

August 13, 2024

The President & Director,

The Stock Exchange of Thailand (SET)

**LETTER OF CLARIFICATION for CENTEL's Operating Performance Results for the 3 months
ended June 30, 2024**

Central Plaza Hotel Public Company Limited. (the "Company" or "CENTEL") wishes to inform and clarify to the SET regarding the analysis of the Company's operating performance results for the 3 months (Q2/2024) that ended June 30, 2024, with the following details:

1. Overview of the tourism industry in Thailand, the Maldives, Dubai, and Japan
 2. Analysis of the operating performance of the Company and for each respective Business Group
 3. Financial Status of the Company
 4. Factors that may impact ongoing business operations for 2024
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1. Overview of the tourism industry in Thailand, the Maldives, Dubai, and Japan

1.1 The tourism industry in Thailand

The number of international tourist arrivals in Q2/2024 was a total of 8.1 million, an increase of 26% YoY mainly driven by an increase in Asian tourists with a contribution of 76% of total arrivals. Chinese reported the strongest growth of 82% compared to the same period last year or an increase of 0.8 million to 1.7 million in Q2/2024 partially due to a benefit from the visa-exemption scheme. The top three tourists were from China at 21%, Malaysia at 16%, and India at 7% of total arrivals, respectively.

For 6 months 2024, total tourist arrivals were 17.5 million, an increase of 4.5 million or 35% YoY, mainly driven by an increase in Chinese by 2 million YoY accounting for 44% of the total increase in arrivals. The top three tourists were from China at 20%, Malaysia at 14%, and India at 6% of total arrivals.

1.2 The tourism industry in the Maldives

The total number of international tourist arrivals in Q2/2024 was 411,525, a growth of 1% YoY driven by a growth of European tourists by 9% YoY, with the highest contribution of 52% of total arrivals. On the other hand, tourists from Asia dropped by 8% YoY, with a total contribution of 32% of arrivals. A drop in Asian tourists was mainly from a decrease in India of 25,603 or 47% YoY, while Chinese increased by 7,591 or 17% YoY. The top three tourist arrivals were from China at 13%, Russia at 11%, the UK at 8% of total tourist arrivals.

For 6 months 2024, total tourists were 1.0 million, an increase of 85,922 or 9% YoY, driven by a rise of Chinese tourists by 57,299 YoY accounting for 67% of the total increase in arrivals, while Indians significantly dropped by 46,964 or 43% YoY. The top three tourists were from China at 12%, Russia at 10%, and the UK at 9% of total arrivals.

1.3 The tourism industry in Dubai

The total number of international tourist arrivals in Q2/2024 was 4.1 million, an increase of 6% YoY, mainly driven by European tourists. The top three arrivals were from Western Europe and South Asia with equal contributions at 18%, Gulf Cooperation Council (GCC) at 15%, Russia, Commonwealth of Independent States: CIS, and Eastern Europe with a total of 13% of total tourist arrivals.

For 6 months 2024, total tourists were 9.3 million, a growth of 9% YoY. The top three arrivals were Western Europe at 20%, South Asia at 17%, Russia, Commonwealth of Independent States: CIS, and Eastern Europe with a total of 15% of total tourist arrivals.

1.4 The Tourism Industry in Japan

The total number of international tourist arrivals in Q2/2024 was 9.2 million, an increase of 3.3 million or 56% YoY mainly driven by an increase in Asian tourists, particularly from China in a total number of 1.7 million, an increase of 1.3 million or approximately 2.9 times YoY. The top three arrivals contributed

58% of total arrivals, which were from South Korea at 23%, China at 19%, and Taiwan at 16% of total tourist arrivals.

For 6 months 2024, total arrivals were 17.8 million, an increase of 7.1 million or 66% YoY, driven by a growth of Chinese tourists by 2.5 million YoY, accounting for 35% of the total increase in arrivals. The top three arrivals were from South Korea at 25%, China and Taiwan with equal contribution at 17%, and USA at 8% of total tourist arrivals.

