17 AUGUST 2026

BUY (Unchanged)

Change in Numbers

TP: Bt 21.00 (From: Bt 19.00)

Upside : 20.7%

i-Tail Corporation Pcl (ITC TB)

Resuming growth with high yield

NUTTAPOP PRASITSUKSANT
662-779-9119
nuttapop.pra@ttbwealth.co.th

We lift our 2026-29F earnings estimates for ITC by 9-13% due to resilient global pet food demand and a lower-than-expected cost impact from the Iran war. We now expect ITC's EPS growth to resume this year at 11% with a 12% EPS CAGR over 2027-29F. We reaffirm our BUY call.

Raising our earnings; reaffirming BUY

We reaffirm our BUY call on ITC with a higher DCF-based 12-month TP (2027F base year) of Bt21.0 (from Bt19.0). ***First***, we lift our earnings by 9-13% over 2026-29F due to a lower-than-expected cost impact from the Iran war and resilient global pet food demand. We now expect ITC's EPS growth to resume from this year at 11% (vs. our previous forecast of -2%). ***Second***, we expect ITC's success in expanding its customer base to drive 7% p.a. US$ sales growth in 2027-29F, outpacing global industry growth. ***Third***, we believe the margin concern due to the Iran conflict has eased, and we project ITC's net margin to rise to 18.3% in 2029F from 15.9% in 2026F, supported by gradual cost pass-through, normalizing raw material costs, and the end of heavy consulting fees early next year. ***Lastly***, ITC's valuation remains attractive to us at 13x 2027F PE with a high 8% yield.

Resilient demand drivers

We expect 9/7/5% US$ sales growth for ITC in 2027-29F, backed by three factors. 1) We expect global pet food demand to grow 5% p.a. over 2026-30F, outpacing global GDP growth of 3% as the pet population is rising while human population growth is flat. 2) ITC continues to gain market share, despite already being a major OEM for the top-five global pet food brands, by expanding its presence in the growing private-label segment. 3) The global megatrend of low birth rates and smaller household sizes is increasing spending per pet, thereby accelerating demand for premium products and boosting both sales value and margins for ITC.

Easing cost pressure

We forecast ITC's net margin to expand to 18.3% in 2029F from 15.9% in 2026F, driven by easing raw material costs, a falling SG&A ratio, and operating leverage. We believe key material costs for ITC (ie, tuna, chicken, and packaging) have peaked, while the pass-through of earlier elevated costs to customers is beginning in 3Q26F. Meanwhile, growing sales also help improve margins via operating leverage benefits from higher plant utilization. We project its SG&A-to-sales ratio to fall to 7.1% in 2029F from 9.5% in 2026F, as consulting fees related to the firm's major business reform are set to expire in 1Q27. Altogether, we project its EBIT margin to bottom at 15.9% in 2026F and expand to 18.3% in 2029F.

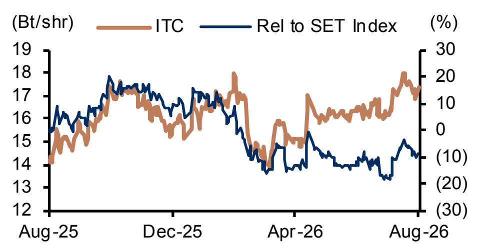
Generous dividend payout

We also view ITC as a high dividend yield play. We estimate dividend yields of 6.3/7.4/8.9 % in 2026-28F, supported by strong free cash flow yields of 4.7/8.2/8.4% in those years. ITC's capex cycle is ending as its capacity expansion and the integration of automated warehouses are nearing completion this year. Management also insists that its active pursuit of M&A targets will not compromise its generous 95% payout given that the company remains in a net cash position.

COMPANY VALUATION

Y/E Dec (Bt m)	2025A	2026F	2027F	2028F
Sales	18,223	21,076	22,973	24,581
Net profit	2,978	3,344	4,015	4,574
Consensus NP	—	3,420	3,816	4,243
Diff frm cons (%)	—	*(2.2)*	*5.2*	*7.8*
Norm profit	3,022	3,344	4,015	4,574
Prev. Norm profit	—	2,957	3,581	4,139
Chg frm prev (%)	—	*13.1*	*12.1*	*10.5*
Norm EPS (Bt)	1.01	1.11	1.34	1.52
Norm EPS grw (%)	(21.1)	10.6	20.1	13.9
Norm PE (x)	17.3	15.6	13.0	11.4
EV/EBITDA (x)	12.7	11.4	9.4	8.2
P/BV (x)	2.2	2.2	2.1	2.1
Div yield (%)	4.9	6.3	7.5	8.6
ROE (%)	12.6	13.9	16.4	18.4
Net D/E (%)	(44.0)	(41.3)	(43.5)	(43.7)

PRICE PERFORMANCE



COMPANY INFORMATION

Price *as of* 17-Aug-26 (Bt)	17.40
Market Cap (US$ m)	1,574.9
Listed Shares (m shares)	3,000.0
Free Float (%)	19.7
Avg. Daily Turnover (US$ m)	11.9
12M Price H/L (Bt)	18.00/13.90
Sector	Food
Major Shareholder	Thai Union Group 79.3%

