

MK Restaurant Group Public Company Limited

and its subsidiaries

Review report and consolidated and separate financial information

For the three-month and nine-month periods ended

30 September 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 financial information of MK Restaurant Group Public Company Limited and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 September 2024, the related consolidated statements of income and comprehensive income for the three-month and nine-month periods then ended, and the related consolidated statements of changes in shareholders' equity and cash flows for the nine-month period then ended, as well as the condensed notes to the interim consolidated financial statements. I have also reviewed the separate financial information of MK Restaurant Group Public Company Limited for the same periods (collectively "the interim financial information"). Management is responsible for the preparation and presentation of this interim financial information in accordance with 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: 12 November 2024

MK Restaurant Group Public Company Limited and its subsidiaries

Statements of financial position

As at 30 September 2024

(Unit: Thousand Baht)

		Consolidated financial statements		Separate financial statements	
		30 September	31 December	30 September	31 December
	<u>Note</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Assets					
Current assets					
Cash and cash equivalents		328,651	786,459	130,521	561,849
Trade and other receivables	2, 3	141,895	109,582	251,313	227,253
Inventories		340,827	390,865	299,133	345,391
Other current financial assets	4	5,772,635	7,078,151	4,928,445	5,841,824
Other current assets		80,594	76,187	59,995	56,499
Total current assets		6,664,602	8,441,244	5,669,407	7,032,816
Non-current assets					
Other non-current financial assets	4	1,113,764	1,991,316	1,113,764	1,991,316
Investments in subsidiaries	5	-	-	2,701,480	2,701,480
Investments in joint ventures	6	866,168	848,229	870,625	870,625
Property, plant and equipment	7	4,398,384	2,798,291	3,800,795	2,171,897
Right-of-use assets	8	2,913,164	3,148,909	2,203,306	2,395,022
Goodwill		1,477,657	1,477,657	-	-
Intangible assets	9	787,397	807,393	58,390	56,467
Deferred tax assets		244,250	233,697	188,518	173,449
Deposits		613,022	600,516	403,594	393,422
Total non-current assets		12,413,806	11,906,008	11,340,472	10,753,678
Total assets		19,078,408	20,347,252	17,009,879	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 30 September 2024

(Unit: Thousand Baht)

		Consolidated financial statements		Separate financial statements	
		30 September	31 December	30 September	31 December
	Note	2024	2023	2024	2023
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Liabilities and shareholders' equity					
Current liabilities					
Trade and other payables	2, 10	1,224,875	1,646,119	1,030,947	1,358,703
Deferred income of membership fee		24,873	24,058	17,133	15,529
Current portion of lease liabilities	11	1,021,832	1,076,871	738,320	777,820
Income tax payable		43,332	158,439	39,265	149,074
Other current liabilities		210,971	181,952	175,571	142,408
Total current liabilities		2,525,883	3,087,439	2,001,236	2,443,534
Non-current liabilities					
Lease liabilities, net of current portion	11	1,836,441	2,007,933	1,424,942	1,571,869
Provision for long-term employee benefits		749,041	698,198	648,739	606,158
Deferred tax liabilities		144,315	148,686	-	-
Other non-current liabilities		211,055	210,664	150,388	149,345
Total non-current liabilities		2,940,852	3,065,481	2,224,069	2,327,372
Total liabilities		5,466,735	6,152,920	4,225,305	4,770,906

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..... Director

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MK Restaurant Group Public Company Limited and its subsidiaries

Statements of financial position (continued)

As at 30 September 2024

(Unit: Thousand Baht)

		Consolidated financial statements		Separate financial statements	
		30 September	31 December	30 September	31 December
	Note	2024	2023	2024	2023
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(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
Treasury stocks	12	(306,231)	-	(306,231)	-
Retained earnings					
Appropriated - statutory reserve		92,585	92,585	92,585	92,585
Reserve for treasury stocks	12	306,231	-	306,231	-
Unappropriated		2,791,832	3,388,408	2,329,752	2,560,766
Other component of shareholders' equity		1,303	135	-	-
Equity attributable to owners of the Company		13,247,957	13,843,365	12,784,574	13,015,588
Non-controlling interests of the subsidiaries		363,716	350,967	-	-
Total shareholders' equity		13,611,673	14,194,332	12,784,574	13,015,588
Total liabilities and shareholders' equity		19,078,408	20,347,252	17,009,879	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 30 September 2024**

