

# R&B FOOD SUPPLY

THAILAND / FOOD & BEVERAGE

## RBF TB

**BUY**  
 UNCHANGED

## 3Q24 results at first glance

### 3Q24 core profit grew 19% q-q, in line

#### Highlights

- RBF reported a 3Q24 net profit of THB109m (+6.7% q-q, -48% y-y). Excluding an FX loss of THB12m and a credit reversal of THB1.5m, its core profit was THB120m (+19% q-q, -37% y-y). The recovery was in line with expectations.
- Total revenue grew 5% q-q but decreased 6.6% y-y due to ongoing revenue drops in China. The q-q revenue growth was primarily driven by domestic sales (+5.3% q-q, +2% y-y).
- The gross margin remained flat at 34.6%, close to 34.7% in 2Q24 and down from 39.4% in 3Q23. This was partly due to the absence of high-margin revenue from China. In addition, promotions like the "Hello Boy" campaign, which involved rebates of THB13m, continued to affect the gross margin. However, it should decrease to only THB2m in 4Q24, improving the gross margin outlook for the next quarter.
- On a positive note, the domestic gross margin in 3Q24 improved slightly to 38.5% from 38.3% in 2Q24, driven by stronger sales in the domestic flavor segment. Meanwhile, the gross margin for overseas sales remained flat q-q.
- Overall expenses were well-controlled, down 1.4% q-q but still up 9.6% y-y due to higher R&D spending and increased shipping costs to India, where RBF gained a notable customer. Sales of bakery flour and breadcrumbs (up from just selling emulsifiers in 2023) drove some of the additional costs. SG&A to sales decreased to 21.4% from 22.9% in 2Q24

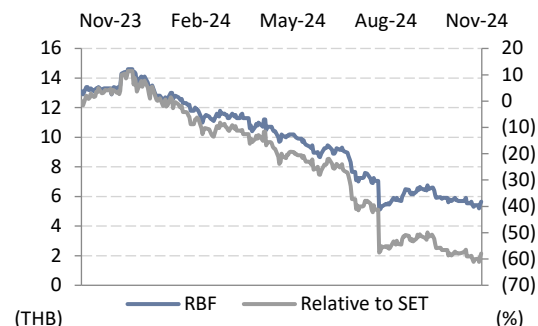
#### Outlook

- RBF's 9M24 net profit of THB383m (-25% y-y) accounted for 74.5% of our full-year estimate. The profit recovery in 3Q24 confirms our previous view that the company has likely passed its lowest point in 2Q24. We expect 4Q24 net profit to further improve to cTHB132m (+10% q-q but still -20% y-y).
- We expect the revenue drop in China to conclude in 1Q25 and a y-y profit recovery thereafter. Growth drivers for 2025 should include domestic sales, as well as growth in Indonesia and Vietnam, along with new customers in Pakistan and Russia. In addition, if RBF can begin operations at its India plant in 2Q25 as planned, it will be able to meet large customer orders fully. It would not only help lower raw material costs (since wheat flour in India is about 30% cheaper than in Thailand) but also reduce shipping expenses.

TARGET PRICE	THB7.20
CLOSE	THB5.65
UP/DOWNSIDE	+27.4%
TP vs CONSENSUS	+4.3%

#### KEY STOCK DATA

YE Dec (THB m)	2023	2024E	2025E	2026E
Revenue	4,421	4,394	4,898	5,411
Net profit	649	515	657	752
EPS (THB)	0.32	0.26	0.33	0.38
vs Consensus (%)	-	(5.5)	(1.5)	2.7
EBITDA	1,068	928	1,186	1,359
Recurring net profit	666	501	657	752
Core EPS (THB)	0.33	0.25	0.33	0.38
EPS growth (%)	45.0	(24.8)	31.3	14.4
Core P/E (x)	17.0	22.6	17.2	15.0
Dividend yield (%)	3.1	2.5	3.2	3.7
EV/EBITDA (x)	9.9	11.5	9.0	7.8
Price/book (x)	2.3	2.3	2.1	2.0
Net debt/Equity (%)	(14.8)	(13.4)	(11.7)	(11.7)
ROE (%)	14.5	10.2	12.8	13.8



