

15 JULY 2020

THAILAND / COMMERCE

SRI TRANG GLOVES (THAILAND)

BUY

UNCHANGED

STGT TB

TARGET PRICE	THB111.00
CLOSE	THB84.00
UP/DOWNSIDE	+32.1%
TP vs CONSENSUS	+24.6%

ภาพราคาขายเฉลี่ยในกรณีการระบาดรอบสอง

COVID-19 รอบสองกระตุ้นความต้องการถุงมือยาง

นับตั้งแต่ต้นเดือน ก.ค. 20 เป็นต้นมา STGT และอีก 4 ผู้ผลิตถุงมือยางรายใหญ่ในมาเลเซีย ต่างพบว่าความต้องการถุงมือยางเพิ่มขึ้นในอัตราที่สูงถึงกว่า 30% y-y จากประมาณการของเรา การกลับมาระบาดทั่วโลกของไวรัส COVID-19 เมื่อเร็ว ๆ นี้โดยเฉพาะในซีกโลกตะวันตก อันประกอบไปด้วยสหรัฐฯ ประเทศยุโรปหลายประเทศ และแม้แต่จีน ญี่ปุ่น เกาหลี ไทย และ อินเดีย ทำให้อุปทานถุงมือยางตกอยู่ในสภาพขาดแคลนอย่างหนัก จากตัวเลขของผู้บริหารของ STGT กลุ่มผู้ผลิตถุงมือยางคาดว่าอุปทานจะเพิ่มขึ้น 15% y-y ตัวเลขดังกล่าวถูกจำกัดโดยระยะเวลา 18 เดือนในการเพิ่มและเริ่มกำลังการผลิตใหม่ภายใต้ข้อจำกัดด้านน้ำยางสังเคราะห์ และเครื่องจักรในการผลิตถุงมือ

ราคาขายถุงมือยางเฉลี่ย

เราเชื่อว่าอุปทานที่ขาดแคลนอย่างหนักในอุตสาหกรรมถุงมือยางจะทำให้ STGT สามารถปรับราคาขายเฉลี่ยสำหรับคำสั่งซื้อถุงมือยางเพื่อการส่งมอบใน 1H21 ได้ 20-30% ต่อเดือนอย่างต่อเนื่อง ซึ่งเป็นอัตราสูงเมื่อเทียบกับการปรับขึ้นเพียง 3-5% m-m ในช่วงเดือน มี.ค. - พ.ค. 20 และ 10-15% ในเดือน มิ.ย. 20 จากข้อมูลของผู้บริหาร STGT เริ่มรับคำสั่งซื้อถุงมือยางล่วงหน้านานถึง 12 เดือน ซึ่งยาวกว่า 2-3 เดือนในเวลาลปกติในราคาขายเฉลี่ยที่เพิ่มขึ้นต่อเดือนซึ่งเราคาดว่า จะเพิ่มจาก 19 เหรียญสหรัฐฯ ต่อ 1,000 ชิ้นในปี 2019 เป็น 40-45 เหรียญสหรัฐฯ ต่อ 1,000 ชิ้นใน 4Q20 ปัจจุบันบริษัทกำลังตกลงราคาขายเฉลี่ยล่วงหน้าสำหรับคำสั่งซื้อถุงมือยางเพื่อการส่งมอบใน 1H21 ที่ราคา 45-60 เหรียญสหรัฐฯ ต่อ 1,000 ชิ้น ซึ่งสูงกว่าสมมติฐานราคาขายเฉลี่ยปัจจุบันของเราที่ 38.5 เหรียญสหรัฐฯ ต่อ 1,000 ชิ้นในเดือน ธ.ค. 20 และไตรมาส 1Q21 อย่างมีนัยสำคัญ

