Executive Summary 3Q26 and 9M26

The Erawan Group Public Company Limited and its subsidiaries ("the Company") continued to outperform the overall industry despite 3Q26 being the low season and international tourist arrivals to Thailand declining by 5 percent YoY. The Company was able to sustain growth through its revenue quality management strategy, including room rate optimization, customer mix management, and expansion of its customer base in markets that continued to show growth. As a result, RevPAR increased by 4 percent YoY, supporting the Company's revenue growth and operating performance.

In 3Q26, the Company recorded total revenues of 2,001 million baht, a 12 percent increase from 3Q25. Earnings Before Interest, Taxes, Depreciation, and Amortization (EBITDA) amounted to 628 million baht, an increase of 30 percent, with the EBITDA margin improving to 31.4 percent from 27.0 percent. Net profit after tax (NPAT) totaled 192 million baht, a 237 percent increase YoY, with no extraordinary items recorded during the quarter. The Company's results for the quarter included insurance compensation income related to the 2025 earthquake incident, while the corresponding period last year included building repair expenses associated with the same incident. Excluding these earthquake-related items, total revenues, EBITDA, and NPAT increased by 8 percent, 10 percent, and 49 percent YoY, respectively.

For 9M26, the Company continued to maintain growth in both revenue and profitability. Total revenues amounted to 6,084 million baht, a 7 percent YoY increase. EBITDA amounted to 1,964 million baht, an increase of 11 percent YoY, with the EBITDA margin improving to 32.3 percent from 31.0 percent. Normalized NPAT totaled 663 million baht, reflecting a 43 percent YoY increase. Excluding earthquake-related items, total revenues, EBITDA, and normalized NPAT increased by 6 percent, 5 percent, and 19 percent YoY, respectively. Including an extraordinary item from the loan prepayment fee of 24 million baht, the Company reported net profit of 639 million baht, representing a 37 percent YoY increase.

Consolidated Normalized Profit & Loss Statement as of 30 September 2026

THB Millions	3Q25	3Q26	Change	9M25	9M26	Change
Hotel Operating Income	1,750	1,882	8%	5,554	5,875	6%
Rental and Service Income	34	33	-3%	101	101	0%
Total Group Operating Income	**1,784**	**1,915**	**7%**	**5,655**	**5,976**	**6%**
Other Income	5	86	1,620%	25	108	332%
Total Income	**1,789**	**2,001**	**12%**	**5,680**	**6,084**	**7%**
Operating Expenses	(1,306)	(1,373)	5%	(3,917)	(4,120)	5%
EBITDA	**483**	**628**	**30%**	**1,763**	**1,964**	**11%**
% EBITDA Margin	27.0%	31.4%	4.4%	31.0%	32.3%	1.3%
Depreciation & Amortization	(263)	(289)	10%	(771)	(843)	9%
Operating Profit	**220**	**339**	**54%**	**992**	**1,121**	**13%**
Finance Costs	(154)	(129)	-16%	(470)	(402)	-14%

Pre-tax Profit	**66**	**210**	**218%**	**522**	**719**	**38%**
Taxes (Expense) Income	(6)	(17)	183%	(30)	(40)	33%
Non-Controlling Interest	(3)	(1)	-67%	(27)	(16)	-41%
Normalized Net Profit	**57**	**192**	**237%**	**465**	**663**	**43%**
% Normalized Net Profit	3.2%	9.6%	6.4%	8.2%	10.9%	2.7%

Consolidated Profit & Loss Statement as of 30 September 2026

THB Millions	3Q25	3Q26	Change	9M25	9M26	Change
Total Revenues	**1,789**	**2,001**	**12%**	**5,680**	**6,084**	**7%**
EBITDA	**483**	**628**	**30%**	**1,763**	**1,964**	**11%**
Net Profit	**57**	**192**	**237%**	**465**	**639**	**37%**
E.P.S. (Baht)	0.0116	0.0393	0.0277	0.0951	0.1308	0.0357
Extraordinary Items						
Prepayment fee	-	-	N/A	-	(24)	N/A

Thailand Hotel Industry Overview and Competitive Benchmarking

In 3Q26 compared with 3Q25, Thailand's hotel industry[1] faced pricing pressure although overall accommodation demand remained stable. International tourist arrivals to Thailand declined by 5 percent YoY to 7.0 million, while domestic visitors increased by 2 percent YoY to 66.7 million, reflecting continued strength in domestic travel and hotel stays. As a result, the average occupancy rate of hotels nationwide reached 68 percent, a 1 percent YoY increase, while the average room rate (ARR) declined by 1 percent YoY to 1,791 baht per night. Across regions, hotels in the Southern region outperformed the national average, with ARR and occupancy increasing by 3 percent and 1 percent YoY, respectively. Meanwhile, hotels in the Central region and Bangkok recorded an ARR of 2,034 baht per night, a 2 percent YoY increase, while occupancy remained stable at 70 percent.

