Executive Summary 1Q26

In 1Q26, The Erawan Group Public Company Limited and its subsidiaries ("the Company") achieved a record high first-quarter performance, reflecting the success of its growth and value-creation strategy, supported by a diversified portfolio. Performance in Luxury to Economy hotel segments benefited from the continued recovery of Thailand's tourism industry, particularly the increase in international tourist arrivals during February to March 2026, driven in large part by the return of Chinese tourists. Meanwhile, the budget hotel segment continued its steady expansion and delivered strong performance across all countries, supported by robust domestic demand in Thailand and the Philippines, as well as continued tourism growth in Japan.

On a normalized basis, in 1Q26 the Company recorded total revenues of 2,255 million baht, representing a 6 percent increase compared with 1Q25. EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization) amounted to 835 million baht, also increasing by 6 percent, while normalized net profit after tax (NPAT) totaled 388 million baht, reflecting a 12 percent increase compared with the same period last year. After including a one-time prepayment fee for early loan repayment of 13 million baht, incurred as part of the Company's debt refinancing to reduce long-term finance costs, reported NPAT stood at 375 million baht, representing a 9 percent increase compared with 1Q25. These results reflect effective marketing strategy adjustments, a diversified hotel portfolio, and disciplined operating cost control, which together supported the Company's ability to sustain profitability.

Consolidated Normalized Profit & Loss Statement as of 31 March 2026

THB Millions	1Q25	1Q26	Change
Hotel Operating Income	2,093	2,207	5%
Rental and Service Income	34	35	3%
Total Operating Income	**2,127**	**2,242**	**5%**
Other Income	9	13	47%
Total Income	**2,136**	**2,255**	**6%**
Operating Expenses	(1,351)	(1,420)	5%
EBITDA	**785**	**835**	**6%**
% EBITDA Margin	36.7%	37.0%	0.3%
Depreciation & Amortization	(251)	(274)	9%
Operating Profit	**534**	**561**	**5%**
Finance Costs	(160)	(140)	-12%
Pre-tax Profit	**373**	**421**	**13%**
Taxes (Expense) Income	(11)	(17)	52%
Non Controlling Interest	(17)	(16)	-8%
Normalized Net Profit	**345**	**388**	**12%**
% Normalized Net Profit	16.2%	17.2%	1.0%

Consolidated Profit & Loss Statement as of 31 March 2026

THB Millions	1Q25	1Q26	Change
Total Revenues	**2,136**	**2,255**	**6%**
EBITDA	**785**	**835**	**6%**
Net Profit	**345**	**375**	**9%**
E.P.S. (Baht)	0.0707	0.0768	0.0061
Extraordinary Items			
Prepayment fee for early loan repayment	-	(13)	N/A

Overview of Thailand's Tourism Industry

According to the Bank of Thailand's statistical report, in 1Q26 the average occupancy rate (OCC) of Thailand's hotel industry was 75 percent, broadly in line with 1Q25, while the average room rate (ARR) was 1,955 baht per night, representing a 5 percent YoY increase. For hotels in the Central region and Bangkok, OCC remained at 75 percent, on par with 1Q25, while ARR was 2,156 baht per night, an increase of 2 percent YoY. In contrast, hotels in the Southern region recorded a more pronounced increase in ARR, which rose by 10 percent YoY.

Compared with the overall industry, in 1Q26 the Company's hotels in Thailand reported an average OCC of 83 percent, broadly in line with 1Q25 and remaining above the industry average. Meanwhile, ARR was 2,079 baht per night, declining by 2 percent compared with 1Q25, but still exceeding the industry average. This performance reflects the Company's strategy of prioritizing occupancy levels while maintaining flexible room pricing, enabling the Company to outperform the overall industry.

Key Drivers for Each Hotel Segment

Luxury, Midscale and Economy hotels

More than 90 percent of the Company's customer base in the Luxury to Economy hotel segments consists of international tourists. As a result, the performance of this segment is closely correlated with trends in international tourist arrivals to Thailand. In 1Q26, Thailand recorded 9.3 million international tourist arrivals, representing a 2 percent YoY decrease compared with 1Q25. The top three source markets were China, Malaysia, and Russia. Notably, Chinese tourist arrivals showed a significant recovery, increasing by 12 percent YoY, particularly during February to March 2026. Although travel demand from certain markets, especially Europe and the Middle East, softened in March due to geopolitical tensions, increased arrivals from Asian markets, particularly China and India, together with seasonal travel demand, continued to support overall demand across this segment in Thailand.

