

R&B FOOD SUPPLY RBF TB  
THAILAND / FOOD & BEVERAGE

BUY

UNCHANGED

## กลับสู่ช่วงการเติบโต

- ตลาดต่างประเทศจะเป็นประเด็นสำคัญในปี 2025 โดยได้ปัจจัยหนุนจากอินโดนีเซีย เวียดนามและอินเดีย ในขณะที่ปากีสถานและรัสเซียอาจเป็น Upside
- เราคงประมาณการตัวเลขการเติบโตของกำไรในปี 2025 อยู่ที่ 28% y-y พร้อมโอกาสที่กำไรจะทำสถิติสูงสุดใหม่
- คงคำแนะนำซื้อที่ราคาเป้าหมาย 7.2 บาท

TARGET PRICE	THB7.20
CLOSE	THB6.05
UP/DOWNSIDE	+19.0%
PRIOR TP	THB7.20
CHANGE IN TP	UNCHANGED
TP vs CONSENSUS	+11.6%

## 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 (%)	-	(4.8)	-	4.4
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
Chg. In EPS est. (%)	-	-	-	-
EPS growth (%)	45.0	(24.8)	31.3	14.4
Core P/E (x)	18.2	24.2	18.4	16.1
Dividend yield (%)	2.9	2.3	3.0	3.4
EV/EBITDA (x)	10.7	12.3	9.7	8.4
Price/book (x)	2.5	2.4	2.3	2.2
Net debt/Equity (%)	(14.8)	(13.4)	(11.7)	(11.7)
ROE (%)	14.5	10.2	12.8	13.8

## RBF ตั้งเป้าให้รายได้โตในเกณฑ์ดีในปี 2025

เราจัดงาน Finansia Exclusive Talk กับ RBF และได้รับข้อมูลเชิงลึกเป็นบวก ผู้บริหารตั้งเป้าให้รายได้ในปี 2025 โต 10-15% y-y โดยคาดว่าจะรายได้ในประเทศจะโต 5-10% และต่างประเทศจะโตมากกว่า 20% สำหรับตลาดในประเทศ RBF กำลังขยายกำลังการผลิตที่โรงงานในอยุธยาโดยเฉพาะสายการผลิตซอสและซิปซึ่งกำลังการผลิตจะเพิ่ม 5 เท่า (จากฐานที่ต่ำ) เพื่อรองรับคำสั่งซื้อจากกลุ่มซอสที่ใช้ในการเคลือบ (ลูกค้า B2B) และแบรนด์ Hello Boy ของบริษัทฯ เรามีมุมมองเชิงบวกเกี่ยวกับกลุ่มซอสโดยคาดว่าจะเริ่มรับรู้กำลังการผลิตใหม่ได้ในไตรมาส 2Q25

## ตลาดต่างประเทศจะเป็นประเด็นสำคัญในปี 2025

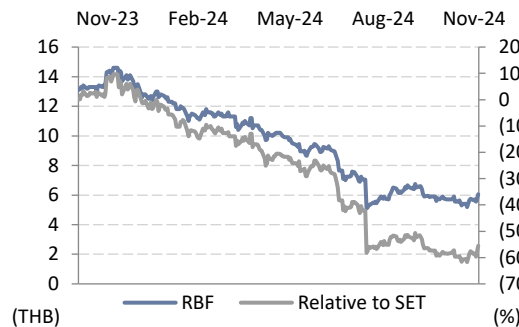
การลดลงของรายได้ของ RBF ในจีนน่าจะสิ้นสุดใน 1Q25 และเราคาดว่ารายได้ต่างประเทศจะโตอย่างมีนัยสำคัญใน 2Q25 โดยบริษัทฯ น่าจะรายงานการเติบโตต่อเนื่องในอินโดนีเซียและเวียดนามซึ่งมีการใช้กำลังการผลิตปัจจุบันอยู่ที่ 80% พร้อมมีแผนที่จะขยายตลาดดังกล่าว ในญี่ปุ่น RBF กำลังพัฒนาผลิตภัณฑ์แซ่แซ่ ในอินเดียบริษัทฯ ได้เซ็นสัญญากับลูกค้ารายใหญ่รายหนึ่ง (สำหรับเบ๊งและเกล็ดขนมปัง) โดยคาดว่าจะมียอดขายเริ่มต้นในปี 2024 เมื่อโรงงานดังกล่าวแล้วเสร็จและเริ่มดำเนินงานในไตรมาส 2Q25 บริษัทฯ จะสามารถรับคำสั่งซื้อลูกค้าขนาดใหญ่ซึ่งจะทำให้อัตรากำไรดีขึ้นเนื่องจากการผลิตในอินเดียจะช่วยลดต้นทุนวัตถุดิบได้ 30% เมื่อเทียบกับในไทยและจะช่วยลดต้นทุนค่าขนส่งได้ด้วย

