

# NEO CORPORATE NEO TB

## THAILAND / PERSONAL PRODUCTS & PHARMACEUTICALS

# BUY

UNCHANGED

## Key takeaways from analyst meeting

TARGET PRICE THB49.50  
 CLOSE THB31.25  
 UP/DOWNSIDE +58.4%  
 TP vs CONSENSUS +21.4%

### Highlights

- Management set 2025 revenue growth at 10% y-y, with domestic growth at 10% y-y and overseas growth at 20% y-y. The recovery in Vietnam should be stronger due to the low base last year and improvements in distributor issues. They also guided that Vietnam's revenue trend in 2MTD was recovering close to pre-distributor issue levels. They target a higher proportion of overseas revenue to 15% in 2025, up from 9.5% in 2024.
- NEO aims for a gross margin of 41-43% in 2025, down from 45% in 2024. This comes from 1) higher raw material costs, particularly crude palm oil; and 2) higher depreciation costs from new factories that started operating in 1Q25, amounting to cTHB80m-90m/year (affecting the gross margin by c0.7%).
- The company continues to launch new products in 1Q25, with more than 50 new SKUs, following the release of 207 new SKUs in 2024. In addition, management targets increasing the proportion of premium products from 5% in 2024 to 7-8% in 2025 and 10% in 2026. This strategy will help differentiate their products and attract consumer interest, while also offering higher margins that may help mitigate the impact of rising costs and depreciation.

### Comments

- We have a positive view on these messages. The strategy of focusing on new product launches is well-suited to stimulate consumer spending amid intense competition and weak purchasing power. Meanwhile, the emphasis on overseas growth aligns with our outlook, where we currently expect domestic and overseas revenue growth of 6% y-y and 16.6% y-y, respectively, in 2025.
- We expect the 1Q25 gross margin will be pressured by higher raw material costs, particularly with 4Q24 CPO prices averaging MYR5,103/tonne (+25% q-q, +39% y-y) and higher depreciation from the new factory. However, we believe the market has already priced in these factors, reflected by the significant drop in the stock price recently.
- The average 1QTD CPO price is MYR4,664/tonne (-8.6% q-q), which is down from the peak in 4Q24. This price trend will start to impact NEO's costs in 2Q25. Currently, NEO is locking in raw material prices in advance, using palm oil prices that are lower than current market rates. Therefore, we believe the 1Q25 gross margin may mark the lowest point of the year. If palm oil prices continue to decrease as production increases and comes to market in April, this would be positive for a gross margin recovery in 2H25.
- We currently forecast a 2025 net profit of THB970m (-3.8% y-y). Upside risks to our estimate include better-than-expected revenue growth, lower raw material costs in 2H25, or better-than-expected performance in the premium product segment.
- The stock price is currently trading at a 2025E P/E of only 9.7x, reflecting the negative factors already.

### KEY STOCK DATA

YE Dec (THB m)	2024	2025E	2026E	2027E
Revenue	10,062	10,767	11,596	12,479
Net profit	1,008	970	1,089	1,212
EPS (THB)	3.36	3.23	3.63	4.04
vs Consensus (%)	-	(5.8)	17.6	13.6
EBITDA	1,749	1,813	2,025	2,213
Recurring net profit	1,008	970	1,089	1,212
Core EPS (THB)	3.36	3.23	3.63	4.04
EPS growth (%)	(10.1)	(3.8)	12.3	11.3
Core P/E (x)	9.3	9.7	8.6	7.7
Dividend yield (%)	4.3	4.1	4.6	5.2
EV/EBITDA (x)	5.6	6.5	6.1	5.5
Price/book (x)	1.9	1.7	1.5	1.3
Net debt/Equity (%)	9.1	43.5	45.7	39.8
ROE (%)	30.7	18.2	18.4	18.3



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	12.6	(10.7)	n/a
Relative to country (%)	24.4	10.0	n/a
Mkt cap (USD m)	277		
3m avg. daily turnover (USD m)	0.3		
Free float (%)	29		
Major shareholder	Thakolsri Family (65%)		
12m high/low (THB)	60.50/25.25		
Issued shares (m)	300.00		

