

|                 |           |
|-----------------|-----------|
| TARGET PRICE    | THB13.50  |
| CLOSE           | THB10.60  |
| UP/DOWNSIDE     | +27.4%    |
| PRIOR TP        | THB13.50  |
| CHANGE IN TP    | UNCHANGED |
| TP vs CONSENSUS | +6.2%     |

## รายได้ส่งออกเร่งขึ้นทำนิวไฮ

- คาดกำไร 3Q23 ขยับขึ้นทำ New High จากการส่งออกและมาร์จิ้นเร่งตัวขึ้น
- ตลาดต่างประเทศจะเป็น Key Driver สำหรับปี 2024
- คงประมาณการกำไรตามเดิม แต่ปรับใช้ราคาเป้าหมายปี 2024 ยังแนะนำซื้อ

## คาดการณ์กำไร 3Q23 ทำ New High ได้ตามที่เคยคาด

คาดการณ์กำไรสุทธิ 3Q23 ไว้ตามเดิมที่ 183 ลบ. (+19% q-q, +66% y-y) ปัจจัยหนุนหลักยังมาจากการเติบโตของรายได้ส่งออกที่เร่งขึ้นได้ต่อ, ต้นทุนวัตถุดิบที่ปรับตัวลง และผลบวกของ Product Mix โดยคาดรายได้รวม +8.7% q-q, +15.5% y-y มาจากการส่งออกคาดโต +11.5% q-q, +69.4% y-y จะทำให้สัดส่วนส่งออกทะลุ 30% ของรายได้รวมเป็นไตรมาสแรก และโตดีที่ จีนและอินเดียเป็นหลัก ส่วนอินโดนีเซียวัดได้ ขณะที่เวียดนามไม่ค่อยสดใส ส่วนรายได้ในประเทศยังพอโตได้เล็กน้อย q-q, y-y และคาดการณ์กำไรขั้นต้นจะขยับขึ้นได้ดีมาอยู่ที่ 37.2% จาก 36.7% ใน 2Q23 และฟื้นแรงจาก 32.1% ใน 3Q22 ดังนั้นจึงคาดว่ากำไร 3Q23 ทำจุดสูงสุดใหม่

## รายได้ส่งออก และอัตรากำไรขั้นต้นยังดูดีต่อใน 4Q23

หากกำไร 3Q23 ทำได้ตามคาด บริษัทจะมีกำไร 9M23 อยู่ที่ 483 ลบ. (+24.3% y-y) คิดเป็น 73% ของประมาณการทั้งปี แนวโน้มกำไร 4Q23 ยังดูดีต่อเนื่อง อาจทรงตัวถึงปรับขึ้น q-q ได้ และคาดจะโตแรง y-y เพราะฐานต่ำปีก่อน คาดหวังรายได้ส่งออกยังเติบโตได้ เพราะฐานรายได้จีนและอินเดียยังค่อนข้างต่ำ รวมถึงคาดแนวโน้มอัตรากำไรขั้นต้นจะยังเร่งขึ้นทำจุดสูงสุดของปีที่ 37.5-38% ได้ เพราะคำสั่งซื้อที่ตีมาจากกลุ่มที่มีมาร์จิ้นสูงอย่าง Flavor & Fragrance และเป็น Low Season ของกลุ่ม Food Coating

## ตลาดต่างประเทศเป็น Key driver ปีหน้า

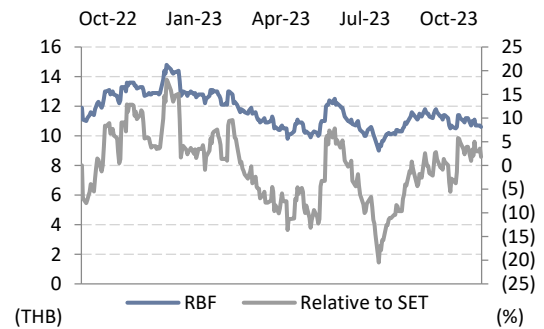
ปัจจัยหนุนการเติบโตปี 2024 จะมาจากการเติบโตของรายได้ส่งออก คาดหวังการฟื้นตัวของตลาดเดิมอย่างอินโดนีเซีย และเวียดนาม และคาดเห็นการเติบโตของจีน ขณะที่อินเดียจะถูกปรับฐาน JV ภายหลังโรงงานที่อินเดียจะแล้วเสร็จและเริ่ม operate ได้ใน 1H24 จะเปลี่ยนจากการส่งออกจากไทยไปผลิตที่โรงงานของ JV แทน คาดเห็นผลการดำเนินงานอินเดียเร่งตัวขึ้นตั้งแต่ 2H24 เป็นต้นไป ขณะที่จะปรับฐานวัตถุดิบที่ถูกลงได้เต็มปี โดยบริษัทตั้งเป้ารายได้ปี 2024 โตไม่น้อยกว่าอัตราสองหลัก และคาดหวังอัตรากำไรขั้นต้นขยับขึ้นแตะ 38-40% ในปี 2024 สูงกว่าสมมติฐานที่เราใช้ที่ 37.5%

## คงประมาณการกำไร และปรับใช้ราคาเป้าหมายปี 2024 ยังแนะนำซื้อ

คงประมาณการกำไรสุทธิปี 2023-24 ไว้ตามเดิมเป็นโต 37.6% y-y และ 16.3% y-y ตามลำดับ และปรับใช้ราคาเป้าหมายปี 2024 ที่ 13.5 บาท โดยปรับลด PE ลงเป็น 35x (-0.5 SD) จากเดิม 40x ที่ราคาเป้าหมายเรายังมี Upside 27.4% ขณะที่ฐานะทางการเงินแข็งแกร่งด้วย ROE ที่ 14.8% และมี D/E ratio และ IBD/E ratio ต่ำเพียง 0.18x และ 0.03x ตามลำดับ จึงยังแนะนำซื้อ

