18 FEBRUARY 2025

EQUITY RESEARCH - COMPANY REPORT

FINANSIA
FSS INTERNATIONAL INVESTMENT ADVISORY

STARFLEX SFLEX TB

THAILAND / PACKAGING

แนวโน้มกำไร 2024 สูงสุดเป็นประวัติการณ์

- คาดกำไร 4Q24 อยู่ในระดับสูง 76 ล้านบาท ทรงตัว q-q แต่ก้าวกระโดด 80% y-y และทำให้กำไรทั้งปีนำสถิติสูงสุดเป็นประวัติการณ์
- เราปรับเพิ่มกำไรปี 2025 ขึ้น 4.2% อย่างไรก็ตาม คาดกำไร +6.4 y-y โตชะลอ
- ปรับลดราคาเป้าหมายเล็กน้อยจากการเติบโตที่เริ่มชะลอ ยังแนะนำซื้อ

BUY

UNCHANGED

TARGET PRICE	THB4.70
CLOSE	THB2.58
UP/DOWNSIDE	+82.2%
PRIOR TP	THB5.10
CHANGE IN TP	-7.8%
TP vs CONSENSUS	-5.1%

คาดกำไร 4Q24 อยู่ในระดับสูง ทรงตัว q-q แต่ก้าวกระโดด 80% y-y

เราคาดว่ากำไรปกติของ SFLEX ใน 4Q24 อยู่ในระดับสูง 76 ล้านบาท (ทรงตัว q-q, +80.3% y-y) ซึ่งดีกว่าที่เราเคยประเมินก่อนหน้านี้ จากอัตรากำไรขั้นต้นที่มีแนวโน้มขยับขึ้นต่อเนื่องอีกเล็กน้อยเป็น 26.3% เทียบกับ 26.1% ใน 3Q24 และ 25.3% ใน 4Q23 จากราคาวัตถุดิบที่ปรับลงต่อเนื่องและการบริหารจัดการที่ดีของบริษัท ขณะเดียวกัน รายจ่ายอื่นๆ ที่ยังควบคุมได้ดีชดเชยส่วนแบ่งกำไรจาก StarPrint เวียดนามที่คาดว่าจะลดลงจากไตรมาสก่อนเล็กน้อยเพราะค่าเงินบาทแข็งค่า

คาดกำไร 2024 ทำสถิติสูงสุดเป็นประวัติการณ์

กำไร 4Q24 ที่สูงกว่าที่เคยคาด ทำให้กำไรปกติทั้งปี 2024 น่าจะจบที่ 279 ล้านบาท เป็นกำไรสูงสุดเป็นประวัติการณ์ และเพิ่มก้าวกระโดด 53.7% y-y จากปี 2023 ที่เติบโตถึง 231.2% y-y กำไรที่เติบโตก้าวกระโดดในปี 2024 มาจาก 1) อัตรากำไรขั้นต้นที่เราคาดว่าจะเพิ่มขึ้นเป็น 25.3% จาก 24.0% ในปี 2023 2) การควบคุมค่าใช้จ่ายในการขายและบริหารได้อย่างมีประสิทธิภาพ สัดส่วนต่อรายได้ลดลงเป็น 11.2% จาก 12.4% ในปี 2023 3) การรับรู้ส่วนแบ่งกำไรของ StarPrint เวียดนามเต็มปีเป็นปีแรก โดยคาด 24 ล้านบาท (9% ของกำไรปกติ) และ 4) อัตราภาษีจ่ายที่ต่ำมากเพียง 1% ของกำไรจากการใช้สิทธิประโยชน์จาก BoI ทั้งนี้ เราคาดรายได้จากการขายเพิ่มเพียง 5.0% y-y จากการลดราคาขายล้อตามต้นทุนวัตถุดิบที่ปรับลง

กำไรยังทรงตัวสูงแต่การเติบโตในปี 2025-26 เริ่มชะลอ

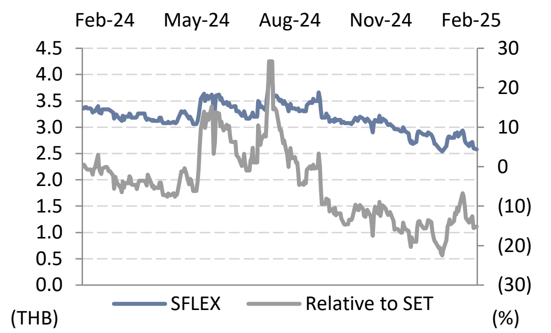
สำหรับปี 2025 เราปรับเพิ่มกำไรเล็กน้อย 4.2% จากอัตรากำไรขั้นต้นที่เชื่อว่าจะรักษาไว้ในระดับสูงได้ อย่างไรก็ตาม กำไรปี 2025 ที่เราคาด 296 ล้านบาท แม้จะทำนิวไฮแต่อัตราการเติบโตชะลอลงเป็น 6.4% y-y หลังจากโตในอัตราเร่งติดต่อกัน 2 ปี และคาดว่ากำไรมีโอกาสลดลงเล็กน้อยในปี 2026 หลังประโยชน์ทางภาษีหมดลง ทั้งนี้ เราคาด SFLEX ยังรักษากำไรในระดับสูงแต่การเติบโตเฉลี่ยปี 2024-26 ลดเป็น 1.1% CAGR

