

Central Plaza Hotel Public Company Limited
and its subsidiaries
Report and consolidated interim financial statements
For the three-month and six-month periods ended
30 June 2020

Independent Auditor's Report on Review of Interim Financial Information

To the Shareholders of Central Plaza Hotel Public Company Limited

I have reviewed the accompanying consolidated statement of financial position of Central Plaza Hotel Public Company Limited and its subsidiaries (the Group) as at 30 June 2020, the related consolidated statements of comprehensive income for the three-month and six-month periods then ended, the related consolidated statements of changes in shareholders' equity and cash flows for the six-month period then ended, as well as the condensed notes to the interim consolidated financial statements. I have also reviewed the separate financial information of Central Plaza Hotel Public Company Limited for the same period (collectively "interim financial information"). Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34 Interim Financial Reporting. My responsibility is to express a conclusion on this interim financial information based on my review.

Scope of Review

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

Conclusion

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

Emphasis of Matters

- 1) I draw attention to Note 1.2 to the interim financial statements. The COVID-19 pandemic has resulted in an economic slowdown and adversely impacted most businesses and industries in terms of supply chains, consumer spending, limited or suspended operations, operational delays, and more.

This situation significantly affects the Group's business activities in terms of hotel business and food business. For the hotel business, the Group had to temporarily suspend the Group's hotel operations since April 2020 due to lockdown measures in order to prevent the spread of COVID-19 and a decrease in the number of foreign and local tourists.

Nonetheless, the operations of certain hotels of the Group have been resumed in order to support the local demand. For the food business, from 22 March to 16 May 2020, the Group was not able to serve food and provide services to customers who would like to dine in as usual. However, the customers were able to take away food or use home delivery service. Subsequently, the Government started to ease the anti-COVID lockdown rules on 17 May 2020, the Group is able to return to its normal operations. However, the COVID-19 pandemic had been pervasively impacted all business sectors and thus the number of customers has not yet been restored. These are significantly impacting the Group's financial position, operating results, and cash flows at present, and are expected to do so in the future. However, the impact cannot be reasonably estimated at this stage. The Group's management has continuously monitored ongoing developments and assessed the financial impact in respect of the valuation of assets, provisions and contingent liabilities, and will record the impact when it is possible to do so.

- 2) I draw attention to Note 1.5 to the interim financial statements. Due to the impact of the COVID-19 outbreak, in preparing the interim financial information for the three-month and six-month periods ended 30 June 2020, the Group has adopted the Accounting Guidance on Temporary Relief Measures for Accounting Alternatives in Response to the Impact of the COVID-19 Pandemic issued by the Federation of Accounting Professions.

My conclusion is not modified in respect of the above two matters.

Wichart Lokatekrawee
Certified Public Accountant (Thailand) No. 4451

EY Office Limited
Bangkok: 10 August 2020

Central Plaza Hotel Public Company Limited and its subsidiaries

Statement of financial position

As at 30 June 2020

(Unit: Thousand Baht)

		Consolidated financial statements		Separate financial statements	
	Note	30 June 2020	31 December 2019	30 June 2020	31 December 2019
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Assets					
Current assets					
Cash and cash equivalents		2,855,932	2,023,701	836,841	64,005
Current investments	2	-	787,939	-	-
Trade and other receivables	2, 3, 5	602,501	764,504	157,879	154,895
Short-term loans to related parties	3	-	-	95,500	471,103
Dividend receivables from related parties	3	-	-	-	210,000
Inventories		727,145	871,492	23,823	29,397
Other current financial assets	2, 4	596,006	-	-	-
Other current assets		216,188	213,584	33,878	29,170
Total current assets		4,997,772	4,661,220	1,147,921	958,570
Non-current assets					
Available-for-sale investments	2	-	923	-	-
Other non-current financial assets	2	564	-	-	-
Investment in an associate	6	518,536	524,125	510,882	518,139
Investments in subsidiaries	7	-	-	6,231,332	6,231,332
Investments in joint ventures	8	2,229,862	915,176	-	-
Long-term loan to related parties	3	-	-	4,397,709	2,505,421
Investment properties	9	142,161	143,734	218,719	225,144
Property, plant and equipment	9	17,933,971	17,997,228	3,922,923	3,978,803
Goodwill	10	314,602	314,602	-	-
Right-of-use assets	2, 11	10,005,527	-	1,762,303	-
Leasehold rights	2	-	1,776,589	-	1,144,301
Other intangible assets	9	464,236	453,678	7,949	8,274
Deferred tax assets	2	194,604	119,428	55,834	34,543
Other non-current assets	2	632,144	682,897	3,454	7,137
Total non-current assets		32,436,207	22,928,380	17,111,105	14,653,094
Total assets		37,433,979	27,589,600	18,259,026	15,611,664

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

Central Plaza Hotel Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 30 June 2020

(Unit: Thousand Baht)

		Consolidated financial statements		Separate financial statements	
	Note	30 June 2020	31 December 2019	30 June 2020	31 December 2019
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Liabilities and shareholders' equity					
Current liabilities					
Bank overdrafts and short-term loans					
from financial institutions	12	2,325,714	550,959	1,590,324	-
Trade and other payables	2, 3, 13	1,745,056	2,648,617	242,942	375,880
Current portion of deferred income	2	57,942	146,502	55,724	54,847
Current portion of long-term loans					
from financial institutions	14	964,838	615,629	400,000	400,000
Current portion of debentures	15	-	800,000	-	800,000
Short-term loans from related parties	3	-	-	614,382	520,180
Current portion of financial liabilities					
from long-term leases	2, 3	39,722	-	-	-
Current portion of long-term lease liabilities	2	1,624,007	-	101,396	-
Income tax payable		100,497	99,875	-	-
Other current liabilities		179,669	267,615	8,358	34,451
Total current liabilities		7,037,445	5,129,197	3,013,126	2,185,358
Non-current liabilities					
Long-term loans from financial institutions,					
net of current portion	14	3,144,634	1,618,293	2,641,762	891,451
Debentures, net of current portion	15	4,080,000	4,080,000	4,080,000	4,080,000
Long-term loans from related parties	3	52,329	52,329	-	-
Financial liabilities from long-term leases,					
net of current portion	2, 3	1,825,638	-	-	-
Deferred income	2	95,099	1,877,734	870,404	893,786
Long-term lease liabilities, net of current portion	2	7,917,248	-	1,108,076	-
Deferred tax liabilities		215,422	229,307	-	-
Provision for long-term employee benefits		315,431	310,491	103,525	102,093
Provision for decommissioning		136,054	135,062	-	-
Other non-current liabilities		13,376	13,565	13,346	13,333
Total non-current liabilities		17,795,231	8,316,781	8,817,113	5,980,663
Total liabilities		24,832,676	13,445,978	11,830,239	8,166,021

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

Central Plaza Hotel Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 30 June 2020

(Unit: Thousand Baht)

		Consolidated financial statements		Separate financial statements	
	Note	30 June 2020	31 December 2019	30 June 2020	31 December 2019
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Liabilities and shareholders' equity (continued)					
Shareholders' equity					
Share capital					
Registered					
1,350,000,000 ordinary shares of Baht 1 each		1,350,000	1,350,000	1,350,000	1,350,000
Issued and fully paid up					
1,350,000,000 ordinary shares of Baht 1 each		1,350,000	1,350,000	1,350,000	1,350,000
Share premium		970,000	970,000	970,000	970,000
Retained earnings					
Appropriated - statutory reserve		158,080	158,080	158,080	158,080
Unappropriated	2	9,698,480	11,160,000	3,950,707	4,967,563
Other component of shareholders' equity		57,395	32,238	-	-
Equity attributable to company's shareholders		12,233,955	13,670,318	6,428,787	7,445,643
Non-controlling interests of the subsidiaries	2	367,348	473,304	-	-
Total shareholders' equity		12,601,303	14,143,622	6,428,787	7,445,643
Total liabilities and shareholders' equity		37,433,979	27,589,600	18,259,026	15,611,664
		-	-	-	-

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

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Directors

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(Unaudited but reviewed)

Central Plaza Hotel Public Company Limited and its subsidiaries

Statement of comprehensive income

For the three-month period ended 30 June 2020

(Unit: Thousand Baht except earnings (loss) per share expressed in Baht)					
		Consolidated financial statements		Separate financial statements	
	Note	2020	2019	2020	2019
Revenues					
Revenue from hotel operations		67,875	1,889,621	43,321	553,967
Revenues from food and beverage		2,177,345	3,198,041	-	-
Dividend income	3, 6, 7	-	-	53,934	735,501
Rental income		3,570	28,584	12,514	12,549
Other income		62,402	84,383	47,548	75,445
Total revenues		2,311,192	5,200,629	157,317	1,377,462
Expenses					
Cost of hotel operations		473,777	1,355,633	132,025	387,361
Cost of sales - food and beverage		1,195,443	1,743,338	-	-
Selling expenses		99,850	227,022	4,891	69,669
Administrative expenses		984,877	1,573,247	263,419	307,355
Total expenses		2,753,947	4,899,240	400,335	764,385
Profit (loss) from operating activities		(442,755)	301,389	(243,018)	613,077
Share of profit from investment in an associate	6	7,519	6,970	-	-
Share of loss from investment in joint ventures	8	(2,139)	-	-	-
Finance income		25,045	24,953	41,057	25,241
Finance cost		(143,128)	(57,381)	(66,849)	(45,881)
Profit (loss) before income tax expenses		(555,458)	275,931	(268,810)	592,437
Income tax income (expenses)	16	38,533	(43,914)	31,364	2,469
Profit (loss) for the period		(516,925)	232,017	(237,446)	594,906

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

Central Plaza Hotel Public Company Limited and its subsidiaries

Statements of comprehensive income (continued)

For the three-month period ended 30 June 2020

(Unit: Thousand Baht except earnings (loss) per share expressed in Baht)				
	Consolidated financial statements		Separate financial statements	
Note	2020	2019	2020	2019
Other comprehensive income:				
<i>Other comprehensive income reclassified or to be reclassified to profit or loss in subsequent periods</i>				
Exchange differences on translation of financial statements in foreign currency	(168,638)	(62,630)	-	-
Gain on changes in value of available-for-sale investments	-	36	-	-
Less: Income tax effect	16	(7)	-	-
Gain on changes in value available-for-sale investments - net of income tax	-	29	-	-
Other comprehensive income reclassified or to be reclassified to profit or loss in subsequent periods - net of income tax	(168,638)	(62,601)	-	-
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods</i>				
Gain on investments in equity designated at fair value through other comprehensive income	75	-	-	-
Less: Income tax effect	16	(15)	-	-
Other comprehensive income not to be reclassified in subsequent periods - net of income tax	60	-	-	-
Other comprehensive income for the period	(168,578)	(62,601)	-	-
Total comprehensive income for the period	(685,503)	169,416	(237,446)	594,906
Profit (loss) attributable to:				
Equity holders of the Company	(465,488)	232,417	(237,446)	594,906
Non-controlling interests of the subsidiaries	(51,437)	(400)		
	(516,925)	232,017		
Total comprehensive income attributable to:				
Equity holders of the Company	(608,640)	182,156	(237,446)	594,906
Non-controlling interests of the subsidiaries	(76,863)	(12,740)		
	(685,503)	169,416		
Earnings (loss) per share	17			
Profit (loss) attributable to equity holders of the Company (Baht)	(0.34)	0.17	(0.18)	0.44
Weighted average number of ordinary shares (Thousand shares)	1,350,000	1,350,000	1,350,000	1,350,000

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

(Unaudited but reviewed)

Central Plaza Hotel Public Company Limited and its subsidiaries

Statement of comprehensive income

For the six-month period ended 30 June 2020

(Unit: Thousand Baht except earnings (loss) per share expressed in Baht)					
		Consolidated financial statements		Separate financial statements	
	Note	2020	2019	2020	2019
Revenues					
Revenue from hotel operations		1,785,819	4,534,044	427,221	1,200,104
Revenues from food and beverage		4,956,617	6,065,522	-	-
Dividend income	3, 6, 7	-	-	60,786	739,053
Rental income		7,140	56,894	25,029	24,960
Other income		140,573	276,279	68,970	140,499
Total revenues		6,890,149	10,932,739	582,006	2,104,616
Expenses					
Cost of hotel operations		1,623,335	2,845,148	443,262	786,863
Cost of sales - food and beverage		2,767,499	3,313,066	-	-
Selling expenses		255,757	427,671	37,842	138,955
Administrative expenses		2,554,384	2,977,207	584,126	470,037
Total expenses		7,200,975	9,563,092	1,065,230	1,395,855
Profit (loss) from operating activities		(310,826)	1,369,647	(483,224)	708,761
Share of profit from investment in an associate	6	15,130	14,870	-	-
Share of loss from investments in joint ventures	8	(2,660)	-	-	-
Finance income		47,253	36,579	66,761	46,420
Finance cost		(314,087)	(110,960)	(123,108)	(90,203)
Profit (loss) before income tax expenses		(565,190)	1,310,136	(539,571)	664,978
Income tax income (expenses)	16	25,149	(203,029)	54,945	417
Profit (loss) for the period		(540,041)	1,107,107	(484,626)	665,395

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

Central Plaza Hotel Public Company Limited and its subsidiaries

Statements of comprehensive income (continued)

