

SRINANAPORN MARKETING

THAILAND / FOOD & BEVERAGE

SNNP TB

BUY

UNCHANGED

TARGET PRICE	THB29.00
CLOSE	THB25.00
UP/DOWNSIDE	+16.0%
PRIOR TP	THB29.00
CHANGE IN TP	UNCHANGED
TP vs CONSENSUS	+5.6%

1Q23 profit heading for a new high

- We forecast a 1Q23 net profit of THB156m (+2.6% q-q, +48.4% y-y) – a record high.
- Expect revenue growth and gross margin to benefit from a higher revenue recognition for the Vietnam factory in 2H23.
- We reaffirm our BUY call with our TP of THB29.

Expect 1Q23 profit to grow slightly q-q to hit a new high

We forecast a 1Q23 net profit of THB156m (+2.6% q-q, +48.4% y-y) – a record high. The expected y-y growth comes from the low base last year and a successful overseas market expansion. Even though we estimate 1Q23 total revenue to drop q-q in line with seasonality, we expect net profit to rise q-q due to 1) the gross margin should slightly increase to 28.3% from 28.1% in 4Q22; and 2) SG&A should decline to 15.5% from 16.1% in 4Q22 due to lower advertising and marketing expenses. Assuming in-line results, 1Q23 earnings would account for 22.4% of our 2023 net profit forecast.

Gross margin should improve in 2H23

We think SNNP's 1Q23 net profit will be the bottom of the year. We expect its operations to continue to grow in 2Q23 and 2H23, due to the summer season supporting its beverage products and the ramping up of the Vietnam factory's utilisation rate via Bento and Jele in 2Q23 and 3Q23, respectively. In addition, we expect to see a higher revenue recognition for the Vietnam factory in 2H23, whose gross margin is higher than the Thailand factory.

We maintain 2023E profit growth at 35% y-y

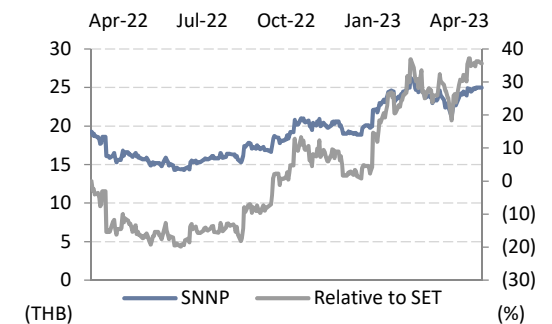
Our 2023 assumptions are more conservative than management's targets. In particular, we forecast 2023 Vietnam revenue of THB844m (+32% y-y) – lower than its target of THB1b (+57% y-y). We still have a positive view on domestic and overseas revenue growth, estimated at 15% y-y and 27% y-y in 2023, respectively, due to a consumption and tourism recovery and its CLMV market expansion plans. In addition, we assume its gross margin to rise to 28.3% from 27.3% in 2022. Therefore, we maintain our 2023 net profit forecast of THB696m (+35% y-y).

Reaffirm target price and recommendation

We reaffirm our BUY rating and TP of THB29, based on 40x 2023E P/E. Currently, its share price is trading at 34.5x 2023E P/E, which has an upside at 16%. Aside from that, we are impressed by its earnings momentum, which should remain stronger than its food peers, while our 2023 net profit forecast sees solid growth at 35% y-y.

KEY STOCK DATA

YE Dec (THB m)	2022	2023E	2024E	2025E
Revenue	5,556	6,566	7,411	8,196
Net profit	516	696	805	907
EPS (THB)	0.54	0.73	0.84	0.95
vs Consensus (%)	-	(0.8)	(5.5)	(5.5)
EBITDA	835	1,065	1,184	1,312
Core net profit	516	696	805	907
Core EPS (THB)	0.54	0.73	0.84	0.95
Chg. In EPS est. (%)	-	-	-	-
EPS growth (%)	67.2	35.0	15.7	12.6
Core P/E (x)	46.5	34.5	29.8	26.5
Dividend yield (%)	1.6	1.9	2.2	2.5
EV/EBITDA (x)	29.3	22.8	20.3	18.0
Price/book (x)	7.9	7.6	7.0	6.4
Net debt/Equity (%)	5.2	(0.8)	(9.8)	(18.4)
ROE (%)	17.5	22.5	24.5	25.3



