



JCK

HOSPITALITY

ONE REPORT 2023

JCK HOSPITALITY PUBLIC COMPANY LIMITED

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Investor can study additional details of issuer from the Company's Annual Report (Form 56-1 One Report) on SEC's website at www.sec.or.th or the Company's website at <https://jckh-th.listedcompany.com>

Message from Chairman

Dear shareholders,

In 2023, despite the COVID-19 epidemic situation around the world is becoming better and people are returning to travelling and living their lives as usual before, however Thailand still faces other challenges both from the fluctuating in the world economic situation, the protracted war situation abroad and the rising in cost of living including the people's awareness of technological changes and new innovations which have influence in the society and business operations. All these factors have greater impact on the lifestyle and consumers' behavior.

Under the fluctuations from those factors mentioned above, the Company would like to inform you that the year 2023 is being considered the year that the Company begins a new vision of change. The Company has changed its business policy strategy for stability and diversify risks to other businesses rather than its main food business. The Company has successfully invested in and transferred the ownership of the land and office buildings in the center of Bangkok to be used as the Company's office which will result in decrease in the space rental expenses and also increase consistent income from the remaining rental area immediately, thus increases the financial stability and is an asset that creates value added for the Company in the long term. Moreover, there is an opportunity for the development of new buildings in addition to the adjacent vacant land in the future.

For the main business of the Company, the restaurants, although the overall consumption situation in the country has benefited from the tourism sector which has recovered very fast in line with the government sector's supportive policies. The Company still need to manage its business cautiously to compete with the rising in raw material costs and the purchasing power of the fragile groups of customers in the country. In addition, the highly increase in competition in the restaurant market, all these factors have caused the Company to continuously change its service branch management policy. Therefore, the Company has to consider changing the restaurant brands in branches that cannot meet the needs of consumer market including closing branches in service areas where the Company is unable to control the operational costs effectively.

However, the Company is still well aware of the selection of consumers who require quality, safe and hygienic products and services as the main factors. Therefore, the Company places importance on and continuously invests in developing new products and service style to respond the requirements in line with the rapid changes in consumer behaviors. The Company sets the targets to improve service branches to be modern and easier to reach their customers under various brands that can cover all customer groups at all level and be able to manage all service costs more efficiently.

As for the business plan for the year 2024, the Company will focus the branch expansions on the Company's new brand, namely "SHABU TOMO" which is a Japanese premium styles shabu restaurants served in individual pots and the newest brand "Ai Huo Guo" to respond the trend of Mala shabu restaurants in a premium style, serving the happiness over the conveyor belt. The Company expects that these new brands will be the significant keys to sustainably turning around the Company's operation performance in the near future.

On behalf of the Board of Directors, I would like to sincerely thank all shareholders, customers, business partners, financial institutions, and stakeholders for their trust and confidence in the Company's potential. Please be confident that the Company adheres to working efficiently with the good governance policy in order to become a sustainable organization, as well as commits to generating good returns for shareholders by focusing on the development of the restaurant business as well as other businesses that relate to the investment policy according to the Company's objectives. The Company sincerely hopes to earn such great trust and support forever for the Company in order to grow forward in a sustainable way. Furthermore, I would like to thank the Board of Directors, Executives, and all employees that are fully providing an excellent cooperation in their determination and dedication to perform duties as well as to participate in driving the Company's business to grow prosperity.



(Dr. Apichai Techaubol)



Chairman

1. Structure and Operations of the Company's group

1.1 Policy and Business Overview

The JCK Hospitality Pcl. ("The Company") operates main business is the restaurant business, under various concepts and divided into 5 categories, including 7 brands as follows:

- (1) "All You Can Eat" buffet restaurants under 3 main brands: "Hot Pot Buffet (HOT POT BUFFET)" "Hot Pot Gold (HOT POT Gold)" and "Shabu Tomo" (SHABU TOMO)"
- (2) Grill restaurants under the brand "DAIDOMON Korea Grill"
- (3) Hong Kong style Chinese restaurant, seafood and dim sum under the brand "Zheng Dou Grand"
- (4) The right to operate a restaurant business under the international trade name "Burger & Lobster" in Thailand, which is a famous bistro-style restaurant from London, England.
- (5) Shabu Mala restaurant In the form of a conveyor belt under the brand "Ai Huo Guo"

Restaurant/Brand	Service mark	Concept
1. HOT POT Inter Buffet		The international buffet restaurants serve Suki Shabu and wide variety of international food plus desserts, ice cream and soft drinks on the counter bar providing the foods that customers can select by themselves or served to the table at the price of Baht 399 per person to let the customers enjoy the meal unlimited within 1 hour and 30 minutes. In some branches, the customers can add a roaster to have both boiling pot and grill roaster at their table with additional charge of Baht 60 per person.
2. HOT POT Gold		Shabu and grill buffet restaurant in a premium, modern style, and serving with all selected ingredients. The restaurant is a table service, the customers can enjoy self-serving at a counter bar with a variety of sauces, snacks, salad bar, fruits, desserts, ice cream and a wide range of beverages at a price of 399 Baht per person for all-you-can-eat for 1 hour and 30 minutes. the customers can add a roaster to have both boiling pot

Restaurant/Brand	Service mark	Concept
		and grill roaster at their table with additional charge of Baht 60 per person.
3. Daidomon Korean Grilled		<p>The Korean grilled buffet style which focuses on special premium ingredients and imported meat of the highest quality together with a variety of Korean dishes to taste. The restaurant is a table service, the customers can enjoy self-serving at a counter bar with a variety of sauces, snacks, salad bar, fruits, desserts, ice cream and a wide range of beverages at a price of 359/459/518 Baht per person at the Ayutthaya city park and 444/561/691 Baht per person at Central Ubon and the Future Park Rungsit Branch (including drinks) which customers can eat for all-you-can-eat for 1 hour and 30 minutes.</p>
4. Zheng Dou Grand		<p>Zheng Dou Grand is a Chinese restaurant serving seafood and Dim sum serving with fresh and premium ingredients. Moreover, every dish is well prepared by the Hong Kong Chef with more than 30 years of experience to ensure that every dish maintain its value. with traditional recipe.</p>
5. SHABU TOMO		<p>SHABU TOMO is a premium Japanese style shabu with a great quality and selected fresh ingredients from a chef with over 20 years of experiences, starting at a price of Baht 705 and 823 per person for the Sea Bass Seafood Buffet There is also an A La Carte menu and special menu that you can choose including premium A5 beef and a VIP room - only available at the Central World branch.</p>

Restaurant/Brand	Service mark	Concept
6. Burger & Lobster		Burger & Lobster is an English restaurant with international branches with famous main menus, prime beef from a farm in Nebraska, Atlantic lobster imported from Canada, and Original Lobster Roll, which is the uniqueness of simplicity and the key of Burger & Lobster. Furthermore, Burger & Lobster serves dishes inspired by local flavors and ingredients such as Khao Soi Lobster, as well as seasonal menus and outstanding beverage.
7. Ai Huo Guo (爱火锅) Ai Huo guō		Ai Huo Guo (爱火锅) Ai Huo guō is a premium mala shabu served on a conveyor belt that is currently popular to the new Mala Shabu that gives the taste and atmosphere in Sichuan Province, China, with the original spicy taste, fragrant spices and ingredients imported directly from China with selected quality ingredients. Cleanliness and freshness are the basis of service. Starting at only 15 baht per menu.

As of December 31, 2023, the Company has a total of 16 restaurant branches in operation, consisting of 5 Hot Pot branches (divided into 4 “Hot Pot Buffet” branches and 1 “Hot Pot Gold” branch), “Daidomon Korean Grill” 2 branches, “Zhengdou Grand” 1 branch, “Shabu Tomo” 5 branches, “Burger & Lobster” 1 branch and “Ai Huo Guo” restaurant 2 branches.

The Company’s restaurants are located in Bangkok and metropolitan areas, including other provinces, covering all regions of the country which are mostly located in departments, modern trade centers, and various shopping centers to facilitate the accessibility of the target customers. In 2023, the Company operated “SHABU TOMO” 3 more branches in order to cover a wider group of customers and a new brand “Ai Huo Guo” has been added 2 branches of premium mala shabu conveyor belt.

Our factory or central kitchen is located at Lam Lukka 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 of quality. Moreover, menus have also been developed and improved the taste in order to develop the food as a semi-finished food. Therefore, the production capacity and capacity utilization rate are measured from the number of production employees and the maximum amount of food that the production employees used to produce each day. Most of the food production are more likely to use in a labor-intensive form, therefore, the used of tools such as cutters and mixers, making capacity measurements from the capabilities of the tools are not reflecting the total production capacity.

The Company has a logistics system to transport the raw materials and foods from the factories or central kitchens to all branches throughout the country by using the transportation of the Company and external transport companies which provides the Company the ability to control the quality, freshness, timing and cost efficiently, including the supply of the utensils, equipment and kitchenware to all branches to keep control of the standard and its unique identity of the Company.

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.

1.1.1 Visions, objectives, goals or strategies for the Company's operations

The Company requires that the vision, mission and strategy be reviewed annually. The Board of Directors' meeting reviewed and determined the vision, mission, objectives and strategy of the Company as follows:

Vision

Continuous Improvement	Continuous improvement of the organization
------------------------	--

Mission

6 missions to focus on continuous organizational development

- | | |
|----------------|------------------|
| 1. Ownership: | Responsible |
| 2. Focus: | Focus on success |
| 3. Productive: | Productive |

- | | |
|-------------------------|----------------------|
| 4. Dedication: | Effort and diligence |
| 5. Team work: | Working as a team |
| 6. Integrity and trust: | Integrity and trust |

Corporate Values

- | | |
|------------------|--------------------------|
| <u>C</u> redible | Reliable and trustworthy |
| <u>C</u> reative | Creative |
| <u>C</u> aring | Caring |
| Courage | Spirit and courage |
| Customer Focus | Focus on the customers |
| Change | Dare to change |

Business goals for the next 3-5 years

The Company is determined to expand its branches to cover potential areas, adjust the appearance of the front of the store to make it look modern and create a variety of choices through experiences in new brands to enable the Company to expand its customer base and new target groups.

The Company has implemented business expansion strategies as follows:

1. Branch expansion

The Company has considered the trend and demands of the market by launching the new brand to serve the different target group of customers which the Company plan to expand the brand of restaurants which are well-known and well-accepted by the customers in every area in the significant economic zone to serve for the future growth. The new branches will be considered by locations, size of area, rental cost to match with the selling price and to attract target customers which will help the Company to expand its customer base and increase its target group. However, the Company will proceed with branch expansion carefully in accordance with the Company's cash flow and liquidity.

2. Improving the storefront and/or changing the brand identity

The Company has a policy to prepare for changing the brands of existing branches to be able to respond to rapidly changes in customers' needs by considering adjusting the format of the branch restaurants to have appropriate space so that it can be utilized efficiently, looking modern, beautiful and focus on cleanliness and safety in order to increase confidence and build trust among consumers who come to use the services. Moreover, the Company also increase the premium of the food images, arranges the food menus to be appropriate with the selling prices in branches that are located in the areas that are high potential and have high purchasing power. In order to operate as its plan, the Company will consider the suitability of each

restaurant's location including the target customer groups and its competition according to changes in consumer behavior so as to create customers' confidence for those who come to dine in the restaurants.

3. Develop and create new products of the Company

The Company utilizes its existing expertise to develop new products in order to seek for opportunities to create new forms of income such as launching a new brand "Shabu TOMO" which focuses on providing services in the style of personal boiler pot that is in line with the change in consumer behavior including capturing the new social trends in Mala food from launching the brand, Ai Huo Guo.

Moreover, the Company also continues to increase the variety of package to provide more options by adding promotions for special products such as Wagyu beef, Prime grade US beef for specific customer groups and also results in additional average spending per customer head. The Company also develop new soup and dipping sauce recipes to increase the variety of flavors for customers to select with their meals.

4. Maintain the quality of the food and services

The Company emphasizes on the selection of quality raw materials, fresh, clean and the taste that meets the standards specified by the Company through audit and efficient management, along with the providing of First Class Service with continuous training in terms of products and services standards to make the best impression.

5. Diversify risks by expanding into new businesses.

In addition to the Company's main business in the restaurant business, the Company has changed its business policy strategy for stability and diversification of risk to other businesses rather than the main food business. The Company has invested and transferred ownership of land and office buildings in the center of Bangkok to be used as the Company's office which will result in the decrease in the space rental expenses and also increase consistent income from the remaining rental space immediately. It will also increase financial stability and is an asset that creates value added for the Company in the long run. Finally, there is an opportunity for the development of new buildings in addition to the adjacent vacant land in the future.

6. Society and environment

The Company focuses on CSR activities for society and the environment such as donations, giving social opportunities and campaigns to reduce food waste to give back to society and create long-term sustainability.

1.1.2 Major Changes and Developments

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. 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. Then the restaurant became popular and were 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, the “HOT POT Inter Buffet”, consists of Suki Shabu and international food in the concept of “buffet” or “all-you-can-eat” by gradually adjusted almost all of the a la carte restaurants to be the buffet ones.
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 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, Lamlukka District, Pathumthani Province as the food production factory and central kitchen for all branches of the Company.
In 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 to Baht 101,500,000. In December, 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 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 has started a strategy to provide additional grill service in some HOT POT branches (by additional charge for customers who add grills at 30 Baht per person), which has been well accepted.
In 2014	The Company renovated all branches of HOT POT Buffet Value to be modern and then rebranded to HOT POT Inter Buffet. Along with that, the Company renovated the only one branch of HOT POT Ramen Buffet at Central Plaza Rama 2 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	In 2015, the Company established expansion plan on cautious basis, focusing only outlets located in potential area. The Company has opened 11 new branches and closed 12 branches. As of December 31, 2015, the Company, hence, had totally 143 active branches.
In 2016	The Company had, for the first time, expanded its business abroad by sell the franchise of the Brand HOT POT Inter Buffet to one of the operator in The Lao People's Democratic Republic which has started the operation on June 6, 2016, however at present, the restaurant had closed down. In addition, the Company has expand its distribution channels for the sale of the Suki dipping sauce through the Tesco Lotus Express which has almost 600 branches since June 2016 onwards, however the Company had given up this sale. The Company's shareholders' structure has been changed in 2016, which Mr. Apichai Taechaubol held 65,900,000 shares (equals to 16.23 % of total shares sold) and JCK International Public Company Limited (formerly named Thai Factory Development Public Company Limited) held 9,100,000 shares (or 2.24 % of total shares sold).

In 2017	<p>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.</p> <p>In addition, the Company had relocated its headquarters from 350 Ramintra Road, Tha Raeng, Bang Khen, Bangkok 10230 to 18 Soi Sathorn 11 Yaek 9, TFD Building, Yannawa, Bangkok 10120.</p> <p>Moreover, the Company increased its capital offering to the existing shareholders in proportion to the number of shares held by each shareholder (Right Offering) and issuing 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.</p>
In 2018	<p>The Company increased its capital to be Baht 198,880,000. 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.</p> <p>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 "HOT POT" to "JCKH" with effective from May 16, 2018 onwards.</p>
In 2019	<p>The Company still has a plan to carefully expand the branches and also to close the unprofitable branches. The Company also focus on the negotiating of rental price and services fees from the lessor.</p> <p>The Company has opened the brand-new restaurant "Zheng Dou Grand", a Chinese restaurant with seafood and premium-grade dim sum. It is an A La Carte restaurant (ordering food from the menu) and serving a dim sum buffet at Central World Shopping Mall and the opening of a brand-new Japanese-style restaurant "Bonsai" on Lang Suan Road. (Currently has been closed).</p>
In 2020	<p>According to the resolution of the Board of Directors' meeting of 3/2020, on May 15, 2020, the Board of Directors has approved the Company to allocate and offer to sell the newly issued ordinary shares of the Company under the general mandate to existing shareholders (Right Offering) at the ratio of 5 existing shares to 1 new share of total</p>

	<p>125,055,534 shares at the selling price of 0.35 Baht for total amount of fund of Baht 43,769,436.90.</p> <p>Afterward, according to the resolution of the Board of Directors of 5/2020 has approved the allocation of 21,000,000 newly ordinary shares to investors on a private placement basis at a price of Baht 0.50 each. Total fund received is Baht 10,500,000 by made the sale on August 18, 2020.</p> <p>Subsequently on December 22, 2020, according to the resolution of the Board of Directors of 7/2020 has approved the allocation of the newly ordinary shares to the investors on a private placement basis at a price of 0.28 Baht of 41,527,766 shares, total fund equaled to Baht 11,627,774.48 by selling on 23-24 December 2020 which then made the total registered share of the Company at December 31, 2020 equaled to Baht 203,215,243 and paid up shares equaled to Baht 203,215,243 comprised of ordinary shares of 812,860,972 shares at the par value of 0.25 Baht each.</p> <p>However, when there was the outbreak of the virus COVID-19, in concern about the safety and reduce the risk of contamination, where several companies had allowed their staffs to work from home so the Company has considered the expansion of branches in the current situation, it has changed the policy to emphasize on cost and as such explored the location and area to open the branch out of the shopping mall to decrease the rental cost. In December 2020, the Company has opened the new branch under brand HOT POT Inter Buffet. In addition, The Company has its policy to close down the branches which have generated loss continuously. In 2020, the Company had closed 15 branches which resulted in total stores operated as of December 31, 2020 of only 82 branches, in total.</p>
In 2021	<p>According to the resolution of the Board of Directors' meeting No. 1/21 on February 25, 2021, it was resolved to approve the capital increase by increase the registered capital of the Company from 203,215,243 Baht to 264,179,815.50 Baht by issuing 243,858,290 new ordinary shares at a par value of 0.25 Baht per share, total amount of 60,964,572.50 Baht divided into for sale to the existing shareholders (Right offering) amounting to 162,572,194 shares and to offer to private placement under a general power of attorney (General Mandate) of 81,286,096 shares. The Company has registered the change in the registered capital of the Company with the Department of Business Development, Ministry of Commerce on March 29, 2021 thus the Company now have a total registered capital of 1,056,719,262 shares with a par value of 0.25 Baht per share with the details of the allocation and offering of new ordinary shares as follows:</p> <p>(1) On March 30, 2021, the Board of Directors' Meeting No. 2/2021 resolved to approve the allocation and offering of newly issued ordinary shares to a</p>

	<p>private placement of 18,750,000 shares at a price of 0.80 Baht per share, totaling 15,000,000 Baht by offering shares on March 31, 2021.</p> <p>(2) On April 7, 2021, the Board of Directors' meeting No. 3/2021 resolved to approve the allocation and offering of newly issued ordinary shares to a private placement of 30,000,000 shares at a price of 0.80 Baht per share, totaling 24,000,000 Baht by offering shares on April 8, 2021</p> <p>(3) On April 20, 2021, the Board of Directors' meeting No. 4/2021 resolved to approve the allocation and offering of newly issued ordinary shares to a private placement of 32,250,000 shares at a price of 0.80 Baht per share, totaling 25,800,000 Baht by offering shares on April 20, 2021.</p> <p>According to the resolution of the Board of Directors Meeting No. 5/2021 on May 5, 2021, it was resolved to approve the reduction of the Company's registered capital and also resolved to approve the increase of the registered capital of the Company to 402,215,090.75 Baht by issuing 714,999,391 new ordinary shares at a par value of 0.25 Baht per share divided for offering to the existing shareholders (Right Offering) under a General Mandate amounting to 178,772,194 shares and to be offered to a specific person (Private Placement) under a General Mandate amounting to 89,386,097 shares to support the exercise of the warrants JCKH-W1 amount of 223,465,243 shares and to support the exercise of the convertible debentures to AO Fund and AO Fund 1 with a total offering value of not more than 300,000,000 Baht to specific investors, namely Advance Opportunities Fund ("AO Fund") and Advance Opportunities Fund 1 ("AO Fund 1") which these investors are not a person connected with the Company. The details of the allocation and offering of new ordinary shares as follows:</p> <p>(1) On June 25, 2021, the Board of Directors Meeting No. 7/2021 resolved the allocation and offering of newly issued ordinary shares to a specific person (Private Placement) in the amount of 16,760,900 shares at a price of 0.80 Baht per share, totaling 13,408,720 Baht by offering shares on June 25, 2021.</p> <p>(2) On August 25, 2021, the Board of Directors Meeting No. 9/2021 resolved the allocation and offering of newly issued ordinary shares to a specific person (Private Placement) in the amount of 56,604,000 shares at a price of 0.53 Baht per share , totaling 30,000,120 Baht by offering shares during August 26-27 , 2021.</p> <p>(3) Between July 27, 2021 and October 4, 2021, the Company has issued and offered the sale of the newly issued convertible debentures of the Company 5 times (No.1/2021 – No. 5/2021) with the total number of</p>
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	<p>bonds that issued and offered for sale of 100,000 units by convertible bond holders exercised their rights of 95,000 units, the remaining 5,000 units of debentures that had not exercised conversion rights. The ordinary shares arising from the exercise of convertible rights total 211,596,597 shares.</p> <p>(4) On October 19, 2021, the Board of Directors Meeting No. 10/2021 resolved the allocation and offering of newly issued ordinary shares to a specific person (Private Placement) in the amount of 15,061,447 shares at 0.48 Baht per share and 959,750 shares at 0.80 Baht per share, totaling 7,997,294.56 Baht by offering shares on October 19-20, 2021.</p> <p>(5) During October 22-29, 2021, the holders of JCKH-W1 warrants exercised 149,997 units of convertible rights at the exercise price of 0.25 Baht per share to 149,997 ordinary shares of the Company.</p> <p>According to the resolution of the Board of Directors Meeting No. 10/2021 on October 19, 2021, it was resolved to approve the reduction of the Company's registered capital and also resolved to approve the increase of registered capital of the Company to 537,448,425 Baht by issuing 719,705,531 new ordinary shares with a par value of 0.25 Baht per share to be offered to Existing shareholders (Right Offering) under a General Mandate and a private placement under a General Mandate and to support the exercise of convertible debentures issued and offered for sale to specific investors, namely Advance Opportunities Fund ("AO Fund") and Advance Opportunities Fund 1 ("AO Fund 1") with the details of the allocation and offering of new ordinary shares as follows:</p> <p>(1) Between November 26, 2021 to December 24, 2021, the Company has issued and offered for sale the newly issued convertible debentures of the Company 5 times (No. 6/2021 – No. 10/2021) with the total number of bonds issued and offer for sale of 75,000 units.</p> <p>(2) Between November 30, 2021 to December 20, 2021, the convertible debenture holders exercised 45,000 units of the Convertible shares 122,369,056 ordinary shares resulting from the exercise of the convertible shares.</p> <p>As of December 31, 2021, the Company has registered capital of 537,448,425 Baht and paid-up capital of 329,340,679.75 Baht comprising of 1,317,362,719 shares with a par value of 0.25 Baht per share.</p> <p>In addition, in 2021 in order to increase the channel of income in the future and expand customer base, the Company has invested in the total business in Chiang Rai Province by purchasing 100% of ordinary shares of the registered capital of 2 subsidiaries, namely</p> <p>1. CPT Hotel and Resort Company Limited with the paid up capital of 120,000,000 Baht</p>
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	<p>so the Company wholly own 100% of the subsidiary and 2. ASP Hotel and Resort Company Limited with paid up capital of 1,000,000 Baht, 100% investment proportion. Therefore in 2021, the Company has to prepare the consolidated financial statements for the first time.</p> <p>For the Company's financial statements in Q1/2021 and Q2/2021, the Company still has operating losses which is a result of the situation of the epidemic of the Corona virus (COVID-19) that persists throughout the year resulted in the shareholders' equity less than 50% of the paid up capital. The Company was posted by the Stock Exchange of Thailand the "C" (Caution) sign. The Company has organized a meeting to provide information and explained solutions to the cause of the "C" sign posted to the shareholders, investors and related parties (Public Presentation). As a result, the Company focuses on expanding potential branches by changing some branches to be the brand DAIDOMON, focusing on the selection of raw materials and food quality including the services in the restaurant to meet the same standards, expanding investments to various projects to increase the Company's revenue, find food and beverage partners for joint investment as well as organizing promotional programs to stimulate sales to increase. However, for the Company's financial statements for the third quarter of 2021, the Stock Exchange of Thailand has removed the "C" (Caution) as the Company's shareholders' equity has exceeded 50% of total paid-up capital which was caused by the Company has invested in other business by acquiring 100% of the ordinary shares of 2 companies thus both companies become the Company's subsidiaries and the Company recognized land and buildings at fair value based on the land and building appraisals of independent appraisers. Therefore the surplus on asset revaluation is recognized in other comprehensive income amounting to 122 million Baht (net of income Tax).</p>
In 2022	<p>Procedures relating to the capital structure of the Company</p> <p>The 2022 Annual General Meeting of shareholders which was held on April 4, 2022, resolved to approve the reduction of the Company's registered capital to 447,823,900.50 Baht by canceling the unissued ordinary shares by having a resolution approving the issuance and offering of the Company's newly issued Convertible Debentures No. 2 ("Convertible Debentures No.2") with a total offering value not more than 500,000,000 Baht to specific investors, namely Advance Opportunities Fund ("AO Fund") and Advance Opportunities Fund 1 ("AO Fund 1") by AO Fund and AO Fund 1 are not connected persons of the Company and passed a resolution approving the increase of the Company's registered capital in the amount of 253,666,370 Baht from the original amount 447,823,900.50 Baht to 701,490,270.50 Baht by issuing new ordinary shares in the amount of 1,014,665,480 shares at a par value of 0.25 Baht per</p>

	<p>share, which can be divided into</p> <ol style="list-style-type: none"> (1) The amount of not more than 311,946,746 shares or equivalent to 20.00% of the paid-up capital of the Company as of the date of the Board of Directors' Meeting No. 1/2022 on February 28, 2022, which is the date on which the Board of Directors resolved to call the Annual General Meeting of Shareholders for the year 2022 for offering to the existing shareholders (Right Offering) according to the General Mandate Form. (2) The amount of not more than 155,973,373 shares or equivalent to 10.00% of the paid-up capital of the Company as of the date of the Board of Directors' Meeting No. 1/2022 on February 28, 2022 which is the date on which the Board of Directors resolved to call the Annual General Meeting of Shareholders for the year 2022 to offer for sale at one time or in parts of sale from time to time to a specific person (Private Placement) according to the General Mandate. (3) The amount of not more than 546,745,361 shares or 35.05% of the Company's paid up capital as of the date of the Board of Directors' Meeting No. 1/2022 on February 28, 2022 which is the date on which the Board of Directors resolved to call the Annual General Meeting of Shareholders for the year 2022 to accommodate the exercise of convertible debentures for specific investors, namely Advance Opportunities Fund ("AO Fund") and Advance Opportunities Fund 1 ("AO Fund 1") which are not connected persons of the Company. The details of the allocation are as follows: <ol style="list-style-type: none"> (a) the amount of not more than 280,000,000 shares are allocated to accommodate the exercise of the conversion rights of the first Convertible Debentures ("Convertible Debentures No. 1") (in addition to the original allocation) (b) the amount of not more than 266,745,361 shares are allocated to accommodate the exercise of the conversion rights of the second Convertible Debentures (Convertible Debentures No. 2") <p>- The Extraordinary General Meeting of Shareholders No. 1/2022 held on November 11, 2022 resolved to approve the reduction of the Company's registered capital from 701,490,270.50 Baht to 584,510,240.75 Baht by cancellation of unsold ordinary shares and also resolved to approve the increase of the Company's registered capital 240,538,240.75 Baht from the original 584,510,240.75 Baht to 825,048,481.50 Baht by issuing new ordinary shares in the amount of 962,152,963 shares at the par value of 0.25 Baht per share to offer to the existing shareholders (Right Offering) and to specific person (Private Placement) according to the General Mandate and to support the exercise of convertible debentures. The</p>
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	<p>details are as follows:</p> <ol style="list-style-type: none"> (1) The amount of not more than 397,272,909 shares or equivalent to 20% of the paid-up capital of the Company as of the date of the Board of Directors Meeting No. 7/2022 held on September 19, 2022 which was the date on which the Board of Directors resolved to call an Extraordinary General Meeting No. 1/ 2022 for offering to existing shareholders (Right Offering) in accordance with the General Mandate (2) The amount of not more than 198,636,454 shares or equivalent to 10% of paid-up capital of the Company as of the date of the Board of Directors Meeting No. 7/2022 held on September 19, 2022 which was the date that the Board of Directors resolved to call the Extraordinary General Meeting No.1/2022 to offer for sale at one time or in parts of sale from time to time to a specific person (Private Placement) according to the General Mandate. (3) The amount of not more than 366,243,600 shares or equivalent to 18.44% of paid-up capital of the Company as of the date that the Board of directors meeting No. 7/2022 held on September 19, 2022 which was the date that the Board of Directors resolved to call the Extraordinary General Meeting No. 1/2022 to accommodate the exercise of convertible debentures issued and offered to specific investors, namely Advance Opportunities Fund (“AO Fund”) and Advance Opportunities Fund 1 (“AO Fund 1”) which are not connected persons of the Company. The details of the allocation are as follows: <ol style="list-style-type: none"> (a) Amount of not more than 143,239,232 shares was allocated to support the exercise of conversion rights of the first Convertible Debentures (“The Convertible Debentures No. 1”) (in addition to the original allocation) (b) Amount of not more than 223,004,368 shares are allocated to accommodate the conversion right of the second Convertible Debentures (“The Convertible Debentures No. 2”). <p>- The Board of Directors meeting No. 9/2022 held on December 15, 2022, resolved to approve the allocation and offering of 198,347,107 newly issued ordinary shares to specific persons (Private Placement : “PP”) amounting to 3 persons who are not related to the Company at the offering price of 0.121 Baht per share, with the subscription and payment period for the newly issued ordinary shares on December 15, 2022 whereas the Company has already registered the capital increase for the newly issued ordinary shares allocated and offered for sale to</p>
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	<p>such PP with the Department of Business Development, Ministry of Commerce on December 16, 2022.</p> <ul style="list-style-type: none"> - In 2022, the Company has issued and offered Convertible Debentures No. 1, a total of 8 tranches (No. 1/2022 – No. 8/2022) with the amount issued and offered for sale in the amount of 125,000,000 Baht which when combined with the issuance and offering the Convertible Debenture No. 1 in 2021, a total of 10 tranches (No. 1/2021 – 10/2021) with the amount issued and offered of 175 million Baht. Total amount of 300,000,000 Baht which was the amount approved by the Extraordinary General Meeting of Shareholders No.1/2021 on June 15, 2021. In addition, the Company has also issued and offered Convertible Debentures No. 2, a total of 8 tranches (the No. 1/2022 - 2/2022). The amount issued and offered for sale is 85,000,000 Baht, the remaining amount of Convertible Debentures No.2 is issued and offered for sale in the amount of 415,000,000 Baht. <p>During the year 2022, the Convertible Debenture holders of AO Fund and AO Fund 1 have notified their conversion Convertible Debentures No. 1 in the total amount of 564,854,600 shares so as at December 31, 2022, the Company has outstanding ordinary shares allocated to support the exercise of the conversion rights of Convertible Debenture No.1 in the amount of 109,002,269 shares. During the year 2022, the Convertible Debenture holders of AO Fund and AO Fund 1 have notified the conversion of Convertible Debentures No. 2 in the total amount of 266,668,323 shares. The Company has remaining ordinary shares allocated for the exercise of Convertible Debentures No. 2 amount of 223,081,406 shares.</p> <ul style="list-style-type: none"> - For the year 2022, none of the holders of warrants to purchase ordinary shares of JCK Hospitality Public Company Limited No. 1 (JCKH-W1) exercised their rights to convert into ordinary shares of the Company. As a result, the Company has 223,315,144 units of JCKH-W1 and 223,315,144 ordinary shares allocated to support the exercise of JCKH-W1 warrants. (However, the Company has 102 units of unallocated warrants and 102 unallocated newly issued ordinary shares, which the Company will proceed to cancel them). - During the year 2022, the Company has held the meeting to report guidelines for resolving information to investors and related parties (Public Presentation) on the event that the Company's securities were posted C (Caution) sign because the Company still has the shareholders' equity less than 50% of the paid-up capital for 4 times for the financial statements for the year 2021, the financial statements for the three-month period ended March 31, 2022, the financial statements for the six-month period ended June 30, 2022 and the nine-month financial
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	<p>statements ended September 30, 2022. Overall, the Company has solutions to increase the Company's revenue by adjusting the image of the restaurants Daidomon and HOT POT to be modern and suitable for target customers, expanding the branches of SHABU TOMO and increasing sales from the Burger & Lobster brand. The Company also intends to manage the expense budget appropriately by managing and controlling food costs, adjusting the structure of the work system within the branch shop and rent management by taking into account the efficiency of the service to be in line with sales. In addition, the Company focuses on expanding its customer base of frozen food to meet the current consumption behavior. Moreover, the Company also invests in hotel business in tourist provinces which is an investment expansion to increase future income.</p> <p>As of December 31, 2022, the Company has registered capital 825,048,481.50 Baht and paid-up capital of 582,497,842.50 Baht, consisting of 2,329,991,370 ordinary shares with a par value of 0.25 Baht per share.</p> <p>Operation of the restaurant business</p> <ul style="list-style-type: none"> - The Board of Directors meeting on June 23, 2022 resolved to approve the Company to purchase the right to operate a restaurant business under the trade name "Burger & Lobster" with Lobster Power Co., Ltd. ("LP") with the value of investment of 6.57 million Baht. - The Board of Directors meeting on June 23, 2022 approved the Company to invest by acquiring the assets from Indy International Co., Ltd. ("INDY") consisting of trademarks under the brand "Shabu Indy", land with buildings, other fixed assets and product freezer including accepting the transfer of business rights under the brand "Shabu Indy". Later on, the Board of Directors meeting on November 14, 2022 has resolved to approved the cancellation of the investment in INDY since the party could not agree on commercial terms and the deposit of 1 million Baht was already recorded as administrative expenses in full amount in the 2022 Comprehensive Income Statement. - The Company has opened 2 branches of SHABU TOMO at Central World and Mega Bangna and in November 2022, the Company has also opened a branch of Burger & Lobster at Siam Paragon and closed a number of HOT POT branches in total 26 branches. For HOT POT and Daidomon which still have potential, the Company has improved the shop's image continuously to look modern and easy to access.
In 2023	<p>Procedures relating to the capital structure of the Company</p> <ul style="list-style-type: none"> - According to the resolution of the Extraordinary General Meeting of shareholders No. 1/2023 of JCK Hospitality Public Company Limited (the "Company") which

	<p>was held on 8 March 2023 (“EGM 1/2023”), it has resolved to approve the allocation of the newly issued ordinary shares and the offering of the Warrant to Purchase Ordinary Shares of the Company No. 2 (“JCKH-W2”). The details are as follows:</p> <p>(1) Approved the allocation of newly issued ordinary shares at the amount of, not exceeding, 1,617,531,400 shares, with the par value of 0.25 Baht per share, to offer to a private placement (which is a connection transaction), namely, JC Kevin Development Company Limited (“JCKD”) (“PP Shares”), with the offering price of 0.17 Baht per share, the total amount of 274,980,338 Baht, as partial payment for the acquisition of the Land and Office Building in respect to the Office Building Transaction, which consists of 1) 1 plot of land with the area of 2 Ngan 87.7 Square Wah, or 287.7 Square Wah, representing 163.02 million Baht, including the construction of a 6-story office building with a basement floor and a rooftop with a total usable area of 5,206 Square Meters, representing 80 million Baht, with a total value of 243.02 million Baht, and 2) 1 empty plot of land with the area of 3 Ngan 65.3 Square Wah, or equal to 365.3 Square Wah, representing 206.98 million Baht, located at Soi Sathorn 11 Intersection 9 Road Narathiwat Ratchanakarin, Yannawa Subdistrict, Sathorn District, Bangkok with a total value of not exceeding 450,000,000 Baht (“Land and Office Building”). Whereas the Company has already registered the capital increase for the newly issued ordinary shares allocated and offered for sale to such Private Placement with the Department of Business Development, Ministry of Commerce on September 14, 2023.</p> <p>(2) Approved the allocation of newly issued ordinary shares in the amount of, not exceeding, 12,843,894,555 shares, with the par value of 0.25 Baht to offer to existing shareholders in proportion to their shareholding (Right Offering). In the allocation ratio of 1 existing ordinary share to, not exceeding, 3 newly issued ordinary shares, fractions as a result from the calculation of such allocation are disregarded, at the offering price of 0.03 Baht per share, equivalent to the value of 385,316,836.65 Baht; The company offered to sell RO shares between 24 - 30 October 2023. with the total of 2,963,475,936 shares that were sold at an offering price of 0.03 baht per share, totaling of THB 88,904,278.08. Whereas the Company has already registered the capital increase for the newly issued ordinary shares allocated and offered for sale to such Right Offering with the Department of Business Development, Ministry of Commerce on November 2, 2023.</p> <p>(3) Approved the issuance and offering of JCKH-W2 at the amount of, not</p>
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	<p>exceeding, 4,281,298,185 units, to allocate to existing shareholders who subscribed and have been allocated the newly issued ordinary shares issued and offered to existing shareholders in proportion to their shareholding (Right Offering), free-of-charge (Zero Baht) (Sweetener), at the allocation rate of, not exceeding, 3 ordinary shares to 1 Warrant unit (if there are fractions as a result from the calculation of such allocation, disregard them). Such Warrant has a term of not exceeding 1 year after the issuance date, with the exercise ratio of 1 Warrant unit to 1 ordinary share and the exercise price of 0.03 Baht per share (except for the adjustment of rights).</p> <ul style="list-style-type: none"> - For the year 2023, none of the holders of warrants to purchase ordinary shares of JCK Hospitality Public Company Limited No.1 (JCKH-W1) exercised their rights to convert into ordinary shares of the Company. As a result, the Company has 992,859,131 units of JCKH-W1 and 992,859,131 ordinary shares allocated to support the exercise of JCKH-W1 warrants. - For the year 2023, none of the holders of warrants to purchase ordinary shares of JCK Hospitality Public Company Limited No. 2 (JCKH-W2) exercised their rights to convert into ordinary shares of the Company. As a result, the Company has 3,293,472,931 units of JCKH-W2 and 3,293,472,931 ordinary shares allocated to support the exercise of JCKH-W2 warrants. - In 2023, the Company has issued and offered Convertible Debentures No. 1, a total of 4 tranches (No. 1/2023 – No. 4/2023) with the amount issued and offered for sale in the amount of 14,000,000 Baht which when combined with the issuance and offering the Convertible Debenture No. 2 in 2023, a total of 4 tranches (No. 1/2023 – 4/2023) with the amount issued and offered of 50,000,000 Baht, the remaining amount of Convertible Debentures No.2 is issued and offered for sale in the amount of 5,000,000 Baht. <p>During the year 2023, the Convertible Debenture holders of AO Fund and AO Fund 1 have notified their conversion Convertible Debentures No. 1 in the total amount of 120,100,204 shares so as at December 31, 2023, the Company has outstanding ordinary shares allocated to support the exercise of the conversion rights of Convertible Debenture No.1 in the amount of 6,143,444 shares. During the year 2023, the Convertible Debenture holders of AO Fund and AO Fund 1 have notified the conversion of Convertible Debentures No. 2 in the total amount of 579,021,294 shares. The Company has remaining ordinary shares allocated for the exercise of Convertible Debentures No. 2 amount of 285,568,551 shares.</p> <ul style="list-style-type: none"> - As of December 31, 2023, the company has registered capital.
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	<p>5,764,102,033.50 Baht and paid-up capital 1,902,530,051 Baht, consisting of 7,610,120,204 common shares with a par value of 0.25 Baht per share.</p> <ul style="list-style-type: none"> - During the year 2023, the Company has held the meeting to report guidelines for resolving information to investors and related parties (Public Presentation) on the event that the Company's securities were posted C (Caution) sign because the Company still has the shareholders' equity less than 50% of the paid-up capital for 4 times for the financial statements for the year 2022, the financial statements for the three-month period ended March 31, 2023, the financial statements for the six-month period ended June 30, 2023 and the nine-month financial statements ended September 30, 2023. Overall, the Company has solutions to increase the Company's revenue by adjusting the image of the restaurants Daidomon and HOT POT to be modern and suitable for target customers, expanding the branches of SHABU TOMO and increasing sales from the Burger & Lobster brand. The Company also intends to manage the expense budget appropriately by managing and controlling food costs, adjusting the structure of the work system within the branch shop and rent management by taking into account the efficiency of the service to be in line with sales. In addition, the Company focuses on expanding its customer base of frozen food to meet the current consumption behavior. Moreover, the Company also invests in hotel business in tourist provinces which is an investment expansion to increase future income. - The Company has expanded SHABU TOMO branches to 5 branches at Central World, Mega Bangna, Central Plaza Westgate, Central Plaza Rama 2 and The Mall Bang Khae. - The Company has launched a new brand: Ài Huǒguō (爱火锅 Ài Huo Guo) Premium Mala Shabu A variety of food is served on a conveyor belt. There are currently 2 branches: Central Plaza Rama 2 and Big C Ratchadamri. - In 2023, the Company began diversifying its investment risks to businesses other than the restaurant business. The Company has successfully invested in and transferred ownership of land and office buildings in the center of Bangkok. To be used as the Company's office space. Reduce the space rental expenses and also increase income that is consistent from the remaining rental space immediately. Financial stability increase is an asset that creates added value for the company in the long run. There is also an opportunity for new building development in addition to vacant land in the future as well.
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1.1.3 The use of fundraising according to the objectives.

Between January to June, 2023, the Company has received the proceeds from the conversion of debentures, the Convertible rights into common shares, in the amount of 62,000,000 Baht, the Company would like to report the use of the proceeds received from the capital increase as follows:

Objectives of using the funds	Amount (Baht)
Proceeds from the conversion of debentures	62,000,000
<u>Less</u> offering and other expenses	(1,500,000)
Working capital and debt payment of goods and services Investment in new branches and renovation of existing ones	(60,500,000)
Balance	-0-

Between July to December, 2023, the Company has received money from sell the newly issued ordinary shares to a private placement, namely JC Kevin Development Company Limited totaling 274,980,338 baht. The Company would like to report the use of the proceeds received from the capital increase as follows:

Objectives of using the funds	Amount (Baht)
The money from Private Placement	274,983,338
<u>Less</u> Payment for the acquisition of the Land and Office Building to JC Kevin Development Co., Ltd. ("JCKD")	274,983,338
Balance	-0-

Between July to December 2023, the Company has received money The Company has received money from the allocation and offering of new common shares to existing shareholders (Right Offering), totaling 88,904,278.08 baht. The Company would like to report the use of the proceeds received from the capital increase as follows:

Objectives of using the funds	Amount (Baht)
The money from Right Offering	88,904,278.08
<u>Less</u> Payment for the acquisition of the Land and Office Building to JC Kevin Development Co., Ltd. ("JCKD")	75,000,000.00
<u>Less</u> Expense for offering to capital increase	3,074,698.48
<u>Less</u> Working capital, payments for goods and services	10,829,579.60
Balance	-0-

In December 2023, the Company has received money The Company has received money from the exercise of warrants JCKH-W2, totaling 9.99 baht. The Company would like to report the use of the proceeds received from the capital increase as follows:

Objectives of using the funds	Amount (Baht)
The money from the exercise of warrants JCKH-W2,	9.99
<u>Less</u> Working capital	9.99
Balance	-0-

1.1.4 The Commitment that made by the Company in the registration statement

In 2023, the Company has no other type of fundraising except the offering of new ordinary shares to the existing shareholders (Right Offering) and Private Placement under a General Mandate to support the exercise of the JCKH-W2 Warrants.

1.1.5 General Information

Company	: JCK Hospitality Public Company Limited / JCKH
Nature of Business	: JCK Hospitality Pcl. ("The Company") has operated 2 different kind of business: <ol style="list-style-type: none"> 1. <u>Restaurant business</u> consists of a buffet restaurants under the concept of "All you can eat" under the brands "HOT POT Inter Buffet", "HOT POT Gold" and "SHABU TOMO", grill buffet restaurants and Korean-style Grilled under the brands "Daidomon" and "Daidomon Korean Grill", casual dining restaurants in A La Carte for 2 nationalities such as Hong Kong style Chinese food, seafood and dim sum under the brand "Zhengdou Grand" and the British restaurant brand "Burger and Lobster" which is a famous bistro-style restaurant in London, England and in In 2024, the company added the brand "Ai Huo Guo", premium mala belt, that is very popular and is continually in demanding. 2. <u>Real estate business</u> Office building business 6 floors and 1 basement floor, in the central business district area, Sathorn, Bangkok. and the business of two 7-story residential buildings in Chiang Rai Province.
Office Location	: Head Office is located at 18 Soi Sathon 11 Yeak 9 TFD Building, Yannawa, Sathon, Bangkok 10120
Registered Number	: 0107554000160
Registered Capital (As of January 8, 2024)	: 23,056,408,134 ordinary shares at par value of 0.25 per share, Total amount of Baht 5,764,102,033.50
Paid-up Capital (As of January 8, 2024)	: 7,610,120,537 shares at par value of 0.25 per share, Total amount of Baht 1,902,530,134.25
Accounting Period	: January 1 – December 31
Website	: https://jckh-th.listedcompany.com/
Telephone	: (662) 286-9959
Facsimile	: (662) 286-9960
Investor Relations	: Company Secretary Section (662) 286-9959 email cs@jckhgroup.com

1.2 Nature of Business

1.2.1 Revenue Structure

Type of Revenue	As of December 31,					
	2021		2022		2023	
	Million Baht	%	Million Baht	%	Million Baht	%
1. Revenue from sale						
(a) From branches						
1) HOT POT	360.85	81.80	383.92	70.18	97.20	33.18
2) Daidomon	31.47	7.13	56.53	10.33	23.09	7.88
3) Zheng Dou / Zheng Dou Grand	32.15	7.29	40.47	7.40	33.20	11.33
4) Bonsai ^{1/}	2.23	0.51	4.84	0.89	-	-
5) Joe ka To ^{2/}	0.91	0.21	-	-	-	-
6) SHABU TOMO ^{3/}	-	-	19.24	3.32	62.88	21.46
7) Burger & Lobster ^{4/}	-	-	7.05	1.29	38.90	13.28
8) Ai Huo Guo ^{5/}	-	-	-	-	2.87	0.98
Total revenues from branches	427.61	96.94	512.05	93.60	258.13	88.11
2. Other income	13.51	3.06	35.03	6.40	34.83	11.89
Total Revenue	441.12	100.00	547.07	100.00	292.96	100.00

Remark: ^{1/} Bonsi closed in April, 2022

^{4/} Burger & Lobster opened in November 2022

^{2/} Joe ka To closed in December, 2021

^{5/} Ai Huo Guo opened in August 2023

^{3/} SHABU TOMO opened 5 branches in 2023

1.2.2 Product Information

(1) Product Characteristics

(1.1) Restaurant Business

The JCK Hospitality Pcl. ("The Company") operates restaurant business, suki shabu restaurants under the concept of "All you can eat" under the brands "HOT POT Inter Buffet", "HOT POT Gold" and "SHABU TOMO", grill buffet restaurants and Korean-style Grilling under the brands "Daidomon" and "Daidomon Korean Grill", including A La Carte menu such as Hong Kong style Chinese food, seafood and dim sum under the brand "Zhengdou Grand", premium mala belt under "Ai Huo Guo", and the British restaurant brand "Burger and Lobster" which is a famous bistro-style restaurant in London, England.

As of December 31, 2023, the Company has a total of 16 branches iconsting of:

	Brand	No. of Branch
1	Hot Pot	5
2	Daidomon Korea Grill	2
3	Zheng Dou Grand	1
4	Shabu TOMO	5
5	Burger & Lobster	1
6	AI HUO GUO	2
Total		16

(a) Restaurants under the main brand “HOT POT”

HOT POT Inter Buffet



HOT POT Inter Buffet is and international buffet restaurant which focus on Suki and Shabu food such as hot dishes, sushi, fried food, dim sum, salad bar, fruits, desserts, ice cream and a wide variety of beverages including a special recommended menu that will be changed regularly at each time or in special festivals at a price of 399 Baht per person and for children under 130 centimeters height will be charged at 199 Baht per person (children under 110 centimeters will be treated free of charge). The price will include drinks and limiting eating time to 1 hour and 30 minutes with some branches serving both boiling pots and grills. The customers who choose to eat both styles will be charged an additional of 60 Baht per person.

As of December 31, 2023, there are 4 restaurants under the HOT POT Inter Buffet brand, located in the department store, leading supermarkets which are in shopping centers for middle to high income customers as follows:

Region	Number	Location
1. Bangkok and metropolitan areas	1 branch	Seacon Bangkhuae
2. Northern region	1 branch	Central Plaza Phitsanulok
3. Northeastern Region	2 branches	Central Plaza Ubon Ratchathani and Central Plaza Udon Thani

Remark: Regions are divided according to the regional classification of National Economic and Social Development Board but separated Bangkok and metropolitan areas from the central region.

HOT POT GOLD



The shabu and grill buffet restaurant in a premium, modern style, emphasizing on carefully selected ingredients. The service is delivered to the table with only a bar of source, snacks, desserts salad bar, fruits, desserts, ice cream and a wide variety of beverages self-serving at a price of 399 Baht per person and for children under 130 in height, the price will be charged at 199 per child (children under 110 cm will be free of charge). This price include drinks and All-you-can-eat for 1 hour and 30 minutes.

Region	Number	Location
1. Northeastern Region	1 branch	The Mall Korat

(b) Restaurants under the brand “Daidomon Korean Grill”



The Korean BBQ Buffet restaurant focusing on premium ingredients and premium quality imported meat, it is served with a variety of Korean dishes to taste and service is served to the table. There is only a self-service bar with sauces, snacks desserts and beverages in 3 price levels : 399/517/646 Baht per person (The price includes the beverages) for Central Plaza Ubon Ratchathani and Future Park Rangsit and for children under 130 centimeters of height will be charged initial price at 211 Baht, (children under 110 centimeters will be free of charge), and the customers can choose to eat all-you-can-eat for 1 hour and 30 minutes.

As of December 31, 2023 , there are 3 branches that are open under the Daidomon Korean Grill brand as follows:

Religion	Number	Location
1. Bangkok and metropolitan areas	1 branch	Future Park Rangsit (Floor B)
2. Northeastern Region	1 branch	Central Plaza Ubon Ratchathani

(c) Restaurant under the brand “Zheng Dou Grand”



Zheng Dou Grand is a premium grade Chinese, seafood and dim sum restaurant in the style of A La Carte (ordering food that is included in the menu) and serves dim sum buffet by focusing on freshness of food and provide the friendly atmosphere to customers which everyone wants to experience.

Region	Number	Location
1. Bangkok and metropolitan areas	1 branch	Central World

(d) Restaurant under the brand “SHABU TOMO”



The Japanese style premium shabu restaurant with quality broth selected from the finest ingredients. It is simmered until intense with a special secret recipe from a chef with more than 20 years of experience such as black chicken soup, collagen soup, Tang Chao soup and Sukiyaki soup, served with organic raw eggs for a mellow taste in a warm and friendly atmosphere like dining with your knowledgeable friends, Ready to serve as a private pot to meet the new Normal needs. Whether you come alone or in a group, there are either counter bars, tables or special lounges available for service. The starting price is 705 Baht and 823 for the sea bass buffet

Region	Number	Location
1. Bangkok and metropolitan areas	5 branches	Central World, Mega Bangna, Central Plaza Westgate, Central Plaza Rama 2, The Mall BangKae

(f) Restaurant under the brand “Burger & Lobster”



Burger & Lobster is an English restaurant with international branches with famous main menus, prime beef from a farm in Nebraska, Atlantic lobster imported from Canada, and Original Lobster Roll, which is the uniqueness of simplicity and the key of Burger & Lobster. Furthermore, Burger & Lobster serves dishes inspired by local flavors and ingredients, such as Khao Soi Lobster, as well as seasonal menus and delectable drinks for travelers, trend seekers and those who are passionate about the classics to come and taste the deliciousness that is unforgettable experience.

