

ZEN Corporation Group ZEN

ZEN Corporation Group
Public Company Limited

Bloomberg ZEN TB
Reuters ZEN.BK



1Q24: Missed estimates

ZEN reported a weak 1Q24 net profit of Bt16mn, plummeting 54% YoY and 59% QoQ, missing market estimates by 57% due to a weak SSS (-7.8%) and EBIT margin (rising SG&A expense). The poor 1Q24 leads us to cut our core earnings forecast by 35% in each of 2024 and 2025. We forecast a drop of 33% in core earnings to Bt105mn in 2024 amid concerns of an economic slowdown and competition in the restaurant industry. We keep our Neutral rating from the absence of a catalyst. Our new end-2024 DCF TP is brought down to Bt7.5/share from Bt10.2/share.

1Q24: Below market estimate from weak SSS and EBIT margin. ZEN reported a low 1Q24 net profit of Bt16mn, plummeting 54% YoY and 59% QoQ. Led by weak SSS and EBIT margin, this missed market estimates by 57%.

Highlights:

- (-) Restaurant business (79% of revenue): Revenue was Bt803mn in 1Q24, up 7% YoY and down 3% QoQ, driven by owned outlet expansion (184 owned outlets, +17% YoY and +1% QoQ); SSS was poor at -7.8% in 1Q24, the third quarter of a contraction, reflecting the challenging environment from slow consumption and high competition in the restaurant industry.
- (+) Retail merchandising (16% of revenue) showed continuing improvement. Revenue was Bt163mn, up 61% YoY (but down 4% QoQ) from an expanding customer base for frozen products.
- (-) Low EBIT margin to revenue was 3.8% in 1Q24, sharply down from 6.2% in 1Q23 and 6.0% in 4Q23, dragged by a 14% YoY and 4% QoQ rise in SG&A expense that revenue growth could not offset. We view this reflects weaker operations, particularly at newly-opened owned outlets.

Earnings cut. The weak 1Q24 leads us to cut our core earnings forecast by 35% in each of 2024 and 2025. We now expect core earnings to drop 33% YoY to Bt105mn in 2024, based on 10% revenue growth and 4.9% EBIT margin. We bring our end-2024 TP down to Bt7.5/share from Bt10.2/share, based on WACC at 7.5% and long-term growth of 2%.

Neutral rating from lack of catalyst. Our concerns center on an economic slowdown and competition in the restaurant industry that will damage profitability and earnings in 2024. A catalyst would be stronger earnings on fruition of ZEN's efforts to boost SSS and margin by store revamping and building brand recognition.

Risks. 1) Economic slowdown impacting consumer spending, 2) intense competition, 3) rising costs and 4) change in consumer preferences. We see ESG risk as consumer safety and food quality (S).

Forecasts and valuation

| Year to 31 Dec | Unit | 2022 | 2023 | 2024F | 2025F | 2026F |
|------------------|--------|-------|-------|--------|-------|-------|
| Revenue | (Btmn) | 3,383 | 3,915 | 4,297 | 4,638 | 4,861 |
| EBITDA | (Btmn) | 594 | 639 | 593 | 624 | 627 |
| Core profit | (Btmn) | 154 | 158 | 105 | 116 | 131 |
| Reported profit | (Btmn) | 154 | 158 | 105 | 116 | 131 |
| Core EPS | (Bt) | 0.51 | 0.53 | 0.35 | 0.39 | 0.44 |
| DPS | (Bt) | 0.16 | 0.30 | 0.19 | 0.21 | 0.24 |
| P/E, core | (x) | 13.4 | 13.1 | 19.6 | 17.8 | 15.8 |
| EPS growth, core | (%) | N.A. | 2.4 | (33.1) | 10.5 | 12.2 |
| P/BV, core | (x) | 1.6 | 1.5 | 1.5 | 1.4 | 1.3 |
| ROE | (%) | 12.3 | 11.2 | 7.3 | 8.1 | 8.7 |
| Dividend yield | (%) | 2.3 | 4.3 | 2.8 | 3.1 | 3.5 |
| EBITDA growth | (%) | 104.3 | 7.5 | (7.1) | 5.2 | 0.5 |

Source: InnovestX Research

Tactical: NEUTRAL

(3-month)

| Stock data | |
|----------------------------|------------|
| Last close (May 13) (Bt) | 6.90 |
| Target price (Bt) | 7.50 |
| Mkt cap (Btbn) | 2.07 |
| Mkt cap (US\$m) | 56 |
| Beta | M |
| Mkt cap (%) SET | 0.01 |
| Sector % SET | 5.69 |
| Shares issued (mn) | 300 |
| Par value (Bt) | 1.00 |
| 12-m high / low (Bt) | 13.9 / 6.9 |
| Avg. daily 6m (US\$m) | 0.02 |
| Foreign limit / actual (%) | 49 / 20 |
| Free float (%) | 30.5 |
| Dividend policy (%) | ≥ 50 |

| Share performance | | | |
|-------------------|--------|--------|--------|
| (%) | 1M | 3M | 12M |
| Absolute | (14.3) | (20.2) | (50.4) |
| Relative to SET | (12.8) | (19.5) | (43.5) |

Source: SET, InnovestX Research

| 2023 Sustainability / 2022 ESG Score | |
|--------------------------------------|----|
| SET ESG Ratings | AA |

| ESG Bloomberg Rank in the sector | |
|----------------------------------|------|
| ESG Score Rank | n.a. |
| Environmental Score Rank | n.a. |
| Social Score Rank | n.a. |
| Governance Score Rank | n.a. |

ESG comment

ZEN does not have an ESG score. However, we see ZEN as putting more effort into development of ESG, especially environmental issues.

Source: Bloomberg Finance L.P.

