

MEGA LIFESCIENCES

MEGA TB

THAILAND / COMMERCE

BUY

UNCHANGED

ดีมานด์ที่แข็งแกร่งช่วยจำกัดความเสี่ยง

- ความต้องการสินค้าที่แข็งแกร่งช่วยจำกัดความเสี่ยงจากปัจจัยภายนอก ผลกระทบจากตะวันออกกลางและเมียนมาร์อยู่ในระดับจำกัด
- คาดการณ์กำไรปี 1Q26 จะลดลง q-q ตามฤดูกาล แต่แนวโน้มการเติบโตพื้นฐานยังคงแข็งแกร่ง
- ประมาณการของเราสอดคล้องกับ Guidance คงคำแนะนำซื้อ

TARGET PRICE	THB39.00
CLOSE	THB35.75
UP/DOWNSIDE	+9.1%
PRIOR TP	THB39.00
CHANGE IN TP	UNCHANGED
TP vs CONSENSUS	-3.3%

KEY STOCK DATA

YE Dec (THB m)	2025	2026E	2027E	2028E
Revenue	14,147	15,003	15,588	16,294
Net profit	1,912	2,497	2,611	2,737
EPS (THB)	2.19	2.86	3.00	3.14
vs Consensus (%)	-	7.8	5.9	5.7
EBITDA	3,317	3,563	3,716	3,879
Recurring net profit	2,486	2,497	2,611	2,737
Core EPS (THB)	2.85	2.86	3.00	3.14
Chg. In EPS est. (%)	-	-	-	-
EPS growth (%)	(19.7)	0.5	4.6	4.8
Core P/E (x)	12.5	12.5	11.9	11.4
Dividend yield (%)	4.5	4.8	5.0	5.3
EV/EBITDA (x)	8.2	7.6	7.3	7.0
Price/book (x)	3.1	3.0	2.9	2.9
Net debt/Equity (%)	(38.6)	(41.0)	(38.9)	(36.9)
ROE (%)	24.7	24.3	24.9	25.5

ความต้องการสินค้าที่แข็งแกร่งช่วยจำกัดความเสี่ยงจากปัจจัยภายนอก

แนวโน้มผลประกอบการใน 1Q26 ยังอยู่ในเกณฑ์ดีทั้งธุรกิจ Brand Mega We Care และธุรกิจ Distribution ผลของสงครามในตะวันออกกลางยังไม่กระทบทั้งรายได้และต้นทุนของบริษัท เนื่องจากยาเป็นสินค้าจำเป็นต้องซื้อซ้ำ มีความยืดหยุ่นต่อราคาต่ำ สำหรับอาหารเสริมและวิตามิน แม้มีการแข่งขันรุนแรง แต่แบรนด์มีความแข็งแกร่ง เป็นที่รู้จักและไว้วางใจจากลูกค้า สำหรับสถานการณ์ในเมียนมาร์ แม้รัฐบาลจะกลับมาจำกัดการนำเข้าสินค้าเพื่อป้องกันเงินตราต่างประเทศไหลออก แต่กระทบ MEGA จำกัดมากเนื่องจากสัดส่วนสินค้าอุปโภคบริโภคเพียงประมาณ 10% ของรายได้รวม ขณะที่สินค้าประเภทยาและวิตามินไม่กระทบ

คาดการณ์รายได้ 1Q26 จะลดลง 7.7% q-q จากฤดูกาลแต่แข็งแกร่ง y-y

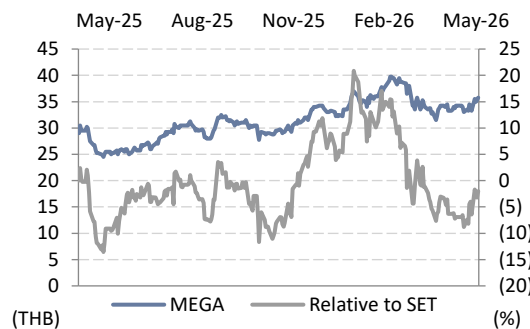
เราคาดการณ์รายได้ 1Q26 -7.7% q-q ตามฤดูกาล และ +5.4% y-y ธุรกิจ Brands ยังคงแข็งแกร่ง เราคาดการณ์ได้จาก Brands +14.0% y-y อัตรากำไรขั้นต้น 66.0% (ตลอดช่วงที่ผ่านมาอยู่ในกรอบ 65-66%) ส่วนธุรกิจ Distribution หากปรับผลกระทบของอัตราแลกเปลี่ยนในเมียนมาร์ระหว่างอัตราแลกเปลี่ยนของธนาคารกลางกับอัตราที่เกิดขึ้นในจริงในท้องตลาด เราคาดการณ์ Distribution +5% y-y และอัตรากำไรขั้นต้น 23.9% ส่งผลให้คาดการณ์กำไรของ MEGA ใน 1Q26 ที่ 535.5 ล้านบาท -15.9% q-q, -1.0% y-y แต่หากเทียบกับกำไรปกติที่ปรับปรุงโดยบริษัท กำไรปกติ 1Q26 ควรเพิ่มขึ้น 10.2% y-y

ความเสี่ยงด้านต้นทุนจำกัด กำไรยังคงแข็งแกร่ง

กำไรปกติ 1Q26 ที่เราคาด คิดเป็น 21% ของประมาณการทั้งปี เราคงประมาณการเชื่อว่าผลกระทบจากสถานการณ์ตะวันออกกลางมีจำกัดต่อบริษัท อย่างน้อยในช่วง 1H26 บริษัทไม่ถูกกระทบเพราะมีสต็อกวัตถุดิบรองรับแล้ว ผลกระทบที่อาจเกิดขึ้นใน 2H26 อาจอยู่ในรูปของบรรจุภัณฑ์และค่าขนส่งที่สูงขึ้น อย่างไรก็ตาม ค่าใช้จ่ายด้านบรรจุภัณฑ์มีสัดส่วน 7-8% ของรายได้ ค่าขนส่งมีสัดส่วน 1-2% ของรายได้ เพียงปรับขึ้นราคาขาย 1-2% ก็ครอบคลุมค่าใช้จ่ายที่เพิ่มขึ้นได้แล้ว แต่เชื่อว่าบริษัทเลือกที่จะคงราคาขายเพื่อรักษาส่วนแบ่งตลาด และบริหารค่าใช้จ่ายเอง