Region	Number	Location
1. Bangkok and metropolitan areas	1 branch	Siam Paragon

(g) Restaurant under the brand Ài Huǒ Guō (爱火锅 Ai Huo Guo)



Premium Mala Shabu In the form of a conveyor belt, the brand Ai Huo Guo from the Mala Fever trend that is currently popular. To the new Mala Shabu that gives the taste and atmosphere like dining in Sichuan Province, China with the original spicy taste, fragrant spices and ingredients imported directly from China and selected quality ingredients carefully. Cleanliness and freshness are the basis of service and the price is starting at only 15 baht per plate.

Region	Number	Location
1. Bangkok and metropolitan areas	2 branches	Central Plaza Rama 2 and Big C Ratchadamri

Number of branches in operation by type of restaurant or Company brand as of December 31, 2020 – 2023

Brand	As of December 31,					
	2021		2022		2023	
	Number of branch	Increase/decrease	Number of branch	Increase/decrease	Number of branch	Increase/decrease
1) HOT POT	59	(15)	33	(26)	5	(28)
2) Daidomon	4	-	5	1	2	(3)
3) Zheng Dou Grand	2	(1)	2	-	1	(1)
4) SHABU TOMO	-	-	2	2	5	3
5) Burger & Lobster	-	-	1	1	1	-
6) Ai Huo Guo	-	-	-	-	2	2
Total	67	(20)	43	(24)	16	(27)

(1.2) **Real Estate Business**

(a) **Office Building Business**

In 2023, the Company has invested and received the transfer of ownership of land and office buildings which is a 6-storey office building with one basement floor (fully completed) located on Narathiwat Ratchanakarin Road, Sathorn, Bangkok which is considered a location in the center of the city, area of employment and main business area, to be used as the location of the Company's office. This will result in the Company can decrease the space rental expenses and also increase consistent income from the remaining rental space immediately which will increase financial stability and is an asset that will create value added for the Company in the long run. There is also an opportunity for the development of new buildings on adjacent vacant land in the future.

Asset	<p>Group 1: Land with a 6-story office building with 1 basement and rooftop. Name of TFD building Located on title deed number 2185, land area 2 ngan 87.7 square wah (287.7 square wah)</p> <p>Group 2: Empty land, title deed number 2184, land area 3 ngan 65.3 square wah (365.3 square wah), used as parking to facilitate the tenants of the area.</p> <p>Total area is 1-2-53 rai or 653 square wa.</p>
Location	No. 18 Soi Sathorn 11 Yak 9, Narathiwat Ratchanakarin Road, Yannawa Subdistrict, Sathorn District, Bangkok
Details of buildings and structures	6-story office building with basement and rooftop. It is a reinforced concrete building with a building size of approximately 5,460 square meters. The building has been under construction for approximately 6 years.
Total rental space	3,014 square meters (the Company uses some of the space as the office headquarter)
Rental rate	100 percent (Information as of 31 December 2023)



(b) Residential Business

In August 2021, the Company has started to invest in the hotel business in Chiang Rai Province by entering into an agreement to purchase the common shares of CPT Hotel and Resort Company Limited (CPT) and ASP Hotels and Resorts Company (ASP) at a price of 30 Million Baht and 1 Million Baht respectively, which was 100% of the registered capital of the said companies.

In 2023, the Company has restructured the business operations of the Group Company by transferring the ASP's project assets to the Company for the flexibility in development planning and also the ability to raise funds with business continuity than subsidiaries. The Company also sold its investment in ASP's common shares to unrelated persons by transferred shares and received payment from the buyer on September 22, 2023, as a result ASP has ceased to be a subsidiary of the Company. The asset of this project is located in Rob Wiang Subdistrict, Mueng Chiang Rai District, Chiang Rai Province on a land of 1-3-10.9 Rai and has 3 buildings. It is currently in investing in development , construction and room redecoration. It is expected to open and begin the service operating within the year 2024.

For the project under the subsidiary CPT, it is located along the Kok river in Chiang Rai Province. It is a hotel with 77 rooms on the total area of 1-0-29.5 Rai with the 7-storey building and swimming pool. The total usable area is 3,927 square meters. This hotel is a hotel that the Company purchased from other operator which the construction has been completed for approximately 5 years but has not yet begun to open for business. The hotel is still in good condition. The project is land and the Company is in the process of investing in improving the rooms and interior design of the hotel. It is expected to open in the year 2024, with the target to be a 4-star hotel, for medium to high-end customers. CPT has entered into a debt restructuring agreement of 67 million Baht, with a repayment period from August 2024 until July 2026. The loan is guaranteed by mortgaging the land and buildings of the group of Company and personal guaranteed by an unrelated person. the project under the subsidiary CPT, it is located along the Kok river in Chiang Rai Province. It is a hotel with 77 rooms on the total area of 1-0-29.5 Rai with the 7-storey building and swimming pool. The total usable area is 3,927 square meters. This hotel is a hotel that the Company purchased from other operator which the construction has been completed for approximately 5 years but has not yet begun to open for business. The hotel is still in good condition. The project is land and the Company is in the process of investing in improving the rooms and interior design of the hotel. It is expected to open in the year 2024, with the target to be a 4-star hotel, for medium to high-end customers. CPT has entered into a debt restructuring agreement of 67 million Baht, with a repayment period from August 2024 until July 2026. The loan is guaranteed by mortgaging the land and buildings of the group of Company and personal guaranteed by an unrelated person.

(2) Marketing and Competition

2.2.1 Marketing

1) *Marketing policy in the past year*

In 2023, the restaurant market is still highly competitive from the number of restaurants continuously increasing and also because the purchasing power has not recovered as it should. The Company has continued to conduct marketing activities and organize the promotional campaigns to encourage their customers to come to use the service at the Company's restaurants as follows:

- Improvements and adding new menus to attract the interest of the customers including improving the food bar format and improving the service image to be better and also aiming to sell in the delivery system and shopping application etc.
- Provide more advertising, public relation and marketing activities through various online media via Facebook, Instagram, Line@, Website including Mobile Application
- Organizing promotional activities with the organization partners such as credit cards, shopping centers, telephone companies and mobile phone accessories etc. by giving a discount on using the service at HOT POT restaurants or organization partners including participating in the prize draw.
- Arrangement of discounts and promotions to meet the declining purchasing power of consumers by considering the selection of promotions to suit each area and target customers such as come 4 pay 3, come 3 pay 2 etc. including discounts and marketing activities during festivals such as Chinese New Year, Valentine's Day and the opening of a new branch. etc.
- Organize a promotion for membership at a price 99 Baht from the normal price of 129 Baht to expand the member's customer base and provide special privileges for member customers in addition to discounts such as collecting points to redeem rewards, discounts when spending via credit cards 5% and 10% for cash payment, promotion on birthday 50% discount one time in the month of birth or come 4 pay 3 package one time each month.

2) *Characteristics of customers and target customers*

The Company's customers are teenagers, students, undergraduates, working people and family groups with a lifestyle like eating a variety of foods and focus on value. Most of the customers are in the middle to high income levels. The Company has an idea to develop its business in order to add new market segments to meet customers at all levels.

In addition, the Company has also positioned the location of the restaurants that are located in shopping malls, shopping centers or modern trades to facilitate the accessibility of the target customers. The details of the target customers of each type of restaurant or brand are as follows:

Type of Restaurant		Target group of customers		
Brand	Price per head	Target groups	Lifestyles	Income level
1. HOT POT Buffet	399 Baht	teenagers, students, undergraduates, working people and family groups	Prefer to eat a variety of food and focus on value	Moderate (C)
2. HOT POT Gold	399 Baht	teenagers, students, undergraduates, working people and family groups		Moderate (C)
3. Daidomon Korean Grill	359/517/646 Baht at the Ayutthaya branch and 444/561/691 Baht at other branches	teenagers, students, undergraduates, working people and family groups		Moderate (C)
4. Zheng Dou Grand	Price according to menu	working people and family groups	Celebration with family or coworker	Quite high (B)
5. SHABU TOMO	Initial price at 599++ Baht and 699++ for sea bass buffet	working people and family groups	Prefer to eat premium Japanese style food and privacy	Quite high (B)
6. Burger & Lobster	Price according to menu	working people, foreigners, and tourists	Prefer high quality imported products especially lobsters	High (A)
7. Ài Huǒguō (爱火锅 AiHuoguo)	Initial price at 15 Baht, Soup	teenagers-students, undergraduates, working	Prefer premium	Moderate (C)

Type of Restaurant		Target group of customers		
Brand	Price per head	Target groups	Lifestyles	Income level
	1 compartment 59 baht / 2 compartments 79 baht, dipping sauce and drinks 69 baht	people and family groups	Korean food grilling menu and focus on value	

3) Distribtuion and distribution channels

The Company sells products through the Company's restaurant branches which located in the department stores, shopping mall, modern trade, community mall or community shopping centers in Bangkok and metropolitan areas and leading department stores in major provincial cities which are distributed in different areas all over the country to provide customers convenience that will be easier to get service at each branch shop.

2.2.2 Competition

1) Competition conditions in the industry in the past year

Overall restaurant business in 2023, total restaurant market value is 4.18 – 4.25 billion baht, there was an expansion of 2.7 - 4.5% in growth rate from 2022 with a market value of 407 billion baht, increasing 12.9% (refer to Kasikorn Research Center data). It is an expansion from the number of restaurants that have opened more. (The beginning of last year there are more than 100,000 new restaurants opening, and it was found that more than 65% did not survive). from the recovery of the full service food business However, the recovery of the restaurant business is still fragile as purchasing power has not yet fully recovered and there has been a slowdown from the global economic factors, while the cost of operations continues to increase both in terms of raw material costs, energy costs, labor costs, etc. in line with the high competition in the restaurant business. Consumers have a wide variety of choices while entrepreneurs still need to focus on cost control.

Currently, the Company operates the restaurant business focus mainly on international buffet style, Suki Shabu under the brand "HOT POT" and "SHABU TOMO", and the Japanese grilling style under brand "Daidomon". In addition, the Company also has the A La Carte in Chinese style, Zheng Dou and Burger & Lobster. Though there are several competitors in the restaurant industry which some of them have the style and layout of the restaurant very similar to the Company's restaurants although not all are

the same. The competitors which have the style and type of food similar to the Company's restaurants are as follows:

- The A La Carte Suki restaurants such as MK Restaurant, Coca Suki, Neo Suki, Ruen Phet Suki, Earw Thai Suki, Texas Suki, MoMo, Shabushi, Sukishi Buffet, You & I Premium Suki Buffet, Suki Tee Noi and Shabu Nangnai.
- The grilled restaurants such as BBQ Plaza, Nice2MeatU, Tohkai Yakiniku, Kingkong Buffet, AKA and stand-alone grilled buffet.
- The Hong Kong Dim sum style Chinese restaurants such as Ho kitchen, Hong Bao, Chefman, HONGMIN, Hua Seng Hong and Four Seasons.
- The lobster restaurants such as Red Lobster, Jumbo Lobster and The Raw Bar.

2) Industrial trend and future competition

Under the business circumstances where the Company still has to face with surrounding negative factors including the intense competition, while the target customers are still limited, thus the restaurant operators have to adapt their operation to deal with all challenges factors. Whether it is cost management in various areas such as raw material costs, energy costs, electricity, cooking gas, rental, wages and other factors. This is an important factor that be able to judge the business profitable and grow including flexible management (Flexibility) ready to change and adapt in the current situation where various crazes will appear soon. Any business that can adapt in time will benefit and can create a trend to become popular through online channels.

In summary, it is expected that the restaurant businesses in 2024 are expected that the full-service restaurants market would return to its fullest potential, likely to grow 11% in 2024, driven by large service providers and the tourism sector that is continuously recovering. Meanwhile, small and medium sized restaurants must still operate their business carefully.

3) Marketing Strategy

In 2024, the restaurant business is likely to continue growing with the medium term growth rate. However, the Company has developed its business under the concept of differentiating itself from competitors to create the acceptance among consumers. This also include increase the value, variety and deliciousness for consumers and also adjusting the image of the store to look more modern. In addition, the Company also enhances on research to study and analyze consumer behavior and needs in depth and use the information to improve and develop its products and services to better meet the needs of consumers. The Company's marketing strategies are as follows:

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

The quality of food is our main focus. The Company offers over 100 variety 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.

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 segmentation by developing different styles of restaurants under the 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 including an A La Carte restaurant, Zheng Dou, offering Hong Kong style Dim Sum. 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 be able to fill in the gap of the target market group.

In order to support changes in consumers, the Company also focuses on marketing for takeaway customers, including food delivery in order to accommodate by adjusting the delivery menu to be more diversify and regularly organizing promotional activities in conjunction with the Application.

3. Continuously branches expansion to cover different target areas

The company has expanded restaurant branches under potential brands such as the "SHABU TOMO" brand, which opened 3 more branches last year in order to increase sales and make it accessible to a wider group of customers.

4. Producing signature dishes and continuously offering new menus

Even though the Company has a variety of menu offering, the Company continues to develop and invents new recipes under the unique styles which become the Company's special recipes, such as stuffed seaweed, HOT POT meatball, HOT POT marinated pork, HOT POT Special Wagyu beef and special menus for various festivals, etc. including soups and dipping sauces. Meanwhile, the Company also improves and develops existing products to have even more quality as well as tasty.

The Company has also developed new menus continuously, new recommended menus will be released at least every 3 months as an average. To create new dining experience to customers and also serves menus for various festivals.

In addition, the Company has also adjusted the menu to be more appropriate and including changing the format of serving style, such as food bars, so that food can be arranged in a beautiful way, appetizing, and better preserves the quality of the food.

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

The Company serves or places variety 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 and adding more orders when customers need them for convenience, freshness, cleanliness, and more safety.

6. Focus on marketing to reach target customers

The Company has used integrated marketing communication strategies both offline, such as decorating the storefront to look attractive, use of advertising media with the department stores and business partners including online via Facebook fan page, Line official and online media of partners for quick and widespread access to target customers and to publicize the Company's news to cause brand awareness and recognition including building a good relationship with customers.

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 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) Procurement of products and services

3.3.1 The nature of procurement of product

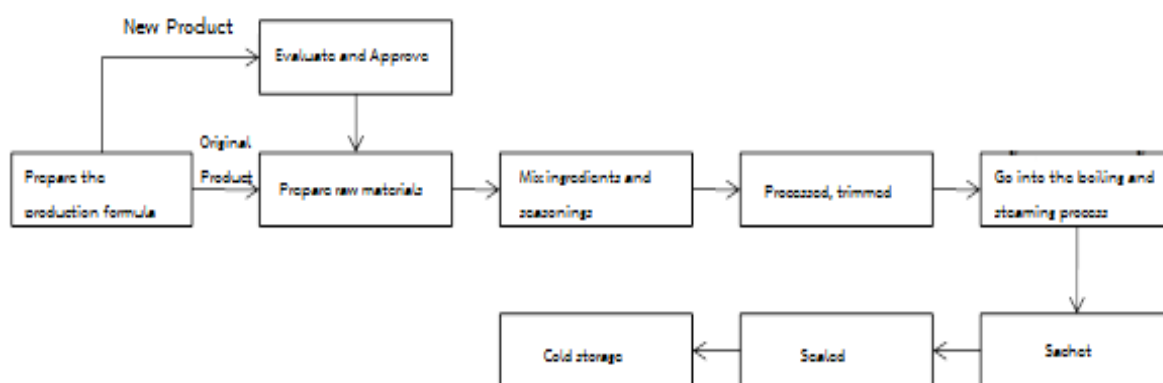
1) Production

The factory of central kitchen of the Company serves in the production of dipping sauces which are the main seasoning for the Company's Suki, Shabu and grilled food and also produces semi-finished food such as various types of meatballs and frozen processed meat dishes such as marinated pork,

marinated chicken etc. with quality control, freshness, cleanliness, standard and taste which is the HOT POT's unique recipe.

The factory or the central kitchen of the Company located at 11/1 Bueng Kham Phroi Sub-district, Lam Lukka District Pathum Thani Province on an area of 13-0-96 rai. The factory consists of office buildings, food factory, fresh and dry goods warehouse and the furniture and equipment manufacturing building for the branch stores. The Company received a factory business license from the Provincial Industrial Office, Ministry of Industry and a food production license from the Provincial Public Health Office as well as passing the inspection and certification of production quality standards in the food industry, such as GMP (Good Manufacturing Practice) and the standard HACCP (Hazard Analysis and Critical Control Points) from Intertek Industry and Certification Services (Thailand) Ltd.

The overall production process is as follows:



The Company's production process starting from the preparation of the production recipe which the Product Development department is responsible for various production recipes. In case that it is new recipe, the Product Development department will have to test, evaluate with the Factory Manager, Product Development Manager, Quality Assurance Manager, Marketing Manager, Purchasing Manager, and Operations Manager. All these managers have to jointly test and evaluate together both in terms of taste, production process and production cost (Some of which are actually tested with customers at the branch stores). After all the results have passed, it will be presented to the Chief Executive Officer for consideration and approval before proceeding with the production of the Company's products.

For the process from raw material preparation, production to packaging, the Factory Department will be responsible for the operation by preparing the raw materials according to the production recipe, mixing, processing, trimming and undergoing the ripening process before packing, sealing and placing in containers for freezing and storing in the temperature-controlled cold room to maintain product quality before gradually sending to various branch stores nationwide in the final step. The production of the Company's products has a production control according to the GMP HACCP

quality system which the factory or the central kitchen of the Company is certified for the GMP & HACCP quality system according to the international standards.

Capacity and the utilization rate is measured by the number of production staff and the amount of food that the production staff has ever produced each day. This is because the food that is produced will be labor-intensive. The tools used will be labor-saving machines such as cutters and mixers. Therefore, the measurement of the capacity of the tools cannot reflect the total production capacity. In 2020 - 2023, the Company has used the capacity rates as follows:

Capacity	2020	2021	2022	2023
Maximum production capacity per year (kg per year)	1,069,200	748,800	709,800	237,500
Production Volume (kg per year)	1,023,980	746,450	623,397	161,403
Capacity utilization rate (%)	95.77	99.69	87.83	69.06

Remark: January – July 2023 calculated from the average date that can produce a maximum of 1,500 kg per day by employing 14 employees, producing 1 shift daytime and 26 working days per month. August – December 2023 produce capacity reduced to 550 kg per day by employing 5 employees, producing 1 shift daytime and 26 working days per month.

In addition, the supply of furniture, decoration and maintenance of the branch store, the Company will operate by themselves with the Project Department responsible for the design, decoration and production of the furniture for use in the branch store. There is also the maintenance department who will be responsible for various repair work within the branch store. This is to control the operations to meet the standards and image that the Company has set including for convenience, speedy and on time including cost saving in various operations.

2) *Purchasing of raw materials or products for sale*

The factory or the central kitchen is for the preparation almost all of the restaurants' food and raw materials, and for the storage facility for raw materials or products including fresh ingredients, dry food, semi-finished food, condiments, kitchen equipments, tablewares, consumables and supplies in the restaurants etc.

Products and raw materials can be divided into 3 main categories.

- (1) *Fresh meat products* such as pork, chicken and seafood such as squid. Some of these goods will be stored in warehouses or cold rooms to prepare for delivery to the branch for serving customers at the food bar or bring it to cook at the branch store and some portions the factory will use it to produce semi-finished products that are the Company's recipe, such as stuffed squid, marinated pork and marinated chicken etc. to be served on the counter bar at the branch.

For fruit and vegetable products for the branch in Bangkok and metropolitan areas, the products will be stored in warehouses or cold rooms to prepare for delivery to the branch store for cutting and serving to customers on the food bar. For the branches in the provinces that are far from the factory or the central kitchen, the Company will let the branches carry out their own purchases using the price negotiated by the purchasing department in order to get the fresher products than the shipped ones from the factory or central kitchen.

- (2) *Dried foods, semi-finished goods and various seasonings* such as vermicelli, dim sum, sausage, bacon, fish tofu, tom yum sauce etc. The Company will purchase these goods according to usage. The amount of purchase will be appropriate for amount of use to be stock at the warehouse first and gradually delivered to branch stores to be used as food or ready to serve at the food bar and only a small fraction of them are used as ingredients or seasonings in the manufacturing process of the factory.
- (3) *Drinking water, beverages and ice cream*, which the Company directly orders from manufacturers and distributors such as Serm Suk Co., Ltd (Soft drink “EST”), Unilever Thai Trading Co., Ltd (Wall ice cream) etc. By the manufacturers and/or distributors of such products will deliver products directly to the Company’s branch stores.

In the purchase of goods and raw materials, mostly the purchasing department will order for delivery to the food factory and warehouse on a daily basis as most of the products and raw materials used in the production and use in branch store are fresh food, short shelf life or a product with a fast turnover rate. However, the principle of ordering products and raw materials takes into account the selection of quality products and raw materials, in the standard conditions that are clean and safe, in order to obtain the quality products before sending them to the branch stores including paying attention to the price in order to effectively control and manage costs. Furthermore, the Purchasing Department must monitor market conditions, price trends, quantity, and quality of goods at each period of time or each season closely, monitor the potential impacts on goods or raw materials both directly and indirectly in order to evaluate the risks which arise from shortages or the fluctuations of products or raw materials to prepare to quickly resolve and deal with any potential risk situations, as well as response to order in advance or purchase large quantities of goods and have a clear delivery time as agreed which may occur to ensure that the Company will not have any shortage of products, will get the products at the good price or get an increased discount from ordering large quantities of products.

In the supply of food and raw materials for each branch, the management of each branch will count the remaining stock and raw materials, and assesses the demand for goods and raw materials on a daily basis and keys a list of all goods and raw materials to be ordered from the branch’s ordering system except for the branches in the provinces where there is a very long distance from the factory or the central kitchen. Then such branches will purchase the fresh products themselves such as vegetable,

fruits etc. as well as some products such as drinking water, beverages and ice cream which will be delivered directly from the manufacturer or distributor of that products. Though, there are exceptions to branch orders to distributors directly but the cost control aspect is still through the purchasing department. In the ordering system of all branch stores can be linked by a computer program to the center. The central order will be able to bring the total demand number of every branch to continue procuring or purchasing goods and raw materials.

The Company has a process to control products and raw materials both in terms of quality and quantity. Starting from receiving into the factory, the Quality Assurance Department will inspect the quality of products and raw materials and the Warehouse Department will be responsible for the receipt and inspection of goods or raw materials in quantity to ensure that the goods and raw materials received meet the requirements of the purchase in both quantity, and quality and there is no damage during the transportation, as well as having appropriate control methods to prevent damage that may occur from storage, fraud or natural disasters. These processes are used to ensure that the customers will be able to consume quality and safe food. In case that the products are found to be incomplete according to the order or the products has been damaged beyond the Company's limit specified or the product does not meet the standards as specified together with the supplier depending on each type of product. The warehouse department will report to the purchasing department to negotiate with the seller both in terms of negotiating for the discount if there is a need for such products or return and follow up the next delivery schedule for the next replacement. The Purchasing Department will record the results of the purchase at that time to use for annual seller evaluation except for the detection of products that pose a safety risk and may affect consumers such as spoiled food, finding a piece of metal or glass in the product or any adulteration then the Company will not accept the product.

As for the warehouse and transportation department will control the distribution of goods and raw materials to various branch stores across the country to enable the Company to deliver products efficiently, quickly, on time with sufficient quantities to meet the needs of each store, branch and retains nutritious value to provide customers with fresh and nutritious food coupled with well-managed cost and expense management.

In using the raw materials of the branch store, the branch staff will check the remaning stock every day in order to order products to be sufficient and will record the number of inventories as well as imported goods and others into the inventory system of the branch to check the daily cost of goods.

For the control, there is a district manager reviewing costs weekly. The results are reported at the operations meeting to verify the branch stores' raw material utilization. The verified information will be considered and compared with the cost from the Accounting Department every month to ensure the accuracy of raw material utilization.

In addition, in each branch store will have an inventory control system that can separate the use of raw materials for each item which can be taken to find the average cost per customer and can compare between branches if there are some abnormalities, there will be further investigations and find ways to prevent further.

3) *Number of raw material suppliers*

In the selection of manufacturers, distributor, wholesaler and retailer, and various stores (Suppliers), the Purchasing Department will evaluate the suppliers according to the selection assessment form which must pass the quality system criteria or international standards, price, product quality, packaging (control the safety, strength, durability, cleanliness, hygiene and credit) by allowing the Product Development Department and the Quality Assurance Department to conduct quality checks. The Product Development Department will inspect the new products as well as original products that are unique which must be inspected for taste and the Quality Assurance will inspect the original products that are in use nowadays. If the product meets the specified quality standards, the Purchasing Department then compares the prices with various conditions and present to the management for acknowledgement and request for the approval for the further order.

To purchase products and raw materials from vendors, the Company does not rely mainly on any one vendor. Each type of product will be distributed to a minimum of 2-3 vendors, where the selected vendor must meet the quality criteria and have a reasonable cost including having good and acceptable conditions for each period for the Company to diversify the risk of ordering, reduce shortage of products or raw materials, as well as maintaining good relationship with various business partners except for certain foods such as ready-to-eat food condiments, etc. which if the Company purchases from several manufacturers or change the manufacturers frequently, there may result in the unstable flavor or taste of food and may affect the product recipe that may need to be revised many times including certain types of beverages or ice cream that want to have a single brand in every store for the benefit of marketing or joint promotion on some occasions.

3.3.2 Environmental impact

The factory or central kitchen of the Company must comply with the standard of quality of wastewater from the factory according to the notification of the Ministry of Industry, B.E. 2539 (1996) issued under the Factory Act B.E. 2535 (1992) which determines the standard for the industrial wastewater before draining to public water sources, for example, the pH value is not less than 5.5 and not more than 9.0, the Biochemical Oxygen Demand (BOD) or the amount of impurities in the form of BOD not more than 20 milligrams per liter. The value of Suspended Solid (SS) not exceed 50 milligrams per liter, Total Dissolved Solids (TDS) not exceed 3,000 milligrams per liter, the amount of impurities in Chemical Oxygen Demand (COD) not exceed 120 milligrams per liter, oil and grease content not more than

5 milligrams per liter. The amount of nitrogen in the water or Total Kjeldahl Nitrogen (TKN) must not exceed 100 milligrams per liter etc.

The Company is aware of the environmental impact caused by the production process and has carried out strictly according to the prescribed guidelines with measures to prevent effluent from the factory. The wastewater generated from the production process must be treated and will be kept at the cesspit. There will be no treated effluent released into public water source but will be reused it to be circulated within the Company's activities such as watering plants etc. In addition, such wastewater must be regularly analyzed for the quality of effluents which the results of the analysis passed the specified standard criteria. In the past, the Company has no record of environmental offenses and never received any complaints about the pollution and environmental problems.

(4) Assets used in the business operations

4.1 Fixed assets used by the Company in its operations

4.1.1 Main fixed assets used in business operations

As of December 31, 2023, the details and net value of main fixed assets used in the business of the Company and its subsidiaries as shown in the Company's consolidated financial statements amounting to Baht 1,312.76 Million, details are as follows:

Type / characteristics of Property	Net Book Value (million Baht)	Ownership	Obligations
1. 1 plot of land Title deed no. 46961, total area 13-0-96 rai located at 11/1 , Bueng Kham Phroi Subdistrict, Lam Lukka District, Pathum Thani Province	211.84	Owner	Mortgaged as collateral for the credit lines from the financial institution totaling 185.90 Million Baht
2. Factory building and other structures consisting of a canteen, furniture manufacturing plant, kitchen equipment for branch stores	56.90	Owner	
3. 2 plots of land Title deed no. 2184 and 2185, total area 1- 2-53 rai located at 18 Yannawa Subdistrict, Sathorn District, Bangkok Province	411.39	Owner	-
4. 6-story office building with basement	114.83	Owner	-

5. 4 plots of land Title deed no. 137606, 140406, 140407 and 140408 total area 1-3-10.9 rai located Rop Wiang Subdistrict, Chiang Rai District Chiang Rai Province	42.66	Owner	-
6. Hotel building awaiting for renovation	125.32	Owner	-
7. 3 plots of land, Title deed numbers 94113, 94114 and 94115, total area 0-2-67.2 rai, located in San Sai Noi Subdistrict. Santrat Noi District Chiang Mai Province	11.47	Owner	-
8. Commercial buildings and single-story detached houses	10.33	Owner	-
9. 4 plots of land, Title deed numbers 18843, 18844, 24046 and 53814, total area 22-0-85 rai, located in San Sai Subdistrict, Mae Chan District, Chiang Rai Province.	10.90	Owner	
10. 2 plots of land, Title deed numbers 19878 and 64188, total area 2-1-34.9 rai, located in Rop Wiang Subdistrict. Mueang Chiang Rai District Chiang Rai Province	27.06	Owner	
11. Building improvements according to the lease agreement	45.05	Owner	-
12. Office decorations, fixtures and equipment	1.66	Owner	-
13. Equipment used in operations	20.09	Owner	-
14. Vehicle	0.88	Owner	-
15. Work in progress	11.34	Owner	-
16. 1 plot of land, Title deed number 28273, total area 1-0-29.5 rai located in Wiang Subdistrict (Rop Wiang), Mueang Chiang Rai District. Chiang Rai Province	34.36	Owner (Subsidiary)	Guaranteed loans received from financial institution totaling 67 Million Baht
17. Hotel building awaiting renovation	176.68	Owner (Subsidiary)	
Total	1,312.76		

4.1.2 Lease assets

As of December 31, 2023, the details and value of lease assets used in the business of the Company and its subsidiaries as shown in the Company's consolidated financial statements amounting to 91.71 Million Baht with details as follows:

Details of Assets	Net Book Value (Million baht)	Ownership	Obligations
1. Indoor area (branch stores)	90.13	Right-of-use assets are assets under lease agreements that meet the requirements of the Thai Financial Reporting Standard No. 16	-
2. Vehicles and other	1.58		-
Total	91.71		

4.1.3 Other non-current financial assets

As of December 31, 2023, the details and net value of other non-current financial assets used in the business of the Company and its subsidiaries as shown in the Company's consolidated financial statements, amounting to 47.57 Million Baht, details are as follows:

Details of Assets	Net Book Value (Million Baht)	Ownership	Obligations
1. Lease Deposit	37.89	Assets under the lease agreement	-
2. Service Deposit	10.55	Assets under the lease agreement	-
3. Electricity Insurance money	0.86	Owner	-
4. Equipment usage deposit	0.21	Owner	-
5. Decorative deposit	1.42	Assets under the lease agreement	-
6. Other insurance	0.48		-
7. Withholding tax	1.84		
Total	53.24		
Deducted: Insurance payment allowance.	(5.68)		
Net	47.57		

4.2 Significant contracts of the Company

4.2.1 Lease agreements and leasehold rights

The company entered into a space rental contract to be used as a branch store and owns long-term leasehold rights to the area from the acquisition of Daidomon and purchasing leasehold rights from Thanachart Bank Public Company Limited. Important details can be summarized as follows:

4.2.1.1 Branch rental agreement

The Company has entered into space lease agreements with contract parties who own department stores, modern trade or shopping centers which is not related to the Company to be used as a location for branch restaurants in Bangkok, its vicinities and other provinces. Most of the rental contracts is a 3 year lease contract and can be renewed for another 3 years each time. The branch rental contract has the following important conditions:

- The lease agreement specifies the leased area, rental location, rental rate per sq.m. per month, start and end period of the lease.
- Payment of the rental insurance to be placed as a guarantee for compliance with the lease. Most of the rental contracts, the Company will have to pay a rental guarantee equal to the rental rate of approximately 3-6 months (depending on the conditions of the landlord). The Company will receive a refund from the lessor without interest upon the expiration of the lease term and there is no further contract renewal including the Company has returned the lease area according to the condition stipulated in the contract and have paid other outstanding payments such as utilities completely and correctly.
- Lease renewal. The contract specifies the conditions for renewing the lease at the expiration of the contract 1-2 times (depending on the conditions of the landlord) for 3 years each time or there may be a renewal of contract before the expiration and make a new contract before the expiration of the existing lease agreement at least 2-3 months
- Service contract is a contract that is made in conjunction with the rental contract. This will specify the scope of services that the lessor provides to the Company such as cold air service, lighting and parking which is a service fee. The lessor charges a service fee per square meter per month. For the utilities (electricity, water, gas, telephone) the charges will be based on the actual usage by specifying the service fee per unit in the service contract.

4.2.1.2 Leasehold

As of December 31, 2023, the Company has long-term leasehold rights in various shopping centers which can be summarized as follows:

Contract parties with the Company	Leased place / shopping mall	Rental period			Remaining lease term	Leased are (sq.m)	Book Value (Million Baht)
		Term	Contract start date	Contract end date			
1. Ratchasima shopping Complex	The Mall Korat	25 years 11 months 6 days	August 10, 2000	July 15, 2026	2 years 7 months	214.00	3.11
						Total	3.11

4.2.2 Space rental contract (office building)

Contract parties with the Company	Lease Location	Lease period			Rental area (sq.m)	Rental fee and service fee per month (Baht)
		Term	Contract start date	Contract end date		
Atalanta Hospitality Co., Ltd.	TFD Building, Floor 4 , located at 18 Soi Sathorn 11, Intersection 9, Yannawa subdistrict, Sathorn District, Bangkok 10120	3 years	September 14, 2023	September 13, 2026	80	52,000
JCK International Public Company Limited	TFD Building, Floor 3,4,5,6 located at 18 Soi Sathorn 11, Intersection 9, Yannawa subdistrict, Sathorn District, Bangkok 10120	2 years	September 14, 2023	August 31, 2025	1,695.44	1,102,036
Akara Holdings Company Limited	TFD Building, Floor 3 located at 18 Soi Sathorn 11, Intersection 9, Yannawa subdistrict, Sathorn District, Bangkok 10120	1 year	September 14, 2023	September 14, 2024	215	139,750

4.2.3 Property Insurance Policy (as at December 31, 2023)

Type of insurance	Company	Insured Property	Sum Insured ^{1/} (Baht)	Insurance period	Assured Company
Property risk insurance policy	Dhipaya Insurance Pcl.	Factory building consists of 1. All building structures (excluding the foundation) including the decorations for building improvements, fences, walls and doors - 1-storey factory building with office - 1-storey warehouse building - 1-storey canteen building 2. Furniture, decorations, fixings, office supplies and computers 3. Stock (raw materials, in-process products and finished goods) 4. Machinery and accessories in the production process, utilities, Air conditioning system, communication system including containers, cold storage and construction material stocks.	112,592,527.67	October 1 2023 - October 1 2024	JCK Hospitality

(5) Work that has not yet been delivered

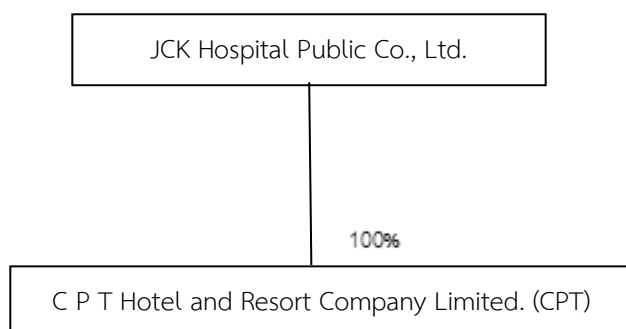
- None -

1.3 Group Shareholding Structure

1.3.1 Group Shareholding Structure

As of December 31, 2023. The Company has 1 subsidiary as follows:

- C P T Hotel and Resort Company Limited. (CPT)



Shareholding not different from the proportion of voting rights.

Details of the Subsidiary

1. C P T Hotel and Resort Company Limited.

Company Abbreviation	CPT
Company Registration Date	27 October 2015
Company Registration Number	0575558002439
Registered Capital	Baht 120,000,000 (As of December 31, 2022)
Paid-up Capital	Baht 120,000,000 (As of December 31, 2022)
Par Value	Baht 100 per share
Hold Shares	JCK Hospitality Public Company Limited owns 100%
Business Type	Operate hotel business there is one project under development at present, located on Phaholyothin Road, Rob Wiang Subdistrict, Mueang Chiang Rai District, Chiang Rai.
Head Office Location	1 8 Soi Sathon 1 1 Yeak 9 , TFD Building, Yannawa, Sathon, Bangkok 10120

1.3.2 A person who may have a conflict of interest who holds the shares in a subsidiary more than 10 percent of the shares with voting rights of the subsidiary.

-None-

1.3.3 Relationship with the major shareholders' business group.

-None-

1.3.4 Shareholders

(1) Major Shareholders

As of January 10, 2023 list of top 10 major shareholders is as follow:

No.	Major Shareholders			Number of Shares	Percentage of shares
1	Taechaubol's Group			4,458,931,870	58.59
	Mr.	Apichai	Taechaubol	1,873,361,502	24.62
	Mr.	Athawut	Taechaubol	1,481,117,857	19.46
	Mr.	Chotiwit	Taechaubol	232,332,213	3.05
	Mr.	Noppawee	Taechaubol	871,245,798	11.45
	Ms.	Oranat	Taechaubol	874,500	0.01
2	Thailand Securities Depository Company Limited			313,235,586	4.12
3	Mr. Nutchatpong Peeradechapan			185,000,000	2.43
4	Thai NVDR Co., Ltd.			158,611,323	2.08
5	Cholsaipant's Group			118,812,913	1.56
	Ms.	Tanyapapar	Cholsaipant	99,193,213	1.30
	Mrs.	Chuntana	Cholsaipant	19,619,700	0.26
6	Mr.	Sitthiphol	Kongpichit	93,679,750	1.23
7	Mrs.	Kulthiwa	Chotiwichitrat	82,644,628	1.09
8	Mr.	Wasawat	Akaradisthawatt	82,644,628	1.09
9	Chulangkul's Group			86,335,036	1.13
	Mr.	Taweecat	Chulangkul	82,084,836	1.08
	Mr.	Natthapol	Chulangkul	4,250,200	0.06
10	Ms.	Vanida	Daentraithot	76,000,000	1.00
	Total			5,655,895,734	74.32

(2) Restrictions on the transfer of Company shares

The Company shares are transferable without restrictions and the shares held by foreigners at any time must in total not more than 49% of the total number of shares sold. Any transfer of shares which causes the Company's foreign shareholding ratio to exceed the abovementioned ratio, the Company has the right to refuse the transfer of such shares of the Company.

(3) List of shareholders of the subsidiary

The shareholder structure of the subsidiary as of December 31, 2023 is as follows:

List of shareholders	CPT	
	Number of shares	Proportion shareholding
Company or JCKH	1,199,998	100.00%
Mr. Athawut Taechaubol	1	0.00%
Mrs. Rachanee Siwawej	1	0.00%
Total	1,200,000	100.00%

(4) Agreement between major shareholders (shareholders' agreement) in matters affecting the issuance and offer for sale of securities or management of the Company and explain the important aspects that affect the operation

- None -

(5) Investment policy in subsidiaries and associated companies in the future.

The Company has a policy to invest in other types of restaurants or other related businesses or to benefit the restaurant business which is the Company's main business. It is a business that has potential and can generate profits for the Company in the long run. If it is an investment in the subsidiary, the Company will control or determine the management policy as well as sending representatives to join as directors in proportion to their shareholding and attend the meeting as a shareholder. The Company's representative has the duty to vote at the meeting in accordance with the guidelines or the direction that the Board of Directors has considered for investments in associated companies. The Company does not have a policy to control too much. So the submission of a representative to be a director of that Company will be considered and deemed appropriate and subject to mutual agreement.

1.4 Amount of registered and paid-up capital

1.4.1 Amount of registered and paid-up capital

As of December 31, 2023, the Company has the registered capital of 5,764,102,033.50 Baht, divided into 23,056,408,134 ordinary shares with at par value of 0.25 baht per share and the paid-up capital of 1,161,661,067.00 baht, divided ordinary shares of 4,646,644,268 shares at par value of THB 0.25.

List Stock Exchange

Market for Alternative Investment (MAI)

93 Ratchadapisek Road, Dindang Sub-district, Dindang District, Bangkok 10400

1.4.2 In the event that the Company has other types of shares with different rights or conditions than ordinary shares, such as preferred shares explain the main characteristics of the securities.

- None -

1.4.3 In the case of shares or convertible securities of the Company as underlying securities in the issuance of investment units of a mutual fund for foreign investors (Thai Trust Fund) and Treasury of benefit from Thai Underlying Securities (NVDR)

As of January 10, 2024, which is the date for collecting the list of shareholders of the Company, Thai NVDR Company Limited holds 158,611,323 shares of the Company or equal to 2.08 percent of the total issued and paid up shares of the Company. The investors who hold NVDR will receive financial benefits as if investing in the Company's shares in all respects including dividends, rights to subscribe for newly issued shares or warrants to purchase ordinary shares but will not have the right to vote at the shareholders' meeting.

1.5 Issuance of other securities

1.5.1 Convertible Securities

(1) The warrants to purchase the Company's ordinary shares No.1 (JCKH-W1)

As of July 15, 2021, the Company issued and offered warrants to purchase the Company's ordinary shares No.1 (JCKH-W1) to the existing shareholders of the Company, totaling 223,465,243 units, not more than 3 years from the date of issuance and offering for sale of warrants. The JCKH-W1 warrants can be exercised on the last business day of every quarter. The first exercise date is September 30, 2021 and the last exercise date and the maturity date of the warrants is July 15, 2024. The exercise ratio is 1 unit per 1.548^{1/} share and the exercise price is 0.162^{2/} Baht per share. As of December 31, 2023, there are 223,315,144 warrants remaining of JCKH-W1, details as follows:

Warrant	JCKH-W1
The Issuance date	July 15, 2021
The maturity date	July 15, 2024
Exercise period (year)	3
Exercise ratio) ^{1/}	1 unit per 1.548 share
Exercise price (Baht)) ^{2/}	0.162
The amount of issuance and offering warrant (unit)	223,465,141
The amount of exercise warrant (unit) ^{3/}	149,997
Remaining as of December 31, 2023 (unit)	223,465,141

Remark :

^{1/}and^{2/}The Company shall adjust the exercise price and exercise ratio to ensure that the benefits of the Warrant Holders are not less than the existing status. The reasons for adjustment of

this event are as follows; 1. When the company offers newly issued shares at a price per share lower than 90 percent of the market price. 2. Warrant of JCK HOSPITALITY PUBLIC COMPANY LIMITED No. 2 (JCKH-W2) the exercise price per share is less than 90 percent of the market price.

^{3/} In September 2021, the warrant holder purchasing the Company's ordinary shares No. 1,149,997 units, exercised the right, and the Company received the payment in the amount of exercised price, as well as registered the capital increase with the Ministry of Commerce on September 30, 2021.

(2) The warrants to purchase the Company's ordinary shares No.2 (JCKH-W2)

As of November 15, 2023, the Company issued and offered warrants to purchase the Company's ordinary shares No.2 (JCKH-W2) to the existing shareholders of the Company, totaling 4,281,298,185 units, not more than 1 year from the date of issuance and offering for sale of warrants. The JCKH-W2 warrants can be exercised on the last business day of every quarter. The first exercise date is December 29, 2023 and the last exercise date and the maturity date of the warrants is November 14, 2024. The exercise ratio is 1 unit per 1 share and the exercise price is 0.03 Baht per share. As of December 31, 2023, there are 987,824,921 warrants remaining of JCKH-W2, details as follows:

Warrant	JCKH-W2
The Issuance date	November 15, 2023
The maturity date	November 14, 2024
Exercise period (year)	1
Exercise ratio	1 unit per 1 share
Exercise price (Baht)	0.03
The amount of issuance and offering warrant (unit)	987,825,254
The amount of exercise warrant (unit) ^{1/}	333
Remaining as of December 31, 2023 (unit)	987,824,921

Remark : ^{1/} In December 2023, the warrant holder purchasing the Company's ordinary shares no. 333 units, exercised the right, and the Company received the payment in the amount of exercised price, as well as registered the capital increase with the Ministry of Commerce on January 8, 2024.

(3) Convertible Debenture

The Company has issued and offered Convertible Debentures to specific investors, namely Advance Opportunities Fund ("AO Fund") and Advance Opportunities Fund 1 ("AO Fund 1") with the following details:

Convertible Debentures	Issuance Date	Term	Total value of Convertible Debentures	Interest Rate (% p.a.)
No 1	7 July 2021	3 years from the date of issuance of each tranche	Not more than 300.00 million Baht, divided into 3 tranches as follows : (1) Tranche 1 with values of not exceeding 100.00 million Baht, divided into 40 sub-	2.00

Convertible Debentures	Issuance Date	Term	Total value of Convertible Debentures	Interest Rate (% p.a.)
		of convertible debentures	tranches of 2.50 million Baht each. (2) Tranche 2 with values of not exceeding 100.00 million Baht, divided into 40 sub-tranches of 2.50 million Baht each (3) Tranche 3 with values of not exceeding 100.00 million Baht, divided into 25 sub-tranches of 4.0 million Baht each	
No. 2	17 May 2022	3 years from the date of issuance of each tranche of convertible debentures	Not more than 500.00 million Baht, divided into 3 tranches as follows : (1) Tranche 1 with values of not exceeding 150.00 million Baht, divided into 30 sub-tranches of 5.0 million Baht each (2) Tranche 2 with values of not exceeding 150.00 million Baht, divided into 30 sub-tranches of 5.0 million Baht each (3) Tranche 3 with values of not exceeding 200.00 million Baht, divided into 40 sub-tranches of 5.0 million Baht each	1.00

- The Company's newly issued Convertible Debentures No. 1 (CD1)

The Company resolved to increase the registered capital and allocate additional shares to accommodate the exercise of the convertible right of the Company's newly issued Convertible Debentures No. 1 (CD1) in 2021 - 2022, details as follows:

Details of the meeting	Date	Number of newly issued shares to accommodate exercise of conversion rights of Convertible Debentures No. 1 (CD 1) shares
Extraordinary General Meeting No. 1/2021	15 June, 2021	223,375,857
Extraordinary General Meeting No. 2/2021	22 November, 2021	361,207,433
Annual General Meeting of shareholders, year 2022	4 April, 2022	280,000,000
Extraordinary General Meeting No. 1/2022	11 November, 2022	143,239,232
Total		1,007,822,522

Details of the issuance and offering of Convertible Debentures No. 1 (CD1) in 2021 - 2023 and the exercise of the right to convert into ordinary shares of the Company are as follows:

Year	Numbers of Issuances	Amount of Convertible Debentures already issued and offered for sale (Baht)	Amount of Convertible Debentures that has already exercised the right (Baht)	Number of common shares arising from the conversion (shares)
2021	10 times	175,000,000	140,000,000	333,965,653
2022	8 times	125,000,000	143,000,000	564,854,600
2023	-	-	12,000,000	102,858,825
Total		300,000,000	295,000,000	1,001,679,078

As of December 31, 2023, the remaining amount of the newly issued Convertible Debentures of the Company No. 1 (CD1) that has not been exercised in the amount of 5,000,000 Baht and the remaining ordinary shares allocated for the exercise of the conversion rights of the Company's newly issued Convertible Debentures No. 1 (CD 1) in the amount of 6,143,444 shares.

- The Company's newly issued Convertible Debentures No. 2 (CD2)

The Company resolved to increase the registered capital and allocate additional shares to accommodate the exercise of the convertible right of the Company's newly issued Convertible Debentures No. 2 (CD2) in 2023, details as follows:

Details of the Meeting	Date	Number of newly issued shares to accommodate exercise of conversion rights of Convertible Debentures No. 2 (CD 2) shares
Annual General Meeting of shareholders, year 2022	4 April, 2022	266,745,361
Extraordinary General Meeting No. 1/2022	11 November, 2022	223,004,368
Extraordinary General Meeting No. 1/2023	8 March, 2023	641,508,439
Total		1,131,258,168

Details of the issuance and offering of Convertible Debentures No.2 (CD2) in 2023 and the exercise of the right to convert into ordinary shares of the Company are as follows:

Year	Numbers of issuances	Amount of Convertible Debentures already issued and offered for sale (Baht)	Amount of Convertible Debentures that has already exercised the right (Baht)	Number of common shares arising from the conversion (shares)
2022	8 times	85,000,000	40,000,000	266,668,323
2023	1 time	5,000,000	50,000,000	579,021,294
Total		90,000,000	90,000,000	845,689,617

As of December 31, 2023, there is no newly issued convertible bonds of Convertible Debentures of the Company No. 2 (CD2) that has not been exercised. The remaining ordinary shares allocated for the exercise of the conversion rights of the Company's newly issued Convertible Debentures No. 2 (CD 2) in the amount of 285,568,551 shares.

1.5.2 Debt Securities

Promissory Notes

As at December 31, 2023, the Company has outstanding short-term promissory notes with the value of the notes is 200,368,600 Baht with details as follows:

Issuer	Maturity (month)	Number (issues)	Amount issued (Baht)
JCKH	3 months	10	70,500,000
JCKH	12 months	19	128,668,600
JCKH	15 months	1	1,200,000
Total			200,368,600

1.6 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.

2. Risk Management

2.1 Policy and Risk management plan

The Company emphasizing the importance on risk management which is considered an important mechanism and tool in management that will enable the organization to achieve its objectives and goals. It is defined as a risk management policy that focuses on the development of a risk management system in accordance with the good Corporate Governance guidelines and to have an integrated risk management throughout the organization. This is done in a systematic and continuous activities that covers financial controls, administrative operations and overseeing the operation to be in accordance with the relevant laws both internally and externally. In addition, the implementation in accordance with the framework of risk management throughout the organization which covers both the organizational and operational levels to manage the risk to an acceptable level and to ensure that the following objectives can be achieved.

- 1) Strategies and goals are clearly defined and can be implement in accordance with and support the mission of the Company
- 2) Performance results of the Company achieve the set objectives effectively and the Company's resources are managed efficiently and cost effectively, including having an appropriate protection, control and supervision system of assets.
- 3) The financial and non-financial information reports are accurate, reliable and timely.
- 4) Operations and performances are in accordance with policies, rules and regulations according to the law and other regulations related to the Company's internal and external business operations.
- 5) There is an improvement in quality and good working practices in terms of personnel, assets, equipment and various operating systems continuously
- 6) Set up the internal control by appropriate self-assessment on critical work systems.

Risk management helps the organizations to achieve their goals and reduce obstacles or unexpected things that may arise. At the same time, it prevents the damage to the corporate resources and ensures the Company reporting and compliance. The Company has established a policy for risk management with the following guidelines:

- The Company has set up a risk management committee at the Company level with the Deputy Chief Executive Officer as the chairman and the Executive Officers as the directors. The Committee will set the guidelines for risk management, risk management report, monitoring and evaluating risk management results to be presented to the Chief Executive Officer. In addition, a risk management committee was also established at the department level with the Chief Administrative Officer as the chairman and Line Management Officer and Department Manager as directors of the Committee which will perform to identify risk factors, risk assessment, prepare a risk management plan, monitor and review risk management plans as well as prepare a quarterly report on the implementation of the plan to present to the Executive Committee.

-
- The Company has assigned all employees to share roles and responsibilities and clearly define the operational powers at all levels of management and operational levels to set that the risk management is the responsibility of employees at all levels and to make employees aware of the risks involved in working in their own units and organizations by focusing on managing risks in various fields to be at an acceptable and appropriate level.
 - The Company has an organizational risk management process by preparing the risk management manual so that all levels of executives and employees in the Company have knowledge, understanding of the principles, processes and procedures of the risk management and can prepare a risk management plan at the unit level that is consistent with the Company's risk management plan. It is an integrated risk management by bringing the risk management system to be a part of decision making, strategic planning, plans and Company's operations including focusing on achieving objectives, goals, visions, missions and strategies to create operational excellence and build the confidence of stakeholders.
 - The Company has a risk management plan by defining the risks classified for each working system and lay out guidelines to prevent and mitigate operational risks to avoid damage or losses that may occur including regularly monitoring and evaluating risk management results.

