



MK RESTAURANT GROUP PUBLIC COMPANY LIMITED

# Management Discussion and Analysis (MD&A)

For the Year 2025

## Overview of Business Operations, Economic Conditions and Industry Outlook

In 2025, Thailand's economy expanded by 2.4%, moderating from a growth rate of 2.9% in the previous year. This reflected a gradual economic recovery amid constraints on consumer purchasing power and ongoing uncertainties from external factors. Nevertheless, economic growth in the fourth quarter improved to 2.5%, compared with 1.2% in the third quarter, supported by government economic stimulus measures such as the "Half-Half Plus" program and domestic tourism promotion initiatives under "Travel and Refund from Tax Deduction". These measures helped stimulate household spending and contributed to an improvement in private consumption.

However, overall consumer purchasing power remained relatively weak, leading to more cautious spending behavior, with consumers placing greater emphasis on value for money and essential expenditures. At the same time, the restaurant industry continued to face intense competition alongside sustained increases in operating costs, including raw material costs, labor expenses, and rental fees. Under these circumstances, the Company focused on adjusting its business strategies to align with consumer purchasing power by offering value-oriented menus and promotions, enhancing cost management efficiency, and optimizing its brand portfolio to effectively address the diverse needs of different customer segments. These initiatives aim to maintain competitiveness and support sustainable long-term business growth.

In addition, rapidly evolving and increasingly diverse consumer preferences driven by changing trends require continuous adaptation. The Company therefore places emphasis on ongoing menu development, effective marketing communication, and the creation of dining experiences that meet consumer expectations. Accordingly, the Company remains focused on retaining its existing customer base while simultaneously expanding into new target segments, in order to enhance revenue opportunities and strengthen the long-term resilience of the business.

## Key Events and Developments in 2025

### ❖ Launch of the New Brand "Bonus Suki"

The Company launched "Bonus Suki", a buffet-style suki restaurant, to meet consumer demand for value-for-money dining. The brand offers more than 60 menu items, including a wide selection of meats, side dishes, and beverages. In 2025, the Company expanded the brand with a total of 15 branches.



### ❖ Buffet Promotion "Koom Gern Koom" at THB 299

The MK "Koom Gern Koom" buffet promotion, priced at THB 299, features more than 29 menu items and is designed to cater to customers who prioritize affordability and value. The campaign received a strong and positive response from customers.



### ❖ Revamp of "MK Premium Buffet"

The Company revamped the "MK Premium Buffet" by enhancing and expanding menu variety to better serve customers seeking a higher-quality and more premium dining experience. The buffet is offered at price points of THB 499, THB 699, and THB 899, tailored to meet the diverse needs of different customer segments.

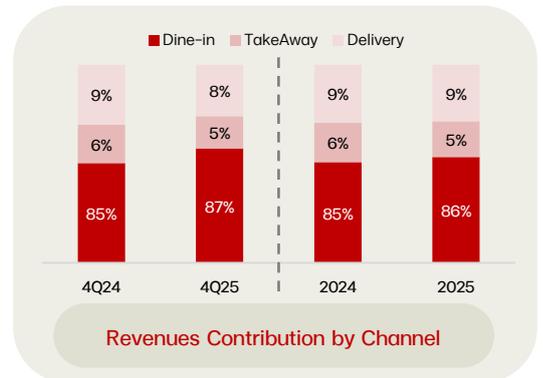


## Summary of the Operating Results for 4Q25 and Y2025

	4Q2024	4Q2025	%Change	2024	2025	%Change
Revenues from Sales	3,683	3,891	5.6%	15,418	15,109	-2.0%
Cost of Sales	1,217	1,433	17.8%	5,028	5,343	6.3%
Gross Profit	2,466	2,457	-0.3%	10,390	9,766	-6.0%
SG&A	2,144	2,390	11.5%	9,006	9,015	0.1%
Net Profit	353	103	-71.0%	1,442	838	-41.9%