ประมาณการของเราสอดคล้องกับ Guidance ของบริษัท

ผู้บริหารคง Guidance กำไรปี 2026 เติบโตเป็นเลขสองหลัก ขณะที่เรากำหนดกำไรปกติทรงตัวจากปีก่อน แต่หากเทียบกำไรปกติที่ปรับปรุงโดยบริษัทในปี 2025 ที่ 2,236.5 ล้านบาท กำไรปกติของเราจะโต 11.7% y-y ใกล้เคียง Guidance ราคาหุ้นปัจจุบันยังต่ำกว่าช่วงก่อนสงครามทั้งที่ผลกระทบจำกัดมาก เราจึงยังคงแนะนำซื้อ คงราคาเป้าหมาย 39 บาท (DCF)



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	5.1	(0.7)	18.2
Relative to country (%)	1.9	(11.9)	(5.3)
Mkt cap (USD m)	956		
3m avg. daily turnover (USD m)	1.2		
Free float (%)	40		
Major shareholder	Unistretch Co Ltd (50%)		
12m high/low (THB)	40.00/24.30		
Issued shares (m)	871.87		

Sources: Bloomberg consensus; FSSIA estimates



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Investment thesis

MEGA's resilient demand profile continues to limit external risks, supported by the essential nature of pharmaceutical products and strong brand equity, with minimal impact from the Middle East conflict and Myanmar restrictions.

While we expect 1Q26 core profit to soften q-q on seasonality, underlying performance remains solid, with growth intact on an adjusted basis. The Brands segment continues to support margins, while cost pressures remain manageable given low exposure to packaging and logistics. Our forecasts are broadly in line with management's double-digit growth guidance. We maintain our BUY rating with a DCF-based TP of THB39.

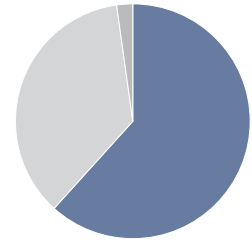
Company profile

MEGA is a leading manufacturer and distributor of pharmaceutical, nutraceutical products and fast-moving consumer goods (FMCG) in developing countries such as Myanmar, Vietnam and Cambodia. MEGA also develops, manufactures, and sells its nutraceutical products, generic prescription pharmaceutical products, and OTC products under Mega We Care brand through its distribution network and third-party distributors in 36 countries across the world.

www.megawecare.com

Principal activities (revenue, 2025)

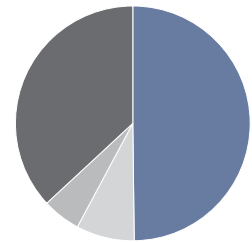
- Mega We Care - 61.7 %
- Maxxcare - 36.1 %
- OEM - 2.2 %



Source: Mega Lifesciences

Major shareholders

- Unistretch Co Ltd - 49.8 %
- Thai NVDR - 8.0 %
- Mr. Vivek Dhawan - 5.3 %
- Others - 36.9 %



Source: Mega Lifesciences

Catalysts

Key potential catalysts include 1) a continued shift toward the higher-margin Mega We Care branded business, supporting margin expansion; 2) expansion into high-growth emerging markets; 3) recovery in the distribution business following normalisation in Myanmar and 4) expedited medicine registrations and listings, as well as the success of new product launches.

Risks to our call

Downside risks to our DCF-based TP include 1) the delayed registration process in many countries; 2) more intensified competition; 3) failure in introducing new products; and 4) risks associated with doing business in Myanmar.

Event calendar

Date	Event
13 May 2026	1Q26 earnings announcement
28 May 2026	Earnings call

Key assumptions

	(unit)	2026E	2027E	2028E
Mega We Care	(THB m)	9,357	9,779	10,316
<i>y-y Growth</i>	(%)	7.0	4.5	5.5
Gross margin	(%)	64.4	64.5	64.4
Maxxcare	(THB m)	5,357	5,518	5,684
<i>y-y Growth</i>	(%)	4.9	3.0	3.0
Gross margin	(%)	32.1	32.0	32.0
SG&A to sales (%)	(%)	31.2	31.1	31.2

Source: FSSIA estimates

Earnings sensitivity

- For every 5% change in brand revenue, we project MEGA's 2026 net profit to change by 6%, all else being equal.
- For every 5% change in distribution revenue, we project MEGA's 2026 net profit to change by 1%, all else being equal.
- For every 1% change in overall gross margin, we project MEGA's 2026 net profit to change by 6%, all else being equal.

Source: FSSIA estimates

1Q26E core profit to ease q-q on seasonality, broadly flat y-y

The earnings outlook for 1Q26 remains solid across both the Mega We Care branded segment and the distribution business. The ongoing conflict in the Middle East has not impacted the company's revenue or cost structure, as pharmaceutical products are essential with low price elasticity and recurring demand.

Despite intense competition in the dietary supplements and vitamins market, the company continues to benefit from strong brand recognition and customer trust. In Myanmar, although the government has reimposed import restrictions to curb foreign currency outflows, the impact on MEGA is limited. This is because the contribution from consumer products has declined to around 10% of total revenue, while pharmaceutical and vitamin products remain largely unaffected.

We forecast 1Q26 revenue to decline 7.7% q-q on seasonality, but grow 5.4% y-y. The Brands segment remains strong, with revenue expected to increase 14.0% y-y and gross margin at 66.0% (within its historical range of 65–66%).