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

	Consolidated		Separate	
	financial statements		financial statements	
Note	2024	2023	2024	2023
Revenues				
Sales and service income	3,682,644	4,094,477	3,038,581	3,400,065
Other income	103,941	88,900	152,897	136,027
Total revenues	3,786,585	4,183,377	3,191,478	3,536,092
Expenses				
Cost of sales and services	1,187,313	1,364,579	1,189,214	1,346,679
Selling and distribution expenses	1,811,054	1,975,210	1,341,546	1,485,914
Administrative expenses	378,099	384,669	285,779	284,002
Total expenses	3,376,466	3,724,458	2,816,539	3,116,595
Profit from operating activities	410,119	458,919	374,939	419,497
Finance income	9,189	13,898	9,178	13,893
Share of profit(loss) from investments in joint ventures	471	(333)	-	-
Finance cost	(26,153)	(20,233)	(19,772)	(17,619)
Profit before income tax	393,626	452,251	364,345	415,771
Income tax	(48,243)	(59,836)	(46,600)	(61,776)
Profit for the period	345,383	392,415	317,745	353,995
Profit attributable to:				
Equity holders of the Company	341,061	388,791	317,745	353,995
Non-controlling interests of the subsidiaries	4,322	3,624		
	345,383	392,415		
Earnings per share	13			
Basic earnings per share				
Profit attributable to equity holders of the Company	0.37	0.42	0.35	0.38

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 comprehensive income

For the three-month period ended 30 September 2024

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2024	2023	2024	2023
Profit for the period	<u>345,383</u>	<u>392,415</u>	<u>317,745</u>	<u>353,995</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>254</u>	<u>36</u>	<u>-</u>	<u>-</u>
Other comprehensive income for the period	<u>254</u>	<u>36</u>	<u>-</u>	<u>-</u>
Total comprehensive income for the period	<u><u>345,637</u></u>	<u><u>392,451</u></u>	<u><u>317,745</u></u>	<u><u>353,995</u></u>
Total comprehensive income attributable to:				
Equity holders of the Company	<u>341,226</u>	<u>388,820</u>	<u><u>317,745</u></u>	<u><u>353,995</u></u>
Non-controlling interests of the subsidiaries	<u>4,411</u>	<u>3,631</u>		
	<u><u>345,637</u></u>	<u><u>392,451</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**Income statements****For the nine-month period ended 30 September 2024**

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

		Consolidated		Separate	
		financial statements		financial statements	
	Note	2024	2023	2024	2023
Revenues					
Sales and service income		11,735,311	12,618,797	9,646,235	10,554,242
Dividend received	2,5	-	-	480,550	-
Other income		258,603	225,130	400,456	346,489
Total revenues		11,993,914	12,843,927	10,527,241	10,900,731
Expenses					
Cost of sales and services		3,811,361	4,311,900	3,775,234	4,279,383
Selling and distribution expenses		5,707,694	6,015,969	4,237,528	4,516,189
Administrative expenses		1,154,146	1,118,082	871,736	836,842
Total expenses		10,673,201	11,445,951	8,884,498	9,632,414
Profit from operating activities		1,320,713	1,397,976	1,642,743	1,268,317
Finance income		38,470	39,777	38,082	39,629
Share of profit(loss) from investments in joint ventures		178	(11,097)	-	-
Finance cost		(79,829)	(69,377)	(61,020)	(53,804)
Profit before income tax		1,279,532	1,357,279	1,619,805	1,254,142
Income tax		(179,204)	(171,580)	(166,035)	(176,967)
Profit for the period		1,100,328	1,185,699	1,453,770	1,077,175
Profit attributable to:					
Equity holders of the Company		1,088,208	1,173,005	1,453,770	1,077,175
Non-controlling interests of the subsidiaries		12,120	12,694		
		1,100,328	1,185,699		
Earnings per share	13				
Basic earnings per share					
Profit attributable to equity holders of the Company		1.18	1.27	1.58	1.17

