



Veranda Resort

Public Company Limited

Management Discussion & Analysis

2025

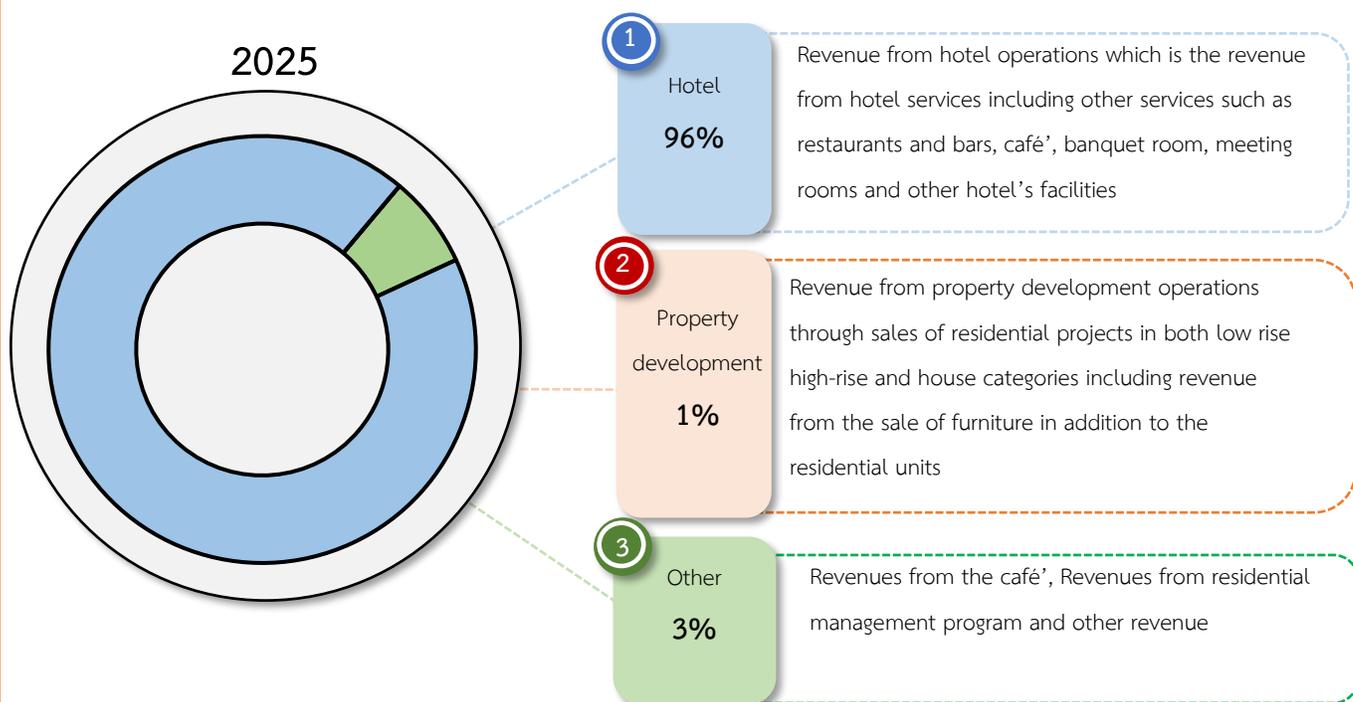


# Revenue Structure

In 2025, the Group reported total revenue of 1,577 THB mm, with 96% derived from hotel operations and 1% from property development operations. The table below summarizes the consolidated revenue structure for the three-month period and year ending December 31, 2025:

|  | Q4/25      | %           | Q4/24      | %           | YoY         | 2025         | %           | 2024         | %           | YoY        |
|--|------------|-------------|------------|-------------|-------------|--------------|-------------|--------------|-------------|------------|
| Revenue from hotel operations                | 455        | 96%         | 361        | 96%         | +26%        | 1,507        | 96%         | 1,256        | 82%         | +20%       |
| Revenue from property development operations | 9          | 2%          | 5          | 1%          | +67%        | 23           | 1%          | 225          | 14%         | -90%       |
| Other income                                 | 10         | 2%          | 12         | 3%          | -14%        | 47           | 3%          | 56           | 4%          | -16%       |
| <b>Total revenue</b>                         | <b>474</b> | <b>100%</b> | <b>378</b> | <b>100%</b> | <b>+26%</b> | <b>1,577</b> | <b>100%</b> | <b>1,537</b> | <b>100%</b> | <b>+3%</b> |

\* The rate of change calculations in this document are based on the unit digits.