### Revenues from Sales and Services

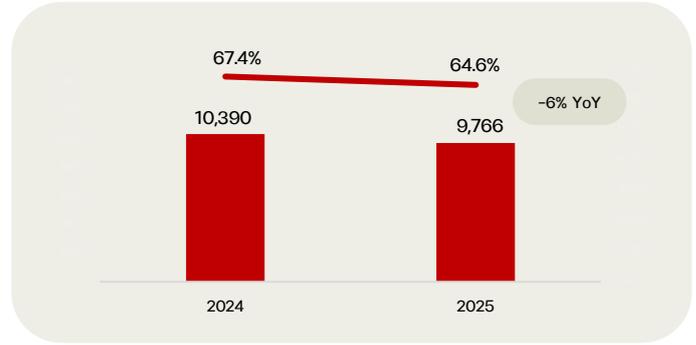
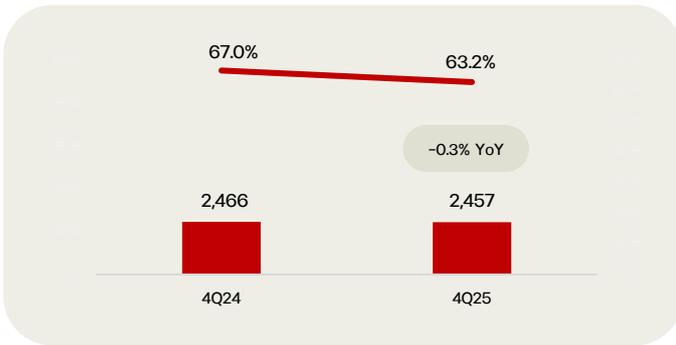


For the year 2025, the Company and its subsidiaries recorded revenues from sales and services of Baht 15,109 million, representing a decrease of Baht 309 million or 2.0% as compared to last year. The revenues from sales and services remained stable across all channels, with dine-in remaining the primary contributor at 86% of total revenues from sales and services. The same-store sales growth also declined by 2.8% compared to the previous year, primarily due to weakened consumer purchasing power driven by the rising cost of living and high household debt as well as the intense competition in the restaurant industry. Nevertheless, in the second half of the year, the Company implemented a proactive strategy by launching the MK Buffet “Koom Gern Koom” at a price of Baht 299. This initiative received an excellent response from customers, driving same-store sales back to a 3.4% growth during that period. Furthermore, the launch of the new brand “Bonus Suki” in July 2025, targeting the value-focused buffet segment, was very well received by customers, with a rapid expansion reaching a total of 15 branches by the end of 2025.

For the fourth quarter of 2025, revenues from sales and services were Baht 3,891 million, increased 5.6% from the same period of last year and the same-store sales growth also increased 1.3% from the same period of last year, primarily driven by the success of the MK Buffet “Koom Gern Koom” promotion and the expansion of “Bonus Suki” brand.



## Gross Profit

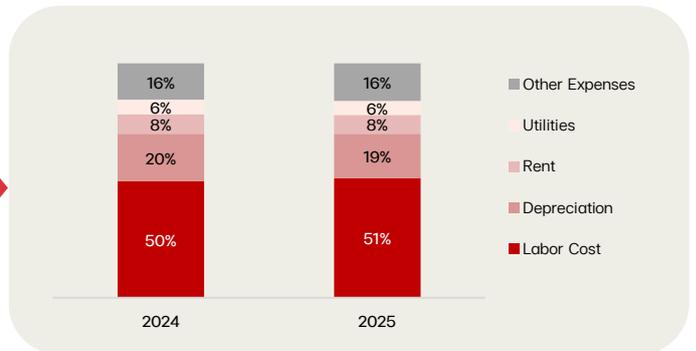
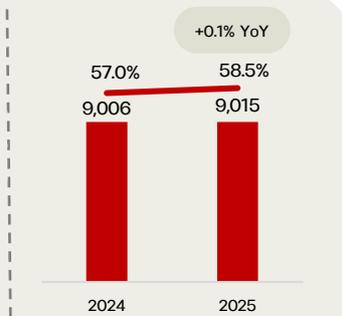
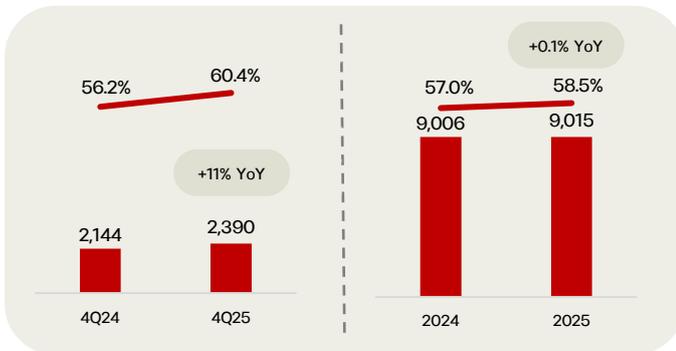


