

Singha Estate Public Company Limited Management Discussion and Analysis Quarter 1/2026

Executive Summary

The Bank of Thailand reported that the Thai economy expanded in the first quarter of 2026 compared to the previous quarter, supported by both domestic and external demand. External demand improved, as reflected in stronger exports and increased revenue from international tourists. Meanwhile, domestic demand recovered in line with private consumption and investment, supported by government stimulus measures. However, the impact of the war began to emerge in March 2026, mainly affecting exports to the Middle East, fuel imports, and tourist arrivals. Nevertheless, revenue from foreign tourists continued to increase due to flight reductions, which resulted in longer average stays in Thailand.

For the second quarter of 2026, the Bank of Thailand expects the manufacturing and export sectors, trade businesses, as well as the real estate and construction sectors to remain stable. Meanwhile, the hotel and restaurant sectors are expected to soften slightly overall, in line with weaker travel sentiment.

For the first quarter of 2026, the Company recorded total revenue from sales and services of THB 3,263 million, representing a decline of 3% compared to the same period last year. While reported net profit for the first quarter of 2026 at THB 148 million, increase approximately two times from the first quarter last year. While, as attributable to the Company's shareholders at THB 49 million, increase approximately twelve times from the same period last year.

The revenue from sales of real estate in the first quarter of 2026 amounted to THB 276 million decreased by 34% from the same period last year. Mainly due to lower ownership transferred low-rise projects.

Meanwhile, total rental and service income was at THB 2,976 million comprised of (1) Hotel business total revenue THB 2,634million, slightly up by 0.4%, mainly from revenue growth from the hotel business in Thailand. (2) Commercial real estate business income grew by 10% to THB 319 million, from the gradual handover of leased spaces to customers at Singha Complex and S OASIS. And (3) Other Services income amounted to THB 23 million, decreased 3% from the same period last year, primarily from the reduction in construction revenue of LA SOIE de S.

In the remainder of 2026, the Company expects performance to align with the strategic plan, driven primarily by the industrial estate and infrastructure businesses. Land sales are projected to improve in line with foreign investment inflows, while the commercial property segment is expected to strengthen from the gradual ramp-up of occupancy by newly secured tenants.

Residential business

During the first quarter of 2026, the company recognized total revenue from residential business THB 276 million lower 34% from the same period last year. Of the total revenue, THB 181 million was generated from the transfer of horizontal development projects. Mainly includes (1) S'RIN Ratchaphruek-Sai 1, representing a cumulative transfer of 47% from total project value and there are 46 units available for sale with total estimated value of THB 1,891 million. (2) S'RIN Prannok-Kanchana, representing a cumulative transfer of 8% from total project value and there are 73 units available for sale with total estimated value of THB 3,852 million (3) SHAWN Panya Indra reported cumulative transfer of 20% from total project value with 57 units available for sale, estimated value of THB 1,400 million. Regarding the high-rise residential projects, the company recognized THB 95 million in revenue from the transfer of condominium units. This includes (1) The Esse Sukhumvit 36 project, the transfer of the final unit resulted in 100% cumulative transfer of the project value. (2) The EXTRO Phayathai-Rangnam project, has a cumulative transfer of 39% of the project's value. There are 3 units pending for transfer and 244 units ready to sale, accumulated value worth approximately THB 2,401 million.

As of March 31, 2026, the company had a backlog of THB 796 million, primarily from construction revenue of Santiburi The Residences.

Hospitality business

At present, all hospitality business of the Company was under the management of the Company's subsidiary – SHR, operating 33 properties 4,035 keys in the portfolio.

In the first quarter of 2026, the tourism industry was broadly impacted by the war and heightened geopolitical tensions between the United States and Iran, which escalated in late February 2026. This development negatively affected the global tourism sector. The United Nations World Tourism Organization (UNWTO) expects international tourism to be affected by airspace restrictions, higher travel costs, and weakening traveler confidence. As a result, hotel operators are required to adjust their strategies in pricing, marketing, and cost management to maintain operational stability amid a highly uncertain environment.

However, for 2026, UNWTO forecasts continued growth in the global tourism industry, with an expected expansion rate of approximately 3–4% compared to 2025. Assuming the Asia-Pacific region maintains its recovery momentum.

