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โหมตการเติบโตปรับสู่ระดับปกติ

- แนวโน้มกำไร 3Q23 ยังเดินหน้าทำนิวไฮ สวนทางฤดูกาล แต่การเติบโตไม่ฟื้นคืน
- กำล้างซื้อในไทยและ CLMV ไม่สดใสนัก ทำให้ภาพรวม SNNP ต่ำกว่าที่เราเคยคาด
- ปรับลดกำไรปี 2023-25 และ De-rate valuation เพื่อสะท้อนการเติบโตที่ลดลงสู่ระดับปกติ แต่ราคาหุ้นปรับลงมากในช่วงก่อนหน้า ยังคงเรตติ้งเป็น ซื้อ

TARGET PRICE	THB21.00
CLOSE	THB18.70
UP/DOWNSIDE	+12.3%
PRIOR TP	THB29.00
CHANGE IN TP	-27.6%
TP vs CONSENSUS	-21.1%

KEY STOCK DATA

YE Dec (THB m)	2022	2023E	2024E	2025E
Revenue	5,556	6,059	6,833	7,552
Net profit	516	647	733	828
EPS (THB)	0.54	0.67	0.76	0.86
vs Consensus (%)	-	(5.1)	(11.4)	(10.4)
EBITDA	835	1,015	1,135	1,268
Recurring net profit	516	647	733	828
Core EPS (THB)	0.54	0.67	0.76	0.86
Chg. In EPS est. (%)	-	(7.0)	(9.0)	(8.8)
EPS growth (%)	67.2	25.5	13.3	12.9
Core P/E (x)	34.8	27.7	24.5	21.7
Dividend yield (%)	2.2	2.3	2.9	3.2
EV/EBITDA (x)	22.0	18.1	16.2	14.5
Price/book (x)	5.9	5.7	5.4	5.1
Net debt/Equity (%)	5.2	3.7	2.4	0.9
ROE (%)	17.5	20.9	22.6	24.0

คาดการณ์กำไร 3Q23 ยังทำนิวไฮได้ต่อ แต่การโตอาจไม่ฟื้นคืน

คาดการณ์กำไรสุทธิ 3Q23 อยู่ที่ 161 ลบ. (+2.5% q-q, +13% y-y) ยังขยับขึ้นทำนิวไฮต่อเนื่อง แต่การเติบโตไม่ฟื้นคืน แม้รายได้ส่งออกยังเติบโตได้ดีทั้ง CLMV และประเทศอื่นๆ แต่รายได้ในประเทศค่อนข้างไปในทางทรงตัวถึงโตเพียงเล็กน้อย ส่วนหนึ่งเพราะเป็น Low Season ของธุรกิจ จึงคาดการณ์รายได้รวม +3% q-q, +3.2% y-y ขณะที่ต้นทุนวัตถุดิบเริ่มปรับลดลง จึงคาดการณ์กำไรขั้นต้นจะขยับขึ้นเป็น 28% จาก 27.3% ใน 3Q22 กอปรกับบริษัทยังคงควบคุมค่าใช้จ่ายให้ใกล้เคียงไตรมาสก่อน ซึ่งจะเป็นค่าใช้จ่ายที่ลดลงจากปีก่อน จึงคาด SG&A to sales ทรงตัว q-q ที่ 14.7% และลดลงจาก 16% ใน 3Q22

เป้าหมายใหม่ของเวียดนามยังคงท้าทายในมุมมองของเรา

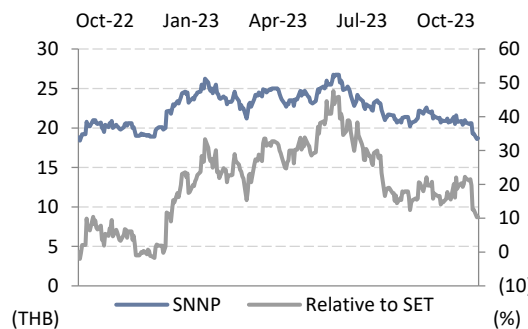
คาดการณ์รายได้เวียดนาม 3Q23 จะโต +11.4% q-q, +9.5% y-y ถือว่าทำได้ดีในยามที่เผชิญปัญหาการล้างซื้อไม่สดใส แต่ก็ยังโตต่ำกว่าที่เคยคาดไว้ หาก 3Q23 ทำได้ตามคาด จะมีรายได้เวียดนาม 9M23 อยู่ที่ 499 ลบ. (+29% y-y) คิดเป็นเพียง 60% ของเป้าทั้งปีที่บริษัทตั้งไว้ 800-850 ลบ. (ปรับลงจากต้นปีที่ 1 พันลบ.) หากจะบรรลุเป้าหมาย นั้นหมายถึง 4Q23 จะต้องทำรายได้สูงถึง 300 ลบ. ถือว่าท้าทายพอควร ขณะที่การขยายกำลังการผลิต Bento (เฟส 2) เลื่อนออกไปเป็น ต.ค.23 จากเดิม ส.ค.23 ส่วนไลน์ Jele ก็เลื่อนเป็น พ.ย.-ธ.ค.23 จากเดิม ต.ค.23 แต่ไม่มีปัญหาการขาย เพราะยังมีการส่งออกจากไทยไปได้ คาดจะรับ 3 ไลน์ของเวียดนามได้เต็มปีในปี 2024 ตามเดิม