## ลูกค้าใหม่อาจให้ Upside แก่ประมาณการของเรา

สำหรับลูกค้าใหม่ชาวปากีสถาน (ลูกค้า QSR รายสำคัญ) ลูกค้ารายดังกล่าวได้เริ่มสร้างรายได้คิดเป็นสัดส่วนเล็กน้อยใน 4Q24 และคาดว่าจะสร้างรายได้เต็มที่ในปี 2025 ในขั้นต้นเราคาดว่ารายได้อาจคิดเป็นประมาณ 1.4-1.5% ของรายได้รวมในปี 2025 ในขณะที่ลูกค้า QSR รายหนึ่งในรัสเซียเพิ่งเข้าสู่ช่วงทดลองและน่าจะสร้างรายได้ในปี 2025 สูงกว่าปากีสถาน RBF วางแผนผลิตให้แก่ลูกค้ารายนี้ที่โรงงานในเวียดนามและอินโดนีเซีย

## คงคำแนะนำซื้อที่ราคาเป้าหมาย 7.2 บาท

ในระยะสั้นเราคาดว่ากำไร 4Q24 จะฟื้นตัว q-q เป็น 130-135 ลบ. ทั้งนี้เรามองว่า RBF น่าจะผ่านจุดต่ำสุดไปแล้วในปี 2024 เมื่อกำไรน่าจะลดลง 21% y-y ก่อนกลับมาโต 28% y-y ในปี 2025 ปัจจุบันสถานการณ์ยังใกล้เคียงกับที่เราคาด เราคงราคาเป้าหมายที่ 7.2 บาท (ค่า P/E ที่ 22x คงเดิม) และยังคงแนะนำซื้อ



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	5.2	11.0	(54.2)
Relative to country (%)	7.0	2.9	(55.2)
Mkt cap (USD m)			350
3m avg. daily turnover (USD m)			1.1
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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## Investment thesis

RBF's customers are in the food and beverage industries. Since both are a necessity, RBF's revenues are stable. RBF has a long history and is accredited with international standards. RBF pays attention to R&D, which helps it differentiate its products from competitors and maximize customer satisfaction. Since the company develops unique formulas for each customer, it is hard for customers to switch suppliers once consumers become attached to the flavor.

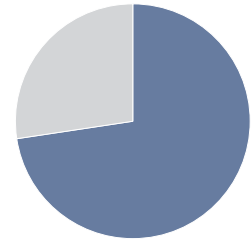
## Company profile

RBF manufactures and distributes food ingredients, which can be divided into several product groups: flavor and food coloring, food coating, and trading products, which are food additives such as preservatives, antifungal agents, citric acid, etc. The company's 2023 revenue contribution from food coating accounted for 47.9% of total revenue, followed by flavoring and food coloring (33.6%), trading products (10%), dried products (5.7%), frozen products (2.2%), and plastic packaging (0.5%).

[www.rbfoodsupply.co.th](http://www.rbfoodsupply.co.th)

## Principal activities (revenue, 2023)

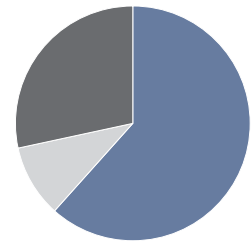
- Domestic - 72.6 %
- Overseas - 27.4 %



Source: R&B Food Supply

## Major shareholders

- Ratanapoompinyo Family - 61.6 %
- Thai Union Group PCL - 10.0 %
- Others - 28.4 %



Source: R&B Food Supply

## Catalysts

Potential catalysts for RBF's earnings growth in 2024-25 are 1) revenue growth driven by a consumption recovery; 2) declining raw material costs; 3) the success of its new market expansions; and 4) the success of new products launched.

## Risks to our call

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.