The estimated number of international tourist arrivals in the countries where the Company operates can be summarized as follows:

(Unit: Million Visitors)	2019	2025	Forecast 2026 ⁽¹⁾
Thailand	39.9	32.9	33.2
Republic of Maldives	1.7	2.2	2.4
United Kingdom	40.9	43.6	45.5
Republic of Fiji	0.9	0.99	1.0
Republic of Mauritius	1.4	1.44	1.5

Note:

- (1) Forecasts for 2026 for Thailand, as referenced by the Tourism Authority of Thailand (TAT), Maldives as cited from the Maldives Marketing and PR Corporation (MMPRC), the United Kingdom as referenced by VisitBritain's estimation, Fiji as cited by the Ministry of Commerce of the Republic of Fiji, and Mauritius as cited from the Mauritius Tourism Promotion Authority.

Thailand

In the first quarter of 2026, Thailand recorded 9.3 million international tourist arrivals. Key source markets continued to be short-haul travellers, including China, Malaysia, and India, while strong growth was observed in long-haul markets such as Russia, Germany, and the United Kingdom.

For 2026, the Ministry of Tourism and Sports has revised its forecast for international tourist arrivals downward to 33.2 million, from a previous estimate of 36.7 million, due to the impact of the Middle East conflict on travel demand. However, the Tourism Authority of Thailand (TAT) has adopted a more proactive strategy, focusing on maintaining key European and American markets as planned, while accelerating efforts to develop alternative short-haul source markets and stimulate domestic tourism.

Supported by these factors, together with ongoing improvements and strong commitment to developing the SAii brand identity, as well as Thailand's strategic and high potential locations, the Company expects to continue retaining and attracting its core high-spending tourist segments, as well as new target groups.

The Republic of Maldives

For the first quarter of 2026, the Republic of Maldives recorded over 630,000 international tourist arrivals, broadly in line with the same period of the previous year. European markets remained the primary source of tourists, particularly Russia and the United Kingdom, jointly accounting for more than 66% of total arrivals. Russian arrivals increased by 19% year-on-year, while Asia-Pacific markets showed improving momentum. Notably, Chinese arrivals rose by 29%, representing approximately 15% of total inbound tourists.

However, the Middle East conflict led to a decline in tourist arrivals in March 2026 of approximately 20–23% YoY, driven by flight cancellations and heightened travel concerns. Nevertheless, the Maldives continues to be a globally preferred tourism destination and remains supported by growing demand from Asian markets. As a result, the overall impact is expected to remain manageable.

United Kingdom

For 2026, total international tourist arrivals are projected to reach 45.5 million, while tourism revenue is expected to increase to GBP 35.7 billion. European arrivals are forecast to grow by 4%, while long-haul markets are expected to expand by approximately 5%. In addition, funding has been allocated under the GREAT Gateway Innovation Fund to support international marketing initiatives aimed at showcasing the country's tourism strengths. Key efforts include highlighting airline routes operated by easyJet on the Paris–Liverpool route and Virgin Atlantic on the New York–Manchester route, with the objective of attracting tourists from France and the United States to travel to the North West of England and surrounding regions.

Regarding the Middle East conflict, the Company's hotel business is expected to experience only a limited impact on revenue, supported by continued domestic tourism demand and steady business travel. In addition, the international visitor base remains primarily driven by short-haul markets from Europe and North America.

Republic of the Fiji

In the first quarter of 2026, the Republic of Fiji recorded 196,977 international tourist arrivals, representing a 7% increase from the same period of the previous year. The top three source markets were Australia, New Zealand, and the United States, accounting for a combined 74% of total arrivals. Arrivals from Australia and New Zealand increased by 8% and 5% YoY, respectively, supported by the gradual recovery of economic conditions in both countries. The impact of the Middle East conflict is expected to remain limited, given that Fiji's tourism structure is primarily driven by short-haul markets, including Australia and New Zealand, as well as the United States, which benefit from direct flight connectivity and sustained travel demand.

For 2026, international visitor arrivals to Fiji are projected to reach a new record of over 1 million visitors. Supporting factors include expanded air connectivity capacity, particularly through Fiji Airways, and strengthened international aviation networks for Australian travelers. These enhancements provide greater travel options, improved connectivity, and smoother travel routes, reinforcing Fiji's role as a key aviation hub linking Australia, the Pacific region, and North America. With plans to host international events and promote sustainable tourism experiences, the Company expects that the operating performance of its hotels in Fiji will continue to remain strong.