2 Analysis of the operating performance of the Company and for each respective Business Group

2.1 Analysis of the operating performance

Operating Performance for Q2/2024 and Q2/2023

(Amount - in Baht Million)	Q2/2024		Q2/2023		Changes YoY (Increase+/ Decrease-)	
	Amount	%	Amount	%	Amount	%
	Revenues - hotel business	2,454	42%	2,028	39%	426
Revenues - food business	3,393	58%	3,222	61%	171	5%
Total revenues	5,847	100%	5,250	100%	597	11%
Cost of sales - hotel business	887	15%	761	14%	126	17%
Cost of sales - food business	1,515	26%	1,439	27%	76	5%
Total cost of sales ⁽¹⁾	2,402	41%	2,200	42%	202	9%
Selling & General Administrative Expenses ⁽²⁾	2,121	36%	1,837	35%	284	15%
Share of Gain Investments (by the equity method)	20	0%	10	0%	10	100%
Earning before Interest, Tax, Depreciation and Amortization (EBITDA)	1,344	23%	1,223	23%	121	10%
Depreciation & Amortization	808	14%	769	15%	39	5%
Earning before Interest and Tax (EBIT)	536	9%	454	9%	82	18%
Finance Costs ⁽³⁾	259	4%	273	5%	(14)	-5%
Corporate Tax Expenses ⁽²⁾⁽⁴⁾	152	3%	81	2%	71	88%
Loss attributable to Non-Controlling Interests	43	1%	21	0%	22	105%
Net Profit	168	3%	121	2%	47	39%

(1) Cost of Sales excludes Depreciation & Amortization Expenses that are allocated to Cost of Sales

(2) Included provision for contingent liabilities according to labour laws of Baht 49 million netted off deferred tax of Baht 10 million (Q2/2023: none)

(3) Finance costs excluding interest expenses related to the lease according to TFRS 16 were Baht 120 million (Q2/2023: Baht 145 million)

(4) Included written-off deferred tax asset of Centara Grand Island Resort & Spa, Maldives of Baht 106 million (Q2/2023: none)

- Q2/2024:** The Company achieved total revenues of Baht 5,847 million (Q2/2023: Baht 5,250 million), an increase of Baht 597 million (or a rise of 11% YoY), with the proportion of total revenues between the hotel business and the food business being at 42%:58% (Q2/2023: 39%:61%); while a Gross Profit was Baht 3,130 million, an increase of 10% YoY and represented a Gross Profit Margin of 57% of the revenues (excluding other income) that was an increase compared to the same period last year (Q2/2023: 56%). The Company achieved an Earning before Interest, Tax, Depreciation, and Amortization (EBITDA) of Baht 1,344 million, (Q2/2023: Baht 1,223 million), an increase of Baht 121 million (or 10%) from Q2/2023 and EBITDA Margin of 23% was stable YoY. The Company had an Earning before Interest and Tax (EBIT) of Baht 536 million, an increase of Baht 82 million or 18%. In Q2/2024, the company had a Net Profit of Baht 168 million (Q2/2023: Baht 121 million), a growth of 39% YoY. However, there were expenses that were likely to occur only one-time such as 1) written-off Deferred Tax Assets of Centara Grand Island Resort and Spa Maldives hotel which the lease contract will expire in October 2027, resulted in an corporate tax expense of Baht 106 million and 2) provision for contingent liabilities according to labour laws after netted off deferred tax of Baht 39 million.

In Q2/2024, the company recognized a gain from changes in the foreign exchange rates relating to foreign currency loans of Baht 55 million (Q2/2023: a gain of Baht 38 million).

Operating Performance for 6 months 2024 and 2023

(Amount - in Baht Million)	6 months 2024		6 months 2023		Changes YoY (Increase+/ Decrease-)	
	Amount	%	Amount	%	Amount	%
	Revenues - hotel business	5,699	47%	4,861	44%	838
Revenues - food business	6,537	53%	6,253	56%	284	5%
Total revenues	12,236	100%	11,114	100%	1,122	10%
Cost of sales - hotel business	1,962	16%	1,629	15%	333	20%
Cost of sales - food business	2,933	24%	2,811	25%	122	4%
Total cost of sales ⁽¹⁾	4,895	40%	4,440	40%	455	10%
Selling & General Administrative Expenses ⁽²⁾	4,102	34%	3,763	34%	339	9%
Share of Gain (Loss) - Investments (by the equity method)	21	0%	(17)	0%	38	224%
Earning before Interest, Tax, Depreciation and Amortization (EBITDA)	3,260	27%	2,894	26%	366	13%
Depreciation & Amortization	1,562	13%	1,490	13%	72	5%
Earning before Interest and Tax (EBIT)	1,698	14%	1,404	13%	294	21%
Finance Costs ⁽³⁾	519	4%	459	4%	60	13%
Corporate Tax Expenses ⁽²⁾⁽⁴⁾	270	2%	165	1%	105	64%
Loss (Profit) attributable to Non-Controlling Interests	14	0%	(30)	0%	44	147%
Net Profit	923	8%	750	7%	173	23%

