

# I-TAIL CORPORATION

THAILAND / FOOD & BEVERAGE

ITC TB

**BUY**  
 UNCHANGED

## Key takeaways from analyst meeting

TARGET PRICE	THB30.00
CLOSE	THB23.60
UP/DOWNSIDE	+27.1%
TP vs CONSENSUS	+3.2%

### Highlights

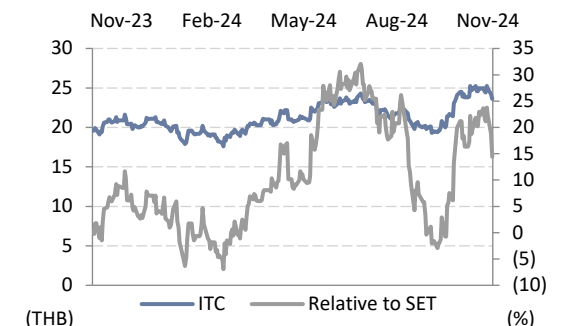
- ITC held a meeting this morning where management updated the revenue outlook for 4Q24. Revenue is expected to grow both q-q and y-y, although the y-y growth may slow compared to 2Q-3Q24 due to a high revenue base in 4Q23. Currently, 95% of the revenue target for 4Q has been secured.
- The outlook for the gross margin in 4Q24 is expected to soften q-q due to higher costs, as depreciation will be fully accounted for this quarter. In addition, the reversal of inventory is expected to be smaller or possibly nonexistent. Therefore, we expect 4Q24 profit to remain flat or decline slightly q-q.
- ITC is currently preparing its growth budget for 2025, but there are several factors supporting growth:
  - The global pet food market is expected to grow at 6% CAGR from 2023 to 2029.
  - New customers continue to join, with 21 new clients in 9M24, including a large global private label customer, whose full-year revenue will likely be recognized in 2025.
  - There is ongoing development of new products, particularly for European customers. Management targets a higher revenue contribution from Europe of 20%, up from the current 16%.

### Comments

- In the short term, we maintain a neutral outlook as it aligns with our previous view, while we continue to hold a positive medium- to long-term perspective. We anticipate a strong recovery in 1H25 profit. ITC is preparing to raise selling prices to customers to reflect the stronger Thai baht.
- During the meeting, there was a question about the potential impact of a trade war, especially if the US election ends with changes in policies. Would it affect pet food imports if tariffs are imposed? Management stated that it is still difficult to assess and it will depend on the clarity of future policies. Currently, the US does not impose tariffs on pet food imports.
- However, we believe that pet food from Thailand is positioned in the premium segment, whereas products produced in the US and imported from China are mainly in the mid-priced and economy segments. Thailand still has a competitive advantage in terms of lower raw material and labor costs. Initially, we do not expect this to have a negative impact on the Thai pet food industry, though we will need to continue monitoring the trade policies of the new US president.

### KEY STOCK DATA

YE Dec (THB m)	2023	2024E	2025E	2026E
Revenue	15,577	18,395	20,327	22,048
Net profit	2,281	3,941	4,180	4,578
EPS (THB)	0.76	1.31	1.39	1.53
vs Consensus (%)	-	1.6	0.9	(1.2)
EBITDA	2,995	4,961	5,048	5,557
Recurring net profit	2,312	4,191	4,180	4,578
Core EPS (THB)	0.77	1.40	1.39	1.53
EPS growth (%)	(68.6)	81.2	(0.3)	9.5
Core P/E (x)	30.6	16.9	16.9	15.5
Dividend yield (%)	2.5	3.9	4.1	4.5
EV/EBITDA (x)	20.5	12.3	12.1	10.9
Price/book (x)	3.1	2.9	2.8	2.6
Net debt/Equity (%)	(40.0)	(40.3)	(38.3)	(37.9)
ROE (%)	9.6	17.7	16.8	17.5



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	(2.1)	12.4	15.7
Relative to country (%)	(4.5)	(3.3)	10.9
Mkt cap (USD m)	2,107		
3m avg. daily turnover (USD m)	7.8		
Free float (%)	22		
Major shareholder	Thai Union Group (79%)		
12m high/low (THB)	26.00/17.50		
Issued shares (m)	3,000.00		

