

NEO CORPORATE NEO TB

THAILAND / PERSONAL PRODUCTS & PHARMACEUTICALS

BUY

UNCHANGED

2Q24 results at first glance

กำไรสุทธิ 2Q24 ทรงตัว q-q แต่โต y-y ต่ำกว่าที่เราคาด 5%

TARGET PRICE	THB64.00
CLOSE	THB51.25
UP/DOWNSIDE	+24.9%
TP vs CONSENSUS	+0.7%

Highlights

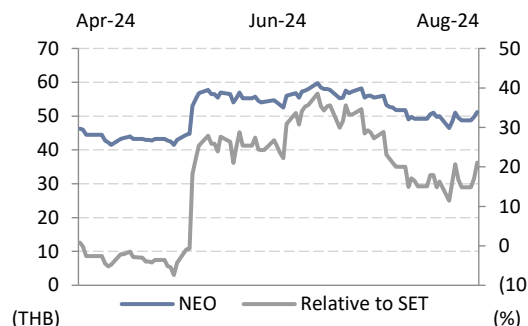
- NEO รายงานกำไรสุทธิ 2Q24 อยู่ที่ 269 ลบ. (+0.3% q-q, +72.8% y-y) อัตรากำไรขั้นต้นยังอยู่ในระดับที่น่าประทับใจที่ 46.8% เพิ่มขึ้นจาก 45.9% ใน 1Q24 และ 42.5% ใน 2Q23 จาก Product mix ที่เปลี่ยนไปและประโยชน์จากต้นทุนวัตถุดิบที่อยู่ในระดับต่ำ โดยรายได้จากกลุ่มสินค้าสำหรับทารกยังคงดีกว่ากลุ่มของใช้ในบ้านอย่างต่อเนื่อง
- รายได้รวมโต 0.9% q-q และ 8.7% y-y โดยมีรายการสำคัญประกอบด้วยรายได้จากกลุ่มสินค้าทารกที่เพิ่มขึ้น 13% q-q และ y-y พร้อมสินค้าใหม่ อาทิเช่น D-nee Deluxe ซึ่งมีผลตอบรับเป็นบวก ในขณะที่รายได้จากสินค้าของใช้ในบ้านลดลง q-q จากการแข่งขันที่สูงขึ้นในสินค้ากลุ่มน้ำยาปรับผ้านุ่ม นอกจากนี้รายได้จากกลุ่มสินค้าของใช้ส่วนบุคคลยังคงลดลง q-q เนื่องจากห้างสรรพสินค้าเพิ่มระดับสินค้าคงคลังซึ่งทำให้ฐานใน 1Q24 อยู่ในระดับสูง
- รายได้จากการส่งออกฟื้นตัวดีโดยเพิ่มขึ้น 29.4% q-q แต่ลดลง 8.9% y-y จากฐานที่สูงใน 2Q23
- รายได้รวมเพิ่ม 6% q-q และ 10.5% y-y เพิ่มขึ้นในอัตราที่สูงกว่าตัวเลขการเติบโตของรายได้ซึ่งทำให้สัดส่วนค่าใช้จ่ายการขายและบริหารต่อยอดขายเพิ่มเป็น 33.2% จาก 31.5% ใน 1Q24 และ 32.6% ใน 2Q23 ส่วนมากจากค่าการตลาดที่สูงขึ้นและค่าใช้จ่ายในการออกสินค้าใหม่

Outlook

- NEO รายงานกำไรสุทธิในช่วง 1H24 อยู่ที่ 537 ลบ. (+60% y-y) คิดเป็น 53% ของประมาณการทั้งปีของเราจากรายได้รวมในช่วง 1H24 ที่โต 8.6% y-y อย่างไรก็ตาม NEO ยังคงเป็นตัวเลขการเติบโตของรายได้ในปี 2024 ของบริษัทฯ ไว้ที่ไม่ต่ำกว่า 10% y-y จากตัวเลขดังกล่าวรายได้ในช่วง 2H24 จะต้องอย่างน้อย 12% y-y ซึ่งจะช่วยหนุนการเติบโตของกำไรสุทธิในช่วง 2H24
- เราคงประมาณการกำไรสุทธิปี 2024 ของเราไว้ที่ 1 พัน ลบ. และราคาเป้าหมายของเราไว้ที่ 64 บาท