(1) Cost of Sales EXCLUDES Depreciation & Amortization Expenses that are allocated to Cost of Sales

- (2) Included provision for contingent liabilities according to labour laws of Baht 49 million netted off deferred tax of Baht 10 million (6 months 2023: none)
- (3) Finance costs excluding interest expenses related to the lease according to TFRS 16 were Baht 244 million (6 months 2023: Baht 266 million)
- (4) Included written-off deferred tax asset of Centara Grand Island Resort & Spa, Maldives of Baht 106 million (6 months 2023: none)

6 months 2024: The Company achieved Total Revenues of Baht 12,236 million (6 months 2023: Baht 11,114 million), an increase of Baht 1,122 million (or 10% YoY), with the proportion of total revenues between the Hotel Business and the Food Business being 47%:53% (6 months 2023: 44%:56%); while Gross Profit was Baht 6,737 million, an increase of Baht 593 million or 10% YoY and represented a Gross Profit Margin of 58% of total revenues (excluding other income) that was stable compared to the same period last year. The Company achieved a Total EBITDA of Baht 3,260 million (6 months 2023: Baht 2,894 million), an increase of Baht 366 million (or 13%) YoY. An EBITDA Margin of 27% was an increase from the same period last year (6 months 2023: 26%) due to the recovery of hotel business. The Company had an Earning before Interest and Tax (EBIT) of Baht 1,698 million, an increase of Baht 294 million (or a growth of 21%), and a Net Profit of Baht 923 million, a rise of 23% YoY (6 months 2023: 750 million).

For 6 months 2024, the company recognized a gain from changes in the foreign exchange rates relating to foreign currency loans of Baht 61 million (6 months 2023: a gain of Baht 63 million).

2.2 Analysis of the Operating Results for each respective Business Group

2.2.1 Hotel Business

As of June 30, 2024, the Company had hotels under management in a total of 91 hotels (20,466 rooms); with 50 hotels (11,001 rooms) already in operation together with other 41 hotels (9,465 rooms) still under development. Of the 50 hotels already in operation, 20 hotels (5,566 rooms) are owned and operated by the Company, with the other 30 hotels (5,435 rooms) being operated under the Company's Hotel Management Agreements.

Operations Results - Hotel Business (for owned & operated hotels) Q2/2024

Occupancy Rate (OCC) %	Total Operating Performance		
	Q2/2024	Q2/2023	% Changes
Bangkok	81%	72%	9% pts
Upcountry	61%	62%	-1% pts
Maldives	59%	56%	3% pts
Dubai	83%	82%	1% pts
Japan	88%	-	NA
Thailand – Average	68%	65%	3% pts
Total Average (excluded Dubai)	69%	65%	4% pts
Total Average	71%	67%	4% pts

Average Room Rate - ARR (Baht)	Total Operating Performance		
	Q2/2024	Q2/2023	% Changes
Bangkok	3,892	3,791	3%
Upcountry	4,218	3,957	7%
Maldives	11,717	12,361	-5%
Dubai	7,119	6,226	14%
Japan	7,166	-	NA
Thailand - Average	4,088	3,901	5%
Total Average (excluded Dubai)	4,874	4,314	13%
Total Average	5,180	4,596	13%

Revenue per Available Room - RevPar (Baht)	Total Operating Performance		
	Q2/2024	Q2/2023	% Changes
Bangkok	3,144	2,733	15%
Upcountry	2,569	2,462	4%
Maldives	6,887	6,896	0%
Dubai	5,932	5,094	16%
Japan	6,284	-	NA
Thailand - Average	2,760	2,545	8%
Total Average (excluded Dubai)	3,378	2,792	21%
Total Average	3,674	3,068	20%

Operating performance of the hotel business in Q2/2024

Hotel Business (In Baht Million)	Q2/2024	Q2/2023	% Changes
Revenues - Hotel Business operations	2,181	1,892	15%
Total Revenues (including other income)	2,454	2,028	21%
Gross Profit	1,294	1,131	14%
% Gross Profit Margin	59%	60%	-1% pts
EBITDA	718	613	17%
% EBITDA Margin	29%	30%	-1% pts
Net Profit (Loss)	34	(14)	343%
% Net profit (loss) margin	1%	-1%	2% pts