For the six-month period ended 30 June 2020

(Unit: Thousand Baht except earnings (loss) per share expressed in Baht)					
		Consolidated financial statements		Separate financial statements	
	Note	2020	2019	2020	2019
Other comprehensive income:					
<i>Other comprehensive income reclassified or to be reclassified to profit or loss in subsequent periods</i>					
Exchange differences on translation of					
financial statements in foreign currency		23,094	(95,446)	-	-
Gain on changes in value of available-for-sale investments		-	156	-	-
Less: Income tax effect	16	-	(31)	-	-
Gain on changes in value available-for-sale investments - net					
of income tax		-	125	-	-
Other comprehensive income reclassified or to be reclassified					
to profit or loss in subsequent periods - net of income tax		23,094	(95,321)	-	-
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods</i>					
Loss on investments in equity designated at					
fair value through other comprehensive income		(359)	-	-	-
Less: Income tax effect	16	72	-	-	-
Other comprehensive income not to be reclassified to					
profit or loss in subsequent periods - net of income tax		(287)	-	-	-
Other comprehensive income for the period					
		22,807	(95,321)	-	-
Total comprehensive income for the period					
		(517,234)	1,011,786	(484,626)	665,395
Profit (loss) attributable to:					
Equity holders of the Company					
		(510,604)	1,058,331	(484,626)	665,395
Non-controlling interests of the subsidiaries					
		(29,437)	48,776		
		(540,041)	1,107,107		
Total comprehensive income attributable to:					
Equity holders of the Company					
		(485,447)	981,196	(484,626)	665,395
Non-controlling interests of the subsidiaries					
		(31,787)	30,590		
		(517,234)	1,011,786		
Earnings (loss) per share					
17					
Profit (loss) attributable to equity holders of					
the Company (Baht)		(0.38)	0.78	(0.36)	0.49
Weighted average number of ordinary shares (Thousand shares)					
		1,350,000	1,350,000	1,350,000	1,350,000

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

(Unaudited but reviewed)

Central Plaza Hotel Public Company Limited and its subsidiaries**Cash flow statement****For the six-month period ended 30 June 2020**

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Cash flows from operating activities				
Profit (loss) before tax	(565,190)	1,310,136	(539,571)	664,978
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities				
Depreciation and amortisation	1,706,673	1,025,878	176,565	206,103
Reduction in lease payments by lessors	(172,050)	-	-	-
Increase (decrease) in allowance for expected credit losses	(965)	2,559	236	761
Loss on disposals of buildings and equipment	19,388	44,523	7,533	7,696
Loss on write-off of software license	806	24	-	-
Decrease in reduction cost of inventory to net realisable value	(279)	(1,497)	-	-
Increase in impairment losses on assets	33,874	727	-	673
Increase in allowance for diminution in value of loans to a related party	-	-	385,000	136,000
Share of profit from investment in an associate and joint ventures	(12,470)	(14,870)	-	-
Realisation of deferred income	(20,423)	(88,135)	(27,401)	(50,376)
Loss from discontinued branch	23,367	171	-	-
Dividend income	-	-	(60,786)	(739,053)
Provision for long-term employee benefits	24,571	75,974	5,269	23,183
Interest income	(47,253)	(36,579)	(66,761)	(46,420)
Interest expense	330,574	110,960	123,108	90,203
Insurance claim	-	(100,715)	-	-
Unrealised gain from exchange rate	(19,415)	-	(19,810)	-
Profit from operating activities before changes in operating assets and liabilities	1,301,208	2,329,156	(16,618)	293,748
Operating assets (increase) decrease				
Trade and other receivables	88,507	174,389	(61)	11,246
Insurance claim received	-	36,984	-	-
Inventories	144,626	28,137	5,574	1,061
Other current assets	7,458	(15,499)	(1,208)	(15)
Other non-current assets	14,391	(6,609)	3,683	(1,204)
Operating liabilities increase (decrease)				
Trade and other payables	(606,780)	(185,774)	(131,131)	(8,372)
Other current liabilities	(87,946)	(43,653)	(26,093)	(16,312)
Deferred income	28,897	5,802	4,896	9,646
Cash paid for long-term employee benefits	(19,631)	(13,702)	(3,837)	(2,465)
Decommissioning paid	(5,043)	(1,307)	-	-
Other non-current liabilities	(189)	(2,742)	13	(520)
Cash from (used in) operating activities	865,498	2,305,182	(164,782)	286,813
Cash paid for corporate income tax expenses	(27,134)	(211,616)	(3,502)	(5,286)
Net cash flows from (used in) operating activities	838,364	2,093,566	(168,284)	281,527

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

Central Plaza Hotel Public Company Limited and its subsidiaries**Cash flow statement (continued)****For the six-month period ended 30 June 2020**

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Cash flows from investing activities				
Decrease (increase) in fixed deposits	191,933	(434,315)	-	-
Interest income	13,558	19,201	63,603	46,420
Cash received from repayment of loans to related parties	-	-	1,430,565	2,280,700
Increase in loans to related parties	-	-	(3,332,249)	(2,672,228)
Increase in investments and loans to joint ventures	(1,312,654)	(170,949)	-	-
Proceeds from disposal of buildings and equipment	1,667	2,845	550	766
Cash paid for property, plant and equipment	(841,179)	(851,200)	(46,941)	(144,676)
Cash paid for leasehold rights	-	(33,241)	-	-
Cash paid for intangible assets	(50,963)	(45,023)	(970)	(514)
Proceeds from redemption of investment in property fund	7,257	9,666	7,257	9,666
Cash paid for investment in a subsidiary	-	-	-	(329,000)
Dividend received from subsidiaries	-	-	257,324	1,005,608
Dividend received from an associate	13,462	10,445	13,462	10,445
Decrease (increase) in prepayment for construction	3,913	(4,918)	-	-
Net cash flows from (used in) investing activities	(1,973,006)	(1,497,489)	(1,607,399)	207,187
Cash flows from financing activities				
Cash received from bank overdrafts and short-term loans				
from financial institutions	3,016,835	11,247	2,400,108	11,133
Cash paid for bank overdrafts and short-term loans				
from financial institutions	(1,231,794)	(31,609)	(800,000)	-
Cash paid for interest expense	(114,812)	(108,614)	(105,651)	(88,610)
Cash paid for long-term lease liabilities	(609,969)	-	-	-
Cash paid for transaction cost of loan from financial institution	(21,345)	-	(21,345)	-
Dividends paid to owners of the Company	-	(877,490)	-	(877,490)
Decrease in non-controlling interests of subsidiaries				
from dividend payment of subsidiaries	(26,676)	(27,492)	-	-
Increase in long-term loans from related parties	-	-	955,633	1,137,821
Repayments of loans from related parties	(83,967)	-	(861,431)	(941,244)
Repayments of debentures	(800,000)	-	(800,000)	-
Increase in long-term loans from financial institutions	1,965,703	148,378	1,781,205	148,378
Repayments of long-term loans from financial institutions	(76,442)	(180,171)	-	-
Net cash flows from (used in) financing activities	2,017,533	(1,065,751)	2,548,519	(610,012)
Decrease in translation adjustments	(50,660)	(24,361)	-	-
Net increase (decrease) in cash and cash equivalents	832,231	(494,035)	772,836	(121,298)
Cash and cash equivalents at beginning of period	2,023,701	1,281,543	64,005	139,811
Cash and cash equivalents at end of period	2,855,932	787,508	836,841	18,513
Supplement disclosure of cash flows information				
Non-cash transactions				
Accounts payable for acquisition of buildings and equipment	103,560	116,773	5,304	16,213
Insurance claim receivable	-	63,731	-	-
Acquisition of property, plant and equipment				
under lease agreement	361,962	-	-	-

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

(Unaudited but reviewed)

Central Plaza Hotel Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity

For the six-month period ended 30 June 2020

(Unit: Thousand Baht)

Consolidated financial statements											
Equity attributable to parent's shareholders											
				Other components of equity							
				Other comprehensive income							
				Exchange							
				differences on	Surplus	Change in	Total other	Total equity	Equity		
				translation of	on changes	ownership	components of	attributable to	attributable to		
Share capital	Retained earnings			financial	in value of	interest in	shareholders'	the shareholders	non-controlling		
issued and	Appropriated -			statements in	available-for-sale	a subsidiary	equity	of the Company	interests of the		
fully paid	Share premium	statutory reserve	Unappropriated	foreign currency	investments					subsidaries	equity
Balance as at 1 January 2019	1,350,000	970,000	158,080	10,293,247	(13,248)	650	143,422	130,824	12,902,151	517,524	13,419,675
Profit for the period	-	-	-	1,058,331	-	-	-	-	1,058,331	48,776	1,107,107
Other comprehensive income for the period	-	-	-	-	(77,260)	125	-	(77,135)	(77,135)	(18,186)	(95,321)
Total comprehensive income for the period	-	-	-	1,058,331	(77,260)	125	-	(77,135)	981,196	30,590	1,011,786
Dividends to owners of the Company (Note 18)	-	-	-	(877,490)	-	-	-	-	(877,490)	-	(877,490)
Dividends paid from subsidiaries	-	-	-	-	-	-	-	-	-	(27,492)	(27,492)
Balance as at 30 June 2019	1,350,000	970,000	158,080	10,474,088	(90,508)	775	143,422	53,689	13,005,857	520,622	13,526,479
Balance as at 1 January 2020	1,350,000	970,000	158,080	11,160,000	(111,851)	667	143,422	32,238	13,670,318	473,304	14,143,622
Cumulative effect of change in accounting policy (Note 2)	-	-	-	(950,916)	-	-	-	-	(950,916)	(47,493)	(998,409)
Balance as at 1 January 2020 - as restated	1,350,000	970,000	158,080	10,209,084	(111,851)	667	143,422	32,238	12,719,402	425,811	13,145,213
Loss for the period	-	-	-	(510,604)	-	-	-	-	(510,604)	(29,437)	(540,041)
Other comprehensive income for the period	-	-	-	-	25,444	(287)	-	25,157	25,157	(2,350)	22,807
Total comprehensive income for the period	-	-	-	(510,604)	25,444	(287)	-	25,157	(485,447)	(31,787)	(517,234)
Dividends paid from subsidiaries	-	-	-	-	-	-	-	-	-	(26,676)	(26,676)
Balance as at 30 June 2020	1,350,000	970,000	158,080	9,698,480	(86,407)	380	143,422	57,395	12,233,955	367,348	12,601,303

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

(Unaudited but reviewed)

Central Plaza Hotel Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity (continued)

For the six-month period ended 30 June 2020

(Unit: Thousand Baht)

	Separate financial statements				
	Share capital		Retained earnings		Total
	issued and		Appropriated -		shareholders'
	fully paid	Share premium	statutory reserve	Unappropriated	equity
Balance as at 1 January 2019	1,350,000	970,000	158,080	4,781,578	7,259,658
Profit for the period	-	-	-	665,395	665,395
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive income for the period	-	-	-	665,395	665,395
Dividends to owners of the Company (Note 18)	-	-	-	(877,490)	(877,490)
Balance as at 30 June 2019	1,350,000	970,000	158,080	4,569,483	7,047,563
Balance as at 1 January 2020	1,350,000	970,000	158,080	4,967,563	7,445,643
Cumulative effect of change in accounting policy (Note 2)	-	-	-	(532,230)	(532,230)
Balance as at 1 January 2020 - as restated	1,350,000	970,000	158,080	4,435,333	6,913,413
Loss for the period	-	-	-	(484,626)	(484,626)
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive income for the period	-	-	-	(484,626)	(484,626)
Balance as at 30 June 2020	1,350,000	970,000	158,080	3,950,707	6,428,787

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

Central Plaza Hotel Public Company Limited and its subsidiaries

Notes to consolidated interim financial statements

For the three-month and six-month periods ended 30 June 2020

1. General information

1.1 Corporate information

Central Plaza Hotel Public Company Limited (“the Company”) was incorporated as a limited company under Thai laws and subsequently registered the change of its status to a public limited company under the Public Limited Companies Act, and domiciled in Thailand. The Company is principally engaged to operate hotel business, hotel management and food and beverage business. The registered office address of the Company is at 1695 Phaholyothin Road, Chatuchak, Bangkok.

1.2 The COVID-19 Pandemic

The COVID-19 pandemic has resulted in an economic slowdown and adversely impacted most businesses and industries in terms of supply chains, consumer spending, limited or suspended operations, operational delays, and more.

This situation significantly affects the Group’s business activities in terms of hotel business and food business. For the hotel business, the Group had to temporarily suspend the Group’s hotel operations since April 2020 due to lockdown measures in order to prevent the spread of COVID-19 and a decrease in the number of foreign and local tourists. Nonetheless, the operations of certain hotels of the Group have been resumed in order to support the local demand. For the food business, from 22 March to 16 May 2020, the Group was not able to serve food and provide services to customers who would like to dine in as usual. However, the customers were able to take away food or use home delivery service. Subsequently, the Government started to ease the anti-COVID lockdown rules on 17 May 2020, the Group is able to return to its normal operations. However, the COVID-19 pandemic had been pervasively impacted all business sectors and thus the number of customers has not yet been restored. These are significantly impacting the Group’s financial position, operating results, and cash flows at present, and are expected to do so in the future. However, the impact cannot be reasonably estimated at this stage. The Group’s management has continuously monitored ongoing developments and assessed the financial impact in respect of the valuation of assets, provisions and contingent liabilities, and will record the impact when it is possible to do so.

