

Sunsweet

(SUN.BK/SUN TB)

Neutral · Upgraded

Price as of 31 July 2024	3.92
12M target price (Bt/shr)	4.20
Unchanged/Revised up(down)(%)	2.4
Upside/downside (%)	7.1

Key messages

เราคาดว่ากำไรสุทธิของ SUN ใน 2Q67F จะอยู่ที่ 60 ล้านบาท (ทรงตัว YoY, +10% QoQ) โดยคาดว่า GPM จะเพิ่มขึ้น ทั้งนี้ การแข่งขันที่เข้มข้นขึ้นในตลาดส่งออกทำให้เราปรับลดประมาณการกำไรปีนี้ลง 11% และ ปีหน้าลง 13% อย่างไรก็ตาม เราคาดว่ากำไรสุทธิของ SUN ในงวด 2H67F จะเพิ่มขึ้น HoH เพราะเป็นช่วง high season ของการส่งออก และ กำไรจากอัตราแลกเปลี่ยน เราคาดว่าบริษัทจะเข้าสู่วัฏจักรการเติบโตอย่างมีนัยยะรอบใหม่หลังจากที่โรงงาน RTEs แห่งใหม่สร้างเสร็จในเดือนกุมภาพันธ์ปีหน้า ดังนั้น เราจึงปรับเพิ่มคำแนะนำจากขายเป็นถือ และ ชัยไปใช้ราคาเป้าหมาย 1H68 ที่ 4.20 บาท จากเดิมที่ 4.10 บาท

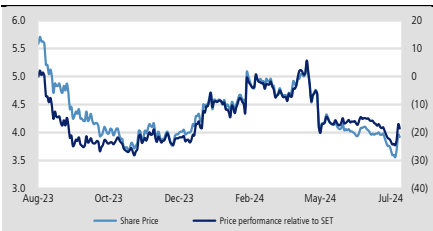
Trading data

Mkt cap (Btmn/US\$m)	3,034/76		
Outstanding shares (mn)	774		
Foreign ownership (mn)	0		
3M avg. daily trading (mn)	2		
52-week trading range (Bt)	3.6-5.7		
Performance (%)	3M	6M	12M
Absolute	-13.7	-14.5	-27.6
Relative	-10.8	-10.2	-14.8

Quarterly EPS

EPS	Q1	Q2	Q3	Q4
2022	0.05	0.04	0.05	0.06
2023	0.15	0.09	0.13	0.18
2024	0.09	NA	NA	NA

Share price chart



Source: SET

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รอจังหวะเหมาะรอบใหม่อีกไม่นาน

Event

ประมาณการ 2Q67F, ปรับประมาณการกำไรเต็มปี และ ปรับเพิ่มคำแนะนำ

Impact

คาดว่ากำไรใน 2Q67F จะอ่อนแอกว่าปกติ แต่จะดีขึ้น QoQ

เราคาดว่ากำไรสุทธิของ SUN ใน 2Q67F จะอยู่ที่ 60 ล้านบาท (ทรงตัว YoY, +10% QoQ) ถึงแม้เราจะคาดว่ายอดขายสินค้าพร้อมรับประทาน (RTEs) จะเติบโตอย่างแข็งแกร่ง แต่ราคาขายโดยรวมจะลดลง 15% YoY เหลือ 800 ล้านบาท เนื่องจากการส่งออกข้าวโพดหวานลดลงจากสภาวะการแข่งขันและ ฐานที่สูงในปีที่แล้ว ซึ่งเป็นช่วงที่ลูกค้าคุ้นเคยกับปัญหาคอขวดเกี่ยวกับปัญหาอุปทานขาดแคลน อย่างไรก็ตาม ยอดขายที่ลดลงจะถูกชดเชยด้วย GPM ที่เพิ่มขึ้น 1,4ppts YoY เป็น 22.3% เนื่องจากประสิทธิภาพเพิ่มขึ้น, ต้นทุนวัตถุดิบลดลง และ เงินบาทอ่อนค่าลง ทั้งนี้ เราคาดว่า SUN จะบันทึกผลขาดทุนจากอัตราแลกเปลี่ยน 25 ล้านบาท จากที่ขาดทุนจากอัตราแลกเปลี่ยน 27 ล้านบาทใน 1Q67 และ 42 ล้านบาทใน 2Q66 ในขณะเดียวกัน กำไรที่คาดว่าจะเพิ่มขึ้น QoQ จะเป็นเพราะยอดส่งออกเพิ่มขึ้นเล็กน้อยเนื่องจากปัจจัยฤดูกาล และ สินค้าในสต็อกกลับมาอยู่ในระดับปกติ

คาดว่ากำไรจะเพิ่มขึ้น HoH ใน 2H67F เพราะเป็นหน้าส่งออก และมีกำไรจากอัตราแลกเปลี่ยน

เราคาดว่ากำไรสุทธิของ SUN ในงวด 2H67F จะเพิ่มขึ้น HoH เพราะไตรมาสที่สามเป็นช่วงที่การส่งออกสูงตามฤดูกาล และ คาดว่ากำไรจากอัตราแลกเปลี่ยนเนื่องจากเงินบาทแข็งค่าขึ้น อย่างไรก็ตาม ตลาดส่งออกยังคงเป็นความท้าทายของ SUN ในปีนี้ โดยเฉพาะอย่างยิ่งเมื่อเทียบกับฐานที่สูงในปี 2566 เพราะการแข่งขันเข้มข้นมากขึ้น ทั้งนี้ บริษัทกำลังพยายามจะจับตลาดใหม่ๆ โดยเฉพาะในสหรัฐ ซึ่ง SUN มีความสามารถในการแข่งขันของสินค้าบางรายการที่ตรงใจแรงงานคน ในขณะเดียวกัน เราคาดว่าบริษัทจะเข้าสู่วัฏจักรการเติบโตอย่างมีนัยยะเป็นอันรอบใหม่หลังจากที่โรงงาน RTEs แห่งใหม่สร้างเสร็จในเดือนกุมภาพันธ์ปีหน้า (กำลังการผลิตจะเพิ่มขึ้น 200%) ทั้งนี้ SUN ได้พัฒนาสินค้า RTE ที่มีอายุเก็บรักษานานขึ้นสำหรับตลาดส่งออก และ เริ่มจัดส่งสินค้าล็อตแรก (มันหวาน) ไปญี่ปุ่นแล้วเพื่อทดสอบตลาดในเดือนกรกฎาคม

Valuation & action

เนื่องจากการแข่งขันเข้มข้นมากขึ้น และ คาดว่าการส่งออกข้าวโพดหวานจะลดลง เราจึงปรับลดประมาณการกำไรสุทธิปี 2567F ลง 11% เหลือ 288 ล้านบาท (-20% YoY) และ ปี 2568F ลง 13% เหลือ 355 ล้านบาท (+23% YoY) เพราะเราปรับลดประมาณการยอดขายปีนี้ลง 10% และ ปีหน้าลง 6% อย่างไรก็ตาม เราคาดว่ากำไรจะผ่านจุดต่ำสุด และ แนวโน้มระยะกลาง และ ยาวจะเป็นบวกจากการขยายตัวของกลุ่ม RTEs ดังนั้น เราจึงปรับเพิ่มคำแนะนำจากขายเป็นถือ และ ชัยไปใช้ราคาเป้าหมาย 1H68 ที่ 4.20 บาท จากเดิมที่ 4.10 บาท อิงจาก PER ที่ 9.8x หรือ -0.25S.D.