- Q2/2024:
 - In Q2/2024, the Revenue per available rooms (RevPar) of the hotel business has improved 20% YoY to Baht 3,674. The occupancy Rate (OCC) increased from 67% in Q2/2023 to 71% in Q2/2024 and the Average Room Rate (ARR) improved by 13% YoY to Baht 5,180, driven by both growth of the hotels in Thailand and Dubai and the new hotel in Japan, which reported higher ARR than Thailand's hotels.
 - Bangkok: RevPar increased by 15% YoY to Baht 3,144 as a result of the Occupancy Rate (OCC) improving from 72% to 81% and the Average Room Rate (ARR) also increased by 3% YoY to Baht 3,892. The performance improved in all segments compared to last year.
 - Upcountry: RevPar increased by 4% YoY to Baht 2,569 as a result of the Average Room Rate (ARR) improved by 7% YoY to Baht 4,218, while the Occupancy Rate decreased slightly from 62% to 61% due to Centara Grand Mirage Beach Resort Pattaya under major renovation. Other hotels in overall still reported RevPAR growth YoY, particularly Hotels in Phuket and Samui.
 - Overseas:
 - Maldives: RevPar was stable compared to the same period last year at Baht 6,887. The OCC improved from 56% to 59%, while ARR dropped by 5% YoY to Baht 11,717. However, considering in USD, the Total Revenue per Available Room (TRevPar) decreased by 8% YoY to USD 307. The performance was softened YoY

partially due to a significant decrease in Indian tourists, although there was a positive factor from a recovery of Chinese tourists.

- Dubai: the OCC increased from 82% to 83% and ARR grew by 14% YoY to Baht 7,119 as a result of an increase in RevPar by 16% YoY to Baht 5,932. An improvement in RevPAR partly gained the positive impact of continuously increasing international tourist arrivals.
- Japan: In Q2/2024 during high season, the OCC was 88%, ARR of Baht 7,166, and RevPar of Baht 6,284.

- In Q2/2024, The hotel business achieved total revenues of Baht 2,454 million, an increase of Baht 426 million (or a rise of 21% YoY). The hotel business had a Gross Profit of Baht 1,294 million (Q2/2023: Baht 1,131 million), a growth of 14% YoY. Although the Gross Profit margin slightly dropped to 59% (Q2/2023: 60%). The hotel business had an EBITDA of Baht 718 million, a growth of 17% YoY (Q2/2023: Baht 613 million) mainly as a result of Centara Grand Hotel Osaka's performance. The EBITDA margin slightly decreased YoY to 29% (Q2/2023: 30%) because of the impact of major renovations of Centara Grand Mirage Beach Resort Pattaya, and Centara Karon Resort Phuket. The hotel business had a Net Profit of Baht 34 million, an increase 343% YoY (Q2/2023: Net Loss Baht 14 million). However, there were expenses that were likely to occur only one-time such as 1) written-off Deferred Tax Assets of Centara Grand Island Resort and Spa Maldives hotel which the lease contract will expire in October 2027, resulted in an corporate tax expense of Baht 106 million and 2) provision for contingent liabilities according to labour laws after netted off deferred tax of Baht 39 million.

- **Operations Results - Hotel Business (for owned & operated hotels) for 6 months 2024**

Occupancy Rate (OCC) %	Total Operating Performance		
	6 months 2024	6 months 2023	Changes YoY
Bangkok	79%	73%	6% pts
Upcountry	68%	70%	-2% pts
Maldives	75%	72%	3% pts
Dubai	87%	83%	4% pts

Japan	77%	-	NA
Thailand - Average	72%	71%	1% pts
Total – Average (Excluded Dubai)	72%	71%	1% pts
Total - Average	74%	72%	2% pts

Average Room Rate - ARR (Baht)	Total Operating Performance		
	6 months 2024	6 months 2023	Changes YoY
Bangkok	3,962	3,837	3%
Upcountry	5,267	4,370	21%
Maldives	14,715	14,676	0%
Dubai	7,286	6,335	15%
Japan	7,114	-	NA
Thailand - Average	4,786	4,202	14%
Total – Average (Excluded Dubai)	5,624	4,806	17%
Total - Average	5,850	5,016	17%

