

THAI STANLEY ELECTRIC

THAILAND / AUTOMOTIVE

STANLY TB

BUY

UNCHANGED

3QFY24 results at first glance

TARGET PRICE	THB240.00
CLOSE	THB214.00
UP/DOWNSIDE	+12.1%
TP vs CONSENSUS	+4.8%

Solid in-line 3QFY24 profit despite low season

Highlights

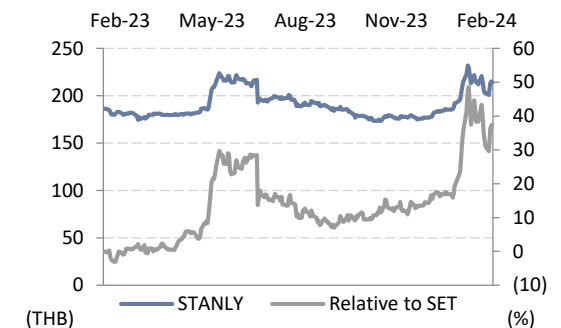
- STANLY reported a 3QFY24 net profit (October - December 2023) of THB443m. Excluding an FX loss, the core profit equaled THB453m (-6.5% q-q, +15.5% y-y), 2% higher than our estimate. The q-q loss came mainly from the low season and an absence of dividends earned from subsidiaries as in the previous quarter. Generally, it is a strong quarter despite the low season.
- 3QFY24 revenue decreased by 3.7% q-q and increased 0.1% y-y due to the low season and q-q lower working days. However, STANLY rushed to build inventory to prepare for deliveries in the following quarters. Hence, the utilization rate increased, resulting in a higher gross margin of 19.2%, up from 16.3% in 2QFY24 and higher than 3QFY23, when STANLY faced semiconductor shortages and high raw material cost problems.
- 9MFY24 revenue and core profit exhibited low growth, up 2.1% y-y and 5.7% y-y, respectively. The profit growth was higher than revenue due to high raw material costs in line with crude prices, chip shortages, and logistics problems last year. Also, STANLY efficiently controlled its expenses.

Outlook

- 9MFY24 core profit (April - December 2023) secured only 63.4% of our full-year estimate of THB1,955m (+12.2% y-y). Meanwhile, production in the auto industry is weak this year, with FTI anticipating 2024 auto production growth of just 3.2% y-y to 1.9m units. Also, it expected 2024 growth from domestic sales, while exports should slow from 2023 due to a gloomy global economy.
- Although we view that domestic sales are also highly challenging due to weak purchasing power, persistently high-interest rates, and tight auto loan underwriting, the popularity of EVs, which benefit from government subsidies, would help drive domestic sales. However, it would benefit authorized distributors/importers more than auto part makers this year.
- Although a revision to reflect the 9MFY24 profit is possible, STANLY is a leader in a low-competition market. It is a debt-free company with high cash on hand of THB8b (THB105/share). Therefore, we retain our BUY rating at our TP of THB240, assuming a 2024E P/E of 9.4x, its five-year historical average.

KEY STOCK DATA

YE Mar (THB m)	2023	2024E	2025E	2026E
Revenue	14,448	15,804	17,385	18,779
Net profit	1,746	1,955	2,216	2,401
EPS (THB)	22.78	25.52	28.92	31.34
vs Consensus (%)	-	19.5	19.2	17.5
EBITDA	3,311	3,495	3,815	4,027
Recurring net profit	1,742	1,955	2,216	2,401
Core EPS (THB)	22.73	25.52	28.92	31.34
EPS growth (%)	16.4	12.3	13.3	8.4
Core P/E (x)	9.4	8.4	7.4	6.8
Dividend yield (%)	9.3	5.4	6.1	6.6
EV/EBITDA (x)	4.3	4.2	3.7	3.4
Price/book (x)	0.8	0.8	0.7	0.7
Net debt/Equity (%)	(9.8)	(8.7)	(10.0)	(10.9)
ROE (%)	8.4	9.2	10.2	10.5



