

SRINANAPORN MARKETING
THAILAND / FOOD & BEVERAGE

SNNP TB

BUY
UNCHANGED

กำไรและราคาแตะจุดต่ำสุดไปแล้ว

- เราคาดว่ากำไร 3Q24 จะทำสถิติสูงสุดใหม่ (+4% q-q, +5.5% y-y)
- ราคาหุ้นที่ปรับตัวลดลงในช่วงก่อนหน้านี้ ได้สะท้อนอัตราการเติบโตที่ลดลงในปี 2024 ไปแล้ว เราเชื่อว่าทั้งประมาณการกำไรและราคาหุ้นในปัจจุบันมี Downside จำกัด
- ปรับราคาเป้าหมายไปเป็นปี 2025 ที่ 17.4 บาท

TARGET PRICE	THB17.40
CLOSE	THB13.40
UP/DOWNSIDE	+29.9%
PRIOR TP	THB15.50
CHANGE IN TP	+12.3%
TP vs CONSENSUS	+5.0%

KEY STOCK DATA

YE Dec (THB m)	2023	2024E	2025E	2026E
Revenue	6,016	6,303	6,968	7,564
Net profit	636	666	760	838
EPS (THB)	0.66	0.69	0.79	0.87
vs Consensus (%)	-	(4.0)	(4.0)	(2.1)
EBITDA	1,002	1,065	1,191	1,312
Recurring net profit	636	666	760	838
Core EPS (THB)	0.66	0.69	0.79	0.87
Chg. In EPS est. (%)	-	-	-	-
EPS growth (%)	23.3	4.7	14.2	10.3
Core P/E (x)	20.2	19.3	16.9	15.3
Dividend yield (%)	3.6	3.6	4.1	4.6
EV/EBITDA (x)	13.5	12.5	11.1	10.0
Price/book (x)	4.0	3.8	3.7	3.5
Net debt/Equity (%)	12.3	5.8	1.9	(1.0)
ROE (%)	20.3	20.3	22.3	23.3

ค่ากำไรสุทธิ 3Q24 จะทำสถิติสูงสุดใหม่แต่การเติบโตอาจไม่ฟื้นตัว

ในระยะสั้นเราคาดว่ากำไรสุทธิ 3Q24 จะทำสถิติสูงสุดใหม่ที่ 169 ลบ. (+4% q-q, +5.5% y-y) อย่างไรก็ตามตัวเลขการเติบโตอาจไม่ฟื้นตัวเต็มที่เนื่องจากฐานกำไรที่สูงเนื่องจากอำนาจในการซื้อของผู้บริโภคทั้งในประเทศไทยและเวียดนามยังคงอ่อนแอ ดังนั้นเราจึงมองว่าการที่ยังสามารถสร้างการเติบโตของกำไรได้ ถือว่าอยู่ในเกณฑ์ดีภายใต้สภาวะเศรษฐกิจในปัจจุบัน

รายได้ในประเทศและการส่งออกน่าจะฟื้นตัว q-q และ y-y

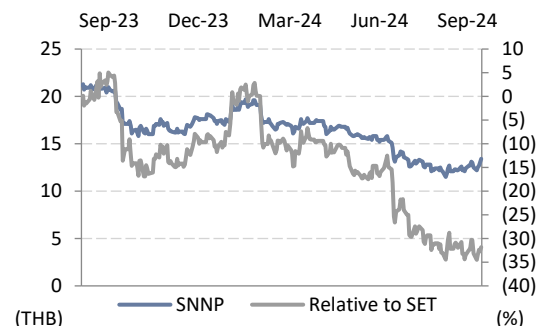
เราคาดว่ารายได้รวมใน 3Q24 จะโตตามเป้าที่ 10% y-y และ 8.7% q-q โดยได้ปัจจัยหนุนจากรายได้ในประเทศ เราคาดว่ารายได้ส่วนมากจะมาจากกลุ่มอาหารขบเคี้ยว SNNP เปิดตัวสินค้าใหม่ภายใต้แบรนด์ Bento และ Lotus ดังนั้นเราจึงคาดว่ารายได้ในประเทศจะโต 3.3% q-q และ 10% y-y ใน 3Q24 นอกจากนี้เรายังคาดว่าจะรายได้จากการส่งออกจะเพิ่มอย่างมีนัยสำคัญมากขึ้นที่ 25.7% q-q และ 10.3% y-y จากฤดูกาลส่งออก รายได้จากเวียดนามน่าจะโตต่อเนื่อง q-q เราคาดว่าอัตรากำไรขั้นต้นใน 3Q24 จะยังทรงตัว q-q ที่ 29% และสัดส่วนค่าใช้จ่ายการขายและบริหารต่อยอดขายจะทรงตัว q-q ที่ 13.5%

ค่ากำไรจะโตต่อเนื่องโดยอาจสูงสุดใน 4Q24

หากกำไร 3Q24 ออกมาตามคาด บริษัทจะมีกำไรสุทธิ 9M24 จะอยู่ที่ 489 ลบ. (+3.8% y-y) คิดเป็น 73.4% ของประมาณการทั้งปีของเรา เราคาดว่ากำไรจะสูงสุดใน 4Q24 ที่ 175-177 ลบ. เนื่องจากเป็น High season สำหรับทั้งตลาดในประเทศและเวียดนาม นอกจากนี้เรายังคาดว่าจะรายได้จากการเติบโตของรายได้จะมีความชัดเจนมากยิ่งขึ้นจากกลุ่ม Potential countries สถานการณ์โดยรวมสอดคล้องกับประมาณการของเราซึ่งตั้งสมมติฐานไว้ต่ำกว่าเป้าของ SNNP ดังนั้นเรายังคงประมาณการกำไรสุทธิปี 2024 ของเราไว้ที่ 666 ลบ. (+4.7% y-y) และคาดว่ากำไรปี 2025 จะโตเพิ่มอีก 14% y-y พร้อมรายได้ที่คาดว่าจะกลับสู่อัตราการเติบโตที่ 10.5% y-y ทั้งนี้ หากสามารถขยายกลุ่ม Potential countries ได้สำเร็จ จะกลายเป็น upside ต่อประมาณการของเรา