Revenue per Available Room - RevPAR (Baht)	Total Operating Performance		
	6 months 2024	6 months 2023	Changes YoY
Bangkok	3,142	2,791	13%
Upcountry	3,569	3,055	17%
Maldives	11,062	10,575	5%
Dubai	6,309	5,233	21%
Japan	5,512	-	NA
Thailand - Average	3,426	2,974	15%
Total – Average (Excluded Dubai)	4,075	3,405	20%
Total - Average	4,334	3,625	20%

Operating performance of hotel business for 6 months 2024

Hotel Business (In Baht Million)	6 months 2024	6 months 2023	Changes YoY
Revenues - Hotel Business operations	5,180	4,408	18%
Total Revenues (including other income)	5,699	4,861	17%
Gross Profit	3,218	2,779	16%
% Gross Profit Margin	62%	63%	-1% pts
EBITDA	2,085	1,734	20%
% EBITDA margin	37%	36%	1% pts
Net Profit	665	524	27%
% Net Profit margin	12%	11%	1% pts

- 6 months 2024:
 - Occupancy Rate (OCC) increased from 72% to 74%, and Average Room Rate (ARR) improved by 17% YoY to Baht 5,850 which then resulted in the RevPAR being increased by 20% YoY to Baht 4,334 mainly driven by the room rate growth.
 - Bangkok: RevPAR increased by 13% YoY to Baht 3,142, due to an increase in Occupancy Rate (OCC) from 73% to 79%, and the Average Room Rate (ARR) increased by 3% YoY to Baht 3,962.
 - Upcountry: RevPAR raised by 17% to Baht 3,569, resulting from the Average Room Rate (ARR) increased by 21% YoY to Baht 5,267, while the OCC dropped from 70% to 68% as a result of Centara Grand Mirage Beach Resort Pattaya partially closed under major renovation.
 - Overseas:
 - Maldives: RevPAR improved by 5% YoY to Baht 11,062 from an increase in OCC from 72% to 75%, while ARR was stable YoY at Baht 14,715. However considering in USD, TRevPAR decreased by 4% YoY to USD 464.
 - Dubai: OCC raised from 83% to 87%. ARR increased by 15% YoY to Baht 7,286, and RevPAR was Baht 6,309, a growth of 21% YoY.
 - Japan: OCC was 77%, ARR at Baht 7,114 and RevPAR was Baht 5,512.

- For the 6 months 2024, The hotel Business achieved Total Revenues of Baht 5,699 million, an increase of Baht 838 million (or 17% YoY). Gross Profit was Baht 3,218 million (6 months 2023: Baht 2,779 million), an increase of 16% YoY, although, a Gross Profit Margin slightly dropped YoY to 62% (6 months 2023: 63%) due to the impact of Centara Grand Mirage Beach Resort Pattaya and Centara Karon Resort Phuket under major renovations. The hotel business had an EBITDA of Baht 2,085 million (6 months 2023: Baht 1,734 million) and EBITDA margin was 37%, an improvement compared to the same period last year (6 months 2023: 36%). The growth in operating result was mainly a result of operation of Japan hotel. The hotel business had a Net profit of Baht 665 million, an increase of 27% YoY (6 months 2023: Baht 524 million)

2.2.2 Food Business

- Operating Results - Food Business Q2/2024

Same Store Sales (SSS) Growth %	Q2/2024	Q2/2023
Top 4 brands	3%	5%
Other brands - Excluding Joint Ventures' and "The Terrace" under management	-1%	0%
Average - Excluding Joint Ventures' and "The Terrace" under management	2%	5%
Total Average - Excluding Café Amazon Vietnam	2%	4%

Total System Sales (TSS) Growth %	Q2/2024	Q2/2023
Top 4 brands	7%	9%
Other brands - Excluding Joint Ventures' and "The Terrace" under management	-5%	5%
Average - Excluding Joint Ventures' and "The Terrace" under management	6%	10%
Total Average - Excluding Café Amazon Vietnam	10%	15%

Number of Outlets	Q2/2024	Q2/2023
KFC	338	324
Mister Donut	458	467
Auntie Anne's	231	214
Ootoya	50	45
Pepper Lunch	50	50
Cold Stone Creamery	15	16
The Terrace	4	5

Chabuton	14	16
Yoshinoya	24	27
Tenya	12	12
Katsuya	58	60
Aroi Dee	-	25
Kowlune	1	1
Arigato	209	198
Grab Kitchen by Every Food	3	17
Kiani	1	-
Joint ventures' brands		
Salad Factory ⁽¹⁾	41	33
Brown Café	4	9
Café Amazon - Vietnam ⁽¹⁾	24	21
Som Tum Nua	8	5
Shinkanzen Sushi ⁽¹⁾	64	45
Total	1,609	1,590

