

BUY (Unchanged)

Company Update

TP: Bt 67.00 (Unchanged)

Upside : 20.2%

28 SEPTEMBER 2023

Moshi Moshi Retail Corp. (MOSHI TB)

Strong 3Q23F

Amid the softer consumption environment in 3Q23, we expect MOSHI to outperform peers with a 10% SSSG. Together with store and gross margin expansion, we estimate 3Q23F net profit to grow strongly by 57% y-y. We reaffirm our BUY call with an unchanged Bt67 TP.



PHANNARAI TIYAPITTAYARUT

662-779-9109

phannarai.von@thanachartsec.co.th

Reaffirming BUY

We reaffirm our BUY call on MOSHI as a top small-cap retail pick with an unchanged DCF-based 12-month TP (2024F base year) of Bt67/share. **First**, while the delay in the new government's formation led to weaker consumer confidence and softer 3Q23F same-store sales growth (SSSG) for retailers on average, we expect MOSHI to outperform with 10% SSSG in 3Q23F. **Second**, we estimate its 3Q23F net profit to surge by 57% y-y on the back of active branch openings post-COVID and improving gross margin. **Third**, MOSHI is a high-growth firm with a 32% five-year EPS CAGR via store expansion from 106 stores in 2022 to 256 in 2027F and gross margin widening from 52.4% in 2022 to 55.1% in 2027F, with its first target to drive its imported products sales mix back up to the 65% pre-COVID level, from 52% last year.

Solid 3Q23F SSSG vs. peers'

Due to weak consumption and high base effect from the country reopening last year, we expect the nine retailers under coverage to deliver an average SSSG of 2.4% in 3Q23F, down from 6.1% in 2Q23 and 13.4% in 1Q23. We expect home-improvement retailers to post negative SSSG; -2% for Home Product Center Pcl (HMPRO TB, BUY, Bt12.4), -7.5% for Do Home Pcl (DOHOME TB, non-rated), and -10% for Siam Global House Pcl (GLOBAL TB, BUY, Bt16.7). Dragged by Vietnam, we expect flat SSSG for Central Retail Corp Pcl (CRC TB, BUY, Bt37.75). We see MOSHI posting the highest SSSG of 10% on stronger brand awareness via more store openings and new product launches.

Improving gross margin

We expect MOSHI's 3Q23F gross margin to surprise the market at 52.9%, in line with 1H23, despite the first full quarter sales contribution from the low-margin OK Station wholesale store acquired in April. Key drivers are the imported-products sales mix rising to 57% in 3Q23F from 52% in 3Q22, launches in a new product category, pet accessories, since May, and the first Garlic home decorative store in July. For OK Station itself, we expect its gross margin in 3Q23F to be above its original 20% as new imported products were added to shelves from mid-September.

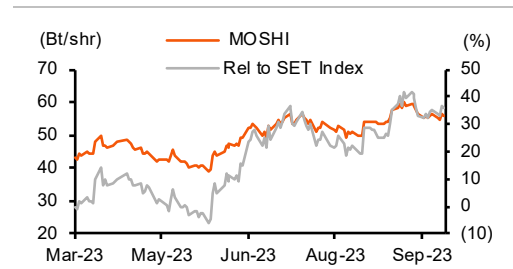
Expecting a strong 3Q23F

We estimate 3Q23F net profit of Bt74m, increasing by 57% y-y from Bt47m in 3Q22. We project sales to grow by 30% y-y on 10% SSSG and 18 new branches (16 Moshi Moshi retail shops, the OK Station, the first Garlic store) opened after 3Q22 to reach 119 stores. We forecast gross margin at 52.9%, up from 51.0% in 3Q22 and 51.7% in 2Q23. We expect 4Q23F to be the best quarter of this year with a profit of Bt146m due to the festive season and another 14 new branches scheduled to be opened.

COMPANY VALUATION

Y/E Dec (Bt m)	2022A	2023F	2024F	2025F
Sales	1,890	2,701	3,574	4,403
Net profit	253	389	571	771
Consensus NP	—	379	528	704
Diff frm cons (%)	—	2.5	8.1	9.6
Norm profit	253	389	571	771
Prev. Norm profit	—	389	571	771
Chg frm prev (%)	—	0.0	0.0	0.0
Norm EPS (Bt)	0.9	1.2	1.7	2.3
Norm EPS grw (%)	90.8	24.2	46.8	35.2
Norm PE (x)	58.8	47.3	32.2	23.9
EV/EBITDA (x)	22.9	22.4	17.0	13.1
P/BV (x)	11.4	13.0	10.3	8.0
Div yield (%)	5.9	0.8	1.2	1.7
ROE (%)	19.7	25.7	31.9	37.8
Net D/E (%)	(46.9)	(44.7)	(51.5)	(62.8)

PRICE PERFORMANCE



COMPANY INFORMATION

Price as of 28-Sep-23 (Bt)	55.75
Market Cap (US\$ m)	500.5
Listed Shares (m shares)	330.0
Free Float (%)	25.0
Avg Daily Turnover (US\$ m)	2.1
12M Price H/L (Bt)	60.00/29.09
Sector	Commerce
Major Shareholder	Boonsongkor Family 75%

Sources: Bloomberg, Company data, Thanachart estimates

ESG Summary Report P6



Solid 3Q23F SSSG vs. peers'

Expecting 10% SSSG for MOSHI, the sector's highest

Last year, with Thailand's reopening in May, consumption rebounded strongly in 3Q22 and there was no further low sales base effect thereafter. 3Q23 has, therefore, been a challenging quarter. We estimate the average SSSG of the nine retailers under our coverage to slow to 2.4% in 3Q23F, from 6.1% in 2Q23 and 13.4% in 1Q23.

Given strong home renovation demand during the COVID crisis, the delay in the formation of the new government hitting construction activity, and falling steel prices, we expect home building materials/improvement retailers to post negative SSSG of -10% for Siam Global House Pcl (GLOBAL TB, BUY, Bt16.7), and -7.5% for DoHome Pcl (DOHOME TB, non-rated). We expect Home Product Center Pcl (HMPRO TB, BUY, Bt12.4), which sells more home decorative items than building materials and has less provincial exposure, to see SSSG of -2%. Dragged by its Vietnam businesses, we foresee flat SSSG for Central Retail Corporation Pcl (CRC TB, BUY, Bt37.75) at the negative high-teens SSSG level in Vietnam, positive high single-digit SSSG in Italy, and positive low single-digit SSSG in Thailand. We estimate MOSHI to enjoy the highest SSSG of 10% as a result of stronger brand awareness due to more store openings/new product launches and growing demand for lifestyle products along with the resumption of out-of-home activities, followed by Central Pattana Pcl's (CPN TB, BUY, Bt63.25) due to a reduction in rental discounts from 11% in 3Q22 to 4% in 3Q23F, and then MC Group Pcl (MC TB, BUY, Bt13.3), with SSSG of 7%.