For the three-month period ending December 31, 2025, the Group's reported a total revenue increase of 96 THB mm, or 26% compared to the same period of the previous year mainly due to an increase of 94 THB mm in hotel operations revenue and an increase of 4 THB mm in properties development revenue.

For 2025, the Group's reported a total revenue increase of 40 THB mm, or 3% compared to the same period of the previous year mainly due to an increase of 251 THB mm in hotel operations revenue while properties development revenue decreased by 202 THB mm.

## Revenues and gross profit from hotel operations

|   | Unit                | For three-month ended<br>December 31 |            |             | For year ended<br>December 31 |              |             |
|---|---------------------|--------------------------------------|------------|-------------|-------------------------------|--------------|-------------|
|   |                     | 2025                                 | 2024       | YoY         | 2025                          | 2024         | YoY         |
| The number of operating hotels              | Hotel               | 7                                    | 7          |             | 7                             | 7            |             |
| The number of rooms                         | Room                | 860                                  | 756        |             | 860                           | 756          |             |
| Occupancy rate                              | %                   | 68                                   | 70         | -2%         | 62                            | 67           | -5%         |
| Average daily room rate                     | Baht/Room/<br>Night | 5,391                                | 4,882      | +10%        | 4,823                         | 4,379        | +10%        |
| REVPAR                                      | Baht/Room/<br>Night | 3,664                                | 3,432      | +7%         | 2,997                         | 2,930        | +2%         |
| Room revenues                               | THB mm              | 291                                  | 218        | +33%        | 936                           | 733          | +28%        |
| Food and beverage revenues                  | THB mm              | 107                                  | 92         | +17%        | 373                           | 340          | +10%        |
| Revenues from other service                 | THB mm              | 57                                   | 51         | +15%        | 198                           | 183          | +9%         |
| <b>Total revenues from hotel operations</b> | <b>THB mm</b>       | <b>455</b>                           | <b>361</b> | <b>+26%</b> | <b>1,507</b>                  | <b>1,256</b> | <b>+20%</b> |

For the three-month period ending December 31, 2025, the Group reported an increase of 94 THB mm, or 26% in revenue from hotel operations, compared to the same period of the previous year. mainly due to the start operations of Veranda Resort Phuket Autograph collection and the room expansion of Veranda collection Samui - Rocky Resort, which opened in Dec 2024. This resulted 10% increase in the average room rate compared to the same period of the previous year. Meanwhile, the occupancy rate decreased by 2% to 68% compared to the same period of the previous year. However, RevPAR increased by 7%.

For 2025, the Group reported an increase of 251 THB mm, or 20% in revenue from hotel operations, compared to the same period of the previous year. mainly due to the start operations of Veranda Resort Phuket Autograph collection and the room expansion of Veranda collection Samui - Rocky Resort, which opened in Dec 2024. This resulted 10% increase in the average room rate compared to the same period of the previous year. Meanwhile, the occupancy rate decreased by 5% to 62% compared to the same period of the previous year. However, RevPAR increased by 2%.

|   | Unit   | For three-month ended<br>December 31 |      |      | For year ended<br>December 31 |       |      |
|---|--------|--------------------------------------|------|------|-------------------------------|-------|------|
|   |        | 2025                                 | 2024 | YoY  | 2025                          | 2024  | YoY  |
| Revenues from hotel operations                        | THB mm | 455                                  | 361  | +26% | 1,507                         | 1,256 | +20% |
| Cost from hotel operations                            | THB mm | 177                                  | 149  | +19% | 633                           | 552   | +15% |
| Gross profit from hotel operations                    | THB mm | 278                                  | 212  | +32% | 874                           | 704   | +24% |
| Gross profit margin from hotel operations             | %      | 61%                                  | 59%  | +2%  | 58%                           | 56%   | +2%  |
| Gross profit from hotel operations after depreciation | THB mm | 218                                  | 164  | +33% | 641                           | 516   | +24% |

For the three-month period ended December 31, 2025, the Group's gross profit from the hotel operations increased by 66 THB mm, or 32%, compared to the same period of the previous year. The gross profit margin from the hotel operations was 61%.