1.3 Basis of preparation of interim financial statements

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

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

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

1.4 Basis of consolidation

These interim consolidated financial statements include the financial statements of Central Plaza Hotel Public Company Limited and its subsidiaries and have been prepared on the same basis as that applied for the consolidated financial statements for the year ended 31 December 2019. There have been changes in the structure of the subsidiaries during the period as discussed in Note 7 to the financial statements.

1.5 New financial reporting standards that became effective in the current period

During the period, the Group has adopted the revised (revised 2019) and new financial reporting standards and interpretations which are effective for fiscal years beginning on or after 1 January 2020. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards. The adoption of these financial reporting standards does not have any significant impact on the Group's financial statements. However, the new standard involves changes to key principles, which are summarised below:

Financial reporting standards related to financial instruments

A set of TFRSs related to financial instruments consists of five accounting standards and interpretations, as follows:

Financial reporting standards:

TFRS 7 Financial Instruments: Disclosures

TFRS 9 Financial Instruments

Accounting standard:

TAS 32 Financial Instruments: Presentation

Financial Reporting Standard Interpretations:

TFRIC 16 Hedges of a Net Investment in a Foreign Operation

TFRIC 19 Extinguishing Financial Liabilities with Equity Instruments

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

The impact of the adoption of these standards on the Group's financial statements is as follows.

- Recognition of credit losses - The Group recognises an allowance for expected credit losses on its financial assets, and it is no longer necessary for a credit-impaired event to have occurred. The Group applies the simplified approach to consider impairment of trade receivables.

The Group adopted these financial reporting standards which the cumulative effect is recognised as an adjustment to the retained earnings as at 1 January 2020, and the comparative information was not restated.

The cumulative effect of the change is described in Note 2.

TFRS 16 Leases

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

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

The Group adopted these financial reporting standards using the modified retrospective method of initial adoption of which the cumulative effect is recognised as an adjustment to the retained earnings as at 1 January 2020, and the comparative information was not restated.

The cumulative effect of the change is described in Note 2.

Accounting Guidance on Temporary Relief Measures for Accounting Alternatives in Response to the Impact of the COVID-19 Pandemic

The Federation of Accounting Professions announced Accounting Guidance on Temporary Relief Measures for Accounting Alternatives in Response to the Impact of the COVID-19 Pandemic. Its objectives are to alleviate some of the impact of applying certain financial reporting standards, and to provide clarification about accounting treatments during the period of uncertainty relating to this situation.

On 22 April 2020, the Accounting Treatment Guidance was announced in the Royal Gazette and it is effective for the financial statements prepared for reporting periods ending between 1 January 2020 and 31 December 2020.

The Group has elected to apply the following temporary relief measures on accounting alternatives:

- Not to take into account forward-looking information when determining expected credit losses, in cases where the Group uses a simplified approach to determine expected credit losses. The relief measure may affect the valuation of trade and other receivables and administrative expenses accounts.
- Not to use information relating to the COVID-19 situation that may affect financial forecasts used in measuring the fair values of property and investment property. The relief measure may affect the valuation of investment property accounts.

- Not to account for any reduction in lease payments by lessors resulting from the COVID-19 situation as a lease modification, with the lease liabilities that come due in each period reduced in proportion to the reduction and depreciation of right-of-use assets and interest on lease liabilities recognised in each period reversed in proportion to the reduction, with any differences then recognised in profit or loss.
- Not to use information relating to the COVID-19 situation in determining whether sufficient taxable profits will be available in future periods against which deferred tax assets can be utilised. The relief measure may affect the valuation of deferred tax assets and income tax expenses accounts.
- Not to consider the COVID-19 situation as an indication that an asset may be impaired in accordance with TAS 36, Impairment of Assets. The relief measure may affect the valuation of property, plant and equipment and administrative expenses accounts.
- Not to use information relating to the COVID-19 situation that may affect the cash flow forecasts used in testing goodwill. The relief measure may affect the valuation of goodwill and administrative expenses accounts.

1.6 Significant accounting policies

The interim financial statements are prepared by using the same accounting policies and methods of computation as were used for the financial statements for the year ended 31 December 2019 except the changes in accounting policies related to financial instruments and leases.

1.6.1 Financial instruments

Classification and measurement

Financial assets that are debt instruments are measured at fair value through profit or loss, fair value through other comprehensive income, or amortised cost. Classification is driven by the Group's business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.

Financial assets that are equity instruments are measured at fair value through profit or loss. In certain cases, the Group makes an election to measure them at fair value through other comprehensive income, with no subsequent recycling to profit or loss.

Financial liabilities are classified and measured at amortised cost.

Derivatives are classified and measured at fair value through profit or loss.

Impairment of financial assets

The Group recognises an allowance for expected credit losses on its financial assets measured at amortised cost, without requiring a credit-impaired event to have occurred prior to the recognition. The Group accounts for changes in expected credit losses in stages, with differing methods of determining allowance for credit losses and the effective interest rate applied at each stage. An exception from this approach is that for trade receivables that do not contain a significant financing component and lease receivables, the Group applies a simplified approach to determine the lifetime expected credit losses.

1.6.2 Leases

Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised through initial measurement, initial direct costs incurred, and lease payments made at or before the commencement date, less any lease incentives received.

Unless the Group is reasonably certain that it will obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis from the commencement date of the lease to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of the lease payments to be made over the lease term, discounted by the interest rate implicit in the lease or the Group's incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification or reassessment.

Short-term leases and Leases of low-value assets

Payments under leases that, have a lease term of 12 months or less at the commencement date, or are leases of low-value assets, are recognised as expenses on a straight-line basis over the lease term.

2. Cumulative effects of changes in accounting policies due to the adoption of new financial reporting standards

As described in Note 1.5 to the financial statements, during the current period, the Group has adopted financial reporting standards related to financial instruments and TFRS 16. The cumulative effect of initially applying these standards is recognised as an adjustment to retained earnings as at 1 January 2020. Therefore, the comparative information was not restated.

The impacts on the beginning balance of retained earnings of 2020 from changes in accounting policies due to the adoption of these standards are presented as follows:

(Unit: Thousand Baht)

	Consolidated financial statements			
	The impacts of			
	31 December	Financial		
	2019	reporting	TFRS 16	1 January 2020
		standards		
		related to		
		financial		
		instruments		
Statement of financial position				
Assets				
Current assets				
Current investments	787,939	(787,939)	-	-
Trade and other receivables	764,504	(74,890)	(2,771)	686,843
Other current financial assets	-	787,939	-	787,939
Non-current assets				
Available-for-sale investments	923	(923)	-	-
Other non-current financial assets	-	923	-	923
Right-of-use assets	-	-	10,477,587	10,477,587
Leasehold rights	1,776,589	-	(1,776,589)	-
Deferred tax assets	119,428	14,978	31,168	165,574
Other non-current assets	682,897	(5,800)	(57,144)	619,953

(Unaudited but reviewed)

(Unit: Thousand Baht)

Consolidated financial statements				
	31 December 2019	The impacts of		
		Financial reporting standards related to financial instruments	TFRS 16	1 January 2020
Liabilities and shareholders' equity				
Current liabilities				
Trade and other payables	2,648,617	-	(157,698)	2,490,919
Current portion of deferred income	146,502	-	(100,366)	46,136
Current portion of long-term lease liabilities	-	-	1,461,444	1,461,444
Current portion of financial liabilities from long-term leases	-	-	32,597	32,597
Non-current liabilities				
Long-term lease liabilities, net of current portion	-	-	8,301,202	8,301,202
Financial liabilities from long-term leases, net of current portion	-	-	1,847,072	1,847,072
Deferred income	1,877,734	-	(1,779,303)	98,431
Shareholders' equity				
Retained earnings - unappropriated	11,160,000	(65,712)	(885,204)	10,209,084
Non-controlling interests of the subsidiaries	473,304	-	(47,493)	425,811

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Separate financial statements			
	The impacts of			
	31 December 2019	Financial reporting standards related to financial instruments	TFRS 16	1 January 2020
Statement of financial position				
Assets				
Non-current assets				
Right-of-use assets	-	-	1,835,155	1,835,155
Leasehold rights	1,144,301	-	(1,144,301)	-
Deferred tax assets	34,543	-	(33,654)	889
Liabilities and shareholders' equity				
Current liabilities				
Current portion of long-term lease liabilities	-	-	99,716	99,716
Non-current liabilities				
Long-term leases, net of current portion	-	-	1,089,714	1,089,714
Shareholders' equity				
Retained earnings - unappropriated	4,967,563	-	(532,230)	4,435,333

2.1 Financial instruments

Details of the impact on retained earnings as at 1 January 2020 due to the adoption of financial reporting standards related to financial instruments are presented as follows:

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Recognition of an allowance for expected credit losses on financial assets	(65,712)	-
Impacts on retained earnings due to the adoption of financial reporting standards related to financial instruments	(65,712)	-

(Unaudited but reviewed)

The classifications, measurement basis and carrying values of financial assets in accordance with TFRS 9 as at 1 January 2020, and with the carrying amounts under the former basis, are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements				
	Carrying amounts under the former basis	Classification and measurement in accordance with TFRS 9			
		Fair value through profit or loss	Fair value through other comprehensive income	Amortised cost	Total
Financial assets as at 1 January 2020					
Cash and cash equivalents	2,023,701	-	-	2,023,701	2,023,701
Trade and other receivables	764,504	-	-	686,843	686,843
Other current financial assets	787,939	-	-	787,939	787,939
Other current assets	213,584	-	-	213,584	213,584
Other non-current financial assets	923	-	923	-	923
Other non-current assets	682,897	-	-	677,097	677,097
Total financial assets	4,473,548	-	923	4,389,164	4,390,087

(Unit: Thousand Baht)

	Separate financial statements				
	Carrying amounts under the former basis	Classification and measurement in accordance with TFRS 9			
		Fair value through profit or loss	Fair value through other comprehensive income	Amortised cost	Total
Financial assets as at 1 January 2020					
Cash and cash equivalents	64,005	-	-	64,005	64,005
Trade and other receivables	154,895	-	-	154,895	154,895
Short-term loans to related parties	471,103	-	-	471,103	471,103
Dividend receivables from related parties	210,000	-	-	210,000	210,000
Other current assets	29,170	-	-	29,170	29,170
Long-term loan to related parties	2,505,421	-	-	2,505,421	2,505,421
Other non-current assets	7,137	-	-	7,137	7,137
Total financial assets	3,441,731	-	-	3,441,731	3,441,731

As at 1 January 2020, the Group has not designated any financial liabilities at fair value through profit or loss.

2.2 Leases

Upon initial application of TFRS 16 the Group recognised lease liabilities previously classified as operating leases at the present value of the remaining lease payments, discounted using the Group's incremental borrowing rate at 1 January 2020. For leases previously classified as finance leases, the Group recognised the carrying amount of the right-of-use assets and lease liabilities based on the carrying amounts of the lease assets and lease liabilities immediately before the date of initial application of TFRS 16.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Operating lease commitments as at 31 December 2019	11,351,790	1,383,630
Less: Short-term leases and leases of low-value assets	(37,545)	-
Add: Option to extend lease term	4,373,655	-
Less: Contracts reassessed as service agreements	(1,347)	-
Less: Transferred to financial liabilities from long-term leases from related party	(3,472,571)	-
Add (less): Others	(266,895)	7,971
Less: Deferred interest expenses	(2,184,441)	(202,171)
Increase in lease liabilities due to TFRS 16 adoption	9,762,646	1,189,430
Liabilities under finance lease agreements as at 31 December 2019	-	-
Lease liabilities as at 1 January 2020	9,762,646	1,189,430
Comprise of:		
Current lease liabilities	1,461,444	99,716
Non-current lease liabilities	8,301,202	1,089,714
	9,762,646	1,189,430

The adjustments of right-of-use assets due to TFRS 16 adoption as at 1 January 2020 are summarised below:

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Land and equipment	10,477,587	1,835,155
Total right-of-use assets	10,477,587	1,835,155

The impact on retained earnings as at 1 January 2020 due to the adoption of TFRS 16 are presented as follows:

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Decrease in retained earnings - unappropriated	(885,204)	(532,230)

3. Related party transactions

During the periods, the Company and its subsidiaries had significant business transactions with related parties. Such transactions, which are summarised below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Company, its subsidiaries and those related parties.

