

# NSL FOODS NSL TB

## THAILAND / FOOD & BEVERAGE

# BUY

UNCHANGED

## อาหารที่ได้รับความนิยมและมีราคาไม่แพง

- กำไรสุทธิ 1Q25 อาจสูงกว่าที่เราเคยคาดและทำสถิติสูงสุดใหม่จากรายได้ที่คาดว่าจะโตได้ถึง 25% y-y
- ปัจจุบันเราคาดว่ารายได้ในเดือน เม.ย. จะทำสถิติสูงสุดใหม่อีกครั้งจากยอดขายที่ดีของทั้งสินค้าเก่าและใหม่
- เริ่มเห็นโอกาสสำหรับ Upside ต่อประมาณการกำไรปี 2025 ของเรา

### กำไรสุทธิ 1Q25 อาจสูงกว่าที่เราเคยคาด

เราคาดว่ากำไรสุทธิ 1Q25 จะทำสถิติสูงสุดใหม่ที่ 158 ลบ. (+7.6% q-q, +24% y-y) โดยมีปัจจัยหนุนจากการเติบโตของรายได้ที่อยู่ในเกณฑ์ดี (+2% q-q, +25% y-y) และอาจโตสูงกว่าเป้าหมายทั้งปีของ NSL ที่ 16-17% y-y สินค้าใหม่มีการตอบรับที่ดีซึ่งช่วยหนุนรายได้ขนมอบ (ผ่าน 7-Eleven) ซึ่งเราคาดว่าจะโต 16% y-y สูงกว่าอัตราการเติบโตของยอดขายสาขาเดิม (SSSG) และรายได้จาก 7-Eleven รายได้จากแบรนด์ของ NSL น่าจะขยายตัวจากสินค้าใหม่ นอกจากนี้บริษัทฯ ยังจะรับรู้รายได้จากการส่งออกน้ำผลไม้ได้เต็มไตรมาส เราคาดว่ากลุ่มบริการอาหารจะโตทั้ง q-q และ y-y หลังโรงงานใหม่เริ่มดำเนินงานซึ่งจะช่วยขยายยอดขายจากเนื้อสัตว์แปรรูปและลูกชิ้นเนื้อ ปัจจัยดังกล่าวน่าจะช่วยผลักดันรายได้รวมให้สูงขึ้นทำสถิติสูงสุดใหม่และต่อเนื่อง q-q แม้ว่าจะมีปัจจัยด้านฤดูกาล

### รายได้ที่ดีจะช่วยหนุนอัตรากำไรขั้นต้น

รายได้ที่อยู่ในเกณฑ์ดีอาจช่วยดันอัตรากำไรขั้นต้นให้เข้าใกล้ 80% ในขณะที่ต้นทุนวัตถุดิบน่าจะยังทรงตัว ดังนั้นเราจึงคาดว่าอัตรากำไรขั้นต้นใน 1Q25 จะยังอยู่ในเกณฑ์ที่ดีที่ 20.6% สูงขึ้นจาก 20.4% ใน 4Q24 แต่ต่ำกว่า 21% ใน 1Q24 อยู่เล็กน้อยจากต้นทุนแรงงานที่สูงขึ้น (โรงงานตั้งอยู่ในชลบุรี) และสัดส่วนรายได้ที่เปลี่ยนไปโดยคาดว่ากลุ่มบริการอาหารและกลุ่มส่งออกน้ำผลไม้จะไม่ได้อัตราที่สูงกว่า เรายังมองว่าตัวเลขดังกล่าวอยู่ในเกณฑ์ดีใกล้เคียงกับสมมติฐานทั้งปีของเราที่ 20.4% ค่าใช้จ่ายรวมน่าจะทรงตัวในระดับสูงใกล้เคียงกับระดับใน 4Q24 จากค่าใช้จ่ายที่เกี่ยวข้องกับ ESG เรายังมองว่าบริษัท มุ่งเน้นไปที่การพัฒนาในด้าน ESG และการเปิดเผยข้อมูลต่าง ๆ เป็นบวก

### คาดการณ์รายได้ในเดือน เม.ย. จะเร่งตัวขึ้นสู่ระดับสูงสุดใหม่

ถ้าผลประกอบการ 1Q25 ออกมาใกล้เคียงคาดจะคิดเป็น 26.4% ของประมาณการทั้งปีของเรา แนวโน้มรายได้ในเดือน เม.ย. ยังอยู่ในเกณฑ์ดีโดยอาจทำสถิติสูงสุดใหม่จากยอดขายที่ดีของทั้งสินค้าเก่าและใหม่ ในเบื้องต้นเราคาดว่ากำไร 2Q25 จะเป็นบวกต่อเนื่อง ทั้งนี้ NSL เป็นหนึ่งในไม่กี่บริษัทในกลุ่มอุปโภคบริโภคที่ยังมีการเติบโตในช่วง 2QTD ในขณะที่หลายบริษัทรายงานรายได้ลดลงจากผลกระทบจากเหตุแผ่นดินไหว

