

NEO CORPORATE NEO TB

THAILAND / PERSONAL PRODUCTS & PHARMACEUTICALS

BUY

UNCHANGED

หุ้น Domestic พร้อม P/E ที่น่าสนใจ

- กำไรสุทธิ 1Q25 อาจดีกว่าที่เคยคาดจากอัตรากำไรขั้นต้นที่สูงขึ้นและค่าใช้จ่ายการขายและบริหารที่ลดลง
- ต้นทุนวัตถุดิบน่าจะผ่านจุดสูงสุดไปแล้วใน 1Q25 สถานการณ์ในปัจจุบันใกล้เคียงกับที่เราคาด
- NEO เป็นหุ้น Domestic ซึ่งไม่ได้รับผลกระทบทางตรงจากภาษีนำเข้าของสหรัฐฯ

TARGET PRICE	THB49.50
CLOSE	THB27.50
UP/DOWNSIDE	+80.0%
PRIOR TP	THB49.50
CHANGE IN TP	UNCHANGED
TP vs CONSENSUS	+24.6%

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 (%)	-	9.5	6.6	0.7
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
Chg. In EPS est. (%)	-	-	-	-
EPS growth (%)	(10.1)	(3.8)	12.3	11.3
Core P/E (x)	8.2	8.5	7.6	6.8
Dividend yield (%)	4.9	4.7	5.3	5.9
EV/EBITDA (x)	5.0	5.9	5.5	5.0
Price/book (x)	1.6	1.5	1.3	1.2
Net debt/Equity (%)	9.1	43.5	45.7	39.8
ROE (%)	30.7	18.2	18.4	18.3

กำไรสุทธิ 1Q25 ดีกว่าที่คาด

เรคาดกำไรสุทธิ 1Q25 อยู่ที่ 245 ลบ. (+2% q-q, -8.4% y-y) ดีกว่าที่เคยคาดแม้ว่าจะได้รับผลกระทบจากราคาน้ำมันปาล์มดิบที่สูงขึ้นอย่างมีนัยสำคัญใน 4Q24 (+25% q-q, +37% y-y) ซึ่งน่าจะส่งผลกระทบต่อต้นทุนใน 1Q25 อย่างไรก็ดีรายได้ที่โตต่อเนื่อง อัตราการใช้กำลังการผลิตที่อยู่ในระดับสูงและค่าเสื่อมของโรงงานใหม่เพียง 10 วันทำให้เรคาดว่าอัตรากำไรขั้นต้น 1Q25 จะลดลงเล็กน้อยเป็น 42% จาก 42.8% ใน 4Q24 (ยังอยู่ในเป้าหมายของ NEO ที่ 41-43%) ซึ่งดีกว่าที่เราเคยคาดไว้ที่ต่ำกว่า 41%

รายได้ทั้งในประเทศและส่งออกน่าจะโตต่อเนื่อง y-y

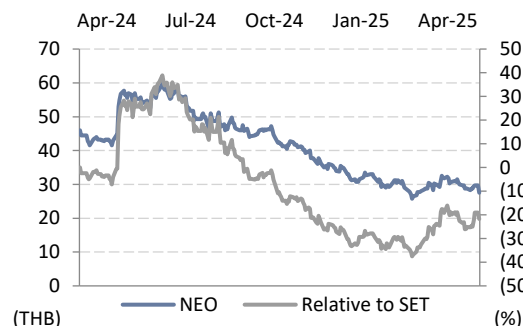
เรคาดว่ารายได้รวม 1Q25 จะสูงขึ้น 5% y-y แต่ลดลง 2.4% q-q จากปัจจัยด้านฤดูกาล แม้ว่าในภาพรวมตลาด Personal care ใน 1Q25 อาจลดลง y-y จากอำนาจในการซื้อที่ลดลงและแผนส่งเสริมการตลาดในอุตสาหกรรมทั้งหมดไป NEO น่าจะยังโตโดยเฉพาะในช่องทางการจัดจำหน่าย Modern trade ในประเทศ ในขณะที่เดียวกันเรคาดว่ารายได้ส่งออกจะสูงขึ้น 7% y-y จากการฟื้นตัวในตลาดเวียดนามแต่ลดลง 6% q-q จากปัจจัยด้านฤดูกาล อีกหนึ่งปัจจัยที่จะหนุนกำไรใน 1Q25 น่าจะอยู่ที่ค่าใช้จ่ายที่คาดว่าจะลดลง q-q เนื่องจากไม่มีกิจกรรมการตลาดที่สำคัญจากเหตุผลดังกล่าวสัดส่วนค่าใช้จ่ายการขายและบริหารต่อยอดขายน่าจะลดลงเหลือ 30% ต่ำกว่าเป้าหมายปี 32%

