COMPANY UPDATE

STARFLEX (SFLEX TB)

THAILAND / SET / PACKAGING

Globlex Securities Co., Ltd.

17 September 2026

Packed with growth and quality

- Stronger profit outlook in 2H26-2027 on rising revenue and margins
- Rising margins on lower energy cost + higher efficient machineries
- Maintain BUY and raised TP to THB4.2

A series of stronger net profit growth momentum ahead

After its strong 2Q26 net profit of THB79.2m (+21.5% q-q, +48.9% y-y) on solid revenue growth and improving margins, we project SFLEX to continue its impressive growth path in 2H26-2027. Key catalysts are 1) the strong revenue growth from the 11 new machineries of the pouch-with-spout packaging products, a doubling capacity and represents 20% of total revenue; 2) the improving margins on superior product mix; and 3) a gradual turnaround and improvement in equity incomes from Starprint Vietnam JSC. (STV) and StarUnion Packaging (SUP).

Margins on the rises on full cost pass-through ability

Unlike most packaging peers, SFLEX has been able to pass through all rising costs to clients on the long-standing agree-upon cost-plus pricing formula. As a result, the hiking costs of freight and raw materials are all passed fully to customers, allowing SFLEX to retain, if not improve, its margins, reflected in higher GPM to 27.6% (vs 23.7% in 2Q25), NPM to 15.2% (vs 11.3% in 2Q25).

Two associates Starprint and SUPO are poised to turn around

SUP, a producer of pet food is still the only major weakness for SFLEX, contributing share of loss of THB3m in 2Q26 as the unit is now currently in the initial stages oof production and sales after a 6-month delay due to th impact of war. However, we think the demand visibility of StarUnion should greatly improve by 4Q26 into 2027, given the projected stronger demands for ITC boosted the seasonally high demand. Meanwhile, Starprint Vietnam still generates small profit contribution to SFLEX, with a combined SUP to reach a breakeven equity income in 2Q26 and likely to rise in 2H26-2027.

Margin enhancement strategies yield great benefits

SFLEX has continued to strengthen its competitiveness via multiple strategies, including 1) lower energy cost by installing two rooftops with a total capacity of 2.5MW to save up to THB10m annually; 2) adding 11 new pouch-with-spout machineries to double its capacity since 2Q26, with 3-5% pts higher GPM; and 3) lower tax expense to near zero via the installations of new BOI-privileged machineries that include not only the pouch-with-spout but also the blow film machineries.

Buy a high-quality Thai packaging with a new TP of THB4.2

We maintain BUY and lifted our TP from THB3.60, previously based on 2025E 10x P/E, to THB4.2, now based on 9x 2027E P/E to incorporate SFLEX's revised EPS forecasts. We think SFLEX is one of Thailand's high-quality packaging plays with high earnings growth and sustainability, thanks to its low-cost pricing formula and secured demands from its high royalty customer portfolio.

Analyst

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ESG Rating : AA

CG Rating :

BUY

Target Price 12M (THB)	**4.20**
VS. BB Consensus TP (%)	+12.0%
Share Price (THB)	3.10
Upside/Downside	+35.5%

Share Data

Market Cap (THB m)	2,442.02
Par (THB)	0.50
Free Float (%)	61.93
Issued shares (m shares)	820

