

SHANGRI-LA GROUP

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

Shangri-La Asia Limited

(Incorporated in Bermuda with limited liability)

website: www.ir.shangri-la.com

(Stock code: 00069)

OVERSEAS REGULATORY ANNOUNCEMENT

Shangri-La Hotel Public Company Limited (“**SHPCL**”) is a company listed on the Stock Exchange of Thailand (“**SET**”) and a 73.61% owned subsidiary of Shangri-La Asia Limited. SHPCL released to SET an announcement (“**Announcement**”) on 13 May 2019. The following is a reproduction of the Announcement as required by the Note to Rule 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

Hong Kong, 14 May 2019

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

Executive director(s)

Ms KUOK Hui Kwong (Chairman)

Mr LIM Beng Chee (CEO)

Mr LUI Man Shing

Non-executive director(s)

Mr HO Kian Guan (alternate – Mr HO Chung Tao)

Independent non-executive director(s)

Mr Alexander Reid HAMILTON

Professor LI Kwok Cheung Arthur

Dr LEE Kai-Fu

Mr YAP Chee Keong

Mr LI Xiaodong Forrest

Shangri-La Hotel Public Company Limited
and its subsidiaries
Report and consolidated interim financial statements
For the three-month period ended
31 March 2019

Independent Auditor's Report on Review of Interim Financial Information

To the Shareholders of Shangri-La Hotel Public Company Limited

I have reviewed the accompanying consolidated statement of financial position of Shangri-La Hotel Public Company Limited and its subsidiaries as at 31 March 2019, and the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the three-month period ended 31 March 2019, as well as the condensed notes to the consolidated financial statements. I have also reviewed the separate financial information of Shangri-La Hotel Public Company Limited for the same period. 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*.

Chonlaros Suntiasvaraporn
Certified Public Accountant (Thailand) No. 4523

EY Office Limited
Bangkok: 13 May 2019

Shangri-La Hotel Public Company Limited and its subsidiaries

Statement of financial position

As at 31 March 2019

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements		
	<u>Note</u>	<u>31 March 2019</u> (Unaudited but reviewed)	<u>31 December 2018</u> (Audited)	<u>31 March 2019</u> (Unaudited but reviewed)	<u>31 December 2018</u> (Audited)
Assets					
Current assets					
Cash and cash equivalents		1,461,358	2,782,274	362,734	1,675,701
Current investments - fixed deposits					
with financial institutions		1,542,030	1,872,031	1,515,000	1,845,000
Trade and other receivables	4	148,296	165,697	147,471	165,021
Inventories		26,522	27,034	26,522	27,034
Other current assets		646	420	620	395
Total current assets		<u>3,178,852</u>	<u>4,847,456</u>	<u>2,052,347</u>	<u>3,713,151</u>
Non-current assets					
Investments in subsidiaries	5	-	-	1,303,000	1,303,000
Investments in associates	6	-	-	-	-
Other long-term investments					
Investment in related party	7	473,241	502,758	-	-
Investment in other company	8	131,151	131,151	-	-
Long-term loans to and interest receivables					
from related parties	3	1,943,291	1,977,470	-	-
Property, plant and equipment	9	3,674,420	1,812,036	3,672,567	1,810,183
Intangible assets		4,941	5,523	4,941	5,523
Deferred tax assets		32,426	32,082	16,024	15,680
Other non-current assets		4,843	11,577	4,843	11,577
Total non-current assets		<u>6,264,313</u>	<u>4,472,597</u>	<u>5,001,375</u>	<u>3,145,963</u>
Total assets		<u><u>9,443,165</u></u>	<u><u>9,320,053</u></u>	<u><u>7,053,722</u></u>	<u><u>6,859,114</u></u>

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

Shangri-La Hotel Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 31 March 2019

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		31 March 2019 (Unaudited but reviewed)	31 December 2018 (Audited)	31 March 2019 (Unaudited but reviewed)	31 December 2018 (Audited)
Liabilities and shareholders' equity					
Current liabilities					
Trade and other payables	10	239,761	332,544	238,801	331,793
Short-term loan from related party	3	-	-	479,678	489,222
Income tax payable		137,547	77,353	131,204	72,003
Other current liabilities	11	140,891	146,062	140,891	143,955
Total current liabilities		518,199	555,959	990,574	1,036,973
Non-current liabilities					
Provision for long-term employee benefits	12	75,842	74,338	75,842	74,338
Rental deposits		20,888	20,514	20,888	20,514
Total non-current liabilities		96,730	94,852	96,730	94,852
Total liabilities		614,929	650,811	1,087,304	1,131,825
Shareholders' equity					
Share capital					
Registered, issued and fully paid up					
130,000,000 ordinary shares of Baht 10 each		1,300,000	1,300,000	1,300,000	1,300,000
Share premium		1,590,400	1,590,400	1,590,400	1,590,400
Retained earnings					
Appropriated-statutory reserve		130,000	130,000	130,000	130,000
Unappropriated		5,007,196	4,771,412	2,952,037	2,712,908
Other components of shareholders' equity		742,779	819,563	(6,019)	(6,019)
Equity attributable to owners of the Company		8,770,375	8,611,375	5,966,418	5,727,289
Non-controlling interests of the subsidiary		57,861	57,867	-	-
Total shareholders' equity		8,828,236	8,669,242	5,966,418	5,727,289
Total liabilities and shareholders' equity		9,443,165	9,320,053	7,053,722	6,859,114
		-	-	-	-

