

OSOTSPA OSP TB

THAILAND / FOOD & BEVERAGE

BUY

UNCHANGED

TARGET PRICE	THB24.00
CLOSE	THB15.20
UP/DOWNSIDE	+57.9%
PRIOR TP	THB24.00
CHANGE IN TP	UNCHANGED
TP vs CONSENSUS	+27.3%

สินค้าราคา 10 บาทน่าจะส่งผลกระทบต่อเพิ่มขึ้นใน 2Q25

- คาดกำไรปกติ 1Q25 จะสูงกว่าที่เราเคยคาดจากอัตรากำไรขั้นต้นที่กำไรสุทธิสูงสุดใหม่และรายได้จากต่างประเทศ
- 1Q25 อาจเป็นจุดสูงสุดของปีนี้
- เริ่มเห็น Upsides ต่อประมาณการกำไรปี 2025 ของเราแต่ยังต้องจับตาดูความก้าวหน้าของสินค้าราคา 10 บาทก่อน

แนวโน้มรายได้ 1Q25 ไม่น่าตื่นเต้น

เราคาดว่ารายได้รวมใน 1Q25 จะสูงขึ้นเล็กน้อยที่ 5.7% q-q แต่ลดลง 6.5% y-y รายได้จากเครื่องดื่มชูกำลังในประเทศน่าจะลดลงทั้ง q-q และ y-y จากการปรับรายการสินค้าคงคลังหลังการเปิดตัวของ M150 (ฝาเหลือง) ราคา 10 บาท อย่างไรก็ตามรายได้จากต่างประเทศน่าจะสูงขึ้นทำสถิติสูงสุดใหม่ที่ 2.2 พัน ลบ. (+53% q-q, +20% y-y) จาก High season ในพม่า ในขณะที่เราคาดว่ารายได้จากธุรกิจ Personal Care จะสูงขึ้น 10% y-y แต่ลดลง 15% q-q จากปัจจัยด้านฤดูกาล ทั้งนี้ส่วนแบ่งตลาดเครื่องดื่มชูกำลังของ OSP พื้นตัวดีไปแตะ 44.9% ในเดือน มี.ค. (+0.1% m-m) นับเป็นตัวเลขรายเดือนสูงขึ้น 4 เดือนติดต่อกันและสูงขึ้น 0.4% จากเดือน ธ.ค.

กำไร 1Q25 อาจสูงกว่าที่เราคาดและทำสถิติสูงสุดใหม่

เราคาดว่ากำไรสุทธิ 1Q25 อยู่ที่ 1.25 พัน ลบ. (+120% q-q, +51% y-y) นับเป็นระดับสูงสุดใหม่เมื่อหักกำไรจากการขายโรงงานในพม่าจำนวน 250 ลบ. กำไรปกติน่าจะอยู่ที่ 997 ลบ. (+62% q-q, +20% y-y) สูงกว่าที่เราเคยคาด 25% โดยได้ปัจจัยผลักดันจากอัตรากำไรขั้นต้นที่สูงเป็นประวัติการณ์ถึง 40% (เทียบกับ 38.5% ใน 4Q24 และ 36.5% ใน 1Q24) จาก Product mix ที่เอื้ออำนวยหลังธุรกิจต่างประเทศและธุรกิจ Personal Car ขายตัวและต้นทุนวัตถุดิบลดลง

สินค้าราคา 10 บาทน่าจะเริ่มส่งผลกระทบต่ออย่างมีนัยสำคัญใน 2Q25

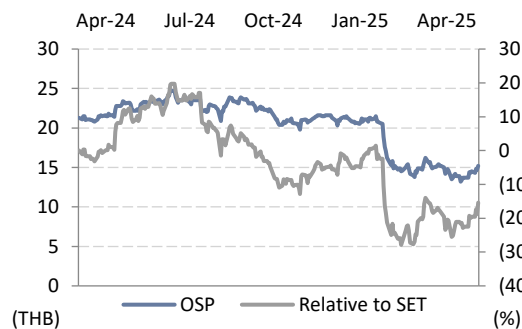
ในเบื้องต้นเรามองว่ากำไรปกติ 1Q25 อาจเป็นจุดสูงสุดของปีนี้ ทั้งนี้เราคาดว่ากำไร 2Q25 จะลดลง q-q แม้ว่ายังมีคำสั่งซื้อจากพม่าบางส่วนเลื่อนมาจาก 1Q25 จากปัญหาในด้านการขนส่งระยะสั้นหลังเหตุแผ่นดินไหวซึ่งน่าจะส่งผลกระทบต่อผลประกอบการในพม่าในเดือน เม.ย. โดยคาดว่าผลประกอบการจะฟื้นตัวในเดือน พ.ค. - มิ.ย. ผู้บริหารระบุว่าความต้องการรวมในพม่ายังเป็นปกติ นอกจากนี้เรายังคาดว่าด้วยว่าเครื่องดื่มชูกำลังราคา 10 บาทจะกินส่วนแบ่งตลาดสินค้าราคา 12 บาทหลังเปิดตัวเพิ่มเติมในเดือน เม.ย. ผ่านช่องทางการจัดจำหน่ายที่วางแผนไว้เกือบทั้งหมดซึ่งอาจกดดันอัตรากำไรขั้นต้น OSP คงเป้าอัตรากำไรขั้นต้นปี 2025 ไว้ที่ 37% ใกล้เคียงกับสมมติฐานของเรา