## KEY STOCK DATA

| YE Dec (THB m)       | 2022   | 2023E  | 2024E  | 2025E  |
|----------------------|--------|--------|--------|--------|
| Revenue              | 3,961  | 4,385  | 4,976  | 5,610  |
| Net profit           | 482    | 664    | 772    | 881    |
| EPS (THB)            | 0.24   | 0.33   | 0.39   | 0.44   |
| vs Consensus (%)     | -      | 0.6    | (1.3)  | 0.5    |
| EBITDA               | 809    | 1,093  | 1,297  | 1,507  |
| Recurring net profit | 459    | 664    | 772    | 881    |
| Core EPS (THB)       | 0.23   | 0.33   | 0.39   | 0.44   |
| Chg. In EPS est. (%) | -      | -      | -      | -      |
| EPS growth (%)       | (3.3)  | 44.5   | 16.3   | 14.1   |
| Core P/E (x)         | 46.2   | 31.9   | 27.5   | 24.1   |
| Dividend yield (%)   | 0.9    | 1.9    | 2.2    | 2.5    |
| EV/EBITDA (x)        | 25.6   | 19.0   | 15.9   | 13.5   |
| Price/book (x)       | 4.8    | 4.6    | 4.3    | 4.1    |
| Net debt/Equity (%)  | (11.4) | (11.1) | (12.6) | (15.5) |
| ROE (%)              | 10.7   | 14.8   | 16.3   | 17.4   |



| Share price performance        | 1 Month                      | 3 Month | 12 Month |
|--------------------------------|------------------------------|---------|----------|
| Absolute (%)                   | (5.4)                        | 12.8    | (8.6)    |
| Relative to country (%)        | 0.9                          | 22.7    | 4.1      |
| Mkt cap (USD m)                | 586                          |         |          |
| 3m avg. daily turnover (USD m) | 1.5                          |         |          |
| Free float (%)                 | 28                           |         |          |
| Major shareholder              | Ratanapoompinyo Family (62%) |         |          |
| 12m high/low (THB)             | 15.20/8.95                   |         |          |
| Issued shares (m)              | 2,000.00                     |         |          |

Sources: Bloomberg consensus; FSSIA estimates



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## Investment thesis

จุดแข็งของ RBF คือมีฐานลูกค้าอยู่ในอุตสาหกรรมอาหารและเครื่องดื่ม ซึ่งถือเป็นสินค้าจำเป็น และมีลูกค้าค่อนข้างหลากหลายในหลายผลิตภัณฑ์สินค้า โดย RBF เป็นผู้อยู่เบื้องหลังในรสชาติและรสสัมผัส ซึ่งถือเป็นหัวใจของอาหารเครื่องดื่ม และเป็นความลับเฉพาะเจ้าของผลิตภัณฑ์และ RBF ทั้งนี้ RBF มีประสบการณ์ในธุรกิจมาอย่างยาวนาน และให้ความสำคัญกับการวิจัยพัฒนาอย่างต่อเนื่อง เพื่อสร้างความแตกต่างในผลิตภัณฑ์ และสร้างความพึงพอใจให้กับลูกค้า รวมถึงมีการพัฒนาสูตรเฉพาะสำหรับลูกค้าแต่ละราย ทำให้ยากที่ลูกค้าจะเปลี่ยน Supplier เมื่อผู้บริโภคถูกใจในรสชาติแล้ว

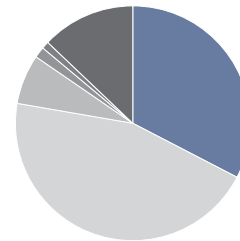
## Company profile

RBF ดำเนินธุรกิจเป็นผู้ผลิตและจำหน่ายส่วนผสมในอาหาร โดยมีผลิตภัณฑ์ที่หลากหลายและครอบคลุมกับความต้องการของลูกค้า ได้แก่ รสชาติ สีผสมอาหาร ผลิตภัณฑ์เคลือบอาหาร รวมถึงธุรกิจ Trading เช่น สารกันบูด กรดซิตริก เป็นต้น ซึ่งสามารถแบ่งผลิตภัณฑ์ได้เป็น 6 กลุ่ม โดยสิ้นปี 2022 บริษัทมีสัดส่วนรายได้มาจาก Food Coating 45.1% ของรายได้รวม รองมาคือ Flavor Fragrance 32.6%, Trading 12.9%, Dried product 6.9%, Frozen 1.5% และ Packaging 1%

[www.rbfoodsupply.co.th](http://www.rbfoodsupply.co.th)

## Principal activities (revenue, 2022)

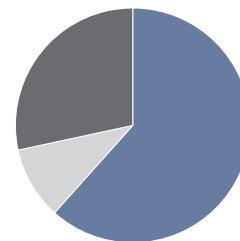
- Flavouring agents and Food colouring - 32.6 %
- Food coating - 45.1 %
- Dehydrated products - 6.9 %
- Frozen products - 1.5 %
- Plastic packaging - 1.0 %



Source: R&B Food Supply

## Major shareholders

- Ratanapoompinyo Family - 61.6 %
- Thai Union Group PCL - 10.0 %
- Others - 28.4 %



Source: R&B Food Supply

## Catalysts

ปัจจัยหนุนการเติบโตในปี 2024 คือ 1) การฟื้นตัวของกำลังซื้อในประเทศและต่างประเทศ 2) ต้นทุนวัตถุดิบปรับลดลง 3) การประสบความสำเร็จในการขยายตลาดใหม่ และ 4) การประสบความสำเร็จในสินค้าใหม่

## Risks to our call

ความเสี่ยง 1) กำลังซื้อฟื้นตัวช้ากว่าคาด 2) ราคาวัตถุดิบปรับลงช้ากว่าคาด 3) สินค้าใหม่ไม่ประสบความสำเร็จ และ 4) การ Operate โรงงานใหม่ที่อื่นเดียช้ากว่าแผน

## Event calendar

| Date          | Event                     |
|---------------|---------------------------|
| November 2023 | 3Q23 results announcement |

## Key assumptions

|                               | 2023E | 2024E | 2025E |
|-------------------------------|-------|-------|-------|
| Domestic sales growth (%)     | 0.1   | 5.0   | 5.0   |
| Overseas sales growth (%)     | 51.5  | 35.0  | 28.0  |
| Domestic sales proportion (%) | 71.7  | 66.4  | 61.8  |
| Overseas sales proportion (%) | 28.3  | 33.6  | 38.2  |
| Total sales growth (%)        | 10.7  | 13.5  | 12.7  |
| Gross margin (%)              | 36.9  | 37.5  | 38.0  |

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%, and vice versa, all else being equal.
- For every 0.2% increase in SG&A to sales, we estimate 2023 net profit to fall by 1.1%, and vice versa, all else being equal.