Sources: Bloomberg consensus; FSSIA estimates



**Sureeporn Teewasuwet**

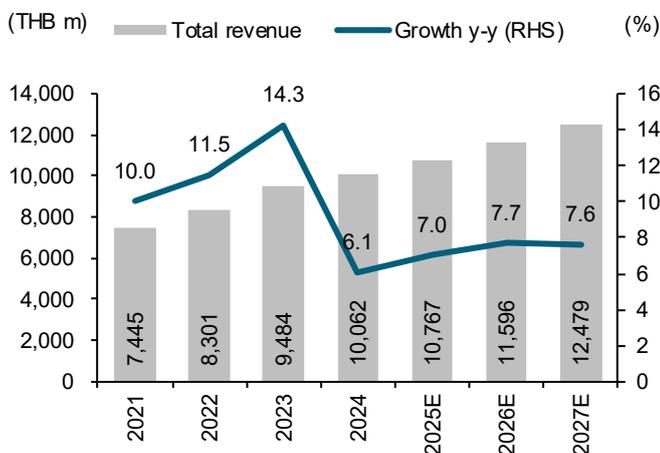
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**Exhibit 1: Maintain key assumptions for NEO**

	Forecast			Growth		
	2025E (THB m)	2026E (THB m)	2027E (THB m)	2025E (%)	2026E (%)	2027E (%)
Total revenue	10,767	11,596	12,479	7.0	7.7	7.6
Costs	6,137	6,564	7,026	10.8	6.9	7.0
Gross profit	4,630	5,033	5,453	2.3	8.7	8.4
SG&A expense	3,359	3,618	3,894	4.3	7.7	7.6
Interest expense	100	99	93	16.8	(1.9)	(6.1)
Reported net profit	970	1,089	1,212	(3.8)	12.3	11.3
Core profit	970	1,089	1,212	(3.8)	12.3	11.3
<b>Key ratios (%)</b>						
Total revenue growth	7.0	7.7	7.6			
Net profit growth	(3.8)	12.3	11.3			
Core profit growth	(3.8)	12.3	11.3			
Gross margin	43.0	43.4	43.7	(2.0)	0.4	0.3
SG&A to sales	31.2	31.2	31.2	(0.8)	0.0	0.0
Net margin	9.0	9.4	9.7	(1.0)	0.4	0.3
Core margin	9.0	9.4	9.7	(1.0)	0.4	0.3
<b>Operating statistics (THB m)</b>						
Household products revenue	4,430	4,740	5,048	6.0	7.0	6.5
Personal care products revenue	2,885	3,087	3,334	5.0	7.0	8.0
Baby and kids products revenue	3,452	3,769	4,097	10.1	9.2	8.7
Domestic revenue	9,651	10,375	11,184	6.0	7.5	7.8
Export revenue	1,115	1,221	1,295	16.6	9.5	6.0
<b>Revenue proportion (%)</b>						
Household products revenue	41.1	40.9	40.4			
Personal care products revenue	26.8	26.6	26.7			
Baby and kids products revenue	32.1	32.5	32.8			
Domestic revenue	89.6	89.5	89.6			
Export revenue	10.4	10.5	10.4			
Crude palm oil (MYR/tonne)	4,639	4,407	4,407	10.0	(5.0)	0.0
Crude palm kernel oil (MYR/tonne)	6,144	5,837	5,837	10.0	(5.0)	0.0