คงสมมติฐานที่ Conservative ของเราในปี 2025

แม้ว่ากำไร 1Q25 อาจคิดเป็นถึง 33% ของประมาณการทั้งปีของเรา เรายังคงประมาณการที่ Conservative ของเราในปี 2025 ทั้งนี้ Upside อาจขึ้นอยู่กับว่า (1) สินค้าใหม่จะแย่งส่วนแบ่งตลาดได้ดีแค่ไหนตั้งแต่เดือน เม.ย. (2) ปริมาณขายจะมากพอที่จะชดเชยกับราคาขายที่ลดลงหรือไม่และ (3) อัตรากำไรขั้นต้นยังดีหรือไม่ซึ่งทั้งหมดจะเป็นปัจจัยสำคัญที่เราต้องจับตาดูอย่างต่อเนื่อง

KEY STOCK DATA

YE Dec (THB m)	2024	2025E	2026E	2027E
Revenue	27,069	28,460	29,417	30,408
Net profit	1,638	3,022	3,125	3,240
EPS (THB)	0.55	1.01	1.04	1.08
vs Consensus (%)	-	1.0	(1.5)	(4.2)
EBITDA	4,953	5,198	5,387	5,580
Recurring net profit	3,038	3,022	3,125	3,240
Core EPS (THB)	1.01	1.01	1.04	1.08
Chg. In EPS est. (%)	-	-	-	-
EPS growth (%)	39.7	(0.5)	3.4	3.7
Core P/E (x)	15.0	15.1	14.6	14.1
Dividend yield (%)	3.9	6.0	6.2	6.4
EV/EBITDA (x)	9.4	8.5	8.2	8.0
Price/book (x)	2.9	2.9	2.8	2.7
Net debt/Equity (%)	2.8	(8.9)	(8.6)	(8.3)
ROE (%)	19.1	19.2	19.3	19.7



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	1.3	(26.6)	(28.6)
Relative to country (%)	5.2	(13.3)	(15.3)
Mkt cap (USD m)	1,366		
3m avg. daily turnover (USD m)	7.8		
Free float (%)	52		
Major shareholder	Osathanugrah Family (39%)		
12m high/low (THB)	25.00/12.90		
Issued shares (m)	3,003.75		

Sources: Bloomberg consensus; FSSIA estimates



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Investment thesis

OSP has a very long history of over 132 years. We are impressed with OSP's growth over the last century via innovative products that have evolved according to changing consumer needs, organizational advancements, and marketing breakthroughs. We think OSP conducts its business with good governance and responsibility to all stakeholders.

The company continues to focus on cost efficiency via its Fast Forward 10x program, whose five pillars for transformation are cost, process, function, hybrid workforce, and assets. It targets THB5b in cost savings in 5-7 years (2022-28).

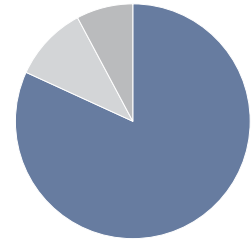
Company profile

Established in 1891 as a pharmaceutical company, OSP is now one of Thailand's largest consumer product companies. It generates revenue from beverages (81% of sales), personal care (9% of sales), and others (10%). About 17% of its sales come from overseas markets, such as Myanmar, Laos, and Cambodia, nearly all of which are from the energy drinks segment. It was listed in October 2018.

www.osotspa.com

Principal activities (revenue, 2024)

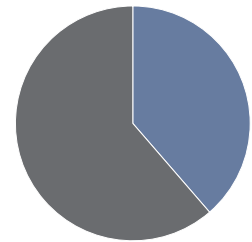
- Beverage - 81.8 %
- Personal care - 10.4 %
- Other (OEM) - 7.8 %



Source: Osotspa

Major shareholders

- Osathanugrah Family - 38.7 %
- Others - 61.4 %



Source: Osotspa

Catalysts

Potential catalysts for OSP's earnings growth in 2025 are 1) revenue growth driven by sales volumes, 2) gaining more domestic energy drink market share, 3) declining energy costs, 4) successfully improving production efficiency, and 5) the success of new product launches.

Risks to our call

Downside risks to our P/E-based TP include 1) a slower-than-expected consumption recovery, 2) higher-than-expected competition, 3) high volatility in energy costs, and 4) changing regulations in Thailand and Myanmar.

Event calendar

Date	Event
14 May 2025	1Q25 results announcement
22 May 2025	1Q25 analyst meeting

Key assumptions

	2025E	2026E	2027E
Beverage revenue growth (%)	5.2	3.0	3.0
Personal care revenue growth (%)	5.0	5.0	5.0
Total revenue growth (%)	5.1	3.4	3.4
Gross margin (%)	37.0	37.0	37.0
SG&A to sales (%)	25.2	25.2	25.2

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 0.2% increase in GPM, we estimate 2025 net profit to rise by 2.0%, and vice versa, all else being equal.
- For every 0.2% increase in SG&A, we estimate 2025 net profit to fall by 1.9%, and vice versa, all else being equal.