For the Company's Midscale hotel segment in the Philippines, which comprises one property, international tourists represent the primary customer base. Accordingly, performance is closely linked to trends in the Philippine tourism industry. In 1Q26, the Philippines recorded 1.8 million international tourist arrivals, broadly in line with 1Q25, with the top three source markets being South Korea, the United States, and Japan. The sharp increase in Chinese tourist arrivals was driven by the implementation of a one-year visa exemption policy for Chinese nationals. This development has supported the recovery of the tourism sector and is expected to underpin the operating performance of the Company's midscale hotel segment in the Philippines going forward.

Budget Hotels (HOP INN)

Thailand

The primary customer base of the budget hotel segment (HOP INN) in Thailand consists of domestic travelers, with over 70 percent of stays driven by business travel purposes. As a result, the performance of this hotel segment is closely correlated with the level of domestic travel, as well as overall economic activity within the country. In 1Q26, domestic travel in Thailand continued to expand, with total domestic visits reaching 71 million, representing a 2 percent increase compared with 1Q25. This supported underlying demand for the budget hotel segment. Meanwhile, Thailand's overall economy continued to expand at a limited pace, with GDP expected to grow by 1.3 percent.

The Philippines

The primary customer base of the budget hotel segment (HOP INN) in the Philippines consists of domestic travelers, accounting for over 80 percent of guests, with more than 70 percent of stays driven by leisure travel purposes. Consequently, the performance of this hotel segment is closely linked to the level of domestic economic activity. In 1Q26, the Philippine economy expanded, with GDP growing at 2.8 percent YoY, supporting underlying demand and domestic travel. In addition, the recovery of inbound tourism from international markets, particularly the increase in Chinese tourists following the implementation of a one-year visa exemption policy, further enhanced the tourism environment and supported broader economic activity in the country.

Japan

The primary customer base of the budget hotel segment (HOP INN) in Japan consists of international tourists, accounting for over 80 percent of guests. Accordingly, performance is closely aligned with trends in Japan's tourism industry, which has continued to expand. In 1Q26, Japan recorded 11 million international tourist arrivals, representing a 1 percent increase compared with 1Q25. The top three source markets were South Korea, Taiwan, and China. However, the number of Chinese tourists declined by 55 percent due to policy-related factors and international relations. Nevertheless, the diversified structure of the tourist market continued to support the overall performance of the budget hotel segment in Japan.

South Korea

The primary customer base of the budget hotel segment (HOP INN) in South Korea currently consists almost entirely of international tourists. As a result, performance is closely aligned with trends in South Korea's tourism industry, which continued to expand significantly. In 1Q26, South Korea recorded 4.7 million international tourist arrivals, representing a 23 percent increase compared with 1Q25. The top three source markets were China, Japan, and Taiwan. In March 2026, international tourist arrivals reached approximately 2 million, marking a record high. This reflected a combination of short-term and structural factors, including global entertainment events (BTS band), the relaxation of visa policies for Chinese tourists, the spring travel season, and an increase in international frequencies, all of which supported a favorable tourism environment during the quarter.