					(Unit: Thousand Baht)
For the three-month periods ended 30 June					
	Consolidated		Separate		Transfer pricing policy
	financial statements		financial statements		
	2020	2019	2020	2019	
<u>Transactions with subsidiaries</u>					
(Eliminated from the consolidated financial statements)					
Rental income	-	-	732	732	Contractually agreed prices
Interest income	-	-	34,755	23,205	Bank interest rate
Management fee income	-	-	11,750	45,130	Contractually agreed prices
Income from loan guarantee	-	-	1,075	1,768	Contractually agreed prices
Dividend income	-	-	47,324	728,608	Dividend announcement
Interest expense	-	-	4,952	4,335	Bank interest rate
Other expenses	-	-	1,410	1,416	Agreed prices
Rental expense	-	-	87	1,743	Contractually agreed prices
Management fee expense	-	-	2,180	34,657	Contractually agreed prices

(Unaudited but reviewed)

(Unit: Thousand Baht)

	For the three-month periods ended 30 June				
	Consolidated		Separate		
	financial statements		financial statements		Transfer pricing policy
	2020	2019	2020	2019	
<u>Transactions with associated company</u>					
Rental income	24,947	25,014	12,514	12,549	Contractually agreed prices
Dividend income	6,610	6,893	6,610	6,893	Dividend announcement
Rental expense	45,887	44,586	-	-	Contractually agreed prices
<u>Transactions with related companies</u>					
Rental income	3,570	3,570	-	-	Contractually agreed prices
Management fee income	3	2,073	-	-	Contractually agreed prices
Other income	1,928	3,988	-	-	Agreed prices
Rental expense	139,259	199,386	37,670	34,919	Contractually agreed prices
Electricity expense	2,041	9,666	2,041	9,666	Contractually agreed prices
Management fee expense	8,793	8,484	4,021	3,829	Contractually agreed prices
Finance and accounting service expense	8,603	8,135	-	-	Contractually agreed prices
Other service fees	2	4,119	-	-	Agreed prices

(Unit: Thousand Baht)

	For the six-month periods ended 30 June				
	Consolidated		Separate		
	financial statements		financial statements		Transfer pricing policy
	2020	2019	2020	2019	
<u>Transactions with subsidiaries</u>					
(Eliminated from the consolidated financial statements)					
Rental income	-	-	1,465	1,465	Contractually agreed prices
Interest income	-	-	60,460	44,385	Bank interest rate
Management fee income	-	-	23,500	94,747	Contractually agreed prices
Income from loan guarantee	-	-	2,585	3,787	Contractually agreed prices
Dividend income	-	-	47,324	728,608	Dividend announcement
Interest expense	-	-	8,350	8,249	Bank interest rate
Other expenses	-	-	2,876	2,708	Agreed prices
Rental expense	-	-	1,831	3,487	Contractually agreed prices
Management fee expense	-	-	24,861	77,303	Contractually agreed prices

(Unaudited but reviewed)

(Unit: Thousand Baht)

	For the six-month periods ended 30 June				
	Consolidated		Separate		
	financial statements		financial statements		Transfer pricing policy
	2020	2019	2020	2019	
<u>Transactions with associated company</u>					
Rental income	49,893	49,754	25,029	24,960	Contractually agreed prices
Dividend income	13,462	10,445	13,462	10,445	Dividend announcement
Rental expense	91,773	90,472	-	-	Contractually agreed prices
<u>Transactions with related companies</u>					
Rental income	7,140	7,140	-	-	Contractually agreed prices
Management fee income	2,870	5,738	-	-	Contractually agreed prices
Other income	5,376	8,803	-	-	Agreed prices
Rental expense	313,484	386,684	75,767	67,277	Contractually agreed prices
Electricity expense	10,252	18,741	10,252	18,741	Contractually agreed prices
Management fee expense	17,585	16,967	8,041	7,658	Contractually agreed prices
Finance and accounting					
service expense	17,206	16,270	-	-	Contractually agreed prices
Other service fees	34	9,246	-	-	Agreed prices

The balances of the accounts as at 30 June 2020 and 31 December 2019 between the Company, its subsidiaries and those related parties are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	30 June	31 December	30 June	31 December
	2020	2019	2020	2019
Trade and other receivables - related parties (Note 5)				
Subsidiaries	-	-	45,273	37,257
Related companies (related by common directors)	13,278	20,081	5,462	4,512
Total trade and other receivables - related parties	13,278	20,081	50,735	41,769
Dividend receivables - related parties				
Subsidiaries	-	-	-	210,000
Total dividend receivables - related parties	-	-	-	210,000
Trade and other payables - related parties (Note 13)				
Subsidiaries	-	-	8,944	22,028
Related companies (related by common directors)	9,663	10,019	8	-
Total trade and other payables - related parties	9,663	10,019	8,952	22,028

Loans to related parties

As at 30 June 2020 and 31 December 2019, the balance of short-term and long-term loans to related parties are as follows:

(Unit: Thousand Baht)						
Loans to	Consolidated				Separate	
related parties	Interest rate		financial statements		financial statements	
	30 June	31 December	30 June	31 December	30 June	31 December
	2020	2019	2020	2019	2020	2019
	(Percent per annum)					
Short-term loans						
Subsidiaries	3.0	3.0	-	-	95,500	471,103
Long-term loans						
Subsidiaries	3.0	3.0	-	-	4,397,709	2,505,421
Total			-	-	4,493,209	2,976,524

Movements during the six-month periods ended 30 June 2020 and 2019 of loans to related parties were as follows:

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
			financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Loans to related parties				
Subsidiaries				
At 1 January	-	-	3,221,224	2,660,501
Increase	-	-	3,332,249	2,672,228
Decrease	-	-	(1,430,564)	(2,280,700)
Total	-	-	5,122,909	3,052,029
Less: Allowance for diminution in value	-	-	(629,700)	(334,500)
As at 30 June	-	-	4,493,209	2,717,529

Loans from related parties

As at 30 June 2020 and 31 December 2019, the balance of short-term and long-term loans from related parties are as follows:

(Unit: Thousand Baht)						
Loans from related parties	Interest rate		Consolidated financial statements		Separate financial statements	
	30 June	31 December	30 June	31 December	30 June	31 December
	2020	2019	2020	2019	2020	2019
	(Percent per annum)					
Short-term loans						
Subsidiaries	1.65 - 3.0	1.65 - 3.0	-	-	614,382	520,180
Long-term loans						
Other related parties	3.0	3.0	52,329	52,329	-	-
Total			52,329	52,329	614,382	520,180

Movements during the six-month periods ended 30 June 2020 and 2019 of loans from related parties were as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Short-term loans				
Subsidiaries				
At 1 January	-	-	520,180	414,373
Increase	-	-	955,633	1,137,821
Decrease	-	-	(861,431)	(941,244)
As at 30 June	-	-	614,382	610,950
Long-term loans				
Other related parties				
At 1 January	52,329	52,329	-	-
As at 30 June	52,329	52,329	-	-

Loans from related parties

A subsidiary has long-term loans from related parties in form of promissory notes and repayable within 31 December 2020. On 1 December 2019, the subsidiary renewed the promissory notes to extend the payment term to be the earlier of 31 December 2022 and the loss of a controlling interest in the borrower by the parent company of the borrower.

Financial liabilities from long-term leases

Movements during the six-month periods ended 30 June 2020 and 2019 of financial liabilities from long-term leases were as follows:

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
<i>Financial liabilities from long-term leases</i>				
Associated				
As at 1 January	-	-	-	-
Adjustment due to the initial adoption of new financial reporting standards	1,879,669	-	-	-
As at 1 January - as restated	1,879,669	-	-	-
Decrease	(14,309)	-	-	-
	1,865,360	-	-	-
Less: portion due within one year	(39,722)	-	-	-
As at 30 June	1,825,638	-	-	-

Significant agreements with related parties**Long-term lease agreements****The Company****Centara Grand at Central Plaza Ladprao Bangkok**

Under the terms of a reciprocal agreement entered into with Central International Development Co., Ltd. ("CID") who entered into long-term land lease agreement with State Railway of Thailand ("SRT"), the Company was granted the right to construct a hotel building on the sublease property from CID and to operate the hotel for the Company's benefits up to 18 December 2008. This agreement was renewable for period of 10 years each.

As at 18 December 2008 which was the expiration date of the said reciprocal agreement, the Company was required to transfer the construction on sublease land, fixtures and improvements, including part of equipment to SRT. The net book value at the expiration date of agreement was Baht 23.9 million, which resulted in the Company incurring a loss from disposal of the assets of the same amount.

On 9 December 2008, CID entered into a new land and building lease agreement of 20 years lease term with SRT. The Company then signed the memorandum of agreement with CID in order to preserve and affirm of undertaking the right to enter into the new sublease agreement with CID. The Company had to pay the guarantee deposit on land and building lease agreement of Central Plaza Hotel at Ladprao, in the amount of Baht 95 million on the day which CID entered into the lease agreement with SRT.

In 2009, the Company entered into a sublease agreement with CID (“sublessor”) for the subleasing of Centara Grand at Central Plaza Ladprao Bangkok Hotel’s building and hotel building improvements including durable goods for a period of 20 years. The lease will expire on 18 December 2028. The Company was required to pay the sublessor of Baht 2,556 million for the subleasing right and annual rent for the whole lease term. In addition, the Company was required to pay durable goods rental fee totalling Baht 31 million for the whole lease term. The Company recorded durable goods rental fee as asset under finance lease. Due to the adoption of new financial reporting standards, the Company presented the said sublease and rental expense as right-of-use assets as at 30 June 2020 (31 December 2019: presented as leasehold rights).

Leased assets, which the Company has renovated, improved or constructed, altered, added, maintained or rebuilt, will be transferred to SRT as soon as the said activities are completed. In addition, the Company has to return durable goods according to the list in the lease agreement in a manner which is appropriate to their condition and useful lives to SRT at the end of the lease agreement.

The Subsidiaries

Centara Grand Beach Resort Samui Project

Agreements between Central Plaza Hotel Public Company Limited and its subsidiaries and Centara Hotels & Resorts Leasehold Property Fund

On 25 September 2008, Central Plaza Hotel Public Company Limited and its subsidiary entered into agreements relating to land and hotel building of Centara Grand Beach Resort Samui Hotel with Centara Hotels & Resorts Leasehold Property Fund (“CTARAF”), in the following matters.

- 1) Central Samui Beach Resort Co., Ltd. (“CSBR”) entered into the land lease agreement with CTARAF for lease the land to CTARAF for the period of 30 years commencing from the date on which both parties registered the lease agreement (26 September 2008). CTARAF agreed to pay the land lease fee in the total amount of Baht 1,500 million with full payment on the date on which the lease was registered. CSBR recognised such proceeds from lease as deferred income in its financial position and amortises to income using the straight line method over the lease term of 30 years. Due to the adoption of new financial reporting standards, the Group presented the said land lease agreement as financial liabilities from long-term lease in the consolidated statement of financial position as at 30 June 2020 (31 December 2019: presented as deferred income).

- 2) Central Plaza Hotel Public Company Limited ("CPH") entered into the property lease agreement with Centara Grand Beach Resort Samui Hotel, including the utility facilities and related equipment with CTARAF in order to lease to CTARAF for the period of 30 years commencing from the date that both parties registered the lease agreement (26 September 2008). CTARAF agreed to pay the property lease fee in the total amount of Baht 1,510 million with full payment on the date on which the lease was registered. CPH recognised such proceeds from lease as deferred income in the statement of financial position in consolidated and separate financial statements and amortises to income using the straight line method over the lease term of 30 years. Due to the adoption of new financial reporting standards, the Group presented the said property lease agreement as financial liabilities from long-term lease in the consolidated statement of financial position as at 30 June 2020 (31 December 2019: presented as deferred income).

Under the property lease agreement, CPH agreed and guaranteed that, in the period of 4 years from the registration date of lease, CTARAF would receive lease fee income from the lease assets in the amount not less than the accumulated guaranteed lease fee specified in the agreement. If CTARAF received the accumulated lease fee income less than the accumulated guaranteed lease fee as in the agreement, CPH agreed to pay CTARAF the difference between the accumulated lease fee income of the fund and the accumulated guaranteed lease fee income.

On 1 December 2008, CPH and CSBR entered into the agreement regarding guarantee CTARAF lease fee income. CSBR as a land lessor which mutually obtained benefits from CTARAF on lease agreement, to be the co-guarantor in guarantee CTARAF lease fee income. In case CPH had to pay any payments to CTARAF under the above guarantee agreement, CSBR agreed to pay partial guarantee payment to CPH according to the rate specified in the agreement.

If CTARAF wishes to renew the land lease agreement and building lease agreement as in No.1) and No. 2) above when the lease period was due, CTARAF has to state its intention to CSBR and CPH, depending on the case, in writing within the 26th year from the first year of the lease period and both parties negotiate and finalise the details for renewal of lease agreement within the 27th year from the first year of the lease period.

- 3) CSBR entered into the agreement for sale of furniture and equipment installed/used within Centara Grand Beach Resort Samui Hotel with CTARAF, under which CTARAF agreed to pay for rights transferring of the said furniture and equipment in the amount of Baht 80 million (including VAT) by making a full payment on the day that the rights are transferred (26 September 2008).

- 4) CTARAF entered into the sublease agreement of Centara Grand Beach Resort Samui Hotel with Central Samui Hotel Management Co., Ltd. (“CSHM”) for lease the land, building and utility facility and relating equipment, and furniture and equipment to CSHM to use in operating the hotel business. The lease term was 3 years commencing from 26 September 2008. CTARAF promised to CSHM that CSHM was able to lease the assets for another 3 years from the end of the lease term. CSHM must inform CTARAF for exercise of the promised right in writing not less than 6 months before the end of the lease term to mutually negotiate a new fixed lease fee. However, CTARAF was able to exercise the right to discontinue the lease by informing CSHM in writing. According to this agreement, CSHM agreed to pay a monthly lease fee comprising of a fixed lease fee in the amount of Baht 225 million per annum and a variable lease fee at 90 percent of earnings before interest, taxes, depreciation and amortisation.

According to the sublease agreement and other related agreements, CSHM must comply with the conditions stipulated in the agreement such as submission of documents and other information specified in the agreement, opening and maintaining of various bank accounts including transfer of rights over the said bank accounts to CTARAF, without the increase of additional debt, selling, disposing, lease, forming a commitment in part or all of assets, lending to, investing, except for the consent in writing from CTARAF is granted.