2.2 Risk Factor for the Company's Business Operation

2.2.1 Risks in the competition in restaurant business

The restaurant businesses still have to face with several negative factors including the intense competitions while the target group of customers are still limited. The entrepreneurs especially the large ones, still have to invest to expand their branches both in kind of their existing style and to expand the new variety of restaurants to penetrate to the new market niche and also to maintain their total Store Sale (TSS) of their portfolio as well as the small-scale entrepreneurs, which still emphasize to enter into the restaurant industry, resulting in high competition.

The Company therefore emphasizes great importance to the research and development on food continuously, by develop a healthy menu to fit with the food trend in each situation as consumers became more concerned with taking care of their own health. It also has a set of ingredients menu, ready to cook with sauces and various condiments together so that customers can cook their own meals at home and thus meet the needs of consumers who do not want to go out to avoid the virus. Including a promotion program in each festival. Promotion Member Card / Credit Card to boost sales for the company by also taking into account the quality, cleanliness and value in order to build confidence among consumers who come to dine in the store.

2.2.2 Risk from impacts from economic conditions

The restaurant business has faced a variety of negative factors from the global economic slowdown, inflation problem, high energy prices, war conditions and purchasing power of consumers who are fragile. This may limit revenue and profit growth because the price of food and service cannot be increased. As a result, the value of the restaurant business is shrinking.

Even though the Company has an impact from the aforementioned risk factors, the Company has changed its business policy strategy for stability and diversify its risks to businesses other than the main food business. The Company has successfully invested and received the transfer of ownership of land and buildings in the center of Bangkok to be used as the location of the Company's office. This will reduce the space rental expenses and also increase consistent income from the remaining rental space immediately which will increase financial stability and is an asset that creates value added for the Company in the long run. There is also an opportunity for new building development on the adjacent vacant land in the future.

2.2.3 Financial and Liquidity Risks

The Company has the financial risks as the Company has to depend on the short-term borrowing from the outsiders, drawdown of credit line, overdraft, promissory note and bills of exchange to be used as working capital in business operation.

However, the Company was able to maintain its financial position gradually by relying on financial tools to help strengthen the financial position to get past the lowest point. However, the Company is also able to implement planned as plans for the modernization of existing stores ready to serve customers efficiently including further expansion of new brand restaurants. The Company is confident that the current business plan will be able to turn around the operating results and better financial position.

2.2.4 Risks of development of the new products

As the ready-to-cook and ready-to-eat food which are sold currently have the channels of distribution mainly through the convenience stores which causes the products to be developed continuously. Though the Company has cautiously and carefully planned the development of the products, due to the consumers' behavior, it has impacts that some products or some flavors may not respond to the needs of the market and the target customers. Thus, the Research and Develop Product Department has placed the importance to the development of product and product innovation in order to be able to directly and timely fulfill the needs and to capture with the trends in the changing of consumers' behavior.

2.2.5 Risks to procure rental spaces for the expansion of new branches and maintain the continuity of the rental spaces for the existing branches.

As the location of each branch is the key success factor of the restaurant business and due to the intense competition in the restaurant business in present, these cause the limitation to the restaurateurs to

find the new location for the new branches, especially the rental space in the shopping complexes which focus on the places which close to community. Normally, the rental agreement will be short-term for the period of 3 years and will be renewed from time to time, thus the Company may face the risk that the rental contract will not be extended or the rental rate may be increased. The Company has planned to maintain its rental spaces by maintain the good relationship with the lessors as well as to follow up and seek for new potential locations to ensure that the Company will have the spaces in the good locations with potential to serve for the expansion of the new branches continuously since the increase in numbers of branches is one of the important strategy for the growth of the Company's business and also to provide the services to all target customers including to be able to expand the new customers' base.

However, the Company may face the risks incurred from the investment in new branches if the restaurants cannot generate the sales as the predetermined target or the return on investment is not as predicted, which will affect to the overall operation of the Company. In case which the Company has to close down that branches, the Company will also have to amortize assets such as the modification, the decoration from the book account and also the demolition charges, the relocation and the adjustment of the area to hand over to the lessor according to the conditions which included in the contract. In the case that the branch has been closed before the tenant term in the lease agreement, it may cause the lessor not to pay back the guarantee deposit as determined in the lease and service agreement which results in the cost from the close down of the branch.

2.2.6 Risk from the cost of the deterioration of raw materials and products.

As the Company significantly emphasizes on the quality and the freshness. Mostly, the raw materials of the product more than 90% are fresh products such as meat, seafood, vegetable and fruits which the Factory will purchase and distribute to each branch including some of them will be cook as a product or ready product such as Suki sauce, Barbeque sauce, stuffed seaweed marinated, Hot Pot marinated Pork etc., which before distribute to each branch to serve on the food bar, those raw materials have short-time life and can be easy deteriorated, so if the Company do not well control or manage the procurement including the storage and the use of raw materials sufficiently, then it can cause waste and thus means waste and additional cost of production.

The Company concerns and emphasizes on the freshness and quality of the raw materials and all foods which will be served to our customers in the shop. It also realizes the importance of the material cost, so it has managed the procurement plan and also the production to be in line with the requirement of each customer in each day and pay attention on the proper raw materials keeping by separate the type of raw materials in the warehouse according to each kind of the raw material which includes the normal storage area, Chill Room and Freezer to keep the freshness and maintain the original conditions of each raw material. Moreover, the Company still control the quality of raw material and products at the branch stores in order to manage the cost control of raw materials to be efficient and reduce unnecessary waste.

2.2.7 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 which from the fact that the Company has branches and has a large number of employees serving, therefore, there may be operational risks.

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.

2.2.8 Risk from the fluctuation of raw material prices and production cost

Most of the raw materials of the Company are agricultural products such as meat, vegetables, fruits, seafood and various spices, etc., which are raw materials that may fluctuate according to demand and supply and may be affected by many negative factors outside beyond the control of the Company, such as weather conditions, natural disasters, the spread of contagious diseases in plants and animals. As a result, the Company has to purchase raw materials at higher prices.

The Company also pays high attention to the efficient costs control and management. Every year, the procurement operation plan is identified and the cost reduction plan is an important issue by focusing on cost management in terms of product prices, requesting special conditions such as discounts, payment terms including increasing the efficiency of vendors in quality control and delivery in order to get good products which can be used with the utmost benefits and minimized the loss. The procurement department will have to try to reduce the effects of fluctuations in the cost of raw materials by purchasing raw materials from many vendors as well as finding new suppliers regularly to prevent the monopolies and also the product shortages. The annual purchase contract of raw materials in advance or large volume reservations with a clear specific delivery period as agreed, enable the Company to negotiate prices, receive more discounts and ensure that the Company will not have shortage of raw materials. The Company also has closely monitored the market situation, trends and prices of raw materials in each period or season to assess the risk which may arise from shortages or fluctuations in prices of various raw materials and enable the Company to prepare to resolve and deal with such situations which may occur promptly and timely.

In the past, the Company has never experienced a shortage of raw materials or an increase in raw material prices which have a significant impact to the operation of the Company. The Company will not

suddenly increase the prices of food 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 the customer base of the Company.

2.2.9 Risks from the change of customers' behavior

From consumers' behavior that changes according to popular trends more diverse Including being familiar with using technology to order food causing the business to continuously adjust. The Company has planned and adjusted strategies to increase the Company's revenue by developing healthy food to meet current consumer trends including selling ready-made dipping sauce products for consumers to buy back and eat at home. Organize various promotional programs to feel worthwhile and renovating branches to look modern, clean and safe to build confidence for consumers and use the service in the store.

In addition, the Company plans to change the image of the restaurant to be modern and attractive to customers including plans to add Grab & Go and delivery services to support other income streams by focusing on the market for customers who buy back (Take Away).

2.2.10 Risks of not renewing the franchise agreement

The Company has reached an agreement to acquire the right to operate Burger & Lobster brand, a new restaurant in Thailand and territories according to the conditions from the franchise owner B&L Operating Limited (B&L). The Company has opened its first branch in November 2022 at Siam Paragon.

However, the said restaurant brand license agreement is for a period of 5 years and has the right to consider renewing from time to time. The Company has a risk that the contract will not be renewed or the conditions may be adjusted. The Company therefore has a plan to maintain and build a good relationship with the franchise owner. The Company has communicated continuously and regularly including planning and strictly following the plan especially plans to open new branches in suitable areas Including co-developing products and providing professional services.

2.3 Securities holder investment risk

Risk from return on investment

The Company has continuously invested to expand its business as well as finding investment channels in new businesses to create value for the Company which investment risk may cause the returns that do not meet the target or there may be a delay or the case that the investment exceeds the budget the Company has set. The investment policy is therefore an operational guideline for the Board of Directors, Executive Committee, Executives, and officers who are in charge of managing the Company's investments to

adhere to the principle of caution in creating a suitable return on investment and in accordance with the Company's strategies, policies and plans. There are investment criteria set forth and the Company has assigned the Executive Committee to monitor the performance of investments and monitor the changes in various factors which may cause the return on investment to be not consistently meet the target in order to resolve problems that may arise quickly and efficiently.

2.4 Risk of investment in foreign securities

- None -

3. Driving Business for Sustainability

3.1 Sustainability management policies and goals

The Company has a clear policy to operate the business with integrity and with high business ethics under the provisions of law. The Company realizes the importance of good business management and has studied the principles of good corporate governance, social responsibility and environment including considering the interests of all stakeholders with the goal to achieve sustainable development. The Company has defined the stakeholders into 6 groups as follows:

- 3.1.1 Employees
- 3.1.2 Trade partners
- 3.1.3 Customers (who use the services)
- 3.1.4 Business alliances
- 3.1.5 Community / Society
- 3.1.6 Shareholders / regulators

3.2 Managing impact on stakeholders in the business value chain

3.2.1 Operation with the stakeholders

The Company has studied and analyzed the impact caused by the Company to the stakeholders and also the effects that caused by the stakeholders to the Company by considering, analyzing each stakeholder group to realize the expectations of each stakeholder which can be summarized as follows:

stakeholders	procedure	expectations	Organization's response
Employees	1. Annual performance evaluation 2. Internal communication 3. Training and seminar	1. Good compensation and benefits 2. Fair performance evaluation 3. Stability and progress in career path 4. Treating employees according to the principles of human rights 5. Personnel development 6. Use of technology in work 7. Safety at work	1. Fair consider of remuneration and welfare 2. Determine the progress in career path 3. Treat all employees equally 4. Create safety environment in the workplace 5. Determine the personnel development plan

stakeholders	procedure	expectations	Organization's response
Trade partners	1. meeting with partners 2. Communicate via email / telephone	1. Fair procurement, transparent and verifiable 2. Use quality product and clean, safe and biodegradable packaging 3. Have confidence in the products 4. Act as a channel to promote sales and advertise the product and help support the business of the Company	1. Operate the business according to the good corporate governance and business ethics 2. Update the policy and guidelines for procurement
Customers	1. Various media signs in the store 2. Online channels of the Company and restaurants such as Facebook, Website, Line Official, Application 3. Publication of information on the website 4. Satisfaction survey	1. Quality of products and services 2. Listen to opinions and solve the problems that arise with customers in order to create satisfaction and bring the suggestions to improve the quality of food and service 3. Advertise the information and promotions of each brand to create the image and perception of information	1. Improve the services to meet the needs of customers with speed and effective 2. Responsible for customers and conducting business in accordance with the regulations and rules
Business alliances	1. Meeting, discussing and solving problems together 2. Communication via email / telephone 3. Study field trip and monitor the operations of partners and also reflect back 4. Visit alliance companies	1. Creditability, reputation and corporate governance 2. Transparency in operation 3. Financial stability 4. Fair compliance with the terms of the contract	1. maintain confidential information of the alliances' business 2. Follow the business Code of Conduct 3. Being a good tenant (both in terms of the contract and the user of the facility) 4. Strictly comply with the conditions of the contracts 5. Disclose the correct and complete financial information

stakeholders	procedure	expectations	Organization's response
Community	1. Organizing activities with the Community 2. Disclose the information on the website 3. Channels for receiving any complaints	1. Promoting and building career in the community surrounding the Company 2. Management the impacts on society and environment from the operation of the Company's business 3. Promote co-existence with the community and society without any conflict and support each other in finding a market by bringing community's product to sell in the restaurants	1. Promote local employment 2. Promote community development in various aspects 3. Manage the negative impacts on society and environment from the Company's business operation.
Shareholders / Regulators	1. Annual shareholders' meeting 2. Communication via email / telephone 3. Disclose the information on the website 4. Preparation of 56-1 One Report	1. Efficiency good corporate governance 2. Good and secure operating performance 3. Quality Risk Management	1. Conduct business with transparency in accordance with the good Corporate Governance Code 2. Comply with law and regulations 3. Transparent disclose all information

3.3 Sustainability Management in Environmental Dimensions

Waste Management

- **Recycling waste** Separate the waste both inside the head office and in each branch in order to manage the waste to be disposed properly including being able to be reused according to the circular economy

- **Food Waste** Minimize the amount of food waste by planning from the upstream of food production to the downstream

Reducing and eliminating plastics and changing the type of packaging Use the material type of packaging which are environment friendly with the aim to minimize the amount of residual waste entering the landfill

Reducing the greenhouse gas emissions Energy management and efficient risk management of activities which arising from greenhouse gas emission and social responsibility through carbon offset activities.

Efficient use of resources

3.4 Sustainability Management in social dimensions

The Company has established policies for comprehensive social management such as human rights policy, security policy, Anti-corruption policy etc. The details of important policies are as follows:

3.4.1 Policy on human rights and human resource management

1) Human Rights Policy

The Company respects the rights of its employees and all other stakeholders. The Company will not discriminate any person with regard to concepts and viewpoints, race, color, religion, gender, sexual preference, nationality, age, disability or any other status which are treated as human rights. The Company will apply a reasonable and comprehensive approach to respect human rights to all of its operations and focus on eliminating the injustice, discrimination, any intimidation and violations of rights. The Company will not employ illegal child labor, forced labor or slave labor or labor forced to work overtime. The Company will not employ persons under the age of 16 and young person will not be employed except for the cases where those employment is in accordance with the laws and regulations related to age, working hours, compensation, health and safety.

2) Human resources Management

The Company treats all employees as the main force that will bring success, progress, stable and sustainable growth of the Company with the emphasis on teamwork and the dedication of employees. The Company aims to enhance the capability of employees to excel in their work assignments by developing personnel in academic management and working culture, sufficient supply of modern operation equipment, provide compensation and benefits which are comparable to similar businesses. The Company will also create a good and safe working atmosphere and environment. The employees should perform their duties with responsibility, honesty, determination and dedication as well as comply with the rules with the Company's interest as the major priority. Moreover, the management must be responsible for the management of human resources for efficiency, effectiveness and maximum benefits with the guidelines for human resource management are as follows:

- Guidelines on Recruiting Human Resources
- Guidelines on employee career path opportunities
- Guidelines on employee compensation
- Guidelines on employee development
- Guidelines on performance appraisals and evaluation
- Guidelines on discipline and complaints
- Guidelines on termination of employment

3.4.2 Policy on the use of information technology and the use of telecommunication media

The Company has set the information technology as an important factor in promoting the Company's business operations. The use of information and telecommunications is the shared responsibility of all employees to use them appropriately in accordance with the Company's business policies and for social responsibility. The system and the computer equipment are available to use to support the Company's business operations, and must not be used for personal business or illegal activities, thus the Company reserves the right to suspend rights or to inspect the computer system or other related equipment which is the property of the Company if the Company found any suspicious of any activities which may cause damage to the Company or other people so that the use of all systems of the Company is correct and does not violate the rights of others. Every department must use the system and computer software that the Company has provided properly according to the Company's standard only. The Company has set the guidelines for the use of information technology as follows:

- Use of Internet System
- Use of Electronic Mail (e-mail)
- Access to information
- Use of telecommunication equipment services
- Privacy rights.

3.4.3 Policy on Non-infringement of Intellectual Property

The Company does not support any actions that are infringing on intellectual property or any copyrights. It represents the Company's intention to conduct its business with fairness with the guidelines as follows:

- The accomplishment resulting from the performance of duties is the intellectual property of the Company
- The work or information that is the right of third party to be obtained or used within the Company must be checked to make sure that there will not infringe on the intellectual property or copyright of others
- Perform the inspections from the process of procurement of the computer system to the installation for use and create a database of Software or various computer programs which are currently in use by the organization to ensure that its operation are in accordance with the Computer-related Crime Act of 2017.

3.4.4 Policy regarding quality, safety and occupational health

The Company operates a restaurant business including having a central kitchen to produce and deliver food to branches by focusing on quality, safety and occupational health. The Company determines to take every effort to decrease and prevent impacts on quality, safety and occupational health that will occur and any operations of the Company that may have impact to the stakeholders. All of which will lead to customer satisfaction, safety in life and property of employees and the public as well as creating a good environment for society. In order to achieve that intention, the Company determines to operate the business in accordance with the Food Hygiene Practices and to develop, implement and maintain the GHPs enabling the safety and in every necessary activity to support food production to be safe and proper in every stage of the food chain starting from the beginning to taking care of final product. The guidelines are as follows:

- All executives and employees must operate with a system that covers quality management, safety and occupational health and environment to be part of their work to help in promoting the efficiency, effectiveness and create maximum value for the work.
- All executives and employees will strictly adhere to work in accordance with the laws, policies, regulations and related standards regarding the quality, safety, occupational health and environment.
- The Company will control and prevent losses that may occur in several forms due to accidents, fires, injuries or illness from work, loss or damaged of property, breach, security system, inappropriate work practices and errors that occur as well as maintain a safe working environment for employees. It is the responsibility of executives and employees to report the accidents and incidents by following the established procedures.
- The Company will provide public relations and communication to create knowledge, understanding and dissemination of information to employees, employees of contractors and relevant stakeholders to know and understand the policies, rules and regulations, procedures, process and various precautions in terms of quality, safety, occupational health and environment as well as to implement them properly without causing harm to their health and property.
- The Company will promote and nurture awareness of quality, safety, occupational health as a way of daily life of the employees.
- The Company will seriously and continuously participate in the social responsibility in terms of quality, safety and occupational health by realizing the importance of the environment and safety of relevant stakeholders as well as promoting social activities and develop the quality of life of people in the community according to the principles of sustainable development.

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- The Company has prepared the fundamental hygiene in the factory program namely Food Hygiene Practice (GHPs) and The Hazard Analysis And Critical Control Point (HACCP) System which has the scope as follows:
 - Cover the building structure and all parts of production support
 - Cover all departments in the factory
 - Covering all procedures in working, starting from receiving raw materials to the process of packaging products and transporting goods to branch stores.
 - Cover frozen processed meat products such as marinated pork, marinated chicken, marinated squid, Saba fish and meatball products for boiled and fried, frozen and chilled such as frozen pork meatballs, frozen ping pong meatballs, chilled fried fish, stuffed with pork wontons, spiced pork etc.

Currently, the outbreak of the Coronavirus 2019 is still widespread increasingly. The Company is aware of the impact that occurs in human resource management, therefore the Company has measures to take care of employees to be safe and healthy and are ready to work at any times. Hence the Company has the following guidelines:

- The Company has a Business Continuity Management (BCM) covering all crisis management in the epidemic situations by focusing on the safety and health of employees.
- Require work from home (WFH) to be performed where appropriate at the discretion of the supervisor.
- Encourage employees to use the meetings in form of Teleconference or VDO Conference.
- Distributing alcohol and masks to employees as well as setting up alcohol drop-off points at various points of the office.
- Determine measures to enter and exit the building for employees and visitors to increase safety and prevent the spread out of the virus.
- Increase measures to maintain cleanliness in various touch areas.

3.4.5 Anti-corruption Policy

The Company will not act or support any fraudulent actions or corruptions in any case and will strictly comply with the anti-corruption measures and provide internal audits to prevent and suppress any fraudulent or corruption within the organization by cover every related business and department as well as reviewing the practice guidelines and operational requirements to comply with changes in business, rules, regulations and legal requirements. The guidelines are as follows:

1. Political neutrality and political contributions
 - The Company is a politically neutral business organization that support legal compliance and democratic governance. The Company does not have guidelines to make political contributions to any political party, whether directly or indirectly.
 - Everyone within the organization has the rights and freedom of political law, but will not take any action that will cause the Company to lose its neutrality or be damaged by political involvement
 - Everyone in the organization will not carry out political activities within the Company, including the use of any resources of the Company to do so.

2. Charity donation or financial support

The Company supports community and social development for the improvement of quality of life, build an economy and strengthen communities, and society through business processes or charitable donation that must be used for public charity only, including financial support for the Company's business which is not excuse for corruption and must have clear documentary evidence and is in accordance with the Company's regulations.

3. Gifts, banquet, travel, hospitality and entertainment

In practice, it is understood that gift giving, banquet, providing hospitality and entertainment to our customers, suppliers and business partners with reasonable and appropriate will be beneficial to create commercial credibility and help strengthen business relationship as some business cultures tend to expect small gifts. However, the Company prohibits the giving of such things or services that are too excessive or inappropriate. Taking care of business hospitality, tour guides, gift giving, entertainment and banquet must be proper for the occasion and in accordance with the Company policies, laws and regulations.

In addition, various expenses that happened and activities performed as part of the hospitality, tour guides, gifts, entertainment and banquet must be transparent. This means that the accounting evidence of expenses and activities must be clearly identified the related person involved and clearly stating the business purpose, describe the activity and indicate the amount of money spent.

This report on sustainable development of JCK Hospitality Public Company Limited is prepared annually. Its content covers all economic policies and practices, social and environment of the Company by report the transactions during January 1 to December 31 of each year in the annual registration statement (Form 56-1 One Report) which is prepared with the objective to inform all stakeholders of their commitment to operate with the social responsibility and the operating results which are in line with the Company's framework. To determine the content of the report, the Company started from the study, survey and analysis for business development as well as the image of the Company to the public. Then prioritize the "customers" as the first priority as it is directly and indirectly affected by the Company's business engagement and "company's employee" is a key stakeholder next in the line because the Company foresee that employees are the main driving force that will make the Company be able to operate the business by delivering quality products and services with social responsibility and also affect to other group of stakeholders such as shareholders, business partners, people and community.

Pictures of activities which are beneficial to society and community

During 2023, the Company donated Saba Daidomon Fish Sauce with a total value of 205,420.74 Baht to the following organizations:

- Home for the Protection and Development of Disabled Persons, Baan Semi way (female), Pathum Thani Province, 3,000 bottles, total value 85,610.70 Baht.
- Home for the Protection and Development of Disabled Persons, Baan Semi-Withee (Male), Pathum Thani Province, 2,496 bottles, total value 62,559.69 Baht.
- Thanyaburi Women's Homeless Shelter Pathum Thani Province, 2,298 bottles, total value 57,250.35 Baht



4. Management Discussion and Analysis

1. Analysis on Financial Position, Operating performance and major operations

In 2023, there is one subsidiary of the Company has not started their operations. Consequently, the consolidated financial statements have information in terms of operating results that are not significantly different from the separate financial statements.

Statement of Comprehensive Income as at the year ended December 31, 2023

Statement of Comprehensive Income (Unit: Million Baht)	Separate financial Statements				Consolidated	
	Year 2022		Year 2023		Year 2023	
	Million Baht	%	Million Baht	%	Million Baht	%
Revenue from sale	512.04	93.60	258.13	69.69	258.13	64.92
Other income	35.03	6.40	34.83	9.40	30.33	7.63
Profit from changes in fair value of investment real estate	-	-	7.98	2.15	7.98	2.01
Profit from selling investments in subsidiary	-	-	-	-	101.16	25.44
Profit from exchanging assets	-	-	69.47	18.76	-	-
Total Revenue	547.072	100.00	370.41	100.00	397.60	100.00
Cost of goods sold	258.57	47.26	144.41	38.99	144.41	36.32
Selling and distribution expenses	317.31	58.00	193.34	52.20	193.34	48.63
Administrative expense	155.67	28.46	129.01	34.83	133.64	33.61
Total Expenses	731.55	133.72	466.77	126.02	471.39	118.56
Loss from operating activities	(184.48)	(33.72)	(96.36)	(26.02)	(73.79)	(18.56)
Finance cost	(30.01)	(5.49)	(29.53)	(7.97)	(35.97)	(9.05)
Loss before income tax	(214.49)	(39.21)	(125.90)	(33.99)	(109.76)	(27.61)
Income tax Benefit (Expense)	(0.17)	(0.03)	0.89	0	0.89	0.22
Loss for the year	(214.66)	(39.24)	(125.00)	(33.75)	(108.87)	(27.38)

As of December 31, 2023, the Company has restaurants including its branches which are operated of total 16 branches which consist of Hot Pot 5 branches (divided to 4 “Hot Pot Buffet” branches and 1 “Hot Pot Gold” branch) 2 “Daidomon Korean Grill” branches, 1 “Zheng Dou” branch, 5 “Shabu Tomo” branches, 1 “Burger & Lobster” branch and 2 “Ai Huo Guo” branches.

Brand	Number of Branch		
	31 Dec 2022	31 Dec 2023	Increase/ (Decrease) Branch
1) Hot Pot	33	5	(28)
2) Daidomon	5	2	(3)
3) Zheng Dou Grand	2	1	(1)
4) Shabu Tomo	-	5	3
5) Burger & Lobster	2	1	-
6) Ai Huo Guo	1	2	2
Total	43	16	(27)

Revenue

For the year 2023, the Company has total revenue of Baht 397.60 Million, decrease of Baht 145.96 Million Baht or equal to 26.85% when compared to the total revenue in Year 2022. The total revenue in 2022 consisted of revenue from sale of Baht 258.13 Million, decrease of Baht 253.91 Million or equal to 49.592% from 2022 and other income Baht 30.33 Million, decrease of Baht 1.18 Million or equal to 3.75%. There is profit from changes in fair value of investment property of Baht 7.97 Million and a profit from the sale of investments in subsidiary of Baht 101.16 Million.

Revenue Structure

Type of revenue	For the year ended December 31,			
	Year 2022		Year 2023	
	Million Baht	%	Million Baht	%
1. Revenue from Sales				
(a) from branches				
1) Hot Pot	383.92	70.18	97.20	33.18
2) Daidomon	56.53	10.33	23.09	7.88
3) Zheng Dou Grand	40.47	7.40	33.20	11.33
4) Bonsai ^{1/}	4.84	0.88	-	-
5) Shabu Tomo ^{2/}	19.24	3.52	62.88	21.46
6) Burger & Lobster ^{3/}	7.05	1.29	38.90	13.28
7) Ai Huo Guo ^{4/}	-	-	2.87	0.98
Total revenue from sales	512.05	93.60	258.13	88.11
2. Other income	35.03	6.40	34.83	11.89
Total revenue	547.07	100.00	292.96	100.00

Remark: ^{1/}Bonsai is closed in April 2022

^{3/}Burger & Lobster is open for service in November 2022

^{2/}Shabu Tomo is open for service in June 2022

^{4/}Ai Huo Guo opened for service in August 2023

Cost of Sales

The Company's main cost of sales consists of ingredient, food and drinks cost, as well as transportation and storage cost. In 2023, the Company's cost of sales was Baht 144.41 Million, decrease of Baht 114.16 Million or equal to 44.15% when compared to year 2022 which was in line with the decrease in sales, and when compared to the ratio to sales, the gross profit margin in 2023 equaled to 50.71%, decrease of 3.85 percent from the year 2022 with a gross profit margin of 52.74%, in line with the decrease in sales

Selling and administrative expenses

Selling and administrative expenses consists of employee expenses, utility bills, promotion expenses, and the cost of consumables, etc. In 2023, the Company had selling and administrative expenses equaled to Baht 322.35 Million separated into selling and distributing expenses in the amount of Baht 193.34 Million and administrative expenses in the amount of Baht 129.01 Million. Selling and distributing expenses was Baht 123.97 Million decrease equaled to 39.07% when compared to the previous year. Due to the Company closed down branches in line with the sale decrease. For the administrative expenses decrease in the amount of Baht 26.66 Million equaled to 17.13% from 2022 due to the Company closed down branches in line with the sale decrease.

Finance Cost

For the year 2023, the Company had finance cost of Baht 29.53 Million, decrease of Baht 0.48 million from the year 2022 or 1.60% decrease.

Net loss

As the factors that affected the Company's operations, the Company had net loss of Baht 125.00 Million in 2023, a decrease of Baht 89.66 Million or equaled to 41.77% compare to the previous year.

Analysis of Financial Position

Assets

Statement of financial position unit: Baht Million	Separate financial statement				Consolidated
	31 Dec, 2022	31 Dec, 2023	Change		31 Dec, 2023
			Amount	%	
Cash and cash equivalent	9.15	1.68	(7.47)	(81.64)	1.70
Trade and other current receivables	55.74	12.98	(42.76)	(76.71)	12.50
Short-term loans	91.79	7.69	(84.10)	(91.62)	-
Inventories	42.19	11.13	(31.06)	(73.62)	11.13
Other current assets	22.62	14.03	(8.59)	(37.98)	14.03
Total current assets	221.48	47.51	(173.97)	(78.55)	39.36
Restricted bank deposits	3.00	-	(3.00)	(100.00)	-
Investment in subsidiaries	30.00	30.00	-	-	-
Investment properties	65.71	669.93	604.22	919.53	669.93
Property, plant and equipment	372.84	430.65	57.81	15.51	642.83
Right-of-use assets	153.06	91.71	(61.35)	(40.08)	94.71
Intangible assets	8.35	7.22	(1.13)	(13.53)	7.22
Other non-current financial assets	66.19	47.56	(18.63)	(28.15)	47.56
Total non-current assets	699.14	1,277.07	577.93	82.66	1,459.25
Total assets	920.63	1,324.58	403.95	43.88	1,498.61

As at December 31, 2023, when compared to the separate financial statements, it can be seen that the total assets of the Company amounted to Baht 1,324.58 Million, an increase of Baht 403.95 Million or 43.88% when compare to December 31, 2022. The Company had cash and cash equivalent of Baht 1.68 Million, a decrease of Baht 7.47 Million or 81.64%. The Company had current assets of Baht 47.51 Million, a decrease of Baht 173.97 Million or equal to 78.55% decrease. The Company had trade and other receivables of Baht 42.76 million decrease or 76.71%, inventories of Baht 31.06 Million decrease or 73.62%, short-term loans of Baht 7.69 Million (from lending to subsidiaries), and other current assets of Baht 8.59 Million decrease or 37.98%.

For non-current asset when compared to the separate financial statements equaled to Baht 1,277.07 Million, an increase of Baht 577.93 Million or 82.66% from December 31, 2022 due to an increase in investment real estate of Baht 604.22 Million, or 919.53% with an increase in land, buildings and equipment were Baht 57.81 Million, or equal to 15.51%, and there was a decrease in right-of-use assets of Baht 61.35 Million, or equal to 40.08% from branch close down.

For the consolidated financial statement, as of December 31, 2023, on the Assets side had important financial information as follows:

1. Investment real estate such as land, TFD building is for rental space and building under construction that still have no plan to use total Baht 669.93 Million, arising from investments in 2023. The Company has assessed the fair value of investment property by independent external appraisers who have appropriate professional qualifications and has experience in appraising the price of this type of property.

2. Land, building, equipment appearing in the consolidated financial statements amounted to Baht 642.83 Million, divided into Baht 430.65 Million of the Company and Baht 212.18 Million of its subsidiary (CPT Hotel & Resort Company Limited), which the Company recorded as land and building with the value according to new price according to the valuation of the independent appraiser.

Liabilities and Shareholders' equity

Statement of financial position Unit: Baht Million	Separate financial statements				Consolidated
	31 Dec, 2022	31 Dec, 2023	Changes		31 Dec, 2023
			Amount	%	
Bank overdrafts and short-term Loan from financial institution	90.13	90.04	(0.09)	(0.10)	90.04
Short-term Loan	131.90	196.63	64.73	49.08	196.63
Trade and other payables	223.69	318.85	95.16	42.54	356.01
Current portion of long-term loans from financial institution	-	-	-	-	3.00
which due in one year	69.37	41.46	(27.91)	(40.23)	41.46
Current portion of lease liabilities which due in one year	7.75	2.67	(5.08)	(65.55)	2.67
Other current liabilities	124.74	120.11	(4.63)	(3.71)	120.11
Total current liabilities	647.58	769.76	122.18	18.87	809.92
Long term loan from financial institutions	-	-	-	-	63.09
Lease liabilities	100.53	66.14	(34.39)	(34.21)	66.14
Provision for decommissioning	12.01	3.73	(8.28)	(68.94)	3.73
Deferred Tax liabilities	60.41	61.51	1.10	1.82	75.18
Provision for Long-term employee benefits	4.39	4.39	-	-	4.39
Convertible Debenture	48.76	1.10	(47.66)	(97.74)	1.10
Options to convert	6.89	0.44	(6.45)	(93.61)	0.44
Long-term liability provision	-	-	-	-	14.45
Total non-current liabilities	232.99	137.31	(95.68)	(41.07)	228.52

Statement of financial position Unit: Baht Million	Separate financial statements				Consolidated
	31 Dec, 2022	31 Dec, 2023	Changes		31 Dec, 2023
			Amount	%	
Total Liabilities	880.57	907.07	26.50	3.01	1,038.44
Registered share capital	825.05	5,764.10	4,939.05	598.64	5,764.10
Issue and paid-up shares	586.81	1,902.53	1,315.72	224.22	1,902.53
Premium on ordinary shares	551.72	(261.30)	(813.02)	(147.36)	(261.30)
Appropriated retained earning	7.06	7.06	-	-	7.06
Unappropriated retained earning (deficit)	(1,277.95)	(1,400.81)	(122.86)	9.61	(1,410.92)
Other components of shareholders' equity	172.43	170.03	(2.40)	(1.39)	222.81
Total shareholders' equity	40.06	417.50	377.44	942.19	460.18
Total liabilities and shareholders' equity	920.63	1,324.58	403.95	43.88	1,498.61

As at December 31, 2023, when compared to the separate financial statements, the Company's total liabilities amounted to Baht 907.07 Million, an increase of Baht 26.50 Million or 3.01% when compared to December 31, 2022. The Company had total current liabilities of Baht 769.76 Million, an increase of Baht 122.18 Million or 18.87%. The Company had overdraft and short-term loans from financial institutions decreased Baht 0.09 Million or 0.10%, Short-term loans (individual promissory notes) increased Baht 64.73 Million or 49.08%, trade and other payables increased Baht 95.16 million or 42.54% and other current liabilities increased Baht 4.63 million or 3.71%.

For the Non-current liabilities totaled Baht 137.31 Million, decreased Baht 95.68 Million or 41.07%. The Company has the provision for decommissioning decreased Baht 8.28 Million or equivalent to 68.94%, deferred tax liabilities increased Baht 1.10 Million or 1.82%, Convertible Debenture and options to convert decreased Baht 54.11 Million or 97.23%, and liabilities under lease agreement decreased Baht 34.39 million or 34.21%.

For the consolidated financial statement as at December 31, 2023, the liability side had significant financial information, long-term loans from financial institutions (The portion due within one year and the long-term portion) in the amount of Baht 68.76 Million net divided into the Company's Baht 2.67 Million and its subsidiaries' Baht 66.09 Million.

Shareholders' equity

In 2023, the Extraordinary General Meeting of Shareholders No. 1/2023 resolved to approve the allocation and offering of additional common shares to Private Placement (Private Placement : "PP"), a total of 1 person, at a price of 0.17 baht per share, totaling Baht 274.98 Million, as partial compensation for the acquisition of land and office building.

Approve the allocation of additional common shares of the company for sale to existing shareholders (Right Offering) at an allocation ratio of 1 existing common share to not more than 2.75 additional common shares.

Approve the issuance and offering of warrants to purchase the Company's common shares No. 2 (JCKH-W2) to the Company's shareholders who subscribe and are allocated additional common shares offered for sale to Existing shareholders in proportion to their shareholding (Right Offering) without charge at the allocation rate of not more than 3 additional common shares per 1 unit of warrant.

Approve the allocation of additional capital shares of the Company to support the adjustment of rights according to warrants to purchase common shares of the Company No. 2 (JCKH-W2).

The Company has operated to offer and issue the convertible debentures to specific investors, Advance Opportunities Fund (“AO Fund”) and Advance Opportunities Fund 1 (“AO Fund 1”), the details of the conversion of convertible debentures as follows:

Type	Allocation	Amount of offered and issued convertible debentures (Baht)	Amount of exercised convertible debentures (Baht)	Amount of ordinary shares from conversion (Share)
The Convertible Debentures Set 2 (“CD2”)	1 time	5,000,000	50,000,000	579,021,294

For the shareholders’ equity when compared the separate financial statements at December 31, 2023 was equaled to Baht 417.50 Million, an increased Baht 377.44 Million or 942.20%, when compared to the previous year, resulted from an increase in capital increase in 2023.

For the consolidated financial statements as at December 31, 2023, the Group has shareholders’ equity in total of Baht 460.18 Million, an increased Baht 391.71 Million from 2022 which was Baht 68.47 Million due to increasing the registered capital of the Company and low value of common shares and the Company's 2023 operating loss.

Cash Flow Statement

Cash Flow Statement Unit: Million Baht	Separate financial statements				Consolidated
	Year 2022	Year 2023	Change		Year 2023
			Amount	%	
Cash flow from operating activities	(52.59)	14.90	67.49	(128.33)	18.34
Cash flow from investing activities	(38.59)	(81.86)	(43.27)	112.13	(78.04)
Cash flow from financing activities	91.23	59.48	(31.75)	(34.80)	52.24
Net increase (decrease) in cash and cash equivalent	0.06	(7.48)	(7.54)	(12,566.67)	(7.46)
Cash and cash equivalent at the beginning of year	9.09	9.15	0.06	0.66	9.15
Cash and cash equivalent at the end of year	9.15	1.67	(7.48)	(81.75)	1.69

For the year ending December 31, 2023 when comparing to the separate financial statements, the Company had cash and cash equivalents of Baht 1.67 Million, decrease from the balance carried forward on January 1, 2023 by Baht 7.84 Million which came from the following activities:

- 1) Net cash flow used in the operating activities in the amount of Baht 14.90 Million consisted of
 - Loss from cash operations of Baht 72.47 Million mainly from net loss of Baht 125.90 Million added back by depreciation of Baht 112.80 Million which was the financial cost of Baht 29.53 Million, profit from branch closure of Baht 0.93 Million, and reversal of loss from impairment of assets of Baht 5.50 Million.
 - Decrease in operating assets of Baht 86.51 Million. Mainly due to the decrease in trade and other receivables Baht 39.88 Million, inventories Baht 31.06 Million, and other current assets Baht 1.40 Million net with the decrease in other non-current financial assets Baht 14.17 Million.
 - Operating liabilities increased Baht 2.08 Million, mainly from the payments to trade and other payables of Baht 6.71 Million net with the decrease in other current liabilities of Baht 43.63 Million.
- 2) Net cash flow used in investment activities amounted to Baht 81.86 Million, mainly was spent on investment in properties, buildings, equipment, rebranding, improving/modifying branches and intangible assets of Baht 88.49 Million, net of receiving money from the sale of assets and selling investments in subsidiary of Baht 6.62 Million.
- 3) Net cash flow from financing activities amounted to Baht 59.48 Million, which was from the cash receipt from short-term loans of Baht 89.18 Million, cash receipt from capital increase of Baht 88.90 Million, cash receipt from issuance of convertible debentures Baht 5.00 Million net with the repayment of short-term loans of Baht 24.01 Million, payment of loans from financial institutions of Baht 2.09 Million, payment of lease liabilities of Baht 71.77 Million, cash paid for interest expenses of Baht 25.66 Million.

2. Factors or events that may significantly affect the financial position or operations

In 2023, despite the COVID-19 epidemic situation is unraveling, people are returning to traveling and back to their normal lives. However, Thailand still faces other challenges both from the fluctuating world economic situation and also the protracted war situation and the rising cost of living Including people's awareness of technological changes and new innovations that is important to play a role in society and business operations. All of these factors have a greater impact on the lifestyle and behavior of consumers.

For the main business is restaurant business, although the overall consumption situation in the country has benefited from the tourism sector which recovered quickly in line with government support policies. The Company still needs to operate business carefully because of the issue of the rising cost of raw material and the purchasing power of customers in some countries. In addition, competition in the restaurant market has greatly increased. which various factors, these may affect the operations of the Company. The Company has continuously changed its service branch management policy and changing restaurant brands in branches that are unable to meet the needs of the consumer market, including closing some branches where the Company cannot control costs effectively.

The Company is aware of the risks in business operations; therefore, policy business strategies have been changed to ensure stability and diversify risk to businesses other than the main restaurant business. The Company has successfully invested in and transferred ownership of land and office buildings in the center of Bangkok. To be used as the location of the Company's head office in order to reduce the burden of space rental expenses and also increase consistent income from the remaining rental space. Increases financial stability and is an asset that creates added value for the Company. There is also an opportunity for new building development on the adjacent vacant land in the future.

3. Information from financial statements and financial ratios

3.1. Summary of the Audit report

The financial statements for the year ended December 31, 2023 was audited by Mr. Jadesada Hungsapruerk, Certified Public Accountant (Thailand) No. 3759 from Karin Audit Company Limited who is the auditor that approved by the Office of Securities and Exchange Commission (SEC) who has made an unqualified opinion and observations on the audited financial statements regarding uncertainty with important information about continuously operation.

In his opinion, the financial statements present fairly in the financial position and separate financial statement of the Company's and its subsidiaries as of December 31, 2023, as well as consolidate and separate operating performance, and consolidate and separate cash flow for the year then ended on the same date correctly as they should in material respects in accordance with the Thai Financial Reporting Standards.

3.2. Summary of Financial Statements

Statement of Financial Position

Statement of Financial Position	Audited Financial Statement Ended December 31,							
	Separate financial statements						Consolidated financial statements	
	Year 2021		Year 2022		Year 2023		Year 2023	
	Baht	%	Baht	%	Baht	%	Baht	%
Assets								
Current assets								
Cash and cash equivalents	9,094,232	0.94	9,154,796	0.99	1,675,782	0.13	1,695,614	0.11
Trade and other current receivables	60,491,499	6.26	55,737,217	6.05	12,984,368	0.98	12,497,141	0.83
Short - term loans	-	-	91,788,479	9.97	7,686,910	0.58	-	-
Inventories	51,024,604	5.28	42,188,606	4.58	11,133,529	0.84	11,133,529	0.74
Advance payment	48,998,456	5.07	-	-	-	-	-	-
Other current assets	22,933,779	2.37	22,615,356	2.46	14,029,067	1.06	14,029,067	0.94
Total current assets	192,542,570	19.92	221,484,454	24.06	47,509,656	3.59	39,355,351	2.63
Non - current assets	-	-	-	-	-	-	-	-
Restricted with deposits	3,000,000	0.31	3,000,000	0.33	-	-	-	-
Investments in subsidiaries	30,000,000	3.10	30,000,000	3.26	30,000,000	2.26	-	-
Investment properties	-	-	65,706,249	7.14	669,929,336	50.58	669,929,336	44.70
Property, plant and equipment	439,372,062	45.45	372,839,305	40.50	430,640,783	32.51	642,830,861	42.90
Right - of - use assets	232,078,504	24.01	153,059,470	16.63	91,709,972	6.92	91,709,972	6.12
Intangible assets	2,640,748	0.27	8,349,364	0.91	7,224,633	0.55	7,224,633	0.48
Other non - current assets	67,091,143	6.94	66,190,468	7.19	47,564,509	3.59	47,564,509	3.17
Total non - current assets	774,182,457	80.08	699,144,856	75.94	1,277,069,233	96.41	1,459,259,311	97.37
Total assets	966,725,027	100.00	920,629,310	100.00	1,324,578,889	100.00	1,498,614,662	100.00
Liabilities and shareholders' equity								
Current liabilities								
Bank overdrafts and short - term loans from financial institutions	88,790,815	9.18	90,132,402	9.79	90,1041,580	6.80	90,1041,580	6.01
Short - term borrowings	124,240,877	12.85	131,903,151	14.33	196,627,467	14.84	196,627,467	13.12
Trade and other current payables	220,191,903	22.78	223,688,466	24.30	316,848,611	24.07	356,007,595	23.76
Current portion of long - term loans from financial institution which due within one year	15,000,000	1.55	-	-	-	-	2,997,571	0.20
Current portion of long - term loan resulting from default of financial covenants – commercial bank	-	-	7,752,890	.084	2,666,042	0.20	2,666,042	0.20
Current portion of lease Liabilities which due within one year	118,540,726	12.26	69,366,040	7.53	41,462,771	3.13	41,462,771	2.77
Other current liabilities	92,056,585	9.52	124,741,128	13.55	120,114,267	9.07	120,114,267	8.02
Total current liabilities	658,820,906	68.15	647,584,077	70.34	769,760,738	58.11	809,917,293	54.04
Non - current liabilities								

Statement of Financial Position	Audited Financial Statement Ended December 31,							
	Separate financial statements						Consolidated financial statements	
	Year 2021		Year 2022		Year 2023		Year 2023	
	Baht	%	Baht	%	Baht	%	Baht	%
Long - term loans from financial institution – Net, from the portion due within one year	6,252,890	0.65	-	-	-	-	63,093,253	4.21
Lease liabilities – Net, from the portion due within one year	151,739,803	15.70	100,525,073	10.92	66,134,817	4.99	66,134,816	4.41
Provision for decommissioning	16,962,843	1.75	12,008,109	1.30	3,730,340	0.28	3,730,340	0.25
Deferred tax liabilities	58,650,066	6.07	60,411,206	6.56	61,511,004	4.64	75,175,280	5.02
Provision for long - term employee benefits	4,389,837	0.45	4,392,890	0.48	4,389,030	0.33	4,389,030	0.29
Convertible debenture	25,658,952	2.65	48,759,244	5.30	1,103,979	0.08	1,103,979	0.07
The right to choose to convert	3,888,889	0.40	6,888,889	0.75	444,444	0.03	444,444	0.03
Long - term provision	-	-	-	-	-	-	14,450,000	0.96
Total non - current liabilities	267,543,280	27.68	232,985,411	25.31	137,313,614	10.37	228,521,142	15.25
Total liabilities	926,364,186	95.82	880,569,488	95.65	907,074,352	68.48	1,038,438,435	69.29

Statement of Financial Position (Continued)

Statement of Financial Position	Audited Financial Statement Ended December 31,							
	Separate financial statements						Consolidated financial statements	
	Year 2021		Year 2022		Year 2023		Year 2023	
	Baht	%	Baht	%	Baht	%	Baht	%
Shareholders' equity								
Registered capital	537,448,425	55.59	825,048,482	89.62	5,764,102,034	435.16	5,764,102,034	384.63
Issued and paid – up capital	329,340,680	34.07	586,808,187	63.74	1,902,530,134	143.63	1,902,530,134	126.95
Premium on ordinary shares	601,187,021	62.19	551,722,966	59.93	(261,298,991)	(19.73)	(261,298,991)	(17.44)
Retained earnings								
Appropriated - statutory reserve	7,055,720	0.73	7,055,720	0.77	7,055,720	0.53	7,055,720	0.47
Unappropriated (deficit)	(1,065,693,610)	(110.24)	(1,277,953,795)	(138.81)	(1,400,814,631)	(105.76)	(1,410,920,519)	(94.15)
Other components of shareholders' equity	168,471,030	17.43	172,426,744	18.73	170,032,305	12.84	222,809,883	14.87
Total shareholders' equity	40,360,841	4.18	40,059,822	4.35	417,504,537	31.52	460,176,227	30.71
Total liabilities and shareholders' equity	966,725,027	100.00	920,629,310	100.00	1,324,578,889	100.00	1,498,614,662	100.00

Statement of Comprehensive Income

Statement of Comprehensive Income	Audited Financial Statement Ended December 31,							
	Separate financial statements						Consolidated financial statements	
	Year 2021		Year 2022		Year 2023		Year 2023	
	Baht	%	Baht	%	Baht	%	Baht	%
Revenues								
Revenue from sales and revenue from services	427,612,675	96.94	512,045,077	93.60	258,132,268	69.69	258,132,268	64.92
Other income	13,509,771	3.06	35,026,888	6.40	34,825,190	9.40	30,333,463	7.63
Gain on fair value change of investment property	-	-	-	-	7,974,873	2.15	7,974,873	2.01
Profit from sale of investment in subsidiary	-	-	-	-	-	-	101,156,270	25.44
Profit from Asset Exchange	-	-	-	-	69,473,208	18.76	-	-
Total revenues	441,122,446	100.00	547,071,965	100.00	370,405,539	100.00	397,596,874	100.00
Expenses								
Cost of sales and cost from services	224,674,765	50.93	258,571,093	47.26	144,411,006	38.99	144,411,006	36.32
Selling and distribution expenses	244,553,848	55.44	317,308,043	58.00	193,342,369	52.20	193,342,369	48.63
Administrative expenses	156,937,957	35.58	155,671,176	28.46	129,014,140	34.83	133,634,833	33.61
Other expenses	40,064,058	9.08	-	-	-	-	-	-
Total expenses	666,230,628	151.03	731,550,312	133.72	466,767,515	126.02	471,388,208	118.56
Loss from operating activities	(225,108,182)	(51.03)	(184,478,347)	(33.72)	(96,361,976)	(26.02)	(73,791,334)	(18.56)
Finance cost	(34,650,888)	(7.86)	(30,008,984)	(5.49)	(29,533,138)	(7.97)	(35,966,504)	(9.05)
Loss tax benefits	(259,759,070)	(58.89)	(214,487,331)	(39.21)	(125,895,114)	(33.99)	(109,757,838)	(27.61)
Income (expense) income tax	2,168,889	0.49	(172,340)	(0.03)	893,920	0.24	893,920	0.22
Loss for the year	(257,590,181)	(58.39)	(214,659,671)	(39.24)	(125,001,194)	(33.75)	(108,863,918)	(27.38)
Other comprehensive income (loss) :								
Other comprehensive income not to be reclassified to profit or loss in subsequent periods								
Gain on revaluation of land and Building – net of tax	-	-	6,355,200	1.16	-	-	(1,879,530)	(0.47)
Loss on remeasurements of defined benefit plans	-	-	-	-	(254,081)	(0.07)	(254,081)	(0.07)
Other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of tax	-	-	6,355,200	1.16	(254,081)	(0.07)	(2,133,611)	(0.54)
Other comprehensive income (loss) for the year	-	-	6,355,200	1.16	(254,081)	(0.07)	(2,133,611)	(0.54)
Total comprehensive loss for the year	(257,590,181)	(58.39)	(208,304,471)	(38.08)	(125,255,275)	(33.82)	(110,997,529)	(27.92)
Earnings (Loss) per share								
Basic earnings (loss) per share Loss for the year (Baht per share)	(0.27)		(0.12)		(0.03)		(0.03)	