ปรับราคาเป้าหมายลงเล็กน้อยจากการเติบโตที่กำลังชะลอ ยังแนะนำซื้อ

ช่วงเวลาการเติบโตที่แรงที่สุดของ SFLEX กำลังจะผ่านไป เราเชื่อว่าบริษัทจะยังสร้างกำไรได้สูง 70-80 ล้านบาทต่อไตรมาสในช่วง 1H25 ในระยะถัดไปบริษัทอาจต้องขยับราคาขายลงตามราคาน้ำมันที่ลดลง เรายังชอบความเป็นผู้นำของ SFLEX แต่ปรับ Target P/E ลงเป็น 13x (-0.8SD ของค่าเฉลี่ย 4 ปี) จากเดิม 14.8x (-0.7SD ของค่าเฉลี่ย 4 ปี) ได้ราคาเป้าหมาย 4.70 บาท แนะนำซื้อ

KEY STOCK DATA

YE Dec (THB m)	2023	2024E	2025E	2026E
Revenue	1,795	1,884	2,012	2,102
Net profit	184	279	296	289
EPS (THB)	0.22	0.34	0.36	0.35
vs Consensus (%)	-	0.9	(3.5)	(12.5)
EBITDA	288	356	376	393
Recurring net profit	181	279	296	289
Core EPS (THB)	0.22	0.34	0.36	0.35
Chg. In EPS est. (%)	-	3.5	4.2	0.0
EPS growth (%)	231.2	53.7	6.4	(2.5)
Core P/E (x)	11.7	7.6	7.1	7.3
Dividend yield (%)	3.5	5.3	5.6	5.5
EV/EBITDA (x)	9.3	7.6	7.2	6.8
Price/book (x)	2.1	2.0	2.0	1.9
Net debt/Equity (%)	56.7	57.9	54.6	49.4
ROE (%)	18.3	27.2	27.9	26.8



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	0.8	(17.8)	(21.3)
Relative to country (%)	7.5	(5.7)	(13.2)

Mkt cap (USD m)	59
3m avg. daily turnover (USD m)	0.3
Free float (%)	0
Major shareholder	Mr. Printhorn Apithanasriwong (24%)
12m high/low (THB)	4.06/2.28
Issued shares (m)	820.01

Sources: Bloomberg consensus; FSSIA estimates

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บทวิเคราะห์ฉบับนี้แปลมาจากต้นฉบับภาษาอังกฤษ ที่ออกรายงานเมื่อวันที่ 18 กุมภาพันธ์ 2025

Investment thesis

We expect SFLEX's core profit in 4Q24 to remain high at THB76m (flat q-q, +80.3% y-y), which is better than our previous estimate. This should be due to a slight increase in the gross margin, driven by continued declines in raw material costs and the company's efficient management.

For 2025, we slightly raise our core profit forecast by 4.2%. However, despite the expectation of reaching a new high of THB296m in 2025, we estimate the growth rate to slow to 6.4% y-y. While we still favor SFLEX's market leadership, we lower our target P/E to 13x (-0.8SD of its four-year average) from 14.8x (-0.7SD of the 4-year average).Our new TP is THB4.70. We maintain our BUY rating.

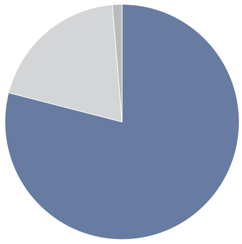
Company profile

Starflex is a leading manufacturer and distributor of flexible packaging in roll form, selling mainly to local consumer product suppliers. Its flexible packaging is a multilayer film, splicing 2-5 layers using glue or resin as a binding material which results in a rigid film that is resistant to heat and high pressure, and is lightweight and capable of having graphic patterns printed on the surface.

www.starflex.co.th

Principal activities (revenue, 2023)

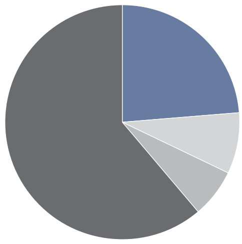
- Non-food packaging - 79.0 %
- Food packaging - 19.7 %
- Others - 1.3 %



Source: Starflex

Major shareholders

- Mr. Printhorn Apithanasriwong - 23.7 %
- Mr. Ek Picharnchitra - 8.4 %
- BTS Group Holdings - 6.7 %
- Others - 61.2 %



Source: Starflex

Catalysts

Key potential catalysts include 1) a broad-based economic recovery; 2) a decline in oil prices; 3) baht appreciation; and 4) strong consumption growth in Vietnam.

