

I-TAIL CORPORATION

THAILAND / FOOD & BEVERAGE

ITC TB

HOLD

UNCHANGED

TARGET PRICE	THB23.00
CLOSE	THB13.10
UP/DOWNSIDE	+75.6%
PRIOR TP	THB23.00
CHANGE IN TP	UNCHANGED
TP vs CONSENSUS	+17.1%

Still facing multiple external risks

- US customers remain in wait-and-see mode. They can manage the 10% tariff, but a 36% tariff would need renewed negotiations.
- Remain concerned about the outlook for the rest of the year due to US tariffs and overall weak consumption.
- Maintain HOLD call until there is clearer sign of a recovery.

Started the year with lackluster profit in 1Q25

ITC reported a 1Q25 net profit of THB677m (-14% q-q, -18% y-y). It was close to our expectation due to a surprisingly low tax rate of only 2.2%. However, ITC mentioned that it expects to be affected by the GMT for full-year 2025. This implies that the impact could be felt in the remaining three quarters of the year. Total revenue decreased by 10% q-q but increased by 5.5% y-y in 1Q25, mainly driven by strong growth in the Americas (+38.7% y-y), due to increased orders from a major retailer client and the easing of shipping issues. The gross margin dropped to 24.1%, from 25.5% in 4Q24 and 25.7% in 1Q24, due to higher depreciation and a reduced premium product mix. SG&A to sales was 10.8%, up from 7.7% in 1Q24, due to ongoing transformation costs.

Management cut 2025 targets to reflect US tariff impact

ITC has revised its 2025 targets – previously revenue growth of 13-15% y-y and a gross margin of 26-27% – to now include the potential impact of US tariffs, broken down into two scenarios: 1) 10% tariff for 9 months: revenue +11-13% y-y, gross margin 23-25%; and 2) 10% tariff for 2 months + 36% tariff for 7 months: revenue +6-8% y-y, gross margin 20-22%. Meanwhile, they maintain the SG&A to sales target at 9-10% and capex at THB1.5b.

Collaborating with US clients amid wait-and-see sentiment

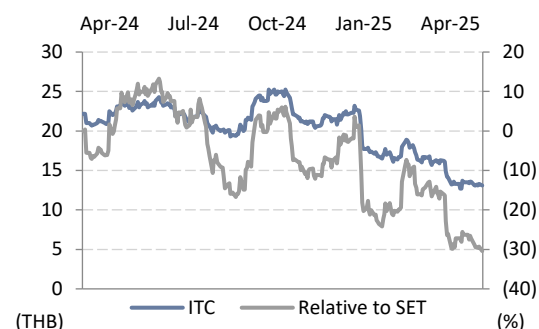
ITC is currently adjusting its strategy in collaboration with US customers, including inventory management, price adjustments, and focusing on cost management. In addition, the company is actively pursuing M&A opportunities and is currently in talks with at least 5-15 potential targets, with clearer developments expected in 2026. ITC has received advance orders for 2Q25 of 83% of its target. Although there are signs of a slight pickup in orders, the increase is not yet significant. US customers remain in a “wait-and-see” mode. While they can currently manage the 10% tariff, a potential increase to 36% would likely require renewed negotiations.

Remain concerned about outlook for the rest of the year

We remain concerned about the outlook for orders for the rest of the year due to the impact of US tariffs and overall weak consumption in Europe, Asia, and Oceania. Meanwhile, costs, expenses, and tax rates should rise in the coming quarters. Hence, we maintain our 2025E profit and TP at THB23 and reiterate our HOLD call until there is a clearer sign of recovery.

KEY STOCK DATA

YE Dec (THB m)	2024	2025E	2026E	2027E
Revenue	17,729	19,160	20,768	22,412
Net profit	3,597	3,566	3,885	4,198
EPS (THB)	1.20	1.19	1.29	1.40
vs Consensus (%)	-	4.8	7.1	12.7
EBITDA	4,545	4,627	5,125	5,562
Recurring net profit	3,830	3,566	3,885	4,198
Core EPS (THB)	1.28	1.19	1.29	1.40
Chg. In EPS est. (%)	-	-	-	-
EPS growth (%)	65.6	(6.9)	8.9	8.1
Core P/E (x)	10.3	11.0	10.1	9.4
Dividend yield (%)	8.8	7.3	7.9	8.5
EV/EBITDA (x)	6.1	6.1	5.6	5.1
Price/book (x)	1.6	1.6	1.5	1.5
Net debt/Equity (%)	(48.2)	(44.2)	(41.1)	(40.6)
ROE (%)	16.2	14.6	15.4	16.1



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	(7.1)	(22.9)	(40.7)
Relative to country (%)	(5.8)	(10.6)	(30.5)
Mkt cap (USD m)	1,168		
3m avg. daily turnover (USD m)	3.3		
Free float (%)	22		
Major shareholder	Thai Union Group (79%)		
12m high/low (THB)	26.00/11.70		
Issued shares (m)	3,000.00		

Sources: Bloomberg consensus; FSSIA estimates



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Investment thesis

ITC is a leading global pet food manufacturer. It has cost and innovation advantages due partly to its parent company, Thai Union Group (TU TB), a leading global tuna processor. With over 20 years of extensive experience, its management enables ITC to adapt to changing customer needs while maintaining strong relationships with global pet food brands.

Additionally, increased pet ownership should encourage continued growth in the global pet food market value. In 2024, ITC expanded its capacity by 17-18% to cope with pet food growth and develop new value-added products to enhance profitability. Meanwhile, management has revised down its 2025 targets to reflect the negative impact of US tariffs, but its new targets are still higher than the global pet food market growth forecast.