การประเมินมูลค่าภายใต้แนวโน้มราคาขายเฉลี่ยขาขึ้นในปี 2021

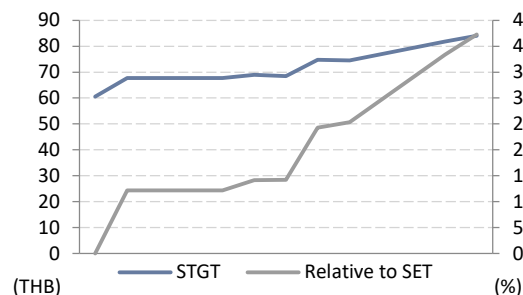
จากการวิเคราะห์ เราพบว่าถ้าราคาเฉลี่ยของ STGT สำหรับถุงมือยางที่ขายในปี 2021 เพิ่มขึ้นจากสมมติฐานปัจจุบันที่ 30.1 เหรียญสหรัฐฯ ต่อ 1,000 ชิ้นเป็น 35-60 เหรียญสหรัฐฯ ต่อ 1,000 ชิ้นในปี 2021 ราคาตลาดของ STGT ที่ 84 บาท ณ วันที่ 14 ก.ค. 20 อาจมี Upside สูงถึง 106-477% โดยสมมติให้ (1) ราคาน้ำยางธรรมชาติอยู่ที่ 36.3 บาท ต่อ กก. (+10% y-y) และราคาน้ำยางสังเคราะห์อยู่ที่ 41 บาทต่อ กก. (+30% y-y); (2) อัตราแลกเปลี่ยนอยู่ที่ 32 บาทต่อเหรียญสหรัฐฯ; และ (3) ยอดขายอยู่ที่ 29.2 พันล้านชิ้น

คงคำแนะนำซื้อที่ราคาเป้าหมาย 111 บาท

เราคงคำแนะนำซื้อ STGT ที่ราคาเป้าหมาย 111 บาท (FY21E P/E 25x) เราคิดว่าราคาดังกล่าวเหมาะสมเนื่องจากสมมติฐาน FY21E P/E ที่ 25x ของเรายังต่ำกว่า FY21E P/E เฉลี่ยของกลุ่มหลัก 4 รายของ STGT ในมาเลเซียที่ 36.7x หรือ FY21E P/E เฉลี่ยที่ 29x ถ้ารวม HART

KEY STOCK DATA

YE Dec (THB m)	2019	2020E	2021E	2022E
Revenue	11,994	19,495	26,144	25,884
Net Profit	614	4,260	6,343	3,954
EPS (THB)	0.62	2.98	4.43	2.76
vs Consensus (%)	-	7.7	21.0	(2.7)
EBITDA	1,502	6,145	8,772	6,261
Core net profit	614	4,260	6,343	3,954
Core EPS (THB)	0.62	2.98	4.43	2.76
EPS growth (%)	(87.6)	380.2	48.9	(37.7)
Core P/E (x)	135.5	28.2	18.9	30.4
Dividend yield (%)	0.1	0.8	1.0	1.1
EV/EBITDA (x)	59.7	18.2	12.4	17.1
Price/book (x)	18.9	5.5	4.4	4.0
Net debt/Equity (%)	147.3	(39.0)	(43.1)	(42.9)
ROE (%)	18.0	32.5	25.9	13.8



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	n/a	n/a	n/a
Relative to country (%)	n/a	n/a	n/a
Mkt cap (USD m)	3,803		
3m avg. daily turnover (USD m)	n/a		
Free float (%)	30		
Major shareholder	STA & Sincharoenkul family (65%)		
12m high/low (THB)	89.75/55.25		
Issued shares (m)	1,430.78		

Sources: Bloomberg consensus; FSSIA estimates



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บทวิเคราะห์ฉบับนี้แปลมาจากบทวิเคราะห์ของ FSSIA ฉบับวันที่ 15 กรกฎาคม 2020

Exhibit 1: Key assumptions

	2020E	2021E	2022E
Average utilisation rate (%)	92	93	94
Sales volume (m pieces)	28,093	29,233	34,929
ASP - powdered (USD/1,000 pieces)	22.0	25.6	22.5
ASP - powder-free (USD/1,000 pieces)	27.4	31.8	28.0
ASP - nitrile (USD/1,000 pieces)	28.2	32.8	28.8
ASP - blended (USD/1,000 pieces)	25.9	30.1	26.5
Concentrated latex price (THB/kg)	33.0	36.3	38.0
Synthetic latex price (THB/kg)	34.0	41.0	42.0
Exchange rate (THB/USD)	32.0	32.0	32.0

Source: FSSIA estimates

Exhibit 2: Net profit, EPS, and target price sensitivity to changes of ASP in 2021E

ASP (USD/1,000 pieces)	Net profit		EPS		Target price at each level of P/E									
	2021E (THB m)	2021E (THB/share)	20	21	22	23	24	25	26	27	28	29	30	
25.0	2,773	1.94	39	41	43	45	47	48	50	52	54	56	58	
30.1* (base case)	6,343	4.43	89	93	98	102	106	111	115	120	124	129	133	
35.0	9,912	6.93	139	145	152	159	166	173	180	187	194	201	208	
40.0	13,481	9.42	188	198	207	217	226	236	245	254	264	273	283	
45.0	17,051	11.92	238	250	262	274	286	298	310	322	334	346	358	
50.0	20,620	14.41	288	303	317	331	346	360	375	389	404	418	432	
55.0	24,190	16.91	338	355	372	389	406	423	440	456	473	490	507	
60.0	27,759	19.40	388	407	427	446	466	485	504	524	543	563	582	

