

NSL FOODS NSL TB

THAILAND / FOOD & BEVERAGE

BUY

UNCHANGED

Sandwich sales are heating up

- 1Q25 revenue and profit exceeded expectations and reached new highs – an impressive performance.
- NSL is fully benefiting from economies of scale, and non-7-Eleven revenue is increasing as planned.
- Revising up our profit forecast and TP to THB45.

TARGET PRICE	THB45.00
CLOSE	THB32.00
UP/DOWNSIDE	+40.6%
PRIOR TP	THB43.00
CHANGE IN TP	+4.7%
TP vs CONSENSUS	+11.6%

KEY STOCK DATA

YE Dec (THB m)	2024	2025E	2026E	2027E
Revenue	5,839	6,971	7,909	8,906
Net profit	541	663	732	801
EPS (THB)	1.80	2.21	2.44	2.67
vs Consensus (%)	-	10.5	7.1	9.9
EBITDA	825	1,018	1,134	1,241
Recurring net profit	541	663	732	801
Core EPS (THB)	1.80	2.21	2.44	2.67
Chg. In EPS est. (%)	-	10.6	7.7	9.8
EPS growth (%)	62.2	22.5	10.4	9.5
Core P/E (x)	17.7	14.5	13.1	12.0
Dividend yield (%)	2.8	3.9	4.3	4.8
EV/EBITDA (x)	11.5	9.3	8.2	7.2
Price/book (x)	5.1	4.4	3.9	3.4
Net debt/Equity (%)	(5.2)	(6.8)	(12.7)	(22.2)
ROE (%)	31.4	32.6	31.4	30.1

Revenue and profit in 1Q25 reached new record highs

NSL reported a 1Q25 net profit of THB171m (+16% q-q, +34% y-y), which was 8% above our expectation and marked a new record high. This strong performance was driven by better-than-expected revenue and a stronger-than-expected gross margin, making it an exceptionally solid quarter. Total revenue hit a new high to grow 27% y-y (exceeding NSL's target of 16-17%). Key contributors included: the bakery segment (+17.6% y-y), NSL brands (+113%) and food services (+94%). Exported fruit juice revenue rose to THB60m (+71% q-q), reflecting a full-quarter's recognition and accounting for 25-30% of the full-year target. The gross margin exceeded expectations at 21.5% (vs 20.4% in 4Q24 and 21% in 1Q24), supported by economies of scale on higher production utilization.

Plan to expand production capacity approved

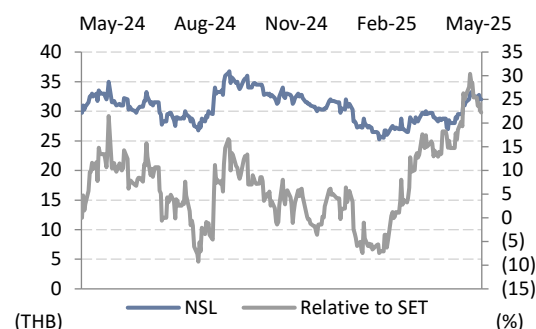
With the sandwich production line now running at c70-80% capacity, the company announced a 56% production capacity expansion from 1.2 million to 1.9 million units per day. This includes the construction of a new factory (within the same area as the current one in Amata City Industrial Estate, Phase 8) with a total investment of THB870m through a new subsidiary called NSL Integration. The factory is expected to be completed as early as 4Q26 (construction period: 1 year 8 months). Meanwhile, NSL has also extended its MOU with 7-Eleven until 2031.

Revising up 2025E net profit to grow 22.5% y-y

We raise our 2025-27 net profit forecasts by 7-11% to grow by 22.5%/10.4%/9.5%, respectively. The outlook for 2025 is particularly bright, thanks to positive feedback for new products in both the dessert and savory categories – with some becoming permanent items in 7-Eleven. In addition, export revenue is starting to support NSL's growth, making up 3.5% of total revenue in 1Q25 and lifting non-7-Eleven revenue to 14% of total revenue (vs 10% in 1Q24).