Sources: Bloomberg, Company data, ttb wealth estimates

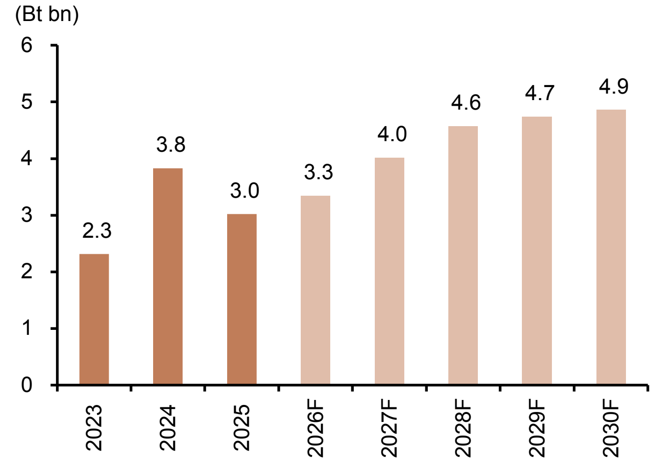
ESG Summary Report P6

Ex 1: Key Assumption Changes

	2025	2026F	2027F	2028F	2029F
Sales (US$ m)					
- New	554	648	707	756	794
- Old		604	646	685	713
- Change (%)		*7.3*	*9.3*	*10.4*	*11.4*
Gross margin (%)					
- New	25.1	24.0	24.2	24.5	24.2
- Old		23.5	24.0	24.5	24.5
- Change (pp)		*0.5*	*0.2*	*-*	*(0.3)*
SG&A to sales					
- New	10.5	9.5	8.0	7.1	7.1
- Old		9.9	8.3	7.2	7.1
- Change (pp)		*(0.4)*	*(0.3)*	*(0.1)*	*0.0*
Normalized profit (Bt m)					
- New	3,022	3,344	4,015	4,574	4,742
- Old		2,957	3,581	4,139	4,339
- Change (%)		*13.1*	*12.1*	*10.5*	*9.3*

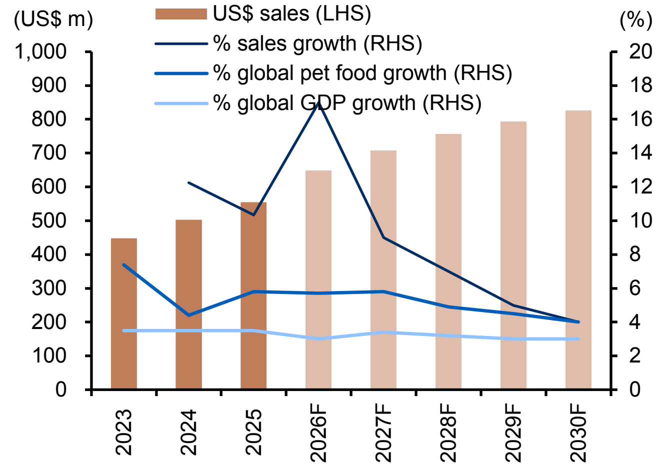
Sources: Company data, ttb wealth estimates

Ex 2: We Now Expect Earnings Growth This Year



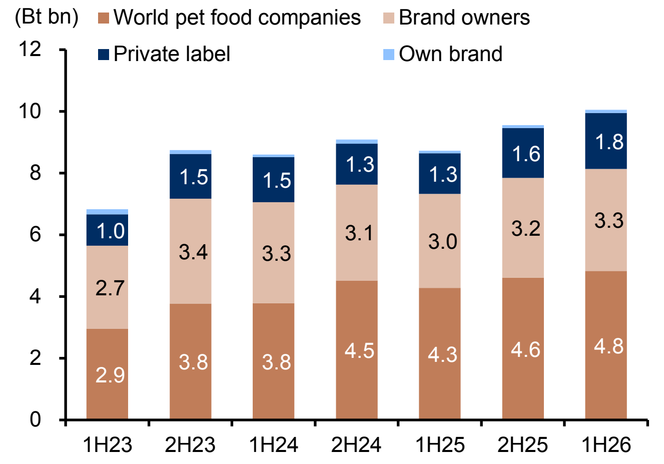
Sources: Company data, ttb wealth estimates

Ex 3: ITC's Sales Growth Outpacing The Industry's



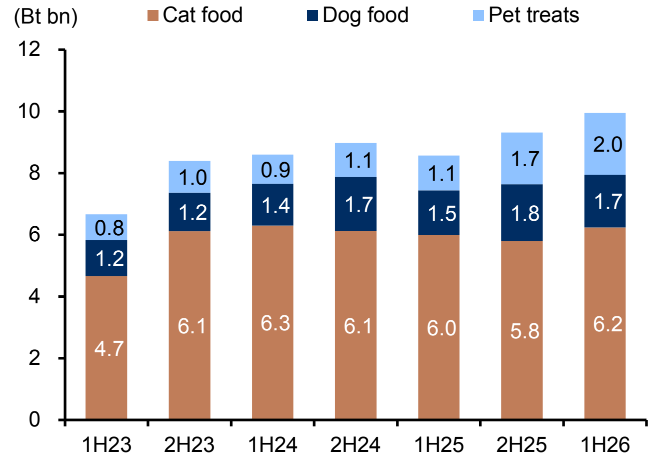
Sources: Company data, Statista, International Monetary Fund (IMF), ttb wealth estimates

