

MAGURO GROUP MAGURO TB

THAILAND / AGRO & FOOD INDUSTRY

BUY

UNCHANGED

แบรนดใหม่กำลังมา

- ผู้บริหารตั้งเป้าเปิดสาขาใหม่อย่างน้อย 13 สาขาต่อปีในปี 2024-25 พร้อมเปิดตัวแบรนดใหม่ อีก 1-2 แบนด์ต่อปี
- เรคาดว่ากำไรสุทธิจะทำสถิติสูงสุดใหม่โดยคาดว่าจะโต 133% y-y จากอัตราการเติบโตของ ยอดขายสาขาเดิม (SSSG) ที่สูงขึ้นและสาขาใหม่
- MAGURO เป็นหุ้นเด่นของเราในกลุ่มฯ ปรับราคาเป้าหมายขึ้นเป็น 24.5 บาท

TARGET PRICE	THB24.50
CLOSE	THB20.20
UP/DOWNSIDE	+21.3%
PRIOR TP	THB22.00
CHANGE IN TP	+11.4%
TP vs CONSENSUS	+11.4%

KEY STOCK DATA

YE Dec (THB m)	2023	2024E	2025E	2026E
Revenue	1,044	1,351	1,628	1,939
Net profit	72	94	135	165
EPS (THB)	0.69	0.75	1.07	1.31
vs Consensus (%)	-	(1.3)	6.7	2.3
EBITDA	218	276	331	380
Recurring net profit	72	100	135	165
Core EPS (THB)	0.69	0.79	1.07	1.31
Chg. In EPS est. (%)	-	18.7	11.3	5.8
EPS growth (%)	131.1	14.3	35.0	22.3
Core P/E (x)	29.1	25.5	18.9	15.4
Dividend yield (%)	4.1	2.2	3.2	3.9
EV/EBITDA (x)	11.1	9.3	7.8	6.8
Price/book (x)	7.9	4.0	3.7	3.4
Net debt/Equity (%)	117.1	3.7	4.8	2.5
ROE (%)	26.5	22.1	20.3	22.8

มุมมองเชิงบวกต่อการเติบโตของ MAGURO

เราจัดงาน Finansia Exclusive Talk กับ MAGURO และได้รับข้อมูลเชิงบวก ผู้บริหารตั้งเป้าเปิดสาขาใหม่อย่างน้อย 13 สาขาต่อปีในปี 2024-25 โดยจะประกอบด้วยแบรนดทั้งใหม่และเก่าพร้อมเปิดตัวแบรนดใหม่อีก 1-2 แบนด์ต่อปี บริษัทฯ ตั้งเป้าให้ได้อัตรากำไรขั้นต้นไม่น้อยกว่า 45% โดยอาจจะค่อย ๆ ปรับตัวขึ้นเนื่องจากเป้าอัตรากำไรขั้นต้นของแบรนดใหม่ทั้งหมดอยู่ที่ไม่น้อยกว่า 50% บริษัทฯ มีกลยุทธ์เน้นในด้านคุณภาพและรสชาติอาหารอย่างต่อเนื่องพร้อมการเปิดตัวรายการอาหารและแบรนดใหม่เพื่อสร้างความแปลกใหม่และการรับรู้แบรนดอย่างกว้างขวางในกลุ่มลูกค้า

คาดกำไรจะทำสถิติสูงสุดใหม่ใน 4Q24

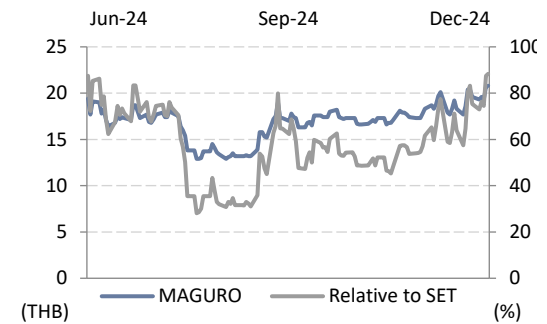
ใน 4Q24 เรคาดว่ากำไรสุทธิจะทำสถิติสูงสุดใหม่ที่ 32 ลบ. (+9.3% q-q, +133% y-y) เราตั้งสมมติฐานให้ SSSG ปรับตัวขึ้นเป็น 5% y-y จาก 0.5% y-y ใน 3Q24 โดยได้ปัจจัยหนุนจาก Hitori Shabu และ Maguro ที่ฟื้นตัวดี นอกจากนี้ MAGURO ยังวางแผนเปิดอีก 6 สาขาใหม่ซึ่งจะทำให้ตัวเลขสาขาโดยรวมเพิ่มขึ้นเป็น 13 สาขาในปี 2024 รายได้รวมน่าจะโตได้ถึง 36.9% y-y เรคาดอัตรากำไรขั้นต้นที่ 46.2% สูงขึ้นจาก 44.5% ใน 4Q23 แต่ลดลงจาก 47.5% ใน 3Q24 จากต้นทุนปลาแซลมอนที่สูงขึ้นเล็กน้อย ค่าใช้จ่ายในการดำเนินงานน่าจะเพิ่มต่อเนื่องจากการเปิดสาขาใหม่อันประกอบด้วยสาขา Standalone พร้อมด้วยงบลงทุน 70 ลบ. และสัญญาเช่าอายุ 9 ปี (ปัจจุบันกำลังเจรจาเป็น 12 ปี)

ปรับเพิ่มประมาณการกำไรสุทธิปี 2024-25 จากแนวโน้มการเติบโตที่ดี

บริษัทฯ กำลังจับตามูลตอบรับของสาขาใหม่ อาทิเช่น Tonkatsu Aoki ซึ่งจะเปิดสาขาแรกที่ Central World ในวันที่ 20 ธ.ค. และ CouCou (ร้านอาหารตะวันตกประเภท all-day) ซึ่งจะเปิดในวันที่ 25 ธ.ค. ที่ The Flavorhood เราปรับเพิ่มประมาณการกำไรสุทธิปี 2024-25 ขึ้น 11-12% เป็น 94 ลบ. (+30% y-y) และ 135 ลบ. (+42.8% y-y) ตามลำดับโดยมีสมมติฐานจาก 13 สาขาใหม่ที่เปิดในปี 2024 และอีก 11 สาขาใหม่ในปี 2025 ซึ่งต่ำกว่าเป้าหมายของบริษัทฯ เล็กน้อย

MAGURO เป็นหุ้นเด่นของเราในกลุ่มร้านอาหาร

เราปรับเพิ่มราคาเป้าหมายของเราเป็น 24.5 บาท (ค่า P/E ratio เดิมที่ 23x) ปัจจุบันหุ้นมีการซื้อขายที่เพียง 18.8x 2025E P/E ซึ่งต่ำกว่าค่าเฉลี่ยอุตสาหกรรมสำหรับหุ้นร้านอาหารพร้อมแนวโน้มการเติบโตของกำไรที่ดีกว่ากลุ่มฯ นอกจากนี้ MAGURO ยังมีสถานะทางการเงินที่ดีหลัง IPO ที่เกิดขึ้นเมื่อเร็ว ๆ นี้ช่วยเพิ่มศักยภาพในการขยายสาขาและแบรนดใหม่ เราคงมอง MAGURO เป็นบวกมากที่สุดในกลุ่มร้านอาหาร



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	10.4	18.8	n/a
Relative to country (%)	12.5	11.9	n/a
Mkt cap (USD m)			74
3m avg. daily turnover (USD m)			1.5
Free float (%)			29
Major shareholder	Mr Jakkrit Saisomboon (15%)		
12m high/low (THB)	23.70/12.60		
Issued shares (m)	126.00		

Sources: Bloomberg consensus; FSSIA estimates



Sureeporn Teewasuwet

Fundamental Investment Analyst at Securities; License no. 040694
sureeporn.t@fssia.com, +66 2646 9972

PREPARED BY FSS INTERNATIONAL INVESTMENT ADVISORY SECURITIES CO LTD (FSSIA). ANALYST CERTIFICATION AND IMPORTANT DISCLOSURES CAN BE FOUND AT THE END OF THIS REPORT

บทวิเคราะห์ฉบับนี้แปลมาจากต้นฉบับภาษาอังกฤษ ที่ออกรายงานเมื่อวันที่ 2 ธันวาคม 2024

Investment thesis

Although the overall outlook for Thailand's restaurant industry in 2024 may appear less optimistic due to weak purchasing power and high competition, MAGURO's negative 9M24 SSSG of 1.8% y-y is smaller compared to other operators like M and ZEN. However, due to the positive impact of opening new branches, MAGURO's total revenue in 9M24 grew by a substantial 26.8% y-y. The company plans to open more branches in 4Q24, and we expect revenue and profit growth to accelerate in 4Q24 and perform well into 2025-26. MAGURO is considered a growth stock in this sector.