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	(4.2)	9.7	(53.3)
Relative to country (%)	(2.9)	(2.2)	(55.4)
Mkt cap (USD m)	322		
3m avg. daily turnover (USD m)	1.3		
Free float (%)	28		
Major shareholder	Ratanapoompinyo Family (62%)		
12m high/low (THB)	14.60/5.00		
Issued shares (m)	2,000.00		

Sources: Bloomberg consensus; FSSIA estimates


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## Exhibit 1: RBF – 3Q24 results summary

	3Q23	4Q23	1Q24	2Q24	3Q24	---- Change ----		9M24	Change	2024E	Change	% 9M24
	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(q-q%)	(y-y%)	(THB m)	(y-y%)	(THB m)	(y-y%)	to 2024E
Sales	1,159	1,150	1,167	1,031	1,083	5.0	(6.6)	3,280	0.3	4,394	(0.6)	74.6
Cost of sales	702	715	732	673	707	5.1	0.8	2,112	3.3	2,830	2.5	74.6
Gross profit	457	435	435	357	375	4.9	(17.9)	1,167	(4.8)	1,564	(5.8)	74.6
SG&A	212	232	249	236	232	(1.4)	9.6	717	17.4	955	13.3	75.1
Operating profit	245	205	188	128	144	13.2	(41.1)	460	(26.1)	627	(24.1)	73.3
Interest expense	3.5	2.9	2.8	2.9	2.7	(7.4)	(22.7)	8	4.2	12	5.1	73.2
Tax expense	52	38	37	24	23	(1.9)	(55.3)	84	(29.5)	120	(23.5)	70.2
Profit (loss) sharing - India	3.31	1.34	1.20	1.02	1.70	66.3	(48.5)	4	(31.3)	7	(6.5)	59.5
Other gain	17	(26)	23	1	(11)	nm	nm	13	40.6	14	nm	nm
Reported net profit	209	140	172	102	109	6.7	(47.9)	383	(24.8)	515	(20.7)	74.5
Core profit	192	165	149	101	120	18.8	(37.3)	371	(25.9)	501	(24.8)	74.0

Key Ratios (%)					(ppt)	(ppt)		(ppt)		(ppt)	
Gross margin	39.4	37.8	37.3	34.7	34.6	(0.0)	(4.8)	35.6	(1.9)	35.6	(2.0)
SG&A to sales	18.3	20.2	21.3	22.9	21.4	(1.4)	3.2	21.9	3.2	21.7	2.7
Operating margin	21.1	17.8	16.1	12.4	13.3	1.0	(7.8)	14.0	(5.0)	14.3	(4.4)
Net margin	18.1	12.1	14.7	9.9	10.1	0.2	(8.0)	11.7	(3.9)	11.7	(3.0)
Core margin	16.6	14.4	12.8	9.8	11.1	1.3	(5.5)	11.3	(4.0)	11.4	(3.7)

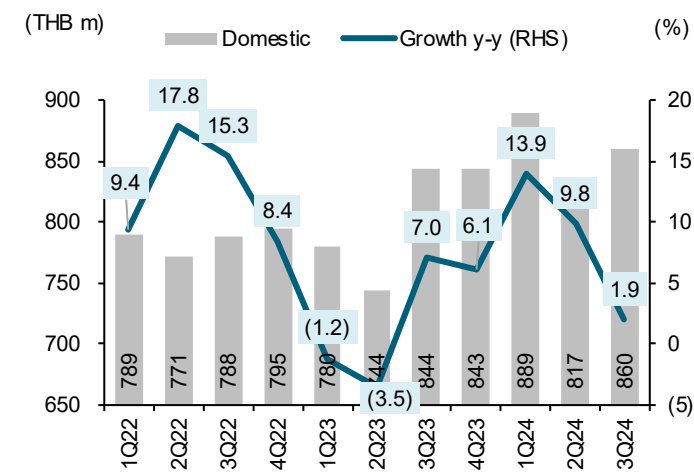
Operating statistics (THB m)												
Domestic revenue	844	843	889	817	860	5.3	1.9	2,565	8.4	3,438	7.1	74.6
Overseas revenue	316	307	278	214	216	1.3	(31.4)	708	(21.6)	957	(21.0)	74.0
Domestic contribution (%)	72.8	73.3	76.2	79.3	79.4	0.2	6.6	78.2	5.8	78.2	5.6	
Overseas contribution (%)	27.2	26.7	23.8	20.7	20.0	(0.7)	(7.2)	21.6	(6.0)	21.8	(5.6)	