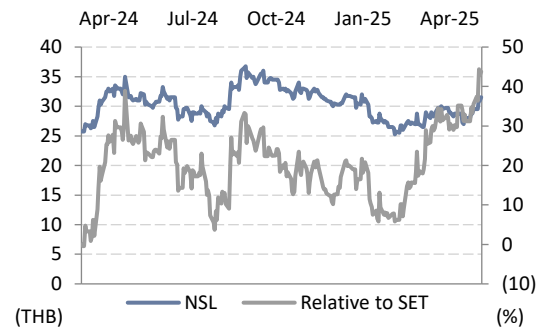
### โอกาสสำหรับ Upside ต่อประมาณการกำไรสุทธิปี 2025 ของเรา

เราประมาณการกำไรสุทธิปี 2025 ของเราที่ 600 ลบ. (+11% y-y) และราคาเป้าหมายที่ 43 บาท เรายังชอบแนวโน้มกำไรที่อยู่ในเกณฑ์ดีแม้ว่าจะรวมการส่งออกน้ำผลไม้ 2 ไตรมาสซึ่งทำให้รายได้เพิ่มขึ้น 2-3% โดยไม่ส่งผลกระทบเชิงลบต่อผลกำไรขาดทุนดังที่เราเคยกังวลในตอนต้น อย่างไรก็ตามเราจับตามองแนวโน้มผลประกอบการของธุรกิจส่งออกอย่างต่อเนื่อง เราคงคำแนะนำซื้อและเห็นโอกาสสำหรับ Upside ต่อประมาณการกำไรของเราในปีนี้

TARGET PRICE	THB43.00
CLOSE	THB31.50
UP/DOWNSIDE	+36.5%
PRIOR TP	THB43.00
CHANGE IN TP	UNCHANGED
TP vs CONSENSUS	+6.6%

## KEY STOCK DATA

YE Dec (THB m)	2024	2025E	2026E	2027E
Revenue	5,839	6,681	7,588	8,547
Net profit	541	600	680	730
EPS (THB)	1.80	2.00	2.27	2.43
vs Consensus (%)	-	(1.2)	(0.4)	-
EBITDA	825	930	1,059	1,141
Recurring net profit	541	600	680	730
Core EPS (THB)	1.80	2.00	2.27	2.43
Chg. In EPS est. (%)	-	-	-	-
EPS growth (%)	62.2	10.8	13.4	7.3
Core P/E (x)	17.5	15.8	13.9	13.0
Dividend yield (%)	2.9	3.8	4.1	4.4
EV/EBITDA (x)	11.4	10.0	8.7	7.8
Price/book (x)	5.0	4.4	3.9	3.4
Net debt/Equity (%)	(5.2)	(7.2)	(12.3)	(21.3)
ROE (%)	31.4	29.6	29.5	28.0



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	5.9	12.5	27.0
Relative to country (%)	8.3	31.4	49.5
Mkt cap (USD m)	282		
3m avg. daily turnover (USD m)	0.8		
Free float (%)	0		
Major shareholder	Mr. Somchai Asavapiyanon (72%)		
12m high/low (THB)	37.25/24.40		
Issued shares (m)	300.00		

Sources: Bloomberg consensus; FSSIA estimates



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Investment thesis

Besides growth in tandem with 7-Eleven, NSL continues to launch new bakery products to create a good impression and cope with rapidly changing consumer needs. It also plans to raise non-7-Eleven revenue to diversify dependency risks by introducing branded snacks and entering the food services business. In its latest move, NSL has invested in three subsidiaries, Bake A Wish, NSL Intertrade, and NSL Inno Foods, to further its future growth.

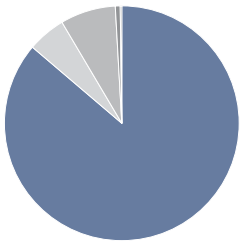
Company profile

NSL is a manufacturer and distributor of bakery products, appetisers (under CPALL brands, such as EZY Taste, EZY Sweet, and 7 Fresh), and snacks (under NSL brands). It is also in the food services business covering seafood, fish, meats, and frozen vegetables. NSL earns its revenue mainly from domestic sales, with CPALL as its key account. Moreover, it sells food service products to the HoReCa market and other modern trade distributors. It currently has four factories in Chonburi and Nontaburi.

[www.nslfoods.com](http://www.nslfoods.com)

Principal activities (revenue, 2024)

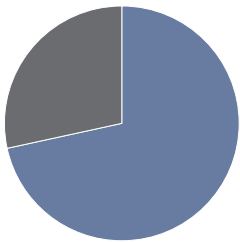
- Bakery and appetizers - 86.2 %
- Food Services - 5.3 %
- Snack (NSL brand and BAW) - 7.6 %
- OEM & bread wastes - 0.7 %
- Franchise fees and others - 0.2 %



Source: NSL Foods

Major shareholders

- Mr. Somchai Asavapiyanon - 71.6 %
- Others - 28.4 %



Source: NSL Foods

Catalysts

Potential catalysts for NSL’s earnings growth in 2025 are 1) revenue growth driven by new product launches and a tourism recovery; 2) new 7-Eleven branch expansions; and 3) a decline in raw material costs that should offset higher utility costs.

Risks to our call

Downside risks to our DCF-based TP include 1) a slower-than-expected consumption recovery; 2) high volatility in raw material prices; 3) the failure of new products; and 4) changing consumer demand and lifestyles.

