

I-TAIL CORPORATION ITC TB

THAILAND / FOOD & BEVERAGE

BUY
UNCHANGED

2Q24 results at first glance

TARGET PRICE	THB27.00
CLOSE	THB21.00
UP/DOWNSIDE	+28.6%
TP vs CONSENSUS	+1.6%

2Q24 net profit reached THB1b, better than expected

Highlights

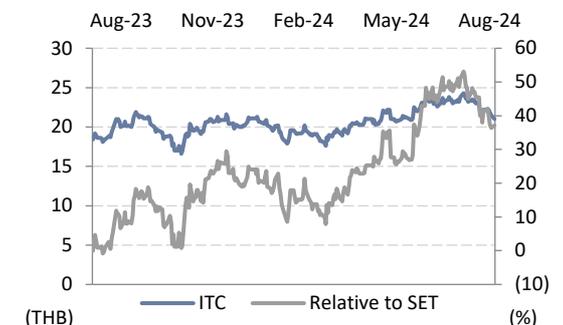
- ITC reported a 2Q24 net profit of THB1b (+23% q-q, +127% y-y). Excluding an FX loss of THB113m, its normalized earnings equaled THB1.1b (+28% q-q, +159% y-y), beating our estimate by 3% and the BBG consensus by 13%. This profit was a seven-quarter high.
- Total revenue grew well by 13% q-q and 41% y-y in 2Q24, with growth across all segments. Regionally, the strongest growth was in the US (+33% q-q, +45% y-y). The overall sales volume grew 12% q-q and 21% y-y, while the average selling price increased by 1% q-q and 17% y-y.
- The 2Q24 gross margin surprisingly increased to 30% (vs our expectation of 26%), up from 25.7% in 1Q24 and 18.4% in 2Q23. ITC attributes this to product mix, increased sales volumes, higher selling prices, lower raw material costs, and a reversal of inventory provisions. Excluding the reversal of provisions (noted as THB20m in the cash flow statement) and the positive translation effect from currency fluctuations, which affects revenue by about 2%, the actual gross margin is estimated at around 28%, which is still high.
- The 2Q24 SG&A to sales ratio increased to 8.5% from 7.7% in 1Q24 due to the recognition of consulting fees. These consulting fees are for a company transformation program over a period of three years.

Outlook

- ITC has raised its 2024 revenue growth target to 18-19% (from 15%) and gross margin target to 24-26% (from 21-22%). With a 1H24 gross margin of 28%, this implies a lower gross margin for 2H24 at about 24-25% from the full-quarter depreciation of the new production line in 3Q24. This would amount to THB60m per quarter, impacting the gross margin by 1.3%, all else being equal.
- Currently, ITC has secured orders worth 90% of the 3Q24 revenue target, which is expected to grow at least 15% y-y but might be flat q-q. Due to the anticipated decline in the gross margin q-q, 3Q24 profit might weaken q-q but still show strong y-y growth.
- The company's board has approved a loan of THB11b to the parent company, TU, with a maximum term of six years, divided into two tranches: 1) up to THB6b at a 3.1% interest rate; and 2) up to THB5b at the policy interest rate +0.1% (current policy interest rate is 2.5%). This will be subject to shareholder approval (excluding TU's votes) on 30 Sep.
- As ITC has excess cash, it aims to generate additional returns for the company. If the loan is provided, ITC would earn annual interest income of THB315m, or THB250m (after tax), adding approximately 6-7% to its profit, which is a positive contribution for ITC.

