

No. L001/2026

25th February 2026

Subject : The explanation of operating results for the year 2025
Attention : The President
The Stock Exchange of Thailand

Dear Sir,

For the year ended 31st December 2025, the Group continued to operate in a favorable business environment across both its hospitality and property development segments. The tourism sector in Thailand, particularly in Phuket, remained strong, supported by sustained travel demand during the peak season. At the same time, demand for residential properties in Phuket remained positive, primarily driven by foreign buyers, with revenue recognition in line with the unit handover plan and construction progress of the projects. Newly completed projects during the period enabled the Group to progressively transfer units to customers as planned. The Group maintained its focus on operational efficiency and project execution in accordance with its business strategy. As a result, the performance of Laguna Resorts & Hotels Public Company Limited and its subsidiaries ("the Group") is better than the same period last year. The Group reported a net profit of Baht 2,028 million in this year, compared to a net profit of Baht 1,263 million in the last year.

Summary of operating performance

Total revenue for the year increased by Baht 1,733 million as compared to the last year due to the followings:

- The overall revenue from hotel operations which comprises hotel, golf, and retail operations decreased by Baht 237 million mainly due to the Bangkok earthquake in March 2025. This external factor led to lower customer traffic and bookings during the year. Moreover, revenue from gallery sales was decreased because the Company disposed of all shares held by the Company in Banyan Tree Gallery (Thailand) Limited to a related company.
- Revenue from property development operations which comprises property sales and the sale of holiday club memberships increased by Baht 2,285 million. The variance is mostly attributable to higher revenue recognition for property sales projects, which were mainly from, Banyan Tree Grand Residence – Oceanfront Villas, Banyan Tree Grand Residence – Beach Terrace, Angsana Beachfront, Angana Oceanview, Skypark Celeste, Laguna Lakeside, Laguna Beachside and Laguna Seaside this year compared to last year projects: Banyan Tree Grand Residence, Angsana Beachfront, Angana Oceanview, Cassia, Skypark Aurora, Laguna Lakeside, Laguna Beachside and Laguna Park 2 during the last year. At the time of this report, there was a total of Baht 14,740 million in the property sales backlog which will be recognised in the future.



- Other income decreased by Baht 323 million mainly due to a decrease in insurance claim income of Baht 435 million. However, there was an increase in gain on revaluation of investment properties from prior year of Baht 102 million.

Total expenses increased by Baht 838 million as compared to the last year which is generally attributed to the following:

- The cost of property development operations increased by Baht 658 million as a result of higher revenue recognition of property sales during this period.
- Selling expenses increased by Baht 93 million mainly due to a higher in commission expenses and special business tax, in line with the revenue recognition of property sales. Moreover, there were still increases in advertising media expenses being used for newly launched property sales projects.
- Administrative expenses increased by Baht 76 million, primarily driven by foreign exchange losses on foreign currency deposits due to the Thai Baht's appreciation against the US Dollar.

Share of profits from investment in joint venture and associates increased by Baht 49 million. This was primarily driven by a Baht 96 million gain from the fair value adjustment of Tropical Resorts Limited prior to its reclassification from an associate to a subsidiary, which was partially offset by a Baht 47 million increase in losses from Bibace Investments Ltd.

Finance income increased by Baht 19 million due to additional installments receivable from property sales, the rise is primarily attributed to Laguna Beachside projects, which experienced a high revenue recognition this year and the previous year.

Finance cost decreased by Baht 10 million. This was primarily attributed to an increase in interest capitalization into property development costs, which rose by Baht 12 million compared to the previous year. Additionally, while the average principal balance increased, the impact was offset by lower borrowing costs following the Bank of Thailand's policy rate reductions during the year.

Income tax expenses increased by Baht 248 million, primarily driven by higher corporate income tax from the Laguna Beachside and Banyan Tree Beach Residences Aegir projects, which were subject to full tax rates without offsetting tax losses, as well as from intra-group land sales.

Profit attributable to non-controlling interests decreased by Baht 39 million, primarily due to corporate income tax expenses arising from an intra-group land sales.



Summary of Financial Position

Assets

As at 31 December 2025, the Group had total assets of Baht 35,867 million, an increase of Baht 3,663 million or 11% from 31 December 2024 primarily causes are attributable to the following items:

- Cash and cash equivalents had a net decrease of Baht 113 million, resulting from net cash flows used in investing activities of Baht 1,382 million, partially offset by net cash flows from operating activities of Baht 341 million and financial activities of Baht 904 million.
- Trade and other current receivables and long-term trade accounts receivable increased by Baht 878 million as a result of revenue recognition of property sales during the year.
- Property development cost increased by Baht 2,268 million mainly due to the ongoing construction of property development projects.
- Costs to obtain contracts with customers increased by Baht 141 million. This was primarily driven by Baht 363 million in new contract costs capitalized from property units sold during the year, which was partially offset by Baht 222 million in amortization recognized as selling expenses.
- Investment in associates and other non-current financial assets had a net increase of Baht 208 million, mainly due to a recognition of fair value of investment of Bibace Investments Ltd. before reclassification from other non-current financial assets to investment in associates.
- Investment in joint venture increased by Baht 79 million since a subsidiary has entered into a joint venture agreement an established a company to act as hotel owner and lease the property on a long-term basis to another company.
- Investment properties decreased by Baht 392 million during the year, mainly attributable to transfers to property development costs and property, plant and equipment following changes in the intended use of certain assets for development and operational purposes. This was partially offset by additions and transfers from property development costs upon completion of construction. In addition, the Group recognised a gain on revaluation of investment properties amounting to Baht 268 million during the year.
- Property, plant, and equipment (PPE) increased by Baht 494 million. This growth was driven by Baht 1,086 million in capital expenditures and a Baht 291 million transfer of twelve units at Thai Wah Tower from investment properties. Additionally, there was a Baht 213 million gain from a revaluation surplus. These increases were partially offset by depreciation of Baht 497 million, the transfer of land to property development costs amounting to Baht 566 million and an allowance for impairment loss of Baht 22 million set up during the period.



Liabilities

As at 31 December 2025, the Group had total liabilities of Baht 17,752 million, an increase of Baht 1,838 million or 12% from 31 December 2024. The main reasons are due to the following items:

- Short-term loans from financial institutions increased by Baht 420 million, reflecting additional drawdowns during the year.
- Trade and other current payables increased by Baht 134 million mostly due to construction cost of development projects.
- Income tax payable rose by Baht 102 million, in line with corporate income tax based on taxable profits from revenue recognition of property projects and intra-group land sales.
- Other current liabilities increased by Baht 96 million, primarily driven by accrued specific business tax related to property sales recognized during the year.
- Long-term loans and its current portion from financial institutions increased by Baht 883 million due to loan drawdowns of Baht 1,162 million and repayments of Baht 277 million during the period.

Shareholders' equity

As at 31 December 2025, the Group had total shareholders' equity of Baht 18,115 million, an increase of Baht 1,826 million or 11% from 31 December 2024. Most of the variance was from profit for the year of Baht 2,028 million and dividend payment of Baht 383 million.

Liquidity

As at 31 December 2025, approximately 29% of the Group's debt will mature in less than one year based on the carrying value of debts (excluding advance received from customers). Moreover, the Group had current assets of Baht 10,857 million and current liabilities of Baht 8,136 million, which's a current ratio equal to 1.33 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

