BUY (Unchanged) | **TP: Bt 29.00** (From: Bt27.00)

Change in Numbers | **Upside : 14.9%** | **20 NOVEMBER 2024**

Praram 9 Hospital Pcl. (PR9 TB)

Middle East beats

SIRIPORN ARUNOTHAI
662-779-9119
siriporn.aru@thanachartsec.co.th

We raise our earnings estimates for PR9 by 6-7% p.a. in 2024-26F to reflect a better-than-expected margin from Middle Eastern patients. As most earnings drivers continue to work well, we reaffirm our BUY call on PR9 with a higher TP of Bt29.0.

Earnings upgrades; BUY

PR9 reported a very strong 3Q24 profit of Bt208m, up 49% y-y and 50% q-q. The key beats were high gross margin and low SG&A expenses due to the high revenue intensity of Middle Eastern patients and scale benefits. We raise our earnings by 6-7% in 2024-26F and our DCF-based 12-month TP (2025F base year) to Bt29.0 from Bt27.0. We reaffirm our BUY call on PR9. Most of PR9's key earnings drivers are working well. Patient flows are growing healthily. PR9 has successfully added a new source of foreign patients from the Middle East. Margins are on the rise from more foreign patients, more excellence centers, and a higher utilization rate. On valuation, PR9 looks inexpensive to us on a 24.1x 2025F PE vs. 29/15/10% EPS growth in 2024-26F.

Middle East success

PR9 has, since the middle of this year, successfully added the Middle East as its fourth foreign patient region after China, Myanmar, and Cambodia. Foreign patient revenue grew 42% y-y in 3Q24 from 24% y-y in 1H24. The revenue mix from foreign patients jumped to 17.6% in 3Q24 from 15.1% in 1H24, despite Thai patient revenue also growing by 11% y-y in 3Q24. We expect the robust patient flows to continue and estimate revenue from foreign and Thai patients to grow 30/19/13% and 7/7/7% in 2024-26F. PR9's greater penetration of the Middle East, more excellence centers, and rising brand recognition and sales promotions are the key drivers for PR9's patient flows.

Higher margins from Middle East patients

Middle Eastern patients boost PR9's revenue and margins. Their billing size is almost double Thai patients', and PR9's gross margin in 3Q24 jumped by 3.3 ppts y-y and 4.0 ppts q-q. With a greater mix of foreign patients, primarily from the Middle East, increased revenue intensity, more specialized centers of excellence, and rising utilization, we project gross margin to increase from 32.9% in 2023 to 35.7% in 2026F and its EBIT margin to rise from 14.5% in 2023 to 18.6% in 2026F.

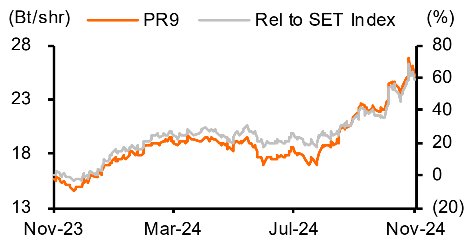
4Q24F, the peak quarter of the year

We estimate record-high 4Q24F earnings of Bt214m, up 14% y-y and 3% q-q. Besides 4Q typically being the highest season for PR9 due to strong health check-up demand from Thais, 4Q24 should also see more Middle Eastern patient flows. On projected revenue growth of 7% y-y and 3% q-q to Bt1.3bn in 4Q24F with a higher mix of Middle Eastern patients, we estimate gross margin to rise to 36.3% in 4Q24F from 35.2% in 4Q23 and come in flat q-q due to a rising mix of lower-margin health check-ups.

COMPANY VALUATION

Y/E Dec (Bt m)	2023A	2024F	2025F	2026F
Sales	4,202	4,638	5,070	5,495
Net profit	558	720	824	908
Consensus NP	—	705	816	884
Diff frm cons (%)	—	*2.2*	*1.0*	*2.7*
Norm profit	558	720	824	908
Prev. Norm profit	—	682	773	853
Chg frm prev (%)	—	*5.6*	*6.6*	*6.4*
Norm EPS (Bt)	0.7	0.9	1.0	1.2
Norm EPS grw (%)	(1.7)	29.0	14.5	10.1
Norm PE (x)	35.6	27.6	24.1	21.9
EV/EBITDA (x)	19.8	15.8	13.8	12.3
P/BV (x)	3.9	3.6	3.3	3.1
Div yield (%)	1.2	1.8	2.3	2.7
ROE (%)	11.4	13.5	14.2	14.5
Net D/E (%)	(37.4)	(43.4)	(46.8)	(51.5)

PRICE PERFORMANCE



COMPANY INFORMATION

Price *as of* 20-Nov-24 (Bt)	25.25
Market Cap (US$ m)	572.1
Listed Shares (m shares)	786.3
Free Float (%)	58.7
Avg Daily Turnover (US$ m)	1.6
12M Price H/L (Bt)	26.75/14.60
Sector	Health Care
Major Shareholder	Damapong family 37.14%

Sources: Bloomberg, Company data, Thanachart estimates

Earnings upgrades; BUY

We boost our earnings by 6-7% in 2024-26F

Praram 9 Hospital Pcl (PR9) reported a very strong 3Q24 profit of Bt208m, up 49% y-y and 50% q-q. The key beats were high gross margin and low SG&A expenses because of Middle Eastern patients' high revenue intensity level and scale benefits. Therefore, we raise our gross margin assumptions and lower our SG&A to sales assumptions. Our 2024-26F earnings estimates are lifted by 6-7%. Our DCF-based 12-month TP (2025F base year) is also revised up to Bt29.0 from Bt27.0.