KEY STOCK DATA

YE Dec (THB m)	2023	2024E	2025E	2026E
Revenue	9,484	10,438	11,336	12,241
Net profit	830	1,012	1,116	1,237
EPS (THB)	3.74	3.37	3.72	4.12
vs Consensus (%)	-	(6.0)	(0.9)	0.0
EBITDA	1,461	1,833	2,190	2,363
Recurring net profit	830	1,012	1,116	1,237
Core EPS (THB)	3.74	3.37	3.72	4.12
EPS growth (%)	47.0	(9.7)	10.3	10.8
Core P/E (x)	13.7	15.2	13.8	12.4
Dividend yield (%)	9.7	4.0	4.4	4.8
EV/EBITDA (x)	9.3	9.2	8.6	8.0
Price/book (x)	7.4	3.3	2.8	2.6
Net debt/Equity (%)	143.7	25.3	56.5	51.7
ROE (%)	45.0	32.9	22.2	21.7



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	(7.7)	14.5	n/a
Relative to country (%)	(4.8)	22.0	n/a
Mkt cap (USD m)	440		
3m avg. daily turnover (USD m)	3.4		
Free float (%)	29		
Major shareholder	Thakolsri Family (65%)		
12m high/low (THB)	60.50/39.00		
Issued shares (m)	300.00		

Sources: Bloomberg consensus; FSSIA estimates



Sureeporn Teewasuwet

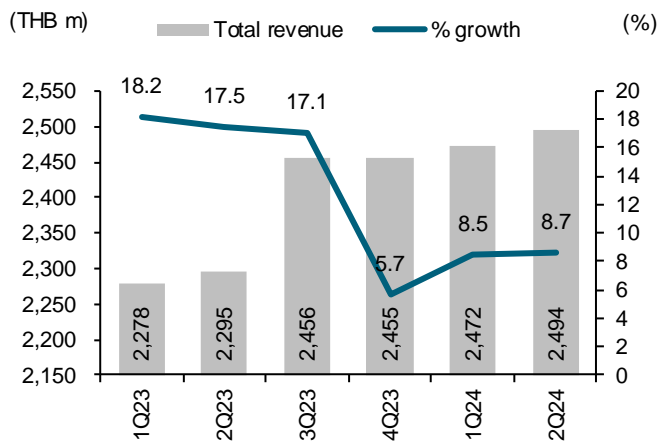
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Exhibit 1: NEO – 2Q24 results summary