⁽¹⁾ Presented as Joint ventures in Financial Statements

Food Business (in Baht Million)	Q2/2024	Q2/2023	% Changes
Sales Revenues	3,351	3,166	6%
Total Revenues (including other income)	3,393	3,222	5%
Gross Profit	1,836	1,726	6%
% Gross Profit Margin	55%	55%	0% pts
EBITDA	626	610	3%
% EBITDA Margin	18%	19%	-1% pts
Net Profit	134	135	-1%
% Net Profit Margin	4%	4%	0% pts

- For operating performance in Q2/2024, the food business achieved Total Revenues of Baht 3,393 million, an increase of Baht 171 million (or a growth of 5% YoY). The Same Store Sales – excluding Joint ventures' brands and “The Terrace” under management outlets (%SSS) increased by 2% compared to the same period last year and Total System Sales – excluding Joint ventures' brands and “The Terrace” under

management outlets (%TSS) grew by 6% YoY. The increase in revenue was mainly from the key brands such as KFC, Mister Donut, Auntie’s Anne, and Ootoya.

- At the end of Q2/2024, the company had a total of 1,609 outlets (including Joint venture brands in Thailand and overseas), a net increase of 19 outlets or a growth of 1% compared to Q2/2023. The outlet expansions were mainly from Shinkanzen Sushi (+19), Auntie Anne’s (+17), KFC (+14), Arigato (+11), and Salad Factory (+8). Aroi Dee’s and Grab Kitchen by EveryFood’s outlets were closed due to major revenue contributions from delivery, which reported a significant slowdown in growth rate YoY. Non-performing outlets have been closed to improve the company’s profit margin.
- In Q2/2024, The food business had a Gross Profit of Baht 1,836 million (Q2/2023: Baht 1,726 million), an increase of 6% YoY, while the Gross Profit margin was stable at 55% of food revenue (excluding other incomes). The company had Earnings before Interest, Taxes, Depreciation, and Amortization (EBITDA) of Baht 626 million, a growth of 3% YoY (Q2/2023: Baht 610 million), although, EBITDA margin (%EBITDA) slightly dropped YoY to 18% (Q2/2023: 19%). The food business had a Net profit of Baht 134 million, which was stable YoY (Q2/2023: Baht 135 million) with a maintained NPAT margin at 4% of the food revenue.

Operating Results - Food Business for 6 months 2024

Same Systems Sales (SSS) Growth %	6 months 2024	6 months 2023
Top 4 brands	2%	7%
Other brands - Excluding Joint Ventures’ and “The Terrace” under management	-2%	3%
Average - Excluding Joint Ventures’ and “The Terrace” under management	2%	6%
Total Average - Excluding Café Amazon Vietnam	1%	6%

Total System Sales (TSS) Growth %	6 months 2024	6 months 2023
Top 4 brands	6%	11%
Other brands - Excluding Joint Ventures’ and “The Terrace” under management	-3%	18%
Average - Excluding Joint Ventures’ and “The Terrace” under management	4%	13%
Total Average - Excluding Café Amazon Vietnam	9%	21%

Food Business (in Baht Million)	6 months 2024	6 months 2023	Change YoY
Sales Revenues	6,452	6,176	4%
Total Revenues (including other income)	6,537	6,253	5%
Gross Profit	3,519	3,365	5%
% Gross Profit Margin	55%	54%	1% pts
EBITDA	1,175	1,160	1%
% EBITDA Margin	18%	19%	-1% pts
Net Profit	258	226	14%
% Net Profit margin	4%	4%	0% pts

- For the performance 6 months 2024, The food business had a total revenue of Baht 6,537 million, an increase of Baht 284 million (or 5%) compared to the same period last year. The Same Store Sales – excluding Joint ventures' brands and “The Terrace” under management outlets (%SSS) increased by 2% compared to the same period last year and Total System Sales – excluding Joint ventures' brands and “The Terrace” under management outlets (%TSS) grew by 4% YoY. The food business had a Gross profit of Baht 3,519 million, a rise of 5% YoY with a Gross Profit margin of 55%, an improvement YoY (6 months 2023: 54%). EBITDA was Baht 1,175 million (6 months 2023: Baht 1,160 million), a rise of 1% YoY, with a slightly drop of EBITDA margin to 18% (6 months 2023: 19%). The food business had a Net profit of Baht 258 million, a growth of 14% YoY (6 months 2023: Baht 226 million).