Revenue by segment (THB m)												
Flavoring & Food coloring	386	370	393	326	329	1.2	(14.6)	1,048	(6.2)	1,407	(5.4)	74.5
Food Coating	577	546	564	506	552	9.1	(4.4)	1,622	3.2	2,149	1.5	75.5
Other	196	234	209	199	201	1.1	2.6	609	4.9	838	2.8	72.7

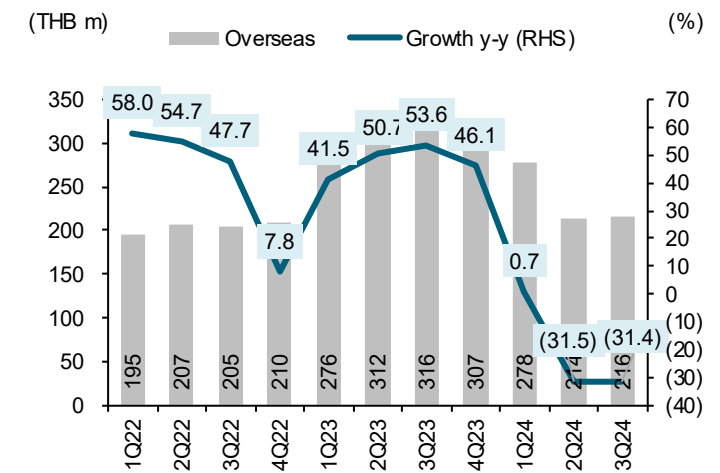
Sources: RBF; FSSIA's compilation

## Exhibit 2: Domestic revenue and growth



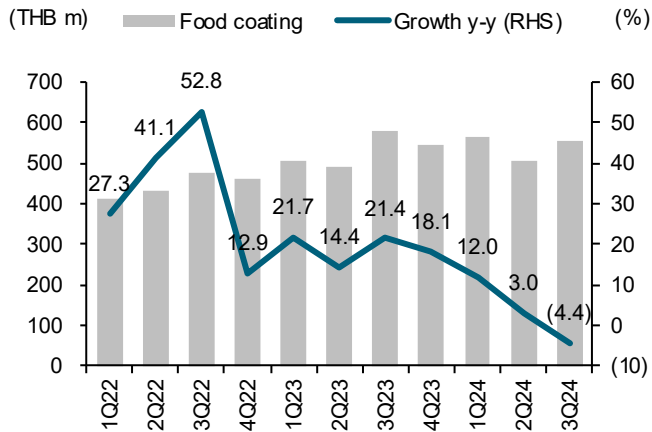
Sources: RBF, FSSIA's compilation

## Exhibit 3: Overseas revenue and growth



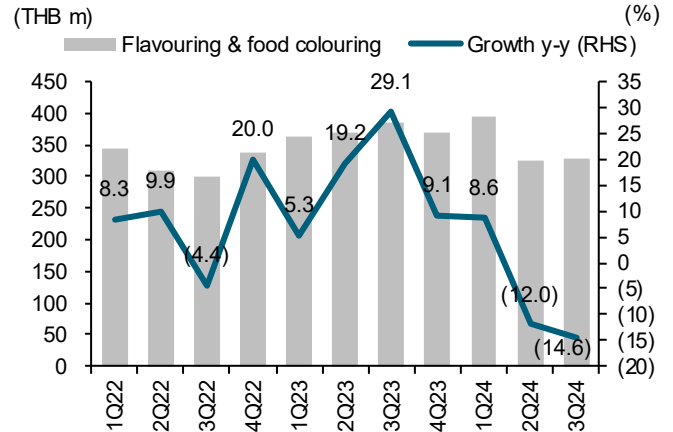
Sources: RBF, FSSIA's compilation

Exhibit 4: Revenue from food coating



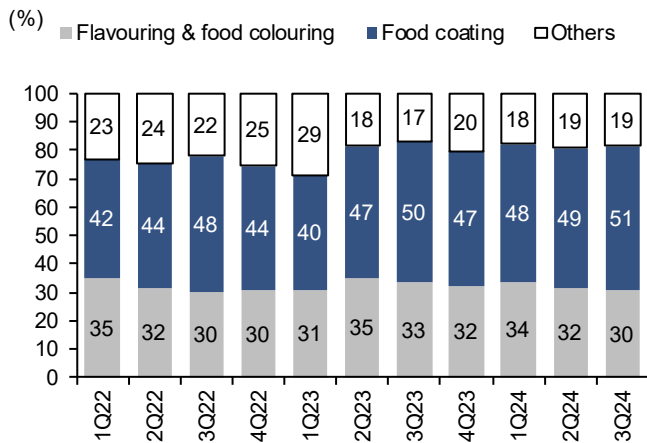
Sources: RBF, FSSIA's compilation

Exhibit 5: Revenue from flavouring and food colouring



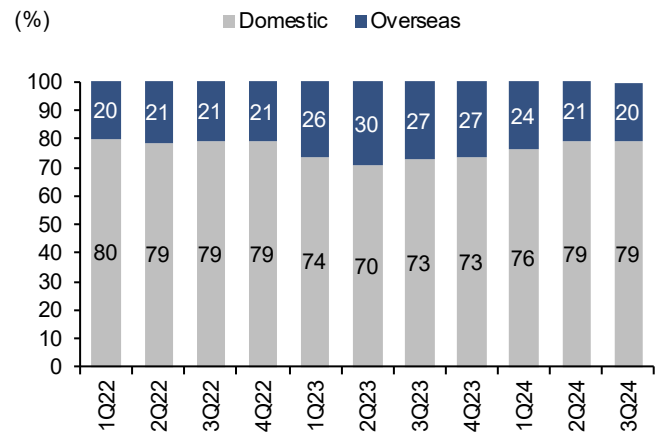
Sources: RBF, FSSIA's compilation

Exhibit 6: Revenue contribution by product



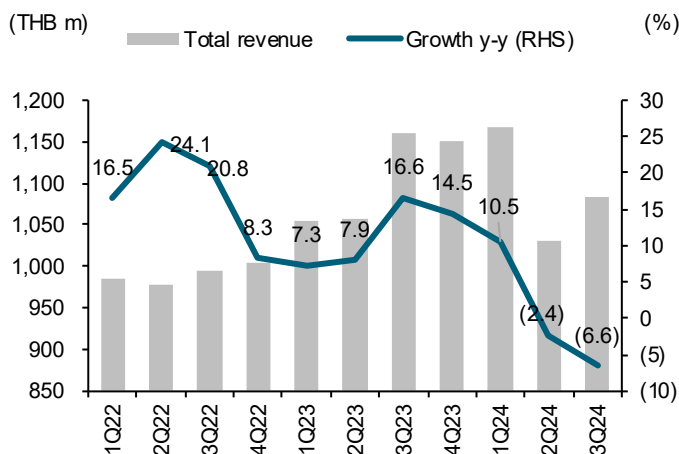
Sources: RBF, FSSIA's compilation

Exhibit 7: Revenue contribution by destination



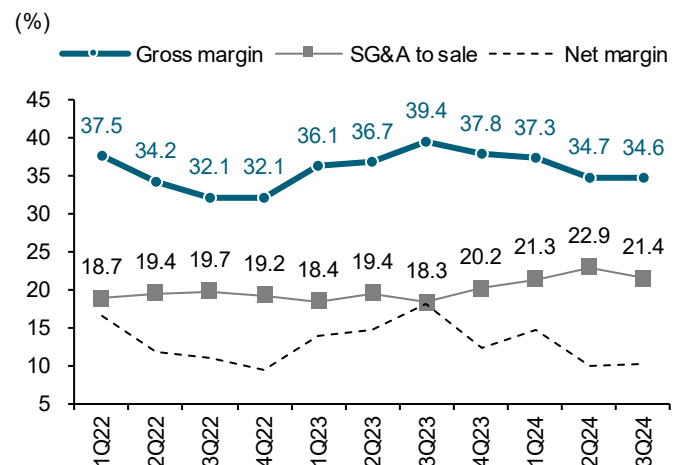
Sources: RBF, FSSIA's compilation

Exhibit 8: Total revenue and growth