Compared with the industry, the Company's hotels in Thailand achieved occupancy rates above the national average and were able to increase ARR despite pricing pressure across the industry. In 3Q26, the Company's hotels in Thailand recorded an average occupancy rate of 76 percent, remaining stable YoY, while ARR was 1,799 baht per night, a 4 percent YoY increase. The Company successfully increased ARR across all regions, reflecting its stronger market position relative to Thailand's hotel industry. In particular, hotels in the Southern region recorded ARR growth of as much as 16 percent YoY. Meanwhile, hotels in the Central region and Bangkok recorded the highest average occupancy rate of 80 percent, with ARR of 2,624 baht per night, a 6 percent YoY increase.

For 9M26, Thailand's hotel industry[1] maintained performance at a level comparable to the previous year, despite a 4 percent YoY decline in international tourist arrivals to Thailand to 23.2 million. The average occupancy rate remained stable at 70 percent, while ARR was 1,886 baht per night, a 1 percent YoY increase. Hotels in the Southern region were the key driver of ARR growth, recording the highest ARR at 2,385 baht per

night, an increase of 4 percent YoY. Meanwhile hotels in the Central region and Bangkok continued to maintain pricing strength, with ARR of 2,070 baht per night, a 1 percent YoY increase, while the average occupancy rate remained stable at 72 percent.

For 9M26, the Company's hotels in Thailand continued to outperform the industry, with occupancy levels above the industry average. The Company recorded an average occupancy rate of 78 percent, a 1 percent YoY increase, while ARR was 1,872 baht per night and remained stable YoY. This reflected the Company's stronger market position relative to Thailand's hotel industry. Hotels in the Central region and Bangkok recorded the highest average occupancy rate of 81 percent, a 3 percent YoY increase, with ARR of 2,607 baht per night, comparable to the previous year. Hotels in the Southern region recorded an average occupancy rate of 78 percent and the strongest ARR growth of 5 percent, resulting in ARR of 1,613 baht per night.

[1] Source: Bank of Thailand

Key Drivers for Each Hotel Segment

Luxury, Midscale and Economy hotels

In 3Q26, the recovery of the Chinese market, together with the resilience of other key source markets, remained a key driver of the performance of the Company's Luxury to Economy hotel segments. International travelers accounted for more than 90 percent of the customer base of these hotels in Thailand. As such, the segment's performance remained closely linked to international travel trends. China and the United States continued to be key demand drivers, while the Company successfully managed its customer mix and further expand its market share within key customer segments despite the slowdown in overall international tourist arrivals to Thailand.

For the Company's hotels in the Philippines, international travelers accounted for approximately 70 percent of total guests, with the United States, China, Taiwan, Japan, and Australia as the key source markets. The Chinese market continued to recover in 3Q26, supported by the Philippines' visa exemption policy for Chinese tourists entering through Manila and Cebu airports, which facilitated travel and contributed to the continued recovery of the Chinese market.

Budget Hotels (HOP INN)

Thailand

Domestic travel and economic activity remained key drivers of the performance of the budget hotel segment (HOP INN) in Thailand. HOP INN hotels in Thailand primarily cater to domestic travelers, with more than 70 percent of room nights generated by business travel. interprovincial travel and economic activity therefore remains key drivers of the segment's performance. In 3Q26, the increase in domestic visitors and Thailand's GDP growth, which is expected to reach 2.5 percent, continued to support demand for business travel and short-duration domestic trips, which represent the core customer base of HOP INN hotels.

The Philippines

Domestic economic activity remained a key driver of the performance of the budget hotel segment (HOP INN) in the Philippines. The primary customer base of HOP INN hotels in the Philippines consists of domestic travelers, accounting for more than 80 percent of total guests, while over 70 percent of stays are generated by leisure travelers. Domestic economic activity and consumer spending remain important drivers of the segment's performance. In 3Q26, the Philippines' GDP grew by 2.1 percent YoY despite continued inflationary pressure. Meanwhile, the recovery of Chinese travelers, whose arrivals increased by more than 80 percent YoY in 3Q26, supported by the visa-free policy for Chinese nationals, also contributed to the overall tourism environment in the country.