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

Directors

(Unaudited but reviewed)

Shangri-La Hotel Public Company Limited and its subsidiaries

Statement of comprehensive income

For the three-month period ended 31 March 2019

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

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
<u>Note</u>	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Profit or loss:				
Revenues				
Revenues from hotel operations	734,122	752,497	734,122	752,497
Interest income	23,834	22,624	9,746	11,146
Other income	5,189	7,977	5,189	7,976
Total revenues	763,145	783,098	749,057	771,619
Expenses				
Cost of hotel operations	209,134	205,564	209,134	205,564
Selling expenses	45,297	41,304	45,297	41,304
Administrative expenses	152,588	141,232	152,283	140,943
Depreciation and amortisation expenses	53,009	58,246	53,009	58,246
Exchange losses	6,555	9,143	-	-
Total expenses	466,583	455,489	459,723	446,057
Profit before finance cost and income tax expenses	296,562	327,609	289,334	325,562
Finance income	13	-	9,544	21,750
Profit before income tax expenses	296,562	327,609	298,878	347,312
Income tax expenses	14	(60,784)	(59,749)	(69,422)
Profit for the period	235,778	257,789	239,129	277,890
Other comprehensive income:				
<i>Other comprehensive income to be reclassified</i>				
<i>to profit or loss in subsequent periods:</i>				
Exchange differences on translation of				
financial statements in foreign currency	(54,707)	(137,413)	-	-
Loss on changes in value of				
available-for-sale investment	(22,077)	(99,906)	-	-
Other comprehensive income for the period	(76,784)	(237,319)	-	-
Total comprehensive income for the period	158,994	20,470	239,129	277,890

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

(Unaudited but reviewed)

Shangri-La Hotel Public Company Limited and its subsidiaries

Statement of comprehensive income (continued)

For the three-month period ended 31 March 2019

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

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
<u>Note</u>	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Profit attributable to:				
Equity holders of the Company	235,784	257,795	<u>239,129</u>	<u>277,890</u>
Non-controlling interests of the subsidiary	<u>(6)</u>	<u>(6)</u>		
	<u>235,778</u>	<u>257,789</u>		
Total comprehensive income attributable to:				
Equity holders of the Company	159,000	20,476	<u>239,129</u>	<u>277,890</u>
Non-controlling interests of the subsidiary	<u>(6)</u>	<u>(6)</u>		
	<u>158,994</u>	<u>20,470</u>		
Earnings per share				
Basic earnings per share	15			
Profit attributable to equity holders of the Company	<u>1.81</u>	<u>1.98</u>	<u>1.84</u>	<u>2.14</u>

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

(Unaudited but reviewed)

Shangri-La Hotel Public Company Limited and its subsidiaries

Cash flow statement

For the three-month period ended 31 March 2019

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Cash flows from operating activities				
Profit before tax	296,562	327,609	298,878	347,312
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	53,009	58,246	53,009	58,246
Allowance for doubtful accounts (reversal)	(62)	198	(62)	198
Reversal of reduction of inventory to net realisable value	(70)	(147)	(70)	(147)
Loss (gain) on disposals/write-off of equipment	261	(435)	261	(435)
Provision for long-term employee benefits	1,851	1,990	1,851	1,990
Unrealised gain on exchange	-	-	(9,544)	(21,750)
Interest income	<u>(23,834)</u>	<u>(22,624)</u>	<u>(9,746)</u>	<u>(11,146)</u>
Profit from operating activities before changes in operating assets and liabilities	327,717	364,837	334,577	374,268
Operating assets (increase) decrease				
Trade and other receivables	12,606	17,155	12,623	17,154
Inventories	582	3,959	582	3,959
Other current assets	(226)	228	(225)	228
Other non-current assets	6,734	(2,910)	6,734	(2,910)
Operating liabilities increase (decrease)				
Trade and other payables	(92,819)	(99,694)	(93,028)	(99,791)
Other current liabilities	(5,171)	(25,982)	(3,064)	(25,982)
Provision for long-term employee benefits	(347)	(962)	(347)	(962)
Rental deposits	<u>374</u>	<u>2,556</u>	<u>374</u>	<u>2,556</u>
Cash flows from operating activities	249,450	259,187	258,226	268,520
Cash paid for corporate income tax	<u>(934)</u>	<u>(926)</u>	<u>(892)</u>	<u>(867)</u>
Net cash flows from operating activities	<u>248,516</u>	<u>258,261</u>	<u>257,334</u>	<u>267,653</u>

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

(Unaudited but reviewed)

Shangri-La Hotel Public Company Limited and its subsidiaries

Cash flow statement (continued)

