



15 August 2023

**SUBJECT** : Submit the reviewed financial statements and clarify the result of second quarter ended 30 June 2023

**ATTN** : The President  
Stock Exchange of Thailand

**Attachment** : The reviewed financial statements for the second quarter ended 30 June 2023 of Asia Hotel Public Company Limited and its subsidiaries

Attached please find the reviewed financial statements for the second quarter period ended 30 June 2023 of Asia Hotel Public Company Limited ("ASIA") and its subsidiaries which have been approved by the Board of Directors. ASIA would like to clarify the result of the second quarter period of the year 2023 as follows:

#### **Analysis and explanations by the management**

##### **Overall picture of the business operations**

In the second 2023, the company and subsidiaries had total revenue of 289.33 million baht, increase of 78.75 million baht, or 37.4%, the company and its subsidiaries had generated 178.08 million baht revenue from the hotel business (the room revenue of Q2/2022 = 102.75 million baht), increased from the previous year by 75.33 million baht., consist of domestic hotel business had revenue of 154.09 million baht and oversea hotel business had revenue of 23.99 million baht. This shows that the hotel business has seen significant revenue growth.

In the part of Rental Area Business operated by Zeer Property PCL which is its subsidiary, had rental and service revenue of 111.25 million baht, increased from the previous year of 3.42 million baht or 3.2% consist of domestic rental revenue of 102.81 million baht and oversea rental revenue of 8.44 million baht.

In Q2/2023 the company and subsidiaries had a gross profit of 68.94 million baht (For Q2/2022 had a gross profit of 31.3 million baht) and net loss (Equity holders of the parent) amounted of 5.34 million baht, loss decreased of 29.73 million baht from the previous year.

**Statements of Profit or Loss and other comprehensive income for the three -month periods ended June 30,2023**

Unit : Million Baht	Q2/2023	Q2/2022	Change
	Amount	Amount	Amount
<b>Revenues</b>			
Income from hotel business	178.08	102.75	75.33
Rental and service income	111.25	107.83	3.42
<b>Total Revenue</b>	<b>289.33</b>	<b>210.58</b>	<b>78.75</b>
Cost of hotel business	111.97	84.39	27.58
Cost of rental and service	108.42	94.89	13.53
<b>Total cost of sales and service</b>	<b>220.39</b>	<b>179.28</b>	<b>41.11</b>
<b>Gross Profit (Loss)</b>	<b>68.94</b>	<b>31.30</b>	<b>37.64</b>
Other Income	16.36	11.37	4.99
Reversal of loss on fixed assets revaluation	13.67	-	13.67
<b>Profit Before Expenses</b>	<b>98.97</b>	<b>42.67</b>	<b>56.30</b>
Distribution costs	14.94	9.37	5.57
Administrative expenses	47.46	30.78	16.68
Management benefit expenses	3.55	1.18	2.37
Directors' remuneration	2.72	-	2.72
<b>Profit (loss) from operation activities</b>	<b>30.30</b>	<b>1.34</b>	<b>28.96</b>
Financial cost	36.97	32.74	4.23
<b>Loss before income tax</b>	<b>(6.67)</b>	<b>(31.40)</b>	<b>24.73</b>
Income tax (expense) revenue	0.80	(3.74)	4.54
<b>Net profit (loss) for the period</b>	<b>(5.87)</b>	<b>(35.14)</b>	<b>29.27</b>

In an analysis of the operation results for the second quarter of year 2023 and profitability of the company and its subsidiaries classified according to the revenue structure, cost of sale and service, expense on the operations and financial cost as follows:

Details on Revenue from Hotel Business						
Unit: Million Baht	Room		Food & Beverage		Total Hotel Business	
	Q2 / 2023	Q2 / 2022	Q2 / 2023	Q2 / 2022	Q2 / 2023	Q2 / 2022
<b>Revenue</b>						
Revenue from hotel business	128.67	70.77	49.41	31.98	178.08	102.75
Proportion of Room : F&B	72.3%	68.9%	27.7%	31.1%	100.0%	100.0%
<b>Cost of Sale</b>	72.02	56.84	39.95	27.55	111.97	84.39
Cost Ratio(Cost of Sale / Revenue)	56.0%	80.3%	80.9%	86.1%	62.9%	82.1%
<b>Gross Profit</b>	56.65	13.93	9.46	4.43	66.11	18.36
GP Margin(Gross profit / Revenue)	44.0%	19.7%	19.1%	13.9%	37.1%	17.9%

## 1) Income from the rooms

The company and its subsidiaries operated 7 hotels consisted of 1) Asia Hotel, which situated in Ratcha Thewi district, Bangkok, 2) Asia Pattaya Hotel at Pattaya city, 3) Asia Airport Hotel in Rangsit, Pathum Thani province, 4) Asia Hotel Cha-um, at Cha-um Beach, Phetchaburi province, 5) Ratchapruek Lanna Boutique Hotel at Nongkwai Sub-district, Hang Dong District, Chiang Mai, 6) Darley Hotel Chiang Mai at Chang Moi, Amphoe Mueang, Chiang Mai and 7) Quality Inn Long Beach Airport, located 3201 E. Pacific High Way, Signal Hill, California, U.S.A.. The company and its subsidiaries had revenue from rooms in the second quarter of year 2023 totaled 178.08 million baht, increased from the same quarter of previous year by 75.33 million baht or 73.3% higher.

Revenue from rooms in Q2/2023 totaled 128.67 million baht, increased from Q2/2022 that revenue amount 70.77 million baht, by 57.90 million baht or 81.8% higher.

## Income from food and beverages

The company and its subsidiaries had the income of food and beverages from restaurants and banquets in Q2/2023 amounted to 49.41 million baht, for Q2/2022 was amounted to 31.98 million baht, increased from the previous year by 17.43 million baht or 54.5%.

## 2) Income from rent and services

Zeer Property and its subsidiaries have rental and services income from leasing space income such as 1) Zeer Rangsit Shopping Center, 2) The Hub Shopping Mall, 3) AA-Town Apartment, 4) Asia Airport Hotel, Rungsit 5) Asia Cha-um Hotel and the 3 subsidiaries that shareholding by Zeer Property consist of 1) Zeer Asset Co., Ltd. which invested and leasing in "Rachapruek Lanna Boutique Hotel" Chiang Mai, 2) Spa Hotel Co., Ltd. which operated "Laan Sook Plaza Project" and leasing in "Darley Hotel Chiang Mai" and 3) Zeer Overseas LLC, which is a subsidiary of Zeer Property, incorporated in the USA., which operated "Glendale Plaza" in California, USA., and "Quality Inn Long Beach Signal Hill" in U.S.A.

Details on Revenue from Rental and Service Business						
Unit: Million Baht	Domestic		Overseas		Total	
	Q2 / 2023	Q2 / 2022	Q2 / 2023	Q2 / 2022	Q2 / 2023	Q2 / 2022
<b>Revenue</b>						
Revenue from rental and service business	102.81	99.66	8.44	8.17	111.25	107.83
<b>Cost of Sale</b>	106.03	92.60	2.39	2.29	108.42	94.89
<b>Cost Ratio (Cost of Sale / Revenue)</b>	103.1%	92.9%	28.3%	28.0%	97.5%	88.0%
<b>Gross Profit</b>	- 3.22	7.06	6.05	5.88	2.83	12.94
<b>GP Margin (Gross profit / Revenue)</b>	-3.1%	7.1%	71.7%	72.0%	2.5%	12.0%

Rental and service income in the second quarter of 2023 was 111.25 million baht (Domestic Rental Revenue 102.81 million baht and Overseas Rental Revenue 8.44 million baht), an increased of Baht 3.42 million baht from the same quarter of last year.