ต้นทุนมีแนวโน้มลดลงตั้งแต่ 2Q25

ถ้าผลประกอบการ 1Q25 ออกมาตามคาดกำไรสุทธิจะคิดเป็น 25.3% ของประมาณการกำไรทั้งปีของเรา เรคาดว่ากำไรสุทธิ 2Q25 จะดีขึ้นต่อเนื่อง แม้ว่าบริษัท จะต้องรับรู้ค่าเสื่อมเพิ่มไตรมาสที่ประมาณ 22 ลบ./ไตรมาส (หรือ 0.8% ของรายได้) ต้นทุนวัตถุดิบที่ลดลงน่าจะช่วยชดเชยปัจจัยดังกล่าวใน 2Q25 หลังราคาน้ำมันปาล์มดิบลดลง 7% q-q ใน 1Q25 เราเชื่อว่าต้นทุนวัตถุดิบผ่านจุดสูงสุดไปแล้วใน 1Q25 นอกจากนี้เรายังคาดว่าจะรายได้จากเวียดนามจะเร่งตัวขึ้นใน 2Q25 ในขณะที่ NEO เริ่มรับรู้ยอดขายจากผู้จัดจำหน่ายรายใหม่ในช่องทางการจัดจำหน่ายแบบ Modern trade

คงประมาณการกำไรปี 2025

เราคงประมาณการกำไรแบบ Conservative ของเราในปี 2025 เนื่องจากสถานการณ์ในปัจจุบันสอดคล้องกับประมาณการของเรา แม้ว่าอัตราการเติบโตจะไม่น่าตื่นเต้นเป็นพิเศษ บริษัท ยังมีผลประกอบการที่สม่ำเสมอและมีเสถียรภาพโดยไม่ผันผวนอย่างมีนัยสำคัญ เรามองว่า NEO เป็นหุ้น Domestic ซึ่งไม่ได้รับผลกระทบทางตรงจากภาษีนำเข้าของสหรัฐฯ บริษัท ดำเนินกิจการในกลุ่มสินค้าที่มีความจำเป็นซึ่งอาจได้ประโยชน์จากต้นทุนวัตถุดิบที่ลดลงอย่างต่อเนื่อง ปัจจุบันหุ้นมีการซื้อขายที่เพียง 8.5x 2025E P/E และเรคาดว่าหุ้นจะให้ผลตอบแทนในรูปเงินปันผลที่ 5%



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	(13.4)	(11.3)	n/a
Relative to country (%)	(3.1)	14.6	n/a
Mkt cap (USD m)	237		
3m avg. daily turnover (USD m)	0.4		
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



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บทวิเคราะห์ฉบับนี้แปลมาจากต้นฉบับภาษาอังกฤษ ที่ออกรายงานเมื่อวันที่ 9 เมษายน 2025

Investment thesis

Despite high competition in the Thai consumer products industry, NEO's products stand out with one unique characteristic – their scent. It is a leader in almost every product category, such as D-nee (#1 in laundry detergent and fabric softener), Fineline (#2 in laundry detergent), and BeNice (#2 in shower cream).

Although we expect the growth to be exciting, it is projected to be steady due to its leadership in the Thai consumer products market and its well-known reputation. In addition, NEO plans to expand its international market, particularly CLMV, which prefers Thai consumer goods brands. If it grows better than expected, it would be an upside to our estimate.

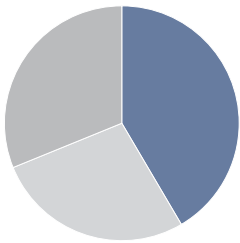
Company profile

NEO operates in the marketing, production, and distribution of consumer products. The company has been in business for over 34 years and has three main product segments: 1) household products; 2) personal care products; and 3) baby and kids products. For 2024, these product segments accounted for 41.5%/27.3%/31.2% of total revenue, respectively. The majority of revenue was in Thailand, representing 90.5% of total revenue, while 9.5% came from exports.

www.neo-corporate.com

Principal activities (revenue, 2024)

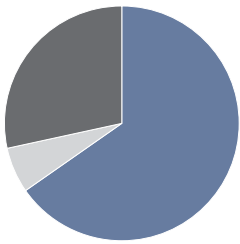
- Household products - 41.5 %
- Personal care products - 27.3 %
- Baby and kids products - 31.2 %



Source: Neo Corporate

Major shareholders

- Thakolsri Family - 65.3 %
- Finansa Fund Management - 6.3 %
- Others - 28.4 %



Source: Neo Corporate

Catalysts

Potential catalysts for NEO's earnings growth in 2025 are 1) revenue growth driven by sales volumes; 2) gaining higher domestic market share; 3) declining raw material and packaging costs; and 4) the success of its new product launches.

Risks to our call

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.

