

ANNUAL REPORT

2018

JCK
HOSPITALITY





วิสัยทัศน์ Vision

Continuous Improvement

พัฒนาองค์กรอย่างต่อเนื่อง



พันธกิจ Mission

6 Missions Toward Continuous Improvement

6 พันธกิจเพื่อกำหนดการพัฒนาองค์กรอย่างต่อเนื่อง

- 01 Ownership รับผิดชอบ
- 02 Focus มุ่งเน้นความสำเร็จ
- 03 Productive ประสิทธิภาพ
- 04 Dedication อุทิศและเพียรพยายาม
- 05 Team work การทำงานเป็นทีม
- 06 Integrity and trust ความซื่อสัตย์และไว้วางใจ



Core Values
ค่านิยมขององค์กร



Credible
น่าเชื่อถือและไว้วางใจ



Creative
ความคิดสร้างสรรค์



Caring
ความห่วงใย



Courage
มีกำลังใจและความกล้าหาญ



Customer Focus
มุ่งเน้นที่ลูกค้า



Change
กล้าที่จะเปลี่ยนแปลง

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Message from the Chairman

Dear Shareholders

In the year 2018, the Company has faced the challenges from both the slowdown in economy and also the increase in competition of restaurant and beverage market, especially the restaurants in style of buffet of suki, shabu and grilled food. Besides the expansion of both small and large entrepreneurs, each of them has used various marketing strategies in order to attract customers and to increase its market share such as special discount promotion to draw both existing and new customers, offer various menus of food and new brands of restaurants to offer additional choices for the consumers.

According to the economic slowdown in 2018 which had impact in decreasing Consumer Confidence Index and the purchasing power and also the expansion of new and old restaurant business operators resulting in a higher competition in this business, the Company, therefore, has to use various strategies to maintain its existing customer base while building up a new customer base. The Company has adjusted the corporate image starting from changing the name of the Company to cover the wide range of restaurant services, adjusting the existing brand image of the restaurant, creating new menu to match with the festivals and times, setting up promotion program to boost the sale, improving the services, presenting new brand of food to expand new customer base that has purchasing powers for Chinese and Italian food in A La Carte style, managing resources to be more effective as well as administering expenses and cost of production.

The significant development of the Company in the year 2018 can be summarized as follow:

- Change the name of the Company from “Hot Pot PCL.” to “JCK Hospitality PCL.” to convey the message to consumers and investors to understand the new image of the Company that it is not just focusing on shabu, suki operation on the type of buffet only, but providing various types and styles of menu with our expertise in the long-term service business which will be used in our Company’s new brand restaurants.
- Opening new brand restaurant which is Chinese Dim sum, Hong Kong style named “Zheng Dou” in 3 branches, located at Int-intersect shopping mall, Homepro Rama 3 and at the Iconsiam Bangkok Shopping mall. The Company also has Italian restaurant under brand “Signor Sassi” which is a very famous and well-known in Great Britain located at Siam Paragon Shopping Mall.
- The Company also seeks for opportunity to open the new brand restaurants in order to expand its investment and risk, to respond the need of different target groups and to expand its business to premium market which has high purchasing power. These also include the improvement of existing brand in order to upgrade its image by means of offering the food that are high quality, good taste and improving better service standard.
- The Company emphasizes on administration and management within the organization and the branch restaurant, controlling on the production and the products supplied from the factory or the central kitchen, resources management which includes human resources or other utensil assets, to control the cost of food to be appropriate while still maintain the quality and variety of menu that meet the requirement of customers and trends. The Company also considers closing of the branches that the sales are not balance with the expenses in order to reduce its losses.

In the year 2019, the Company foresees that it will expand the business continuously as a result of the recovery of the domestic economy and the tourist market which expected to increase especially the tourists from China which are the customers who have high purchasing power and in favor of the food in style of shabu, suki and grilled food. In addition, the support from the government sector in promoting the investment and injection of fund into the economic system continuously has helped increasing of the population's revenue and hence resulting in

recovery of domestic consumption and boosting the purchasing power of the consumers. All of these are positive factors to the restaurant business. However, the Company is still taking care in cost management, the services including adjusting business strategy to be in line with the economic situation promptly.

On behalf of the Company's Board of Directors, I would like to thank all the directors, executives, and all staffs who have dedicated their strength, spirit and wisdom to perform their duties with all their capabilities to help the Company to have better operating results consecutively. In addition, I would like to thank all shareholders, customers, business partners, financial institutions, business alliances and all stakeholders for providing supports and stand alongside with the Company through the past year. Finally, I would like to give my words that the Company will stand firm and continuously develop in order to create a sustainable business base and to accelerate the development of business to continuously grow in the future while adhering to the principles of good corporate governance.



A handwritten signature in black ink, reading "Dr. Apichai Taechaubol". The signature is fluid and cursive, written on a white background.

Dr. Apichai Taechaubol
Chairman

Report from the Audit Committee

In 2018, JCK Hospitality Public Company Limited complied with the following requirements set by the Stock Exchange of Thailand and as entrusted by the Board of Directors. Details are:

1. The Audit Committee convened 4 times in 2018. The meeting was attended by all members of the Audit Committee. The auditor meanwhile attended the Audit Committee meeting at least once a year.

2. The Audit Committee reviewed and approved the 2018 auditing plan of the Internal Audit Department where it focused at strengthening the internal control system, reinforcing adequate auditing in required areas and reporting results of such internal control to the Audit Committee on a regular basis. Having reviewed and assessed the Internal Audit Department's operation in 2018, the Audit Committee had an opinion that the internal control system was efficient enough to control and supervise the operation of the Company and no material defect was found.

3. Both quarterly and annual financial statements of the Company were reviewed to provide full and accurate financial information based on the generally-accepted accounting principles in a timely fashion as well as a true reflection of the Company's financial status before they were submitted to the Board of Directors.

4. The Audit Committee reviewed an evaluation form of the adequacy of the Company's internal control system to ensure that it had an appropriate and adequate internal control system to supervise operation based on its business objectives.

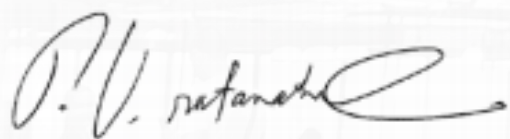
5. The Audit Committee reviewed risk management procedures by taking into consideration a risk management policy and a risk management plan and guideline based on prevailing corporate risks. It also regularly reviewed the efficiency and suitability of the Company's risk management system.

6. The Company was requested to be compliant with corporate governance on the basis of the Stock Exchange of Thailand's guidelines and to develop its CG practice to match the international standards.

7. The Audit Committee reviewed the Company's compliance with the laws and the authorities' rules and regulations.

8. The Audit Committee reviewed connected transactions and items that could cause conflict of interest as well as ensured that the information was accurately and completely disclosed.

9. The Audit Committee appointed an auditor and set his remuneration before submitting the information to the Board of Directors for proposing to the Shareholders' Meeting for its approval.



(Mr. Prasong Wararatanakul)
Chairman of the Audit Committee
February 28, 2019

1. Business Overview

JCK Hospitality Public Company Limited (the “Company”) operates in the restaurant business covering Suki and Shabu served with our traditional dipping sauce style of Hot Pot, Japanese style grill and shabu, steak & fusion, Italian and Chinese food restaurants. Most of the Company’s restaurants are buffet style but there are a la carte restaurants as well as casual dining restaurants, consisting of Suki Shabu buffet restaurants offering the concept of “all-you-can-eat” under the brand “Hot Pot Inter Buffet”. The Japanese style Grill and Shabu restaurants are under the brand “Daidomon”. Suki Shabu a la carte restaurants serving roasted duck and superb “authentic recipe” traditional dipping sauce under the brand “Hot Pot Suki Shabu”, casual dining restaurants serving steaks and fusion dishes under the brand “Signature”, and “Toomato Italian Kitchen” serves casual Italian food using selecting premium ingredients, “Soupper Pot” brand offers premium shabu and sushi experience, “Signor Sassi” brand serves a la carte high end Italian food and our latest brand is “Zheng Dou” restaurant serves Hong Kong style dim sum and Chinese food.

In 2018, the Company operated restaurants under 8 brands as follows;





Hot Pot Inter Buffet

The international buffet restaurants serve Suki Shabu and wide variety of international food over 100 menus plus desserts, ice cream and soft drinks at the price of Baht 379 per person to let the customers enjoy the meal unlimited within 1 hour and 30 minutes under all-you-can-eat concept. In some branches customers can add a roaster to have both boiling pot and grill roaster at their table with additional charge of Baht 40 per person.





Hot Pot Suki Shabu

The restaurants offer A La Carte (ordering meal from the menu) Suki Shabu, roast duck and superb “authentic recipe” dipping sauce before changing almost all of restaurants to buffet style.





Daidomon

Japanese grilled buffet restaurants that are popular among locals for a long time with special marinated sauce and unique taste of dipping sauce which is perfectly matched with fresh ingredients, allowing customers to choose and enjoy the meal unlimited within 1 hour 30 minutes at Baht 379 per person (including soft drinks).



Signature

The casual dining restaurants that the meals offer the A La Carte style (ordering meal from the menu), serving wide selection of dishes such as steaks, fusion dishes including salads, spaghetti, snacks, drinks and desserts at a price that everyone can afford.





toomato
italian kitchen



Toomato Italian Kitchen

A delicious experience of Italian dishes range from traditional pizzas and pastas with premium imported ingredients including excellent cheese, tomato and olive oil selected directly from Napoli, Italy.

LIKE YOU'VE NEVER TASTED BEFORE
FRESH MADE. GREAT TASTE.

We serve fresh, wholesome and authentic
Italian fare and juices.



**TASTE OF
ITALY**



toomato
italian kitchen



Soupper Pot

Offer premium A La Carte style shabu and Sushi experience which include 9 different signature soups and 9 sauces for the customers to choose from. All items are priced individually and the customers can select their favorite shabu food items. All the sushi and sashimi selection is freshly made by chef on order.





Zheng Dou

The restaurants offer A La Carte Hong Kong Dim Sum and traditional Chinese dishes, all freshly prepared to order. This casual dining concept offers great value for money experience and is becoming a popular destination.



Signor Sassi
RISTORANTE ITALIANO

Signor Sassi

Signor Sassi is part of the Italian family-owned San Carlo Restaurant Group, one of the most successful Italian restaurant operators in the United Kingdom. This branch in Bangkok is the first Signor Sassi in Asia and serves the same, high quality produce and genuine, Italian ingredients are used in all Signor Sassi restaurants. With the high class service and delicious authentic Italian dishes, our discerning guests will surely have a great dining experience.



In addition, the Company has granted franchisees the use of Hot Pot Inter Buffet service mark for a restaurant operator located in the Lao People's Democratic Republic, which has opened on June 6, 2016

As of December 31, 2018, the Company operated 97 restaurants comprising: 84 branches of Hot Pot (55 branches of Hot Pot Inter Buffet, 27 branches of Hot Pot Inter Suki plus Grill and 2 branches of Hot Pot Suki Shabu), 5 branches of Daidomon, 3 branches of Signature, 1 branch of "Toomato Italian Kitchen", 1 branch of Signor Sassi and 3 branches of Zheng Dou.

Mostly, over 90% of our restaurants are buffet restaurants serving meal on a food bar which are located in Bangkok, vicinity and upcountry covering all parts of the country consisting of 42 branches in Bangkok and vicinity, 3 branches in the central region, 16 branches in the north, 13 branches in the east, 17 branches in the north eastern, 2 branches in the west and 3 branches in the south. Those branches are located in the department stores, modern-trade stores, shopping centers in order to facilitate the access of the targeted customers.

Our main customers are teenagers, students, workers, and families who have fast-style living, freedom, prefer eating out in a group and focusing on the value of money. Customers can freely select the dishes they wish to consume from the wide varieties of buffet line. By introducing new a la carte brands Zheng Dou and Signor Sassi, the company aims to target middle to high end customers with more spending power.

Our factory or central kitchen is located at Lamlukka District, Pathumthani Province on the area of 13-0-96 rai. The factory has been inspected and certified for production with quality standard in food industry such as GMP (Good Manufacturing Practice) and HACCP (Hazard Analysis and Critical Control Points) from Intertek Industry and Certification Services (Thailand) Ltd. The factory or central kitchen's functions are raw materials procurement, semi-finished food production such as different types of meat balls, stuffed squids, and seasoning pork especially the sauces which are the major seasoning of Suki Shabu for delivering to all branch restaurants. The quality of foods and raw materials, flavors of food and sauces have been controlled to have the same standard at all branches. New dishes, recipes and several semi-finished foods have been developed in order to be prepared easily by branches and have the same standard quality.

The Company has logistic system to deliver raw materials and foods from factory or central kitchen to restaurant branches across the country by its own transport vehicles allowing the Company to control the food quality, freshness, time and cost effectively. The factory also supplies kitchen appliances and utensils in restaurant of all branches for the standardization and identity. In 2018 the Company had to use an outsource company to help with the delivery from the factory to some branches.

In addition, the factory or central kitchen is also the storage facility for preserving both fresh and dried raw materials, semi-finished foods, ingredients, kitchen appliances and utensils in restaurant etc. with adequate preparation and reservation plan to meet the requirement of each branch.

The Company controls quality and standard of services in every branch. All restaurant staffs

will be trained regularly as they are considered as critical factor to deliver successful customer services which is satisfying and maintaining good relationship with our customers to keep them coming back to our restaurants.

Business Goal in next 3 - 5 years

The Company has changed its goal from maintaining its leading position in the buffet restaurants to being the leader in restaurant business because the Company has found opportunity to expand additional restaurant brand other than buffet restaurant brand. The new goal will create variety and differentiation to respond our customers' needs in a much greater, spot a gap in the market as well as create new alternatives for our customers or consumers. As a result, the Company can expand our customers' base and new target groups.

The Company has implemented business expansion strategies as follows:

1. Branch expansion:

The Company will be more selectively considered with opening new brands serving different target group of customers. The Company is aiming to expand the Zheng Dou brand as this concept has been performing well since its launch in August 2018.

2. Renovation and/or Rebranding:

consists of renovating Hot Pot outlets to enhance customer experience. The stores serving boiling and grilling styles in the same table will be rebranded as Daidomon. Some Hot Pot stores located in a potential and high purchase power will be developed or changed the serving styles from buffet to A La Carte. To do so, the Company will consider appropriateness of each outlet's location including target groups of customers as well as competition.

3. Franchising :

The Company has planned to expand its branches with new brands, spreading over the country, both in Bangkok and its perimeters, and the upcountry where having fairly high purchase power.

The Company still emphasizes on the original concept of a leader of restaurants, located in department stores, shopping centers, or modern trades. Moreover, the Company has searched for opportunities to expand its restaurant business to neighboring countries in order to diversify risk from depending only on local business.

The Company is aware that the hospitality industry is about people and one of the main focus for this year is to invest in our people by providing the necessary training and support to our staffs to in turn be able to perform to their best of abilities and to groom the potential staffs on their career growth.

2. Nature of Business

Background and Major Changes

JCK Hospitality Public Company Limited has incorporated on January 28, 2004, formerly as Hot Pot Company Limited with initial capital of Baht 16 million, to operate Suki Shabu restaurants managed by Miss Sakuna Baicharoen, a major shareholder, executive, founder and pioneer of the Company since 1995. The business was started from Suki Shabu restaurant cooked to order or A La Carte (ordering food from the menu) and the very first branch was named as “Coca Fresh Suki”, located at East Complex Shopping Mall in Chachoengsao province. The targeted customers were family groups. The 300 square-meter restaurant became very popular and the sole famous Suki restaurant in Chachoengsao province. Later, the Company expanded its branches at the shopping malls in upcountry such as Saraburi, Surin, Buriram, Kamphangphet, and Phitsanulok etc. At that time, branch expansion was operated by establishing other companies to control branch restaurants in each region.

In 2001, the Company changed its restaurant brand from “Coca Fresh Suki” to “Hot Pot Suki Shabu Restaurant”.

In 2004, the Company changed its administrative method by establishing Hot Pot Company Limited to centralize the administration and management of all branch restaurants. In October 2004, the Company increased its registered capital by Baht 40 million to Baht 56 million in order to transfer assets of other branches from their former companies to the new establishing company.

In 2005, the Company altered its strategy by penetrating into Suki restaurant in large department branch through opening international buffet restaurants focusing on Suki Shabu at Central Plaza Rama II which is the first branch in May 2005. The “Hot Pot Inter Buffet” consists of Suki Shabu and international food more than 100 items. Since the fact that none of other Suki restaurant entrepreneur operated this style of restaurants and, as a result, the Company’s business was successful, boosting its sales, gaining better brand recognition and acceptance from our customers. It was a good starting point of our roll-out in big department branches. The Company also significantly changed its strategy on the concept that not only delicious food and good services but also “value for money”. The Company, hence, decided to expand its business into “buffet” or “all-you-can-eat” by gradually adjusted almost all of the a la carte restaurants to be the buffet ones. After modifying to the international buffet restaurants which are different from other competitors, as well as commitment thoroughly ongoing to improve food quality and services, restaurant style and a variety of food, the Company gained good response from the customers.

In 2006, Aureos South East Asia Fund (“Aureos Fund”) and Private Fund of Government Savings Bank managed by ING Asset Management (Thailand) Co., Ltd. (since June 17, 2011 onwards, it has been changed to be Private Fund of Government Savings Bank managed by One Asset Management Limited) entered into joint venture with the Company for financial support.

In February 2007, the Company invested in constructing the factory in total area of 13-0-96 rai, located at 11/1 Bueng Kham Phroi Sub-district, Lam Lukka District, Pathumthani Province as the food production factory and central kitchen for all branches of the Company.

In July 6, 2011, the Company was converted from Company Limited to be Public Company Limited as well as reduced par value from Baht 10 per share to Baht 0.25 per share and increased its registered capital by Baht 15,346,160 from Baht 86,153,840 to Baht 101,500,000 by issuing new ordinary shares of 61,384,640 shares at par value of Baht 0.25 per share.

In December 15, 2011, the Company bought and transferred rights on the restaurant business of Daidomon Group Plc. (“Daidomon”), which is the buffet Japanese style grill restaurant, including the transfer of assets involved in all operations and other assets such as food formulas and sauces, customer bases, members, business partners, employees of Daidomon as well as its trademarks and trade names related to food and restaurant business such as Daidomon, Umami, Yasuki and Mitake to be continuously operated and managed by the Company.

In September 2012, the Company’s increased ordinary shares of 61,384,640 shares were initial public offering (IPO) at par value of Baht 0.25 per share with the objective to use the fund for new branch expansion, branch renovation, loan repayment and working capital. At this time, Aureos Fund also offered to sell its existing ordinary shares to the Company in the amount of 40,600,260 shares or 10% of paid-up capital. All ordinary shares of the Company have been listed in Market for Alternative Investment (MAI) on September 18, 2012.

In 2013, the Company continually expanded new branches. As of December 31, 2013, there were 153 active branches, compared with 138 branches in 2012. The 27 newly opened branches consisting of 23 branches under “Hot Pot” brand and 4 branches under “Daidomon” brand. In 2013, the Company launched new strategy which was additional serving roaster in some Hot Pot branches (extra service charge of Baht 30 per person for serving both boiling pot and roaster). The new strategy was successfully received good feedback from customers and more than 70% of customers order both boiling pots and roasters. As of December 31, 2013, the Company additionally opened 14 branches of Hot Pot with Grill, comprising 9 newly opening branches and 5 rebranding branches.

For Daidomon branches bought from Daidomon Group Plc. (“Daidomon”), the Company renovated almost all of the remaining branches which have not been renovated yet, totaling 10 out of 12 outlets. There were 6 renovated branches which have been additionally served Suki Shabu and 4 branches which have rebranded to Hot Pot with Grill.

In 2014, the Company opened 18 new branchd, consisting of 16 branches of Hot Pot Inter Buffet which 15 out of 16 branches served both boiling and grilling styles, and 2 branches of Suki Shabu with small size. The Company also closed 27 branches which most of them had loss from operating results so that the Company’s overall performance will be regained in the future. Therefore, as of December 31, 2014, the Company had totally 144 active branches.

In order to decrease the confusion in its brands and bring much greater clarity of its brands, the Company renovated all branches of Hot Pot Buffet Value to be modern and then rebranded to Hot Pot Inter Buffet, which were completed in 3rd quarter. Along with that, the Company renovated the only one branch of Hot Pot Ramen Buffet at Central Plaza Rama II and then rebranded to a new brand created by the Company under the name of Signature, opening on December 25, 2014.

In addition, the Company has increased distribution channels of Suki sauce in Tesco Lotus starting on November 2014, onwards.

In 2015, the Company established expansion plan on cautious basis, focusing only outlets located in potential area. The Company has opened 11 new branches, including a branch located in Star Plaza, Sa Kaeo province, which is totally invested by the shopping center. The 5 New branches consist of Hot Pot Inter Buffet which 3 of them serve both boiling and grilling styles and 6 branches of Signature, which 4 branches are newly opened and 2 branches are Hot Pot branches which have large branch size and split area into 2 branches under Hot Pot and Signature Brands.

The Company closed 12 branches which comprising 10 branches due to their loss from operating results and 2 branches which their rental contracts were expired and the Company did not want to renew the contracts. As of December 31, 2015, the Company, hence, had totally 143 active branches.

In 2016, the Company remained carefully opening new branches by primary consideration in potential of shopping center. Capital expenditure for new branches was reduced and assets of closed branches were reused. In addition, some branches were partly invested by the shopping centers. The Company opened totally 8 branches consisting of 2 branches of Hot Pot Inter Buffet (one branch serving both boiling and grilling styles), 5 branches of Signature, and 1 branch of Daidomon. The Company rebranded 7 branches of Hot Pot Inter Buffet which 4 of them were rebranded to Signature, and the rest branches was rebranded to Shabu Suki, Daidomon and Pot Jung accordingly. Meanwhile, the Company closed 10 branches comprising 7 branches which had loss from operating results, 2 branches which the shopping centers did not renew the rental contracts and 1 branch which was closed for renovation by the shopping center. Consequently, as of December 31, 2016, the Company had totally 141 active branches.

The Company had expanded its business to the Lao People's Democratic Republic by franchising of Hot Pot Inter Buffet to a Lao entrepreneur, and the franchised branch was operated on June 6, 2016. Furthermore, the Company had added new distribution channels for Suki sauce through more than 600 outlets of Tesco Lotus Express since June 2016.

In 2016, the Company's structure of shareholding has been changed since Miss Sakuna Baicharoen, Director, Executive and major shareholder of the Company sold her shares in main board (big lot) to Mr. Apichai Taechaubol amounting to 65,900,000 shares (16.23% of total number of shares sold), and to JCK International PCL. (the former name of Thai Factory Development PCL.). amounting to 9,100,000 shares (2.24% of total number of shares sold). As a result, as of December 30, 2016, shareholding of Miss Sakuna Baicharoen reduced from 102,022,000 shares (25.13% of total number of shares sold). As of November 19, 2015, Miss Sakuna Baicharoen remained the outstanding shares of 27,022,000 shares (6.66% of total number of shares sold).

In 2017, the Company found an opportunity to expand its business by launching a new brand category apart from buffet restaurants to vary different kinds of restaurants serving new customer groups as well as fill in the gap of the market of hi spending customers. The Company opened "Toomato Italian Kitchen", casual dining Italian restaurant, selecting premium ingredients directly from Napoli, Italy since November 1, 2017 at G floor, MBK Center.

However, as a policy, the Company had closed 36 branches mainly due to operating losses. As a result, at December 31, 2017, the Company had totally 106 active branches.

In addition, the Company had relocated its headquarters from 350 Ramintra Road, Tha Raeng, Bang Khen, Bangkok 10230, telephone number 0-2943-8448, facsimile number 0-2943-8458 to 18 Soi Sathorn 11 Yaek 9, TFD Building, Yannawa, Bangkok 10120 telephone number 0-2286-9959, facsimile number 0-2286-9960. Moreover, the Company increased its capital by issuing 40,600,000 new ordinary shares offering to the existing shareholders in proportion to the number of shares held by each shareholder (Right Offering) and issuing 40,600,000 new ordinary shares to the private placement. Therefore, as of December 29, 2017, the Company had registered capital of Baht 121,800,000 and paid-up capital of Baht 121,800,000 consisting of 487,200,000 ordinary shares at the par value of Baht 0.25 per share.

In 2018 the Company increased its capital by Baht 73,080,000 from the registered capital of Baht 121,800,000 to be Baht 198,880,000 by issuing 292,320,000 new ordinary shares at par value of Baht 0.25 per share. The Company registered the change of the increase of registered capital with the Department of Business Development, Ministry of Commerce on May 10, 2018. As a result, the Company has 779,520,000 shares at the par value of Baht 0.25 per share. The Company has allocated the ordinary shares by specific purpose for 243,600,000 shares at the par value of Baht 0.25 per share by offering to the existing shareholders (Right Offering) at the ratio of 2 existing shares to 1 new capital increase ordinary share at the offering price of Baht 1.30 per share. As the result, 138,077,672 shares have been exercised at the offering price of Baht 1.30 per share in the amount of Baht 179,500,974. As a result, the total registered and paid-up capital is 625,277,672 shares in the amount of Baht 156,319,418. The Company has registered the change of paid-up capital to Department of Business Development on June 27, 2018. In addition, to allocate the ordinary shares increase by General Mandate for 48,720,000 shares at the par value of Baht 0.25 per share by offering to the existing shareholders by private placement, as at December 31, 2018, the Company has not allocated to private placement. The Company has registered capital at Baht 194,880,000 with paid-up capital of Baht 156,319,418 comprising of 779,520,000 ordinary shares at the par value of Baht 0.25 per share.

The Company's name and the ticker symbol were changed from "HOT POT PUBLIC COMPANY LIMITED" to "JCK HOSPITALITY PUBLIC COMPANY LIMITED" with the Ministry of Commerce on June 27, 2018 and changed the ticker symbol from "HOTPOT" to "JCKH" with effective from May 16, 2018 onwards.

In 2018, the Company closed 14 branches due to their loss from operating results, including the Soupper Pot branch. The Company opened 3 new branches under the brand "Zheng Dou" and acquired the "Signor Sassi" brand with 1 branch. As of December 31, 2018, the Company has totally 97 active branches.

Revenue Structure

Type of Revenue	2016		2017		2018	
	Million Baht	%	Million Baht	%	Million Baht	%
1. Sales Revenues						
(A) From branches						
1) Hot Pot Inter Buffet	1,177.13	56.91%	1,070.97	57.69%	1,042.24	67.48%
2) Hot Pot Inter Buffet with Grill	569.88	27.55%	495.67	28.82%	241.70	15.65%
3) Hot Pot Suki Shabu	18.85	0.91%	17.92	0.97%	15.39	1.00%
4) Daidomon	183.12	8.85%	173.23	9.37%	122.36	7.92%
5) Signature	94.25	4.56%	59.12	3.20%	18.11	1.17%
6) Pot Jung	0.51	0.02%	-	-	-	-
7) Toomato Italian Kitchen	-	-	2.17	0.12%	10.08	0.65%
8) Zheng Dou ^{1/}	-	-	-	-	9.21	0.60%
9) Soupper Pot	-	-	-	-	5.55	0.36%
10) Signor Sassi ^{2/}	-	-	-	-	13.04	0.84%
Total Revenue from Branches	2,043.75	98.80%	1,819.06	98.44%	1,477.68	95.67%
(B) From other sales	10.59	0.51%	14.00	0.78%	14.05	0.91%
Total Revenue from sales of goods	2,054.34	99.31%	1,833.06	99.19%	1,491.73	96.58%
2. Other Incomes ^{3/}	14.17	0.69%	14.82	0.81%	24.44	1.58%
3. Reversal of allowance for impairment of assets	-	-	-	-	28.31	1.84%
Total Revenue	2,068.51	100.00%	1,847.88	100.00%	1,544.48	100.00%

Remark:

^{1/} The Company opened 3 branches of the restaurant branded Zheng Dou at Homepro Rama 3, Int-Intersect and at the Iconsiam. The first branch at Homepro Rama 3 was launched on August 1, 2018.

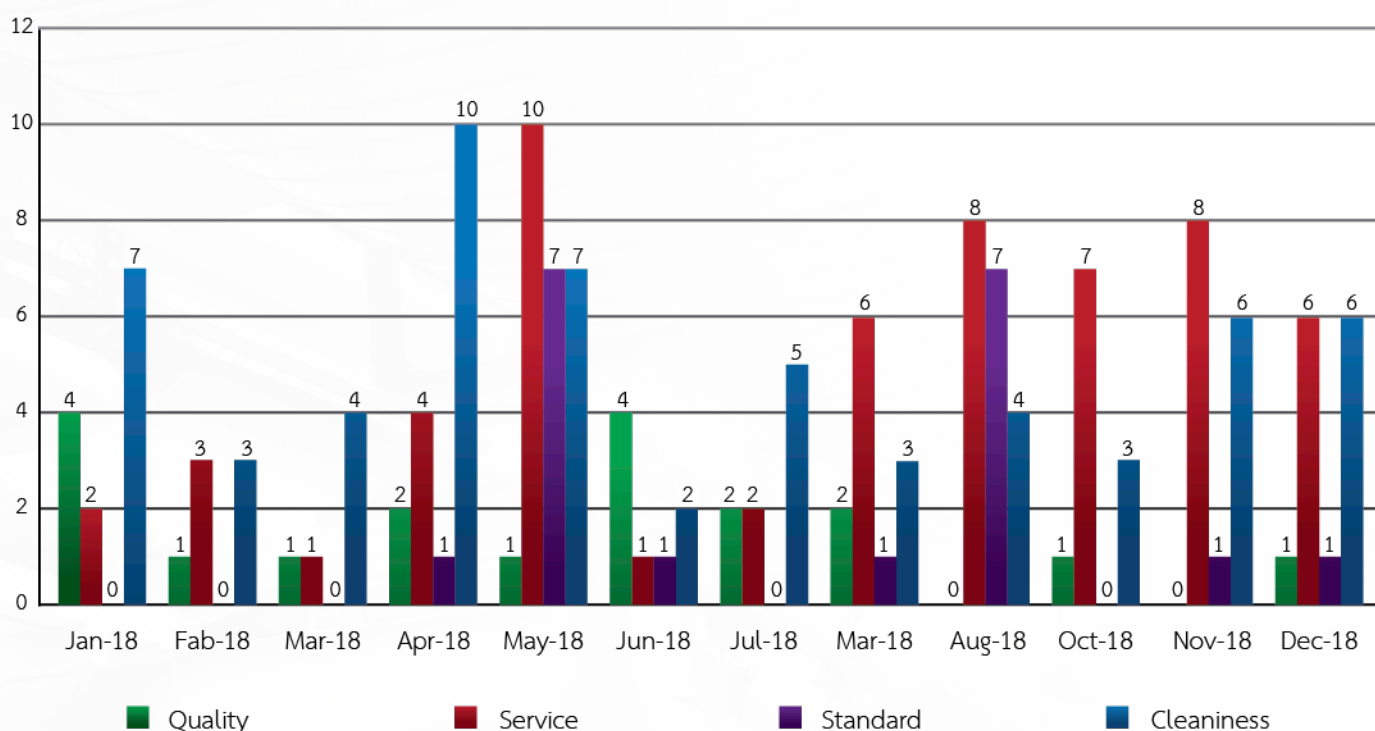
^{2/} The Company opened the restaurant branded Signor Sassi as the 1st branch at Siam Paragon on September 1, 2018.

^{3/} Other incomes mostly came from sales promotion of suppliers and sales of membership cards.

Non-financial Performance Indicators

The Company surveyed customer satisfaction and collected information to improve services through the customer complaints forms available at all branches nationwide. There are 4 categories: 1. Food quality, 2. Services, 3. Standard and 4. Cleanliness. In 2018, customer complaints ratio was less than year 2017 by 59%.

Summary of Customer Complaints by Categories from January - December 2018



2.1 Industry Outlook and Future Competition

1) Competition in the industry over the past year

Restaurant business had experienced ongoing growth, supported by shifting consumer behavior that prefers eating out in line with an increase of national income resulting from economic expansion. In addition, the development and expansion of urban community or urbanization has impact on changing the way of living of people in society. The expansion of shopping centers, community malls and hyper marts provide an important opportunity in expansion of restaurant business, leading to enable to service customers thoroughly and reaching more new groups of customers.

In the third quarter of 2018, the production in hotel and restaurant section was expanded at 6.5% declining from the 9.4% expansion from the second quarter of the same year. The number of tourists at 9.06 million was 1.9% increased which was declined from 8.4% increment from the previous quarter. Due to a decrease of the Chinese tourists at 8.8% (of the 27.0% portion) because of the ship accident drawn in Phuket on July 5, 2018 and a reduction of the Russian tourists at 7.2% (of the 2.0% portion) by the 21st World Cup Football held in Russia during June 14 to July 15, 2018. By that reason, the Russian had declined to travel abroad and other European tourists were headed to Russia as their destination which reflected in the reducing

number of EU tourists by 1.9% (of the 13.1% portion) in the second quarter and by 1.5% in the third quarter. However, the foreign tourists from other regions were still expanding well which described as those from Malaysia were increased by 26.3% (from the 11.7% portion), Hong Kong at 27.5% increased (from the 3.5% portion), those from Japan increased by 8.5% (from the 5.0% portion), Taiwan 19.9% (from the 2.0% portion) and Vietnam was increased by 10.1% (from the 3.3% portion).

As there were several economic stimulating schemes launched from time to time from the government sector and a better adjustment on the household income from the agricultural sector, the Economic and Intelligence Center of Siam Commercial Bank (EIC) assessed that purchasing power of the Thai household was not well adjusted alongside to the foreign purchasing power. Although the spending from the higher income earner would look better as considered from the selling volume of durable assets such as vehicles which was at high increase, the spending from the middle and lower income earners still became stagnant. This could be observed from necessary expenditure for food and beverages which was slowdown due to the decrease of income from the agriculture during the first half of the year. At the same time, income outside the agricultural section was standstill. The EIC opined that the household would be slow in making new spending because the outstanding debt was still in high level together with the new measure controlling the credit card and personal loan pursuant to new income levels.

Because the intensive competition was increased and the consumers were slowdown to do much spending as mentioned above, thus affecting their eating out behavior by spending for essential meals in daily life and for a special occasion or festival only, they turn to select a restaurant that has value for money. Meanwhile, the numbers of restaurant have been continuously increased from the branch expansion by the existing old brands and the new brands of the current restaurant operators as well as those by the new players from local and abroad since they found the opportunities of restaurant business growths. Furthermore, large-sized enterprises in business group related to restaurants such as manufacturers of drink and beverages, finished food products, seasoning, raw materials and others etc., have entered into restaurant business in order to diversify their risk of business operations. Such enterprises could take advantage from their brand reputation, existing customer base as well as their knowledge in business operation to extensively extend into the restaurant business. Moreover, popularity in buying restaurant franchises from local and foreign franchisors has resulted in easy and quick entering into the restaurant business. Consequently, the consumers will have more choices to select various kinds of restaurant services, resulting in ongoing tense competition in restaurant business. The restaurant operators have inevitably competed in promotions, especially price discount promotion to motivate the customers to frequently use their services. At the same time, the restaurant operators have to pay attention on the importance to quality of food and service, and the variety of menus to response to customers' requirement. Various strategies were modified, such as improving the image of restaurant brand, etc. The restaurant operators have also expanded their business in the form of franchise locally and abroad, including invested in foreign countries, especially in Asean region countries.

At present, the Company operates restaurant business which main restaurants are international buffet restaurants serving suki, shabu under the brand of Hot Pot as well as Japanese grill buffet restaurants under the brand of Daidomon. Moreover, A La Carte restaurant under Signature brand serves steak and fusion foods, Toomato Italian Kitchen serves fresh pizzas and pastas. There are some competitors in industry which are similar types and styles of the restaurants as those from the Company although they are not completely the same. The competitors that offer similar styles and types of food are;

- A La Carte Suki restaurant such as MK Restaurant, Coca Suki and Texas Suki
- Suki Shabu buffet restaurant such as Sabushi and Sukishi Buffet
- BBQ restaurant such as BBQ Plaza, Seoul Grill (BBQ & Grill Sukishi) and Miyabi
- Steak restaurant such as Santa F'e Steak and Jeffer Steak
- Pizza and Pasta restaurant such as The Pizza Company and Pizza hut
- Premium Shabu and Sushi such as Bankoku Shabu
- Premium Italian food such as Medidi
- Hong kong style dim sum such as Hong Bao and Chef Man

2. Industrial trend and future competition

The food restaurant business in 2019 is expected to recover and grow due to the overall economic condition that is expected to improve after the economic slowdown during the past several years. Moreover, the Department of Business Development expects the restaurant business in 2019 to recover and grow continuously, especially the restaurants that respond to the city lifestyle in favor of fast, convenient, limited time, but also want to consume good quality products and services as well as online services that is aligned with consumer behavior spending more time on social medias.

The high competition of the restaurant business influenced by both former and new operators together with consumer behavior and lifestyle shifting such as less time eating outside, prefer eating healthy meals and delivery services have caused entrepreneurs to adjust their business strategies to suit the situation including offer promotion to attract customers, improve restaurants to offer new dishes and exotic experiences, health consciousness, and convenience in ordering food through online channels.

Therefore, the restaurant operators need to find strategies to attract customers and seize the market share including adapt strategies to the behavior of consumers, other than launching promotions and Customer Relations Management (CRM) program to boost consumption. The expansion of the restaurant business will be in the form of filling the gap of the market, making a difference, adding new dishes and new lines of products, renovating to new styles to offer more alternative and meet the customers' need which varies as day goes by. As consumer behavior always shifts, the restaurant business in Thailand will become more diverse accordingly.