Ex 4: Expanding Private Label Segment



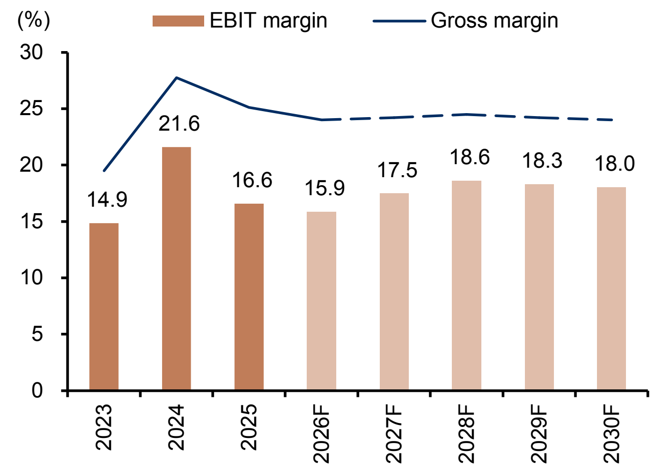
Source: Company data

Ex 5: Strong Demand For High-Margin Pet Treats



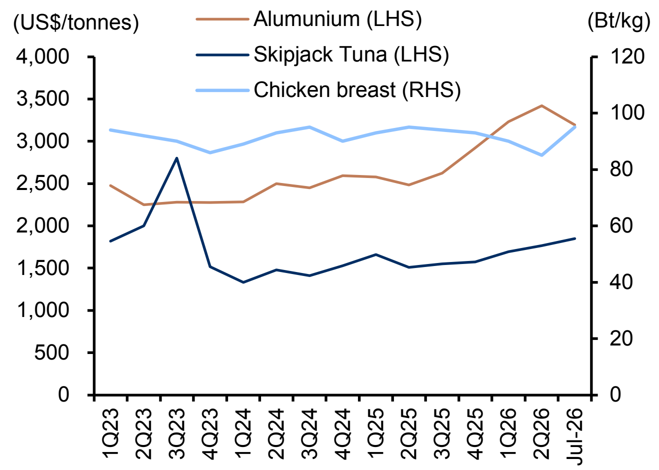
Sources: Company data

Ex 6: Margins Are Bottoming Out …



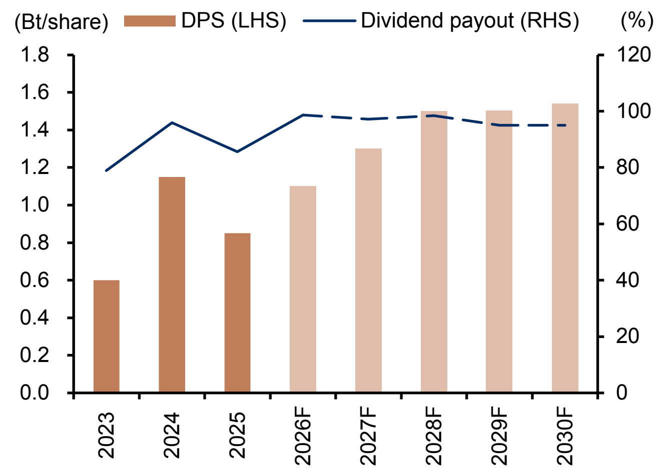
Sources: Company data, ttb wealth estimates

Ex 7: … As ITC Is Passing On Higher Costs To Customers



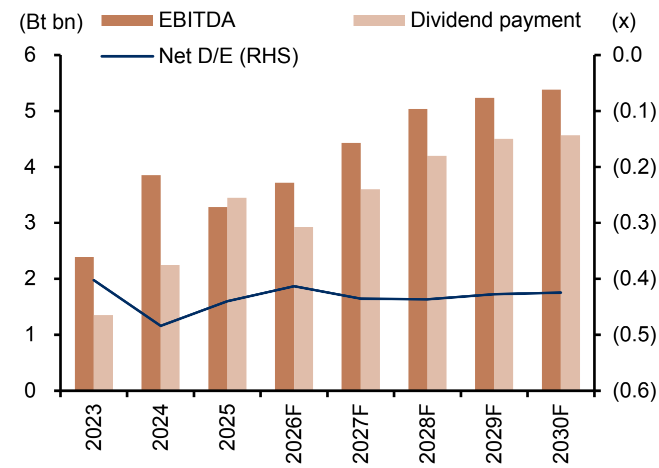
Sources: Bloomberg, Thai Union (TU), Thailand's Ministry of Commerce (MOC)

Ex 8: We Expect Generous Dividend Payouts To Continue



Sources: Company data, ttb wealth estimates

Ex 9: Strong Cash Generation And Healthy Balance Sheet



Sources: Company data, ttb wealth estimates

Ex 10: 12-month DCF-based TP Calculation Using A Base Year Of 2027F

(Bt m)	2027F	2028F	2029F	2030F	2031F	2032F	2033F	2034F	2035F	2036F	2037F	Terminal value
EBITDA	4,428	5,030	5,231	5,383	5,526	5,671	5,817	5,963	6,110	6,258	6,407	—
Free cash flow	4,448	4,522	4,492	4,730	4,948	5,101	5,256	5,413	5,570	5,729	5,889	68,193
PV of free cash flow	4,015	3,683	3,302	3,138	2,962	2,755	2,562	2,381	2,211	2,052	1,903	22,040

Risk-free rate (%)	2.5
Market risk premium (%)	8.0
Beta	1.1
WACC (%)	10.8
Terminal growth (%)	2.0
Enterprise value - add investments	53,004
Net debt (2026F)	(10,018)
Minority interest	0
Equity value	63,022
# of shares (m)	3,000
Target price/share (Bt)	**21.0**

