

The Great transformation is underway

- Rising revenue, gross profit and net profit from RTE and HVA
- A fortified core business with a strong turnaround
- Initiated with BUY and a TP of THB3.94 based on 8x 2026 P/E

From commodity price taker to specialty price setter

We believe TWPC is now strategically extricating itself from the legacy shadow of feeble business model, transforming itself from a commodity-driven, native starch producer into a diversified agri-food company, premised on three distinct pillars: 1) a stable foundation in the cash-cow Native Starch business (NSB); 2) a margin-enhancing High-Value-Added (HVA) starch business, and 3) the high-margin Food business (FB), which has now become the company's most critical new growth engine in the years to come.

A Stepped-up Earnings Growth on the Horizon

We project net profit will swing from a loss of THB71m in 2024 to a strong profit of THB269m in 2025E. From this new, profitable base, we forecast earnings will continue to grow at a robust 78.11% CAGR from 2023 to 2027, reaching THB473m in 2027.

Proven "Recipe for Success" in Food Business

The Ready-to-Eat (RTE) business is the company's new crown jewel. It has already achieved impressive growth driven by a superior product with unmatched taste and texture, and a game-changing distribution network of over 17,000 outlets. This growth was achieved with minimal marketing. We see the upcoming marketing campaign as pouring fuel on an already burning fire, set to unlock exponential growth in this high-margin (33% GPM) segment.

A Fortified Core Business with Improving Profit Quality

The company's core starch business has been successfully transformed. The High-Value-Added (HVA) segment is now a key "margin enhancer," providing more stable, higher-margin (over 5% higher than native), non-commodity earnings. Simultaneously, the legacy Native Starch business has been turned into a resilient "cash cow" through aggressive cost-cutting and efficiency programs, ensuring it generates stable cash flow to fund future growth.

Target price of THB3.94 based on SoTP valuation

We deploy SoTP valuation methodology to derive our TP of THB3.94, based on different 2026E P/Es to reflect different risk-reward for each business segment, comprising 1) 5x P/E for Native starch due to its high volatility, low-margin nature; 2) 8x P/E for HVA, mirroring higher margin and growth outlook than the native segment; 3) 13x P/E for Food to incorporate its high-margin, more sustainable earnings; and 4) 3x P/E for other business, which is also a commodity business.

Analyst

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ESG Rating : A

CG Rating : ▲▲▲▲▲

BUY

Target Price 12M (THB)	3.94
VS. BB Consensus TP (%)	n.a.
Share Price (THB)	2.38
Upside/Downside	+65.1%

Share Data

Market Cap (THB m)	2,095.40
Par(THB)	1.00
Free Float (%)	50.07
Issued shares (m shares)	880.42

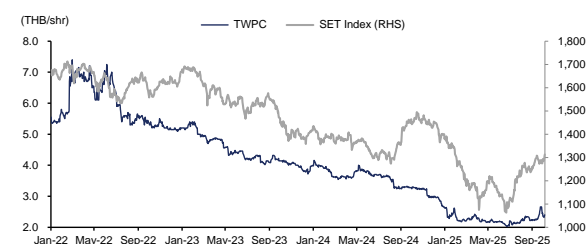
Financial forecast

YE Dec (THB m)	2024	2025E	2026E	2027E
Revenue	10,037	9,922	10,572	11,227
Net profit	(71)	269	426	473
Core net profit	(71)	269	426	473
vs Consensus (%)		n.a	n.a	n.a
Net profit growth (%)	(251.1)	476.3	58.4	11.1
Core net profit growth (%)	(251.1)	476.3	58.4	11.1
EPS (THB)	(0.08)	0.31	0.48	0.54
Core EPS (THB)	(0.08)	0.31	0.48	0.54
Chg from previous (%)		0.00	0.00	0.00
DPS (THB)	0.06	0.11	0.17	0.19
P/E (x)	(32.80)	7.80	4.92	4.43
P/BV (x)	0.48	0.42	0.40	0.37
ROE (%)	(1.45)	5.46	8.27	8.69
Dividend yield (%)	2.14	4.49	7.11	7.90

Source: Financial Statement and Globlex securities

Share Price Performance (%)

	1M	3M	6M	YTD
Stock	6.25	10.19	3.48	(10.53)
Market	2.96	(5.20)	(10.79)	(4.02)
12M High/Low (THB)				3.30 / 2.00



Major Shareholders (%) as of 29 Apr 2025

Chang Fung Company Limited	10.12
Laguna Resorts And Hotels Public Company Limited	10.03

Company Profile

Manufacture and distribute tapioca starch and starch-related products, food products, and biodegradable products.

Source: SETSMART, SET

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From commodity price taker to specialty price setter

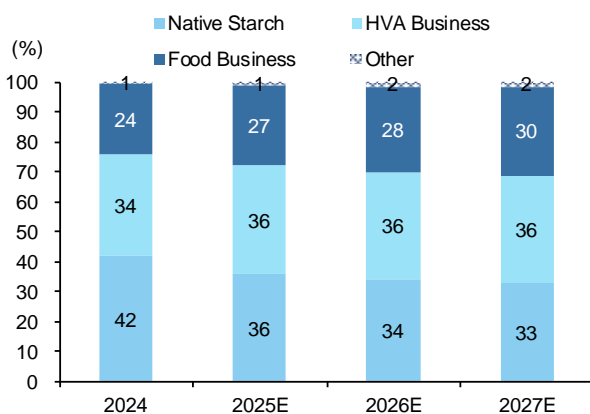
For over 77 years, Thai Wah Public Company Limited (TWPC) has been recognized as a regional leader in tapioca starch production and export. However, this historical perception is rapidly becoming outdated as TWPC is now transforming itself from a commodity-driven, native starch producer into a diversified agri-food company, premised on three distinct pillars: 1) a stable foundation in the cash-cow Native Starch business (NSB); 2) a margin-enhancing High-Value-Added (HVA) starch business, and 3) the high-margin Food business (FB), which has now become the company's most critical new growth engine in the years to come.

This structural transformation is not just a future plan; it is a tangible reality. In 2021, the traditional NSB was still the primary revenue source, accounting for 46% of total revenue in 2024, followed by the contribution from FB and HVA, which together are expanded to 58% of total revenue.

This growth was led by the FB, which achieved an impressive 11.0% CAGR during this period. However, the most compelling story of this transformation lies not in the top line, but in profitability.

