

Veranda Resort Public Company Limited

Management Discussion and Analysis

(MD&A)

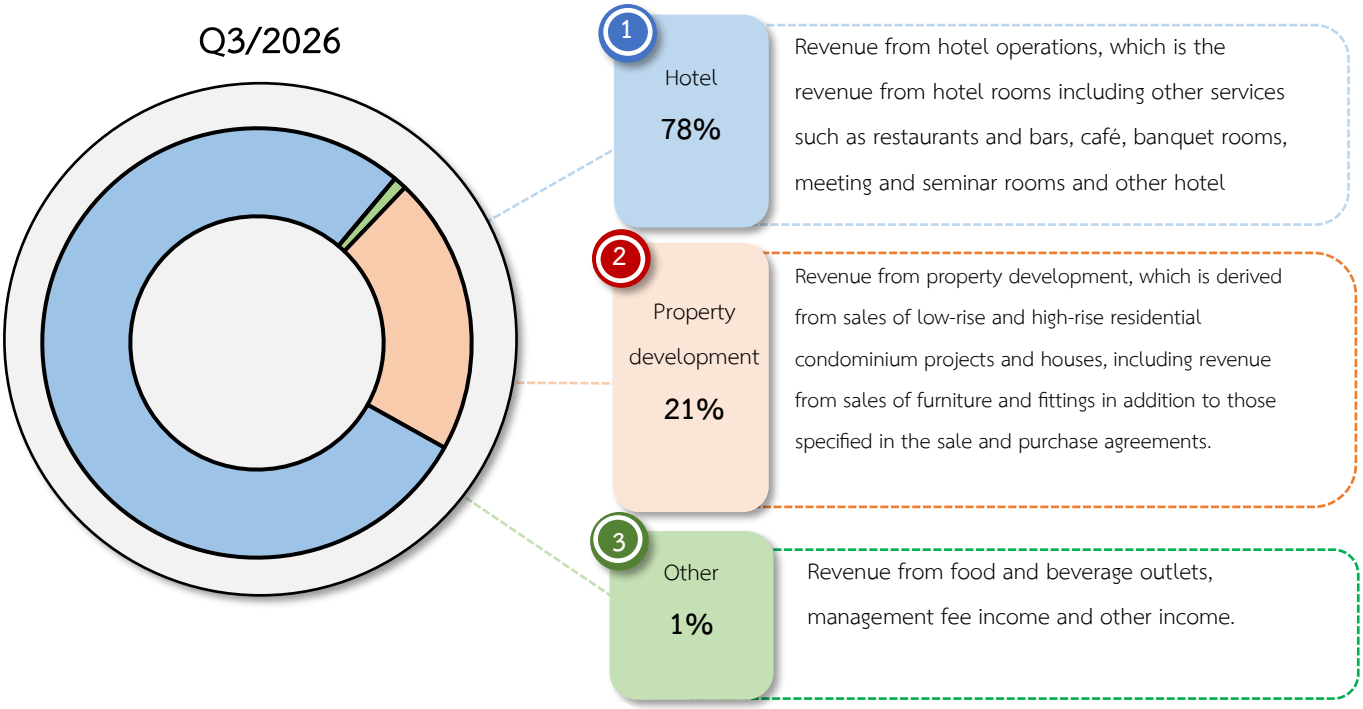
Q3/2026

Revenue Structure

In Q3/2026, the Group reported total revenue of 474 THB mm, with revenue from hotel operations accounting for the main share at 78% of total revenue. The table below summarizes the Group's revenue structure according to the consolidated financial statements for the three-month and nine-month periods ended September 30, 2026.

Revenue	Q3/26	%	Q3/25	%	YoY	9m26	%	9m25	%	YoY
Revenue from hotel operations	369	78%	338	93%	+9%	1,216	91%	1,051	96%	+16%
Revenue from property development	100	21%	-	0%	+100%	100	8%	15	1%	+587%
Other income	5	1%	24	7%	-77%	16	1%	37	3%	-57%
Total revenue	474	100%	362	100%	+31%	1,332	100%	1,103	100%	+21%

*The rates of change in this document are calculated from figures in Baht (unit digits).



For the three-month period ended September 30, 2026, the Group's total revenue increased by 112 THB mm, or 31%, compared to the same period of previous year. This was mainly due to unit transfers at Veranda Villas & Suites Phuket, while revenue from hotel operations grew by 9%.

For the nine-month period ended September 30, 2026, the Group's total revenue increased by 229 THB mm, or 21%, compared to the same period of previous year, mainly due to 16% growth in revenue from hotel operations.

