

OHTL Public Company Limited and its subsidiaries

Management Discussion and Analysis for the second quarter ended 30 June 2021

<i>(Unit: Thousand Baht)</i>	Q2 2021	Q2 2020	Increased (Decreased)
Room revenue	13,991	337	4,051.6%
Food and beverage revenue	34,923	2,769	1,161.2%
Other revenues	35,224	25,474	38.3%
Hotel income	84,138	28,580	194.4%
Cost of sales and services	183,836	167,972	9.4%
Operating expenses	68,963	78,858	(12.5%)
Finance costs - Interest expense	27,457	21,365	28.5%
Net loss	(167,678)	(185,535)	(9.6%)

Financial performance for the second quarter ended 30 June 2021 showed revenue increase of Baht 55.6 million or 194.4% compared to the same period last year. Room revenue increased by Baht 13.7 million or 4,051.6% and Food and Beverage revenue increased by Baht 32.2 million or 1,161.2% despite the continue impact of the Covid-19 pandemic. Room revenue and Food & Beverage revenue in Q2 2021 were higher than Q2 2020 mainly due to the impact of the two months closure of guest rooms, hotel's restaurants, banquet and meeting rooms in Q2 2020 in accordance with the restriction measures from public health officials and the government authorities due to Covid-19 outbreak resulted to overall revenue decrease. The hotel operated with the restrictions to align with the government's measurement pertaining Covid-19. Thus, the hotel income in Q2 2021 primarily came from local customers and through staycation package.

The Company recorded cost of sales and services at Baht 183.8 million, which was increased by Baht 15.9 million or 9.4%. The cost of sales and services increased from the depreciation by Baht 38.2 million from recording cost of building and equipment after completion of River Wing renovation while operating expenses decreased by Baht 9.9 million or 12.5% compared to Q2 2020 mainly from sales team travelling, advertising, PR expenses and property and maintenance expenses as a result of controlling spending.

An increase of finance cost of Baht 6.1 million or 28.5% compared to the same period last year due to interest expenses for additional short-term and long-term loans that the Company had drawn down for the hotel operations and the River Wing renovation project.

While Covid-19 continued to affect hotel operations, the Company reported a net loss in Q2 2021 of Baht 167.7 million, a decrease of net loss of Baht 17.9 million or 9.6% less than the same period last year.

Ms. Ubonwadee Maneesai
Financial Controller