KEY STOCK DATA

YE Dec (THB m)	2023	2024E	2025E	2026E
Revenue	15,577	17,779	19,947	21,907
Net profit	2,281	3,217	3,705	4,184
EPS (THB)	0.76	1.07	1.24	1.39
vs Consensus (%)	-	(2.6)	(0.2)	(2.9)
EBITDA	2,995	3,963	4,569	5,154
Recurring net profit	2,312	3,217	3,705	4,184
Core EPS (THB)	0.77	1.07	1.24	1.39
EPS growth (%)	(68.6)	39.1	15.2	12.9
Core P/E (x)	27.2	19.6	17.0	15.1
Dividend yield (%)	2.9	3.6	4.1	4.6
EV/EBITDA (x)	17.9	13.5	11.7	10.3
Price/book (x)	2.7	2.6	2.5	2.4
Net debt/Equity (%)	(40.0)	(40.2)	(37.8)	(36.7)
ROE (%)	9.6	13.6	15.1	16.2



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	(11.8)	0.0	12.9
Relative to country (%)	(9.2)	7.5	35.6
Mkt cap (USD m)	1,789		
3m avg. daily turnover (USD m)	5.1		
Free float (%)	22		
Major shareholder	Thai Union Group (79%)		
12m high/low (THB)	24.70/16.40		
Issued shares (m)	3,000.00		

Sources: Bloomberg consensus; FSSIA estimates



Sureeporn Teewasuwet

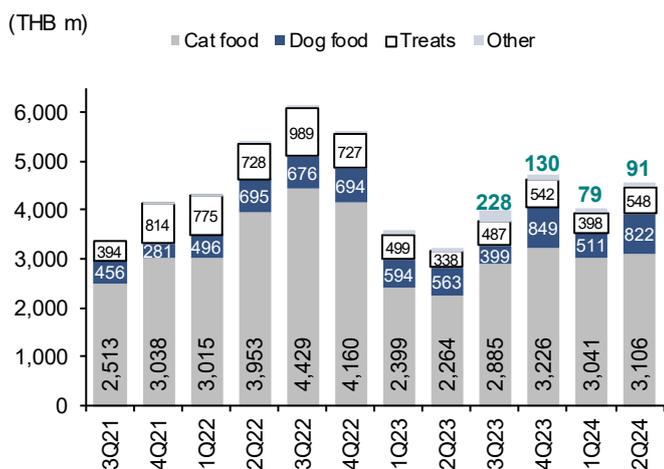
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Exhibit 1: ITC – 2Q24 results summary

	2Q23	3Q23	4Q23	1Q24	2Q24	----- Change -----		2024E	Change	%1H24
	(THB m)	(q-q%)	(y-y%)	(THB m)	(y-y%)	to 2024E				
Sales	3,243	3,999	4,748	4,029	4,567	13.4	40.8	17,779	14.1	48.3
Cost of sales	2,645	3,231	3,702	2,994	3,199	6.8	20.9	13,868	10.6	44.7
Gross profit	598	768	1,046	1,034	1,368	32.3	128.9	3,911	28.8	61.4
SG&A	298	266	319	310	390	25.8	30.9	1,120	(5.4)	62.5
Operating profit	431	685	894	888	1,158	30.5	169.0	3,325	35.3	61.5
Other income	130	183	166	163	180	10.0	37.8	533	(11.5)	64.3
Interest expense	2	2	2	1	1	(12.6)	(26.3)	13	15.3	22.0
Tax expense	(4)	31	80	8	36	347.0	nm	93	(29.6)	47.7
Other gain (loss)	12	(9)	(46)	(57)	(111)	nm	nm	0	(100.0)	nm
Reported net profit	445	645	767	821	1,010	23.0	126.9	3,217	41.0	56.9
Core profit	433	653	812	878	1,121	27.6	158.9	3,217	39.1	62.1
Key ratios (%)						(ppt)	(ppt)			
Gross margin	18.4	19.2	22.0	25.7	30.0	4.3	11.5	22.0	2.5	
SG&A to sales	9.2	6.7	6.7	7.7	8.5	0.8	(0.6)	6.3	(1.3)	
Operating margin	13.3	17.1	18.8	22.0	25.4	3.3	12.1	18.7	2.9	
Net margin	13.7	16.1	16.2	20.4	22.1	1.7	8.4	18.1	3.4	
Core margin	13.4	16.3	17.1	21.8	24.5	2.7	11.2	18.1	3.3	
Operating statistics (THB m)										
THB/USD	34.5	35.2	35.8	35.7	36.7	2.9	6.4	33.0	(5.2)	
Tuna price (USD/tonne)	2,000	1,850	1,533	1,333	1,428	7.1	(28.6)	1,600	(11.1)	
Cat food sales	2,264	2,885	3,226	3,041	3,106	2.1	37.2	12,262	13.8	50.1
Dog food sales	563	399	849	511	822	60.9	46.1	2,736	13.8	48.7
Treat sales	338	487	542	398	548	37.7	62.3	2,300	23.3	41.1
Other non-pet sales	74	226	126	73	91	24.6	23.4	467	(9.9)	35.2
Americas	1,672	1,841	2,512	1,819	2,421	33.1	44.8	10,077	(34.3)	
Europe	258	456	773	755	685	(9.3)	165.6	2,619	(41.5)	
Asia, Oceania, Others	1,313	1,703	1,463	1,454	1,461	0.5	11.3	5,846	(5.9)	