Revenues and gross profit from hotel operations

	Unit	For the three-month period ended September 30			For the nine-month period ended September 30		
		2026	2025	YoY	2026	2025	YoY
Operating hotels	Hotel	7	7		7	7	
Rooms at period end	Room	860	860		860	860	
Occupancy rate	%	62	59	+3%	65	60	+5%
Average daily rate	Baht/room/night	4,674	4,453	+5%	4,987	4,605	+8%
RevPAR	Baht/room/night	2,917	2,646	+10%	3,263	2,746	+19%
Revenue from hotel operations							
Room revenue	THB mm	230	210	+10%	766	645	+19%
F&B revenue	THB mm	90	83	+8%	293	265	+10%
Other services revenue	THB mm	49	45	+9%	157	141	+11%
Revenue from hotel operations	**THB mm**	**369**	**338**	**+9%**	1,216	1,051	+16%

For the three-month period ended September 30, 2026, the Group's revenue from hotel operations increased by 31 THB mm, or 9%, compared to the same period of previous year. The increase came mainly from SO/ Bangkok, which had been affected by the earthquake in late March 2025, and Veranda Resort Chiang Mai, which improved on the return of Chinese tourists and growth in tourists from other Asian markets.

For the nine-month period ended September 30, 2026, the Group's revenue from hotel operations increased by 165 THB mm, or 16%, compared to the same period of previous year, mainly from SO/ Bangkok and Veranda Resort Phuket, Autograph Collection.

Gross profit from hotel operations

	Unit	For the three-month period ended September 30			For the nine-month period ended September 30		
		2026	2025	YoY	2026	2025	YoY
Revenue from hotel operations	THB mm	369	338	+9%	1,216	1,051	+16%
Cost of hotel operations	THB mm	161	152	+6%	495	456	+9%
Gross profit from hotel operations	THB mm	208	186	+12%	721	595	+21%
Gross profit margin from hotel operations	%	56%	55%	+1%	59%	57%	+2%
Gross profit from hotel operations after depreciation and amortization	THB mm	148	126	+18%	544	422	+29%

For the three-month period ended September 30, 2026, the Group's gross profit from hotel operations increased by 22 THB mm, or 12%, compared to the same period of previous year, with a gross profit margin from hotel operations of 56%. This was mainly due to higher revenue from hotel operations and appropriate cost control.

For the nine-month period ended September 30, 2026, the Group's gross profit from hotel operations increased by 126 THB mm, or 21%, compared to the same period of previous year, with a gross profit margin from hotel operations of 59%. This was mainly due to higher revenue from hotel operations and continued cost control.

Earnings before interest, tax, depreciation and amortization from hotel operations (EBITDA)

	Unit	For the three-month period ended September 30			For the nine-month period ended September 30		
		2026	2025	YoY	2026	2025	YoY
EBITDA	THB mm	113	97	+16%	417	332	+26%
EBITDA margin	%	31%	29%	+2%	34%	32%	+2%

For the three-month period ended September 30, 2026, the Group's EBITDA from hotel operations increased by 16 THB mm, or 16%, compared to the same period of previous year, due to higher gross profit. The EBITDA margin was 31%.

For the nine-month period ended September 30, 2026, the Group's EBITDA from hotel operations increased by 85 THB mm, or 26%, compared to the same period of previous year, due to higher gross profit. The EBITDA margin was 34%.

Revenues and gross profit from property development

Revenue from property development

	Project value (THB mm)	Transfer value (THB mm)					
		For the three-month period ended September 30			For the nine-month period ended September 30		
		2026	2025	YoY	2026	2025	YoY
Veranda Residence Hua Hin	2,325	-	-	-	-	15	-100%
Veranda Villas & Suites Phuket	825	100	-	N/A	100	-	N/A
Total	3,150	100	-	N/A	100	15	+587%

For the three-month period ended September 30, 2026, the Group's revenue from property development increased by 100 THB mm compared to the same period of previous year, due to due to unit transfers at Veranda Villas & Suites Phuket.

For the nine-month period ended September 30, 2026, the Group's revenue from property development increased by 85 THB mm, or 587%, compared to the same period of previous year.

Gross profit from property development

	Unit	For the three-month period ended September 30			For the nine-month period ended September 30		
		2026	2025	YoY	2026	2025	YoY
Revenue from property development	THB mm	100	-	N/A	100	15	+587%
Cost of property development	THB mm	78	-	N/A	78	13	+498%
Gross profit from property development	THB mm	22	-	N/A	22	2	+1363%
Gross profit margin from property development	%	22%	-	N/A	22%	10%	+12%

For the three-month period ended September 30, 2026, the Group's gross profit from property development increased by 22 THB mm compared to the same period of previous year, due to higher revenue from property development.

For the nine-month period ended September 30, 2026, the Group's gross profit from property development increased by 20 THB mm, or 1,363%, compared to the same period of previous year.