Analyst

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Our view on ESG

We see ZEN as putting more effort into development of ESG, especially environmental issues, as it has set goals and strategies for energy management, water consumption and waste management. We see room to improve as it has not set long-term committed targets. We view its management and governance as satisfactory.

ESG Disclosure Score

| Bloomberg ESG Score | n.a. | CG Rating | DJSI | SETESG | SET ESG Ratings | |
|---------------------|------|-----------|------|--------|-----------------|----|
| Rank in Sector | n.a. | ZEN | 5 | No | No | AA |

Source: Thai Institute of Directors (IOD), SET

Environmental Issue (E)

- In terms of management guidelines for 2023, ZEN is focused on energy management, energy reduction, preparation for the organization's carbon footprint and waste reduction from manufacturing processes to reduce greenhouse gas emissions as much as possible. It is in the process of organizing a plan to embrace the transformation to a Carbon-Neutral enterprise to contribute to the country's greenhouse gas reduction, climate change action, and social responsibility.
- Energy management goals: Target in 2026, the rate of electricity consumption per unit (energy intensity) in the company decreases by 5% (using the year 2023 as a full year base year).
- Water consumption: Target in 2026, the rate of water consumption per unit (water intensity) in the company decreases by 5% (using the year 2023 as a full year base year).
- Garbage and waste management goals: Goals In 2026, 150 tons of recyclable waste sorting management.

Social Issue (S)

- ZEN recognizes the importance of occupational safety, health, and working environment in order to comply with the vision of being a leading restaurant business group. In 2023, there were 86 cases of employees suffering accidents and injuries while working in the restaurants/branches, accounting for 2.40% of the total number of employees, with no severe or fatal injury, and the number of employees who experienced work-related injuries resulting in a 1 day leave from work totaled 86 persons.
- ZEN had no disputes with the communities or society around the office. The objectives of the projects in 2026 is to generate a sustainable income in the community of Bt300,000 per year in addition to financial assistance.
- We see ESG risk is consumer safety and food quality. ZEN has a system for managing and controlling the quality and standards of raw materials and food at every stage from ordering raw materials through R&D process, distribution of products and raw materials, quality inspection, quality, preparation and cooking, storage and distribution to individual branches.

Governance Issue (G)

- ZEN provides complaint channels from customers and/consumer about products, services or other matters in accordance with the complaints and whistleblowing policy at internal audit director, company secretary and audit and corporate governance committee.
- ZEN's product research and development department and supply chain quality control and assurance department have also participated in supplier auditions to ensure the potential of suppliers' products and services in accordance with the specified standards. It also develops to grow into a long-term trade partner.
- As of December 31, 2023, the Board of Directors consists of 11 directors, 5 independent directors or 45% of total directors, which is not less one-third (1/3) of the board.
- The chairman is an independent director.
- Major shareholders control 61.5% of total issued and paid-up shares.

ESG Disclosure Score

| ESG Disclosure Score | 2022 |
|----------------------|------|
| ESG Disclosure Score | n.a. |
| Environment | n.a. |
| Social | n.a. |
| Governance | n.a. |

Source: Bloomberg Finance L.P.

Disclaimer

Bloomberg ESG Disclosure Scores rate companies on their level of disclosure of ESG data. Bloomberg offers four disclosure scores, for overall ESG, as well as Environmental, Social, and Governance. To review the fully transparent methodology, calculate disclosure scores for any company, and compare a company's scores vs its peers, see ESG Disclosure Score Model in Bloomberg.

Financial statement

Profit and Loss Statement

| FY December 31 | Unit | 2019 | 2020 | 2021 | 2022 | 2023 | 2024F | 2025F | 2026F |
|-----------------------|---------------|--------------|---------------|---------------|--------------|--------------|--------------|--------------|--------------|
| Total revenue | (Btmn) | 3,102 | 2,284 | 2,209 | 3,383 | 3,915 | 4,297 | 4,638 | 4,861 |
| Cost of goods sold | (Btmn) | 1,621 | 1,229 | 1,243 | 1,838 | 2,239 | 2,467 | 2,664 | 2,789 |
| Gross profit | (Btmn) | 1,481 | 1,055 | 966 | 1,546 | 1,676 | 1,830 | 1,973 | 2,072 |
| SG&A | (Btmn) | 1,392 | 1,154 | 1,085 | 1,330 | 1,452 | 1,656 | 1,771 | 1,851 |
| Other income | (Btmn) | 42 | 49 | 47 | 30 | 30 | 34 | 37 | 39 |
| Interest expense | (Btmn) | 4 | 34 | 38 | 33 | 42 | 60 | 60 | 60 |
| Pre-tax profit | (Btmn) | 128 | (83) | (110) | 213 | 212 | 149 | 180 | 200 |
| Corporate tax | (Btmn) | 21 | (21) | (23) | 39 | 34 | 21 | 36 | 40 |
| Equity a/c profits | (Btmn) | 0 | (1) | (2) | (2) | 0 | 0 | 0 | 0 |
| Minority interests | (Btmn) | (0) | 0 | (3) | (18) | (20) | (23) | (27) | (29) |
| Core profit | (Btmn) | 114 | (58) | (93) | 154 | 158 | 105 | 116 | 131 |
| Extra-ordinary items | (Btmn) | (8) | (6) | 1 | 0 | 0 | 0 | 0 | 0 |
| Net Profit | (Btmn) | 106 | (64) | (92) | 154 | 158 | 105 | 116 | 131 |
| EBITDA | (Btmn) | 320 | 349 | 291 | 594 | 639 | 593 | 624 | 627 |
| Core EPS (Bt) | (Bt) | 0.38 | (0.19) | (0.31) | 0.51 | 0.53 | 0.35 | 0.39 | 0.44 |
| Net EPS (Bt) | (Bt) | 0.35 | (0.21) | (0.31) | 0.51 | 0.53 | 0.35 | 0.39 | 0.44 |
| DPS (Bt) | (Bt) | 0.45 | 0.25 | 0.00 | 0.16 | 0.30 | 0.19 | 0.21 | 0.24 |