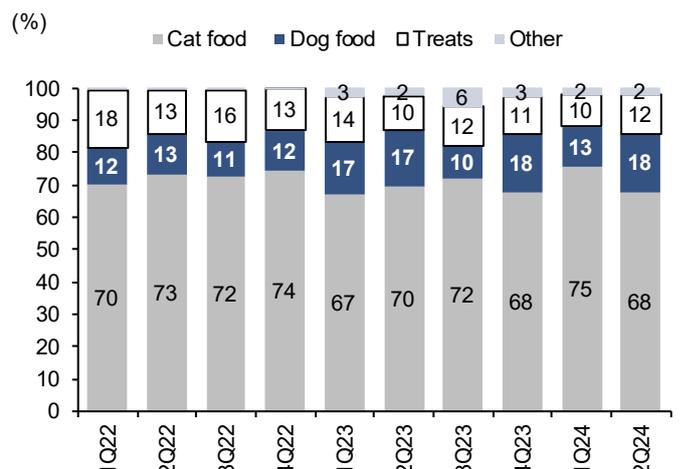
Sources: ITC; FSSIA's compilation

Exhibit 2: Quarterly revenue breakdown by segment



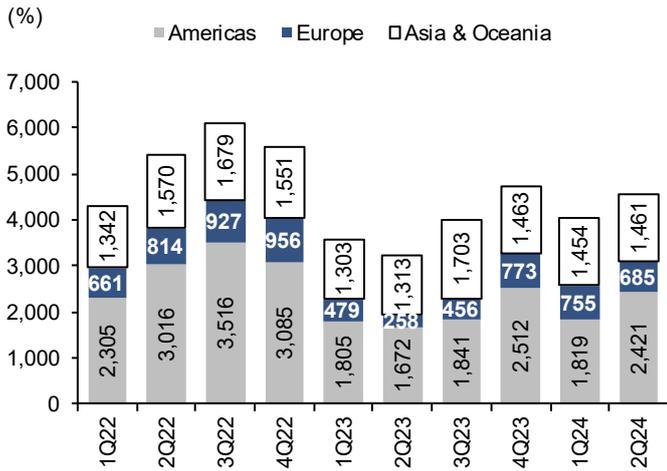
Sources: ITC, FSSIA's compilation

Exhibit 3: Quarterly revenue contribution by segment



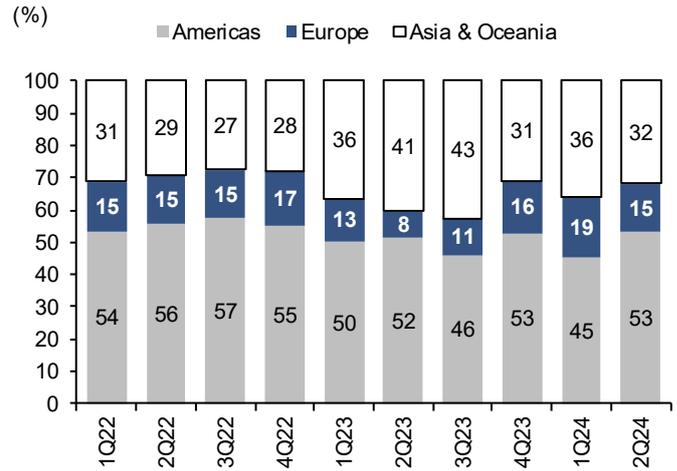
Sources: ITC, FSSIA's compilation

Exhibit 4: Quarterly revenue breakdown by region



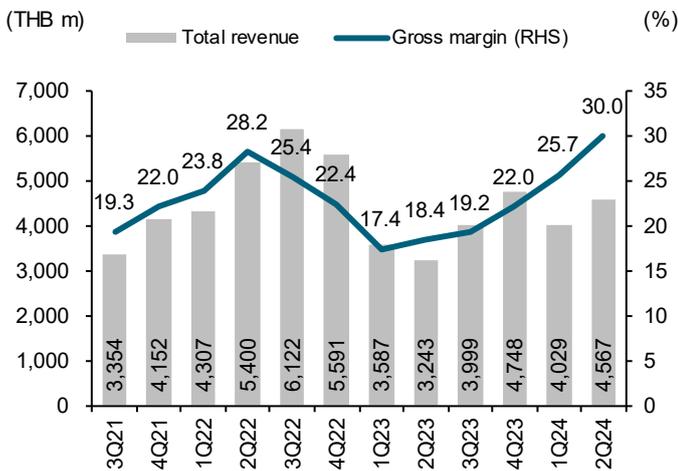
Sources: ITC, FSSIA's compilation

Exhibit 5: Quarterly revenue contribution by region



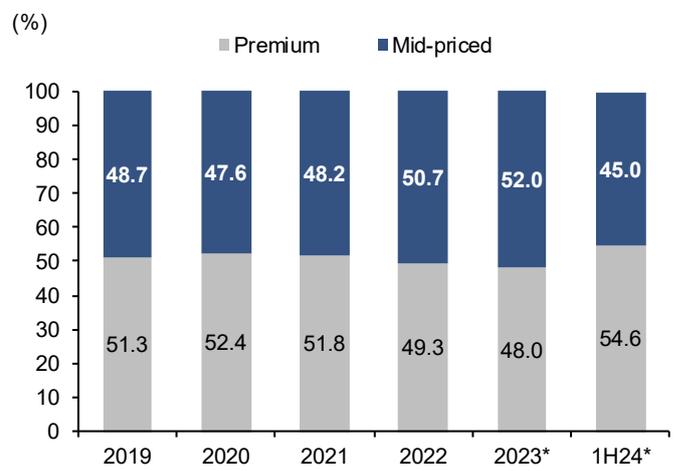
Sources: ITC, FSSIA's compilation

Exhibit 6: Quarterly revenue and gross margin



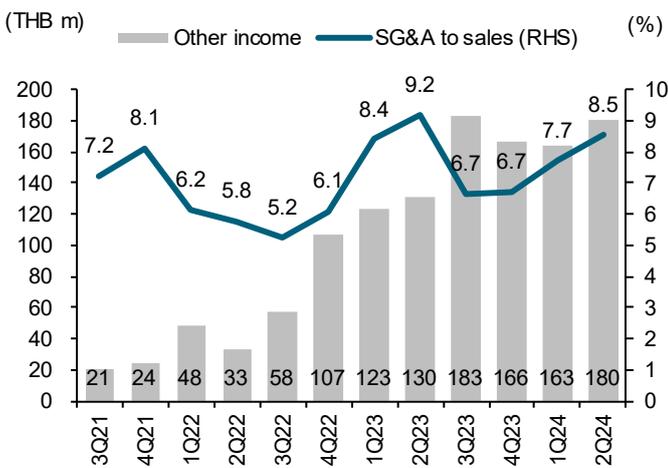
Sources: ITC, FSSIA's compilation

Exhibit 7: Premium product mix



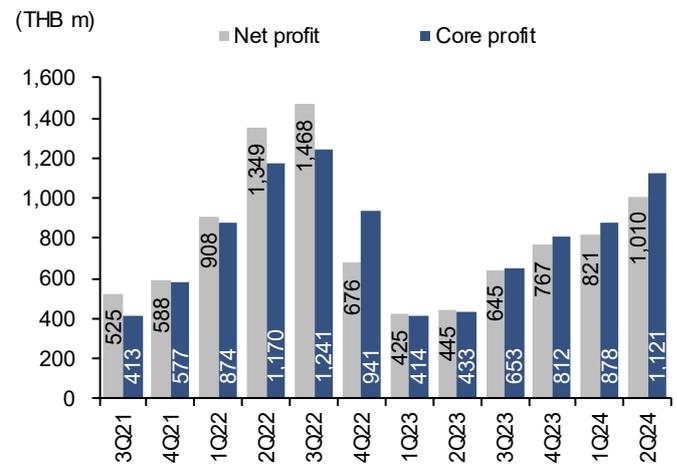
Sources: ITC, FSSIA's compilation

Exhibit 8: Quarterly other income and SG&A to sales



Sources: ITC, FSSIA's compilation

Exhibit 9: Quarterly net profit and core profit



Sources: ITC, FSSIA's compilation

Financial Statements

i-Tail Corporation

Profit and Loss (THB m) Year Ending Dec	2022	2023	2024E	2025E	2026E
Revenue	21,420	15,577	17,779	19,947	21,907