Source: FSSIA estimates

Exhibit 1: OSP – 1Q25 earnings preview

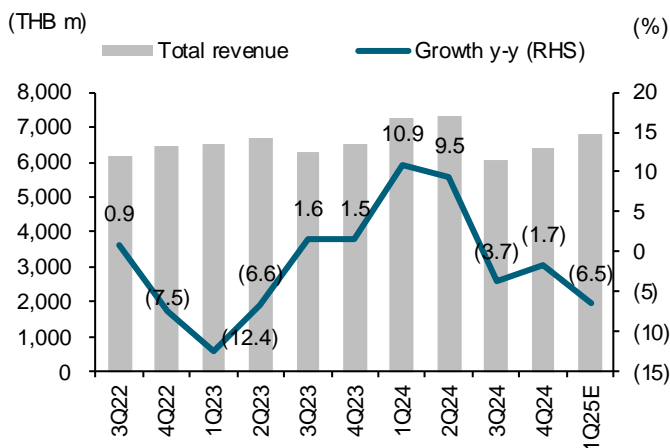
	1Q24	2Q24	3Q24	4Q24	1Q25E	----- Change -----		2024	2025E	Change	% 1Q25E
	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(q-q%)	(y-y%)	(THB m)	(THB m)	(y-y%)	to 2025E
Sales	7,260	7,345	6,043	6,422	6,788	5.7	(6.5)	27,069	28,460	5.1	23.9
Cost of sales	4,613	4,541	3,863	3,950	4,073	3.1	(11.7)	16,966	17,930	5.7	22.7
Gross profit	2,647	2,804	2,180	2,472	2,715	9.9	2.6	10,103	10,530	4.2	25.8
SG&A	1,797	1,761	1,572	1,822	1,697	(6.9)	(5.6)	6,952	7,172	3.2	23.7
Operating profit	918	1,073	727	748	1,118	49.6	21.8	3,465	3,643	5.1	30.7
Interest expense	29	26	27	35	35	(0.7)	19.8	118	123	5.1	28.3
Tax expense	82	143	59	114	101	(11.1)	23.2	398	600	50.9	16.8
Profit (loss) sharing	59	59	49	40	40	(1.0)	(32.2)	179	115	(36.0)	34.9
Reported net profit	828	604	(361)	567	1,247	120.0	50.5	1,638	3,022	84.5	41.3
Core profit	828	923	672	615	997	62.2	20.3	3,038	3,022	(0.5)	33.0

Key Ratios (%)						(ppt)	(ppt)			(ppt)
Gross margin	36.5	38.2	36.1	38.5	40.0	1.5	3.5	37.3	37.0	(0.3)
SG&A to sales	24.7	24.0	26.0	28.4	25.0	(3.4)	0.3	25.7	25.2	(0.5)
Operating margin	12.6	14.6	12.0	11.6	16.5	4.8	3.8	12.8	12.8	(0.0)
Net margin	11.4	8.2	(6.0)	8.8	18.4	1.5	7.0	2.5	4.1	1.6
Core margin	11.4	12.6	11.1	9.6	14.7	1.5	3.3	6.1	10.6	4.6

Operating statistics (THB m)											
Beverage sales	6,077	6,104	4,639	5,334	5,834	9.4	(4.0)	22,154	23,299	5.2	25.0
Domestic	4,220	4,253	3,605	3,878	3,606	(7.0)	(14.6)	15,955	15,564	(2.5)	23.2
Overseas	1,857	1,851	1,034	1,456	2,228	53.0	20.0	6,199	7,611	22.8	29.3
Personal care	604	715	702	783	665	(15.2)	10.0	2,804	2,944	5.0	22.6
Other	579	527	702	304	289	(4.8)	(50.0)	2,111	2,217	5.0	13.1
Energy drink's market share (%)	46.4	46.4	45.4	45.0	44.8	(0.2)	(1.6)	45.8	45.4	(0.4)	