Source: * FSSIA estimates

Exhibit 3: Valuation upside/downside to market price of THB84

ASP (USD/1,000 pieces)	% change of		% upside to market price of THB84 at each level of P/E										
	Net profit	EPS	20x	21x	22x	23x	24x	25x	26x	27x	28x	29x	30x
25.0	(56)	(56)	(54)	(52)	(49)	(47)	(45)	(42)	(40)	(38)	(35)	(33)	(31)
30.1* (base case)	-	-	6	11	16	21	27	32	37	42	48	53	58
35.0	56	56	65	73	81	90	98	106	114	123	131	139	147
40.0	113	113	124	136	147	158	169	180	192	203	214	225	237
45.0	169	169	184	198	212	226	240	255	269	283	297	311	326
50.0	225	225	243	260	277	295	312	329	346	363	380	398	415
55.0	281	281	303	323	343	363	383	403	423	443	464	484	504
60.0	338	338	362	385	408	431	454	477	501	524	547	570	593

Source: * FSSIA estimates

Exhibit 4: Peer comparisons as of 14 Jul 2020

Company	BBG code	Rec	Share price	Target price	Upside	Market Cap	3Y** EPS CAGR	PE		ROE		PBV		EV/EBITDA	
								20E	21E	20E	21E	20E	21E	20E	21E
			(LCY)	(LCY)	(%)	(USD m)	(%)	(x)	(x)	(%)	(%)	(x)	(x)	(x)	(x)
Thailand															
Sri Trang Gloves (Thailand)*	STGT TB	BUY	81.75	111.0	36	1,945	92.6	27.4	18.5	32.6	17.4	5.4	5.4	17.7	12.0
Malaysia															
Top Glove Corp	TOPG MK	NR	24	NA	NA	15,531	97.3	49.8	21.4	43.4	67.6	18.6	12.6	35.8	16.1
Hartalega Holdings	HART MK	NR	17.9	NA	NA	14,659	31.3	134.9	57.9	19.2	35.6	25.7	21.2	88.6	42.7
Kossan Rubber Industries	KRI MK	NR	12.7	NA	NA	4,360	34.2	37.9	33.2	27.7	26.6	10.6	9.1	26.7	22.8
Supermax Corp	SUCB MK	NR	15.98	NA	NA	5,310	78.3	73.8	32.3	25.1	44.1	17.0	12.1	45.9	20.0
Malaysia average						39,860	68.7	83.0	37.6	30.3	48.2	20.1	15.3	55.6	27.2
Average (all)						41,805	69.8	80.4	36.7	30.4	46.8	19.4	14.9	53.8	26.5

** 2019-2021E

Sources: Bloomberg consensus; * FSSIA estimates

Financial Statements

Sri Trang Gloves (Thailand)