Marketing Strategy

Whereas competition in restaurant business trends to be more intense, purchasing power remains limited. Consequently, the Company inevitably implemented discount promotion to retain existing customer base and to draw more new customers in order to expand the customer base. However, with more than 20 years of experience and expertise in restaurant business, the Company has developed a business under the concept of creating consumer's recognition by making differentiation from other competitors, offering customer value, varieties and deliciousness to customers, and renovating branches to present modern image. The Company also give importance to new marketing research relating to in-depth studying and customer behaviors and needs' analysis in order to improve and develop products and services responding to customer needs effectively. The research includes customers' perception towards the brand of Hot Pot in order to aware of our brand's strength and weakness. Consequently, the Company is enable to establish efficient strategies for brand management in order to maintain existing customer base, widely expand to new customer bases, attract returning customers, and create sustainable business growth. The Company's marketing strategies are as follows;

1. Offering varieties of food menus with great taste and service at reasonable prices

The quality of food is our main focus. The Company offers over 100 varieties of food menus with excellent taste, particularly the special Hot Pot's Suki sauce and Daidomon's original recipe sauce. The Company implements process of selection and quality control of raw materials, products and production to offer standardized products with fresh and hygienic quality. Thus, the Company established its own food processing factory and central kitchen to control the standardization of raw materials and food quality before delivery to several branches. The Company also implements its own logistic system to distribute raw material and food from the factory or central kitchen to various branches nationwide so that the Company can control quality, freshness, timeliness and cost efficiently. Recently, the Company has launched a new innovation which is the first time "4 flavors hot pot" with the concept of tasteful challenge times by four favors by adding 2 new special flavored of "Japanese Suki soup" with its sweet aroma taste and the "Super soup" flavor with its hot and sour heart-beaten taste coming-out for stimulating and interesting to draw customers to enter the branches.

Moreover, the Company places its importance in providing good service to customers in terms of convenience and safety in the Company restaurants, taking good care of customers, continuously developing branch staffs' customer service quality and skills to reach the highest customer satisfaction with reasonable price.

2. Creating restaurant segmentation for every consumer group

The Company is developing its business under the concept of creating new market segment by developing different styles of restaurant under different brands. This also includes offering a variety dining styles, consisting of Suki-Shabu, Grill or Suki-Shabu and Grill concept within the same restaurants. The Company also operates brand "Signature", which is an A La Carte

restaurant offer steak and fusion food. The Company opened a new restaurant under brand of Toomato Italian Kitchen, Zheng Dou serving Hong Kong style Dim Sum and Chinese food, Soupper Pot brand to serve the premium Shabu and Sushi, and the Company acquired Signor Sassi brand serving premium Italian food. The company recognized and response to the demand of different customer groups in terms of purchasing power, lifestyle and preference. In addition, this is to provide new choices to customer and fill in the gap of the market.

3. Continuously branches expansion to cover different target areas

As of December 31, 2018, there are totaling 97 active branches operated under the brands of “Hot Pot”, “Daidomon”, “Signature”, “Toomato Italian Kitchen”, “Soupper Pot”, “Zheng Dou” and “Signor Sassi” mainly located in large leading department branches, modern trade, community malls or community trade center within Bangkok, Metropolitan Areas and large local department branches in major provinces in order to reach customers easily and widely which will increase sales revenue and expand the customer base.

4. Producing signature dishes and continuously offering new menus

Despite the fact that there is a variety of menu offering, the Company continues to develop and invents new recipes under the unique styles of “Hot Pot” and “Daidomon”. The Company has produced several semi-finished food to serve on food bar with the Company’s special recipes such as green pork balls, Taiwan pork balls, and Hot Pot spring pork, etc. Furthermore, special sauces created by research and development department are customers’ favorites, for example spicy sauce, Chinese steamed dumpling sauce, Saba sauce, and soy sauce for steamed fish. In part of Signature, the Company has developed various menu of steak, fusion foods, appetizers, desserts and beverage. Meanwhile, the Company continuously improves existing products to be more qualified such as clear soup to be more delicious and savory, Suki sauce to be more rich, etc.

The Company has developed and created new recipes as well as innovated of 4 slot pots to the customers continuously. There are a launch of the new recommended menus at least every 3 months in average to create exotic experience to customers. The Company has developed new products such as Japanese suki soup, soupper soup and renovated Sushi line, food bar as well as serving seasonal foods during the festive such as auspicious menu for vegetarian festival etc. Our new brand Zheng Dou has signature dishes such as “snow baked bun” and “turnip cake with XO sauce” as examples.

The Company has also adjusted food menus to be more suitable and responding to the customers’ requirement in addition to adjustment on the food presentation such as food bar area to be capable for placing food beautifully, inviting and better food quality control.

5. Focusing on buffet serving or providing food on food bar

The Company serves or places varieties of food on bar and allow customers to select types and quantity of food as they like. The customers will not waste their time to wait for a service attendant or food conveyor to serve food, which is in line with the Company's marketing strategy focusing on the new generation such as students, office workers, and families whom prefer quick, free lifestyle and usually comes in large group. Buffet restaurants are, therefore, suitable for those who prefer self-service.

6. Focusing on marketing activities to access to the target group

The Company has created integrated marketing communication strategies including offline such as film advertisement, billboards and online through social medias such as facebook and websites in order to access to the target group quickly and extensively. These channels are also used to publicize the Company's information in order to build brand awareness and brand recognition as well as to create good customer relationship.

7. Creating opportunity to increase sales through ongoing promotion

Market Differentiation Activities are arranged to attract customers into the restaurants and continuously increase sales such as 20% discount on Wednesday, special privilege and discount for members, discount promotion of Baht 299 per person or come 4 pay 3 buffet for general customers and targeted customers, arrangement of activities via social medias and activities during various festivals, including co-promotion with business alliances including corporations, branches or credit cards company so that customers or credit card holders are entitled to special privilege or discounts, etc.

3. Risk Factors

1. Risks from economic situation and competition

The changes in economic situation have been affecting to consumer behavior during a recession or economic downturn, consumer's purchasing power as well as consumer spending will be reduced. Also affecting restaurant business's revenues, since the medium to low income consumers reduce the frequency of eating out, or choose lower price restaurants, by focusing on worthiness in order to cut meal expenses per time. A severe competition in restaurant business by increasing numbers of restaurant from the existing operators and the new comers provides more choices to consumers. These are from the expansion of the existing brands and the new brands by the current operators and the new operation from the newcomers both domestic and from abroad. They are projecting a growth in restaurant business which includes some large-size entrepreneurs related to food business.

Due to the economic condition and high competition, basically, the Company inevitably offers discount promotions to motivate customers to dine at the Company's restaurants more often in order to generate profit to the Company. However, the Company has the policy to compete on the food quality, varieties of food, dining style, types of restaurants or brands, ongoing menu reengineering and development to meet consumers' need, and branch renovation to be modern. Ongoing advertisement and marketing activities are also implemented to expedite brand recognition.

More importantly, in order to diversify risk and to allow the business to compete and growth sustainably, the Company then develops consistent brand recognition and builds new brands with different concepts to serve different target group with high purchasing power. Each brand aims at specific target group customers so that the company will not only focus on Suki-Shabu restaurants but also in other brands of the restaurants where customers will be delighted with more varieties of food choices and quality ingredients selected for every dish at a reasonable price.

2. Financial Risk

The Company's financial risk has been derived from the reliance on long term loans from financial institutions for investments in accordance with restaurant's renovation and expansion plans which includes the opening of new branch restaurants and renovation of the existing branches to be modern and ready for providing service to customers effectively. Furthermore, short term loans in forms of overdraft, promissory notes, and bills of exchange are used as working capital.

At the end of 2017 until 2018, the Company increases its capital to raise more fund from new strong financial partners whom have experience in restaurant business and capability of management. These support the Company's financial situation gradually. However, the Company place importance on financial management by closely monitor on financial performance of each branch and the overall financial situation. The Company also considers the alternative of fund raising to enhance financial stability sufficient for working capital, business expansion and debt repayment which will be considered as appropriate.

3. Risks of opening new branches

Increasing in the number of the Company's outlets is a strategy to build the Company's growth in order to provide inclusive services and to expand new customer base. The Company has set a goal to open new branches each year, depending on the market conditions, needs and purchasing power of consumers. Capital expenditure for a new branch investment is approximately Baht 6 - 7 million per branch for Zheng Dou and approximately Baht 10 - 11 million for Signor Sassi, consisting of investment in renovation, decoration, kitchenwares and equipments, rent deposit, etc. The amount of investment budget for each branch mainly depends on location, area size and decoration. The Company has risks in opening new branches as if the sale doesn't reach the target, it will be effect to the Company's overall performance. In this case the Company has to close that branch and write off assets such as renovation cost, decoration cost, removal and restoration of location expenses according to the conditions specified in rental agreement. In some case that branches are closed before the expired date of rental agreement, the Company will not regain deposit for rent and service contract. Consequencely, the Company would incur expenses from branch closing.

The more population move from rural to urban areas or urbanization, the larger shopping centers continue to expand to upcountry area. Therefore, in order to expand service area as well as to retain market shares, the Company opens new branches adhered to the new shopping complex. The Company sometimes need to open new outlets in the same area at the existing outlets, since the new shopping complex may attract more customers to use the Company's outlets, affecting to the decrease of sales revenues at the exiting outlets or slowing down its growth.

The Company is aware of the risks on investment regarding with new branch opening, therefore the Company carefully undertakes feasibility study of the branch expansion. The Company has analyzed relevant factors which may have impact to the investment, for example, economic situations, location, density and purchasing power of population in that area. The selection of types or brands of restaurants must be in line with prospective customers' lifestyle in each area. The Company focuses on the worth from investment under acceptable risk level. The source of fund, management and operation of branches, staffing, quality and sufficiency of food and raw material, marketing and promotion plans for attracting new customers and expanding customer base are well-prepared. Besides, the Company has to monitor and follow up the operating results of each new branch on monthly basis to acknowledge problems, obstacles in order to resolve such issues on time as well as is used to set up expansion plans and directions of the Company. The Company carefully considered and selected newly opened branches, reduced expenditure for new branch investment without any impact to service quality, and reused assets from closing branches for the new sites. As a result, average capital expenditure for new branches was Bath 2 million per branch.

In 2018, the Company opened its first Zheng Dou restaurant in Home Pro Rama 3. This pilot branch received positive feedback and subsequently openend its second and third Zheng Dou branches in Intersec Rama 3 and in Icon Siam respectively. In 2017, the Company opened only 1 new brand which is Toomato Italian Kitchen at G. floor, MBK Center which was well accepted and will be a model for further expansin in any potential location. The Company gradually closed down branches that are not making profit to reduce financial loss and improved quality and image of

branches that are potential to strengthen the performance. The Company launched the first branch of a restaurant branded Zheng Dou in 2018 with very good feedback. Subsequently, the 2nd and the 3rd branch were opened at Int-Intersect, Rama 3 and at the Iconsiam, respectively. In the same year, the Company had opened in the first quarter a restaurant branded Soupper Pot but was closed down later because it did not reach the desired financial target. The Company will continue to close unprofitable branches in an attempt to reduce loss and turn to focus on improving quality and image of the potential branches.

4. Risk from quality of food and service standards

For restaurant business, the main factors for attracting customers are quality of food, food with good taste, clean place and proper service standards. The Company manages more than 90 branches and has employed over 2,500 staffs, the Company, hence, may face operational risk.

The Company focuses on the risk from quality of food and service standards. As a result, the Company has established several measures to protect or minimize such a risk. These measures include regular training and development of branch staffs, preparation of operations manuals, monitoring quality of food and services by quality control unit as well as following up and evaluating operations performance on regularly basis. In addition, semi-finished foods are developed by the Company's center kitchen in order to facilitate, to reduce time of food preparation for staffs at branches and to achieve standard of taste. With respect to cleanliness of branches, 5S activity is implemented as usual, big cleaning is conducted on monthly basis, and suppliers are arranged to handle pest control at least once a month. The Company also provides channels for customers to complain or give feedback.

5. Risk from fluctuation of raw material prices

Most of the Company's raw materials are agricultural products such as meats, fruits, vegetables, seafood, and spices, etc. Prices and quantity of raw materials have fluctuated depending on season, variability of weather conditions, natural disasters, disease outbreaks of plants and animals, as well as the demand of these materials delivering to the market and its demand in the specific time, etc. These external factors are beyond the Company's control and impact on the procurement of raw materials at certain times, including raw material cost and the Company's operations.

The Company gives priority to control and manage cost efficiently. Every year, the purchasing plan always includes cost reduction scheme as key issues focusing on cost management on both in terms of prices and special condition such as rebate, marketing budget or premiums. All sales promotion schemes will be supported promptly to catch up sales opportunities. Effective vendor management is improved by controlling quality and delivery service to ensure good products, maximize utilities, and minimize waste as well as increasing sales opportunities. The Company also focuses on enhancing the efficiency of personnel who is the mainstay in implementing the most effective plan. As a result, the purchasing department places orders to several suppliers, together with find new suppliers consistently, to prevent monopoly and goods shortage. Annual purchasing agreements are made to order raw material in advance or buy in

large quantity with specific delivery time in order to have power of price negotiation, get more discounts and ensure that the Company will not confront of raw materials shortage. The short-term contracts shall be made in term of 1 month, 3 months and 6 months contract in order to replace when there's no annual agreement, depending on negotiation. The valid prices will be evaluated from both current situation and statistic of such raw material's prices, so that the valid prices will be the best and the most reasonable prices. In addition, market situation as well as prices trend and supply of raw material in each period of times or each season is monitored closely in order to evaluate the potential risk of shortages or price fluctuations of raw materials and to prepare to resolve and cope with such a risk situation which may occur on timely basis.

Due to various lists of food served in the restaurants and regular changes in food menus suitable for market conditions in each period, the impact of the shortage of raw materials or the fluctuation of raw material prices in certain time periods can be reduced. The Company has not experienced on shortage of raw materials or increment of raw material prices that significantly affect its operations. The Company will not suddenly increase the prices of food once raw material prices increase because most of raw materials are agricultural products, which their prices fluctuate almost every day. The Company will consider increasing the prices of food only when the prices of raw material tend to be increased steadily so that the Company will not bear the high cost of product, which may affect to its performance. However, the Company will compare prices with the market or competitors so that the price increase will not affect on sales or customer base of the Company.

6. Risks of dependence only on the management

Previously, the Company's operation was relying on a few persons whom are executives, major shareholder and co-founders. They have high experiences in this business and play a major role in the Company's operation with ability to build Hot Pot brand awareness and recognition. If the Company lost these persons, it may affect to the administration and performance of the Company in the future.

However, the Company is aware of risks of dependence only on the management and set up working procedure which less dependently on the management by delegating duties, responsibilities, decentralizing the power of management to the other managements based on skills, knowledge, experience and the competence of each individual as appropriate. Moreover, the Company has policy to support and develop knowledge, essential skills, and leadership skills to management team and staffs continuously, as well as to recruit the potential candidates whom have knowledge and capabilities to work with the Company in order to support expansion plans and to create sustainable growth.

As from the early of January 2017, the Company has a new group of shareholders to join the board and executive members. It also hired new experts and advisors, who will be beneficial for the development of the company's personnel. Thus, the risk of reliance on executives is reduced.

4. Structure of Shareholders and Dividend Policy Structure of Shareholders

Top 10 Shareholders List as of October 4, 2018 based on the latest share register Record date

Name - Surname	No. of shares	%
1. Dr. Apichai Taechaubol	165,127,725	26.409
2. Mr. Taweechat Chulangkul	68,404,030	10.940
3. Mr. Anukul Ubonnuch	31,465,950	5.032
4. Mrs. Kultiwa Chotewijitrat	31,248,300	4.998
5. Mr. Kasem Arporntip	28,942,050	4.629
6. Thailand Securities Depository Company Limited for Depositors	25,199,208	4.030
7. Mrs. Chuntana Cholsaipant	19,619,700	3.138
8. Mr. Sompon Roekwibunsi	19,087,500	3.053
9. Thai NVDR Co., Ltd,	16,326,361	2.611
10. Mr. Chotiwit Taechaubol	15,975,000	2.555
11. Other	203,881,848	32.606
Total	625,277,672	100.000

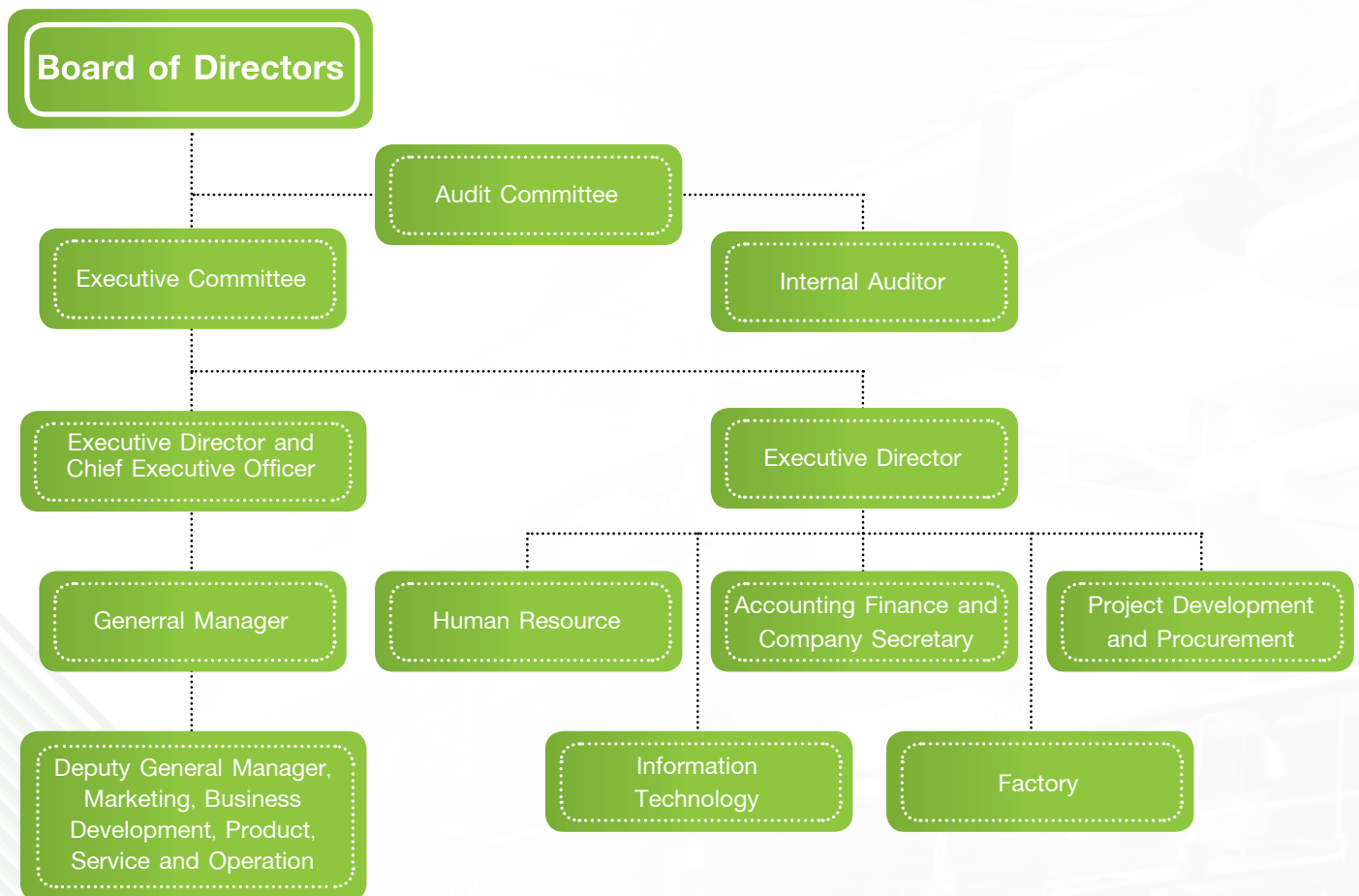
Dividend Policy

The Company has dividend policy to pay to shareholders at the rate at least 40% of the net profit after deduction of corporate income tax and reserve fund amounts as stipulated by law. Notwithstanding, the dividend payment is subject to change depending on the investment plans, liquidity, necessities and other factors of suitability in the future.

The resolution of the Board of Directors to pay dividend shall be proposed to the shareholders' Meeting approval. For interim dividend, the Board of Directors may resolve to pay interim dividend without shareholders' approval but must notify the shareholders at the next meeting.

5. Management Structure

The Company's management structure consists of the Board of Directors, Audit Committee and Executive Committee. Members of the board and sub-committees as well as executives of the Company comprising competent persons holding qualification as stipulated in Section 68 of Public Limited Company Act B.E. 2535 (A.D. 1992) and pursuant to related notification of the Capital Market Supervisory Board. As at March 13, 2019, the Company's management structure consisted of the Board of Directors and Sub-committees as per the following.



Reamark: The Company has appointed Quantum Point Consulting Co., Ltd. as an internal audit since January 2015 onwards.

The Board of Directors

As of December 31, 2018, the Board of Directors consisted as follows;

No	Name	Position	Meeting Attendance	
			Board of Directors' Meetings	Audit Committee Meetings
1	Dr. Apichai Taechaubol	Chairman Chairman of Executive Committee	7/7	-
2	Mr. Prasong Vara-ratanakul	Independent Director Chairman of Audit Committee	7/7	4/4
3	Mr. Chotiwiit Taechaubol	Director Executive Committee Member Chief Executive Officer	7/7	-
4	Mr. Chetawan Anuntasomboon*	Independent Director Audit Committee Member	4/4	3/3
5	Mrs. Rachanee Siwawej*	Director Executive Committee Member	4/4	-
6	Dr. Varnadharma Kanchanasuvarna*	Independent Director	3/3	-
7	Mrs. Siriporn Pinprayong*	Independent Director Audit Committee Member	3/3	3/3
8	Mr. Kan Suthirat*	Independent Director Audit Committee Member	2/2	1/1
9	Mr. Amornsakdi Ketcharoon*	Independent Director Audit Committee Member	2/2	1/1
10	Mr. Sompon Roekwibunsi*	Director Chairman of Executive Committee Chief Executive Officer	3/3	-
11	Miss Unthika Roekwibunsi*	Director Executive Committee member Chief Administrative Officer	3/3	-

Remark : * Mr. Chetawan Anuntasomboon was appointed as Independent Director and Audit Committee Member on March 29, 2018.

* Mrs. Rachanee Siwawej was appointed as Independent Director and Executive Committee Member on March 31, 2018.

* Dr. Varnadharma Kanchanasuvarna was appointed as Independent Director on April 23, 2018.

* Mrs. Siriporn Pinprayong was appointed as Independent Director and Audit Committee Member on April 23, 2018.

* Mr. Kan Suthirat resigned from being Independent Director and Audit Committee Member on March 29, 2018.

* Mr. Amornsakdi Ketcharoon resigned from being Independent Director and Audit Committee Member on March 29, 2018.

* Mr. Sompon Roekwibunsi resigned from being Director, Chairman of Executive Committee and Chief Executive Officer on April 18, 2018.

* Miss Unthika Roekwibunsi resigned from being Director, Executive Committee Member and Chief Administration Officer on March 31, 2018

Mr. Apichart Chankiatkong is Corporate Secretary and Investor Relations.

* Miss Vipavadee Vanamethin resigned from Corporate Secretary and Investor Relations on November 14, 2018.

* Mr. Apichart Chankiatkong was appointed Corporate Secretary and Investor Relationd on November 14, 2018.

Tenure of the Board of Directors

At the AGM each year, one-third of members of the Board shall retire. If such number cannot be divided exactly into one-thirds, then the number of directors to retire shall be the nearest to this one-third fraction. In every subsequent year, however, the director (s) who has held the longest term in office shall be the person(s) to retire. The director(s) vacating the office may be re-elected.

Authorised Directors to Sign on Behalf of the Company

Dr. Apichai Taechaubol or Mr. Chotiwit Taechaubol jointly signs with one of the directors, with the Company's seal affixed.

Scope of authority and responsibilities of the Board of Directors

- 1) Carry out all the Company's businesses in compliance with the legal requirements, the Company's objectives and Articles of Association, as well as the resolutions of the Board of Directors and shareholders with responsibilities, carefulness and honesty while preserving the Company interests.
- 2) Formulate vision, policies, business strategies, and good corporate governance policy, including implement them in efficient manner.
- 3) Set up business plan, organization and management structure, authorization, annual budget and annual operating budget as well as supervise operations and performance of management team or any person whom is assigned to perform such a task, to ensure compliance with prescribed policies and plans.
- 4) Consider and approve on bank accounts opening, loan or credit acquisition from financial institutes, payment or spending for general business transactions of the Company, such as expenditure for investment, branch expansion and other operations etc.
- 5) Consider, appoint and assign role and responsibilities of Audit Committee, Executive Committee and/or other sub-committees as suitable and necessary to oversee specific business, the Company's benefits, and administrative systems to coincide with the Company's policy.
- 6) Evaluate management performance consistently, appoint and dismiss the Company's executives such as Chairman of Executive Committee, Chief Executive Officer, Deputy Chief Executive Officer, and other executives as well as control payment mechanism of remuneration for executives and employees suitably.
- 7) Appoint the Corporate Secretary to assist the Board of Directors to carry out business in conformity with related laws and regulations.

- 8) Arrange appropriate accounting systems, financial reports and accountability auditing, oversee the internal control and internal audit to be efficient and effective, as well as ensure that the Company has been governed in accordance with principles of good corporate governance.
- 9) Oversee the risk management system to be broadly effective, and provide efficient risk management processes, its reporting and monitoring process.
- 10) Report responsibility of the Board of Directors in the financial report and present together with the auditor's report in the annual report of the Company.
- 11) Equitable treatment to both major and minor shareholders for their rights and benefit. Report important information of operating result and financial report to all shareholders and stakeholders correctly and in compliance with applicable laws. In the event that there is any conflict of interest with any agreement with the Company or either increment or reduction to the shares in the Company or its subsidiaries (if any), the directors must inform the Company without any delay. In addition, if any directors who may have conflict of interest involve in any business transaction with the Company or its subsidiaries (if any), such directors are prohibited to vote for approval of such transaction.
- 12) Manage to have clear and transparent process of connected transactions between the Company and related persons to prevent conflict of interest, to disclose correct and sufficient information and regularly report to the Board of Directors.
- 13) Approve and/or give feedback to connected transaction, acquisition or disposal of assets, investment and any operations of the Company including its subsidiaries (if any) to be in accordance with applicable laws, announcement, notifications and regulations; except the issue is specified by laws to seek approval from the shareholders' meeting.
- 14) Independent Director and Audit Committee Member shall not have signing authority unless it is presented that the signing is on the matters as previously approved by the Board of Directors and the signatory is jointly signed with another Director.

The Board of Directors may authorize one or many members of the Board of Directors to carry out duties in lieu of the Board of Directors. However, such authorization shall not fall in to any characteristic that grant power to directors or substitute persons to approve any transaction that such directors or substitute persons or their associates who may have conflicts of interests or any other benefits with the Company or its subsidiaries (if any) unless such transactions was approved in accordance with the policy and principle given and approved by the shareholder's meeting.

Approval Authorities of the Board of Directors

- 1) Approve the Company's business plan, corporate structure and management authority.
- 2) Approve annual budget and annual operating budget.
- 3) Approve bank accounts opening and loan or credit acquisition from financial institutes in the amount over approval authority of Executive Committee.
- 4) Approve to hire, appoint and dismiss Chief Executive Officer and Deputy Chief Executive Officer, appoint executive officers as well as to evaluate performance of Chief Executive Officer.
- 5) Approve salary structure, welfare and other benefits.
- 6) Approve policy regarding fixed assets.

Scope of Authority and Responsibilities of the Chairman of the Board

- 1) Act as the leader and take crucial role in making a decision of the Company's policy which the Board of Directors' meeting and the executives jointly consider and set business goal. The Chairman of the Board also consistently support and advise on the business operations to the management through the Chief Executive Officer.
- 2) Lead the Board of Directors' meeting in effective and efficient manner as well as encourage all directors to participate the meeting and give their opinion independently. The Chairman of the Board and the Chief Executive Officer will jointly establish the meeting agenda whereas giving opportunity to each director to propose any agenda if applicable. The Chairman of the Board will cast the decided vote in case the Board of Directors' meeting has a tie vote.
- 3) Act as the Chairman of the shareholders' meeting and control the meeting to comply with the Company's Articles of Association and specified Agenda of the meeting.

Audit Committee

As of December 31, 2018, the Audit Committee consisted of 3 members as follows:

No.	Name	Position
1	Mr. Prasong Vara-Ratanakul	Chairman of Audit Committee
2	Mr. Chetawan Anuntasomboon	Member of Audit Committee
3	Mrs. Siriporn Pinprayong	Member of Audit Committee

Remark : Mr. Apichart Chankiatkong is acting as the secretary of the Audit Committee.

Mr. Prasong Vara-Ratanakul has knowledge and competent to review the reliability of the financial statements

Tenure of the Audit Committee

tenure of the Audit Committee is 3 years except the case of retirement by rotation according to the Company's Articles of Association and they may be re-elected.

Authority of the Audit Committee

- 1) Perform according to the scope of duties and responsibilities. The Audit Committee is authorized to invite members of the management, executives or related staffs of the Company to report, give opinion, attend the meetings or provide any required documents if necessary.
- 2) Authorize to hire external independent advisor to advise or give opinion if necessary whereas the Company is responsible for the consultant fee which is specified in the Company's policy.
- 3) Audit Committee Member shall not have signing authority unless it is presented that the signing is on the matters as previously approved by the Board of Directors and the signatory is jointly signed with another Director.

Scope of Duties of Audit Committee

The Audit Committee directly reports to the Board of Director and their scope of duties and responsibilities shall be assigned by the Board of Directors. The Audit Committee shall report to the Board of Directors as follows:

- 1) Review the Company financial report to ensure that it is accurate and sufficient to disclose. Cooperate with external Auditor and executives whom responsible for financial reports issued in quarterly and annually basis.

- 2) Review the Company's internal control system, internal audit system and risk management system to ensure their appropriateness and effectiveness.
- 3) Review the operational performance in accordance with laws of Securities and Exchange, regulations of the Stock Exchange of Thailand and other related laws.
- 4) Consider the independence of internal auditor as well as appoint, transfer and dismiss the chief of internal audit unit or any other units in charge of internal audit.
- 5) Consider the selection, nomination, appointment and dismiss an independent person to be the Company's Auditor as well as consider the auditor's remuneration before proposing to the Board of Directors for consideration and submit to the shareholders' meeting for approval. The Audit Committee shall attend meetings at least once a year with the external auditors without executives present.
- 6) Consider related transaction or transactions that may lead to any conflict of interest in compliance with laws and regulations of the Stock Exchange of Thailand and the Capital Market Supervisory Board to ensure that such items are reasonable and give the highest benefit to the Company.
- 7) During performing its duties, if the Audit Committee detects or suspects any doubtful transaction or activities as shown below that may significantly affect the Company's financial status or operating result, the Audit Committee should report to the Board of Directors in order to resolve such transactions or activities promptly.
 - Conflict of interest transactions;
 - Corruption or abnormal transactions, or any fault which is significant in the internal control system of the Company;
 - Violation or infringement of Securities and Exchange Laws, Regulations and Proclamations of Stock Exchange of Thailand, the Office of the Securities and Exchange Commission, and Capital Market Supervisory Board as well as applicable laws;

If the Board of Directors or the Executives cannot promptly resolve such transactions or activities, members of the Audit Committee may report the findings to the Office of the Securities and Exchange Commission or the Stock Exchange of Thailand.

- 8) If the Company's auditor detects any doubtful events related to a director, manager or any person in charge of the Company's operating result that might violate the law and reports such events to the Audit Committee, the Audit Committee shall promptly inspect and report the outcome of preliminary audit result to the Office of the Securities and Exchange Commission and the auditor within 30 days after receiving the report from the auditor.

- 9) The Audit Committee's report signed by the Chairman of Audit Committee shall be disclosed in the Company's annual report and consists of at least the following information.
 - a) Opinion on the accuracy, sufficiency and reliability of the Company's finance report.
 - b) Opinion on the sufficiency of the internal control system.
 - c) Opinion on the compliance to the laws of Securities and Exchange, regulations of the Stock Exchange of Thailand or related applicable laws
 - d) Opinion on the appropriateness from the auditor.
 - e) Opinion on the conflict of interest's transactions
 - f) Number of the Audit Committee's meeting and meeting attendance of each member.
 - g) Opinion or remark of overview observation which the Audit Committee has obtained while performs its duties pursuant to the Charter.
 - h) Any other transactions under the scope of duties and responsibility as assigned by the Board of Directors, if the Audit Committee consider appropriate to inform the shareholders and investors.
- 10) Review the Audit Committee's charter annually and propose to the Board of Directors for approval.
- 11) Evaluate the performance of the Audit Committee annually and report to the Board of Directors.
- 12) Any other businesses as assigned by the Board of Directors.

The Board of Directors has power to revise or change the scope of duties and authorization of the Audit Committee as necessary and appropriate.

Executive Committee

As of December 31, 2018, the Executive Committee consisted of 3 members as follows;

No.	Name	Position
1	Dr. Apichai Taechaubol	Chairman of Executive Committee
2	Mr. Chotiwit Taechaubol	Member of Executive Committee
3	Mrs. Rachanee Siwawej	Member of Executive Committee

Tenure of the Executive Committee

Tenure of the Executive Committee is 3 years and members of the Executives Committee who retires by rotation may be re-elected.

Authority of the Executive Committee

The Executive Committee reports directly to the Board of Directors with authority, duties and responsibilities as assigned by the Board of Directors as per the following;

- 1) Govern and manage the business of the Company as assigned by the Board of Directors.
- 2) Determine the Company's policies, strategies, business plans, budgets and annual operating budgets and submit them to the Board of Directors for approval.
- 3) Consider and determine the Company's organization chart, level of authorities, remuneration of directors and executives as well as employees' salary structure, welfare and other benefits prior to propose them to the Board of Directors for approval.
- 4) Consider and approve capital expenditure not specified in annual operating budget or cost over annual operating budget with the total amount not over Baht 20 million per year and approve on extra from the annual operating budget not over Baht 10 million and report such approved transactions to the Board of Directors for acknowledgement.
- 5) Consider and approve the Company's loan or credit line not over Baht 30 million per annum. In case of excess the determined limit, the Executive Committee shall propose to the Board of Directors for consideration and approval.
- 6) Consider and approve operations plans such as production and procurement policy, sales strategies and price structure as well as branch opening/closing etc.
- 7) Manage the risk of the Company's operating activities by establishing risk management policy as well as monitoring and evaluating risks in order to propose to the Board of Directors.
- 8) Having authority, duties and responsibilities to make decision and direct under the scope of authorities assigned from the Board of Directors and pursuant to the level of authorities approved by the the Board of Directors' meeting.
- 9) Examine and monitor the Company's operating results compliance with the Company's policies, business plans and management guidelines approved by the Board of Directors to ensure their efficiency and effectiveness.
- 10) Any other duties as assigned from time to time by the Board of Directors.

Either the authority of the Executive Committee or other persons authorized by the Executive Committee does not include the power or authority to approve any related transactions that the authorized persons or their associates who may have conflicts of interests or any other benefits with the Company and its subsidiaries (if any) as well as transactions that do not fall under the normal business operations of the Company because such a transaction requires the approval from the Board of Directors' meeting and/or the shareholders' meeting as the case may be and in compliance with the Company's Articles of Association or relevant laws.

Management Team

As of December 31, 2018, the Management team consisted of 5 executives as follows:

No.	Name	Position
1	Mr. Chotiwit Taechaubol	Chief Executive Officer
2	Ms. Vipavadee Vanamethin	Chief People Officer
3	Mr. Gary Brian Ha Yeung	General Manager
4	Mr. Apichart Chankiatkong	Director-Accounting and Finance and Corporate Secretary
5	Mrs. Rujinart Pornkittikun	Project Development and Procurement Manager

Authority and Scope of Duties of the Chief Executive Officer

Roles and responsibilities of the Chief Executive Officer ("CEO") assigned by the Board of Directors are to direct the Company's operation which will cover the following roles.

- 1) Supervise and approve the overall operations and/or daily administration according to the Company's objectives, Articles of Association, regulations, direction and resolutions of the meetings of the Board of Directors and shareholders.
- 2) Formulate policies, business plans, budgets, management structures and levels of authority to be proposed to the Executives Committee for consideration before proposing to the Board of Directors for approval.
- 3) Perform or conduct duties according to the Company's policies, plans, and approved budgets.
- 4) Having authority to recruit, assign, rotate, promote, suspend, dismiss and determine salary rates and other remunerations including commission, wages and salary increment and bonus of the Company's employees.
- 5) Have authority to issue, amend and update commands, regulations, records and work rules to comply with the policies and interests of the Company as well as to maintain the discipline in the workplace.

- 6) Have authority to approve purchase order, employment contract, rental/leasing agreement of fixed assets for an amount not exceeding Baht 5 million, disposal of fixed assets for an amount not exceeding Baht 2 million including authority to approve the transfer of fixed assets between departments or branches.
- 7) Have authority to approve purchase requisitions/purchase orders of fresh food, dried food, disposal items, equipment for an amount not exceeding Baht 1 million, including authority to add products categories, adjust product's prices, improve product sales standard (e.g. weight, shape, etc.)
- 8) Develop organization and human resource consistently to the utmost quality and performance, foster and maintain a good image of the Company.
- 9) Perform other duties as assigned by the Board of Directors and/or the Audit committee.