For 2025, the Group's gross profit from the hotel operations increased by 170 THB mm, or 24%, compared to the same period of the previous year. The gross profit margin from the hotel operations was 58%. mainly due to an increase in hotel revenues and effective cost control.

#### Earnings before interest tax depreciation and amortization (EBITDA) from hotel operations

|               | Unit   | For three-month ended<br>December 31 |      |      | For year ended<br>December 31 |      |      |
|---------------|--------|--------------------------------------|------|------|-------------------------------|------|------|
|               |        | 2025                                 | 2024 | YoY  | 2025                          | 2024 | YoY  |
| EBITDA        | THB mm | 172                                  | 119  | +45% | 504                           | 395  | +27% |
| EBITDA Margin | %      | 38%                                  | 33%  | +5%  | 33%                           | 31%  | +2%  |

For the three-month period ended December 31, 2025, the Group's EBITDA from the hotel operations increased by 53 THB mm, or 45% compared to the same period of the previous year due increase in gross profit from hotel operations, The EBITDA margin was at 38%

For 2025, the Group's EBITDA from the hotel operations increased by 109 THB mm, or 27%, compared to the same period of the previous year due to increase in gross profit from hotel operations, The EBITDA margin was at 33%.

### Revenue and gross profit from property development operations

| Residential projects               | Project Value | Transfer value                    |          |             |                            |            |             |
|------------------------------------|---------------|-----------------------------------|----------|-------------|----------------------------|------------|-------------|
|                                    |               | For three-month ended December 31 |          |             | For year ended December 31 |            |             |
|                                    |               | 2025                              | 2024     | YoY         | 2025                       | 2024       | YoY         |
| Veranda Hi Residence Chiang Mai    | 198           | -                                 | -        | -           | -                          | 9          | -100%       |
| Veranda Residence Hua-Hin          | 2,325         | 9                                 | 5        | +67%        | 23                         | 113        | -79%        |
| Veranda pool villas Hua-Hin Cha-am | 293           | -                                 | -        | -           | -                          | 103        | -100%       |
| <b>Total</b>                       | <b>2,816</b>  | <b>9</b>                          | <b>5</b> | <b>+67%</b> | <b>23</b>                  | <b>225</b> | <b>-90%</b> |

For the three-month period ended December 31, 2025, the Group's revenue from property development operations increased by 4 THB mm, or 67%, compared to the same period of the previous year.

For 2025, the Group's revenue from property development operations decreased by 202 THB mm, or 90%, compared to the same period of the previous year.

|  | Unit   | For three-month ended December 31 |      |       | For year ended December 31 |      |      |
|--|--------|-----------------------------------|------|-------|----------------------------|------|------|
|  |        | 2025                              | 2024 | YoY   | 2024                       | 2025 | YoY  |
| Revenues from property development operations            | THB mm | 9                                 | 5    | +67%  | 23                         | 225  | -90% |
| Cost from property development operations                | THB mm | 7                                 | 3    | +126% | 19                         | 171  | -89% |
| Gross profit from property development operations        | THB mm | 2                                 | 2    | -1%   | 4                          | 54   | -93% |
| Gross profit margin from property development operations | %      | 28%                               | 47%  | -19%  | 17%                        | 24%  | -7%  |

For the three-month period ended December 31, 2025, the Group's gross profit from property development operations decreased by 2 THB mm, or 1%, compared to the same period of the previous year.

For 2025, the Group's gross profit from property development operations decreased by 50 THB mm, or 93%, compared to the same period of the previous year, due to decreased in property development operations revenue.