Balance Sheet

| FY December 31 | Unit | 2019 | 2020 | 2021 | 2022 | 2023 | 2024F | 2025F | 2026F |
|-----------------------------|---------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Total current assets | (Btmn) | 598 | 462 | 495 | 729 | 820 | 738 | 749 | 796 |
| Total fixed assets | (Btmn) | 884 | 720 | 655 | 410 | 552 | 569 | 629 | 656 |
| Total assets | (Btmn) | 2,044 | 2,689 | 2,557 | 2,824 | 3,240 | 3,170 | 3,234 | 3,292 |
| Total loans | (Btmn) | 0 | 0 | 0 | 104 | 199 | 199 | 199 | 199 |
| Total current liabilities | (Btmn) | 481 | 566 | 614 | 808 | 946 | 976 | 1,011 | 1,033 |
| Total long-term liabilities | (Btmn) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total liabilities | (Btmn) | 610 | 1,478 | 1,398 | 1,478 | 1,761 | 1,761 | 1,766 | 1,758 |
| Paid-up capital | (Btmn) | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 |
| Total equity | (Btmn) | 1,434 | 1,211 | 1,159 | 1,346 | 1,479 | 1,409 | 1,467 | 1,534 |
| BVPS (Bt) | (Bt) | 4.78 | 4.04 | 3.74 | 4.27 | 4.64 | 4.70 | 4.89 | 5.11 |

Cash Flow Statement

| FY December 31 | Unit | 2019 | 2020 | 2021 | 2022 | 2023 | 2024F | 2025F | 2026F |
|-------------------------------|---------------|------------|-------------|------------|-----------|-------------|--------------|-------------|-----------|
| Core Profit | (Btmn) | 114 | (58) | (93) | 154 | 158 | 105 | 116 | 131 |
| Depreciation and amortization | (Btmn) | 189 | 399 | 363 | 348 | 385 | 384 | 384 | 367 |
| Operating cash flow | (Btmn) | 302 | 316 | 40 | 323 | 381 | 224 | 247 | 247 |
| Investing cash flow | (Btmn) | (297) | (46) | 107 | (88) | (477) | (158) | (200) | (150) |
| Financing cash flow | (Btmn) | 216 | (365) | (147) | (175) | 68 | (175) | (58) | (64) |
| Net cash flow | (Btmn) | 221 | (95) | (1) | 60 | (29) | (109) | (11) | 33 |

Key Financial Ratios

| FY December 31 | Unit | 2019 | 2020 | 2021 | 2022 | 2023 | 2024F | 2025F | 2026F |
|-----------------------|------|-------|-------|-------|-------|-------|-------|-------|-------|
| Gross margin | (%) | 47.7 | 46.2 | 43.7 | 45.7 | 42.8 | 42.6 | 42.6 | 42.6 |
| Operating margin | (%) | 2.9 | (4.3) | (5.4) | 6.4 | 5.7 | 4.1 | 4.4 | 4.5 |
| EBITDA margin | (%) | 10.2 | 15.0 | 12.9 | 17.4 | 16.2 | 13.7 | 13.3 | 12.8 |
| EBIT margin | (%) | 4.2 | (2.2) | (3.3) | 7.3 | 6.5 | 4.9 | 5.2 | 5.3 |
| Net profit margin | (%) | 3.4 | (2.8) | (4.1) | 4.5 | 4.0 | 2.5 | 2.5 | 2.7 |
| ROE | (%) | 12.0 | (4.4) | (7.8) | 12.3 | 11.2 | 7.3 | 8.1 | 8.7 |
| ROA | (%) | 6.3 | (2.4) | (3.5) | 5.7 | 5.2 | 3.3 | 3.6 | 4.0 |
| Net D/E | (x) | (0.3) | (0.2) | (0.2) | (0.2) | (0.1) | 0.0 | 0.1 | 0.0 |
| Interest coverage | (x) | 86.4 | 10.4 | 7.7 | 18.2 | 15.2 | 9.9 | 10.4 | 10.4 |
| Debt service coverage | (x) | 86.4 | 10.4 | 7.7 | 2.5 | 1.5 | 1.3 | 1.4 | 1.4 |
| Payout Ratio | (x) | 118.2 | N.A. | 0.0 | 31.2 | 57.1 | 55.0 | 55.0 | 55.0 |

Main Assumptions

| FY December 31 | Unit | 2019 | 2020 | 2021 | 2022 | 2023 | 2024F | 2025F | 2026F |
|--------------------------------------|------|-------|--------|------|------|------|-------|-------|-------|
| SSS | (%) | (4.7) | (30.4) | 0.8 | 25.5 | 0.1 | (2.0) | 2.0 | 2.0 |
| Revenue contribution | | | | | | | | | |
| Restaurant | (%) | 90.4 | 89.1 | 86.1 | 81.7 | 80.7 | 80.1 | 80.9 | 81.4 |
| Sales of raw material to franchisees | (%) | 6.2 | 5.7 | 6.4 | 4.6 | 3.2 | 3.4 | 3.4 | 3.3 |
| Franchise fee | (%) | 2.4 | 3.1 | 2.9 | 2.3 | 2.1 | 1.8 | 1.6 | 1.4 |
| Retail merchandise | (%) | 0.9 | 2.2 | 4.6 | 11.5 | 13.9 | 14.8 | 14.1 | 13.8 |