Ex 1: Change In Our Key Assumptions And Earnings Revisions

	2022	2023	2024F	2025F	2026F
Gross margin (%)					
- New	33.7	32.9	34.7	35.4	35.7
- Old			34.1	34.4	34.6
- Change (ppt.)			*0.6*	*1.0*	*1.1*
SG&A to sales (%)					
- New	17.9	18.4	17.6	17.3	17.1
- Old			18.2	18.0	17.9
- Change (ppt.)			*(0.6)*	*(0.7)*	*(0.7)*
Normalized profit (Bt m)					
- New	568	558	720	824	908
- Old			682	773	853
- Change (%)			*5.6*	*6.6*	*6.4*

Sources: Company data, Thanachart estimates

We reaffirm our BUY rating on PR9. Most of PR9's key earnings drivers are working well. Patient flows are growing healthily. PR9 has successfully added a new source of foreign patients from the Middle East. Margins are rising from more foreign patients, additional excellence centers, and a higher utilization rate. On valuation, PR9 looks inexpensive to us, trading on a 24.1x 2025F PE multiple vs. 29/15/10% EPS growth in 2024-26F.

Middle East success

More patient flows from the Middle East starting from the middle of this year

PR9 successfully added the Middle East to its foreign patient base after a new agent team joined the hospital in the middle of this year. This is the fourth major source of patients for PR9 after strong Chinese, Myanmar, and Cambodian patients. The foreign patient revenue growth rate rose to 42% y-y in 3Q24 from 24% y-y in 1H24. The revenue mix from foreign patients jumped to 17.6% in 3Q24 from 15.1% in 1H24, despite Thai patient revenue also growing by 11% y-y in 3Q24. The key driver of the rising foreign patient revenues was an increasing revenue mix of Middle Eastern patients. Flows from Middle Eastern patients have come from Qatar, the UAE, Oman, Saudi Arabia (Insurance), and Kuwait (self-pay).

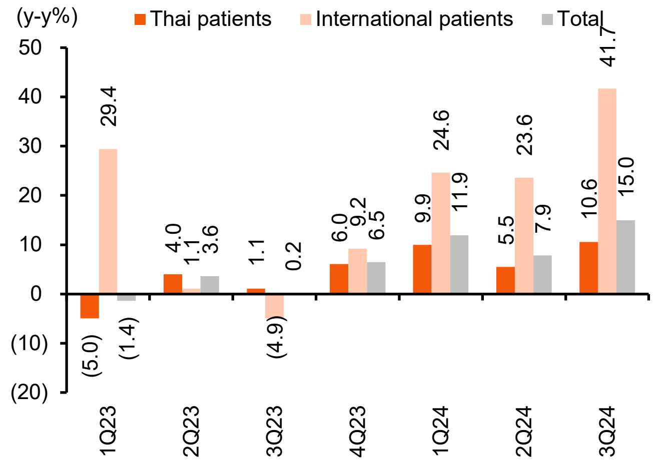
PR9 had planned to launch an international center in 3Q24, but this has been delayed slightly to open early next year because the renovation of the surrounding area on the first floor of building A still needs to be finished. We expect the center to help PR9 boost efficiency and quality in providing services to foreign patients.

PR9 plans to focus more on Thai insurance patients

For Thai patients, they also grew strongly in 3Q24 by 11% y-y. PR9 plans to focus more on insurance-paid patients and has cooperated with other hospitals upcountry to have kidney patients referred to it. The company targets the revenue mix from insurance-paid patients to increase from 26.7% in 9M24 to 30% over the next two to three years.

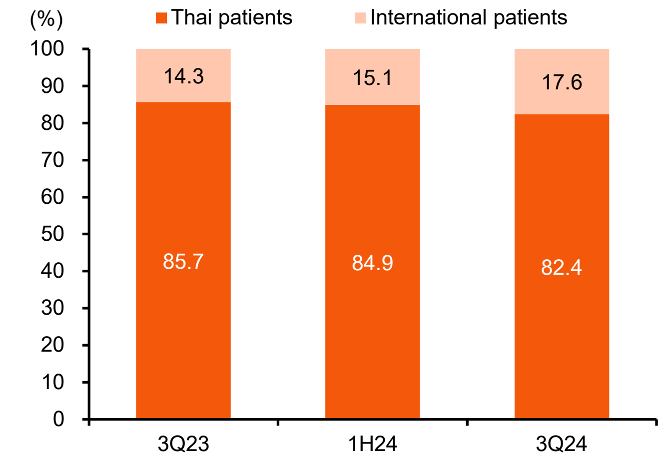
We expect the strong patient flows to continue and estimate revenue from foreign and Thai patients to grow 30/19/13% and 7/7/7% and in 2024-26F. PR9's greater penetration of the Middle East market, more excellence centers, rising brand recognition by promoting the PR9 brand among Thai and international patients, and organizing more sales promotions by launching more healthcare packages are key drivers for PR9's patient flows.

