

21 JANUARY 2021

THAILAND / AUTOMOTIVES

SOMBOON ADVANCE TECHNOLOGY

SAT TB

BUY

UNCHANGED

TARGET PRICE	THB18.50
CLOSE	THB15.90
UP/DOWNSIDE	+16.4%
PRIOR TP	THB15.40
CHANGE IN TP	+20.1%
TP vs CONSENSUS	+21.5%

แสงสว่างอยู่ข้างหน้า

ทางโล่ง

เราคาดว่าผลิตรถยนต์รวมของประเทศไทยในปี 2021 จะแตะ 1.51 ล้านคัน (+5.6% y-y) ประมาณการดังกล่าวได้แรงหนุนจากคาดการณ์ของสมาคมอุตสาหกรรมซึ่งอยู่ที่ 1.5 ล้านคันเมื่อวานนี้ ด้วยเหตุผลดังกล่าวเราจึงคาดว่าสมมติฐานการผลิตยานยนต์ที่ดีขึ้นในปี 2021 การฟื้นตัวของปริมาณการส่งออกรถยนต์ (ซึ่งเป็นประโยชน์ต่อรถกระบะของมิตซูบิชิซึ่งเป็นลูกค้ารายใหญ่ของ SAT) คำสั่งซื้อใหม่ และโครงการลดต้นทุน จะเป็นปัจจัยหนุนสำคัญสำหรับแนวโน้มที่สดใสของ SAT ในปี 2021

ลูกค้ารายใหญ่ที่สุดอาจฟื้นตัวในปี 2021

ลูกค้ารายใหญ่ที่สุดของ SAT คือธุรกิจรถกระบะของมิตซูบิชิ ซึ่งคิดเป็นสัดส่วนมากกว่า 30% ของรายได้รวมของบริษัทฯ ซึ่งนับจากเดือน ม.ค. ถึง พ.ย. 20 จำนวนรถกระบะที่มิตซูบิชิผลิตลดลงอย่างมีนัยสำคัญถึง 39.2% y-y นับว่าเป็นตัวเลขลดลงที่สูงที่สุดในกลุ่มบริษัทผู้ผลิตรถกระบะชั้นนำ (อีกสองรายคือโตโยต้าและอีซูซุ) ตัวเลขที่ลดลงดังกล่าวเกิดจากปริมาณส่งออกที่ลดลงอย่างมีนัยสำคัญ ดังนั้นเมื่อพิจารณาถึงคาดการณ์ของเราเกี่ยวกับการฟื้นตัวของรถกระบะในปีนี้นี้เริ่มต้นจาก 2Q21 เป็นต้นไป เราคาดว่าปริมาณการผลิตรถกระบะของมิตซูบิชิที่จะฟื้นตัวตามและจะเป็นประโยชน์ทางอ้อมแก่ SAT

กำไรจากการดำเนินงานใน 4Q20 ครบไตรมาส y-y

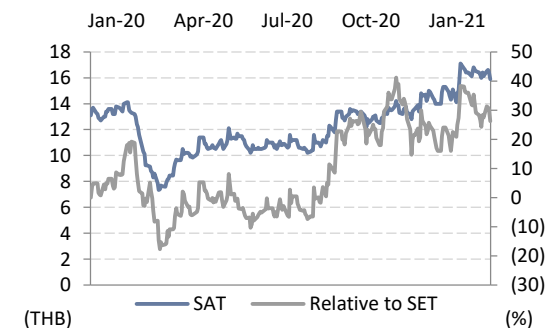
ใน 4Q20 ปริมาณการผลิตรถยนต์รายไตรมาสของไทยพุ่งสูงสุดในรอบ 5 ไตรมาส (+5.4% y-y) เราเห็นว่าการเพิ่มดังกล่าวจะเป็นปัจจัยหนุนสำคัญต่อผลประกอบการของบริษัทฯ โดยเราคาดว่า SAT จะรายงานกำไรจากการดำเนินงานฟื้นตัวดีเป็น 194 ลบ. (+16.5% y-y, +136.7% q-q) ใน 4Q20 อย่างไรก็ดี บริษัทฯ จะรับรู้ค่าใช้จ่ายพิเศษในไตรมาสดังกล่าวจากการตัดจำหน่ายสินทรัพย์เพื่อลดต้นทุนและเพิ่มประสิทธิภาพการผลิตเป็นเงินประมาณ 10-15 ลบ.

