



# Zen Corporation Group Public Company Limited

## Opportunity Day 4Q22 and Y2022

16<sup>th</sup> March 2023

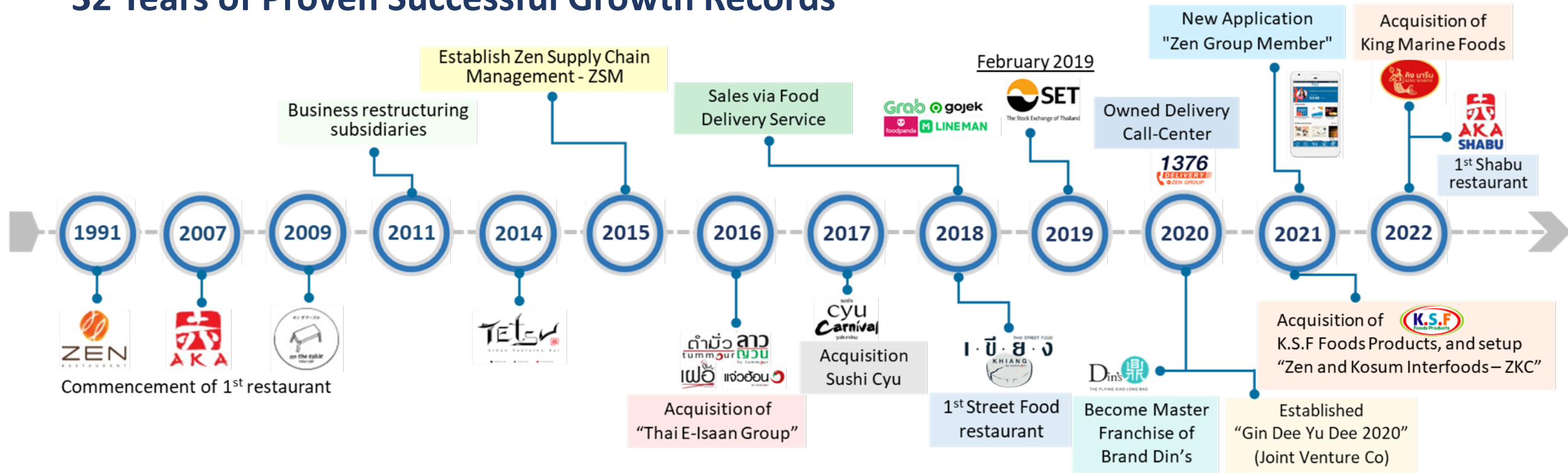
- Year 2022 Key Highlights
- Financial Performance
- Business Overview and Directions in 2023
- Sustainability Update

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# Key Milestones

## 32 Years of Proven Successful Growth Records



## 5 Pillars of Zen Group

### 1 Restaurant Business

- Being our core business
- Continuously expand outlet on a broad range of location, ex. shopping mall, community mall, hypermarket, convention center, commercial building, gas station and stand alone in both Bangkok and up-country

### 2 Franchise Business

- Strengthen the franchise model by being a business management consultant for franchisee to have same quality and standards of operations as equity business.
- Raw material sales is key revenue stream of franchise business

### 3 Delivery/E-Commerce Business

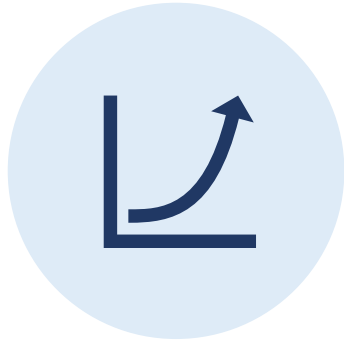
- Expand as a sales channel
- Strengthen CRM application via "ZEN Group Member"
- Improve 1376 delivery platform and integrate with other systems
- Recall customer, easy to reach all brands of Zen Group

### 4 Commercial Retail Business

- Build modern trade network
- Collaborate with the experienced distributors to expand the market
- Increase SKUs, including co-branding with business partners to explore new products
- E-Commerce channels

### 5 New Business

- Diversify the concentration risk to other related food business
- Cautious in long-term investment



## MADE NEW HIGH FINANCIAL RECORDS

- Made the highest financial performance compared to the past, since pre-covid-19 periods
- Total revenue grew 51% YoY
- Turned from net loss in Y2021 to net profit with 268% growth



## EXPAND OUTLETS, ESTABLISH NEW MODEL AND REFRESH BRAND

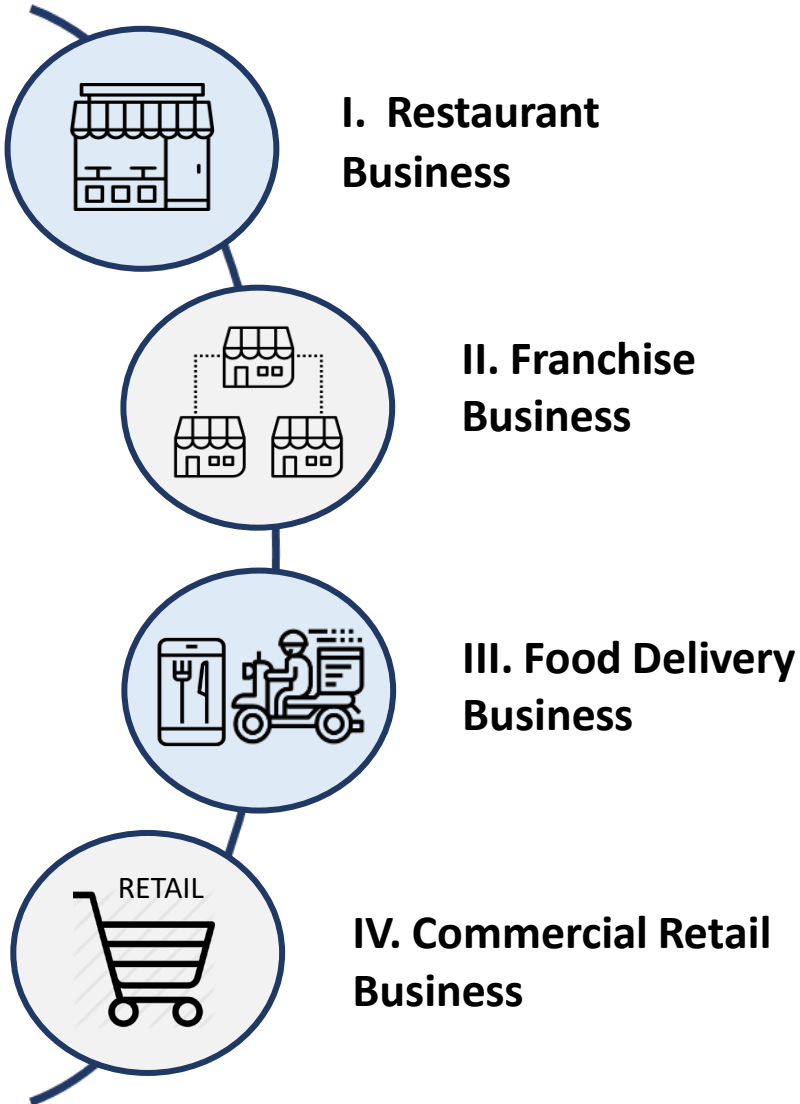
- Total 45 new opened branches: 25 Equity-owned and 20 Franchise branches
- Opened 1<sup>st</sup> new sub-brand, AKA Shabu, equity branch
- Opened 1<sup>st</sup> AKA Yakiniku domestic franchise branch
- Made On-The-Table “OTT” Brand rejuvenation