Company profile

Revenue-wise, ITC is in the world’s top 10 pet food producers and the second largest in Asia. Also, it is a global pet care company of TU, which has been operating a pet food business since 1977. ITC has two factories in Samut Sakhon and Songkhla. It distributes products globally. In 2024, its revenue came mainly from the US (50.4% of total revenue), followed by Asia, Oceania, and others (34.1%), and Europe (15.5%).

www.i-tail.com

Principal activities (revenue, 2024)

Pet Food - 86.4 %

Treats - 11.6 %

Other - 0.1 %

Other segment - 1.9 %

Source: i-Tail Corporation

Major shareholders

Thai Union Group - 78.8 %

Others - 21.2 %

Source: i-Tail Corporation

Catalysts

Potential catalysts for ITC’s earnings growth in 2025-26 are 1) revenue growth from existing customers in line with the industry and new customers; 2) capacity expansion; and 3) lower raw material costs.

Risks to our call

Downside and upside risks to our P/E-based TP include 1) a slower or faster-than-expected recovery in purchasing power, 2) more fluctuating raw material prices than expected, 3) a stronger or weaker-than-expected THB, and 4) labor shortages.

Event calendar

Date	Event
July-August 2025	2Q25 results announcement

Key assumptions

	2025E	2026E	2027E
FX rate (USDTHB)	33.0	33.0	33.0
Tuna price (USD/tonne)	1,600	1,600	1,600
Total sales growth (%)	8.1	8.4	7.9
Gross margin (%)	26.0	26.2	26.2

Source: FSSIA estimates

Earnings sensitivity

- For every 1% increase in revenue, we estimate 2025 net profit to rise by 0.8%, and vice versa, all else being equal.
- For every 0.5% increase in GPM, we estimate 2025 net profit to rise by 2.9%, and vice versa, all else being equal.
- For every 0.5% increase in SG&A, we estimate 2025 net profit to fall by 2.8%, and vice versa, all else being equal.

Source: FSSIA estimates

1Q25 profit in line from no GMT impact, but core operations lackluster

ITC reported a 1Q25 net profit of THB677m (-14% q-q, -18% y-y). Excluding an FX loss, its core profit was THB697m (-13% q-q, -21% y-y). Although the profit was close to our expectation, it is still considered lackluster due to a surprisingly low effective tax rate of only 2.2%, compared to the expected 8% impact from the GMT. ITC stated that TU assessed it did not yet meet the threshold for GMT in the quarter, so it was not impacted.

However, ITC mentioned that it expects to be affected by the GMT for full-year 2025, amounting to THB200m, or a tax rate of c8.5%. This implies the impact could be felt in the remaining three quarters of the year. As such, we maintain our GMT assumption for the full year.

Total revenue decreased by 10% q-q but increased by 5.5% y-y, mainly driven by strong growth in the Americas (+38.7% y-y), due to high demand for a customer's new product, increased orders from a major retailer client and the easing of shipping issues toward the end of the quarter. In contrast, sales in Europe, Asia, and Oceania declined significantly, both q-q and y-y.

The gross margin dropped to 24.1%, from 25.5% in 4Q24 and 25.7% in 1Q24, due to rising tuna prices, higher depreciation, and a reduced proportion of premium products – now 48.7%, down from 54.7% in 4Q24 and 54.8% in 1Q24.

SG&A to sales was 10.8%, up from 7.7% in 1Q24, due to ongoing transformation costs of THB105m in the quarter (2.5% of total revenue).

Exhibit 1: ITC – 1Q25 results summary

	1Q24	2Q24	3Q24	4Q24	1Q25	----- Change -----		2024	2025E	Change	%1Q25
	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(q-q%)	(y-y%)	(THB m)	(THB m)	(y-y%)	to 2025E
Sales	4,029	4,567	4,436	4,698	4,249	(9.6)	5.5	17,729	19,160	8.1	24.5
Cost of sales	2,994	3,199	3,115	3,502	3,227	(7.9)	7.8	12,810	14,178	10.7	24.7
Gross profit	1,034	1,368	1,320	1,196	1,022	(14.5)	(1.2)	4,919	4,982	1.3	24.0
SG&A	310	390	410	528	460	(12.8)	48.5	1,638	1,763	7.6	30.0
Operating profit	888	1,158	1,079	853	715	(16.2)	(19.5)	3,977	3,909	(1.7)	21.8
Other income	163	180	168	185	153	(17.2)	(6.3)	696	690	(0.8)	26.8
Interest expense	1	1	2	1	1	(7.0)	(9.6)	6	7	20.3	19.9
Tax expense	8	36	47	49	16	(67.7)	96.4	141	332	135.7	14.8
Other gain (loss)	(57)	(111)	(53)	(11)	(20)	nm	nm	(233)	0	nm	nm
Reported net profit	821	1,010	976	790	677	(14.4)	(17.6)	3,597	3,566	(0.9)	22.2
Core profit	878	1,121	1,029	802	697	(13.0)	(20.6)	3,830	3,566	(6.9)	22.5
Key ratios (%)						(ppt)	(ppt)				
Gross margin	25.7	30.0	29.8	25.5	24.1	(1.4)	(1.6)	27.7	26.0	(1.7)	
SG&A to sales	7.7	8.5	9.2	11.2	10.8	(0.4)	3.1	9.2	9.2	(0.0)	
Operating margin	22.0	25.4	24.3	18.1	16.8	(1.3)	(5.2)	22.4	20.4	(2.0)	
Net margin	20.4	22.1	22.0	16.8	15.9	(0.9)	(4.4)	20.3	18.6	(1.7)	
Core margin	21.8	24.5	23.2	17.1	16.4	(0.7)	(5.4)	21.6	18.6	(3.0)	
Operating statistics											
THB/USD	35.7	36.6	34.8	34.0	34.0	0.0	(4.7)	35.3	33.0	(6.4)	
Tuna price (USD/tonne)	1,333	1,478	1,410	1,530	1,620	5.9	21.5	1,437	1,549	7.8	
Sales value (THB m)											
Cat food	3,041	3,106	2,993	3,126	2,952	(5.6)	(2.9)	80,491	90,150	12.0	3.3
Dog food	511	798	857	885	667	(24.6)	30.6	16,805	18,906	12.5	3.5
Treat sales	398	548	498	609	552	(9.4)	38.7	5,831	6,502	11.5	8.5
Other non-pet	73	111	83	72	75	3.6	2.2	13,247	13,247	0.0	0.6
Americas	1,819	2,397	2,237	2,483	2,523	1.6	38.7	8,937	9,676	8.3	26.1
Europe	755	691	648	654	524	(19.9)	(30.6)	2,749	2,951	7.3	17.8
Asia, Oceania, Others	1,454	1,479	1,550	1,560	1,202	(23.0)	(17.4)	6,044	6,534	8.1	18.4