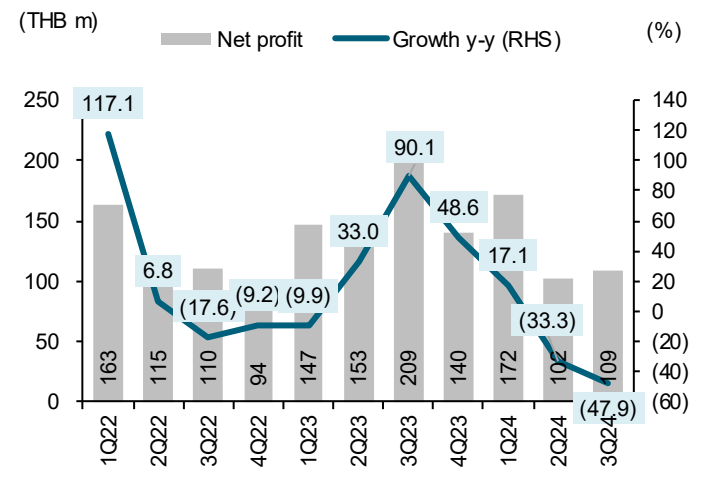
Sources: RBF, FSSIA's compilation

Exhibit 9: Gross margin and SG&amp;A to sales



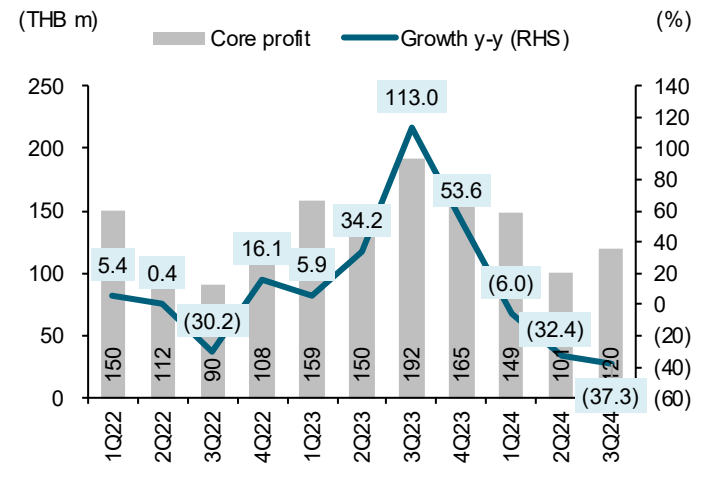
Sources: RBF, FSSIA's compilation

Exhibit 10: Net profit and growth



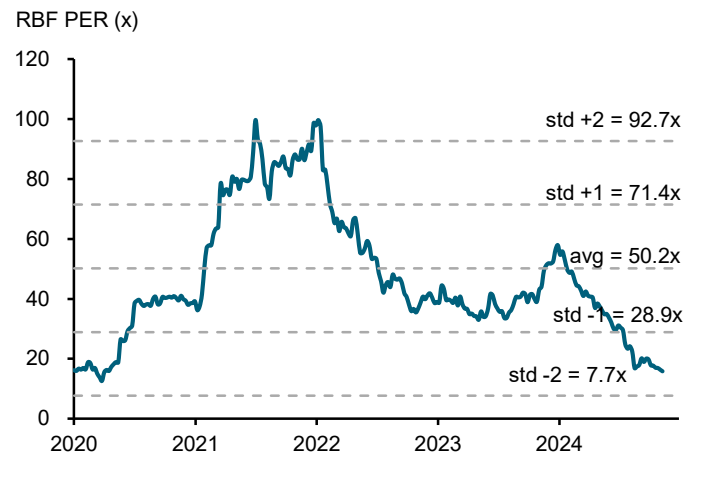
Sources: RBF, FSSIA's compilation

Exhibit 11: Core profit and growth



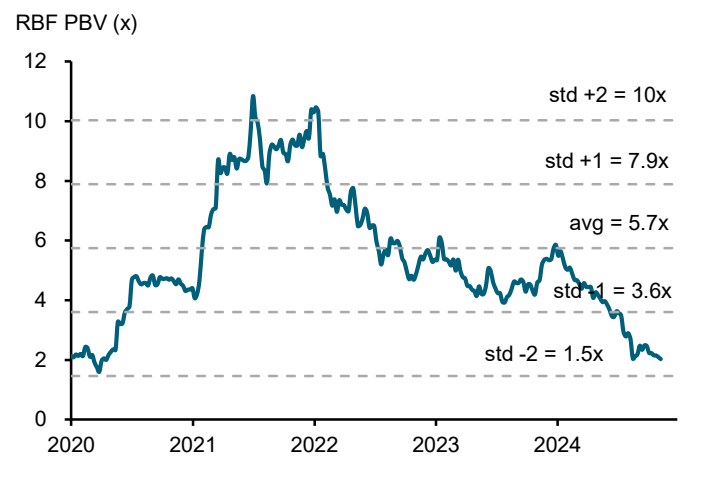
Sources: RBF, FSSIA's compilation

Exhibit 12: Historical P/E band



Sources: Bloomberg; FSSIA estimates

Exhibit 13: Historical P/BV band



Sources: Bloomberg; FSSIA estimates

## Financial Statements

### R&B Food Supply

Profit and Loss (THB m) Year Ending Dec	2022	2023	2024E	2025E	2026E
Revenue	3,961	4,421	4,394	4,898	5,411
Cost of goods sold	(2,615)	(2,760)	(2,830)	(3,110)	(3,409)
<b>Gross profit</b>	<b>1,346</b>	<b>1,661</b>	<b>1,564</b>	<b>1,788</b>	<b>2,002</b>
Other operating income	7	8	18	17	19
Operating costs	(763)	(842)	(955)	(980)	(1,082)
<b>Operating EBITDA</b>	<b>809</b>	<b>1,068</b>	<b>928</b>	<b>1,186</b>	<b>1,359</b>
Depreciation	(219)	(240)	(300)	(360)	(420)