Risks to our call

Downside risks to our P/E-based TP include 1) a sharp rise in crude oil prices; 2) rising inflation pressuring consumers' purchasing power; and 3) baht depreciation.

Event calendar

Date	Event
26 February 2025	4Q24 earnings announcement

Key assumptions

	2024E (THB m)	2025E (THB m)	2026E (THB m)
Sales revenue	1,884	2,012	2,102
Growth (%)	5.0	6.8	4.4
Non-food packaging	1,413	1,509	1,576
Food packaging	463	495	517
Gross margin (%)	25.3	25.5	25.3
SG&A to sales (%)	11.2	11.2	10.9
Core profit margin (%)	14.8	14.7	13.7

Source: FSSIA estimates

Earnings sensitivity

- For every 0.5% change in gross margin, we project SFLEX's 2025 core profit to change by 3.6%, all else being equal.
- For every 0.5% change in SG&A to sales, we project SFLEX's 2025 core profit to change by 4.0%, all else being equal.

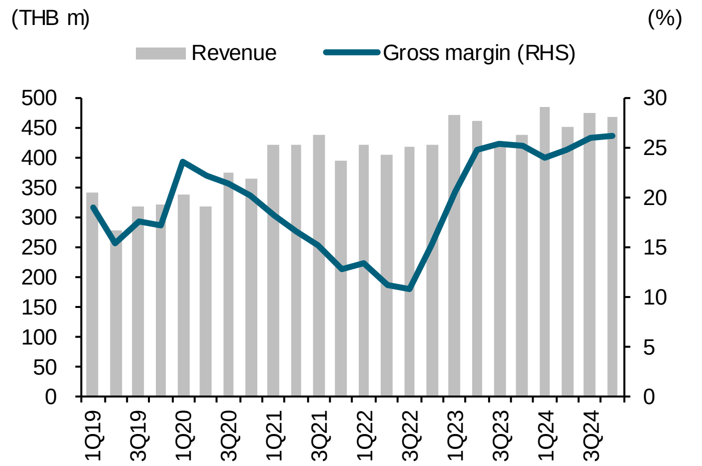
Source: FSSIA estimates

Exhibit 1: SFLEX – 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	439	485	452	476	470	*(1.4)*	*7.0*	1,795	1,884	*5.0*
Cost of sales	(328)	(368)	(341)	(352)	(346)	*(1.6)*	*5.6*	(1,365)	(1,408)	*3.1*
Gross profit	111	117	112	124	123	*(0.7)*	*11.2*	430	476	*10.8*
Other income	4	6	5	7	7	*10.0*	*84.3*	23	25	*10.9*
Operating costs	(63)	(55)	(47)	(55)	(55)	*0.4*	*(12.8)*	(223)	(212)	*(5.1)*
Operating profit	52	68	70	76	76	*(0.5)*	*46.2*	233	291	*24.7*
Operating EBITDA	66	85	87	92	92	*0.3*	*41.1*	291	356	*22.4*
Interest expense	(6)	(8)	(10)	(8)	(7)	*(18.0)*	*17.5*	(10)	(34)	*246.1*
Associates	0	3	5	10	7	*(32.0)*	*nm*	(0)	25	*nm*
Profit before tax	46	63	66	77	76	*(1.8)*	*64.6*	223	257	*15.1*
Reported net profit	**42**	**64**	**65**	**75**	**75**	***(0.7)***	***77.9***	**184**	**279**	***51.5***
Core profit	**42**	**63**	**65**	**76**	**76**	***(0.1)***	***80.3***	**181**	**279**	***53.7***
Reported EPS (THB)	0.051	0.077	0.083	0.097	0.091	*(5.8)*	*77.9*	0.22	0.34	*51.5*
Core EPS (THB)	0.051	0.077	0.079	0.093	0.093	*(0.1)*	*80.3*	0.22	0.34	*53.7*
Key Ratios	**(%)**	**(%)**	**(%)**	**(%)**	**(%)**	***(ppt)***	***(ppt)***	**(%)**	**(%)**	***(ppt)***
Gross margin	25.3	24.0	24.7	26.1	26.3	*0.2*	*1.0*	24.0	25.3	*1.3*
SG&A / Sales	14.4	11.3	10.4	11.5	11.7	*0.2*	*(2.7)*	12.4	11.2	*(1.2)*
Operating margin	11.8	14.1	15.6	15.9	16.1	*0.3*	*4.3*	12.8	15.4	*2.6*
EBITDA margin	14.9	17.5	19.2	19.3	19.7	*0.3*	*4.7*	16.2	18.9	*2.7*
Core profit margin	9.6	12.9	14.3	16.0	16.2	*0.2*	*6.6*	10.1	14.8	*4.7*

