



Annual report 2010
Daidomon Group Public Company Limited

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GENERAL DATA OF THE COMPANY

Name of the company: **DAIDOMON GROUP PUBLIC COMPANY LIMITED**

Abbreviated Company Name: **DAIDO**

Registration number of the company: **0107544000019**

Type of business: Operating Japanese food restaurants which serve all kinds of Japanese food such as Barbecue, Sukiyaki and ready meals.

Registered Capital : 49,400,000 common shares at par value per share of 5 Baht, totaling 247 million Baht

Year B.E. 2533: The company was established on October, 9th under the name Daidomon Group Company Limited

Year B.E. 2544: On April 27th, the company was registered a public company under the name “Daidomon group Public Company Limited

The Location:

Head Office: 5/2 Soi Sukhumvit 63(Ekkamai), North-Klongton Wattana Bangkok 10110
Tel. 02-382-1178-9, 02-381-1160
Fax 02-714-1992
Website: www.daidomon.co.th

Reference:

Securities Registrar: Thailand Securities Depository Co.,Ltd. (Thailand)
62 The Stock Exchange of Thailand, Ratchadapisek Road, Klongtoey, Bangkok 10110 (Tel: 02229-2888 – Call Center)

Audit Company: S.K. Accountant Services Co.,Ltd.
128/150-153 Phayathai Plaza Bldg., 14th Fl., Toong Phayathai, Rajthevi, Bangkok 10400 (Tel./Fax: 02214-6465 to 70)

Message from President

Running the business throughout the year 2010, the company still faced a trouble as the administration depended on the rehabilitation plan. We had some problems about liquidity ratio during the period of economic depression in Thailand. Moreover, the new fund from the rehabilitation plan was adopted in debt restructuring. Therefore we were unable to increase either sales volume or profits. However the trend in entrepreneurship was better during the last 6 months of the year because we adapted the price and decreased the expense reasonably. The Financial data of the year 2010 is as following:

Operating result

	<u>2010</u>	<u>2009</u>	<u>2008</u>
Revenue from sale	277,120,410.73	273,633,799.58	250,129,510.18
EBITDA	(17,485,481.92)	(9,926,217.45)	3,537,748.86
Net income from operating	(72,958,642.97)	(130,928,962.58)	(142,749,577.50)
Net income after debt restructuring	1,137,058,991.95	(116,996,253.96)	(112,651,278.06)
Total Asset	102,654,005.78	140,204,736.27	156,584,623.12
Total Liabilities	98,164,940.03	1,363,458,662.47	1,262,842,295.36
Shareholders' equity	4,489,065.75	(1,223,253,926.20)	(1,106,257,672.24)

Financial Ratios

	<u>2010</u>	<u>2009</u>	<u>2008</u>
Current ratio (Times)	0.27	0.18	0.29
Profitability Ratio	10.78	13.95	11.69
Debt to Equity Ratio (Times)	21.87	(1.11)	(1.14)
Book Value per share (บาท)	0.10	(235.24)	(21.27)
Basis Earning Profit (Loss) Per share	56.10	(22.50)	(2.17)
Dividend per share (Baht)	-	-	-

The company authorized the company, S.K. Accountant Services Co.,Ltd. to perform the annual financial reports (the year B.E. 2552 and B.E. 2553) Mr. Naris Saowalucksakul, was the auditor (Auditor Number 5309) who audited the financial statements of the company . He had his opinion that both of the financial statements expressed the financial status of the company (on December B.E. 2552 and B.E. 2553) and the Overall operation are correct.

The Conclusion Report of the financial Statement which has been already examined is as following:

<u>Balance Sheets as of December 31</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Total Current Assets	19,213,884.74	13,213,094.96	19,328,338.72
Total Non-Current Assets	83,440,121.04	126,991,641.31	137,256,284.40
Total Assets	102,654,005.78	140,204,736.27	156,584,623.12
Total Current Liabilities	70,960,825.18	73,317,667.37	65,901,637.44
Total Non-Current Liabilities	27,204,114.85	1,290,140,995.10	1,196,940,657.92
Total Liabilities	98,164,940.03	1,363,458,662.47	1,262,842,295.36
Total Equity	4,489,065.75	(1,223,253,926.20)	(1,106,257,672.24)

<u>Income Statement</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
<u>For the year ended on December 31</u>			
Total Revenue	1,487,138,045.65	287,566,508.20	280,527,809.62
Total Expenses	306,834,189.26	307,052,139.05	276,353,069.40
Finance Costs	43,244,864.44	97,477,623.11	116,526,0180.28
Net Profit	1,137,058,991.95	(116,963,253.96)	(112,351,278.06)
Basis Earning Profit (Loss) per share	56.16	(22.50)	(2.17)

<u>Statement of Cash Flow</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
<u>For the year ended on December 31</u>			
Net Cash Received (Used) from Operating Activities	(3,960,381.44)	15,391,544.58	11,730,691.19
Net Cash Received (Used) from Investing Activities	(12,023,718.09)	(15,244,288.50)	(6,076,547.00)
Net Cash Received (Used) from Financing Activities	22,470,099.10	(6,654,197.90)	(45,529.10)
Cash and Cash Equivalents at Ending of the Period	10,072,100.36	3,586,100.79	10,093,042.61



The Company's business in Brief:

Daidomon Group Public Company Limited is engaged in the operation of Japanese restaurants. The Company operates in four brands, Daidomon, Yasuki, Umami and Mitake. Each brand has its own particular feature of Japanese restaurant.

The brand , Daidomon , is the main brand name. Daidomon restaurants offer Yaki food which will be grilled by the customers before eating. Also Shabu food which will be boiled before eating is available. To service the customers by group, the food is adapted to be served by set or dish instead of buffet. This service is to focus on the customers as a whole family, friends. Those who don't want buffet or eat a little are welcome.

The brand , Yasuki , is the brand of which the main feature is **Buffet** to service the customers. Yasuki Buffet includes beverage charges in the buffet set.

Umami is another subsidiary of Daidomon which serves ready meals. There is no smoke from grilling or boiling on the table. The menu includes sashimi, sushi and donburi * Many dishes of Donburi such as Terriyaki Donburi and Tonkatsu Donburi are available .

The latest brand, Mitake, serves all Teppanyaki , Sukiyaki and Shabu . Unlike other Japanese restaurants , the customers can select which styles they prefer, Teppanyaki , Sukiyaki or Shabu. It is not only the marvelous taste, but also the chef's cooking show is impressive.

Infrastructure investment

The Company's securities. The Company has a registered capital of Baht 247,000,000 divided into 49,400,000 ordinary shares at par value of Baht 5 per share and paid-up capital of 246,683,640 Baht

	Value	For the year ended on	
		December 31, 2010	
	Per Shares	Number of Shares	Amount
	Baht	Shares	Baht
Authorized Share Capital:			
- Ordinary Shares of Beginning	5.00	43,399,928	216,999,640.00
- Decreased Ordinary Share	5.00	-	-
- Increased Ordinary Shares	5.00	6,000,072	30,000,360.00
- Ordinary Shares of Ending	5.00	49,400,000	247,000,000.00
Issued and Paid-up Share Capital	5.00		
- Ordinary Shares of Beginning	5.00	5,199,928	25,999,640.00
- Decreased Ordinary Share	5.00	-	-
- Increased Ordinary Shares	5.00	44,136,800	220,684,000.00
- Ordinary Shares of Ending	5.00	49,336,728	246,683,640.00

Shareholder

List of Shareholders	List of registered shareholders paid. Under the rehabilitation plan	
	Ordinary Shares	%
1. Mr. Kampol Tatiyakavee	33,000,000.00	66.89 %
2. Thongtang Group	6,376,289.00	12.92 %
3. Krung Thai Bank PLC	3,689,600.00	7.48%
4. Thanachart Bank PLC	2,247,200.00	4.55%
5. Fukuda Group	1,435,877.00	2.91 %
6. Individual investor	2,587,762.00	5.25 %
Total number of Share	49,336,728.00	100.00 %

Administration and Management of the Company:

On November, 18th 2010, The Central Bankruptcy Court issued an order to cancel the business rehabilitation the Daidomon Group Public Company Limited. According to the law of bankruptcy, B.E. 2483, the authority of the plan administrator in managing the company was over. The committee of the company was then authorized to manage and administrate the company on November, 18th, 2553.

Directors of Daidomon Group Plc.

Name	Age	Educational Background	Shareholders ' Ratio	Period	Position	Business
Mr. Amnat Wongsuwan	57	Barrister-at-law, The Bar Association B.A. Law, Ramkamhaeng University	0.39%	2005-present 1984-present	Director Manager	Daidomon Group PLC Metro Machinery Co.,Ltd
Mr. Kampol Tatiyakavee	52	M.A. Engineering ,University of Texas B.A. Engineering ,Cuhlalangkorn University Certificate, Director Certification Program, Thai Director Promotion Institute Association	66.88%	2010-Present 2008-2010 2006-2010	President Director Managing director Managing director	Daidomon Group PLC Pattaya Food Industry Co.,Ltd Siam Food Co.,Ltd
Ms. Wi-on Tongtaeng	32	B.A. Business English Assumption University Certificate, Director Certification Program Thai Director Promotion Institute Association Finance for Non-Finance Directors Program	8.35%	2003-Present 2001-Present	Director Director	Daidomon Group PLC Wichai Tongtaeng's Law Firm
Mr. Taradol Thayangkanon	63	M.A. Engineering ,University of Washington, U.S.A. B.A. Engineering University Certificate, Housing Finance ,George Washington University, U.S.A.		2005-Present 2004-Present 2001-2004 1997-2001	Independent Director, Audit Director Director, G.M MD Consultant	Daidomon Group PLC Laem Chabang Terminal Co.,Ltd Global Environmental Technology Operation Management Holding Co.,Ltd J.V.K. Holding Co.,Ltd Angel Airline Co.,Ltd
Mr. Pipat InPongpan	52	B.A. Law (B.E.2523) Barrister-at-law (B.E. 2524) Certificate, Central Bankruptcy Court Certificate, Intellectual Property And International Trade Court Certificate, Director Accreditation Program(DAP) Thai Director Promotion Institute Association		2005-Present 2003-Present 1982-Present	Director, Manager of Law section Consultant Consultant Lawyer	Daidomon Group PLC Beer Thai Plc. Piriyapool International Co.Ltd Phayathai Hospital Co.,Ltd Wichai Tongtaeng's Law Firm
Mr. Banha Suwanjit	49	B.A. Law, Ramkamhaeng University		2011-Present 2005-Present 2002-2553	Consultant Independent Director, G.M	Paolo Memorial Company Group Daidomon Group PLC Nuanchan Golf Club Co.,Ltd

Inter-Transactions with Related Parties

The Company had accounting transaction with related persons and companies, the important remaining balance and inter-items between the Company and related persons and companies are as follows:

Inter-Company Revenues and Expenses

	Pricing Policy	For the year ended on December 31,	
		2010 Baht	2009 Baht
Interest Expense according to entity Rehabilitated Plan			
Miss Vion Thongtang	Annual Interest Rate at 15.00%	4,967,812.24	5,071,641.78
Mr. Paveen Chiwaplaboon	Annual Interest Rate at 8.75%	2,031,909.57	3,096,157.64
Interest Expense from Short-Term Loans			
Mr. Paveen Chiwaplaboon	Annual Interest Rate at 6.00%	151,232.88	100,273.97
Lawyer Expense			
Vichai thongtang Law Firm Co., Ltd.	Agreement Price	-	295,000.00

Inter-Company Assets and Liability

	As of December 31, 2010 Baht	As of December 31, 2009 Baht
Liabilities according to entity Rehabilitated Plan		
Miss Vion Thongtang	-	33,810,945.21
Mr. Paveen Chiwaplaboon	-	20,641,050.92
Total	-	54,451,996.13
Short-Term Loans from Related Persons		
Mr. Paveen Chiwaplaboon	5,000,000.00	5,000,000.00
Accrued Interest Expenses according to entity Rehabilitated Plan		
Miss Vion Thongtang	-	26,344,747.44
Mr. Paveen Chiwaplaboon	-	16,083,054.47
Total	-	42,427,801.91
Accrued Interest Expenses from Short-Term Loans		
Mr. Paveen Chiwaplaboon	151,232.88	100,273.97
Accrued Expense		
Vichai thongtang Law Firm Co., Ltd.	50,000.00	295,000.00

For the year ended on December 31, 2010 and 2009, there were movement transactions of the short-term loans from related persons as follows:

	As of December 31,2552 Baht	During the Period Increase Decrease Baht Baht		As of December 31,2553 Baht
Short-Term Loans from Related Persons Mr. Paveen Chiwaplaboon	5,000,000.00	-	-	5,000,000.00

As of December 31, 2010 and 2009, short-term loans from related persons in amount of Baht 5.00 million. It is borrowing while there is inter-loan contract performance. There is period schedule to repay debt within March 1, 2010. Inter-interest is carried in the rate of 6.00% per annum. When due, the Company has verbal agreement for extended the debt non due.