3 Financial Status

Financial Position and Cash Flows

As of June 30, 2024, the Company had Total Assets of Baht 56,258 million, an increase of Baht 2,055 million or 4% compared to the end of 2023, mainly due to an increase of Property, Plant, and Equipment of Baht 2,808 million mainly from two new hotels under construction in Maldives, an increase in cash and cash equivalent of Baht 151 million, and an increase in Investment in Joint Ventures of Baht 152 million. In contrast, Trade and other receivables dropped by Baht 260 million, a decrease in other current financial assets of Baht 297 million and a decrease in inventories of Baht 201 million compared to the end of 2023.

Total Liabilities were Baht 35,447 million, an increase of Baht 1,261 million or 4% compared to the end of 2023, mainly from an increase in Bank overdrafts and short-term loans from financial institutions of Baht 1,040 million, a rise of Long-term loans from financial institutions of Baht 192 million, while debentures dropped by Baht 84 million and a decrease of lease liabilities of Baht 20 million compared to the end of 2023.

The Company had Total Shareholders' Equity of Baht 20,811 million, an increase of Baht 793 million from the end of 2023, mainly resulting from an increase in the Company's Net Profit for 6 months 2024 of Baht 923 million ,an increase in exchange differences on translation of financial statements in foreign currency of Baht 451 million and a decrease due to a dividend payment of Baht 567 million

As of June 30, 2024, the Company had Net Cash from Operating activities totaling Baht 3,091 million, an increase of Baht 671 million YoY, together with Net Cash used in Investing activities of Baht 2,728 million, a rise of Baht 2,303 million (6 months 2023: Baht 426 million), which mainly consisted of payments to purchase property, plant, and equipment totaling of Baht 3,082 million, while a decrease in other current financial assets of Baht 300 million. The Company had Net Cash used in Financing activities totaling Baht 406 million, a decrease of Baht 619 million (or 60%) YoY, mainly from cash paid for lease liabilities of Baht 726 million, dividend payment to shareholders of Baht 567 million. On the other hand, cash received from bank overdrafts and short-term loans netting off repayment increased by Baht 1,013 million, and repayment of long-term loans from financial institutions of Baht 3,221 million from cash received long-term loans from financial institutions of Baht 3,470 million.

Analysis of Financial Ratios

Financial Ratios	Q2/2024	Year 2023
Current Ratio (times)	0.6	0.5
Interest Bearing Debt / Equity (times)	1.4	1.4
Interest Bearing Debts (excluding lease liabilities) / Equity (times)	0.7	0.7

As of June 30, 2024, the Company's current ratio improved to 0.6 times, compared to the end of 2023 because of a decrease in current liabilities of the current portion of the long-term loan from financial institutions. Meanwhile, the Interest-Bearing Debts/Equity Ratio was maintained at 1.4 times and a stable Interest-Bearing Debts (excluding lease liabilities) / Equity at 0.7 times compared to the end of 2023. Additionally, the company has a covenant with financial institutions to maintain Interest Bearing Debts (excluding lease liabilities) / Equity not exceeding 2.0 times.

4 Factors that may impact ongoing business operations

- Factors that may impact ongoing business operations in 2024:

Hotel Business: The company cautiously operates the business by adjusting sales and marketing strategies to boost revenue, closely monitoring the performance, controlling costs & expenses, focusing on operating efficiency and financial discipline. The Company is still pursuing an investment expansion plan to foster

future growth with efficient capital allocation by acquiring sources of funds with optimal costs such as loan from financial institutions and debenture issuance according to money market conditions.

- In 2024, Centara Grand Hotel Osaka, a 5-star hotel with 515 rooms, is in the 1st full year of operation. The accounting treatment for this project is as follows:
 - Centara Osaka Japan Kabushiki Kaisha (KK): a 100% owned subsidiary and a lessee to operate the hotel. The full performance is consolidated in the consolidated financial statements.
 - Centara Osaka Tokutei Mokutei Kaisha (TMK): The Company holds 53%. It is a joint venture and the asset owner. The company will recognize the performance by the equity method in the consolidated financial statements.
- Major renovations of rooms and public areas of 2 hotels in Thailand:
 - Centara Karon Resort Phuket with 335 keys: The full closure of renovation started in Q3/2023 and is targeted to gradually reopen in Q4/2024 – Q3/2025.
 - Centara Grand Mirage Beach Resort Pattaya with 553 keys: The partial closure started in Q3/2023 and gradually offered new rooms from Q2/2024 with targeting to gradually reopen by phase from Q2/2024 - Q1/2025.
- Targeted to open Centara Mirage Lagoon Maldives with 145 rooms in Q4/2024 and Centara Grand Lagoon Maldives with 142 rooms in Q1/2025. The loss from operation and pre-opening expenses of the two hotels are estimated approximately Baht 200-250 million in 2024, which most expenses will be gradually recognized in the second half of 2024.