Cash Flow Statement

Cash flow statement	Audited Financial Statement Ended December 31,			
	Separate financial statements			Consolidated financial statements
	Year 2021	Year 2022	Year 2023	Year 2023
	Baht	Baht	Baht	Baht
Cash flows from operating activities				
Loss before tax	(259,759,070)	(214,487,331)	(125,895,114)	(109,757,838)
Adjustments to reconcile loss before tax to net cash provided by (paid from) operating activities				
Depreciation and amortization	211,913,463	185,367,977	112,799,227	112,799,227
Allowance for expected credit loss	1,948,767	-	12,861,378	12,861,378
Loss on impairment of investment in a subsidiary	1,000,000	-	(1,000,000)	-
Loss on impairment of assets (reversal)	36,000,000	(25,967,355)	(5,500,394)	(5,500,394)
Gain on sales of assets	(1,365,828)	1,108,562	(2,154,877)	(2,154,877)
(Gain) Loss on closure of branches	6,436,294	(11,898,479)	(929,286)	(929,286)
Loss on write-off of intangible assets	152,723	-	6,670,946	6,670,946
Losses on purchase of investments	-	-	-	-
Loss on lease modification	(126,061)	-	-	-
Reverse demolition estimates	-	(4,954,734)	(7,313,068)	(7,313,068)
Difference from negotiations with suppliers	(68,199,705)	(33,799,770)	(7,283,283)	(7,283,283)
Amortization of withholding income tax				
Amortization of the cost of issuing convertible debentures	10,889,818	15,154,745	2,900,290	2,900,290
Gain from selling investments in subsidiaries	-	-	-	(101,156,271)
Gain on fair value change of investment property	-	-	(7,974,873)	(7,974,873)
Profit from asset exchange	-	-	(69,473,208)	-
Provision for long-term employee benefits	1,584,812	1,871,607	1,364,907	1,364,907
Employee benefit payments after retirement	(719,710)	(1,868,553)	(1,622,849)	(1,622,849)
Interest income	(10,917)	(3,535,447)	(4,748,257)	(147,288)
Interest expense	-	-	-	-
Financial costs	30,660,888	30,008,984	29,533,138	36,523,379
Discount on bond value	-	-	(4,708,262)	(4,708,262)
Profit (loss) from operating activities before changes in operating assets and liabilities	(29,594,526)	(62,999,794)	(72,473,585)	(75,428,162)
Operating assets (increase) decrease				
Trade and other receivables	(50,825,737)	(34,513,844)	39,883,410	40,014,920
Inventories	(1,176,799)	8,835,998	31,055,077	31,055,077
Advances payment	-	-	-	-
Other current assets	(8,438,302)	694,511	1,402,909	1,402,909
Other non-current financial assets	10,783,558	900,675	14,171,699	14,171,699
Operating liabilities increase (decrease)				
Trade and other payables	(4,819,414)	2,708,411	6,707,824	13,843,106
Provision for long-term employee benefits	-	-	-	-
Other current liabilities	15,659,001	32,164,869	(4,626,862)	(4,626,862)
Cash flows from operating activities	(68,412,219)	(52,209,174)	16,120,472	20,432,687
Received from interest	-	-	-	-
Cash paid for income tax	(243,886)	(376,089)	(1,223,740)	(2,093,740)
Net cash flows from (used in) operating activities	(68,656,105)	(52,585,263)	14,896,732	18,338,947

Cash Flow Statement (Continued)

Cash flow statement	Audited Financial Statement Ended December 31,			
	Separate financial statements			Consolidated financial statements
	Year 2021	Year 2022	Year 2023	Year 2023
	Baht	Baht	Baht	Baht
Cash flows from investing activities				
Cash payment for increase in share capital of subsidiaries	(31,000,000)	-	-	-
Cash paid to acquisition investment property	-	-	(78,818,098)	(75,000,000)
Acquisition of property, plant and equipment	(77,099,212)	(39,043,671)	(8,957,557)	(8,957,557)
Acquisition of intangible asset	(42,090)	(6,886,625)	(708,463)	(708,463)
Cash received from sale of assets	4,079,301	7,327,892	5,611,848	5,611,848
Cash received from interest received	11,459	13,551	13,119	13,119
Cash received from disposal of investment in subsidiary	-	-	1,000,000	1,000,000
Net cash flows used in investing activities	(104,050,542)	(38,588,853)	(81,859,151)	(78,041,161)
Cash flows from financing activities				
Increase in bank overdrafts and short - term loans from financial institutions	(4,362,136)	1,341,587	(90,822)	(90,822)
Cash paid for short-term loans - related parties	-	-	(2,976,549)	-
Cash receipt from short - term borrowings	240,455,221	51,850,000	89,184,035	89,184,035
Repayments of short - term borrowings	(217,809,495)	(44,187,726)	(21,027,870)	(21,027,870)
Acquisition of long - term loans from financial institutions	-	(13,500,000)	(2,086,848)	(2,660,865)
Acquisition of lease liabilities	(93,300,200)	(93,997,346)	(71,765,161)	(71,765,161)
Cash receipt from increase in share capital	116,206,135	24,000,000	88,904,288	88,904,288
Cash receipt from issuance of convertible debentures	175,000,000	210,000,000	5,000,000	5,000,000
Cash paid for transaction costs of convertible debentures	(10,001,000)	(15,051,000)	-	-
Cash receipt from increase in share capital from exercised warrant	37,499	-	-	-
Interest paid	(29,588,922)	(29,220,835)	(25,657,668)	(35,300,592)
Net cash flows from (used in) financing activities	176,637,102	91,234,680	59,483,405	52,243,013
Net increase (decrease) in cash and cash equivalents	3,930,455	60,564	(7,479,014)	(7,459,201)
Cash and cash equivalents at beginning of year	5,163,777	9,094,232	9,154,796	9,154,815
Cash and cash equivalents at end of year	9,094,232	9,154,796	1,675,782	1,695,614
Supplemental cash flow information				
Non-cash item				
Increase in account payables from purchase of assets	3,961,960	-	-	-
Increase in account receivables from sale of assets	11,790,000	-	-	-

Financially Important Ratios

Financial Ratios	Separate financial statements			Consolidated financial statements
	Year 2021	Year 2022	Year 2023	Year 2023
Liquidity Ratio				
Current Ratio (time)	0.29	0.34	0.06	0.05
Cash Flow Liquidity Ratio (time)	(0.10)	(0.08)	0.02	0.02
Inventory turnover (time)	4.45	5.55	5.42	5.42
Account Payables Turnover (Time)	1.01	1.17	0.53	0.44
Payment period (days)	360.95	313.29	685.63	820.98
Profitability Ratio				
Gross Profit Margin (%)	49.07%	52.74%	50.71%	49.94%
Operating Profit Margin (%)	-51.03%	-33.72%	-26.02%	-18.56%
Net Profit Margin (%)	-58.39%	-39.24%	-33.75%	-27.38%
Return on Equity (%)	-629.47%	-533.84%	-54.64%	-41.19%
Efficiency Ratio				
Return on Assets (%)	-25.39%	-22.75%	-11.13%	-8.12%
Return on Fixed Assets (%)	-50.19%	-42.78%	-23.54%	0.64%
Asset Turnover (time)	0.43	0.58	0.33	0.30
Financial Policy Ratio				
Debt to equity ratio (time)	22.95	21.98	2.17	2.26
Interest coverage ratio (time) ^{1/}	(0.38)	0.03	0.56	1.08
Interest coverage ratio (cash basis) (time) ^{2/}	(3.33)	(0.79)	1.63	1.58
Net Debt to EBITDA ratio (time) ^{3/}	(49.72)	798.85	48.64	23.86
Commitment coverage ratio (time) ^{4/}	(0.06)	0.00	0.06	0.13
Financial institution loan to total debt ratio (time)	0.12	0.10	0.10	0.15

Remark :

- ^{1/} Interest coverage ratio calculated from profit (loss) before finance charges and income tax + depreciation and amortization ÷ by finance charges.
- ^{2/} Interest coverage ratio (cash basis) (time) calculated from (operating cash flow + operating interest + tax) ÷ operating interest expense investment and financing.
- ^{3/} Ratio of net debt to earnings before interest expense, income tax, depreciation and amortization calculated from (interest bearing liabilities – cash equivalents) ÷ profit (loss) before interest expense, income tax, depreciation and amortization.
- ^{4/} Debt service coverage ratio is calculated from earnings before interest, taxes, depreciation and amortization ÷ (interest bearing short term liabilities + interest-bearing long-term liabilities due within 1 year).

Financial Highlight (Unit : Million Baht)	Separate financial statements			Consolidated financial statements
	Year 2021	Year 2022	Year 2023	Year 2023
Statement of Comprehensive income				
Revenues from sales	431.31	512.05	258.13	258.13
Total revenues	441.12	547.07	370.41	397.60
Profit (Loss) before finance costs and income tax expenses	(225.11)	(184.48)	(96.36)	(73.79)
Profit (Loss) for the year	(257.59)	(214.66)	(125.00)	(108.86)
Statement of Financial Position				
Total assets	966.73	920.63	1,324.58	1,498.61
Total Liabilities	926.36	880.57	907.07	1,038.44
Total Shareholders' Equity	40.36	40.06	417.50	460.18
Per share information				
Par Value (Baht per Share)	0.25	0.25	0.25	0.25
Book value per share (Baht)	0.03	0.02	0.05	0.06
Net profit (loss) per share (Baht)	(0.27)	(0.12)	(0.03)	(0.03)
Financial Ratio				
Gross profit margin (%)	49.07%	52.74%	50.71%	49.94%
Net profit margin (%)	-58.39%	-39.24%	-33.75%	-27.38%
Return on equity (%)	-629.47%	-533.84%	-54.64%	-41.19%
Return on assets (%)	-25.39%	-22.75%	-11.13%	-8.12%
Current ratio (times)	0.29	0.34	0.06	0.05
Debt to Equity Ratio (times)	22.95	21.98	2.17	2.26

5. General Information and Other Important Information

5.1 General Information

Company	:	JCK Hospitality Public Company Limited / JCKH
Nature of Business	:	JCK Hospitality Pcl. ("The Company") operates 2 different kinds of business: <ol style="list-style-type: none"> <u>Restaurant business</u> consists of a buffet restaurants under the concept of "All you can eat" under the brands "HOT POT Inter Buffet", "HOT POT Gold" and "SHABU TOMO", grill buffet restaurants and Korean-style Grilled under the brands "Daidomon" and "Daidomon Korean Grill", casual dining restaurants in A La Carte for 2 nationalities such as Hong Kong style Chinese food, seafood and dim sum under the brand "Zhengdou Grand" and the British restaurant brand "Burger and Lobster" which is a famous bistro-style restaurant in London, England and in In 2024, the company added the brand "Ai Huo Guo", premium mala belt, that is very popular and is continually in demanding. <u>Real estate business</u> Office building business 6 floors and 1 basement floor, in the central business district area, Sathon, Bangkok. and the business of two 7-story residential buildings in Chiang Rai Province.
Office Location	:	Head Office is located at 18 Soi Sathon 11 Yeak 9 TFD Building, Yannawa, Sathon, Bangkok 10120
Registered Number	:	0107554000160
Registered Capital (As of January 8, 2024)	:	23,056,408,134 ordinary shares at par value of 0.25 per share, Total amount of Baht 5,764,102,033.50
Paid-up Capital : (As of January 8, 2024)	:	7,610,120,537 shares at par value of 0.25 per share, Total amount of Baht 1,902,530,134.25
Accounting Period	:	January 1 – December 31
Website	:	https://jckh-th.listedcompany.com
Telephone	:	(662) 286-9959
Facsimile	:	(662) 286-9960
Investor Relations	:	Company Secretary Section (662) 286-9959 cs@jckhgroup.com

References

Certified Auditor	:	Mr. Jadesada Hungsapruet CPA No. 3759 Karin Audit Co., Ltd. Head Office: 72 CAT Telecom Tower, Floor 24, Charoen Krung Road, Bangrak, Bangkok. 10500 Tel. (662) 105-4661 Fax. (662) 026-3760 Website : www.karinaudit.co.th
Internal Audit	:	Mr. Saksri Amphawon Dharmniti Internal Audit Co., Ltd. 178 Dharmniti Building 5 th Floor, Soi Permsap (Prachachuen 20), Prachchuen Road, Bangsue, Bangkok 10800 Tel: (662) 596-0500 Ext. 520,521 Website : www.dir.co.th
The Shares Registrar	:	Thailand Securities Depository Co., Ltd. 93 Ratchadapisek Road, Dindang Sub-district, Dindang District, Bangkok 10400 Telephone (662) 009-9000 Facsimile (662) 009-9991 Website : www.set.or.th/tsd
The Solicitor	:	The Far East Law Office (Thailand) Co., Ltd. 24 th Floor, 121/74-75 R.S.Tower Building Dindang Sub-district, Dindang District, Bangkok 10310 Telephone (662) 641-3181-88, (662) 248-6711 Facsimile (662) 641-3189-90, (662) 248-6719
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 Krung Thai Bank Public Company Limited

5.2 Other Important Information

- None -

5.3 Legal Dispute

As of December 31, 2023, the Company has a lawsuit related to tort, employment, trading and claim damages and breach of the lease agreement the total litigation value is Baht 14.06 million. However, the Company recorded the estimation of liabilities from such lawsuits under the accounts “account payables and other current payables” in the financial statement.

5.4 Secondary Market in case of Listing on the Stock Exchange of Other Countries

- None -

5.5 Financial institutions that are in constant contact (Only if the Company issues debt securities)

As of December 31, 2023, the Company has not issued debt securities.

6. Corporate Governance Policy

6.1 Overview of Corporate Governance Policies and Practices

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 ethically 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 2023 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.

In 2023, the Company performed its operations in accordance with good corporate governance, which is in line with 5 sections of the 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 The Rights of Shareholders

The Company aware 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 shareholders have sufficient time for consideration.

2. The Company encouraged the Board of Directors, the executives, 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 executives 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 The Equitable Treatment of Shareholders

1. Agenda Proposal and Director Nomination

The Company has policy to treat all shareholder groups whether are major, minor, executive or non-executive, 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, executives 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, executives 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 executive 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 Role 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, executives, 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. The Anti-Corruption Policy

The Company recognizes the significance of managing and conducting the business under the principles of good governance by adhering to the principles of conducting business with honesty and transparency. Therefore, the Company has established the anti-corruption policy for directors, executives, employees and workers of the Company to avoid any actions that may be related to all forms of corruption, whether for direct benefit or indirect benefit to oneself, family, friends or any other person related to oneself.

1. Scope

- 1.1 This policy applies to all directors, executives, employees and workers of the Company.
- 1.2 The Company will ensure that the franchisee or any person acting on behalf of the Company complies with this policy.

2. Duties and responsibilities

- 2.1 The Board of Directors is responsible for considering and approving the anti-corruption policy and assigns the management to supervise the implementation of the anti-corruption policy and measures
- 2.2 The Audit Committee is responsible for reviewing the internal control system inspection report and risk assessment related to the corruption as proposed by the internal audit department to ensure that the system has the least risk of causing corruption that has impact on the financial position and operating results of the Company and also suitability for the Company's business model.
- 2.3 The Chief Executive Officer and management have duties and responsibilities for supervising and communicating to employees and all related parties to ensure that the policy is implemented seriously and strictly. It also including the need to review the appropriateness of the anti-corruption to fit with the changes in the business or other legal requirements to present to the committee.
- 2.4 The internal audit department must perform their duties in accordance with the established internal audit plan and submit the report on the internal control system audit and assessment of corruption risks that arising from the internal audit control system for the Audit Committee to be informed including to perform as assigned by the Audit Committee in investigating the corruption related to the organization in addition to the internal audit plan that has been established.

3. 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, No. 18, 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 0-22 8 6 -9 9 5 9 or e-mail address: cs@jckhgroup.com or on the Company's website: <https://jckh-th.listedcompany.com>

The Company gives opportunities to institutional investors, retail investors, and securities analysts to attend meetings with the executive to ask questions about business operations, performance, and business trend. In 2023, no investors and securities analysts requested for meeting with the Company's executive.

Stock holdings by the Board of Directors and executives are as follows:

Name of Directors/Executives	Position	January 10, 2024 *		September 28, 2023 **		Changes during the year
		No. of Shares	%	No. of Shares	%	
1. Dr. Apichai Taechaubol ^{1/}	Chairman of the Board of Directors and Chairman of the Executive Committee	1,873,361,502	17.73	276,472,784	6.32	1,596,888,718
Spouse and minors		-	-	-	-	-
2. Mr. Gumpol Tiyarat ^{2/}	Independent Director Vice Chairman and Chairman of Audit Committee	-	-	-	-	-
Spouse and minors		-	-	-	-	-
3. Mr. Tawil Praisont ^{3/}	Independent Director Audit Committee member	-	-	-	-	-
Spouse and minors		-	-	-	-	-
4. Dr. Varnadharm Kanchanasuvarna	Independent Director Audit Committee Member	-	-	-	-	-
Spouse and minors		-	-	-	-	-
5. Mrs. Rachanee Siwawej	Director Executive Committee member	-	-	-	-	-
Spouse and minors		-	-	-	-	-
6. Mr. Athawut Taechaubol ^{4/}	Director Executive Committee member Chief Executive Officer	1,481,117,857	19.46	394,964,762	9.03	1,086,153,095
Spouse and minors						
7. Mr. Chotiwit Taechaubol ^{5/}	Director Executive Committee Member Chief Executive Officer	232,332,213	3.05	232,332,213	5.31	-
Spouse and minors		-	-	-	-	-

- Remark:** ^{1/} Dr. Apichai Taechaubol was appointed to the position of Director, Chairman of the Board and Chairman of the Executive Committee according to the resolution of The Board of Directors' meeting No. 2/2023 on 13 January 2023
- ^{2/} Mr. Gumpol Tiyarat has been appointed to the position of Director, Independent Director, Vice Chairman of the Board. and Chairman of the Audit Committee according to the resolution of the Board of Directors' meeting No. 6/2023 on 1 June 2023
- ^{3/} Mr.Tawil Praisont has been appointed to the positions of director, independent director and audit committee member according to the resolution of the Board of Directors' meeting No. 7/2023 on 15 August 2023
- ^{4/} It was resolved to change the position name of Mr. Athawut Taechaubol from the position of Joint Chief Executive Officer to Chief Executive Officer according to the resolution of the Board of Directors' meeting No. 4/2023 on March 23, 2023
- ^{5/} It was resolved to change the position name of Mr. Chotiwit Taechaubol from the position of Chief Executive Officer is the Chief Project Development Officer according to the resolution of the Board of Directors' meeting No. 4/2023 on March 23, 2023 and Mr. Chotiwit Taechaubol has resigned from his position as director, executive director and Chief Project Development Officer according to the resolution of the Board of Directors' Meeting No. 7/2023 on 15 August 2023, effective on 2 August 2023.
- * Number of paid-up shares 7,610,120,537 shares as of January 10, 2024, which is the date of compiling the list of shareholders Registration book closing date (XO).
- **Number of shares paid-up 4,375,486,382 shares as of September 28, 2023, which is the date the list of shareholders is compiled (Record Date).

Section 5 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 Director

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 purpose 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 director 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 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.

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 follows:

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/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 One Report) 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 Articles of Association. 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 shares 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 parts, 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 intent 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 of 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 Directors 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 have 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 whereas the nomination needs 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 in appropriation 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 fails to abide the regulations shall be disciplined follow to the Company's policies and/or related law depend on case-by-case basis.

6.2 Code of Conduct

Full Code of Conduct appears in attachment 5 of the Company's Annual Report (Form 56-1 One Report Year 2023).

The Company has established Code of Conduct in writing in order to properly comply with the standard of performance and show the intention to conduct business with transparency, honesty, and have moral responsibility towards stakeholders. It is used and disseminated to employees as a guideline for working and conducting the business correctly which reflect Vision, Missions, values and operational guidelines that all directors, executives and employees should conduct themselves and operate in accordance with the ethical framework set forth in various fields, namely:

- (1) Ethics for Treatment toward Stakeholders including shareholders, employees, customers, business partners, creditors, business competitors, society, community and environment.
- (2) Ethics for Compliance with law, rules and regulations and observing customs, traditions, and good morals.
- (3) Ethics for Respect for Human Rights.
- (4) Ethic for Avoidance of Infringement of Intellectual Property.
- (5) Ethics for Anti-Corruption.
- (6) Ethics for Receiving and Offering Gifts, Properties or Other Benefits.
- (7) Ethics for Conflicts of Interest.
- (8) Ethics for Keeping Confidential Information, Use of Internal Information and Trading of the Company's Securities.
- (9) Ethics for Protection of the Company's Properties
- (10) Ethics for Internal Control
- (11) Ethics for Distribution of information and Interviews with the Press or the Public
- (12) Ethics of Directors and Executives
- (13) Ethics of Employees

In this regard, the Company has announced and notified all directors, executives and employees for their acknowledgment and adherence to the Code of Conduct strictly. The Code of Conduct is also designated as one of the topics for new employee orientation and is also published on the Company's website.

Conflict of Interest

The Board of Directors has established a policy on conflicts of interest by stipulating those directors, executives and employee, including those related to such persons, are not allowed to seek personal benefits that conflict with the Company's interests, avoid actions that cause conflicts of interest. Therefore, any person who is related to or connected to the considered transaction must inform the Company of their relationship or connection with the said transaction and must not participate in the adjudication including no approval authority in that transaction.

The Audit Committee will present to the Board of Directors about the connected transactions and the transactions with conflicts of interest which has been carefully considered suitability. The Company has strictly complied with the regulations of the Capital Market Supervisory Board and the Stock Exchange of Thailand regarding pricing and conditions with a person who may have a conflict of interest as a transaction with a third party by disclosing the transactions in the financial statements and Annual Report (Form 56-1 One Report).

Internal Control

The Board of Directors attaches great importance to governance and internal control, and risk management both at the management level and at the effective operational level. The internal control system and risk management are important mechanisms to build confidence in the management in reducing business risks and helping to run the business efficiently by allocating resources appropriately and achieving the goals, help protect assets from leakage and lost from corruption, make financial reports accurate and reliable. Personnel comply with relevant laws and regulations as well as to protect the investment of shareholders. Therefore, the Company has determined the duties and powers of the operators and executives in various matters clearly in writing. There is a control over the use of the Company's assets to benefit and there is a separation of duties between operators and followers, control and evaluation in order to achieve proper balance and check between each other.

The Board of Directors has assigned the Audit Committee to be responsible for reviewing the suitability and efficiency of the internal control system and the risk management system provided by the management including the preparation and review of the control system both operational financial reporting compliance with rules, regulations, policies and governance as well as managing risks and also pay attention to early warning signs and unusual transactions.

In this regard, the Company has hired outsiders to act as auditors on the Company's internal control system, namely Dharmniti Internal Audit Company Limited, which audits to ensure that the Company has adequate and appropriate internal control systems and reports the results directly to the Audit Committee for internal auditors to be independent and be able to perform full checks and balances. The Chairman of the Audit Committee will report the quarterly audit results of the internal auditors to the Board of Directors for acknowledgment and used to fix and improve the problematic part. The Company has regular monitoring and evaluation. There is an assessment of the sufficiency of the internal control system at least once a year to assure that the established system can operate efficiently. In this regard, the Company assigns the Company Secretary to act as a liaison between the internal auditors and various departments in the Company.

Committee Report

The Board of Directors is responsible for the Company's financial statements. and financial information appearing in the annual report. The Audit Committee has been assigned to review financial reports and to ensure that financial reports are prepared with quality and accuracy according to generally accepted accounting standards by choosing an appropriate accounting policy and practice regularly. The Company's important

information is disclosed transparently and sufficiently. The financial statements are prepared in accordance with accounting standards certified and audited by EY Office Limited, which is the Company's auditor. Disclosure of important information is done on the basis of complete and consistent facts.

6.3 Important changes and developments in policy, guidelines and systems of corporate governance in the past year

The Board of Directors has reviewed the Good Corporate Governance Manual and the Company's Code of Conduct annually. For the year 2023, the Board of Directors Meeting No. 14/2023, dated November 14, 2023, has reviewed and improved the Good Corporate Governance Manual and Company Code of Conduct with reference to the Good Corporate Governance Principles for Listed Companies 2017 of the Securities and Exchange Commission (SEC), which has been implemented in accordance with the Company's business operations.

Evaluation of corporate governance of listed companies for the year 2023

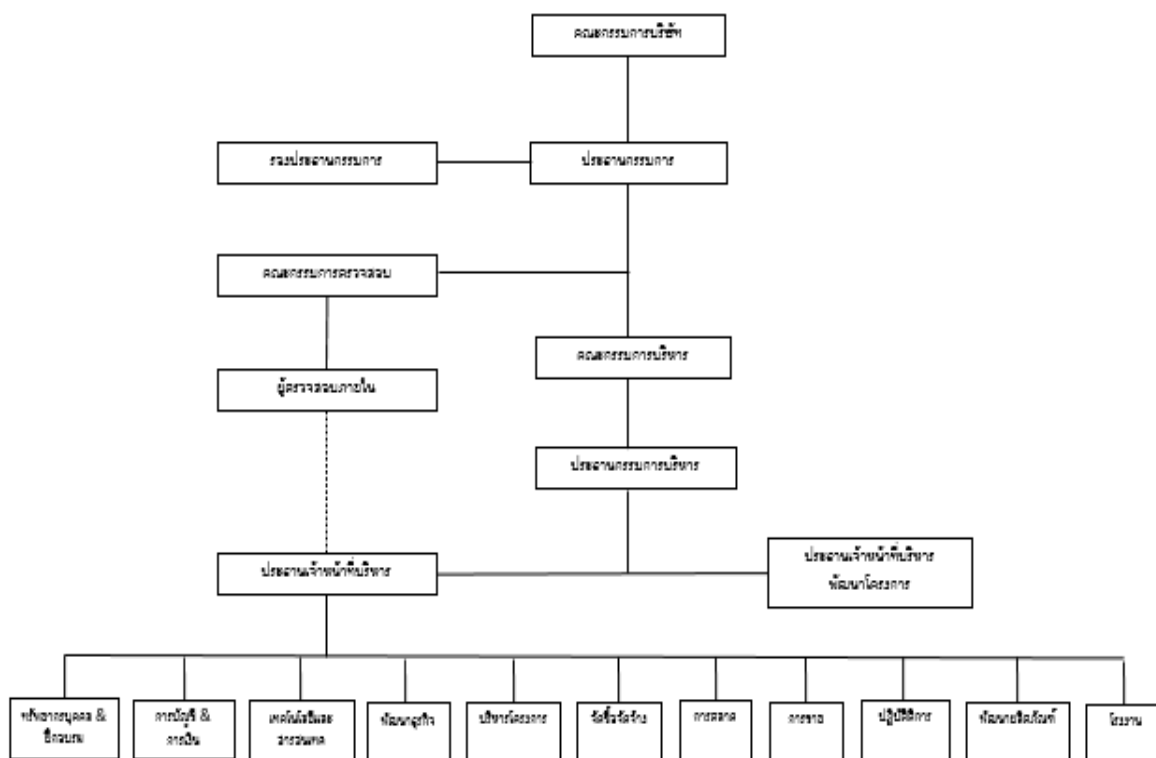
From the assessment of corporate governance of Thai Listed Companies for the year 2023, which was evaluated by the Thai Institute of Directors Association (IOD), the company received a score of 78%, rated as very good or 4 stars, compared to the year 2022 which was equal to together at 85%.

Quality Assessment of the 2023 Annual General Meeting of Shareholders

From the assessment of the quality of the 2023 Annual General Meeting of Shareholders, which was evaluated by the Thai Investors Association, the Company scored 86% compared to the year 2022 which scored 94%.

7.1 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 and executives of the Company comprising of competent persons holding qualification as stipulated in Section 68 of Public Company Limited Act B.E. 2535 (A.D 1992) and in accordance with the related notification of the Capital Market Supervisory Board. The Board of Directors consists of 6 directors who are 3 independent directors (equivalent to 50%) and 3 executive directors (equivalent to 50%). The management structure of the Company as of December 31, 2023 is shown as per the following



Remark :

1. The Company reorganized the management structure on December 31, 2023.
2. Year 2023, the Company has appointed Dharmniti Internal Audit Co., Ltd as an internal auditor.

7.2 Information regarding the Board of Directors

The Board of Directors



Dr. Apichai Taechaubol

Chairman

Executive Chairman

Date of appointment January 16, 2017

Has resigned from the position on August 31, 2022 and has been reappointed to the position on January 13, 2023



Independent Director

Audit Committee Member

Date of appointment August 15, 2023



Independent Director

Vice Chairman

Audit Committee Chairman

Date of appointment June 1, 2023



Dr. Varnadharm Sanchanasuvanna

Independent Director

Audit Committee Member

Date of appointment

April 23, 2018



Wut Thachai
Director

Executive Committee Member

Chief Executive Officer *

Date of appointment

March 26, 2021

* As of March 23, 2023, the Board of

Directors' Meeting No. 4/2023

It was resolved to change the position

name from Joint Chief Executive Officer

to Chief Executive Officer



Mrs. Rachanee Siwaw
Director

Executive Committee Member

Date of appointment

March 31, 2018

As of December 31, 2023, the Board of Directors consisted as follows:

No.	Name	Position	Meeting Attandancy		
			Board of Directors' Meetings	Audit Committee Meetings	Executive Committee Member Meeting
1.	Dr. Apichai Taechaubol ^{1/}	Director Chairman Chairman of Executive Committee	10/10	-	-
2.	Mr. Gumpol Tiyyarat ^{2/}	Independent Director Vice Chairman Chairman of the Audit Committee	6/6	2/2	-
3.	Mr. Tawil Praisont ^{3/}	Independent Director Audit Committee Member	5/5	1/1	-
4.	Dr. Varnadharm Kanchanasuvarna	Independent Director Audit Committee Member	12/12	5/5	-
5.	Mrs. Rachanee Siwawej	Director Executive Committee Member	12/12	-	-
6.	Mr. Athawut Taechaubol ^{4/}	Director Executive Committee Member Joint Chief Executive Officer Chief Executive Officer	12/12	-	-
	Mr. Prasong Vara-ratanakul ^{5/}	Independent Director Vice Chairman Chairman of Audit Committee	5/5	3/3	-
	Mr. Chetawan Anuntasomboon ^{6/}	Independent Director Audit Committee Member	6/6	3/3	-
	Mr. Chotiwiit Taechaubol ^{7/}	Director Executive Committee Member Chief Executive Officer Chief Project Development Officer Chief Executive Officer	3/3	-	-

Remark : ^{1/} Dr. Apichai Taechaubol has been appointed to the position, Director, Chairman and Chairman of Executive Committee, according to the Board of Directors' Meeting No.2/2023 which held on January 13, 2023

^{2/} Mr. Gumpol Tiyyarat has been appointed to the position, Independent Director, Vice Chairman and Chairman of the Audit Committee according to the Board of Directors' meeting No. 6/2023 on 1 June 2023

^{3/} Mr. Tawil Praisont has been appointed to the position, Independent Director and Audit Committee Member according to the Board of Directors' meeting No. 7/2023 on 15 August 2023

^{4/} The Board of Directors' Meeting No. 4/2023 on March 23, 2023 resolved to change the position name of Mr. Athawut Taechaubol from the position. Co-Chief Executive Officer to Chief Executive Officer

^{5/} Mr. Prasong Vara-ratanakul has resigned from the position of independent Director, Vice chairman and Chairman of the Audit Committee, effective June 1, 2023

^{6/} Mr. Chetawan Anuntasomboon has resigned from the position of independent Director and Audit Committee Member, effective June 28, 2023

^{7/} The Board of Directors' Meeting No. 4/2023 on March 23, 2023 resolved to change the position name of Mr. Chotiwiit Taechaubol from the position Chief Executive Officer is the Chief Project Development Officer and Mr. Chotiwiit Taechaubol has resigned from his position as Director, Executive Director and Chief Project Development Officer, effective August 2, 2023

Ms. Ploynutcha Vorapatjiranon is the Company Secretary and she has resigned from the position of Company Secretary effective December 31, 2023

Tenure of the Board of Directors

At the AGM each year, one-third of members of the Board shall retire. If such a 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.

Authorized Directors to sign on behalf of the Company

Two Directors jointly sign and affix the Company's seal.

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.

7.3 Information regarding the Sub-Committees

1) Audit Committee

As of December 31, 2023, the Audit Committee consisted of 3 members as follows:

No.	Name	Position
1.	Mr. Gumpol Tiyarat ^{1/}	Chairman of Audit Committee
2.	Mr. Tawil Paison ^{2/}	Member of Audit Committee
3.	Dr.Varnadharm Kanchanasuvarna	Member of Audit Committee

Remark : ^{1/} Mr. Gumpol Tiyarat has been appointed to the position, Independent Director, Vice Chairman and Chairman of the Audit Committee according to the Board of Directors' meeting No. 6/2023 on 1 June 2023

^{2/} Mr. Tawil Praisont has been appointed to the position, Independent Director and Audit Committee Member according to the Board of Directors' meeting No. 7/2023 on 15 August 2023

Therefore, Mr. Gumpol Tiyarat 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 Directors 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 shall 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.

2) Executive Committee

As of December 31, 2023, the Executive Committee consisted of 3 members as follows;

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

Remark : ^{1/} Dr. Apichai Taechaubol has been appointed to the position, Director, Chairman and Chairman of Executive Committee, according to the Board of Directors' Meeting No.2/2023 which held on January 13, 2023.

^{2/} Mr. Chotiwit Taechaubol has resigned from his position as Director, Executive Director and Chief Project Development Officer, effective August 2, 2023

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 policies, 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 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.

7.4 Information regarding the Management and Employees

7.4.1 Management Team

As of December 31, 2023, the Management Team* consisted of 2 executives as follows:

No.	Name	Position
1.	Mr. Athawut Taechaubol ^{1/}	Chief Executive Officer
2.	Ms. Montatip Saithong	Marketing Manager
	Mr. Chotiwiit Taechaubol ^{2/}	Chief Project Development Officer
	Mrs. Rujinart Pornkittikun ^{3/}	Project Development and Procurement Manager

Remark :	No. 1. - 2. are the Company's Executives according to the definition of executives in the Notification of the SEC No. KorChor. 17/2551 Re: Determination of Definitions in Notifications relating to Issuance and Offer for Sale of Securities including those with further amendments.
^{1/}	The Board of Directors' Meeting No. 4/2023 on March 23, 2023 resolved to change the position name of Mr. Atthawut Techaubon from the position. Co-Chief Executive Officer to Chief Executive Officer
^{2/}	The Board of Directors' Meeting No. 4/2023 on March 23, 2023 resolved to change the position name of Mr. Chotiwiit Taechaubol from the position Chief Executive Officer is the Chief Project Development Officer and Mr. Chotiwiit Taechaubol has resigned from his position as Director, Executive Director and Chief Project Development Officer, effective August 2, 2023
^{3/}	Mrs. Rujinart Pornkittikun has resigned from his position as Project Development and Procurement Manager, effective December 31, 2023

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.

7.4.2 Remuneration of Directors and Executives

1. Remuneration of Director

• Monetary of Director

The 2023 Annual General Meeting of shareholders held on April 25, 2023 resolved to approve the remuneration of Directors at Baht 3,500,000 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 2023			Year 2022		
	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	30,000	30,000		30,000		
Chairman of Audit Committee	30,000	30,000	15,000	20,000	15,000	15,000
Director, Executive Committee Member, Chief Executive Officer, and Joint Chief Executive Officer	25,000			25,000		
Director and Executive Officer	15,000	15,000		15,000		
Director	15,000	15,000		15,000	15,000	
Audit Committee Member	15,000	15,000	10,000	15,000	15,000	10,000

Remark : ¹ Meeting of Audit Committee

In 2023, each of the Board of Directors' members received meeting allowances and other benefits as follows:

No.	Name	Position	Meeting Allowance (Baht/Year)	Director Compensation (Baht/Year)	Total Remuneration (Baht/Year)
1.	Dr. Apichai Taechaubol ^{1/}	Director Chairman Chairman of Executive Committee	300,000.00	348,387.10	648,387.10
2.	Mr. Gumpol Tiyarat ^{2/}	Independent Director Vice Chairman Chairman of the Audit Committee	210,000.00	210,000.00	420,000.00
3.	Mr. Tawil Praisont ^{3/}	Independent Director Audit Committee Member	85,000.00	68,225.81	153,225.81
4.	Dr. Varnadharm Kanchanasuvarna	Independent Director Audit Committee Member	230,000.00	180,000.00	410,000.00
5.	Mrs. Rachanee Siwawej	Director Executive Committee Member	180,000.00	180,000.00	360,000.00
6.	Mr. Athawut Taechaubol ^{4/}	Director Executive Committee Member Joint Chief Executive Officer Chief Executive Officer	180,000.00	300,000.00	480,000.00
	Mr. Prasong Vara-ratanakul ^{5/}	Independent Director Vice Chairman Chairman of Audit Committee	195,000.00	150,000.00	345,000.00
	Mr. Chetawan Anuntasomboon ^{6/}	Independent Director Audit Committee Member	120,000.00	88,500.00	208,500.00
	Mr. Chotiwiit Taechaubol ^{7/}	Director Executive Committee Member Chief Executive Officer Chief Project Development Officer	90,000.00	175,806.45	265,806.45
	Total		1,590,000.00	1,700,919.36	3,290,919.36

Remark : ^{1/} Dr. Apichai Taechaubol has been appointed to the position, Director, Chairman and Chairman of Executive Committee, according to the Board of Directors' Meeting No.2/2023 which held on January 13, 2023

^{2/} Mr. Gumpol Tiyarat has been appointed to the position, Independent Director, Vice Chairman and Chairman of the Audit Committee according to the Board of Directors' meeting No. 6/2023 on 1 June 2023

^{3/} Mr. Tawil Praisont has been appointed to the position, Independent Director and Audit Committee Member according to the Board of Directors' meeting No. 7/2023 on 15 August 2023

^{4/} The Board of Directors' Meeting No. 4/2023 on March 23, 2023 resolved to change the position name of Mr. Athawut Taechaubon from the position. Co-Chief Executive Officer to Chief Executive Officer

^{5/} Mr. Prasong Vara-ratanakul has resigned from the position of independent Director, Vice chairman and Chairman of the Audit Committee, effective June 1, 2023

^{6/} Mr. Chetawan Anuntasomboon has resigned from the position of independent Director and Audit Committee Member, effective June 28, 2023

^{7/} The Board of Directors' Meeting No. 4/2023 on March 23, 2023 resolved to change the position name of Mr. Chotiwiit Taechaubol from the position Chief Executive Officer is the Chief Project Development Officer and Mr. Chotiwiit Taechaubol has resigned from his position as Director, Executive Director and Chief Project Development Officer, effective August 2, 2023

- Other remuneration

-None-

2. Remuneration of Executives

- Monetary remuneration

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

Remuneration	Year 2023		Year 2022	
	Number of Executive (Person)	Amount (Baht)	Number of Executive (Person)	Amount (Baht)
Salary	3	4,812,000	5	10,148,164

Remark : In 2023, there were 3 executives consisting of 1) Mr. Athawut Taechaubol 2) Mr. Chotiwit Taechaubol^{1/} 3) Mrs. Rathatip Apichotikorn^{2/}

^{1/} Mr. Chotiwit Taechaubol has resigned from his position as Director, Executive Director and Chief Project Development Officer, effective August 2, 2023

^{2/} Mrs. Rathatip Apichotikorn resigned from the position of Accounting and Finance Manager on December 31, 2023.

- Other remuneration

Remuneration	Year 2023		Year 2022	
	Number of Executive (Person)	Amount (Baht)	Number of Executive (Person)	Amount (Baht)
Provident fund contribution, social security contribution and other benefits after resignation	2	228,000	5	817,014

7.5 Information about employees

As at December 31, 2023, the Company has total employees (excluding the Company's executives) totaling 1,211 persons which are 673 full-time employees and 538 temporary employees which can be divided by department as follows :

Department	Numbers of employees (person)			
	Year 2023		Year 2022	
	Full-time	Temporary	Full-time	Temporary
1. Human Resources	19		18	
2. Procurement	9		10	
3. Information and technology	8		6	
4. Product Development	4		5	
5. Factory	76		98	
6. Financial and Accounting	32		35	
7. Marketing	6		10	
8. Project development	-		-	
9. Business Development	2		1	

Department	Numbers of employees (person)			
	Year 2023		Year 2022	
	Full-time	Temporary	Full-time	Temporary
10. Maintenance	9		15	
11. Operation	462	538	631	1,370
12. Administrative	23		11	
13. Operational training	3		3	
14. Internal Audit	1		1	
15. Construction	16		21	
16. Sale	3		4	
Total	673	538	869	1,370

Remark : The internal Audit is under the Accounting Department.

● Employee compensation

The Company paid the compensation in terms of monetary to employees (including temporary employees) in the forms of salary, overtimes, provident fund, social security fund and other compensation as follows:

	Year 2023		Year 2022	
	Number of employees (persons)	Amount (Million Baht)	Number of employees (persons)	Amount (Million Baht)
Compensation	1,211	92.40	2,239	133.68

The Company has set up the provident fund with MFC Asset Management Public Company Limited which the Company has begun to pay contributions to the fund since 1 March 2023 with the objective to build employee morale and to motivate employees to work with the Company in the long run. The rate of employees' cumulative contribution and the contributions of the Company is at the same rate depending on the length of service of each employee as follows:

- Working period less than 3 years, the rate is 3%
- Working period between 3-6 years, the rate is 4%
- Working period over 6 years, the rate is 5%

● Labor disputes

In the past 5 years, the Company has had a significant labor dispute that has negative impact on the Company. (Regarding compensation for closing branches and delayed retirement payments)

● Human resource development policy

The Company has emphasizes on the training and developing knowledge of employees continuously from the operational level to the management level to enhance skills, transfer knowledge, expertise, ability and good attitude to work which will help to perform tasks and duties to be efficient and increase the ability to work including improving the quality of service.

In terms of operating in various branches, the Company provides the training courses for employees of the stores in order to perform their duties within the branches and provide services to customers efficient and standardized. This covers the work of all types of employees such as receptionists, waitress, cashier, desk attendant, staff checking food at the food bar, store cleaning staff, food preparation and cooking staff etc. as well as training for management team and branch management. In order to have a standardized store management system by focusing on the management of raw materials, products and inventories, cash management, human resources management, branch planning and management, cost and expense control, and how to create sales and profits of the branch.

On the part of factory workers, the Company also provides the training which emphasize on the production, quality control of raw materials and products, developing new recipes and types of food to meet the needs of customers, trends and festive, standardized production, having delicious and consistent food taste, cost reduction and increase productivity including skill training on specialized work techniques or professional knowledge such as service strategies for success, logistics management, freight ordering products etc. to employees in the office of the factory or various related departments as well as providing an orientation for new employees (orientation) in the matter of safety, occupational health and working environment including knowledge and understanding of the GMP/HACCP quality standard system.

In addition to the In-House Training, the Company still also encourage employees to attend external training and seminars to improve their knowledge, capacity and capability to employees so that they can perform their responsibilities more efficiently and effectively.

In 2023, the Company has organized a total training course of 10 courses representing the number of hours that employees receive training on an average of 8 hours per person. For the training plan in year 2023, the Company focuses on intensive courses which are important to the operations and suite to the needs of the operations department. As a result, the course of training was reduced from the previous year but focused on reviewing the original content to provide knowledge, understanding and expertise because the Company focuses on content both in theory and practice. This gives employees more hours of learning per person.

In 2023, the Company has organized 10 In-house Training courses as follows:

1. The Course **“Training to raise service standards of operations executives at Shabu Tomo Restaurant (at Branch)”** It is a training course for executive levels of Shabu Tomo. Because the Company has made improvements and developments in order to change the current pattern of services of Shabu Tomo Restaurant. Hence, the customers can experience services in a new way with Shabu Tomo Restaurant. Therefore, this operational training is very necessary for both services standard as well as kitchen work and to enable employees to understand and be able to perform their work properly.

2. The Course **“Training to raise service standard and kitchen work to impress at Shabu Tomo Restaurant, Class 1-2 (at Branch)”** It is a training course for all levels of Shabu Tomo employees with the main objective is to provide employees with knowledge of the changing the work procedures. To make employees understand the new way of working in the service standard and kitchen work and also increase good working potential of employees - knowledge and understanding of their roles and

responsibilities in order to give customers the highest impression when visiting every branch of Shabu Tomo Restaurant.

3. The course **“Training the Navision System to develop the work of the accounting and IT departments (at the head office)”** The Company is focused on operating this system to become more successful, especially in the accounting department. Therefore, this training on the Navision System has been organized to record business transactions, tax invoices preparation and receipts. The Microsoft Dynamics Navision System is to more efficient and be able to reduce work steps from before. This training allows employees to gain more knowledge and understanding and also increase working skills in future.

4. The course **“Coaching & Mentoring, coaching for success, Class 1 (at branch)”**. This course is a course for a branch supervisor to train, recommend and also assign work to the employees By providing and coaching employees to work in order to achieve the objectives efficiently. Therefore, coaching and mentoring is one of the duties of a supervisor in order to enable employees to gain more knowledge, understanding, expertise and work in proper way. The supervisor must explain the objectives, operation method in detail and clearly to be successful both in work and the organization.

5. The course **“Coaching & Mentoring, coaching for success, Class 1 (at factory)”**. The course is for factory supervisor supervisor to train, recommend and also assign work to the employees By providing and coaching employees to work in order to achieve the objectives efficiently. Therefore, coaching and mentoring is one of the duties of a supervisor in order to enable employees to gain more knowledge, understanding, expertise and work in proper way. The supervisor must explain the objectives, operation method in detail and clearly to be successful both in work and the organization.

6. The course **“Love your company, Love your jobs (at the office)”** is a course for office employees focusing on an individual with an understanding of how to create awareness to love the organization easily and does not cause any negative thoughts towards the organization which will be a negative effect on work. Changing the attitudes and ideas that are good for the organization, to behave in accordance with the current corporate image. Let's be happy in the present work.

7. The course **“Training to raise the working standards of executives at Ai Huo Guo Shop, Class 1 (at the Branch)”** It is a training course for executives in the Department Head group so that executives can recognize the needs of consumers. In the current Mala Shabu group, brainstorm ideas for setting up a new brand especially paying attention to food quality and tasty. Therefore, the success of Ai Huo Guo Restaurant must depend on a group of executives from various departments that need a good cooperation accordingly. The work section of each department will be assigned and to be in the same direction. This training so that executives can use the work standards of each department for further development as well as improve the Ai Huo Guo shop for the future branches.

8. The course **“Practice raising the standard of service and kitchen work to impress at Ai Huo Guo Shop, Class 1-2 (at the branch)”** It is a course used for training store employees. Ai Huo Guo to make customers impressed when accessing the service, therefore, the success of Ai Huo Guo restaurant

must depend on the service staff and kitchen work including branch managers who must cooperate and help to perform the work in order to meet company's objective. By impressing the customers, it requires the cooperation of employees at every level in the store. The important objectives of organizing this training are: the fact that customers come back to use the service again and spread the word and adding new customers in the future

9. The course **"Train receptionists to be professional. (Professional Receptions Skills) (at branch)"** It is a course to train branch receptionists to be more professional as the competition in the restaurant business has become more intense every day, service providers are very important for customers to choose and because receptionists are the first person that greets the customers. Therefore, the Company realised the importance of training receptionists and allowing receptionists to develop their working abilities, including techniques and learning. To impress customers from the first time they meet. Including developing skills and personality professionally.

10. The course **"Practice upgrading the planning and management of Daidomon's kitchen management (Kitchen Management) (at the branch)"** It is a training course for kitchen staff at Daidomon Restaurant. Because kitchen work is considered as the major factor of a restaurant business because good taste is attracting customers to come back and use the service again. Moreover, the large amount of cost is in the kitchen. If we have good kitchen management, It means that we have successfully controlled the most important cost. Therefore, there has been Organize such training courses. In order to help employees plan kitchen management with maximum efficiency that can reduce costs and maximize profits for the organization as well.

7.6 Other significant informations

7.6.1 List of persons assigned to be responsible for the following

1. Company Secretary

The Board of Directors Meeting No. 3/2023 held on February 28, 2023 resolved to appoint Ms. Ploynutcha Vorapatjiranon to be the Company's Company Secretary (More details about the Company Secretary appear in Attachment 1) with duties and responsibilities as specified in Section 89/15 and 89/16 of the Securities and Exchange Act (No.4), 2008 with responsibility, caution and honesty as well as to comply with the law, objectives, Company's regulations, Board of Directors' Resolutions and the Shareholders' meeting resolutions. The qualification of the person holding this position as the Company Secretary are as follows:

- Understand the Company's business and related roles and responsibilities of Company Secretary's functions, including having fundamental knowledge in principles of laws and regulations of governing agencies, the laws on public company and the laws on securities and exchange. The Company Secretary is to seek knowledge from experts or legal advisors to strengthen his/her understanding.

- Being knowledgeable; understand and support the Company's operation to achieve the purposes under the principle of corporate governance and best practices on corporate governance.

- Refrain from seeking personal interest from the Company's business opportunities; be able to keep the Company's secrets; hold morale and ethic and take into consideration of all stakeholders; and refrain from action that could defame the Company's reputation and harm its image.

- Have excellent interpersonal skills; able to coordinate with both internal departments and external agencies.

Therefore, the scope of powers and duties of the Company secretary are as follows:

1. Prepare and keeping the following documents :

- a. Register of directors
- b. Notice of the meeting of the Board of Directors, Board's minutes and the Company's annual report
- c. Notice of the shareholders' meeting and the minutes of the shareholders' meeting

2. Keeping the stakeholder reports reported by directors or executives and send a copy of the report of stakeholding under section 89/14 to the Chairman of the committee and the chairman of the Audit Committee within 7 working days from the date the Company has reported it.

3. Perform other activities as announced by the Capital Market Supervisory Board.

In addition, the Company Secretary has other duties assigned by the Company (or the Board of Directors) as follows:

- Provide preliminary advice and recommendations to the Board of Directors on matters of law, rules and regulations and Company's regulations including follow up to ensure proper and consistent practice and to report significant changes in legal requirements to the directors.

- Organize a meeting of the Board of Directors and the shareholders' meeting to be in accordance with the law, Company's Articles of Association and Code of conduct.

- Prepare and keep the file of documents of the Board of Directors and shareholders which comprises of the register of directors, Notice of Board of Directors and Shareholders' meeting, Minutes of the Board of Directors and Shareholders Meeting and Company's Annual Report including quarterly financial statements of the Company.

- Keeping the stakeholder reports which prepared by the Company's directors and executives and present a report as required by law.

- Supervise the disclosure of information and reports in the areas responsible to regulatory agencies in accordance with the law, rules and regulations for disclosure of Company Information

- Communicate with shareholders to know their rights and Company's news.

- Perform other tasks as assigned.

However, The Board of Directors Meeting No. 1/2024 held on January 29, 2024 acknowledged the resignation of Ms. Ploynutcha Vorapatjiranon from the position of Company Secretary effective from December 31, 2023 and appointed Ms. Naruemon Kumanee, Executive Secretary to hold the position of Assistant Company Secretary and Assistant Secretary of the Audit Committee effective from January 1, 2024.

2. Person assigned the highest responsibility in accounting and finance and who received the assignment to be directly responsible for supervising the accounting of the Company

For the Accounting and Finance Executive position, the Company is in the process of recruiting a person who has appropriate qualifications according to the requirement of SEC and SET to be Accounting and Finance Executive and the highest responsible person in Accounting and Finance and supervising of the Company's accounting instead of Mrs. Rathatip Apichotikorn resigned from the position, Accounting and Finance Executive, on December 31, 2022.

