

Management Discussion and Analysis

1Q25/ 3M2025

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Executive Summary

- The Group achieved impressive profitability in 1Q25 with a net profit of THB 152.9 mn of which THB 42.9 mn was attributable to the Owners of the Parent. The profit was primarily driven by successful strategic asset divestments through an Initial Coin Offering (ICO) and also remarkable core operational performance.
- During 1Q25, the Group divested its entire 100% stake in Summer Point Project or Boutique Prakhonong 3 (“BPKN3”) (in line with the Group’s Build-Operate-Sell model) as part of the SEC approved Tokenization project which raised THB 450 mn. As a result of this transaction, the Group recognized a gain of THB 213.6 mn in the consolidated financial statements. The digital token, “SUMX” is listed and trading on Bitkub exchange.
- Revenues from hotel operations and commercial properties in 1Q25 reached THB 122.4 mn, slightly lower by 2.8% and 1.3% from 4Q24 and 1Q24, respectively, due mainly to the divestment of the Summer Point Project which had contributed revenue of THB 17 mn per quarter.
- Our commercial project, Summer Point, reached 93.9% occupancy during 1Q25. This strong performance was largely driven by our strong property management team. Additionally, our new lifestyle mall, Cove Hill, located in a prime location on Charoen Krung Road, had a strong initial occupancy rate of 68% in 1Q25 (started operating in November 2024).
- Financial costs were also reduced by 11% YoY, mainly due to the repayment of shareholder loans in FY2024.
- For the consolidated financial results, the Group’s **EBITDA** for 1Q25 showed substantial improvement, with a positive core EBITDA of THB 216.3 mn, up from THB 16.8 mn in 4Q24 and THB 29.6 mn in 1Q24. The positive QoQ and YoY improvement was primarily driven by the peak holiday tourist season, the divestment of Summer Point and also cost reductions, as we are implementing clustering strategies among our hotels to leverage synergies and share resources.
- The **Net D/E ratio** was 2.22x as of 1Q25, calculated based on total project loans, including both bank and shareholder loans, despite BC’s economic interest of only 26%-51% in these projects. The Adjusted D/E ratio improved to 2.14x in 1Q25.
- Our Thai herbs wellness venture, Bespoke Group, has achieved significant progress through the strategic closure of under-performing stores, optimization of existing stores and other cost-control measures.

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Consolidated Financial Performance

Consolidated P&L

Unit: THB million	1Q25	4Q24	1Q24	%QoQ	%YoY
Total Revenue	347.0	136.6	131.8	154.0%	163.2%
Revenue from hotel operation and commercial properties	122.4	125.9	124.1	(2.8%)	(1.3%)
Management income	10.1	9.9	6.9	2.5%	46.2%
Gain on sales of investment in subsidiaries and/or affiliates	213.6	-	-	100.0%	100.0%
Other operating income	0.9	0.8	0.9	15.0%	10.6%
Cost of Providing Services	34.1	34.4	38.8	(0.8%)	(12.1%)
Cost of hotel operation and commercial properties	30.0	31.4	35.8	(4.6%)	(16.4%)
Cost of rendering services	4.1	3.0	3.0	36.5%	36.2%
Selling and Administrative Expenses	83.9	85.4	63.5	(1.8%)	32.2%
Total Operating Expenses	118.0	119.8	102.3	(1.5%)	15.4%
EBITDA	229.0	16.8	29.6	1,261.7%	674.7%
Depreciation & amortization	(16.6)	(17.2)	(17.8)	(3.5%)	(7.1%)
Profit (loss) from operating activities	212.4	(0.4)	11.7	57,515.4%	1,712.1%
Financial costs - net ^{1/2/}	(33.2)	(34.6)	(37.3)	(4.0%)	(11.0%)
Income (loss) from continuing operations	179.2	(35.0)	(25.6)	612.3%	799.5%
Share of profit (loss) of joint ventures - equity method	(0.4)	0.3	(1.7)	(215.8%)	77.0%
Share of profit (loss) of associates - equity method	(3.8)	0.2	(1.9)	(2,409.8%)	(95.5%)
Tax expense (income)	15.2	(2.1)	3.9	821.4%	287.1%
Net Income (loss) excluding Extraordinary Items	159.8	(32.4)	(33.2)	593.8%	581.4%
Non-Recurring/ Extraordinary Items	(6.9)	4.8	1.9	(243.6%)	(463.6%)
Impairment reversal (loss) on financial assets	-	(5.6)	(0.0)	100.0%	100.0%
Exchange gain / (loss) on foreign currency loan	-	3.6	(6.7)	(100.0%)	100.0%
Bad debts ^{3/}	(9.7)	-	-	100.0%	100.0%
Other (expenses) income	2.9	6.7	8.7	(57.7%)	(67.1%)
Net Income (loss) for the Period	152.9	(27.6)	(31.3)	654.6%	588.5%
Net Income (loss) to Owners of the Parent	42.9	(34.0)	(25.1)	226.1%	270.7%
Non-controlling interests	110.0	6.5	(6.2)	1,603.7%	1,883.2%

