

**G-ABLE**

THAILAND / ICT

**GABLE TB****BUY**

UNCHANGED

TARGET PRICE	THB5.00
CLOSE	THB2.62
UP/DOWNSIDE	+90.8%
PRIOR TP	THB5.00
CHANGE IN TP	UNCHANGED
TP vs CONSENSUS	+6.4%

## Strong backlog to drive 2025 growth

- Expect 4Q24 profit at THB89.7m, the best quarter of the year, as is the case every year.
- With a strong backlog of THB6b, we maintain our core profit estimate to rise 9.3% y-y in 2025.
- Maintain BUY rating as the valuation is too cheap.

### 4Q24 should be the best quarter, as is the case every year

We expect the 4Q24 performance to be the highest of the year, as is the case with the fourth quarter every year, due to the nature of GABLE's business, where customers rush to finalize their budgets and complete transfers. Additionally, the company will recognize a full quarter's revenue from Round 2 Solutions (R2 – a consulting firm specializing in SAP, ERP, and Salesforce implementation) for the first time in 4Q24. GABLE has held a 75% stake in R2 since 1 August 2025. R2 is a business application provider with a higher gross margin than GABLE's SI business. Thus, it helps to support and improve the overall gross margin.

### Expect 4Q24 profit to grow 72.5% q-q but drop 11.3% y-y

We expect GABLE's revenue and net profit to increase by 10.9% q-q and 72.5% q-q to THB1.5b and THB89.7m, respectively, driven by seasonality and a higher gross margin. However, the 4Q24 profit should be lower than in 4Q23 due to lower y-y revenue, higher employee expenses, and investment deal-sourcing costs in 2024. As a result, we forecast total revenue for 2024 to be at THB6.0b (+12.6% y-y), with 9.6% growth from its existing business and an additional contribution of around 3% from R2, resulting in a full-year net profit of THB218.9m (-13.1% y-y). Excluding the deferred tax item of THB29.4m, the core profit could be THB248.3m (-1.4% y-y), impacted by a lower gross margin from intense competition.

### Our profit estimates maintained

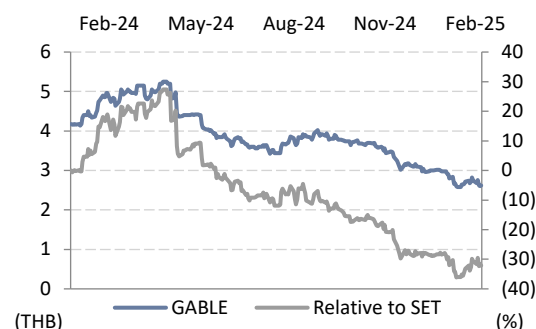
We maintain our estimates for 2025-26, expecting revenue growth of 9% and 8%, respectively, in line with the company's target of 10% annual growth. This is supported by a strong backlog of THB6b, which will be recognized over the next two years, along with the full-year revenue contribution from R2. We forecast a core profit of THB271.4m (+9.3% y-y) in 2025 and THB319.9m (+17.9% y-y) in 2026.

### Valuation too cheap at -2SD of the two-year average

GABLE's share price declined by nearly 50% since the disappointing 1Q24 earnings announcement. However, despite a profit recovery starting from 2Q24, the stock price has not responded accordingly. Currently, it is trading at a 2025E P/E of just 6.8x; the lowest among peers and at -2SD from its average since its IPO in 2023. GABLE's market capitalization is more than three times lower than its total assets, indicating a significant undervaluation. Given this deep discount, we maintain our BUY rating with the same TP of THB5 (2025E P/E of 13x).

### KEY STOCK DATA

YE Dec (THB m)	2023	2024E	2025E	2026E
Revenue	5,338	6,009	6,578	7,081
Net profit	252	219	271	320
EPS (THB)	0.36	0.31	0.39	0.46
vs Consensus (%)	-	-	(1.3)	3.4
EBITDA	381	349	391	453
Recurring net profit	252	248	271	320
Core EPS (THB)	0.36	0.35	0.39	0.46
Chg. In EPS est. (%)	-	-	-	-
EPS growth (%)	(29.2)	(1.4)	9.3	17.9
Core P/E (x)	7.3	7.4	6.8	5.7
Dividend yield (%)	11.0	6.0	7.4	8.8
EV/EBITDA (x)	1.7	3.0	3.1	3.0
Price/book (x)	0.8	0.9	0.9	0.9
Net debt/Equity (%)	(54.6)	(38.4)	(31.0)	(23.7)
ROE (%)	15.2	10.3	13.2	16.0



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	(12.1)	(27.2)	(38.2)
Relative to country (%)	(4.6)	(16.6)	(32.5)
Mkt cap (USD m)	55		
3m avg. daily turnover (USD m)	0.0		
Free float (%)	64		
Major shareholder	Liuchareon Family (22%)		
12m high/low (THB)	5.35/2.54		
Issued shares (m)	700.02		

Sources: Bloomberg consensus; FSSIA estimates

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## Investment thesis

The years 2023-24 have not been bright for GABLE, as the company has been impacted by delays in government budget allocations and intense competition. Although GABLE has secured large project bids, it has come at the cost of lower profit margins.