3. Head of the Company's internal audit department of the Company

The Company contracted to hire Mr. Saksri Ampawan from Dharmniti Internal Audit Company Limited to be an internal auditor with the duties and responsibilities to conduct internal audits and other related tasks as assigned by the Audit Committee. The details of duties and responsibilities as the head of the internal audit department are stated in Attachment 3 as follows:

- 1) Conduct audit and consulting work fairly and independently according to the approved plan
- 2) Examine and review documentary evidence from operations, analyze, assess, provide opinions/suggestions, give advice on the governance process, risk management and internal control system of activities monitored and / or corporate consulting
- 3) The nature of the scope of duties of the audit generally involves the following matters:
 - 3.1 Review and report the reliability and completeness of financial and operating reports
 - 3.2 Review of operations to ensure that they are in line with the objectives and goals set and have to operate according to the specified plan, including adequate and appropriate internal control system
 - 3.3 Review the work system that has a significant impact on the operation and reporting that it has been performed in accordance with the policies, plans, procedures laid down including relevant laws
 - 3.4 Review the suitability of asset preservation as well as assess the use of the organization's resources to be efficient, effective and economical

7.6.2 Head of Investor Relations

The Company has set up the investor relations to serve for investors, securities analysts, media and general public in case of having any questions, they can be contact and asked at anytime by reaching by telephone number 0-2286-9959 or at the e-mail cs@jckhgroup.com or on the Company's website <https://jckh-th.listedcompany.com>

7.6.3 Auditor's Remuneration

The Company has appointed the auditor from Karin Audit Company Limited to be the Company's auditor for the year 2023 by requiring one of the following auditors to audit and express an opinion on the Company's financial statements and in the event that such auditors are unable to perform their duties, Karin Audit Company Limited shall procure another certified public accountant of the Office to audit the accounts and express opinions on the Company's financial statements on behalf of these following auditors:

- | | | |
|------------------|------------------|--|
| 1. Ms. Kannika | Wipanurat | CPA No. 7305 and/or
(has been the company's auditor since 2022, a total period of 3 years) |
| 2. Mr. Jirote | Sirirorote | CPA No. 5113 and/or
(has been the company's auditor since 2022, a total period of 3 years) |
| 3. Ms. Nonglak | Pattanabandith | CPA No. 4713 and/or
(has been the company's auditor since 2022, a total period of 3 years) |
| 4. Mrs. Sumana | Senivongse | CPA No. 5897 and/or
(has been the company's auditor since 2022, a total period of 3 years) |
| 5. Mr. Komin | Linhprachaya | CPA No. 3675 and/or
(has been the company's auditor since 2022, a total period of 3 years) |
| 6. Ms. Kojchamon | Sunhuan | CPA No. 11536 and/or
(has been the company's auditor since 2022, a total period of 3 years) |
| 7. Mr. Jesada | Hangsapruet | CPA No. 3759 and/or
(has been the company's auditor since 2023, a total period of 2 years) |
| 8. Mr. Woraphon | Wiriyakulphong | CPA No. 11181 and/or
(has been the company's auditor since 2023, a total period of 2 years) |
| 9. Mr. Poj | Asawasantichai | CPA No. 4891 and/or
(has been the company's auditor since 2023, a total period of 2 years) |
| 10. Mr. Wichian | Prungpanich | CPA No. 5851 and/or
(has been the company's auditor since 2023, a total period of 2 years) |
| 11. Mr. Supoj | Mahantachaisakul | CPA No. 12794 and/or |

		(has been the company's auditor since 2023, a total period of 2 years)
12.	Miss Kanchanwarat Saksribowon	CPA No. 13273 and/or (has been the company's auditor since 2023, a total period of 2 years)
13.	Miss Bongkocharat Samruamsiri	CPA No. 13512 and/or (has been the company's auditor since 2023, a total period of 2 years)
14.	Mr. Thanathit Raksatthriang	CPA No. 13646 (has been the company's auditor since 2023, a total period of 2 years)

1. Audit Fee

The Company has paid the audit fee of the Company for the year 2023 in total amount of 1,520,000.- Baht per year, an increase of 40,000 Baht from the remuneration in 2022 which is 1,480,000 Baht per year.

2. Non-Audit Fee

In 2023 there are no other service fees (Non-Audit Fee) and the auditor's remuneration in 2023 does not include other service fees (Non-Audit Fee).

7.6.4 Remuneration for auditors of subsidiaries

In 2023, the Company has appointed auditors from Karin Audit Company Limited to be auditors of 2 subsidiaries, namely 1) C P T Hotel and Resort Company Limited (CPT) and 2) A S P Hotel and Resort Company Limited (ASP) by requiring the auditor to audit and express an opinion on the subsidiary's financial statements as follows:

1.	Ms. Kannika Wipanurat	CPA No. 7305 and/or (has been the company's auditor since 2022, a total period of 3 years)
2.	Mr. Jirote Sirirorote	CPA No. 5113 and/or (has been the company's auditor since 2022, a total period of 3 years)
3.	Ms. Nonglak Pattanabandith	CPA No. 4713 and/or (has been the company's auditor since 2022, a total period of 3 years)
4.	Mrs. Sumana Senivongse	CPA No. 5897 and/or (has been the company's auditor since 2022, a total period of 3 years)
5.	Mr. Komin Linphrachaya	CPA No. 3675 and/or

6. Ms. Kojchamon Sunhuan

(has been the company's auditor since 2022, a total period of 3 years)

CPA No. 11536

(has been the company's auditor since 2022, a total period of 3 years)

In this regard, the Company has paid audit fees of subsidiaries for the year 2023 as follows:

Name of Subsidiaries	Audit fee
1. C P T Hotel and Resort Company Limited (CPT)	240,000.-Baht

8. Report on important corporate governance performance

8.1 Summary of the performance of the Board of Directors in the past year

In 2023, there were 12 meetings of the Board of Directors, 5 meetings of the Audit Committee and the executive committee – meetings, which were in accordance with the meeting plan that had been set in advance throughout the year by the Board of Directors and the Audit Committee has complied with the scope, powers, duties, roles and responsibilities set out in the Company's Articles of Association

8.1.1 Nomination, development and evaluation of the Board's performance

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) and according to the relevant Notification of the Securities and Exchange Commission (More details about the selection of directors and senior management please see item 6, Corporate Governance Policy 6.1, Overview of Corporate Governance Policy and Guidelines)

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.

Self-assessment of the Board of Directors

The Board of Directors arranges for its own performance assessment once a year by assessing the performance of the Board of Director both individually and individually including evaluating the performance

of sub-committees the topics and criteria for the assessment are consistent with the guidelines recommended by the Stock Exchange of Thailand to be appropriate for the organization. The company secretary sends the assessment form to each director for evaluation. When the results of the evaluation have been concluded. The committee has determined ways to improve collaboration and allow all directors to express their opinions 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

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

Topic	Result
	% in 2023
1) Structure and qualifications of the Board of Directors	81.06
2) Roles, duties, and responsibilities of the Board of Directors	80.83
3) Meeting of the Board of Directors	81.02
4) Performance of The Board of Directors	82.14
5) Relationship with the Executive Committee Team	83.33
6) Self-development of the Board of Directors and the development of Executive Committee Team	79.17
Total Scores	81.11

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

Topic	Result
	% in 2023
1) Structure and qualifications of the Board of Directors	91.67
2) Meeting of the Board of Directors	87.50
3) Roles, duties, and responsibilities of the Board of Directors	77.50
Total Scores	83.71

3. The assessment result of the sub-committee's performance

Topic	Result (%)	
	Audit Committee	Executive Committee
1) Structure and qualifications of the Committee	95.24	83.33
2) Meeting of the Committee	93.06	76.67
3) Roles, duties, and responsibilities of the Committee	94.05	78.33
Total	94.17	78.47

8.1.2 Attendance and Remuneration of Directors

The Board of Directors' Meeting attendance in 2023, the details as follows:

No.	Name	Position	Meeting Attendances		
			Board of Directors' Meetings	Audit Committee Meetings	Executive Committee Member Meeting
1.	Dr. Apichai Taechaubol ^{1/}	Director Chairman Chairman of Executive Committee	10/10	-	-
2.	Mr. Gumpol Tiyarat ^{2/}	Independent Director Vice Chairman Chairman of the Audit Committee	6/6	2/2	-
3.	Mr. Tawil Praisont ^{3/}	Independent Director Audit Committee Member	5/5	1/1	-
4.	Dr. Varnadharm Kanchanasuvarna	Independent Director Audit Committee Member	12/12	5/5	-
5.	Mrs. Rachanee Siwawej	Director Executive Committee Member	12/12	-	-
6.	Mr. Athawut Taechaubol ^{4/}	Director Executive Committee Member Joint Chief Executive Officer Chief Executive Officer	12/12	-	-
	Mr. Prasong Vara- ratanakul ^{5/}	Independent Director Vice Chairman Chairman of Audit Committee	5/5	3/3	-
	Mr. Chetawan Anuntasomboon ^{6/}	Independent Director Audit Committee Member	6/6	3/3	-
	Mr. Chotiwit Taechaubol ^{7/}	Director Executive Committee Member Chief Executive Officer Chief Project Development Officer	3/3	-	-

Remark: ^{1/} Dr. Apichai Taechaubol has been appointed to the position, Director, Chairman and Chairman of Executive Committee, according to the Board of Directors' Meeting No.2/2023 which held on January 13, 2023

^{2/} Mr. Gumpol Tiyarat has been appointed to the position, Independent Director, Vice Chairman and Chairman of the Audit Committee according to the Board of Directors' meeting No. 6/2023 on 1 June 2023

^{3/} Mr. Tawil Praisont has been appointed to the position, Independent Director and Audit Committee Member according to the Board of Directors' meeting No. 7/2023 on 15 August 2023

^{4/} The Board of Directors' Meeting No. 4/2023 on March 23, 2023 resolved to change the position name of Mr. Athawut Taechaubon from the position. Co-Chief Executive Officer to Chief Executive Officer

^{5/} Mr. Prasong Vara-ratanakul has resigned from the position of independent Director, Vice chairman and Chairman of the Audit Committee, effective June 1, 2023

^{6/} Mr. Chetawan Anuntasomboon has resigned from the position of independent Director and Audit Committee Member, effective June 28, 2023

^{7/} The Board of Directors' Meeting No. 4/2023 on March 23, 2023 resolved to change the position name of Mr. Chotiwiit Taechaubol from the position Chief Executive Officer is the Chief Project Development Officer and Mr. Chotiwiit Taechaubol has resigned from his position as Director, Executive Director and Chief Project Development Officer, effective August 2, 2023

Remuneration of Directors and Executives

1. Remuneration of Directors

- Monetary Remuneration

The 2023 Annual General Meeting of shareholders held on April 25, 2023 resolved to approve the remuneration of Directors at Baht 3,500,000 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 2023			Year 2022		
	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	30,000	30,000		30,000		
Chairman of Audit Committee	30,000	30,000	15,000	20,000	15,000	15,000
Director, Executive Committee Member, Chief Executive Officer	25,000			20,000		
Director and Executive Officer	15,000	15,000		15,000		
Director	15,000	15,000		15,000	15,000	
Audit Committee Member	15,000	15,000	10,000	15,000	15,000	10,000

Remark: ¹ Meeting of Audit Committee

In 2023, each of the Board of Directors' members received meeting allowances and other benefits as follows:

No.	Name	Position	Meeting Allowance (Baht/Year)	Director Compensation (Baht/Year)	Total Remuneration (Baht/Year)
1.	Dr. Apichai Taechaubol ^{1/}	Director Chairman Chairman of Executive Committee	300,000.00	348,387.10	648,387.10
2.	Mr. Gumpol Tiyarat ^{2/}	Independent Director Vice Chairman Chairman of the Audit Committee	210,000.00	210,000.00	420,000.00
3.	Mr. Tawil Praisont ^{3/}	Independent Director Audit Committee Member	85,000.00	68,225.81	153,225.81
4.	Dr. Varnadharm Kanchanasuvarna	Independent Director Audit Committee Member	230,000.00	180,000.00	410,000.00
5.	Mrs. Rachanee Siwawej	Director Executive Committee Member	180,000.00	180,000.00	360,000.00
6.	Mr. Athawut Taechaubol ^{4/}	Director Executive Committee Member Joint Chief Executive Officer Chief Executive Officer	180,000.00	300,000.00	480,000.00
	Mr. Prasong Vara-ratanakul ^{5/}	Independent Director Vice Chairman Chairman of Audit Committee	195,000.00	150,000.00	345,000.00
	Mr. Chetawan Anuntasomboon ^{6/}	Independent Director Audit Committee Member	120,000.00	88,500.00	208,500.00
	Mr. Chotiwit Taechaubol ^{7/}	Director Executive Committee Member Chief Executive Officer Chief Project Development Officer Chief Executive Officer	90,000.00	175,806.45	265,806.45
	Total		1,590,000.00	1,700,919.36	3,290,919.36

Remark: ^{1/} Dr. Apichai Taechaubol has been appointed to the position, Director, Chairman and Chairman of Executive Committee, according to the Board of Directors' Meeting No.2/2023 which held on January 13, 2023

^{2/} Mr. Gumpol Tiyarat has been appointed to the position, Independent Director, Vice Chairman and Chairman of the Audit Committee according to the Board of Directors' meeting No. 6/2023 on 1 June 2023

^{3/} Mr. Tawil Praisont has been appointed to the position, Independent Director and Audit Committee Member according to the Board of Directors' meeting No. 7/2023 on 15 August 2023

^{4/} The Board of Directors' Meeting No. 4/2023 on March 23, 2023 resolved to change the position name of Mr. Athawut Techaubon from the position. Co-Chief Executive Officer to Chief Executive Officer

^{5/} Mr. Prasong Vara-ratanakul has resigned from the position of independent Director, Vice chairman and Chairman of the Audit Committee, effective June 1, 2023

^{6/} Mr. Chetawan Anuntasomboon has resigned from the position of independent Director and Audit Committee Member, effective June 28, 2023

^{7/} The Board of Directors' Meeting No. 4/2023 on March 23, 2023 resolved to change the position name of Mr. Chotiwit Taechaubol from the position Chief Executive Officer is the Chief Project Development Officer and Mr. Chotiwit Taechaubol has resigned from his position as Director, Executive Director and Chief Project Development Officer, effective August 2, 2023

- Other remuneration

- None -

2. Remuneration of Executives

- Monetary remuneration

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

Remuneration	Year 2023		Year 2022	
	Number of Executive (Person)	Amount (Baht)	Number of Executive (Person)	Amount (Baht)
Salary	3	4,812,000	5	10,148,164

Remark: In 2023 consists of 3 executives: 1) Mr. Atthawut Techaubon 2) Mr. Chotiwit Techaubon^{1/} 3) Mrs. Ruchinat Pornkittikhun^{2/}
^{1/} Mr. Chotiwit Techaubon has resigned from his position as director and executive director. and Chief Project Development Officer, effective August 2, 2023
^{2/} Mrs. Ruchinat Pornkittikhun has resigned from the position. Director of Project Management and Procurement, effective December 31, 2023

- Other remuneration

Remuneration	Year 2023		Year 2022	
	Number of Executive (Person)	Amount (Baht)	Number of Executive (Person)	Amount (Baht)
Provident fund contribution, social security contribution and other benefits after resignation	2	228,000	5	817,014

Remark: In 2023 consists of 3 executives: 1) Mr. Atthawut Techaubon 2) Mr. Chotiwit Techaubon^{1/} 3) Mrs. Ruchinat Pornkittikhun^{2/}
^{1/} Mr. Chotiwit Techaubon has resigned from the position of Director, Executive Director and Chief Project Development Officer effective on August 2, 2023
^{2/} Mrs. Ruchinat Pornkittikhun has resigned from the position of Director of Project Management and Procurement effective on December 31, 2023

8.1.3 Supervision of subsidiaries and associated companies in the future

The Company has a policy to invest in other types of restaurants or other related businesses which benefit the restaurant business, which is the Company's main business. It is a business that has potential and can generate profits for the Company in the long run. In case it is an investment in subsidiary, the Company will control or set the management policy as well as sending representatives to join as directors in proportion to the Company's shareholding and attend the meeting as a shareholder. The Company's representative has the duty to vote at the meeting in accordance with the guidelines or the direction that the Board of Directors has considered. For the investment in associated companies. The Company does not have a policy

to control so much. In this regard, the submission of a representative to be a director of the Company will be considered as appropriate and subject to mutual agreement.

8.1.4 Monitoring to ensure the compliance with corporate governance policies and guidelines

The Company has established a written corporate governance policy which the Board of Directors' meeting No. 1/2011 dated July 18, 2011 has approved the mentioned policy. The Board has regularly reviewed the policy and its implementation. Recently, the Board of Directors Meeting No. 8/2022 dated November 14, 2022 has reviewed the Company's corporate governance policy and communicated to everyone in the organization to share the same information correctly and to encourage everyone in the organization to comply with the specified policies.

8.2 Report on the performance of the Audit Committee in the past year

The Audit Committee comprises of 3 independent directors with Mr. Gumpol Tiyarat, Chairman of the Audit Committee has competent knowledge and experience in accounting and finance to review the reliability of the financial statements. In 2023, the Audit Committee has held the meeting and independently performed their duties within the scope of powers and duties.

8.2.1 Number of meetings and attendance of the individual audit committee

Name	Position	Number of times attended / Total number of time
1. Mr. Gumpol Tiyarat ^{1/}	Chairman of Audit Committee and Independent Director	2/2
2. Mr. Tawil Praisont ^{2/}	Audit Committee Member and Independent Director	1/1
3. Dr. Varnadharma Kanchanasuvarna	Audit Committee Member and Independent Director	5/5
Mr. Prasong Vara-ratanakul ^{3/}	Chairman of Audit Committee and Independent Director	3/3
Mr. Chetawan Anuntasomboon ^{4/}	Audit Committee Member and Independent Director	3/3

Remark: ^{1/} Mr. Gumpol Tiyarat has been appointed to the position, Independent Director, Vice Chairman and Chairman of the Audit Committee according to the Board of Directors' meeting No. 6/2023 on 1 June 2023

^{2/} Mr. Tawil Praisont has been appointed to the position, Independent Director and Audit Committee Member according to the Board of Directors' meeting No. 7/2023 on 15 August 2023

^{3/} Mr. Prasong Vara-ratanakul has resigned from the position of independent Director, Vice chairman and Chairman of the Audit Committee, effective June 1, 2023

^{4/} Mr. Chetawan Anuntasomboon has resigned from the position of independent Director and Audit Committee Member, effective June 28, 2023

8.2.2 Performance of the Audit Committee in the past year

In 2023, the Audit Committee has performed various duties in summary as follows:

1. The Audit Committee reviewed and approved the 2022 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 2022, 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.
2. 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.
3. 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.
4. 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.
5. 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.
6. The Audit Committee reviewed the Company's compliance with the laws and the authorities' rules and regulations.
7. 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.
8. 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.

9. Internal Control and Related Party Transactions

9.1 Internal Control

9.1.1 The adequacy and appropriateness of the Company's internal control system

In 2023, 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 were only few weak points which the management team should bring these points to consider, implement the practices to improve these weak points 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 2023, the Audit Committee arranged 5 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.

9.1.2 Summary of the Audit committee's opinion

At the Audit Committee's meeting No. 2/2024 on February 27, 2024, The Audit Committee consider approving the evaluation checklist of internal control system for the year 2023 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 Treadway Commission (COSO) which consists of 5 components and 17 concepts. The Company had adapted these principles for operation and management practices as follows:

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 regulations 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 data, utilizing the data analysis for business decision, etc.
- 2) The Company uses Conference Call system 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 department 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.

9.1.3 Internal Auditor

The Audit Committee has considered and selected the Internal Audit Dharmniti Company Limited, which is an external auditor company to be an internal auditor for the Company from 2020 to the present. This is due to the fact that the Internal audit Dharmniti Company Limited is independent, has sufficient resources and budget and is appropriate for the operation with the duty of giving advice, audit and evaluate the internal control system, monitor the Company's risk management and corporate governance whether it is sufficient and effective in accordance with the objectives, including operational audits, compliance audits and regulations and financial audit by reporting the audit results and performance directly to the Audit Committee and also assigned the Company's Secretary to act as a liaison between the internal auditors and various departments within the Company.

9.2 Related Transactions

The Company has related transactions with individuals and juristic persons that may have conflict of interest. The nature of relationships with related person or related business can be summarized as follows:

Person/ Entity may have a conflict of interest	Type of Business	Relationship
JCK International Pcl.	Real Estate	Business with related directors or shareholders
JC Kevin Development Co., Ltd (JCKD)	Real Estate	Business with related directors or shareholders
JC Kevin Food and Beverage Co., Ltd	Food services in restaurants	Business with related directors or shareholders
High Active Consultant Co.,Ltd	Food services in restaurants	Business with related directors or shareholders
Atalanta Hospitality Co.,Ltd (prior name : High Active Consultant Tech Co., Ltd)	Food services in restaurants	Business with related directors or shareholders
A P Prime Property Co., Ltd	Hotel, resort and condominium	Business with related directors or shareholders
Atalanta Holdings Co., Ltd (prior name : After Beauty Co., Ltd)	Sale of cosmetics	Business with related directors or shareholders
SG Land Co., Ltd	Lease and operate in real estate	Business with related directors or shareholders
Dr. Apichai Taechaubol		Chairman of the Board, Executive

		Chairman and major shareholder of the Company, holding 24.62% of total shares sold of the Company (as on the latest date of compiling list of shareholders on January 10, 2024)
Mr. Athawut Taechaubol		Son of Dr. Apichai Taechaubol, Director, Executive Director, Chief Executive Officer, holding 19.46% of total shares sold of the Company (as on the latest date of compiling list of shareholders on January 10, 2024)
Mr. Chotiwit Taechaubol		Son of Dr. Apichai Taechaubol, holding 3.05 % of total shares sold of the Company (as on the latest date of compiling list of shareholders on January 10, 2024)
Mr. Noppawee Taechaubol		Son of Dr. Apichai Taechaubol, holding 11.45 % of total shares sold of the Company (as on the latest date of compiling list of shareholders on January 10, 2024)
Miss Oranut Taechaubol		Daughter of Dr. Apichai Taechaubol, holding 0.01 % of total shares sold of the Company (as on the latest date of compiling list of shareholders on January 10, 2024)

9.2.1 Related Party Transactions in Year 2023

Person who may have conflict of interest	Relationship	Type of Transaction	Amount (Baht)	Necessity and appropriateness of the related transactions
			Year 2023	
1. JC Kevin Development Co., Ltd. ("JCKD")	Business related to directors and/or joint shareholders	<u>Agreement of rent of office space and service fee</u> The Company has agreed to the agreement of rental of office space and service fee at total of 997.56 square meters on the 2 nd floor, partial of the 4 th floor and the 6 th floor from JCKD. The rental has been extended for 3 years to end	3,071,817	The price of renting space and services in the building area and the rules for placing the security deposit it is the price that is not higher than that rented to other tenants and not higher than the market price. Which the Audit Committee is of the opinion that it is

Person who may have conflict of interest	Relationship	Type of Transaction	Amount (Baht)	Necessity and appropriateness of the related transactions
			Year 2023	
		on December 31, 2024		reasonable and benefit the company.
		<u>Revenue from Sales of Foods and Services</u> Revenue from the sales of foods and services and Restaurant gift voucher.	3,248	The price of foods, services and gift vouchers are at the same price sold to third party which the Audit Committee had evaluated the transaction as reasonable and of beneficial to the Company.
		<u>Revenue from utility services</u> Revenue from the sales of electric current	323,898	Electricity price is not higher than other users. which the Audit Committee had evaluated the transaction as reasonable and of beneficial to the Company.
2. JCK International PCL.	Business related to directors and/or joint shareholders	<u>Revenue from Sales of Foods and Services</u> Revenue from the sales of foods and services and Restaurant gift voucher.	936,004	The price of foods, services and gift vouchers are at the same price sold to third party which the Audit Committee had evaluated the transaction as reasonable and of beneficial to the Company.
		<u>Revenue from renting space and providing services in the building</u> The Company has acquired the building from JCKD and provide space rental on Floor 3, partial of Floor 4, 5 and 6 total area 1,695 square meters. The rental has been extended for 3 years to end on August 31, 2025	3,244,296	The price of renting space and services in the building area and the rules for placing the security deposit in line with the rental agreement with JCKD which the Audit Committee is of the opinion that it is reasonable and benefit the Company.

Person who may have conflict of interest	Relationship	Type of Transaction	Amount (Baht)	Necessity and appropriateness of the related transactions
			Year 2023	
3. High active Consultant Co., Ltd.	Business with directors and/or joint shareholders	<u>Revenue from Sales of Foods and Services</u> Revenue from the sales of foods and services and Restaurant gift voucher.	144,830	The price of foods, services and gift vouchers are at the same price sold to third party which the Audit Committee had evaluated the transaction as reasonable and of beneficial to the Company.
4. Atalanta Hospitality Co., Ltd.	Business related to directors and/or joint shareholders	<u>Revenue from Sales of Foods and Services</u> Revenue from the sales of foods and services and Restaurant gift voucher.	26,040	The price of foods, services and gift vouchers are at the same price sold to third party which the Audit Committee had evaluated the transaction as reasonable and of beneficial to the Company.
		<u>Revenue from renting space and providing services in the building</u> The Company has acquired the building from JCKD and provide space rental on Floor 4 (partial) total area 80 square meters. The rental has been extended for 3 years to end on September 30, 2026	207,679	The price of renting space and services in the building area and the rules for placing the security deposit is not higher than other service providers which the Audit Committee is of the opinion that it is reasonable and benefit the Company.

9.3 Necessity and Relational of Related Party Transactions

Agreement of rent of office space and service fee was done for the best interests of the Company's operating business which has potential growth and expansion. The rental rate when compared to those of other nearby office building is consistent to the criteria.

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 and straightforward, and the Company received the benefit from the borrowing with the lower finance cost than the rate from the bank.

9.4 Practices and Approval Process of the Related Party Transactions

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

- Management has 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.

Section 3

Financial Statements

**JCK HOSPITALITY PUBLIC COMPANY LIMITED
AND ITS SUBSIDIARIES
CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023
AND INDEPENDENT AUDITOR'S REPORT**

Independent Auditor's Report

To the Shareholders of JCK Hospitality Public Company Limited

Opinion

I have audited the financial statements of JCK Hospitality Public Company Limited and its subsidiaries (the "Group"), which comprise the consolidated statements of financial position and separate statements of financial position as at December 31, 2023, the consolidated and separate statements of comprehensive income, change in shareholder's equity and cash flows for the year then ended, and notes to the consolidated and separate financial statements, including a summary of significant accounting policies.

In my opinion, the consolidated and separate financial statements referred to above present fairly, in all material respects, the consolidated and separate financial position of JCK Hospitality Public Company Limited and its subsidiaries as at December 31, 2023, and their consolidated and separate financial performance and 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 consolidated and separate financial statements section of my report. I am independent of the Group in accordance with the Code of Ethics for Professional Accountants including Independence standards issued by the Federation of Accounting Professions (Code of Ethics for Professional Accounts) that are relevant to my audit of the consolidated and separate financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code of Ethics for Professional Accounts. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Material uncertainty related to going concern

I draw attention to note 1 b) to the financial statements regarding the ability of the Group to continue as a going concern, the Group has incurred operating losses for a number of consecutive years. As at December 31, 2023, the Group's total current liabilities exceeded its total current assets by Baht 770.56 million and it had a deficit of Baht 1,410.92 million.

The above circumstances indicate that there are significant uncertainties which may raise substantial doubt about the Group's ability to continue as a going concern. This will depend on the success of negotiations with the financial institution's creditor, lenders and business partners and the search for co-investor and additional sources of funds including funds from the major shareholder, plan to change its business strategies and business model and improvement of future operations.

My opinion is not modified in respect of this matter.

Emphasis of matters

I draw attention to notes to the financial statements as follows:

Investment in subsidiaries

As described in Note 11 to the consolidated financial statements, in August 2021 the Company invested in the hotel business by purchasing ordinary shares accounting for 100 percent of the registered capital of two subsidiaries from a group of sellers, including a shareholder of the Company, at prices of Baht 30 million and Baht 1 million, respectively. As a result, the Company prepared the financial information in accordance with the basis of preparation discussed in Note 2.4 to the consolidated financial statements. However, based on assessment of these transactions, the management determined that the acquisitions of ordinary shares of the subsidiaries were purchases of assets because the assets acquired are not business units as defined in Thai Financial Reporting Standard No. 3 (revised 2018) Business Combinations.

a) The first subsidiary (purchase price of Baht 30 million)

As described in Note 11 to the financial statements, the Group recorded transaction costs of the land and hotel buildings of the subsidiary company of Baht 145 million in the consolidated statement of financial position. The Group arranged for the appraisal of the land and hotel buildings by an independent appraiser using the market approach for land and depreciated replacement cost for the hotel buildings and other components of shareholder's equity in the consolidated statements of financial position amounting to Baht 56 million (net of income tax).

b) The second subsidiary (purchase price of Baht 1 million)

As described in Note 11 to the consolidated financial statements, in December 2021 the Company negotiated with the group of sellers requesting compensation as a result of purchasing investments in the subsidiary because legal ownership of the land and hotel buildings of that subsidiary has been transferred to a bank loan creditor those assets having been pledged as collateral through a public auction sale. This transaction occurred before the agreement to purchase ordinary shares of the subsidiary. The group of sellers agreed to join the Company in negotiating a compromise regarding the subsidiary's debt with the bank creditor for the compensation. They are in the process of requesting the bank for a reduction of the loan and accrued interest of the subsidiary amounting to Baht 70 million, which was the remaining debt after deducting the auction sale of the assets. However, The Group recorded the losses resulting from these transactions, amounting to Baht 82 million, in statement of comprehensive income for the year ended 2021.

During the year 2022, And the Company has negotiated with bank creditors to purchase such land and hotel buildings. However, the Company was unable to proceed according to the bank's conditions. The bank therefore issued a letter canceling the conditions for extending the payment period for the purchase of land and hotel buildings, because the period for which the purchase and sale contract with the bank has expired. According to the letter on October 12, 2022.

On September 18, 2023, the Board of Directors' Meeting it was resolved to approve sale of investment in subsidiary to non - related persons in the amount of Baht 1 million and on September 22, 2023, the Company has transferred the common shares and already received payment from the buyer. The Company recorded the profit from disposal of investments amount of Baht 101 million. This is the result of operations until now and losses on the acquisition date amount of Baht 82 million.

Purchase of land and office buildings

As described in Note 12 the Company has purchased land and office buildings from a related company, with its purpose into used as an office location and will be rented out to other companies as office locations agreed on a price of Baht 450 million (with a fair value by an independent appraiser by Cost Approach on December 26, 2023 amount of Baht 526 million). The Company payments by issuing additional common shares of offering to Private Placement, with amount of 1,617 million shares at an offering price of Baht 0.17 per share and the remaining amount of Baht 175 million will be paid in full within 180 days from registration of the transfer of ownership. (As at December 31, 2023, the remaining debt balance is amounting of bath 100.02 million.) The company can request an extension of the payment period for no more than 90 days and must payment default interest rate of 5 percent per year. The transaction is considered an acquisition of assets and a connected transaction of the Company which was approved by the Board of Directors' meeting and prepared

and disclosed information about entering into the transaction to the Stock Exchange and requested approval of into the transaction from the Extraordinary General Meeting of Shareholders. And the Company received the transfer of ownership of land and office building on September 14, 2023 and issuing ordinary shares.

My opinion is not modified in respect of this matter.

Key Audit Matters

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

Revenue recognition

Revenues from sales are the Company's main transactions that have significant volume of transactions and amounts, and directly affect profit or loss of the Company. The Company has numerous sales made by cash and credit cards through a large number of branches nationwide. In addition, Competition of the same type of business is quite intense. the Company has to continually adapt its marketing strategies and promotional activities in order to boost sales. I have therefore focused on the revenue recognition of the Company.

Key audit procedures included:

- I examined the Company's revenue recognition by assessing and testing the Company's internal controls with respect to the revenue cycle by making enquires of responsible executives, gaining an understanding of controls and selecting representative samples to test the operation of the designed key controls.
- I applied a sampling method to select sales transactions occurring during the year and near the end of the accounting period to examine the supporting documents. I also performed analytical procedures on sales accounts.

Impairment of plant and equipment right - of - use assets and property,

As discussed in Notes 13 and 14 to the financial statements, the Company recognised impairment loss of leasehold building improvement and rights - of - use assets amounting to Baht 2.17 million and Baht 11.65 million respectively, Determining the allowance for impairment of such assets requires management to exercise significant judgment regarding forecasts of operating results and the evaluation of future plans. Including determining the discount rate and important assumptions. This creates a risk regarding the value of the allowance for impairment of such assets.

Key audit procedures included:

- I assessed the management's identification and selection of cash generating units by gaining an understanding of management's decision-making process and evaluating whether the decisions were consistent with how assets are utilised.
- I gained an understanding of and assessed the assumptions applied in preparing plans and cash flow projections for assets, based on the understanding I gained of the process by which the figures were arrived at.
- Comparison of the long-term growth rate of the Company with economic and industry forecasts, and the discount rate, based on comparison of the average cost of capital and other data with those used by comparable organizations.

Fair value of investment property and property and plant

As discussed in Note 12 and 13 to the financial statements, the Group measured investment property, property and plant at revalued amounts. Their fair value was determined based on the fair value appraised by an independent appraiser, and this requires certain assumptions and estimates. I therefore addressed this transaction as a key audit matter since it is material to the financial statements taken as a whole.

Key audit procedures included:

- I gained an understanding of the methods and assumptions applied by the independent appraiser in calculating the fair value of investment property, property and plant, assessed the reasonableness and appropriateness of the methods applied, reviewed the reasonableness of the data used, and performed analytical procedures on relevant data. In addition, I assessed knowledge, competence and objectivity of the independent appraiser.

Other matters

The consolidated and separate statements of financial position as at December 31, 2022 of JCK Hospitality Public Company Limited and its subsidiaries, presented herewith for comparative purposes only, were audited by another auditor, expressed an qualified opinion, whose report dated February 28, 2023 and the consolidated and separate statements of comprehensive income, change in shareholder's equity and cash flows for the year then ended, presented herewith for comparative purposes only, were audited by another auditor, expressed an unqualified opinion, whose report date February 28, 2023.

Other Information

Management is responsible for the other information. The other information comprise the information included in annual report of the Group but does not include the financial statements and my auditor's report thereon. The annual report of the Group 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 do 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 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 of the Group, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance for correction of the misstatement.

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

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

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

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

Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements

My objectives are to obtain reasonable assurance about whether the consolidated and separate 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 consolidated and separate 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 consolidated and separate 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 Group'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 Group'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 consolidated and separate 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group's to express an opinion on the consolidated and separate financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

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 I 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.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the consolidated and separate 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 on the audit resulting in this independent auditor's report is Mr. Jadesada Hungsapruak



Mr. Jadesada Hungsapruak

Certified Public Accountant, Registration No. 3759

Karin Audit Company Limited

Bangkok, Thailand

February 29, 2024.

JCK HOSPITALITY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2023

(Unit : Baht)					
		Consolidated financial statements		Separate financial statements	
	Notes	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
Assets					
Current assets					
Cash and cash equivalents	6	1,695,614	9,154,815	1,675,782	9,154,796
Trade and other current receivables	7	12,497,141	56,420,114	12,984,368	55,737,217
Short - term loans - related parties	5	-	-	7,686,910	91,788,479
Inventories	8	11,133,529	42,188,606	11,133,529	42,188,606
Other current assets	9	14,029,067	22,615,356	14,029,067	22,615,356
Total current assets		39,355,351	130,378,891	47,509,656	221,484,454
Non - current assets					
Restricted bank deposits	10	-	3,000,000	-	3,000,000
Investments in subsidiaries	11	-	-	30,000,000	30,000,000
Investment properties	12	669,929,336	233,680,250	669,929,336	65,706,249
Property, plant and equipment	13	642,830,861	586,908,912	430,640,783	372,839,305
Right - of - use assets	14	91,709,972	153,059,470	91,709,972	153,059,470
Intangible assets		7,224,633	8,349,364	7,224,633	8,349,364
Other non - current assets	15	47,564,509	66,190,468	47,564,509	66,190,468
Total non - current assets		1,459,259,311	1,051,188,464	1,277,069,233	699,144,856
Total assets		1,498,614,662	1,181,567,355	1,324,578,889	920,629,310

JCK HOSPITALITY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF FINANCIAL POSITION (CONT.)

AS AT DECEMBER 31, 2023

					(Unit : Baht)
Notes	Consolidated financial statements		Separate financial statements		
	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022	
Liabilities and shareholders' equity					
Current liabilities					
Bank overdrafts and short - term loans					
from financial institutions	16	90,041,580	90,132,402	90,041,580	90,132,402
Short - term borrowings	17	196,627,467	131,903,151	196,627,467	131,903,151
Trade and other current payables	18	356,007,595	293,624,558	318,848,611	223,688,466
Current portion of long - term loans					
from financial institution	19	2,997,571	46,344,963	-	-
Current portion of lease liabilities	20	41,462,771	69,366,040	41,462,771	69,366,040
Current portion of long-term loan resulting					
from default of financial covenants - commercial bank	19	2,666,042	7,752,890	2,666,042	7,752,890
Other current liabilities	21	120,114,267	124,741,128	120,114,267	124,741,128
Total current liabilities		809,917,293	763,865,132	769,760,738	647,584,077
Non - current liabilities					
Long - term loans from financial institution,					
net of current portion	19	63,093,253	64,909,305	-	-
Lease liabilities, net of current portion	20	66,134,816	100,525,073	66,134,817	100,525,073
Provision for decommissioning	22	3,730,340	12,008,109	3,730,340	12,008,109
Deferred tax liabilities	23	75,175,280	91,344,947	61,511,004	60,411,206
Provision for long - term employee benefits		4,389,030	4,392,890	4,389,030	4,392,890
Convertible debenture	24	1,103,979	48,759,244	1,103,979	48,759,244
Options	24	444,444	6,888,889	444,444	6,888,889
Long - term provision		14,450,000	20,400,000	-	-
Total non - current liabilities		228,521,142	349,228,457	137,313,614	232,985,411
Total liabilities		1,038,438,435	1,113,093,589	907,074,352	880,569,488

JCK HOSPITALITY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF FINANCIAL POSITION (CONT.)

AS AT DECEMBER 31, 2023

(Unit : Baht)					
		Consolidated financial statements		Separate financial statements	
	Notes	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
Shareholders' equity					
Share capital					
Registered					
23,056,408,134 ordinary shares of Baht 0.25 each	25.1	5,764,102,034		5,764,102,034	
(December 31, 2022 : 3,300,193,928 ordinary shares					
of Baht 0.25 each)			825,048,482		825,048,482
Issued and paid - up					
7,610,120,537 ordinary shares of Baht 0.25 each	25.1	1,902,530,134		1,902,530,134	
(December 31, 2022 : 2,347,232,748 ordinary shares					
of Baht 0.25 each)			586,808,187		586,808,187
Premium on ordinary shares	25.2	(261,298,991)	551,722,966	(261,298,991)	551,722,966
Retained (loss) earnings					
Appropriated - statutory reserve	27	7,055,720	7,055,720	7,055,720	7,055,720
Unappropriated		(1,410,920,519)	(1,304,196,959)	(1,400,814,631)	(1,277,953,795)
Other components of shareholders' equity	28	222,809,883	227,083,852	170,032,305	172,426,744
Total shareholders' equity		460,176,227	68,473,766	417,504,537	40,059,822
Total liabilities and shareholders' equity		1,498,614,662	1,181,567,355	1,324,578,889	920,629,310

JCK HOSPITALITY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED DECEMBER 31, 2023

(Unit : Baht)					
		Consolidated financial statements		Separate financial statements	
	Notes	2023	2022	2023	2022
Revenues					
Revenue from sales and services		258,132,268	512,045,077	258,132,268	512,045,077
Other income		30,333,463	31,515,979	34,825,190	35,026,888
Gain on fair value change of investment property		7,974,873	-	7,974,873	-
Profit from sale of investment in subsidiary		101,156,270	-	-	-
Profit from Asset Exchange		-	-	69,473,208	-
Total revenues		397,596,874	543,561,056	370,405,539	547,071,965
Expenses					
Cost of sales and services		(144,411,006)	(258,571,093)	(144,411,006)	(258,571,093)
Selling and distribution expenses		(193,342,369)	(317,308,043)	(193,342,369)	(317,308,043)
Administrative expenses		(133,634,833)	(158,112,549)	(129,014,140)	(155,671,176)
Total expenses		(471,388,208)	(733,991,685)	(466,767,515)	(731,550,312)
Profit (loss) from operating activities		(73,791,334)	(190,430,629)	(96,361,976)	(184,478,347)
Finance cost		(35,966,504)	(36,940,833)	(29,533,138)	(30,008,984)
Profit (loss) before income tax		(109,757,838)	(227,371,462)	(125,895,114)	(214,487,331)
Tax income (expense)	30	893,920	(172,340)	893,920	(172,340)
Profit (loss) for the year		(108,863,918)	(227,543,802)	(125,001,194)	(214,659,671)
Other comprehensive income (loss) :					
Other comprehensive income not to be reclassified to profit or loss in subsequent periods					
Gain on revaluation of land and building - net of tax		(1,879,530)	4,851,200	-	6,355,200
Loss on remeasurements of defined benefit plans		(254,081)	-	(254,081)	-
Other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of tax		(2,133,611)	4,851,200	(254,081)	6,355,200
Other comprehensive income (loss) for the year		(2,133,611)	4,851,200	(254,081)	6,355,200
Total comprehensive loss for the year		(110,997,529)	(222,692,602)	(125,255,275)	(208,304,471)
Earnings (loss) per share					
Basic earnings (loss) per share (Baht per share)	31	(0.03)	(0.13)	(0.03)	(0.12)

JCK HOSPITALITY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE YEAR ENDED DECEMBER 31, 2023

(Unit : Baht)

Consolidated financial statements								
	Notes	Issued and paid - up share capital	Premium (discount) on ordinary shares	Retained earnings		Other components of shareholders' equity		Total
				Appropriated statutory reserve	Unappropriated (deficit)	Other comprehensive income (loss) Surplus on revaluation of assets	Gain (losses) on remeasurement of post employment benefit obligations	Total other components of shareholders' equity
Balance as at January 1, 2022		329,340,680	601,187,021	7,055,720	(1,079,052,643)	224,632,138	-	224,632,138
Changes in shareholders' equity :								
Newly issued ordinary shares	25.1	49,586,777	(25,586,777)	-	-	-	-	-
Convert convertible debentures to ordinary shares	25.1	207,880,730	(23,877,278)	-	-	-	-	-
Loss for the year		-	-	-	(227,543,802)	-	-	-
Total comprehensive loss for the year		-	-	-	-	4,851,200	-	4,851,200
Transfer surplus on revaluation of assets to retained earnings		-	-	-	2,399,486	(2,399,486)	-	(2,399,486)
Balance as at December 31, 2022		586,808,187	551,722,966	7,055,720	(1,304,196,959)	227,083,852	-	227,083,852
Balance as at January 1, 2023		586,808,187	551,722,966	7,055,720	(1,304,196,959)	227,083,852	-	227,083,852
Changes in shareholders' equity :								
Convert convertible debentures to ordinary shares	25.1	170,470,030	(108,044,666)	-	-	-	-	-
Increase from increment of capital	25.1	1,145,251,917	(704,977,291)	-	-	-	-	-
Loss for the year		-	-	-	(108,863,918)	-	-	-
Total comprehensive loss for the year		-	-	-	(254,081)	-	254,081	254,081
Transfer surplus on revaluation of assets to retained earnings	28	-	-	-	2,394,439	(4,273,969)	(254,081)	(4,528,050)
Balance as at December 31, 2023		1,902,530,134	(261,298,991)	7,055,720	(1,410,920,519)	222,809,883	-	222,809,883

JCK HOSPITALITY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE YEAR ENDED DECEMBER 31, 2023

									(Unit : Baht)
Separate financial statements									
Other components of shareholders' equity									
				Retained earnings		Other comprehensive	Gain (losses) on		
		Issued and	Premium (discount)	Appropriated	Unappropriated	income (loss)	remeasurement of post-	Total other	
		paid - up	on ordinary shares	statutory reserve	(deficit)	Surplus on	employment benefit	components of	
Notes		share capital				revaluation of assets	obligations net form tax	shareholders' equity	Total
		329,340,680	601,187,021	7,055,720	(1,065,693,610)	168,471,030	-	168,471,030	40,360,841
Changes in shareholders'equity :									
	25.1	49,586,777	(25,586,777)	-	-	-	-	-	24,000,000
	25.1	207,880,730	(23,877,278)	-	-	-	-	-	184,003,452
		-	-	-	(214,659,671)	-	-	-	(214,659,671)
		-	-	-	-	6,355,200	-	6,355,200	6,355,200
		-	-	-	2,399,486	(2,399,486)	-	(2,399,486)	-
		586,808,187	551,722,966	7,055,720	(1,277,953,795)	172,426,744	-	172,426,744	40,059,822
Balance as at January 1, 2023									
		586,808,187	551,722,966	7,055,720	(1,277,953,795)	172,426,744		172,426,744	40,059,822
Changes in shareholders'equity :									
	25.1	170,470,030	(108,044,666)	-	-	-	-	-	62,425,364
	25.1	1,145,251,917	(704,977,291)	-	-	-	-	-	440,274,626
		-	-	-	(125,001,194)	-	-	-	(125,001,194)
		-	-	-	(254,081)	-	254,081	254,081	-
	28	-	-	-	2,394,439	(2,394,439)	(254,081)	(2,648,520)	(254,081)
		1,902,530,134	(261,298,991)	7,055,720	(1,400,814,631)	170,032,305	-	170,032,305	417,504,537

JCK HOSPITALITY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
CASH FLOW STATEMENT
FOR THE YEAR ENDED DECEMBER 31, 2023

	(Unit : Baht)			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Cash flows from operating activities				
Loss before income tax	(109,757,838)	(227,371,462)	(125,895,114)	(214,487,331)
Adjustments to reconcile loss before tax to cash received (paid)				
Depreciation and amortization	112,799,227	185,367,977	112,799,227	185,367,977
Allowance for impairment of investments (reversal)	-	-	(1,000,000)	-
Loss on impairment of assets (reversal)	(5,500,394)	(25,967,355)	(5,500,394)	(25,967,355)
Allowance for credit losses	12,861,378	-	12,861,378	-
(Gain) Loss on disposal of asset	(2,154,877)	1,108,562	(2,154,877)	1,108,562
Loss on write off of assets	6,670,946	-	6,670,946	-
(Gain) Loss on closure of branches	(929,286)	(11,898,479)	(929,286)	(11,898,479)
Provision for decommissioning costs (reversal)	(7,313,068)	(4,954,734)	(7,313,068)	(4,954,734)
Difference from negotiations with suppliers	(7,283,283)	(33,799,770)	(7,283,283)	(33,799,770)
Amortization of the expense of issuing convertible debentures	2,900,290	15,154,745	2,900,290	15,154,745
Profit from disposal of investment in subsidiary	(101,156,271)	-	-	-
Gain on fair value change of investment property	(7,974,873)	-	(7,974,873)	-
Profit from asset exchange	-	-	(69,473,208)	-
Provision for long - term employee benefits	1,364,907	1,871,607	1,364,907	1,871,607
Cash paid for Post - employee benefits	(1,622,849)	(1,868,553)	(1,622,849)	(1,868,553)
Interest income	(147,288)	(11,910)	(4,748,257)	(3,535,447)
Financial cost	36,523,379	36,940,833	29,533,138	30,008,984
Discount on loan	(4,708,262)	-	(4,708,262)	-
Loss from operating activities before changes in operating assets and liabilities	(75,428,162)	(65,428,539)	(72,473,585)	(62,999,794)
Operating assets (increase) decrease				
Trade and other current receivables	40,014,920	16,071,805	39,883,410	(34,513,844)
Inventories	31,055,077	8,835,998	31,055,077	8,835,998
Other current assets	1,402,909	694,511	1,402,909	694,511
Other non - current assets	14,171,699	900,675	14,171,699	900,675
Operating liabilities increase (decrease)				
Trade and other current payables	13,843,106	(38,920,467)	6,707,824	2,708,411
Other current liabilities	(4,626,862)	32,164,339	(4,626,862)	32,164,869
Cash received (paid) from operations	20,432,687	(45,681,678)	16,120,472	(52,209,174)
Cash paid for income tax	(2,093,740)	(376,089)	(1,223,740)	(376,089)
Net cash flows provided by (used in) operating activities	18,338,947	(46,057,767)	14,896,732	(52,585,263)

JCK HOSPITALITY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
CASH FLOW STATEMENT (CONT.)
FOR THE YEAR ENDED DECEMBER 31, 2023

	(Unit : Baht)			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Cash flows from investing activities				
Cash paid to aquisition investment properties	(75,000,000)	-	(78,818,098)	-
Cash paid to acquisition of equipment	(8,957,557)	(40,198,279)	(8,957,557)	(39,043,671)
Cash paid to acquisition of intangible asset	(708,463)	(6,886,625)	(708,463)	(6,886,625)
Cash received from sale of assets	5,611,848	7,327,892	5,611,848	7,327,892
Cash received from interest received	13,011	13,551	13,119	13,551
Cash received from disposal of investment in subsidiary	1,000,000	-	1,000,000	-
Net cash flows provided by (used in) investing activities	(78,041,161)	(39,743,461)	(81,859,151)	(38,588,853)
Cash flows from financing activities				
Increase in bank overdrafts and				
short - term loans from financial institutions	(90,822)	1,341,587	(90,822)	1,341,587
Repayments of short - term loans - related parties	-	-	(2,976,549)	-
Cash receipt from short - term borrowings	89,184,035	51,850,000	89,184,035	51,850,000
Repayments of short - term borrowings	(21,027,870)	(44,187,726)	(21,027,870)	(44,187,726)
Cash paid to acquisition of long - term loans from financial institutions	(2,660,865)	(13,896,714)	(2,086,848)	(13,500,000)
Cash paid to acquisition of lease liabilities	(71,765,161)	(93,997,346)	(71,765,161)	(93,997,346)
Cash receipt from increase in share capital	88,904,288	24,000,000	88,904,288	24,000,000
Cash receipt from issuance of convertible debentures	5,000,000	210,000,000	5,000,000	210,000,000
Cash paid for transaction costs of convertible debentures	-	(15,051,000)	-	(15,051,000)
Cash paid to Interest paid	(35,300,592)	(34,206,990)	(25,657,668)	(29,220,835)
Net cash flows provided by (used in) financing activities	52,243,013	85,851,811	59,483,405	91,234,680
Net increase (decrease) in cash and cash equivalents	(7,459,201)	50,583	(7,479,014)	60,564
Cash and cash equivalents at beginning of the year	9,154,815	9,104,232	9,154,796	9,094,232
Cash and cash equivalents at ending of the year	1,695,614	9,154,815	1,675,782	9,154,796

Supplemental cash flow information

- 1.) The Company has outstanding payable for purchase of assets from relate paties amount of Baht 100.02 million. (Note 12).
- 2.) The Company is redeem restricted bank deposits amount of Baht 3.00 million for repayment long - term loans from financial institution (Note 19).
- 3.) The Company issued ordinary shares in the amount of Baht 404.83 million, with a discount on ordinary shares in the amount of Baht 53.01 million, to purchase land and buildings from related Party (Note 25.2).
- 4.) The Company is disposal of investment in a subsidiary to non - related persons and recognizes the profit from disposal of investments amount of Baht 101.16 million
- 5.) The Company receives repayment of short - term loans - related party from a subsidiary in the total amount of Bath 94.68 million (principal of Baht 87.08 million and accrued interest of Baht 7.60 million) by the subsidiary transferring land and buildings as payment (Note 5).
- 6.) The Company paid debts to an unrelated creditor in the amount of Baht 16.67 million by transferring land and buildings with a book value of Baht 15.91 million as payment.