Cost of goods sold	(16,071)	(12,539)	(13,868)	(15,459)	(16,868)
Gross profit	5,349	3,038	3,911	4,488	5,039
Other operating income	247	603	533	598	657
Operating costs	(1,239)	(1,183)	(1,120)	(1,257)	(1,380)
Operating EBITDA	4,928	2,995	3,963	4,569	5,154
Depreciation	(571)	(539)	(639)	(739)	(839)
Goodwill amortisation	0	0	0	0	0
Operating EBIT	4,357	2,457	3,325	3,830	4,316
Net financing costs	(83)	(11)	(13)	(14)	(11)
Associates	-	-	-	-	-
Recurring non-operating income	0	0	0	0	0
Non-recurring items	175	(31)	0	0	0
Profit before tax	4,450	2,415	3,312	3,816	4,304
Tax	(48)	(132)	(93)	(107)	(121)
Profit after tax	4,401	2,283	3,219	3,709	4,184
Minority interests	0	(1)	(2)	(4)	0
Preferred dividends	-	-	-	-	-
Other items	-	-	-	-	-
Reported net profit	4,401	2,281	3,217	3,705	4,184
Non-recurring items & goodwill (net)	(175)	31	0	0	0
Recurring net profit	4,226	2,312	3,217	3,705	4,184
Per share (THB)					
Recurring EPS *	2.46	0.77	1.07	1.24	1.39
Reported EPS	2.56	0.76	1.07	1.24	1.39
DPS	1.66	0.60	0.75	0.86	0.98
Diluted shares (used to calculate per share data)	1,720	3,000	3,000	3,000	3,000
Growth					