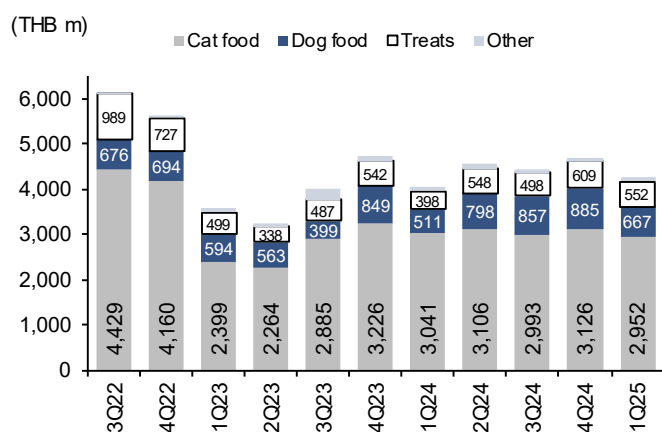
Sources: ITC, FSSIA's compilation

Exhibit 2: ITC's 1Q25 operating statistics

	1Q24	2Q24	3Q24	4Q24	1Q25	Change	
	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(q-q%)	(y-y%)
Sales volume (tonnes)	26,514	29,721	29,111	31,219	30,504	(2.3)	15.0
Cat food	20,126	19,958	19,537	20,870	21,271	1.9	5.7
Dog food	2,734	4,496	4,553	5,023	3,921	(21.9)	43.4
Treat	906	1,649	1,484	1,792	1,694	(5.5)	87.0
Other pet	39	46	62	44	52	18.6	34.8
Other non-pet	2,710	3,572	3,475	3,489	3,566	2.2	31.6
Americas	9,667	13,532	12,942	14,214	16,093	13.2	66.5
Europe	4,670	4,559	4,116	4,336	3,626	(16.4)	(22.3)
Asia, Oceania, Others	12,178	11,630	12,053	12,669	10,784	(14.9)	(11.4)
Average selling price (THB/kg)	152	154	152	150	139	(7.4)	(8.3)
Cat food	151	156	153	150	139	(7.4)	(8.1)
Dog food	187	177	188	176	170	(3.4)	(8.9)
Treat	439	332	336	340	326	(4.1)	(25.8)
Other non-pet	27	31	24	21	21	1.4	(22.3)
Americas	188	177	173	175	157	(10.3)	(16.7)
Europe	162	152	157	151	145	(4.2)	(10.6)
Asia, Oceania, Others	119	127	129	123	111	(9.5)	(6.7)

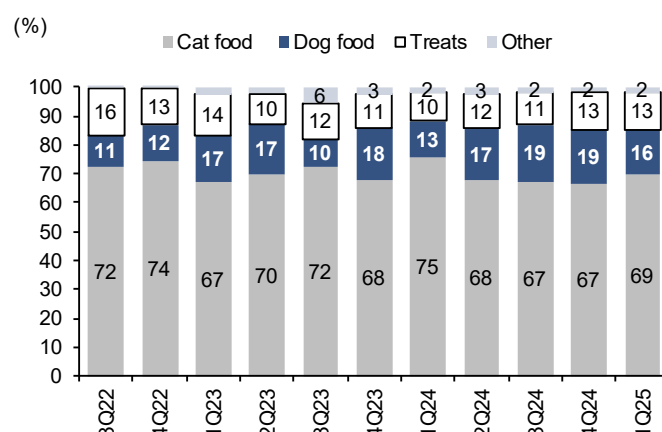
Sources: ITC; FSSIA's compilation

Exhibit 3: Revenue by type of product

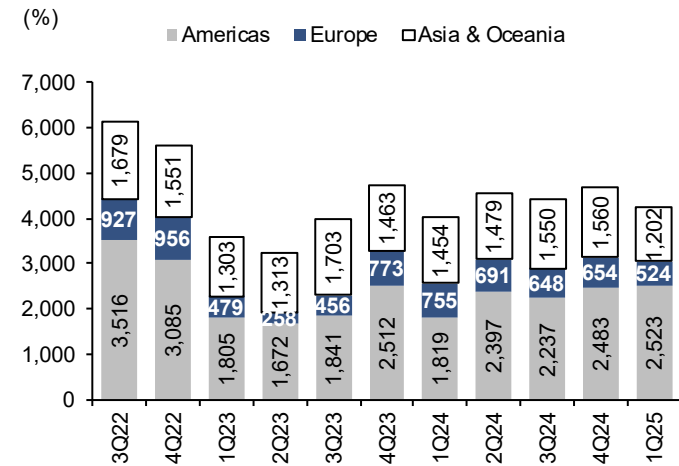


Sources: ITC; FSSIA's compilation

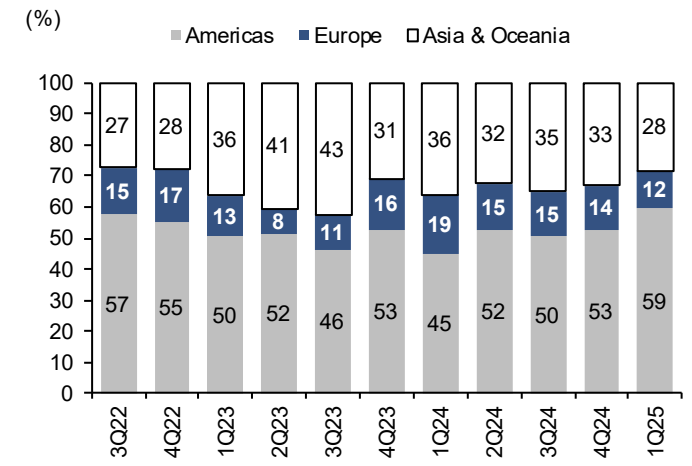
Exhibit 4: Revenue contribution by type of product