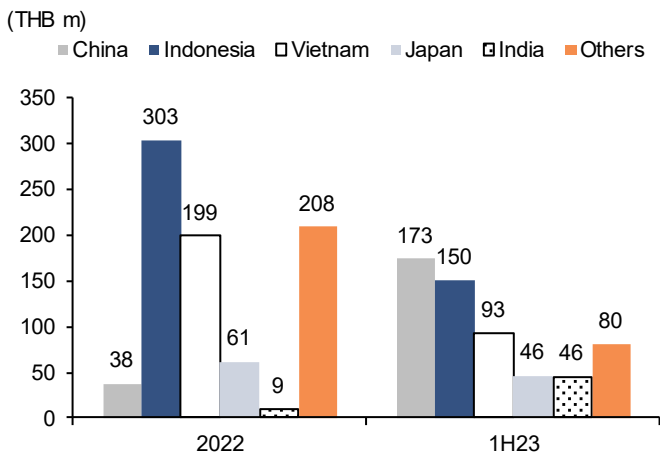
Source: FSSIA estimates

## 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                               | 984     | 978     | 994     | 1,005   | 1,056   | 1,056   | 1,148   | 8.7                | 15.5         | 2,956   | 3,260   | 10.3   |
| Cost of sales                       | 615     | 643     | 675     | 682     | 674     | 668     | 721     | 7.9                | 6.8          | 1,933   | 2,064   | 6.8    |
| Gross profit                        | 370     | 335     | 319     | 323     | 382     | 388     | 427     | 10.2               | 34.0         | 1,023   | 1,196   | 16.9   |
| SG&A                                | 184     | 190     | 195     | 193     | 194     | 205     | 210     | 2.6                | 7.5          | 570     | 609     | 6.9    |
| Operating profit                    | 189     | 146     | 124     | 131     | 189     | 188     | 222     | 18.1               | 78.8         | 459     | 599     | 30.4   |
| Interest expense                    | 2.3     | 2.3     | 2.1     | 2.5     | 2.3     | 2.3     | 2.3     | 1.3                | 11.5         | 7       | 7       | 3.5    |
| Tax expense                         | 35      | 31      | 29      | 19      | 29      | 38      | 40      | 3.9                | 39.8         | 94      | 107     | 14.1   |
| Profit (loss) sharing - India       | 0.00    | 0.00    | 0.00    | 0.02    | 0.96    | 1.44    | 2.00    | 38.6               | nm           | 0       | 4       | nm     |
| Reported net profit                 | 163     | 115     | 110     | 94      | 147     | 153     | 183     | 19.2               | 66.0         | 388     | 483     | 24.3   |
| Core profit                         | 150     | 112     | 90      | 108     | 159     | 150     | 183     | 22.0               | 102.7        | 352     | 491     | 39.7   |
| <b>Key Ratios (%)</b>               |         |         |         |         |         |         |         | <b>(ppt)</b>       | <b>(ppt)</b> |         |         |        |
| Gross margin                        | 37.5    | 34.2    | 32.1    | 32.1    | 36.1    | 36.7    | 37.2    | 0.6                | 2.5          | 34.6    | 36.7    | 2.1    |
| SG&A to sales                       | 18.7    | 19.4    | 19.7    | 19.2    | 18.4    | 19.4    | 18.3    | 1.0                | (0.0)        | 19.3    | 18.7    | (0.6)  |
| Operating margin                    | 19.2    | 14.9    | 12.5    | 13.0    | 17.9    | 17.8    | 19.3    | (0.1)              | 2.9          | 15.5    | 18.4    | 2.8    |
| Net margin                          | 16.5    | 11.8    | 11.1    | 9.4     | 13.9    | 14.5    | 15.9    | 0.6                | 2.7          | 13.1    | 14.8    | 1.7    |
| Core margin                         | 15.2    | 11.4    | 9.1     | 10.7    | 15.0    | 14.2    | 15.9    | (0.8)              | 2.8          | 11.9    | 15.1    | 3.2    |
| <b>Operating statistics (THB m)</b> |         |         |         |         |         |         |         |                    |              |         |         |        |
| Domestic revenue                    | 789     | 771     | 788     | 795     | 780     | 744     | 800     | 7.5                | 1.5          | 2,349   | 2,324   | (1.1)  |
| Overseas revenue                    | 195     | 207     | 205     | 210     | 276     | 312     | 348     | 11.5               | 69.4         | 608     | 936     | 54.0   |
| <b>Sales breakdown by product</b>   |         |         |         |         |         |         |         |                    |              |         |         |        |
| Flavoring & Food coloring           | 344     | 310     | 299     | 339     | 362     | 370     | 403     | 9.1                | 35.0         | 953     | 1,135   | 19.2   |
| Food Coating                        | 414     | 429     | 476     | 462     | 504     | 491     | 509     | 3.6                | 7.0          | 1,319   | 1,504   | 14.0   |
| Other                               | 227     | 239     | 219     | 203     | 190     | 195     | 236     | 21.2               | 7.7          | 685     | 621     | (9.3)  |