## Event calendar

Date	Event
February 2025	4Q24 results announcement

## Key assumptions

	2024E	2025E	2026E
Domestic sales growth (%)	7.1	10.5	10.0
Overseas sales growth (%)	(21.0)	14.9	12.1
Domestic sales proportion (%)	78.2	77.6	77.2
Overseas sales proportion (%)	21.8	22.4	22.8
Total sales growth (%)	(0.6)	11.5	10.5
Gross margin (%)	35.6	36.5	37.0

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%, and vice versa, all else being equal.
- For every 0.2% increase in SG&A to sales, we estimate 2025 net profit to fall by 1.1%, and vice versa, all else being equal.

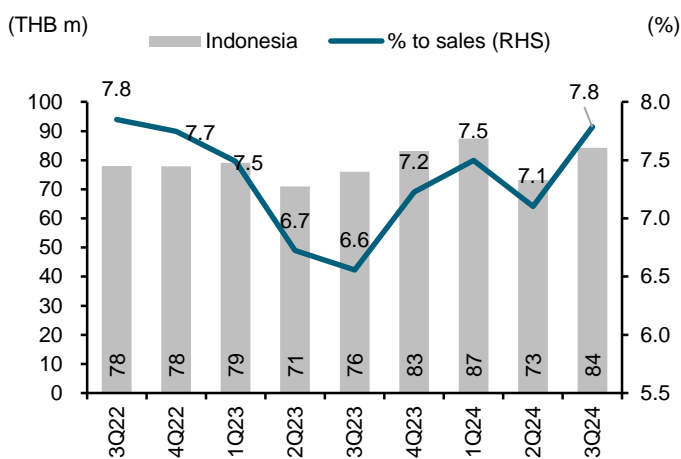
Source: FSSIA estimates

## Exhibit 1: Maintain key assumptions for RBF

	Actual	Current			Growth		
	2023 (THB m)	2024E (THB m)	2025E (THB m)	2026E (THB m)	2024E (%)	2025E (%)	2026E (%)
Total revenue (THB m)	4,421	4,394	4,898	5,411	(0.6)	11.5	10.5
Costs	2,760	2,830	3,110	3,409	2.5	9.9	9.6
Gross profit	1,661	1,564	1,788	2,002	(5.8)	14.3	12.0
SG&A expenses	842	955	980	1,082	13.3	2.6	10.5
Interest expense	11	12	12	14	5.1	6.8	11.8
Tax expense	157	120	160	184	(23.5)	33.5	14.4
Reported net profit	649	515	657	752	(20.7)	27.8	14.4
Core profit	666	501	657	752	(24.8)	31.3	14.4
<b>Key ratios (%)</b>							
Total revenue growth	11.6	(0.6)	11.5	10.5			
Net profit growth	34.6	(20.7)	27.8	14.4			
Core profit growth	45.0	(24.8)	31.3	14.4			
Gross margin	37.6	35.6	36.5	37.0	(2.0)	0.9	0.5
SG&A to sales	19.0	21.7	20.0	20.0	2.7	(1.7)	0.0
Net margin	14.7	11.7	13.4	13.9	(3.0)	1.7	0.5
Core margin	15.1	11.4	13.4	13.9	(3.7)	2.0	0.5
<b>Operating statistics (THB m)</b>							
Domestic revenue	3,211	3,438	3,799	4,179	7.1	10.5	10.0
Overseas revenue	1,210	957	1,099	1,232	(21.0)	14.9	12.1
Domestic revenue proportion (%)	72.6	78.2	77.6	77.2	5.6	(0.7)	(0.3)
Overseas revenue proportion (%)	27.4	21.8	22.4	22.8	(5.6)	0.7	0.3