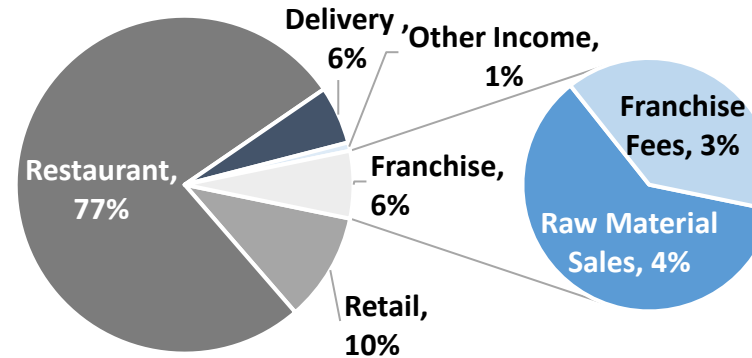
## SUCCESSFUL COMMERCIAL RETAIL BUSINESS

- Diversify business with the win-win strategy:
  - Promote SME business
  - Reduce the Company's main food cost
  - Enhance Group's business growth

# Business Group's Revenue Structure



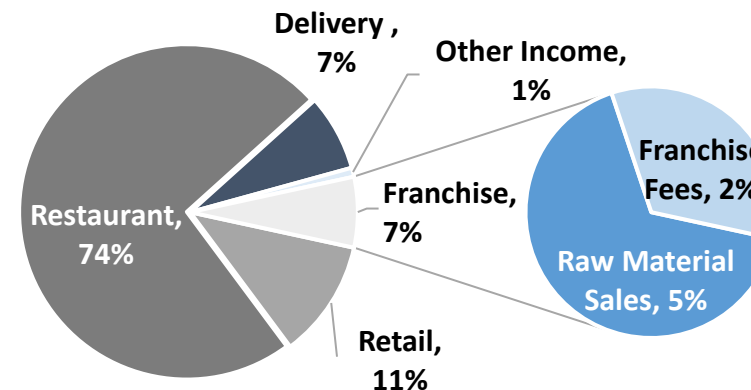
## 4Q22 Total Revenue Structure



### 4Q22 Major changes YoY

- **Restaurant business mix** same as last year, at 77%
- **Delivery decrease 4%**, from 10% to 6%
- **Franchise business decrease 1%**, from 7% to 6%
- **Retail business increase 6%**, from 4% to 10%

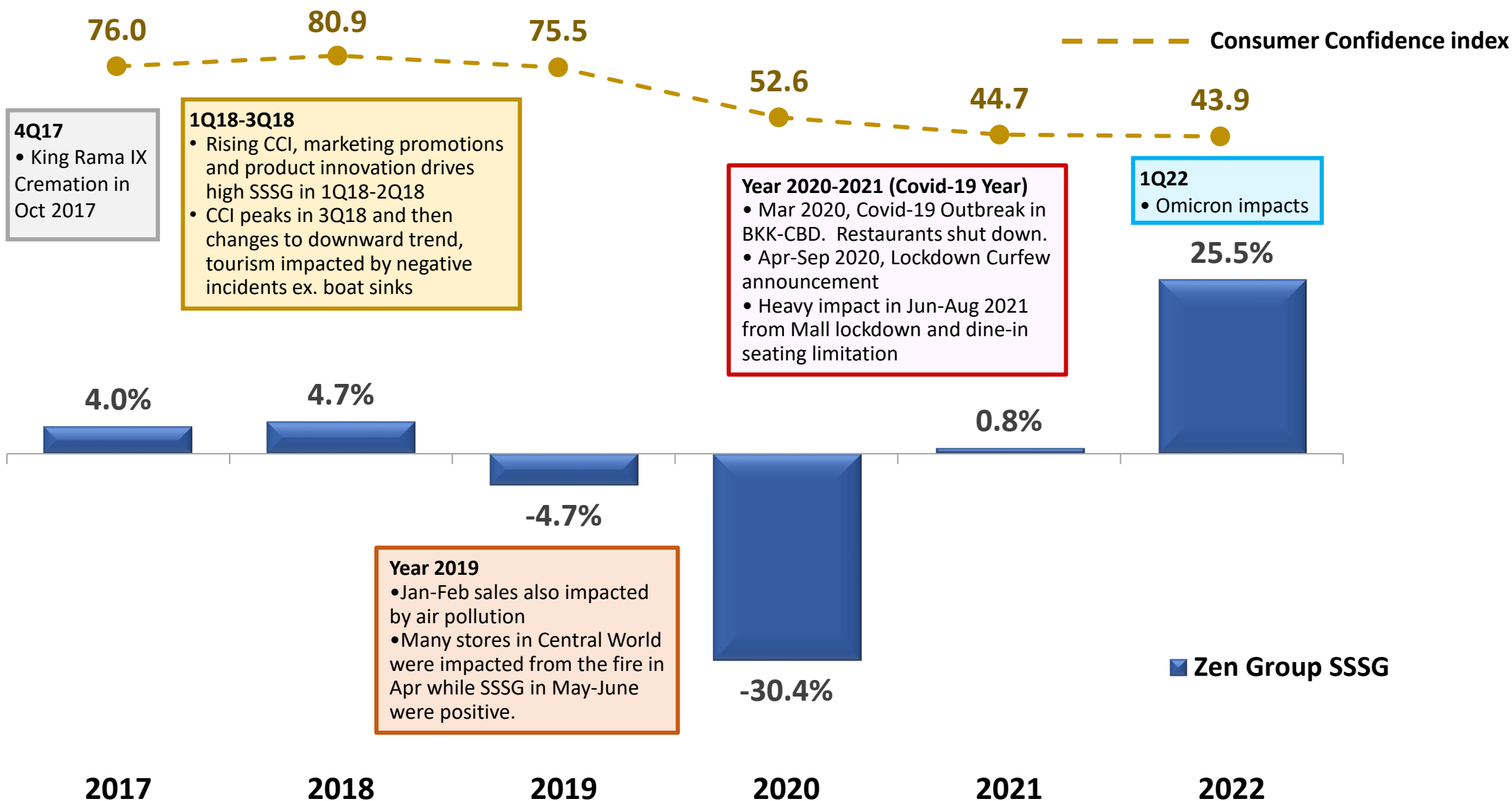
## Y2022 Total Revenue Structure



### Y2022 Major changes YoY

- **Restaurant increase 3%**, from 71% to 74%
- **Delivery decrease 7%**, from 14% to 7%
- **Franchise decrease 3%**, from 10% to 7%
- **Retail business increase 7%**, from 4% to 11%