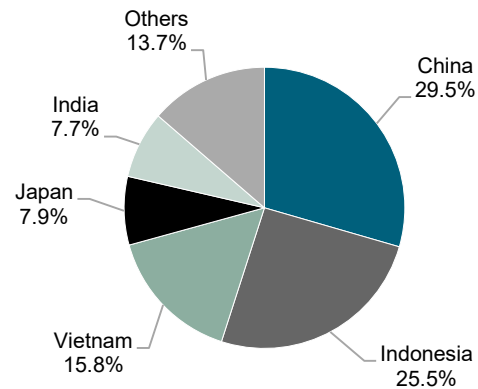
Sources: RBF, FSSIA estimates

## Exhibit 2: Overseas revenue breakdown by country



Sources: RBF; FSSIA's compilation

## Exhibit 3: Overseas revenue proportion (% of 1H23 total overseas revenue)



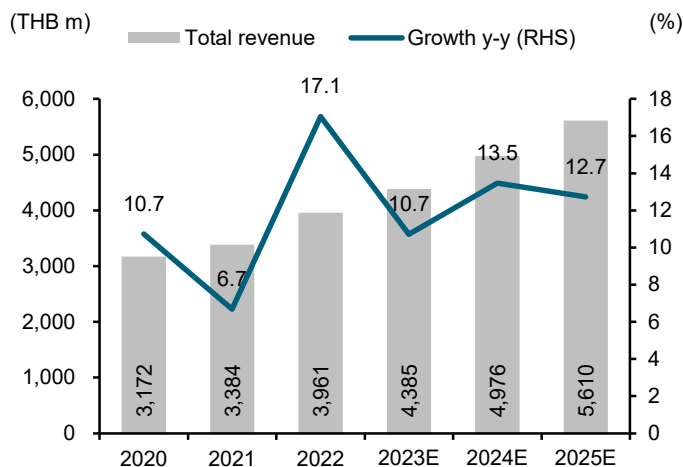
Sources: RBF; FSSIA's compilation

**Exhibit 4: Key assumptions for RBF**

| Assumptions                             | Forecast |       |       | Growth    |           |           |
|---|----------|-------|-------|-----------|-----------|-----------|
|   | 2023E    | 2024E | 2025E | 2023E (%) | 2024E (%) | 2025E (%) |
| Domestic sales (THB m)                  | 3,146    | 3,304 | 3,469 | 0.1       | 5.0       | 5.0       |
| Overseas sales (THB m)                  | 1,239    | 1,673 | 2,141 | 51.5      | 35.0      | 28.0      |
| Food coating sales (THB m)              | 1,969    | 2,126 | 2,350 | 10.2      | 8.0       | 10.5      |
| Flavoring & Food coloring sales (THB m) | 1,531    | 1,745 | 2,007 | 18.5      | 14.0      | 15.0      |
| Total sales (THB m)                     | 4,385    | 4,976 | 5,610 | 10.7      | 13.5      | 12.7      |
| Gross profit (THB m)                    | 1,618    | 1,866 | 2,132 | 20.2      | 15.3      | 14.2      |
| Gross margin (%)                        | 36.9     | 37.5  | 38.0  | 2.9       | 0.6       | 0.5       |
| SG&A expenses (THB m)                   | 816      | 921   | 1,038 | 7.0       | 12.9      | 12.7      |
| SG&A to sales (%)                       | 18.6     | 18.5  | 18.5  | (0.7)     | (0.1)     | 0.0       |
| Report net profit (THB m)               | 664      | 772   | 881   | 37.6      | 16.3      | 14.1      |
| Net margin (%)                          | 15.1     | 15.5  | 15.7  | 3.0       | 0.4       | 0.2       |
| Core profit (THB m)                     | 664      | 772   | 881   | 44.5      | 16.3      | 14.1      |
| Core margin (%)                         | 15.1     | 15.5  | 15.7  | 3.5       | 0.4       | 0.2       |

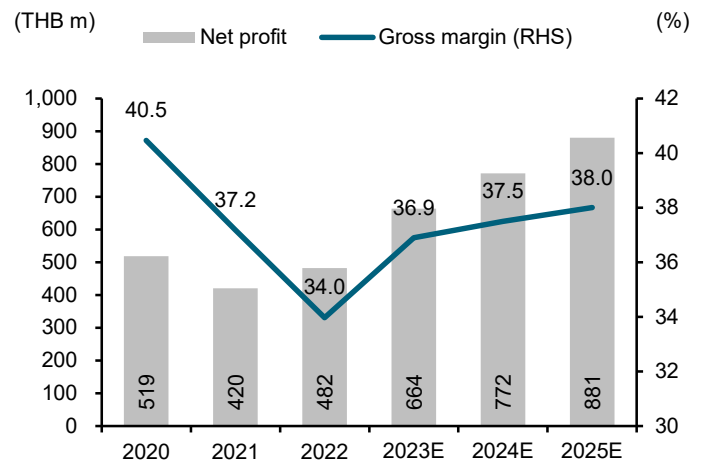
Note: Change of items in percentage terms are represented in ppt change  
 Source: FSSIA estimates

**Exhibit 5: Yearly total revenue and growth**



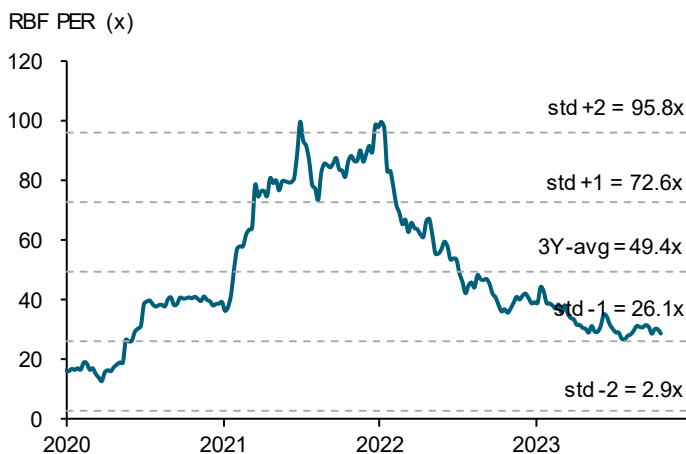
Sources: RBF; FSSIA estimates

**Exhibit 6: Yearly net profit and gross margin**



Sources: RBF; FSSIA estimates

**Exhibit 7: Historical P/E band**



Sources: Bloomberg; FSSIA's compilation

**Exhibit 8: Historical P/BV band**



Sources: Bloomberg; FSSIA's compilation

## Financial Statements

### R&B Food Supply

| Profit and Loss (THB m) Year Ending Dec           | 2021         | 2022         | 2023E        | 2024E        | 2025E        |
|---|--------------|--------------|--------------|--------------|--------------|
| Revenue   | 3,384        | 3,961        | 4,385        | 4,976        | 5,610        |
| Cost of goods sold                                | (2,126)      | (2,615)      | (2,767)      | (3,110)      | (3,478)      |
| <b>Gross profit</b>                               | <b>1,258</b> | <b>1,346</b> | <b>1,618</b> | <b>1,866</b> | <b>2,132</b> |
| Other operating income                            | 7            | 7            | 11           | 12           | 14           |
| Operating costs                                   | (663)        | (763)        | (816)        | (921)        | (1,038)      |
| <b>Operating EBITDA</b>                           | <b>809</b>   | <b>809</b>   | <b>1,093</b> | <b>1,297</b> | <b>1,507</b> |
| Depreciation                                      | (207)        | (219)        | (279)        | (339)        | (399)        |
| Goodwill amortisation                             | 0            | 0            | 0            | 0            | 0            |
| <b>Operating EBIT</b>                             | <b>603</b>   | <b>590</b>   | <b>814</b>   | <b>958</b>   | <b>1,108</b> |
| Net financing costs                               | (9)          | (9)          | (9)          | (12)         | (15)         |
| Associates  | -            | -            | -            | -            | -            |
| Recurring non-operating income                    | 0            | 0            | 0            | 0            | 0            |
| Non-recurring items                               | (55)         | 23           | 0            | 0            | 0            |
| <b>Profit before tax</b>                          | <b>539</b>   | <b>604</b>   | <b>805</b>   | <b>946</b>   | <b>1,093</b> |
| Tax   | (116)        | (113)        | (145)        | (180)        | (219)        |
| <b>Profit after tax</b>                           | <b>423</b>   | <b>491</b>   | <b>660</b>   | <b>766</b>   | <b>875</b>   |
| Minority interests                                | (3)          | (9)          | 4            | 6            | 6            |
| Preferred dividends                               | 0            | 0            | 0            | 0            | 0            |
| Other items                                       | -            | -            | -            | -            | -            |
| <b>Reported net profit</b>                        | <b>420</b>   | <b>482</b>   | <b>664</b>   | <b>772</b>   | <b>881</b>   |
| <b>Non-recurring items &amp; goodwill (net)</b>   | <b>55</b>    | <b>(23)</b>  | <b>0</b>     | <b>0</b>     | <b>0</b>     |
| <b>Recurring net profit</b>                       | <b>475</b>   | <b>459</b>   | <b>664</b>   | <b>772</b>   | <b>881</b>   |
| <b>Per share (THB)</b>                            |              |              |              |              |              |
| Recurring EPS *                                   | 0.24         | 0.23         | 0.33         | 0.39         | 0.44         |
| Reported EPS                                      | 0.21         | 0.24         | 0.33         | 0.39         | 0.44         |
| DPS   | 0.15         | 0.10         | 0.20         | 0.23         | 0.26         |
| Diluted shares (used to calculate per share data) | 2,000        | 2,000        | 2,000        | 2,000        | 2,000        |
| <b>Growth</b>                                     |              |              |              |              |              |
| Revenue (%)                                       | 6.7          | 17.1         | 10.7         | 13.5         | 12.7         |
| Operating EBITDA (%)                              | (5.3)        | (0.1)        | 35.1         | 18.7         | 16.2         |
| Operating EBIT (%)                                | (9.6)        | (2.0)        | 37.9         | 17.7         | 15.7         |
| Recurring EPS (%)                                 | (11.8)       | (3.3)        | 44.5         | 16.3         | 14.1         |
| Reported EPS (%)                                  | (19.1)       | 14.8         | 37.6         | 16.3         | 14.1         |
| <b>Operating performance</b>                      |              |              |              |              |              |
| Gross margin inc. depreciation (%)                | 37.2         | 34.0         | 36.9         | 37.5         | 38.0         |
| Gross margin exc. depreciation (%)                | 43.3         | 39.5         | 43.3         | 44.3         | 45.1         |
| Operating EBITDA margin (%)                       | 23.9         | 20.4         | 24.9         | 26.1         | 26.9         |
| Operating EBIT margin (%)                         | 17.8         | 14.9         | 18.6         | 19.3         | 19.8         |
| Net margin (%)                                    | 14.0         | 11.6         | 15.1         | 15.5         | 15.7         |
| Effective tax rate (%)                            | 21.5         | 18.7         | 18.0         | 19.0         | 20.0         |
| Dividend payout on recurring profit (%)           | 63.1         | 43.5         | 60.0         | 60.0         | 60.0         |
| Interest cover (X)                                | 68.0         | 64.5         | 87.4         | 79.8         | 75.4         |
| Inventory days                                    | 166.1        | 168.0        | 183.7        | 180.3        | 181.9        |
| Debtor days                                       | 91.2         | 85.2         | 86.5         | 84.7         | 84.9         |
| Creditor days                                     | 81.2         | 77.3         | 77.7         | 74.2         | 74.9         |
| Operating ROIC (%)                                | 14.9         | 13.7         | 17.1         | 19.2         | (5.3)        |
| ROIC (%)  | 14.3         | 13.0         | 16.1         | 18.0         | (5.0)        |
| ROE (%)   | 11.4         | 10.7         | 14.8         | 16.3         | 17.4         |
| ROA (%)   | 9.8          | 9.3          | 12.6         | 13.9         | 14.5         |
| * Pre-exceptional, pre-goodwill and fully diluted |              |              |              |              |              |
| <b>Revenue by Division (THB m)</b>                |              |              |              |              |              |
| Flavouring agents and Food colouring              | 1,194        | 1,292        | 1,531        | 1,745        | 2,007        |
| Food coating                                      | 1,335        | 1,787        | 1,969        | 2,126        | 2,350        |
| Dehydrated products                               | 214          | 272          | 318          | 350          | 402          |
| Frozen products                                   | 68           | 60           | 67           | 75           | 84           |