Food Business: The food business is highly competitive because of an increase in newcomers every year. The company focuses on creating and developing new value-for-money brands and enhanced customer experiences together with finding new potential brands and expanding distribution channels to reach more customers. Additionally, the company concentrates on cost management efficiency to increase competitiveness to achieve sustainable revenue and net profit growth. In H2/2024, the company prepares for raw materials cost volatility by monitoring cost trends and negotiating with raw materials suppliers, together with finding alternative sources of raw materials, and partially engaging in forward contracts of certain key materials to reduce the risk of price volatility. For likely increasing minimum wages in Q4/2024, the company has planned to moderate this impact by optimizing employee work schedules according to sales and using technology to improve efficiency. Additionally, the Company plans to close non-profit outlets to improve the profit margin together with cautious opening of new outlets by focusing on key brands with high profit margins. Furthermore, adjusting the business model will be applied to correspond with current situations.

Business plan for sustainability growth

The company has set a goal to achieve Net Zero by 2050. Under our operational plan, we are targeting a 20% reduction in greenhouse gas emissions by 2029 (compared to the base year 2019) through effective management of energy consumption, water usage, and waste. For 6 months 2024, the company achieved beyond the target by 30% reducing greenhouse gas emissions compared to base year 2019. The company installed solar-powered generators in 6 hotels to generate electricity for a total of 858.32 megawatt-hours, equipped 38 charging stations for electric cars, decreased food loss and food waste by 11.63 tons, and less the amount of waste in landfills by 1,354.33 tons. Additionally, the company joined the “Achieve Climate Action: Set a Challenging Target to Net Zero” programme which collaborated with the Stock Exchange of Thailand and Environmental Management Consultants to involve in the company’s goal-setting process following Science Based Targets Initiatives (SBTi) framework to eliminate greenhouse gas emissions as per target.

- Business trends for 2024:

- Hotel Business: In 2024, the Occupancy rate (including Joint Ventures) is expected to be 70%-73%, and the Revenue per Available Room (RevPAR) to Baht 4,000 – 4,300. The key growth drivers are:
 - Sustainable growth of 5-star and luxury hotels in Thailand and Centara Mirage Beach Resort Dubai
 - Performance of Centara Grand Hotel Osaka for the 1st full year of operation in 2024.
- Food Business: In 2024, The Company estimated Same-Store-Sales (excluding Joint Ventures) growth range of 1% - 3% and Total-System-Sales growth of 4%-6%, compared to the same period last year. The revenue growth will be mainly driven by the top 4 brands. For the outlet expansion, the Company plans to have a net increase after closing non-profitable outlets, including the joint ventures’ brands (excluded Café Amazon Vietnam), of 30-50 outlets (including the shop-in-shop of Arigato in Mister Donut) or a growth of 2%-3%, compared to last year.

For your information accordingly;

Respectfully Yours,

A handwritten signature in black ink, appearing to read "Gun Srisompong". The signature is fluid and cursive, with the first name "Gun" and last name "Srisompong" clearly distinguishable.

(Mr. Gun Srisompong)

CFO & VP Finance and Administration

Appendix

The accounting impacts from the leases of Centara Grand Beach Resort & Villas Hua Hin and Centara Grand Hotel Osaka on Depreciation and Interest Expenses as the following details:

The impact of Lease Contracts (Unit: in Baht Million)	Q4/2024	Q3/2024	Q2/2024	Q1/2024
Centara Grand Beach Resort and Villas Hua Hin				
● Depreciation	(15)	(15)	(15)	(15)
● Interest Expenses	(23)	(23)	(24)	(25)
Centara Grand Hotel Osaka				
● Depreciation	(28)	(28)	(28)	(28)
● Interest Expenses	(42)	(42)	(42)	(42)