Except in circumstance that CSHM was able to demonstrate to CTARAF that any event was beyond the control of or prevention by CSHM and such event has caused an adverse material impact on the operations of the hotel and such event occurred temporarily (“Temporary Force Majeure”) and resulting in CSHM being unable to pay the fixed rental to CTARAF in an amount and within the due date specified in sublease agreement, CSHM would pay rental to CTARAF in the amount equivalent to 100 percent of earnings before interest, taxes, depreciation and amortisation (“EBITDA”) calculated from the operations of the hotel during such period and it would not be deemed CSHM was in default of payments.

On 24 March 2014, CSHM sent the letter of intent to exercise the right to continue lease of Centara Grand Beach Resort Samui Hotel in accordance with the renewal condition in the sublease agreement which was expired on 25 September 2014. Subsequently, on 23 September 2014, the Management Company of CTARAF informed CSHM that CTARAF and CSHM were required to mutually agree on a new fix rental rate for the renewal of the sublease agreement. The Management Company of CTARAF confirmed that new rental rate would be the same as the previous rental rate. Whereas CSHM proposed that new rental rate would be 100 percent of EBITDA. Therefore, the Management Company of CTARAF and CSHM could not agree on the new rental rate.

On 3 April 2015, the Management Company of CTARAF reported to the Stock Exchange of Thailand that CTARAF and CSHM were still unable to reach an agreement on the rental rate for the renewal of the sublease agreement, which was expired in September 2014.

On 19 May 2015, the Management Company of CTARAF reported to the Stock Exchange of Thailand that the Management Company announced the seeking of a new sublessee and invited the interested parties for bids. On 14 August 2015, the Management Company had reviewed bidding documents submitted but that the bids was not in the best interests of the Fund and/or unit holders. Thus, the Fund exercised a right to not select the bidder.

On 13 March 2017, the Management Company of CTARAF reported to the Stock Exchange of Thailand that the Management Company was searching for additional sublease proposals other than those 3 alternatives proposed in the Unitholders' Meeting on 28 October 2016 by scheduling proposals submission date on 2 May 2017.

On 28 November 2017, the Management Company of CTARAF reported to the Stock Exchange of Thailand regarding to resolutions at the Unitholders' Meeting which 1) acknowledged the report on the progress of the Management Company's implementations regarding the sublease of Centara Grand Beach Resort Samui Hotel Project 2) approved the 4th option in the proposal of the sublease of the building of Centara Grand Beach Resort Samui Hotel from CSHM, which the rental fee is fixed during the first year at Baht 168 million and increases by 3 percent for every 3 years, and will be effective from the date of the new sublease agreement until 25 September 2038, including approval of the rental fee for the period from 26 September 2014 to the date on which the Property Fund has entered into a new sublease agreement with CSHM at the rate of 100 percent of EBITDA calculated from the business operation of Centara Grand Beach Resort Samui Hotel during such period 3) approved the amendment to the Fund Scheme. The new sublease agreement as resolution of the stated unitholders' meeting has been prepared and is effective on 1 January 2018. In addition, CPH entered in to a guarantee agreement with CTARAF to guarantee the performance of CSHM under the sub-lease agreement as required by a condition of the new sub-lease agreement.

Central World Hotel Co., Ltd.

On 28 April 2005, Central World Hotel Co., Ltd. (“CWH”) entered into a sublease agreement of hotel land and building with Thai Business Fund 4 (“the Fund”) to develop and to operate a hotel or other related businesses. CWH is required to pay rental in advance and annual rental fee totalling Baht 1,198.8 million to the Fund up to the end of the agreement on 22 December 2032. CWH paid the rental in advance upon signing the agreement of Baht 275 million and consideration for use of common area in shopping center of Baht 10 million. CWH recorded the prepayments as leasehold right in the statement of financial position. Due to the adoption of new financial reporting standards, CWH presented the said sublease agreement as right-of-use assets in the consolidated statement of financial position as at 30 June 2020 (31 December 2019: presented as leasehold right).

The above agreement requires the rights on buildings and constructions thereon which CWH repair and maintenance or construct on the sublease land to belong to the land owner, the Crown Property Bureau, at the date that those repairs and maintenance or construction completed.

Cosi Hotel Co., Ltd.

On 8 August 2016, Cosi Hotel Co., Ltd. (“COSI”) entered into a land sublease agreement of Central Festival Samui Project with Central World Co., Ltd. (“CTW”) to develop Cosi Hotel, Samui. COSI is required to pay sublease fees at Baht 62 million for the total 37 years 2 months. Due to the adoption of new financial reporting standards, COSI presented the said sublease period as right-of-use assets in the consolidated statement of financial position as at 30 June 2020 (31 December 2019: presented as leasehold right).

On 5 April 2019, Cosi Hotel Co., Ltd. (“COSI”) entered into a 30-year land sublease agreement with Ploenruedee Co., Ltd. to develop Cosi Hotel, Tha Phae. COSI is required to pay a consideration of Baht 13.6 million. In addition, COSI agrees to pay the sublease fee and management fee over the sublease term in accordance with the agreement totaling Baht 135.5 million. Due to the adoption of new financial reporting standards, COSI presented the said sublease period as right-of-use assets in the consolidated statement of financial position as at 30 June 2020 (31 December 2019: presented as leasehold right).

Centara Osaka Japan Kabushiki Kaisha

On 10 April 2020, Centara Osaka Japan Kabushiki Kaisha (a foreign indirect subsidiary) entered into the building lease agreement with Centara Osaka Tokutei Mokuteki Kaisha (a joint venture) for a period of 50 years and 3 months commencing on the earlier of March 2023 and the transferal of hotel building. The subsidiary is to pay the rental at fixed and variable fees at stipulated in the lease agreement.

Long-term service agreements

The Company

On 26 September 2008, the Company entered into management agreement with Central Samui Hotel Management Co., Ltd. to manage the hotel's operations for 30 years commencing from the agreement date. The Company would receive management fee as specified in the agreement.

On 31 January 2014, the Company entered into a service agreement with Harn Central Department Store Co., Ltd. for a period of 1 year in order to receive information and various suggestions, which are beneficial to the Company. The Company agrees to pay service fee of Baht 1 million per month, the agreement is automatically renewable annually with a 5 percent increase of service fee every year.

On 1 July 2016, the Company entered into a management fee agreement with Centara International Management Co., Ltd. The agreement would continue to be in full force and effect until either party terminates the agreement or ceases its business operation. The management fee was payable on a monthly basis, and the Company was to receive the fee at the rate specified in the agreement. However, on 31 December 2019, the Company notified the counterparty of the termination of the agreement. Thus, this agreement was terminated on such date.

On 1 January 2017, the Company entered into management fee agreements with Centara International Management (Thailand) Co., Ltd. and Centara Management Headquarter Limited. The agreements would continue to be in full force and effect until either party terminates the agreements or ceases its business operation. The management fee is payable on a monthly basis, and the Company is to receive the fees at the rates specified in the agreements. Subsequently, on 31 December 2019, the Company notified Centara International Management (Thailand) Co., Ltd. to terminate the agreement. Thus, the agreement with Centara International Management (Thailand) Co., Ltd. was terminated on such date.

On 1 December 2017, the Company entered into a financial consulting and management service agreement with Central Restaurants Group Co., Ltd. ("CRG") to provide consulting service along with suggestions relevant to food business operation of CRG. The Company would receive quarterly management fee of Baht 1.25 million. Such agreement had a three-year term, commencing from 1 January 2017 to 31 December 2019, which either party had the right to terminate the agreement before such due date by informing in written notice to the other party in advance not less than 30 days.

On 1 November 2019, the Company entered into a service agreement with Centara Management Headquarter Limited in order to receive regulatory services, order and control hotel operations under the hotel name. The agreement is effective from 1 January 2019 to 31 December 2020. The Company agrees to pay service fee at the rate specified in the agreement. The agreement is automatically renewable annually every year.

The Subsidiaries

Central Sukhontha Hotel Co., Ltd. ("CHY") has entered into a rental and services agreement with Central Department Store Co., Ltd. for a period of 30 years ending on 31 May 2024. Central Department Store Co., Ltd. agreed to lease part of CHY's building as a shopping center. Total income to CHY throughout the agreement is approximately Baht 428 million. As at 30 June 2020, the balance of deferred income was Baht 61.9 million (31 December 2019: Baht 69.0 million) in the consolidated financial statements.

On 31 January 2012, Central Restaurants Group Co., Ltd. ("CRG") entered into a service agreement with Harng Central Department Store Co., Ltd. for a period of 1 year in order to receive information and various suggestions, which are beneficial to CRG. CRG agrees to pay service fee of Baht 500,000 per month, the agreement is automatically renewable annually with a 5 percent increase of service fee every year.

On 1 January 2015, Central Restaurants Group Co., Ltd. ("CRG") entered into legal consultant service agreement with Harng Central Department Store Co., Ltd. in order to receive consultation, explanation and advice of legal matters especially for laws related to its business. The service fee is agreed to pay at Baht 73,000 per month. The agreement had a period of 1 year, commencing from 1 January 2015 to 31 December 2015, unless in practice both parties involve in consultation and advice under the intention of continuing this agreement without the renewal of the agreement. This should be considered as the beginning of the agreement in infinite period and is the right of either party to terminate the agreement, however, the advance notice of the termination should not be less than 30 days. Subsequently, on 1 July 2019, CRG renewed the service agreement with Harng Central Department Store Co., Ltd. for a period of 2 years. The agreement is effective from 1 January 2019 to 31 December 2020. CRG agrees to pay service fee at Baht 77,000 per month.

On 17 April 2017, Central Restaurants Group Co., Ltd. ("CRG") entered into a service agreement with Harng Central Department Store Co., Ltd., commencing from 1 October 2016 to 31 December 2021, in order to receive finance and accounting service. The agreement is automatically renewable for 3 years each. CRG agrees to pay service fee based on specified in the agreement with a 5.7 percent increase of service fee every year.

On 1 August 2017, Central Restaurants Group Co., Ltd. ("CRG") entered into human resources management service agreement with Harng Central Department Store Co., Ltd. in order to receive human resources management service to enhance efficiency and support the growth of business. CRG agreed to pay service fee as specified in the agreement. The agreement had a period of 1 year, commencing from 1 January 2018 to 31 December 2018. Unless either party terminate the agreement in advance not less than 30 days, this would be considered as one year renewal term with the same consent and conditions except service fee rate which both parties may reconsider.

Long-term lease and service agreements

Central Restaurants Group Co., Ltd. ("CRG") has long-term lease and service agreements with related parties for periods of 3 to 30 years up to 2023. According to the terms of the agreements, CRG has to pay monthly rental and service charges at fixed rates or at certain percentages of gross sales.

Directors and management's benefits

During the three-month and six-month periods ended 30 June 2020 and 2019, the Group had employee benefit expenses payable to their directors and management as below.

(Unit: Million Baht)

	Consolidated financial statements and separate financial statements			
	For the three-month periods ended 30 June		For the six-month periods ended 30 June	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Short-term employee benefits	18	23	41	47
Post-employment benefits	1	1	2	2
Total	<u>19</u>	<u>24</u>	<u>43</u>	<u>49</u>

4. Other current financial assets

As at 30 June 2020 and 31 December 2019, other current financial assets consisted of the following:

(Unit: Thousand Baht)

	Consolidated financial statements	
	30 June	31 December
	2020	2019
Fixed deposits with maturity within 1 year	596,006	-
Total	<u>596,006</u>	<u>-</u>

As at 30 June 2020, fixed deposits carried interests between 1.05 to 1.75 percent per annum.

5. Trade and other receivables

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
	30 June	31 December	30 June	31 December
	2020	2019	2020	2019
<u>Trade accounts receivable -</u>				
<u>unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	34,460	241,512	2,652	51,969
Past due				
Not over 3 months	21,587	62,006	219	16,699
3 - 6 months	62,354	9,989	8,330	313
6 - 12 months	43,021	3,069	-	85
Over 12 months	6,467	11,434	4,074	4,158
Total trade accounts receivable -				
unrelated parties	167,889	328,010	15,275	73,224
Less: Allowance for expected				
credit losses	(17,886)	(14,689)	(4,310)	(4,074)
Total trade account receivable -				
unrelated parties, net	150,003	313,321	10,965	69,150
Total trade accounts receivable -				
net	150,003	313,321	10,965	69,150
<u>Other receivables</u>				
Other receivables - related parties	13,278	20,081	50,735	41,769
Other receivables - unrelated				
parties	405,224	366,282	75,683	29,195
Prepaid expense	104,604	71,202	28,014	22,299
Prepayment for purchase of goods	4,437	1,136	-	-
Total other receivables	527,543	458,701	154,432	93,263
Less: Allowance for expected				
credit losses	(75,045)	(7,518)	(7,518)	(7,518)
Total other receivables - net	452,498	451,183	146,914	85,745
Total trade and other receivables	602,501	764,504	157,879	154,895

The normal credit terms granted by the Group ranges from 30 days to 45 days.

6. Investment in an associate

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
	2020	2019	2020	2019
As at 1 January	524,125	533,619	518,139	527,635
Share of profit from investment				
in an associate	15,130	14,870	-	-
Unit redeemed	(7,257)	(9,666)	(7,257)	(9,666)
Dividend income	(13,462)	(10,445)	-	-
As at 30 June	518,536	528,378	510,882	517,969

There were no acquisition and disposal of investment in an associate during the six-month periods ended 30 June 2020 and 2019.

