

## MAGURO GROUP

## MAGURO TB

THAILAND / AGRO &amp; FOOD INDUSTRY

BUY

UNCHANGED

## 1Q25 results at first glance

กำไร 1Q25 ใกล้เคียงกับที่เราคาด กำไรโตดี y-y จากการเปิดสาขาใหม่

TARGET PRICE	THB24.50
CLOSE	THB18.10
UP/DOWNSIDE	+35.4%
TP vs CONSENSUS	-2.5%

## Highlights

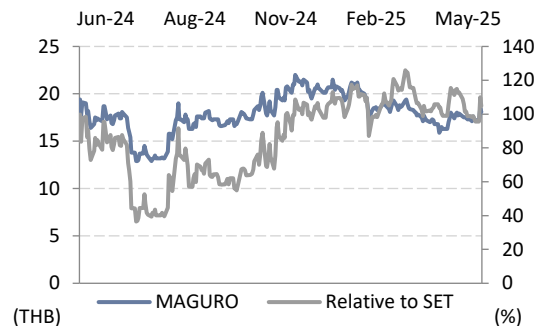
- MAGURO รายงานกำไรสุทธิ 1Q25 อยู่ที่ 33 ลบ. (-5.2% q-q, +62% y-y) ใกล้เคียงกับที่เราคาด
- กำไรลดลง q-q แม้ว่ารายได้รวมจะสูงขึ้น 3.8% q-q พร้อมอัตรากำไรขั้นต้นที่น่าประทับใจที่ 48% สูงขึ้นจาก 47.5% ใน 4Q24 นับเป็นตัวเลขสูงสุดตั้งแต่ MAGURO จัดทะเบียนในตลาดฯ
- กำไรลดลงเนื่องจากค่าใช้จ่ายเพิ่มขึ้นเร็วกว่ารายได้ซึ่งทำให้สัดส่วนค่าใช้จ่ายการขายและบริหารต่อยอดขายเพิ่มขึ้นเป็น 36.2% จาก 35.7% ใน 4Q24 ตัวเลขที่เพิ่มขึ้นดังกล่าวสะท้อนผลกระทบเต็มไตรมาสจากสาขาใหม่ที่เปิดใน 4Q24 รวมถึงค่าใช้จ่ายจาก 2 สาขาใหม่ที่เปิดใน 1Q25 และการเตรียมตัวสำหรับ 4 สาขาใหม่ที่มีกำหนดเปิดใน 2Q25 นับว่าปกติในช่วงการขยายธุรกิจอย่างรวดเร็ว
- กำไรโตดี y-y (+62%) จาก 14 สาขาใหม่ที่เปิดใน 1Q24 เป็นหลักซึ่งช่วยชดเชยตัวเลขการเติบโตของยอดขายสาขาเดิม (SSSG) ที่ติดลบ 5.3% y-y ได้ทั้งหมดและทำให้รายได้รวมกระโดดเพิ่ม 39.8% y-y

## Outlook

- กำไรสุทธิ 1Q25 คิดเป็น 25% ของประมาณการทั้งปีของเรา เราคาดว่ากำไร 2Q25 จะสูงขึ้นทั้ง q-q และ y-y
- ผู้บริหารประกาศแผนเปิด 15 สาขาใหม่ในปี 2025 (เพิ่มขึ้นจากเป้าหมายการก่อนหน้านี้ที่ไม่น้อยกว่า 13 สาขา) ประกอบด้วย Tonkatsu Aoki 6 สาขา Hitori 4 สาขา Maguro 2 สาขา Cou Cou 1 สาขาและอีก 2 แปรพันธุ์ใหม่ ทั้งนี้บริษัทฯ เปิดสาขาใหม่แล้ว 2 สาขาใน 1Q25 และมีกำหนดเปิดอีก 4, 6, และ 3 สาขาใน 2Q, 3Q, และ 4Q25 ตามลำดับซึ่งสูงกว่าสมมติฐานของเราที่ 11 สาขาใหม่
- SSSG ในช่วง 2QTD ยังติดลบ 7-8% y-y จากการบริโภคที่อ่อนแอ การแข่งขันกันเองกับสาขาที่เปิดใหม่และการเปิดเมนูอาหารชุดใหม่ที่น่าเสนอความคุ้มค่าในราคาที่ลดลงเพื่อดึงดูดลูกค้า
- อย่างไรก็ดีผู้บริหารยังมั่นใจเกี่ยวกับการเติบโตของรายได้และอัตรากำไรโดยมีปัจจัยผลักดันจากการเร่งขยายสาขาและต้นทุนวัตถุดิบที่ลดลงอย่างต่อเนื่องโดยเฉพาะแฮมม่อนและเนื้อวากิว