For the Distribution business, adjusting for the impact of exchange rate discrepancies in Myanmar between the official central bank rate and the parallel market rate, we estimate revenue growth of 5% y-y, with a gross margin of 23.9%.

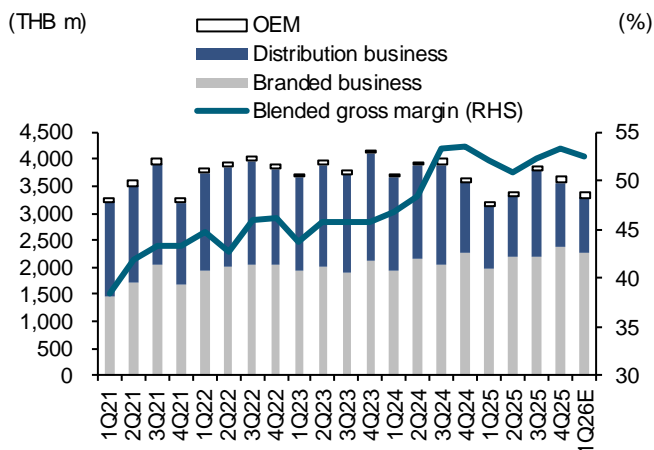
As a result, we project 1Q26 core profit at THB535.5m, down 15.9% q-q and 1.0% y-y. However, based on the company's adjusted core profit, 1Q26 earnings would increase by 10.2% y-y. In addition, we expect a slight FX loss in the quarter, leading to a net profit forecast of THB525.5m for 1Q26.

Exhibit 1: MEGA – 1Q26 earnings preview

Year to Dec 31	1Q25	2Q25	3Q25	4Q25	1Q26E	----- Change -----		2025	2026E	Change	% of
	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(q-q %)	(y-y %)	(THB m)	(THB m)	(y-y %)	2026E
Sales	3,208	3,399	3,876	3,664	3,380	(7.7)	5.4	14,147	15,003	6.1	22.5
Cost of sales	(1,534)	(1,670)	(1,849)	(1,711)	(1,609)	(5.9)	4.9	(6,764)	(7,174)	6.1	22.4
Gross profit	1,673	1,729	2,027	1,954	1,772	(9.3)	5.9	7,383	7,830	6.0	22.6
Operating costs	(1,064)	(1,141)	(1,103)	(1,173)	(1,119)	(4.6)	5.2	(4,481)	(4,678)	4.4	23.9
Operating profit	610	589	924	780	652	(16.4)	7.0	2,903	3,152	8.6	20.7
Operating EBITDA	716	687	1,026	887	756	(14.8)	5.6	3,317	3,563	7.4	21.2
Interest expense	(9)	(13)	(15)	(18)	(17)	(6.0)	83.4	(55)	(64)	15.8	25.9
FX gain/loss	(91)	(106)	(317)	(60)	(10)	<i>nm</i>	<i>nm</i>	(574)	0	<i>nm</i>	<i>nm</i>
Tax	(83)	(118)	(129)	(162)	(134)	(17.4)	61.2	(492)	(692)	40.6	19.3
Reported net profit	450	391	494	577	526	(8.9)	16.8	1,912	2,497	30.6	21.0
Core profit	541	497	811	637	536	(15.9)	(1.0)	2,486	2,497	0.5	21.4
Company-adjusted core profit	486	497	811	637	536	(15.9)	10.2	2,237	2,497	11.7	21.4
Reported EPS (THB)	0.52	0.45	0.57	0.66	0.60	(8.9)	16.8	2.19	2.86	30.6	21.0
Core EPS (THB)	0.62	0.57	0.93	0.73	0.61	(15.9)	(1.0)	2.85	2.86	0.5	21.4
Key Ratios	(%)	(%)	(%)	(%)	(%)	(ppt)	(ppt)	(%)	(%)	(ppt)	
Gross margin	52.2	50.9	52.3	53.3	52.4	(0.9)	0.2	52.2	55.3	3.2	
Operating margin	19.7	18.5	24.6	22.3	20.3	(2.0)	0.6	15.7	17.0	1.3	
EBITDA margin	22.3	20.2	26.5	24.2	22.4	(1.8)	0.0	23.4	25.2	1.7	
Core profit margin	15.1	14.6	20.9	17.4	15.8	(1.5)	0.7	17.6	16.6	(0.9)	
SG&A / Sales	33.2	33.6	28.5	32.0	33.1	1.1	(0.0)	31.7	33.1	1.4	
Revenue breakdown	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(q-q %)	(y-y %)	(THB m)	(THB m)	(y-y %)	
Branded business	1,984	2,193	2,189	2,363	2,262	(4.3)	14.0	8,729	9,357	7.2	
Distribution business	1,155	1,128	1,619	1,204	1,034	(14.2)	(10.5)	5,107	5,357	4.9	
OEM business	69	78	69	97	85	(12.0)	23.5	312	289	(7.6)	
Gross margin by business unit	(%)	(%)	(%)	(%)	(%)	(ppt)	(ppt)	(%)	(%)	(ppt)	
Branded business	65.0	62.7	65.6	65.0	66.0	1.0	1.0	64.6	64.4	(0.2)	
Distribution business	31.0	29.3	35.3	31.6	23.9	(7.8)	(7.2)	32.1	32.1	(0.1)	
OEM business	38.1	30.0	30.0	37.9	38.1	0.2	0.0	34.2	30.0	(4.2)	