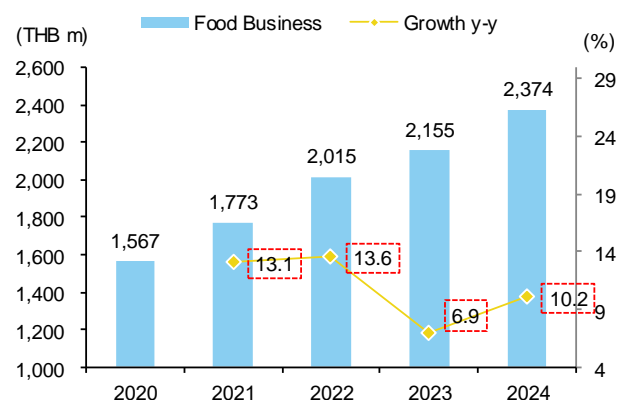
In 2024, while the FB contributed just 24% of total revenue, it generated a remarkable 47% of the company's entire gross profit. This shift confirms that TWPC is strategically reducing its dependence on the volatile commodity business and is well on its way to becoming a value-added food and specialty ingredients company.

Exhibit 1: Revenue breakdown by segment (%)



Sources: TWPC; Globlex research

Exhibit 2: Food business revenue



Sources: TWPC; Globlex research

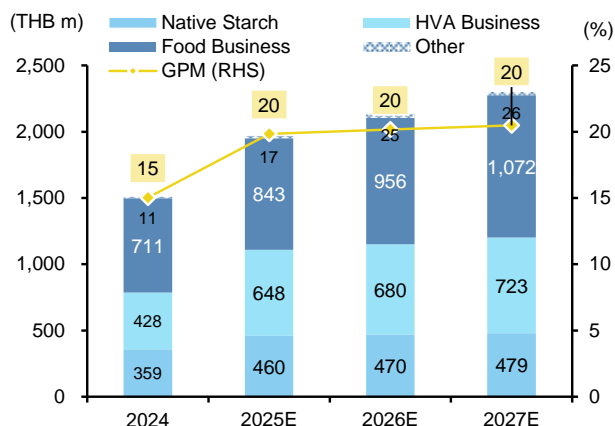
A Stepped-up Earnings Growth on the Horizon

Following a challenging 2024, we forecast a significant earnings turnaround for TWPC. We project net profit will swing from a loss of THB71m in 2024 to a strong profit of THB269m in 2025E. From this new, profitable base, we forecast earnings will continue to grow at a robust 78.11% CAGR from 2023 to 2027, reaching THB473m in 2027.

This remarkable growth trajectory is underpinned by three key drivers:

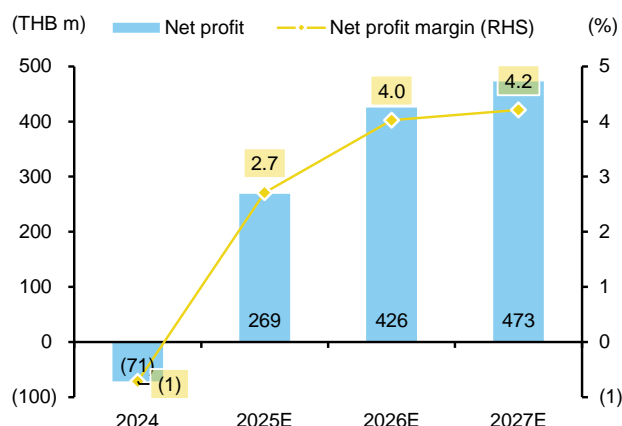
- (1) The rapid expansion of the Food business, particularly its high-margin convenience food segment
- (2) The increasing contribution from the HVA portfolio, which enhances the quality of earnings
- (3) Significant efficiency gains and cost reduction in the legacy Native Starch business, providing a strong foundation for bottom-line growth.

Exhibit 3: Gross profit breakdown and GPM (%)



Sources: TWPC; Globlex research

Exhibit 4: Net profit and Net profit margin



Sources: TWPC; Globlex research

Driver#1: FB: A Success recipe on key ingredients

The food business has unquestionably become TWPC's most important and powerful growth engine, delivering an impressive +12.9% y-y revenue growth in 1H25 and contributing over 45% of the group's gross profit. This success is not accidental; it stems from a complete and proven "recipe for success."

Typically, a successful consumer product requires three core components working in synergy: 1) superior product, 2) solid foundation for growth, and 3) powerful branding & marketing. TWPC has already proven that it has mastered the first two components. The imminent addition of the third component is the key catalyst that underpins our strong growth forecast.

Exhibit 5: Ready-to-Eat product



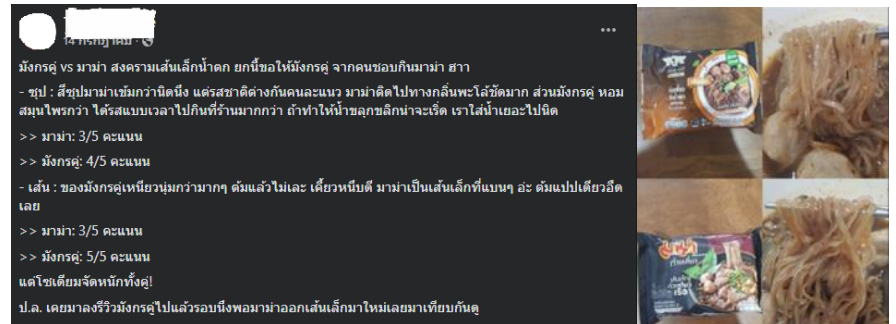
Sources: TWPC

A Superior Product: Disrupting the Market with Unmatched Taste and Texture

TWPC's success is not built on price competition but on creating a differentiated product that is difficult to replicate.

- **Taste - A New Standard of Authenticity:** The core philosophy of the R&D team is to deliver an "authentic, restaurant-quality taste," avoiding artificial flavors. The success of the "Boat Noodle" line is the clearest proof of this strategy. The product has received overwhelming consumer acceptance for its rich, authentic flavor, achieving sales growth of over 20% post-launch and setting a new market benchmark that has forced even major incumbents to follow suit.
- **Texture - A Competitive Moat from the Company's DNA:** As "Thailand's #1 vermicelli market leader," TWPC possesses deep expertise in noodle technology, creating a unique and superior texture that is both chewy and soft. This gives its RTE products a distinct and noticeably better mouthfeel than competitors.
- **Positioning - Leading the Premium Segment:** Superior taste and texture allow TWPC to position its RTE products in the premium segment. While TWPC's products are priced higher than the market average, consumers have shown a willingness to pay for the enhanced quality. This is reflected in the Food business's exceptional Gross Profit Margin of 33%, which significantly outperforms the company's other divisions.