Sources: R&B Food Supply; FSSIA estimates

## Financial Statements

### R&B Food Supply

| Cash Flow (THB m) Year Ending Dec | 2021         | 2022         | 2023E        | 2024E        | 2025E        |
|-----------------------------------|--------------|--------------|--------------|--------------|--------------|
| Recurring net profit              | 475          | 459          | 664          | 772          | 881          |
| Depreciation                      | 207          | 219          | 279          | 339          | 399          |
| Associates & minorities           | 0            | 0            | 0            | 0            | 0            |
| Other non-cash items              | 14           | 11           | (1)          | 2            | 2            |
| Change in working capital         | (135)        | (354)        | (150)        | (238)        | (255)        |
| <b>Cash flow from operations</b>  | <b>562</b>   | <b>335</b>   | <b>792</b>   | <b>874</b>   | <b>1,026</b> |
| Capex - maintenance               | -            | -            | -            | -            | -            |
| Capex - new investment            | -            | (456)        | (367)        | (300)        | (300)        |
| Net acquisitions & disposals      | -            | -            | -            | -            | -            |
| Other investments (net)           | 30           | (109)        | (25)         | (9)          | (10)         |
| <b>Cash flow from investing</b>   | <b>30</b>    | <b>(565)</b> | <b>(392)</b> | <b>(309)</b> | <b>(310)</b> |
| Dividends paid                    | (300)        | (295)        | (398)        | (463)        | (528)        |
| Equity finance                    | 0            | 0            | 0            | 0            | 0            |
| Debt finance                      | (129)        | 19           | (10)         | (10)         | (11)         |
| Other financing cash flows        | (1)          | (3)          | 7            | 9            | 10           |
| <b>Cash flow from financing</b>   | <b>(430)</b> | <b>(278)</b> | <b>(401)</b> | <b>(464)</b> | <b>(529)</b> |
| Non-recurring cash flows          | -            | -            | -            | -            | -            |
| Other adjustments                 | 0            | 0            | 0            | 0            | 0            |
| <b>Net other adjustments</b>      | <b>0</b>     | <b>0</b>     | <b>0</b>     | <b>0</b>     | <b>0</b>     |
| <b>Movement in cash</b>           | <b>162</b>   | <b>(508)</b> | <b>(1)</b>   | <b>101</b>   | <b>187</b>   |
| Free cash flow to firm (FCFF)     | 600.43       | (220.64)     | 409.13       | 577.03       | 730.64       |
| Free cash flow to equity (FCFE)   | 461.77       | (213.05)     | 397.26       | 563.89       | 714.95       |

#### Per share (THB)

|                               |      |        |      |      |      |
|-------------------------------|------|--------|------|------|------|
| FCFF per share                | 0.30 | (0.11) | 0.20 | 0.29 | 0.37 |
| FCFE per share                | 0.23 | (0.11) | 0.20 | 0.28 | 0.36 |
| Recurring cash flow per share | 0.35 | 0.34   | 0.47 | 0.56 | 0.64 |

