Singha Estate Public Company Limited
Management Discussion and Analysis Quarter 2 of 2026

Executive Summary

The Bank of Thailand reported that the Thai economy slowed in Q2/2026 from the previous quarter, reflecting the impact of higher energy prices and travel disruptions associated with the conflict in the Middle East, consequently causing private consumption as well as the tourism and services sector to slow down. However, the export sector and private investment continued to improve, in line with the upward cycle of global electronic products and the investment demand for Data Centers, which corresponds with data from the Board of Investment of Thailand (BOI) stating that the digital industry was the group with the highest investment value, wherein during the second quarter of 2026, there was an increase in investment value from the first quarter by over 241,519 million baht, while the real estate and construction businesses remained in a stable and rebalancing period amidst pressures from various economic factors. For the outlook in the third quarter of 2026, it is expected to return to expansion after passing the period of the most severe impact from the war, driven by supporting factors from the momentum of merchandise exports and private investment.

For the first half of 2026, the Company recorded total revenue from sales and services of THB 6,153 million representing a 10% decline compared to the same period last year. While reported net loss attributable to the Company's shareholders of THB (38) million for the first half of 2026, representing a 16% improvement from a net loss of THB (45) million in the same period last year.

The revenue from sales of real estate in the first half of 2026 amounted to THB 537 million comprised of (1) Revenue from sales of houses and condominium units amounted to THB 484 million, slowdown approximately 59% from the same period last year mainly due to lower transfers of low-rise projects. (2) Revenue from sales of industrial estate amounted to THB 53 million, turning around from no revenue was recognized in the same period last year.

Meanwhile, total rental and service income was at THB 5,591 million comprised of (1) Hotel business total revenue THB 4,900 million, slightly down by 2%, mainly due to the impact of geopolitical tensions in the Middle East. (2) Commercial real estate business income grew by 9% to THB 645 million, from the gradual handover of leased spaces to customers at Singha Complex and S OASIS. And (3) Other Services income amounted to THB 45 million, decreased 16% 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 business is expected to see an improvement in performance, supported by the gradual occupancy of new tenants whose leases were secured earlier.

Residential business

During the second quarter of 2026, the company recognized total revenue from residential business THB 208 million lower 73% from the same period last year. Of the total revenue, THB 99 million was generated from the transfer of horizontal development projects. Mainly includes (1) S'RIN Ratchaphruek-Sai 1, representing a cumulative transfer of 48% from total project value and there are 45 units available for sale with total estimated value of THB 1,845 million. (2) SHAWN Panya Indra reported cumulative transfer of 25% from total project value with 54 units available for sale, estimated value of THB 1,311 million. Regarding the high-rise residential projects, the company recognized THB 109 million in revenue from the transfer of The EXTRO Phayathai-Rangnam project, has a cumulative transfer of 42% of the project's value. There are 1 unit pending for transfer and 234 units ready to sale, accumulated value worth approximately THB 2,303 million.

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 second quarter, overall tourism industry was pressured by the war and heightened geopolitical tensions in the Middle East, which disrupted airline operations and international travel. Meanwhile, the resulting increase in energy prices raised travel costs and weighed on consumer confidence, prompting tourists in certain markets to delay their travel decisions and leading to softer tourism demand during the period.

However, towards the end of the quarter, signs of easing tensions began to emerge, contributing to a gradual decline in energy prices. As a result, the pressure on the tourism industry started to ease, which is expected to support travel confidence and tourism activities in the subsequent period.

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	1.4	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 second quarter of 2026, Thailand recorded 6.5 million international tourist arrivals, representing an 8% decline from the same period last year. During the first half of 2026, international tourist arrivals total 16 million, down 4% YoY. Nevertheless, Thailand generated approximately THB 780 billion in tourism revenue, an increase of 6% YoY, reflecting an improvement in the quality of tourism-related revenue and the country's shift towards growth under the "Value over Volume" approach. The top five international tourist markets by arrivals were China, Malaysia, India, Russia, and South Korea.