Event calendar

Date	Event
13 May 2025	1Q25 results announcement

Key assumptions

	2025E	2026E	2027E
Total revenue (THB m)	6,681	7,588	8,547
Revenue growth (%)	14.4	13.6	12.6
Gross margin (%)	20.3	20.4	20.0
SG&A to sales (%)	9.4	9.5	9.6

Source: FSSIA estimates

Earnings sensitivity

- For every 1% increase in revenue, we estimate 2025 net profit to rise by 0.9%, and vice versa, all else being equal.
- For every 0.5% increase in GPM, we estimate 2025 net profit to rise by 5.2%, and vice versa, all else being equal.
- For every 0.5% increase in SG&A to sales, we estimate 2025 net profit to fall by 5%, and vice versa, all else being equal.

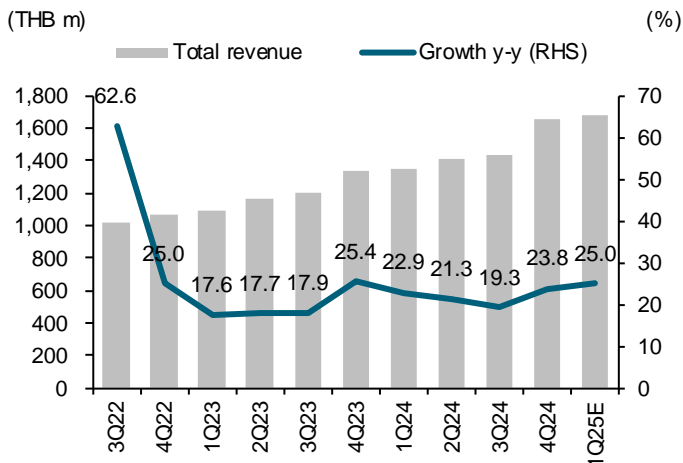
Source: FSSIA estimates

## Exhibit 1: NSL – 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	1,346	1,411	1,432	1,651	1,682	1.9	25.0	5,839	6,681	14.4	25.2
Cost of sales	1,064	1,118	1,135	1,314	1,336	1.7	25.6	4,630	5,325	15.0	25.1
Gross profit	282	293	297	337	347	2.7	22.8	1,209	1,356	12.1	25.5
SG&A	126	130	139	157	151	(3.5)	20.0	552	628	13.8	24.1
Operating profit	161	168	169	186	201	7.9	24.8	684	748	9.4	26.9
Interest expense	2	2	2	3	3	13.0	42.2	9	11	19.3	28.6
Profit (loss) sharing	(0)	(5)	0	0	0	0.0	0.0	(4)	0	(100.0)	0.0
Tax expense	32	30	33	37	40	7.8	25.0	132	140	6.5	28.3
Reported net profit	128	131	135	147	158	7.6	24.2	541	600	10.8	26.4
Core profit	128	135	135	147	158	7.9	24.2	541	600	10.8	26.4
<b>Key ratios (%)</b>						<b>(ppt)</b>	<b>(ppt)</b>				
Gross margin	21.0	20.7	20.8	20.4	20.6	0.2	(0.4)	20.7	20.4	(0.3)	
SG&A / Sales	9.4	9.2	9.7	9.5	9.0	(0.5)	(0.4)	9.4	9.5	0.1	
Operating margin	12.0	11.9	11.8	11.3	12.0	0.7	(0.0)	11.7	11.2	(0.5)	
Net margin	9.5	9.3	9.4	8.9	9.4	0.5	(0.1)	9.3	9.0	(0.3)	
Core margin	9.5	9.5	9.4	8.9	9.4	0.5	(0.1)	9.3	9.0	(0.3)	
<b>Operating statistics (THB m)</b>											
Bakery sales	1,186	1,238	1,250	1,362	1,371	0.7	15.7	5,035	5,790	15.0	73.0
Food service sales	66	68	66	107	118	10.1	78.8	307	323	5.0	65.1
Snack sales (NSL brands)	82	91	102	170	182	6.8	122.8	445	512	15.0	61.7
OEM sales	9	10	11	9	8	(10.1)	(14.9)	39	43	10.0	77.4
Franchise sales	3	3	3	3	3	6.5	(6.0)	12	13	5.0	77.3
Bakery sales	88.1	87.8	87.3	82.5	81.5	(1.0)	(6.6)	86.2	86.7	0.4	
Food service sales	4.9	4.8	4.6	6.5	7.0	0.5	2.1	5.3	4.8	(0.4)	
Snack sales (NSL brands)	6.1	6.5	7.1	10.3	10.8	0.5	4.7	7.6	7.7	0.0	
OEM sales	0.7	0.7	0.8	0.5	0.5	(0.1)	(0.2)	0.7	0.6	(0.0)	
Franchise sales	0.2	0.2	0.2	0.2	0.2	0.0	(0.1)	0.2	0.2	(0.0)	