ประมาณการกำไรปี 2024 มี Downside จำกัดในขณะที่หุ้นมีการซื้อขายที่ -2 SD

เราปรับราคาเป้าหมายของเราไปเป็นปี 2025 ที่ 17.4 บาทอันมีสมมติฐานจากค่า P/E เป้าหมายเดิมที่ 22x ราคาหุ้นที่ปรับตัวลดลงในช่วงก่อนหน้านี้ เรามองว่าได้สะท้อนอัตราการเติบโตที่ลดลงในปี 2024 ไปแล้ว ปัจจุบัน SNNP มีการซื้อขายที่ 2024-25E P/E multiples ที่ 19x และ 17x ตามลำดับซึ่งต่ำกว่าค่าเฉลี่ยในอดีต (-2 SD) และต่ำกว่ากลุ่มอาหารและเครื่องดื่ม (22x) ดังนั้นเราจึงเชื่อว่าทั้งกำไรและราคาหุ้นในปัจจุบันมี Downside จำกัด เราคงคำแนะนำซื้อ BUY



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	12.6	(11.8)	(36.8)
Relative to country (%)	0.5	(18.0)	(31.4)
Mkt cap (USD m)	384		
3m avg. daily turnover (USD m)	1.2		
Free float (%)	34		
Major shareholder	Chaisathaporn family (27%)		
12m high/low (THB)	22.20/11.30		
Issued shares (m)	960.00		

Sources: Bloomberg consensus; FSSIA estimates



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PREPARED BY FSS INTERNATIONAL INVESTMENT ADVISORY SECURITIES CO LTD (FSSIA). ANALYST CERTIFICATION AND IMPORTANT DISCLOSURES CAN BE FOUND AT THE END OF THIS REPORT

บทวิเคราะห์ฉบับนี้แปลมาจากต้นฉบับภาษาอังกฤษ ที่ออกรายงานเมื่อวันที่ 9 กันยายน 2024

Investment thesis

SNNP is a leader in the snacks and jelly market in Thailand. It has three famous brands, including Bento, Jele, and Lotus. SNNP sells in both Thailand and abroad. Its crucial export market is CLMV. At the end of 2023, domestic sales made the highest contribution at c73% of total revenue, followed by CLMV (20%) and others (7%).

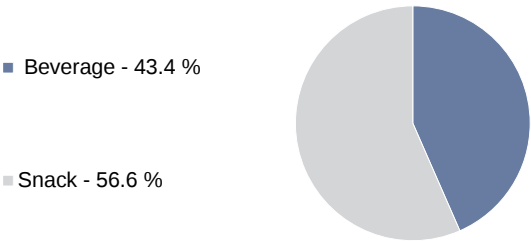
We have a neutral view of SNNP’s short-term growth in 2024 due to sluggish consumer demand. However, SNNP is preparing to launch more marketing campaigns through modern trade channels in 2H24, in addition to introducing more new products. Aside from that, if the company is successful in new markets such as the Philippines, South Korea, and China, these could be new growth drivers for SNNP in the future, providing upside potential to our earnings estimates for 2025-26.

Company profile

SNNP was founded in 1972 under the name of Sri Viwat. The company has been a manufacturer and distributor of snack foods for more than 30 years. It has many product categories with a lot of variety, such as jelly, fruit juice with carrageenan and konjac powder, fish and squid products, fruit and herb drinks, etc.

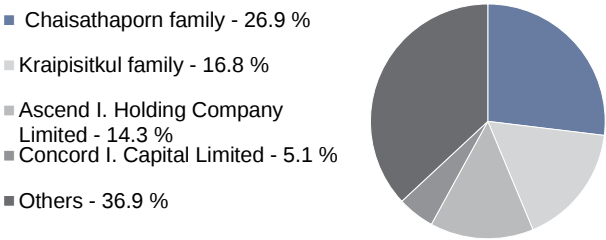
www.snnp.co.th

Principal activities (revenue, 2023)



Source: Srinanaporn Marketing

Major shareholders



Source: Srinanaporn Marketing

Catalysts

Potential catalysts for SNNP’s earnings growth in 2024-25 are 1) domestic revenue growth, driven by new products; 2) overseas revenue growth, driven by its new plant and a channel expansion in Vietnam; and 3) a higher gross margin, supported by a higher utilization rate.

Risks to our call

Downside risks to our P/E-based TP include 1) a slower-than-expected consumption recovery; 2) a potential rise in raw material costs; 3) a slower-than-expected capacity expansion; and 4) unsuccessful new products.

Event calendar

Date	Event
November 2024	3Q24 results announcement

Key assumptions

	2024E	2025E	2026E
Domestic revenue (THB m)	4,576	5,034	5,436
Overseas revenue (THB m)	1,727	1,934	2,128
Total revenue (THB m)	6,303	6,968	7,564
Total revenue growth (%)	4.8	10.5	8.6
Gross margin (%)	29.2	29.4	29.5
SG&A to sales (%)	16.0	16.0	16.0

Source: FSSIA estimates

Earnings sensitivity

- For every 1% increase in revenue, we estimate 2025 net profit to rise by 0.8%, and vice versa, all else being equal.
- For every 0.5% increase in GPM, we estimate 2025 net profit to rise by 3.8%, and vice versa, all else being equal.
- For every 0.2% increase in SG&A, we estimate 2025 net profit to fall by 1.6%, and vice versa, all else being equal.