Either the authority of the Chief Executive Officer or other persons authorized by the Chief Executive Officer does not include the power or authority to approve any related transactions that the Chief Executive Officer or the substitutions and their associates who may have conflicts of interests or any other benefits with the Company and its subsidiaries (if any) as well as transactions that do not fall under the normal business operations of the Company because such a transaction has to seek for approval from the Board of Directors' meeting or the shareholders' meeting as the case may be and in comply with the Company's Articles of Association or relevant laws.

The Corporate Secretary

The Board of Directors' meeting No. 7/2018 held on November 14, 2018 resolved to appoint Mr. Apichart Chankiatkong as the Company Secretary and Investor Relations.

Remuneration of Directors and Executives

1. Remuneration of Directors

- Monetary Remuneration

The 2018 Annual General Meeting of shareholders held on April 23, 2018 resolved to approve the remuneration of Directors at Baht 1,000,000 per year for the Board of Directors and Audit Committee. The remuneration of Directors has passed consideration by the Board of Directors taking into consideration of their responsibility, scope of work and duties as well as rational and references to the same type and size of the industry. The Board of Directors has been allocated for Meeting Allowance and Director Compensation as follows:

Title	Year 2017			Year 2018		
	Monthly Allowance Baht/person	Meeting Allowance Baht/Time/Person		Monthly Allowance Baht/person	Meeting Allowance Baht/Time/Person	
		Director	AC ¹		Director	AC ¹
Chairman and Chairman of Executive Committee	-	30,000	-	-	30,000	-
Director, Executive Committee Member and Chief Executive Officer	-	-	-	-	-	-
Director, Executive Committee Member	-	-	-	-	-	-
Director	-	15,000	-	-	15,000	-
Chairman of Audit Committee	-	15,000	15,000	-	15,000	15,000
Audit Committee Member	-	15,000	10,000	-	15,000	10,000

Remark: 1. Meeting of Audit Committee

In 2018, each of the Board of Directors' members received meeting allowances and other benefits as follows;

Name - surname	Title	Meeting Allowance (Baht/Year)	Director Compensation (Baht/Year)	Total Remuneration (Baht/Year)
1. Dr. Apichai Taechaubol	Chairman and Chairman of Executive Committee	120,000.-	-	120,000.-
2. Mr. Chotiwit Taechaubol	Director, Executive Committee Member and Chief Executive Officer	-	-	-
3. Mr. Prasong Vara-ratanakul	Audit Committee Chairman and Independent Director	165,000.-	-	165,000.-
4. Mrs. Rachanee Siwawej *	Director and Executive Committee Member	-	-	-
5. Mr. Chetawan Anuntasomboon *	Audit Committee Member and Independent Director	90,000.-	-	90,000.-
6. Dr. Varnadharma Kanchanasuvarna *	Director	45,000.-	-	45,000.-
7. Mrs. Siriporn Pinprayong*	Audit Committee Member and Independent Director	75,000.-	-	75,000.-
8. Mr. Kan Suthirat*	Audit Committee Member and Independent Director	40,000.-	-	40,000.-
9. Mr. Amornsakdi Ketcharoon*	Audit Committee Member and Independent Director	40,000.-	-	40,000.-
10.Mr. Sompon Roekwibunsi*	Director, Chairman of Executive Committee and Chief Executive Officer	-	-	-
11. Miss Unthika Roekwibunsi*	Director, Executive Committee Member and Chief Administrative Officer	-	-	-
Total		575,000.-		575,000.-

Remark :

- * Mr. Chetawan Anuntasomboon was appointed as Independent Director and Audit Committee Member on March 29, 2018.
- * Mrs. Rachanee Siwawej was appointed as Independent Director and Executive Committee Member on March 31, 2018.
- * Dr. Varnadharma Kanchanasuvarna was appointed as Independent Director on April 23, 2018.
- * Mrs. Siriporn Pinprayong was appointed as Independent Director and Audit Committee Member on April 23, 2018.
- * Mr. Kan Suthirat resigned from being Independent Director and Audit Committee Member on March 29, 2018.
- * Mr. Amornsakdi Ketcharoon resigned from being Independent Director and Audit Committee Member on March 29, 2018.
- * Mr. Sompon Roekwibunsi resigned from being Director, Chairman of Executive Committee and Chief Executive Officer on April 18, 2018.
- * Miss Unthika Roekwibunsi resigned from being Director, Executive Committee Member and Chief Administration Officer on March 31, 2018.

Other remuneration

-None-

2. Remuneration of Executives

- Monetary remuneration

The Company paid monetary remuneration, which is salary for the Executives as follows;

Remuneration	2017		2018	
	Number of Executive (Person)	Amount (Baht)	Number of Executive (Person)	Amount (Baht)
Salary	6	13,834,000	6 ^{/1}	10,190,067

Remark:

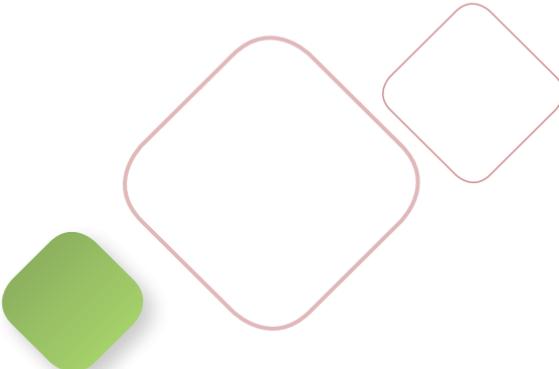
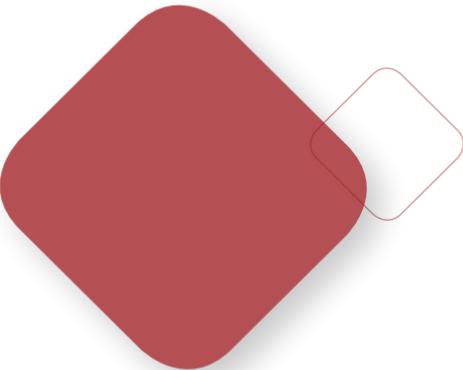
^{/1} In 2018, there were 6 executives consisting of

- 1) Mr. Chotiwit Taechaubol,
- 2) Ms. Vipavadee Vanamethin,
- 3) Mr. Apichart Chankiatkong,
- 4) Mrs. Rujinart Pornkittikun,
- 5) Mr. Gary Brian Ha Yeung,
- 6) Mr. Jean Marc Kampol Mieville*

*Mr. Jean Marc Kampol Mieville resigned from being the business advisor on November 1, 2018

- Other remuneration

Remuneration	2017		2018	
	Number of Executive (Person)	Amount (Baht)	Number of Executive (Person)	Amount (Baht)
Provident fund contribution, social security contribution and other benefits after resignation	6	581,373	6	336,310



**Details of the Board of Directors
and Executives as at December 31, 2018**





Dr. Apichai Taechaubol

Chairman
Executive Chairman

Education

- Honorary Doctorate of Business Administration (General Management), Ramkhamhaeng University
- Master's Degree in Political Science, Ramkhamhaeng University
- Bachelor's Degree in Business Administration, North Central University, Arizona, USA
- Bachelor's Degree in Political Science, Ramkhamhaeng University
- Industrial Business Development and Investment for Senior Executive Program Class 3,
- Institute of Business and Industrial Development, under the Foundation of Industrial and Business Entrepreneur.

Age 63 years

Date of appointment

January 16, 2017

Years of service 2 years

Expertise

Finance and real estate management

Director type Director

Director Training at Thai Institute of Directors Association (IOD)

- Corporate Governance for Capital Market Intermediaries (CGI), Class 3/2015
- Director Accreditation Program (DAP), Class 39/2005
- Chairman 2000

Working Experience: (5 years)**Listed Companies:** (current: 2 companies)

Apr. 2018 - Present	Executive Chairman
Feb. 2017 - Present	Chairman
Jan. 2017 - Present	Director JCK Hospitality Public Company Limited (Former name: Hot Pot Public Company Limited)
Feb 21, 2017 - Present	Chairman
Apr.2015 - Present	Vice Chairman
2012 - Present	Executive Chairman
1996 - Present	Director JCK International Public Company Limited (Former name: Thai Factory Development Public Company Limited)
2014 - 2015	Director AEC Securities Public Company Limited

Other Non-Listed Companies: (current: 17 companies)

2015 - Present	Chairman, TFD Real Estate Management Company Limited
2015 - Present	Director, Bognor Regis Warehouse Limited
2014 - 2018	Director, Barnsley Warehouse Limited
Dec. 2017 - Present	Chairman
Feb. 2013 - Present	Vice Chairman.
2003 - Feb. 2013	Executive Chairman, Total Industrial Services Co., Ltd
2011 - Present	Director and Executive Chairman, J.C. Kevin Development Co., Ltd.
Feb. 2017 - Present	Chairman and Executive Chairman
2001 - Feb. 2017	Director and Executive Chairman, Crown Development Co., Ltd.
2010 - Present	Director, Fine to Asset Co., Ltd.
2016 - Present	Director, J.C. Kevin Food and Beverage Co., Ltd.
May. 2016 - Present	Director, Lobster Power Co., Ltd.



Mr. Prasong Vara-ratanakul

Independent Director
Audit Committee Chairman

Education

- Master of Public Administration, Chulalongkorn University
- Bachelor of Commercial, Chulalongkorn University
- Bachelor of Law, Ramkamhaeng University

Age 71 years

Date of appointment

January 16, 2017

Years of service 2 years

Expertise

Commercial accounting and jurisprudence

Type of director Independent director

Director Training at Thai Institute of Directors Association (IOD)

- Ethical Leadership Program (ELP)
Class 2/2015
- Advanced Audit Committee Program (AAP)
Class 16/2014
- Director Accreditation Program (DAP)
Class 51/2006
- Director Certification Program (DCP)
Class 72/2006
- Audit Committee Program (ACP)
Class 12/2006

Working Experience: (5 years)**Listed Companies:** (current: 4 companies)

Apr. 2017 - Present	Independent Director and Audit Committee Chairman
Jan. 2017 - Apr. 2017	Independent Director/ Audit Committee Member, JCK Hospitality Public Company Limited (Former name: Hot Pot Public Company Limited)
2015 - Present	Independent Director and Audit Committee Member We Retail Public Company Limited
2015 - Present	Independent Director and Audit Committee Member Thai Property Public Company Limited
1999 - Present	Independent Director, Audit Committee Chairman and Corporate Governance, Nomination and Remuneration Committee Chairman JCK International Public Company Limited (Former name: Thai Factory Development Public Company Limited)
2006 - 2014	Independent Director and Audit Committee Chairman Krungthep Land Public Company Limited

Other Non-Listed Companies: (current: none)



Mr. Chetawan Anuntasomboon

Independent Director
Audit Committee Member

Education

- Barrister at Law Institute Legal Education
Thai Bar Association
- Bachelor's Degree in Law

Age 65 years

Date of appointment

Date of appointment March 29, 2018

Years of service 1 years

Expertise

Law

Type of director Independent Director

**Director Training at Thai Institute of
Directors Association (IOD)**

- None -

Working Experience: (5 years)**Listed Companies: (current: 2 companies)**

Mar 29, 2018 - Present	Independent Director and Audit Committee Member JCK Hospitality Public Company Limited (Former name: Hot Pot Public Company Limited)
Feb 28, 2018 - Present	Independent Director, Audit Committee Member JCK International Public Company Limited (Former name: Thai Factory Development Public Company Limited)

Other Non-Listed Companies: (current: none)

Nov. 2014 - Mar. 2017	Director, Total Industrial Services Co., Ltd.
Dec. 2005 - Nov. 2014	Deputy Director General, Department of Public Works and Town & Country Planning



Mrs. Siriporn Pinprayong

Independent Director
Audit Committee Member

Education

- Master of Arts in English, Naresuan University
- Bachelor of Science in Business Administration (Major Finance, Minor Accounting) Roosevelt University, Chicago, U.S.A.
- Certificate in Compensation Workshop
- Certificate in Human Resources Management
- Certificate in The Seven Habits of Highly Effective People

Age 62 years

Date of appointment

April 23, 2018

Years of service 1 years

Expertise

Administration, Information Technology, Finance and Accounting, and Company Secretary

Type of director Independent director

Director Training at Thai Institute of Directors Association (IOD)

- Risk Management Program for Corporate Leaders (RCL) 5/2016
- Ethical Leadership Program (ELP) 2/2015
- Role of the Chairman Program (RCP) 34/2014
- Director Accreditation Program (DAP) SEC/2014
- Advanced Audit Committee Program (AAP) 16/2014
- Effective Minutes Taking (EMT) 8/2007
- Role of the Compensation Committee (RCC) 1/2006
- Company Secretary Program (CSP) 13/2005 and 22/2007

Working Experience: (5 years)**Listed Companies:** (current: 2 companies)

Apr 23, 2018 - Present	Independent Director and Audit Committee Member JCK Hospitality Public Company Limited (Former name: Hot Pot Public Company Limited)
May 16, 2016 - Present	Deputy Managing Director, Administration Information Technology
Nov 14, 2007 - Present	Company Secretary Secretary of the Corporate Governance, Nomination and Remuneration Committee
Jun 7, 1999 - Present	Secretary of the Audit Committee
Feb. 2003 - May. 2016	Assistant Managing Director, Administration Information Technology JCK International Public Company Limited (Former name: Thai Factory Development Public Company Limited)

Other Non-Listed Companies: (current: none)

2018 - Present	Director
2016 - Present	Advisor to the President Association of Capital Market Academy (ACMA)
2007 - 2009	Vice President, Thai Listed Companies Association
1999 - 2006	Secretariat and Director, Thai Listed Companies Association



Mr. Varnadharma Kanchanasuvarna

Independent Director

Age 48 years

Date of appointment

April 23, 2018

Years of service 1 years

Expertise

Political Science, Political, Administration

Type of director Independent director

Education

- Doctor of Public Administration in Public Administration, Ubon Ratchathani University
- Master of Arts in Governance Faculty of Political Science, Chulalongkorn University
- Bachelor of Arts in Political Science, Ramkhamhaeng University

Director Training at Thai Institute of Directors Association (IOD)

- Director Accreditation Program (DAP), Class 155/2018

Working Experience: (5 years)**Listed Companies:** (current: 1 company)

Apr 23, 2018 - Present Independent Director
JCK Hospitality Public Company Limited
(Former name: Hot Pot Public Company Limited)

Other Non-Listed Companies: (current: 2 companies)

1997 - Present Associate Professor in Political Science,
Sukhothai Thammathirat Open University

Jul. 2015 - Present Independent Director
TFD Real Estate Management Company Limited

Oct. 2015 - Aug. 2017 Member of the National Reform Steering Assembly

- Deputy Secretary-General to the Prime Minister for Political Affairs
- Board Member and Secretary to form the Political Development Council, Prime Minister's Office
- Initiate the Bachelor program for subdistrict headmen and village headmen under the project of Department of Provincial Administration, Ministry of Interior.



Mr. Chotiwit Taechaubol

Director
Executive Committee Member
Chief Executive Officer

Age 29 years

Date of appointment

January 16, 2017

Years of service 2 years

Expertise

Restaurant Business Management

Type of director Director

Education

- Bachelor of Mathematic in Finance and Accounting, Queen Mary University of London, UK.

Director Training at Thai Institute of Directors Association (IOD)

- Director Accreditation Program (DAP)
Class 138/2017

Working Experience: (5 years)**Listed Companies:** (current: 1 company)

Mar 29, 2018 - Present	Director, Executive Committee Member, Chief Executive Officer
Jan. 2017 - Mar 28, 2018	Director, Executive Committee Member and Deputy Chief Executive Office
Dec. 2017 - Jun. 2018	Acting Chief Financial Officer
	JCK Hospitality Public Company Limited (Former name: Hot Pot Public Company Limited)

Other Non-Listed Companies: (current: 2 companies)

2014 - Present	Director and Executive Director J.C. Kevin Development Co., Ltd.
2014 - Present	Director and Executive Director J.C. Kevin Food and Beverage Co., Ltd.
Nov. 2017 - Present	Director High Active Consultant Co., Ltd.



Mrs. Rachanee Siwawej

Director
Executive Committee Member

Education

- Bachelor's Degree in Commerce, Thammasart University

Age 67 years

Date of appointment

March 31, 2018

Years of service 1 year

Expertise

Finance and Accounting

Type of director Director

Director Training at Thai Institute of Directors Association (IOD)

- Corporate Secretary Program (CSP) 19/ 2006
- Effective Minutes Taking Program (EMP) 2006
- Director Accreditation Program (DAP) 2005

Working Experience: (5 years)**Listed Companies:** (current: 2 companies)

Mar 31, 2018 - Present	Director, JCK Hospitality Public Company Limited (Former name: Hot Pot Public Company Limited)
May 16, 2016 - Present	Deputy Managing Director, Finance
2009 - May 15, 2016	Assistant Managing Director, Finance
2002 - 2009	Finance Manager
1981 - 2002	Deputy Manager Finance JCK International Public Company Limited (Former name: Thai Factory Development Public Company Limited)

Other Non-Listed Companies: (current: 1 company)

Present	Director Success - Innovation Company Limited
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Mr. Kan Suthirat

Independent Director
Audit Committee Member

Age 58 years

Date of appointment

April 21, 2016

Years of service 2 years 3 months

Expertise

Commercial Design

Type of director Independent Director

Remark : Mr. Kan Suthirat resigned from the position of Independent Director and Audit Committee Member on March 29, 2018

Education

- Bachelor of Education (Art Education), Major in Commer Design, Chulalongkorn University

Director Training at Thai Institute of Directors Association (IOD)

- None -

Working Experience: (5 years)**Listed Companies:** (current: 1 company)

Apr. 21, 2016 - Mar. 29, 2018 Independent Director and Audit Committee Member
JCK Hospitality Public Company Limited
(Former name: Hot Pot Public Company Limited)

Other Non-Listed Companies: (current: 1 company)

1997 - Present Director / Client Service Director
Identity Advertising Co., Ltd.



Mr. Amornsakdi Ketcharoon

Independent Director
Audit Committee Member

Age 52 years

Date of appointment

February 28, 2011

Years of service 6 years 3 months

Expertise

Finance / Marketing / Industrial Engineering

Type of director Independent Director

Remark : Mr. Amornsakdi Ketcharoon resigned from the position of Independent Director and Audit Committee Member on March 29, 2018

Education

- Master of Business Administration in Finance, University of Chicago, USA
- Bachelor of Engineering in Industrial Engineering, Chulalongkorn University

Director Training at Thai Institute of Directors Association (IOD)

- Director Accreditation Program (DAP)
Class 89/2011

Working Experience: (5 years)**Listed Companies:** (current: 2 companies)

Feb. 2011 - Mar. 29, 2018	Independent Director and Audit Committee Member JCK Hospitality Public Company Limited (Former name: Hot Pot Public Company Limited)
2006 - 2017	Senior Vice Chairman Brooker Group Public Company Limited

Other Non-Listed Companies: (current: 3 companies)

2017 - Present	Director, Interpharma Co., Ltd.
2016 - Present	Director, Fit Junction Co., Ltd.
2015 - Present	Director, Powermetic Co., Ltd.
2015 - 2017	Director, Broadway Media Co., Ltd.
2009 - 2017	Director, Brooker Planner Co., Ltd.
2009 - 2014	Independent Director and Audit Committee Member Datamat Public Company Limited
2012 - 2013	Independent Director and Audit Committee Member Vejthani Public Company Limited



Mr. Sompon Roekwibunsi

Director
Executive Chairman
Chief Executive Officer

Education

- Certificate Ordinary National Diploma in Engineering, Colchester Institute, UK

Age 60 years

Date of appointment

January 28, 2004

Years of service 14 years 4 months

Expertise

Restaurant Business Management

Type of director Director

Remark : Mr. Sompon Roekwibunsi resigned from the position of Director, Executive Chairman and Chief Executive Officer on April 18, 2018

Director Training at Thai Institute of Directors Association (IOD)

- Director Accreditation Program (DAP)
Class 86/2010

Working Experience: (5 years)**Listed Companies:** (current : 1 company)

2011 - Apr. 18, 2018 Executive Chairman

Jan. 2004 - Apr. 18, 2018 Director and Chief Executive Officer
JCK Hospitality Public Company Limited
(Former name: Hot Pot Public Company Limited)

Other Non-Listed Companies: (current: none)



Miss Unthika Roekwibunsi

Director
Executive Committee Member
Chief Administrative Officer

Age 34 years

Date of appointment

February, 21 2018

Years of service 1 years 3 months

Expertise

Restaurant Business Management

Type of director Director

Remark : Miss Unthika Roekwibunsi resigned from the position of Director, Executive Committee Member and Chief Administrative Officer, on March 31, 2018

Education

- Master of Management University of Bath, UK
- Bachelor of Science (Computer Science) Chulalongkorn University

Director Training at Thai Institute of Directors Association (IOD)

- Director Accreditation Program (DAP)
Class 138/2017

Working Experience: (5 years)**Listed Companies:** (current : 1 company)

Feb. 2017 - March 31, 2018	Director
Jan. 2017 - March 31, 2018	Executive Committee Member and Chief Administrative Officer
2012 - 2017	Manager, Strategic Planning Department
2011 - 2012	Manager, IT Department
2008 - 2011	Manager, Strategic Management Section
	JCK Hospitality Public Company Limited (Former name: Hot Pot Public Company Limited)

Other Non-Listed Companies: (current: none)



Miss Vipavadee Vanamethin

Chief People Officer
Company Secretary and Investor Relations*

Education

- Bachelor of Business Administration,
Major in Hotel Management,
Assumption University

Age 38 years

Company Secretary and Investor Relations*

Date of appointment

December, 9 2017

*Remark : * Resigned from the position of Company Secretary
and Investor Relations since Nov 14, 2018*

**Director Training at Thai Institute of
Directors Association (IOD)**

- Corporate Secretary Program (CSP)
87/ 2018

Working Experience: (5 years)**Listed Companies:** (current: 1 company)

Aug. 2017- Present Chief People Officer

Dec. 2017 - Nov 14, 2017 Company Secretary and Investor Relations
JCK Hospitality Public Company Limited
(Former name: Hot Pot Public Company Limited)

Other Non-Listed Companies: (current: none)

Jan. 2012 - Aug. 2017 Director of Human Resources,
J.C. Kevin Development Co., Ltd.



Mr. Apichart Charnkiatkong

Director of Finance

Company Secretary and Investor Relations*

Education

- Master of Business Administration, Major in Managerial Accounting, Burapha University
- Bachelor of Economics, Thammasat University

Age 45 years

Company Secretary and Investor Relations*

Date of appointment

December 14, 2018

*Remark : * Appointed in the position of Corporate Secretary and Investor Relations on Nov 14, 2018*

Director Training at Thai Institute of Directors

Association (IOD)

- None -

Working Experience: (5 years)

Listed Companies: (current: 1 company)

Jun.18-Present Director of Finance, JCK Hospitality Public Company Limited

(Former name: Hot Pot Public Company Limited)

Other Non-Listed Companies: (current: none)

Shareholding by the Directors and Executive

Name	Position	December 29, 2017		December 29, 2018		Changes during the year
		No of Shares	(%)	No of Shares	(%)	
1. Dr.Apichai Taechaubol Spouse and minors	Chairman of the Board of Directors	110,085,150 -	22.60 -	165,127,725 -	26.409 -	55,042,575 -
2.Mr.Prasong Vara-ratanaku Spouse and minors	Independent Director/ Chairman of Audit Committee	- -	- -	- -	- -	- -
3. Mr.Kan Suthirat * Spouse and minors	Independent Director/ Audit Committee member	- -	- -	- -	- -	- -
4. Mr.Amornsakdi Ketcharoon * Spouse and minors	Independent Director/ Audit Committee member	- -	- -	- -	- -	- -
5. Mr.Sompon Roekwibunsi * Spouse and minors	Director/ Chairman of the Executive Committee/ Chief Executive Officer	129,500,000 -	26.58 -	19,087,500 -	3.053 -	(110,412,500) -
6. Mr.Chotiwit Taechaubol Spouse and minors	Director/ Executive Committee member/ Chief Executive officer	- -	- -	15,975,000 -	2.555 -	- -
7.Miss.Unthika Roekwibunsi * Spouse and minors	Director/ Executive Committee member/ Chief Administrative Officer	2,486,000 -	0.51 -	13,000 -	0.002 -	(2,473,000) -
8. Mr.Chetawan Anuntasomboon* Spouse and minors	Independent Director/ Audit Committee member	- -	- -	- -	- -	- -

Name	Position	December 29, 2017		December 29, 2018		Changes during the year
		No of Shares	(%)	No of Shares	(%)	
9. Mrs. Rachanee Siwawej *	Director/ Executive Committee member	-	-	-	-	-
Spouse and minors		-	-	-	-	-
10. Dr.Varnadharma Kanchanasuvarna *	Independent Director	-	-	-	-	-
Spouse and minors		-	-	-	-	-
11. Mrs. Siriporn Pinprayong *	Independent Director/ Audit Committee Member	-	-	-	-	-
Spouse and minors		-	-	-	-	-
12. Miss Vipavadee Vanamethin *	Chief People Officer/ Company Secretary and Investor Relations	-	-	-	-	-
Spouse and minors		-	-	-	-	-
13. Apichart Chankiatkong *	Director of Finance/ Company Secretary and Investor Relations	-	-	-	-	-
Spouse and minors		-	-	-	-	-

Remark : * Mr. Chetawan Anuntasomboon was appointed as Independent Director and Audit Committee Member on March 29, 2018.

* Mrs. Rachanee Siwawej was appointed as Director and Executive Committee Member on March 31, 2018.

* Dr. Varnadharma Kanchanasuvarna was appointed as Independent Director on April 23, 2018.

* Mrs. Siriporn Pinprayong was appointed as Independent Director and Audit Committee Member on April 23, 2018.

* Mr. Kan Suthirat resigned from being Independent Director and Audit Committee Member on March 29, 2018.

* Mr. Amornsakdi Ketcharoon resigned from being Independent Director and Audit Committee Member on March 29, 2018

* Miss Unthika Roekwibunsi resigned from being Director, Executive Committee Member and Chief Administration Officer on March 31, 2018.

* Miss Vipavadee Vanamethin resigned from Company Secretary and Investor Relations on November 14, 2018

* Mr. Apichart Chankiatkong was appointed Company Secretary and Investor Relations on November 14, 2018.

6. Good Corporate Governance

Principles on the Good Corporate Governance Report

The Company gives precedence to efficient, transparent, and verifiable management system, leading to confidence of all related parties and sustainable growth of the Company's business, to operate ethnically and compliance with related laws. The Company has established a good corporate governance policy to enhance the existing operations to be in clear standard and distribute to the employees in all level in order to reinforce a culture of corporate governance.

The Board of Directors' Meeting held in 2018 reviewed and approved the corporate governance policy regarding position held in other listed companies of the Company's directors to be more practical for the business and adapt to the new situation.

Corporate Governance Assessment of Listed Companies 2018

According to the Corporate Governance Assessment of Thai Listed Companies 2018 evaluated by the Thai Institute of Directors (IOD), the result of the corporate governance of the Company was improved to the level of excellence or 4 stars with score of 87% and in the Top Quartile of listed companies with market capitalization of less than Baht 1,000 million, which was the same result compared to 2017 at the level of excellence or 4 stars with score of 87% , while the average score of all listed companies under the survey was 81%.

Evaluation of the Quality of Annual General Meeting of Shareholders 2018

According to the evaluation of the quality of Annual General Meetings of Shareholders 2018 of listed companies, carried out by the Thai Investors Association, the Company was rated superb with score of 100%, compared with 98% of 2017, while the average score of all listed companies under the survey in 2018 was 92.42%.

In 2018, the Company performed its operations in accordance with good corporate governance, which is in line with 5 sections of the 2006 good corporate governance guidelines promoted by the Stock Exchange of Thailand (SET). Including reviewing the implementation "Good Corporate Governance Principles for Listed Companies 2017" (Corporate Governance Code: "CG Code") issued by the SEC to be adapted to suit the company as follows:

Section 1: Rights of Shareholders

The Company awares of the shareholders' fundamental rights and recognizes the importance of all shareholders both in terms of investors and owners of the Company, for instance the rights to buy, sell, and transfer shares held independently, the rights to share dividends from the Company's retained earnings, the rights to obtain relevant and sufficient information of the Company, the rights to participate in the Annual General Meeting of Shareholders, the rights to give their opinions, the rights to make decisions on the key issues of the Company such as dividend payment, the appointment or removal of directors, nomination of auditor, approval for important transactions that affect direction of the business operations, the amendment of the Memorandum of Association and/or the Articles of Association, etc.

In addition to the fundamental rights as stated above, the Company also encourages and facilitates the shareholders, including institute shareholders, to exercise of their rights to participate at the shareholders' meeting as follows;

1. As the Company is required to convene the Annual General Meeting of shareholders within four months from the last day of its fiscal year, the Company established the notice of Meeting specifying the venue, date, time, agenda and items with appropriate details to be proposed to the Shareholders' Meeting. The proposed items, submitted together with the comments of the Board of Directors, were identified clearly whether they are for information, approval, or consideration as the case maybe. The invitation letter was delivered to the shareholders and to Thailand Securities Depository (TSD) through the securities registration services, within 7 days before the meeting date or as specified by the rules and regulations of the Securities Exchange Commission and the Stock Exchange of Thailand. Furthermore, the invitation letter was published on the newspaper not less than 3 days before the meeting date according to the law. The Company also disclosed the invitation letter on the Company's website before meeting date so that the shareholder have sufficient time for consideration.
2. The Company encouraged the Board of Directors, the management, and relevant organizations, including the external auditor to participate in the Shareholders' Meeting simultaneously.
3. The Company provided the shareholders a chance for delivery any comment, suggestion, and questions to the Company prior to the Shareholders' Meeting date.
4. Before starting the Shareholders' Meeting, the Chairman clearly announced number and percentage of shareholders attending the meeting in person and by proxies, meeting rules and voting procedures in each agenda.
5. In the Shareholders' Meeting, before casting the votes in each agenda, the Company provided the shareholders a chance to share their opinions, suggestions, or questions independently and equally. The relevant directors and management attending the Shareholders' Meeting provided the answers for the shareholders. The key issues and comments were recorded in the minute of the Meeting for shareholders' verification.
6. For the election of Directors in the Shareholders' Meeting, the Company gave opportunity to shareholders to vote for directors, one by one, which shareholders are entitled to elect a qualified person to be the Company's director to protect their beneficial and for the diversification as well as to be the true representative of the shareholders.
7. In the Shareholders' Meeting, the Company shall run the Shareholders' Meeting by following the agenda provided in the notice of the Meeting. The Company did not add any agenda or change priority of them.
8. To be transparent and verifiable, the Company uses ballots for all agenda. In addition, the registration and vote submission of the Shareholders were carried out via computer system for quick and precise process. Additionally, the representative of the auditor was invited to be an inspector in the vote counting.

9. After the Meeting, the Company shall announce the voting result and the resolutions of the Shareholders' Meeting not later than 9.00 a.m. on the next business day after the Shareholders' Meeting date via the system of the Stock Exchange of Thailand (SET) and the Company's Website. The Company also established the minute of the Meeting with correct and complete information within 14 days after the Shareholders' Meeting date and then announced it via the system of the Stock Exchange of Thailand (SET) and the Company's website for the Shareholders' verification.

Section 2: Equitable Treatment of Shareholders

1. Agenda Proposal and Director Nomination

The Company has policy to treat all shareholder groups whether are major, minor, management or non-management, with fair treatment. One or several shareholders continuously holding the Company's shares with the minimum amount of 2,000,000 shares for not less than 1 year and on the date of submission are allowed to propose additional agendas which deemed important and appropriate to the Annual General Meeting of Shareholders and to nominate persons who have knowledge, competency, and qualification for election as directors in advance of the Meeting. Thus, the Board of Directors shall consider and select such an issue for being an agenda of the Meeting. By this case, the Company has determined clear criteria of entitlement and announced to the shareholders via the Company's website.

2. Appointment of Proxy in the Shareholders' Meeting

The Company sent Proxy Form B. determined by Ministry of Commerce, together with the notice of the Meeting so that shareholders can appoint other persons as their proxy to attend the meeting and vote on their behalf in the case that they are unable to attend the meeting. In this regard, in case those shareholders prefer to use Proxy Form A. or Proxy Form C., they can download such a Proxy Form from the Company's website. Shareholders independently decide to select any proxy form as they prefer, however the Company encourages shareholders to use Proxy form B. since they can specify the voting for each agenda item by themselves. In addition, the Company proposed an independent director to be appointed as proxy, attached together with the invitation letter.

3. Preventive Measures for Abusive self-dealing in the Use of Inside Information by themselves or others

To ensure fairness and equality for all stakeholders, the Company strictly controlled the use of inside information to prevent abusive self-dealing. The Company has established guidelines in written to maintain inside information of the Company and to protect the use of internal information for personal benefits. Directors, managements and staff are prohibited, by using the Company's confidential/inside information, from trading the Company's securities and/or enter to any juristic acts directly or indirectly harmful to the Company.

Directors, managements and staff who can access to inside information are prohibited to utilize such information before disclosure to the public. Within one month before the Company discloses its' quarterly or year-ended financial statements and one day after the disclosure date, every person involves to inside information is prohibited from trading the Company's securities by himself/herself, spouse and their immature children both direct or indirect trading (such as trading with nominee through private fund).

The Company has imposed disciplinary penalty on the person seeking benefit from utilizing or disclosing inside information that may cause damage to the Company by penalizing that person as reasonable for the case, including verbal warning, written warning, probation, as well as termination of employment by way of dismissal, removal or discharging, as the case may be.

4. Conflict of Interest Management

The Company has determined guidelines to handle conflict of interest issues transparently and verifiably, especially consideration of transaction between the Company and stakeholders or any relevant party. Once there was conflict of interest issue, the person who related to the issue must report the Company immediately without taking any part in consideration or vote in the issue. In addition, the Company has determined guidelines to prevent the relevant director or management who has gain or loss in such an issue take part in consideration of the transaction and shall not be entitled to vote in such an issue.

Section 3: The Roles of Stakeholders

1. Treatment of Each Stakeholder Group

The Company takes majority in concerning the rights of all stakeholder groups, include internal stakeholders i.e. shareholders, management, and employees of the Company, or external stakeholders i.e. creditors, clients, suppliers, competitors, public sector, society and community etc. Thus, the Company shall perform in accordance with related laws and regulations to take a good care of the stakeholders' rights. In addition, the Company always operates its business by concerning of the rights of all stakeholders according to the guidelines present in the Code of Conducts Manual.

The Board of directors realizes an importance of communicating the Company's operation with all stakeholders which is a crucial component of good corporate governance process. The Company provides a range of communication channels suitable for each stakeholder group to access to the information equitably, quickly and efficiently as well as using technology in communication.

2. Whistleblowing and Complaint Channel

The Company has managed the channel for stakeholders enabling to send their suggestions, opinions, queries, and complaints directly to our Chairman at email address : chairman@jckhgroup.com or via the Company's website or suggestion box at branch restaurant or direct phone call according to telephone number as posted at every branch restaurant or postal mailing to the Chairman of the Board of Directors, JCK Hospitality Public Company Limited, 11 Soi Sathorn 11 Yaek 9, TFD Building, Yannawa Sathorn, Bangkok 10120.

The Company shall proceed with its investigations pursuant to the procedure and record the outcomes in writing without disclosure of whistle-blower's name including keeping complaint filing confidentially for protection of contingent impact toward that whistleblower.

Section 4: Disclosure and Transparency

The Board of Directors has strong determination to reveal correct, complete, updated, and reliable information necessary for making decisions of the investors and stakeholders, while adhering to the regulations of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET). The Company has conducted the Company's information as follows:

- Prepare financial report and the Management Discussion and Analysis (MD&A) as supplement of financial statements disclosure on quarterly basis and disclosed via the Company's website as well as SET's online.
- Disclose shareholding of directors and executives in the Annual Report and Annual Disclosure Information. In addition, the Company has a policy requiring directors and executives to report a change in their securities holding within 3 business days from the date the securities have been purchased, sold, transferred or accepted transfer. The Company's secretary shall coordinate on submission of such a report to the Stock Exchange of Thailand and the Securities and Exchange Commission. It is also specified that any change of such securities holding of directors and executives shall be reported to the Board of Directors' Meeting quarterly.
- Disclosed connected transactions or transactions which might have conflicts of interest of directors and executives and reported to the Board of Directors for approval or acknowledge quarterly.
- Provided several channels for information disclosure, which were SET's Communication system, Annual Report, Annual Disclosure Information (Form 56-1), the Company's website in both Thai and English language, research analysts, investors visiting the Company, interviewing of the executives, and press release i.e. newspaper. Furthermore, the Company assigned the investor relations to answer any questions of investors, securities analysts, news reporters, and people in general on regularly basis, which can be contacted by telephone number 0-2286-9959 ext. 5101 or e-mail address: ir@jckhgroup.com or on the Company's website: HYPERLINK "<http://www.jckhgroup.com>" www.jckhgroup.com

The Company gives opportunities to institutional investors, retail investors, and securities analysts to attend meetings with the management to ask questions about business operations, performance, and business trend. In 2018, no investors and securities analysts requested for meeting with the Company's management.