Sources: Bloomberg consensus; FSSIA estimates


**Sureeporn Teewasuwet**

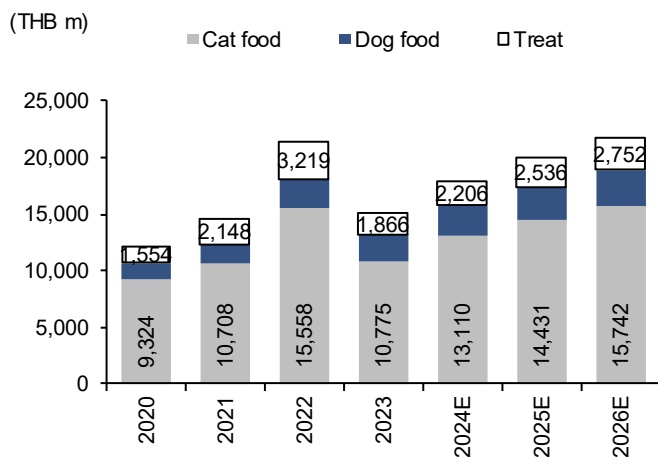
 Fundamental Investment Analyst on Securities; License no. 040694  
 sureeporn.t@fssia.com, +66 2646 9972

## Exhibit 1: Key assumptions for ITC

	Actual	Current			Growth		
	2023	2024E	2025E	2026E	2024E	2025E	2026E
	(THB m)	(THB m)	(THB m)	(THB m)	(%)	(%)	(%)
Total revenue	15,577	18,395	20,327	22,048	18.1	10.5	8.5
Cost	12,539	13,208	15,144	16,382	5.3	14.7	8.2
Gross profit	3,038	5,187	5,183	5,666	70.8	(0.1)	9.3
SG&A expenses	1,183	1,508	1,585	1,720	27.5	5.1	8.5
Report net profit	2,281	3,941	4,180	4,578	72.7	6.1	9.5
Core profit	2,312	4,191	4,180	4,578	81.2	(0.3)	9.5
<b>Key ratios (%)</b>							
Total revenue growth	(27.3)	18.1	10.5	8.5			
Net profit growth	(48.2)	72.7	6.1	9.5			
Core profit growth	(45.3)	81.2	(0.3)	9.5			
Gross margin	19.5	28.2	25.5	25.7	(5.2)	(1.5)	(0.7)
SG&A to sales	7.6	8.2	7.8	7.8	(1.9)	(1.5)	(1.5)
Net margin	14.6	21.4	20.6	20.8	(2.5)	(1.0)	(0.2)
Core margin	14.8	22.8	20.6	20.8	(3.8)	(1.0)	(0.2)
<b>Operating statistics</b>							
THB/USD	34.9	33.0	33.0	33.0	(5.6)	0.0	0.0
Tuna price (USD/tonne)	1,784	1,449	1,500	1,500	(18.8)	3.5	0.0
<b>Revenue breakdown (THB m)</b>							
Cat food	10,775	13,110	14,431	15,742	21.7	10.1	9.1
Dog food	2,405	2,655	2,973	3,168	10.4	12.0	6.6
Treats	1,866	2,206	2,536	2,752	18.2	15.0	8.5
Others	13	80	14	15	535.7	(82.1)	5.0
Other segment	519	345	372	372	(33.6)	8.0	0.0