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	9.7	20.9	19.9
Relative to country (%)	12.1	22.9	44.3
Mkt cap (USD m)	458		
3m avg. daily turnover (USD m)	0.3		
Free float (%)	34		
Major shareholder	Stanley Electric Holding Asia-Pacific Pte., Ltd. (36%)		
12m high/low (THB)	233.00/166.07		
Issued shares (m)	76.63		

Sources: Bloomberg consensus; FSSIA estimates


Jitra Amorntum

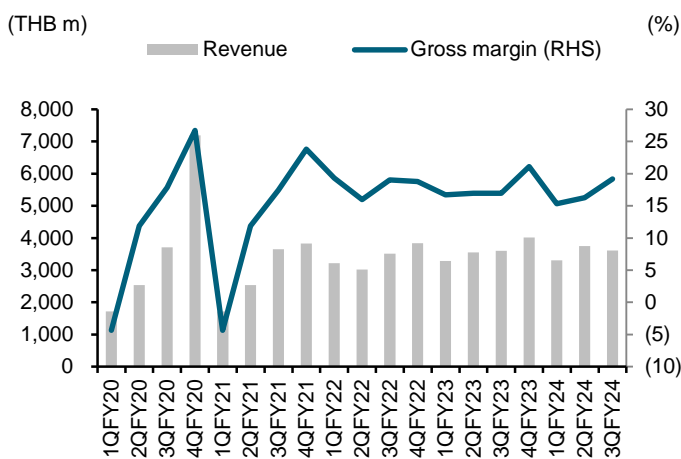
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Exhibit 1: 3QFY24 results summary

Year to Mar 31	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24	----- Change -----		9MFY23	9MFY24	Change	% of
	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(q-q %)	(y-y %)	(THB m)	(THB m)	(y-y %)	FY24E
Sales	3,602	4,012	3,306	3,745	3,607	(3.7)	0.1	10,436	10,658	2.1	67.4
Cost of sales	(2,991)	(3,165)	(2,799)	(3,135)	(2,915)	(7.0)	(2.5)	(8,674)	(8,849)	2.0	68.4
Gross profit	611	846	507	610	692	13.5	13.1	1,762	1,809	2.6	158.1
Operating costs	(274)	(271)	(268)	(281)	(286)	1.6	4.3	(822)	(835)	1.5	73.0
Operating profit	337	575	239	328	406	23.6	20.3	940	974	3.6	50.7
Operating EBITDA	772	996	685	898	853	(5.0)	10.6	2,315	2,436	5.2	69.7
Other income	44	40	46	177	56	(68.3)	27.3	81	68	(16.4)	71.4
Interest expense	0	0	0	0	0	0.0	0.0	0	0	0.0	0.0
Profit before tax	382	616	286	505	462	(8.6)	21.1	1,147	1,253	9.3	65.2
Tax	(94)	(133)	(78)	(108)	(111)	3.0	18.4	(275)	(297)	7.9	77.2
Associates	105	84	96	87	102	17.3	(2.3)	303	285	(5.8)	68.2
Reported net profit	376	565	315	495	443	(10.6)	17.8	1,180	1,253	6.2	64.1
Core profit	392	568	303	485	453	(6.5)	15.5	1,174	1,242	5.7	63.5
Reported EPS (THB)	4.91	7.38	4.11	6.47	5.78	(10.6)	17.8	15.4	16.4	6.2	64.1
Core EPS (THB)	5.12	7.41	3.96	6.33	5.92	(6.5)	15.5	15.3	16.2	5.7	63.5
Key Ratios (%)	(%)	(%)	(%)	(%)	(%)	(ppt)	(ppt)	(%)	(%)	(ppt)	
Gross margin	17.0	21.1	15.3	16.3	19.2	2.9	2.2	16.9	17.0	0.1	
Operating margin	10.6	15.3	8.6	13.5	12.8	(0.7)	2.2	11.0	11.8	0.8	
EBITDA margin	21.4	24.8	20.7	24.0	23.7	(0.3)	2.2	22.2	22.9	0.7	
Core profit margin	10.9	14.1	9.2	12.9	12.6	(0.4)	1.7	11.3	11.6	0.4	
SG&A / Sales	7.6	6.8	8.1	7.5	7.9	0.4	0.3	7.9	7.8	(0.0)	
Revenue breakdown by product type	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(q-q %)	(y-y %)	(THB m)	(THB m)	(y-y %)	
Auto bulbs & automotive lighting equipment	3,598	3,973	3,300	3,592	3,586	8.9	3.0	14,329	15,676	9.4	
Molds & dies and product designs	4	39	6	153	21	2,442.8	141.1	119	129	8.0	
Revenue breakdown by geographic	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(q-q %)	(y-y %)	(THB m)	(THB m)	(y-y %)	
Domestic sales	2,355	2,648	2,037	2,394	2,220	17.5	0.2	9,502	10,036	5.6	
Export sales	1,247	1,363	1,269	1,351	1,387	6.4	16.3	4,946	5,769	16.6	