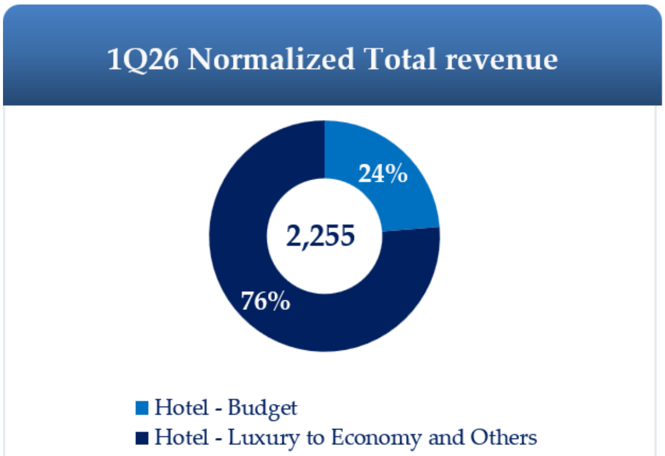
Company Highlight in 1Q26

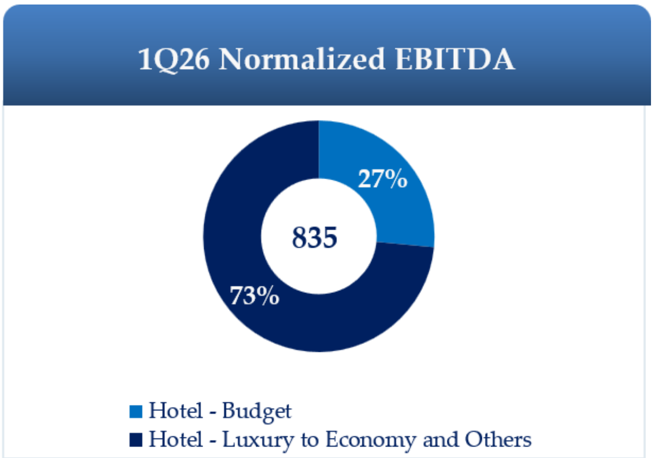
- The Company commenced operations of its first HOP INN hotel in South Korea, located in Myeongdong, at the end of March 2026. The hotel comprises 97 rooms, marking a significant milestone in the expansion of the HOP INN brand into new international markets.
- The Company opened two new "HOP INN" locations in Thailand, Thungsong and Chonburi-Bowin, adding a total of 246 rooms to its portfolio. As a result, the Company operated a total of 106 hotels, with an aggregate room inventory of 12,578 rooms as of the end of 1Q26.

Group Performance in 1Q26

In 1Q26, the Company recorded normalized total revenue of 2,255 million baht, representing a 6 percent increase compared with 1Q25. Normalized EBITDA amounted to 835 million baht, also increasing by 6 percent, while normalized NPAT totaled 388 million baht, reflecting a 12 percent increase compared with the same period last year. After including a one-time prepayment fee for early loan repayment of 13 million baht, incurred to reduce long-term finance costs, the Company recorded a net profit of 375 million baht, representing a 9 percent increase compared with 1Q25.

Contribution of normalized total revenues and EBITDA for 1Q26 as follows: (Unit: Million Baht)

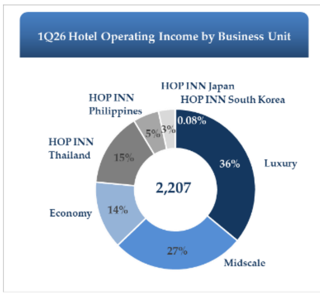


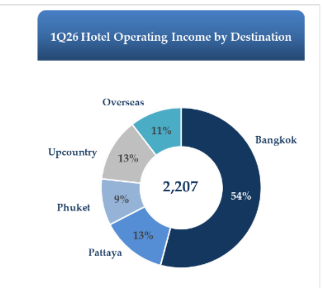


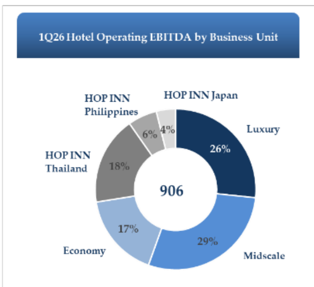
Performance by Business Unit

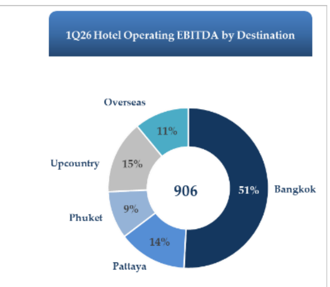
1. Hotel (Note: EBITDA by segment excludes non-property-specific expenses)

Operating income and EBITDA by business unit and destination for 1Q26 as follows: (Unit: Million Baht)









1.1 Luxury, Midscale and Economy hotels

Statistics for hotel room operations for 1Q26

3-month period (Jan-Mar)	No. of Rooms		Occupancy			ARR (THB/Night)			RevPAR (THB/Night)		
	1Q25	1Q26	1Q25	1Q26	+/-	1Q25	1Q26	+/-	1Q25	1Q26	+/-
Luxury to Economy Hotels	4,536	4,536	83%	87%	4%	3,571	3,565	0%	2,975	3,097	4%
Luxury	911	911	75%	83%	8%	7,439	7,483	1%	5,577	6,209	11%
Midscale	1,812	1,812	85%	86%	1%	3,531	3,414	-3%	3,003	2,953	-2%
Economy	1,813	1,813	86%	89%	3%	1,912	1,880	-2%	1,639	1,678	2%