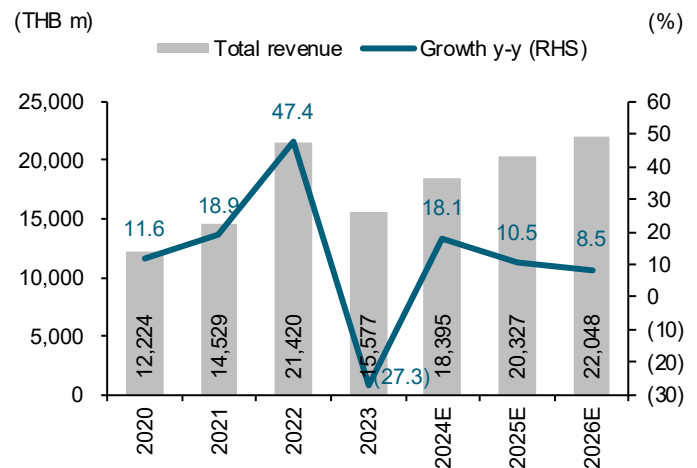
Source: FSSIA estimates

## Exhibit 2: Revenue by type of product



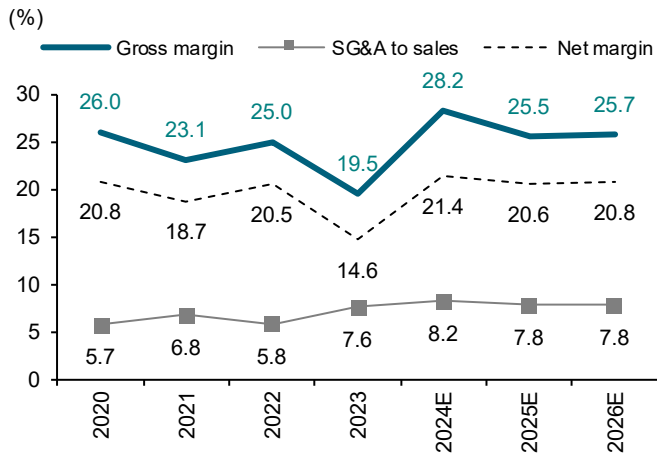
Sources: ITC; FSSIA estimates

## Exhibit 3: Total revenue and growth



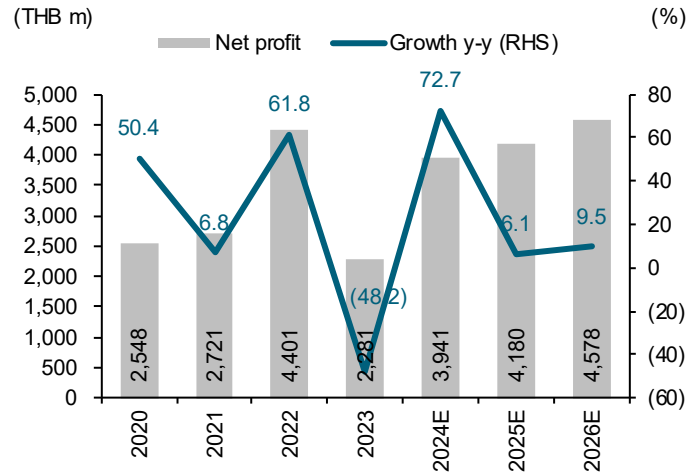
Sources: ITC; FSSIA estimates

Exhibit 4: Gross margin and net margin



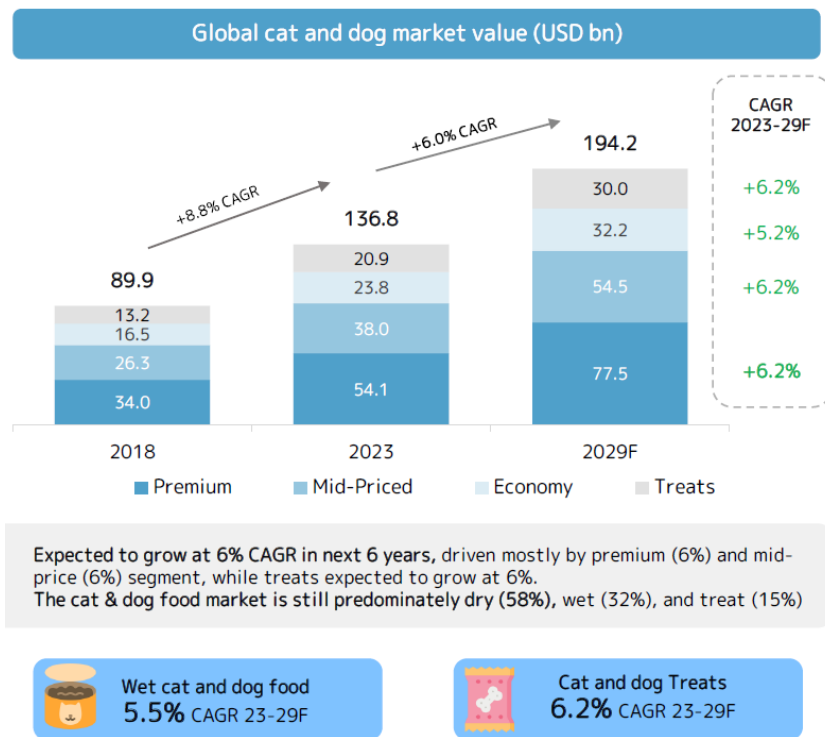
Sources: ITC; FSSIA estimates

Exhibit 5: Net profit and growth

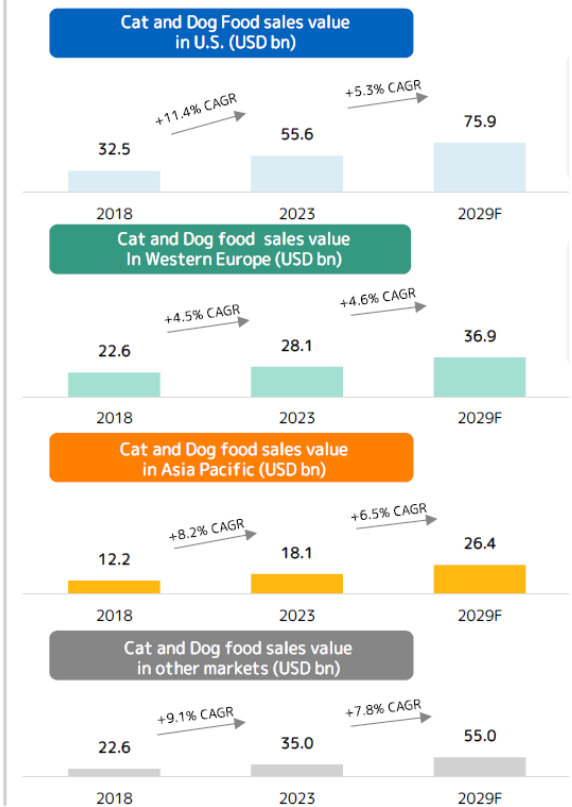


Sources: ITC; FSSIA estimates

Exhibit 6: Global pet food market growth in 2023-29



Source: Euromonitor, Euromonitor's country reports



Sources: ITC's 3Q24 presentation

## Financial Statements

### i-Tail Corporation

Profit and Loss (THB m) Year Ending Dec	2022	2023	2024E	2025E	2026E
Revenue	21,420	15,577	18,395	20,327	22,048
Cost of goods sold	(16,071)	(12,539)	(13,208)	(15,144)	(16,382)
<b>Gross profit</b>	<b>5,349</b>	<b>3,038</b>	<b>5,187</b>	<b>5,183</b>	<b>5,666</b>
Other operating income	247	603	643	711	772
Operating costs	(1,239)	(1,183)	(1,508)	(1,585)	(1,720)
<b>Operating EBITDA</b>	<b>4,928</b>	<b>2,995</b>	<b>4,961</b>	<b>5,048</b>	<b>5,557</b>
Depreciation	(571)	(539)	(639)	(739)	(839)
Goodwill amortisation	0	0	0	0	0
<b>Operating EBIT</b>	<b>4,357</b>	<b>2,457</b>	<b>4,322</b>	<b>4,309</b>	<b>4,718</b>
Net financing costs	(83)	(11)	(4)	(5)	(4)
Associates	-	-	-	-	-
Recurring non-operating income	0	0	0	0	0
Non-recurring items	175	(31)	(250)	0	0
<b>Profit before tax</b>	<b>4,450</b>	<b>2,415</b>	<b>4,068</b>	<b>4,305</b>	<b>4,714</b>