Reiterate BUY with higher TP to THB45

We revise up our TP to THB45 (from THB43), based on a P/E of 20x (down from 22x). We remain positive on the company's growth outlook, especially the expansion in non-7-Eleven revenue channels, which are progressing well under management's plan, while revenue via 7-Eleven continues to grow as expected, sustaining the strong earnings momentum in the food sector.



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	18.5	24.3	16.4
Relative to country (%)	6.5	31.6	31.6
Mkt cap (USD m)	291		
3m avg. daily turnover (USD m)	0.9		
Free float (%)	0		
Major shareholder	Mr. Somchai Asavapiyanon (72%)		
12m high/low (THB)	37.25/25.00		
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.

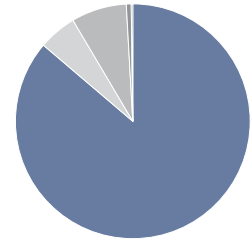
Company profile

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

Principal activities (revenue, 2024)

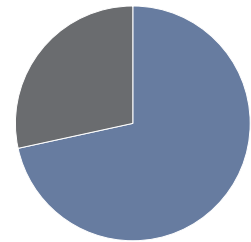
- Bakery and appetizers - 86.2 %
- Food Services - 5.3 %
- Snack (NSL brand and BAW) - 7.6 %
- OEM & bread wastes - 0.7 %
- Franchise fees and others - 0.2 %



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
August 2025	2Q25 results announcement

Key assumptions

	2025E	2026E	2027E
Total revenue (THB m)	6,971	7,909	8,906
Revenue growth (%)	19.4	13.5	12.6
Gross margin (%)	21.0	20.8	20.6
SG&A to sales (%)	9.3	9.4	9.5

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.