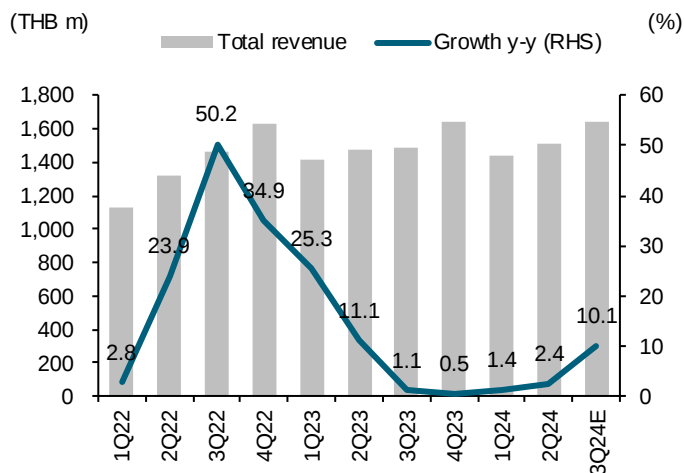
Source: FSSIA estimates

Exhibit 1: SNNP – 3Q24 earnings preview

	3Q23	4Q23	1Q24	2Q24	3Q24E	----- Change -----		9M24E	Change	2024E	Change	% 9M24E
	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(q-q%)	(y-y%)	(THB m)	(y-y%)	(THB m)	(y-y%)	to 2024E
Total revenue	1,486	1,640	1,440	1,505	1,636	8.7	10.1	4,581	4.7	6,303	4.8	72.7
Cost of sales	1,058	1,161	1,015	1,070	1,162	8.6	9.8	3,246	3.5	4,463	3.8	72.7
Gross profit	428	479	425	436	474	8.9	10.8	1,335	7.8	1,840	7.1	72.5
SG&A	232	271	236	238	262	9.8	12.9	736	12.5	1,008	9.0	73.0
Operating profit	208	212	207	204	221	7.9	5.9	632	2.9	870	5.3	72.7
Interest expense	2.25	3.02	1.79	3.33	3.40	2.0	50.8	9	85.4	13	68.3	66.5
Tax expense	38	33	40	33	42	28.3	10.4	114	(3.6)	165	8.9	69.2
Profit (loss) sharing	(9)	(10)	(9)	(8)	(8)	nm	nm	(25)	nm	(32)	nm	80.2
Reported net profit	160	165	158	162	169	4.1	5.5	489	3.8	666	4.7	73.4
Core profit	160	165	158	162	169	4.1	5.5	489	3.8	666	4.7	73.4
Key ratios (%)						(ppt)	(ppt)					
Gross margin	28.8	29.2	29.5	28.9	29.0	0.1	0.2	29.1	0.8	29.2	0.6	
SG&A to sales	15.6	16.5	16.4	15.8	16.0	0.2	0.4	16.1	1.1	16.0	0.6	
Operating margin	14.0	12.9	14.4	13.6	13.5	(0.1)	(0.5)	13.8	(0.2)	13.8	0.1	
Net margin	10.8	10.1	10.9	10.8	10.3	(0.5)	(0.4)	10.7	(0.1)	10.6	(0.0)	
Core margin	10.8	10.1	10.9	10.8	10.3	(0.5)	(0.4)	10.7	(0.1)	10.6	(0.0)	
Operating statistics (THB m)												
Domestic revenue	1,078	1,110	1,092	1,147	1,185	3.3	10.0	3,424	4.3	4,576	4.2	74.8
Overseas revenue	408	530	348	358	451	25.7	10.3	1,157	5.8	1,727	6.3	67.0
Vietnam revenue	181	289	160	171	192	12.3	6.1	523	5.7	750	(4.3)	69.7
Snack revenue	833	992	759	736	933	26.7	12.0	2,428	0.7	3,467	1.9	70.0
Beverage revenue	653	648	681	769	703	(8.6)	7.6	2,153	9.5	2,836	8.5	75.9