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	11.1	8.2	53.4
Relative to country (%)	9.2	13.7	60.5
Mkt cap (USD m)	698		
3m avg. daily turnover (USD m)	4.7		
Free float (%)	34		
Major shareholder	Concord I. Capital Limited (21%)		
12m high/low (THB)	27.00/14.10		
Issued shares (m)	960.00		

Sources: Bloomberg consensus; FSSIA estimates


Sureeporn Teewasuwet

 sureeporn.t@fssia.com
 +66 2646 9973

Investment thesis

SNNP is one of Thailand's leading producers and distributors of snacks and jelly with three famous brands: Bento (fish and squid products), Jele (jelly), and Lotus (stick biscuit). In 2022, its revenue contributions from domestic/CLMV/the rest of the world were 73%/20%/7%.

We estimate SNNP's 2023-24 net profit to reach THB696m (+35% y-y) and THB805m (+15.7% y-y), respectively. Key drivers would be 1) a significant increase in Vietnam revenue after ramping up its new plant's utilisation rate; 2) the success of new products and expansions in new markets; and 3) a higher gross margin from the economies of scale.

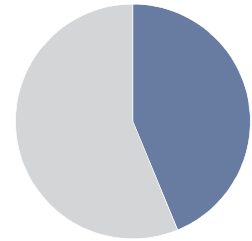
Company profile

SNNP was founded in 1972 under the name of Sri Viwat. The company has been a manufacturer and distributor of snack foods for more than 30 years. It has many product categories with a lot of variety, such as jelly, fruit juice with carrageenan and konjac powder, fish and squid products, fruit and herb drinks, etc.

www.snp.co.th

Principal activities (revenue, 2022)

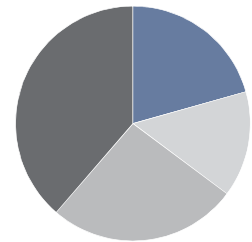
- Beverage - 43.8 %
- Snack - 56.2 %



Source: Srinanaporn Marketing

Major shareholders

- Concord I. Capital Limited - 20.6 %
- Ascend I. Holding Company Limited - 14.6 %
- Chaisathaporn family - 26.1 %
- Others - 38.7 %



Source: Srinanaporn Marketing

Catalysts

Potential catalysts for SNNP's earnings growth in 2023 are 1) domestic revenue growth driven by new products; 2) overseas revenue growth driven by its new plant and a channel expansion in Vietnam; and 3) a higher gross margin, supported by a higher utilisation rate.

Risks to our call

Downside risks to our P/E-based TP include 1) a slower-than-expected consumption recovery; 2) a potential rise in raw material costs; 3) a slower-than-expected capacity expansion; and 4) unsuccessful new products.

Event calendar

Date	Event
8 May 2023	1Q23 results announcement

Key assumptions

	2023E	2024E	2025E
Domestic revenue (THB m)	4,653	5,212	5,733
Overseas revenue (THB m)	1,912	2,199	2,463
Total revenue (THB m)	6,566	7,411	8,196
Total revenue growth (%)	18.2	12.9	10.6
Gross margin (%)	28.3	28.5	28.7
SG&A to sales (%)	15.8	15.8	15.8

Source: FSSIA estimates

Earnings sensitivity

- For every 1% increase in revenue, we estimate 2023 net profit to rise by 0.8%, and vice versa, all else being equal.
- For every 0.5% increase in GPM, we estimate 2023 net profit to rise by 3.8%, and vice versa, all else being equal.
- For every 0.2% increase in SG&A, we estimate 2023 net profit to fall by 1.6%, and vice versa, all else being equal.