Exhibit 6: Consumer's feedback



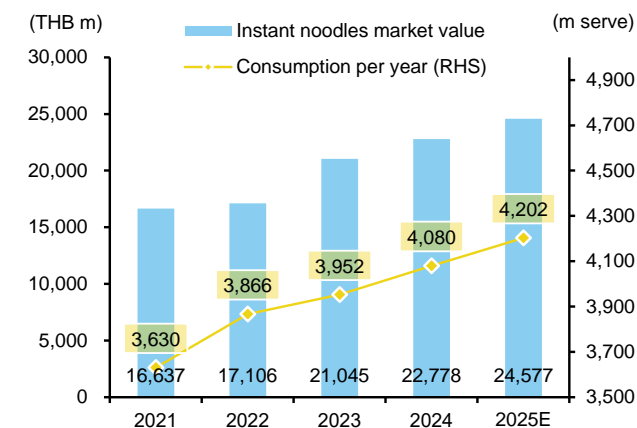
Sources: Globlex research

A Solid Foundation for Growth: The Right Strategy for the Right Market

Market - Right Market, Right Timing: TWPC entered the market at a perfect juncture. For domestic Market, as of 2024, Thailand is the 9th largest instant noodle market in the world with a market size of over THB20b and annual consumption of 4,080m serves. Crucially, TWPC has targeted the fast-growing premium segment. The influx of premium Korean brands is clear evidence of this trend, and TWPC is well-positioned to capture this demand with its authentic Thai flavors.

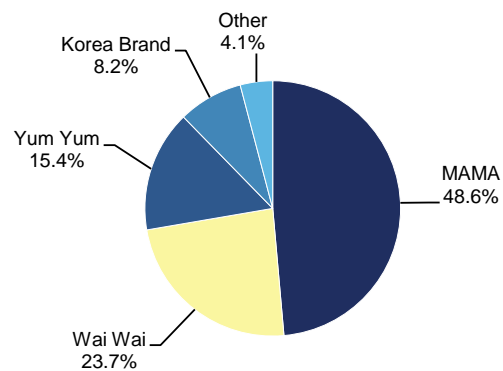
Authentic Thai at best, Localized market at taste. For international market, TWPC will penetrate overseas market with a dual strategy: offering authentic Thai flavors while also developing localized products for specific regional tastes. TWPC has already begun exporting its RTE products to huge markets across Southeast Asia, China, Japan, and India, with plans to expand into other high-potential regions.

Exhibit 6: Domestic Instant noodle market



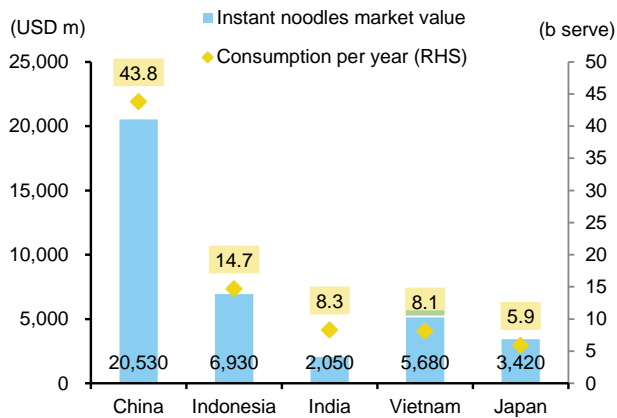
Sources: Marketeeronline

Exhibit 7: Domestic Instant noodle market share (2024)



Sources: Marketeeronline

Exhibit 9: International Instant noodle market



Sources: Databridgemarketresearch; Instantnoodles.org

Exhibit 10: Ready-to-Eat Distribution channel



Sources: TWPC

R&D - A "Forward Integration" Advantage: Unlike incumbents that may have backward integrated, TWPC's "Forward Integration" from being a core ingredients producer gives it a unique edge. Its team of over 20 food scientists has a deep, fundamental understanding of raw materials, allowing them to create customer-centric products with innovative flavors and textures that are not yet on the market. Their speed is evident, with 3 new SKUs launched in the past month alone and received very positive response from consumers.

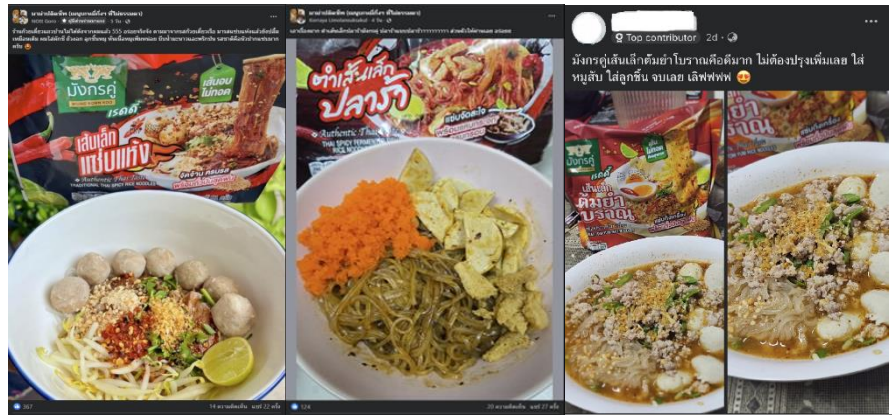
Distribution - A Game-Changing Nationwide Reach: A great product is meaningless without access to consumers, a fundamental challenge that TWPC has decisively solved. The successful penetration of modern trade channels, particularly 7-Eleven and Lotus's, gives the products access to a massive network of over 17,000 outlets nationwide.