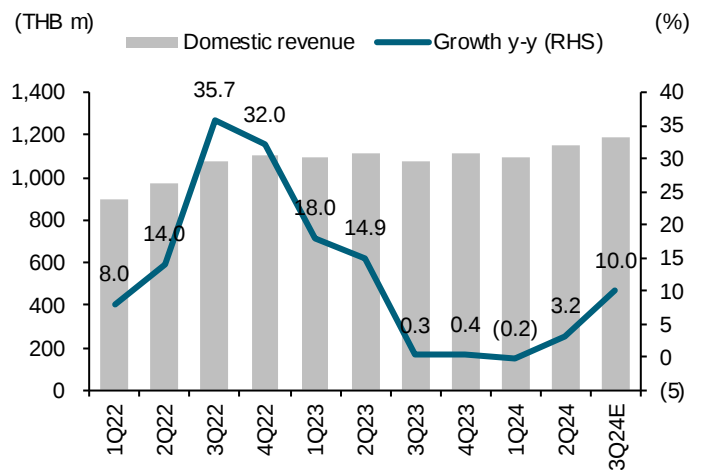
Sources: SNNP, FSSIA estimates

Exhibit 2: Quarterly total revenue and growth

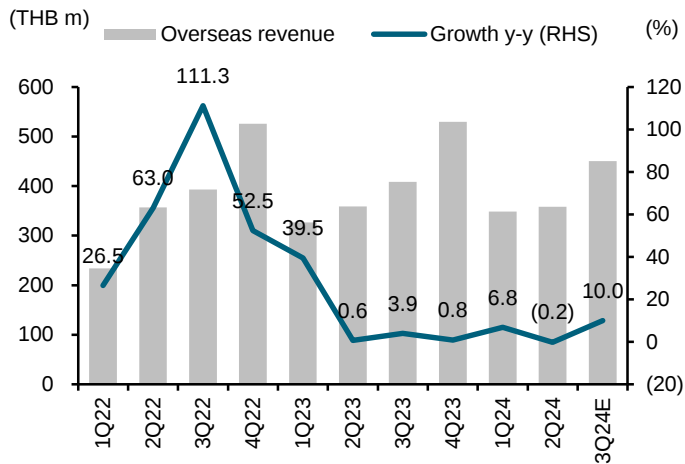


Sources: SNNP, FSSIA estimates

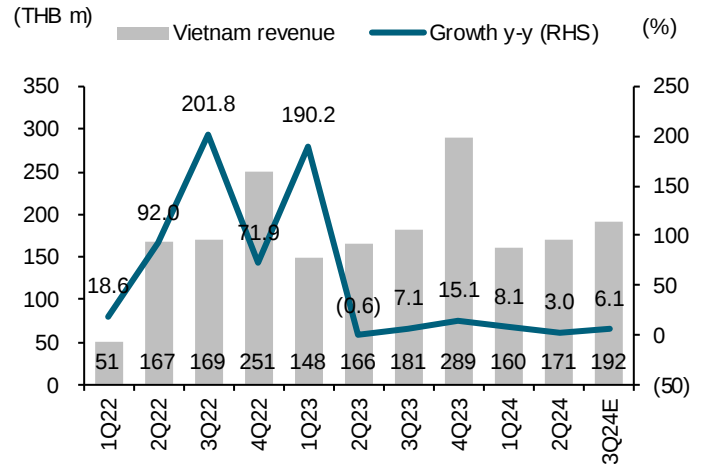
Exhibit 3: Quarterly domestic revenue and growth



