MK RESTAURANT GROUP PUBLIC COMPANY LIMITED

Management Discussion and Analysis (MD&A)

For Q3/2026

Overview of Business Operations, Economic Conditions and Industry Outlook

In 2026, the Thai economy is expected to grow at a more moderate pace amid domestic and global challenges. Geopolitical tensions have led to higher oil prices and increased raw material cost, while consumer purchasing power remains weak, causing consumers to spend more cautiously.

The restaurant industry continues to face higher operating costs, particularly for transportation, raw materials, and consumable supplies, while intense market competition has limited operators' ability to pass these higher costs on to consumers through price adjustments.

Despite these challenges, the Company continues to offer value-for-money menu items and attractive promotional campaigns, while maintaining effective cost control and managing its brand portfolio to meet the needs of different customer segments. These efforts help strengthen the Company's competitiveness and support sustainable long-term growth.

The Company also continues to respond to changing consumer preferences by introducing new menu items, improving marketing communications, and enhancing the overall customer experience. These initiatives help retain existing customers, attract new customers, and support sustainable growth over the long term.

Business Strategies and Strategic Directions for 2026



Key Events and Developments in 3Q2026



❖ Launch of the First "Hikiniku To Come" Branch in Malaysia

The Company, in collaboration with its business partner in Malaysia, has officially launched the first branch of "**Hikiniku To Come**" at Sunway Pyramid Shopping Mall in Petaling Jaya, Selangor, Malaysia. The opening has been highly successful and received excellent response from customers.

❖ Launch of New Membership Card MKONE

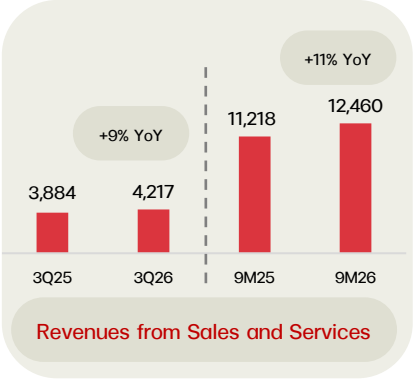


The "**MK ONE**" membership card represents a new loyalty system that integrates the exclusive privileges of MK Restaurant Group's leading brands including MK, Yayoi and Laemcharoen Seafood into a single card. Designed to elevate customer convenience, the card enables members to accumulate reward points collectively, making it easier to redeem rewards and discount vouchers.

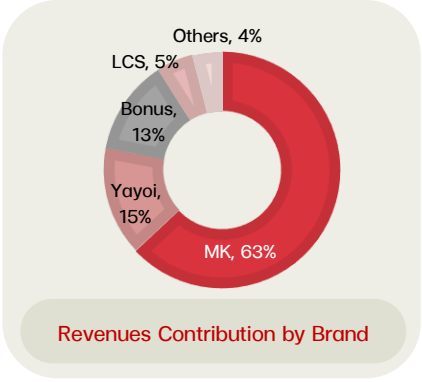
Summary of the Operating Results for 3Q and 9M of Y2026

	3Q2025	3Q2026	%Change	9M2025	9M2026	%Change
Revenues from Sales	3,884	4,217	8.6%	11,218	12,460	11.1%
Cost of Sales	1,403	1,599	14.0%	3,910	4,741	21.3%
Gross Profit	2,482	2,619	5.5%	7,309	7,719	5.6%
SG&A	2,267	2,370	4.5%	6,625	7,146	7.9%
Net Profit	226	221	-2.3%	735	606	-17.6%