Event calendar

Date	Event
13 May 2025	1Q25 results announcement
20 May 2025	1Q25 analyst meeting

Key assumptions

	2025E	2026E	2027E
Household revenue growth (%)	6.0	7.0	6.5
Personal care revenue growth (%)	5.0	7.0	8.0
Baby and kids revenue growth (%)	10.1	9.2	8.7
Total revenue growth (%)	7.0	7.7	7.6
Gross margin (%)	43.0	43.4	43.7
SG&A to sales (%)	31.2	31.2	31.2

Source: FSSIA estimates

Earnings sensitivity

- For every 1% increase in revenue, we estimate 2025 net profit to rise by 1.2%, and vice versa, all else being equal.
- For every 0.5% increase in GPM, we estimate 2025 net profit to rise by 4.1%, and vice versa, all else being equal.
- For every 0.2% increase in SG&A, we estimate 2025 net profit to fall by 1.6%, and vice versa, all else being equal.

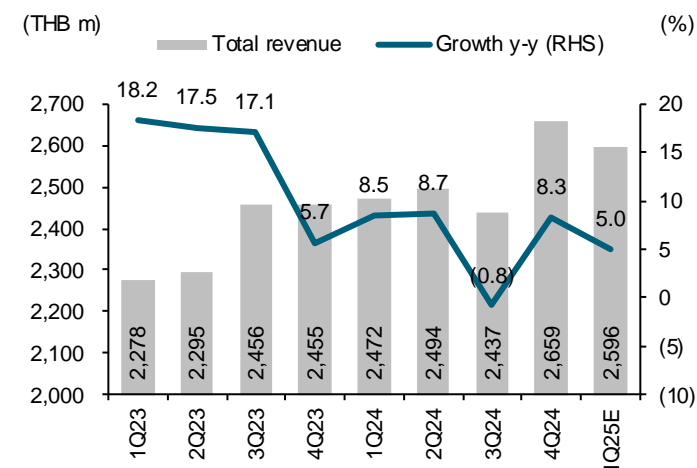
Source: FSSIA estimates

Exhibit 1: NEO – 1Q25 earnings preview

	1Q24	2Q24	3Q24	4Q24	1Q25E	----- Change -----		2024	2025E	Change	% 1Q25E
	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(q-q%)	(y-y%)	(THB m)	(THB m)	(y-y%)	to 2025E
Sales	2,472	2,494	2,437	2,659	2,596	(2.4)	5.0	10,062	10,767	7.0	24.1
Cost of sales	1,337	1,326	1,355	1,521	1,506	(1.0)	12.7	5,537	6,137	10.8	24.5
Gross profit	1,136	1,168	1,082	1,139	1,090	(4.2)	(4.0)	4,525	4,630	2.3	23.6
SG&A	780	827	788	827	779	(5.8)	(0.2)	3,222	3,359	4.3	23.2
Operating profit	364	361	314	333	332	(0.3)	(9.0)	1,372	1,335	(2.7)	24.8
Interest expense	24	21	22	19	20	3.5	(17.2)	86	100	16.8	19.9
Tax expense	68	67	58	69	62	(9.7)	(8.3)	262	247	(5.8)	25.2
Reported net profit	268	269	231	241	245	2.0	(8.4)	1,008	970	(3.8)	25.3
Core profit	268	269	231	241	245	2.0	(8.4)	1,008	970	(3.8)	25.3
Key Ratios (%)						(ppt)	(ppt)				
Gross margin	45.9	46.8	44.4	42.8	42.0	(0.8)	(3.9)	45.0	43.0	(2.0)	
SG&A / Sales	31.5	33.2	32.3	31.1	30.0	(1.1)	(1.5)	32.0	31.2	(0.8)	
Operating margin	14.7	14.5	12.9	12.5	12.8	0.3	(2.0)	13.6	12.4	(1.2)	
Net margin	10.8	10.8	9.5	9.0	9.5	0.4	(1.4)	10.0	9.0	(1.0)	
Core margin	10.8	10.8	9.5	9.0	9.5	0.4	(1.4)	10.0	9.0	(1.0)	
Operating Statistics (THB m)											
Household products revenue	1,024	1,004	1,025	1,125	1,098	(2.4)	7.2	4,179	4,430	6.0	24.8
Personal care products revenue	699	643	705	701	715	2.0	2.3	2,748	2,885	5.0	24.8
Baby and kids products revenue	749	847	707	833	783	(6.0)	4.6	3,135	3,452	10.1	22.7
Domestic revenue	2,250	2,206	2,244	2,405	2,358	(2.0)	4.8	9,105	9,651	6.0	24.4
Export revenue	223	288	193	253	238	(6.1)	7.0	957	1,115	16.6	21.3
Crude palm oil (MYR/tonne)	3,721	3,969	4,076	5,103	4,738	(7.1)	27.3	4,217.3	4,639.0	10.0	
Crude palm kernel oil (MYR/tonne)	4,343	5,069	5,402	7,527	7,651	1.6	76.2	5,585.4	6,144.0	10.0	
Revenue Proportion (%)											
Household products revenue	41.4	40.3	42.1	42.3	42.3	(0.0)	0.9	41.5	41.1	(0.4)	
Personal care products revenue	28.3	25.8	28.9	26.4	27.5	1.2	(0.7)	27.3	26.8	(0.5)	
Baby and kids products revenue	30.3	34.0	29.0	31.3	30.2	(1.2)	(0.1)	31.2	32.1	0.9	
Domestic revenue	91.0	88.5	92.1	90.4	90.8	0.4	(0.2)	90.5	89.6	(0.8)	
Export revenue	9.0	11.5	7.9	9.5	9.2	(0.4)	0.2	9.5	10.4	0.8	