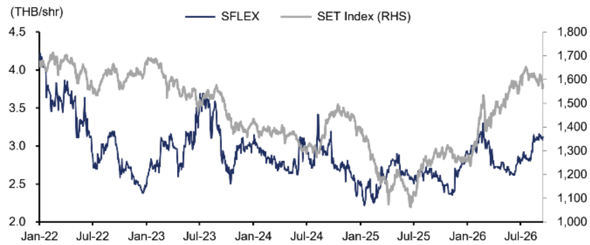
Financial forecast

YE Dec (THB m)	2025	2026E	2027E	2028E
Revenue	1,963	2,285	2,389	2,496
Net profit	243	329	380	406
Core net profit	244	329	380	406
vs Consensus (%)		16.8	58.3	69.2
Net profit growth (%)	(13.4)	35.4	15.4	6.9
Core net profit growth (%)	(14.2)	35.2	15.4	6.9
EPS (THB)	0.30	0.40	0.46	0.50
Core EPS (THB)	0.30	0.40	0.46	0.50
Chg from previous (%)		14.21	25.05	24.55
DPS (THB)	0.10	0.20	0.23	0.25
P/E (x)	10.59	7.72	6.69	6.26
P/BV (x)	2.22	1.84	1.56	1.35
ROE (%)	21.19	25.95	25.26	23.08
Dividend yield (%)	3.18	6.48	7.47	7.99

Source: Financial Statement and Globlex securities

Share Price Performance (%)

	1M	3M	6M	YTD
Stock	(4.35)	9.22	(4.94)	(1.91)
Market	(1.51)	10.99	(14.53)	(20.93)
12M High/Low (THB)				3.58 / 2.50



Major Shareholders (%) as of 27 Aug 2026

Mr. Printhorn Aphithanasriwong	20.44
Mr. Ek Picharnchitra	8.71
Starflex Public Company Limited	7.70

Company Profile

Manufacturing and distribution of flexible packaging for both food and non-food products in the form of made to order. The products can be divided into two forms which are roll form and pre form pouch.

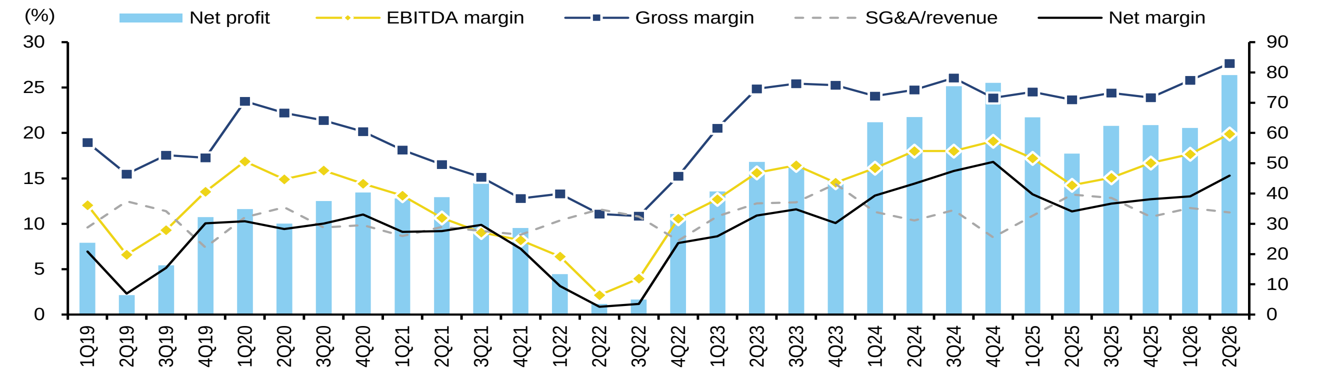
Source: SET factsheet, 16 Sep 2026.
Share price: 17 Sep 2026, 15:12 ICT.
1M / 3M / 6M = 20 / 60 / 120 trading days.

Exhibit 1: Key changes in assumptions and EPS forecasts

THB m	Current			Previous			Change (%)		
	2026E	2027E	2028E	2026E	2027E	2028E	2026E	2027E	2028E
Revenue	2,285	2,389	2,496	2,208	2,310	2,414	3.5	3.4	3.4
Gross profit	517	593	624	492	565	595	5.2	4.9	4.9
Operating profit	299	366	392	258	322	346	15.8	13.7	13.3
Net profit	329	380	406	288	304	326	14.2	25.1	24.5
EPS (THB/share)	0.40	0.46	0.50	0.35	0.37	0.40	14.2	25.1	24.5