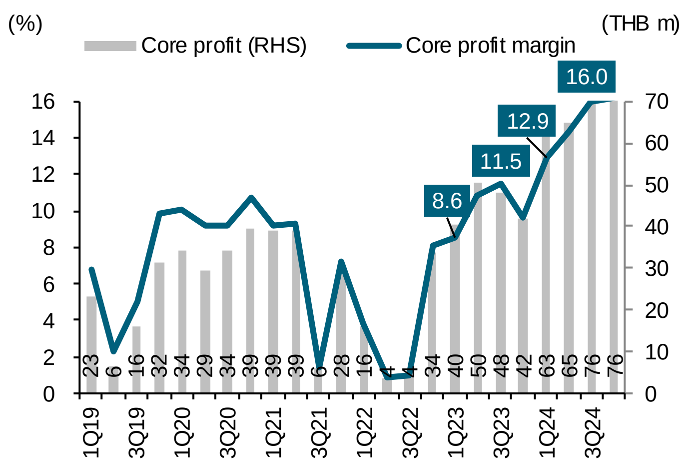
Sources: SFLEX, FSSIA estimates

Exhibit 2: Revenue and gross margin



Sources: SFLEX, FSSIA estimates

Exhibit 3: Core profit and core profit margin



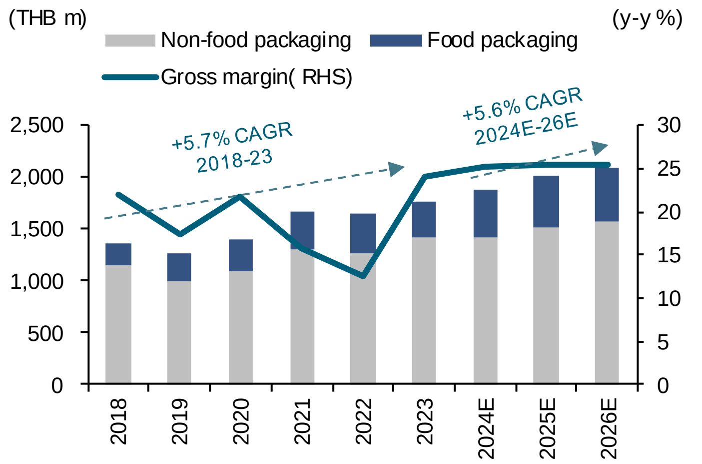
Sources: SFLEX, FSSIA estimates

Exhibit 4: Key changes in assumptions

	Current			Previous			Change		
	2024E (THB m)	2025E (THB m)	2026E (THB m)	2024E (THB m)	2025E (THB m)	2026E (THB m)	*2024E (%)*	*2025E (%)*	*2026E (%)*
Sales revenue	1,884	2,012	2,102	1,895	2,037	2,179	*(0.6)*	*(1.2)*	*(3.6)*
Gross profit	476	513	532	470	499	533	*1.2*	*2.9*	*(0.2)*
SG&A expense	(212)	(224)	(229)	(212)	(226)	(237)	*(0.2)*	*(0.8)*	*(3.6)*
Interest expense	(34)	(31)	(30)	(35)	(33)	(29)	*(3.2)*	*(6.5)*	*2.7*
EBITDA	356	376	393	339	353	379	*5.0*	*6.3*	*3.7*
Equity income	25	29	32	27	35	38	*(8.2)*	*(15.3)*	*(15.1)*
Tax	(2)	(11)	(38)	(2)	(10)	(37)	*4.8*	*6.9*	*2.3*
Core profit	279	296	289	270	284	289	*3.5*	*4.2*	*0.0*
Key ratios	**(%)**	**(%)**	**(%)**	**(%)**	**(%)**	**(%)**	***(ppt)***	***(ppt)***	***(ppt)***
Gross profit	25.3	25.5	25.3	24.8	24.5	24.5	*0.5*	*1.0*	*0.9*
SG&A to sales	11.2	11.2	10.9	11.2	11.1	10.9	*0.1*	*0.1*	*0.0*
EBITDA	18.9	18.7	18.7	17.9	17.3	17.4	*1.0*	*1.3*	*1.3*
Core profit margin	14.8	14.7	13.7	14.2	14.0	13.3	*0.6*	*0.8*	*0.5*

