

16 NOVEMBER 2020

THAILAND / COMMERCE

SRI TRANG GLOVES (THAILAND)

STGT TB

BUY

UNCHANGED

TARGET PRICE THB117.00
CLOSE THB75.25
UP/DOWNSIDE +55.5%
TP vs CONSENSUS +2.9%

กำไรสุทธิสูงเป็นประวัติการณ์ต่อเนื่อง

กำไรสุทธิรายไตรมาสสูงเป็นประวัติการณ์ต่อเนื่องใน 3Q20

กำไรสุทธิ 3Q20 ของ STGT กระโดดเป็น 4.4 พัน ลบ. (+3,465% y-y, +317% q-q) สูงกว่าตลาดคาด 31% และมากกว่าที่เราคาด 29% โดยได้แรงผลักดันจากราคาขายเฉลี่ย (ASP) ที่เพิ่มเป็น USD36.3 ต่อ 1,000 ชิ้น (ptp) (+89% y-y, +73% q-q) หลังความต้องการเติบโตดีจากปัญหา COVID-19 บั๊จยั้งกล่าวให้ผลบวกที่มากกว่าปริมาณขายที่ลดลง q-q เหลือ 7.14 พันล้านชิ้น (+43% y-y, -3% q-q) จากปัญหาความคับคั่งในด้านการขนส่งในสหรัฐฯ และต้นทุนที่สูงขึ้นของน้ำยางธรรมชาติ (+3.4% y-y, +10.8% q-q) และน้ำยางสังเคราะห์ (flat y-y, +18.6% q-q) ตามความต้องการที่เพิ่มขึ้นในอุตสาหกรรมยานยนต์ เมื่อหักกำไรพิเศษจำนวน 151 ลบ. (ประกอบด้วยกำไรจากอัตราแลกเปลี่ยน 139 ลบ. ผลขาดทุนอื่น ๆ 108.8 ลบ. เงินคืน 78.6 ลบ. จากการขายแห่งประเทศไทย (RAOT) และค่าใช้จ่ายอื่นจำนวน 42 ลบ.) กำไรสุทธิจากการดำเนินงานอยู่ที่ 4.3 พัน ลบ. (+4,704% y-y, +300% q-q) ในขณะที่อัตราการใช้จ่ายการผลิตของ STGT ยังอยู่ในระดับสูงที่ 95%

อัตรากำไรสูงใน 3Q20

ใน 3Q20 รายได้เพิ่ม 170% y-y ในขณะที่ EBITDA กระโดด 1,359% y-y เนื่องจาก EBITDA margin สูงเป็น 61% จาก 30% ใน 2Q20 และ 11% ใน 3Q19 อัตรากำไรขั้นต้นกระโดดเป็น 60% จาก 29% ใน 2Q20 และ 11% ใน 3Q19 โดยได้แรงผลักดันจากราคาขายเฉลี่ยที่สูงขึ้น (+5% y-y, +10% q-q) อัตรากำไรสุทธิเพิ่มเป็น 54% ใน 3Q20 จาก 22% ใน 2Q20 จากต้นทุนทางการเงินที่ลดลง 32% y-y เนื่องจาก STGT จ่ายคืนหนี้ 2.1 พัน ลบ. ไปเมื่อสิ้น 2Q20

แนวโน้มการเติบโตของกำไรสุทธิยังคงดี

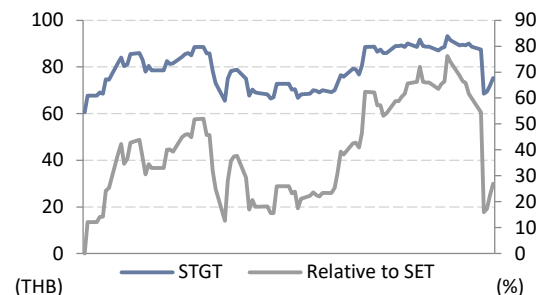
เราคาดว่ากำไรสุทธิของ STGT จะโตต่อเนื่องใน 4Q20-2021 จาก 1) ราคาขายเฉลี่ยที่เพิ่มขึ้นจาก USD36.3ptp ใน 3Q20 เป็น USD40ptp ใน 4Q20 และ USD35-45ptp ในปี 2021 ซึ่งให้ผลบวกที่มากกว่าต้นทุนน้ำยางที่คาดว่าจะเพิ่มขึ้น 32-54% y-y ในปี 2021; และ 2) ค่าสั่งซื้อคำสั่งเพิ่มเติมไตรมาสสำหรับถุงมือยางธรรมชาติถึง 4Q21 และสำหรับถุงมือยางสังเคราะห์ถึง 4Q22 โดยมีราคาขายเฉลี่ยที่สูงขึ้นและอัตราการใช้จ่ายการผลิตที่ 95% STGT มีอัตราส่วนหนี้สินต่อทุนต่ำเพียง 1.63 ณ สิ้น 3Q20 ในขณะที่หนี้คงค้างจำนวน 4.84 พัน ลบ. มีอัตราดอกเบี้ยต่ำเพียง 3% จากการอุดหนุนของ RAOT