Tax	(48)	(132)	(125)	(121)	(132)
<b>Profit after tax</b>	<b>4,401</b>	<b>2,283</b>	<b>3,943</b>	<b>4,184</b>	<b>4,582</b>
Minority interests	0	(1)	(2)	(4)	(4)
Preferred dividends	-	-	-	-	-
Other items	-	-	-	-	-
<b>Reported net profit</b>	<b>4,401</b>	<b>2,281</b>	<b>3,941</b>	<b>4,180</b>	<b>4,578</b>
<b>Non-recurring items &amp; goodwill (net)</b>	<b>(175)</b>	<b>31</b>	<b>250</b>	<b>0</b>	<b>0</b>
<b>Recurring net profit</b>	<b>4,226</b>	<b>2,312</b>	<b>4,191</b>	<b>4,180</b>	<b>4,578</b>
<b>Per share (THB)</b>					
Recurring EPS *	2.46	0.77	1.40	1.39	1.53
Reported EPS	2.56	0.76	1.31	1.39	1.53
DPS	1.66	0.60	0.92	0.98	1.07
Diluted shares (used to calculate per share data)	1,720	3,000	3,000	3,000	3,000
<b>Growth</b>					
Revenue (%)	47.4	(27.3)	18.1	10.5	8.5
Operating EBITDA (%)	62.6	(39.2)	65.6	1.8	10.1
Operating EBIT (%)	74.6	(43.6)	75.9	(0.3)	9.5
Recurring EPS (%)	(63.7)	(68.6)	81.2	(0.3)	9.5
Reported EPS (%)	(66.1)	(70.3)	72.7	6.1	9.5
<b>Operating performance</b>					
Gross margin inc. depreciation (%)	25.0	19.5	28.2	25.5	25.7
Gross margin exc. depreciation (%)	27.6	23.0	31.7	29.1	29.5
Operating EBITDA margin (%)	23.0	19.2	27.0	24.8	25.2
Operating EBIT margin (%)	20.3	15.8	23.5	21.2	21.4
Net margin (%)	19.7	14.8	22.8	20.6	20.8
Effective tax rate (%)	1.1	5.5	3.1	2.8	2.8
Dividend payout on recurring profit (%)	67.6	77.8	65.8	70.0	70.0
Interest cover (X)	52.8	223.0	1,080.5	957.6	1,072.4
Inventory days	93.6	117.0	99.6	98.4	101.4
Debtor days	48.8	86.4	78.3	76.2	76.9
Creditor days	46.3	58.9	45.7	44.3	45.6