# Increasing SSSG after Ending Covid-19 Control Measures



# Revenue of Commercial Retail grows almost 4 times

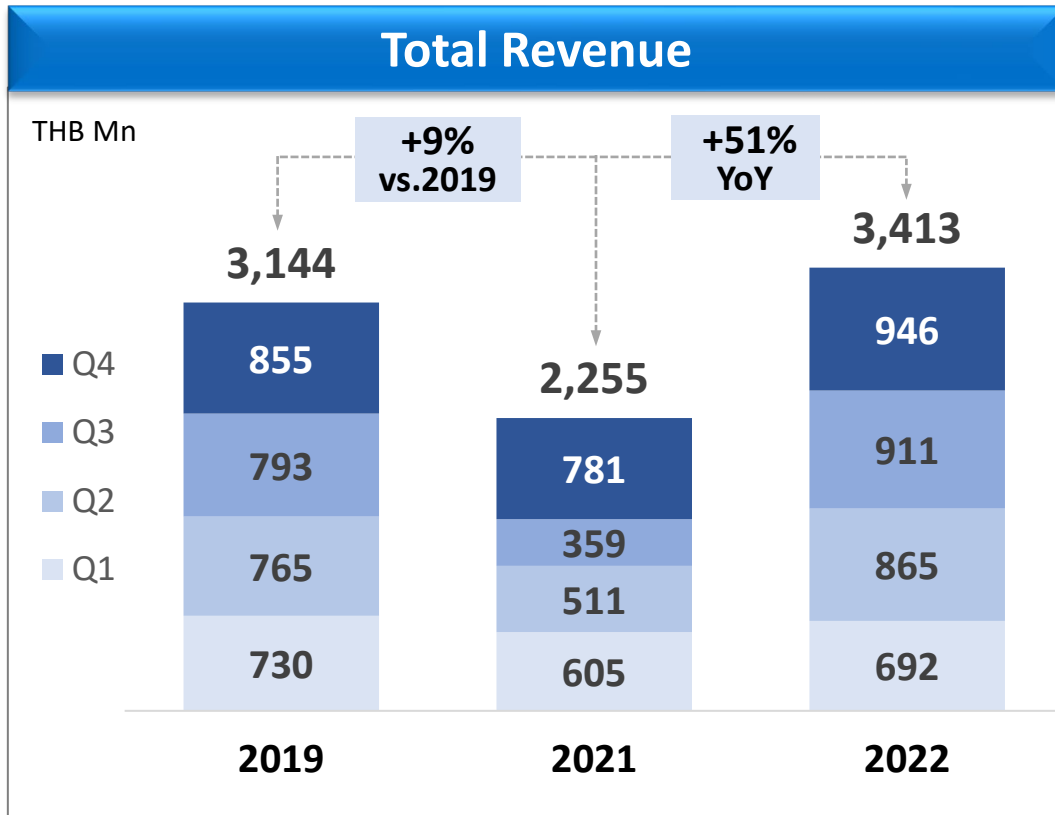
- Diversify the concentration risk from only food restaurants to other related food business, that is commercial retail
- Establish modern-trade network and expand retail market across Thailand and neighborhood-country
- Create product awareness through e-commerce channels



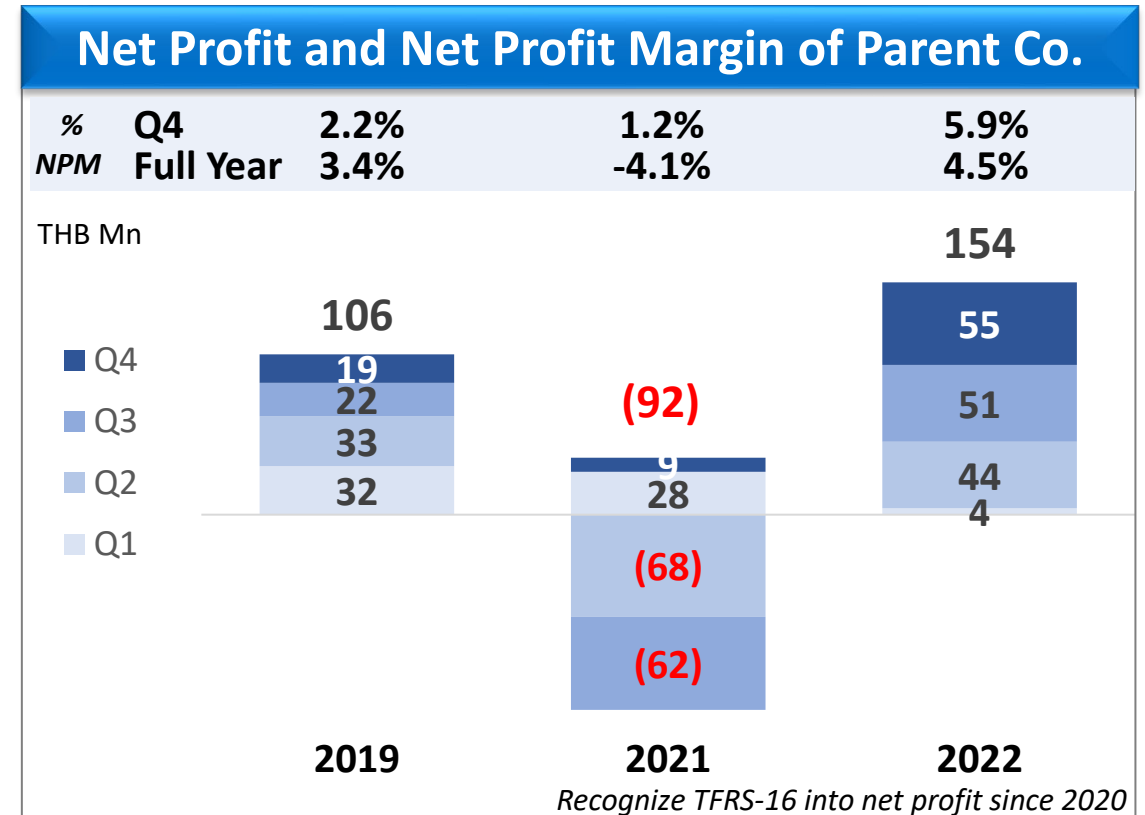


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# Total Revenue and Net Profit