Japan

The primary customer base of HOP INN hotels in Japan consists of international travelers, accounting for more than 80 percent of total guests. International travel trends therefore remain a key determinant of the segment's performance. In 3Q26, Japan recorded 9.6 million international tourist arrivals, representing a 5 percent YoY decline. Nevertheless, arrivals from South Korea, Taiwan, and the United States continued to grow, while Chinese arrivals declined by more than 54 percent YoY. To reduce reliance on international travelers over the long term, the Company continued to increase the proportion of domestic guests and further diversify its customer base.

South Korea

The primary customer base of HOP INN hotels in South Korea consists of international travelers, accounting for more than 95 percent of total guests. China, Japan, and Taiwan are the key source markets for the hotels and the three largest inbound tourism markets for South Korea. In 3Q26, South Korea recorded 6.4 million international tourist arrivals, representing a 22 percent YoY increase. This growth was supported by government tourism promotion measures, including visa facilitation measures for travelers from China and Southeast Asian countries.

Company Highlight in 3Q26

- Since May 2026, the Company has been renovating selected guestrooms and meeting rooms at Grand Hyatt Erawan Bangkok as part of its asset enhancement strategy aimed at enhancing asset value and generating sustainable returns. The project is intended to elevate the guest experience and strengthen the hotel's competitiveness. During 3Q26, the renovation of certain guestrooms and meeting rooms was completed, while the hotel continued normal operations. The overall project is expected to be completed in 2027.
- In 3Q26, the Company opened two HOP INN locations in Thailand, Chonburi-Amata and Phetchburi, adding a total of 141 rooms to its portfolio. As a result, as of the end of 3Q26, the Company operated a total of 108 hotels with 12,719 rooms.

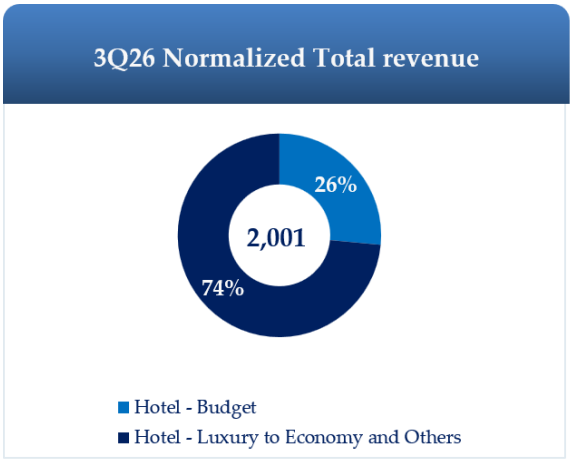
Group Performance in 3Q26 and 9M26

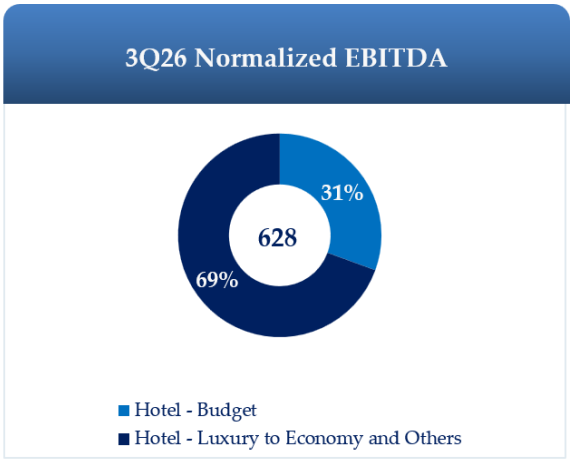
In 3Q26, the Company recorded total revenues of 2,001 million baht, representing a 12 percent increase compared with 3Q25, supported by a 4 percent increase in RevPAR and the expansion of the Company's hotel business in Thailand. EBITDA amounted to 628 million baht, an increase of 30 percent, with the EBITDA margin improving to 31.4 percent from 27.0 percent. NPAT totaled 192 million baht, reflecting a 237 percent increase from the same period last year, while the NPAT margin increased to 9.6 percent from 3.2 percent. The Company's results for the quarter included insurance compensation income related to the 2025 earthquake incident, while the corresponding period last year included building repair expenses associated with the same incident. Excluding these earthquake-related items, total revenues, EBITDA, and NPAT increased by 8 percent, 10 percent, and 49 percent YoY, respectively, reflecting continued growth in the Company's core operations despite pricing pressure across the industry.