Building on these factors, together with the continued enhancement and commitment to strengthening the SAii brand identity, as well as Thailand's attractive and strategic locations, the Company expects to maintain and attract its key target tourist segments, particularly high-spending travellers, while continuously capturing new tourist segments. Another key growth driver in the second half of the year is expected to be Meetings, Incentives, Conferences, and Exhibitions (MICE) activities.

The Republic of Maldives

In the first half of 2026, the tourism industry in the Maldives faced significant pressure from heightened geopolitical tensions in the Middle East. As a result, international tourist arrivals to the Maldives slowed by approximately 6% YoY to 1million. Russia, the United Kingdom, Italy, and Germany remained key source markets, while China became the largest source market, with approximately 169,800 arrivals, accounting for 16% of total arrivals and representing 20% YoY growth. Russia and the United Kingdom followed, accounting for 14% and 8% of total arrivals, respectively.

For the second half of 2026, the Maldives tourism industry is expected to gradually recover, supported by active marketing strategies in key markets, including China, India, Russia, and Europe, together with improved air connectivity and closer cooperation with airlines and tourism partners. Nevertheless, the Company continues to closely monitor uncertainties arising from geopolitical developments, global economic conditions, and travel costs, which could affect tourists' travel decisions and the pace of recovery in the tourism industry.

United Kingdom

In the first half of 2026, the UK tourism industry continued to be supported by international travel demand, while domestic tourism remained stable and continued to help support overall tourism demand amid challenging market conditions and rising travel costs, particularly during the Easter holiday period and the start of the summer travel season.

For the full year 2026, VisitBritain expects the UK to welcome 45.5 million international visitors, representing a 4% increase from the previous year, and generate approximately GBP 35.7 billion in tourism revenue, up 7% YoY. Growth is expected to be supported by the recovery in long-haul travel demand, together with tourism promotion activities under the "Starring GREAT Britain" campaign, which highlights internationally recognized film and TV locations as key attractions. The recovery is also expected to be supported by cooperation with airlines and tourism partners to attract visitors from key markets around the world.

Republic of the Fiji

In the first half of 2026, Fiji's tourism industry continued to grow, with international tourist arrivals reaching 460,628 representing a 4% increase from the same period last year. In June, international tourist arrivals totaled 98,522, up 6% YoY and marking a record high for the month of June, reflecting continued strong travel demand from key source markets. The top three source markets remained Australia, New Zealand, and the United States, collectively accounting for approximately 79% of total arrivals. This was supported by arrivals from Australia and the United States, which increased by 5% and 7% YoY, respectively.

For 2026, international tourist arrivals to Fiji are expected to reach a new record high of more than 1 million, supported by expanded air connectivity through airlines such as Fiji Airways and a broader international flight network, providing more travel options and improved connectivity between Australia, the Pacific region, and North America. In addition, Tourism Fiji's marketing strategy under the "Be Fiji" campaign is expected to support growth by strengthening Fiji's position as a quality tourism destination, while attracting high-value visitors and promoting sustainable tourism.

Republic of Mauritius

In the first half of 2026, Mauritius welcomed 668,471 international tourist arrivals, representing a 2% increase from the same period last year. However, despite a strong start to the year, with tourist arrivals during 1Q'26 increasing by 7% YoY, growth began to slow from April, resulting in a 4% YoY decline in tourist arrivals in 2Q'26. This was mainly due to softer demand from European markets, together with geopolitical tensions in the Middle East, which affected flight connectivity and travel confidence.

For 2026, the Mauritius Tourism Authority (MTA) expects international tourist arrivals to Mauritius to reach 1.5 million, supported by efforts to expand its tourist base into new markets, including China, South Korea, the Middle East, Russia, and Eastern Europe. Tourist arrivals are also expected to increase to 2 million by 2029.