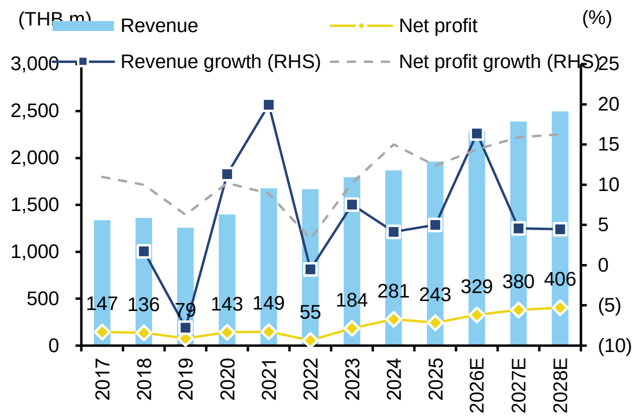
Sources: SFLEX, Globlex Research

Exhibit 2: Net profit, EBITDA margin, Gross margin, SG&A/ revenue, net margin



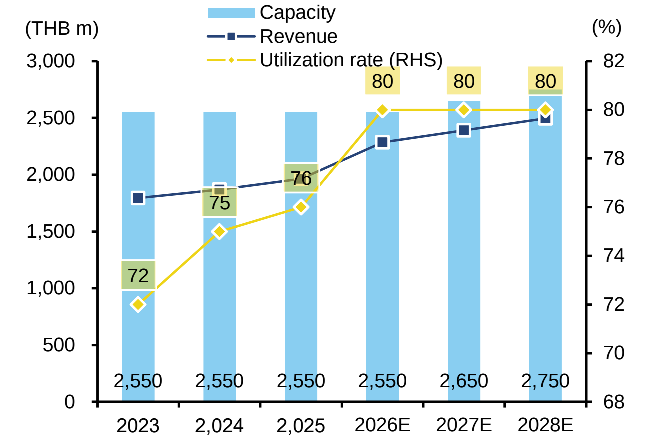
Sources: SFLEX; Globlex Research

Exhibit 3: Revenue, net profit, vs growths



Sources: SFLEX; Globlex Research

Exhibit 4: Capacity, revenue, utilization rate



Sources: SFLEX; Globlex Research

Exhibit 5: Table revision

THB m	Current			Previous			Change (%)		
	2026E	2027E	2028E	2026E	2027E	2028E	2026E	2027E	2028E
Revenue	2,285	2,389	2,496	2,208	2,310	2,414	3.5	3.4	3.4
Gross profit	517	593	624	492	565	595	5.2	4.9	4.9
Operating profit	299	366	392	258	322	346	15.8	13.7	13.3
Net profit	329	380	406	288	304	326	14.2	25.1	24.5
EPS (THB/share)	0.40	0.46	0.50	0.35	0.37	0.40	14.2	25.1	24.5

Sources: SFLEX; Globlex Research

Balance sheet (THB m)					
Year ending Dec	**2024**	**2025**	**2026E**	**2027E**	**2028E**
Current assets					
Cash & ST investment	62	94	271	401	553
Account receivable	316	376	421	469	519
Inventories	398	307	362	367	383
Others	40	83	97	102	106
Non-current assets					
Net fixed assets	831	823	825	901	967
Others	538	562	562	562	562
Total Assets	**2,187**	**2,245**	**2,539**	**2,802**	**3,090**
Current liabilities					
Account payable	306	352	415	421	438
ST borrowing	332	365	365	365	365
Others	0	6	7	7	7
Long-term liabilities					
Long-term debts	352	285	285	285	285
Others	57	80	80	80	80
Total liabilities	**1,046**	**1,088**	**1,152**	**1,158**	**1,176**
Paid-up capital	410	410	410	410	410
Retained earnings	596	686	851	1,041	1,244
Others	135	62	120	178	236
Minority interest	0	0	7	15	25
Shareholders' equity	**1,140**	**1,158**	**1,387**	**1,644**	**1,914**