As of December 31, 2009, the whole amount of liabilities according to entity rehabilitated plan is liability according to entity rehabilitated plan which reclassifies as liability according to the 3rd group creditor in 2010, the whole amount decrease from debt repayment in accordance with entity rehabilitated plan as stated in note No.15.

Nature of Relationship

<u>Name</u>	<u>Relationship</u>
Miss Vion Thongtang	Director and the Company's shareholder
Mr. Paveen Chiwaplaboon	The Company's shareholder
Vichai thongtang Law Firm Co., Ltd.	Common director and shareholder



Risk Factors:

The risks of running restaurants

Nowadays, the restaurant business is very competitive. There are new entrepreneurs joining restaurant Marketing each day, They invest in small restaurants because of low cost with expectations of profit return in a short time. This high competitive business makes them to adapt new tactics to get more portions in market share. Besides keeping an eye on the rivals, the restaurants need discipline and managed orderly that is one of the standards in food safety. The high standards will change the restaurant business in the future.

The risks of raw materials:

Most of the raw materials which are needed come from agricultural products. All kinds of meat, seafood, fresh vegetables and fruits are ordered each day. The quality, price and quantity of these materials is variable due to the season. Moreover, these materials are short-lived which can cause the shortage in some periods. The company then decreased the risks of the shortage by signing the contract with the distributors of these products.

The risks involving Fire Hazard:

As the Company, Daidomon, operates a Barbecue restaurant type of business, which used charcoal stoves as fuel for grilling, barbecuing on table resulting in a fire hazard. The Company is concerned about safety within the restaurant and thus changed to electric stoves, which provide safety to consumer in term of fire and environmental safety. In the Year B.E. 2552, the company changed the charcoal stoves to electric stoves in 4 branches from 29 branches. The company also purchased an insurance against fire accident for all branches.



INDEPENDENT AUDITOR' S REPORT

To the Shareholders and Board of Directors of DAIDOMON GROUP PUBLIC COMPANY LIMITED.

I have audited the balance sheets as of December 31, 2010 and 2009, the statements of income, the statements of changes in shareholders' equity and the statements of cash flows for the year then ended of DAIDOMON GROUP PUBLIC COMPANY LIMITED. These financial statements are the responsibility of the Company's management as to their correctness and completeness of the presentation. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amount and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statements presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial positions of DAIDOMON GROUP PUBLIC COMPANY LIMITED as of December 31, 2010 and 2009, the result of its operations and the cash flows for the year then ended respectively in accordance with generally accepted accounting principles.

It is not expression an qualified opinion to the financial statements, I ask the attention to note to the financial statements No. 2, the financial statements as of December 31, 2010 and 2009, constitutes accumulated deficits from operation by Baht 112.19 million and Baht 1,249.25 million respectively, current liabilities are higher than current assets by Baht 51.75 million and Baht 60.10 million respectively. Such factor is indicated that there still is uncertainty which may cause substantial doubt in respect of ability in continuously operation of the Company.



I have previously audited, in accordance with the generally accepted auditing standards, the financial statements for the year ended on December 31, 2009 of DAIDOMON GROUP PUBLIC COMPANY LIMITED and unable to expressed an opinion Because there is materially uncertain regarding ability in continuously operation of the Company according to report dated on February 26, 2010. However, on November 18, 2010, the Central Bankruptcy Court has ordered to cancel entity rehabilitation of the Company since the Company completely complies with entity rehabilitated plan as per mentioned in the note to the financial statements No. 15. As a result, the Company has profit from debt release according to entity rehabilitated plan being amount of Baht 1,152.53 million. Hence, my opinion, presently, to the financial statements of 2009 that presents in comparison is different from that I formerly have reported.

S.K. ACCOUNTANT SERVICES COMPANY LIMITED

(Naris Saowalagsakul)

Authorized Auditor No.5369

Bangkok,



February 25, 2011

DAIDOMON GROUP PUBLIC COMPANY LIMITED

BALANCE SHEETS

As of December 31, 2010 and 2009

		2010	2009
		Baht	Baht
ASSETS			
CURRENT ASSETS			
Cash and Cash Equivalents	(Note 8)	10,072,100.36	3,586,100.79
Trade Accounts Receivable	(Note 9)	3,360,651.77	3,133,879.42
Inventories	(Note 10)	4,431,861.37	4,044,125.34
Other Current Assets		1,349,271.24	2,448,989.41
TOTAL CURRENT ASSETS		19,213,884.74	13,213,094.96
NON-CURRENT ASSETS			
Long-Term Investments	(Note 11)	26,115,238.28	26,115,238.28
Building Improvement and Equipment-Net	(Note 12)	23,452,130.57	22,170,708.52
Leasehold Right-Net	(Note 13)	18,783,413.73	64,743,486.58
Assets Non-Use for Operation-Net	(Note 14)	386,536.78	675,150.37
Other Non-Current Assets			
Rental Guarantee		12,218,892.12	11,937,806.06
Others		2,483,909.56	1,349,251.50
TOTAL NON-CURRENT ASSETS		83,440,121.04	126,991,641.31
TOTAL ASSETS		102,654,005.78	140,204,736.27



DAIDOMON GROUP PUBLIC COMPANY LIMITED

BALANCE SHEETS

As of December 31, 2010 and 2009

		2010	2009
		Baht	Baht
LIABILITIES AND SHAREHOLDERS' EQUITY			
CURRENT LIABILITIES			
Trade Accounts and Notes Payable		21,550,764.57	29,362,944.39
Current Portion of Liabilities Under Financial Lease	(Note 16)	2,538,078.51	-
Short-Term Loans from Related Persons	(Note 6.2)	5,000,000.00	5,000,000.00
Short-Term Loans from Other Persons	(Note 17)	10,000,000.00	-
Accrued Expenses		28,814,689.85	17,494,050.40
Advances Received for Shares	(Note 18)	-	17,500,000.00
Other Current Liabilities		3,057,292.25	3,960,672.58
TOTAL CURRENT LIABILITIES		70,960,825.18	73,317,667.37
NON-CURRENT LIABILITIES			
Liabilities under Rehabilitated Plan	(Note 15)	8,502,170.13	1,286,192,995.10
Liabilities Under Financial Lease-Net	(Note 16)	8,030,968.50	-
Gain from Deferred Leasehold Right Transfer	(Note 19)	8,522,976.22	-
Other Non-Current Liabilities		2,148,000.00	3,948,000.00
TOTAL NON-CURRENT LIABILITIES		27,204,114.85	1,290,140,995.10
TOTAL LIABILITIES		98,164,940.03	1,363,458,662.47



SHAREHOLDERS' EQUITY

Authorized Share Capital	(Note 20)		
49,400,000 Ordinary Shares, of Par Value Baht 5.00 each		247,000,000.00	-
43,399,928 Ordinary Shares, of Par Value Baht 5.00 each		-	216,999,640.00
<hr/>			
Issued and Paid-up Share Capital			
49,336,728 Ordinary Shares, of Par Value Baht 5.00 each		246,683,640.00	-
5,199,928 Ordinary Shares, of Par Value Baht 5.00 each		-	25,999,640.00
Discount on Share Capital	(Note 20)	(130,000,000.00)	-
Retained Earnings (Deficits)			
Unappropriated		(112,194,574.25)	(1,249,253,566.20)
TOTAL SHAREHOLDERS' EQUITY		4,489,065.75	(1,223,253,926.20)
TOTAL LIABILITIES AND			
SHAREHOLDERS' EQUITY		102,654,005.78	140,204,736.27
		<hr/> <hr/>	

Notes to financial statements are an integral part of these statements.



DAIDOMON GROUP PUBLIC COMPANY LIMITED

STATEMENTS OF INCOME

For the year ended on December 31, 2010 and 2009

		2010	2009
		Baht	Baht
Revenues from Sales Food and Beverage		274,148,930.75	271,036,769.64
Revenues from Sale Member Card		2,971,479.98	2,597,029.94
Cost of Goods Sold		(247,241,693.85)	(235,837,213.77)
Gross Profit		29,878,716.88	37,796,585.81
Other Revenues		9,479,749.00	12,598,570.39
Revenues from Reduce Debt as Per Petition of		-	1,334,138.23
Debt Repayment Receipt			
Revenues from Amortized of Gain from Leasehold			
Right Transfer	(Note 13, 19)	9,065,152.82	-
Gain from Leasehold Right Transfer in Order to Repay Debt			
According to Entity Rehabilitated Plan	(Note 13)	38,940,400.07	-
Gain from Debt Release According to Entity			
Rehabilitated Plan	(Note 15)	1,152,532,333.03	-
Profit Before Expenses		1,239,896,351.80	51,729,294.43
Selling Expenses		(10,548,168.94)	(15,740,488.66)
Administrative Expenses		(41,332,526.47)	(45,707,636.62)
Management Benefit Expenses	(Note 21)	(7,711,800.00)	(9,799,800.00)
Total Expenses		(59,592,495.41)	(71,247,925.28)
Profit (Loss) Before Finance Costs		1,180,303,856.39	(19,518,630.85)
Finance Costs		(43,244,864.44)	(97,477,623.11)
Net Profit (Loss)		1,137,058,991.95	(116,996,253.96)
Basis Earning Profit (Loss) Per Share	(Note 23)	56.16	(22.50)
Number of Shares (Unit : Share)	(Note 23)	20,248,077	5,199,928



DAIDOMON GROUP PUBLIC COMPANY LIMITED

STATEMENTS OF CASH FLOW

For the year ended on December 31, 2010 and 2009

	2010	2009
	Baht	Baht
CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit (Loss)	1,137,058,991.95	(116,996,253.96)
Adjustment to Reconcile Net Profit (Loss) for Cash Receipts (Payment)		
from Operation		
Depreciation of Asset - Use for Operation	8,017,600.13	15,902,708.11
Depreciation of Asset - Non use for		
Operation	254,603.98	-
Amortized of Leasehold Right	3,956,092.50	7,622,413.91
Loss from Written Off of Withholding		
Income Tax	-	536,158.20
Loss from Written Off of Asset -		
Discontinued Operation	2,509,694.34	1,340,475.14
Loss from Written Off of Assets - Non use		
for Operation	-	38,673.62
Loss from Leasehold Right Transfer in Order to Repay Debt According		
to Entity Rehabilitated Plan	1,922,237.99	-
Loss from Sales of Fixed Assets	253,513.28	-
Revenues from Amortized of Gain from		
Leasehold Right Transfer	(9,065,152.82)	-
Gain from Leasehold Right Transfer in Order to Repay Debt under		
Rehabilitated Plan	(38,940,400.07)	-
Gain from Debt Release According to		
Entity Rehabilitated Plan	(1,152,532,333.03)	-
Revenues from Reduce Debt as Per Petition of Debt Repayment Receipt	-	(1,334,138.23)
Loss from Transferred Assets to be		
Expenses	-	76,445.62



