



Ref. CS./22-022

February 28, 2022

Subject : Management Discussion and Analysis of the operating performance for the year of 31 December 2021

Attention : The President of the Stock Exchange of Thailand

Copy to: The Secretary  
The Security and Exchange Commission

JCK Hospitality Public Company Limited (“Company”) would like to report the consolidated operating performance results for the year of 31 December 2021

During the current period, the Company invested in the hotel business by purchasing ordinary shares of two subsidiaries, accounting for 100 percent of its registered capital. As a result, the Company prepared the consolidated financial statements for the first time in accordance with the basis.

**The operating performance result for year 2021 compare with year 2020**

1. The year of 2021, the Company's total revenue was amount of Baht 443.59 million, a decreased amount of Baht 257.78 million, or equal to 36.75% from the year of 2020 due to the shops are closed during April – May and July – August 2021 from the Covid-19 situation, the government has measure not to sit and eat in restaurants for the red area of 29 provinces causing the customer behavior to be cautious and change, resulting sales in branch that opened have not achieved a target.
2. The Company's has total cost of sales in the year of 2021 was amount of Baht 224.68 million, a decreased amount of Baht 65.05 million, or equal to 22.45% from the year of 2020. When comparing the cost-to-sales ratio, found that increase about 10.00% from year of 2020. Because the company has added food menus by focusing on raw materials that can attract customers to eat. In addition, the price of raw materials increased according to the economic conditions, causing the average cost of sales per head to rise.
3. The Company's selling and administrative expenses in the year of 2021 was amount of Baht 402.43 million, a decreased amount of Baht 102.77 million, or equal to 20.34% from the year of 2020. As the Company's discount for rental fee during period because the closing on July- August 2021. In addition, expenditure control policies to be in the same direction with the decrease in revenue from the COVID-19 epidemic continuously situation.
4. The Company had a loss on impairment of assets for the year 2021 equal to 36.00 million baht, an increase from the year 2020 of 25.27 million baht or 235.61% due to the company being affected by the COVID situation, which affected the sales of branches.

5. The Company had a loss from the purchase of investment in the consolidated financial statements. because during the year The Company has invested in an investment in a subsidiary (ASP Hotels and Resorts Company Limited), which at the acquisition date Subsidiaries had assets worth 178 million baht, later such assets were repaid to the bank in the amount of 96 million baht, resulting in the company recognized a loss of 82 million baht.
6. The Company's financial cost in the year of 2021 was Baht 37.22 million, an increased amount of Baht 8.21 million, or equal to 28.29% from the year of 2020 due to an increasing in long-term loans of subsidiaries.
7. The Company's had net loss amount of Baht 340.03 million, an increased amount of Baht 198.01 million, or equal to 139.43% from the year of 2020. Due to the decline in sales due to the COVID-19 situation that occur continuously and for a long time. In addition to the economic slowdown in 2021 and the recognition of loss from the purchase of investments in subsidiaries.

Please be informed accordingly.

Sincerely yours,



( Mr. Athawut Taechaubol)  
Joint Chief Executive Officer