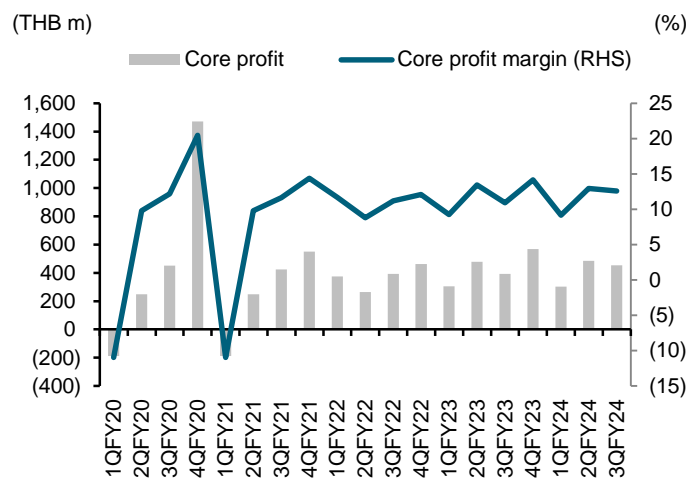
Sources: STANLY, FSSIA estimates

Exhibit 2: Revenue and gross margin



Sources: STANLY, FSSIA estimates

Exhibit 3: Core profit and core profit margin



Sources: STANLY, FSSIA estimates

Financial Statements

Thai Stanley Electric

Profit and Loss (THB m) Year Ending Mar	2022	2023	2024E	2025E	2026E
Revenue	13,582	14,448	15,804	17,385	18,779
Cost of goods sold	(12,666)	(13,387)	(14,517)	(15,767)	(16,928)
Gross profit	916	1,061	1,287	1,618	1,851
Other operating income	1,693	1,795	1,779	1,816	1,849
Operating costs	(1,024)	(1,093)	(1,144)	(1,217)	(1,296)
Operating EBITDA	3,158	3,311	3,495	3,815	4,027
Depreciation	(1,574)	(1,548)	(1,573)	(1,598)	(1,623)
Goodwill amortisation	0	0	0	0	0
Operating EBIT	1,584	1,763	1,922	2,217	2,404
Net financing costs	0	0	0	0	0
Associates	282	387	418	443	478
Recurring non-operating income	282	387	418	443	478
Non-recurring items	24	4	0	0	0
Profit before tax	1,890	2,154	2,340	2,660	2,882
Tax	(369)	(408)	(384)	(443)	(481)
Profit after tax	1,521	1,746	1,955	2,216	2,401
Minority interests	0	0	0	0	0
Preferred dividends	-	-	-	-	-
Other items	-	-	-	-	-
Reported net profit	1,521	1,746	1,955	2,216	2,401
Non-recurring items & goodwill (net)	(24)	(4)	0	0	0
Recurring net profit	1,496	1,742	1,955	2,216	2,401
Per share (THB)					
Recurring EPS *	19.53	22.73	25.52	28.92	31.34
Reported EPS	19.85	22.78	25.52	28.92	31.34
DPS	8.50	20.00	11.48	13.02	14.10
Diluted shares (used to calculate per share data)	77	77	77	77	77
Growth					
Revenue (%)	15.8	6.4	9.4	10.0	8.0
Operating EBITDA (%)	22.3	4.8	5.6	9.1	5.6
Operating EBIT (%)	54.3	11.3	9.0	15.3	8.4
Recurring EPS (%)	44.7	16.4	12.3	13.3	8.4
Reported EPS (%)	43.3	14.8	12.0	13.3	8.4
Operating performance					
Gross margin inc. depreciation (%)	6.7	7.3	8.1	9.3	9.9
Gross margin exc. depreciation (%)	18.3	18.1	18.1	18.5	18.5
Operating EBITDA margin (%)	23.3	22.9	22.1	21.9	21.4