Risks

อัตราแลกเปลี่ยน, การแข่งขันเข้มข้นขึ้น และ สภาพภูมิอากาศ

Key financials and valuations

	Dec - 21A	Dec - 22A	Dec - 23A	Dec - 24F	Dec - 25F
Revenue (Btmn)	2,981	2,940	3,697	3,220	3,753
Gross Profit (Btmn)	537	481	764	692	765
SG&A (Btmn)	262	291	343	341	375
Net Profit (Btmn)	209	125	357	288	355
Normalized Profit (Btmn)	209	125	357	288	355
EPS (Bt)	0.32	0.19	0.55	0.37	0.46
DPS (Bt)	0.25	0.15	0.35	0.24	0.32
EPS Growth (%)	8.2	(40.1)	185.6	(33.0)	23.4
P/E (X)	19.9	22.2	8.7	10.6	8.5
P/B (X)	3.6	2.4	2.3	2.2	1.9
EV/EBITDA (X)	13.9	12.6	7.5	7.6	6.4
Net Debt to Equity (%)	26.0	12.0	42.4	25.9	14.4
Dividend Yield (%)	3.9	3.5	7.3	6.2	8.2
Return on Average Equity (%)	19.3	11.0	28.5	20.9	23.9

Source: Company data, KGI Securities Research

Figure 1: SUN's 2Q24F earnings preview

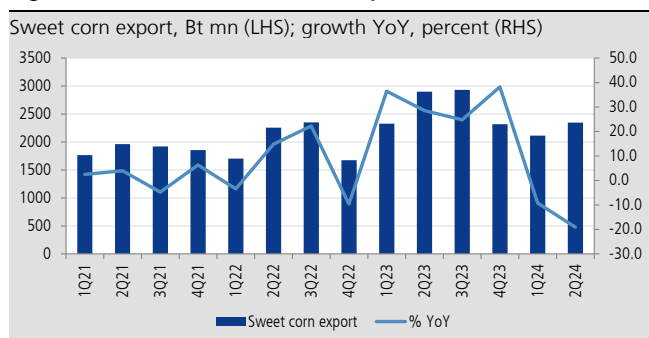
Bt mn	2Q24F	2Q23	YoY %	1Q24	QoQ %	6M24F	6M23	YoY %
Revenue	800	935	(14.5)	765	4.5	1,565	1,839	(14.9)
Cost of Goods Sold	(621)	(739)	(16.0)	(596)	4.3	(1,217)	(1,464)	(16.8)
SG&A	(85)	(86)	(1.9)	(81)	4.2	(166)	(167)	(0.3)
Operating Profit	97	111	(13.1)	91	5.8	188	211	(10.8)
FX gain (loss)	(25)	(42)	NM	(27)	NM	(52)	(32)	NM
Current Taxation	(9)	(8)	6.4	(7)	27.8	(15)	(21)	(28.1)
Net Profit	60	61	(0.4)	55	10.0	115	155	(25.8)
Normalized Profit	60	61	(0.4)	55	10.0	115	155	(25.8)
EPS (Bt)	0.08	0.09	(17.0)	0.09	(8.4)	0.16	0.24	(32.3)
Percent	2Q24F	2Q23	YoY %	1Q24	QoQ %	6M24F	6M23	YoY %
Gross margin	22.3	20.9	1.4	22.1	0.2	22.2	20.4	1.8
SG&A/sales	10.6	9.2	1.4	10.6	(0.0)	10.6	9.1	1.5
Net profit margin	7.6	6.5	1.1	7.2	0.4	7.4	8.5	(1.1)

Source: Company data, KGI Securities Research

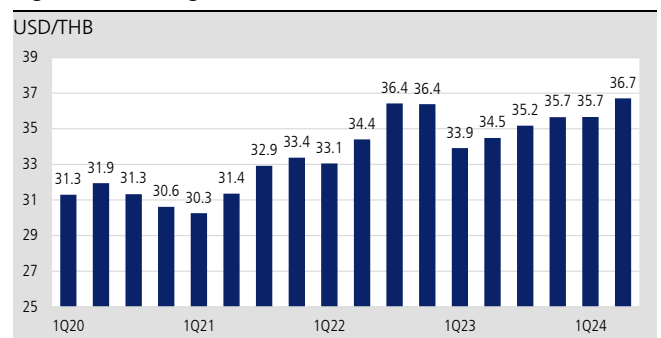
Figure 2: Earnings revisions

	2024F			2025F		
	Revised	Previous	Change	Revised	Previous	Change
Financials (Btmn)			Percent			Percent
Sales	3,220	3,595	(10.4)	3,753	4,004	(6.3)
COGS	(2,528)	(2,830)	(10.7)	(2,988)	(3,184)	(6.2)
SG&A	(341)	(345)	(1.1)	(375)	(368)	1.9
FX gain (loss)	(24)	(50)	NM	0	0	0.0
Net profit	288	323	(11.0)	355	406	(12.6)
Normalized profit	288	323	(11.0)	355	406	(12.6)
EPS (Bt/shr)	0.37	0.42	(11.0)	0.46	0.52	(12.6)
Key financial ratio (%)			ppts			ppts
GPM	21.5	21.3	0.2	20.4	20.5	(0.1)
SG&A/Sale	10.6	9.6	1.0	10.0	9.2	0.8
Net profit margin	8.9	9.0	(0.1)	9.5	10.1	(0.7)

Source: Company data, KGI Securities Research

Figure 3: Thailand's sweet corn export


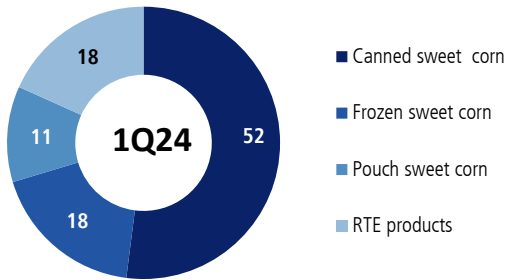
Source: Ministry of Commerce, KGI Securities Research

Figure 4: Exchange rate


Source: Bank of Thailand, KGI Securities Research

Figure 5: Revenue breakdown by product

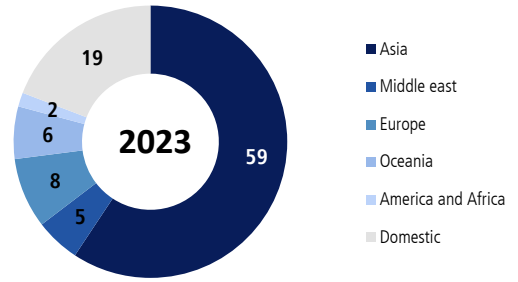
Percent



Source: Company data, KGI Securities Research

Figure 6: Revenue breakdown by geography

Percent



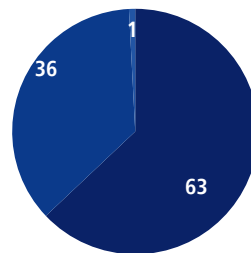
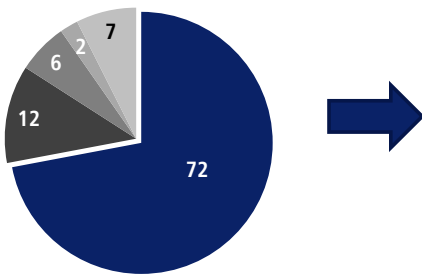
Source: Company data, KGI Securities Research