JCK HOSPITALITY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

1. GENERAL INFORMATION

1.1 The Group's information

- a) JCK Hospitality Public Company Limited ("the Company") is a public limited Company incorporated and domiciled in Thailand. The Company is principally engaged in operation of food and beverage outlets. The registered address of the Company, which is head office, is at 18 Soi Sathorn 11 Yaek 9, TFD Building, Yannawa, Sathorn, Bangkok. Its factory is located at 11/1 Moo 3, Liab Klong 7 Road, Bueng Kham Phroi, Lamlukka, Pathumthani.

As at December 31, 2023 the Company has 15 branches (2022: 43 branches).

- b) The Group has incurred operating losses for a number of consecutive years, and as at December 31, 2023 the Group's total current liabilities exceeded its total current assets amount of Baht 770.56 million and it had a deficit of Baht 1,410.92 million.

The Group has invested in the office building business to reduce the burden of expenses and increase consistent and continuous income, Which is a long-term investment in assets located in the heart of the city. There is an opportunity to add value in the future. In addition, the Group is in the process of negotiating with financial institutions creditor, lenders, and business partners to extend payment terms and expects the negotiation to yield a positive outcome. The Group is seeking a co - investor and seeking additional sources of funds, with the major shareholder has agreed in writing to provide the financial support to the Group. The Group is also in the process of implementing plans to change its business strategies and business model. The Group's management believes that the Group will be able to continue as a going concern.

The above circumstances indicate that there are significant uncertainties which may raise substantial doubt about the Group's ability to continue as a going concern. This will depend on the success of negotiations with the financial institution's creditor, lenders and business partners and the search for co-investor and additional sources of funds including funds from the major shareholder, plan to change its business strategies and business model and improvement of future operations

2. BASIS OF PREPARATION AND PRESENTATION OF THE CONSOLIDATION FINANCIAL STATEMENTS

2.1 Basis of preparation of financial statements

The Consolidated and Separate financial statements, have been prepared in accordance with Thai generally accepted accounting principles under the Accounting Act B.E. 2543, being those Thai financial reporting standards issued under the Accounting Profession Act B.E. 2547, and the financial reporting requirements of the Securities and Exchange Commission under the Securities and Exchange Act. B.E 2535.

For the convenience of readers, the financial statements were translated into English from the statutory financial statements in Thai which are issued for the domestic purpose. The financial statements in Thai language are the official statutory financial statements of the Company. The financial statements in English language have been translated from the Thai language financial statements.

JCK HOSPITALITY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

2.2 Basis of measurement

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

2.3 Functional and presentation currency

The financial statements are prepared and presented in Thai Baht, which is the Group's functional currency. All financial information presented in Thai Baht has been rounded to the nearest thousand or million in the notes unless otherwise stated.

2.4 Basis for presentation of the consolidation financial statements

- a) The consolidation financial statements prepared the financial statement of JCK Hospitality Public Company Limited and its subsidiary had the significant control in the company follows:

Company's name	Nature of business	Country of incorporation	Share holding percentage	
			2023	2022
C P T Hotel and Resort Company Limited	Hotel	Thailand	100.00	100.00
A S P Hotel and Resort Company Limited *	Hotel	Thailand	-	100.00

* The Company sale investment in A S P Hotel and Resort Company Limited on September 22, 2023. (Note 11)

- b) The Company is deemed to have control over an investee or subsidiaries if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.
- c) Subsidiaries are fully consolidated, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.
- d) The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.
- e) Material balances and transactions between the Group have been eliminated from the consolidated financial statements.

2.5 New financial reporting standards

- a. Financial reporting standards that became effective in the current year

During the year, the Group has adopted the revised and new financial reporting standards and interpretations which are effective for fiscal periods beginning on or after January 1, 2023. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The management of the Group believes that adoption of these amendments will not have any significant impact on the Group's financial statements.

JCK HOSPITALITY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

- b. Financial reporting standard that will become effective for fiscal years beginning on or after January 1, 2024.

The Federation of Accounting Professions issued a number of revised financial reporting standards, which are effective for fiscal years beginning on or after January 1, 2024. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and, for some standards, providing temporary reliefs or temporary exemptions for users.

The management of the Group believes that adoption of these amendments will not have any significant impact on the Group's financial statements.

3. SIGNIFICANT ACCOUNTING POLICIES

3.1 Revenue and expense recognition

Sales of goods

Revenue from sale of goods is recognised at the point in time when control of the asset is transferred to the customer, generally upon delivery of the goods. Revenue is measured at the amount of the consideration received or receivable, excluding value added tax, of goods supplied after deducting returns and discounts.

Revenue from services

Revenue from services is recognized at a point in time upon completion of the service.

Rental income

Rental income is recognised in the statement of comprehensive income on an accrual basis over the term of the lease. Initial expenses are recorded as a part of total rental as lease agreement.

Other income

Other income is recognised following the accrual basis

Finance cost

Interest expense from financial liabilities at amortised cost is calculated using the effective interest method and recognised on an accrual basis.

3.2 Cash and cash equivalents

Cash and cash equivalents consist of cash in hand and at banks and all highly liquid investments with an original maturity of 3 months or less and not subject to withdrawal restrictions.

JCK HOSPITALITY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

3.3 Inventories

Finished goods are valued at the lower of cost and net realisable value. The cost of inventories is measured using the standard cost method, which approximates actual cost and includes all production costs and attributable factory overheads.

Raw materials are valued at the lower of cost and net realisable value. The cost of inventories is measured using the standard cost method, which approximates actual cost and are charged to production costs whenever consumed.

3.4 Investments in subsidiaries

Investments in subsidiaries are accounted for in the separate financial statements using the cost method.

3.5 Investment properties

Investment properties are measured at cost on initial recognition and subsequently at fair value, with any change recognised in profit or loss. Cost includes expenditure that is directly attributable to the acquisition of the investment property. The cost of self-constructed investment property includes capitalised borrowing costs. When the use of a property changes such that it is reclassified as property, plant and equipment, its fair value at the date of reclassification becomes its cost for subsequent accounting.

Differences between the proceeds from disposal and the carrying amount of investment property are recognised in profit or loss. When investment property that was previously classified as property, plant and equipment measured at revalued amounts is sold (see note 12), the amounts included in the revaluation reserve are transferred to retained earnings.

Depreciation of investment properties is calculated by reference to their costs on the straight - line basis over estimated useful lives.

Depreciation of the investment properties is included in determining income. No depreciation is provided on investment properties of land and buildings under construction.

3.6 Property, plant and equipment and depreciation

Land is stated at revalued amount. Buildings and equipment are stated at cost or revalued amount less accumulated depreciation and allowance for loss on impairment of assets (if any).

Land and buildings are initially recorded at cost on the acquisition date, and subsequently revalued by an independent professional appraiser to their fair values. Revaluations are made with sufficient regularity to ensure that the carrying amount does not differ materially from fair value at the end of reporting period.

The group recorded the difference arising from the revaluation of asset as follows :

- When an asset's carrying amount is increased as a result of a revaluation of the Group's assets, the increase is credited directly to the other comprehensive income and the cumulative increase is recognised equity under

JCK HOSPITALITY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

the heading of “Revaluation surplus”. However, a revaluation increase is recognised as income to the extent that it reverses a revaluation decrease in respect of the same asset previously recognised as an expense.

- When an asset’s carrying amount is decreased as a result of a revaluation of the Group’s assets, the decrease is recognised in profit or loss. However, the revaluation decrease is charged to the other comprehensive income to the extent that it does not exceed an amount already held in “Revaluation surplus” in respect of the same asset.

Depreciation of building and equipment is calculated by reference to their costs on the straight - line basis over the estimated useful lives as follows.

Buildings and building improvement	10 - 50 years
Leasehold building improvement	9 - 12 years
Furniture, fixtures and office equipment	5 - 15 years
Operating equipment	12 - 15 years
Vehicles	5 - 12 years

Depreciation is included in determining income. No depreciation is provided on land, hotel building awaiting renovation and assets under construction.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on disposal of an asset is included in profit or loss when the asset is derecognised.

3.7 Intangible assets

Intangible assets are stated at cost less accumulated amortisation and allowance for loss on impairment of assets (if any).

Intangible assets with finite lives are amortised on a straight - line basis over the economic useful life and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method of such intangible assets are reviewed at least at each financial year end. The amortisation expenses is charged to profit or loss.

The estimated useful lives of computer software are 5 and 10 years.

3.8 Related party transactions

Related parties comprise individuals or enterprises that control, or are controlled by, the Company, whether directly or indirectly, or which are under common control with the Company.

They also include associated companies, and individuals or enterprises which directly or indirectly own a voting interest in the Company that gives them significant influence over the Company, key management personnel, directors, and officers with authority in the planning and direction of the Company’s operations.

JCK HOSPITALITY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

3.9 Leases

At inception of contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

a) The Group as a lessee

The Group applied a single recognition and measurement approach for all leases, except for short - term leases and leases of low - value assets. At the commencement date of the lease (i.e. the date the underlying asset is available for use), the Group recognises right - of - use assets representing the right to use underlying assets and lease liabilities based on lease payments.

b) Right - of - use assets

Right - of - use assets are measured at cost, less accumulated depreciation, any accumulated impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right - of - use assets includes the amount of lease liabilities initially recognised, initial direct costs incurred and lease payments made at or before the commencement date of the lease, and an estimate of costs to dismantle less any lease incentives received.

Depreciation of right - of - use assets are calculated by reference to their costs on the straight - line basis over the shorter of their estimated useful lives and the lease term.

Rental areas	9 years
Vehicles and others	5 - 10 years

If ownership of the leased asset is transferred to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

c) Lease liabilities

Lease liabilities are measured at the present value of the lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be payable under residual value guarantees. Moreover, the lease payments include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising an option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

The Group discounted the present value of the lease payments by the interest rate implicit in the lease or the Group's incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

JCK HOSPITALITY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

d) Short - term leases and leases of low - value assets

A lease that has a lease term less than or equal to 12 months from commencement date or a lease of low - value assets is recognised as expenses on a straight - line basis over the lease term.

3.10 Impairment of non - financial assets

At the end of each reporting period, the Group performs impairment reviews in respect of the property, plant and equipment, right - of - use asset and other intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount. In determining value in use, the estimated future cash flows are discounted to their present value using a pre - tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by a valuation model that, based on information available, reflects the amount that the Group could obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the costs of disposal.

An impairment loss is recognised in profit or loss. Except, in cases where land and building was previously revalued and the revaluation was taken to equity, a part of such impairment is recognised in equity up to the amount of the previous revaluation.

3.11 Employee benefits

a) Short - term employee benefits

Salaries, wages, bonuses and contributions to the social security fund are recognised as expenses when incurred.

b) Post - employment benefits

Defined contribution plans

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

Defined benefit plans

The Group has obligations in respect of the severance payments it must make to employees upon retirement under labor law. The Group treats these severance payment obligations as a defined benefit plan.

The obligation under the defined benefit plan is determined by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method.

JCK HOSPITALITY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

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Actuarial gains and losses arising from defined benefit plans are recognised immediately in other comprehensive income.

3.12 Provisions

Provisions are recognised when the Group has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

3.13 Income tax

Income tax expense represents the sum of corporate income tax currently payable and deferred tax.

a) Current tax

Current income tax is provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

b) Deferred tax

Deferred income tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the end of each reporting period, using the tax rates enacted at the end of the reporting period.

The Group recognises deferred tax liabilities for all taxable temporary differences while it recognises deferred tax assets for all deductible temporary differences and tax losses carried forward to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilised.

At each reporting date, the Group reviews and reduces the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

The Group records deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

3.14 Financial instruments

The Group initially measures financial assets at its fair value plus, in the case of financial assets that are not measured at fair value through profit or loss, transaction costs. However, trade receivables, that do not contain a significant financing component, are measured at the transaction price as disclosed in the accounting policy relating to revenue recognition.

a) Classification and measurement of financial assets

Financial assets are classified, at initial recognition, as to be subsequently measured at amortised cost, fair value through other comprehensive income ("FVOCI"), or fair value through profit or loss ("FVTPL"). The classification of financial assets at initial recognition is driven by the Group's business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.

JCK HOSPITALITY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

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b) Financial assets at amortised cost

The Group measures financial assets at amortised cost if the financial asset is held in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate (“EIR”) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

c) Classification and measurement of financial liabilities

At initial recognition, the Group’s financial liabilities are recognised at fair value net of transaction costs and classified as liabilities to be subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. In determining amortised cost, the Group takes into account any fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in profit or loss.

d) Derecognition of financial instruments

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or have been transferred and either the Group has transferred substantially all the risks and rewards of the asset, or the Group has transferred control of the asset.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

e) Impairment of financial assets

The Group recognises an allowance for expected credit losses (“ECLs”) for all debt instruments not held at FVTPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

f) Offsetting of financial instruments

Financial assets and financial liabilities are offset, and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

JCK HOSPITALITY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

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3.15 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Group applies a quoted market price in an active market to measure its assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Group measures fair value using valuation technique that are appropriate in the circumstances and maximises the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into three levels based on categories of input to be used in fair value measurement as follows.

Level 1 Use of quoted market prices in an observable active market for such assets or liabilities

Level 2 Use of other observable inputs for such assets or liabilities, whether directly or indirectly

Level 3 Use of unobservable inputs such as estimates of future cash flows

At the end of each reporting period, the Group determines whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

4. 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 reported amounts and disclosures; and actual results could differ from these estimates. Significant judgements and estimates are as follows.

a) Leases - The Group as a lessee

Determining the lease term with extension and termination options

In determining the lease term, the management is required to exercise judgement in assessing whether the Group is reasonably certain to exercise the option to extend or terminate the lease considering all relevant facts and circumstances that create an economic incentive for the Group to exercise either the extension or termination option.

Estimating the incremental borrowing interest rate

The Group cannot readily determine the interest rate implicit in the lease, therefore, the management is required to exercise judgement in estimating its incremental borrowing rate to discount lease liabilities. The incremental borrowing rate is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right - of - use asset in a similar economic environment.

JCK HOSPITALITY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

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b) Allowance for expected credit losses of receivables

In determining an allowance for expected credit losses of receivables, the management needs to make judgement and estimates based upon the analytical of receivables' financial position and payment plan for each receivable. This information may not be representative of whether a customer will actually default in the future.

c) Investment properties, property, plant and equipment and depreciation

In determining depreciation of investment properties, 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 estimate useful lives and residual values when there are any changes.

The Group measures investment properties, land and buildings at revalued amounts. Such amounts are determined by the independent valuer using the market approach for land and the depreciated replacement cost approach for buildings. The valuation involves certain assumptions and estimates as described in Note 12 and 13 to the financial statements.

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

d) Provision for decommissioning

The Group is obligated to remove decoration and fixtures and restore the rental spaces before returning them to the lessors at the end of the rental agreements. In estimating of decommissioning costs, the management exercises judgement in predicting future decommissioning costs, discount rate and economic useful lives of the assets.

e) Allowance for impairment of non - financial assets

In determining allowance for impairment of a non - financial asset, the management is required to exercise judgements regarding determination of the recoverable amount of the asset, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from observable market prices less incremental costs of disposing of the asset. The value in use calculation is based on a discounted cash flow model. The cash flows are derived from the budget for the next 5 years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the performance of the assets of the cash - generating unit being tested.

The recoverable amount is sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash - inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to property, plant and equipment and right-of-use assets recognised by the Group. The key assumptions used to determine the recoverable amount are disclosed in Notes 13 and 14 to the financial statements.

JCK HOSPITALITY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

5. RELATED PARTY TRANSACTIONS

Related parties comprise individuals or enterprises that control, or are controlled by, the Company, whether directly or indirectly, or which are under common control with the Company.

They also include associated companies, and individuals or enterprises which directly or indirectly own a voting interest in the Company that gives them significant influence over the Company, key management personnel, directors, and officers with authority in the planning and direction of the Company's operations.

Relationships with related parties were as follows:

Related parties	Nature of business	Relationship
Related companies		
A S P Hotel and Resort Company Limited*	Hotels, Resorts and Suites	the subsidiaries
C P T Hotel and Resort Company Limited	Hotels, Resorts and Suites	the subsidiaries

* The Company sale investment in A S P Hotel and Resort Company Limited on September 22, 2023. (Note 11)

Related parties	Nature of business	Relationship
Related companies		
JCK International Public Company Limited	Property Development	Business related to shareholders, directors
JC Kevin Development Company Limited	Property Development	Business related to shareholders, directors
JC Kevin Food and Beverages Company Limited	Food service in restaurants/ food and beverage outlets	Business related to shareholders, directors
High Active Consultant Company Limited	Food service in restaurants/ food and beverage outlets	Business related to shareholders, directors
Atalanta Hospitality Company Limited (Formerly "High Active Consultant Company Limited")	Food service in restaurants/ food and beverage outlets	Business related to shareholders, directors
AP Prime Property Company Limited	Hotels, Resorts and Suites	Business related to shareholders, directors
Atalanta Holding Company Limited (Formerly "After Beauty Company Limited")	Business selling and importing cosmetics	Business related to shareholders, directors
S G Land company Limited	Rant and operation Property Development	Business related to shareholders, directors

JCK HOSPITALITY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

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Related parties	Nature of business	Relationship
Related persons		
Key management personal	-	Persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, (including any director of the Company whether executive or otherwise).

For the year ended December 31, 2023, and 2022, The Company had significant business transactions with persons and related companies are as follows:

(Unit : Thousand Baht)					
	Consolidated financial statements		Separate financial statements		
	2023	2022	2023	2022	Transfer pricing policy
Revenue from sale					
Other related parties	1,110	2,072	1,110	2,072	Comparable price offered to third parties
Revenue from Rental					
Other related parties	2,469	-	2,469	-	As stipulated in agreements
Revenue from Services					
Other related parties	1,307	-	1,307	-	As stipulated in agreements
Interest income					
Other related parties	-	2,381	4,601	5,904	As agreed price
Rental expenses					
Other related parties	-	6,951	-	6,951	As stipulated in agreements
Service expenses					
Other related parties	-	5,349	-	5,349	As stipulated in agreements
Other expenses					
Other related parties	3,072	4,380	3,072	4,380	As stipulated in agreements
Interest expense					
Director	-	8	-	8	Interest rate of 3.5 percent per annum
					Interest rate of 3.5 - 6.32 percent per annum
Related person	1,276	49	1,276	49	
Total	1,276	57	1,276	57	

JCK HOSPITALITY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

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	(Unit : Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Directors benefits				
Short - term employee benefits	5,597	5,855	5,597	5,855
Post - employment benefits	132	114	132	114
Total	5,729	5,969	5,729	5,969

Significant balances with the group and related persons which are included in the financial statements as at December 31, 2023 and 2022, are as follows:

	(Unit : Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Trade receivables				
<u>Other related parties</u>				
JCK International Public Company Limited	801	1,399	801	1,399
JC Kevin Development Company Limited	-	194	-	194
Other	25	25	25	25
Total	826	1,618	826	1,618
Other current receivables				
<u>Other related parties</u>				
JC Kevin Development Company Limited	7,478	19,492	7,478	19,492
High Active Consultant Company Limited*	712	19,171	712	19,171
JCK International Public Company Limited	-	1,809	-	1,809
JC Kevin Food and Beverages Company Limited	63	63	63	63
Atalanta Hospitality Company Limited (Formerly “High Active Consultant Company Limited”)	964	478	964	478
Atalanta Holdings Company Limited	21	21	21	21
Total	9,238	41,034	9,238	41,034
Less: Allowance for expected credit losses	(2,790)	(2,790)	(2,790)	(2,790)
Net	6,448	38,244	6,448	38,244

JCK HOSPITALITY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

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* In February 2021, the Company entered into an agreement to sell a restaurant together with assets and equipment related to the restaurant to a related company (High Active Consultant Company Limited) at a price of Baht 12 million. The company transfer assets to the parties on February 25, 2021. The buyer paid deposit of Baht 0.4 million to the Company at the contract date. The remaining amount will be paid by December 2021.

Later in December 28, 2021 the Company and the related company agreed to extend the remaining payment within December 2022. and the Company received the remaining payment in full on February 15, 2023

	(Unit : Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Advances				
Director	-	3,118	-	3,118
Total	-	3,118	-	3,118

Accrued Interest receivables

Subsidiaries

A S P Hotel and Resort Company				
Limited	-	-	-	3,330
C P T Hotel and Resort Company				
Limited	-	-	651	193
Total	-	-	651	3,523

	(Unit : Thousand Baht)			
	Separate financial statements			
	Balance as at			Balance as at
	December			December
	31,2022	Increase	Decrease	31,2023
Short - term loans				
A S P Hotel and Resort Company				
Limited*	86,739	342	(87,081)	-
C P T Hotel and Resort Company				
Limited	5,049	2,638	-	7,687
Total	91,788	2,980	(87,081)	7,687

JCK HOSPITALITY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**NOTE TO FINANCIAL STATEMENTS****DECEMBER 31, 2023**

As at December 31, 2023 and 2022 The above of short - term loans, receiving 13 promissory notes and 8 promissory notes respectively, with interest at the rate of 6.83 percent per annum no collateral and repayment on demand.

*On September 21, 2023, the Company and subsidiary (A S P Hotels and Resorts Company Limited) entered into a memorandum of agreement to use the land and buildings of the subsidiary to repay short - term loans with accrued interest expenses to the Company in the total amount of Baht 94.68 million (principal amount of Baht 87.08 million and accrued interest expense amount of Baht 7.60 million) and the subsidiary transferred ownership of the said plot of land on the same day. The said property has a fair value amount of Baht 167.97 million (assessed by an independent appraiser by the Cost Approach on November 16, 2022), and the Company has recognized the land and buildings in the accounts “Investment properties” (Note 12) and recognized a profit from exchange of assets in the statement of comprehensive income in the amount of Baht 69.47 million.

	(Unit : Thousand Baht)	
	Consolidated financial statements / Separate financial statements	
	2023	2022
Trade payables		
<u>Other related parties</u>		
High Active Consultant Company Limited	156	156
Total	156	156
Other current payables		
<u>Other related parties</u>		
SG Land Company Limited	3,520	3,520
JC Kevin Development Company Limited	5,061	802
JC Kevin Food and Beverages Company Limited	55	55
JCK International Public Company Limited	-	63
High Active Consultant Company Limited	23	1
<u>Director</u>		
Ms. Rachanee Siwawej	75	238
<u>Related person</u>		
Mr. Chotiwit Taechaubol	75	-
Total	8,809	4,679

JCK HOSPITALITY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

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DECEMBER 31, 2023

		(Unit : Thousand Baht)	
		Consolidated financial statements /	
		Separate financial statements	
		2023	2022
Payables for construction and purchase of assets			
<u>Other related parties</u>			
JC Kevin Development Company Limited		100,020	-
Total		100,020	-
Accrued interest expenses			
Mr. Apichai Taechaubol		512	512
Mr. Krittawat Taechaubol		229	229
Total		741	741
Prepaid revenue from rental and services			
<u>Other related parties</u>			
JCK International Public Company Limited		21,656	-
Total		21,656	-

					(Unit : Thousand Baht)	
					Consolidated financial statements / Separate financial statements	
					Balance as at	Balance as at
					December	December
Short - term borrowings	31,2022	Increase	Decrease		31, 2023	
Related person	-	56,169	-		56,169	
Less : Discount on loan	-	(3,432)	-		(3,432)	
Total	-	52,737	-		52,737	

As at December 31, 2023, the Company borrowings from related person, issuing 1 promissory notes, with interest at the rate of 2.00 percent per annum without collateral. They are repayable at December 30, 2024.

JCK HOSPITALITY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

6. CASH AND CASH EQUIVALENTS

	(Unit : Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Cash	656	2,503	656	2,503
Bank deposits - current	46	171	46	171
Bank deposits - savings	994	6,481	974	6,481
Total	1,696	9,155	1,676	9,155

Savings deposits have floating interest rates as specified by the bank.

7. TRADE AND OTHER CURRENT RECEIVABLES

As at December 31, 2023 and 2022 consist of :

	(Unit : Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Trade receivables - net (Note 7.1)	1,701	4,066	1,701	4,066
Other current receivables- net (Note 7.2)	10,797	52,354	11,284	51,671
Total	12,498	56,420	12,985	55,737

7.1 Trade receivable consist of :

	(Unit : Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Trade receivables - related parties				
(Note 5)				
Aged on the basis of due dates				
Not yet due	202	296	202	296
Past due				
Up to 3 months	219	436	219	436
3 - 12 months	373	668	373	668
Over 12 months	32	218	32	218
Total trade receivables - related parties	826	1,618	826	1,618

JCK HOSPITALITY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

	(Unit : Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Trade receivables - unrelated parties				
Aged on the basis of due dates				
Not yet due	-	90	-	90
Past due				
Up to 3 months	189	1,016	189	1,016
3 - 12 months	210	1,183	210	1,183
Over 12 months	2,365	2,048	2,365	2,048
Total	2,764	4,337	2,764	4,337
Less : Allowance for expected credit losses	(1,889)	(1,889)	(1,889)	(1,889)
Total trade receivables - unrelated parties	875	2,448	875	2,448
Total trade receivables - net	1,701	4,066	1,701	4,066

7.2 Other current receivable consist of :

	(Unit : Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Other current receivables - related parties (Note 5)				
Other current receivables - related parties	9,238	41,034	9,238	41,034
Advances	-	3,118	-	3,118
Accrued interest receivables	-	-	651	3,524
Total	9,238	44,152	9,889	47,676
Less : Allowance for expected credit losses	(2,790)	(2,790)	(2,790)	(2,790)
Net	6,448	41,362	7,099	44,886
Other current receivables - unrelated parties	4,763	11,406	4,599	7,199
Less : Allowance for expected credit losses	(414)	(414)	(414)	(414)
Net	4,349	10,992	4,185	6,785
Total other current receivables - net	10,797	52,354	11,284	51,671

JCK HOSPITALITY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**NOTE TO FINANCIAL STATEMENTS****DECEMBER 31, 2023****8. INVENTORIES**

As at December 31, 2023 and 2022 consist of :

	(Unit : Thousand Baht)	
	Consolidated financial statements / Separate financial statements	
	2023	2022
Finished goods	9,869	39,355
Raw materials	1,265	2,833
Total	11,134	42,188

9. OTHER CURRENT ASSETS

As at December 31, 2023 and 2022 consist of :

	(Unit : Thousand Baht)	
	Consolidated financial statements / Separate financial statements	
	2023	2022
Prepaid expense	3,186	4,929
Undue input vat	10,676	9,881
Supplies	2,239	2,656
Others	5,112	5,149
Total	21,213	22,615
Less : Allowance for expected credit losses	(7,184)	-
Net	14,029	22,615

10. RESTRICTED BANK DEPOSITS

As at December 31, 2022, the Company had restricted with deposits of Baht 3.00 million. Used as overdraft guarantee.

JCK HOSPITALITY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

11. INVESTMENT IN SUBSIDIARIES

As at December 31, 2023 and 2022, the details of investments in subsidiaries as presented in the separate financial statements are as follow:

Company's name	Separate financial statements					
	Paid - Up Capital		Shareholding		Cost	
	(Thousand Bath)		Percentage (%)		(Thousand Bath)	
	2023	2022	2023	2022	2023	2022
A S P Hotel and Resort						
Company Limited	-	1,000	-	100	-	1,000
C P T Hotel and Resort						
Company Limited	120,000	120,000	100	100	30,000	30,000
Total					30,000	31,000
Less: Allowance for impairment					-	(1,000)
Net					30,000	30,000

C P T Hotel and Resort Company Limited

In 2021, The Group recorded transaction costs of the land and hotel buildings of the subsidiary amount of Baht 145 million in the consolidated statement of financial position. The Group also arranged for the appraisal of the land and hotel buildings by an independent appraiser using the market approach for land and depreciated replacement cost for the hotel buildings and recorded a surplus from asset revaluation amount of Baht 56 million (net of income tax) in other comprehensive income for the year 2021.

A S P Hotel and Resort Company Limited

In December 2021, the Company negotiated with the group of sellers requesting compensation as a result of purchasing investments in the subsidiary because legal ownership of the land and hotel buildings of that subsidiary has been transferred to a bank loan creditor those assets having been pledged as collateral through a public auction sale. This transaction occurred before the agreement to purchase ordinary shares of the subsidiary. The group of sellers agreed to join the Company in negotiating a compromise regarding the subsidiary's debt with the bank creditor for the compensation. Currently, they are in the process of requesting the bank for a reduction of the loan and accrued interest of the subsidiary amount of Baht 70 million, which was the remaining debt after deducting the auction sale of the assets. However, the bank creditor is considering whether to approve this transaction. The group recognized a loss from the transaction in the amount of Baht 82 million in statement of comprehensive income for the year 2021.

In 2022 The Company is in the process of negotiating with bank creditors to buy back the land and hotel buildings.

JCK HOSPITALITY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**NOTE TO FINANCIAL STATEMENTS****DECEMBER 31, 2023**

the Company received a notice of termination of the conditions for extending the payment period for the purchase of land and hotel buildings due to the expiration of the period that the contract to buy and sell with the bank had expired, which the Company cannot proceed. On October 12, 2022.

Board of Directors' Meeting No. 11/2023 On September 18, 2023, it was resolved to resolution to approve sale of investment in subsidiary (A S P Hotel and Resort Company Limited) amount of 9,998 ordinary shares at a price of Baht 100 each in the amount of Baht 999,800 (sold at a mutually agreed upon price) to non - related person and September 22, 2023, the Company has transferred the share and received payment from the buyer. The Company recorded the profit from disposal of investments amount of Baht 101.16 million. This is the result of operations until now and losses on the acquisition date amount of Baht 82 million. The sale resulted in a decrease in the shareholding as well as the Company loses control therefore.

Details disposal of investment in a subsidiary A S P Hotel and Resorts Company Limited are as follows :

	(Unit : Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
Cash received from disposal of investments in subsidiary	1,000	1,000
Plus (less) : Net liabilities/ book value cost of A S P Hotel and Resorts Company Limited	100,156	(1,000)
Gain on disposal of investment in subsidiary	101,156	-

Assets and Liabilities relating to A S P Hotel and Resorts Company Limited as at September 22, 2023 are as follows :

	(Unit : Thousand Baht)
Assets	
Trade and other current receivables	4,042
Current income tax asset	870
Total assets	4,912
Liabilities	
Trade and other current payables	(37,260)
Current portion of long - term loans from financial institution	(44,589)
Deferred tax liabilities	(17,269)
Long - term provision	(5,950)
Total liabilities	(105,068)
Net liabilities	(100,156)

JCK HOSPITALITY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**NOTE TO FINANCIAL STATEMENTS****DECEMBER 31, 2023**

	(Unit : Thousand Baht)
Cash received from disposal of investment in subsidiary	1,000
Less : Cash and cash equivalents of the subsidiary	-
Net cash received from disposal of investment in subsidiary	1,000

12. INVESTMENT PROPERTIES

The movements of investment property during for the years ended December 31, 2023 and 2022 is as follows :

	(Unit : Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
Balance beginning of year	233,680	65,706
Increase during the year	442,188	442,188
Increase from transfer subsidiary company	-	167,974
Disposal during the year	(15,907)	(15,907)
Gain on fair value change of investment property	9,968	9,968
Balance ended of year	669,929	669,929

The Group has presented the value of investment properties using the fair value method, which is measured in level 2

According to the resolution of the Extraordinary General Meeting of Shareholders No. 1/2023 on March 8, 2023, there was a resolution to approve the purchase of land and office buildings from a related company, namely JC Kevin Development Company Limited, with the objective of some of it as an office location and the remaining space to be rented out to other companies as office locations and the company plans to develop the vacant land to be an office building for rent in future. The company has entered into an agreement to buy and sell land and buildings at a price of Baht 450.00 million (fair value of an independent appraiser using the Cost Approach). on December 26, 2023 in the amount of Baht 526.39 million). The company will pay for such assets with the details as follows.

- Paid by issuing newly issued shares to a private placement to JCKD in the amount of not exceeding 1,617,531,400 shares par value of Baht 0.25 per share at the offering price of 0.17 Baht per share, with the total value Baht 274,980,338.
- The remaining amount of Baht 175,019,662 will be paid in full within 180 days from registration of the transfer of ownership The company can request an extension of the payment period for no more than 90 days and must payment default interest (5 percent per year) to the seller.

JCK HOSPITALITY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

Making such a transaction is considered an acquisition of assets and a connected transaction of the Company which was approved by the Board of Directors' meeting and prepared and disclosed information about entering into the transaction to the Stock Exchange and requested approval of into the transaction from the Extraordinary General Meeting of Shareholders. And the Company received the transfer of ownership of land and office building on September 14, 2023 and issuing ordinary shares. On November 1, 2023, the Company has paid the partial amount of Baht 75 million.

The Company recognizes the said land and buildings in the accounts "Investment property" in the amount of Baht 442.19 million and "Land, plant and equipment" account in the amount of Baht 84.20 million (Note 13).

According to the resolution of the Board of Directors' Meeting No. 11/2023 on September 18, 2023 it was resolved to approve sale of investment in subsidiary (ASP Hotels & Resorts Company Limited) at prices of Baht 87.00 million with a fair value amount of Baht 167.97 million by an independent appraiser whose report dated on November 16, 2022, with its purpose into restructuring the business operations of the Group Because the Company's executives assess that the Company There is more potential for future development and the ability to continuously raise funds for the Company than subsidiaries. The Company received the transfer of ownership of the land and buildings on September 21, 2023. The Company entered into a memorandum of understanding with the subsidiary to use the land and buildings of the subsidiary to repay short - term loan with accrued interest. (Note 5) and the Company has received the transfer of ownership of the land and building.

As at December 31, 2023, the Group investment properties are land buildings and buildings under construction. Which there is no objective to use. The investment properties are appraised by an independent external appraiser who have appropriate professional qualifications and have experience in evaluating such assets. According to the 2023 independent appraisal report, the Group appraises land using the market price method. Buildings and buildings under construction use the net replacement cost method.

JCK HOSPITALITY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

13. PROPERTY, PLANT AND EQUIPMENT

Movements of the property, plant and equipment account during for the years ended December 31, 2023 and 2022 is as follows:

(Unit : Thousand Baht)

	Consolidated financial statements							
	Revaluation basis			Cost basis				
	Land	Buildings and improvement	Hotel building awaiting renovation	Leasehold building improvement	Furniture, fixtures and office equipment	Operating equipment	Vehicles	Assets under construction
Cost								Total
As at January 1, 2022	238,256	106,038	180,435	337,178	49,622	314,389	34,450	1,087
Additions	-	-	-	26,287	2,215	7,923	-	3,772
Disposals / write - off	-	-	-	(100,500)	(4,872)	(50,180)	-	-
Transfer in	-	-	-	-	-	-	1,335	-
Revaluations	7,944	-	(1,880)	-	-	-	-	-
As at December 31, 2022	246,200	106,038	178,555	262,965	46,965	272,132	35,785	4,859
Additions	51,516	32,686	-	512	182	1,781	-	6,481
Disposals / write - off	-	-	-	(62,714)	(7,466)	(67,202)	(12,083)	-
Revaluations	-	-	(1,880)	-	-	-	-	-
As at December 31, 2023	297,716	138,724	176,675	200,763	39,681	206,711	23,702	11,340

JCK HOSPITALITY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

(Unit : Thousand Baht)

	Consolidated financial statements							
	Revaluation basis			Cost basis				
	Land	Buildings and improvement	Hotel building awaiting renovation	Leasehold building improvement	Furniture, fixtures and office equipment	Operating equipment	Vehicles	Assets under construction
								Total
Accumulated depreciation:								
As at January 1, 2022	-	(38,798)	-	(272,755)	(45,355)	(278,652)	(30,874)	-
Depreciation for the year	-	(5,189)	-	(21,352)	(2,303)	(9,668)	(2,408)	-
Disposals / write - off	-	-	-	93,611	4,817	47,413	1,273	-
Transfer in	-	-	-	-	-	-	(1,335)	-
As at December 31, 2022	-	(43,987)	-	(200,496)	(42,841)	(240,907)	(33,344)	-
Depreciation for the year	-	(5,314)	-	(13,649)	(2,040)	(8,407)	(1,003)	-
Disposals / write - off	-	-	-	60,603	6,857	62,691	11,524	-
As at December 31, 2023	-	(49,301)	-	(153,542)	(38,024)	(186,623)	(22,823)	-

JCK HOSPITALITY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

(Unit : Thousand Baht)

Consolidated financial statements								
Revaluation basis			Cost basis					
Land	Buildings and building improvement	Hotel building awaiting renovation	Leasehold building improvement	Furniture, fixtures and office equipment	Operating equipment	Vehicles	Assets under construction	Total
Allowance for impairment loss:								
As at January 1, 2022	-	-	-	(7,323)	-	-	-	(7,323)
Decrease during the year	-	-	-	7,158	-	-	-	7,158
Increase during the year	-	-	-	(4,851)	-	-	-	(4,851)
As at December 31, 2022	-	-	-	(5,016)	-	-	-	(5,016)
Decrease during the year	-	-	-	2,848	-	-	-	2,848
Increase during the year	-	-	-	-	-	-	-	-
As at December 31, 2023	-	-	-	(2,168)	-	-	-	(2,168)
Net book value:								
As at December 31, 2022	246,200	62,051	178,555	57,453	4,124	31,225	2,441	586,908
As at December 31, 2023	297,716	89,423	176,675	45,053	1,657	20,088	11,340	642,831
Depreciation for the year								
2022 (Baht 0.9 million included in manufacturing cost, and the balance in selling and distribution and administrative expense s)								40,920
2023 (Baht 0.2 million included in manufacturing cost, and the balance in selling and distribution and administrative expenses)								30,413

JCK HOSPITALITY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

(Unit : Thousand Baht)

	Separate financial statements							Total
	Revaluation basis		Cost basis					
	Land	Buildings and building improvement	Leasehold building improvement	Furniture, fixtures and office equipment	Operating equipment	Vehicles	Assets under construction	
Cost								
As at January 1, 2022	203,896	106,038	337,178	49,622	314,389	34,450	1,087	1,046,660
Additions	-	-	26,287	2,215	7,923	-	2,618	39,043
Disposals / write - off	-	-	(100,500)	(4,872)	(50,180)	-	-	(155,552)
Transfer in (Transfer out)	-	-	-	-	-	1,335	-	1,335
Revaluations	7,944	-	-	-	-	-	-	7,944
As at December 31, 2022	211,840	106,038	262,965	46,965	272,132	35,785	3,705	939,430
Additions	51,516	32,686	512	182	1,781	-	6,481	93,158
Disposals / write - off	-	-	(62,714)	(7,466)	(67,202)	(12,083)	-	(149,465)
As at December 31, 2023	263,356	138,724	200,763	39,681	206,711	23,702	10,186	883,123

JCK HOSPITALITY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

(Unit : Thousand Baht)

	Separate financial statements							
	Revaluation basis		Cost basis					
	Land	Buildings and building improvement	Leasehold building improvement	Furniture, fixtures and office equipment	Operating equipment	Vehicles	Assets under construction	Total
Accumulated depreciation:								
As at January 1, 2022	-	(38,798)	(272,755)	(45,355)	(278,652)	(30,874)	-	(666,434)
Depreciation for the year	-	(5,189)	(21,352)	(2,303)	(9,668)	(2,408)	-	(40,920)
Disposals / write - off	-	-	93,611	4,817	47,413	1,273	-	147,114
Tranfer in	-	-	-	-	-	(1,335)	-	(1,335)
As at December 31, 2022	-	(43,987)	(200,496)	(42,841)	(240,907)	(33,344)	-	(561,575)
Depreciation for the year	-	(5,314)	(13,649)	(2,040)	(8,407)	(1,003)	-	(30,413)
Disposals / write - off	-	-	60,603	6,857	62,691	11,524	-	141,675
As at December 31, 2023	-	(49,301)	(153,542)	(38,024)	(186,623)	(22,823)	-	(450,313)

JCK HOSPITALITY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

(Unit : Thousand Baht)

	Separate financial statements							Total
	Revaluation basis		Cost basis					
	Land	Buildings and building improvement	Leasehold building improvement	Furniture, fixtures and office equipment	Operating equipment	Vehicles	Assets under construction	
Allowance for impairment loss:								
As at January 1, 2022	-	-	(7,323)	-	-	-	-	(7,323)
Decrease during the year	-	-	7,158	-	-	-	-	7,158
Increase during the year	-	-	(4,851)	-	-	-	-	(4,851)
As at December 31, 2022	-	-	(5,016)	-	-	-	-	(5,016)
Decrease during the year	-	-	2,848	-	-	-	-	2,848
Increase during the year	-	-	-	-	-	-	-	-
As at December 31, 2023	-	-	(2,168)	-	-	-	-	(2,168)
Net book value:								
As at December 31, 2022	211,840	62,051	57,453	4,124	31,225	2,441	3,705	372,839
As at December 31, 2023	263,356	89,423	45,053	1,657	20,088	879	10,186	430,642
Depreciation for the year								
2022 (Baht 0.9 million included in manufacturing cost, and the balance in selling and distribution and administrative expenses)								40,920
2023 (Baht 0.2 million included in manufacturing cost, and the balance in selling and distribution and administrative expenses)								30,413

JCK HOSPITALITY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

The Group has presented the value of land and buildings using the revaluation method, which is measured in level 2 of fair value hierarchy.

On December 31, 2023, the Company recognizes land and office building which purchasing from a related company at a cost of Baht 84.20 million. (Note 12)

The Group and the Company have pledged land and building thereon with net book value as at December 31, 2023, amount of Baht 481 million and Baht 268 million. (December 31, 2022: Baht 489 million and Baht 274 million, respectively.) as collateral against credit facilities Bank Overdraft and loans from financial institutions.

As at December 31, 2023 and 2022, lands and buildings of the Group are stated at appraised value based on reports of the independent appraiser in the year 2022. The appraised value of lands was based on market price method, while the appraised value of buildings was based on depreciated replacement cost method. Revaluation surplus of fixed assets are shown under “Shareholders’ Equity” in the statement of financial position. The revaluation surplus of fixed assets is not available for dividend distribution.

The group arranged for an independent professional valuer to appraise the value of land and building. The basis of the revaluation was as follows:

- Land was revalued using the market approach.
- Building were revalued using the depreciated replacement cost approach.

	Consolidated financial statements		Separate financial statements		Result to fair value whereas an increase in assumption value
	2023	2022	2023	2022	
Price per square wha (Baht)	40,000 - 630,000	40,000 - 80,000	40,000 - 630,000	40,000	Increase in fair value

If the Group present the value of land and building using the cost method, net book value as at December 31, 2023 and 2022 are as follows:

	(Unit : Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Land	90,939	50,553	78,939	27,423
Buildings and building improvement	57,320	26,794	57,320	26,794
Hotel building awaiting renovation	47,500	119,583	-	-

JCK HOSPITALITY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**NOTE TO FINANCIAL STATEMENTS****DECEMBER 31, 2023**

As at December 31, 2023 and 2022 the Group had plant and equipment items have been fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation and allowance for impairment loss of those assets amounted to approximately amount of Baht 331 million and Baht 369 million. (The Company only : Baht 331 million 2022 : Baht 369 million), respectively.

As at December 31, 2023, the Company reversal of loss on impairment of assets on cost basis of Baht 2.84 million because closure of branches.

As at 31 December 2023 and 2022, the Company entered into asset insurance for branches, factory building, other structure, equipment and motor vehicles, and inventories. The beneficiary of these insured assets is the financial institution to secure for the loan.

14. RIGHT - OF - USE - ASSETS

Movement of right - of - use assets for the year ended December 31, 2023, and 2022 are as follows

	(Unit : Thousand Baht)		
	Consolidated financial statements / Separate financial statements		
	Rental areas	Vehicles and others	Total
As at December 31, 2021	229,004	3,075	232,079
Increase during the year	32,486	-	32,486
Decrease during the year	(49,900)	-	(49,900)
Adjustment of provision for decommissioning	621	-	621
Lease modification	56,618	-	56,618
Depreciation for the year	(141,184)	(1,322)	(142,506)
Reversal of allowance for impairment loss	23,661	-	23,661
As at December 31, 2022	151,306	1,753	153,059
Decrease during the year	(20,985)	-	(20,985)
Adjustment of provision for decommissioning	(964)	-	(964)
Lease modification	38,669	-	38,669
Depreciation for the year	(80,552)	(170)	(80,722)
Reversal of allowance for impairment loss	2,653	-	2,653
As at December 31, 2023	90,127	1,583	91,710

JCK HOSPITALITY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**NOTE TO FINANCIAL STATEMENTS****DECEMBER 31, 2023**

Movement of allowance for impairment loss on right - of - use assets for the year ended December 31, 2023, and 2022 are as follows:

	(Unit : Thousand Baht)	
	Consolidated financial statements / Separate financial statements	
	2023	2022
Balance beginning of year	(14,297)	(37,958)
Transfer during the year	2,653	23,661
Balance ended of year	(11,644)	(14,297)

As at December 31, 2023 and 2022, the Group reversed the impairment loss on right - of - use assets amounting to Baht 2.65 million and Baht 23.66 million, respectively, due to branch closure and to make those asset present the expected recoverable value of assets. The Group determines the recoverable amount of assets from their value in use. The estimated future cash flows are based on financial projections approved by management.

Key assumptions used in value in use calculations are as follows :

	(Unit : percent per annum)
	Consolidated / Separate financial statements
Pre - tax discount rate	8.0
Long - term growth rate	0.63

JCK HOSPITALITY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

15. OTHER NON - CURRENT FINANCIAL ASSETS

As at December 31, 2023 and 2022 consist of :

	(Unit : Thousand Baht)	
	Consolidated / Separate financial statements	
	2023	2022
Rental deposit	37,893	46,344
Service deposit	10,545	14,597
Electricity deposit	858	1,213
Equipment deposit	212	202
Decoration deposit	1,416	1,946
Other deposit	475	810
Withholding income tax	1,844	1,078
Total	53,243	66,190
Less : Allowance for expected credit losses	(5,678)	-
Net	47,565	66,190

16. BANK OVERDRAFTS AND SHORT - TERM LOANS FROM FINANCIAL INSTITUTIONS

As at December 31, 2023 and 2022 consist of :

	(Unit : Thousand Baht)			
	Interest rate	Interest rate	Consolidated / Separate financial statements	
	(% per annum)	(% per annum)	2023	2022
	2023	2022		
Bank overdrafts	MOR, MRR	MOR, MRR	60,042	60,132
Promissory note	MLR + 1	MLR+1	30,000	30,000
Total			90,042	90,132

As at December 31, 2023 and 2022, the Company has bank overdrafts from a local financial institution in the amount of Baht 60.04 million and Baht 60.13 million, respectively, with interest rates equal to MOR, MRR percent per year. The Company has bank overdraft line of Baht 60 million. Bank overdraft is secured by the mortgage of land and construction (Note 13) and the pledge of right of the Group's fixed deposit. Subsequently, the Company redeemed the collateral (Fixed deposit account) by receiving a letter of consent to cancel the registration of the collateral agreement record dated July 4, 2023, to repayment long - term loans from financial institutions. (Note 19)

JCK HOSPITALITY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**NOTE TO FINANCIAL STATEMENTS****DECEMBER 31, 2023****17. SHORT - TERM BORROWINGS**

As at December 31, 2023 and 2022 consist of :

			(Unit : Thousand Baht)	
			Consolidated / Separate financial	
			statements	
	Interest rate (% per annum)	Interest rate (% per annum)		
	2023	2022	2023	2022
Promissory notes - unrelated person	4.50 - 10.00	4.50 - 10.00	144,200	132,300
Promissory notes - director (Note 5)	2.00	-	56,169	-
Less: prepaid interest expense			(309)	(397)
Discount on loan			(3,432)	-
Total			196,628	131,903

As at December 31, 2023 and 2022, the Group has short - term borrowings from unrelated persons amount of Baht 144.20 million and Baht 132.30 million, respectively. Interest rate 4.5 - 10 percent per annum. The Company issuing a cheque of a commercial bank in the amount of Baht 22.00 million as collateral.

The Company borrowings from related person, issuing a promissory note, with interest rate of 2.00 percent per annum without collateral. Which is repayable at December 30, 2024

JCK HOSPITALITY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

18. TRADE AND OTHER CURRENT PAYABLES

As at December 31, 2023 and 2022 consist of :

	(Unit : Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Trade payables				
Trade payables - related parties (Note 5)	156	156	156	156
Trade payables - unrelated parties	41,521	61,001	41,521	61,147
Other payables - related parties (Note 5)	8,809	4,679	8,809	4,679
Payable				
Other payables - unrelated parties	76,989	85,512	75,377	84,074
Payables for construction and purchase of assets - related parties (Note 5)	100,020	-	100,020	-
Payables for construction and purchase of assets - unrelated parties	15,919	10,149	15,919	10,149
Judgment creditor	6,057	5,146	3,757	836
Accrued interest expenses - related parties (Note 5)	741	741	741	741
Accrued interest expenses - unrelated parties	37,029	65,495	3,917	1,743
Accrued expenses	67,871	59,514	67,736	58,998
Others	896	1,232	896	1,165
Total	356,008	293,625	318,849	223,688

As at December 31, 2023 and 2022, the Company and its subsidiaries were sued by creditors with total of debt amounting to Baht 6.05 million and Baht 5.15 million, respectively. (the Company only : Baht 3.76 million and Baht 0.84 million, respectively.) demanding payment of outstanding debts and the court has ordered the company and subsidiaries to pay such to the creditors together with relevant interest.

JCK HOSPITALITY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

19. LONG - TERM BORROWINGS FROM FINANCIAL INSTITUTIONS

			(Unit : Thousand Baht)			
Loan	Interest rate (Percent per annum)	Repayment schedule	Consolidated		Separate	
			financial statements		financial statements	
			2023	2022	2023	2022
1	MLR-1.3	Monthly installments starting from the 13th month and full payment to be made within 5 years from the drawdown date.	2,666	7,753	2,666	7,753
2	MLR-1.0 to MLR-2.0	Monthly installments within 9 years from the contract date	-	44,589	-	-
3	MLR-1.5	Monthly installments from August 2021 to July 2026.	66,091	66,665	-	-
Total			68,757	119,007	2,666	7,753
Less : Current portion			(2,998)	(1,756)	-	-
Less : Current portion of long-term loan resulting from default of financial covenants - commercial bank			(2,666)	(7,753)	(2,666)	(7,753)
Less : Default on payment terms			-	(44,589)	-	-
Long-term loans, net of current portion			63,093	64,909	-	-

Movements of the long - term loans account during the year ended December 31, 2023 and 2022 are summarised below :

(Unit : Thousand Baht)				
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Balance beginning of year	119,007	132,904	7,753	21,253
Repayments	(5,661)	(13,897)	(5,087)	(13,500)
Decrease from disposal of investment in subsidiary and losing control	(44,589)	-	-	-
Balance ended of year	68,757	119,007	2,666	7,753

JCK HOSPITALITY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

JCK Hospitality Public Company Limited

In March 2020, the Company signed the loan agreements (Amendment version) with amendment made to the term of loan repayment which has been suspended from March 2020 onwards. The Company will commence making repayment on the last day of March 2021.

In March 2021, the Company signed the loan agreements (Amendment version No. 2) with amendment made to the term of borrowings repayment which has been suspended from March 2021 onwards. The Company will commence making repayment on the last day of March 2022 onwards and the borrowings will be repayment in full within May 2023.

In July 2023, the Company signed the loans agreements (Amendment version No. 3) with amendment made to the term of borrowings repayment which has been suspended from April 2023 onwards. The Company will commence making repayment on the last day of April 2023 onwards and the borrowings will be repayment in full within December 2024.

Under the long - term loans agreement, the Company is required to comply with some financial conditions as mentioned in the agreement. These include maintaining the debt to equity ratio and the debt service coverage ratio to be in accordance with the stipulated rate in the agreement.