For 2025, we expect the country's investment situation to improve, supported by a gradually recovering economy and GABLE's strong backlog of THB6.0b. Additionally, stricter cost control measures should enable the company to return to solid growth. We forecast a 9.3% y-y increase in core profit. At the current share price, GABLE is trading at -2SD below its two-year average, which we believe is too low. We maintain our BUY rating with the same TP of THB5 (2025E P/E of 13x).

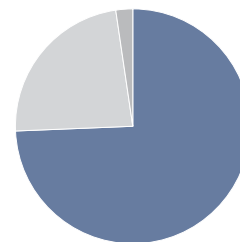
## Company profile

GABLE is a leading "tech enabler" company that has provided integrated technology and digital solutions for organisations for more than 33 years. The business of the company is divided into three categories: 1) enterprise solutions and services; 2) value-added distribution; and 3) software platforms.

[www.g-able.com](http://www.g-able.com)

## Principal activities (revenue, 2023)

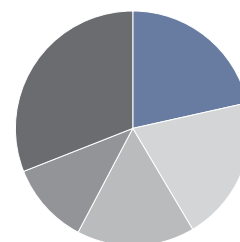
- Enterprise solution and services - 74.4 %
- Value-added distribution solution - 23.3 %
- Software Platform - 2.3 %



Source: G-Able

## Major shareholders

- Liuchareon Family - 21.5 %
- Uahwatanasakul Family - 20.0 %
- Chansue Family - 16.2 %
- Phantumvanit Family - 11.3 %
- Others - 31.0 %



Source: G-Able

## Catalysts

Key potential catalysts include 1) stronger project-winning bids; 2) stronger demand from enterprises for digital transformation; and 3) mergers and acquisitions.

## Risks to our call

The key downside risks to our TP are 1) failure to secure new projects from customers; 2) a lack of human resources; and 3) more intense competition.

## Event calendar

Date	Event
February 2025	4Q24 earnings announcement

## Key assumptions

	2024E (THB m)	2025E (THB m)	2026E (THB m)
Enterprise solution and services	4,699	5,028	5,380
Value-added distribution solution	1,035	1,118	1,219
Software Platform	115	132	152
Business application	160	300	330
Gross margin (%)	18.7	19.2	19.5
EBITDA margin (%)	5.8	5.9	6.4
Net margin (%)	3.6	4.1	4.5

Source: FSSIA estimates

## Earnings sensitivity

- For every 0.5% change in the gross margin, we project GABLE's 2025 net profit to change by 6%, all else being equal.
- For every 1% change in SG&A expenses, we project GABLE's 2025 net profit to change by 1%, all else being equal.