For the three-month period ended 31 March 2019

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Cash flows from investing activities				
Decrease (increase) in current investments	330,001	(45,580)	330,000	(55,000)
Cash received from interest income	20,326	11,699	14,735	9,225
Acquisitions of plant and equipment	(1,914,902)	(3,377)	(1,914,902)	(3,377)
Acquisitions of intangible assets	(239)	(1,840)	(239)	(1,840)
Proceeds from disposals of equipment	105	438	105	438
Net cash flows used in investing activities	<u>(1,564,709)</u>	<u>(38,660)</u>	<u>(1,570,301)</u>	<u>(50,554)</u>
Decrease in translation adjustments	<u>(4,723)</u>	<u>(22,114)</u>	<u>-</u>	<u>-</u>
Net increase (decrease) in cash and cash equivalents	<u>(1,320,916)</u>	<u>197,487</u>	<u>(1,312,967)</u>	<u>217,099</u>
Cash and cash equivalents at beginning of period	<u>2,782,274</u>	<u>846,940</u>	<u>1,675,701</u>	<u>103,282</u>
Cash and cash equivalents at end of period	<u>1,461,358</u>	<u>1,044,427</u>	<u>362,734</u>	<u>320,381</u>
	-		-	

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

(Unaudited but reviewed)

Shangri-La Hotel Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity

For the three-month period ended 31 March 2019

(Unit: Thousand Baht)

Consolidated financial statements											
Equity attributable to owners of the Company											
				Other components of shareholders' equity							
				Other comprehensive income							
				Exchange							
				differences on	Surplus on changes						
				translation of	in value of	Actuarials loss		Total other		Total equity	
				financial	available-for-sale	on defined		components of		attributable to	
				statements in	investments -	employee		shareholders'		owners of	
				foreign currency	related company	benefit plans		equity		the Company	
Issued and fully paid-up share capital	Share premium	Retained earnings									
		Appropriated	Unappropriated								
				Equity attributable to non-controlling interests of the subsidiary	Total shareholders' equity						
Balance as at 1 January 2018	1,300,000	1,590,400	130,000	4,362,458	760,675	426,245	(7,945)	1,178,975	8,561,833	35,376	8,597,209
Profit for the period	-	-	-	257,795	-	-	-	-	257,795	(6)	257,789
Other comprehensive income for the period	-	-	-	-	(137,413)	(99,906)	-	(237,319)	(237,319)	-	(237,319)
Total comprehensive income for the period	-	-	-	257,795	(137,413)	(99,906)	-	(237,319)	20,476	(6)	20,470
Balance as at 31 March 2018	<u>1,300,000</u>	<u>1,590,400</u>	<u>130,000</u>	<u>4,620,253</u>	<u>623,262</u>	<u>326,339</u>	<u>(7,945)</u>	<u>941,656</u>	<u>8,582,309</u>	<u>35,370</u>	<u>8,617,679</u>
Balance as at 1 January 2019	1,300,000	1,590,400	130,000	4,771,412	669,449	156,133	(6,019)	819,563	8,611,375	57,867	8,669,242
Profit for the period	-	-	-	235,784	-	-	-	-	235,784	(6)	235,778
Other comprehensive income for the period	-	-	-	-	(54,707)	(22,077)	-	(76,784)	(76,784)	-	(76,784)
Total comprehensive income for the period	-	-	-	235,784	(54,707)	(22,077)	-	(76,784)	159,000	(6)	158,994
Balance as at 31 March 2019	<u>1,300,000</u>	<u>1,590,400</u>	<u>130,000</u>	<u>5,007,196</u>	<u>614,742</u>	<u>134,056</u>	<u>(6,019)</u>	<u>742,779</u>	<u>8,770,375</u>	<u>57,861</u>	<u>8,828,236</u>

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

(Unaudited but reviewed)

Shangri-La Hotel Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity (continued)

For the three-month period ended 31 March 2019

(Unit: Thousand Baht)

Separate financial statements							
				Other components of shareholders' equity			
				Other comprehensive			
				income			
Issued and fully paid-up share capital		Share premium	Retained earnings		Actuarials loss on defined employee benefit plans	Total other components of shareholders' equity	Total shareholders' equity
			Appropriated	Unappropriated			
Balance as at 1 January 2018	1,300,000	1,590,400	130,000	2,313,453	(7,945)	(7,945)	5,325,908
Total comprehensive income for the period	-	-	-	277,890	-	-	277,890
Balance as at 31 March 2018	<u>1,300,000</u>	<u>1,590,400</u>	<u>130,000</u>	<u>2,591,343</u>	<u>(7,945)</u>	<u>(7,945)</u>	<u>5,603,798</u>
Balance as at 1 January 2019	1,300,000	1,590,400	130,000	2,712,908	(6,019)	(6,019)	5,727,289
Total comprehensive income for the period	-	-	-	239,129	-	-	239,129
Balance as at 31 March 2019	<u>1,300,000</u>	<u>1,590,400</u>	<u>130,000</u>	<u>2,952,037</u>	<u>(6,019)</u>	<u>(6,019)</u>	<u>5,966,418</u>

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

Shangri-La Hotel Public Company Limited and its subsidiaries
Notes to consolidated interim financial statements
For the three-month period ended 31 March 2019

1. General information

1.1 Basis for the preparation of interim financial statements

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

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

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

1.2 Basis of consolidation

These consolidated financial statements include the financial statements of Shangri-La Hotel Public Company Limited (“the Company”) and its subsidiaries (“the subsidiaries”) and have been prepared on the same basis as that applied for the consolidated financial statements for the year ended 31 December 2018. There have been no changes in the composition of the Group during the current period.