	2Q23	3Q23	4Q23	1Q24	2Q24	---- Change ----		2023	2024E	Change	% 1H24
	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(q-q%)	(y-y%)	(THB m)	(THB m)	(y-y%)	to 2024E
Sales	2,295	2,456	2,455	2,472	2,494	0.9	8.7	9,484	10,438	10.1	47.6
Cost of sales	1,319	1,354	1,381	1,337	1,326	(0.8)	0.5	5,449	5,845	7.3	45.5
Gross profit	975	1,102	1,074	1,136	1,168	2.8	19.8	4,035	4,593	13.8	50.2
SG&A	749	676	881	780	827	6.1	10.5	2,957	3,257	10.1	49.4
Operating profit	234	431	207	364	361	(1.0)	54.0	1,106	1,357	22.7	53.4
Interest expense	10	15	20	24	21	(13.7)	112.4	55	73	33.0	62.1
Tax expense	40	86	37	68	67	(0.8)	69.0	212	257	21.2	52.7
Reported net profit	156	350	144	268	269	0.3	72.8	830	1,012	22.0	53.0
Core profit	183	329	144	268	269	0.3	46.9	830	1,012	22.0	53.0
Key Ratios (%)						(ppt)	(ppt)				
Gross margin	42.5	44.9	43.7	45.9	46.8	0.9	4.3	42.5	44.0	1.5	
SG&A / Sales	32.6	27.5	35.9	31.5	33.2	1.6	0.6	31.2	31.2	0.0	
Operating margin	10.2	17.5	8.4	14.7	14.5	(0.3)	4.3	11.7	13.0	1.3	
Net margin	6.8	14.3	5.9	10.8	10.8	(0.1)	4.0	8.7	9.7	1.0	
Core margin	8.0	13.4	5.9	10.8	10.8	(0.1)	2.8	8.7	9.7	1.0	
Operating Statistics (THB m)											
Household products revenue	997	1,038	1,065	1,024	1,004	(2.0)	0.7	4,127	4,445	7.7	45.6
Personal care products revenue	550	610	553	699	643	(8.0)	16.9	2,287	2,538	11.0	52.9
Baby and kids products revenue	748	808	837	749	847	13.1	13.2	3,070	3,454	12.5	46.2
Domestic revenue	1,978	2,137	2,136	2,250	2,206	(2.0)	11.5	8,238	9,227	12.0	48.3
Export revenue	316	319	319	223	288	29.4	(8.9)	1,246	1,211	(2.8)	42.1