Ex 1: Quarterly SSSG

(%)	1Q22	2Q22	3Q22	4Q22	1Q23	2Q23	3Q23F
BIGC (exc B2B)	2.8	4.4	(0.5)	6.1	5.8	4.8	2.0
CPALL	13.0	14.2	22.1	15.0	8.0	7.0	3.0
CPN	15.0	40.0	102.0	31.3	14.6	13.4	8.0
CRC	11.0	24.0	43.0	9.0	13.0	4.0	0.0
GLOBAL	7.4	1.5	4.3	(2.2)	(8.7)	(9.5)	(10.0)
HMPRO	3.1	(1.1)	17.8	2.9	5.8	4.5	(2.0)
CPAXT (Makro)	1.0	7.4	8.9	9.6	10.9	5.5	3.7
MC	(7.7)	43.0	86.0	14.6	27.6	5.0	7.0
MOSHI	(3.4)	53.4	149.1	27.1	43.6	19.9	10.0
Average	4.7	20.8	48.1	12.6	13.4	6.1	2.4

Sources: Company data, Thanachart estimates

Ex 2: Quarterly SSS vs. Pre-COVID

(%)	1Q22	2Q22	3Q22	4Q22	1Q23	2Q23	3Q23F
BIGC (exc B2B)	(29.0)	(29.0)	(25.3)	(21.1)	(24.9)	(25.6)	(23.8)
CPALL	(10.1)	(7.0)	(5.0)	(4.5)	(2.9)	(0.4)	(2.1)
CPN	(16.3)	(15.4)	(11.1)	(7.0)	(4.0)	(4.0)	(4.0)
CRC	(18.9)	(12.7)	(6.4)	(5.0)	(8.3)	(9.2)	(6.4)
GLOBAL	13.6	9.7	10.9	8.6	3.7	(0.8)	(0.2)
HMPRO	(2.6)	(6.7)	1.0	7.0	3.0	(2.5)	(1.1)
CPAXT (Makro)	6.8	9.8	14.6	14.8	18.4	15.9	18.9
MC	(23.8)	4.7	0.6	(1.6)	(2.8)	9.9	7.7
Average	(10.0)	(5.8)	(2.6)	(1.1)	(2.2)	(2.1)	(1.4)

Sources: Company data, Thanachart estimates

Ex 3: 3Q23F Earnings Preview

Yr-end Dec (Bt m)	Income Statement					Change	
	3Q22	4Q22	1Q23	2Q23	3Q23F	(q-q%)	(y-y%)
Revenue	458	641	563	592	596	1	30
Gross profit	234	352	304	306	315	3	35
SG&A	168	197	190	196	215	10	28
Operating profit	66	155	114	111	100	(9)	53
EBITDA	136	434	182	268	260	(3)	92
Other income	1	2	2	4	4	6	183
Other expense	(2)	(1)	(3)	(3)	(3)	na	na
Interest expense	7	8	10	12	12	-	81
Profit before tax	62	150	109	105	95	(10)	53
Income tax	15	31	23	23	21	(8)	40
Equity & invest. Income	0	0	0	0	0		
Minority interests	0	0	0	0	0		
Extraordinary items	0	0	0	0	0		
Net profit	47	119	86	83	74	(11)	57
Normalized profit	47	119	86	83	74	(11)	57

Sources: Company data, Thanachart estimates

Ex 4: 12-month DCF-based TP Calculation Using A Base Year Of 2024F

(Bt m)	2024F	2025F	2026F	2027F	2028F	2029F	2030F	2031F	2032F	2033F	2034F	Terminal Value
EBITDA	835	1,092	1,395	1,712	2,048	2,412	2,808	3,244	3,722	4,219	4,758	
Free cash flow	486	680	934	1,194	1,463	1,754	2,070	2,417	2,799	3,190	3,619	38,958
PV of free cash flow	486	557	693	802	869	938	998	1,050	1,096	1,125	1,095	11,785
Risk-free rate (%)	2.5											
Market risk premium (%)	8.0											
Beta	1.0											
WACC (%)	10.5											
Terminal growth (%)	2.0											
Enterprise value - add	21,495											
Net debt	(631)											
Minority interest	0											
Equity value	22,126											
# of shares (m)	330											
Equity value/share (Bt)	67											

Source: Thanachart estimates

Valuation Comparison

Ex 5: Valuation Comparison With Regional Peers

Name	BBG code	Country	EPS growth		PE		P/BV		EV/EBITDA		Div. yield	
			23F	24F	23F	24F	23F	24F	23F	24F	23F	24F
Marks & Spencer	MKS LN	Britain	(24.0)	11.5	13.1	11.7	1.4	1.3	6.5	5.8	1.4	2.9
J Sainsbury PLC	SBRY LN	Britain	(3.5)	(5.9)	10.3	10.9	0.6	0.7	5.2	5.2	5.7	5.6
Tesco	TSCO LN	Britain	(1.4)	4.7	11.3	10.8	1.2	1.4	6.8	6.6	4.5	4.6
Carrefour SA	CA FP	France	14.4	21.6	9.5	7.8	1.0	0.9	6.0	5.5	3.7	4.2
Casino Guichard	CO FP	France	114.8	na	23.1	6.4	0.0	0.0	5.2	4.8	0.0	0.0
L'Oreal SA	OR FP	France	9.8	9.0	32.1	29.5	7.1	6.4	21.8	20.2	1.7	1.8
Alimentation Couche	ATD/B CN	Canada	14.1	3.5	na	na	na	na	10.7	10.4	na	na
Aeon	8267 JP	Japan	129.1	4.5	95.0	90.9	2.6	2.7	9.6	9.1	1.2	1.2
Kao Corporation	4452 JP	Japan	(45.4)	83.0	47.5	26.0	2.7	2.7	15.6	12.0	2.7	2.7
Lion Corporation	4912 JP	Japan	(7.9)	11.8	22.2	19.8	1.5	1.4	8.6	7.9	1.8	1.8
Shiseido Co. Ltd	4911 JP	Japan	13.8	91.4	57.2	29.9	3.4	3.2	18.1	13.8	1.1	1.2
Lawson	2651 JP	Japan	26.7	53.9	29.7	19.3	2.5	2.4	9.2	6.3	2.2	2.9
Seven & I Holdings	3382 JP	Japan	32.7	(7.7)	18.4	20.0	1.6	1.5	7.8	7.6	1.8	2.0
Lotte Corp	004990 KS	South Korea	7.5	2.4	7.3	7.1	na	na	8.9	9.9	6.7	8.3
Shinsegae	004170 KS	South Korea	(7.0)	13.7	5.6	4.9	0.4	0.4	6.6	6.3	2.0	2.0
Amore Pacific Group	002790 KS	South Korea	15.3	23.3	23.5	19.0	0.8	0.8	7.3	6.2	1.0	1.3
Best Buy Co Inc	BBY US	USA	(6.0)	8.2	11.0	10.2	4.7	5.1	5.5	5.3	5.4	5.7
Wal-Mart Stores	WMT US	USA	6.5	9.6	24.9	22.7	5.1	4.7	12.4	11.6	1.4	1.4
Home Depot Inc	HD US	USA	(8.1)	6.1	19.7	18.6	na	na	13.8	13.3	2.8	3.0
Levi Strauss & Co.	LEVI US	USA	(23.0)	20.4	11.8	9.8	2.5	2.2	7.9	6.8	3.6	4.0
Yonghui Superstores	601933 CH	China	135.2	90.3	na	54.4	3.8	3.6	18.5	16.5	0.2	0.8
Sa International	178 HK	Hong Kong	98.7	na	na	10.3	3.2	2.6	39.8	8.1	0.5	1.0
Dairy Farm Intl Hldgs	DFI SP	Hong Kong	na	62.1	23.2	14.3	3.5	3.1	7.5	6.5	3.5	5.3
President Chain Store	2912 TT	Taiwan	11.9	9.5	24.6	22.5	7.1	6.7	10.0	9.6	3.5	3.8
7-Eleven Malaysia	SEM MK	Malaysia	1.3	8.9	25.2	23.1	12.8	10.2	7.9	8.0	2.2	2.1
Berli Jucker *	BJC TB	Thailand	4.0	12.6	23.0	20.4	1.0	1.0	12.3	11.6	3.0	3.4
COM7 *	COM7 TB	Thailand	13.1	28.5	21.3	16.6	8.4	6.8	14.8	11.8	2.8	3.6
CP All *	CPALL TB	Thailand	35.3	36.2	32.4	23.8	4.9	4.4	12.5	10.9	1.5	2.1
CP Axtra *	CPAXT TB *	Thailand	34.0	28.8	33.1	25.7	1.1	1.1	12.7	11.0	2.3	2.9
Central Pattana *	CPN TB	Thailand	11.1	14.7	25.5	22.2	3.2	2.9	16.5	14.6	1.8	2.0
Central Retail Corp. *	CRC TB	Thailand	20.4	26.9	27.3	21.5	3.4	3.1	9.1	8.0	1.4	1.9
Siam Global House *	GLOBAL TB	Thailand	(7.4)	14.4	25.5	22.3	3.5	3.1	19.3	16.9	1.4	1.6
Home Product*	HMPRO TB	Thailand	11.0	14.9	23.6	20.6	6.5	6.0	13.7	12.2	3.4	3.9
MC Group *	MC TB	Thailand	32.5	18.1	16.4	13.9	2.8	2.8	7.5	7.3	6.1	7.1
Moshi Moshi Retail*	MOSHI TB *	Thailand	24.2	46.8	47.3	32.2	13.0	10.3	22.4	17.0	0.8	1.2
Average			20.1	23.6	25.7	21.2	3.7	3.3	11.9	9.9	2.5	2.9