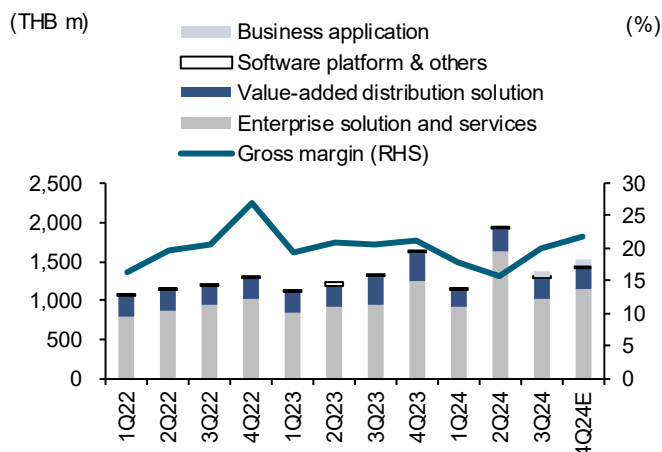
Source: FSSIA estimates

## Exhibit 1: GABLE – 4Q24 earnings preview

Year to Dec 31	4Q23	1Q24	2Q24	3Q24	4Q24E	Change		2023	2024E	Change
	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(q-q %)	(y-y %)	(THB m)	(THB m)	(y-y %)
Sales revenue	1,638	1,153	1,938	1,383	1,535	10.9	(6.3)	5,338	6,009	12.6
Cost of sales	(1,289)	(948)	(1,633)	(1,108)	(1,198)	8.1	(7.0)	(4,239)	(4,888)	15.3
Gross profit	349	205	305	275	336	22.2	(3.7)	1,099	1,121	1.9
Other income	5	7	13	0	14	nm	176.8	20	34	69.8
SG&A expenses	(225)	(200)	(198)	(204)	(232)	14.0	3.5	(788)	(835)	6.0
Operating profit	129	12	119	71	118	65.6	(9.0)	312	286	(8.3)
Operating EBITDA	147	31	139	91	138	51.2	(6.2)	381	349	(8.4)
Interest expense	(1)	(2)	(4)	(4)	(4)	(2.0)	191.9	(15)	(14)	(1.8)
Profit before tax	128	10	115	68	114	67.3	(11.3)	317	306	(3.7)
Tax	(26)	(2)	(52)	(12)	(20)	66.0	(24.3)	(64)	(86)	33.0
<b>Reported net profit</b>	<b>101</b>	<b>9</b>	<b>63</b>	<b>52</b>	<b>90</b>	<b>72.5</b>	<b>(11.3)</b>	<b>252</b>	<b>219</b>	<b>(13.1)</b>
<b>Core profit</b>	<b>101</b>	<b>9</b>	<b>93</b>	<b>52</b>	<b>90</b>	<b>72.5</b>	<b>(11.3)</b>	<b>252</b>	<b>248</b>	<b>(1.4)</b>
Reported EPS (THB)	0.14	0.01	0.09	0.07	0.13	72.5	(11.3)	0.36	0.31	(13.1)
Recurring EPS (THB)	0.14	0.01	0.09	0.07	0.13	72.5	(11.3)	0.36	0.35	(1.4)
<b>Key Ratios</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(ppt)</b>	<b>(ppt)</b>	<b>(%)</b>	<b>(%)</b>	<b>(ppt)</b>
Gross margin	21.3	17.8	15.7	19.9	21.9	2.0	0.6	20.6	18.7	(1.9)
SG&A / Sales	13.7	17.3	10.2	14.7	15.1	0.4	1.4	14.8	13.9	(0.9)
Operating margin	7.9	1.1	6.2	5.1	7.7	2.5	(0.2)	5.8	4.8	(1.1)
EBITDA margin	9.0	2.7	7.2	6.6	9.0	2.4	0.0	7.1	5.8	(1.3)
Recurring net margin	6.2	0.8	4.8	3.8	5.8	2.1	(0.3)	4.7	4.1	(0.6)
<b>Revenue breakdown</b>	<b>(THB m)</b>	<b>(THB m)</b>	<b>(THB m)</b>	<b>(THB m)</b>	<b>(THB m)</b>	<b>(q-q %)</b>	<b>(y-y %)</b>	<b>(THB m)</b>	<b>(THB m)</b>	<b>(y-y %)</b>
Enterprise solution	1,256	923	1,616	1,019	1,140	11.9	(9.2)	3,969	4,699	18.4
Value-added services	347	207	291	260	277	6.8	(20.0)	1,245	1,035	(16.8)
Software platform	35	23	30	29	32	9.0	(8.7)	124	115	(7.6)
Business application	0	0	0	75	85	13.9	nm	0	160	nm