Operating EBIT margin (%)	11.7	12.2	12.2	12.8	12.8
Net margin (%)	11.0	12.1	12.4	12.7	12.8
Effective tax rate (%)	19.5	18.9	16.4	16.7	16.7
Dividend payout on recurring profit (%)	43.5	88.0	45.0	45.0	45.0
Interest cover (X)	-	-	-	-	-
Inventory days	19.7	20.2	17.8	18.2	18.3
Debtor days	69.4	65.4	60.5	56.7	53.9
Creditor days	34.4	31.7	29.6	28.2	25.5
Operating ROIC (%)	9.5	9.6	9.9	11.3	(3.0)
ROIC (%)	8.5	8.9	9.2	10.3	(2.7)
ROE (%)	7.7	8.4	9.2	10.2	10.5
ROA (%)	6.7	7.4	8.0	8.9	9.3
* Pre exceptional, pre-goodwill and fully diluted					
Revenue by Division (THB m)					
Auto bulbs & automotive lighting equipment	13,490	14,329	15,676	17,243	18,623
Molds & dies and product designs	92	119	129	141	156

Sources: Thai Stanley Electric; FSSIA estimates

Financial Statements

Thai Stanley Electric

Cash Flow (THB m) Year Ending Dec	2022	2023	2024E	2025E	2026E
Recurring net profit	1,496	1,742	1,955	2,216	2,401
Depreciation	1,574	1,548	1,573	1,598	1,623
Associates & minorities	(282)	(387)	(418)	(443)	(478)
Other non-cash items	405	(504)	0	0	0
Change in working capital	(621)	(202)	22	(67)	(423)
Cash flow from operations	2,573	2,197	3,133	3,305	3,124
Capex - maintenance	0	0	0	0	0
Capex - new investment	(927)	(677)	(872)	(930)	(918)
Net acquisitions & disposals	0	-	-	-	-
Other investments (net)	(1,234)	(2,235)	(1,281)	(796)	(1,000)
Cash flow from investing	(2,161)	(2,911)	(2,153)	(1,726)	(1,918)
Dividends paid	(421)	(651)	(880)	(997)	(1,081)
Equity finance	0	0	0	0	0
Debt finance	0	0	0	0	0
Other financing cash flows	0	-	-	-	-
Cash flow from financing	(421)	(651)	(880)	(997)	(1,081)
Non-recurring cash flows	-	-	-	-	-
Other adjustments	2	794	0	0	209
Net other adjustments	2	794	(329)	(201)	209
Movement in cash	(7)	(572)	(228)	381	334
Free cash flow to firm (FCFF)	411.62	(714.86)	980.46	1,579.17	1,205.55
Free cash flow to equity (FCFE)	414.05	79.54	651.66	1,378.07	1,414.45