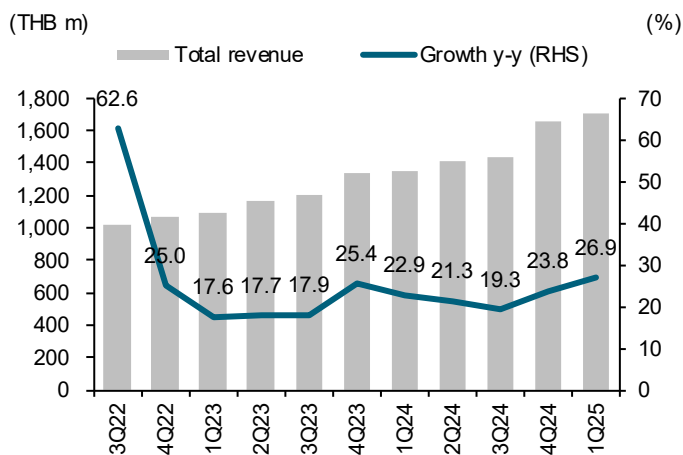
Source: FSSIA estimates

Exhibit 1: NSL – 1Q25 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	1,346	1,411	1,432	1,651	1,708	3.4	26.9	5,839	6,971	19.4	24.5
Cost of sales	1,064	1,118	1,135	1,314	1,341	2.1	26.1	4,630	5,507	18.9	24.4
Gross profit	282	293	297	337	366	8.6	29.9	1,209	1,464	21.0	25.0
SG&A	126	130	139	157	155	(1.2)	22.8	552	648	17.5	23.9
Operating profit	161	168	169	186	216	16.1	34.3	684	837	22.3	25.9
Interest expense	2	2	2	3	3	21.2	52.6	9	11	19.3	30.7
Profit (loss) sharing	(0)	(5)	0	0	0	0.0	0.0	(4)	0	(100.0)	0.0
Tax expense	32	30	33	37	42	15.5	33.9	132	165	25.5	25.7
Reported net profit	128	131	135	147	171	16.2	34.2	541	663	22.5	25.8
Core profit	128	135	135	147	171	16.6	34.2	541	663	22.5	25.8
Key ratios (%)						(ppt)	(ppt)				
Gross margin	21.0	20.7	20.8	20.4	21.5	1.0	0.5	20.7	20.8	0.1	
SG&A / Sales	9.4	9.2	9.7	9.5	9.1	(0.4)	(0.3)	9.4	9.4	(0.0)	
Operating margin	12.0	11.9	11.8	11.3	12.7	1.4	0.7	11.7	11.7	(0.0)	
Net margin	9.5	9.3	9.4	8.9	10.0	1.1	0.5	9.3	9.5	0.2	
Core margin	9.5	9.5	9.4	8.9	10.0	1.1	0.5	9.3	9.5	0.2	
Operating statistics (THB m)											
Bakery sales	1,186	1,238	1,250	1,362	1,394	2.4	17.6	5,035	5,790	15.0	73.0
Food service sales	66	68	66	107	128	19.6	94.2	307	461	50.0	65.1
Snack sales (NSL brands)	82	91	102	170	174	2.1	113.0	445	668	50.0	61.7
OEM sales	9	10	11	9	9	(1.1)	(6.4)	39	39	0.0	77.4
Franchise sales	3	3	3	3	3	(11.2)	(21.6)	12	12	0.0	77.3
Bakery sales	88.1	87.8	87.3	82.5	81.6	(0.8)	(6.5)	86.2	83.1	(3.2)	
Food service sales	4.9	4.8	4.6	6.5	7.5	1.0	2.6	5.3	6.6	1.4	
Snack sales (NSL brands)	6.1	6.5	7.1	10.3	10.2	(0.1)	4.1	7.6	9.6	2.0	
OEM sales	0.7	0.7	0.8	0.5	0.5	(0.0)	(0.2)	0.7	0.6	(0.1)	
Franchise sales	0.2	0.2	0.2	0.2	0.1	(0.0)	(0.1)	0.2	0.2	(0.0)	