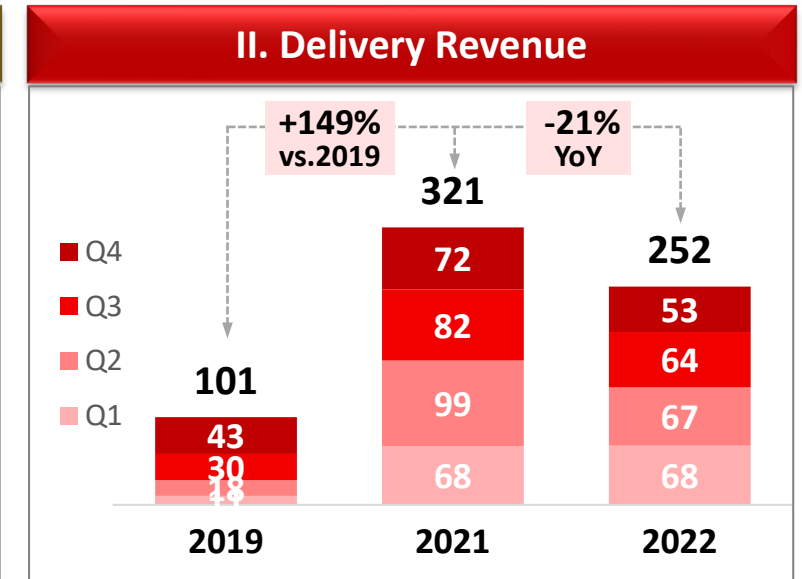
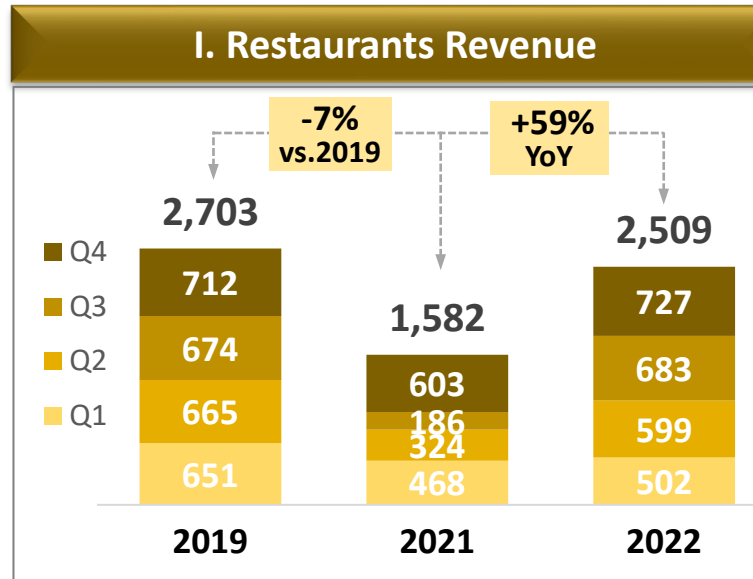
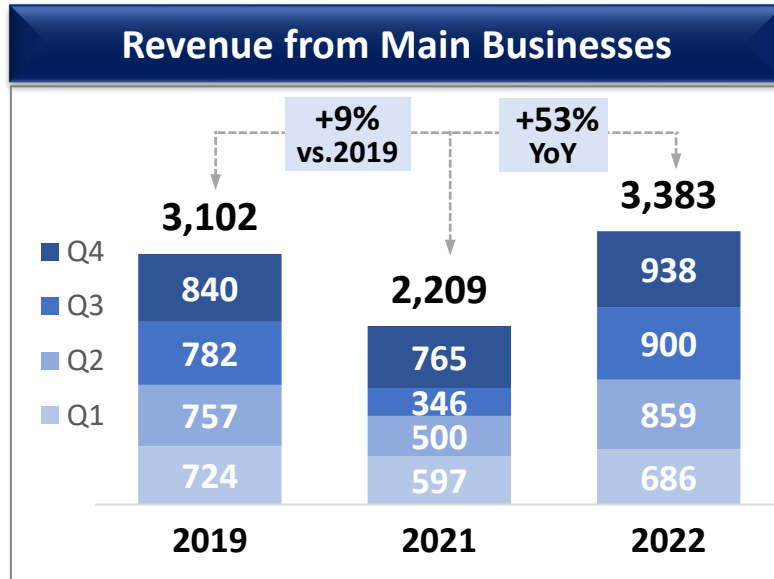
- **4Q22 and Y2022 Total revenue increased by 21% and 51% YoY**, respectively, mainly from recovery of restaurant business and growth in retail business.
- **Compared to 2019 same period (pre-covid)**, total revenue increased by 11% for 4<sup>th</sup> quarter and 9% for total year period.



- **4Q22 Net Profit of THB 55Mn**, increased by THB 46Mn or 494%YoY.
- **Y2022 Net Profit of THB 154Mn**, turned from net loss of THB 92Mn in Y2021, or increased by THB 246Mn YoY.
- **Compared to 2019 same period (pre-covid)**, net profit increased by 195% for 4<sup>th</sup> quarter and increased by 45% for total year period.

# Revenue from Main Businesses

THB Mn



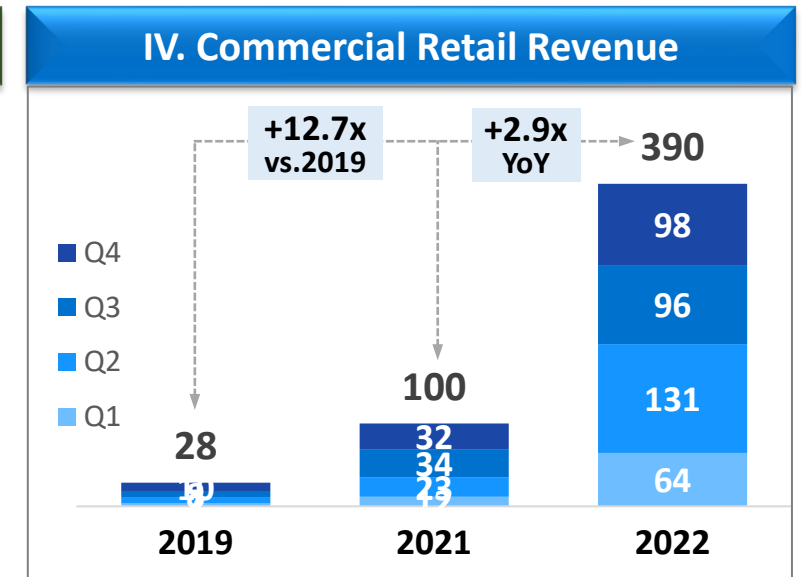
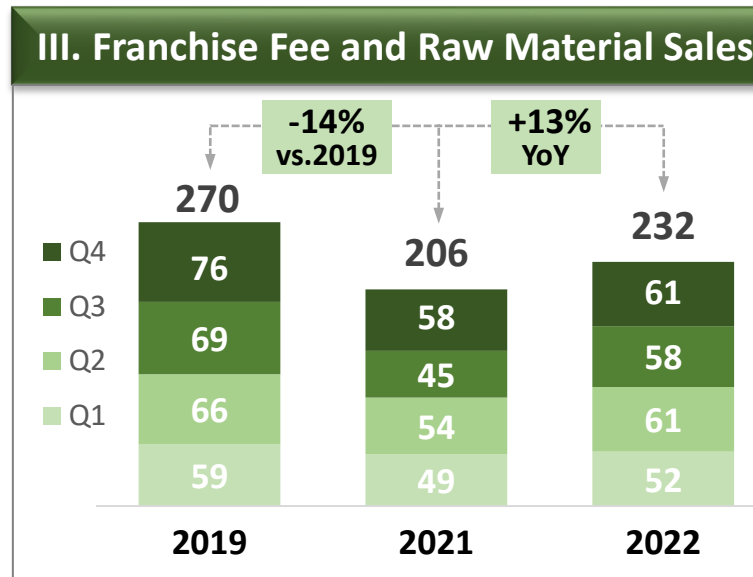
✓ Total revenue from main businesses of 4Q22 and Y2022 were THB 938 Mn and THB 3,383 Mn, respectively.

✓ Compared to last year (2021) same period

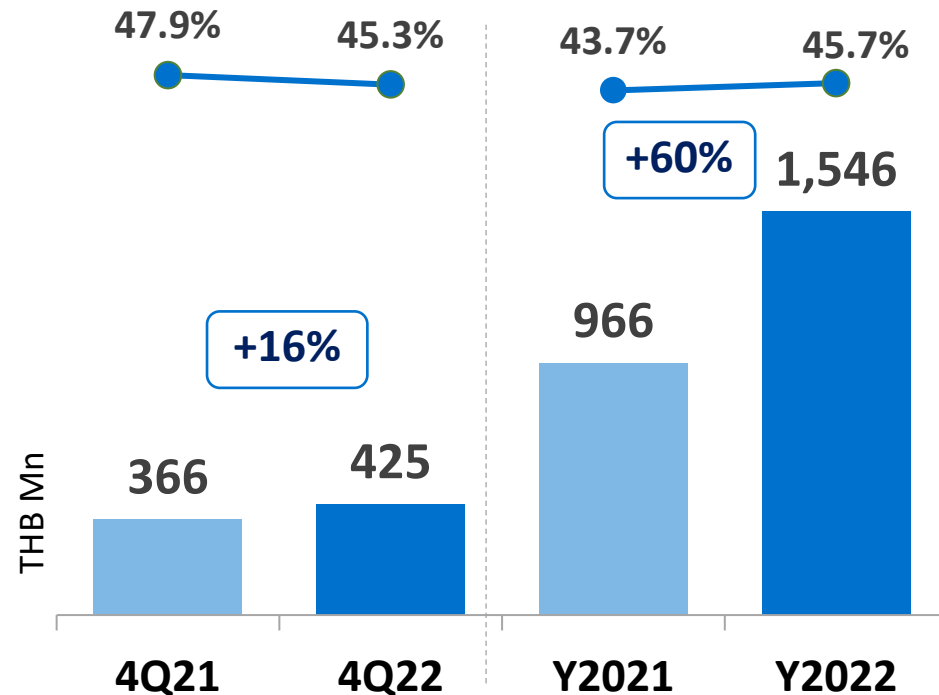
- 4<sup>th</sup> quarter: THB +173 Mn, or +23%
- Y2022: THB +1,174 Mn, or +53%