Profit and Loss (THB m) Year Ending Dec	2018	2019	2020E	2021E	2022E
Revenue	10,989	11,994	19,495	26,144	25,884
Cost of goods sold	(8,551)	(9,766)	(12,180)	(15,777)	(18,069)
Gross profit	2,437	2,228	7,314	10,367	7,815
Other operating income	-	-	-	-	-
Operating costs	(550)	(725)	(1,170)	(1,595)	(1,553)
Operating EBITDA	1,888	1,502	6,145	8,772	6,261
Depreciation	(628)	(789)	(1,092)	(1,367)	(1,642)
Goodwill amortization	0	0	0	0	0
Operating EBIT	1,259	713	5,052	7,405	4,619
Net financing costs	(168)	(105)	(151)	(68)	(76)
Associates	0	0	0	0	0
Recurring non operating income	114	109	80	80	80
Non recurring items	(17)	0	0	0	0
Profit before tax	1,187	718	4,982	7,416	4,623
Tax	(206)	(104)	(721)	(1,074)	(669)
Profit after tax	982	614	4,260	6,343	3,954
Minority interests	0	0	0	0	0
Preferred dividends	0	0	0	0	0
Other items	0	0	0	0	0
Reported net profit	982	614	4,260	6,343	3,954
Non recurring items & goodwill (net)	17	0	0	0	0
Recurring net profit	999	614	4,260	6,343	3,954
Per share (THB)					
Recurring EPS *	4.99	0.62	2.98	4.43	2.76
Reported EPS	4.91	0.62	2.98	4.43	2.76
DPS	0.24	0.11	0.70	0.80	0.90
Diluted shares (used to calculate per share data)	200	990	1,431	1,431	1,431
Growth					
Revenue (%)	(2.3)	9.2	62.5	34.1	(1.0)
Operating EBITDA (%)	131.3	(20.4)	309.0	42.8	(28.6)
Operating EBIT (%)	332.1	(43.4)	608.3	46.6	(37.6)
Recurring EPS (%)	188.1	(87.6)	380.2	48.9	(37.7)
Reported EPS (%)	357.5	(87.4)	380.2	48.9	(37.7)
Operating performance					
Gross margin inc depreciation (%)	16.5	12.0	31.9	34.4	23.8
Gross margin of key business (%)	-	-	-	-	-
Operating EBITDA margin (%)	17.2	12.5	31.5	33.6	24.2
Operating EBIT margin (%)	11.5	5.9	25.9	28.3	17.8
Net margin (%)	9.1	5.1	21.9	24.3	15.3
Effective tax rate (%)	17.3	14.5	14.5	14.5	14.5
Dividend payout on recurring profit (%)	4.8	17.7	23.5	18.0	32.6
Interest cover (X)	8.2	7.9	34.1	109.9	61.6
Inventory days	63.9	61.5	54.3	53.4	56.4
Debtor days	56.3	53.8	32.0	27.0	31.0
Creditor days	52.1	49.6	46.9	46.1	48.8
Operating ROIC (%)	15.3	6.0	33.9	(10.4)	(5.7)
ROIC (%)	16.1	6.7	33.4	(10.3)	(5.7)
ROE (%)	46.4	18.0	32.5	25.9	13.8
ROA (%)	13.0	5.8	22.3	21.8	11.6
* Pre exceptional, pre-goodwill and fully diluted					
Revenue By Division (THB m)					
Natural rubber powdered gloves	3,385	4,270	7,659	10,483	9,894
Natural rubber powder-free gloves	3,012	3,205	4,372	5,872	6,105
Nitrile gloves	4,404	4,519	7,464	9,789	9,885
Natural rubber products business	187	0	0	0	0

Sources: Sri Trang Gloves (Thailand); FSSIA estimates

Financial Statements

Sri Trang Gloves (Thailand)