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 comprehensive income

For the nine-month period ended 30 September 2024

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2024	2023	2024	2023
Profit for the period	<u>1,100,328</u>	<u>1,185,699</u>	<u>1,453,770</u>	<u>1,077,175</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	1,797	(1,251)	-	-
Exchange differences on translation of financial statements in foreign currency recycled to profit or loss due to sale of investment in joint venture	-	(10,344)	-	-
Other comprehensive income for the period	<u>1,797</u>	<u>(11,595)</u>	<u>-</u>	<u>-</u>
Total comprehensive income for the period	<u>1,102,125</u>	<u>1,174,104</u>	<u>1,453,770</u>	<u>1,077,175</u>
Total comprehensive income attributable to:				
Equity holders of the Company	1,089,376	1,161,403	<u>1,453,770</u>	<u>1,077,175</u>
Non-controlling interests of the subsidiaries	<u>12,749</u>	<u>12,701</u>		
	<u>1,102,125</u>	<u>1,174,104</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 nine-month period ended 30 September 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												
Total other												
components of												
shareholders'												
equity												
the Company												
the subsidiaries												
interests of												
Total												
Issued and												
share capital												
paid-up												
Share premium												
Capital reserve												
of share-based												
payment												
transactions												
Treasury												
stocks												
Appropriated -												
statutory												
reserve												
Reserve for												
treasury												
stocks												
Unappropriated												
foreign currencies												
statements in												
financial												
translation of												
Total equity												
attributable to												
the Company												
the subsidiaries												
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	-	-	-	-	-	-	1,173,005	-	-	1,173,005	12,694	1,185,699
Other comprehensive income for the period	-	-	-	-	-	-	-	(11,602)	(11,602)	(11,602)	7	(11,595)
Total comprehensive income for the period	-	-	-	-	-	-	1,173,005	(11,602)	(11,602)	1,161,403	12,701	1,174,104
Dividend paid (Note 14)	-	-	-	-	-	-	(1,381,282)	-	-	(1,381,282)	-	(1,381,282)
Balance as at 30 September 2023	920,878	8,785,028	656,331	-	92,585	-	2,768,073	14	14	13,222,909	335,098	13,558,007
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	-	-	-	-	-	-	1,088,208	-	-	1,088,208	12,120	1,100,328
Other comprehensive income for the period	-	-	-	-	-	-	-	1,168	1,168	1,168	629	1,797
Total comprehensive income for the period	-	-	-	-	-	-	1,088,208	1,168	1,168	1,089,376	12,749	1,102,125
Treasury stocks (Note 12)	-	-	-	(306,231)	-	306,231	(306,231)	-	-	(306,231)	-	(306,231)
Dividend paid (Note 14)	-	-	-	-	-	-	(1,378,553)	-	-	(1,378,553)	-	(1,378,553)
Balance as at 30 September 2024	920,878	8,785,028	656,331	(306,231)	92,585	306,231	2,791,832	1,303	1,303	13,247,957	363,716	13,611,673

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 (continued)

For the nine-month period ended 30 September 2024

(Unit: Thousand Baht)

Separate financial statements							
Issued and paid-up share capital	Share premium	Capital reserve of share-based payment transactions	Treasury stocks	Retained earnings		Unappropriated	Total
				Appropriated - statutory reserve	Reserve for treasury stocks		
Balance as at 1 January 2023	920,878	8,785,028	656,331	-	92,585	-	12,790,403
Profit for the period	-	-	-	-	-	-	1,077,175
Other comprehensive income for the period	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	-	-	1,077,175
Dividend paid (Note 14)	-	-	-	-	-	-	(1,381,282)
Balance as at 30 September 2023	<u>920,878</u>	<u>8,785,028</u>	<u>656,331</u>	<u>-</u>	<u>92,585</u>	<u>-</u>	<u>12,486,296</u>
Balance as at 1 January 2024	920,878	8,785,028	656,331	-	92,585	-	13,015,588
Profit for the period	-	-	-	-	-	-	1,453,770
Other comprehensive income for the period	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	-	-	1,453,770
Treasury stocks (Note 12)	-	-	-	(306,231)	-	306,231	(306,231)
Dividend paid (Note 14)	-	-	-	-	-	-	(1,378,553)
Balance as at 30 September 2024	<u>920,878</u>	<u>8,785,028</u>	<u>656,331</u>	<u>(306,231)</u>	<u>92,585</u>	<u>306,231</u>	<u>12,784,574</u>

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

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Director

(Unaudited but reviewed)