Figure 7: Expenses breakdown

Total expenses

Raw material cost

- Raw materials
- Staff costs
- Transportation expenses
- Depreciation
- Others



- Corn and others
- Packaging
- Ingredients

Source: Company data, KGI Securities Research

Figure 8: Product example

Main Products
(Export & Domestic)

- Canned Sweet Corn**
- Pouch Sweet Potato**
- Frozen Sweet Corn**

Ready to Eat Products
(Domestic)

- Tiger Peanut**
- Sweet Corn & Vegetable**
- Sweet Potato**
- Banana**

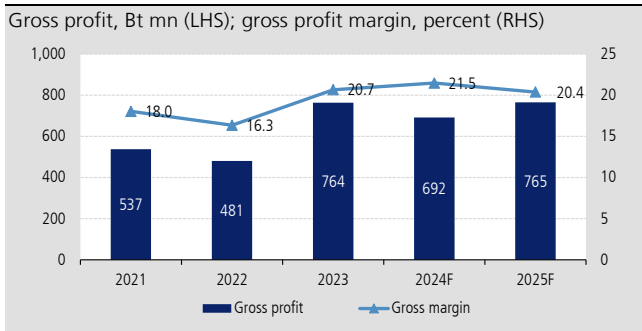
Source: Company data

Figure 9: Company profile

Sunsweet Public Company Limited is a manufacturer and distributor of processed agricultural products for export to more than 50 countries and all regions. Main products include canned sweet corn, preserved sweet corn, frozen sweet corn, ready-to-eat food group, and trading business for both domestic and imported products under the brand KC. The company also produces products under customers' brands (OEM).

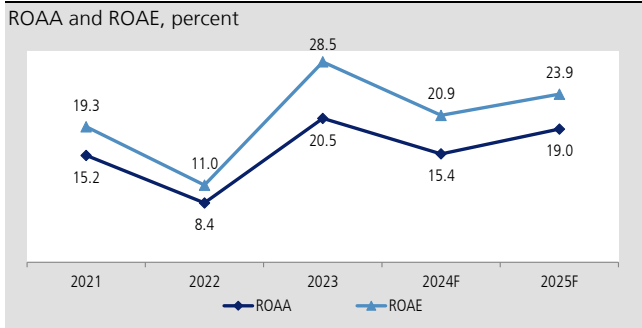
Source: Company data

Figure 11: Gross profit



Source: Company data, KGI Securities Research

Figure 13: Company ROAA and ROAE



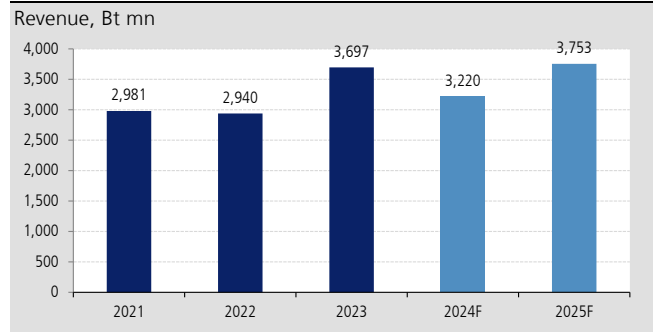
Source: Company data, KGI Securities Research

Figure 15: PER



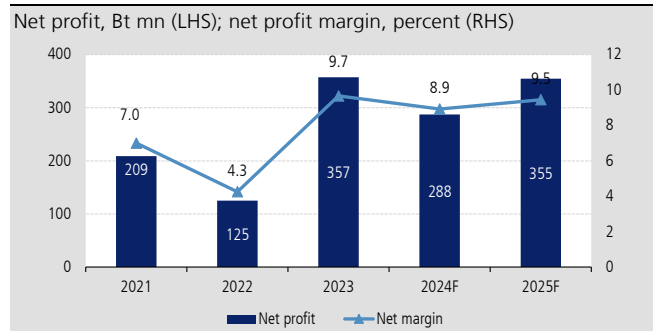
Source: Company data, KGI Securities Research

Figure 10: Revenue



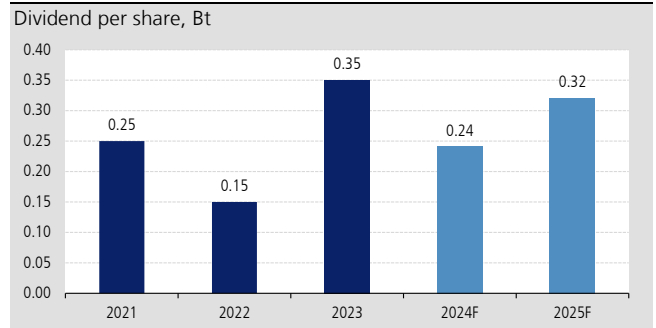
Source: Company data, KGI Securities Research

Figure 12: Net profit



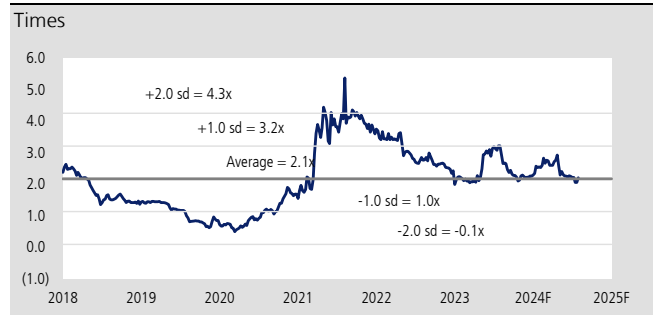
Source: Company data, KGI Securities Research