Exhibit 11: New Ready-to-Eat SKU



Sources: TWPC

Exhibit 12: Consumer's feedback on New SKU



Sources: Globlex research

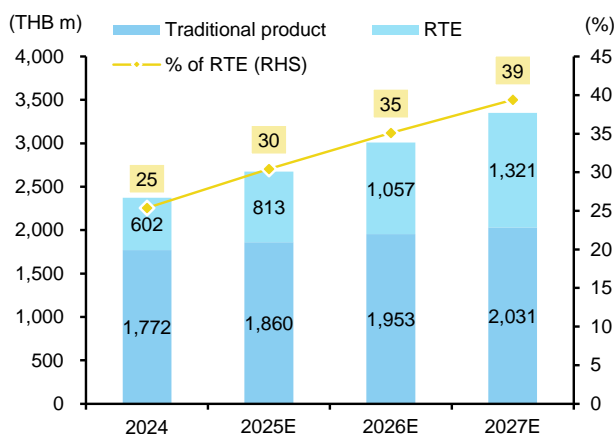
Branding & Marketing- The Final catalyst to Unlock Exponential Growth

While the "Double Dragon" brand carries strong heritage from its vermicelli products, a key missing piece has been marketing. The growth so far has been almost entirely product-led, meaning many consumers are not yet aware of the "Double Dragon Ready" brand or its connection to the trusted vermicelli company. This has limited the company from fully leveraging its brand legacy and building widespread awareness.

However, we see this as the next major catalyst. The company has a clear plan to launch an aggressive marketing campaign in the near future. We believe this will unlock the brand's full potential and drive significant sales growth. We have seen the power of such a strategy from market leaders who have successfully used co-marketing with popular TV series to capture the younger demographic.

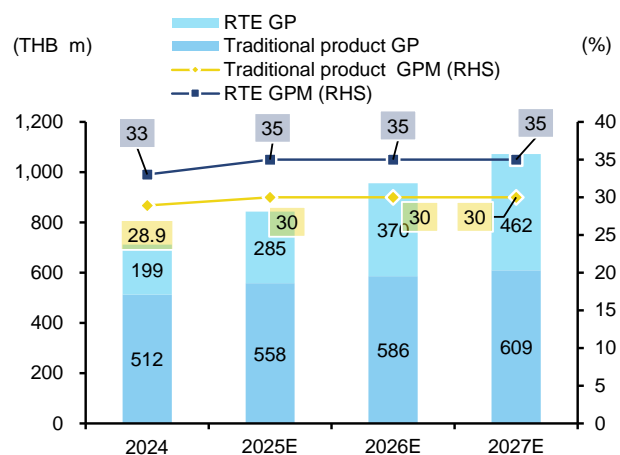
With all three components aligning, we are highly confident that RTE sales can grow at a 30% CAGR through 2027E, becoming a primary revenue driver as targeted by the company. Our growth forecast of 30% CAGR is higher than the company's guided two-digit growth rates, which we think is justified by our more positive view on TWPC's strengths in ingredients, production, product, and marketing strategy. Furthermore, as this is the highest-margin segment, we think its growth will have an exponentially positive impact on the company's bottom line, potentially propelling both revenue, margin, and profits, all up concurrently.

Exhibit 13: Food sales (RTE vs Traditional product)



Sources: TWPC; Globlex research

Exhibit 14: Food business GP and GPM



Sources: TWPC; Globlex research

Driver#2: HVA: Margin spearer and volatility shield

From delicacy to ingredients: While the Food business is driving top-line growth on B2C/B2B market, the High-Value-Added (HVA) Starch business on B2B is the key driver for "enhancing the quality of earnings" and "reducing overall volatility." This business is not about selling mere starch; it is about delivering "Specialty Ingredient Solutions" that are researched and developed to provide unique properties for the modern food industry.

HVA Applications and Growth Path: TWPC's HVA products are used across a diverse range of high-value food industries, such as

- Bakery: Using Cassava Flour in products like Shio Pan to enhance crispiness and moisture retention.
- Dairy: Acting as a stabilizer in yogurts and ice creams.
- Healthy Solutions: Delivering on-trend solutions for health-conscious consumers, including gluten-free, low-GI, and high-fiber ingredients.
- Noodles, Snacks, Sauces & Seasoning: Improving texture and product quality.

HVA's growth will be driven by a "co-development" model with global food producers, leveraging its network of R&D hubs in key markets like Bangkok, Shanghai, and Jakarta to create bespoke solutions. The recent joint venture with Fuji Nihon Co., Ltd. is expected to significantly accelerate global market access, particularly in high-value markets like Japan.

Exhibit 15: HVA application



Sources: TWPC

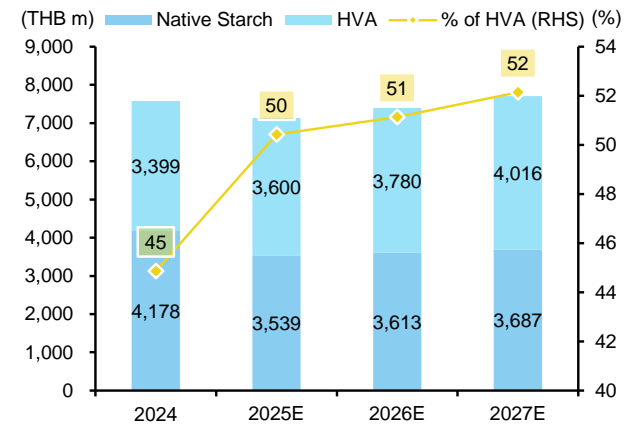
Exhibit 16: Company's R&D hubs



Sources: TWPC

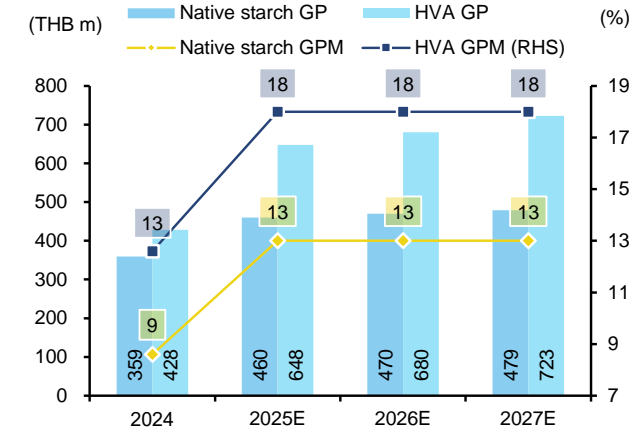
Although the HVA segment has faced cost pressures similar to native starch, its critical differentiator is that it is not a commodity. As a product of innovation from the company's R&D, it has low substitutability. This gives TWPC greater pricing power and results in significantly less price volatility than native starch, leading to more stable and higher gross margins. We believe that with the company's strategic goal to increase this segment's revenue share, coupled with consumer trends for diverse and innovative products, HVA sales can grow at a 5.7% CAGR in 2025E-2027E, making the company's overall earnings more resilient and sustainable.