Profit & loss (THB m)					
Year ending Dec	**2024**	**2025**	**2026E**	**2027E**	**2028E**
Revenue	**1,869**	**1,963**	**2,285**	**2,389**	**2,496**
Cost of goods sold	(1,341)	(1,419)	(1,673)	(1,697)	(1,767)
Gross profit	**528**	**544**	**611**	**693**	**729**
Operating expenses	(195)	(234)	(217)	(227)	(232)
Operating profit	**332**	**310**	**394**	**466**	**497**
EBIT	**266**	**240**	**299**	**366**	**392**
Depreciation	(66)	(71)	(94)	(100)	(105)
EBITDA	**332**	**310**	**394**	**466**	**497**
Non-operating income	**27**	**22**	**35**	**36**	**38**
Other incomes	27	22	35	36	38
Other non-op income	0	0	0	0	0
Non-operating expense	**(32)**	**(31)**	**(30)**	**(30)**	**(30)**
Interest expense	(35)	(31)	(30)	(30)	(30)
Other non-op expense	3	0	0	0	0
Equity income/(loss)	24	9	42	44	47
Pre-tax Profit	**285**	**241**	**347**	**417**	**446**
Extraordinary items					
Current taxation	(4)	3	(11)	(28)	(31)
Minorities	0	0	(7)	(9)	(10)
Net Profit	**281**	**243**	**329**	**380**	**406**
Core net profit	**284**	**244**	**329**	**380**	**406**
EPS (THB)	**0.34**	**0.30**	**0.40**	**0.46**	**0.50**
Core EPS (THB)	**0.35**	**0.30**	**0.40**	**0.46**	**0.50**

Key ratios					
Year ending Dec	**2024**	**2025**	**2026E**	**2027E**	**2028E**
Growth (%YoY)					
Sales	4.1	5.0	16.4	4.6	4.5
Operating profit	25.4	(6.6)	26.8	18.3	6.8
EBITDA	25.4	(6.6)	26.8	18.3	6.8
Net profit	52.4	(13.4)	35.4	15.4	6.9
Core net profit	52.0	(14.2)	35.2	15.4	6.9
EPS	52.4	(13.4)	35.4	15.4	6.9
Core EPS	52.0	(14.2)	35.2	15.4	6.9
Profitability (%)					
Gross margin	28.2	27.7	26.8	29.0	29.2
Operation margin	17.8	15.8	17.2	19.5	19.9
EBITDA margin	17.8	15.8	17.2	19.5	19.9
Net margin	15.0	12.4	14.4	15.9	16.3
ROE	26.5	21.2	26.0	25.3	23.1
ROA	12.0	9.7	11.5	12.1	11.9
Stability					
Interest bearing debt/equity (x)	0.6	0.6	0.5	0.4	0.3
Net debt/equity (x)	0.5	0.5	0.3	0.2	0.1
Interest coverage (x)	7.6	7.8	10.0	12.2	13.1
Interest & ST debt coverage (x)	0.7	0.6	0.8	0.9	1.0
Cash flow interest coverage (x)	0.2	0.3	0.3	0.4	0.4
Current ratio (x)	1.3	1.2	1.5	1.7	1.9
Quick ratio (x)	0.6	0.6	0.9	1.1	1.3
Net debt (THB m)	622	557	380	250	97
Activity					
Asset turnover (X)	0.9	0.9	1.0	0.9	0.8
Days receivables	62.3	64.3	63.7	68.0	72.2
Days inventory	98.6	90.8	73.0	78.5	77.4
Days payable	85.8	84.6	83.6	89.9	88.7
Cash cycle days	75.0	70.5	53.0	56.6	60.9