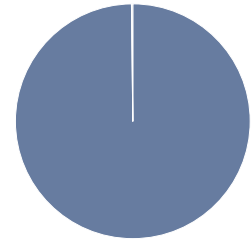
Company profile

MAGURO was established in 2015 and operates in a restaurant business, offering food and beverages across the Premium-Mass range, under the brands MAGURO, SSAMTHING TOGETHER and HITORI SHABU. In addition, the company also provides delivery and catering services.

www.maguro.co.th

Principal activities (revenue, 2023)

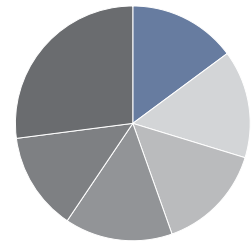
- Restaurants - 99.8 %
- Catering and delivery - 0.2 %



Source: Maguro Group

Major shareholders

- Mr Jakkrit Saisomboon - 14.9 %
- Mr Chatcharas Sriarun - 14.9 %
- Mr Eakkaluk Sangsareedumrong - 14.9 %
- Mr Ronnakad Chinsamran - 14.9 %
- Holistic Impact Pte.Ltd - 13.5 %



Source: Maguro Group

Catalysts

Potential catalysts for MAGURO's earnings growth in 2025 include 1) foot traffic growth and food price hikes; 2) a tourism recovery, which would drive international customers; 3) lower raw material costs; and 4) new store expansion.

Risks to our call

Downside risks to our TP include 1) a slower-than-expected consumption recovery and more intense competition; 2) higher raw material prices; 3) fewer new stores than expected; and 4) a minimum wage increase and labor shortages.

Event calendar

Date	Event
February 2025	4Q24 results announcement

Key assumptions

	2024E	2025E	2026E
SSSG (%)	0.0	2.0	2.0
New branches (no.)	13	11	10
Total branches (no.)	38	49	59
Total revenue growth (%)	29.5	20.5	19.1
Gross margin (%)	45.5	45.3	45.2
SG&A to sales (%)	34.1	33.1	33.0

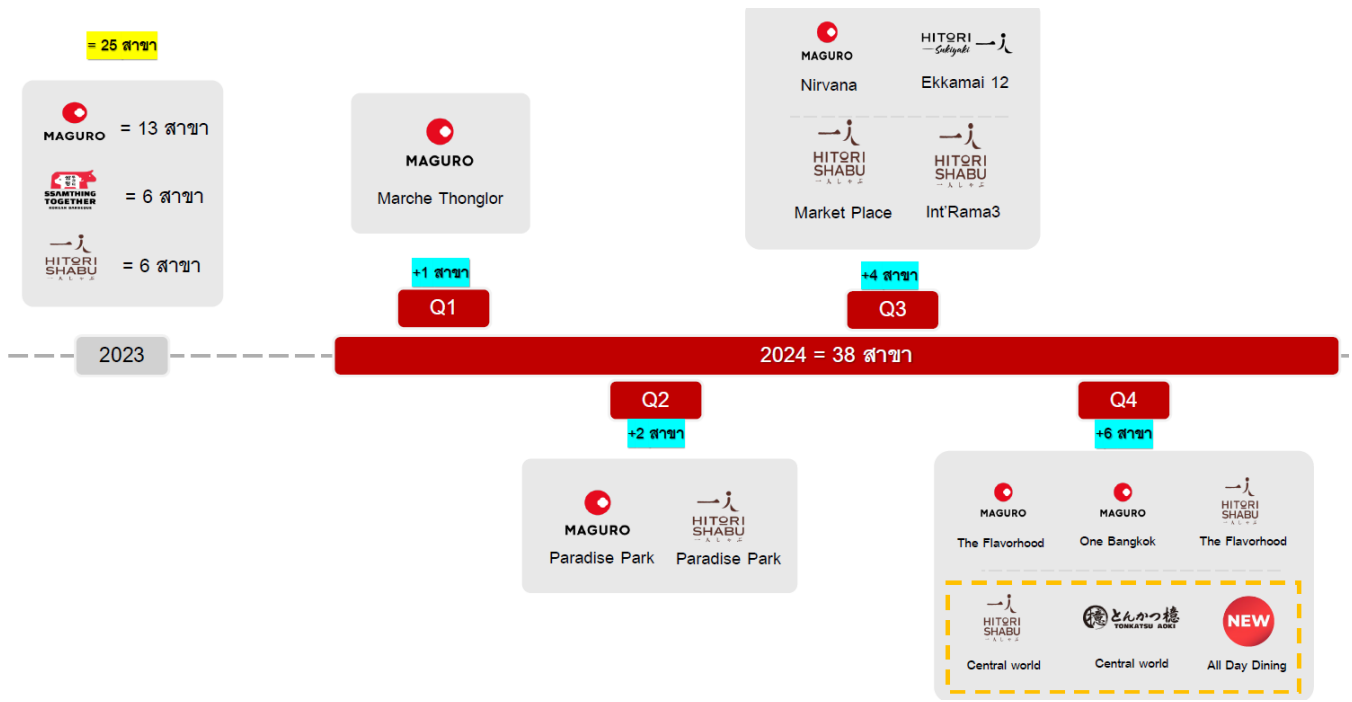
Source: FSSIA estimates

Earnings sensitivity

- For every 1% increase in SSSG, we estimate 2025 net profit to rise by 0.6%, and vice versa, all else being equal.
- For every 0.5% increase in GPM, we estimate 2025 net profit to rise by 5.1%, and vice versa, all else being equal.
- For every 0.2% increase in SG&A, we estimate 2025 net profit to fall by 2.1%, and vice versa, all else being equal.