Commercial business

In the first half of 2026, CBRE reported that there were several office relocations and significant expansions continued to take place across Bangkok. Furthermore, tenants are placing greater importance on the total rental cost, while demand remains for modern office buildings that could offer competitive rental rates.

Given the Company's strategic positioning of office assets in non-central business district (non-CBD) locations, this is expected to provide a competitive advantage in terms of affordable rental costs and accessibility. The position helps address the growing demand from tenants seeking quality office space in alternative locations, in line with current market conditions. As of June 2026, the company maintained occupancy rates of above 90% at its key office buildings, including Singha Complex and S Metro, while the occupancy rate at S-OASIS continued to improve, as of June'26 reaching 56%.

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 6,000 sqm., which is expected to be a key driver of further improvements in occupancy rates.

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 second quarter of 2026, the Company successfully transferred ownership 13 rais of land, generating total revenue of THB 53 million.

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 half of 2026, investment promotion applications totaled more than THB 1.47 trillion.

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 half of 2026, the company already recognized THB 77 million normalized share of profit.

Consolidated Statement of Comprehensive Income

	Q2/2025		Q2/2026		% Y-o-Y	1H2025		1H2026		% Y-o-Y
	THB m	%	THB m	%		THB m	%	THB m	%	
Revenue from sales of real estate	757	22%	261	9%	-66%	1,177	17%	537	9%	-54%
House and condominium units	*757*	*22%*	*208*	*7%*	*-73%*	*1,177*	*17%*	*484*	*8%*	*-59%*
Industrial Estate	*0*	*0%*	*53*	*2%*	*N/A*	*0*	*0%*	*53*	*1%*	*N/A*
Revenue from rental and services	2,732	88%	2,615	92%	-4%	5,668	83%	5,591	91%	-1%
Hospitality	*2,401*	*69%*	*2,266*	*78%*	-6%	*5,023*	*73%*	*4,900*	*80%*	*-2%*
Commercial	*302*	*9%*	*326*	*11%*	8%	*592*	*9%*	*645*	*10%*	*9%*
Others business	*29*	*1%*	*22*	*1%*	-24%	*53*	*1%*	*45*	*1%*	*-16%*
Revenue from sales of goods	10	0%	13	0%	33%	20	0%	25	0%	25%
Revenue	3,500	100%	2,890	100%	-17%	6,865	100%	6,153	100%	-10%
Gross profit	1,240	35%	1,022	35%	-18%	2,583	38%	2,393	39%	-7%
Selling expense	-204	-6%	-162	-6%	-21%	-387	-6%	-327	-5%	-15%
Administrative expense	-762	-22%	-652	-23%	-14%	-1,466	-21%	-1,315	-21%	-10%
Operating profit	274	8%	209	7%	-24%	730	11%	751	12%	3%
Other income	26	1%	68	2%	159%	83	1%	129	2%	56%
Finance income	20	1%	21	1%	3%	38	1%	37	1%	-1%
Share of profit (loss) from investment in joint ventures	120	3%	46	2%	-61%	183	3%	61	1%	-67%
Finance costs	-431	-12%	-431	-15%	0%	-878	-13%	-844	-14%	-6%
EBT	9	0%	-87	-3%	-1057%	155	2%	134	2%	-13%
Income tax expense	-50	-1%	-36	-1%	-28%	-125	-2%	-108	-2%	-13%
Profit (loss) for the period	-40	-1%	-123	-4%	203%	30	0%	26	0%	-13%

EBITDA	767	22%	646	22%	-16%	1,732	25%	1,606	26%	-7%
Normalized Profit for the Period before NCI	-40	(1%)	-92	(3%)	130%	97	1%	94	2%	-3%
Normalized Profit for the Period after NCI	-55	N/A	-71	N/A	29%	-11	N/A	18	0%	N/A

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 30 June 2026, the Company and its subsidiaries has developed 10 residential projects for sales including horizontal houses and condominiums, valued approximately at THB 26,021 million which considered as remaining value at THB 16,956 million(1).

