

MK Restaurant Group Public Company Limited
and its subsidiaries
Review report and interim financial statements
For the three-month period ended 31 March 2024

Independent Auditor's Report on Review of Interim Financial Information

To the Shareholders of MK Restaurant Group Public Company Limited

I have reviewed the accompanying consolidated statement of financial position of MK Restaurant Group Public Company Limited and its subsidiaries (the Group) as at 31 March 2024, the related consolidated statements of income, comprehensive income, changes in shareholders' equity and cash flows for the three-month period then ended, as well as the condensed notes to the consolidated financial statements. I have also reviewed the separate financial information of MK Restaurant Group Public Company Limited for the same period (collectively "interim financial information"). Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34 Interim Financial Reporting. My responsibility is to express a conclusion on this interim financial information based on my review.

Scope of review

I conducted my review in accordance with Thai Standard on Review Engagements 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Thai Standards on Auditing and consequently does not enable me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion.

Conclusion

Based on my review, nothing has come to my attention that causes me to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard 34 Interim Financial Reporting.

Wichart Lokatekrawee

Certified Public Accountant (Thailand) No. 4451

EY Office Limited

Bangkok: 14 May 2024

MK Restaurant Group Public Company Limited and its subsidiaries

Statements of financial position

As at 31 March 2024

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		31 March 2024 (Unaudited but reviewed)	31 December 2023 (Audited)	31 March 2024 (Unaudited but reviewed)	31 December 2023 (Audited)
Assets					
Current assets					
Cash and cash equivalents		390,079	786,459	230,819	561,849
Trade and other receivables	3, 4	140,977	109,582	253,246	227,253
Inventories		352,083	390,865	311,047	345,391
Other current financial assets	5	7,518,089	7,078,151	6,259,870	5,841,824
Other current assets		94,822	76,187	73,415	56,499
Total current assets		8,496,050	8,441,244	7,128,397	7,032,816
Non-current assets					
Other non-current financial assets	5	2,028,028	1,991,316	2,028,028	1,991,316
Investments in subsidiaries		-	-	2,701,480	2,701,480
Investments in joint ventures		849,091	848,229	870,625	870,625
Property, plant and equipment	6	2,766,461	2,798,291	2,139,024	2,171,897
Right-of-use assets	7	3,224,050	3,148,909	2,441,306	2,395,022
Goodwill		1,477,657	1,477,657	-	-
Intangible assets	8	797,867	807,393	53,655	56,467
Deferred tax assets		237,193	233,697	183,362	173,449
Deposits		607,583	600,516	398,839	393,422
Total non-current assets		11,987,930	11,906,008	10,816,319	10,753,678
Total assets		20,483,980	20,347,252	17,944,716	17,786,494

The accompanying notes are an integral part of the financial statements.

..... Director

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MK Restaurant Group Public Company Limited and its subsidiaries

Statements of financial position (continued)

As at 31 March 2024

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		31 March 2024	31 December 2023	31 March 2024	31 December 2023
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Liabilities and shareholders' equity					
Current liabilities					
Trade and other payables	3, 9	1,230,953	1,646,119	1,045,803	1,358,703
Deferred income of membership fee		26,193	24,058	16,953	15,529
Current portion of lease liabilities	10	1,067,918	1,076,871	769,171	777,820
Income tax payable		226,703	158,439	213,479	149,074
Other current financial liabilities		39,734	-	39,734	-
Other current liabilities		170,220	181,952	131,457	142,408
Total current liabilities		2,761,721	3,087,439	2,216,597	2,443,534
Non-current liabilities					
Lease liabilities, net of current portion	10	2,102,532	2,007,933	1,638,054	1,571,869
Provision for long-term employee benefits		715,296	698,198	620,425	606,158
Deferred tax liabilities		147,387	148,686	-	-
Other non-current liabilities		211,696	210,664	149,692	149,345
Total non-current liabilities		3,176,911	3,065,481	2,408,171	2,327,372
Total liabilities		5,938,632	6,152,920	4,624,768	4,770,906

The accompanying notes are an integral part of the financial statements.