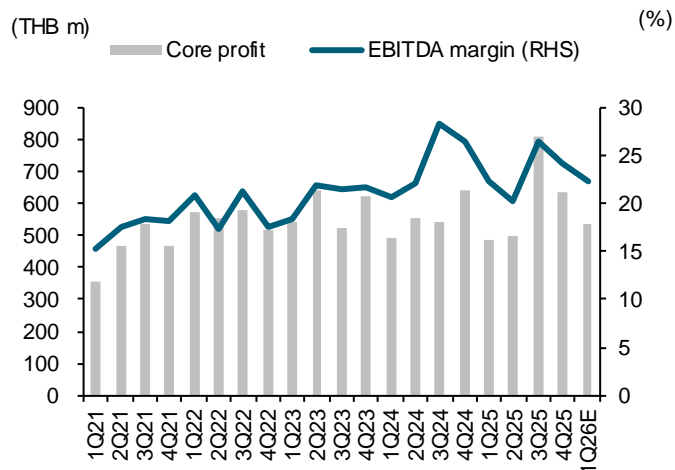
Sources: MEGA, FSSIA estimates

Exhibit 2: Revenue structure and gross margin



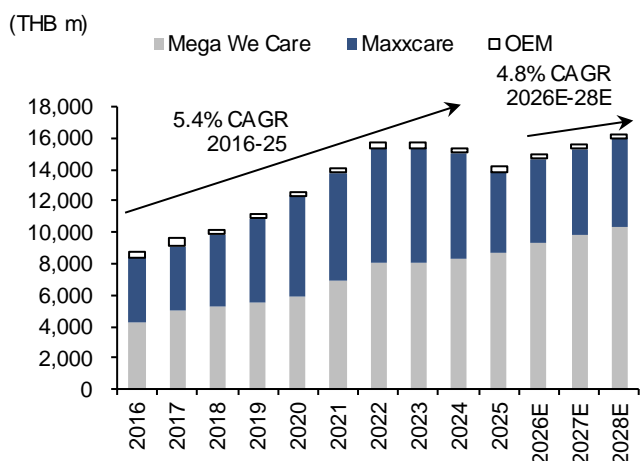
Sources: MEGA, FSSIA estimates

Exhibit 3: EBITDA margin and core profit



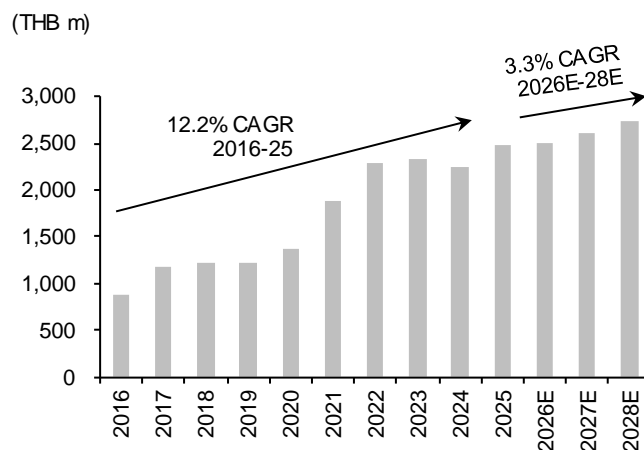
Sources: MEGA, FSSIA estimates

Exhibit 4: Revenue structure, yearly



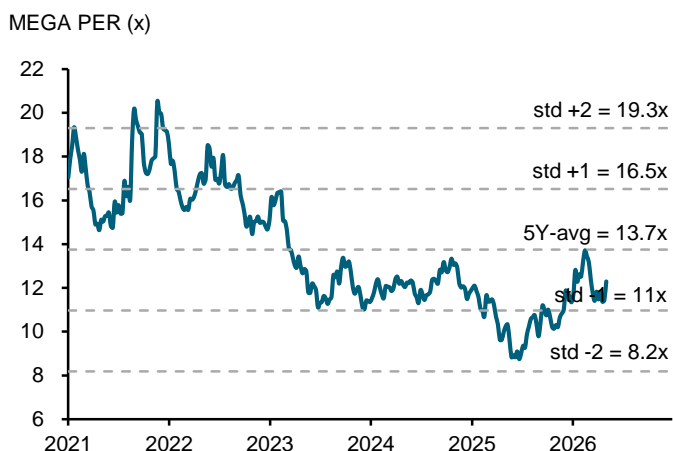
Sources: MEGA, FSSIA estimates

Exhibit 5: Core profit, yearly



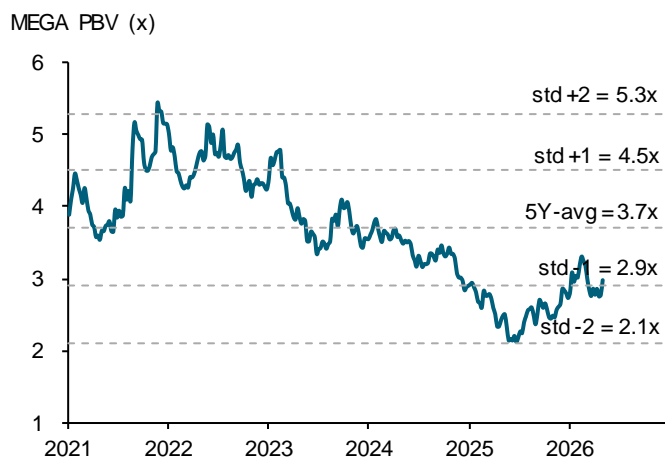
Sources: MEGA, FSSIA estimates

Exhibit 6: One-year rolling forward P/E band



Sources: Bloomberg, FSSIA estimates

Exhibit 7: One-year rolling forward P/BV band



Sources: Bloomberg, FSSIA estimates

Financial Statements

Mega Lifesciences

Profit and Loss (THB m) Year Ending Dec	2024	2025	2026E	2027E	2028E
Revenue	15,344	14,147	15,003	15,588	16,294
Cost of goods sold	(7,590)	(6,764)	(7,174)	(7,438)	(7,749)
Gross profit	7,754	7,383	7,830	8,150	8,545
Other operating income	103	131	102	97	91
Operating costs	(4,385)	(4,481)	(4,678)	(4,848)	(5,084)
Operating EBITDA	3,756	3,317	3,563	3,716	3,879
Depreciation	(283)	(283)	(309)	(318)	(327)
Goodwill amortisation	0	0	0	0	0
Operating EBIT	3,473	3,033	3,254	3,398	3,552
Net financing costs	(38)	(55)	(64)	(63)	(52)
Associates	0	0	0	0	0
Recurring non-operating income	0	0	0	0	0
Non-recurring items	(1,082)	(574)	0	0	0
Profit before tax	2,352	2,404	3,190	3,335	3,500
Tax	(340)	(492)	(692)	(724)	(763)
Profit after tax	2,013	1,912	2,497	2,611	2,737
Minority interests	-	-	-	-	-
Preferred dividends	-	-	-	-	-
Other items	-	-	-	-	-
Reported net profit	2,013	1,912	2,497	2,611	2,737
Non-recurring items & goodwill (net)	1,082	574	0	0	0
Recurring net profit	3,095	2,486	2,497	2,611	2,737
Per share (THB)					
Recurring EPS *	3.55	2.85	2.86	3.00	3.14
Reported EPS	2.31	2.19	2.86	3.00	3.14
DPS	1.60	1.60	1.72	1.80	1.88
Diluted shares (used to calculate per share data)	872	872	872	872	872
Growth					
Revenue (%)	(2.1)	(7.8)	6.1	3.9	4.5
Operating EBITDA (%)	14.3	(11.7)	7.4	4.3	4.4
Operating EBIT (%)	15.8	(12.6)	7.3	4.4	4.5
Recurring EPS (%)	14.7	(19.7)	0.5	4.6	4.8
Reported EPS (%)	1.0	(5.0)	30.6	4.6	4.8
Operating performance					