Ex 2: Changes In Thai And International Patient Revenues



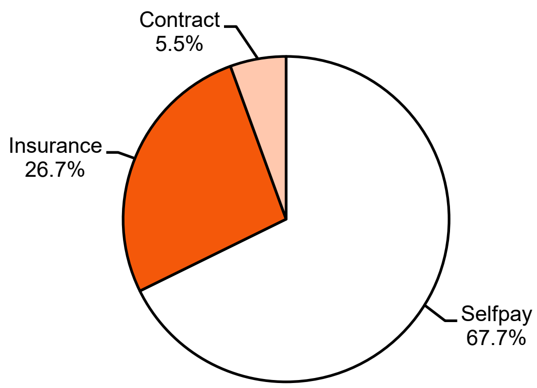
Source: Company data

Ex 3: Revenue Mix



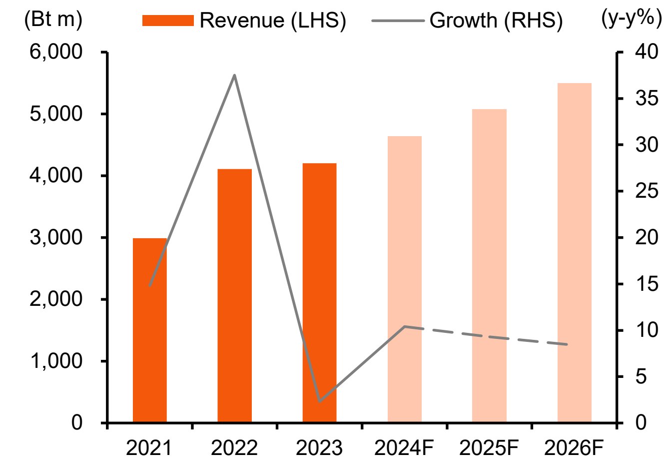
Source: Company data

Ex 4: Revenue Breakdown By Type Of Payor In 9M24



Source: Company data

Ex 5: Total Revenue And Growth



Sources: Company data, Thanachart estimates

Higher margins from Middle East patients

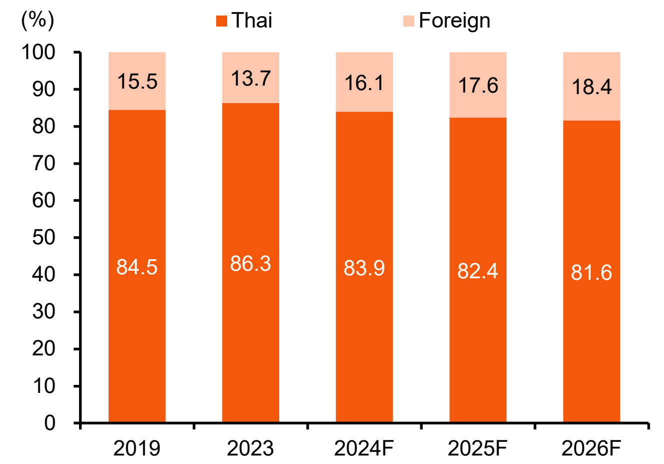
Middle Eastern patients boost PR9's revenue and its margins

Middle Eastern patients boost PR9's revenue and margins. Their billing size is almost double Thai patients', and PR9's gross margin in 3Q24 jumped by 3.3 ppts y-y and 4.0 ppts q-q.

We project PR9's gross margin to widen from 32.9% in 2023 to 35.7% in 2026F and its EBIT margin to rise from 14.5% in 2023 to 18.6% in 2026F. Its key margin drivers are a greater mix of foreign patients, primarily from the Middle East, increased revenue intensity, more specialized centers of excellence, and rising utilization. We estimate the revenue mix from international patients to increase from 13.7% in 2023 to 16.1/17.6/18.4% in 2024-26F. Thanks to the rising OPD room and IPD bed capacity from its new building B, which opened in 2021, PR9 has kept opening new excellence centers and expanding the service space of existing excellence centers such as its Kidney Disease and Transplant Institute, Check-up Center, Gastrointestinal and Liver Disease Center, etc. PR9 has opened two new excellence centers this year: a Traditional Chinese Medicine Center and an Erectile Dysfunction Therapy Center. At present, PR9 has 33 excellence centers at its hospitals.

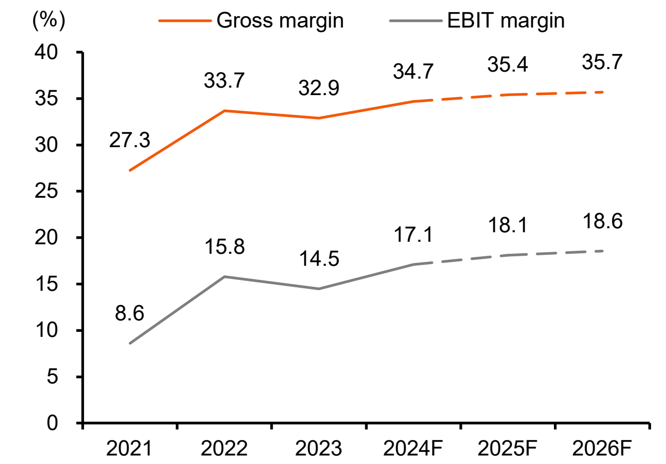
Strong Thai and foreign patient flows are helping to push up PR9's IPD bed utilization. PR9 boosted its active bed capacity by 23% to 204 beds in 2021 via its new Building B. Overall bed utilization was 59.8% in 2023 and 60% in 9M24. We estimate the rate to go up to 62.5% on average this year and 69.6% in 2026F. PR9's two existing buildings (A and B) should be able to serve the rising patient numbers over the next five years without the need for significant new investments. PR9 also expects to spend only around Bt300m-400m p.a. on capex for a nurse dormitory, its IT system, room renovation, and medical equipment. With rising margins and yield on assets, we see PR9's profitability improving significantly. We expect ROE to increase from 5.9% in 2021 to 13.5/14.2/14.5% in 2024-26F. ROA will also likely increase from 5.0% in 2021 to 11.6/12.1/12.4% in those years.

