



veranda
resort

PUBLIC COMPANY LIMITED



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Veranda Resort Public Company Limited

ANNUAL REPORT

(Form 56-1 One Report)

23



VERANDA
Pool Villas hua-hin | cha-am

Incredible experience
through our lifestyle business



Message from Chairman and Chief Executive Officer	4
Financial Highlight	5
The Board of Directors	7
Part 1 Business Operations and Performance	
Policy and Overall Business	11
Company's Structure	32
Risk Management	36
Sustainable Development	41
Management Discussion and Analysis	54
General and Important Information	60
Part 2 Corporate Governance	
Corporate Governance Policy	65
Management Structure	74
Remuneration of Directors and Executives	85
Internal Control and intercompany transactions	91
The Audit Committee Report	94
The Nomination & Remuneration Report	95
The Corporate Sustainability & Risk Management Report	96
Report of the Board Responsibilities in Regard to Financial Statements	98
Part 3 Financial Statements	100
Attachments	
Details of Directors, Executives	162
Details of Directors of subsidiaries	174
Details of Internal Audit	175
Business Assets	176
Policies and Practice guidelines for CG and code of conduct	182

Message from the Chairman

2023 is the year that the tourism industry continues to recover after being severely affected by the Covid-19 epidemic in every industry sector for three years. Even though the epidemic crisis is about to end, the world still has to face problems of war and conflict, as well as international trade wars that may affect the global economy, including Thailand. Although tourism has resumed, the Company is prepared and monitors potential issues that may arise and impact the business.

During the COVID-19 pandemic, the Committee supported hotel management in renovating rooms, common areas, and restaurants, as well as adding new amenities to adapt to changing customer behavior and consumption.

In addition, the Board of Directors is aware of the importance of sustainable business operations. Therefore, it has been approved to establish a sustainability committee to oversee and advise on appropriate approaches to business operations and sustainability work.

On behalf of the Chairman and representatives of the Company's directors, I would like to express my gratitude to all shareholders for their continued trust and support in the Company. Your unwavering confidence enables us to navigate and overcome obstacles and crisis in the tourism industry.



Chai Jroongthanapibarn

Message from the Chief Executive Officer

Business operations in 2023 is quite a year with significant fluctuations in many aspects, including high interest rates. In the past, inflation in developed countries has been moderately decreasing mainly due to inflation in the manufacturing sector. However, in the coming period, it will be more challenging to reduce inflation due to the rise of inflation in the service sector. Additionally, the global economy is slowing down, and Chinese tourists have not yet arrived as expected.

The hotel business remains the main focus of the Company and plan to expand it continuously. This includes adding more pool villa rooms at Veranda Resort and Villas Hua Hin-Cha-am, which is already operational. Furthermore, the Veranda Resort Phuket project is expected to be completed by the fourth quarter of 2024. The Samui Pool Suite - Rocky Resort hotel extension project will add 20 more rooms and is expected to be completed and opened for service by the fourth quarter of 2024.

The Company has prepared to invest in purchasing land for the real estate business. For business expansion in the next 3-5 years, we will focus on business in which we have expertise to expand the business and grow continuously. As for real estate projects in Phuket, reservations are gradually coming in which is considered a good sign for the real estate business.

The food and beverage business has been continuously affected by COVID-19 until now. The Company has carefully considered and is of the opinion that it is appropriate to reduce the proportion of food and beverage business to focus on the Company's core business instead.

We kindly ask that the shareholders and stakeholders of the Company be assured that the management team and employees are committed to developing the Company with good governance, social responsibility, and environmental sustainability. Our goal is to ensure that the Thai community can progress sustainably.



Pawatt Ongvasith

Financial Summary



Financial Summary

Summary of Veranda Resort PCL.

Unit: Million Baht

Descriptions	2021	2022	2023
Performance summary			
Revenue from hotel business	395.04	954.54	1,129.78
Revenue from real estate development	756.44	221.89	122.71
Revenue from food and beverage businesses	103.17	116.49	86.12
Revenue from management service	15.79	28.02	32.02
Total Revenues	1,307.47	1,365.82	1,402.47
Gross Profit	228.34	439.37	475.13
Profit (Loss) before finance costs and income tax	(64.26)	71.67	(33.92)
Net Profit (Loss)	(107.25)	1.11	(140.77)
Statement of financial position			
Total Assets*	4,795.43	4,757.29	4,803.48
Total Liabilities*	2,865.40	2,826.15	3,015.58
Equity	1,930.03	1,931.14	1,787.90
Earnings per share (Loss)	(0.34)	0.003	(0.440)
Important financial ratios			
Liquidity ratio (Times)	0.49	1.15	0.75
Gross profit rate to total income %	17.46	32.17	33.88
Net profit rate to total income %	(8.20)	0.08	(10.04)
Return on assets %	(1.27)	1.50	(0.71)
Return on equity %	(5.36)	0.06	(7.57)
Debt to equity ratio* (Times)	1.48	1.46	1.69

* Figures for 2022 have been adjusted to the same classification as 2023 for comparability.

The Board of Directors



Mr.Chai Jroongthanapibarn
Chairman of the Boards / Independent Director /
Nomination & Remuneration Committee



Mr.Verawat Ongvasith
Vice Chairman of the Board / Chairman of
Executive Director / Chief Executive Officer



Mr.Paiboon Kujareevanich
Chairman of Audit Committee / Independent Director
Member of Nomination & Remuneration Committee /
Chairman of Corporate Sustainability and
Risk Management Committee



Mr.Trairak Tengtrairat
Member of Audit Committee /
Independent Director

The Board of Directors



Mrs. Siriporn Maneepun
Member of Audit Committee / Independent Director



Mrs. Tosaporn Angsuwarangsi
Director / Member of Risk Management Committee /
Executive Director / Chief Financial Officer



Mrs. Napassorn Sunthornmanokul
Director / Executive Director



Mr. Surasak Wongkiattavorn
Director / Member of Risk Management Committee /
Executive Director / Vice Executive Officer of Hotel
Operation

The Board of Directors



Mr. Kittisak Sopchokchai
Director / Member of Sustainability &
Risk Management Committee



Mr. Siriwat Vongjarukorn
Director / Member of Nomination & Remuneration
Committee

Executives



Ms. Ladda Somsiripornchai
Senior Vice President Accounting / Secretary of Audit /
Secretary of Sustainability & Risk Management Committee



Mr. Varut Tantiphop
Vice President Corporate Finance / Company Secretary
/ Investor Relations



BUSINESS OVERVIEW



Part 1

Business Operations and Performance

Vision, Mission, and Operational Goals of the Company Group

The Company has a business goal of being a leading operator in the hotel business, real estate development business, including food and beverage business by focusing on being the destination of the customer and creating a memorable experience to remind customers of the Company Group first when they want to relax, have accommodation or dining and dessert. In addition, the Company's management has communicated to employees at all levels of the Company Group for everyone to participate in leading the Company Group towards the same goal. The Company has a vision, mission, and goals as follows:

Vision

Develop hotels, resorts, residence and lifestyle business that focus on customers experience and put great emphasis on design

Missions

Build unique lifestyle business and create Impressive and memorable experience for long-term popularity

Core Value

- V - Value: Create maximum value for stakeholders.
- E – Entrepreneur: Has a good entrepreneurial spirit.
- R – Respect: Respect opinions and needs of all parties.
- A - Accountability: Has a good awareness to all stakeholders.
- N - Neat: Every creation is exquisite.
- D - Development: Develop the organization for relentless
- A - Attractive: Has a unique charm that spells every

Business Goal

The goal of operating the business of the Company is to be the leading hotel in the country by providing a comprehensive service that fully meets all the customers' needs and maintains the same level of service quality everywhere to impress customers who have come to use the service and recommend others to use the service with impressions.

With a commitment to maintaining service standards for all target groups of customers, hotels and business groups in the Company Group have gained more popularity from customers, begun to be widely known, and be able to expand more customer base. Additionally, the locations of the hotel that are important tourist destinations, including Pattaya, Hua Hin, Chiang Mai, Samui, as well as hotels in Bangkok, make them possible to meet the customers' needs and cover many regions of the main tourist attractions.

In addition, the company has plans to expand the hotel business, real estate, and restaurants to Phuket, a tourist destination in southern Thailand that is popular with both domestic and international tourists, in order to increase income and expand the service area thoroughly.

Strategies

- Branding Leverage: utilization of what is available to increase income or add value to the Company whether it is knowledge, expertise, or business relationships with partners and customers of the Company.
- Big Data Analysis: analysis of information from existing customers of their lifestyles, preferences, interests, so that the Company can offer products and services that meet the customers' needs.
- Entrepreneur Spirit: cultivating employees' awareness of being a valued part of the Company, love the organization, and have a sense of ownership.
- Diversification: The Company has several types of business that meet a wide range of customers' lifestyles, so the Company does not have to rely on a single revenue stream. In addition to the fact that the hotels are located in various areas causing the Company to diversify its risks if there are crises in a specific area.



Major Changes and Developments in The Past 10 Years

Year	Details
2012	<ul style="list-style-type: none"> - The SO Sofitel Bangkok Hotel was opened with 237 rooms at Sathorn Sub-district, Bangkok District, Bangkok Province.
2013	<ul style="list-style-type: none"> - The Company increased its authorized capital to 400 million baht (250 million baht of paid-in capital) to invest in the OKT.
2014	<ul style="list-style-type: none"> - The VBP, a company under the same control as the Company arising from a joint venture between Mr. Verawat Ongvasit's group, Mr. Sakorn Suksriwong's group, and other shareholders, launched the second residential condominium project under the name of "Veranda Residence Pattaya" in the high-rise category. The 35-storey residential condominium consisting of 325 units and 4 pool villas, 329 rooms in total, located in Na Jomtien, Mueang Pattaya District, Chonburi Province. The total project value was approximately 1,946 million baht.
2015	<ul style="list-style-type: none"> - The Company established the Veranda Cuisine Company Limited with the objective to operate food and beverage business; and opened the first dessert and beverage restaurant under the name of "Skoop Beach Café" Pattaya Branch. - The Company acquired all shares of The Isa Resort Company Limited from a third party. The ISA operates the Rocky's Boutique Resort Hotel with 50 rooms in Maret Sub-district, Koh Samui District, Surat Thani Province. - The VBP opened the Veranda Resort Pattaya with 145 rooms located in Na Jomtien Sub-district, Mueang Pattaya District, Chonburi Province.
2016	<ul style="list-style-type: none"> - The Company increased its authorized capital to 1,223.41 million baht (1,223.41 million baht of paid-in capital) in order to adjust the shareholding structure within the Group by issuing capital increase shares of 823.41 million baht and 186.68 million baht to exchange for the Company's common stock with the common stock of existing shareholders of 1) OTR, 2) OKT, and 3) VBP at the rate of 0.10 OTR's existing common stock per 1 common stock of the Company, 0.20 OKT's existing common stock per 1 common stock of the Company, and 2.67 VBP's existing common stock per 1 common stock of the Company. The Company also issued capital increased shares of 636.73 million baht to repay the loans of existing shareholders. Therefore, after the shareholders restructuring, the Company held 99.99 percent of the shares in all 3 companies. - The VCS sold the assets of the Skoop Beach Café, Pattaya Branch and allowed the VBP to continue the business. - Opened 26 additional rooms in Veranda Resort Hua Hin project, resulting in a total of 137rooms.
2017	<ul style="list-style-type: none"> - The Company started developing a low-rise residential condominium under the project name of "Veranda Residence Hua Hin", 3-7-storey residential condominium project with 270 units worths approximately 2,461 million baht. - The Company opened the second restaurant in the category of dessert and beverage, called the "Skoop Beach Cafe", Hua Hin Branch. - The Veranda Residence Pattaya project was completed and ready to transfer the ownership.
2018	<ul style="list-style-type: none"> - Opened a dessert and beverage restaurant under the name of "KOF", the first branch located on the ground floor of SO Sofitel Bangkok and operated by the OKT. - Opened the dessert and beverage restaurant under the name of "KOF", the second branch located at J Avenue Thonglor and operated by the VCS. - The Company registered as a public company and changed its name to "Veranda Resort Public Company Limited" on 5th September 2018.
2019	<ul style="list-style-type: none"> - The Company was listed on the Stock Exchange of Thailand (SET) and had its initial public offering (IPO) on 3rd May 2019 with the authorized capital of 1,750,000,000 baht and 1,598,408 baht for paid-in capital, divided into 319,681,672 of common stock with a par value of 5.00 baht. - The Company acquired all shares of the PDS Holding Company Limited, which owned 4 Master Franchise of the "Gram Pancakes" and 3 branches of the "Pablo Cheese Tart".
2020	<ul style="list-style-type: none"> - The Company launched a new 38 rooms hotel on the beach near Khao Takiab, Hua Hin District, Prachuap Khiri Khan Province, under the name of "VERSO Hua Hin" – a Veranda Collection. - PDS has expanded 5 branches of the Gram Pancakes. - The VCS has expanded a branch of "KOF"

Year	Details
	<ul style="list-style-type: none"> - The Company began the transfer of condominium ownership of the Veranda Residence Hua Hin. - The ISA improved the scenery of the Rocky-Samui Hotel in the lobby area at the hotel entrance and swimming pool to have a unique style of Veranda Resort.
2021	<ul style="list-style-type: none"> - Renovation Rocky Samui hotel and Re-Brand to the name as Veranda Collection Samui-Rocky Resort - PDS has expanded 5 branches of Gram Pancakes, totally 13 branches - VCS has expanded 5 branches of “KOF - VCS invested in “Veranda Pastry” to operate in food and beverage business with registered capital of 5.00 million baht
2022	<ul style="list-style-type: none"> - The Company started to develop and open a pre-sale under the project name “Veranda Pool Villa Hua Hin - Cha Am”, a villa in Cha Am - Hua Hin. The project value is around 350-400 million baht, which is still under construction. - The Company started the construction of the "Veranda Pool Villa Hua Hin - Cha Am" project in the part of the hotel. - The Company started to develop low-rise residential condominiums and villas in Phuket with a project value of approximately 700 million baht. - The Company started the construction of the “Veranda Resort Phuket” in the part of the hotel.
2023	<ul style="list-style-type: none"> - Launch of the hotel in the Veranda Pool Villa Hua Hin - Cha-am project, which is a part of the Veranda Resort and Villas Hua Hin Cha-am hotel. - The Company began construction of Veranda Villas and Suite Phuket. - The Company adjusted the shareholding structure of the Company Group. Changed the subsidiary name from Veranda Pastry Company Limited to VL Phuket Company Limited and increased registered capital from 5.00 million baht to 20.00 million baht. - The Company began construction of the 20-room extension of Veranda Collection Samui – Rocky Resort.

AWARDS

Year	Hotels	Awards
2023	Veranda High Resort Chiangmai	2023 Travellers’ Choice @Tripadvisor
	Veranda Resort & Villas Huahin Cha Am	2023 Travellers’ Choice @Tripadvisor
	Veranda Resort Pattaya-Na Jomtien	2023 Travellers’ Choice @Tripadvisor
	Verso Huahin – A veranda Collection	2023 Travellers’ Choice @Tripadvisor
	Veranda Collection Samui – Rocky Resort	Best of the Best Top Hotel @Tripadvisor
	Veranda Resort Pattaya-Na Jomtien	5 Stars – Sustainable Tourism Acceleration Rating
	Veranda High Resort Chiangmai	5 Stars – Sustainable Tourism Acceleration Rating
	Verso Huahin – A veranda Collection	Green Health Hotel

Overview of hotel business and tourism industry

The hotel business and tourism industry of Thailand has made a significant recovery since the outbreak of the COVID-19 virus. In 2023, more tourists are choosing to visit Thailand due to the government's measures to welcome tourists, which include reducing various measures from last year. Entering the country is also convenient, with less complicated screening measures compared to other countries that still have them in place. The government ended the Zero-COVID policy earlier this year and reopened the country, leading to an increase in tourism and spending.

Tourism is thriving this year, with money circulating in the economy until next year. Hotel business, real estate business, and food businesses are recovering. It is projected that Thai tourism will significantly increase by 2024. According to Krungthai COMPASS analysis from Krung Thai Bank, Thai tourism is expected to gradually recover this year and experience significant growth in 2024, with an estimated 34.7 million foreign tourists and a 58-87% increase in the overall tourism market value compared to 2019. This is due to the pent-up demand for travel from tourists worldwide, which has been building up for the past 2-3 years.

The Tourism Authority of Thailand (TAT) has set a tourism revenue goal of 3.5 trillion baht for 2024. This is an increase from the targeted 3 trillion baht. The revenue will be divided into two parts: income from foreign tourists, which is expected to be 2.5 trillion baht, and 1 trillion baht from Thai tourists. This target is considered the highest ever set for Thailand's tourism industry (Thailand had the highest revenue from tourists in 2019 at 3 trillion baht). TAT plans to boost the country's revenue by implementing favorable measures across all aspects of tourism. These measures include providing free visas to Chinese and Kazakhstan tourists from 25 September 2023 to 29 February 2024, extending the stay for Russian tourists from 30 to 90 days as a special case, and offering temporary visa exemptions for India and Taiwan from 1 November 2023 to 30 April 2024. Additionally, tourists from these countries can stay in the Kingdom for no more than 30 days, starting from 10 November 2023 to 10 May 2024. Moreover, the relations between Thailand and Saudi Arabia have been restored, which is an encouraging development. Earlier this year, the two nations resumed normal relations, including elevating the level of diplomatic representatives from the charge d'affaires to ambassador level. They also established bilateral cooperation mechanisms to promote collaboration in both the public and private sectors. Additionally, this cooperation enables Arabs classified as "High Spending" group to travel to Thailand more.

TAT has developed plans to boost the tourism industry in Thailand through five main initiatives. These initiatives aim to enhance the image of Thai tourism with a focus on sustainability, promote social responsibility, and protect the environment and local communities through the "Travel with Care" campaign. They also aim to ensure a fair distribution of income, encourage local identity, and promote biodiversity as a unique selling point. The plan is to aggressively target new quality markets for Thai tourism, particularly in Europe and the Middle East, as well as sub-markets with high-income potential. The goal is to increase the frequency and diversity of tourism by expanding into more diverse areas throughout the year, allowing for year-round travel in Thailand, and presenting the country's soft power in various areas.

Overview of real estate business

The overall real estate market in 2023 and the direction in 2024 still face negative factors, with high household debt reaching 90%. Banks have become stricter in lending and are more cautious. Meanwhile, the Bank of Thailand (BoT) is still not relaxing the LTV measure or the lending ratio relative to the house price for borrowers purchasing second home contracts and/or houses priced at 10 million baht or more, which requires borrowers to make a minimum down payment of 20% of the house price.

In 2023, the Bank of Thailand (BoT) has increased the policy interest rate to 2.5%. This increase in interest rates will have an impact on monthly loan installment payments, with every 1% increase resulting in approximately an 11% increase in payments. This can lead to a decrease in purchasing power. However, despite these effects, the overall residential sales are still expected to be around 260,000 million baht. This proves that the operators involved in the market have the necessary skills to combat the negative effects mentioned above.

The current state of the housing market indicates that there is more supply than demand, and this is likely to become a major challenge for entrepreneurs in 2024. In addition, the expected growth rate of the Thai economy for 2024 was previously projected to be 4.5%, but it is now expected to decrease due to negative global factors, which will affect government spending continuity.

For 2024, it is expected that the housing market will recover due to adjustments by operators in the market and a balance between unsold units and new ones. There will be 108,886 new housing units opened, an increase of 13.7%, with housing still the

main proportion at 63,794 units, and condominiums at 45,092 units. Additionally, there will be new sales of 109,184 units, an increase of 36.1%, which divided into 62,862 housing units, and the remaining 46,322 units of condos. Meanwhile, the market absorption rate is expected to increase to 3%, with a total of 197,984 units remaining for sale, divided into 127,976 housing units and 70,008 condominium units.

Overview of food and beverage business

The restaurant industry is expected to experience growth in 2023 due to the tourism sector. The industry's value is projected to reach 435 billion baht, with a growth rate of 7.1%. Although the restaurant industry has made significant progress, many entrepreneurs still encounter various challenges. The expansion of the value of the restaurant business is not comprehensive, and most entrepreneurs face intense competition across all segments, high business costs, labor shortages, and varying price levels. These obstacles can make it difficult for businesses to turn a profit and maintain operations over a longer period. This is reflected in the proportion of restaurants that can survive for more than three years after opening for sale and only 35% of all newly opened restaurants can survive (Lineman Wongnai Data). In the future, it is expected that the "Casual Dining" group will face challenges due to the high number of players in this segment. Additionally, the "Quick Service Restaurant" group may also face issues due to changing consumer behavior.

Despite facing high competition, restaurant operators have to deal with increasing costs of doing business, especially the costs of raw materials that can fluctuate due to factors like El Niño (raw material costs have an average proportion of up to 35 percent of total costs). Therefore, effective cost management is still crucial. A key area where restaurants can save on costs is by managing food waste. Food waste accounts for 4-10% of all raw materials and reducing it can not only cut costs but also have a positive impact on the environment.

The food and beverage business is likely to continue to recover well. The market value is expected to grow approximately 11% in 2024 due to the continued expansion of private consumption, an increase in the number of tourists, and economic stimulus policies from the government. In the medium term, from 2025 to 2027, the expected growth rate is 8% per year. This growth is supported by an increasing number of tourists and improved purchasing power. Since the COVID-19 outbreak, most food service businesses have adapted to consumer needs by increasing sales channels, both online and offline. Consequently, there are now more ways for businesses to increase income growth from a wider variety of customers. However, it is important to keep an eye on certain factors that might impact the business, such as the recent policy to increase wages. This policy is likely to cause an increase in costs, as the food service industry heavily relies on a large number of workers who earn minimum wage. Additionally, the industry is facing stiff competition from new entrants in the market.

Business Operation overview

Revenue Structures of the Company group

Unit: Million Baht

Business Type	2021		2022		2023	
	Revenues	%	Revenues	%	Revenues	%
Hotel	395.0	30.2%	954.5	69.9	1,129.8	80.6
Property	756.4	57.9%	221.9	16.2	122.7	8.7
Food – Beverage	103.2	7.9%	116.5	8.5	86.1	6.1
Management Service	15.8	1.2%	28.0	2.1	32.0	2.3
Other	37.0	2.8%	44.9	3.3	31.8	2.3
Total Revenues	1,307.4	100%	1,365.8	100.0%	1,402.4	100.0%

The business operation of the company group

The company and its subsidiaries have operated the hotel, real estate development, and food and beverage business. As of December 31, 2023, the company has 6 hotel projects that are currently in operation and 2 hotel that is under construction design and permission. The company has 3 residential projects are ready to move in and 2 hotels is under construction design and permission. Besides, the company group own 14 restaurants and cafés. The details are as follows;

Hotels Business

The Company Group invests and develops hotel projects under the Company Group's operations or as an acquisition of other existing hotels. However, to do so, there must be the assessment of the project's feasibility and study on the value of the investment, and must be under the Company's specified hotel and condominium project development process. For hotels that the Company Group has invested and developed, the Company Group will choose a brand suitable for its location and target customers. The brand "Veranda Resort", the main brand of the Company, will focus on the location with beautiful natural scenery, near tourist attractions, or a city of tourism which is a suitable location and has potential in the future. The Company Group may use a global brand to suit its target customers, location, image, or the hotel's market positioning under the concept that each hotel project will have a unique style and identity according to the company's design. The design of each project takes into account the location, environment, and tourist attractions under the concept of "Contemporary Architecture" (Modern Contemporary), which makes the hotels of the Group differ from other hotels.

The company has developed VRANDA's hotel business with an in-depth understanding of customer insight, enabling the company to achieve great success. Under the business expansion concept of "Veranda Collection", which has the strengths of cost-effectiveness and small investments to build a hotel with a suitable number of rooms and services, it aims to create a memorable vacation experience for visitors.

Additionally, the Company Group chooses to use the brand "SO" which is a French global brand. The hotel project will focus on the design that is unique and different in architecture, emphasizing the aspects of lifestyle diversity, the balance of the five elements, and city's liveliness as a basis for hotel design. For the hotel business of the Company Group to perform, compete with other hotel operators, attract customers to use the service, the Company Group has to repair and renovate each hotel building to look new, modern to follow the customers' needs.

For Veranda Resort Phuket, the company has chosen to use the Autograph Collection brand, which is a brand under the globally renowned Marriott hotel group. The project emphasizes balance, modernity, and understated luxury in its design, with a unique identity inspired by the VERANDA model.

In this regard, the Company Group will plan and reserve a budget for major maintenance and repair at approximately 2% of the hotel business revenue each year. The Company Group has a policy for major improvement and repair every 10-15 years.

1. Veranda Resort & Villas Hua Hin Cha Am

Veranda Resort & Villas Hua Hin Cha Am covers the total area of 12-2-31 Rai. The hotel consists of 137 rooms, where is located at 737/12 Phetkasem Road, Cha Am Sub-district, Cha Am District, Petchburi 76120, Thailand, which is a designed hotel with the buildings and other facilities. Details are as follows;

The extension of the Veranda Pool Villa Huahin – Cha am hotel project was completed in December 2023, consisting of two 3-bedroom vacation homes, which are considered part of the Veranda Resort & Villas Hua Hin Cha-am hotel. It consists of many amenities for customers as follows:

1. Restaurants and bars

1.1 Dining Room Restaurant

The restaurant serves up the breakfast buffet and all-day dining brasserie offering both western and Thai cuisine. The restaurant can service maximum of 150 guests.

1.2 I-Sea Beach Bar and Restaurant

Serves a la carte menus for lunch, afternoon break, and dinner with its sleek and sophisticated Asian contemporary architecture. The restaurant can service maximum of 54 guests.

2. Conference and meeting rooms

2.1 Conference room

Consist of 1 conference room which is a multi-purpose room perfect for various types of events. Located at the 1st floor, the room can service the maximum of 200 guests

2.2 Meeting room

Two meeting rooms located at the 2nd floor of the 6-storey building, ideal for meeting up to 25-50 persons.

3. Other services

3.1 Veranda Spa

The ultimate relaxing spa service the spa is located on the 1st floor of the reception building and the restaurant with the service capacity of 6 guests

3.2 Swimming pool

Large free form infinity pool located at Cha-am Beach with artificial beach, water slider, water curtain features, and huge-size slider under the natural shade of mature trees. The pool bar serves cool refreshing drinks and tasty snacks throughout the day with the panoramic view of Cha-am.

3.3 Fitness

The fitness center equipped with multigym equipment including treadmills, static bike, cardio area, and weight lifting machine. The fitness can serve a maximum of 5 guests.

3.4 Kid's club

Kid's club is dedicated to the space for children's creative playing and learning and a are skills and intelligence enhancement. Kid's club features a range of education toys to entertain the children under the supervision of well-trained hotel's staffs. Located at the 1st floor of hotel building where can service up to 10 kids.

2. Veranda High Resort Chiang Mai

Veranda the High Resort Chiang Mai covers the total area of 22-2-18 Rai. The hotel consists of 5 types, 71 rooms, where is located at 192 Moo 2 Samerng-Handong Road, Bangpong Sub-district, Handong District, Chiang Mai 50230, Thailand, which is a designed hotel with the buildings and other facilities. Details are as follows;

1. Restaurants and bars

1.1 The Higher Room Restaurant

The restaurant offers a breakfast buffet and a la carte for lunch and dinner. The guests can have the choice of Thai, European, as well as premium wine from Thailand and abroad. The restaurant can service the guests a maximum of 100 people.

1.2 Rabiang Cha restaurant

The restaurant offers a la carte emus of fusion of Lanna Thai cuisine with a modern touch. The guests can have the choice of seat either in the barn or outdoor terrace. The restaurant can service up to 60 persons.

1.3 Pool Bar

Pool Bar serves all kind of beverage, located at the 4th floor of reception building, the bar suits for the guests who are waiting for checking-in and checking-out. The resort's Pool Bar offers a scenic view of the restaurant and the surrounded valley.

2. Conference and meeting rooms

2.1 Conference room

The hotel service the private conference room which can be adjusted to use for many functions, a perfect venue for all type of event. The conference room is

located on the 1st floor of the reception building and can service up to 160 people.

2.2 Meeting room

Hotel's meeting room is a perfect venue for meetings and seminars, offering 3 types of the rooms as follows;

- Boardroom 1 located at the lower floor of the reception building and can service a maximum of 10 people
- Boardroom 2 located at the lower floor of the reception building can service a maximum of 10 people
- The conference room located on the 1st floor of the reception building and can service a maximum of 160 people

3. Other services

3.1 Veranda Spa

The ultimate relaxing spa service with the relaxing ambience of the nature setting. The guests can indulge in the true natural experience where they can enjoy the relaxing and peaceful atmosphere. The spa offers twin treatment beds ideal for couples. Located at the 2nd floor at the activity building, the spa can service up to 6 guests.

3.2 Swimming pool

Hotels' infinity pool is on the 4th floor of the activity building overlooking the valley. The guest can enjoy the ultimate panoramic view of the valley. A children's pool is also available for a young guest as well as the bar beside the pool.

3.3 Fitness

The fitness center equipped with a multigym equipment's. The fitness is located on the 2nd floor of the activity building can serve a maximum of 10 guests.

3.4 Kid's club

Kid's club area is dedicated to a learning space for children. It offers A range of educational toys and daily programs of indoor and outdoor activities to entertain the children.

3.5 Cultural Pavilion

Cultural Pavilion is an open space for various activities including yoga, meditation, cultural learning. The Cultural Pavilion is located in the front of the activity building and can service of the maximum of 15 guests.

3. SO Bangkok Hotel

SO Bangkok Hotel covers the total area of 2-1-37 Rai, where is located at 2 North Sathorn Road, Bangrak Sub-district, Sathorn District 10500 Bangkok, Thailand. The hotel offers a choice of 8 types 237 rooms which is a designed hotel with the buildings and other facilities. Details are as follows;

1. Restaurants and Bars

1.1 Chocolab

serves up the mix flavors and types of chocolate made with premium ingredient by the seasoned chef of the hotel. The area of Chocolab consists of the chocolate kitchen where the guests can observe every process of making chocolate behind the glass windows. Beyond that, the guests can sign up for chocolate cooking class. Chocolab is located at the ground floor with the space for up to 30 guests.

1.2 Red Oven Restaurant

Located at the 7th floor of the hotel, Red Oven offers the buffet breakfast, lunch, and dinner. Red Oven features a wide array of food choices including Thai, Japanese, Chinese, seafood, healthy food and desserts prepared by experienced chefs. Besides, Red Oven serves the selection of premium wine and champagne from Thailand and abroad. From the restaurant, The restaurant can service for up to 120 guests.

1.3 Mixo

Mixo is designed to be a venue for hanging out for Bangkokians. It serves tea set, alcohol drinks, and desserts. Mixo's ambience is relaxing and suits to be social lounge for casual meet for the millennials. The guests can try to create their own drink. The restaurant Located at the 9th floor of the hotel, can service for up to 78 guests.

1.4 The Water Club

Serves all kind of drinks including cocktail, fruit juice, and alcohol drink. The bar area of The Water Club is surrounded by the swimming pool at the 10th floor of the building. Expect to join the specialty here monthly or in special occasion. The restaurant can service for up to 50 guests.

1.5 Hi-So Rooftop Bar

Located at the 29th floor of the hotel serves tailor-made a la carte dinner and all kind of drink including alcohol drinks and fruit juice and can service for up to 50 guests.

1.6 KOF
 KOF serves kind of coffee drinks, other drinks and desserts under “Grab & Go” concept. The guests can pick the seating either in or out the shop. KOF can service for up to 20 guests.

2. Conference and meeting room

2.1 Ballroom

The Ballroom is a perfect venue for banquet and big private meeting with the multi-functional equipment suit for all type of event which tailor-made for each group. The event consultant experts are also available for any event at the hotel. Located at the 8th floor of the hotel, the venue allows the technology conference and can service up to 400 guests.

2.2 Social Club

Comprising of 4 separate meeting rooms and an accommodating pre-function space, Social Club is surrounded with the relaxing ambience of Lumpini park. Inside Social Club is the open-kitchen lounge ideal for guests to mingle with technology Conference available.

2.3 The Box

The Box provides a personal space where is nestled away in a corner on the 9th floor and surrounded with the walls of glass, offering an uninterrupted panoramic view of Lumpini Park. Also, technology conference is available at this venue.

2.4 Solution Center

The medium size meeting room and private working room with a separate meeting room inside and number of facilities including computer, printer, scanner and private assistant, ideal place for working and meeting.

3. Other services

3.1 SO/ SPA

SO/ SPA offers the ultimate spa treatment with the concept of worldwide spa techniques combining with the best spa products from France. The guests can spend a relaxing time at SO/SPA at the 11th floor at the hotel where it can service up to 40 guests.

3.2 Swimming pool

Extending over 32 meters length, 5 meters width and 1.3 meters depth on the 10th floor, SO/ Bangkok’s infinity swimming pool is 5-meter wide and 1.3 meter deep. From the pool, the guests can enjoy the

panoramic view of Lumpini park. At the nighttime, underwater LED lights will create ever-changing shades of vibrant color for a joyful swimming experience

3.3 SO/ FIT

Fitness center offers a range of innovative activities and the high-quality technogym fitness equipment under the guidance of personal trainers. Located at the 10th floor of the hotel, SO/ FIT is opened 24 hrs.and can service up to 30 guests

4. Spaces for rent

- 4.1 Hotel’s 10th floor is rented out for beauty salon
- 4.2 Hotel’s 12th floor is rented out commercial banks
- 4.3 Hotel’s sidewall is rented out for LED advertising
- 4.4 Hotel’s 29th and 30th roof top floor is rent out for “Cassette” foods and beverages
- 4.5 Hotel’s 1st floor is rent for “SORA” foods and beverages.

4. Veranda Resort Pattaya Na Jomtien

Veranda Resort Pattaya Na Jomtien covers the total area as appeared on title deed of 5-2-22 Rai. The hotel offers a choice of 145 rooms where is located at 211, 221/1, 221/2 Moo 1 Na Jomtien Soi 4 Road, Na Jomtien Sub-district, Sattahip District, Chonburi 20250, Thailand which is a designed hotel with the buildings and other facilities. Details are as follows;

1. Restaurants and Bars

- 1.1 The Deck Restaurant
 Serves breakfast buffet and a la carte menu for lunch and dinner which the guests can choose the wide array of choices of Thai and Western food. The guests can select to sit both indoor or nearby the pool with the capacity of up to 160 guests.
- 1.2 Waves
 Located the pool area of the hotel, Waves serves up all kind of beverage including alcohol drink, soda, and fruit juice. The guests can order the drink whilst they can enjoy the signature design of the pool.
- 1.3 I-Sea Sky
 Serves a la carte menu for lunch, afternoon break, and dinner where the guest can sit at the 2nd floor of the restaurant and can enjoy the scenic view of Pattaya beach, with the capacity up to 74 guests.
- 1.4 The Jetty
 The Jetty features a la carte menu for afternoon break and fusion-style dinner. Located at the 5th floor

of the hotel, The Jetty is surrounded with the water enabling the guest to feel like they sit on the water where they can enjoy the uninterrupted view of Pattaya Beach. Can service up to 25 guests.

1.5 The Glass Room–Espresso Bar

Serves desserts and beverage with the relaxing and warm atmosphere with the glass wall design. The guests can have a choice of seating arrangement both indoor and outdoor. The Glass Room - Espresso Bar features more than 8 types of desserts and beverages which can service up to 28 guests.

1.6 Skoop Beach Café

The seaside café was designed to serve the customers who want to experience the seaside atmosphere, along with sitting and having snacks and drinks that the menu has been designed in a cute style. Skoop Beach Café can accommodate a maximum of 40 guests indoor and outdoor.

2. Conference and meeting rooms

2.1 Conference room

The hotel consists of 1 Conference room which could be used for multi purposed and is an ideal venue for all type of event. Located at the 7th floor of hotel building, the conference room and service up to 200 people.

2.2 Seminar room

The hotel offers 1 seminar room suit for the meeting at G Floor of the hotel building where it can service up to 50 people.

3. Other Services

3.1 Let’s Relax

Hotel rental spaces for health massage business. Let’s Relax offers a full range of health massage services such as oil massage, foot massage, etc.

3.2 Swimming pool

Hotel’s Infinity Pool swimming pool enables the guests to indulge in the panoramic view of Pattaya beach. They can enjoy the service of the pool bar serving all-day beverage and snack

3.3 Fitness

The fitness center equipped with a multigym equipment’s. The fitness is located at the 2nd floor of the hotel building and can service maximum of 12 guests.

5. Veranda Collection Samui – Rocky Resort

Veranda Collection Samui – Rocky Resort project covers the area of 7-3-65.9 Rai. The hotel offers a choice of 50 rooms where is located at 438/1 Moo 1, Maret Sub-district, Koh Samui District, Surat Thani 84310, Thailand, which is a designed hotel with the buildings and other facilities. Details are as follows;

1. Restaurants and Bars

1.1 The Dining Room

This place offers a selection of breakfast buffet line, an A la cart for lunch, Thai contemporary dining experience and international cuisine. Besides the exquisite Thai decoration and atmosphere, the Dining Room shares a magnificent sea view with a maximum service of 120 guests at a time.

1.2 The Bistro Restaurant

The Bistro Restaurant serves up a wide range of A la carte menu at lunch, a selection of afternoon snacks and a savory taste of dining, with options for indoor seating areas and outdoor tables by the pool for up to the maximum of 60 guests.

1.3 Pool Bar

Pool Bar welcomes its guests with a variety of drinks, from soft drinks to alcoholic beverages. The bar sits on a marvelous location by the hotel poolside near the Bistro Restaurant where options of poolside tables are offered with a maximum service of 60 guests.

1.4 The Glass Room–Espresso Bar

This is the place for the finest choices of dessert and coffee for a real lover. The Glass Room-Espresso Bar also lays a stylish decoration of tall glasses all around where its guests can enjoy with a fantastic sea view. The maximum service is 10 guests.

2. Conference and meeting rooms

2.1 Conference Room

The hotel arranges a personalized conference and meeting room that is suitable for specific occasions, well located on the second floor of the Dining Room with a maximum capacity of 80 guests.

3. Other services

3.1 Spa and Thai massage

Make every holiday count with this traditional spa and Thai massage from the team of qualified masseuse guaranteed by professional certificates for Thai massage and oil massage. This spa also offers a

wonderful surrounding of the garden and tall trees, giving its customers a body and soul relaxation beneath the soothing atmosphere.

3.2 Swimming Pool

There are two swimming pools within the hotel, one is located nearby the beachside with a wonderful sea view, and the second sits amid the garden. Customers can also enjoy the hotel's pool bar where beverages and snacks are served all day.

3.3 Kid's Club

Provides educational and skill-practice toys, games and books for children, locates inside the one-storey building with a maximum capacity for 10 at a time.

3.4 Garden Sala

Garden Sala welcomes all guests with its open area for personal leisure and cultural learning activities.

3.5 Fitness

The fitness center equipped with a multigym equipment's including treadmills, static bike and weight lifting machine. Where located at 1ST floor of the hotel building and can service of 5 guests.

6. Verso Hua Hin – A Veranda Collection

Verso Hotel Hua Hin is a subsidiary of Veranda with the total land area according to the title deed of 3-1-0.0 rai, opened in December 2020 with 38 rooms. The hotel is located at 122/210, Soi Khao Takiab Village, Khao Takiab Road, Nong Kae Subdistrict, Hua Hin District, Prachuap Khiri Khan Province. The hotel offers the following amenities for the customers:

1. Restaurant and Bar

1.1 The Dining Room

Serves breakfast buffet and a la carte for lunch and dinner with a selection of Thai and Western food. The restaurant can service maximum of 40 guests.

1.2 The Page Beach Bar

Serves a la carte for lunch, contemporary snacks for afternoon, and dinner in Spanish, Mexican, Italian, and Thai styles. The Page Beach Bar can accommodate a maximum of 25 guests.

1.3 Skoop Beach Café

The seaside café was designed to serve the customers who want to experience the seaside atmosphere, along with sitting and having snacks and drinks that the menu has been designed in a cute style. Skoop Beach Café can serve maximum of 40 guests indoor and outdoor.

2. Conference and meeting rooms

2.1. Executive Board Room

Provide meeting and seminar venues, consisting of 1 meeting room that can accommodate a maximum of 16 people with a view of the swimming pool and relaxing ambience.

3. Other Services

3.1 Verso Spa

Provide a full range of spa treatments. The Verso Spa is located on the 1st floor of the building, separated from the main building and near the swimming pool. The spa can accommodate a maximum of 4 guests.

3.2 Swimming Pool

The hotel has 4 outdoor swimming pools with 1 kid's pool where the kids can enjoy the water slides; and 3 adult pools with a design suitable for the customers who like to take pictures that no matter which angle it takes, it is exotic with the atmosphere of relaxing by the sea.

3.3 Fitness

Hotel fitness center consists of a variety of exercise equipment, where the customers can use the fitness center from 7.00 AM to 8.00 PM. The fitness can accommodate a maximum of 5 guests.

3.4 Kid's Club

Kid's club is a space that will encourage children to play and learn creatively. Within the Kid's club area, there will be hotel staff taking care of the children who come to use the service is located on the 1st floor of the same building where the Verso Spa and fitness are located, and can serve up to 5 children.

Hotels under construction as follows:

Veranda Resort Phuket Project, Autograph Collection

Project location:	Wichit, Mueang, Phuket.
Project type:	Hotel
Project area:	10-3-16.1 rai
Number of units:	159 rooms
Room type:	Mix
Estimated investment:	1,200 million baht
Target group:	Thai and foreign tourists who like design and traveling in Phuket downtown area.
Construction starts:	4 th quarter of 2022
Expected completion of construction:	4 th quarter of 2024.
Period to start opening:	4 th quarter of 2024
Project progress:	Under construction.

Extension of Veranda Collection Samui – Rocky’s Resort

Project location:	Maret, Koh Samui, Surat Thani
Project type:	Hotel
Project area:	2-0-66.40 rai
Number of units:	20 rooms
Room type:	Mix
Estimated investment:	121 million baht
Target group:	Design-loving tourists, both local and foreign, seeking relaxation in private, romantic and serene resorts on Koh Samui.
Construction starts:	4 th quarter of 2022
Expected completion of construction:	4 th quarter of 2024.
Period to start opening:	4 th quarter of 2024
Project progress:	Under construction

Real Estate Development Business

The Company’s group conducts the real estate development business, both low rise and high-rise condominiums, under the operation of the Company and VBP, and attaches importance to the location of the projects, i.e. in tourist attractions or tourist destinations of Thailand under the “Veranda Residence” brand. In this regard, the Company’s group aims to give each residential condominium project Veranda’s unique style by taking into consideration the project’s location and environment. The design would be done under the “Modern Contemporary Architecture” concept that takes into account the residents’ utility as the main consideration. The Company thus exercises care in every step of the design and considers the construction quality as well as the differences in the presentation styles of each project, in order for the residents to feel as if they are receiving services from the Company’s group’s hotels – the feature that sets them apart from that of other typical residential condominium projects. The details of the real estate development business operation of the Company’s group are as follows:

Residential that is completed and is sold out.

Veranda Residence Pattaya

Address	211 Moo1 Na Jomtien Soi4 Na Jomtien Subdistrict, Pattaya, Chon Buri 20250
Project Area	3-1-88 Rai
Project Category	A 35-Storey High Rise residential property with 4 units of Pool Villa
Unit	329 units
Price Per Unit	Approximately 3.4 - 27.2 million Baht

The completed development project and in process of sale

1. Veranda High Residence Chiang Mai

Address	Samerng-Hang Dong Road, Baan Pongm, Hang Dong, Chaing Mai 50230
Information	The company initiated the development for the project of Veranda High Residence Chiang Mai as a first Low-Rise residential property.
Project Area	6-0-0.0 Rai
Project Category	Low Rise Residential Property (3-Storey) and Presidential Pool Villa
Unit	30 units and 1 units of Presidential Pool Villa
Price Per Unit	Approximately 6.62 – 23.18 million Baht
Project Strength	Veranda High Residence Chiang Mai introduces Chiang Mai a Low-Rise residential property with its Modern Contemporary design and outlook, located in a commuting distance to the Chiang Mai International Airport and other tourist spots in the city. The project also provides facilities with partial luxurious services at Veranda Chiang Mai the High Resort, for instance, accessibility to an outdoor swimming pool, fitness suite and Kid’s club. The project also includes a wonderful option of Presidential Pool Villa for those who seek an exclusive experience amid the nature in Veranda High Residence.

2. Veranda Residence Hua hin

Address	Khao Takiab Road, Nong Gae, Huahin, Prachuabkirkun 77110
Information	The company initiated the development for the project of Veranda High Residence Chiang Mai as second Low-Rise residential property. Started construction in Quarter 1 of 2018 and finished in Quarter 2 in 2020
Project Area	11-0-81 Rai
Project Category	Low Rise Residential 3-7 Storey 5 Buildings and 1 Car parking building
Unit	270 Units
Price per Unit	Approximately 4.4 - 38.0 million Baht
Project Strength	Veranda Residence Huahin presents a Low-Rise residential property project with its modern contemporary design concept. This project allowing the resident to live close to nature and serenity with connecting beach front. Veranda Residence Huahin also handpicks pieces of furniture in an

exquisite Quattro Design laying a stylish sense of living as well as accommodates excellence of facilities including one of the largest swimming pool in Huahin and fitness suite. The location of this project sits on a prime area of Huahin, providing convenience in traveling and close to the hospital, shopping malls and tourist famous spots.