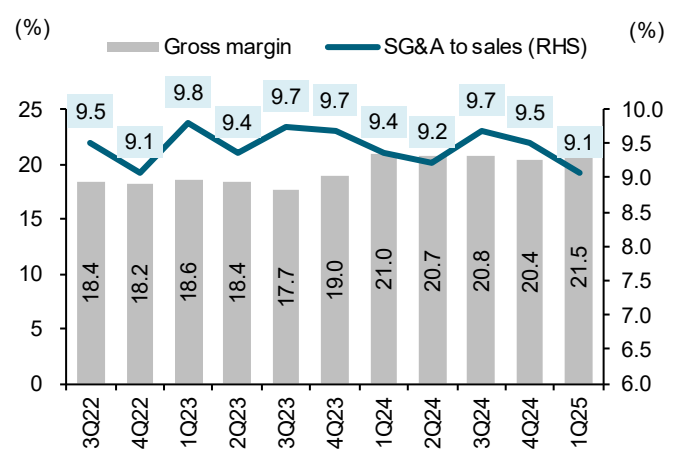
Sources: NSL; FSSIA's compilation

Exhibit 2: Quarterly total revenue and growth



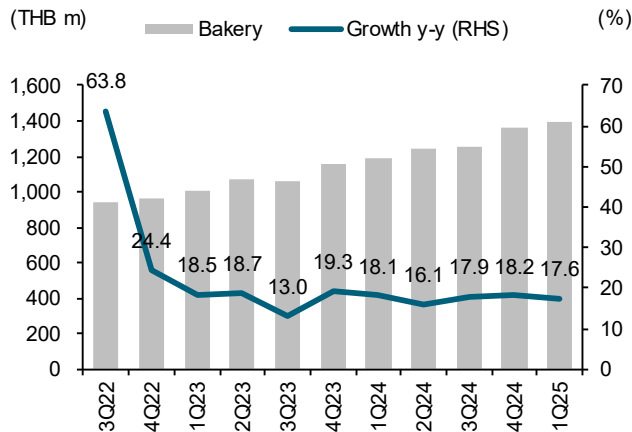
Sources: NSL, FSSIA's compilation

Exhibit 3: Quarterly gross margin and SG&A to sales



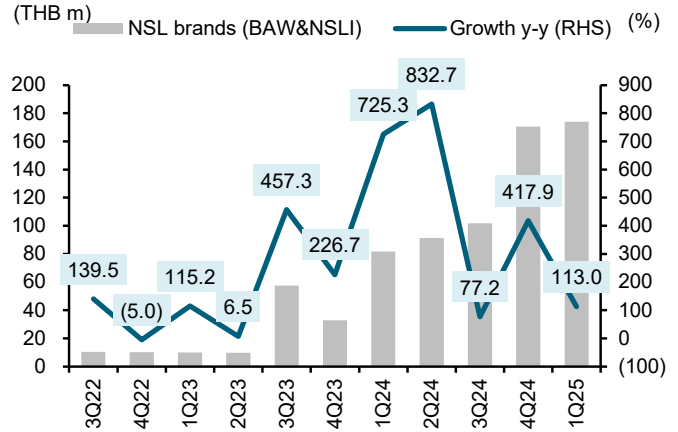
Sources: NSL, FSSIA's compilation

Exhibit 4: Quarterly revenue from bakery and growth



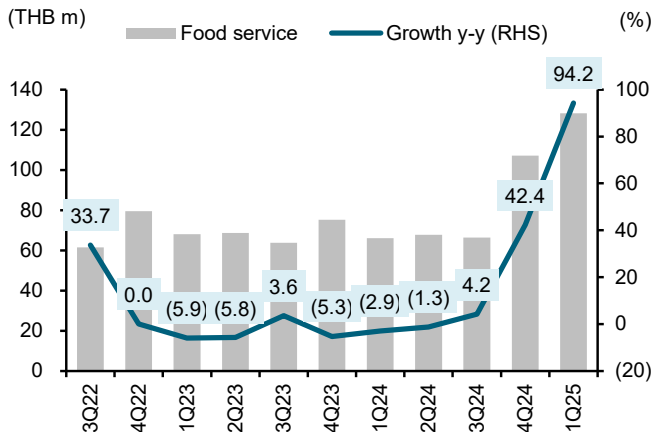
Sources: NSL, FSSIA's compilation

Exhibit 5: Quarterly revenue from NSL brands



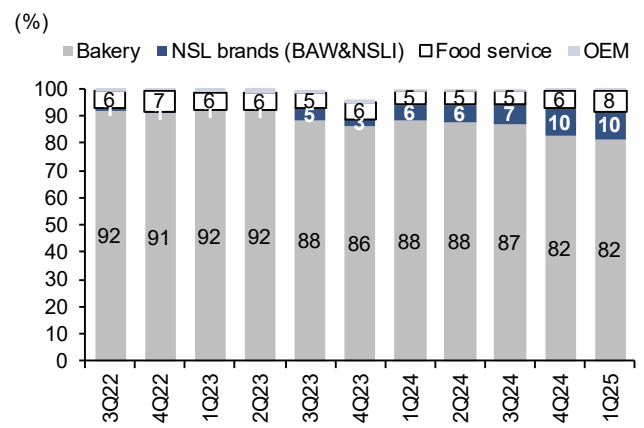
Sources: NSL, FSSIA's compilation

Exhibit 6: Quarterly revenue from food service and growth



Sources: NSL, FSSIA's compilation

Exhibit 7: Quarterly revenue breakdown by segment



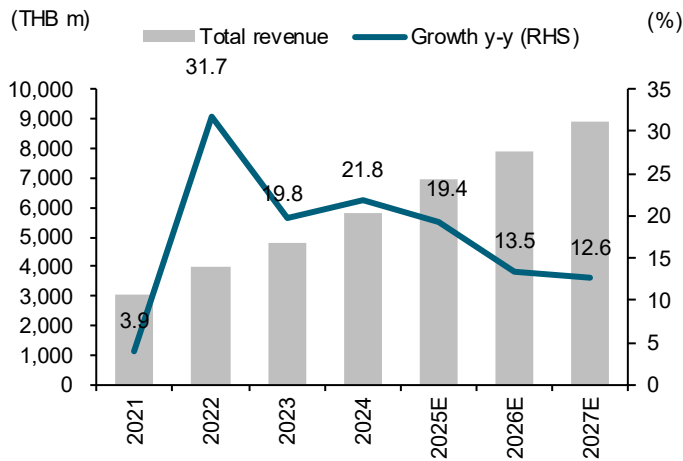
Sources: NSL, FSSIA's compilation

Exhibit 8: Changes in key assumptions for NSL

	Current			Previous			Change		
