

February 22, 2024

The President

The Stock Exchange of Thailand

Dear Sir,

The Company's results for operating result for the year ended December 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			
The Company	809,546	420,064	92.72%
Operating result			
The Company	(41,879)	(123,010)	65.95%

Comparing revenue from hotel operations in year 2023 with 2022 increased by Baht 389.48 million or equivalent to 92.72% Due to the economic recovery stemming from the Covid-19 situation, as well as a substantial increase in foreign tourist arrivals, particularly from China, during the fourth quarter. As a result, the customer occupancy rate increased by 24.11% and the average room rate increased by 34.81%. 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 356.07 million and Baht 353.21 million from the loan to Parent company in year 2023 and 2022 respectively. The company also recognized the finance cost from lease agreements in year 2023 and 2022 amount Baht 392.38 million and 381.93 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 administrative expenses, mainly expenses of the Company was employee expense. Comparing between 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 year 2022 by THB 135.97 million or 55.07%.

The operating result of the Company for year 2023 compared with year 2022 was still deficit; however, the deficit decreased by Baht 81.1 million or equivalent to 65.95%

Yours sincerely,

-Pichai Chinachote-

(Mr. Pichai Chinachote)

Director of Finance