Ex 6: Patient Revenue Mix



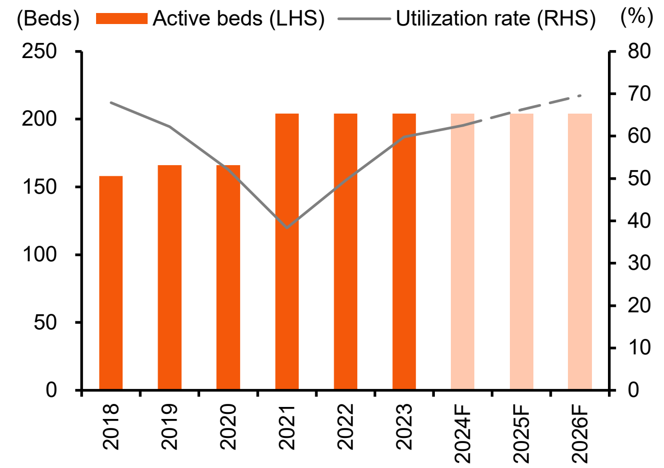
Sources: Company data, Thanachart estimates

Ex 7: Gross Margin And EBIT Margin



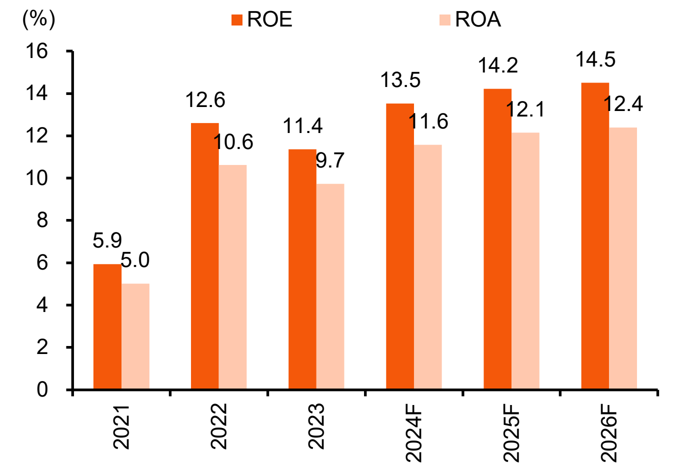
Sources: Company data, Thanachart estimates

Ex 8: IPD Utilization Rate



Sources: Company data, Thanachart estimates

Ex 9: Rising Profitability



Sources: Company data, Thanachart estimates

4Q24F, the peak quarter of the year

We estimate record 4Q24F earnings of Bt214m, up 14% y-y and 3% q-q.

We estimate PR9 to report record-high 4Q24F earnings of Bt214m, up 14% y-y and 3% q-q. Besides 4Q typically being the highest season for PR9 due to strong health check-up demand from Thai patients, 4Q24 will also likely see more Middle Eastern patient flows. On projected revenue growth of 7% y-y and 3% q-q to Bt1.3bn in 4Q24F with a higher mix of Middle Eastern patients, we estimate gross margin to rise to 36.3% in 4Q24F from 35.2% in 4Q23 and come in flat q-q. We expect the flat margin q-q to be due to a rising mix of lower-margin health check-ups and lower revenue contribution from Middle Eastern patients compared to 3Q24 due to 3Q being normally the highest season for these patients.

Ex 10: 4Q24F Earnings Preview

Income Statement							(consolidated)
Yr-end Dec (Bt m)	4Q23	1Q24	2Q24	3Q24	4Q24F	q-q%	y-y%
Revenue	1,175	1,071	1,084	1,226	1,257	3	7
Gross profit	**414**	**356**	**350**	**445**	**456**	**3**	**10**
SG&A	209	182	204	212	217	3	4
Operating profit	205	175	146	233	239	2	17
EBITDA	**280**	**249**	**222**	**311**	**316**	**2**	**13**
Other income	28	22	26	25	28	10	(2)
Other expenses	0	0	0	0	0	na.	na.
Interest expenses	0	0	0	0	0	na.	na.
Profit before tax	**233**	**197**	**173**	**258**	**266**	**3**	**14**
Income tax	45	38	34	50	52	3	15
Equity & invest. income	0	0	0	0	0	na.	na.
Minority interest	0	0	0	0	0	na.	na.
Extraordinary items	0	0	0	0	0	na.	na.
Net profit	**188**	**159**	**139**	**208**	**214**	**3**	**14**
Normalized profit	**188**	**159**	**139**	**208**	**214**	**3**	**14**

Sources: Company data, Thanachart estimates

Ex 11: 12-month DCF-based TP Calculation Using A Base Year Of 2025F

(Bt m)	2025F	2026F	2027F	2028F	2029F	2030F	2031F	2032F	2033F	2034F	2035F	Terminal value
EBITDA excl. depre from right of use	1,233	1,343	1,441	1,527	1,609	1,693	1,777	1,866	1,958	2,056	2,160	—
Free cash flow	724	919	1,003	1,075	1,144	1,211	1,278	1,353	1,430	1,512	1,499	27,035
PV of free cash flow	722	800	815	815	809	800	763	750	736	723	666	12,008

Risk-free rate (%)	3.0
Market risk premium (%)	8.0
Beta	0.6
WACC (%)	7.2
Terminal growth (%)	2.0
Enterprise value - add investments	20,407
Net debt (end 2024F)	(2,412)
Minority interest	0
Equity value	22,819
# of shares (m)	786
Equity value / share (Bt)	**29.0**

