's and individual directors' performance evaluation should be conducted at least once a year to facilitate consideration and improvement of the board's performance and effectiveness and resolution of any problems. The assessment criteria and process for the board's, committees' and directors' performance should be systematically set in advance.

3.5 The board will ensure that directors regularly receive sufficient and continuous training and knowledge development.

3.6 The board's meeting schedule and agenda will be set in advance and each director should receive sufficient notice to ensure attendance. There are monthly of the board meeting should be appropriate to the obligations and responsibilities of the board nature of the business at least 12 times per financial year. If there are emergency case, it will arrange extra meeting. Meeting documents should be sent to each director at least five business days before the meeting.

3.7 The board encourage the chief executive officer to invite key executives to attend board meeting to present details on the agenda items related to matters that they are directly responsible for, and to allow the board to gain familiarity with key executives and assist succession planning.

3.8 Non-executive directors are able to meet, as necessary, among themselves without the management team to debate their concerns and report the outcome of their meeting to the company's chief executive officer.

Principle 4: Ensure Effective CEO and People Management

The Board will ensure that there are a nomination and development of the Managing Director and high-level executives to have knowledge, skills, experience, and characteristics necessary to drive the organization towards the goal. The board supervises to determine the compensation structure and appropriate evaluation by understanding the structure and relationship of shareholders that may affect the management and operation of the business. Including monitoring the administration and development of personnel to have the appropriate amount of knowledge, skills, experience, and motivation.

Guidelines in Practice

4.1 The board has assigned the Nomination and Remuneration Committee to establish the criteria and procedures for nomination and appointment of the chief executive officer and high-level executives. In order to business continuity, the board ensures that development and succession plans for the chief executive officer and key executives are in place. The board promotes the continuous development and education of the chief executive officer and key executives that are relevant to their roles.

4.2 The board has assigned the Nomination and Remuneration Committee to determine the appropriate compensation structure and evaluation. Determine the compensation that is an incentive for the Managing Director, high executive, and all levels worker in accordance with the objectives and main goals of the organization and the interests of the business in the long term and the economic environment factors close to the same industry.

4.3 The board ensure that the company is properly staffed, and that human resources management aligns with the company's objectives and furthers sustainable value creation. All employees and staff must receive fair treatment.

4.4 The board ensures that the company establishes a provident fund or Asia Hotel Savings and Credit Cooperative Limited to implement a training and development program for employees that promotes financial literacy, including on retirement savings, and educates employees and staff on life appropriate investment.

Principle 5: Nurture Innovation and Responsible Business

The board priorities and promote innovation that creates value for the company and its shareholders together with benefits for its customers, other stakeholders, society, and the environment, in support of sustainable growth of the company. The board will encourage management to adopt responsible operations, and incorporate them into the company's operations plan to ensure that every department and function in the company adopts the company's objective, and strategies, applying high ethical, environmental and social standards, and contributed to the sustainable growth of the company. The management allocates and manages resources efficiently and effectively throughout all aspects of the value chain to enable the company to meet its objectives.

The board will establish a framework for governance of enterprise IT that is aligned with the company's business needs and priorities, stimulated business opportunities and performance, strengthens risk management, and supports the company's objectives.

Guidelines in Practice

5.1 The board priorities and promote a corporate culture that embraces innovation and ensure management's inclusion of innovation in corporate strategy, operational development planning, and operation monitoring.

5.2 The board nurture innovation that enhances long-term value creation for the business in the changing environment, improving operational processes and collaborating with partners.

5.3 The board ensures the company's operations reflect the company-wide implementation of high ethical, environmental and social standards to further the company's objectives and goals in support of sustainable value creation. Policies and procedures for running the business fairly and respecting and adhering to stakeholders' rights as follows:

- (1) Responsibilities to employees, and workers by considering fair treatment and respect for human rights, including a fair level of remuneration and other benefits, a level of welfare that is not less than the legal limit (but can be over the legal limit where appropriate), health care, and safety in the workplace, training support, potential development and promotion of advancement and giving chances to employees to develop other skills.
- (2) Responsibilities to customers by considering health, safety, fairness, customer information security, after-sales services, throughout the lifespan of products and services, and following up on customer satisfaction measurements to improve the quality of products and services. In addition advertising and public relations must be done responsibly, and these should not cause misunderstanding or encourage unwanted habits such as over-spending.
- (3) Responsibilities to business partners by having a fair procurement process and contract or agreement conditions, providing training, developing potential and enhancing production and service to meet standards and explaining and supervising business partners to respect human rights, and treat their workers fairly, including monitoring and assessing partners to have mutual sustainable businesses.
- (4) Responsibilities to the community by applying business knowledge and experience to develop projects that can concretely add value to the community. There should be a follow up on progress and success tracking in the long term.
- (5) Responsibilities to the environment by managing and ensuring that there is no negative impact on the environment, including raw material use, energy use (for production, transportation, or in the office), water use, renewable resources use, rehabilitating the diversity of biology, having an impact from running business, discharging and managing waste from running business, and greenhouse gas emissions.
- (6) Competing fairly by running the business transparently and not taking advantage of competitors.
- (7) Anti-fraud and corruption by ensuring that the company sets up and announces anti-fraud and corruption policies to the public. The company might work with its network and with other companies in anti-fraud and corruption. The company can also encourage business partners to be in the network.

5.4 The board ensures that management continuously reviews, adapts, and develops the company's use optimization of resources, considering internal and external factors to meet the company's objectives.

5.5 The board ensures that Innovation Technology security policies and procedures are in place.

Principle 6: Strengthen Effective Risk Management and Internal control

The board will ensure that the company has effective and appropriate risk management and internal control systems that are aligned with the company's objectives, goals and strategies and comply with applicable law and standards under the audit committee that can act effectively and independently and an internal auditor or establish an independent internal audit function that is responsible for reviewing and improving the effectiveness of the risk management and internal control systems, and reporting review results to the audit committee.

The board will manage and monitor conflicts of interest that might occur between the company, management, directors, and shareholders and also prevent the inappropriate use of corporate assets, information, and opportunities, including preventing inappropriate transactions with related parties. The board establish a clear anti-corruption policy and practices including communication and staff training and communicate its anti-corruption efforts to stakeholders and a procedure for handling complaints and whistleblowing.

Guidelines in Practice

6.1 The board establish a risk management committee or assign responsibility to the Audit Committee to assist the board in its oversight functions related to the risk appetite of the company. The implementation of risk management policies that are consistent with the company's goals, objectives, strategies, prioritization of early warning signals of material risks and scope of the company's principal. The substantial risks are identified through consideration of internal and external factors that may be no success in the target.

6.2 The board regularly monitor the effectiveness of the company's risk management.

6.3 The board has to ensure and monitor that the company complies with relevant and applicable law and standards, whether domestic, international or foreign.

6.4 In assessing the effectiveness of the company's internal controls and risk management, the board should consider the result of internal controls and risk management at its subsidiaries and businesses in which it has a significant investment.

6.5 The board will establish an information security system, including appropriate policies and procedures, to protect confidentiality, integrity, and availability of business information, including market-sensitive information. The board should monitor the implementation of the information security policies and procedures and the adherence to confidentiality requirements by insiders, including directors, executives, employees and staff, and professional advisers, such as legal or financial advisers.