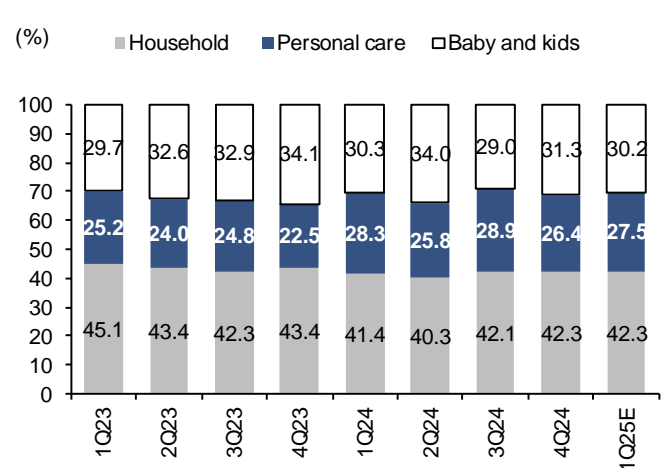
Sources: NEO, FSSIA estimates

Exhibit 2: Quarterly total revenue and growth

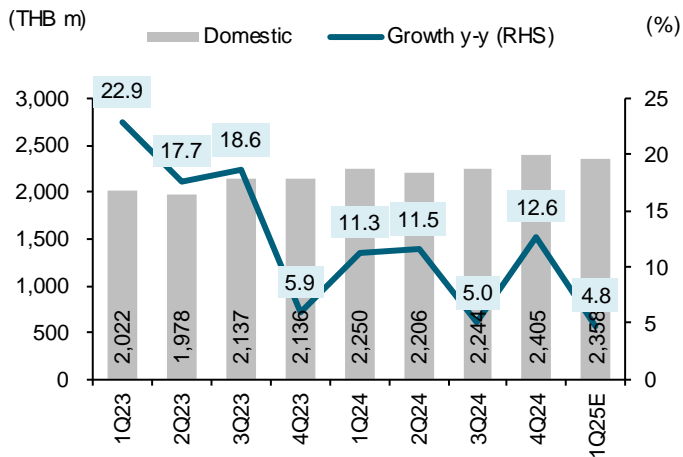


Sources: NEO, FSSIA estimates

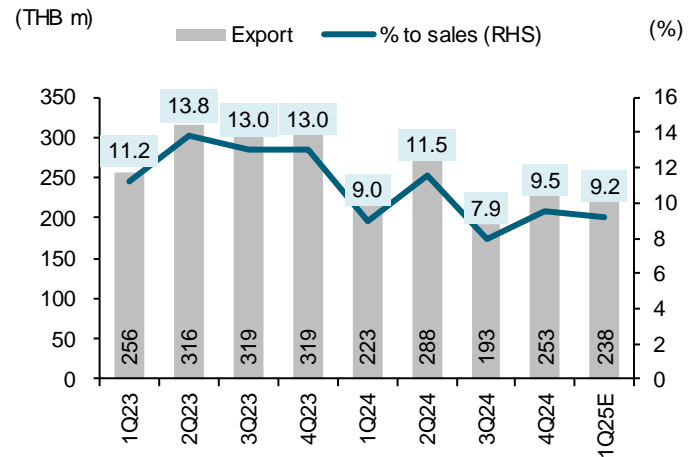
Exhibit 3: Quarterly revenue breakdown by product segment