Figure 14: Dividend



Source: Company data, KGI Securities Research

Figure 16: PBV



Source: Company data, KGI Securities Research

Quarterly Income Statement

Bt mn	MAR-21A	JUN-21A	SEP-21A	DEC-21A	MAR-22A	JUN-22A	SEP-22A	DEC-22A	MAR-23A	JUN-23A	SEP-23A	DEC-23A	MAR-24A
Income Statement (Bt mn)													
Revenue	653.8	743.3	770.8	812.7	699.9	893.4	820.3	526.7	903.5	935.3	1,013.8	843.9	765.3
Cost of Good Sold	(554.6)	(612.1)	(609.6)	(667.0)	(607.9)	(746.9)	(654.9)	(449.9)	(724.8)	(739.4)	(808.8)	(659.7)	(596.1)
Gross Profit	99.2	131.2	161.2	145.7	92.0	146.5	165.3	76.8	178.7	195.9	205.1	184.2	169.2
Operating Expenses	(59.9)	(62.3)	(67.2)	(72.9)	(67.2)	(82.1)	(76.5)	(65.4)	(80.3)	(86.4)	(90.1)	(86.4)	(81.4)
Other incomes	2.4	1.2	1.8	1.7	2.0	3.2	2.2	1.9	1.3	1.8	3.4	3.0	3.6
Operating Profit	41.6	70.2	95.8	74.5	26.7	67.5	91.0	13.3	99.7	111.3	118.4	100.8	91.4
Depretiation of Fixed assets	18.1	18.5	19.1	20.6	19.6	19.6	18.7	20.0	19.2	19.4	19.8	22.5	23.7
Operating EBITDA	59.7	88.7	114.9	95.1	46.3	87.1	109.7	33.4	119.0	130.7	138.2	123.3	115.1
Non-Operating Income	(5.6)	(11.0)	(39.2)	17.4	9.5	(36.9)	(53.2)	35.1	9.6	(42.1)	(26.5)	39.9	(27.0)
Interest Income	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Non-op Income	(5.6)	(11.0)	(39.2)	17.4	9.5	(36.9)	(53.2)	35.1	9.6	(42.1)	(26.5)	39.9	(27.0)
Non-Operating Expenses	(0.3)	(0.5)	(0.4)	(0.7)	(0.7)	(0.6)	(0.4)	(1.1)	(1.3)	(0.4)	(0.8)	(2.0)	(2.7)
Interest Expenses	(0.3)	(0.5)	(0.4)	(0.7)	(0.7)	(0.6)	(0.4)	(1.1)	(1.3)	(0.4)	(0.8)	(2.0)	(2.7)
Other Non-Op Expenses	-	-	-	-	-	-	-	-	-	-	-	-	-
Net investment income/(loss)	-	-	-	-	-	-	-	-	-	-	-	-	-
Pre-tax Profit	35.7	58.7	56.2	91.2	35.5	30.1	37.4	47.4	108.0	68.8	91.1	138.7	61.7
Current Taxation	(5.2)	0.7	(3.0)	(25.5)	(5.2)	(4.1)	(5.1)	(10.8)	(13.3)	(8.1)	(7.0)	(20.9)	(6.8)
Minorities	-	-	-	-	-	-	-	-	-	-	-	-	-
Extraordinary items	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Profit	30.6	59.4	53.2	65.7	30.4	25.9	32.2	36.6	94.7	60.6	84.1	117.9	54.9
EPS (Bt)	0.05	0.09	0.08	0.10	0.05	0.04	0.05	0.06	0.15	0.09	0.13	0.18	0.09
Margins (%)													
Gross Profit Margin	15.2	17.7	20.9	17.9	13.1	16.4	20.2	14.6	19.8	20.9	20.2	21.8	22.1
Operating EBIT Margin	6.4	9.4	12.4	9.2	3.8	7.6	11.1	2.5	11.0	11.9	11.7	11.9	11.9
Operating EBITDA Margin	9.1	11.9	14.9	11.7	6.6	9.7	13.4	6.3	13.2	14.0	13.6	14.6	15.0
Net Profit Margin	4.7	8.0	6.9	8.1	4.3	2.9	3.9	6.9	10.5	6.5	8.3	14.0	7.2
Growth (% YoY)													
Revenue Growth	6.5	19.0	4.2	28.6	7.1	20.2	6.4	(35.2)	29.1	4.7	23.6	60.2	(15.3)
Operating EBIT Growth	43.7	37.2	4.5	152.5	(35.8)	(3.8)	(5.0)	(82.1)	273.3	64.8	30.1	656.2	(8.3)
Operating EBITDA Growth	27.6	28.8	4.6	97.1	(22.5)	(1.9)	(4.5)	(64.9)	157.2	50.0	26.0	269.7	(3.2)
Net Profit Growth	192.8	5.1	(38.3)	65.0	(0.6)	(56.3)	(39.4)	(44.3)	211.9	133.8	161.0	222.2	(42.0)

Source: Company data, KGI Securities Research

Balance Sheet

As of 31 Dec (Bt mn)	2021	2022	2023	2024F	2025F
Total Asset	1,454	1,511	1,978	1,779	1,944
Current Asset	568	554	843	607	797
Cash and ST Investment	14	236	32	37	134
Inventories	148	154	487	322	375
Account Receivable	395	141	301	238	278
Others	12	23	23	9	11
Non-Current Assets	885	957	1,135	1,172	1,146
LT Investment	6	6	6	6	6
Net Fixed Assets	880	949	1,124	1,162	1,136
Others	-	2	5	4	4
Total Liabilities	311	372	611	396	361
Current Liabilities	263	304	500	311	323
Account Payable	201	217	330	254	296
ST Borrowings	21	24	98	30	-
Others	42	63	73	26	27
LT Liabilities	48	68	111	85	38
Long-term Debts	17	35	79	50	-
Others	31	33	31	35	38
Shareholder's Equity	1,142	1,138	1,367	1,383	1,583
Common Stock	322	322	322	322	322
Capital Surplus	645	645	645	645	645
Retained Earnings	178	174	403	419	618
Others components	(3)	(3)	(3)	(3)	(3)

Source: KGI Securities Research

Key Ratios

Year to 31 Dec (Bt mn)	2021	2022	2023	2024F	2025F
Forecast Drivers					
Growth (% YoY)					
Sales	14.2	(1.4)	25.7	(12.9)	16.6
OP	40.2	(29.6)	116.7	(15.7)	10.9
EBITDA	30.9	(22.9)	84.9	(8.1)	9.1
NP	8.2	(40.1)	185.6	(19.5)	23.4
EPS	8.2	(40.1)	185.6	(33.0)	23.4
Profitability (%)					
Gross Profit Margin	18.0	16.3	20.7	21.5	20.4
Operating Margin	9.5	6.8	11.6	11.3	10.7
Operating EBITDA Margin	12.0	9.4	13.8	14.6	13.7
Net Profit Margin	7.0	4.3	9.7	8.9	9.5
ROAA	15.2	8.4	20.5	15.3	19.1
ROAE	19.3	11.0	28.5	20.9	23.9
Stability					
Gross Debt/Equity (%)	27.2	32.7	44.7	28.6	22.8
Net Debt/Equity (%)	26.0	12.0	42.4	25.9	14.4
Interest coverage (x)	125.8	55.5	91.5	32.3	50.3
Interest & ST Debt Coverage (x)	10.8	5.6	4.0	8.4	50.3
Cash Flow Interest Coverage (x)	23.5	172.0	16.1	49.4	52.2
Cash Flow/Interest & ST Debt (x)	2.0	17.5	0.7	12.8	52.2
Current Ratio (x)	2.2	1.8	1.7	2.0	2.5
Quick Ratio (x)	1.6	1.2	0.7	0.9	1.3
Net Debt (Bt mn)	297	137	579	358	227
Per Share Data (bt)					
EPS	0.32	0.19	0.55	0.37	0.46
CFPS	0.07	0.74	0.11	0.67	0.54
BVPS	1.77	1.77	2.12	1.79	2.04
SPS	4.62	4.56	5.73	4.16	4.85
EBITDA/Share	0.50	0.36	0.76	0.58	0.66
DPS	0.25	0.15	0.35	0.24	0.32
Activity					
Asset Turnover (x)	2.2	2.0	2.1	1.7	2.0
Day Receivables	36.1	33.2	21.8	30.6	25.1
Day Inventories	18.8	22.4	39.9	58.4	42.6
Day Payable	29.9	30.9	30.6	45.1	33.1
Cash Cycle	25.0	24.7	31.1	43.8	34.6

Source: KGI Securities Research

Profit & Loss

Year to 31 Dec (Bt mn)	2021	2022	2023	2024F	2025F
Revenue	2,981	2,940	3,697	3,220	3,753
Cost of Goods Sold	(2,443)	(2,460)	(2,933)	(2,528)	(2,988)
Gross Profit	537	481	764	692	765
Operating Expenses	(262)	(291)	(343)	(341)	(375)
Other Income	7	9	10	13	13
Operating Profit	282	199	430	363	402
Depreciation of Fixed Asset	76	78	81	107	110
Operating EBITDA	358	276	511	470	513
Non-Operating Income	(38)	(45)	(19)	(24)	0
Interest Income	0	0	0	0	0
Other Non-op Income	(38)	(45)	(19)	(24)	0
Non-Operating Expenses	(2)	(3)	(4)	(11)	(8)
Interest Expenses	(2)	(3)	(4)	(11)	(8)
Other Non-Op Expenses	0	0	0	0	0
Net investment income/(loss)	0	0	0	0	0
Pre-tax Profit	242	150	407	329	394
Current Taxation	(33)	(25)	(49)	(41)	(39)
Minorities	0	0	0	0	0
Extraordinary items	0	0	0	0	0
Net Profit	209	125	357	288	355
EPS (Bt)	0.32	0.19	0.55	0.37	0.46