✓ Compared to 2019 same period (pre-covid)

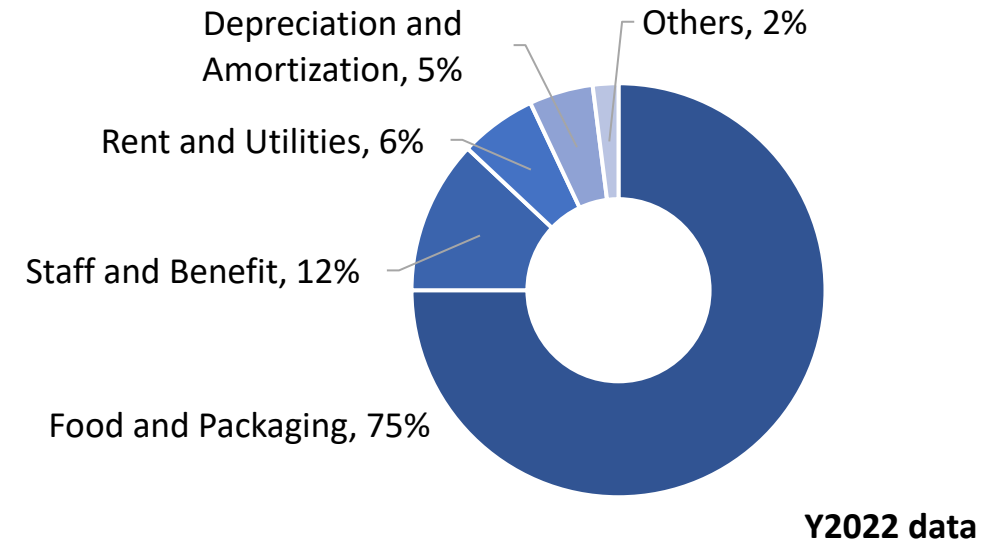
- 4<sup>th</sup> quarter: THB +98 Mn, or +12%
- Y2022: THB +281 Mn, or +9%



# Gross Profit and Gross Profit Margin

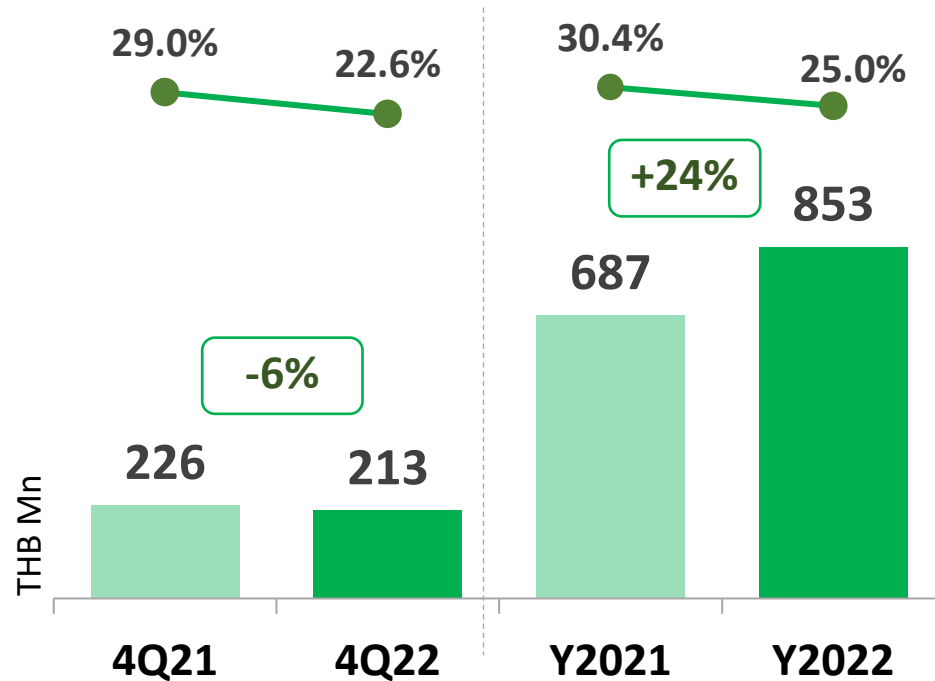


## Component of Cost of Sales and Service

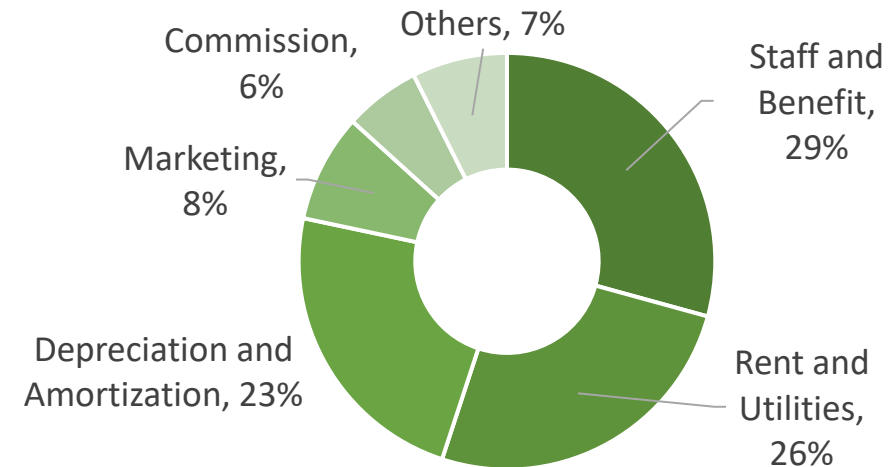


- **4Q22 Gross Profit** increased YoY by THB 58 Mn or 16% and Gross Profit Margin decreased by 2.6% YoY.
- **Y2022 Gross Profit** increased YoY by THB 580 Mn, or 60% and Gross Profit Margin better than last year by 2.0%
- Major factors to drive better gross margin in 2022 compared to 2021 were:
  - The recovery of revenue from the restaurant business
  - Good raw material cost management by launching new menus and promotions to suit with cost of raw materials, including the use of some raw materials together in many brands in order to purchase them in a large quantity at more economical price.
  - Lower revenue mix from delivery sales channel which has a lower gross margin than the dine-in business
  - Higher revenue mix from retail business which generate more profit amount