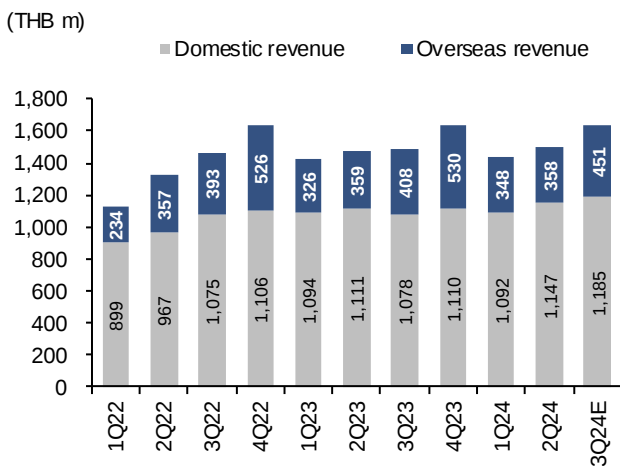
Sources: SNNP, FSSIA estimates

Exhibit 4: Quarterly overseas revenue and growth

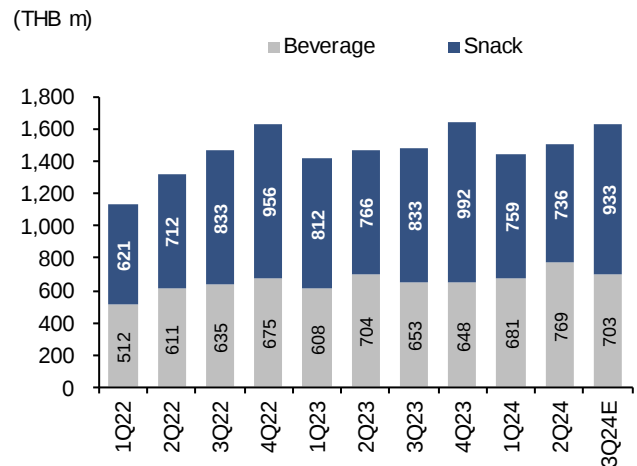
Sources: SNNP, FSSIA estimates

Exhibit 5: Quarterly Vietnam revenue and growth

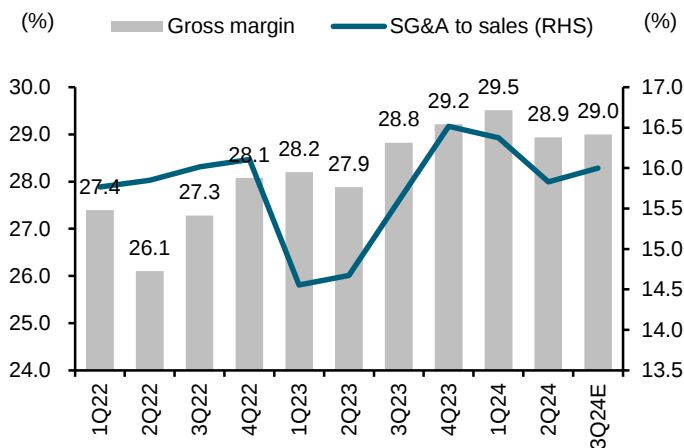
Sources: SNNP, FSSIA estimates

Exhibit 6: Quarterly revenue breakdown by destination

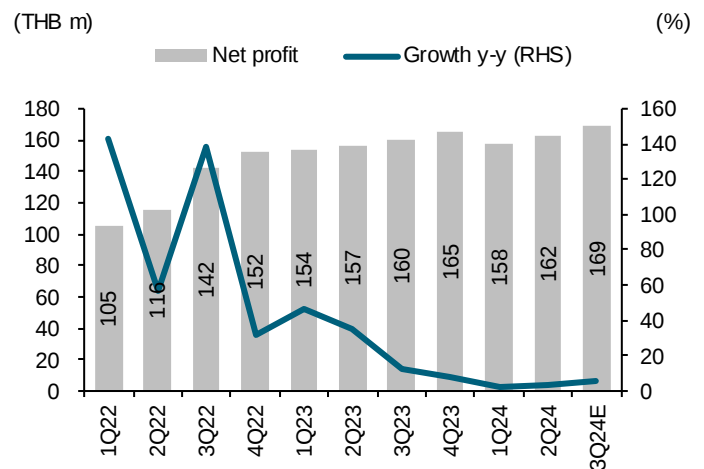
Sources: SNNP, FSSIA estimates

Exhibit 7: Quarterly revenue breakdown by product

Sources: SNNP, FSSIA estimates

Exhibit 8: Quarterly gross margin and SG&A to sales

Sources: SNNP, FSSIA estimates

Exhibit 9: Quarterly net profit and growth

Sources: SNNP, FSSIA estimates

Exhibit 10: Key assumptions for SNNP

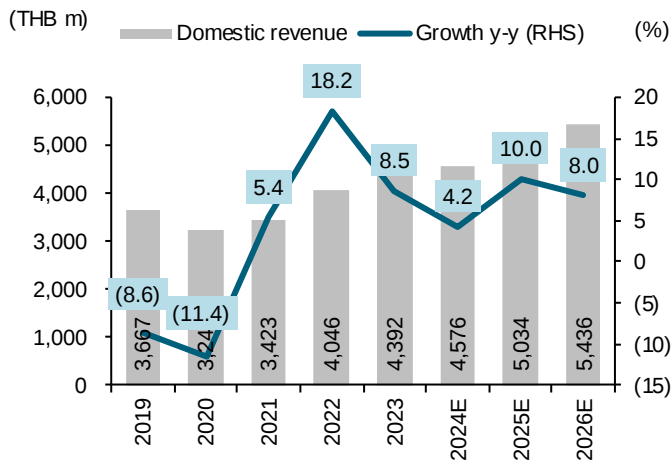
	Current			Growth		
	2024E (THB m)	2025E (THB m)	2026E (THB m)	2024E (%)	2025E (%)	2026E (%)
Total sales value (THB m)	6,303	6,968	7,564	4.8	10.5	8.6
Costs	4,463	4,919	5,333	3.8	10.2	8.4
Gross profit	1,840	2,049	2,231	7.1	11.3	8.9
SG&A expense	1,008	1,115	1,210	9.0	10.5	8.6
Profit (loss) sharing	(32)	(21)	(15)	<i>nm</i>	<i>nm</i>	<i>nm</i>
Interest expense	13	10	8	68.3	(23.7)	(16.2)
Reported net profit	666	760	838	4.7	14.2	10.3
Core profit	666	760	838	4.7	14.2	10.3

Key ratios (%)						
Gross margin	29.2	29.4	29.5			
SG&A to sales	16.0	16.0	16.0			
Net margin	10.6	10.9	11.1			
Core margin	10.6	10.9	11.1			

Operating statistics (THB m)						
Domestic revenue (THB m)	4,576	5,034	5,436	4.2	10.0	8.0
Overseas revenue (THB m)	1,727	1,934	2,128	6.3	12.0	10.0
Vietnam revenue (THB m)	750	825	908	(4.3)	10.0	10.0