## KEY STOCK DATA

YE Dec (THB m)	2024	2025E	2026E	2027E
Revenue	1,373	1,646	1,957	2,193
Net profit	97	131	161	185
EPS (THB)	0.77	1.04	1.28	1.47
vs Consensus (%)	-	(1.9)	(3.0)	(10.9)
EBITDA	316	371	420	461
Recurring net profit	101	131	161	185
Core EPS (THB)	0.80	1.04	1.28	1.47
EPS growth (%)	15.9	29.4	22.9	15.2
Core P/E (x)	22.5	17.4	14.2	12.3
Dividend yield (%)	3.7	4.0	4.9	5.7
EV/EBITDA (x)	7.8	6.7	5.8	5.2
Price/book (x)	3.5	3.3	3.1	2.9
Net debt/Equity (%)	29.4	29.2	22.5	14.6
ROE (%)	22.0	19.5	22.5	24.1



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	11.0	(1.1)	n/a
Relative to country (%)	3.0	3.4	n/a
Mkt cap (USD m)	69		
3m avg. daily turnover (USD m)	0.4		
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 on Securities; License no. 040694  
sureeporn.t@fssia.com, +66 2646 9972

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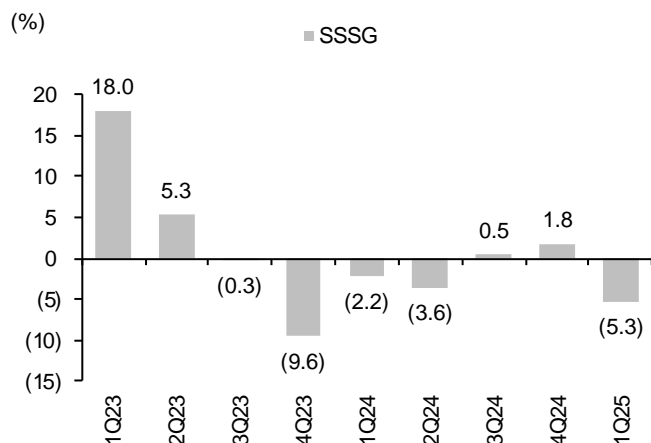
บทวิเคราะห์ฉบับนี้แปลมาจากต้นฉบับภาษาอังกฤษ ที่ออกรายงานเมื่อวันที่ 15 พฤษภาคม 2025