Gross margin inc. depreciation (%)	50.5	52.2	52.2	52.3	52.4
Gross margin exc. depreciation (%)	52.4	54.2	54.2	54.3	54.4
Operating EBITDA margin (%)	24.5	23.4	23.7	23.8	23.8
Operating EBIT margin (%)	22.6	21.4	21.7	21.8	21.8
Net margin (%)	20.2	17.6	16.6	16.8	16.8
Effective tax rate (%)	14.4	20.5	21.7	21.7	21.8
Dividend payout on recurring profit (%)	45.1	56.1	60.0	60.0	60.0
Interest cover (X)	90.2	55.1	51.0	54.0	68.1
Inventory days	160.1	171.0	164.4	164.2	161.1
Debtor days	81.3	88.1	80.9	73.1	72.9
Creditor days	140.2	157.5	168.0	158.9	148.2
Operating ROIC (%)	64.3	57.0	62.5	62.7	60.4
ROIC (%)	45.0	37.8	39.2	40.3	40.1
ROE (%)	32.3	24.7	24.3	24.9	25.5
ROA (%)	22.1	16.9	16.3	17.0	17.8
* Pre-exceptional, pre-goodwill and fully diluted					
Revenue by Division (THB m)					
Mega We Care	8,371	8,729	9,357	9,779	10,316
Maxxcare	6,667	5,107	5,357	5,518	5,684
OEM	306	312	289	291	294

Sources: Mega Lifesciences; FSSIA estimates

Financial Statements

Mega Lifesciences

Cash Flow (THB m) Year Ending Dec	2024	2025	2026E	2027E	2028E
Recurring net profit	3,095	2,486	2,497	2,611	2,737
Depreciation	283	283	309	318	327
Associates & minorities	0	0	0	0	0
Other non-cash items	(357)	(36)	44	20	(55)
Change in working capital	(509)	(36)	(669)	(1,113)	(1,103)
Cash flow from operations	2,512	2,697	2,182	1,836	1,906
Capex - maintenance	-	-	-	-	-
Capex - new investment	(230)	(664)	(309)	(330)	(350)
Net acquisitions & disposals	-	-	-	-	-
Other investments (net)	231	79	0	0	0
Cash flow from investing	1	(585)	(309)	(330)	(350)
Dividends paid	(1,395)	(1,395)	(1,498)	(1,567)	(1,642)
Equity finance	0	0	0	0	0
Debt finance	155	148	(6)	(12)	(180)
Other financing cash flows	(38)	(50)	(64)	(63)	(52)
Cash flow from financing	(1,277)	(1,297)	(1,568)	(1,642)	(1,875)
Non-recurring cash flows	-	-	-	-	-
Other adjustments	0	0	0	0	0
Net other adjustments	(135)	0	0	0	0
Movement in cash	1,101	816	304	(136)	(319)
Free cash flow to firm (FCFF)	2,552.10	2,167.83	1,936.25	1,569.17	1,608.09
Free cash flow to equity (FCFE)	2,495.78	2,210.83	1,802.52	1,430.97	1,323.41

Per share (THB)

FCFF per share	2.93	2.49	2.22	1.80	1.84
FCFE per share	2.86	2.54	2.07	1.64	1.52
Recurring cash flow per share	3.46	3.14	3.27	3.38	3.45