Financial statement

Profit and Loss Statement

| FY December 31 | Unit | 2Q22 | 3Q22 | 4Q22 | 1Q23 | 2Q23 | 3Q23 | 4Q23 | 1Q24 |
|-----------------------|---------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Total revenue | (Btmn) | 859 | 900 | 938 | 907 | 961 | 999 | 1,048 | 1,014 |
| Cost of goods sold | (Btmn) | 466 | 480 | 513 | 509 | 543 | 569 | 618 | 585 |
| Gross profit | (Btmn) | 393 | 420 | 425 | 397 | 418 | 430 | 430 | 430 |
| SG&A | (Btmn) | 329 | 354 | 351 | 347 | 352 | 371 | 381 | 396 |
| Other income | (Btmn) | 6 | 11 | 8 | 7 | 6 | 4 | 14 | 5 |
| Interest expense | (Btmn) | 9 | 8 | 7 | 10 | 10 | 11 | 12 | 15 |
| Pre-tax profit | (Btmn) | 61 | 68 | 74 | 47 | 61 | 52 | 51 | 24 |
| Corporate tax | (Btmn) | 11 | 13 | 13 | 8 | 12 | 7 | 7 | 2 |
| Equity a/c profits | (Btmn) | (0) | (1) | (1) | 0 | 0 | 0 | 0 | 0 |
| Minority interests | (Btmn) | (5) | (3) | (6) | (4) | (4) | (6) | (6) | (6) |
| Core profit | (Btmn) | 44 | 51 | 55 | 34 | 46 | 40 | 38 | 16 |
| Extra-ordinary items | (Btmn) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Net Profit | (Btmn) | 44 | 51 | 55 | 34 | 46 | 40 | 38 | 16 |
| EBITDA | (Btmn) | 157 | 166 | 162 | 147 | 166 | 158 | 167 | 151 |
| Core EPS (Bt) | (Bt) | 0.15 | 0.17 | 0.18 | 0.11 | 0.15 | 0.13 | 0.13 | 0.05 |
| Net EPS (Bt) | (Bt) | 0.15 | 0.17 | 0.18 | 0.11 | 0.15 | 0.13 | 0.13 | 0.05 |

Balance Sheet

| FY December 31 | Unit | 2Q22 | 3Q22 | 4Q22 | 1Q23 | 2Q23 | 3Q23 | 4Q23 | 1Q24 |
|-----------------------------|---------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Total current assets | (Btmn) | 555 | 622 | 729 | 707 | 717 | 700 | 820 | 817 |
| Total fixed assets | (Btmn) | 331 | 371 | 410 | 409 | 425 | 485 | 552 | 551 |
| Total assets | (Btmn) | 2,591 | 2,704 | 2,824 | 2,823 | 2,864 | 2,940 | 3,240 | 3,230 |
| Total loans | (Btmn) | 63 | 67 | 104 | 134 | 205 | 141 | 199 | 216 |
| Total current liabilities | (Btmn) | 674 | 715 | 808 | 746 | 800 | 798 | 946 | 904 |
| Total long-term liabilities | (Btmn) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total liabilities | (Btmn) | 1,362 | 1,419 | 1,478 | 1,438 | 1,476 | 1,506 | 1,761 | 1,737 |
| Paid-up capital | (Btmn) | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 |
| Total equity | (Btmn) | 1,229 | 1,285 | 1,346 | 1,385 | 1,388 | 1,434 | 1,479 | 1,494 |
| BVPS (Bt) | (Bt) | 3.91 | 4.08 | 4.27 | 4.38 | 4.38 | 4.51 | 4.64 | 4.67 |

Cash Flow Statement

| FY December 31 | Unit | 2Q22 | 3Q22 | 4Q22 | 1Q23 | 2Q23 | 3Q23 | 4Q23 | 1Q24 |
|-------------------------------|---------------|-----------|-----------|-----------|-------------|-------------|-----------|-----------|-------------|
| Core Profit | (Btmn) | 44 | 51 | 55 | 34 | 46 | 40 | 38 | 16 |
| Depreciation and amortization | (Btmn) | 88 | 90 | 81 | 90 | 95 | 95 | 105 | 113 |
| Operating cash flow | (Btmn) | 165 | 182 | 164 | 24 | 58 | 230 | 166 | 85 |
| Investing cash flow | (Btmn) | (55) | (68) | (90) | (33) | (56) | (98) | (105) | (46) |
| Financing cash flow | (Btmn) | (56) | (64) | (19) | (35) | (42) | (121) | (33) | (73) |
| Net cash flow | (Btmn) | 54 | 51 | 56 | (44) | (41) | 10 | 27 | (33) |

Key Financial Ratios

| FY December 31 | Unit | 2Q22 | 3Q22 | 4Q22 | 1Q23 | 2Q23 | 3Q23 | 4Q23 | 1Q24 |
|-----------------------|------|-------|-------|-------|-------|-------|-------|-------|-------|
| Gross margin | (%) | 45.7 | 46.6 | 45.3 | 43.8 | 43.5 | 43.1 | 41.1 | 42.4 |
| Operating margin | (%) | 7.4 | 7.3 | 7.8 | 5.5 | 6.9 | 5.9 | 4.7 | 3.4 |
| EBITDA margin | (%) | 18.2 | 18.3 | 17.1 | 16.1 | 17.2 | 15.7 | 15.8 | 14.9 |
| EBIT margin | (%) | 8.1 | 8.5 | 8.6 | 6.2 | 7.4 | 6.3 | 6.0 | 3.8 |
| Net profit margin | (%) | 5.1 | 5.6 | 5.8 | 3.8 | 4.8 | 4.0 | 3.6 | 1.5 |
| ROE | (%) | 7.9 | 10.9 | 12.3 | 10.6 | 12.2 | 11.7 | 11.2 | 4.3 |
| ROA | (%) | 3.8 | 5.2 | 5.7 | 5.1 | 5.9 | 5.7 | 5.2 | 2.1 |
| Net D/E | (x) | (0.1) | (0.2) | (0.2) | (0.1) | (0.0) | (0.1) | (0.1) | (0.0) |
| Interest coverage | (x) | 18.0 | 20.3 | 23.9 | 15.0 | 16.5 | 14.9 | 14.4 | 10.1 |
| Debt service coverage | (x) | 6.4 | 6.7 | 4.9 | 3.4 | 2.7 | 3.4 | 2.7 | 2.2 |