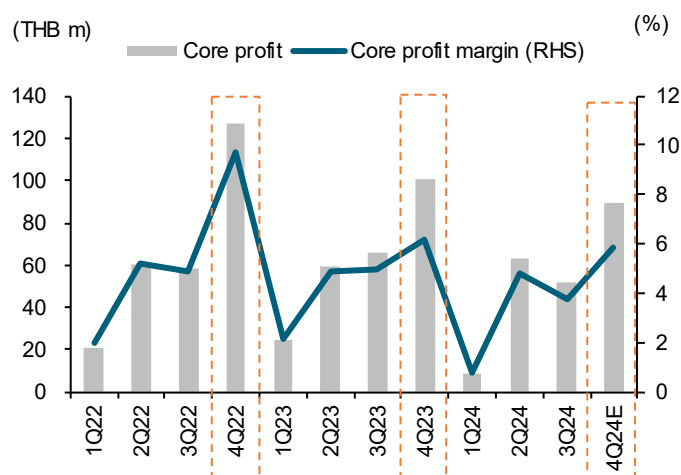
Sources: GABLE, FSSIA estimates

## Exhibit 2: Revenue structure and gross margin



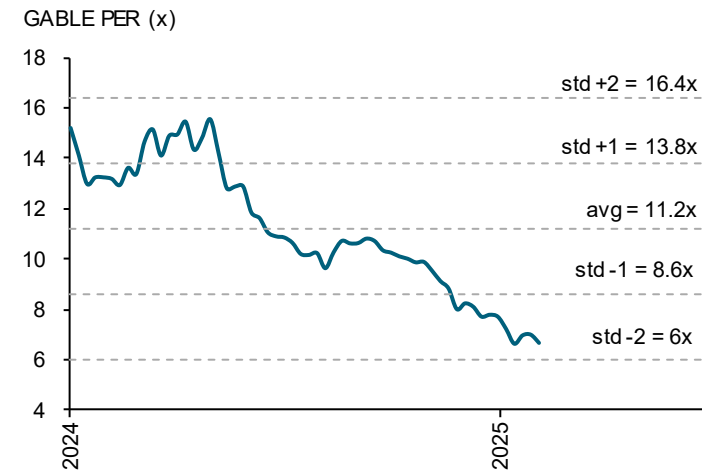
Sources: GABLE, FSSIA estimates

## Exhibit 3: Core profit and core profit margin



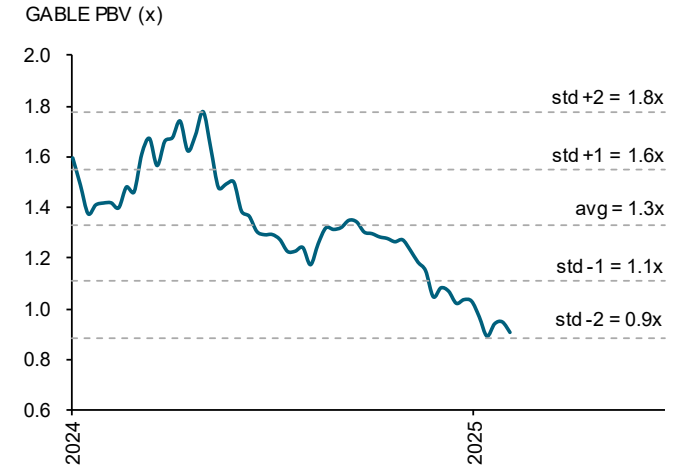
Sources: GABLE, FSSIA estimates

Exhibit 4: One-year rolling forward P/E band



Sources: Bloomberg, FSSIA estimates

Exhibit 5: One-year rolling forward P/BV band



Sources: Bloomberg, FSSIA estimates

Exhibit 6: Peers comparison as of 7 February 2025

Company	BBG	Market	3Y EPS	PE		ROE		PBV		EV/EBITDA		Dividend	
		Cap	CAGR	24E	25E	24E	25E	24E	25E	24E	25E	24E	25E
		(USD m)	(%)	(x)	(x)	(%)	(%)	(x)	(x)	(x)	(x)	(x)	(x)
Thailand													
G-ABLE*	GABLE TB	55	8.3	8.4	6.8	10.3	13.2	0.9	0.9	3.0	3.1	6.0	7.4
Bluebik Group	BBIK TB	202	19.5	21.5	17.7	14.2	15.9	3.0	2.8	20.1	16.5	1.2	1.4
Beryl 8 Plus	BE8 TB	105	5.2	21.3	14.4	5.8	8.2	1.2	1.2	12.5	9.8	1.9	2.7
Humanica	HUMAN TB	169	10.6	17.8	15.7	9.1	9.8	1.6	1.5	8.8	8.0	4.5	5.2
I&I Group	IIG TB	12	n/a	n/a	n/a	4.1	14.9	0.6	0.6	n/a	n/a	2.6	9.9
Netbay	NETBAY TB	83	n/a	13.4	15.7	39.3	33.4	n/a	n/a	9.9	11.4	7.1	6.0
Thailand average		813	53.2	16.5	14.0	13.8	15.9	1.5	1.4	10.9	9.8	3.9	5.4
Regional													
Accenture	ACN US	241,693	6.9	30.2	27.6	27.2	26.0	7.6	6.6	18.2	16.9	1.5	1.6
Quess Corporation	QUESS IN	1,091	23.8	24.7	19.8	13.7	15.7	3.2	2.9	12.3	10.3	1.9	2.1
Beijing Career International	300662 CH	593	11.5	21.4	17.2	10.2	11.4	2.2	2.0	12.4	10.8	0.8	1.4
EPAM Systems	EPAM US	14,769	15.9	24.1	23.1	17.6	15.8	4.2	3.5	16.2	14.9	0.0	0.0
DXC Technology	DXC US	3,778	25.0	6.2	6.1	15.9	16.1	1.2	1.0	3.1	3.2	0.7	1.0
Cognizant Tech Solutions	CTSH US	42,740	7.3	17.2	16.0	16.3	15.8	2.7	2.4	11.0	10.4	1.5	1.5
CDW Corp	CDW US	25,589	8.3	19.5	18.1	50.9	45.9	9.7	8.2	14.4	13.4	1.3	1.3
Iron Mountain Inc	IRM US	31,124	27.6	58.3	54.4	n/m	n/m	n/a	n/a	20.1	18.3	2.5	2.7
Regional average		361,379	15.8	25.2	22.8	21.7	21.0	4.4	3.8	13.5	12.3	1.3	1.5
Overall average		362,192	14.2	21.9	19.4	121.6	9.0	3.2	2.8	12.5	11.3	2.4	3.2