..... Director

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MK Restaurant Group Public Company Limited and its subsidiaries

Statements of financial position (continued)

As at 31 March 2024

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	31 March 2024 (Unaudited but reviewed)	31 December 2023 (Audited)	31 March 2024 (Unaudited but reviewed)	31 December 2023 (Audited)
Liabilities and shareholders' equity (continued)				
Shareholders' equity				
Share capital				
Registered				
920,878,100 ordinary shares of Baht 1 each	920,878	920,878	920,878	920,878
Issued and fully paid				
920,878,100 ordinary shares of Baht 1 each	920,878	920,878	920,878	920,878
Share premium	8,785,028	8,785,028	8,785,028	8,785,028
Capital reserve for share-based payment transactions				
	656,331	656,331	656,331	656,331
Retained earnings				
Appropriated - statutory reserve	92,585	92,585	92,585	92,585
Unappropriated	3,734,913	3,388,408	2,865,126	2,560,766
Other component of shareholders' equity	900	135	-	-
Equity attributable to owners of the Company	14,190,635	13,843,365	13,319,948	13,015,588
Non-controlling interests of the subsidiaries	354,713	350,967	-	-
Total shareholders' equity	14,545,348	14,194,332	13,319,948	13,015,588
Total liabilities and shareholders' equity	20,483,980	20,347,252	17,944,716	17,786,494
	-	-	-	-

The accompanying notes are an integral part of the financial statements.

..... Director

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(Unaudited but reviewed)

MK Restaurant Group Public Company Limited and its subsidiaries

Income statements

For the three-month period ended 31 March 2024

(Unit: Thousand Baht except earnings per share expressed in Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2024	2023	2024	2023
Revenues				
Sales and service income	3,945,645	4,088,855	3,229,690	3,425,774
Other income	84,037	54,533	128,145	103,739
Total revenues	4,029,682	4,143,388	3,357,835	3,529,513
Expenses				
Cost of sales and services	1,278,520	1,426,318	1,261,697	1,421,360
Selling and distribution expenses	1,942,183	1,950,616	1,440,760	1,450,058
Administrative expenses	380,904	355,909	288,324	266,444
Total expenses	3,601,607	3,732,843	2,990,781	3,137,862
Profit from operating activities	428,075	410,545	367,054	391,651
Finance income	15,045	13,129	15,044	13,128
Share of loss from investments in joint ventures	(313)	(7,148)	-	-
Finance cost	(26,878)	(23,033)	(20,780)	(17,958)
Profit before income tax	415,929	393,493	361,318	386,821
Income tax	(66,089)	(65,127)	(56,958)	(67,683)
Profit for the period	349,840	328,366	304,360	319,138
Profit attributable to:				
Equity holders of the Company	346,505	325,296	<u>304,360</u>	<u>319,138</u>
Non-controlling interests of the subsidiaries	3,335	3,070		
	<u>349,840</u>	<u>328,366</u>		
Earnings per share				
Basic earnings per share				
Profit attributable to equity holders of the Company	<u>0.38</u>	<u>0.35</u>	<u>0.33</u>	<u>0.35</u>

The accompanying notes are an integral part of the financial statements.

..... Director

..... Director

(Unaudited but reviewed)

MK Restaurant Group Public Company Limited and its subsidiaries

Statements of comprehensive income

For the three-month period ended 31 March 2024

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2024	2023	2024	2023
Profit for the period	<u>349,840</u>	<u>328,366</u>	<u>304,360</u>	<u>319,138</u>
Other comprehensive income:				
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods</i>				
Exchange differences on translation of financial statements in foreign currency	<u>1,176</u>	<u>(614)</u>	<u>-</u>	<u>-</u>
Other comprehensive income for the period	<u>1,176</u>	<u>(614)</u>	<u>-</u>	<u>-</u>
Total comprehensive income for the period	<u><u>351,016</u></u>	<u><u>327,752</u></u>	<u><u>304,360</u></u>	<u><u>319,138</u></u>
Total comprehensive income attributable to:				
Equity holders of the Company	<u>347,270</u>	<u>324,682</u>	<u><u>304,360</u></u>	<u><u>319,138</u></u>
Non-controlling interests of the subsidiaries	<u>3,746</u>	<u>3,070</u>		
	<u><u>351,016</u></u>	<u><u>327,752</u></u>		

The accompanying notes are an integral part of the financial statements.

