



# MANDARIN HOTEL

SINCE 1965

MAN 001/2023

February 24, 2023

Subject: Year ended 2022, operating results clarification

Attention: President of the Stock Exchange of Thailand

According to the situation of the epidemic of COVID-19 in Thailand began to improve in a better direction. In the fourth quarter of 2022, the government opened the country to welcome tourists to Thailand which had a positive effect on the company's operation for the year 2022, ended December 31, 2022. The operating results showed a different of less 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, 2022 and 2021 (Unit:Million Baht)

| Items   | 31 December 2022 | 31 December 2021 | Difference | Increase (Decrease)% |
|---|------------------|------------------|------------|----------------------|
| Revenue from Sales and Services   | 164.70           | 22.97            | 141.73     | 617.02               |
| Cost of Sales   | 153.37           | 91.53            | 61.84      | 67.56                |
| Gross Profit(Loss)  | 11.33            | (68.56)          | 79.89      | 116.53               |
| Other Income  | 2.59             | 1.69             | 0.90       | 53.25                |
| Profit from sale of investment  | 0.00             | 0.58             | (0.58)     | (100.00)             |
| Profit from sale of asset   | 0.00             | 52.63            | (52.63)    | (100.00)             |
| Dividend Income   | 0.00             | 1.04             | (1.04)     | (100.00)             |
| Distribution Costs and Administrative Expenses  | 44.37            | 35.74            | 8.63       | 24.15                |
| loss before financial costs and income tax  | (30.45)          | (48.36)          | (17.91)    | (37.03)              |
| Financial income  | 0.28             | 0.10             | 0.18       | 180.00               |
| Financial Costs   | 12.64            | 15.98            | (3.34)     | (20.90)              |
| Loss before Income Tax  | (42.81)          | (64.24)          | (21.43)    | (33.36)              |
| Tax (Expenses) Income   | 2.92             | 15.40            | (12.48)    | (81.04)              |
| Loss for the period   | (39.89)          | (48.84)          | (8.95)     | (18.33)              |
| Gain (loss) on re-measurement of defined employee benefits  | 3.39             | 0.00             | 3.39       | 100.00               |
| Income tax relating to components of other comprehensive income that will not be reclassified to profit or loss | (0.68)           | 0.00             | (0.68)     | (100.00)             |
| Comprehensive income for the year   | (37.18)          | (48.84)          | (11.66)    | (23.87)              |



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### **Revenue from Sales and Services**

For the financial statements of the year 2022, the company had revenue from sales and services at an amount of 164.70 million Baht, for the year 2021, at an amount of 22.97 million Baht which increased 141.73 million Baht. The increase was equal to 617.02 %. The increase was due to the tourism situation has improved since the government has relaxed various measures to drive tourism and opened the country to welcome travelers since July 1, 2022 which increased more travelers and resulted in the increase of revenue of the company.

### **Cost of Sales**

For the financial statements of the year 2022, cost of sales of the company was 153.37 million Baht, compared with the year 2021, was 91.53 million Baht which increased at an amount of 61.84 million Baht which was equal to 67.56 %. Cost of sales increased which was due to the income increased.

### **Total other income**

For the financial statements of the year 2022, other income of the company was 2.59 million Baht, for the year 2021 other income was 1.69 million Baht which increased 0.90 million Baht or increased 53.25% which was due to employment subsidies from Ministry of Labor, profit from foreign exchange rates and income from late payment penalty. And for the year 2021 the company had profit from sale of investment at 0.58 million Baht, income from dividend at 1.04 million Baht, the company gained from disposal of asset at 52.63 million Baht which was due to the sale of land at Huakraburr sub-district, Ongkarak district, Nakornayok province at the amount of 77.05 million Baht, cost price at 26.70 million Baht, profit from the sale of land at 50.35 million Baht and profit from the sale of other property at 2.28 million Baht.

### **Distribution Costs and Administrative Expense**

Distribution Costs and Administrative Expense of the company for financial statement of the year 2022 was 44.37 million Baht, compared with the year 2021, was 35.74 million Baht which increased 8.63 million Baht or increased 24.51 %. The increase was due to in the year 2022 Distribution Cost of the company increased 4.72 million Baht. Company's expense of employees, office expense, Bank fee and hotel management fee increased at 9.13 million Baht, employee benefits expense decreased 0.55 million Baht which was due to the change of mathematical calculation. Moreover fee and tax on the sale of land decreased at 4.66 million Baht for the year 2021.

### **Financial Costs**

Financial costs of the company for the year 2022 was 12.64 million Baht, compared with the year 2021, was 15.98 million Baht which decreased 3.34 million Baht which was equal to 20.90 %, due to interest of bank loan decreased from 3.75% per year for the year 2021 to 2.75% per year for the year



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**Profit for the periods**

For the financial statements of the year 2022, the company had loss at 39.89 million Baht, compared with the year 2021 the company had loss at 48.84 million Baht. The loss decreased from the same period of previous year at 8.95 million Baht which was equal to decreased 18.33 % due to the income of the company increased 141.73 million Baht which resulted in cost of sales increased at 61.84 million Baht. The company had total other income decreased at 53.35 million Baht. Distribution Costs and Administrative Expense increased at 8.63 million Baht. Financial Expense decreased at 3.34 million Baht. Income from deferred tax expense decreased at 12.48 million Baht.

Please be informed accordingly

Yours sincerely

(Mrs. Suwana Bhuddhprasart)

Chairperson