การเติบโตของกำลังการผลิตถุงมือยางสังเคราะห์เป็นปัจจัยหนุนสำคัญ

เราคงคำแนะนำซื้อที่ราคาเป้าหมาย 117 บาท เราเชื่อว่าแผนของ STGT ในการเพิ่มกำลังการผลิตจาก 32.6 พันล้านชิ้นต่อปี ณ สิ้นปี 2020 เป็น 80 พันล้านชิ้นต่อปี ภายในปี 2024 (+145%) ควรมีส่วนช่วยผลักดันการเติบโตของกำไรสุทธิในปี 2021-2024 และดันให้ส่วนแบ่งกำลังการผลิตสำหรับถุงมือยางสังเคราะห์และถุงมือยางธรรมชาติมาอยู่ที่ 50%/50% จาก 38%/62% ใน 3Q20 เพื่อใช้ประโยชน์จากตลาดถุงมือสังเคราะห์ที่มีอัตรากำไรสูง

KEY STOCK DATA

YE Dec (THB m)	2019	2020E	2021E	2022E
Revenue	11,994	24,554	35,900	35,548
Net profit	614	7,550	10,485	8,795
EPS (THB)	0.62	5.28	7.33	6.15
vs Consensus (%)	-	(12.9)	(7.9)	20.3
EBITDA	1,502	9,528	12,874	11,922
Core net profit	614	7,550	10,485	8,795
Core EPS (THB)	0.62	5.28	7.33	6.15
EPS growth (%)	(87.6)	751.0	38.9	(16.1)
Core P/E (x)	121.3	14.3	10.3	12.2
Dividend yield (%)	0.1	0.9	1.1	1.2
EV/EBITDA (x)	53.9	10.1	6.9	7.0
Price/book (x)	16.9	4.3	3.1	2.5
Net debt/Equity (%)	147.3	(46.1)	(53.7)	(58.0)
ROE (%)	18.0	51.2	35.1	22.9



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	(15.7)	3.1	n/a
Relative to country (%)	(22.7)	1.6	n/a
Mkt cap (USD m)	3,562		
3m avg. daily turnover (USD m)	56.5		
Free float (%)	30		
Major shareholder	STA & Sincharoenkul family (65%)		
12m high/low (THB)	94.50/55.25		
Issued shares (m)	1,430.78		

Sources: Bloomberg consensus; FSSIA estimates



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บทวิเคราะห์ฉบับนี้แปลมาจากบทวิเคราะห์ของ FSSIA ฉบับวันที่ 16 พฤศจิกายน 2020

Exhibit 1: Summary of 3Q20/9M20 operations

	3Q19	2Q20	3Q20		9M19	9M20	chg.	2020E	Comments	
	(THB m)	(THB m)	(THB m)	(q-q%)	(y-y%)	(THB m)	(THB m)	(y-y%)	(THB m)	
Revenue	3,016	4,857	8,142	67.6	169.9	8,856	16,759	89.2	24,554	Higher due to higher ASP
Operating costs	(2,676)	(3,405)	(3,182)	(6.6)	18.9	(7,680)	(9,628)	25.4	(15,026)	Lower q-q due to lower production
EBITDA	340	1,452	4,960	241.7	1,358.5	1,176	7,132	506.5	9,528	Higher due to higher ASP
EBITDA margin (%)	11.3	29.9	60.9	nm	nm	13.3	42.6	nm	38.8	
Depn & amort.	(204)	(267)	(289)	8.2	41.5	(591)	(780)	32.0	(1,092)	Higher due to higher production
EBIT	136	1,185	4,672	294.2	3,330.8	585	6,351	985.9	8,436	
Interest expense	(47)	(39)	(32)	(16.9)	(31.6)	(148)	(110)	(26.2)	(91)	Lower due to debt repayment
Interest & invt inc	1	1	9	na	na	3	10	na	-	
Other income	15	29	121	na	684.1	57	168	196.7	80.0	
Associates' contrib	-	-	-	na	na	-	-	na	-	
Exceptionals	20	9	30	na	na	14	17	na	-	
Pretax profit	125	1,185	4,800	305.0	3,727.8	510	6,437	1,163.0	8,424	Higher due to higher margin
Tax	(21)	(128)	(398)	209.6	1,801.1	(77)	(556)	624.7	(874)	
Tax rate (%)	16.7	10.8	8.3	nm	nm	15.1	8.6	nm	10.4	
Minority interests	19	-	-	nm	nm	20	-	nm	-	
Net profit	123	1,057	4,402	316.5	3,464.7	453	5,881	1,197.4	7,550	31%/29% above consensus/our estimate
Non-recurring	35	(5)	151	nm	332.0	33	124	276.7	-	
Core net profit	88	1,062	4,251	300.3	4,703.9	420	5,757	1,269.4	7,550	
EPS (THB)	0.09	0.74	3.08	316.5	3,464.7	0.32	4.11	1,197.4	5.28	
Core EPS (THB)	0.06	0.74	2.97	300.3	4,703.9	0.29	4.02	1,269.4	5.28	