Source: KGI Securities Research

Cash Flow

Year to 31 Dec (Bt mn)	2021	2022	2023	2024F	2025F
Operating Cash Flow	46	474	72	519	417
Profit for the period	242	150	407	329	394
Depreciation and Amortization	76	78	81	107	110
Change in Working Capital	(265)	295	(400)	123	(48)
Others	(7)	(49)	(16)	(40)	(39)
Investment Cash Flow	(266)	(139)	(251)	(145)	(85)
Net CAPEX	(266)	(139)	(252)	(145)	(85)
Change in LT Investment	0	0	0	0	0
Change in Other Assets	0	0	1	0	0
Free Cash Flow	(220)	336	(180)	374	332
Financial Cash Flow	(60)	(114)	(23)	(368)	(236)
Change in Share Capital	0	0	0	0	0
Net Change in Debt	33	23	118	(97)	(80)
Change in other LT Liab.	(92)	(137)	(141)	(271)	(156)
Net Cash Flow	(280)	222	(202)	5	96

Source: KGI Securities Research

Rates of Return on Invested Capital

Year	1- $\frac{\text{Cost of Goods Sold}}{\text{Revenue}}$	+ $\frac{\text{Depreciation}}{\text{Revenue}}$	+ $\frac{\text{Op. Expenses}}{\text{Revenue}}$	= Operating Margin
2021	81.8%	0.0%	8.8%	9.4%
2022	83.4%	0.0%	9.9%	6.7%
2023	79.1%	0.0%	9.3%	11.6%
2024F	78.2%	0.0%	10.6%	11.2%
2025F	79.3%	0.0%	10.0%	10.7%
Year	1/ $\frac{\text{Working Capital}}{\text{Revenue}}$	+ $\frac{\text{Net PPE}}{\text{Revenue}}$	+ $\frac{\text{Other Assets}}{\text{Revenue}}$	= Capital Turnover
2020	0.14	0.26	0.00	2.49
2021	0.10	0.29	0.00	2.51
2022	0.08	0.32	0.00	2.44
2023	0.09	0.30	0.00	2.51
2024F	0.09	0.36	0.00	2.20
2025F	0.13	0.30	0.00	2.32
Year	Operating Margin	X Capital Turnover	X Cash Tax Rate	= Afer-tax Return on Inv. Capital
2021	9.4%	2.5	13.7	3.2
2022	6.7%	2.4	16.8	2.8
2023	11.6%	2.5	12.1	3.5
2024F	11.2%	2.2	12.5	3.1
2025F	10.7%	2.3	10.0	2.5

Source: KGI Securities Research

Sunsweet- Recommendation & target price history



Date	Rating	Target	Price
30-Apr-24	Underperform	4.10	4.84
5-Mar-24	Neutral	5.42	5.00
18-Oct-23	Outperform	4.88	4.07
13-Sep-23	Neutral	4.88	4.25

Source: KGI Securities Research

Company's ESG details

Environment

- The company has efficient wastewater treatment and 80% of the treated wastewater is recycled for use in the sanitation system, utilities, and landscape applications. The company plans to build a recycling system for water reuse in the areas without direct contact with the product.
- The company manages waste by type of waste as required by law. To manage the waste generated in the production process the company uses the 3R principle (Reduce, Reuse, Recycle) with a waste sorting system. In 2023, there was a total of 210,000 kilograms of general waste, and 164,820 kilograms of recyclable waste such as cans, paper, and plastic scraps, which the company used legal disposal services and promoted the use of resources for maximum benefit by participating in the Care the Bear project.
- In 2023, the company implemented a biogas production project from corn cobs as a fuel for generating electricity. It also managed wastewater treatment to produce biogas and generate electricity for use in its factory.
- In 2018, the company initiated its Solar Rooftop Project Phase 1, with a capacity of 500 kWp on its factory. In 2023, the company was able to produce 1,161 megawatts of electricity.
- In 2021, the company launched the Big Smart Farm project, which aims to help farmers manage water to be able to grow sweet corn throughout the year. In 2022, the company built a 5-rai reservoir capable of storing approximately 500,000 cubic meters of water. In 2023, the company built an additional reservoir that can store approximately 5,000 cubic meters of water.

Social

- The company adheres to the principles of human rights, from hiring labour to taking care of employees and personnel so that all employees and personnel can feel a sense of belonging in a family with the organization fairly.
- In 2023, the company does not use child labour or violate human rights in any way. The company has hired 13 workers with disabilities that are suitable for their job conditions.
- In 2023, the company organized 16 training courses for employees to improve their skills, with the target of 42 hours of training or knowledge development activities per person per year.
- The company has built a good relationship with society through the following activities i) education support project ii) supporting economic opportunities for diverse people and communities iii) tree planting projects, and iv) health sector support project.

Governance

- The company received annual "Excellent" CG scoring From Thai Institute of Directors Association (IOD).

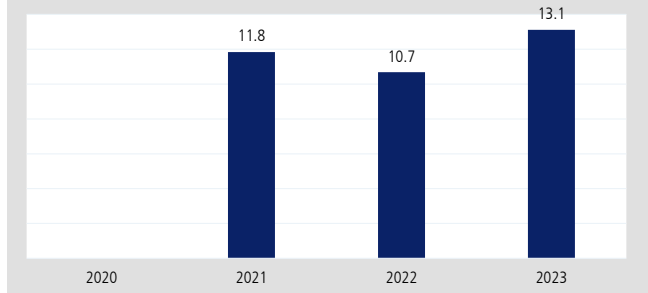
Climate Management (Subset of Environment)

- In 2023, the company implemented activities to reduce greenhouse gas emissions caused by the production process within the organization. This was achieved by transitioning equipment that previously used LPG gas to electricity and converting forklifts from diesel fuel/LPG gas to electrical energy.
- The greenhouse gas emission per sales revenue or carbon intensity (Scope 1+2) in the years 2021, 2022, and 2023 were equal to 3.97, 3.63, and 3.55 tons of carbon dioxide or equivalent per million baht, respectively.
- In 2023, the results of air pollution measures the amount of contaminant emissions in the air of sulfur dioxide 81.8 ppm and nitrogen oxides less than 2 ppm.
- The company has been certified for environmental management standard ISO 14001:2015 and has been certified green industry level 3 (Green industry).