Residential projects under sales and construction as follows:

1. Veranda Pool Villas Huahin Cha Am

Address	Phetkasem Road, Cha Am, Phetchaburi
Project Area	3-0-10.0 Rai
Project type	Vacation Home
Unit	13 Units
Price Per Unit	17 - 45 million Baht
Investment	300 million Baht
Project Strength	Unique design, privacy and location
Customers Target	Customers who like design and need a second home to relax.
Starting Sale	Quarter 3/2022
Starting Construction	Quarter 3/2022
Expected construction completion	Quarter 4/2023
Project Progress	Under Construction

2. Veranda Residence Phuket

Address	Wichit, Meuang Phuket, Phuket
Project Area	9-1-50.3 Rai
Project type	Low Rise Condominium & Vacation Home
Unit	Condominium 12 Units and 6 Units of Vacation home
Price Per Unit	11-18 million Baht and 72-120 million Baht
Investment	400 million Baht
Project Strength	A different design privacy and location near the city
Customers Target	Thai and foreigner customers who like design and travel in Phuket downtown.
Starting Sale	Quarter 4/2022
Starting Construction	Quarter 4/2022
Expected construction completion	Quarter 4/2024
Project progress	Under Construction

Food and beverage business

The Company's group's food and beverage business is conducted under the operation of the Company, VBP, OKT, VCS and PDS. The food and beverage business includes restaurants and dessert cafés under the name Skoop Beach Café at Pattaya and Hua-Hin branches, a beverage and dessert café under the name KOF a dessert café under the name Gram Pancake, a dessert café under the name Pablo Cheesetart. Gram Pancake and Pablo Cheesetart joined the Company's group through investment in PDS in November 2019. The details of the food and beverage are as follows:

1. Skoop Beach Café

Type of Business	Food, Dessert and Beverage
Branch	2 Branches
Type of Service	Skoop Beach Café represents a restaurant serving menus of food, dessert and beverage under the concept of 'chillaxation', aims to approach various target groups. At Skoop Beach Café, customers have options of an indoor or an outdoor seating area, either faces the beach front with a maximum service of up to 50 customers per branch. Skoop Beach Café comes with menus on the list, put into categories as follow,

- Food menus consist of home-like dishes such as Mac&Cheese, Savory French Toast, Sweet Potato Truffle Fries etc.
- Dessert menus include a Homemade ice cream, Ice Cream Sandwich, Nutella French Toast, selection of Waffles etc.
- Fancy Drinks such as Skoop Iced Tea, Shakes, Smoothies etc.

2. KOF

Type of Business	Beverage and dessert
Branch	3 Branches
Type of Service	KOF operates a beverage and dessert business providing excellent service through its menu including coffee, other drink menus and dessert. Using the concept of "Grab & Go", KOF makes use of spaces through modern contemporary design where customers can sit inside or outside the cafe with a maximum service of 20 customers per branch. This menu of tasty selection as follow,

- Choices of beverage such as KOF Kone, Camo Latte, Marocchino and Belgian Chocolate
- Dessert menus, for instance, Chocolate, Canale Cookie Seasonal Pastries and Croissant

3. Gram Pancakes

Type of Business Beverage and dessert

Branch 5 branches

Type of Service Gram Pancakes operates a beverage and dessert business providing excellent service through its menu including coffee. Main menu is Pancake. The highlight is the soft and fresh. Design in minimal Japanese style concept Suitable for relaxing and taking photos on Social Network.

- Premium Pancakes, a famous bouncy, soufflé-like and warm pancake from Osaka presents a different texture by using 20 minute slow-baked technique and handpicked Japanese ingredients to maintain its premium quality, fresh-baked smell and exclusive taste for the customers
- Premium To Go offers a to-go option for GRAM pancake fans where they can enjoy its warm bouncy Premium Pancakes with extreme fillings of Nama Milk Cream in the middle, available for a takeaway or through delivery service applications: Grabfood, Lineman and Foodpanda

4. Pablo Cheesetart

Type of Business Beverage and dessert

Branch 9 Branches

Type of Service A dessert cafe runs under the name of “Pablo Cheese tart”, offering selections of dessert and beverage. Its famous Cheesetart menu becomes unique by the taste and aromatic smell of cheese and seasonal menus for special occasions. Pablo also comes up with the concept of “Grab & Go” which requires less space for shops and more convenient for a pop-up kiosk for the events



Marketing of the Company

Creating a Uniqueness and trademark to be recognized and remembered by the customers (Brand Awareness)

The Corporate Group focuses and dedicates itself to create a unique identity of hotel service and residential condominium projects under the concept of Modern Contemporary design which creates memories for customers. With the service quality according to the standards of the Corporate Group that are different from other service providers makes it possible to attract current customers and new customers to use the service.

The Corporate Group has designed the hotel and residential condominium projects in accordance with the identity of the Company by partnering with well-known architectural and engineering design companies in the country. For example, the rooms are designed to feel the comfort of home by utilizing the maximum usable space, decorating the garden and the hotel area to have a clear view of the nature, as well as the unique design of the “Infinity Pool” that represents the Corporate Group’s identity. Moreover, it has been marketing to create awareness and recognition of the hotel styles and the Company’s trademark through marketing on various online media. It creates word of mouth and makes the service and trademark of the Company become well known and be able to create memories in a wide range of consumers. This can be evidenced by the constant increase in the number of followers through the Corporate Group’s social media channels such as Facebook and Instagram. As of 31 December 2023, there were more than 600,000 followers in Facebook and 40,000 followers in Instagram.

With the above-mentioned uniqueness, the hotel and residential condominium projects of the Corporate Group have consistently received good feedback from customers since the opening of Veranda Resort Hua Hin, Cha Am in 2004, one of the first “Designed Hotel” in Hua Hin. The hotels of the Corporate Group also have received several awards related to service and design. thereby, there are many more hotels to be developed and extended. that in the next order.

Hotel and residential condominium projects of the Corporate Group locate in potential areas and popular tourist destinations in Thailand

The Corporate Group pay attention in area selection or locations of the hotel and residential condominium projects. It must be an area with beautiful natural scenery, an important tourist city in Thailand, a popular economic zone for both Thais

and foreigners with convenient transportation systems for customers to get satisfaction from beautiful natural scenery and convenience in traveling for a vacation or stay in the hotel or the condominium projects of the Corporate Group. In addition, the Corporate Group takes into account for the customers who use the service; therefore, expands the hotel and residential condominium projects into various locations that cover major cities or the main tourist destinations in Thailand. And, if affected by external factors such as natural disasters or political unrest, the customers are able to use the hotel services in other areas of the Corporate Group.

The Corporate Group pays attention to maintain a competitive advantage and emphasize on using existing strengths to extend the business of the Corporate Group

The Corporate Group has started with the development of hotel projects. The goal is to expand room service business to be more diverse in terms of both existing business expansion and expanding into new businesses in the real estate industry and tourism by drawing on the strengths of the Company. With the potential and ability to operate the hotel business, experience, expertise and strong branding, the Company has expanded to develop the real estate projects in residential condominium projects in the area adjacent to the Company’s hotel. The projects bring out the ambience and the hotel’s stunning “Blended Design” with complete facilities as if the residents use a hotel service every day as the selling points for the Corporate Group’s real estate projects. The Corporate Group also works with Accor, a world-class hotel manager with experience in operating more than 110 hotels in more than 40 countries around the world, to manage SO Sofitel Bangkok and conduct marketing operations for the Corporate Group. Accor will (1) operate the room management system by applying the Reservation System to the hotel booking process of the Corporate Group; (2) conduct sales and marketing operations, where Accor will present and share information and marketing expertise from both domestic and international markets to the Corporate Group’s Marketing Department; and (3) manage the hotel, where Accor will be the Hotel Manager, as well as recruits employees with knowledge, capability and expertise for the Corporate Group. This alliance is one example that will help the Corporate Group has more potential in hotel management operations. It helps to expand the customer base of the Corporate Group through the Accor’s website, make the hotels become more famous, and confirm the service standards. In addition, the Corporate Group’s partnership with M gallery by Accor, a unique

collection of Design Hotels around the world which provide uniqueness hotel and booking system through the Accor and M gallery by Sofitel’s websites, helps the Corporate Group’s hotels become well-known and be able to attract both current clients and new clients to constantly choose our hotel service. The Corporate Group is ready to expand its business and customer base in the future, such as expanding business into tourist destinations or various economic zones in Thailand, including extending and developing the ability to provide services in other related businesses such as food and beverage. In addition, the company has also adjusted the investment to suit the size and area of the hotel, then has evolved to become a brand "Veranda Collection"

Management by experienced and skilled executives

The Corporate Group’s management team has an average of more than 20 years of experience in the hotel management and real estate. Most of the management team have started working for the Corporate Group since its establishment in 2002 which is a key factor that provide the management team of the Corporate Group a strong understanding of the hotel and real estate industries in terms of land acquisition, study of project feasibility, financing, selection of contractors, construction projects, marketing operations, including laws and regulations related to business operations, supervision and management of the Company’s business in order to generate appropriate returns in the future.

Company’s competitive strategies

The Company’s Strategy of Hotels Business are as follows;

Location of the Project

The Corporate Group emphasizes on the project’s location as the first priority in the project development because it is the most important factor for the hotel business and property development. The Corporate Group is one of the pioneers and one of the leaders in the project development of land with potential in the future at an appropriate price level. Such locations must have beautiful natural scenery, interesting attractions in the area, near tourist destinations or a city of tourism that can easily travel, close to major transportation systems, and surround by a variety of utilities such as hospitals and department stores to fully meet the needs of customers. All of these can be seen from the project development of Veranda Resort Group such as Cha Am – HuaHin, Chiangmai, Pattaya, Samui, Khao Takieb, Bangkok and Phuket where is the latest project in the processing.

Products and Services

The Corporate Group has an idea for the development of the hotel projects and use a unique design under the concept of Modern Contemporary which combines modern design and perfectly blend and balance various pieces under the architectural design of the “Designed Hotel” for each hotel of the Corporate Group to stand out and attract customers to use the service. Moreover, the hotels of the Corporate Group have been designed by some of the nation’s renowned engineering and architectural designers, architects, decorators, and land designers. For example, Veranda Resort Pattaya has been designed under the concept of “Life by the sea” that makes each part of the hotel relevant to life and sea. The Corporate Group also give importance to the design and decoration of the landscape around the project, such as decorating garden or area for the scenery of the sea or mountains to match with the needs of the target customers. The hotel projects also comprise of restaurants and various facilities such as the uniquely designed “Infinity Pool”, which represents the Corporate Group’s identity, spa services, fitness room, kid’s club, library, etc. to provide the customers a variety of services and additional activities other than relaxing within the hotel premises to meet the needs of customers of all genders and ages.

Pricing

For the hotel projects, the Company has guidelines for setting room rates and service fees by considering the suitability of the market price, travel seasons, needs of the customers, as well as service costs. The Company will determine the price that is suitable for the quality of the service and the image of the hotel. A price increase strategy may be used based on the room availability, amount of remaining time before check-in, and increasing demands of the customers. the Company may also use a price reduction strategy at certain times to stimulate sales and access the hotel services during low seasons or weekdays other than weekends within the framework of the Company’s approval process Etc.

Marketing and Promotions

The Corporate Group has sales and promotion strategies with appropriate approaches to communicate with customers through multiple channels for maximum efficiency so that the target customers can receive the content thoroughly and be able to memorize and access information of the Corporate Group’s projects. The Company has chosen

a variety of public relation channels to cover as many target customers as possible.

Veranda Resort & Villas Hua Hin – Cha-am

Number of rooms	139 rooms
Target customer groups and competitive strategies	Now that international travel has resumed in many countries, including Thailand, Thai tourists who used to visit Hua Hin and Cha-am for leisure are now exploring destinations outside the country, and foreigners are also prioritizing Bangkok, Phuket, and Khao Lak. As a result, the market for Hua Hin and Cha-am has become sparse for most of the year. The primary customers are still Thai nationals, comprising both Free Independent Travelers (FIT) and seminar groups. In the 1 st quarter to the 3 rd quarter, foreign customers were primarily Asian tourists, such as those from Taiwan, Hong Kong, and China. The European market started to grow in the last quarter. International hotel chains such as Anantara, Avani and the new brand, "Standard", uses a strategy of selling bundles with hotels in the same hotel chain in Bangkok at attractive prices to gain a large market share. In the last quarter, a new market, Eastern Europe, started coming in from the beginning of November by staying 1-2 weeks and buying food and beverage packages during their stay.
Condition of competition	High
Examples of competitor	Anantara, AVANI+, Hyatt, The Standard

Veranda High Resort Chiang Mai Hotel

Number of rooms	71 rooms
Target customer groups and competitive strategies	Chiang Mai Airport now offers direct international airline flights, which is an excellent opportunity to welcome more foreign guests throughout the year, especially from Korea, Singapore, America, and Europe. Furthermore, with the recent improvements in market conditions, accommodation prices can now be adjusted accordingly. Veranda Chiang Mai's unique features have made it increasingly popular in new foreign markets, such as the Middle East and India. However, the traditional Chinese market, which was once the main market for Chiang Mai, has considerably decreased. Additionally, the domestic seminar market has also declined compared to previous years.
Condition of competition	Moderate.
Examples of competitor	Panviman Hotel and Flora Creek.

So Bangkok Hotel

Number of rooms	237 rooms
Target customer groups and competitive strategies	SO/ Bangkok Hotel is a lifestyle hotel located in the heart of the city, catering to both leisure and business travelers. It offers premium services that cater to various customer groups of all genders and ages, including Asians, Americans, and Europeans. Additionally, it caters to international seminar organizers and attendees, couples planning weddings, and those interested in high-quality food and beverages. The hotel has targeted specific groups in the Asian American and European for its marketing efforts. They have adjusted their marketing strategy to attract customers of all genders and ages by using both online and offline channels. Using digital tools such as social media, online advertising, and online booking platforms is crucial in enhancing sustainable visibility. Expanding the customer base is an important strategy for SO Bangkok Hotel, and creating cooperation with business partners is a great way to achieve this. Some potential partners could include ALL, Accor Plus, and Ennismore Disloyalty members, as well as credit cards, airlines, leading designers, travel management companies, and the Association of Foreign Chambers of Commerce in Thailand. Through these partnerships, SO Bangkok

	Hotel can offer special deals that not only add value for customers but also increase their confidence in choosing the hotel's services.
Condition of competition	High
Examples of competitor	Banyan Tree, W Hotel, Le Meridien Bangkok, Sukhothai and Conrad Bangkok, Kimpton Malaai

Veranda Resort Pattaya Na Jomtien Hotel

Number of rooms	145 rooms
Target customer groups and competitive strategies	<p>The main target group is still Thai customers, especially conference and seminar customers. Foreign customers continue to visit throughout the year, while the number of Chinese tourists has decreased. The Chinese market now comprises mainly of Free Independent Travelers (FIT) and mini groups consisting of approximately 3-5 rooms. Popular markets visited throughout the year include Korea and Taiwan. Due to fewer international flights and inflation, airfare prices have increased, which has become a major issue when bargaining for hotel rooms.</p> <p>Fly Dubai, a new airline, has started flying into U-Tapao, which is expected to increase the number of European tourists. Pattaya has always been a popular destination among Europeans, and in the last quarter, the Eastern European market, particularly Poland, has introduced a program for a 1-2 week stay starting from November 1, 2023, the Russian market has declined due to the strengthening of the ruble and fewer charter airlines flying to Pattaya. Instead, more charters are being diverted to Phuket.</p>
Condition of competition	High, competitive on price
Examples of competitor	Movenpick, Ana Anan, Intercontinental Pattaya, Cape Dara

Veranda Collection Samui Hotel – Rocky's Resort

Number of rooms	50 rooms
Target customer groups and competitive strategies	<p>Foreign markets are resuming their travel plans and staying for a longer duration. The German and English markets are still the primary markets. However, other markets have also witnessed a significant rise, including Australia, France, and America. This year, there has been a noticeable surge in Asian markets from China, Taiwan, and India. Unfortunately, the Northern European market is dwindling due to inflation and a limited number of airlines offering tickets to Samui at higher prices.</p>
Condition of competition	Moderate
Examples of competitor	Existing competitors that target foreigners such as Boput Resort and Burirasa

VERSO Hua Hin Hotel

Number of rooms	38 rooms
Target customer groups and competitive strategies	<p>A new generation of individuals enjoys visiting small and unique resorts that offer fully-equipped spaces. This target group has the purchasing power to experience newness and luxury in a minimalist setting. With a limited number of rooms available, this group primarily consists of private customers and families, and not those attending seminars.</p>
Condition of competition	High
Examples of competitor	Yana, Cape Nidhra, Kundara

Marketing strategies for real estate business were as follows:

Locations of the project

The Company has developed hotel projects in parallel with real estate projects (Mixed Use), since the location of projects is an important factor for both hotel business and real estate. The locations must have beautiful natural scenery and interesting attractions in the area, convenient transportation destinations and surrounded by a variety of utilities such as hospitals and department stores in order to fully serve the needs our clients.

Product/Service

For the residential condominium projects, the Corporate Group has an idea to develop both low-rise and high-rise residential condominium projects under the concept of Modern Contemporary to create the difference and for a competitive advantage. The Corporate Group had considered the design to utilize the space for the residents to get the most out of it and match with their lifestyles. The layout of the rooms and the common facilities of the project such as the swimming pool, fitness room, and central living room, were in stunning modern design and consistent with the decoration styles of the Corporate Group. Moreover, the project was also designed to be close to nature, allowing the residents a panoramic view of the sea or surrounding mountains. The residents could also utilize other services of the hotel.

Pricing

For the residential condominium projects, the Corporate Group had guidelines for determining the selling price of each project to be suitable for the target group because housing is a high-price asset in which the customers had to consider and took time to make decisions. The selling price was determined based on the cost of land, construction costs, locations of the project, facilities, identity, and image of the Corporate Group; and had to be the price that the Corporate Group could obtain a reasonable return rate and compete with other operators nearby. The Corporate Group would determine the preliminary selling price of the condominium units since the feasibility study of the project and set the actual selling price again after it started selling. The price for each residential unit varied depending on the scenery, location and size of the room, and sales period. Therefore, the selling price would increase

steadily since the project started selling, during construction, until the project was complete; and based on customer demands, the economic and competitive environment of the Corporate Group.

Marketing and Promotion

The Company emphasized the following channels for informing news and promotions:

1. Offline Channel
 - a. Newspaper and Magazine
The Company used print media for advertising the hotel and residential condominium projects of the Corporate Group to promote residential condominium projects, room layout, facilities, restaurants, activities in different columns of the publications.
 - b. Outdoor Media
The Company used outdoor media to stimulate and reinforce customer recognition of the Company's trademarks and services because outdoor media was a medium that consumers could easily observe and access and was also in line with the consumers' changing behavior.
 - c. Exhibited booths in conjunction with various exhibitions
The Company used the exhibition booths in conjunction with various exhibitions such as Thai Teaw Thai Fair, Thai Food Festival, etc. to publicize the Company. It was one of the channels that could reach the target customers well and helped expand the customer base of the Corporate Group.
2. Online Channel
The Company used online media to communicate between consumers and the Company, including public relations for hotels and condominium projects, and create marketing opportunities to reach more target customers because online communication channels were convenient and fast for the Company to know the needs of the target customers. The Company had various forms of online media such as the Corporate Group's website, Line, Instagram, Facebook, video clips, activities, and campaigns. In addition, the Company had given opportunities for famous and influential people of Thailand to use the hotel services and visit the condominium projects of the Corporate Group to advertise and promote the image of

the hotel and residential condominium projects of the Corporate Group.

Marketing strategies for food and beverage business were as follows:

Growth Strategy

- **New Café Model**

There were more adaptations to various environments and locations. Sometimes the locations may have limited space sizes according to the department store/shopping center. It also included managing expenses to be more productive, whether it was a rental fee or expense management within the store. These were the reasons for launching a small café with a small number of seats or for takeaway only and setting up a booth/kiosk in front of the supermarket.

- **Product Development**

Released new products regularly with more variety of products that could be bought back home or order from various delivery platforms to increase sales per bill and attract new customers.

- **Seasonal Product**

Launched new products and organized promotional programs for each season that rotated every two months throughout the year.

- **Brand Collaboration Product**

Developed products with potential brands and launched products for a limited time.

- **Product Diversification**

Distributed products in many forms such as takeaway menus, delivery menus, and catering menus.

Expansion Strategy

- **Locations**

Choosing a location for the expansion was an important part to make the brand known and easy to access.

- **Customers Type**

Specified target customers to match the concept of the product, such as groups of teenage customers, groups of customers who liked to try new desserts, customer groups who favored Japanese brands, etc.

Distribution Channel Expansion Strategy

- **Delivery Platform**

Focused on selling through various delivery platforms such as Grab, Food panda, Lineman, GOJEK, etc.

- **Online Platform**

Sold products through online platforms such as Villa Market online, CU Next (Chula mobile application), and deals selling in Shopee/Lazada.

- **Catering Platform**

Increased more revenue from the catering platform.

- **Event and Pop-Up Store**

Exhibited booths in various events and set up pop-up stores in community areas.

Innovation in Service and Operations

The Company places importance on using technology to develop products and services to effectively meet the needs of customers and those who use the service.

For 2023, the Company focuses on using innovation and technology to serve customers through various tools and channels as follows:

1. Issue e-vouchers as room coupons and discounts, which helps to reduce paper usage and the risk of lost coupons.
2. With the QR menu and ordering system, customers can easily view food menus on their mobile phones and place orders in advance from anywhere and at any time.
3. Offer multiple online channels and platforms like Lazada, Shopee, and Facebook to order products and services.
4. Listen to customer opinions by conducting satisfaction surveys via email

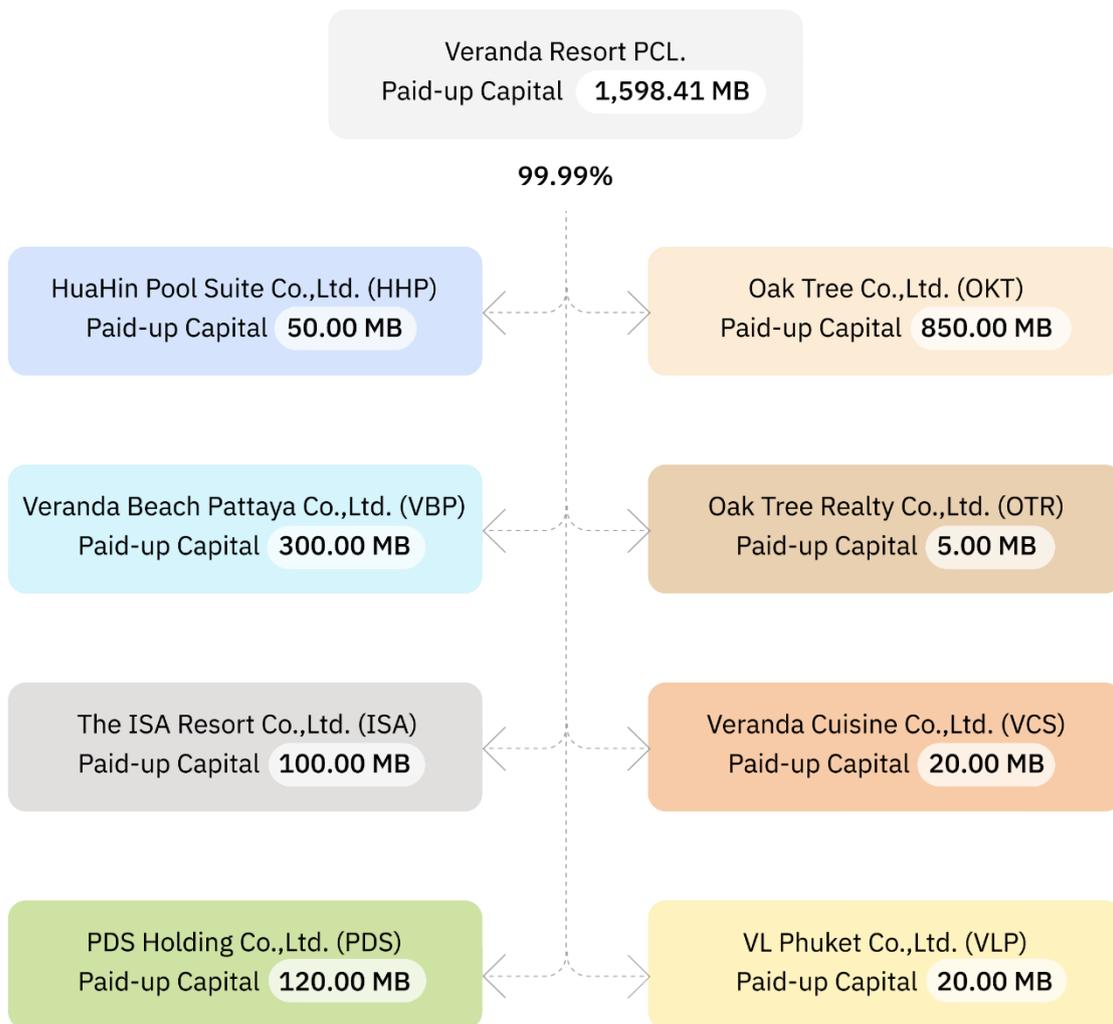
Promoting innovations in Organization

The Company promotes employee growth and encourages them to be receptive to new ideas and innovations that can enhance the efficiency of their work. The Search Data tool is utilized to analyze customer group data and provide insights into the market by collecting data from customer searches. This data can help identify the needs of the competition and predict customer demand trends up to 365 days in advance.

- ✓ "Rate Insight" is a tool that helps to determine suitable prices for rooms. It allows for easy comparison of prices with those of competitors to create attractive promotions and organize events.
- ✓ "Market Insight" is a tool that enables businesses to analyze the volume of customers in different areas by tracking customer searches such as flights, destinations, length of stay, and customer groups traveling from abroad.

Company Structure

Company's Structure



Relationship with Business of major shareholders None

Securities information and Shareholders information

Amount of registered and paid-up capital

Ordinary Share

As of 31 December 2023. The Company has the Registered Capital 1,750.00 million Baht and the Paid-Up Capital 1,598,408,360.00 Baht. Divided into 319,681,672 ordinary shares with a par value of 5 Baht per share.

Debenture

Symbol	Issue Size	Issue Date	Maturity Date	Issue Term	rate
VRANDA252A	300,000,000 Baht	17-11-2022	17-2-2025	2.25 Yrs.	6.50%

Major Shareholders

The list of major shareholders as of 31 December 2023 are as follows:

Major Shareholders	2023 (Ordinary Shares)	% Share
1. Mr.Pawatt Ongvasith	84,318,842	26.38
2. HANGJEW HOLDING PTE. LTD.	74,890,014	23.43
3. Mrs.Tosaporn Angsuwarangsi	10,365,716	3.24
4. Mrs.Pentipa Ongvasith	8,294,960	2.59
5. Mrs.Napassorn Soonthornmanokul	8,094,036	2.53
6. Mr.Kittisak Sopchokchai	7,884,626	2.47
7. Mr.Varut Tantiphipop	7,401,020	2.32
8. Mr.Thitipol Putthachaiyong	7,000,000	2.19
9. Sureetriboon Holding Co.,Ltd	6,785,504	2.12
10. Ms.Pimpida Ongvasith	6,009,600	1.88
Total of 10 shareholders	221,044,318	69.15
Other Shareholders	98,637,354	30.85
Totally	319,681,672	100.00

Restrictions of foreign Shareholders.

The foreigners can share ownership of The Company not more than 49 % of the total issued and paid-up shares, as of 31 December 2023, has foreign holding of 24.64 % of the total shares.

Issuance of others assets

- None -

Dividend Payment Policy of the Company

The Company has a policy to pay the shareholders their dividends at the rate of no less than 40% of the company's net profit of consolidated financial statements after corporate income taxes and after all specified legal deductions and specified company deductions set each year. In this regard, the Board of Directors will consider the payment of dividends by considering various factors mainly for the benefit of the shareholders. This includes considering economic conditions, operations, financial status of the Company, cash flow, reserved funds for future investment, reserved money for loan repayment, or for working capital within the Company. Conditions and limitations as specified in the loan agreement and the payment of dividends must have no significant effect on the Company's operations as the Board of Directors deems appropriate.

However, during year 2020-2023, the dividend payment of the Company is performed as following:

Dividend Payment	Consolidate Statements			
	2020	2021	2022	2023
Net Profit (Baht per Share)	0.53	(0.34)	0.003	(0.44)
Dividend (Baht per Share)	0.10	-	-	-
Dividend payment rate per net profit (%)	18.86	N/A	N/A	N/A

Remark; The BOD Meeting No.1/2024 resolved to propose the Shareholders' 2024 Annual General Meeting to Dividend Omission

Dividend Payment Policy of the Subsidiaries

The Board of Directors of the Subsidiary may consider paying annual dividends of the Subsidiary. It must be approved by the shareholders' meeting of the Subsidiary except for interim dividend payment, which the Board of Directors of Subsidiary has the authority to approve the dividend payment occasionally when it deems that the Subsidiary has sufficient profits to do so. The Board of Directors of the Subsidiary shall then report to the shareholders' meeting of the Subsidiary in the next meeting.

The Subsidiary has the policy to pay dividends to shareholders at not less than 40 percent of the net profit according to the separate financial statements after deduction of corporate income tax and all other types of the reserve as required by law and subsidiaries each year. The Board of Directors of the Subsidiary will consider the dividend payment by taking into account various factors, mainly for the benefit of shareholders such as economic conditions, operating results and financial status of subsidiaries, cash flows, reserves for future investments, reserve money to pay off loans or as working capital within the subsidiary, conditions and restrictions as stipulated in the loan agreement, and the dividend payment does not significantly affect the normal operations of the subsidiary as the Board of Directors deems appropriate or proper.

Report on Securities Holding of Directors, Executives, Director's spouse or minor child of directors and Executives

The Board of Directors has determined that directors and executives have a duty to report holdings of its own securities and related since the election as the directors and executives of the company. Each time there is a change in the holding of such securities. Must Reports to the company and the Securities and Exchange Commission of Thailand (SEC) Within 3 business days for report. In the Board of Directors Meeting No.1/2018 has approved the Company's Secretary to make report on Securities Holding of Directors, Executives, Director's spouse or minor child of directors and Executives to acknowledge before the Board of Directors Meeting on a quarterly basis as at 31 December 2023 are as follows;

No.	Names	Position	Number of Shares			(+/-)	% of the shares
			31-Dec-21	31-Dec-22	31-Dec-23	Increase/ Decrease	
1	Mr.Chai Jroonthanapibarn spouse or minor child	Chairman of Boards / Independent Director	150,000 -	150,000 -	150,000 -	- -	0.05% -
2	Mr.Paiboon Kujareevanich spouse or minor child	Chairman of Audit / Independent Director	- -	- -	- -	- -	- -
3	Mr.Trairak Tengtrairat spouse or minor child	Member of Audit / Independent Director	- -	- -	- -	- -	- -
4	Assoc.Prof.Siriporn Maneepan spouse or minor child	Member of Audit / Independent Director	- 100,000	- 100,000	- 100,000	- -	- 0.03%
5	Mr.Verawat Ongvasith spouse or minor child	Director / Chief Executive Officer	84,168,842 1,130,288	84,168,842 1,130,288	84,318,842 1,130,288	150,000 -	26.38% 0.35%
6	Mrs.Tosaporn Angsuwarangsi spouse or minor child	Director / Executive Director	10,365,716 -	10,365,716 -	10,365,716 -	- -	3.24% -
7	Mrs.Napasorn Soonthornmanokul spouse or minor child	Director / Executive Director	8,094,036 -	8,094,036 -	8,094,036 -	- -	2.53% -
8	Mr.Surasak Wongkiattavorn spouse or minor child	Director / Executive Director	152,464 319,964	82,464 319,964	32,464 319,964	(50,000) -	0.01% 0.10%
9	Mr.Siriwat Vongjarukorn spouse or minor child	Director	3,410,824 -	3,410,824 -	3,410,824 -	- -	1.07% -
10	Mr.Kittisak Sopchokechai spouse or minor child	Director	7,869,626 -	7,869,626 -	7,884,626 -	15,000 -	2.47% -
11	Ms.Ladda Somsiripornchai spouse or minor child	Senior Vice President Accounting	50,000 -	50,000 -	50,000 -	- -	0.015% -
12	Mr.Varut Tantipipop spouse or minor child	Vice President Corporate Finance IR / Company Secretary	4,334,620 -	4,101,020 -	7,401,020 -	3,300,000 -	2.32% -

2. Risk Managements

The company takes into consideration the essence of risk management which arises from both inside and outside the organization. The company's management shall implement risk management policies to minimize negative impact to the company. The company possesses a risk control system with reference to COSO (The Committee of Sponsoring of the Treadway Commission) to direct policies, processes, and procedures of risk management no matter where such risks originated from business operation, finance, or management factors. The Company has disclosed the Risk Management Policy on the website (https://www.verandaresort.com/ir_index.php?risk_management), which has risks for each of the following factors:

RISKS ASSOCIATED WITH BUSINESS OPERATIONS

Risks associated with investment in hotel and residential projects

The company group is facing risks from investing in under developing projects mentioned above as well as new hotel and residential ones which may occur in the future, and from other factorial impacts such as capital volume for project operation, economic status, political disruptions, current political uncertainty, market demand and supply, etc. In regards to the above-mentioned factors, negative business operation, financial status, company cash flow and so on might be affected.

However, the company group is considering an investment procedure for new projects. Before investing in construction of each project, the company group shall study its possibilities starting from acquisition of potential pieces of land in rural cities or popular areas of target group. The company's selling point shall be in beautiful natural surroundings, close to tourist attractions and within positive environment. The company group shall employ an international property development consultant namely CBRE Thailand Company Limited which shall join the company group to do researches on the property development market – land acquisition, competitive studies, including project designing of satisfactory sizes and styles. The company group shall give thought to financial prospects, including sources of capital to contract for land sale of the next projects. Moreover, the company group shall contemplate external factors such as economic status, hotel business industrial conditions, property development business, policies or various measures that might impact development of the new projects in order to reduce risks.

Risks associated with land acquisition for prospective hotel and residential projects

The company group has no interest to occupy waste land that is not ready because of unfavorable capital burden or risks of its declining value in the future. Hence, the company group may risk inability of land acquisition for hotel and residential projects as intended. As most of the company's hotel and residential projects are located in touristic cities and close to outstanding Thailand tourist attraction areas, there shall be competition of land purchase among other entrepreneurs, or risks caused by increasing value of the desirable pieces of land. Consequently, the capital for hotel and residential projects increases over the budget planned, and might affect financial status and business operations of the company group in the future.

The company group thinks out future plans to acquire and purchase-in-advance parcels of land corresponding to developing time frame of hotel and residential projects that is in compliance with the company group's development policies in hotel and residential projects. The company group shall monitor and research for land information continually, considering trends and potentiality of land development. The company sets policies towards land acquisition to be suitable, prospective potential, convenient in transport, satisfactory utility system, and straight to the right target groups. Furthermore, the company group shall give thought to nearby parcels of land in comparison between land use and acceptable land price.

Risks associated with delay of project development and Constructor's expertise

The company group like most of the entrepreneurs in property development industry shall hire only a few constructors to construct each project, resulting in risks of construction delays from those constructors. Although construction work shall be finished on time, quality of work does not meet construction standards or not relate to planned designs or not complete. The cost of construction may be higher and that affects financial status negatively and significantly as well as operation performance and cash flow in the future.

However, the company group is considering hiring constructors by auctions as stated in policies. The contractors shall have quotations on construction cost, construction expenses, labor cost, construction supplies. The company group shall reflect upon constructors who meet qualification criteria of the company comprising of experience, work, quality and standard of construction, cash potential, etc. so that the company's hotel and residential project construction is standardized, in relation to designs, and within time frame as planned. Moreover, the contract of hotel and residential projects requires contractors to pay fine to the company group who is the owner of the project in case of impotent submission, or work delays and unscheduled submission as agreed.

Risks associated with the fact that the company group operates in business industries that have increasing rate of supply higher than growth rate of demand

Hotel and tourism industry as well as property development industry are high competitive industries, which provide options to Thai and foreign tourists to appreciate different designs of rooms, resulting in higher marketing competition among price, quality and various services in that if the company group cannot keep pace with sever changes and competitions, the company's performance may be affected negatively.

Developing hotel and residential projects, however, the company tends to study project marketing feasibility, project design analysis, financial possibility analysis, appropriate funding, unique design strategies under the concept of modern contemporary to reflect uniqueness and customer's attractions together with competing with other entrepreneurs in this industry.

Risks associated with residential projects during the sale

Considering the inventory of the residential projects of the company which is comprised of Veranda High residence Chiangmai, Veranda Residence Pattaya, and Veranda Residence Hua Hin, the company group has sold residence lower than the set price. consequently, the company's return on investment may not be as prospected; provision for diminution in value of inventory shall be made which may affect the company's performance negatively.

Prior to developing any projects, nonetheless, the company's group shall hire international property development consulting companies namely CBRE Thailand Limited to supervise the projects, to research property development marketing to eliminate such risks. During construction of the projects, supporting financial institutions shall be welcome to evaluate the company's solvency and sales volume. Furthermore, the company group shall implement marketing and sales promotion policies for residential projects to increase sales volume, including expanding customer base to be wider by adding more channels of marketing towards target customers, mass communications, strait communications, including communications and public relations of current and trendy new media, for instance communications through company's website, social media as well as sales promotion to boost up sales volume of residential projects such as joint promotion among banks providing credit services, etc.

Risks associated with adjustments of rules, regulations and law which might affect business operations of the company group

Adjustment of rules, regulations and law concerning property development business of hotel and residential is a factor affecting business operations of the company group in terms of capital and expenses to run its projects in pursuant to the modified ones.

However, the company group shall execute measures of study and pursue modification of related rules, regulations, law which may occur consistently. The operating departments concerned such as management and accounting etc. are well prepared for any variations which may occur in the future to ensure that the company group will not be significantly affected by such legal adjustments relating to the company's business operations, and it can shift its business operation in accordance with such changes.

Risks associated with economic fluctuation, political uncertainty and natural disaster

Business operation of the hotel projects and real estate business of the Corporate Group may be affected by the fluctuation of the economic conditions, political instability, and natural disasters. These factors may affect consumer confidence in the economy, causing a decline in consumer spending which may also affect the hotel and real estate businesses directly. Moreover, this may adversely affect the financial status and operating result of the Corporate Group. In 2020, there were significant events that had a direct

impact on the hotel business, such as the halt of tourism industry due to the Covid-19 outbreak and foreign tourists could not travel to Thailand.

However, the Corporate Group has spread the hotel and residential condominium projects into various locations to cover major cities or the main tourist destinations in Thailand with various customer groups. And, if affected by external factors such as natural disasters, political unrest or the Covid-19 outbreak that makes the foreign tourists unable to travel to Thailand, the Company still has hotels that were popular among Thai customers to replace the missing foreign customer group. In this regard, the Corporate Group has guidelines to follow-up on such changes which affect the business operations of the Corporate Group. The Company's management has guidelines for planning and adjusting strategies for hotel and residential condominium projects to be consistent and appropriate for various changes for the business of the Corporate Group to be able to operate continuously. The Company also has insurance against natural disasters and riots in case of any damage.

FINANCIAL RISKS

Risk of ability to pay debts

Interest Coverage Ratio (ICR)

In 2023, the Company's interest coverage ratio increased from 4.01 times in 2022 to 1.82 times due to earnings before interest, income tax, depreciation, and amortization (EBITDA) increased in proportion to the interest expenses. EBITDA increased by 103 million baht or 35 percent, while interest expenses increased by 33 million baht or 44 percent. The ratio of more than one time indicated that the Company had sufficient EBITDA to pay interest.

Debt Service Coverage Ratio (DSCR)

In 2023, the Company's debt service coverage ratio increased from 0.37 times in 2022 to 0.47 times due to earnings before interest, income tax, depreciation, and amortization (EBITDA) increased by 103 million baht or 33 percent. Short-term and long-term interest-bearing debts, maturing within one year, decreased by 390 million baht, or an increase of 49 percent.

The risk of maintaining financial ratios

The Company must comply with rights and obligations to maintain the interest-bearing-debt to-equity ratio of not more than two times at the end of the accounting period. Such interest-bearing debt-to-equity ratio shall be calculated from the issuer's annual financial statements. As of December 31st, 2023, the Company's ratio is 1.39 times. However, if the Company is unable to maintain such a ratio following the specified terms and conditions governing the rights and obligations of the debenture issuer and debenture holders, it may cause the Company to default on all debenture payments, and the payment will become due immediately.

The Company also has a duty under the terms of the loan agreement to maintain the interest-bearing debt-to-equity ratio of not more than two times, and such ratio shall be calculated like the ratio of the terms and conditions of the debentures.

If the Company is unable to maintain the ratio of interest-bearing-debt to equity according to the conditions specified in the loan agreement with the financial institution, such financial institution may call for premature repayment, resulting in the Company losing liquidity and being unable to pay the debt, which may be categorized as debenture default (Cross Default) (according to the terms and conditions of debentures, there will be a default when the Company defaults on debt payment that exceeds 300 million baht).

The Company is well aware of maintaining the ratio of interest-bearing debt to debenture holders' equity according to the terms of the loan agreement with the financial institution and the rights of the debentures. The Company has measures to monitor such ratios to not exceed the specified conditions. At present, the Company is still able to maintain the financial ratios mentioned above.

The Company's financial costs are influenced by the fluctuations in the interest rates. To minimize the impact of this, the company has designed a policy to regulate the proportion of fixed and floating interest loans in accordance with the prevailing interest rate trends. Additionally, the Company also manages the ratio of debt to equity to ensure that it remains at an appropriate level. The Company also places importance on planning for future investments and exploring alternative methods of raising funds apart from borrowing. These methods include raising funds through real estate funds and seeking co-investors for new projects to minimize the impact of fluctuating interest rates.

Risk Associate with Management

Risks associated with major groups of shareholders holding over 50 percent of shares on the day of closing the register of shareholders as of 31 December 2023, Mr.Pawatt Ongvasith's group holds the company's shares at 61.90 percent of paid-up capital which means that Mr. Pawatt Ongvasith's group can control resolutions of the meeting such as the appointment of the board of directors or any resolutions requiring majority votes of shareholder's meetings. In addition, participants in Mr. Pawatt Ongvasith's group are titled as directors and company executives, therefore, Mr. Pawatt Ongvasith's group are the major shareholders controlling business operations as well.

However, the company has resolved management framework though, so that business operations shall be transparent, justified, clearly counterbalanced in management operations. The company clearly defines purviews of the audit committee, the nomination and remuneration committee and the executive directors, along with appointing independent outsiders to join the board of directors totaling 4 out of 10 people to examine, balance powers of authorities when decision is made; to give opinions and concur in any listicles before presenting to the shareholder's meeting for their consent later.

Risks associated with loss of personnel in the Executives directors

The Board of Directors has expertise in hotel and residential industry for over 15 years since the company was founded. The success of the company's projects in the past reflected the performance of business operation has carried out by the prudent management of the boards of directors in land acquisition, feasibility analysis, and architectural designs. Should the personnel of board of directors are gone or inadequate or leaving the jobs, the company may have negative effects on business operations, business opportunities, and business performances.

Succession plans, still, are implemented to prevent such losses including additional recruitment for management staffing is resolved in accordance with business operations and expansion in the future. Staff training, or any other workshops to develop knowledge, competency, and experience are to be held so that business operations shall resume smoothly and efficiently in case any of such losses may incur.

The Risk in Information Management and Cyber Threats

The Group Company provides measures to prevent and manage risks from cybercrime that may be the act of a criminal group which tends to increase at present, or it may be the actions of the employees of the company itself. The Company has established data protection and a structure for managing important data and documents and assigning rights only to authorized persons or persons involved in accessing such information or documents.

The Risk of Compliance with Personal Data Protection Act (PDPA)

Thailand has announced the Personal Data Protection Act B.E. 2019, which was published in the Government Gazette on 27 May 2019, and has now been postponed to take effect on 1 June 2022.

The Company has adhered to the Thailand Data Protection Guidelines as guidelines for the management of the personal information of customers, business partners, and employees. The Company has conducted training for all employees to understand the details and correct practices to comply with the said Personal Data Protection Act.

In addition, the Company has prepared a Personal Data Protection Policy as a guideline, informed customers, business partners, employees, and all stakeholders, and announced the use of personal data protection policy which has already been published on the Company's website.