Sources: Bloomberg, FSSIA estimates

## Financial Statements

### G-Able

Profit and Loss (THB m) Year Ending Dec	2022	2023	2024E	2025E	2026E
Revenue	4,731	5,338	6,009	6,578	7,081
Cost of goods sold	(3,728)	(4,239)	(4,888)	(5,313)	(5,699)
<b>Gross profit</b>	<b>1,003</b>	<b>1,099</b>	<b>1,121</b>	<b>1,266</b>	<b>1,381</b>
Other operating income	-	-	-	-	-
Operating costs	(703)	(788)	(835)	(937)	(990)
<b>Operating EBITDA</b>	<b>366</b>	<b>381</b>	<b>349</b>	<b>391</b>	<b>453</b>
Depreciation	(66)	(70)	(63)	(63)	(62)
Goodwill amortisation	-	-	-	-	-
<b>Operating EBIT</b>	<b>300</b>	<b>312</b>	<b>286</b>	<b>329</b>	<b>391</b>
Net financing costs	(8)	(15)	(14)	(14)	(14)
Associates	0	0	0	0	0
Recurring non-operating income	41	20	34	26	25
Non-recurring items	0	0	0	0	0
<b>Profit before tax</b>	<b>334</b>	<b>317</b>	<b>306</b>	<b>341</b>	<b>402</b>
Tax	(66)	(64)	(86)	(68)	(80)
<b>Profit after tax</b>	<b>268</b>	<b>253</b>	<b>220</b>	<b>273</b>	<b>321</b>
Minority interests	(2)	(1)	(1)	(1)	(2)
Preferred dividends	-	-	-	-	-
Other items	-	-	-	-	-
<b>Reported net profit</b>	<b>267</b>	<b>252</b>	<b>219</b>	<b>271</b>	<b>320</b>
<b>Non-recurring items &amp; goodwill (net)</b>	<b>0</b>	<b>0</b>	<b>29</b>	<b>0</b>	<b>0</b>
<b>Recurring net profit</b>	<b>267</b>	<b>252</b>	<b>248</b>	<b>271</b>	<b>320</b>
<b>Per share (THB)</b>					
Recurring EPS *	0.51	0.36	0.35	0.39	0.46
Reported EPS	0.51	0.36	0.31	0.39	0.46
DPS	1.92	0.29	0.16	0.19	0.23
Diluted shares (used to calculate per share data)	525	700	700	700	700
<b>Growth</b>					
Revenue (%)	(4.2)	12.8	12.6	9.5	7.6
Operating EBITDA (%)	11.7	4.1	(8.4)	12.1	15.7
Operating EBIT (%)	16.7	3.8	(8.3)	15.0	19.0
Recurring EPS (%)	8.7	(29.2)	(1.4)	9.3	17.9
Reported EPS (%)	8.7	(29.2)	(13.1)	24.0	17.9
<b>Operating performance</b>					
Gross margin inc. depreciation (%)	21.2	20.6	18.7	19.2	19.5
Gross margin exc. depreciation (%)	22.6	21.9	19.7	20.2	20.4
Operating EBITDA margin (%)	7.7	7.1	5.8	5.9	6.4
Operating EBIT margin (%)	6.3	5.8	4.8	5.0	5.5
Net margin (%)	5.6	4.7	4.1	4.1	4.5
Effective tax rate (%)	(20.3)	(20.0)	(20.0)	(20.0)	(20.0)
Dividend payout on recurring profit (%)	378.3	80.3	50.3	50.3	50.2
Interest cover (X)	43.5	22.6	22.2	25.3	29.6
Inventory days	4.4	3.9	3.9	5.4	7.6
Debtor days	64.8	79.5	73.6	63.1	63.7
Creditor days	44.9	67.1	62.1	41.2	41.5
Operating ROIC (%)	27.5	25.0	23.2	21.9	23.7
ROIC (%)	23.6	19.9	19.2	18.3	19.9
ROE (%)	18.8	15.2	11.6	13.2	16.0
ROA (%)	6.8	5.5	4.9	5.7	6.6

\* Pre-exceptional, pre-goodwill and fully diluted

Revenue by Division (THB m)	2022	2023	2024E	2025E	2026E
Enterprise solution and services	3,607	3,969	4,699	5,028	5,380
Value-added distribution solution	1,052	1,245	1,035	1,118	1,219
Software Platform	73	124	115	132	152
Business application	0	0	160	300	330