Sources: Company data, ttb wealth estimates

Valuation Comparison

Ex 11: Valuation Comparison With Regional Peers

Name	BBG code	Country	EPS growth 26F (%)	EPS growth 27F (%)	PE 26F (x)	PE 27F (x)	P/BV 26F (x)	P/BV 27F (x)	EV/EBITDA 26F (x)	EV/EBITDA 27F (x)	Div yield 26F (%)	Div yield 27F (%)
Yantai China Pet Foods	002891 CH	China	10.5	33.0	22.1	16.6	2.9	2.6	13.9	10.9	1.3	1.8
Petpal Pet Nutrition Tech	300673 CH	China	30.2	24.0	21.3	17.2	1.7	1.6	12.4	10.7	1.7	2.1
WH Group Ltd	288 HK	Hong Kong	0.7	5.7	65.1	61.6	9.1	8.5	4.8	4.6	0.9	1.0
Tyson Foods Inc	TSN US	USA	189.5	14.6	15.0	13.1	1.1	1.1	8.1	7.7	3.6	4.1
Pilgrim's Pride Corp	PPC US	USA	(47.5)	24.0	11.6	9.4	1.6	1.5	6.6	6.0	16.1	11.2
Hormel Foods Corp	HRL US	USA	69.4	5.6	16.6	15.8	1.7	1.7	11.4	10.9	4.8	4.9
Betagro	BTG TB	Thailand	(28.5)	15.0	8.3	7.2	1.1	1.0	5.5	5.0	4.9	5.5
Charoen Pokphand Foods *	CPF TB	Thailand	(21.9)	(4.8)	9.7	10.2	0.8	0.7	9.1	9.8	4.6	4.4
GFPT	GFPT TB	Thailand	(13.2)	3.3	6.0	5.8	0.5	0.5	3.4	3.4	2.3	2.4
i-Tail Corporation*	ITC TB	Thailand	10.6	20.1	15.6	13.0	2.2	2.1	11.4	9.4	6.3	7.5
Thaifoods Group	TFG TB	Thailand	(5.7)	11.4	8.3	7.4	2.5	2.1	5.5	4.9	6.3	6.7
Average			**17.7**	**13.8**	**18.2**	**16.1**	**2.3**	**2.1**	**8.4**	**7.6**	**4.8**	**4.7**

Source: Bloomberg

Note: * ttb wealth estimates, using ttb wealth normalized EPS

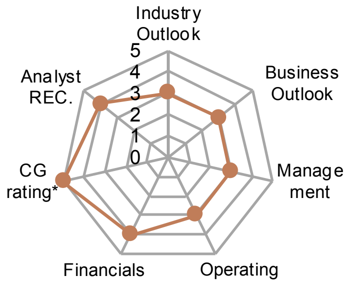
Based on 17 August 2026 closing prices

COMPANY DESCRIPTION

i-Tail Corporation Pcl (ITC) is among the top five largest global OEM pet food makers. Its clients include various leading global pet food brands. ITC's key markets are the US, the UK, and other countries in Europe and Asia. ITC focuses mainly on wet-based food for cats, which is one of the fastest-growing pet-food segments.

Source: ttb wealth

COMPANY RATING



Rating Scale

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

Source: ttb wealth; *CG Rating

TTB WEALTH'S SWOT ANALYSIS

S — Strength

- Access to lower-cost raw materials
- Economies of scale
- Diversified markets
- Strong management execution

W — Weakness

- Foreign exchange risk exposure
- Labor-intensive business

O — Opportunity

- Overseas expansion and acquisitions
- Expanding product lines
- Penetrating new clients

T — Threat

- Strengthening Thai baht
- Changes in regulations
- Severe disease outbreaks

CONSENSUS COMPARISON

	Consensus	ttb wealth	Diff
Target price (Bt)	20.65	21.00	2%
Net profit 26F (Bt m)	3,420	3,344	-2%
Net profit 27F (Bt m)	3,816	4,015	5%
Consensus REC	**BUY: 22**	**HOLD: 0**	**SELL: 1**

HOW ARE WE DIFFERENT FROM THE STREET?

- Our 2026-27F earnings estimates are now relatively in line with the Bloomberg consensus numbers.
- Our TP is therefore similar to the Street's.

Sources: Bloomberg consensus, ttb wealth estimates

RISKS TO OUR INVESTMENT CASE

- Adverse weather conditions that could have negative impacts on raw material sourcing and raw material prices represent the key downside risk to our call.
- Weaker-than-expected demand for premium pet food, which is the key sales growth and margin driver in our forecasts, is another major downside risk to our earnings forecasts and TP.
- If the Thai baht were to strengthen by more than we presently assume, this would represent another downside risk to our projections.

Source: ttb wealth

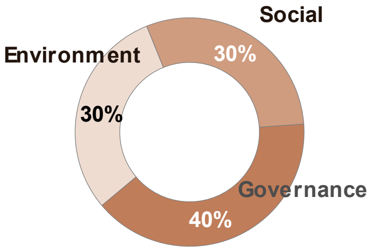
ITC

i-Tail Corporation Pcl

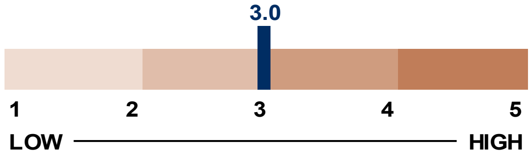
Sector: Agro & Food Industry | Food & Beverage

ESG & Sustainability Report

ESG Weighting



ESG Rating



	SET ESG Index	SET ESG (BBB-AAA)	DJSI Index	ttb wealth ESG Rating (1.0-5.0)	MSCI (CCC-AAA)	ESG Book (0-100)	CG Rating (0-5)
ITC	-	-	-	3.00	-	-	5.0

Sources: SETTRADE, SET ESG Index, SET ESG Rating, The Dow Jones Industrial Average (DJSI)
MSCI ESG Research LLC, ESG Book, Thai IOD (CG rating)
Note: Please see third party on "terms of use" toward the back of this report.