Exhibit 17: Starch's Revenue (HVA vs Native)



Sources: TWPC; Globlex research

Exhibit 18: Gross profit and GPM (HVA vs Native)



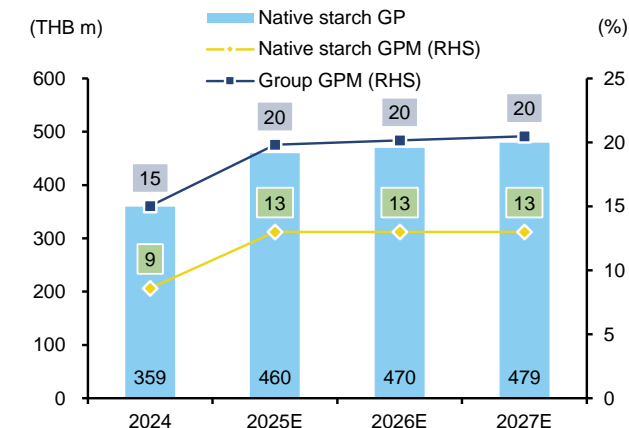
Sources: TWPC; Globlex research

Driver#3: Streamline core: excel in inventory & cost

While the Food and HVA businesses are the stars of growth, future profitability would not be possible without a stable foundation from the traditional Native Starch business, which has undergone a significant "transformation" of its own.

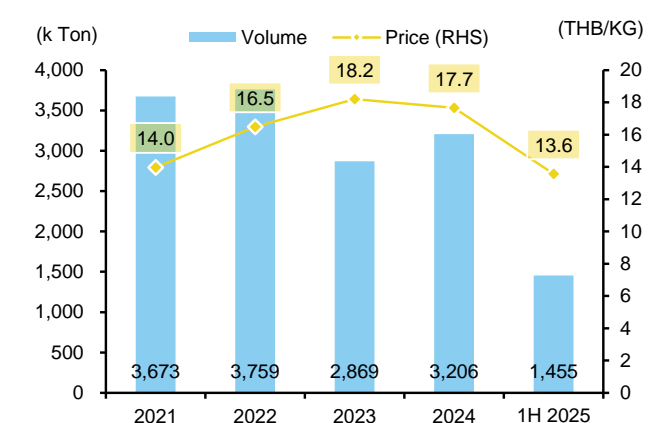
The Turnaround Story: In 2024, the native starch business faced severe challenges from high costs and inventory mismanagement, causing the segment's Gross Margin to fall to a low of just 8% in 2024. However, following an organizational restructure led by a new financial management team in late 2024, the company launched an aggressive **Cost Efficiency Initiatives program**, targeting annual savings of THB80-100m. The results were immediate and impressive. The Gross Margin for the Native starch segment surged to 13% in 1H25, contributing to a group-wide consolidated Gross Margin improvement of 50 bps y-y in 1H25.

Exhibit 8: Native starch GP and GPM



Sources: TWPC; Globlex research

Exhibit 9: Thailand's Native tapioca Export Volume

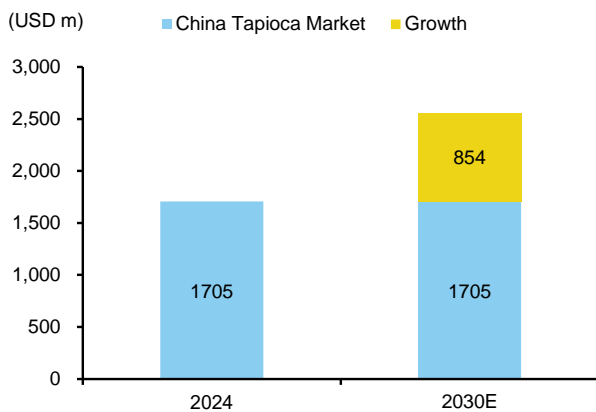


Sources: Thai Tapioca Starch Association

Growing with Volume and Quality, Not Just Price: Interestingly, even as global starch prices have declined, TWPC's sales volume has significantly outpaced the market, growing >10% y-y (vs. market growth of < 3%). This is a direct result of a strategic shift to focus on exporting premium-grade tapioca starch under the "Rose Brand" to China, a massive market forecasted to grow at a 7% CAGR through 2030. Furthermore, the company's unique advantage of having a multi-country production base (Thailand, Vietnam and Cambodia) provides superior supply chain resilience and risk mitigation compared to its peers.

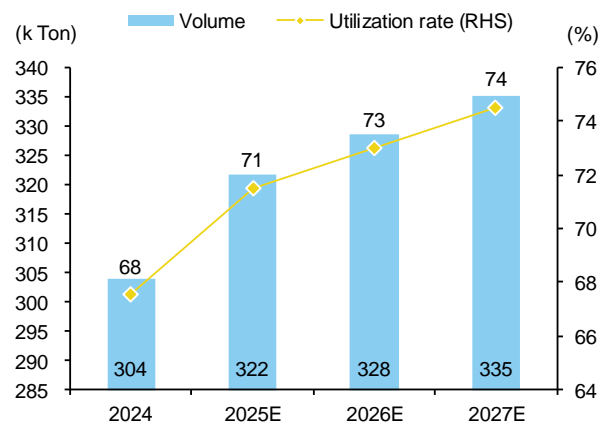
For these reasons, we believe the Native Starch business has passed its lowest point. It has been transformed into a more efficient and resilient "Cash Cow." While price volatility may persist, improved cost controls will ensure the segment remains a reliable cash generator, providing the necessary funds to fuel the growth of the Food and HVA businesses.

Exhibit 101: China's Tapioca Market Value



Sources: Market Research

Exhibit 22: Native starch Volume Sale and U-rate



Sources: Globlex Research

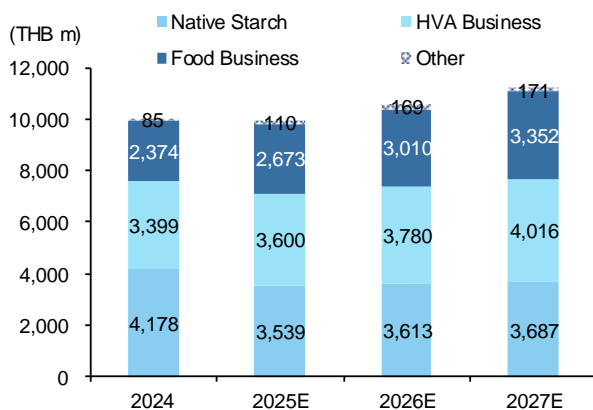
Financials: Margin Expansion and B/S Fortification

We forecast that TWPC is at a major inflection point in its financial performance heading into 2025. While we project a slight decline in total revenue to THB9,922m due to the normalization of commodity Native Starch prices, the more compelling story lies in the quality of growth that will emerge in the company's profit structure and balance sheet.