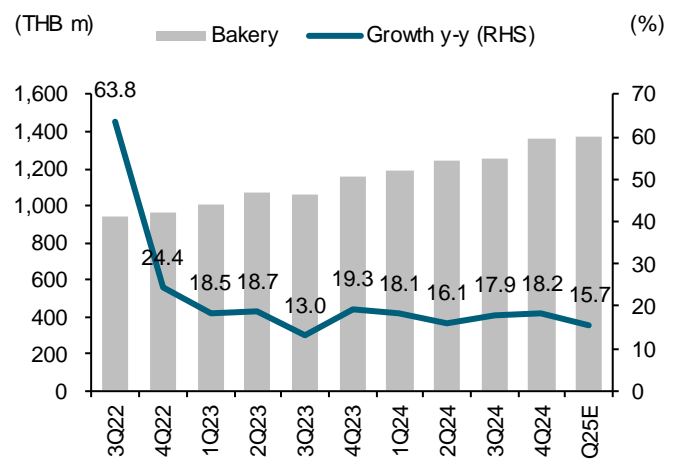
Sources: NSL, FSSIA estimates

## Exhibit 2: Quarterly total revenue and growth



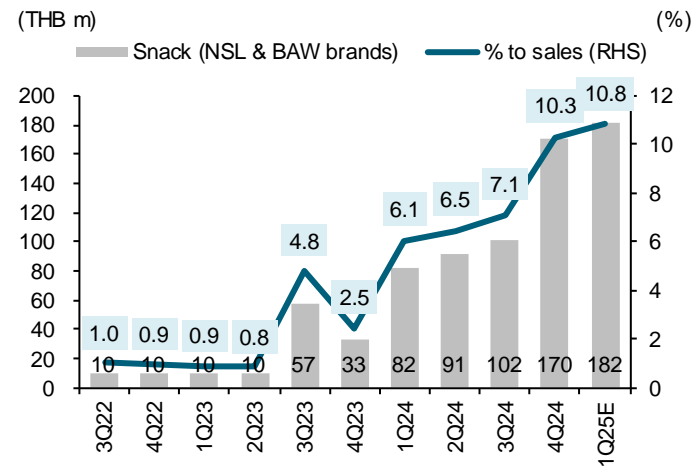
Sources: NSL, FSSIA estimates

## Exhibit 3: Quarterly revenue from bakery



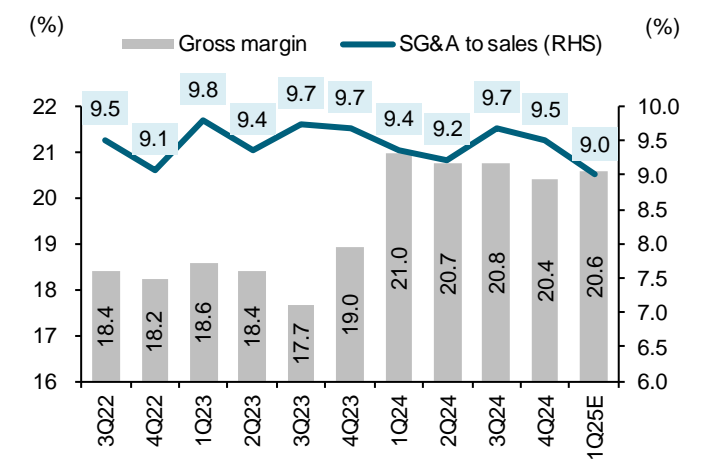
Sources: NSL, FSSIA estimates

Exhibit 4: Quarterly revenue from NSL brands



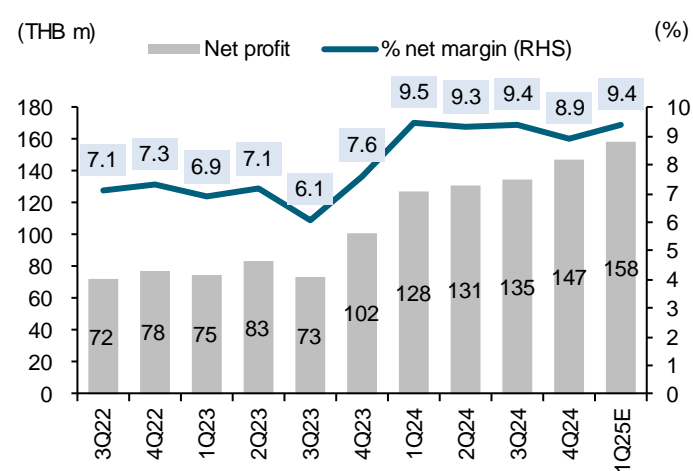
Sources: NSL, FSSIA estimates

Exhibit 5: Quarterly gross margin and SG&A to sales



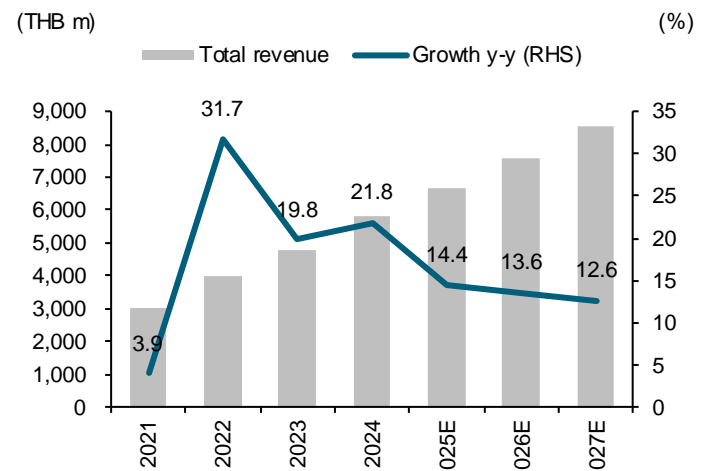
Sources: NSL, FSSIA estimates

Exhibit 6: Quarterly net profit and net margin



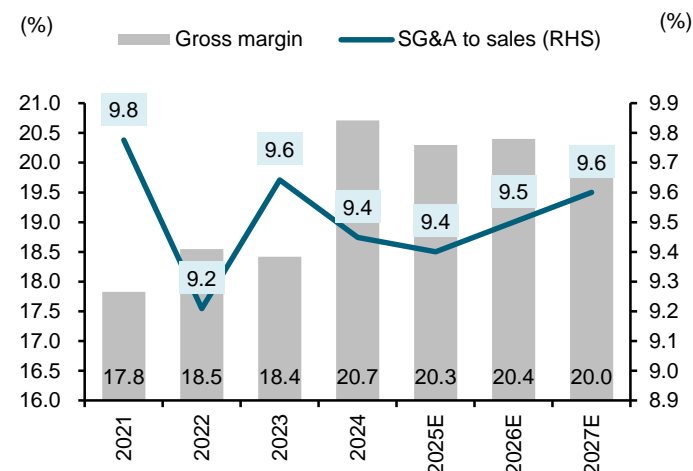
Sources: NSL, FSSIA estimates

Exhibit 7: Yearly total revenue and growth



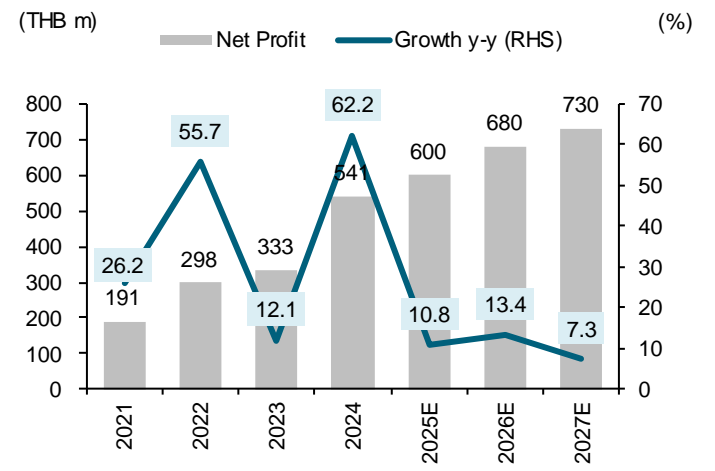
Sources: NSL, FSSIA estimates

Exhibit 8: Yearly gross margin and SG&A to sales



Sources: NSL, FSSIA estimates

Exhibit 9: Yearly net profit and growth



Sources: NSL, FSSIA estimates

## Financial Statements

### NSL Foods

Profit and Loss (THB m) Year Ending Dec	2023	2024	2025E	2026E	2027E
Revenue	4,793	5,839	6,681	7,588	8,547
Cost of goods sold	(3,910)	(4,630)	(5,325)	(6,040)	(6,838)
<b>Gross profit</b>	<b>883</b>	<b>1,209</b>	<b>1,356</b>	<b>1,548</b>	<b>1,709</b>
Other operating income	17	26	20	20	21
Operating costs	(462)	(552)	(628)	(721)	(821)
<b>Operating EBITDA</b>	<b>557</b>	<b>825</b>	<b>930</b>	<b>1,059</b>	<b>1,141</b>
Depreciation	(120)	(141)	(181)	(211)	(231)
Goodwill amortisation	0	0	0	0	0
<b>Operating EBIT</b>	<b>437</b>	<b>684</b>	<b>748</b>	<b>848</b>	<b>909</b>
Net financing costs	(11)	(9)	(11)	(11)	(12)
Associates	-	-	-	-	-
Recurring non-operating income	(9)	(4)	0	0	0