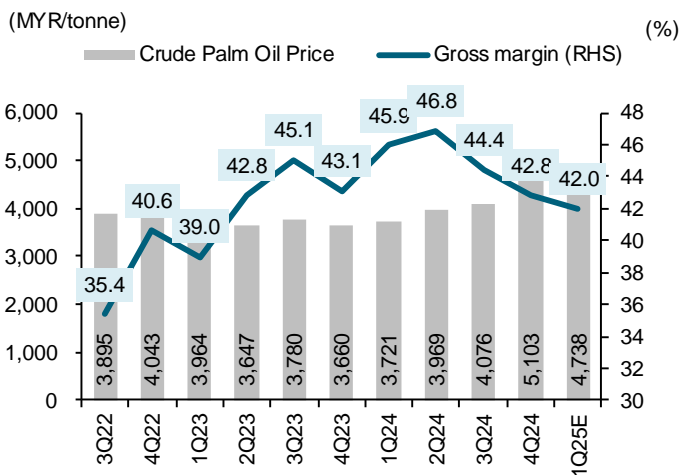
Sources: NEO, FSSIA estimates

Exhibit 4: Quarterly domestic revenue and growth

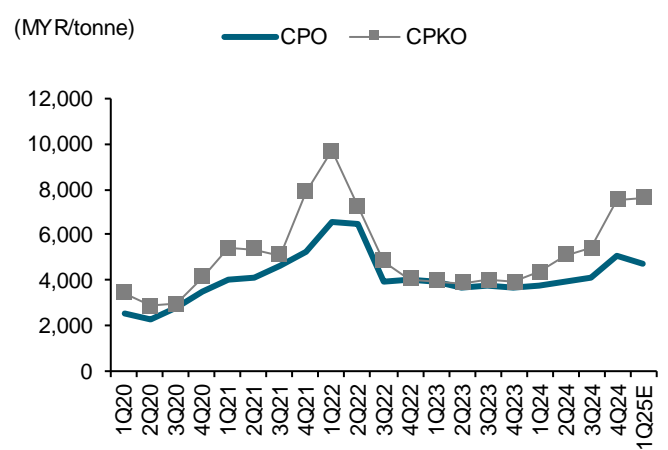
Sources: NEO, FSSIA estimates

Exhibit 5: Quarterly export revenue

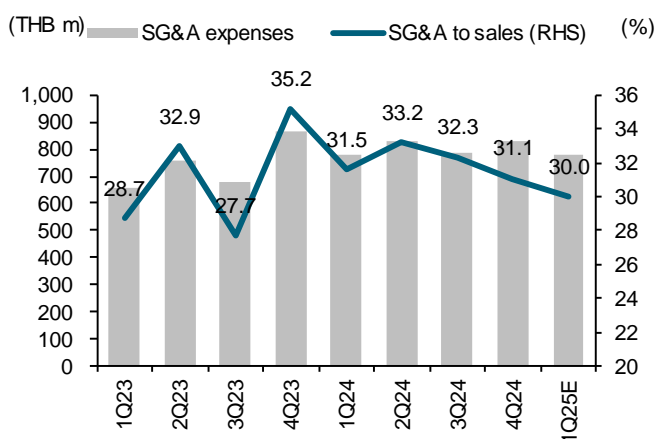
Sources: NEO, FSSIA estimates

Exhibit 6: Quarterly gross margin and crude palm oil

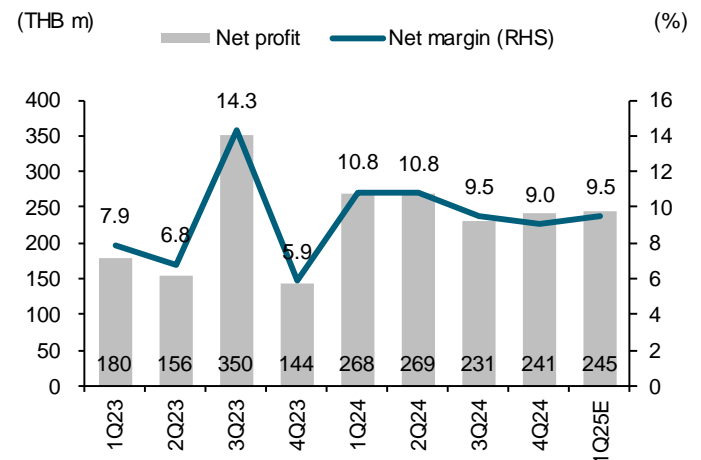
Sources: NEO, FSSIA estimates

Exhibit 7: Quarterly crude palm oil and crude kernel palm oil

Sources: NEO, FSSIA estimates

Exhibit 8: Quarterly SG&A expenses

Sources: NEO, FSSIA estimates

Exhibit 9: Quarterly net profit and net margin

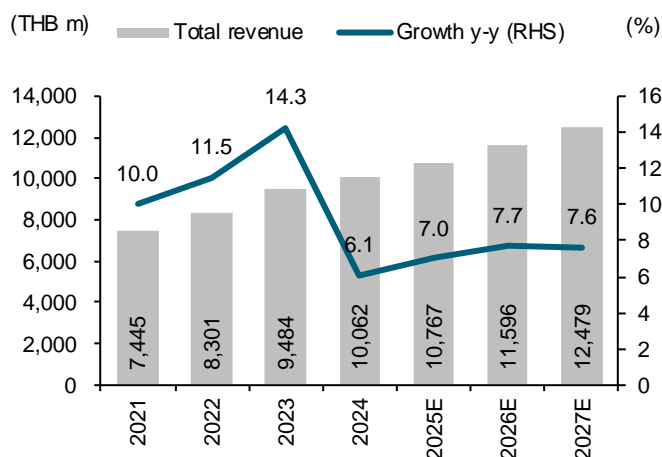
Sources: NEO, FSSIA estimates

Exhibit 10: Key assumptions for NEO (maintained)