(Unaudited but reviewed)

Investment in an associate as at 30 June 2020 and 31 December 2019, and dividend income for the six-month periods ended 30 June 2020 and 2019 were as follows:

(Unit: Thousand Baht)												
Consolidated financial statements												
Company's name	Natures of business	Country of incorporation	Shareholding		Paid-up capital		Cost		Carrying amounts based on equity method		Dividend received during the six-month periods ended	
			percentage									
			30 June	31 December	30 June	31 December	30 June	31 December	30 June	31 December	30 June	30 June
			2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
			(Percent)	(Percent)								
Centara Hotels & Resorts Leasehold Property Fund	Property fund	Thai	25.3	25.3	2,949,728	2,978,368	746,679	753,937	518,536	524,125	13,462	10,445
Total							746,679	753,937	518,536	524,125	13,462	10,445

As at 30 June 2020, the closing price of Centara Hotels & Resorts Leasehold Property Fund was Baht 5.10 (31 December 2019: Baht 5.70). The fair value of investment in Centara Hotels & Resorts Leasehold Property Fund was Baht 414 million (31 December 2019: Baht 462 million).

(Unaudited but reviewed)

(Unit: Thousand Baht)

Company's name	Natures of business	Country of incorporation	Separate financial statements											
			Shareholding		Paid-up capital		Cost		Allowance for impairment of investment		Carrying amounts based on cost method - net		Dividend received during the six-month periods ended	
			30 June	31 December	30 June	31 December	30 June	31 December	30 June	31 December	30 June	31 December	30 June	31 December
			2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
			(Percent)	(Percent)										
Centara Hotels & Resorts Leasehold Property Fund	Property fund	Thai	25.3	25.3	2,949,728	2,978,368	746,680	753,937	(235,798)	(235,798)	510,882	518,139	13,462	10,445
Total							746,680	753,937	(235,798)	(235,798)	510,882	518,139	13,462	10,445

The Company set up impairment loss on investment in an associate by considering from the net asset value of the property fund.

7. Investments in subsidiaries

Details of investments in subsidiaries as presented in the separate financial statements are as follows:

(Unit: Thousand Baht)

Company's name	Paid-up capital		Shareholding percentage		Cost		Allowance for impairment loss		Cost - net		Dividend received during the six-month periods ended	
	30 June	31 December	30 June	31 December	30 June	31 December	30 June	31 December	30 June	31 December	30 June	30 June
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
			(Percent)	(Percent)								
Direct subsidiaries												
Central Samui Beach Resort Co., Ltd.	670,000	670,000	100	100	814,383	814,383	-	-	814,383	814,383	-	174,200
Central Karon Village Co., Ltd.	37,500	37,500	100	100	76,500	76,500	-	-	76,500	76,500	-	10,500
Central Krabi Bay Resort Co., Ltd.	500,000	500,000	100	100	500,000	500,000	-	-	500,000	500,000	-	-
Central Hua Hin Beach Resort Co., Ltd.	185,000	185,000	63.9	63.9	198,905	198,905	-	-	198,905	198,905	47,324	47,324
Central World Hotel Co., Ltd.	1,800,000	1,800,000	100	100	1,800,000	1,800,000	-	-	1,800,000	1,800,000	-	-
Central Koh Kood Hotel Co., Ltd.	120,000	120,000	100	100	120,000	120,000	-	-	120,000	120,000	-	-
Central Hotel Management Co., Ltd.	250,000	250,000	100	100	250,000	250,000	-	-	250,000	250,000	-	-
Central Restaurants Group Co., Ltd.	620,000	620,000	100	100	669,607	669,607	-	-	669,607	669,607	-	-
Triplenine Decor Co., Ltd.	80,000	80,000	100	100	80,000	80,000	-	-	80,000	80,000	-	-
Central Samui Hotel Management Co., Ltd.	1,250	1,250	100	100	1,250	1,250	(1,250)	(1,250)	-	-	-	-
Centara International Management Co., Ltd.	150,000	150,000	100	100	150,000	150,000	-	-	150,000	150,000	-	37,500
S.P. Realty Had Farang Resort Co., Ltd.	88,500	88,500	100	100	88,500	88,500	-	-	88,500	88,500	-	-
S.P. Realty Pattaya Beach Co., Ltd.	80,000	80,000	100	100	80,000	80,000	-	-	80,000	80,000	-	-
Refresh Zone Co., Ltd.	1,000	1,000	100	100	1,000	1,000	(1,000)	(1,000)	-	-	-	-

(Unaudited but reviewed)

(Unit: Thousand Baht)

Company's name	Paid-up capital		Shareholding percentage		Cost		Allowance for impairment loss		Cost - net		Dividend received during the six-month periods ended	
	30 June	31 December	30 June	31 December	30 June	31 December	30 June	31 December	30 June	31 December	30 June	30 June
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
			(Percent)	(Percent)								
Direct subsidiaries (continued)												
Central Bangkok Convention & Exhibition Co., Ltd.	1,000	1,000	100	100	1,000	1,000	-	-	1,000	1,000	-	-
Centara International Management (Thailand) Co., Ltd.	25,000	25,000	100	100	25,000	25,000	-	-	25,000	25,000	-	9,000
Karon Phuket Hotel Co., Ltd.	520,000	520,000	99.3	99.3	479,187	479,187	-	-	479,187	479,187	-	82,624
Cosi Hotel Co., Ltd.	500,000	500,000	100	100	500,000	500,000	-	-	500,000	500,000	-	-
Centara Import-Export Co., Ltd.	1,000	1,000	100	100	1,000	1,000	-	-	1,000	1,000	-	-
Cosi Hotel Management Co., Ltd.	1,250	1,250	100	100	1,250	1,250	-	-	1,250	1,250	-	-
Centara Loyalty Marketing Co., Ltd.	12,500	12,500	100	100	12,500	12,500	-	-	12,500	12,500	-	12,500
Centara Learning Centre Co., Ltd.	2,500	2,500	100	100	2,500	2,500	-	-	2,500	2,500	-	-
Kata Phuket Hotel Co., Ltd.	120,000	120,000	99	99	170,000	170,000	-	-	170,000	170,000	-	23,760
Centara Management Headquarter Limited	210,000	210,000	100	100	210,000	210,000	-	-	210,000	210,000	-	331,200
Central South Pattaya Co., Ltd.	1,000	1,000	100	100	1,000	1,000	-	-	1,000	1,000	-	-

(Unaudited but reviewed)

(Unit: Thousand Baht)

Company's name	Paid-up capital		Shareholding percentage		Cost		Allowance for impairment loss		Cost - net		Dividend received during the six-month periods ended	
	30 June	31 December	30 June	31 December	30 June	31 December	30 June	31 December	30 June	31 December	30 June	30 June
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
			(Percent)	(Percent)								
Indirect subsidiaries												
Central Sukhontha Hotel Co., Ltd.	145,000	145,000	100	100	-	-	-	-	-	-	-	-
Central Samui Village Co., Ltd.	55,000	55,000	100	100	-	-	-	-	-	-	-	-
Central Mae Sot Hill Hotel Co., Ltd.	190,000	190,000	98.4	98.4	-	-	-	-	-	-	-	-
CRG Manufacturing Co., Ltd.	160,000	160,000	100	100	-	-	-	-	-	-	-	-
Central Laundry Services Co., Ltd.	1,500	1,500	100	100	-	-	-	-	-	-	-	-
CRG International Food Co., Ltd.	179,760	179,760	100	100	-	-	-	-	-	-	-	-
S.P. Realty Lanta Beach Co., Ltd.	36,000	36,000	100	100	-	-	-	-	-	-	-	-
Centara Maldives Pvt. Ltd.	797,223	797,223	75	75	-	-	-	-	-	-	-	-
R.M.L. Leisure Pvt. Ltd.	483,886	483,886	74	74	-	-	-	-	-	-	-	-
Centara (Shanghai) Hotel Management Co., Ltd.	65,696	65,696	100	100	-	-	-	-	-	-	-	-
CIM for Hotel Management Egypt, - S.A.E.	577	577	100	100	-	-	-	-	-	-	-	-
Centara Capital Limited	782,434	782,434	100	100	-	-	-	-	-	-	-	-
Lagoon Assets Private Limited	1,070	1,070	100	100	-	-	-	-	-	-	-	-
Centara Singapore Private Limited	982,570	30,285	100	100	-	-	-	-	-	-	-	-
Centara Lagoon Private Limited	-	-	100	100	-	-	-	-	-	-	-	-
Centara Japan Capital Godo Kaisha	29,568	-	100	100	-	-	-	-	-	-	-	-
Centara Osaka Japan Kabushiki Kaisha	28,832	-	100	-	-	-	-	-	-	-	-	-
Central Restaurants Group (HK) Limited	-	-	100	100	-	-	-	-	-	-	-	-
Central Restaurants Group (Vietnam) Company Limited	30,891	-	100	-	-	-	-	-	-	-	-	-
Total					6,233,582	6,233,582	(2,250)	(2,250)	6,231,332	6,231,332	47,324	728,608

7.1 Increase in share capital and additionally call-up share capital of subsidiaries held by subsidiary companies of the Company

- a) On 13 March 2020, Centara Singapore Private Limited (a subsidiary) paid for the ordinary shares of JPY 100 million to Centara Japan Capital Godo Kaisha for 100 percent of the registered capital, an indirect subsidiary of the Group.
- b) During the period, Centara Management Headquarter Limited (subsidiary) paid for the ordinary shares to Centara Singapore Private Limited, an indirect subsidiary of the Group, as follows:
 - On 25 March 2020, the subsidiary paid for the additional called-up ordinary shares of USD 1 million for 14 percent of the registered capital.
 - On 26 March 2020, the subsidiary made payment of JPY 3,099.95 million for 100 percent called up of the additional registered capital.

As at 30 June 2020, the total paid-up share capital of Centara Singapore Private Limited is USD 2 million and JPY 3,099.95 million.

7.2 Establishment of new subsidiary

- a) Regarding the resolution of Board of Directors of Central Restaurant Group Company Limited (a subsidiary), the subsidiary established Central Restaurants Group (Vietnam) Company Limited with the registered capital of VND 23,200 million, through Central Restaurants Group (HK) Limited (a subsidiary of Central Restaurant Group Company Limited), in which the subsidiary holds 100 percent interest. This company registered its establishment on 14 February 2020 and called for capital payment amounting to VND 23,200 million.
- b) Regarding the resolution of a subsidiary's Board of Directors, the subsidiary established Centara Osaka Japan Kabushiki Kaisha with the registered capital of JPY 100 million, in which the subsidiary holds 100 percent interest. This company registered its establishment with the Ministry of Commerce on 5 March 2020 and called for capital payment amounting to JPY 100 million.

8. Investments in joint ventures

8.1 Details of investments in joint ventures

Investments in joint ventures represent investments in entities which are jointly controlled by the Company and other companies. Details of these investments are as follows:

(Unit: Thousand Baht)

		Consolidated financial statements							
Joint venture	Natures of business	Shareholding percentage		Carrying amounts of investment based on equity method		Long-term loans		Total	
		30	31	30	31	30	31	30	31
		June	December	June	December	June	December	June	December
		2020	2019	2020	2019	2020	2019	2020	2019
		(Percent)	(Percent)						
Nakheel CT Deira Islands Hotel-FZCO	Hotel	40	40	325	1,661	1,145,899	777,893	1,146,224	779,554
Green Food Factory Co., Ltd.	Food and beverage	51	51	135,192	135,622	-	-	135,192	135,622
Centara Osaka Tokutei Mokutei Kaisha	Hotel	50	-	918,527	-	-	-	918,527	-
ORC COFFEE PASSION GROUP JOINT STOCK COMPANY	Food and beverage	40	-	29,919	-	-	-	29,919	-
Total				1,083,963	137,283	1,145,899	777,893	2,229,862	915,176

In 2016, Centara Capital Limited (a foreign indirectly-held subsidiary) entered into a joint venture agreement and established Nakheel CT Deira Islands Hotel - FZCO to operate a hotel business in 2017. The subsidiary's shareholding was 40 percent of issued and paid-up capital, equivalent to Baht 1.9 million. Any decision made on related activities must be approved by the joint venturers.

In 2019, Central Restaurants Group Co., Ltd. (subsidiary) entered into a joint venture agreement and established Green Food Factory Co., Ltd. to operate food and beverage business in 2019. The subsidiary's shareholding was 51 percent of issued and paid-up capital totalling Baht 137.0 million. Any decision made on related activities must be approved by the joint ventures.

In 2019, Centara Singapore Private Limited (subsidiary) entered into a joint venture agreement and established Centara Osaka Tokutei Mokutei Kaisha to operate a hotel business in 2020. The subsidiary's shareholding was 50 percent of issued and paid-up

capital totalling Baht 919.0 million. Any decision made on related activities must be approved by the joint ventures.

In 2020, Central Restaurants Group (Vietnam) Company (subsidiary) entered into a joint venture agreement and established ORC COFFEE PASSION GROUP JOINT STOCK COMPANY to operate food and beverage business. The subsidiary's shareholding was 40 percent of issued and paid-up capital totalling VND 22,993.0 million. Any decision made on related activities must be approved by the joint ventures.