## Exhibit 1: MAGURO – 1Q25 results summary

	1Q24	2Q24	3Q24	4Q24	1Q25	---- Change ----		2024	2025E	Change	% 1Q25
	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(q-q%)	(y-y%)	(THB m)	(THB m)	(y-y%)	to 2025E
Sales	297	321	356	400	415	3.8	39.8	1,373	1,646	19.8	25.2
Cost of sales	163	184	187	210	216	2.8	32.7	743	901	21.2	23.9
Gross profit	134	137	169	190	199	5.0	48.3	630	745	18.2	26.7
SG&A	102	107	125	143	150	5.3	47.3	477	545	14.3	27.6
Operating profit	33	30	45	50	50	(0.6)	52.3	158	203	28.6	24.5
Interest expense	7	8	9	9	9	1.3	33.5	33	40	20.7	23.7
Tax expense	5	5	7	7	8	9.3	61.1	24	33	35.7	24.8
Reported net profit	20.1	12.9	29.3	34.3	32.5	(5.2)	61.5	97	131	35.5	24.8
Core profit	20.6	18.2	29.0	33.4	32.3	(3.3)	56.6	101	131	29.4	24.7
<b>Key ratios (%)</b>						<b>(ppt)</b>	<b>(ppt)</b>				
Gross margin	45.3	42.6	47.5	47.5	48.0	0.5	2.8	45.9	45.3	(0.6)	
SG&A to sales	34.4	33.5	35.0	35.7	36.2	0.5	1.9	34.7	33.1	(1.6)	
Operating margin	11.0	9.4	12.7	12.5	12.0	(0.5)	1.0	11.5	12.4	0.8	
Net margin	6.8	4.0	8.2	8.6	7.8	(0.7)	1.1	7.0	8.0	0.9	
Core margin	6.9	5.7	8.2	8.4	7.8	(0.6)	0.8	7.4	8.0	0.6	
<b>Operating statistics (THB m)</b>											
SSSG (%)	(2.2)	(3.6)	0.5	1.8	(5.3)			(0.9)	2.0		
Existing branches (no.)	25	26	28	32	38			25	34		
New branches (no.)	1	2	4	6	2			13	17		
Total branches (no.)	26	28	32	38	40	5.3	53.8	38	51	34.2	
Maguro (no.)	14	15	16	18	18			18	23		
SSAMTHIBG Together (no.)	6	6	6	6	6			6	6		
Hitori (no.)	6	7	10	12	13			12	18		
Tonkatsu Aoki (no.)				1	2			1	3		
CouCou (no.)				1	1			1	1		
Salmon price (NOK/kg)	109	108	78	82	97	19.0	(10.6)	91	88	(3.4)	
<b>Restaurant revenue by brand (THB m)</b>											
MAGURO	171	180	198	227	223	(1.9)	30.6	776	831	20.2	26.8
SSAMTHING Together	51	53	52	50	47	(5.4)	(8.2)	206	211	3.7	22.3
Hitori Shabu	75	87	105	118	117	(0.9)	56.2	385	457	95.3	25.6
Tonkatsu Aoki				3.4	19.9						
CouCou				0.6	7.7						
<b>Restaurant revenue contribution (%)</b>											
MAGURO	57.4	56.2	55.6	56.8	53.7			56.5	50.5		
SSAMTHING Together	17.2	16.5	14.7	12.4	11.3			27.8	23.4		
Hitori Shabu	25.2	27.2	29.5	29.5	28.2			61.2	61.3		
Tonkatsu Aoki				0.9	4.8						
CouCou				0.2	1.9						