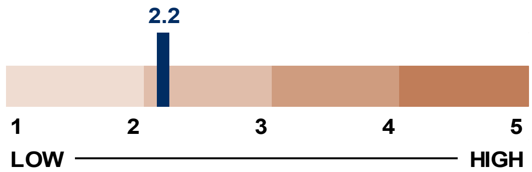
ESG Summary

- ITC is a global-scale OEM producer of premium pet food for the world's top five pet food brands. ITC has two factories in Songkhla and Samut Sakhon, Thailand. It is 79%-owned by the world's largest tuna company, Thai Union Group (TU).
- We assign a decent 3.0 ESG score to ITC and do not view it as an ESG play. ITC is strong in the Social (S) pillar, which is offset by a lower score in the Environmental (E) pillar. ITC performs decently in the Governance (G) area.
- We assign a low 2.2 E score for ITC. Despite early success in reducing greenhouse gas (GHG) emissions, ITC faces challenges in achieving further reductions due to a continued heavy reliance on non-renewable energy. While ITC has a plan to improve waste disposal, waste management has been deteriorating. Water management is ITC's strongest area, although it is not yet ideal.
- We assign a good 3.9 S score for ITC. ITC has demonstrated excellence in employee well-being and product quality, and has also provided social support, although the monetary amount has not been disclosed.
- We assign ITC a decent 3.0 G score. ITC receives a high score for business sustainability and innovation. It also meets the required standards in other governance areas. However, inconsistent performance guidance still requires improvement.

Sector: Agro & Food Industry | Food & Beverage

We assign ITC a low E score of 2.2, compared with the sector average of 3.1. It has shown GHG reductions, but faces challenges in achieving further emissions cuts, and waste management has deteriorated. Water management is ITC's strongest area, although it is not yet ideal.

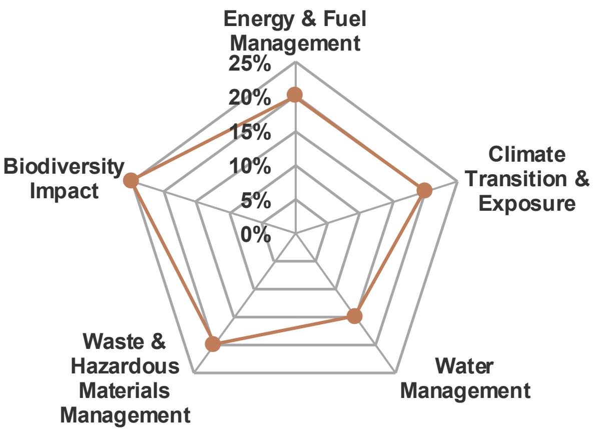
Environment (E) Rating



ENVIRONMENT	Our Comments

- **Biodiversity Impact**
- **Climate Transition & Exposure**
- **Energy & Fuel Management**
- **Waste & Hazardous Materials Management**
- **Water Management**

SCALE WEIGHTING

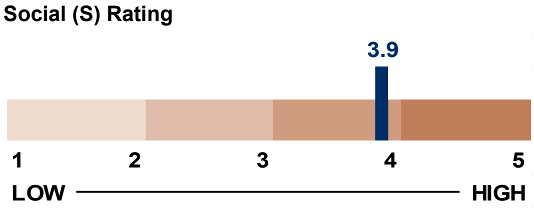


- We assign a low 2.2 E score to ITC vs. the 3.1 sector average. Despite early success in GHG reduction, it faces challenges in achieving further emissions cuts given a continued heavy reliance on non-renewable energy. While ITC has a plan to improve waste disposal, waste management has been deteriorating. Water management is ITC's strongest area, although it is not yet ideal.
- **Carbon management:** This is a mixed area for ITC. ITC's GHG emissions declined by 17% in 2024 from the 2021 base year. Scope 2 emissions (electricity and steam purchased) decreased by 31% due to the shift from purchased steam and electricity toward in-house steam generation from pellets, a renewable energy source, and electricity generation through solar rooftop projects. However, Scope 1 emissions (internal combustion generation) remain flat, as ITC continues to rely on non-renewable energy sources such as biodiesel and fuel oil. We see challenges for ITC in reaching its net-zero goal, given that renewable energy already accounts for about 40% of total energy usage, while it does not yet have clear plans to reduce reliance on biodiesel and fuel oil. ITC does not disclose Scope 3 emissions, the emissions from related-supply chain parities, which are crucial as despite ITC sourcing tuna from its parent company, TU, it is ITC's key raw material.
- **Waste management:** This is another area of weakness for ITC. Total landfill waste increased by about 70% in 2024 compared with the 2021 base year.
- **Water management:** This is ITC's strongest area, although not yet ideal. ITC is in the process of improving water usage, with water consumption falling by 51% from the 2022 base year, reflecting improved efficiency. However, total water withdrawal remains relatively flat, reflecting uncertainty over whether ITC can sustainably maintain its current level of water efficiency over the long term. ITC is working to increase water recycling in order to reduce water withdrawal.
- **Climate change exposure:** ITC does not disclose a strategy regarding climate change risks that could have significant impacts on its business. For instance, rising ocean temperatures from global warming can affect tuna populations.

Sources: ttb wealth, Company data

Sector: Agro & Food Industry | Food & Beverage

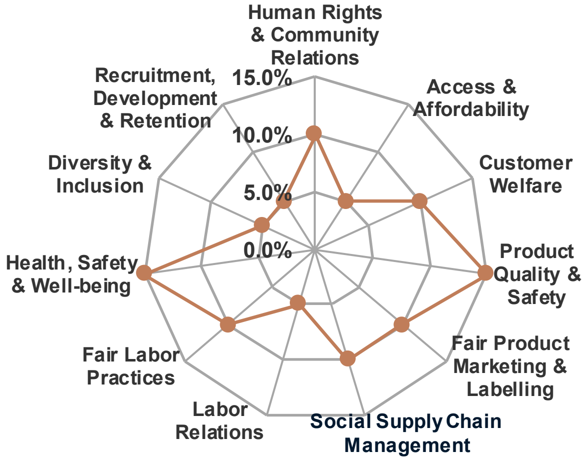
We assign a high S score of 3.9 to ITC, above the industry average of 3.3. ITC has demonstrated excellence in employee well-being and product quality, and has also provided social support, although the monetary amount is not disclosed.