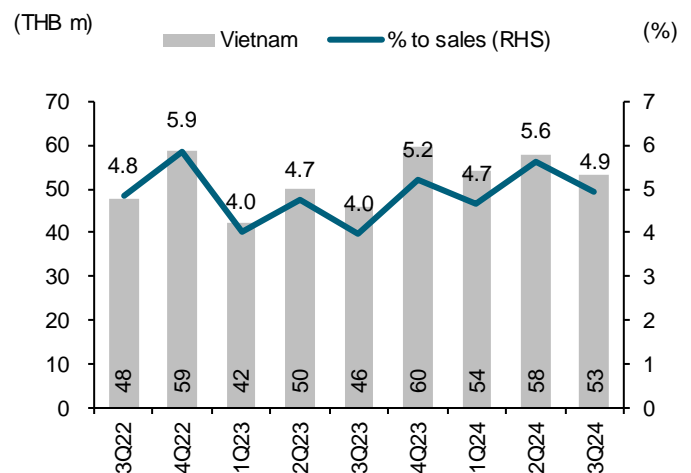
Source: FSSIA estimates

## Exhibit 2: Quarterly revenue from Indonesia



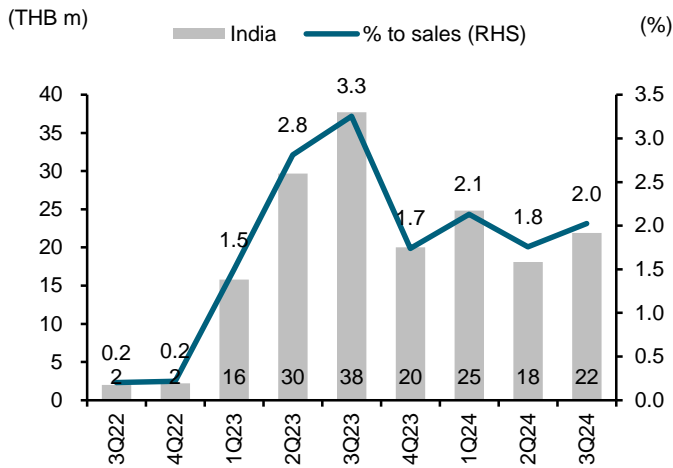
Sources: RBF, FSSIA's compilation

## Exhibit 3: Quarterly revenue from Vietnam



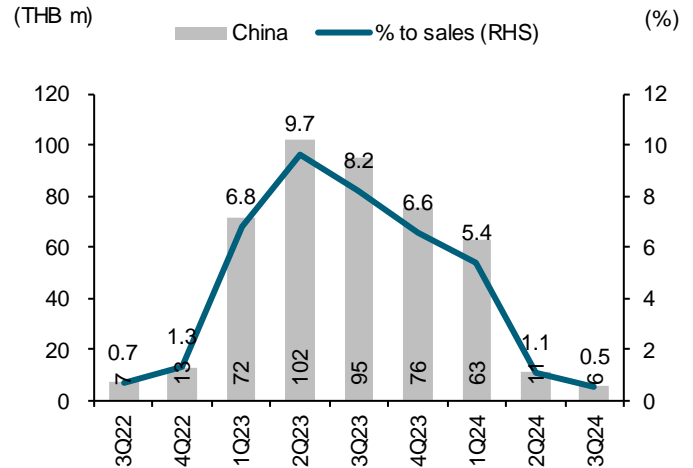
Sources: RBF, FSSIA's compilation

**Exhibit 4: Quarterly revenue from India**



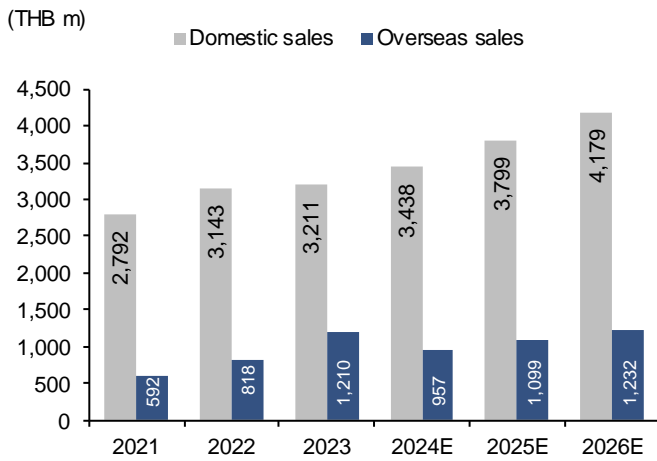
Sources: RBF, FSSIA's compilation

**Exhibit 5: Quarterly revenue from China**



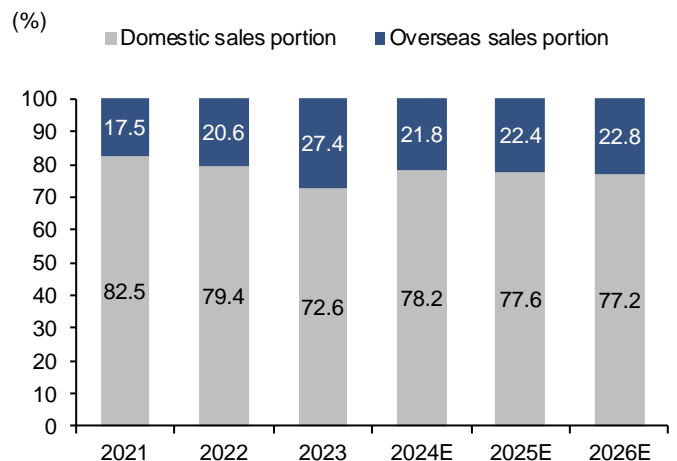
Sources: RBF, FSSIA's compilation

**Exhibit 6: Domestic and overseas sales**



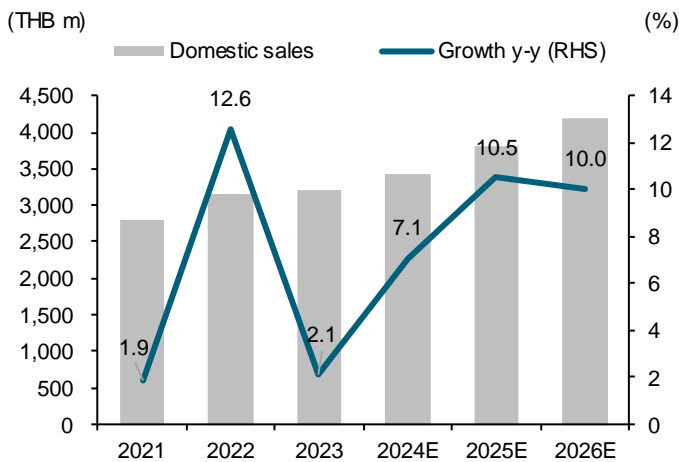
Sources: RBF, FSSIA estimates

**Exhibit 7: Revenue contribution by destination**



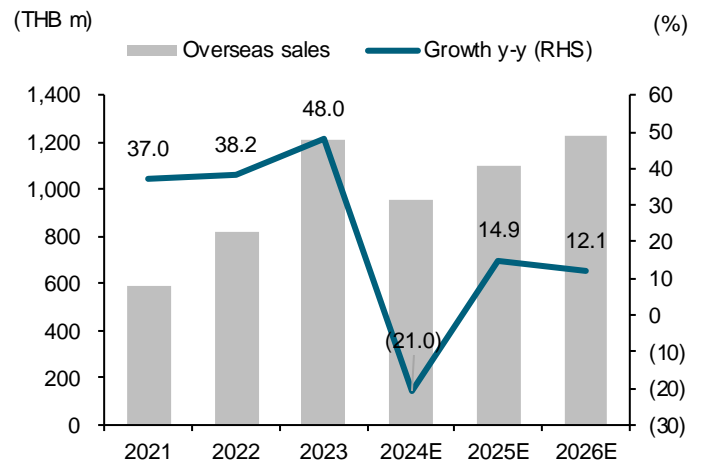
Sources: RBF, FSSIA estimates

**Exhibit 8: Domestic sales and growth**



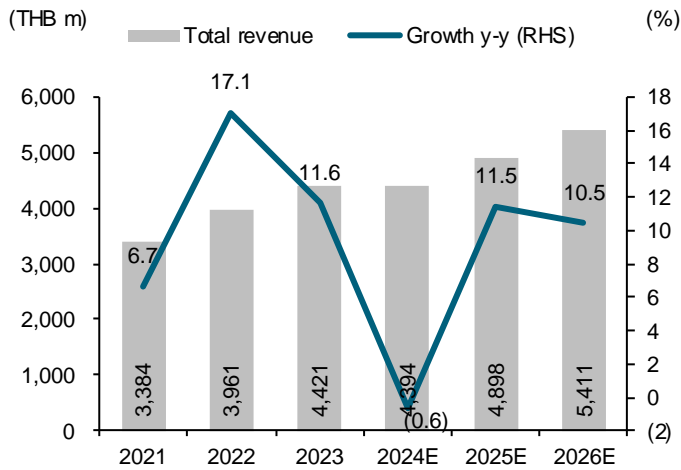
Sources: RBF, FSSIA estimates

**Exhibit 9: Overseas sales and growth**



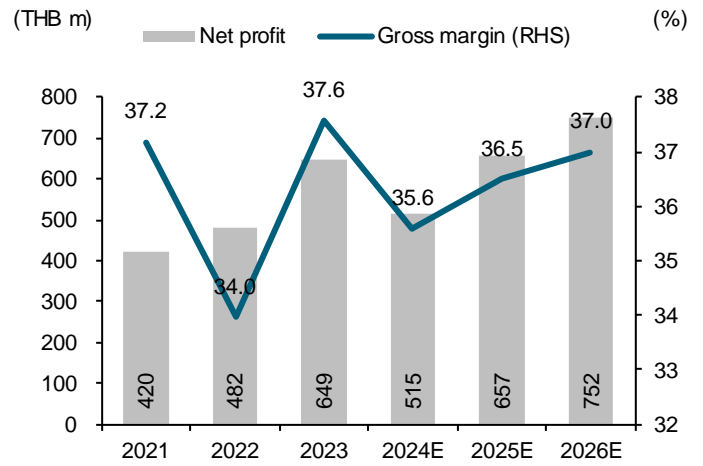
Sources: RBF, FSSIA estimates

**Exhibit 10: Total revenue and growth**



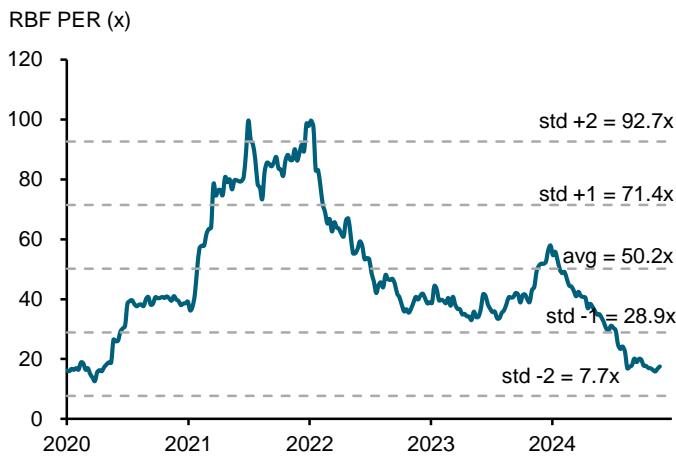
Sources: RBF, FSSIA estimates

