



14 November 2023

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

ATTN : The President
Stock Exchange of Thailand

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

Attached please find the reviewed financial statements for the second quarter period ended 30 September 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 third quarter period of the year 2023 as follows:

Analysis and explanations by the management

Overall picture of the business operations

In the third quarter 2023, the company and its subsidiaries had total revenue of 307.83 million baht, increase of 52.72 million baht, or 20.67%, the company and its subsidiaries had generated 196.41 million baht revenue from the hotel business, consisting of domestic hotel business had revenue of 113.37 million baht and oversea hotel business had revenue of 26.34 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 111.42 million baht, consisting of domestic rental revenue of 102.72 million baht and overseas rental revenue of 8.70 million baht, increase from the previous year 0.97 million.

In Q3/2023 the company and its subsidiaries had a gross profit of 84.34 million baht (For Q3/2022 had a gross profit of 54.01 million baht) and net profit (Equity holders of the parent) amounted to 6.34 million baht, an increased of 31.22 million baht from the previous year.

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

Unit : Millon Baht	Q 3/2022	Q 3/2022	Change
	Amount	Amount	Amount
Revenues			
Income from hotel business	196.41	144.66	51.75
Rental and service income	111.42	110.45	0.97
Total Revenues	307.83	255.11	52.72
Cost of hotel business	116.40	101.80	14.60
Cost of rental and service	107.09	99.30	7.79
Total cost of sales and service	223.49	201.10	22.39
Gross Profit (Loss)	84.34	54.01	30.33
Other Income	22.34	12.28	10.06
Profit before expenses	106.68	66.29	40.39
Distribution costs	16.47	12.08	4.39
Administrative expenses	48.55	37.26	11.29
Management benefit expenses	3.29	1.90	1.39
Directors' remuneration	1.19	-	1.19
Profit (loss) from operation activities	37.18	15.05	22.13
Financial cost	38.89	35.90	2.99
Impairment loss determined in accordance with TFRS9	(6.55)	-	(6.55)
Loss before income tax	4.84	(20.85)	25.69
Income tax (expense) revenue	1.15	(4.43)	5.58
Net profit (loss) for the period	5.99	(25.28)	31.27

In an analysis of the operation results for the third 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 : Millon Baht	Room		Food & Beverage		Total Hotel Business	
	Q3 / 2023	Q3 / 2022	Q3 / 2023	Q3 / 2022	Q3 / 2023	Q3 / 2022
Revenue						
Revenue from hotel business	139.71	98.25	56.70	46.41	196.41	144.66
Proportion of Room : F&B	71.1%	67.9%	28.9%	32.1%	100.0%	100.0%
Cost of Sale	73.69	65.24	42.71	36.56	116.40	101.80
Cost Ratio(Cost of Sale / Revenue)	52.7%	66.4%	75.3%	78.8%	59.3%	70.4%
Gross Profit	66.02	33.01	13.99	9.85	80.01	42.86
GP Margin(Gross profit / Revenue)	47.3%	33.6%	24.7%	21.2%	40.7%	29.6%

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) Ratchapruet 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 third quarter of year 2023 totaled 196.41 million baht, increased from the same quarter of previous year by 51.75 million baht or 35.8% higher.

Revenue from rooms in Q3/2023 totaled 139.71 million baht, increased from Q3/2022 that revenue amount 98.25 million baht, by 41.46 million baht or 42.2% higher.

Income from food and beverages

The company and its subsidiaries had the income of food and beverages from restaurants and banquets in Q3/2023 amounted to 56.70 million baht, for Q3/2022 was amounted to 46.41 million baht, increased from the previous year by 10.29 million baht or 22.2%.