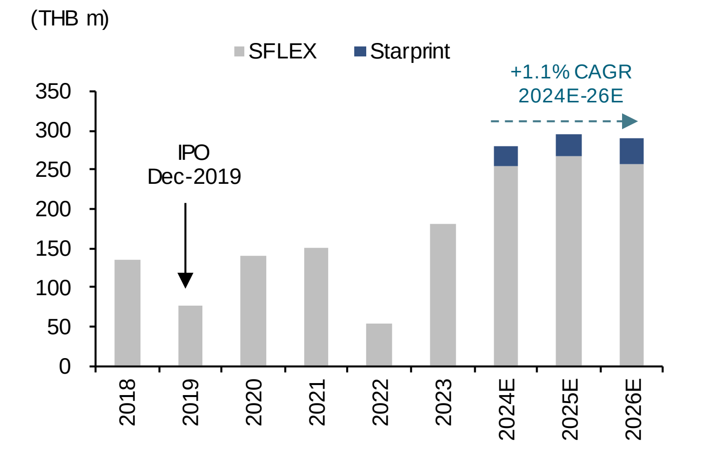
Source: FSSIA estimates

Exhibit 5: Revenue and gross margin



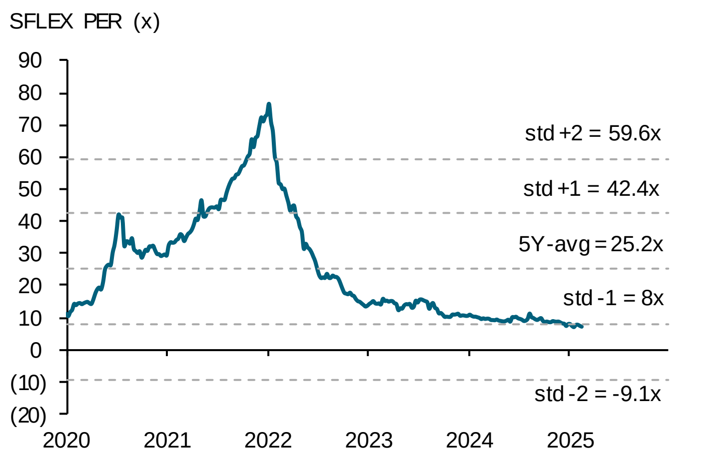
Sources: SFLEX, FSSIA estimates

Exhibit 6: Core profit and profit sharing from associate



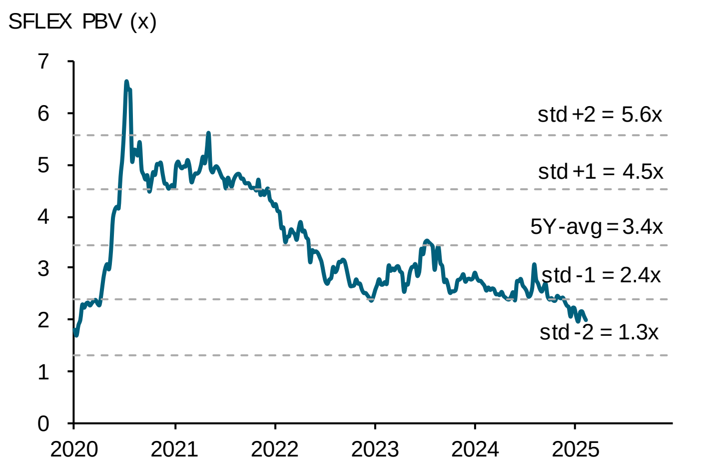
Sources: SFLEX, FSSIA estimates

Exhibit 7: One-year rolling forward P/E band



Sources: Bloomberg, FSSIA estimates

Exhibit 8: One-year rolling forward P/BV band



Sources: Bloomberg, FSSIA estimates

Financial Statements

Starflex

Profit and Loss (THB m) Year Ending Dec	2022	2023	2024E	2025E	2026E
Revenue	1,669	1,795	1,884	2,012	2,102
Cost of goods sold	(1,458)	(1,365)	(1,408)	(1,499)	(1,570)
Gross profit	**211**	**430**	**476**	**513**	**532**
Other operating income	27	23	25	20	22
Operating costs	(170)	(223)	(212)	(224)	(229)
Operating EBITDA	**124**	**288**	**356**	**376**	**393**
Depreciation	(57)	(58)	(66)	(67)	(68)
Goodwill amortisation	0	0	0	0	0
Operating EBIT	**67**	**230**	**290**	**309**	**325**
Net financing costs	(3)	(10)	(34)	(31)	(30)
Associates	-	0	25	29	32
Recurring non-operating income	0	0	25	29	32
Non-recurring items	0	3	1	0	0
Profit before tax	**65**	**223**	**281**	**307**	**327**
Tax	(10)	(39)	(2)	(11)	(38)
Profit after tax	**55**	**184**	**279**	**296**	**289**
Minority interests	0	0	0	0	0
Preferred dividends	0	0	0	0	0
Other items	-	-	-	-	-
Reported net profit	**55**	**184**	**279**	**296**	**289**
Non-recurring items & goodwill (net)	**0**	**(3)**	**(1)**	**0**	**0**
Recurring net profit	**55**	**181**	**279**	**296**	**289**
Per share (THB)					
Recurring EPS *	0.07	0.22	0.34	0.36	0.35
Reported EPS	0.07	0.22	0.34	0.36	0.35
DPS	0.03	0.09	0.14	0.14	0.14
Diluted shares (used to calculate per share data)	820	820	820	820	820
Growth					
Revenue (%)	(0.5)	7.5	5.0	6.8	4.4
Operating EBITDA (%)	(44.4)	132.7	23.5	5.5	4.5
Operating EBIT (%)	(58.2)	241.6	26.1	6.6	5.1
Recurring EPS (%)	(63.4)	231.2	53.7	6.4	(2.5)
Reported EPS (%)	(63.1)	234.6	51.5	6.2	(2.5)
Operating performance					
Gross margin inc. depreciation (%)	12.6	24.0	25.3	25.5	25.3