Balance Sheet (THB m) Year Ending Dec	2024	2025	2026E	2027E	2028E
Tangible fixed assets (gross)	4,571	4,850	5,159	5,489	5,839
Less: Accumulated depreciation	(2,624)	(2,924)	(3,233)	(3,551)	(3,878)
Tangible fixed assets (net)	1,947	1,925	1,926	1,938	1,961
Intangible fixed assets (net)	1,319	1,296	1,299	1,270	1,243
Long-term financial assets	0	0	0	0	0
Invest. in associates & subsidiaries	40	37	37	37	37
Cash & equivalents	3,813	4,629	4,933	4,797	4,478
A/C receivable	3,264	3,566	3,083	3,160	3,348
Inventories	3,033	3,038	3,145	3,261	3,291
Other current assets	117	120	134	139	145
Current assets	10,227	11,353	11,294	11,357	11,262
Other assets	678	1,148	1,029	1,034	1,044
Total assets	14,210	15,759	15,584	15,637	15,548
Common equity	9,877	10,215	10,371	10,615	10,810
Minorities etc.	0	0	0	0	0
Total shareholders' equity	9,877	10,215	10,371	10,615	10,810
Long term debt	140	146	148	148	119
Other long-term liabilities	279	302	311	281	284
Long-term liabilities	419	448	459	428	403
A/C payable	2,416	3,175	3,145	3,057	2,972
Short term debt	351	537	530	518	366
Other current liabilities	1,146	1,383	1,081	1,019	998
Current liabilities	3,914	5,096	4,755	4,593	4,336
Total liabilities and shareholders' equity	14,210	15,759	15,584	15,637	15,548
Net working capital	2,851	2,165	2,136	2,484	2,814
Invested capital	6,834	6,572	6,426	6,764	7,100

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

Per share (THB)

Book value per share	11.33	11.72	11.89	12.18	12.40
Tangible book value per share	9.82	10.23	10.40	10.72	10.97

Financial strength

Net debt/equity (%)	(33.6)	(38.6)	(41.0)	(38.9)	(36.9)
Net debt/total assets (%)	(23.4)	(25.0)	(27.3)	(26.4)	(25.7)
Current ratio (x)	2.6	2.2	2.4	2.5	2.6
CF interest cover (x)	71.8	53.2	34.1	29.0	33.1

Valuation	2024	2025	2026E	2027E	2028E
Recurring P/E (x) *	10.1	12.5	12.5	11.9	11.4
Recurring P/E @ target price (x) *	11.0	13.7	13.6	13.0	12.4
Reported P/E (x)	15.5	16.3	12.5	11.9	11.4
Dividend yield (%)	4.5	4.5	4.8	5.0	5.3
Price/book (x)	3.2	3.1	3.0	2.9	2.9
Price/tangible book (x)	3.6	3.5	3.4	3.3	3.3
EV/EBITDA (x) **	7.4	8.2	7.6	7.3	7.0
EV/EBITDA @ target price (x) **	8.2	9.1	8.3	8.0	7.7
EV/invested capital (x)	4.1	4.1	4.2	4.0	3.8

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

Sources: Mega Lifesciences; FSSIA estimates

MEGA LIFESCIENCES PCL (MEGA TB)

FSSIA ESG rating

★ ★ ★

56.39 /100

Exhibit 6: FSSIA ESG score implication

Rating	Score	Implication
★★★★★	>79-100	Leading its industry peers in managing the most significant ESG risks which not only better cost efficiency but also lead to higher profitability.
★★★★★	>59-79	A mixed track record of managing the most significant ESG risks and opportunities relative to industry peers.
★★★	>39-59	Relevant ESG materiality matrix has been constructively addressed, well-managed and incorporated into day-to-day operations, in which targets and achievements are evaluated annually.
★★	>19-39	Relevant ESG materiality matrix has been identified with key management in charge for progress to be followed up on and to provide intensive disclosure. Most targets are conventional and achievable.
★	1-19	The company has adopted the United Nations Sustainable Development Goals (UN SDGs), established sustainability management guidelines and fully complies with regulations or ESG suggested guidance from related organizations such as the SET and SEC.

Source: FSSIA estimates

Exhibit 7: ESG – peer comparison

	FSSIA ESG score	Domestic ratings						Global ratings						Bloomberg	
		DJSI	SET ESG	SET ESG Rating	CG score	AGM level	Thai CAC	Morningstar ESG risk	ESG Book	MSCI	Moody's	Refinitiv	S&P Global	ESG score	Disclosure score
SET100	69.20	5.34	4.40	4.40	4.76	4.65	3.84	Medium	51.76	BBB	20.87	58.72	63.91	3.72	28.17
Coverage	67.12	5.11	4.15	4.17	4.83	4.71	3.53	Medium	52.04	BB	16.97	56.85	62.09	3.40	31.94
BJC	78.20	Y	Y	AAA	5.00	4.00	--	Medium	68.83	AA	--	63.59	92.00	3.62	65.38
COM7	64.98	--	Y	AA	5.00	5.00	Certified	Low	50.61	--	--	55.64	32.00	5.80	59.98
CRC	84.99	Y	Y	AAA	5.00	5.00	Certified	Low	66.19	BBB	--	68.64	85.00	5.01	69.76
MEGA	56.39	--	Y	BBB	4.00	5.00	Certified	High	54.83	A	--	52.10	28.00	2.90	56.38

Sources: SETTRADE.com; FSSIA's compilation

Exhibit 8: ESG score by Bloomberg

FY ending Dec 31	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
ESG financial materiality scores - ESG score	—	2.29	2.27	2.42	2.90
BESG environmental pillar score	—	1.86	1.78	1.99	3.18
BESG social pillar score	—	1.06	1.04	1.20	1.25
BESG governance pillar score	—	4.54	4.66	4.66	4.54
ESG disclosure score	44.34	53.36	52.25	59.70	56.38
Environmental disclosure score	29.84	44.22	43.43	51.53	40.05
Social disclosure score	19.44	32.16	29.59	37.61	45.41
Governance disclosure score	83.59	83.59	83.59	89.86	83.59
Environmental					
Emissions reduction initiatives	Yes	Yes	Yes	Yes	Yes
Climate change policy	Yes	Yes	Yes	Yes	Yes
Climate change opportunities discussed	No	No	No	No	No
Risks of climate change discussed	No	No	No	No	No
GHG scope 1	—	—	1	2	2
GHG scope 2 location-based	—	—	6	7	6
GHG Scope 3	—	—	0	0	0
Carbon per unit of production	—	—	—	—	—
Biodiversity policy	No	No	No	No	No
Energy efficiency policy	Yes	Yes	Yes	Yes	Yes
Total energy consumption	24	24	23	27	29
Renewable energy use	1	1	1	2	2
Electricity used	12	13	12	15	15
Fuel used - natural gas	—	—	31,112	35,936	1,083

Sources: Bloomberg; FSSIA's compilation

Exhibit 9: ESG score by Bloomberg (cont.)