Source: Company data, KGI Securities Research

Total GHG emissions

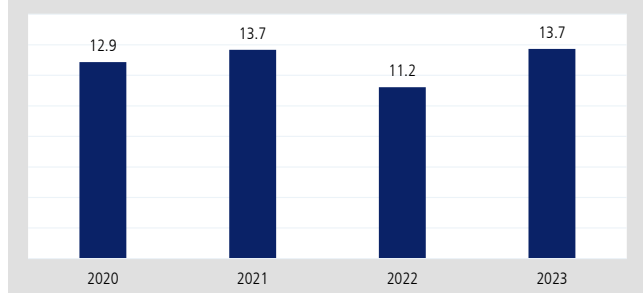
GHG emissions, tons of CO₂e



Source: Company data, SETSMART, KGI Securities Research

Total electricity consumption

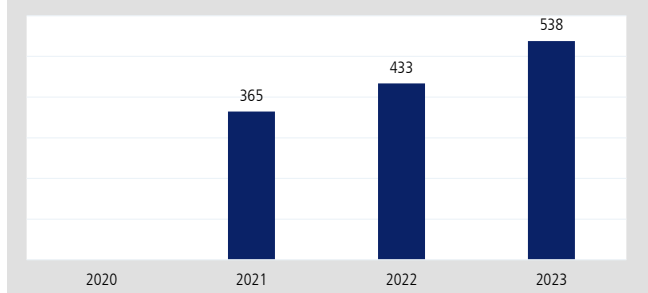
Electricity consumption, GWh



Source: Company data, SETSMART, KGI Securities Research

Total water withdrawal

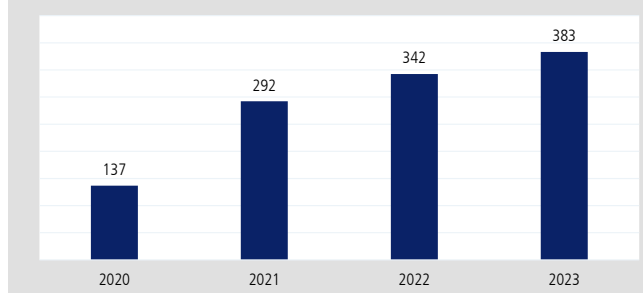
Water withdrawal, '000 m³



Source: Company data, SETSMART, KGI Securities Research

Total waste

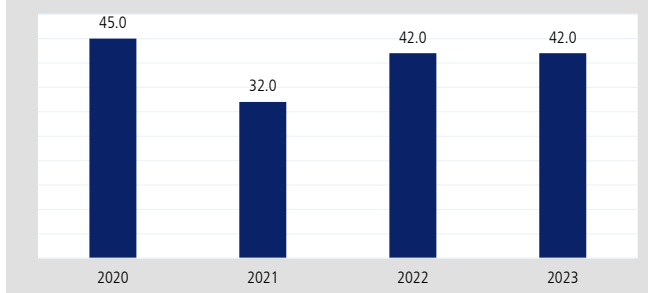
Waste generated, tons



Source: Company data, SETSMART, KGI Securities Research

Average employee training hours

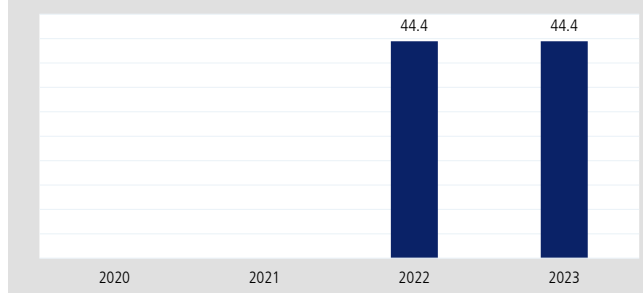
Average employee training hour, hours per person per year



Source: Company data, SETSMART, KGI Securities Research

Proportion of independent directors

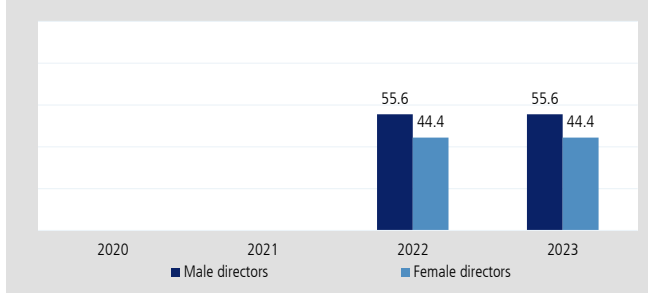
Independent directors, percent



Source: Company data, SETSMART, KGI Securities Research

Gender diversification of directors

Gender diversification, percent



Source: Company data, SETSMART, KGI Securities Research

SET ESG Ratings

Stock	Company name	SET ESG Ratings	Stock	Company name	SET ESG Ratings
ADVANC	ADVANCED INFO SERVICE	AAA	KTC	KRUNGTHAI CARD	AAA
AMATA	AMATA CORPORATION	AAA	LH	LAND AND HOUSES	A
AOT	AIRPORTS OF THAILAND	A	MAJOR	MAJOR CINEPLEX GROUP	AA
AP	AP (THAILAND)	AA	MEGA	MEGA LIFESCIENCES	A
BAFS	BANGKOK AVIATION FUEL SERVICES PCL.	AA	MINT	MINOR INTERNATIONAL	AA
BAM	BANGKOK COMMERCIAL ASSET MANAGEMENT	AA	MTC	MUANGTHAI CAPITAL	A
BANPU	BANPU	AAA	OR	PTT OIL AND RETAIL BUSINESS	AAA
BBGI	BBGI	AA	ORI	ORIGIN PROPERTY	AA
BBL	BANGKOK BANK	AA	OSP	OSOTSPA	AA
BCH	BANGKOK CHAIN HOSPITAL	AA	PLANB	PLAN B MEDIA	AA
BCP	BANGCHAK CORPORATION	AAA	PSH	PRUKSA HOLDING	BBB
BCPG	BCPG	AA	PTT	PTT	AAA
BDMS	BANGKOK DUSIT MEDICAL SERVICES	AA	PTTEP	PTT EXPLORATION AND PRODUCTION	AAA
BEM	BANGKOK EXPRESSWAY AND METRO	AA	PTTGC	PTT GLOBAL CHEMICAL	AAA
BGRIM	B.GRIMM POWER	AAA	RATCH	RATCH GROUP	AA
BPP	BANPU POWER	AAA	RBF	R&B FOOD SUPPLY	BBB
BTS	BTS GROUP HOLDINGS	AA	SAK	SAKSIAM LEASING	A
CBG	CARABAO GROUP	A	SAPPE	SAPPE	BBB
CENDEL	CENTRAL PLAZA HOTEL	A	SAT	SOMBOON ADVANCE TECHNOLOGY	AA
CK	CH. KARNCHANG	A	SAWAD	SRISAWAD CORPORATION	BBB
CKP	CK POWER	AAA	SCB	SCB X	AA
COM7	COM7	A	SCC	THE SIAM CEMENT	AAA
CPALL	CP ALL	AAA	SCCC	SIAM CITY CEMENT	AA
CPAXT	CP AXTRA	AAA	SCGP	SCG PACKAGING	AAA
CPF	CHAROEN POKPHAND FOODS	AAA	SHR	S HOTELS AND RESORTS	A
CPN	CENTRAL PATTANA	AA	SICT	SILICON CRAFT TECHNOLOGY	A
EGCO	ELECTRICITY GENERATING	AA	SMPC	SAHAMITR PRESSURE CONTAINER	AA
ERW	THE ERAWAN GROUP	A	SNC	SNC FORMER	A
GFPT	GFPT	BBB	SPALI	SUPALAI	AA
GLOBAL	SIAM GLOBAL HOUSE	AA	STEC	SINO-THAI ENGINEERING AND CONSTRUCTION	A
GPSC	GLOBAL POWER SYNERGY	AA	STGT	SRI TRANG GLOVES (THAILAND)	AAA
GULF	GULF ENERGY DEVELOPMENT	AA	TCAP	THANACHART CAPITAL	A
HANA	HANA MICROELECTRONICS	AA	TFG	THAIFOODS GROUP	A
HENG	HENG LEASING AND CAPITAL	A	THCOM	THAICOM	AAA
HMPRO	HOME PRODUCT CENTER	AA	TISCO	TISCO FINANCIAL GROUP	AAA
INTUCH	INTOUCH HOLDINGS	AA	TOP	THAI OIL	AAA
IRPC	IRPC	AA	TTB	TMBTHANACHART BANK	AA
IVL	INDORAMA VENTURES	AA	UBE	UBON BIO ETHANOL	A
KBANK	KASIKORNBANK	AAA	VGI	VGI	AA
KEX	KERRY EXPRESS (THAILAND)	BBB	WHA	WHA CORPORATION	AAA
KKP	KIATNAKIN PHATRA BANK	BBB	WHAUP	WHA UTILITIES AND POWER	AAA
KTB	KRUNG THAI BANK	AAA	ZEN	ZEN CORPORATION GROUP	AA

