

**OHTL Public Company Limited and its subsidiaries**

**Management Discussion and Analysis for the first quarter ended 31 March 2020**

<i>(Unit: Thousand Baht)</i>	<b>2020</b>	<b>2019</b>	<b>Increased/ (Decreased)</b>
Room revenue	158,067	235,449	(32.9%)
Food and beverage revenue	172,835	219,300	(21.2%)
Other revenues	66,367	77,322	(14.2%)
<b>Hotel income</b>	<b>397,269</b>	<b>532,071</b>	<b>(25.3%)</b>
Cost of sales and services	275,326	283,641	(2.9%)
Operating expenses	149,778	250,591	(40.2%)
Finance costs - Interest expense	21,798	3,105	602.0%
<b>Net (loss)/ profit</b>	<b>(48,600)</b>	<b>10,948</b>	<b>(543.9%)</b>

Financial performance during the first quarter ended 31 March 2020 showed a decrease of Baht 134.8 million or 25.3% compared to the same period last year, primarily due to the delay completion of River Wing renovation project to mid-2020. This had an impact upon the sellable rooms inventory which did not meet customer demand during usual high season period. In addition, the impact of Coronavirus 2019 (Covid-19) pandemic caused the decreasing number of guests especially targeting leisure and business segments from Europe and the United States. Food and Beverage revenue decreased by Baht 46.5 million or 21.2% mainly due to closure of the outlets in accordance with the official announcement from the Thai Government in March regarding the temporarily closer of premises such as department stores, restaurants, spa and fitness center. Consequently, the closure of facilities in the hotel had affected the hotel revenues overall.

For expenditures, the Company recorded cost of sales and services at Baht 275.3 million in Q1 2020, decreased by Baht 8.3 million or 2.9%. Operating expenses decreased by Baht 100.8 million or 40.2% compared to Q1 2019 due to a decrease of the management fees, credit and collection fees amounted to Baht 13.0 million, which was resulted from the decrease of hotel income, and a write-off of plant and equipment from the renovation of River Wing building amounted to Baht 79.0 million in Q1 2019.

An additional finance cost of Baht 18.7 million or 602.0% was increased when compared to the same period last year resulted from interest payment for short-term and long-term loans that the Company had drawn down for the hotel operations and the River Wing renovation project.

Therefore, the Company reported net loss in Q1 2020 amounting to Baht 48.6 million when compared to Q1 2019's net profit of Baht 10.9 million.

Ms. Siriwan Chamnannarongsak

Finance Director