6.6 The board should ensure management and monitoring conflict of interest situations and transaction. The board should adopt ethics and conflicts of interest policy consistent with applicable law and standards (including fiduciary duties), and establish clear guidelines and procedures for disclosure and decision-making in the conflict of interest situations. For example, any party who has a vested interest in a particular transaction, should disclose that interest, and not be involved in the decision-making or voting on that agenda item.

6.7 The board ensure company-wide awareness and implementation of the company's anti-corruption policy and practices, and compliance with applicable law and standards. The board ensure that whistleblowers are protected from retaliation as a result of their good faith whistleblowing activities.

Principle 7: Ensure Disclosure and Financial Integrity

The board ensures the integrity of the company's financial reporting system and that timely and accurate disclosure of all material information regarding the company is made consistent with applicable requirements. The board ensures that risks to the financial position of the company or financial difficulties are promptly identified, managed and mitigated and that the company's governance framework provides for the consideration of stakeholder rights. The board will monitor the company's financial liquidity and solvency in order to the confidence of finance and operation.

In addition to a financial report, the board discloses sustainability report such as reporting data on the company's compliance and ethical performance (including anti-corruption performance), its treatment of employees and other stakeholders (including fair treatment and respect for human rights), and social and environmental responsibilities.

The board ensures the establishment of a dedicated Investor Relations function responsible for regular, effective and fair communication with shareholders and other stakeholders such as analysts and potential investors.

Guidelines in Practice

7.1 The board ensure that any person (including chief financial officer, accountant, internal auditor, company secretary, Investors Relation officer) involved in the preparation and disclosure of any information of the company has relevant knowledge, skills and experience, and that sufficient resources, including staffing, are allocated.

7.2 When approving information disclosures, the board will consider all relevant factors, including for periodic financial disclosures:

- (1) The evaluation results of the adequacy, of the internal control system.
- (2) The external auditor's opinions on financial reporting, observations on the internal control system, and any other observations through other channels.
- (3) The audit committee's opinions.
- (4) Consistency with objectives, strategies and policies.

7.3 The board will ensure that information disclosures (including financial statements, annual reports, and Form 56-1) reflect the company's financial status and performance accurately and fairly. The board promote the inclusion of the management Discussion and Analysis (MD&A).

7.4 If the business has financial problems. The board will ensure that the company has sound financial mitigation plans that consider stakeholder rights including creditor rights. The board should monitor management's handling of financial risk or difficulties and seek regularly report. The board ensures that any actions to improve the company's financial position are reasonable and made for a proper purpose.

7.5 The board establishes guidelines for communicating and disclosing information to stakeholders or third parties and designates a person responsible for providing information to them including the information generally disclosed and information that affects the price of securities or the image of the company which is correct information in time and equal.

Principle 8 : Ensure Engagement and Communication with shareholders

The board knows that the shareholders have the opportunity to participate effectively in decision-making involving significant corporate matters and significant corporate decisions are considered and/ or approved by the shareholders pursuant to applicable legal requirements. Matters that require shareholder approval should be included in the agenda for shareholders' meeting and shareholders should be sufficient notice thereof. The board ensures that the shareholders' meeting is held as scheduled and conducted properly, with transparency and efficiency, and ensure inclusive and equitable treatment of all shareholders and their ability to exercise their rights. The board ensures accurate, timely and complete disclosure of shareholder resolutions and preparation of the minutes of the shareholders' meetings as well.

Guidelines in Practice

8.1 The board support participation of all shareholders through reasonable measures, including:

- (1) Establishing criteria that allow minority shareholders to propose agenda items for shareholders' meetings. The board considers shareholders' proposals to be included in the agenda, and if the board rejects a proposal, the reasons should be given at the meeting.
- (2) Establishing criteria for minority shareholders to nominate persons to serve as directors of the company.

The board ensures that measures and criteria are established and promptly disclosed to ensure shareholder engagement and participation.

8.2 The board ensures that the notice of the shareholders' meeting (including the Annual General Meeting (AGM)) is accurate, complete, and sufficiently in advance for the shareholders to exercise their rights.

8.3 The board ensures that the company arranges for the notice the shareholders' meeting and related papers to be sent to shareholders and posted on the company's website at least 28 days before the meeting.

8.4 shareholders be allowed to submit questions prior to the meeting. The board should therefore ensure that there are clear criteria and a process for shareholders to submit questions. The criteria should be posted on the company's website.

8.5 The notice of the shareholders' meeting and related papers should be fully translated into English and published at the Thai version.

8.6 The board set the data, time, and place of the meeting by considering the interests of shareholders, such as allocating sufficient time for debate, and choosing a convenient location

8.7 The board ensure that the company does not through its meeting attendance requirements to prerequisites prevent attendance by or places an undue burden on shareholders, including as a result as a result of identification requirements that exceed applicable legal and regulatory requirements.

8.8 In the interest of transparency and accountability, the board should promote the use of information technology to facilitate the shareholders' meetings, including for registration and vote counting.

8.9 The chairman of the board is the chairman of the shareholders' meeting with responsibility for compliance with applicable legal requirements and the company's articles of association, allocating sufficient time for consideration and debate of agenda items, and providing opportunity to all shareholders who wish to share their opinions or ask questions related to the company.

8.10 To ensure the right of shareholders to participate in company's decision-making process in relation to significant corporate matters by participating and voting at shareholder's meeting on basis of sufficient and information, directors who are shareholder should not be allowed to add items to the meeting agenda that have not been duly notified in advance.

8.11 All directors and relevant executives attend the meeting to answer questions from shareholders on company-related matters.

8.12 The attending shareholders should be informed of the number and the proportion of shareholders and share represented at the meeting in person and through proxies, the meeting method, and the voting and vote counting methods before the start of meeting.

8.13 There will not be any bundling of several items into same resolution. For example, the appointment of each director should be voted on and recorded as separate resolution.

8.14 The board promote the use of use of ballots for voting on resolutions proposed at the shareholders' meeting and designate an independent party to count or to audit the voting results for each resolution in the meeting, and to disclose such voting results at the meeting by identifying the number of "for", "against" and "abstain" votes. The voting results for each proposed resolution should be included in the minutes of the meeting.

8.15 The board ensures that the company discloses the results of voting proposed resolutions at the shareholders' meeting through the designated Stock Exchange of Thailand channels and through the company's website by the next business day.

8.16 The board ensures that minutes of the shareholders' meeting is submitted to the stock Exchange of Thailand within 14 days from the shareholders' meeting date.

8.17 The board ensures that the company promptly prepares the minutes of the shareholders' meeting, including the following information:

- (1) attendance of directors, executives, and the proportion of attending directors;
- (2) voting and vote counting methods' meeting resolutions, and voting results ("agreed", "disagreed", "abstained") for each proposed resolution; and
- (3) questions asked and answers provided during the meeting, including the identity of the persons who asking and answering the questions.