Source: www.setsustainability.com

Disclaimer: The disclosure of the Anti-Corruption Progress Indicators of a listed company on the Stock Exchange of Thailand, which is assessed by the relevant institution as disclosed by the Office of the Securities and Exchange Commission, is made in order to comply with the policy and sustainable development plan for the listed companies. The relevant institution made this assessment based on the information received from the listed company, as stipulated in the form for the assessment of Anti-corruption which refers to the Annual Registration Statement (Form 56-1), Annual Report (Form 56-2), or other relevant documents or reports of such listed company. The assessment result is therefore made from the perspective of a third party. It is not an assessment of operation and is not based on any inside information. Since this assessment is only the assessment result as of the date appearing in the assessment result, it may be changed after that date or when there is any change to the relevant information. Nevertheless, KGI Securities (Thailand) Public Company Limited (KGI) does not confirm, verify, or certify the accuracy and completeness of the assessment result.

Corporate Governance Report of Thai Listed Companies



Companies with Excellent CG Scoring

Stock	Company name	Stock	Company name	Stock	Company name
AAV	ASIA AVIATION	GFPT	GFPT	SAK	SAKSIAM LEASING
ADVANC	ADVANCED INFO SERVICE	GGC	GLOBAL GREEN CHEMICALS	SAPPE	SAPPE
AEONTS	AEON THANA SINSAP (THAILAND)	GLOBAL	SIAM GLOBAL HOUSE	SAT	SOMBOON ADVANCE TECHNOLOGY
AMA	AMA MARINE	GPSC	GLOBAL POWER SYNERGY	SCB	SCB X
AMATA	AMATA CORPORATION	GULF	GULF ENERGY DEVELOPMENT	SCC	THE SIAM CEMENT
ANAN	ANANDA DEVELOPMENT	HANA	HANA MICROELECTRONICS	SCCC	SIAM CITY CEMENT
AOT	AIRPORTS OF THAILAND	HENG	HENG LEASING AND CAPITAL	SCGP	SCG PACKAGING
AP	AP (THAILAND)	HMPRO	HOME PRODUCT CENTER	SEAFCO	SEAFCO
BAFS	BANGKOK AVIATION FUEL SERVICES PCL.	INTUCH	INTOUCH HOLDINGS	SFT	SHRINKFLEX (THAILAND)
BAM	BANGKOK COMMERCIAL ASSET MANAGEMENT	IRPC	IRPC	SHR	S HOTELS AND RESORTS
BANPU	BANPU	ITC	i-Tail Corporation	SICT	SILICON CRAFT TECHNOLOGY
BBGI	BBGI	IVL	INDORAMA VENTURES	SMPC	SAHAMITR PRESSURE CONTAINER
BBL	BANGKOK BANK	KBANK	KASIKORN BANK	SNC	SNC FORMER
BCH	BANGKOK CHAIN HOSPITAL	KCE	KCE ELECTRONICS	SNNP	SRINANAPORN MARKETING
BCP	BANGCHAK CORPORATION	KEX	KERRY EXPRESS (THAILAND)	SPALI	SUPALAI
BCPG	BCPG	KKP	KIATNAKIN PHATRA BANK	SPRC	STAR PETROLEUM REFINING
BDMS	BANGKOK DUSIT MEDICAL SERVICES	KTB	KRUNG THAI BANK	STEC	SINO-THAI ENGINEERING AND CONSTRUCTION
BEC	BEC WORLD	KTC	KRUNGTHAI CARD	STGT	SRI TRANG GLOVES (THAILAND)
BEM	BANGKOK EXPRESSWAY AND METRO	LH	LAND AND HOUSES	SUN	SUNSWEEP
BGRIM	B. GRIMM POWER	LPN	L.P.N. DEVELOPMENT	SVI	SVI
BH	BUMRUNGRAD HOSPITAL	M	MK RESTAURANT GROUP	TACC	T.A.C. CONSUMER
BPP	BANPU POWER	MAJOR	MAJOR CINEPLEX GROUP	TCAP	THANACHART CAPITAL
BTS	BTS GROUP HOLDINGS	MBK	MBK	TFG	THAIFOODS GROUP
CBG	CARABAO GROUP	MEGA	MEGA LIFESCIENCES	THCOM	THAICOM
CENTEL	CENTRAL PLAZA HOTEL	MINT	MINOR INTERNATIONAL	TIDLOR	NGERN TID LOR
CK	CH. KARNCHANG	MTC	MUANGTHAI CAPITAL	TISCO	TISCO FINANCIAL GROUP
CKP	CK POWER	OR	PTT OIL AND RETAIL BUSINESS	TKN	TAOKAENOI FOOD & MARKETING
COM7	COM7	ORI	ORIGIN PROPERTY	TOP	THAI OIL
CPALL	CP ALL	OSP	OSOTSPA	TTB	TMBTHANACHART BANK
CPAXT	CP AXTRA	PLANB	PLAN B MEDIA	UBE	UBON BIO ETHANOL
CPF	CHAROEN POKPHAND FOODS	PSH	PRUKSA HOLDING	VGI	VGI
CPN	CENTRAL PATTANA	PTT	PTT	WHA	WHA CORPORATION
DELTA	DELTA ELECTRONICS (THAILAND)	PTTEP	PTT EXPLORATION AND PRODUCTION	WHAUP	WHA UTILITIES AND POWER
DOHOM	DOHOM	PTTGC	PTT GLOBAL CHEMICAL	ZEN	ZEN CORPORATION GROUP
EGCO	ELECTRICITY GENERATING	QH	QUALITY HOUSES		
ERW	THE ERAWAN GROUP	RATCH	RATCH GROUP		



Companies with Very Good CG Scoring

Stock	Company name	Stock	Company name	Stock	Company name
BSRC	BANGCHAK SRIRACHA	JMART	JAYMART GROUP HOLDINGS	SINGER	SINGER THAILAND
BTG	BETAGRO	NTSC	Nutrition SC	TNP	THANAPIRIYA
EKH	EKACHAI MEDICAL CARE	PQS	Premier Quality Starch	XO	EXOTIC FOOD
HUMAN	HUMANICA	PYLON	PYLON		



Companies with Good CG Scoring

Stock	Company name	Stock	Company name	Stock	Company name
IIG	I&I GROUP	SAWAD	SRISAWAD CORPORATION	SPA	SIAM WELLNESS GROUP
JMT	JMT NETWORK SERVICES	SMD	SAINTMED		