[General]

In the second quarter of 2026, the company reported revenue from sales of houses and condominium projects units at THB 208 million, 73% decreased from the same period last year. While the first half of 2026, revenue decreased 59% from the same period last year to THB 484 million, mainly from lower ownership transferred low-rise projects.

Residential projects for sales as of 30 June 2026[(1)]:

Project	Project value (THB m)	Sold	Transfer
Existing Projects			
Santiburi The Residences[(2)]	4,344	98%	92% (of project value) [(2)]
LA SOIE De S[(2)]	936	60%	56% (of project value) [(2)]
The EXTRO	3,977	42%	42% (of project value)
S'RIN Ratchaphruek-Sai 1	3,554	48%	48% (of project value)
SHAWN Panya Indra	1,747	25%	25% (of project value)
SHAWN Wongwaen – Chatuchot	2,759	9%	9% (of project value)
SMYTH'S Kaset-Nawamin	1,039	12%	12% (of project value)
SMYTH'S Ramintra	400	0%	0% (of project value)
S'RIN Prannok-Kanchana [(3)]	4,265	10%	8% (of project value)
One River Rama III	3,000	100%	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 sales of industrial estate

Revenue from the industrial estate business comprises revenue from the sale of real estate and the sale of goods. In the second quarter of 2026, the company recognized THB 53 million in revenue from the sale of land at S Angthong Industrial Estate and approximately THB 25 million from the sale of utilities.

Revenue from rental and services

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

Hospitality Business

In the second quarter of 2026, the company recognized revenue from its hotel business of THB 2,266 million decreased 6% from the same period last year. While the first half of 2026 total revenue reported at THB 4,900 million, slowdown 2% from the same period last year mainly due to pressure from heightened geopolitical tensions in the Middle East during 2Q'26, which affected transportation and travel demand in certain markets

Operating performance of Hospitality business [1]

Hotels	Q2/2025	Q2/2026	1H2025	1H2026
Self-Managed Hotels [2]				
Number of hotels	4 [2]	4 [2]	4 [2]	4 [2]
Number of keys	604	604	604	604
% Occupancy	64%	67%	76%	77%
ADR (THB)	7,699	7,322	10,618	11,046
RevPAR (THB)	4,950	4,896	8,025	8,468
Outrigger Hotels				
Number of hotels	3	3	3	3
Number of keys	499	501	499	501
% Occupancy	74%	77%	69%	68%
ADR (THB)	9,115	8,889	8,366	8,267
RevPAR (THB)	6,777	6,843	5,744	5,618
Project CROSSROADS Hotels [3]				
Number of hotels	2	2	2	2
Number of keys	376	348	376	348
% Occupancy	65%	56%	78%	72%
ADR (THB)	12,068	12,277	13,954	15,030
RevPAR (THB)	7,875	6,821	10,808	10,845
UK Portfolio Hotels [4]				
Number of hotels	22	22	22	22
Number of keys	2,449	2,449	2,449	2,449
% Occupancy	70%	67%	63%	62%
ADR (THB)	4,158	4,270	3,700	3,755
RevPAR (THB)	2,913	2,862	2,321	2,314

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 30 June 2026, the Company owned 5 commercial buildings providing net leasable area more than 190,000 sqm. in total. In the second quarter of 2026, the company reported rental income of THB 326 million increased by 8% from the same period last year. While the total revenue for the first half of 2026 was reported at THB 645 million increased by 9% 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	Q2/2025	Q2/2026	1H2025	1H2026
Suntower				
Space for rent (sq.m.)	63,415	64,384	63,512	64,388
Occupancy rate (%)	72%	75%	72%	75%
Singha Complex				
Space for rent (sq.m.)	57,628	58,018	57,628	58,018
Occupancy rate (%)	85%	91%	84%	91%
S Metro				
Space for rent (sq.m.)	13,591	13,553	13,591	13,550
Occupancy rate (%)	98%	93%	97%	93%
S OASIS				
Space for rent (sq.m.)	53,441	52,784	53,441	52,784
Occupancy rate (%)	48%	55%	44%	54%

