



CS/22-058

May 17, 2022

Subject : Management Discussion and Analysis of the operating performance for the 1st quarter of 2022

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 1st quarter of 2022 as follows;

In 2021, the Company invested in the hotel business by purchasing ordinary shares of two subsidiaries, accounting for 100 percent of its registered capital. The consolidated financial statements, for the first time of in accordance with the basis. At present, the two subsidiaries have not started their operations. As a result, the consolidated financial statements have information in terms of operating results that are not significantly different from the separate financial statements.

Therefore, the Company compares the operating results of the separate financial statements (Q1 of 2022) with the separate financial statements (Q1 of 2021).

1. The 1st quarter of 2022, the Company's total revenue was Baht 126.67 million, decreased by Baht 2.91 million or 2.25% from the 1st quarter of 2021, revenue from sales was 121.16 million baht, decrease by Baht 4.31 million or 3.4% from the 1st quarter of 2021 and other income Baht 5.52 million , increased by Baht 1.4 million or 34% from the 1st quarter of 2021, revenue declined from a decrease in the number of branches 13 branches accounted for 20% and the ongoing COVID situation affecting the overall economy and higher product prices, resulting in consumers are cautious in their consumption. As a result, the revenue can not keep up with the declining number of stores.
2. The Company’s cost of goods sold in the 1st quarter of 2022 was Baht 64.70 million, increased by Baht 4.53 million, or 7.5% from the 1st quarter of 2021. When comparing the cost-to-sales ratio, the ratio of 1st quarter 2022 increased by 5% from the 1st quarter 2021, This is a result of the Company doing promotions to stimulate sales, to a discount 40-60% form sale price (depending on the time period), As a result, the average cost of sales per head is higher and affected by high inflation, the price of raw materials increased according to the economic conditions.

3. The Company's selling and administrative expenses in the 1st quarter of 2022 were Baht 117.13 million, selling and distribution expenses was by Baht 70.68 million, decrease of 6.97 million baht or 9.0% from Q1/21, due to utilities Reduced branch expenses from the decrease in the number of branches, administrative expenses was by Baht 46.45 million, increase of 15.56 million baht or 50.3% from Q1/21, due to the company's financial advisory fees from the issuance and offering of convertible debentures.
4. The Company's financial cost in the 1st quarter of 2022 was Baht 6.82 million, decreased from the 1st quarter of 2021 by Baht 1.11 million, or 13.94%.
5. The Company had a net loss of 60.35 million baht, an increase of 13.77 million baht or 29.55% compared to the same quarter in 2021 as a result of the revenue that has not returned to normal due to the ongoing COVID-19, affecting the overall economy and higher product prices, inflation affects resulting in higher cost of sales and administrative expenses increased from the acquisition of investments of the company and the company had a net loss in the consolidated financial statements of 63.46 million baht.

Please be informed accordingly.

Sincerely yours,



(Mr. Athawut Taechaubol)

Chief Executive Officer