MK Restaurant Group Public Company Limited and its subsidiaries

Statements of cash flows

For the nine-month period ended 30 September 2024

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2024	2023	2024	2023
Cash flows from operating activities				
Profit before tax	1,279,532	1,357,279	1,619,805	1,254,142
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:				
Gain on sales of investments	(109,025)	(73,978)	(91,121)	(61,747)
Gain on change in value of investment in debt instruments	(12,157)	19,639	(12,198)	19,666
Unrealised loss(gain) on exchange	(26,204)	8,176	(26,204)	8,176
Share of loss(gain) from investment in joint ventures	(178)	11,097	-	-
Loss (gain) from sale of investments in joint venture	-	(9,666)	-	11,843
Loss from damaged inventories	1,916	5,993	1,916	5,993
Amortisation of prepaid expenses	34,539	23,050	29,716	18,763
Depreciation and amortisation	1,464,082	1,494,785	1,035,577	1,075,337
Loss(gain) on disposals and write-off of equipment, right-of-use assets and intangible assets	(12,118)	35,953	(23,577)	29,329
Provision for long-term employee benefits	55,711	56,913	47,219	47,531
Realisation of gift voucher, net of sales and cash received during the period	(27,321)	(33,480)	(19,811)	(23,387)
Realisation of deferred income, net of sales and cash received during the period	(22,812)	(19,387)	(14,670)	(11,610)
Dividend income	-	-	(480,550)	-
Interest income	(38,470)	(39,771)	(38,082)	(39,630)
Interest expenses	79,829	69,377	61,020	53,804
Profit from operating activities before changes in operating assets and liabilities	2,667,324	2,905,980	2,089,040	2,388,210

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 nine-month period ended 30 September 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	(55,740)	14,303	(47,486)	42,872
Inventories	48,122	52,033	44,342	49,958
Other current assets	97,981	121,081	104,799	119,555
Deposits	(12,506)	(160)	(10,172)	236
Operating liabilities increase (decrease)				
Trade and other payables	(346,179)	(56,678)	(277,322)	(53,846)
Other current liabilities	56,340	83,335	52,974	70,582
Deferred income	23,627	22,344	16,273	14,035
Provision for long-term employee benefits	(4,868)	(10,265)	(4,638)	(9,419)
Other non-current liabilities	2,403	679	2,602	(279)
Cash from operating activities	2,476,504	3,132,652	1,970,412	2,621,904
Cash received from interest income	61,897	26,712	61,509	26,571
Cash paid for income tax	(446,161)	(428,749)	(428,923)	(410,972)
Net cash from operating activities	2,092,240	2,730,615	1,602,998	2,237,503

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 nine-month period ended 30 September 2024

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2024	2023	2024	2023
Cash flows from investing activities				
Decrease in investments in debt instruments				
and fixed deposits	2,330,453	112,240	1,920,454	168,840
Cash paid for investment in joint venture	(15,964)	(39,361)	-	-
Cash paid for purchases of property plant and equipment	(2,122,676)	(401,470)	(2,019,417)	(288,858)
Cash paid for right-of-use assets	(885)	(17,188)	-	(17,188)
Cash paid for purchases of intangible assets	(14,848)	(6,280)	(13,825)	(4,258)
Proceeds from disposals of property, plant and equipment	2,198	3,153	27,472	13,145
Proceeds from investment in joint venture	-	30,479	-	30,479
Dividend received	-	-	480,550	-
Net cash from (used in) investing activities	178,278	(318,427)	395,234	(97,840)
Cash flows from financing activities				
Cash paid to settle liabilities under lease liabilities	(1,043,542)	(1,031,162)	(744,776)	(754,088)
Dividend paid	(1,378,553)	(1,381,282)	(1,378,553)	(1,381,282)
Cash paid for treasury stocks	(306,231)	-	(306,231)	-
Net cash used in financing activities	(2,728,326)	(2,412,444)	(2,429,560)	(2,135,370)
Net increase(decrease) in cash and cash equivalents	(457,808)	(256)	(431,328)	4,293
Cash and cash equivalents at beginning of period	786,459	630,356	561,849	471,000
Cash and cash equivalents at end of period	328,651	630,100	130,521	475,293

Supplement disclosure of cash flows information

Non-cash transactions

Accounts payable for purchases of plant

and equipment	54,358	70,893	44,633	53,753
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Increase in right-of-use assets	768,977	757,402	528,606	525,890
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The accompanying notes are an integral part of the financial statements.