Non-recurring items	0	0	0	0	0
<b>Profit before tax</b>	<b>418</b>	<b>671</b>	<b>738</b>	<b>836</b>	<b>897</b>
Tax	(85)	(132)	(140)	(159)	(171)
<b>Profit after tax</b>	<b>332</b>	<b>539</b>	<b>598</b>	<b>677</b>	<b>727</b>
Minority interests	1	2	2	2	3
Preferred dividends	-	-	-	-	-
Other items	-	-	-	-	-
<b>Reported net profit</b>	<b>333</b>	<b>541</b>	<b>600</b>	<b>680</b>	<b>730</b>
<b>Non-recurring items &amp; goodwill (net)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Recurring net profit</b>	<b>333</b>	<b>541</b>	<b>600</b>	<b>680</b>	<b>730</b>
<b>Per share (THB)</b>					
Recurring EPS *	1.11	1.80	2.00	2.27	2.43
Reported EPS	1.11	1.80	2.00	2.27	2.43
DPS	0.65	0.90	1.20	1.29	1.39
Diluted shares (used to calculate per share data)	300	300	300	300	300
<b>Growth</b>					
Revenue (%)	19.8	21.8	14.4	13.6	12.6
Operating EBITDA (%)	15.1	48.2	12.6	13.9	7.7
Operating EBIT (%)	14.5	56.5	9.4	13.3	7.3
Recurring EPS (%)	12.1	62.2	10.8	13.4	7.3
Reported EPS (%)	12.1	62.2	10.8	13.4	7.3
<b>Operating performance</b>					
Gross margin inc. depreciation (%)	18.4	20.7	20.3	20.4	20.0
Gross margin exc. depreciation (%)	20.9	23.1	23.0	23.2	22.7
Operating EBITDA margin (%)	11.6	14.1	13.9	14.0	13.3
Operating EBIT margin (%)	9.1	11.7	11.2	11.2	10.6
Net margin (%)	7.0	9.3	9.0	9.0	8.5
Effective tax rate (%)	20.4	19.6	19.0	19.0	19.0
Dividend payout on recurring profit (%)	58.5	49.9	60.1	57.0	57.0
Interest cover (X)	40.2	77.2	71.3	75.7	76.4
Inventory days	26.1	24.2	26.9	29.2	29.2
Debtor days	50.5	51.7	50.2	47.0	47.2
Creditor days	58.2	61.4	61.6	58.5	58.5
Operating ROIC (%)	27.2	38.8	36.3	35.8	36.7
ROIC (%)	21.3	30.8	30.2	31.3	32.2
ROE (%)	22.5	31.4	29.6	29.5	28.0
ROA (%)	14.2	19.6	19.1	19.6	18.7