In 1Q26, the overall performance of the Company's hotels, ranging from Luxury to Economy segments, improved compared with 1Q25. RevPAR increased by 4 percent, driven by higher OCC, while ARR remained stable. This growth was mainly supported by the increase in Chinese tourists compared with the previous year, along with seasonal demand from European travelers and the continued growth of Indian tourists. However, in March 2026, geopolitical tensions arising from the conflict between Iran and the United States led to a slowdown in new bookings and some cancellations. Nevertheless, the impact was partially offset by longer stays from long-haul travelers due to flight constraints, which helped support RevPAR. As a result, the net impact on the group’s overall performance remained limited, and operations continued to improve steadily.

Luxury Segment:

In 1Q26 compared with 1Q25, the Luxury segment recorded a notable improvement, with OCC increasing by 8 percent and ARR rising by 1 percent, resulting in an 11 percent increase in RevPAR. This growth was supported by strong demand from key source markets, including China, the United States, and Europe. Performance was particularly strong in the resort segment, The Naka Island, a Luxury Collection Resort & Spa Phuket, where the recovery of Chinese tourists played a significant role in driving both OCC and ARR higher. Despite adverse pressure from heightened geopolitical tensions in March, the segment’s ARR remained above the prior year level, reflecting continued strong demand and solid pricing power.

Midscale Segment:

In 1Q26 compared with 1Q25, the Midscale segment recorded a 1 percent increase in OCC, while ARR declined by 3 percent, resulting in a 2 percent decrease in RevPAR. This performance was primarily attributable to market conditions that constrained pricing flexibility, together with softer demand from corporate clients and tourists from Southeast Asia. However, demand from domestic Thai customers remained strong, alongside a YoY increase in demand from Chinese tourists, particularly at Holiday Inn Pattaya. Meanwhile, in March, midscale hotels in Bangkok were able to maintain RevPAR at a level comparable to the previous year, despite the impact of heightened geopolitical tensions.

Economy Segment:

In 1Q26 compared with 1Q25, the Economy segment recorded a 3 percent increase in OCC, while ARR declined by 2 percent, resulting in a 2 percent increase in RevPAR. This growth was supported by demand from key source markets, including China, Europe (including Russia), and India. However, demand from Russian tourists declined in March due to heightened geopolitical tensions. Nevertheless, continued growth in Chinese and Indian tourist arrivals helped sustain the segment's ARR at levels broadly in line with the prior year, while also supporting an improvement in OCC compared with the previous year.

Overall, in 1Q26, total operating revenue for Luxury to Economy hotels was recorded at 1,687 million baht, representing a 4 percent YoY increase. Food and beverages revenue reached 389 million baht, an increase of 2 percent YoY, while EBITDA amounted to 660 million baht, reflecting a 5 percent YoY increase.

1.2 Budget Hotels (HOP INN)

Statistics for hotel room operations for 1Q26 (Excluding new hotels opening since 1 January 2025)

3-month period (Jan-Mar)	No. of Hotels	Occupancy			ARR (THB/Night)			RevPAR (THB/Night)		
		1Q25	1Q26	+/-	1Q25	1Q26	+/-	1Q25	1Q26	+/-
Budget Hotels (HOP INN) - Exclude FX Impact	75	78%	79%	1%	941	1,020	8%	730	806	10%
Budget Hotels (HOP INN) - Include FX Impact	75	78%	79%	1%	941	940	-0.2%	730	743	2%

Total revenues by country for 1Q26

(Revenue unit: Million Baht)

3-month period (Jan-Mar)	No. of Rooms		Total Operating Revenues			Total Operating Revenue Excluding New Hotel Opening since 1 January 2025		
	1Q25	1Q26	1Q25	1Q26	+/-	1Q25	1Q26	+/-
Budget Hotels (HOP INN)	7,263	8,042	468	520	11%	463	472	2%
HOP INN Thailand	5,110	5,792	272	328	20%	267	282	6%
HOP INN Philippines	1,780	1,780	117	116	-1%	117	116	-1%
HOP INN Japan	373	373	79	74	-6%	79	74	-6%
HOP INN South Korea	-	97	-	2	NA	-	-	-