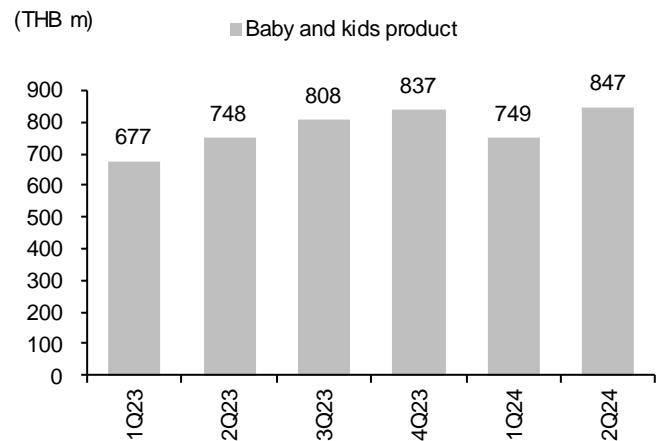
Sources: NEO; FSSIA's compilation

Exhibit 2: Total revenue and growth



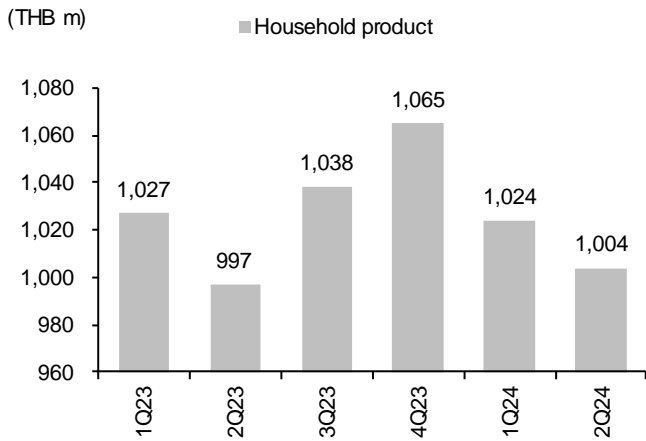
Sources: NEO, FSSIA's compilation

Exhibit 3: Baby and kids revenue



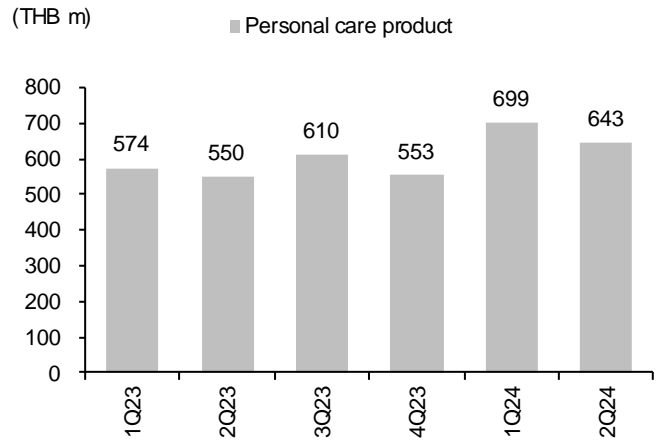
Sources: NEO, FSSIA's compilation

Exhibit 4: Household product revenue



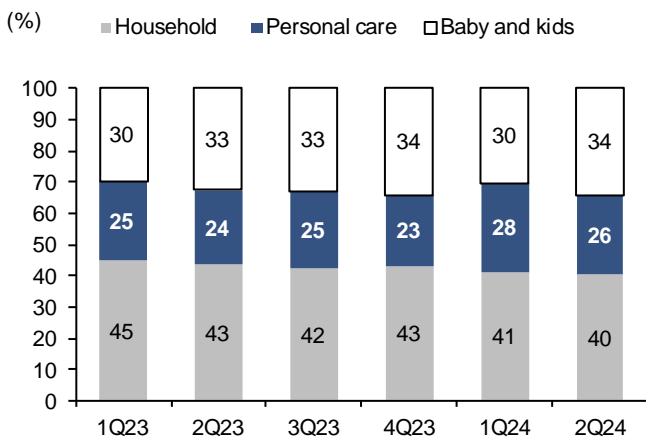
Sources: NEO, FSSIA's compilation

Exhibit 5: Personal care revenue



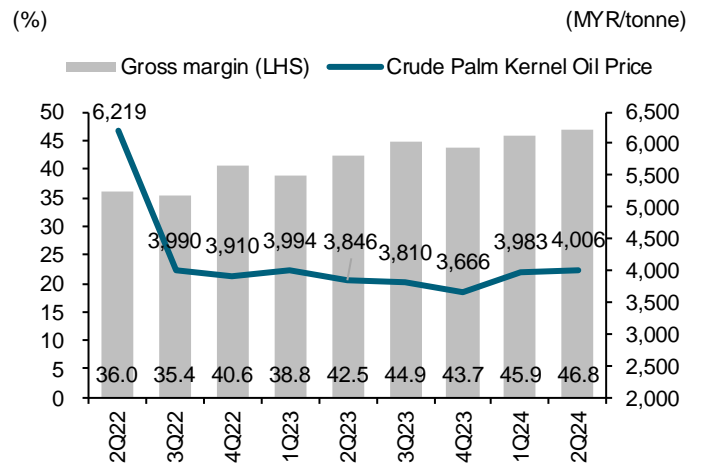
Sources: NEO, FSSIA's compilation

Exhibit 6: Revenue contribution by product segment



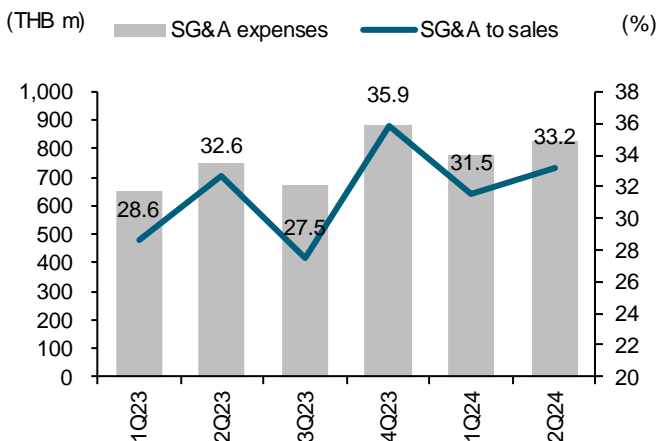
Sources: NEO, FSSIA's compilation

Exhibit 7: Gross margin and crude palm oil price



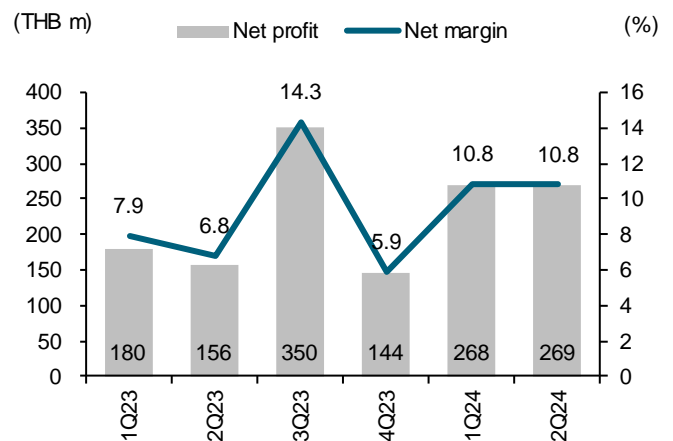
Sources: NEO, Bloomberg, FSSIA's compilation

Exhibit 8: SG&A to sales



Sources: NEO, FSSIA's compilation

Exhibit 9: Net profit and net margin



Sources: NEO, FSSIA's compilation

Financial Statements

Neo Corporate

Profit and Loss (THB m) Year Ending Dec	2022	2023	2024E	2025E	2026E
Revenue	8,301	9,484	10,438	11,336	12,241
Cost of goods sold	(5,181)	(5,449)	(5,845)	(6,326)	(6,806)
Gross profit	3,120	4,035	4,593	5,011	5,435
Other operating income	22	28	21	25	24
Operating costs	(2,395)	(2,957)	(3,257)	(3,492)	(3,770)
Operating EBITDA	1,070	1,461	1,833	2,190	2,363
Depreciation	(323)	(355)	(476)	(646)	(674)
Goodwill amortisation	0	0	0	0	0
Operating EBIT	746	1,106	1,357	1,544	1,689
Net financing costs	(36)	(55)	(73)	(131)	(123)
Associates	0	0	0	0	0
Recurring non-operating income	0	0	0	0	0
Non-recurring items	0	0	0	0	0
Profit before tax	710	1,052	1,284	1,413	1,566
Tax	(142)	(212)	(257)	(283)	(313)