Source: FSSIA estimates

Exhibit 1: 1Q23 earnings preview

	4Q21	1Q22	2Q22	3Q22	4Q22	1Q23E	Change	
	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(q-q%)	(y-y%)
Sales	1,210	1,133	1,323	1,468	1,632	1,488	(8.8)	31.3
Cost of sales	870	823	978	1,067	1,174	1,067	(9.1)	34.9
Gross profit	340	310	345	400	458	421	(8.1)	34.7
SG&A	197	179	210	235	263	231	(12.2)	33.2
Operating profit	155	142	152	184	198	196	(0.6)	27.9
Interest expense	0.25	0.18	0.15	0.29	1.06	1.00	(5.7)	324.0
Tax expense	32	29	30	36	42	38	(9.4)	29.9
Profit (loss) sharing	(6)	(8)	(6)	(6)	(5)	(5)	<i>nm</i>	<i>nm</i>
Reported net profit	116	105	116	142	152	156	2.6	48.4
Core profit	116	105	116	142	152	156	2.6	48.4
Key ratios (%)							(ppt)	(ppt)
Gross margin	28.1	27.4	26.1	27.3	28.1	28.3	0.2	0.9
SG&A to sales	16.3	15.8	15.8	16.0	16.1	15.5	(0.6)	(0.3)
Operating margin	12.8	12.6	11.5	12.6	12.1	13.2	1.1	0.6
Net margin	9.6	9.3	8.8	9.7	9.3	10.5	1.2	1.2
Core margin	9.6	9.3	8.8	9.7	9.3	10.5	1.2	1.2
Operating statistics (THB m)								
Domestic revenue	865	899	967	1,075	1,106	1,061	(4.1)	18.0
Overseas revenue	345	234	357	393	526	427	(18.7)	82.6
Vietnam revenue	146	51	167	169	251	148	(41.0)	190.2

Sources: SNNP, FSSIA estimate

Exhibit 2: Key assumptions for SNNP

Assumptions	Actual	Forecast			% Growth		
	2022	2023E	2024E	2025E	2023E	2024E	2025E
Domestic revenue (THB m)	4,046	4,653	5,212	5,733	15.0	12.0	10.0
Overseas revenue (THB m)	1,510	1,912	2,199	2,463	26.7	15.0	12.0
Vietnam revenue (THB m)	638	844	1,013	1,114	32.2	20.0	10.0
Total revenue (THB m)	5,556	6,566	7,411	8,196	18.2	12.9	10.6
Gross profit (THB m)	1,514	1,858	2,112	2,352	22.7	13.7	11.4
Gross margin (%)	27.3	28.3	28.5	28.7	1.0	0.2	0.2
SG&A expenses (THB m)	886	1,037	1,171	1,295	17.1	12.9	10.6
SG&A to sales (%)	16.0	15.8	15.8	15.8	(0.2)	0.0	0.0
Profit (loss) sharing (THB m)	(25)	(15)	7	12	<i>nm</i>	<i>nm</i>	<i>nm</i>
Reported net profit (THB m)	516	696	805	907	35.0	15.7	12.6
Net margin (%)	9.3	10.6	10.9	11.1	1.3	0.3	0.2
Core profit (THB m)	516	696	805	907	35.0	15.7	12.6
Core margin (%)	9.3	10.6	10.9	11.1	1.3	0.3	0.2