Cash flow (THB m)					
Year ending Dec	**2024**	**2025**	**2026E**	**2027E**	**2028E**
Operating cash flow	**233**	**369**	**362**	**416**	**446**
Net profit	281	243	329	380	406
Depre.& amortization	78	89	100	122	129
Change in working capital	(115)	40	(50)	(51)	(52)
Others	(11)	(4)	(17)	(35)	(37)
Investment cash flow	**(155)**	**(87)**	**(174)**	**(174)**	**(174)**
Net CAPEX	(127)	(63)	(150)	(150)	(150)
Change in LT investment					
Change in other assets	(28)	(24)	(24)	(24)	(24)
Free cash flow	**78**	**282**	**188**	**242**	**272**
Financing cash flow	**(132)**	**(217)**	**(11)**	**(112)**	**(120)**
Change in share capital	0	0	58	58	58
Net change in debt	(6)	4	0	0	0
Dividend paid	(82)	(82)	(165)	(190)	(203)
Others	(44)	(140)	96	20	25
Net cash flow	**(54)**	**65**	**177**	**130**	**152**
Per share (THB)					
EPS	0.34	0.30	0.40	0.46	0.50
Core EPS	0.35	0.30	0.40	0.46	0.50
CFPS	0.42	0.38	0.53	0.60	0.63
BVPS	1.39	1.41	1.68	1.99	2.30
Sales/share	2.28	2.39	2.79	2.91	3.04
EBITDA/share	0.41	0.38	0.48	0.57	0.61
DPS	0.10	0.10	0.20	0.23	0.25
Valuation					
P/E (x)	8.94	10.59	7.72	6.69	6.26
P/BV (x)	2.20	2.22	1.84	1.56	1.35
Dividend yield (%)	3.27	3.18	6.48	7.47	7.99
Divdend payout ratio (%)	29.21	33.71	50.00	50.00	50.00

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ESG Analysis

ESG Assessment	SET ESG	Bloomberg
Environment As a flexible/soft plastic packaging manufacturer, STARFLEX's most material environmental exposures are energy use and plastic packaging waste. Scope 1–2 GHG emissions rose to 7,685 tCO_2e in 2024 (latest disclosed figure; +32.5% vs 5,802 tCO_2e in 2022), while 2025 GHG data remains "under development." Grid electricity consumption eased to 13.50m kWh in 2025 (-5.0% y-y), while alternative/replacement energy use rose to 1.05m kWh (+36.3% y-y). Water consumption increased to 16,057 m^3 (+11.2% y-y), while hazardous waste fell to 159.6 tons (-3.1% y-y) and non-hazardous waste to 1,800 tons (-15.8% y-y). Eco-friendly products (mono-material, PCR/PIR resin films) reached 5.87% of sales value (THB 114.8m of THB 1,955.8m total) in 2025, up from 5.62% in 2024. Zero environmental law violations recorded 2022-2025.	AA	n.a.
Social Workforce grew to 656 employees in 2025 (+7.9% y-y). Safety performance improved sharply: LTIFR fell to 0.38 (from 0.84 in 2024, -54.8%) and work-related injury cases halved to 5 (from 10), with zero fatalities across 2022-2025. Employee development spend rose to THB 737,293 (+58.4% y-y), lifting average training hours to 5.44/person/year (from 5.20), while total employee compensation reached THB 326.4m (+6.9% y-y). The Company maintains a Human Rights Due Diligence process and a dedicated whistleblowing channel, with zero substantiated human rights violations reported since 2022.		n.a.
Governance The Board comprises 9 directors, 5 independent (55.6%), with an independent Chairman separate from the Managing Director — a stronger independence structure than many Thai peers — though the Board currently has no female directors. The Audit Committee (3 independent members, independent chair) met 7 times in 2025 alongside 7 full Board meetings (up from 5 in 2024). STARFLEX holds "Change Agent" CAC 3-Star certification (highest level, since Nov 2024) and recorded zero bribery, fraud, corruption or legal-violation cases across 2022-2025.		n.a.
Overall | CG Score: Excellent (5-star, 9th consecutive year) | CAC: Certified	**AA**	**n.a.**