FY ending Dec 31	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Fuel used - crude oil/diesel	No	No	No	No	No
Waste reduction policy	Yes	Yes	Yes	Yes	Yes
Hazardous waste	—	—	0	0	0
Total waste	1	1	1	1	1
Waste recycled	0	0	—	—	—
Waste sent to landfills	—	—	—	—	—
Environmental supply chain management	Yes	Yes	Yes	Yes	Yes
Water policy	No	Yes	Yes	Yes	Yes
Water consumption	—	—	70	86	93
Social					
Human rights policy	Yes	Yes	Yes	Yes	Yes
Policy against child labor	Yes	Yes	Yes	Yes	Yes
Quality assurance and recall policy	No	Yes	Yes	Yes	Yes
Consumer data protection policy	Yes	Yes	Yes	Yes	Yes
Equal opportunity policy	Yes	Yes	Yes	Yes	Yes
Gender pay gap breakout	No	No	No	No	No
Pct women in workforce	56	56	56	56	58
Pct disabled in workforce	—	—	—	—	—
Business ethics policy	Yes	Yes	Yes	Yes	Yes
Anti-bribery ethics policy	Yes	Yes	Yes	Yes	Yes
Health and safety policy	Yes	Yes	Yes	Yes	Yes
Lost time incident rate - employees	0	0	1	0	0
Total recordable incident rate - employees	—	—	—	0	0
Training policy	Yes	Yes	Yes	Yes	Yes
Fair remuneration policy	No	No	No	No	No
Number of employees – CSR	5,714	6,021	5,767	5,513	5,313
Employee turnover pct	—	19	—	25	23
Total hours spent by firm - employee training	70,551	79,892	70,826	83,494	74,549
Social supply chain management	Yes	Yes	Yes	Yes	Yes
Governance					
Board size	10	10	10	11	11
No. of independent directors (ID)	4	4	4	5	5
No. of women on board	1	1	1	2	2
No. of non-executive directors on board	8	8	8	9	9
Company conducts board evaluations	Yes	Yes	Yes	Yes	Yes
No. of board meetings for the year	6	5	7	7	7
Board meeting attendance pct	100	96	94	89	98
Board duration (years)	3	3	3	3	3
Director share ownership guidelines	No	No	No	No	No
Age of the youngest director	32	33	34	35	36
Age of the oldest director	80	81	82	83	84
No. of executives / company managers	6	6	6	6	6
No. of female executives	1	1	1	1	1
Executive share ownership guidelines	No	No	No	No	No
Size of audit committee	3	3	3	3	3
No. of ID on audit committee	3	3	3	3	3
Audit committee meetings	4	4	4	4	4
Audit meeting attendance %	100	100	100	100	92
Size of compensation committee	3	3	3	3	3
No. of ID on compensation committee	1	1	1	1	1
No. of compensation committee meetings	2	2	2	2	2
Compensation meeting attendance %	100	100	100	100	100
Size of nomination committee	3	3	3	3	3
No. of nomination committee meetings	2	2	3	2	2
Nomination meeting attendance %	100	100	100	100	100
Sustainability governance					
Verification type	No	No	No	Yes	No