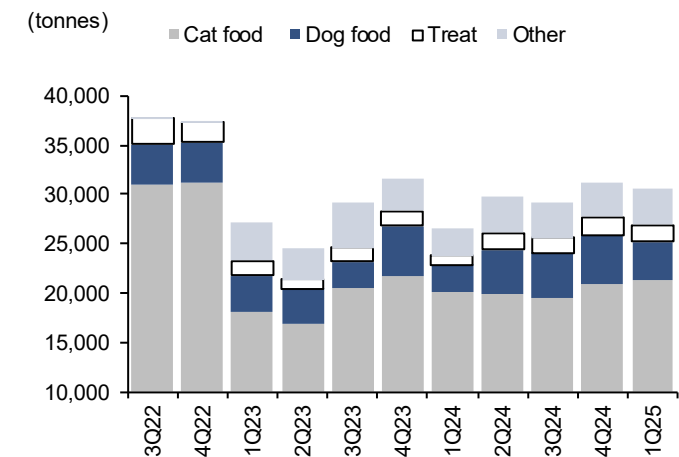
Sources: ITC; FSSIA's compilation

Exhibit 5: Revenue by destination

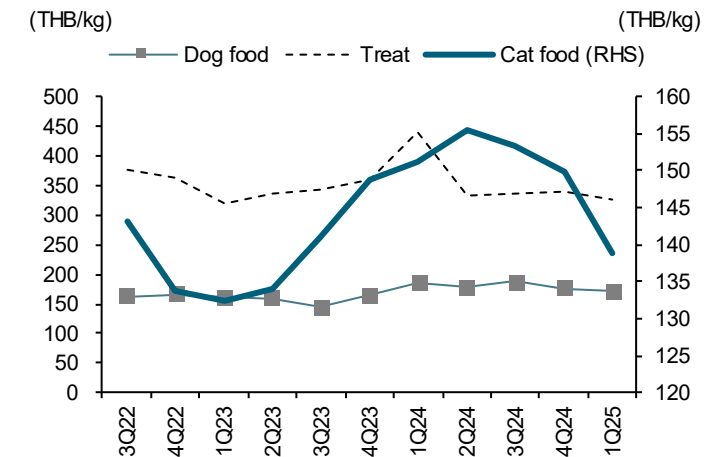
Sources: ITC; FSSIA's compilation

Exhibit 6: Revenue contribution by destination

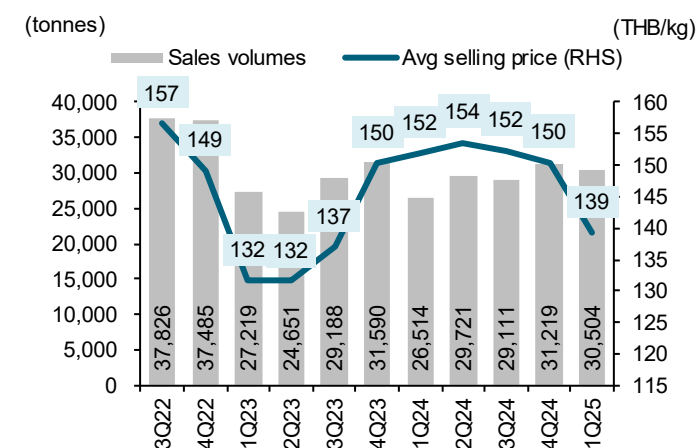
Sources: ITC; FSSIA's compilation

Exhibit 7: Sales volumes by type of product

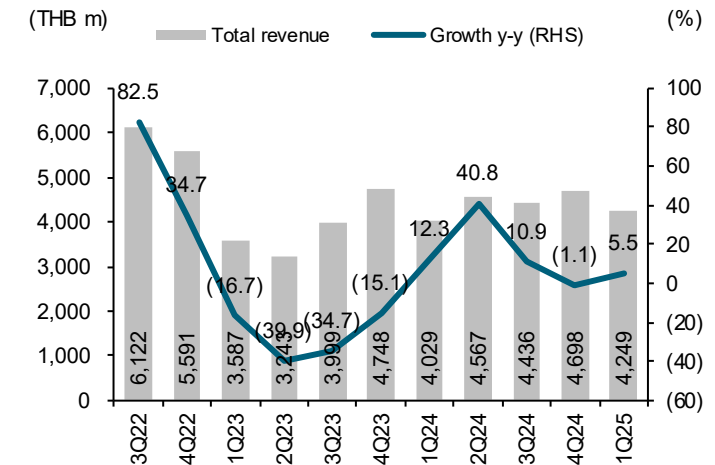
Sources: ITC; FSSIA's compilation

Exhibit 8: Average selling price by type of product

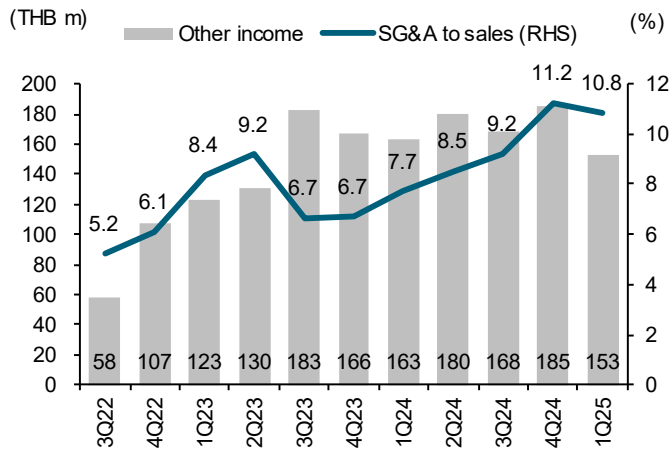
Sources: ITC; FSSIA's compilation

Exhibit 9: Total sales volumes and average selling price

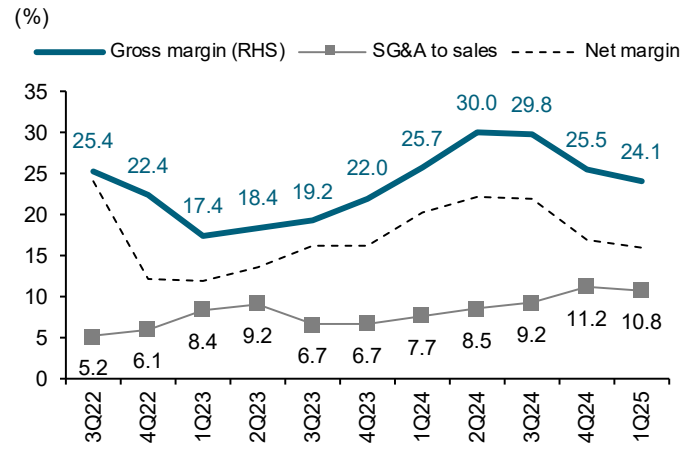
Sources: ITC; FSSIA's compilation

Exhibit 10: Total revenue and growth

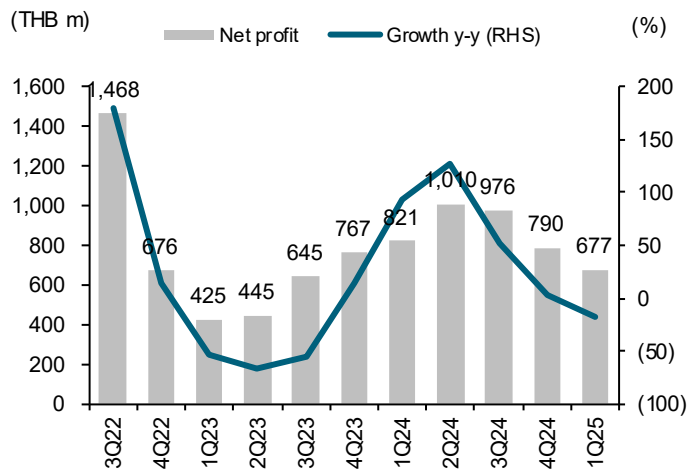
Sources: ITC; FSSIA's compilation

Exhibit 11: Other income and SG&A to sales

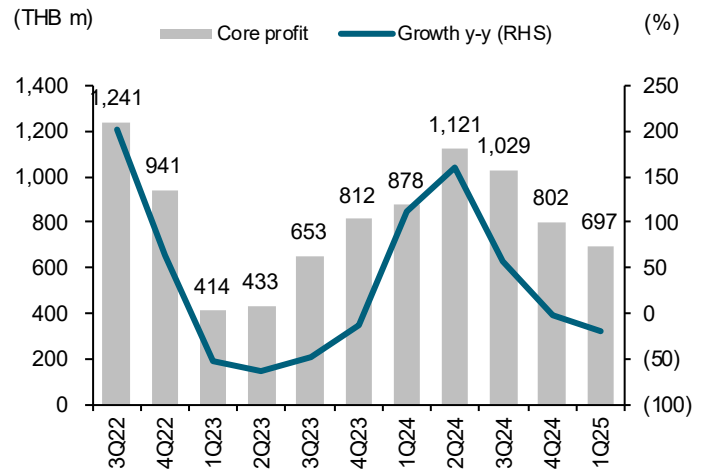
Sources: ITC; FSSIA's compilation

Exhibit 12: Gross margin and net margin

Sources: ITC; FSSIA's compilation

Exhibit 13: Net profit and growth

Sources: ITC; FSSIA's compilation

Exhibit 14: Core profit and growth

Sources: ITC; FSSIA's compilation

Management lowers 2025 targets to reflect impact of US tariffs

ITC has revised its 2025 targets – previously revenue growth of 13-15% y-y and a gross margin of 26-27% – to now include the potential impact of US tariffs, broken down into two scenarios:

- 1) 10% tariff for 9 months: revenue +11-13% y-y, gross margin 23-25%.
- 2) 10% tariff for 2 months + 36% tariff for 7 months: revenue +6-8% y-y, gross margin 20-22%.

The SG&A to sales target remains at 9-10%, and capex at THB1.5b.

ITC is currently adjusting its strategy in collaboration with US customers, including inventory management, product price adjustments, and focusing on cost management through project tailwinds. In addition, the company is actively pursuing M&A opportunities and is currently in talks with at least 5–15 potential targets, with clearer developments expected in 2026. ITC has received advance orders for 2Q25 accounting for around 83% of its target. Although there are signs of a slight pickup in orders, the increase is not yet significant. US customers remain in a wait-and-see mode. While they can currently manage the 10% tariff, a potential increase to 36% would likely require renewed negotiations.