Revenue (%)	47.4	(27.3)	14.1	12.2	9.8
Operating EBITDA (%)	62.6	(39.2)	32.3	15.3	12.8
Operating EBIT (%)	74.6	(43.6)	35.3	15.2	12.7
Recurring EPS (%)	(63.7)	(68.6)	39.1	15.2	12.9
Reported EPS (%)	(66.1)	(70.3)	41.0	15.2	12.9
Operating performance					
Gross margin inc. depreciation (%)	25.0	19.5	22.0	22.5	23.0
Gross margin exc. depreciation (%)	27.6	23.0	25.6	26.2	26.8
Operating EBITDA margin (%)	23.0	19.2	22.3	22.9	23.5
Operating EBIT margin (%)	20.3	15.8	18.7	19.2	19.7
Net margin (%)	19.7	14.8	18.1	18.6	19.1
Effective tax rate (%)	1.1	5.5	2.8	2.8	2.8
Dividend payout on recurring profit (%)	67.6	77.8	70.0	70.0	70.0
Interest cover (X)	52.8	223.0	261.8	277.5	385.3
Inventory days	93.6	117.0	97.2	99.6	100.8
Debtor days	48.8	86.4	79.6	75.7	76.4
Creditor days	46.3	58.9	44.6	44.8	45.4
Operating ROIC (%)	33.7	15.8	19.5	20.7	21.6
ROIC (%)	32.5	14.6	18.2	19.9	20.8
ROE (%)	26.5	9.6	13.6	15.1	16.2
ROA (%)	21.6	8.7	12.5	13.8	14.8
* Pre exceptional, pre-goodwill and fully diluted					
Revenue by Division (THB m)					
Pet Food	18,119	13,180	14,998	16,966	18,708
Treats	3,219	1,866	2,300	2,546	2,763
Other	82	13	14	15	16
Other segment		519	467	421	421