Profit after tax	569	840	1,027	1,130	1,253
Minority interests	(4)	(10)	(15)	(14)	(17)
Preferred dividends	0	0	0	0	0
Other items	-	-	-	-	-
Reported net profit	565	830	1,012	1,116	1,237
Non-recurring items & goodwill (net)	-	-	-	-	-
Recurring net profit	565	830	1,012	1,116	1,237
Per share (THB)					
Recurring EPS *	2.54	3.74	3.37	3.72	4.12
Reported EPS	2.54	3.74	3.37	3.72	4.12
DPS	2.56	4.95	2.02	2.23	2.47
Diluted shares (used to calculate per share data)	222	222	300	300	300
Growth					
Revenue (%)	11.5	14.3	10.1	8.6	8.0
Operating EBITDA (%)	(15.2)	36.6	25.5	19.4	7.9
Operating EBIT (%)	(21.1)	48.2	22.7	13.8	9.4
Recurring EPS (%)	(21.5)	47.0	(9.7)	10.3	10.8
Reported EPS (%)	(21.5)	47.0	(9.7)	10.3	10.8
Operating performance					
Gross margin inc. depreciation (%)	37.6	42.5	44.0	44.2	44.4
Gross margin exc. depreciation (%)	41.5	46.3	48.6	49.9	49.9
Operating EBITDA margin (%)	12.9	15.4	17.6	19.3	19.3
Operating EBIT margin (%)	9.0	11.7	13.0	13.6	13.8
Net margin (%)	6.8	8.7	9.7	9.8	10.1
Effective tax rate (%)	19.9	20.2	20.0	20.0	20.0
Dividend payout on recurring profit (%)	100.8	132.5	60.0	60.0	60.0
Interest cover (X)	20.6	20.3	18.7	11.8	13.7
Inventory days	59.3	58.6	58.9	64.3	64.2
Debtor days	80.7	75.4	74.8	76.8	77.0
Creditor days	84.5	127.3	124.8	85.7	85.7
Operating ROIC (%)	18.3	23.8	21.1	15.8	14.2
ROIC (%)	17.5	22.5	20.2	15.4	13.9
ROE (%)	28.0	45.0	32.9	22.2	21.7
ROA (%)	9.8	13.0	12.4	10.6	10.1
* Pre exceptional, pre-goodwill and fully diluted					
Revenue by Division (THB m)					
Household products	3,498	4,127	4,445	4,757	5,090
Personal care products	2,071	2,287	2,538	2,763	2,953
Baby and kids products	2,731	3,070	3,454	3,817	4,198