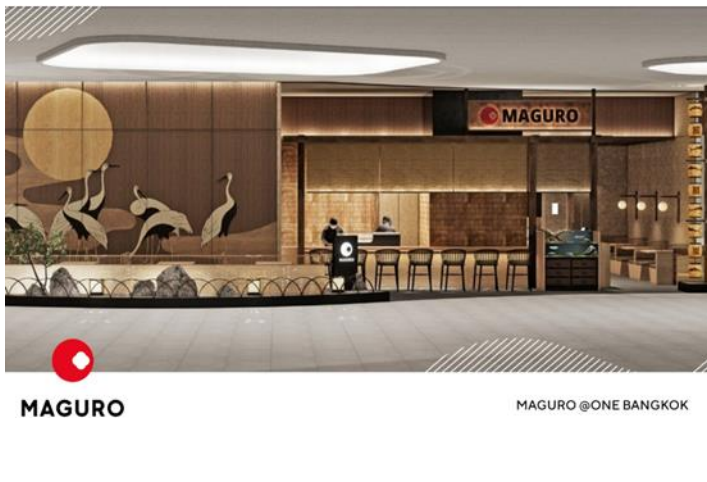
Source: FSSIA estimates

Exhibit 1: 2024 Expansion plans



Source: MAGURO

Exhibit 2: Maguro's One Bangkok branch



Sources: MAGURO, FSSIA's compilation

Exhibit 3: First standalone branch on Pradit Manutham



Sources: MAGURO, FSSIA's compilation

Exhibit 4: New brand – Tonkatsu Aoki



Source: MAGURO

Exhibit 5: New brand – CouCou



Source: MAGURO

Exhibit 6: Changes in key assumptions for MAGURO

	Current			Previous			Change		
	2024E (THB m)	2025E (THB m)	2026E (THB m)	2023E (THB m)	2024E (THB m)	2025E (THB m)	2024E (%)	2025E (%)	2026E (%)
Total revenue	1,351	1,628	1,939	1,333	1,598	1,908	1.4	1.9	1.6
Costs	737	891	1,062	753	887	1,050	(2.2)	0.4	1.2
Gross profit	615	738	877	580	711	858	6.1	3.8	2.2
SG&A expense	460	539	640	440	529	630	4.7	1.9	1.6
Interest expense	33	34	35	31	34	35	5.6	0.0	0.0
Tax expense	25	34	41	21	30	39	17.2	11.3	4.4
Reported net profit	94	135	165	84	121	158	12.2	11.3	4.4
Core profit	100	135	165	91	121	158	9.4	11.3	4.4
Key ratios (%)									
Total revenue growth	29.5	20.5	19.1	27.7	19.9	19.4			
Net profit growth	30.3	42.8	22.3	16.1	44.0	30.3			
Core profit growth	37.8	35.0	22.3	25.9	32.8	30.3			
Gross margin	45.5	45.3	45.2	43.5	44.5	45.0	2.0	0.8	0.3
SG&A to sales	34.1	33.1	33.0	33.0	33.1	33.0	1.1	0.0	(0.0)
Net margin	7.0	8.3	8.5	6.3	7.6	8.3	0.7	0.7	0.2
Core margin	7.4	8.3	8.5	6.8	7.6	8.3	0.5	0.7	0.2
Operating statistics									
SSSG (%)	0.0	2.0	2.0	0.0	2.0	2.0			
Existing branches (no.)	25	38	49	25	38	49			
New branches (no.)	13	11	10	13	11	10			
Total branches (no.)	38	49	59	38	49	59			
Revenue by brand (THB m)									
Maguro	757	813	889	770	826	902	(1.7)	(1.6)	(1.5)
SSamthing Together	210	214	219	199	203	207	5.6	5.6	5.6
Hitori Shabu	383	454	528	351	422	494	9.0	7.7	6.7
Others	0	130	164	10	130	164	(100.0)	0.0	0.0
Revenue contribution (%)									
Maguro	56.0	49.9	45.8	57.8	51.7	47.3			
SSamthing Together	15.5	13.2	11.3	14.9	12.7	10.9			
Hitori Shabu	28.3	27.9	27.2	26.4	26.4	25.9			
Others	0.0	8.0	8.5	0.8	8.1	8.6			

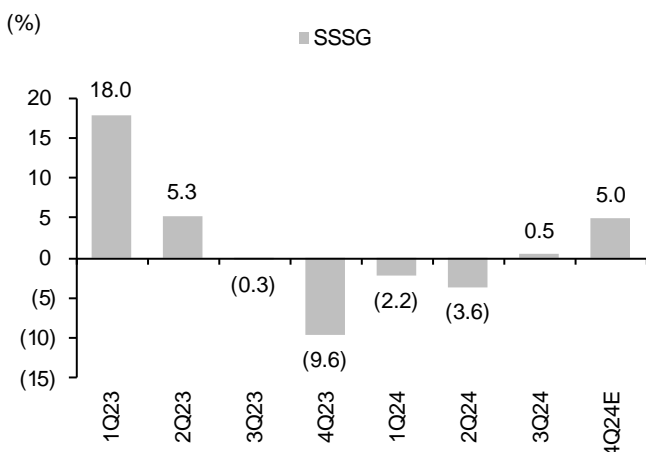
Source: FSSIA estimates

Exhibit 7: MAGURO – 4Q24 earnings preview

	3Q23	4Q23	1Q24	2Q24	3Q24	4Q24E	----- Change -----		2023	2024E	Change
	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(q-q%)	(y-y%)	(THB m)	(THB m)	(y-y%)
Sales	267	276	297	321	356	378	6.2	36.9	1,044	1,351	29.5
Cost of sales	146	153	163	184	187	203	8.9	32.8	572	737	28.8
Gross profit	122	123	134	137	169	174	3.2	42.1	471	615	30.4
SG&A	93	101	102	107	125	127	1.6	25.1	364	460	26.6
Operating profit	29	23	33	30	45	49	8.6	113.3	110	157	42.9
Interest expense	5	6	7	8	9	9	0.9	44.7	19	33	69.1
Tax expense	5	3	5	5	7	8	10.7	164.4	18	25	35.5
Reported net profit	19.0	13.7	20.1	12.9	29.3	32.1	9.3	133.3	72	94	30.3
Core profit	19.0	13.7	20.6	18.2	29.0	32.1	10.5	133.3	72	100	37.8
Key ratios (%)							(ppt)	(ppt)			
Gross margin	45.5	44.5	45.3	42.6	47.5	46.2	(1.3)	1.7	45.2	45.5	0.3
SG&A to sales	34.8	36.7	34.4	33.5	35.0	33.5	(1.5)	(3.2)	34.9	34.1	(0.8)
Operating margin	10.8	8.3	11.0	9.4	12.7	13.0	0.3	4.6	10.5	11.6	1.1
Net margin	7.1	5.0	6.8	4.0	8.2	8.5	0.2	3.5	6.9	7.0	0.0
Core margin	7.1	5.0	6.9	5.7	8.2	8.5	0.3	3.5	6.9	7.4	0.4
Operating statistics (THB m)											
SSSG (%)	(0.3)	(9.6)	(2.2)	(3.6)	0.5	5.0			4.0	0.0	
Existing branches (no.)	20	21	25	26	28	32			16	25	
New branches (no.)	1	4	1	2	4	6			9	13	
Total branches (no.)	21	25	26	28	32	38	18.8	52.0	25	38	52.0
Maguro (no.)	12	13	14	15	16	18	12.5	38.5			
SSAMTHING Together (no.)	5	6	6	6	6	6	0.0	0.0			
Hitori (no.)	4	6	6	7	10	12	20.0	100.0			
Salmon price (NOK/kg)	80	86	109	108	78	77	(0.4)	(10.0)	94	91	(3.3)
Restaurant revenue by brand (THB m)											
MAGURO	160	163	171	180	198	209	5.5	28.0	645	757	17.4
SSAMTHING Together	48	48	51	53	52	54	2.3	12.4	199	210	5.6
Hitori Shabu	59	65	75	87	105	116	10.0	78.0	197	383	94.0