ปรับลดกำไรปี 2023-25 ลง จากกำไรที่โตต่ำกว่าที่เคยคาด

หากกำไร 3Q23 ทำได้ตามคาด บริษัทจะมีกำไร 9M23 อยู่ที่ 471 ลบ. (+29.7% y-y) คิดเป็น 68% ของประมาณเดิมของเรา ถือว่าโตต่ำกว่าที่เคยคาดไว้ ดังนั้นเราจึงปรับลดกำไรสุทธิปี 2023-25 ลง 7%/9%/8.8% โดยคาดการณ์กำไรปี 2023 จะโต 25.5% y-y (เดิมคาดโต 35%) ระยะสั้นยังคงคาดการณ์กำไร 4Q23 จะโตต่อเนื่อง q-q, y-y และทำจุดสูงสุดใหม่ และคาดการณ์กำไรปี 2024 จะโตต่อราว 13.3% y-y ส่วนบริษัทร่วม Siri Pro เพิ่งปรับโครงสร้างแล้วเสร็จ ผู้บริหารตั้งเป้าจะคุ้มทุนได้อย่างเร็วภายในปลายปี 2024

De-rate valuation สะท้อนการเติบโตที่ปรับสู่ระดับปกติ

เราปรับใช้ราคาเป้าหมายปี 2024 ที่ 21 บาท โดยปรับลด PE จากเดิม 40x (+2.5 SD) เป็น 27x (ใกล้เคียงค่าเฉลี่ย 5 ปีย้อนหลัง) เพื่อสะท้อนการเติบโตที่ปรับสู่ระดับปกติ แต่ราคาหุ้นที่ปรับลง -31% ในช่วง 4 เดือนที่ผ่านมา ได้สะท้อนกำไรที่โตน้อยลงไปพอสมควรแล้ว ขณะที่ราคาเป้าหมายใหม่ของเรายังมี Upside ราว 12% ยังแนะนำ ซื้อ



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	(10.5)	(20.4)	2.2
Relative to country (%)	(4.6)	(14.8)	13.4
Mkt cap (USD m)	493		
3m avg. daily turnover (USD m)	3.6		
Free float (%)	34		
Major shareholder	Concord I. Capital Limited (21%)		
12m high/low (THB)	27.25/17.60		
Issued shares (m)	960.00		

Sources: Bloomberg consensus; FSSIA estimates



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Investment thesis

SNNP ถือเป็นหนึ่งในผู้นำตลาดขนมขบเคี้ยวและเยลลี่ของไทย โดยมี 3 แบรินด์ดังได้แก่ Bento Jele และ Lotus และมีการขายทั้งในประเทศและส่งออก โดยตลาดส่งออกหลักคือ CLMV ทั้งนี้สิ้นปี 2022 บริษัทมีสัดส่วนรายได้จากการขายในประเทศมากที่สุดราว 73% ของรายได้รวม รองมาคือ CLMV 20% และประเทศอื่นๆอีก 7%

ระยะสั้น แนวโน้มกำไรในปี 2023 ดูเติบโตน้อยกว่าที่เคยคาดเนื่องจากภาวะเศรษฐกิจไม่สดใส โดยเฉพาะตลาด CLMV เราจึงปรับลดกำไรปี 2023-25 ลงราว 7%/9%/8.8% แต่ยังเป็นกำไรที่เติบโต 25.5%/13.3%/12.9% ตามลำดับ ทั้งนี้เรายังมองบวกต่อการเติบโตระยะกลางยาว จากการมีแบรินด์ที่แข็งแกร่ง และสินค้าเป็นที่รู้จัก รวมถึงมีระดับราคาสำหรับผู้บริโภคทุกกลุ่มสามารถเข้าถึงได้ และมีฐานการผลิตกระจายใน CLMV

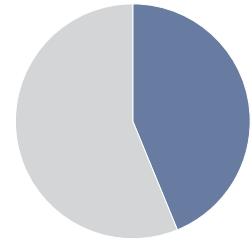
Company profile

SNNP ก่อตั้งขึ้นในปี 1972 ภายใต้ร้านค้าส่งชื่อ ศรีวิวัฒน์ บริษัทดำเนินธุรกิจเป็นผู้ผลิตและจัดจำหน่ายขนมขบเคี้ยวมานานกว่า 30 ปี โดยมีสินค้าหลายกลุ่มประกอบด้วย เยลลี่พร้อมดื่มและเยลลี่คาราจีแนน, ปลาหมึกอบ ปลาหมึกเส้น และปลาเส้น, ขนมขี้หนูและขนมปังแท่ง, เวเฟอร์และขนมปังอบ และเครื่องดื่มอื่นๆ เป็นต้น

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Principal activities (revenue, 2022)

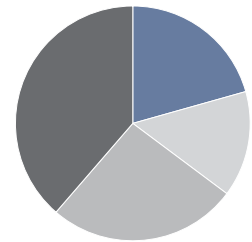
- Beverage - 43.8 %
- Snack - 56.2 %



Source: Srinaporn Marketing

Major shareholders

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



Source: Srinaporn Marketing

Catalysts

ปัจจัยหนุนการเติบโตในปี 2024 คือ 1) การเติบโตของรายได้ในประเทศ 2) การเติบโตของรายได้ส่งออก 3) การประสบความสำเร็จของสินค้าใหม่ และ 4) ต้นทุนวัตถุดิบลดลง และอัตราการใช้กำลังการผลิตสูงขึ้น

Risks to our call

ความเสี่ยง 1) กำลังซื้อฟื้นตัวช้ากว่าคาด 2) ต้นทุนวัตถุดิบปรับลงช้ากว่าคาด 3) สินค้าใหม่ไม่ประสบความสำเร็จ และ 4) ค่าใช้จ่ายการตลาดสูงขึ้นมากกว่าคาด จากการแข่งขันที่สูงขึ้น

Event calendar

Date	Event
November 2023	3Q23 results announcement 3Q23 Analyst meeting

Key assumptions

	2023E	2024E	2025E
Domestic revenue (THB m)	4,506	5,047	5,551
Overseas revenue (THB m)	1,553	1,786	2,000
Total revenue (THB m)	6,059	6,833	7,552
Total revenue growth (%)	9.1	12.8	10.5
Gross margin (%)	28.1	28.3	28.5
SG&A to sale (%)	14.9	15.2	15.2

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.