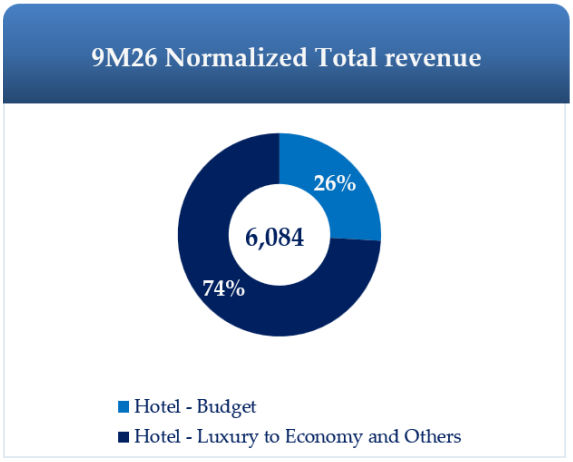
For 9M26, the Company continued to benefit from RevPAR growth of 1 percent, the recovery of key source markets, and effective customer mix management despite continued pricing pressure in certain markets. Total revenues amounted to 6,084 million baht, representing a 7 percent YoY increase. EBITDA amounted to 1,964 million baht, an increase of 11 percent YoY, with the EBITDA margin improving to 32.3 percent from 31.0 percent. Normalized NPAT totaled 663 million baht, reflecting a 43 percent YoY increase, while the normalized NPAT margin improved to 10.9 percent from 8.2 percent. Excluding earthquake-related items, total revenues, EBITDA, and normalized NPAT increased by 6 percent, 5 percent, and 19 percent YoY, respectively, reflecting continued growth in the Company's core operations throughout the first nine months of the year. Including an extraordinary item relating to the loan prepayment fee of 24 million baht, the Company reported NPAT of 639 million baht, representing a 37 percent YoY increase.

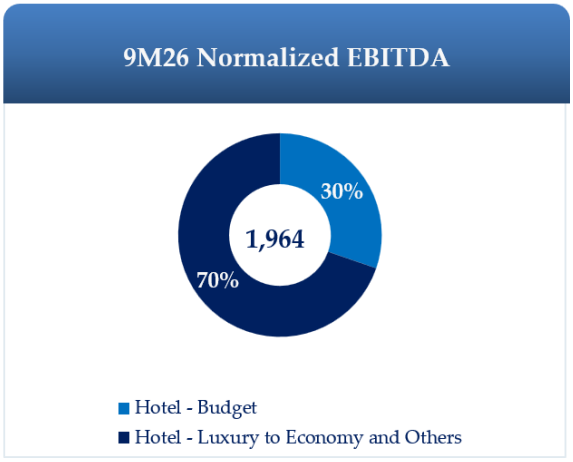
Contribution of normalized total revenues and EBITDA for 3Q26 and 9M26 as follows:

(Unit: Million Baht)









Performance by Business Unit

1. Luxury, Midscale and Economy hotels and Others

Statistics for hotel room operations for 3Q26 and 9M26

3-Month Period (Jul-Sep)	No. of Rooms		Occupancy			ARR (THB/Night)			RevPAR (THB/Night)		
	3Q25	3Q26	3Q25	3Q26	+/-	3Q25	3Q26	+/-	3Q25	3Q26	+/-
Luxury to Economy Hotels	4,536	4,536	76%	75%	-1%	2,940	3,176	8%	2,238	2,395	7%
Luxury	911	911	70%	72%	2%	6,178	6,668	8%	4,318	4,769	10%
Midscale	1,812	1,812	76%	75%	-1%	3,028	3,212	6%	2,291	2,408	5%
Economy	1,813	1,813	80%	78%	-2%	1,430	1,529	7%	1,139	1,189	4%

9-Month Period (Jan-Sep)	No. of Rooms		Occupancy			ARR (THB/Night)			RevPAR (THB/Night)		
	9M25	9M26	9M25	9M26	+/-	9M25	9M26	+/-	9M25	9M26	+/-
Luxury to Economy Hotels	4,536	4,536	77%	79%	2%	3,177	3,259	3%	2,452	2,577	5%
Luxury	911	911	70%	75%	5%	6,692	6,883	3%	4,698	5,140	9%
Midscale	1,812	1,812	78%	78%	0%	3,195	3,228	1%	2,497	2,532	1%
Economy	1,813	1,813	80%	82%	2%	1,604	1,628	1%	1,278	1,333	4%

1.1 Luxury, Midscale and Economy Hotels

In 3Q26, compared with 3Q25, the Luxury to Economy segments continued to deliver growth, with RevPAR increasing by 7 percent, primarily driven by an 8 percent increase in ARR, while occupancy declined slightly by 1 percent. This growth reflected the Company's effective revenue management and pricing strategy across all hotel segments, with ARR continuing to increase throughout the quarter. Hotels in Bangkok continued to deliver growth across all key metrics, driven mainly by key source markets including the United States, China, and the Middle East, while hotels in Pattaya and Phuket experienced softer demand due to the low season, coupled with a decline in travelers from the domestic market and India. Excluding Grand Hyatt Erawan

Bangkok, which remains under renovation, occupancy remained flat YoY and RevPAR growth was higher than the reported portfolio performance.