Sources: G-Able; FSSIA estimates

## Financial Statements

### G-Able

Cash Flow (THB m) Year Ending Dec	2022	2023	2024E	2025E	2026E
Recurring net profit	267	252	219	271	320
Depreciation	66	70	63	63	62
Associates & minorities	-	-	-	-	-
Other non-cash items	2	(57)	(213)	(199)	(198)
Change in working capital	(570)	405	(281)	(89)	(95)
<b>Cash flow from operations</b>	<b>(235)</b>	<b>670</b>	<b>(211)</b>	<b>47</b>	<b>88</b>
Capex - maintenance	(66)	(67)	(76)	(68)	(68)
Capex - new investment	(17)	(17)	(19)	(17)	(17)
Net acquisitions & disposals	-	-	-	-	-
Other investments (net)	7	0	0	0	0
<b>Cash flow from investing</b>	<b>(76)</b>	<b>(84)</b>	<b>(95)</b>	<b>(85)</b>	<b>(85)</b>
Dividends paid	(1,009)	(299)	(110)	(136)	(161)
Equity finance	150	1,086	0	0	0
Debt finance	678	728	0	0	0
Other financing cash flows	(19)	(1,383)	2	2	3
<b>Cash flow from financing</b>	<b>(200)</b>	<b>131</b>	<b>(108)</b>	<b>(134)</b>	<b>(158)</b>
Non-recurring cash flows	-	-	-	-	-
Other adjustments	0	0	0	0	0
<b>Net other adjustments</b>	<b>0</b>	<b>0</b>	<b>(43)</b>	<b>0</b>	<b>0</b>
<b>Movement in cash</b>	<b>(511)</b>	<b>718</b>	<b>(428)</b>	<b>(172)</b>	<b>(155)</b>
Free cash flow to firm (FCFF)	(303)	601	(263)	(24)	17
Free cash flow to equity (FCFE)	348	(69)	(318)	(36)	6

#### Per share (THB)

FCFF per share	(0.43)	0.86	(0.38)	(0.03)	0.02
FCFE per share	0.50	(0.10)	(0.45)	(0.05)	0.01
Recurring cash flow per share	0.64	0.38	0.10	0.19	0.26

Balance Sheet (THB m) Year Ending Dec	2022	2023	2024E	2025E	2026E
Tangible fixed assets (gross)	343	364	414	454	494
Less: Accumulated depreciation	(260)	(281)	(301)	(322)	(342)
<b>Tangible fixed assets (net)</b>	<b>83</b>	<b>83</b>	<b>113</b>	<b>132</b>	<b>152</b>
<b>Intangible fixed assets (net)</b>	<b>173</b>	<b>190</b>	<b>177</b>	<b>180</b>	<b>183</b>
Long-term financial assets	-	-	-	-	-
Invest. in associates & subsidiaries	0	0	0	0	0
Cash & equivalents	620	1,338	910	737	583
A/C receivable	988	1,337	1,087	1,190	1,280
Inventories	48	42	62	93	140
Other current assets	1,980	2,416	2,465	2,514	2,564
<b>Current assets</b>	<b>3,636</b>	<b>5,133</b>	<b>4,523</b>	<b>4,535</b>	<b>4,567</b>
Other assets	145	163	168	173	178
<b>Total assets</b>	<b>4,037</b>	<b>5,569</b>	<b>4,982</b>	<b>5,020</b>	<b>5,081</b>
Common equity	1,133	2,179	2,088	2,023	1,982
Minorities etc.	7	7	8	10	11
<b>Total shareholders' equity</b>	<b>1,140</b>	<b>2,186</b>	<b>2,096</b>	<b>2,033</b>	<b>1,993</b>
Long term debt	101	80	83	85	88
Other long-term liabilities	167	189	198	208	219
<b>Long-term liabilities</b>	<b>268</b>	<b>269</b>	<b>281</b>	<b>294</b>	<b>307</b>
A/C payable	459	1,074	568	617	664
Short term debt	698	64	22	22	22
Other current liabilities	1,472	1,975	2,015	2,055	2,096
<b>Current liabilities</b>	<b>2,629</b>	<b>3,114</b>	<b>2,604</b>	<b>2,694</b>	<b>2,781</b>
<b>Total liabilities and shareholders' equity</b>	<b>4,037</b>	<b>5,569</b>	<b>4,982</b>	<b>5,020</b>	<b>5,081</b>
Net working capital	1,085	746	1,031	1,125	1,225
Invested capital	1,486	1,182	1,489	1,610	1,739

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

#### Per share (THB)

Book value per share	2.16	3.11	2.98	2.89	2.83
Tangible book value per share	1.83	2.84	2.73	2.63	2.57

#### Financial strength

Net debt/equity (%)	15.7	(54.6)	(38.4)	(31.0)	(23.7)
Net debt/total assets (%)	4.4	(21.4)	(16.2)	(12.6)	(9.3)
Current ratio (x)	1.4	1.6	1.7	1.7	1.6
CF interest cover (x)	47.4	(2.6)	(19.8)	(0.4)	2.6

