

Ref. No. PLAT 13/2023

November 8, 2023

Subject: Management Discussion and Analysis (MD&A) for the third quarter of 2023

To: The President  
The Stock Exchange of Thailand

The Platinum Group Public Company Limited and its subsidiaries (the “Company”) would like to report the operating results for the three-month and nine-month periods ended September 30, 2023 (third quarter of 2023). The details are as follows:

The Company’s quarterly performance for the year 2023 has continuously recovered due to positive factors from continuing recovery of tourism sector. During the first nine months of the year 2023, approximately 20 million international tourists traveled to Thailand, leading to significant growth in businesses targeting foreign tourists.

Unit: Million Baht

Description	Quarter 1	Quarter 2	Quarter 3	YTD 9 months
Total Revenues	386	443	515	1,344
Change (% QoQ)		15%	16%	
Profit before Depreciation, Amortization, Finance Income & Cost and Income Tax (EBITDA)	163	206	257	626
% EBITDA Margin	42%	47%	50%	47%
Change (% QoQ)		26%	25%	
Net Profit for the Period	9	33	70	112
% Net Profit Margin	2%	7%	14%	8%
Change (% QoQ)		266%	112%	

## 1. Total Revenues

Ended September 30, 2023, the Company's total revenues for the three-month period was Baht 515 million, increased by Baht 244 million or 90% and for the nine-month period was Baht 1,344 million, increased by Baht 796 million or 145% compared to the same period last year. The details are as follows:

Unit: Million Baht

Description	Three-Month Period				Nine-Month Period			
	2023	2022	Change + / (-)		2023	2022	Change + / (-)	
Revenues from Rental and Services	243	136	107	79%	626	284	342	120%
Revenues from Hotel Operations	214	89	125	140%	546	169	377	223%
Revenues from Food and Beverage	51	40	11	28%	146	78	68	87%
Other Revenues	7	6	1	16%	26	17	9	53%
<b>Total Revenues</b>	<b>515</b>	<b>271</b>	<b>244</b>	<b>90%</b>	<b>1,344</b>	<b>548</b>	<b>796</b>	<b>145%</b>

### 1.1 Revenues from Rental and Services

Ended September 30, 2023, the Company's revenues from rental and services for the three-month period was Baht 243 million, increased by Baht 107 million or 79% and for the nine-month period was Baht 626 million, increased by Baht 342 million or 120% compared to the same period last year. This was due to positive economic activities within the country, returning to normalcy after the cancellation of COVID-19 control measures. The tourism industry has also been continuously recovering, resulting in business targeting international tourists expanding, leading to more shops renting space within the Company's shopping centers. Also, The Company was able to gradually increase the rental and service rates. Additionally, the Company has reopened Zone 3 of The Platinum Fashion Mall (located within the Novotel Bangkok Platinum Pratunam) since April 2023, resulting in a significant increase in the Company's revenues from rental and services.

## 1.2 Revenues from Hotel Operations

Ended September 30, 2023, the Company's revenues from hotel operations for the three-month period was Baht 214 million, increased by Baht 125 million or 140% and for the nine-month period was Baht 546 million, increased by Baht 377 million or 223% compared to the same period last year. This was due to the recovery of the tourism industry after the COVID-19 pandemic situation eased and the relaxation of travel restrictions among countries around the world. As a result, the Company saw a significant increase in foreign customers. The Novotel Bangkok Platinum Pratunam had an average occupancy rate of more than 90% during the first three quarters of 2023. In addition, the Company also generated revenues from the opening of the Holiday Inn Resort Samui Bophut Beach since October 1, 2022, with an average occupancy rate of 63% during the first three quarters of 2023. In particular, during the third quarter, the average occupancy rate reached as high as 72% due to the high season for Koh Samui.

## 1.3 Revenues from Food and Beverage

Ended September 30, 2023, the Company's revenues from food and beverage sales for the three-month period was Baht 51 million, increased by Baht 11 million or 28% and for the nine-month period was Baht 146 million, increased by Baht 68 million or 87% compared to the same period last year. This was due to the economic activities within the country returning to normal as a result of the lifting of COVID-19 control measures and the recovery of the tourism sector. This led to a significant increase in the number of both local and foreign customers, using the Company's food center services.

## 1.4 Other Revenues

Ended September 30, 2023, the Company's other revenues for the three-month period was Baht 7 million, slightly increased by Baht 1 million or 16% and for the nine-month period was Baht 26 million, increased by Baht 9 million or 53% compared to the same period last year. The main reason for the increase was due to forfeited deposit and penalty fee from late return of rental space from tenants and revenue from sales of remaining steel scraps from construction work.