..... Director

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(Unaudited but reviewed)

MK Restaurant Group Public Company Limited and its subsidiaries

Statements of changes in shareholders' equity

For the three-month period ended 31 March 2024

(Unit: Thousand Baht)

Consolidated financial statements										
Equity attributable to owners of the Company										
Other component of equity										
Other comprehensive										
income										
Exchange										
differences on										
Equity										
attributable to										
Total equity										
components of										
shareholders' owners of										
the Company										
the subsidiaries										
interests of										
Total										
Issued and	share capital	Share premium	Capital reserve	Retained earnings	Unappropriated	foreign currencies	equity	the Company	the subsidiaries	Total
paid-up	transactions	payment	statutory	reserve	Unappropriated	statements in	shareholders'	owners of	interests of	Total
Balance as at 1 January 2023	920,878	8,785,028	656,331	92,585	2,976,350	11,616	11,616	13,442,788	322,397	13,765,185
Profit for the period	-	-	-	-	325,296	-	-	325,296	3,070	328,366
Other comprehensive income for the period	-	-	-	-	-	(614)	(614)	(614)	-	(614)
Total comprehensive income for the period	-	-	-	-	325,296	(614)	(614)	324,682	3,070	327,752
Balance as at 31 March 2023	<u>920,878</u>	<u>8,785,028</u>	<u>656,331</u>	<u>92,585</u>	<u>3,301,646</u>	<u>11,002</u>	<u>11,002</u>	<u>13,767,470</u>	<u>325,467</u>	<u>14,092,937</u>
Balance as at 1 January 2024	920,878	8,785,028	656,331	92,585	3,388,408	135	135	13,843,365	350,967	14,194,332
Profit for the period	-	-	-	-	346,505	-	-	346,505	3,335	349,840
Other comprehensive income for the period	-	-	-	-	-	765	765	765	411	1,176
Total comprehensive income for the period	-	-	-	-	346,505	765	765	347,270	3,746	351,016
Balance as at 31 March 2024	<u>920,878</u>	<u>8,785,028</u>	<u>656,331</u>	<u>92,585</u>	<u>3,734,913</u>	<u>900</u>	<u>900</u>	<u>14,190,635</u>	<u>354,713</u>	<u>14,545,348</u>

The accompanying notes are an integral part of the financial statements.

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Director

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Director

(Unaudited but reviewed)

MK Restaurant Group Public Company Limited and its subsidiaries

Statements of changes in shareholders' equity (continued)

For the three-month period ended 31 March 2024

(Unit: Thousand Baht)

	Separate financial statements					
	Issued and paid-up share capital	Share premium	Capital reserve of share-based payment transactions	Retained earnings Appropriated - statutory reserve	Unappropriated	Total
Balance as at 1 January 2023	920,878	8,785,028	656,331	92,585	2,335,581	12,790,403
Profit for the period	-	-	-	-	319,138	319,138
Other comprehensive income for the period	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	319,138	319,138
Balance as at 31 March 2023	<u>920,878</u>	<u>8,785,028</u>	<u>656,331</u>	<u>92,585</u>	<u>2,654,719</u>	<u>13,109,541</u>
Balance as at 1 January 2024	920,878	8,785,028	656,331	92,585	2,560,766	13,015,588
Profit for the period	-	-	-	-	304,360	304,360
Other comprehensive income for the period	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	304,360	304,360
Balance as at 31 March 2024	<u>920,878</u>	<u>8,785,028</u>	<u>656,331</u>	<u>92,585</u>	<u>2,865,126</u>	<u>13,319,948</u>

The accompanying notes are an integral part of the financial statements.

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Director

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Director

(Unaudited but reviewed)

MK Restaurant Group Public Company Limited and its subsidiaries

Statements of cash flows

For the three-month period ended 31 March 2024

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2024	2023	2024	2023
Cash flows from operating activities				
Profit before tax	415,929	393,493	361,318	386,821
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:				
Gain on sales of investments	(26,696)	(9,993)	(22,790)	(7,744)
Gain on change in value of investment in debt instruments	(17,548)	(4,347)	(14,463)	(3,380)
Unrealised gain(loss) on exchange	1,534	(109)	1,534	(109)
Share of loss from investment in joint ventures	313	7,148	-	-
Loss from damaged inventories	422	672	422	672
Amortisation of prepaid expenses	16,205	8,964	13,861	8,756
Depreciation and amortisation	497,318	494,572	351,124	356,016
Loss (gain) on disposals and write-off of equipment, right-of-use assets and intangible assets	1,740	4,988	(9)	2,575
Provision for long-term employee benefits	18,570	18,971	15,739	15,844
Realisation of gift voucher, net of sales and cash received during the period	(15,294)	(22,731)	(13,293)	(15,178)
Realisation of deferred income, net of sales and cash received during the period	(10,863)	(8,882)	(6,963)	(5,499)
Interest income	(15,044)	(13,129)	(15,044)	(13,128)
Interest expenses	26,877	23,034	20,780	17,960
Profit from operating activities before changes in operating assets and liabilities	893,463	892,651	692,216	743,606

The accompanying notes are an integral part of the financial statements.