คงคำแนะนำซื้อหลังปรับราคาเป้าหมายเป็น 18.50 บาท

SAT มีแนวโน้มการเติบโตที่ดีจากบรรยากาศที่ดีขึ้นในอุตสาหกรรมยานยนต์ ซึ่งทำให้เราปรับเพิ่มประมาณการกำไรในปี 2021 ของเราขึ้น 16% เป็น 655 ลบ. (+100% y-y) เราคงคำแนะนำซื้อ SAT หลังปรับราคาเป้าหมายเป็น 18.50 บาท จาก 15.40 บาท ราคาเป้าหมายของเรายังคงคิดจากค่า 2021E P/E ที่ 12x (+0.75SD ของค่า P/E เฉลี่ย) เราเห็นว่า SAT เป็นบริษัทที่ปลอดภัยที่สุดในกลุ่มยานยนต์ บริษัทฯ ไม่มีหนี้และมีเงินสดมากกว่า 1.7 พัน ลบ. คิดเป็นเงินสด 4 บาทต่อหุ้น นอกจากนี้เรายังคาดอีกว่าบริษัทฯ ควรสามารถจ่ายเงินปันผลในอัตราที่น่าสนใจที่มากกว่า 5% ในปี 2021

KEY STOCK DATA

YE Dec (THB m)	2019	2020E	2021E	2022E
Revenue	8,006	6,128	7,347	8,117
Net profit	895	326	655	762
EPS (THB)	2.10	0.77	1.54	1.79
vs Consensus (%)	-	9.5	20.2	10.2
EBITDA	1,401	907	1,213	1,333
Core net profit	894	326	655	762
Core EPS (THB)	2.10	0.77	1.54	1.79
Chg. In EPS est. (%)	-	-	16.6	2.9
EPS growth (%)	(1.9)	(63.5)	100.7	16.4
Core P/E (x)	7.6	20.7	10.3	8.9
Dividend yield (%)	8.5	2.9	5.9	6.9
EV/EBITDA (x)	3.9	5.8	4.1	3.6
Price/book (x)	0.9	1.0	0.9	0.9
Net debt/Equity (%)	(19.2)	(22.0)	(24.1)	(25.6)
ROE (%)	12.7	4.6	9.1	10.0



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	12.8	16.9	17.8
Relative to country (%)	4.4	(6.0)	22.6
Mkt cap (USD m)	226		
3m avg. daily turnover (USD m)	1.8		
Free float (%)	58		
Major shareholder	Kitapanich Family (44%)		
12m high/low (THB)	17.30/7.30		
Issued shares (m)	425.19		

Sources: Bloomberg consensus; FSSIA estimates



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บทวิเคราะห์ฉบับนี้แปลมาจากบทวิเคราะห์ของ FSSIA ฉบับวันที่ 21 มกราคม 2021

Investment thesis

SAT is the largest producer of axle shafts (76% market share), which are used in the manufacturing of one-tonne pick-up trucks and large commercial cars.

SAT is the safest company in the automotive sector, in our view, as it has no debt and holds more than THB1.7b in cash, equal to THB4 per share. The company has a solid earnings outlook, as Thailand's automobile manufacturing industry is one of the largest drivers of the country's economy. The demand for new cars in Thailand has consistently remained at 0.8m-1m units per year, according to historical data. Therefore, when the economy returns to normal, we expect Thailand's automobile production volume to also return to its normal level in 2022, which would directly benefit SAT.

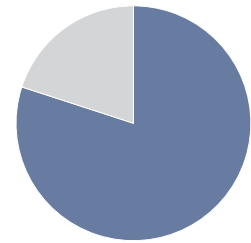
Company profile

SAT manufactures parts for the motor vehicle industry. These parts are for: passenger cars, pickup trucks, and the agricultural industry. Its major customers are original equipment manufacturers (OEMs) on long-term purchase contracts, as well as the replacement equipment manufacturer (REM) segment.

www.satpcl.co.th

Principal activities (revenue, 2019)

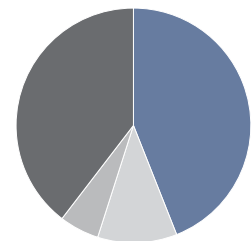
■ Auto - 80.0 % ■ Non-auto - 20.0 %



Source: Somboon Advance Technology

Major shareholders

■ Kitapanich Family - 44.0 %
 ■ Thai NVDR - 10.9 %
 ■ NORTRUST NOMINEES - 5.5 %
 ■ Others - 39.6 %



Source: Somboon Advance Technology

Catalyst

- The strong recovery of Thailand's car manufacturing industry, especially in 4Q20 and 1Q21.
- Deep valuation at 0.7x 2021E P/BV
- Solid dividend yield track record at 4-7% p.a.