Code of Conduct

The Company realized on the importance of good governance for benefiting the management effectively and increasing the reliability to shareholders, clients, partners, creditors and employees. The Company has established the management policy and corporate governance system for operating the company to achieve its objectives and goals in the business way to stand for corporate governance policy, have responsibility to all stakeholders including social and the country for common interest. It could be categorized as follows:

1st Category: Business Code of Conduct

1. Disclosure and Transparency

The management, accounting record and financial reported must be done correctly according to the law, equity rules and international standard. And also the information must be disclosed correctly, transparently and presently for reliability of investors, shareholders and related creditors.

2. Commitment to Business Integrity

Shareholders, employees, clients, competitors, partners and creditors must be treated fairly and correctly according to the law and enhanced the cooperation between related parties for operating the corporate business consistently and providing the benefits to all related parties fairly.

3. Risk Management

The company has established risk management policy relating to the efficiency, effectiveness and accuracy of financial reports, corruption risk management and compliance with laws, rules, regulations and orders in alignment with the good internal control practices by analyzing the risk of business transaction and determining the level of risk and control measures for minimizing the risk to the lowest level.

4. Best Practice

To promote best practice to all personnel and divisions for improving self performance and development and being the best always.

5. Corporate Social Responsibility

Do the business by considering the duties and responsibilities relating public benefits and environment for developing well being of Thai society.

6. Ethics and Integrity

Ethics and integrity are fundamental to good governance. The Company needs to promote ethical and integrity practice to directors, management and employees at every level. The business cannot be sustainable if it is not built on good, integrity and ethical values.

7. Anti-Corruption

The company supports anti-corruption by establishing its policy to all board of directors, management team and all staff in every level as well as communicating to all related parties including subsidiaries and other companies that the company has the power to control, acknowledge and conform to the company policy and legal requirement.

2nd Category: Directors, Executives and Employee's Ethics

The Company has built the integrity and ethical practice to directors, management and employees as follows:

1. Best Practice of the Company

1.1 Act with integrity, honesty and transparency by considering the highest benefits of the Company and related persons.

1.2 Perform duties with diligence, skill and care. Foresee problems and find their resolutions. Maintain working standard constantly.

1.3 Follow the rules, regulation and orders strictly according to the standard and code of conduct established by the Company.

1.4 Not engage in outside business activities or invest to compete or appear to compete with the Company's business.

1.5 Not engage in any other business activities, personal business or others that are not the Company's business activities during working hours. Be careful and avoid personal business or any other activities that may conflict or damage reputation of the Company.

1.6 Not use job or information of the Company or of stakeholders for seeking personal, family or others' beneficial interests directly or indirectly.

1.7 Must protect and not disclose confidential information of the Company, stakeholders unless it is required to do so as on duty and responsibility or to comply with judicial proceeding, by law or court order or legal process or to authorized officials according to the law.

2. Best Practice for Customers, Partners and Creditors

2.1 Must not accept or offer gifts or presents from customers, partners, contractors, vendors, service providers or government officials.

2.2 If employee accepts gift of more than nominal value, given on traditional occasions, employee must inform supervisor.

2.3 Accepting to do any task for any business activities by receiving payment directly or indirectly, employee must report to supervisor about the relationship.

2.4 Accepting or entertaining customers, partners, contractors, vendors or service providers must only be done for benefiting the Company business deal. Entertaining must not cause damages to reputation of the Company and its stakeholders.

2.5 The company has regulations regarding accepting/giving gifts which shall apply to clients, parties, creditors and related persons who relevant to the company.

3. Best Practice for Employees

3.1 Must obey and follow the supervisor's lawful orders and must not interfere with authority in management. Achieve accomplishments, improve creative thinking for assigned tasks, develop a positive attitude to supervisors and be adaptive to be able to work with supervisor.

3.2 Keep learning for self-development and improve work efficiency.

3.3 Be a good subordinate and respectful. Is consistent and fair with all subordinates. Promote subordinates and enhance their progress. Be a good listener and help consider, analyze and solve problems.

4. Best Practice for Society

4.1 Support social activities with no affect or damage to the reputation or interest of the Company or no conflict to work duties.

4.2 Use political right according to the law and avoid actions that can cause misunderstanding that the Company involved in any political parties.

3rd Category: Code of Conducts for Directors, Executives and Employees

Directors Code of Conducts

1. Setting Company Goals

Establish the Company's vision, mission, objectives, policy and strategies for long-term value added to beneficiaries. Execute to manage risks affecting on achieving objectives and goals with system and suitable pattern to the organization according to generally accepted work instructions.

2. Good Governance

Promote the good governance and moral rules according to international system. Build a good relationship to beneficiaries and society. Create reliability and confidence to related persons both in society and country level. Manage the company's operations to ensure all activities are conducted in accordance with rules, regulations and relevant laws as well as ensure that information relevant to the Company is disclosed correctly, accurately, on a timely basis and transparently.

3. Maintain Moral and Ethical Conduct

Operate the Company's business by moral and ethical principles and promote moral and ethical conduct at all levels of organization including inspect and resolve conflict of interest that may arise in the organization.

4. Duties and Responsibilities

Act honestly with fairness and integrity in all business activities for the highest benefit of shareholders and related persons in overall.

5. Company's Assets

The Company's Assets should be inspected to ensure their efficient use and protected from any damages or improper uses. All Company's assets should be used for legitimate business purpose.

6. Monitoring and Evaluation

Review and approve major strategies and policies including objectives, financial goals and plans as well as regularly monitor and evaluate implementations according to the plan.

Employee Code of Conduct

1. Duties and Responsibilities

Employees should perform their duties with integrity, honesty and care for all business activities. Should improve quality and efficiency including develop the organization for the best practice and not slander directors or other employees without true information.

2. Comply with Laws, Rules and Regulations

Employees should comply with laws, rules, regulations and related principles. Employees should not help, support or do any thing that may lead to avoidance in complying with laws or regulations.

3. Report and Financial Statement

Accounting record and financial statement should be reported correctly and truly and according to the rules and regulations of the Company. Information relevant to the Company should be disclosed correctly, accurately, on a timely basis and transparently to related persons.

4. Getting Benefits from Persons Engaging the Company's Business

Employees should not request for, accept or agree to accept money or any other benefits from customers, partners, contractors, vendors, product and service providers or any other persons engaging the Company business. Employees should

not give special favor or have close relationship with any customer that lead to another misunderstanding and appeared that they are not being treated fairly and caused them not wanting to deal with the Company and damage the Company's image and reputation.

5. Information Confidentiality

Employees should not intentionally or unintentionally disclose information, documents, technologies, technical know how, rights, copyrights, patents and inventions are considered as the company confidential information to other persons, it may result in damages to business competition, images or reputation of the company.

6. Company's Assets

Employees have duties and responsibilities to use the Company's Assets efficiently. The Company's Assets should be protected from any damages or improper uses and they should be used for legitimate business purpose only.

7. Entertainment and Gifts

Employees must not offer or accept gifts, presents or entertainment from customers, partners, contractors, vendors, service providers or government officials. If employee accepts gift, given on traditional occasions, of more than nominal value, employees must inform supervisor.

8. Conflicts of Interest

Employees should not perform any activities that can create a conflict of interest to the Company's business e. g. acts or activities may cause the Company to lose or get less benefits or the Company's benefits are shared.