Sources: STGT; FSSIA estimates

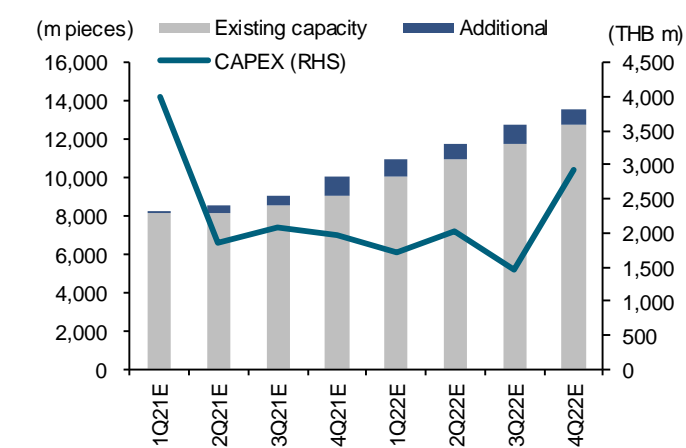
Exhibit 2: 3Q20/9M20 key performance

	3Q19	2Q20	3Q20	(q-q%)	(y-y%)	9M19	9M20	(y-y%)
	(THB m)	(THB m)	(THB m)	(%)	(%)	(THB m)	(THB m)	(%)
Revenue by product								
Natural rubber powered gloves	1,080	1,889	3,219	70.4	198.1	3,141	6,479	106.3
Natural rubber power-free gloves	776	1,256	1,863	48.3	140.1	2,449	4,184	70.8
Nitrile rubber gloves	1,160	1,711	3,061	78.9	163.9	3,265	6,097	86.7
Revenue by Geography*								
Asia	38	44	38	(6.3)	(0.8)	40	41	1.2
Europe	18	20	21	1.1	2.6	22	20	(2.2)
North America	23	17	22	4.8	(1.2)	19	20	0.3
South America	14	10	12	2.0	(2.0)	12	11	(1.2)
Middle East	3	5	4	(0.5)	1.2	3	4	0.9
Africa	3	4	3	(0.4)	0.3	3	4	0.7
Australia, Oceania	1	1	1	(0.4)	0.0	1	1	0.2
Margin*								
Gross margin	10.9	29.2	60.3	31.1	49.4	12.6	42.0	29.4
EBITDA margin**	12.5	30.7	62.9	32.2	50.4	21.3	56.4	35.1
Net margin	3.5	21.8	54.1	32.3	50.6	4.9	35.1	30.2

* Note that change is in percentage point change; **EBITDA margin includes other incomes

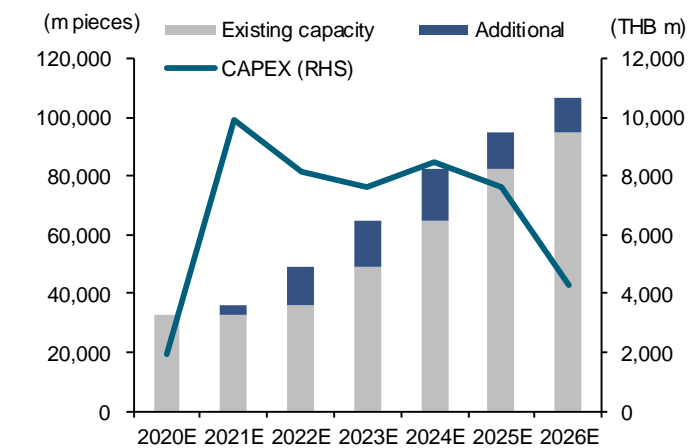
Sources: STGT; FSSIA estimates

Exhibit 3: Installed capacity & estimated CAPEX (quarterly)