Interest Revenues	(9,377.24)	(14,992.10)
Amortized Interest Expenses of Financial Lease	1,098,285.51	-
Interest Expenses	41,746,578.93	97,477,623.11
Profit (Loss) from Operation before Changes in Operating Assets and Liabilities	(3,729,664.55)	4,649,113.42
(Increase)Decrease in Trade Accounts Receivable	(226,772.35)	(489,739.57)
(Increase)Decrease in Inventories	(387,736.03)	(906,469.47)
(Increase)Decrease in Other Current Assets	705,187.84	862,883.11
(Increase)Decrease in Rental Gaurantee	(281,086.06)	303,415.19
(Increase) Decrease in Other Non-Current Assets	(366,650.00)	224,800.00
Increase (Decrease) in Trade Accounts and Notes Payable	(7,812,179.82)	9,011,004.01
Increase (Decrease) in Accrued Expenses	11,320,639.45	2,190,713.98
Increase (Decrease) in Other Current Liabilities	(1,013,517.32)	(184,077.86)
Increase (Decrease) in Other Non-Current Liabilities	(1,800,000.00)	109,440.00
Cash Received(Paid) from Operating Activities	(3,591,778.84)	15,771,082.81
CASH FLOW FROM OPERATING ACTIVITIES(CONTINUE)		
Cash Received from Interest Revenues	9,377.24	14,992.10
Cash Payment of Withholding Income Tax	(377,979.84)	(394,530.33)
Net Cash Received (Used) from Operating Activities	(3,960,381.44)	15,391,544.58
CASH FLOW FROM INVESTING ACTIVITIES		
(Increase) Decrease in Deposit for Guarantee	4,502.11	289,927.29
Cash Payment for Purchased of Fix Assets	(12,159,061.24)	(15,534,215.79)
Cash Received from Sales of Fixed Assets	130,841.04	-
Net Cash Received (Used) from Investing Activities	(12,023,718.09)	(15,244,288.50)
CASH FLOW FROM FINANCING ACTIVITIES		
Cash Payment of Liabilities Rehabilitated Plan	-	(29,153,624.49)



Cash Received from Advances Received for Share	-	17,500,000.00
Cash Received from Increase Capital	17,500,000.00	-
Cash Received from Short-Term Loans from Related Persons	-	5,000,000.00
Cash Received from Short-Term Loans from Other Persons	10,000,000.00	-
Increase (Decrease) in Liabilities Under Financial Lease	(4,778,967.03)	-
Cash Payment of Interest Expenses	(250,933.87)	(573.41)
Net Cash Received (Used) from Financing Activities	22,470,099.10	(6,654,197.90)
Cash and Cash Equivalents Increase (Decrease)-Net	6,485,999.57	(6,506,941.82)
Cash and Cash Equivalents at Beginning of the Period	(Note 8) 3,586,100.79	10,093,042.61
Cash and Cash Equivalents at Ending of the Period	(Note 8) 10,072,100.36	3,586,100.79



DAIDOMON GROUP PUBLIC COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2010 and 2009

1. General Information

The Company was registered under the Civil and Commercial Code with the company registration number 12084/2533 on October 9, 1990 and then registered as a public company on April 27, 2001 with the public company registration number 0107544000019. The registered office is situated on 5/2 Soi Sukumvit 63 (Eakkamuy), Sukumvit Road, North Klongton, Wattana, Bangkok, Thailand. And on November 18, 2010, the Central Bankruptcy Court has ordered to cancel entity rehabilitation of the Company since the Company completely complies with entity rehabilitated plan. Its major business is sold food and beverage.

2. Going-Concern

The financial statements as of December 31, 2010 and 2009, the Company constitutes accumulated deficits from operation by Baht 112.19 million and Baht 1,249.25 million respectively and current liabilities are higher than current assets by Baht 51.75 million and Baht 60.10 million respectively. Such situation is indicated that there still is material uncertainty which may cause substantial doubt in respect of ability in continued operation of the Company. As a result the Company can't call asset refund and liability repayment will be complied with the normal course of business. These financial statements were prepared on the basis that the Company would continue of a going concern. Since the new management believe that the Company will be able to continuously operate whereas the management is under proceeding in order to solve above situation problem.

3. Basis of the Preparation of the Financial Statements

3.1 The Company had prepared the financial statements in accordance with Thai Accounting Standards including related interpretations and guidelines promulgated by the Federation of Accounting Professions, applicable rules and regulations of the Securities

and Exchange Commission and with generally accepted accounting principles in Thailand.

- 3.2 The financial statements are prepared on the historical cost basis except for the disclosure in the accounting policies.
- 3.3 In order to prepare the financial statements to comply with generally accepted accounting standards, the Company's management had to make some estimates and suppositions which may have an effect on the amount shown for revenues, expenses, assets and liabilities and also on the disclosures concerning contingent assets and liabilities, therefore the actual result may differ from the estimated amount.
- 3.4 The Company reclassified some items in our financial statements for comparison purpose in order to be in line with the present accounting items and it has not any affected our net profit (loss) or shareholders' equity. The detail was as follows:

	As of
	December 31, 2009
<u>Balance Sheets</u>	Baht
Short-Term Loans from Related Persons Increasing	(5,000,000.00)
Short-Term Loans from Other Persons Decreasing	5,000,000.00
Inventories Increasing	1,007,734.38
Other Current Assets Decreasing	(1,007,734.38)
	For the year ended on
	December 31, 2009
<u>Statements of Income</u>	Baht
Administrative Expenses Increasing	8,109,000.00
Management Benefit Expenses Decreasing	(8,109,000.00)

- 3.5 For the convenience of the user, an English translation of the financial statements has been prepared from the statutory financial statements that are issued in the Thai language.

4. Adoption of New Accounting Standards, Financial Reporting Standards and Interpretation

The Federation of Accounting Professions has issued Notification No. 17/2010 and No. 50 to No. 55/2010, regarding new accounting standards, financial reporting standards and interpretation. These are not effective for the current year, except Framework for the Preparation and Presentation of Financial Statements, which was effective immediately.

		<u>Effective date</u>
Framework for Preparation and Presentation of Financial Statements (revised 2009)		Immediately
TAS 1 (revised 2009)	Presentation of Financial Statements	1 January 2011
TAS 2 (revised 2009)	Inventories	1 January 2011
TAS 7 (revised 2009)	Statement of Cash Flows	1 January 2011
TAS 8 (revised 2009)	Accounting Policies, Changes in Accounting Estimates and Errors	1 January 2011
TAS 10 (revised 2009)	Events After the Reporting Period	1 January 2011
TAS 11 (revised 2009)	Construction Contracts	1 January 2011
TAS 12	Income Taxes	1 January 2013
TAS 16 (revised 2009)	Property, Plant and Equipment	1 January 2011
TAS 17 (revised 2009)	Leases	1 January 2011
TAS 18 (revised 2009)	Revenue	1 January 2011
TAS 19	Employee Benefits	1 January 2011
TAS 20	Accounting for Government Grants and Disclosure of Government Assistance	1 January 2013
TAS 21 (revised 2009)	The Effects of Changes in Foreign Exchange Rates	1 January 2013
TAS 23 (revised 2009)	Borrowing Costs	1 January 2011
TAS 24 (revised 2009)	Related Party Disclosures	1 January 2011
TAS 26	Accounting and Reporting by Retirement Benefit Plans	1 January 2011
TAS 27 (revised 2009)	Consolidated and Separate Financial Statements	1 January 2011
TAS 28 (revised 2009)	Investments in Associates	1 January 2011
TAS 29	Financial Reporting in Hyperinflationary Economies	1 January 2011
TAS 31 (revised 2009)	Interests in Joint Venture	1 January 2011
TAS 33 (revised 2009)	Earnings per Share	1 January 2011
TAS 34 (revised 2009)	Interim Financial Reporting	1 January 2011

		<u>Effective date</u>
TAS 36 (revised 2009)	Impairment of Assets	1 January 2011
		<u>Effective date</u>
TAS 37 (revised 2009)	Provisions, Contingent Liabilities and Contingent Assets	1 January 2011
TAS 38 (revised 2009)	Intangible Assets	1 January 2011
TAS 40 (revised 2009)	Investment Property	1 January 2011
TFRS 2	Share-based Payment	1 January 2011
TFRS 3 (revised 2009)	Business Combinations	1 January 2011
TFRS 5 (revised 2009)	Non-Current Assets Held for Sale and Discontinued Operations	1 January 2011
TFRS 6	Exploration for and Evaluation of Mineral Resources	1 January 2011
Interpretation 15	Agreements for the Construction of Real Estate	1 January 2011

The management of the Company has assessed the effects of new accounting standards, financial reporting standards and interpretation and believes that these standards will not have any significant impact on the financial statements for the year in which they are initially applied. Except, the TAS 19 Employee Benefits, the management of the Company has been evaluating for the contingent liabilities from Retirement Benefit Plans.

5. Significant Accounting Policies

5.1 Income and Expenses Recognition

5.1.1 Revenues from the sales of goods are recognized when there is goods delivery to customer.

5.1.2 Revenues from Sale Member Card recognizes as revenue by the period of using member card.

5.1.3 Revenue from rental is recognized over the term of rental agreement.

5.1.4 Expenses are recognized on an accrual basis.

5.2 Cash and Cash Equivalent

Cash and cash equivalent includes bank deposits of current saving, and not exceeding three-month fixed deposit with no guarantee obligation.

5.3 Trade Account Receivable, Other Accounts Receivable and Allowance for Doubtful Accounts

Trade account receivable and other accounts receivable stated at the net realizable value. Allowance for doubtful debt is provided for the estimated collection losses that may incur in collection of receivable.

5.4 Inventories

Inventories are calculated valued at cost price by weighted average method or net realizable value, whichever is lower.

5.5 Long-Term Investments

Long-term investments in non - marketable securities are regarded as general investments and shown at cost and decrease allowance for impairment (if any). The Company recognized change value in the statements of income when the Company has disposed such investments or there is any indication that such investments have been impaired.

5.6 Building Improvement and Equipment

Building Improvement and equipment are recorded at cost on the transaction date less accumulated depreciation and allowance for impairment. The Company are calculated depreciation for those fixed assets by a straight-line method over the approximated useful life of the fixed assets as follows:

- Building Improvement and Internal System	5 and 10 years
- Kitchen Equipment	5 years
- Furniture and Fitting and Office Equipment	5 years
- Vehicles	5 years

No depreciation is provided for Asset in progress.

Expenditure in respect of extension, life renewal or asset improvement which causes the present replacement price increased materially. It will combine as cost of asset. Regarding repairing fee and maintenance, it is recognized as expense in the incurred accounting period.

Gain or loss from disposal of building improvement and equipment is computed from discrepancy between net cash received and book value and recognized as other revenue or other expense in the statement of income.

5.7 Leasehold Right

Leasehold right is recorded by cost price deducted by accumulated leasehold right amortized and allowance for impairment. Leasehold right amortized by a straight-line method in accordance with the period of leased contract of individual contract with 2 – 30 years period.

5.8 Impairment

The carrying amounts of the Company's assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimate. Loss from impairment will be recognized when book value of assets exceed its recoverable amount, the Company will recognize an impairment loss in the statements of income.