# Selling Expenses



## Component of Selling Expenses

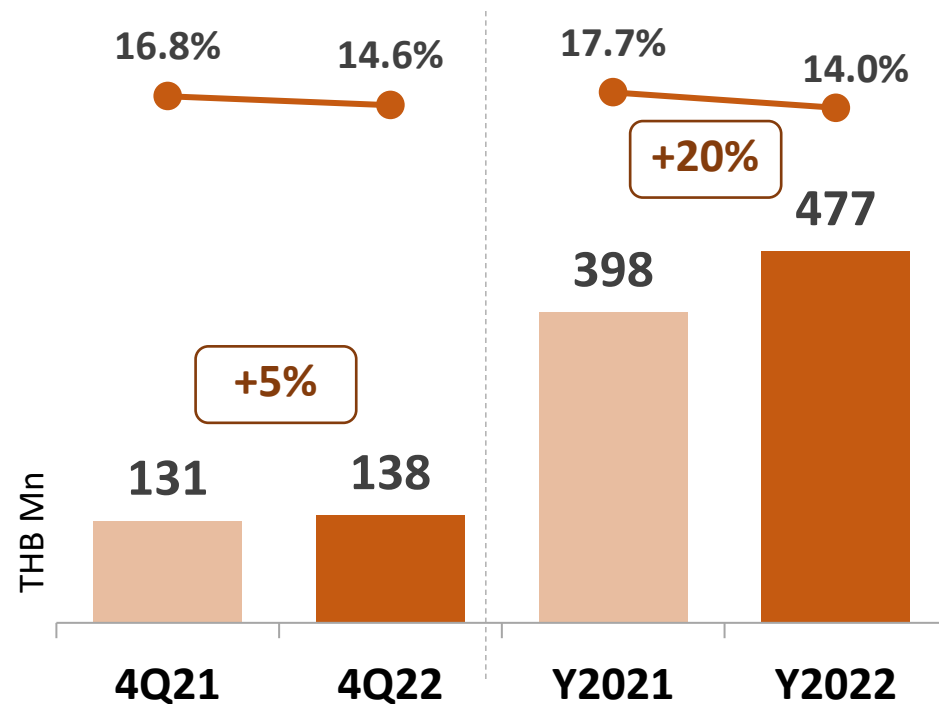


Y2022 data

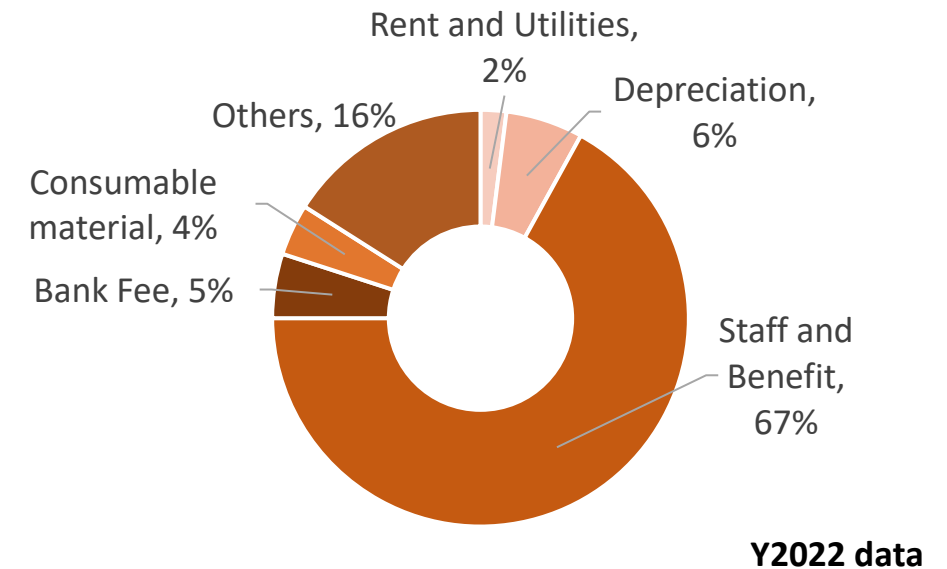
- **4Q22 Selling expenses** decreased YoY by THB 13 Mn or 6% mainly resulted from efficient management on marketing activities.
- **Y2022 Selling expenses** increased YoY by THB 166 Mn or 24% due to
  - An increase in marketing and promotional activities after ending the COVID-19 control measures
  - The commission cost was decreased according to decreasing of delivery sales, compared to last year
  - An increase in rental, service fee and utilities because 1) more new branches opening, and 2) in 2021, the company got rental discounts from landlords due to could not open full-time operation according to COVID-19 preventive measures
- In overall, the company had been more efficient in selling expenses management. As a percent of total revenue, selling expenses lower than last year same period by 6.4% and 5.4% in 4Q22 and year 2022, respectively.



# General Admin Expenses



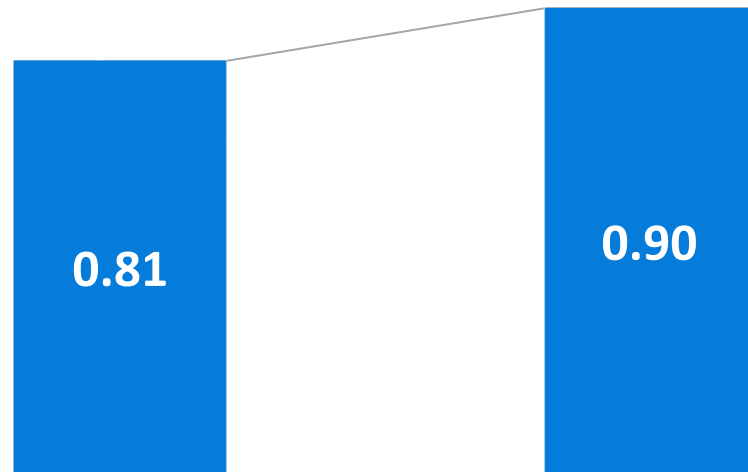
## Component of General Admin Expenses



- **4Q22 and Y2022 General Admin expenses** increased YoY by THB 7Mn, or +5% and THB 79Mn, or +20% respectively, due to
  - An increase in employee and benefit expenses which related with business growth
  - Recognition of the subsidiaries' general admin expenses
  - An increase in bank fees from higher restaurant dine-in sales
- Although the company's GA expenses had increased, as a percentage of the total revenue, GA expenses lower than last year same period by 2.2% and 3.7% in 4Q22 and year 2022, respectively