Sources: Company data, Thanachart estimates

Valuation Comparison

Ex 12: Valuation Comparison With Regional Peers

Name	BBG code	Country	EPS growth 24F (%)	EPS growth 25F (%)	PE 24F (x)	PE 25F (x)	P/BV 24F (x)	P/BV 25F (x)	EV/EBITDA 24F (x)	EV/EBITDA 25F (x)	Div yield 24F (%)	Div yield 25F (%)
Ramsay Healthcare	RHC AU	Australia	na	6.4	30.6	28.8	1.8	1.7	9.2	8.9	2.2	2.3
Guangzhou Pharmaceutical	874 HK	Hong Kong	(9.6)	0.9	8.0	8.0	0.8	0.7	8.7	8.4	3.7	3.9
Lijun Int'l Pharmaceutical	2005 HK	Hong Kong	(4.3)	14.8	9.2	8.0	1.5	1.3	7.5	6.6	4.6	5.2
Apollo Hospitals Enterprise	APHS IN	India	3.2	56.5	103.7	66.3	13.8	11.8	42.1	32.5	0.2	0.2
Fortis Healthcare India	FORH IN	India	(1.2)	36.2	84.0	61.7	6.2	5.9	41.2	32.0	0.1	0.2
KPJ Healthcare	KPJ MK	Malaysia	9.3	13.6	33.9	29.9	3.8	3.7	15.4	14.2	1.6	1.7
IHH Healthcare Bhd	IHH MK	Malaysia	(35.9)	7.4	33.8	31.4	2.1	2.0	14.5	13.5	1.2	1.3
Ryman	RYM NZ	New Zealand	na	(12.5)	12.1	13.9	0.7	0.7	16.5	19.6	na	0.0
Raffles Medical Group	RFMD SP	Singapore	(23.7)	5.4	23.6	22.4	1.5	1.5	11.4	10.6	2.6	2.7
Bangkok Chain Hospital *	BCH TB	Thailand	11.6	15.1	25.1	21.8	3.0	2.8	12.7	11.2	2.6	3.0
Bangkok Dusit Medical *	BDMS TB	Thailand	11.1	10.9	26.4	23.8	4.2	4.1	20.0	18.1	3.0	3.4
Bumrungrad Hospital *	BH TB	Thailand	9.7	6.7	21.5	20.2	6.0	5.4	15.3	14.4	2.8	3.2
Chularat Hospital *	CHG TB	Thailand	10.8	15.1	25.1	21.8	3.6	3.3	16.1	14.0	2.0	2.3
Praram 9 Hospital *	PR9 TB	Thailand	29.0	14.5	27.6	24.1	3.6	3.3	15.8	13.8	1.8	2.3
Thonburi Healthcare Group*	THG TB	Thailand	(20.4)	29.4	25.3	19.6	1.3	1.3	10.8	9.8	2.0	2.8
Average			**(0.8)**	**14.7**	**32.7**	**26.8**	**3.6**	**3.3**	**17.1**	**15.2**	**2.2**	**2.3**

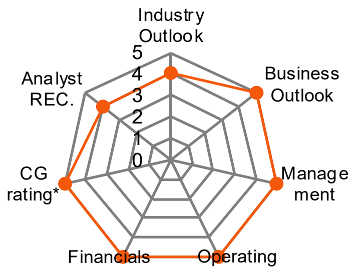
Source: Bloomberg
Note: * Thanachart estimates, using Thanachart normalized EPS
Based on 20 November 2024 closing prices

COMPANY DESCRIPTION

Praram 9 Hospital Pcl (PR9) was established in 1992 on Rama IX Road, a new business district in Bangkok. As of the end of 3Q24, PR9 had 204 active IPD beds. The hospital provides a comprehensive range of tertiary-care services, including health promotion, preventive healthcare, diagnosis, treatment, and rehabilitation. Medical services cover both general care and complicated diseases.

Source: Thanachart

COMPANY RATING



Rating Scale	
Excellent	5
Good	4
Fair	3
Weak	2
Very Weak	1
None	0

Source: Thanachart; * CG Rating

THANACHART'S SWOT ANALYSIS

S — Strength

- Strong "Praram 9 Hospital" brand in Bangkok.
- The hospital's executives have strong relationships with doctors and professors from top medical schools.
- PR9 is in a prime location on Rama IX Road, another key business district in Bangkok.
- PR9 is very well-known for kidney transplants and cardiovascular treatment.

W — Weakness

- Mainly focuses on mid- to high-tier cash patients.

O — Opportunity

- Limited public healthcare supply in Thailand.
- New building should help to unlock its capacity constraints.
- Rising patient flows from neighbouring countries.
- Ageing society megatrend.
- COVID-19 outbreaks.

T — Threat

- New rivals in the market.
- Regulatory risk.
- COVID-19 outbreaks.

CONSENSUS COMPARISON

	Consensus	Thanachart	Diff
Target price (Bt)	27.42	29.00	6%
Net profit 24F (Bt m)	705	720	2%
Net profit 25F (Bt m)	816	824	1%
Consensus REC	**BUY: 7**	**HOLD: 1**	**SELL: 0**

HOW ARE WE DIFFERENT FROM THE STREET?

- Our earnings and TP are above the Bloomberg consensus numbers, which we attribute to us having a more bullish view on PR9's international patient flows and margins and the rollover of our TP base year to 2025F

Sources: Bloomberg consensus, Thanachart estimates

RISKS TO OUR INVESTMENT CASE

- If patient numbers are lower than we currently anticipate, this would be the key downside risk to our earnings forecasts.
- If PR9 raises its billing sizes less than we presently expect, our gross margin and profit forecasts would be subject to downside risk.
- If PR9's ability to control costs turns out to be weaker than we currently expect, this would represent a secondary downside risk to our numbers.
- If there is more competition from existing private healthcare operators and/or newcomers to the healthcare market in Thailand, this would represent a fourth downside risk.