..... Director

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(Unaudited but reviewed)

MK Restaurant Group Public Company Limited and its subsidiaries

Statements of cash flows (continued)

For the three-month period ended 31 March 2024

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2024	2023	2024	2023
Cash flows from operating activities (continued)				
Operating assets (increase) decrease				
Trade and other receivables	(25,594)	1,986	(20,192)	9,178
Inventories	38,360	217	33,922	988
Other current assets	(33,530)	(3,540)	(30,777)	(13,010)
Deposits	(7,067)	(76)	(5,417)	(2,780)
Operating liabilities increase (decrease)				
Trade and other payables	(345,031)	(102,142)	(257,588)	(57,414)
Other current liabilities	3,562	71,756	2,342	52,191
Deferred income	12,998	12,060	8,387	7,348
Provision for long-term employee benefits	(1,472)	(7,281)	(1,472)	(7,004)
Other non-current liabilities	411	(109)	372	(281)
Cash from operating activities	536,100	865,522	421,793	732,822
Cash received from interest income	9,243	8,837	9,243	8,836
Cash paid for income tax	(3,930)	(8,400)	(2,466)	(2,095)
Net cash from operating activities	541,413	865,959	428,570	739,563

The accompanying notes are an integral part of the financial statements.

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(Unaudited but reviewed)

MK Restaurant Group Public Company Limited and its subsidiaries

Statements of cash flows (continued)

For the three-month period ended 31 March 2024

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2024	2023	2024	2023
Cash flows from investing activities				
Increase in investments in debt instruments and fixed deposits	(394,206)	(471,038)	(379,305)	(491,938)
Cash paid for investment in joint venture	-	(39,361)	-	-
Cash paid for purchases of equipment	(188,368)	(97,858)	(133,227)	(74,297)
Cash paid for purchases of intangible assets	(2,098)	(1,680)	(1,150)	(963)
Proceeds from disposals of property, plant and equipment	487	1,160	6,583	4,467
Net cash used in investing activities	(584,185)	(608,777)	(507,099)	(562,731)
Cash flows from financing activities				
Cash paid to settle liabilities under lease liabilities	(353,608)	(351,176)	(252,501)	(260,085)
Net cash used in financing activities	(353,608)	(351,176)	(252,501)	(260,085)
Net decrease in cash and cash equivalents	(396,380)	(93,994)	(331,030)	(83,253)
Cash and cash equivalents at beginning of period	786,459	630,356	561,849	471,000
Cash and cash equivalents at end of period	390,079	536,362	230,819	387,747
	-		-	
Supplement disclosure of cash flows information				
Non-cash transactions				
Accounts payable for purchases of plant and equipment	59,288	44,380	39,755	34,003
Increase in right-of-use assets	412,122	272,453	288,036	195,563

The accompanying notes are an integral part of the financial statements.

..... Director

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MK Restaurant Group Public Company Limited and its subsidiaries
Notes to consolidated interim financial statements
For the three-month periods ended 31 March 2024

1. General information

1.1 Corporate information

As at 31 March 2024, the Group had operated 706 branches (the Company only: 466 branches) (31 December 2023: 703 branches, the Company only: 466 branches) which can be separately presented by brand as follows;

Trademarks	Number of branches as at	
	31 March 2024	31 December 2023
MK Suki	448	448
Yayoi	199	198
Laem Charoen Seafood	41	39
Others	18	18
Total	<u>706</u>	<u>703</u>

1.2 Basis of preparation of interim financial statements

These interim financial statements are prepared in accordance with Thai Accounting Standard No. 34 Interim Financial Reporting, with the Company choosing to present condensed interim financial statements. However, the Company has presented the statements of financial position, income, comprehensive income, changes in shareholders' equity, and cash flows in the same format as that used for the annual financial statements.