Sources: i-Tail Corporation; FSSIA estimates

Financial Statements

i-Tail Corporation

Cash Flow (THB m) Year Ending Dec	2022	2023	2024E	2025E	2026E
Recurring net profit	4,226	2,312	3,217	3,705	4,184
Depreciation	571	539	639	739	839
Associates & minorities	16	(15)	1	0	0
Other non-cash items	-	-	-	-	-
Change in working capital	(2,972)	(578)	(726)	(997)	(897)
Cash flow from operations	1,841	2,258	3,131	3,447	4,126
Capex - maintenance	(817)	(1,532)	(1,053)	(1,000)	(1,000)
Capex - new investment	0	0	0	0	0
Net acquisitions & disposals	-	-	-	-	-
Other investments (net)	(222)	(838)	797	(65)	(59)
Cash flow from investing	(1,039)	(2,370)	(256)	(1,065)	(1,059)
Dividends paid	(7,471)	(3,791)	(2,252)	(2,594)	(2,929)
Equity finance	20,795	0	0	0	0
Debt finance	(1,559)	4	(14)	(5)	(19)
Other financing cash flows	(16)	(50)	(213)	43	39
Cash flow from financing	11,749	(3,837)	(2,479)	(2,555)	(2,909)
Non-recurring cash flows	-	-	-	-	-
Other adjustments	0	0	0	0	0
Net other adjustments	0	0	0	0	0
Movement in cash	12,551	(3,949)	396	(173)	158
Free cash flow to firm (FCFF)	884.37	(101.04)	2,887.75	2,395.82	3,078.58
Free cash flow to equity (FCFE)	(773.10)	(157.69)	2,647.86	2,420.39	3,087.08

Per share (THB)

FCFF per share	0.29	(0.03)	0.96	0.80	1.03
FCFE per share	(0.26)	(0.05)	0.88	0.81	1.03
Recurring cash flow per share	2.80	0.95	1.29	1.48	1.67

Balance Sheet (THB m) Year Ending Dec	2022	2023	2024E	2025E	2026E
Tangible fixed assets (gross)	7,968	8,905	9,449	9,853	10,162
Less: Accumulated depreciation	(3,075)	(3,423)	(3,560)	(3,703)	(3,851)
Tangible fixed assets (net)	4,893	5,482	5,889	6,150	6,312
Intangible fixed assets (net)	0	0	0	0	0
Long-term financial assets	42	923	-	-	-
Invest. in associates & subsidiaries	-	-	-	-	-
Cash & equivalents	13,254	9,305	9,701	9,528	9,686
A/C receivable	3,517	3,860	3,897	4,372	4,802
Inventories	4,454	3,243	3,799	4,235	4,621
Other current assets	1,526	2,165	2,489	2,793	3,067
Current assets	22,750	18,573	19,886	20,928	22,176
Other assets	493	452	533	598	657
Total assets	28,178	25,431	26,308	27,676	29,145
Common equity	25,029	23,118	24,030	25,142	26,397
Minorities etc.	16	1	2	2	2
Total shareholders' equity	25,045	23,119	24,032	25,144	26,399
Long term debt	29	33	28	23	4
Other long-term liabilities	588	569	356	399	438
Long-term liabilities	617	602	384	422	442
A/C payable	2,353	1,520	1,710	1,906	2,080
Short term debt	14	14	5	5	5
Other current liabilities	150	177	178	199	219
Current liabilities	2,517	1,710	1,892	2,110	2,304
Total liabilities and shareholders' equity	28,178	25,431	26,308	27,676	29,145
Net working capital	6,994	7,572	8,298	9,295	10,191
Invested capital	12,422	14,429	14,720	16,043	17,160