SOCIAL	Our Comments

- Access & Affordability
- Customer Welfare
- Diversity & Inclusion
- Fair Labor Practices
- Fair Product Marketing & Labeling
- Health, Safety & Well-being
- Human Rights & Community Relations
- Labor Relations
- Product Quality & Safety
- Recruitment, Development & Retention
- Social Supply Chain Management

SCALE WEIGHTING

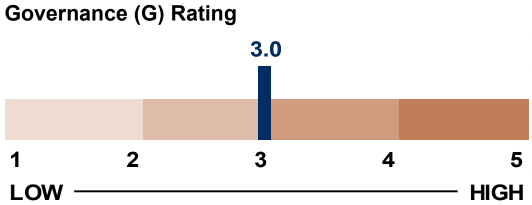


- Social is ITC's strongest ESG area. We assign ITC a high S score of 3.9, above the industry average of 3.3. ITC focuses on labor well-being and performs strongly in product quality. ITC provides meaningful social support across various areas; however, it does not disclose the monetary amounts.
- **Employee well-being and management:** ITC's labor coverage extends from factory workers to indirect labor, including fishermen working for large fishing companies from which ITC sources raw materials. ITC ensures strict practices on fair wages, proper treatment of migrant workers, and zero tolerance for child labor and forced labor. In addition, ITC integrates employee well-being into its remuneration structure, with explicit targets related to healthcare improvement for its workforce.
- **Product safety and quality:** This is another strong area for ITC. ITC is a world-leading OEM producer of premium pet food for the world's top five pet food brands. It focuses on premium, human-grade pet food with a strong health emphasis, which requires high-quality control. There have been no reported cases of product defects or contamination. ITC ensures that its raw materials are highly traceable to credible sources.
- **Social responsibility:** ITC provides donations across various areas, including education, healthcare, environmental improvement, and disaster relief. However, the monetary amounts have not been disclosed.

Sources: ttb wealth, Company data

Sector: Agro & Food Industry | Food & Beverage

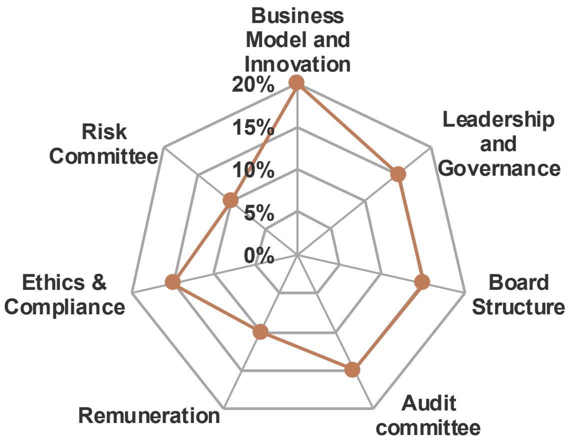
We assign a solid 3.0 G score to ITC, compared with the sector average of 2.8, and see room for improvement in guidance consistency. ITC receives high scores in business innovation and sustainability, as well as in ethics and transparency. However, they are constrained by a non-ideal board structure.



GOVERNANCE & SUSTAINABILITY

- **Audit committee**
- **Board Structure**
- **Business Model and Innovation**
- **Ethics & Compliance**
- **Leadership and Governance**
- **Remuneration**
- **Risk Committee**

SCALE WEIGHTING



Our Comments

- We assign a decent 3.0 G score for ITC vs. the sector average of 2.8. ITC receives a high score for business sustainability and innovation. However, it is constrained by a non-ideal board structure and inconsistent performance guidance.
- **Business sustainability and innovation:** This is ITC's strongest governance area. ITC is a key OEM producer of premium pet food for the top five global pet food brand owners. While pet food demand is resilient by nature, demand for premium pet food is even more sticky amid the pet parenting trend. ITC enjoys competitiveness through cost advantages, for example access to competitively priced tuna via TU, the world's largest tuna processor and its parent company, as well as through product innovation in developing human-grade, health-focused pet food.
- **Board structure:** ITC's board structure is not ideal. Its board chair is not independent. It only has four independent directors out of a total of 11 board members. The ratio of independent directors is only 36%, well below the ideal of over 60% (two-thirds). It has 18% female board members, compared to a recommended ratio of 30%. However, board skills are diversified, including finance, legal, management and CSR/sustainability.
- **Ethics and transparency:** ITC has a clean compliance record, with zero reported cases of corruption, conflicts of interest, or code of conduct violations in 2024. The audit committee identified no internal control deficiencies, and external auditors raised no concerns. However, there have been cases of inconsistent performance guidance, although ITC has been working to improve alignment and provide more consistent guidance going forward.
- **Shareholder responsibility:** The company recorded inconsistent performance guidance during the early years after its IPO, which led to missed earnings expectations and a poor share price performance. ITC has taken responsibility by conducting business reviews and changing key management personnel. ITC has also increased dividend payments to support its share price. We prefer to wait and observe any further improvements in guidance consistency.