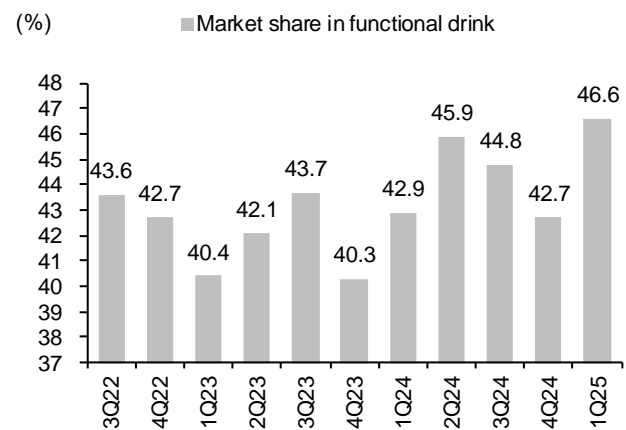
Sources: OSP, FSSIA estimates

Exhibit 2: Quarterly total revenue and growth



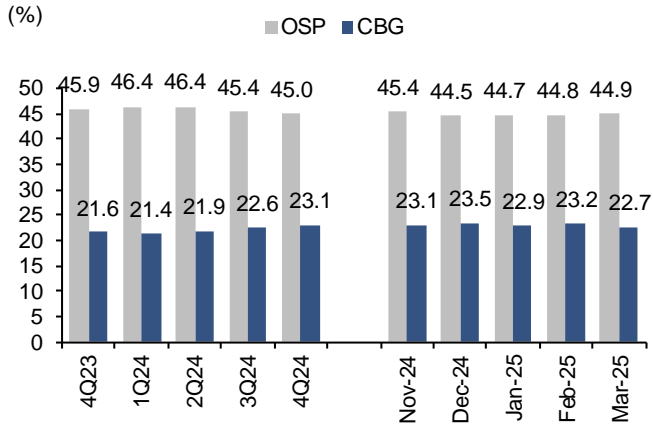
Sources: OSP, FSSIA estimates

Exhibit 3: Quarterly functional drink market share



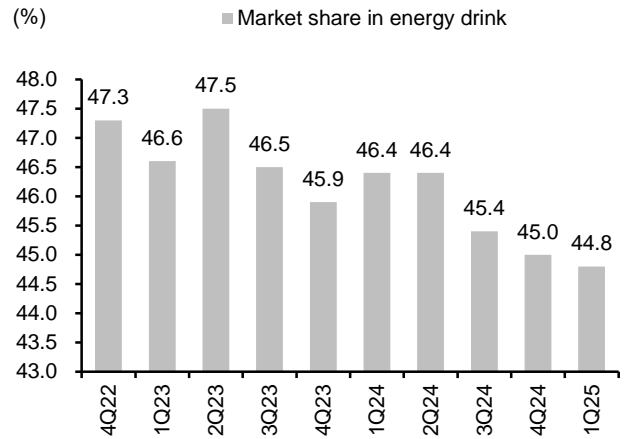
Sources: OSP, FSSIA estimates

Exhibit 4: Monthly energy drink market share



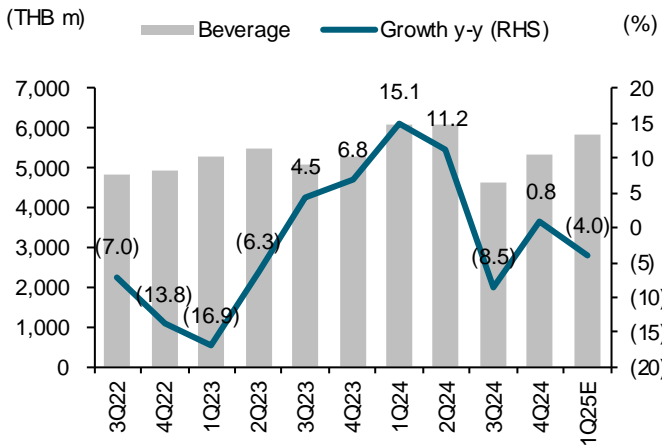
Sources: OSP, FSSIA estimates

Exhibit 5: Quarterly energy drink market share



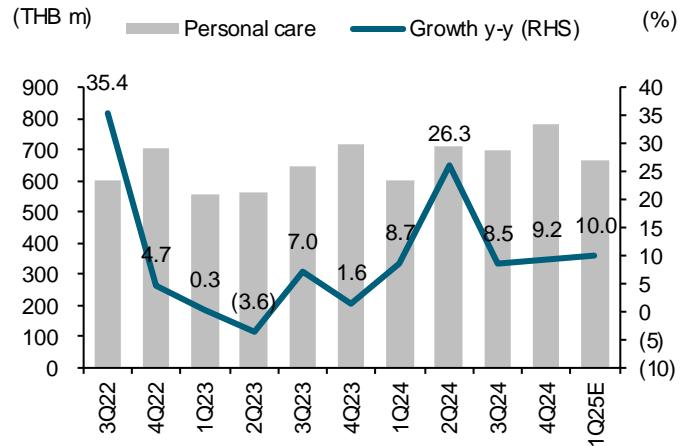
Sources: OSP, FSSIA estimates

Exhibit 6: Quarterly beverage revenue and growth



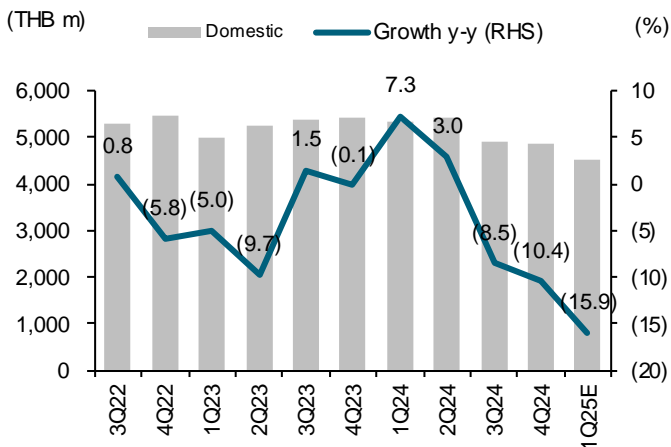
Sources: OSP, FSSIA estimates

Exhibit 7: Quarterly personal care revenue and growth



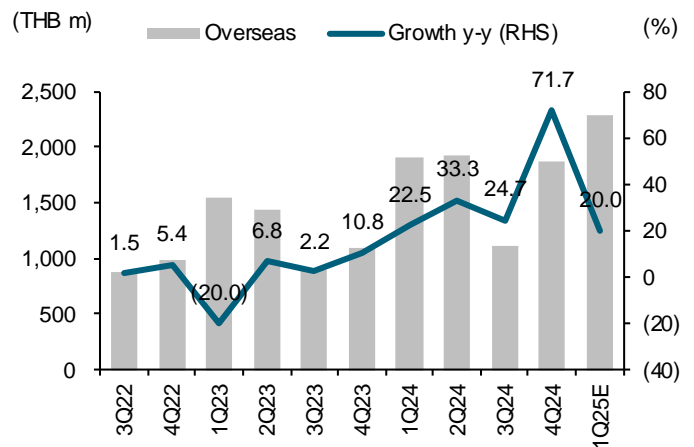
Sources: OSP, FSSIA estimates

Exhibit 8: Quarterly domestic revenue and growth



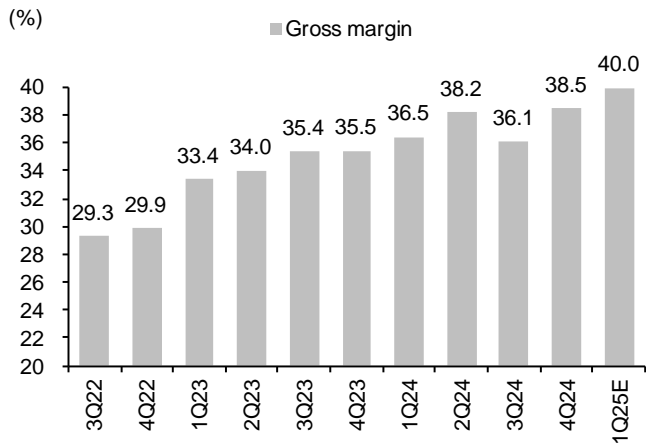
Sources: OSP, FSSIA estimates

Exhibit 9: Quarterly overseas revenue and growth



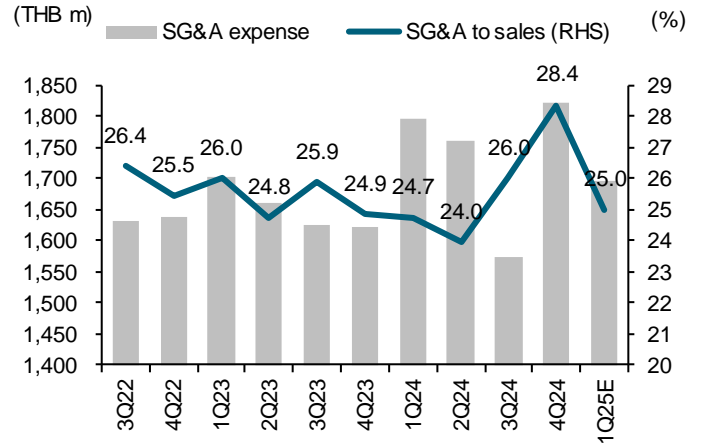
Sources: OSP, FSSIA estimates

Exhibit 10: Quarterly gross margin



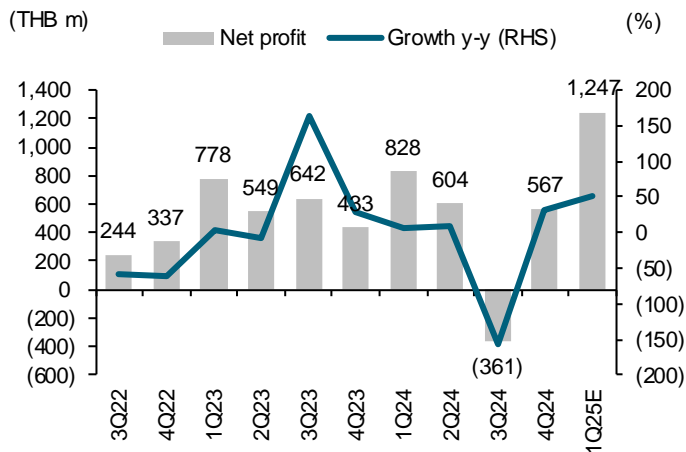
Sources: OSP, FSSIA estimates

Exhibit 11: Quarterly SG&A to sales



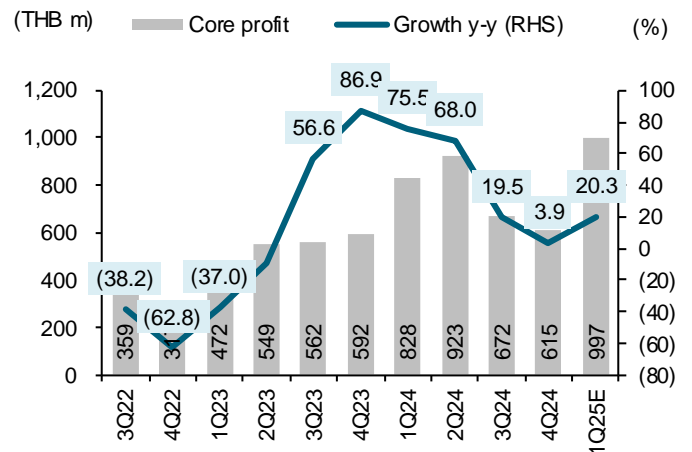
Sources: OSP, FSSIA estimates

Exhibit 12: Quarterly net profit



Sources: OSP, FSSIA estimates

Exhibit 13: Quarterly core profit



Sources: OSP, FSSIA estimates

Financial Statements

Osotspa

Profit and Loss (THB m) Year Ending Dec	2023	2024	2025E	2026E	2027E
Revenue	26,062	27,069	28,460	29,417	30,408
Cost of goods sold	(17,059)	(16,966)	(17,930)	(18,533)	(19,157)
Gross profit	9,003	10,103	10,530	10,884	11,251
Other operating income	197	314	285	294	304
Operating costs	(6,610)	(6,952)	(7,172)	(7,413)	(7,663)
Operating EBITDA	4,137	4,953	5,198	5,387	5,580
Depreciation	(1,548)	(1,488)	(1,555)	(1,621)	(1,688)
Goodwill amortisation	0	0	0	0	0
Operating EBIT	2,589	3,465	3,643	3,765	3,892
Net financing costs	(108)	(118)	(123)	(125)	(119)
Associates	146	208	231	238	246
Recurring non-operating income	146	208	231	238	246
Non-recurring items	227	(1,400)	0	0	0
Profit before tax	2,854	2,156	3,750	3,878	4,020
Tax	(431)	(398)	(600)	(621)	(643)