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

Revenue by Division (THB m)	2023	2024	2025E	2026E	2027E
Bakery and appetizers	4,282	5,035	5,790	6,589	7,420
Food Services	276	307	323	349	383
Snack (NSL brand and BAW)	163	445	512	589	677
OEM & bread wastes	68	39	43	48	52

Sources: NSL Foods; FSSIA estimates

## Financial Statements

### NSL Foods

Cash Flow (THB m) Year Ending Dec	2023	2024	2025E	2026E	2027E
Recurring net profit	333	541	600	680	730
Depreciation	120	141	181	211	231
Associates & minorities	-	-	-	-	-
Other non-cash items	26	19	19	0	0
Change in working capital	(36)	(18)	(101)	(57)	(58)
<b>Cash flow from operations</b>	<b>443</b>	<b>683</b>	<b>699</b>	<b>835</b>	<b>904</b>
Capex - maintenance	(200)	(280)	(400)	(300)	(200)
Capex - new investment	-	-	-	-	-
Net acquisitions & disposals	-	-	-	-	-
Other investments (net)	28	(106)	137	(9)	(10)
<b>Cash flow from investing</b>	<b>(172)</b>	<b>(387)</b>	<b>(263)</b>	<b>(309)</b>	<b>(210)</b>
Dividends paid	(180)	(212)	(360)	(387)	(416)
Equity finance	0	0	0	0	0
Debt finance	(93)	(10)	(50)	5	5
Other financing cash flows	20	19	(7)	9	10
<b>Cash flow from financing</b>	<b>(252)</b>	<b>(203)</b>	<b>(417)</b>	<b>(373)</b>	<b>(401)</b>
Non-recurring cash flows	-	-	-	-	-
Other adjustments	0	29	0	0	0
<b>Net other adjustments</b>	<b>0</b>	<b>29</b>	<b>(29)</b>	<b>0</b>	<b>0</b>
<b>Movement in cash</b>	<b>19</b>	<b>123</b>	<b>(9)</b>	<b>152</b>	<b>293</b>
Free cash flow to firm (FCFF)	281.68	305.57	447.24	536.86	705.94
Free cash flow to equity (FCFE)	198.69	334.18	351.02	539.73	708.63
<b>Per share (THB)</b>					
FCFF per share	0.94	1.02	1.49	1.79	2.35
FCFE per share	0.66	1.11	1.17	1.80	2.36
Recurring cash flow per share	1.60	2.34	2.67	2.97	3.20
Balance Sheet (THB m) Year Ending Dec	2023	2024	2025E	2026E	2027E
Tangible fixed assets (gross)	1,896	2,073	2,394	2,562	2,615
Less: Accumulated depreciation	(846)	(914)	(987)	(1,066)	(1,151)
<b>Tangible fixed assets (net)</b>	<b>1,050</b>	<b>1,160</b>	<b>1,407</b>	<b>1,496</b>	<b>1,464</b>
<b>Intangible fixed assets (net)</b>	<b>47</b>	<b>44</b>	<b>44</b>	<b>44</b>	<b>44</b>
Long-term financial assets	214	269	150	150	150
Invest. in associates & subsidiaries	6	0	6	6	6
Cash & equivalents	134	257	247	400	692
A/C receivable	732	922	915	1,039	1,172
Inventories	274	320	438	496	562
Other current assets	7	14	3	4	4
<b>Current assets</b>	<b>1,147</b>	<b>1,513</b>	<b>1,604</b>	<b>1,939</b>	<b>2,430</b>
Other assets	36	91	67	76	85
<b>Total assets</b>	<b>2,500</b>	<b>3,077</b>	<b>3,278</b>	<b>3,711</b>	<b>4,181</b>
Common equity	1,560	1,889	2,161	2,453	2,767
Minorities etc.	17	31	18	19	19
<b>Total shareholders' equity</b>	<b>1,576</b>	<b>1,921</b>	<b>2,179</b>	<b>2,472</b>	<b>2,786</b>
Long term debt	14	68	35	40	45
Other long-term liabilities	49	57	67	76	85
<b>Long-term liabilities</b>	<b>64</b>	<b>125</b>	<b>102</b>	<b>116</b>	<b>130</b>
A/C payable	650	861	875	993	1,124
Short term debt	141	89	55	55	55
Other current liabilities	68	82	67	76	85
<b>Current liabilities</b>	<b>859</b>	<b>1,032</b>	<b>997</b>	<b>1,124</b>	<b>1,264</b>
<b>Total liabilities and shareholders' equity</b>	<b>2,500</b>	<b>3,077</b>	<b>3,278</b>	<b>3,711</b>	<b>4,181</b>
Net working capital	295	313	414	471	529
Invested capital	1,648	1,878	2,089	2,243	2,279
* Includes convertibles and preferred stock which is being treated as debt					
<b>Per share (THB)</b>					
Book value per share	5.20	6.30	7.20	8.18	9.22