In 1Q26, HOP INN hotels continued to demonstrate improving performance. OCC increased by 1 percent YoY, reflecting sustained demand, particularly from domestic travelers. While reported ARR remained broadly stable due to the appreciation of the Thai baht, in local currency terms ARR increased by 8 percent and RevPAR rose by 10 percent, highlighting effective rate management. Although booking lead times in certain markets shortened during the quarter, demand from domestic travelers continued to grow. This was further supported by a more diversified international customer base, helping to sustain the overall performance of the group.

HOP INN Thailand:

In 1Q26, HOP INN hotels in Thailand recorded YoY ARR growth across all regions, while overall OCC remained stable, supported by seasonal travel demand. The Southern and Central regions, including Bangkok, delivered strong performance across key operating metrics. However, in March, OCC began to soften, particularly in the Northern, Northeastern, and Western regions, due to domestic concerns over rising oil prices stemming from geopolitical tensions, as well as shorter booking lead times. Nevertheless, ARR growth across all regions helped support RevPAR, keeping it broadly in line with the previous year.

As a result, revenue from existing hotels (excluding hotels opened since 1 January 2025) totaled 282 million baht, representing a 6 percent increase compared with 1Q25. Including all operating hotels, total revenue reached 328 million baht, a 20 percent increase compared with the same period last year. EBITDA amounted to 162 million baht, increasing by 24 percent YoY.

HOP INN Philippines:

In 1Q26, HOP INN hotels in the Philippines recorded improvements in both OCC and ARR in local currency terms, reflecting continued recovery in tourism demand. However, when translated into baht, ARR declined compared with the prior year due to the appreciation of the Thai baht. Performance was supported by domestic travel related to local festivals, as well as increased arrivals from international markets, particularly China, Indonesia, and Canada. In addition, the Philippine government implemented a one-year visa exemption policy for Chinese tourists, which is expected to support tourism growth and positively contribution to the operating performance of this hotel segment going forward. Nevertheless, booking trends continue to be closely monitored, as geopolitical tensions have led to slower booking momentum, particularly among domestic travelers, who remain the core customer base and have been affected by higher travel costs resulting from elevated oil prices.

As there were no new hotel openings since 1Q25, revenue from existing hotels and total revenue were both recorded at 116 million baht, representing a 1 percent decrease compared with the same period last year. In local currency terms, performance increased by 8 percent, while EBITDA totaled 53 million baht, increasing by 5 percent YoY.

HOP INN Japan:

In 1Q26, HOP INN hotels in Japan recorded an increase in OCC YoY, while ARR in local currency remained broadly in line with the previous year, reflecting continued growth in tourism demand amid intensified price competition. However, the appreciation of the Thai baht against the Japanese yen led to weaker performance when translated into baht. Growth in the domestic travel segment reflects increasing brand recognition of HOP INN. Meanwhile, higher arrivals from Taiwan, South Korea, and Canada helped offset the decline in Chinese tourists, which had been affected by geopolitical factors. This resulted in a more diversified customer mix and enhanced the resilience of overall performance.

As there were no new hotel openings since 1Q25, revenue from existing hotels and total revenue were both recorded at 74 million baht, declining by 6 percent compared with the prior year. In local currency terms, performance increased by 4 percent, while EBITDA totaled 35 million baht, declining by 13 percent YoY.

HOP INN Korea:

In 1Q26, HOP INN Myeongdong commenced operations in late March, marking the group’s first hotel in South Korea. The hotel is currently in the early stage of building its customer base, with initial OCC reflecting a positive market response despite relatively short booking lead times due to the earlier-than-planned opening. The South Korean market continues to experience strong growth in international tourist arrivals, primarily driven by travelers from China, Japan, and Taiwan. The customer profile of HOP INN Myeongdong is broadly comparable to those of the group’s hotels in the Philippines and Japan, reflecting alignment in target segments and supportive underlying fundamentals for future growth.

Overall, in 1Q26, total operating revenue from the budget hotels (HOP INN) amounted to 520 million baht, representing an 11 percent increase compared with 1Q25. EBITDA totaled 246 million baht, also reflecting an 11 percent YoY increase.

