

To : Managing Director  
The Stock Exchange of Thailand

Date : August 13, 2024

Re : Management Discussion and Analysis for the period ended June 30, 2024

The Board of Directors is pleased to announce the Company's results of operation for the period ended June 30, 2024 as follows: -

**Net profit after corporate income tax for the three-month period ended June 30, 2024 and 2023:**

(Baht in million)	<u>2024</u>	<u>2023</u>	<u>Change</u>
The Company	81.97	57.04	43.71 %
Consolidated	90.27	101.99	(11.49) %

**The Company:**

The Company's profit before corporate income tax for the three-month period ended June 30, 2024 increased by Baht 29.06 million against the corresponding period of last year. The increase in the Company's profit was mainly attributed to the increase in profit before income tax of Shangri-La Hotel, Bangkok ("SLBK") by Baht 38.76 million and increase in loss of Shangri-La Hotel, Chiang Mai ("SLCM") by Baht 9.70 million.

Revenues from hotel operations of SLBK increased by Baht 30.33 million from Baht 349.83 million to Baht 380.16 million mainly due to the increase in rooms and food & beverages revenues from all outlets operating including Horizon cruise which was opening in April 2024. Gross Profit before expenses increased by Baht 20.21 million. Selling and administrative expenses increased by Baht 2.83 million and Baht 2.54 million, respectively. Depreciation expense increased by Baht 0.86 million against last year. Exchange losses decreased by Baht 16.61 million. As a result, the profit before corporate income tax increased by Baht 38.76 million from Baht 78.06 million to Baht 116.82 million.

Loss before corporate income tax of SLCM increased by Baht 9.70 million as compared to 2023, mainly attributed to lower revenues from hotel operations by Baht 8.85 million from Baht 79.94 million to Baht 71.09 million as a result of lower occupancy. Gross Profit before expenses decreased by Baht 9.74 million. Selling and administrative expenses decreased by Baht 0.28 million and Baht 0.18 million, respectively. Depreciation Expenses increased by Baht 0.64 million against last year. As a result, the loss before corporate income tax increased by Baht 9.70 million from Baht 5.67 million to Baht 15.37 million.

Consequently, the total profit of SLBK and SLCM before corporate income tax increased by Baht 29.06 million from Baht 72.39 million to Baht 101.45 million. The Company recorded a net profit after tax of Baht 81.97 million for the three-month period ended June 30, 2024 compared to profit of Baht 57.04 million last year (increased by 43.71%).

**Consolidated:**

The consolidated profit before corporate income tax for the three-month period ended June 30, 2024 increased by Baht 14.21 million against last year. The increase in consolidated profit before corporate income tax was mainly due to increase in the Company's profit before corporate income tax of Baht 29.06 million while profit from subsidiaries decreased by Baht 14.85 million. The decrease in profit of subsidiaries was largely due to decrease in exchange gain from loan to a related company. As a result, the corporate income tax expenses increased by Baht 26.11 million as a result of higher profit from the Company. Overall, the consolidated net profit after tax attributable to the equity holders of the Company for the three-month period ended June 30, 2024 decreased by Baht 11.72 million against last year (decreased by 11.49%).

**Net profit after corporate income tax for the six-month period ended June 30, 2024 and 2023:**

(Baht in million)	<u>2024</u>	<u>2023</u>	<u>Change</u>
The Company	280.84	245.79	14.26 %
Consolidated	313.91	218.06	43.96 %

**The Company:**

The Company's profit before corporate income tax for the six-month period ended June 30, 2024 increased by Baht 41.71 million against the corresponding period of last year. The increase in the Company's profit was mainly attributed to the increase in profit before income tax of Shangri-La Hotel, Bangkok ("SLBK") by Baht 70.61 million and decrease in profit before income tax of Shangri-La Hotel, Chiang Mai ("SLCM") by Baht 28.90 million.

Revenues from hotel operations of SLBK increased by Baht 138.17 million from Baht 804.15 million to Baht 942.32 million mainly due to the increase in all types of revenue including room, food & beverages and other revenue due to the growth in foreign tourist arrivals and consumer confidence returning. Gross Profit before expenses increased by Baht 103.08 million. Selling and administrative expenses increased by Baht 9.65 million and Baht 13.51 million, respectively. Depreciation expense increased by Baht 2.65 million against last year. Exchange loss increased by Baht 24.11 million mainly due to the increase in unrealized exchange loss from US Dollar loan. As a result, the profit before corporate income tax increased by Baht 70.61 million from Baht 269.94 million to Baht 340.55 million.

Profit before corporate income tax of SLCM decreased by Baht 28.90 million as compared to 2023, mainly attributed to decrease in food & beverages revenues by Baht 29.14 million from Baht 84.31 million to Baht 55.17 million as a result of lower occupancy and decrease in Group segment. Gross Profit before expenses decreased by Baht 30.20 million. Selling expenses increased by Baht 0.59 million and administrative expenses decreased by Baht 2.35 million. Depreciation Expenses increased by Baht 1.33 million against last year. As a result, the profit before corporate income tax decreased by Baht 28.90 million from Baht 38.40 million to Baht 9.50 million.

Consequently, the total profit of SLBK and SLCM before corporate income tax increased by Baht 41.71 million from Baht 308.34 million to Baht 350.05 million. The Company recorded a net profit after tax of Baht 280.84 million for the six-month period ended June 30, 2024 compared to Baht 245.79 million last year (increased by 14.26%).

**Consolidated:**

The consolidated profit before corporate income tax for the six-month period ended June 30, 2024 increased by Baht 108.08 million against last year. The increase in consolidated profit before corporate income tax was mainly due to increase in the Company's and subsidiaries profit before corporate income tax by Baht 41.71 and Baht 66.37 million, respectively. The increase in profit of subsidiaries was largely due to increase in exchange gain from loan to a related company and higher fixed deposit interest rate. As a result, the corporate income tax expenses increased by Baht 13.58 million as a result of higher profit from the Company. Overall, the consolidated net profit after tax attributable to the equity holders of the Company for the six-month period ended June 30, 2024 increased by Baht 95.85 million against last year (increased by 43.96%).

Yours faithfully,

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(Mrs. Pavinee Meensuk)  
Director