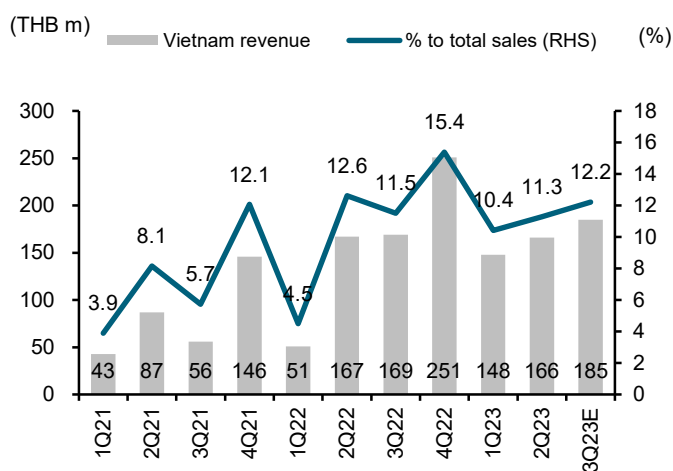
Source: FSSIA estimates

Exhibit 1: 3Q23 earnings preview

	1Q22	2Q22	3Q22	4Q22	1Q23	2Q23	3Q23E	---- Change ----		9M22	9M23E	Change
	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(q-q%)	(y-y%)	(THB m)	(THB m)	(y-y%)
Sales	1,133	1,323	1,468	1,632	1,420	1,470	1,514	3.0	3.2	3,924	4,404	12.2
Cost of sales	823	978	1,067	1,174	1,020	1,060	1,090	2.8	2.1	2,868	3,170	10.5
Gross profit	310	345	400	458	400	410	424	3.4	5.9	1,056	1,234	16.9
SG&A	179	210	235	263	207	216	223	3.2	(5.3)	623	645	3.5
Operating profit	142	152	184	198	201	205	209	2.2	13.6	478	615	28.6
Interest expense	0.18	0.15	0.29	1.06	0.76	1.58	2.00	26.5	596.9	1	4	610.0
Tax expense	29	30	36	42	40	41	40	(1.7)	9.4	95	121	26.7
Profit (loss) sharing	(8)	(6)	(6)	(8)	(8)	(7)	(8)	10.0	45.3	(20)	(24)	nm
Reported net profit	105	116	142	152	154	157	161	2.5	13.0	363	471	29.7
Core profit	105	116	142	152	154	157	161	2.5	13.0	363	471	29.7
Key Ratios (%)								(ppt)	(ppt)			
Gross margin	27.4	26.1	27.3	28.1	28.2	27.9	28.0	0.1	0.7	26.9	28.0	1.1
SG&A to sales	15.8	15.8	16.0	16.1	14.6	14.7	14.7	0.0	(1.3)	15.9	14.6	(1.2)
Operating margin	12.6	11.5	12.6	12.1	14.2	13.9	13.8	(0.1)	1.3	12.2	14.0	1.8
Net margin	9.3	8.8	9.7	9.3	10.8	10.7	10.6	(0.1)	0.9	9.3	10.7	1.4
Core margin	9.3	8.8	9.7	9.3	10.8	10.7	10.6	(0.1)	0.9	9.3	10.7	1.4
Operating statistics (THB m)												
Domestic revenue	899	967	1,075	1,106	1,094	1,111	1,107	(0.4)	3.0	2,941	3,312	12.6
Overseas revenue	234	357	393	526	326	359	405	12.7	3.0	984	1,090	10.8
Vietnam revenue	51	167	169	251	148	166	185	11.4	9.5	387	499	28.9