Other Risk

- NONE -



**CORPORATE SOCIAL
RESPONSIBILITY
& SUSTAINABLE
DEVELOPMENT**

Driving The Business for Sustainability

SUSTAINABLE DEVELOPMENT GOALS



“Sustainable business operations and organizational development
can create stability and success
when everyone understands and cooperates to follow
the Company’s good corporate governance framework.”

The company intends to prepare a report to develop sustainability information that discloses management processes and performance results in the economic, social, environmental, and governance areas with higher quality information. This report has been prepared according to the SET Sustainability Reporting Guidelines.

Sustainable Development Policy

The Company believes that **when the business focuses on economic growth, has good corporate governance system and effective risk management along with operating with social and environmental responsibility consider will help strengthen the organization to grow sustainably**

The Company operates its business under the framework of good governance, transparency, and accountability with a commitment to business development while balancing the economy, society, and environment. The Company is determined to maintain itself as a role model for the society (Good Corporate Citizen) for sustainable business operations and be able to manage the business to grow steadily and be accepted in society based on ethics and good corporate governance principles as well as generating effective returns for shareholders by taking into account the impact of business operations on those involved in all aspects of the company.

*Read the sustainable business operation policy at https://www.verandaresort.com/ir_index.php > Corporate Governance



Sustainable Business Goals

Sustainable development of Veranda Resort Public Company Limited Group has adopted the sustainable development goals of the United Nations (Sustainable Development Goals: SDGs), which has a total of 17 goals as a model for all parties to follow for a sustainable business and future. The Company has supported the sustainable development goals that are inconsistent with the capabilities and potential of the Company's operations with the total number of 10 goals as follows:



Eliminate hunger - The Company purchases agricultural products from small farmers in the hotel area as raw materials to support farmers to have income for their livelihood.



Health and well-being – Employees’ health and well-being are essential parts of creating efficiency in work and increasing the efficiency of the organization.



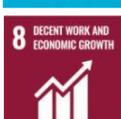
Quality education – Support the development of necessary work skills and improve the quality of life by encouraging employees to attend training/seminars from various departments and support lifelong learning opportunities.



Gender equality - Promote employees of the Company to have equal career opportunities without gender discrimination.



Clean water and sanitation – Provide adequate water and sanitation for all employees with sustainable management, including setting targets to reduce water resource consumption and use water efficiently.



Economic growth – Productive and quality employment with suitable placement to foster continuous, inclusive, and sustainable economic growth.



Responsible consumption – The Company minimizes waste generation by reducing resource consumption, recycling, reusing, and using environmentally friendly products to reduce waste generation.



Sea and ocean – The Company have a campaign to conserve and utilize the ocean and marine resources for sustainable development, including reducing marine pollution, especially caused by hotel activities.



Terrestrial ecosystems – The Company supports the preservation of the fertility of the forest and the use of properly managed forest products, including combating forest encroachment and illegal hunting.



Cooperation in sustainable development – The Company places importance on sustainability by cooperating with various agencies, including applying knowledge and expertise to create a society to achieve the goal of sustainable business operations.

for the Company to achieve the Sustainable Development Goals of the United Nations (Sustainable Development Goals: SDGs), the Company has set sustainability goals in each aspect, including environmental, social, and good corporate governance aspects as follows:

1. Environmental Goals

- 1.1 Efficient energy management
- 1.2 Efficient water management
- 1.3 Waste management
- 1.4 Activities that promote care and conservation of the environment

2. Social Goals

- 2.1 Human resource management
- 2.2 Hiring and selecting new employees
- 2.3 Knowledge development of executives and employees
- 2.4 Occupational safety and working environment
- 2.5 Procurement
- 2.6 Prevention and protection of personal information
- 2.7 Business ethics
- 2.8 Social responsibility/activities that promote society and community

3. Corporate Governance Goals

- 3.1 Conducting business according to the principles of good governance
- 3.2 Evaluation of corporate governance of listed companies
- 3.3 Assessment of the standard of meetings held for shareholders

Guidelines for Sustainable Development Operations

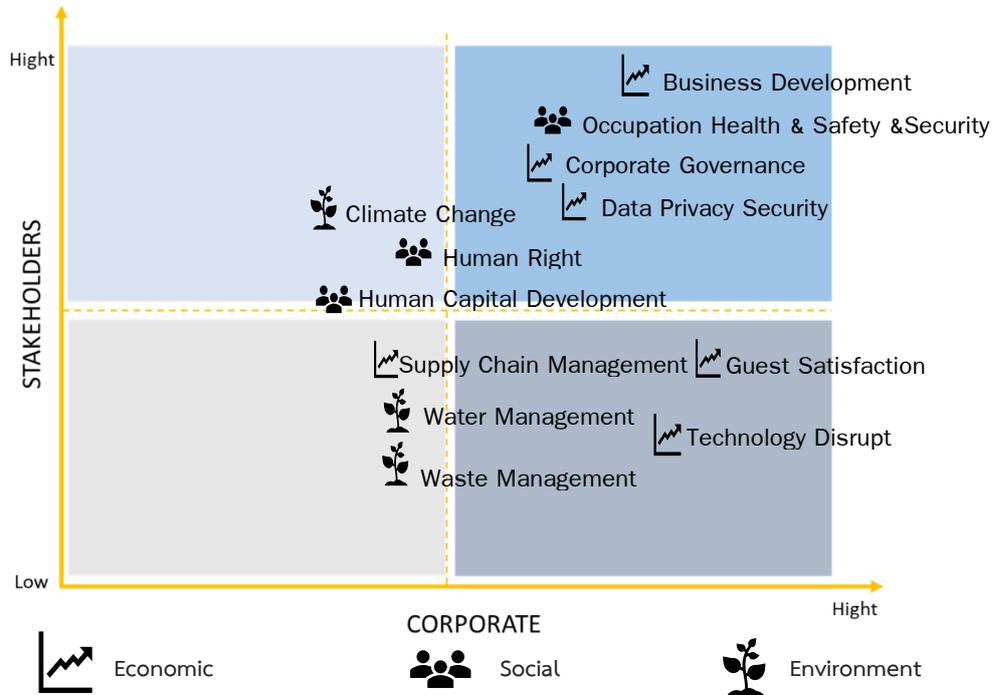
The Company has established the Sustainable Development Practice Guidelines to operate the business for sustainable growth which cover all dimensions of economy, society, and environment. The concept of sustainable development is brought into the core of every operational process and transferred to various operational lines of the organization by integrating the coherence of operational plans to create a balance in the dimensions of economy, society, and environment throughout the supply chain and create achievements of sustainable development to bring the greatest benefit to all groups of stakeholders.

Guidelines for Managing Key Sustainability Issues

- 1. **Identifying the key points** - The Sustainability and Risk Management Committee has considered and collected issues according to the company's operating framework and related to the organization's business operations and stakeholders, including other issues in the same industry or related industries.
- 2. **Arrangement of the important issues** - The Company conducted a preliminary screening of the collected sustainability issues to understand stakeholder expectations and identify important sustainability issues.

3. **Inspection and review** - Important sustainability issues are considered by senior management, certified, and prioritized, taking into account the level of expectations that affect stakeholder evaluations and decisions, along with the level of importance that has economic, social, and environmental impacts. In addition, the Executive Committee reviews the key sustainability issues and discloses them in the annual report to keep all stakeholders continuously informed. The results of ranking of important sustainability issues are presented in a matrix below.

Sustainability Prioritization



Stakeholders Impact Management in the Business Value Chain

Value chain refers to activities that are interrelated and connected to create value for production and service, starting from the process of bringing raw materials into the production process or service, distribution process, product delivery process to consumers, and after-sales service process. Creating value for that product or service may be done by one company or several companies by dividing the scope of activities and passing on the values in each successive phase.

Value chain analysis is an analysis to consider the ability of the business to compete by studying both core and supporting activities whether it can provide a cost advantage or differentiation ability when compared to competitors. These will serve as guidelines to determine the strengths and weaknesses of the activities as well.

The Company has divided stakeholder groups into 6 groups as follows:

Stakeholder Group	Communication Channels	Interests and Expectations	Response to expectations
1. Customers	<ul style="list-style-type: none"> ● Company's website. ● Interaction with customers while providing services. ● Post-service satisfaction questionnaire. ● Channels for receiving complaints. ● Social media. 	<ul style="list-style-type: none"> ■ Service quality under Covid-19 situation. ■ Diversity and speed of response to customers' needs. ■ Customer data protection and privacy. 	<ul style="list-style-type: none"> ✓ Train employees to maintain service standards. ✓ Deliver a variety of products and services. ✓ Survey the opinions and satisfaction of customers through various communication channels of the company. ✓ Develop and improve customer information systems by bringing modern and efficient technology. ✓ Regularly present and review promotional programs and sales prices.

Stakeholder Group	Communication Channels	Interests and Expectations	Response to expectations
2. Partners	<ul style="list-style-type: none"> ● Company's website. Phone/Email ● Channels for receiving complaints ● Visit/Meet with partners 	<ul style="list-style-type: none"> ▪ Proper treatment of partners under the Covid-19 situation. ▪ Transparent procurement. ▪ Treat business partners fairly and equitably. 	<ul style="list-style-type: none"> ✓ Facilitate partners under the framework of the Covid-19 situation ✓ Selection principles and procurement processes are transparent and verifiable. ✓ Clearly comply with agreed commercial terms.
3. Employees	<ul style="list-style-type: none"> ● New employee orientation ● Annual performance evaluation. ● Channels for hearing opinions and suggestions. 	<ul style="list-style-type: none"> ▪ Career Growth and Advancement. ▪ Employee skill and knowledge development. ▪ Reasonable compensation and benefits. ▪ Measures to take care of employees under the Covid-19 situation. 	<ul style="list-style-type: none"> ✓ Promote training to enhance the skills, knowledge, and abilities of employees ✓ Satisfaction Survey and Annual Performance Assessment ✓ Review the compensation and benefits of employees. ✓ Modify the work accordingly to prevent the epidemic under the Covid-19 situation. ✓ Determine operational procedures from the Human Resources Department and strictly comply with labor laws.
4. Shareholders	<ul style="list-style-type: none"> ● Company's website ● Shareholders Meeting ● Meetings with analysts/investors. ● Disclosure of information to the Stock Exchange of Thailand. ● Online media and print media. 	<ul style="list-style-type: none"> ▪ Sustainable business performance and growth. ▪ Handle critical situations that affect businesses. ▪ Manage and deal with risks quickly, concisely, and prudently. ▪ Business rehabilitation plan after being affected by the Covid-19 situation. 	<ul style="list-style-type: none"> ✓ Listen to the opinions and suggestions of all shareholders equally. ✓ Present the Company's operating results with directions and business plans. ✓ Manage the organization and operate the business under the principles of good corporate governance. ✓ Assess and manage risks prudently and carefully.
5. Community and Society	<ul style="list-style-type: none"> ● Various contact channels and channels for receiving complaints. ● Social and Community Activities. 	<ul style="list-style-type: none"> ▪ Create jobs and careers for people in the community. ▪ Support local social and community activities. ▪ Community development for sustainable growth. 	<ul style="list-style-type: none"> ✓ Promote procurement and employment from local communities. ✓ Generate income to the community both directly and indirectly. ✓ Promote and build good relationships with society and local communities.
6. Environment	<ul style="list-style-type: none"> ● Survey and assess the environmental impact. ● Channels for receiving complaints. 	<ul style="list-style-type: none"> ▪ Take care of the environment around the community. ▪ Reduce environmental impact and manage pollution. 	<ul style="list-style-type: none"> ✓ Manage the use of natural resources with efficiency and maximum benefits. ✓ Support environmental conservation in local communities. ✓ Improve processes to reduce environmental impact regularly.

1. Environmental Sustainability Management

Environmental Policies and Practices

The Company places great importance on using resources responsibly and efficiently, reducing the impact on climate change, including operations that strictly comply with laws, rules, regulations, and standards, along with cooperation and supporting surrounding communities in taking care of the environment around the hotel and nearby areas.

All affiliated hotels of the Company have applied for the Green Hotel assessment from the Department of Environmental Quality Promotion. At present, 5 out of 6 hotels have been certified. The other one will be assessed by 2024 and it is expected to be audited by 2024.

Environmental Performance

1.1 Energy Management

The Company places importance on consuming energy valuably along with promoting and supporting the use of environmentally friendly energy and using energy for maximum efficiency.

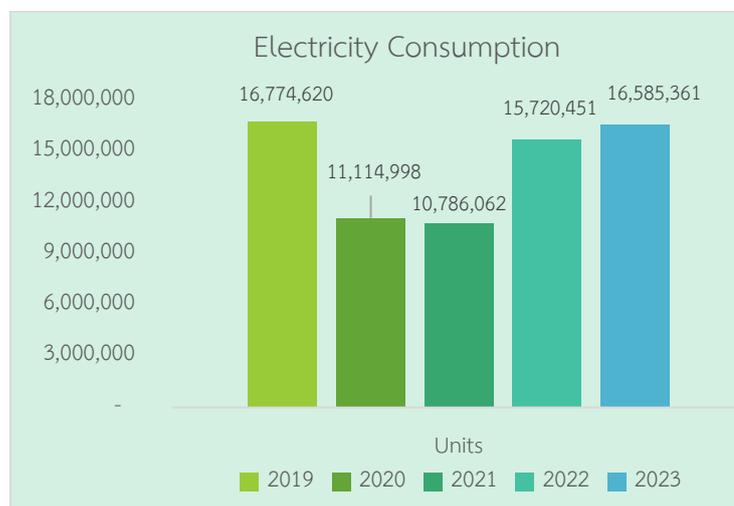
The Company has prioritized the efficient use of energy, as well as the promotion and support of environmentally friendly energy for maximum efficiency.

For 2023, the Company plans to continue reducing energy consumption and increasing energy efficiency. The details of the operation are as follows:

- ✚ The Solar Rooftop Project is implemented which involves the installation of solar panels on the roofs of four hotels, namely Hua Hin, Pattaya, Chiang Mai, and Khao Takiab, with an investment value of over 20 million baht and is expected to pay off in approximately four years. This project has been installed and is ready for full system activation in December 2023. The amount of electricity produced depends on the daily weather conditions of each location.
- ✚ A timer is installed to regulate the on and off times of lights in public areas of hotels and resorts.
- ✚ Perform preventive maintenance on room air conditioners every six months and use energy-saving air conditioners in cases where old ones need to be replaced.
- ✚ An electric vehicle charging station is installed in the hotel area to support the growing popularity of electric vehicles, increase convenience for customers who come to use the service, generate income for the hotel, and indirectly support the reduction of global warming.
- ✚ A water temperature control device for low-temperature washing is installed to reduce the use of electricity and gas.

From the results of the measures to increase energy efficiency as mentioned above, electricity consumption in the hotel group in the past year had decreased compared to the period before the outbreak of COVID-19.

The Company's Electricity consumption



Remark: 2019 – 2020 The Company have 5 hotels and Opening New Hotel as “Verso Huahin” in December 2020, Currently, the Company has 6 hotels in total.

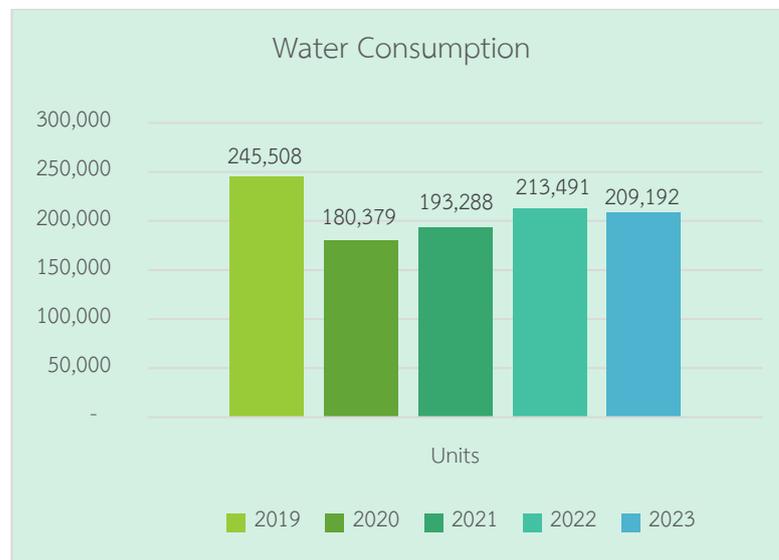
1.2 Water Resource Management

The hotel business is a business that requires many water resources. Therefore, good water management methods must be used to ensure efficient use of water and not affect the service according to international standards.

For 2023, the Company continues to reduce water energy use and improve water use efficiency. The details of the operation are as follows:

-  A wastewater treatment system has been set up in a way that allows for water to be reused for other purposes, such as watering plants in the hotel or rice fields.
-  Choose sanitary ware that is water-efficient in every hotel.
-  Regular inspections and repairs of water meters and machinery that use high amounts of water to avoid deterioration and water leakage.
-  Encourage customers to use water wisely and help save water by putting up campaign signs throughout the hotel and in rooms.

The Company's water consumption



1.3 Waste Management

The Company places great emphasis on managing waste issues that may arise from its business operations. Several measures have been implemented to reduce waste generation for service users, employees, and suppliers. In 2023, the following waste management operations were carried out:

-  Employees were trained to have knowledge and understanding about waste management. This training has enabled employees to correctly separate different types of waste and dispose of it in a proper way.
-  Amenities that are biodegradable and meet quality certification standards (BIO) were chosen to reduce waste problems that may negatively affect the environment.
-  Change the equipment used for stirring drinks from plastic to natural wood products.
-  Use eggshells left over as cooking waste to make biological fertilizer and use it for plants within the hotel instead of synthetic fertilizers to reduce the use of chemicals.
-  Separate waste into four categories - recyclable, organic, hazardous, and general - and ensure that they are stored properly.
-  Implement a "No Bin Day" once a week to encourage customers and employees to take only the amount of food they can eat, and to leave as little food scraps as possible to reduce the amount of organic waste.
-  Change packaging to use glass containers, tiles, and other natural materials to reduce the use of foam, plastic, and paper.

1.4 Environmental Promotion Activities

The Company values the importance of coexisting with the community while prioritizing the environment in the area. In 2023, the Company has engaged in environmental activities with the community, with examples as follows:

- Collecting marine trash along the beach to keep the area surrounding the hotel clean, advocating for environmental protection, and promoting sustainable tourism. 🍀🍀🍀



- Participation in environmental conservation activities with the local community, such as planting mangrove forests and releasing blue swimming crabs and marine animals back into nature.



2. Sustainability Development in Social Dimensions

The company places significant emphasis on continuously nurturing and developing the potential of its personnel while strengthening the organizational culture in line with the company's vision and business strategy. Consequently, the human resource management and organizational development policies are designed to create high-quality personnel who can support business expansion and develop their potential at all levels by preparing them to deliver quality work, meet business goals, and grow continuously in their respective fields. This also involves creating a team committed to the organization and retaining personnel to work continuously with the organization. The company's social performance results in 2023 are as follows:

2.1 Human Resource Management

The Company considers employment, training, education, and safe work as critical aspects under the social dimension. As a socially responsible employer, the Company is committed to providing a safe and conducive working environment for its over 900 employees. The development of professional knowledge and skills for both executives and employees is an integral part of promoting the business to grow sustainably and steadily.

2.2 Hiring and Selecting New Employees

The Company has an employment policy to ensure equal opportunities and transparent recruitment processes for talented individuals, without discrimination based on gender, race, religion, or culture. Additionally, the Company encourages the employment of talented individuals with disabilities, as it helps to improve the quality of life for these individuals to be self-reliant, provide them with a source of income, and reduce the burden on their families and society while promoting the inclusion of people with disabilities as a valuable resource for the economic development of the country.

In 2023, the Company promotes the employment of disabled people in accordance with the Act on the Promotion and Development of the Quality of Life of Persons with Disabilities, B.E. 2007, with the objective of promoting and developing the quality of life of disabled people, Section 33 and Section 35, which has provisions to determine measures regarding promoting careers and protecting the employment of disabled people by recruiting 10 (ten) disabled people to work in various departments. All disabled people receive wages and employee benefits equal to those of general employees.

2.3 Knowledge development of executives and employees

The Company commits to operate the business in align with Good Corporate Governance- being transparent, impartial, responsible for the society, culture and environment, as well as to support the capability development of personnel's excellence in all dimension. The Company well realizes the importance of human resource as the most valuable and critical force to drive the organization. By this mean, the Company focuses on cultivating employees to be highly capable, ethical, honest, to be responsible for organization and society. Beyond that, the Company also encourage the employees to involve in Corporate Social Responsibility, which the Company believe that cultivating of employees to be good and capable will support the sustainable growth of the organization. The Company has concrete plan for employee development in all dimension to support to company to continue business effectively. The details are as follows;

Executive development

- The Company has implemented Managerial Competency to be implemented as a foundation for the executive's development in regard to their skill, knowledge, and the capacity to accomplish their work.
- The Company has organized the training courses and other development programs for Company's executives that suits with their capabilities.
- The Company has organized the orientation for new executives who just take the positions to enable them to seamlessly adjust themselves to the new roles, responsibilities, and the new expectation of the given roles.
- The Company has continually encouraged the executives to share their experience to other executives and Company's staffs to create a learning atmosphere in the company and lead to organizational development.

Human Resource Development

The Company has the policy to develop the capability, skill, knowledge, for the employees continuously in order to support the development of employee's idea, personality, and technique for work as follows;

- Training Plan- to stipulate the human resource development plan of each department to enhance employees' knowledge, understanding, that would enable them to work effectively in their given role
- External Training- to develop capability, knowledge, ability in accordance with the scope of work. The Company will enable employee to attend the seminars and trainings with external organizations as well as provide the fieldtrips domestically and internationally
- In-house Training- to develop the idea, capability, knowledge, ability to perform their work, to be in align with the goal of the Company and with the competitive circumstance at the present time
- On the Job Training- to develop employees' skills so that they could work more effectively

In 2023, employees of the Company had training in skills and knowledge to be used in the operation as follows:

No.	Branches / Sub-Company	number of courses	Number of employees	Total training hours per year	Average (Hrs./Ps.)
1	Head Office	99	71	1,173	16.52
2	Veranda Huahin - Cha Am	74	132	8,924	67.60
3	Veranda Chiang Mai	161	123	5,318	43.24
4	SO/Bangkok	1,494	267	2,405	9.00
5	Veranda Pattaya	172	150	5,946	39.64
6	Rocky Samui	31	69	927	13.43
7	Verso Huahin	61	41	2,769	67.53
8	PDS (Food&Beverage)	26	52	1,501	28.86
Total		2,118	905	28,963	35.73

2.4 Safety, Occupational Health, and Working Environment

The Company has established a vision that prioritizes the value of safety and occupational health for its employees, partners, customers, and related stakeholders. The Company has implemented a safety and occupational health policy to ensure a safe working environment and good workplace hygiene. The policy emphasizes the prevention of accidents and encourages employee safety awareness through training and knowledge sharing. Furthermore, the Company aims to maintain clean, hygienic, and safe workplaces.

Under Ministerial regulations, hotels are required to provide training on occupational health and safety for employees in the workplace. Therefore, every hotel has arranged for relevant staff to complete training on two topics as follows:

- (1) Occupational safety officer course for supervisors
- (2) Occupational safety officer course for executives

The statistics on safety and accident of the Company in 2021-2023 are as follows:

Occupational Injuries Statistics	2021	2022	2023
Number of injuries or accidents leading to absence from work (times)	10	5	3
Number of injured employees who have to leave work for more than one day (person)	3	3	1
Number of employees who died from work (person)	-	-	-

*Read the Safety, Occupational Health policy at https://www.verandaresort.com/ir_index.php > Corporate Governance

2.5 Procurement

The Company has an efficient and standardized process for selecting suppliers. This process ensures that suppliers compete on equal terms and are selected based on transparency and fairness, following the Company's procurement criteria and policies. Moreover, the Company follows green procurement principles to promote environmentally sustainable products and services. This includes supporting local communities, selecting eco-friendly products, reducing plastic usage, and avoiding imports to prioritize domestic trading partners to boost the economy of Thailand.

2.6 Personal Data Protection

The Company understands the significance of safeguarding personal information, and therefore, has implemented a policy for the protection of personal information. This policy outlines the reasons for the collection, use, and disclosure of personal data, as well as the storage period and the rights of the data owner. The privacy policy has been made public on the Company's website to inform data owners and all stakeholders to ensure transparency in operations. The Data Protection Department is responsible for managing this policy and ensuring compliance with the Personal Data Protection Act.

*Read the Personal Data Protection Policy at https://www.verandaresort.com/ir_index.php > Corporate Governance

2.7 Business Ethics

Adhering to ethical principles including fairness and morality in conducting business with all groups of stakeholders. It is the heart of business operations. By the Board of Directors Principles and guidelines have been laid down for directors, executives, employees, and all stakeholders.

The Board has established policies and encourages employees abide by the ethics and The Company's code of ethics, including corporate governance policies by applying the code of ethics and business ethics as part of the new employee orientation course. On the first day of work, employees are given explanations and understanding for implementation. There are still communications to employees about The Company's corporate governance policy continuously with the aim of raising awareness and it is everyone's duty to help each other to keep The Company's operations to be consistent with the intention. In the past year, there were no cases of employees who failed to comply with or violated the ethics and corporate governance policies of The Company.

*Read the Business Ethics at https://www.verandaresort.com/ir_index.php > Corporate Governance

2.8 Social Responsibility

The Company understands the importance of social responsibility, and therefore, has implemented policies and conducts business under the framework of good governance, transparency, and verifiable. The Company is dedicated to creating a balanced approach between the economy, society, and environment to ensure fairness to all stakeholders. In addition, the Company follows the principles of good corporate governance as a guiding force to maintain a balance between operations and the economy, community, society, and the environment. These efforts will help create a sustainable and successful business.

*Read the social responsibility policy at https://www.verandaresort.com/ir_index.php > Corporate governance

2.9 Social and Community Promotion Activities

The Company places great importance on taking care of its employees and communities in the area. To build good relationships, the Company has organized social activities throughout the year. In 2023, the Company has organized some activities with employees and communities, including the following examples:

- Participating in annual Children's Day activities with local schools and members of the community.



- Organizing blood donation activities every three months to promote giving and help save the lives of fellow humans.



- Bringing in local products for banquets and promoting locally-produced products for breakfast and snacks.



3. Corporate Governance

3.1 Corporate Governance Report Assessment of Thai Listed Companies

Result of 2023, the Company got a **Very Good** rating from the Corporate Governance Report of Thai Listed Companies (CGR) 2023 of the Thai Institute of Directors (IOD) supported by the Stock Exchange of Thailand (SET).

Company Summary

VRANDA VERANDA RESORT PUBLIC COMPANY LIMITED

Services/Tourism & Leisure

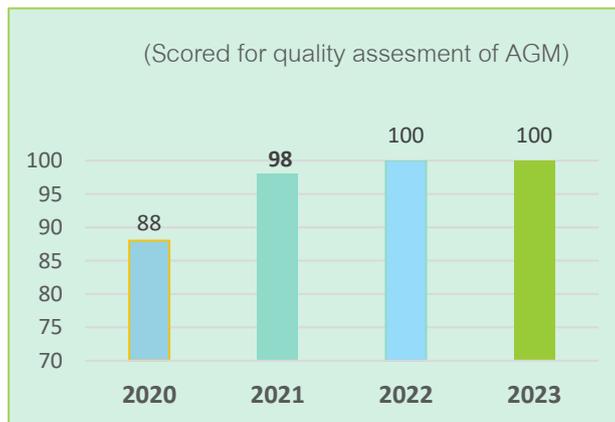
SET

CG Report:

ช่วงคะแนน	สัญลักษณ์	ความหมาย
90 - 100		ดีเลิศ (Excellent)
80 - 89		ดีมาก (Very Good)
70 - 79		ดี (Good)
60 - 69		ดีพอใช้ (Satisfactory)
50 - 59		ผ่าน (Pass)
ต่ำกว่า 50	-	N/A

3.2 Quality Assessment of Annual General Meeting of Shareholders

The Company received 100% of the assessment results from the Quality Assessment of Annual General Meeting (AGM) project conducted by the TLCA in 2023. The goal for 2024 is a score of 100 percent and consistently get full marks



3.3 Anti-Corruption

The Board recognizes and places importance on anti-corruption. By cooperating with various agencies in combating corruption as appropriate The Company is in the process of raising the of anti-corruption of the organization. To be certified as a member of the Private Sector Collective Action Coalition Against Corruption Project (CAC). The Company has disclosed the anti-corruption policy on the Company's website.

*Read the Anti-Corruptions Policy at https://www.verandaresort.com/ir_index.php > Corporate Governance

Whistle blowing, corruption or complaints

The Company has provided channels for all stakeholders to report or complain about unlawful activities or those in violation of the law, rules, regulations, or corporate governance principles including incorrect financial reports or defective internal control systems of the Company to the Independent Director and Audit Committee. which can be contacted via the following channels:

Audit Committee

E-mail : auditcom@verandaresort.com

Chief Executive Officer

E-mail : pawatt@verandaresort.com

Post Mail : The Audit Committee
Veranda Resort Public Company Limited
No. 555 Rasa Tower building 27th Floor, Paholyothin Road,
Chatuchak, Bangkok, 10900 Thailand.

Action after Receive the Complaint

Once we received the complaint, the Audit Committee will consider the complaint and inform the relevant parties to investigate facts about the complaint and resolve the complaint appropriately. The Audit Committee will periodically monitor the progress of complaint. The relevant parties will notify the result to the complainant within a reasonable period. The Audit Committee shall report to the Board of Directors.

Protection and Confidentiality of the Complainant

To protect the rights of complainant and relevant informants who acts in good faith, the Company shall keep all information of complainants and informants in confidentiality. Only the persons who are responsible in conducting inspection about the complaints can have access to such information. The assigned persons to handling the complaint are responsible for keeping all information regarding the complaint, relevant documents as confidential and shall not disclose such information to other persons unless the disclosure is required by laws.

If you have any questions about anti-corruption policies and measures. You can ask questions or advice at

Company Secretary Department
Tel: (02) 513-3003 ext. 802
Email: com-secretary@verandaresort.com

Post Mail:

Company Secretary Department
Veranda Resort Public Company Limited
No. 555 Rasa Tower building 27th Floor, Paholyothin Road,
Chatuchak, Bangkok, 10900 Thailand.

In the past year of 2023, the Company **had not received any whistleblowing or complaints** about misconduct and corruption from employees, shareholders, or all stakeholder groups of the Company.

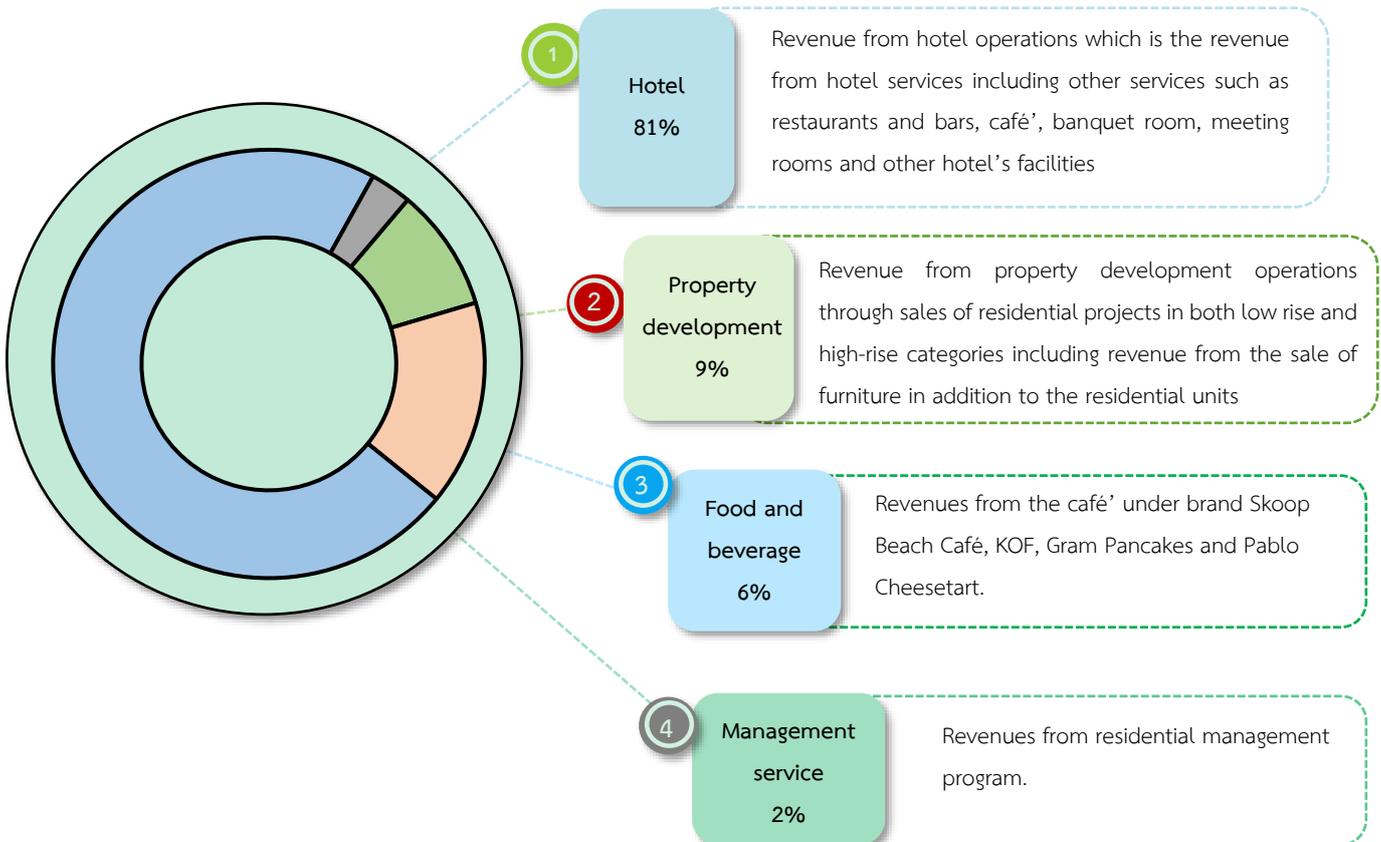
Management Discussion & Analysis of the year 2023

Revenue Structure

In 2023, The company generated total revenue of 1,402 THB mm with the main proportion came from revenue from hotel operations, 81% of total revenue, and revenue from property development operations accounted for 9% of total revenue. The following table shows the total revenue structure by business type for the three-month period ended 31 December 2023.

Revenues	Y2023	%	Y2022	%	YoY	Q4/23	%	Q4/22	%	QoQ
Revenue from hotel operations	1,130	81	955	70	+18%	308	82	324	80	-5%
Revenue from property development operations	123	9	222	16	-45%	35	9	33	8	+7%
Revenue from sales of food and beverage	86	6	116	9	-26%	16	4	29	7	-46%
Revenue from management service	32	2	28	2	+14%	9	3	9	2	-
Other income	31	2	45	3	-29%	8	2	10	2	-28%
Total revenue	1,402	100	1,366	100	3%	376	100	405	100	-7%

*The exchange rate calculations in this document are based on the unit's digit.



For 2023, The company has total revenue increased by 36 THB mm or representing an increased rate of 3% compared to last year, mainly due to increase in revenue from hotel operations by recovery from tourism industry which number of foreign tourists traveling to Thailand continue to increase.

For three-month period ended 31 December 2023 the Company's revenue has decreased 29 THB mm or representing a decreased rate of 7% from same quarter last year due to decrease in revenue from sales of food and beverage 13 THB mm or representing a decreased rate of 46% mainly due to closure of Gram Pancakes and Pablo Cheesetart branches following the decision to cease operations in order to stop losses from this sector.

Revenues and gross profit from hotel operations

Revenues from hotel operations

	Units	For the year ended December 31			For the year ended December 31		
		2023	2022	YoY	2023	2022	QoQ
The number of operating hotels	Hotel	6	6		6	6	
The number of rooms	Room	675	675		675	675	
Occupancy rate	%	62	51	+11%	62	65	-3%
Average daily room rate	Baht/Room/Night	4,261	4,246	+1%	4,490	4,555	-1%
REVPAR	Baht/Room/Night	2,632	2,185	+20%	2,785	2,940	-5%
<u>Revenues from hotel operations</u>							
Room revenues	THB mm	647	549	+18%	175	185	-6%
Food and beverage revenues	THB mm	329	279	+18%	92	96	-3%
Revenues from other service	THB mm	154	127	+21%	41	43	-4%
Total revenues from hotel operations	THB mm	1,130	955	+18%	308	324	-5%

For 2023, revenues from hotel business increase 175 THB mm or representing an increased rate of 18% compared to last year mainly due to increase in the occupancy rate and average room rate following the recovery of the tourism industry

For the three-month period ended 31 December 2023, revenues from hotel business have a decrease 16 THB mm or representing a decreased rate of 5% compared to the same quarter last year due to decrease in the occupancy rate and average room rate as the number of tourists slowdown at the beginning of the quarter but recovered in December.

Gross profit from hotel operations

Details	Unit	For the year ended December 31			For the three-month period ended December 31		
		2023	2022	YoY	2023	2022	YoY
Revenues from hotel operations	THB mm	1,130	955	+18%	308	324	-5%
Cost from hotel operations	THB mm	541	461	+17%	143	145	-1%
Gross profit from hotel operations	THB mm	589	494	+19%	165	179	-8%
Gross profit margin from hotel operations	%	52	52	-	54	55	-1%
Gross profit from hotel operations after depreciation	THB mm	406	315	+29%	119	132	-11%

For 2023, gross profit from hotel operations increased by 95 THB mm or representing increase rate of 19% compare to last year mainly due to an increase in hotel revenue, generated gross margin at 52%.

For the three-month period ended 31 December 2023, gross profit from hotel operations decreased by 14 THB mm or representing decrease rate of 8% compared to the same quarter last year, generated gross margin at 54%.

Earnings before interest tax depreciation and amortization (EBITDA)

Hotel Operations	Unit	For the year ended			For the three-month period ended		
		December 31			December 31		
		2023	2022	YoY	2023	2022	YoY
EBITDA	THB mm	313	271	16%	89	107	-17%
EBITDA Margin	%	28%	28%	-	29%	33%	-4

For 2023, Earnings before interest tax depreciation and amortization (EBITDA) increased by 42 THB mm representing increase rate of 16% compared to last year due to increase of hotel revenues, generate EBITDA Margin at 28%

For the three-month period ended 31 December 2023, EBITDA decreased by 18 THB mm or representing decrease rate of 17% compared to the same quarter last year due to the decreased in hotel revenues and increased in Selling expenses such as commissions and employee-related expenses to support future business growth, generate EBITDA Margin at 29%

Revenue and gross profit from property development operations

Revenue from property development operations

Residential project	Project value	Transfer value					
		For the year ended			For three-month ended		
		December 31			December 31		
		2023	2022	YoY	2023	2022	YoY8
Veranda Residence Hua-Hin	2,417	108	202	-46%	28	33	-16%
Veranda Residence Pattaya	1,899	8	12	-42%	-	-	-
Veranda High Residence Chiang Mai	198	7	8	-5%	7	-	+100%
Total	4,514	123	222	-45%	35	33	+7%

For 2023, the Company's revenue from property development operations decreased by 99 THB mm or representing a decreased rate of 45% compare to last year due to Veranda Residence Hua Hin project gradually decreased the transfer of ownership.

For three-month period ended 31 December 2023, the Company's revenue from property development operations increased by 2 THB mm or representing an increased rate of 7% compare to the same quarter last year due to transfer of ownership of the Veranda High Residence Chiang Mai.

Gross profit from property development operations

Details	Unit	For the year ended December 31			For the three-month period ended December 31		
		2023	2022	YoY	2023	2022	YoY
Revenues from property development operations	THB mm	123	222	-45%	35	33	+7%
Cost from property development operations	THB mm	99	169	-42%	29	29	-
Gross profit from property development operations	THB mm	24	53	-53%	6	4	+55%
Gross profit margin from property development operations	%	20	24	-4%	18	13	+5%

For 2023, the Company's Gross profit from property development operations decreased by 29 THB mm or representing a decreased rate of 53% compared to last year due to decreased in revenue, Generate gross profit margin at 20%.

For three-month period ended 31 December 2023, the Company Gross profit from property development operations increased by 2 THB mm or representing an increased rate of 55% compared to the same quarter last year according to the increase in revenues from property development operations, Generate gross profit margin at 18%.

Selling expenses and administrative expenses

	For the year ended December 31			For the three-month period ended December 31		
	2023	2022	YoY	2023	2022	YoY
Selling expenses	172	157	+9%	45	47	-4%
Selling expenses to total revenue (%)	12	12	-	12	12	-
Administrative expenses	337	210	+60%	170	62	+175%
Administrative expenses to total revenue (%)	24	15	+9%	45	15	+30%

For 2023, the Company's selling expenses increased by 15 THB mm or representing an increased rate of 9% compared to last year mainly due to increased expenses in line with revenue from hotel operation and administrative expenses increased by 127 THB mm or representing an increased rate of 60% compared to same quarter last year mainly due to one-time and non-cash impairment in the food and beverage business.

For three-month period ended 31 December 2023, the Company's selling expenses decreased by 2 THB mm or representing a decreased rate of 4% compared to same quarter last year mainly due to decreased in revenue from hotel operation while administrative expenses increased by 108 THB mm or mm or representing an increased rate of 175% compared to same quarter last year mainly due to one-time and non-cash impairment in the food and beverage business.

One-time expense (Non-Cash)

	For the year ended December 31	For the three-month period ended December 31
One-time and non-cash impairment of food and beverage business assets	96	95
Other one-time and non-cash impairment	26	22
Total one-time and non-cash expenses	122	117

For 2023, the Company has one-time and non-cash expenses total 122 THB mm, divided into one-time and non-cash impairment of food and beverage business assets 96 THB mm, mainly from asset impairment in PDS Holding Company Limited, the Company decided to cease operating “GRAM Pancakes” and “PABLO Cheese tart” and has other one-time and non-cash impairment 26 million baht, mainly from impairment of assets in the Verso Hotel and write-off tax-related assets.

For the three-month period ending December 31, 2023, the Company has one-time and non-cash expenses total 117 THB mm, divided into One-time and non-cash impairment of food and beverage business assets 95 THB mm, mainly from asset impairment in PDS Holding Company Limited, and has other one-time and non-cash impairment 22 million baht.

Earnings before interest tax depreciation and amortization (EBITDA)

Details	Unit	For the year ended December 31			For the three-month period ended December 31		
		2023	2022	YoY	2023	2022	YoY
EBITDA	THB mm	195	298	-35%	-24	103	N/A
EBITDA Margin	%	14	22	-8%	-6	25	-31%
Normalized EBITDA	THB mm	311	298	+4%	86	103	-16%
Normalized EBITDA Margin	%	22	22	-	23	25	-2%

For 2023, the Company’s earnings before interest tax depreciation and amortization (EBITDA) decreased by 103 THB mm or representing a decreased rate of 35% compared to last year mainly due to impairment in the food and beverage business, however normalized EBITDA increased by 12 THB mm or representing an increased rate of 4% compared to last year.

For three-month period ended 31 December 2023, the Company’s earnings before interest tax depreciation and amortization (EBITDA) decreased by 127 THB mm and normalized EBITDA decreased by 17 THB mm or representing a decreased rate of 16% compared to same quarter last year mainly due to a decrease in gross profit from hotel operations and food and beverage businesses.

Depreciation and amortization

For 2023, the Company’s depreciation and amortization 229 THB mm increased by 2 THB mm or representing an increased rate of 1% compared to last year.

For three-month period ended 31 December 2023, the Company’s depreciation and amortization 57 THB mm decreased by 1 THB mm or representing an increased rate of 2% compared to same quarter last year.

Financial expenses

For 2023, the Company’s financial expenses 101 THB mm increased by 30 THB mm compared to last year and for three-month period ended 31 December 2023, the Company’s financial expenses increased by 6 THB mm compared to the same quarter last year due to interest expenses on debentures and increased MLR Interest rates according to the Bank of Thailand's monetary policy.

Net profit and net profit margin

	Unit	For the year ended December 31			For the three-month period ended December 31		
		2023	2022	YoY	2023	2022	YoY
Net (Loss) profit	THB mm	(141)	1	N/A	(113)	19	N/A
Net (Loss) profit Margin	%	N/A	0.1%	N/A	N/A	5%	N/A

For 2022, the Company's net profit is 1.1 THB mm increased by 101% compared to last year. For three-month period ended 31 December 2022, the Company's net profit is 18.6 THB mm increased by 841% compared to the previous quarter due to increase of EBITDA from hotel operations.

Financial Statement

Details	Unit	December 31, 2023	December 31, 2022	Change %
Total assets	THB mm	4,803	4,757	+1%
Total liabilities	THB mm	3,015	2,826	+7%
Total equity	THB mm	1,788	1,931	-7%
Interest bearing debt	THB mm	2,485	2,399	+4%
D/E	times	1.69	1.46	
IBD/E	times	1.39	1.24	

As 31 December 2023, the Company had total assets of 4,803 THB mm, decrease from 31 December 2022 by 46 THB mm or 1% mainly due to the increase in assets of the Veranda Resort Phuket project following the progress of the project's construction.