Operating ROIC (%)	33.7	15.8	25.3	23.1	23.6
ROIC (%)	32.5	14.6	23.6	22.2	22.7
ROE (%)	26.5	9.6	17.7	16.8	17.5
ROA (%)	21.6	8.7	16.2	15.4	15.9
* Pre exceptional, pre-goodwill and fully diluted					
<b>Revenue by Division (THB m)</b>					
Pet Food	18,119	13,180	15,765	17,404	18,909
Treats	3,219	1,866	2,206	2,536	2,752
Other	82	13	80	14	15
Other segment		519	345	372	372

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	4,191	4,180	4,578
Depreciation	571	539	639	739	839
Associates & minorities	16	(15)	1	0	0
Other non-cash items	-	-	-	-	-
Change in working capital	(2,972)	(578)	(842)	(966)	(788)
<b>Cash flow from operations</b>	<b>1,841</b>	<b>2,258</b>	<b>3,989</b>	<b>3,953</b>	<b>4,629</b>
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)	779	(58)	(52)
<b>Cash flow from investing</b>	<b>(1,039)</b>	<b>(2,370)</b>	<b>(275)</b>	<b>(1,058)</b>	<b>(1,052)</b>
Dividends paid	(7,471)	(3,791)	(2,759)	(2,926)	(3,205)
Equity finance	20,795	0	0	0	0
Debt finance	(1,559)	4	(264)	(5)	(19)
Other financing cash flows	(16)	(50)	(201)	39	34
<b>Cash flow from financing</b>	<b>11,749</b>	<b>(3,837)</b>	<b>(3,223)</b>	<b>(2,893)</b>	<b>(3,190)</b>
Non-recurring cash flows	-	-	-	-	-
Other adjustments	0	0	0	0	0
<b>Net other adjustments</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Movement in cash</b>	<b>12,551</b>	<b>(3,949)</b>	<b>491</b>	<b>2</b>	<b>388</b>
Free cash flow to firm (FCFF)	884.37	(101.04)	3,718.59	2,899.36	3,581.79
Free cash flow to equity (FCFE)	(773.10)	(157.69)	3,249.72	2,928.50	3,592.33