Bloomberg ESG scores are not currently available for SFLEX; n.a. will be updated upon Bloomberg data availability. SET ESG Rating: AA (Industrials group), achieved December 2025 — upgraded from A in 2024, per Company disclosure. CG rating reflects the 2025 Thai IOD Corporate Governance Report.
Sources: Starflex Public Company Limited One Report 2025, SET, Thai IOD, CAC

Ratings: AAA (90-100)							
AAV	ACE	ADVANC	AJ	AMATA	AMATAV	ASW	AWC
BAM	BANPU	BAY	BBGI	BBL	BDMS	BEM	BGC
BGRIM	BJC	BKIH	BPP	BTG	CENTEL	CKP	CPALL
CPF	CPAXT	CPN	CRC	DITTO	EASTW	FPI	FPT
GLOBAL	GPSC	GUNKUL	HANA	HENG	HMPRO	III	ILM
IVL	KBANK	KCG	KJL	KKP	KTB	KTC	LH
LOXLEY	MAJOR	MBK	MC	M-CHAI	MFEC	MTI	NER
NOBLE	OR	ORI	OSP	PB	PLANB	PR9	PSH
PTG	PTT	PTTEP	PTTGC	RATCH	S	S&J	SABINA
SAT	SC	SCB	SCC	SCG	SCGP	SIRI	SJWD
SKY	SNP	STA	STECON	STGT	SVOA	TEAMG	TEGH
TFMAMA	THCOM	TISCO	TMT	TOA	TOP	TPBI	TTA
TTB	TTW	TVO	VNG	WHA	WHAUP		
Ratings: AA (80-89)							
ADB	AKP	AOT	AP	ASK	ASP	AURA	BCH
BLA	BRI	BTS	CBG	CIVIL	CK	CMAN	COLOR
COM7	DMT	DRT	EGCO	EPG	ETC	GFPT	GULF
HTC	ICHI	ILINK	IT	ITTHI	JMART	KCE	KUMWEL
LHFG	MINT	MODERN	MOSHI	MSC	MTC	NVD	NYT
PCC	PRM	PSL	QTC	RBF	SA	SAWAD	SCCC
SCGD	SELIC	**SFLEX**	SHR	SMPC	SNNP	SPALI	SPI
SSP	SUTHA	SYNEX	TASCO	TCAP	TCMC	TGH	THANI
TIPH	TKS	TLI	TOG	TPAC	TPIPP	TSC	TU
UAC	UBE	VIH	WICE	XO	ZEN		
Ratings: A (65-100)							
AEONTS	ALLA	ALT	ALUCON	BA	BH	BLC	CFRESH
CHAO	CHASE	CHG	CM	CPL	CREDIT	ERW	GABLE
HARN	HUMAN	INSET	IRC	ITC	JMT	KSL	M
MALEE	MGC	MOONG	NEO	PHOL	PLUS	PM	PPS
PQS	PROUD	PRTR	PSP	Q-CON	QLT	SAK	SAPPE
SCAP	SEAFCO	SEAOIL	SENA	SENX	SGC	SICT	SITHAI
SKR	SNC	SPC	SSSC	SYMC	TAN	TBN	TGE
THANA	THIP	THREL	TPA	TPCS	TQM	TRU	TWPC
UPF	UPOIC	VIBHA	WPH				
Ratings: BBB (50-64)							
AKR	ASIMAR	CSC	J	LEO	MEGA	NL	PRIN
SE	SO	SPRC	SUN	TMILL	TSTH	WP	YUASA

Source: SET ESG Ratings, Stock Exchange of Thailand (setsustainability.com). Ratings as of 9 January 2026. Only companies scoring 50 and above are assigned a rating. Covered company are Bold in letter.

GENERAL DISCLAIMER
Analyst Certification

Suwat Sinsadok, Register No. 020799, Globlex Securities Public Company Limited

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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.