Calculation of recoverable amount

- The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

Reversals of impairment

- An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount.
- An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized. All reversals of impairment losses are recognized in the statements of income.

5.9 Lease Contract of Operation

- Lease contract of risk asset and remuneration to the owner of asset which are still belonged to lessee will be reclassified as lease contract of operation while the lesser will record the repayment of leased fee under the lease contract of operation as expense by straight line method throughout the period of leasing.

The Operation lease from selling and lease back.

- The Operation lease contract that derives from leasehold right transfer in buildings in order to repay debt in accordance with entity rehabilitated plan and the Company has leasing back. The leaseholder will record repayment of lease fee under operation lease contract as expense via straight line method throughout the period of leasing.
- Gain from deferred leasehold right transfer which presents under non-current liability derives from discrepancy of leasehold right price that is transferred for debt repayment which higher than fair value of the leasehold right. The gain from deferred leasehold right transfer will gradually recognize as revenue in the statements of income according to life of lease back contract.

5.10 The financial lease from selling and lease back.

- The financial lease contract that derives from leasehold right transfer in building in order to repay debt in accordance with entity rehabilitated plan and the Company has leasing back. The Company will recognize leasehold right and liability under financial leased contract by amount equivalent to present value of minimum leased fee which have to repay according to the contract or fair value of leasehold right whichever amount will be lower. Amount that repaid as lease fee in each installment will have to separate as financial expense and amount that is debt repayment by financial expense in each installment will be computed by using fixed interest rate throughout life of liability. Interest that takes place will be recorded in the statements of income throughout life of lease contract whereas net lease fee amount from interest will be taken to reduce liability under that financial leased. Amortized value of leasehold right under financial lease will be amortized as amortized fee by straight line method according to life of that leasehold right.
- Gain from deferred leasehold right transfer which presents under non-current liability derives from discrepancy of leasehold right price that is transferred for debt repayment which higher than book value of the leasehold right. The gain from deferred leasehold right transfer will gradually recognize as revenue in the statements of income according to life of lease back contract.

5.11 A Provision of Liabilities

The Company provisions are recognized when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of

resources will be required to settle the obligation, and a reliable estimate of the amount can be made. Where the Company expects a provision to be reimbursed, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain.

5.12 Items Denominated in Foreign Currencies

Items denominated in foreign currencies are recorded in Baht at exchange rates prevailing on date the transactions occur, while the remaining balance of assets and liabilities denominated in foreign currencies at the ended of period are translated into Baht at prevailing rates at the ended of period date and the resulted profit or loss from such translation is included in the statements of income.

5.13 The Financial Instrument

The financial instrument, the financial assets reflected in the balance sheets consist of cash and bank deposit, trade accounts receivable, financial liabilities reflected in the balance sheets consist of overdraft, trade accounts payable, loans and liabilities under rehabilitated plan which the particular accounting policy for each transaction is separately disclosed in each related caption.

5.14 Employees Benefit

The Company is recognized salary, wage, bonus and social security fund are expense on date transactions occur.

5.15 Basic Earnings (Loss) per Share

Basic earnings (Loss) per share are calculated by dividing the net profit (loss) for the period by the weighted average number of the issued and paid-up ordinary shares. The Company did not calculate the diluted earnings per share because there are no common share equivalents.

6. Inter-Transactions with Related Parties

The Company had accounting transaction with related persons and companies, the important remaining balance and inter-items between the Company and related persons and companies are as follows:



6.1 Inter-Company Revenues and Expenses

		For the year ended on December 31,	
		2010	2009
		Baht	Baht
Interest Expense according to entity Rehabilitated Plan			
Miss Vion Thongtang	Annual Interest Rate at 15.00%	4,967,812.24	5,071,641.78
Mr. Paveen Chiwaplaboon	Annual Interest Rate at 8.75%	2,031,909.57	3,096,157.64
Interest Expense from Short-Term Loans			
Mr. Paveen Chiwaplaboon	Annual Interest Rate at 6.00%	151,232.88	100,273.97
Lawyer Expense			
Vichai thongtang Law Firm Co., Ltd.	Agreement Price	-	295,000.00

6.2 Inter-Company Assets and Liability

		As of December 31, 2010 Baht	As of December 31, 2009 Baht
Liabilities according to entity Rehabilitated Plan			
Miss Vion Thongtang		-	33,810,945.21
Mr. Paveen Chiwaplaboon		-	20,641,050.92
Total		-	54,451,996.13
Short-Term Loans from Related Persons			
Mr. Paveen Chiwaplaboon		5,000,000.00	5,000,000.00
Accrued Interest Expenses according to entity Rehabilitated Plan			
Miss Vion Thongtang		-	26,344,747.44
Mr. Paveen Chiwaplaboon		-	16,083,054.47
Total		-	42,427,801.91
Accrued Interest Expenses from Short-Term Loans			
Mr. Paveen Chiwaplaboon		151,232.88	100,273.97
Accrued Expense			
Vichai thongtang Law Firm Co., Ltd.		50,000.00	50,000.00

For the year ended on December 31, 2010 and 2009, there were movement transactions of the short-term loans from related persons as follows:

	As of December 31, 2009 Baht	During the period		As of December 31, 2010 Baht
		Increase Baht	Decrease Baht	
Liabilities according to entity				
Rehabilitated Plan				
Miss Vion Thongtang	33,810,945.21	-	(33,810,945.21)	-
Mr. Paveen Chiwaplaboon	20,641,050.92	-	(20,641,050.92)	-
Total	<u>54,451,996.13</u>	<u>-</u>	<u>(54,451,996.13)</u>	<u>-</u>

Short-Term Loans from Related Persons

Mr. Paveen Chiwaplaboon	5,000,000.00	-	-	5,000,000.00
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	As of December 31, 2008 Baht	During the period		As of December 31, 2009 Baht
		Increase Baht	Decrease Baht	
Liabilities according to entity				
Rehabilitated Plan				
Miss Vion Thongtang	33,810,945.21	-	-	33,810,945.21
Mr. Paveen Chiwaplaboon	20,641,050.92	-	-	20,641,050.92
Total	<u>54,451,996.13</u>	<u>-</u>	<u>-</u>	<u>54,451,996.13</u>

Short-Term Loans from Related Persons

Mr. Paveen Chiwaplaboon	-	5,000,000.00	-	5,000,000.00
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As of December 31, 2010 and 2009, short-term loans from related persons in amount of Baht 5.00 million. It is borrowing while there is inter-loan contract performance. There is period schedule to repay debt within March 1, 2010. Inter-interest is carried in the rate of 6.00% per annum. When due, the Company has verbal agreement for extended the debt non due.

As of December 31, 2009, the whole amount of liabilities according to entity rehabilitated plan is liability according to entity rehabilitated plan which reclassifies as



liability according to the 3rd group creditor in 2010, the whole amount decrease from debt repayment in accordance with entity rehabilitated plan as stated in note No.15.

6.3 Nature of Relationship

<u>Name</u>	<u>Relationship</u>
Miss Vion Thongtang	Director and the Company's shareholder
Mr. Paveen Chiwaplaboon	The Company's shareholder
Vichai thongtang Law Firm Co., Ltd.	Common director and shareholder

7. Non-Cash Flows Transactions

	For the year ended on	
	December 31, 2010	December 31, 2009
	Baht	Baht
Leasehold Right Transfer in Order to Repay Debt According to Entity Rehabilitated Plan	110,860,000.00	-
Increased Shares Capital in Order to Repay Debt According to Entity Rehabilitated Plan	55,684,000.00	-

8. Cash and Cash Equivalents

Consist of:

	As of	As of
	December 31, 2010	December 31, 2009
	Baht	Baht
Cash	1,284,497.00	1,511,174.00
Current accounts	4,655,784.76	1,270,796.81
Savings deposit	4,131,818.60	804,129.98
Total	<u>10,072,100.36</u>	<u>3,586,100.79</u>



9. Trade Account Receivable

Consist of:

	As of December 31, 2010 Baht	As of December 31, 2009 Baht
Not Yet Issue Invoice	2,801,252.37	2,574,431.13
Issue Invoice		
In Credit Term	461,075.06	404,356.33
Over due		
1-30 days	90,851.46	131,206.47
31-60 days	7,472.88	21,933.81
61-90 days	-	-
Over 91 days	-	1,951.68
Total	<u>3,360,651.77</u>	<u>3,133,879.42</u>

10. Inventories

Consist of:

	As of December 31, 2010 Baht	As of December 31, 2009 Baht
Foods and Beverage	3,305,979.45	2,960,487.10
Finish Goods for Sale	132,425.24	75,903.86
Supplies	993,456.68	1,007,734.38
Total	<u>4,431,861.37</u>	<u>4,044,125.34</u>

11. Long-Term Investments

Consist of:

Name	Type of Business	Paid up Capital Baht	Percentage of Share Holding %	Cost As of December 31, 2010 Baht	Cost As of December 31, 2009 Baht
Daiso Sungyo (Thailand) Co., Ltd.	Retail Goods	120,000,000.00	23.33	26,115,238.28	26,115,238.28

12. Building Improvement and Equipment-Net

Consist of:

	Balance As of December 31, 2009 Baht	Purchases / Transfer in Baht	Sales / Transfer out Baht	Balance As of December 31, 2010 Baht
Cost				
Building Improvement and Internal System	69,104,786.23	10,626,096.00	(12,754,266.73)	66,976,615.50
Kitchen Equipment	22,109,453.24	949,305.08	(2,395,017.00)	20,663,741.32
Office Equipment	6,597,762.54	618,710.24	(404,480.00)	6,811,992.78
Vehicles	1,189,144.86	-	(520,154.21)	668,990.65
Total Cost	99,001,146.87	12,194,111.32	(16,073,917.94)	95,121,340.25
Accumulated Depreciation				
Building Improvement and Internal System	(46,716,152.02)	(6,859,051.78)	8,850,885.04	(44,724,318.76)
Kitchen Equipment	(18,262,418.88)	(736,721.87)	1,429,566.70	(17,569,574.05)
Office Equipment	(5,122,149.84)	(435,739.46)	312,027.62	(5,245,861.68)
Vehicles	(758,321.98)	-	520,151.21	(238,170.77)
Total Accumulated Depreciation	(70,859,042.72)	(8,031,513.11)	11,112,630.57	(67,777,925.26)
	Balance As of December 31, 2009 Baht	Purchases / Transfer in Baht	Sales / Transfer out Baht	Balance As of December 31, 2010 Baht
Allowance for Impairment				
Building Improvement and Internal System	(3,863,393.55)	-	1,530,589.31	(2,332,804.24)
Kitchen Equipment	(1,397,508.12)	(21,134.07)	483,369.62	(935,272.57)
Office Equipment	(279,674.07)	-	87,286.35	(192,387.72)
Vehicles	(430,819.89)	-	-	(430,819.89)
Total Allowance for Impairment	(5,971,395.63)	(21,134.07)	2,101,245.28	(3,891,284.42)
Net	22,170,708.52			23,452,130.57

Depreciation for the year ended

On December 31,

2010	8,017,600.13
2009	15,902,708.11

For the year ended on December 31, 2010 and 2009, the Company has closed 2 branches equal two periods. In addition, the Company transferred assets in cost value of Baht 0.84 million and Baht 1.87 million respectively, accumulated depreciation in amount of Baht 0.43 million and Baht 1.50 million respectively, allowance for impairment in amount of Baht 0.39 million and Baht 316.75 respectively and book value of Baht 0.02 million and Baht 0.37 million respectively, of branches that closed as non-used asset in operation.

For the year ended on December 31, 2010 and 2009, the Company transferred some non-used assets in operation in cost value of Baht 0.03 million and Baht 0.16 million respectively, accumulated depreciation in amount of Baht 0.01 million and Baht 0.14 million respectively, and book value of Baht 0.02 million equal two years, into assets used for operation.