Luxury Segment:

In 3Q26, compared with 3Q25, the Luxury segment recorded a 2 percent increase in occupancy, while ARR increased by 8 percent, resulting in RevPAR growth of 10 percent, the strongest among all hotel segments. ARR continued to grow strongly throughout the quarter, reflecting the segment's pricing power and the effectiveness of the Company's revenue management strategy. Growth was driven mainly by key source markets including the United States, China, and the United Arab Emirates. JW Marriott Bangkok delivered an outstanding quarter, while The Naka Island, a Luxury Collection Resort & Spa, Phuket, posted a strong recovery following the completion of its renovation in 3Q25. Meanwhile, reported occupancy and ARR remained affected by the ongoing phased renovation of Grand Hyatt Erawan Bangkok, which reduced the number of available rooms during the quarter, despite the hotel's ability to continue increasing room rates.

Midscale Segment:

In 3Q26, compared with 3Q25, the Midscale segment recorded a 6 percent increase in ARR while occupancy declined slightly by 1 percent, resulting in RevPAR growth of 5 percent. Bangkok properties delivered particularly strong performance, with both occupancy and ARR increasing, leading to solid RevPAR growth. This was supported by the room rate adjustment strategy implemented in the previous quarter, together with strong demand from the Middle East, particularly the United Arab Emirates, as well as the United States and India. Meanwhile, the Pattaya market was affected by the low season and softer demand from the domestic and Indian markets, partly mitigated by the recovery in demand from Chinese travelers.

Economy Segment:

In 3Q26, compared with 3Q25, the Economy segment recorded a 7 percent increase in ARR while occupancy decreased by 2 percent, resulting in RevPAR growth of 4 percent. ARR increased across all destinations. Occupancy at Bangkok hotels improved, driven by strong demand, particularly from Chinese travelers. Meanwhile, hotels in Pattaya and Phuket experienced softer seasonal demand, resulting in lower occupancy compared with the previous year. Nevertheless, revenue management efforts focused on maintaining ARR levels helped support continued RevPAR growth.

Overall, in 3Q26, total operating revenue of Luxury to Economy hotels amounted to 1,357 million baht, representing a 5 percent YoY increase from 3Q25. Food and beverages revenue totaled 323 million baht, comparable to 3Q25. For 9M26, the segment recorded total operating revenue of 4,313 million baht, representing a 4 percent YoY increase from 9M25, while food and beverages revenue totaled 1,013 million baht, remaining comparable to the same period last year.

1.2 Rental Properties

The Company operates Erawan Bangkok, a luxury retail complex adjacent to Grand Hyatt Erawan Bangkok. In 3Q26, rental and service revenue amounted to 33 million baht, a 3 percent decrease from 3Q25. For 9M26, revenue totaled 101 million baht, remaining comparable to the same period last year.

In 3Q26, total operating revenue for Luxury to Economy hotels and others amounted to 1,471 million baht, representing an 11 percent YoY increase. EBITDA was 436 million baht, an increase of 39 percent YoY. Excluding earthquake-related items, revenue and EBITDA increased by 5 percent and 8 percent YoY, respectively. For 9M26, total operating revenue amounted to 4,506 million baht, representing a 6 percent YoY increase, while EBITDA totaled 1,369 million baht, reflecting a 13 percent YoY increase. Excluding earthquake-related items, revenue and EBITDA both increased by 4 percent YoY, reflecting continued growth in the segment's core operations.

2. Budget Hotels (HOP INN)

Statistics for hotel room operations for 3Q26 (Excluding new hotels opened since 1 July 2025)

3-Month Period (Jul-Sep)	No. of Hotels	Occupancy			ARR (THB/Night)			RevPAR (THB/Night)		
		3Q25	3Q26	+/-	3Q25	3Q26	+/-	3Q25	3Q26	+/-
Budget Hotels (HOP INN) - Exclude FX Impact	81	77%	77%	0%	887	919	4%	678	706	4%
Budget Hotels (HOP INN) - Include FX Impact	81	77%	77%	0%	887	889	0%	678	683	1%

Statistics for hotel room operations for 9M26 (Excluding new hotels opened since 1 January 2025)