8.1 Competition with the Company

Employees should not involve or invest in activities that are competition with or may compete with the Company's Business.

8.2 Seek for the Company Benefits from Personal Activities

All employees should disclose their personal, family, relative or dependant's business or activities. If there is any interest that may affect the Company's business or cause the conflict of interest such as

8.2.1 Invest or share benefits with traders dealing with the Company

8.2.2 Is employed in any job title or as a consultant of trader who dealing with the Company or its customer.

8.2.3 Directly or indirectly supply products or provide service to the Company and its affiliated companies or through others.

8.3 Use Company Information for Personal Advantage

Employees shall not seek for personal or other benefits from confidential information of the Company or its affiliated companies such as the Company plan, revenue, resolution, business projection, inventions or research results, bidding information whether these information can cause damage to the Company or not.

9. Maintain the Company's Reputation

Employees should avoid any acts that may affect the Company's reputation or cause troubles to the company. Employees should maintain their honor and be accepted in society.

4th Category: Rights of Shareholders and Equitable Treatment of Stakeholders

Rights of Shareholders

- 1) Board of directors should take care and encourage shareholders to exercise their basic rights to:
 - Participate and vote in the shareholder meetings to make decisions on any of significant corporate changes and approval of transactions.
 - Elect or remove members of the board and appoint the independent external auditor.
 - Share in the profit of the company.
 - Buy, sell or transfer shares, obtain relevant and adequate information on the company in a timely manner and on a regular basis, and make decisions on any transactions that affect the company and themselves.
- 2) Shareholders should be invited for the meeting and sufficient information regarding venue, time and issues to be decided in each agenda item should be provided in advance of the meeting and the company should arrange sufficient and suitable meeting venue and time for the most members to participate in the meeting.
- 3) Under the Company's laws and regulation, Shareholders should be allowed to propose an agenda item, ask questions, ask for explanation and express their opinions.
- 4) The chairman of the meeting should participate the shareholder's meeting for answering questions or allow management or other related directors to answer the questions.
- 5) After the shareholder's meeting, relevant information regarding the decision and voting result should be provided to shareholders.

Equitable Treatment of Shareholders

- 1) Shareholders have the right to vote according to number of shares they hold and information regarding the company should be provided equally.
- 2) Shareholders should obtain relevant and adequate information on the company in a timely manner an equal way. The company should not be bias to any one or group of shareholders by providing them non-disclosure information.
- 3) Shareholders will be treated fairly and equally in the meeting.

Stakeholders will be treated fairly

The company respects the rights of stakeholders and has set a clear policy in corporate governance for ensuring that stakeholders include shareholders, employees, executives, customers, partners, creditors as well as public and society will be treated fairly according to their legal rights. The cooperation between stakeholders should be enhanced according to their roles and duties, securing the company business activities and benefiting all stakeholders fairly.

Treatment of Shareholders

The company is willful to be a good representative of shareholders to operate the business activities and provide the most satisfaction by considering long-term growth of the company including disclose the company information transparently and reliably to shareholders.

Treatment of Employees

Employees are the most valuable resource and a key to the success of the company business. The company, therefore, creates a good work culture and environment as well as enhances teamwork, treats to employees gently and respects each individual's right to privacy. Employment, appointment and transfer of employees will be considered, based on ethical conduct and human resource will be utilized to gain the most benefit for the company.

The company will treat employees equally and fairly without regard to gender, race, nationality, religion and creed.

The company has a responsibility to create a good work environment and safety for life and assets of employees and persists to follow labor law strictly.

The company shall provide safeguard and protect staff who informs corruption cases occurring in the organization by keeping it confidential, no punishing or firing that staff from the organization according to the Whistle Blowing and Protection policy for appellant.

Treatment of Customers

The company is willful to provide the satisfactory and reliable service to customers with quality rooms, foods and beverages at reasonable price as well as maintain a good relationship. The company, therefore, establish a code of conduct as follows:

- Quality rooms, food and beverage service: The Company is willful to raise the standard to a higher position continuously and disclose information regarding the location and service completely, correctly and accurately.

- Customers' Confidential Information: Directors, Executives and Employees at every level should not disclose customers' confidential information without prior permission of customers or authorized person of the company unless the information need to be disclosed to third parties pursuant to a court order according to the law.

Treatment of Competitors

The company promotes and enhances a free and fair trade competition policy, not monopolize the trade or require traders to specifically supply goods for the company only and no policy to obtain the competitors' information illegally and unethically.

Treatment of Partners

Dealing with business partners should not cause the damage of the company's reputation or conflict of the relevant laws. Equality and mutual benefits should be considered and Business partners should be selected fairly. By the way, the Company considered that partners are an important factor to create value and reliability for customers.

The Policy of the Company is not to conduct business with parties who are involved in corrupt activities.

Treatment of Creditors

The Company adheres to the contract and complies with the terms and conditions of creditors strictly for paying off capital, interest and secures the guarantee.

5th Category: Internal Control Policy

1. Corporate Organization Chart

Internal audit is a necessary and important process for the corporate organization because it is an internal control that helps executives to ensure that the internal control is performed continually and properly and it helps to search the faults, weakness for developing the existing operating system to be more efficiently. The company, therefore, establish an internal control unit as a department of the company.

2. Control Environment

To support and promote a good internal control environment as follows:

2.1 Establish policies, goals and business directions clearly and measurably and propose to Board of Directors for Approval of employee's code of conduct.

2.2 Set up a code of business ethics by evaluating business ethics of the company including good practice for directors, executives and employees for setting up a code of conduct and informing entrepreneurs, who deal with the company regarding the company policy periodically as well as informing employees to perform their duties with integrity, ethics and morality without conflict with the code of business of the company. Announce in writing to directors, executives and employees that performances that may constitute the conflict of interest of the business are prohibited.

2.3 Create a proper corporate organizational structure and the line structure is defined by its clear chain of command, relationship between divisions in the organization and lines of authority for all levels of management. These help executives operate the business efficiently.

2.4 Has a regulation regarding room, food and beverage service, financial and accounting, human resource management and hotel and restaurant accessories procurement as practice guidelines to be used by employees to comply with the Company's regulation.

2.5 Define job description, tasks, duties, knowledge, abilities and skills of position. And provide suitable authorities and responsibilities for each job title.

2.6 Has the human resource management on recruiting the right person for the right position, developing and training personnel, promoting to a higher job position, increasing salary level including analyzing incentives or benefits to employees that whether it is reasonable.

3. Control Activities

3.1 Duties and Responsibilities are defined into 3 categories:

- 1) To approve
- 2) Record accounting items and communication information and
- 3) Maintain and collect assets separately for being audited each others.

3.2 For each type of transaction, the Company has defined the authorized persons in written for financial amount approval.

3.3 Documentation and evidences has been conducted for facilitating and sharing responsibilities including informing responsible person in case there is anything wrong.

3.4 Protect business assets from loss and improper use such as check and count assets occasionally, security guard is arranged to protect and prevent loss of assets etc.