Sources: Bloomberg; FSSIA's compilation

Disclaimer for ESG scoring

ESG score	Methodology	Rating																											
The Dow Jones Sustainability Indices (DJSI) By S&P Global	The DJSI World applies a transparent, rules-based component selection process based on the companies' Total Sustainability Scores resulting from the annual S&P Global Corporate Sustainability Assessment (CSA). Only the top-ranked companies within each industry are selected for inclusion.	Be a member and invited to the annual S&P Global Corporate Sustainability Assessment (CSA) for DJSI. Companies with an S&P Global ESG Score of less than 45% of the S&P Global ESG Score of the highest scoring company are disqualified. The constituents of the DJSI indices are selected from the Eligible Universe.																											
SET ESG Ratings List (SETESG) by The Stock Exchange of Thailand (SET)	SET ESG quantifies responsibility in Environmental and Social issues by managing business with transparency in Governance, updated annually. Candidates must pass the preemptive criteria, with two crucial conditions: 1) no irregular trading of the board members and executives; and 2) free float of >150 shareholders, and combined holding must be >15% of paid-up capital. Some key disqualifying criteria include: 1) CG score of below 70%; 2) independent directors and free float violation; 3) executives' wrongdoing related to CG, social & environmental impacts; 4) equity in negative territory; and 5) earnings in red for > 3 years in the last 5 years.	To be eligible for SETESG inclusion , verified data must be scored at a minimum of 50% for each indicator, unless the company is a part of DJSI during the assessment year. The scoring will be fairly weighted against the nature of the relevant industry and materiality. SETESG Index is extended from the SET ESG Ratings companies whose 1) market capitalization > THB5b (~USD150b); 2) free float >20%; and 3) liquidity >0.5% of paid-up capital for at least 9 out of 12 months. The SETTHSI Index is a market capitalisation-weighted index, cap 5% quarterly weight at maximum, and no cap for number of stocks.																											
CG Score by Thai Institute of Directors Association (Thai IOD)	An indicator of CG strength in sustainable development, measured annually by the Thai IOD, with support from the Stock Exchange of Thailand (SET). The results are from the perspective of a third party, not an evaluation of operations.	Scores are rated in six categories: 5 for Excellent (90-100), 4 for Very Good (80-89), 3 for Good (70-79), 2 for Fair (60-69), 1 for Pass (60-69), and not rated for scores below 50. Weightings include: 1) the rights; 2) and equitable treatment of shareholders (weight 25% combined); 3) the role of stakeholders (25%); 4) disclosure & transparency (15%); and 5) board responsibilities (35%).																											
AGM level By Thai Investors Association (TIA) with support from the SEC	It quantifies the extent to which shareholders' rights and equitable treatment are incorporated into business operations and information is transparent and sufficiently disclosed. All form important elements of two out of five the CG components to be evaluated annually. The assessment criteria cover AGM procedures before the meeting (45%), at the meeting date (45%), and after the meeting (10%). <i>(The first assesses 1) advance circulation of sufficient information for voting; and 2) facilitating how voting rights can be exercised. The second assesses 1) the ease of attending meetings; 2) transparency and verifiability; and 3) openness for Q&A. The third involves the meeting minutes that should contain discussion issues, resolutions and voting results.)</i>	The scores are classified into four categories: 5 for Excellent (100), 4 for Very Good (90-99), 3 for Fair (80-89), and not rated for scores below 79.																											
Thai CAC By Thai Private Sector Collective Action Against Corruption (CAC)	The core elements of the Checklist include corruption risk assessment, establishment of key controls, and the monitoring and developing of policies. The Certification is good for three years. <i>(Companies deciding to become a CAC certified member start by submitting a Declaration of Intent to kick off an 18-month deadline to submit the CAC Checklist for Certification, including risk assessment, in place of policy and control, training of managers and employees, establishment of whistleblowing channels, and communication of policies to all stakeholders.)</i>	The document will be reviewed by a committee of nine professionals. A passed Checklist will move for granting certification by the CAC Council approvals whose members are twelve highly respected individuals in professionalism and ethical achievements.																											
Morningstar Sustainalytics	The Sustainalytics' ESG risk rating provides an overall company score based on an assessment of how much of a company's exposure to ESG risk is unmanaged. <i>Sources to be reviewed include corporate publications and regulatory filings, news and other media, NGO reports/websites, multi-sector information, company feedback, ESG controversies, issuer feedback on draft ESG reports, and quality & peer reviews.</i>	A company's ESG risk rating score is the sum of unmanaged risk. The more risk is unmanaged, the higher ESG risk is scored. <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th>NEGL</th> <th>Low</th> <th>Medium</th> <th>High</th> <th>Severe</th> </tr> </thead> <tbody> <tr> <td>0-10</td> <td>10-20</td> <td>20-30</td> <td>30-40</td> <td>40+</td> </tr> </tbody> </table>	NEGL	Low	Medium	High	Severe	0-10	10-20	20-30	30-40	40+																	
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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>Leader:</td> <td>leading its industry in managing the most significant ESG risks and opportunities</td> </tr> <tr> <td>AA</td> <td>7.143-8.570</td> <td></td> <td></td> </tr> <tr> <td>A</td> <td>5.714-7.142</td> <td></td> <td></td> </tr> <tr> <td>BBB</td> <td>4.286-5.713</td> <td>Average:</td> <td>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> <td></td> <td></td> </tr> <tr> <td>B</td> <td>1.429-2.856</td> <td></td> <td></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) "SETESG". 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

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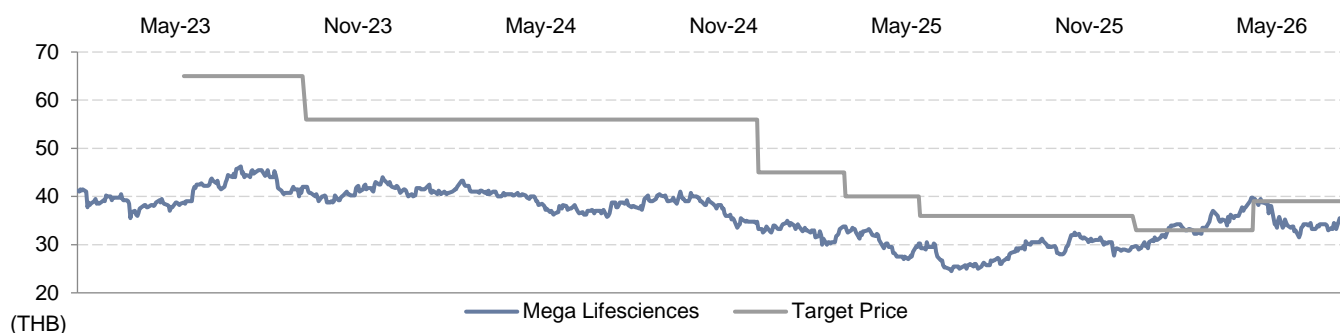
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History of change in investment rating and/or target price

Mega Lifesciences (MEGA TB)



Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
04-Aug-2023	BUY	65.00	25-Feb-2025	BUY	40.00	11-Feb-2026	HOLD	39.00
17-Nov-2023	BUY	56.00	30-Apr-2025	BUY	36.00	25-Mar-2026	BUY	39.00
12-Dec-2024	BUY	45.00	31-Oct-2025	BUY	33.00			

Jitra Amornthum started covering this stock from 20-Feb-2023

Price and TP are in local currency

Source: FSSIA estimates

Company	Ticker	Price	Rating	Valuation & Risks
Mega Lifesciences	MEGA TB	THB 35.75	BUY	Downside risks to our DCF-based TP include 1) the delayed registration process in many countries; 2) more intensified competition; 3) failure in introducing new products; and 4) risks associated with doing business in Myanmar.

Source: FSSIA estimates

Additional Disclosures

Target price history, stock price charts, valuation and risk details, and equity rating histories applicable to each company rated in this report is available in our most recently published reports. You can contact the analyst named on the front of this note or your representative at Finansia Syrus Securities Public Company Limited.

All share prices are as at market close on 30-April-2026 unless otherwise stated.

RECOMMENDATION STRUCTURE

Stock ratings

Stock ratings are based on absolute upside or downside, which we define as (target price* - current price) / 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.