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

Per share (THB)

Book value per share	8.34	7.71	8.01	8.38	8.80
Tangible book value per share	8.34	7.71	8.01	8.38	8.80

Financial strength

Net debt/equity (%)	(52.8)	(40.0)	(40.2)	(37.8)	(36.7)
Net debt/total assets (%)	(46.9)	(36.4)	(36.7)	(34.3)	(33.2)
Current ratio (x)	9.0	10.9	10.5	9.9	9.6
CF interest cover (x)	(8.4)	(13.3)	209.5	176.4	276.6

Valuation	2022	2023	2024E	2025E	2026E
Recurring P/E (x) *	8.5	27.2	19.6	17.0	15.1
Recurring P/E @ target price (x) *	11.0	35.0	25.2	21.9	19.4
Reported P/E (x)	8.2	27.6	19.6	17.0	15.1
Dividend yield (%)	7.9	2.9	3.6	4.1	4.6
Price/book (x)	2.5	2.7	2.6	2.5	2.4
Price/tangible book (x)	2.5	2.7	2.6	2.5	2.4
EV/EBITDA (x) **	10.1	17.9	13.5	11.7	10.3
EV/EBITDA @ target price (x) **	13.8	24.0	18.0	15.7	13.8
EV/invested capital (x)	4.0	3.7	3.6	3.3	3.1

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

Sources: i-Tail Corporation; 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%). <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 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> </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.																			

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

Sureeporn Teewasuwet FSS International Investment Advisory Securities Co., Ltd

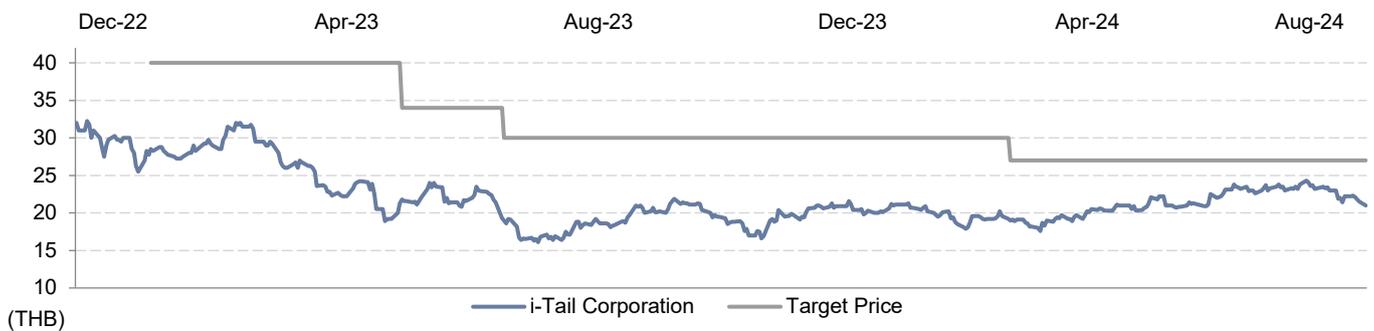
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History of change in investment rating and/or target price

i-Tail Corporation (ITC TB)



Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
11-Jan-2023	BUY	40.00	26-Jun-2023	BUY	30.00	-	-	-
09-May-2023	BUY	34.00	19-Feb-2024	BUY	27.00			

Sureeporn Teewasuwet started covering this stock from 11-Jan-2023

Price and TP are in local currency

Source: FSSIA estimates

Company	Ticker	Price	Rating	Valuation & Risks
i-Tail Corporation	ITC TB	THB 21.00	BUY	Downside risks to our P/E-based TP include 1) a slower-than-expected recovery in purchasing power, 2) more fluctuating raw material prices than expected, 3) a stronger-than-expected THB, and 4) labour shortages.

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 05-Aug-2024 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.