Profit after tax	2,423	1,758	3,150	3,258	3,377
Minority interests	(21)	(120)	(128)	(132)	(137)
Preferred dividends	0	0	0	0	0
Other items	-	-	-	-	-
Reported net profit	2,402	1,638	3,022	3,125	3,240
Non-recurring items & goodwill (net)	(227)	1,400	0	0	0
Recurring net profit	2,175	3,038	3,022	3,125	3,240
Per share (THB)					
Recurring EPS *	0.72	1.01	1.01	1.04	1.08
Reported EPS	0.80	0.55	1.01	1.04	1.08
DPS	1.65	0.60	0.91	0.94	0.97
Diluted shares (used to calculate per share data)	3,004	3,004	3,004	3,004	3,004
Growth					
Revenue (%)	(4.4)	3.9	5.1	3.4	3.4
Operating EBITDA (%)	13.5	19.7	4.9	3.6	3.6
Operating EBIT (%)	26.5	33.8	5.1	3.4	3.4
Recurring EPS (%)	13.7	39.7	(0.5)	3.4	3.7
Reported EPS (%)	24.2	(31.8)	84.5	3.4	3.7
Operating performance					
Gross margin inc. depreciation (%)	34.5	37.3	37.0	37.0	37.0
Gross margin exc. depreciation (%)	40.5	42.8	42.5	42.5	42.6
Operating EBITDA margin (%)	15.9	18.3	18.3	18.3	18.4
Operating EBIT margin (%)	9.9	12.8	12.8	12.8	12.8
Net margin (%)	8.3	11.2	10.6	10.6	10.7
Effective tax rate (%)	15.1	18.5	16.0	16.0	16.0
Dividend payout on recurring profit (%)	227.8	59.3	90.0	90.0	90.0
Interest cover (X)	25.4	31.3	31.4	31.9	34.9
Inventory days	79.7	86.3	71.3	59.3	59.3
Debtor days	59.1	63.3	58.2	51.6	51.6
Creditor days	54.0	61.1	59.1	48.5	48.5
Operating ROIC (%)	12.9	18.2	20.4	20.3	20.1
ROIC (%)	11.4	17.3	19.8	20.2	20.4
ROE (%)	12.5	19.1	19.2	19.3	19.7
ROA (%)	9.0	13.4	13.6	14.0	14.2
* Pre-exceptional, pre-goodwill and fully diluted					
Revenue by Division (THB m)					
	2023	2024	2025E	2026E	2027E
Beverage	21,130	22,154	23,299	23,998	24,717
Personal care	2,486	2,804	2,944	3,092	3,246
Other (OEM)	2,446	2,111	2,217	2,328	2,444

Sources: Osotspa; FSSIA estimates

Financial Statements

Osotspa

Cash Flow (THB m) Year Ending Dec	2023	2024	2025E	2026E	2027E
Recurring net profit	2,175	3,038	3,022	3,125	3,240
Depreciation	1,548	1,488	1,555	1,621	1,688
Associates & minorities	48	(93)	(358)	(221)	(229)
Other non-cash items	-	1,400	0	0	0
Change in working capital	(1,072)	49	958	(253)	(266)
Cash flow from operations	2,699	5,882	5,177	4,272	4,433
Capex - maintenance	(3,102)	(1,199)	(1,589)	(2,023)	(2,023)
Capex - new investment	-	-	-	-	-