Revenue Mix Transformation Drives Sustainable Profits: In 2025E, the strategic transformation will become most evident in the revenue mix. We forecast revenue to be composed of 36% Native Starch, 36% HVA, and 27% Food Business. The increasing contribution from the high-margin Food and HVA segments is the key factor that will elevate the entire company's profitability profile. We expect a significant improvement in the consolidated Gross Margin, leading to our 2025E net profit forecast of THB269m (representing a 2.7% Net Profit Margin), a strong turnaround from the net loss in 2024. Looking ahead, fueled by the continued growth of the Food business, we project net profit to reach THB473m, with the Net profit margin expanding to 4.2% by 2027E.

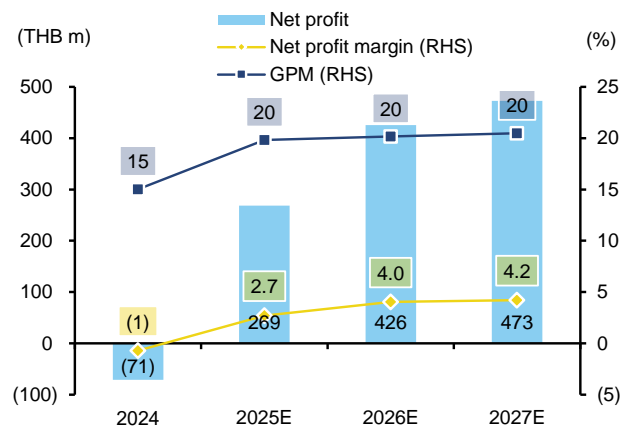
A Fortified Balance Sheet to Fund Future Growth: TWPC's financial health is also set to improve dramatically in 2025E. We expect a significant reduction in debt, driven by the repayment of loans using cash proceeds from the Fuji Nihon partnership in 1H25. This deleveraging will lead to lower interest expenses, further supporting bottom-line growth. While we forecast debt levels to moderately increase in 2026-2027E to fund capacity expansion for the growing Food and HVA segments, the company will be investing from a position of financial strength with a much lower gearing ratio.

Exhibit 11: Revenue segmentation



Sources: TWPC; Globlex research

Exhibit 12: Net profit, Net profit margin and GPM



Sources: TWPC; Globlex research

Initiated with Buy

We deploy SoTP valuation methodology to derive our TP of THB3.94, based on different 2026E P/E's to reflect different risk-reward for each business segment

- 5x P/E for Native starch due to its high volatility, low-margin nature
- 8x P/E for HVA, mirroring higher margin and growth outlook than the native
- 13x P/E for Food to incorporate its high-margin, more sustainable earnings
- 3x P/E for other business, which is also a commodity business

Exhibit 13: P/E sensitivity

Valuation P/E P/E (x)	EPS (THB/share)		
	2025E	2026E	2027E
	0.31	0.48	0.54
5	1.57	2.49	2.77
6	1.88	2.97	3.30
7	2.18	3.46	3.84
8	2.49	3.94	4.38
9	2.79	4.42	4.91
10	3.10	4.91	5.45
11	3.40	5.39	5.99

Sources: TWPC; Globlex Research

Exhibit 14: SoTP valuation

SoTP valuation	Net profit growth (%)	Net profit margin (%)	2026E Profit weight (%)	Net Profit (THB m)	EPS (THB/shr)	Value (THB/shr)	P/E (x)	Rationales for valuations
Native Starch	49.2	2.6	22.0	93.8	0.11	0.53	5.0	Based on commodity P/E
HVA	53.5	3.6	31.9	135.8	0.15	1.23	8.0	Justified by middle-of-the-road margin and growth
Food	65.8	6.3	44.8	190.8	0.22	2.82	13.0	Discount to peers at 15x
Other	125.1	3.0	1.2	5.1	0.01	0.02	3.0	
Total	58.4	4.0	100.0	425.5	0.48	4.60	9.5	
Net Debt				(595)		(0.68)		
Target Price						3.94	8.1	

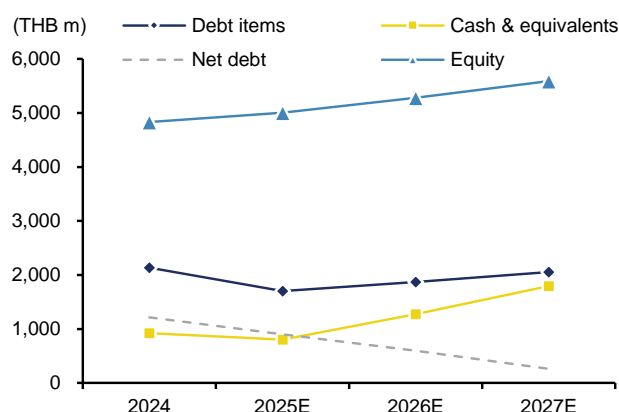
Sources: TWPC; Globlex Research

Exhibit 15: Dupont analysis

	2024 (THB m)	2025E (THB m)	2026E (THB m)	2027E (THB m)
Sales	9,994	9,922	10,572	11,227
Total assets	8,518	8,190	8,671	9,201
Asset Turnover (x)	1.17	1.21	1.22	1.22
Operating profit	(61)	280	493	560
OPM (%)	(0.61)	2.83	4.66	4.98
Net profit	(71)	269	426	473
NPM (%)	(0.71)	2.71	4.02	4.21
Shareholders' equity	4,940	4,919	5,145	5,437
Leverage (x)	1.72	1.66	1.69	1.69
ROE (%)	(1.45)	5.46	8.27	8.69

Sources: TWPC; Globlex research

Exhibit 16: Debt, cash, net debt and equity



Sources: TWPC; Globlex research

Risk

Marketing Execution Risk: Our growth forecast for its Food business, particularly the Ready-to-Eat (RTE) segment, partly relies on the success of its upcoming marketing campaigns. To date, the impressive growth has been largely "product-led" and organic, with minimal marketing expenditure. The new strategy involves a significant increase in the marketing budget to build brand awareness and drive mass adoption.