Per share (THB)

FCFF per share	5.37	(9.33)	12.80	20.61	15.73
FCFE per share	5.40	1.04	8.50	17.98	18.46
Recurring cash flow per share	41.68	31.31	40.60	44.00	46.28

Balance Sheet (THB m) Year Ending Mar

	2022	2023	2024E	2025E	2026E
Tangible fixed assets (gross)	24,589	24,700	23,099	21,530	19,925
Less: Accumulated depreciation	(15,512)	(16,231)	(14,657)	(13,059)	(11,436)
Tangible fixed assets (net)	9,077	8,469	8,441	8,471	8,489
Intangible fixed assets (net)	989	940	987	1,187	1,387
Long-term financial assets	1,485	1,702	1,702	1,702	1,702
Invest. in associates & subsidiaries	1,909	2,023	2,023	2,173	2,323
Cash & equivalents	2,656	2,084	1,856	2,237	2,571
A/C receivable	2,618	2,557	2,685	2,715	2,830
Inventories	718	591	674	738	797
Other current assets	3,548	5,933	5,934	5,935	5,936
Current assets	9,539	11,165	11,148	11,624	12,133
Other assets	58	25	79	122	150
Total assets	23,057	24,325	24,381	25,279	26,184
Common equity	20,027	21,287	21,241	22,340	23,541
Minorities etc.	0	0	0	0	0
Total shareholders' equity	20,027	21,287	21,241	22,340	23,541
Long term debt	-	-	-	-	-
Other long-term liabilities	965	1,046	1,027	956	789
Long-term liabilities	965	1,046	1,027	956	789
A/C payable	1,054	1,001	1,099	1,087	1,048
Short term debt	0	-	-	-	-
Other current liabilities	1,011	991	1,013	896	807
Current liabilities	2,065	1,992	2,112	1,983	1,855
Total liabilities and shareholders' equity	23,057	24,325	24,381	25,279	26,184
Net working capital	4,818	7,089	7,180	7,404	7,707
Invested capital	18,335	20,249	20,412	21,059	21,759

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

Per share (THB)

Book value per share	261.36	277.80	277.21	291.55	307.22
Tangible book value per share	248.46	265.53	264.32	276.05	289.11

Financial strength

Net debt/equity (%)	(13.3)	(9.8)	(8.7)	(10.0)	(10.9)
Net debt/total assets (%)	(11.5)	(8.6)	(7.6)	(8.8)	(9.8)
Current ratio (x)	4.6	5.6	5.3	5.9	6.5
CF interest cover (x)	-	-	-	-	-

Valuation	2022	2023	2024E	2025E	2026E
Recurring P/E (x) *	11.0	9.4	8.4	7.4	6.8
Recurring P/E @ target price (x) *	12.3	10.6	9.4	8.3	7.7
Reported P/E (x)	10.8	9.4	8.4	7.4	6.8
Dividend yield (%)	4.0	9.3	5.4	6.1	6.6
Price/book (x)	0.8	0.8	0.8	0.7	0.7
Price/tangible book (x)	0.9	0.8	0.8	0.8	0.7
EV/EBITDA (x) **	4.4	4.3	4.2	3.7	3.4
EV/EBITDA @ target price (x) **	5.0	4.9	4.7	4.2	3.9
EV/invested capital (x)	0.7	0.7	0.7	0.7	0.6