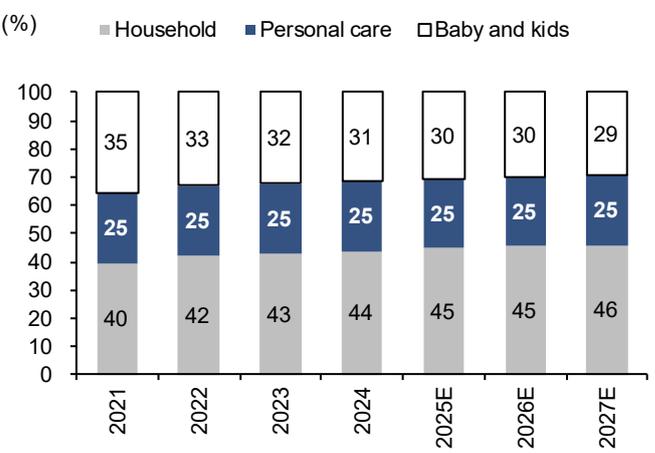
Source: FSSIA estimates

**Exhibit 2: Total revenue and growth**



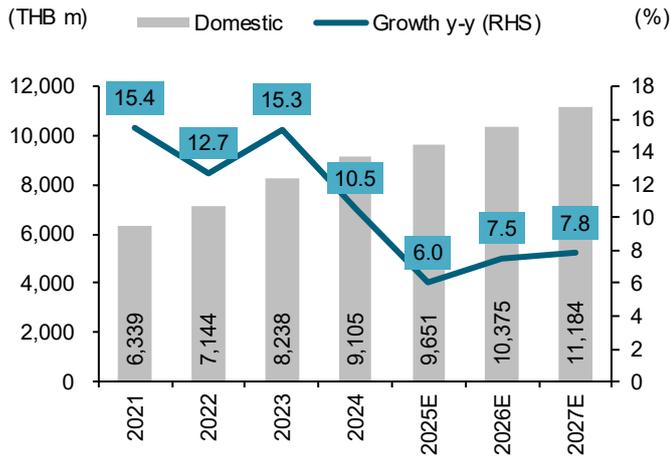
Sources: NEO; FSSIA estimates

**Exhibit 3: Revenue breakdown by product segment**



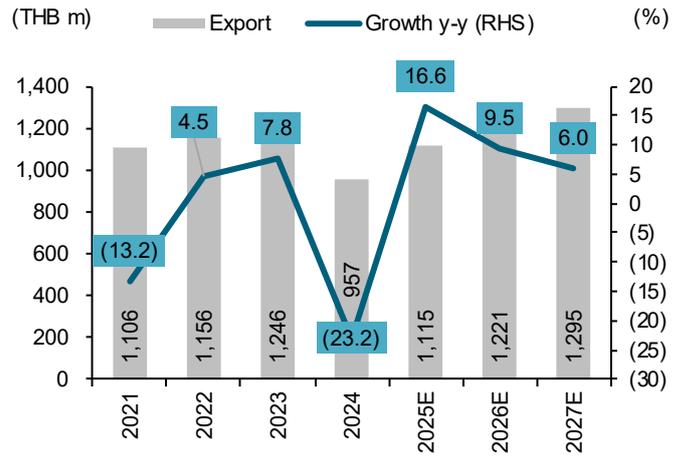
Sources: NEO; FSSIA estimates

**Exhibit 4: Revenue from domestic and growth**



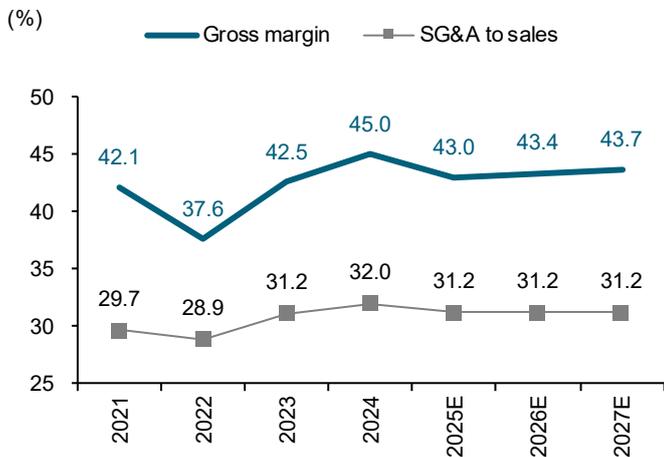
Sources: NEO; FSSIA estimates

**Exhibit 5: Revenue from export and growth**



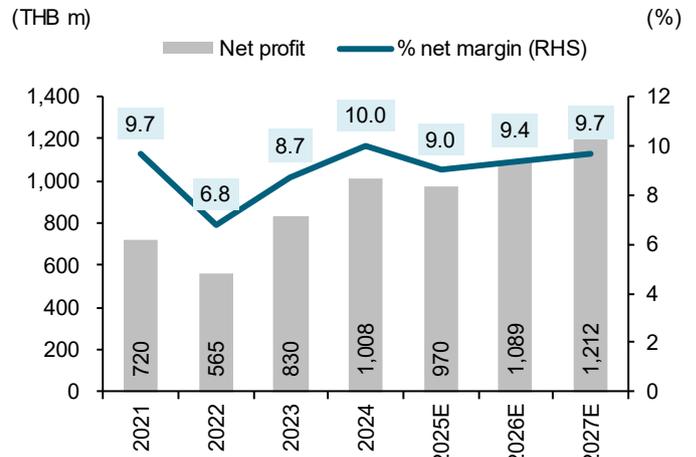
Sources: NEO; FSSIA estimates

**Exhibit 6: Gross margin and SG&A to sales**



Sources: NEO; FSSIA estimates

**Exhibit 7: Net profit and net margin**



Sources: NEO; FSSIA estimates

**Exhibit 8: Historical P/E band**



Sources: Bloomberg, FSSIA estimates

**Exhibit 9: Historical P/BV band**



Sources: Bloomberg, FSSIA estimates

## Financial Statements

### Neo Corporate

Profit and Loss (THB m) Year Ending Dec	2023	2024	2025E	2026E	2027E
Revenue	9,484	10,062	10,767	11,596	12,479
Cost of goods sold	(5,449)	(5,537)	(6,137)	(6,564)	(7,026)
<b>Gross profit</b>	<b>4,035</b>	<b>4,525</b>	<b>4,630</b>	<b>5,033</b>	<b>5,453</b>
Other operating income	28	69	65	70	75
Operating costs	(2,957)	(3,222)	(3,359)	(3,618)	(3,894)
<b>Operating EBITDA</b>	<b>1,461</b>	<b>1,749</b>	<b>1,813</b>	<b>2,025</b>	<b>2,213</b>
Depreciation	(355)	(378)	(478)	(541)	(578)
Goodwill amortisation	0	0	0	0	0
<b>Operating EBIT</b>	<b>1,106</b>	<b>1,372</b>	<b>1,335</b>	<b>1,484</b>	<b>1,635</b>
Net financing costs	(55)	(86)	(100)	(99)	(93)
Associates	0	0	0	0	0
Recurring non-operating income	0	0	0	0	0
Non-recurring items	0	0	0	0	0
<b>Profit before tax</b>	<b>1,052</b>	<b>1,286</b>	<b>1,235</b>	<b>1,386</b>	<b>1,542</b>
Tax	(212)	(262)	(247)	(277)	(308)
<b>Profit after tax</b>	<b>840</b>	<b>1,023</b>	<b>988</b>	<b>1,109</b>	<b>1,234</b>