Sources: ttb wealth, Company data

Stronger-than-expected US$ sales growth

A net-cash balance sheet

INCOME STATEMENT

FY ending Dec (Bt m)	2024A	2025A	2026F	2027F	2028F
Sales	17,729	18,223	21,076	22,973	24,581
Cost of sales	12,810	13,647	16,018	17,413	18,558
Gross profit	**4,919**	**4,577**	**5,058**	**5,559**	**6,022**
% gross margin	27.7%	25.1%	24.0%	24.2%	24.5%
Selling & administration expenses	1,638	1,909	2,004	1,844	1,752
Operating profit	**3,281**	**2,668**	**3,054**	**3,716**	**4,271**
% operating margin	18.5%	14.6%	14.5%	16.2%	17.4%
Depreciation & amortization	568	607	660	713	759
EBITDA	**3,849**	**3,275**	**3,714**	**4,428**	**5,030**
% EBITDA margin	21.7%	18.0%	17.6%	19.3%	20.5%
Non-operating income	696	513	527	574	615
Non-operating expenses	0	0	0	0	0
Interest expense	(6)	(10)	(24)	(18)	(19)
Pre-tax profit	**3,971**	**3,171**	**3,557**	**4,272**	**4,866**
Income tax	141	149	213	256	292
After-tax profit	**3,830**	**3,022**	**3,344**	**4,015**	**4,574**
% net margin	21.6%	16.6%	15.9%	17.5%	18.6%
Shares in affiliates' Earnings	0	0	0	0	0
Minority interests	0	0	0	0	0
Extraordinary items	(233)	(45)	0	0	0
NET PROFIT	**3,597**	**2,978**	**3,344**	**4,015**	**4,574**
Normalized profit	**3,830**	**3,022**	**3,344**	**4,015**	**4,574**
EPS (Bt)	1.20	0.99	1.11	1.34	1.52
Normalized EPS (Bt)	1.28	1.01	1.11	1.34	1.52

BALANCE SHEET

FY ending Dec (Bt m)	2024A	2025A	2026F	2027F	2028F
ASSETS:					
Current assets:	20,550	20,127	21,714	22,134	23,024
Cash & cash equivalent	11,690	10,489	11,000	11,500	12,000
Account receivables	3,951	3,766	4,331	4,406	4,377
Inventories	3,535	4,338	4,608	4,294	4,576
Others	1,375	1,535	1,775	1,935	2,070
Investments & loans	0	0	0	0	0
Net fixed assets	6,009	6,484	6,823	6,911	6,952
Other assets	369	362	368	373	379
Total assets	**26,928**	**26,973**	**28,905**	**29,418**	**30,355**
LIABILITIES:					
Current liabilities:	2,096	2,310	2,716	2,950	3,143
Account payables	1,815	2,235	2,633	2,862	3,051
Bank overdraft & ST loans	0	0	0	0	0
Current LT debt	0	0	0	0	0
Others current liabilities	281	75	83	88	92
Total LT debt	**0**	**0**	**982**	**762**	**1,060**
Others LT liabilities	693	837	962	1,046	1,118
Total liabilities	**2,789**	**3,147**	**4,660**	**4,758**	**5,320**
Minority interest	0	0	0	0	0
Preferreds shares	0	0	0	0	0
Paid-up capital	3,000	3,000	3,000	3,000	3,000
Share premium	18,395	18,395	18,395	18,395	18,395
Warrants	(0)	0	0	0	0
Surplus	(553)	(271)	(271)	(271)	(271)
Retained earnings	**3,296**	**2,702**	**3,121**	**3,537**	**3,911**
Shareholders' equity	24,138	23,826	24,245	24,660	25,034
Liabilities & equity	**26,928**	**26,973**	**28,905**	**29,418**	**30,355**

Sources: Company data, ttb wealth estimates

Capex cycle is ending

CASH FLOW STATEMENT

FY ending Dec (Bt m)	2024A	2025A	2026F	2027F	2028F
Earnings before tax	3,971	3,171	3,557	4,272	4,866
Tax paid	(217)	(149)	(212)	(256)	(292)
Depreciation & amortization	568	607	660	713	759
Chg In w orking capital	(88)	(198)	(437)	468	(66)
Chg In other CA & CL / minorities	961	(358)	(233)	(155)	(131)
Cash flow from operations	**5,196**	**3,073**	**3,335**	**5,041**	**5,136**
Capex	(1,093)	(1,079)	(1,000)	(800)	(800)
Right of use	2	(6)	0	0	0
ST loans & investments	0	0	0	0	0
LT loans & investments	878	0	0	0	0
Adj for asset revaluation	0	0	0	0	0
Chg In other assets & liabilities	(21)	102	120	79	66
Cash flow from investments	**(234)**	**(983)**	**(880)**	**(721)**	**(734)**
Debt financing	0	0	982	(220)	298
Capital increase	0	0	0	0	0
Dividends paid	(2,250)	(3,450)	(2,925)	(3,600)	(4,200)
Warrants & other surplus	(327)	159	0	0	0
Cash flow from financing	**(2,577)**	**(3,291)**	**(1,943)**	**(3,820)**	**(3,902)**
Free cash flow	**4,962**	**2,090**	**2,454**	**4,320**	**4,402**