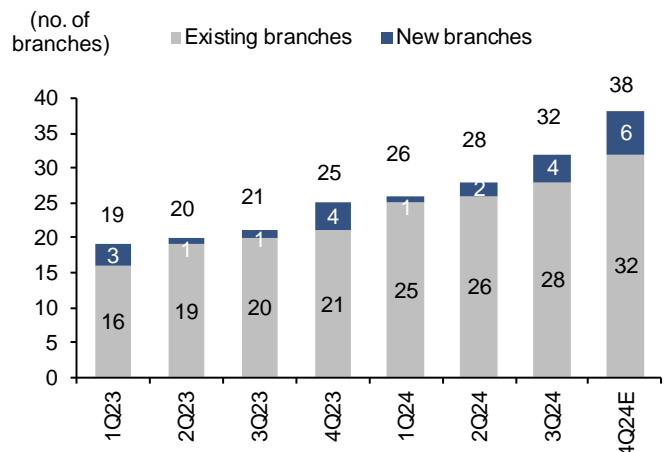
Sources: MAGURO, FSSIA estimates

Exhibit 8: Quarterly same-store sales growth



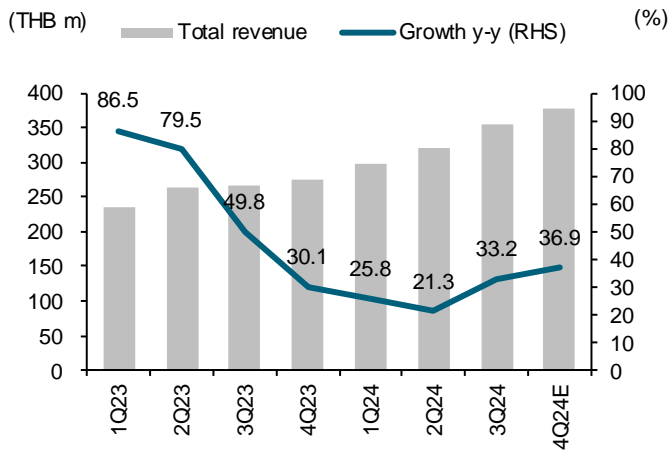
Sources: MAGURO, FSSIA estimates

Exhibit 9: Total and new branch expansions



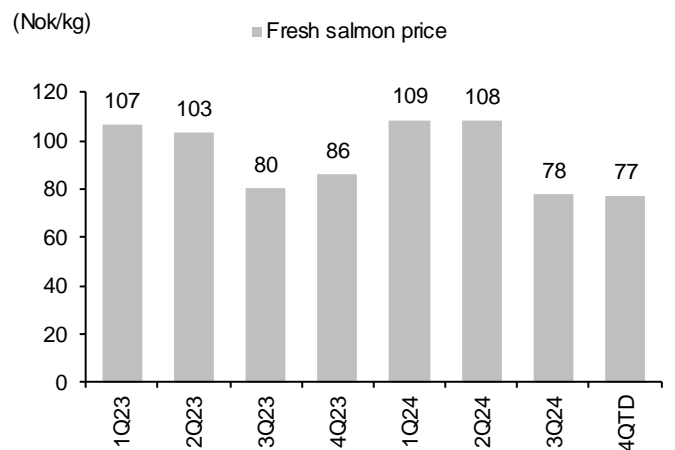
Sources: MAGURO, FSSIA estimates

Exhibit 10: Quarterly total revenue growth



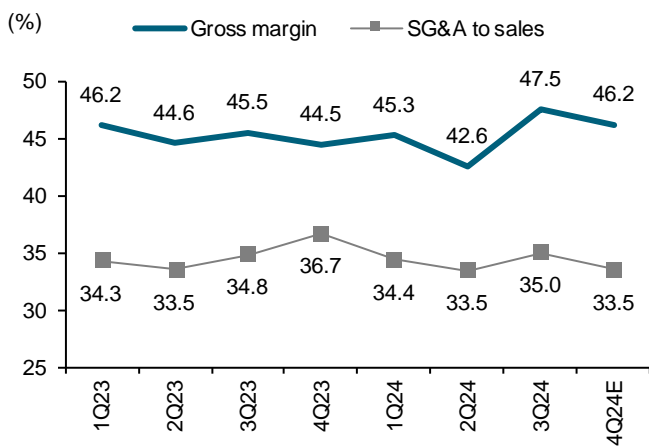
Sources: MAGURO, FSSIA estimates

Exhibit 11: Quarterly Norway fresh salmon prices



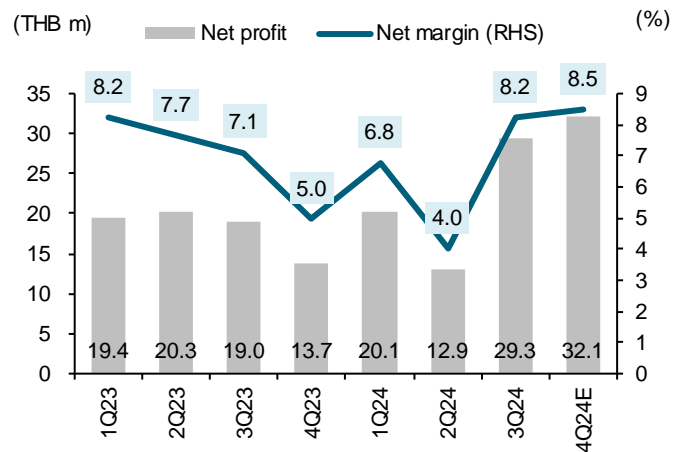
Sources: Bloomberg, FSSIA estimates

Exhibit 12: Quarterly gross margin and SG&A to sales



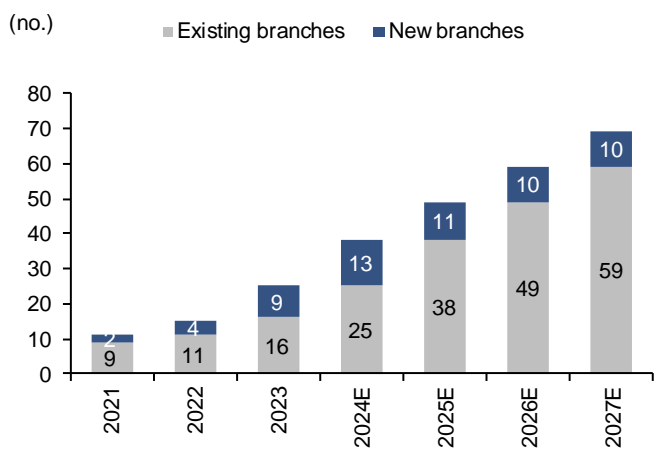
Sources: MAGURO, FSSIA estimates

Exhibit 13: Quarterly net profit and net margin



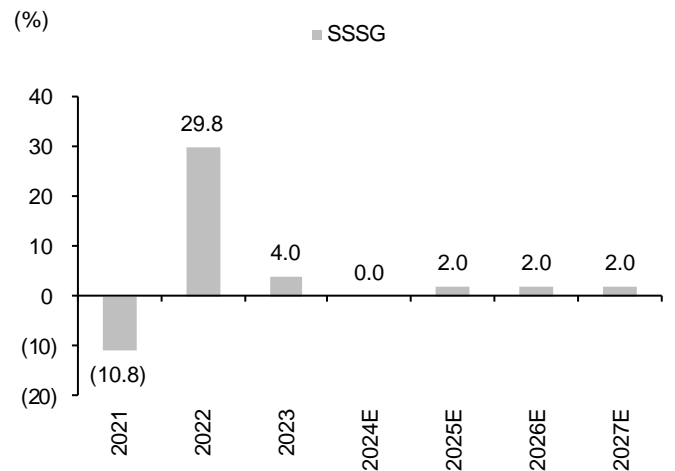
Sources: MAGURO, FSSIA estimates

Exhibit 14: Total new branch expansions



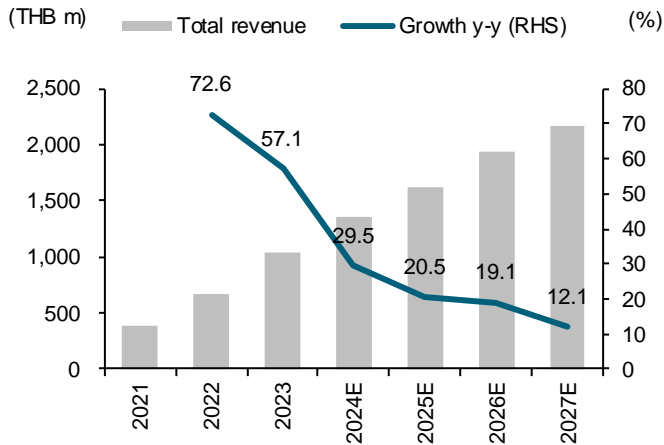
Sources: MAGURO, FSSIA estimates

Exhibit 15: Same-store sales growth



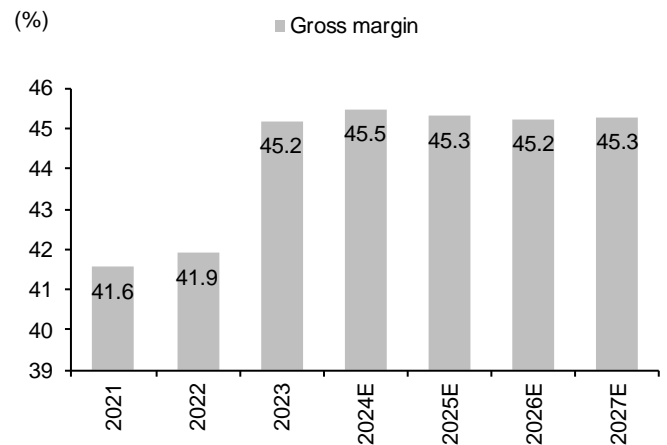
Sources: MAGURO, FSSIA estimates

Exhibit 16: Yearly total revenue and growth



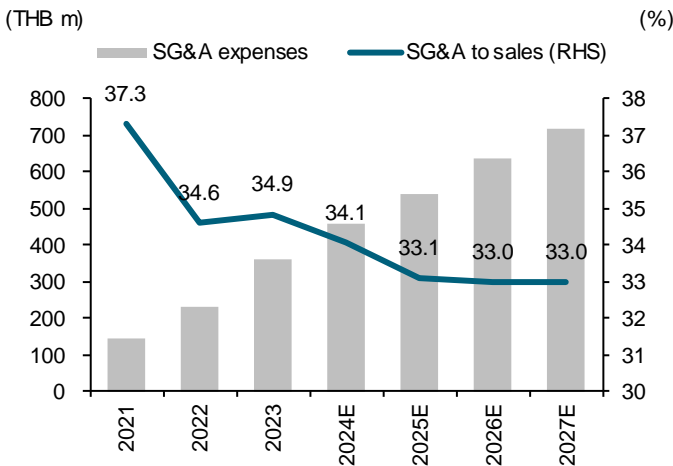
Sources: MAGURO, FSSIA estimates

Exhibit 17: Yearly gross margin



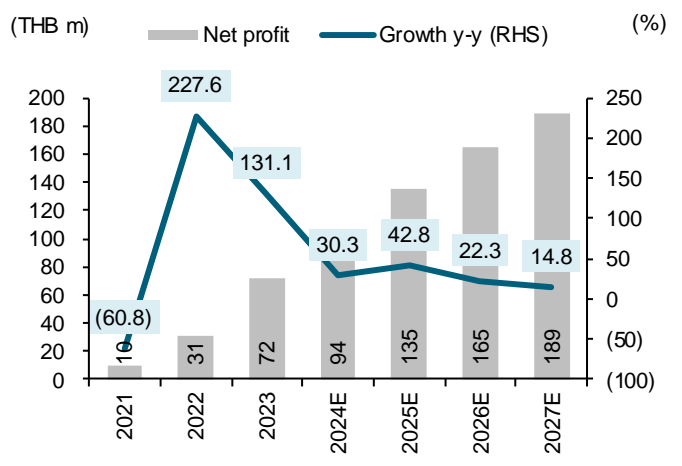
Sources: MAGURO, FSSIA estimates

Exhibit 18: Yearly SG&A to sales



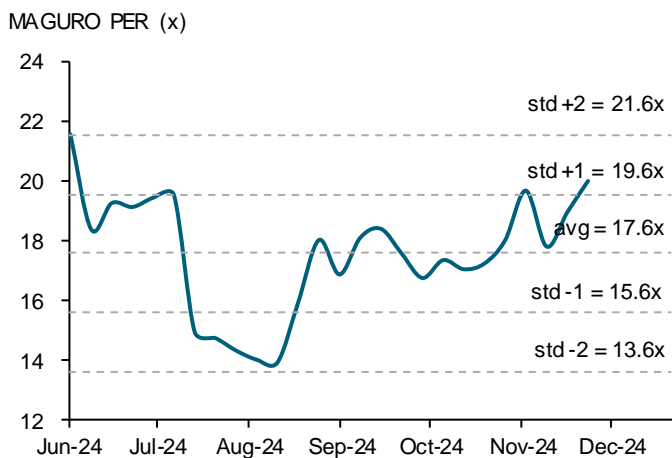
Sources: MAGURO, FSSIA estimates

Exhibit 19: Yearly net profit



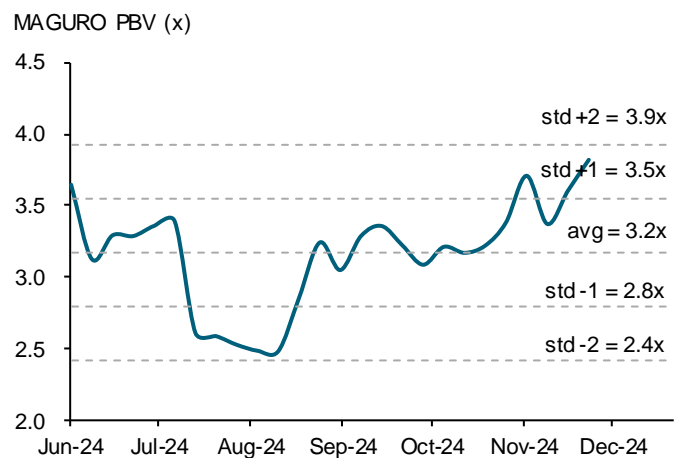
Sources: MAGURO, FSSIA estimates

Exhibit 20: Historical P/E band



Sources: Bloomberg; FSSIA estimates

Exhibit 21: Historical P/BV band



Sources: Bloomberg; FSSIA estimates

Exhibit 22: Peers comparison as of 2 Dec 2024

Company	BBG	Market Cap (USD m)	PE			ROE		PBV		-- EV/ EBITDA --	
			5Y-avg (x)	24E (x)	25E (x)	24E (%)	25E (%)	24E (x)	25E (x)	24E (x)	25E (x)
Thailand											
MK Restaurants Group	M TB	650	31.1	14.7	13.7	11.1	11.7	1.6	1.6	4.5	4.4
Maguro Group	MAGURO TB	74	n/a	25.5	18.9	22.1	20.3	4.0	3.7	9.3	7.8
Zen Corp Group	ZEN TB	61	29.4	24.7	18.5	6.0	7.8	1.5	1.4	4.9	4.2
After You*	AU TB	258	67.8	30.9	26.0	27.4	30.3	8.0	7.4	17.3	15.2
Pluk Phak Praw Rak Mae*	OKJ TB	284	n/a	43.5	34.0	17.8	18.4	4.9	5.6	96.3	49.2
S&P Syndicate*	SNP TB	157	23.8	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Thailand average		1,484	38.0	27.9	22.2	16.9	17.7	4.0	3.9	26.5	16.2

Sources: *Bloomberg; FSSIA estimates

Financial Statements

Maguro Group

Profit and Loss (THB m) Year Ending Dec	2022	2023	2024E	2025E	2026E
Revenue	664	1,044	1,351	1,628	1,939
Cost of goods sold	(386)	(572)	(737)	(891)	(1,062)
Gross profit	278	471	615	738	877
Other operating income	2	2	3	3	4
Operating costs	(230)	(364)	(460)	(539)	(640)
Operating EBITDA	115	218	276	331	380
Depreciation	(65)	(109)	(119)	(129)	(139)
Goodwill amortisation	0	0	0	0	0