1.3 New financial reporting standards

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

During the period, the Company and its subsidiaries have adopted the revised (revised 2018) and new financial reporting standards and interpretations which are effective for fiscal periods beginning on or after 1 January 2019. 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 Company's and its subsidiaries' financial statements. However, the new standard involves changes to key principles, which are summarised below:

TFRS 15 Revenue from Contracts with Customers

TFRS 15 supersedes the following accounting standards together with related interpretations.

TAS 11 (revised 2017)	Construction Contracts
TAS 18 (revised 2017)	Revenue
TSIC 31 (revised 2017)	Revenue - Barter Transactions Involving Advertising Services
TFRIC 13 (revised 2017)	Customer Loyalty Programmes
TFRIC 15 (revised 2017)	Agreements for the Construction of Real Estate
TFRIC 18 (revised 2017)	Transfers of Assets from Customers

Entities are to apply this standard to all contracts with customers unless those contracts fall within the scope of other standards. The standard establishes a five-step model to account for revenue arising from contracts with customers, with revenue being recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The standard requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model.

This standard does not have any material impact on the Company's and its subsidiaries' financial statements. In accordance with TFRS 15, advance received from customers is presented as contract liability, and is the consideration that the Company and its subsidiaries receive or are entitled to receive from a customer while they still have an obligation to transfer goods or services to the customer. Advance received from customers is recognised as revenue when the Company and its subsidiaries fulfill the obligation specified in the contract.

(b) Financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2020

The Federation of Accounting Professions issued a number of new financial reporting standards and interpretations, which are effective for fiscal years beginning on or after 1 January 2020. These new standards involve 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. When the TFRSs related to financial instruments are effective, some accounting standards, interpretations and guidance which are currently effective will be cancelled.

The management of the Company and its subsidiaries is currently evaluating the impact of these standards to the financial statements in the year when they are adopted.

TFRS 16 Leases

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

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

The management of the Company and its subsidiaries is currently evaluating the impact of this standard on the financial statements in the year when it is adopted.

2. Significant accounting policies

The interim financial statements are prepared using the same accounting policies and methods of computation as were used for the financial statements for the year ended 31 December 2018.

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, were concluded on terms and bases agreed upon between the Company and those related parties.

(Unit: Million Baht)

	For the three-month periods ended 31 March				Transfer Pricing Policy
	Consolidated		Separate		
	financial statements	financial statements	financial statements	financial statements	
	2019	2018	2019	2018	
<u>Transactions with associated companies</u>					
Interest income	8	8	-	-	USD LIBOR and 0.92 to 2.05 percent per annum
<u>Transactions with related companies</u>					
Revenue from hotel operations	12	7	12	7	Normal business price
Management fees	23	23	23	23	Contract price
Marketing and promotion fees	7	8	7	8	Contract price
Advertising and reservation fees	4	3	4	3	Contract price

The balances of the accounts between the Company and these related companies as at 31 March 2019 and 31 December 2018 are as follows:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 March	31 December	31 March	31 December
	2019	2018	2019	2018
	(Audited)		(Audited)	
<u>Trade receivables - related parties (Note 4)</u>				
Related companies				
Others	3,770	957	3,770	957
Total trade receivables - related parties	3,770	957	3,770	957
<u>Other receivables - related parties (Note 4)</u>				
Associated company				
Traders Yangon Company Limited	751	186	751	186
Related companies				
Others	3,440	5,543	3,440	5,543
Total other receivables - related parties	4,191	5,729	4,191	5,729

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 March	31 December	31 March	31 December
	2019	2018	2019	2018
		(Audited)		(Audited)
<u>Long-term loans to and interest receivables</u>				
<u>from related parties</u>				
Associated companies				
Non-interest bearing				
Traders Square Company Limited	42,574	43,508	-	-
	42,574	43,508	-	-
Interest bearing				
Shangri-La Yangon Company Limited	724,194	737,178	-	-
Traders Yangon Company Limited	502,962	511,290	-	-
Traders Square Company Limited	753,517	767,054	-	-
	1,980,673	2,015,522	-	-
Total	2,023,247	2,059,030	-	-
Less: Allowance for losses on loans	(79,956)	(81,560)	-	-
Total long-term loans to and interest receivables				
from related parties - net	1,943,291	1,977,470	-	-

The above loans-interest bearing carry interests at the rates of USD LIBOR and 0.92 to 2.05 percent per annum and are repayable on demand.