Source: FSSIA estimate

Financial Statements

Srinaporn Marketing

Profit and Loss (THB m) Year Ending Dec	2021	2022	2023E	2024E	2025E
Revenue	4,358	5,556	6,566	7,411	8,196
Cost of goods sold	(3,036)	(3,883)	(4,529)	(5,115)	(5,655)
Gross profit	1,321	1,673	2,037	2,296	2,541
Other operating income	33	48	66	59	66
Operating costs	(737)	(886)	(1,037)	(1,171)	(1,295)
Operating EBITDA	618	835	1,065	1,184	1,312
Depreciation	(173)	(159)	(179)	(184)	(189)
Goodwill amortisation	0	0	0	0	0
Operating EBIT	445	676	886	1,000	1,123
Net financing costs	(40)	(2)	(1)	(1)	(1)
Associates	(26)	(25)	(15)	7	12
Recurring non-operating income	(26)	(25)	(15)	7	12
Non-recurring items	129	0	0	0	0
Profit before tax	507	649	870	1,007	1,134
Tax	(86)	(137)	(174)	(201)	(227)
Profit after tax	422	512	696	805	907
Minority interests	16	4	0	0	0
Preferred dividends	0	0	0	0	0
Other items	0	0	0	0	0
Reported net profit	437	516	696	805	907
Non-recurring items & goodwill (net)	(129)	0	0	0	0
Recurring net profit	308	516	696	805	907
Per share (THB)					
Recurring EPS *	0.32	0.54	0.73	0.84	0.95
Reported EPS	0.46	0.54	0.73	0.84	0.95
DPS	0.24	0.41	0.47	0.55	0.61
Diluted shares (used to calculate per share data)	960	960	960	960	960
Growth					
Revenue (%)	(0.8)	27.5	18.2	12.9	10.6
Operating EBITDA (%)	62.1	35.1	27.6	11.2	10.8
Operating EBIT (%)	154.6	51.9	31.1	12.9	12.2
Recurring EPS (%)	146.5	67.2	35.0	15.7	12.6
Reported EPS (%)	249.4	18.0	35.0	15.7	12.6
Operating performance					
Gross margin inc. depreciation (%)	26.4	27.3	28.3	28.5	28.7
Gross margin of key business (%)	26.4	27.3	28.3	28.5	28.7
Operating EBITDA margin (%)	14.2	15.0	16.2	16.0	16.0
Operating EBIT margin (%)	10.2	12.2	13.5	13.5	13.7
Net margin (%)	7.1	9.3	10.6	10.9	11.1
Effective tax rate (%)	16.9	21.1	20.0	20.0	20.0
Dividend payout on recurring profit (%)	74.7	76.3	65.0	65.0	65.0
Interest cover (X)	10.4	389.1	719.2	886.9	1,069.5
Inventory days	49.9	51.4	50.8	44.0	44.3
Debtor days	90.3	89.1	89.1	84.9	85.7
Creditor days	110.8	100.3	102.6	97.8	98.5
Operating ROIC (%)	12.9	17.9	22.2	25.2	28.5
ROIC (%)	11.4	15.6	19.3	22.3	25.2
ROE (%)	20.2	17.5	22.5	24.5	25.3
ROA (%)	8.0	11.1	13.6	14.8	15.3
* Pre-exceptional, pre-goodwill and fully diluted					
Revenue by Division (THB m)					
Beverage	1,862	2,434	2,681	2,949	3,244
Snack	2,411	3,123	3,884	4,462	4,952
Distribution other product	85				