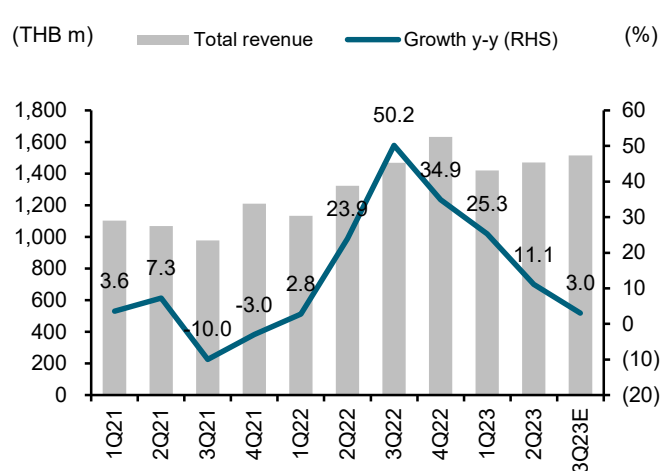
Sources: SNNP, FSSIA estimates

Exhibit 2: Quarterly Vietnam revenue



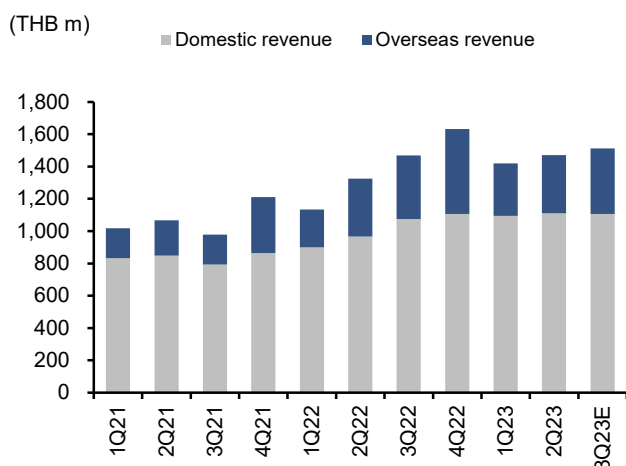
Sources: SNNP, FSSIA estimates

Exhibit 3: Quarterly total revenue and growth



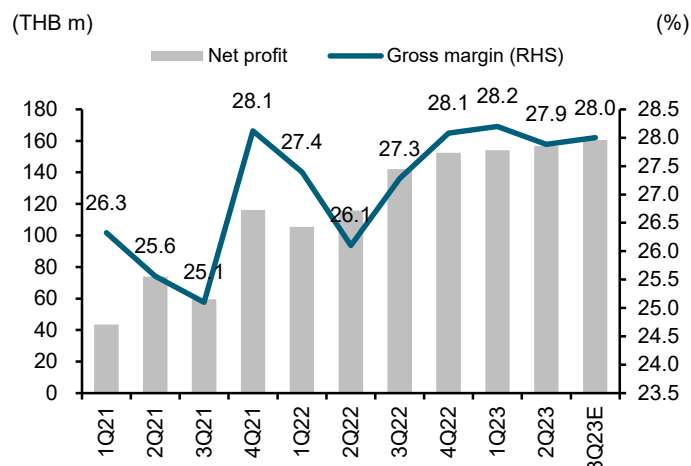
Sources: SNNP, FSSIA estimates

Exhibit 4: Quarterly revenue breakdown by destination



Sources: SNNP, FSSIA estimates

Exhibit 5: Quarterly gross margin and net profit



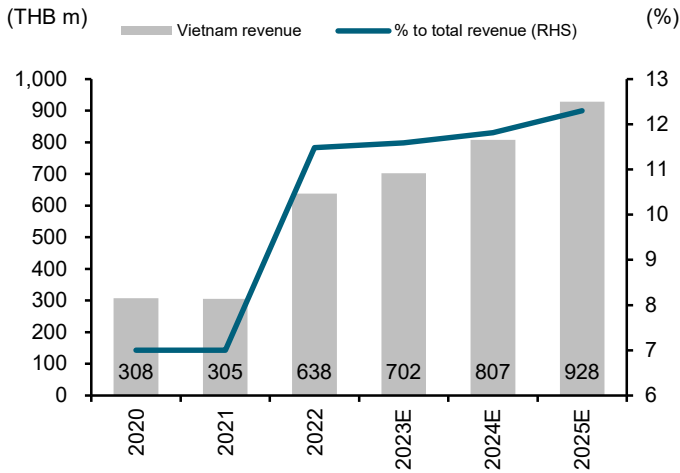
Sources: SNNP, FSSIA estimates

Exhibit 6: Key assumptions for SNNP

	Current			Previous			Change		
	2023E (THB m)	2024E (THB m)	2025E (THB m)	2023E (THB m)	2024E (THB m)	2025E (THB m)	2023E (%)	2024E (%)	2025E (%)
Total sale value (THB m)	6,059	6,833	7,552	6,566	7,411	8,196	(7.7)	(7.8)	(7.9)
Costs	4,356	4,899	5,399	4,708	5,299	5,844	(7.5)	(7.5)	(7.6)
Gross profit	1,703	1,934	2,152	1,858	2,112	2,352	(8.4)	(8.4)	(8.5)
SG&A expense	903	1,039	1,148	1,037	1,171	1,295	(13.0)	(11.3)	(11.4)
Profit (loss) sharing	(28)	(20)	(15)	(15)	7	12	nm	nm	nm
Interest expense	6	6	5	1	1	1	nm	nm	nm
Reported net profit	647	733	828	696	805	907	(7.0)	(9.0)	(8.8)
Core profit	647	733	828	696	805	907	(7.0)	(9.0)	(8.8)
Key ratios (%)									
Total revenue growth	9.1	12.8	10.5	18.2	12.9	10.6	(9.1)	(0.1)	(0.1)
Net profit growth	25.5	13.3	12.9	35.0	15.7	12.6	(9.5)	(2.4)	0.2
Core profit growth	25.5	13.3	12.9	35.0	15.7	12.6	(9.5)	(2.4)	0.2
Gross margin	28.1	28.3	28.5	28.3	28.5	28.7	(0.2)	(0.2)	(0.2)
SG&A to sales	14.9	15.2	15.2	15.8	15.8	15.8	(0.9)	(0.6)	(0.6)
Net margin	10.7	10.7	11.0	10.6	10.9	11.1	0.1	(0.1)	(0.1)
Core margin	10.7	10.7	11.0	10.6	10.9	11.1	0.1	(0.1)	(0.1)
Operating statistics (THB m)									
Domestic revenue (THB m)	4,506	5,047	5,551	4,653	5,212	5,733	(3.2)	(3.2)	(3.2)
Overseas revenue (THB m)	1,553	1,786	2,000	1,912	2,199	2,463	(18.8)	(18.8)	(18.8)
Vietnam revenue (THB m)	702	807	928	844	1,013	1,114	(16.8)	(20.3)	(16.6)