Section 5: Roles and Responsibilities of the Board of Directors

1. The Board of Directors' Structure

1) Composition of the Board of Directors

The Board of Directors composed of the persons with diversity including knowledge, profession, skill, gender, competency, and experience that are beneficial to the Company. The Board takes an important role in establishing the policy and overview the organization and business plan as well as overseeing, auditing and assessing the Company's operating result to comply with the plan and in accordance with laws, regulations, and resolutions of the Shareholders' Meeting. The Board concerns in integrity, business code of conduct, controlling of the management's administration to meet specified goal and procedure including to maximize profits for the Company and shareholders.

2) Appointment of the Audit Committee

The Board of Directors has appointed the Audit Committee to support in corporate governance of the Company. The Company has clearly segregated roles, duties and responsibilities of the Board of Directors, the Audit Committee, and the Executive Committee. The Audit Committee shall make decision independently, conduct its special assignment and propose it to the Board of Directors for consideration or acknowledge according to the defined authority.

3) Segregation of roles and responsibilities of the Chairman and the Chief Executive Officer

The Company has determined that the Chairman of the Board of Directors and the Chief Executive Officer shall not be the same person in order to clarify responsibilities among policy establishment, supervision, and day-to-day administration with clear segregation of roles, duties and responsibilities between the Board of Directors and the Executives in order to enhance balance of operating power. The Board of Directors has duties to establish policy and supervise the executives' operations in policy level, whereas the executives have duties to manage operation pursuant to specified policies.

4) Election and Term of Office

The Board of Directors shall hold the position for a certain term in accordance with the determination in the Articles of Association. In every subsequent year of the Annual General Meeting of Shareholders one-third of the directors, who have been in the longest role in office, shall retire. In the case that the number of directors cannot be divided by three, then refer to the closest number. However, the retired directors are eligible to be re-elected for another term by obtaining majority vote. The Company has determined the terms of the Independent Directors that they can serve on the directorship no longer than 9 years.

5) Position of Directors in other listed companies

According to the Company's policy, each director shall take positions in listed companies not more than 5 companies.

6) Position of Executive Directors and the Chairman of Executive Committee in other listed companies

The Company has no policy to allow directors who are also executives and the Chairman of Executive Committee to be in positions in other listed companies (except for subsidiaries and associated companies of the Company), unless they are approved by the Board of Directors.

7) Appointment of the Company's secretary

The Board of Directors shall appoint the Company Secretary to take roles and responsibilities set by the Securities and Exchange Act.

2. Roles, Duties, and Responsibilities of the Board of Directors

To Consider and Approve key matters in the Company's operation

The Board of Directors shall consider and approve key matters in the Company's operation i.e. vision and mission, strategy, action plan, and budget; as well as supervise the management to comply with the designed policy and plan effectively and efficiently. Vision and Mission shall be reviewed and approved in annual basis and announced to all department managers to be aware and execute appropriately.

To Segregate roles and responsibility between formulation of policy and daily administration

The Board of Directors has clearly segregated roles and responsibility in formulation of corporate governance policy from daily administration. The Chairman of the Board of Directors and Chief Executive Officer shall be elected by the Board of Directors. The Board of Directors shall not appoint same person to attain the position of the Chairman of the Board of Directors and Chief Executive Officer. The Chairman of the Board of Directors will not cooperate on day-to-day operations, instead to provide regularly support and opinion on business operations through the Chief Executive Officer while the Chief Executive Officer shall be responsible for overall management within the authority assigned by the Board of Directors.

Scope of Authority and Responsibilities of the Chairman of the Board

1) Act as the leader and take crucial role in making a decision of the Company's policy which the Board of Directors' meeting and the executives jointly consider and set business goal. The Chairman of the Board also consistently support and advise on the business operations to the management through the Chief Executive Officer.

- 2) Lead the Board of Directors' meeting in effective and efficient manner. Allow enough time for the management to present and for the board to discuss material issues carefully in all aspects. Encourage all directors to participate the meeting and give their opinion independently. The Chairman of the Board and the Chief Executive Officer will jointly establish the meeting agenda. Ensure that all important agenda matters are set for the meeting. Opportunities given to each director to propose any agenda if applicable. The Chairman of the Board will cast the decided vote in case the Board of Directors' meeting has a tie vote.
- 3) Act as the Chairman of the shareholder's meeting and control the meeting to comply with the Company's Article of Association and specified Agenda of the meeting.
- 4) Ensure and monitor that all directors engage in promoting corporate culture of ethic and good governance.
- 5) Strengthen relationship between executive directors and non-executive director, and between the board of directors and management team.
- 6) Ensure and monitor that directors perform their duties efficiently to achieve main objective and goal of the company.
- 7) Promote the creation and utilization of innovation and technology to enhance competitive capability and response to the need of stakeholders based on corporate social responsibility.

Authority and Scope of Duties of the Chief Executive Officer

- 1) Supervise and approve the overall operations and/or daily administration according to the Company's objectives, Articles of Association, regulations, direction and resolutions of the meetings of the Board of Directors and shareholders.
- 2) Formulate policy, business plan, budgets, management structure and level of authority to be proposed to the Executives Committee for consideration before proposing to the Board of Directors for approval.
- 3) Perform duties according to the Company's policies, plans, and approved budget.
- 4) Having authority to recruit, assign, rotate, promote, suspend, dismiss and determine salary rate and other remunerations including commission, wage and salary increment and bonus of the Company's employees.
- 5) Have authority to issue, amend and update commands, regulations, records and work rules to comply with the policies and interests of the Company as well as to maintain the discipline in the workplace.
- 6) Have authority to approve purchase order, employment contract, rental/leasing agreement of fixed assets for an amount not exceeding Baht 5 million, disposal of fixed assets for an amount not exceeding Baht 2 million including authority to approve the transfer of fixed assets between departments or branches.
- 7) Have authority to approve purchase requisitions/purchase orders of fresh food, dried food, disposal items, equipment for an amount exceeding Baht 1 million, including authority to add products categories, adjust product's price, improve product sales standard (e.g. weight, shape, etc.)

- 8) Develop organization and human resource consistently to the utmost quality and performance, foster and maintain a good image of the Company.
- 9) Perform other duties as assigned by the Board of Directors and/or the Audi committee.

Either the authority of the Chief Executive Officer or other persons authorized by the Chief Executive Officer does not include the power or authority to approve any related transactions that the Chief Executive Officer or the substitutions and their associates who may have conflicts of interests or any other benefits with the Company and its subsidiaries (if any) as well as transactions that do not fall under the normal business operations of the Company because such a transaction has to seek for approval from the Board of Directors' meeting or the shareholders' meeting as the case may be and in comply with the Company's Articles of Association or relevant laws.

Good Corporate Governance Policy

The Board of Directors shall provide the Corporate Governance Policy in writing. The Board of Directors' Meeting no. 1/2011, held on July 18, 2011, passed the resolution to approve such a policy. The Board of Directors shall regularly review the policy, operate the business operations in accordance with the policy, communicate to everyone in the organization to have common understanding with the policy clearly and correctly and enhance them to comply with the provided policy.

Code of Conduct

The Board of Director has established the Code of Conduct in written to comply with operating standard under the authority and to present its intention to operate business with transparency, integrity, morality, and take responsible for all stakeholders. The Code of Conduct Manual shall be guidelines for work operations and proper business practices, reflecting to the Company's vision, mission, core value, and operational frameworks which directors, executives and employees at all levels shall abide and perform to carry out their duties under the defined code of conduct as follows;

- (1) Practices toward all stakeholders comprise the shareholders, employees, customers, business partners, creditors, competitors, society, community and environment
- (2) Practices to compliance with law, relevant rules and regulations, and customs, traditions and good moral
- (3) Respect the human rights
- (4) Avoidance of infringement of intellectual property
- (5) Anti-Fraud and Anti-Corruption
- (6) Receiving the offering gifts, assets or other benefits
- (7) Conflicts of interest

- (8) Preserve confidential information, use of internal information and trading of the Company's securities
- (9) Protection of the Company's properties
- (10) Internal control
- (11) Distribution of datas, news, and information including the interviewing with the press and the public
- (12) Ethics of directors and executives
- (13) Ethics of employees

In this regard, the Company has announced and informed directors, executives and, employees at all level to acknowledge and comply strictly with the Code of Conduct Manual as well as sign as evidence. In addition, the Code of Conduct Manual topic is set as a part of new hire orientation and is publicized on the Company's Website.

Conflict of Interest

The Board of Directors has set the policy regarding conflict of interest by prohibiting any directors, executives, and employees, include anyone related to such persons to obtain self-benefit which shall effect to the conflict of interest and to avoid any actions which may cause the conflict of interest. By this case, all relevant persons must inform the Company in their relationship or engagement in such a transaction and not participating in consideration and approval for such a transaction.

The Audit Committee shall propose the Board of Directors the related transactions and transactions that may have conflicts of interest to consider appropriation of transactions carefully. The Company shall adhere to the regulations of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET) regarding determination of pricing, terms and conditions with the person whom may have conflict of interests similar as making transaction with third party. The Company shall also report such transactions in the financial statement, Annual Report, and Annual Disclosure Information (Form 56-1).

Internal Control

The Board of Directors is aware of good corporate governance, internal control and risk management of both management level and operational level. The internal control system and risk management are key mechanisms to build the confidence of management in order to reduce business risks and to support in efficient business operations by allocating the resources properly and achieving the determined target. It also help to protect assets from leaking out or loss from some fraud, make financial reports accurate and reliable, to control all personnel to abide with the related laws and regulations, to protect the investment of the shareholders. Thus, the Company defines the responsibilities and authority of operational staffs and management in writing i.e. the controlling of utilization of company's assets, clearly defining roles and responsibilities of operational staffs, controller, and assessor separately to make balance and enable to verify each other properly.

The Board of Directors assigns the Audit Committee to take responsible for reviewing the appropriation and efficiency of the internal control system and risk management, including establish and review the control system of operating procedures, financial report and practices which compliance to rules, regulations, policies, corporate governance as well as risk management including pay attention closely to the warning signal and irregular items.

In addition, the Company appoints the external personnel to handle internal control i.e. cooperating with the Quantum Point Consulting Co., Ltd., to be the internal auditor which is responsible for assessing the internal control system to be sufficient and appropriate including reporting the auditing result directly to the Audit Committee so that the internal auditor can work independently and can perform its auditing duties and counter balance extremely. The Chairman of the Audit Committee will report the summary of internal auditing result prepared by the internal auditor to the Board of Directors for acknowledgement on quarterly basis, so that the inappropriate work process will be corrected and improved. The Company shall assess sufficiency of the internal control system at least once a year to ensure that the defined procedures operate efficiently. In this regard, the Corporate Secretary is delegated to coordinate between the internal auditor and other departments in the Company.

Board of Directors' Report

The Board of Directors is responsible for the Company's consolidated financial statements and financial information mentioned in annual report. The Audit Committee shall review the financial reports to encourage proper and accurate report in accordance with the general acceptance-accounting standard in Thailand, to use appropriate accounting policies and practices on regularly basis and to disclose the important information of the Company based on transparency and sufficient. The financial statements have been prepared under accounting standard certified and audited by Dharmniti Auditing Co., Ltd. which is the Company's auditor. Significant information has been disclosed on the basis of complete and consistent facts.

3. The Board of Directors' Meeting

- 1) The meeting dates shall be annually scheduled in advance and notifies to the Board of Directors for acknowledgement. The meeting shall be arranged at least every 3 months. The special meeting may be hold as necessary with specified agendas in advance including the agenda which may requires follow up on regular operations. The Company Secretary shall send the Meeting's invitation to the Board of Directors at least 7 days before the meeting date so that the Board of Directors have sufficient time to review the information sufficiently. Except the emergency case which the meeting may be appointed without proper notice in order to preserve the rights and benefit of the Company.
- 2) The Chairman of Board of Directors and the Chief Executive Officer shall determine the agendas of the meeting together and shall give the opportunity to each director to propose the agendas to consider in the Board's Meeting.

- 3) At the meeting, it requires the minimum of attendance with not less than one-half of the board's members shall constitute a quorum.
- 4) The Chairman of Board of Directors who acts as the president of the meeting will allow all directors to express their opinion independently during the consideration of each agenda. In some agenda the senior executives may be invited to attend the meeting in order to clarify and provide additional information for the proposed agenda as well as to acknowledge the defined policy in order to implement and practice efficiently.
- 5) To form a quorum at the time of the Board passing a resolution, at least 2/3 of the total number of directors must be presented. The resolution of the Board of Directors' Meeting shall be adopted by the majority votes. Each director shall have one vote. A director who has conflicts of interest on a given matter shall not allow to attend the meeting and has no right to vote for the related agenda. In case of an equality of vote, the Chairman of the meeting shall have a casting vote. In the case that any directors disagree with the resolution, either he or she can request the Company's Secretary to record his or her objection in the Minute of Meeting or he or she can submit the objection notice directly to the Chairman.
- 6) Every director has the right to investigate supplementary documents of the meeting and other important documents. In case the Independent Directors or the members of Audit Committee have any query, other directors as well as management shall provide answers as quickly and completely as possible.
- 7) The Company Secretary shall take minutes of the meeting and submit to the Chairman for approval and certified by signature, then allow each directors to grant in the next meeting. In addition, the Company Secretary will manage information or documents related to each meeting properly to enable to review easily in future.
- 8) All the Board of Directors normally attends the meeting, except for necessary cases which shall be notified in advance before the meeting date.
- 9) As policy, the Board of Directors shall allow that non-executive directors to have an opportunity to arrange a meeting among themselves as deemed necessary in order to discuss about any crucial management issues without the presence of the Executive Committees and inform the result of the meeting to the Chief Executive Officer later.

The Board of Directors' Meeting attendance in 2018

No.	Name	Position	Meeting Attandancy	
			Board of Directors' Meetings	Audit Committee
1.	Dr. Apichai Taechaubol	Chairman Chairman of Executive Committee	7/7	-
2.	Mr. Prasong Vara-ratanakul	Independent Director Chairman of Audit Committee	7/7	4/4
3.	Mr. Chotiwit Taechaubol	Director Executive Committee Member Chief Executive Officer	7/7	-
4.	Mr. Chetawan Anuntasomboon*	Independent Director Audit Committee Member	4/4	3/3
5.	Mrs. Rachanee Siwawej*	Director Executive Committee Member	4/4	-
6.	Dr. Varnadharm Kanchanasuvarna*	Independent Director	3/3	-
7.	Mrs. Siriporn Pinprayong*	Independent Director Audit Committee Member	3/3	3/3
8.	Mr. Kan Suthirat*	Independent Director Audit Committee Member	2/2	1/1
9.	Mr. Amornsakdi Ketcharoon*	Independent Director Audit Committee Member	2/2	1/1
10.	Mr. Sompon Roekwibunsi*	Director Chairman of Executive Committee Chief Executive Officer	3/3	-
11.	Miss Unthika Roekwibunsi*	Director Executive Committee member Chief Administrative Officer	3/3	-

Remark :

- * Mr. Chetawan Anuntasomboon was appointed as Independent Director and Audit Committee Member on March 29, 2018.
- * Mrs. Rachanee Siwawej was appointed as Director and Executive Committee Member on March 31, 2018.
- * Dr. Varnadharm Kanchanasuvarna was appointed as Independent Director on April 23, 2018.
- * Mrs. Siriporn Pinprayong was appointed as Independent Director and Audit Committee Member on April 23, 2018.
- * Mr. Kan Suthirat resigned from being Independent Director and Audit Committee Member on March 29, 2018.
- * Mr. Amornsakdi Ketcharoon resigned from being Independent Director and Audit Committee Member on March 29, 2018.
- * Mr. Sompon Roekwibunsi resigned from being Director, Chairman of Executive Committee and Chief Executive Officer on April 18, 2018.
- * Miss Unthika Roekwibunsi resigned from being Director, Executive Committee Member and Chief Administration Officer on March 31, 2018.

4. Self-assessment of the Board of Directors

The Board of Directors shall arrange self-assessment for entire committee on annual basis. In 2018, there's both assessment of the Board of Directors as team and individual, including the assessment of sub-committee. The headline and criteria of the assessment compliance with the guideline and recommendation from Stock Exchange of Thailand (SET) which suitable for the Company's practice. The Company Secretary shall deliver the assessment form to each director. After the assessment result is concluded, all directors will be appointed to consider the development plan together as well as to give an opportunity to each Director to give feedback independently.

- The criteria of the self assessment is divided into 5 levels as follows;

- 0 = Extremely disagree or have not carry out such topic
- 1 = Disagree or carry out such topic little
- 2 = Agree or carry out such topic moderately
- 3 = Quite agree or carry out such topic fairly
- 4 = Extremely agree or carry out such topic excellently

4.1 The assessment result of The Board of Directors' performance (by Group)

Topic	Result
	% in 2018
1). Structure and qualifications of the Board of Directors	87.66
2). Roles, duties, and responsibilities of the Board of Directors	88.57
3). Meeting of the Board of Directors	87.30
4). Performance of The Board of Directors	87.76
5). Relationship with the Executive Committee Team	87.86
6). Self-development of the Board of Directors and the development of Executive Committee Team	89.29
Total Scores	88.12

4.2 The assessment result of The Board of Directors' performance (by individual)

Topic	Result
	% in 2018
1). Structure and qualifications of the Board of Directors	75.00
2). Meeting of the Board of Directors	75.00
3). Roles, duties, and responsibilities of the Board of Directors	75.00
Total Scores	75.00

4.3 The assessment result of the sub-committee's performance

Topic	Result (%)	
	Audit Committee	Executive Committee
1). Structure and qualifications of the Committee	72.62	100.00
2). Meeting of the Committee	72.22	100.00
3). Roles, duties, and responsibilities of the Committee	75.00	100.00
Total Scores	73.33	100.00

5. Remuneration

The Company has set the remuneration policy for the Directors and Executive Committee in suitable level by considering the Company's performance and consistent with the same business or industry including suitable with the duties and responsibilities of each Director or Executive Committee member in term of remuneration and/or salary.

Remuneration of Directors

The Annual General Meeting of Shareholders shall approve the remuneration of directors consisting of remuneration for the Board of Directors and the Audit Committee.

Remuneration of Chief Executive Officer and Executives

The Company carefully determines the proper remuneration to executives of the Company in a competitiveness compared to the same industry to retain qualified executives with the Company. Executives assigned more responsibilities will gain higher remuneration suitable more duties and responsibilities.

6. Development of Directors and Executives

The Board of Directors specifies that whenever there is a new director, the Company's Secretary shall provide documents and useful information which shall be beneficial to the duty operation of the new director such as code of conduct manual, good corporate governance policy, charter, annual report, shareholding structure, management structure including relevant rules and regulation. In addition, the Company's Secretary shall arrange the orientation by the management to the new director about business nature and business operation of the Company.

The Board of Directors supports and facilitates directors, executives, the Company's Secretary and investor relations to attend training or seminar courses arranged by the Thai Institute of Directors (IOD) regularly, the Stock Exchange of Thailand, the Securities and Exchange Commission or other independent organization in order to increase knowledge and improve their performance.

The Directors who have certified from the Thai Institute of Directors Association (IOD) are as follows;

Name	Training Program by IOD
1. Dr. Apichai Taechaubol	<ul style="list-style-type: none"> - Corporate Governance for Capital Market Intermediaries (CGI) Class 3/2015 - Director Accreditation Program (DAP) Class 39/2005 - Role of Chairman Program (RCP) Class 6/2001
2. Mr. Prasong Vara-Ratanakul	<ul style="list-style-type: none"> - Ethical Leadership Program (ELP) Class 2/2015 - Advanced Audit Committee Program (AACP) Class 16/2014 - Director Accreditation Program (DAP) Class 51/2006 - Director Certification Program (DCP) Class 72/2006 - Audit Committee Program (ACP) Class 12/2006
3. Mr. Chetawan Anuntasomboon	-None-
4. Mrs. Siriporn Pinprayong	<ul style="list-style-type: none"> - Risk Management Program for Corporate Leaders (RCL) 5/2016 - Ethical Leadership Program (ELP) 2/2015 - Role of the Chairman Program (RCP) 34/2014 - Director Accreditation Program (DAP) SEC/2014 - Advanced Audit Committee Program (AACP) 16/2014 - Effective Minute Taking (EMT) 8/2007 - Company Secretary Program (CSP) 13/2005 and 22/2007 - Role of the Compensation Committee (RCC) Class 1/2006
5. Mrs. Rachanee Siwawej	<ul style="list-style-type: none"> - Company Secretary Program (CSP) 19/2006 - Effective Minute Taking (EMT) 2006 - Director Accreditation Program (DAP) 2005
6. Mr. Chotiwiit Taechaubol	<ul style="list-style-type: none"> - Director Accreditation Program (DAP) Class 138/2017
7. Dr. Varnadharm Kanchanasuvarna	<ul style="list-style-type: none"> - Director Accreditation Program (DAP) Class 155/2018

In 2018, the Company assigned the Directors, Executive Committee and Company Secretary to attend the training courses as follows

Name	Position	Program	Arranged by	Date
Dr. Varnadharma Kanchanasuvarna	Independent Director	- Director Accreditation Program (DAP) Class 155/2018	Thai Institute of Directors Association	December 3, 2018

The Board of Directors

1. The Board of Directors

Tenure of the Board of Directors

At the Annual General Meeting each year, one-third of the directors must retire from office. If the number of the directors retiring from office does not amount to exactly one-third, the nearest whole number of one-third shall be used whereas the Directors who are in the role at the longest period shall be considered to primary retirement from the role. The retiring directors are eligible for re-appointment.

As of December 31, 2018, the Board of Directors consists of 7 persons, consisting of

No.	Name	Position
1.	Dr. Apichai Taechaubol	Chairman Executive Chairman
2.	Mr. Chotiwit Taechaubol	Director / Executive Committee Member / Chief Executive Officer
3.	Mrs. Rachanee Siwawej	Director / Executive Committee Member
4.	Mr. Prasong Vara-ratanakul	Independent Director / Audit Committee / Chairman
5.	Mr. Chetawan Anuntasomboon	Independent Director / Audit Committee Member
6.	Mrs. Siriporn Pinprayong	Independent Director / Audit Committee Member
7.	Dr. Varnadharma Kanchanasuvarna	Independent Director

Scope of authority and responsibilities of the Board of Directors

1. Carry out all the Company's businesses in line with the legal requirements, the Company's objectives and Articles of Association, as well as the resolutions of the Board of Directors and shareholders with responsibilities, carefulness and honesty while preserving the Company interests.
2. Formulate vision, mission, core value, policies, business strategies, and good corporate governance policy, including implement them in efficient manner.

3. Set up business plan, organization and management structure, authorization, annual budget and annual operating budget as well as supervise operations and performance of management team or any person whom is assigned to perform such a task, to ensure compliance with prescribe policies and plans. Pay attention to an efficiency of resources utilization and waste reduction which are beneficial to cost control and environment. Choose the business model suitable for main business goals and objectives as well as carefully invest and operate business in consideration of stakeholders' impact based on ethics and social responsibility to create sustainable value for the Company.
4. Consider and approve on bank accounts opening, loan acquisition from financial institutes, payment or spending for general business transactions for the Company, such as expenditure for investment, branch expansion, and other operations, etc. Monitor the sufficiency of financial liquidity and debt repayment capability. Moreover, ensure that the Company has the plan, solution or other device to solve financial problem in case the Company face or likely to face financial difficulty based on taking stakeholders' rights in to consideration.
5. Consider, appoint and assign role and responsibilities of Audit Committee, Executive Committee and/or other sub-committees as suitable and necessary to oversee specific business, the Company's benefits, and administrative systems to coincide with the Company's policy.
6. Evaluate management performance consistently, appoint and dismiss the Company's executives such as Chairman of Executive Committee, Chief Executive Officer, Deputy Chief Executive Officer, and other executives as well as control payment mechanism of remuneration for executives and employees suitably.
7. Appoint the Corporate Secretary to assist the Board of Directors to carry out business in conformity with related laws.
8. Arrange appropriate accounting systems, financial reports and accountability auditing, oversee the internal control and internal audit as well as ensure that the Company has govern in accordance with principle of good corporate governance.
9. Oversee the risk management system with effective, reporting and monitoring process.
10. Report responsibility of the Board of Directors in the financial report and present together with the auditor's report in the annual report of the Company.
11. Equitable treatment to both major and minor shareholders for their rights and benefit. Report important information of operating result and financial report to all shareholders and stakeholders correctly and in compliance with applicable laws. In the event that there is any conflict of interest with any agreement with the Company either increment or reduction to the Company or its subsidiaries (if any), the directors must inform the Company without any delay. In addition, if any directors who may have conflict of interest involve in any business transaction with the Company or its subsidiaries (if any), such directors are prohibited to votes for approval of such transactions.

12. Manage to have clear and transparent process of connected transactions between the Company and related persons to prevent conflict of interest, to disclose correct and sufficient information and regularly report to the Board of Directors.

13. Approve and/or give feedback to connected transaction, acquisition or disposal of assets, investment and any operations of the Company including its subsidiaries (if any) to be in accordance with applicable laws, announcement, notifications and regulations; except the issue is specified by laws to seek approval from the shareholders' meeting.

14. Independent Director and Audit Committee Member shall not have signing authority, unless it is presented that the signing is on the matters as previously approved by the Board of Directors and the signatory is jointly signed with another director.

The Board of Directors may authorize one or many members of the Board of Directors to carry out duties in lieu of the Board of Directors. However, such authorization shall not fall in to any characteristic that grant power to directors or substitute persons to approve any transaction that such directors or substitute persons or their associates who may have conflicts of interests or any other benefits with the Company or its subsidiaries (if any) unless such transactions was approved in accordance with the policy and principle given and approved by the shareholder's meeting.

Approval Authorities of the Board of Directors

1. Approve the Company's business plan, corporate structure and management authority.
2. Approve annual budget and annual operating budget.
3. Approve bank accounts opening and loan acquisition from financial institutes in the amount over approval authority of Executive Committee.
4. Approve to hire, appoint and dismiss Chief Executive Officer and Deputy Chief Executive Officer, appoint Chief Officers as well as to evaluate performance of Chief Executive Officer.
5. Approve salary structure, welfare and other benefits.
6. Approve policy regarding fixed assets.

Scope of Authority and Responsibilities of the Chairman of the Board

1. Act as the leader and take crucial role in making a decision of the Company's policy which the Board of Directors' meeting and the executives jointly consider and set business goal. The Chairman of the Board also consistently support and advise on the business operations to the management through the Chief Executive Officer.
2. Lead the Board of Directors' meeting in effective and efficient manner as well as encourage all directors to participate the meeting and give their opinion independently. The Chairman of the Board and the Chief Executive Officer will jointly establish the meeting agenda whereas giving opportunity to each director to propose any agenda if applicable. The Chairman of the Board will cast the decided vote in case the Board of Directors' meeting has a tie vote.
3. Act as the Chairman of the shareholders' meeting and control the meeting to comply with the Company's Articles of Association and specified Agenda of the meeting.

2. Audit Committee

As of December 31, 2018, the Audit Committee consists of 3 persons, consisting of the following

No	Name	Position
1.	Mr. Prasong Vara-ratanakul	Audit Committee Chairman
2.	Mr. Chetawan Anuntasomboon	Audit Committee Member
3.	Mrs. Siriporn Pinprayong	Audit Committee Member

Remark : Miss Vipavadee Vanamethin resigned from acting as the secretary of the Audit Committee on November 14, 2018 and Mr. Apichart Chankiatkong was appointed acting as the secretary of the Audit Committee.

Tenure of the Audit Committee

Tenure of the Audit Committee is three years except the case of retirement by rotation according to the Company's Articles of Association and they may re-elect.

Authority of the Audit Committee

- 1) Perform according to the scope of duties and responsibilities. The Audit Committee is authorized to invite members of the management, executives or related staffs of the Company to report, give opinion, attend the meetings or provide any required documents if necessary.
- 2) Authorize to hire external independent advisor to advise or give opinion if necessary whereas the Company is responsible for the consultant fee which is specified in the Company's policy.
- 3) The members of Audit Committee are not authorized to sign on behalf the Company unless it can be demonstrated that the binding transaction has been approved by the Board. However, the signatory must be jointly with other directors.

Scope of Duties of Audit Committee

The Audit Committee directly reports to the Board of Director and their scope of duties and responsibilities shall be assigned by the Board of Directors. The Audit Committee shall report to the Board of Directors as follows:

- 1) Review the Company financial report to ensure that it is accurate and sufficient to disclose. Cooperate with external Auditor and executives whom responsible for financial reports issued in quarterly and annually basis.
- 2) Review the Company's internal control system, internal audit system and risk management system to ensure their appropriateness and effectiveness.
- 3) Review the operational performance in accordance with laws of Securities and Exchange, regulations of the Stock Exchange of Thailand and other related laws.

- 4) Consider the independence of internal auditor as well as appoint, transfer and dismiss the chief of internal audit unit or any other units in charge of internal audit.
- 5) Consider the selection, nomination, appointment and dismiss an independent person to be the Company's Auditor as well as consider the auditor's remuneration before proposing to the Board of Directors for consideration and submit to the shareholder's meeting for approval. The Audit Committee shall attend meetings at least once a year with the external auditors without executives present.
- 6) Consider related transaction or transactions that may lead to any conflict of interest in compliance with laws and regulations of the Stock Exchange of Thailand and the Capital Market Supervisory Board to ensure that such items are reasonable and give the highest benefit to the Company.

7) During performing its duties, if the Audit Committee detects or suspects any doubtful transaction or activities as shown below that may significantly affect the Company's financial status or operating result, the Audit Committee should report to the Board of Directors in order to resolve such transactions or activities promptly.

- Conflict of interest transactions
- Corruption or abnormal transactions, or any fault which is significant in the internal control system of the Company
- Violation or infringement of Securities and Exchange Laws, Regulations and Proclamations of Stock Exchange of Thailand, the Office of the Securities and Exchange Commission, and Capital Market Supervisory Board as well as applicable laws

If the Board of Directors or the Executives cannot promptly resolve such transactions or activities, members of the Audit Committee may report the findings to the Office of the Securities and Exchange Commission or the Stock Exchange of Thailand.

8) If the Company's auditor detects any doubtful events related to a director, manager or any person in charge of the Company's operationing result that might violate the law and reports such events to the Audit Committee, the Audit Committee shall promptly inspect and report the outcome of preliminary audit result to the Office of the Securities and Exchange Commission and the auditor within 30 days after receiving the report from the auditor.

9) The Audit Committee's report signed by the Chairman of Audit Committee shall be disclosed in the Company's annual report and consists of at least the following information:

- (a) Opinion on the accuracy, sufficiency and reliability of the Company's finance report.
- (b) Opinion on the sufficiency of the internal control system.
- (c) Opinion on the compliance to the laws of Securities and Exchange, regulations of the Stock Exchange of Thailand or related applicable laws
- (d) Opinion on the appropriateness of auditor.
- (e) Opinion on the conflict of interest's transactions

- (f) Number of the Audit Committee's meeting and meeting attendance of each member.
 - (g) Opinion or remark of overview observation which the Audit Committee has obtained while performs its duties pursuant to the Charter.
 - (h) Any other transactions under the scope of duties and responsibility as assigned by the Board of Directors, if the Audit Committee consider appropriate to inform the shareholders and investors.
- 10) Review the Audit Committee's charter annually and propose to the Board of Directors for approval.
- 11) Evaluate the performance of the Audit Committee annually and report to the Board of Directors.
- 12) Any other businesses as assigned by the Board of Directors.

3. Executive Committee

As of December 31, 2018, the Executive Committee consists of 3 persons, consisting of the following.

No.	Name	Position
1.	Dr. Apichai Taechaubol	Executive Chairman
2.	Mr. Chotiwit Taechaubol	Executive Committee Member
3.	Mrs. Rachanee Siwawej	Executive Committee Member

Tenure of the Executive Committee

Tenure of the Executive Committee is 3 years and members of the Executives Committee who retire by rotation may be re-elected.

Authority of the Executive Committee

The Executive Committee reports directly to the Board of Directors with authority, duties and responsibilities as assigned by the Board of Directors as per the following;

- 1) Govern and manage the business of the Company as assigned by the Board of Directors.
- 2) Determine the Company's policies, strategies, business plans, budget and annual operating budget and submit them to the Board of Directors for approval.
- 3) Consider and determine the Company's organization chart, level of authorities, remuneration of directors and executives as well as employees' salary structure, welfare and other benefits prior propose them to the Board of Directors for approval.
- 4) Consider and approve capital expenditure not specifying in annual operating budget or cost over annual operating budget with the total amount not over Baht 20 million per year and approve on extra from the annual operating budget not over Baht 10 million and report such approved transactions to the Board of Directors for acknowledgment.
- 5) Consider and approve the Company's loan or credit line not over Baht 30 million per annum. In case of excess the determined limit, the Executive Committee shall propose to the Board of Directors for consideration and approval.
- 6) Consider and approve operations plans such as production and procurement policy, sales strategies and price structure as well as branch opening/closing etc.
- 7) Manage the risk of the Company's operating activities by establishing risk management policy as well as monitoring and evaluating risks in order to propose to the Board of Directors.
- 8) Having authority, duties and responsibilities to make decision and direct under the scope of authorities assigned from the the Board of Directors and pursuant to the level of authorities approved by the the Board of Directors' meeting.
- 9) Examine and monitor the Company's operating result compliance with the Company's policy, business plan and management guideline approved by the Board of Directors to ensure its efficiency and effectiveness.
- 10) Any other duties as assigned by the Board of Directors.

Either the authority of the Executive Committee or other persons authorized by the Executive Committee does not include the power or authority to approve any related transactions that the authorized persons or their associates who may have conflicts of interests or any other benefits with the Company and its subsidiaries (if any) as well as transactions that do not fall under the normal business operations of the Company because such a transaction requires the approval from the Board of Directors' meeting or the shareholders' meeting as the case may be and in comply with the Company's Articles of Association or relevant laws.

Nomination of the Directors and Executive Committee

The Company doesn't have Specific Recruitment Committee for the Directors and Executive Committee. Therefore, the Company recruits the Director and Executive Committee by appointing the meeting among the current Executive Committee members to identify the qualified member who have the sufficient knowledge, skills, specific expertise, genders, ability experiences which may enhance the Company's business and must have fully qualification specified under the section no. 68 of Public Limited Company Act B.E. 2535 (A.D. 1992) pursuant to related notifications of Securities and Exchange Commission. These qualifications as follow;

1) The Independent Directors

Either the Board of Directors or the Shareholders' Meeting (depends on the case) shall appoint the Independent Directors to be a part of in the Board of Directors. The Company has the policy to nominate the Independent Directors not less than 1 of 3 of the entire Board of Directors, but not less than 3 Independent Directors.

The criteria of the Independent Directors' selection are compliance with the criteria of the Director's Selection defined under the Company's policy. The qualification of the person who is entitled to be the Independent Director shall consider from the qualification and incompatibility pursuant to Public Limited Company Act and Securities and Exchange Law as well as relevant proclamations, regulations and/or rules. The nominated Independent Directors who obtain the qualified educational background, specific expertise, working experiences and other related qualifications shall be proposed to the Shareholder's meeting to consider for selection as the Company's Directors. In case any Independent Director may resign before to his/her expired term of the office, the Board of Directors may select the qualified Independent Director who obtain the qualification as specified above to replace the resigned Independent Director. Whereas the substituted Independent Director shall hold the title at the office only for the remaining term of the office of that resigned Independent Director whom he /or she replace.

The Board of Directors determines the qualifications of Independent Directors as follows:

1. Holding the Company's share not over 1 percent of the total number of shares with the voting rights of the Company, parent company, subsidiaries, associated companies, major shareholders, or controlling persons of the Company. In this case, it also includes the number of shares hold by the blood-related persons of the Independent Directors.
2. Neither being the Company's Director nor used to be the Director who take part in managing the Company's business, as well as not being the employee, full time consultant with paid salary, or the controlling person of the Company, parent company, subsidiaries, associated companies, major shareholders or the controlling person of the Company, unless resigning from such a position for at least two years before the effective date of taking a position as Independent Director.
3. Neither being a blood-related person nor legally related as father, mother, spouse, brother, sister and children, including not being the spouse of the children of the Executive Committee, major shareholders, controlling persons as well as not being the persons who will be nominated as the Executive Committee or controlling person of the Company or subsidiaries.

4. Neither having nor used to have any business relationship with the Company, parent company, subsidiaries, associated companies, major shareholders, or controlling persons of the Company in the manner that may obstruct the exercise of the independent judgment as the Audit Committee member. Moreover, the Audit Committee member must neither being nor used to be a major shareholder including controlling person of the entities which have business relationship with the Company, parent company, subsidiaries, associated companies, major shareholders, or the controlling persons of the Company, unless resigning from such a position for at least two years before the effective date of taking a position as Independent Director.
5. Neither being nor used to be the auditor of the Company, parent company, subsidiaries, associated companies, major shareholders, controlling persons of the Company, and not being major shareholder, controlling person or partner of the audit company which provides auditing service to the Company, parent company, subsidiaries, associated companies, major shareholders, or the controlling persons of the Company unless resigning from such a position for at least two years before the effective date of taking a position as Independent Director.
6. Neither being nor used to be any professional services providers including the legal advisory or financial advisory services that may receive the consultant fees in the amount of more than Baht 2 million per year from the Company, parent company, subsidiaries, associated companies, major shareholders, or controlling persons of the Company, not being shareholders, the controlling person, or partner of such a professional services provider, unless resigning from such a position for at least two years before the effective date of taking a position as Independent Director.
7. Not being a director who has been appointed as the Company's representative, major shareholders or shareholders relating to major shareholders.
8. Neither operating the business having the same business nature which significantly competes with the Company's business or its subsidiaries, nor being a key partner or the Director who involves in managing the business, not being an employee, staff and a consultant who receives regular salary, or holding the share more than 1 percent of the total number of shares with the voting rights under the firm/ or business operators that operates the similar business nature and significantly competes with the Company's businesses or its subsidiaries.
9. Not obtaining any conditions that may obstruct the independent expression of comment on the Company's operations.