4. Monitoring and Evaluation System

4.1 To conduct the report for comparison of the actual operation result of existing and last year and to revise it regularly

4.2 Internal audit is conducted by skilful person with knowledge and abilities and to propose the internal audit report to Board of Directors

4.3 Major defects of internal control found by internal auditor or independent accounting auditor have been reported to a high level of executives and Board of Directors to consider and revise without hesitation

4.4 Has a policy to executives that if there is any case of corruption, suspected corruption, law violation and any other abnormal acts that might significantly affect to the Company's fame and financial statement, they shall report to Board of Directors immediately.

5. Communication and Information System

5.1 Continuously support development of communication and information system

5.2 Record directors' opinion and file document into categories

5.3 Important information is collected sufficiently for making decision

5.4 Board of Directors receives letters and meeting document containing adequate information for considering the minutes of board of directors' meeting

5.5 Accounting Report is conducted according to accounting policy under the general accounting principle and suitable with the business type of the Company

6. Significant Risks Affecting Achievement of Business Operation Objectives

The business risk from internal and external factors has been managed properly. Executives and related employees have cooperated to set the risk evaluation and analysis system affecting business operations and find protection measure regularly. There is a follow up and investigation measures causing risk factors and performed according to the risk management measures as defined for minimizing risk to be at suitable level. Related employees have performed according to the risk management plan.

6th Category: Disclosure and Transparency

1. Director has the duty to conduct financial statement for reporting the financial status and operational result of the Company as specified by law and disclose adequate, reliable, and up to date information to stakeholders of the Company equally.

2. The Company develops important information carefully, apparently and transparently and it has been disclosed regularly.

3. Board of directors shall conduct a descriptive report to be supplemented with the Annual Report for explaining important and complicated matters and elucidating important policy of the Company relating operational risk management and also financial increase.

4. Board of directors shall make additional disclosure in the Annual Report regarding number of meeting attendance of each director and/or sub-director/subcommittee to compare with number of director/subcommittee meeting arranged each year.

5. There is an agency/a department to provide information and communication to shareholders, investors as well as securities analyst.

6. The Company has regularly disclosed the information as follows:

- Objectives of the Company
- Financial statement and report from the chairman of audit committee
- Operational result of the Company and analysis

- Shareholding structure and management
- Risk Factors
- Corporate governance policy, etc.

7th Category: Environmental, Occupational Health and Safety Policy

Environmental Policy

Regarding the environment, the Company recognizes that the environment relates to the balance and living together among humans, animals and trees. Protecting the environment is therefore, the Company's responsibility to the society and a duty of all employees with the following objectives:

- To protect from pollution
- To control air condition, wastewater and waste material from the operation to be better than the standard required by law
- To use the resource economically
- To comply with the existing and future applicable law
- To improve the environmental quality continuously

Occupational Health and Safety Policy

The Company recognizes that the occupational health and safety management system is a part of the business which is important. It is the direct responsibility of all executives and employees to ensure that the operations are in accordance with the occupational health and safety plan and comply with The Thai law and international standard and to improve the prevention of hazards that might affect to employees, clients and related persons continuously according to the objectives set up from risk assessment as follows:

- To prevent accidents caused by fire and explosion.
- To prevent chemical hazards
- To prevent injuries caused by mechanical works
- To prevent dangers from electrical works

In order that, executives shall inform all employees about objectives, provide adequate and sufficient resources for achieving defined objectives and goal, set up proper training for employees at every level to be able to perform their duties and responsibilities as well as review management policy, execute the audit periodically and support employees to share their opinions.

8th Category: Anti-Corruption Policy

The Company realized that bribery, dishonesty and corruption can damage the organization as well as the economic and social development of the country. The Company, therefore, has established the Anti-Corruption Policy and places its guidelines as follows:

1. The Board of Directors, the Management Team and the Company staff in every level must follow with Anti-Corruption Policy, good corporate governance practices and Code of Conduct of the Company by avoiding involving with any course of corruption. The Board of Directors, the Management Team and the Company staff in every level are prohibited from operating or accepting every type of corruption both in direct or indirect manner for benefiting him/herself, family members, friends and acquaintances.

2. All staff shall not be negligent in any corruption conditions involved with the Company. All staff must notify such act to supervisor, human resource manager, managing director, internal auditor, or audit committee including collaborate with investigation. Any questions or queries are needed to be consulted by supervisor, human resource manager, managing director, internal auditor, or audit committee.

3. The Company shall provide fairness and safeguard staff who denies or informs corruption cases relating the Company.

4. In every business transaction dealing with both public and private sectors, it must be processed correctly, transparently and properly. Avoid any act persuading public or private sector employees to do it improperly or illegally by proceeding in accordance with Thai law.

5. The Policy of the Company is not to conduct business with parties who are involved in corrupt activities.

6. Any person who commits the corruption is equivalent to misconduct and must be disciplined and punished according to the law.

7. The Company will provide knowledge sharing and dissemination of this Anti-Corruption Policy to all staff and other people through the Company website at www.asiahotel.co.th


ASIA HOTEL PUBLIC COMPANY LIMITED

Policy on the Anti – Corruption

"Asia Hotel Public Company Limited is committed to conduct business with integrity and according to the principles of corporate governance, using strategies in business competition fairly, transparently and adhered to service standards and quality of hotels and restaurants significantly and strictly complying with applicable laws. The Company has against corruption by not accept any corruption. The Company and its subsidiaries or other companies that we have power to control, including people associated with the business operations do comply with this anti-corruption policies, which covers compliance in all units in the company.

The Company has an employee training and public relations to provide the knowledge and better understanding to those involved with the company, they must not acquire or has consented to receive money or benefits from related business and does not perform any such nearby. In addition, no claim or action or accept bribes for sake of the company, family, friends and acquaintances. If the Board of Directors, executives, and employees do not comply this policy, they shall be subject to disciplinary action and penalty.

In addition, The Company has conducted evaluation on the risk of potential corruption in each process regularly as well as tried to find appropriate solutions by establishing channels for reporting the clues or lodging complaints to the Audit Committee of the Company in case of finding circumstances or acts indicating dishonest acts or misconduct of individuals. " The Board of Directors Meeting No. 9/2014 held on July 15, 2014 has approved a policy on corruption, Henceforth.

Sign.....
Surapong Techaruvichit.
Managing Director

Asia Hotel Public Co., Ltd. **The Manual Supplements to** **The Policy on Anti-Corruption**

1. Introduction

- 1.1 Asia Hotel PCL adheres to honesty with its business operations and is in compliance with the principles of good governance. It uses the strategy in the business competition with equity and adheres to the service standards and good quality of the hotel and restaurant as priority and complies with the relevant laws strictly. It has well-realized that bribery and corruption are severe threats to destroy fair and free competition, including causing damage to the country's economic and social development. It has a policy of anti-corruption by rejecting any type of corruption whatsoever. It also directs its subsidiaries or other companies with control over them, including the relevant people on the business operations to follow the policy on the anti-corruption, which covers compliance in all of its relevant units.
- 1.2 The company has participated in the project "Private Sector Collective Action Coalition against Corruption "CAC" to create a standard on doing honest business for the inside and outside benefits of the organization.
- 1.3 This policy of anti-corruption "Policy" is considered being an additional part of the policy on good governance and has been approved by its board of directors.