Exhibit 15: ITC's adjusted 2025 full-year guidance

2025 Guidance 2 scenario linked to U.S. Tariff	10% Flat	10% for 2-month and 36% for 7- month	Key driver
Sales growth	+11-13% YoY (from previous 13-15% YoY)	+6-8% YoY	<ul style="list-style-type: none"> Impact to U.S. sales from higher U.S. tariffs on volume due to price elasticity Increased volume in Europe and AOA on both private labels and importer brands Focusing on wet, treats, and functional pet food Expanding to new categories e.g. chunk & pate, treats & topper
Gross profit margin	23-25% (from previous 26-27%)	20-22%	<ul style="list-style-type: none"> Cost management and Tailwind project cost saving initiatives Partially offset by product mix adjustment and new plant depreciation and minimum wages
SG&A to sales	9-10%		Transformation cost expected to be 2.4-2.6% of SG&A to sales
CAPEX	THB 1.5bn		<ul style="list-style-type: none"> ASRS warehouse in Songkhla Automated pouch line in Samut Sakhon
Dividend Policy	At least 50% of net profit		

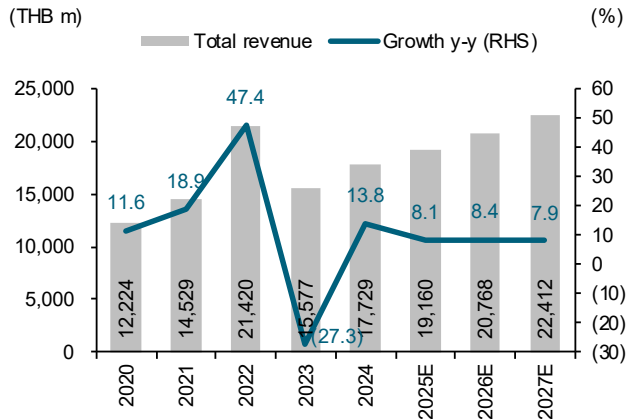
Source: ITC's 1Q25 presentation

Unclear outlook in 2H25

ITC's 1Q25 profit accounted for 22% of our full-year estimate. Overall, we remain cautious about the recovery for the rest of the year and the potential impact of US tariffs. For the 2Q25 revenue outlook, currently, 83% of the revenue target is covered by advance orders. There is some front-loaded buying from US clients, but not at a level that reflects significant concern. Clients believe the impact of Trump's tariffs will not be severe.

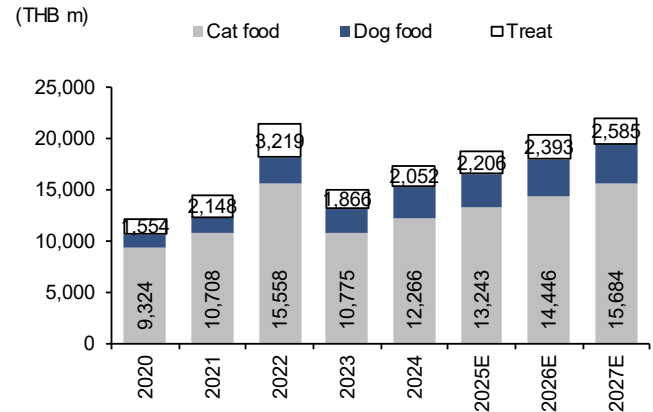
We maintain our 2025E net profit at THB3.6b (-0.9% y-y) and our TP at THB23. Reiterate HOLD call.