	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
Key ratios (%)						
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
Operating statistics (THB m)						
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
Revenue proportion (%)						
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

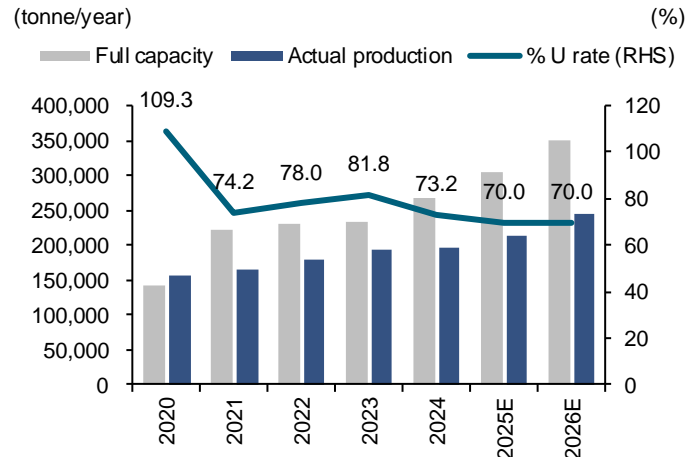
Source: FSSIA estimates

Exhibit 11: Yearly total revenue and growth

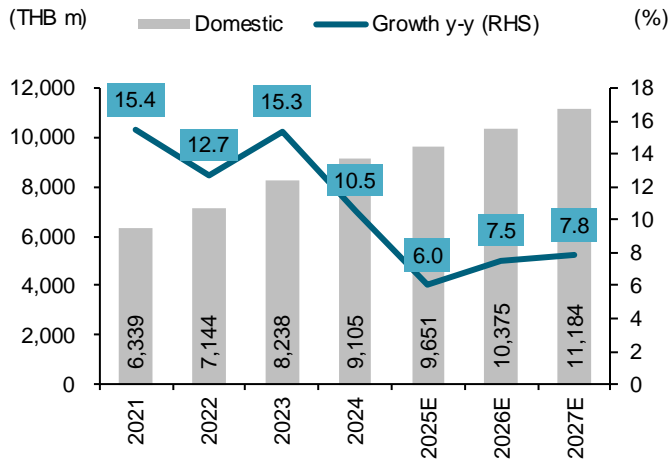


Sources: NEO, FSSIA estimates

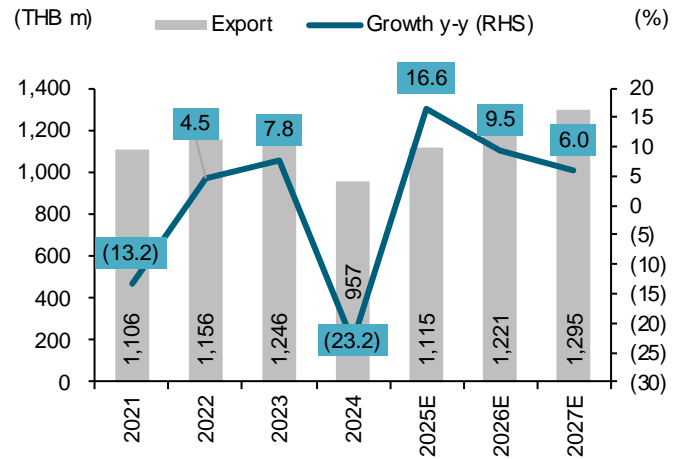
Exhibit 12: Capacity production and utilization rate