2. Objectives

This policy has the following objectives

1. It shows its standing point on anti-corruption in the entirety.
2. It sets the guidelines and practices to prevent the company and its employees from violating the law on bribery and anti-corruption.
3. It designates the procedure on verification and follow-up to make sure that there is compliance with this policy.
4. It encourages its employees to be vigilant and report on encountering corruption via the safe communication channel.
5. It supports the subsidiaries and other affiliates, including the relevant persons in doing business with the company against bribery and corruption.

3. Scope

- This policy is applicable with the directors, management and all employees (hereinafter the "Employees") of the company.
- The company expects its subsidiaries and other companies and affiliates to comply with this policy.

4. Definitions

Any statements or words used in this policy shall have the following meaning except being shown or explained otherwise.

Fraud means embezzlement of money or property of the company for self-interest, including withdrawing/paying money by fraudulent means and falsification or destruction of the document to derive of personal gain.

Corruption means bribery, demand, acceptance, offer and exploitation of the authority and information received from the performance of duty within the company to do something for self-benefit, friends or other people to derive of anything or benefit unsuitable for the business or by favoritism. It is for self-interest directly and indirectly, including anything in violation of the law or against the business ethics of the company or against the usual trade practices.

Corruption can be perpetrated in multiple forms, e.g.

1. Political contributions.
2. Charitable contributions and sponsorships.
3. Gifts and hospitality.

5. Duties/Responsibilities

5.1 The board of directors has assigned its audit committee to supervise the policy and the measures on anti-corruption to make sure that the company has complied with its duty according to the laws and the specified code of conduct.

5.2 All the management has the main duty to apply this policy, including following up the effectiveness of this policy, while the managing director has a duty to explain, answer and interpret the asking questions.

5.3 All of the management has a duty to communicate with its subordinates to have realization and understanding in this policy and has been trained sufficiently and regularly.

5.4 The employees shall perform the duty to be consistent with this policy. In case of doubt or encounter a violation of this policy, they shall report to the superior or via the specified channel according to policy on reporting a clue and the protection of the complainant.

6. Policies and guidelines

6.1 General provisions

6.1.1 The company has zero-tolerance policy and complies with the entire relevant laws on anti-corruption in Thailand.

6.1.2 The company shall not participate in the corruption directly and indirectly, and determined to apply the control system, rule and practice with effectiveness to use in the anti-corruption.

6.1.3 The company's employees shall not participate in the corruption and bribery with the public and private authorities, e.g. the personnel of the various companies with a joint transaction directly and indirectly to acquire or maintain or exploit a competition.

6.1.4 The company has set up guidelines on the practice and the internal audit to prevent from corruption by designating a policy on risk management and evaluation of the risk on corruption that may happen inside the organization.

6.1.5 The company has evaluated the risk on possible corruption and the support of a political activity, charitable donation and as a patron and giving a gift or expense on the entertainment by setting up the practical guidelines.

6.2 Relevant companies and persons

6.2.1 The subsidiaries and affiliates that the company has the power of control.

The company shall notify and support its subsidiaries within its power to comply with the policy on anti-corruption.

6.2.2 Business agents and middlemen.

It is prohibited the company or employees from hiring an agent or middleman in any business with the purpose for corruption.

6.2.3 Distributors/service providers and contractors.

The company shall arrange a purchase, procurement of goods/service with equity and transparency, including assessment to select the goods/service distributors and the contractors with scrutiny. However, it shall notify them on this policy, and it reserves the right to terminate the purchase and contract, on finding out that the goods distributor/service provider is involved with or have committed corruption or bribery.

6.3 Support on political activities

The company has no policy to help or support a political activity or party or group, regardless of directly or indirectly.

6.4 Donation for a charity or becoming a patron

6.4.1 The company donates for charity in the form of financial assistance or other forms (e.g. giving knowledge or time sacrifice) as part of the activity rewarding the society, including public relations and promoting good images to the company without aiming for business result in return.

6.4.2 Acting as the endorser is a method of business public relations, which is different from a charitable donation. It can be made in multiple forms, e.g. support on the activities in art, culture and education, etc.

6.4.3 The employees shall be careful to make sure that the charitable donations and patronage shall not be an excuse of a bribe, including doing it with transparency and in compliance with the applicable law.

6.4.4 In a donation for charity or as a patron, it shall prepare an application stating the name of the donee/benefactor and the objective of the donation/support with the entire appendices submitted to the authorized person of the company to approve according to the rule of the company.

6.5 Gift and Entertainment Expense

6.5.1 The company is aware of creating good relations with a business ally are an important thing to bring its continuous success.

6.5.2 Giving, presenting or receiving a gift, entertainment or any interest with the customers, trade partners or relevant persons shall comply with the rules on giving/taking of a gift or award.

7. Internal Control

7.1 The company shall maintain its internal audit system effectively is anti-corruption, which covers a mutual audit on accounting, data storing, including other business processes involved with this policy.

7.2 The internal audit system shall consist of the control the whole organization, including control and procedure on the practice as specified specifically, and designed for managing the risk of possible corruption.

7.3 Organization-wide control consists of the policy on business supervision, address on anti-corruption of the management, verification of the internal audit office, policy on human resources, bylaws of the company, authorization and division of the duties suitably, records and reports of accounting and financial data correctly and truly, and handling of the report upon encountering corruption.

8. Storing of Data

8.1 The company has a policy to comply with the standards, principles, including the laws applicable on the report of accounting and financial information.

8.2 All types of the expenditures shall include supplementary documents; including storing and preserving the data of the company shall comply with the relevant laws and regulations.

8.3 The company does not allow false recording of data with a wrong principle, invalidity, or incorrectness or window dressing as well as shall not have an extra accounting for using to support or conceal the inappropriate receipts or payments.

9. Training and Communication

9.1 Employees

All of the employees are trained on anti-corruption regularly just to be aware of this policy, especially on the various forms of the corruption, the risk of participation in it, including the method of reporting in case of encountering or suspecting to have corruption.

All of the employees shall receive a copy of this policy to make sure that they have received and understood of the company's policy on the anti-corruption. Moreover, they can read it, including the updated information from our website at www.asiahotel.co.th. We shall notify our employees for acknowledgement, if there is a change in the essential information.

Training on the knowledge about this policy shall form a part of the orientation or before taking the office of all the new employees.

9.2 The Outsiders

We shall communicate the policy on anti-corruption in the entirety to our agents, middlemen, distributors of our goods/services and the contractors for acknowledgement from the start of the business relations and thereafter as appropriate.

Nevertheless, we encourage our agents, middlemen, distributors of the goods/services and contractors to adhere to the standards on social responsibility the same as ours.

10. Reporting upon encountering corruption

In a situation that an employee has a question or evidence that there is an employee or person acting on behalf of the company has participated in corruption, they shall report it to the superior promptly, or report via the channel according to the "policy of reporting a clue and protection of the complainant." After the company has received a report, it shall take up the matter seriously, and shall not punish the whistleblower with integrity.

11. Protection of its employees

11.1 Our company can assure you that there will be no employee is demoted, punished or affected from refusing a bribe, although such the refusal may cause us to lose business or miss an opportunity to get a new business. We believe that the policy on refusing a bribe and anti-corruption entirely can help to build the value to us. Furthermore, we shall not allow anyone to intimidate or threaten or withhold the employee who intends to comply with this policy.