As at December 31, 2023 and 2022, the Company was unable to comply with certain financial ratios stipulated in the borrowings agreements.

The borrowings are secured by the mortgage of the Group's land and construction (Note 13) thereon and guarantees provided by non - related individuals.

The subsidiary

The subsidiaries' borrowings from bank were delivered a verdict by a court to pay debts and related interest.

The subsidiaries (C P T Hotel and Resort Company Limited) has entered into a debt restructuring agreement with a bank for debt amount of Baht 67 million, whereby the repayment period runs from August 2021 until July 2026.

JCK HOSPITALITY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

20. LEASE LIABILITIES

	(Unit : Thousand Baht)	
	Consolidated / Separate financial statements	
	2023	2022
Lease payments	120,276	191,290
Less : Deferred interest expenses	(12,678)	(21,399)
Total	107,598	169,891
Less : Portion due within one year	(41,463)	(69,366)
Lease liabilities - net of current portion	66,135	100,525

Movements of the lease liabilities account during the years ended December 31, 2023 and 2022 are summarised below :

	(Unit : Thousand Baht)	
	Consolidated / Separate financial statements	
	2023	2022
Balance at beginning of year	169,891	270,281
Increase	-	31,967
Accretion of interest	8,370	11,844
Repayments	(80,135)	(115,238)
Difference from lease reduction	(7,283)	(33,800)
Decrease	(21,914)	(51,781)
Lease modification	38,669	56,618
Balance at end of year	107,598	169,891

Expenses relating to leases that are recognised in profit or loss

	(Unit : Thousand Baht)	
	Consolidated / Separate financial statements	
	2023	2022
Depreciation expense of right - of - use assets	80,722	142,506
Interest expense on lease liabilities	8,370	11,844
Expense relating to variable lease payments that do not depend on an index or a rate	400	3,477

The Group has lease contracts for building area space that contains variable payments based on sales. The lease term is 1 - 3 Years.

JCK HOSPITALITY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**NOTE TO FINANCIAL STATEMENTS****DECEMBER 31, 2023****Other**

The Group had total cash outflows for leases for the year ended December 31, 2023 and 2022 amount of Baht 80.13 million and Baht 115 million, (the Company only: Baht 80.13 million, 2021: Baht 115 million) respectively, including the cash outflow related to variable lease payments that do not depend on an index or a rate.

21. Other current liabilities

As at December 31, 2023 and 2022 consist of:

	(หน่วย : พันบาท)			
	Consolidated		Separate financial statements	
	2023	2022	2023	2022
Advance Payment	3,316	11,916	3,316	11,916
Deposit for rent and service	419	-	419	-
Creditors to the Revenue Department	114,793	111,556	114,793	111,556
Other	1,586	1,269	1,586	1,269
Total	120,114	124,741	120,114	124,741

22. PROVISION FOR DECOMMISSIONING

Movements of the provision for decommissioning account during the year ended December 31, 2023 and 2022 are summarised below :

	(Unit : Thousand Baht)
	Consolidated / Separate financial statements
Balance as at December 31, 2021	16,963
Increase during the year	129
Increase from open of new branches	520
Reversal of provisions from closure of branches	(5,604)
Balance as at December 31, 2022	12,008
Increase during the year	46
Reversal of provisions from closure of branches	(8,324)
Balance as at December 31, 2023	3,730

JCK HOSPITALITY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

23. DEFERRED TAX

The movements in deferred tax assets and liabilities during the year are as follows:

	(Unit : Thousand Baht)				
	Consolidated financial statements				
	(Charged) / credited to :				
	As at December 31, 2022	Profit or loss	Other comprehensive income	Directly to equity	As at December 31, 2023
Deferred tax assets (liabilities)					
Property, plant and equipment	-	(1,994)	-	-	(1,994)
Accumulated depreciation - plant and equipment	(17,115)	381	-	-	(16,734)
Lease liabilities	(189)	(86)	-	-	(275)
Surplus on revaluation of property and plant	(56,771)	-	599	-	(56,172)
Surplus from revaluation of investment properties	(17,269)	-	17,269	-	-
Deferred tax assets (liabilities)	(91,344)	(1,699)	17,868	-	(75,175)

	(Unit : Thousand Baht)				
	Separate financial statements				
	(Charged) / credited to :				
	As at December 31, 2022	Profit or loss	Other comprehensive income	Directly to equity	As at December 31, 2023
Deferred tax assets (liabilities)					
Property, plant and equipment	-	(1,994)	-	-	(1,994)
Accumulated depreciation - plant and equipment	(17,115)	381	-	-	(16,734)
Lease liabilities	(189)	(86)	-	-	(275)
Surplus on revaluation of property and plant	(43,107)	-	599	-	(42,508)
Deferred tax assets (liabilities)	(60,411)	(1,699)	599	-	(61,511)

JCK HOSPITALITY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

As at December 31, 2023, the Group has unused tax losses totaling Baht 649 million (2022 : Baht 744 million), on which deferred tax assets have not been recognised as the Group believes future taxable profits may not be sufficient to allow utilisation of the unused tax losses. The unused tax losses will expire by 2023 - 2027 (2022 : 2022 - 2026).

24. CONVERTIBLE DEBENTURES/OPTIONS

Movements of the convertible debentures and options for the year ended December 31, 2023 and 2022 are summarised below.

	(Unit : Thousand Baht)
	Consolidated / Separate financial statements
<u>Convertible debentures</u>	
Balance as at January 1, 2022	25,659
Add : The issuance of convertible debentures	210,000
Less : Transaction cost	(33,834)
Less : Exercise of conversion rights	(183,000)
Add : Amortised - transaction cost	29,935
Balance as at December 31, 2022	48,760
Add : The issuance of convertible debentures	5,000
Less : Transaction cost	(4,496)
Less : Exercise of conversion rights	(62,000)
Add : Amortised - transaction cost	13,840
Balance as at December 31, 2023	1,104
	(Unit : Thousand Baht)
	Consolidated / Separate financial statements
<u>Options</u>	
Balance as at January 1, 2022	3,889
Add : The issuance of options	23,333
Less : Exercise of conversion rights	(20,333)
Balance as at Dcember 31, 2022	6,889
Less : Exercise of conversion rights	(6,444)
Balance as at December 31, 2023	445

JCK HOSPITALITY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**NOTE TO FINANCIAL STATEMENTS****DECEMBER 31, 2023**

On June 15, 2021, the Extraordinary Shareholder's Meeting of the Company passed a resolution to approve on issuance and offering of the convertible debentures on a private placement basis to Advance Opportunities Fund ("AO Fund") and Advance Opportunities Fund I ("AO Fund 1"). Details are as follows :

Total principal amount of convertible debentures	Not exceeding Baht 300,000,000 divided into 3 tranches as follows : (1) Tranche 1 Convertible debentures in the amount of not exceeding Baht 100 million divided into 40 equal sub - tranches, each of which is Baht 2.5 million. (2) Tranche 2 Convertible debentures in the amount of not exceeding Baht 100 million divided into 40 equal sub - tranches, each of which is Baht 2.5 million. (3) Tranche 3 Convertible debentures in the amount of not exceeding Baht 100 million divided into 25 equal sub - tranches, each of which is Baht 4 million.
Issuance condition	The Company will gradually issue convertible bonds in batches. one by one in order and in issuing convertible debentures in each series The Company will be gradually released into individual sub - packs according to the Company's financial needs each time. The issuance of convertible bonds must be subject to the completion of the conditions precedent, including the terms and conditions of the convertible debentures. The period for issuing convertible debentures shall be within 3 years from the date that the shareholders' meeting has approved the issuance of convertible debentures. If the Company does not issue convertible bonds in full within 3 years, the Company may request a resolution of the shareholders' meeting to issue the unissued convertible bonds depending on the need for the Company's money.
Interest rate of convertible debentures	2 percent per annum, provided that the interest will be paid on a quarterly basis.
Maturity Period	3 years after the issuance of each Tranche.
Payback Condition	Repay in lump sum after each due of specific Tranche.
Conversion Price	Will not lower than 90 percent of the weighted average price of the Company's shares trading on the Stock Exchange of Thailand (MAI) for not less than 7 consecutive business days but not more than 15 consecutive business days before the date that convertible debenture holders exercise their convertible debentures.

JCK HOSPITALITY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**NOTE TO FINANCIAL STATEMENTS****DECEMBER 31, 2023**

On July 7, 2021, the Company entered into a contract to issue unsubordinated and unsecured convertible debentures to investors with a total value of not more than Baht 300 million as described above. During 2021 and for the year ended December 31, 2022, the Company gradually offered and issued the newly convertible debentures and convertible debentures holders have notified the Company of the conversion convertible debentures as follow :

	Offered and issued convertible debentures	Exercised the convertible debentures	Number of ordinary shares derived from conversion
	(Thousand Baht)	(Thousand Baht)	(Thousand Shares)
No. 1/2021	30,000	30,000	62,568
No. 2/2021	10,000	10,000	21,786
No. 3/2021	20,000	20,000	44,500
No. 4/2021	20,000	20,000	47,281
No. 5/2021	20,000	20,000	48,696
No. 6/2021	15,000	15,000	40,335
No. 7/2021	20,000	20,000	54,987
No. 8/2021	10,000	10,000	29,535
No. 9/2021	20,000	20,000	62,893
No. 10/2021	10,000	10,000	31,447
No. 1/2022	20,000	20,000	53,998
No. 2/2022	21,000	21,000	56,150
No. 3/2022	8,000	8,000	22,161
No. 4/2022	40,000	40,000	188,258
No. 5/2022	8,000	8,000	57,991
No. 6/2022	8,000	8,000	51,417
No. 7/2022	8,000	8,000	67,699
No. 8/2022	12,000	7,000	59,976

JCK HOSPITALITY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**NOTE TO FINANCIAL STATEMENTS****DECEMBER 31, 2023**

On April 4, 2022, the Extraordinary Shareholder's Meeting of the Company passed a resolution to approve on issuance and offering of the convertible debentures No. 2 of the Company for not exceeding Baht 500 million on a private placement basis to Advance Opportunities Fund ("AO Fund") and Advance Opportunities Fund I ("AO Fund I"). Details are as follows :

Total principal amount of convertible debentures	Not exceeding Baht 500,000,000 divided into 3 tranches as follows : (1) Tranche 1 Convertible debentures in the amount of not exceeding Baht 150 million divided into 30 equal sub - tranches, each of which is Baht 5 million. (2) Tranche 2 Convertible debentures in the amount of not exceeding Baht 150 million divided into 30 equal sub - tranches, each of which is Baht 5 million. (3) Tranche 3 Convertible debentures in the amount of not exceeding Baht 200 million divided into 40 equal sub - tranches, each of which is Baht 5 million.
Issuance condition	<p>The Company will gradually issue convertible bonds in batches, one by one in order and in issuing convertible debentures in each series The Company will be gradually released into individual sub - packs according to the Company's financial needs each time. The issuance of convertible bonds must be subject to the completion of the conditions precedent, including the terms and conditions of the convertible debentures.</p> <p>The period for issuing convertible debentures shall be within 3 years from the date that the shareholders' meeting has approved the issuance of convertible debentures. If the Company does not issue convertible bonds in full within 3 years, the Company may request a resolution of the shareholders' meeting to issue the unissued convertible bonds depending on the need for the Company's money.</p>
Interest rate of convertible debentures	1 percent per annum, provided that the interest will be paid on a quarterly basis.
Maturity Period	3 years after the issuance of each Tranche.
Payback Condition	Repay in lump sum after each due of specific Tranche.
Conversion Price	Will not lower than 90 percent of the weighted average price of the Company's shares trading on the Stock Exchange of Thailand (MAI) for not less than 7 consecutive business days but not more than 15 consecutive business days before the date that convertible debenture holders exercise their convertible debentures.

JCK HOSPITALITY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**NOTE TO FINANCIAL STATEMENTS****DECEMBER 31, 2023**

On May 17, 2022, the Company entered into a contract to issue unsubordinated and unsecured convertible debentures to investors with a total value of not more than Baht 500 million as described above.

During the year 2022 and for the year ended December 31, 2023, the Company gradually offered and issued the newly convertible debentures and convertible debentures holders have notified the Company of the conversion convertible debentures as follow

	Offered and issued convertible debentures	Exercised the convertible debentures	Number of ordinary shares derived from conversion
	(Thousand Baht)	(Thousand Baht)	(Thousand Shares)
No. 1/2022	20,000	20,000	152,925
No. 2/2022	10,000	10,000	61,307
No. 3/2022	5,000	5,000	28,946
No. 4/2022	5,000	5,000	34,043
No. 5/2022	5,000	5,000	32,181
No. 6/2022	10,000	10,000	85,470
No. 7/2022	10,000	10,000	85,470
No. 8/2022	20,000	20,000	283,379
No. 1/2023	5,000	5,000	81,967

JCK HOSPITALITY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

25. SHARE CAPITAL AND PREMIUM ON ORDINARY SHARES

25.1 Authorized and issued and paid - up share capital

The movements of Share capital for the years ended December 31, 2023 and 2022 are as follows :

		2023		2022	
		In	In	In	In
		Thousand	Thousand	Thousand	Thousand
		shares	Baht	shares	Baht
		Amount			
		of share			
Authorized share capital consists of					
As at January 1					
Share capital	0.25	3,300,194	825,048	2,149,794	537,448
Increase share capital	0.25	20,153,776	5,038,444	1,976,818	494,204
Decrease share capital	0.25	(397,562)	(99,390)	(826,418)	(206,604)
As at December 31		23,056,408	5,764,102	3,300,194	825,048
Issued and paid - up share capital					
As at January 1					
Increase share capital	0.25	2,347,233	586,808	1,317,363	329,341
Convert warrants into ordinary shares	0.25	4,581,008	1,145,252	198,347	49,587
Convertible debentures' holders					
exercised to new ordinary					
shares	0.25	681,880	170,470	831,523	207,880
As at December 31		7,610,121	1,902,530	2,347,233	586,808

JCK HOSPITALITY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

25.2 Share premium

The movements of share premium for the years ended December 31, 2023 and 2022 are as follows :

	(Unit : Thousand Baht)	
	2023	2022
Share premium		
As at January 1	551,723	601,187
Convert warrants into ordinary shares	(704,977)	(25,587)
Convertible debentures' holders exercised to new ordinary shares	(108,045)	(23,877)
As at December 31	(261,299)	551,723

On February 28, 2022, the Annual General Meeting of the shareholders of the Company passed the following significant resolutions:

- a) To decrease the registered capital of the Company from Baht 537,448,425 to Baht 447,823,900.50 by canceling non - allotment of 358,498,098 ordinary shares at the par value of Baht 0.25 per share, which are the non - allotment of ordinary shares reserved for the offering to existing shareholders (Right offering) and investors via Private Placement in General Mandate.
- b) To increase the registered capital of the Company in the amount of Baht 253,666,370 from Baht 447,823,900.50 to Baht 701,490,270.50 by issuing 1,014,665,180 newly issued ordinary shares with par value of Baht 0.25 per share for the allotment to existing shareholders (Right offering) and to investors via private placement in General Mandate.
- c) To issue and offer the newly issued Convertible Debentures of the Company No. 2 ("the Convertible Debentures No.2 or CD No.2") for not exceeding Baht 500,000,000 by way of private placement specifically to Advance Opportunities Fund ("AO Fund") and Advance Opportunities Fund 1 ("AO Fund 1")
- d) To allot 1,014,665,480 newly issued ordinary shares with par value of Baht 0.25 per share for offering to existing shareholders (Right Offering) and private placement in General Mandate in General Mandate.

The Company registered the increase in its share capital with the Ministry of Commerce on April 21, 2022

JCK HOSPITALITY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

On September 19, 2022, the Annual General Meeting of the shareholders of the Company passed the following significant resolutions:

- a) To decrease the registered capital of the Company from Baht 701,490,270.50 to Baht 584,510,240.75 by canceling non-allotment of 467,920,119 ordinary shares with par value of Baht 0.25 per share, which are the non - allotment of ordinary shares reserved for the offering to existing shareholders and investors via Private Placement in General Mandate.
- b) To increase the registered capital of the Company in the amount of Baht 240,538,240.75 from Baht 584,510,240.75 to Baht 825,048,481.50 by issuing 962,152,963 newly issued ordinary shares with par value of Baht 0.25 per share for the allotment to existing shareholders (Right offering) and to investors via Private Placement in General Mandate.
- c) To allot no more than 962,152,963 newly issued ordinary shares with par value of Baht 0.25 per share.

The Company change of paid-up capital with the Ministry of Commerce on December 16, 2022

On November 11, 2022, the Extraordinary General Meeting of Shareholders of the Company No.1/2022 significant resolutions approved the allocation of 198,636,454 newly issued ordinary shares for offering in entirety or in portions for offering in lots from time to time to investors in private placement in General Mandate.

On December 15, 2022, The Board of Directors' Meeting No. 9/2022 of the Company, to investors in private placement has approved the allotment of newly issued ordinary shares in an amount of 198,347,107 shares.

On March 8, 2023, the Extraordinary General Meeting of Shareholders of the Company No.1/2023 passed the following significant resolutions :

- a) Approved to decrease of the registered capital of the Company at the amount of 99,390,564 Baht, from the existing registered capital of 825,048,481.50 Baht to the new registered capital of 725,657,917.50 Baht by canceling unissued ordinary shares at the amount of 397,562,256 shares, with a par value of 0.25 Baht, which are shares allocated for the issuance and offering to existing shareholders in proportion to their shareholding (Right Offering) and issuance and allocation to a private placement through a general mandate.

Approved the increase of the registered capital of the Company of 5,038,444,116 Baht, from the existing registered capital of 725,657,917.50 Baht to the new registered capital of 5,764,102,033.50 Baht by issuing the new ordinary shares not exceeding 20,153,776,464 shares, with a par value of 0.25 Baht.

- b) To consider and approve the allocation of newly issued ordinary shares of the Company.
 - Newly issued ordinary shares, not exceeding 641,508,439 shares, with the par value of 0.25 Baht, to accommodate the additional allocation that has been allocated for the exercise of conversion right of the convertible debentures issued and offered to the Advance Opportunities Fund ("AO Fund") and Advance Opportunities Fund 1 ("AO Fund 1")

JCK HOSPITALITY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

- Approve the allocation of additional ordinary shares of the Company in an amount not exceeding 1,617,531,400 shares with a par value of Baht 0.25 per share for specific sale to a limited number of persons (Private Placement), which is a related transaction, namely JC Kevin Development Company Limited (“JCKD”). (“PP capital increase shares”) at an offering price of Baht 0.17 per share, totaling Baht 274,980,338 as partial compensation for the acquisition of land and office buildings.
- Approve the allocation of additional ordinary shares of the company in an amount not exceeding 12,843,894,555 shares with a par value of Baht 0.25 per share to be offered for sale to existing shareholders (Right Offering) at an allocation ratio of 1 existing ordinary share to no more than 2.75 additional ordinary shares.
- Approve the issuance and offering of warrants to purchase the Company's ordinary shares, No. 2 (JCKH - W2), in the amount of not more than 4,281,298,185 shares, to the shareholders of the Company who subscribed and received the allocation of newly issued ordinary shares. Offered for sale to Existing shareholders in proportion to their shareholding (Right Offering) without charge (zero baht) (Sweetener) at an allocation rate of not more than 3 additional ordinary shares per 1 warrant unit. (If there is a remainder from the calculation according to the allocation rate Rounding off that fraction), the said warrants are valid for no more than 1 year from the date the warrants are issued. The exercise rate of the warrants is 1 unit per 1 ordinary share and the exercise price is set at Baht 0.03 per share. Shares (unless the exercise price is adjusted)
- Newly issued ordinary shares, not exceeding, 769,543,885 shares, to accommodate the exercise of warrants No. 2 (JCKH - W2)

The Company registered the increase in its share capital with the Ministry of Commerce on March 28, 2023.

The Company received payment for additional shares of offering to Private Placement, with amount of 1,617,531,400 shares amount of Baht 404,382,850 and changes have been made Paid-up registered capital from the amount of Baht 757,278,217 amounting to Baht 1,161,661,067, to the Department of Business Development, Ministry of Commerce on September 14, 2023.

The Company received payment for additional shares from the offering to the existing shareholders of the Company in the amount 2,963,475,936 shares, with the subscription price 0.03 Baht per share, equivalent to Baht 88.65 million, and changes have been made Paid-up registered capital from the amount of Baht 1,161,661,067 amounting to Baht 1,902,530,051, to the Department of Business Development, Ministry of Commerce on November 2, 2023.

JCK HOSPITALITY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

26. WARRANT

On July 15, 2021, the Company allocated the first tranche of 223,465,141 units of warrants to purchase the ordinary shares of the Company (JCKH - W1) to existing shareholders whose names are on the list of shareholders entitled to be allocated warrants on June 21, 2021 (Record date) at a ratio of 4 existing shares per 1 unit without charges (with fractional shares to be disregarded). The exercise price is Baht 0.25 per share at a exercise ratio of 1 unit per 1 ordinary share. The warrants have an exercise period of 3 years from the date of issue and are exercisable on the last business day of March, June, September and December of each year.

In September 2021, warrant holders of 149,997 units to purchase the ordinary shares of the Company No. 1 (JCKH -W1) have exercised their rights to purchase the Company's ordinary shares. The Company received payment for shares at the exercise price and registered the increase in the issued and paid - up share capital with the Ministry of Commerce on September 30, 2021.

On November 15, 2023, the Company allocated the first tranche of 987,825,254 units of warrants to purchase the ordinary shares of the Company (JCKH – W2) to existing shareholders whose names are on the list of shareholders entitled to be allocated warrants on September 28, 2023 (Record date) at a ratio of 3 existing shares per 1 unit without charges (with fractional shares to be disregarded). The exercise price is Baht 0.03 per share at an exercise ratio of 1 unit per 1 ordinary share. The warrants have an exercise period of 1 years from the date of issue. The first exercise date is the last business day of December 2023 and the last exercise date is the date on which the warrants are one year old (November 14, 2024)

In December 2023, warrant holders of 333 units to purchase the ordinary shares of the Company No. 2 (JCKH -W2) have exercised their rights to purchase the Company's ordinary shares. The Company received payment for shares at the exercise price and registered the increase in the issued and paid - up share capital with the Ministry of Commerce on December 28, 2023.

Presented below is a summary of movement in the number of 1st tranche warrants for the years ended December 31, 2023 and 2022.

	(Unit : Thousand Baht)
Balance as at January 1, 2022	223,315,144
Exercised during the year	-
Balance as at December 31, 2022	223,315,144
Issue warrants during the year	987,825,254
Exercised during the year	(333)
Balance as at December 31, 2023	1,211,140,065

JCK HOSPITALITY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**NOTE TO FINANCIAL STATEMENTS****DECEMBER 31, 2023****27. STATUTORY RESERVE**

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside a statutory reserve at least 5 percent of its net profit after deducting accumulated deficit brought forward (if any), until the reserve reaches 10 percent of the registered capital. The statutory reserve is not available for dividend distribution.

28. SURPLUS ON REVALUATION OF ASSETS

This represents surplus arising from revaluation of land and building.

The surplus from revaluation of building is amortised to retained earnings on a straight - line basis over the remaining life of the related assets and transfer to retained earnings.

	(Unit : Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Balance as at December 31, 2022	227,084	172,427
Decrease	(4,274)	(2,395)
Balance as at December 31, 2023	222,810	170,032

The revaluation surplus can neither be offset against deficit nor used for dividend payment.

29. EXPENSES BY NATURE

Significant expenses classified by nature are as follows :

	(Unit : Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Salaries and wages and other employee benefits	116,000	163,800	115,774	163,301
Depreciation and amortization expenses	112,799	185,368	112,799	185,368
Rental expenses from operating lease agreements	350	334	350	334
Raw materials and consumables used	132,353	231,768	132,353	231,768
Changes in inventories of finished goods	29,486	8,747	29,486	8,747
Advertising and promotion expenses	2,342	4,448	2,342	4,448

JCK HOSPITALITY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

30. INCOME TAX

Income tax expenses for the years ended December 31, 2023 and 2022 are made up as follows :

	(Unit : Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Current income tax :				
Current income tax charge	-	-	-	-
Deferred tax :				
Relating to origination and reversal of temporary differences	894	(172)	894	(172)
Income tax benefit reported in profit or loss	894	(172)	894	(172)

The amounts of income tax relating to each component of other comprehensive income for the years ended December 31, 2023 and 2022 are as follows :

	(Unit : Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Deferred tax on gain from revaluation of land and buildings	-	1,213	-	1,588

The reconciliation between accounting loss and income tax expense is shown below.

	(Unit : Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Accounting loss before tax	(109,758)	(227,371)	(125,895)	(214,487)
Applicable tax rate	20	20	20	20
Accounting loss before tax multiplied by income tax rate	(21,952)	(45,474)	(25,179)	(42,897)
Tax loss on which deferred tax asset have not been recognised	15,849	41,026	19,076	38,869
Effects of:				
Non - deductible expenses	23,571	33,984	23,571	33,573
Additional expense deductions allowed	(16,574)	(29,708)	(16,574)	(29,717)
Income tax benefit reported in profit or loss	894	(172)	894	(172)

JCK HOSPITALITY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

31. EARNINGS (LOSS) PER SHARE

Basic earnings (loss) per share is calculated by dividing loss for the year attributable to equity holders of the Company (excluding other comprehensive income (loss)) by the weighted average number of ordinary shares in issue during the year.

Diluted earnings (loss) per share is calculated by dividing loss for the year attributable to equity holders of the Company (excluding other comprehensive income (loss)) by the weighted average number of ordinary shares in issue during the period plus the weighted average number of ordinary shares which would need to be issued to convert all dilutive potential ordinary shares into ordinary shares. The calculation assumes that the conversion took place either at the beginning of the year or on the date the potential ordinary shares were issued.

However, the Company did not present diluted earnings (loss) per share as conversion of the convertible debentures including the exercise of warrant to purchase the Company's ordinary shares will result in an increase in earnings (loss) per share.

32. SEGMENT INFORMATION

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance. The group of companies primarily operates in three main business segments: food and beverage retail, hotel business (under renovation), and office building rental, all within the same geographical area, which is Thailand. The performance of each segment is evaluated based on the profit or loss generated, using the same criteria as in the financial statements. Therefore, the revenue, profit (loss) from operations reported in the financial statements is considered as reporting for each business segment and geographical area.

The Company has no revenue from any customer equal to or greater than 10% of the Company's revenue.

33. PROVIDENT FUND

The Company and its employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. Both the Company and employees contribute to the fund monthly at the rate of 5 percent of basic salary. The fund, which is managed by One AM Master fund, will be paid to employees upon termination in accordance with the fund rules.

34. DISCLOSURES OF FINANCIAL INSTRUMENTS

34.1 Financial risk management policies

The Group is exposed to normal business risks from changes in market interest rates and liquidity risk. The Group does not issue derivative financial instruments for trading purposes.

JCK HOSPITALITY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

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34.2 Interest rate risk

Interest rate risk incurs from the future interest rate instability, which may affect the Group operating result and cash flow. The Group also incurs interest rate risk from bank, overdraft and short - term loans from financial institutions. The Group has consistently appropriate controls and management. To control to have an acceptable balance of risk levels.

As at December 31, 2023 and 2022, significant financial assets and liabilities classified by type of interest rate are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.

(Unit : Thousand Baht)					
Consolidated financial statements					
2023					
	Fixed interest rate	Floating interest rate	Non - interest rate	Total	Interest rate (% per annum.)
Financial assets					
Cash and cash equivalents	-	994	702	1,696	0.125 – 0.55
Financial liabilities					
Bank overdrafts and short - term loans from financial institutions	-	90,042	-	90,042	MOR, MRR, MLR+1
Short - term loans	196,627	-	-	196,627	4.50 - 10.00
Long - term loans from financial institution	-	68,757	-	68,757	MLR-1.3, MLR-1.5
Lease liabilities	107,598	-	-	107,598	2.66 – 7.61
Other current liabilities	114,793	-	5,321	120,114	18.00
Convertible debenture	1,104	-	-	1,104	1.00 – 2.00

JCK HOSPITALITY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

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DECEMBER 31, 2023

	(Unit : Thousand Baht)				
	Separate financial statements				
	2023				
	Fixed interest rate	Floating interest rate	Non - interest rate	Total	Interest rate (% per annum.)
Financial assets					
Cash and cash equivalents	-	974	702	1,676	0.125 – 0.55
Short - term loans - related party	7,687	-	-	7,687	6.83
Financial liabilities					
Bank overdrafts and short - term loans from financial institutions	-	90,042	-	90,042	MOR, MRR, MLR+1
Short - term loans	196,627	-	-	196,627	4.50-10.00
Long - term loans from financial institution	-	2,666	-	2,666	MLR-1.3
Lease liabilities	107,598	-	-	107,598	2.66 – 7.61
Other current liabilities	114,793	-	5,321	120,114	18.00
Convertible debenture	1,104	-	-	1,104	1.00 – 2.00
	(Unit : Thousand Baht)				
	Consolidated financial statements				
	2022				
	Fixed interest rate	Floating interest rate	Non - interest rate	Total	Interest rate (% per annum.)
Financial assets					
Cash and cash equivalents	-	6,481	2,674	9,155	0.125 - 0.45
Deposit restricted with financial institution	3,000	-	-	3,000	0.15
Financial liabilities					
Bank overdrafts and short - term loans from financial institutions	-	90,132	-	90,132	MOR, MRR, MLR + 1
Short - term loans	131,903	-	-	131,903	3.50 - 10.00
Long - term loans from financial institution	-	119,007	-	119,007	MLR - 1.3, MLR - 1.5,8
Lease liabilities	169,891	-	-	169,891	1.66 - 9.07
Convertible debenture	48,759	-	-	48,759	1.00 - 2.00

JCK HOSPITALITY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

	(Unit : Thousand Baht)				
	Separate financial statements				
	2022				
	Fixed interest rate	Floating interest rate	Non - interest rate	Total	Interest rate (% per annum.)
Financial assets					
Cash and cash equivalents	-	6,481	2,674	9,155	0.125 - 0.45
Deposit restricted with financial institution	3,000	-	-	3,000	0.15
Financial liabilities					
Bank overdrafts and short - term loans from financial institutions	-	90,132	-	90,132	MOR, MRR, MLR + 1
Short - term loans	131,903	-	-	131,903	3.50 - 10.00
Long - term loans from financial institution	-	7,752	-	7,752	MLR - 1.3
Lease liabilities	169,891	-	-	169,891	1.66 - 9.07
Convertible debenture	48,759	-	-	48,759	1.00 - 2.00

JCK HOSPITALITY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

34.3 Liquidity risk

The Group monitors the risk of a shortage of liquidity through the use of bank overdrafts, loans and convertible debentures. The Group has debt maturing within 12 months that expected be rolled over with existing lenders.

The table below summarises the maturity profile of the Group's financial liabilities as at December 31, 2023 and 2022 based on contractual undiscounted cash flows:

	(Unit : Thousand Baht)				
	Consolidated financial statements				
	As at December 31, 2023				
	On demand	Within 1 years	1 - 5 years	Over 5 years	Total
Bank overdrafts and short - term loans from financial institutions	-	90,042	-	-	90,042
Trade and other current accounts payable	356,008	-	-	-	356,008
Short - term borrowings	143,891	52,737	-	-	196,628
Lease liabilities	-	41,463	59,461	6,673	107,597
Long - term loans from financial institution	2,666	2,998	63,093	-	68,757
Convertible debenture	-	-	1,104	-	1,104
Total	502,565	187,240	123,658	6,673	820,136

	(Unit : Thousand Baht)				
	Separate financial statements				
	As at December 31, 2023				
	On demand	Within 1 years	1 - 5 years	Over 5 years	Total
Bank overdrafts and short - term loans from financial institutions	-	90,042	-	-	90,042
Trade and other current accounts payable	318,849	-	-	-	318,849
Short - term loans	143,891	52,737	-	-	196,628
Lease liabilities	-	41,463	59,461	6,673	107,597
Long - term loans from financial institution	2,666	-	-	-	2,666
Convertible debenture	-	-	1,104	-	1,104
Total	465,406	184,242	60,565	6,673	716,886

JCK HOSPITALITY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

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(Unit : Thousand Baht)					
Consolidated financial statements					
As at December 31, 2022					
	On demand	Within 1 years	1 - 5 years	Over 5 years	Total
Bank overdrafts and short - term loans from financial institutions	-	90,132	-	-	90,132
Trade and other current accounts payable	293,625	-	-	-	293,625
Short - term borrowings	131,903	-	-	-	131,903
Lease liabilities	-	69,366	88,245	12,280	169,891
Long - term loans from financial institution	7,753	46,345	64,909	-	119,007
Convertible debenture	-	-	48,759	-	48,759
Total	433,281	205,843	201,913	12,280	853,317

(Unit : Thousand Baht)					
Separate financial statements					
As at December 31, 2022					
	On demand	Within 1 years	1 - 5 years	Over 5 years	Total
Bank overdrafts and short - term loans from financial institutions	-	90,132	-	-	90,132
Trade and other current accounts payable	223,688	-	-	-	223,688
Short - term loans	131,903	-	-	-	131,903
Lease liabilities	-	69,366	88,245	12,280	169,891
Long - term loans from financial institution	7,753	-	-	-	7,753
Convertible debenture	-	-	48,759	-	48,759
Total	363,344	159,498	137,004	12,280	672,126

JCK HOSPITALITY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENTS

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34.4 Fair values of financial instruments

Carrying amount and fair value

Since the majority of the Group financial instruments are short - term in nature or carrying interest at rates close to the market interest rates, the Group's fair value is not expected to be materially different from the amounts presented in the statement of financial position.

For financial assets and liabilities which have short - term maturity, including cash and cash equivalents, trade and other current receivables, short - term loans, bank overdrafts and short - term loans from financial institution, trade and other current payables, current portion of lease liabilities, short - term borrowings, their carrying amounts in the statement of financial position approximate their fair values.

As of December 31, 2023 and 2022, The carrying amounts of financial assets and liabilities of the Group's are close to their book values and measured at amortized costs.

35. CAPITAL MANAGEMENT

The primary objective of the Group's capital management is to ensure that it has appropriate capital structure in order to support its business and maximize shareholder value.

As at December 31, 2023, the Group's debt to equity ratio was 2.26 : 1 and the Company's was 2.17 : 1

JCK HOSPITALITY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

36. Fair values of Hierarchy

As at December 31, 2023, the Group has assets and liabilities measured at fair value. but does not include items where the fair value approximates the carrying amount as follows :

(Unit : Million Baht)

	Consolidated financial statements							
	Level 1		Level 2		Level 3		Total	
	2023	2022	2023	2022	2023	2022	2023	2022
<u>Assets</u>								
Property, plant								
and equipment	-	-	642	586	-	-	642	586
Investment								
Property	-	-	670	233	-	-	670	233
Total	-	-	1,312	819	-	-	1,312	819

(Unit : Million Baht)

	Separate financial statements							
	Level 1		Level 2		Level 3		Total	
	2023	2022	2023	2022	2023	2022	2023	2022
<u>Assets</u>								
Property, plant								
and equipment	-	-	429	372	-	-	429	372
Investment								
Property	-	-	670	65	-	-	670	65
Total	-	-	1,099	437	-	-	1,099	437

37. COMMITMENT AND CONTIGENT LIABILITIES

37.1 Capital commitments

As at December 31, 2023, the Company had capital commitments of approximately Baht 0.51 million, relating to branches renovation. (December 31, 2022: Baht 4.53 million.)

37.2 Service commitments

As at December 31, 2023, the Group has future service payments required under these non - cancellable service contracts of Baht 2.69 million. (the Company: December 31, 2022, amount of Baht 8 million).

JCK HOSPITALITY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

37.3 Bank guarantees

As at December 31, 2023, the Group had the letter of guarantees issued by a bank to secure the performance relating to rental and service agreements and electricity usage in the amount of Baht 9.28 million and Baht 0.75 million, respectively. (the Company only : December 31, 2022 amount of Baht 8.73 million and Baht 0.75 million, respectively).

37.4 Litigation

As at December 31, 2023, the Company has pending lawsuits in connection with breaches of hire of work agreement, purchase agreement together with claim for damages with the total amount in dispute of Baht 20.67 million. However, the Company has recorded the liabilities incurred under the accounts "Trade and other current payables" in the statement of financial position.

38. SUBSEQUENT EVENT

38.1 On January 8, 2024, the Company registered the change in paid-up capital from the warrants to purchase ordinary shares of JCK Hospitality Public Company Limited No.2 (JCKH-W2). Amount of Baht 83.25 from the existing paid-up capital of Baht 1,902,530,051 is the new paid-up capital. Baht 1,902,530,134.25 to the Department of Business Development Ministry of Commerce has already completed.

38.2 According to the resolution of the Board of Directors' Meeting No. 2/2024 on February 29, 2024 it was resolved to approve follow;

- a) Approved the decrease of the registered capital of the Company of Baht 2,541,496,792.50 from the existing registered capital of 5,764,102,033.05 Baht.
- b) Approved the increase of the registered capital of the Company of Baht 1,034,766,136.75, from the existing registered capital of Baht 3,222,605,241.00
- c) To allocate the newly issued ordinary shares as detailed below:
 - Allocation of additional ordinary shares ("PP capital increase shares) According to the objective.
 - Allocation offered to existing shareholders (Rights Offering) under the General Mandate
 - Allocation offered to for the conversion of the newly issued convertible debentures.

39. APPROVAL OF THE FINANCIAL STATEMENT

This financial statement has been approved by the Company's Board of directors on February 29, 2024.

Certify Correct Information

“The Company has carefully reviewed the information in this annual registration statement for the year 2023 (Form 56-1 One Report). The Company certifies that such information is correct, complete and not causing misunderstanding to others or lacking information that should be disclosed in material respects. Moreover, the Company certified that:

- (1) The financial statements and financial information summarized in the annual registration statement for the year 2023 (Form 56-1 One Report) have accurate and complete information regarding the financial position, performance, and cash flow of the Company and its subsidiaries.
- (2) The Company has a good information disclosure system to ensure that the Company has disclosed material information about the Company and its subsidiaries correctly and completely, as well as to control and supervise the implementation of the system.
- (3) The Company has set up a good internal control system and supervise to ensure compliance with the system. The Company has informed the internal control system assessment information as of February 29, 2024 to the Company's Auditor and the Audit Committee. This covers deficiencies and significant changes in the internal control system, including wrongful acts that may affect the preparation of financial reports of the Company and its subsidiaries.

In this regard, as evidence that all documents are the same set of documents that the Company has certified. The Company has assigned Mr. Athawut Taechaubol to sign this document on every page as well. If any document does not have the signature of Mr. Athawut Taechaubol, the Company will assume that it is not the information that the Company has certified the accuracy of the information mentioned above.”

Authorized Director

Name	Position	Signature
1. Mr. Athawut Taechaubol	Director and Chief Executive Officer	
2. Mrs. Rachanee Siwawej	Director and Executive Committee Member	

Attorney

Name	Position	Signature
Mr. Athawut Taechaubol	Director and Chief Executive Officer	

Attachment Details

- Attachment 1 Details of Directors, Executives, Persons with Controlling Authority and Company Secretary.
- Attachment 2 Details about the Directors of the Subsidiaries.
- Attachment 3 Details about the Head of Internal Audit and Head of Compliance.
- Attachment 4 Assets used in business and details about property appraisals.
- Attachment 5 Corporate Governance Policy and Guidelines and business ethics.
- Attachment 6 Audit Committee Report.

Details of the Board of Directors, Executives and Company Secretary

Dr. Apichai Taechaubol

Chairman

Executive Chairman

Age	68 years
Date of appointment	January 16, 2017
Date of resignation	August 31, 2022
Date of reappointment	January 13, 2023 (according to the resolution of the Board of Directors Meeting No. 2/2023 held on 13 January 2023)
Years of service	6 years 7 months 19 days (as of 31 December 2023)
Expertise	Finance and real estate management
Director type	Director

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

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 Program 2000

Shareholding in the Company (%)

- 24.62% (Holding 1,873,361,502 shares as of January 10, 2024)

Family Relationship with Other Directors and Executives:

- Father of Mr. Chotiwit Taechaubol and Mr. Athawut Taechaubol

Working Experience: (5 years)
Listed Company:

13 Jan 23 – Present	Director, Chairman and Executive Chairman
16 Jan 17 – 31 Aug 22	Director, Chairman and Executive Chairman JCK Hospitality Public Company Limited
14 Dec 22 – Present	Director, Chairman and Executive Chairman
14 Mar 18 – 31 Aug 22	Director, Chairman and Executive Chairman
23 Apr 15 – 14 Mar 18	Vice Chairman and Executive Chairman
20 Mar 12 – 22 Apr 15	Director and Executive Chairman JCK International Public Company Limited

Other Non-Listed Company:

1 Nov 23 – Present	Chairman JCK Corporation Co., Ltd. (Former name TFD Real Estate PCL.)
2017 – Present	Director BGY & TFD Properties Co., Ltd.
2019 – Present	Director AP Prime Property Co., Ltd.
2011 – Present	Director and Executive Chairman JC Kevin Development Co., Ltd.
2004 – Present	Director JC Kevin Food and Beverage Co., Ltd.
2010 – Present	Director Fine Two Asset Co., Ltd.
19 Oct 18 – Present	Director High Active Consultant Communication Co., Ltd.
29 Oct 18 – Present	Director High Active Consultant Co., Ltd.
30 May 16 – Present	Director Lobster Power Co., Ltd.
15 Oct 15 – Present	Director Rim Nam Bangpakong Co., Ltd.
2020 -31 Aug 22	Director Ratchadamri Real Estate Co., Ltd.

Dec 17 – 18 July 22	Chairman JCK Utilities Co., Ltd.
16 Aug 18 – 20 Oct 22	Director Akara Holding Co., Ltd.
5 Mar 18 – 1 Feb 22	Director Akara Hospitality Co., Ltd. (Former name: No Name Food and Beverage Co., Ltd.)
19 Nov 18 – 7 Apr 20	Director JCK Ratchada Hotel Co., Ltd.
29 Oct 18 – 2020	Director Citi Vibe Co., Ltd. (Former name : Another Day Dessert Co., Ltd.)

Mr. Prasong Vara-ratanakul *

Vice Chairman

Independent Director

Audit Committee Chairman

Note: * Mr. Prasong Vara-ratanakul has resigned from the position of Director, Vice Chairman, Independent Director and Chairman of the Audit Committee effective by June 1, 2023.

Age	76 years
Date of appointment	January 16, 2017
Years of service	6 years 5 months (He held the position until 31 May 2023)
Expertise	Commercial account and jurisprudence
Type of director	Independent Director

Education

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

Director Training at Thai Institute of Directors Association (IOD)

- 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

Shareholding in the Company (%)

- -None-

Family Relationship with Other Directors and Executives:

- -None-

Working Experience: (5 years)

Listed Company:

13 Jan 22 – Present	Vice Chairman
Apr 17 – Present	Independent Director, Audit Committee Chairman
31 Aug 22 – 13 Jan 23	Acting Chairman
Jan 17 – Apr 17	Independent Director, Audit Committee Member JCK Hospitality Public Company Limited
1999 – 27 Jun 23	Independent Director, Audit Committee Chairman and Corporate Governance, Nomination Remuneration Committee Chairman JCK International Public Company Limited
1972 - 2022	Independent Director, Audit Committee Member We Retail Public Company Limited
1972 - Present	Independent Director and Audit Committee Member Thai Property Public Company Limited

Other Non-Listed Company:

- None-

Mr. Gumpol Tiyarat *

Vice Chairman

Independent Director

Audit Committee Chairman

Note: * Mr. Gumpol Tiyarat has been appointed to the position, Independent Director, Vice Chairman and Audit Committee Chairman, on June 1, 2023

Age	70 years
Date of appointment	1 June 2023
Years of service	7 months (as of 31 December 2023)
Expertise	Commerce Accounting, Taxation System and Law
Type of director	Independent Director

Education

- Master's Degree of Business Administration, Kasetsart University
- Bachelor's Degree of Economics, Thammasat University
- Bachelor's Degree of Accounting, Dhurakij Pundit University
- Bachelor's Degree of Law, Chulalongkorn University

Director Training at Thai Institute of Directors Association (IOD)

- Role of the Chairman, Class 22/2009
- DCP Refresher, Class 2/2006
- DCP, Class 30/2003
- AACP, Class 21/2015

Training from Other Institute:

- Business and Economic Analysis Program, Class 22/2009
Faculty of Economics, Chulalongkorn University

Shareholding in the Company (%)

- -None-

Family Relationship with Other Directors and Executives:

- -None-

Working Experience: (5 years)

Listed Company:

1 Jun 23 – Present	Independent Director, Vice Chairman and Audit Committee Chairman JCK Hospitality Public Company Limited
28 Jun 23 – Present	Independent Director and Audit Committee Chairman
1 Feb 02 – Present	Director
1 Jul 09 – 4 Apr 19	Executive Director and Managing Director JCK International Public Company Limited

Non-listed company:

1989 – Present	Director STAR BIZ COLLECTION Co., Ltd.
2011 – 21 Nov 23	Director J.P.V. ACCOUNTION AND LAW Co., Ltd.
2002 – 2019	Director DITTHAPADA Co., Ltd.
2003 – 18 Jul 22	Director JCK Utilities Co., Ltd.
2009 – 10 Jun 21	Director Crown Development Co., Ltd

Mr. Chetawan Anuntasomboon *

Independent Director

Audit Committee Member

Note: * Mr. Chetawan Anuntasomboon has resigned from the position of Independent Director and Audit Committee Member effective by June 28, 2023.

Age	70 years
Date of appointment	29 March, 2018
Years of service	5 years 3 months (He held the position until 27 June 2023)
Expertise	Law
Type of director	Independent Director

Education

- Barrister at Law, Institute of Legal Education of the Thai Bar Association
- Bachelor's Degree in Law, Ramkhamhaeng University

Director Training at Thai Institute of Directors Association (IOD)

- Ethical Leadership Program (ELP), Class 17/2019

Shareholding in the Company (%)

- -None-

Family Relationship with Other Directors and Executives:

- -None-

Working Experience: (5 years)

Listed Company:

29 Mar18 – 27 Jun 23	Independent Director, Audit Committee Member JCK Hospitality Public Company Limited
14 May 19 - 27 Jun 23	Corporate Governance, Nomination and Remuneration Committee Member
28 Feb 18 - 27 Jun 23	Independent Director, Audit Committee Member JCK International Public Company Limited

Other Non-Listed Company:

Nov 14 – Mar 17	Director JCK Utilities Co., Ltd.
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Other Agency:

Dec 05 – Nov 14	Deputy Director General Department of Public Works and Town & Country Planning
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Mr. Tawil Praisont *

Independent Director

Audit Committee Member

Note: * Mr. Tawil Praisont has been appointed to the position, Independent Director and Audit Committee Member on August 15, 2023

Age	87 years
Date of appointment	15 August, 2023 (as of 31 December 2023)
Years of service	4 months 17 days
Expertise	Management
Type of director	Independent Director

Education

- Master's Degree in Public and Administration, Syracuse University, USA.
- Master's Degree in Political Science (Honor), National Institute of Development Administration
- Bachelor's Degree in Political Science, Chulalongkorn University
- Certificate in Political and Administrative Science, Institute of Social Studies, Netherland

Director Training at Thai Institute of Directors Association (IOD)

- -None-

Shareholding in the Company (%)

- -None-

Family Relationship with Other Directors and Executives:

- -None-

Working Experience: (5 years)

Listed Company:

15 Aug 23 – Present	Independent Director Audit Committee Member JCK Hospitality Public Company Limited
25 May 23 – Present	Independent Director Audit Committee Member JCK International Public Company Limited
14 Aug 19 – 14 Dec 22	Independent Director Audit Committee Member JCK International Public Company Limited

Other Non-Listed Company:

- None-

Dr. Varnadharma Kanchanasuvarna

Independent Director

Audit Committee Member

Age 53 years
Date of appointment 23 April, 2018
Years of service 5 years 8 months (as of 31 December 2023)
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

Shareholding in the Company (%):

- -None-

Family Relationship with Other Directors and Executives:

- -None-

Working Experience: (5 years)

Listed Company:

28 Feb 23 – Present	Audit Committee Member
23 Apr 18 – Present	Independent Director
	JCK Hospitality Public Company Limited
28 Jun 23 – Present	Independent Director
	Audit Committee Member
	JCK International Public Company Limited

Other Non-Listed Company:

1997 – Present	Associate Professor in Political Science, Sukhothai Thammathirat Open University
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Mr. Chotiwit Taechaubol *

Director

Executive Committee Member

Chief Executive Development Officer

Note: * Mr. Chotiwit Taechaubol has resigned from the position of Director, Executive Committee Member and Chief Executive Development Officer effective by 2 August, 2023.

Age	34 years
Date of appointment	16 January, 2017
Years of service	6 years 7 months 1 day (He held the position until 1 August 2023)
Expertise	Restaurant business management
Type of director	Director

Education

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

Director Training at Thai Institute of Directors Association (IOD)

- Director Accreditation Program (DAP), Class 138/2017

Shareholding in the Company (%):

- 3.05% (Holding 232,332,213 shares as of 10 Januray, 2024)

Family Relationship with Other Directors and Executives:

- Son of Mr. Apichai Taechaubol

Working Experience: (5 years)

Listed Company:

Mar 23 – Aug 23	Director, Executive Committee Member, Chief Executive Development Officer
Mar 18 – Mar 23	Director, Executive Committee, Chairman
Aug 22 – Jan 23	Acting Chairman of Exeructive Committee
Jan 17 – Mar18	Director, Executive Committee Member and Deputy Chief Executive Office JCK Hospitality Public Company Limited

Other Non-Listed Company:

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

Feb 2018 – Present	Director High Active Consultant Communications Co., Ltd.
Present	Director Rim Nam Bangpakong Co., Ltd.
Present	Director AP Prime Property Co., Ltd.

Mrs. Rachanee Siwawej

Director

Executive Committee Member

Age	72 years
Date of appointment	31 March, 2018
Years of service	5 years 9 months 1 day (As of 31 December 2023)
Expertise	Finance and Accounting
Type of director	Director

Education

- Bachelor's Degree in Commerce, Thammasart University

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

Shareholding in the Company (%):

- -None-

Family Relationship with Other Directors and Executives:

- -None-

Working Experience: (5 years)

Listed Company:

31 Mar 18 – Present	Director and Executive Committee Member JCK Hospitality Public Company Limited
28 Jun 23 – Present	Director, Executive Director and Director Deputy Managing Director, Finance
16 May 16 – Present	Deputy Managing Director, Finance
2009 – 15 May 16	Assistant Managing Director, Finance
1981 – 2009	Finance Manager
1981 – 2002	Deputy Finance Manager JCK International Public Company Limited

Other Non-Listed Company:

- None-

Mr. Athawut Taechaubol

Director

Executive Committee Member

Chief Executive Officer

Age	30 years
Date of appointment	26 March 2021
Years of service	2 years 9 months 6 days (As of 31 December 2023)
Expertise	Business Information Management
Type of director	Director

Education

- Bachelor of Science, Information Management for Business, University College London (UCL), London, United Kingdom
- Master of Science, Information Management for Business, University College London (UCL), London, United Kingdom

Director Training at Thai Institute of Directors Association (IOD)

- -None-

Shareholding in the Company (%)

- 19.46% (Holding 1,481,117,857 shares as of 10 January 2024)

Family Relationship with Other Directors and Executives:

- Son of Mr. Apichai Taechaubol

Working Experience: (5 years)

Listed Company:

23 Mar 23 – Present	Director, Executive Committee Member and Chief Executive Officer
26 Mar 21 – 22 Mar 23	Director, Executive Committee Member and Joint-Chief Executive Officer JCK Hospitality Public Company Limited

Other Non-Listed Company:

Present	Director, JCK Global Limited (London, United Kingdom)
Present	Director, Atalanta Holding Co., Ltd.
Present	Director, JC Kevin Development Co., Ltd.
Present	Director, Spacecult Co., Ltd.,
Present	Director, Atalanta Hospitality Co., Ltd.
Present	Director, High Active Consultant Communication Co., Ltd.
Present	Director, Rim Nam Bangpakong Co., Ltd.
Present	Director, Wellness Capital Co., Ltd.