In summary, the Company's overall hotel business in 1Q26 generated operating income of 2,207 million baht, representing a 5 percent increase YoY. Room revenue totaled 1,779 million baht, increasing by 6 percent, while food and beverage revenue amounted to 389 million baht, up 2 percent compared with the prior year. EBITDA stood at 906 million baht, reflecting a 7 percent YoY increase, supported by the recovery in lodging demand and effective revenue management across the Company's hotel portfolio.

2. Rental Properties

The Company operates Erawan Bangkok, a luxury retail property adjacent to Grand Hyatt Erawan Hotel. In 1Q26, rental and service income amounted to 35 million baht, representing a 3 percent increase compared with 1Q25.

Other Items in P&L

- **Depreciation and Amortization expenses**: In 1Q26, the Company recorded depreciation and amortization expenses of 274 million baht, representing a 9 percent increase compared with 1Q25. The increase was mainly attributable to the renovation of The Naka Island, a Luxury Collection Resort & Spa, Phuket, as well as investments in newly opened hotels in Thailand and overseas.
- **Finance Costs**: In 1Q26, the Company recorded finance costs of 140 million baht, declining by 12 percent compared with 1Q25. After including the prepayment fee for early loan repayment of 13-million-baht, total finance costs amounted to 153 million baht, representing a 5 percent YoY decrease. The reduction in finance costs was primarily driven by lower loan interest rates from financial institutions, together with the Company's debt refinancing to secure more favorable interest rates.

Cash Flow and Financial Status

As of the end of 1Q26, the Company recorded net cash from operating activities of 689 million baht, representing a 22 percent increase compared with the end of 1Q25. This improvement reflected stronger operating performance and effective working capital management, particularly a reduction in trade payables and other current liabilities. In addition, higher depreciation and amortization expenses contributed to an increase in operating cash flow.

Net cash used in investing activities totaled 961 million baht, increasing by 288 percent compared with the end of 1Q25, primarily due to continued hotel expansion investments in Thailand as well as overseas expansion, including South Korea.

Net cash used in financing activities amounted to 528 million baht, declining by 28 percent compared with the end of 1Q25, reflecting the Company's debt restructuring to secure lower interest rates and to support its long-term investment plans.

As a result of these cash flow movements, as of the end of 1Q26, the Company had cash and cash equivalents of 1,086 million baht, decreasing by 808 million baht compared with the end of 2025. Undrawn credit facilities amounted to 12,107 million baht, decreasing by 1,316-million-baht YoY, due to its subsidiary, HOP INN Hotel Public Company Limited, commencing loan repayments to financial institutions as part of its refinancing.

As of the end of 1Q26, total assets stood at 26,333 million baht, decreasing by 126 million baht compared with the end of 2025, mainly due to lower cash and cash equivalents. Total liabilities were 16,126 million baht, declining by 546 million baht from the end of 2025, primarily due to a reduction in short-term borrowings from financial institutions. Meanwhile, shareholders' equity increased by 420 million baht to 10,207 million baht, driven by an increase in retained earnings.

Key Financial Ratios

	1Q25	1Q26
Current ratio (times)	0.7	0.6
Return on Equity (%)	15.2	9.4
Debt to Equity ratio (times)*	1.2	1.2
	1Q25	**1Q26**
Gross Profit Margin (%)	60.7	61.5

*Note: Debt to Equity ratio for bank covenant: Debt means total liabilities excluding 1. Deposit from lessees and deferred income, 2. Deferred tax liabilities, 3. Account payable for land lease hold rights, and 4. Lease Liability. Equity means total shareholders' equity.

- **Current ratio:** As of 1Q26, the current ratio stood at 0.6 times, broadly in line with 0.7 times as of the end of 1Q25.
- **Return on Equity:** As of 1Q26, ROE was 9.4 percent, declining from 15.2 percent as of the end of 1Q25. The decrease was mainly driven by a reduction in net profit over the trailing 12 months, together with an increase in average shareholders' equity arising from retained earnings, resulting in the capital base expanding faster than profit growth. The lower trailing 12-month net profit partly reflects a high profit base in the previous year. Nevertheless, the Company's current quarter performance continues to demonstrate its ability to generate profit. A portion of retained earnings is in the process of being allocated for dividend payments from the 2025 operating results.
- **Debt to equity ratio:** As of 1Q26, the debt to equity ratio was 1.2 times, unchanged from the level at the end of 1Q25.
- **Gross Profit Margin:** As of 1Q26, the gross profit margin was at 61.5 percent, broadly in line with 60.7 percent as of the end of 1Q25.