Republic of Mauritius

In the first quarter of 2026, the Republic of Mauritius recorded 348,445 international tourist arrivals, representing a 7% increase compared to the same period of the previous year. The top three source markets were France, the United Kingdom, and Germany, all of which showed strong growth. Meanwhile, tourist arrivals from Africa and Asia continued to demonstrate growth momentum.

For 2026, the Mauritius Tourism Promotion Authority (MTPA) has projected international arrivals to reach 1.5 million in 2026, increasing further to 2 million by 2029 since international tourist arrivals and higher average spending per trip continued growing.

However, the Middle East conflict is expected to have no significant impact, as more than half of tourists are domestic travelers and short-haul visitors from India and Africa. The remaining share consists of European tourists, most of whom typically travel via direct flights; therefore, the overall impact is expected to be relatively limited.

Commercial business

During 2026, a total of 89,460 sq.m. of new leasable space is expected to enter the market, bringing total leasable area to 10,392,064 sq.m., entirely in CBD office developments.

However, due to the Company's strategic positioning of office assets in non-central business district (Non-CBD) locations, the portfolio benefits from a competitive advantage in terms of more attractive rental costs and convenient accessibility. This better aligns with tenants' increasing demand for high-quality office space in alternative locations. As a result, in the first quarter of 2026, the Company was able to improve the average occupancy rate of the mature buildings to 83%, while the average occupancy rate of the S-Oasis building increased to 52%.

For the remainder of 2026, the Company continues to focus on strengthening competitiveness and creating long-term value by evolving from a traditional office space provider into a workplace ecosystem that prioritizes well-being and integrates work, life, health, and community.

Currently, new tenants have already signed agreements and are scheduled to gradually move in, totaling more than 5,000 sqm. These are expected to be key factors in further improving the average occupancy rate in 2026.

Industrial estate and Infrastructure business

Industrial estate business: The revenue stream is mainly contributed from the revenue from sale industrial area, the facilities management fee, and income from warehouse rental space. The industrial zone included General Industrial Zone, Food Industrial Zone, and Power Plants, considering as the total Saleable Area of 992 rais. Additionally, the company will generate revenue from utilities supply and sales. These revenues will be reported under sales of real estate and revenue from services.

In the first quarter of 2026, the Company signed land sale and purchase agreements for a total of 13 rai, with revenue to be recognized upon the transfer of ownership in the second quarter.

For the remainder of 2026, the Company expects land transfers to increase in line with the expansion of domestic investment activity, particularly in the data center sector. As announced from the Board of Investment of Thailand that

during the first quarter of 2026, investment promotion applications in this sector reached more than THB 870 billion, accounting for 86% of total investment applications during the quarter.

S Angthong Industrial Estate is currently attracting strong interest from large data center investors and is under negotiation. Successful land sales are expected to generate not only development revenue but also recurring income from utilities, including electricity and water supply

Power plant business: The company will recognize the revenue through profit-sharing in accordance with a joint-venture agreement, where it holds a 30% stake in three power plants with more than 400 MW installed capacity which fully commenced commercial operation since December 2023. In the first quarter of 2026, the company already recognized THB 32 million normalized share of profit and received total dividend payment based on 2025 performance approximately THB 255 million.

Consolidated Statement of Comprehensive Income

	Q1/2025		Q1/2026		% Y-o-Y
	THB m	%	THB m	%	
Revenue from sales of real estate	420	12%	276	8%	-34%
<i>House and condominium units</i>	420	12%	276	8%	-34%
<i>Industrial Estate</i>	0	0%	0	0%	N/A
<i>Rental fee from long term lease</i>	0	0%	0	0%	N/A
Revenue from rental and services	2,936	88%	2,976	92%	1%
<i>Hospitality</i>	2,622	78%	2,634	81%	0%
<i>Commercial</i>	290	9%	319	10%	10%
<i>Others business</i>	24	1%	23	1%	-3%
Revenue from sales of goods	9	0%	11	0%	17%
Revenue	3,365	100%	3,263	100%	-3%
Gross profit	1,342	40%	1,371	42%	2%
Selling expense	-183	-5%	-165	-5%	-10%
Administrative expense	-704	-21%	-663	-20%	-6%
Operating profit	456	14%	542	17%	19%
Other income	56	2%	61	2%	8%
Finance income	18	1%	17	1%	-5%
Share of profit (loss) from investment in joint ventures	63	2%	15	0%	-77%
Finance costs	-447	-13%	-413	-13%	-8%
EBT	145	4%	221	7%	52%
Income tax expense	-75	-2%	-73	-2%	-4%
Profit (loss) for the period	70	2%	148	5%	112%
EBITDA	967	29%	943	29%	-2%
Normalized Profit for the Period before NCI	139	4%	169	5%	22%
Normalized Profit for the Period after NCI	46	N/A	69	N/A	50%