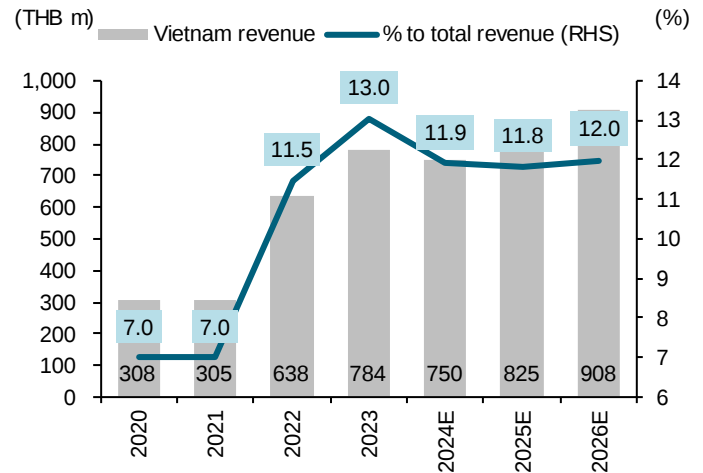
Source: FSSIA estimates

Exhibit 11: Yearly domestic and growth

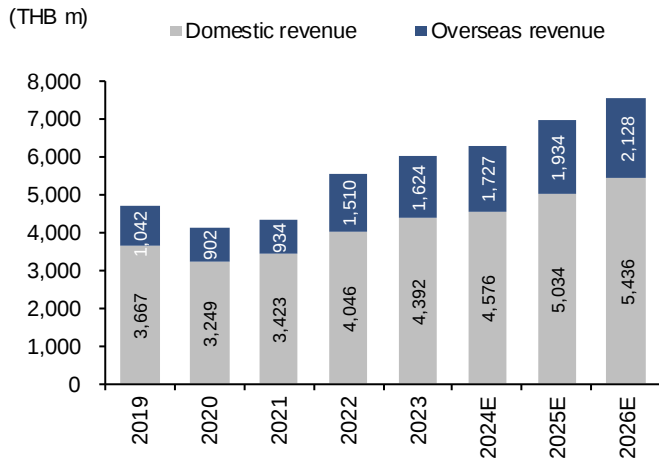


Sources: SNNP, FSSIA estimates

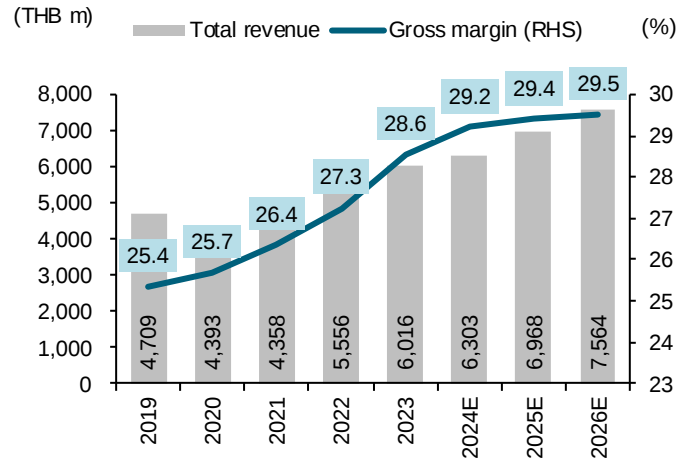
Exhibit 12: Yearly Vietnam revenue and growth