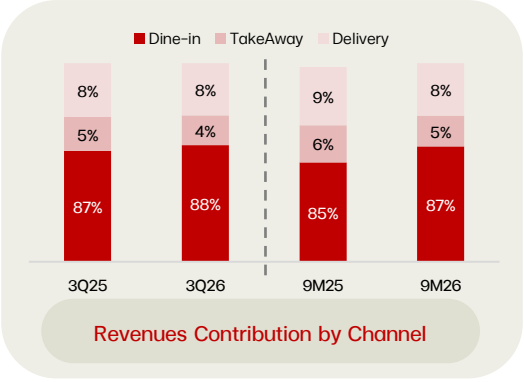
Revenues from Sales and Services



Revenues from Sales and Services



Revenues Contribution by Brand

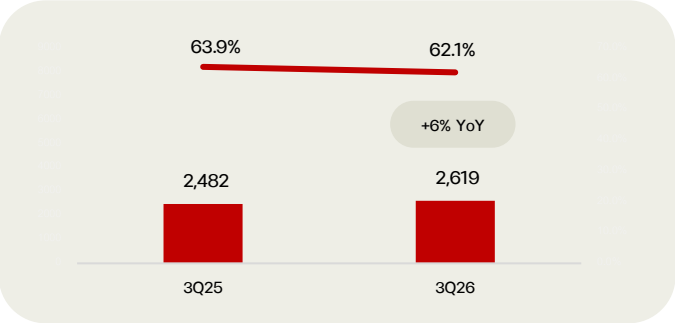


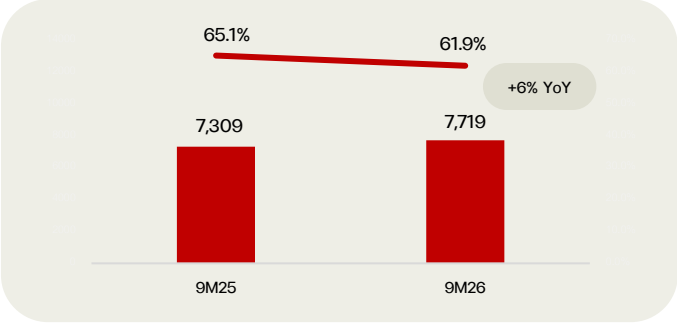
Revenues Contribution by Channel

For the third quarter of 2026, the Company and its subsidiaries recorded revenues from sales and services of Baht 4,217 million, representing an increase of Baht 333 million or 8.6% year-on-year. The growth was primarily driven by the continuous branch expansion of "Bonus Suki", a new buffet-style suki restaurant launched in the second half of 2025. However, the same-store sales declined by 5.2% year-on-year, mainly due to a significant decrease in September, as the same period last year had a high sales base following the introduction of additional buffet menu items for "Koom Gern Koom" buffet promotion priced at Baht 299 to offer greater variety to customers. The expanded menu was well received, resulting in strong sales growth during that period. In addition, the government's economic stimulus measures aimed at easing the cost of living, which ran from June to October 2026, continued to affect the Company throughout Q3' 2026. As participation was limited to small-scale merchants and SMEs, the Company was not eligible to participate in the program, continuing to a decline in customer traffic.

For the first nine months of 2026, revenues from sales and services were Baht 12,460 million, increased 11.1% from the same period of last year while the same-store sales growth decreased 1.9% from the same period of last year.

Gross Profit

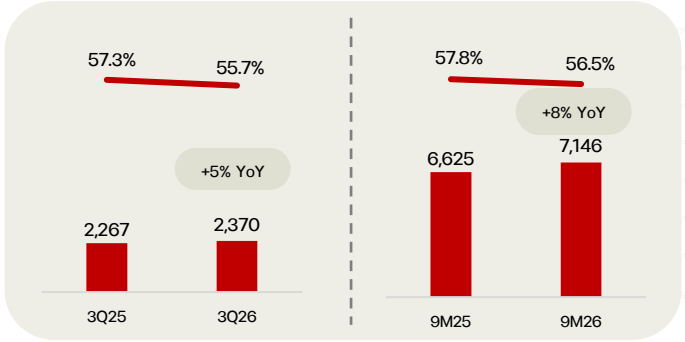


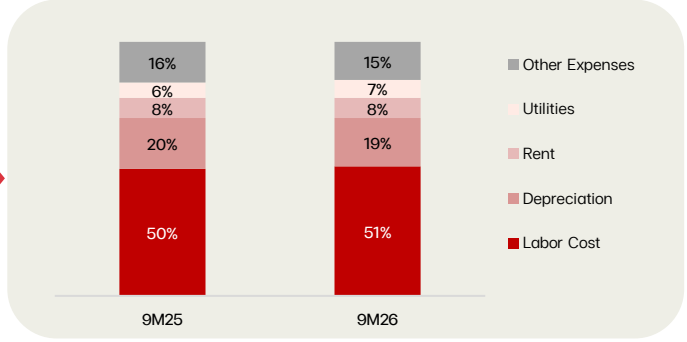


Gross profit represents the difference between revenues from sales and services and costs of sales and services which include food costs and transportation and warehousing costs. In the third quarter of 2026, the Company recorded the gross profit of Baht 2,619 million, representing a 5.5% increase compared to the same period of last year. However, the gross profit margin declined from 63.9% in the third quarter of 2025 to 62.1% in this quarter. The decline was primarily attributable to the Company's market penetration into the buffet segment driven by MK buffet "Koom Gern Koom" promotion and the continuous branch expansion of the full-scale buffet brand "Bonus Suki", led to higher raw material cost ratios in line with the business structure of buffet model. In addition, geopolitical tensions between the US and Iran put upward pressure on energy prices and logistics costs, subsequently driving up the cost of various raw materials and consumables.

Gross profit for the first nine months of 2026 amounted to Baht 7,719 million, representing an increase of 5.6% year-on-year. However, the gross profit margin decreased from 65.1% for the first nine months of 2025 to 61.9% for the same period of this year, primarily due to the launch of the "Koom Gern Koom" buffet promotion and the expansion of "Bonus Suki", the full-scale buffet concept.