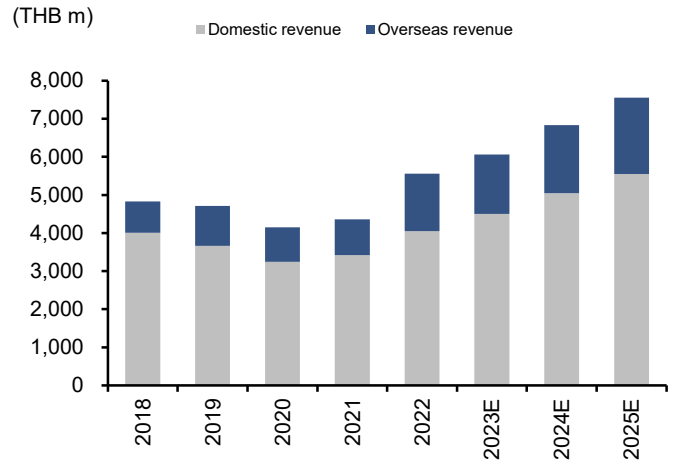
Source: FSSIA estimates

Exhibit 7: Yearly Vietnam revenue



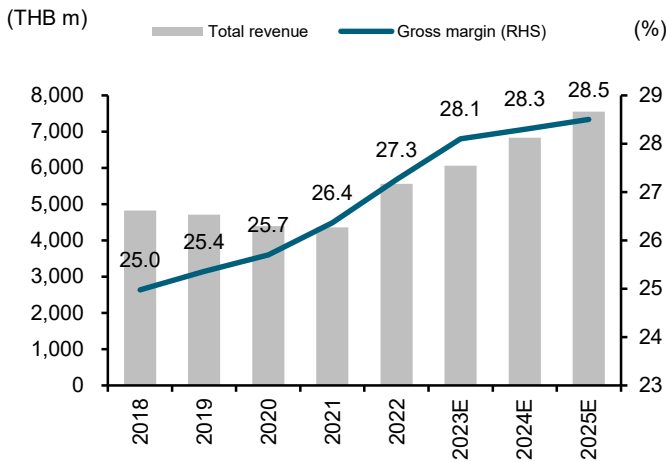
Sources: SNNP, FSSIA estimates

Exhibit 8: Yearly revenue breakdown by destination



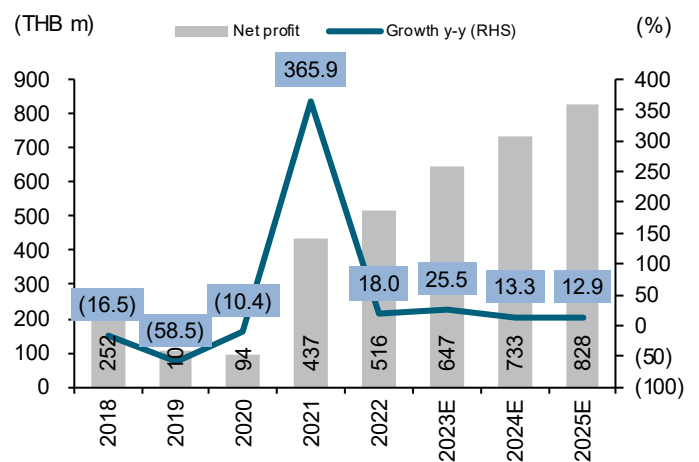
Sources: SNNP, FSSIA estimates

Exhibit 9: Yearly total revenue and gross margin



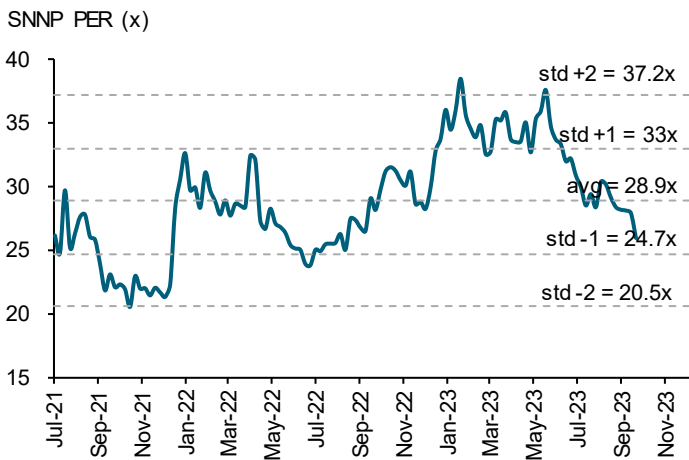
Sources: SNNP, FSSIA estimates

Exhibit 10: Yearly net profit and growth



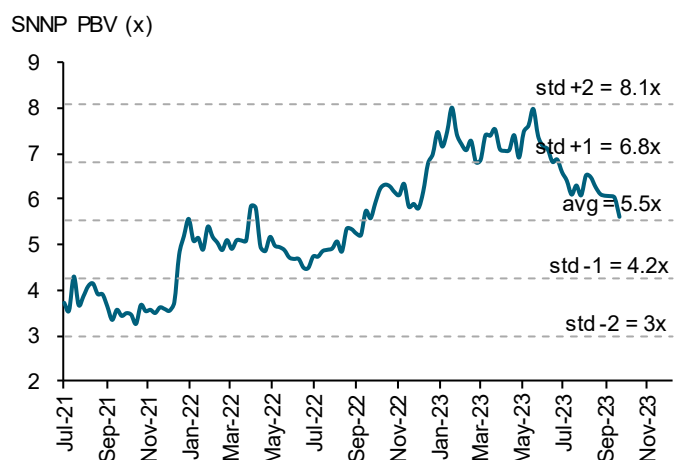
Sources: SNNP, FSSIA estimates

Exhibit 11: Historical P/E band



Sources: Bloomberg, FSSIA's compilation

Exhibit 12: Historical PBV/Band



Sources: Bloomberg, FSSIA's compilation

Financial Statements

Srinaporn Marketing

Profit and Loss (THB m) Year Ending Dec	2021	2022	2023E	2024E	2025E
Revenue	4,358	5,556	6,059	6,833	7,552
Cost of goods sold	(3,209)	(4,042)	(4,356)	(4,899)	(5,399)
Gross profit	1,149	1,514	1,703	1,934	2,152
Other operating income	33	48	36	41	45
Operating costs	(737)	(886)	(903)	(1,039)	(1,148)
Operating EBITDA	618	835	1,015	1,135	1,268
Depreciation	(173)	(159)	(179)	(199)	(219)
Goodwill amortisation	0	0	0	0	0
Operating EBIT	445	676	836	936	1,050
Net financing costs	(40)	(2)	(6)	(6)	(5)
Associates	(26)	(25)	(28)	(20)	(15)
Recurring non-operating income	(26)	(25)	(28)	(20)	(15)
Non-recurring items	129	0	0	0	0
Profit before tax	507	649	802	910	1,029
Tax	(86)	(137)	(160)	(182)	(206)
Profit after tax	422	512	642	728	823
Minority interests	16	4	6	5	4
Preferred dividends	0	0	0	0	0
Other items	0	0	0	0	0
Reported net profit	437	516	647	733	828
Non-recurring items & goodwill (net)	(129)	0	0	0	0
Recurring net profit	308	516	647	733	828
Per share (THB)					
Recurring EPS *	0.32	0.54	0.67	0.76	0.86
Reported EPS	0.46	0.54	0.67	0.76	0.86
DPS	0.24	0.41	0.44	0.53	0.60
Diluted shares (used to calculate per share data)	960	960	960	960	960
Growth					
Revenue (%)	(0.8)	27.5	9.1	12.8	10.5
Operating EBITDA (%)	62.1	35.1	21.6	11.8	11.8
Operating EBIT (%)	154.6	51.9	23.7	12.0	12.1
Recurring EPS (%)	146.5	67.2	25.5	13.3	12.9