Net acquisitions & disposals	-	-	-	-	-
Other investments (net)	2,740	(702)	579	522	444
Cash flow from investing	(362)	(1,901)	(1,010)	(1,501)	(1,579)
Dividends paid	(2,585)	(2,253)	(2,720)	(2,813)	(2,916)
Equity finance	0	0	0	0	0
Debt finance	892	533	(1,186)	(86)	(86)
Other financing cash flows	(392)	(9)	428	32	33
Cash flow from financing	(2,084)	(1,730)	(3,477)	(2,867)	(2,969)
Non-recurring cash flows	-	-	-	-	-
Other adjustments	0	0	0	0	0
Net other adjustments	0	(1,400)	0	0	0
Movement in cash	253	851	690	(96)	(115)
Free cash flow to firm (FCFF)	2,444.79	4,097.97	4,290.93	2,896.56	2,972.80
Free cash flow to equity (FCFE)	2,837.30	3,103.74	3,409.84	2,716.73	2,800.82

Per share (THB)

FCFF per share	0.81	1.36	1.43	0.96	0.99
FCFE per share	0.94	1.03	1.14	0.90	0.93
Recurring cash flow per share	1.26	1.94	1.40	1.51	1.56

Balance Sheet (THB m) Year Ending Dec	2023	2024	2025E	2026E	2027E
Tangible fixed assets (gross)	28,149	27,689	29,689	31,689	33,689
Less: Accumulated depreciation	(15,130)	(16,371)	(16,817)	(18,439)	(20,127)
Tangible fixed assets (net)	13,019	11,318	12,872	13,250	13,562
Intangible fixed assets (net)	267	226	226	226	226
Long-term financial assets	-	-	-	-	-
Invest. in associates & subsidiaries	1,387	939	800	600	400
Cash & equivalents	1,339	2,190	2,880	2,784	2,669
A/C receivable	4,390	4,993	4,089	4,230	4,375
Inventories	3,627	3,696	2,702	2,793	2,887
Other current assets	21	313	142	265	395
Current assets	9,376	11,192	9,813	10,071	10,326
Other assets	352	352	142	59	61
Total assets	24,402	24,026	23,852	24,206	24,574
Common equity	16,326	15,493	16,006	16,319	16,643
Minorities etc.	184	299	172	189	206
Total shareholders' equity	16,510	15,792	16,178	16,508	16,849
Long term debt	520	639	589	539	489
Other long-term liabilities	520	511	939	971	1,003
Long-term liabilities	1,040	1,150	1,528	1,509	1,492
A/C payable	4,467	6,059	5,176	5,251	5,328
Short term debt	2,168	1,992	856	820	784
Other current liabilities	216	142	114	118	122
Current liabilities	6,852	8,193	6,146	6,188	6,233
Total liabilities and shareholders' equity	24,402	25,135	23,852	24,206	24,574
Net working capital	3,354	2,801	1,643	1,919	2,208
Invested capital	18,379	15,635	15,682	16,053	16,456