| Balance Sheet (THB m) Year Ending Dec             | 2021         | 2022         | 2023E        | 2024E        | 2025E        |
|---|--------------|--------------|--------------|--------------|--------------|
| Tangible fixed assets (gross)                     | 3,031        | 3,133        | 3,433        | 3,733        | 4,033        |
| Less: Accumulated depreciation                    | (1,188)      | (1,092)      | (1,370)      | (1,709)      | (2,108)      |
| <b>Tangible fixed assets (net)</b>                | <b>1,842</b> | <b>2,041</b> | <b>2,063</b> | <b>2,024</b> | <b>1,925</b> |
| <b>Intangible fixed assets (net)</b>              | <b>6</b>     | <b>6</b>     | <b>11</b>    | <b>11</b>    | <b>11</b>    |
| Long-term financial assets                        | -            | -            | -            | -            | -            |
| Invest. in associates & subsidiaries              | 69           | 180          | 180          | 180          | 180          |
| Cash & equivalents                                | 1,176        | 668          | 667          | 767          | 954          |
| A/C receivable                                    | 850          | 998          | 1,081        | 1,227        | 1,383        |
| Inventories                                       | 989          | 1,217        | 1,289        | 1,449        | 1,620        |
| Other current assets                              | 23           | 44           | 48           | 55           | 62           |
| <b>Current assets</b>                             | <b>3,039</b> | <b>2,927</b> | <b>3,085</b> | <b>3,498</b> | <b>4,019</b> |
| Other assets                                      | 50           | 51           | 70           | 80           | 90           |
| <b>Total assets</b>                               | <b>5,006</b> | <b>5,204</b> | <b>5,409</b> | <b>5,792</b> | <b>6,225</b> |
| Common equity                                     | 4,224        | 4,373        | 4,572        | 4,881        | 5,233        |
| Minorities etc.                                   | 12           | 23           | 22           | 24           | 26           |
| <b>Total shareholders' equity</b>                 | <b>4,237</b> | <b>4,397</b> | <b>4,594</b> | <b>4,905</b> | <b>5,259</b> |
| Long term debt                                    | 156          | 157          | 147          | 136          | 125          |
| Other long-term liabilities                       | 61           | 58           | 66           | 75           | 84           |
| <b>Long-term liabilities</b>                      | <b>217</b>   | <b>215</b>   | <b>213</b>   | <b>211</b>   | <b>210</b>   |
| A/C payable                                       | 487          | 528          | 531          | 596          | 667          |
| Short term debt                                   | 12           | 10           | 10           | 11           | 11           |
| Other current liabilities                         | 53           | 54           | 61           | 70           | 79           |
| <b>Current liabilities</b>                        | <b>552</b>   | <b>593</b>   | <b>602</b>   | <b>677</b>   | <b>757</b>   |
| <b>Total liabilities and shareholders' equity</b> | <b>5,006</b> | <b>5,204</b> | <b>5,409</b> | <b>5,792</b> | <b>6,225</b> |
| Net working capital                               | 1,323        | 1,676        | 1,826        | 2,064        | 2,319        |
| Invested capital                                  | 3,290        | 3,954        | 4,150        | 4,359        | 4,526        |

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

#### Per share (THB)

|                               |      |      |      |      |      |
|-------------------------------|------|------|------|------|------|
| Book value per share          | 2.11 | 2.19 | 2.29 | 2.44 | 2.62 |
| Tangible book value per share | 2.11 | 2.18 | 2.28 | 2.43 | 2.61 |

#### Financial strength

|                           |        |        |        |        |        |
|---------------------------|--------|--------|--------|--------|--------|
| Net debt/equity (%)       | (23.8) | (11.4) | (11.1) | (12.6) | (15.5) |
| Net debt/total assets (%) | (20.1) | (9.6)  | (9.4)  | (10.7) | (13.1) |
| Current ratio (x)         | 5.5    | 4.9    | 5.1    | 5.2    | 5.3    |
| CF interest cover (x)     | 53.1   | 27.5   | 83.1   | 73.0   | 70.1   |

| Valuation                                 | 2021        | 2022        | 2023E       | 2024E       | 2025E       |
|---|-------------|-------------|-------------|-------------|-------------|
| <b>Recurring P/E (x) *</b>                | <b>44.6</b> | <b>46.2</b> | <b>31.9</b> | <b>27.5</b> | <b>24.1</b> |
| <b>Recurring P/E @ target price (x) *</b> | <b>56.8</b> | <b>58.8</b> | <b>40.7</b> | <b>35.0</b> | <b>30.7</b> |
| Reported P/E (x)                          | 50.5        | 44.0        | 31.9        | 27.5        | 24.1        |
| Dividend yield (%)                        | 1.4         | 0.9         | 1.9         | 2.2         | 2.5         |
| Price/book (x)                            | 5.0         | 4.8         | 4.6         | 4.3         | 4.1         |
| Price/tangible book (x)                   | 5.0         | 4.9         | 4.6         | 4.4         | 4.1         |
| EV/EBITDA (x) **                          | 25.0        | 25.6        | 19.0        | 15.9        | 13.5        |
| EV/EBITDA @ target price (x) **           | 32.1        | 32.8        | 24.3        | 20.4        | 17.4        |
| EV/invested capital (x)                   | 6.1         | 5.2         | 5.0         | 4.7         | 4.5         |

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

Sources: R&B Food Supply; FSSIA estimates

# R&B Food Supply PCL (RBF TB)

**FSSIA ESG rating**

**34.45 /100**
**Exhibit 9: 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  | <b>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.</b>  |
| ★☆☆☆☆  | 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 10: ESG – peer comparison**

|          | FSSIA ESG score | Domestic ratings |          |      |          |           |           | Global ratings       |          |      |         |           |            | Bloomberg |                  |
|----------|-----------------|------------------|----------|------|----------|-----------|-----------|----------------------|----------|------|---------|-----------|------------|-----------|------------------|
|          |                 | DJSI             | SET THSI | THSI | CG score | AGM level | Thai CAC  | Morningstar ESG risk | ESG Book | MSCI | Moody's | Refinitiv | S&P Global | ESG score | Disclosure score |
| SET100   | 69.20           | 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 | 67.12           | 5.11             | 4.15     | 4.17 | 4.83     | 4.71      | 3.53      | Medium               | 52.04    | BB   | 16.97   | 56.85     | 62.09      | 3.40      | 31.94            |
| BTG      | 8.00            | --               | --       | --   | --       | --        | Declared  | --                   | --       | --   | --      | --        | --         | --        | --               |
| CPF      | 78.94           | Y                | Y        | Y    | 5.00     | 5.00      | Certified | High                 | 50.25    | BBB  | 43.00   | 70.21     | 85.00      | 4.08      | 62.09            |
| GFPT     | 53.67           | --               | Y        | Y    | 5.00     | 5.00      | Certified | High                 | 56.79    | --   | --      | 61.87     | 19.00      | --        | 55.41            |
| TU       | 68.12           | Y                | --       | --   | 5.00     | 5.00      | Certified | High                 | 44.49    | A    | 35.00   | 66.15     | 87.00      | 2.99      | --               |
| TFG      | 33.01           | --               | --       | Y    | 4.00     | 5.00      | Certified | High                 | --       | --   | --      | 42.11     | --         | --        | --               |
| RBF      | 34.45           | --               | --       | --   | 5.00     | 4.00      | Declared  | High                 | 51.04    | --   | --      | 30.50     | --         | 2.34      | --               |

