



MANDARIN HOTEL

SINCE 1965

MAN 005/2020

May 15, 2020

Subject : First quarter, 2020, operating result clarification

Attention : President of the Stock Exchange of Thailand

According to the spread of the outbreak of Corona Virus 2019 (COVID-19) in Thailand since February 2020 which affected the company's operation for the first quarter 2020 ended March 31, 2020. The operating results showed a different of over 20% comparing to the same period of previous year. The Mandarin Hotel Public Company Limited would like to clarify as follows:

Income statement for the period ended March 31, 2020 and 2019 (Unit: Million Baht)

| Items | March 31, 2020 | March 31, 2019 | Increase (Decrease)% |
|--------------------------------------|----------------|----------------|----------------------|
| Revenue from Sales and Services | 61.57 | 91.05 | (32.38) |
| Cost of Sales | 46.67 | 59.25 | (21.23) |
| Gross Profit | 14.90 | 31.80 | (53.14) |
| Other Income | 0.34 | 1.03 | (66.99) |
| Unrealized gain(loss) on investments | (11.15) | 3.91 | (385.17) |
| Selling and Administrative Expense | 12.58 | 15.03 | (16.30) |
| Financial Costs | 3.47 | 3.33 | 4.20 |
| Profit (Loss) before Income Tax | (11.96) | 18.38 | (165.07) |
| Income (Expenses) Tax | 2.29 | (3.68) | 162.23 |
| Profit for the periods | (9.67) | 14.70 | (165.78) |

1. Total Revenue

For the financial statements of the first quarter 2020, the company had total revenue at an amount of 50.76 million Baht, for the year 2019, 95.99 million Baht which decreased 45.23 million Baht the decrease was equal to 47.12 % due to other income of the year 2020 was 0.34 million Baht, compared with the year 2019, was 1.03 million Baht which decreased 0.94 million the decrease was equal to 66.99 %. For the year 2020 the company had unrealized loss on investments at an amount of 11.15 million Baht and for the year 2019 the company also had unrealized gain on investment at an amount of 3.91 million Baht. Unrealized loss on investment increased 15.06 million Baht the increase was equal to 385.17 %

2. Revenue from Sales and Services

For the financial statements of the first quarter 2020, the company had revenue from sales and services at an amount of 61.57 million Baht, for the year 2019, at an amount of 91.05 million Baht which decreased 29.48 million Baht which was equal to 32.38 %. The decrease was due



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to the outbreak of Coronavirus Disease 2019 (COVID-19) which affected the company's operation due to travelers stop visiting Thailand and government has ordered closures of restaurants and function rooms for meeting and seminar. These measures and restrictions to prevent the spread of the Coronavirus Disease 2019 (COVID-19) resulted in revenue of the company.

3. Cost of Sales

For the financial statements of the year 2020, cost of sales of the company was 46.67 million Baht, compared with the year 2019, was 59.25 million Baht which decreased at an amount of 12.58 million Baht which was equal to 21.23%. Cost of sales decreased which was due to the income decreased.

4. Selling and Administrative Expense

Selling and administrative expense of the company for financial statement of the first quarter 2020 was 12.58 million Baht, compared with the year 2019, was 15.03 million Baht which decreased 2.45 million Baht which was equal to 16.30 % The decrease was due to promotion expense decreased at an amount of 0.87 million Baht. The expense of employees, bank fee and hotel management fee decreased at an amount of 1.24 million Baht.

5. Financial Expense

Financial cost of the company for the first quarter 2020 was 3.47 million Baht, compared with the year 2019, was 3.33 million Baht which increased 1.14 million Baht which was equal to 4.20 %, due to the interest of land rental fee increased this year as of accounting standard IFRS 16

6. Profit for the periods

The income of the company decreased 29.48 million Baht due to the outbreak of the Coronavirus Disease which resulted in cost of sales decreased at an amount of 12.58 million Baht. The company also has unrealized loss on investment which increase 15.06 million Baht Selling and administrative expense decreased 2.45 million Baht. The company was in loss for the financial statements of the first quarter 2020 at an amount of 9.67 million Baht compared with the year 2019 the company had profit at an amount of 14.70 million Baht which decreased from the same period of previous year at an amount of 24.37 million Baht or decreased 165.78%

Please be informed accordingly

Sincerely yours

(Mrs. Suwanna Bhuddhprasart)

Executive Director