Sources: Srinaporn Marketing; FSSIA estimates

Financial Statements

Srinanaporn Marketing

Cash Flow (THB m) Year Ending Dec	2021	2022	2023E	2024E	2025E
Recurring net profit	308	516	696	805	907
Depreciation	173	159	179	184	189
Associates & minorities	26	25	15	(7)	(12)
Other non-cash items	14	4	72	42	39
Change in working capital	(156)	(307)	46	(117)	(109)
Cash flow from operations	365	397	1,007	907	1,014
Capex - maintenance	-	-	-	-	-
Capex - new investment	(4)	(227)	(343)	(50)	(50)
Net acquisitions & disposals	-	-	-	-	-
Other investments (net)	(154)	(171)	(51)	(9)	(3)
Cash flow from investing	(158)	(398)	(394)	(59)	(53)
Dividends paid	(98)	(307)	(452)	(524)	(590)
Equity finance	2,138	0	0	0	0
Debt finance	(2,308)	276	(62)	(15)	(15)
Other financing cash flows	50	4	38	21	20
Cash flow from financing	(218)	(28)	(476)	(517)	(585)
Non-recurring cash flows	-	-	-	-	-
Other adjustments	0	0	0	0	0
Net other adjustments	0	0	0	0	0
Movement in cash	(11)	(29)	137	330	375
Free cash flow to firm (FCFF)	246.99	0.16	614.83	848.76	961.44
Free cash flow to equity (FCFE)	(2,051.27)	277.89	589.75	853.75	965.00
Per share (THB)					
FCFF per share	0.26	0.00	0.64	0.88	1.00
FCFE per share	(2.14)	0.29	0.61	0.89	1.01
Recurring cash flow per share	0.54	0.73	1.00	1.07	1.17
Balance Sheet (THB m) Year Ending Dec					
	2021	2022	2023E	2024E	2025E
Tangible fixed assets (gross)	3,394	3,600	3,800	3,850	3,900
Less: Accumulated depreciation	(1,189)	(1,324)	(1,503)	(1,686)	(1,875)
Tangible fixed assets (net)	2,204	2,276	2,297	2,163	2,025
Intangible fixed assets (net)	23	21	21	21	21
Long-term financial assets	-	-	-	-	-
Invest. in associates & subsidiaries	137	275	275	275	275
Cash & equivalents	162	133	270	600	976
A/C receivable	1,126	1,587	1,619	1,827	2,021
Inventories	412	681	580	653	720
Other current assets	2	1	1	1	1
Current assets	1,702	2,402	2,470	3,082	3,718
Other assets	85	96	131	148	164
Total assets	4,152	5,069	5,194	5,689	6,202
Common equity	2,838	3,049	3,150	3,432	3,749
Minorities etc.	253	257	328	371	410
Total shareholders' equity	3,091	3,306	3,478	3,802	4,159
Long term debt	13	242	227	212	197
Other long-term liabilities	122	126	164	185	205
Long-term liabilities	135	368	391	398	402
A/C payable	877	1,256	1,290	1,452	1,601
Short term debt	16	62	15	15	15
Other current liabilities	34	76	20	22	25
Current liabilities	927	1,395	1,324	1,489	1,641
Total liabilities and shareholders' equity	4,152	5,069	5,194	5,689	6,202
Net working capital	630	936	891	1,007	1,117
Invested capital	3,080	3,604	3,615	3,615	3,601
* Includes convertibles and preferred stock which is being treated as debt					
Per share (THB)					
Book value per share	2.96	3.18	3.28	3.57	3.91
Tangible book value per share	2.93	3.15	3.26	3.55	3.88
Financial strength					
Net debt/equity (%)	(4.3)	5.2	(0.8)	(9.8)	(18.4)
Net debt/total assets (%)	(3.2)	3.4	(0.5)	(6.6)	(12.3)
Current ratio (x)	1.8	1.7	1.9	2.1	2.3
CF interest cover (x)	(49.8)	303.0	771.1	796.3	957.3
Valuation					
	2021	2022	2023E	2024E	2025E
Recurring P/E (x) *	77.8	46.5	34.5	29.8	26.5
Recurring P/E @ target price (x) *	90.3	54.0	40.0	34.6	30.7
Reported P/E (x)	54.9	46.5	34.5	29.8	26.5
Dividend yield (%)	1.0	1.6	1.9	2.2	2.5
Price/book (x)	8.5	7.9	7.6	7.0	6.4
Price/tangible book (x)	8.5	7.9	7.7	7.0	6.4
EV/EBITDA (x) **	39.0	29.3	22.8	20.3	18.0
EV/EBITDA @ target price (x) **	45.3	33.9	26.4	23.5	21.0
EV/invested capital (x)	7.8	6.8	6.7	6.6	6.6
* Pre-exceptional, pre-goodwill and fully diluted ** EBITDA includes associate income and recurring non-operating income					

Sources: Srinanaporn Marketing; FSSIA estimates

Public disclosures related to sustainable development evaluation of Thai listed companies

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**" by the Thai Institute of Directors Association (Thai IOD); 2) "**AGM Checklist**" by the Thai Investors Association (TIA), a "**CAC certified member**" of the Thai Private Sector Collective Action Against Corruption (CAC); and 3) **Sustainability Investment List (THSI)** by the Stock Exchange of Thailand. The ratings are updated on an annual basis. FSS International Investment Advisory Company Limited does not confirm nor certify the accuracy of such ratings.