Cash Flow (THB m) Year Ending Dec	2018	2019	2020E	2021E	2022E
Recurring net profit	999	614	4,260	6,343	3,954
Depreciation	628	789	1,092	1,367	1,642
Associates & minorities	0	0	0	0	0
Other non-cash items	-	-	-	-	-
Change in working capital	(672)	133	(465)	(533)	(303)
Cash flow from operations	955	1,536	4,888	7,176	5,293
Capex - maintenance	(1,536)	(3,180)	(3,023)	(3,023)	(3,023)
Capex - new investment	(1,903)	(133)	0	0	0
Net acquisitions & disposals	0	0	0	0	0
Other investments (net)	(563)	324	0	0	0
Cash flow from investing	(4,002)	(2,990)	(3,023)	(3,023)	(3,023)
Dividends paid	(28)	(109)	(109)	(1,002)	(1,145)
Equity finance	0	0	0	0	0
Debt finance	1,746	1,819	(5,000)	0	500
Other financing cash flows	1,328	(248)	13,223	60	58
Cash flow from Financing	3,046	1,462	8,114	(942)	(586)
Non recurring cash flows	-	-	-	-	-
Other adjustments	0	0	0	0	0
Net other adjustments	0	0	0	0	0
Movement in cash	0	8	9,979	3,211	1,683
Free cash flow to firm (FCFF)	(2,884.60)	(1,259.61)	2,015.17	4,221.25	2,345.96
Free cash flow to equity (FCFE)	27.67	116.81	10,087.69	4,212.77	2,827.88
Per share (THB)					
FCFF per share	(2.02)	(0.88)	1.41	2.95	0.87
FCFE per share	0.02	0.08	7.05	2.94	1.21
Recurring cash flow per share	8.14	1.42	3.74	5.39	3.91
Balance Sheet (THB m) Year Ending Dec					
Tangible fixed asset (gross)	8,031	10,561	13,584	16,607	19,631
Less: Accumulated depreciation	(1,993)	(1,999)	(3,091)	(4,458)	(6,100)
Tangible fixed assets (Net)	6,038	8,562	10,493	12,149	13,531
Intangible fixed assets (Net)	221	221	221	221	221
Long-term financial assets	-	-	-	-	-
Invest. In associates & subsidiaries	-	-	-	-	-
Cash & equivalents	573	581	10,560	13,772	15,455
A/C receivable	1,922	1,612	1,807	2,068	2,327
Inventories	1,681	1,612	2,010	2,604	2,982
Other current assets	74	507	825	1,106	1,095
Current assets	4,251	4,312	15,202	19,550	21,859
Other assets	142	121	121	121	121
Total assets	10,652	13,216	26,037	32,041	35,731
Common equity	2,431	4,402	21,777	27,178	30,045
Minorities etc	1,358	0	0	0	0
Total Shareholders' equity	3,789	4,402	21,777	27,178	30,045
Long term debt	4,249	5,846	1,846	1,846	2,346
Other long-term liabilities	248	195	195	195	195
Long-term liabilities	4,497	6,041	2,041	2,041	2,541
A/C payable	1,263	1,393	1,737	2,250	2,577
Short term debt	996	1,218	218	218	218
Other current liabilities	107	163	264	354	351
Current liabilities	2,366	2,773	2,219	2,822	3,145
Total liabilities and shareholders' equity	10,652	13,216	26,037	32,041	35,731
Net working capital	2,308	2,176	2,640	3,174	3,476
Invested capital	8,709	11,079	13,475	15,665	17,349
* Includes convertibles and preferred stock which is being treated as debt					
Per share (THB)					
Book value per share	12.15	4.45	15.22	19.00	21.00
Tangible book value per share	11.05	4.22	15.07	18.84	20.84
Financial strength					
Net debt/Equity (%)	123.3	147.3	(39.0)	(43.1)	(42.9)
Net debt/total assets (%)	43.9	49.0	(32.6)	(36.5)	(36.1)
Current ratio (x)	1.8	1.6	6.9	6.9	6.9
CF interest cover (x)	12.5	3.4	68.0	62.9	23.7
Valuation					
Recurring P/E (x) *	16.8	135.5	28.2	18.9	30.4
Recurring P/E @ target price (x) *	22.2	179.0	37.3	25.0	40.2
Reported P/E (x)	17.1	135.5	28.2	18.9	30.4
Dividend yield (%)	0.3	0.1	0.8	1.0	1.1
Price/book (x)	6.9	18.9	5.5	4.4	4.0
Price/tangible book (x)	7.6	19.9	5.6	4.5	4.0
EV/EBITDA (x) **	12.1	59.7	18.2	12.4	17.1
EV/EBITDA @ target price (x) **	15.0	77.5	24.5	16.8	23.3
EV/invested capital (x)	2.6	8.1	8.3	6.9	6.2
* Pre exceptional & pre-goodwill are fully diluted ** EBITDA includes associate income and recurring non operating income					