Sustainable Development

The Company has established a sustainability policy and implemented it across the Company and its subsidiaries under The Erawan Group. The policy aims to create business value and opportunities while reducing risks and operating costs, alongside social and environmental responsibility. It also supports hotels under The Erawan Group in operating in line with sustainable hotel standards, collaborating with experts to improve energy efficiency and reduce carbon emissions, and creating added value through hotel products and services.

On the operational side, the Company promotes the adoption of innovation and technology to enhance energy efficiency, reduce costs, and minimize long-term environmental impact. In 1Q26, the Company expanded the use of clean energy through the installation of solar rooftop systems, generating a total of 378,797 kilowatt-hours (excluding HOP INN Hat Yai Downtown due to data connectivity limitations following flooding in southern Thailand in late 2025). In addition, the Company enhanced chiller plant efficiency, resulting in energy cost savings of approximately 0.4 million baht.

With a strong commitment to environmental, social, and governance (ESG) principles alongside sustainable value creation for all stakeholders, the Company was included in the ESG100 list for the fifth consecutive year by the Thaipat Institute. It also received an "A" rating in the SET ESG Ratings by the Stock Exchange of Thailand. Furthermore, the Company achieved an FTSE Russell ESG Score of 3.2/5 from FTSE Russell, under the London Stock Exchange Group, reflecting its strong commitment to sustainable business practices and robust corporate governance in line with both local and international standards.

More details can be found at https://www.theerawan.com/en/sustainability/sustainable-development-policy.

Business Outlook

Thailand's tourism industry in 2026 is expected to continue expanding compared with 2025. However, amid global economic uncertainty and geopolitical factors, the Tourism Authority of Thailand (TAT) has revised its forecast for international tourist arrivals, based on the assumption that tensions in the Middle East will ease within a period of 1–3 months. Under this scenario, international arrivals are projected at approximately 30–34 million in 2026, representing a reduction of 18 percent from the original target of 40 million. The revision primarily reflects a slowdown in long-haul markets, including the Middle East, Europe, and the United States, together with flight capacity constraints, volatility in global oil prices, and higher travel costs. Amid such uncertainty in economic and tourism environment, the Company has adjusted its strategy to sustain customer volume by focusing on short-haul travel markets.

Despite increasing factors that may affect tourist travel, the Company remains well-positioned to navigate uncertainties through its flexible and diversified hotel portfolio, covering Luxury, Midscale, Economy, and Budget hotels (HOP INN). This is complemented by continued overseas expansion to diversify risk and reduce exposure to fluctuations in tourist arrivals across individual markets, together with pricing strategies and a focus on maintaining OCC in line with market conditions. For 2026, the Company maintains its total revenue growth target of 9 percent compared with 2025, comprising expected growth of 7 percent from Luxury to Economy hotel segments and 14 percent from the budget segment. Growth is expected to be driven by ongoing development and investment expansion under the Company's long-term strategy. At the same time, the Company will continue to focus on short-haul travelers, particularly within Asia, while closely monitoring travel trends and demand conditions across markets. Should travel conditions normalize or improve, the

Company remains flexible in adjusting its strategy to expand its customer base into additional high-potential markets, including Europe and the Middle East, in an appropriate and sustainable manner.

The Company continues to execute its long-term development and investment plan as outlined. As of the end of 1Q26, the Company had a total of 13 projects under development in Thailand and overseas. The Company's investment focus remains on Midscale to Economy hotels, including two hotel development projects located along the BTS Skytrain line at Phrom Phong and Asok stations, for which long-term land lease agreements have already been secured. This is complemented by ongoing renovations across hotels from Luxury to Economy segments to enhance competitiveness and respond to evolving customer and market needs. In addition, the Company continues to invest in budget hotels to increase the contribution of revenue and profit from both domestic and international customer bases, supporting stable and sustainable long-term growth.

Sincerely yours,

Apinya Ngamapichon
Executive Vice President and Chief Financial Officer