Selling and administrative expenses

	For the three-month period ended September 30			For the nine-month period ended September 30		
	2026	2025	YoY	2026	2025	YoY
	THB mm	THB mm	%	THB mm	THB mm	%
Selling expenses	58	44	+31%	175	138	+27%
Selling expenses to total revenue (%)	12%	12%	-	13%	12%	+1%
Administrative expenses	67	65	+3%	213	196	+9%
Administrative expenses to total revenue (%)	14%	18%	-4%	16%	18%	-2%

For the three-month period ended September 30, 2026, the Group's selling expenses increased by 14 THB mm, or 31%, compared to the same period of previous year, due to transfer-related costs at Veranda Villas & Suites Phuket. Administrative expenses increased by 2 THB mm, or 3%, compared to the same period of previous year, while the ratio of administrative expenses to total revenue decreased by 4%.

For the nine-month period ended September 30, 2026, the Group's selling expenses increased by 37 THB mm, or 27%, compared to the same period of previous year, due to expenses related to the transfer of ownership of units in Veranda Villas & Suites Phuket. Administrative expenses increased by 17 THB mm, or 9%, compared to the same period of previous year, in line with higher revenue, while the ratio of administrative expenses to total revenue decreased by 2%.

Earnings before interest, tax, depreciation and amortization (EBITDA)

	Unit	For the three-month period ended September 30			For the nine-month period ended September 30		
		2026	2025	YoY	2026	2025	YoY
EBITDA	THB mm	115	106	+8%	381	317	+20%
EBITDA margin	%	24%	29%	-5%	29%	29%	-

For the three-month period ended September 30, 2026, the Group's EBITDA increased by 9 THB mm, or 8%, compared to the same period of previous year, mainly due to higher gross profit from both hotel operations and property development. The EBITDA margin was 24%, lower than the same period of previous year, which included revenue from extraordinary items.

For the nine-month period ended September 30, 2026, the Group's EBITDA increased by 64 THB mm, or 20%, compared to the same period of previous year, mainly due to higher gross profit. The EBITDA margin was 29%, unchanged from the same period of previous year.

Depreciation and amortization

For the three-month period ended September 30, 2026, the Group reported depreciation and amortization of 64 THB mm, a decrease of 2 THB mm or 3% compared to the same period of previous year. For the nine-month period ended September 30, 2026, depreciation and amortization was 189 THB mm, a decrease of 2 THB mm or 1% compared to the same period of previous year.

Financial expenses

For the three-month period ended September 30, 2026, the Group reported financial expenses of 33 THB mm, a decrease of 7 THB mm or 18% compared to the same period of previous year. For the nine-month period ended September 30, 2026, financial expenses were 109 THB mm, a decrease of 2 THB mm or 2% compared to the same period of previous year. This was mainly due to lower interest rates following the refinancing of loans from financial institutions in Q2/2026.

Net profit

	Unit	For the three-month period ended September 30			For the nine-month period ended September 30		
		2026	2025	YoY	2026	2025	YoY
Net profit	THB mm	15	2	+735%	23	57	-59%
Net profit margin	%	3%	1%	+2%	2%	5%	-3%

For the three-month period ended September 30, 2026, the Group recorded a net profit of 15 THB mm, an increase of 13 THB mm or 735% compared to the same period of previous year, due to higher operating profit and lower financial costs.

For the nine-month period ended September 30, 2026, the Group recorded a net profit of 23 THB mm, a decrease of 34 THB mm or 59% compared to the same period of previous year. This was mainly due to a non-cash extraordinary expense of 56 THB mm from the refinancing in Q2/2026.

Financial Statement

	Unit	September 30, 2026	December 31, 2025	Change (%)
Total assets	THB mm	5,798	5,770	+1%
Total liabilities	THB mm	3,940	3,876	+2%
Total shareholders' equity	THB mm	1,858	1,894	-2%
Interest-bearing debt	THB mm	3,158	2,881	+10%
Debt to equity (D/E)	times	2.12	2.05	
Interest-bearing debt to equity (IBD/E)	times	1.70	1.52	

As of September 30, 2026, the Group reported total assets of 5,798 THB mm, an increase of 28 THB mm or 1% compared to December 31, 2025. This was mainly due to the acquisition of land for a new project, net of the decrease in fixed assets from depreciation.

As of September 30, 2026, the Group reported total liabilities of 3,940 THB mm, an increase of 64 THB mm or 2% compared to December 31, 2025, mainly due to long-term loans for the acquisition of land for a new project.

As of September 30, 2026, the Group reported total shareholders' equity of 1,858 THB mm, a decrease of 36 THB mm or 2% compared to December 31, 2025. This reflected the net profit for the nine-month period ended September 30, 2026, net of the annual dividend payment for 2025 of 59 THB mm in May 2026.

As of September 30, 2026, the Group's debt-to-equity (D/E) ratio was 2.12 times and the interest-bearing debt-to-equity (IBD/E) ratio was 1.70 times. These ratios remain in compliance with the covenants of debentures and commercial banks.