11.2 Nonetheless, if the employee believes that they are intimidated or threatened or withheld, shall report to the direct superior or the personnel manager promptly. In the event that it has not been remedied, they shall report via the proper channel according to our "policy on reporting a clue and the protection of the complainant."

12. Violation of the Policy

12.1 The company shall take a disciplinary action against the employee who violates this policy, including the direct superior who ignores the perpetration or with realization that there is a commission of an offense but failed to remedy it. The method of punishment shall depend on the facts, circumstances and characteristics of the offense by designating a rule punishing the employee violating the policy.

Meanwhile, the ignorance of this policy and/or the relevant laws cannot be excused for not complying with them.

12.2 The agents, middlemen, distributors of goods/services or any contractor of the company may be terminated of the contract, if violating the guidelines of this policy. In addition, when they have recognized the offense against this policy, but failed to report to the management, or has given incorrect information upon our investigators have investigated the information on the action that may be contradictory to this policy as well.

13. Relevant policy, report and record forms

The employees should read and understand the policies jointly with other manuals of the company as follows:

13.1 Policy on supervision

13.2 Policy on reporting a clue and the protection of the complainant.

13.3 Employee bylaws.

13.4 Rules on accepting/giving a gift/reward.

Relevant records are,

13.5 Rules on charitable donations and becoming a patron.

13.6 Record on an application for a donation or support.

13.7 Reporting on accepting a gift/award form.

13.8 Reporting on giving a gift/award form.

14. Supervision, follow-up and investigation

14.1 The management has to review this policy annually and present to the audit committee and the board of directors for approval. However, if there is a change, including supervision and follow-up for practice continuously or any improvement may be implemented as soon as possible.

14.2 The internal audit shall examine the internal audit system and the operations in accordance with the policy regularly to make sure that the system is effective on the anti-corruption. Nevertheless, it shall consult on the result of the audit jointly with the relevant persons to find suitable and remedial guidelines, and shall report to the management and the audit committee for acknowledgement regularly.

This manual is supplementary to the policy on anti-corruption approved by the board of directors on 11 November 2016

Asia Hotel Public Company Limited

Policy on Reporting a Clue and the Protection of the Complainant

Asia Hotel PCL has a policy of giving a clue on an offense or misconduct or behavior that may imply dishonesty, corruption or misbehavior of the people within the organization from its employees and all the vested interests. In addition, it has a mechanism in protecting the whistleblower and prioritization on collecting information, clue and complaint to be kept confidential and to build confidence to the complainant with the following details:

1) Scope of reporting a clue or filing a complaint

- 1.1 When there is a question or discovery of a violation of the good practice in the following matters:
 - Violation on following the principles and guidelines of the policy supervising good governance.
 - Violation of the rules, regulations and bylaws of the company.
 - Being treated unfairly during working.
 - Commission of misconduct and corruption.
- 1.2 Discovery of an action that causes a suspicion and bad effects to the company.

2) Channels on reporting a clue or complaint

- 2.1 Direct superior of the employees
- 2.2 Personnel manager of the company
- 2.3 E-mail address: acboard@asiahotel.co.th
- 2.4 Mr. Suwat Dusitrojjanawongsa
Independent Director and Chairman of Audit Committee
Asia Hotel PCL
- 2.5 Mr. Surapong Techaruvichit
Managing Director
Asia Hotel PCL

3) Consideration on the clue or complaint

- 3.1 Details of the clue or complaint must be true, clear or sufficient to lead to finding facts for further operations.
- 3.2 The informant or complainant can choose not to reveal their name, address, contact telephone number, if they deem it can cause a security concern or any damage. However, the disclosure of identity can help the case to progress or inquire about the beneficial information additionally, and giving facts or relieve damage conveniently and more rapidly.
- 3.3 The received information shall be considered confidential and no disclosure of the name of the informant or complainant to the public without prior consent.
- 3.4 The informant or complainant shall be protected of their right, regardless of being an employee or a third party.
- 3.5 The receiver of the clue or complaint and the relevant person with the process on verifying the facts has to keep the information secret and disclose only as necessary, considering the safety and damage to the informant or complainant or cooperator in the verifying the facts and the source of information or the relevant person.

4) Relevant People Group

- 4.1 Informant means the person who reports a clue or complaint.
- 4.2 Coordinator on the complaint means the person who receives the complaint, collects the basic information and the summary on the operations is the secretary of the company.
- 4.3 Supervisor of the complaint means the direct superior of the complained person or the higher superior of the complained unit.
- 4.4 Supervisor of the disciplinary rules means the personnel department
- 4.5 Managing director
- 4.6 Audit committee

5) Procedures

5.1 After the coordinator has received a complaint, they shall proceed as follows:

- Submit the matter to the supervisor on the complaint, proceed to find facts and give an order according to the existing authority.

- Submit a copy of the matter to the personnel department for acknowledgement initially to prepare an advice according to the discipline or other matters.
- Submit a copy to the managing director and the audit committee for acknowledgement.

5.2 Gathering of facts and giving an order

- 5.2.1 The complaint supervisor shall proceed to find facts and give advice for the involved persons to behave or act suitably later. If there is a disciplinary action, it can be made in consultation with the personnel department, so it shall comply with the punishing measures as well. However, if the complaint supervisor has no power to order a punishment, it shall be presented in the hierarchical chain of command up to the authorized persons as the case maybe. Then it shall send the results on finding the facts, operations and punishment as the case maybe to the managing director via the hierarchical superiors for acknowledgement or an order
- 5.2.2 In the case the complaint is anonymous and cannot find additional information sufficiently, the complaint supervisor shall send a report on the verification of the information and comment to the managing director via the hierarchical superiors for suitable guidelines further. However, if the managing director deems it cannot proceed on the complaint, which the case can be closed, he shall inform the complaint supervisor for acknowledgement and report to the inspection committee.
- 5.2.3 In a situation that the complaint supervisor has verified the facts and found the complained person is innocent, or it is a matter of misunderstanding or has given advice to the complained person or the relevant person to have suitable behavior or practice, so the matter should be closed without any punishment. The complaint supervisor shall present such the matter to the higher hierarchical superior for approval to close the matter with a copy to the coordinator who receives the complaint and inform the complainant for acknowledgement, and report to the managing director as well as the inspection committee.

5.3 Investigation of the facts and punishment

- 5.3.1 In the case that the complaint supervisor and the personnel department have investigated it and deemed appropriate to take a disciplinary action, the personnel department shall present the matter to the managing director.
- 5.3.2 After the result of the order by the managing director, it shall notify the supervisor on the complaint to take further actions.
- 5.3.3 The punishment shall comply with the rules of the company and/or the relevant laws.

5.4 Notifying the summary to the whistleblower or complainant and remedy

- 5.4.1 The coordinator on the complaint shall notify the results on the operations to the complainant and record the results on the operations related to the complaint by presenting to the inspection committee on a quarterly basis.
- 5.4.2 The coordinator on the complaint shall follow up the result on the remedy (if any) and report to the managing director and the inspection committee for acknowledgement.