### 3) Other Revenue

Other revenue consisted of rental, service and electricity, laundry, telephone, gain on exchange rate and other revenue collected from customers and miscellaneous things. The other revenue was increased 4.99 million baht and the reversal of loss on fixed assets revaluation was amount of 13.67 million baht.

#### Cost of sale and service

Cost of sale and service consists of two main items according to the type of revenue from the operations are the cost of sale from hotel operations and cost from rentals and services

In Q2 of 2023 the company and its subsidiaries has the cost of sale and service for 220.39 million baht, increased from the previous year by 41.11 million baht, or 22.9% higher. The company has gross profit margin in 2023 for 23.8% of revenue from the operations, while the previous year had the gross loss margin of 14.9%. The cost of sale and service can be classified as following:

<b>Details on Cost of sale and service was divided by business group</b>			
<b>Unit: Million Baht</b>	<b>Hotel Business</b>	<b>Rental Business</b>	<b>Total Cost of Sale and Service</b>
Cost of sale	108.15	90.52	198.67
Reversal of loss on fixed assets revaluation	3.82	17.9	21.72
<b>Total Cost of Sales and Services</b>	<b>111.97</b>	<b>108.42</b>	<b>220.39</b>

#### a) Cost of room sale

In 2nd quarter of 2023 the company and its subsidiaries had the cost of room sale of 72.02 million baht, with the cost ratio for room sale in Q2 of 2023 and 2022 for 56% and 80.3%. The gross profit margin for Q2 of 2023 and 2022 equaled to 44.0% and 19.7% respectively.

#### Cost of food sale and beverages

In 2nd quarter of 2023 the company and its subsidiaries had the cost of food and beverage sale of 39.95 million baht. They had the ratio of the cost of food and beverage sale for 2023 and 2022 equaled to 80.9% and 86.1% and the gross profit margin for 2023 and 2022 equaled to 19.1% and 13.9% respectively.

#### b) Cost of rental and service

In 2nd quarter of 2023, the company and its subsidiaries had the cost of rent and service of 108.42 million baht (Cost of Rental and service from Domestic business equaled 106.03 million baht and Oversea business equaled 2.39 million baht). The gross profit margin for 2023 and 2022 equaled to 2.5% and 12% respectively.

#### Expenses on the sale, administration and others

In 2nd quarter 2023, the company and its subsidiaries had the expense on sale and service and other expenses totaled 68.67 million baht, details as follows:

- Distribution costs in 2023 amounted to 14.94 million baht, increased from the previous year by 5.57 million baht.
- Administrative expenses in 2023 amounted to 47.46 million baht, increased from the previous year by 16.68 million baht.
- Management benefit expenses in 2023 amounted to 3.55 million baht, increased from the previous year by 2.37 million baht.
- Directors' remuneration in 2023 amounted to 2.72 million baht, increased from the previous year by 2.72 million baht.

### **Profit (loss) from Operating Activities**

In Q2/2023 the company and its subsidiaries had the profit from operating activities equaled to 30.30 million baht, Q2/2022 had profit equaled to 1.34 million baht, increased by 28.96 million baht due to the company and its subsidiaries had increased the revenue and had reduced the cost and expense.

### **Financial cost**

In Q2/2023 the company and its subsidiaries had the financial cost amounted to 36.97 million baht, while in Q2/2022 amounted to 32.74 million baht, which was increased by 4.23 million baht due to increasing interest rate.

### **Net Profit**

In Q2/2023 the company and its subsidiaries had a net loss (net worth of the parent company) totaled 5.34 million baht, loss decreased from the previous year by 29.73 million baht and the basic loss per share in 2023 equaled to -0.02 baht while in 2022 had the loss per share equaled to -0.11 baht.

This information is provided for notification to the SET and for disclosure to investors.

Best regards,

(Mr. Surapong Techaruvichit)  
Managing Director