Remark: 1/ The Company has presented Interest Income as a net amount of Interest Expenses in "Financial Cost - Net" in the MD&A instead of being part of Total Revenue.

2/ From 2Q22 onwards, The Company recalculated the impacts from the amendments of interest and principal payment terms in the credit facility agreements of BC subsidiaries.

3/ In 1Q2025, The Group recorded a one-time write-off of management fees receivables from Ibis, amounting to THB 12.7 million, and payables to the Chiangmai Nimman 3 Project, amounting to THB 3.0 million. Following the sale transaction in the 3Q24, the Group agreed with buyer to not settle any related party receivables or payables. As a result, the net write-off was THB 9.7 million.

- BC's **Total Revenue** for 1Q25 stood at THB 347.0 mn, an increase of 154.0% QoQ and 163.2% YoY. This growth was primarily driven by the Group's divestment of its 100% stake in BPKN3 as part of the Tokenization project. BPKN3 directly invests in Summer Point. As a result of this transaction, the Group recognized a gain of THB 213.6 mn.
- BC's **Total Operating Expenses** for 1Q25 were THB 118.0 mn, a decrease of 1.5% QoQ, but a rise of 15.4% YoY with this increase attributable to a corresponding increase in revenue.
- For the consolidated financial results, the Group's **EBITDA** for 1Q25 showed substantial improvement, with a positive core EBITDA of THB 229.0 mn, up from THB 16.8 mn in 4Q24 and THB 29.6 mn in 1Q24.
- The **Share of profit (loss)** from joint ventures was a THB 0.4 mn loss, reflecting a 77.0% YoY improvement primarily driven by stronger performance from the Citadines portfolio (JV) and the beginning of operation of the Cove Hill Lifestyle Mall (JV) in 1Q25 which is still stabilizing. Meanwhile, the share of loss from associates amounted to THB 3.8 million, mainly due to winding up expenses of the Prakhonong branch of the cannabis business.
- In 1Q25, the Group's **Net Income to Owner of the Parent** stood at THB 42.9 mn from a THB 34.0 mn loss in 4Q24 and THB 25.1 mn loss in 1Q24, marking a significant turnaround primarily driven by gains from divestment of a 100% stake in the Summer Point project, tourism recovery, and cost-control measures.