	2025E (THB m)	2026E (THB m)	2027E (THB m)	2025E (THB m)	2026E (THB m)	2027E (THB m)	2025E (%)	2026E (%)	2027E (%)
Total revenue	6,971	7,909	8,906	6,681	7,588	8,547	4.3	4.2	4.2
Costs	5,507	6,264	7,072	5,325	6,040	6,838	3.4	3.7	3.4
Gross profit	1,464	1,645	1,835	1,356	1,548	1,709	7.9	6.3	7.3
SG&A expenses	648	743	846	628	721	821	3.2	3.1	3.1
Profit sharing	0	0	0	0	0	0	0.0	0.0	0.0
Reported net profit	663	732	801	600	680	730	10.6	7.7	9.8
Core profit	663	732	801	600	680	730	10.6	7.7	9.8
Key ratios (%)									
Total revenue growth	19.4	13.5	12.6	14.4	13.6	12.6	5.0	(0.1)	(0.0)
Net profit growth	22.5	10.4	9.5	10.8	13.4	7.3	11.7	(3.0)	2.2
Core profit growth	22.5	10.4	9.5	10.8	13.4	7.3	11.7	(3.0)	2.2
Operating statistics (THB m)									
Bakery sales	5,790	6,589	7,420	5,790	6,589	7,420	0.0	0.0	0.0
Food service sales	461	498	548	323	349	383	42.9	42.9	42.9
NSL brands (BAW & NSLI)	668	768	883	512	589	677	30.4	30.4	30.4
OEM sales	39	41	43	43	48	52	(9.1)	(13.2)	(17.2)