The interim financial statements are intended to provide information additional to that included in the latest annual financial statements. Accordingly, they focus on new activities, events and circumstances so as not to duplicate information previously reported. These interim financial statements should therefore be read in conjunction with the latest annual financial statements.

The interim financial statements in Thai language are the official statutory financial statements of the Company. The interim financial statements in English language have been translated from the Thai language financial statements.

1.3 Basis of consolidation

These consolidated financial statements include the financial statements of MK Restaurant Group Public Company Limited (herein after called "the Company") and its subsidiaries which were incorporated in Thailand (herein after called "the subsidiaries") (collectively as "the Group") and have been prepared on the same basis as that applied for the consolidated financial statements for the year ended 31 December 2023, with no change in shareholding structure of subsidiaries during the current period.

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2. Accounting policies

The interim financial statements are prepared using the same accounting policies and methods of computation as were used for the financial statements for the year ended 31 December 2023.

The revised financial reporting standards, which are effective for fiscal years beginning on or after 1 January 2024, do not have any significant impact on the Group's financial statements.

3. Related party transactions

During the periods, the Group had significant business transactions with related parties. Such transactions, which are summarised below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Company, its subsidiaries and those related parties.

(Unit: Million Baht)

	For the three-month periods ended				Transfer pricing policy
	31 March				
	Consolidated financial statements		Separate financial statements		
	2024	2023	2024	2023	
<u>Transactions with subsidiaries</u>					
(Eliminated from the consolidated financial statements)					
Sales of goods	-	-	276	316	Cost plus margin
Sublease and subservice income	-	-	3	3	At the rate stipulated in the agreements
Management service income	-	-	56	52	At the rate stipulated in the agreements
Sales of fixed assets	-	-	6	4	Net book value plus margin
Rental income	-	-	1	1	At the rate stipulated in the agreements
Operation support service income	-	-	1	1	At the rate stipulated in the agreement
Purchases of goods	-	-	57	62	Market price
Training expenses	-	-	41	30	Market price

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(Unaudited but reviewed)

(Unit: Million Baht)

	For the three-month periods ended				Transfer pricing policy
	31 March				
	Consolidated		Separate		
	financial statements	financial statements	financial statements	financial statements	
	2024	2023	2024	2023	
<u>Transactions with related companies</u>					
Sales of goods	32	2	32	2	Market price
Purchases of goods	9	12	9	12	Market price
Management service income	1	2	1	2	At the rate stipulated in the agreement
Operation support service income	2	2	2	2	At the rate stipulated in the agreement
Royalty fee income	1	-	-	-	At the rate stipulated in the agreement
Rental expenses for operating equipment	11	11	6	6	Market price
Rental expenses for land and construction	15	15	11	11	At the rate stipulated in the agreement
Logistic expenses	45	42	43	41	At the rate stipulated in the agreement
Service expenses	-	45	-	32	Contractually agree prices
Warehousing service expenses	41	41	40	41	At the rate stipulated in the agreement

As at 31 March 2024 and 31 December 2023, the balances of the accounts between the Group and those related parties are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	31 March 2024	31 December 2023	31 March 2024	31 December 2023
Trade and other receivables - related parties				
Subsidiaries	-	-	132,508	139,739
Joint ventures	2,152	1,809	1,473	1,804
Related companies (related by common directors)	21,290	2,434	21,606	1,646
Total trade and other receivables - related parties	23,442	4,243	155,587	143,189

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(Unaudited but reviewed)

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	31 March	31 December	31 March	31 December
	2024	2023	2024	2023
Trade and other payable - related parties				
Subsidiaries	-	-	39,807	27,789
Joint ventures	31,354	34,229	30,870	33,699
Related companies (related by common directors)	12,823	12,286	10,624	9,940
Total trade and other payable - related parties	<u>44,177</u>	<u>46,515</u>	<u>81,301</u>	<u>71,428</u>

Significant agreements with related parties

There is no significant change in significant agreements with related parties during the three-month period ended 31 March 2024. During the period, there were the extension of the agreement term and the increase in the service fee under the existing agreements as of 31 December 2023.

Directors and management's benefits

During the three-month periods ended 31 March 2024 and 2023, the Group had employee benefit expenses payable to their directors and management as below.