As 31 December 2023, the Company had total liabilities 3,015 THB mm, increase from 31 December 2022 by 189 THB mm or 7%, mainly due to Increase in account payables and long-term loans from the construction of the Veranda Resort Phuket project and the Veranda Pool Villa Hua Hin-Cha-am project.

As 31 December 2023, the Company had total equity 1,788 THB mm, decrease from 31 December 2022 by 143 THB mm by net loss in 2023.

As 31 December 2023, the Company D/E ratio is 1.69 times and the IBD/E ratio is 1.39 times increased compared to the last year due to decrease in equity from a net loss in 2023 which still below financial covenant of debentures and commercial banks.

General and other important information

Thai's name	:	Veranda Resort Public Company Limited (VRANDA)
English's name	:	Veranda Resort Public Company Limited
Type of Business	:	Hotel, Real Estate and Restaurant
Head Office address	:	555 Rasa Tower Unit 2701-2704 Floor.27th, Paholyothin Road, Chatuchak, Bangkok, 10900 Thailand
Company Registration No	:	0107561000382
Telephone No.	:	(66) 2513 3300
Fax No.	:	(66) 2513 5110
Website	:	www.verandaresort.com
Registered Capital as of 31 Dec 2022	:	1,750.00 Million Baht
Paid-up capital as of 31 Dec 2022	:	1,598.41 Million Baht
Company Secretary & Investor Relations	:	Mr.Varut Tantiphipop
Telephone No.	:	(66) 2513 3300
E-Mail: Company Secretary	:	Com-Secretary@verandaresort.com
E-Mail: Investor Relations	:	ir@verandaresort.com

Subsidiaries

Name of Company	:	(1) Veranda Beach Pattaya Co.,Ltd (VBP)
Type of Business	:	Hotel and Real estate
Head Office	:	555 Rasa Tower Unit 2701-2704 Floor.27 th , Paholyothin Road, Chatuchak, Bangkok, 10900 Thailand
Company Registration No	:	0105549089601
Tel.	:	(66) 2513 3300
Fax.	:	(66) 2513 5110
Website	:	www.verandaresort.com
Registered Capital	:	300 Million Baht
Paid-up capital	:	300 Million Baht
Name of Company	:	(2) Hua Hin Pool Suite Co.,Ltd (HHP)
Type of Business	:	Hotel and Real Estate
Head Office	:	555 Rasa Tower Unit 2701-2704 Floor. 27 th , Paholyothin Road, Chatuchak, Bangkok, 10900 Thailand
Company Registration No	:	0105546028296
Tel.	:	(66) 2513 3300
Fax.	:	(66) 2513 5110
Website	:	www.verandaresort.com
Registered Capital	:	50 Million Baht
Paid-up capital	:	50 Million Baht
Name of Company	:	(3) Oaktree Co.,Ltd (OKT)
Type of Business	:	Hotel
Head Office	:	No. 2 North Sathorn, Silom, Bangrak, Bangkok, 10500
Company Registration No	:	0105548045937

Tel.	:	(66) 2513 3300
Fax.	:	(66) 2513 5110
Website	:	www.so-sofitel-bangkok.com
Registered Capital	:	850 Million Baht
Paid-up capital	:	850 Million Baht
Name of Company	:	(4) Oaktree Realty Co.,Ltd (OTR)
Type of Business	:	Commercial buildings for rent
Head Office	:	555 Rasa Tower Unit 2701-2704 Floor. 27, Paholyothin Road, Chatuchak, Bangkok, 10900 Thailand
Company Registration No	:	0105554122531
Tel.	:	(66) 2513 3300
Fax.	:	(66) 2513 5110
Registered Capital	:	5 Million Baht
Paid-up capital	:	5 Million Baht
Name of Company	:	(5) The ISA Resort Co.,Ltd (ISA)
Type of Business	:	Hotel
Head Office	:	438/1 Moo. 1, Maret, Koh Samui Suratthani, 84310
Company Registration No	:	0845546002797
Tel.	:	(66) 7733 2888 - 95
Fax.	:	(66) 7741 8367
Website	:	www.rockyresort.com
Registered Capital	:	100 Million Baht
Paid-up capital	:	100 Million Baht
Name of Company	:	(6) Veranda Cuisine Co.,Ltd (VCS)
Type of Business	:	Foods and Beverages
Head Office	:	555 Rasa Tower Unit 2701-2704 Floor. 27, Paholyothin Road, Chatuchak, Bangkok, 10900 Thailand
Company Registration No	:	0105558148003
Tel.	:	(66) 2513 3300
Fax.	:	(66) 2513 5110
Registered Capital	:	20 Million Baht
Paid-up capital	:	20 Million Baht
Name of Company	:	(7) PDS Holding Co.,Ltd (PDS)
Type of Business	:	Foods and Beverages
Head Office	:	178/7, Ratchapisek Road, Chankasaem, Chatuchak, Bangkok
Company Registration No	:	0105554026329
Tel.	:	(66) 2511 5591
Fax.	:	(66) 2656 3653
Registered Capital	:	120 Million Baht
Paid-up capital	:	120 Million Baht

Name of Company : (8) VL Phuket Co.,Ltd (VLP)
Type of Business : Real estate development
Head Office : 555 Rasa Tower Unit 2701-2704 Floor. 27th,
Paholyothin Road, Chatuchak, Bangkok, 10900 Thailand
Company Registration No : 0105564162292
Tel. : (66) 2513 3300
Fax. : (66) 2513 5110
Registered Capital : 20.00 Million Baht
Paid-up capital : 20.00 Million Baht

Reference

Securities registrar : Thailand Securities Depository Co., Ltd (TSD)
Head Office : 93, Rachadapisek Road, Din Daeng Bangkok 10400
Tel. : (66) 2009 9000
Fax. : (66) 2009 9991

Auditors : KPMG Phoomchai Audit Ltd.
Head Office : No. 1 Empire Tower, 50th Floor, South Sathorn Road, Yannawa,
Sathorn, Bangkok, 10120
Tel. : (66) 2677 2000
Fax. : (66) 2677 2222

Other Informations

- None -

Legal Dispute

Litigation

As of 31st December 2023, the Company or its subsidiaries had no legal disputes higher than 5 percent of shareholders equity. There are important lawsuit as follows:

During the year 2019, the Company received a letter from the Phetchaburi Administrative Court notifying the Company, as an interpleader, to enter in a legal case between an individual and its parties (“the plaintiff”) and the Director-General of the Department of Lands and 2 other parties (“the defendant”). The Company has purchased many plots of land located in Khao Takiab District, Hua Hin District, Prachuap Khiri Khan. After receiving the ownership of the land, the Company found that the villagers nearby the land, led by the plaintiff, had previously sued the Department of Lands and the Director-General of the Department of Lands as defendant on the grounds that the defendant unlawfully issued land title deeds, blocking a path to access the beach and the defendant moved the pins of land which was a thoroughfare for the villagers. The Supreme Court had dismissed the case in 2016.

In 2020, the Phetchaburi Administrative Court rendered a verdict on the said case to revoke the land title deeds of 4 plots of the Company, only the sections that overlap or overlap the road boundary. The total area of land that may be affected is approximately 53 Square Wah and the book value is in number of Baht 4.9 million. the Company filed an appeal against the judgement of the Phetchaburi Administrative Court to the Supreme Administrative Court. The case is still under consideration of the Supreme Administrative Court.

In 2023, the Company was sued by Condominium Juristic Person of Veranda Residence Hua Hin and a co-owner (“the plaintiff”) in lawsuit about breach of condominium sale and purchase agreements with demanding ownership of common properties and related compensations in the total amount of approximately Baht 7.2 million. The case is currently being heard by the Court of First Instance.

Major Labor Disputes

- None -

Secondary Market

- None -



CORPORATE GOVERNANCE

Part 2 Corporate Governance

Corporate Governance

The company realizes how important good corporate governance is. It supports business operations to run efficiently and yielding sustainable growth as well as maximizing benefits to all concerned – employees, shareholders, other stakeholders. Therefore, the company’s board of directors has proper perspective to have a good corporate governance policy covering major contents starting from board of director’s organization chart, their roles, duties, and responsibilities to their management principles which shall be transparent, clear, and verifiable to be used as a management direction of the organization, and to ensure that any operations go right, just, and optimize benefits of all shareholders and stakeholders. The company’s corporate governance policies embrace good governance practices for companies registered in 2017 which are compiled by Securities and Exchange Commission as a procedure.

Corporate Governance Policy

In conducting business for the sustainability of the Company and the balanced interests of the Company’s stakeholders, the Board of Directors has set the operational management policy and a governance system based on the principles of good corporate governance by adhering to transparency and responsibilities to all stakeholders and society as guidelines for business operations for directors, executives, and employees of the Company. The Board of Directors has regularly reviewed policies and good practices in accordance with corporate governance principles to keep them up-to-date.

Directors, executives, and employees have acknowledged the Code of Conduct and Corporate Governance Policy and complied with such regulations as part of the discipline. In addition, the Company has disseminated and communicated to everyone in the organization to be aware of the code of conduct and good practice. The policy has been disseminated through the Company’s website https://www.verandaresort.com/ir_index.php?corporate_governance and new employee orientation. The Good Corporate Governance Policy according to the CG Code has laid down eight principles of practice for the Board of Directors as follows:

Principle 1: The Board of Directors’ Roles and Responsibilities

- **Principle 1.1**

The Board of Directors understands their roles, duties, and responsibilities as leaders directing the organization to be well-managed. Such management encompasses objectives and goals, strategies, operations, resource supplies, observations, evaluations, and reporting’s at least in every three months.

- **Principle 1.2**

The Board of Directors superintends the organization to have governance outcome. In other words, the organization holds competitive advantage and favorable turnovers in the long run. It shall transact on the basis of ethics, respect for the rights and responsibilities of shareholders and stakeholders. It shall generate benefits to society and apt to unfavorable factors.

- **Principle 1.3**

The Board of Directors supervises directors and executives to have their duties of care, and of loyalty. The Board shall operate the organization in compliance with laws, regulations, shareholder resolutions, policies/procedures mentioned. The Board shall authorize salient operational processes regarding investment,

business transactions which are of significant importance and impact, reports of business connections, acquisition / distribution of assets and dividend payments, etc.

- **Principle 1.4**

The Board of Directors comprehends their roles and responsibilities. The Board directs chairman’s and management’s roles, responsibilities, and performances as assigned. It also supervises and suffices risk management system, internal control, financial and non-financial public disclosure to be accountable.

Principle 2: Directing to Achieve and Sustain Organization’s Objectives and Goals

- **Principle 2.1**

The Board of Directors shall direct or supervise, sustain, and align organization’s objectives and goals with value proposition to the organization, clients, stakeholders, and overall society, profitability or value proposition competition, and long-term existence of organization under risk and chance factors influencing organization and stakeholders.

- **Principle 2.2**

The Board of Directors directs and superintends objectives and goals including aligning intermediate-range and/or annual strategies of the organization with objectives and goals by prudent uses of technology and safety in regard to current surrounding factors, opportunities, and acceptable risks.

Principle 3: Building a Competent Board

- **Principle 3.1**

The Board of Directors directs and reviews the organization structure – the company’s size, numbers of independent directors relevant and favorable to achieve organization’s objectives and goals. The Board shall appoint and assign the Nomination and Remuneration Committee to seek qualified, skillful, expertise, and specialized directors for itself and its nomination sub-committee. The Board shall publicize organizational policies, organization chart, background of directors age, education, experience, shareholding proportion, terms of service as director, and other titles in other registered companies in the annual report and company website.

- **Principle 3.2**

As of 31 December 2023, The Board of Directors was comprised of 4 independent directors, 5 executives directors, and 5 non-executives directors.

The Board of Directors shall select an appropriate person as a chairman to ensure that the board composition and operation render independent consideration and judgement. Moreover, the board splits the person entitled as board chairman out of that resumes the same executive title; clearly defining board chairman’s and executive’s roles and responsibilities so that either of them cannot overpower; monitoring public disclosure of the Board’s and sub-committee’s roles and responsibilities, previous attendances, and reporting performance of every sub-committee.

The company shall render a nomination and remuneration committee to perform their duties in Principles 3.3 and 3.4. Most of the board members and chairman of the nomination and remuneration committee are independent directors.

- **Principle 3.3**

The Board directs, nominates, and selects the nomination and remuneration committee to be in a clear and transparent process aligning to the set compositions:

3.3.1 The nomination and remuneration committee shall confer to bring out criteria and qualified candidates to fulfill an effective manpower composition. Candidate backgrounds are to be presented to the board before the shareholder’s meeting is being held to appoint directors of the board. Furthermore, the company will suffice candidate’s background information to shareholders for their consideration.

3.3.2 The nomination and remuneration committee shall review criteria and procedures to be presented to directors for their suggestions before the end of their service terms. In case, the nomination and remuneration committee propose the same list of candidates, those candidate’s performances must be considered.

3.3.3 Providing that the committee appoints a person as a consultant of the nomination and remuneration committee, disclosure of the consultant’s background, including his independency or none of his conflict of interest shall be noted in the annual report.

- **Principle 3.4**

When proposing director’s remuneration to the shareholders’ meeting for approval, the board under the proposal of the nomination and remuneration committee shall consider whether the remuneration structure is appropriate for the directors’ respective roles and responsibilities, and provides incentives for the board to lead the company in satisfying its objectives, both in the short and long terms.

- **Principle 3.5**

The board shall superintend all directors to perform their duties with responsibility and to allocate time sufficiently. Each director must attend at least half of total numbers of committee meetings held in a year, except in case of necessary grounds.

The Board shall arrange a meeting at least every three months. The date of the board’s meeting is booked in advance and informed to all directors by meeting invite letter at least 7 days.

The board sets a reporting system of board director’s other post take ups to be opened and acknowledged. In case board directors hold a post of a director or an executive or having gain & loss directly or indirectly in other companies either competitors or exploitations by using

company's information or business opportunities, the board must declare and confirm its preventive measures and report to shareholders properly.

- **Principle 3.6**

The board shall direct the company's governance framework and mechanism applicable to policies and operations of subsidiaries and other businesses in which it has a significant investment for good understanding and suitability.

The Board shall consider governance policies for subsidiaries covering:

- (1) levels of authorities – directors, executives, or heads of subsidiaries – are appointed by the board except such subsidiaries are small and appear as operating arms of the company. The board shall assign the chairman of executive directors to appoint those positions.
- (2) to define roles and responsibilities of company delegates stated in (1) Such delegates supervise operations aligning subsidiary's policies. In case subsidiaries have other joint ventures, the board shall set policies for the best benefits of subsidiaries for delegates to perform. Such policies shall be in compliance with mother companies.
- (3) Internal control system of subsidiaries shall be executed appropriately, precisely, and sufficiently. Doing other transactions is run by the rule of law and concerned criteria.
- (4) Information disclosure of financial status, operational outcomes, and doing other transactions with related persons, acquisition and distribution of assets, other significant transacting, capital increase, capital decrease, termination of subsidiaries, etc.

- **Principle 3.7**

The Board is to arrange performance evaluation of all directors as a whole and individually. Working performance, problems, obstacles in each year are reviewed in order to use results of evaluation for developing and improving performances in many areas.

- The Board requires company's directors to assess themselves. Assessment is carried out into 3 types
 - 1) self-assessment form as the whole board of directors
 - 2) self-assessment form as per sub-committee
 - 3) self-assessment form of individual sub-committee member.
 Assessment criteria are in line with the example of self-assessment of The

Stock Exchange of Thailand. The Company secretary has compiled, summarized, and reported assessment results to the board of directors.

The criteria for self-assessment of directors in 2023 are as follows:

More than 90 %	=	Excellent
More than 80%	=	Very Good
More than 70%	=	Good
More than 60%	=	Fair
Less than 60%	=	Should Improve

1. The self-assessment form of the entire Board of Directors received an average score of 95.75%, at an excellent level. The category with the highest score was the section of the board meetings because the Board of Directors recognized the importance of performing duties in meetings to consider, approve and comment / advise on matters that were important and relevant to the Company's performance.
2. The self-assessment form AC received an average score of 97.85%, at an excellent.
3. The self-assessment form NRC received an average score of 100%, at an excellent.
4. The self-assessment form CSRMC received an average score of 96.63%, at an excellent.
5. The self-assessment form of individual sub-committees received an average score of 96.11%, at an excellent.
 - The company arranges to have performance evaluation of the chairman of the executive officers covering leadership, strategic planning, financial planning and financial performance so as to develop operations more effectively.
 - Assessment score of Chief Executive Officer for the year 2022 at 90.75%

- **Principle 3.8**

The board directs individual director to understand his roles, business characteristics, related business legal terms as well as supporting them to build up skills and knowledge necessary to director-on-duty performance regularly.

The Company encourages the directors to attend the training program to increase their understanding on the roles and responsibilities under the good corporate governance campaign by internal training Program and others institute.

The Company provides education training for new directors in various courses related to the roles and responsibilities of the directors under the good corporate governance framework such as roles and duties of directors in accordance with the rules and regulations of the directors, the Securities and Exchange Commission (SEC), Stock Exchange of Thailand (SET), Public Company Limited Act and Thai Institute of Directors (IOD) etc. also encourage specialized knowledge for directors to promote effective performance such as financial reporting knowledge.

Training of The Board of directors

The Company encourages training and knowledge sharing for directors, to promote continuous performance improvement in management under good corporate governance. There are the directors who has been trained in IOD courses are as follows;

Name	Position	Certification						
		(DAP)	(DCP)	(AACP)	(ACP)	(CGI)	(EMT)	(CSP)
Mr.Chai Jroongthanapibarn	Chairman/Independent Director		29/2003		4/2005			
Mr.Paiboon Kujareevanich	Chairman of Audit Committee/ Independent Director	113/2014					108/2008	159/2019
Mr.Trairak Tengtrairat	Audit Committee / Independent Director	109/2014		15/2014		7/2015		
Assoc.Prof.Siriporn Maneepun	Audit Committee / Independent Director	27/2004						
Mr.Pawatt Ongvasith	Director / Chief Executive Officer	22/2004						
Mrs.Tosaporn Angsuwarangsi	Director	22/2004						
Mrs.Napasorn Soonthornmanokul	Director	137/2017						
Mr.Surasak Wongkiatthavorn	Director	137/2017						
Mr.Siriwat Vongjarukorn	Director	9/2004	42/2004					
Mr.Kittisak Sopchokchai	Director	54/2006						

Courses that the Board of Directors attend training/seminars in 2023 are as follows:

Mr. Paiboon Kujareevanich Chairman of the Audit Committee / Member of the Nomination and Remuneration Committee / Chairman of the Sustainability and Risk Management Committee / Independent Director

- ESG Risks Management Workshop Course, 29-30 June 2023 by the Stock Exchange of Thailand
- Seminar on the topic of decorating financial statements to commit corruption in the Thai capital market and sustainability under the economic recession and measures to reduce global warming, 26 October 2023 by EY Office Company Limited.

Mr. Trairak Tengtrairat Audit Committee / Independent Director

- Course on ESG Information Disclosure in Form 69-1 for FA, 22 September 2022 by the Association of Thai Securities Companies (ASCO)
- National Defense College Course (NDC), Class 65, October 2022 by National Defense College of Thailand
- Seminar on organizing meetings to listen to guidelines for “Preparing to Submit an Application for Permission to Offer IPO with a 3-year PAE Budget”, 2 December 2022 by the Association of Thai Securities Companies (ASCO)

Mrs. Siriporn Maneepun Audit Committee / Independent Director

- Seminar on the Strong Securities Issuer Project, “Role and Duties of Directors and Executives of Listed Companies”, 22 June 2023 by the Office of the Securities and Exchange Commission (SEC).
- Course on Detection of Accounting Irregularities in Fast Growing Business: The Role of Audit Committee, 2 August 2023 by the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand.
- Seminar on the Importance of the Audit Committee and Confidence in the Thai Capital Market, 24 November 2023, by the Stock Exchange of Thailand

Mr. Pawatt Ongvasit Vice Chairman / Chairman of the Executive Committee / Chief Executive Officer

- Online seminar about "The Future of Thailand, Economic Drives, Thai Economy, and How to Start to Lead the World", 9 February 2023 by Post Today x Nation Online
- The ConneXt Course by UTCC, 16 June 2023 – 27 October 2023 by University of the Thai Chamber of Commerce
- “MISSION X” Course, The Boot Camp of Advanced Corporate Transformation, Class 6, 26 September 2023 - 14 November 2023 by Siam Commercial Bank Public Company Limited.
- Seminar on SEAX VENTURES HALF-YEAR MEETING 2023, 3 October 2023 by Southeast Asia Exponential Ventures
- Seminar on Thailand Economic Outlook 2024, 4 October 2566 by Krungthep Turakij Newspaper
- Chairman Forum: Leadership Amidst Volatility and Distrust, 25 October 2023 by the Thai Institute of Directors (IOD)
- CIS 2023 - Corporate Innovation Summit, Asia’s Largest Experiential Conference, 15 November 2023 by RISE

Mrs. Tosaporn Angsuwarangsi Director / Executive Committee / Member of the Sustainability and Risk Management Committee / Deputy Chief Executive Officer of Finance and Accounting

- TLCA CFO CPD No. 2/2023 on the topic of Risk Management for CFOs, 25 July 2023 by the Thai Listed Companies Association
- TLCA CFO CPD No. 3/2023 on the topic of Fintech, Financial Technology, 27 July 2023 by the Thai Listed Companies Association
- TLCA CFO CPD No. 4/2023 on the topic of “Green Assets: Opportunities for Sustainable Development”, 28 August 2023 by the Thai Listed Companies Association
- Online seminar on the topic of Governance System for Fraud Detection, 6 September 2023 by the Thai Listed Companies Association
- TLCA CFO CPD No. 6/2023 on the topic of “What is the future of the CFO role?”, 10 October 2023 by the Thai Listed Companies Association
- CFO Refresher Course 2023, 30 November 2023 by the Stock Exchange of Thailand

Mrs. Napasorn Soonthornmanokul Director / Executive Committee

- Subsidiary Governance Program Class 4/2023, 2 March 2023 by the Thai Institute of Directors (IOD)
- Hot Issue for Directors: Climate Governance 3/2023, 28 November 2023 by the Thai Institute of Directors (IOD)

Mr. Surasak Wongkiatthaworn Director / Executive Committee / Member of the Sustainability and Risk Management Committee / Executive Vice President of Hotel Operations

- The Leadership ACT Program, 20 February 2023 – 10 May 2023 by Slingshot
- Bangkok Post ESG Conference 2023, "The Power to Build a Better Future, 24 May 2023 by Bangkok Post
- Course on Cyber Vision 2023, 7 June 2023 by the Stock Exchange of Thailand
- Course on ESG Risks Management Workshop, 29-30 June 2023 by the Stock Exchange of Thailand
- Course on Hot Issue for Directors - Climate Governance 3/2023, 24 October 2023 by the Thai Institute of Directors (IOD)
- Course Cyber Risk 2023, 27 November 2023 by the Thai Listed Companies Association

Mr. Kittisak Sopchokchai Director / Member of the Sustainability and Risk Management Committee

- Course on Cyber Risk 2023, 27 November 2023 by the Thai Listed Companies Association

Mr. Siriwat Vongjarukorn Director / Nomination and Remuneration Committee

- Seminar on the topic of “Adjusting Thailand Towards a Low-carbon Economy and Society”, 31 October 2023 by Thailand Development Research Institute (TDRI)

- **Principle 3.9**

The Board monitors the director’s business operations whether it is in place, being able to access necessary data, having a qualified, resourceful and experienced secretary to support operation of the board.

Principle 4: Nomination and Development of Chief Executives and Personnel Management

- **Principle 4.1**

The Board runs organizational operations to make certain that there is a nomination and trainings for the chairman of the executive officers and chief executives to become skillful, experienced, and being a value asset of the company so that business operations run continuously.

- **Principle 4.2**

The Board recommended by the nomination and remuneration committee governances the appropriate structure and assessment.

- **Principle 4.3**

The Board perceives structures and relationship among shareholders which may influence management and operations of the company.

- **Principle 4.4**

The Board observed human resource management and personnel development to be resourceful, skillful, experienced, having satisfactory incentives, being treated fairly to retain capable personnel’s, including setting a provident fund or other caring mechanism to help personnel’s have their savings sufficient for retirements.

Principle 5: Business Operations with Responsibility’s

- **Principle 5.1**

The Board priorities and supports business operations which enrich business values together with creating benefits to clients and to whom it may concern, and having social and environmental responsibilities.

- **Principle 5.2**

The Board oversees the management to operate business with social and environmental responsibilities by compiling business ethical policies covering the following topics:

- (1) Responsibility to Staff and Employees by operating under the rule of law and involved standards, treating staff and employees with fairness and with respect to human rights such as defining fair remunerations and other fringe benefits, providing welfare within the limit or exceeding terms of law as deem appropriate, having health care and safeguarding at workplace, training, developing potentiality, career promoting, and giving opportunities for staff to develop other fields of skill.
- (2) Responsibilities to Clients by complying with laws and involved standards; considering health, safety, and fairness, client confidentiality, after-sale service throughout product life span and years of service, assessment of customer satisfaction to improve product quality, services, including advertising and public relations. Sales promotion shall be done with responsibilities, avoid misunderstanding or exploitation of client’s misunderstanding.

- (3) Responsibilities for Business Partners by engaging in fair procurement process, contracting or agreement conditions; providing access to training, developing potentiality, enhancing production and service standards; supervising business partners; respecting for human rights, treating company's workforce fairly; responsible for society and environment; monitoring, checking, and evaluating partners so as to develop mutual transactions sustainably.
- (4) Responsibilities to the community by applying business knowledge and experience to develop projects that can concretely add value to the community, while observing and assessing long-term progress and success .
- (5) Responsibilities to the environment by preventing, reducing and managing negative impact on the environment from all aspects of the company's operations, including uses of raw material, energy, water, renewable resources, waste and emission management from business operations.
- (6) Fair competition by conducting open and transparent business transactions and avoid making unfair competitive advantages.
- (7) Anti-fraud and corruption by complying with applicable laws and standards; implementing and announcing anti-fraud and corruption policies to the public. The company may consider its participation in anti-corruption with network associates; supporting other companies and business partners to launch their own anti-corruption policies and joining network associates.

- **Principle 5.3**

The board shall monitor the management to allocate and manage resources efficiently and effectively to enable the company to meet its objectives sustainably.

- **Principle 5.4**

The board shall establish a framework of information technology governance in the organization, aligning with the company's needs and priorities in order to add up business opportunities and performance. The board shall recognize that the company's risk management encompasses the IT risk management, namely the compliance with IT law, regulations, articles, and standards, the information security system for confidentiality, integrity, and availability, including preventive measures for abuses and misuses of information, or changing data without permission, business continuity management, and incident management, etc.

Principle 6: Supervision of Accountable Risk Management and Internal Control

- **Principle 6.1**

The Board shall thoroughly oversee that the company has effective and appropriate risk management and internal control systems that are aligned with the company's objectives, and comply with applicable law and standards.

- **Principle 6.2**

The board shall establish an audit committee that can act effectively and independently and whose member's qualifications meet the requirements of the Securities and Exchange Commission and the Stock Exchange of Thailand. The board shall direct the audit committee's duties as noted in charters of the audit committee.

The board shall establish an internal control section that holds independency in sphere of working to be responsible for reviewing and improving the effectiveness and the adequacy of the company's internal control and risk management systems, in addition to reporting review results to the audit committee and disclosing its opinion in the company's annual report.

- **Principle 6.3**

The board shall manage and monitor conflicts of interest that might occur between the company and the management, directors, or shareholders. The board should also prevent the inappropriate use of corporate assets, information, and opportunities, including preventing inappropriate transactions with related parties. The board shall set requirements and practices to have the said transactions run and disclosed under legal terms and for the benefits of the company and shareholders as a whole. Directors and stakeholders are not to get involved in decision making or abstain from being present for discussion on that agenda item.

- **Principle 6.4**

The board should establish clear anti-corruption policies and practices, including communicating those to all levels of organization and to outsiders to take actions.

- **Principle 6.5**

The board should establish a mechanism for handling complaints and whistleblowing as well as making aware of the complaint channels through the company's website or annual reports.

Principle 7: Retainment of Disclosure and Financial Integrity

- **Principle 7.1**

- The board shall observe the company's financial reporting system and disclosure of significant information to be in time, sufficient, accurate and consistent with applicable requirements, standards, and practices. The board shall manage personnel who deal with preparation and disclosure of any information of the company to have relevant knowledge, skills and experiences qualified for their responsibilities and sufficient volume of staffing. Such personnel's can be referred to chief financial officer in accounting and finance, accountant, internal auditor, company secretary, and investor relations officer.
- The board shall supervise the information disclosures such as financial statements, annual reports, and Form 56-1 to reflect the company's financial status and performance properly. The board shall promote the inclusion of the Management Discussion and Analysis (MD&A) in quarterly financial reports in order to provide to investors more complete and accurate information about the company's true financial status, performance and variable circumstances apart from data in financial statements only

For disclosures related to any individual director, that director shall reveal his information with accuracy and completeness such as his own shareholders' information and any of his shareholders' agreement.

- **Principle 7.2**

The board shall monitor the company's financial liquidity and solvency by assigning the management section to regularly monitor, evaluate and report to the board regarding the company's financial status. The board and management shall collaborate to find solutions providing that any threats to the company's financial liquidity and solvency are being addressed.

In regard to approving of any transactions or comments in shareholder's meetings, the board shall take into consideration that those are done without negative impacts towards business continuity, financial liquidity, and solvency.

- **Principle 7.3**

When the company faces financial difficulties or inclining to have obstacles, the board shall take into account the solution plans or other mechanism to mitigate those and in regards to stakeholder's rights.

- **Principle 7.4**

The board shall manage sustainability reporting appropriately. The board shall also report data on the company's compliance and ethical performances, including anti-corruption performance, its manners towards employees and stakeholders (including fair treatment and respect for human rights) and social and environmental responsibilities within a report framework that meets domestic and international standards. The board can disclose this information in the annual report.

- **Principle 7.5**

The board shall direct the management to have an Investor Relations officer responsible for exchanging information with shareholders and other stakeholders such as investors and analysts in appropriate means of communication, equality, and timing. **In 2023, the Company has communicated with analysts total 8 meetings.**

- **Principle 7.6**

The board shall encourage the use of information technology in disseminating information. In addition to the company's mandatory disclosure of information pursuant to applicable requirements and by the channel of The Stock Exchange of Thailand, the board shall consider regularly disclosing current information in both Thai and in English through company's website.

Principle 8: The Support of Engagement and Communication with Shareholders

- **Principle 8.1**

The board shall take into account that shareholders have the opportunity to participate in decision-making involving significant corporate matters.

8.1.1 The board shall supervise significant corporate issues both stated in legal terms and impacted directions of business's operations. Such issues shall be considered and/or approved by the shareholders and to be included in the agenda for the shareholders' meeting.

8.1.2 The board shall support participation of all shareholders through reasonable criteria as following:

(1) Establishing criteria that allow minority shareholders to propose agenda items in shareholder's meetings. The board shall consider shareholders' proposals being included in the agenda, and if the board rejects any of the proposals, the reasons should be given in shareholder's meetings.

(2) Establishing criteria for minority shareholders to nominate persons to serve as directors of the company.

8.1.3 The board shall arrange for the notice of the shareholders' meeting and related papers to contain accurate, complete, and sufficient information both in Thai and English versions and to be sent to shareholders and posted on the company's website at least 21 days before the meeting. Including organizing an electronic shareholders' meeting to help reduce the burden of shareholders in terms of meeting time and travel expenses to attend the meeting.

8.1.4 Shareholders shall be allowed to submit questions prior to the meeting. The board shall declare clear criteria for shareholders to submit advanced questions. The criteria shall be posted on the company's website.

- **Principle 8.2**

The board shall supervise the shareholder's meetings to be held as scheduled with transparency and efficiency, and supporting inclusive and equitable treatment of all shareholders and their ability to exercise their rights. The board shall set the date, time, and venue of the meeting by considering the interests of shareholders. The board shall promote the use of information technology in the shareholders' meetings such as registration and vote counting to be fast and accurate.

The chairman of the board is the chairman of the shareholders' meeting with responsibility for complying 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, and agreeing with the right of shareholders to participate in the company's decision-making. Directors as participants of the meeting and as shareholders shall not support any adding items which are not sent beforehand and without necessary to the meeting agenda. On account of important agenda, shareholders need time to analyze before making their decisions. All directors and relevant executives shall attend the meeting to answer questions from shareholders on company-related matters.

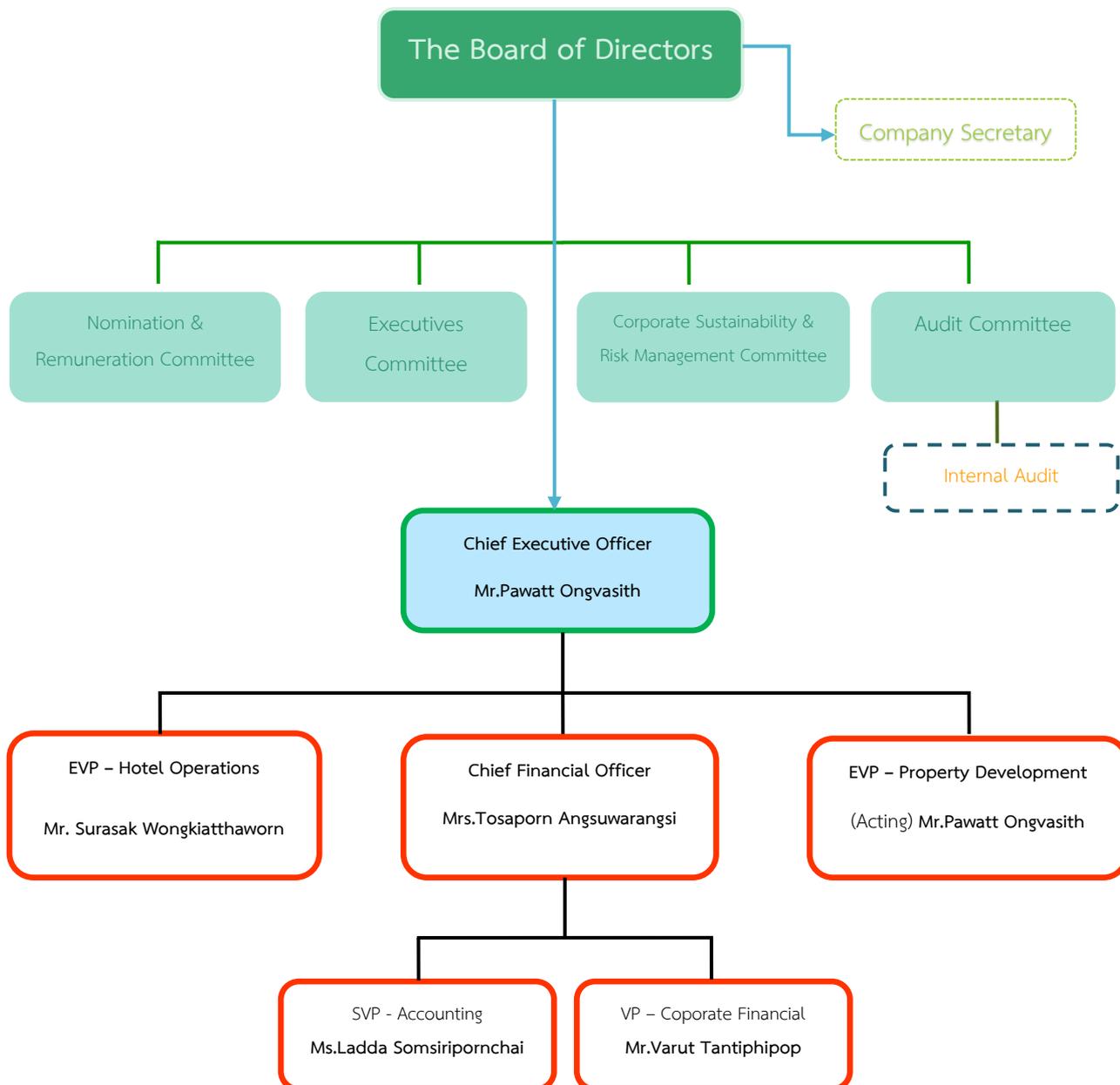
The board shall promote the use of ballots for voting on important resolutions proposed at the shareholders' meeting and designate an independent party to count or to audit the voting results in the meeting, and to disclose such voting results at the meeting by identifying the number of "for", "against" and "abstain" votes. The voting results for each proposed resolution shall be noted in minutes of the meeting.

- **Principle 8.3**

The board shall monitor the disclosure of voting results on proposed resolutions at the shareholders' meeting through the designated Stock Exchange of Thailand channels and through the company's website. The board should circulate copies of minutes of the shareholders' meeting to the Stock Exchange of Thailand within 14 days from the date issued in the shareholder's meeting.

Management Structure

Company's Structure at 31st December 2023



Remark: The internal Audit Unit works directly to the Audit Committee. The Committee assigned Ms.Ladda Somsiripornchai representing to the internal auditor by liaise with the firm performing which the Company hires to perform on internal Audit Unit reports its auditing work and give advice to the Audit Committee Directly to improve upon the recommendation of the independent evaluation of the internal control system.

As of 31 December 2023, the management structure of the Company consists of the Board of Directors and the Executives. The Board of Directors consists of Independent Directors, executive and non-executive Directors. 1/3 of the members are Independent Directors.

The Board of Directors determine to have 4 sets of committees with the Audit Committee, Nomination & Remuneration Committee, Corporate Sustainability & Risk management Committee and Executives Committee. And determine that the Chairman of the Board of Directors, Audit Committee, Nomination & Remuneration Committee and Corporate Sustainability & Risk management Committee are Independent Director.

Structure of Directors and composition of the Board of Director

The Board of Directors provides the appropriate size businesses. The current Board has 10 directors consisting of 5 executives' directors and 5 non-executives' directors (Four are Independent Directors) that has more independent directors than is required by law. The Independent Directors are as follows;

1.	Mr.Chai	Jroongthanapibarn	Chairman of the Board / Independent Director
2.	Mr.Pai boon	Kujareevanich	Chairman of Audit Committee / Independent Director
3.	Assoc.Prof Siriporn	Maneepan	Member of Audit Committee / Independent Director
4.	Mr.Trairak	Tengtrairat	Member of Audit Committee / Independent Director

Independent Directors

The present Board of Directors consists of 4 Independent Directors, which is a half of all Directors. The Company realizes the importance of good corporate governance which defined the Chairman of the Board must not be the same person as the President in view of clear-cut responsibilities and duties. The Board of Directors gives consent of the definition and qualifications of Independent Directors, the regulations of which are more stringent than those of the Securities and Exchange Commission (SEC) and Stock Exchange of Thailand (SET), as follows:

1. Hold no more than 1% of the overall shares in the Company, subsidiaries, associated companies, or person(s) with potential conflicting interests.
2. Take no part in the Director administration, including not being an employee, personnel, permanent advisor, professional advisor to the Company such as an auditor, lawyer or authorized person of the Company or subsidiaries, or Associated companies, or person(s) with potential conflicting interests and with no invested interest for no less than two years and can attend the Directors' meetings with independent opinions.
3. Have no business connection, no vested interest, whether directly or indirectly, financially or administratively, including not being a client, partner, supplier, trade or creditor/debtor of the Company, subsidiaries, associated companies, or person(s) with potential conflicts of interest and thus lacking independence.
4. Have no or never had business relationship with the applicant, its parent company, subsidiaries, associates, major shareholders, or controlling parties of the applicant in respect of holding the power which may cause the obstacle of the independent decision, including not being or never been the significant shareholder, or controlling parties of any person having business relationship with the applicant, its parent company, subsidiaries, associates, major shareholders, or controlling parties of the applicant unless the foregoing

status ended at least 2 years prior to the date of submitting the application to SEC.

5. Is not or has never been the auditor of the applicant, its parent company, subsidiaries, associates, major shareholders, or controlling parties of applicant, and is not the significant shareholder, controlling parties, or partner of the auditing firm which employs such auditor of the applicant, its parent company, subsidiaries, associates, major shareholders, or controlling parties of the applicant unless the foregoing status ended at least 2 years prior to the date of submitting the application to the SEC.
6. Is not or has never been the professional service provider, including but not limited to legal service or financial advisor with received service fee more than 2 million baht per year from the applicant, its parent company, subsidiaries, associates, major shareholders, or controlling parties, and is not the significant shareholder, controlling parties, or partner of the above mentioned service firms unless the foregoing status ended at least 2 years prior to the date of submitting the application to the SEC.
7. Is not the director who is nominated to be the representative of directors of the applicant, major shareholders, or any other shareholder related to the major shareholders.
8. Do not operate the same and competitive business with the business of the applicant, or its subsidiaries, or is not a significant partner of the partnership, or is not an executive director, employee, staff, advisor who receives salary, nor holds shares for more than 1% of the total shares with voting right of any other company which operates same and competitive business with the business of the applicant, or its subsidiaries.
9. Is not any otherwise which is unable to have the independent opinion regarding the business operation of the applicant.

Board of Directors

The Company's regulations state that the board of directors must consist of not less than five directors and that more than half of the total number of directors must be residents of the Kingdom. The Company has determined the diversity of the Board of Directors, which includes the diversity of gender, skills, professions, and competency components of directors, such as engineering, accounting, finance, legal, marketing, business administration, organization administration, and corporate governance, etc. In conducting business, the committee must maintain honesty, integrity, and careful consideration of the Company's interests.

Expertise of the committee



The Board of Directors on 31 December 2023 have 10 members are as follows;

1.	Mr.Chai	Jroongthanapibarn	Chairman of BOD and Independent Director
2.	Mr.Verawat	Ongvasith	Director and Vice Chairmam of BOD
3.	Mr.Paiboon	Kujareevanich	Independent Director
4.	Asst.Prof. Siriporn	Maneepan	Independent Director
5.	Mr.Trairak	Tengtrairat	Independent Director
6.	Mrs.Tosaporn	Angsuwarangsi	Director
7.	Mrs.Napasorn	Soonthornmanokul	Director
8.	Mr.Surasak	Wongkiatthavorn	Director
9.	Mr.Kittisak	Sopchokchai	Director
10.	Mr.Siriwat	Vongjarukorn	Director

Mr.Varut Tuntiphipop is a Company Secretary



Certification documents of the Company stipulate that the binding signatures and seal must include 2 out of 5 authorized directors, consisting of Mr.Pawatt Ongvasith, Mrs. Tosaporn Angsuwarangsi, Mrs.Napasorn Soonthornmanokul, Mr.Surasak Wongkiatthaworn, Mr.Kittisak Sopchokchai. Both directors must sign and affix the Company's seal.

The Board of Directors' Roles and Responsibilities

1. Arrange the annual general meeting of shareholders within 4 months from the end of the company's accounting period.
2. Arrange for a committee meeting at least every three months.
3. Perform duties in accordance with the laws, objectives, regulations of the company, board resolutions and shareholders meeting resolutions with responsibility, caution and honesty.
4. Supervise the administration and performance of the Executive Committee, Chairman of the Board, Chairman of the Executive Committee, management, or any person assigned to perform the said duties in order to be in accordance with the vision, mission, business strategies, business directions, business policies, goals, guidelines, operational plans and budget set by the board of directors.
5. Supervise and taking care of the management and various operations of the company and subsidiaries in accordance with the policies of the company, securities law as well as announcements, regulations, and rules relevant of the Capital Market Supervisory Board, Securities and Exchange Commission, and the Stock Exchange of Thailand, for instance, related transactions operation, the acquisition or distribution of important assets to the extent that it is not contrary to or inconsistent with other laws, including establishing an adequate and appropriate internal control and internal audit system.
6. Assess the performance of the entire board including evaluating the performance of individual board to review the workings Problems and obstacles each year and to be able to improve working operations in various fields.
7. Determine the details and approve the vision, mission, business strategies, business directions, business policies, goals, guidelines, operational plans and the company's budget and its subsidiaries' according to the operation of executive committee and the management.
8. Arrange for a balance sheet and the income statement at the end of the company's fiscal year and those of subsidiaries and signing to certify the said financial

statements to be presented to the shareholders' meeting at the annual general meeting for approval; the annual financial statements which have been audited by the auditor is to send to the Stock Exchange of Thailand within the period specified by law; to prepare and submit quarterly financial statements which have been reviewed by the auditor to the Stock Exchange of Thailand within the period specified by law.