**Exhibit 11: Net profit and gross margin**



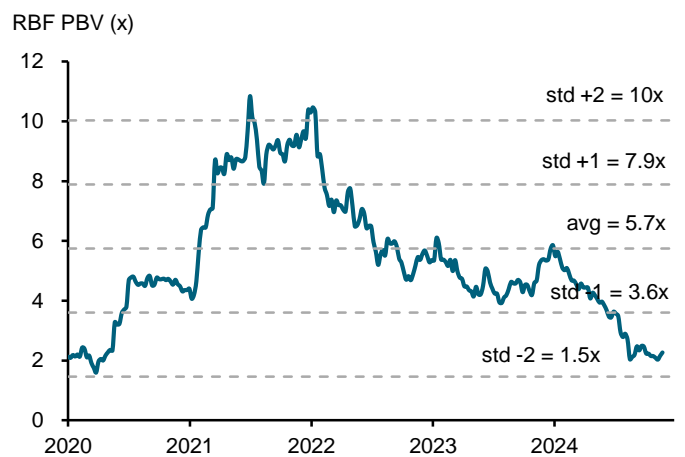
Sources: RBF, FSSIA estimates

**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

Per share (THB)					
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

Per share (THB)					
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

Financial strength					
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>26.3</b>	<b>18.2</b>	<b>24.2</b>	<b>18.4</b>	<b>16.1</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)	25.1	18.6	23.5	18.4	16.1
Dividend yield (%)	1.7	2.9	2.3	3.0	3.4
Price/book (x)	2.8	2.5	2.4	2.3	2.2
Price/tangible book (x)	2.8	2.5	2.4	2.3	2.2
EV/EBITDA (x) **	14.4	10.7	12.3	9.7	8.4
EV/EBITDA @ target price (x) **	17.2	12.8	14.8	11.6	10.1
EV/invested capital (x)	2.9	2.7	2.6	2.4	2.3

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

Sources: R&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.																				
SET ESG Ratings List ( <a href="#">SETESG</a> ) by The Stock Exchange of Thailand ( <a href="#">SET</a> )	SET ESG 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 <b>SETESG inclusion</b> , 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. <b>SETESG Index</b> is extended from the SET ESG Ratings 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.																				
<b>Thai CAC</b> 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 Sustainalytics</a>	The Sustainalytics' ESG risk rating provides an overall company score based on an assessment of how much of a company's exposure to ESG risk is unmanaged. <i>Sources to be reviewed include corporate publications and regulatory filings, news and other media, NGO reports/websites, multi-sector information, company feedback, ESG controversies, issuer feedback on draft ESG reports, and quality &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.																				
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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.																					
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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

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

#### 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 6.05	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 22-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.