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 March	31 December	31 March	31 December
	2019	2018	2019	2018
		(Audited)		(Audited)
<u>Other payables - related parties (Note 10)</u>				
Related companies				
Shangri-La International Hotel Management Limited	18,072	23,769	18,072	23,769
Shangri-La International Hotel Management BV	19,884	16,026	19,884	16,026
Others	148	32	148	32
Total other payables - related parties	38,104	39,827	38,104	39,827

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 March 2019	31 December 2018	31 March 2019	31 December 2018
<u>Short-term loan from related party</u>				
Subsidiary				
Hasfield Holdings Pte., Ltd.	-	-	479,678	489,222
	-	-	479,678	489,222

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

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

(Unit: Thousand Baht)

	Consolidated financial statements				
	Balance	Increase	Decrease	Gain	Balance
	as at 1 January 2019	during the period	during the period	(loss) on exchange	as at 31 March 2019
<u>Long-term loans to and interest receivables</u>					
<u>from related parties</u>					
Associated companies					
Non-interest bearing					
Traders Square Company Limited	43,508	-	-	(934)	42,574
Interest bearing					
Shangri-La Yangon Company Limited	737,178	2,823	-	(15,807)	724,194
Traders Yangon Company Limited	511,290	2,631	-	(10,959)	502,962
Traders Square Company Limited	767,054	2,911	-	(16,448)	753,517
Total	2,059,030	8,365	-	(44,148)	2,023,247
Less: Allowance for losses on loans	(81,560)	-	-	1,604	(79,956)
Total long-term loans to and interest receivables from related parties - net	1,977,470	8,365	-	(42,544)	1,943,291

(Unit: Thousand Baht)

	Separate financial statements				
	Balance	Increase	Decrease	Gain on	Balance
	as at 1 January 2019	during the period	during the period	exchange	as at 31 March 2019
<u>Short-term loan from related party</u>					
Subsidiary					
Hasfield Holdings Pte., Ltd.	489,222	-	-	(9,544)	479,678
Total short-term loan from related party	489,222	-	-	(9,544)	479,678

Directors and management's benefits

During the three-month periods ended 31 March 2019 and 2018, the Company and its subsidiaries had employee benefit expenses to their directors and management as detailed below.

	(Unit: Thousand Baht)	
	For the three-month periods ended 31 March	
	Consolidated financial statements/ Separate financial statements	
	<u>2019</u>	<u>2018</u>
Short-term employee benefits	16,241	13,345
Post-employment benefits	954	976
Total	<u>17,195</u>	<u>14,321</u>

Guarantee obligations with related parties

The Company has outstanding guarantee obligations with its related parties, as described in Note 17.3 to the financial statements.

4. Trade and other receivables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	31 March 2019	31 December 2018	31 March 2019	31 December 2018
		(Audited)		(Audited)
<u>Trade receivables - related parties (Note 3)</u>				
Age on the basis of invoice date				
Less than 120 days	3,770	957	3,770	957
Total trade receivables - related parties	<u>3,770</u>	<u>957</u>	<u>3,770</u>	<u>957</u>
<u>Trade receivables - unrelated parties</u>				
Age on the basis of invoice date				
Less than 120 days	114,200	125,018	114,200	125,018
120 - 180 days	270	198	270	198
Over 180 days	248	43	248	43
Total	<u>114,718</u>	<u>125,259</u>	<u>114,718</u>	<u>125,259</u>
Less: Allowance for doubtful debts	(125)	(187)	(125)	(187)
Total trade receivables - unrelated parties, net	<u>114,593</u>	<u>125,072</u>	<u>114,593</u>	<u>125,072</u>
Total trade receivables, net	<u>118,363</u>	<u>126,029</u>	<u>118,363</u>	<u>126,029</u>

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 March	31 December	31 March	31 December
	2019	2018	2019	2018
	(Audited)		(Audited)	
<u>Other receivables</u>				
Other receivables - related parties (Note 3)	4,191	5,729	4,191	5,729
Other receivables - unrelated parties	3,377	2,542	3,377	2,542
Interest receivables	6,109	10,966	5,301	10,290
Prepaid expenses	16,256	20,431	16,239	20,431
Total other receivables	29,933	39,668	29,108	38,992
Total trade and other receivables - net	148,296	165,697	147,471	165,021

5. Investments in subsidiaries

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

Company's name	Paid-up capital		Shareholding percentage		Cost	
	31 March	31 December	31 March	31 December	31 March	31 December
	2019	2018	2019	2018	2019	2018
			(Percent)	(Percent)	(Audited)	
Town Development Company Limited	Baht 1,303 million	Baht 1,303 million	100	100	1,303,000	1,303,000
Total investments in subsidiary					1,303,000	1,303,000

The Company's subsidiaries held through its subsidiaries are summarised below.