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

Sources: Thai Stanley Electric; FSSIA estimates

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 (50-59), 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%). (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.)	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. (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.)	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. 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.	A company's ESG risk rating score is the sum of unmanaged risk. The more risk is unmanaged, the higher ESG risk is scored.																			
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"> <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+																	
	<table border="0"> <tr> <td>AAA</td> <td>8.571-10.000</td> <td rowspan="3">Leader:</td> <td rowspan="3">leading its industry in managing the most significant ESG risks and opportunities</td> </tr> <tr> <td>AA</td> <td>7.143-8.570</td> </tr> <tr> <td>A</td> <td>5.714-7.142</td> </tr> <tr> <td>BBB</td> <td>4.286-5.713</td> <td rowspan="3">Average:</td> <td rowspan="3">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> </tr> <tr> <td>B</td> <td>1.429-2.856</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> </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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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																		
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. (Score ratings are 0 to 25 = poor; >25 to 50 = satisfactory; >50 to 75 = good; and >75 to 100 = excellent.)																				
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.																			

Rating regarding the sustainable development of Thai listed companies, both on the SET and MAI, are publicly available on the website of the Securities and Exchange Commission of Thailand (SEC). Currently, ratings available are 1) "CG Score"; 2) "AGM Level"; 3) "Thai CAC"; and 4) THSI. The ratings are updated on an annual basis. FSSIA does not confirm nor certify the accuracy of such ratings.

Source: FSSIA's compilation

GENERAL DISCLAIMER

ANALYST(S) CERTIFICATION

Jitra Amornthum FSS International Investment Advisory Securities Co., Ltd

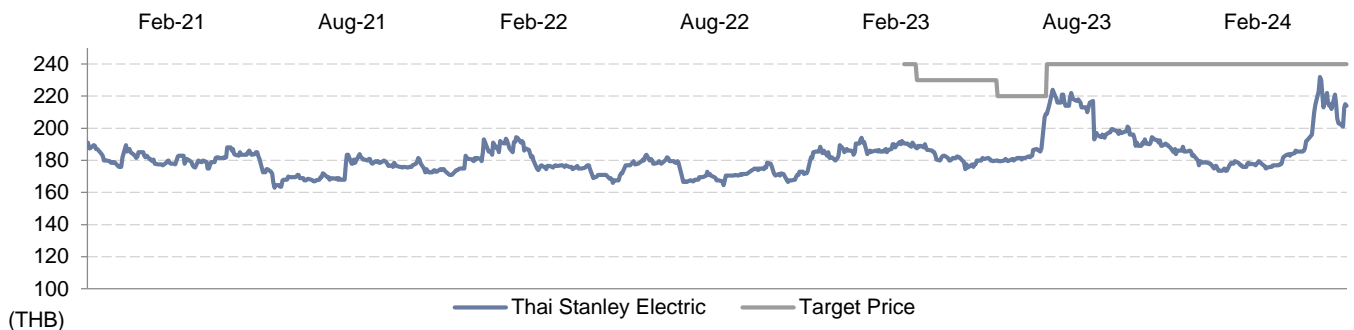
The individual(s) identified above certify(ies) that (i) all views expressed in this report accurately reflect the personal view of the analyst(s) with regard to any and all of the subject securities, companies or issuers mentioned in this report; and (ii) no part of the compensation of the analyst(s) was, is, or will be, directly or indirectly, related to the specific recommendations or views expressed herein.

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History of change in investment rating and/or target price

Thai Stanley Electric (STANLY TB)



Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
19-Jan-2023	BUY	240.00	10-Apr-2023	BUY	220.00	-	-	-
30-Jan-2023	BUY	230.00	23-May-2023	BUY	240.00			

Jitra Amornthum started covering this stock from 19-Jan-2023

Price and TP are in local currency

Source: FSSIA estimates

Company	Ticker	Price	Rating	Valuation & Risks
Thai Stanley Electric	STANLY TB	THB 214.00	BUY	Downside risks to our P/E-based TP include 1) weak global automotive demand; 2) higher raw material prices and utility costs; 3) global semiconductor shortages; and 4) fluctuations in the THB.

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 08-Feb-2024 unless otherwise stated.

RECOMMENDATION STRUCTURE

Stock ratings

Stock ratings are based on absolute upside or downside, which we define as (target price* - current price) / 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.