Operating EBIT	50	110	157	202	241
Net financing costs	(11)	(19)	(33)	(34)	(35)
Associates	0	0	0	0	0
Recurring non-operating income	0	0	0	0	0
Non-recurring items	0	0	(5)	0	0
Profit before tax	39	91	119	169	206
Tax	(8)	(18)	(25)	(34)	(41)
Profit after tax	31	72	94	135	165
Minority interests	0	0	0	0	0
Preferred dividends	0	0	0	0	0
Other items	-	-	-	-	-
Reported net profit	31	72	94	135	165
Non-recurring items & goodwill (net)	-	-	5	-	-
Recurring net profit	31	72	100	135	165
Per share (THB)					
Recurring EPS *	0.30	0.69	0.79	1.07	1.31
Reported EPS	0.30	0.69	0.75	1.07	1.31
DPS	0.29	0.82	0.45	0.64	0.79
Diluted shares (used to calculate per share data)	105	105	126	126	126
Growth					
Revenue (%)	72.6	57.1	29.5	20.5	19.1
Operating EBITDA (%)	73.2	89.3	26.2	19.9	14.9
Operating EBIT (%)	162.7	119.9	42.9	28.6	19.4
Recurring EPS (%)	227.6	131.1	14.3	35.0	22.3
Reported EPS (%)	227.6	131.1	8.1	42.8	22.3
Operating performance					
Gross margin inc. depreciation (%)	41.9	45.2	45.5	45.3	45.2
Gross margin exc. depreciation (%)	51.8	55.6	54.3	53.2	52.4
Operating EBITDA margin (%)	17.4	20.9	20.4	20.3	19.6
Operating EBIT margin (%)	7.5	10.5	11.6	12.4	12.4
Net margin (%)	4.7	6.9	7.4	8.3	8.5
Effective tax rate (%)	20.3	20.0	20.7	20.0	20.0
Dividend payout on recurring profit (%)	96.7	118.3	56.7	60.0	60.0
Interest cover (X)	4.7	5.7	4.8	6.0	6.9
Inventory days	16.4	24.0	30.0	32.0	31.7
Debtor days	7.6	7.1	5.1	4.6	4.6
Creditor days	74.0	71.4	72.6	74.7	74.0
Operating ROIC (%)	17.2	21.0	22.3	26.0	28.7
ROIC (%)	14.9	18.5	19.6	22.5	24.7
ROE (%)	11.2	26.5	22.1	20.3	22.8
ROA (%)	6.9	12.2	12.0	12.0	13.1
* Pre-exceptional, pre-goodwill and fully diluted					
Revenue by Division (THB m)					
Restaurants	662	1,042	1,349	1,626	1,937
Catering and delivery	3	2	2	2	3

Sources: Maguro Group; FSSIA estimates

Financial Statements

Maguro Group

Cash Flow (THB m) Year Ending Dec	2022	2023	2024E	2025E	2026E
Recurring net profit	31	72	100	135	165
Depreciation	65	109	119	129	139
Associates & minorities	-	-	-	-	-
Other non-cash items	2	0	0	0	0
Change in working capital	(2)	19	18	16	18
Cash flow from operations	96	200	237	279	321
Capex - maintenance	(217)	(352)	(200)	(200)	(200)
Capex - new investment	-	-	-	-	-
Net acquisitions & disposals	-	-	-	-	-
Other investments (net)	(13)	(25)	(28)	(12)	(14)
Cash flow from investing	(231)	(377)	(228)	(212)	(214)
Dividends paid	(26)	(85)	(57)	(81)	(99)
Equity finance	0	0	332	0	0
Debt finance	82	151	47	39	24
Other financing cash flows	3	8	5	5	6
Cash flow from financing	59	73	327	(37)	(69)
Non-recurring cash flows	-	-	-	-	-
Other adjustments	0	0	0	0	0
Net other adjustments	0	0	0	0	0
Movement in cash	(75)	(104)	336	30	38
Free cash flow to firm (FCFF)	(123.56)	(157.84)	41.35	100.25	142.21
Free cash flow to equity (FCFE)	(48.67)	(18.70)	60.41	111.00	136.86

Per share (THB)