Source: STGT

Exhibit 4: Installed capacity & estimated CAPEX (yearly)



Source: STGT

Financial Statements

Sri Trang Gloves (Thailand)

Profit and Loss (THB m) Year Ending Dec	2018	2019	2020E	2021E	2022E
Revenue	10,989	11,994	24,554	35,900	35,548
Cost of goods sold	(8,551)	(9,766)	(14,044)	(20,836)	(21,493)
Gross profit	2,437	2,228	10,510	15,064	14,055
Other operating income	-	-	-	-	-
Operating costs	(550)	(725)	(982)	(2,190)	(2,133)
Operating EBITDA	1,888	1,502	9,528	12,874	11,922
Depreciation	(628)	(789)	(1,092)	(1,367)	(1,642)
Goodwill amortisation	0	0	0	0	0
Operating EBIT	1,259	713	8,436	11,507	10,280
Net financing costs	(168)	(105)	(91)	(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	8,424	11,519	10,284
Tax	(206)	(104)	(874)	(1,033)	(1,489)
Profit after tax	982	614	7,550	10,485	8,795
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	7,550	10,485	8,795
Non recurring items & goodwill (net)	17	0	0	0	0
Recurring net profit	999	614	7,550	10,485	8,795
Per share (THB)					
Recurring EPS *	4.99	0.62	5.28	7.33	6.15
Reported EPS	4.91	0.62	5.28	7.33	6.15
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	104.7	46.2	(1.0)
Operating EBITDA (%)	131.3	(20.4)	534.2	35.1	(7.4)
Operating EBIT (%)	332.1	(43.4)	1,082.7	36.4	(10.7)
Recurring EPS (%)	188.1	(87.6)	751.0	38.9	(16.1)
Reported EPS (%)	357.5	(87.4)	751.0	38.9	(16.1)
Operating performance					
Gross margin inc depreciation (%)	16.5	12.0	38.4	38.2	34.9
Gross margin of key business (%)	-	-	-	-	-
Operating EBITDA margin (%)	17.2	12.5	38.8	35.9	33.5
Operating EBIT margin (%)	11.5	5.9	34.4	32.1	28.9
Net margin (%)	9.1	5.1	30.7	29.2	24.7
Effective tax rate (%)	17.3	14.5	10.4	9.0	14.5
Dividend payout on recurring profit (%)	4.8	17.7	13.3	10.9	14.6
Interest cover (X)	8.2	7.9	93.3	170.1	135.7
Inventory days	63.9	61.5	51.1	50.4	59.3
Debtor days	56.3	53.8	25.8	20.7	24.6
Creditor days	52.1	49.6	44.1	43.6	51.3
Operating ROIC (%)	15.3	6.0	56.0	(15.7)	(12.3)
ROIC (%)	16.1	6.7	55.0	(15.5)	(12.1)
ROE (%)	46.4	18.0	51.2	35.1	22.9
ROA (%)	13.0	5.8	35.6	29.9	19.7
* Pre exceptional, pre-goodwill and fully diluted					
Revenue By Division (THB m)					
Natural rubber powdered gloves	3,385	4,270	9,896	14,469	13,656
Natural rubber powder-free gloves	3,012	3,205	2,364	4,113	4,861
Nitrile gloves	4,404	4,519	12,129	16,785	16,563
Natural rubber products business	187	0	165	533	469