Sources: Bloomberg, Thanachart estimates

Note: * Thanachart estimates using normalized EPS growth,

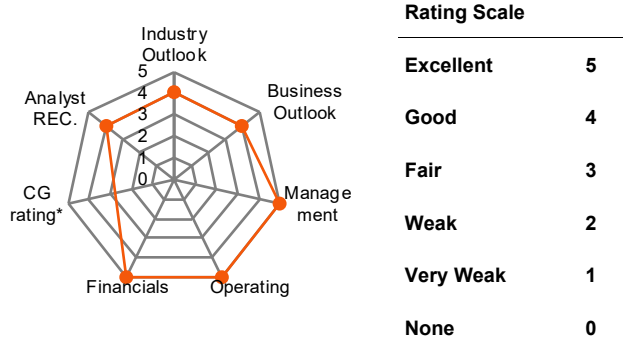
Based on 28 September 2023 closing price

COMPANY DESCRIPTION

Moshi Moshi Retail Corporation Pcl (MOSHI) operates a retail business that responds to the daily lifestyles of each group of consumers (lifestyle products) under the company's brand "Moshi Moshi". After opening its first store in 2016, it is now the market leader with a 40% sales market share in 2022. As of 2Q23, it had 114 branches in 45 provinces with over 22,000 product SKUs.

Source: Thanachart

COMPANY RATING



Source: Thanachart; *No CG Rating

THANACHART'S SWOT ANALYSIS

S — Strength

- No.1 lifestyle product retailer since 2019.
- In-house product designs with products exclusively available at Moshi Moshi.
- Strong financials.

O — Opportunity

- Expansion opportunities in Thailand and abroad.
- New store formats and new products.

W — Weakness

- Most stores are on rental contracts in malls and hypermarkets, and there is a risk of contract termination or rental increases.

T — Threat

- Competitive products from its online channel.
- Pandemics which may cause temporary store closures.

CONSENSUS COMPARISON

	Consensus	Thanachart	Diff
Target price (Bt)	59.57	67.00	12%
Net profit 23F (Bt m)	379	389	3%
Net profit 24F (Bt m)	528	571	8%
Consensus REC	BUY: 4	HOLD: 1	SELL: 0

HOW ARE WE DIFFERENT FROM THE STREET?

- Our 2023-24F net profits are 3-8% higher than the Bloomberg consensus numbers, likely as we factor in the OK Station acquisition, the new Garlic store format, and new, higher gross margin guidance.
- Our TP is 12% above the Street's, likely as we are more confident in its long-term branch and product expansions.

Sources: Bloomberg consensus, Thanachart estimates

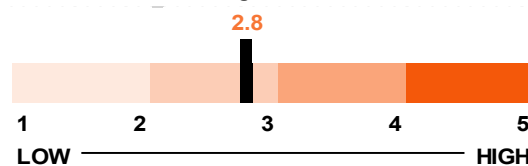
RISKS TO OUR INVESTMENT CASE

- If the economy is weaker than we presently expect.
- If competitors expand at a faster pace than we currently expect.

Source: Thanachart

MOSHI operates lifestyle product shops under the company's brand "Moshi Moshi". As of 2Q23, it had 114 branches in 45 provinces with over 22,000 product SKUs and one warehouse. We assign MOSHI an ESG score of 2.8, which is below the retail sector average. This reflects a lack of concrete targets for overall ESG issues.

Thanachart ESG Rating



	SETTHSI Index	THSI Index	DJSI Index	MSCI (CCC-AAA)	ESG Book (0-100)	Refinitiv (0-100)	S&P Global (0-100)	Moody's (0-100)	CG Rating (0-5)
MOSHI	-	-	-	-	-	-	-	-	-

Sources: SETTRADE, SETTHSI Index, Thailand Sustainability Investment (THSI), The Dow Jones Industrial Average (DJSI), MSCI ESG Research LLC, ESG Book, Refinitiv ESG Information, S&P Global Market Intelligence, Moody's ESG Solutions, Thai IOD (CG rating)

Note: Please see third party on "term of use" in the following back page.

Factors	Our Comments
<p>ENVIRONMENT</p> <ul style="list-style-type: none"> Environmental Policies & Guidelines Energy Management Carbon Management Water Management Waste Management 	<ul style="list-style-type: none"> MOSHI has no factories. It doesn't directly generate much greenhouse gas (GHG), but it is committed to reducing emissions by ensuring that freight vehicles are in a ready-to-use condition to prevent incomplete fuel combustion while it also has energy efficiency campaigns. MOSHI reduces material consumption and office supplies by reuse or recycling. MOSHI uses durable packaging instead of disposable packaging to save resources and reduce waste. MOSHI disposes waste and hazardous waste properly to reduce pollution. MOSHI designs and produces products from environmentally friendly materials.
<p>SOCIAL</p> <ul style="list-style-type: none"> Human Rights Staff Management Health & Safety Product Safety & Quality Social Responsibility 	<ul style="list-style-type: none"> MOSHI supports and respects human rights. It treats employees equitably and fairly, and promotes the employment of local workers, the disadvantaged, and the disabled. It has a non-discriminatory policy toward racial differences, religion, gender, age, education, beliefs, and any other matters. MOSHI provides employees with benefits, safety, and hygiene in the workplace to ensure work satisfaction. MOSHI offers personnel development by organizing continuous training to promote the abilities of employees. MOSHI joins community, school, and government organization activities to engage and make the community environment more livable.
<p>GOVERNANCE & SUSTAINABILITY</p> <ul style="list-style-type: none"> Board Ethics & Transparency Business Sustainability Risk Management Innovation 	<ul style="list-style-type: none"> There are ten members on its Board of Directors (BOD), of whom four are independent directors, and five are family members. MOSHI is committed to growing its business via corporate governance to ensure that the company and its subsidiaries operate with efficiency, fairness, transparency, and morality. The risk-management process is based on a good framework, in our view, comprising risk identification and risk assessment covering internal and external factors that may prevent its operations from achieving its goals, including risks pertaining to strategy, finance, operations, legal, and regulatory compliance.