6) A bogus complaint or wrong channel

In a situation that the complaint giving a statement or any information that can be proven to be bogus or is in the wrong channel, if it is the case of a company's employee, they shall be faced with a disciplinary action. However, it is an outsider who does that to inflict damage, so the company shall consider prosecuting them as well.

7) Responsibility of the higher superior

In the case the supervisor on the complaint ignores or refuses to follow this policy, the higher superior may be faced with a disciplinary action as well.

8) Measures on protecting the rights of the whistleblower or complainant

- 8.1 The company shall keep the information and the identity of the whistleblower or complainant and the complained person confidential.
- 8.2 The company shall reveal the information only as necessary by considering the safety and damage to the informer, source of information or the relevant persons.
- 8.3 The injured person may be relieved of the damage by the suitable and fair process.
- 8.4 In the event that the complainant or cooperator on verifying the facts deems that they feel unsafe or may suffer damage, they can request the company to set up suitable and protective measures by themselves, or the company may set up protective measures by the complainant or the cooperator on the verification of the case without a request, if it is deemed the case can cause suffering or damage or danger.
- 8.5 The company shall not do anything that is unfair to the whistleblower or complainant, regardless of by reshuffling the position, job characteristics, workplace, suspension, and intimidation, working disturbance, termination or other actions that are unfair to them or the cooperator in the verifying the facts.

Procedures on Receiving/Giving a Gift or Award

This procedure is part of the Anti-Corruption Policy

Asia Hotel PCL has operated the business under the good supervision by adhering to the good governance principle and business code of conduct, with social responsibility, environment and the stakeholders from all partisans. It uses the strategy in the business competition with fairness, best product quality and service. Moreover, the company still has determination in the opposition to corruption in all forms. It also designates its directors, employees, including the relevant persons on its business, which it has the power in the control to comply with the policy on anti-corruption strictly.

Nonetheless, it has communication and public relations to create knowledge and understanding to the relevant persons not to demand or allow receiving money, things or any benefits from the vested interests. It includes not doing or making anything that can be considered as such and shall not demand, Implement or accept a bribe for the benefit of the company or self or subordinate as specified in the policy on supervision of the company business and has been practiced all along.

Procedure on Receiving a Gift or Award

Definition

A gift or award or other benefits are anything other than non-monetary things given to each other at the various opportunities for etiquette or friendship or reward or affection or remuneration or at the various occasions normally according to the tradition or culture or according to the social practice. For instance, the New Year gift, birthday gift, gift given on the occasion of taking a new position and for the retirement date, etc.

Taking Money or Reciprocal benefit

The directors, management and employees shall not accept money or any rewarding benefit personally from the customers or anyone due to working in the name of Asia Hotel.

Taking a Gift/Reward

The directors, management and employees shall avoid accepting a gift in money and in kind from the trade partners or from those involved with the business of Asia Hotel except during the festivals or a tradition. They shall report to the superiors in the hierarchical command and notify the third parties, shops and companies or trade partners to deliver them to the specified point, and shall prepare a report on receiving a gift/reward or other benefits.

The Gifts/Rewards according to the Procedure of the Company that can be accepted

1. Things that are not money.
2. Things with the maximum value of 2,000 baht from the same source.
3. Things prepared for sales promotion and stamped with the logo of such the company, e.g. a pen, hat, T-shirt.
4. Things made for giving away/during the festivals, e.g. a calendar, organizer book, gift basket.
5. Other special benefits that the company shall receive for sales promotion, but it shall comply with the guidelines on sales promotion specified by the company and approved by the management.

Rules on Giving Away a Gift

The company has no policy to give away a gift or special benefits in the various forms, e.g. the cost of reception service, various expenses for the customers, trade partners, outside agencies or anyone to acquire the business except the business entertainment according to the tradition or giving a trade discount and its project sales promotion. It includes not giving a gift or award with a value directly and indirectly to the governmental authorities to secure a business except in accordance with the festival or tradition the same as giving to the customers of the company.

It has provided the gifts during a festival and according to the tradition to its customers and trade partners or contacting authorities with the clear guidelines on each festival.

It has designated a trade discount clearly for its customers and trade partners or governmental authorities in contact. Nevertheless, such the given present, award or trade discount shall be considered being for the fair business competition and not exploiting its competitors.

The rules on Receiving/Giving a Gift or Award are approved by the board of directors on 11 November 2016

Procedures on Donation to the Charity and Becoming a Patron **This procedure is part of the Anti-Corruption Policy**

Asia Hotel PCL has operated the business under the good supervision by adhering to the good governance principles and business code of conduct, with social responsibility, environment and the stakeholders from all partisans. It uses the strategy in the business competition with fairness, best product quality and service. Moreover, the company still has determination in the opposition to corruption in all forms. It also designates its directors, management and employees, including the relevant persons on its business, which it has the power in the control to comply with the anti-corruption policy strictly.

Donations or patronage has the objective for the public benefit on religion, education, sports and art and cultural activities shall be implemented with transparency and legality as well as complying with the procedures set by the company. It has verification and approval from the authorized persons to make sure that the donation or financial support is used in accordance with the objective and not an excuse for bribery.

Definition

A donation is for charity and financial support means the money that the company has paid for the public benefit as follows for religion, education promotion, sports, art and culture.

Format of Donation or Support

The company has a policy on donation or support in the following formats:

1. Cash or check
2. Room voucher
3. Food voucher
4. Things such as equipment/appliances and food, etc.

Procedures

1. The operator shall prepare a record form for donation/financial support by stating the name of the donee or financial support, objective and name of the activity or requesting project.
2. Submission of the application for the donation/patron of the financial support with the entire supplemental documents to the authorized person of the company for approval.

The company has set up the guidelines for a charitable donation and financial support for a public benefit with the following conditions:

1. It shall be transparent, legal and moral, including not doing anything causing damage to the community.
2. Making a donation and support for the project according to the objective and can be proven to have an activity to support the objective of the project to success and create benefits for the society truly, or in compliance with the objective of the operation with social responsibility.
3. The donations and support shall not be involved with a reciprocal benefit to anyone or agency except a general announcement, e.g. decorating a logo or announcement of the name at the activity venue or in the media for public relations, etc.
4. It shall comply with the procedures on the operations. However, if it is a donation or financial support, regardless of the form, it shall be approved by the board of directors or the authorized person.
5. In donating money or property of the company, it shall be made in the name of the "Company" only. With such charitable donation shall go to a foundation, public charity organization, temple, hospital, medical place or organization to benefit the society. It shall have a certificate or reliability and evidence of the donation clearly and reliably, and in compliance with the procedure of the company. Nevertheless, the company shall not use the donation as a reference or use for other purposes.
6. Spending of the company's money or property in support of the project shall state the name of the "Company" only. Meanwhile, the spent money must have the company's business purpose, good image and reputation, and the payment shall state the clear objective and the evidence that is accountable.

The rules on the charitable donation and being the patron are approved by the board of directors on 11 November 2016

The background of the cover features a central white diamond shape. On the left and right sides of this diamond, there are vertical bands of overlapping, semi-transparent geometric shapes in shades of blue, yellow, and pink. The text is centered within the white diamond.

ANNUAL REPORT 2020

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