# Liquidity Remains Strong

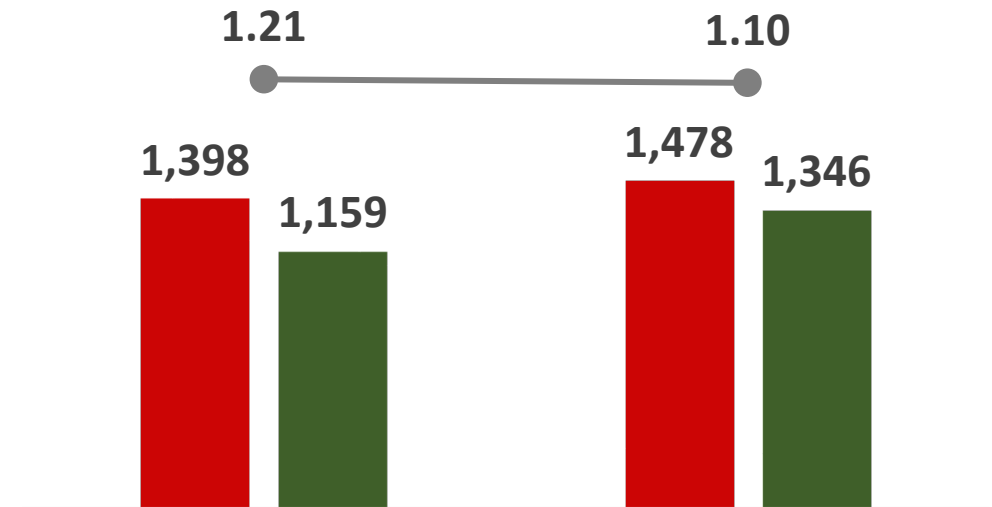
## Current Ratio



Dec 2021

Dec 2022

## Debt to Equity



Dec 2021

Dec 2022

■ Liabilities ■ Equity —●— D/E Ratio

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# Restaurant Outlets

## 345 BRANCHES

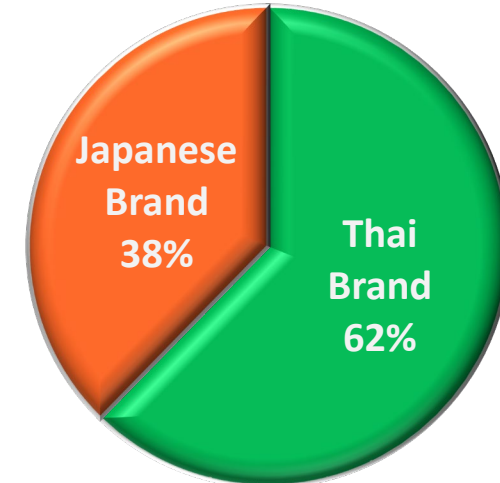
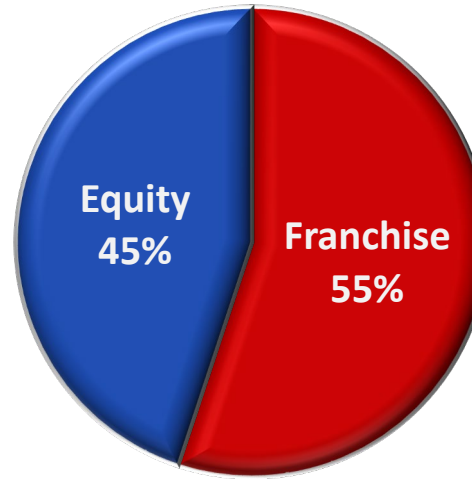
As of 31 Dec 2022

### 4Q22 Opened 18 Branches

- 9 Equity-owned
- 8 Franchise – Domestic
- 1 Franchise – Overseas

### Y2022 Opened 45 Branches

- 25 Equity-owned
- 19 Franchise – Domestic
- 1 Franchise – Overseas



Restaurant Outlets as of 31 December 2022					
Type of Business	Brand	Equity	Franchise (Domestic)	Franchise (Overseas)	Total Outlets
Japanese Restaurant	ZEN	49	-	-	49
	AKA	41	1	2	44
	OTT	30	-	2	32
	PREMIUM	4	-	-	4
	DINs	1	-	-	1
Thai Restaurant	TUMMOUR	11	88	3	102
	LAOYUAN	5	23	-	28
	PHO	-	1	2	3
	KHIANG	14	68	-	82
Total		155	181	9	345



# Brand Marketing Promotion

zen  
GROUP

**ZEN Lunch Set**

เที่ยงนี้ที่ ZEN

คุ้มครบเซต เริ่มต้นเพียง 185.-

11.00 น. - 15.00 น.  
ทุกวันจันทร์ - วันพุธ  
(ยกเว้นวันหยุดพิเศษ)

รสชาติอร่อย  
ที่คุ้นเคย

ทุกเซตฟรี  
เครื่องดื่มและไอศกรีม

วัตถุดิบสดใหม่  
คัดคุณภาพอย่างดี

ปริมาณจุใจ  
ในราคาสุดคุ้ม

**VALUE SET** ชุดอาหาร 2-3 อย่าง เริ่มต้นเพียง 185.-

**DUO SET** ชุดอาหาร 2-3 อย่าง เริ่มต้นเพียง 220.-

**MENU & APPETIZER** ชุดอาหาร 2-3 อย่าง เริ่มต้นเพียง 250.-

**ZEN x Lazada**

**11-DAY MEGA SALE**  
3-13 MAR 23

**ดีลดี โปรเด็ด**  
**ลดสุดคุ้ม 20%**

**E-VOUCHER**  
1,000.- ลดเหลือ 795.-

12.00 น. - 17.00 น. เท่านั้น  
เฉพาะ 3 มีนาคม 2566

**E-Voucher 1,000.-**

**FLASH SALE**

**รับกดด่วน! ๑**

**ZEN x Lazada**

**11-DAY MEGA SALE**  
3-13 MAR 23

**ดีลดี โปรเด็ด**  
**ลดสุดคุ้ม 20%**

**E-VOUCHER**  
500.- ลดเหลือ 400.-

00.00 น. - 02.00 น. เท่านั้น  
เฉพาะ 3 มีนาคม 2566

**E-Voucher 500.-**

**FLASH SALE**

**รับกดด่วน! ๑**

**AKA**  
PASSION FOR GRILL

食べ放題! **หิกริเริ่ม** ลดจาก 50.-

**บุฟเฟ่ต์ทุกราคา!**  
แต่มีข้อจำกัดที่เขียนไว้ที่หน้าร้าน

ตั้งแต่ 20 ก.พ. 2566 - 31 มี.ค. 2566 ลุยกันให้เต็มอิ่ม

จันทร์ - ศุกร์ ตั้งแต่ร้านเปิด - 17.00 น.

**329++** MEAT LOVER  
お肉が大好き 379++

**449++** REGULAR  
普通 499++

**549++** PREMIUM  
特別 599++

**on the table**  
オンザテーブル tokyo cafe

ズワイガニ まったり

16 ก.พ. 66 - 30 เม.ย. 66

**ZUWAI FESTIVAL**

เทศกาลเมนูปูซูไว ที่เกาะจันทรมาริฟ

ต้อนรับ Summer ให้เพื่อน ๆ

ราคาเริ่มต้นเพียง 220 บาท

ข้าวอบมันปูซูไว

Z K B  
u a k  
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c o  
e







# SPECIAL PROMOTION

12 JANUARY 2023 - 17 MARCH 2023

## OMI TOKUJYO CHUCK EYE

เนื้อสันกลางโอมิวกิวพิเศษอย่างดี

1,590 THB. **1,190 THB.**

## PREMIUM TOWER DON

ข้าวเนื้อพรีเมียมภูเขาไฟ

690 THB. **550 THB.**

## GYU DON SET

ชุดข้าวหน้าเนื้อพรีเมียมซอสสไตล์ญี่ปุ่น

520 THB. **390 THB.**

## GYU YAKINIKU DON SET

ชุดข้าวหน้าเนื้อพรีเมียมสไตล์เกาหลี

520 THB. **390 THB.**

@TETSU.EMBASSY

THESE PICTURES ARE FOR ADVERTISING PURPOSE ONLY. / PRICES ARE SUBJECT TO 7% VAT & 10% SERVICE CHARGE.

忠  
sushi  
cyu

春のおまかせ寿会席



## SPRING OMAKASE COURSES



10 courses  
2,200++

14 courses  
3,500++

18 courses  
4,700++

1 MARCH 2023 - 31 MAY 2023

@sushicyucarnival f sushicyubangkok @ sushi\_cyu

THESE PICTURES ARE FOR ADVERTISING PURPOSE ONLY. / PRICES ARE SUBJECT TO 7% VAT 10% SERVICE CHARGE.