Reported EPS (%)	249.4	18.0	25.5	13.3	12.9
Operating performance					
Gross margin inc. depreciation (%)	26.4	27.3	28.1	28.3	28.5
Gross margin exc. depreciation (%)	30.3	30.1	31.1	31.2	31.4
Operating EBITDA margin (%)	14.2	15.0	16.8	16.6	16.8
Operating EBIT margin (%)	10.2	12.2	13.8	13.7	13.9
Net margin (%)	7.1	9.3	10.7	10.7	11.0
Effective tax rate (%)	16.9	21.1	20.0	20.0	20.0
Dividend payout on recurring profit (%)	74.7	76.3	65.0	70.0	70.0
Interest cover (X)	10.4	389.1	133.4	161.1	194.9
Inventory days	49.9	51.4	61.0	59.1	59.6
Debtor days	90.3	89.1	92.8	87.4	90.5
Creditor days	110.8	100.3	107.0	98.5	96.8
Operating ROIC (%)	12.9	17.9	20.6	22.0	23.2
ROIC (%)	11.4	15.6	17.7	19.1	20.4
ROE (%)	20.2	17.5	20.9	22.6	24.0
ROA (%)	8.0	11.1	12.8	14.0	14.8
* Pre-exceptional, pre-goodwill and fully diluted					
Revenue by Division (THB m)					
Beverage	1,862	2,434	2,753	3,028	3,240
Snack	2,411	3,123	3,306	3,804	4,311
Distribution other product	85				

Sources: Srinaporn Marketing; FSSIA estimates

Financial Statements

Srinaporn Marketing

Cash Flow (THB m) Year Ending Dec	2021	2022	2023E	2024E	2025E
Recurring net profit	308	516	647	733	828
Depreciation	173	159	179	199	219
Associates & minorities	26	25	28	20	15
Other non-cash items	14	4	46	39	36
Change in working capital	(156)	(307)	(63)	(223)	(204)
Cash flow from operations	365	397	838	768	893
Capex - maintenance	-	-	-	-	-
Capex - new investment	(4)	(227)	(343)	(200)	(250)
Net acquisitions & disposals	-	-	-	-	-
Other investments (net)	(154)	(171)	(54)	(36)	(29)
Cash flow from investing	(158)	(398)	(397)	(236)	(279)
Dividends paid	(98)	(307)	(421)	(513)	(579)
Equity finance	2,138	0	0	0	0
Debt finance	(2,308)	276	(62)	(15)	(15)
Other financing cash flows	50	4	26	19	18
Cash flow from financing	(218)	(28)	(457)	(509)	(576)
Non-recurring cash flows	-	-	-	-	-
Other adjustments	0	0	0	0	0
Net other adjustments	0	0	0	0	0
Movement in cash	(11)	(29)	(16)	24	37
Free cash flow to firm (FCFF)	246.99	0.16	446.99	538.10	618.97
Free cash flow to equity (FCFE)	(2,051.27)	277.89	404.40	536.76	616.63