## 2. Total Costs

Ended September 30, 2023, the Company's total costs for the three-month period was Baht 269 million, increased by Baht 88 million or 49% and for the nine-month period was Baht 765 million, increased by Baht 283 million or 58% compared to the same period last year. The details are as follows:

Unit: Million Baht

Description	Three-Month Period				Nine-Month Period			
	2023	2022	Change + / (-)		2023	2022	Change + / (-)	
Cost of Rental and Services	133	116	17	15%	388	337	51	15%
Cost of Hotel Operations	96	33	63	191%	261	81	180	222%
Cost of Food and Beverage	40	32	8	25%	116	64	52	81%
<b>Total Costs</b>	<b>269</b>	<b>181</b>	<b>88</b>	<b>49%</b>	<b>765</b>	<b>482</b>	<b>283</b>	<b>58%</b>

### 2.1 Cost of Rental and Services

Ended September 30, 2023, the Company's cost of rental and services for the three-month period was Baht 133 million, increased by Baht 17 million or 15% and for the nine-month period was Baht 388 million, increased by Baht 51 million or 15% compared to the same period last year. The details are as follows:

- Depreciation and amortization cost for the three-month period was Baht 71 million and for the nine-month period was Baht 211 million, no change from the same period last year because it is fixed cost.
- Other costs of rental and services for the three-month period was Baht 62 million, increased by Baht 17 million or 38% and for the nine-month period was Baht 177 million, increased by Baht 51 million or 40% compared to the same period last year, which is in line with the increase in revenues and higher operating costs due to the reopening of Zone 3 of the Platinum Fashion Mall. However, the increase in costs is proportionately lower than the increase in revenues due to the Company's effective cost management and control of operational costs, such as utility costs, repair and maintenance costs, as well as outsourced costs such as cleaning services, security expenses, and car parking management fees.

## 2.2 Cost of Hotel Operations

Ended September 30, 2023, the Company's cost of hotel operations for the three-month period was Baht 96 million, increased by Baht 63 million or 191% and for the nine-month period was Baht 261 million, increased by Baht 180 million or 222% compared to the same period last year, which was in line with the increase in revenues and higher operating costs from the opening of the Holiday Inn Resort Samui Bophut Beach since October 1, 2022.

## 2.3 Cost of Food and Beverage

Ended September 30, 2023, the Company's cost of food and beverage for the three-month period was Baht 40 million, increased by Baht 8 million or 25% and for the nine-month period was Baht 116 million, increased by Baht 52 million or 81% compared to the same period last year, which was in line with the increase in revenues. However, the increase in costs is proportionately lower than the increase in revenue because the Company efficiently controlled operating costs for maximum efficiency and the adjustment to increase the revenue sharing (GP) collected from food court tenants since the third quarter of 2023 onwards.

## 3. Expenses

Unit: Million Baht

Description	Three-Month Period				Nine-Month Period			
	2023	2022	Change + / (-)		2023	2022	Change + / (-)	
Selling and Administrative Expenses	90	161	(71)	(44%)	252	281	(29)	(10%)
Selling and Administrative Expenses (Excluding extraordinary item)	90	77	13	17%	252	197	55	28%
Finance Cost	37	34	3	9%	113	101	12	12%
Income Tax Expense	51	23	28	122%	111	32	79	247%

### 3.1 Selling and Administrative Expenses

Ended September 30, 2023, the Company's selling and administrative expenses for the three-month period was Baht 90 million, decreased by Baht 71 million or 44% and for the nine-month period was Baht 252 million, decreased by Baht 29 million or 10% compared to the same period last year. The decrease was mainly due to write-off of accrued rental and service income of Baht 84 million from the termination of lease and service agreements of a lessee with a subsidiary during the third quarter of last year.

If excluding the aforementioned extraordinary item, the Company's selling and administrative expenses for the three-month increased by Baht 13 million or 17% and for the nine-month period increased by Baht 55 million or 28% compared to the same period last year, mainly due to the increased sales and marketing expenses and administrative expenses of hotel business. The details are as follows:

- Sales & marketing and administrative expenses of Novotel Bangkok Platinum Pratunam for the three-month period increased by Baht 3 million and for the nine-month period increased by Baht 20 million compared to the same period last year, which was in line with the increase in revenues as the hotel returned to normal operations following the recovery of the tourism industry after the COVID-19 pandemic situation eased.
- Sales & marketing and administrative expenses of Holiday Inn Resort Samui Bophut Beach for the three-month period increased by Baht 10 million and for the nine-month period increased by Baht 36 million compared to the same period last year due to the hotel starting its operations in the fourth quarter of 2022.