Main Assumptions

| FY December 31 | Unit | 2Q22 | 3Q22 | 4Q22 | 1Q23 | 2Q23 | 3Q23 | 4Q23 | 1Q24 |
|--------------------------------------|------|------|------|------|------|------|-------|-------|-------|
| SSS | (%) | 52.6 | 75.2 | 0.4 | 12.5 | 3.1 | (4.5) | (7.9) | (7.8) |
| <u>Revenue contribution</u> | | | | | | | | | |
| Restaurant | (%) | 77.5 | 82.9 | 83.2 | 83.1 | 81.2 | 79.8 | 79.0 | 79.2 |
| Sales of raw material to franchisees | (%) | 4.9 | 4.3 | 3.9 | 3.5 | 3.5 | 3.1 | 2.9 | 2.8 |
| Franchise fee | (%) | 2.2 | 2.1 | 2.5 | 2.2 | 2.3 | 2.0 | 2.0 | 2.0 |
| Retail merchandise | (%) | 15.4 | 10.7 | 10.4 | 11.1 | 13.0 | 15.1 | 16.1 | 16.1 |

Figure 1: 1Q24 earnings review

| (Bt mn) | 1Q23 | 2Q23 | 3Q23 | 4Q23 | 1Q24 | YoY% | QoQ% |
|--|-------------|-------------|-------------|--------------|--------------|------------------|------------------|
| Revenue | 907 | 961 | 999 | 1,048 | 1,014 | 11.9 | (3.2) |
| Gross profit | 397 | 418 | 430 | 430 | 430 | 8.1 | (0.1) |
| EBITDA | 147 | 166 | 158 | 167 | 151 | 3.1 | (9.5) |
| Core profit | 34 | 46 | 40 | 38 | 16 | (54.1) | (58.6) |
| Net profit | 34 | 46 | 40 | 38 | 16 | (54.1) | (58.6) |
| EPS (Bt/share) | 0.11 | 0.15 | 0.13 | 0.13 | 0.05 | (54.1) | (58.6) |
| Balance Sheet | | | | | | | |
| Total Assets | 2,823 | 2,864 | 2,940 | 3,240 | 3,230 | 14.4 | (0.3) |
| Total Liabilities | 1,438 | 1,476 | 1,506 | 1,761 | 1,737 | 20.8 | (1.4) |
| Total Equity | 1,385 | 1,388 | 1,434 | 1,479 | 1,494 | 7.9 | 1.0 |
| BVPS (Bt/share) | 4.38 | 4.38 | 4.51 | 4.64 | 4.67 | 6.6 | 0.6 |
| Financial Ratio | | | | | | | |
| Gross Margin (%) | 43.8 | 43.5 | 43.1 | 41.1 | 42.4 | (1.5) | 1.3 |
| EBIT margin (%) | 6.2 | 7.4 | 6.3 | 6.0 | 3.8 | (2.4) | (2.2) |
| Net Profit Margin (%) | 3.8 | 4.8 | 4.0 | 3.6 | 1.5 | (2.2) | (2.1) |
| ROA (%) | 5.1 | 6.7 | 5.7 | 5.0 | 2.1 | | |
| ROE (%) | 10.6 | 14.0 | 11.8 | 10.7 | 4.3 | | |
| D/E (X) | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 | | |
| | 4Q22 | 1Q23 | 2Q23 | 3Q23 | 4Q23 | % Chg YoY | % Chg QoQ |
| Key statistics | | | | | | | |
| <u>Revenue by business (Bt mn)</u> | | | | | | | |
| Restaurant: Dine-in | 706 | 735 | 756 | 786 | 763 | 8.1 | (2.9) |
| Restaurant: Food delivery and catering | 47 | 45 | 41 | 42 | 40 | (14.9) | (4.8) |
| Sales of raw material to franchisees | 32 | 34 | 31 | 30 | 28 | (12.5) | (6.7) |
| Franchise fee | 20 | 22 | 20 | 21 | 20 | 0.0 | (4.8) |
| Retail merchandise | 101 | 125 | 151 | 169 | 163 | 61.4 | (3.6) |
| Total revenues | 906 | 961 | 999 | 1,048 | 1,014 | 11.9 | (3.2) |
| SSS | 12.5% | 3.1% | -4.5% | -7.9% | -7.8% | | |
| No. of new owned outlets | 2 | 5 | 13 | 18 | 8 | | |
| No. of total owned outlets | 157 | 157 | 166 | 182 | 184 | 17.2 | 1.1 |
| No. of new franchised outlets | 3 | 5 | 5 | 6 | 3 | | |
| No. of total franchised outlets | 182 | 170 | 163 | 159 | 154 | (15.4) | (3.1) |

Source: Company data and InnovestX Research

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CG Rating 2023 Companies with CG Rating