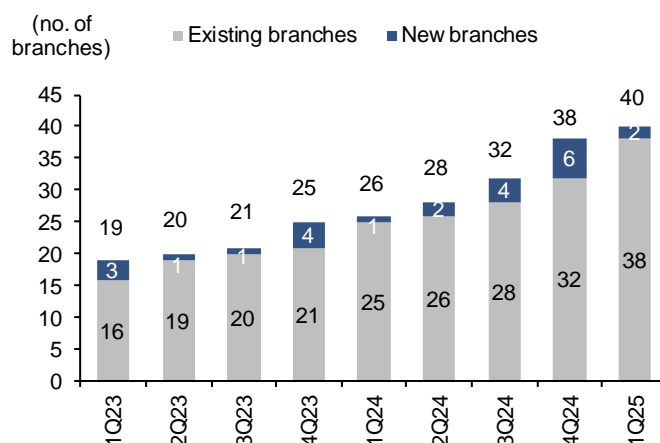
Sources: MAGURO; FSSIA's compilation

## Exhibit 2: Same-store-sales growth



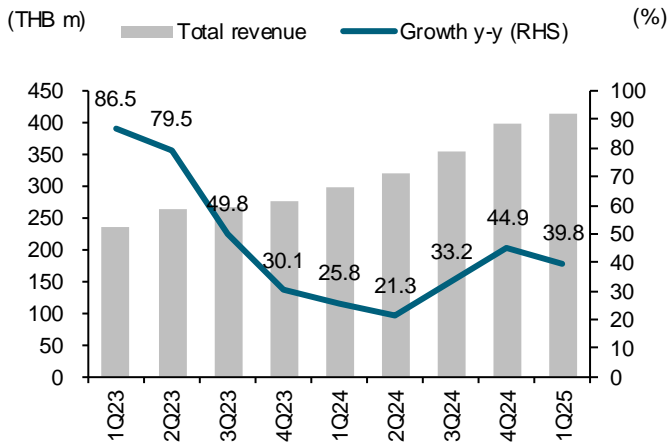
Sources: MAGURO, FSSIA's compilation

## Exhibit 3: Total branches



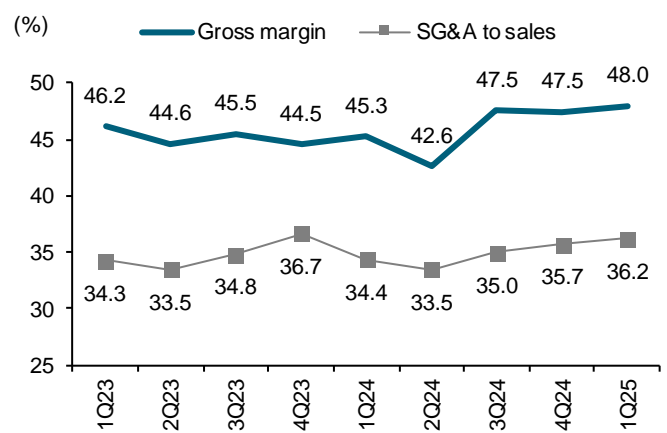
Sources: MAGURO, FSSIA's compilation

Exhibit 4: Total revenue and growth



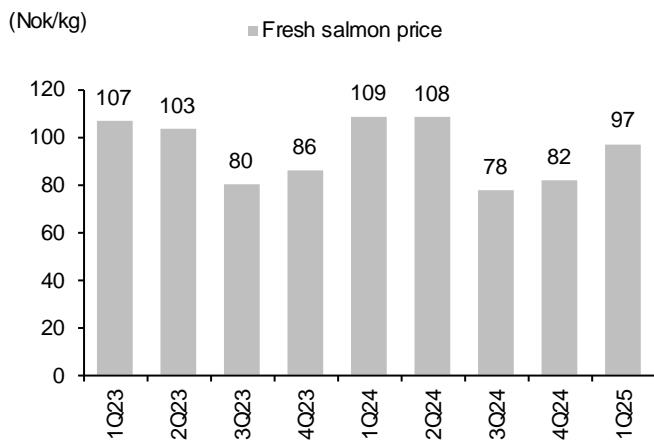
Sources: MAGURO, FSSIA's compilation

Exhibit 5: Gross margin and SG&A to sales



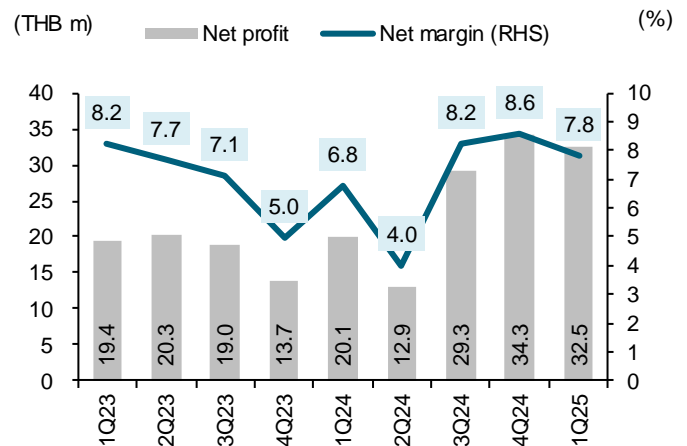
Sources: MAGURO, FSSIA's compilation

Exhibit 6: Salmon price



Sources: Bloomberg, FSSIA's compilation

Exhibit 7: Net profit and net margin



Sources: MAGURO, FSSIA's compilation

Exhibit 8: MAGURO's 2025 new branch expansion plan



Source: MAGURO's 1Q25 presentation

## Financial Statements

### Maguro Group

Profit and Loss (THB m) Year Ending Dec	2023	2024	2025E	2026E	2027E
Revenue	1,044	1,373	1,646	1,957	2,193
Cost of goods sold	(572)	(743)	(901)	(1,073)	(1,201)
<b>Gross profit</b>	<b>471</b>	<b>630</b>	<b>745</b>	<b>884</b>	<b>992</b>
Other operating income	2	5	3	4	4
Operating costs	(364)	(477)	(545)	(646)	(724)
<b>Operating EBITDA</b>	<b>218</b>	<b>316</b>	<b>371</b>	<b>420</b>	<b>461</b>
Depreciation	(109)	(158)	(168)	(178)	(188)
Goodwill amortisation	0	0	0	0	0
<b>Operating EBIT</b>	<b>110</b>	<b>158</b>	<b>203</b>	<b>242</b>	<b>273</b>
Net financing costs	(19)	(33)	(40)	(41)	(41)
Associates	0	0	0	0	0
Recurring non-operating income	0	0	0	0	0
Non-recurring items	0	(5)	0	0	0
<b>Profit before tax</b>	<b>91</b>	<b>121</b>	<b>164</b>	<b>201</b>	<b>232</b>