9. Consider and approve the selection, appointment and terminate of the auditor and consider the appropriate remuneration as proposed by the audit committee before presenting to the shareholders' meeting at the annual general meeting for approval.
10. Appoint sub-committee including the audit committee, board of directors or any other sub-committee and determine the authorities and duties of the said sub-committee to assist and support the board's duties as work as considering the remuneration for the sub-committee (Not more than the total amount approved by the shareholders).
11. Appoint a person to be a committee or executives of subsidiary company for the least proportion of number of shares held in the subsidiary company; define a framework of duties and responsibilities of the directors and executives who are clearly appointed. This includes determining the framework for the exercise of clear discretion in voting in the board of directors' meeting of the subsidiary company on important matters that must be approved by the board of directors first in order to have management control in accordance with company policy and to legally do various items which includes the disclosure of financial status, information, performance and related party transactions together with the complete and correct of the acquisition or distribution of significant assets.
12. Consider and approve the expenditure for investment, various operations, borrowing or requesting any credit from financial institutions as well as becoming a guarantor for normal business operations of the company, subsidiaries, including affiliated companies without limit regulated by company regulations Including relevant rules and regulations of the Stock Exchange of Thailand and the Capital Market Supervisory Board.
13. Consider and approve the connected transaction between companies and subsidiary companies stated in the Securities and Exchange Act B.E. 2535 (including additional amendments) including announcements, regulations and /

or relevant regulations complying with the Stock Exchange of Thailand and the Capital Market Supervisory Board. Consider and approve the connected transactions between companies; subsidiary companies and directors, executives, or related parties in order to establish a framework for the management group to empower to conduct such transactions within the framework and scope of relevant laws and regulations

14. Consider and approve the payment of interim dividends.
15. To consider and approve spending for investment, various operations, and borrowing or requesting any loans from financial institutions as well as being a guarantor for normal business operations of the Company, subsidiaries, and affiliated companies without limit under the Company's regulations and relevant regulations of the Stock Exchange of Thailand and the Capital Market Supervisory Board.
16. Consider the determining and amending the director' name who has the authorization to sign to bind the company.
17. Supervise the operations of the company to be effective and protecting any interests related to all stakeholders.
18. The Board of Directors can authorize and/or assign other persons to perform specific tasks on their behalf. It is done by authorization or authorization during the said period within the scope of authorization under the power of attorney provided and / or in accordance with the rules, regulations, or orders that the Board of Directors and / or the company specified.
19. Provide appropriate channels of communication within each group of shareholders, and to supervise the disclosure of information to ensure accuracy, clarity, transparency, reliability and for the highest standards.
20. Review the board charter at least once a year.

However, any matters where the directors and/or related person have interest or conflict of interest with The Company and/or its subsidiaries (if any), the said directors have not right to vote on such matter.

The appointment and retirement of Board of Directors

1. At each annual general meeting of shareholders, 1/3 of the directors, or if the number is not a multiple of 3, then the number nearest to 1/3, must retire from office. The directors who have been the longest in office shall retire first. The retiring directors may be re-elected.
2. Prior to annual general meeting of shareholder, the company will give an opportunity to any stakeholders to submit candidates, then the Nomination and Remuneration

Committee will select and nominate qualified persons to be directors to the Board of Directors before seeking approval from the shareholders' meeting.

3. The shareholders' meeting shall appoint the Directors upon the rules and procedures below

- 3.1 Each shareholder shall have one vote per share.
- 3.2 Each shareholder may cast all his/her vote(s) according to electing one or several candidates as directors, and can allot the votes to any person at any number.
- 3.3 The candidates receiving the highest number of votes in the respective order of the votes shall be elected as directors at such time. If a number of candidates receiving an equal number of votes for the last directorship exceed the number of directors required, Chairman of the meeting shall have a casting vote.

4. Apart from retirement by rotation, the Directors shall vacate the office upon:

- Death;
- Resignation
- Lack of qualification or possession of prohibited characteristics as written in section 68 Public Limited Companies Act B.E. 2535;
- Removal by resolutions of the Shareholders' meeting as written in section 76 Public Limited Companies Act B.E. 2535;
- Dismissal by a court order.

5. In the case of any vacancy on the Board of Directors not by purpose of retirement by rotation, the Nomination and Remuneration Committee shall elect a person who is qualified and does not possess any prohibited characterize as provided by the Public Limited Companies Act and the Securities and Exchange Act, to become member of the subsequent Board of Directors' meeting. Unless the remaining term of the directorship is less than 2 months, the replacement shall retain his/her office as same as the period for which the former director was entitled to retain. The resolution of the Board of Directors in respect of the first paragraph shall consist of not less than three-fourth votes of the remaining directors.

The Term of Office of Directors

Since year 2019, the Board of Directors has stipulated these members should not have a term of office exceed 3 consecutive terms. Unless any director who is qualified to hold the position longer, the Board shall consider the independence

and efficiency of the duties of the Director and report a reason to shareholders.

Scope of duties and responsibilities of the Chairman of the Board of Directors

- 1. To be responsible as the leader of the Board of Directors to oversee the operations of the Company to achieve the objectives pursuant to the specified plan;
- 2. To act as the Chairman of the Board of Directors Meeting and the Shareholders' Meeting and ensure that the said meetings run in good order in accordance with the Public Limited Company Act and the Securities and Exchange Act;
- 3. To have a casting vote in case the Board of Directors Meeting and Shareholders' Meeting has a tie vote.
- 4. Strengthen good relationships between executive and non-executive directors and between the Board of Directors and executives and management.

Board of Directors' Meeting

The Board of Directors announced the Board Meeting's schedule in advance for 1 entire year to the directors and the relevant parties requiring that arranged every quarter, with a special session meeting involved with company's benefit allowed to be convened as deemed necessary.

In the year 2023, there are schedules of Directors' Meeting for the year 2023 in advance as the follow;

No	BOD	AC	NRC	NED
1	24 Feb 23	24 Feb 23	24 Feb 23	24 Feb 23
2	12 May 23	12 May 23		
3	11 Aug 23	11 Aug 23		
4	14 Nov 23	14 Nov 23		

In each meeting, The Company Secretary shall submit an invitation letter complete with the meeting agenda and accompanied by related documents to all board members at least 3 days ahead of the meeting date to allow the board members sufficient time to consider the issues whereas all board members are entitled to propose agenda items independently through the company secretary or shareholders.

The Chairman of the Board of Directors will be person who stipulate and consider agenda topic that allows each director to express his/her opinions freely and efficiently. In case of a Director having a stake in a matter being considered, the Director shall inform the meeting of such stake and shall not participate in discussing the matter and not exercise the voting right on the matter. In the event that the

votes are equal, Chairman of the meeting shall have an additional casting vote for.

In addition, the minute report will be written completely after the meeting, information approved and stored so that it could be examined by authorized person. At

least 2/3 of the total number of directors shall be presented to form a quorum at the same time of the Board passing a resolution. The Board of Directors should attend the board meeting consistently, with an average participation of at least 75% of total number of board meetings held in each year.

In the year 2023, Meeting attendance of the Board of Directors are 96.66% of all meetings. Details are as follow;

	Name	Position	Attendance (Times)				
			Normal Term	Extra Term	Total	AGM/ EGM	
1	Mr.Chai	Jroongthanapibarn	Chairman/Independent Director	4/4	2	6/6	1/1
2	Mr.Paiboon	Kujareevanich	Independent Director	4/4	2	6/6	1/1
3	Mr.Trairak	Tengtrairat	Independent Director	3/4	2	5/6	1/1
4	Ast.Prof.Siriporn	Maneeapan	Independent Director	3/4	2	5/6	1/1
5	Mr.Pawatt	Ongvasith	Director / CEO	4/4	2	6/6	1/1
6	Mrs.Tosaporn	Angsuwarangsi	Director	4/4	2	6/6	1/1
7	Mrs.Napasorn	Soonthornmanokul	Director	4/4	2	6/6	1/1
8	Mr.Surasak	Wongkiatthavorn	Director	4/4	2	6/6	1/1
9	Mr.Kittisak	Sopchokchai	Director	4/4	2	6/6	1/1
10	Mr.Siriwat	Vongjarukorn	Director	4/4	2	6/6	1/1

The Audit Committee

The present Audit Committee consists of 3 Directors and they are specialist in accounting and finance or audit. Their meetings are to be convened at least once per quarter.

In the year 2023, Audit Committee held 4 meetings. Or 83.33%. Details are as follow:

Name - Surname	Position	The Meeting of the Audit Committee (Times)
Mr.Paiboon Kujareevanich	Chairman of Audit Committee	4/4
Assoc.Prof.Siriporn Maneeapan	Member of Audit Committee	3/4
Mr.Trairak Tengtrairat	Member of Audit Committee	3/4

Ms.Ladda Somsiripornchai is a secretary of the Audit Committee

Moreover, The Audit Committee Meeting has approved Wynn Alliance Limited to be the Company's Internal Auditor As an external agency (Outsource) and reports directly to the Audit Committee every quarter.

Scope of Authority and Responsibilities of the Audit Committee

- Review the company's financial reports to be accurate and sufficient financial by coordinating with external auditors and responsible executives; preparing quarterly and annual financial reports. The audit committee may suggest that the auditor should review or inspect any items that are considered important and necessary during the audit of the company.
- Review the company to have an internal control system and internal audit system that are appropriate, sufficient, and effective, including considering the independence of the internal audit department as well as giving approval to the appointment, transfer, and dismissal of the head of the internal audit department or any other departments responsible for internal auditing.
- Review the company to comply with the law on securities and stock exchange regulations of the Stock

Exchange of Thailand or laws related to the company's business.

4. Consider, select, nominate and terminate the company's auditors, including propose the remuneration of the said person to the Board of Directors to propose to the Meeting of Shareholders, also to attend the meetings with auditors without the attendance of management at least once a year.
5. Consider the connected transaction or transactions that may have conflicts of interest to be accurate and complete and to be in accordance with the laws and regulations of the Stock Exchange of Thailand in order to ensure that such transactions are reasonable and to the maximum benefit for the company.
6. Prepare the report of the Corporate Governance Committee of the Audit Committee by disclosing in the company's annual report. The said report must be signed by the chairman of the audit committee and must contain at least the following information:
 - (1) Comments on the accuracy, completeness, and credibility of the company's financial reports.
 - (2) Comments on the sufficiency of the company's internal control system.
 - (3) Comments on compliance with the Securities and Exchange Act Regulations of the Stock Exchange of Thailand or laws related to the company's business.
 - (4) Comments on the suitability of the auditor.
 - (5) Comment on transactions that may have conflicts of interest.
 - (6) The number of the audit committee meetings and the attendance of each member of the audit committee.
 - (7) Overall opinion or observation that the Audit Committee received from performing its duties under the Charter and
 - (8) Other transactions that shareholders and general investors should know within the scope of duties and responsibilities assigned by the Board of Directors.
7. Perform other duties as assigned by the Board of Directors with the approval of the audit committee.
8. In the performance of duties of the audit committee, if found or suspect that the following items or actions may have a significant impact on the company's financial status and operating results, the Audit Committee must report to the Board of Directors for improvement within

the time that the Audit Committee deems appropriate. The Audit Committee has the power to seek independent opinions from any other professional advisors when considering necessary at the company's expense in order to successfully perform tasks under responsibility:

- (1) Items that cause conflicts of interest
 - (2) Fraud or irregularities or significant defects in the internal control system
 - (3) Violations of laws governing securities and exchange, regulations of the Stock Exchange of Thailand, or laws related to the company's business.
9. Review and propose to amend the scope of duties and responsibilities of the audit committee as appropriate
 10. Review and discuss with management about the company's key risks, including following up and controlling the management to proceed in accordance with the company's risk management policy.
 11. Review regulations and the previous year's performance at least once a year.

Nomination and Remuneration Committee

The Board of Directors appoints the Nomination and Remuneration Committee to nominate and define criteria for transparent and fair remuneration to Directors and the senior executives in compliance. The Nomination and Remuneration Committee hold at least one meeting a year.

In the year 2023, the Nomination and Remuneration Committee held 1 meeting or 100%. Details are as follow:

Name	Position	The Meeting of the Committee
Mr.Chai Jroonthanapibarn	Chairman of NRC / Independent Director	1/1
Mr.Paiboon Kujareevanich	Member of NRC / Independent Director	1/1
Mr.Siriwat Vongjarukorn	Member of NRC / Director	1/1

Scope of Authority and Responsibilities of the Nomination and Remuneration Committee

Regarding the nomination and selection of directors

1. Consider and propose the structure, composition and qualifications of the Board of Directors and various sub-committees
2. Consider the criteria and process for recruiting; nominate a suitable person to be a director and a chairman of the executive officers. When it is the end of the term or there

is vacancy of other executive positions as assigned by the Board of Directors, the Board of Directors shall consider and present to the Board of Directors 'meeting and / or shareholders' meeting (depending on the case).

3. Suggest the names of the directors who will be in various sub-committees of the company
4. Determine the criteria for evaluating the performance of the executive committee and present to the Board of Directors for approval.
5. Evaluate the performance of the Chief Executive Officer and directors in various sub-committees to review the work problems and obstacles each year in order to be able to use the evaluation results to develop and improve operations in various areas and propose to the Board of Directors for further consideration.

Regarding remuneration

1. Consider and recommend the monetary and non-monetary remuneration of the Board of Directors, Chief Executive Officer and various sub-committee directors, including other benefits to be suitable for both compensation at a fixed rate (such as regular remuneration, meeting allowances) and remuneration according to the company's performance (bonus pension), which is linked to the value that the company created for shareholders but not too high to focus just short-term operational outcomes only. It shall be presented to the Board of Directors meeting for consideration and approval and to the shareholders' meeting for further approval.
2. Disclose policies and criteria for determining remuneration for directors that reflect each of their duties and responsibilities including the form and the amount of compensation as well. The amount of compensation shall be disclosed, including the remuneration that each director receives from being a director of the subsidiary company.

Corporate Sustainability and Risk Management Committee

During the Board of Directors' meeting No. 2/2023, 13 May 2023, a resolution was passed to approve the formation of a Sustainability Committee with a Risk Management Committee member overseeing and supervising sustainability.

In 2023, the Sustainability and Risk Management Committee consisting of four directors, held four risk meetings and three sustainability meetings, accounting for 100 percent, with the following details:

Name	Position
Mr.Paiboon Kujareevanich	Chairman of RMC & Independent Director
Mrs.Tosaporn Angsuwarangsi	Member Of RMC
Mr.Surasak Wongkiatthavorn	Member Of RMC
Mr.Kittisak Sopchokechai	Member Of RMC

Scope of Authority and Responsibilities of the

1. To consider and review policies, guidelines, and risk management frameworks and propose to the Board of Directors for approval.
2. To supervise the implementation of the policy and risk management framework on an ongoing basis to ensure that the Company Group has an efficient risk management system and to continuously reduce risks.
3. To review risk management reports to monitor significant risks and take actions to ensure that the Company Group has adequate and appropriate risk management.
4. To coordinate with the Audit Committee on significant risks to ensure that the Company Group has appropriate internal controls to manage the risks, including the implementation of appropriate risk management systems and compliance throughout the organization.
5. To report to the Board of Directors on risks and consistently manage significant risks.
6. To provide advice and consultation to agencies and/or working groups related to risk management, including considering appropriate ways to correct various information related to the development of risk management systems.
7. To consider and appoint a working group related to risk management as appropriate, including determining roles, duties, and responsibilities for the benefit of pursuing objectives.
8. To disclose the report of the Risk Management Committee in the Company's annual report.
9. To consider and review this charter to keep it appropriate and up-to-date.
10. To perform other tasks related to risk management as may be assigned by the Board of Directors.

In this regard, the Risk Management Committee shall have the authority to request various departments of the Company Group, risk management working group, internal auditor or auditor, report or present relevant information and documents to the Risk Management Committee to support the work of the Risk Management Committee to achieve its assigned duties.

Executives Committee

The Executive Committee of the Company consisted of 4 persons. In the year 2023, the Executives Committee held 7 meetings. There were directors attending the meeting, accounted for 100% of all meetings. Details are as follow;

Name	Position	Executives Committee Meeting (Time)
Mr.Pawatt Ongvasith	Chairman of Executives Committee / Chief Executive Officer	7/7
Mrs.Tosaporn Angsuwarangsi	Executives Director	7/7
Mrs.Napasorn Soonthornmanokul	Executives Director	7/7
Mr.Surasak Wongkiattavorn	Executives Director	7/7

Authorities and Duties of Chief Executives Officer

1. Govern and monitor the performance of Executive Committee
2. Advise the management on business procedure
3. Govern and monitor Management to perform according to the resolution of the Board of Directors
4. Perform other duties as assigned by the Board of Directors.
5. Strengthen good relationships between executive and non-executive directors and between the Board of Directors and executives and management.

Scope of Authority and Responsibilities of the Executive Committee

1. Run and manage the business of the company and subsidiaries according to the objectives, regulations, policies, regulations, requirements, orders and resolutions of the Board of Directors' meeting.
2. Consider and create business directions, policies, strategies, goals and action plans, financial and budget goals, human resource management, investment, outreach, public relations of the company and subsidiaries to be in accordance with the framework determined by the Board of Directors. To approve, control and supervise the operations of the appointed working group to achieve its goals by considering appropriate business factors; to propose and request for approval to the Board of Directors. In the event that the situation is changeable, the Executive Board will review the approved budget to suit the situation.
3. Supervise, inspect and monitor the company's business operations to be in accordance with the policy, business strategy, goals and action plans, financial goals and the company's budget which has been approved by the Board of Directors to be spent efficiently and effectively for business conditions as well as providing advice and recommendations of management to senior executives.
4. Study the feasibility of investing in new projects, hold authority to consider and approve the company to invest or jointly invest with individuals, juristic persons, or other business organizations In the form that the Executive Committee deems appropriate to operate the business according to the company's objectives as well as considering and approving the spending for the said investment; entering juristic acts, agreements, and / or any actions related to such matters until the completion of the specified limit and / or the relevant laws and regulations and / or the regulations of the company.
5. Track the performance and progress of investment projects of each business and report the results including problems or obstacles occurred and guidelines for improvement to the Board of Directors.
6. Examine and make recommendations regarding the dividend payment policy of the company and report to the Board of Directors.
7. Consider and give suggestions or opinions to the Board of Directors regarding projects, proposals or entering any transaction related to the company's business operations, including considering funding options when needed and beyond the specified limit and / or the relevant laws and regulations or the company's regulations; assign to the shareholders' meeting and / or the Board of Directors to consider and approve.
8. Consider and approve financial transactions with financial institutions for opening accounts, borrowing loans, pledge mortgages, guarantees and others, including the purchase and registration of any land ownership according to the

objectives for the benefit of the company's business as well as entering legal acts, contracts, submitting requests for proposals and making legal contact with government in order to obtain the rights of the company and / or any actions related to such matters until the completion of the specified limit and / or the relevant laws and regulations or company regulations.

9. Consider and approve orders, regulations, management policies and business operations or any operations which are binding the company.
10. Define organizational structure and executive power
11. Appoint and / or assign executive directors, one or many directors or any person or any act that is within the scope of the Executive Committee or may authorize the said person to have power as the Executive Committee deems appropriate and within as the Executive Board deems appropriate. The Executive Committee may cancel, withdraw or amend the authorized persons or such power as it deems appropriate. There will be no authorization given to persons who may have conflicts of interest in the operation.
12. Direct the executives, managers, or employees to attend the board meeting or prepare and provide information

relating to matters to be discussed in the Executive Committee meeting.

13. Command any authority and responsibility as may be assigned or according to the policies assigned by the Board of Directors from time to time.
14. Procurement of consultants or those with independent opinions to provide opinions or recommendations as necessary.
15. Report to the Board of Directors of the activities within the scope, authority and duties of the Executive Committee on a regular basis, including any other matters that are necessary and appropriate to be submitted to the Board of Directors for acknowledgment.
16. Consider and approve operation manual and the scope of responsibility of the management for the various operations follow the systematic procedures
17. Consider and approve the normal business operations of the company according to the investment budget or budget approved by the board of directors. The limit for each transaction is specified in the approval of authority table which has been approved by the Board of Directors, which is not more than the annual budget approved by the board of directors, including entering various contracts related to the said matter.

Non-Executives Directors

The Non-Executive Committee of the Company consisted of 6 persons. In the year 2023, the Committee held 1 meeting. There were directors attending the meeting. accounted for 100% of all meetings. Details are as follow;

Name	Position	Non-Executive Directos Meeting
Mr.Chai Jroongthanaphibarn	Chairman / Independent Director	1/1
Mr.Paiboon Kujareevanich	Independent Director	1/1
Assoc.Prof.Siriporn Maneepan	Independent Director	1/1
Mr.Trairak Tengtrairat	Independent Director	1/1
Mr.Kittisak Shochokchai	Director	1/1
Mr.Siriwat Vongjarukorn	Director	1/1

Executives

As of 31 December 2022, The Company has 5 Executives, namely are as follows;

1. Mr.Pawatt Ongvasith Chief Executive Officer and Acting Vice President of Property Development
2. Mrs.Tosaporn Angsuwarangsi Chief Financial Officer
3. Mr.Surasak Wongkiatthavorn Executive Vice President of Hotel Operations
4. Ms.Ladda Somsiripornchai Senior Vice President Accounting
5. Mr.Varut Tantiphop Vice President Corporate Finance, Investor Relations and Company Secretary

Company Secretary

The Board of Directors approved Mr. Varut Tantiphop as a Company Secretary to perform the responsibilities as follows:

1. To provide preliminary information and advices to the Board and executives in regard to the compliance with business-related laws, regulations, and company's rules and ensure the concise and effective compliance, as well as report the change of the laws that might have significant impacts on the Board and executives.
2. To follow and oversee the disclosure of report and information regarding practices, announcements, and regulations of The Stock Exchange of Thailand, Securities and Exchange Commission, and Capital Market Supervisory Board.
3. To conclude the report of the Securities Holding and the change of Securities Holding of Directors, Managers, Executives and their spouses/partners, underage offspring or adopted child, the Juristic Persons that Directors, Managers, Executives and their spouses/partners and the minors which their holdings are over 30% of the total vote of that the Juristic Persons in the Board meeting that is held every 6 months.
4. To follow and oversee the shareholders' meetings and the Board of Directors' Meeting to be align with the laws and company's rules and practice, as well as follow the implementation of the agreement in shareholders' meeting and in the Board of Directors' Meeting.
5. To Prepare and maintain important documents as follows;
 - a. A register of directors
 - b. A register of shareholders
 - c. Notice of the Board of Directors' Meeting, Minutes of the Board of Directors' Meeting and sub-committee meeting
 - d. Notice of the shareholders' meeting and minutes of the shareholders' meeting
 - e. Company's annual report
6. To keep the conflict-of-interest report and the Certificate of Independent authorized by the Board or executives.
7. To create knowledge and understanding about the guidelines and drive the effective management of the company.

8. Oversee the activities of the Board of Directors and any other procedure to be align with the laws and/or the announcement of Capital Market Supervisory Board and/or as being assigned by the Board of Directors.

Reserve manpower and succession plans

The Company has a policy to create a reserve manpower plan which support various situations or changes to ensure that the Company's work can still achieve its goals and minimize damage that may occur. The Company has prepared a reserve manpower plan which includes the following steps:

1. Employees are required to notify the Company of their resignations at least 30 days in advance, or at least 60 days in advance for management positions, so that the Company has enough time to find replacement personnel.
2. The competency of main job positions or high-level positions is determined, which serves as a guideline for selecting suitable persons to take on the successor position.
3. Each job is evaluated according to its competency, and the evaluation results are used as a guideline in organizing a development plan for reserve personnel to prepare for succession in the future.
4. A plan for the development of personnel has been prepared for succession. The plan includes the following development plans:
 - Provide internal training for employees to increase their skills, knowledge, and ability to perform their duties more efficiently by organizing development plans according to the competency of the inherited position.
 - Organize training on various leadership topics to prepare the potential employees to advance to supervisory and management positions.

Holding the position of the President in another company

The Board takes into account importance on the performance of duties as President to ensure the sufficient time to perform his duties. The Board of Directors has determined the policy for the Managing Director shall not be appointed as a Director in more than 2 other listed companies and must be agreed by the Board of Directors.

In addition, the Managing Director/Chief Executive Officer shall not hold Director Position in other company which has the same nature as and is in competition with the business of the Company unless the Board of Director has agreed. The above regulations are except being Director in subsidiary company.

Remuneration of Directors and Executives

The company has stipulated the remuneration policy to be fair, transparent, and in line with the job responsibility. The remuneration has been considered by Remuneration and Nomination Committee with the respect of company's benefit. The detail are as follows:

Monetary Remuneration

The 2023 Annual General Meeting of Shareholders on 26 April 2023 approved the annual rate of remuneration for directors of year 2023, which specified the directors and sub-committees shall receive the remuneration within Baht 3.2 million. The details are as follows;

Positions	Remuneration (Baht per Year)		
	2021	2022	2023
Chairman of the Board of Director	420,000	420,000	480,000
Director	210,000	210,000	230,000
Chairman of the Audit Committee	150,000	150,000	190,000
Member of the Audit Committee	90,000	90,000	110,000
Other Sub Committee - CSRMC	-None-	-None-	40,000

The details of the remuneration for each director in the year 2023 are as follows:

Name of Directors	Positions	2021 (Baht)	2022 (Baht)	2023 (Baht)
1. Mr.Chai Jroongthanapibarn	Chairman / ID	420,000	420,000	480,000
2. Mr.Pawatt Ongvasith	Vice Chairman	210,000	210,000	230,000
3. Mr.Paiboon Kujareevanich	Chairman of AC / ID	360,000	360,000	460,000
4. Ast.Prof.Siriporn Maneepan	Audit Committee / ID	300,000	300,000	340,000
5. Mr.Trairak Tengtrairat	Audit Committee / ID	300,000	300,000	340,000
6. Mrs.Tosaporn Angsuwarangsi	Director	210,000	210,000	270,000
7. Mrs.Napasorn Soonthornmanokul	Director	210,000	210,000	230,000
8. Mr.Surasak Wongkiatthavorn	Director	210,000	210,000	270,000
9. Mr.Kittisak Sopchokchai	Director	210,000	210,000	270,000
10. Mr.Siriwat Vongjarukorn	Director	210,000	210,000	230,000
Total		2,640,000	2,640,000	3,120,000

Other Remuneration

The Board of Directors have been provided the appropriate benefits following the company's Board benefit regulation approved by the shareholders. In 2023, the benefit of food expenses and room expenses for the hotels of the company and sub-companies which The Board have been received worth totaling Bath 0.4 million.

Remuneration of Executives

The Nomination and Remuneration Committee has guidelines for evaluating the performance of the executives by assigning the Chief Executive Officer to consider and approve the appropriateness of determining the remuneration individually and comparing remuneration in the same position and industry with short-term benefits to adjust the salary rate, annual bonus and other benefits, and long-term benefits include provident fund.

In 2023, the Company paid remuneration for executives comprising of salary, bonus, provident fund, and social security worth totaling Baht 15.90 million

Remuneration	2021		2022		2023	
	Persons	THB	Persons	THB	Persons	THB
Executives	5	12,318,545	5	16,586,444	5	15,901,568

Personnel and Employee

The Company and subsidiaries have employees (exclude the Executives) as of 31 December 2023, thus;

Categorized by work department as follows:

Departments	Employees
Hotels Operation	778
Food & Beverage Operation	61
Real Estate and Business	4
Business Support (Headquarters)	62
Total	905

The ratio of employees by gender is as follows:

gender	No. of employees	%
male	434	47.95
female	471	52.05
Total	905	100

The ratio of employees by age is as follows:

By age	No. of employees	%
20 – 30 years old	315	34.81
31 – 50 years old	529	58.45
More than 51 years old	61	6.74
Total	905	100

Compensation and Benefits for Employees

The Company has a policy of providing fair compensation to its employees following the salary structure. Additionally, the Company offers various benefits to its employees as required by law and in addition to those required by law, such as social security, health and accident insurance, provident fund, annual health examination, travel expenses, gas expenses, telephone expenses, etc.

*Read the Human Resources Management Policy at https://www.verandaresort.com/ir_index.php > Corporate Governance

Consideration of Short-Term Remuneration:

- The Company has established the Salary structure and considered from education, knowledge and experience by comparing with other companies in the same industrial sector
- The Company has considered of salary adjustment and bonus payment once a year which is consistent with the company's operating results.
- The company providing welfare services to the employees; Accident Insurance, Health Insurance and arrange annual health check once a year for employee healthy. Other's welfare is allowance for cremation and employee's seminar etc.

Consideration of Long-Term Remuneration:

- Company has a criterion for considering adjustment of staff level on a regular basis, once a year to consider of performance and ability of employees
- The Company has established the Provident Fund for employees to encourage money saving by the employees.

In the year 2021 to 2023, the Company and subsidiaries have provided the remuneration to the employee in forms of salary, overtime pay, addition expenses support, bonus, and other remuneration including provident fund, social security, food expense, work uniforms, and others. Details are as follows;

Remuneration	2021		2022		2023	
	employees	amount (MB)	employees	amount (MB)	employees	amount (MB)
Employee	863	246	924	380	905	438

The Audit Fee

The Company had proposed to appoint KPMG Phoomchai Audit Ltd. to be the independent auditor of the Company and its subsidiaries for 2022 by considering independence, qualifications, background, the performance of duties, and the efficiency of the auditor's audit; and that they were reliable and had no relationship and/or interests with the Company, subsidiaries, directors, executives, major shareholders, or related persons.

Auditor's fee for the company and its subsidiaries in 2023 was 3.80 million Baht in total, comprising quarterly and annual audit fees 3.60 million. And Out of Pocket Expenses was 0.20 million Baht

Comparing of Audit Fee

Audit Fee	2021 (KPMG)	2022 (KPMG)	2023 (KPMG)
Yearly Audit Fee	2,320,000	2,320,000	2,600,000
Quarterly Reviewed Financial Statements	900,000	900,000	1,000,000
Out of Pocket Expense	65,000	70,000	200,000
Total	3,285,000	3,290,000	3,800,000

Policies on the use of inside information

The Company has policies and guidelines to prohibit directors, executives, and employees from using the Company's inside information that has not yet been disclosed to the public for personal gain, including trading in securities as follows:

1. The Company will provide knowledge to its directors, managers, executives, and auditors about their obligations to prepare and report their securities holdings, as well as those of their spouses or partners, children who are not yet legally adult, and juristic persons whose directors, managers, and executives, as well as their spouses or partners and children who are not yet legally adult, hold more than 30 percent of the total voting rights in the said legal entity. These reports should be submitted to the Securities and Exchange Commission as per Section 59 of the Securities and Exchange Act B.E. 2535 (including amendments), and penalties under Section 275 of the Act. Additionally, any acquisition or sale of the Company's securities must be reported under Section 246 of the Act, and penalties under Section 298 of the Act.
2. The Company has designated directors, managers, and executives to prepare and submit reports of their securities holdings, as well as those of their spouses or partners, children who are not yet of legal age, and juristic persons whose directors, managers, executives, their spouses or partners, and children hold shares together exceeding 30% of the total number of voting rights of such juristic person. The report should be submitted to the Company's secretary using the prescribed securities holding report form before sending it to the Securities and Exchange Commission. The report must be prepared and submitted within 30 days from the date of appointment to the position of director and/or executive and every time there is a change or report changes in securities holdings according to specified changes in securities holdings within three business days from the date of purchase, sale, transfer, or receipt of transfer of such securities. The Company's secretary must provide a report summarizing securities holdings and changes to the Board of Directors every six months for acknowledgment.
3. Directors, executives, and individuals holding management positions in the accounting or finance fields, who are department manager level or higher or equivalent, related operatives, along with people who are presumed to know or possess inside information according to the Securities and the Stock Exchange Act that have a significant effect on changing the price or value of securities are required to refrain from trading, offering to buy or sell, or inviting others to trade, offer to buy or sell securities of the Company either directly or indirectly. This restriction applies during the period before the publication of financial statements, dissemination of information about the Company's financial position and status, and until the Company discloses information to the public. It is also applicable throughout the embargo period, which is one month before the announcement of the Company's quarterly and annual financial results. The Company will notify its directors and executives in writing to refrain from trading the Company's securities for at least one month before disclosing any information to the public. Furthermore, they should wait at least 24 hours after disclosing the information to the public before trading the securities. It is also prohibited to disclose such material information to others by any means.

In 2023, the Company Secretary Department notified relevant persons via E-Mail of the blackout period in advance, and no directors, executives, or employees involved traded in the Company's securities during the specified period.

4. The Company prohibits its directors, executives, and employees of the Company and its subsidiaries, including those who may know or possess inside information under the Securities and Exchange Act, from using such information of the Company and its subsidiaries that has or may have an effect on changes in the price of the Company's securities before public disclosure. This use of such information includes buying, selling, offering to buy or sell, or encouraging others to do so, directly or indirectly, for their own or others' benefit. Revealing such information to others with the same intention, whether or not they receive any benefits in return, is also prohibited.

In 2023, executives and directors traded the Company's securities nine times, which was deemed appropriate according to the Company's policy.

5. The Company requires all directors, executives, and employees of the Company and its subsidiaries, as well as former directors, executives, and employees who have resigned, to maintain confidentiality regarding the secrets, inside information, and/or confidential information of the Company and its subsidiaries. This also includes confidential information of the Company's trading partners and its subsidiaries that they may have learned while performing their duties. It is strictly prohibited to use any

secrets, inside information, and/or confidential information of the Company and its subsidiaries, as well as confidential information of the Company's trading partners and its subsidiaries, to benefit other companies or disclose them to outsiders. This prohibition applies even if the disclosure of such information will not cause any damage to the Company, its subsidiaries, or business partners.

6. The Company and its subsidiaries require all directors, executives, and employees to maintain the confidentiality of internal information. No one should use their position or any insider knowledge gained while working for the Company and/or its subsidiaries to seek illegal benefits or disclose such information to outsiders for their benefit or another person either directly or indirectly. This applies whether or not the person disclosing the information will receive any benefits in return.
7. The Company and its subsidiaries require their directors, executives, and employees to follow guidelines for using inside information as outlined in the Securities and Exchange Act and related rules.
8. The Company has established a disciplinary policy for executives and related workers who violate the rules. If any of them engage in insider trading to benefit themselves, the disciplinary action begins with a written warning, followed by a deduction of wages, temporary suspension without pay, or dismissal from work. The punishment is determined based on the intent of the act and the severity of the violation.

In 2023, the Company had no reports of any wrongdoing committed by its directors and/or executives and/or employees regarding stock trading. Additionally, there were no accusations or civil actions taken against the company by the Securities and Exchange Commission or the Stock Exchange of Thailand for using inside information to seek benefits.

Investment Policy in Subsidiaries and Associated Companies

The Company has the policy to invest in companies that are in line with the Goals, Vision, and strategic plan for the Company's growth to increase operating results or profits for the Company; or to invest in businesses that provide benefits (Synergy) to the Company to increase the competitiveness of the Company and for the Company to achieve the goal of being a leading entrepreneur in the Company's core business. The Company, its subsidiaries, and/or associated companies may consider investing in other businesses if it is a business that has growth potential, be able to expand the business, or is beneficial to the business of the Company Group, which can generate a good return on investment. For the consideration of the investments of the Company, its subsidiaries, and/or associated companies, the Company will analyze the feasibility, potentiality, and risk factors of the investment with proper investment analysis procedures, which must be endorsed, and/or approved by the Board of Directors' meeting or the shareholders' meeting of the Company (as the case may be). However, the request for investment approval of such subsidiaries and/or associated companies must be in accordance with the relevant Notification.

Operational Governance Policy in Subsidiaries and Associated Companies

The Company has established a policy to supervise and manage the business of its subsidiaries and associated companies with the objectives of determining direct and indirect measures and mechanisms for the Company to be able to supervise and manage the business of subsidiaries and associated companies. The policy also includes monitoring to ensure that subsidiaries and associated companies are in compliance with various measures and mechanisms as if they are the Company's own units, and in accordance with the Company's policy, Public Limited Companies Act, Civil and Commercial Law, The Securities and Exchange Act, and related laws as well as notifications, rules and regulations related to the Capital Market Supervisory Board of the Securities and Exchange Commission and the Stock Exchange of Thailand. In this regard, to maintain the benefit of the Company's investment in such subsidiaries and associated companies, the details are as follows:

- 1) The Company will send a person to be a representative of the Company to become a director in each subsidiary and/or an associated company according to the shareholding proportion in each company to supervise subsidiary and/or associated company to operate under the law, Good Corporate Governance Policy, and other policies of the Company. However, the representative of the Company to be a director in each subsidiary and/or associated company must be considered and approved by the Board of Directors' meeting and taking into account the suitability of each company.
- 2) In case of entry into transactions or any action of subsidiaries that are considered or are the acquisition or

disposal of assets according to the notifications of the acquisition or disposal of assets, or related party transactions according to the notifications of related parties transaction that will result in the Company's responsibility to seek for an approval from the Company's Board of Directors' meeting and/or the shareholders' meeting or from relevant legal authorities before entering into the transaction, subsidiaries will be able to enter into the transaction or proceed only after they have already been approved by the Company's Board of Directors and/or the shareholders' meeting, and/or related agencies (as the case may be).

In addition, if the entry into transactions or the occurrence of certain events of the subsidiaries will result in the Company's responsibility to disclose information to the Stock Exchange of Thailand in accordance with the prescribed rules and relevant notifications of the Board of Governors of the Stock Exchange of Thailand, the representative directors of the said subsidiaries are obliged to notify the Company's management as soon as they are known that the subsidiaries plan to enter into the transaction or such event occurs.

- 3) The board of directors and executives of each subsidiary and/or associated company will have a significant scope of powers, duties, and responsibilities in accordance with relevant laws, such as disclosing information about the financial status and operating results to the Company by applying, mutatis mutandis, the relevant notifications of the Capital Market Supervisory Board, and the Notifications of the Board of Governors of the Stock Exchange of Thailand. This also includes disclosing and submitting information of interests of oneself and related persons to the Board of Directors for their acknowledgment of the relationship and transactions with the Company, subsidiaries, and/or associated companies in a manner that may cause conflicts of interest and avoid transactions that may cause conflicts of interest.
- 4) The Company will formulate plans and take necessary actions to ensure that its subsidiaries and/or associated companies have disclosed information about their operating results and financial position. The Company will take necessary actions and follow up to ensure that subsidiaries and/or associated companies have adequate and appropriate information disclosure systems and internal control systems for business operations. In addition, the Company will closely monitor the operating results and operations of such subsidiaries and/or associated companies, present the analysis results, and express opinions or recommendations to the Board of Directors and the Board of Directors of subsidiaries or associated companies to be used in consideration of policy-making or improvements to promote continuous development and growth of the subsidiaries' and/or associated companies' businesses

Internal Control

The company's board of directors assigns the audit committee which has 3 independent members to examine the company's internal control and internal audit systems, as well as to justify independency of auditors in compliance with satisfactory quality, sufficiency, and suitability of internal control system, to reduce risks or damages which may occur and to achieve company's goals and objectives.

The company employs Wynn Alliance Ltd whose internal auditing team leader is Mrs. Wimonlak Phanrattanapong an experienced, versatile internal auditor, to inspect company internal controls. She will assist the audit committee to investigate, evaluate the internal control system and overall risks, to write a formal report and to give suggestions from her findings.

The Board of Directors had assessed the internal control system of the Company by asking for information from the management, reviewed and evaluated the sufficiency of the internal control system by referring to the "Internal Control System Sufficiency Evaluation Form" of the Securities and Exchange Commission and had concluded that the Company had adequate internal control covering various aspects. The summary was as following:

1. Organizational and Environmental Controls

- The company requires positive internal control environment. The company's board sets operational business goal clearly and cooperates with management team to plan operational activities of the company and its subsidiaries. Previous organization's operations and goals are reviewed. So are the economic status and risk factors. Vision, strategies, budget planning are also implemented to comply with objectives laid out.
- The company sets an organization chart due to management efficiency, well organized internal controls, and appropriate levels of authorities.
- The company declares codes of ethics in organization's operation to all employees. Honesty and morality shall be in sphere of working. Penalty is applied to violations against ethical requirements. Moreover, the company launches a policy of good governance to create fairness to whom it may concern.

2. Risk Management Control

The company lays out risk management process to control and reduce risks which may occur from internal and external factors by appointing a risk management committee are; 4 members of Directors and One of member is an Independent Director and Risk Management team consisting of chief executives of each department. They are tasked to manage risks at reasonable levels and to determine suitability for current situation. Regular meetings are held in order to collect, analyze, evaluate risks of organization's operations. Effective measures shall be executed to reduce such risks together with the satisfactory follow-up of those measures.

3. Management Performance Control

The company clearly implements policies and practices to limit authorities and approval authority in cash amount at each level of management. Job descriptions are also clearly stated. Transactions with other companies or individuals are conducted under acceptable rules and conditions of normal trade. Mutual transactions shall be presented to the audit committee for approval before they are being conducted. The approval is approved by nonpartisan persons only and with regard to maximum benefit of the company and shareholders.

4. Information System and Communication Control

The company administers information system to cover operations in both organizational and functioning levels. Systematic development is carried out consistently so that information is correct and updated. Information security and data collection are to be well organized with respect to availability, functioning, and timing for the need of chief executives, and for communicating to people involved fast and effectively.

5. Tracking System Control

The audit committee is tasked to monitor and evaluate the internal controls. The internal auditor is to review and evaluate performance with respect to annual audit plan approved by the audit committee. The audit committee meets chief executives, internal auditors, external auditors concerning internal controls every quarter to hear errors in marking and remedy to overcome in appropriate time. In the year 2023 according to the formal report from the auditor, the company and its subsidiaries had efficient internal controls; no major risks were uncovered.

Related Transactions

Related transactions with related businesses or persons occurring in 2023:

Related Businesses/Persons	Relations	Items	Year 2021 (Million Baht)	Year 2022 (Million Baht)	Year 2023 (Million Baht)	Validity of Items
VC Land Company Limited	Director/Executive/Major shareholder as director/Major shareholder in the said company	Building space rental fee	1.31	1.40	0.86	Rental rates range from 352 to 440 baht per square meter, which is comparable to other rental rates for office spaces in nearby areas. In 2023, there is a reduction in the size of the rental space.
Siam Future Development Public Company Limited (It is a related business until 29 August 2021 because the company's director resigned from the position as director of the said company.	Director/Executive/Major shareholder as director in the said company	Space rental and service fees	0.75	-	-	It is a transaction arising from regular business operations. The rental rate is comparable to rental fees in nearby areas.
Kiatnakin Phatra Bank Public Company Limited	Director as Executive in the said company	Interest on savings accounts	-	0.20	0.15	Same interest rates as general customers.
Kiatnakin Phatra Securities Public Company Limited	Director as Director/Executive in the said company.	Interest from bonds with embedded derivatives	-	-	0.38	Same interest rates as general customers.
Mrs. Napasorn Soonthornmanokul	Director/Executive/Shareholder	Selling long-term bonds	-	10.00	-	Par price on the date of issue
		Interest paid on bonds	-	0.08	0.65	Same interest rates as general customers.
Mrs. Pentipa Ongvasith	Subsidiary Company Director/shareholder	Selling long-term bonds	-	4.00	-	Par price on the date of issue
		Interest paid on bonds	-	0.03	0.26	Same interest rates as general customers.
Mr. Paiboon Kujareevanich	Independent Director/Chairman of the Audit Committee	Selling long-term bonds	-	3.00	-	Par price on the date of issue
		Interest paid on bonds	-	0.02	0.20	Same interest rates as general customers.

Related Businesses/Persons	Relations	Items	Year 2021 (Million Baht)	Year 2022 (Million Baht)	Year 2023 (Million Baht)	Validity of Items
Ms. Nisha Angsuwarangsi	A Child of Director, Executive, Shareholder	Income from selling condominium	7.50	-	-	It is a transaction arising from regular business operations with a discount of 20 percent from the general offering price. This discount is in accordance with the welfare policy given to directors and executives of the Group Company.
Ms. Sirada Soonthornmanokul	A Child of Director, Shareholder	Income from selling condominium	6.86	-	-	It is a transaction arising from regular business operations with a discount of 20 percent from the general offering price. This discount is in accordance with the welfare policy given to directors and executives of the Group Company.
Mr. Thitikorn Sopchokchai	A Child of Director, Shareholder	Income from selling condominium	6.39	-	-	It is a transaction arising from regular business operations with a discount of 20 percent from the general offering price. This discount is in accordance with the welfare policy given to directors and executives of the Group Company.
Mrs. Wannipa Vongjarukorn	Spouse of a Director	Management costs	0.52	-	-	It is a regular business transaction, and the compensation rate is the same as that of external parties.

The Audit Committee Report

The Board of Directors has appointed an audit committee, comprises of 3 independent directors who were qualified and experienced in accounting, finance, law and management, and meet the requirements of the Securities and Exchange Commission and the Stock Exchange of Thailand, namely Mr. Paiboon Kujareevanich as the Chairman of Audit Committee, Mr. Trairak Tengtrirat and Asst Prof. Siriporn Maneepun as the Audit Committee Members.