Companies with Excellent CG Scoring

7UP, AAV, ABM, ACE, ACG, ADB, ADD, ADVANC, AEONTS, AF, AGE, AH, AHC, AIRA, AIT, AJ, AKP, AKR, ALLA, ALT, AMA, AMARIN, AMATA, AMATAV, ANAN, AOT, AP, APCO, APCS, ARIP, ARROW, ASEFA, ASK, ASP, ASW, ATP30, AUCTION, AWC, AYUD, B, BA, BAFS, BAM, BANPU, BAY, BBGI, BBK, BBL, BC, BCH, BCP, BCPG, BDMS, BEC, BEM, BEYOND, BGC, BGRIM, BH, BIZ, BJC, BJCHI, BKI, BLA, BOL, BPP, BRI, BROOK, BRR, BTS, BTW, BWG, BYD, CBG, CENTEL, CFRESH, CHASE, CHEWA, CHG, CHOW, CIMBT, CIVIL, CK, CKP, CM, CNT, COLOR, COM7, COTTO, CPALL, CPAXT, CPF, CPI, CPL, CPN, CPW, CRC, CRD, CSC, CSS, CV, DCC, DDD, DELTA, DEMCO, DMT, DOHOME, DRT, DUSIT, EA, EASTW, ECF, ECL, EE, EGCO, EPG, ERW, ETC, ETE, FE, FLOYD, FN, FPI, FPT, FSX, FVC, GBX, GC, GCAP, GENCO, GFPT, GGC, GLAND, GLOBAL, GPSC, GRAMMY, GULF, GUNKUL, HANA, HARN, HENG, HMPRO, HPT, HTC, ICC, ICHI, ICN, III, ILINK, ILM, IMH, IND, INET, INTUCH, IP, IRC, IRPC, ITC, ITCL, IVL, JAS, JTS, KBANK, KCC, KCE, KEX, KKP, KSL, KTB, KTC, KTMS, KUMWEL, KUN, LALIN, LANNA, LH, LHFG, LIT, LOXLEY, LPN, LRH, LST, M, MAJOR, MALEE, MATCH, MBK, MC, M-CHAI, MCOT, MEGA, MFC, MFEC, MILL, MINT, MONO, MOONG, MSC, MST, MTC, MTI, NC, NCH, NCL, NDR, NER, NKI, NOBLE, NRF, NTV, NVD, NWR, NYT, OCC, OISHI¹, ONEE, OR, ORI, OSP, OTO, PAP, PATO, PB, PCSGH, PDG, PDJ, PG, PHOL, PIMO, PJW, PLANB, PLAT, PLUS, PM, POLY, PORT, PPP, PPS, PR9, PRG, PRINC, PRM, PRTR, PSH, PSL, PT, PTC, PTT, PTTEP, PTTGC, Q-CON, QH, QTC, RATCH, RBF, RPH, RS, RT, S, S&J, SA, SABINA, SAK, SAMART, SAMTEL, SAPPE, SAT, SBNEXT, SC, SCB, SCC, SCCC, SCG, SCGP, SCM, SDC, SEAFCO, SEAOL, SECURE, SELIC, SENA, SENX, SFP², SFT, SGC, SGF, SGP, SHR, SICT, SIRI, SIS, SITHAI, SJWD, SKR, SM, SMP, SMT, SNC, SNNP, SNP, SO, SPALI, SPC, SPCG, SPI, SPRC, SR, SSC, SSF, SSSC, STA, STC, STEC, STGT, STI, SUC, SUN, SUSCO, SUTHA, SVI, SVT, SYMC, SYNEX, SYNTEC, TACC, TAE, TCAP, TCMC, TEAMG, TEGH, TFG, TFMAMA, TGE, TGH, THANA, THANI, THCOM, THIP, THRE, THREL, TIDLOR, TIPH, TISCO, TK, TKN, TKS, TKT, TLI, TM, TMC, TMD, TMT, TNDT, TNITY, TNL, TNR, TOA, TOG, TOP, TPBI, TPCS, TPIPL, TPIPP, TPS, TQM, TQR, TRT, TRUE, TRV, TSC, TSTE, TSTH, TTA, TTB, TTCL, TTW, TURTLE, TVDH, TVH, TVO, TVT, TWPC, UAC, UBE, UBIS, UKEM, UP, UPF, UPOIC, UV, VCOM, VGI, VIBHA, VIH, VL, WACOAL, WGE, WHA, WHAUP, WICE, WINMED, WINNER, XPG, YUASA, ZEN

Companies with Very Good CG Scoring

2S, A5, AAI, AIE, ALUCON, AMR, APURE, ARIN, AS, ASIA, ASIAN, ASIMAR, ASN, AURA, BR, BSBM, BTG, CEN, CGH, CH, CHIC, CI, CIG, CMC, COMAN, CSP, DOD, DPAINT, DV8, EFORL, EKH, ESSO, ESTAR, EVER, FORTH, FSMART, FTI, GEL, GPI, HEALTH, HUMAN, IFS, INSET, IT, J, JCHK, JDF, JKN, JMART, JUBILE, K, KCAR, KGI, KIAT, KISS, KK, KTIS, KWC, KWM, LDC, LEO, LHK, MACO, METCO, MICRO, MK, MVP, NCAP, NOVA, NTSC, PACO, PIN, PQS, PREB, PRI, PRIME, PROEN, PROS, PROUD, PSTC, PTECH, PYLON, RCL, SALEE, SANKO, SCI, SCN, SE, SE-ED, SFLEX, SINGER, SKN, SONIC, SORKON, SPVI, SSP, SST, STANLY, STP, SUPER, SVOA, SWC, TCC, TEKA, TFM, TMILL, TNP, TPLAS, TPOLY, TRC, TRU, TRUBB, TSE, VRANDA, WAVE, WFX, WIJK, WIN, WP, XO