Independent Directors shall verify and certify their own independent qualifications at least once a year and inform the certified result together with the Directors' profiles at the end of the year through the Annual Information Disclosure Form (Form 56-1) and Annual Report of the Company.

2) The Directors and Chief Executive Officer

1. Holding the qualifications consistent with Public Limited Company Act, Securities and Exchange Act, Business Code of Conduct, regulations of The Securities and Exchange Commission, Capital Market Supervisory Board and Stock Exchange of Thailand as well as criteria of good corporate governance.
2. Obtaining the knowledge, abilities and experience in various professional fields that will be beneficial and add value to the Company.
3. Holding the qualifications which support and promote the good Corporate Governance in order to create value to the company, enable to perform the duties with accountability, care and loyalty including the time devotion.

The Election and Nomination of Directors in accordance with the procedures specified in the Company's policy. The elected Directors need to get the approval from the Shareholders' Meeting. The resolution of the Shareholders' Meeting shall be based on majority voting rights of the shareholders who attend the meeting.

In this regard, the Company provides an opportunity to shareholders to nominate the potential candidates whom may have knowledge, capability, and obtain the appropriate qualifications to be elected as directors in advance prior to the Annual General Meeting of Shareholders by publicizing via SET's communication system and the Company's website.

The Company has set the policy of appointment and withdrawal of the Director as follow;

- The Company must have a set of the Board of Directors comprising at least 5 Directors, and not less than half of the number of the Directors and all Directors must have their permanent residence in the Kingdom of Thailand. The Board of Directors shall vote the Chair of The Board of Director among the Directors, and may vote the Vice Chairman of the Board of Directors and other positions as discretion. The role of the Vice Chairman of the Board of Directors is defined in the Company's policy which assigned by the Chairman of the Board of Directors.
- The Shareholders' Meeting shall vote the Directors pursuant to the following criteria and procedures as follow;
 - (1) Each shareholder has voting right equivalent to the number of share being held.
 - (2) Each shareholder may use all votes to elect one or more directors, in case of election the number of the Directors, but those votes shall not be divided in any proportion for the specific Director.
 - (3) The persons who receive the highest respective votes shall be elected as the Directors according to the positions available at that time. The Chairman of the Board of Director shall cast the deciding vote in case a voting is tie between two persons competing for one available position at the time.

- At the Shareholders' Meeting, there's the Directors may retire from their role at least one-third of the number of the Directors. In case the number of the Directors can't divide into three part, the number of retired Directors shall be the closest number of one-third.

The Directors who retire from the role in the first year and second year of the Company's registration, those Directors may do drawing for retiring from the role. In the later year, the Directors who are in the role the longest shall be selected to retire from the role and those retired Directors may be re-elect to take charge of the role again.

- Any Director shows their intestest of resignation requires to send the resignation paper to the Company. The resignation date will be effective when the Company receives the resignation form.

Any Director resign under the condition above may report his/or her resignation to the registrar compliance with the Public Limited Company Act.

- In case the Director role is vacant due to other circumstance besides normal retirement term, the Board of Directors may select the qualified personnel who doesn't have any characteristics which may against the Public Limited Company Act and Securities and Exchange Law to be the substituted Director for the next Board of Directors' Meeting. Unless the term of the Board of Directors is less than two months. The substituted Director shall be in charge in the role until the remaining term.

The resolution of the Board of Directors as mentioned above comprising the vote not less than 3 out 4 of the number of remaining Directors.

- In case of the retirement of the whole Board of Directors team, the Directors who retire from the role may still in charge of the position in order to support the business operations until the new Board of Directos team take charge. Unless the court may order the differently in case the Board of Directors retire from the role due to the injunction.

In case the whole Board of Directors retires from the role, the shareholders' meeting needs to be held in order to elect the new Board of Directors Team to replace the previous team within one month after the previous team retires from their role. The invitation letter of the Shareholders' Meeting requires to send to the shareholders not less than 14 days prior to meeting date and the advertisement to the local newspaper requires to publish not less than 3 days prior to the meeting date as well. The advertisement to the local newspaper needs to be published in 3 days continually.

- A Shareholders' Meeting may conclude any Director to retire from the role before the term in the office with the voting right not less than 3 out of 4 of the number of shareholders who attend the meeting and entitle to voting rights and the total number of shares not less than half of the number of shareholders who attend the meeting and entitle to voting rights.

3) The Audit Committee

The Board of Directors or the Shareholders' Meeting (depends on the case) shall appoint at least 3 persons to be the members of Audit Committee. Each member of Audit Committee shall be Independent Director and shall not be the Director assigned by the Board of Directors whom making the decision on business operations of the Company, parent company, subsidiaries, affiliates, subsidiaries in the same sequence, major shareholders or controlling person and shall not be the director of the Company, parent company, subsidiaries, subsidiaries in the same sequence, only listed companies. The member of Audit Committee shall possess the qualification pursuant to Securities and Exchange Law as well as Proclamation, Regulation and/or Rules of Stock Exchange of Thailand stipulated for qualification and operating extent of the Audit Committee.

Anyhow, at least one member of Audit Committee shall has the sufficient knowledge or experience in accounting or finance in order to be able to verify the financial report reliably as well as other duties as the member of Audit Committee.

4) Executives

The Company has no Nomination Committee. Anyhow, the Company has the policy to recruit the person who has knowledge, competency and experience related to the Company's business.

The Chief Executive Officer is assigned to hire and appoint the persons whom have knowledge, ability, and experience in the Company's business to be the employees in several levels. In addition, the Chief Executive Officer shall appoint the supervisor or personnel to in charge of auditing and internal control. where as the nomination need to get approval prior from by the Audit Committee.

Inside Information Control

In order to be transparent and protect the personal use of internal information which has not been disclosed to the public for own benefits, including to avoid the claim from the inappropriation of securities trading of internal persons, the Company has established policies for the Directors, Executive Committee and staffs as follow;

- 1) The Company's Directors, Executive Committee and staffs shall keep secret and/or inside information of the Company, not disclose or seek for their own benefits or others' benefits either directly or indirectly as well as not trade or transfer in-out of the Company's shares by using secret and/or inside information of the Company and/or not enter into legal transactions by using confidential and/or inside information of the Company which may cause damage to the Company whether directly or indirectly.
- 2) The Company's Directors, Executive Committee and staffs in departments that may receive inside information, shall not use such information before disclosing to public. In addition, they shall not trade and transfer in-out of the Company's shares within 1 month prior to the disclosing of the Company's Quarter Financial Statement and Annual Financial Statement to public and at least 1 working day after disclosure date.

Moreover, all Directors and Executive Committee have signed on acknowledge of their duties to report on the Company's shares owned by themselves, their spouse and minor children to the Securities and Exchange Commission (SEC) within 30 days after taking the position into appointment. They shall also report the change of shareholding to the SEC within 3 business days after the date of trading and transferring in-out of the Company's shares and inform the Company as well as reporting to the meeting of Board of Directors on quarterly basis.

Above regulations is also applied to the spouse and minor children of the Director, Executive Committee and staffs. In case, any person fail to abide the regulations shall be disciplined follow to the Company's policies and/or related law depend on case by case basis.

The Auditing Fee

In 2018, the Company paid the auditing fee to Dharmniti Auditing Company Limited in the amount of Baht 1,240,000 which is the same rate in year 2017. In addition, there were no other fees paid to the auditor besides the auditing fee mentioned above.

7. Corporate Social Responsibility

Policy

The Company realizes on the significance of business operations in adhering to the implementation of the principles for good corporate governance, business ethics and responsibilities toward society, community, environment and all related stakeholders with strong belief on enhancing the Company toward the sustainable growth, building of trustworthiness to shareholders, investors, and all related stakeholders. The principle of corporate social responsibilities has also been consistent with the company's vision, mission, core values and business code of conduct.

Therefore, the Company has stipulated the corporate social responsibilities policy as the framework for adherence and compliance by the Board of Directors, the Executive Committee and all staffs as per below;

1. Corporate Governance

The Company operates the business in accordance with good corporate governance principle resulting in transparent and accountable management, equitable treatment of stakeholders, accurate and complete information disclosure, internal information usage control, risk management and compliance to business code of conduct, abiding with the laws and regulations as well as cultivation of ethical conscious and awareness in business operations to the staffs throughout the organization.

2. Fair Business Operations

The Company encourages fair competition and avoids any executions that may cause conflict of interest and violation of intellectual property or copyright.

3. Respect of Human Rights

The Company respects humanity value and dignity of everybody without human right infringement.

4. Fair Treatment

The Company is aware that all staffs are the most valuable resources of the Company, then giving the precedence to development of staff's potentiality, benefit and compensation, career path, fair and equitable treatment to staffs at all levels, staff's welfare, safety and security including the sanitation at workplace.

5. Consumer Responsibilities

The Company focuses on customer service standards to response to customers' expectation and aims to develop high quality of products and services and obtain good hygiene in order to provide no harm to the customers.

6. Environmental Preservation and Energy Conservation

The Company operates business with concerns on environmental impact, effective resources utilization and energy saving.

7. Society or Community Development

The Company supports and encourages the society and community's development projects and related activities such as donating money or necessary items, volunteering for community support including encouraging the employees to participate these activities.

Practices toward the Company's policies

1. Corporate Governance

The Company has established corporate governance policy including the rights and fair treatment toward all groups of stakeholders, use of internal information, information disclosure and transparency. The Company operates business with high responsibilities compliance with the principles of good corporate governance, ethics and business code of conduct.

2. Fair Business Operations

The Company has the policy and the guidelines on non-infringement of intellectual property or copyright. Only software with license permission and lawful copyright can be allowed to use in the Company's Information Technology (IT) system.

3. Respect the Human Rights

The Company has policy and practices towards not involving in human right infringement including equitable treatment to all staffs based on humanity, dignity, respect for individual right and duty, resistance to use of child labor, establish the consideration process, selection process and rewarding system for all staffs, focus on providing essential knowledge and competency to enhance main duties without considering of race, religion, class and gender, etc.

4. Fair Treatment of Employees

- Determine equitable and fair staffs' compensation and welfare.
- Promote staffs to develop their knowledge and competency properly in order to grow in their career, to set career path for potential staffs and to provide the opportunities for all staffs to attend the promotion test.
- Arrange working environment with safety and sanitation by setting the policy regarding occupational safety, health and environment in workplace on March 6, 2012. The policy is defined the development and creation of management system in safety and environment compliance with lawful requirement by establishing Environmental, Occupational Health and Safety Division for activity arrangement, providing the

training to build the conscious of safety, health and environment to all staffs as well as setting up occupational health and safety manual. It also includes investigating and controlling staffs to perform their duties in compliance with the manual, preparing job safety analysis form (JSA), electing Occupational Safety, Health and Environment Committee, and appointing safety officers registering with Department of Labor Protection and Welfare.

- Participate in Drug Free Workplace Project of Pathumthani Provincial Labor Protection and Welfare Office since 2010 with the objective of being the workplace which all staffs are free from all types of drugs and encourage that all staffs have good health, live without sickness and be safe in their workplace. According to the project, the Company manipulates the policy regarding to prevent and solve the drug problems and communicates to all staffs through various channels such as posting a notice and intranet channel etc. Furthermore, working committee has been set up to arrange other activities i.e. creating the posters and noticeboard in order to educate the anti-drug campaign, drug effect, including to organize the sports competition to encourage staff exercises, initiating the slogan contest etc. Random sampling drug with the staffs in annual basis. Each year, Pathumthani Provincial Labor Protection and Welfare Office would support on assessing the operating result of this project.

In 2018, the Company additionally implemented the activities as follows;

- To provide employees with a yearly health check-up on May 22, 2018.
- To arrange the training programs regarding the health and occupational safety, comprising personal hygiene, working with electricity, working at height, scaffolding and lift.
- To be certified for standard of prevention and resolution to drug problem in workplace, effective from September 26, 2016 to September 25, 2019. In addition, the result of drug investigation sampling in 2017 of 576 employees, only 1 employee obtained positive result for drug examination. The Company had decided to send the employee to Lumlukka hospital for drug treatment but the employee refused and resigned later.
- To organize the activity of “Safety, Welfare and Anti-Drug Week” which was held in the Company’s factory during 20 – 21 September 2018. Several exhibition booths were arranged to display various helpful information regarding with these matters. Additionally, several activities and recreational activities were organized, as well as various rewards were distributed for participants.
- To arrange basic fire-fighting training and annual fire evacuation at the Company’s factory on November 7-8, 2018.
- To disclose the accidental statistics at the Company’s factory which 0 staff got the accident while on duty at the factory in 2018.

5. Consumer Responsibility

The Company focuses on responding to consumer's need by focusing on quality, deliciousness and varieties of foods, good service providing, convenience, safety and worthiness. In order to reach consumers' satisfaction, the Company establishes the appropriate operating process starts from selection, controlling and inspection of raw materials' quality, food standard and raw material storage, as well as the production of the Company's factory or central kitchen. The Company's factory or central kitchen has passed the inspection and certification of production quality standard in food industry which are GMP (Good Manufacturing Practice) and HACCP Standard (Hazard Analysis and Critical Control Points) from Intertek Industry and Certification Services (Thailand) Ltd. and a such certificate has been renewed for another 3 years, from September 15, 2017 to September 18, 2020. As a result, the Company ensures that raw materials and process foods are standardized and have good quality. The Company also continually creates and develops new menus and improves taste of food in order to respond to customers' needs which change over time. Moreover, the products and raw materials are delivered to different branches by the Company's vehicles in order to deliver fresh and new food with nutritive value preservation to customers rapidly and effeciently.

With respect to good service providing, the Company arranges regular staff training in order to provide the standardized practices for service providing to the customers as well as to handle with customer complaints effectively. The complaint handling manual has been manipulated for various cases including dealing with customer practices and customer reimbursement method. Several channels for customer complaints or suggestion have been provided through suggestion or complaint boxes at each restaurant branches or the customer may dial the direct call at telephone number published at all restaurant branches or company website. In addition, the Company's quality control and mystery shoppers outsourced by the outsiders also inspect the quality of food and operational practices of each branch on monthly basis.

The company places high importance on the health and well-being of customers as well as the awareness of environmental conservation. Since 2014, the Company has used charcoal or Biomass (called as Bio-Char) from the Northern Renewable Energy Co., Ltd. for the roaster and barbeque stoves. The components of these charcoals are coconut shell, mixed with eucalyptus wood and tapioca flour. These natural biomass materials are environment friendly and free from toxins and chemicals. The strength of these charcoals are non-toxic materials (carcinogenic free), giving a high level of heat, non-smoke, no crackles, left with few ashes, and enhancing the longer duration of time than normal charcoal. The quality of these charcoals is guaranteed by the Faculty of Science at Chulalongkorn University.

In addition, the restaurants under the brand of Signature which serves A La Carte style (Ordering food from the menu), uses biodegradable package from Biodegradable Packaging for Environment Public Company Limited for take away meals. These environmental packages are made from natural plant fiber and are free from carcinogenic substances. It's environmental friendly and is biodegradable, dissolving within 45 days.

6. Environmental Preservation and Energy Conservation

Environmental Preservation

The Company recognizes the importance of the environmental preservation. In 2010, the Company participated in Clean Technology Development and Promotion in Industrial Enterprise Project, arranged by the Provincial Industry Office of the group of upper central region provinces 1. In 2015, the Company's environmental policy was approved by the Board of Directors' meeting no. 1/2015 held on February 26, 2015 and was announced for implementation on February 27, 2015. The Company assigned the staffs who perform their duties relate to environment as permitted by the Department of Industrial Works to investigate and supervise environment concerns closely, so that there's no any unfavorable effect occurred in the nearby communities of the factory. The delegated staffs were consisted of an environmental manager and an operator responsible for wasted water treatment system, which both of them had attended the training classes, passed the relevant examination and received the certificates. In addition, Environmental & Resource Development Co., Ltd. has been outsourced to be responsible for controlling wasted water treatment system.

The Company operates the business compliance with environmental laws. The factory or central kitchen has strictly complied with wasted water standard pursuant to the proclamation of Ministry of Industry. The wasted water incurred from the production process must be treated and kept at cesspool and then reused within the factory such as watering plants, and so on without emission to the public. At past, the Company has never done any misconduct regarding with the environment and never been complained for environmental and pollution problem.

Additionally, the Company provides knowledge and implanted awareness related to environment through staff's notice board.

Energy Conservation

The Company has established policy regarding with the energy conservation on May 2, 2013 by determining the implementation and development of energy management system as a part of the business operations, ongoing improve the effecient energy consumption, setting the annual energy saving target and communicating to all staffs for their correct comprehension and practices, and creating the awareness of the energy saving as all staffs and executives' duties and responsibilities, as well as supporting on Human Resources, budgeting, training and encouraging the staff participation in sharing their opinion on the energy conservation.

The Company has also implemented the notice in order to promote the campaign of energy conservation in order to utilize the Company's resources as such a energy, resources, equipments, tools, office supplies with conscious and effectiveness. For example, turning off electricity and air-conditioning, including the computers during the lunch break, reducing the use of paper replaced by e-mailing, using two sides of papers, as well as using the stairs instead of the elevator etc.

In addition, the Company had regularly participated in the government's energy saving projects as follows;

- In 2011, the Company participated in Energy Saving Project for small-sized factory, arranged by Department of Industrial Works.
- In 2013, the Company participated in the Demonstration of Energy Management System Project for medium-sized industrial factories, arranged by Bureau of Alternative Energy Development, Ministry of Energy. The objective of this project is to develop and to promote roles of personnel of enterprises in participating on the energy conservation management at enterprise systematically and sustainably. The period of the project implementation was 2013 - 2014. An example of the Company's implementation was using Hi Saver energy saving boiler with the replacement of LPG energy consumption in production process of the factory, which was helpful for reduction of energy consumption and heat diffusion insides the boiler, resulting in alleviation of air-condition's work and relief of staff's fatigue. The Company also changed all traditional bulbs used in all restaurant branches to LED bulbs, resulting in energy saving, longer life time usage of the bulbs as well as environmental friendly.
- In December 2015, the Company participated in Reduction of Energy Usage in SME Factory Project, organized by energy conservation consulting center, Department of Industrial Works, in order to increase the efficiency of energy usage and reduction of energy cost. The project aimed to reduce 10% of energy usage of the factory. In 2016, the Company implemented the project to reduce the temperature of cooling chiller, resulting 12% reduction of energy cost, which achieve higher than the aim target.
- In 2017, the Company participated in the improving of energy-efficiency project in SMEs food industry organized by Provincial Energy Office of Pathumthani, started on July 1 - November 21, 2017. The Company set up an energy saving project by replacing the fluorescent lamps and the FL bulbs into the LED bulbs which could reduce energy consumption by 61,320 kWh/year, totalling the value of Baht 219,525 per year.
- In 2018 – 2019, the Company has participated in the project - Energy Conservation for Industrial Sector in Sustainable Way (Energy Point Phrase 2) as organized by the Institute of Industrial Energy, The Federation of Thai Industries. The Company has implemented the project to change heating circulation in the chilling room from the air-circulation system to water-circulation system which can reduce energy consumption by 120,215 kWh/year, totalling the value of Baht 438,784 per year.

7. Social and Community Development

The Company shall consider the community's needs and encourage the participation of the community development. The Company supports on providing foods, beverages and supplies to nearby schools and community at the Children's Day annually. The Company supports and encourages the staffs to participate in volunteer programs and public activities with community.

In 2018, the Company participated in social and community development by donating necessary items, to support the National Children's Day activity, to schools and community located near the factory of the Company which were Saharajbumrung School, Wat Prachum Raj School, Sitthisup Community and Aiyikaram School at Thanyaburi District, Pathumthani Province.

Anti-Corruption

JCK Hospitality Public Company Limited has operated the business in compliance with the principle of good corporate governance, business ethics with responsibilities towards society, community, environment and all stakeholders, including anti-corruption in order to develop the sustainable growth of the Company.

The Board of Directors' meeting no. 4/2014, held on November 12, 2014 passed the resolution to approve the Company to participate in the project of "Private Sector Collective Action Coalition against Corruption", with regards to express intention and commitment to counter with all types of corruption. As a result, the Company signed in the Declaration of Intent on December 22, 2014. In order to certify from the campaign, the Company was required to submit self-evaluation tools for countering bribery within December 2016 but the Company failed to do so due to lack of manpower to handle with the documents.

In this regard, the Company has abided by anti-corruption policy which was reviewed and approved by the Board of Directors' meeting no. 1/2015, held on February 26, 2015, as the explicit guideline of the conduct of business operations. The management team has given importance for such a subject continuously throughout the year 2018.

The guidelines of the practice are as follows;

1. Directors, Executive Committees and employees at all levels must abide with anti-corruption policy, business code of conduct, regulations and relevant work manual of the Company by not involving with all forms of corruption in both direct and indirect manner.
2. Any practice which may incur with the high risk of corruption, the Company determines that Directors, Executive Committee and employees must carefully conform by the following courses of action;

(1) Giving and Accepting the Bribery

The Company prohibits to give or accept any form of bribery as a return of business benefits and prohibits to assign the other personnel to give and accept bribery on his/her behalf.

(2) Gifts, Entertainment and Other Expenses

Offering or receiving gifts, providing the entertainment, including supporting on the other expenses are the important part of creating or maintaining business relationship. However, giving or accepting gifts and entertainment should be justified in all

circumstances according to tradition, custom, normal business practice, complying with the Company's business ethics and business code of conduct and relevant laws. The value of gifts, entertainment as well as other expenses should be in appropriate value depends on situation and not aim to encourage any actions or avoid performing any actions that may lead to corruption.

(3) Political Contributions

The Company is impartial in politics and has no policy to contribute or support in form of financial resources or other capital to political parties, political groups and politicians, whether directly or indirectly.

The Company respects to human rights of each employee to participate the political activities freely. However, the participation must not represent the name of the Company.

(4) Charity, Contributions and Sponsorships

- 1) Charity in form of cash or assets of the Company must be contributed only under the name of the Company towards the foundations, public charities, temples, hospitals, sanatorium or any reliable or certificated social organizations which are verifiable. The charity contribution must be recorded properly by identifying the name of recipients, objective of donations, including the related documentation in order to submit to the authorized persons for approval.
 - 2) The sponsorships in form of cash or assets of the Company must be granted only under the Company's name with the objective of the business purpose, creating good image and reputation of the Company. The objective and the supported evidence need to be clearly defined by recording the recipient's name, the purpose of sponsorship, including the related documents in order to submit to the authorized persons for approval.
 - 3) Giving or receiving donated money for charity or sponsorships must not be used as a mean for bribery purpose.
3. Purchasing and procurement must be carried out under the Company's rules and regulations with transparency and accountability. The evaluation of suppliers' selection must be strict pursuant to purchasing regulations. The Company sent the letters to all suppliers to notify about the Company's practices and policies regarding to the anti-corruption policy since January 21, 2014. The Company also defines the channel to make a complaint or report any clues relating to the corruption/bribery to the Company. Therefore, the Company reserves the right to reject of purchasing or procurement with suppliers or service providers whom commit the corruption/bribery.

4. When any action which may relate to corruption is noticed, the staffs shall not neglect or ignore. Instead they must inform their supervisors or authorized persons or inform via whistleblowing channels as well as collaborate in any further investigations. In case of having any suspicious or query, the issues shall be raised up to their supervisor or responsible persons through stated channels.
5. There are in place the channels of whistleblowing and complaints, establishing on the measures for protection of any petitioner or whistle-blower and keeping information of whistleblowing or complaint in confidential manner and processing the investigation with timely and fairly practice.
6. A person involving with any corruption will be considered for disciplinary actions in accordance with the Company's policies. The stage of disciplinary actions starts from the dismissal and/or termination of employment. In addition, the persons may be prosecuted based on related laws in case of violation.
7. Establishing the risk management regarding to the corruption by assessing the risks from all business practices such as the process or procedures which may lead to corruption, identifying the risk management standard of practice, including monitoring and reviewing the recent risk management system in order to reach the acceptable level of risk control.
8. Implementing human resource management practices compliance with anti-corruption policy, starting from recruiting or selection process, training, performance evaluation, promotion, rewarding and hiring process. Furthermore, organization chart shall be set with appropriate duty segregation, resulting in assessing and balancing.
9. Implementing the proper auditing process and internal control system in order to prevent corruption and misconduct. Process of internal audit spreads over the core activities of the Company such as purchasing and procurement, marketing etc. Internal control system includes finance, accounting and data gathering and recording.
10. Communicating anti-corruption policy and notifying the channels of whistleblowing and complaining to everyone in organization to understand, accept and comply through the various channels of the Company i.e. e-mail, website, noticed board etc. The Company also arranges new hire orientation for all directors, executive committee and employees and provides regular training on anti-corruption policy to all relevant existing employees for their understanding and complying with this policy.
11. Communicating anti-corruption policy and notifying channels of whistleblowing and complaints to public and all stakeholders through the various channels of the Company i.e. website, Annual Report, Annual Disclosure Information (Form 56-1) etc.
12. Monitoring the implementation of anti-corruption policy regularly and revising the guidelines to be in line with change in business, rules, regulations and relevant laws in usual.

Whistleblowing and Complaint

1. Issues for whistle blowing or complaint

- (1) Any course of the corruption relevant to organization either direct or indirect manner
- (2) Violation of the law, rules, regulations of the Company, business ethics and good corporate governance policy
- (3) Action/or practice which causes the negative impact on the Company's benefits and reputation

2. Channels of whistleblowing or complaint

All stakeholders can report suspected wrongful actions or make a complaint through the following Channels;

- (1) Electronic mail of the Chairman at chairman@jckhgroup.com
- (2) Company's website at www.jckhgroup.com
- (3) Suggestion boxes at restaurant branches, factory and head office
- (4) Making a call through the telephone numbers which notice at every restaurant branches
- (5) Postal mailing direct to the Chairman at Company's address: at JCK Hospitality Public Company Limited, No. 18 Soi Sathorn 11 Yaek 9, TFD Building, Yannawa, Sathorn, Bangkok 10120

3. Protection and Keeping Confidentiality

- (1) Any whistle-blower or petitioner will be protected from his/or her rights, either the person is the employee or external person.
- (2) The Company shall provide fair treatment and safeguard the staff who does not accept on the corruption guilt or who informs corruption cases or reports any misconduct, or who makes a complaint and who cooperates in corruption report. The Company shall not transfer the position, change the job description and workplace, suspend the person from current job, discipline or provide any negative reinforcement to that staff.
- (3) The Company shall investigate according to procedure and record investigation outcomes in writing by not disclosing information of whistleblower or petitioner. All relevant documents will be kept and treated as confidential and prohibited to disclose the information to unrelated persons, except only the disclosure is required by the law.

Investigation Procedures

1. When receiving the whistleblowing or any complaint, a receiver shall gather all facts and send them to Company Secretary.
2. The Company Secretary will invite the representatives from Executive Committee to consider and investigate. The representatives from Executive Committee are the member as follows;
 - (1) Deputy Chief Executive Officer
 - (2) Head of Human Resource Department
 - (3) Manager of a whistleblower or petitioner (if case relates to the employee)The Company Secretary will be an observer in the investigation meeting.
3. During the investigation, the Company Secretary may be assigned to inform the progress of investigation to the whistleblower or the petitioner from time to time.
4. After investigation, if the Company finds that the whistleblower or petitioner's complaint has been realized to the misconduct or the corruption, the Company will inform the rights to the suspect as well as their suspicious act which may relate to any misconduct or the corruption. The Company also provides the right to the suspect to provide the additional information or evidence to prove himself/or herself that he/or she doesn't commit to any misconduct or the corruption as alleged.

Social Development in Year 2018

JCK Hospitality Public Company Limited recognizes the importance of its responsibility to the community and society in every area it conducts the business, especially in the field of caring for environment and making relationship including providing benefits to be returned to the community.

In 2018, the Company organized the activity to support and develop the community regularly in the area which the Company has operated the business whether in relation to education, improvement of quality of living and donation of consumables and daily household items to the community that faced hardship. The Company emphasizes on the collaboration of the Company, its staffs and the community. The main activity in 2018 was as follow:

- **National Children's Day 2018**

The Company and its staff organized the National Children's Day for the year 2018 and donated the stationeries and sport equipment to Saharajbumrung School, Aiyikaram School and Wat Prachum Raj School.



8. Internal Control and Risk management

The Audit Committee considered and appointed the Quantum Point Consulting Co.,Ltd., as the Company's internal auditor in year 2018. The Quantum Point Consulting Co.,Ltd is selected as the Company's internal auditor as it is independent and has sufficient resources and budget to perform its duties for auditing operations. The internal auditor has duties to provide the consulting, auditing, and evaluating internal control systems, to monitor and assess Company's risk management systems and corporate governance whether the practices towards these policies are adequate and efficient as well as pursuant to defined Company's objectives. Additionally, the internal auditor shall audit the Company's operations, compliance with law and relevant rules and regulations, and finance auditing. The internal audit shall report the assessment result directly to the Audit Committee. The Company Secretary is delegated to coordinate with internal auditor and other departments in the Company.

In 2018, the internal auditor implemented the auditing system to assess the Company's internal control system through the various transactions of the Company which consisting of transactions of production for sale, quality assessment, transaction of warehouse management, cost management, transaction of fixed asset control, transaction of human resource management including sales and payment transaction at the restaurant branches. After assessment, the Audit Committee provided the feedback that the Company's internal control system was adequate and appropriate in a certain level but there was only few weak points which the management team should bring these points to consider, implement the practices to improve these weak point in order to eliminate the weak points to be lesser or completely eliminate in the future. Furthermore, the Company shall be able to improve the business operations more effectively with continual growth sustainably.

For the Year 2018, the Audit Committee arranged 4 meetings with the external auditor and the internal auditor to consider and express opinions on financial statements which were audited or reviewed by the external auditor. The Audit Committee was aware of the continuing improvement of internal control system which is more sufficient and appropriate. In addition, the Audit Committee held the meeting with the external auditor without the presence of management team.

Internal control

At the Audit Committee's meeting no1/. 2019 on February 28, 2019, The Audit Committee consider approving the evaluation checklist of internal control system for the year 2017 assessed by internal auditor and reviewed by the Audit Committee. The assessment result has mentioned that the Company's internal control system is fairly appropriate and efficient. Therefore, it granted that the Company's assets were suitably protected and maintained, accounting transactions were recorded properly, and resources were utilized efficiently. In addition, the Board of Directors gave opinion that the Company had adequate internal control system for related transactions with major shareholder, executive and related persons.

The Company's operation and management procedures are in lined with the integrated framework of internal control determined by the Committee of Sponsoring Organizations of the Tread Way Commission (COSO) which consists of 5 components and 17 concepts. The Company had adapted this principles for operation and management practices as follow :

1. Environment Control

(1) The Independent Directors and Executive Committee determine the guideline and practices based on integrity and business code of conduct which cover daily operation practice and practices towards the Company's partner, client and third party. The written regulation are established and followed by management team and employees in order to perform their duties with honest and ethics. In addition, there are restrictions to prohibit any of management team and employees not having any conflict of interest with the Company's business, including prohibition of corruption which may cause the Company's damage. Anyone who fails to perform in accordance with the above instructions shall be subjected to reasonable penalty.

(2) The committee composed of the independent Directors who have knowledge, competency, reliability, and independent in performing their duties. Their roles are to govern the internal control which cover establishment of control environment, risk assessment, control activities, information and communication, including monitoring activities.

(3) Top managements of the Company determine the organization structure by considering all related business practice and related law as well as arranging the efficient internal control system in place. The Duties of core functions are segregated to counterbalance. The Internal auditor reports directly to the Independent Directors with clear reporting line.

(4) The Company has policy and work procedure for recruit, develop and retain employees who have suitable knowledge and competency. The Company also sets the procedure to review such a policy and work procedure periodically.

(5) The Independent Directors and Executive Committee reinforce the procedures and communication to ensure that everyone aware of his/her responsibility for the internal control and may change the practice to improve the work procedure if necessary.

2. Risk Assessment

(1) The Company determines objectives of risk management clearly and sufficiently in order to be able to identify and evaluate any risks related to achievement towards the Company's objectives.

(2) The Company sets up procedures regarding to the risk identification and risk in order to prioritize the risks by considering likelihood and impact of such risks, which is proceeded before and after managing such risks, in both inherent risk and residual risk.

- Likelihood means frequency or possibility of risk occurrence

- Impact means severity of damage occurred in correspondence with risk occurrence, which can be assessed by means of qualitative (e.g. product and service quality, Company's reputation) and by mean of quantitative.
- Degree of risk means status of risk derived from assessment of likelihood and impact of each risk factor.

3) The Company evaluates the opportunity of corruption occurrence by covering all types of corruption and review the goal of operation carefully. In addition, the Company also considers the incentives or benefits programs of the employee to ensure that practice don't lead to any persuasion to do inappropriate actions.

(4) The Company reviews and evaluates the changes of external factors which may affect business operation, internal control, and financial reports. In addition, the Company introduced the practices to response to any change by identify the additional risk and control activities.

3. Control Activities

(1) The Company has the procedures to reduce risk to acceptable level by establishing risk management manual and work procedures of each system in written format. The Company also sets up corporate chain of command, job descriptions, and clearly segregated responsibility of each position.

(2) The Company arranges the general control activities by using information technology, such as set up password for information accessing of each level and set up the standard to protect leaking out confidential information, etc.

(3) The Company arranges the control activity through the policy by requiring each department to evaluate its operations and allow internal audit unit to monitor its operation regularly.

4. Information Technology & Information Communication

(1) The Company utilizes information technology system to manage the Company's information transferring such as assessing the effective and on time daily sale datas, utilizing the data analysis for dection, etc.

(2) The Company uses video conference for internal communication.

(3) The Company communicates with third parties via available channels in order to let the outsiders provide the suggestion, clues complaints or feedback such as website, e-mail, telephone, facsimile and letter etc.

5. Monitoring Activities

(1) The Company follows up and evaluates internal control continuously. The internal auditor performs its duties to audit and evaluate the internal control system each departments or quarterly basis.

(2) The Company evaluates and communicates the failure of internal audit on timely basis. The subordinate is required to reports any failure to his/her supervisor / or direct manager in order to find the solution to improve the failure effectively.

Risk Management

The Company gives precedence to risk management as the key mechanism and tool in business operation, These would lead to the achievement of the Company's objective and goal. Therefore, the Company establishes the risk management policy by focusing on development of risk management system to comply with good corporate governance and reinforcing the entire enterprise risk management. The Company manages risk systematically and continuously, covering financial and operation controls, managing and practicing in accordance with related laws, both internal and external. In addition, the enterprise risk management covers both organization level and operational level in order to control the risk in acceptable level and to ensure that the following objectives can be achieved:

1. The strategies and goals are established clearly and practically to conform and support the Company's mission.
2. Operating result effectively achieves the objectives in efficient manner by managing resource effectively and worthily as well as having appropriate protection and asset control.
3. Reporting both financial and non-financial data correctly, reliably and timely.
4. Executing and operating according to the Company's policy, rule and regulation, which comply with related laws and other regulations related to business operation, both internal and external.
5. Improve quality and operation procedure in terms of personal, assets, equipment and operating systems continuously.
6. Implement internal control system by performing self-assessment in important function appropriately.

Risk management supports the organization to achieve its goal and reduce some trouble or unexpected matters which may occur simultaneously. It also protects some damage to company's resource and creates confidentiality in reporting and performing in accordance with the company's regulations. The Company has established the risk management policy with procedures as follows:

- The Company set up Risk Management Committee (RMC) at enterprise level consisting of Deputy Chief Executive Officer as the Chairman and Chief Officers of each section as members. The RMC establishes guidelines of risk management and reports the risk management assessment result, monitor and evaluate the performance for Chief Executive Officer (CEO). In addition, the Company set up RMC at unit level comprising Chief Administrative Officer (CAO) as the Chairman and heads of departments as members. Its duties are risk factors identification, risk assessment, risk response planning, risk monitoring and risk review. Reports on the progress of risk management implementation are prepared and submitted to Executive Committee on quarterly basis.
- The Company assigns all employees to have collective roles and responsibilities and determine authority of management and operation levels clearly. Risk management is under responsibilities of all employees in all levels so that they aware of operating risk in their own departments and in the organization including give priority to manage the risk in different parts in acceptable and suitable level.
- The Company initiates the process of enterprise risk management by developing a risk management manual to provide knowledge and understanding about concept, process, and procedure of risk management to all managements and employees. Thus, they can set up risk management plan of each department to compliance with the Company's risk management plan, and lead to integrated risk management. Risk management system is included as a part of decision making, strategic planning, action plans and business operation. In addition, the Company focuses on achievement of the Company's objectives, goals, vision, mission, and strategy in order to create operational excellence of the Company and confidentiality of all related parties.
- The Company develops risk management plan by determining the risk of each work system and sets guidelines to prevent and reduce operational risk to avoid damage or loss which may occur. In addition, the Company follows up and assesses risk management continuously.