In 2023, the Audit Committee has held a total of 4 meetings. Each meeting was a meeting with the Company’s management staff, internal auditors, and auditors (except for the 1st meeting that it was a meeting with the auditors without the presence of the Company’s management) the meeting of each member of the Audit Committee can be summarized as follows:

Audit Committee Member	Position	Number of Meetings Attended
1. Mr. Paiboon Kujareevanich	Audit Committee Chairman	4
2. Mr. Trairak Tengtrirat	Audit Committee Member	3
3. Asst.Prof. Siriporn Maneepun	Audit Committee Member	3

The Audit Committee has performed its duties and independently shared opinions within the scope of duties and responsibilities according to the Audit Committee Charter. and the contents may be summarized as follows:

- Financial Report:** The Audit Committee reviewed the quarterly and 2023 financial statements of the Company and its subsidiaries to ensure that the Company had accurate and reliable financial reporting. The Audit Committee provided opinions that such financial statements were prepared in accordance with the Thai Financial Reporting Standards (TFRS) with correct and sufficient disclosure of information, consistent with the auditor’s opinion.
- Connected Transactions or Transactions which might give rise to conflicts of interest:** The Audit Committee reviewed the disclosure of intercompany transactions with the companies or related people to ensure that the Company operated its business with reasonableness and normal trade practices for the best interest of the Company. The Audit Committee provided opinions that such connected transactions were disclosed correctly and completely with normal business conditions in accordance with regulations set by the Stock Exchange of Thailand.
- Internal Control System:** The Audit Committee reviewed the adequacy and appropriateness of the Company’s internal control system from the report of the internal auditors together with the management every quarter, including follow-up on the outcome of the auditor’s review of the Company’s internal control and information systems to ensure that the operations of the Company had an adequate internal control system and did not have any significant deficiencies.
- Legal Compliance:** The Audit Committee reviewed the Company’s operations to comply with the law on securities and exchange, Regulations of the Stock Exchange of Thailand and the Securities and Exchange Commission, and other laws relating to the Company’s business. The Audit Committee provided opinions that no significant issues had been found in the areas of non-compliance with relevant laws and regulations.
- Consideration for Selection and Nomination of the Auditor and Determination of Remuneration for the Auditor:** The Audit Committee considered the selection and nomination of the auditor by taking into account the auditor’s reliability, independence, knowledge, experience and reasonableness of the auditing fee. The Audit Committee proposed the Board of Directors to appoint KPMG Phoomchai Audit Limited as the Company’s auditor for 2023.
- Risk Management:** The Audit Committee coordinates with the Sustainability and Risk Management Committee regarding significant risks to ensure that risk management is continuous and effective. The Audit Committee is of the opinion that the Company has a risk management system that is appropriate and adequate for business operations and is regularly adjusted to suit the current situation.

In summary, the Audit Committee fully performed its duties by applying knowledge, competence, prudence and expressed independent opinions throughout the working period, and adhere to the principle of accuracy and transparency for the equal benefit of all stakeholders.



(Mr.Paiboon Kujareevanich)
 Audit Committee Chairman

Report of the Nomination and Remuneration Committee

The Nomination and Remuneration Committee (The Nomination Committee) had been assigned to perform duties and responsibilities in accordance with the charter set by the Board of Directors. Such important duties and responsibilities included setting up policies and criteria for the selection of directors; selection of candidates who were qualified according to the relevant laws, regulations, rules, and procedures to propose to the Board of Directors for consideration of appointment of directors; establishment of compensation policies and criteria to propose to the Board of Directors' meeting, reporting the performance of the Nomination Committee to the Board of Directors' meeting; and reporting the annual report and registration statements to the shareholders. In 2023, the Nomination and Remuneration Committee, consisted of three Directors, with a meeting of the Nomination and Remuneration Committee had considered the following matters:

1. Selection of Directors

The Nomination Committee had considered recruiting people from a wide variety of professions who were qualified with relevant laws and regulations, such as Law on Director's Qualifications, Public Company Law, Rules and Regulations of the Securities and Exchange Commission and etc. In addition, names and qualifications of suitable candidates to serve as directors are also considered in accordance with the company's business strategies; and according to the structure of directors, who must have knowledge in various areas, professional skills, specifications, gender and etc. The Committee also offered the opportunity for minority shareholders to nominate candidates to be elected as the company's Board of Directors. The nominations were open from November 2023 to December 2023 and the Nomination Committee had performed as follows:

- 1) Recruited directors to replace those who were due to retire according to their terms of office. The Committee had followed the recruitment process and proposed their opinions to the Board of Directors for consideration of suitable candidates before presenting to the Annual General Meeting of Shareholders for further appointment of the company's directors.
- 2) Recruited directors to replace vacant positions for reasons other than the terms of office. The Committee had proceeded the recruitment of suitable candidates in accordance with the selection process and proposed their opinions to the Board of Directors for further appointment of the company's directors.

2. Consideration of the Remuneration of the Board of Directors and Chief Executive Officer

The Nomination Committee had considered the compensation by considering the appropriateness of remuneration in accordance with the obligations and assigned responsibilities; and compared with businesses of similar types and sizes. Performance, achievements, business environment and the overall economic condition of the country had also been taken as factors for consideration.

3. Consideration of Criteria for Performance Evaluation of the Board of Directors

The Nomination Committee had established a system for performance evaluation of the Board of Directors, both Sub-Committees and individuals, once a year to help the Board review the performance, work issues and obstacles in performing the duties of the Committee during the past year in order to solve problems together and lead to improvement and development. Principles and topics for evaluation were consistent with the Stock Exchange of Thailand and had been updated to suit the company.



(Mr. Chai Jroongtanapibarn)

Chairman of the Nomination and Remuneration Committee

Report of the Sustainability and Risk Management Committee

During the Board of Directors' meeting No. 2/2023 on May 13th, 2023, a resolution was passed to approve the formation of a Sustainability Committee. This committee would be established by assigning the original Risk Management Committee to oversee and supervise sustainability work. The primary aim of the Sustainability Committee is to assist the Board of Directors in integrating sustainability into the organizational culture and to acknowledge the significance of economic, social, and environmental factors (ESG) for all stakeholder groups.

The Sustainability and Risk Management Committee has a total of four members, consisting of 1 independent director and three company directors, with Mr. Paiboon Kujareevanich, an independent director and Chairman of the Audit Committee, serving as the Chairman of the Sustainability and Risk Management Committee.

In 2023, there were four risk meetings and three sustainability meetings, accounting for 100 percent, in which each meeting was a meeting with the company's management. The Sustainability and Risk Management Committee oversees the overall sustainability and risk management actions of the Company Group. The management team will oversee the sustainability and risks of all the businesses within the group, focusing on various important areas. These includes ensuring that their management aligns with the Group's risk management policy, monitoring the progress of sustainability and risk management action plans, and presenting operations and progress reports to the Sustainability and Risk Management Committee for approval or recommendations. The meeting of the Sustainability and Risk Management Committee is summarized as follows:

Names	Position	Risk Management Meeting	Sustainability Meeting
1. Mr. Paiboon Kujareevanich	Chairman of the Sustainability and Risk Management Committee	4/4	3/3
2. Mr. Kittisak Sopchokchai	Sustainability and Risk Management Committee Member	4/4	3/3
3. Mrs. Tosaporn Angsuwarangsi	Sustainability and Risk Management Committee Member	4/4	3/3
4. Mr. Surasak Wongkiatthaworn	Sustainability and Risk Management Committee Member	4/4	3/3

The Sustainability and Risk Management Committee has performed its duties and responsibilities according to the Sustainability and Risk Management Committee Charter. The following are the key highlights of the work carried out in 2023:

1. Sustainability Aspects
 - 1.1 Consider and set goals, policies, strategies, and sustainability action plans that are consistent with the business operations in terms of the economy, society, and environment of the Company Group.
 - 1.2 Consider appointing a working group to develop sustainability in various operations.
 - 1.3 Supervise compliance with policies, strategies, and sustainability action plans through the Sustainability Development Working Group.
 - 1.4 Address important sustainability issues in accordance with the Company's framework for good corporate governance and present to the Board of Directors a consistent sustainability development policy,
 - 1.5 Provide advice and opinions on the sustainability development report presented by the Sustainability Development Working Group for the Board of Directors.
 - 1.6 Report to the Board of Directors on sustainability operations regularly.

2. Risk Management Aspects

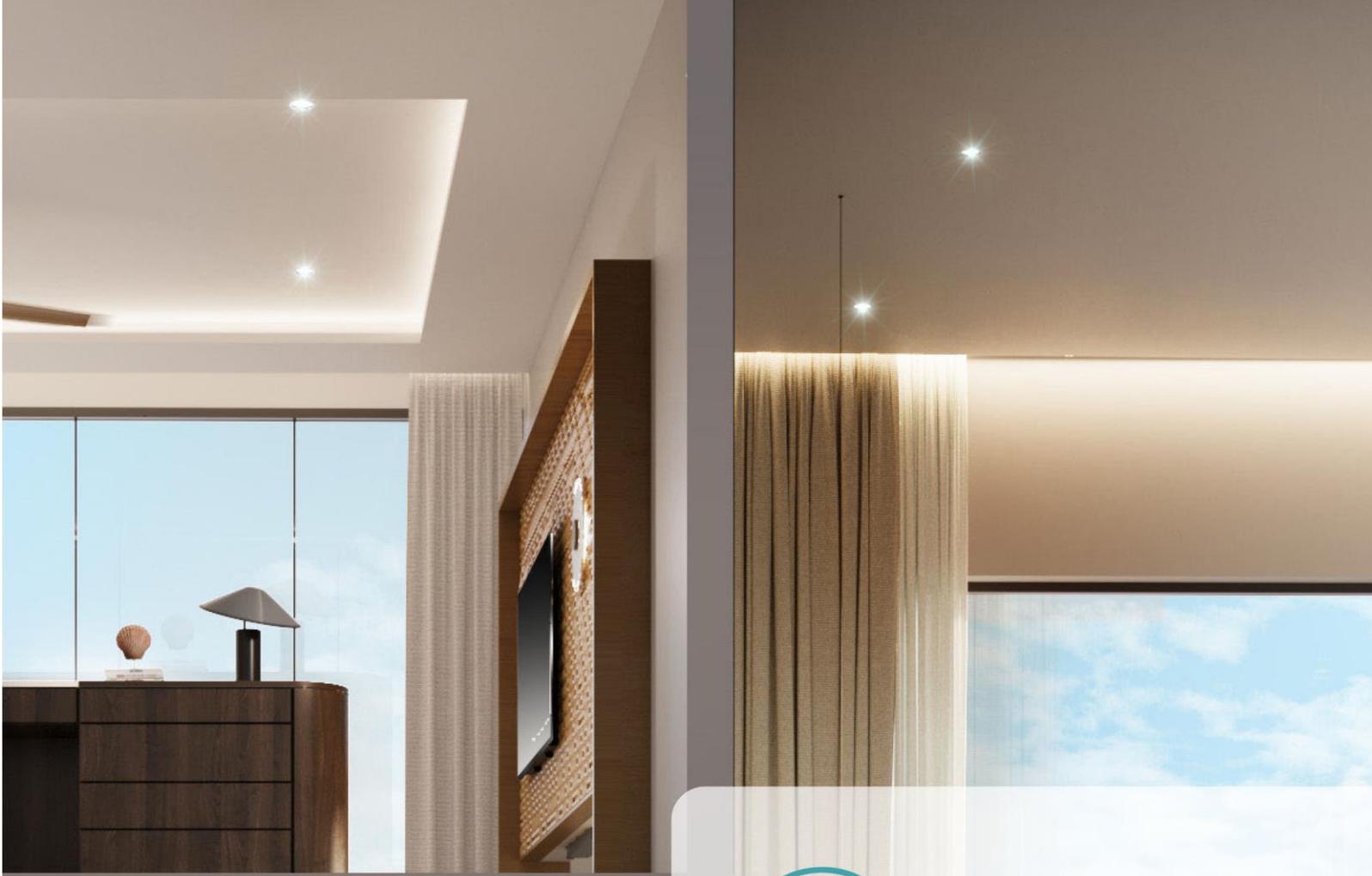
- 2.1 Consider and review policies, guidelines, and risk management framework and present them to the Board of Directors for consideration and approval.
- 2.2 Continuously oversee compliance with the risk management policy and framework through the Risk Management Working Group for the Company Group to have an effective risk management system and to reduce risks continuously.
- 2.3 Review the risk management report to track significant risks and take action to ensure that the Company Group has adequate and appropriate risk management.
- 2.4 Coordinate with the Audit Committee to ensure the Company Group has an appropriate internal control system for risk management, including the proper application of the risk management system throughout the organization. The Sustainability and Risk Management Committee is of the opinion that the Company has an appropriate and adequate risk management system for its business operations and is regularly adjusted to suit the current situation.
- 2.5 Provide advice and consultation to the Risk Management Working Group, including considering appropriate guidelines for correcting various information related to the development of risk management systems.
- 2.6 Report to the Board of Directors on risks and manage significant risks regularly.

In summary, the Sustainability and Risk Management Committee is of the opinion that in 2023, the Company has implemented sustainability development according to the goals and policies set by the Company and has managed risks according to the risk management plan continuously and efficiently.



(Mr. Paiboon Kujareevanich)

Chairman of the Sustainability and Risk Management Committee



FINANCIAL STATEMENTS



**Veranda Resort Public Company Limited
and its Subsidiaries**

Financial statements for the year ended
31 December 2023
and
Independent Auditor's Report



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Independent Auditor's Report

To the Shareholders of Veranda Resort Public Company Limited

Opinion

I have audited the consolidated and separate financial statements of Veranda Resort Public Company Limited and its subsidiaries (the “Group”) and of Veranda Resort Public Company Limited (the “Company”), respectively, which comprise the consolidated and separate statements of financial position as at 31 December 2023, the consolidated and separate statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

In my opinion, the accompanying consolidated and separate financial statements present fairly, in all material respects, the financial position of the Group and the Company, respectively, as at 31 December 2023 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 Consolidated and Separate Financial Statements* section of my report. I am independent of the Group and the Company in accordance with the the *Code of Ethics for Professional Accountants including Independence Standards* issued by the Federation of Accounting Professions (Code of Ethics for Professional Accountants) that is relevant to my audit of the consolidated and separate financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. 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 period. 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.

Valuation of Property, plant and equipment and investment in subsidiaries	
Refer to Notes 3(m) 8 and 10 to the consolidated and separate financial statements.	
The key audit matter	How the matter was addressed in the audit
<p>To respond to the Group and the Company's growth strategy, the Group and the Company have expanded their activities through hotel development and restaurants by investing in property plant and equipment, other relevant assets and investment in subsidiaries. Certain hotels and restaurants have not operated in line with initial expectations. These factors are considered as impairment indicator.</p> <p>In the impairment testing, the recoverable amount has been determined by discounted future cash flows for which require management to make judgements on key assumptions. Overall, due to the involvement of high level of judgement, this is key judgmental areas that my audit is concentrated on.</p>	<p>My audit procedures included:</p> <p>Understand and assess management process for impairment testing including determining the recoverable amount.</p> <p>In respect of each hotel and restaurant for which an impairment indicator exists, I obtained the discounted future cash flows, inquired management, tested calculation and evaluated the appropriateness of key assumptions.</p> <p>I have also considered the adequacy of disclosures according to Thai Financial Reporting Standards.</p>

Other Information

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

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

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

When I read the annual report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the correction be made.



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

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

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

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

Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements

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

As part of an audit in accordance with TSAs, I exercise professional 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 and the Company'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 and the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

I communicate with 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, actions taken to eliminate threats or safeguards applied.

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.

(Vilaivan Pholprasert)
Certified Public Accountant
Registration No. 8420

KPMG Phoomchai Audit Ltd.
Bangkok
23 February 2024

Veranda Resort Public Company Limited and its subsidiaries

Statement of financial position

Assets	Note	Consolidated		Separate	
		financial statements		financial statements	
		31 December		31 December	
		2023	2022	2023	2022
(in Baht)					
Current assets					
Cash and cash equivalents	5	124,913,337	234,297,990	51,333,752	187,696,135
Trade and other receivables	4, 6	55,106,044	52,741,888	43,630,389	41,110,911
Inventories		17,401,407	19,872,334	4,918,927	5,135,019
Real estate development for sale	7, 13	366,556,726	465,024,320	305,372,669	431,619,862
Advance payment for land and construction of real estate development for sale		53,134,618	10,997,753	37,608,519	10,339,158
Cost to obtain contracts	16	11,772,490	3,154,094	2,434,061	2,805,274
Other current financial assets	20	2,475,020	21,717,173	-	20,166,529
Other current assets		24,515,193	12,245,169	18,454,405	6,690,865
Total current assets		655,874,835	820,050,721	463,752,722	705,563,753
Non-current assets					
Restricted deposit at financial institution		260,000	260,000	60,000	60,000
Investments in subsidiaries	8	-	-	1,802,084,883	1,929,278,982
Long-term loans to related parties	4	-	-	90,366,839	102,300,000
Investment properties	9, 13	45,105,000	12,500,000	28,905,000	12,500,000
Property, plant and equipment	10, 13	3,681,876,688	3,366,171,215	1,680,085,277	1,258,733,006
Right-of-use assets	10, 13	214,140,537	262,577,757	19,307,189	29,358,773
Goodwill	11	31,449,737	50,069,483	-	-
Intangible assets	12	14,531,751	82,212,688	5,608,883	4,882,003
Advance payment for construction of property, plant and equipment		62,923,366	52,757,345	62,923,366	52,757,345
Deferred tax assets	18	81,443,523	96,919,521	19,333,981	3,677,336
Other non-current financial assets		2,635,200	4,850,220	2,500,200	2,500,200
Other non-current assets		13,242,912	8,916,949	7,274,631	515,607
Total non-current assets		4,147,608,714	3,937,235,178	3,718,450,249	3,396,563,252
Total assets		4,803,483,549	4,757,285,899	4,182,202,971	4,102,127,005

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

Veranda Resort Public Company Limited and its subsidiaries

Statement of financial position

	Note	Consolidated financial statements		Separate financial statements	
		31 December		31 December	
		2023	2022	2023	2022
<i>(in Baht)</i>					
Liabilities and equity					
Equity					
Share capital					
Authorised share capital (350,000,000 ordinary shares, par value at Baht 5 per share)		1,750,000,000	1,750,000,000	1,750,000,000	1,750,000,000
Issued and paid-up share capital (319,681,672 ordinary shares, par value at Baht 5 per share)		1,598,408,360	1,598,408,360	1,598,408,360	1,598,408,360
Shares premium on ordinary shares		819,968,299	819,968,299	819,968,299	819,968,299
Share discount on business combination					
under common control		(120,629,995)	(120,629,995)	-	-
Share discount from change in shareholding in subsidiaries		(471,467,670)	(471,467,670)	-	-
Retained earnings					
Appropriated					
Legal reserve	15	23,610,000	23,610,000	23,610,000	23,610,000
Unappropriated		(61,984,330)	81,251,520	(3,812,793)	230,131,902
Total equity		1,787,904,664	1,931,140,514	2,438,173,866	2,672,118,561
Total liabilities and equity		4,803,483,549	4,757,285,899	4,182,202,971	4,102,127,005

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

Veranda Resort Public Company Limited and its subsidiaries

Statement of comprehensive income

	Note	Consolidated financial statements		Separate financial statements	
		Year ended 31 December		Year ended 31 December	
		2023	2022	2023	2022
<i>(in Baht)</i>					
Income					
Revenue from hotel operations	16	1,129,781,018	954,542,463	277,032,154	282,614,602
Revenue from management service	4, 16	32,022,539	28,022,446	28,636,209	34,369,257
Revenue from sales of real estate	16	122,712,778	221,894,979	115,722,778	209,889,245
Revenue from sales of food and beverage	16	86,124,050	116,490,964	5,172,043	7,745,444
Other income	4, 16	31,827,508	44,868,768	20,284,794	33,803,724
Total income		1,402,467,893	1,365,819,620	446,847,978	568,422,272
Expenses					
Costs of hotel operations		723,390,456	639,546,150	190,440,971	180,430,892
Costs of management service		17,237,260	15,348,851	3,794,410	4,365,113
Costs of sales of real estate	7	98,568,454	169,618,419	94,389,405	160,131,565
Costs of sales of food and beverage	4	88,138,685	102,393,492	4,098,768	4,921,900
Selling expenses	4, 16	171,562,250	157,162,830	65,039,591	72,627,564
Administrative expenses	4, 16	240,320,421	208,617,592	105,147,395	106,670,967
Impairment loss on non-financial assets	7, 8, 9, 10, 11, 12	97,171,242	1,574,211	159,280,851	-
Total expenses		1,436,388,768	1,294,261,545	622,191,391	529,148,001
Profit (loss) from operating activities		(33,920,875)	71,558,075	(175,343,413)	39,274,271
Finance costs	4, 16	(101,382,247)	(71,333,962)	(48,838,904)	(29,074,883)
Reversal of impairment loss (impairment loss) on financial assets	4, 6	(64,651)	9,275	(21,592,858)	9,275
Profit (loss) before income tax expense		(135,367,773)	233,388	(245,775,175)	10,208,663
Tax income (expense)	16, 18	(5,400,904)	878,849	14,891,412	(1,746,025)
Profit (loss) for the year		(140,768,677)	1,112,237	(230,883,763)	8,462,638
Other comprehensive income					
Items that will not be reclassified subsequently to profit or loss					
Loss on remeasurements of defined benefit plans	14	(3,083,966)	-	(3,826,164)	-
Income tax relating to items that will not be reclassified subsequently to profit or loss	18	616,793	-	765,232	-
Other comprehensive income (expense) for the year, net of tax		(2,467,173)	-	(3,060,932)	-
Total comprehensive income (expense) for the year		(143,235,850)	1,112,237	(233,944,695)	8,462,638
Profit (loss) attributable to:					
Owners of parent		(140,768,677)	1,112,237	(230,883,763)	8,462,638
Total comprehensive income (expense) attributable to:					
Owners of parent		(143,235,850)	1,112,237	(233,944,695)	8,462,638
Basic earnings (loss) per share (in Baht)	19	(0.440)	0.003	(0.722)	0.026

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

Veranda Resort Public Company Limited and its subsidiaries

Statement of changes in equity

		Consolidated financial statements						
	Note	Issued and paid-up share capital	Share premium	Share discount on business combination under common control	Share discount from change in shareholding in subsidiaries <i>(in Baht)</i>	Retained earnings		Total equity
						Legal reserve	Unappropriated	
Year ended 31 December 2022								
Balance at 1 January 2022		1,598,408,360	819,968,299	(120,629,995)	(471,467,670)	23,180,000	80,569,283	1,930,028,277
Comprehensive income for the year								
Profit for the year		-	-	-	-	-	1,112,237	1,112,237
Total comprehensive income (expense) for the year		-	-	-	-	-	1,112,237	1,112,237
Transfer to legal reserve	15	-	-	-	-	430,000	(430,000)	-
Balance at 31 December 2022		1,598,408,360	819,968,299	(120,629,995)	(471,467,670)	23,610,000	81,251,520	1,931,140,514
Year ended 31 December 2023								
Balance at 1 January 2023		1,598,408,360	819,968,299	(120,629,995)	(471,467,670)	23,610,000	81,251,520	1,931,140,514
Comprehensive income for the year								
Loss for the year		-	-	-	-	-	(140,768,677)	(140,768,677)
Other comprehensive income		-	-	-	-	-	(2,467,173)	(2,467,173)
Total comprehensive income (expense) for the year		-	-	-	-	-	(143,235,850)	(143,235,850)
Balance at 31 December 2023		1,598,408,360	819,968,299	(120,629,995)	(471,467,670)	23,610,000	(61,984,330)	1,787,904,664

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

Veranda Resort Public Company Limited and its subsidiaries
Statement of changes in equity

	Note	Separate financial statements			Total equity	
		Issued and paid-up share capital	Share premium	Retained earnings		
				Legal reserve		Unappropriated
<i>(in Baht)</i>						
Year ended 31 December 2022						
Balance at 1 January 2022		1,598,408,360	819,968,299	23,180,000	222,099,264	2,663,655,923
Comprehensive income for the year						
Profit for the year		-	-	-	8,462,638	8,462,638
Total comprehensive income (expense) for the year		-	-	-	8,462,638	8,462,638
Transfer to legal reserve	15	-	-	430,000	(430,000)	-
Balance at 31 December 2022		1,598,408,360	819,968,299	23,610,000	230,131,902	2,672,118,561
Year ended 31 December 2023						
Balance at 1 January 2023		1,598,408,360	819,968,299	23,610,000	230,131,902	2,672,118,561
Comprehensive income for the year						
Loss for the year		-	-	-	(230,883,763)	(230,883,763)
Other comprehensive income		-	-	-	(3,060,932)	(3,060,932)
Total comprehensive income (expense) for the year		-	-	-	(233,944,695)	(233,944,695)
Balance at 31 December 2023		1,598,408,360	819,968,299	23,610,000	(3,812,793)	2,438,173,866

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

Veranda Resort Public Company Limited and its subsidiaries

Statement of cash flows

	Consolidated		Separate	
	financial statements		financial statements	
	Year ended 31 December		Year ended 31 December	
	2023	2022	2023	2022
	<i>(in Baht)</i>			
<i>Cash flows from operating activities</i>				
Profit (loss) for the year	(140,768,677)	1,112,237	(230,883,763)	8,462,638
<i>Adjustments to reconcile profit (loss) to cash receipts (payments)</i>				
Tax (income) expense	5,400,904	(878,849)	(14,891,412)	1,746,025
Finance costs	101,382,247	71,333,962	48,838,904	29,074,883
Depreciation and amortisation	228,959,134	226,965,317	60,644,441	59,023,292
(Reversal of) allowance for expected credit loss on trade receivables	64,651	(9,275)	17,648	(9,275)
Bad debt	-	1,534	-	-
Allowance for declining in value of inventories	895,064	-	-	-
Reversal of allowance for declining in value of real estate development for sale	(803,575)	(460,543)	(803,575)	-
Allowance for impairment loss on investment in subsidiaries	-	-	147,193,799	-
Allowance for impairment loss on investment property	8,890,750	-	8,890,750	-
Allowance for impairment loss on property, plant and equipment	6,875,198	2,034,754	3,999,877	-
Allowance for impairment loss on goodwill	18,619,746	-	-	-
Allowance for impairment loss on intangible assets	62,694,059	-	-	-
Allowance for expected credit loss on long-term loan to related party	-	-	21,100,000	-
Allowance for expected credit loss on interest receivable	-	-	475,210	-
Difference from reduction of lease payment	(12,167)	731,531	-	-
Provisions for employee benefits	889,703	2,316,150	486,862	1,453,483
Gain on change in fair value of financial assets	(126,598)	(94,836)	(126,598)	(94,836)
Gain on disposal of property, plant and equipment	(5,751)	(1,628,893)	(67,051)	(1,775,018)
Difference of right-of-use assets and lease liabilities from termination of contracts	(1,159,338)	-	-	-
Loss on write-off property, plant and equipment	7,270,809	1,041,472	271,481	220,758
Loss on write-off intangible assets	34	-	34	-
Gain on sales of financial assets	(22,440)	(72,146)	(22,440)	(72,146)
Loss on non-refundable withholding tax deducted at source	1,408,060	43,231	-	-
Interest income	(859,043)	(288,648)	(3,146,521)	(4,848,345)
	<u>299,592,770</u>	<u>302,146,998</u>	<u>41,977,646</u>	<u>93,181,459</u>

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

Veranda Resort Public Company Limited and its subsidiaries

Statement of cash flows

	Consolidated		Separate	
	financial statements		financial statements	
	Year ended 31 December		Year ended 31 December	
	2023	2022	2023	2022
	<i>(in Baht)</i>			
<i>Changes in operating assets and liabilities</i>				
Trade and other receivables	(2,428,807)	(10,050,566)	(2,477,764)	(9,457,570)
Inventories	1,575,863	(996,382)	216,092	(289,621)
Real estate development for sale	29,615,098	131,390,454	59,673,080	152,224,108
Advance payment for land and construction of real estate development for sale	(42,136,865)	(10,997,753)	(27,269,361)	(10,339,158)
Cost to obtain contracts	(8,618,396)	3,064,492	371,213	3,286,309
Other current financial assets	(924,376)	(1,083,844)	-	-
Other current assets	(10,047,691)	6,115,386	(9,734,851)	(2,453,699)
Advance payment for construction of property, plant and equipment	(10,166,021)	(52,757,345)	(10,166,021)	(52,757,345)
Other non-current financial assets	2,215,020	964,984	-	(83,340)
Other non-current assets	(3,938,596)	4,426,962	(6,759,024)	4,865,253
Trade and other payables	46,755,165	9,699,539	30,375,939	(31,287,962)
Advance received from customers	28,817,695	(62,206,617)	(14,499,970)	(59,464,695)
Advance received for land and buildings	-	-	86,966,839	-
Employee benefits paid	(939,057)	(671,970)	(726,590)	-
Other current financial liabilities	(1,669,003)	1,669,003	-	-
Other current liabilities	2,453,866	6,105,872	(3,329,236)	786,489
Other non-current provisions	693,866	568,854	693,866	568,854
Other non-current financial liabilities	2,539,536	(1,669,003)	-	-
Other non-current liabilities	(5,685,167)	(2,870,955)	(915,000)	(3,040,009)
Net cash generated from operating	<u>327,704,900</u>	<u>322,848,109</u>	<u>144,396,858</u>	<u>85,739,073</u>
Interest paid	(95,215,376)	(75,716,470)	(59,166,908)	(40,413,348)
Taxes paid	(4,017,760)	(7,516,809)	(2,028,690)	(5,428,169)
Net cash from operating activities	<u>228,471,764</u>	<u>239,614,830</u>	<u>83,201,260</u>	<u>39,897,556</u>
<i>Cash flows from investing activities</i>				
Payments for long-term loans to related parties	-	-	(160,066,839)	(97,200,000)
Proceeds from repayment of long-term loans to related parties	-	-	150,900,000	157,890,000
Proceeds from sales of financial assets	130,315,567	50,000,000	130,315,567	50,000,000
Acquisition of financial assets	(110,000,000)	(40,000,000)	(110,000,000)	(40,000,000)
Acquisition of in investments in subsidiary	-	-	(19,999,700)	-
Acquisition of in investments property	(16,200,000)	-	-	-
Acquisition of property, plant and equipment	(435,785,156)	(73,857,747)	(389,861,892)	(45,266,777)
Acquisition of right-of-use assets	(1,220,306)	-	-	-
Acquisition of intangible assets	(2,862,667)	(1,982,757)	(1,787,553)	(528,830)
Proceeds from sales of property, plant and equipment	4,198,724	2,377,555	480,794	7,325,781
Interest received	859,043	288,648	2,611,949	3,068,484
Net cash from (used in) investing activities	<u>(430,694,795)</u>	<u>(63,174,301)</u>	<u>(397,407,674)</u>	<u>35,288,658</u>

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

Veranda Resort Public Company Limited and its subsidiaries

Statement of cash flows

	Note	Consolidated		Separate	
		financial statements		financial statements	
		Year ended 31 December		Year ended 31 December	
		2023	2022	2023	2022
(in Baht)					
Cash flows from financing activities					
Increase (decrease) in bank overdraft and short-term borrowings					
from financial institutions		42,951,058	(481,880,252)	22,951,058	(446,879,590)
Proceeds from borrowings from related parties		-	-	146,130,000	45,500,000
Repayment of borrowings from related parties		-	-	(114,200,000)	(6,000,000)
Proceeds from long-term borrowings					
from financial institutions		1,262,489,000	600,000,000	1,236,715,000	600,000,000
Repayment of long-term borrowings from financial institutions		(1,177,437,890)	(411,292,913)	(1,102,699,080)	(404,810,821)
Payment of lease liabilities		(35,163,790)	(30,886,719)	(11,052,947)	(11,918,819)
Proceeds from issuing debentures		-	296,180,000	-	296,180,000
Net cash from (used in) financing activities		92,838,378	(27,879,884)	177,844,031	72,070,770
Net increase (decrease) in cash and cash equivalents		(109,384,653)	148,560,645	(136,362,383)	147,256,984
Cash and cash equivalents at 1 January		234,297,990	85,737,345	187,696,135	40,439,151
Cash and cash equivalents at 31 December	5	124,913,337	234,297,990	51,333,752	187,696,135
Non-cash transactions					
Increase (decrease) in other payables from purchase of assets		20,384,393	1,437,172	21,765,673	(169,603)
Finance cost recorded as property, plant and equipment		16,661,862	10,393,932	16,661,862	10,393,932
Finance cost recorded as real estate development for sale		5,683,123	3,060,737	5,198,225	3,060,737
Transfer real estate development for sale to property, plant and equipment		75,339,194	5,347,054	72,575,913	-
Transfer right-of-use assets to property, plant and equipment		248,360	-	-	-
Transfer property, plant and equipment to real estate development for sale		-	(27,247,837)	-	(22,082,000)
Transfer property, plant and equipment to investments property		(25,295,750)	-	(25,295,750)	-
Reduction of lease payments from lessors		388,758	4,750,401	-	-
Decrease in right-of-use assets from the remeasurement and termination of contracts		(17,061,478)	(589,952)	-	(589,952)

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

Veranda Resort Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2023

Note	Contents
1	General information
2	Basic of preparation of the financial statements
3	Significant accounting policies
4	Related parties
5	Cash and cash equivalents
6	Trade and other receivables
7	Real estate development for sale
8	Investments in subsidiaries
9	Investment properties
10	Property, plant and equipment and right-of-use assets
11	Goodwill
12	Intangible assets
13	Interest-bearing liabilities
14	Non-current provisions for employee benefits
15	Legal reserve
16	Segment information and disaggregation of revenue
17	Expenses by nature
18	Income tax
19	Earnings (loss) per share
20	Financial instruments
21	Capital management
22	Commitments with non-related parties

Veranda Resort Public Company Limited and its Subsidiaries

Notes to the financial statements

For the year ended 31 December 2023

These notes form an integral part of the financial statements.

The financial statements issued for Thai statutory and regulatory reporting purposes are prepared in the Thai language. These English language financial statements have been prepared from the Thai language statutory financial statements, and were approved and authorised for issue by the Board of Directors on 23 February 2024.

1 General information

Veranda Resort Public Company Limited, the “Company”, is incorporated in Thailand and was listed on the Stock Exchange of Thailand on 3 May 2019. The Company’s registered office at

- (a) Head office : 555 Rasa Tower, 27th floor, Unit 2701-2704, Phaholyothin Road, Chatuchak Bangkok
- (b) Branch : 737/12 Mung Talay Road, Cha-Am, Cha-Am, Petchaburi
- (c) Branch : 192 Moo 2 Ban Pong, Hang Dong, Chaing Mai
- (d) Branch : 122/211 Nong Kae, Hua Hin, Prachuap Khiri Khan

The Company’s major shareholders during the financial year were Mr.Pawatt Ongvasith (26.38% shareholding) and Hangjew Holding Pte. Ltd. (23.43% shareholding) which incorporated in Singapore.

The principal activities of the Group are hotel, real estate development for sale and sale of food and beverage. Details of the Company’s subsidiaries as at 31 December 2023 and 2022 are given in note 8.

2 Basis of preparation of the financial statements

The financial statements are prepared in accordance with Thai Financial Reporting Standards (“TFRS”), guidelines promulgated by the Federation of Accounting Professions and applicable rules and regulations of the Thai Securities and Exchange Commission. The financial statements are presented in Thai Baht, which is the Company’s functional currency. The accounting policies, described in the note 3, have been applied consistently to all periods presented in these financial statements.

The preparation of financial statements in conformity with TFRS requires management to make judgements, estimates and assumptions that affect the application of the Group’s accounting policies. Actual results may differ from these estimates. Estimates and underlying assumptions that are described in each note are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

3 Significant accounting policies

(a) Basis of consolidation

The consolidated financial statements relate to the Company and its subsidiaries (together referred to as the “Group”).

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Veranda Resort Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2023

Intra-group balances and transactions, and any unrealised income or expenses arising from intra-group transactions, are eliminated on consolidation. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

Business combinations

The Group applies the acquisition method when the Group assess that the acquired set of activities and assets include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create output. The acquisition date is the date on which control is transferred to the Group, other than business combinations with entities under common control. Expenses in connection with a business combination are recognised as incurred.

The Group elect to apply a 'concentration test' that permits a simplified assessment of whether an acquired set of activities and assets is an asset rather than a business acquisition when substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets.

Goodwill is measured as the fair value of the consideration transferred less net fair value of the identifiable assets acquired and liabilities assumed. Any gain on bargain purchase is recognised in profit or loss immediately.

Consideration transferred includes assets transferred, liabilities incurred by the Group to the previous owners of the acquiree, any contingent consideration and equity interests issued by the Group.

Any contingent consideration is measured at fair value at the date of acquisition, and remeasured at fair value at each reporting date. Subsequent changes in the fair value are recognised in profit or loss.

A contingent liability of the acquiree is assumed in a business combination only if such a liability represents a present obligation and arises from a past event, and its fair value can be measured reliably.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group estimates provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date.

Business combination under common control are accounted for using a method similar to the pooling of interest method, by recognising assets and liabilities of the acquired businesses at their carrying amounts in the consolidated financial statements of the ultimate parent company at the transaction date. The difference between the carrying amount of the acquired net assets and the consideration transferred is recognised as surplus or deficit from business combinations under common control in shareholder's equity. The surplus or deficit will be written off upon divestment of the businesses acquired. The results from operations of the acquired businesses will be included in the consolidated financial statements of the acquirer from the beginning of the comparative period or the moment the businesses came under common control, whichever date is later, until control ceases.

Veranda Resort Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2023

(b) Investments in subsidiaries

Investments in subsidiaries in the separate financial statements are measured at cost less allowance for impairment losses. Dividend income is recognised in profit or loss on the date on which the Group's right to receive payment is established. If the Company disposes of part of its investment, the deemed cost of the part sold is determined using the weighted average method. Gains and losses on disposal of the investments are recognised in profit or loss.

(c) Financial instruments

(c.1) Classification and measurement

Financial assets and financial liabilities (except trade and other receivables (see note 3(e)) are initially recognised when the Group becomes a party to the contractual provisions of the instrument, and measured at fair value plus or minus, for an item not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to its acquisition.

On initial recognition, a financial asset is classified as measured at: amortised cost; fair value through other comprehensive income (FVOCI); or FVTPL. Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified prospectively from the reclassification date.

On initial recognition, financial liabilities are classified as measured at amortised cost using the effective interest method. Interest expense, foreign exchange gains and losses and any gain or loss on derecognition are recognised in profit or loss.

Financial assets measured at amortised costs are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by expected credit losses. Interest income, foreign exchange gains and losses, expected credit loss and any gain or loss on derecognition are recognised in profit or loss.

(c.2) Derecognition and Offset

The Group derecognises a financial asset when the contractual rights to receive the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

The difference between the carrying amount extinguished and the consideration received or paid is recognised in profit or loss.

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and the Group intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

Veranda Resort Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2023

(c.3) Impairment of financial assets other than trade receivables

The Group recognises allowances for expected credit losses (ECLs) on financial assets measured at amortised cost.

The Group recognises ECLs equal to 12-month ECLs unless there has been a significant increase in credit risk of the financial instrument since initial recognition or credit-impaired financial assets, in which case the loss allowance is measured at an amount equal to lifetime ECLs.

ECLs are a probability-weighted estimate of credit losses based on forward-looking and historical experience. Credit losses are measured as the present value of all cash shortfalls discounted by the effective interest rate of the financial asset.

The Group recognises ECLs for low credit risk financial asset as 12-month ECLs.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 90 days past due, significant deterioration that have a significant adverse effect on the debtor's ability to meet its obligation to the Group.

The Group considers a financial asset to be in default when the financial asset is more than 180 days past due.

(c.4) Write-off

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering. Subsequent recoveries of an asset that was previously written off, are recognised as a reversal of impairment in profit or loss in the period in which the recovery occurs.

(c.5) Interest

Interest income and expense is recognised in profit or loss using the effective interest method. In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability.

(d) Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand are a component of financing activities in the statement of cash flows.

(e) Trade and other receivables

A receivable is recognised when the Group has an unconditional right to receive consideration. A receivable is measured at transaction price less allowance for expected credit loss. Bad debts are written off when incurred.

The Company estimates lifetime expected credit losses (ECLs), using a provision matrix to find ECLs rate. This method groups the debtors based on shared credit risk characteristics and past due status, taking into account historical credit loss data, adjusted for factors that are specific to the debtors and an assessment of both current economic conditions and forward-looking general economic conditions at the reporting date.

Veranda Resort Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2023

(f) Inventories

Inventories are measured at the lower of cost and net realisable value. Cost is calculated using the weighted average cost principle. Cost includes direct costs incurred in acquiring the inventories. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs to complete and to make the sale.

(g) Real estate development for sale

Real estate development for sale is real estate that is held with the intention to sell in the ordinary course of business. This real estate is measured at the lower of cost and net realisable value.

The cost of real estate development for sale comprises the cost of land, including acquisition costs, development expenditure, borrowing costs and other related expenditure. Borrowing costs payable on loans funding real estate development projects are capitalised as part of the cost of the property until the completion of development. Cost of real estate development for sale includes an allocation of common area property development expenditure based on saleable area.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs to complete and to make the sale.

When real estate development for sale are sold, the cost of that real estate is recognised as an expense in the period in which the related revenue is recognised.

(h) Investment property

Investment property is consists of land which measured at cost less impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the investment property.

Differences between the proceeds from disposal and the carrying amount of investment property are recognised in profit or loss.

(i) Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes capitalised borrowing costs and the costs of dismantling and removing the items and restoring the site on which they are located. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Differences between the proceeds from disposal and the carrying amount of property, plant and equipment are recognised in profit or loss.

Subsequent costs

The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item when the future economic benefits embodied within the part will flow to the Group, and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

Veranda Resort Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2023

Depreciation

Depreciation is calculated on a straight-line basis over the estimated useful lives of each component of an asset and recognised in profit or loss. No depreciation is provided on freehold land and assets under construction.

The estimated useful lives are as follows:

Land improvements	5 - 20	years
Buildings and building improvements	3 - 40	years
Tools and equipment	5 - 20	years
Furniture and fixtures	3 - 20	years
Vehicles	5 and 10	years

(j) Goodwill

Goodwill is measured at cost less impairment losses.

(k) Intangible assets

Intangible assets are measured at cost less accumulated amortisation and impairment losses. Subsequent expenditure is capitalised only when it will generate the future economic benefits. Amortisation is calculated on a straight-line basis over the estimated useful lives of intangible assets and recognised in profit or loss.

The estimated useful lives are as follows:

Software licenses	5 and 10	years
Trademarks	6 and 25	years
Franchise	3 - 20	years

(l) Leases

At inception of a contract, the Group assesses that a contract is, or contains, a lease when it conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As a lessee

At commencement or on modification of a contract, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices of each component. For the leases of property, the Group has elected not to separate non-lease components and accounted for the lease and non-lease components wholly as a single lease component.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date, except for leases of low-value assets and short-term leases which is recognised as an expense on a straight-line basis over the lease term.

Right-of-use asset is measured at cost, less any accumulated depreciation and impairment loss, and adjusted for any remeasurements of lease liability. The cost of right-of-use asset includes the initial amount of the lease liability adjusted for any prepaid lease payments, plus any initial direct costs incurred. Depreciation is charged to profit or loss on a straight-line method from the commencement date to the end of the lease term.

Veranda Resort Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2023

The lease liability is initially measured at the present value of all lease payments that shall be paid under the lease. The Group uses the Group's incremental borrowing rate to discount the lease payments to the present value. The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a lease modification. When the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero. However, for leases that received COVID-19 related rent concessions and the Group elected not to assess that the rent concessions are lease modification, the Group recognised the impact of the change in lease liability in profit or loss.

As a lessor

At inception or on modification of a contract, the Group allocates the consideration in the contract to each component on the basis of their relative standalone selling prices.

At lease inception, the Group considers to classify a lease that transfers substantially all of the risks and rewards incidental to ownership of the underlying asset to lessees as a finance lease. A lease that does not meet this criteria is classified as an operating lease.

The Group recognises lease payments received under operating leases in profit or loss on a straight-line basis over the lease term as part of other income. Initial direct costs incurred in arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income.

(m) Impairment of non-financial assets

The carrying amounts of the Group's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated. For goodwill, the recoverable amount is estimated each year at the same time.

An impairment loss is recognised in profit or loss if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount.

The recoverable amount is the greater of the asset's value in use and fair value less costs to sell. In assessing recoverable amount, 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.

Impairment losses of assets recognised in prior periods is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss in respect of goodwill is not reversed. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Veranda Resort Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2023

(n) Employee benefits

Defined contribution plan

Obligations for contributions to the Group's provident funds are expensed as the related service is provided.

Defined benefit plans

The Group's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods. The defined benefit obligations is discounted to the present value, which performed annually by a qualified actuary using the projected unit credit method.

Remeasurements of the net defined benefit liability, actuarial gain or loss are recognised immediately in OCI. The Group determines the interest expense on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period, taking into account any changes in the net defined benefit liability during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

Termination benefits are expensed at the earlier of when the Group can no longer withdraw the offer of those benefits. If benefits are not expected to be settled wholly within 12 months of the end of the reporting period, then they are discounted.

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(o) Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as a finance cost.

(p) 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 market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Group has access at that date. The fair value of a liability reflects its non-performance risk.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: inputs for the asset or liability that are based on unobservable input.