Sources: Sri Trang Gloves (Thailand); FSSIA estimates

Corporate Governance report of Thai listed companies 2019

EXCELLENT LEVEL										
AAV	ADVANC	AIRA	AKP	AKR	AMA	AMATA	AMATAV	ANAN	AOT	AP
ARROW	BAFS	BANPU	BAY	BCP	BCPG	BOL	BRR	BTS	BTW	BWG
CFRESH	CHEWA	CHO	CK	CKP	CM	CNT	COL	COMAN	CPALL	CPF
CPI	CPN	CSS	DELTA	DEMCO	DRT	DTAC	DTC	EA	EASTW	ECF
EGCO	GBX	GC	GCAP	GEL	GGP	GGC	GOLD	GPSC	GRAMMY	GUNKUL
HANA	HARN	HMPRO	ICC	ICHI	III	ILINK	INTUCH	IRPC	IVL	JKN
JSP	K	KBANK	KCE	KKP	KSL	KTB	KTC	KTIS	LH	LHFG
LIT	LPN	MAKRO	MALEE	MBK	MBKET	MC	MCOT	MFEC	MINT	MONO*
MTC	NCH	NKL	NKI	NSI	NVD	NYT	OISHI	OTO	PAP	PCSGH
PDJ	PG	PHOL	PJW	PLANB	PLANET	PORT	PPS	PR9	PREB	PRG
PRM	PSH	PSL	PTG	PTT	PTTEP	PTTGC	PYLON	Q-CON	QH	QTC
RATCH	ROBINS**	RS	S	S & J	SABINA	SAMART	SAMTEL	SAT	SC	SCB
SCC	SCCC	SCN	SDC	SEAFCO	SEAOL	SE-ED	SELIC	SENA	SIS	SITHAI
SNC	SORKON	SPALI	SPI	SPRC	SSSC	STA	STEC	SVI	SYNTEC	TASCO
TCAP	THAI	THANA	THANI	THCOM	THIP	THREL	TIP	TISCO	TK	TKT
TMB	TMILL	TNDT	TOA	TOP	TRC	TRU	TRUE	TSC	TSR	TSTH
TTA	TTCL	TTW	TU	TVD	TVO	U	UAC	UV	VGI	VIH
WACOAL	WAVE	WHA	WHAUP	WICE	WINNER					
VERY GOOD LEVEL										
2S	ABM	ADB	AF	AGE	AH	AHC	AIT	ALLA	ALT	AMANA
AMARIN	APCO	APCS	AQUA	ARIP	ASAP	ASIA	ASIAN	ASIMAR	ASK	ASN
ASP	ATP30	AUCT	AYUD	B	BA	BBL	BDMS	BEC	BEM	BFIT
BGC	BGRIM	BIZ	BJC	BJCHI	BLA	BPP	BROOK	CBG	CEN	CENTEL
CGH	CHG	CHOTI	CHOW	CI	CIMBT	CNS	COLOR	COM7	COTTO	CRD
CSC	CSP	DCC	DCON	DDD	DOD	EASON	ECL	EE	EPG	ERW
ESTAR	ETE	FLOYD	FN	FNS	FORTH	FPI	FPT	FSMART	FSS	FVC
GENCO	GJS	GL	GLOBAL	GLOW**	GULF	HPT	HTC	HYDRO	ICN	IFS
INET	INSURE	IRC	IRCP	IT	ITD***	ITEL	J	JAS*	JCK	JCKH
JMART	JMT	JWD	KBS	KCAR	KBS	KIAT	KOOL	KWC	KWM	L&E
LALIN	LANNA	LDC	LHK	LOXLEY	LRH	LST	M	MACO	MAJOR	MBAX
MEGA	METCO	MFC	MK	MODERN	MOONG	MPG	MSC	MTI	NEP	NETBAY
NEX	NINE	NOBLE	NOK	NTV	NWR	OCC	OGC	ORI	OSP	PATO
PB	PDG	PDI	PL	PLAT	PNR	PPP	PRECHA	PRIN	PRINC	PSTC
PT	QLT	RCL	RICHY	RML	RWI	S11	SAAM	SALEE	SAMCO	SANKO
SAPPE	SAWAD	SCG	SCI	SCP	SE	SFP	SIAM	SINGER	SIRI	SKE
SKR	SKY	SMIT	SMK	SMP	SMT	SNP	SONIC	SPA	SPC	SPCG
SPVI	SR	SRICHA	SSC	SSF	SST	STANLY	STPI	SUC	SUN	SUSCO
SUTHA	SWC	SYMC	SYNEX	T	TACC	TAE	TAKUNI	TBSP	TCC	TCMC
TEAM	TEAMG	TFG	TFMAMA	THG	THRE	TIPCO	TITLE	TIW	TKN	TKS
TM	TMC	TMD	TMI	TMT	TNITY	TNL	TNP	TNR	TOG	TPA
TPAC	TPBI	TPCORP	TPOLY	TRITN	TRT	TSE	TSTE	TVI	TVT	TWP
TWPC	UBIS	UEC	UMI	UOBKH	UP	UPF	UPOIC	UT	UWC	VNT
WIIK	XO	YUASA	ZEN	ZMICO						
GOOD LEVEL										
A	ABICO	ACAP***	AEC	AEONTS	AJ	ALUCON	AMC	APURE	AS	ASEFA
AU	B52	BCH	BEAUTY	BGT	BH	BIG	BLAND	BM	BR	BROCK
BSBM	BSM	BTNC	CCET	CCP	CGD	CHARAN	CHAYO	CITY	CMAN	CMC
CMO	CMR	CPL	CPT	CSR	CTW	CWT	D	DIMET	EKH	EMC
EPCO	ESSO	FE	FTE	GIFT	GLAND	GLOCON	GPI	GREEN	GTB	GYT
HTECH	HUMAN	IHL	INGRS	INOX	JTS	JUBILE	KASET	KCM	KKC	KWG
KYE	LEE	LPH	MATCH	MATI	M-CHAI	MCS	MDX	META	MGT	MJD
MM	MVP	NC	NDR	NER	NNCL	NPK	NUSA	OCEAN	PAF	PF
PICO	PIMO	PK	PLE	PMTA	POST	PPM	PROUD	PTL	RCI	RJH
ROJNA	RPC	RPH	SF	SGF	SGP	SKN	SLP	SMART	SOLAR	SPG
SQ	SSP	STI	SUPER	SVOA	TCCC	THE	THMUI	TIC	TIGER	TNH
TOPP	TPCH	TPIPP	TPLAS	TQM	TTI	TYCN	UTP	VCOM	VIBHA	VPO
WIN	WORK	WP	WPH	ZIGA						
Score Range	Number of Logo					Description				
90-100						Excellent				
80-89						Very Good				
70-79						Good				
60-69						Satisfactory				
50-59						Pass				
Less than 50	No logo given					-				

Disclaimer:

The disclosure of the survey results 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 evaluation 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 results may be changed after that date. FSS International Investment Advisory Company Limited does not confirm nor certify the accuracy of such survey results.