Minority interests	(10)	(15)	(18)	(20)	(22)
Preferred dividends	0	0	0	0	0
Other items	-	-	-	-	-
<b>Reported net profit</b>	<b>830</b>	<b>1,008</b>	<b>970</b>	<b>1,089</b>	<b>1,212</b>
<b>Non-recurring items &amp; goodwill (net)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Recurring net profit</b>	<b>830</b>	<b>1,008</b>	<b>970</b>	<b>1,089</b>	<b>1,212</b>
<b>Per share (THB)</b>					
Recurring EPS *	3.74	3.36	3.23	3.63	4.04
Reported EPS	3.74	3.36	3.23	3.63	4.04
DPS	4.95	1.35	1.29	1.45	1.62
Diluted shares (used to calculate per share data)	222	300	300	300	300
<b>Growth</b>					
Revenue (%)	14.3	6.1	7.0	7.7	7.6
Operating EBITDA (%)	36.6	19.7	3.6	11.7	9.3
Operating EBIT (%)	48.2	24.0	(2.7)	11.2	10.1
Recurring EPS (%)	47.0	(10.1)	(3.8)	12.3	11.3
Reported EPS (%)	47.0	(10.1)	(3.8)	12.3	11.3
<b>Operating performance</b>					
Gross margin inc. depreciation (%)	42.5	45.0	43.0	43.4	43.7
Gross margin exc. depreciation (%)	46.3	48.7	47.4	48.1	48.3
Operating EBITDA margin (%)	15.4	17.4	16.8	17.5	17.7
Operating EBIT margin (%)	11.7	13.6	12.4	12.8	13.1
Net margin (%)	8.7	10.0	9.0	9.4	9.7
Effective tax rate (%)	20.2	20.4	20.0	20.0	20.0
Dividend payout on recurring profit (%)	132.5	40.2	40.0	40.0	40.0
Interest cover (X)	20.3	16.0	13.3	15.1	17.7
Inventory days	58.6	60.0	62.3	63.3	63.2
Debtor days	75.4	75.9	77.2	77.1	77.2
Creditor days	127.3	179.2	126.9	79.1	79.0
Operating ROIC (%)	23.8	22.7	15.1	13.3	13.4
ROIC (%)	22.5	21.6	14.8	13.1	13.1
ROE (%)	45.0	30.7	18.2	18.4	18.3
ROA (%)	13.0	12.0	9.3	9.5	9.8
* Pre exceptional, pre-goodwill and fully diluted					
<b>Revenue by Division (THB m)</b>					
Household products	4,127	4,179	4,430	4,740	5,048
Personal care products	2,287	2,748	2,885	3,087	3,334
Baby and kids products	3,070	3,135	3,452	3,769	4,097