Tax	(18)	(24)	(33)	(40)	(46)
<b>Profit after tax</b>	<b>72</b>	<b>97</b>	<b>131</b>	<b>161</b>	<b>185</b>
Minority interests	0	0	0	0	0
Preferred dividends	0	0	0	0	0
Other items	-	-	-	-	-
<b>Reported net profit</b>	<b>72</b>	<b>97</b>	<b>131</b>	<b>161</b>	<b>185</b>
<b>Non-recurring items &amp; goodwill (net)</b>	<b>-</b>	<b>5</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Recurring net profit</b>	<b>72</b>	<b>101</b>	<b>131</b>	<b>161</b>	<b>185</b>
<b>Per share (THB)</b>					
Recurring EPS *	0.69	0.80	1.04	1.28	1.47
Reported EPS	0.69	0.77	1.04	1.28	1.47
DPS	0.82	0.67	0.73	0.89	1.03
Diluted shares (used to calculate per share data)	105	126	126	126	126
<b>Growth</b>					
Revenue (%)	57.1	31.6	19.8	18.9	12.0
Operating EBITDA (%)	89.3	44.7	17.5	13.2	9.6
Operating EBIT (%)	119.9	44.0	28.6	19.2	12.5
Recurring EPS (%)	131.1	15.9	29.4	22.9	15.2
Reported EPS (%)	131.1	10.6	35.5	22.9	15.2
<b>Operating performance</b>					
Gross margin inc. depreciation (%)	45.2	45.9	45.3	45.2	45.2
Gross margin exc. depreciation (%)	55.6	57.4	55.5	54.3	53.8
Operating EBITDA margin (%)	20.9	23.0	22.6	21.5	21.0
Operating EBIT margin (%)	10.5	11.5	12.4	12.4	12.4
Net margin (%)	6.9	7.4	8.0	8.2	8.5
Effective tax rate (%)	20.0	20.0	20.0	20.0	20.0
Dividend payout on recurring profit (%)	118.3	83.4	70.0	70.0	70.0
Interest cover (X)	5.7	4.8	5.1	5.9	6.6
Inventory days	24.0	25.0	28.2	33.1	33.7
Debtor days	7.1	5.8	5.2	4.6	4.7
Creditor days	71.4	73.3	75.6	77.2	78.6
Operating ROIC (%)	21.0	19.2	20.2	23.6	26.5
ROIC (%)	18.5	17.2	18.1	20.8	23.1
ROE (%)	26.5	22.0	19.5	22.5	24.1
ROA (%)	12.2	11.6	11.2	12.4	13.1