Gross margin exc. depreciation (%)	16.0	27.2	28.8	28.8	28.5
Operating EBITDA margin (%)	7.4	16.1	18.9	18.7	18.7
Operating EBIT margin (%)	4.0	12.8	15.4	15.4	15.5
Net margin (%)	3.3	10.1	14.8	14.7	13.7
Effective tax rate (%)	14.9	17.4	0.8	3.6	11.7
Dividend payout on recurring profit (%)	45.0	40.7	40.1	40.0	40.0
Interest cover (X)	23.0	23.7	9.4	10.9	11.9
Inventory days	86.9	92.1	92.2	91.6	89.2
Debtor days	66.6	59.5	61.1	57.0	53.8
Creditor days	74.3	83.9	93.5	94.0	91.4
Operating ROIC (%)	5.4	17.5	21.1	22.3	23.7
ROIC (%)	4.8	13.6	15.3	16.0	16.9
ROE (%)	5.6	18.3	27.2	27.9	26.8
ROA (%)	3.7	10.4	14.5	14.7	14.2

* Pre-exceptional, pre-goodwill and fully diluted

Revenue by Division (THB m)	2022	2023	2024E	2025E	2026E
Non-food packaging	1,258	1,418	1,413	1,509	1,576
Food packaging	393	353	463	495	517
Others	18	24	8	8	8

Sources: Starflex; FSSIA estimates

Financial Statements

Starflex

Cash Flow (THB m) Year Ending Dec	2022	2023	2024E	2025E	2026E
Recurring net profit	55	181	279	296	289
Depreciation	57	58	66	67	68
Associates & minorities	0	0	0	0	0
Other non-cash items	-	-	(67)	(28)	(58)
Change in working capital	50	(43)	(105)	(59)	34
Cash flow from operations	**162**	**197**	**172**	**277**	**333**
Capex - maintenance	-	-	-	-	-
Capex - new investment	(144)	-	(224)	(114)	(109)
Net acquisitions & disposals	-	(460)	-	-	-
Other investments (net)	-	-	-	-	-
Cash flow from investing	**(144)**	**(460)**	**(224)**	**(114)**	**(109)**
Dividends paid	(37)	(59)	(112)	(119)	(116)
Equity finance	0	(100)	0	0	0
Debt finance	66	346	157	(12)	(5)
Other financing cash flows	-	-	7	8	9
Cash flow from financing	**29**	**187**	**53**	**(123)**	**(111)**
Non-recurring cash flows	-	-	-	-	-
Other adjustments	7	28	8	0	0
Net other adjustments	**7**	**28**	**8**	**(49)**	**(75)**
Movement in cash	**54**	**(48)**	**9**	**(8)**	**38**
Free cash flow to firm (FCFF)	20.64	(252.93)	(18.08)	193.93	253.71
Free cash flow to equity (FCFE)	90.80	111.57	120.85	110.19	153.46
Per share (THB)					
FCFF per share	0.03	(0.31)	(0.02)	0.24	0.31
FCFE per share	0.11	0.14	0.15	0.13	0.19
Recurring cash flow per share	0.14	0.29	0.34	0.41	0.36