Company's name	Nature of business	Country of incorporation	Paid-up capital		Percentage of shareholding	
			31 March	31 December	31 March	31 December
			2019	2018	2019	2018
					(Percent)	(Percent)
<u>Subsidiaries held through Town Development Company Limited</u>						
TRR-Kerry Development Company Limited	Holding investment	Thailand	Baht 231 million	Baht 231 million	57.33	57.33
Apizaco Limited	Holding investment	Hong Kong	HKD 206 million	HKD 206 million	100.00	100.00
Hasfield Holdings Pte., Ltd.	Holding investment	Singapore	SGD 34 million	SGD 34 million	100.00	100.00
Traders Hotel and Resort Limited	Hotel business	Thailand	Baht 0.2 million	Baht 0.2 million	100.00	100.00
<u>Subsidiary held through Apizaco Limited</u>						
Zukerman Limited	Holding investment	British Virgin	USD 1	USD 1	100.00	100.00

6. Investments in associates

6.1 Details of associates:

(Unit: Thousand Baht)

Company's name	Nature of business	Country of incorporation	Consolidated financial statements					
			Shareholding percentage		Cost		Carrying amounts based on equity method	
			31 March	31 December	31 March	31 December	31 March	31 December
			2019	2018	2019	2018	2019	2018
			(Percent)	(Percent)		(Audited)		(Audited)
<u>Associated companies (owned by Zukerman Limited)</u>								
Traders Yangon Company Limited	Hotel	Myanmar	23.53	23.53	28,052	28,667	-	-
Shangri-La Yangon Company Limited	Serviced apartments	Myanmar	22.22	22.22	16,581	16,945	-	-
Traders Square Company Limited	Commercial complex and office for rent	Myanmar	23.56	23.56	661	676	-	-
Total					45,294	46,288	-	-

During the current period, the Company has no share of profit/loss from investments in associates in the consolidated financial statements.

6.2 Summarised financial information of associates

Financial information of the associated companies is summarised below.

(Unit: Thousand Baht)

Company's name	Paid-up capital		Total assets		Total liabilities		Total revenues		Loss	
							for the three-month periods ended		for the three-month periods ended	
	31 March	31 December	31 March	31 December	31 March	31 March	31 March	31 March		
	2019	2018	2019	2018	2019	2018	2019	2018		
Traders Yangon Company Limited	USD 3.6 million	USD 3.6 million	1,592,061	1,784,426	3,392,784	3,601,940	126,005	163,148	(18,830)	(20,638)
Shangri-La Yangon Company Limited	USD 2.0 million	USD 2.0 million	3,318,321	3,457,198	3,917,537	4,058,412	116,870	125,256	(9,762)	(34,827)
Traders Square Company Limited	USD 0.1 million	USD 0.1 million	3,906,914	4,107,610	4,332,541	4,526,913	82,455	44,068	(14,477)	(43,304)

(Unaudited but reviewed)

6.3 Investment in associates with capital deficit

The Company recognised share of losses from investment in three associates, as listed below, until the value of the investments approached zero. Subsequent losses incurred by those associates have not been recognised in the Company's accounts since the Company has no obligations, whether legal or constructive, to make any payments on behalf of those associates. The amount of such unrecognised share of losses is set out below.

(Unit: Thousand Baht)

Company's name	Unrecognised share of losses		
	For the three-month period ended 31 March 2019	Cumulative unrecognised share of losses as at	
		31 March 2019	31 December 2018
			(Audited)
Traders Yangon Company Limited	(4,431)	(464,415)	(459,984)
Shangri-La Yangon Company Limited	(2,169)	(139,552)	(137,383)
Traders Square Company Limited	(3,411)	(107,291)	(103,880)
Total	(10,011)	(711,258)	(701,247)

The financial information of associated companies

The financial information of these associated companies for the three-month periods ended 31 March 2019 and 2018, which was included in the consolidated financial statements, was prepared by the associates' management. However, the Company's management believes that there would have been no significant difference to financial information if those financial information had been reviewed by auditors.

7. Investment in related party

(Unit: Thousand Baht)

	Consolidated financial statements	
	31 March 2019	31 December 2018
		(Audited)
Cost - Ordinary shares of Shangri-La Asia Limited	339,184	346,625
Add: Unrealised gain on change in value of investment	134,057	156,133
Fair value	473,241	502,758

(Unaudited but reviewed)

Movements of the investments in related party account during the three-month period ended 31 March 2019 are summarised below.

	(Unit: Thousand Baht)
	Consolidated financial statements
Fair value as at 1 January 2019	502,758
Unrealised loss on change in value of investment for the period	(22,077)
Translation adjustment	(7,440)
Fair value as at 31 March 2019	<u>473,241</u>

8. Investment in other company

	(Unit: Thousand Baht)	
	Consolidated financial statements	
	31 March 2019	31 December 2018
		(Audited)
Cost - Ordinary shares of Don Muang Tollway Public Company Limited	213,164	213,164
Less: Allowance for loss on diminution in value of investment	(82,013)	(82,013)
Investment in other company, net	<u>131,151</u>	<u>131,151</u>

9. Property, plant and equipment

Movements of the property, plant and equipment account during the three-month period ended 31 March 2019 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Net book value as at 1 January 2019	1,812,036	1,810,183
Acquisitions during the period - at cost	1,914,902	1,914,902
Disposals/write-off during the period - net book value at disposal/write-off date	(366)	(366)
Depreciations for the period	(52,152)	(52,152)
Net book value as at 31 March 2019	<u>3,674,420</u>	<u>3,672,567</u>

On 4 February 2019, the Company entered into the Land Purchase Agreement with an unrelated company, a total value of Baht 1,886 million. Subsequently, on 14 March 2019 the Company registered the transfer of the ownership of the property and made full payment to the seller. The Company has an objective to use the land for developing its new hotel.