Sources: Neo Corporate; FSSIA estimates

Financial Statements

Neo Corporate

Cash Flow (THB m) Year Ending Dec	2022	2023	2024E	2025E	2026E
Recurring net profit	565	830	1,012	1,116	1,237
Depreciation	323	355	476	646	674
Associates & minorities	-	-	-	-	-
Other non-cash items	4	(243)	259	5	4
Change in working capital	(152)	157	(173)	(36)	(36)
Cash flow from operations	740	1,098	1,575	1,731	1,878
Capex - maintenance	(663)	(704)	(3,156)	(3,094)	(1,144)
Capex - new investment	-	-	-	-	-
Net acquisitions & disposals	-	-	-	-	-
Other investments (net)	3	(132)	99	(12)	(12)
Cash flow from investing	(660)	(837)	(3,057)	(3,105)	(1,156)
Dividends paid	(307)	(1,657)	(607)	(670)	(742)
Equity finance	0	0	3,078	0	0
Debt finance	(106)	1,652	(668)	1,667	(228)
Other financing cash flows	79	9	26	36	36
Cash flow from financing	(335)	3	1,828	1,033	(934)
Non-recurring cash flows	-	-	-	-	-
Other adjustments	0	0	0	0	0
Net other adjustments	0	0	0	0	0
Movement in cash	(255)	265	346	(341)	(212)
Free cash flow to firm (FCFF)	116.06	315.80	(1,409.50)	(1,242.93)	844.77
Free cash flow to equity (FCFE)	52.45	1,921.90	(2,124.20)	329.11	530.05

Per share (THB)

FCFF per share	0.39	1.05	(4.70)	(4.14)	2.82
FCFE per share	0.17	6.41	(7.08)	1.10	1.77
Recurring cash flow per share	4.02	4.24	5.83	5.89	6.38

Balance Sheet (THB m) Year Ending Dec	2022	2023	2024E	2025E	2026E
Tangible fixed assets (gross)	4,900	4,900	7,452	11,011	11,599
Less: Accumulated depreciation	(1,781)	(1,204)	(1,490)	(2,202)	(2,320)
Tangible fixed assets (net)	3,119	3,696	5,961	8,809	9,279
Intangible fixed assets (net)	0	0	47	47	47
Long-term financial assets	-	-	-	-	-
Invest. in associates & subsidiaries	11	6	6	6	6
Cash & equivalents	224	488	835	494	282
A/C receivable	1,929	1,992	2,288	2,485	2,683
Inventories	864	772	961	1,040	1,119
Other current assets	45	52	52	57	61
Current assets	3,061	3,304	4,135	4,075	4,145
Other assets	144	282	136	147	159
Total assets	6,335	7,287	10,285	13,084	13,636
Common equity	2,144	1,544	4,613	5,459	5,954
Minorities etc.	267	24	283	287	291
Total shareholders' equity	2,411	1,568	4,895	5,747	6,245
Long term debt	726	1,740	1,748	2,965	2,844
Other long-term liabilities	383	392	418	453	490
Long-term liabilities	1,108	2,131	2,166	3,418	3,334
A/C payable	1,162	2,391	1,281	1,386	1,492
Short term debt	364	1,001	325	775	668
Other current liabilities	1,290	196	1,618	1,757	1,897
Current liabilities	2,816	3,588	3,224	3,919	4,057
Total liabilities and shareholders' equity	6,335	7,287	10,285	13,084	13,636
Net working capital	386	229	402	438	474
Invested capital	3,659	4,212	6,551	9,446	9,965