Tangible book value per share	5.04	6.15	7.05	8.03	9.07
<b>Financial strength</b>					
Net debt/equity (%)	1.4	(5.2)	(7.2)	(12.3)	(21.3)
Net debt/total assets (%)	0.9	(3.2)	(4.8)	(8.2)	(14.2)
Current ratio (x)	1.3	1.5	1.6	1.7	1.9
CF interest cover (x)	19.7	39.0	34.4	49.2	60.5
Valuation	2023	2024	2025E	2026E	2027E
<b>Recurring P/E (x) *</b>	<b>28.3</b>	<b>17.5</b>	<b>15.8</b>	<b>13.9</b>	<b>13.0</b>
<b>Recurring P/E @ target price (x) *</b>	<b>38.7</b>	<b>23.8</b>	<b>21.5</b>	<b>19.0</b>	<b>17.7</b>
Reported P/E (x)	28.3	17.5	15.8	13.9	13.0
Dividend yield (%)	2.1	2.9	3.8	4.1	4.4
Price/book (x)	6.1	5.0	4.4	3.9	3.4
Price/tangible book (x)	6.2	5.1	4.5	3.9	3.5
EV/EBITDA (x) **	17.0	11.4	10.0	8.7	7.8
EV/EBITDA @ target price (x) **	23.2	15.5	13.7	11.9	10.8
EV/invested capital (x)	5.8	5.0	4.5	4.1	3.9
* Pre-exceptional, pre-goodwill and fully diluted    ** EBITDA includes associate income and recurring non-operating income					

Sources: NSL Foods; FSSIA estimates

# NSL FOODS PCL (NSL 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.

Sources: FSSIA estimates

## Exhibit 11: ESG – peer comparison

	FSSIA	Domestic ratings						Global ratings					Bloomberg			
	ESG score	DJSI	SET ESG	SET ESG Rating	CG score	AGM level	Thai CAC	Morningstar ESG risk	ESG Book	MSCI	Moody's	Refinitiv	S&P Global	ESG score	Disclosure score	
SET100	67.71	5.69	4.38	4.05	4.77	4.43	4.02	Medium	57.34	BBB	22.70	60.82	67.31	1.19	35.34	
Coverage	66.17	5.16	4.33	3.94	4.81	4.43	3.83	Medium	56.41	BBB	18.92	59.20	65.82	1.38	35.46	
ITC	19.10	--	--	--	5.00	4.00	Declared	--	--	--	--	--	--	--	41.92	
NSL	n/a	--	--	--	--	--	--	--	--	--	--	--	--	--	--	
RBF	43.18	--	--	BBB	5.00	4.00	Certified	High	54.77	--	--	48.11	--	--	51.39	
SNNP	28.89	--	--	--	5.00	5.00	Declared	High	--	BBB	--	--	--	--	--	

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

## Exhibit 12: ESG disclosure from 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>8 / 4 / 2</b>
Climate change opportunities discussed	--	No. of board meetings for the year / % attendance	6 / 100
GHG scope 2 location-based policy	Yes	Company conducts board evaluations	Yes
Biodiversity policy	--	Number of non-executive directors on board	6
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	39 / 71
Waste reduction policy	Yes	Number of executives / female	6 / 1
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	5
Human rights policy	Yes	Audit committee meeting attendance (%)	100
Policy against child labor	Yes	<b>Size of compensation committee / ID</b>	<b>-- / --</b>
Quality assurance and recall policy	Yes	Number of compensation committee meetings	--
Consumer data protection policy	Yes	Compensation committee meeting attendance (%)	--
Equal opportunity policy	Yes	<b>Size of nomination committee / ID</b>	<b>-- / --</b>
Gender pay gap breakout	--	Number of nomination committee meetings	--
Pct women in workforce	53.65	Nomination committee meeting attendance (%)	--
Business ethics policy	Yes	Board compensation (THB m)	2.48
Anti-bribery ethics policy	Yes	Executive compensation (THB m)	26.6
Health and safety policy	Yes	Auditor fee (THB m)	2.1
Lost time incident rate - employees	--	(Deloitte Touche Tohmatsu Jaiyos Co., Ltd.)	
Training policy	Yes	Total employee (no.)	2,781
Fair remuneration policy	Yes	Employee compensation (THB m)	572.3
Number of employees - CSR	Yes		
Total hours spent by firm - employee training	16,315		
Social supply chain management	Yes		