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 "Rachapruet 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 : Millon Baht	Domestic		Overseas		Total	
	Q3 /2023	Q3 /2022	Q3 /2023	Q3 /2022	Q3 /2023	Q3 /2022
Revenues						
Revenue from rental and service business	102.72	101.80	8.70	8.65	111.42	110.45
Cost of Sale	104.83	96.48	2.26	2.82	107.09	99.30
Cost Ratio(Cost of Sale / Revenue)	102.1%	94.8%	26.0%	32.6%	96.1%	89.9%
Gross Profit	(2.11)	5.32	6.44	5.83	4.33	11.15
GP Margin(Gross profit / Revenue)	-2.1%	5.2%	74.0%	67.4%	3.9%	10.1%

Rental and service income in the third quarter of 2023 was 111.42 million baht (Domestic Rental Revenue 102.72 million baht and Overseas Rental Revenue 8.70 million baht), an increased of Baht 0.97 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 10.06 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 Q3 of 2023, the company and its subsidiaries has the cost of sale and service for 223.49 million baht, increased from the previous year by 22.39 million baht, or 11.1% higher. The company has gross profit margin in 2023 for 27.4% of revenue from the operations, while the previous year had the gross profit margin of 21.17%. The cost of sale and service can be classified as following:

a) Cost of room sale

In 3rd quarter of 2023, the company and its subsidiaries had the cost of room sales of 73.69 million baht, which increased from the previous year by 8.45 million baht or 13.0% higher, with the cost ratio for room sales in Q3 of 2023 and 2022 for 52.7% and 66.4%. The gross profit margin for Q3 of 2023 and 2022 equaled to 47.3% and 33.6% respectively.

Cost of food sale and beverages

In 3rd quarter of 2023, the company and its subsidiaries had the cost of food and beverage sales of 42.71 million baht which increased from the previous year by 6.15 million baht or 16.80%. They had the ratio of the cost of food and beverage sales for 2023 and 2022 equaled 75.3% and 78.8% and the gross profit margin for 2023 and 2022 equaled 24.7% and 21.2% respectively. It can be seen that the company is able to make profits efficiently.

b) Cost of rental and service

In 3rd quarter of 2023, the company and its subsidiaries had the cost of rent and service of 107.09 million baht (Cost of Rental and service from Domestic business equaled 104.83 million baht and Oversea business equaled 2.26 million baht) increased by 7.79 million baht or 7.8% from the previous year. The gross profit margin for 2023 and 2022 equaled 3.9% and 10.1% respectively.

Expenses on the sale, administration and others

In 3rd quarter 2023, the company and its subsidiaries had the expense on sale and service and other expenses totaled 69.50 million baht, increased from the previous year by 18.26 million baht. The details of the increase or decrease from the previous year for each type of expense are as follows:

- Distribution costs in 2023 amounted to 16.47 million baht, increased from the previous year by 4.39 million baht, 36% higher.
- Administrative expenses in 2023 amounted to 48.55 million baht, increased from the previous year by 11.29 million baht, 30% higher.
- Management benefit expenses in 2023 amounted to 3.29 million baht, increased from the previous year by 1.39 million baht, 73% higher.
- Directors' remuneration in 2023 amounted to 1.19 million baht, increased from the previous year 100%.
- In 2023, the impairment loss in accordance with TFRS9 was reversed in the amount of 6.55 million baht because the company received payment of long-standing debts.

Profit (loss) from Operating Activities

In Q3/2023 the company and its subsidiaries had the profit from operating activities equaled to 37.18 million baht, Q3/2022 had profit equaled to 15.05 million baht, increased by 22.13 million baht.

Financial cost

In Q3/2023 the company and its subsidiaries had the financial cost amounted to 38.89 million baht, while in Q3/2022 amounted to 35.9 million baht, which was increased by 2.99 million baht due to increasing interest rate.

Net Profit

In Q3/2023 the company and its subsidiaries had a net profit (Equity holder of the parent) totaling 6.34 million baht, increased from the previous year by 31.22 million baht and the basic earnings per share in 2023 equaled 0.02 baht while Q3/2022 had the loss per share equaled to -0.08 baht.

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

Best regards,

(Mr. Surapong Techaruvichit)
Managing Director