There is a risk that these campaigns may not resonate with consumers as effectively as anticipated or fail to generate the projected sales uplift. In such a scenario, the company would face a dual negative impact: (1) the direct cost of the increased marketing spending would weigh on profitability without a corresponding revenue increase, and (2) the failure to achieve the projected high-margin sales growth would cause the company to miss its overall profit targets. The return on this new, higher marketing investment is a key variable to monitor.

Intensified Competition and Erosion of Product Differentiation: TWPC has successfully disrupted the instant noodle market by creating a premium product with a superior, authentic taste and a unique texture that is difficult to replicate. This success will inevitably attract a strong response from established market leaders who possess vastly larger resources for R&D and marketing.

The primary risk is that these incumbents could successfully re-engineer their products to match or closely approximate the taste and texture profile of TWPC's "Double Dragon Ready" line. If competitors can close the quality gap, TWPC's key point of differentiation would be eroded. Given that incumbents often compete at lower price points and have long-established brand loyalty, this could lead to significant market share erosion and pressure on TWPC's premium pricing strategy. To mitigate this, the company must continuously innovate to stay ahead of the competition.

Raw Material Cost and Commodity Price Volatility: The Native and HVA starch businesses remain fundamentally exposed to the price volatility of their primary raw material: tapioca root. As an agricultural commodity, tapioca prices are subject to unpredictable fluctuations driven by factors such as climate change (droughts and floods), the spread of plant diseases (like Cassava Mosaic Virus), and shifts in farmer planting decisions.

A sharp and sustained increase in raw material costs could lead to significant gross margin compression, particularly in the Native Starch segment, if the company is unable to fully pass these costs on to customers due to competitive pressures in the global market. While the company's multi-country sourcing strategy (Thailand, Vietnam and Cambodia) and cost efficiency programs provide some resilience, it does not entirely insulate the business from widespread regional price shocks, which could negatively impact earnings stability.

Company Profile

Thai Wah Public Company Limited (TWPC) is a leading regional agri-food company in Southeast Asia with a history spanning over 77 years. Founded in 1947 as one of Thailand's largest tapioca starch producers and exporters, TWPC has since evolved into a diversified, farm-to-shelf agri-food company. It currently has operations and offices in 7 countries and exports its products to over 35 countries worldwide.

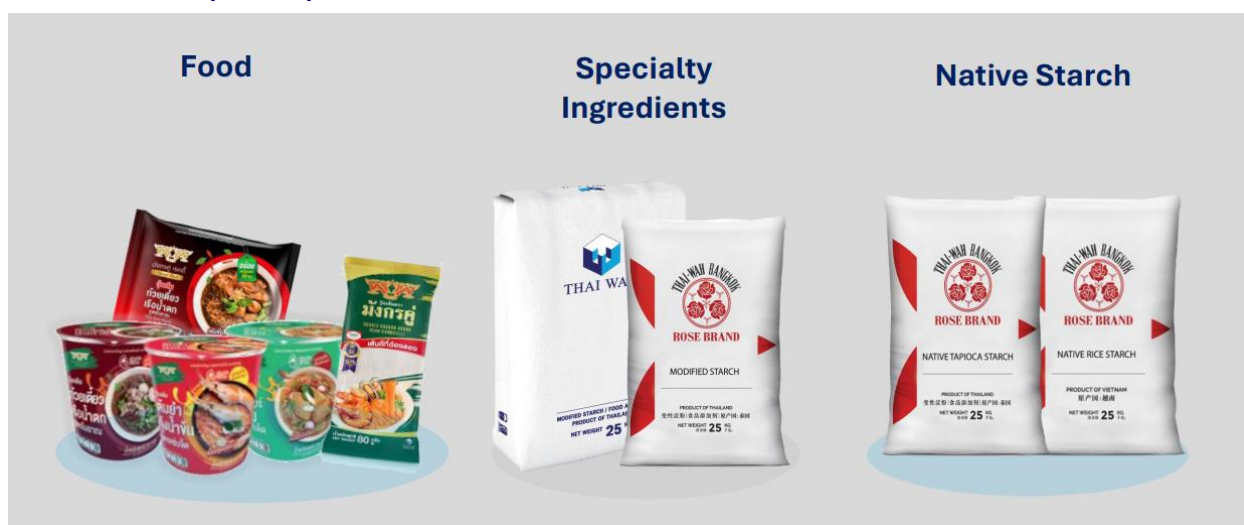
Today, TWPC's operations are structured into three core business pillars, which create a diverse range of products for both industrial and consumer markets:

Native Starch Business: This is the company's legacy business. It produces and distributes high-quality Native Tapioca Starch under the globally recognized "Rose Brand" for the food industry worldwide.

High-Value-Added (HVA) Starch Business: This innovation-driven business transforms native starch into modified starches, creating specialty food ingredients with unique properties. These products are used in a wide variety of food applications, including bakery, dairy, snacks, and sauces.

Food Business: This is the company's direct-to-consumer business. Building on its success as Thailand's vermicelli market leader with its "Double Dragon", "Kirin", and "Hong" brands, the company has expanded its portfolio to include various types of noodle products and convenience foods, such as Ready-to-Cook and Ready-to-Eat meals.