FCFF per share	(0.98)	(1.25)	0.33	0.80	1.13
FCFE per share	(0.39)	(0.15)	0.48	0.88	1.09
Recurring cash flow per share	0.94	1.73	1.73	2.09	2.41

Balance Sheet (THB m) Year Ending Dec	2022	2023	2024E	2025E	2026E
Tangible fixed assets (gross)	418	696	788	870	941
Less: Accumulated depreciation	(73)	(108)	(119)	(129)	(139)
Tangible fixed assets (net)	345	588	670	741	803
Intangible fixed assets (net)	13	23	30	30	30
Long-term financial assets	-	-	-	-	-
Invest. in associates & subsidiaries	0	0	0	0	0
Cash & equivalents	198	94	430	460	498
A/C receivable	21	19	19	22	27
Inventories	20	41	61	73	87
Other current assets	4	3	7	8	10
Current assets	243	158	516	564	621
Other assets	30	45	61	73	87
Total assets	631	814	1,276	1,408	1,541
Common equity	280	267	637	691	757
Minorities etc.	0	0	0	0	0
Total shareholders' equity	280	267	637	691	757
Long term debt	196	331	353	385	402
Other long-term liabilities	12	19	24	29	35
Long-term liabilities	208	351	378	415	437
A/C payable	77	105	141	171	204
Short term debt	60	76	100	108	115
Other current liabilities	6	17	20	24	29
Current liabilities	143	197	262	303	347
Total liabilities and shareholders' equity	631	814	1,276	1,408	1,541
Net working capital	(39)	(57)	(76)	(92)	(109)
Invested capital	350	599	685	753	811

* Includes convertibles and preferred stock which is being treated as debt

Per share (THB)

Book value per share	2.68	2.55	5.05	5.48	6.00
Tangible book value per share	2.55	2.34	4.81	5.24	5.77

Financial strength

Net debt/equity (%)	20.8	117.1	3.7	4.8	2.5
Net debt/total assets (%)	9.2	38.4	1.9	2.3	1.2
Current ratio (x)	1.7	0.8	2.0	1.9	1.8
CF interest cover (x)	(3.6)	0.0	2.9	4.3	4.9

Valuation	2022	2023	2024E	2025E	2026E
Recurring P/E (x) *	67.3	29.1	25.5	18.9	15.4
Recurring P/E @ target price (x) *	81.7	35.3	30.9	22.9	18.7
Reported P/E (x)	67.3	29.1	27.0	18.9	15.4
Dividend yield (%)	1.4	4.1	2.2	3.2	3.9
Price/book (x)	7.5	7.9	4.0	3.7	3.4
Price/tangible book (x)	7.9	8.7	4.2	3.9	3.5
EV/EBITDA (x) **	18.8	11.1	9.3	7.8	6.8
EV/EBITDA @ target price (x) **	22.7	13.2	11.3	9.4	8.2
EV/invested capital (x)	6.2	4.0	3.8	3.4	3.2

* Pre-exceptional, pre-goodwill and fully diluted ** EBITDA includes associate income and recurring non-operating income

Sources: Maguro Group; FSSIA estimates

MAGURO GROUP PCL (MAGURO TB)

FSSIA ESG rating
n/a

Exhibit 23: FSSIA ESG score implication

Rating	Score	Implication
★★★★★	>79-100	Leading its industry peers in managing the most significant ESG risks which not only better cost efficiency but also lead to higher profitability.
★★★★★	>59-79	A mixed track record of managing the most significant ESG risks and opportunities relative to industry peers.
★★★	>39-59	Relevant ESG materiality matrix has been constructively addressed, well-managed and incorporated into day-to-day operations, in which targets and achievements are evaluated annually.
★★	>19-39	Relevant ESG materiality matrix has been identified with key management in charge for progress to be followed up on and to provide intensive disclosure. Most targets are conventional and achievable.
★	1-19	The company has adopted the United Nations Sustainable Development Goals (UN SDGs), established sustainability management guidelines and fully complies with regulations or ESG suggested guidance from related organizations such as the SET and SEC.

Source: FSSIA estimates

Exhibit 24: ESG – peer comparison

	FSSIA ESG score	Domestic ratings						Global ratings						Bloomberg	
		DJSI	SET ESG	THSI	CG score	AGM level	Thai CAC	Morningstar ESG risk	ESG Book	MSCI	Moody's	Refinitiv	S&P Global	ESG score	Disclosure score
SET100	69.20	5.34	4.40	4.40	4.76	4.65	3.84	Medium	51.76	BBB	20.87	58.72	63.91	3.72	28.17
Coverage	67.12	5.11	4.15	4.17	4.83	4.71	3.53	Medium	52.04	BB	16.97	56.85	62.09	3.40	31.94
AU	11.75	--	--	--	--	3.00	--	High	--	--	--	--	--	--	--
M	26.38	--	--	--	4.00	4.00	Certified	Medium	--	--	--	--	17.00	--	--
MAGURO	n/a	--	--	--	--	--	--	--	--	--	--	--	--	--	--
SNP	39.25	--	--	Y	4.00	5.00	Certified	--	64.55	--	--	57.45	--	--	--
ZEN	37.06	--	--	Y	5.00	4.00	Certified	--	52.09	--	--	52.41	--	--	--

Sources: [SETTRADE.com](https://www.settrade.com); FSSIA's compilation

Exhibit 25: ESG disclosure from the company's one report

FY ending Dec 31	FY 2023	FY ending Dec 31	FY 2023
Environmental		Governance	
Climate change policy	Yes	Board size / Independent directors (ID) / Female	9 / 3 / 1
Climate change opportunities discussed	--	No. of board meetings for the year / % attendance	9 / 95%
GHG scope 2 location-based policy	Yes	Company conducts board evaluations	--
Biodiversity policy	Yes	Number of non-executive directors on board	4
Energy efficiency policy	Yes	Director share ownership guidelines	No
Electricity used	--	Board age limit	No
Fuel used - crude oil/diesel	--	Age of the youngest / oldest director	-- / --
Waste reduction policy	Yes	Number of executives / female	5 / 2
Water policy	Yes	Executive share ownership guidelines	No
Water consumption	--	Size of audit committee / ID	3 / 3
Social		Audit committee meetings	5
Human rights policy	Yes	Audit committee meeting attendance (%)	100
Policy against child labor	Yes	Size of compensation committee	3 / 2
Quality assurance and recall policy	--	Number of compensation committee meetings	5
Consumer data protection policy	Yes	Compensation committee meeting attendance (%)	100
Equal opportunity policy	Yes	Size of nomination committee / ID	3 / 2
Gender pay gap breakout	--	Number of nomination committee meetings	5
Pct women in workforce	Yes	Nomination committee meeting attendance (%)	100
Business ethics policy	Yes	Board compensation (THB m)	1.61
Anti-bribery ethics policy	Yes	Auditor fee (THB m)	2.20
Health and safety policy	Yes	<i>(PricewaterhouseCoopers ABAS Ltd.)</i>	
Lost time incident rate - employees	--		
Training policy	Yes		
Fair remuneration policy	Yes		
Number of employees - CSR	--		
Total hours spent by firm - employee training	--		
Social supply chain management	Yes		