Standalone Financial Performance

Standalone P&L

Unit: THB million	1Q25	4Q24	1Q24	%QoQ	%YoY
Revenue	63.3	41.7	47.8	51.8%	32.4%
Management income	41.4	36.2	35.0	14.2%	18.2%
Exit & Termination fees	14.6	-	-	100.0%	100.0%
Gain on sales of investment in subsidiaries	2.5	5.5	12.8	(54.1%)	(80.3%)
Dividend Income	4.8	-	-	100.0%	100.0%
Cost of providing services	30.4	27.7	27.8	9.8%	9.2%
Selling and administrative expenses	9.0	10.9	5.5	(17.1%)	64.0%
Total Operating Expenses	39.4	38.6	33.3	2.2%	18.3%
EBITDA	23.9	3.1	14.4	663.2%	65.1%
Depreciation & amortization	1.3	1.7	1.3	(24.3%)	3.5%
Profit (loss) from operating activities	22.5	1.4	13.2	1,521.9%	71.1%
Financial costs - net ^{1/}	(7.3)	(7.5)	(4.7)	(2.9%)	55.3%
Income (loss) from continuing operations	15.3	(6.1)	8.5	349.5%	79.8%
Tax expense (income)	1.9	(0.4)	2.5	566.7%	(22.3%)
Net Income (loss) excluding Extraordinary Items	13.3	(5.7)	6.0	333.9%	121.4%
Non-Recurring/ Extraordinary Items	(11.1)	(0.5)	(4.8)	(2,128.4%)	(132.2%)
Impairment losses	-	(3.0)	25.3	100.0%	(100.0%)
Impairment loss on investment in subsidiary	-	-	(30.6)	0.0%	100.0%
Exchange gain / (loss) on foreign currency loan	-	3.6	(6.7)	(100.0%)	100.0%
Bad debts ^{2/}	(12.7)	-	-	100.0%	100.0%
Other (expenses) income	1.6	(1.2)	7.2	231.7%	(77.9%)
Net Income (loss) for the Period	2.2	(6.2)	1.2	135.4%	79.5%

Remark: 1/ The Company has presented Interest Income as a net amount of Interest Expenses in 'Financial Cost - Net' in the MD&A instead of being part of Total Revenue.

2/ In 1Q2025, The Company recorded a one-time write-off of management fees receivables from Ibis, amounting to THB 12.7 million. Following the sale transaction in the 3Q24, The Company agreed with buyer to not settle any related party receivables or payables.

- BC's **Management Income** for 1Q25 increased by 18.2% YoY, primarily driven by an annual adjustment in management fees and additional income from a project that resumed construction this year.
- BC reported a **Gain on Sales of Investment in Subsidiaries** for 1Q25 totaling THB 2.5 mn, mainly from origination fees related to the share transfers of Kamala I.
- BC's **Dividend income** for 1Q25 was totaling THB 4.8 mn mainly from divestment of 100% stake in Summer Point project.
- In 1Q25, **Total Operating Expenses** increased by 2.2% QoQ and 18.3% YoY, primarily driven by higher revenue.
- BC's **EBITDA** for 1Q25 was THB 23.9 mn, a 663.2% increase from THB 3.1 mn in 4Q24. This was primarily driven by exit and termination fees totaling THB 14.6 mn in relation to the divestment of the 100% stake in Summer Point project.
- BC reported a **Core Profit** (net profit excluding extraordinary items) of THB 13.3 mn in 1Q25 compared to a THB 6.0 mn profit in 1Q24 and a THB 5.7 mn loss in 4Q24.
- BC reported a **Net Profit** of THB 2.2 mn on its standalone financial statement for 1Q25, including non-recurring items, other income and other expense due mainly to the one-time write-off of management fees receivable from the Ibis Project.

Segment Performance

Hospitality

- In IQ25, BC operated ten hotels and serviced apartments. The performance breakdown is shown in two clusters: Bangkok and upcountry. BC also managed a third-party project in Phuket Karon under its own brand, JONO X, generating fees from both revenue and hotel management services.
- During IQ25, BC Group's Bangkok portfolio included Citadines 8, Citadines 11, Citadines 16, Oakwood Residence Sukhumvit 24, JONO Asok and Journeyhub Sukhumvit 26.
- The portfolio of the upcountry cluster included Journeyhub Phuket, Journeyhub Pattaya, Novotel Chiang Mai Nimman Journeyhub and Ibis Chiang Mai Nimman Journeyhub.
- The operating status of BC Group's operating properties is shown below:

