

May 7, 2024

The President

The Stock Exchange of Thailand

Dear Sir,

The Company's results for operating result for the 3-month ended March 31, 2024 comparing to the same period last year as follows:

(Baht in Thousand)	<u>2024</u>	<u>2023</u>	<u>Change (%)</u>
Total Revenue	274,392	191,875	43.01%
Operating result	16,966	(6,229)	372.37%

Comparing revenue from hotel operations in quarter 1 year 2024 with 2023 increased by Baht 82.52 million or equivalent to 43.01% Due to the economic recovery stemming from the Covid-19 situation, as well as a substantial increase in foreign tourist arrivals, particularly from China and Russia. As a result, the customer occupancy rate increased by 14.60% and the average room rate increased by 8.90%. 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 88.51 million and Baht 87.42 million from the loan to Parent company in quarter 1 year 2024 and 2023 respectively. The company also recognized the finance cost from lease agreements in quarter 1 year 2024 and 2023 amount Baht 98.35 million and 95.37 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 quarter 1 year 2024 and year 2023, 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. Therefore, this resulted in relatively high management expenses, the amount is 23.68% of administrative expenses.

As a result, the operating result for Quarter 1 year 2024 compared with Quarter 1 year 2023 of the Company increased in profit by Baht 23.20 million or equivalent to 372.37%.

Yours sincerely,

-Pichai Chinachote-

(Mr. Pichai Chinachote)

Director of Finance