Sources: Company data, Thanachart

INCOME STATEMENT

FY ending Dec (Bt m)	2021A	2022A	2023F	2024F	2025F
Sales	1,256	1,890	2,701	3,574	4,403
Cost of sales	578	899	1,271	1,664	2,020
Gross profit	677	991	1,430	1,910	2,383
% gross margin	53.9%	52.4%	52.9%	53.4%	54.1%
Selling & administration expenses	495	654	918	1,179	1,409
Operating profit	183	337	512	730	974
% operating margin	14.6%	17.8%	18.9%	20.4%	22.1%
Depreciation & amortization	276	279	280	300	319
EBITDA	459	616	792	1,030	1,293
% EBITDA margin	36.5%	32.6%	29.3%	28.8%	29.4%
Non-operating income	8	6	8	10	13
Non-operating expenses	1	6	6	6	6
Interest expense	(25)	(27)	(40)	(34)	(28)
Pre-tax profit	167	322	486	713	964
Income tax	35	69	97	143	193
After-tax profit	131	253	389	571	771
% net margin	10.5%	13.4%	14.4%	16.0%	17.5%
Shares in affiliates' Earnings	0	0	0	0	0
Minority interests	0	0	0	0	0
Extraordinary items	0	0	0	0	0
NET PROFIT	131	253	389	571	771
Normalized profit	131	253	389	571	771
EPS (Bt)	0.5	0.9	1.2	1.7	2.3
Normalized EPS (Bt)	0.5	0.9	1.2	1.7	2.3

A growth stock with a 32% five-year EPS CAGR

BALANCE SHEET

FY ending Dec (Bt m)	2021A	2022A	2023F	2024F	2025F
ASSETS:					
Current assets:	508	1,221	1,281	1,774	2,478
Cash & cash equivalent	238	756	631	921	1,441
Account receivables	9	9	18	24	30
Inventories	259	404	557	729	886
Others	2	52	75	99	122
Investments & loans	7	6	6	6	6
Net fixed assets	751	706	749	784	828
Other assets	727	868	781	687	585
Total assets	1,993	2,801	2,818	3,251	3,898
LIABILITIES:					
Current liabilities:	532	527	834	935	1,131
Account payables	166	224	348	456	554
Bank overdraft & ST loans	0	0	0	(0)	0
Current LT debt	0	0	0	0	0
Others current liabilities	366	303	486	479	577
Total LT debt	0	0	0	0	0
Others LT liabilities	507	664	572	526	474
Total liabilities	1,039	1,191	1,406	1,460	1,605
Minority interest	0	0	0	0	0
Preferreds shares	0	0	0	0	0
Paid-up capital	225	300	330	330	330
Share premium	0	1,178	1,178	1,178	1,178
Warrants	0	0	0	0	0
Surplus	0	0	0	0	0
Retained earnings	729	132	(96)	282	785
Shareholders' equity	954	1,610	1,412	1,790	2,293
Liabilities & equity	1,993	2,801	2,818	3,251	3,898

Sales are mostly in cash, with very low accounts receivables

Clean B/S, with no interest-bearing debt

Sources: Company data, Thanachart estimates

CASH FLOW STATEMENT

FY ending Dec (Bt m)	2021A	2022A	2023F	2024F	2025F
Earnings before tax	167	322	486	713	964
Tax paid	(29)	(53)	(83)	(123)	(177)
Depreciation & amortization	276	279	280	300	319
Chg In working capital	(1)	(87)	(38)	(71)	(64)
Chg In other CA & CL / minorities	52	(102)	145	(50)	60
Cash flow from operations	464	359	791	769	1,102
Capex	(13)	(42)	(136)	(140)	(162)
Right of use	(111)	(336)	(100)	(100)	(100)
ST loans & investments	0	0	0	0	0
LT loans & investments	(7)	0	0	0	0
Adj for asset revaluation	0	0	0	0	0
Chg In other assets & liabilities	(84)	133	(92)	(46)	(52)
Cash flow from investments	(215)	(245)	(328)	(286)	(314)
Debt financing	(132)	0	0	(0)	0
Capital increase	0	1,253	30	0	0
Dividends paid	0	(839)	(617)	(192)	(268)
Warrants & other surplus	0	(10)	0	0	0
Cash flow from financing	(132)	404	(587)	(192)	(268)
Free cash flow	451	316	655	629	940

Very high EBITDA/capex

VALUATION

FY ending Dec	2021A	2022A	2023F	2024F	2025F
Normalized PE (x)	112.1	58.8	47.3	32.2	23.9
Normalized PE - at target price (x)	134.7	70.6	56.9	38.8	28.7
PE (x)	112.1	58.8	47.3	32.2	23.9
PE - at target price (x)	134.7	70.6	56.9	38.8	28.7
EV/EBITDA (x)	31.6	22.9	22.4	17.0	13.1
EV/EBITDA - at target price (x)	38.0	27.8	27.1	20.6	16.0
P/BV (x)	15.4	11.4	13.0	10.3	8.0
P/BV - at target price (x)	18.6	13.7	15.7	12.3	9.6
P/CFO (x)	31.7	41.5	23.3	23.9	16.7
Price/sales (x)	14.7	9.7	6.8	5.1	4.2
Dividend yield (%)	0.0	5.9	0.8	1.2	1.7
FCF Yield (%)	3.1	2.1	3.6	3.4	5.1
(Bt)					
Normalized EPS	0.5	0.9	1.2	1.7	2.3
EPS	0.5	0.9	1.2	1.7	2.3
DPS	0.0	3.3	0.5	0.7	0.9
BV/share	3.6	4.9	4.3	5.4	6.9
CFO/share	1.8	1.3	2.4	2.3	3.3
FCF/share	1.7	1.2	2.0	1.9	2.8