Other businesses

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

In the second quarter of 2026, the company and its subsidiaries recorded THB 22 million in other income, decreased 24% from the same period last year. While reported in the first half of 2026 total revenue amounted to THB 45 million, decreased 16% from the same period last year, mainly due to lower construction income from the LA SOIE de S project.

Gross Profit

In second quarter of 2026, the company's gross profit reached THB 1,022 million, decreased 18% from THB 1,240 million in the second quarter of 2025. Gross Profit for the first half of 2025 reported at THB 2,393 million decreased 7% from THB 2,583 million from the previous year. However, on a gross profit margin basis, the gross profit margin remained stable at 35% in the second quarter of 2026, unchanged from the same period last year. Meanwhile, the gross profit margin for the first half of 2026 improved to 39%, up from 38% in 2025.

Selling and Administrative Expenses

The company reported selling and administrative expenses at THB 814 million in the second quarter of 2026, which decreased from THB 966 million compared to the same period last year. Meanwhile, selling and administrative expenses in the first half of 2026 amounted to THB 1,642 million, down 11% from THB 1,853 million in the same period last year. The decrease was mainly driven by efficient cost management in the hotel business, as well as lower expenses from the residential business, in line with the lower in property transfers.

Finance Costs

The company reported finance costs of THB 431 million in the second quarter of 2026, remaining at the same level as last year. While finance costs for the first half of 2026 were at THB 844 million lower, 4% from the same period last year due to the success of refinancing with the financial institutions and partial early repayment of loans.

Profit (loss) attributable to Equity holders of the Company

The company announced total net loss for the second quarter of 2026 amounting to THB (123) million, which increased from THB (40) million from the same period last year. The portion attributable to the owners of the parent in an amount of THB (87) million in the second quarter of 2026, increased from THB (49) million in the same quarter last year. However, for the first half of 2026 the company reported total net profit of THB 26 million which attributed to the owners of the parent in an amount of THB (38) million, improving from THB (45) million from last year. The higher net loss recognized during the period was mainly attributable to a slowdown in revenue from the sale of houses and condominiums, as well as a decline in the share of profit from investments in power plants, which was affected by foreign exchange rate volatility.

Unit: THB million	31 December 2025	30 June 2026	Change
Cash and cash equivalents	2,726	2,722	(4)
Inventories	5,672	5,688	16
Current assets	15,238	15,152	(86)
Investment property	19,796	19,810	14
PPE – net	27,987	28,924	937
Non-current assets	53,170	53,580	410
Total Assets	**68,408**	**68,831**	**423**
Current liabilities	12,378	14,185	1,807
Non-current liabilities	36,620	34,596	(2,024)
Total liabilities	**48,998**	**48,781**	**(217)**
Total equity	**19,410**	**20,050**	**640**
Interest-bearing debt excluding lease liability	32,960	32,434	(526)
Gearing ratio (times)	1.70x	1.62x	
Net gearing ratio (times)	1.56x	1.48x	

As of June 30, 2026, the company reported total assets of THB 68,831 million, an increase of THB 423 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 June 30, 2026, amounted to THB 48,781 million, a decrease of THB 217 million from the end of 2025, mainly due to the repayment of loans from financial institutions.

The shareholders' equity amounted to THB 20,050 million, which increased from THB 19,410 million at the end of 2025. As a result, the net interest-bearing debt to equity ratio at the end of June 2026 was reduced to 1.48 times.

Singha Estate Investor Relations

Tel: +662 050-5555 Ext. 590

Email: IR@singhaestate.co.th