

No. L010/2025

9<sup>th</sup> May 2025

Subject : The explanation of operating results for the 1<sup>st</sup> quarter 2025  
Attention : The President  
The Stock Exchange of Thailand

Dear Sir,

For the three-month ended 31<sup>st</sup> March 2025, Thailand's hospitality sector, particularly Phuket's tourism industry, continues to perform strongly. During the peak season, hotels showed excellent results across key metrics, especially average daily rates (ADR), and revenue per available room (RevPAR), reflecting the high demand of this period. In terms of property sales operations, demand for real estate in Phuket remains strong, in line with the unit handover plan and construction schedule during the period. As a result, the performance of Laguna Resorts & Hotels Public Company Limited ("the Company") is better than the same period last year. The company reported a net profit of 680 million in the first quarter of this year, compared to a net profit of Baht 275 million in the same period previous year.

**Total revenue for the three-month increased by Baht 843 million as compared to the same period last year due to the followings:**

- The overall revenue from hotel operations which comprises hotel, golf, and retail operations increased by Baht 41 million as the result of an increase in average daily rates (ADR), and revenue per available room (RevPAR), in every hotels.
- Revenue from property development operations which comprises property sales and the sale of holiday club memberships increased by Baht 712 million. The variance is mostly attributable to greater revenue recognition for property sales projects, including Laguna Lakeside, Laguna Beachside and Banyan Tree Grand Residence, compared to Laguna Lakeside, Laguna Park 2, and Angsana Oceanview during the same period previous year. At the time of this report, there was a total of Baht 17,047 million in the property sales backlog which will be recognised in the future.
- Other income increased by Baht 86 million mainly due to gain on revaluation of investment properties of Baht 69 million and gain on a bargain purchase of Baht 15 million from acquisition of additional shares in Tropical Resorts Limited and its subsidiaries.

**Total expenses increased by Baht 425 million as compared to the same period last year which is generally attributed to the followings:**

- The cost of hotel operations increased by Baht 46 million due to an increase in line with the hotel revenue.



- The cost of property development operations increased by Baht 278 million as a result of higher revenue recognition of property sales during this period.
- Selling expenses increased by Baht 44 million mainly due to specific business tax of Laguna Beachside and Banyan Tree Grand Residence units, which were recognised the revenue during the period. Moreover, travel agents' commission payments from hotel operations in line with the hotel revenue.
- Administrative expenses increased by Baht 60 million mainly due to an increase in management fee and royalty fee in line with hotel revenue, allowance for expected credit losses, legal expense, loss on exchange rate and staff cost during the current period.

Share of profits from investment in associates increased by Baht 91 million primarily driven by a Baht 96 million gain from the fair value adjustment of Tropical Resorts Limited prior to their reclassification as subsidiary. Additionally, a Baht 3 million increase in share of profits from Thai Wah Public Company Limited was partially offset by a Baht 8 million decline in share of profits from Banyan Tree China Pte. Ltd.

Finance costs decreased by Baht 4 million in line with a decrease in floating interest rate based on MLR.

Income tax expenses rose by Baht 124 million mainly due to an increase in corporate income tax and deferred tax expense by Baht 80 million and Baht 44 million, respectively. An increase was mainly from revenue recognition and unearned revenue of property projects namely Laguna Lakeside, Laguna Beachside and Banyan Tree Grand Residence projects.

Profit attributable to the non-controlling interests of the subsidiaries decreased by Baht 10 million, mostly due to the drop in gallery sales in this period.

## **Summary of Financial Position**

### **Assets**

As at 31 March 2025, the Group reported total assets of Baht 33,292 million, an increase of Baht 1,087 million or 3% from 31 December 2024 mainly. The increase was primarily attributable to the following factors:

- Investment in associates and other non-current financial assets had a net increase of Baht 299 million, mainly due to an reclassification investment of Bibace Investments Ltd. from other non-current financial assets to investment in associates.
- Cash and cash equivalents rose by Baht 245 million, resulting from net cash flows from operating activities of Baht 602 million, partially offset by net cash flows used in investing activities of Baht 317 million and financial activities of Baht 45 million.



- Trade accounts receivable and long-term trade accounts receivable increased by Baht 191 million mainly due to revenue recognition of property sales projects during the period.
- Investment properties rose by Baht 136 million, largely from was mainly from transfer of Laguna Lakeside units from property development cost to investment properties, amounting to Baht 63 million and gain from revaluation of Baht 69 million.
- Cost to obtain contracts with customers increased by Baht 116 million, primarily due to an increase in property sales during the period.
- Property, plant and equipment rose by Baht 81 million, reflecting higher capital expenditures (CAPEX) of Baht 190 million, partially offset by depreciation of Baht 108 million for the period.

### **Liabilities**

As at 31 March 2025, the Group reported total liabilities of Baht 16,268 million, representing an increase of Baht 354 million or 2% from 31 December 2024. The increase was primarily attributable to the following factors:

- Advance received from customers rose by Baht 139 million, driven by new property sales and solid backlog of customer agreements.
- Other current liabilities increased by Baht 118 million, mainly due to accrued land and building tax for the current year and accrued specific business tax arising from revenue recognition of property sales.
- Income tax payable rose by Baht 86 million, resulting from corporate income tax based on taxable profit generated from revenue recognition for property sales projects, including Laguna Lakeside, Laguna Beachside and Banyan Tree Grand Residence projects.

### **Shareholders' equity**

As at 31 March 2025, the Group had total shareholders' equity of Baht 17,023 million, an increase of Baht 734 million or 5% from 31 December 2024. Most of the variance was from profit for the period of Baht 680 million and equity attributable to non-controlling interests of Baht 130 million from acquisition of subsidiaries.

### **Liquidity**

As at 31 March 2025, approximately 25% of the Group's debt will mature in less than one year based on the carrying value of debts. Moreover, the Group had current assets of Baht 8,743 million and current liabilities of Baht 7,273 million, which's a current ratio equal to 1.2 times. The Group believes that it can maintain liquidity and that the risks connected to its debt are low.



Sincerely Yours,

(Mr. Chatchai Chordokrak)

Senior Assistant Vice President – Head of Finance and Corporate Affairs