Selling and Administrative Expenses





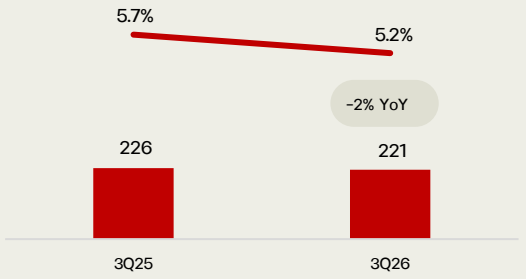
Selling and administrative expenses consist mainly of employee expenses, rents, utilities, advertising and sales promotion, restaurant supplies, depreciation and amortization. Selling and administrative expenses of the Company and its subsidiaries for the third quarter of 2026 was Baht 2,370 million, an increase of Baht 103 million or 4.5% compared to the same period of last year. The increase was primarily attributable to higher staff cost and utilities expenses, resulting from the expansion of the "Bonus Suki" brand. Such expansion required an increase in workforce to support new branch openings, as well as higher operating expenses related to the launch of new branches. Nevertheless, the selling and administrative expenses to total revenues ratio decreased from 57.3% in the third quarter of 2025 to 55.7% in this quarter, mainly because certain expenses, such as rental expenses, were fixed costs and did not increase in the same proportion as the growth in sales and service revenues.

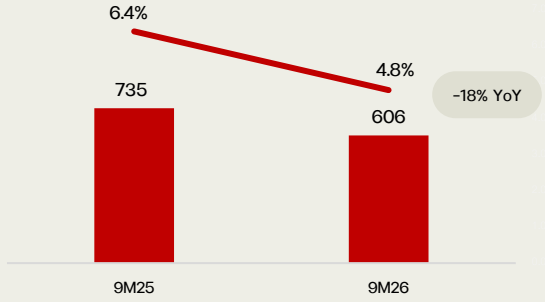
For the first nine months of 2026, selling and administrative expenses amounted to Baht 7,146 million, or increased by 7.9% year-on-year while the selling and administrative expenses as a percentage of total revenues decreased from 57.8% for the first nine months of 2025 to 56.5% for the same period of 2026 because some expenses were not the viable expenses which not increased as the increase of revenues from sales and services.

Financial Cost

The Company and its subsidiaries recorded the financial cost of Baht 20 million for the third quarter of 2026 and Baht 62 million for the first nine months of 2026 which were the interest expenses from the lease liabilities due to the adoption of TFRS16.

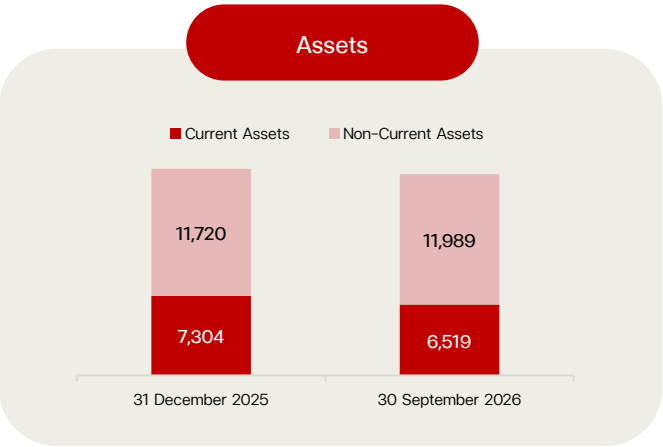
Net Profit





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 226 million for the third quarter of 2025 to Baht 221 million for this quarter, decreased by Baht 5 million or a decrease of 2.3%.
For the first nine months of 2026, the Company and its subsidiaries recorded a net profit of Baht 606 million, decreased by Baht 130 million or 17.6% as compared to the same period of last year.

Summary of Financial Positions as at 30 September 2026





Assets

As of September 30, 2026, the Company and its subsidiaries recorded total assets of Baht 18,508 million, comprising of current assets of Baht 6,519 million and non-current assets of Baht 11,989 million. The total assets decreased Baht 516 million or a decrease of 2.7% as compared to the end of last year due mainly to the decrease of other financial assets amounted Baht 529 million, cash and cash equivalents amounted Baht 319 million, and right-of-use assets amounted Baht 189 million. However, there were the increase of property, plant and equipment amounted Baht 488 million and inventory amounted Baht 43 million.

Liabilities

As of September 30, 2026, the Company and its subsidiaries recorded total liabilities of Baht 5,445 million, decreased Baht 297 million or a decrease of 5.2% from the end of last year due primarily to the decrease of lease liabilities amounted Baht 179 million and trade and other current payables amounted Baht 109 million and income tax payable amounted Baht 20 million.

Shareholders' Equity

As of September 30, 2026, the equity attributable to owners of the Company was Baht 12,705 million, decreased Baht 207 million or a decrease of 1.6% from the end of last year due primarily to a decrease of retained earnings resulting from the payment of dividends.