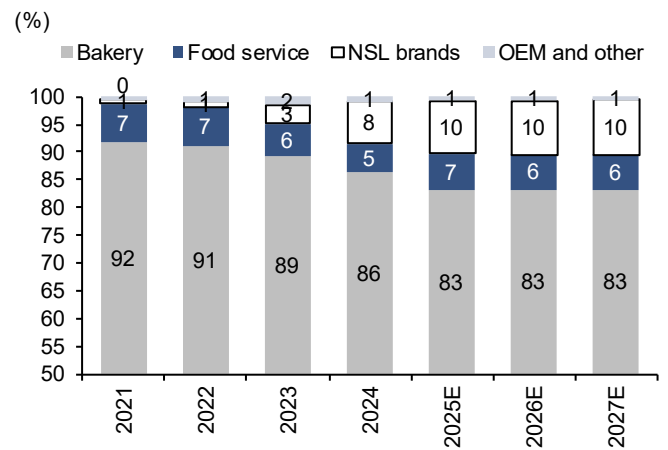
Source: FSSIA estimates

Exhibit 9: Yearly total revenue and growth



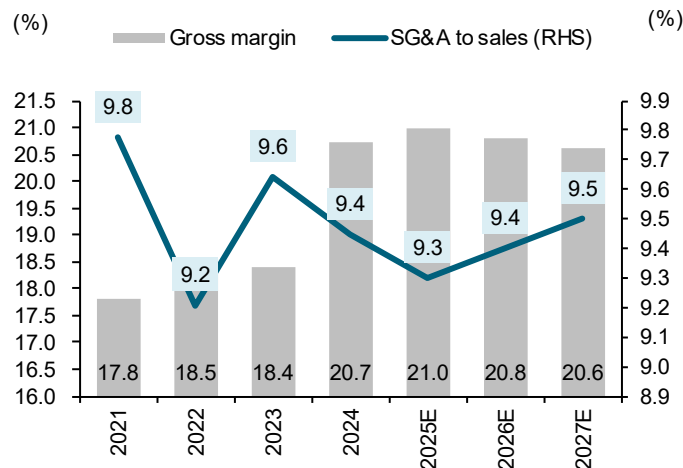
Sources: NSL; FSSIA estimates

Exhibit 10: Yearly revenue breakdown by product segment



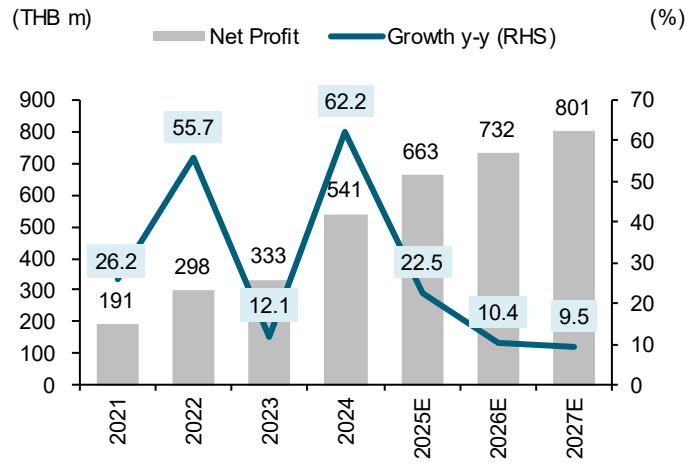
Sources: NSL; FSSIA estimates

Exhibit 11: Yearly gross margin and SG&A to sales



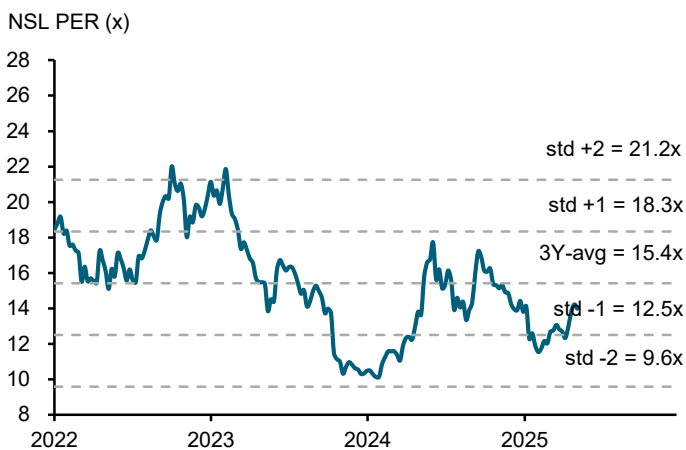
Sources: NSL; FSSIA estimates

Exhibit 12: Yearly net profit and growth



Sources: NSL; FSSIA estimates

Exhibit 13: Historical P/E band



Sources: Bloomberg, FSSIA estimate

Exhibit 14: Historical P/BV band



Sources: Bloomberg, FSSIA estimate

Financial Statements

NSL Foods

Profit and Loss (THB m) Year Ending Dec	2023	2024	2025E	2026E	2027E
Revenue	4,793	5,839	6,971	7,909	8,906
Cost of goods sold	(3,910)	(4,630)	(5,507)	(6,264)	(7,072)
Gross profit	883	1,209	1,464	1,645	1,835
Other operating income	17	26	21	21	21
Operating costs	(462)	(552)	(648)	(743)	(846)
Operating EBITDA	557	825	1,018	1,134	1,241
Depreciation	(120)	(141)	(181)	(211)	(231)
Goodwill amortisation	0	0	0	0	0
Operating EBIT	437	684	837	923	1,010
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
Profit before tax	418	671	826	912	998
Tax	(85)	(132)	(165)	(182)	(200)
Profit after tax	332	539	661	729	798
Minority interests	1	2	2	2	3
Preferred dividends	-	-	-	-	-
Other items	-	-	-	-	-
Reported net profit	333	541	663	732	801
Non-recurring items & goodwill (net)	0	0	0	0	0
Recurring net profit	333	541	663	732	801
Per share (THB)					
Recurring EPS *	1.11	1.80	2.21	2.44	2.67
Reported EPS	1.11	1.80	2.21	2.44	2.67
DPS	0.65	0.90	1.26	1.39	1.52
Diluted shares (used to calculate per share data)	300	300	300	300	300
Growth					
Revenue (%)	19.8	21.8	19.4	13.5	12.6
Operating EBITDA (%)	15.1	48.2	23.3	11.4	9.4
Operating EBIT (%)	14.5	56.5	22.3	10.3	9.4
Recurring EPS (%)	12.1	62.2	22.5	10.4	9.5
Reported EPS (%)	12.1	62.2	22.5	10.4	9.5
Operating performance					
Gross margin inc. depreciation (%)	18.4	20.7	21.0	20.8	20.6
Gross margin exc. depreciation (%)	20.9	23.1	23.6	23.5	23.2
Operating EBITDA margin (%)	11.6	14.1	14.6	14.3	13.9
Operating EBIT margin (%)	9.1	11.7	12.0	11.7	11.3
Net margin (%)	7.0	9.3	9.5	9.3	9.0
Effective tax rate (%)	20.4	19.6	20.0	20.0	20.0
Dividend payout on recurring profit (%)	58.5	49.9	57.0	57.0	57.0
Interest cover (X)	40.2	77.2	79.7	82.4	84.9
Inventory days	26.1	24.2	26.5	29.2	29.2
Debtor days	50.5	51.7	49.1	47.0	47.2
Creditor days	58.2	61.4	60.5	58.3	58.5
Operating ROIC (%)	27.2	38.8	40.4	38.5	40.3
ROIC (%)	21.3	30.8	33.5	33.7	35.3