Sources: Company data, Thanachart estimates

FINANCIAL RATIOS

FY ending Dec	2021A	2022A	2023F	2024F	2025F
Growth Rate					
Sales (%)	(7.9)	50.5	42.9	32.3	23.2
Net profit (%)	29.8	92.9	53.6	46.8	35.2
EPS (%)	29.8	90.8	24.2	46.8	35.2
Normalized profit (%)	29.8	92.9	53.6	46.8	35.2
Normalized EPS (%)	29.8	90.8	24.2	46.8	35.2
Dividend payout ratio (%)	0.0	426.4	40.0	40.0	40.0
Operating performance					
Gross margin (%)	53.9	52.4	52.9	53.4	54.1
Operating margin (%)	14.6	17.8	18.9	20.4	22.1
EBITDA margin (%)	36.5	32.6	29.3	28.8	29.4
Net margin (%)	10.5	13.4	14.4	16.0	17.5
D/E (incl. minor) (x)	0.0	0.0	0.0	(0.0)	0.0
Net D/E (incl. minor) (x)	(0.2)	(0.5)	(0.4)	(0.5)	(0.6)
Interest coverage - EBIT (x)	7.2	12.6	12.9	21.7	34.4
Interest coverage - EBITDA (x)	18.0	23.1	20.0	30.6	45.6
ROA - using norm profit (%)	6.5	10.6	13.8	17.6	21.6
ROE - using norm profit (%)	14.8	19.7	25.7	31.9	37.8
DuPont					
ROE - using after tax profit (%)	14.8	19.7	25.7	31.9	37.8
- asset turnover (x)	0.6	0.8	1.0	1.1	1.2
- operating margin (%)	15.3	18.4	19.5	20.9	22.5
- leverage (x)	2.3	1.9	1.9	1.8	1.8
- interest burden (%)	86.8	92.4	92.5	95.5	97.1
- tax burden (%)	78.8	78.6	80.0	80.0	80.0
WACC (%)	10.5	10.5	10.5	10.5	10.5
ROIC (%)	17.3	37.0	47.9	74.8	89.6
NOPAT (Bt m)	144	265	409	584	779
invested capital (Bt m)	716	855	781	869	853

Sources: Company data, Thanachart estimates

ESG Information - Third Party Terms

www.Settrade.com

SETTRADE: You acknowledge that the use of data, information or service displayed and/or contained in this website may require third party's data, content or software which is subject to the terms of third party provider. By accessing and/or using of such certain data, you acknowledge and agree to comply with and be bound by the applicable third party terms specified below.

ESG Scores by Third Party data from www.SETTRADE.com

1. MSCI (CCC- AAA)
2. ESG Book (0-100)
3. Refinitiv (0-100)
4. S&P Global (0-100)
5. Moody's ESG Solutions (0-100)

SET THSI Index (SETTHSI)

Nowadays, long-term investment tends to be more focused on sustainable companies. The financial statement performance and the consideration in environmental, social and governance (ESG) perspective are keys aspects for analysis.

SET has created a Thailand Sustainability Investment (THSI) list since 2015 for using as an alternative investment in the high performance ESG stocks for investors while, supporting the sustainable Thai companies. SET defines the sustainable companies as the companies that embrace risk management, supply chain management and innovations together with responsibility for environmental, social and governance aspects

As a result, SET has created the SETTHSI for the purpose of indicating the price of these sustainable companies that pass the market capital size and liquidity criteria.

ESG Book's Disclaimer

Arabesque S-Ray GmbH, also trading as "ESG Book", is a limited liability company (Gesellschaft mit beschränkter Haftung) incorporated in Frankfurt am Main and organised under the laws of Germany with registered number HRB 113087 in the commercial register of the local court with its seat and business address at Zeppelinallee 15, 60325 Frankfurt am Main, Germany (hereinafter "ESG Book"). ESG Book, with its UK branch and local subsidiaries, is a provider of sustainability data and advisory services and operates the sustainability data platform ESG Book. ESG Book does not offer any regulated financial services nor products. This document is provided on a confidential basis by ESG Book and is for information purposes only; accordingly, it is not a solicitation or an offer to buy any security or instrument or to participate in any trading activities nor should it be construed as a recommendation or advice on the merits of investing in any financial product. THIRD PARTY INFORMATION. Certain information contained in this document has been obtained from sources outside ESG Book. While such information is believed to be reliable for the purposes used herein, no representations are made as to the accuracy or completeness thereof and neither ESG Book nor its affiliates take any responsibility for such information. To the extent this document contains any links to third party websites, such links are provided as a convenience and for informational purposes only; they do not constitute an endorsement or an approval by ESG Book of any of the products, services or opinions of the corporations or organization or individual operating such third party websites. ESG Book bears no responsibility for the accuracy, legality or content of the external site or for that of subsequent links. RELIANCE – ESG Book makes no representation or warranty, express or implied, as to the accuracy or completeness of the information contained herein, and accepts no liability for any loss, of whatever kind, howsoever arising, in relation thereto, and nothing contained herein should be relied upon. CONFIDENTIALITY. This document contains highly confidential information regarding ESG Book's strategy and organization. Your acceptance of this document constitutes your agreement to keep confidential all the information contained in this document, as well as any information derived by you from the information contained in this document and not disclose any such information to any other person. This document may not be copied, reproduced, in any way used or disclosed or transmitted, in whole or in part, to any other person.

MSCI ESG Research LLC

"Certain information @2021 MSCI ESG Research LLC. Reproduced by permission"

"Although [User ENTITY NAME's] information providers, including without limitation, MSCI ESG Research LLC and its affiliates (the "ESG Parties"), obtain information (the "Information") from sources they consider reliable, none of the ESG Parties warrants or guarantees the originality, accuracy and/or completeness, of any data herein and expressly disclaim all express or implied warranties, including those of merchantability and fitness for a particular purpose. The Information may only be used for your internal use, may not be reproduced or disseminated in any form and may not be used as a basis for, or a component of, any financial instruments or products or indices. Further, non of the Information can in and of itself be used to determine which securities to buy or sell or when to buy or sell them. None of the ESG Parties shall have any liability for any errors or omissions in connection with any data herein, or any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages."

Score range	Description
CCC - B	LAGGARD: A company lagging its industry based on its high exposure and failure to manage significant ESG risks
BB - BBB - A	AVERAGE : A company with a mixed or unexceptional track record of managing the most significant ESG risks and opportunities relative to industry peers
AA - AAA	LEADER: A company leading its industry in managing the most significant ESG risks and opportunities

The Dow Jones Sustainability Indices (DJSI)

The Dow Jones Sustainability Indices (DJSI) are a family of best-in-class benchmarks for investors who have recognized that sustainable business practices are critical to generating long-term shareholder value and who wish to reflect their sustainability convictions in their investment portfolios. The family was launched in 1999 as the first global sustainability benchmark and tracks the stock performance of the world's leading companies in terms of economic, environmental and social criteria. Created jointly by S&P Dow Jones Indices and SAM, the DJSI combine the experience of an established index provider with the expertise of a specialist in Sustainable Investing to select the most sustainable companies from across 61 industries. The indices serve as benchmarks for investors who integrate sustainability considerations into their portfolios, and provide an effective engagement platform for investors who wish to encourage companies to improve their corporate sustainability practices.

S&P Global Market Intelligence

Copyright © 2021, S&P Global Market Intelligence (and its affiliates as applicable). Reproduction of any information, opinions, views, data or material, including ratings ("Content") in any form is prohibited except with the prior written permission of the relevant party. Such party, its affiliates and suppliers ("Content Providers") do not guarantee the accuracy, adequacy, completeness, timeliness or availability of any Content and are not responsible for any errors or omissions (negligent or otherwise), regardless of the cause, or for the results obtained from the use of such Content. In no event shall Content Providers be liable for any damages, costs, expenses, legal fees, or losses (including lost income or lost profit and opportunity costs) in connection with any use of the Content. A reference to a particular investment or security, a rating or any observation concerning an investment that is part of the Content is not a recommendation to buy, sell or hold such investment or security, does not address the suitability of an investment or security and should not be relied on as investment advice. Credit ratings are statements of opinions and are not statements of fact.