Per share (THB)

FCFF per share	0.26	0.00	0.47	0.56	0.64
FCFE per share	(2.14)	0.29	0.42	0.56	0.64
Recurring cash flow per share	0.54	0.73	0.94	1.03	1.14

Balance Sheet (THB m) Year Ending Dec	2021	2022	2023E	2024E	2025E
Tangible fixed assets (gross)	3,394	3,600	3,800	4,000	4,200
Less: Accumulated depreciation	(1,189)	(1,324)	(1,503)	(1,701)	(1,920)
Tangible fixed assets (net)	2,204	2,276	2,297	2,298	2,280
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	117	140	178
A/C receivable	1,126	1,587	1,494	1,778	1,965
Inventories	412	681	716	805	888
Other current assets	2	1	1	1	1
Current assets	1,702	2,402	2,327	2,725	3,031
Other assets	85	96	121	137	151
Total assets	4,152	5,069	5,041	5,455	5,758
Common equity	2,838	3,049	3,133	3,353	3,551
Minorities etc.	253	257	303	342	378
Total shareholders' equity	3,091	3,306	3,436	3,694	3,929
Long term debt	13	242	227	212	197
Other long-term liabilities	122	126	151	171	189
Long-term liabilities	135	368	379	383	386
A/C payable	877	1,256	1,194	1,342	1,405
Short term debt	16	62	15	15	15
Other current liabilities	34	76	18	20	23
Current liabilities	927	1,395	1,227	1,378	1,443
Total liabilities and shareholders' equity	4,152	5,069	5,041	5,455	5,758
Net working capital	630	936	999	1,222	1,426
Invested capital	3,080	3,604	3,713	3,952	4,152

* Includes convertibles and preferred stock which is being treated as debt

Per share (THB)

Book value per share	2.96	3.18	3.26	3.49	3.70
Tangible book value per share	2.93	3.15	3.24	3.47	3.68

Financial strength

Net debt/equity (%)	(4.3)	5.2	3.7	2.4	0.9
Net debt/total assets (%)	(3.2)	3.4	2.5	1.6	0.6
Current ratio (x)	1.8	1.7	1.9	2.0	2.1
CF interest cover (x)	(49.8)	303.0	124.4	130.7	164.3

Valuation	2021	2022	2023E	2024E	2025E
Recurring P/E (x) *	58.2	34.8	27.7	24.5	21.7
Recurring P/E @ target price (x) *	65.4	39.1	31.2	27.5	24.4
Reported P/E (x)	41.1	34.8	27.7	24.5	21.7
Dividend yield (%)	1.3	2.2	2.3	2.9	3.2
Price/book (x)	6.3	5.9	5.7	5.4	5.1
Price/tangible book (x)	6.4	5.9	5.8	5.4	5.1
EV/EBITDA (x) **	29.3	22.0	18.1	16.2	14.5
EV/EBITDA @ target price (x) **	32.8	24.7	20.3	18.1	16.2
EV/invested capital (x)	5.9	5.1	5.0	4.7	4.4

* Pre-exceptional, pre-goodwill and fully diluted ** EBITDA includes associate income and recurring non-operating income

Sources: Srinaporn Marketing; FSSIA estimates

SRINANAPORN MARKETING (SNNP TB)

FSSIA ESG rating

8/100
Exhibit 13: 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.

Sources: FSSIA estimates

Exhibit 14: ESG – peer comparison

	FSSIA ESG score	Domestic ratings					Global ratings					Bloomberg			
		DJSI	SET THSI	THSI	CG score	AGM level	Thai CAC	Morningstar	ESG Book	MSCI	Moody's	Refinitiv	S&P Global	ESG score	Disclosure score
SET100	61.4	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	59.3	5.13	4.16	4.18	4.83	4.71	3.54	Medium	52.23	BB	17.03	57.05	62.28	3.41	32.07
M	17.38	--	--	--	4.00	4.00	Certified	Medium	--	--	--	--	17.00	--	--
NSL	3.00	--	--	--	3.00	4.00	--	--	--	--	--	--	--	--	--
RBF	26.62	--	--	--	5.00	4.00	Declared	High	51.04	--	--	30.50	--	2.34	--
SNNP	8.00	--	--	--	4.00	4.00	--	--	--	--	--	--	--	--	--
TFG	23.01	--	--	Y	4.00	5.00	Certified	High	--	--	--	42.11	--	--	--

Sources: [SETTRADE.com](https://www.settrade.com); * FSSIA estimate; FSSIA's compilation
Exhibit 15: ESG disclosure