9-Month Period (Jan-Sep)	No. of Hotels	Occupancy			ARR (THB/Night)			RevPAR (THB/Night)		
		9M25	9M26	+/-	9M25	9M26	+/-	9M25	9M26	+/-
Budget Hotels (HOP INN) - Exclude FX Impact	75	77%	77%	0%	933	960	3%	714	741	4%
Budget Hotels (HOP INN) - Include FX Impact	75	77%	77%	0%	933	923	-1%	714	712	0%

Total hotel revenues for 3Q26 and 9M26

(Revenue unit: Million Baht)

3-Month Period (Jul-Sep)	No. of Rooms		Total hotel revenues				
	3Q25	3Q26	3Q25	3Q26	+/-	3Q26 (Constant Currency)	+/- (Constant Currency)
Budget Hotels (HOP INN)	7,638	8,183	470	527	12%	543	15%
HOP INN Thailand	5,485	5,933	287	328	14%	328	14%
HOP INN Philippines	1,780	1,780	117	111	-5%	120	3%
HOP INN Japan	373	373	66	60	-8%	66	1%

9-Month Period (Jan-Sep)	No. of Rooms		Total hotel revenues				
	9M25	9M26	9M25	9M26	+/-	9M26 (Constant Currency)	+/- (Constant Currency)
Budget Hotels (HOP INN)	7,638	8,183	1,416	1,567	11%	1,622	15%
HOP INN Thailand	5,485	5,933	829	962	16%	962	16%
HOP INN Philippines	1,780	1,780	347	330	-5%	362	4%
HOP INN Japan	373	373	239	219	-8%	242	1%

Remark: Number of rooms and total hotel revenues of budget hotels include HOP INN South Korea

In 3Q26, compared with 3Q25, HOP INN maintained occupancy at 77 percent. Excluding FX impact, ARR and RevPAR both increased by 4 percent. By country, HOP INN properties in Thailand, the Philippines, and Japan recorded RevPAR growth in local currency terms, while HOP INN Korea continued to outperform its targets. Growth in Thailand and the Philippines was primarily driven by higher ARR, while occupancy remained stable. In Japan, higher occupancy helped offset the decline in ARR amid softer inbound demand during the low season.

HOP INN Thailand:

In 3Q26, compared with 3Q25, HOP INN Thailand recorded RevPAR growth, driven primarily by higher ARR, while occupancy remained stable. ARR increased across all regions, with the North and East recording the strongest RevPAR growth. In the North, growth was supported by higher occupancy and ARR, together with improved performance from newly opened hotels. In the East, growth was driven primarily by higher ARR.

HOP INN Philippines:

In 3Q26, compared with 3Q25, HOP INN Philippines maintained occupancy at a comparable level, while ARR increased in local currency terms, resulting in RevPAR growth. Growth was mainly supported by domestic travel, particularly leisure travelers, which offset softer demand from corporate customers, together with the Company's revenue management strategy and an optimized segment mix. Domestic travelers accounted for more than 80 percent of total revenue, underscoring the importance of the domestic market to the hotels' performance. The hotels also benefited from an increase in Indonesian travelers, while the Chinese market continued to recover.

HOP INN Japan:

In 3Q26, compared with 3Q25, HOP INN Japan faced pressure from lower inbound arrivals due to seasonal factors, together with softer demand from travelers from the Philippines and China. Amid intense competition in Japan's economy and budget hotel segments, the Company adjusted its pricing strategy to stimulate occupancy. While ARR declined in local currency terms, higher occupancy helped offset the impact, resulting in slight RevPAR growth. Performance was supported by domestic travelers, with the domestic market continuing to grow and remaining the largest source market, accounting for nearly 30 percent of total revenue.

HOP INN Korea:

In 3Q26, HOP INN Korea focused on increasing ARR while maintaining high occupancy. Although the quarter did not fall within South Korea's peak tourism season, August was the strongest month of the quarter, supported by summer school holidays across several countries in the region, as well as various events and festivals held in Seoul. Demand came mainly from East Asian short-haul markets, particularly China, Japan, and Hong Kong. Demand from the Chinese market continued to grow, supported by tourism promotion initiatives and travel facilitation measures introduced by the South Korean government since September 2025. In addition, expanded low-cost carrier capacity and the continued strength of Korean pop culture provided further support, while the hotel's location in the Myeongdong district helped capture this demand effectively. As a result, HOP INN Korea continued to outperform its targets since opening.