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	7,550	10,485	8,795
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	(703)	(838)	(360)
Cash flow from operations	955	1,536	7,940	11,015	10,076
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	13,031	7,050	6,467
Free cash flow to firm (FCFF)	(2,884.60)	(1,259.61)	5,007.70	8,059.86	7,129.50
Free cash flow to equity (FCFE)	27.67	116.81	13,139.68	8,051.38	7,611.42
Per share (THB)					
FCFF per share	(2.02)	(0.88)	3.50	5.63	3.49
FCFE per share	0.02	0.08	9.18	5.63	3.82
Recurring cash flow per share	8.14	1.42	6.04	8.28	7.29
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	13,612	20,662	27,129
A/C receivable	1,922	1,612	1,857	2,216	2,572
Inventories	1,681	1,612	2,318	3,439	3,547
Other current assets	74	507	1,039	1,519	1,504
Current assets	4,251	4,312	18,826	27,836	34,752
Other assets	142	121	121	121	121
Total assets	10,652	13,216	29,661	40,327	48,624
Common equity	2,431	4,402	25,067	34,610	42,318
Minorities etc.	1,358	0	0	0	0
Total Shareholders' equity	3,789	4,402	25,067	34,610	42,318
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	2,003	2,971	3,065
Short term debt	996	1,218	218	218	218
Other current liabilities	107	163	333	487	482
Current liabilities	2,366	2,773	2,553	3,676	3,765
Total liabilities and shareholders' equity	10,652	13,216	29,661	40,327	48,624
Net working capital	2,308	2,176	2,878	3,716	4,076
Invested capital	8,709	11,079	13,713	16,207	17,948
* Includes convertibles and preferred stock which is being treated as debt					
Per share (THB)					
Book value per share	12.15	4.45	17.52	24.19	29.58
Tangible book value per share	11.05	4.22	17.37	24.04	29.42
Financial strength					
Net debt/Equity (%)	123.3	147.3	(46.1)	(53.7)	(58.0)
Net debt/total assets (%)	43.9	49.0	(38.9)	(46.1)	(50.5)
Current ratio (x)	1.8	1.6	7.4	7.6	9.2
CF interest cover (x)	12.5	3.4	145.0	119.2	72.6
Valuation					
Recurring P/E (x) *	15.1	121.3	14.3	10.3	12.2
Recurring P/E @ target price (x) *	23.4	188.7	22.2	16.0	19.0
Reported P/E (x)	15.3	121.3	14.3	10.3	12.2
Dividend yield (%)	0.3	0.1	0.9	1.1	1.2
Price/book (x)	6.2	16.9	4.3	3.1	2.5
Price/tangible book (x)	6.8	17.8	4.3	3.1	2.6
EV/EBITDA (x) **	11.2	53.9	10.1	6.9	7.0
EV/EBITDA @ target price (x) **	15.6	81.4	16.4	11.6	12.0
EV/invested capital (x)	2.4	7.3	7.0	5.5	4.6
* 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	KGI	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

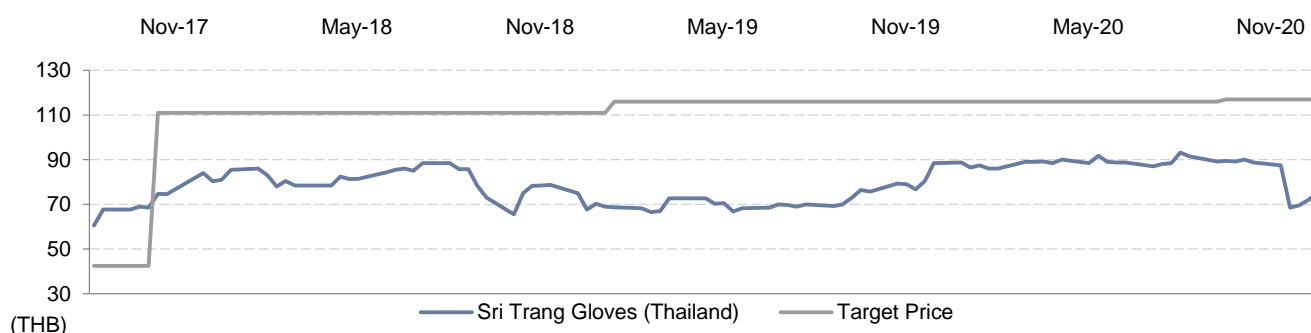
The individual(s) identified above certify(ies) that (i) all views expressed in this report accurately reflect the personal view of the analyst(s) with regard to any and all of the subject securities, companies or issuers mentioned in this report; and (ii) no part of the compensation of the analyst(s) 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	29-Jul-2020	BUY	111.00	02-Nov-2020	BUY	117.00
08-Jul-2020	BUY	111.00	18-Aug-2020	BUY	111.00			
15-Jul-2020	BUY	111.00	27-Aug-2020	BUY	116.00			

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 75.25	BUY	The downside risks to our PE-based TP for STGT include 1) a lower-than-expected demand for rubber gloves; 2) higher prices of concentrated natural and synthetic latex and crude; and 3) exchange rate volatility.

Source: 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

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All share prices are as at market close on 13-Nov-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

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

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

Underweight. 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.