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

Per share (THB)

Book value per share	9.66	6.95	15.38	18.20	19.85
Tangible book value per share	9.66	6.95	15.22	18.04	19.69

Financial strength

Net debt/equity (%)	35.9	143.7	25.3	56.5	51.7
Net debt/total assets (%)	13.7	30.9	12.0	24.8	23.7
Current ratio (x)	1.1	0.9	1.3	1.0	1.0
CF interest cover (x)	2.5	36.2	(28.3)	3.5	5.3

Valuation	2022	2023	2024E	2025E	2026E
Recurring P/E (x) *	20.2	13.7	15.2	13.8	12.4
Recurring P/E @ target price (x) *	25.2	17.1	19.0	17.2	15.5
Reported P/E (x)	20.2	13.7	15.2	13.8	12.4
Dividend yield (%)	5.0	9.7	4.0	4.4	4.8
Price/book (x)	5.3	7.4	3.3	2.8	2.6
Price/tangible book (x)	5.3	7.4	3.4	2.8	2.6
EV/EBITDA (x) **	11.7	9.3	9.2	8.6	8.0
EV/EBITDA @ target price (x) **	14.3	11.3	11.3	10.4	9.6
EV/invested capital (x)	3.4	3.2	2.6	2.0	1.9

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

Sources: Neo Corporate; 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 (60-69), and not rated for scores below 50. Weightings include: 1) the rights; 2) and equitable treatment of shareholders (weight 25% combined); 3) the role of stakeholders (25%); 4) disclosure & transparency (15%); and 5) board responsibilities (35%).										
AGM level By Thai Investors Association (TIA) with support from the SEC	It quantifies the extent to which shareholders' rights and equitable treatment are incorporated into business operations and information is transparent and sufficiently disclosed. All form important elements of two out of five the CG components to be evaluated annually. The assessment criteria cover AGM procedures before the meeting (45%), at the meeting date (45%), and after the meeting (10%). <i>(The first assesses 1) advance circulation of sufficient information for voting; and 2) facilitating how voting rights can be exercised. The second assesses 1) the ease of attending meetings; 2) transparency and verifiability; and 3) openness for Q&A. The third involves the meeting minutes that should contain discussion issues, resolutions and voting results.)</i>	The scores are classified into four categories: 5 for Excellent (100), 4 for Very Good (90-99), 3 for Fair (80-89), and not rated for scores below 79.										
Thai CAC By Thai Private Sector Collective Action Against Corruption (CAC)	The core elements of the Checklist include corruption risk assessment, establishment of key controls, and the monitoring and developing of policies. The Certification is good for three years. <i>(Companies deciding to become a CAC certified member start by submitting a Declaration of Intent to kick off an 18-month deadline to submit the CAC Checklist for Certification, including risk assessment, in place of policy and control, training of managers and employees, establishment of whistleblowing channels, and communication of policies to all stakeholders.)</i>	The document will be reviewed by a committee of nine professionals. A passed Checklist will move for granting certification by the CAC Council approvals whose members are twelve highly respected individuals in professionalism and ethical achievements.										
Morningstar Sustainalytics	The Sustainalytics' ESG risk rating provides an overall company score based on an assessment of how much of a company's exposure to ESG risk is unmanaged. <i>Sources to be reviewed include corporate publications and regulatory filings, news and other media, NGO reports/websites, multi-sector information, company feedback, ESG controversies, issuer feedback on draft ESG reports, and quality & peer reviews.</i>	A company's ESG risk rating score is the sum of unmanaged risk. The more risk is unmanaged, the higher ESG risk is scored. <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th>NEGL</th> <th>Low</th> <th>Medium</th> <th>High</th> <th>Severe</th> </tr> </thead> <tbody> <tr> <td>0-10</td> <td>10-20</td> <td>20-30</td> <td>30-40</td> <td>40+</td> </tr> </tbody> </table>	NEGL	Low	Medium	High	Severe	0-10	10-20	20-30	30-40	40+
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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="0" style="margin-left: 20px;"> <tr> <td style="vertical-align: top;"> AAA 8.571-10.000 AA 7.143-8.570 A 5.714-7.142 BBB 4.286-5.713 BB 2.857-4.285 B 1.429-2.856 CCC 0.000-1.428 </td> <td style="vertical-align: top; padding-left: 10px;"> Leader: leading its industry in managing the most significant ESG risks and opportunities Average: a mixed or unexceptional track record of managing the most significant ESG risks and opportunities relative to industry peers Laggard: lagging its industry based on its high exposure and failure to manage significant ESG risks </td> </tr> </table>	AAA 8.571-10.000 AA 7.143-8.570 A 5.714-7.142 BBB 4.286-5.713 BB 2.857-4.285 B 1.429-2.856 CCC 0.000-1.428	Leader: leading its industry in managing the most significant ESG risks and opportunities Average: a mixed or unexceptional track record of managing the most significant ESG risks and opportunities relative to industry peers 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