Exhibit 17: TWPC's product portfolio



Sources: TWPC

Balance sheet (THB m)					
Year ending Dec	2023	2024	2025E	2026E	2027E
Current assets					
Cash & ST investment	1,114	922	801	1,275	1,795
Account receivable	1,076	1,074	1,074	1,074	1,074
Inventories	2,069	1,488	1,388	1,473	1,558
Others	286	258	255	272	289
Non-current assets					
Net fixed assets	3,792	3,746	3,641	3,548	3,455
Others	1,065	1,030	1,030	1,030	1,030
Total Assets	9,403	8,518	8,190	8,671	9,201
Current liabilities					
Account payable	798	775	723	767	811
ST borrowing	1,694	1,217	900	990	1,089
Others	79	90	89	94	100
Long-term liabilities					
Long-term debts	1,047	918	800	880	968
Others	390	358	358	358	358
Total liabilities	4,008	3,357	2,869	3,089	3,326
Paid-up capital	880	880	880	880	880
Retained earnings	3,363	3,216	3,390	3,667	3,974
Others	804	736	736	736	736
Minority interest	347	329	314	299	284
Shareholders' equity	5,394	5,161	5,321	5,582	5,875
Key ratios					
Year ending Dec	2023	2024	2025E	2026E	2027E
Growth (%YoY)					
Sales	(1.8)	(1.9)	(1.1)	6.6	6.2
Operating profit	(86.2)	(216.6)	561.1	75.7	13.6
EBITDA	(38.4)	(23.2)	78.4	30.3	8.2
Net profit	(84.2)	(251.1)	476.3	58.4	11.1
Core net profit	(84.2)	(251.1)	476.3	58.4	11.1
EPS	(84.2)	(251.1)	476.3	58.4	11.1
Core EPS	(84.2)	(251.1)	476.3	58.4	11.1
Profitability (%)					
Gross margin	15.1	15.0	19.8	20.2	20.5
Operation margin	0.5	(0.6)	2.8	4.7	5.0
EBITDA margin	5.3	4.1	7.4	9.1	9.3
Net margin	0.5	(0.7)	2.7	4.0	4.2
ROE	0.9	(1.4)	5.5	8.3	8.7
ROA	0.5	(0.8)	3.2	5.0	5.3
Stability					
Interest bearing debt/equity (x)	0.5	0.4	0.3	0.3	0.4
Net debt/equity (x)	0.3	0.2	0.2	0.1	0.0
Interest coverage (x)	0.7	(0.6)	4.5	8.5	8.8
Interest & ST debt coverage (x)	0.0	(0.0)	0.3	0.5	0.5
Cash flow interest coverage (x)	0.0	0.3	0.2	0.2	0.2
Current ratio (x)	1.8	1.8	2.1	2.2	2.4
Quick ratio (x)	0.9	1.0	1.1	1.3	1.4
Net debt (THB m)	1,627	1,213	899	595	262
Activity					
Asset turnover (X)	1.1	1.2	1.1	1.2	2.4
Days receivables	38.5	39.2	39.5	37.1	34.9
Days inventory	86.9	63.7	63.7	63.7	63.7
Days payable	33.5	33.2	33.2	33.2	33.2
Cash cycle days	91.9	69.7	70.0	67.6	65.4
Profit & loss (THB m)					
Year ending Dec	2023	2024	2025E	2026E	2027E
Revenue	10,231	10,037	9,922	10,572	11,227
Cost of goods sold	(8,687)	(8,529)	(7,955)	(8,441)	(8,928)
Gross profit	1,544	1,508	1,967	2,131	2,300
Operating expenses	(1,492)	(1,568)	(1,687)	(1,639)	(1,740)
Operating profit	52	(61)	280	493	560
EBIT	52	(61)	280	493	560
Depreciation	(487)	(475)	(458)	(469)	(482)
EBITDA	539	414	738	962	1,041
Non-operating income	59	98	99	79	76
Other incomes	53	90	99	79	76
Other non-op income	6	8	0	0	0
Non-operating expense	(71)	(103)	(62)	(58)	(64)
Interest expense	(78)	(97)	(62)	(58)	(64)
Other non-op expense	6	(6)	0	0	0
Equity income/(loss)	0	0	0	0	0
Pre-tax Profit	40	(66)	317	513	572
Extraordinary items					
Current taxation	(12)	(26)	(63)	(103)	(114)
Minorities	20	21	15	15	15
Net Profit	47	(71)	269	426	473
Core net profit	47	(71)	269	426	473
EPS (THB)	0.05	(0.08)	0.31	0.48	0.54
Core EPS (THB)	0.05	(0.08)	0.31	0.48	0.54
Cash flow (THB m)					
Year ending Dec	2023	2024	2025E	2026E	2027E
Operating cash flow	50	912	625	615	648
Net profit	47	(71)	269	426	473
Depre. & amortization	487	475	458	469	482
Change in working capital	(430)	599	50	(52)	(52)
Others	(54)	(90)	(152)	(228)	(254)
Investment cash flow	(2,296)	(492)	(740)	(818)	(905)
Net CAPEX	(725)	(725)	(725)	(725)	(725)
Change in LT investment	(711)	534	409	452	499
Change in other assets	(859)	(302)	(424)	(545)	(679)
Free cash flow	(2,245)	420	(116)	(203)	(257)
Financing cash flow	2,334	(612)	(5)	676	777
Change in share capital	0	0	0	0	0
Net change in debt	(27)	(18)	(15)	(15)	(15)
Dividend paid	(80)	(50)	(94)	(149)	(165)
Others	2,441	(544)	104	840	958
Net cash flow	89	(193)	(120)	473	520
Per share (THB)					
EPS	0.05	(0.08)	0.31	0.48	0.54
Core EPS	0.05	(0.08)	0.31	0.48	0.54
CFPS	0.58	0.43	0.81	1.00	1.07
BVPS	5.73	5.49	5.69	6.00	6.35
Sales/share	11.62	11.40	11.27	12.01	12.75
EBITDA/share	0.61	0.47	0.84	1.09	1.18
DPS	0.09	0.06	0.11	0.17	0.19
Valuation					
P/E (x)	74.2	(32.8)	7.8	4.9	4.4
P/BV (x)	0.69	0.48	0.42	0.40	0.37
Dividend yield (%)	2.29	2.14	4.49	7.11	7.90
Dividend payout ratio (%)	169.55	-70.28	35.00	35.00	35.00

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Analyst Certification

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RECOMMENDATION STRUCTURE

Stock Recommendations

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

BUY: Expected return of 10% or more over the next 12 months.
HOLD: Expected return between -10% and 10% over the next 12 months.
REDUCE: Expected return of -10% or worse over the next 12 months.

Unless otherwise specified, these recommendations are set with a 12-month horizon. Thus, it is possible that future price volatility may cause temporary mismatch between upside/downside for a stock based on market price and the formal recommendation.

* In most cases, the target price will equal the analyst's assessment of the current fair value of the stock. However, if the analyst doesn't think the market will reassess the stock over the specified time horizon due to a lack of events or catalysts, then the target price may differ from fair value. In most cases, therefore, our recommendation is an assessment of the mismatch between current market price and our assessment of current fair value.

Sector Recommendations

Overweight: The industry is expected to outperform the relevant primary market index over the next 12 months.
Neutral: The industry is expected to perform in line with the relevant primary market index over the next 12 months.
Underweight: The industry is expected to underperform the relevant primary market index over the next 12 months.

Country (Strategy) Recommendations

Overweight: Over the next 12 months, the analyst expects the market to score positively on two or more of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.

Neutral: Over the next 12 months, the analyst expects the market to score positively on one of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.

Underweight: Over the next 12 months, the analyst does not expect the market to score positively on any of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.