Source: FSSIA's compilation

Disclaimer for ESG scoring

ESG score	Methodology	Rating																			
The Dow Jones Sustainability Indices (DJSI) By S&P Global	The DJSI World applies a transparent, rules-based component selection process based on the companies' Total Sustainability Scores resulting from the annual S&P Global Corporate Sustainability Assessment (CSA). Only the top-ranked companies within each industry are selected for inclusion.	Be a member and invited to the annual S&P Global Corporate Sustainability Assessment (CSA) for DJSI. Companies with an S&P Global ESG Score of less than 45% of the S&P Global ESG Score of the highest scoring company are disqualified. The constituents of the DJSI indices are selected from the Eligible Universe.																			
SET ESG Ratings List (SETESG) by The Stock Exchange of Thailand (SET)	SET ESG quantifies responsibility in Environmental and Social issues by managing business with transparency in Governance, updated annually. Candidates must pass the preemptive criteria, with two crucial conditions: 1) no irregular trading of the board members and executives; and 2) free float of >150 shareholders, and combined holding must be >15% of paid-up capital. Some key disqualifying criteria include: 1) CG score of below 70%; 2) independent directors and free float violation; 3) executives' wrongdoing related to CG, social & environmental impacts; 4) equity in negative territory; and 5) earnings in red for > 3 years in the last 5 years.	To be eligible for SETESG inclusion , verified data must be scored at a minimum of 50% for each indicator, unless the company is a part of DJSI during the assessment year. The scoring will be fairly weighted against the nature of the relevant industry and materiality. SETESG Index is extended from the SET ESG Ratings companies whose 1) market capitalization > THB5b (~USD150b); 2) free float >20%; and 3) liquidity >0.5% of paid-up capital for at least 9 out of 12 months. The SETTHSI Index is a market capitalisation-weighted index, cap 5% quarterly weight at maximum, and no cap for number of stocks.																			
CG Score by Thai Institute of Directors Association (Thai IOD)	An indicator of CG strength in sustainable development, measured annually by the Thai IOD, with support from the Stock Exchange of Thailand (SET). The results are from the perspective of a third party, not an evaluation of operations.	Scores are rated in six categories: 5 for Excellent (90-100), 4 for Very Good (80-89), 3 for Good (70-79), 2 for Fair (60-69), 1 for Pass (60-69), and not rated for scores below 50. Weightings include: 1) the rights; 2) and equitable treatment of shareholders (weight 25% combined); 3) the role of stakeholders (25%); 4) disclosure & transparency (15%); and 5) board responsibilities (35%).																			
AGM level By Thai Investors Association (TIA) with support from the SEC	It quantifies the extent to which shareholders' rights and equitable treatment are incorporated into business operations and information is transparent and sufficiently disclosed. All form important elements of two out of five the CG components to be evaluated annually. The assessment criteria cover AGM procedures before the meeting (45%), at the meeting date (45%), and after the meeting (10%). <i>(The first assesses 1) advance circulation of sufficient information for voting; and 2) facilitating how voting rights can be exercised. The second assesses 1) the ease of attending meetings; 2) transparency and verifiability; and 3) openness for Q&A. The third involves the meeting minutes that should contain discussion issues, resolutions and voting results.)</i>	The scores are classified into four categories: 5 for Excellent (100), 4 for Very Good (90-99), 3 for Fair (80-89), and not rated for scores below 79.																			
Thai CAC By Thai Private Sector Collective Action Against Corruption (CAC)	The core elements of the Checklist include corruption risk assessment, establishment of key controls, and the monitoring and developing of policies. The Certification is good for three years. <i>(Companies deciding to become a CAC certified member start by submitting a Declaration of Intent to kick off an 18-month deadline to submit the CAC Checklist for Certification, including risk assessment, in place of policy and control, training of managers and employees, establishment of whistleblowing channels, and communication of policies to all stakeholders.)</i>	The document will be reviewed by a committee of nine professionals. A passed Checklist will move for granting certification by the CAC Council approvals whose members are twelve highly respected individuals in professionalism and ethical achievements.																			
Morningstar Sustainalytics	The Sustainalytics' ESG risk rating provides an overall company score based on an assessment of how much of a company's exposure to ESG risk is unmanaged. <i>Sources to be reviewed include corporate publications and regulatory filings, news and other media, NGO reports/websites, multi-sector information, company feedback, ESG controversies, issuer feedback on draft ESG reports, and quality & peer reviews.</i>	A company's ESG risk rating score is the sum of unmanaged risk. The more risk is unmanaged, the higher ESG risk is scored. <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th>NEGL</th> <th>Low</th> <th>Medium</th> <th>High</th> <th>Severe</th> </tr> </thead> <tbody> <tr> <td>0-10</td> <td>10-20</td> <td>20-30</td> <td>30-40</td> <td>40+</td> </tr> </tbody> </table>	NEGL	Low	Medium	High	Severe	0-10	10-20	20-30	30-40	40+									
NEGL	Low	Medium	High	Severe																	
0-10	10-20	20-30	30-40	40+																	
ESG Book	The ESG score identifies sustainable companies that are better positioned to outperform over the long term. The methodology considers the principle of financial materiality including information that significantly helps explain future risk-adjusted performance. Materiality is applied by over-weighting features with higher materiality and rebalancing these weights on a rolling quarterly basis.	The total ESG score is calculated as a weighted sum of the features scores using materiality-based weights. The score is scaled between 0 and 100 with higher scores indicating better performance.																			
MSCI	MSCI ESG ratings aim to measure a company's management of financially relevant ESG risks and opportunities. It uses a rules-based methodology to identify industry leaders and laggards according to their exposure to ESG risks and how well they manage those risks relative to peers. <table border="1" style="margin-left: auto; margin-right: auto;"> <tbody> <tr> <td>AAA</td> <td>8.571-10.000</td> <td rowspan="3">Leader:</td> <td rowspan="3">leading its industry in managing the most significant ESG risks and opportunities</td> </tr> <tr> <td>AA</td> <td>7.143-8.570</td> </tr> <tr> <td>A</td> <td>5.714-7.142</td> </tr> <tr> <td>BBB</td> <td>4.286-5.713</td> <td rowspan="3">Average:</td> <td rowspan="3">a mixed or unexceptional track record of managing the most significant ESG risks and opportunities relative to industry peers</td> </tr> <tr> <td>BB</td> <td>2.857-4.285</td> </tr> <tr> <td>B</td> <td>1.429-2.856</td> </tr> <tr> <td>CCC</td> <td>0.000-1.428</td> <td>Laggard:</td> <td>lagging its industry based on its high exposure and failure to manage significant ESG risks</td> </tr> </tbody> </table>	AAA	8.571-10.000	Leader:	leading its industry in managing the most significant ESG risks and opportunities	AA	7.143-8.570	A	5.714-7.142	BBB	4.286-5.713	Average:	a mixed or unexceptional track record of managing the most significant ESG risks and opportunities relative to industry peers	BB	2.857-4.285	B	1.429-2.856	CCC	0.000-1.428	Laggard:	lagging its industry based on its high exposure and failure to manage significant ESG risks
AAA	8.571-10.000	Leader:	leading its industry in managing the most significant ESG risks and opportunities																		
AA	7.143-8.570																				
A	5.714-7.142																				
BBB	4.286-5.713	Average:	a mixed or unexceptional track record of managing the most significant ESG risks and opportunities relative to industry peers																		
BB	2.857-4.285																				
B	1.429-2.856																				
CCC	0.000-1.428	Laggard:	lagging its industry based on its high exposure and failure to manage significant ESG risks																		
Moody's ESG solutions	Moody's assesses the degree to which companies take into account ESG objectives in the definition and implementation of their strategy policies. It believes that a company integrating ESG factors into its business model and relatively outperforming its peers is better positioned to mitigate risks and create sustainable value for shareholders over the medium to long term.																				
Refinitiv ESG rating	Designed to transparently and objectively measure a company's relative ESG performance, commitment and effectiveness across 10 main themes, based on publicly available and auditable data. The score ranges from 0 to 100 on relative ESG performance and insufficient degree of transparency in reporting material ESG data publicly. <i>(Score ratings are 0 to 25 = poor; >25 to 50 = satisfactory; >50 to 75 = good; and >75 to 100 = excellent.)</i>																				
S&P Global	The S&P Global ESG Score is a relative score measuring a company's performance on and management of ESG risks, opportunities, and impacts compared to its peers within the same industry classification. The score ranges from 0 to 100.																				
Bloomberg	ESG Score	Bloomberg score evaluating the company's aggregated Environmental, Social and Governance (ESG) performance. The score is based on Bloomberg's view of ESG financial materiality. The score is a weighted generalized mean (power mean) of Pillar Scores, where the weights are determined by the pillar priority ranking. Values range from 0 to 10; 10 is the best.																			
Bloomberg	ESG Disclosure Score	Disclosure of a company's ESG used for Bloomberg ESG score. The score ranges from 0 for none to 100 for disclosure of every data point, measuring the amount of ESG data reported publicly, and not the performance on any data point.																			

Rating regarding the sustainable development of Thai listed companies, both on the SET and MAI, are publicly available on the website of the Securities and Exchange Commission of Thailand (SEC). Currently, ratings available are 1) "CG Score"; 2) "AGM Level"; 3) "Thai CAC"; and 4) THSI. The ratings are updated on an annual basis. FSSIA does not confirm nor certify the accuracy of such ratings.