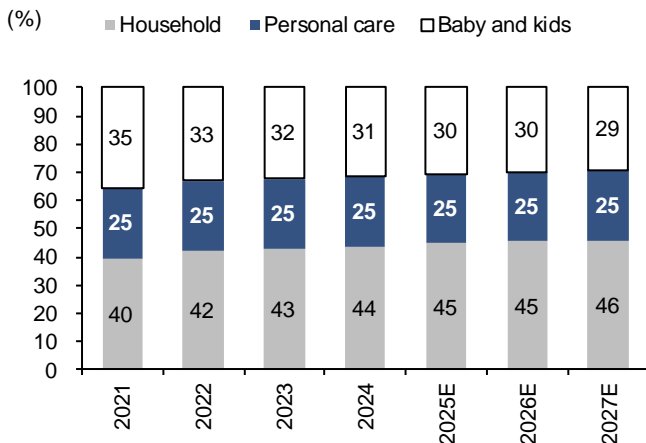
Sources: NEO, FSSIA estimates

Exhibit 13: Yearly domestic revenue and growth

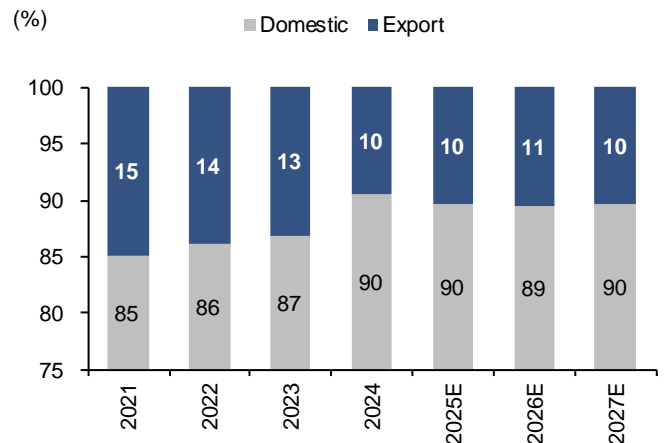
Sources: NEO, FSSIA estimates

Exhibit 14: Yearly export revenue and growth

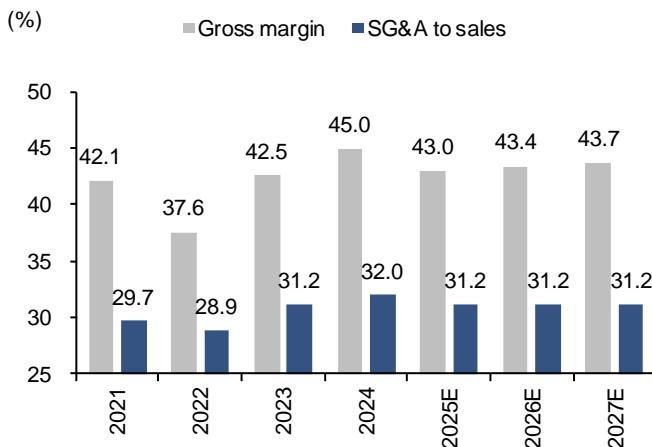
Sources: NEO, FSSIA estimates

Exhibit 15: Revenue contribution by product segment

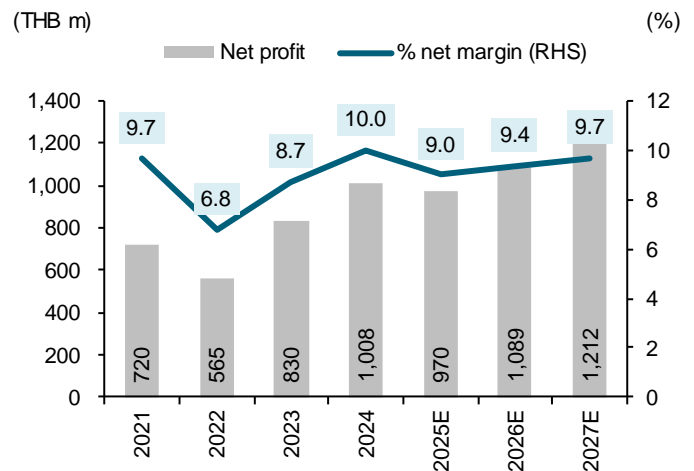
Sources: NEO, FSSIA estimates

Exhibit 16: Revenue contribution by destination

Sources: NEO, FSSIA estimates

Exhibit 17: Yearly gross margin and SG&A to sales

Sources: NEO, FSSIA estimates

Exhibit 18: Yearly net profit and net margin

Sources: NEO, 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)
Gross profit	4,035	4,525	4,630	5,033	5,453
Other operating income	28	69	65	70	75
Operating costs	(2,957)	(3,222)	(3,359)	(3,618)	(3,894)
Operating EBITDA	1,461	1,749	1,813	2,025	2,213
Depreciation	(355)	(378)	(478)	(541)	(578)
Goodwill amortisation	0	0	0	0	0
Operating EBIT	1,106	1,372	1,335	1,484	1,635
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
Profit before tax	1,052	1,286	1,235	1,386	1,542
Tax	(212)	(262)	(247)	(277)	(308)
Profit after tax	840	1,023	988	1,109	1,234
Minority interests	(10)	(15)	(18)	(20)	(22)
Preferred dividends	0	0	0	0	0
Other items	-	-	-	-	-
Reported net profit	830	1,008	970	1,089	1,212
Non-recurring items & goodwill (net)	-	-	-	-	-
Recurring net profit	830	1,008	970	1,089	1,212
Per share (THB)					
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
Growth					
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
Operating performance					
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