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MK Restaurant Group Public Company Limited and its subsidiaries**Condensed notes to interim financial statements****For the three-month and nine-month periods ended 30 September 2024****1. General information****1.1 Corporate information**

As at 30 September 2024, the Group had operated 694 branches (the Company only: 460 branches) (31 December 2023: 703 branches, the Company only: 466 branches) which can be separately presented by brand as follows;

	Number of branches as at	
	30 September 2024	31 December 2023
Trademarks		
MK Suki	441	448
Yayoi	195	198
Laem Charoen Seafood	39	39
Others	19	18
Total	694	703

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 presenting condensed interim financial statements. The Company has presented the statements of financial position, comprehensive income, changes in shareholders' equity, and cash flows in the same format as that used for the annual financial statements and has presented notes to the interim financial statements on a condensed basis.

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.

1.4. 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.

1.5 New financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2025

The Federation of Accounting Professions issued a number of revised financial reporting standards, which are effective for fiscal years beginning on or after 1 January 2025. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users.

The management of the Group believes that adoption of these amendments will not have any significant impact on the Group’s financial statements.

2. 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				
	30 September				
	Consolidated		Separate		
	financial statements		financial statements		Transfer pricing policy
	2024	2023	2024	2023	
<u>Transactions with subsidiaries</u>					
(Eliminated from the consolidated financial statements)					
Sales of goods	-	-	257	287	Cost plus margin
Sublease and subservice income	-	-	3	3	At the rate stipulated in the agreements
Management service income	-	-	55	52	At the rate stipulated in the agreements
Sales of fixed assets	-	-	15	5	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	-	-	51	60	Market price
Training expenses	-	-	28	52	Market price
<u>Transactions with related companies</u>					
Sales of goods	35	-	35	-	Market price
Sales of fixed assets	-	1	-	1	Net book value plus margin
Purchases of goods	8	17	8	17	Market price
Purchases of fixed assets	1,700	-	1,700	-	Market price
Management service income	1	1	1	1	At the rate stipulated in the agreement
Operation support service income	3	1	3	1	At the rate stipulated in the agreement
Royalty fee income	1	1	1	1	At the rate stipulated in the agreement
Rental expenses for operating equipment	11	10	6	6	Market price
Rental expenses for land and construction	12	15	7	11	At the rate stipulated in the agreement
Logistic expenses	47	45	44	44	At the rate stipulated in the agreement
Service expenses	-	46	-	36	Contractually agree prices
Warehousing service expenses	40	42	39	41	At the rate stipulated in the agreement

.....Director

.....Director

For the nine-month periods ended					
30 September					
	Consolidated		Separate		Transfer pricing policy
	financial statements		financial statements		
	2024	2023	2024	2023	
<u>Transactions with subsidiaries</u>					
(Eliminated from the consolidated financial statements)					
Sales of goods	-	-	809	939	Cost plus margin
Sublease and subservice income	-	-	9	10	At the rate stipulated in the agreements
Management service income	-	-	167	156	At the rate stipulated in the agreements
Dividend income	-	-	481	-	At declared rate
Sales of fixed assets	-	-	26	11	Net book value plus margin
Rental income	-	-	4	4	At the rate stipulated in the agreements
Operation support service income	-	-	4	3	At the rate stipulated in the agreement
Purchases of goods	-	-	165	193	Market price
Training expenses	-	-	95	123	Market price
<u>Transactions with related companies</u>					
Sales of goods	131	2	131	2	Market price
Sales of fixed assets	-	2	-	2	Net book value plus margin
Purchases of goods	23	41	23	41	Market price
Purchases of fixed assets	1,700	-	1,700	-	Market price
Management service income	4	4	4	4	At the rate stipulated in the agreement
Operation support service income	6	5	6	5	At the rate stipulated in the agreement
Royalty fee income	4	10	1	1	At the rate stipulated in the agreement
Rental expenses for operating equipment	32	31	18	18	Market price
Rental expenses for land and construction	42	43	30	32	At the rate stipulated in the agreement
Logistic expenses	140	133	132	130	At the rate stipulated in the agreement
Service expenses	-	147	-	114	Contractually agree prices
Warehousing service expenses	124	127	122	125	At the rate stipulated in the agreement

.....Director

.....Director

As at 30 September 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	
	30 September	31 December	30 September	31 December
	2024	2023	2024	2023
Trade and other receivables - related parties				
Subsidiaries	-	-	128,520	139,739
Joint ventures	4,147	1,809	3,137	1,804
Related companies (related by common directors)	35,493	2,434	36,157	1,646
Total trade and other receivables - related parties	<u>39,640</u>	<u>4,243</u>	<u>167,814</u>	<u>143,189</u>
Trade and other payable - related parties				
Subsidiaries	-	-	25,414	27,789
Joint ventures	29,497	34,229	29,020	33,699
Related companies (related by common directors)	10,323	12,286	8,633	9,940
Total trade and other payable - related parties	<u>39,820</u>	<u>46,515</u>	<u>63,067</u>	<u>71,428</u>

Significant agreements with related parties

There is no significant change in significant agreements with related parties during the nine-month period ended 30 September 2024. However, 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.