Overall, in 3Q26, total operating revenue from the budget hotels (HOP INN) amounted to 530 million baht, representing a 13 percent increase compared with 3Q25. EBITDA totaled 192 million baht, an increase of 14 percent YoY. For 9M26, total operating revenue amounted to 1,578 million baht, representing an 11 percent YoY increase, while EBITDA totaled 595 million baht, an increase of 8 percent YoY.

Other Items in P&L

- **Depreciation and Amortization Expenses:** In 3Q26, the Company recorded depreciation and amortization expenses of 289 million baht, representing a 10 percent YoY increase. The increase was primarily attributable to higher depreciation expenses following the renovation of The Naka Island, a Luxury Collection Resort & Spa, Phuket, as well as additional depreciation arising from investments in newly opened hotels in Thailand and overseas. For 9M26, depreciation and amortization expenses totaled 843 million baht, representing a 9 percent YoY increase.

- **Finance Costs:** In 3Q26, the Company recorded finance costs of 129 million baht, representing a 16 percent decrease compared with 3Q25. For 9M26, finance costs totaled 402 million baht, representing a 14 percent decrease from the same period last year. The decline in finance costs was mainly attributable to the Company's debt restructuring and continued financial cost management, which lowered the average interest rate on borrowings despite additional loan drawdowns to support hotel expansion. In addition, recent policy rate cuts also contributed to lower finance costs. In 1H26, the Company recorded a one-time prepayment fee of 24 million baht related to the early repayment of loans as part of its debt restructuring, which is expected to lower interest expenses over the long term. Including this item, total finance costs for 9M26 amounted to 426 million baht, representing a 9 percent YoY decrease.

Cash Flow and Financial Status

For 9M26, the Company generated net cash from operating activities of 1,875 million baht, representing a 19 percent increase from the same period last year. This increase reflected improved operating performance,

higher depreciation and amortization expenses resulting from the expansion of the Company's asset base, as well as more efficient working capital management, including lower payments of other current liabilities compared with the previous year.

Net cash used in investing activities totaled 2,533 million baht, representing a 252 percent increase from the same period last year, primarily driven by investments in new hotel projects in Thailand and overseas and renovations of existing hotels. This was reflected in purchases of property, plant and equipment, which increased to 2,560 million baht.

For financing activities, net cash used amounted to 266 million baht, a decrease of 81 percent from the same period last year. The decrease was primarily attributable to the Company's debt restructuring undertaken to support its investment plans and reduce finance costs. As a result, net borrowings from financial institutions in 9M26 changed from a net repayment of 419 million baht in the same period last year to a net inflow of 1,074 million baht. Meanwhile, cash payments for lease liabilities increasing to 686 million baht from 266 million baht, in line with higher lease liabilities obligations arising from hotel expansion.

As a result of these cash flow movements, the Company's cash and cash equivalents stood at 989 million baht as of the end of 3Q26, decreasing by 905 million baht from the end of 2025. The Company also had avaialble undrawn credit facilities of 11,302 million baht.

As of the end of 3Q26, the Company reported total assets of 29,616 million baht, an increase of 3,156 million baht, or 12 percent, compared with the end of 2025. The increase was mainly attributable to a 4,467 million baht increase in property, plant, and equipment resulting from investments in new hotel projects and the renovation of existing hotels, partially offset by decreases in cash and cash equivalents and trade receivables. Total liabilities amounted to 19,370 million baht, an increase of 2,697 million baht, or 16 percent, compared with the end of 2025, mainly driven by higher lease liabilities and borrowings from financial institutions to support the Company's investments and business expansion. Shareholders' equity totaled 10,246 million baht, increasing by 459 million baht from the end of 2025, primarily due to higher unappropriated retained earnings generated during the period.

Key Financial Ratios

	4Q25	3Q26
Current ratio (times)	0.6	0.4
Return on Equity (%)	9.5	11.2
Debt to Equity ratio (times)*	1.3	1.3
	3Q25	**3Q26**
Gross Profit Margin (%)	56.2	56.5

*Note: Debt to Equity ratio for bank covenant: Debt means total liabilities excluding 1. Deposit from lessees and deferred income, 2. Deferred tax liabilities, 3. Account payable for land lease hold rights, and 4. Lease Liability. Equity means total shareholders' equity.

- **Current ratio:** As of 3Q26, the current ratio was 0.4 times, decreasing from 0.6 times in 4Q25, mainly due to the use of cash for investments under the Company's business expansion and hotel renovation plans, as well as a reduction in trade receivables, while current liabilities remained at a level comparable to 4Q25.
- **Return on Equity:** As of 3Q26, ROE increased to 11.2 percent from 9.5 percent in 4Q25, supported by higher net profit and lower finance costs.
- **Debt to equity ratio:** As of 3Q26, the debt-to-equity ratio was 1.3 times, broadly in line with the level reported in 4Q25, and remained well the maximum covenant level of 2.5 times under the Company's loan agreements.
- **Gross Profit Margin:** In 3Q26, the gross profit margin increased to 56.5 percent from 56.2 percent in 3Q25, reflecting effective revenue and customer mix management.