Companies classified Not in the three highest score groups

Stock	Company name	Stock	Company name	Stock	Company name
AU	AFTER YOU	PJW	PANJAWATTANA PLASTIC	TGE	THACHANG GREEN ENERGY
CHG	CHULARAT HOSPITAL	PLT	Pilatus Marine	TPCH	TPC POWER HOLDING
LPH	LADPRAO GENERAL HOSPITAL	PTG	PTG ENERGY	TU	THAI UNION GROUP
MENA	MENA TRANSPORT	SFLEX	STARFLEX		
NETBAY	NETBAY	SISB	SISB		

Source: www.thai-iod.com

Disclaimer: The disclosure of the survey result of the Thai Institute of Directors Association ("IOD") regarding corporate governance is made pursuant to the policy of the Office of the Securities and Exchange Commission. The survey of the IOD is based on the information of a company listed on the Stock Exchange of Thailand and the Market for Alternative Investment disclosed to the public and able to be accessed by a general public investor. The result, therefore, is from the perspective of a third party. It is not an assessment of operation and is not based on inside information. The survey result is as of the date appearing in the Corporate Governance Report of Thai Listed Companies. As a result, the survey result may be changed after that date or when there is any change to the relevant information. Nevertheless, KGI Securities (Thailand) Public Company Limited (KGI) does not confirm, verify, or certify the accuracy and completeness of such survey result.

Anti-corruption Progress Indicator

Level 5: Extended

Stock	Company name	Stock	Company name	Stock	Company name
ADVANC	ADVANCED INFO SERVICE	GLOBAL	SIAM GLOBAL HOUSE	QH	QUALITY HOUSES
ANAN	ANANDA DEVELOPMENT	GPSC	GLOBAL POWER SYNERGY	RATCH	RATCHABURI ELECTRICITY GENERATING HOLDING
BBL	BANGKOK BANK	HMPRO	HOME PRODUCT CENTER	ROBINS	ROBINSON DEPARTMENT STORE
BCH	BANGKOK CHAIN HOSPITAL	IRPC	IRPC	SCC	THE SIAM CEMENT
BDMS	BANGKOK DUSIT MEDICAL SERVICES	KBANK	KASIKORN BANK	SIRI	SANSIRI
BIGC	BIG C SUPERCENTER	KCE	KCE ELECTRONICS	SPALI	SUPALAI
CK	CH. KARNCHANG	KKP	KIATNAKIN BANK	STEC	SINO-THAI ENGINEERING AND CONSTRUCTION
DCC	DYNASTY CERAMIC	KTB	KRUNG THAI BANK	TCAP	THANACHART CAPITAL
DELTA	DELTA ELECTRONICS (THAILAND)	LPH	LADPRAO GENERAL HOSPITAL	TISCO	TISCO FINANCIAL GROUP
DRT	DIAMOND ROOFING TILES	PACE	PACE DEVELOPMENT CORPORATION	TMT	THAI METAL TRADE
EGCO	ELECTRICITY GENERATING	PTT	PTT	TOP	THAI OIL
GFPT	GFPT	PTTGC	PTT GLOBAL CHEMICAL		

Level 4: Certified

Stock	Company name	Stock	Company name	Stock	Company name
AAV	ASIA AVIATION	ERW	THE ERAWAN GROUP	SAPPE	SAPPE
AP	ASIAN PROPERTY DEVELOPMENT	GLOW	GLOW ENERGY	SAWAD	SRISAWAD POWER 1979
BA	BANGKOK AIRWAYS	GUNKUL	GUNKUL ENGINEERING	SCB	THE SIAM COMMERCIAL BANK
BANPU	BANPU	ILINK	INTERLINK COMMUNICATION	SCN	SCAN INTER
BCP	THE BANGCHAK PETROLEUM	KTC	KRUNGTHAI CARD	SEAFCO	SEAFCO
BH	BUMRUNGRAD HOSPITAL	LH	LAND AND HOUSES	SVI	SVI
BJCHI	BJC HEAVY INDUSTRIES	LPN	L.P.N. DEVELOPMENT	TASCO	TIPCO ASPHALT
CBG	CARABAO GROUP	MAKRO	SIAM MAKRO	TKN	TAOKAENOI FOOD & MARKETING
CENDEL	CENTRAL PLAZA HOTEL	MALEE	MALEE SAMPRAN	TMB	TMB BANK
CHG	CHULARAT HOSPITAL	MINT	MINOR INTERNATIONAL	TRT	TIRATHAI
CKP	CK POWER	MODERN	MODERNFORM GROUP	TRUE	TRUE CORPORATION
CPF	CHAROEN POKPHAND FOODS	NOK	NOK AIRLINES	TVO	THAI VEGETABLE OIL
CPN	CENTRAL PATTANA	PTTEP	PTT EXPLORATION AND PRODUCTION		
DTAC	TOTAL ACCESS COMMUNICATION	PYLON	PYLON		

Level 3: Established

Stock	Company name	Stock	Company name	Stock	Company name
BEM	BANGKOK EXPRESSWAY AND METRO	MTLS	MUANGTHAI LEASING	SPRC	STAR PETROLEUM REFINING
CPALL	CP ALL	SCI	SCI ELECTRIC		

No progress

Stock	Company name	Stock	Company name	Stock	Company name
AOT	AIRPORTS OF THAILAND	BPP	BANPU POWER	FN	FN FACTORY OUTLET
BCPG	BCPG	BTS	BTS GROUP HOLDINGS	TPCH	TPC POWER HOLDING

Source: www.cgthailand.org

Disclaimer: The disclosure of the Anti-Corruption Progress Indicators of a listed company on the Stock Exchange of Thailand, which is assessed by the relevant institution as disclosed by the Office of the Securities and Exchange Commission, is made in order to comply with the policy and sustainable development plan for the listed companies. The relevant institution made this assessment based on the information received from the listed company, as stipulated in the form for the assessment of Anti-corruption which refers to the Annual Registration Statement (Form 56-1), Annual Report (Form 56-2), or other relevant documents or reports of such listed company. The assessment result is therefore made from the perspective of a third party. It is not an assessment of operation and is not based on any inside information. Since this assessment is only the assessment result as of the date appearing in the assessment result, it may be changed after that date or when there is any change to the relevant information. Nevertheless, KGI Securities (Thailand) Public Company Limited (KGI) does not confirm, verify, or certify the accuracy and completeness of the assessment result.

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Rating	Definition
Outperform (OP)	The stock's excess return over the next twelve months is ranked in the top 40% of KGI's coverage universe in the related market (e.g. Taiwan)..
Neutral (N)	The stock's excess return over the next twelve months is ranked in the range between the top 40% and the bottom 40% of KGI's coverage universe in the related market (e.g. Taiwan)
Under perform (U)	The stock's excess return over the next twelve months is ranked in the bottom 40% of KGI's coverage universe in the related market (e.g. Taiwan).
Not Rated (NR)	The stock is not rated by KGI.
Restricted (R)	KGI policy and/or applicable law regulations preclude certain types of communications, including an investment recommendation, during the course of KGI's engagement in an investment banking transaction and in certain other circumstances. Excess return = 12M target price/current price-
Note	When an analyst publishes a new report on a covered stock, we rank the stock's excess return with those of other stocks in KGI's coverage universe in the related market. We will assign a rating based on its ranking. If an analyst does not publish a new report on a covered stock, its rating will not be changed automatically.

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