For the year ended on December 31, 2010 and 2009, the Company's management ordered to approve written off dilapidated deterioration assets for branches as used in operation and branch that closed for operation out of the book value. Such fixed assets constitutes the cost of Baht 14.10 million and Baht 7.91 million respectively, accumulated depreciation in amount of Baht 9.98 million and Baht 4.43 million respectively and allowance for impairment in amount of Baht 1.61 million and Baht 2.14 million respectively. The Company recorded loss from amortization of assets in amount of Baht 2.51 million and Baht 1.34 million respectively, in the statements of income for the year ended on December 31, 2010 and 2009.

As of December 31, 2009, there is some fixed assets under the obligation which is creditors in group 4 in accordance with note No. 15 and 25.2; for example, some internal system, equipment used operation and office equipment in net book value of Baht 0.87 million. In 2010, the Company has proceeded with debt repayment according to entity

rehabilitated plan to such creditors as per note No. 15. Therefore, as of December 31, 2010, such asset does not equip with any obligation commitment.

For the year ended on December 31, 2010 and 2009, the Company constitutes assets which depreciation is fully computed but still in use in cost price of Baht 57.34 million and Baht 34.22 million respectively, which there are book value of Baht 7,466.00 and Baht 8,142.00 respectively.

13. Leasehold Right-Net

Consist of:

	Balance As of December 31, 2009	Purchases / Transfer in	Sales / Transfer out	Balance As of December 31, 2010
	Baht	Baht	Baht	Baht
Cost				
Leasehold Right	237,773,812.03	-	(215,367,812.03)	22,406,000.00
Leasehold Right from Sell and Lease	-	14,249,728.52	-	14,249,728.52
Back				
Total	237,773,812.03	14,249,728.52	(215,367,812.03)	36,655,728.52
Amortization of Leasehold Right				
Leasehold Right	(149,398,328.16)	(692,736.85)	142,128,187.16	(7,962,877.85)
Leasehold Right from Sell and Lease	-	(3,263,355.65)	-	(3,263,355.65)
Back				
Total	(149,398,328.16)	(3,956,092.50)	142,128,187.16	(11,226,233.50)
Allowance for Impairment Leasehold Right	(23,631,997.29)	-	16,985,916.00	(6,646,081.29)
Net	64,743,486.58			18,783,413.73
Amortization for the year ended on December 31,				
2010				3,956,092.50
2009				7,622,413.91

For the year ended on December 31, 2010, The Company has transferred leasehold right in order to repay debt according to entity rehabilitated plan to creditors – finance institutes and

the Company has leasing back whereas there is net book value of leasing that is transferred in amount of Baht 56.25 million. As a result, it derives gain from leasehold right transfer in amount of Baht 38.94 million, loss from leasehold right transfer in amount of Baht 1.92 million and gain from deferred leasehold right transfer in amount of Baht 17.59 million.

As of December 31, 2010 and 2009, the Company has entered into 9 leasehold right contracts and 15 leasehold right contracts respectively, for branches operation with 2 – 30 years period and 14 –30 years period respectively.

As of December 31, 2009, leasehold right partly in cost price of Baht 215.36 million, net book value of Baht 55.24 million, the Company pledged as collateral against loan and bank overdrafts account due to the finance institute which is creditors in group 1 in accordance with note No. 15 and 25.2.

14. Assets Non-Used for Operation-Net

Consist of :

	Balance			Balance
	As of	In the Period		As of
	December 31,	Increased	Decreased	December 31,
	2009			2010
	Baht	Baht	Baht	Baht
Cost				
Kitchen Equipment	1,746,910.09	770,252.00	(127,790.09)	2,389,372.00
Office Equipment	421,550.00	71,670.00	(229,800.00)	263,420.00
Leasehold Right	13,066,936.50	-	-	13,066,936.50
Total Cost	15,235,396.59	841,922.00	(357,590.09)	15,719,728.50
Accumulated Depreciation and				
Amortization of Leasehold Right				
Kitchen Equipment	(1,117,912.19)	(612,698.47)	93,347.61	(1,637,263.05)
Office Equipment	(288,624.99)	(71,754.98)	168,905.09	(191,474.88)
Leasehold Right	(6,577,024.93)	-	-	(6,577,024.93)

Total Accumulated Depreciation				
and	(7,983,562.11)	(684,453.45)	262,252.70	(8,405,762.86)
Amortization of Leasehold Right				
Allowance for Impairment				
Kitchen Equipment	(53,302.71)	(353,890.75)	32,825.93	(374,367.53)
Office Equipment	(33,469.83)	(39,510.30)	9,830.37	(63,149.76)
Leasehold Right	(6,489,911.57)	-	-	(6,489,911.57)
Total Allowance for Impairment	(6,576,684.11)	(393,401.05)	42,656.30	(6,927,428.86)
Net	675,150.37			386,536.78
Depreciation for the year ended on				
December 31,				
2010				254,603.98
2009				-

15. Liabilities under Rehabilitated Plan

For the year ended on December 31, 2010 are as follows:

	Baht
Liabilities under Rehabilitated Plan- Beginning	1,286,192,995.10
<u>Plus</u> Interest Expenses	41,385,508.06
<u>Less</u> Transfer Leasehold Right in Order to Repay Debt According to Entity Rehabilitated Plan	(110,860,000.00)
<u>Less</u> Increased Shares Capital in Order to Repay Debt According to Entity Rehabilitated Plan	(55,684,000.00)
<u>Less</u> Debt Release in Order to Repay Debt finished According to Entity Rehabilitated Plan:	
Principal	(531,424,953.46)
Accrued Interest Expenses	(621,107,379.57)
Liabilities under Rehabilitated Plan-Ending	8,502,170.13

As of December 31, 2010, liabilities under rehabilitated plan are composed of liabilities which separated into creditors group according to note No.25.2 as follows:

Principal	Accrued Interest	Total
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	Baht	Baht	Baht
Group 1	110,250,630.70	117,468,169.42	227,718,800.12
Group 2	296,839,999.99	307,434,092.58	604,274,092.57
Group 3	138,001,918.28	103,470,992.91	241,472,911.19
Group 4	134,308,123.57	83,420,887.34	217,729,010.91
Group 5	17,958,911.63	9,922,606.61	27,881,518.24
Group 6	6,811,828.57	1,690,341.56	8,502,170.13
Total	704,171,412.74	623,407,090.42	1,327,578,503.16
<u>Less</u> Transfer Leasehold Right in Order to Repay Debt According to Entity			
Rehabilitated Plan			(110,860,000.00)
<u>Less</u> Increased Shares Capital in Order to Repay Debt According to Entity			
Rehabilitated Plan			(55,684,000.00)
<u>Less</u> Debt Release in Order to Repay Debt finished According to Entity			
Rehabilitated Plan			(1,152,532,333.03)
Net			8,502,170.13

As of December 31, 2009, liabilities under rehabilitated plan are composed of liabilities which separated into creditors group according to note No.25.2 as follows:

	Principal	Accrued Interest	Total
	Baht	Baht	Baht
Group 1	113,202,371.02	114,692,794.63	227,895,165.65
Group 2	296,839,999.99	274,234,392.86	571,074,392.85
Group 3	147,285,242.97	98,503,180.64	245,788,423.61
Group 4	149,231,248.41	83,420,887.34	232,652,135.75
Group 5	19,954,346.27	9,922,606.61	29,876,952.88
Group 6	6,811,828.57	1,247,720.28	8,059,548.85
Total	733,325,037.23	582,021,582.36	1,315,346,619.59
<u>Less</u> Payment to Liabilities under Rehabilitated Plan			(29,153,624.49)
Net			1,286,192,995.10

The above division of creditors group and debt repayment according to creditors group is complied with term of entity rehabilitated plan which summarized according to note No. 25.3

As of December 31, 2010, the Company has proceeded with debt repayment according to entity rehabilitated plan to creditors as per that mentioned in note No. 25. Moreover, on November 18, 2010, the Central Bankruptcy Court has ordered to cancel entity rehabilitation of the Company since the Company has completely complied with various stages in the entity rehabilitated plan which is leasing right transferring that is surety in order to repay debt, repay debt by paying cash and repay debt by converting debt into capital, etc. As a result, the Company has gain from debt release according to entity rehabilitated plan in amount of Baht 1,152.53 million. It remains liability according to entity rehabilitated plan in amount of Baht 8.50 million which is the 6th group creditor. Moreover, it has accrued interest burden as per rates in the petition to receive debt repayment at the rate of 7.50% per annum. Each creditor in such group will receive principle debt repayment from the fund that the Company receives from the Exxa Insurance Public Co., Ltd. Presently, the Company still has not received fund from such company.

For the year ended on December 31, 2010 and 2009, the Company recognizes accrued interest according to rates in the petition of debt repayment receipt while there are interest rates of 7.50 – 25.00% per annum. According to the petition of debt repayment receipt, it specifies that interest is computed from the date next from the date that the Court adjudicates to rehabilitate entity until it will completely receive repayment.

For the year ended on December 31, 2009, the Company records revenue from debt reduction of liabilities according to petition of debt repayment receipt which the property custodian has ordered the finality in amount of Baht 1.33 million.

16. Liabilities under Financial Lease - Net

Consist of :

	As of December 31, 2010
	Baht
Liabilities under financial lease	13,961,936.19
<u>Less Amortization for Interest</u>	<u>(3,392,889.18)</u>

Net	10,569,047.01
<u>Less</u> Current portion liabilities under financial lease	(2,538,078.51)
Net	8,030,968.50

Amount of beginning paid liabilities under financial lease as follows:

	As of December 31, 2010 Baht
Not over 1 year	3,094,099.29
Over 1 year but not over 5 years	4,147,225.70
Over 5 year	6,720,611.20
Total	13,961,936.19

As of December 31, 2010, liability under financial lease contract is leased contract that derives from leasehold right in building transfer in order to repay debt according to entity rehabilitated plan and the Company has leasing back equivalent to outstanding life of leasehold right that is transferred for debt repayment.

17. Short-Term Loans from Other Persons

As of December 31, 2010, the whole amount of short-term loans from other persons is borrowing while there is inter-loan contract performance. There is period schedule to repay debt within November 26, 2011. Inter-interest is carried in the rate of 6.00% per annum.

18. Advance Receive Share

As of December 31, 2009, the whole amount of advance receive share is receipt of shares subscription fee from the one investor . On July 30, 2010, the Company receipt the whole amount of advance receive share complete.

19. Gain from Deferred Leasehold Right Transfer

Consist of :

	As of
	December 31, 2010
	Baht
Gain from Deferred Leasehold Right Transfer	17,588,129.04
<u>Less</u> Amortized as revenue in the statements of income	(9,065,152.82)
Gain from Deferred Leasehold Right Transfer - Ending	<u>8,522,976.22</u>

As of December 31, 2010, Gain from Deferred Leasehold Right Transfer has transferred leasehold right in order to repay debt according to entity rehabilitated plan and lease back will gradually recognize as revenue according to life of lease back contract.