(Unit: Million Baht)

	Consolidated		Separate financial	
	financial statements	financial statements	statements	statements
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Short-term employee benefits	51	48	47	44
Post-employment benefits	1	1	1	1
Total	<u>52</u>	<u>49</u>	<u>48</u>	<u>45</u>

There is no post-employment benefits paid to the directors and management during the three-month period ended 31 March 2024.

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4. Trade and other receivables

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 March 2024	31 December 2023	31 March 2024	31 December 2023
<u>Trade accounts receivable - related parties</u>				
Aged on the basis of due dates				
Not yet due	21,461	1,508	125,352	115,909
Total trade accounts receivable - related parties	21,461	1,508	125,352	115,909
<u>Trade accounts receivable - unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	26,552	28,335	18,796	18,187
Total trade accounts receivable - unrelated parties	26,552	28,335	18,796	18,187
Total trade accounts receivable	48,013	29,843	144,148	134,096
<u>Other receivables</u>				
Other receivables - related parties				
parties	1,981	2,735	30,235	27,280
Advances	12,230	8,463	9,355	6,161
Accrued interest receivable	37,514	31,713	37,514	31,713
Others	41,239	36,828	31,994	28,003
Total other receivables	92,964	79,739	109,098	93,157
Total trade and other receivables	140,977	109,582	253,246	227,253

5. Other financial assets

As at 31 March 2024, other financial assets investments consisted of the following:

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
<u>Other financial assets at amortised cost</u>		
Fixed deposits	1	1
<u>Other financial assets at FVTPL</u>		
Investments in debt instruments	9,546,116	8,287,897
Total other financial assets	9,546,117	8,287,898

Consisted of:

Other current financial assets	7,518,089	6,259,870
Other non-current financial assets	2,028,028	2,028,028

6. Property, plant and equipment

Movements in the property, plant and equipment account during the three-month period ended 31 March 2024 are summarises below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Net book value as at 1 January 2024	2,798,291	2,171,897
Acquisitions - at cost		
Decrease in accounts payable for purchases of equipment during the period	(70,135)	(55,312)
Cash paid for purchases of equipment	193,604	139,187
Total	123,469	83,875
Disposals and write-off - net book value at disposal and write-off date		
Proceeds from disposals of equipment	(487)	(6,583)
Gain (loss) on disposals of equipment	(26)	435
Loss on write-off of equipment	(6,073)	(5,190)
Total	(6,586)	(11,338)
Depreciation for the period	(148,713)	(105,410)
Net book value as at 31 March 2024	2,766,461	2,139,024

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7. Right-of-use assets

Movements in the right-of-use assets account during the three-month period ended 31 March 2024 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated	Separate
	<u>financial statements</u>	<u>financial statements</u>
Net book value as at 1 January 2024	3,148,909	2,395,022
Increase during the period	424,378	299,030
Write-off	(12,256)	(10,994)
Depreciation for the period	(336,981)	(241,752)
Net book value as at 31 March 2024	<u>3,224,050</u>	<u>2,441,306</u>

8. Intangible assets

Movements in the intangible assets account during the three-month period ended 31 March 2024 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated	Separate
	<u>financial statements</u>	<u>financial statements</u>
Net book value as at 1 January 2024	807,393	56,467
Acquisitions during the period - at cost	2,098	1,150
Amortisation for the period	(11,624)	(3,962)
Net book value as at 31 March 2024	<u>797,867</u>	<u>53,655</u>

(Unaudited but reviewed)

9. Trade and other payables

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 March 2024	31 December 2023	31 March 2024	31 December 2023
Trade accounts payable - related parties	1,437	3,715	22,288	26,337
Trade accounts payable - unrelated parties	334,643	399,474	311,643	370,487
Other payables - related parties	42,740	42,800	59,013	45,091
Other payables - unrelated parties	103,715	100,608	85,357	79,994
Accounts payable for purchases of plant and equipment	59,288	129,423	39,755	95,067
Accrued expenses	658,246	935,429	503,927	715,341
Others	30,884	34,670	23,820	26,386
Total	<u>1,230,953</u>	<u>1,646,119</u>	<u>1,045,803</u>	<u>1,358,703</u>

10. Lease liabilities

Lease liabilities as at 31 March 2024 are presented below.