Source: FSSIA's compilation

GENERAL DISCLAIMER

ANALYST(S) CERTIFICATION

Sureeporn Teewasuwet FSS International Investment Advisory Securities Co., Ltd

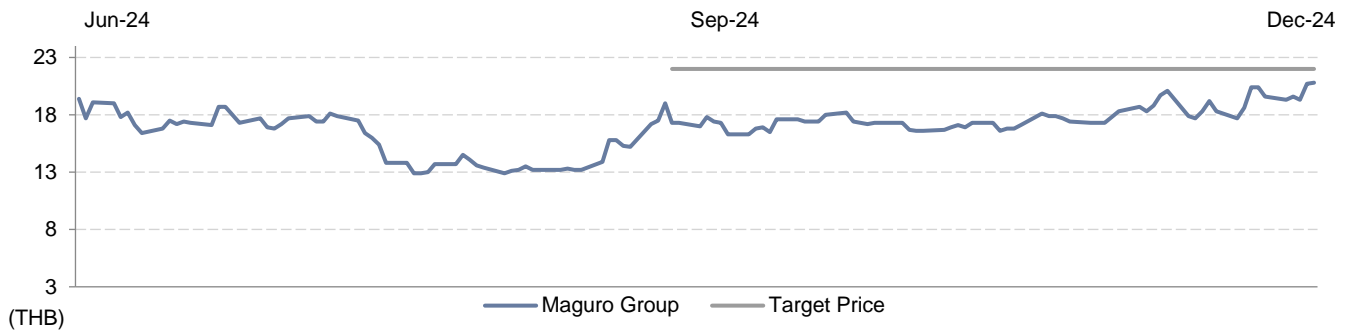
The individual(s) identified above certify(ies) that (i) all views expressed in this report accurately reflect the personal view of the analyst(s) with regard to any and all of the subject securities, companies or issuers mentioned in this report; and (ii) no part of the compensation of the analyst(s) was, is, or will be, directly or indirectly, related to the specific recommendations or views expressed herein.

This report has been prepared by FSS International Investment Advisory Securities Company Limited (FSSIA). The information herein has been obtained from sources believed to be reliable and accurate; however FSSIA makes no representation as to the accuracy and completeness of such information. Information and opinions expressed herein are subject to change without notice. FSSIA has no intention to solicit investors to buy or sell any security in this report. In addition, FSSIA does not guarantee returns nor price of the securities described in the report nor accept any liability for any loss or damage of any kind arising out of the use of such information or opinions in this report. Investors should study this report carefully in making investment decisions. All rights are reserved.

This report may not be reproduced, distributed or published by any person in any manner for any purpose without permission of FSSIA. Investment in securities has risks. Investors are advised to consider carefully before making investment decisions.

History of change in investment rating and/or target price

Maguro Group (MAGURO TB)



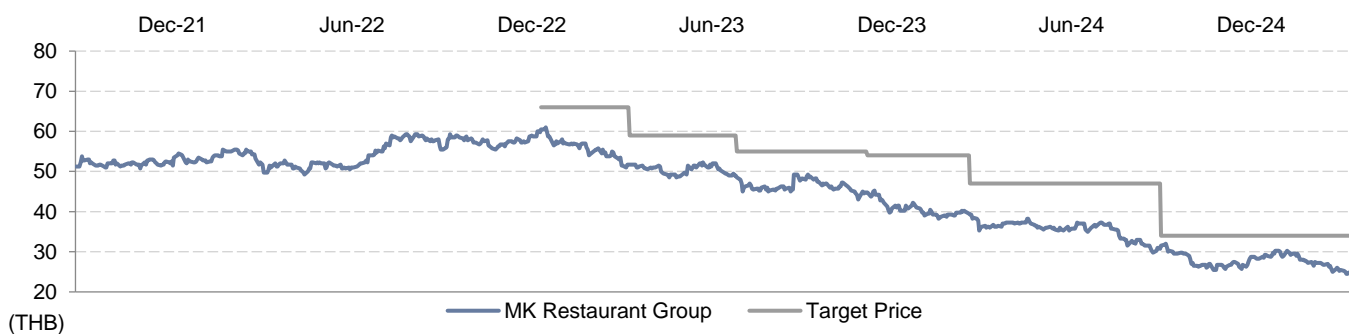
Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
28-Aug-2024	BUY	22.00	-	-	-	-	-	-

Sureeporn Teewasuwet started covering this stock from 28-Aug-2024

Price and TP are in local currency

Source: FSSIA estimates

MK Restaurant Group (M TB)



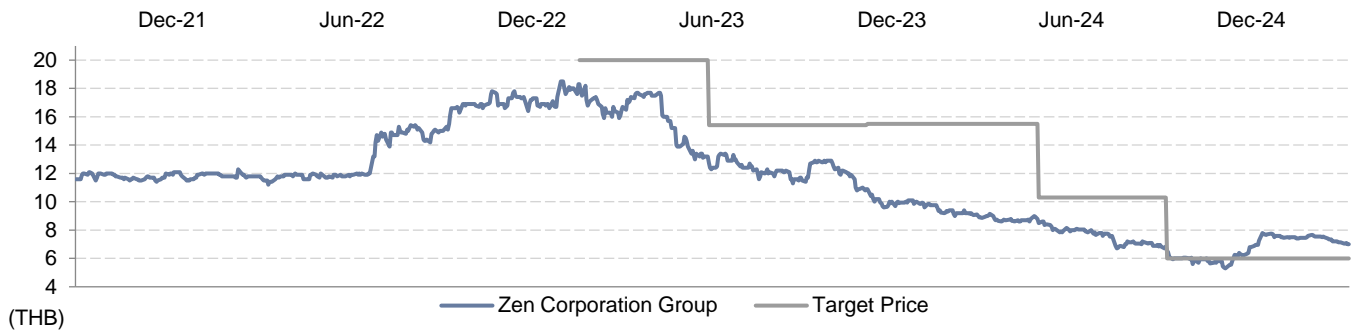
Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
05-Jan-2023	BUY	66.00	22-Jun-2023	BUY	55.00	08-Jan-2024	BUY	47.00
22-Mar-2023	BUY	59.00	12-Oct-2023	BUY	54.00	20-Jun-2024	HOLD	34.00

Sureeporn Teewasuwet started covering this stock from 05-Jan-2023

Price and TP are in local currency

Source: FSSIA estimates

Zen Corporation Group (ZEN TB)



Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
07-Feb-2023	BUY	20.00	12-Oct-2023	BUY	15.50	25-Jun-2024	REDUCE	6.00
29-May-2023	BUY	15.40	07-Mar-2024	BUY	10.30			

Sureeporn Teewasuwet started covering this stock from 07-Feb-2023

Price and TP are in local currency

Source: FSSIA estimates

Company	Ticker	Price	Rating	Valuation & Risks
Maguro Group	MAGURO TB	THB 20.20	BUY	Downside risks to our TP include 1) a slower-than-expected consumption recovery and more intense competition; 2) higher raw material prices; 3) fewer new stores than expected; and 4) a minimum wage increase and labor shortages.
MK Restaurant Group	M TB	THB 24.70	HOLD	Downside and upside risks to our TP include 1) a slower or faster-than-expected consumption recovery and more intense competition; 2) slower or faster-than-expected decreases in raw material costs; 3) a lower or higher-than-expected new store expansion; and 4) a minimum wage increase and labor shortages.
Zen Corporation Group	ZEN TB	THB 7.05	REDUCE	Upside risks to our P/E-based TP include 1) a faster-than-expected purchasing power recovery; 2) a faster-than-expected decrease in raw material costs; 3) greater-than-expected store expansion; and 4) a minimum wage increase or labor shortages.

Source: FSSIA estimates

Additional Disclosures

Target price history, stock price charts, valuation and risk details, and equity rating histories applicable to each company rated in this report is available in our most recently published reports. You can contact the analyst named on the front of this note or your representative at Finansia Syrus Securities Public Company Limited.

All share prices are as at market close on 2-Dec-2024 unless otherwise stated.

RECOMMENDATION STRUCTURE

Stock ratings

Stock ratings are based on absolute upside or downside, which we define as (target price* - current price) / current price.

BUY (B). The upside is 10% or more.

HOLD (H). The upside or downside is less than 10%.

REDUCE (R). The downside is 10% or more.

Unless otherwise specified, these recommendations are set with a 12-month horizon. Thus, it is possible that future price volatility may cause a temporary mismatch between upside/downside for a stock based on market price and the formal recommendation.

* In most cases, the target price will equal the analyst's assessment of the current fair value of the stock. However, if the analyst doesn't think the market will reassess the stock over the specified time horizon due to a lack of events or catalysts, then the target price may differ from fair value. In most cases, therefore, our recommendation is an assessment of the mismatch between current market price and our assessment of current fair value.

Industry Recommendations

Overweight. The analyst expects the fundamental conditions of the sector to be positive over the next 12 months.

Neutral. The analyst expects the fundamental conditions of the sector to be maintained over the next 12 months.

Underweight. The analyst expects the fundamental conditions of the sector to be negative over the next 12 months.

Country (Strategy) Recommendations

Overweight (O). Over the next 12 months, the analyst expects the market to score positively on two or more of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.

Neutral (N). Over the next 12 months, the analyst expects the market to score positively on one of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.

Underweight (U). Over the next 12 months, the analyst does not expect the market to score positively on any of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.