Long-term loans to joint venture

On 28 September 2017, Centara Capital Limited (an indirectly-held foreign subsidiary) entered into a loan agreement with Nakheel CT Deira Islands Hotel - FZCO (joint venture). The subsidiary provided loans to the joint venture for land acquisition, hotel construction, and other purposes specified in the joint venture agreement, as notified from time to time, in proportion to its shareholding. The loans carry interest at a rate specified in the agreement and full repayment of principal, together with interest, is to be made within 2115.

Movements during the six-month periods ended 30 June 2020 and 2019 of loans to joint venture were as follows:

	Interest rate		(Unit: Thousand Baht) Consolidate financial statement	
	<u>2020</u> (Percent)	<u>2019</u> (Percent)	<u>2020</u>	<u>2019</u>
As at 1 January			777,893	392,238
Addition	5.6 - 7.2	6.5 - 7.8	363,314	170,949
Effect on exchange rate			4,692	(24,308)
As at 30 June			<u>1,145,899</u>	<u>538,879</u>

8.2 Share of comprehensive income

During the periods, the Company recognised its share of comprehensive income from investments in the joint ventures in the consolidated financial statements as follows:

	(Unit: Thousand Baht)	
	Consolidated financial statements	
	Share of loss from investments in joint ventures during six-month periods ended 30 June	
	<u>2020</u>	<u>2019</u>
Nakheel CT Deira Islands Hotel- FZCO	(1,336)	-
Green Food Factory Co., Ltd.	(430)	-
Centara Osaka Tokutei Mokuteki Kaisha	-	-
ORC COFFEE PASSION GROUP JOINT STOCK COMPANY	(894)	-
Total	<u>(2,660)</u>	<u>-</u>

9. Investment properties, property, plant and equipment and other intangible assets

During the six-month period ended 30 June 2020, property, plant and equipment of the Group was increased at a total cost of Baht 714 million, mostly from renovation and construction of hotel and branch expansion of food business. There were no significant additions to or disposals of other intangible assets during the period.

According to sublease agreement of Centara Grand at Central Plaza Ladprao Bangkok Hotel, leased assets which the Company has renovated, improved or constructed, altered, added, maintained or rebuilt, will be transferred to the State of Railway of Thailand.

In accordance with the lease agreement for building, convention center and hotel at The Government Complex Commemorating His Majesty The King's 80th Birthday Anniversary, 5th December, B.E. 2550 (the "Project") made with Dhanarak Asset Development Co., Ltd. ("DAD"), the ownership of any assets or building construction arising from the maintenance, restoration, development of building construction, the Project area and the Project assets are to be transferred to DAD as soon as the said construction, development, replacement, use, and modification are completed.

According to land lease agreement of Hua Hin Railway Hotel, hotel buildings and premises including the additional fixtures of a subsidiary, Central Hua Hin Beach Resort Co., Ltd., will be transferred to the State Railway of Thailand.

In respect to the hotel buildings, constructions and fixtures thereon of a subsidiary, Central World Hotel Co., Ltd. ("CWH"), the rights on buildings and constructions thereon which CWH repair and maintenance or construct on the sub-lease land will be transferred to the land owner, the Crown Property Bureau. As at 30 June 2020, the net book value of assets under sub-lease land agreement was Baht 1,796 million (31 December 2019: Baht 1,868 million).

Central Restaurants Group Co., Ltd. ("CRG") entered into agreements with several local banks to obtain various short-term credit facility lines. Under the term of the agreements, CRG shall not dispose, pledge or mortgage the existing or future property and leasehold rights in an amount over the agreed amount stated in the agreements without consent from the banks.

10. Goodwill

Goodwill arising from the acquisition of Central Restaurants Group Co., Ltd. and indirect interest in CRG International Food Co., Ltd. are Baht 115 million and Baht 199 million, respectively. The Group has reviewed for impairment of goodwill annually.

11. Right-of-use assets

Movements in the right of use assets account during the six-month period ended 30 June 2020 were summarised below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Net book value as at 1 January 2020	-	-
Adjustments due to the initial adoption of TFRS16	10,477,587	1,835,155
Net book value as at 1 January 2020 - as restated	10,477,587	1,835,155
Addition	361,962	-
Depreciation for the period	(878,483)	(72,852)
Effect of movements in exchange rates	44,461	-
Net book value as at 30 June 2020	<u>10,005,527</u>	<u>1,762,303</u>

On 4 October 1985, Central Hua Hin Beach Resort Company Limited (CHBR) (a subsidiary) entered into a lease agreement with the State Railway of Thailand (SRT) covering land, hotel buildings and assets of the Hua Hin Railway Hotel for a term of 30 years, expiring on 15 January 2016. The agreement is automatically renewable for an additional period of 3 years and 4 months. If CHBR wishes to continue renting, CHBR has to provide a written notice before the expiration of lease term at least 12 months. The rental rate and the new conditions will be as agreed and fair to both parties. The lease can be extended for two additional renewable terms of 15 years each. CHBR shall pay the rent at the amount stipulated in the agreement commencing on 15 January 1986. In addition, CHBR shall comply with the conditions stipulated in the agreement by placing bank guarantees to SRT.

On 21 October 2013, CHBR was granted the right to renew the lease agreement with SRT covering land, buildings and assets of the Hua Hin Railway Hotel. When the lease agreement expired on 15 January 2016, SRT shall renew the lease agreement for an additional period of 3 years and 4 months under the terms of the original agreement.

On 9 September 2019, CHBR was granted the right to renew the lease agreement for another 1 year from 16 May 2019 to 15 May 2020 with SRT covering land, buildings and assets of the Hua Hin Railway Hotel. CHBR agreed to pay SRT at the amount agreed between both parties and premise tax at the rate stipulated by law.

On 20 July 2020, CHBR was granted the right to renew the lease agreement for another 2 years from 16 May 2020 to 15 May 2022 with SRT covering land, buildings and assets of the Hua Hin Railway Hotel. CHBR agreed to pay SRT at the amount agreed between both parties and premise tax at the rate stipulated by law. Due to the adoption of new financial reporting standards, CHBR presented the said rental fee as right-of-use assets in the consolidated statement of financial position as at 30 June 2020

12. Bank overdrafts and short-term loans from financial institutions

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 June	31 December	30 June	31 December
	2020	2019	2020	2019
Bank overdrafts	63,660	189	108	-
Short-term loans from financial institutions	2,262,054	550,770	1,590,216	-
Total bank overdrafts and short-term loans from financial institutions	2,325,714	550,959	1,590,324	-

Movements in bank overdrafts and short-term loans from financial institution during the six-month period ended 30 June 2020 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Balance as at 1 January 2020	550,959	-
Add: Additional loan withdrew during the period	3,016,835	2,400,108
Transaction costs during the period	(10,000)	(10,000)
Amortisation of transaction costs during the period	216	216
Less: Repayment during the period	(1,231,794)	(800,000)
Effect of movements in exchange rates	(502)	-
Balance as at 30 June 2020	<u>2,325,714</u>	<u>1,590,324</u>

As at 30 June 2020, the Group has unused credit facilities for bank overdrafts and short-term loans totalling Baht 1,329 million (Separate financial statements: Baht 181 million) (31 December 2019: Baht 1,471 million (Separate financial statements: Baht 181 million)).

Short-term loan of the Company

In March 2020, the Company entered into the loan agreements by issuing short-term promissory notes to three local financial institutions amounted to Baht 1,400 million. The short-term promissory notes carry interest at the specified rate in the promissory notes with a maturity in June and September 2020. As at 30 June 2020, the outstanding balance of the aforesaid promissory notes are Baht 600 million.

In June 2020, the Company entered into a short-term loan agreement with a local financial institution amounting to Baht 1,000 million. The short-term loan carries interest at the rate specified in the agreement with maturity date in June 2021. As at 30 June 2020, the outstanding balance of the aforesaid short-term loan is Baht 1,000 million.

Short-term loan of the subsidiaries

In June 2020, a subsidiary entered into a loan agreement by issuing a short-term promissory note to a local financial institution amounted to Baht 400 million. A short-term promissory note carries interest at the specified rate in the promissory note with a maturity in September 2020. As at 30 June 2020, the outstanding balance of the aforesaid promissory note is Baht 400 million (31 December 2019: Baht 400 million).

During March to June 2020, a foreign subsidiary entered into the loan agreements by issuing short-term promissory notes to three local financial institutions amounted to USD 8.8 million. The short-term promissory notes carry interest at the specified rate in the promissory notes with a maturity between September and December 2020. As at 30 June 2020, the outstanding balance of the aforesaid promissory notes are USD 8.8 million (31 December 2019: USD 5 million).

13. Trade and other payables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	30 June 2020	31 December 2019	30 June 2020	31 December 2019
Trade payables - unrelated parties	513,764	768,387	27,181	64,377
Other payables - related parties	9,663	10,019	8,952	22,028
Other payables - unrelated parties	46,479	87,750	20,232	33,565
Payables for purchase of fixed assets	103,560	236,807	5,304	4,051
Guest deposits	283,371	489,544	96,932	131,706
Accrued expenses	788,219	1,056,110	84,341	120,153
Total	1,745,056	2,648,617	242,942	375,880

14. Long-term loans from financial institutions

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	30 June 2020	31 December 2019	30 June 2020	31 December 2019
Long-term loans	4,109,472	2,233,922	3,041,762	1,291,451
Less: Portion due within one year	(964,838)	(615,629)	(400,000)	(400,000)
Long-term loans - net of current portion	3,144,634	1,618,293	2,641,762	891,451

Movements in the long-term loans from financial institution during the six-month period ended 30 June 2020 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Balance as at 1 January 2020	2,233,922	1,291,451
Add: Additional loan withdrew during the period	1,965,703	1,781,205
Transaction costs during the period	(11,345)	(11,345)
Amortisation of transaction costs during the period	261	261
Less: Repayment during the period	(76,442)	-
Effect of movements in exchange rates	(2,627)	(19,810)
Balance as at 30 June 2020	4,109,472	3,041,762

The borrowings include secured liabilities in the total amount of Baht 871 million (31 December 2019: Baht 883 million) in the consolidated financial statements. Loans from financial institutions are guaranteed by the Company and a director of the Company.

The Group have to maintain financial ratios and terms and conditions as stated in the loan agreements.

As at 30 June 2020, the long-term credit facilities of the Group which have not yet been drawn down amounted to Baht 3,688 million (Separate financial statements: Baht 3,229 million) (31 December 2019: Baht 1,944 million (Separate financial statements: Baht 1,154 million)).

Long-term loan of the Company

- a) In May 2017, the Company entered into a loan agreement with a local financial institution to be source of fund for investment in Dubai project and others, which are relevant to the project, with a loan credit facility of USD 64.0 million. As of 30 June 2020, the stated loan was drawn down in the total amount of USD 37.2 million. The principal is payable in installment term on a three-month basis, starting from the 46th month after the agreement signing date and the interest is payable on a three-month term basis. This loan is an unsecured loan carrying an interest at the rate specified in the agreement and contains covenants in various matters, including of the maintenance of financial ratios. As at 30 June 2020, the outstanding balance of the aforesaid loan is USD 17.8 million (31 December 2019: USD 6.3 million).

- b) In June 2017, the Company entered into a loan agreement with a local financial institution for a loan of Baht 400.0 million with a three-year repayable term from the drawdown date. The loan carries interest at the specified rate in the agreement with six-month payable. This loan is an unsecured loan and has condition of maintaining financial ratios that the Company must comply. Subsequently, in June 2020, the Company entered into an amendment agreement to change the maturity date to 31 December 2020. As at 30 June 2020, the outstanding balance of the aforesaid loan is Baht 400.0 million (31 December 2019: Baht 400.0 million).
- c) In November 2018, the Company entered into a loan agreement with a local financial institution for a loan of Baht 700.0 million with a three-year repayable term from the drawdown date. The loan carries interest at the specified rate in the agreement with six-month payable. This loan is an unsecured loan and has condition of maintaining financial ratios that the Company must comply. As at 30 June 2020, the outstanding balance of the aforesaid loan is Baht 700.0 million (31 December 2019: Baht 700.0 million).
- d) In March 2020, the Company entered into a loan agreement with a local financial institution to be source of funds for an investment in a project in Japan amounting to JPY 4,500.0 million, the stated loan was drawn down in 2020 in the amount of JPY 3,099.95 million. The principal is to be fully repaid within eight years from the agreement signing date and the interest is payable on a three-month term basis. This loan is an unsecured loan carrying an interest at the rate specified in the agreement and contains covenants in various matters, including of the maintenance of financial ratios. As at 30 June 2020, the outstanding balance of the aforesaid loan is JPY 3,099.95 million.
- e) In June 2020, the Company entered into a loan agreement with a local financial institution for a loan of Baht 2,500.0 million. The loan was drawn down in 2020 totalling Baht 500.0 million and fully repayable within three years from the drawdown date. The loan carries interest at the rate specified in the agreement which is payable in every three months. This loan is an unsecured loan and has a condition with respect to maintaining financial ratios that the Company must comply. As at 30 June 2020, the outstanding balance of the aforesaid loan is Baht 500.0 million.