However, on 5 July 2024, the Company purchased land from Global Asset Development Co., Ltd. (a related company) amounting to Baht 1,700 million to support the Company's operation. The land ownership has been transferred to the Company; therefore, the rental agreement between the Company and this related company was terminated.

Directors and management's benefits

During the three-month and nine-month periods ended 30 September 2024 and 2023, the Group had employee benefit expenses payable to their directors and management as below.

(Unit: Million Baht)

	Consolidated financial statements			
	For the three-month periods		For the nine-month periods	
	ended 30 September		ended 30 September	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Short-term employee benefits	51	48	157	142
Post-employment benefits	1	1	4	4
Total	<u>52</u>	<u>49</u>	<u>161</u>	<u>146</u>

(Unit: Million Baht)

	Separate financial statements			
	For the three-month periods		For the nine-month periods	
	ended 30 September		ended 30 September	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Short-term employee benefits	46	44	144	130
Post-employment benefits	2	2	4	4
Total	<u>48</u>	<u>46</u>	<u>148</u>	<u>134</u>

There is no post-employment benefits paid to the directors and management during the nine-month period ended 30 September 2024.

3. Trade and other receivables

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
	30 September	31 December	30 September	31 December
	2024	2023	2024	2023
<u>Trade accounts receivable - related parties</u>				
Aged on the basis of due dates				
Not yet due	36,130	1,508	123,260	115,909
Total trade accounts receivable				
- related parties	36,130	1,508	123,260	115,909
<u>Trade accounts receivable - unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	18,491	28,335	14,401	18,187
Total trade accounts receivable				
- unrelated parties	18,491	28,335	14,401	18,187
Total trade accounts receivable	54,621	29,843	137,661	134,096
<u>Other receivables</u>				
Other receivables - related				
parties	3,510	2,735	44,554	27,280
Advances	14,725	8,463	11,126	6,161
Accrued interest receivable	8,286	31,713	8,286	31,713
Others	60,753	36,828	49,686	28,003
Total other receivables	87,274	79,739	113,6512	93,157
Total trade and other				
receivables	141,895	109,582	251,313	227,253

4. Other financial assets

As at 30 September 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	6,886,398	6,042,208
Total other financial assets	6,886,399	6,042,209
Consisted of:		
Other current financial assets	5,772,635	4,928,445
Other non-current financial assets	1,113,764	1,113,764

5. Investments in subsidiaries

- 5.1 During the current period, Laemcharoen Seafood Company Limited, indirect subsidiary of the Company, has invested in the following subsidiaries.

LCS International Company Limited

On 9 April 2024, the Extraordinary General Meeting of shareholders of the LCS International Company Limited (indirect subsidiary of the Company) passed a resolution to increase the registered share capital by Baht 17 million (1.7 million ordinary shares of Baht 10 each) from Baht 39.5 million (3.95 million ordinary shares of Baht 10 each) to Baht 56.5 million (5.65 million ordinary shares of Baht 10 each). This subsidiary registered the share capital increase with the Ministry of Commerce on 22 April 2024.

LCS Food Supply Co., Ltd.

On 9 April 2024, the Extraordinary General Meeting of shareholders of the LCS Food Supply Co., Ltd. (indirect subsidiary of the Company) passed a resolution to increase the registered share capital by Baht 77.5 million (7.75 million ordinary shares of Baht 10 each) from Baht 81.1 million (8.11 million ordinary shares of Baht 10 each) to Baht 158.6 million (15.86 million ordinary shares of Baht 10 each). This subsidiary registered the share capital increase with the Ministry of Commerce on 17 April 2024. Currently, this subsidiary is in the process of constructing a production plant.

- 5.2 During the nine-month period ended 30 September 2024, the Company received the dividend payment from these subsidiaries.