\* Pre exceptional, pre-goodwill and fully diluted

Revenue by Division (THB m)	2023	2024	2025E	2026E	2027E
Restaurants	1,042	1,371	1,643	1,955	2,190
Catering and delivery	2	2	2	3	3

Sources: Maguro Group; FSSIA estimates

## Financial Statements

### Maguro Group

Cash Flow (THB m) Year Ending Dec	2023	2024	2025E	2026E	2027E
Recurring net profit	72	101	131	161	185
Depreciation	109	158	168	178	188
Associates & minorities	-	-	-	-	-
Other non-cash items	0	0	0	0	0
Change in working capital	19	35	0	18	13
<b>Cash flow from operations</b>	<b>200</b>	<b>294</b>	<b>299</b>	<b>357</b>	<b>386</b>
Capex - maintenance	(352)	(450)	(200)	(200)	(200)
Capex - new investment	-	-	-	-	-
Net acquisitions & disposals	-	-	-	-	-
Other investments (net)	(25)	(23)	(17)	(14)	(11)
<b>Cash flow from investing</b>	<b>(377)</b>	<b>(472)</b>	<b>(217)</b>	<b>(214)</b>	<b>(211)</b>
Dividends paid	(85)	(43)	(92)	(113)	(130)
Equity finance	0	332	0	0	0
Debt finance	151	141	35	24	0
Other financing cash flows	8	10	0	6	4
<b>Cash flow from financing</b>	<b>73</b>	<b>440</b>	<b>(57)</b>	<b>(83)</b>	<b>(126)</b>
Non-recurring cash flows	-	-	-	-	-
Other adjustments	0	0	0	0	0
<b>Net other adjustments</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(3)</b>
<b>Movement in cash</b>	<b>(104)</b>	<b>262</b>	<b>25</b>	<b>60</b>	<b>47</b>
Free cash flow to firm (FCFF)	(157.84)	(145.51)	121.37	183.79	216.94
Free cash flow to equity (FCFE)	(18.70)	(26.92)	116.36	172.33	177.09
<b>Per share (THB)</b>					
FCFF per share	(1.25)	(1.15)	0.96	1.46	1.72
FCFE per share	(0.15)	(0.21)	0.92	1.37	1.41
Recurring cash flow per share	1.73	2.06	2.37	2.69	2.96
Balance Sheet (THB m) Year Ending Dec	2023	2024	2025E	2026E	2027E
Tangible fixed assets (gross)	696	1,038	1,080	1,112	1,134
Less: Accumulated depreciation	(108)	(158)	(168)	(178)	(188)
<b>Tangible fixed assets (net)</b>	<b>588</b>	<b>880</b>	<b>912</b>	<b>934</b>	<b>946</b>
<b>Intangible fixed assets (net)</b>	<b>23</b>	<b>26</b>	<b>30</b>	<b>30</b>	<b>30</b>
Long-term financial assets	-	-	-	-	-
Invest. in associates & subsidiaries	0	0	0	0	0