ESG risk combines the concepts of management and exposure to arrive at an absolute assessment of ESG risk. We identify five categories of ESG risk severity that could impact a company's enterprise value

Moody's ESG Solutions

© 2022 Moody's Corporation, Moody's Investors Service, Inc., Moody's Analytics, Inc. and/or their licensors and affiliates (collectively, "MOODY'S"). All rights reserved.

CREDIT RATINGS ISSUED BY MOODY'S CREDIT RATINGS AFFILIATES ARE THEIR CURRENT OPINIONS OF THE RELATIVE FUTURE CREDIT RISK OF ENTITIES, CREDIT COMMITMENTS, OR DEBT OR DEBT-LIKE SECURITIES, AND MATERIALS, PRODUCTS, SERVICES AND INFORMATION PUBLISHED BY MOODY'S (COLLECTIVELY, "PUBLICATIONS") MAY INCLUDE SUCH CURRENT OPINIONS. MOODY'S DEFINES CREDIT RISK AS THE RISK THAT AN ENTITY MAY NOT MEET ITS CONTRACTUAL FINANCIAL OBLIGATIONS AS THEY COME DUE AND ANY ESTIMATED FINANCIAL LOSS IN THE EVENT OF DEFAULT OR IMPAIRMENT. SEE APPLICABLE MOODY'S RATING SYMBOLS AND DEFINITIONS PUBLICATION FOR INFORMATION ON THE TYPES OF CONTRACTUAL FINANCIAL OBLIGATIONS ADDRESSED BY MOODY'S CREDIT RATINGS. CREDIT RATINGS DO NOT ADDRESS ANY OTHER RISK, INCLUDING BUT NOT LIMITED TO: LIQUIDITY RISK, MARKET VALUE RISK, OR PRICE VOLATILITY. CREDIT RATINGS, NON-CREDIT ASSESSMENTS ("ASSESSMENTS"), AND OTHER OPINIONS INCLUDED IN MOODY'S PUBLICATIONS ARE NOT STATEMENTS OF CURRENT OR HISTORICAL FACT. MOODY'S PUBLICATIONS MAY ALSO INCLUDE QUANTITATIVE MODEL-BASED ESTIMATES OF CREDIT RISK AND RELATED OPINIONS OR COMMENTARY PUBLISHED BY MOODY'S ANALYTICS, INC. AND/OR ITS AFFILIATES. MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS AND PUBLICATIONS DO NOT CONSTITUTE OR PROVIDE INVESTMENT OR FINANCIAL ADVICE, AND MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS AND PUBLICATIONS ARE NOT AND DO NOT PROVIDE RECOMMENDATIONS TO PURCHASE, SELL, OR HOLD PARTICULAR SECURITIES. MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS AND PUBLICATIONS DO NOT COMMENT ON THE SUITABILITY OF AN INVESTMENT FOR ANY PARTICULAR INVESTOR. MOODY'S ISSUES ITS CREDIT RATINGS, ASSESSMENTS AND OTHER OPINIONS AND PUBLISHES ITS PUBLICATIONS WITH THE EXPECTATION AND UNDERSTANDING THAT EACH INVESTOR WILL, WITH DUE CARE, MAKE ITS OWN STUDY AND EVALUATION OF EACH SECURITY THAT IS UNDER CONSIDERATION FOR PURCHASE, HOLDING, OR SALE.

MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS, AND PUBLICATIONS ARE NOT INTENDED FOR USE BY RETAIL INVESTORS AND IT WOULD BE RECKLESS AND INAPPROPRIATE FOR RETAIL INVESTORS TO USE MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS OR PUBLICATIONS WHEN MAKING AN INVESTMENT DECISION. IF IN DOUBT YOU SHOULD CONTACT YOUR FINANCIAL OR OTHER PROFESSIONAL ADVISER.

ALL INFORMATION CONTAINED HEREIN IS PROTECTED BY LAW, INCLUDING BUT NOT LIMITED TO, COPYRIGHT LAW, AND NONE OF SUCH INFORMATION MAY BE COPIED OR OTHERWISE REPRODUCED, REPACKAGED, FURTHER TRANSMITTED, TRANSFERRED, DISSEMINATED, REDISTRIBUTED OR RESOLD, OR STORED FOR SUBSEQUENT USE FOR ANY SUCH PURPOSE, IN WHOLE OR IN PART, IN ANY FORM OR MANNER OR BY ANY MEANS WHATSOEVER, BY ANY PERSON WITHOUT MOODY'S PRIOR WRITTEN CONSENT.

MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS AND PUBLICATIONS ARE NOT INTENDED FOR USE BY ANY PERSON AS A BENCHMARK AS THAT TERM IS DEFINED FOR REGULATORY PURPOSES AND MUST NOT BE USED IN ANY WAY THAT COULD RESULT IN THEM BEING CONSIDERED A BENCHMARK.

All information contained herein is obtained by MOODY'S from sources believed by it to be accurate and reliable. Because of the possibility of human or mechanical error as well as other factors, however, all information contained herein is provided "AS IS" without warranty of any kind. MOODY'S adopts all necessary measures so that the information it uses in assigning a credit rating is of sufficient quality and from sources MOODY'S considers to be reliable including, when appropriate, independent third-party sources. However, MOODY'S is not an auditor and cannot in every instance independently verify or validate information received in the rating process or in preparing its Publications.

To the extent permitted by law, MOODY'S and its directors, officers, employees, agents, representatives, licensors and suppliers disclaim liability to any person or entity for any indirect, special, consequential, or incidental losses or damages whatsoever arising from or in connection with the information contained herein or the use of or inability to use any such information, even if MOODY'S or any of its directors, officers, employees, agents, representatives, licensors or suppliers is advised in advance of the possibility of such losses or damages, including but not limited to: (a) any loss of present or prospective profits or (b) any loss or damage arising where the relevant financial instrument is not the subject of a particular credit rating assigned by MOODY'S.

To the extent permitted by law, MOODY'S and its directors, officers, employees, agents, representatives, licensors and suppliers disclaim liability for any direct or compensatory losses or damages caused to any person or entity, including but not limited to by any negligence (but excluding fraud, willful misconduct or any other type of liability that, for the avoidance of doubt, by law cannot be excluded) on the part of, or any contingency within or beyond the control of, MOODY'S or any of its directors, officers, employees, agents, representatives, licensors or suppliers, arising from or in connection with the information contained herein or the use of or inability to use any such information.

NO WARRANTY, EXPRESS OR IMPLIED, AS TO THE ACCURACY, TIMELINESS, COMPLETENESS, MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OF ANY CREDIT RATING, ASSESSMENT, OTHER OPINION OR INFORMATION IS GIVEN OR MADE BY MOODY'S IN ANY FORM OR MANNER WHATSOEVER.

