



CS/22-113

August 15, 2022

Subject : Management Discussion and Analysis of the operating performance for the 2nd 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 2nd 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 (Q2 of 2022) with the separate financial statements (Q2 of 2021).

Statement of comprehensive income for the three-month period

1. For the 2nd quarter of 2022, the Company's total revenue was Baht 147.61 million, increased by Baht 40.32 million or 37.58% from the 2nd quarter of 2021, revenue from sales was 146.23 million baht, increase by Baht 41.09 million or 39.08% from the 2nd quarter of 2021 and other income Baht 1.38 million, decreased by Baht 0.77 million or 35.81% from the 2nd quarter of 2021, revenue increased from Since the COVID-19 situation was better, department stores and restaurants returned to normal, resulting in sales increased from the 2nd quarter of 2021.
2. The Company's cost of goods sold in the 2nd quarter of 2022 was Baht 72.13 million, increased by Baht 13.21 million, or 22.42% from the 2nd quarter of 2021, the same direction with revenue increasing.
3. The Company's selling and administrative expenses in the 2nd quarter of 2022 were Baht 114.40 million, selling and distribution expenses was by Baht 85.43 million, increased of 21.60 million baht or 33.84% from Q2/21, Due to the situation of COVID in 2021, branches are closed according to government orders. As a result, branches that are closed have no sales costs, such as branch employees' salaries and rent, administrative expenses were Baht 28.97 million, decrease of 10.48 million baht or 26.57% from Q2/21. due to reversal impairment loss from close a branch.
4. The Company's financial cost in the 2nd quarter of 2022 was Baht 7.02 million, decreased from the 2nd quarter of 2021 by Baht 0.94 million, or 11.81%.
5. The Company had a net loss of 62.10 million baht, an increase of 0.17 million baht or 0.27% compared to the same quarter in 2021.

Statement of comprehensive income for the six-month period

1. For the 2nd quarter of 2022, the Company's total revenue was Baht 274.29 million, increased by Baht 37.42 million or 15.80% from the 2nd quarter of 2021, revenue from sales was 267.39 million baht, increase by Baht 36.78 million or 15.95% from the 2nd quarter of 2021 and other income Baht 6.90 million, increased by Baht 0.64 million or 10.22% from the 2nd quarter of 2021, The reason why increase of revenue in Q2/21 is the current COVID-19 situation with dramatically improve from last year at the same period. Department stores and restaurants can open to normal. It's effect to sales of suki-shabu customers. Resulting in higher sales in the second quarter of 2022, despite the decline in branches. As for the sales of customers, the grill shop is becoming popular. The company opening more branches and renovating the shop to be modern in Korean style. Chinese customers come back to eat at the shop, Therefore, the sales increased when compared to the second quarter of the year.
2. The Company's cost of goods sold in the 2nd quarter of 2022 was Baht 136.83 million, increased by Baht 17.74 million, or 14.90% from the 2nd quarter of 2021, the same direction with revenue increasing. And when compared as a ratio to sales, it can be seen that the average cost of sales for the second quarter of 2022 equal to the 2nd quarter of the year, which is 50% due to the increase in product prices from the market.
3. The Company's selling and administrative expenses in the 2nd quarter of 2022 were Baht 231.54 million, selling and distribution expenses was by Baht 156.11 million, increase of 17.61 million baht or 12.71% from Q2/21, Due to the situation of COVID in 2021, branches are closed according to government orders. As a result, branches that are closed have no sales costs, such as branch employees' salaries and rent, administrative expenses were Baht 75.43 million, increase of 2.11 million baht or 2.88% from Q2/21, due to the company's financial advisory fees from the issuance and offering of convertible debentures.
4. The Company's financial cost in the 2nd quarter of 2022 was Baht 13.84 million, decreased from the 2nd quarter of 2021 by Baht 2.04 million, or 1.82%.
5. The Company had a net loss of 109.27 million baht, an increase of 0.76 million baht or 0.70% compared to the same quarter in 2021 and the company had a net loss in the consolidated financial statements of 115.43 million baht.

Please be informed accordingly.

Sincerely yours,



(Mr. Athawut Taechaubol)

Joint Chief Executive Officer