20. Share Capital

	Value	For the year ended on		For the year ended on	
		December 31, 2010		December 31, 2009	
	Per Shares	Number of	Amount	Number of	Amount
		Shares		Shares	
	Baht	Shares	Baht	Shares	Baht
Authorized Share Capital:					
- Ordinary Shares of Beginning	5.00	43,399,928	216,999,640.00	52,000,000	260,000,000.00
- Decreased Ordinary Share	5.00	-	-	(46,800,072)	(234,000,360.00)
- Increased Ordinary Shares	5.00	6,000,072	30,000,360.00	38,200,000	191,000,000.00
- Ordinary Shares of Ending	5.00	49,400,000	247,000,000.00	43,399,928	216,999,640.00
Issued and Paid-up Share Capital					
- Ordinary Shares of Beginning	5.00	5,199,928	25,999,640.00	51,999,279	259,996,395.00
- Decreased Ordinary Share	5.00	-	-	(46,799,351)	(233,996,755.00)
- Increased Ordinary Shares	5.00	44,136,800	220,684,000.00	-	-
- Ordinary Shares of Ending	5.00	49,336,728	246,683,640.00	5,199,928	25,999,640.00

For the year ended on December 31, 2010, the Company has proceeded with the steps of entity rehabilitation of entity rehabilitated plan by capital increment in accordance with the order of the Central Bankruptcy Court on January 15, 2009 which there is following steps:

- (1) Increment of issued and paid-up share capital No. 1 in number of 33,000,000 shares at par value of Baht 5.00 per share in format of ordinary shares to joint investors (Private Placement) being amount of Baht 35,000,000.00. As a result, the paid-up registered capital increases to number of 38,199,928 shares, equivalent to value of Baht 190,999,640.00. Moreover, it derives the discount of shares value equivalent to value of Baht 130,000,000.00 while the capital increase has been registered at the Ministry of Commerce since August 27, 2010.
- (2) Increment of issued and paid-up share capital No. 2 in number of 5,200,000 shares at par value of Baht 5.00 per share in order to reserve for conversion of debt into capital to the 3rd group creditor. As a result, the paid-up registered capital increases to number of 43,399,928 shares, equivalent to value of Baht 216,999,640.00 while the capital increase has been registered at the Ministry of Commerce since August 27, 2010.
- (3) Increment of registered capital of the Company in amount of Baht 247,000,000.00 from registered capital in amount of Baht 216,999,640.00 by issuing capital increment ordinary shares not lower than 6,000,072 shares in par value of Baht 5.00 per share in amount of Baht 30,000,360.00 in order to appropriate to various persons while the capital increment has been registered at the Ministry of Commerce since September 8, 2010.
- (4) Increment of issued and paid-up share capital No. 3 in number of 5,936,800 shares at par value of Baht 5.00 per share in order to reserve for conversion of debt into capital to the 2nd group creditor. As a result, the paid-up registered capital increases to number of 49,336,728 shares, equivalent to value of Baht 246,683,640.00 while the capital increase has been registered at the Ministry of Commerce since September 15, 2010.

For the year ended December 31, 2009, the Company has proceeded with the steps of entity rehabilitation of entity rehabilitated plan by capital reduction and capital increment in accordance with the order of the Central Bankruptcy Court on January 15, 2009 which there is following steps:

- (1) Reduction of registered capital that has not yet been repaid in amount of Baht 3,605.00 divided into 721 shares in par value of Baht 5.00 per share to remain the

registered capital of Baht 259,996,395.00, divided into 51,999,279 shares in par value of Baht 5.00 per share in order to remain equivalent to capital that has been repaid while the capital reduction has been registered at the Ministry of Commerce since April 21, 2009.

- (2) Reduction of registered capital and paid-up capital by amount of Baht 233,996,755.00 divided into 46,799,351 shares, in par value of Baht 5.00 per share in order to compensate accumulated loss. As a result, it remains registered capital and paid-up capital in amount of Baht 25,999,640.00, divided into 5,199,928 shares in par value of Baht 5.00 per share while the capital reduction has been registered at the Ministry of Commerce since April 22, 2009.
- (3) Increment of registered capital of the Company to amount of Baht 216,999,640.00 from registered capital in amount of Baht 25,999,640.00 by issuing capital increment ordinary shares not lower than 38,200,000 shares in par value of Baht 5.00 per share in amount of Baht 191,000,000.00 in order to appropriate to various persons while the capital increment has been registered at the Ministry of Commerce since April 23, 2009.
- (4) Reduction of legal reserve in full amount of Baht 17,553,134.07 in order to compensate accumulated loss.
- (5) Reduction of premium on capital in full amount of Baht 172,411,974.00 in order to compensate accumulated loss.

21. Management Benefit Expenses

Management benefit expenses represent the benefits paid to the Company's management and directors such as salaries, related benefit and directors' remuneration, including the benefit paid by other means. The Company's management is the persons who are defined under the Securities and Exchange Act.

22. Corporate Income tax

For the year ended on December 31, 2010 and 2009, the Company calculates corporate income tax at 25%, which complies with royal decree No. 475 to reduce corporate income tax from 30% to 25% of net profit not over Baht 300 million for the 3 consecutively

accounting periods commenced from the first accounting period which commenced within or after January 1, 2008, for the listed companies according to the law of securities and securities market. The Company computed corporate income tax of accounting net profit after adding adjusted transaction in accordance with the Revenue Code which is mainly five year accumulated loss result, depreciation for assets under financial lease agreement etc.

23. Basic Earning (Loss) Per Share

23.1 For the year ended on December 31, 2010, the Company computes basis profit (loss) per share by dividing net profit (loss) by weighted average number of ordinary shares as follows:

Date	Number of Shares issued and paid up	Number of Days	Average number of Shares
Jan 1, 2010 – August 26, 2010	5,199,928	238	1,237,582,864
August 27, 2010 – September 14, 2010	43,399,928	19	824,598,632
September 15, 2010 – December 31, 2010	49,336,728	108	5,328,366,624
	Total	365	7,390,548,120
Net Profit (Loss) (Baht)			1,137,058,991.95
Weighted Average number of ordinary shares(shares)	7,390,548,120/365	=	20,248,077
Basic Profit (Loss) Per Share (Baht)			56.16

23.2 For the year ended on December 31, 2009, the Company computes basic earning (loss) per share by using number of new ordinary shares after the registered capital and paid-up capital have been reduced in order to compensate accumulated loss as per mentioned in note No. 20 from number of 51,999,279 shares to number of 5,199,928 shares.

24. Expenses by Nature

Consist of :

	For the year ended on	
	December 31, 2010	December 31, 2009
	Baht	Baht
Changes in Inventories of Foods and Beverage	(402,013.73)	101,264.91
Purchase Finished Good	116,842,427.41	108,485,912.38
Raw Materials and Consumables Used for Sales and Services	12,169,275.29	12,210,179.23
Employee Benefit Expenses	62,076,724.20	62,676,475.10
Depreciation	8,272,204.11	15,902,708.11
Amortization of Leasehold Right	3,956,092.50	7,622,413.91
Rental and Services Expense	60,013,032.82	46,676,154.34
Utility Expenses	16,129,390.29	15,670,883.29
Transportation and Fuel Expenses	4,472,186.49	3,475,494.78
Other Expenses	23,304,869.88	34,263,653.00
Total	306,834,189.26	307,085,139.05

25. Materiality of Rehabilitated Plan

On June 29, 2007, one creditor filed petition to the Central Bankruptcy Court so as to request the Court to order rehabilitation. In addition, on August 29, 2007, the Central Bankruptcy Court adjudicated the rehabilitation and appointed the Company as the preparer of rehabilitated plan without any objection. Meanwhile, the Company is preparing such plan so as to propose the consent from creditors. The Central Bankruptcy Court constitutes the adjudication to consent with the rehabilitated plan of the Company on October 20, 2008.

Materiality of Rehabilitated Plan

25.1 Step of Rehabilitations

25.1.1 The procedure of finding out joint investor within the period of 150 days commenced from the date the Court adjudicates to consent with the plan.

In case that the Company cannot find out above joint investors and the plan manager selects to transfer assets for debt repayment and/or repay debt as cash to creditors in group 1 within 90 days commenced from the date the period is matured to find out above joint investor. It is noted that the plan

manager proceeds with finding out joint investors within the period of 180 days commenced from the date the period is matured to transfer the assets for debt repayment and/or repay debt as cash so as to bring the fund from capital increment to use in the debt repayment to the outstanding creditors and so as to use as working capital.

25.1.2 Capital structure adjustment

25.1.2.1 The registered capital of the Company.

As of the date the Court adjudicates to rehabilitate the Company, the Company constitutes the registered capital in amount of Baht 260,000,000.00 divided into ordinary shares in number of 52,000,000 shares in par value of Baht 5.00 per share. It is paid-up capital in amount of Baht 259,996,395.00 divided into 51,999,279 shares.

25.1.2.2 Capital Reduction

Within 180 days commenced from the date the Court adjudicated to consent with the plan, the plan manager will proceed with the reduction of premium on share capital, legal reserve and registered capital of the Company so as to bring discrepancy derived from capital reduction to compensate accumulated loss result of the Company according to the following steps:

- (1) To reduce registered capital that has not been paid-up by writing off method of registered shares which cannot be sold or un-issued in amount of Baht 3,605.00 divided into 721 shares in par value of Baht 5.00 per share to remain registered capital of Baht 259,996,395.00 divided into 51,999,279 shares in par value of Baht 5.00 per share.
- (2) To reduce the whole amount of legal reserve in amount of Baht 17,553,134.00.
- (3) To reduce the whole amount of premium on share capital in amount of Baht 172,411,974.00.

- (4) To reduce registered capital and paid-up capital from amount of Baht 259,996,395.00 divided into 51,999,279 shares in par value of Baht 5.00 per share to remain registered capital and paid-up capital of Baht 25,999,640.00 divided into 5,199,928 shares in par value of Baht 5.00 per share.

25.1.2.3 Capital Increment

The plan manager will proceed with registered capital increment of the Company by minimum amount of Baht 216,999,640.00 from registered capital amount of Baht 25,999,640.00 by issuing capital increment ordinary shares by minimum of 38,200,000 shares in par value of Baht 5.00 per share so as to appropriate to various persons according to detail and following steps:

- (1) Within 180 days commenced from the date the Court adjudicated

to consent with the plan, the plan manager will proceed with paid-up capital increment No. 1 in amount not exceeding 33,000,000 shares in form of ordinary shares and / or convertible debenture so as to offer to joint investors (Private Placement) and/or so as to reserve the conversion of convertible debenture in the price the plan manager is the person to determine. Cash received from capital increment will be taken to use in debt repayment to all creditors and so as to use as working capital. As a result, the paid-up registered capital is increased to amount not exceeding 38,200,000 shares equivalent to amount not exceeding Baht 191,000,000.00. Amount derived from above capital increment constitutes detail as follows:

- 1) In case that the plan manager can proceed with finding out joint investors within the period of 180 days commenced from the date the Court adjudicates to consent with such plan that specified in above note No. 25.1.1, the

Company will receive cash from capital increment by minimum amount of Baht 139,000,000.00.

2) In case that it cannot find out above joint investors and the plan manager transfers asset in order to repay debt and/or repays debt in cash to creditors in the 1st group within 90 days commenced from the matured date of period to find out above joint investors, it is noted that the plan manager proceeds with finding joint investors within the period of 180 days commenced from the matured date of period to transfer asset for debt repayment and/or repays debt in cash in order to use money earned from capital increment to repay debt to all outstanding creditors and to further use as working capital. In case that the plan manager can find out joint investors within the period of 180 days commenced from the matured date of period to transfer asset for debt repayment and/or repays debt in cash to creditors in the 1st group as per specified in above No. 25.1.1. The Company will receive cash from capital increment by minimum amount of Baht 35,000,000.00.

(2) Within 60 days commenced from the date of the paid-up capital

increment shares are issued to joint investors, the plan manager will proceed with paid-up capital increment No. 2 in amount not exceeding 5,200,000 shares so as to reserve debt conversion into capital to creditors group 2 in approximate amount of Baht 26,000,000.00 by debt conversion rate of Baht 5.00 per one share. As a result, the paid-up registered capital is increased by amount not exceeding 43,400,000 shares equivalent to value not exceeding Baht 217,000,000.00.