# Brand Marketing Awards



**“โต๊ะจ๋อง”** สาขานี้บ่มหุ่บโต๊ะ ใต้รับ 10 รางวัลจากการประกาศ  
ผล Adman Awards ประจำปี 2022

🏆🏆 **4 รางวัล SILVER** 🏆🏆

- Media (product & service)
- Media (use of social)
- Public relations plan (launch & relaunch)
- Social influencer & engagement (community management)

🏆🏆🏆 **6 รางวัล BRONZE** 🏆🏆🏆

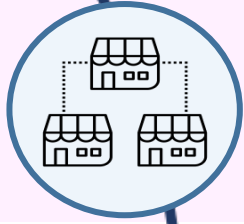
- Communication design craft (copy writing)
- Direct (use of social platform)
- Entertainment (talent)
- Public relations plan (product & service)
- Public relations plan (use of digital & social in pr)
- Social & influencer (retail)

# Business Directions in 2023



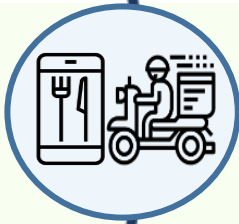
## i. Restaurant Business

- Build Positive Same Store Sales Growth
- Adjust store models to be concise and modern
- Continue branch expansion



## ii. Franchise Business

- Expand franchise business both domestic and overseas
- Bring back Tummour brand coverage on location we served
- Focus on same standards of raw materials as equity branch



## iii. Delivery and E-Commerce

- Streamline the online sales support system
- Make 1376 call center more effective as a sales & service channel
- Expand business from B2C to B2B, e.g. corporate vouchers



## iv. Commercial Retail

- Speed up to build growth of commercial retail business
- Expand distribution channels and distribution hubs
- Improve factory and warehouse to accommodate growing sales.



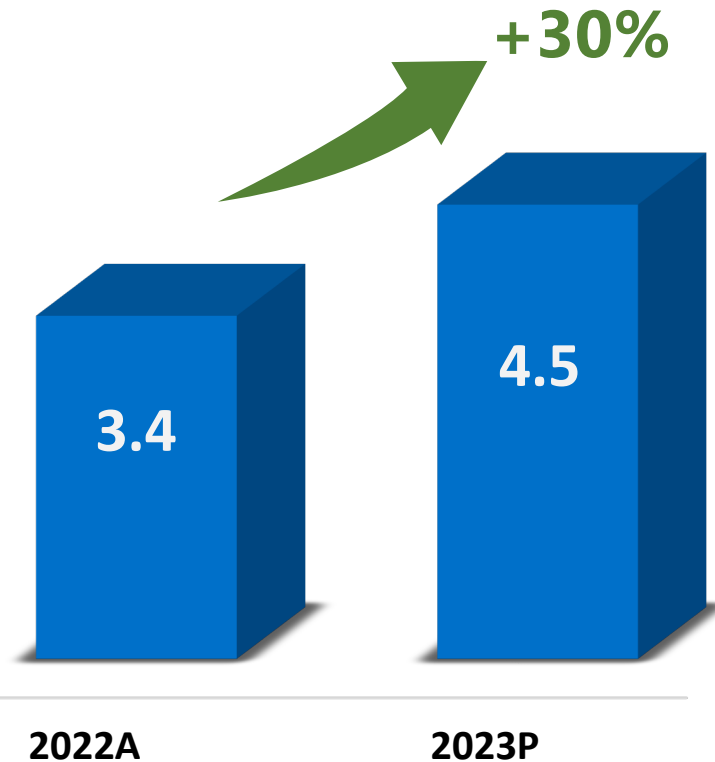
## v. New Business

- Actively look for investment opportunities that offer a good rate of return with caution

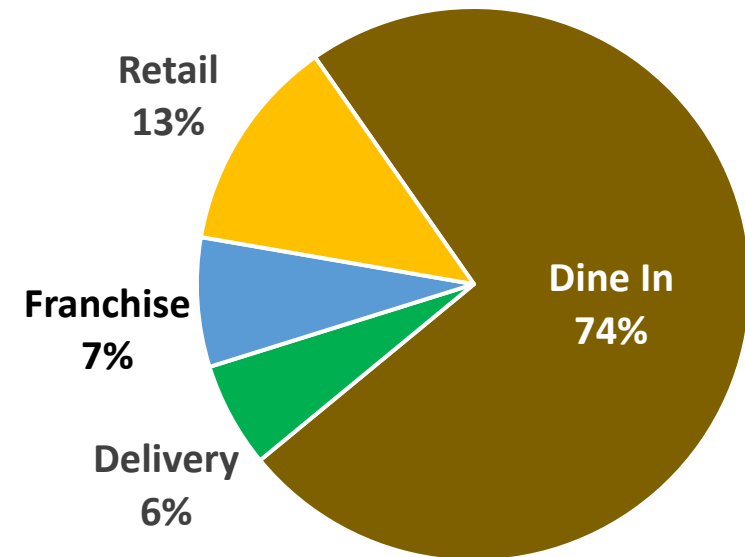


# 2023 Financial Targets

## Total Revenue (THB Bn)



## Revenue Structure

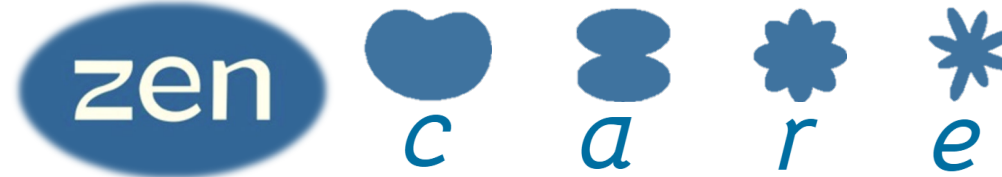


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The Company continues to push forward the ZEN CARE policy by focusing on the 3P:

- 1) Planet Care - Caring for the Environment
- 2) People Care - Developing the Community and Society
- 3) Prosperity Care - Sustainable Economy in line with ESG (Environmental, Social, Governance)



## ENVIRONMENT

- The company purchased carbon credits from greenhouse gas reduction projects that provided benefits to local communities.



- The company has participated in the Carbon footprint assessment under ZEN brand and has been certified by the Thailand Greenhouse Gas Management Organization on November 29, 2022.

## SOCIAL

- Some community agricultural produces have been selected as main ingredients of Tummour, Lao Yuan and Kiang brand.



- Contributing donations of 249,800 Baht for 2 schools in Loei Province, the Company's Sustainable Development Committee also paid the visits to the schools to oversee the work on child nutrition development under the FOOD FOR GOOD project, which is set up to promote good nutrition for Thai children.

## GOVERNANACE

- The company is committed to ensure the accurate, complete, timely, transparent, through easy access channels, fair and reliable disclosure of important information, both financial and non-financial, relating to the company and its subsidiaries, and strictly comply with relevant laws and regulations.



# Company's Prides in Year 2022

ได้รับการคัดเลือก  
ให้เป็นหุ้นยั่งยืน  
ต่อเนื่อง 2 ปีซ้อน



ได้รับคะแนนประเมินการ  
กำกับดูแลกิจการระดับ  
5 ดาว หรือ "ดีเลิศ"  
เป็นปีที่ 2

ได้รับการรับรองเป็นสมาชิก  
แนวร่วมต่อต้านคอร์รัปชันของ  
ภาคเอกชนไทย (CAC)  
ต่อเนื่องเป็นปีที่ 2 พร้อมด้วย  
บริษัทในเครืออีก 7 บริษัท



รับรางวัลดีเด่น  
องค์กรต้นแบบความ  
ยั่งยืนตลาดทุนไทย  
ด้านสนับสนุนคนพิการ  
ประจำปี 2565



**T h a n k   Y o u**