

OHTL Public Company Limited and its subsidiaries

Management Discussion and Analysis for the third quarter ended 30 September 2021

<i>(Unit: Thousand Baht)</i>	Q3 2021	Q3 2020	Increased (Decreased)
Room revenue	12,469	20,892	(40.3%)
Food and beverage revenue	56,838	126,000	(54.9%)
Outside shops revenue	13,349	34,470	(61.3%)
Other revenues	23,893	28,856	(17.2%)
Hotel income	106,549	210,218	(49.3%)
Cost of sales and services	176,104	247,302	(28.8%)
Operating expenses	64,052	67,903	(5.7%)
Finance costs - Interest expense	28,394	26,107	8.8%
Net loss	(174,236)	(150,341)	15.9%

Financial performance for the third quarter ended 30 September 2021 showed revenue decrease of Baht 103.7 million or 49.3% compared to the same period last year. Room revenue decreased by Baht 8.4 million or 40.3%, Food and Beverage revenue decreased by Baht 69.2 million or 54.9% and the revenue from outside shops decreased by Baht 21.1 or 61.3% resulting from the temporary closure of restaurants, restriction on alcohol sales, limit number of guests for function, temporary closure of spa, fitness center and shops in department stores in accordance with the restriction measures from the government authorities due to coronavirus pandemic. Consequently, overall revenue decreased to Baht 106.5 million compared to Baht 210.2 million revenue from the same period last year.

The Company recorded cost of sales and services at Baht 176.1 million, which was decreased by Baht 71.2 million or 28.8% compared to Q3 2020. The decrease in cost of sales and services was in line with the decrease in revenue offset with the increase in depreciation of Baht 35.6 million compared to Q3 2020 mainly from recording cost of building and equipment after completion of River Wing renovation. Meanwhile, operating expenses decreased by Baht 3.9 million or 5.7% compared to the same period last year due to an effective cost containment.

In Q3 2021, finance cost increased by Baht 2.3 million or 8.8% compared to the same period last year from the interest expenses for additional short-term and long-term loans that the Company drawn down for hotel operations and for River Wing renovation project.

At the end of September 2021, the impact of Covid-19 pandemic continued to affect hotel operations. Consequently, the net loss for Q3 2021 was recorded at Baht 174.2 million, representing an increase of the net loss by Baht 23.9 million or 15.9% compared to the same period last year.

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Financial Controller