## Selling expenses and administrative expenses

|                                | For three-month ended<br>December 31 |        |      | For year ended<br>December 31 |        |     |
|--------------------------------|--------------------------------------|--------|------|-------------------------------|--------|-----|
|                                | 2025                                 | 2024   | YoY  | 2025                          | 2024   | YoY |
|                                | THB mm                               | THB mm | %    | THB mm                        | THB mm | %   |
| Selling expenses               | 55                                   | 53     | 3%   | 193                           | 185    | +4% |
| Selling expenses margin        | 12%                                  | 14%    | -2%  | 12%                           | 12%    | -   |
| Administrative expenses        | 77                                   | 96     | -19% | 273                           | 293    | -7% |
| Administrative expenses margin | 16%                                  | 25%    | -9%  | 17%                           | 19%    | -2% |

For the three-month period ended December 31, 2025, the Group's selling expenses increased by 2 THB mm, or 3%, compared to the same period of the previous year and administrative expenses decreased by 19 THB mm, or 19%, mainly due to 21 THB mm of One-time administrative expenses (non-cash) in the previous year.

For 2025, the Group's selling expenses increased by 8 THB mm, or 4%, compared to the same period of the previous year while administrative expenses decreased by 20 THB mm, or 7% due to 21 THB mm of One-time administrative expenses (non-cash) in the previous year.

## Earnings before interest tax depreciation and amortization (EBITDA)

|               | Unit      | For three-month ended<br>December 31 |      |      | For year ended<br>December 31 |      |      |
|---------------|-----------|--------------------------------------|------|------|-------------------------------|------|------|
|               |           | 2025                                 | 2024 | YoY  | 2025                          | 2024 | YoY  |
| EBITDA        | THB<br>mm | 164                                  | 82   | +99% | 481                           | 359  | +34% |
| EBITDA Margin | %         | 35%                                  | 22%  | +13% | 30%                           | 23%  | +7%  |

For the three-month period ended December 31, 2025 the Group's earnings before interest, tax, depreciation, and amortization (EBITDA) increased by 82 THB mm, or 99% to the same period of the previous year, mainly due to increase in gross profit from hotel operations. The EBITDA margin was at 35%.

For 2025 the Group's earnings before interest, tax, depreciation, and amortization (EBITDA) increased by 122 THB mm, or 34% to the same period of the previous year, mainly due to increase in gross profit from hotel operations. The EBITDA margin was at 30%.

## Depreciation and amortization

For the three-month period ended December 31, 2025 the Group's reported depreciation and amortization expenses of 65 THB mm, an increase of 12 THB mm, or 22%, compared to the same period of the previous year and For 2025 the Group's reported depreciation and amortization expenses of 255 THB mm, an increase of 44 THB mm, or 21%, compared to the same period of the previous year mainly due to the start operate of Veranda Resort Phuket Autograph collection and the room expansion of Veranda collection Samui - Rocky Resort, which opened in Dec 2024.

## Financial expenses

For the three-month period ended December 31, 2025, the Group reported interest expense 39 THB mm, increase by 27 THB mm or 213% compared to the same period of the previous year

For 2025, the Group reported interest expense 150 THB mm, increase by 67 THB mm or 81% compared to the same period of the previous year mainly due to loan interest from the Veranda Resort Phuket Autograph Collection project while continuously repaying long-term loans from existing projects.

## Net profit

|                   | Unit   | For three-month ended<br>December 31 |      |      | For year ended<br>December 31 |      |      |
|-------------------|--------|--------------------------------------|------|------|-------------------------------|------|------|
|                   |        | 2025                                 | 2024 | YoY  | 2025                          | 2024 | YoY  |
| Net profit        | THB mm | 44                                   | 9    | 384% | 101                           | 51   | +97% |
| Net profit margin | %      | 9%                                   | 2%   | 7%   | 6%                            | 3%   | +3%  |

For the three-month period ended December 31, 2025, the Group recorded a net profit of 44 THB mm increased by 35 THB mm or 384% due to increase in EBITDA from hotel operations.

For 2025, the Group recorded a net profit of 101 THB mm increased by 50 THB mm or 97% compared to the same period of the previous year. due to increase in EBITDA from hotel operations.