Goodwill amortisation	0	0	0	0	0
<b>Operating EBIT</b>	<b>590</b>	<b>827</b>	<b>627</b>	<b>825</b>	<b>939</b>
Net financing costs	(9)	(11)	(12)	(12)	(14)
Associates	0	7	7	10	16
Recurring non-operating income	0	7	7	10	16
Non-recurring items	23	(17)	14	0	0
<b>Profit before tax</b>	<b>604</b>	<b>806</b>	<b>636</b>	<b>823</b>	<b>941</b>
Tax	(113)	(157)	(120)	(160)	(184)
<b>Profit after tax</b>	<b>491</b>	<b>649</b>	<b>516</b>	<b>662</b>	<b>758</b>
Minority interests	(9)	0	(2)	(5)	(5)
Preferred dividends	0	0	0	0	0
Other items	-	-	-	-	-
<b>Reported net profit</b>	<b>482</b>	<b>649</b>	<b>515</b>	<b>657</b>	<b>752</b>
<b>Non-recurring items &amp; goodwill (net)</b>	<b>(23)</b>	<b>17</b>	<b>(14)</b>	<b>0</b>	<b>0</b>
<b>Recurring net profit</b>	<b>459</b>	<b>666</b>	<b>501</b>	<b>657</b>	<b>752</b>
<b>Per share (THB)</b>					
Recurring EPS *	0.23	0.33	0.25	0.33	0.38
Reported EPS	0.24	0.32	0.26	0.33	0.38
DPS	0.10	0.18	0.14	0.18	0.21
Diluted shares (used to calculate per share data)	2,000	2,000	2,000	2,000	2,000
<b>Growth</b>					
Revenue (%)	17.1	11.6	(0.6)	11.5	10.5