Sources: [SETTRADE.com](http://SETTRADE.com); FSSIA's compilation
**Exhibit 11: ESG score by Bloomberg**

| FY ending Dec 31                                    | FY 2020      | FY 2021      | FY 2022  |
|---|--------------|--------------|----------|
| <b>ESG financial materiality scores - ESG score</b> | <b>—</b>     | <b>2.34</b>  | <b>—</b> |
| BESG environmental pillar score                     | —            | 1.02         | —        |
| BESG social pillar score                            | —            | 2.01         | —        |
| BESG governance pillar score                        | —            | 5.06         | —        |
| <b>ESG disclosure score</b>                         | <b>34.03</b> | <b>42.34</b> | <b>—</b> |
| Environmental disclosure score                      | 0.48         | 11.11        | —        |
| Social disclosure score                             | 31.29        | 34.67        | —        |
| Governance disclosure score                         | 70.20        | 81.10        | —        |
| <b>Environmental</b>                                |              |              |          |
| Emissions reduction initiatives                     | No           | Yes          | Yes      |
| Climate change policy                               | No           | No           | No       |
| Climate change opportunities discussed              | No           | No           | No       |
| Risks of climate change discussed                   | No           | No           | No       |
| GHG scope 1   | —            | —            | 2        |
| GHG scope 2 location-based                          | —            | —            | 4        |
| GHG Scope 3   | —            | —            | 12       |
| Carbon per unit of production                       | —            | —            | —        |
| Biodiversity policy                                 | No           | No           | No       |
| Energy efficiency policy                            | No           | Yes          | Yes      |
| Total energy consumption                            | —            | —            | 12       |
| Renewable energy use                                | —            | —            | —        |
| Electricity used                                    | —            | 8            | 9        |
| Fuel used - natural gas                             | —            | —            | —        |

Sources: Bloomberg; FSSIA's compilation

**Exhibit 12: ESG score by Bloomberg (cont.)**

| <b>FY ending Dec 31</b>                       | <b>FY 2020</b> | <b>FY 2021</b> | <b>FY 2022</b> |
|---|----------------|----------------|----------------|
| Fuel used - crude oil/diesel                  | No             | No             | No             |
| Waste reduction policy                        | Yes            | Yes            | Yes            |
| Hazardous waste                               | —              | —              | —              |
| Total waste                                   | —              | 0              | 0              |
| Waste recycled                                | —              | 0              | 0              |
| Waste sent to landfills                       | —              | —              | —              |
| Environmental supply chain management         | No             | No             | No             |
| Water policy                                  | No             | Yes            | Yes            |
| Water consumption                             | —              | 122            | 111            |
| <b>Social</b>                                 |                |                |                |
| Human rights policy                           | Yes            | Yes            | Yes            |
| Policy against child labor                    | Yes            | Yes            | Yes            |
| Quality assurance and recall policy           | Yes            | Yes            | Yes            |
| Consumer data protection policy               | Yes            | Yes            | Yes            |
| Equal opportunity policy                      | Yes            | Yes            | Yes            |
| Gender pay gap breakout                       | No             | No             | No             |
| Pct women in workforce                        | —              | 61             | 59             |
| Pct disabled in workforce                     | —              | —              | —              |
| Business ethics policy                        | Yes            | Yes            | Yes            |
| Anti-bribery ethics policy                    | Yes            | Yes            | Yes            |
| Health and safety policy                      | Yes            | Yes            | Yes            |
| Lost time incident rate - employees           | 1              | 1              | 1              |
| Total recordable incident rate - employees    | —              | —              | —              |
| Training policy                               | Yes            | Yes            | Yes            |
| Fair remuneration policy                      | No             | No             | Yes            |
| Number of employees – CSR                     | 1,294          | 1,245          | 1,382          |
| Employee turnover pct                         | 53             | 29             | 39             |
| Total hours spent by firm - employee training | 8,282          | 10,312         | 15,340         |
| Social supply chain management                | Yes            | Yes            | Yes            |
| <b>Governance</b>                             |                |                |                |
| <b>Board size</b>                             | <b>9</b>       | <b>12</b>      | <b>12</b>      |
| <b>No. of independent directors (ID)</b>      | <b>3</b>       | <b>4</b>       | <b>4</b>       |
| No. of women on board                         | 3              | 4              | 4              |
| No. of non-executive directors on board       | 5              | 8              | 8              |
| Company conducts board evaluations            | Yes            | Yes            | Yes            |
| No. of board meetings for the year            | 8              | 6              | 6              |
| Board meeting attendance pct                  | 92             | 97             | 100            |
| Board duration (years)                        | 3              | 3              | 3              |
| Director share ownership guidelines           | No             | No             | No             |
| Age of the youngest director                  | —              | 33             | 34             |
| Age of the oldest director                    | —              | 70             | 71             |
| <b>No. of executives / company managers</b>   | <b>3</b>       | <b>4</b>       | <b>4</b>       |
| No. of female executives                      | 2              | 1              | 1              |
| Executive share ownership guidelines          | No             | No             | No             |
| <b>Size of audit committee</b>                | <b>3</b>       | <b>3</b>       | <b>3</b>       |
| No. of ID on audit committee                  | 3              | 3              | 3              |
| Audit committee meetings                      | 5              | 5              | 4              |
| Audit meeting attendance %                    | 100            | 93             | 100            |
| <b>Size of compensation committee</b>         | <b>5</b>       | <b>5</b>       | <b>5</b>       |
| No. of ID on compensation committee           | 3              | 3              | 3              |
| No. of compensation committee meetings        | 1              | 2              | 1              |
| Compensation meeting attendance %             | —              | 100            | 100            |
| <b>Size of nomination committee</b>           | <b>5</b>       | <b>5</b>       | <b>5</b>       |
| No. of nomination committee meetings          | 1              | 2              | 1              |
| Nomination meeting attendance %               | —              | 100            | 100            |
| <b>Sustainability governance</b>              |                |                |                |
| Verification type                             | No             | No             | No             |