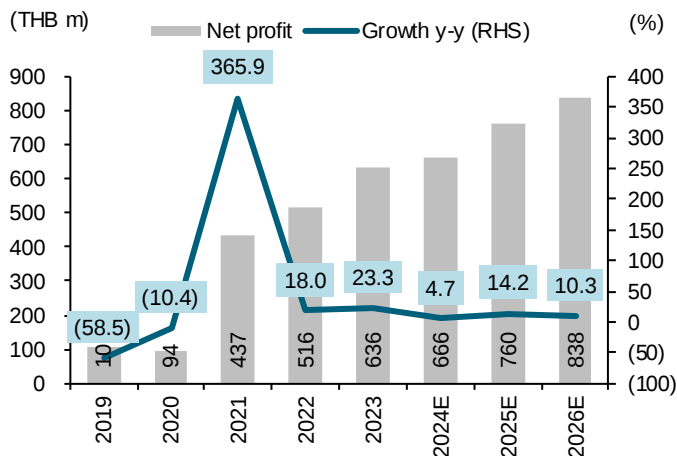
Sources: SNNP, FSSIA estimates

Exhibit 13: Yearly revenue breakdown by destination

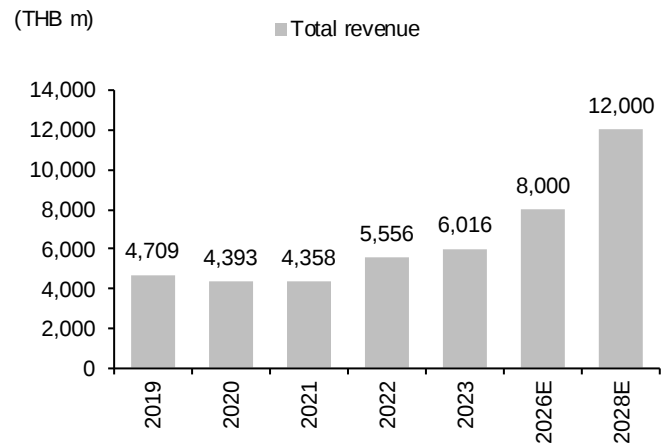
Sources: SNNP, FSSIA estimates

Exhibit 14: Yearly total revenue and gross margin

Sources: SNNP, FSSIA estimates

Exhibit 15: Yearly net profit and growth

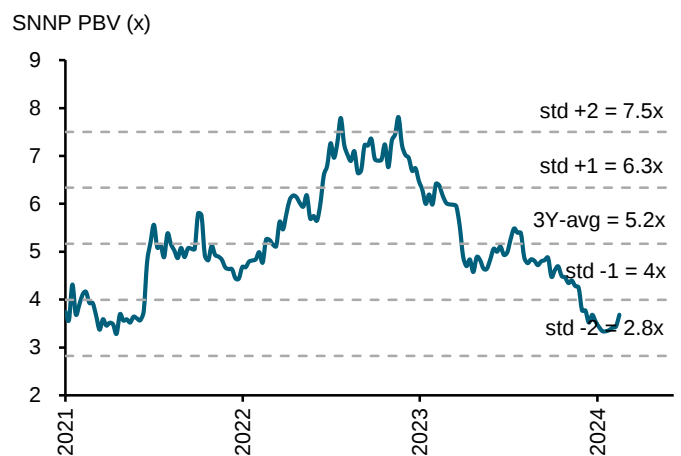
Sources: SNNP, FSSIA estimates

Exhibit 16: SNNP's total revenue target

Sources: SNNP, FSSIA's compilation

Exhibit 17: Historical P/E band

Sources: Bloomberg, FSSIA estimates

Exhibit 18: Historical P/BV band

Sources: Bloomberg, FSSIA estimates

Financial Statements

Srinaporn Marketing

Profit and Loss (THB m) Year Ending Dec	2022	2023	2024E	2025E	2026E
Revenue	5,556	6,016	6,303	6,968	7,564
Cost of goods sold	(4,042)	(4,298)	(4,463)	(4,919)	(5,333)
Gross profit	1,514	1,718	1,840	2,049	2,231
Other operating income	48	34	38	42	45
Operating costs	(886)	(925)	(1,008)	(1,115)	(1,210)
Operating EBITDA	835	1,002	1,065	1,191	1,312
Depreciation	(159)	(175)	(195)	(215)	(245)
Goodwill amortisation	0	0	0	0	0
Operating EBIT	676	826	870	975	1,067
Net financing costs	(2)	(8)	(13)	(10)	(8)
Associates	(25)	(35)	(32)	(21)	(15)
Recurring non-operating income	(25)	(35)	(32)	(21)	(15)
Non-recurring items	0	0	0	0	0
Profit before tax	649	784	825	945	1,043
Tax	(137)	(152)	(165)	(189)	(209)
Profit after tax	512	632	660	756	835
Minority interests	4	4	5	4	4
Preferred dividends	0	0	0	0	0
Other items	0	0	0	0	0
Reported net profit	516	636	666	760	838
Non-recurring items & goodwill (net)	0	0	0	0	0
Recurring net profit	516	636	666	760	838
Per share (THB)					
Recurring EPS *	0.54	0.66	0.69	0.79	0.87
Reported EPS	0.54	0.66	0.69	0.79	0.87
DPS	0.41	0.48	0.49	0.55	0.61
Diluted shares (used to calculate per share data)	960	960	960	960	960
Growth					
Revenue (%)	27.5	8.3	4.8	10.5	8.6
Operating EBITDA (%)	35.1	20.0	6.3	11.8	10.2
Operating EBIT (%)	51.9	22.2	5.3	12.2	9.3
Recurring EPS (%)	67.2	23.3	4.7	14.2	10.3
Reported EPS (%)	18.0	23.3	4.7	14.2	10.3
Operating performance					
Gross margin inc. depreciation (%)	27.3	28.6	29.2	29.4	29.5
Gross margin exc. depreciation (%)	30.1	31.5	32.3	32.5	32.7
Operating EBITDA margin (%)	15.0	16.7	16.9	17.1	17.3
Operating EBIT margin (%)	12.2	13.7	13.8	14.0	14.1
Net margin (%)	9.3	10.6	10.6	10.9	11.1
Effective tax rate (%)	21.1	19.3	20.0	20.0	20.0
Dividend payout on recurring profit (%)	76.3	72.8	70.0	70.0	70.0
Interest cover (X)	389.1	103.9	65.4	97.6	128.4
Inventory days	51.4	56.8	54.5	54.8	55.4
Debtor days	89.1	105.6	104.8	92.7	91.3
Creditor days	100.3	103.0	92.8	89.8	90.7
Operating ROIC (%)	17.9	19.1	19.1	21.7	23.1
ROIC (%)	15.6	16.6	16.8	19.1	20.5
ROE (%)	17.5	20.3	20.3	22.3	23.3
ROA (%)	11.1	12.4	12.8	14.2	14.8

* Pre-exceptional, pre-goodwill and fully diluted

Revenue by Division (THB m)	2022	2023	2024E	2025E	2026E
Beverage	2,434	2,613	2,836	3,142	3,415
Snack	3,123	3,403	3,467	3,825	4,149
Distribution other product					

Sources: Srinaporn Marketing; FSSIA estimates

Financial Statements

Srinaporn Marketing

Cash Flow (THB m) Year Ending Dec	2022	2023	2024E	2025E	2026E
Recurring net profit	516	636	666	760	838
Depreciation	159	175	195	215	245
Associates & minorities	25	35	32	21	15
Other non-cash items	4	(12)	14	27	24
Change in working capital	(307)	(428)	120	(37)	(110)
Cash flow from operations	397	406	1,027	986	1,013
Capex - maintenance	-	-	-	-	-
Capex - new investment	(227)	(262)	(270)	(300)	(300)
Net acquisitions & disposals	-	-	-	-	-
Other investments (net)	(171)	45	(107)	(34)	(27)
Cash flow from investing	(398)	(217)	(376)	(334)	(327)
Dividends paid	(307)	(444)	(466)	(532)	(587)
Equity finance	0	0	0	0	0
Debt finance	276	192	(130)	(87)	(45)
Other financing cash flows	4	2	30	17	15
Cash flow from financing	(28)	(250)	(566)	(602)	(617)
Non-recurring cash flows	-	-	-	-	-
Other adjustments	0	0	0	0	0
Net other adjustments	0	0	0	0	0
Movement in cash	(29)	(61)	85	50	69
Free cash flow to firm (FCFF)	0.16	196.67	663.32	662.08	693.93
Free cash flow to equity (FCFE)	277.89	382.65	550.55	581.92	655.26
Per share (THB)					
FCFF per share	0.00	0.20	0.69	0.69	0.72
FCFE per share	0.29	0.40	0.57	0.61	0.68
Recurring cash flow per share	0.73	0.87	0.94	1.07	1.17
Balance Sheet (THB m) Year Ending Dec	2022	2023	2024E	2025E	2026E
Tangible fixed assets (gross)	3,600	3,600	3,800	4,000	4,300
Less: Accumulated depreciation	(1,324)	(1,260)	(1,456)	(1,671)	(1,917)
Tangible fixed assets (net)	2,276	2,339	2,344	2,328	2,383
Intangible fixed assets (net)	21	18	18	18	18
Long-term financial assets	-	-	-	-	-
Invest. in associates & subsidiaries	275	242	242	242	242
Cash & equivalents	133	72	157	206	275
A/C receivable	1,587	1,894	1,727	1,814	1,969
Inventories	681	602	672	741	804
Other current assets	1	8	8	9	10
Current assets	2,402	2,575	2,564	2,770	3,057
Other assets	96	51	126	139	151
Total assets	5,069	5,225	5,294	5,498	5,851
Common equity	3,049	3,218	3,348	3,476	3,728
Minorities etc.	257	244	258	286	310
Total shareholders' equity	3,306	3,463	3,607	3,762	4,038
Long term debt	242	264	184	104	97
Other long-term liabilities	126	128	158	174	189
Long-term liabilities	368	392	342	279	286
A/C payable	1,256	1,070	1,100	1,213	1,315
Short term debt	62	232	182	175	137
Other current liabilities	76	69	63	70	76
Current liabilities	1,395	1,370	1,345	1,458	1,528
Total liabilities and shareholders' equity	5,069	5,225	5,294	5,498	5,851
Net working capital	936	1,364	1,244	1,281	1,392
Invested capital	3,604	4,015	3,974	4,009	4,186
* Includes convertibles and preferred stock which is being treated as debt					
Per share (THB)					
Book value per share	3.18	3.35	3.49	3.62	3.88
Tangible book value per share	3.15	3.33	3.47	3.60	3.86
Financial strength					
Net debt/equity (%)	5.2	12.3	5.8	1.9	(1.0)
Net debt/total assets (%)	3.4	8.1	4.0	1.3	(0.7)
Current ratio (x)	1.7	1.9	1.9	1.9	2.0
CF interest cover (x)	303.0	85.6	65.0	91.2	117.6
Valuation	2022	2023	2024E	2025E	2026E
Recurring P/E (x) *	24.9	20.2	19.3	16.9	15.3
Recurring P/E @ target price (x) *	32.4	26.3	25.1	22.0	19.9
Reported P/E (x)	24.9	20.2	19.3	16.9	15.3
Dividend yield (%)	3.1	3.6	3.6	4.1	4.6
Price/book (x)	4.2	4.0	3.8	3.7	3.5
Price/tangible book (x)	4.2	4.0	3.9	3.7	3.5
EV/EBITDA (x) **	15.9	13.5	12.5	11.1	10.0
EV/EBITDA @ target price (x) **	20.5	17.3	16.1	14.3	12.9
EV/invested capital (x)	3.7	3.4	3.4	3.3	3.1
* Pre-exceptional, pre-goodwill and fully diluted ** EBITDA includes associate income and recurring non-operating income					