#### Per share (THB)

FCFF per share	0.29	(0.03)	1.24	0.97	1.19
FCFE per share	(0.26)	(0.05)	1.08	0.98	1.20
Recurring cash flow per share	2.80	0.95	1.61	1.64	1.81

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)
<b>Tangible fixed assets (net)</b>	<b>4,893</b>	<b>5,482</b>	<b>5,889</b>	<b>6,150</b>	<b>6,312</b>
<b>Intangible fixed assets (net)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Long-term financial assets	42	923	-	-	-
Invest. in associates & subsidiaries	-	-	-	-	-
Cash & equivalents	13,254	9,305	9,796	9,799	10,186
A/C receivable	3,517	3,860	4,032	4,455	4,833
Inventories	4,454	3,243	3,619	4,149	4,488
Other current assets	1,526	2,165	2,575	2,846	3,087
<b>Current assets</b>	<b>22,750</b>	<b>18,573</b>	<b>20,022</b>	<b>21,248</b>	<b>22,594</b>
Other assets	493	452	552	610	661
<b>Total assets</b>	<b>28,178</b>	<b>25,431</b>	<b>26,462</b>	<b>28,008</b>	<b>29,567</b>
Common equity	25,029	23,118	24,247	25,502	26,875
Minorities etc.	16	1	2	2	2
<b>Total shareholders' equity</b>	<b>25,045</b>	<b>23,119</b>	<b>24,249</b>	<b>25,504</b>	<b>26,877</b>
Long term debt	29	33	28	23	4
Other long-term liabilities	588	569	368	407	441
<b>Long-term liabilities</b>	<b>617</b>	<b>602</b>	<b>396</b>	<b>430</b>	<b>444</b>
A/C payable	2,353	1,520	1,628	1,867	2,020
Short term debt	14	14	5	5	5
Other current liabilities	150	177	184	203	220
<b>Current liabilities</b>	<b>2,517</b>	<b>1,710</b>	<b>1,817</b>	<b>2,075</b>	<b>2,245</b>
<b>Total liabilities and shareholders' equity</b>	<b>28,178</b>	<b>25,431</b>	<b>26,462</b>	<b>28,008</b>	<b>29,567</b>
Net working capital	6,994	7,572	8,413	9,380	10,167
Invested capital	12,422	14,429	14,854	16,140	17,140

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

#### Per share (THB)

Book value per share	8.34	7.71	8.08	8.50	8.96
Tangible book value per share	8.34	7.71	8.08	8.50	8.96

#### Financial strength

Net debt/equity (%)	(52.8)	(40.0)	(40.3)	(38.3)	(37.9)
Net debt/total assets (%)	(46.9)	(36.4)	(36.9)	(34.9)	(34.4)
Current ratio (x)	9.0	10.9	11.0	10.2	10.1
CF interest cover (x)	(8.4)	(13.3)	813.4	651.8	817.4

Valuation	2022	2023	2024E	2025E	2026E
<b>Recurring P/E (x) *</b>	<b>9.6</b>	<b>30.6</b>	<b>16.9</b>	<b>16.9</b>	<b>15.5</b>
<b>Recurring P/E @ target price (x) *</b>	<b>12.2</b>	<b>38.9</b>	<b>21.5</b>	<b>21.5</b>	<b>19.7</b>
Reported P/E (x)	9.2	31.0	18.0	16.9	15.5
Dividend yield (%)	7.0	2.5	3.9	4.1	4.5
Price/book (x)	2.8	3.1	2.9	2.8	2.6
Price/tangible book (x)	2.8	3.1	2.9	2.8	2.6
EV/EBITDA (x) **	11.7	20.5	12.3	12.1	10.9
EV/EBITDA @ target price (x) **	15.6	27.0	16.2	15.9	14.4
EV/invested capital (x)	4.6	4.3	4.1	3.8	3.5