(Unaudited but reviewed)

10. Trade and other payables

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 March	31 December	31 March	31 December
	2019	2018	2019	2018
		(Audited)		(Audited)
Trade payables - unrelated parties	44,240	67,222	44,240	67,222
Other payables - related parties (Note 3)	38,104	39,827	38,104	39,827
Other payables - unrelated parties	15,136	24,212	15,136	24,212
Payables for purchases of assets	20,493	35,713	20,493	35,713
Retention payables	7,917	6,837	7,917	6,837
Accrued expenses	113,871	158,733	112,911	157,982
Total trade and other payables	<u>239,761</u>	<u>332,544</u>	<u>238,801</u>	<u>331,793</u>

11. Other current liabilities

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 March	31 December	31 March	31 December
	2019	2018	2019	2018
		(Audited)		(Audited)
Advance received from customers	108,582	110,632	108,582	110,632
Others	32,309	35,430	32,309	33,323
Total other current liabilities	<u>140,891</u>	<u>146,062</u>	<u>140,891</u>	<u>143,955</u>

(Unaudited but reviewed)

12. Provision for long-term employee benefits

Movements in the provision for long-term employee benefits account during the three-month period ended 31 March 2019 are summarised below.

(Unit: Thousand Baht)

	Consolidated / Separate financial statements
Balance as at 1 January 2019	74,338
Current service cost	1,412
Interest cost	439
Benefits paid during the period	(347)
Balance as at 31 March 2019	<u>75,842</u>

13. Finance cost

Finance cost for the three-month periods ended 31 March 2019 and 2018 are summarised below:

(Unit: Thousand Baht)

	For the three-month periods ended 31 March			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Unrealised gain on exchange rate of short-term loan from related party	-	-	9,544	21,750
Total	<u>-</u>	<u>-</u>	<u>9,544</u>	<u>21,750</u>

14. 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 periods ended 31 March 2019 and 2018 are made up as follows:

(Unit: Thousand Baht)

	For the three-month periods ended 31 March			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Current income tax:				
Interim corporate income tax charge	(61,128)	(70,174)	(60,093)	(69,776)
Deferred tax:				
Relating to origination and reversal of temporary differences	344	354	344	354
Income tax expenses reported in the statements of comprehensive income	<u>(60,784)</u>	<u>(69,820)</u>	<u>(59,749)</u>	<u>(69,422)</u>

15. Earnings per share

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

	For the three-month periods ended 31 March			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Profit for the period (Thousand Baht)	235,784	257,795	239,129	277,890
Weighted average number of ordinary shares (Thousand shares)	130,000	130,000	130,000	130,000
Earnings per share (Baht per share)	1.81	1.98	1.84	2.14

16. Segment information

The Company and its subsidiaries are organised into business units based on its services. During the current period, the Company and its subsidiaries have not changed the organisation of their reportable segments.

The following tables present revenue and profit information regarding the Company and its subsidiaries' operating segments for the three-month periods ended 31 March 2019 and 2018.

(Unit: Million Baht)

	For the three-month periods ended 31 March											
	Hotel business				Holding Investment	Total segments	Adjustments and		Consolidated			
	Hotel in Bangkok		Hotel in Chiangmai				eliminations					
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018		
Revenues												
External customers	576	582	158	170	-	-	734	752	-	-	734	752
Total revenues	576	582	158	170	-	-	734	752	-	-	734	752
Operating results												
Segment gross profit	409	418	116	129	-	-	525	547	-	-	525	547
Interest income	10	11	-	-	14	12	24	23	-	-	24	23
Other income	4	6	1	2	-	-	5	8	-	-	5	8
Depreciation and amortisation expenses	(33)	(37)	(20)	(21)	-	-	(53)	(58)	-	-	(53)	(58)
Exchange losses	-	-	-	-	(7)	(9)	(7)	(9)	-	-	(7)	(9)
Profit before income tax expenses	241	261	49	64	7	3	297	328	-	-	297	328
Income tax expenses	(50)	(57)	(10)	(13)	(1)	-	(61)	(70)	-	-	(61)	(70)
Profit for the period	191	204	39	51	6	3	236	258	-	-	236	258

17. Commitments and contingent liabilities**17.1 Capital commitments**

As at 31 March 2019, the Company had capital commitments of approximately Baht 28 million (31 December 2018: Baht 30 million), relating to the construction and renovation of the Hotel building.

17.2 Operating lease and service commitments

The Company has entered into several lease agreements in respect of vehicles and other service agreements. The terms of the agreements are generally between 1 and 4 years.