If an asset or a liability measured at fair value has a bid price and an ask price, then the Group measures assets and asset positions at a bid price and liabilities and liability positions at an ask price.

Veranda Resort Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2023

The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price – i.e. the fair value of the consideration given or received. If the Group determines that the fair value on initial recognition differs from the transaction price, the financial instrument is initially measured at fair value adjusted for the difference between the fair value on initial recognition and the transaction price and the difference is recognised in profit or loss immediately. However, for the fair value categorised as level 3, such difference is deferred and will be recognised in profit or loss on an appropriate basis over the life of the instrument or until the fair value level is transferred or the transaction is closed out.

(q) *Revenue from contracts with customers*

Revenue recognition

Revenue is recognised when a customer obtains control of the goods or services in an amount that reflects the consideration to which the Group expects to be entitled, excluding those amounts collected on behalf of third parties, value added tax or other sales taxes and is after deduction of any trade discounts.

Revenue from sales of goods is recognised on the date on which the goods are delivered to the customers.

Revenue for rendering of services is recognised over time. The related costs are recognised in profit or loss when they are incurred.

Revenue from hotel operations

Hotel revenues from room, food and beverages and other services are recognised when the rooms are occupied, food and beverages are sold and the services are rendered.

Revenue from sale of real estate

Revenue from sale of real estate is recognised when a customer obtains control of the real estate.

Deposits and installments received from customers on real estate sold prior to the date of revenue recognition are presented as advance received from customers in the statement of financial position. Advance received from customers are recognised as revenue when the Group transfers control over the real estate to the customers. For advances that contain a significant financing component interest expense. Interest expense is recognised using the effective interest method.

Contract balances

Contract liabilities which presented as advance received from customers in the statement of financial position are the obligation to transfer goods or services to the customer. The contract liabilities are recognised when the Group receives or has an unconditional right to receive non-refundable consideration from the customer before the Group recognises the related revenue.

Cost to obtain contracts

Cost to obtain contracts are the incremental costs to obtain a contract with a customer. The Group expects to recover these costs.

Cost to obtain contracts are measured at cost less accumulated amortisation and impairment losses. Amortisation is charged to profit or loss on a straight-line basis consistent with the related revenue recognition.

Veranda Resort Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2023

(r) Income tax

Income tax expense for the year comprises current and deferred tax, which is recognised in profit or loss except to the extent that they relate to items recognised directly in equity or in other comprehensive income.

Current tax is recognised in respect of the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss.

The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities, using tax rates enacted or substantively enacted at the reporting date. Current deferred tax assets and liabilities are offset in the separate financial statements.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(s) Earnings (loss) per share

Basic earnings (loss) per share is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period.

(t) Related parties

A related party is a person or entity that has direct or indirect control, or has significant influence over the financial and managerial decision-making of the Group; a person or entity that are under common control or under the same significant influence as the Group; or the Group has direct or indirect control or has significant influence over the financial and managerial decision-making of a person or entity.

4 Related parties

Relationships with subsidiaries are described in notes 8. Other related parties that the Group had significant transactions with during the year were as follows:

Name of entities	Country of incorporation/ nationality	Nature of relationships
V C Land Co., Ltd.	Thailand	Related company, some common shareholders and directors
Kiatnakin Phatra Bank Public Company Limited	Thailand	Related financial institution, an executive officer is the director of the Company
Kiatnakin Phatra Securities Public Company Limited	Thailand	Related company, common director

Veranda Resort Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2023

Name of entities	Country of incorporation/ nationality	Nature of relationships
Related person	Thailand	Director, executive officer and related person with director and executive officer
Key management personnel	Thailand	Persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of the Company.

Significant transactions with related parties Year ended 31 December	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
	<i>(in thousand Baht)</i>			
Subsidiaries				
Revenue from management service	-	-	18,057	23,539
Interest income	-	-	2,054	4,594
Other income	-	-	10,875	12,168
Selling expenses	-	-	-	727
Administrative expenses	-	-	380	1,271
Finance costs	-	-	1,850	538
Purchase of assets	-	-	4,053	5,802
Sale of assets	-	-	-	5,166
Allowance for expected credit loss on long-term loan to related party	-	-	21,100	-
Allowance for expected credit loss on interest receivable	-	-	475	-
Other related parties				
Interest income	378	-	378	-
Costs of sales of food and beverage	323	343	-	-
Administrative expenses	537	1,059	-	-
Directors and key management personnel compensation				
Short-term benefits	19,022	19,226	19,022	19,226
Post-employment benefits	548	533	502	489
Total directors and key management personnel compensation	19,570	19,759	19,524	19,715
Related persons				
Finance cost - long-term debentures	1,205	133	1,205	133

Veranda Resort Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2023

<i>Balances with related parties</i> <i>At 31 December</i>	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
	<i>(in thousand Baht)</i>			
Cash and cash equivalents				
Other related party	<u>747</u>	<u>163,733</u>	<u>747</u>	<u>163,733</u>
Trade and other receivables				
Subsidiaries	-	-	24,693	20,751
Less Allowance for expected credit loss	-	-	(475)	-
	<u>-</u>	<u>-</u>	<u>24,218</u>	<u>20,751</u>
Long-term loans to				
Subsidiaries	-	-	111,467	102,300
Less Allowance for expected credit loss	-	-	(21,100)	-
	<u>-</u>	<u>-</u>	<u>90,367</u>	<u>102,300</u>
Trade and other payables				
Subsidiaries	<u>-</u>	<u>-</u>	<u>7,181</u>	<u>6,097</u>
Short-term borrowings from				
Subsidiaries	<u>-</u>	<u>-</u>	<u>72,430</u>	<u>40,500</u>
Advance received for land and buildings				
Subsidiaries	<u>-</u>	<u>-</u>	<u>86,967</u>	<u>-</u>
Long-term debentures				
Related persons	<u>16,896</u>	<u>16,776</u>	<u>16,896</u>	<u>16,776</u>
Accrued interest expense - Long-term debentures				
Related persons	<u>136</u>	<u>133</u>	<u>136</u>	<u>133</u>

Significant agreements with related parties

Hotel management agreement

The Company has entered into hotel management agreement with a subsidiary which the Company shall provide management service, hotel operation including marketing and promotion activities. The terms of the agreement is for one year and indefinite extendible. The subsidiary is committed to pay fess at the rates, terms and basis specified in the agreement.

Loan to related party agreements

The Company entered into loan to agreements with subsidiaries in terms of promissory notes which bore interest at stated in promissory. These loans are repayable at call. At 31 December 2023 the Company signed an addendum not to call loan within one year. Therefore, loans to subsidiaries are classified as non-current assets.

Loan from related party agreements

The Company entered into loan from agreements with subsidiaries in terms of promissory notes which bore interest at stated in promissory. These loans are repayable at call.

Veranda Resort Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2023

5 Cash and cash equivalents

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
	<i>(in thousand Baht)</i>			
Cash on hand	2,701	2,584	889	810
Cash at banks	122,212	231,714	50,445	186,886
Total	124,913	234,298	51,334	187,696

6 Trade and other receivables

<i>At 31 December</i>	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
	<i>(in thousand Baht)</i>			
Trade receivables				
Within credit terms	33,148	28,912	9,949	7,610
Overdue:				
Up to 3 months	7,671	5,769	5,569	657
3 - 6 months	64	309	64	105
6 - 12 months	46	27	-	23
Over 12 months	817	954	533	521
Total	41,746	35,971	16,115	8,916
Less Allowance for expected credit loss	(864)	(799)	(533)	(515)
Net	40,882	35,172	15,582	8,401
Interest receivable	-	-	6,446	5,437
Less Allowance for expected credit loss	-	-	(475)	-
Net	-	-	5,971	5,437
Accrued income	-	-	10,352	-
Other receivables	14,224	17,570	11,725	27,273
Total	55,106	52,742	43,630	41,111

<i>Allowance for expected credit loss</i>	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
	<i>(in thousand Baht)</i>			
At 1 January	799	808	515	524
Addition (reversal)	65	(9)	493	(9)
At 31 December	864	799	1,008	515

Information of credit risk is disclosed in note 20 (b.1).

Veranda Resort Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2023

7 Real estate development for sale

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
	<i>(in thousand Baht)</i>			
Real estate under development	224,062	224,850	162,878	195,600
Developed real estates	145,611	244,094	145,611	239,940
Total	369,673	468,944	308,489	435,540
Less allowance for declining in value	(3,116)	(3,920)	(3,116)	(3,920)
Net	366,557	465,024	305,373	431,620
Finance costs capitalised in real estate development for sale during the year	5,683	3,061	5,198	3,061
Capitalisation rate (<i>% per annum</i>)	<u>4.47 - 5.77</u>	<u>3.52 - 4.47</u>	<u>4.47 - 5.77</u>	<u>3.52 - 4.47</u>
Cost of real estate development for sale recognised in 'cost of sale of real estate:				
- Cost	98,569	169,619	94,390	160,132
- Reversal of write-down	(804)	(461)	(804)	-
Net	97,765	169,158	93,586	160,132

As at 31 December 2023, the Group and the Company have mortgaged real estate development for sale amounting to Baht 341 million and Baht 280 million, respectively. (2022: Baht 377 million and Baht 377 million, respectively) to secure credit facilities received from financial institutions.

As at 31 December 2023, real estate under development of the Group and the Company amounting to Baht 128 million and Baht 107 million, respectively (2022: Baht 215 million and Baht 186 million, respectively) are expected to be completed more than one year after the reporting period.

Veranda Resort Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2023

8 Investments in subsidiaries

	Type of business	Ownership interest		Paid-up capital		Cost		Separate financial statements				Dividend income		
		2023	2022	2023	2022	2023	2022	Impairment	At cost - net		2023	2022		
		(%)								2023	2022	for the year		
													(in thousand Baht)	
Direct subsidiaries														
Huahin Pool Suite Company Limited	Hotel	99.99	99.99	50,000	50,000	49,999	49,999	-	-	49,999	49,999	-	-	
Oak Tree Company Limited	Hotel	99.99	99.99	850,000	850,000	1,069,430	1,069,430	-	-	1,069,430	1,069,430	-	-	
Oak Tree Realty Company Limited	Rental properties and human resource outsourcing services	99.99	99.99	5,000	5,000	6,944	6,944	-	-	6,944	6,944	-	-	
Veranda Cuisine Company Limited	Sales of food and beverage	99.99	99.99	20,000	20,000	20,000	20,000	(13,068)	(3,368)	6,932	16,632	-	-	
The isa Resort Company Limited	Hotel	99.99	99.99	100,000	100,000	377,438	377,438	(11,300)	(11,300)	366,138	366,138	-	-	
Veranda Beach Pattaya Company Limited	Hotel and real estate development for sale	99.99	99.99	300,000	300,000	282,642	282,642	-	-	282,642	282,642	-	-	
PDS Holding Company Limited	Sales of food and beverage	99.99	99.99	120,000	120,000	137,494	137,494	(137,494)	-	-	137,494	-	-	
VL Phuket Company Limited	Real estate development for sale	99.99	-	20,000	-	20,000	-	-	-	20,000	-	-	-	
Total						<u>1,963,947</u>	<u>1,943,947</u>	<u>(161,862)</u>	<u>(14,668)</u>	<u>1,802,085</u>	<u>1,929,279</u>	<u>-</u>	<u>-</u>	

Veranda Resort Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2023

	Type of business	Ownership interest		Paid-up capital		Cost		Separate financial statements				Dividend income for the year	
		2023	2022	2023	2022	2023	2022	Impairment	At cost - net		2023	2022	
						2023	2022	2023	2022	2023	2022	2023	2022
Indirect subsidiary													
VL Phuket Company Limited (Formerly known as Veranda Pastry Company Limited)	Dormant	-	99.99	-	5,000	-	-	-	-	-	-	-	-
						<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
						<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

All subsidiaries were incorporated and operate in Thailand.

Veranda Resort Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2023

<i>Material movement</i>	Separate	
	financial statements	
<i>Year ended 31 December</i>	2023	2022
	<i>(in thousand Baht)</i>	
Acquire investment in VL Phuket Company Limited	5,000	-
Increase capital of VL Phuket Company Limited	15,000	-
Impairment loss of Veranda Cuisine Company Limited	(9,700)	-
Impairment loss of PDS Holding Company Limited	(137,494)	-

On 20 September 2023, the Company purchased the ordinary shares of VL Phuket Company Limited (formerly known as Veranda Pastry Company Limited) which had authorised and paid-up share capital totaling Baht 5,000,000 of 50,000 ordinary shares at a par value of Baht 100. The Company purchased 49,997 ordinary shares at a par value of Baht 100, totaling Baht 4,999,700 from Veranda Cuisine Company Limited, a Company's subsidiary. As a result, such company has been changed from indirect subsidiary to direct subsidiary.

On 5 October 2023, VL Phuket Company Limited registered the increase of the authorised share capital by issuing 150,000 ordinary shares at a par value of Baht 100, totaling Baht 15,000,000, which is 99.99% holding and fully paid by the Company on 5 October 2023.

Impairment of investments in subsidiaries

Management reviewed and tested impairment of investments in certain subsidiaries in which impairment indicator existed by determining recoverable amount of investments from the value in use of the food and beverage outlets which is cash-generating unit. The discounted cash flow projections ("DCF") have been prepared using key assumptions with reference to forecasted performance results considering historical data adjusted with projected average revenue growth in the industry using 10.61% discount rate.

The recoverable amounts of investments in Veranda Cuisine Company Limited was less than carrying amount. As a result, the Company recognised impairment losses of Baht 9.7 million in the separate statement of comprehensive income for the year ended 31 December 2023.

In addition, the management believes that there is no recoverable amount of PDS Holding Company Limited because the management intends to cease food and beverages operation of PDS Holding Company Limited within 2024. As a result, the Company recognised an impairment loss of investment in such subsidiary in whole amount of Baht 137.5 million in separate statement of comprehensive income for the year ended 31 December 2023.

Veranda Resort Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2023

9 Investment properties

	Consolidated financial statements	Separate financial statements
	Land	Land
	<i>(in thousand Baht)</i>	
<i>Cost</i>		
As at 1 January 2022	12,500	12,500
As at 31 December 2022 and 1 January 2023	12,500	12,500
Additions	16,200	-
Reclassification from property, plant and equipment	25,296	25,296
As at 31 December 2023	53,996	37,796
<i>Impairment loss</i>		
At 1 January 2022	-	-
As at 31 December 2022 and 1 January 2023	-	-
Impairment loss	(8,891)	(8,891)
As at 31 December 2023	(8,891)	(8,891)
<i>Net book value</i>		
At 31 December 2022	12,500	12,500
At 31 December 2023	45,105	28,905

As at 31 December 2023, the Company have mortgaged investment property amounting to Baht 12.5 million. (2022: Baht 12.5 million) to secure credit facilities received from financial institutions.

The fair value of investment properties as at 31 December 2023 of Baht 60.2 million (2022: Baht 27.6 million) was determined by using market approach. The fair value of investment property has been categorised as a Level 3 fair value.

Veranda Resort Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2023

10 Property, plant and equipment and right-of-use assets

	Consolidated financial statements						Assets under construction and installation	Total
	Land	Land improvements	Buildings and building improvements	Tools and equipment <i>(in thousand Baht)</i>	Furniture and fixtures	Vehicles		
Cost								
At 1 January 2022	1,173,523	108,162	2,873,808	251,305	973,372	19,403	55,976	5,455,549
Additions	10,797	3,370	6,289	21,888	10,074	48	33,223	85,689
Transfer	10,200	737	12,797	1,500	24,437	-	(49,671)	-
Disposals/write-off	-	-	(962)	(14,118)	(2,784)	(6,698)	-	(24,562)
Transfer from (to) real estate development for sale	(21,911)	-	-	-	10	-	-	(21,901)
At 31 December 2022 and 1 January 2023	1,172,609	112,269	2,891,932	260,575	1,005,109	12,753	39,528	5,494,775
Additions	12	1,844	5,956	30,641	15,188	1,642	417,549	472,832
Transfer	-	1,359	51,888	2,420	11,084	3	(66,754)	-
Disposals/write-off	-	-	(22,624)	(26,093)	(5,372)	(4,293)	-	(58,382)
Transfer from real estate development for sale	49,984	-	4,167	-	-	-	21,189	75,340
Transfer to investment property	(25,296)	-	-	-	-	-	-	(25,296)
Transfer from right-of-use assets	-	-	-	-	-	248	-	248
At 31 December 2023	1,197,309	115,472	2,931,319	267,543	1,026,009	10,353	411,512	5,959,517

Veranda Resort Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2023

	Consolidated financial statements						Assets under construction and installation	Total
	Land	Land improvements	Buildings and building improvements	Tools and equipment <i>(in thousand Baht)</i>	Furniture and fixtures	Vehicles		
<i>Depreciation and impairment losses</i>								
At 1 January 2022	-	43,207	1,151,108	194,572	555,000	17,865	-	1,961,752
Depreciation charge for the year	-	7,266	105,467	20,577	53,624	668	-	187,602
Impairment losses	-	-	2,006	-	29	-	-	2,035
Disposals/write-off	-	-	(469)	(13,007)	(2,650)	(6,659)	-	(22,785)
At 31 December 2022 and 1 January 2023	-	50,473	1,258,112	202,142	606,003	11,874	-	2,128,604
Depreciation charge for the year	-	7,406	105,204	20,155	55,793	521	-	189,079
Impairment losses	-	-	7,195	1,271	406	39	-	8,911
Reversal of allowance of impairment losses	-	-	(2,006)	-	(29)	-	-	(2,035)
Disposals/write-off	-	-	(13,979)	(23,525)	(5,128)	(4,287)	-	(46,919)
At 31 December 2023	-	57,879	1,354,526	200,043	657,045	8,147	-	2,277,640
<i>Net book value</i>								
At 31 December 2022	<u>1,172,609</u>	<u>61,796</u>	<u>1,633,820</u>	<u>58,433</u>	<u>399,106</u>	<u>879</u>	<u>39,528</u>	<u>3,366,171</u>
At 31 December 2023	<u>1,197,309</u>	<u>57,593</u>	<u>1,576,793</u>	<u>67,500</u>	<u>368,964</u>	<u>2,206</u>	<u>411,512</u>	<u>3,681,877</u>

Veranda Resort Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2023

	Separate financial statements						Assets under construction and installation	Total
	Land	Land improvements	Buildings and building improvements	Tools and equipment <i>(in thousand Baht)</i>	Furniture and fixtures	Vehicles		
Cost								
At 1 January 2022	669,210	29,088	808,106	65,568	240,808	11,448	24,427	1,848,655
Additions	16,134	2,825	2,845	6,877	1,412	-	25,399	55,492
Transfer	10,200	703	829	-	1,924	-	(13,656)	-
Disposals/write-off	(5,166)	-	-	(2,427)	(277)	(6,634)	-	(14,504)
Transfer to real estate development for sale	(22,082)	-	-	-	-	-	-	(22,082)
At 31 December 2022 and 1 January 2023	668,296	32,616	811,780	70,018	243,867	4,814	36,170	1,867,561
Additions	3,462	1,712	2,325	10,567	8,526	86	401,610	428,288
Transfer	-	1,359	51,888	2,456	9,089	3	(64,795)	-
Disposals/write-off	-	-	(317)	(9,067)	(2,601)	(3,000)	-	(14,985)
Transfer from real estate development for sale	47,221	-	4,167	-	-	-	21,189	72,577
Transfer to investment property	(25,296)	-	-	-	-	-	-	(25,296)
At 31 December 2023	693,683	35,687	869,843	73,974	258,881	1,903	394,174	2,328,145

Veranda Resort Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2023

	Separate financial statements							
	Land	Land improvements	Buildings and building improvements	Tools and equipment <i>(in thousand Baht)</i>	Furniture and fixtures	Vehicles	Assets under construction and installation	Total
<i>Depreciation</i>								
At 1 January 2022	-	14,244	365,500	47,047	131,421	11,006	-	569,218
Depreciation charge for the year	-	2,421	26,282	5,888	13,422	331	-	48,344
Disposals/write-off	-	-	-	(1,955)	(179)	(6,600)	-	(8,734)
At 31 December 2022 and 1 January 2023	-	16,665	391,782	50,980	144,664	4,737	-	608,828
Depreciation charge for the year	-	2,532	26,948	5,912	14,106	35	-	49,533
Impairment losses	-	-	4,000	-	-	-	-	4,000
Disposals/write-off	-	-	(317)	(8,435)	(2,549)	(3,000)	-	(14,301)
At 31 December 2023	-	19,197	422,413	48,457	156,221	1,772	-	648,060
<i>Net book value</i>								
At 31 December 2022	668,296	15,951	419,998	19,038	99,203	77	36,170	1,258,733
At 31 December 2023	693,683	16,490	447,430	25,517	102,660	131	394,174	1,680,085

Veranda Resort Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2023

The gross amount of the Group's and the Company's fully depreciated plant and equipment that was still in use as at 31 December 2023 amounted to Baht 529 million and Baht 270 million, respectively (2022: Baht 500 million and Baht 276 million, respectively).

Capitalised borrowing costs related to the hotel under construction for the Group are amounted to Baht 16.7 million and Baht 16.7 million, respectively (2022: Baht 10.4 million and Baht 10.4 million, respectively) with interest rate of 4.47% - 5.77% and 4.47% - 5.77% , respectively (2022: 3.52% - 4.47% and 3.52% - 4.47%, respectively).

The Group and the Company have mortgaged their land, buildings and buildings improvements exclude right-of-use assets, with net book values as at 31 December 2023 of Baht 3,132 million and Baht 1,513 million, respectively (2022: Baht 2,766 million and Baht 1,051 million, respectively), as collateral against credit facilities received from financial institutions. In addition, the ownership of buildings and improvements on the leased land of certain agreements will be transferred to the lessors upon the termination of the agreements.

As at 31 December 2023, the Group and the Company have servitude over land for real estate business approximately 1,482.80 Square wah and 1,264.77 Square wah, respectively (31 December 2022: approximately 1,482.80 Square wah and 1,264.77 Square wah, respectively). The servituted land cost were Baht 37.0 million and Baht 26.7 million, respectively as at 31 December 2023 included in the Group's and the Company's property, plant and equipment (31 December 2022: Baht 37.0 million and Baht 26.7 million, respectively).

<i>Right-of-use assets at 31 December</i>	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
	<i>(in thousand Baht)</i>			
Land and land improvements	176,023	189,481	174	872
Buildings and building improvements	32,598	65,953	13,724	21,958
Equipment	37	77	37	77
Vehicles	5,483	7,067	5,372	6,452
Total	214,141	262,578	19,307	29,359

In 2023, additions to a the right-of-use assets of the Group were Baht 1.2 million and the Company had no addition (2022: Baht 19.0 million and Baht 6.6 million, respectively).

The Group has mortgaged their right-of-use assets, with net book values as at 31 December 2023 of Baht 105 million (2022: Baht 110 million), as collateral against credit facilities received from financial institutions.

The Group leased land, commercial spaces, office building spaces, equipment and vehicles for 2 - 35 years with extension options. The payment terms are payable by monthly at the rates specified in the agreements.

A subsidiary had entered into the land lease agreement with a third party for the period of 35 years, effective since 1 November 2009 until 31 October 2044. A subsidiary shall pay for leasehold rights of Baht 163 million and a monthly rental rate as mentioned in agreement.

Veranda Resort Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2023

Extension options

The Group has extension options on property leases exercisable up to one year before the end of the contract period. The Group assesses at lease commencement date whether it is reasonably certain to exercise the extension options and will regularly reassess so.

<i>Year ended 31 December</i>	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
	<i>(in thousand Baht)</i>			
<i>Amounts recognised in profit or loss</i>				
Rent concessions during a year	389	4,750	-	-
Depreciation expense of right-of-use assets:				
- Land and land improvements	13,063	12,924	697	697
- Buildings and buildings improvements	17,592	17,544	8,234	8,365
- Equipment	40	40	40	40
- Vehicles	1,335	757	1,080	386
Interest on lease liabilities	7,592	7,831	1,066	1,343
Expense relating to short-term leases	2,305	2,793	-	-
Expense relating to leases of low-value assets	1,693	1,551	557	614
Variable lease payments	4,403	3,285	-	-

In 2023, total cash outflow for leases of the Group and the Company were Baht 43.8 million and Baht 11.6 million, respectively (2022: Baht 39.1 million and Baht 12.5 million, respectively).

In 2023, the Group received rent concessions during the year resulting in a decrease in lease payment for the year ended 31 December 2023, amounting to Baht 0.4 million (2022: Baht 4.8 million).

11 Goodwill

	Consolidated financial statements	
	2023	2022
	<i>(in thousand Baht)</i>	
<i>Cost</i>		
At 1 January	63,570	63,570
At 31 December	63,570	63,570
<i>Impairment losses</i>		
At 1 January	(13,500)	(13,500)
Impairment loss	(18,620)	-
At 31 December	(32,120)	(13,500)
<i>Net book value</i>		
At 31 December	31,450	50,070

Veranda Resort Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2023

Impairment testing for CGUs containing goodwill

For the purposes of impairment testing, goodwill has been allocated to the Group's CGUs as follows.

	Consolidated financial statements	
	2023	2022
	<i>(in thousand Baht)</i>	
The isa Resort Company Limited	31,450	31,450
PDS Holding Company Limited	-	18,620
Total	31,450	50,070

The isa Resort Company Limited

The recoverable amount of The isa Resort Company Limited was based on its value in use, measured by discounting the future cash flows to be generated from the continuing operations of The isa Resort Company Limited. The fair value measurement was categorised as a Level 3 fair value.

The key assumptions used in the estimation of the recoverable amount are set out below. The values assigned to the key assumptions represent management's assessment of future trends in the relevant industries and have been based on historical data from both external and internal sources.

<i>Key assumptions used in the estimation of value in use</i>	Consolidated financial statements	
	2023	2022
	(%)	
Discount rate	8.83	7.60
Terminal value growth rate	3	3

The discount rate was a pre-tax measure estimated based on the historical industry average weighted-average cost of capital, with a possible debt leveraging of 67.99% at a market interest rate of 4.22%.

The cash flow projections included specific estimates for 5 years and a terminal growth rate thereafter. The terminal growth rate was determined based on management's estimate of the long-term compound annual EBITDA growth rate.

According to the impairment testing, the estimated recoverable amount was higher than its carrying amount. As a result, no impairment recognised to the financial statements for the year ended 31 December 2023.

PDS Holding Company Limited

The management believes that there is no the recoverable amount of PDS Holding Company Limited because the management intends to cease food and beverages operation of PDS Holding Company Limited within 2024. As a result, the Company recognised an impairment loss on goodwill in such subsidiary in whole amount of Baht 18.6 million in consolidated statement of comprehensive income for the year ended 31 December 2023.

Veranda Resort Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2023

12 Intangible assets

	Consolidated financial statements			
	Software licences	Trademarks	Franchise	Total
	<i>(in thousand Baht)</i>			
<i>Cost</i>				
At 1 January 2022	33,179	9,846	86,935	129,960
Additions	1,983	-	-	1,983
Disposals/write-off	(46)	-	-	(46)
At 31 December 2022 and 1 January 2023	35,116	9,846	86,935	131,897
Additions	2,863	-	-	2,863
Disposals/write-off	(926)	-	-	(926)
At 31 December 2023	37,053	9,846	86,935	133,834
<i>Amortisation and impairment losses</i>				
At 1 January 2022	22,713	3,553	15,353	41,619
Amortisation for the year	2,752	445	4,901	8,098
Disposals	(33)	-	-	(33)
At 31 December 2022 and 1 January 2023	25,432	3,998	20,254	49,684
Amortisation for the year	2,641	445	4,764	7,850
Impairment losses	1,152	-	61,542	62,694
Disposals	(926)	-	-	(926)
At 31 December 2023	28,299	4,443	86,560	119,302
<i>Net book value</i>				
At 31 December 2022	9,684	5,848	66,681	82,213
At 31 December 2023	8,754	5,403	375	14,532

Due to the fact that the management intends to cease food and beverages operation of PDS Holding Company Limited within 2024, the Company therefore recognised an impairment loss on franchise in the amount of Baht 61.5 million in consolidated statement of comprehensive income for the year ended 31 December 2023.

Veranda Resort Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2023

	Separate financial statements Software licences (in thousand Baht)
Cost	
At 1 January 2022	12,306
Additions	529
Disposals	(12)
At 31 December 2022 and 1 January 2023	12,823
Additions	1,788
Disposals	(926)
At 31 December 2023	13,685
Amortisation	
At 1 January 2022	6,760
Amortisation for the year	1,191
Disposals	(10)
At 31 December 2022 and 1 January 2023	7,941
Amortisation for the year	1,061
Disposals	(926)
At 31 December 2023	8,076
Net book value	
At 31 December 2022	4,882
At 31 December 2023	5,609

13 Interest-bearing liabilities

		Consolidated financial statements					
		2023			2022		
		Secured	Unsecured	Total	Secured	Unsecured	Total
		<i>(in thousand Baht)</i>					
		-	-	-	309	-	309
Bank overdrafts							
Short-term borrowings from financial institutions		163,260	-	163,260	120,000	-	120,000
Long-term borrowings from financial institutions		1,847,234	1,115	1,848,349	1,759,857	1,353	1,761,210
Lease liabilities		-	175,676	175,676	-	221,811	221,811
Long-term debentures		-	298,160	298,160	-	296,397	296,397
Total interest-bearing liabilities		2,010,494	474,951	2,485,445	1,880,166	519,561	2,399,727
		Separate financial statements					
		2023			2022		
Note	Secured	Unsecured	Total	Secured	Unsecured	Total	
		<i>(in thousand Baht)</i>					
		-	-	-	309	-	309
Bank overdrafts							
Short-term borrowings from financial institutions		128,260	-	128,260	105,000	-	105,000
- related parties	4	-	72,430	72,430	-	40,500	40,500
Long-term borrowings from financial institutions		907,837	-	907,837	771,816	-	771,816
Lease liabilities		-	19,782	19,782	-	29,773	29,773
Long-term debentures		-	298,160	298,160	-	296,397	296,397
Total interest-bearing liabilities		1,036,097	390,372	1,426,469	877,125	366,670	1,243,795

Veranda Resort Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2023

As at 31 December 2023, the Group has bank overdrafts, short-term loans, long-term loans from financial institutions, and debenture as follow:

Loan agreement	Type of interest bearing	Approved credit facilities (in million Baht)	Interest rate (% per annum)	Term of payment
Bank overdrafts				
1	Secured	26	MOR	-
2	Secured	5	MOR	Available up to October 2025
3	Secured	1	MOR	-
4	Secured	5	MOR	-
5	Secured	3	MOR	-
6	Secured	25	MOR	-
7	Secured	5	MOR	Available up to May 2030
8	Secured	1	MOR	-
Short-term loans from financial institutions				
1	Secured	40	MLR - fixed rate p.a.	As stated in promissory notes
2	Secured	125	MMR	As stated in promissory notes
3	Secured	45	MRR	As stated in promissory notes
4	Secured	40	MMR	As stated in promissory notes
5	Secured	40	MLR - fixed rate p.a.	As stated in promissory notes
6	Secured	40	Fixed rate p.a.	As stated in promissory notes
7	Secured	55	MLR - fixed rate p.a.	As stated in promissory notes
Long-term loans from financial institutions				
1	Secured	224	MLR - fixed rate p.a.	Every month commencing from January 2022
2	Secured	140	MLR - fixed rate p.a.	Every month commencing from January 2022
3	Secured	100	MLR - fixed rate p.a.	Every month commencing from January 2022
4	Secured	75	MLR - fixed rate p.a.	Every month commencing from January 2022
5	Secured	20	Fixed rate p.a.	Every month commencing from May 2022
6	Secured	960	MLR - fixed rate p.a.	As stated in promissory notes
7	Secured	230	MLR - fixed rate p.a.	As stated in promissory notes
8	Secured	30	Fixed rate p.a.	Every month commencing from July 2023
9	Secured	126	Fixed rate p.a.	Every month commencing from July 2023
10	Secured	69	MLR - fixed rate p.a.	As stated in loan agreement
11	Secured	280	MLR - fixed rate p.a.	Every month commencing from January 2022
12	Secured	30	MMR	Commencing in September 2023 and March 2024
13	Secured	17	MMR	Every 6 months commencing from September 2023
14	Secured	550	Fixed rate p.a.	Every month commencing from July 2023

Veranda Resort Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2023

Loan agreement	Type of interest bearing	Approved credit facilities (in million Baht)	Interest rate (% per annum)	Term of payment
15	Secured	20	Fixed rate p.a.	Every month commencing from May 2023
16	Secured	1,150	MLR - fixed rate p.a.	Every month commencing from January 2023
17	Secured	20	MLR - fixed rate p.a.	Every month commencing from October 2022
18	Secured	15	MLR - fixed rate p.a.	Every month commencing from March 2023
19	Unsecured	2	0%	Every month commencing from July 2021
20	Secured	5	Fixed rate p.a.	Every month commencing from March 2023
21	Secured	51	MLR - fixed rate p.a.	As stated in loan agreement

Debenture - Unsecured

	Number (thousand units)	Par value per unit (in Baht)	Total value (in million Baht)	Issue date	Term	Maturity date	Coupon rate (% per annum)
Long-term debentures							
No. 1/2022 (repayment interest every 3 months)	300	1,000	300	17 November 2022	823 days	17 February 2025	6.50

On 7 October 2022, the Extraordinary General Meeting of Shareholders No. 1/2022 passed a resolution to approve the issuance and offering of the debentures in the amount within Baht 600 million. The debenture is an unsubordinated and unsecured and shall be sold to High Net Worth Investors in the amount not exceed Baht 300 million. The objective of the issuance is for working capital and investing in the Group's new projects.

<i>At 31 December</i>	Consolidated/Separate financial statements	
	2023	2022
	<i>(in thousand Baht)</i>	
Long-term debenture	300,000	300,000
Less deferred expense	(1,840)	(3,603)
Total Unsecured long-term debenture	<u>298,160</u>	<u>296,397</u>

During the year 2023, the Company and its subsidiary have entered into loan agreement with financial institution which granted long-term credit facilities of Baht 140 million to invest in the Company's new projects and support its subsidiary working capital.

As at 31 December 2023, the Group and the Company had unutilised credit facilities of totaling Baht 982 million and 884 million, respectively (2022: Baht 1,293 million and 1,191 million, respectively).

Veranda Resort Public Company Limited and its Subsidiaries

Notes to the financial statements

For the year ended 31 December 2023

Under the loan agreements, the Group has to comply with certain covenants and restrictions e.g. maintain interest bearing debt-to-equity ratio and debt service coverage ratio including obtaining of consent letter from the financial institutions before the Company and a subsidiary provide loan facility to their directors, shareholders and related companies and also the Company shall maintain shareholding proportion in the subsidiary as prescribed in the agreement.

<i>Assets pledged as security for liabilities as at 31 December</i>	Note	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
		<i>(in thousand Baht)</i>			
Real estate development for sale	7	341,150	377,284	279,966	377,284
Investment property	9	12,500	12,500	12,500	12,500
Property, plant and equipment	10	3,132,382	2,766,077	1,513,314	1,051,426
Right-of-use assets	10	104,687	109,712	-	-
Total		3,590,719	3,265,573	1,805,780	1,441,210

14 Non-current provisions for employee benefits

<i>At 31 December</i>	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
	<i>(in thousand Baht)</i>			
Post-employment benefits	23,657	20,622	17,233	13,647
Total	23,657	20,622	17,233	13,647

Defined benefit plan

The Group and the Company operate a defined benefit plan based on the requirement of Thai Labour Protection Act B.E 2541 (1998) to provide retirement benefits to employees based on pensionable remuneration and length of service. The defined benefit plans expose the Group to actuarial risks, such as longevity risk and interest rate risk.

<i>Present value of the defined benefit obligations</i>	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
	<i>(in thousand Baht)</i>			
At 1 January	20,622	18,978	13,647	12,193
Recognised in profit or loss:				
Current service cost	596	2,029	302	1,272
Interest on obligation	294	287	185	182
Recognised in other comprehensive income:				
Actuarial (gain) loss				
- Demographic assumptions	429	-	-	-
- Financial assumptions	(940)	-	(525)	-
- Experience adjustment	3,595	-	4,351	-
Benefit paid	(939)	(672)	(727)	-
At 31 December	23,657	20,622	17,233	13,647

Veranda Resort Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2023

16 Segment information and disaggregation of revenue

(a) Segment information

Management determined that the Group has 3 reportable segments which are the Group's strategic divisions for different products and services, and are managed separately because they require different technology and marketing strategies. The following summary describes the operations in each of the Group's reportable segments.

- Segment 1 Hotel
- Segment 2 Real estate development for sale
- Segment 3 Food and beverage

None of other segments meet the quantitative thresholds for determining reportable segments in 2023 or 2022.

Each segment's performance is measured based on segment gross profit, as included in the internal management reports that are reviewed by the Group's CODM. Segment gross profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Inter-segment pricing is determined on an arm's length basis.

Veranda Resort Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2023

Consolidated financial statements

<i>Year ended 31 December</i>	Hotel		Real estate development for sale		Food and beverages		Others		Total reportable segments		Eliminations		Total	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
	<i>(in million Baht)</i>													
Information about reportable segments														
External revenues	1,130	955	123	222	86	116	32	28	1,371	1,321	-	-	1,371	1,321
Inter-segment revenue	-	-	-	-	-	-	17	24	17	24	(17)	(24)	-	-
Total Revenue	<u>1,130</u>	<u>955</u>	<u>123</u>	<u>222</u>	<u>86</u>	<u>116</u>	<u>49</u>	<u>52</u>	<u>1,388</u>	<u>1,345</u>	<u>(17)</u>	<u>(24)</u>	<u>1,371</u>	<u>1,321</u>
Segment gross profit (loss)	<u>406</u>	<u>315</u>	<u>24</u>	<u>52</u>	<u>(2)</u>	<u>14</u>	<u>15</u>	<u>13</u>	<u>443</u>	<u>394</u>	<u>-</u>	<u>-</u>	<u>443</u>	<u>394</u>
Interest received													1	-
Other income													31	45
Selling expenses													(172)	(157)
Administrative expenses													(240)	(209)
Impairment losses:														
Investment property													(9)	-
Property, plant and equipment													(7)	(2)
Goodwill													(19)	-
Intangible asset													(63)	-
Finance costs													(101)	(71)
Profit (loss) before income tax expense													(136)	-
Tax income (expense)													(5)	1
Profit (loss) for the year													<u>(141)</u>	<u>1</u>

Veranda Resort Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2023

Consolidated financial statements

<i>Year ended 31 December</i>	Hotel		Real estate development for sale		Food and beverages		Others		Total reportable segments		Eliminations		Total	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
	<i>(in million Baht)</i>													
Timing of revenue recognition														
At a point in time	481	356	123	222	86	116	4	5	694	699	-	-	694	699
Over time	649	599	-	-	-	-	45	47	694	646	(17)	(24)	677	622
Total revenue	<u>1,130</u>	<u>955</u>	<u>123</u>	<u>222</u>	<u>86</u>	<u>116</u>	<u>49</u>	<u>52</u>	<u>1,388</u>	<u>1,345</u>	<u>(17)</u>	<u>(24)</u>	<u>1,371</u>	<u>1,321</u>

Veranda Resort Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2023

(b) *Geographical segments*

The Group is managed and operates principally in Thailand. There are no material revenues derived from, or assets located in, foreign countries.

(c) *Contract Balances*

Advance received from customers primarily related to the sale of real estate development for sale which the Group will recognise revenue from sales on the date on which control over the real estate is transferred to customers.

The Group's and the Company's advance received from customers at 31 December 2022 amounted of Baht 46 million and Baht 27 million, respectively, have been recognised as revenue in 2023 (*Recognised as revenue in 2022: Baht 116.7 million and Baht 85.1 million, respectively*).

(d) *Contract cost assets*

At 31 December 2023, the Group and the Company have cost to obtain contracts with customers amounted of Baht 11.8 million and Baht 2.4 million, respectively (*2022: Baht 3.2 million and Baht 2.8 million, respectively*) which presented as "Cost to obtain contracts".

(e) *Revenue expected to be recognised in the future related to performance obligations that are unsatisfied*

At 31 December 2023, the Group and the Company have revenue expected to be recognised in the future arising from performance obligations that are unsatisfied amounted of Baht 126.0 million and Baht 92.7 million, respectively (*2022: Baht 203.9 million and Baht 170.6 million, respectively*). The Group and the Company will recognise this revenue when a customer obtain ownership of the real estate, which is expected to occur over the next 12 months (*2022: next 12 months*).