Source: Thanachart

PR9

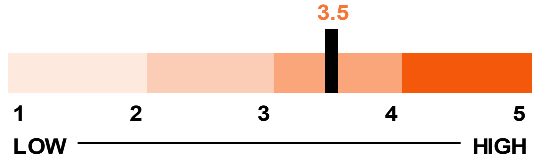
Praram 9 Hospital Public Co. Ltd.

Sector: Services | Healthcare

ESG & Sustainability Report

PR9 is a mid-to-high-end single-campus private hospital with a capacity of 204 beds. By business nature, the company doesn't generate much greenhouse gas. Our ESG score for PR9 is 3.5, and we expect the score to improve in the future with more medical innovations.

Thanachart ESG Rating



	SET ESG Index	SET ESG (BBB-AAA)	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)
PR9	YES	AAA	-	-	-	65.4	-	-	5.0

Sources: SETTRADE, SET ESG Index, SET ESG Rating, 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 "terms of use" toward the back of this report.

Factors	Our Comments

ENVIRONMENT

- **Environmental Policies & Guidelines**
- **Energy Management**
- **Carbon Management**
- **Water Management**
- **Waste Management**

- PR9's business nature doesn't generate much greenhouse gas (GHG). PR9 targets to reduce net GHG emissions in Scope 1, 2, and 3 by more than 0.5% compared to the previous year and cut them by more than 5% by 2028 compared to 2022.
- PR9 targets to cut energy consumption by more than 0.5% compared to the previous year and reduce it by more than 0.5% by 2028 compared to 2022.
- PR9 targets to cut water consumption by more than 0.5% compared to the previous year and reduce it by more than 0.5% by 2028 compared to 2022.
- PR9 targets to reduce waste by more than 0.5% compared to the previous year and lower it by more than 2% by 2028 compared to 2022.
- PR9 implements a circular economy in its business and promotes the 3Rs (reduce, reuse, and recycle) strategy to tackle the overall environmental areas of energy, water, and waste management.

SOCIAL

- **Human Rights**
- **Staff Management**
- **Health & Safety**
- **Product Safety & Quality**
- **Social Responsibility**

- PR9 promotes respect for human rights with the goal of zero human rights violations. It has a program to extend hiring to retired and disabled persons.
- PR9 offers human resource development training of at least 20 hours per person per year. It focuses on a zero-accident rate, a zero occupational morbidity rate, an employee engagement rate of no less than 80%, and a turnover rate of less than 10%.
- PR9 targets to build OPD and IPD patients' satisfaction to at least 95%.
- PR9 uses modern technology for complicated and critical disease treatments with patient-centric services. It has received quality certifications such as ISO 9001, ISO 9002, Hospital Accreditation (HA), Joint Commission International (JCI), etc.
- PR9 targets to increase community and social activities by 20% by 2025 when compared to the base year of 2020.

GOVERNANCE & SUSTAINABILITY

- **Board**
- **Ethics & Transparency**
- **Business Sustainability**
- **Risk Management**
- **Innovation**

- PR9 has nine directors on its board (two women and seven men). The board comprises directors with diverse backgrounds, including gender, skills, experience, and abilities.
- PR9 has a three-year risk management plan with regular reviews. It adjusts its risk management framework annually and clearly identifies the responsible persons. The plan focuses on business sustainability, opportunity, performance, and ERM certification. PR9 clearly sets criteria for risk assessment to cover all risks that are not medical treatment-related.
- PR9 aims to transform into a digital hospital and a leader in adopting modern technology in diagnosis, treatment, and healthcare, enhancing work effectiveness and meeting consumer needs.

Sources: Thanachart, Company data

Thai and international patients to drive revenue growth in 2024-26F

No new significant investments planned in 2024-26

INCOME STATEMENT

FY ending Dec (Bt m)	2022A	2023A	2024F	2025F	2026F
Sales	4,107	4,202	4,638	5,070	5,495
Cost of sales	2,724	2,820	3,030	3,274	3,535
Gross profit	**1,384**	**1,382**	**1,608**	**1,796**	**1,960**
% gross margin	33.7%	32.9%	34.7%	35.4%	35.7%
Selling & administration expenses	735	774	815	878	941
Operating profit	**649**	**608**	**793**	**918**	**1,019**
% operating margin	15.8%	14.5%	17.1%	18.1%	18.6%
Depreciation & amortization	299	299	309	319	327
EBITDA	**948**	**907**	**1,103**	**1,236**	**1,346**
% EBITDA margin	23.1%	21.6%	23.8%	24.4%	24.5%
Non-operating income	52	81	101	110	116
Non-operating expenses	0	0	0	0	0
Interest expense	(0)	(1)	(1)	(1)	(1)
Pre-tax profit	**700**	**689**	**893**	**1,027**	**1,135**
Income tax	132	131	173	202	227
After-tax profit	**568**	**558**	**720**	**824**	**908**
% net margin	13.8%	13.3%	15.5%	16.3%	16.5%
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	**568**	**558**	**720**	**824**	**908**
Normalized profit	**568**	**558**	**720**	**824**	**908**
EPS (Bt)	0.7	0.7	0.9	1.0	1.2
Normalized EPS (Bt)	0.7	0.7	0.9	1.0	1.2