Revenue by Division (THB m)	2023	2024	2025E	2026E	2027E
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)
Cash flow from operations	1,098	1,279	1,296	1,590	1,748
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)
Cash flow from investing	(837)	(2,000)	(2,901)	(1,610)	(1,220)
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
Cash flow from financing	3	2,380	33	(361)	(537)
Non-recurring cash flows	-	-	-	-	-
Other adjustments	0	0	0	0	0
Net other adjustments	0	0	0	0	0
Movement in cash	265	1,659	(1,572)	(381)	(8)
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)
Tangible fixed assets (net)	3,696	5,406	7,869	8,927	9,557
Intangible fixed assets (net)	0	0	0	0	0
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
Current assets	3,304	5,329	3,998	3,874	4,139
Other assets	282	194	140	151	162
Total assets	7,287	10,934	12,012	12,957	13,864
Common equity	1,544	5,032	5,600	6,253	6,980
Minorities etc.	24	27	29	29	30
Total shareholders' equity	1,568	5,059	5,628	6,282	7,009
Long term debt	1,740	2,045	2,506	2,547	2,460
Other long-term liabilities	392	425	431	464	499
Long-term liabilities	2,131	2,469	2,936	3,011	2,959
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
Current liabilities	3,588	3,406	3,448	3,664	3,896
Total liabilities and shareholders' equity	7,287	10,934	12,012	12,957	13,864
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
Recurring P/E (x) *	7.4	8.2	8.5	7.6	6.8
Recurring P/E @ target price (x) *	13.2	14.7	15.3	13.6	12.3
Reported P/E (x)	7.4	8.2	8.5	7.6	6.8
Dividend yield (%)	18.0	4.9	4.7	5.3	5.9
Price/book (x)	4.0	1.6	1.5	1.3	1.2
Price/tangible book (x)	4.0	1.6	1.5	1.3	1.2
EV/EBITDA (x) **	5.7	5.0	5.9	5.5	5.0
EV/EBITDA @ target price (x) **	9.1	8.8	9.6	8.8	8.0
EV/invested capital (x)	2.0	1.5	1.3	1.2	1.1
* 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 19: 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 20: 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](https://settrade.com); FSSIA's compilation

Exhibit 21: ESG disclosure from the company's one report

FY ending Dec 31	FY 2023	FY ending Dec 31	FY 2023
Environmental		Governance	
Climate change policy	Yes	Board size / Independent directors (ID) / Female	9 / 4 / 3
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	Size of audit committee / ID	3 / 3
Social		Audit committee meetings	6
Human rights policy	Yes	Audit committee meeting attendance (%)	100
Policy against child labor	Yes	Size of compensation committee	3 / 2
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	Size of nomination committee / ID	3 / 2
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	(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	--		
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 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%). <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&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 & 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
AAA	8.571-10.000	Leader:	leading its industry in managing the most significant ESG risks and opportunities																		
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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																		
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; >25 to 50 = satisfactory; >50 to 75 = good; and >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

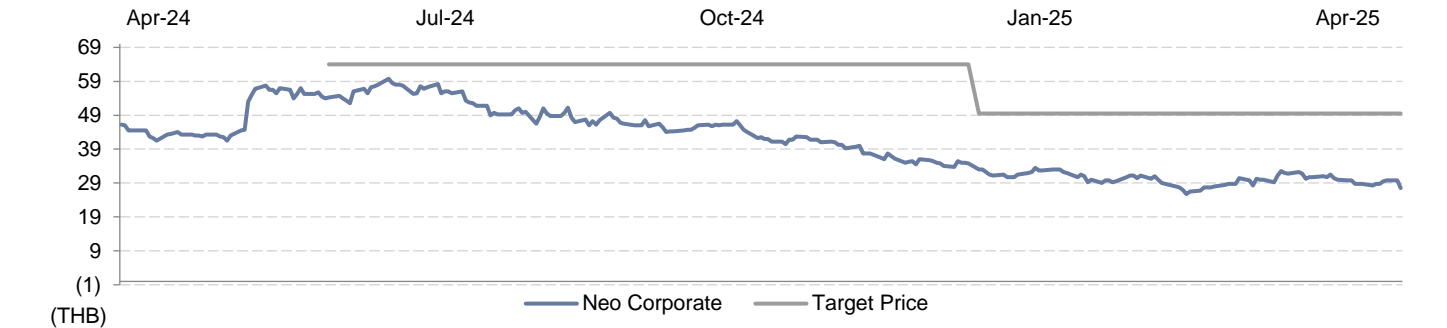
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History of change in investment rating and/or target price

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 27.50	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 08-Apr-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.