

From “Passion” to “Profit”: Thai culinary success stories

- Four Thai restaurant startups scaled to THB1b revenues by seizing niche opportunities.
- Suki Teenoi and Ohkajhu exemplify two distinct paths to restaurant success
- Restaurants must balance growth amid rising competition and shifting consumer tastes.

Humble beginnings, Billion-baht dreams

Four relatively young Thai restaurant brands—Ohkajhu, Shinkanzen Sushi, Lucky Suki, and Suki Teenoi—have rapidly ascended to achieve billion-baht revenues within 2-10 years, demonstrating remarkable entrepreneurial spirit. Each capitalized on unique market opportunities: Lucky Suki thrived by opening during the late COVID-19 crisis, focusing on mall locations and cost control; Shinkanzen Sushi began by targeting university students with affordable sushi before expanding into urban centers and diversified brands like "Nak La Mookata" after partnering with CRG; Suki Teenoi distinguished itself with a value-for-money buffet model and extended operating hours; and Ohkajhu built its success on a "Farm to Table" healthy, organic concept, later expanding beyond its Chiang Mai roots. These companies illustrate how strategic positioning and adaptability enabled significant growth from humble beginnings.

Partnership fueling expansion

A critical factor in the accelerated growth of Suki Teenoi and Ohkajhu has been their strategic alliances with larger entities. Suki Teenoi partnered with JMART, which acquired a 30% stake for THB1.2b in Nov 2021. JMART, with its technology focus and data assets, has been instrumental in enhancing Suki Teenoi's operational efficiency and rapid branch expansion. Ohkajhu secured a THB500m investment from OR for a 20% stake in Feb 2021, facilitating Ohkajhu's expansion into PTT Stations and the development of Grab & Go options via Café Amazon, leveraging OR's network.

Teenoi's surge vs. Ohkajhu's diversification

Suki Teenoi grew from 43 branches in 2022 to 82 in 1Q25, with plans to penetrate high-potential provinces and expand into BBQ and express formats. Revenue in 2024 reached THB7.1b with a profit of THB1.17b. In contrast, Ohkajhu is pursuing a portfolio strategy. Its revenue grew to THB2.4b in 2024, and new brands like Oh! Juice (18 outlets) and Joe Wings (1 outlet) are set to contribute ~25% of group sales by 2025E. While Suki Teenoi focuses on volume and operational scale, Ohkajhu emphasizes brand extension to target different price points and reduce cyclical demand.

Buffet to Bottles vs. Health in a Hurry

Suki Teenoi's success stems from its mass-market positioning, rapid geographic expansion, viral marketing, and innovative partnerships (e.g., Shopee's "eat now, pay later"). It also taps into ready-to-cook kits and bottled sauces. Ohkajhu's strength lies in its "Healthy, Tasty, Variety" (HTV), which underpins all its brands. Unlike Teenoi's buffet-centric model, OKJ's growing QSR formats (Oh! Juice, Joe Wings) require less CAPEX and offer faster payback, improving operational resilience as consumer spending softens.

Profitability puzzle: Diverse paths to sustainable growth

In 1Q25, Teenoi posted THB271m profit (THB3.3m per store) vs OKJ's THB64m (THB1.56m per store). Teenoi's profitability peaked in 2Q24 but has declined for 4 consecutive quarters—likely due to negative SSSG and margin pressure from rapid store openings. OKJ, maintained stable profit growth despite lower margins, benefiting from brand diversification and lower sensitivity to dine-in sales fluctuations. As Teenoi gears for IPO and OKJ scales its multi-brand strategy, their next phase will depend on balancing growth with profitability amidst rising competition.

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Exhibit 1: Road to THB1b revenue



Sources: Marketeer Online

Exhibit 2: OKJ and Suki Teenoi



Sources: Marketeer Online

Exhibit 3: OKJ and Suki Teenoi



Sources: Marketeer Online

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Stock Recommendations

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

BUY: Expected return of 10% or more over the next 12 months.
HOLD: Expected return between -10% and 10% over the next 12 months.
REDUCE: Expected return of -10% or worse over the next 12 months.

Unless otherwise specified, these recommendations are set with a 12-month horizon. Thus, it is possible that future price volatility may cause 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.

Sector Recommendations

Overweight: The industry is expected to outperform the relevant primary market index over the next 12 months.
Neutral: The industry is expected to perform in line with the relevant primary market index over the next 12 months.
Underweight: The industry is expected to underperform the relevant primary market index over the next 12 months.

Country (Strategy) Recommendations

Overweight: 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: 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.

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