Sources: Bloomberg; 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 <b>THSI inclusion</b> , 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.<br><b>SETTHSI Index</b> 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. |   |                |   |           |             |      |       |          |             |     |  |            |             |                 |   |           |             |  |  |          |             |  |  |            |             |                 |   |  |
| <b>CG Score</b> 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%).  |   |                |   |           |             |      |       |          |             |     |  |            |             |                 |   |           |             |  |  |          |             |  |  |            |             |                 |   |  |
| <b>AGM level</b> 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&amp;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.  |   |                |   |           |             |      |       |          |             |     |  |            |             |                 |   |           |             |  |  |          |             |  |  |            |             |                 |   |  |
| <b>Thai CAC</b> 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.<br><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.   |   |                |   |           |             |      |       |          |             |     |  |            |             |                 |   |           |             |  |  |          |             |  |  |            |             |                 |   |  |
| <b>Morningstar Sustainalytics</b>   | 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 &amp; 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" data-bbox="877 1153 1444 1209"> <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+            |   |           |             |      |       |          |             |     |  |            |             |                 |   |           |             |  |  |          |             |  |  |            |             |                 |   |  |
| <b>ESG Book</b>   | 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.   |   |                |   |           |             |      |       |          |             |     |  |            |             |                 |   |           |             |  |  |          |             |  |  |            |             |                 |   |  |
| <b>MSCI</b>   | 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" data-bbox="239 1400 1492 1590"> <tbody> <tr> <td><b>AAA</b></td> <td>8.571-10.000</td> <td><b>Leader:</b></td> <td>leading its industry in managing the most significant ESG risks and opportunities</td> </tr> <tr> <td><b>AA</b></td> <td>7.143-8.570</td> <td></td> <td></td> </tr> <tr> <td><b>A</b></td> <td>5.714-7.142</td> <td></td> <td></td> </tr> <tr> <td><b>BBB</b></td> <td>4.286-5.713</td> <td><b>Average:</b></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><b>BB</b></td> <td>2.857-4.285</td> <td></td> <td></td> </tr> <tr> <td><b>B</b></td> <td>1.429-2.856</td> <td></td> <td></td> </tr> <tr> <td><b>CCC</b></td> <td>0.000-1.428</td> <td><b>Laggard:</b></td> <td>lagging its industry based on its high exposure and failure to manage significant ESG risks</td> </tr> </tbody> </table> | <b>AAA</b>  | 8.571-10.000  | <b>Leader:</b> | leading its industry in managing the most significant ESG risks and opportunities | <b>AA</b> | 7.143-8.570 |      |       | <b>A</b> | 5.714-7.142 |     |  | <b>BBB</b> | 4.286-5.713 | <b>Average:</b> | a mixed or unexceptional track record of managing the most significant ESG risks and opportunities relative to industry peers | <b>BB</b> | 2.857-4.285 |  |  | <b>B</b> | 1.429-2.856 |  |  | <b>CCC</b> | 0.000-1.428 | <b>Laggard:</b> | lagging its industry based on its high exposure and failure to manage significant ESG risks |  |
| <b>AAA</b>  | 8.571-10.000   | <b>Leader:</b>  | leading its industry in managing the most significant ESG risks and opportunities   |                |   |           |             |      |       |          |             |     |  |            |             |                 |   |           |             |  |  |          |             |  |  |            |             |                 |   |  |
| <b>AA</b>   | 7.143-8.570  |   |   |                |   |           |             |      |       |          |             |     |  |            |             |                 |   |           |             |  |  |          |             |  |  |            |             |                 |   |  |
| <b>A</b>  | 5.714-7.142  |   |   |                |   |           |             |      |       |          |             |     |  |            |             |                 |   |           |             |  |  |          |             |  |  |            |             |                 |   |  |
| <b>BBB</b>  | 4.286-5.713  | <b>Average:</b>   | a mixed or unexceptional track record of managing the most significant ESG risks and opportunities relative to industry peers |                |   |           |             |      |       |          |             |     |  |            |             |                 |   |           |             |  |  |          |             |  |  |            |             |                 |   |  |
| <b>BB</b>   | 2.857-4.285  |   |   |                |   |           |             |      |       |          |             |     |  |            |             |                 |   |           |             |  |  |          |             |  |  |            |             |                 |   |  |
| <b>B</b>  | 1.429-2.856  |   |   |                |   |           |             |      |       |          |             |     |  |            |             |                 |   |           |             |  |  |          |             |  |  |            |             |                 |   |  |
| <b>CCC</b>  | 0.000-1.428  | <b>Laggard:</b>   | lagging its industry based on its high exposure and failure to manage significant ESG risks                                   |                |   |           |             |      |       |          |             |     |  |            |             |                 |   |           |             |  |  |          |             |  |  |            |             |                 |   |  |
| <b>Moody's ESG solutions</b>  | 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.  |   |   |                |   |           |             |      |       |          |             |     |  |            |             |                 |   |           |             |  |  |          |             |  |  |            |             |                 |   |  |
| <b>Refinitiv ESG rating</b>   | 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; &gt;25 to 50 = satisfactory; &gt;50 to 75 = good; and &gt;75 to 100 = excellent.)</i>  |   |   |                |   |           |             |      |       |          |             |     |  |            |             |                 |   |           |             |  |  |          |             |  |  |            |             |                 |   |  |
| <b>S&amp;P Global</b>   | 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.   |   |   |                |   |           |             |      |       |          |             |     |  |            |             |                 |   |           |             |  |  |          |             |  |  |            |             |                 |   |  |
| <b>Bloomberg</b>  | 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

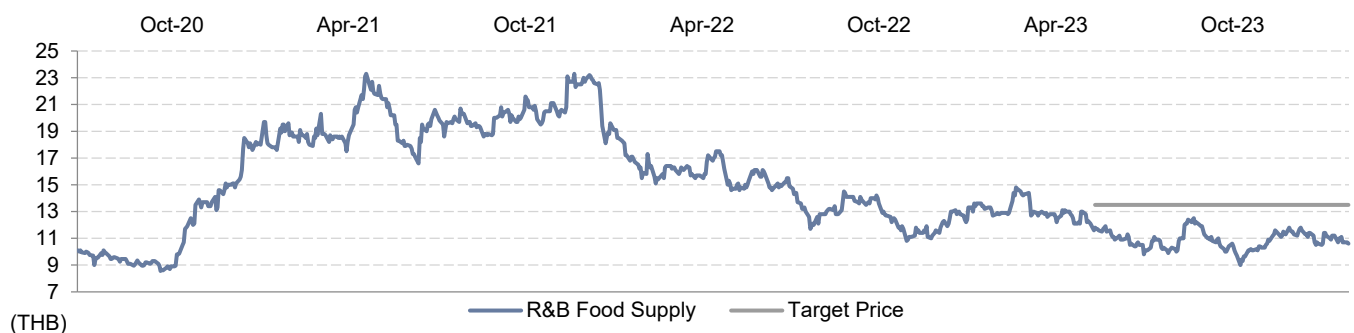
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### History of change in investment rating and/or target price

#### R&B Food Supply (RBF TB)



| Date        | Rating | Target price | Date | Rating | Target price | Date | Rating | Target price |
|-------------|--------|--------------|------|--------|--------------|------|--------|--------------|
| 20-Mar-2023 | BUY    | 13.50        | -    | -      | -            | -    | -      | -            |

Sureeporn Teewasuwet started covering this stock from 20-Mar-2023

Price and TP are in local currency

Source: FSSIA estimates

| Company         | Ticker | Price     | Rating | Valuation & Risks  |
|-----------------|--------|-----------|--------|--|
| R&B Food Supply | RBF TB | THB 10.60 | BUY    | Downside risks to our P/E-based TP include 1) a slower-than-expected consumption recovery; 2) high volatility in raw material costs; 3) a weaker THB than expected; and 4) a slower-than-expected India expansion. |

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 25-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.