Sources: Neo Corporate; FSSIA estimates

## Financial Statements

### Neo Corporate

Cash Flow (THB m) Year Ending Dec	2023	2024	2025E	2026E	2027E
Recurring net profit	830	1,008	970	1,089	1,212
Depreciation	355	378	478	541	578
Associates & minorities	-	-	-	-	-
Other non-cash items	(243)	4	1	0	0
Change in working capital	157	(111)	(153)	(40)	(42)
<b>Cash flow from operations</b>	<b>1,098</b>	<b>1,279</b>	<b>1,296</b>	<b>1,590</b>	<b>1,748</b>
Capex - maintenance	(704)	(2,088)	(2,955)	(1,599)	(1,208)
Capex - new investment	-	-	-	-	-
Net acquisitions & disposals	-	-	-	-	-
Other investments (net)	(132)	88	54	(11)	(11)
<b>Cash flow from investing</b>	<b>(837)</b>	<b>(2,000)</b>	<b>(2,901)</b>	<b>(1,610)</b>	<b>(1,220)</b>
Dividends paid	(1,657)	(500)	(388)	(435)	(485)
Equity finance	0	2,979	0	0	0
Debt finance	1,652	(132)	415	42	(87)
Other financing cash flows	9	33	6	33	35
<b>Cash flow from financing</b>	<b>3</b>	<b>2,380</b>	<b>33</b>	<b>(361)</b>	<b>(537)</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>265</b>	<b>1,659</b>	<b>(1,572)</b>	<b>(381)</b>	<b>(8)</b>
Free cash flow to firm (FCFF)	315.80	(635.10)	(1,504.42)	78.49	621.19
Free cash flow to equity (FCFE)	1,921.90	(820.68)	(1,183.60)	54.79	476.58

#### Per share (THB)

FCFF per share	1.05	(2.12)	(5.01)	0.26	2.07
FCFE per share	6.41	(2.74)	(3.95)	0.18	1.59
Recurring cash flow per share	4.24	4.63	4.83	5.43	5.97

Balance Sheet (THB m) Year Ending Dec	2023	2024	2025E	2026E	2027E
Tangible fixed assets (gross)	5,764	7,736	9,836	11,159	11,947
Less: Accumulated depreciation	(2,068)	(2,330)	(1,967)	(2,232)	(2,389)
<b>Tangible fixed assets (net)</b>	<b>3,696</b>	<b>5,406</b>	<b>7,869</b>	<b>8,927</b>	<b>9,557</b>
<b>Intangible fixed assets (net)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Long-term financial assets	-	-	-	-	-
Invest. in associates & subsidiaries	6	5	5	5	5
Cash & equivalents	488	2,147	576	195	187
A/C receivable	1,992	2,195	2,360	2,542	2,735
Inventories	772	924	1,009	1,079	1,155
Other current assets	52	63	54	58	62
<b>Current assets</b>	<b>3,304</b>	<b>5,329</b>	<b>3,998</b>	<b>3,874</b>	<b>4,139</b>
Other assets	282	194	140	151	162
<b>Total assets</b>	<b>7,287</b>	<b>10,934</b>	<b>12,012</b>	<b>12,957</b>	<b>13,864</b>
Common equity	1,544	5,032	5,600	6,253	6,980
Minorities etc.	24	27	29	29	30
<b>Total shareholders' equity</b>	<b>1,568</b>	<b>5,059</b>	<b>5,628</b>	<b>6,282</b>	<b>7,009</b>
Long term debt	1,740	2,045	2,506	2,547	2,460
Other long-term liabilities	392	425	431	464	499
<b>Long-term liabilities</b>	<b>2,131</b>	<b>2,469</b>	<b>2,936</b>	<b>3,011</b>	<b>2,959</b>
A/C payable	2,391	2,676	1,261	1,349	1,444
Short term debt	1,001	564	518	518	518
Other current liabilities	196	166	1,669	1,797	1,934
<b>Current liabilities</b>	<b>3,588</b>	<b>3,406</b>	<b>3,448</b>	<b>3,664</b>	<b>3,896</b>
<b>Total liabilities and shareholders' equity</b>	<b>7,287</b>	<b>10,934</b>	<b>12,012</b>	<b>12,957</b>	<b>13,864</b>
Net working capital	229	340	493	532	575
Invested capital	4,212	5,945	8,507	9,616	10,300