Gross profit represents the difference between revenues from sales and services and costs of sales and services which included the cost of raw materials, transportation and warehousing costs. For the year 2025, gross profit of the Company and its subsidiaries amounted to Baht 9,766 million, a decrease of 6.0% compared to the previous year. As a result, the gross profit margin declined from 67.4% in 2024 to 64.6% for this year due mainly to the MK Buffet “Koom Gern Koom” promotion launched in June 2025 as well as the launch of “Bonus Suki” brand, a full buffet model, with the continuous expansion. These led to an increase in raw material costs relative to sales, reflecting the cost structure inherent with the buffet business.

In the fourth quarter of 2025, gross profit of the Company and its subsidiaries amounted to Baht 2,457 million, a decrease of 0.3% compared to the same period of last year. The gross profit margin also declined to 63.2%, down from 67.0% for the same period of last year. This decrease was primarily driven by the MK Buffet “Koom Gern Koom” promotion and the expansion of “Bonus Suki”, a full-scale buffet model. As a result, the proportion of raw material costs increased relative to the standard service model.



## Selling and Administrative Expenses



Selling and administrative expenses consist mainly of employee expenses, rents, utilities, advertising and sales promotion, restaurant supplies, depreciation and amortization. Selling and administrative expenses of the Company and its subsidiaries for the year 2025 was Baht 9,015 million, an increase of Baht 9 million or 0.1% compared to the previous year. The ratio of selling and administrative expenses to total revenues also increased from 57.0% in 2024 to 58.5% for this year. This increase was primarily driven by higher employee expenses, partly due to the expansion of “Bonus Suki” brand, which had recently begun operations in mid of 2025 and continued to expand its branches. This expansion resulted in higher staffing requirements to support new store openings. Marketing expenses also increased due to intensified promotional activities aimed to stimulate sales growth. Meanwhile, most other expense categories recorded a decline during the year.

For the fourth quarter of 2025, selling and administrative expenses amounted to Baht 2,390 million, representing an increase of 11.5% compared to the same period of last year while the selling and administrative expenses as a percentage of total revenues increased from 56.2% for the fourth quarter of 2024 to 60.4% for the same period of 2025. The increase was primarily attributable to the opening of new branches under “Bonus Suki” brand, which resulted in higher employee expenses as well as additional operating costs associated with new store openings. In addition, employee expenses also rose due to the implementation of MK Buffet “Koom Gern Koom” campaign, which received strong positive response from customers and drove higher traffic.

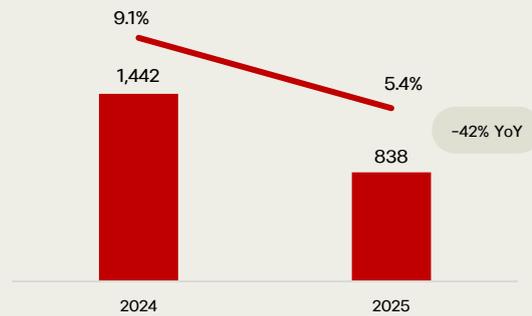
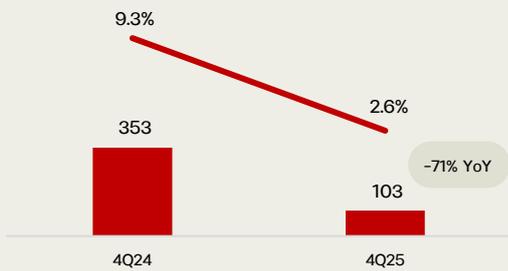


## Financial Cost

The Company and its subsidiaries recorded the financial cost of Baht 92 million for the year 2025 and Baht 22 million for the fourth quarter of 2025 which were the interest expenses from the lease liabilities due to the adoption of TFRS16.