\* 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 ( <a href="#">DJSI</a> ) 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 ( <a href="#">THSI</a> ) by The Stock Exchange of Thailand ( <a href="#">SET</a> )	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 <a href="#">THSI inclusion</a> , 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. <a href="#">SETTHSI Index</a> is extended from the THSI companies whose 1) market capitalization > THB5b (~USD150b); 2) free float >20%; and 3) liquidity >0.5% of paid-up capital for at least 9 out of 12 months. The SETTHSI Index is a market capitalisation-weighted index, cap 5% quarterly weight at maximum, and no cap for number of stocks.																				
<b>CG Score</b> by Thai Institute of Directors Association (Thai IOD)	An indicator of CG strength in sustainable development, measured annually by the Thai IOD, with support from the Stock Exchange of Thailand (SET). The results are from the perspective of a third party, not an evaluation of operations.	Scores are rated in six categories: 5 for Excellent (90-100), 4 for Very Good (80-89), 3 for Good (70-79), 2 for Fair (60-69), 1 for Pass (60-69), and not rated for scores below 50. Weightings include: 1) the rights; 2) and equitable treatment of shareholders (weight 25% combined); 3) the role of stakeholders (25%); 4) disclosure & transparency (15%); and 5) board responsibilities (35%).																				
<b>AGM level</b> By Thai Investors Association (TIA) with support from the SEC	It quantifies the extent to which shareholders' rights and equitable treatment are incorporated into business operations and information is transparent and sufficiently disclosed. All form important elements of two out of five the CG components to be evaluated annually. The assessment criteria cover AGM procedures before the meeting (45%), at the meeting date (45%), and after the meeting (10%). <i>(The first assesses 1) advance circulation of sufficient information for voting; and 2) facilitating how voting rights can be exercised. The second assesses 1) the ease of attending meetings; 2) transparency and verifiability; and 3) openness for Q&amp;A. The third involves the meeting minutes that should contain discussion issues, resolutions and voting results.)</i>	The scores are classified into four categories: 5 for Excellent (100), 4 for Very Good (90-99), 3 for Fair (80-89), and not rated for scores below 79.																				
<a href="#">Thai CAC</a> 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.																				
<a href="#">Morningstar Sustainabilitys</a>	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 &amp; peer reviews.</i>	A company's ESG risk rating score is the sum of unmanaged risk. The more risk is unmanaged, the higher ESG risk is scored. <table><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+																		
<a href="#">ESG Book</a>	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.																				
<a href="#">MSCI</a>	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><b>AAA</b></td><td>8.571-10.000</td><td rowspan="3"><b>Leader:</b></td><td rowspan="3">leading its industry in managing the most significant ESG risks and opportunities</td></tr><tr><td><b>AA</b></td><td>7.143-8.570</td></tr><tr><td><b>A</b></td><td>5.714-7.142</td></tr><tr><td><b>BBB</b></td><td>4.286-5.713</td><td rowspan="3"><b>Average:</b></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><b>BB</b></td><td>2.857-4.285</td></tr><tr><td><b>B</b></td><td>1.429-2.856</td></tr><tr><td><b>CCC</b></td><td>0.000-1.428</td><td><b>Laggard:</b></td><td>lagging its industry based on its high exposure and failure to manage significant ESG risks</td></tr></table>		<b>AAA</b>	8.571-10.000	<b>Leader:</b>	leading its industry in managing the most significant ESG risks and opportunities	<b>AA</b>	7.143-8.570	<b>A</b>	5.714-7.142	<b>BBB</b>	4.286-5.713	<b>Average:</b>	a mixed or unexceptional track record of managing the most significant ESG risks and opportunities relative to industry peers	<b>BB</b>	2.857-4.285	<b>B</b>	1.429-2.856	<b>CCC</b>	0.000-1.428	<b>Laggard:</b>	lagging its industry based on its high exposure and failure to manage significant ESG risks
<b>AAA</b>	8.571-10.000	<b>Leader:</b>	leading its industry in managing the most significant ESG risks and opportunities																			
<b>AA</b>	7.143-8.570																					
<b>A</b>	5.714-7.142																					
<b>BBB</b>	4.286-5.713	<b>Average:</b>	a mixed or unexceptional track record of managing the most significant ESG risks and opportunities relative to industry peers																			
<b>BB</b>	2.857-4.285																					
<b>B</b>	1.429-2.856																					
<b>CCC</b>	0.000-1.428	<b>Laggard:</b>	lagging its industry based on its high exposure and failure to manage significant ESG risks																			
<a href="#">Moody's ESG solutions</a>	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.																					
<a href="#">Refinitiv ESG rating</a>	Designed to transparently and objectively measure a company's relative ESG performance, commitment and effectiveness across 10 main themes, based on publicly available and auditable data. The score ranges from 0 to 100 on relative ESG performance and insufficient degree of transparency in reporting material ESG data publicly. <i>(Score ratings are 0 to 25 = poor; &gt;25 to 50 = satisfactory; &gt;50 to 75 = good; and &gt;75 to 100 = excellent.)</i>																					
<a href="#">S&amp;P Global</a>	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