ROE (%)	22.5	31.4	32.6	31.4	30.1
ROA (%)	14.2	19.6	20.9	20.7	20.0
* Pre-exceptional, pre-goodwill and fully diluted					
Revenue by Division (THB m)					
Bakery and appetizers	4,282	5,035	5,790	6,589	7,420
Food Services	276	307	461	498	548
Snack (NSL brand and BAW)	163	445	668	768	883
OEM & bread wastes	68	39	39	41	43

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	663	732	801
Depreciation	120	141	181	211	231
Associates & minorities	-	-	-	-	-
Other non-cash items	26	19	(13)	0	0
Change in working capital	(36)	(18)	(101)	(57)	(62)
Cash flow from operations	443	683	667	886	971
Capex - maintenance	(200)	(280)	(400)	(300)	(200)
Capex - new investment	-	-	-	-	-
Net acquisitions & disposals	-	-	-	-	-
Other investments (net)	28	(106)	134	(9)	(10)
Cash flow from investing	(172)	(387)	(266)	(309)	(210)
Dividends paid	(180)	(212)	(378)	(417)	(457)
Equity finance	0	0	0	0	0
Debt finance	(93)	(10)	(50)	5	5
Other financing cash flows	20	19	(4)	9	10
Cash flow from financing	(252)	(203)	(432)	(403)	(442)
Non-recurring cash flows	-	-	-	-	-
Other adjustments	0	29	0	0	0
Net other adjustments	0	29	(29)	0	0
Movement in cash	19	123	(23)	174	320
Free cash flow to firm (FCFF)	281.68	305.57	414.87	588.04	773.10
Free cash flow to equity (FCFE)	198.69	334.18	318.66	591.22	776.18

Per share (THB)	2023	2024	2025E	2026E	2027E
FCFF per share	0.94	1.02	1.38	1.96	2.58
FCFE per share	0.66	1.11	1.06	1.97	2.59
Recurring cash flow per share	1.60	2.34	2.77	3.15	3.44

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)
Tangible fixed assets (net)	1,050	1,160	1,407	1,496	1,464
Intangible fixed assets (net)	47	44	44	44	44
Long-term financial assets	214	269	150	150	150
Invest. in associates & subsidiaries	6	0	6	6	6
Cash & equivalents	134	257	239	413	732
A/C receivable	732	922	955	1,083	1,221
Inventories	274	320	453	515	581
Other current assets	7	14	3	4	4
Current assets	1,147	1,513	1,650	2,015	2,539
Other assets	36	91	70	79	89
Total assets	2,500	3,077	3,327	3,790	4,293
Common equity	1,560	1,889	2,174	2,489	2,833
Minorities etc.	17	31	18	19	19
Total shareholders' equity	1,576	1,921	2,192	2,507	2,852
Long term debt	14	68	35	40	45
Other long-term liabilities	49	57	70	79	89
Long-term liabilities	64	125	105	119	134
A/C payable	650	861	905	1,030	1,162
Short term debt	141	89	55	55	55
Other current liabilities	68	82	70	79	89
Current liabilities	859	1,032	1,030	1,164	1,307
Total liabilities and shareholders' equity	2,500	3,077	3,327	3,790	4,293
Net working capital	295	313	436	493	555
Invested capital	1,648	1,878	2,114	2,269	2,309