Valuation	2022	2023	2024E	2025E	2026E
<b>Recurring P/E (x) *</b>	<b>5.2</b>	<b>7.3</b>	<b>7.4</b>	<b>6.8</b>	<b>5.7</b>
<b>Recurring P/E @ target price (x) *</b>	<b>9.8</b>	<b>13.9</b>	<b>14.1</b>	<b>12.9</b>	<b>10.9</b>
Reported P/E (x)	5.2	7.3	8.4	6.8	5.7
Dividend yield (%)	73.3	11.0	6.0	7.4	8.8
Price/book (x)	1.2	0.8	0.9	0.9	0.9
Price/tangible book (x)	1.4	0.9	1.0	1.0	1.0
EV/EBITDA (x) **	4.3	1.7	3.0	3.1	3.0
EV/EBITDA @ target price (x) **	7.7	6.1	7.7	7.4	6.7
EV/invested capital (x)	1.1	0.5	0.7	0.8	0.8

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

Sources: G-Able; FSSIA estimates

# G-Able PCL (GABLE TB)

FSSIA ESG rating

n/a

## Exhibit 7: FSSIA ESG score implication

Rating	Score	Implication
★★★★★	>79-100	Leading its industry peers in managing the most significant ESG risks which not only better cost efficiency but also lead to higher profitability.
★★★★★	>59-79	A mixed track record of managing the most significant ESG risks and opportunities relative to industry peers.
★★★★	>39-59	Relevant ESG materiality matrix has been constructively addressed, well-managed and incorporated into day-to-day operations, in which targets and achievements are evaluated annually.
★★★	>19-39	Relevant ESG materiality matrix has been identified with key management in charge for progress to be followed up on and to provide intensive disclosure. Most targets are conventional and achievable.
★	1-19	The company has adopted the United Nations Sustainable Development Goals (UN SDGs), established sustainability management guidelines and fully complies with regulations or ESG suggested guidance from related organizations such as the SET and SEC.

Source: FSSIA estimates

## Exhibit 8: ESG – peer comparison

	FSSIA ESG score	DJSI	Domestic ratings					Global ratings					Bloomberg		
			SET ESG	SET ESG Rating	CG score	AGM level	Thai CAC	Morningstar ESG risk	ESG Book	MSCI	Moody's	Refinitiv	S&P Global	ESG score	Disclosure score
SET100	67.71	5.69	4.38	4.05	4.77	4.43	4.02	Medium	57.34	BBB	22.70	60.82	67.31	1.19	35.34
Coverage	66.17	5.16	4.33	3.94	4.81	4.43	3.83	Medium	56.41	BBB	18.92	59.20	65.82	1.38	35.46
GABLE	14.00	--	--	--	5.00	4.00	--	--	--	--	--	--	--	--	--
MFEC	31.97	--	--	AA	5.00	5.00	Certified	--	--	--	--	55.78	--	--	--
AIT	13.00	--	--	--	5.00	3.00	--	--	--	--	--	--	--	--	--
BE8	25.25	--	--	--	4.00	4.00	Certified	Medium	--	--	--	--	--	--	--

Sources: [SETTRADE.com](https://www.settrade.com); FSSIA's compilation

## Exhibit 9: ESG disclosure from the company's one report

FY ending Dec 31	FY 2023	FY ending Dec 31	FY 2023
<b>Environmental</b>		<b>Governance</b>	
Climate change policy	Yes	<b>Board size / Independent directors (ID) / Female</b>	<b>9 / 3 / 2</b>
Climate change opportunities discussed	--	No. of board meetings for the year / % attendance	9 / 95.06%
GHG scope 2 location-based policy	Yes	Company conducts board evaluations	Yes
Biodiversity policy	--	Number of non-executive directors on board	8
Energy efficiency policy	Yes	Director share ownership guidelines	No
Electricity used	Yes	Board age limit	No
Fuel used - crude oil/diesel	--	Age of the youngest / oldest director	47 / 73
Waste reduction policy	Yes	Number of executives / female	8 / 6
Water policy	Yes	Executive share ownership guidelines	No
Water consumption	Yes	<b>Size of audit committee / ID</b>	<b>3 / 3</b>
<b>Social</b>		Audit committee meetings	4
Human rights policy	Yes	Audit committee meeting attendance (%)	100
Policy against child labor	--	<b>Size of compensation committee</b>	<b>3 / 1</b>
Quality assurance and recall policy	Yes	Number of compensation committee meetings	7
Consumer data protection policy	Yes	Compensation committee meeting attendance (%)	100
Equal opportunity policy	Yes	<b>Size of nomination committee / ID</b>	<b>3 / 1</b>
Gender pay gap breakout	--	Number of nomination committee meetings	7
Pct women in workforce	40.1	Nomination committee meeting attendance (%)	100
Business ethics policy	Yes	Board compensation (THB m)	4.16
Anti-bribery ethics policy	Yes	Auditor fee (THB m)	3.2
Health and safety policy	Yes	(EY OFFICE Limited)	
Lost time incident rate - employees	--		
Training policy	Yes		
Fair remuneration policy	Yes		
Number of employees - CSR	--		
Total hours spent by firm - employee training	26,620		
Social supply chain management	Yes		