CG Score by the Thai Institute of Directors Association (Thai IOD)¹

The **CG Score** indicates corporate governance (CG) strength in the sustainable development of Thai listed companies. Annually, the Thai IOD, with support from the Stock Exchange of Thailand (SET), surveys and assesses the CG practices of companies and publishes the results on the [Thai IOD website](#) in a bid to promote and enhance the CG of Thai listed companies in order to promote compliance with international standards for better investment decisions. The results are from the perspective of a third party, not an evaluation of operations, as of the date appearing in the report, and may be changed after that date.

The **five underlying categories and weighting** used for the CG scoring in 2022 include the rights of shareholders and equitable treatment of shareholders (weight 25% combined), the role of stakeholders (25%), disclosure and transparency (15%), and board responsibilities (35%).

The CGR report rates CG in six categories: 5 for Excellent (score range 90-100), 4 for Very Good (score range 80-89), 3 for Good (Score range 70-79), 2 for Fair (score range 60-69), 1 for Pass (score range 60-69), and not rated (score below 50).

AGM Checklist by the Thai Investors Association (TIA)²

The "**AGM Checklist**" quantifies the extent to which shareholders' rights and equitable treatment are incorporated into business operations and the extent to which information is sufficiently disclosed and the level of its transparency. All the considered factors form important elements of two out of five the CG components. Annually, the TIA, with support from the SEC, leads the project to evaluate the quality of Annual General Meetings of Shareholders (AGMs) and to rate quality of the meetings.

The **Checklist** contains the minimum requirements under law that companies must comply with, or best practices according to international CG guidance. Representatives of the TIA will attend the meetings and perform the evaluation. The assessment criteria cover AGM procedures before the meeting (45%), at the meeting date (45%), and after the meeting (10%). The first assesses 1) advance circulation of sufficient information for voting; and 2) facilitating of 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.

The results are classified into four categories: 5 for Excellent (score 100), 4 for Very Good (score 90-99), 3 for Fair (score 80-89), and not rated (score below 79).

CAC certified member by the Thai Private Sector Collective Action Against Corruption (CAC)³

A **CAC certified member** is a listed company whose Checklist satisfies the CAC Certification's criteria and is approved by the CAC Council. The core elements of the Checklist include corruption risk assessment, establishment of key controls, and the monitoring and developing of policies. Note that the CAC does not certify the behaviour of the employees nor whether the companies have engaged in bribery, and Certification is good for three years.

Companies deciding to become a CAC certified member **start with** by submitting a Declaration of Intent signed by the Chairman of the Board to kick off the 18-month deadline for companies to submit the CAC Checklist for Certification. The 18-month provision is for risk assessment, in place of policy and control, training of managers and employees, establishment of whistleblowing channels, and communication of policies to all stakeholders.

The checklist document will be reviewed by the CAC Certification Committee for adequate information and evidence. It is worth noting that the committee consists of nine professionals in business law, corporate governance, internal audit, financial audit and experienced representatives from certified members.

A passed Checklist will move on to the **CAC Council** for granting certification approvals. The CAC Council consists of twelve prominent individuals who are highly respected in professionalism and ethical achievements. Among them are former ministers, a former central bank governor, the former head of the Thai Listed Companies Association, Chairman of Anti-Corruption Organizations (Thailand), Chairman of Thai Institute of Directors, and reputable academic scholars.

Sustainability Investment (THSI)⁴ by the Stock Exchange of Thailand (SET)

Thailand Sustainability Investment (**THSI**) quantifies responsibility in **E**nvironmental, and **S**ocial issues, by managing business with transparency in **G**overnance. The THSI serves as another choice for investors who desire to adopt a responsible investment approach, according to the SET.

