



## MANDARIN HOTEL

SINCE 1965

MAN 001/2022

February 24, 2022

Subject: Year ended, 2021, operating results clarification

Attention: President of the Stock Exchange of Thailand

According to the spread of the outbreak of Corona Virus 2019 (COVID-19) in Thailand from February 2020 to the present which affected the company's operation for the year 2021 ended December 31, 2021. The operating results showed a different of over 20% comparing to the same period of previous year. The Mandarin Hotel Public Company Limited would like to clarify as follows:

Income statement for the period ended December 31, 2021 and 2020 (Unit:Million Baht)

Items	December 31, 2021	December 31, 2020	Increase (Decrease)%
Revenue from Sales and Services	22.77	105.81	(78.48)
Cost of Sales	91.53	129.60	(29.38)
Gross Profit	(68.76)	(23.79)	189.03
Other Income	1.99	0.89	123.60
Gain from sale of investment	0.58	0.05	1,060.00
Unrealize gain (loss) on measurements of investment	0.00	(6.63)	(100.00)
Profit from sale of asset	52.63	0.07	75,085.71
Dividend income	1.04	2.08	(50.00)
Selling and Administrative Expense	35.74	48.19	(25.84)
Profit (Loss) before Financial Costs and Income Tax	(48.26)	(75.52)	(36.10)
Financial Costs	15.98	13.81	15.71
Profit (Loss) before Income Tax	(64.24)	(89.33)	(28.09)
Income ( Expenses ) Tax	15.40	15.21	1.25
Profit (loss) for the period	(48.84)	(74.12)	(34.11)

### Revenue from Sales and Services

For the financial statements of the year 2021, the company had revenue from sales and services at an amount of 22.77 million Baht, for the year 2020, at an amount of 105.81 million Baht which decreased 83.04 million Baht which was equal to 78.48 %. The decrease was due to the



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spread of Coronavirus Disease 2019 (COVID-19) which affected the company's operation. Although the Test and Go policy of the government which allowed tourists to enter the country by registering under the Test and Go measure in November 2021. This scheme was temporarily suspended due to the new spread of COVID-19. The government also ordered closure of restaurants and function rooms for meeting and seminar for some period of time in order to prevent the spread of COVID 19. These measures resulted in revenue of the company.

### **Cost of Sales**

For the financial statements of the year 2021 , cost of sales of the company was 91.53 million Baht, compared with the year 2020, was 129.60 million Baht which decreased at an amount of 38.07 million Baht which was equal to 29.38%. Cost of sales decreased which was due to the income decreased.

### **other income**

For the financial statements of the year 2021, other income of the company was 1.99 million Baht, for the year 2020 other income was 0.89 million Baht which increased 1.10 million Baht or increased 123.60% The increase was due to Employer Compensation Program from Social Security Office and Employment Subsidy from Ministry of Labor. For the year 2021 the company had profit from the sale of investment, LH company and SCB Equity Fund at the amount of 8.95 million Baht and reversal of unrealize gain from investment at an amount of 8.37 million Baht which caused financial statement to show profit from sale of investment at 0.58 million Baht. In the year 2021 the company had dividend income at 1.04 million Baht compared with the year 2020 at 2.08 million Baht which decreased 1.04 million Baht which was equal to 50.00 %. The company also had profit from the sale of asset at 52.63 million Bath due to the sale of land. The land located at Huakraburr, Ongkarak district Nakornnayok, the price of the land was 77.05 million Baht. Cost price was 26.70 million Baht. The company had profit from the sale of land at 50.35 million Baht and profit from the sale of other asset at 2.28 million Baht.

### **Selling and Administrative Expense**

Selling and administrative expense of the company for financial statement of the year 2021 was 35.74 million Baht, compared with the year 2020, was 48.19 million Baht which decreased 12.45 million Baht or decreased 25.84 % The decrease was due to Selling Expense decreased 1.34 million Baht. Company's expense of employees, Bank fee and hotel management fee and other expenses decreased at 4.70 million Baht. Total amount of employees compensation for the year 2021, decreased at 6.40 million Baht while the company has paid severance pay for employees of the Mandarin Golden Valley Resort in the year 2020.

### **Financial Expense**

Financial expense of the company for the year 2021 was 15.98 million Baht, compared with the year 2020, was 13.81 million Baht which increased 2.17 million Baht which was equal to 15.71 %, due to the company borrowed an additional amount of 100 million Baht from bank loan to reserve for operating expense.



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**Profit(Loss) for the periods**

Due to the spread of COVID-19, the income of the company decreased 83.05 million Baht which resulted in cost of sales decreased 38.07 million Baht. The company had other income increased at 1.10 million Baht, profit from sale of investment increased at 0.53 million Baht, profit from sale of land and other asset increased at 52.56 million Baht, selling and administrative expense decreased 12.45 million Baht, which resulted in loss for financial statement of the year 2021 at an amount of 48.84 million Baht compared with the year 2020, the company was in loss at 74.12 million Baht, which decreased from the same period of previous year at the amount of 25.28 million Baht or decreased 34.11%.

Please be informed accordingly

Yours sincerely

(Mrs. Suwanna Bhuddhapasart)

Director and Vice Chairperson