Cash & equivalents	94	356	381	441	488
A/C receivable	19	24	23	27	30
Inventories	41	39	74	88	99
Other current assets	3	6	8	10	11
<b>Current assets</b>	<b>158</b>	<b>425</b>	<b>486</b>	<b>565</b>	<b>628</b>
Other assets	45	60	74	88	99
<b>Total assets</b>	<b>814</b>	<b>1,392</b>	<b>1,502</b>	<b>1,617</b>	<b>1,703</b>
Common equity	267	653	692	740	796
Minorities etc.	0	0	0	0	0
<b>Total shareholders' equity</b>	<b>267</b>	<b>653</b>	<b>692</b>	<b>740</b>	<b>796</b>
Long term debt	331	443	475	492	507
Other long-term liabilities	19	30	30	35	39
<b>Long-term liabilities</b>	<b>351</b>	<b>473</b>	<b>505</b>	<b>527</b>	<b>547</b>
A/C payable	105	131	173	206	230
Short term debt	76	105	108	115	97
Other current liabilities	17	31	25	29	33
<b>Current liabilities</b>	<b>197</b>	<b>267</b>	<b>305</b>	<b>350</b>	<b>360</b>
<b>Total liabilities and shareholders' equity</b>	<b>814</b>	<b>1,392</b>	<b>1,502</b>	<b>1,617</b>	<b>1,703</b>
Net working capital	(57)	(92)	(93)	(110)	(123)
Invested capital	599	874	923	942	951
* Includes convertibles and preferred stock which is being treated as debt					
<b>Per share (THB)</b>					
Book value per share	2.55	5.18	5.49	5.87	6.32
Tangible book value per share	2.34	4.97	5.25	5.64	6.08
<b>Financial strength</b>					
Net debt/equity (%)	117.1	29.4	29.2	22.5	14.6
Net debt/total assets (%)	38.4	13.8	13.4	10.3	6.8
Current ratio (x)	0.8	1.6	1.6	1.6	1.7
CF interest cover (x)	0.0	0.2	3.9	5.2	5.3
Valuation	2023	2024	2025E	2026E	2027E
<b>Recurring P/E (x) *</b>	<b>26.1</b>	<b>22.5</b>	<b>17.4</b>	<b>14.2</b>	<b>12.3</b>
<b>Recurring P/E @ target price (x) *</b>	<b>35.3</b>	<b>30.5</b>	<b>23.6</b>	<b>19.2</b>	<b>16.7</b>
Reported P/E (x)	26.1	23.6	17.4	14.2	12.3
Dividend yield (%)	4.5	3.7	4.0	4.9	5.7
Price/book (x)	7.1	3.5	3.3	3.1	2.9
Price/tangible book (x)	7.8	3.6	3.4	3.2	3.0
EV/EBITDA (x) **	10.1	7.8	6.7	5.8	5.2
EV/EBITDA @ target price (x) **	13.2	10.4	8.9	7.7	7.0
EV/invested capital (x)	3.7	2.8	2.7	2.6	2.5
* 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 9: 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 10: ESG – peer comparison