Companies with Good CG Scoring

24CS, AMANAH, AMARC, AMC, APP, ASAP, BCT, BE8, BIG, BIOTEC, BLESS, BSM, BVG, CAZ, CCET, CHARAN, CHAYO, CHOTI, CITY, CMAN, CMR, CRANE, CWT, DHOUSE, DTCENT, EASON, FNS, FTE, GIFT, GJS, GTB, GTV, GYT, HL, HTECH, HYDRO, IIG, INGRS, INSURE, IRCP, ITD, ITNS, JCK, JMT, JR, JSP, KBS, KGEN, KJL, L&E, LEE, MASTER, MBAX, MEB, MENA, META, MGT, MITSIB, MJD, MOSHI, MUD, NATION, NNCL, NPK, NSL, NV, OGC, PAF, PCC, PEACE, PICO, PK, PL, PLANET, PLE, PMTA, PPM, PRAKIT, PRAPAT, PRECHA, PRIN, PSG, RABBIT, READY, RJH, RSP, RWI, S11, SAAM, SAF, SAMCO, SAWAD, SCAP, SCP, SIAM, SKE, SKY, SMART, SMD, SMIT, SOLAR, SPA, STECH, STPI, SVR, TC, TCCC³, TEAM, TFI, TIGER, TITLE, TKC, TMI, TNH, TPA, TPAC, TRITN, UBA, UMI, UMS, UTP, VARO, VPO, W, WARRIX, WORK, WPH, YONG, ZIGA

Corporate Governance Report

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The survey result is as of the date appearing in the Corporate Governance Report of Thai Listed Companies. As a result, the survey result may be changed after that date. InnovestX Securities Company Limited does not conform nor certify the accuracy of such survey result.

To recognize well performers, the list of companies attaining "Good", "Very Good" and "Excellent" levels of recognition (Not including listed companies qualified in the "no announcement of the results" clause from 1 January 2022 to 31 October 2023) is publicized.

¹OISHI was voluntarily delisted from the Stock Exchange of Thailand, effectively on September 6, 2023

²SFP was voluntarily delisted from the Stock Exchange of Thailand, effectively on July 19, 2023

³TCCC was voluntarily delisted from the Stock Exchange of Thailand effectively on August 25, 2023

Anti-corruption Progress Indicator Certified (ได้คุ้มครอง)

2S, 7UP, AAI, ADVANC, AF, AH, AI, AIE, AIRA, AJ, AKP, AMA, AMANAH, AMATA, AMATAV, AP, APCS, AS, ASIAN, ASK, ASP, AWC, AYUD, B, BAFS, BAM, BANPU, BAY, BBGI, BBL, BCH, BCP, BCPG, BE8, BEC, BEYOND, BGC, BGRIM, BKI, BLA, BPP, BROOK, BRR, BSBM, BTS, BWG, CEN, CENTEL, CFRESH, CGH, CHEWA, CHOTI, CHOW, CIG, CIMBT, CM, CMC, COM7, CPALL, CPAXT, CPF, CPI, CPL, CPN, CPW, CRC, CSC, DCC, DELTA, DEMCO, DIMET, DOHOME, DRT, DUSIT, EA, EASTW, ECF, EGCO, EP, EPG, ERW, ESTAR, ETC, ETE, FNS, FPI, FPT, FSMART, FTE, GBX, GC, GCAP, GEL, GFPT, GGC, GJS, GPI, GPSC, GSTEEL, GULF, GUNKUL, HANA, HARN, HENG, HMPRO, HTC, ICC, ICHI, IFS, III, ILINK, ILM, INET, INOX, INSURE, INTUCH, IRPC, ITCL, IVL, JAS, JKN, JR, JTS, KASET, KBANK, KBS, KCAR, KCCAMC, KCE, KGEN, KGI, KKP, KSL, KTB, KTC, L&E, LANNA, LHFG, LHK, LPN, LRH, M, MAJOR, MALEE, MATCH, MBAX, MBK, MC, MCOT, META, MFC, MFEC, MILL, MINT, MONO, MOONG, MSC, MST, MTC, MTI, NATION, NCAP, NEP, NKI, NOBLE, NRF, NWR, OCC, OGC, OR, ORI, PAP, PATO, PB, PCSGH, PDG, PDJ, PG, PHOL, PIMO, PK, PL, PLANB, PLANET, PLAT, PM, PPP, PPPM, PPS, PR9, PREB, PRG, PRINC, PRM, PROS, PSH, PSL, PSTC, PT, PTECH, PTG, PTT, PTTEP, PTTGC, PYLON, Q-CON, QH, QLT, QTC, RABBIT, RATCH, RML, RS, RWI, S&J, SAAM, SABINA, SAK, SAPPE, SAT, SC, SCC, SCCC, SCG, SCGP, SCM, SCN, SEAOL, SELIC, SENA, SGC, SGP, SIRI, SITHAI, SKR, SMIT, SMK, SMP, SNC, SNP, SORKON, SPACK, SPALI, SPC, SPI, SPRC, SRICHA, SSF, SSP, SSSC, SST, STA, STGT, STOWER, SUSCO, SVI, SYMC, SYNTEC, TAE, TAKUNI, TASCO, TCAP, TCMC, TFG, TFI, TFMAMA, TGE, TGH, THANI, THCOM, THIP, THRE, THREL, TIDLOR, TIPCO, TISCO, TKS, TKT, TMD, TMILL, TMT, TNITY, TNL, TNP, TNR, TOG, TOP, TOPP, TPA, TPCS, TRT, TRU, TSC, TSI, TSTE, TSTH, TTA, TTB, TTCL, TU, TVDH, TVO, TWPC, UBE, UBIS, UEC, UKEM, UOBKH, UV, VCOM, VGI, VIH, WACOAL, WHA, WHAUP, WICE, WIJK, XO, YUASA, ZEN, ZIGA

Declared (ประกาศเจตนา)

ACE, ADB, ALT, AMC, ASW, BLAND, BTG, BYD, CAZ, CBG, CV, DEXON, DMT, EKH, FSX, GLOBAL, GREEN, ICN, IHL, ITC, J, JMART, JMT, LEO, LH, MENA, MITSIB, MODERN, NER, NEX, OSP, PEER, PLUS, POLY, PQS, PRIME, PROEN, PRTR, RBF, RT, SA, SANKO, SCB, SENX, SFLEX, SIS, SKE, SM, SVOA, TBN, TEGH, TIPH, TKN, TPAC, TPLAS, TQM, TRUE, W, WPH, XPG