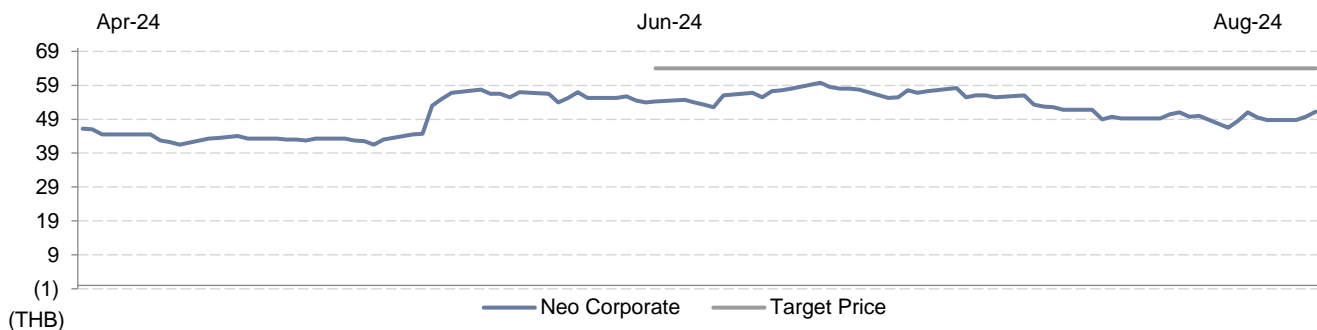
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History of change in investment rating and/or target price

Neo Corporate (NEO TB)



Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
06-Jun-2024	BUY	64.00	-	-	-	-	-	-

Sureeporn Teewasuwet started covering this stock from 06-Jun-2024

Price and TP are in local currency

Source: FSSIA estimates

Company	Ticker	Price	Rating	Valuation & Risks
Neo Corporate	NEO TB	THB 51.25	BUY	Downside risks to our P/E-based TP include 1) a slower-than-expected consumption recovery; 2) the high volatility of raw material prices; 3) changing consumer demand and lifestyles; and 4) a failure of new products.

Source: FSSIA estimates

Additional Disclosures

Target price history, stock price charts, valuation and risk details, and equity rating histories applicable to each company rated in this report is available in our most recently published reports. You can contact the analyst named on the front of this note or your representative at Finansia Syrus Securities Public Company Limited.

All share prices are as at market close on 14-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.