(Unit: Thousand Baht)

Subsidiaries	Dividends income for the nine-month periods ended 30 September 2024
MK Interfood Company Limited	350,000
MK Service Training Center Company Limited	50,750
International Food Supply Company Limited	79,800
Total	480,550

6. Investment in joint ventures

On 21 March 2024, the Meeting of the Board of Directors of LCS International Company Limited (an indirectly - held local subsidiary) passed a resolution to approve an additional investment in MT Restaurant Sdn Bhd ("the joint venture") of MYR 2.0 million or equivalent to Baht 16.0 million.

LCS International Company Limited had paid this additional investment on 15 May 2024 and its shareholding percentage is still 50 percent of issued and paid-up capital of this joint venture.

7. Property, plant and equipment

Movements in the property, plant and equipment account during the nine-month period ended 30 September 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	(75,064)	(50,434)
Cash paid for purchases of property, plant and equipment	2,122,676	2,019,417
Total	2,047,612	1,968,983
Disposals and write-off - net book value at disposal and write-off date		
Proceeds from disposals of equipment	(2,198)	(27,472)
Gain(loss) on disposals of equipment	(1,764)	1,073
Loss on write-off of equipment	(19,165)	(10,333)
Total	(23,127)	(36,732)
Depreciation for the period	(424,392)	(303,353)
Net book value as at 30 September 2024	4,398,384	3,800,795
.....DirectorDirector	

8. Right-of-use assets

Movements in the right-of-use assets account during the nine-month period ended 30 September 2024 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
Net book value as at 1 January 2024	3,148,909	2,395,022
Increase during the period	978,672	725,524
Write-off	(209,571)	(196,918)
Depreciation for the period	(1,004,846)	(720,322)
Net book value as at 30 September 2024	<u>2,913,164</u>	<u>2,203,306</u>

9. Intangible assets

Movements in the intangible assets account during the nine-month period ended 30 September 2024 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
Net book value as at 1 January 2024	807,393	56,467
Acquisitions during the period - at cost	14,848	13,825
Amortisation for the period	(34,844)	(11,902)
Net book value as at 30 September 2024	<u>787,397</u>	<u>58,390</u>

10. Trade and other payables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	30 September	31 December	30 September	31 December
	2024	2023	2024	2023
Trade accounts payable - related parties	2,403	3,715	18,621	26,337
Trade accounts payable - unrelated parties	307,937	399,474	289,439	370,487
Other payables - related parties	37,417	42,800	44,446	45,091
Other payables - unrelated parties	81,416	100,608	64,904	79,994
Accounts payable for purchases of plant and equipment	54,358	129,423	44,633	95,067
Accrued expenses	705,736	935,429	542,771	715,341
Others	35,608	34,670	26,133	26,386
Total	1,224,875	1,646,119	1,030,947	1,358,703

11. Lease liabilities

Lease liabilities as at 30 September 2024 are presented below.

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
Lease liabilities	3,072,980	2,333,705
Less: Deferred interest expenses	(214,707)	(170,443)
Total	2,858,273	2,163,262
Less: Portion due within one year	(1,021,832)	(738,320)
Lease liabilities - net of current portion	1,836,441	1,424,942

Movements in lease liabilities during the nine-month period ended 30 September 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	974,359	723,451
Accretion of interest	77,420	59,372
Less: Payments during the period	(1,043,542)	(744,776)
Decrease from cancelation of lease agreements	(234,768)	(224,474)
Balance as at 30 September 2024	<u>2,858,273</u>	<u>2,163,262</u>

12. Treasury stock and reserve for treasury stocks

On 18 June 2024, the Company's Board of Directors' meeting approved the share repurchase program for financial management purpose in the maximum amount not exceeding Baht 800 million or approximately 20 million shares, which is approximately 2.17% of total issued shares at par value of Baht 1 per share by repurchase in the Stock Exchange of Thailand, which the repurchase price shall not be exceeding 115 percent of the average closing stocks price prior to 5 working days on date of sale of treasury stock.

The Company has to disclose the proposed share repurchase not later than 3 days prior to the date on which the shares will be repurchased. The implementation period shall not exceed 6 months. The repurchase period is from 24 June 2024 to 23 December 2024. The Board of Directors would reconsider the periods of stocks resell within 3 months from the date of complete repurchasing the stocks but not more than 3 years. The reselling price would not be less than 85 percent of the average closing stocks price prior to 5 working days on date of sale of treasury stocks.