FY ending Dec 31	FY 2022	FY ending Dec 31	FY 2022
Environmental		Governance	
Climate change policy	Yes	Board size / Independent directors (ID) / Female	9 / 4 / 2
Climate change opportunities discussed	Yes	No. of board meetings for the year / % attendance	4 / 98%
GHG scope 2 location-based policy	Yes	Company conducts board evaluations	Yes
Biodiversity policy	Yes	Number of non-executive directors on board	5
Energy efficiency policy	Yes	Director share ownership guidelines	No
Electricity used (megajoule)	81,398,592	Board age limit	No
Electricity from solar cell (megajoule)	8,845,058	Age of the youngest / oldest director	43 / 63
Waste reduction policy	Yes	Number of executives / female	6 / 1
Water policy	Yes	Executive share ownership guidelines	No
Water consumption (m ³)	484,887	Size of audit committee / ID	3 / 3
Social		Audit committee meetings	2
Human rights policy	Yes	Audit committee meeting attendance (%)	100
Policy against child labor	Yes	Size of compensation committee	3 / 1
Quality assurance and recall policy	Yes	Number of compensation committee meetings	2
Consumer data protection policy	Yes	Compensation committee meeting attendance (%)	100
Equal opportunity policy	Yes	Size of nomination committee / ID	3 / 1
Gender pay gap breakout	Yes	Number of nomination committee meetings	2
Pct women in workforce	63.25	Nomination committee meeting attendance (%)	100
Business ethics policy	Yes	Board compensation (THB m)	2.4
Anti-bribery ethics policy	Yes	Executive compensation (THB m)	44.2
Health and safety policy	Yes	Auditor fee (THB m)	2.12
No. of employee accident at work	12	(PricewaterhouseCoopers ABAS Ltd.)	
Training policy	Yes	Total employee (no.)	4,525
Fair remuneration policy	Yes	Employee compensation (THB m)	1,055
Employees - CSR	Yes	Sustainability governance	
Total hours spent by firm - employee training	6 hrs/person/year	Verification type	n/a
Social supply chain management	Yes	Board duration (years)	3

Sources: SNNP's 2022 One Report; FSSIA's compilation

Disclaimer for ESG scoring

ESG score	Methodology	Rating																												
The Dow Jones Sustainability Indices (DJSI) 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.																												
Sustainability Investment List (THSI) by The Stock Exchange of Thailand (SET)	THSI 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 THSI inclusion , 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. SETTHSI Index is extended from the THSI 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.																												
CG Score 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%).																												
AGM level 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&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.																												
Thai CAC 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.																												
Morningstar Sustainalytics	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 & 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 border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th>NEGL</th> <th>Low</th> <th>Medium</th> <th>High</th> <th>Severe</th> </tr> </thead> <tbody> <tr> <td>0-10</td> <td>10-20</td> <td>20-30</td> <td>30-40</td> <td>40+</td> </tr> </tbody> </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+																										
ESG Book	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.																												
MSCI	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 border="1" style="margin-left: auto; margin-right: auto;"> <tbody> <tr> <td>AAA</td> <td>8.571-10.000</td> <td>Leader:</td> <td>leading its industry in managing the most significant ESG risks and opportunities</td> </tr> <tr> <td>AA</td> <td>7.143-8.570</td> <td></td> <td></td> </tr> <tr> <td>A</td> <td>5.714-7.142</td> <td></td> <td></td> </tr> <tr> <td>BBB</td> <td>4.286-5.713</td> <td>Average:</td> <td>a mixed or unexceptional track record of managing the most significant ESG risks and opportunities relative to industry peers</td> </tr> <tr> <td>BB</td> <td>2.857-4.285</td> <td></td> <td></td> </tr> <tr> <td>B</td> <td>1.429-2.856</td> <td></td> <td></td> </tr> <tr> <td>CCC</td> <td>0.000-1.428</td> <td>Laggard:</td> <td>lagging its industry based on its high exposure and failure to manage significant ESG risks</td> </tr> </tbody> </table>	AAA	8.571-10.000	Leader:	leading its industry in managing the most significant ESG risks and opportunities	AA	7.143-8.570			A	5.714-7.142			BBB	4.286-5.713	Average:	a mixed or unexceptional track record of managing the most significant ESG risks and opportunities relative to industry peers	BB	2.857-4.285			B	1.429-2.856			CCC	0.000-1.428	Laggard:	lagging its industry based on its high exposure and failure to manage significant ESG risks	
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Moody's ESG solutions	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.																													
Refinitiv ESG rating	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; >25 to 50 = satisfactory; >50 to 75 = good; and >75 to 100 = excellent.)</i>																													
S&P Global	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.																													
Bloomberg	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.																												

Source: FSSIA's compilation

GENERAL DISCLAIMER

ANALYST(S) CERTIFICATION

Sureeporn Teewasuwet FSS International Investment Advisory Securities Co., Ltd

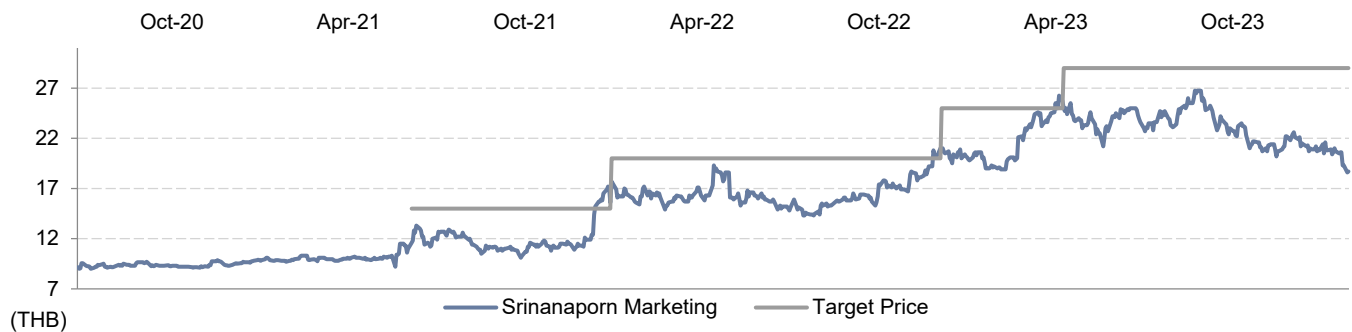
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History of change in investment rating and/or target price

Srinaporn 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
Srinaporn Marketing	SNNP TB	THB 18.70	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 Finansia Syrus Securities Public Company Limited.

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