Ms. Ploynutcha Vorapatjiranon *

Company Secretary

Note: * Ms. Ploynutcha Vorapatjiranon has resigned from the position of Company Secretary effective by 1 January, 2024.

Age 56 years

Education

- Bachelor of Business Management, Major Marketing, Assumption University (ABAC)
- Master of Art, Major Language and Communication,
National Institute of Development Administration (NIDA)

Director Training at Thai Institute of Directors Association (IOD)

- -None-

Shareholding in the Company (%)

- -None-

Family Relationship with Other Directors and Executives:

- -None-

Working Experience: (5 years)

Listed Company:

Feb 23 – Dec 23

Company Secretary
JCK Hospitality Public Company Limited

Other Non-Listed Company:

Apr 1994 – Jan 1996

Executive Secretary to Marketing Director
Lever Brother (Thailand) Co., Ltd.

Sep 1998 – Oct 2005

Executive Assistant – Transaction Services
KPMG Thailand Co., Ltd.

Jan 2006 – Dec 2008

Office Manager
Gordon Clark (Thailand) Co., Ltd.

Feb 2010 – Mar 2019

Administration Office Manager
316 Steel Co., Ltd.

Details of the Directors of the Subsidiary (As of 31 December 2023)

List of Companies	List of Companies	
	List of Directors	List of Directors
1. Mr. Apichai Taechaubol	/, /***, C	
2. Mr. Gumpol Tiyyarat	/, /**, AC.C	
3. Mr. Tawil Praisont	/, AC	
4. Mrs. Rachanee Siwawej	/, X	/
5. Dr. Varnadharma Kanchanasuvarna	/, AC	
6. Mr. Athawut Taechaubol	/, X, CEO	/

Remark : /*** = Chairman, /** = Vice Chairman, CEO = Chief Executive Officer,

/ = Director, AC.C = Audit Committee Chairman,

AC = Audit Committee Member, C = Executive Chairman, X = Executive Committee Member

JCKH	Mean	JCK Hospitality Public Company Limited
CPT	Mean	CPT Hotel & Resort Company Limited

Details of Internal Auditors: Dharmniti Internal Audit Company Limited

Mr. Saksit Ampawan

Age 56 years

Education

- Bachelor's Faculty of Business Administration, Accounting, Ramkhamhaeng University
- Internal Auditor of Thailand (CPIAT)
- CAC SME Independent Auditor Certification
- TAX Auditor
-

Position in the Company

- Chief Internal Auditor
- Consultants and Senior Professional Auditors
- Director

Working Experience

Dharmniti Audit Company Limited

- Auditing for 10 years (1992-2002)

Dharmniti Audit Company Limited and Dharmniti Internal Audit Company Limited

- Internal Audit for 19 years (2003-2022)

Training

- Internal Auditing, Courses 1-2
- Risk Assessment to Plan Internal Audits
- Operational Auditing
- Enterprise Risk Management (ERM) และ COSO ERM 2017
- Risk Management and Internal Control According to the Guidelines of COSO
- Thai Internal Auditor Certificate Program (CPIAT)
- Principles of Good Corporate Governance
- The International Conference of the Institute of Internal Auditors. Sydney, Australia / 23-26 July 2017.
Seminar ready to receive important changes in financial reports (SEC)

Scope and responsibilities of Internal Auditors

- 1) Conduct audit and consulting work fairly and independently according to the approved plan
- 2) Examine and review documentary evidence from operations, analyze, assess, give opinions/suggestions, give advice on the governance process risk management and internal control system of activities monitored and/or corporate consulting.
- 3) The nature of the scope of duties of the audit generally involves the following matters:
 - 3.1 Review and report the reliability and completeness of financial and operating reports.
 - 3.2 Review of operations to ensure that they are in line with the objectives and goals set and have to operate according to the specified plan there is an adequate and appropriate internal control system.
 - 3.3 Review the work system that has a significant impact on the operation and reporting that it has been performed in accordance with the policies, plans, procedures laid down including relevant laws.
 - 3.4 Review the suitability of asset preservation as well as assess the use of the organization's resources to be efficient, effective and economical.

Details about the property appraisal list

Item 1 Land with buildings at Bueng Kham Phroi Subdistrict, Lam Luk Ka District, Pathum Thani

Property Type	Land with buildings (Factory)
Ownership	JCK Hospitality Public Company Limited
Property Location	No. 11/1 Moo 3, Liap Khlong Jed Road, Bueng Kham Phroi Subdistrict, Lam Luk Ka District, Pathum Thani
Land Title Document/Area	Title deed No. 46961, Area 13-0-96 rai or 5,296 square wah
Building	Buildings, structures and development structure parts totaling 16 items
Obligation	The mortgage is insured against Kasikornbank PCL.
Assessment Date	13 December 2023
Appraised Asset Value	285,878,000 Baht
Assessor	South East Asia International Company Limited

Item 2 Vacant land at Rop Wiang Subdistrict, Mueang Chiang Rai District, Chiang Rai

Property Type	Vacant land
Ownership	JCK Hospitality Public Company Limited
Property Location	Sai Den Ha - Dong Mada Road, Rop Wiang Subdistrict, Mueang Chiang Rai District, Chiang Rai
Land Title Document/Area	Title deed No. 19878, Area 0-2-24.9 rai or 224.9 square wah
Obligation	-None-
Assessment Date	13 June 2023
Appraised Asset Value	15,000,000 Baht
Assessor	South East Asia International Company Limited

Item 3 Vacant land at Rop Wiang Subdistrict, Mueang Chiang Rai District, Chiang Rai

Property Type	Vacant land
Ownership	JCK Hospitality Public Company Limited
Property Location	Doi Khao Kwai Road, separated from Nong Pueng Road, Soi 3, Den Ha Road, Rop Wiang Subdistrict, Mueang Chiang Rai District, Chiang Rai
Land Title Document/Area	Title deed No. 64188, Area 1-3-10 rai or 710.0 square wah
Obligation	-None-
Assessment Date	13 June 2023
Appraised Asset Value	12,700,000 Baht
Assessor	South East Asia International Company Limited

Item 4 Vacant land at San Sai Subdistrict, Mae Chan District, Chiang Rai

Property Type	Vacant land
Ownership	JCK Hospitality Public Company Limited
Property Location	Adjacent to an unnamed Soi, separated from Ban Khi Lek - San Khong Ngam Road, San Sai Subdistrict, Mae Chan District, Chiang Rai
Land Title Document/Area	Title deed No. 18843 and 18844, Area 16-1-38 rai or 6,538.0 square wah
Obligation	-None-
Assessment Date	13 June 2023
Appraised Asset Value	7,845,600 Baht
Assessor	South East Asia International Company Limited

Item 5 Vacant land at Chom Sawan Subdistrict, Mae Chan District, Chiang Rai

Property Type	Vacant land
Ownership	JCK Hospitality Public Company Limited
Property Location	Adjacent to Ban Khi Lek - San Khong Ngam Road, Chom Sawan Subdistrict, Mae Chan District, Chiang Rai
Land Title Document/Area	Title deed No. 24046 and 53814, Area 5-3-47 rai or 2,347.0 square wah
Obligation	-None-
Assessment Date	13 June 2023
Appraised Asset Value	3,051,100 Baht
Assessor	South East Asia International Company Limited

Item 6 3-storey commercial buildings, 4 booths, Soi San Kayom 1 and 2 single-storey houses with parking spaces separated from Soi San Kayom 1, San Sai Noi Subdistrict, San Sai District, Chiang Mai

Property Type	Land with buildings
Ownership	JCK Hospitality Public Company Limited
Property Location	No. 390/14-17 Soi San Kayom 1, Outer Ring Chiang Mai Road, San Sai Noi Subdistrict, San Sai District, Chiang Mai
Land Title Document/Area	Group 1: Title deed No. 94114-94117, Area 0-0-83.8 rai or 83.8 square wah Group 2: Title deed No. 94113, Area 0-2-22.7 rai or 222.7 square wah
Building	Group 1: 3-storey commercial buildings, 4 booths Group 2: 2 single-storey houses with parking spaces
Obligation	-None-
Assessment Date	13 June 2023
Appraised Asset Value	21,800,000.- Baht
Assessor	South East Asia International Company Limited

Item 7 Land with buildings at Rop Wiang Subdistrict, Mueang District, Chiang Rai

Property Type	Land with buildings
Ownership	JCK Hospitality Public Company Limited
Property Location	Ratchayotha Road, Rop Wiang Subdistrict, Mueang Chiang Rai District, Chiang Rai
Land Title Document/Area	Title deed No. 137606, 140406, 140407, and 140408, Area 1-3-10.9 rai or 710.9 square wah
Building	2 7-storey buildings, and swimming pool building
Obligation	-None-
Assessment Date	13 June 2023
Appraised Asset Value	168,524,900 Baht
Assessor	South East Asia International Company Limited

Item 8 Land with buildings and vacant land, Yannawa Subdistrict, Sathorn District, Bangkok

Property Type	Land with buildings and vacant land
Ownership	JCK Hospitality Public Company Limited
Property Location	No. 18 Sathorn 11, Yake 9, Narathiwat Ratchanakarin Road, Yannawa Subdistrict, Sathorn District, Bangkok
Land Title Document/Area	Part of the land 1 - Title deed No. 2184, area 0-3-65.3 rai or 365.3 sq m. Part of the land 2 - Title deed No. 2185, area 0-2-87.7 rai or 287.7 sq m.
Building	6-story office building with basement
Obligation	-None-
Assessment Date	25 December 2023
Appraised Asset Value	526,3902,000 Baht
Assessor	South East Asia International Company Limited

Item 9 Land with buildings at Rop Wiang Subdistrict, Mueang District, Chiang Rai

Property Type	Land with buildings
Ownership	C P T Hotel and Resort Company Limited
Property Location	No. 446 Moo 20, adjacent to Khwae Wai Road, adjacent to Kok Tong Road, and adjacent to Rim Kok Soi 6, separated from Phaholyothin Road (Tor Lor. 1), Rop Wiang Subdistrict, Mueang Chiang Rai District, Chiang Rai
Land Title Document/Area	Title deed No. 28273, Area 1-0-29.5 rai or 429.5 square wah
Building	7-storey building with swimming pool
Obligation	The mortgage is insured against Government Savings Bank PCL.
Assessment Date	13 December 2023
Appraised Asset Value	222,000,000 Baht
Assessor	South East Asia International Company Limited

Good Corporate Governance Policy

The Company places importance on an efficient, transparent and accountable management system. This will create confidence with all parties involved and resulting in sustainable business growth under the operation with ethics and in accordance with the relevant laws. Therefore, the Company has established Good Corporate Governance Policy to enhance the existing operations to have a clear standardized system and spread the practice to employees of the Company at all levels in order to reinforce a culture of corporate governance.

At the meeting of the Board of Directors in 2023, the policy of good corporate governance was considered regarding the holding directorship positions in other listed companies to comply with the Company's business operations and the changing situation in 2023, the Company has operated in accordance with the principles of good corporate governance in accordance with the Good Corporate Governance Guidelines for Listed Companies (Good Corporate Governance). As determined by the Stock Exchange of Thailand Including reviewing the implementation "Principles of corporate governance Good for listed companies 2017" (Corporate Governance Code: "CG Code") issued by the SEC Office to adapt to suit the Company in 5 sections as follows:

Section 1 The Rights of Shareholders

Section 2 The Equitable Treatment of Shareholders

Section 3 The Role of Stakeholders

Section 4 Disclosure and Transparency

Section 5 Responsibilities of the Board of Directors

Section 1 The Rights of Shareholders

The Company aware 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 shareholders 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 minutes 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 The 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 Role 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. **The Anti-Corruption Policy**

The Company recognizes the significance of managing and conducting the business under the principles of good governance by adhering to the principles of conducting business with honesty and transparency. Therefore, the Company has established the anti-corruption policy for directors, executives, employees and workers of the Company to avoid any actions that may be related to all forms of corruption, whether for direct benefit or indirect benefit to oneself, family, friends or any other person related to oneself.

1. **Scope**

1.1 This policy applies to all directors, executives, employees and workers of the Company.

1.2 The Company will ensure that the franchisee or any person acting on behalf of the Company complies with this policy.

2. Duties and responsibilities

- 2.1 The Board of Directors is responsible for considering and approving the anti-corruption policy and assigns the management to supervise the implementation of the anti-corruption policy and measures
- 2.2 The Audit Committee is responsible for reviewing the internal control system inspection report and risk assessment related to the corruption as proposed by the internal audit department to ensure that the system has the least risk of causing corruption that has impact on the financial position and operating results of the Company and also suitability for the Company's business model.
- 2.3 The Chief Executive Officer and management have duties and responsibilities for supervising and communicating to employees and all related parties to ensure that the policy is implemented seriously and strictly. It also including the need to review the appropriateness of the anti-corruption to fit with the changes in the business or other legal requirements to present to the committee.
- 2.4 The internal audit department must perform their duties in accordance with the established internal audit plan and submit the report on the internal control system audit and assessment of corruption risks that arising from the internal audit control system for the Audit Committee to be informed including to perform as assigned by the Audit Committee in investigating the corruption related to the organization in addition to the internal audit plan that has been established.

3. 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, No. 18, 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 One Report), 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 or e-mail address: cs@jckhgroup.com or on the Company's website: <https://jckh-th.listedcompany.com>

The Company has provided opportunities for institutional investors, retail investors and securities analysts meet with executives to inquire about business operations. The Company's operating results and business outlook for 2023, have not had any investors or analysts requesting to meet with the executives.

Section 5 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 Director

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 purpose 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 director 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, equipments for an amount exceeding Baht 1 million, including authority to add product categories, adjust product's prices, improve product sales standards (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.

Corporate Governance Policy

The Company has established a written corporate governance policy which the Board of Directors Meeting No. 1/2011 dated July 18, 2011 approved the said corporate governance policy. The Board has regularly reviewed the policy and its implementation. The Company communicates so that everyone in the organization understands the good corporate governance policy correctly to encourage everyone in the organization to comply with the specified policies.

Code of Conduct

The Company has established Code of Conduct in writing in order to properly comply with the standard of performance and show the intention to conduct business with transparency, honesty, and have moral responsibility towards stakeholders. It is used and disseminated to employees as a guideline for working and conducting the business correctly which reflect Vision, Missions, values and operational guidelines that all directors, executives and employees should conduct themselves and operate in accordance with the ethical framework set forth in various fields, namely:

- (1) Ethics for Treatment toward Stakeholders including shareholders, employees, customers, business partners, creditors, business competitors, society, community and environment.
- (2) Ethics for Compliance with laws, rules and regulations and observing customs, traditions, and good morals.
- (3) Ethics for Respect for Human Rights.
- (4) Ethic for Avoidance of Infringement of Intellectual Property.
- (5) Ethics for Anti-Corruption.
- (6) Ethics for Receiving and Offering Gifts, Properties or Other Benefits.
- (7) Ethics for Conflicts of Interest.
- (8) Ethics for Keeping Confidential Information, Use of Internal Information and Trading of the Company's Securities.
- (9) Ethics for Protection of the Company's Properties
- (10) Ethics for Internal Control
- (11) Ethics for Distribution of information and Interviews with the Press or the Public
- (12) Ethics of Directors and Executives
- (13) Ethics of Employees

In this regard, the Company has announced and notified all directors, executives and employees for their acknowledgment and adherence to the Code of Conduct strictly. The Code of Conduct is also designated as one of the topics for new employee orientation and is also published on the Company's website.

Conflict of Interest

The Board of Directors has established a policy on conflicts of interest by stipulating those directors, executives and employee, including those related to such persons, are not allowed to seek

personal benefits that conflict with the Company's interests, avoid actions that cause conflicts of interest. Therefore, any person who is related to or connected to the considered transaction must inform the Company of their relationship or connection with the said transaction and must not participate in the adjudication including no approval authority in that transaction.

The Audit Committee will present to the Board of Directors about the connected transactions and the transactions with conflicts of interest which has been carefully considered suitability. The Company has strictly complied with the regulations of the Capital Market Supervisory Board and the Stock Exchange of Thailand regarding pricing and conditions with a person who may have a conflict of interest as a transaction with a third party by disclosing the transactions in the financial statements and Annual Report Year 2022 (Form 56-1 One Report).

Internal Control

The Board of Directors attaches great importance to governance and internal control, and risk management both at the management level and at the effective operational level. The internal control system and risk management are important mechanisms to build confidence in the management in reducing business risks and helping to run the business efficiently by allocating resources appropriately and achieving the goals, help protect assets from leakage and lost from corruption, make financial reports accurate and reliable. Personnel comply with relevant laws and regulations as well as to protect the investment of shareholders. Therefore, the Company has determined the duties and powers of the operators and executives in various matters clearly in writing. There is a control over the use of the Company's assets to benefit and there is a separation of duties between operators and followers, control and evaluation in order to achieve proper balance and check between each other.

The Board of Directors has assigned the Audit Committee to be responsible for reviewing the suitability and efficiency of the internal control system and the risk management system provided by the management including the preparation and review of the control system both operational financial reporting compliance with rules, regulations, policies and governance as well as managing risks and also pay attention to early warning signs and unusual transactions.

In this regard, the Company has hired outsiders to act as auditors on the Company's internal control system, namely Dharmniti Internal Audit Company Limited, which audits to ensure that the Company has adequate and appropriate internal control systems and reports the results directly to the Audit Committee for internal auditors to be independent and be able to perform full checks and balances. The Chairman of the Audit Committee will report the quarterly audit results of the internal auditors to the Board of Directors for acknowledgment and used to fix and improve the problematic part. The Company has regular monitoring and evaluation. There is an assessment of the sufficiency of the internal control system at least once a year to assure that the established system can operate efficiently. In this regard, the Company assigns the Company Secretary to act as a liaison between the internal auditors and various departments in the Company.

Committee Report

The Board of Directors is responsible for the Company's financial statements, and financial information appearing in the annual report. The Audit Committee has been assigned to review financial reports and to ensure that financial reports are prepared with quality and accuracy according to generally accepted accounting standards by choosing an appropriate accounting policy and practice regularly. The Company's important information is disclosed transparently and sufficiently. The financial statements are prepared in accordance with accounting standards certified and audited by Karin Audit Company Limited, which is the Company's auditor. Disclosure of important information is done 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 director 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 those 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.

4. Self-assessment of the Board of Directors

The Board of Directors shall arrange self-assessment for entire committee on annual basis. There is 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.

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.

7. Succession Plan

The Board of Directors supervises the establishment of a succession plan at the Chief Executive Officer level and executives in the main position. The suitability is reviewed every year by considering the performance, work plan to present guidelines for action and potential of each individual.

8. Evaluation Chief Executive Officer

The Board of Directors provides an evaluation of the Chief Executive Officer's performance to compare with the performance. The Board of Directors has assigned the Chairman to report the assessment results to the Chief Executive Officer and Board of Directors.

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.

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 into 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.

2. 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.

In this regard, the Board has the power to amend and change the scope of powers and duties of the Audit Committee as necessary or deemed appropriate.

3. Executive Committee

Tenure of the Executive Committee

Tenure of the Executive Committee is three 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, 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 follows:

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/she replace.

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

1. Holding the Company's share not over 1.0 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 received 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 1.0 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 will inspect and certify their independent qualifications at least once a year, which will be notified along with the profile of the directors at the end of the year for the preparation of Form 56-1 One Report and the Company's annual report.

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 follows:

- (1) Each shareholder has voting right equivalent to the number of shares 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 Annual 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 parts, 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/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 Directors team takes 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 have 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.

Code of Conduct

1. Ethics for Treatment toward Stakeholders

The Company adheres to treat all groups of stakeholders with good faith, honesty and equality. As a result, the Company determines that directors, executives and employees shall perform their tasks in compliance with ethics towards the Company's stakeholders as follows:

1.1 Treatment toward Shareholders

The Company has its policy to make equitable treatment of shareholders, protect shareholders' interests, and avoid performing any action that infringes or deprives the shareholders' rights by defining the following practices:

1. Operate business with honesty and good faith, make decision concerning business operation on a careful and prudent basis and treat all shareholders equally for the maximum benefit of shareholders as a whole.
2. Manage the Company's business to achieve prosperity with good performance and adhere to conduct business in accordance with good corporate governance principles in order to create growth, added value and appropriate returns to shareholders with continuity and sustainability.
3. Disclose the Company's information for investment decision making of shareholders equally, regularly, accurately, completely, sufficiently, timely and accordance with criteria of supervisory agencies as well as provide several channels for information disclosure.
4. Supervise the use of inside information strictly to prevent seeking for their own benefits or other persons' benefits from such inside information improperly (Abusive self-dealing) or proceed with any matter in the manner that may lead to conflicts of interest toward the Company in order to treat shareholders with fairness.

1.2 Treatment toward Employees

The Company recognizes that employees are valuable resources leading to the success of the Company and the achievement of the Company's goals. As a result, the Company treats all employees equally and fairly, without discrimination or violation in any forms by establishing guiding practice as follows:

1. Comply with the laws and regulations relating to employees strictly.
2. Provide fair recruitment, selection and hiring according to knowledge, capability, experience and suitability for job position.
3. Offer fair remuneration to employees based on knowledge, capability, experience, position, job description, responsibility and performance of each staff and in line with the Company's operating results and comparable with other companies in the same business group.
4. Provide reasonable and appropriate welfare and other compensation for employees and comparable to other companies in the same or similar business group and compliance with relevant law, for example provident fund, accident insurance, annual check-up, other allowances, discount for the Company's products etc.

5. Promote, rotate, award or punish employees transparently and accountably with honest, fair, and equitable manner, without discrimination by considering each employee's knowledge, competency and appropriateness.
6. Support and give importance to develop employees' competency thoroughly and constantly by giving opportunity to employees for knowledge and competency development according to their duties in order to promote their professional progress.
7. Treat employees with kindness and respect individual and human dignity.
8. Promote a good work culture and atmosphere as well as encourage good relationship among employees so that they will work together with happiness and harmony, cooperate with other as a team and treat other employees generously including have the corporate culture of ethic and good governance, and have a consciousness of environmental conservation, good citizenship, and Anti-corruption.
9. Preserve environment and occupational health in workplace that is safe for the employees' health, lives and properties on regular basis and implement training to provide knowledge and build up awareness of such matters to employees.
10. Listen to the opinions, suggestions, complaints and whistle blowing of employees at all levels in an equitable way thru channels provided by the Company with appropriate and fair procedure, rectification, and measures to protect the complainants.
11. Encourage employees' involvement in defining business directions and resolving problems of their units and the Company as a whole.
12. Manage and conduct the Company's business with carefulness and avoid unfair actions which may disrupt employees' job stability.

1.3 Treatment toward Customers

The Company is committed to continuous satisfying clients' needs and creating confidence to customers, considered as the Company's benefactors. Therefore, the Company has determined the following framework:

1. Produce standardized quality products and services according to safety on health, life and property of customers, at reasonable and fair prices, develop and improve quality of goods and service with consistency to create customers' satisfaction and confidence.
2. Create and maintain a cordial and lasting relationship with customers as well as continuously survey customers' satisfaction.
3. Provide several channels for customers' complaints and suggestion in order to prevent or solve problems promptly as well as use such information for further improvement or development of the Company's products and services.
4. Do not request, accept or offer any inappropriate benefits from/to customers.
5. Behave towards all customers with honesty, sincerity, equality and without discrimination.

6. Comply with agreements or other terms and conditions given to customers fairly. In case when the compliance with agreement cannot be achieved, the Company shall promptly negotiate with customers in advance in order to mutually consider the way to solve problems and prevent possible damage.
7. Disclose information pertaining to its products and services in accurate, complete, adequate, and timely manner without any concealing, distorting, giving false or misunderstanding information.
8. Keep confidential information of customers strictly and do not disclose their information without prior permission from those customers, except in compliance with the law, abstain from using information to take any advantage for their own or involved persons improperly.

1.4 Treatment toward Business Partners

The Company realizes the significance of operating business with equality, fairness, trustworthy and honesty on the basis of mutual benefits with business partners therefore the following practical guidelines are defined:

1. Provide transparent goods and services procurement process by treating all business partners with equality and fairness, and establish criteria and operational guidelines of selection of business partners explicitly, properly, and fairly.
2. Do not request, accept or offer any dishonest benefits to/from business partners and send letters to notify such matter to all business partners as well as request for their cooperation.
3. Prepare fair agreement and perform in accordance with such agreement or conditions agreed with business partners strictly. In case any condition stated in the agreement cannot be followed, business partners shall be promptly informed so that mutual resolution will be made and preventive measures shall be addressed.
4. Keep confidential information of suppliers as usual and abstain from exploiting such information to unlawfully seek for their own benefits or related persons' benefits, except with the business partners' consent.
5. Maintain sustainable relationship with business partners, including cooperation in economy, society and environment.

1.5 Treatment toward Creditors

The Company has a policy to treat all creditors equally and fairly by determining the following guidelines for practice:

1. Strictly adhere to obligations and conditions stated in loan agreement, including loan repayment, safeguarding all collaterals, and not applying loan in the way that oppose to the objectives agreed in the agreement. In case where the Company fails to fulfill agreed obligations, creditors shall be promptly informed in advance so that mutual resolution will be made and preventive measure will be addressed.

2. Do not use dishonest method to conceal information or fact that may cause damage to creditors.
3. Do not request, accept or give other dishonest benefits from/to creditors.
4. Disclose correct, complete and on time financial information to the creditors on regular basis.
5. Manage business to ensure the creditors of the Company's financial status and good record of loan repayment.

1.6 Treatment toward Business Competitors

The Company formulates a policy to conduct business under fair competition framework with the following guidelines:

1. Perform under framework of free and fair business competition and do not prevent others to engage in business competition.
2. Refrain from seeking confidential information of business competitors through dishonest or inappropriate approach.
3. Refrain from defaming business competitor's reputation by negative allegation without factual truth or perform unfair competition.

1.7 Treatment toward Society, Community and Environment

The Company aims to be an organization responsible for community, society and environment by complying with the following operational guidelines:

1. Oversee, prevent and avoid damage caused by the Company's business operation to society, community and environment.
2. Provide cooperation with the government and control to strictly comply with laws, relevant rules, orders and regulations.
3. Support activities to improve and develop community, society and environment according to the Company's capability, promote and encourage the use of products that are environmentally friendly.
4. Provide knowledge, arrange training and support activities to encourage employee involvement continuously in order to implant their consciousness of responsibilities towards society, communities and environment.
5. Conduct business while taking into account of efficient and valuable use of resources and encourage resources recycling.
6. Incorporate energy management as a part of the Company's business operations, constantly improve efficiency of energy utilization and set annual target for energy conservation. Energy conservation is the duty and responsibility of executives and employees at all level.

2. Ethics for Compliance with Law, Rules and Regulations

The Company gives priority to conduct business seriously in accordance with all relevant laws, rules, regulations, customs and traditions and good morals. Consequently, practical guidelines have been established as follows:

- 2.1 Comply with relevant laws, rules, regulations, customs and traditions of the country in which the Company conducts business, as well as good morals such as rules and regulations of the Stock Exchange of Thailand (SET) and the Securities and Exchange Commission (SEC), environment, human rights, taxation, substance abuse, national security and information technology systems.
- 2.2 Respect local customs where the Company operates business and good morals.
- 2.3 Do not assist, support, cooperate or conspire to avoid or violate laws, rules, regulations, customs and traditions and good morals.
- 2.4 When seeing violation against or noncompliance with laws, rules, regulations, customs and traditions, such matter shall be reported to supervisors, responsible parties or thru whistle blowing channels designated by the Company including cooperation with internal and external supervisory agencies for investigation and information disclosure.

3. Ethics for Respect for Human Rights

The Company respects human values and dignity of everyone by not acting or supporting violation of human rights strictly. The practices have been stated as follows:

- 3.1 Treat all employees equitably and fairly based on human dignity and respect individual liberty and rights.
- 3.2 Provide process of employment, training and compensation for employees equally, fairly and transparently with consideration on the basis of knowledge, competency and work experience without regard to race, nationality, language, religion, caste, sex, age and educational background.
- 3.3 Respect the privacy of directors, executives and employees by keeping personal information confidential and do not disclose such information to unrelated parties unless it is granted permission of owners or required to do so by laws.
- 3.4 Promote compliance with international human rights principles and do not complicit in the violation of human rights in any form such as the use of child labor etc.

4. Ethic for Avoidance of Infringement of Intellectual Property

- 4.1 Protect the Company's intellectual property by means of avoidance of duplication and modification of the Company's intellectual property or perform any action for their own benefits or other benefits.
- 4.2 Do not perform any action leading to infringement of other intellectual property. In event of seeing any action which infringes or may infringe intellectual property, such action shall be reported to supervisor or relevant units or thru channels defined by the Company.

- 4.3 Operate business in compliance with laws, regulations and contractual obligations on others' intellectual property rights, patents, copy rights trade secrets, and other proprietary data.
- 4.4 In case of any other copyrights or intellectual property derived from employees' operation, such copyrights or intellectual property shall be owned by the Company.
- 4.5 Any software used in the Company's IT system shall be legal permission and copyrights and copying software for any reason, without the permission of software owner, is prohibited.

5. Ethics for Anti-Corruption

- 5.1 Directors, executives and employees at all level must comply 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.
- 5.2 To stress the attending on processes which incur a high risk in corruption, the Company determines that directors, executives and employees must conform carefully in the following courses of action:
 - 1) Giving and Accepting Bribe
Prohibit from giving or accepting any form of bribe for business benefits and prohibit from assigning other persons to give and accept bribe for his/her own benefits.
 - 2) Gifts, Hospitality and Entertainment and Other Expenses
Giving or receiving gifts, hospitality and entertainment and other expenses is an important part of creating or maintaining business relationship. However, giving or accepting gifts and hospitality and entertainment should be justified in all circumstances according to tradition, custom and ordinary course of business and comply with the Company's business ethics and code of conduct and relevant laws. The value of gifts, hospitality and entertainment and other expenses should be appropriate, depending on each situation. In addition, providing and receiving gifts and hospitality and entertainment must not be encouraging to perform or avoid performing which may lead to corrupting problems.
 - 3) Political Contributions
The Company values political neutrality and has no policy to contribute or support in form of monetary or property donations to any political parties, political groups or politicians, either directly or indirectly. The Company respects human rights and freedoms of employees to participate in political activities, without claiming the name of the Company.
 - 4) Contributions for Charity, Public Benefit and Sponsorships
 - Charity in form of cash or properties of the Company must be contributed only under the name of the Company to foundations, public charities, temples, hospital, sanatorium and reliable or certificated social organization and must be verifiable. To make charitable contribution, the memorandum shall be prepared by stating name of recipient, objective of donation with supplementary documents and submitted to the authorized persons for approval.

- Sponsorships in form of cash or property of the Company must be granted only under the Company's name with the purpose of business, good image and reputation of the Company. To make sponsorships, the memorandum shall be prepared by specifying name of recipient and clear objective together with verifiable evidence and supporting documents and submitted to the authorized persons for approval.
 - Granting or receiving charitable contributions or sponsorships must not be used as a mean for or leading to bribery.
- 5.3 Purchasing and procurement shall be carried out in accordance with the Company's rules and regulations with transparency and accountability. The evaluation of supplier selection shall be strictly pursuant to purchasing regulations. The letters notifying about anti-corruption policy and measures of the Company as well as channels of whistle blowing and complaints. Moreover, the Company reserves the right to stop any business interactions with suppliers who commit the corruption.
- 5.4 Upon the detection of act within the scope of corruption, the staff shall not neglect or ignore and inform their supervisors or responsible persons or inform via whistle blowing channels as well as collaborate in any investigations. In case of having any suspicion or query, the issues shall be brought to their supervisor or responsible persons through stated channels.
- 5.5 Provide whistle blowing and complaint channels, establish measures for protection for any complainant or whistle-blower and keeping information of whistle blowing or complaint in confidential and process investigation timely and fairly.
- 5.6 A person who is involved with any corruption will be considered for disciplinary actions in accordance with the Company's regulations up to dismissal and/or termination of employment. In addition, conviction on laws may be applied in case such act violates the laws.
- 5.7 Conduct corruption risk management by assessing risk arising from other activities of the Company which may have process or procedure probably contributing to corruption, establish measures of risk management and follow up as well as review existing measures of risk management to be suitable so that risk will be controlled in acceptable level.
- 5.8 Implement human resource management procedure in line with anti-corruption policy, starting from recruiting or selection, training, performance evaluation, promotion, rewarding and hiring process. Furthermore, organization chart shall be set with appropriate duty segregation, resulting in checking and balancing.
- 5.9 Set out proper auditing process and internal control system in order to prevent corruption and misconduct. Process of internal audit spreads over core activities of the Company such as purchasing and procurement, marketing etc. Internal control system includes finance, accounting and data gathering and recording.
- 5.10 Communicate anti-corruption policy and notify channels of whistle blowing and complaints to everyone in organization to comprehend, accept and comply thru various channels of the Company i.e. email, intranet, website, announcement board etc., arrange orientation of all new

directors, executives and employees and provide regular training on anti-corruption policy to all relevant existing employees for their understanding and complying with this policy.

- 5.11 Communicate anti-corruption policy and notify channels of whistle blowing and complaints to public and stakeholders thru various channels of the Company i.e. website, annual report, Annual Disclosure Information (Form 56-1 One Report).
- 5.12 Monitor the implementation of anti-corruption policy regularly and revise framework in line with change in business, rules, regulations, and relevant laws in usual.

6. Ethics for Receiving and Offering Gifts, Properties or Other Benefits

- 6.1 Do not request gifts, properties or other benefits from customers, business partners or any person dealing business with the Company.
- 6.2 Avoid receiving or giving money, things or other benefits from customers, business partners or persons dealing business with the Company with intention to persuade to perform or failure to perform in improper or illegal manner.
- 6.3 Avoid giving or accepting gifts or any gratuity from customers, business partners or persons dealing business with the Company, except for customary occasions or seasons. The value of any gift received must not be over Baht 3,000 and without business obligation involvement or influence on business decision. If the value is above Baht 3,000, the recipient shall report his or her superior and send such gifts to the Company without delay.
- 6.4 Avoid giving or receiving reception party in the manner exceeding normal nature or improper for normal relations with customers, business partners or persons dealing business with the Company.
- 6.5 Allow to accept invitations to business events, seminars, and field trips where the travelling expenses are sponsored by business partners. However, the aforementioned activities must benefit the Company's business and be approved by the relevant supervisor but acceptance of spending money or other benefits provided by such business partners is prohibited.

7. Ethics for Conflicts of Interest

Any duty performance of directors, executives and employees shall be conducted primarily in accordance with the Company's benefit and involvement in any transaction that may cause a possible conflict of interest with the Company shall be avoided. The Company has imposed guiding practice as follows:

- 7.1 Stipulate that directors, executives and employee including related persons shall not acquire personal interests against the Company's benefit. Any activity that may lead to conflicts of interest with the Company shall be avoided including either dealing with persons relating to the Company's business such as business partners, customers, competitors, or using opportunity or information obtained from their status in the Company to acquire personal interests for themselves, and conduct any business which is regarded as the competition with the Company

or identical or similar business as the Company or perform other duties which will disrupt their task performance in the Company. Once conflict of interest issue cannot be avoided, the person involving in the transaction must report the Company without taking any part in consideration and approval for such transaction.

- 7.2 In case transaction that may create conflicts of interest is carried out, the Company has stipulated guidelines for handling conflict of interest issues transparently and verifiably in order to prevent conflicts of interest. The Audit Committee shall carefully give opinions regarding necessity and appropriation of such transaction to the Board of Directors and/or shareholders (as the case may be) for their consideration and approval. The directors who may have conflicts of interest shall not attend the meeting to consider for approval and abstain from voting to approve such transaction. In addition, the regulations stipulated by the Securities and Exchange Commission and the Stock Exchange of Thailand shall be strictly complied with regarding price determination and other terms and conditions with the persons who may lead to conflicts of interest with the Company as if it is a transaction done with an outsider (Arm's Length Basis) with reasonable trade agreement same as transacting contracts in general, based mainly on the company interests. Details of connected transactions with possible conflicts of interest shall be disclosed in financial statements, Annual Report and Annual Disclosure Information (Form 56-1) with accurate and sufficient information.
- 7.3 In case where directors, executives and employees become directors, partners or advisors in other organizations, such status shall not be against the Company's interest and their direct roles in the Company.
- 7.4 In case where directors, executives, employees or any family member are involved or become shareholders in a competing business or being of the same nature as that of the Company or any business that may create the Company's conflicts of interest, they shall notify their superior and the Chairman of the Board in writing.

8. Ethics for Keeping Confidential Information, Use of Internal Information and Trading of the Company's Securities

To be transparent and protect exploiting their own benefits by using inside information which the Company has not disclosed to public yet as well as to avoid scandal about the appropriation of securities trading of internal persons, the Company has established regulations for directors, executives and employees of the Company to follow:

- 8.1 Directors, executives and employees at all level shall maintain confidentiality and/or inside information of the Company, refrain from disclosing and protect such confidential documents or information from leaking to non-relevant persons that may cause damages to the Company, or acquire personal interest for themselves or others, irrespective of directly or indirectly, even after ending employment with the Company. In addition, they shall not trade and transfer

in-out the Company's shares by taking advantage of confidential and/or inside information and/or 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.

- 8.2 Directors, executives and employees in units that receive inside information, shall not use such information before disclosing to public. Moreover, they shall not trade and transfer in-out the Company's shares for a period of one month prior to the disclosure of quarter and annual financial statements to the public and at least 1 working day after such disclosure.
- 8.3 All directors and executives must sign for acknowledge their duties to report on the Company's shares owned by them, their spouse and minor children to the Securities and Exchange Commission (SEC) within 30 days after taking the position appointment. In addition, they shall report the change of shareholding to SEC within 3 business days after the date of trading and transferring in-out the Company's shares and inform the Company as well as report in the meeting of Board of Directors on quarterly basis.

Such regulation is also applied to spouse and minor children of the Company's directors, executives and staffs. In case that, any persons who infringe the regulations shall be punished by discipline and/or law.

9. Ethics for Protection of the Company's Properties

The Company encourages directors, executives and staff to utilize the Company's properties and fixed assets with the most efficient manner. Hence, operational frameworks have been specified as follows:

9.1 Protection of the Company's Properties

1. Preserve the Company's properties to be in good condition and prevent them from lawful loss or irregular devaluation.
2. Utilize the Company's resources and properties in an economical manner for its optimum benefit and shall not use any of them for personal benefit or other activities unrelated to their work.

9.2 Documentation

1. Prepare all business documents and any other report including accounting and financial reports on a cautious, good faith, timely, accurate and complete basis as well as in accordance with specified standard. Supplementary information should be referable, up-to-date, and kept and collected for ready to use at all time.
2. Prohibit from counterfeiting the Company's letters, reports and documents.

9.3 Use of Computer, Information Technology and Communication

1. Computers and Information and Technology used for operation are regarded as the Company's properties, therefore they should not be used for personal or other benefits.
2. Keep a password to access the Company's information system confidential and do not reveal it to anyone.

3. Prohibit disclosure of information in the Company's data system to other persons without permission.
4. Do not modify, duplicate, erase or destroy the Company's data without permission.
5. Prohibit from using illegal software and copying licensed software for any reason without obtaining permission from the producer of such software.
6. Forbid from modifying the Company's hardware equipment or installing equipment other than the standard equipment provided by the Company.
7. Prohibit from using the Company's electronic mail to forward message which is discrediting, intimidating, obscene, improper or annoying to other persons.
8. Use internet to search for information and knowledge which is beneficial for working, avoid illegal and immoral websites and do not distribute information or news in such websites to others.
9. Use any communication equipment provided by the Company such as telephone, facsimile, mobile phone etc. with conscious mind and responsibility, mainly for the Company's interest.

10. Ethics for Internal Control

- 10.1 Implement internal control system suitable for every activity of the Company and appropriate risk assessment to ensure good controlling activities for all functions, establish working standards to enhance transparent and accountable operation by specifying explicit authority and responsibility of executives and employees in writing, segregate duties of operators, controllers and appraisers to build up efficient auditing and balancing, provide adequate and proper resources, set up monitoring and evaluation systems to ensure appropriate and practical system, and revise auditing system according to changing work environment and risk factors.
- 10.2 Establish an independent unit that directly reports to the Audit Committee and perform duty to audit operation of other units pursuant to defined regulations.
- 10.3 Employees have duties to support auditing works of internal audit as well as external auditor and cooperate with them by providing correct and complete information and inspect accuracy of financial data and promptly report when discovering error or irregularity.

11. Ethics for Distribution of information and Interviews with the Press or the Public and Investor Relations

Disclosure of the Company's information must be based on truthful, accurate, careful, timely, equitable and fair information, and must comply with the rules and regulations of the Stock Exchange of Thailand as well as any rules, conditions and procedures of the listed company and the Securities and Exchange Commission including other related laws.

- 1.1 The distribution of the Company's information shall be conducted in a factual, accurate and careful way and strictly adhered to the criteria and requirement of the Stock Exchange of

Thailand regarding rules, conditions and procedures governing the disclosure of information and any practice of listed companies, including relevant laws and regulations.

- 1.2 The Company assigns Chief Executive Officer, Deputy Chief Executive Officer and Chief Financial Officer to be authorized persons to be interviewed or to answer questions of shareholders, investors, the press, and external parties. In addition, other executives authorized by the Chief Executive Officer may exploit the Company's information.
- 1.3 The Company designates an investor relations unit to perform duty to disclose essential and beneficial information to shareholders, investors, securities analysts, fund managers, and financial institutions. In this regard, units owning the information shall provide their information to investor relations unit.
- 1.4 Investor Relations must perform their duties with professional integrity based on the principle of equality without discrimination by taking into account the interests of the Company and relevant stakeholders. Maintain the Company secrets and do not use inside information for personal gain.
- 1.5 Refrain from or avoid revealing information, news or interviewing with press or public about the Company without authority, or any other information which may adversely affect the Company's reputation, image and business operations.

Ethics of Directors and Executives

1. Perform duties according to the laws, relevant rules and regulations, the Company's regulations and policies, shareholders' resolutions and good corporate governance principles.
2. Carry out duties with honesty, integrity, carefulness, caution, transparency, fairness and accountability for the best interests of the Company while adhering to the benefits of relevant stakeholders.
3. Devote time to perform duties with utmost knowledge and competency and attend every meeting, except in cases of necessity.
4. Keep confidential information of the Company from leaking and do not disclose such information to non-relevant persons that may cause damages to the Company or stakeholders, except in compliance with laws.
5. Perform duties by avoiding any action that may lead to conflicts of interest with the Company, whether directly or indirectly, including
 - Do not acquire personal interests improperly from their work operation either directly or indirectly.
 - Refrain from exploiting information obtaining from their duties for seeking inappropriate benefit of personal or others' interests.
 - Refrain from any engagement in management action of other entities that undermine the Company's interests.
 - Do not conduct any business in competition with the Company either directly or indirectly.
 - Do not take any advantage or interest from the Company's agreements.
 - Do not receive anything or other benefits that may lead to conflicts of interest of the Company.

Ethics of Employees

1) Treatment toward Stakeholders

- 1.1 **Shareholders** To disclose or provide information to related authorities, external auditor and internal auditor correctly, completely in a timely manner. To comply with the Company's ethics for distribution of information and Interviews with the press or the public disclose and ethics for investor relations.
- 1.2 **Employees** To treat supervisors and colleagues with fairness, equality, honesty, courtesy, unity and harmony. Not to slander someone groundlessly.
- 1.3 **Customers, suppliers, creditors** To treat customers, suppliers, creditors, with equality and fairness. Provide information correctly, adequately. Comply with the condition and agreement specified in the contract.
- 1.4 **Competitors** To practice under the rules of competition without taking any action to trade barrier. Refrain from wrongful approach in seeking trade secret or defame other's reputation without evidence of truth.
- 1.5 **Social, community and environment** To behave under the principle of good moral, custom and tradition. To adhere with integrity and ethics. Avoid all vices and drugs. Appreciate and use resources wisely.

2) Treatment toward the Company

- 2.1 **Compliance with laws, rules and regulations** as well as the Company's vision, goal, mission, core values, announcements and policies. Refrain from engaging, supporting or any action that violates or breaches against them.
- 2.2 **Respect human rights** To treat others with politeness, kindness, equality, honesty, based on human dignity as well as respect individual privacy. Never support human rights violation both directly or indirectly.
- 2.3 **Avoidance of Infringement of intellectual property** To avoid using every intellectual property without license or consent such as software, copy rights and patents. To avoid the installation, modification, changing the computer configuration setting and software duplication unless given authorization by the Company.
- 2.4 **Anti-Corruption** Do not tolerate any forms of corruption.
- 2.5 **Receiving and giving gifts, properties and other benefits** To avoid receiving and giving gifts, bribery, benefits or other reward from government and private entities, customers, business partners. If unable to refuse, notify supervisors.
- 2.6 **Conflicts of Interest** Avoid any action that is contrary to the interests of the Company. Employees must inform their supervisors such as themselves, family members. and/or relatives are involved in competitive business with the Company or being a partner with the Company, both directly and indirectly.
- 2.7 **Maintain confidentiality, use of inside information and trading in the Company's securities** Do not disclose information of the Company, customers, partners, except as required by laws including not taking advantage of such information. If the employee leaves the job, a complete report of all information must be returned to the company. Do not use inside information of the Company for trading in the Company's securities.
- 2.8 **Protection and custody of the Company's assets** All employees are responsible for the maintenance of Company assets, to be in good condition without loss and will not use the Company's assets for personal gain, unless authorized by the authorized person and/or have paid a reasonable price.
- 2.9 **Commit to performing duties to the best of their ability** Perform duties with honesty, integrity, responsibility, diligence, always develop yourself. Do not spend time working for aother company or for personal gain while being an employee of the Company. It is forbidden to work or enter into an employment contract with another company.
- 2.10 **Maintain the reputation and image of the Company**
 - 2.10.1 **Avoid** any action that will lead to defamation of the Company's reputation and image.
 - 2.10.2 **Not use information technology in a way that causes damage** to the Company, to others, or to the morality of society, whether directly or indirectly, for example, the collection, transmission or access to infringing information, privacy rights or media that is against the good morals of society, etc.

2.10.3 Use social media responsibly

- Do not use your brand or company name as a substitute for identification in your online profile. For example, using your brand name or company name as part of your blog or Facebook name.
- Do not post inappropriate text or images that may be associated with a brand or company name. Such as workplace photography or documentary images of the Company on all online media, posting inappropriate pictures while wearing employee uniforms, defamatory comments harassment of people in the Company or third parties, posting inappropriate, confidential, unapproved messages or images, or infringement of copyright, etc.

Supervision in Acting and Reviewing

1. Define that the code of conduct shall be communicated to directors, executives and employees at all level for acknowledgement and understanding.
2. Every director, executive and employee has duty to be aware of, comprehend, and strictly comply with the code of conduct manual. When having a doubt regarding practices stipulated in the code of conduct, employees should consult his/her superior or relevant department such as Human Resource Department.
3. Executives at all level should behave as role models for the staff to perform pursuant to the code of conduct and have duties and responsibility to oversee and encourage all subordinates to acknowledge, understand and seriously comply with the code of conduct manual.
4. When seeing any infringement or avoidance of the code of conduct, directors, executives and employees have duties to report to their direct supervisor or persons/departments in charge or use whistle blowing or complaint channels, and cooperate in fact-finding investigation. In this regard, the Company has measures to protect any whistle-blower or complainant or reporter. All information received will be treated in confidence and the disciplinary action shall be taken shortly and fairly.
5. Regularly review and improve the code of conduct to be up-to-date and compatible with evolving business environment.

Whistle Blowing, Complaints and Suggestion

The Company provides the opportunities for employees and all groups of stakeholders to propose their opinions, suggestions, complaints and whistle blowing regarding anti-corruption, fraud and violation of laws, rules, regulations, code of conduct and good corporate governance principles as follows:

1. Channels of whistle blowing, complaints and suggestion
 - 1) Electronic mail of the Chairman of the Board at chairman@jckhgroup.com
 - 2) The Company's website at www.jckhgroup.com
 - 3) Suggestion boxes at branches, factory and head office
 - 4) Calling at telephone numbers in notices posted at every branch
 - 5) Postal mailing to
Chairman
JCK Hospitality Public Company Limited
No. 18, TFD Building, Soi Sathorn 11 Yaek 9, Yannawa, Sathorn Bangkok 10120
2. Protection and keeping confidential
 - 1) Any whistle-blower or complainant, whoever employees or external persons, will be protected.
 - 2) The Company shall provide fairness and safeguard to any staff who denies or inform corruption cases or report wrongdoing or make a complaint or cooperate in reporting corruption by not changing job position, job nature, workplace, job suspension, punishment or providing negative impact on that staff.

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- 3) The Company shall investigate according to procedure and record investigation outcomes in writing without disclosing information of a whistle blower or complainant. The Company will keep the whistle blower or complaint's documents confidential and prohibit from disclosing them to unrelated persons, except when required by laws.
 3. Procedure for investigation
 - 1) When receiving any whistle blowing or complaints, a recipient shall gather factual information and submit them to the company secretary.
 - 2) The Company Secretary shall invite the following representatives from management to perform investigation:
 - Deputy of Chief Executive Officer
 - Human Resource Manager
 - Manager of a whistle blower or complainant (in case of such person is the Company's staff)

Company Secretary shall attend the investigation meeting as an observer.
 - 3) In process of investigation, the Company Secretary may be assigned to report progress of investigation to whistle-blower or complainant from time to time.
 - 4) In case of the outcomes of investigation is found that there are reasonable information or evidence showing that a suspect actually commits wrongdoing, the Company will provide the right to the suspect to acknowledge the allegation and prove oneself. To do so, the suspect can provide additional information or evidence to prove that he/she does not involve with wrongdoing as accused.

Disciplinary Punishment

Directors, executives and employees at all levels have a duty to comply and promote others to comply with code of conduct. The following actions constitute a breach of code of conduct:

1. Fail to comply with code of conduct.
2. Suggest, encourage and support others to not comply with code of conduct.
3. Neglect, ignore when seeing a violation of or failure to comply with code of conduct in case of knowing or being in a position to know as it involves work under own responsibility.
4. Fail to collaborate or obstruct investigation into facts on violation or noncompliance with code of conduct.
5. Treat any whistle blower reporting noncompliance with code of conduct unfairly.

The Company regards code of conduct as a discipline which directors, executives and employees at all levels shall comply seriously. Violation or noncompliance with specified code of conduct shall be strictly subject to the Company's disciplinary penalty and may also be faced with legal punishment, if such action is unlawful.

Report from the Audit Committee

In 2023, 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. In 2023, the Audit Committee convened the meeting 6 times. 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 2023 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 2023, 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. Gumpol Tiyyarat)

Chairman of the Audit Committee

February 27, 2024



DAIDOMON
• KOREAN GRILL •



บริษัท เจซีเค ฮอสพิทอลลิตี้ จำกัด (มหาชน)

เลขที่ 18 อาคาร ที เอฟ ดี ซอย สาทร 11 แขวง 9

แขวง ยานนาวา เขต สาทร กรุงเทพมหานคร 10120

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