Cluster	Properties	In Operation*	Closing period
BKK	Oakwood 24	Yes	
	Jono Asok	Yes	
	Citadines 8	Yes	
	Citadines 11	Yes	
	Citadines 16	Yes	
	Journeyhub Sukhumvit 26-1**	Yes	
UPC	Novotel Nimman	Yes	
	Ibis Nimman	Yes	
	Journeyhub Phuket	Yes	
	Journeyhub Pattaya	Yes	

* Status as of 31 March 2025

** Operational launch on 31 December 2024

Hospitality	IQ25	4Q24	IQ24	%QoQ	%YoY
ADR - BKK	2,172	2,258	1,998	(3.8%)	8.7%
ADR - UPC	1,540	1,511	1,311	2.0%	17.5%
%OCC - BKK	84.4%	86.3%	81.9%	(1.9)	2.5
%OCC - UPC	84.0%	84.8%	85.0%	(0.8)	(1.0)
Total Rev - BKK (THB mn)	90.0	96.5	79.8	(6.7%)	12.8%
Total Rev - UPC (THB mn)	85.3	92.1	75.5	(7.4%)	13.0%

- Total revenues from Bangkok properties in IQ25 were THB 90.0 mn, an increase 12.8% YoY, primarily driven by the ongoing recovery in tourism. Both ADR and occupancy continued to improve on a YoY basis. ADR improved to THB 2,172 from THB 1,998 in IQ24, with occupancy at 84.4% in IQ25 compared to 81.9% in IQ24.
- Total revenues from the upcountry hotel portfolio reached THB 85.3 mn in IQ25, up by 13.0% YoY, reflecting a strong tourism rebound. ADR continued to improve on a QoQ and YoY basis.

Commercial/ Retail

Retail	IQ25	4Q24	IQ24	%QoQ	%YoY
ARR-Summer Point (THB)	993	831	854	19.5%	16.2%
% OCC - Summer Point	93.9%	96.1%	94.2%	(2.2)	(0.2)
Rev - Summer Point (THB mn)	16.6	17.9	16.8	(7.5%)	(1.6%)
% EBITDA margin - Summer Point	48.5%	61.9%	58.3%	(13.3%)	(9.8%)
ARR-Cove Hill (THB)	1,280	1,482	-	(13.6%)	100.0%
% OCC - Cove Hill	67.7%	48.0%	0.0%	19.6	67.7
Rev - Cove Hill (THB mn)	7.0	4.1	-	69.6%	100.0%
% EBITDA margin - Cove Hill	(50.7%)	(62.4%)	0.0%	11.7%	(50.7%)

- BC currently operates one retail commercial property, Cove Hill near Charoenkrung, BC also operated a mixed-use commercial property, Summer Point, located near the Phra Khanong BTS station. However, Summer Point was divested on March 19, 2025.
- For Summer Point, IQ25 rental revenue was THB 16.6 mn, a slight decrease 1.6% YoY. Meanwhile, the ARR improved to THB 993 in IQ25 compared to THB 854 in IQ24, reflecting a positive trend in pricing.
- For Cove Hill which just started operating in November 2024, IQ25 rental revenue stood at THB 7.0 mn, an increase 69.6% QoQ and 100% YoY, primarily driven by higher occupancy, which rose to 67.7% in IQ25, up from 48.0% in 4Q24.

Statement of Financial Position

Unit: THB million	IQ25	4Q24	IQ24	%QoQ	%YoY
Cash and cash equivalents	307.7	215.1	76.3	43.0%	303.2%
Trade receivables	24.1	36.4	22.7	(33.8%)	6.1%
Other receivables	94.9	92.1	32.9	3.0%	188.0%
Total current assets	461.6	377.7	171.9	22.2%	168.5%
Total non-current assets	3,337.1	3,510.8	3,686.5	(4.9%)	(9.5%)
Total assets	3,798.7	3,888.5	3,858.5	(2.3%)	(1.5%)
Total current liabilities	426.4	456.6	394.0	(6.6%)	8.2%
Total non-current liabilities	2,286.7	2,499.5	2,675.4	(8.5%)	(14.5%)
Total liabilities	2,713.2	2,956.1	3,069.4	(8.2%)	(11.6%)
Total equity	1,085.5	932.4	789.1	16.4%	37.6%
Parent	725.3	674.4	602.9	7.5%	20.3%
NCI	360.2	258.0	186.1	39.6%	93.5%
Total liabilities and equity	3,798.7	3,888.5	3,858.5	(2.3%)	(1.5%)
Net D/E* (x)	2.22	2.94	3.79		
D/E (x)	2.50	3.17	3.89		
Current ratio (x)	1.08	0.83	0.44		
Adj. D/E - proportionate consolidation** (x)	2.14	2.47	2.77		