Exhibit 16: Yearly total revenue and growth



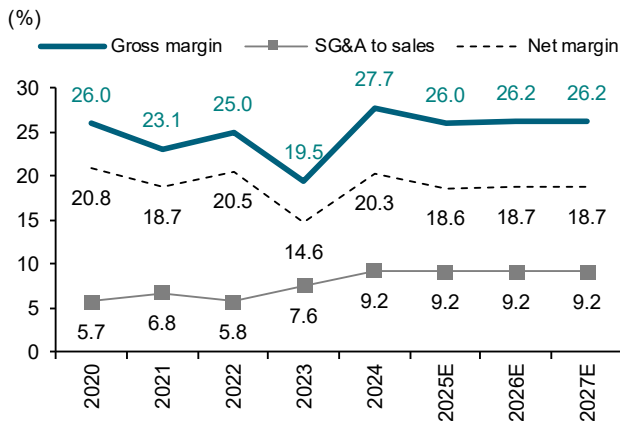
Sources: ITC; FSSIA estimates

Exhibit 17: Yearly revenue by type of product



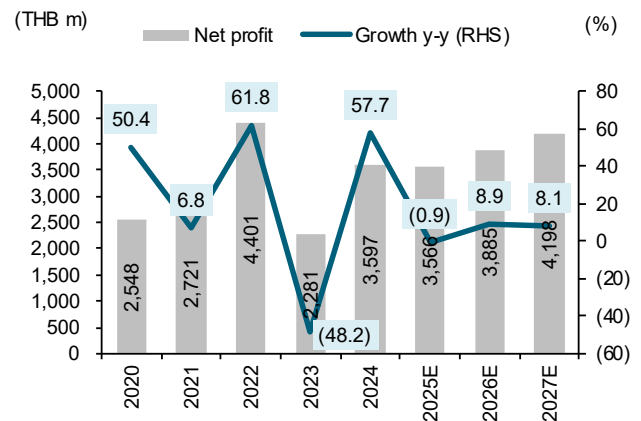
Sources: ITC; FSSIA estimates

Exhibit 18: Yearly gross margin and net margin



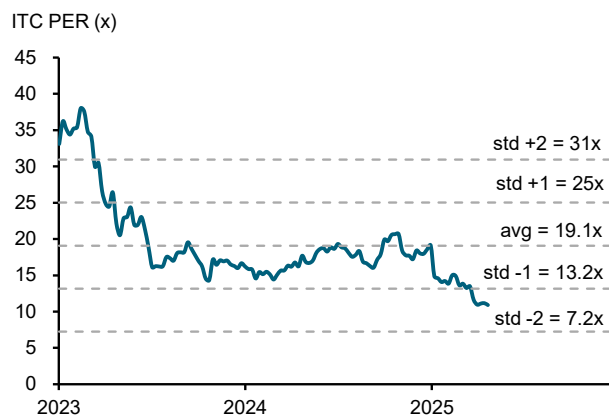
Sources: ITC; FSSIA estimates

Exhibit 19: Yearly net profit and growth



Sources: ITC; FSSIA estimates

Exhibit 20: Historical P/E band



Sources: Bloomberg; FSSIA estimates

Exhibit 21: Historical P/BV band



Sources: Bloomberg; FSSIA estimates

Financial Statements

i-Tail Corporation

Profit and Loss (THB m) Year Ending Dec	2023	2024	2025E	2026E	2027E
Revenue	15,577	17,729	19,160	20,768	22,412
Cost of goods sold	(12,539)	(12,810)	(14,178)	(15,327)	(16,540)
Gross profit	3,038	4,919	4,982	5,441	5,872
Other operating income	603	696	690	727	784
Operating costs	(1,183)	(1,638)	(1,763)	(1,911)	(2,062)
Operating EBITDA	2,995	4,545	4,627	5,125	5,562
Depreciation	(539)	(568)	(718)	(868)	(968)
Goodwill amortisation	0	0	0	0	0
Operating EBIT	2,457	3,977	3,909	4,257	4,594
Net financing costs	(11)	(6)	(7)	(8)	(7)
Associates	-	-	-	-	-
Recurring non-operating income	0	0	0	0	0
Non-recurring items	(31)	(233)	0	0	0
Profit before tax	2,415	3,738	3,901	4,250	4,587
Tax	(132)	(141)	(332)	(361)	(390)
Profit after tax	2,283	3,597	3,570	3,889	4,198
Minority interests	(1)	0	(4)	(4)	0
Preferred dividends	-	-	-	-	-
Other items	-	-	-	-	-
Reported net profit	2,281	3,597	3,566	3,885	4,198
Non-recurring items & goodwill (net)	31	233	0	0	0
Recurring net profit	2,312	3,830	3,566	3,885	4,198
Per share (THB)					
Recurring EPS *	0.77	1.28	1.19	1.29	1.40
Reported EPS	0.76	1.20	1.19	1.29	1.40
DPS	0.60	1.15	0.95	1.04	1.12
Diluted shares (used to calculate per share data)	3,000	3,000	3,000	3,000	3,000
Growth					
Revenue (%)	(27.3)	13.8	8.1	8.4	7.9
Operating EBITDA (%)	(39.2)	51.7	1.8	10.8	8.5
Operating EBIT (%)	(43.6)	61.9	(1.7)	8.9	7.9
Recurring EPS (%)	(68.6)	65.6	(6.9)	8.9	8.1
Reported EPS (%)	(70.3)	57.7	(0.9)	8.9	8.1
Operating performance					
Gross margin inc. depreciation (%)	19.5	27.7	26.0	26.2	26.2
Gross margin exc. depreciation (%)	23.0	30.9	29.7	30.4	30.5
Operating EBITDA margin (%)	19.2	25.6	24.1	24.7	24.8
Operating EBIT margin (%)	15.8	22.4	20.4	20.5	20.5
Net margin (%)	14.8	21.6	18.6	18.7	18.7
Effective tax rate (%)	5.5	3.8	8.5	8.5	8.5
Dividend payout on recurring profit (%)	77.8	90.1	80.0	80.0	80.0
Interest cover (X)	223.0	659.9	539.1	567.7	656.3
Inventory days	117.0	101.0	100.6	102.0	102.3
Debtor days	86.4	80.4	77.6	76.9	77.1
Creditor days	58.9	49.7	50.9	51.0	51.2
Operating ROIC (%)	15.8	24.6	23.2	22.9	23.3
ROIC (%)	14.6	23.1	22.6	22.4	22.7
ROE (%)	9.6	16.2	14.6	15.4	16.1
ROA (%)	8.7	14.6	13.1	13.8	14.3

* Pre-exceptional, pre-goodwill and fully diluted

Revenue by Division (THB m)	2023	2024	2025E	2026E	2027E
Pet Food	13,180	15,317	16,552	17,971	19,423
Treats	1,866	2,052	2,206	2,393	2,585
Other	13	20	20	21	22
Other segment	519	340	382	382	382