17 Expenses by nature

	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2023	2022	2023	2022
	<i>(in thousand Baht)</i>			
Salary and wages and other employee benefits	453,618	398,217	157,788	151,410
Depreciation and amortisation	228,959	226,965	60,644	59,023
Operating lease and related service expenses	9,131	7,970	1,052	919
Repair and maintenance	18,393	17,630	5,869	5,823
Water supply and electricity	75,994	65,931	25,124	22,627
Supplies expenses	45,097	44,807	11,799	12,090
Consulting fee and other service fee	19,213	17,154	10,211	9,882
Bank charges	19,603	13,683	4,900	4,093
Management fee and franchise fee	23,153	17,119	2,124	1,675
Commission fee	51,498	48,430	19,368	22,260
Selling and marketing expenses	50,022	48,296	15,854	24,771
Cost of food and beverages	141,515	133,618	28,080	28,230
Interest expenses for loans	94,229	63,503	47,773	27,732

Veranda Resort Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2023

18 Income tax

<i>Income tax recognised in profit or loss</i>	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
	<i>(in thousand Baht)</i>			
Current tax expense				
Current year	-	1,173	-	662
Under (Over) provided in prior years	-	(653)	-	(142)
	<u>-</u>	<u>520</u>	<u>-</u>	<u>520</u>
Deferred tax expense				
Movements in temporary differences	5,401	(1,399)	(14,891)	1,226
	<u>5,401</u>	<u>(1,399)</u>	<u>(14,891)</u>	<u>1,226</u>
Total income tax	<u>5,401</u>	<u>(879)</u>	<u>(14,891)</u>	<u>1,746</u>

<i>Income tax</i>	Consolidated financial statements					
	Before tax	2023 Tax benefit	Net of tax	Before tax	2022 Tax benefit	Net of tax
	<i>(in million Baht)</i>					
Recognised in other comprehensive income						
Defined benefit plan actuarial losses	(3,084)	617	(2,467)	-	-	-
Total	<u>(3,084)</u>	<u>617</u>	<u>(2,467)</u>	<u>-</u>	<u>-</u>	<u>-</u>

<i>Income tax</i>	Separate financial statements					
	Before tax	2023 Tax benefit	Net of tax	Before tax	2022 Tax benefit	Net of tax
	<i>(in million Baht)</i>					
Recognised in other comprehensive income						
Defined benefit plan actuarial losses	(3,826)	765	(3,061)	-	-	-
Total	<u>(3,826)</u>	<u>765</u>	<u>(3,061)</u>	<u>-</u>	<u>-</u>	<u>-</u>

<i>Reconciliation of effective tax rate</i>	Consolidated financial statements				Separate financial statements			
	2023		2022		2023		2022	
	Rate (%)	(in thousand Baht)	Rate (%)	(in thousand Baht)	Rate (%)	(in thousand Baht)	Rate (%)	(in thousand Baht)
Profit (loss) before income tax expense		<u>(135,368)</u>		<u>233</u>		<u>(245,775)</u>		<u>10,209</u>
Income tax using the Thai corporation tax rate	Exempted -20	(27,047)	Exempted -20	111	20	(49,155)	20	2,042
Expenses not deductible for tax purposes		10,247		326		34,584		43
Additional deductible expenses		(987)		(1,129)		(320)		(465)
Recognition of previously unrecognised tax losses		-		(27)		-		-
Current year losses for which no deferred tax asset was recognised		23,229		280		-		-
Under (Over) provided in prior years		-		(653)		-		(142)
Others		(41)		213		-		268
Total	<u>(4)</u>	<u>5,401</u>	<u>(377)</u>	<u>(879)</u>	<u>6</u>	<u>(14,891)</u>	<u>17</u>	<u>1,746</u>

Veranda Resort Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2023

<i>Deferred tax</i> <i>At 31 December</i>	Consolidated financial statements				Separate financial statements			
	Assets		Liabilities		Assets		Liabilities	
	2023	2022	2023	2022	2023	2022	2023	2022
	<i>(in thousand Baht)</i>							
Total	95,333	110,604	(68,673)	(79,160)	22,346	6,136	(3,013)	(2,459)
Set off of tax	<u>(13,889)</u>	<u>(13,684)</u>	<u>13,889</u>	<u>13,684</u>	<u>(3,013)</u>	<u>(2,459)</u>	<u>3,013</u>	<u>2,459</u>
Net deferred tax assets (liabilities)	<u>81,444</u>	<u>96,920</u>	<u>(54,784)</u>	<u>(65,476)</u>	<u>19,333</u>	<u>3,677</u>	<u>-</u>	<u>-</u>

<i>Deferred tax</i>	Consolidated financial statements			
	(Charged) / Credited to			
	At 1 January	Profit or loss	Other comprehensive income	At 31 December
	<i>(in thousand Baht)</i>			
2023				
Deferred tax assets				
Trade receivables	160	13	-	173
Real estate development for sale	784	(161)	-	623
Investment property	-	1,778	-	1,778
Provisions for employee benefits	3,777	(10)	617	4,384
Lease liabilities	2,742	(914)	-	1,828
Other payables	3,292	3,191	-	6,483
Provisions	1,560	(86)	-	1,474
Other non-current liabilities	3,851	294	-	4,145
Loss carry forward	94,438	(19,993)	-	74,445
Total	<u>110,604</u>	<u>(15,888)</u>	<u>617</u>	<u>95,333</u>
Deferred tax liabilities				
Other receivables	(34)	(179)	-	(213)
Cost to obtain contracts	(587)	(1,723)	-	(2,310)
Other current financial assets	(14)	14	-	-
Property, plant and equipment	(12,216)	1,363	-	(10,853)
Long-term borrowings from financial institutions	(112)	(33)	-	(145)
Debentures	(721)	353	-	(368)
Fair value adjustment of assets from business acquisition	(65,476)	10,692	-	(54,784)
Total	<u>(79,160)</u>	<u>10,487</u>	<u>-</u>	<u>(68,673)</u>

Veranda Resort Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2023

	Consolidated financial statements			At 31 December
	At 1 January	(Charged) / Credited to		
<i>Deferred tax</i>		Profit or loss	Other comprehensive income	
		<i>(in thousand Baht)</i>		
2022				
<i>Deferred tax assets</i>				
Trade receivables	162	(2)	-	160
Real estate development for sale	876	(92)	-	784
Provisions for employee benefits	3,796	(19)	-	3,777
Lease liabilities	2,558	184	-	2,742
Other payables	2,138	1,154	-	3,292
Provisions	1,384	176	-	1,560
Other non-current liabilities	3,717	134	-	3,851
Loss carry forward	74,502	19,936	-	94,438
Total	<u>89,133</u>	<u>21,471</u>	<u>-</u>	<u>110,604</u>
<i>Deferred tax liabilities</i>				
Other receivables	(26)	(8)	-	(34)
Cost to obtain contracts	(1,244)	657	-	(587)
Other current financial assets	-	(14)	-	(14)
Property, plant and equipment	(6,571)	(5,645)	-	(12,216)
Long-term borrowings from financial institutions	(133)	21	-	(112)
Debentures	-	(721)	-	(721)
Fair value adjustment of assets from business acquisition	(51,114)	(14,362)	-	(65,476)
Total	<u>(59,088)</u>	<u>(20,072)</u>	<u>-</u>	<u>(79,160)</u>

Veranda Resort Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2023

<i>Deferred tax</i>	At 1 January	Separate financial statements (Charged) / Credited to		At 31 December
		Profit or loss <i>(in thousand Baht)</i>	Other comprehensive income	
2023				
<i>Deferred tax assets</i>				
Trade receivables	103	3	-	106
Real estate development for sale	784	(161)	-	623
Investment property	-	1,778	-	1,778
Provisions for employee benefits	2,729	(47)	765	3,447
Lease liabilities	102	18	-	120
Other payables	865	770	-	1,635
Provisions	1,553	(4)	-	1,549
Loss carry forward	-	13,088	-	13,088
Total	6,136	15,445	765	22,346
<i>Deferred tax liabilities</i>				
Other receivables	(29)	2	-	(27)
Cost to obtain contracts	(561)	74	-	(487)
Other current financial assets	(14)	14	-	-
Property, plant and equipment	(1,022)	(1,023)	-	(2,045)
Long-term borrowings from financial institutions	(112)	26	-	(86)
Debentures	(721)	353	-	(368)
Total	(2,459)	(554)	-	(3,013)
2022				
<i>Deferred tax assets</i>				
Trade receivables	105	(2)	-	103
Real estate development for sale	784	-	-	784
Provisions for employee benefits	2,438	291	-	2,729
Lease liabilities	311	(209)	-	102
Other payables	955	(90)	-	865
Provisions	1,688	(135)	-	1,553
Total	6,281	(145)	-	6,136
<i>Deferred tax liabilities</i>				
Other receivables	(26)	(3)	-	(29)
Cost to obtain contracts	(1,218)	657	-	(561)
Other current financial assets	-	(14)	-	(14)
Property, plant and equipment	-	(1,022)	-	(1,022)
Long-term borrowings from financial institutions	(133)	21	-	(112)
Debentures	-	(721)	-	(721)
Total	(1,377)	(1,082)	-	(2,459)

Veranda Resort Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2023

<i>Unrecognised deferred tax assets</i>	Consolidated		Separate	
	financial statements/	financial statements/	financial statements	financial statements
	2023	2022	2023	2022
	<i>(in thousand Baht)</i>			
Land, plant and equipment	4,000	-	4,000	-
Long-term loan to and interest receivable	-	-	21,575	-
Tax losses	99,005	19,996	-	-
Total	103,005	19,996	25,575	-

The tax losses of subsidiaries will expire in 2024 - 2028. The deductible temporary differences do not expire under current tax legislation. The Group has not recognised these items as deferred tax assets because it is not probable that the Group will have sufficient future taxable profit to utilise the benefits therefrom.

19 Earnings (loss) per share

	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2023	2022	2023	2022
	<i>(in thousand Baht)</i>			
<i>Profit (loss) attributable to ordinary shareholders for the year ended 31 December</i>				
Profit (loss) for the year attributable to ordinary shareholders of the Company	(140,769)	1,112	(230,884)	8,463
Profit (loss) attributable to ordinary shareholders of the Company (basic)	(140,769)	1,112	(230,884)	8,463
<i>Ordinary shares outstanding</i>				
At 31 December	319,682	319,682	319,682	319,682
Earnings (loss) per share (basic) (in Baht)	(0.440)	0.003	(0.722)	0.026

20 Financial instruments

(a) *Carrying amounts and fair values*

The following table shows the carrying amounts and fair values of financial assets, including their levels in the fair value hierarchy. It does not include fair value information for financial assets measured at amortised cost if the carrying amount is a reasonable approximation of fair value.

	Consolidated/Separate financial statements						
	Carrying amount			Fair value			
	Financial instruments measured at FVTPL	Financial instruments measured at amortised cost	Total	Level 1	Level 2	Level 3	Total
<i>At 31 December</i>	<i>(in million Baht)</i>						
2566							
<i>Financial liabilities</i>							
Long-term debenture	-	298.16	298.16	-	298.64	-	298.64

Veranda Resort Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2023

<i>At 31 December</i>	Consolidated/Separate financial statements		Fair value				Total
	Carrying amount		Total	Level 1	Level 2	Level 3	
	Financial instruments measured at FVTPL	Financial instruments measured at amortised cost					
2565							
Financial assets							
Other current financial assets							
Investment in mutual fund	20.17	-	20.17	-	20.17	-	20.17
Financial liabilities							
Long-term debenture	-	296.40	296.40	-	304.01	-	304.01

The following table presents valuation technique of financial instruments measured at fair value in statement of financial position

Type	Valuation technique
Investment in mutual fund	Net asset value at the reporting date
Debentures interest at rate	Discounted future cash flows using yield curve announced by the Thai Bond Market Association as discount rate

(b) *Financial risk management policies*

Risk management framework

The Group's board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The board of executive directors has established the risk management committee, which is responsible for developing and monitoring the Group's risk management policies. The risk management committee reports regularly to the audit committee and board of directors on its activities.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Group's audit committee oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Group's audit committee is assisted in its oversight role by internal auditor. Internal auditor undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

(b.1) *Credit risk*

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers.

Veranda Resort Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2023

(b.1.1) Trade receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry and country in which customers operate.

The risk management committee has established a credit policy under which each new customer is analysed individually for creditworthiness before the Group's commercial terms and conditions are offered. The Group's review sale limits are established for each customer and reviewed yearly. Any sales exceeding those limits require approval from Executive Vice President of hotel operation.

The Group limits its exposure to credit risk from trade accounts receivables by establishing a maximum payment period of 90 days. Outstanding trade receivables are regularly monitored by the Group. An impairment analysis is performed by the Group at each reporting date. The provision rates of expected credit loss are based on days past due for individual trade receivables/groupings of various customer segments with similar credit risks to reflect differences between economic conditions in the past, current conditions and the Group's view of economic conditions over the expected lives of the receivables.

Information relevant to trade receivables are disclosed in note 6.

(b.1.2) Investment in debt securities

The Group considers that all debt investments measured at FVTPL have low credit risk. Then the credit loss allowance assessed during the year was therefore limited to 12 months expected losses or 'low credit risk'. Marketable bonds are considered to be an investment grade credit rating published by external credit rating agencies. The credit risk of other instruments are considered to be low when the risk of default is low and the issuer has a strong capacity to meet its contractual cash flow obligations.

The Group and Company monitors changes in credit risk by tracking published external credit ratings. To assess whether there has been a significant increase in credit risk at the reporting date that has not been reflected in published ratings, the Group and Company supplements this by reviewing changes in bond yields together with available press and regulatory information about debtors.

(b.1.3) Cash and cash equivalent

The Group's exposure to credit risk arising from cash and cash equivalents is limited because the counterparties are banks and financial institutions which the Group considers to have low credit risk.

(b.2) *Liquidity risk*

The Group monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's operations and to mitigate the effects of fluctuations in cash flows.

The following table are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted and include contractual interest payments and exclude the impact of netting agreements.

Veranda Resort Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2023

		Consolidated financial statements				
		Contractual cash flows				
		More than 1				
<i>At 31 December</i>	Carrying amount	1 year or less	year but less than 5 years	More than 5 years	Total	
		<i>(in thousand Baht)</i>				
2023						
Bank overdrafts and short-term borrowings from financial institutions	163,260	165,243	-	-	165,243	
Trade and other payables	280,552	280,552	-	-	280,552	
Lease liabilities	175,676	32,657	53,928	90,230	176,815	
Long-term borrowings from financial institutions	1,848,349	301,874	1,402,528	543,459	2,247,861	
Other financial liabilities	6,540	-	2,540	4,000	6,540	
Long-term debenture	298,160	19,500	304,968	-	324,468	
	<u>2,772,537</u>	<u>799,826</u>	<u>1,763,964</u>	<u>637,689</u>	<u>3,201,479</u>	
2022						
Bank overdrafts and short-term borrowings from financial institutions	120,309	121,132	-	-	121,132	
Trade and other payables	196,330	196,330	-	-	196,330	
Lease liabilities	221,811	43,273	89,704	94,702	227,679	
Long-term borrowings from financial institutions	1,761,210	284,300	1,250,043	531,998	2,066,341	
Other financial liabilities	5,669	1,669	-	4,000	5,669	
Long-term debenture	296,397	19,500	324,375	-	343,875	
	<u>2,601,726</u>	<u>666,204</u>	<u>1,664,122</u>	<u>630,700</u>	<u>2,961,026</u>	
		Separate financial statements				
		Contractual cash flows				
		More than 1				
<i>At 31 December</i>	Carrying amount	1 year or less	year but less than 5 years	More than 5 years	Total	
		<i>(in thousand Baht)</i>				
2023						
Bank overdrafts and short-term borrowings from financial institutions	128,260	129,923	-	-	129,923	
Trade and other payables	147,879	147,879	-	-	147,879	
Lease liabilities	19,782	10,999	9,922	-	20,921	
Long-term borrowings from financial institutions	907,837	118,732	814,475	124,557	1,057,764	
Long-term debenture	298,160	19,500	304,968	-	324,468	
	<u>1,501,918</u>	<u>427,033</u>	<u>1,129,365</u>	<u>124,557</u>	<u>1,680,955</u>	
2022						
Bank overdrafts and short-term borrowings from financial institutions	105,309	106,121	-	-	106,121	
Trade and other payables	89,038	89,038	-	-	89,038	
Lease liabilities	29,773	11,052	20,929	-	31,981	
Long-term borrowings from financial institutions	771,815	167,137	626,599	84,675	878,411	
Long-term debenture	296,397	19,500	324,375	-	343,875	
	<u>1,292,332</u>	<u>392,848</u>	<u>971,903</u>	<u>84,675</u>	<u>1,449,426</u>	

Veranda Resort Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2023

(b.3) Market risk

(b.3.1) Interest rate risk

Interest rate risk is the risk that future movements in market interest rates will affect the results of the Group's operations and its cash flows because loan interest rates (see note 13) are mainly variable. So the Group is primarily exposed to interest rate risk. The Group mitigates this risk by ensuring that the majority of its borrowings are approximate at market rates.

<i>Exposure to interest rate risk</i> <i>At 31 December</i>	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
	<i>(in million Baht)</i>			
<i>Financial instruments with variable interest rates</i>				
Financial liabilities	(1,983)	(1,817)	(1,036)	(877)

Cash flow sensitivity analysis for variable-rate instruments

A reasonable possible change of 1% in interest rates at the reporting date; this analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

<i>Impact to profit or loss</i>	Consolidated financial statements		Separate financial statements	
	1% increase in interest rate	1% decrease in interest rate	1% increase in interest rate	1% decrease in interest rate
	<i>(in million Baht)</i>			
2023				
Financial instruments with variable interest rate	20	(20)	10	(10)
The sensitivity of cashflow	20	(20)	10	(10)
2022				
Financial instruments with variable interest rate	18	(18)	9	(9)
The sensitivity of cashflow	18	(18)	9	(9)

21 Capital management

The Board of Directors' policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board regularly monitors the return on capital, by evaluating result from operating activities divided by total shareholders' equity and also monitors the level of dividends to ordinary shareholders.

Veranda Resort Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2023

22 Commitments with non-related parties

<i>At 31 December</i>	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
	<i>(in million Baht)</i>			
<i>Capital commitments</i>				
Construction of hotel buildings and condominium	705	659	554	633
<i>Future minimum lease payments under non-cancellable operating leases</i>				
Within 1 year	12	11	1	1
1 - 5 years	4	1	-	-
Total	16	12	1	1
<i>Other commitments</i>				
Bank guarantees	9	8	3	3

Hotel management agreement

A subsidiary has entered into franchise agreements with the Accor Group to operate hotel under SO/ Bangkok brand. Under the terms, a subsidiary is committed to pay fees to Accor Group at the rates, terms and basis specified in the agreement. The term of the franchise agreement is for 27 years from commencement of hotel operation and extendible for a further period of 2 years upon the conditions specified in the agreement.

Franchise agreements

Subsidiaries have entered into franchise agreements with third parties in order to obtain rights to operate food restaurants and beverage. According to the agreements, subsidiaries are committed to pay franchise fees as specified in the agreement. Furthermore, subsidiaries have to pay royalty fees based on a percentage of sales and have to comply with certain terms and conditions as specified in the agreement.

Litigation

During the year 2019, the Company received a letter from the Phetchaburi Administrative Court notifying the Company, as an interpleader, to enter in a legal case between an individual and its parties (“the plaintiff”) and the Director-General of the Department of Lands and 2 other parties (“the defendant”). The Company has purchased many plots of land located in Khao Takiab District, Hua Hin District, Prachuap Khiri Khan. After receiving the ownership of the land, the Company found that the villagers nearby the land, led by the plaintiff, had previously sued the Department of Lands and the Director-General of the Department of Lands as defendant on the grounds that the defendant unlawfully issued land title deeds, blocking a path to access the beach and the defendant moved the pins of land which was a thoroughfare for the villagers. The Prachuap Khiri Khan Provincial Land Office, Hua Hin Branch, in collaboration with the Regional Harbor Office, Prachuap Khiri Khan Branch, and Hua Hin Municipality Office, had inspected the said area and viewed favorably that such land did not block the public beachfront thoroughfare. The Supreme Court had dismissed the case on 1 December 2016.

On 15 July 2020, the Phetchaburi Administrative Court rendered a verdict on the said case to revoke the land title deeds of 4 plots of the Company, only the sections that overlap or overlap the road boundary. The total area of land that may be affected is approximately 53 Square wah and the book value is in the amount of Baht 4.9 million.

Veranda Resort Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2023

On 13 August 2020, the Company filed an appeal against the judgement of the Phetchaburi Administrative Court to the Supreme Administrative Court. The case is still under consideration of the Supreme Administrative Court.

As at 31 December 2023, the Company has provision for loss arising from litigation of Baht 4.9 million (*31 December 2022: Baht 4.9 million*). The management of the Company believes that the provisions made in the accounts are adequate to cover any losses that may arise from this case.

On 24 May 2023, the Company was sued by Condominium Juristic Person of Veranda Residence Hua Hin and a co-owner (“the plaintiff”) in lawsuit about breach of condominium sale and purchase agreements with demanding ownership of common properties and related compensations in the total amount of approximately Baht 7.2 million. The case is currently being heard by the Court of First Instance who has appointed the date of witness hearing in April 2024. The management of the Company believes that it is uncertain that the Company will suffer loss from the case, therefore the Company did not recognise the provision for loss arising from this litigation.

As at 31 December 2023, the Company has been sued in lawsuits related to contract to sell and purchase the condominium unit to refund advance payments with interest in the total amount of approximately Baht 3.9 million (*31 December 2022: Baht 6.3 million*). The cases are currently being heard by the Court of First Instance and the Court of Appeal and have not been finalised. The management of the Company believes that loss arising from these cases will not exceed the advance received in the amount of Baht 2.4 million and provision for loss arising from litigation which the Company has already recognised in the amount of Baht 1.3 million.



ATTACHMENTS

Details of Directors, Executives and Controller Person

Full Name/ Position	Age	Academic Qualification/ Professional Certification	Shareholding Percentage	Family Relations	Work Experiences		
					Time Period	Positions	Company
1. Mr.Chai Jroongtanapibarn · Chairman of the Board · Independent Director · Chairman of Nomination and Remuneration Committee Former Name -	69	- Bachelor of Accounting, Chulalongkorn University - Master of Accounting, Thammasat University - Certificates of Thai Institute of Directors (IOD) in - Director Certification Program (DCP) Class. 29/2003 - Audit Committee Program (ACP) Class. 4/2005	0.05	-	2017 – Present	Chairman of Board/ Independent Director/ Chairman of Nomination and Remuneration Committee	Veranda Resort Public Company Limited
					<u>Other Companies</u>		
					2007 – Present	Audit Committee/Independent Director / Risk Management Committee	Siam Food Products PCL.
					2006 – Present	Audit Committee/ Independent Director/Sustainability and Risk Management Committee	Oishi Group PCL.
					2005 – Present	Chairman of Board / Chairman of Audit Committee / Independent Director	TMT Steel PCL.
					2002 – Present	Chairman of Audit Committee / Independent Director	Major Cineplex Group PCL.
					2000 – Present	Chairman of Audit Committee / Independent Director	Team Precision PCL.

Full Name/ Position	Age	Academic Qualification/ Professional Certification	Shareholding Percentage	Family Relations	Work Experiences		
					Time Period	Positions	Company
2. Mr. Verawat Ongvasith - Vice Chairman of the Board - Chairman of Executive - Chief Executive Officer - Acting Vice President of Business and Property Development Department Former Name -	53	- Bachelor of Business Administration (Honours), Chulalongkorn University - Master of Business Administration, Boston University, USA - Certificate of Thai Institute of Directors (IOD) in - Director Accreditation Program (DAP) 22/2004	26.38	- Younger sibling of persons in 6 th and 7 th - Uncle of the person in 12 th	2004 – Present	Vice Chairman of Board/ Chairman of Executive Committee /Chief Executive Officer/ Acting Vice President of Business and Property Development Department	Veranda Resort Public Company Limited
					<u>Subsidiaries</u>		
					2021 - Present	Director	VL Phuket Co.,Ltd
2019 - Present	Director	PDS Holding Co.,Ltd					
2015 – Present	Director	Veranda Cuisine Co.,Ltd					
2015 – Present	Director	The Isa Resort Co.,Ltd					
2013 – Present	Director	Veranda Beach Pattaya Co.,Ltd					
2012 – Present	Director	Oak Tree Realty Co.,Ltd					
2006– Present	Director	Oak Tree Co.,Ltd					
<u>Other Companies</u>							
2018 – Present	Director	Hangiew Holding PTE. LTD.					
2018 – Present	Director	Vivat Investment Limited					
2016 – Present	Director	VBK Consultant Co.,Ltd					
2012 – Present	Director	Ajis Thailand Co.,Ltd					
2010 – Present	Director	BLP Holding Co.,Ltd					
2005 – Present	Director	VC Land Co.,Ltd					
2003 – Present	Director	Major Cineplex Group PCL.					
2001 – Present	Director/Executive Director	Subvivat Construction Co.,Ltd					

Full Name/ Position	Age	Academic Qualification/ Professional Certification	Shareholding Percentage	Family Relations	Work Experiences		
					Time Period	Positions	Company
3. Mr.Paiboon Kujareevanich	67	- Bachelor of Accounting, Chulalongkorn University - Master of Business Administration, Thammasat University - Certificate of Thai Institute of Directors (IOD) in - Director Accreditation Program (DAP) class.113/2014 - Effective Minute Taking (EMT) Class. 10/2008 - Company Secretary Program (CSP) class. 159/2019	0.00	-	2020 – Present	Independent Director / Chairman of Audit Committee / Chairman of Corporate Sustainability & Risk Management Committee / Nomination & Remuneration Committee	Veranda Resort Public Company Limited
- Independent Director - Chairman of Audit Committee - Member Nomination & Remuneration - Chairman of Risk Management Committee Former Name -					<u>Other Companies</u> 22018 – Present 2016 – Present 2018 - 2019 2013 – 2017 2006 – 2013	Independent Director / Chairman of Audit Committee Independent Director / Member of Audit and Risk Management Committee Chief Financial Officer Director / Executive Director Risk Management Committee Executive Director / Risk Management Committee / Deputy Managing Director of Finance	I and I Group PCL. Chumporn Palm Oil Industry PCL. Bangkok hospital Group Co.,Ltd Carabao Group PCL. Oishi Group PCL.

Full Name/ Position	Age	Academic Qualification/ Professional Certification	Shareholding Percentage	Family Relations	Work Experiences		
					Time Period	Positions	Company
4. Asst.Prof.Siriporn Maneepon	54	- Bachelor of Law, Chulalongkorn University	0.00	-	2020 – Present	Audit Committee/ Independent Director	Veranda Resort Public Company Limited
- Independent Director - Member of Audit Committee		- Master of Comparative Jurisprudence, Howard University, U.S.A.			<u>Other Companies</u> 2020 - Present	Director	Chumpon Bay Hills Co.,Ltd
		- Master of Laws, Temple University, U.S.A.			2020 - Present	Director	Khao Khor Thani Co.,Ltd
		- Master of Laws, Temple University, U.S.A.			2020 – Present	Director	Hin Rong Khla Thani Co.,Ltd
		- Barrister-at-Law, the Thai Bar under the Royal Patronage			2020 - Present	Director	Phu Nam Fah Co.,Ltd
Former Name		- Certificate of Thai Institute of Directors Association (IOD) in Director Accreditation Program (DAP), Class 27/2004			2010 – Present	Director	Suk Sri Wong Co.,Ltd
-					2010 – Present	Director	Dragon Tale Co.,Ltd
					2010 – Present	Director	Nana Hotel Co.,Ltd

Full Name/ Position	Age	Academic Qualification/ Professional Certification	Shareholding Percentage	Family Relations	Work Experiences		
					Time Period	Positions	Company
5. Mr.Trairak Tengtrairat	55	- Bachelor of Business Administration in International Marketing, Chulalongkorn University	0.00	-	2017 – Present	Audit Committee/ Independent Director	Veranda Resort Public Company Limited
- Member of Audit Committee		- Master of Business Administration, Seattle University, USA			<u>Other Companies</u>		
- Independent Director		- Certificates of Thai Institute of Directors (IOD) in			2020 – Present	Director / Managing Director	Kiatnakin Phatra Securities PCL
Former Name		- Director Accreditation Program (DAP) 109/2014			2020 – Present	Vice President / President of Corporate Lending	Kiatnakin Phatra Bank PCL.
-		- Corporate Governance for Capital Market (CGI) 7/2015			2019 – Present	Director	Kruem Co.,Ltd
		- Advanced Audit Committee Program Class (AACP) 15/2014			2014 – Present	Director	KKP Capital PCL.
		- Capital Market Academy (CMA) 11/2010			2008 – Present	Director	Crystal Football Club

Full Name/ Position	Age	Academic Qualification/ Professional Certification	Shareholding Percentage	Family Relations	Work Experiences		
					Time Period	Positions	Company
6. Mrs. Tosaporn Angsuwarangsi - Director - Member of Risk Management Committee - Executive Director - Chief Finance Officer Former Name Ms.Tosaporn Ongvasith	59	- Bachelor of Accounting, Chulalongkorn University - Master of Accounting and Finance, Clark University, USA - Certificate of Thai Institute of Directors (IOD) in Director Accreditation Program (DAP) 22/2004 - Certificate of Thailand Securities Institute (TSI), the Stock Exchange of Thailand in Strategic CFO in Capital Markets Program 5/2017	3.24	- Older sibling of the person in 2 nd - Younger sibling of the person in 7 th - Aunt of the person in 12 th	2004 – Present	Director / Corporate Sustainability & Risk Management Committee / Executive Director / Chief Financial Officer	Veranda Resort Public Company Limited
					<u>Subsidiaries</u>		
					2021 - Present	Director	VL Phuket Co.,Ltd
					2019 - Present	Director	PDS Holding Co.,Ltd
					2015 – Present	Director	Veranda Cuisine Co.,Ltd
					2015 – Present	Director	The Isa Resort Co.,Ltd
2013 – Present	Director	Veranda Beach Pattaya Co.,Ltd					
2012 – Present	Director	Oak Tree Realty Co.,Ltd					
2006 – Present	Director	Oak Tree Co.,Ltd					
<u>Other Companies</u>							
2018 – Present	Director	Hangiew Holding PTE. LTD.					
2018 – Present	Director	Vivat Investment Limited					
2010 – Present	Director	Verawat incorporation Co.,Ltd					
2010 – Present	Director	BLP Holding Co.,Ltd					
1995 – Present	Director	Subvivat Construction Co.,Ltd					

Full Name/ Position	Age	Academic Qualification/ Professional Certification	Shareholding Percentage	Family Relations	Work Experiences		
					Time Period	Positions	Company
7. Mrs.Napasorn Soonthornmanokul - Director - Executive Director Former Name Ms.Napasorn Ongvasith	67	- Diploma in Secretary, YWCA Vocational Training Institute - Certificate of Thai Institute of Directors (IOD) in Director Accreditation Program (DAP) 137/2017	2.53	- Older sibling of persons in 2 nd and 6 th - Aunt of the person in 12 th	2004 – Present	Director / Executive Director / Chief Financial Officer	Veranda Resort Public Company Limited
					<u>Subsidiaries</u>		
					2021 - Present	Director	VL Phuket Co.,Ltd
					2019 - Present	Director	PDS Holding Co.,Ltd
					2015 – Present	Director	Veranda Cuisine Co.,Ltd
					2015 – Present	Director	The Isa Resort Co.,Ltd
					2013 – Present	Director	Veranda Beach Pattaya Co.,Ltd
					2012 – Present	Director	Oak Tree Realty Co.,Ltd
					2006 – Present	Director	Oak Tree Co.,Ltd
					<u>Other Companies</u>		
2013 – Present	Director	Executive Cinema Corporation Co.,Ltd					
2010 – Present	Director	Verawat incorporation Co.,Ltd					
2005 – Present	Director	BLP Holding Co.,Ltd					
2005 – Present	Director	VC Land Co.,Ltd					
1990 – Present	Director	Subvivat Construction Co.,Ltd					

Full Name/ Position	Age	Academic Qualification/ Professional Certification	Shareholding Percentage	Family Relations	Work Experiences		
					Time Period	Positions	Company
8. Mr. Surasak Wongkiattavorn - Director - Member of Risk Management Committee - Executive Director - Deputy Chief Executive Officer of Hotel operations Former Name -	54	- Bachelor of Business Administration, Chulalongkorn University - Certificates of Thai Institute of Directors (IOD) in Director Accreditation Program (DAP) 137/2017 - TLCA Executive Development Program (EDP) Class of Year 2019: Building Regional Leaders	0.03	-	2004 – Present	Director / Corporate Sustainability & Risk Management Committee / Executive Director / Deputy Chief Executive Officer of Hotel operations	Veranda Resort Public Company Limited
					<u>Subsidiaries</u> 2015 – Present 2013 – Present	Director Director	The Isa Resort Co.,Ltd Veranda Beach Pattaya Co.,Ltd

Full Name/ Position	Age	Academic Qualification/ Professional Certification	Shareholding Percentage	Family Relations	Work Experiences		
					Time Period	Positions	Company
9. Mr.Kittisak Sopchokchai - Director - Member of Risk Management Committee Former Name -	69	- Bachelor of Economics, Thammasat University - Certificate of Thai Institute of Directors (IOD) in - Director Accreditation Program (DAP) 54/2006	2.46	-	2018 - Present	Director / Corporate Sustainability & Risk Management Committee	Veranda Resort Public Company Limited
					<u>Subsidiaries</u>		
					2008 – Present	Director	Oak Tree Co.,Ltd
					2011 – Present	Director	Oak Tree Realty Co.,Ltd
					<u>Other Companies</u>		
					2016 – Present	Director	Tonkoon Development Co.,Ltd
					2016 – Present	Director	Villanova Khaoyai Co.,Ltd
					2015 – Present	Director	Suretriboon Development Co.,Ltd
					2010 – Present	Director	TOA Electronics (Thailand) Co.,Ltd
					2008 – Present	Director	Suretriboon Holding Co.,Ltd
2006 – Present	Director	KSP Square Co.,Ltd					
2006 – Present	Director	Digit Control Co.,Ltd					
2003 – Present	Director / Nomination and Remuneration Committee	Advance Information Technology PCL.					
1996 – Present	Director	Audio Engineering Service Co.,Ltd					
1983 – Present	Chairman of The Board Director	Vichai Trading (1983) Co.,Ltd					
1985 – Present	Director	Sound System Co.,Ltd					

Full Name/ Position	Age	Academic Qualification/ Professional Certification	Shareholding Percentage	Family Relations	Work Experiences		
					Time Period	Positions	Company
10. Mr. Siriwat Vongjarukorn	55	- Bachelor of Engineering, Chulalongkorn University	1.07	-	2017 – Present	Director / Nomination and Remuneration Committee	Veranda Resort Public Company Limited
- Director		- Honorary Doctorate Degree of Science in Information Technology, Sripatum University			<u>Other Companies</u>		
- Member of Nomination and Remuneration		- Certificates of Thai Institute of Directors (IOD) in			2021 - Present	Director	Omega Grid Co.,Ltd
		- Director Accreditation Program (DAP) 9/2004			2021 - Present	Director	Venture Lab Co.,Ltd
Former Name		- Director Certification Program (DCP) 42/2004			2021 - Present	Chairman of the Advisory Subcommittee	Rabbit Digital Group Co.,Ltd National Science Museum Organization
-					2020 - Present	Director	I2 Enterprise Co.,Ltd
					2017 – Present	Director	Angstrom Solutions Co.,Ltd
					2016 – Present	Director	Matichon PCL.
					2013 – Present	Director	Prompt Now Co.,Ltd
					2011 – Present	Director	M.I.S. Outsourcing Co.,Ltd
					2005 – Present	Director	Pra In FinTech Co.,Ltd
					2003 – Present	Director / Chairman of Executives	MFEC PCL.

Full Name/ Position	Age	Academic Qualification/ Professional Certification	Shareholding Percentage	Family Relations	Work Experiences		
					Time Period	Positions	Company
11. Ms.Ladda Somsiripornchai - Senior Vice President Accounting - Secretary of Audit Committee - Secretary of Risk Management Committee Former Name -	56	- Bachelor of Accounting, Thammasat University - Master of Business Administration, Thammasat University - Certificates of Continuing Professional Development in - TFRS 1/2019 (Minor Course 301) in TFRS 15, TFRIC 17 - Financial Reporting Standards 3/2019 - TFRS 2/2019 (Minor Course 501) TFRS 16 - TFRS year 2023 - ESG Risk Management	0.015	-	2016 – Present	Senior Vice President Accounting	Veranda Resort Public Company Limited
					<u>Other companies</u> 2010 – 2016	Central Accounting Senior Director	K.E, Retail Co.,Ltd

Full Name/ Position	Age	Academic Qualification/ Professional Certification	Shareholding Percentage	Family Relations	Work Experiences		
					Time Period	Positions	Company
12. Mr.Varut Tantiphipop	37	- Bachelor of Finance, Northern Illinois University	2.32	- Grandchild of Persons in 2 nd , 6 th and 7 th	2015 – Present	Vice-President Corporate Finance / Investor Relations / Company Secretary	Veranda Resort Public Company Limited
- Vice-President Corporate Finance - Investor Relations - Company Secretary					<u>Subsidiaries</u>		
					2021 - Present	Director	VL Phuket Co.,Ltd
					2019 – Present	Director	PDS Holding Co.,Ltd
					2016 – Present	Director	Hua Hin Pool Suite Co.,Ltd
					2016 – Present	Director	Oak Tree Co.,Ltd
					2016 – Present	Director	Oak Tree Realty Co.,Ltd
Former Name -					2015 – Present	Director	The Isa Resort Co.,Ltd
					<u>Other Companies</u>		
					2018 – Present	Director	Hung Jew Holding PTD.LTD
					2018 – Present	Director	Vivat Investment Limited

* Remarks: The calculation of shareholding percentage has been applied to an effective rate as of 31 December 2023

Attachment 2

Details of Directors of subsidiaries

As of 31st December 2023, details are as follows;

Name of Director	Subsidiaries	Oak Tree	The ISA Resort	Veranda Beach Pattaya	Veranda Cuisine	Huahin Pool Suite	Oaktree Realty	PDS Holding	VL Phuket
1.	Mr.Pawatt Ongvasith	/	/	/	/		/	/	/
2.	Mrs.Tosaporn Angsuwarangsi	/	/	/	/		/	/	/
3.	Mr.Kittisak Sopchokchai	/					/		
4.	Mrs.Napassorn Soonthornmanokul	/	/	/	/		/	/	/
5.	Mrs.Penthipa Ongvasith		/	/		/			
6.	Mrs.Pornapus Ongvasith					/			
7.	Mr.Surasak Wongkiatthavorn		/	/					
8.	Mrs.Kanittha Ongvasith			/					
9.	Mr.Varut Tantiphipop	/	/		/	/	/	/	/
10.	Mr.Sakorn Suksriwong	/		/					
11.	Mr.Piyalert Baiyok							/	
12.	Ms.Paphavarin Chatkul Na Ayuttaya				/			/	/

Remark: / = Director

Attachment 3

Details of the Company's Head of Internal Audit

Mrs. Wimollak Punrattanapongs

Managing Director: Wynn Alliance Limited

Education

- Master degree in MBA, Saint Louis University, USA
- Bachelor of Accounting, Thammasat University
- Certified Public Accountant (Thailand)
- Fraud Risk Assessment
- Data Analytics for Internal Auditor
- Tax Privilege and Accounting effect
- Corporate Governance Audit

Work Experience

2019 until now: Managing Director of Wynn Alliance Limited

1999 – 2019: Director of C A S Co., Ltd.

1996 – 1999: Director of Accounting Solution Co., Ltd.

1994 – 1999: Director of C A S Co., Ltd.

1989– 1994: Officer of SGV Na Thalang Co., Ltd.

License

- Certified Public Accountant (Thailand) Number 4102

Internal Audit:

- Hemaraj Land and Development Public Company Limited
- T. KrungThai Industries Public Company Limited
- Power Solution Technology Public Company Limited
- Nice Apparel Company Limited
- Benz TalingChan Company Limited
- The Park Chidlom Condominium Juristic Person

Business Assets

Main assets used in business operation

Property, Plant and equipment.

As of 31st December 2023, the Company and its subsidiaries have main fixed assets such as land, land improvements and exterior decorations; buildings and building improvements; tools, appliances and equipment; furniture and fixtures; vehicles and assets under construction with the net book value of 3,681.88 million baht or 76.65 percent of the total assets as in the following details:

Property Types/Characteristics	Proprietary	Net Book Value (million baht)	Obligation
1. Land	The Company / HHP / VBP / ISA / OTR	1,197.31	Mortgage as collateral with a financial institution
2. Land improvements and exterior decorations	The Company / HHP / VBP / OKT / OTR	57.60	Mortgage as collateral with a financial institution
3. Buildings and building improvements	The Company / HHP / VBP / ISA / OTR / VCS / PDS / OKT make a long term lease of 32 years	1,576.80	Mortgage as collateral with a financial institution Mortgage as collateral with a financial institution
4. Tools, appliances, equipment	The Company / HHP / VBP / ISA / OKT / OTR / VCS / PDS / VPT	67.50	None
5. Furniture and fixtures	The Company / HHP / VBP / ISA / OKT / VCS / PDS	368.96	Mortgage as collateral with a financial institution
6. Vehicles	The Company / VBP / ISA / OKT / PDS	2.20	None
7. Assets under construction and installation	The Company / ISA / HHP / VBP	411.51	Mortgage as collateral with a financial institution
Total		<u>3,681.88</u>	

Real Estate Development Costs

As of 31st December 2023, the Company and its subsidiaries had the real estate development costs with the net book value of 366.56 million baht or 7.63 percent of the total assets as in the following details:

Project Name	Project Details	Net Book Value (million baht)	Appraisal Price (million baht)				Ownership	Obligation
			Appraisal Price	Appraisal Date	Appraised By	หมายเหตุ		
1. Veranda High Resident Chiang Mai Project	4 rooms waiting for ownership transfer, in total of 509.99 square meters	25.41	36.94	19 Oct 2023	Prospec Appraisal Company Limited	Estimated price including construction cost	The Company	None
2. Veranda Residence Hua Hin Project	21 rooms waiting for ownership transfer, in total of 1,544.89 square meters.	123.44	501.80	19 Apr 2018	Agency for Real Estate Affairs Company Limited	Estimated price including construction cost	The Company	Mortgage as collateral with a financial institution
3. Veranda Residence Phuket Project	The project is under the design with an area of approximately 10 rai.	109.07	-	-	-	-	The Company / VLP	Mortgage as collateral with a financial institution
4. Veranda Residence Pool Villas Huahin-Cha Am	The project is under construction with an area of approximately 1 rai.	108.64	-	-	-	-	The Company / HHP	Mortgage as collateral with a financial institution
Total		366.56	538.74					

Investment Property

As of 31st December 2023, the Company was the owner of a land with the net book value of 45.11 million baht or 0.94 percent of total assets. Details are as follows;

Branch/Location	Net Book Value (million baht)	Appraisal Price	Appraisal Date	Appraised By	Obligation
Land at Mared, Koh Samui, Suratthani	12.50	27.58	10 Oct 2022	Prospec Appraisal Company Limited	Mortgage as collateral with a financial institution
Land at NongGae, Huahin, Prachuabkirikun	16.41	16.41	26 Dec 2023	Agency for Real Estate Affairs Company Limited	None
Land at Cha Am, Petchaburi	16.20	-	-	-	None
Total	<u>45.11</u>				

Right-of-use assets/Leasehold

As of 31st December 2023, the Company and its subsidiaries had a right-to-use assets/leasehold of land, buildings, and vehicles with the net book value of 214.14 million baht or 4.46 percent of the total assets as in the following details:

Branch/Location	Period of Lease Agreement	Net Book Value (million baht)	Obligation
Land lease in Bang Rak District, Bangkok, totalling 2 rai, 1 ngan, and 37 square wah for the location of the SO Bangkok Hotel.	35 yrs. Ended 2044	167.71	Mortgage as collateral with a financial institution
Land lease in Na Chom Thian Sub-District, Sattahip District, Chonburi Province, totalling 6 rai, 45 square wah for the location of the Skoop, a parking lot and a recreational area.	3 yrs. Ended 2025	8.03	None
Land lease in Nong Kae Sub-district, Hua Hin District, Prachuap Khiri Khan Province, totalling 2 rai, 3 ngan, and 11.20 square wah for a parking lot of the Skoop and Verso Hotel Hua Hin.	4 yrs. Ended 2024	0.18	None
Space lease of 122.05 square meters at Siam Paragon Shopping Centre for the location of the Gram Pancakes and Pablo Cheesetart	3 yrs. Ended 2024	14.67	None
Space lease of 47.00 square meters at J Avenue Thonglor for the location of the KOF	6 yrs. Ended 2024	0.39	None
Space lease of 18.75 square meters at the Little Walk Bangna for the location of the Gram Pancakes.	4 yrs. Ended 2024	1.02	None
Space lease of 1,389 square meters on the 27th Floor at the Rasa Tower 2 for the location of the office.	3 yrs. Ended 2025	13.72	None
Space lease of 381 square meters at Building No. 178/7, Ratchada Road, Chatuchak District, Bangkok for the location of the office.	4 yrs. Ended 2024	2.94	None
Vehicle leasing to use in the operations.	4-5 yrs. Ended 2024 and 2027	5.48	None
Total		<u>214.14</u>	

Intangible assets

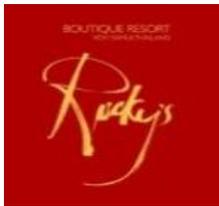
As of 31st December 2023 The Company and its subsidiaries had intangible assets with the net book value of 14.53 million Baht or 0.30 percent of the total assets as in the following details:

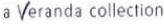
Trademark / Copy right	Owner	Net Book Value (million baht)	Remark
1. Software	The Company / VBP / OKT / VCS / ISA / PDS	8.75	-
2. Trademarks	OKT / VCS	5.40	-
3. Franchise	PDS	0.38	-
Total		<u>14.53</u>	

Trademarks

As of 31st December 2023, The Company and its subsidiaries have owned the trademark 18 items as follows;

Trademarks	Registration No.	owner	Services	Timing	Remark
	181122497	The Company	Hotel, Real estate development, Condominium for sale and rent Condominium management Construction of condominiums, hotels, health care facilities	8 Jun. 2017 – 7 Jun. 2027	
	181122499	The Company	Hotel	4 Oct 2018 - 20 Jun 2027	
	191113125	The Company	Hotel	6 Oct 2019 - 20 Jun 2027	
	181122498	The Company	Food & Beverage	04 Oct 2018 - 20 Jun 2027	
	181124723	The Company	Food & Beverage	8 Nov 2018 - 27 Jun 2027	

Trademarks	Registration No.	owner	Services	Timing	Remark
	191106673	The Company	Food & Beverage	30 Apr 2019 - 14 Oct 2027	
	๒55444	OKT	Food & Beverage	28 Nov 2012 - 13 Dec 2031	
	๒55445	OKT	Food & Beverage	28 Nov 2012 - 13 Oct 2031	
	201124346	ISA	Hotel	10 Nov 2020 - 26 Mar 2030	
	171127172	VCS	Food & Beverage	29 Aug 2017 - 11 Feb 2026	
	191101773	The Company	Food & Beverage	31 Jan 2019 - 14 Sep 2027	
	221119623	VCS	Food & Beverage	28 Jun 2022 - 22 Mar 2031	
	210114227	OKT	Food & Beverage	27 Jun 2022 - 19 Apr 2031	
	231124728	The Company	Hotel business Manage land sales Real estate management agent Real estate broker Supervise the construction of hotel service buildings and spa health care facilities	30 Apr 2023 - 18 May 2032	

Trademarks	Registration No.	owner	Services	Timing	Remark
	231124727	The Company	Hotel business Manage land sales Real estate management agent Supervise building constructions Hotel services Spa health care center	30 Aug 2023 - 18 May 2032	
	231124726	The Company	Hotel business management Manage land sales Real estate broker Real estate management agent Supervise building constructions Hotel services Spa health care center	30 Aug 2023 - 18 May 2032	
	Request No. 230137304	The Company	Real estate development Condominium sales and rentals Condominium management		Submit request 9 Oct 2023
	Request No. 230137305	The Company	Real estate development Condominium sales and rentals Condominium management		Submit request 9 Oct 2023

Remark

- This trademark is valid for 10 years from the date of registration.
- Protection period Starting from registration date - expiration date.
- In the Process on 2 items are Veranda residence and Veranda Villas & Suites

Policy and practice guidelines for corporate governance and code of conduct

Veranda Report Public Company Limited has disclosure full version of the Policies and Practice guidelines for corporate governance and code of conduct on the Company's website. In this regard, shareholders, investors and interested persons You can view the information at https://www.verandaresort.com/ir_index.php?company-policy.

The details are followings;

- Corporate Governance Policy
- Anti-Corruption Policy
- Risk Management Policy
- Corporate Social Responsibility Policy
- Sustainable Policy
- Conflicts of interests Policy.
- Internal Control Policy
- Information Technology Security Policy
- Investment policy and supervision of operations in subsidiaries and associated companies.
- Dividend Payment Policy
- Environment Policy
- Human resource management policy
- Occupational safety and health policy
- Charter of the Board of Directors and Sub-Committee
- Code of Conduct



veranda
resort

PUBLIC COMPANY LIMITED



บริษัท วัลริดา รีสอร์ท จำกัด (มหาชน)

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ถนนพหลโยธิน แขวงจตุจักร เขตจตุจักร กรุงเทพฯ 10900
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