9. Related Party Transactions

The related party transactions between the Company and the persons/ or entity that may have a conflict of interest including the relationship can be summarized as per the following;

Person/Entiry having a conflict of interest	Relationship
Octopus Media Solutions Co., Ltd.	Related business to shareholders, directors and executives
JC Kevin Development Co., Ltd.	Mrs. Chalida Taechaubol (Mr. Apichai's wife who holds 100% of JC Kevin's shares) Mr. Apichai Taechaubol and Mr. Chotiwit Taechaubol (Mr. Apichai Taechaubol' son) are JC Kevin's Directors.
High Active Consultant Co.,Ltd	Business related to shareholders, directors
JC Kevin Food & Beverage Co.,Ltd	Business related to shareholders, directors
Mr. Apichai Taechaubol	Chairman, Executive Chairman, Major Shareholder of the Company, holds 26.40% of total shares of the Company (as of the date of the latest shareholders book closing on October 4, 2018)
Mr. Sompon Roekwibunsi	Shaereholder of the Company, resigned from the Director and Executive Chairman on April 18, 2018 , Holds 3.05% of total number of shares sold (as of the date of the latest shareholders book closing on October 4, 2018)
Mr. Chotiwit Taechaubol	Mr. Apichai Taechaubol' son ,Director, Executive Committee Member, Chief Executive Officer, (appointed on March 29, 2018) holds shares of 2.55% of the total number of shares sold (as of the date of the latest shareholders book closing on October 4, 2018)
Ms. Unthika Roekwibunsi	Director, Executive Committee Member and Chief Administrative Officer (resigned from Director, Executive Committee Member and Chief Administrative Officer on March 31, 2018 holds shares of 0.0021% of the total number of shares sold (as of the date of the latest shareholders book closing on October 4, 2018) (Mr. Sompon Roekwibunsi's daughter)

Related Party Transactions in 2018

Person/ or Entity having a conflict of interest	Relationship	Type of Transaction	Amount (Baht)		Necessity and appropriateness of the related transactions
			2018	2017	
1. Octopus Media Solutions Co., Ltd.	Related business to shareholders, directors and executive	<p><u>Service Agreement of advertisement media production:</u></p> <p>The Company has agreed to the service agreement of the advertisement media production with Octopus Media Solutions Co., Ltd. to produce sticker, posters, standee boards, and vinyl boards at the prices as agreed in the contract after comparing prices and quality with other suppliers with negotiable prices</p>	20,865	1,209,760	Ordering of the production of the advertisement medias which are complied with normal business operations. The prices are agreed as the contract prices and quality are compared with other suppliers prior to price negotiation. The Audit Committee considered and gave the comment that such a related transaction is reasonable and beneficial to the Company
2. JC Kevin Development Co., Ltd.	Related business to shareholders, directors and executive	<p><u>Agreement of rental of office space and service fee</u></p> <p>The Company has agreed in to the agreement of rental of office space and service fee at total of 890.56 square meters on the 2nd floor and partial of the 4th floor of JC Kevin building. The contract is the three years rent agreement and will end by August 31, 2020</p>	6,910,384	3,125,967	The rate of rental of the office space and service fee including the deposit was not higher than the normal charge of the landlord which may charge to other customers and the price is not higher than the market price. The Audit Committee considered and gave the comment that such a related transaction is reasonable and beneficial to the Company.

Person/ or Entiry having a conflict of interest	Relationship	Type of Transaction	Amount (Baht)		Necessity and appropriateness of the related transactions
			2018	2017	
3. JC Kevin Food & Beverage Co.,Ltd	Related business to shareholders, directors and executive	<u>Payment of Goods & Equipment</u> Payment of equipment – was the purchase assets of the restaurant Signor Sassi Payment of Goods – was the purchase of raw materials to cook and sell in the restaurant Signor Sassi	2,386,003	-	Value of buy-sell will based on the market value which the Audit Committee also evaluated the transaction as reasonable and beneficial to the Company
4. Mr. Chotiwit Taechaubol	Director, executives and son of major shareholder	<u>Short-term loan .:</u> Mr. Chotiwit Taechaubol lent short-term loan at call to the Company in the amount of Baht 39,500,000 for working capital purpose in term of promissory note, at interest rate of 3.50 per year (interest rate was yield of 1 year government bond plus spread of BBB rating corporate deventure with tenor less than 3 years), and all principal and interest were fully paid in 2018. (with paid interest in the amount of Baht 250,945)	-	-	The objective of short- term loan was used for working capital of the Company and pursuant to the conditions specified in promissory note. The interest rate is lower than the financial institutions. As a result, the Audit Committee considered and gave the opinion that such a related transaction was reasonable and beneficial to the Company.

Necessity and Relational of Related Party Transactions

The related-party transactions of the Company were necessary and justified to engage. As for the Contract to produce advertising media is related to normal business engagement of the Company which is necessary to use several kinds of media to increase brand awareness and to advertise in order to attract customers to use its services.

For the transaction of the enter to the rental and services agreement in the building was also done for the best interests of the Company's operating business which has potential to grow and expand. The rental rate when compares to the price of other office building in the nearby area is acceptable to the criteria.

The transaction of purchasing the goods and equipment of the Singor Sassi restaurant from JC Kevin Food & Beverage Co.,Ltd which is the business entity which has related person serve on the position of directors and shareholders in order to expand its business in the new brand of restaurant which has potential and to increase growth of the business in the future which will benefits the Company in the long term.

The borrowing of short term loan from the director and major shareholder of the Company was for the purpose of increase the liquidity of its business and the time period and interest rate is in line with the normal business practices, direct and the Company received the benefit from the borrowing with the lower finance cost than the rate from the bank.

Practices and Approval Process of the Related Party Transactions

The Board of Directors of the Company will approve the related-party transaction by :

- Management have to prepare the report to submit to the Board of Directors which should have adequate and complete information so as to consider in order to protect the investors and have to state the necessity and reasonability
- Related party will have no right to vote
- Must have the price appraisal by the accepted independent appraiser
- The independent directors or Audit directors shall provide their comments
- Process in line with the law and related regulations.

In case that the related-party transactions are normal business transactions or engaged with the guidelines which the Board of Directors of the Company has assigned , such transactions will be considered as they were under the authority of the Executive Board of directors and/or management to approve.

Related Party Transactions Policy and Tendency

The Company expects that related transactions regarding with the Company's loan from Directors and/or shareholders and loan collateral by assets belongs to Directors or shareholders will not arise in the future. In case of the related party transactions may be required in the future, such a transaction must be consider as necessary and shall improve the effectiveness of business operations. The policy regarding explicit determination of the prices of transactions will be established pursuant to proper and fair market prices and conditions, not leading to transfer benefits and including considering the best benefit of the Company. The Audit Committee will review and comment on related party transactions which are normal business or supporting normal business in quarterly basis.

With respect to the related party transactions or the transactions which might lead to the conflict of interest arising in the future, the Board of Directors will comply with rules and regulation of the SET and the SEC regarding to the disclosure of information of listed companies concerning the related transactions including the receiving or selling of the assets belong to the Company or its subsidiaries as well as to abide with the accounting standards specified by federation of Accounting Professions of Thailand.

10. Financial Highlight

Statement of Financial Position as of December 31

	2016		2017		2018	
	Baht	%	Baht	%	Baht	%
Total Assets	695,477,264	100.00%	533,167,185	100.00%	574,226,003	100.00%
Total Liabilities	572,140,702	82.27%	499,783,106	93.74%	431,880,322	75.21%
Total Shareholders' Equity	123,336,562	17.73%	33,384,079	6.26%	142,345,681	24.79%

Statement of Comprehensive Income

	2016		2017		2018	
	Baht	%	Baht	%	Baht	%
Revenues						
Revenues from sales	2,054,342,330	99.32%	1,833,056,354	99.20%	1,491,736,246	96.58%
Other income	14,169,173	0.68%	14,823,930	0.80%	24,438,190	1.58%
Reversal of allowance for impairment of assets					28,309,130	1.83%
Total revenues	2,068,511,503	100.00%	1,847,880,284	100.00%	1,544,483,566	100.00%
Expenses						
Cost of sales	1,000,240,640	48.36%	899,617,754	48.68%	713,884,065	46.22%
Selling expenses	1,013,256,979	48.98%	976,865,818	52.86%	744,894,148	48.23%
Administrative expenses	142,303,343	6.88%	91,078,378	4.93%	134,842,446	8.73%
Impairment loss on assets	9,752,225	0.47%	32,289,802	1.75%	-	-
Other expense	11,418,195	0.55%	53,447,419	2.89%	11,473,844	0.74%
Finance costs	16,408,097	0.79%	13,372,661	0.72%	8,402,972	0.54%
Total expenses	2,193,379,479	106.04%	2,066,671,832	111.84%	1,613,497,475	104.47%
Profit (loss) before income tax expenses (tax income)	(124,867,976)	-6.04%	(218,791,548)	-11.84%	(69,013,909)	-4.47%
Tax expenses (tax income)	23,359,000	1.13%	3,512,566	0.19%	546,802	0.04%
Profit (loss) for the year	(148,226,976)	-7.17%	(222,304,114)	-12.03%	(69,560,711)	-4.50%
Other comprehensive income	19,217,543	0.93%	3,844,760	0.21%	(290,220)	-0.02%
Total comprehensive income (expense) for the year	(129,009,433)	-6.24%	(218,459,354)	-11.82%	(69,850,931)	-4.52%
Par value (Baht)	0.25		0.25		0.25	
The weight average no of common share (share)	406,000,000		421,906,302		558,319,458	
Basic earning (loss) per share (Baht) calculated at the par value of Baht 0.25	(0.37)		(0.53)		(0.12)	

Statement of Cash Flows

Statement of Cash Flows	2016	2017	2018
	Baht	Baht	Baht
Net cash provided by (used in) operating activities	60,539,479	(47,111,264)	(35,409,136)
Net cash provided by (used in) investing activities	(33,342,396)	(43,863,930)	(58,300,167)
Net cash provided by (used in) financing activities	(28,054,702)	85,635,825	112,021,649
Net increase (decrease) in cash and cash equivalents	(857,619)	(5,339,369)	18,312,346
Cash and cash equivalents at beginning of year	16,902,977	16,045,358	10,705,989
Cash and cash equivalents at end of year	16,045,358	10,705,989	29,018,335
Supplementary disclosures of cash flows information:			
The Company acquired fixed assets by means of			
Liabilities under finance lease agreements	1,495,024	725,234	2,684,579

Key Financial Ratio

	2016	2017	2018
Liquidity Ratio			
Current ratio (times)	0.21	0.22	0.31
Cash flow current ratio (times)	0.13	(0.11)	(0.16)
Inventory turnover period (times)	18.08	18.44	17.00
Payable turnover period (times)	6.10	6.07	5.21
Average collection period (days)	59.85	60.08	69.14
Profitability Ratio			
Gross profit margin (%)	51.31%	50.92%	52.14%
Net profit margin (%)	-47.17%	-12.03%	-4.50%
Return on equity (%)	-78.91%	-283.69%	-49.17%
Efficiency Ratio			
Return on assets (%)	-19.55%	-36.19%	-12.62%
Return on fixed assets (%)	-2.01%	-20.75%	-4.43%
Total asset turnover (times)	2.73	3.01	2.79
Financial Policy Ratio			
Debt/equity ratio (times)	4.64	14.97	3.03
Debt/equity ratio (times) ^{1/}	4.64	14.97	3.03
Debt service coverage ratio (times) ^{2/}	0.54	(2.37)	(0.50)
Debt service coverage ratio (times) ^{3/}	0.93	(0.25)	(0.26)
Debt service coverage ratio (times) ^{4/}	1.23	(1.23)	2.18
Dividend per share (%)	n/a	n/a	n/a

Remark : ^{1/} Loan from Directors or shareholders is calculated as equity

^{2/} Calculated from Earnings before interest, tax, depreciation and amortization (EBITDA)

^{3/} Calculated from Earnings before interest, tax, depreciation and amortization (EBITDA) deducting non-cash items of loss from branch closing and loss on impairment of assets

^{4/} Calculated from cash flow from operating activities

11. Management's Discussion and Analysis (MD & A)

Operating Result Evaluation

As of December 31, 2018, the Company remains 97 branches, reducing of 9 branches from 106 branches at the end of last year. In 2018 the Company decided to close 13 branches which consisting of 9 branches of Hot Pot Inter Buffet, 3 branches of Signature and 1 branch of Daidomon. In addition, the Company has opened 3 new branches under the brand named as Zheng Dou located at Int-intersect Shopping mall, HomePro Rama 3 and the IconSiam Bangkok Shopping mall, and also 1 new branch under the brand named as Signor Sassi at Siam Paragon

Brand	Number of Branches		
	December 31, 2017	December 31, 2018	Different
Hot Pot Inter Buffet	62	55	-7
Hot Pot Inter Buffet with Grill	29	27	-2
Hot Pot Suki Shabu	2	2	-
Daidomon	6	5	-1
Signature	6	3	-3
Toomato Italian Kitchen	1	1	-
Zheng Dou	-	3	3
Signor Sassi	-	1	1
Total Branch	106	97	-9

Revenue

In 2018 , the Company has revenue from sale of Baht 1,491.74 million , decreased by Baht 341.33 million or 18.62 % when compared to the year 2017. Mainly from the decrease in numbers of branches from the policy to close down the branches which had loss from operation of 13 branches from 106 branches in 2017

As the competition in the restaurant business has become intense, the expansion of the original brand or new brand of the same operator, the new enter to the market of new entrepreneurs while consumers are cautious in spending, all these affect the consumer behavior. By choosing to dine outside only on the necessary meals on special occasions or during the festival. These factors have main impact on the sales of the Company

Unit : Million Baht	2017		2018	
	Amount	%	Amount	%
1. Revenue from sales				
(A) From branches				
1) Hot Pot Inter Buffet	1,070.97	57.69%	1,042.24	67.48%
2) Hot Pot Inter Buffet with Grill	495.67	28.82%	241.70	15.65%
3) Hot Pot Shabu Suki	17.92	0.97%	15.39	1.00%
4) Daidomon	173.23	9.37%	122.36	7.92%
5) Signature	59.12	3.20%	18.11	1.17%
6) Toomato Italian Kitchen	2.17	0.12%	10.08	0.65%
7) Zheng Dou	-	-	9.21	0.60%
8) Sourpper Pot	-	-	5.55	0.36%
9) Signor Sassi	-	-	13.03	0.84
Total Revenue from Branches	1,819.06	98.44%	1,477.68	95.67%
(B) From other sales	14.00	0.78%	14.05	0.91%
Total Revenue from sales of goods	1,833.06	99.19%	1,491.73	96.59%
2. Other Incomes	14.82	0.81%	24.44	1.58%
3. Reversal of allowance for impairment of assets	-	-	28.31	1.83%
Total Revenues	1,847.88	100.00%	1,544.48	100.00%

Unit : Million Baht	2017	2018	Difference	
			Amount	%
Revenues from sales	1,833.06	1,491.73	(341.33)	-18.62%
Other income	14.82	24.44	9.62	64.91%
Reversal of allowance for impairment of assets	-	28.31	28.31	100.00%
Total revenues	1,847.88	1,544.48	(303.40)	-16.42%
Cost of sales	899.62	713.88	(185.74)	-20.65%
Gross profit margin	933.44	777.85	(155.59)	-16.67%
Gross profit percentage (%)	50.92%	52.14%		1.22%
Selling and administrative expenses	1,067.94	879.74	(188.20)	-17.62%
Impairment loss on assets	32.29	-	(32.29)	100.00%
Other expense	53.45	11.47	(41.98)	-78.54%
Financial cost	13.37	8.40	(4.97)	-37.17%
Tax expenses (tax income)	3.51	0.55	(2.96)	-84.33%
EBITDA	(91.03)	(86.71)	4.32	4.75%
EBITDA Margin (%)	-4.93%	-5.87%		-10.80%
Profit (loss) for the year	(222.30)	(69.56)	152.74	68.71%
Net profit (%)	-12.03%	-4.50%		7.53%

Cost of sales

Cost of sales in 2018 was Baht 713.88 million , a decrease of Baht 185.48 million or 20.65% from the year 2017, with the ratio of cost of sale to total net revenue decreased from 48.69% to 47.86% in line with the decrease in sale as a result of the decrease in numbers of branches. Though the gross margin in 2018 of Baht 777.85 million had decreased from the year 2017 of Baht 155.59 million or 16.67% but the gross margin ratio had increased from 50.92 % to 52.14% when compared to 2017.

The Company emphasized on the management on the loss of food , so the Company can reduce cost and loss value of food in each branch continuously while maintaining the standard of food and customers' satisfaction, including adjusting the procurement by find new suppliers to screen and negotiate for the best benefit of the Company

Operating and Administering Expenses including the Miscellaneous Expenses

In 2018, Operating and Administering Expenses was Baht 879.74 million, or 58.97% of total sales revenue, decreased from last year at Baht 188.20 million or 17.62%. The main reason supports this result was the management's re-structuring policy and manpower control.

Due to high competition in the restaurant business in 2018, the operating results of some restaurants had not achieved as expected. The Company has reversed the allowance for impairment of assets of Baht 28.31 million and recorded the allowance for impairment of assets in the operating loss branches, net of reversal was Baht 15.18 million.

Moreover, financial costs in 2018 was Baht 8.40 million which reduced from previous year Baht 4.97 million or 37.17%. The main reason supports this result was the repayment of outstanding loans on regularly basis as well as the funding through the capital increase of new ordinary share to existing shareholders under Right offering (RO) and Private Placement (PP).

Net Loss

In 2018, the Company posted the net loss of Baht 69.56 million which decreased from previous year Baht 152.74 million whereas the net loss in year 2017 was Baht 222.30 million. Though the Company's revenue from sale decreased as a result of the close of some branches, setting provision an allowance for impairment of assets and loss from the close down of branches, the Company had other income increase at the rate of 64.91%, the reduction in cost of sale, selling and administrative expenses and also the reverse of allowance for impairment of assets transferred to recognized as income, which made the Company's net profit (loss) margin improved by 7.53%

Assets

Unit : Million Baht	December 31, 2017	December 31, 2018	Difference	
			Amount	%
Cash and cash equivalents	10.71	29.02	18.31	170.96%
Trade accounts receivable	15.48	26.51	11.03	71.25%
Inventories	44.51	39.46	(5.05)	-11.35%
Other current assets	21.74	16.92	(4.82)	-22.17%
Total current asset	92.44	111.91	19.47	21.06%

Unit : Million Baht	December 31, 2017	December 31, 2018	Difference	
			Amount	%
Property, plant and equipment	292.77	314.43	21.66	7.40%
Leasehold rights	36.45	25.28	(11.17)	-30.64%
Refundable deposits and others	104.39	114.57	10.18	9.75%
Other non-current assets	7.11	8.03	0.92	12.94%
Total non-current asset	440.72	462.31	21.59	4.90%
Total Assets	533.17	574.22	41.06	7.70%

As of December 31, 2018, the Company's total assets were in the value of Baht 574.22 million, an increase of Baht 41.06 million or 7.70 % compared with the previous year. The Company had total current assets with value of Baht 111.91 million, an increase of Baht 19.47 million or 21.06 % Mainly because the Company had cash and cash equivalent increase of Baht 18.31 million or 170.96% and account receivables and other receivable increase of Baht 11.03 million or 71.25 %

The Company's non-current assets were in the value of Baht 460.31 million, an increase of Baht 21.59 million or 4.90% from the previous year. This impact from the increase of net-property, plant and equipment which increase of Baht 21.66 million or 7.40%, in line with the increase of assets of the branches which still operate.

Liabilities

Unit : Million Baht	December 31, 2017	December 31, 2018	Difference	
			Amount	%
Bank overdrafts and short-term loan from financial institutions	50.80	37.82	(12.98)	-25.55%
Trade accounts payable	128.24	145.97	17.13	13.83%
Short-term loans	59.23	34.60	(24.63)	-41.58%
Other accounts payable	129.99	100.25	(29.74)	-22.88%
Current portion of long-term liabilities	20.53	19.56	(0.97)	-4.72%
Other current liabilities	22.17	23.04	0.87	3.92%
Total current liabilities	410.96	361.24	(49.72)	-12.10%
Long-term loan from financial institutions	42.25	24.25	(18.00)	-42.60%
Provision for asset dismantling	26.17	26.48	0.31	1.18%
Deferred tax liabilities	14.28	14.83	0.55	3.85%
Other current liabilities	6.12	5.07	(1.05)	-17.16%
Total non-current liabilities	88.82	70.63	(18.19)	-20.48%
Total liabilities	499.78	431.87	(67.91)	-13.59%
Total shareholders' equity	33.38	142.35	108.97	326.45%
Total liabilities and shareholders' equity	533.17	574.22	41.06	7.70%

As of December 31, 2018, the Company's total liabilities were in the amount of Baht 431.87 million, decreased by Baht 67.91 million or 13.59% from the previous year. This impact from the repayment of trade payables and short-term loan to the financial institutions including the repayment of the long term loan from financial institution of Baht 18.0 million or 42.60%

Shareholders' Equity

As of December 31, 2018, the shareholders' equity was Baht 142.35 Million, an increase of 108.97 million Baht or 326.45% from previous year, comparable with the amount of shareholder's equity in 2017 which was Baht 33.38 million. During the year of 2018, the Company decided to have capital increase with the amount of Baht 179.50 million and premium on shares of Baht 144.29 million, in order to use for working capital and repayment of some existing debts. As a result of operating loss in year 2017 in amount of Baht 69.56 million, the current shareholders' equity remains approximately at the amount of Baht 142.35 million.

Statement of Cash Flows

Unit : Million Baht	Jan.-Dec. 2017	Jan.-Dec. 2018	Difference	
			Amount	%
Net cash provided by (used in) operating activities	(47.11)	(35.41)	11.70	-24.84%
Net cash provided by (used in) investing activities	(43.86)	(58.30)	(14.44)	32.92%
Net cash provided by (used in) financing activities	85.63	112.02	26.39	30.82%
Net increase (decrease) in cash and cash equivalents	(5.34)	18.31	23.65	442.88%
Cash and cash equivalents at beginning of year	16.05	10.71	(5.35)	-33.33%
Cash and cash equivalents at end of year	10.71	29.02	18.31	170.96%

As of December 31, 2018, the Company had cash and the statement equivalent to cash in amount of Baht 29.02 million, an increase of Baht 18.31 million from the beginning balance as at January 1, 2017. The activities which effect to this result as follow;

- 1) Net cash flows used in business operations was in the amount of Baht 35.41 million, consisted of
 - Operating loss in cash in the amount of Baht 30.00 million which mainly effect from the net loss of Baht 69.56 million added back with depreciation value of Baht 56.41 million, financial cost of Baht 8.40 million, loss from branch closing and renovation with the amount of Baht 6.06 million ,loss from non-refunadable guarantee and others of Baht 2.98 million , Bad debt of Baht 1.17 million with the provision of impairment of fixed assets and gain from reversal of accrual creditors (which outstanding for long time) of Baht 28.31 million and Baht 9.81 million respectively.
 - Cash from operating assets increased by Baht 3.63 million which mainly effect from an increase in other account receivables and other current assets offset by a decrease in inventories of Baht 8.86 million and Baht 5.06 million respectively.
 - Cash from operating liabilities reduced by Baht 1.58 million which mainly effect from the payment to trading accounts payable with the amount of Baht 19.93 million.
- 2) Net cash flows used in investment activities with amount of Baht 58.30 million which mainly used for operating new restaurant brand, branch renovation and branch mini-renovation including the payment of guarantee and other expense of Baht 48.04 million and Baht 13.16 million respectively.
- 3) Net cash flows gained from fund raising activities in the amount of Baht 112.02 million. The source of fund from the capital increase of Baht 178.81 million. This fund aims to use for settle the long term loan financial institutions with the amount of Baht 18.00 million and short team loan with the amount of Baht 60.00 million.

Major Financial Ratios

Major Financial Ratios	2017	2018
Return on Equity (ROE) (%)	-283.69	-49.17
Return on Assets (ROA) (%)	-36.19	-12.62
Current Ratio (times)	0.22	0.31
Debt to Equity Ratio (D/E Ratio) (times)	14.97	3.03
Debt Service Coverage Ratio (DSCR) (times) (EBITDA)	-2.37	-0.50
Debt Service Coverage Ratio (DSCR) (times) (EBITDA ^{1/})	-0.25	-0.26
Debt Service Coverage Ratio (DSCR) (times) (CFO)	-1.23	2.18

^{1/}EBITDA was adjusted by adding back non-cash items of loss from branch closing, and loss on impairment of asset

In 2018, Return on Equity (ROE) and Return on Asset (ROA) were -49.17% and -12.62%, respectively, an increase in percentage from 2017 from the decrease in net loss from the management and control in operation expense, both the cost of sale, selling and administrative expenses, other expenses and Finance cost.

As of December 31, 2018, the Company's current Ratio was 0.31 times which close to the last year figure. Debt to Equity Ratio (D/E Ratio) as of December 31, 2018 was 3.03 times, reduced from 14.97 times comparable with the same period in 2017. This resulting from the increase of number of shareholders' equity due to decreasing in the accumulated loss. Debt Service Coverage Ratio (DSCR) for the year 2018 was -0.50 times calculating from EBITDA which adding back non-cash items of loss from branch closing, and loss on impairment of asset which equivalent to -0.26 times and the calculation of cash flow from operations was 2.18 times respectively and increased (decreased) from DSCR in 2017 at -2.37, -0.25 and -1.23 accordingly. With regard to the condition defined in loan agreement of one local commercial bank, the Company's D/E Ratio shall not exceed the ratio of 2:1 and DSCR Ratio shall not be less than 1.5 : 1.

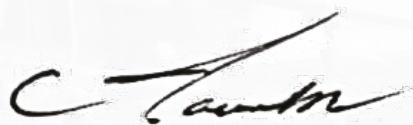
12. Report on the Responsibility of the Board of Directors towards Financial Reports

The Company's Board of Directors is aware of the duties and responsibilities to ensure that the financial statements and related financial information are disclosed in the Annual Report accurately, completely and transparently. The Company practices in accordance with the Generally Accepted Accounting Principal (GAAP) in Thailand. The Company establishes the appropriate accounting policy and holds the practice on regular basis with the careful consideration of report preparation including disclosing sufficient information into the note of financial statement.

The Board of Directors organizes and maintains the efficient internal control systems to ensure that all accounting records are accurate, complete and sufficient to protect the Company's assets, to prevent fraud or any misconduct which relates to the conflict of interest.

In this regard, the Board of Directors has appointed the Audit Committee which comprising of 3 Independent Directors to review the quality of financial reports and internal control system. The opinion of the Audit Committee shall be mentioned in the content under the Audit Committee Report which is the part of the Annual Report.

The Board of Directors agrees that the overall internal control systems is adequate and appropriate and confident that the financial statements of the Company as of December 31, 2018 are reliable and in compliance with the Generally Accepted Accounting Principal (GAAP) as well as relevant laws and regulations. The external auditor has verified and shared the opinion in the Auditor Report which this content is mentioned under the Annual Report.



Mr.Chotiwiit Taechaubol
Chief Executive Officer



Dr.Apichai Taechaubol
Chairman of the Board of Directors

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2018

JCK HOSPITALITY PUBLIC COMPANY LIMITED
(FORMERLY KNOWN AS HOT POT PUBLIC COMPANY LIMITED)

13. INDEPENDENT AUDITOR'S REPORT

To The Shareholders and Board of Directors of
JCK HOSPITALITY PUBLIC COMPANY LIMITED
(FORMERLY KNOWN AS HOT POT PUBLIC COMPANY LIMITED)

Opinion

I have audited the financial statements of JCK Hospitality Public Company Limited (the Company), which comprise the statement of financial position as at December 31, 2018, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of JCK Hospitality Public Company Limited as at December 31, 2018, and its financial performance and its cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Company in accordance with the Federation of Accounting Professions' Code of Ethics for Professional Accountants together with the ethical requirements that are relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in my audit of the financial statements of the current period. These matters were addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

*****/2

- Impairment of assets

Risk

The market condition of highly competitive restaurant business has an effect on some branches to have the operating results that did not meet management expectation. There is an outlook that some branches will be shut down in the foreseeable future. Such factor indicates that the assets of the branch may have impairment. The assets of the branch consist of leasehold building improvement and operating equipment have the book value after deducting accumulated depreciation and before deducting allowance for impairment and the allowance for impairment as at December 31, 2018 is at Baht 33.23 million and Baht 15.18 million, respectively. The consideration on asset impairment depends on the judgment and key assumptions used by the management to estimate the allowance for impairment of assets. I have identified that the measurement of building improvement asset under the lease agreement for the branch operating at loss and unmet management expectation is a significant risk that requires special attention in the audit. The accounting policy relating to impairment of assets and the amount of allowance for impairment and assumption used for the calculation of the recoverable amount are disclosed in Note 3.9 and Note 9 in the notes to the financial statements, respectively.

Risk response by auditor

Regarding my audit approach on such matter, I have examined the evidence supporting management consideration relating to the indication of asset impairment, as well as assessed the appropriateness of the valuation method and key assumptions used by the management to estimate the allowance for impairment of assets and tested the recalculation of the allowance for impairment of asset. Additionally, I have considered the appropriateness of the information disclosure in the financial statements and in the notes to the financial statements.

- Provisions for asset dismantling

Risk

The Company has provisions for asset dismantling in the amount of Baht 26.48 million or 6.13% of total liabilities as at December 31, 2018. The Company has disclosed the accounting policy relating to provisions in Note 3.11, including to disclose the assumptions and asset dismantling related amount in Note 19 in the notes to the financial statements. Such provisions may be affected by the change of key assumptions used in the calculation such as discount rate, market labor rate, transportation rate, accommodation and traveling rate and inflation rate which require considerable judgment of the management in determining the above assumptions. I have identified that the provisions for asset demolition is a significant risk that requires special attention in the audit.

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Risk response by auditor

My audit approach on such matter includes assessing the assumptions prepared and used by the management to calculate the obligation value, determining the benchmark and analyzing the appropriateness of the change in various assumptions used in the calculation and the accuracy of such estimates comparing the actual demolition cost and cost of estimated demolition to determine the correctness of the provisions. Additionally, I have considered the adequacy and appropriateness of the information disclosure on the accounting policy, information and amount related to the recognition of the provisions for asset demolition.

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and my auditor's report thereon. The annual report is expected to be made available to me after the date of this auditor's report.

My opinion on the financial statements does not cover the other information and I will not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

When I read the annual report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance in order for those charged with governance to correct the misstatement.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Thai Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

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From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner responsible for the audit resulting in this independent auditor's report is Miss Potjanarat Siripipat.



(Miss Potjanarat Siripipat)
Certified Public Accountant
Registration No. 9012

Dharmniti Auditing Company Limited
Bangkok, Thailand
February 28, 2019

14. FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

JCK HOSPITALITY PUBLIC COMPANY LIMITED (FORMERLY KNOWN AS HOT POT PUBLIC COMPANY LIMITED)

STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2018

ASSETS

		Baht	
	Note	2018	2017
CURRENT ASSETS			
Cash and cash equivalents	5	29,018,335	10,705,989
Trade accounts receivable	6	771,398	2,406,812
Other accounts receivable	4	25,737,905	13,077,653
Inventories	7	39,455,357	44,511,957
Other current assets	8	16,919,731	21,741,120
TOTAL CURRENT ASSETS		111,902,726	92,443,531
NON-CURRENT ASSETS			
Fixed deposits pledged as collateral	14	3,000,000	3,000,000
Property, plant and equipment	10	314,433,307	292,769,504
Leasehold rights	11	25,283,771	36,446,900
Intangible assets	12	5,033,606	4,112,267
Refundable deposits and others	30	114,572,593	104,394,983
TOTAL NON-CURRENT ASSETS		462,323,277	440,723,654
TOTAL ASSETS		574,226,003	533,167,185

Notes to the financial statements form an integral part of these statements.

JCK HOSPITALITY PUBLIC COMPANY LIMITED
(FORMERLY KNOWN AS HOT POT PUBLIC COMPANY LIMITED)
STATEMENT OF FINANCIAL POSITION (CONT.)
AS AT DECEMBER 31, 2018

LIABILITIES AND SHAREHOLDERS' EQUITY

		Baht	
	Note	2018	2017
CURRENT LIABILITIES			
Bank overdrafts and short-term loan from financial institutions	14	37,821,194	50,800,805
Trade accounts payable		145,970,345	128,239,056
Short-term loans	15	34,596,965	59,229,020
Other accounts payable	4	100,251,066	129,993,362
Account payable - purchases of assets		10,888,984	12,237,117
Current portion of long-term liabilities			
Long-term loan from financial institutions	17	42,252,890	60,252,890
Liabilities under finance lease agreements	18	1,562,071	2,530,158
Revenue Department payable		4,959,629	6,066,545
Other current liabilities		7,197,042	3,868,381
TOTAL CURRENT LIABILITIES		385,500,186	453,217,334
NON-CURRENT LIABILITIES			
Liabilities under finance lease agreements	18	2,244,566	3,386,039
Deferred tax liabilities	13	14,827,693	14,280,891
Employee's benefit obligations	19	2,828,179	2,732,609
Provision for asset dismantling	20	26,479,698	26,166,233
TOTAL NON-CURRENT LIABILITIES		46,380,136	46,565,772
TOTAL LIABILITIES		431,880,322	499,783,106

Notes to the financial statements form an integral part of these statements.

JCK HOSPITALITY PUBLIC COMPANY LIMITED
(FORMERLY KNOWN AS HOT POT PUBLIC COMPANY LIMITED)
STATEMENT OF FINANCIAL POSITION (CONT.)
AS AT DECEMBER 31, 2018

LIABILITIES AND SHAREHOLDERS' EQUITY (CONT.)

		Baht	
	Note	2018	2017
SHAREHOLDERS' EQUITY			
Share capital	21		
Authorized share capital			
779,520,000 ordinary shares of Baht 0.25 each		194,880,000	
487,200,000 ordinary shares of Baht 0.25 each			121,800,000
Issued and paid-up share capital			
625,277,672 ordinary shares of Baht 0.25 each		156,319,418	
487,200,000 ordinary shares of Baht 0.25 each			121,800,000
Share premium account		451,843,277	307,550,162
Retained earnings (deficit)			
Appropriated			
Legal reserve		7,055,720	7,055,720
Unappropriated		(492,107,514)	(422,256,583)
Other components of equity		19,234,780	19,234,780
TOTAL SHAREHOLDERS' EQUITY		142,345,681	33,384,079
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		574,226,003	533,167,185

Notes to the financial statements form an integral part of these statements.

JCK HOSPITALITY PUBLIC COMPANY LIMITED
(FORMERLY KNOWN AS HOT POT PUBLIC COMPANY LIMITED)
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED DECEMBER 31, 2018

	Note	Baht	
		2018	2017
Revenues			
Revenues from sales		1,491,736,246	1,833,056,354
Reversal of allowance for impairment of assets	10	28,309,130	-
Other income		24,438,190	14,823,930
Total revenues		1,544,483,566	1,847,880,284
Expenses			
Cost of sales		713,884,065	899,617,754
Selling expenses		744,894,148	976,865,818
Administrative expenses	4	134,842,446	91,078,378
Allowance for impairment of assets	10	-	32,289,802
Other expense	10, 26	11,473,844	53,447,419
Finance costs	4	8,402,972	13,372,661
Total expenses		1,613,497,475	2,066,671,832
Profit (loss) before income tax expenses (tax income)		(69,013,909)	(218,791,548)
Tax expenses (tax income)	24	546,802	3,512,566
Profit (loss) for the year		(69,560,711)	(222,304,114)
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Actuarial gains (losses) on defined employee benefit plans		(290,220)	3,844,760
Other comprehensive income for the year		(290,220)	3,844,760
Total comprehensive income (expense) for the year		(69,850,931)	(218,459,354)
Earnings (loss) per share	27		
Basic earning (loss) per share		(0.12)	(0.53)

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

JCK HOSPITALITY PUBLIC COMPANY LIMITED
(FORMERLY KNOWN AS HOT POT PUBLIC COMPANY LIMITED)
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE YEAR ENDED DECEMBER 31, 2018

	Note	Baht					Total shareholders' equity
		Issued and paid-up share capital	Share premium account	Retained earnings (deficit)	Other components equity		
				Appropriated legal reserve	Unappropriated	Capital surplus from land revaluation - net of tax	
Beginning balance as at January 1, 2017		101,500,000	199,343,291	7,055,720	(203,797,229)	19,234,780	123,336,562
Increase in ordinary shares	21	20,300,000	-	-	-	-	20,300,000
Premium on ordinary shares	21	-	108,206,871	-	-	-	108,206,871
Total comprehensive income (expense) for the year		-	-	-	(222,304,114)	-	(222,304,114)
Profit (loss) for the year		-	-	-	-	-	-
Other comprehensive income for the year, net of tax		-	-	-	3,844,760	-	3,844,760
Actuarial gains (losses) on defined employee benefit plans		-	-	-	-	-	-
Ending balance as at December 31, 2017		121,800,000	307,550,162	7,055,720	(422,256,583)	19,234,780	33,384,079
Increase in ordinary shares	21	34,519,418	-	-	-	-	34,519,418
Premium on ordinary shares	21	-	144,293,115	-	-	-	144,293,115
Total comprehensive income (expense) for the year		-	-	-	(69,560,711)	-	(69,560,711)
Profit (loss) for the year		-	-	-	-	-	-
Other comprehensive income for the year, net of tax		-	-	-	(290,220)	-	(290,220)
Actuarial gains (losses) on defined employee benefit plans		-	-	-	-	-	-
Ending balance as at December 31, 2018		156,319,418	451,843,277	7,055,720	(492,107,514)	19,234,780	142,345,681

Notes to the financial statements form an integral part of these statements.