Operating EBITDA (%)	(0.1)	32.0	(13.1)	27.8	14.6
Operating EBIT (%)	(2.0)	40.2	(24.1)	31.5	13.7
Recurring EPS (%)	(3.3)	45.0	(24.8)	31.3	14.4
Reported EPS (%)	14.8	34.6	(20.7)	27.8	14.4
<b>Operating performance</b>					
Gross margin inc. depreciation (%)	34.0	37.6	35.6	36.5	37.0
Gross margin exc. depreciation (%)	39.5	43.0	42.4	43.9	44.8
Operating EBITDA margin (%)	20.4	24.1	21.1	24.2	25.1
Operating EBIT margin (%)	14.9	18.7	14.3	16.9	17.4
Net margin (%)	11.6	15.1	11.4	13.4	13.9
Effective tax rate (%)	18.7	19.5	18.9	19.5	19.5
Dividend payout on recurring profit (%)	43.5	52.6	56.5	55.0	55.0
Interest cover (X)	64.5	76.0	54.9	67.8	69.4
Inventory days	168.0	174.2	180.8	183.6	185.4
Debtor days	85.2	84.3	88.4	85.4	85.7
Creditor days	77.3	79.6	80.4	75.6	76.4
Operating ROIC (%)	13.7	17.4	12.5	(4.0)	(26.3)
ROIC (%)	13.0	16.4	11.8	(3.6)	(23.3)
ROE (%)	10.7	14.5	10.2	12.8	13.8
ROA (%)	9.3	12.3	8.8	10.9	11.5
* Pre exceptional, pre-goodwill and fully diluted					
<b>Revenue by Division (THB m)</b>					
Domestic	3,143	3,211	3,438	3,799	4,179
Overseas	818	1,210	957	1,099	1,232