(Unit: Thousand Baht)

	Consolidated	Separate
	financial statements	financial statements
Lease liabilities	3,428,413	2,613,904
Less: Deferred interest expenses	<u>(257,963)</u>	<u>(206,679)</u>
Total	3,170,450	2,407,225
Less: Portion due within one year	<u>(1,067,918)</u>	<u>(769,171)</u>
Lease liabilities - net of current portion	<u>2,102,532</u>	<u>1,638,054</u>

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Movements in lease liabilities during the three-month period ended 31 March 2024 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Balance as at 1 January 2024	3,084,804	2,349,689
Add: Additions during the period	427,456	304,085
Accretion of interest	26,080	20,234
Less: Payments during the period	(353,608)	(252,501)
Decrease from cancelation of lease agreements	(14,282)	(14,282)
Balance as at 31 March 2024	3,170,450	2,407,225

11. Operating 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 are engaged in two business segments which are restaurant business and other businesses that support restaurant business including training service provider, manufacture and distribution of foods. Their operations are carried on in geographical areas of Thailand. However, the restaurant business in Thailand is the main business segment and the segment information that has been considered based on a quantitative basis is over 90 percent of operating segments and geographical areas. For this reason, the chief operating decision maker considers aggregating the operating segments into one reportable segment of restaurant operation.

Segment performance is measured based on operating profit or loss, on a basis consistent with that used to measure operating profit or loss in the financial statements. As a result, all of the revenues, operating profits and assets as reflected in these financial statements pertain to the aforementioned reportable operating segment and geographical area.

12. Commitments and contingent liabilities

12.1 Capital commitments

As at 31 March 2024 and 31 December 2023, the Group had capital commitments as follows:

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	31 March	31 December	31 March	31 December
	2024	2023	2024	2023
Furniture, fixtures and office equipment	49.9	6.4	49.9	6.4

12.2 Lease of the low-value assets and other service commitments

The Group has entered into several long-term contracts in respect of the lease of the low-value assets and related services. The terms of the agreements are generally between 3 and 30 years.

As at 31 March 2024, future lease and service fees payables under these lease and service contracts were as follows:

	(Unit: Million Baht)	
	Consolidated	Separate
	financial statements	financial statements
Payable within:		
Less than 1 year	585	424
1 year to 5 years	866	645
More than 5 years	149	116

12.3 Futures contracts

The Group has entered into futures contracts with many local companies, whereby the Group and those companies agreed quantity, schedule, place and price of inventories to be delivered. The Group agreed to pay for inventories at the rates stipulated in the contracts.

12.4 Guarantees

12.4.1 Bank guarantees

As at 31 March 2024, there were outstanding letters of guarantee issued by the banks on behalf of the Group of approximately Baht 31.2 million (the Company only: Baht 30.9 million) (31 December 2023: Baht 31.2 million, the Company only: Baht 30.9 million), in respect of certain performance bonds as required in the normal course of business, such as guarantee payments due to creditors and facility usage.

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12.4.2 Guarantees to related party

As at 31 March 2024, the Company had guaranteed bank credit facilities of International Food Supply Co., Ltd. (“a subsidiary”) of Baht 45 million (31 December 2023: Baht 45 million).

13. Fair value hierarchy

As of 31 March 2024, the Group had the assets and liabilities that were measured at fair value using different levels of inputs as follows:

	(Unit: Million Baht)	
	Consolidated financial statements	Separate financial statements
	Level 2	Level 2
Financial assets measured at fair value		
Investment in debt instruments	9,546	8,287
Financial liabilities measured at fair value		
Derivative - forward exchange contracts - loss	40	40

During the current period, there were no transfers within the fair value hierarchy.

14. Fair values of financial instruments

Since the majority of the Group’s financial instruments are classified as short-term or carrying interest at rates close to the market interest rates, their fair value is estimated to approximate the carrying amount presented in the statements of financial position.

15. Events after the reporting period

On 26 April 2024, the Annual General Meeting of Shareholders passed the following resolutions.

- 15.1 To approve of an annual dividend payment for the year 2023 of Baht 1.6 per share or Baht 1,473.4 million in total. As an interim dividend of Baht 0.6 per share totaling Baht 552.5 million was paid by the Company on 8 September 2023, the final dividend of Baht 1.0 per share totaling Baht 920.9 million has been paid on 10 May 2024.
- 15.2 To approve the purchase of land from Global Asset Development Co., Ltd. (a related company) amounting to Baht 1,700 million to support the Company’s operation.

16. Approval of interim financial statements

These interim financial statements were authorised for issue by the Company’s Board of Directors on 14 May 2024.

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