As at 30 September 2024, the Company had an outstanding treasury stocks of 10.55 million shares in the account with an average cost of Baht 29.03 per share. The total cost was Baht 306.23 million. The treasury stocks of 10.55 million shares have a par value of Baht 1.00 per share, with Baht 306.23 million had been appropriated from retained earnings to reserve for treasury stocks. The Company can hold treasury stocks not longer than three years after repurchase period finished.

13. Earnings per share

Basic earnings per share is calculated by dividing profit for the period attributable to equity holders of the Company (excluding other comprehensive income) by the average number of ordinary shares in issue during the reporting period.

13.1 Weighted average number of ordinary shares

	(Unit: Thousand shares)			
	Consolidated financial statements / Separate financial statements			
	For the three-month periods		For the nine-month periods	
	ended 30 September		ended 30 September	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Balance brought forward	918,498	920,878	920,878	920,878
Less: The weighted average number of treasury stocks during the period	<u>(3,888)</u>	<u>-</u>	<u>(2,152)</u>	<u>-</u>
Weighted average number of ordinary shares	<u>914,610</u>	<u>920,878</u>	<u>918,726</u>	<u>920,878</u>

13.2 Reconciliation of earnings per share

The following table sets forth the computation of basic earnings per share:

	For the three-month periods ended 30 September			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Profit for the period (Thousand Baht)	341,061	388,791	317,745	353,995
Weighted average number of ordinary shares (Thousand shares)	914,610	920,878	914,610	920,878
Basic earnings per share (Baht/share)	0.37	0.42	0.35	0.38

	For the nine-month periods ended 30 September			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Profit for the period (Thousand Baht)	1,088,208	1,173,005	1,453,770	1,077,175
Weighted average number of ordinary shares (Thousand shares)	918,726	920,878	918,726	920,878
Basic earnings per share (Baht/share)	1.18	1.27	1.58	1.17

14. Dividends

Dividend declared for the nine-month periods ended 30 September 2024 and 2023 consist of the following:

	Approved by	Total dividends (Million Baht)	Dividend per share (Baht)	Paid on
<u>Year 2024</u>				
Dividend on 2023 profit	Annual General Meeting of the shareholders on 26 April 2024	920.8	1.0	24 May 2024
Interim dividend from the operating period 1 January 2024 to 30 June 2024	Board of Directors' meeting on 13 August 2024	457.8	0.5	10 September 2024
Total		<u>1,378.6</u>	<u>1.5</u>	
<u>Year 2023</u>				
Dividend on 2022 profit	Annual General Meeting of the shareholders on 26 April 2023	828.8	0.9	24 May 2023
Interim dividend from the operating period 1 January 2023 to 30 June 2023	Board of Directors' meeting on 10 August 2023	552.5	0.6	8 September 2023
Total		<u>1,381.3</u>	<u>1.5</u>	

15. 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.

16. Commitments and contingent liabilities

16.1 Capital commitments

As at 30 September 2024 and 31 December 2023, the Group had capital commitments as follows:

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	30 September 2024	31 December 2023	30 September 2024	31 December 2023
Building	85.0	-	-	-
Furniture, fixtures and office equipment	57.0	6.4	40.8	6.4

16.2 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 1 and 25 years.

As at 30 September 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	561	410
1 year to 5 years	843	642
More than 5 years	136	107

16.3 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.

16.4 Commitments related to franchise agreements

In 2024, the Company entered into a restaurant system license agreement with a foreign company for a period of 8 years, whereby the latter has granted the Company the right to operate a restaurant in Thailand using the trademarks “Hikiniku to Come”. In consideration thereof, the Company agreed to pay the fees as stipulated in the agreement. The Company is also required to adhere to the terms and conditions set forth in the agreement.

16.5 Guarantees

16.5.1 Bank guarantees

As at 30 September 2024, there were outstanding letters of guarantee issued by the banks on behalf of the Group of approximately Baht 38.2 million (the Company only: Baht 37.9 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.

16.5.2 Guarantees to related party

As at 30 September 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).

17. Fair value hierarchy

As of 30 September 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	6,886	6,042

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

18. 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.

19. Approval of interim financial statements

These interim financial statements were authorised for issue by the Company’s Board of Directors on 12 November 2024.

.....Director

.....Director