Sources: R&B Food Supply; FSSIA estimates

## Financial Statements

### R&B Food Supply

Cash Flow (THB m) Year Ending Dec	2022	2023	2024E	2025E	2026E
Recurring net profit	459	666	501	657	752
Depreciation	219	240	300	360	420
Associates & minorities	0	(7)	(7)	(10)	(16)
Other non-cash items	11	(6)	7	2	2
Change in working capital	(354)	25	(194)	(200)	(207)
<b>Cash flow from operations</b>	<b>335</b>	<b>918</b>	<b>608</b>	<b>810</b>	<b>952</b>
Capex - maintenance	-	-	-	-	-
Capex - new investment	(456)	(459)	(363)	(300)	(300)
Net acquisitions & disposals	-	-	-	-	-
Other investments (net)	(109)	(34)	(17)	(208)	(208)
<b>Cash flow from investing</b>	<b>(565)</b>	<b>(493)</b>	<b>(380)</b>	<b>(508)</b>	<b>(508)</b>
Dividends paid	(295)	(200)	(283)	(362)	(414)
Equity finance	0	0	0	0	0
Debt finance	19	24	(10)	(11)	(11)
Other financing cash flows	(3)	4	3	8	8
<b>Cash flow from financing</b>	<b>(278)</b>	<b>(171)</b>	<b>(290)</b>	<b>(365)</b>	<b>(417)</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>(508)</b>	<b>254</b>	<b>(63)</b>	<b>(62)</b>	<b>26</b>
Free cash flow to firm (FCFF)	(220.64)	435.73	238.63	314.48	457.14
Free cash flow to equity (FCFE)	(213.05)	453.51	219.78	299.22	440.06
<b>Per share (THB)</b>					
FCFF per share	(0.11)	0.22	0.12	0.16	0.23
FCFE per share	(0.11)	0.23	0.11	0.15	0.22
Recurring cash flow per share	0.34	0.45	0.40	0.50	0.58
Balance Sheet (THB m) Year Ending Dec	2022	2023	2024E	2025E	2026E
Tangible fixed assets (gross)	3,133	3,525	3,825	4,125	4,425
Less: Accumulated depreciation	(1,092)	(1,269)	(1,569)	(1,930)	(2,350)
<b>Tangible fixed assets (net)</b>	<b>2,041</b>	<b>2,256</b>	<b>2,256</b>	<b>2,196</b>	<b>2,075</b>
<b>Intangible fixed assets (net)</b>	<b>6</b>	<b>5</b>	<b>11</b>	<b>11</b>	<b>11</b>
Long-term financial assets	-	-	-	-	-
Invest. in associates & subsidiaries	180	214	220	430	646
Cash & equivalents	668	921	858	795	822
A/C receivable	998	1,045	1,084	1,208	1,334
Inventories	1,217	1,188	1,318	1,449	1,588
Other current assets	44	64	48	54	60
<b>Current assets</b>	<b>2,927</b>	<b>3,219</b>	<b>3,308</b>	<b>3,506</b>	<b>3,803</b>
Other assets	51	55	70	78	87
<b>Total assets</b>	<b>5,204</b>	<b>5,750</b>	<b>5,866</b>	<b>6,221</b>	<b>6,623</b>
Common equity	4,373	4,819	4,987	5,283	5,621
Minorities etc.	23	17	24	26	27
<b>Total shareholders' equity</b>	<b>4,397</b>	<b>4,836</b>	<b>5,011</b>	<b>5,309</b>	<b>5,649</b>
Long term debt	157	185	174	163	152
Other long-term liabilities	58	63	66	73	81
<b>Long-term liabilities</b>	<b>215</b>	<b>247</b>	<b>240</b>	<b>237</b>	<b>233</b>
A/C payable	528	571	543	596	654
Short term debt	10	21	11	11	12