## Financial Statement

|                       | Unit   | December 31,<br>2025 | December 31,<br>2024 | Change |
|-----------------------|--------|----------------------|----------------------|--------|
| Total assets          | THB mm | 5,770                | 5,615                | +3%    |
| Total liabilities     | THB mm | 3,876                | 3,776                | +3%    |
| Total equity          | THB mm | 1,894                | 1,839                | +3%    |
| Interest bearing debt | THB mm | 2,881                | 2,824                | +2%    |
| D/E                   | times  | 2.05                 | 2.05                 |        |
| IBD/E                 | times  | 1.52                 | 1.54                 |        |

As of December 31, 2025, the Group's total assets amounted to 5,770 THB mm, an increase of 155 THB mm, or 3%, compared to December 31, 2024. The increase was mainly due to the cost of properties developed for sale from Veranda Villas & Suites Phuket project.



As of December 31, 2025, the Group's total liabilities amounted to 3,876 THB mm, an increase of 100 THB mm, or 3%, compared to December 31, 2024. This was mainly due increase in commercial bank loans for the Veranda Resort Phuket, Autograph Collection project, and down payments received from customers for the Veranda Villas and Suites Phuket project.

As of December 31, 2025, the Group's total shareholders' equity amounted to 1,894 THB mm, an increase of 55 THB mm, or 3% to December 31, 2024, due to net profit for year period ended December 31, 2025 netted against the annual dividend payment for the year 2024 in May 2025, 40 THB mm and an actuarial loss of 6 THB mm, recognized in other comprehensive income.

As of December 31, 2025, the Group's debt-to-equity (D/E) ratio stood at 2.05 times, while the interest-bearing debt-to-equity (IBD/E) ratio was 1.52 times both ratios are same level compared to previous year with complied the financial covenants set by bond and commercial banks.

## Sustainability

### 1. Environmental Dimension

- **Hotel Resource Management:** With hotel revenue growing by 20%, the Group recognizes the resulting increase in energy and water consumption relative to occupancy rates. Consequently, we have implemented policies to enhance water recycling systems and transition to clean energy in new hotels, such as **Veranda Resort Phuket**, to reduce the carbon footprint generated by tourism activities.
- **Green Real Estate Projects:** In developing **Veranda Villas and Suites Phuket**, the Group prioritizes energy-efficient building design and green space management to increase asset value and mitigate long-term environmental impacts.

### 2. Social Dimension

- **Employment and Personnel Development:** The full-scale operation of our Phuket hotels and the expansion of our Samui property have led to increased local employment. This is a key factor in driving the community economy and fostering strong relationships with stakeholders surrounding our projects.
- **Safety and Service Standards:** Despite a 10% increase in the Average Daily Rate (ADR), the Group remains committed to prioritizing guest safety and hygiene standards to maintain our customer base and brand loyalty.



### 3. Governance Dimension

- **Financial Transparency:** The Group maintains an interest-bearing debt-to-equity (D/E) ratio of **1.52 times**, complying with the covenants of debentures and commercial banks. This reflects our cautious and transparent capital structure management, aimed at protecting the interests of shareholders and creditors.

### 4. Analysis of Factors Affecting Future Operations

- **Financial Cost Burden:** Although net profit grew by 97%, the Group faces challenges from an 81% increase in financial expenses due to loans for **Veranda Resort Phuket, Autograph Collection** and **Veranda Villas and Suites Phuket**. Effective cash flow management to support interest obligations and repayment plans is crucial for future stability.
- **Real Estate Revenue Recognition:** Following a 90% decrease in real estate revenue in 2025 due to the development phase of new projects, future performance will hinge on the ownership transfer of **Veranda Villas and Suites Phuket**, which will serve as a significant revenue base in the coming period.
- **Economic and Tourism Outlook:** As hotel revenue accounts for 96% of the total revenue, performance is highly sensitive to external factors such as fluctuations in international tourist arrivals and consumer purchasing power. The Group is preparing mitigation plans by diversifying revenue streams from other services and maintaining efficient cost control.