Sources: Srinaporn Marketing; 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 Sustainabilitys	The Sustainabilitys' 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><tr><th>NEGL</th><th>Low</th><th>Medium</th><th>High</th><th>Severe</th></tr><tr><td>0-10</td><td>10-20</td><td>20-30</td><td>30-40</td><td>40+</td></tr></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><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="2">Average:</td><td rowspan="2">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><td rowspan="2">Laggard:</td><td rowspan="2">lagging its industry based on its high exposure and failure to manage significant ESG risks</td></tr><tr><td>CCC</td><td>0.000-1.428</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	Laggard:	lagging its industry based on its high exposure and failure to manage significant ESG risks	CCC	0.000-1.428
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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

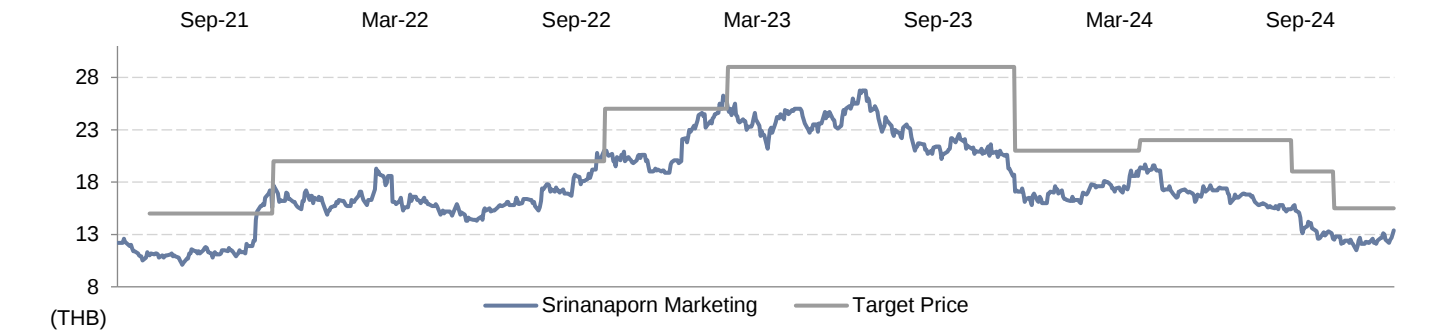
The individual(s) identified above certify(ies) that (i) all views expressed in this report accurately reflect the personal view of the analyst(s) with regard to any and all of the subject securities, companies or issuers mentioned in this report; and (ii) no part of the compensation of the analyst(s) 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

Srinaporn Marketing (SNNP TB)



Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
06-Oct-2021	BUY	15.00	13-Feb-2023	BUY	29.00	10-Jun-2024	BUY	19.00
20-Jan-2022	BUY	20.00	17-Oct-2023	BUY	21.00	16-Jul-2024	BUY	15.50
31-Oct-2022	BUY	25.00	01-Feb-2024	BUY	22.00			

Sureeporn Teewasuwet started covering this stock from 13-Feb-2023

Price and TP are in local currency

Source: FSSIA estimates

Company	Ticker	Price	Rating	Valuation & Risks
Srinaporn Marketing	SNNP TB	THB 13.40	BUY	Downside risks to our P/E-based TP include 1) a slower-than-expected consumption recovery; 2) a potential rise in raw material costs; 3) a slower-than-expected capacity expansion; and 4) unsuccessful new products.

Source: FSSIA estimates

Additional Disclosures

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

All share prices are as at market close on 06-Sep-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.