N/A

24CS, 3K-BAT, A, A5, AAV, ABM, ACAP, ACC, ACG, ADD, ADVICE, AEONTS, AFC, AGE, AHC, AIT, AJA, AKR, AKS, ALL, ALLA, ALPHAX, ALUCON, AMARC, AMARIN, AMR, ANAN, ANI, AOT, APCO, APAX, APO, APP, APURE, AQUA, ARIN, ARIP, ARROW, ASAP, ASEFA, ASIA, ASIMAR, ASN, ATP30, AU, AUCTION, AURA, B52, BA, BBK, BC, BCT, BDMS, BEAUTY, BEM, BGT, BH, BIG, BIOTEC, BIS, BIZ, BJC, BJCHI, BKD, BKGI, BLC, BLESS, BLISS, BM, BOL, BPS, BR, BRI, BROCK, BSM, BSRC, BTNC, BTW, BUI, BVG, CCET, CCP, CEYE, CGD, CH, CHARAN, CHASE, CHAYO, CHG, CHIC, CHO, CI, CITY, CIVIL, CK, CKP, CMAN, CMO, CMR, CNT, COCO, COLOR, COMAN, CPANEL, CPH, CPR, CPT, CRANE, CRD, CREDIT, CSP, CSR, CSS, CTW, CWT, D, DCON, DDD, DHOUSE, DITTO, DOD, DPAINT, DTCENT, DTICI, DV8, EASON, ECL, EE, EFORL, EMC, ETL, EURO, EVER, F&D, FANCY, FE, FLOYD, FMT, FN, FORTH, FTI, FVC, GABLE, GENCO, GFC, GIFT, GL, GLAND, GLOCON, GLORY, GRAMMY, GRAND, GSB, GTB, GTV, GYT, HEALTH, HFT, HL, HPT, HTECH, HUMAN, HYDRO, I2, IFEC, IIG, IMH, IND, INGRS, INSET, IP, IRC, IRCP, IT, ITD, ITNS, ITTHI, JAK, JCK, JCHK, JCT, JDF, JPARK, JSP, JUBILE, K, KAMART, KC, KCG, KCM, KDH, KEX, KIAT, KISS, KJL, KK, KKC, KLINIQ, KOOL, KTIS, KTMS, KUMWEL, KUN, KWC, KWI, KWM, KYE, LALIN, LDC, LEE, LIT, LOXLEY, LPH, LST, MANRIN, MASTER, MATI, MCA, M-CHAI, MCS, MDX, MEB, MEGA, METCO, MGC, MGI, MGT, MICRO, MIDA, MJD, MK, ML, MORE, MOSHI, MTW, MUD, MVP, NAM, NAT, NC, NCH, NCL, NDR, NEO, NETBAY, NEW, NEWS, NFC, NL, NNCL, NOK, NOVA, NPK, NSL, NTSC, NTV, NUSA, NV, NVD, NYT, OHTL, ONEE, ORN, PACE, PACO, PAF, PANEL, PCC, PEACE, PERM, PF, PHG, PICO, PIN, PJW, PLE, PLT, PMTA, POLAR, PORT, POST, PPM, PRAKIT, PRAPAT, PRECHA, PRI, PRIN, PRO, PROUD, PSG, PSP, PTC, PTL, QTCG, RAM, RCL, READY, RICHY, RJH, ROCK, ROCTEC, ROH, ROJNA, RP, RPC, RPH, RSP, S, S11, SABUY, SAF, SAFARI, SAFE, SALEE, SAM, SAMART, SAMCO, SAMTEL, SAUCE, SAV, SAWAD, SAWANG, SBNEXT, SCAP, SCGD, SCI, SCL, SCP, SDC, SE, SEAFCO, SECURE, SFT, SGF, SHANG, SHR, SIAM, SICT, SIMAT, SINGER, SINO, SISB, SJWD, SK, SKN, SKY, SLM, SLP, SMART, SMD, SMT, SNNP, SO, SOLAR, SONIC, SPA, SPCG, SPG, SPREME, SPVI, SQ, SR, SRS, SSC, STANLY, STARK, STC, STEC, STECH, STHAI, STI, STP, STPI, STX, SUC, SUN, SUPER, SUTHA, SVR, SVT, SWC, SYNEX, TACC, TAN, TAPAC, TC, TCC, TCJ, TCOAT, TEAM, TEAMG, TEKA, TERA, TFM, TGPRO, TH, THAI, THANA, THE, THG, THMUJ, TIGER, TITLE, TK, TKC, TLI, TM, TMC, TMI, TMW, TNDT, TNH, TNPC, TOA, TPBI, TPCH, TPIPL, TPIPP, TPL, TPOLY, TPP, TPS, TQR, TR, TRC, TRITN, TRP, TRUBB, TRV, TSE, TTI, TTW, TURTLE, TVH, TVT, TWP, TWZ, TYCN, UAC, UBA, UMI, UMS, UNIQ, UP, UPF, UPOIC, UREKA, UTP, UVAN, VARO, VBA, VLG, VNG, VPO, VRANDA, WARRIX, WAVE, WELL, WFX, WGE, WIN, WINDOW, WINMED, WINNER, WORK, WORLD, WP, YGG, YONG, ZAA

Explanations

Companies participating in Thailand's Private Sector Collective Action Coalition Against Corruption programme (Thai CAC) under Thai Institute of Directors (as of November 1, 2023) are categorised into: companies that have declared their intention to join CAC, and companies certified by CAC.