Note: Excluded unrealized gain from foreign exchange rate, gain from fair value adjustment on investment properties, loss from impairment, gain from fair value adjustment on investment in joint venture company prior to becoming the Company's subsidiary, impact from disposal of the Company's subsidiary, Consulting fees, one-time expenses including expenses related to project initiation, expenses from restructuring, and non-recurring expenses.

Revenue from sales of real estate

Revenue from sales of real estate represents revenue from sales of house and condominium units, revenue recognition of long-term lease agreement from commercial buildings, and revenue from industrial estate business.

Revenue from sales of house and condominium units

As of 31 March 2026, the Company and its subsidiaries has developed 10 residential projects for sales including horizontal houses and condominiums, valued approximately at THB 26,445 million which considered as remaining value at THB 17,604 million⁽¹⁾.

In the first quarter of 2026, the company reported revenue from sales of houses and condominium projects units at THB 276 million, 34% decreased from the same period last year, mainly from lower ownership transferred low-rise projects.

Residential projects for sales as of 31 March 2026⁽¹⁾:

Project	Project value (THB m)	Sold	Transfer
Existing Projects			
Santiburi The Residences ⁽²⁾	4,732	98%	84% (of project value) ⁽²⁾
LA SOIE De S ⁽²⁾	931	60%	56% (of project value) ⁽²⁾
The EXTRO	3,977	40%	39% (of project value)
S'RIN Ratchaphruek-Sai 1	3,572	47%	47% (of project value)
SHAWN Panya Indra	1,782	21%	20% (of project value)
SHAWN Wongwaen – Chatuchot	2,760	9%	9% (of project value)
SMYTH'S Kaset-Nawamin	959	13%	13% (of project value)
SMYTH'S Ramintra	385	0%	0% (of project value)
S'RIN Prannok-Kanchana ⁽³⁾	4,346	10%	8% (of project value)
One River Rama III	3,000	99%	Under Construction

Note: ⁽¹⁾ Information presented in the table does not incorporate the value of projects that fully recognized 100% of their revenue.

⁽²⁾ The project value for Santiburi The Residences and LA SOIE De S are encompassed both land transfer and house construction cost, which will be progressively recognized based on the advancement of the construction progress.

⁽³⁾ The projects are officially launched in August 2025.

Revenue from rental and services

Revenue from rental and services represents revenue from hospitality business, commercial and other businesses.

Hospitality Business

In the first quarter of 2026, the company recognized revenue from its hotel business of THB 2,634 million increased 0.4% from the same period last year. Key positive factors continued to come from the hotel business in Thailand, which has shown strong growth, particularly in Samui and Phuket. While, SAii Laguna Phuket has delivered robust performance following asset renovation and quality enhancement initiatives, combined with effective marketing strategies. This has

enabled the property to attract a broader target customer base and achieve a significant increase in average daily rate (ADR)

Operating performance of Hospitality business ⁽¹⁾

Hotels	Q1/2025	Q1/2026
Self-Managed Hotels ⁽²⁾		
Number of hotels	4 ⁽²⁾	4 ⁽²⁾
Number of keys	604	604
% Occupancy	87%	87%
ADR (THB)	12,800	13,951
RevPAR (THB)	11,135	12,075
Outrigger Hotels		
Number of hotels	3	3
Number of keys	499	501
% Occupancy	63%	59%
ADR (THB)	7,471	7,445
RevPAR (THB)	4,699	4,379
Project CROSSROADS Hotels ⁽³⁾		
Number of hotels	2	2
Number of keys	376	348
% Occupancy	90%	89%
ADR (THB)	15,339	16,769
RevPAR (THB)	13,774	14,913
UK Portfolio Hotels ⁽⁴⁾		
Number of hotels	22	22
Number of keys	2,449	2,449
% Occupancy	55%	56%
ADR (THB)	3,113	3,139
RevPAR (THB)	1,723	1,760

Remark: (1) The exchange rate used to calculate ADR can be found in the Management's Discussion and Analysis (MD&A) of S Hotels and Resorts (SHR)

(2) As Konotta Maldives remains closed, the Company excluded the hotel from the calculation of the key indicators

(3) Excluded SO/ Maldives from JV and number of rooms changes due to merge rooms of SAIi Lagoon Maldives, Curio Collection by Hilton.