### 3.2 Finance Cost

Ended September 30, 2023, the Company's finance cost for the three-month period was Baht 37 million, increased by Baht 3 million or 9% and for the nine-month period was Baht 113 million, increased by Baht 12 million or 12% compared to the same period last year, mainly due to interest expense recognition according to TFRS16 about lease as well as higher interest paid on short-term loans from bank because of an increase in the principal amount of Baht 200 million and higher interest rate of the bank.

### 3.3 Income Tax Expense

Ended September 30, 2023, the Company's income tax expense for the three-month period was Baht 51 million, increased by Baht 28 million or 122% and for the nine-month period was Baht 111 million, increased by Baht 79 million or 247% compared to the same period last year because the Company's profit from the separate operating results of 2023 has increased significantly from the same period last year.

#### 4. Profit (Loss) for the Period

Unit: Million Baht

Description	Three-Month Period				Nine-Month Period			
	2023	2022	Change + / (-)		2023	2022	Change + / (-)	
Profit (Loss) before Depreciation, Amortization, Finance Income & Cost and Income Tax (EBITDA)	257	14	243	1,736%	626	39	587	1,505%
Profit (Loss) before Depreciation, Amortization, Finance Income & Cost and Income Tax (EBITDA) (Excluding extraordinary item)	257	98	159	162%	626	123	503	409%
<b>Net Profit (Loss) for the Period</b>	<b>70</b>	<b>(127)</b>	<b>197</b>	<b>Turn</b>	<b>112</b>	<b>(344)</b>	<b>456</b>	<b>Turn</b>
<b>Net Profit (Loss) for the Period (Excluding extraordinary item)</b>	<b>70</b>	<b>(43)</b>	<b>113</b>	<b>Turn</b>	<b>112</b>	<b>(260)</b>	<b>372</b>	<b>Turn</b>

Ended September 30, 2023, the Company's profit before depreciation, amortization, finance income & cost and income tax (EBITDA) for the three-month period was Baht 257 million, increased by Baht 243 million or 1,736% and for the nine-month period was Baht 626 million, increased by Baht 587 million or 1,505% compared to the same period last year.

If excluding the extraordinary item from write-off of accrued rental and service income amounting to Baht 84 million, the Company's profit before depreciation, amortization, finance income & cost and income tax (EBITDA) for the three-month period increased by Baht 159 million or 162% and for the nine-month period increased by Baht 503 million or 409% compared to the same period last year.

Ended September 30, 2023, the Company's net profit for the three-month period was Baht 70 million, turnaround from a net loss in the same period last year of Baht 127 million, or increased by Baht 197 million and for the nine-month period was Baht 112 million, turnaround from a net loss in the same period last year of Baht 344 million, or increased by Baht 456 million.

If excluding the extraordinary item from write-off of accrued rental and service income amounting to Baht 84 million, the Company's net profit for the three-month period increased by Baht 113 million and for the nine-month period increased by Baht 372 million compared to the same period last year. This is the third consecutive profitable quarters since the second quarter of 2020, indicating a positive recovery of the Company's business after the situation of the COVID-19 pandemic has eased.

## 5. Financial Position

Unit: Million Baht

Description	September 30, 2023		December 31, 2022		Change + / (-)	
	MB	Proportion	MB	Proportion	MB	%
Total Assets	11,460	100%	11,903	100%	(443)	(4%)
Total Liabilities	3,893	34%	4,448	37%	(555)	(12%)
Shareholder's Equity	7,567	66%	7,455	63%	112	1.5%

### 5.1 Total Assets

As at September 30, 2023, the Company had total assets of Baht 11,460 million, decreased by Baht 443 million or 4% compared to December 31, 2022, mainly due to repayment of a short-term loan to a bank amounting Baht 400 million during the third quarter of this year.

### 5.2 Total Liabilities

As at September 30, 2023, the Company had total liabilities of Baht 3,893 million, decreased by Baht 555 million or 12% compared to December 31, 2022 due to a decrease in trade & other account payables by Baht 390 million and a decrease in short-term loan from bank by Baht 200 million.

### 5.3 Shareholder's Equity

As at September 30, 2023, the Company's shareholder's equity increased to Baht 7,567 million, up from the equity as at December 31, 2022 by Baht 112 million or 1.5% due to net profit for the period.

Please be informed accordingly.

Sincerely yours,

Mr. Suwit Wannasirisook  
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 Authorized Person for Information Disclosure

Investor Relations

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