Sustainable Development

The Company has established a sustainability policy and implemented it across the Company and its subsidiaries under The Erawan Group. The policy aims to create business value and opportunities while reducing operational risks and costs, alongside fulfilling social and environmental responsibilities. It also promotes the adoption of sustainable hotel standards across The Erawan Group's properties, encourages collaboration with experts to enhance energy efficiency and reduce carbon emissions, and creates long-term value through the Group's hotel products and services.

Operationally, the Company continues to leverage innovation and technology to enhance energy efficiency, reduce operating costs, and minimize long term environmental impacts. During 3Q26, the Company promoted the use of clean energy through the installation of solar rooftop systems, which generated a total of 169,670 kilowatt-hours of electricity. In addition, the Company enhanced the efficiency of its chiller plant systems, reducing electricity consumption by 409,072 kilowatt-hours. These initiatives resulted in energy cost savings of approximately 1.5 million baht. The Company also implemented a pilot Guestroom Smart Sensors (Living Motion Sensor) project at JW Marriott Hotel Bangkok, which reduced electricity consumption by 114,904 kilowatt-hours and generated cost savings of approximately 0.5 million baht. During 2026-2027, the Company plans to expand the deployment of Guestroom Smart Sensors across additional hotels within The Erawan Group in line with its room renovation plans. The initiative is expected to further enhance energy efficiency, reduce operating costs, and support the Company's ongoing efforts to minimize its environmental impacts.

In recognition of its commitment to environmental, social, and governance (ESG) principles alongside sustainable value creation for all stakeholders, in the past year, the Company was included in the ESG100 list by the Thaipat Institute for the fifth consecutive year. The Company also received an "A" rating in the SET ESG Ratings assessment by the Stock Exchange of Thailand (SET). Furthermore, the Company achieved an FTSE Russell ESG Score of 3.2 out of 5 from FTSE Russell, a member of the London Stock Exchange Group. These recognitions reflect the Company's continued commitment to sustainable business practices and strong corporate governance, in line with both local and international standards.

More details can be found at https://www.theerawan.com/en/sustainability/sustainable-development-policy.

Business Outlook

In 4Q26, which marks the high season for tourism, the Company expects demand to be supported by long-haul travelers, particularly from Europe and the United States, as well as international events held in Thailand, which should support ARR at hotels in key destinations. Nevertheless, the overall tourism industry continues to face challenges from the uneven recovery of certain international source markets, particularly Malaysia and South Korea. The Tourism Authority of Thailand (TAT) continues to target approximately 33 million international tourist arrivals for 2026, comparable to the previous year, while Thailand welcomed 23.2 million international tourists in 9M26, representing a 4 percent YoY decrease.

For the remainder of the year, the Company expects to benefit further from major international events held in Thailand, including the Annual Meetings of the International Monetary Fund (IMF) and the World Bank Group in Bangkok and Tomorrowland Thailand in Chonburi, which are expected to support ARR growth, particularly for the Luxury and Midscale hotel segments in the areas benefiting from these events. The Company's 9M26 performance remained on track with its full-year total revenue growth target of 6 percent compared with 2025, comprising growth targets of 5 percent for the Luxury to Economy hotel segments and 10 percent for the budget segment. The Company will continue to focus on revenue management through dynamic pricing, customer mix management, and efficient cost control to sustain profitability amid continued intense competition.

For business expansion, the Company plans to open four additional budget hotels in Thailand in 4Q26. As of the end of 3Q26, the Company had a total of 16 hotels under development in Thailand and overseas, including Midscale to Economy hotels located along the BTS Skytrain line at Phrom Phong and Asok stations, as well as a new HOP INN hotel project in Japan. In addition, the Company continues to upgrade and renovate its hotels across the Luxury to Economy segments under its asset enhancement plan to elevate asset quality, strengthen competitiveness, and support long-term growth.

Nevertheless, the Company continues to closely monitor key risk factors, including global economic uncertainty, geopolitical developments, exchange rate volatility, and travel restrictions that may affect the tourism industry. The Company remains focused on revenue management, cost control, financial discipline, and prudent liquidity management to maintain profitability and support sustainable long-term growth.

Sincerely yours,

Apinya Ngamapichon
Executive Vice President and Chief Financial Officer