Sources: i-Tail Corporation; FSSIA estimates

Financial Statements

i-Tail Corporation

Cash Flow (THB m) Year Ending Dec	2023	2024	2025E	2026E	2027E
Recurring net profit	2,312	3,830	3,566	3,885	4,198
Depreciation	539	568	718	868	968
Associates & minorities	(15)	0	1	0	0
Other non-cash items	-	-	-	-	-
Change in working capital	(578)	797	(612)	(614)	(633)
Cash flow from operations	2,258	5,195	3,673	4,139	4,532
Capex - maintenance	(1,532)	(1,399)	(1,500)	(1,500)	(1,000)
Capex - new investment	0	0	0	0	0
Net acquisitions & disposals	-	-	-	-	-
Other investments (net)	(838)	(5,277)	6,285	(24)	(25)
Cash flow from investing	(2,370)	(6,676)	4,785	(1,524)	(1,025)
Dividends paid	(3,791)	(2,271)	(2,853)	(3,108)	(3,358)
Equity finance	0	0	0	0	0
Debt finance	4	(235)	(11)	(26)	1
Other financing cash flows	(50)	90	12	56	58
Cash flow from financing	(3,837)	(2,416)	(2,852)	(3,077)	(3,299)
Non-recurring cash flows	-	-	-	-	-
Other adjustments	0	6,281	0	0	0
Net other adjustments	0	6,281	(6,281)	0	0
Movement in cash	(3,949)	2,384	(674)	(463)	208
Free cash flow to firm (FCFF)	(101.04)	(1,474.70)	8,465.61	2,621.96	3,514.56
Free cash flow to equity (FCFE)	(157.69)	4,655.35	2,178.30	2,644.88	3,566.10
Per share (THB)					
FCFF per share	(0.03)	(0.49)	2.82	0.87	1.17
FCFE per share	(0.05)	1.55	0.73	0.88	1.19
Recurring cash flow per share	0.95	1.47	1.43	1.58	1.72
Balance Sheet (THB m) Year Ending Dec	2023	2024	2025E	2026E	2027E
Tangible fixed assets (gross)	8,905	9,889	10,870	11,663	11,863
Less: Accumulated depreciation	(3,423)	(3,880)	(4,036)	(4,197)	(4,365)
Tangible fixed assets (net)	5,482	6,009	6,834	7,467	7,499
Intangible fixed assets (net)	0	34	34	34	34
Long-term financial assets	923	43	-	-	-
Invest. in associates & subsidiaries	-	-	-	-	-
Cash & equivalents	9,305	11,690	11,015	10,552	10,760
A/C receivable	3,860	3,951	4,199	4,552	4,912
Inventories	3,243	3,535	3,884	4,199	4,532
Other current assets	2,165	1,375	1,533	1,661	1,793
Current assets	18,573	20,550	20,632	20,965	21,997
Other assets	452	291	287	312	336
Total assets	25,431	26,928	27,788	28,777	29,866
Common equity	23,118	24,138	24,852	25,629	26,468
Minorities etc.	1	0	2	2	2
Total shareholders' equity	23,119	24,139	24,854	25,631	26,470
Long term debt	33	34	29	4	5
Other long-term liabilities	569	659	671	727	784
Long-term liabilities	602	693	700	730	789
A/C payable	1,520	1,815	1,942	2,100	2,266
Short term debt	14	11	5	5	5
Other current liabilities	177	270	287	312	336
Current liabilities	1,710	2,096	2,235	2,416	2,607
Total liabilities and shareholders' equity	25,431	26,928	27,788	28,777	29,866
Net working capital	7,572	6,775	7,387	8,001	8,635
Invested capital	14,429	13,153	14,543	15,814	16,504
* Includes convertibles and preferred stock which is being treated as debt					
Per share (THB)					
Book value per share	7.71	8.05	8.28	8.54	8.82
Tangible book value per share	7.71	8.03	8.27	8.53	8.81
Financial strength					
Net debt/equity (%)	(40.0)	(48.2)	(44.2)	(41.1)	(40.6)
Net debt/total assets (%)	(36.4)	(43.2)	(39.5)	(36.6)	(36.0)
Current ratio (x)	10.9	9.8	9.2	8.7	8.4
CF interest cover (x)	(13.3)	773.4	301.5	353.7	510.4
Valuation	2023	2024	2025E	2026E	2027E
Recurring P/E (x) *	17.0	10.3	11.0	10.1	9.4
Recurring P/E @ target price (x) *	29.8	18.0	19.4	17.8	16.4
Reported P/E (x)	17.2	10.9	11.0	10.1	9.4
Dividend yield (%)	4.6	8.8	7.3	7.9	8.5
Price/book (x)	1.7	1.6	1.6	1.5	1.5
Price/tangible book (x)	1.7	1.6	1.6	1.5	1.5
EV/EBITDA (x) **	10.0	6.1	6.1	5.6	5.1
EV/EBITDA @ target price (x) **	19.9	12.6	12.5	11.4	10.5
EV/invested capital (x)	2.1	2.1	1.9	1.8	1.7
* Pre-exceptional, pre-goodwill and fully diluted ** EBITDA includes associate income and recurring non-operating income					

Sources: i-Tail Corporation; FSSIA estimates

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	
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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

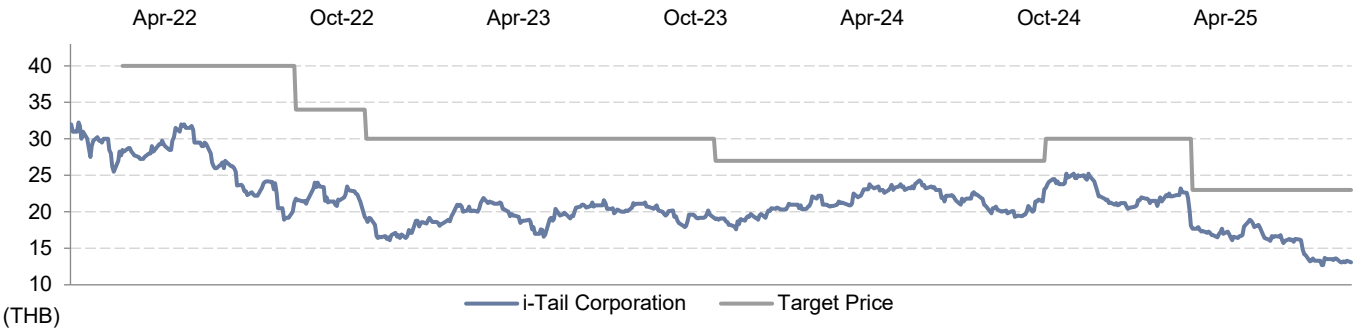
The individual(s) identified above certify(ies) that (i) all views expressed in this report accurately reflect the personal view of the analyst(s) with regard to any and all of the subject securities, companies or issuers mentioned in this report; and (ii) no part of the compensation of the analyst(s) 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

i-Tail Corporation (ITC TB)



Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
11-Jan-2023	BUY	40.00	19-Feb-2024	BUY	27.00	14-Feb-2025	BUY	23.00
09-May-2023	BUY	34.00	01-Oct-2024	BUY	30.00	26-Mar-2025	HOLD	23.00
26-Jun-2023	BUY	30.00	09-Jan-2025	HOLD	23.00			

Sureeporn Teewasuwet started covering this stock from 11-Jan-2023

Price and TP are in local currency

Source: FSSIA estimates

Company	Ticker	Price	Rating	Valuation & Risks
i-Tail Corporation	ITC TB	THB 13.10	HOLD	Downside and upside risks to our P/E-based TP include 1) a slower or faster-than-expected recovery in purchasing power, 2) more fluctuating raw material prices than expected, 3) a stronger or weaker-than-expected THB, and 4) labour shortages.

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 28-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.