

May 9, 2023

The President

The Stock Exchange of Thailand

Dear Sir,

The Company's results for operating result for the 3-month ended March 31, 2023 comparing to the same period last year as follows:

(Baht in Thousand)	<u>2023</u>	<u>2022</u>	<u>Change (%)</u>
Total Revenue			
<b>The Company</b>	279,296	148,903	87.57%
Operating result			
<b>The Company</b>	(6,229)	(26,314)	76.33%

Compared revenue from hotel operations on Quarter 1 year 2023 with 2022 of the Company increased by Baht 151.9 million or equivalent to 379.9%. Due to the economic recovery from the Covid-19 situation, the number of foreign tourists travelling in Thailand significant increased from 2022, although occupancy rate less than Quarter 1 year 2019 due to Chinese tourists did not travelling in Thailand as much as before the COVID-19 situation. However, the average room rate increased 15%. Moreover, seminars, events and catering were increase from the previous year.

Additionally, the Company has interest income amounting Baht 87.4 million and 86.0 million from the loan to Parent company in Quarter 1 year 2023 and 2022. The company also recognized the finance cost from lease agreements in Quarter 1 year 2023 and 2022 Baht 95.4 million and 94.3 million respectively as per the company entered into an agreement to buy and to sell immovable and movable assets with MFC Asset Management PCL as the trustee of Grande Royal Orchid Hospitality Real Estate Investment Trust with Buy-Back Condition and entered into a 5-year lease agreement for land building and movable assets for hotel operation in Quarter 3 of the year 2021.

For operating expenses, main expenses of the Company was employee expense. Compared Quarter 1 year 2023 with Quarter 1 year 2022 found that the operating expenses were increased relating to the uplift of the company revenue. However, the company recorded penalty for the corporate income tax related to Real Estate Investment Trusts with Buy-Back conditions (REIT buy-back Measures) which was mentioned in the note to financial statements reflect the operating expenses higher than Quarter 1 year 2022 THB 91.6 million or 98.9%.

As a result, the operating result for Quarter 1 year 2023 compared with Quarter 1 year 2022 of the Company deficit decreased by Baht 20.1 million or equivalent to 76.3%.

Yours sincerely,

-Nutthanont Arya-

(Mr. Nutthanont Arya)

Director of Finance