Source: FSSIA's compilation



## 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.																				
SET ESG Ratings List (SETESG) by The Stock Exchange of Thailand (SET)	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.																				
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&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.																				
Thai CAC By Thai Private Sector Collective Action Against Corruption (CAC)	The core elements of the Checklist include corruption risk assessment, establishment of key controls, and the monitoring and developing of policies. The Certification is good for three years. <i>(Companies deciding to become a CAC certified member start by submitting a Declaration of Intent to kick off an 18-month deadline to submit the CAC Checklist for Certification, including risk assessment, in place of policy and control, training of managers and employees, establishment of whistleblowing channels, and communication of policies to all stakeholders.)</i>	The document will be reviewed by a committee of nine professionals. A passed Checklist will move for granting certification by the CAC Council approvals whose members are twelve highly respected individuals in professionalism and ethical achievements.																				
Morningstar Sustainalytics	The Sustainalytics' ESG risk rating provides an overall company score based on an assessment of how much of a company's exposure to ESG risk is unmanaged. <i>Sources to be reviewed include corporate publications and regulatory filings, news and other media, NGO reports/websites, multi-sector information, company feedback, ESG controversies, issuer feedback on draft ESG reports, and quality &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+																		
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="3">Average:</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>BB</td><td>2.857-4.285</td></tr><tr><td>B</td><td>1.429-2.856</td></tr><tr><td>CCC</td><td>0.000-1.428</td><td>Laggard:</td><td>lagging its industry based on its high exposure and failure to manage significant ESG risks</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	CCC	0.000-1.428	Laggard:	lagging its industry based on its high exposure and failure to manage significant ESG risks
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Moody's ESG solutions	Moody's assesses the degree to which companies take into account ESG objectives in the definition and implementation of their strategy policies. It believes that a company integrating ESG factors into its business model and relatively outperforming its peers is better positioned to mitigate risks and create sustainable value for shareholders over the medium to long term.																					
Refinitiv ESG rating	Designed to transparently and objectively measure a company's relative ESG performance, commitment and effectiveness across 10 main themes, based on publicly available and auditable data. The score ranges from 0 to 100 on relative ESG performance and insufficient degree of transparency in reporting material ESG data publicly. <i>(Score ratings are 0 to 25 = poor; &gt;25 to 50 = satisfactory; &gt;50 to 75 = good; and &gt;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

Jitra Amornthum FSS International Investment Advisory Securities Co., Ltd

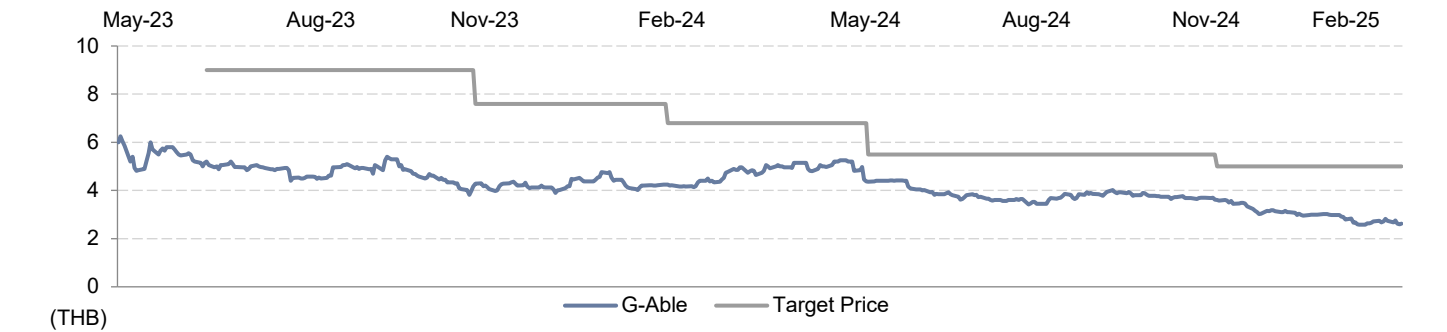
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History of change in investment rating and/or target price

G-Able (GABLE TB)



Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
21-Jun-2023	BUY	9.00	06-Feb-2024	BUY	6.80	06-Nov-2024	BUY	5.00
02-Nov-2023	BUY	7.60	16-May-2024	BUY	5.50			

Jitra Amornthum started covering this stock from 21-Jun-2023

Price and TP are in local currency

Source: FSSIA estimates

Company	Ticker	Price	Rating	Valuation & Risks
G-Able	GABLE TB	THB 2.62	BUY	The key downside risks to our TP are 1) failure to secure new projects from customers; 2) a lack of human resources; and 3) more intense competition.

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 07-Feb-2025 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.