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

#### Per share (THB)

Book value per share	6.95	16.77	18.67	20.84	23.27
Tangible book value per share	6.95	16.77	18.67	20.84	23.27

#### Financial strength

Net debt/equity (%)	143.7	9.1	43.5	45.7	39.8
Net debt/total assets (%)	30.9	4.2	20.4	22.2	20.1
Current ratio (x)	0.9	1.6	1.2	1.1	1.1
CF interest cover (x)	36.2	(8.5)	(10.8)	1.6	6.1

Valuation	2023	2024	2025E	2026E	2027E
<b>Recurring P/E (x) *</b>	<b>8.4</b>	<b>9.3</b>	<b>9.7</b>	<b>8.6</b>	<b>7.7</b>
<b>Recurring P/E @ target price (x) *</b>	<b>13.2</b>	<b>14.7</b>	<b>15.3</b>	<b>13.6</b>	<b>12.3</b>
Reported P/E (x)	8.4	9.3	9.7	8.6	7.7
Dividend yield (%)	15.8	4.3	4.1	4.6	5.2
Price/book (x)	4.5	1.9	1.7	1.5	1.3
Price/tangible book (x)	4.5	1.9	1.7	1.5	1.3
EV/EBITDA (x) **	6.3	5.6	6.5	6.1	5.5
EV/EBITDA @ target price (x) **	9.1	8.8	9.6	8.8	8.0
EV/invested capital (x)	2.2	1.7	1.4	1.3	1.2

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

Sources: Neo Corporate; FSSIA estimates

# Neo Corporate PCL (NEO TB)

FSSIA ESG rating
n/a

## Exhibit 10: 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 11: ESG – peer comparison

	FSSIA ESG score	Domestic ratings						Global ratings					Bloomberg		
		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
APCO	16.00	--	--	--	4.00	4.00	Declared	--	--	--	--	--	--	--	--
DDD	15.00	--	--	--	5.00	5.00	--	--	--	--	--	--	--	--	--
NEO	n/a	--	--	--	--	--	--	--	--	--	--	--	--	--	--

Sources: [SETTRADE.com](http://SETTRADE.com); FSSIA's compilation

## Exhibit 12: 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 / 4 / 3</b>
Climate change opportunities discussed	--	No. of board meetings for the year / % attendance	9 / 98.8%
GHG scope 2 location-based policy	Yes	Company conducts board evaluations	Yes
Biodiversity policy	Yes	Number of non-executive directors on board	4
Energy efficiency policy	Yes	Director share ownership guidelines	No
Electricity used	Yes	Board age limit	No
Fuel used - crude oil/diesel	Yes	Age of the youngest / oldest director	30 / 62
Waste reduction policy	Yes	Number of executives / female	7 / 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	6
Human rights policy	Yes	Audit committee meeting attendance (%)	100
Policy against child labor	Yes	<b>Size of compensation committee</b>	<b>3 / 2</b>
Quality assurance and recall policy	Yes	Number of compensation committee meetings	2
Consumer data protection policy	--	Compensation committee meeting attendance (%)	100
Equal opportunity policy	Yes	<b>Size of nomination committee / ID</b>	<b>3 / 2</b>
Gender pay gap breakout	--	Number of nomination committee meetings	2
Pct women in workforce	Yes	Nomination committee meeting attendance (%)	100
Business ethics policy	Yes	Board compensation (THB m)	2.87
Anti-bribery ethics policy	Yes	Auditor fee (THB m)	3.93
Health and safety policy	Yes	<i>(EY Office Limited)</i>	
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		