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

Per share (THB)

Book value per share	5.44	5.16	5.33	5.43	5.54
Tangible book value per share	5.35	5.08	5.25	5.36	5.47

Financial strength

Net debt/equity (%)	8.2	2.8	(8.9)	(8.6)	(8.3)
Net debt/total assets (%)	5.5	1.8	(6.0)	(5.9)	(5.7)
Current ratio (x)	1.4	1.4	1.6	1.6	1.7
CF interest cover (x)	27.3	27.4	28.6	22.7	24.6

Valuation	2023	2024	2025E	2026E	2027E
Recurring P/E (x) *	21.0	15.0	15.1	14.6	14.1
Recurring P/E @ target price (x) *	33.1	23.7	23.9	23.1	22.3
Reported P/E (x)	19.0	27.9	15.1	14.6	14.1
Dividend yield (%)	10.9	3.9	6.0	6.2	6.4
Price/book (x)	2.8	2.9	2.9	2.8	2.7
Price/tangible book (x)	2.8	3.0	2.9	2.8	2.8
EV/EBITDA (x) **	11.4	9.4	8.5	8.2	8.0
EV/EBITDA @ target price (x) **	17.8	14.7	13.6	13.2	12.7
EV/invested capital (x)	2.6	3.0	2.8	2.8	2.7

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

Sources: Osotspa; FSSIA estimates

Osotspa PCL (OSP TB)

FSSIA ESG rating



61.48 /100

Exhibit 14: 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.

Sources: FSSIA estimates

Exhibit 15: 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	69.20	5.34	4.40	4.40	4.76	4.65	3.84	Medium	51.76	BBB	20.87	58.72	63.91	3.72	28.17
Coverage	67.12	5.11	4.15	4.17	4.83	4.71	3.53	Medium	52.04	BB	16.97	56.85	62.09	3.40	31.94
CBG	51.54	--	Y	Y	4.00	4.00	Declared	High	59.58	B	--	33.28	56.00	2.12	--
ICHI	43.67	--	Y	Y	5.00	5.00	Certified	High	61.36	--	--	--	18.00	--	--
OSP	61.48	--	Y	Y	5.00	4.00	Declared	Medium	68.64	BBB	--	63.08	51.00	3.00	63.65
SAPPE	35.25	--	Y	Y	4.00	5.00	Certified	Medium	--	--	--	--	--	--	--
TACC	15.00	--	--	--	5.00	5.00	--	--	--	--	--	--	--	--	--

Sources: SETTRADE.com; FSSIA's compilation

Exhibit 16: ESG score by Bloomberg

FY ending Dec 31	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
ESG financial materiality scores - ESG score	1.58	2.89	2.91	3.18	3.00
BESG environmental pillar score	0.67	2.96	2.83	3.25	3.18
BESG social pillar score	0.84	1.57	1.78	1.76	1.77
BESG governance pillar score	4.15	4.38	4.36	4.77	4.18
ESG disclosure score	40.25	52.25	60.06	64.77	63.65
Environmental disclosure score	13.38	36.18	50.56	51.40	48.02
Social disclosure score	26.69	39.36	48.46	55.47	55.47
Governance disclosure score	80.52	81.10	81.10	87.36	87.36
Environmental					
Emissions reduction initiatives	No	Yes	Yes	Yes	Yes
Climate change policy	No	Yes	Yes	Yes	Yes
Climate change opportunities discussed	No	No	No	No	No
Risks of climate change discussed	No	No	No	No	No
GHG scope 1	—	125	151	157	141
GHG scope 2 location-based	—	90	91	85	95
GHG Scope 3	—	—	—	—	—
Carbon per unit of production	0	0	0	0	0
Biodiversity policy	No	No	No	Yes	Yes
Energy efficiency policy	Yes	Yes	Yes	Yes	Yes
Total energy consumption	—	839	913	922	917
Renewable energy use	28	50	32	36	40
Electricity used	—	148	158	170	187
Fuel used - natural gas	—	60,675	67,626	70,172	68,074

Sources: Bloomberg; FSSIA's compilation

Exhibit 17: ESG score by Bloomberg (cont.)