13x 2027F PE looks attractive to us

VALUATION

FY ending Dec	2024A	2025A	2026F	2027F	2028F
Normalized PE (x)	13.6	17.3	15.6	13.0	11.4
Normalized PE - at target price (x)	16.4	20.8	18.8	15.7	13.8
PE (x)	14.5	17.5	15.6	13.0	11.4
PE - at target price (x)	17.5	21.2	18.8	15.7	13.8
EV/EBITDA (x)	10.5	12.7	11.4	9.4	8.2
EV/EBITDA - at target price (x)	13.3	16.0	14.3	11.8	10.4
P/BV (x)	2.2	2.2	2.2	2.1	2.1
P/BV - at target price (x)	2.6	2.6	2.6	2.6	2.5
P/CFO (x)	10.0	17.0	15.7	10.4	10.2
Price/sales (x)	2.9	2.9	2.5	2.3	2.1
Dividend yield (%)	6.6	4.9	6.3	7.5	8.6
FCF Yield (%)	9.5	4.0	4.7	8.3	8.4
(Bt)					
Normalized EPS	1.28	1.01	1.11	1.34	1.52
EPS	1.20	0.99	1.11	1.34	1.52
DPS	1.15	0.85	1.10	1.30	1.50
BV/share	8.05	7.94	8.08	8.22	8.34
CFO/share	1.73	1.02	1.11	1.68	1.71
FCF/share	1.65	0.70	0.82	1.44	1.47

Sources: Company data, ttb wealth estimates

We see its generous dividend payout as sustainable

FINANCIAL RATIOS

FY ending Dec	2024A	2025A	2026F	2027F	2028F
Growth Rate					
Sales (%)	13.8	2.8	15.7	9.0	7.0
Net profit (%)	57.7	(17.2)	12.3	20.1	13.9
EPS (%)	57.7	(17.2)	12.3	20.1	13.9
Normalized profit (%)	65.6	(21.1)	10.6	20.1	13.9
Normalized EPS (%)	65.6	(21.1)	10.6	20.1	13.9
Dividend payout ratio (%)	95.9	85.6	98.7	97.1	98.4
Operating performance					
Gross margin (%)	27.7	25.1	24.0	24.2	24.5
Operating margin (%)	18.5	14.6	14.5	16.2	17.4
EBITDA margin (%)	21.7	18.0	17.6	19.3	20.5
Net margin (%)	21.6	16.6	15.9	17.5	18.6
D/E (incl. minor) (x)	0.0	0.0	0.0	0.0	0.0
Net D/E (incl. minor) (x)	(0.5)	(0.4)	(0.4)	(0.4)	(0.4)
Interest coverage - EBIT (x)	544.5	260.1	129.0	201.7	222.4
Interest coverage - EBITDA (x)	638.7	319.3	156.9	240.4	261.9
ROA - using norm profit (%)	14.6	11.2	12.0	13.8	15.3
ROE - using norm profit (%)	16.2	12.6	13.9	16.4	18.4
DuPont					
ROE - using after tax profit (%)	16.2	12.6	13.9	16.4	18.4
- asset turnover (x)	0.7	0.7	0.8	0.8	0.8
- operating margin (%)	22.4	17.5	17.0	18.7	19.9
- leverage (x)	1.1	1.1	1.2	1.2	1.2
- interest burden (%)	99.8	99.7	99.3	99.6	99.6
- tax burden (%)	96.5	95.3	94.0	94.0	94.0
WACC (%)	10.8	10.8	10.8	10.8	10.8
ROIC (%)	22.9	20.4	21.5	24.6	28.8
NOPAT (Bt m)	3,165	2,543	2,871	3,493	4,014
invested capital (Bt m)	12,449	13,337	14,227	13,922	14,094

Sources: Company data, ttb wealth 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. 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 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, none 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.

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	Execellent
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 ttb wealth securities public company limited (ttb wealth) which is owned 99.97% by TMBThanachart Bank Public Company Limited (TTB) as a resource only for clients of ttb wealth, TMBThanachart Bank Public Company Limited (TTB) and its group companies.

This report is prepared by analysts who are employed by the research department of ttb wealth. 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 ttb wealth or TTB 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 ttb wealth, TTB 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, ttb wealth, TTB 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.

ttb wealth, TTB and its group companies perform and seek to perform business with companies covered in this report. ttb wealth, TTB, its group companies, their employees and directors may have positions and financial interest in securities mentioned in this report. ttb wealth, TTB 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: ttb wealth securities public company limited (ttb wealth) acts as an underwriter of “Debentures of IRPC Public Co. Ltd. No. 1/2026 (B.E. 2569), therefore investors need to be aware that there could be conflicts of interest in this research.

Note: ttb wealth securities public company limited (ttb wealth) acts as an underwriter of “Debentures of CPF (Thailand) Public Company Limited No. 1/2026 (B.E. 2569), therefore investors need to be aware that there could be conflicts of interest in this research.

Note: ttb wealth securities public company limited (ttb wealth) acts as an underwriter of “Debentures of Sansiri Pcl. No. 3/2026 (B.E. 2569), therefore investors need to be aware that there could be conflicts of interest in this research.

Disclosure of Interest of ttb wealth securities public company limited

Investment Banking Relationship

Within the preceding 12 months, ttb wealth has lead-managed public offerings and/or secondary offerings (excluding straight bonds) of the securities of the following companies: -

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.

ttb wealth securities public company limited.

Research Team
18 Floor, MBK Tower
444 Phayathai Road, Pathumwan Road, Bangkok 10330
Tel: 662 - 779-9119
Email: research@ttbwealth.co.th

Pimpaka Nichgaroon, CFA
Head of Research, Strategy
pimpaka.nic@ttbwealth.co.th

Nuttapop Prasitsuksant
Food & Beverage, Telecom, Utilities
nuttapop.pra@ttbwealth.co.th

Rawisara Suwanumphai
Bank, Finance
rawisara.suw@ttbwealth.co.th

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

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

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

Pattadol Bunnak
Electronics, Retail, Shipping
pattadol.bun@ttbwealth.co.th

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

Chod Reankittiwat, CFA
Assistant Analyst
chod.rea@ttbwealth.co.th

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

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

Rata Limsuthiwanpoom
Auto, Industrial Estate, Media, Property, REITs
rata.lim@ttbwealth.co.th

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

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

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