

November 3, 2023

The President

The Stock Exchange of Thailand

Dear Sir,

The Company's results for operating result for the 3-month ended September 30, 2023 comparing to the same period last year as follows:

(Baht in Thousand)	<u>2023</u>	<u>2022</u>	<u>Change (%)</u>
Total Revenue	169,184	105,443	60.45%
Operating result	(22,213)	(19,244)	(15.43%)

Comparing revenue from hotel operations in the 3rd Quarter of year 2023 with 2022 increased by Baht 63.7 million or equivalent to 60.45% due to the economic recovery from the Covid-19 situation and increasing in foreigner tourists. Although occupancy rate is less than the 3rd Quarter of year 2019 due to lack of Chinese tourists, the average room rate still increased by 23%. The hotel also has more seminars, events and caterings when comparing with last year.

The Company also has interest income in the amounting of Baht 90.3 million and Baht 89.6 million from the loan to Parent company in the 3rd Quarter of year 2023 and 2022 respectively. The company also recognized the finance cost from lease agreements in the 3rd Quarter of year 2023 and 2022 amount Baht 99.3 million and 97.0 million respectively. The company entered into an agreement to buy and to sell immovable and movable assets with MFC Asset Management PLC., as the trustee of Grande Royal Orchid Hospitality Real Estate Investment Trust with REIT Buy-Back Condition and entered into a lease agreement for land, building and movable assets to lease back from REIT for hotel operation in the 3rd Quarter 3 of the year 2021.

For operating expenses, mainly expenses of the Company was employee expense. Comparing between the 3rd Quarter of year 2023 and year 2022, 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 the 3rd Quarter of year 2022 by THB 39.9 million or 83.0%.

The operating result of the Company for the 3rd Quarter of year 2023 compared with the 3rd Quarter of year 2022 was deficit and decreased by Baht 2.9 million or equivalent to -15.43%.

Yours sincerely,

-Pichai Chinachote-

(Mr. Pichai Chinachote)

Director of Finance