* (Total Liabilities-Cash and cash equivalents)/Total equity

** Proportionate consolidation of project loans / Equity attributable to BC

- As of IQ25, BC's **Total Assets** were THB 3,798.7 mn, a slight decrease from THB 3,888.5 mn in 4Q24, mainly due to the divestment of the Summer Point project which was partially offset by increase in cash and cash equivalents from the proceeds from the divestment of the stake in Summer Point. Additionally, the Group invested in the digital token, "SUMX" with totaling of THB 82.6 mn.
- BC's **Total Liabilities** were THB 2,713.2 mn in IQ25, down from THB 2,956.1 mn in 4Q24, primarily due to the divestment of the stake in Summer Point.
- Total Shareholders' Equity**, including equity attributable to owners of the Parent and Non-Controlling Interest (NCI), stood at THB 1,085.5 mn, up from THB 932.4 mn at the end of 4Q24, primarily driven by positive Net Profits generated in IQ25.
- The **Net D/E ratio** was 2.22x as of IQ25, calculated based on total project loans, including both bank and shareholder loans, despite BC's economic interest of only 26%-51% in these projects.

- The Group continues to improve its balance sheet, with the Adjusted D/E ratio falling from 2.77x in IQ24 to 2.14x in IQ25, while also generating increased liquidity through proactive management of its assets and liabilities.
- Overall, the exit of investments which is a core element of our B-O-S model will continue to play the central role in strengthening BC's financial position. However, the current economic landscape is characterized by high interest rates, which are not ideal for investment exits. Despite this, the Group divested its entire 100% stake in Summer Point project as part of the Tokenization project.

Key Developments

Project	Location	# Keys/NLA	Status
Hospitality			
Kamala 1 (Movenpick)	Phuket	197	Construction is currently preparing for 1st floor concrete pouring, targeted for completion by May 2025. The overall project is on track for practical completion by Q2/26 and soft opening in Q3/26
Kamala 2	Phuket	200	The project is currently in the design and preparation phase to resume construction in 2025.
Nimman 3	Chiang Mai	141	The project is currently on hold, pending market conditions. Knight Frank was engaged to run a targeted sales process.
Sukhumvit 5 (JonoX)	Bangkok	190	Main contractor Syntec was mobilized in Dec 2024 Currently foundation work is ongoing. On track to complete in Q4/26.
Journeyhub Bangkok Sukhumvit 26	Bangkok	78	The hotel has commenced operations. The renovation is completed.
JH Patong Phuket	Phuket	194	The renovation of 140 guest rooms has been completed. Design work for the shophouse and façade has been finalized, and the tender process is currently in progress. Expect to complete room renovation in Q2/25 and common areas in Q3/25
Commercial			
Cove Hill (Charoenkrung Project)	Bangkok	2,233 sqm	The project plans to increase rental rates under new contracts with full lease-up expected by Q3/25.
Logistic Business			
Self-Storage business	Bangkok	-	Our Go Storage business, a self-storage segment, reached a 63% occupancy rate even though its wine storage segment did not achieve the results that we had expected.
Thai herbs-wellness business			
Thai herbs- wellness business (Bespoke)	Nan/ Bangkok/Chiangmai /Pattaya/Phuket	-	Our Thai herbs wellness venture, Bespoke Group, has achieved significant progress through the strategic closure of under-performing stores, optimization of existing stores and other cost-control measures.

Remark: Development plans are subject to change