Moody's Investors Service, Inc., a wholly-owned credit rating agency subsidiary of Moody's Corporation ("MCO"), hereby discloses that most issuers of debt securities (including corporate and municipal bonds, debentures, notes and commercial paper) and preferred stock rated by Moody's Investors Service, Inc. have, prior to assignment of any credit rating, agreed to pay to Moody's Investors Service, Inc. for credit ratings opinions and services rendered by it fees ranging from \$1,000 to approximately \$5,000,000. MCO and Moody's Investors Service also maintain policies and procedures to address the independence of Moody's Investors Service credit ratings and credit rating processes. Information regarding certain affiliations that may exist between directors of MCO and rated entities, and between entities who hold credit ratings from Moody's Investors Service and have also publicly reported to the SEC an ownership interest in MCO of more than 5%, is posted annually at www.moody.com under the heading "Investor Relations — Corporate Governance — Director and Shareholder Affiliation Policy."

Additional terms for Australia only: Any publication into Australia of this document is pursuant to the Australian Financial Services License of MOODY'S affiliate, Moody's Investors Service Pty Limited ABN 61 003 399 657AFSL 336969 and/or Moody's Analytics Australia Pty Ltd ABN 94 105 136 972 AFSL 383569 (as applicable). This document is intended to be provided only to "wholesale clients" within the meaning of section 761G of the Corporations Act 2001. By continuing to access this document from within Australia, you represent to MOODY'S that you are, or are accessing the document as a representative of, a "wholesale client" and that neither you nor the entity you represent will directly or indirectly disseminate this document or its contents to "retail clients" within the meaning of section 761G of the Corporations Act 2001. MOODY'S credit rating is an opinion as to the creditworthiness of a debt obligation of the issuer, not on the equity securities of the issuer or any form of security that is available to retail investors.

Additional terms for Japan only: Moody's Japan K.K. ("MJKK") is a wholly-owned credit rating agency subsidiary of Moody's Group Japan G.K., which is wholly-owned by Moody's Overseas Holdings Inc., a wholly-owned subsidiary of MCO. Moody's SF Japan K.K. ("MSFJ") is a wholly-owned credit rating agency subsidiary of MJKK. MSFJ is not a Nationally Recognized Statistical Rating Organization ("NRSRO"). Therefore, credit ratings assigned by MSFJ are Non-NRSRO Credit Ratings. Non-NRSRO Credit Ratings are assigned by an entity that is not a NRSRO and, consequently, the rated obligation will not qualify for certain types of treatment under U.S. laws. MJKK and MSFJ are credit rating agencies registered with the Japan Financial Services Agency and their registration numbers are FSA Commissioner (Ratings) No. 2 and 3 respectively.

Additional terms for Hong Kong only: Any Second Party Opinion or other opinion that falls within the definition of "advising on securities" under the Hong Kong Securities and Futures Ordinance ("SFO") is issued by Vigeo Eiris Hong Kong Limited, a company licensed by the Hong Kong Securities and Futures Commission to carry out the regulated activity of advising on securities in Hong Kong. This Second Party Opinion or other opinion that falls within the definition of "advising on securities" under the SFO is intended for distribution only to "professional investors" as defined in the SFO and the Hong Kong Securities and Futures (Professional Investors) Rules. This Second Party Opinion or other opinion must not be distributed to or used by persons who are not professional investors.

MJKK or MSFJ (as applicable) hereby disclose that most issuers of debt securities (including corporate and municipal bonds, debentures, notes and commercial paper) and preferred stock rated by MJKK or MSFJ (as applicable) have, prior to assignment of any credit rating, agreed to pay to MJKK or MSFJ (as applicable) for credit ratings opinions and services rendered by it fees ranging from JPY125,000 to approximately JPY550,000,000.

MJKK and MSFJ also maintain policies and procedures to address Japanese regulatory requirements.

Refinitiv ESG

These Terms of Use govern your access or use of the ESG information and materials on the Refinitiv website and any AI powered voice assistance software ("Refinitiv ESG Information"). 2020© Refinitiv. All rights reserved. Refinitiv ESG Information is proprietary to Refinitiv Limited and/or its affiliates ("Refinitiv").

The Refinitiv ESG Information is for general informational and non-commercial purposes only. Reproduction, redistribution or any other form of copying or transmission of the Refinitiv ESG Information is prohibited without Refinitiv's prior written consent.

All warranties, conditions and other terms implied by statute or common law including, without limitation, warranties or other terms as to suitability, merchantability, satisfactory quality and fitness for a particular purpose, are excluded to the maximum extent permitted by applicable laws. The Refinitiv ESG Information is provided "as is" and Refinitiv makes no express or implied warranties, representations or guarantees concerning the accuracy, completeness or currency of the information in this service or the underlying Third Party Sources (as defined below). You assume sole responsibility and entire risk as to the suitability and results obtained from your use of the Refinitiv ESG Information.

The Refinitiv ESG Information does not amount to financial, legal or other professional advice, nor does it constitute: (a) an offer to purchase shares in the funds referred to; or (b) a recommendation relating to the sale and purchase of instruments; or (c) a recommendation to take any particular legal, compliance and/or risk management decision. Investors should remember that past performance is not a guarantee of future results.

The Refinitiv ESG Information will not be used to construct or calculate and index or a benchmark, used to create any derivative works or used for commercial purposes. Refinitiv's disclaimer in respect of Benchmark Regulations applies to the Refinitiv ESG Information.

No responsibility or liability is accepted by Refinitiv its affiliates, officers, employees or agents (whether for negligence or otherwise) in respect of the Refinitiv ESG Information, or for any inaccuracies, omissions, mistakes, delays or errors in the computation and compilation of the Refinitiv ESG Information (and Refinitiv shall not be obliged to advise any person of any error therein). For the avoidance of doubt, in no event will Refinitiv have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) relating to any use of the Refinitiv ESG Information.

You agree to indemnify, defend and hold harmless Refinitiv from and against any claims, losses, damages, liabilities, costs and expenses, including, without limitation, reasonable legal and experts' fees and costs, as incurred, arising in any manner out of your use of, or inability to use, any Information contained on the Refinitiv web site or obtained via any AI powered voice assistance software.

You represent to us that you are lawfully able to enter into these Terms of Use. If you are accepting these Terms of Use for and on behalf of an entity such as the company you work for, you represent to us that you have legal authority to bind that entity.

By accepting these Terms of Use you are also expressly agreeing to the following Refinitiv's website Terms of Use.

Refinitiv ESG scores are derived from third party publicly available sources ("Third Party Sources") and are formulated on the basis of Refinitiv own transparent and objectively applied methodology. Refinitiv's ESG Information methodology can be accessed here.

Score range	Description	
0 to 25	First Quartile	Scores within this range indicates poor relative ESG performance and insufficient degree of transparency in reporting material ESG data publicly.
> 25 to 50	Second Quartile	Scores within this range indicates satisfactory relative ESG performance and moderate degree of transparency in reporting material ESG data publicly.
> 50 to 75	Third Quartile	Scores within this range indicates good relative ESG performance and above average degree of transparency in reporting material ESG data publicly.
> 75 to 100	Fourth Quartile	Score within this range indicates excellent relative ESG performance and high degree of transparency in reporting material ESG data publicly.

CG Report : by Thai Institute of Directors Association (Thai IOD), Established in December 1999, the Thai IOD is a membership organization that strives to promote professionalism in directorship. The Thai IOD offers directors certification and professional development courses, provides a variety of seminars, forums and networking events, and conducts research on board governance issues and practices. Membership comprises board members from companies ranging from large publicly listed companies to small private firms.