BALANCE SHEET

FY ending Dec (Bt m)	2022A	2023A	2024F	2025F	2026F
ASSETS:					
Current assets:	2,023	2,251	2,864	3,315	3,875
Cash & cash equivalent	1,717	1,901	2,420	2,830	3,350
Account receivables	243	290	381	417	452
Inventories	51	48	50	54	58
Others	12	12	13	14	15
Investments & loans	0	0	0	0	0
Net fixed assets	3,218	3,243	3,238	3,323	3,300
Other assets	316	415	417	420	423
Total assets	**5,558**	**5,910**	**6,519**	**7,057**	**7,597**
LIABILITIES:					
Current liabilities:	610	632	715	768	834
Account payables	499	522	581	628	678
Bank overdraft & ST loans	0	0	8	8	15
Current LT debt	0	0	0	0	0
Others current liabilities	110	110	126	132	141
Total LT debt	**0**	**0**	**0**	**0**	**0**
Others LT liabilities	213	198	241	261	281
Total liabilities	**822**	**830**	**956**	**1,029**	**1,115**
Minority interest	0	0	0	0	0
Preferreds shares	0	0	0	0	0
Paid-up capital	786	786	786	786	786
Share premium	1,934	1,934	1,934	1,934	1,934
Warrants	0	0	0	0	0
Surplus	0	0	0	0	0
Retained earnings	**2,015**	**2,359**	**2,843**	**3,307**	**3,762**
Shareholders' equity	4,735	5,080	5,564	6,028	6,482
Liabilities & equity	**5,558**	**5,910**	**6,519**	**7,057**	**7,597**

Sources: Company data, Thanachart estimates

Sustainable cash inflows

CASH FLOW STATEMENT

FY ending Dec (Bt m)	2022A	2023A	2024F	2025F	2026F
Earnings before tax	700	689	893	1,027	1,135
Tax paid	(108)	(128)	(167)	(195)	(221)
Depreciation & amortization	299	299	309	319	327
Chg In w orking capital	(124)	(22)	(33)	7	11
Chg In other CA & CL / minorities	94	(2)	8	(1)	1
Cash flow from operations	**862**	**836**	**1,010**	**1,156**	**1,253**
Capex	(149)	(324)	(300)	(400)	(300)
Right of use	(1)	(0)	0	0	0
ST loans & investments	0	0	0	0	0
LT loans & investments	0	0	0	0	0
Adj for asset revaluation	0	0	0	0	0
Chg In other assets & liabilities	(129)	(113)	37	14	13
Cash flow from investments	**(279)**	**(438)**	**(263)**	**(386)**	**(287)**
Debt financing	0	0	8	0	7
Capital increase	0	0	0	0	0
Dividends paid	(110)	(234)	(236)	(360)	(453)
Warrants & other surplus	(0)	21	0	0	0
Cash flow from financing	**(110)**	**(214)**	**(228)**	**(360)**	**(447)**
Free cash flow	**713**	**511**	**710**	**756**	**953**

Inexpensive valuation, in our view

VALUATION

FY ending Dec	2022A	2023A	2024F	2025F	2026F
Normalized PE (x)	35.0	35.6	27.6	24.1	21.9
Normalized PE - at target price (x)	40.2	40.9	31.7	27.7	25.1
PE (x)	35.0	35.6	27.6	24.1	21.9
PE - at target price (x)	40.2	40.9	31.7	27.7	25.1
EV/EBITDA (x)	19.1	19.8	15.8	13.8	12.3
EV/EBITDA - at target price (x)	22.2	23.0	18.5	16.2	14.5
P/BV (x)	4.2	3.9	3.6	3.3	3.1
P/BV - at target price (x)	4.8	4.5	4.1	3.8	3.5
P/CFO (x)	23.0	23.8	19.7	17.2	15.8
Price/sales (x)	4.8	4.7	4.3	3.9	3.6
Dividend yield (%)	1.1	1.2	1.8	2.3	2.7
FCF Yield (%)	3.6	2.6	3.6	3.8	4.8
(Bt)					
Normalized EPS	0.7	0.7	0.9	1.0	1.2
EPS	0.7	0.7	0.9	1.0	1.2
DPS	0.3	0.3	0.5	0.6	0.7
BV/share	6.0	6.5	7.1	7.7	8.2
CFO/share	1.1	1.1	1.3	1.5	1.6
FCF/share	0.9	0.7	0.9	1.0	1.2

Sources: Company data, Thanachart estimates

Margins are on an uptrend in 2024-26F

FINANCIAL RATIOS

FY ending Dec	2022A	2023A	2024F	2025F	2026F
Growth Rate					
Sales (%)	37.5	2.3	10.4	9.3	8.4
Net profit (%)	127.8	(1.7)	29.0	14.5	10.1
EPS (%)	(27.8)	(1.7)	29.0	14.5	10.1
Normalized profit (%)	127.8	(1.7)	29.0	14.5	10.1
Normalized EPS (%)	127.8	(1.7)	29.0	14.5	10.1
Dividend payout ratio (%)	40.2	42.3	50.0	55.0	60.0
Operating performance					
Gross margin (%)	33.7	32.9	34.7	35.4	35.7
Operating margin (%)	15.8	14.5	17.1	18.1	18.6
EBITDA margin (%)	23.1	21.6	23.8	24.4	24.5
Net margin (%)	13.8	13.3	15.5	16.3	16.5
D/E (incl. minor) (x)	0.0	0.0	0.0	0.0	0.0
Net D/E (incl. minor) (x)	(0.4)	(0.4)	(0.4)	(0.5)	(0.5)
Interest coverage - EBIT (x)	na	na	na	na	na
Interest coverage - EBITDA (x)	na	na	na	na	na
ROA - using norm profit (%)	10.6	9.7	11.6	12.1	12.4
ROE - using norm profit (%)	12.6	11.4	13.5	14.2	14.5
DuPont					
ROE - using after tax profit (%)	12.6	11.4	13.5	14.2	14.5
- asset turnover (x)	0.8	0.7	0.7	0.7	0.7
- operating margin (%)	17.1	16.4	19.3	20.3	20.7
- leverage (x)	1.2	1.2	1.2	1.2	1.2
- interest burden (%)	99.9	99.9	99.9	99.9	99.9
- tax burden (%)	81.1	81.0	80.6	80.3	80.0
WACC (%)	6.7	6.7	6.7	7.2	7.2
ROIC (%)	17.3	16.3	20.1	23.4	25.4
NOPAT (Bt m)	526	493	639	737	815
invested capital (Bt m)	3,018	3,178	3,151	3,206	3,147