Commercial Business

As of 31 March 2026, the Company owned 5 commercial buildings providing net leasable area more than 190,000 sqm. in total. In the first quarter of 2026, the company reported rental income of THB 319 million increased by 10% from the same period last year. This growth was attributed to the higher occupancy rate at Singha Complex building and S-OASIS building.

Operating performance of Commercial business

Building	Q1/2025	Q1/2026
<u>Suntower</u>		
Space for rent (sq.m.)	63,609	64,392
Occupancy rate (%)	72%	75%
<u>Singha Complex</u>		
Space for rent (sq.m.)	57,628	58,879
Occupancy rate (%)	84%	90%
<u>S Metro</u>		
Space for rent (sq.m.)	13,591	13,548
Occupancy rate (%)	95%	93%
<u>S OASIS</u>		
Space for rent (sq.m.)	53,441	52,784
Occupancy rate (%)	41%	52%

Other businesses

Other income comprises revenue from residential construction and property management services, including residential projects and industrial estates.

In the first quarter of 2026, the company and its subsidiaries recorded THB 23 million in other income, decreased 3% from the same period last year, mainly due to lower in construction income from the LA SOIE de S project.

Gross Profit

In first quarter of 2026, the company's gross profit reached THB 1,371 million, increased 2% from THB 1,342 million in the first quarter of 2025. While gross profit margin improved from 40% to 42% in the first quarter of 2026. The main improvement was driven by the hospitality and commercial businesses.

Selling and Administrative Expenses

The company reported selling and administrative expenses at THB 829 million in the first quarter of 2026, which decreased from THB 887 million compared to the same period last year mainly reduced from hospitality and commercial business.

Finance Costs

The Company reported finance costs of THB 413 million in the first quarter of 2026, decreased from THB 447 million in Q1/2025 due to the success of refinancing with the financial institutions, prepayment loan in UK and downward trend of interest rates.

Profit (loss) attributable to Equity holders of the Company

The Company announced total net loss for the first quarter of 2026 amounting to THB 148 million, which increased from THB 70 million from the same period last year. The portion attributable to the Owners of the parent in an amount of THB 49 million in Q1/2026, substantially lifted from THB 4 million in the same period last year. The improvement was mainly driven by effective cost and expense management, which enabled the Company to enhance its profitability margin.

Financial Position and Capital Structure

Unit: THB million	31 December 2025	31 March 2026	Change
Cash and cash equivalents	2,726	2,801	75
Inventories	5,672	5,669	(3)
Current assets	15,238	15,322	84
Investment property	19,796	19,805	9
PPE – net	27,987	28,583	596
Non-current assets	53,170	53,580	410
Total Assets	68,408	68,902	494
Current liabilities	12,378	14,571	2,193
Non-current liabilities	36,620	34,254	(2,366)
Total liabilities	48,998	48,825	(173)
Total equity	19,410	20,077	667
Interest-bearing debt excluding lease liability	32,960	32,706	(254)
Gearing ratio (times)	1.70x	1.63x	
Net gearing ratio (times)	1.56x	1.49x	

As of March 31, 2026, the company reported total assets of THB 68,902 million, a increase of THB 494 million from the end of 2025. The increase was mainly from non-current assets, particularly in property, plant and equipment, resulting from the recognition of accounting translation.

Total liabilities as of March 31, 2026, amounted to THB 48,825 million, a decrease of THB 173 million from the end of 2025, mainly due to the repayment of loans from financial institutions.

The shareholders' equity amounted to THB 20,077 million, which increased from THB 19,410 million at the end of 2025, primarily driven by accumulated retained earnings generated from the company's operations. As a result, the net interest-bearing debt to equity ratio at the end of March 2026 was reduced to 1.49 times.

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