Source: FSSIA's compilation



## Disclaimer for ESG scoring

ESG score	Methodology	Rating																			
The Dow Jones Sustainability Indices ( <a href="#">DJSI</a> ) 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 ( <a href="#">SETESG</a> ) by The Stock Exchange of Thailand ( <a href="#">SET</a> )	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 <a href="#">SETESG inclusion</a> , 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. <a href="#">SETESG Index</a> 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.																			
<b>CG Score</b> 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%).																			
<b>AGM level</b> 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.																			
<a href="#">Thai CAC</a> 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.																			
<a href="#">Morningstar Sustainabilitys</a>	The Sustainabilitys' ESG risk rating provides an overall company score based on an assessment of how much of a company's exposure to ESG risk is unmanaged. <i>Sources to be reviewed include corporate publications and regulatory filings, news and other media, NGO reports/websites, multi-sector information, company feedback, ESG controversies, issuer feedback on draft ESG reports, and quality &amp; peer reviews.</i>	A company's ESG risk rating score is the sum of unmanaged risk. The more risk is unmanaged, the higher ESG risk is scored. <table><tr><th>NEGL</th><th>Low</th><th>Medium</th><th>High</th><th>Severe</th></tr><tr><td>0-10</td><td>10-20</td><td>20-30</td><td>30-40</td><td>40+</td></tr></table>	NEGL	Low	Medium	High	Severe	0-10	10-20	20-30	30-40	40+									
NEGL	Low	Medium	High	Severe																	
0-10	10-20	20-30	30-40	40+																	
<a href="#">ESG Book</a>	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.																			
<a href="#">MSCI</a>	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><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></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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<a href="#">Moody's ESG solutions</a>	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.																				
<a href="#">Refinitiv ESG rating</a>	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>																				
<a href="#">S&amp;P Global</a>	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.																				
<b>Bloomberg</b>	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

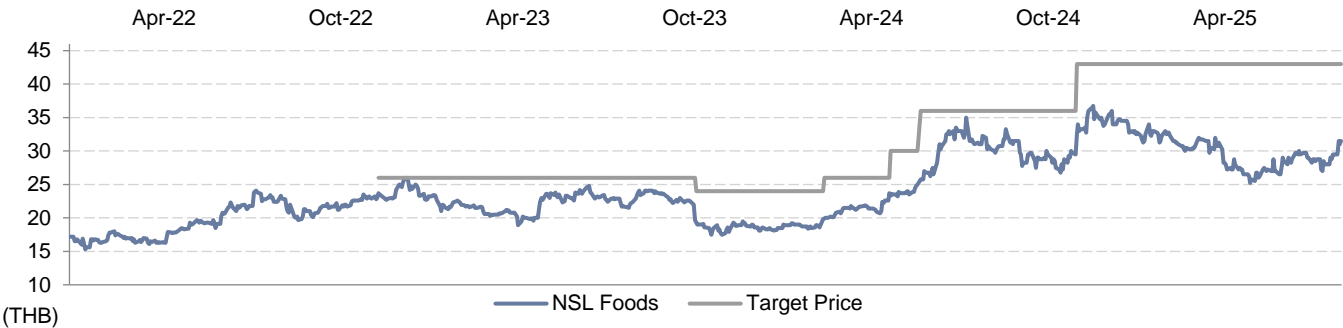
The individual(s) identified above certify(ies) that (i) all views expressed in this report accurately reflect the personal view of the analyst(s) with regard to any and all of the subject securities, companies or issuers mentioned in this report; and (ii) no part of the compensation of the analyst(s) was, is, or will be, directly or indirectly, related to the specific recommendations or views expressed herein.

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History of change in investment rating and/or target price

NSL Foods (NSL TB)



Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
18-Jan-2023	BUY	26.00	05-Feb-2024	BUY	26.00	26-Apr-2024	BUY	36.00
18-Oct-2023	BUY	24.00	02-Apr-2024	BUY	30.00	09-Sep-2024	BUY	43.00

Sureeporn Teewasuwet started covering this stock from 18-Jan-2023

Price and TP are in local currency

Source: FSSIA estimates

Company	Ticker	Price	Rating	Valuation & Risks
NSL Foods	NSL TB	THB 31.50	BUY	Downside risks to our DCF-based TP include 1) a slower-than-expected consumption recovery; 2) high volatility in raw material prices; 3) the failure of new products; and 4) changing consumer demand and lifestyles.

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 25-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.