Balance Sheet (THB m) Year Ending Dec	2022	2023	2024E	2025E	2026E
Tangible fixed assets (gross)	1,046	1,141	1,231	1,291	1,351
Less: Accumulated depreciation	(307)	(365)	(431)	(497)	(565)
Tangible fixed assets (net)	**739**	**776**	**801**	**794**	**786**
Intangible fixed assets (net)	**54**	**40**	**40**	**41**	**42**
Long-term financial assets	-	-	-	-	-
Invest. in associates & subsidiaries	32	408	488	488	488
Cash & equivalents	129	81	90	82	120
A/C receivable	263	322	309	319	300
Inventories	333	326	352	367	367
Other current assets	22	27	36	37	39
Current assets	**747**	**756**	**786**	**806**	**826**
Other assets	29	62	64	66	67
Total assets	**1,602**	**2,042**	**2,179**	**2,195**	**2,209**
Common equity	985	1,001	1,049	1,073	1,086
Minorities etc.	0	0	0	0	0
Total shareholders' equity	**985**	**1,001**	**1,049**	**1,073**	**1,086**
Long term debt	175	168	325	313	309
Other long-term liabilities	43	46	55	63	72
Long-term liabilities	**218**	**215**	**380**	**376**	**381**
A/C payable	276	331	363	375	377
Short term debt	114	480	371	354	347
Other current liabilities	8	16	16	17	18
Current liabilities	**398**	**827**	**750**	**746**	**742**
Total liabilities and shareholders' equity	**1,602**	**2,042**	**2,179**	**2,195**	**2,209**
Net working capital	334	328	317	332	310
Invested capital	1,188	1,615	1,710	1,721	1,694

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

Per share (THB)					
Book value per share	1.20	1.22	1.28	1.31	1.32
Tangible book value per share	1.14	1.17	1.23	1.26	1.27
Financial strength					
Net debt/equity (%)	16.3	56.7	57.9	54.6	49.4
Net debt/total assets (%)	10.0	27.8	27.8	26.7	24.3
Current ratio (x)	1.9	0.9	1.0	1.1	1.1
CF interest cover (x)	81.1	12.5	11.2	8.2	9.7

Valuation	2022	2023	2024E	2025E	2026E
Recurring P/E (x) *	**38.7**	**11.7**	**7.6**	**7.1**	**7.3**
Recurring P/E @ target price (x) *	**70.4**	**21.3**	**13.8**	**13.0**	**13.3**
Reported P/E (x)	38.4	11.5	7.6	7.1	7.3
Dividend yield (%)	1.2	3.5	5.3	5.6	5.5
Price/book (x)	2.1	2.1	2.0	2.0	1.9
Price/tangible book (x)	2.3	2.2	2.1	2.1	2.0
EV/EBITDA (x) **	18.4	9.3	7.6	7.2	6.8
EV/EBITDA @ target price (x) **	32.4	15.3	12.5	11.8	11.2
EV/invested capital (x)	1.9	1.7	1.6	1.6	1.6

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

Sources: Starflex; FSSIA estimates

Starflex PCL (SFLEX TB)

FSSIA ESG rating
n/a

Exhibit 9: 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 10: ESG – peer comparison

	FSSIA	------------------ Domestic ratings -----------------------						------------------------------- Global ratings ------------------------						--- Bloomberg ---	
	ESG score	DJSI	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
SFLEX	17.00	--	--	--	4.00	3.00	Certified	--	--	--	--	--	--	--	--
AJ	32.11	--	--	AAA	5.00	4.00	Certified	--	--	--	--	64.91	--	--	--
BGC	33.87	--	Y	AA	5.00	5.00	Certified	--	--	--	--	30.97	--	--	--
CSC	28.92	--	--	BBB	5.00	5.00	Certified	--	--	--	--	31.33	--	--	--
PJW	18.00	--	--	A	4.00	4.00	--	--	--	--	--	--	--	--	--

Sources: SETTRADE.com; FSSIA's compilation

Exhibit 11: ESG disclosure from the company's one report

FY ending Dec 31	FY 2023
Environmental	
Climate change policy	Yes
Climate change opportunities discussed	Yes
GHG scope 2 location-based policy	Yes
Biodiversity policy	Yes
Energy efficiency policy	Yes
Electricity used	Yes
Fuel used - crude oil/diesel	--
Waste reduction policy	Yes
Water policy	Yes
Water consumption	Yes
Social	
Human rights policy	Yes
Policy against child labor	--
Quality assurance and recall policy	Yes
Consumer data protection policy	Yes
Equal opportunity policy	Yes
Gender pay gap breakout	--
Pct women in workforce	41.2
Business ethics policy	Yes
Anti-bribery ethics policy	Yes
Health and safety policy	Yes
Lost time incident rate - employees	--
Training policy	Yes
Fair remuneration policy	Yes
Number of employees - CSR	--
Total hours spent by firm - employee training	--
Social supply chain management	Yes