	FSSIA ESG score	Domestic ratings						Global ratings						Bloomberg	
		DJSI	SET ESG	SET ESG Rating	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://settrade.com); FSSIA's compilation

## Exhibit 11: ESG disclosure from the company's one report

FY ending Dec 31	FY 2023	FY ending Dec 31	FY 2023
<b>Environmental</b>		<b>Governance</b>	
Climate change policy	Yes	<b>Board size / Independent directors (ID) / Female</b>	<b>9 / 3 / 1</b>
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	--	<b>Size of audit committee / ID</b>	<b>3 / 3</b>
<b>Social</b>		Audit committee meetings	5
Human rights policy	Yes	Audit committee meeting attendance (%)	100
Policy against child labor	Yes	<b>Size of compensation committee</b>	<b>3 / 2</b>
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	<b>Size of nomination committee / ID</b>	<b>3 / 2</b>
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 ( <a href="#">DJSI</a> ) 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 ( <a href="#">SETESG</a> ) by The Stock Exchange of Thailand ( <a href="#">SET</a> )	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 <b>SETESG inclusion</b> , 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. <b>SETESG Index</b> 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.																				
<b>CG Score</b> 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%).																				
<b>AGM level</b> 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&amp;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.																				
<a href="#">Thai CAC</a> 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.																				
<a href="#">Morningstar Sustainalytics</a>	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 &amp; 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><tr><th>NEGL</th><th>Low</th><th>Medium</th><th>High</th><th>Severe</th></tr><tr><td>0-10</td><td>10-20</td><td>20-30</td><td>30-40</td><td>40+</td></tr></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+																		
<a href="#">ESG Book</a>	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.																				
<a href="#">MSCI</a>	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><tr><td><b>AAA</b></td><td>8.571-10.000</td><td rowspan="3"><b>Leader:</b></td><td rowspan="3">leading its industry in managing the most significant ESG risks and opportunities</td></tr><tr><td><b>AA</b></td><td>7.143-8.570</td></tr><tr><td><b>A</b></td><td>5.714-7.142</td></tr><tr><td><b>BBB</b></td><td>4.286-5.713</td><td rowspan="3"><b>Average:</b></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><b>BB</b></td><td>2.857-4.285</td></tr><tr><td><b>B</b></td><td>1.429-2.856</td></tr><tr><td><b>CCC</b></td><td>0.000-1.428</td><td><b>Laggard:</b></td><td>lagging its industry based on its high exposure and failure to manage significant ESG risks</td></tr></table>	<b>AAA</b>	8.571-10.000	<b>Leader:</b>	leading its industry in managing the most significant ESG risks and opportunities	<b>AA</b>	7.143-8.570	<b>A</b>	5.714-7.142	<b>BBB</b>	4.286-5.713	<b>Average:</b>	a mixed or unexceptional track record of managing the most significant ESG risks and opportunities relative to industry peers	<b>BB</b>	2.857-4.285	<b>B</b>	1.429-2.856	<b>CCC</b>	0.000-1.428	<b>Laggard:</b>	lagging its industry based on its high exposure and failure to manage significant ESG risks	
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<b>CCC</b>	0.000-1.428	<b>Laggard:</b>	lagging its industry based on its high exposure and failure to manage significant ESG risks																			
<a href="#">Moody's ESG solutions</a>	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.																					
<a href="#">Refinitiv ESG rating</a>	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; &gt;25 to 50 = satisfactory; &gt;50 to 75 = good; and &gt;75 to 100 = excellent.)</i>																					
<a href="#">S&amp;P Global</a>	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.																					
<b>Bloomberg</b>	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

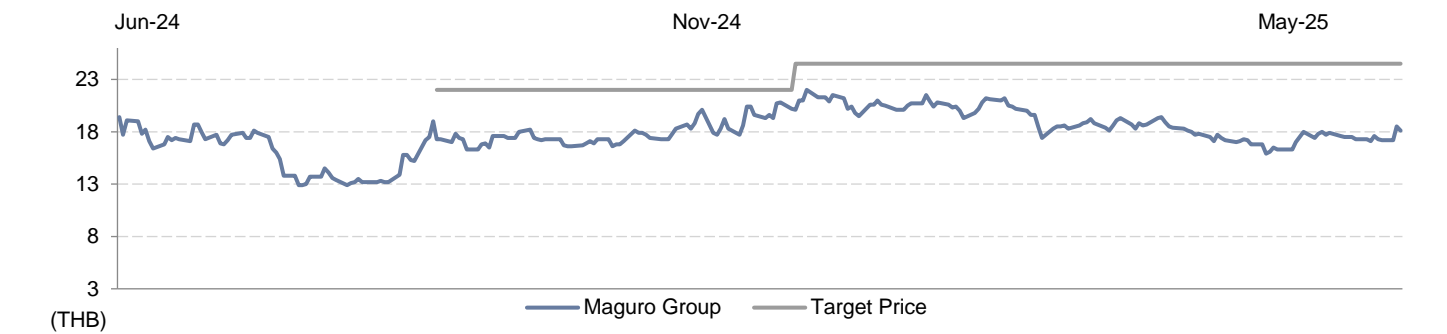
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History of change in investment rating and/or target price

Maguro Group (MAGURO TB)



Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
28-Aug-2024	BUY	22.00	02-Dec-2024	BUY	24.50	-	-	-

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

Price and TP are in local currency

Source: FSSIA estimates

Company	Ticker	Price	Rating	Valuation & Risks
Maguro Group	MAGURO TB	THB 18.10	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 store launches than expected; and 4) a minimum wage increase and 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 14-May-2025 unless otherwise stated.



## RECOMMENDATION STRUCTURE

### Stock ratings

Stock ratings are based on absolute upside or downside, which we define as  $(\text{target price}^* - \text{current price}) / \text{current price}$ .

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.