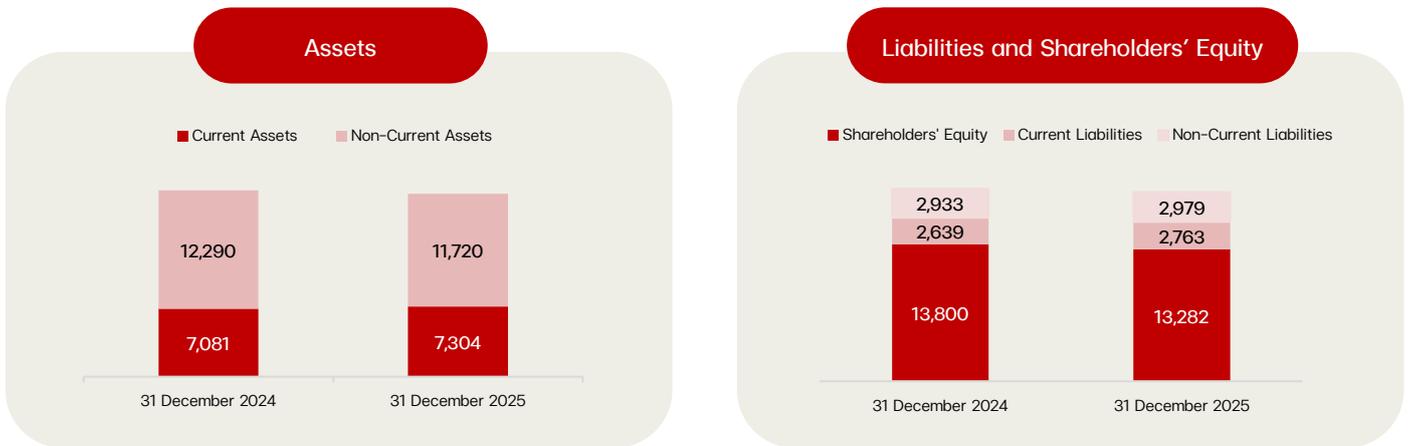
## Net Profit



As a result of the various factors which affected the operating results of the Company and its subsidiaries as mentioned above, net profit of the Company and its subsidiaries decreased from Baht 1,442 million for the year 2024 to Baht 838 million for this year, decreased by Baht 604 million or a decrease of 41.9%.

For the fourth quarter of 2025, the Company and its subsidiaries recorded a net profit of Baht 103 million, decreased by Baht 251 million or down by 71.0% as compared to the same period of last year.

## Summary of Financial Positions as at 31 December 2025



### Assets

As of December 31, 2025, the Company and its subsidiaries recorded total assets of Baht 19,024 million, comprising of current assets of Baht 7,304 million and non-current assets of Baht 11,720 million. The total assets decreased Baht 348 million or a decrease of 1.8% as compared to the end of last year due mainly to the decrease of other financial assets amounted Baht 727 million, cash and cash equivalents amounted Baht 79 million and right-of-use assets amounted Baht 48 million. However, there were the increase of property, plant and equipment amounted Baht 289 million, inventories amounted Baht 187 million and investment in joint ventures amounted Baht 42 million.



### Liabilities

As of December 31, 2025, the Company and its subsidiaries recorded total liabilities of Baht 5,742 million, increased Baht 170 million or an increase of 3.1% from the end of last year due primarily to the increase of trade and other payables amounted Baht 205 million and provision for long-term employee benefits amounted Baht 47 million while there were the decrease of income tax payable amounted Baht 49 million and lease liabilities amounted Baht 38 million.



### Shareholders' Equity

As of December 31, 2025, the Company and its subsidiaries recorded equity attributable to owners of the Company of Baht 12,912 million, decreased Baht 517 million or a decrease of 3.8% from the end of last year due primarily to a decrease of retained earnings, as a result of the dividend payment during the year.