Annually, the SET will announce the voluntary participation of the company candidates which pass the preemptive criteria, and whose two key crucial conditions are met, i.e. no irregular trading of the board members and executives and a free float of >150 by the number of shareholders, and combined holding must >15% of paid-up capital. Some key disqualifying criteria include a CG score of below 70%; independent directors and free float violation; executives' wrongdoing related to CG, social and environmental impacts, equity in negative territory, and earnings in the red for more than three years in the last five years. To become eligible for THSI, the candidate must pass three indicators in data declaration: **E**conomic (CG, risk management, customer relation management, supply chain management, and innovation); **E**nvironmental (environmental management, eco-efficiency, and climate risk); **S**ocial (human rights, talent attraction, operational health & safety, community development, and stakeholder engagement); and the incorporation of ESG in business operations.

To be approved for THSI inclusion, verified data must be scored at a 50% minimum for each indicator, unless the company is a part of the Dow Jones Sustainability Indices⁵ (DJSI) during the assessment year. The scoring will be fairly weighted against the nature of the relevant industry and materiality.

Note that, from the **THSI list**, the SET further developed a sustainability **SETTHSI Index** in June 2018 from selected THSI companies whose 1) market capitalisation > 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.

Sources: [SEC](#); [Thai IOD](#); [Thai CAC](#); [SET](#); FSSIA's compilation

Disclaimer:

¹ Thai Institute of Directors Association ([Thai IOD](#)) was established in December 1999 and is a membership organisation that strives to promote professionalism in directorship. The Thai IOD offers directors certification and professional development courses, provides a variety of seminars, forums and networking events, and conducts research on board governance issues and practices. Membership comprises board members from companies ranging from large publicly listed companies to small private firms.

² Thai Investors Association ([TIA](#)) was established in 1983 with a mission to promote investment knowledge and to protect the investment rights of Thai investors. In 2002, the association was appointed by the Securities and Exchange Commission (SEC) to represent individual shareholders. To obtain information for evaluation, the association recruits volunteer investors to join AGMs and score the meetings. Weightings for each meeting are at a 45:45:10 ratio. They have been applied since 2017 and subject to change.

³ Thai Private Sector Collective Action against Corruption ([CAC](#)) was founded in 2010 and is 100% privately funded. It is an initiative by the Thai private sector to take part in tackling corruption problems via collective action. The CAC promotes the implementation of effective anti-corruption policies in order to create a transparent business ecosystem by developing a unique certification program for large/medium/small companies to apply for and to control corruption risk systematically and efficiently. The CAC's operations are sponsored by the US-based Center for Private Enterprise (CIPE) and the UK Prosperity Fund.

⁴ Sustainability Investment List ([THSI](#)), created by the Stock Exchange of Thailand in 2015, comprises the listed companies that conduct sustainable business operations.

⁵ Dow Jones Sustainability Indices – [Wikipedia](#) – Launched in 1999, DJSI evaluates the sustainability performance of companies based on corporate economic, environmental, and social performance.

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 Company Limited (FSSIA). The information herein has been obtained from sources believed to be reliable and accurate; however FSS makes no representation as to the accuracy and completeness of such information. Information and opinions expressed herein are subject to change without notice. FSS has no intention to solicit investors to buy or sell any security in this report. In addition, FSS 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

Srinanaporn Marketing (SNNP TB)



Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
30-Jul-2021	BUY	15.00	31-Oct-2022	BUY	25.00	-	-	-
20-Jan-2022	BUY	20.00	13-Feb-2023	BUY	29.00			

Sureeporn Teewasuwet started covering this stock from 13-Feb-2023

Price and TP are in local currency

Source: FSSIA estimates

Company	Ticker	Price	Rating	Valuation & Risks
Srinanaporn Marketing	SNNP TB	THB 25.00	BUY	Downside risks to our P/E-based TP include 1) a slower-than-expected consumption recovery; 2) a potential rise in raw material costs; 3) a slower-than-expected capacity expansion; and 4) unsuccessful new products.

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 Finasia Syrus Securities Public Company Limited

FSSIA may incorporate the recommendations and target prices of companies currently covered by FSS Research into equity research reports, denoted by an 'FSS' before the recommendation. FSS Research is part of Finasia Syrus Securities Public Company Limited, which is the parent company of FSSIA.

All share prices are as at market close on 17-Apr-2023 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.