90-100	▲▲▲▲▲	Excellent
80-89	▲▲▲▲	Very Good
70-79	▲▲▲	Good
60-69	▲▲	Satisfactory
50-59	▲	Pass
Below		N/A

General Disclaimers And Disclosures:

This report is prepared and issued by Thanachart Securities Public Company Limited (TNS) as a resource only for clients of TNS, Thanachart Capital Public Company Limited (TCAP) and its group companies. Copyright © Thanachart Securities Public Company Limited. All rights reserved. The report may not be reproduced in whole or in part or delivered to other persons without our written consent.

This report is prepared by analysts who are employed by the research department of TNS. While the information is from sources believed to be reliable, neither the information nor the forecasts shall be taken as a representation or warranty for which TNS or TCAP or its group companies or any of their employees incur any responsibility. This report is provided to you for informational purposes only and it is not, and is not to be construed as, an offer or an invitation to make an offer to sell or buy any securities. Neither TNS, TCAP nor its group companies accept any liability whatsoever for any direct or consequential loss arising from any use of this report or its contents.

The information and opinions contained herein have been compiled or arrived at from sources believed reliable. However, TNS, TCAP and its group companies make no representation or warranty, express or implied, as to their accuracy or completeness. Expressions of opinion herein are subject to change without notice. The use of any information, forecasts and opinions contained in this report shall be at the sole discretion and risk of the user.

TNS, TCAP and its group companies perform and seek to perform business with companies covered in this report. TNS, TCAP, its group companies, their employees and directors may have positions and financial interest in securities mentioned in this report. TNS, TCAP or its group companies may from time to time perform investment banking or other services for, or solicit investment banking or other business from, any entity mentioned in this report. Therefore, investors should be aware of conflict of interest that may affect the objectivity of this report.

Note: Thanachart Securities Public Company Limited act as a Market Maker and Derivative Warrants Issuer. At present, TNS has issued 26 Derivative Warrants which are CBG16C2312A, CPALL16C2310A, DELTA16C2309A, EA16C2311A, EA16C2309A, GULF16C2311A, GULF16C2309A, HANA16C2312A, HANA16C2309A, JMT16C2311A, JMART16C2310A, KBANK16C2312A, KBANK16C2310A, KCE16C2401A, KCE16C2309A, PTTEP16C2311A, SAWAD16C2312A, SAWAD16C2309A, SCB16C2311A, SET5016C2312B, SET5016C2312A, SET5016P2312A, SET5016C2309B, SET5016C2309A, SET5016P2309A, TIDLOR16C2311A (underlying securities are (CPALL, DELTA, EA, GULF, HANA, JMART, JMT, KBANK, KCE, PTTEP, SAWAD, SCB, SET50, TIDLOR). before making investment decisions.

Note: Our major shareholder TCAP (Thanachart Capital Pcl) which holding 89.96% of Thanachart Securities and also TCAP holding 100% of Thanachart SPV1 Co. Ltd. TCAP and Thanachart SPV1 Co. Ltd has stake in THANI for 60% and being the major shareholder of THANI.

Note: Thanachart Capital Public Company Limited (TCAP), TMBThanachart Bank Public Company Limited (TTB), are related companies to Thanachart Securities Public Company Limited (TNS). Thanachart Securities Pcl is a subsidiary of Thanachart Capital Pcl (TCAP) which holds 24.33% of the shareholding in TMBThanachart Bank Pcl.

Thanachart Capital Public Company Limited (TCAP), Ratchthani Leasing Public Company Limited (THANI), MBK PUBLIC COMPANY LIMITED (MBK) and PATUM RICE MILL AND GRANARY PUBLIC COMPANY LIMITED (PRG) are related companies to Thanachart Securities Public Company Limited (TNS) . Since TNS covers those securities in research report, consequently TNS incurs conflicts of interest.

Note: Thanachart Securities Public Company Limited (TNS) acts as an underwriter of “Debentures of True Corporation Pcl (TRUE) No. 1/2023 (B.E. 2566) (No. 1-4) which its maturity at 2025, 2026, 2028, 2033 (B.E. 2568, 2569, 2571, 2576)”, therefore investors need to be aware that there could be conflicts of interest in this research.

Disclosure of Interest of Thanachart Securities**Investment Banking Relationship**

Within the preceding 12 months, Thanachart Securities has lead-managed public offerings and/or secondary offerings (excluding straight bonds) of the securities of the following companies: Moshi Moshi Retail Corporation Pcl. (MOSHI TB)

Recommendation Structure:

Recommendations are based on absolute upside or downside, which is the difference between the target price and the current market price. If the upside is 10% or more, the recommendation is BUY. If the downside is 10% or more, the recommendation is SELL. For stocks where the upside or downside is less than 10%, the recommendation is HOLD. 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 the market price and the formal recommendation.

For sectors, an "Overweight" sector weighting is used when we have BUYs on majority of the stocks under our coverage by market cap. "Underweight" is used when we have SELLs on majority of the stocks we cover by market cap. "Neutral" is used when there are relatively equal weightings of BUYs and SELLs.

Thanachart Securities Pcl.

Research Team

18 Floor, MBK Tower

444 Phayathai Road, Pathumwan Road, Bangkok 10330

Tel: 662 - 779-9119

Email: thanachart.res@thanachartsec.co.th

Pimpaka Nichgaroon, CFA

Head of Research, Strategy
Tel: 662-779-9199
pimpaka.nic@thanachartsec.co.th

Nuttapop Prasitsuksant

Telecom, Utilities
Tel: 662-483-8296
nuttapop.pra@thanachartsec.co.th

Rata Limsuthiwanoom

Auto, Industrial Estate, Media, Prop. Fund
Tel: 662-483-8297
rata.lim@thanachartsec.co.th

Siriporn Arunothai

Small Cap, Healthcare, Hotel
Tel: 662-779-9113
siriporn.aru@thanachartsec.co.th

Sittichet Rungrassameephat

Analyst, Retail Market Strategy
Tel: 662-483-8303
sittichet.run@thanachartsec.co.th

Adisak Phupiphathirungul, CFA

Retail Market Strategy
Tel: 662-779-9120
adisak.phu@thanachartsec.co.th

Pattadol Bunnak

Electronics, Food & Beverage, Shipping
Tel: 662-483-8298
pattadol.bun@thanachartsec.co.th

Saksid Phadthananarak

Construction, Transportation
Tel: 662-779-9112
saksid.pha@thanachartsec.co.th

Yupapan Polpornprasert

Energy, Petrochemical
Tel: 662-779-9110
yupapan.pol@thanachartsec.co.th

Thaloengsak Kucharoenpaisan

Analyst, Retail Market Strategy
Tel: 662-483-8304
thaloengsak.kuc@thanachartsec.co.th

Pattarawan Wangmingmat

Senior Technical Analyst
Tel: 662-779-9105
pattarawan.wan@thanachartsec.co.th

Phannarai Tiyapittayarut

Property, Retail
Tel: 662-779-9109
phannarai.von@thanachartsec.co.th

Sarachada Sornsong

Bank, Finance
Tel: 662-779-9106
sarachada.sor@thanachartsec.co.th

Witchanan Tambamroong

Technical Analyst
Tel: 662-779-9123
witchanan.tam@thanachartsec.co.th

Nariporn Klangpremchitt, CISA

Analyst, Retail Market Strategy
Tel: 662-779-9107
nariporn.kla@thanachartsec.co.th