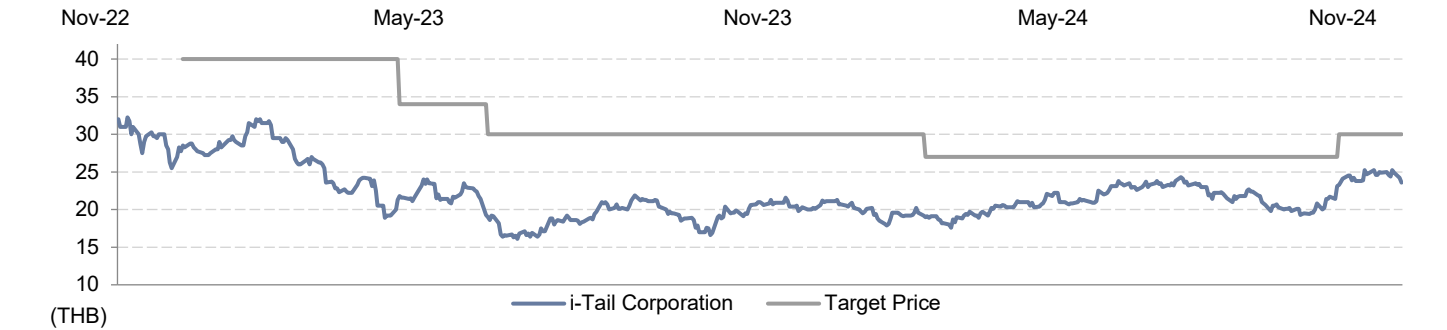
The individual(s) identified above certify(ies) that (i) all views expressed in this report accurately reflect the personal view of the analyst(s) with regard to any and all of the subject securities, companies or issuers mentioned in this report; and (ii) no part of the compensation of the analyst(s)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

This report has been prepared by FSS International Investment Advisory Securities Company Limited (FSSIA). The information herein has been obtained from sources believed to be reliable and accurate; however FSSIA makes no representation as to the accuracy and completeness of such information. Information and opinions expressed herein are subject to change without notice. FSSIA has no intention to solicit investors to buy or sell any security in this report. In addition, FSSIA does not guarantee returns nor price of the securities described in the report nor accept any liability for any loss or damage of any kind arising out of the use of such information or opinions in this report. Investors should study this report carefully in making investment decisions. All rights are reserved.

This report may not be reproduced, distributed or published by any person in any manner for any purpose without permission of FSSIA. Investment in securities has risks. Investors are advised to consider carefully before making investment decisions.

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	01-Oct-2024	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 23.60	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-Nov-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.