* CGR scoring should be considered with news regarding wrong doing of the company or director or executive of the company such unfair practice on securities trading, fraud, and corruption SEC imposed a civil sanction against insider trading of director and executive; ** delisted

Source: Thai Institute of Directors Association (IOD); FSSIA's compilation

Anti-corruption Progress Indicator

CERTIFIED										
ADVANC	AIE	AKP	AMANAHA	AP	APCS	AQUA	ARROW	ASK	ASP	AYUD
BAFS	BANPU	BAY	BBL	BCH	BCP	BCPG	BGRIM	BJCHI	BKI	BLA
BROOK	BRR	BSBM	BTS	BWG	CEN	CENTEL	CFRESH	CGH	CHEWA	CIG
CIMBT	CM	COM7	CPALL	CPF	CPI	CPN	CSC	DCC	DEMCO	DIMET
DRT	DTAC	DTC	EASTW	ECL	EGCO	FE	FNS	FSS	GBX	GC
GCAP	GEL	GFPT	GGC	GJS	GOLD	GPSC	GSTEEL	GUNKUL	HANA	HARN
HMPRO	HTC	ICC	IFS	INET	INSURE	INTUCH	IRPC	IVL	K	KASET
KBANK	KBS	KCAR	KCE	KGI	KKP	KSL	KTB	KTC	KWC	L&E
LANNA	LHK	LPN	LRH	M	MAKRO	MALEE	MBAX	MBK	MBKET	MC
MCOT	MFC	MINT	MONO	MOONG	MSC	MTI	NBC	NINE	NKI	NMG
NNCL	NSI	OCC	OCEAN	OGC	PAP	PATO	PB	PCSGH	PDG	PDI
PDJ	PE	PG	PHOL	PL	PLANB	PLANET	PLAT	PM	PPP	PPS
PREB	PRG	PRINC	PSH	PSTC	PT	PTG	PTT	PTTEP	PTTGC	PYLON
Q-CON	QH	QLT	QTC	RATCH	RML	S & J	SABINA	SAT	SC	SCB
SCC	SCCC	SCG	SCN	SE-ED	SELIC	SENA	SGP	SIRI	SIS	SITHAI
SMIT	SMK	SMPC	SNC	SNP	SORKON	SPACK	SPC	SPI	SPRC	SRICHA
SSF	SSI	SSSC	SST	STA	SUSCO	SVI	SYNTEC	TASCO	TCAP	TFG
TFI	TFMAMA	THANI	THCOM	THIP	THRE	THREL	TIP	TIPCO	TISCO	TKT
TMB	TMD	TMILL	TMT	TNITY	TNL	TNP	TNR	TOG	TOP	TPA
TPCORP	TRU	TRUE	TSC	TSTH	TTCL	TU	TVD	TVI	TWPC	U
UBIS	UEC	UKEM	UOBKH	VGI	VIH	VNT	WACOAL	WHA	WICE	WIIK
DECLARED										
2S	ABICO	AF	AI	AIRA	ALT	AMA	AMARIN	AMATA	ANAN	B
BM	BPP	BUI	CHG	CHO	CHOTI	CHOW	CI	CMC	COL	DDD
DELTA	EFORL	EPCO	ESTAR	ETE	FPI	FTE	ICHI	INOX	IRC	ITEL
JAS	JSP	JTS	KWG	LDC	LIT	META	MFEC	MPG	NEP	NOK
NWR	ORI	PRM	PSL	ROJNA	RWI	SAAM	SAPPE	SCI	SEOIL	SHANG
SKR	SPALI	STANLY	SYNEX	TAE	TAKUNI	TMC	TOPP	TPP	TRITN	TVO
UV	UWC	WHAUP	XO	YUASA	ZEN					

Level	
Certified	This level indicates practical participation with thoroughly examination in relation to the recommended procedures from the audit committee or the SEC's certified auditor, being a certified member of Thailand's Private Sector Collective Action Coalition Against Corruption programme (Thai CAC) or already passed examination to ensure independence from external parties.
Declared	This level indicates determination to participate in the Thailand's Private Sector Collective Action Coalition Against Corruption programme (Thai CAC)

Disclaimer:

The disclosure of the Anti-Corruption Progress Indicators of a listed company on the Stock Exchange of Thailand, which is assessed by ThaiPat Institute, is made in order to comply with the policy and sustainable development plan for the listed companies of the Office of the Securities and Exchange Commission. ThaiPat Institute 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 ThaiPat Institute that is 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, FSS International Investment Advisory Company Limited does not confirm, verify, or certify the accuracy and completeness of the assessment results.