JCK HOSPITALITY PUBLIC COMPANY LIMITED
(FORMERLY KNOWN AS HOT POT PUBLIC COMPANY LIMITED)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2018

	Baht	
	2018	2017
Cash flows from operating activities		
Profit (loss) for the year	(69,560,711)	(222,304,114)
Adjustment to reconcile profit (loss) for the year to net cash provided by (used in) operating activities :-		
Allowance for doubtful account (reversal)	973,212	-
Bad debt	1,174,460	-
Depreciation and amortization	56,413,731	114,391,354
Allowance for impairment of asset (reversal)	(28,309,130)	32,289,802
Loss from branches closing and renovation	6,064,204	43,682,066
Loss from leasehold rights	1,096,215	-
(Gain) loss on sale of assets	(325,520)	5,576,822
Loss from unreturned refundable deposits and others	2,978,656	-
Write off withholding tax	(785,106)	-
Gain from reversal of long outstanding payable	(9,816,348)	-
Interest incomes	(272,409)	(57,471)
Employee's benefit expenses	1,409,000	1,030,662
Finance costs	8,402,972	13,372,661
Tax expense (tax income)	546,802	3,512,566
Profit from operation before changes in operating assets and liabilities	(30,009,972)	(8,505,652)
(Increase) decrease in operating assets		
Trade accounts receivable	(172,932)	(1,863,031)
Inventories	5,056,600	8,530,278
Other accounts receivable and other current assets	(8,685,028)	(9,533,781)
Increase (decrease) in operating liabilities		
Trade accounts payable	17,731,289	(39,705,065)
Other accounts payable	(19,925,948)	8,444,592
Other current liabilities	2,221,745	(3,503,082)
Employee's benefit obligation	(1,603,650)	(769,770)
Cash received (paid) from operating	(35,387,896)	(46,905,511)
Interest incomes received	272,394	57,225
Income tax paid	(293,634)	(262,978)
Net cash used in operating activities	(35,409,136)	(47,111,264)

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

JCK HOSPITALITY PUBLIC COMPANY LIMITED
(FORMERLY KNOWN AS HOT POT PUBLIC COMPANY LIMITED)
STATEMENT OF CASH FLOWS (CONT.)
FOR THE YEAR ENDED DECEMBER 31, 2018

	Baht	
	2018	2017
Cash flows from investing activities		
Cash payments for purchases of plant and equipment	(48,043,208)	(40,777,879)
Cash receipts from disposal of equipment	3,833,407	1,863,587
Cash receipts from leasehold rights	2,346,983	-
Cash payments for purchases of intangible assets	(1,932,950)	(7,654)
Cash payments for refundable deposits and others	(13,156,266)	(1,744,825)
Cash payment to accounts payable - purchases of assets	(1,348,133)	(3,197,159)
Net cash used in investing activities	(58,300,167)	(43,863,930)
Cash flows from financing activities		
Increase (decrease) in bank overdrafts and short-term loan from financial institution	(12,979,611)	9,616,388
Cash receipt from short-term loans	33,323,029	160,092,537
Cash payments for short-term loans	(60,000,000)	(185,000,000)
Cash receipt from short-term loan from related parties	39,500,000	68,000,000
Cash payments for short-term loan from related parties	(39,500,000)	(68,000,000)
Cash payments for long-term loan from financial institutions	(18,000,000)	(21,250,000)
Cash payments for liabilities under finance lease agreements	(4,794,139)	(3,815,562)
Cash receipt from paid-up for share capital	178,812,533	128,506,871
Interest expenses paid	(4,340,163)	(2,514,409)
Net cash provided by financing activities	112,021,649	85,635,825
Net increase (decrease) in cash and cash equivalents	18,312,346	(5,339,369)
Cash and cash equivalents at beginning of year	10,705,989	16,045,358
Cash and cash equivalents at end of year	29,018,335	10,705,989
Supplemental disclosures of cash flows information :		
Non-cash transaction		
The Company acquired fixed assets by means of		
Liabilities under finance lease agreements	2,684,579	725,234

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

JCK HOSPITALITY PUBLIC COMPANY LIMITED
(FORMERLY KNOWN AS HOT POT PUBLIC COMPANY LIMITED)

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2018

1. GENERAL INFORMATION

(a) Legal status and address

The Company was registered to be a limited company on January 28, 2004.

The Company has changed its status to be public company limited for trading their shares on the Market for Alternation Investment (MAI). On July 6, 2011, the Company has registered the above resolution with the partner registrar.

The addresses of its registered office and factory are as follows:

Headquarter : 18 Soi Sathorn 11 Yaek 9, TFD Building, Yannawa Sathorn, Bangkok 10120, Thailand.

Factory : 11/1 Moo 3, Liab Klong 7 Road, Bueng Kham Phroi, Lamlukka, Pathumthani 12150

(b) Nature of the Company's operations

The principal activity of the Company is to operate a restaurant business which comprises both a la carte and buffet menus. The main menu features Sukiyaki, Japanese food Japanese grilled food and Steak. In addition, the Company also distributes and produces finished foods and beverage to serve within its restaurant business.

As at December 31, 2018 and 2017, the Company has 96 and 106 branches nationwide, respectively.

The Changes in transactions for the number of branches for the years ended December 31, 2018 and 2017 were as follows

	Branches	
	2018	2017
Number of branches		
Beginning balance	106	141
Currently opened	5	1
Currently closed	(15)	(36)
Ending balance	96	106

(c) Employees

As at December 31, 2018 and 2017, the Company has employees of 2,589 and 2,881, respectively.

The Company has the staff cost for the years ended December 31, 2018 and 2017, amount of Baht 377.65 million and Baht 439.21 million, respectively. The staff cost is consisted of salary, bonus, welfare, social security, compensation fund and provident fund, etc.

(d) Operation of the Company

The market condition of highly competitive restaurant business has resulted in the failure of the Company's revenue to meet the target and several shut down of restaurants that operate at less. The effect on the Company is to operate at loss in the previous period. However, the Company has an action plan that aims to resolve such losses by maintaining the branches with good financial performance, improving brand image, opening new branches with the focus on potential location, developing brand to penetrate the target customers, controlling cost and planning for the Company's capital increase.

2. BASIS FOR THE PREPARATION OF FINANCIAL STATEMENTS

2.1 Basis for the preparation of financial statements

The financial statements have been prepared in accordance with the accounting standards prescribed by Thai Accounts Act enunciated under the Accounting Profession Act B.E. 2547 by complying with the Thai Financial Reporting Standards. The presentation of the financial statements has been made in compliance with the Notification of the Department of Business Development, the Ministry of Commerce, re : the financial statements presentation for public limited company, issued under the Accounting Act B.E. 2543.

The financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

The financial statements in Thai language are the official statutory financial statement of the Company. The financial statements in English language have been translated from such financial statement in Thai language.

2.2 The financial reporting standards are effective in the current year

The Federation of Accounting Professions (FAP) has issued Notifications to mandate the revised accounting standards, financial reporting standards, and interpretations of accounting and financial reporting standards, which are effective for the fiscal year beginning on or after January 1, 2018 are as follows:

TAS 1 (revised 2017)	Presentation of Financial Statements
TAS 2 (revised 2017)	Inventories
TAS 7 (revised 2017)	Statement of Cash Flows
TAS 8 (revised 2017)	Accounting Policies, Changes in Accounting Estimates and Errors
TAS 10 (revised 2017)	Events After the Reporting Period
TAS 11 (revised 2017)	Construction Contracts
TAS 12 (revised 2017)	Income Taxes

TAS 16 (revised 2017)	Property, Plant and Equipment
TAS 17 (revised 2017)	Leases
TAS 18 (revised 2017)	Revenue
TAS 19 (revised 2017)	Employee Benefits
TAS 20 (revised 2017)	Accounting for Government Grants and Disclosure of Government Assistance
TAS 21 (revised 2017)	The Effects of Changes in Foreign Exchange Rates
TAS 23 (revised 2017)	Borrowing Costs
TAS 24 (revised 2017)	Related Party Disclosures
TAS 26 (revised 2017)	Accounting and Reporting by Retirement Benefit Plans
TAS 27 (revised 2017)	Separate Financial Statements
TAS 28 (revised 2017)	Investments in Associates and Joint Ventures
TAS 29 (revised 2017)	Financial Reporting in Hyperinflationary Economies
TAS 33 (revised 2017)	Earnings Per Share
TAS 34 (revised 2017)	Interim Financial Reporting
TAS 36 (revised 2017)	Impairment of Assets
TAS 37 (revised 2017)	Provisions, Contingent Liabilities and Contingent Assets
TAS 38 (revised 2017)	Intangible assets
TAS 40 (revised 2017)	Investment Property
TAS 41 (revised 2017)	Agriculture
TFRS 2 (revised 2017)	Share-Based Payment
TFRS 3 (revised 2017)	Business Combinations
TFRS 4 (revised 2017)	Insurance Contracts
TFRS 5 (revised 2017)	Non-current Assets Held for Sale and Discontinued Operations
TFRS 6 (revised 2017)	Exploration for and Evaluation of Mineral Resource
TFRS 8 (revised 2017)	Operating Segments
TFRS 10 (revised 2017)	Consolidated Financial Statements
TFRS 11 (revised 2017)	Joint Arrangements
TFRS 12 (revised 2017)	Disclosure of Interests in Other Entities
TFRS 13 (revised 2017)	Fair Value Measurement
TSIC 10 (revised 2017)	Government Assistance - No Specific Relation to Operating Activities
TSIC 15 (revised 2017)	Operating Leases - Incentives
TSIC 25 (revised 2017)	Income Taxes - Changes in the Tax Status of an Entity or its Shareholders

TSIC 27 (revised 2017)	Evaluating the Substance of Transactions Involving the Legal Form of a Lease
TSIC 29 (revised 2017)	Service Concession Arrangements: Disclosure
TSIC 31 (revised 2017)	Revenue-Barter Transactions Involving Advertising Services
TSIC 32 (revised 2017)	Intangible Assets - Web Site Costs
TFRIC 1 (revised 2017)	Changes in Existing Decommissioning, Restoration and Similar Liabilities
TFRIC 4 (revised 2017)	Determining whether an Arrangement contains a Lease
TFRIC 5 (revised 2017)	Right to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
TFRIC 7 (revised 2017)	Applying the Restatement Approach under TAS 29 (revised 2017) Financial Reporting in Hyperinflationary Economics
TFRIC 10 (revised 2017)	Interim Financial Reporting and Impairment
TFRIC 12 (revised 2017)	Service Concession Arrangements
TFRIC 13 (revised 2017)	Customer Loyalty Programmes
TFRIC 14 (revised 2017)	TAS 19 (revised 2017)-The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction
TFRIC 15 (revised 2017)	Agreements for the Construction of Real Estate
TFRIC 17 (revised 2017)	Distributions of Non - cash Assets to Owners
TFRIC 18 (revised 2017)	Transfers of Assets from Customers
TFRIC 20 (revised 2017)	Stripping Costs in the Production Phase of a Surface Mine
TFRIC 21 (revised 2017)	Levies

The management of the Company evaluated that these revised accounting standards, financial reporting standard, accounting standard interpretations and financial reporting standards interpretations do not have any significant impact on the financial statements in current year.

3. SIGNIFICANT ACCOUNTING POLICIES

3.1 Revenues

Revenue excludes value added taxes and other output tax. Sales is recognised in the amount after deduction of trade discounts.

Revenue is recognised in the statement of comprehensive income when the significant risks and rewards of ownership have been transferred to the buyer. No revenue is recognised, if there is continuing management involvement with the goods or there are significant uncertainties regarding recovery of the consideration due, associated costs or the probable return of goods.

Food and beverage and other service income are recognised when services and goods have been provided or transferred.

Revenue from sale material to franchise restaurant is recognized when delivered of goods to client.

Franchise income is recognized in the statement of comprehensive income over the agreement period.

Subsidized income is recognised in the statement of comprehensive income on the accrual basis according to the agreed content stated in the contract or over the agreement period.

Interest income is recognised as revenue for the period in the comprehensive income statement on the accrual basis.

3.2 Expenses

Payments made under operating leases are recognised in the statement of comprehensive income on a straight line basis over the term of the lease. Lease incentives received are recognised in the statement of comprehensive income as an integral part of the total lease payments made.

Interest expenses and similar costs are charged to the statement of comprehensive income for the period in which they are incurred, except to the extent that they are capitalised as being directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial period of time to be prepared for its intended use or sale. The interest component of finance lease payments is recognised in the statement of comprehensive income using the effective interest rate method.

3.3 Cash and cash equivalents

Cash and cash equivalents consist of cash in hand, cash at bank, and all highly liquid investments with an original maturity of three months or less and not subject to withdrawal restrictions.

3.4 Trade accounts receivable

Trade accounts receivable are stated at their invoice value less allowance for doubtful accounts (if any). Allowance for doubtful accounts is provided for the estimated losses that may be incurred in collection of receivables. The allowance is generally based on collection experiences and analysis of the debtor aging. Bad debts are written off when incurred.

3.5 Inventories

Raw materials, supplies and finished goods are stated at the lower of cost and net realizable value.

Cost is calculated using the first-in first-out (FIFO) and comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. In the case of manufactured inventories and work-in-progress, cost includes an appropriate share of overheads based on normal operating capacity.

Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs to complete the sale.

3.6 Property plant and equipment

Land is stated at cost and adjusted its value from the assets valuation.

From 2016, the Company chooses to use the revaluation model for the land in fair market value by the independent appraiser with market approach. The Company has the policy to hire the independent appraiser to appraise the value such land every 5 years.

The Company recognized an increasing of assets's carrying amount as a result of a revaluation in other comprehensive income and accumulated in equity under the heading of revaluation surplus.

The Company will transfer the surplus from the revaluation of the land that is included in equity to the retained earnings directly when the Company is derecognized the assets items. All surplus from the revaluation of the assets are transferred to the retained earnings when the asset is retired or disposed of.

Land is without depreciation. Building, leasehold building improvements and equipment are stated at cost after deducted accumulated depreciation and allowance on impairment (if any).

Cost is recognized at the start when the assets are acquired including other direct costs that relate primarily to the provision of assets into their ready and intended to use state.

Allowance for impairment loss of assets will be made when there is any event or circumstance indicating that the recoverable values of these assets are less than their carrying values.

Depreciation is calculated by the straight-line method over the estimated useful lives of the assets as follows :-

	Years
Leasehold building improvements	Upon the period of lease contracts
Factory building	10 - 30 years
Other structure	10 years
Furniture, fixtures and office equipment	5 years
Vehicles	5 - 15 years
Operating equipment	12 - 15 years

Construction in progress is not depreciated.

Operating equipment consisted of kitchen equipment and equipment using for operation service of each branch.

Gain or loss from disposal of property, plant and equipment is recognized as other income or other expense in the statement of comprehensive income when the assets are sold.

Cost of asset dismantlement, removal and restoration which are the Company's obligation have to be included as asset costs.

The depreciation charge has to be determined separately for each significant part of an asset.

The company reviews the residual value and useful life of an asset on consistency basis.

3.7 Leasehold rights

Leasehold rights are stated at cost less accumulated amortization and impairment losses.

Amortization is charged to the statement of comprehensive income on a straight-line basis over the term of the lease.

3.8 Intangible assets

Software license, which has limited life, is stated at cost less accumulated amortization and impairment losses (if any).

Trademark is a recognizable name or special symbol that identifies products or services of the sellers and an individual identity which cannot be imitated. The Company has the trademark on Japanese style grilled or broiled service with unlimited useful life showing the fair value as at the acquisition date for zero Baht (0).

Amortization is charged to the statement of comprehensive income on a straight-line basis from the date that intangible assets are available for use over the estimated useful lives of the assets, unless such lives are indefinite. Intangible assets with an indefinite useful life are not amortized but are systematically tested for impairment at each the statement of financial position date. The estimated useful lives are as follows:

Software licenses	5 and 10 years
Trademark	Unlimited useful life

3.9 Impairment of assets

The carrying amounts of assets are reviewed at each statement of financial position date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually and when indicators of impairment are identified.

An impairment loss is recognized whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. The impairment loss is recognized in the statement of comprehensive income unless it reverses a previous revaluation credited to equity, in which case it is charged to equity. When a decline in the fair value of an available-for-sale financial asset has been recognized directly in equity and there is objective evidence that the value of the asset is impaired, the cumulative loss that had been recognized directly in equity is recognized in the statement of comprehensive income even though the financial asset has not been derecognized. The amount of the cumulative loss that is recognized in the statement of income is the difference between the acquisition cost and current fair value, less any impairment loss on that financial asset previously recognized in the statement of comprehensive income.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. However, an impairment loss in respect of goodwill is not reversed.

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.

3.10 Trade and other accounts payable

Trade and other accounts payable are stated at cost.

3.11 Provisions

A provision is recognised in the statement of financial position when the Company has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

3.12 Employee benefits

Short-term employment benefits

The Company recognizes salary, wage, bonus and contributions to social security fund, compensation fund and provident fund as expenses when incurred.

Post-employment benefits (Defined contribution plans)

The Company and its employees have jointly established a provident fund. The fund is monthly contributed by employees and by the Company. The fund's assets are held in a separate trust fund and the Company's contributions are recognized as expenses when incurred.

Post-employment benefits (Defined benefit plans)

The Company has obligations in respect of the severance payments that it must pay to the employees upon retirement under the labor law and other employee benefit plans. The Company treats these severance payment obligations as a defined benefit plan.

The obligation under the defined benefit plan is calculated based on the actuarial principles by a qualified independent actuary using the projected unit credit method. Such estimates are made based on various assumptions, including discount rate, future salary increase rate, staff turnover rate, mortality rate, and inflation rate.

Actuarial gains and losses for post-employment benefits of the employees are recognized immediately in other comprehensive income a part of retained earnings.

In 2018, the Company records an additional employee benefit for severance payment 300 days to 400 days in the statement of comprehensive income for 2018 which the Company treats such change as correction to the postemployment benefit project.

3.13 Income tax

Income tax comprises current income tax and deferred tax.

Current tax

The Company records income tax expense, if any, based on the amount currently payable under the Revenue Code at the income tax rates of 20% of profit before income tax, after adding back certain expenses which are non-deductible for income tax computation purposes, and less certain transactions which are exemption or allowable from income tax.

Deferred tax

Deferred tax assets and liabilities are provided on the temporary differences between the carrying amount and the tax bases of assets and liabilities at the end of the reporting period. Changes in deferred tax assets and liabilities are recognized as deferred tax income or deferred tax expense which are recognized in the profit or loss except to the extent that it relates to items recognized directly in shareholders' equity or in other comprehensive income.

The deductible temporary differences are recognized as deferred tax assets when it is probable that the Company will have future taxable profit to be available against which the deferred tax assets can be utilized. The taxable temporary differences on all taxable items are recognized as deferred tax liabilities.

Deferred tax assets and liabilities are measured at the tax rates that the Company and its subsidiaries expect to apply to the period when the deferred tax assets are realized or the deferred tax liabilities are settled, based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

At the end of each reporting period, the carrying amount of deferred tax assets are reviewed and reduced the value when it is probable that the Company will have no longer the future taxable profit that is sufficient to be available against which all or some parts of deferred tax assets are utilized.

Deferred tax assets and deferred tax liabilities are offset when there is the legal right to settle on a net basis and they relate to income taxes levied by the same tax authority on the same taxable entity.

3.14 Basic earnings per share

Basic earnings per share is calculated by dividing the net profit for the year by the weighted average number of common shares or equivalent common shares outstanding during the year.

3.15 Related parties

Enterprises and individuals that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the company, including holding companies, subsidiaries and fellow subsidiaries are related parties of the company. Associates and individuals owning, directly or indirectly, an interest in the voting power of the company that gives them significant influence over the enterprise, key management personnel, including directors and officers of the company and close members of the family of these individuals and companies associated with these individuals also constitute related parties.

In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

3.16 Financial lease

Leases of assets that substantially transfer to the Company all the rewards and risks of ownership of assets and that the Company intends to exercise the option of the leases to purchase the assets at the expiration of the lease term, are accounted for as finance leases.

At the inception of a finance lease, the cost of the asset is recorded together with the obligation, excluding the interest element, to pay future rentals. Finance charges are charged to the current period operations by the effective rate of interest.

3.17 Operating lease

Lease of assets under which all the risks and rewards of ownership are effectively retained by the lessor are classified as operating lease. Lease payments under an operating lease are recognized as expense on a straight-line basis over the lease term.

3.18 Financial instruments

Details of significant accounting policies and methods adopted, including criteria for recognition of revenues and expenses relating to financial assets and financial liabilities are disclosed in note 28.

3.19 Significant accounting judgements and estimates

The preparation of financial statements in conformity with financial reporting standards at times requires management to make subjective judgements and estimates regarding matters that are inherently uncertain. These judgements and estimates affect amounts reported in the financial statements and disclosures and actual results could differ from these estimates. Significant judgements and estimates are as follows:

Allowance for doubtful accounts

In determining an allowance for doubtful accounts, the management needs to make judgement and estimates based upon, among other things, past collection history, aging profile of outstanding debts and the prevailing economic condition.

Leases

In determining whether a lease is to be classified as an operating lease or finance lease, the management is required to use judgement in evaluating the conditions and details of the agreement whether significant risk and rewards of ownership of the leased asset has been transferred.

Property, plant and equipment/Depreciation

In determining depreciation of plant and equipment, the management is required to make estimates of the useful lives and residual values of the plant and equipment and to review the estimated useful lives and residual values when there are any changes.

In addition, the management is required to review property, plant and equipment for impairment on a periodical basis and record the impairment loss when it is determined that the recoverable amount is lower than the carrying amount. This requires judgement regarding forecast of future revenues and expenses relating to the assets subject to the review.

Intangible assets

In recording the initial recognition and measurement of intangible assets as at the acquired date and subsequent impairment testing, the management is required to make estimates of cash flows to be generated by the asset or the cash generating units and to choose a suitable discount rate in order to calculate the present value of those cash flows.

Deferred tax assets

Deferred tax assets are recognized for deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the temporary differences and losses can be utilized. Significant management judgement is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and level of estimated future taxable profits.

Provisions for asset dismantling

In estimating the provisions for asset dismantling, it requires management to exercise the judgment to estimate by the requirements of the lease agreement for the Company to carry out the dismantling and restore the leased property back to the original condition before handing back the leased property to the lessor upon the expiry of the lease agreement. This relies on various assumptions such as discount rate, demolition and adjustment fee rate, transportation rate, accommodation and traveling rate and inflation rate, etc.

Post-employment benefits under defined benefit plans

The obligation under the defined benefit plan is determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary increase rate, mortality rate and staff turnover rate.

4. RELATED PARTY TRANSACTIONS

A portion of the Company's assets, liabilities, revenues, costs and expenses arose from transactions with related parties.

Types of relationship of related parties were as follows:

Name of Company / individual	Type of business	Type of relationship
Octopus Media Solutions Co., Ltd.	Multimedia	Shareholder and director (Until March 2018)
JC Kevin Development Co., Ltd.	Property Development	Co-director and shareholder
JC Kevin Food and Beverage Co., Ltd.	Service Restaurant	Co-director and shareholder
High Active Consultant Co., Ltd.	Service Restaurant	Co-director and shareholder
Mr. Sompon Roekwibunsi	-	Shareholder and director (Until March 2018)
Mr. Apichai Taechaubol	-	Shareholder and director
Mr. Chotiwit Taechaubol	-	Shareholder and director
Ms. Unthika Roekwibunsi	-	Shareholder and director (Until March 2018)

Balances with the related parties as at December 31, 2018 and 2017 consisted of:

	Baht	
	2018	2017
Other accounts receivable (Advance payments)		
Mr. Chotiwit Taechaubol	515,282	-
High Active Consultant Co., Ltd.	13,063,447	-
	13,578,729	-
Other accounts receivable (Inventories)		
JC Kevin Food and Beverage Co., Ltd.	138,016	-
Other accounts receivable (Gift Voucher)		
JC Kevin Development Co., Ltd.	3,189,000	-
JC Kevin Food and Beverage Co., Ltd.	45,500	-
	3,234,500	-
Total	16,951,245	-
Other accounts payable		
Octopus Media Solutions Co., Ltd.	-	3,547
JC Kevin Development Co., Ltd.	3,707,415	721,722
JC Kevin Food and Beverage Co., Ltd.	1,317,483	-
Mr. Chotiwit Taechaubol	8,345	-
	5,033,243	725,269

Transactions with related parties for the years ended December 31, 2018 and 2017 were summarized as follows:

		Baht	
	Pricing Policy	2018	2017
Administrative expenses			
Octopus Media Solutions Co., Ltd.	The agreed contract price	20,865	1,209,760
JC Kevin Development Co., Ltd.	The agreed contract price	6,910,384	3,125,967
		6,931,249	4,335,727
Purchase of equipment			
JC Kevin Food and Beverage Co., Ltd.	The agreed contract price	1,231,292	-
Purchase of inventories			
JC Kevin Food and Beverage Co., Ltd.	Market price	943,818	-
Other income (Inventories)			
JC Kevin Food and Beverage Co., Ltd.	Market price	210,893	-
Interest expense			
Mr. Apichai Taechaubol	3.500% per annum	250,945	-
Mr. Chotiwit Taechaubol	3.500% per annum	-	258,511
		250,945	258,511
Management benefit expenses			
Short-term employee's benefits		7,635,966	14,709,917
Post-employment benefits		26,797	28,558
		7,662,763	14,738,475

MANAGEMENT BENEFIT EXPENSES

Management benefit expenses represents 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. The management is comprised managing director or the managements who have the top position at the management level from the four lists following by the manager level.

5. CASH AND CASH EQUIVALENTS

Cash and cash equivalents were consisted of:

	Baht	
	2018	2017
Cash in hand	1,724,000	1,684,000
Cash at Banks - current accounts	518,620	797,135
- savings accounts	26,775,715	8,224,854
Total	29,018,335	10,705,989

Savings accounts earned interest rates at 0.37 - 0.75% per annum (In 2017: 0.37 - 0.625 % per annum).

6. TRADE ACCOUNTS RECEIVABLE

Trade accounts receivable were consisted of:

	Baht	
	2018	2017
Trade accounts receivable	2,579,744	3,581,272
<u>Less</u> Allowance for doubtful accounts	(1,808,346)	(1,174,460)
Trade accounts receivable - net	<u>771,398</u>	<u>2,406,812</u>

Trade accounts receivable classified by ages of account receivable consisted of:

	Baht	
	2018	2017
Not yet due	292,014	596,164
Over due :		
1 day to 30 days	35,115	44,894
31 days to 90 days	68,956	355,749
91 days to 365 days	449,326	1,410,005
Over 365 days	1,734,333	1,174,460
Total	<u>2,579,744</u>	<u>3,581,272</u>

Changes in allowance for doubtful accounts were as follows:

	Baht	
	2018	2017
Beginning balance	1,174,460	1,174,460
Addition	1,808,346	-
Bad debt	(1,174,460)	-
Ending balance	<u>1,808,346</u>	<u>1,174,460</u>

7. INVENTORIES

Inventories were consisted of:

	Baht	
	2018	2017
Finished goods	37,414,007	40,771,155
Raw materials	2,041,350	3,740,802
Total	<u>39,455,357</u>	<u>44,511,957</u>

	Baht	
	2018	2017
Decline in value of inventory recognized as cost of goods sold for the years	4,844,920	7,931,368

8. OTHER CURRENT ASSETS

Other current assets were consisted of:

	Baht	
	2018	2017
Prepaid banner rental and other prepaid expenses	3,126,437	3,598,645
Undue input vat	2,763,715	4,750,864
Other supplies	3,461,965	4,438,938
Materials used in construction and branches	7,070,996	7,767,818
Other current assets	496,618	1,184,855
Total	16,919,731	21,741,120

9. BUSINESS ACQUISITION DURING THE YEAR

According to the Board of Directors' Meeting No.6/2018 held on August 14, 2018, the Board of Directors had a resolution to approve the Company to acquire Signor Sassi restaurant business from JC Kevin Food and Beverage Co., Ltd. which is a company that has related party, co-director and co-shareholders to expand investment in the new brand restaurant business for future capacity and growth. Later, on August 31, 2018, the Company entered into a restaurant buy/sell agreement with such company. The Company was transferred the restaurant, assets and equipment related to the restaurant business including rights and duty along with existing obligations of such company such as employees, franchise agreement, lease and service agreement from September 1, 2018 onwards.

The Company and such company agreed to the buying/selling price of the restaurant business at the total amount of Baht 11.61 million (excluding VAT). The value of assets obtained as at September 1, 2018 as stipulated in the restaurant business buy/sell agreement which is included in the Company's financial statements is as follows:

	Baht
<u>Assets</u>	
Leased area and equipment improvement	5,342,354
Retention under the lease and service agreement	6,265,350
Total	11,607,704
Return from purchase - cash paid	11,607,704
Difference from business combination under common control	-

In acquiring the restaurant business from JC Kevin Food and Beverage Co., Ltd., the assets obtained from JC Kevin Food and Beverage follows the definition of “Business” under the Financial Reporting Standard No.3 (revised 2017) “Business Combination”. The Company and JC Kevin Food and Beverage Co., Ltd. has a common group of ultimate controller. Therefore, the acquisition of assets from Signor Sassi restaurant business of JC Kevin Food and Beverage Co., Ltd. is a business combination under common control. However, the Company did not purchase the shares of JC Kevin Food and Beverage Co., Ltd. from such business acquisition so that a consolidated financial statement is not required to be prepared. In the business combination under common control, there is no difference from the business combination under common control as the agreed buying/selling price is equal to the book value of the transferred assets.

10. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment were consisted of:

	Balance Dec. 31, 2017	Baht Transactions during the year			Balance Dec. 31, 2018
		Additions	Disposal/ write-off	Transfer in/(out)	
<u>Cost/revaluation</u>					
Land/revaluation	55,608,000	-	-	-	55,608,000
Factory building and other structure	65,500,415	35,000	-	-	65,535,415
Leasehold building improvement	491,689,178	40,331,360	(53,830,315)	-	478,190,223
Furniture, fixtures and office equipment	50,397,166	1,926,165	(718,739)	-	51,604,592
Operating equipment	404,063,545	10,061,553	(5,702,175)	-	408,422,923
Vehicles	49,799,485	3,597,430	(10,503,821)	-	42,893,094
Work in progress	7,965,855	50,727,787	-	(52,664,110)	6,029,532
Total	1,125,023,644	106,679,295	(70,755,050)	(52,664,110)	1,108,283,779
<u>Accumulated depreciation</u>					
Factory building and other structure	(24,322,600)	(3,166,184)	-	-	(27,488,784)
Leasehold building improvement	(364,323,819)	(21,109,848)	44,349,082	-	(341,084,585)
Furniture, fixtures and office equipment	(42,597,700)	(3,144,019)	711,832	-	(45,029,887)
Operating equipment	(320,234,918)	(18,363,247)	5,376,429	-	(333,221,736)
Vehicles	(37,290,796)	(1,898,891)	7,339,384	-	(31,850,303)
Total	(788,769,833)	(47,682,189)	57,776,727	-	(778,675,295)
Allowance for impairment	(43,484,307)	(15,175,177)	43,484,307	-	(15,175,177)
Property, plant and equipment-net	292,769,504				314,433,307

	Baht				
	Balance	Transactions during the year			Balance
	Dec. 31, 2016		Disposal/		Dec. 31, 2017
		Additions	write-off	Transfer in/(out)	
<u>Cost/revaluation</u>					
Land/revaluation	55,608,000	-	-	-	55,608,000
Factory building and other structure	63,266,369	2,234,046	-	-	65,500,415
Leasehold building improvement	608,173,131	22,734,998	(134,348,640)	(4,870,311)	491,689,178
Furniture, fixtures and office equipment	54,985,463	3,761,110	(8,349,407)	-	50,397,166
Operating equipment	453,919,341	10,988,650	(60,844,446)	-	404,063,545
Vehicles	48,464,523	1,334,962	-	-	49,799,485
Work in progress	297,354	48,509,495	-	(40,840,994)	7,965,855
Total	1,284,714,181	89,563,261	(203,542,493)	(45,711,305)	1,125,023,644
<u>Accumulated depreciation</u>					
Factory building and other structure	(21,131,883)	(3,190,717)	-	-	(24,322,600)
Leasehold building improvement	(378,353,678)	(71,984,720)	86,014,579	-	(364,323,819)
Furniture, fixtures and office equipment	(46,537,067)	(3,741,562)	7,680,929	-	(42,597,700)
Operating equipment	(349,625,457)	(22,978,858)	52,369,397	-	(320,234,918)
Vehicles	(34,302,773)	(2,988,023)	-	-	(37,290,796)
Total	(829,950,858)	(104,883,880)	146,064,905	-	(788,769,833)
Allowance for impairment	(11,194,505)	(43,484,307)	11,194,505	-	(43,484,307)
Property, plant and equipment-net	443,568,818				292,769,504

	Baht	
	2018	2017
Depreciation for the years		
- cost of sale	2,742,268	2,740,822
- selling and administrative expenses	44,939,921	102,143,058
Total	47,682,189	104,883,880
Loss from branches closing and renovation	6,064,204	43,682,066
Allowance for impairment of assets (reversal)	(28,309,130)	32,289,802
Gain (loss) on sale of assets	325,520	(5,576,822)

As at December 31, 2018 and 2017, the Company had leasehold building improvement, furniture, fixtures and office equipment, operating equipment and vehicles, which were fully depreciated but still in use with the cost price of Baht 437.53 million and Baht 358.12 million, respectively.

As at December 31, 2018 and 2017, the Company had land, factory building and other construction in the cost price of Baht 97.10 million and Baht 97.07 million, respectively, were used to guarantee the long-term loans from a local financial institution (Note 14 and 17).

As at December 31, 2018, the Company entered into asset insurance for branches, factory building, other structure, furniture and fixtures, office equipment and computers, inventories, machinery and control parts, internal systems, cold storage and vehicles. The beneficiary of these insured assets is the financial institution to secure for the loan, but the beneficiary of vehicles under hire-purchase agreements is the leasing company.

As at December 31, 2018 and 2017, the Company had vehicles, furniture, fixtures and office equipment and operating equipment under hire-purchase agreements with the net book value amounting to approximately Baht 7.88 million and Baht 8.82 million, respectively.

Impairment of assets

The market condition of highly competitive restaurant business has resulted in the failure of the operations of some branches to meet the expectation. The outlook is that some branches may be closed down in the foreseeable future. This is a significant indication of impairment of branch assets. The Company assessed the value of the recovery amount of fixed assets in the branch that has an indication of asset impairment which comprises building improvement under the lease agreement and equipment used in the operation. The recovery amount of the assets is equal to the fair value of the assets less selling cost or value-in-use, whichever is higher. The value in use of the asset is defined by the estimate of future cash flow expected to be received using the discount rate before tax at 12.56% per annum. From the assessment result, the recovery amount of the assets is lower than the book value.

For the year ended December 31, 2018, the Company has reversed the allowance for impairment of assets of Baht 28.31 million and the Company has an allowance for impairment of assets as at December 31, 2018 in the amount of Baht 15.18 million in the statement of financial position.

For the year ended December 31, 2017, the Company has recognized the loss on impairment of assets of Baht 32.29 million and the Company has an allowance for impairment of assets as at December 31, 2017 in the amount of Baht 43.48 million in the statement of financial position.

11. LEASEHOLD RIGHTS

Leasehold rights were consisted of:

	Baht		
	Balance Dec. 31, 2017	Transactions during the year Addition Disposal / Write-off	Balance Dec. 31, 2018
<u>Cost</u>			
Leasehold rights in space of restaurant	110,654,451	- (12,317,021)	98,337,430
<u>Less accumulated amortization</u>			
Leasehold rights	(74,207,551)	(7,719,931) 8,873,823	(73,053,659)
Leasehold rights - net	<u>36,446,900</u>		<u>25,283,771</u>
	Baht		
	Balance Dec. 31, 2016	Transactions during the year Addition Disposal / Write-off	Balance Dec. 31, 2017
<u>Cost</u>			
Leasehold rights in space of restaurant	110,654,451	- -	110,654,451
<u>Less accumulated amortization</u>			
Leasehold rights	(65,704,470)	(8,503,081) -	(74,207,551)
Leasehold rights - net	<u>44,949,981</u>		<u>36,446,900</u>

	Baht	
	2018	2017
Amortization cost for the years - selling expenses	7,719,931	8,503,081
Loss from leasehold rights	1,096,215	-

12. INTANGIBLE ASSET

Intangible asset were consisted of:

	Baht				
	Balance	Transactions during the year			Balance
	Dec. 31, 2017	Addition	Disposal/ write-off	Transfer In (out)	Dec. 31, 2018
<u>Cost</u>					
Trademark	-	-	-	-	-
Software licenses	16,951,811	936,950	-	-	17,888,761
Software in progress	-	1,932,950	-	(936,950)	996,000
Total	16,951,811	2,869,900	-	(936,950)	18,884,761
<u>Less Accumulated amortization</u>					
Software licenses	(12,839,544)	(1,011,611)	-	-	(13,851,155)
Total	(12,839,544)	(1,011,611)	-	-	(13,851,155)
Intangible asset-net	4,112,267				5,033,606

	Baht				
	Balance	Transactions during the year			Balance
	Dec. 31, 2016	Addition	Disposal/ write-off	Transfer In (out)	Dec. 31, 2017
<u>Cost</u>					
Trademark	-	-	-	-	-
Software licenses	16,944,157	7,654	-	-	16,951,811
Software in progress	-	7,654	-	(7,654)	-
Total	16,944,157	15,308	-	(7,654)	16,951,811
<u>Less Accumulated amortization</u>					
Software licenses	(11,835,151)	(1,004,393)	-	-	(12,839,544)
Total	(11,835,151)	(1,004,393)	-	-	(12,839,544)
Intangible asset-net	5,109,006				4,112,267

	Baht	
	2018	2017
Amortization cost for the years - selling and administrative expenses	1,011,611	1,004,393

As at December 31, 2018 and 2017, the Company had intangible assets which were fully depreciated but still in use with the cost price of Baht 7.35 million and Baht 7.30 million, respectively.