As at 31 March 2019 and 31 December 2018, future minimum payments required under these non-cancellable operating leases and service contracts were as follows:

	(Unit: Million Baht)	
	Consolidated financial statements/ Separate financial statements	
	<u>31 March 2019</u>	<u>31 December 2018</u>
Payable:		
In up to 1 year	11	2
In over 1 and up to 4 years	9	-

17.3 Guarantee

- (1) As at 31 March 2019, there were outstanding bank guarantees of approximately Baht 11 million (31 December 2018: Baht 11 million) issued by a bank on behalf of the Company in respect of electricity usage.
- (2) The Company entered into the Counter Indemnity Agreement with the parent company to indemnify the contingent liability relating to loan facilities of its two associated companies, Traders Yangon Company Limited and Shangri-La Yangon Company Limited, amounting to USD 11.77 million and USD 6.67 million, respectively, which is loan facilities according to the subsidiary's proportionate interest in these associates.

18. Foreign currency risk

The balances of financial assets and liabilities denominated in foreign currencies of the Company and its subsidiaries as at 31 March 2019 and 31 December 2018 are summarised below.

Consolidated financial statements						
Foreign currency	Financial assets		Financial liabilities		Average exchange rate	
	As at 31 March 2019 (Million)	As at 31 December 2018 (Million) (Audited)	As at 31 March 2019 (Million)	As at 31 December 2018 (Million) (Audited)	As at 31 March 2019 (Baht per 1 foreign currency unit)	As at 31 December 2018
USD	69	69	-	-	31.8117	32.4498

Separate financial statements						
Foreign currency	Financial assets		Financial liabilities		Average exchange rate	
	As at 31 March 2019 (Million)	As at 31 December 2018 (Million) (Audited)	As at 31 March 2019 (Million)	As at 31 December 2018 (Million) (Audited)	As at 31 March 2019 (Baht per 1 foreign currency unit)	As at 31 December 2018
USD	-	-	15	15	31.8117	32.4498

19. Fair value of financial instruments

As at 31 March 2019 and 31 December 2018, the subsidiary had the following assets that were measured at fair value using different levels of inputs as follows:

(Unit: Thousand Baht)

Consolidated financial statements				
As at 31 March 2019				
	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value				
Investments in related party				
Equity instruments	473,241	-	-	473,241

(Unit: Thousand Baht)

Consolidated financial statements				
As at 31 December 2018				
	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value				
Investments in related party				
Equity instruments	502,758	-	-	502,758

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

20. Events after the reporting period

20.1 Amendments to the law relating to the legal severance pay rates

On 5 April 2019, The Labor Protection Act (No. 7) B.E. 2562 was announced in the Royal Gazette. This stipulates additional legal severance pay rates for employees who have worked for an uninterrupted period of twenty years or more, with such employees entitled to receive not less than 400 days' compensation at the latest wage rate. The law is effective from 5 May 2019. This change is considered a post-employment benefits plan amendment and the Company have additional long-term employee benefit liabilities of Baht 12 million as a result. The Company will reflect the effect of the change by recognising past service costs as expenses in the income statement of the period in which the law is effective, which is the second quarter of 2019.

20.2 Dividend

On 24 April 2019, the Annual General Meeting of the Company's shareholders for the year 2019 approved the payment of a dividend for 2018 of Baht 2.25 per share, or a total of Baht 292.5 million. The dividend will be paid to the shareholders in May 2019 and will be recorded in the second quarter of current year.

21. Approval of interim financial statements

These interim financial statements were authorised for issue by the Company's Board of Directors on 13 May 2019.

Headline: Reviewed Quarter 1 and Consolidated F/S (F45-3)

Security Symbol: SHANG

Announcement Details

The Company and Consolidated Financial Statement (F45-3)

Company name	SHANGRI-LA HOTEL PUBLIC COMPANY LIMITED
Quarter	Quarter 1

(In thousands)

The Consolidated Financial Statement

	Quarter 1	
Status	Reviewed	
Ending	31 March	
Year	2019	2018
Net profit (loss)	235,784	257,795
EPS (baht)	1.81	1.98

The Company Financial Statement

	Quarter 1	
Status	Reviewed	
Ending	31 March	
Year	2019	2018
Net profit (loss)	239,129	277,890
EPS (baht)	1.84	2.14

Type of report	Unqualified opinion
----------------	---------------------

Please see details in financial statements, auditor's report and remarks from SET SMART

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

Signature _____

(Mrs. Pavinee Meensuk)

Director and Company Secretary

Authorized Persons to Disclose Information

This announcement was prepared and disseminated by listed company or issuer through the electronic system which is provided for the purpose of dissemination of the information and related documents of listed company or issuer to the Stock Exchange of Thailand only. The Stock Exchange of Thailand has no responsibility for the correctness and

completeness of any statements, figures, reports or opinions contained in this announcement, and has no liability for any losses and damages in any cases. In case you have any inquiries or clarification regarding this announcement, please directly contact listed company or issuer who made this announcement.