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 border="1" style="margin-top: 10px;"> <thead> <tr> <th>NEGL</th> <th>Low</th> <th>Medium</th> <th>High</th> <th>Severe</th> </tr> </thead> <tbody> <tr> <td>0-10</td> <td>10-20</td> <td>20-30</td> <td>30-40</td> <td>40+</td> </tr> </tbody> </table>	NEGL	Low	Medium	High	Severe	0-10	10-20	20-30	30-40	40+									
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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 border="1" style="margin-top: 10px;"> <tbody> <tr> <td><b>AAA</b></td> <td>8.571-10.000</td> <td rowspan="3"><b>Leader:</b></td> <td rowspan="3">leading its industry in managing the most significant ESG risks and opportunities</td> </tr> <tr> <td><b>AA</b></td> <td>7.143-8.570</td> </tr> <tr> <td><b>A</b></td> <td>5.714-7.142</td> </tr> <tr> <td><b>BBB</b></td> <td>4.286-5.713</td> <td rowspan="3"><b>Average:</b></td> <td rowspan="3">a mixed or unexceptional track record of managing the most significant ESG risks and opportunities relative to industry peers</td> </tr> <tr> <td><b>BB</b></td> <td>2.857-4.285</td> </tr> <tr> <td><b>B</b></td> <td>1.429-2.856</td> </tr> <tr> <td><b>CCC</b></td> <td>0.000-1.428</td> <td><b>Laggard:</b></td> <td>lagging its industry based on its high exposure and failure to manage significant ESG risks</td> </tr> </tbody> </table>	<b>AAA</b>	8.571-10.000	<b>Leader:</b>	leading its industry in managing the most significant ESG risks and opportunities	<b>AA</b>	7.143-8.570	<b>A</b>	5.714-7.142	<b>BBB</b>	4.286-5.713	<b>Average:</b>	a mixed or unexceptional track record of managing the most significant ESG risks and opportunities relative to industry peers	<b>BB</b>	2.857-4.285	<b>B</b>	1.429-2.856	<b>CCC</b>	0.000-1.428	<b>Laggard:</b>	lagging its industry based on its high exposure and failure to manage significant ESG risks
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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**

Sureeporn Teewasuwet FSS International Investment Advisory Securities Co., Ltd

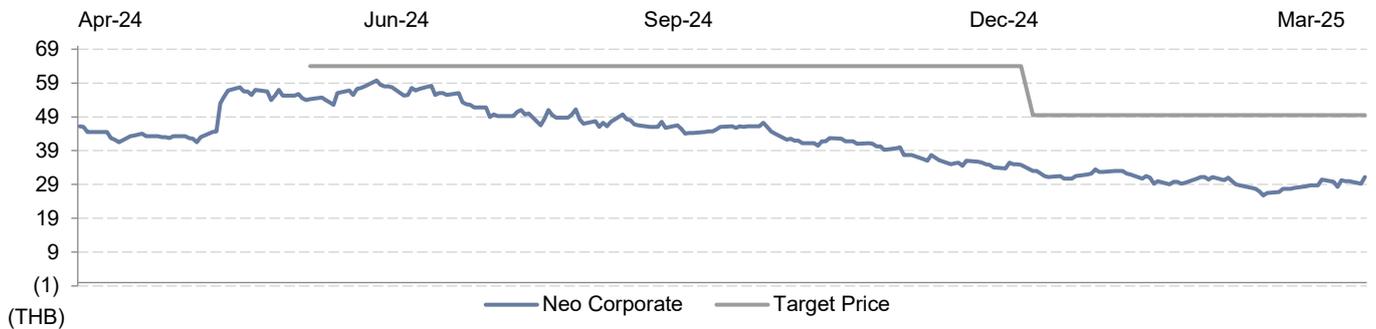
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**History of change in investment rating and/or target price**

**Neo Corporate (NEO TB)**



Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
06-Jun-2024	BUY	64.00	06-Dec-2024	BUY	49.50	-	-	-

Sureeporn Teewasuwet started covering this stock from 06-Jun-2024

Price and TP are in local currency

Source: FSSIA estimates

Company	Ticker	Price	Rating	Valuation & Risks
Neo Corporate	NEO TB	THB 31.25	BUY	Downside risks to our P/E-based TP include 1) a slower-than-expected consumption recovery; 2) the high volatility of raw material prices; 3) changing consumer demand and lifestyles; and 4) a failure of new products.

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 04-Mar-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.