13. DEFERRED TAX LIABILITIES

Changes in deferred tax liabilities for the years ended December 31, 2018 and 2017 were summarized as follows:

	Baht			
	Balance as at	Income (expenses) during the year		Balance as at
	Dec. 31, 2017	In profit or loss	In other comprehensive income	Dec. 31, 2018
Deferred tax liabilities:				
Prepaid expenses	125,060	37,270	-	87,790
Capital surplus from land revaluation	4,808,695	-	-	4,808,695
Property, plant and equipment	9,323,515	(607,693)	-	9,931,208
Differences from the fair value adjustment of assets from acquiring Daidomon’s business	23,621	23,621	-	-
Total	14,280,891	(546,802)	-	14,827,693

	Baht			
	Balance as at	Income (expenses) during the year		Balance as at
	Dec. 31, 2016	In profit or loss	In other comprehensive income	Dec. 31, 2017
Deferred tax liabilities:				
Prepaid expenses	157,550	32,490	-	125,060
Capital surplus from land revaluation	4,808,695	-	-	4,808,695
Property, plant and equipment	5,729,178	(3,594,337)	-	9,323,515
Differences from the fair value adjustment of assets from acquiring Daidomon’s business	72,902	49,281	-	23,621
Total	10,768,325	(3,512,566)	-	14,280,891

14. BANK OVERDRAFTS AND SHORT-TERM LOAN FROM FINANCIAL INSTITUTIONS

Bank overdrafts and short-term loan from financial institution were consisted of:

	Baht	
	2018	2017
Bank overdrafts	7,821,194	20,800,805
Short-term loan in the form of promissory note	30,000,000	30,000,000
Total	37,821,194	50,800,805

As at December 31, 2018 and 2017, the Company had credit facilities with some local commercial banks under the total credit facilities of Baht 155.90 million and Baht 155.90 million, respectively, as follows:

Types of credit limit	Interest rate (% per annum)	Million Baht	
		2018	2017
(1) Bank overdrafts	MOR	26.00	26.00
(2) Letter of credit/Trust Receipt	-	4.00	4.00
(3) Short-term loan in the form of promissory note	MLR	30.00	30.00
(4) Long-term loan (Note 17)	MLR - MLR-1.30	70.90	70.90
(5) Bank guarantee	-	25.00	25.00
Total		155.90	155.90

In the year 2017, the Company opened the letter of credit and/or trust receipt (L/C, T/R) in the amount of Baht 4.00 million by reducing the credit limit of overdraft with a local bank. The outstanding balance of bank overdraft is Baht 26.00 million.

As at December 31, 2018 and 2017, the credit limits were secured by a mortgage of land and buildings under the ownership of the Company and fixed deposit account of Baht 3.00 million.

15. SHORT-TERM LOANS

Short-term loans were consisted of:

	Baht	
	2018	2017
Bill of exchanges (par value)	35,000,000	60,000,000
<u>Less</u> Deferred discount	(403,035)	(770,980)
Bill of exchange - net	34,596,965	59,229,020

In 2017 - 2018, the Company has issued and offered several short-term bill of exchange. The interest rate depends on the market situation when issuing and offering the bill of exchange in each time. It has a term of not over than 6 months from the bill issuing date by offering the bill of exchange in a private placement to be used as working capital and/or repayment of debt. As at December 31, 2018, the Company has 5 outstanding bills of exchange with the face value of Baht 35.00 million and interest rate 5.25 % per annum and due within May 2, 2019.

As at December 31, 2017, the Company has 9 outstanding bills of exchange with the face value of Baht 60 million and interest 5.25 - 7.50% per annum due within May 2, 2018.

16. SHORT-TERM LOAN FROM RELATED PARTIES

Changes in short-term loan from related parties for the years ended December 31, 2018 and 2017 were summarized as follows:

	Baht	
	2018	2017
Beginning balance	-	-
Additional loan during the year	39,500,000	68,000,000
Deduction from payment during the year	(39,500,000)	(68,000,000)
Ending balance	-	-

In 2017 - 2018, the Company has loan from a related party in the form of promissory note with the interest rate at 3.50% per annum and due at call. The principal and interest have been paid in the amount of Baht 39,750,945 and Baht 68,258,511, respectively.

17. LONG-TERM LOANS FROM FINANCIAL INSTITUTIONS

Long-term loans from financial institutions were consisted of:

Year	Amount (million Baht)	Withdrawn (million Baht)	Interest rate (%)	Monthly repayment schedule of principal and interest (million Baht)	Outstanding principal (Baht)	
					2018	2017
2016	70.90	70.75	MLR-1.30	- No. 1 - 12, only interest - No. 13 - 59, each installment 1.50 - No. 60, remaining portion	42,252,890	60,252,890
Total	70.90	70.75			42,252,890	60,252,890
Less current portion					(18,000,000)	(18,000,000)
Portion due over one year which was presented in current liabilities					(24,252,890)	(42,252,890)
Long-term loans from financial institutions - net					-	-

As at December 31, 2018 and 2017, the Company had credit limit of long-term loans with such two commercial banks at the total principal of Baht 70.90 million which had been withdrawn the loan amounting to Baht 70.75 million. Long-term loan is secured by the mortgaging of lands, factory buildings, other construction of the Company. As such, the Company has to comply with other significant conditions as follows:

- (1) The Company has to maintain the debt to equity ratio in the rate not exceeding 2.0:1. Debt means total debts deduct with the loans from directors or shareholders, and equity means total equity combined with the loans from directors or shareholders.
- (2) The Company has to maintain the debt service coverage ratio in the rate not less than 1.5:1.

As at December 31, 2018, the Company was unable to comply with certain financial ratios stipulated in the loan agreements with KASIKORNBANK PCL. (“KBank”). Subsequently on January 23, 2019, the Company received a letter from KBank, to inform that KBank agreed to waive covenant relating to maintenance of the financial ratios for the year 2018. However, for the purpose of reporting under Thai Financial Reporting Standards, the Company has presented the outstanding balances as at December 31, 2018 of such loans from KBank as current liabilities in the statement of financial position.

As at December 31, 2017, the Company was unable to comply with certain financial ratios stipulated in the loan agreements with KASIKORNBANK PCL. (“KBank”). Subsequently on February 28, 2018, the Company received a letter from KBank, to inform that KBank agreed to waive covenant relating to maintenance of the financial ratios for the year 2017. However, for the purpose of reporting under Thai Financial Reporting Standards, the Company has presented the outstanding balances as at December 31, 2017 of such loans from KBank as current liabilities in the statement of financial position.

18. LIABILITIES UNDER FINANCE LEASE AGREEMENTS

Liabilities under finance lease agreements were consisted of:

		Baht	
		2018	2017
Liabilities under finance lease agreements		4,451,541	6,648,916
<u>Less</u> deferred interest		(353,681)	(535,584)
deferred value added tax		(291,223)	(197,135)
		3,806,637	5,916,197
<u>Less</u> current portion		(1,562,071)	(2,530,158)
Liabilities under finance lease agreements - net		<u>2,244,566</u>	<u>3,386,039</u>

		Baht							
		2018				2017			
		Principal	Deferred interest	Deferred VAT	Total	Principal	Deferred interest	Deferred VAT	Total
1 - 5 years		2,244,566	177,625	169,553	2,591,744	3,386,039	209,567	89,744	3,685,350
Over 5 years		-	-	-	-	-	-	-	-
Total		<u>2,244,566</u>	<u>177,625</u>	<u>169,553</u>	<u>2,591,744</u>	<u>3,386,039</u>	<u>209,567</u>	<u>89,744</u>	<u>3,685,350</u>

The Company has liabilities under the finance lease agreements which consist of several agreements to supply equipment, furnitures, fixtures and office equipment, equipment used in the operation and vehicles for operation with several local leasing companies.

18.1 Hire-purchase agreements

As at December 31, 2018 and 2017, the Company had hire-purchase agreements for the vehicles with the total contract value amounting Baht 4.09 million and Baht 0.89 million. The rental is monthly due in 48 installments at Baht 0.09 million and Baht 0.02 million per month respectively. Under the terms of the agreement, the Company is required to comply with the conditions and restrictions as set forth in the agreement. The ownership of the assets under this hire-purchase agreement will be transferred to the Company upon the final payment.

18.2 Long-term lease agreements

As at December 31, 2018 and 2017, the Company had agreements to lease the vehicles and the equipment used in the operation in the form of finance lease with the total contract value amounting Baht 5.67 million and Baht 12.28 million. The rental is monthly due in 48 installments at Baht 0.12 million and Baht 0.23 million per month respectively. Under the terms of the agreement, the Company is required to comply with the conditions and restrictions as set forth in the agreement. The Company, under the terms of the agreement, has an option to purchase the assets upon the expiry of the lease amounting Baht 0.67 million, and the Company must comply with certain conditions and restrictions as defined in the agreement.

For the years ended December 31, 2018 and 2017, the Company paid the liabilities under finance lease agreements in amount of Baht 5.39 million and Baht 4.52 million, respectively.

19. EMPLOYEE'S BENEFIT OBLIGATIONS

The statements of financial position as at December 31, 2018 and 2017 were as follows:

	Baht	
	2018	2017
Beginning balance defined benefit obligations	2,732,609	6,316,477
Current service costs and interest	1,409,000	1,030,662
Actuarial loss	290,220	(3,844,760)
Benefits paid by the plan	(1,603,650)	(769,770)
Ending balance defined benefit obligations	2,828,179	2,732,609

The statements of comprehensive income for the years ended December 31, 2018 and 2017 are as follows:

	Baht	
	2018	2017
Current service costs		
Cost of sales	200,627	65,032
Selling expenses	1,065,989	819,664
Administrative expenses	64,185	62,436
Directors and management benefit expenses	25,559	28,558
Total	1,356,360	975,690
Interest on obligation	52,640	54,972
Total	1,409,000	1,030,662

Principal actuarial assumptions at the reporting date for the year ended December 31, 2018 and 2017 are as follow:

	Percentage	
	2018	2017
Discount rate	2.17	1.93
Salary increase rate	4	4
Employee turnover rate	23 - 48	23 - 47
Mortality rate	Thai Mortality Ordinary Table 2017	Thai Mortality Ordinary Table 2017

Sensitivity analysis

The results of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligations as at December 31, 2018 and 2017 are summarized below:

	Baht			
	2018		2017	
	1% increase	1% decrease	1% increase	1% decrease
Discount rate	(88,900)	97,047	(96,137)	104,859
Salary increase rate	93,415	(87,361)	100,796	(94,377)
Turnover rate	(120,007)	131,879	(129,173)	141,675

20. PROVISION FOR ASSET DISMANTLING

Changes in provision for asset dismantling were summarized as follows:

	Baht	
	2018	2017
Balance, beginning of year	26,166,233	38,375,967
Increase from provisions an interest	3,719,697	1,070,000
Decrease from assumptions change	-	(4,870,311)
Decrease from dismantled asset	(3,406,232)	(8,409,423)
Balance, end of year	26,479,698	26,166,233

The provisions from assets dismantling of the Company had been estimated according to regulation under the lease required the Company to dismantle and restore the area back to the same condition before returning the rental space to the lessor at the end of the lease. The calculation was based on discount rate, demolition and area adjustment fee rate, transportation rate, accommodation and traveling rate and inflation rate.

Key assumptions used in estimating the provisions for asset demolition are as follows:

Key assumption	Value	Valuation method
- Discount rate	Maximum not over 3.92%	Reference rate to government bond
- Demolition and area adjustment fee rate	Baht 1,100 per square meter	According to agreement
- Transportation rate	Maximum not over Baht 19,000 (depends on the distance)	Market transportation rate
- Accommodation rate	Baht 600 per day	Experience
- Allowance rate	Baht 250 per day	Experience
- Traveling rate	Baht 3.20 per kilometer	Experience
- Inflation rate	Approximately 1%	Current inflation rate

21. SHARE CAPITAL

2018

21.1 According to the General Shareholders' Meeting No.1/2018 dated April 23, 2018, the shareholders had the resolution to approve the significant matters as follows:

21.1.1 To increase the registered capital of the company in the amount of Baht 73,080,000 from the registered capital Baht 121,800,000 to Baht 194,880,000 by issuing the ordinary shares of 292,320,000 shares at the par value of Baht 0.25 per share. The Company has registered the change of the increase of registered capital with the Department of Business Development, Ministry of Commerce on May 10, 2018. As a result, the Company has 779,520,000 registered capital at the par value of Baht 0.25 per share.

21.1.2 To allocate the ordinary shares by specific purpose for 243,600,000 shares at the par value of Baht 0.25 per share by offering to the existing shareholders (Right Offering) at the ratio 2 existing shares to 1 new capital increase ordinary share at the offering price of Baht 1.30 per share. As the result, 138,077,672 shares have been exercised at the offering price Baht 1.30 per share in the amount of Baht 179,500,974. The expenses to issue increased share capital is Baht 688,441 net of the increase in the premium on ordinary shares is Baht 144,293,155. As a result, the total registered and paid-up capital is 625,277,672 shares in the amount of Baht 156,319,418. The Company has registered the change of paid-up capital to Department of Business Development on June 27, 2018. In addition, to allocate the ordinary shares increase by General Mandate for 48,720,000 shares at the par value of Baht 0.25 per share by offering to the existing shareholders by private placement. As at December 31, 2018, the Company has not allocated to private placement.

21.1.3 To approve the change of the Company's name from "HOT POT PUBLIC COMPANY LIMITED" to "JCK HOSPITALITY PUBLIC COMPANY LIMITED" with the Ministry of Commerce on June 27, 2018 and changed the ticker symbol from "HOTPOT" to "JCKH" with effective from May 16, 2018 onwards.

2017

21.2 According to the General Shareholders' Meeting No.1/2017 dated April 27, 2017, the shareholders had the resolution to approve the significant matters as follows:

21.2.1 To decrease the Company's registered capital of Baht 10,150,000 from the registered capital Baht 111,650,000 to Baht 101,500,000.

21.2.2 To increase the registered capital of the company by General Mandate for Baht 20,300,000 from the registered capital Baht 101,500,000 to Baht 121,800,000 by issuing the ordinary shares of 81,200,000 shares at Baht 0.25 per share.

21.2.3 To allocate the ordinary shares increase by General Mandate for 81,200,000 shares at Baht 0.25 per share by offering to the existing shareholders (Right Offering) for 40,600,000 shares and private placement 40,600,000 shares.

21.2.4 To issue and offer debenture for sale with maturity not over 4 years in the amount not over Baht 500,000,000.

21.3 According to the minutes of the Board of Directors' Meeting No. 7/2017 dated August 22, 2017, the board had the resolution to approve the significant matters as follows:

21.3.1 The approval of ordinary share capital increase by General Mandate for 40,600,000 shares to the existing shareholders by right offering in 10 ordinary shares to 1 capital increase ordinary share at the offering price Baht 1.50 per share in the total amount Baht 60.90 million, by closing share register on October 2-6, 2017 as approved from the General Shareholder's Meeting for 2017 of the company dated April 27, 2017.

21.4 Increase of registered capital of the Company

The shareholders have a resolution to approve the increase of registered capital of the Company from Baht 101,500,000 to Baht 121,800,000. The increase of registered capital in the amount of Baht 20,300,000 has been issued into 81,200,000 new capital increase shares at the par value of Baht 0.25 per share. Such increase of registered capital is to support the allocation of the capital increase shares for general mandate at 40,600,000 shares to the existing shareholders according to the right offering at the ratio 10 existing ordinary shares to 1 new capital increase ordinary share at the offering price Baht 1.50 per share in the amount of Baht 60.90 million and to offer to the private placement for 40,600,000 shares at the offering price Baht 1.70 per share in the amount of Baht 69.02 million.

The Company has registered the change of the increase of registered capital with the Department of Business Development, Ministry of Commerce in November 2017. As a result, the Company has 487,200,000 ordinary shares at the par value of Baht 0.25 per share. The total registered and paid-up capital is Baht 121,800,000 and the increase in the premium on ordinary shares is Baht 108,206,871.

22. LEGAL RESERVE

Under the provision of the Public Limited Companies Act, the Company is required to set aside as statutory reserve at least 5% of its annual net income until the reserve reaches 10% of the authorized capital. The reserve is not available for dividend distribution.

23. CAPITAL MANAGEMENT

The primary objective of the Company's capital management is to ensure that it has an appropriate financial structure and maintains the ability to continue its business as a going concern.

According to the statement of financial position as at December 31, 2018 and 2017, the Company's debt to equity ratios are 3.03:1 and 14.97: 1, respectively.

24. TAX EXPENSE (TAX INCOME)

24.1 Major components of tax expense (tax income)

For the years ended December 31, 2018 and 2017 consisted of:

	Baht	
	2018	2017
Income tax expense (income) shown in profit or loss :		
Current tax expense:		
Income tax expense for the years	-	-
Deferred tax expense (income):		
Changes in temporary differences relating to the original recognition and reversal	546,802	3,512,566
Total	546,802	3,512,566

24.2 A numerical reconciliation between tax expense (income) and the product of accounting profit multiplied by the applicable tax rate.

For the years ended December 31, 2018 and 2017, which were summarized as follows:

	Baht	
	2018	2017
Accounting profit (loss) for the years	(69,013,909)	(218,791,548)
The applicable tax rate (%)	20	20
Tax expense (income) at the applicable tax rate	(13,802,782)	(43,758,310)
Reconciliation items:		
Tax effect of expenses that are not deductible in determining tax profit:		
- Expenses not allowed as expenses in determining taxable profit	(3,609,218)	8,439,982
Tax effect of income or profit that are not required in determining taxable profit:		
- Others	47,490	22,289
Unrecognized tax losses on deferred tax assets	17,911,312	38,808,605
Total reconciliation items	14,349,584	47,270,876
Total tax expense (income)	546,802	3,512,566

As at December 31, 2017, the Company had an accumulated loss (in tax) from 2014 - 2017 that was still unused of approximately Baht 479.72 million. The Company did not record deferred tax assets from such loss because there was an uncertainty whether the Company would have enough profit to utilize the benefits from deferred tax assets or not.

24.3 A numerical reconciliation between the average effective tax rate and the applicable tax rate.

For the years ended December 31, 2018 and 2017 were summarized as follows:

	2018		2017	
	Tax amount (Baht)	Tax rate (%)	Tax amount (Baht)	Tax rate (%)
Accounting profit (loss) before tax expense for the years	(69,013,909)		(218,791,548)	
Tax expense (income) at the applicable tax rate	(13,802,782)	(20.00)	(43,758,310)	(20.00)
Reconciliation items	14,349,584	20.79	47,270,876	21.61
Tax expense (income) at the average effective tax rate	546,802	0.79	3,512,566	1.61

25. OPERATING SEGMENT

The Company operates in one main reportable operating segment which comprises of the restaurant business in both a la carte and buffet menu featuring Sukiyaki Japanese and steak menu. The Company's restaurant branches in single geographical area is Thailand. The operating segment's performance is regularly reviewed by the chief operating decision maker who is the Executive Directors in order to make decisions about the allocation of resources to the segment and assess its performance. The Company assesses the performance of operating segment by using operating profit or loss, on a basis consistent with that used to assess operating profit or loss in the financial statements, therefore all the revenues, operating profits and assets as reflected in the financial statements are the reporting of the reportable operating segment.

26. OTHER EXPENSE

Other expense is the loss from closing down the restaurant branches due to incurring continual losses. The losses from the closing down of the branches for years ended December 31, 2018 and 2017 are summarized as follows:

	Baht	
	2018	2017
Loss from writing off leasehold building improvement and equipment (Note 10)	6,064,204	43,682,066
Loss from leasehold rights	1,096,217	-
Loss from unreturned refundable deposits and others	2,978,656	-
Others	1,334,767	9,765,353
	11,473,844	53,447,419

27. BASIC EARNINGS (LOSS) PER SHARE

27.1 Weighted average number of ordinary shares

Weighted average number of ordinary shares for the years ended December 31, 2018 and 2017, is calculated are as follows:

	Number of shares	
	2018	2017
Number of ordinary shares at the beginning of the year	487,200,000	406,000,000
Add Common stock sold during the year	71,119,458	15,906,302
Weighted average number of ordinary shares	558,319,458	421,906,302

27.2 Basic earnings per share

Basic earnings (loss) per share is calculated by dividing the profit (loss) for the years by the weighted average number of ordinary shares in issue during the years.

	2018	2017
Profit (loss) for the years (Baht)	(69,560,711)	(222,304,114)
Weighted average number of ordinary shares (Shares)	558,319,458	421,906,302
Basic earnings (loss) per share (Baht per share)	(0.12)	(0.53)

28. FINANCIAL INSTRUMENTS

A financial instrument is any contract that gives rise to both a financial asset of one entity and a financial liability or equity instrument of another entity.

Risks relating to significant financial instruments held by the Company and its risk management policy are summarized as follows:

Financial risk management for financial instruments

The Company manages its financial risk exposure on financial assets and financial liabilities in the normal business by its internal management and control system, and the Company does not hold or issue any derivative financial instruments

Credit risk

The Company has no credit risk because it does not have a policy for credit sales. However, the Company uses a standard cash sale only. The trade accounts receivable outstanding as at the end of the period are receivables under franchise contracts and department store food court that payments are paid normally.

Interest rate risk

The Company is exposed to interest rate risk that relates primarily to deposit at financial institution, Bank overdrafts, long-term loans from related companies and loans from financial institutions. Since most of the Company's financial assets and financial liabilities carry floating interest rates or have fixed interest rates, which are close to the market rates, the interest rate risk is low.

As at December 2018 and 2017, the significant financial assets and financial liabilities classified by types of interest rates were as follows:

	Baht			
	As at December 31, 2018			
	Floating interest rate	Fixed interest rate	Interest - free	Total
Financial assets				
Cash and cash equivalents	26,775,715	-	2,242,620	29,018,335
Trade accounts receivable	-	-	771,398	771,398
Other accounts receivable	-	-	25,737,905	25,737,905
Refundable deposits and others	-	-	114,572,593	114,572,593

Financial liabilities

Bank overdrafts and short-term loan from financial institutions

	37,821,194	-	-	37,821,194
Trade accounts payable	-	-	145,970,345	145,970,345
Short-term loans	-	34,596,965	-	34,596,965
Other accounts payable	-	-	100,251,066	100,251,066
Asset purchased payable	-	-	10,888,984	10,888,984
Long-term loans from financial institutions	42,252,890	-	-	42,252,890
Liability under finance lease agreements	-	3,806,637	-	3,806,637

	Baht			
	As at December 31, 2017			
	Floating interest rate	Fixed interest rate	Interest - free	Total
Financial assets				
Cash and cash equivalents	8,224,854	-	2,481,135	10,705,989
Trade accounts receivable	-	-	2,406,812	2,406,812
Other accounts receivable	-	-	13,077,653	13,077,653
Refundable deposits and others	-	-	104,394,983	104,394,983

Financial liabilities

Bank overdrafts and short-term loan from financial institutions

	50,800,805	-	-	50,800,805
Trade accounts payable	-	-	128,239,056	128,239,056
Short-term loans	-	59,229,020	-	59,229,020
Other accounts payable	-	-	129,993,362	129,993,362
Asset purchased payable	-	-	12,237,117	12,237,117
Long-term loans from financial institutions	60,252,890	-	-	60,252,890
Liability under finance lease agreements	-	5,916,197	-	5,916,197

Liquidity risk

Liquidity risk, or funding risk, is the risk that the Company will encounter difficulty in raising funds to meet commitments associated with financial instruments. Liquidity risk may result from an inability to sell financial assets quickly at close to their fair values.

The Company's financial assets comprises of cash, deposits at financial institutions, accounts receivable and refundable deposits which are liquid and able to sell at close to their fair values when the Company wishes to raise fund.

Foreign currency risk

The Company has no exposure to foreign currency risk because its major trade transactions and loans are not denominated in foreign currency. The main buying and selling transactions occur within the domestic country only. In addition, there are no assets and liabilities denominated in foreign currencies.

Fair value of financial instruments

Fair value is defined as the amount at which the instrument could be exchanged in a current transaction between knowledgeable willing parties in an arm's length transaction. Fair values are obtained from quoted market prices or discounted cash flow models.

The carrying values of financial assets and liabilities are approximate to their fair values except for liabilities under financial lease contract and long-term loans which their fair values cannot be calculated; accordingly, no disclosure is made.

29. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

Changes in the liabilities arising from financing activities for the years ended December 31, 2018 and 2017 are as follows:

	Balance as at January 1, 2018	Cash flows Increase (decrease)*	Baht		Balance as at December 31, 2018
			Non-cash transaction Increase	Translation on exchange rate	
Bank overdrafts and short-term loan from financial institutions	50,800,805	(12,979,611)	-	-	37,821,194
Short-term loans	59,229,020	(24,907,463)	275,408	-	34,596,965
Long-term loans from financial institutions	60,252,890	(18,000,000)	-	-	42,252,890
Liability under finance lease agreements	5,916,197	(4,794,139)	2,684,579	-	3,806,637
Total	176,198,912	(60,681,213)	2,959,987	-	118,477,686

	Baht					
	Balance as at January 1, 2017	Cash flows Increase (decrease)*	Non-cash transaction			Balance as at December 31, 2017
			Increase	Translation on exchange rate		
Bank overdrafts and short-term loan from financial institutions	41,184,417	9,616,388	-	-	50,800,805	
Short-term loans	78,704,572	(24,907,463)	5,431,911	-	59,229,020	
Long-term loans from financial institutions	81,502,890	(21,250,000)	-	-	60,252,890	
Liability under finance lease agreements	9,006,525	(3,815,562)	725,234	-	5,916,197	
Total	210,398,404	(40,356,637)	6,157,145	-	176,198,912	

* Financing cash flows included net proceed and repayment cash transactions in the statements of cash flows.

30. COMMITMENT ON OPERATING LEASE AND SERVICE AGREEMENT

The Company entered into a lease and service agreement with a local company for its office use and with several department stores for restaurant branches. The agreement has a period of 3 - 6 years. The Company has to pay the monthly rental and service fees at Baht 22.96 million per month. It can renew the agreement upon the expiry of the agreement. Furthermore, some agreements require the Company to demolish and restore the area back to the same condition before returning the rental space to the lessor at the end of the lease.

As at December 31, 2018 and 2017, the Company had lease retention under the lease and service agreement above totaling Baht 114.57 million and Baht 104.39 million, respectively.

As at December 31, 2018 and 2017 the Company had commitment to pay the minimum rental and service fees under the building space lease and service agreement as follows:

	Baht	
	2018	2017
Payable within		
Not over 1 year	137,028,808	181,715,168
1 - 5 years	46,766,499	118,718,147
Over 5 years	2,124,174	5,076,262

31. EXPENSES BY NATURE

Significant expenses by nature are as follows:

	Baht	
	2018	2017
Changes in inventories of finished goods	3,357,148	8,892,073
Raw materials and consumables used	694,771,082	870,229,136
Rental and service charge	263,986,357	300,393,060
Expenses employees	377,652,365	439,213,625
Depreciation and amortization	56,413,731	114,391,354

	Baht	
	2018	2017
Advertising and promotion expenses	26,474,870	31,559,770
Allowance for impairment loss on assets (reversal)	(28,309,130)	32,289,802
Other expense*	11,473,844	53,447,419

* Other expense were consisted of loss from branches closing and renovation, loss on fixed assets write of, loss on fixed assets disposal and loss from non-refundable rental guarantee.

32. CONTINGENT LIABILITIES

As at December 31, 2018 and 2017, the Company had the letter of guarantee issued by a financial institution to secure the purchase of goods and electricity in the amount of Baht 18.11 million and Baht 18.11 million, respectively.

33. RECLASSIFICATION

Certain amounts in the financial statements for the year 2017 have been reclassified to conform to the current year's classification but with no effect to previously reported net income or shareholders' equity. The reclassifications were as follow:

	Baht		
	As previously reported	Reclassified increase (decrease)	As reclassified
<u>Statements of financial position</u>			
Current portion of long-term loan from financial institutions	18,000,000	42,252,890	60,252,890
Long-term loan from financial institution	42,252,890	(42,252,890)	-

34. THE NEWLY ISSUED AND REVISED FINANCIAL REPORTING STANDARDS AND EFFECTIVE IN THE FUTURE

The Federation of Accounting Professions (FAP) has issued Notifications to mandate the use of accounting standards, financial reporting standards, and interpretations of accounting and financial reporting standards that are newly issued and revised.

These newly issued and revised financial reporting standards which are effective for the fiscal year beginning on or after January 1, 2019 are as follows:

TAS 1 (revised 2018)	Presentation of Financial Statements
TAS 2 (revised 2018)	Inventories
TAS 7 (revised 2018)	Statement of Cash Flows
TAS 8 (revised 2018)	Accounting Policies, Changes in Accounting Estimates and Errors

TAS 10 (revised 2018)	Events After the Reporting Period
TAS 12 (revised 2018)	Income Taxes
TAS 16 (revised 2018)	Property, Plant and Equipment
TAS 17 (revised 2018)	Leases
TAS 19 (revised 2018)	Employee Benefits
TAS 20 (revised 2018)	Accounting for Government Grants and Disclosure of Government Assistance
TAS 21 (revised 2018)	The Effects of Changes in Foreign Exchange Rates
TAS 23 (revised 2018)	Borrowing Costs
TAS 24 (revised 2018)	Related Party Disclosures
TAS 26 (revised 2018)	Accounting and Reporting by Retirement Benefit Plans
TAS 27 (revised 2018)	Separate Financial Statements
TAS 28 (revised 2018)	Investments in Associates and Joint Ventures
TAS 29 (revised 2018)	Financial Reporting in Hyperinflationary Economies
TAS 33 (revised 2018)	Earnings Per Share
TAS 34 (revised 2018)	Interim Financial Reporting
TAS 36 (revised 2018)	Impairment of Assets
TAS 37 (revised 2018)	Provisions, Contingent Liabilities and Contingent Assets
TAS 38 (revised 2018)	Intangible assets
TAS 40 (revised 2018)	Investment Property
TAS 41 (revised 2018)	Agriculture
TFRS 1	First-time Adoption of International Financial Reporting Standards
TFRS 2 (revised 2018)	Share-Based Payment
TFRS 3 (revised 2018)	Business Combinations
TFRS 4 (revised 2018)	Insurance Contracts
TFRS 5 (revised 2018)	Non-current Assets Held for Sale and Discontinued Operations
TFRS 6 (revised 2018)	Exploration for and Evaluation of Mineral Resource
TFRS 8 (revised 2018)	Operating Segments
TFRS 10 (revised 2018)	Consolidated Financial Statements
TFRS 11 (revised 2018)	Joint Arrangements
TFRS 12 (revised 2018)	Disclosure of Interests in Other Entities
TFRS 13 (revised 2018)	Fair Value Measurement
TFRS 15	Revenue from Contracts with Customers
TSIC 10 (revised 2018)	Government Assistance - No Specific Relation to Operating Activities
TSIC 15 (revised 2018)	Operating Leases - Incentives

TSIC 25 (revised 2018)	Income Taxes - Changes in the Tax Status of an Entity or its Shareholders
TSIC 27 (revised 2018)	Evaluating the Substance of Transactions Involving the Legal Form of a Lease
TSIC 29 (revised 2018)	Service Concession Arrangements: Disclosure
TSIC 32 (revised 2018)	Intangible Assets - Web Site Costs
TFRIC 1 (revised 2018)	Changes in Existing Decommissioning, Restoration and Similar Liabilities
TFRIC 4 (revised 2018)	Determining whether an Arrangement contains a Lease
TFRIC 5 (revised 2018)	Right to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
TFRIC 7 (revised 2018)	Applying the Restatement Approach under TAS 29 (revised 2018) Financial Reporting in Hyperinflationary Economics
TFRIC 10 (revised 2018)	Interim Financial Reporting and Impairment
TFRIC 12 (revised 2018)	Service Concession Arrangements
TFRIC 14 (revised 2018)	TAS 19 (revised 2018)-The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction
TFRIC 17 (revised 2018)	Distributions of Non - cash Assets to Owners
TFRIC 20 (revised 2018)	Stripping Costs in the Production Phase of a Surface Mine
TFRIC 21 (revised 2018)	Levies

Newly financial reporting standards which are effective for the fiscal year beginning on or after January 1, 2020 are as follows.

TAS 32	Financial Instruments: Presentation
TFRS 7	Financial Instruments: Disclosures
TFRS 9	Financial Instruments
TFRIC 16	Hedges of a Net Investment in a Foreign Operation
TFRIC 19	Extinguishing Financial Liabilities with Equity Instruments

The management of the Company believes that these accounting standards, financial reporting standards, accounting standard interpretations and financial reporting standards interpretations which are newly issued and revised will not have any significant impact on the financial statements for the year when they are initially applied.

35. APPROVAL OF FINANCIAL STATEMENTS

These financial statements were authorized for issue by the Board of Directors of the Company on February 28, 2019.

General Information

Company	:	JCK Hospitality Public Company Limited (Formerly Hot Pot Public Company Limited)
Nature of Business	:	JCK Hospitality Public Company Limited ("the Company") operates the restaurant business comprising Suki and Shabu served with superb traditional dipping sauce originated by Hot Pot, Japanese style Grill and Shabu, Steak & Fusion Food as well as Italian foods. Most of the Company's restaurants are operated in buffet style but there are also A La Carte restaurants style as well as Casual Dining restaurants style consisting of Suki Shabu buffet restaurants offering the concept of "all-you-can-eat" under the brand "Hot Pot Inter Buffet", Japanese style Grill and Shabu restaurants under the brand "Daidomon", Suki Shabu A La Carte restaurants serving roasted duck and superb "authentic recipe" dipping sauce under the brand "Hot Pot Suki Shabu" Casual Dining restaurants serving Steaks and Fusion dishes under the brand "Signature" and "Toomato Italian Kitchen" traditional RE43 Italian restaurant selecting premium ingredients directly from Napoli, Italy and "Signor Sassi" High class service and delicious authentic Italian dishes and the latest brand "Zheng Dou" Chinese Restaurant, Hongkong style
Office Location	:	Head Office is located on 18 Soi Sathon 11 Yeak 9 TFD Building, Yannawa, Sathon, Bangkok 10120
Registered Number	:	0107554000160
Registered Capital	:	779,520,000 ordinary shares at par value of 0.25 per share, Total amount of Baht 194,880,000
Paid-up Capital	:	625,277,672 ordinary shares at par value of 0.25 per share, Total amount of Baht 156,319,418
Accounting Period	:	January 1 – December 31
Website	:	www.jckhgroup.com
Telephone	:	0-2286-9959
Facsimile	:	0-2286-9960
Investor Relations	:	Mr. Apichart Charnkiatkong 0-2286-9959 Ext 5101 ir@jckhgroup.com

References

Certified Public Account	:	Mr. Pojana Asavasontichai Mr. Peeradate Phongsathainsak Mr. Suwat Maneekanoksakul Miss.Potjanarat Siripipat Dharmniti Auditing Co.,Ltd 178 Dharmniti Building, 6 th – 7 th Floor, Soi Permsap (Prachachuen 20) Prachachuen Road, Bangsue Sub-district, Bangsue District, Bangkok 10800 Telephone : 0-2596-0500 Facsimile : 0-2596-0562	Authorizes Audit Registration No.4891 Authorizes Audit Registration No.4752 Authorizes Audit Registration No.8134 Authorizes Audit Registration No.9012	and/or and/or and/or
website	:	www.daa.co.th www.dharmniti.co.th/corporate__prole		
Internal Audit	:	Miss.Ratchaneeporn Thongsunsara Quantum Point Consulting Co.,Ltd 256/194 Moo 4 Soi Watcharapol 3 Yeak 1 Klongtanon Sub-district, Saimai District, Bangkok 10220 Telephone/Facsimile : 0-2994-2092		
website	:	-		
The Shares Registrar	:	Thailand Securities Depository Co.,Ltd 93 Ratchadapisek Road, Dindang Sub - district, Dindang District, Bangkok 10400 Telephone : 0-2009-9000 Facsimile : 0-2009-9991		
website	:	www.set.or.th/tsd		
The Solicitor	:	The Fareast law office (Thailand) Co.,Ltd 24 th Floor, 121/74-75 R.S.Tower Building Dindang Sub-district, Dindang District, Bangkok 10310 Telephone : 0-2641-3181-88, 0-2248-6711 Facsimile : 0-2641-3189-90, 0-2248-6719		
Financial advisor	:	-None-		
Share Listing	:	The Company's shares are listed and traded on the Stock Exchange of Thailand.		
The Bankers and Other Financiers	:	Kasikornbank Public Company Limited The Siam Commercial Bank, Limited Bangkok Bank Public Company Limited Land and Houses Retail Bank Public Company limited		



“ทุกอย่างจัดเต็มด้วยใจ”

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