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

Per share (THB)	2023	2024	2025E	2026E	2027E
Book value per share	5.20	6.30	7.25	8.30	9.44
Tangible book value per share	5.04	6.15	7.10	8.15	9.30

Financial strength	2023	2024	2025E	2026E	2027E
Net debt/equity (%)	1.4	(5.2)	(6.8)	(12.7)	(22.2)
Net debt/total assets (%)	0.9	(3.2)	(4.5)	(8.4)	(14.7)
Current ratio (x)	1.3	1.5	1.6	1.7	1.9
CF interest cover (x)	19.7	39.0	31.3	53.8	66.2

Valuation	2023	2024	2025E	2026E	2027E
Recurring P/E (x) *	28.8	17.7	14.5	13.1	12.0
Recurring P/E @ target price (x) *	40.5	25.0	20.4	18.4	16.9
Reported P/E (x)	28.8	17.7	14.5	13.1	12.0
Dividend yield (%)	2.0	2.8	3.9	4.3	4.8
Price/book (x)	6.2	5.1	4.4	3.9	3.4
Price/tangible book (x)	6.3	5.2	4.5	3.9	3.4
EV/EBITDA (x) **	17.3	11.5	9.3	8.2	7.2
EV/EBITDA @ target price (x) **	24.3	16.3	13.1	11.6	10.4
EV/invested capital (x)	5.9	5.1	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 15: 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 16: ESG – peer comparison

	FSSIA ESG score	Domestic ratings						Global ratings					Bloomberg		
		DJSI	SET ESG	SET ESG Rating	CG score	AGM level	Thai CAC	Morningstar ESG risk	ESG Book	MSCI	Moody's	Refinitiv	S&P Global	ESG score	Disclosure score
SET100	67.71	5.69	4.38	4.05	4.77	4.43	4.02	Medium	57.34	BBB	22.70	60.82	67.31	1.19	35.34
Coverage	66.17	5.16	4.33	3.94	4.81	4.43	3.83	Medium	56.41	BBB	18.92	59.20	65.82	1.38	35.46
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; * FSSIA estimate; FSSIA's compilation

Exhibit 17: ESG disclosure from company's one report

FY ending Dec 31	FY 2023	FY ending Dec 31	FY 2023
Environmental		Governance	
Climate change policy	Yes	Board size / Independent directors (ID) / Female	8 / 4 / 2
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	Size of audit committee / ID	3 / 3
Social		Audit committee meetings	5
Human rights policy	Yes	Audit committee meeting attendance (%)	100
Policy against child labor	Yes	Size of compensation committee / ID	-- / --
Quality assurance and recall policy	Yes	Number of compensation committee meetings	--
Consumer data protection policy	Yes	Compensation committee meeting attendance (%)	--
Equal opportunity policy	Yes	Size of nomination committee / ID	-- / --
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 (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+									
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ESG Book	The ESG score identifies sustainable companies that are better positioned to outperform over the long term. The methodology considers the principle of financial materiality including information that significantly helps explain future risk-adjusted performance. Materiality is applied by over-weighting features with higher materiality and rebalancing these weights on a rolling quarterly basis.	The total ESG score is calculated as a weighted sum of the features scores using materiality-based weights. The score is scaled between 0 and 100 with higher scores indicating better performance.																			
MSCI	MSCI ESG ratings aim to measure a company's management of financially relevant ESG risks and opportunities. It uses a rules-based methodology to identify industry leaders and laggards according to their exposure to ESG risks and how well they manage those risks relative to peers. <table border="1" style="margin-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

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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

Sureporm 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 32.00	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 09-May-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.