(3) In case that the plan manager can find out the investor within the period of 180 days commend from the maturity date of the

asset transfer for debt repayment and/or debt repayment in cash as per specified above in No. 25.1.1, the plan manager will proceed with the paid-up capital increment No. 3 in number not exceeding 5,940,800 shares in order to reserve for debt conversion into capital for the 2nd creditors group by approximate amount of Baht 29,704,000.00 by the debt conversion rate of Baht 5.00 per one share within 60 days commenced from the date the paid-up capital increased shares have been issued to investors. As a result, the paid-up registered capital is increased to number not exceeding 49,400,000 shares, equivalent to the value not exceeding Baht 247,000,000.00.

- (4) The plan manager can proceed with paid-up capital increment in form of capital increased ordinary shares and / or convertible debenture and / or offering former ordinary shares so as to specifically offer (private placement) and/or offering to general public and/or offering to former shareholders and/or so as to reserve for convertible debentures so as to expand the business of Daidomon in the future. The plan manager constitutes the power in determination of number of shares, prices, period, proportion and detail related to offering according to appropriateness.

25.2 Creditors Grouping

Creditors group 1 Non-security creditors in type of creditors finance institutes in amount of debt that holds the leasehold right which is the main asset of the Company as security are creditors finance institutes that have the leasehold right which is the main asset of Daidomon as security against debt repayment by determining debt amount of each creditor finance institute in this group according to the appraised price of leasehold right which is security against each debt burden. However,

it will receive debt repayment not exceeding debt value of each 1st group creditors.

Creditors group 2 Non-security creditors in type of creditors finance institutes that hold the leasehold right as security in amount of debt that dose not hold leasehold right of the Company are creditors finance institutes that have leasehold right of Daidomon as security in the 1st group that constitutes debt balance in part exceeding from security value of 1st group debt.

Creditors group 3 Non security creditors in type of finance institutes creditor and loan creditors of persons who hold the kindness are creditors finance institutes in debt value according to the contract and various financial instrument including but not limited only the credit line of joint borrowing, loan contract, bill of exchange, promissory note, debt restructuring contract, etc. However, there is no surety and/or other persons and/or other juristic persons as guarantors and creditors normal persons who have provided loan to Daidomon in order to use as working capital in the time that lacks of financial liquidity and lacks of supportive funding resource. It is regarded as creditors who have the support of good deeds to Daidomon.

Creditors group 4 Non-security creditors in type of creditors in leased fee debt value in type of leasing are creditor according to leased contract in type of leasing.

Creditors group 5 Non-security creditors in type of trading creditors are creditors general persons, juristic persons in debt value that constitutes to Daidomon according to the trading contract or various service contract rendered.

Creditors group 6 Non-security creditors in type of creditors from fire are creditors general persons and juristic persons in debt value that derived from fire event at Daidomon, Ma Boon Krong Center Branch.

25.3 Debt repayment according to creditors group

25.3.1 Creditors group 1 will receive debt repayment by method and term as follows:

25.3.1.1 In case that the plan manager can find out investor within 180 days commenced from the date the Court adjudicated to consent with the plan as per specified above in No.25.1.1, the 1st creditors group will receive debt as follows:

Creditors group 1 Each case will receive debt repayment in the rate of 65% of appraised price leased right which is security of debt burden of each creditor as cash within 180 days commenced from the date paid-up capital increased shares are issued to joint investors. Cash received will not exceed debt value of each creditor. While debt repayment will be deducted from the previous principle balance. The remaining cash after the repayment of the whole amount of principle debt is further taken to repay interest of creditors of group 1. However, the amount that has to completely repay will not exceed 65% of appraised price of leased right which is security of debt burden of each creditor.

25.3.1.2 In case that the plan manager cannot proceed with the finding of investors within the period of 180 days commenced from the date the Court adjudicated to consent with the plan, the 1st creditors group will receive debt as follows:

In case that the appraised price of leasehold right which is security of debt burden of creditors constitutes the value lower than debt value amount of creditors, it is noted that the plan manager transfers asset which is security to creditors who hold such assets as securities in order to repay debt in the debt value amount that equivalent to appraised price of leasehold right which is security of debt burden of each creditor within 90 days commenced from the period maturity date of finding the above investors. The assets value that transferred for debt repayment will constitute amount not exceeding debt value of such creditor. However, Daidomon is the person who is responsible for the fee, and custom tax that incurred from the transfer. After the asset transfer for the period of two years,

creditors who received the asset transfer will grant the right to Daidomon to purchase and/or lease back such assets first (Right of First Refusal) under the term as follows:

25.3.1.2.1 In case that the buy-back of leasehold right, the buy-back prices

will be equivalent to the prices that leasehold right transfer plus cost of asset carrying (Carrying Cost) of such creditor deducted by asset leased fee that Daidomon repays to creditors from the date of asset transfer to the date of buy-back asset or equivalent to the price that creditors offer to outside party whichever-price is higher.

25.3.1.2.2 In case that the lease-back of leasehold right, the asset lease-back

fee per month during the period of the first two years commenced from the date of lease-back of leasehold right will be equivalent to appraised price of such leasehold right divided by the outstanding contract lives. The detail of lease-back fee of leasehold right in each branch reflects according to the document annexed to No. 2. After the above period maturity date of two year, the asset lease-back fee is further complied with the rates that are agreed between such creditors and Daidomon.

Furthermore, the plan manager will have to inform such creditors about the decision result within 30 working days after the date the proposal acknowledgement in selling and/or leasing such asset is received. If the plan manager does not wish to exercise right in purchasing and/or leasing back, the creditors will constitute the right that will allow other persons to buy and/or lease assets that received from such transfer without the necessity that will have to grant the right to Daidomon to buy and/or lease first.

In case that the appraised price of the leasehold right which is security of debt burden of creditors constitutes the value higher than debt value amount of creditors, it is noted that the plan manager will repay debt to creditors who have such assets as security in cash in amount equivalent to appraised price of leasehold right which is security of debt burden of creditors but not exceeding debt value amount of such creditor within 90 days commenced from the period maturity date of finding above investors while cash that repaid debt will constitute aggregate amount not exceeding debt value of such creditor.

25.3.1.3 The whole principle debt and remaining interest burden after debt is received

according to No. 25.3.1.1 or 25.3.1.2 throughout debt burden in the fine fee, service fee, surcharge fee and any other expenses that totally accrued which creditors file to receive debt repayment in the rehabilitation and that incurred after the date the Court adjudicates to rehabilitate the Company until the date debt is completely repaid according to the plan. It is noted that debt is immediately released by creditors on the date the creditors group 1 completely receive debt according to the plan in accordance with specified in note No. 25.3.1.1 or 25.3.1.2. In case that the plan manager can proceed with note No. 25.3.1.1, the Company receives the leased right which is security from creditors. Moreover, the transferred contract/ leased right delivery as any security is immediately terminated on the date the creditors group 1 completely receive debt repayment according to No. 25.3.1.1.

25.3.2 Creditors group 2 will receive debt repayment by the following method and term:

25.3.2.1 In case that the plan manager can find out joint investors within 180 days commenced from the date the Court adjudicates to consent with the plan, specified in No. 25.1.1 above, each 2nd creditors group will

receive the principle debt repayment in the rate of 10% of principle debt amount according to No. 25.2 in the part of 2nd creditors group as cash within 180 days commenced from the date the Court adjudicated to consent with the plan.

25.3.2.2 In case that the plan manager can find out investor within 180 days commenced from the period maturity date of asset transfer to repay debt and /or repay debt as cash as per specified in No. 25.1.1 above, each 2nd creditors group will receive principle debt repayment in the rate of 10% of the principle debt amount according to No. 25.2 in the part of 2nd creditors group by converting debt into capital increment ordinary shares of Daidomon in aggregate number not exceeding 5,940,800 shares in the debt conversion rate into capital of Baht 5.00 per one share by the aggregate amount not exceeding Baht 29,704,000.00 within 60 days commenced from the date the paid-up capital increment shares are issued to investors. However, in case of residual of shares in the part below 100 shares derived from computation of shares number that will be appropriated to each creditor, the residual below 100 shares is deleted.

25.3.2.3 The whole remaining principle and interest debt burden after debt is received according to No. 25.3.2.1 or 25.3.2.2 including debt burden in the interest, fine fee, service fee, surcharge fee and any other expense that totally accrued that creditors request the debt repayment receipt in the rehabilitation and derived after the date the Court adjudicates to rehabilitation of the Company until the date debt is completely repaid according to the plan. As a result, debt is immediately released by creditors on the date the creditors group 2 completely receive debt repayment according to such plan specified in No. 25.3.2.1 or 25.3.2.2.

25.3.3 The creditors group 3 will receive debt repayment by method and term as follows:

25.3.3.1 Option in the debt conversion into capital

The 3rd creditors group constitutes the selected right to receive the principle repayment by aggregate amount not exceeding Baht 52,000,000.00 by converting 50% of debt into capital increment ordinary shares of the Company in amount not exceeding 5,200,000 shares in the debt conversion rate of Baht 5.00 capital to one share by aggregate amount not exceeding Baht 26,000,000.00. The creditors who wish to select debt conversion into capital will have to inform the plan manager in literature about the decision result within 15 days commenced from the date the paid-up capital increment shares are issued to the joint investors. Moreover, the plan manager has informed the 3rd creditors group about such capital increment. In addition, the plan manager proceeds with the conversion of debt into capital within 45 days commenced from the period maturity date of above acknowledgement of decision result. The number of shares appropriated to each creditor will be computed according to proportion of principle debt of creditors who selected to receive debt repayment according to such option. Another 50% of the outstanding principle debt value or not exceeding Baht 26,000,000.00 will be released by creditors. However, in case of residual of shares in part of below 100 shares derive from computation of shares appropriated to each creditor, the residual below 100 shares is deleted.

25.3.3.2 Debt repayment in cash.

Each 3rd creditors group will receive principle debt repayment in the rate of 10% of principle debt amount in cash within 180 days commenced from the date the Court adjudicates to consent with the plan. The cash amount that will be repayable to each creditor will be computed in accordance with the proportion of principle debt of each creditor. However, the net cash amount that will be repayable to creditors who selected to receive debt repayment by conversion of debt into capital will be equal to 10% of principle debt value after deduction

of debt value amount converted into capital and debt already released from the conversion of debt into capital.

25.3.3.3 The whole outstanding principle debt burden after the creditors receive debt repayment according to No. 25.3.3.1 and 25.3.3.2 including debt burden in part of interest, fine fee, service fee, surcharge fee and any other expense that totally accrued which creditors request to receive debt repayment in the rehabilitation and derived after the date the Court adjudicates to rehabilitation of the Company until the date debt is completely repayable according to the plan, it is regarded that debt is immediately released by creditors on the date the creditors group 3 completely receive debt repayment according to the plan as per specified in No. 25.3.3.1 and 25.3.3.2.

25.3.4 The creditors group 4 will receive debt repayment by method and terms as follows:

25.3.4.1 Each creditors group 4 will receive principle debt repayment in the rate of 10% of principle debt amount as cash within 180 days commenced from the date the Court adjudicated to consent with the plan.

25.3.4.2 The whole outstanding principle debt burden after the creditors receive debt repayment according to No. 25.3.4.1 including debt burden in part of interest, fine fee, service fee, surcharge fee and any other expense that totally accrued which creditors request to receive debt repayment in the rehabilitation and derived after the date the Court adjudicates to rehabilitation of the Company until the date debt is completely repayable according to the plan, it is regarded that debt is immediately released by creditors on the date the creditors group 4 completely receive debt repayment according to the plan as per specified in No. 25.3.4.1.