Long-term loan of the subsidiaries

- f) A foreign subsidiary entered into loan agreements with a local financial institution for credit lines of USD 20.0 million and USD 9.0 million. The loans were fully drawn down between 2013 and 2016 and repayable in quarterly installments within ten years and seven years respectively from the first drawdown date. The loans carried interest at the rates specified in the agreement, which was payable in every three months and guaranteed by a director and the parent company. The loan agreement conditions required the maintenance of financial ratios. As at 30 June 2020, the outstanding loans amounted to USD 9.8 million and USD 5.2 million respectively (31 December 2019: USD 10.6 million and USD 5.7 million respectively).

As at 30 June 2020, a subsidiary could not maintain debt to equity ratio as stipulated in the loan agreement with a bank. The subsidiary had therefore classified long-term loan totalling of Baht 463 million to be included in the current portion of long-term loans. The classification of such liabilities to be current is in accordance with financial reporting standards. However, on 10 August 2020, the subsidiary received the waiver letter for the non-compliance with the loan condition from the bank.

- g) A foreign subsidiary entered into a loan agreement with a local financial institution for a credit line of USD 20.4 million. The loan was fully drawn down in March 2017 and repayable in quarterly installments until 2022. The loan carried interest at the rate specified in the agreement and was guaranteed by a director and the parent company. The loan agreement conditions required the maintenance of financial ratios. As at 30 June 2020, the outstanding balance of the loan is USD 3.8 million (31 December 2019: USD 4.8 million).
- h) A subsidiary entered into a loan agreement with two local financial institutions for credit lines of Baht 177.0 million and Baht 293.0 million. The loans were drawn down between 2017 and 2020 totalling Baht 30.0 million and Baht 268.2 million respectively. The loans were repayable in quarterly installments within ten years from the first drawdown date. The loans carried interest at the rates specified in the agreement, which was payable in every three months and was guaranteed by the parent company. Under the loan agreement conditions, the parent company was required to maintain the financial ratios. As at 30 June 2020, the outstanding balances of the loans amounted to Baht 22.5 million and Baht 268.2 million respectively (31 December 2019: Baht 26.3 million and Baht 220.2 million respectively).

- i) A subsidiary entered into a loan agreement with a local financial institution for a credit line of Baht 630.0 million. The loan was drawn down between 2019 and 2020 totalling Baht 196.3 million and repayable in quarterly installments within five years, starting from the 27th month after the agreement signing date. The loan carried interest at the rate specified in the agreement, which was payable in every three months. The loan agreement conditions required the maintenance of financial ratios. As at 30 June 2020, the outstanding balance of the loan is Baht 196.3 million (31 December 2019: Baht 59.7 million).

15. Debentures

	Interest rate	Maturity date	(Unit: Thousand Baht)	
			Consolidated and separate	
			financial statements	
	(Percent)		30 June 2020	31 December 2019
No. 1/2016	2.09	30 March 2020	-	800,000
No. 2/2016	2.45	11 August 2021	980,000	980,000
No. 3/2016	2.78	29 September 2022	1,000,000	1,000,000
No. 3/2016	2.97	29 September 2023	1,000,000	1,000,000
No. 3/2016	3.39	29 September 2026	500,000	500,000
No. 1/2019	2.44	31 October 2024	600,000	600,000
			4,080,000	4,880,000
Debentures due within one year			-	(800,000)
Debentures due after one year			4,080,000	4,080,000

The debentures are in the name of specific holders, unsubordinated and unsecured.

These debentures contain certain restrictions and conditions relating to financial ratios, payment of dividends, decrease in paid-up share capital, pledge, mortgage, and disposal of assets, which are material for business operations.

On 30 March 2020, the Company repaid debenture of 800,000 units at a price of Baht 1,000 per unit, totalling Baht 800 million.

16. Income tax

Interim corporate income tax was calculated on profit before income tax for the period, using the estimated effective tax rate for the year.

Income tax expenses for the three-month and six-month periods ended 30 June 2020 and 2019 are made up as follows:

(Unit: Thousand Baht)				
For the three-month periods ended 30 June				
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Current income tax:				
Interim corporate income tax charge	(18,535)	47,738	-	-
Adjustment in respect of current income tax	-	(3,626)	-	-
Deferred tax:				
Relating to origination and reversal of temporary differences	(19,998)	(198)	(31,364)	(2,469)
Income tax (income) expenses reported in the income statements	<u>(38,533)</u>	<u>43,914</u>	<u>(31,364)</u>	<u>(2,469)</u>

(Unit: Thousand Baht)				
For the six-month periods ended 30 June				
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Current income tax:				
Interim corporate income tax charge	17,694	191,328	-	-
Adjustment in respect of current income tax	-	(3,626)	-	-
Deferred tax:				
Relating to origination and reversal of temporary differences	(42,843)	15,327	(54,945)	(417)
Income tax (income) expenses reported in the income statements	<u>(25,149)</u>	<u>203,029</u>	<u>(54,945)</u>	<u>(417)</u>

The amounts of income tax relating to each component of other comprehensive income for the three-month and six-month periods ended 30 June 2020 and 2019 are as follows:

	(Unit: Thousand Baht)			
	Consolidated financial statements			
	For the three-month		For the six-month	
	periods ended 30 June		periods ended 30 June	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Deferred tax relating to change in value of available-for-sale investments	-	(7)	-	(31)
Deferred tax relating to investments in equity designated at fair value through other comprehensive income	(15)	-	72	-

17. Earnings (loss) per share

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

18. Dividends

In the Annual General Meeting of the shareholders of the Company held on 25 April 2019, the shareholders approved the appropriation of dividend of Baht 0.65 per share, totaling Baht 877.5 million. The dividend was paid to the shareholders during 2019.

In the Annual General Meeting of the shareholders of the Company held on 29 June 2020, the shareholders approved a resolution not to pay any dividends for full year 2019 operating performance results.

19. Operating segment information

The Group is organised into business segments. During the current period, the Group has not changed the organisation of their reportable segments.

The following tables present revenue and profit information regarding the Group's operating segments for the three-month and six-month periods ended 30 June 2020 and 2019, respectively.

(Unit: Million Baht)

	For the three-month periods ended 30 June									
	Hotel and related services operation		Food and ice-cream operation		Total		Adjustments and eliminations		Consolidated	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
Sales and services income										
- Third parties	67	1,891	2,178	3,197	2,245	5,088	-	-	2,245	5,088
- Related parties	1	3	6	26	7	29	(7)	(29)	-	-
Total sales and services income	68	1,894	2,184	3,223	2,252	5,117	(7)	(29)	2,245	5,088
Cost of sales and services	(470)	(1,352)	(1,198)	(1,762)	(1,668)	(3,114)	(1)	15	(1,669)	(3,099)
Gross profit	(402)	542	986	1,461	584	2,003	(8)	(14)	576	1,989
Unallocated income (expenses):										
Other income	199	396	27	34	226	430	(135)	(292)	91	138
Selling expenses	(12)	(124)	(89)	(136)	(101)	(260)	1	33	(100)	(227)
Administrative expenses	(557)	(554)	(842)	(1,196)	(1,399)	(1,750)	415	176	(984)	(1,574)
Share of profit from investment in an associate and joint ventures	5	7	-	-	5	7	-	-	5	7
Finance cost	(164)	(108)	(22)	(1)	(186)	(109)	43	52	(143)	(57)
Income tax income (expenses)	54	(42)	(16)	(2)	38	(44)	-	-	38	(44)
Profit (loss) for the period	(877)	117	44	160	(833)	277	316	(45)	(517)	232

(Unaudited but reviewed)

(Unit: Million Baht)

For the six-month periods ended 30 June

	Hotel and related services operation		Food and ice-cream operation		Total		Adjustments and eliminations		Consolidated	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Sales and services income										
- Third parties	1,785	4,535	4,957	6,065	6,742	10,600	-	-	6,742	10,600
- Related parties	3	4	30	48	33	52	(33)	(52)	-	-
Total sales and services income	1,788	4,539	4,987	6,113	6,775	10,652	(33)	(52)	6,742	10,600
Cost of sales and services	(1,620)	(2,838)	(2,785)	(3,347)	(4,405)	(6,185)	14	27	(4,391)	(6,158)
Gross profit	168	1,701	2,202	2,766	2,370	4,467	(19)	(25)	2,351	4,442
Unallocated income (expenses):										
Other income	588	872	60	124	648	996	(453)	(626)	195	370
Selling expenses	(92)	(252)	(198)	(256)	(290)	(508)	34	80	(256)	(428)
Administrative expenses	(1,306)	(1,162)	(1,991)	(2,247)	(3,297)	(3,409)	743	431	(2,554)	(2,978)
Share of profit (loss) from investment in an associate and joint ventures	14	15	(1)	-	13	15	-	-	13	15
Finance cost	(320)	(209)	(59)	(1)	(379)	(210)	65	99	(314)	(111)
Income tax income (expenses)	34	(172)	(9)	(31)	25	(203)	-	-	25	(203)
Profit (loss) for the period	(914)	793	4	355	(910)	1,148	370	(41)	(540)	1,107

20. Commitments and contingent liabilities

20.1 Capital commitments

As at 30 June 2020 and 31 December 2019, the Group had capital commitments as follows:

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 June	31 December	30 June	31 December
	2020	2019	2020	2019
Hotel construction and renovation	873.1	1,013.0	12.9	17.3
Machinery and equipment	24.2	31.4	-	-
Leasehold improvement	-	6.0	-	-
Total	897.3	1,050.4	12.9	17.3

20.2 Guarantees

20.2.1 Bank guarantees

As at 30 June 2020 and 31 December 2019, there were outstanding bank guarantees issued by banks on behalf of the Group, in respect of the normal course of certain performance bonds as required in their business. The details of bank guarantees were as follows:

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 June	31 December	30 June	31 December
	2020	2019	2020	2019
Guarantees for rental	175	171	59	59
Guarantee electricity use, among others	45	45	8	8
Total	220	216	67	67

20.2.2 Related parties guarantees

The Company

As at 30 June 2020, the Company and a director of the Company provided guarantees to local financial institutions for loans facility of fourth subsidiaries in the amount of Baht 3,267 million (31 December 2019: Baht 3,121 million). As at 30 June 2020, the outstanding balance of these loans are Baht 1,488 million (31 December 2019: Baht 1,434 million).

Subsidiary

As at 30 June 2020, Central Restaurants Group Co., Ltd. had commitments to a financial institution for guarantees of bank overdraft and long-term loan facility of a subsidiary totalling Baht 55.8 million (31 December 2019: Baht 55.8 million).

20.3 Other service commitments

- a) A subsidiary entered into agreement with a company who manufactures carbonated beverage in Thailand. The subsidiary will receive supporting fund if the subsidiary follows conditions and restrictions stated in the agreement. The supporting fund received will be recorded as “deferred income” in the statement of financial position.
- b) A subsidiary entered into agreements with respect to purchases of raw materials with a local supplier for a period of 12 months starting from the agreement date. The subsidiary agreed to purchase raw materials in accordance with the price and quantity specified in the agreements and agreed to pay advance payment at the amount specified in the agreements. The advance payment will be returned in full when the agreements expired.
- c) During this period, a subsidiary entered into food license agreements with many local food businesses whereby the subsidiary has been permitted to use those businesses’ logos to operate the subsidiary’s business. In consideration thereof, the subsidiary has agreed to pay various fees as stipulated in the agreements. The subsidiary has to comply with the terms and conditions as prescribed in the agreements.

20.4 Contingent liabilities

On 12 July 2017, a subsidiary filed a lawsuit against a receivable (the objector) for a compensation of totaling Baht 209.8 million plus interest with respect to the unpaid management fees of Baht 51.2 million and for other damages on the grounds of breach of hotel management contract. On 27 December 2017, the objector filed a counterclaim rejecting to pay the compensation and demanded a compensation amounting to Baht 918.4 million plus interest for the damage arising from a fraud and a breach of contract by the subsidiary during the period in which it performed the management of the objector’s hotel. The subsidiary filed an objection against the claim of the objector and on last 4 December 2019, the Arbitrator has made an arbitrament that the objector shall pay an amounting of Baht 52.3 million to the subsidiary with interest 8.875 percent per annum, calculating from 4 December 2019 until the day fully paid by the objector. The management believe that the subsidiary has a high probability that it would win the case even though the objector may file a petition to appeal court or may incur some delay due to the COVID-19 Pandemic. Therefore, as at 30 June 2020, no provision for liabilities have been made in the financial statements.

21. Fair value hierarchy

The Group had the assets and liabilities that were measured at fair value using different levels of inputs as follows:

	(Unit: Million Baht)							
	Consolidated financial statements							
	Level 1		Level 2		Level 3		Total	
	30 June 2020	31 December 2019	30 June 2020	31 December 2019	30 June 2020	31 December 2019	30 June 2020	31 December 2019
Financial assets measured at fair value								
Investment in equity/investments								
available-for-sale securities	-	-	1	1	-	-	1	1
Financial assets disclosure of fair value								
Investment properties	-	-	-	-	1,287	1,287	1,287	1,287

	(Unit: Million Baht)							
	Separate financial statements							
	Level 1		Level 2		Level 3		Total	
	30 June 2020	31 December 2019	30 June 2020	31 December 2019	30 June 2020	31 December 2019	30 June 2020	31 December 2019
Financial assets disclosure of fair value								
Investment properties	-	-	-	-	991	1,002	991	1,002

During the current period, there were no transfers within the fair value hierarchy.

22. Approval of interim financial statements

These interim financial statements were authorised for issue by the Company's Board of Directors on 10 August 2020.