FY ending Dec 31	FY 2023
Governance	
Board size / Independent directors (ID) / Female	**9 / 5 / 0**
No. of board meetings for the year / % attendance	5 / 100%
Company conducts board evaluations	Yes
Number of non-executive directors on board	5
Director share ownership guidelines	No
Board age limit	No
Age of the youngest / oldest director	56 / 81
Number of executives / female	6 / 0
Executive share ownership guidelines	No
Size of audit committee / ID	**3 / 3**
Audit committee meetings	8
Audit committee meeting attendance (%)	100
Size of compensation committee	**3 / 2**
Number of compensation committee meetings	3
Compensation committee meeting attendance (%)	100
Size of nomination committee / ID	**3 / 2**
Number of nomination committee meetings	3
Nomination committee meeting attendance (%)	100
Board compensation (THB m)	6.12
Auditor fee (THB m)	2.1
(EY OFFICE LIMITED)	

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 **SETESG inclusion**, verified data must be scored at a minimum of 50% for each indicator, unless the company is a part of DJSI during the assessment year. The scoring will be fairly weighted against the nature of the relevant industry and materiality. **SETESG Index** 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%). (*The first assesses 1) advance circulation of sufficient information for voting; and 2) facilitating how voting rights can be exercised. The second assesses 1) the ease of attending meetings; 2) transparency and verifiability; and 3) openness for Q&A. The third involves the meeting minutes that should contain discussion issues, resolutions and voting results.)*	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. *(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.)*	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. *Sources to be reviewed include corporate publications and regulatory filings, news and other media, NGO reports/websites, multi-sector information, company feedback, ESG controversies, issuer feedback on draft ESG reports, and quality & peer reviews.*	A company's ESG risk rating score is the sum of unmanaged risk. The more risk is unmanaged, the higher ESG risk is scored.
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.	
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. *(Score ratings are 0 to 25 = poor; >25 to 50 = satisfactory; >50 to 75 = good; and >75 to 100 = excellent.)*	
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.

Morningstar Sustainalytics risk categories:

NEGL	Low	Medium	High	Severe
0-10	10-20	20-30	30-40	40+

MSCI ratings:

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

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

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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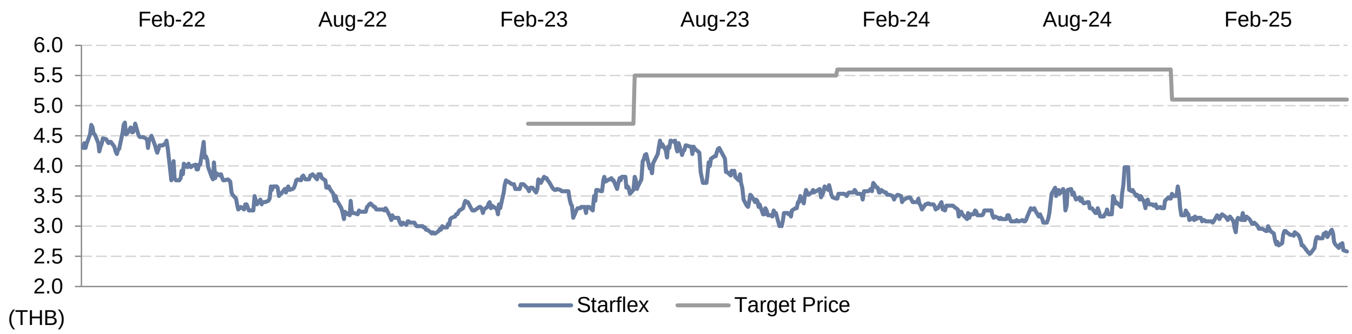
 Investment in securities has risks. Investors are advised to consider carefully before making investment decisions.

History of change in investment rating and/or target price

Starflex (SFLEX TB)



Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
10-Mar-2023	BUY	4.70	04-Dec-2023	BUY	5.60	-	-	-
12-Jun-2023	BUY	5.50	18-Sep-2024	BUY	5.10			

Jitra Amornthum started covering this stock from 10-Mar-2023

Price and TP are in local currency

Source: FSSIA estimates

Company	Ticker	Price	Rating	Valuation & Risks
Starflex	SFLEX TB	THB 2.58	BUY	Downside risks to our P/E-based TP include 1) a sharp rise in crude oil prices; 2) rising inflation pressuring consumers' purchasing power; and 3) baht depreciation.

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 17-Feb-2025 unless otherwise stated.

RECOMMENDATION STRUCTURE

Stock ratings

Stock ratings are based on absolute upside or downside, which we define as (target price* - current price) / 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.