25.3.4.3 In case that any 4th creditors group requests to receive debt repayment including outstanding leased asset value after such creditor receives principle debt repayment according to No.

25.3.4.1, it is regarded that ownership of leased asset belonged to such the Company.

25.3.4.4 In case that any 4th creditors group requests to receive debt repayment excluding outstanding leased asset value after such creditor receives principle debt repayment according to No. 25.3.4.1, it is regarded that ownership of leased asset still belonged to such creditor.

25.3.5 The creditors group 5 will receive debt repayment by method and terms as follows:

25.3.5.1 Each creditors group 5 will receive principle debt repayment in the rate of 10% of principle debt amount as cash within 180 days commenced from the date the Court adjudicated to consent with the plan.

25.3.5.2 The whole outstanding principle debt burden after the creditors receive debt repayment according to note No. 25.3.5.1 including debt burden in part of interest, fine fee, service fee, surcharge fee and any other expense that totally accrued that the creditors request to receive debt repayment in the rehabilitation and derived after the date the Court adjudicates to rehabilitation of the Company until the date debt is completely repayable according to the plan. It is regarded that debt is immediately released by creditors on the date the creditors group 5 completely receive debt repayment according to the plan as per specified in No. 25.3.5.1.

25.3.6 The creditors group 6 will receive debt repayment by method and terms as follows:

25.3.6.1 In case that the custodian officer constitutes the order that the Company is the person responsible for the fire event occurred, each 6th creditors group will receive principle debt from the fund the Company received from Exxa Insurance Public Company Limited in aggregate amount not exceeding Baht 5 million within 60 days commenced from the date the custodian officer constitutes

such order. However, after the date the Court adjudicates to consent with the plan and Exxa Insurance Public Co., Ltd. consents to repay debt to the Company, the amount of fund that will be appropriated to each creditor will be computed according to proportion of principle debt of each creditor.

25.3.6.2 The whole outstanding principle debt burden after the creditors receive debt repayment according to note No. 25.3.6.1 including debt burden in part of interest, fine fee, service fee, surcharge fee and any other expense that totally accrued that the creditors request to receive debt repayment in the rehabilitation and derived after the date the Court adjudicates to rehabilitation of the Company until the date debt is completely repayable according to the plan. It is regarded that debt is immediately released by creditors on the date the creditors group 6 completely receive debt repayment according to the plan as per specified in No. 25.3.6.1.

25.3.7 In case that the fund received from the joint investor constitutes amount more than Baht 139,000,000.00 the plan manager will appropriate the portion exceeding Baht 139,000,000.00 received to each creditor within 180 days commenced from the date the Court adjudicates to consent with the plan. The surplus of the amount of fund that will be appropriated to each creditor will be further computed according to proportion of principle debt of each creditor. However, the aggregated amount that repaid to creditors will not exceed debt value of each creditor.

25.4 Guidance of problem solving in case of temporary shortage of fund during the plan compliance

In case that the Company temporarily lacks of liquidity, the plan manager can proceed with any debt creation or finding out additional financial resource or

borrowing according to appropriateness in amount not exceeding Baht 5 million and can pledge assets of the Company as collateral against debt creating, additionally financial source finding or such borrowing.

25.5 Period in the operation according to the plan and successful result of the plan

25.5.1 Determination of period in operation according to the plan

The rehabilitated plan constitutes the period of operation of 5 years commenced from the date the Court adjudicates to consent with the plan. In case that the operation according to the plan still has not been successful according to No. 25.5.2 of the plan within the period of 5 years, the plan manager can proceed with rectification of the plan by requesting to extend the period of operation according to the plan in accordance with the criteria and method determined in the Bankruptcy Act.

25.5.2 The result of the plan.

During the period determination in the operation according to the plan, if there is the following event completely incurred, it is regarded that rehabilitation has been successfully operated according to the plan.

25.5.2.1 The Company by the plan manager has proceeded with registration of capital increment and capital reduction. Moreover, the Company receives capital increased shares subscription fee and /or repays convertible debentures subscription fee from joint investors according to the term in No. 25.1.2.2, No. 25.1.2.3(1) and No. 25.1.2.3(2) of the plan.

25.5.2.2 The plan manager has already proceeded with the method and terms that determined in No. 25.3.1 to No. 25.3.5 of the plan.

25.6 Progress in performance according to the entity rehabilitated plan.

25.6.1 During the year ended on December 31, 2009, the plan manager has proceeded with the entity rehabilitated plan as follows:

25.6.1.1 The plan manager has proceeded with the capital restructuring of the Company by reducing capital in order to compensate accumulated loss and increasing capital in order to reserve for debt conversion into capital and

offering to joint investors according to entity rehabilitated plan as per mentioned in the note No. 20.

25.6.1.2 The Company has fully repaid debt according to one the 1st creditors group in accordance with petition of debt repayment receipt while the Company has repaid as cashier cheque which there is fully repayment according to cheque in the period.

25.6.1.3 The Company has repaid debt according to every 3rd creditors group in part that belonged to specific creditor who has notified the purpose to receive repayment in cash, 4th group and 5th group creditors in accordance with the term of entity rehabilitated plan while debt is repayable in cash from principle debt in the rate of 10% which mentioned in note No. 25.3.3, 25.3.4 and 25.3.5. The Company has repaid debt in posted date cheques which there is fully repayment according to cheque in the period.

25.6.2 During the year ended on December 31, 2010, the plan manager has proceeded with the entity rehabilitated plan as follows:

25.6.2.1 The plan manager has proceeded with leasehold right transfer in number of 13 branches to the 1st creditors group in note No. 16 and lease back whole branches.

25.6.2.2 The plan manager has proceeded with the capital restructuring of the Company by increase capital to joint investors and in order to reserve for conversion of debt into capital in note No. 20.

25.6.2.3 The plan manager has completely proceeded with term in No. 25.1.2.2, No. 25.1.2.3(1), No.25.2.3(2) and No.25.3.1 to No. 25.3.5 of the plan. On November 18, 2010, the Central Bankruptcy Court has ordered to cancel entity rehabilitation of the Company since the Company completely has complied with the plan. As a result, the Company has gain from debt release according to entity rehabilitated plan from the record of writing off principle debt and accrued

interest payable burden which the Company has recognized in the statements of income in amount of Baht 1,152.53 million.

26. Presentation of Financial Data Segregated

The Company is engaged in single business of food and beverage in one geographical area, Thailand. Therefore, these financial statements do not present financial information by segment.

27. Disclosure of Financial Instruments

27.1 Risk Management

The Company has no policy to use the financial instrument for risk management, hedging or trading of financial instruments.

27.2 Interest Rate Risk

Risk from interest rates is derived from fluctuation of market in interest rates in the future which will affect upon result of operation and cash flow of the Company. The Company constitutes risk from interest rates since the Company constitutes loan from directors and other persons. Moreover, interest of loan from finance institute is repayable both in the fixed rate and fluctuated according to the market rates. However, the whole Company's loan as of December 31, 2009 is defaulted debt and interest is repayable in the defaulted rate which is higher than the normal rate. The Company had assets and liabilities which it may have risk on interest rate as follows:

	As of December 31,		As of December 31,	
	2010	2009	2010	2009
	<u>Million Baht</u>	<u>Million Baht</u>	<u>%</u>	<u>%</u>
Saving Deposit	4.13	0.80	0.25-0.50	0.07
Short-Term Loans from Related Persons	5.00	5.00	6.00	6.00
Short-Term Loans from Other Persons	10.00	-	6.00	-
Liabilities under Rehabilitated Plan	8.50	1,286.19	7.50	7.50 – 25.00

27.3 Currency Risk

The Company does not materially constitute risk from exchange rates since most of the Company's operation and activities are domestic operation.

27.4 Credit Risk

Risk from credit provision is derived from counter party cannot nor wish to comply with agreement given to the Company. The Company does not materially constitute risk from credit provision since the Company constantly carries the financial status assessment of account receivable. The uncollectible debt from general accounts receivable, the company reviewed and recorded the allowance from doubtful debts

27.5 Fair value of financial instruments

- Cash and cash equivalent, trading accounts receivable and account payable, other debtor and creditor

Book value of above asset constitute amount closed to fair value since such transaction constitutes status as cash or will be received / repaid as cash in the short period.

- Investment in shares capital in other company

Fair value of investment in shares capital in associated company cannot be found without any expense repayment which is over necessary since the Company does not constitute information of market price of other investment that hold the similar attribute as of such investment.

- Loans and liabilities under rehabilitated plan

Loan and liabilities under rehabilitate plan cannot be computed fair value appropriate. However, For loans as of December 31, 2010, have an interest rate at nearby the rate in the market rate. The Company believes that book values of assets and liabilities do not significantly differ from their fair values.

28. Contingent Liabilities and Obligation

- 28.1 As of December 31, 2010 and 2009, the Company constitutes obligation commitment from the request to one domestic banks issuing letter of guarantee against the use of

electricity and the use of electric equipment to one government sector including compliance with the leased contract to several private companies by aggregate amount of Baht 0.83 million equal two periods.

28.2 As of December 31, 2010 and 2009, the Company constitutes the contract of office building lease and service of other convenient utility in several versions in the contract life from 2 years to 30 years and 3 years to 30 years respectively. The leased contract constitutes the differently terminated life until July 15, 2026, while the Company constitutes obligation commitment that has to repay leased fee according to various leased contract as follows:

	As of December 31, 2010	As of December 31, 2009
	Baht	Baht
Within 1 year	22,553,256.04	15,377,428.04
Over 1 year not exceed 5 years	12,494,377.00	22,614,202.58
Over 5 years	8,327,463.67	23,125,176.65
Total	<u>43,375,096.71</u>	<u>61,116,807.27</u>

28.3 As of December 31, 2010 and 2009, the Company constitutes several vehicle leased contracts in the contract life of 4 years. The leased contract constitutes the terminated life differently until July 16, 2012, while the Company constitutes obligation commitment that has to repay leased fee according to various leased contract in amount of Baht 0.73 million and Baht 1.69 million respectively.

29. Prosecuted Cases

As of December 31, 2009, the Company is prosecuted as defendant in several civil cases in the charge of loan contract default, contract of financial lease and contract of guarantee, carried the prosecuted asset amount of Baht 647.09 million to equal two periods with interest in the rate of various percentage from accrued principle. Presently, given such case, the Court orders to temporarily discharge the case since the Company is under entity rehabilitation and in some cases,

the plaintiff have withdrawn prosecution in order to file petition to request for debt repayment according to entity rehabilitated plan in accordance with note No. 25. However, on November 18, 2010, the Central Bankruptcy Court has ordered to cancel entity rehabilitation of the Company since the Company has completely. It remains liability according to entity rehabilitated plan which is the 6th group creditor. Each creditor in such group will receive principle debt repayment from the fund that the Company receives from the Exxa Insurance Public Co., Ltd. Presently, On custodian officer process by execution office and It still has not reached finality of prosecuted cases from such 6th group creditor.

30. Subsequent Event

In accordance with the minute of the Company's board of directors meeting No. 1/2011 on January 4, 2011, it unanimously resolves to fully sell ordinary shares of the Daiso Sungyo (Thailand) Co., Ltd., as per mentioned in note No.11 in aggregated value of Baht 32,171,997.13 to any person who does not relate to the Company, main shareholders, directors and the Company's management. Presently, the Company is under proceeding.

31. Capital Management

The primary objectives of the Company's capital management are to maintain their abilities to continue as a going concern and to maintain an appropriate capital structure.

As of December 31, 2010 and 2009, debt to equity ratio in the financial statements are 21.87 : 1 and (1.11) : 1 respectively.

32. Approval of the Finaicial Statements

The financial statements have been approved to issue by the authorized directors of Company on February 25, 2011.