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)
6. SET ESG Rating (BBB-AAA)

SETESG Index (SETESG)
The SETESG Index reflects the price movement of stock of companies that have sustainable business practices which consider environmental, social and governance (ESG) aspect.

SET Index, SET50 Index, SET100 Index and all indices calculated by the Stock Exchange of Thailand ("SET") (collectively called "SET Index Series") are the registered trademarks/service marks solely owned by, and proprietary to SET. Any unauthorized use of SET Index Series is strictly prohibited. All information provided is for information purposes only and no warranty is made as to its fitness for purpose, satisfactory quality or otherwise. Every effort has been made to ensure that all information given is accurate, but no responsibility or liability (including in negligence) can be accepted by SET for errors or omissions or for any losses arising from the use of this information.

SET ESG Index (SET ESG)
Currently, long-term investment guidelines abroad are beginning to focus on investing in companies that have sustainable business practices. which considers environmental, social and governance factors (Environmental, Social and Governance or ESG) of the company in making investment decisions along with analyzing the company's financial data.

Stock Exchange Has prepared the results of evaluating sustainable stocks which are stocks of listed companies (SETESG Rating) as an alternative for investors who want to invest in stocks of listed companies that are outstanding in ESG, including to support listed companies with operations. sustainable business Taking into account all stakeholders in both social and environmental aspects. There is a management process to create sustainability for the organization, such as risk management. Supply chain management and innovation development. Therefore, the SETESG index was created to be an index that reflects the price movement of a group of securities. of companies with sustainable business operations that meet the required 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 redisseminated 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

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.moodys.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.

General Disclaimers And Disclosures:

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 Derivative Warrants underlying securities before making investment decisions.

Note: Thanachart Capital Pcl (TCAP) holds an 89.96% of Thanachart Securities (TNS). TCAP holds a 100% of Thanachart SPV1 Co. Ltd. TCAP and Thanachart SPV1 combinedly hold a 60% stake in 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 24.35% 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 LIMTED (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 Srisawad Corporation Public Company Limited (SAWAD) No. 4/2024 (B.E. 2567) tranche 1-3 which its maturity at 2027-29 (B.E. 2570-72), therefore investors need to be aware that there could be conflicts of interest in this research.

Note: Thanachart Securities Public Company Limited (TNS) acts as an underwriter of “Debentures of MUANGTHAI CAPITAL PUBLIC COMPANY LIMITED No. 7/2024 (B.E. 2567) tranche 1-3 which its maturity at 2026-28 (B.E. 2569-71)”, therefore investors need to be aware that there could be conflicts of interest in this research.

Note: Thanachart Securities Public Company Limited (TNS) acts as an underwriter of “Debentures of MUANGTHAI CAPITAL PUBLIC COMPANY LIMITED No. 8/2024 (B.E. 2567) tranche 1-3 which its maturity at 2026-28 (B.E. 2569-71)”, 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: Euroasia Total Logistics Pcl (ETL 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
pimpaka.nic@thanachartsec.co.th

Nuttapop Prasitsuksant
Telecom, Utilities
nuttapop.pra@thanachartsec.co.th

Rata Limsuthiwanpoom
Auto, Industrial Estate, Media, Prop. Fund
rata.lim@thanachartsec.co.th

Siriporn Arunothai
Small Cap, Healthcare, Hotel
siriporn.aru@thanachartsec.co.th

Sittichet Rungrassameephat
Analyst, Retail Market Strategy
sittichet.run@thanachartsec.co.th

Adisak Phupiphathirungul, CFA
Retail Market Strategy
adisak.phu@thanachartsec.co.th

Pattadol Bunnak
Electronics, Food & Beverage, Shipping
pattadol.bun@thanachartsec.co.th

Saksid Phadthananarak
Construction, Transportation
saksid.pha@thanachartsec.co.th

Yupapan Polpornprasert
Energy, Petrochemical
yupapan.pol@thanachartsec.co.th

Thaloengsak Kucharoenpaisan
Analyst, Retail Market Strategy
thaloengsak.kuc@thanachartsec.co.th

Pattarawan Wangmingmat
Senior Technical Analyst
pattarawan.wan@thanachartsec.co.th

Phannarai Tiyapittayarut
Property, Retail
phannarai.von@thanachartsec.co.th

Sarachada Sornsong
Bank, Finance
sarachada.sor@thanachartsec.co.th

Witchanan Tambamroong
Technical Analyst
witchanan.tam@thanachartsec.co.th

Nariporn Klangpremchitt, CISA
Analyst, Retail Market Strategy
nariporn.kla@thanachartsec.co.th