Note: Companies participating in Thailand's Private Sector Collective Action Coalition Against Corruption programme (Thai CAC) under Thai Institute of Directors (as of June 24, 2019) are categorised into: 1) companies that have declared their intention to join CAC, and; 2) companies certified by CAC.

Source: The Securities and Exchange Commission, Thailand; * FSSIA's compilation

GENERAL DISCLAIMER

ANALYST(S) CERTIFICATION

Suwat Sinsadok FSS International Investment Advisory Securities Co., Ltd

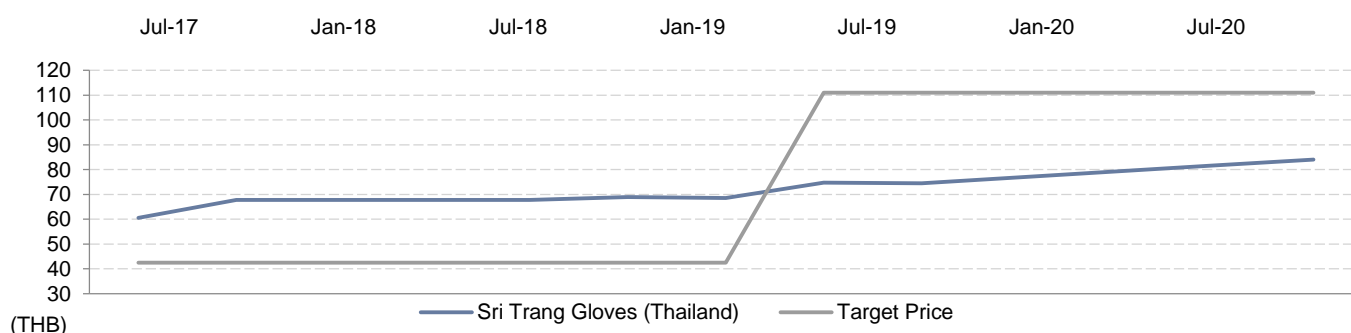
The individual(s) identified above certify(ies) that (i) all views expressed in this report accurately reflect the personal view of the analyst(s) with regard to any and all of the subject securities, companies or issuers mentioned in this report; and (ii) no part of the compensation of the analyst(s) was, is, or will be, directly or indirectly, related to the specific recommendations or views expressed herein.

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History of change in investment rating and/or target price

Sri Trang Gloves (Thailand) (STGT TB)



Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
01-Jul-2020	BUY	42.50	08-Jul-2020	BUY	111.00	-	-	-

Suwat Sinsadok Started covering this stock from 01-Jul-2020

Price and TP are in local currency

Source: FSSIA estimates

Company	Ticker	Price	Rating	Valuation & Risks
Sri Trang Gloves (Thailand)	STGT TB	THB 84.00	BUY	The downside risks to our PE-based TP for STGT include 1) lower-than-expected demand for rubber gloves; 2) higher prices of concentrated natural and synthetic latex and crude; and 3) exchange rate volatility.

Sources: FSSIA estimates

Additional Disclosures

Target price history, stock price charts, valuation and risk details, and equity rating histories applicable to each company rated in this report is available in our most recently published reports. You can contact the analyst named on the front of this note or your representative at Finansia Syrus Securities Public Company Limited

All share prices are as at market close on 14 July 2020 unless otherwise stated.

RECOMMENDATION STRUCTURE

Stock ratings

Stock ratings are based on absolute upside or downside, which we define as $(\text{target price}^* - \text{current price}) / \text{current price}$.

BUY (B). The upside is 10% or more.

HOLD (H). The upside or downside is less than 10%.

REDUCE (R). The downside is 10% or more.

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 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.

Industry Recommendations

Improving. The analyst expects the fundamental conditions of the sector to be positive over the next 12 months.

Stable. The analyst expects the fundamental conditions of the sector to be maintained over the next 12 months.

Deteriorating. The analyst expects the fundamental conditions of the sector to be negative over the next 12 months.

Country (Strategy) Recommendations

Overweight (O). 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 (N). 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 (U). 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.