FY ending Dec 31	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Fuel used - crude oil/diesel	No	No	No	No	No
Waste reduction policy	Yes	Yes	Yes	Yes	Yes
Hazardous waste	—	0	1	1	1
Total waste	—	8	13	11	12
Waste recycled	—	—	—	—	—
Waste sent to landfills	—	—	—	—	—
Environmental supply chain management	No	No	Yes	Yes	Yes
Water policy	Yes	Yes	Yes	Yes	Yes
Water consumption	3,031	3,109	3,077	3,117	—
Social					
Human rights policy	Yes	Yes	Yes	Yes	Yes
Policy against child labor	Yes	Yes	Yes	Yes	Yes
Quality assurance and recall policy	No	Yes	Yes	Yes	Yes
Consumer data protection policy	Yes	Yes	Yes	Yes	Yes
Equal opportunity policy	Yes	Yes	Yes	Yes	Yes
Gender pay gap breakout	No	No	No	No	No
Pct women in workforce	—	—	42	43	57
Pct disabled in workforce	—	—	—	—	—
Business ethics policy	Yes	Yes	Yes	Yes	Yes
Anti-bribery ethics policy	Yes	Yes	Yes	Yes	Yes
Health and safety policy	Yes	Yes	Yes	Yes	Yes
Lost time incident rate - employees	0	0	0	0	0
Total recordable incident rate - employees	—	0	0	1	0
Training policy	Yes	Yes	Yes	Yes	Yes
Fair remuneration policy	No	No	No	No	No
Number of employees – CSR	3,656	3,590	3,792	3,620	3,542
Employee turnover pct	—	—	9	14	19
Total hours spent by firm - employee training	—	30,731	36,451	40,333	57,881
Social supply chain management	No	No	Yes	Yes	Yes
Governance					
Board size	15	15	15	17	17
No. of independent directors (ID)	5	5	5	6	6
No. of women on board	4	4	5	5	5
No. of non-executive directors on board	11	11	10	12	12
Company conducts board evaluations	No	Yes	Yes	Yes	Yes
No. of board meetings for the year	12	12	13	12	13
Board meeting attendance pct	89	91	89	99	94
Board duration (years)	3	3	3	3	3
Director share ownership guidelines	No	No	No	No	No
Age of the youngest director	45	46	47	48	34
Age of the oldest director	86	87	88	89	90
No. of executives / company managers	6	13	5	5	5
No. of female executives	2	5	2	2	2
Executive share ownership guidelines	No	No	No	No	No
Size of audit committee	3	3	3	3	3
No. of ID on audit committee	3	3	3	3	3
Audit committee meetings	10	8	9	8	8
Audit meeting attendance %	97	100	100	100	96
Size of compensation committee	3	3	3	3	3
No. of ID on compensation committee	2	2	2	2	2
No. of compensation committee meetings	8	9	11	15	6
Compensation meeting attendance %	100	100	100	100	100
Size of nomination committee	3	3	3	3	3
No. of nomination committee meetings	8	9	11	15	6
Nomination meeting attendance %	100	100	100	100	100
Sustainability governance					
Verification type	No	No	No	No	No

Sources: Bloomberg; 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 border="1" style="margin-left: auto; margin-right: auto;"> <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+									
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 border="1" style="margin-left: auto; margin-right: auto;"> <tbody> <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> </tbody> </table>	AAA	8.571-10.000	Leader:	leading its industry in managing the most significant ESG risks and opportunities	AA	7.143-8.570	A	5.714-7.142	BBB	4.286-5.713	Average:	a mixed or unexceptional track record of managing the most significant ESG risks and opportunities relative to industry peers	BB	2.857-4.285	B	1.429-2.856	CCC	0.000-1.428	Laggard:	lagging its industry based on its high exposure and failure to manage significant ESG risks
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Moody's ESG solutions	Moody's assesses the degree to which companies take into account ESG objectives in the definition and implementation of their strategy policies. It believes that a company integrating ESG factors into its business model and relatively outperforming its peers is better positioned to mitigate risks and create sustainable value for shareholders over the medium to long term.																				
Refinitiv ESG rating	Designed to transparently and objectively measure a company's relative ESG performance, commitment and effectiveness across 10 main themes, based on publicly available and auditable data. The score ranges from 0 to 100 on relative ESG performance and insufficient degree of transparency in reporting material ESG data publicly. (<i>Score ratings are 0 to 25 = poor; >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

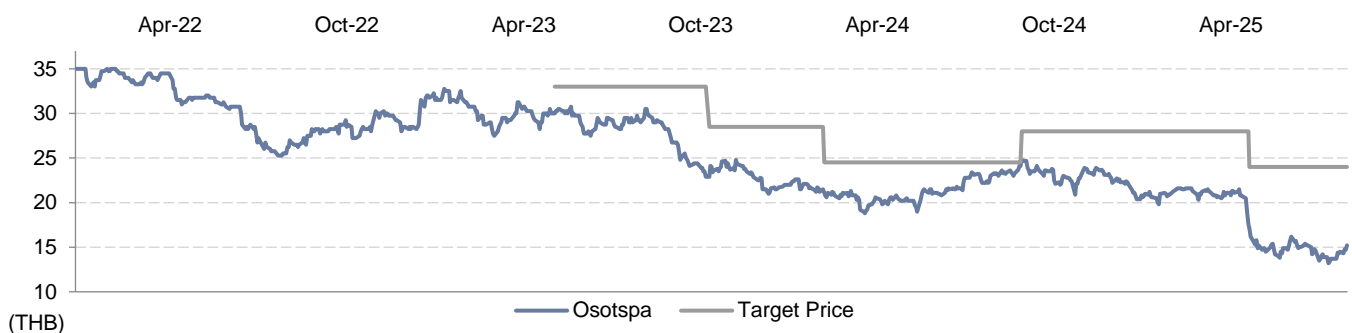
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History of change in investment rating and/or target price

Osotspa (OSP TB)



Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
09-Jun-2023	BUY	33.00	29-Jan-2024	BUY	24.50	29-Jan-2025	BUY	24.00
20-Oct-2023	BUY	28.50	17-Jul-2024	BUY	28.00			

Sureeporn Teewasuwet started covering this stock from 09-Jun-2023

Price and TP are in local currency

Source: FSSIA estimates

Company	Ticker	Price	Rating	Valuation & Risks
Osotspa	OSP TB	THB 15.20	BUY	Downside risks to our P/E-based TP include 1) a slower-than-expected consumption recovery; 2) higher-than-expected competition; 3) high volatility in energy costs; and 4) changing legal policies both in Thailand and Myanmar.

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 24-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.