Other current liabilities	54	74	62	69	76
<b>Current liabilities</b>	<b>593</b>	<b>666</b>	<b>615</b>	<b>676</b>	<b>741</b>
<b>Total liabilities and shareholders' equity</b>	<b>5,204</b>	<b>5,750</b>	<b>5,866</b>	<b>6,221</b>	<b>6,623</b>
Net working capital	1,676	1,652	1,846	2,045	2,252
Invested capital	3,954	4,183	4,404	4,761	5,072
* Includes convertibles and preferred stock which is being treated as debt					
<b>Per share (THB)</b>					
Book value per share	2.19	2.41	2.49	2.64	2.81
Tangible book value per share	2.18	2.41	2.49	2.64	2.81
<b>Financial strength</b>					
Net debt/equity (%)	(11.4)	(14.8)	(13.4)	(11.7)	(11.7)
Net debt/total assets (%)	(9.6)	(12.4)	(11.5)	(10.0)	(9.9)
Current ratio (x)	4.9	4.8	5.4	5.2	5.1
CF interest cover (x)	27.5	84.1	51.5	49.6	54.7
Valuation	2022	2023	2024E	2025E	2026E
<b>Recurring P/E (x) *</b>	<b>24.6</b>	<b>17.0</b>	<b>22.6</b>	<b>17.2</b>	<b>15.0</b>
<b>Recurring P/E @ target price (x) *</b>	<b>31.4</b>	<b>21.6</b>	<b>28.8</b>	<b>21.9</b>	<b>19.1</b>
Reported P/E (x)	23.4	17.4	22.0	17.2	15.0
Dividend yield (%)	1.8	3.1	2.5	3.2	3.7
Price/book (x)	2.6	2.3	2.3	2.1	2.0
Price/tangible book (x)	2.6	2.3	2.3	2.1	2.0
EV/EBITDA (x) **	13.4	9.9	11.5	9.0	7.8
EV/EBITDA @ target price (x) **	17.2	12.8	14.8	11.6	10.1
EV/invested capital (x)	2.7	2.5	2.4	2.2	2.1
* Pre-exceptional, pre-goodwill and fully diluted    ** EBITDA includes associate income and recurring non-operating income					

Sources: R&amp;B Food Supply; 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+										
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<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
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<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.																					
<b>Bloomberg</b>	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

R&B Food Supply (RBF TB)



Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
20-Mar-2023	BUY	13.50	19-Mar-2024	BUY	13.00	01-Nov-2024	BUY	7.20
16-Jan-2024	HOLD	14.00	13-May-2024	HOLD	11.00			
28-Feb-2024	HOLD	13.00	17-Jul-2024	HOLD	8.00			

Sureeporn Teewasuwet started covering this stock from 20-Mar-2023

Price and TP are in local currency

Source: FSSIA estimates

Company	Ticker	Price	Rating	Valuation & Risks
R&B Food Supply	RBF TB	THB 5.65	BUY	Downside risks to our P/E-based TP include 1) a slower-than-expected consumption recovery; 2) high volatility in raw material costs; 3) a stronger THB than expected; and 4) a slower-than-expected India expansion.

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-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.