Risk to our call

The key downside risks to our P/E-based TP are the domestic car manufacturing industry recovering more slowly than expected, a slower-than-expected adoption rate for electric vehicles in Thailand, and worse global demand for pickup trucks.

Event calendar

Date	Event
Feb-21	4Q20 results announcement
Late Feb-21	Thailand's January car production announcement

Key assumptions

	2020E	2021E	2022E
	(%)	(%)	(%)
Car production growth	(31)	9	8
Kubota tractor growth	(13)	11	5

Source: FSSIA estimates

Earnings sensitivity

- For every 1% increase in auto-part revenue, we project 2021 earnings to rise by 0.5%, and vice versa, all else being equal.
- For every 1 bps increase in gross profit margin, we project 2021 earnings to rise by 1.1%, and vice versa, all else being equal.

Source: FSSIA estimates

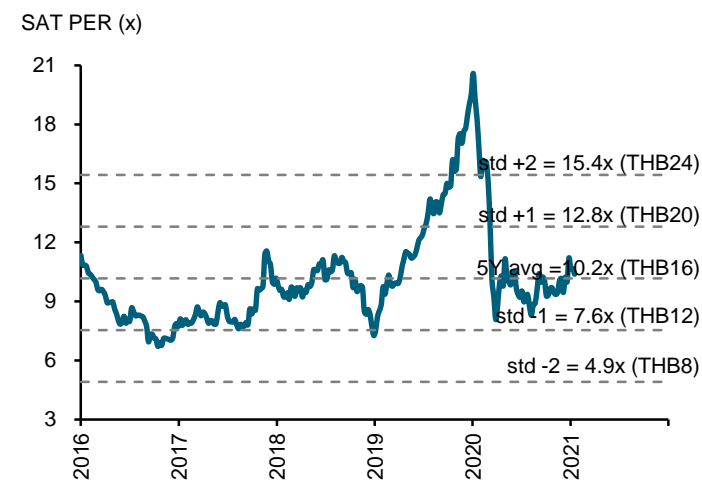
Exhibit 1: SAT - 4Q20E results preview

	4Q19	3Q20	4Q20E	4Q20E change		9M19	9M20	Change	2020E
	(THB m)	(THB m)	(THB m)	(q-q%)	(y-y%)	(THB m)	(THB m)	(y-y%)	(THB m)
Revenue	1,887	1,529	1,962	28.3	4.0	6,119	4,114	(32.8)	6,128
Operating costs*	(1,547)	(1,298)	(1,601)	23.3	3.5	(4,965)	(3,589)	(27.7)	(5,270)
Gross profit	340	230	361	56.6	n.a.	1,154	525	(54.5)	858
SG&A expenses	(188)	(163)	(173)	6.0	(8.0)	(548)	(444)	(19.0)	(600)
EBIT	152	67	188	179.5	23.9	606	82	(86.5)	258
Deprn & amort.	163	150	188	25.1	15.5	482	461	(4.4)	649
EBITDA	314	217	376	72.9	19.6	1,088	543	(50.1)	907
EBITDA margin (%)	17	14	19	4.9	2.5	18	13	nm	15
Interest expense	(3)	(1)	(1)	(17.8)	(59.4)	(8)	(6)	(24.7)	(7)
Other income	95	48	33	(30.7)	(65.2)	98	104	5.9	130
Associates	(2)	(12)	0	n.a.	n.a.	61	(24)	n.a.	(15)
Gain/Loss from exchange	2	(1)	0	n.a.	n.a.	(2)	2	(190.2)	0
Pretax profit	243	100	220	120.1	(9.5)	755	157	(79.3)	366
Tax	(28)	(14)	(29)	109.9	0.5	(71)	(27)	(61.7)	(35)
Tax rate (%)	(12)	(14)	(13)	0.6	(1.3)	(9)	(17)	nm	(9.50)
Minority interests	(4)	5	(3)	(155.5)	(25.5)	0	(1)	n.a.	(5)
Net profit	218	81	194	140.2	(11.1)	684	131	(80.9)	326
Core net profit	167	82	194	136.7	16.5	686	129	(81.2)	326
EPS (THB)	0.51	0.19	0.46	140.2	(11.1)	1.61	0.31	(80.9)	0.77
Core EPS (THB)	0.39	0.19	0.46	136.7	16.5	1.61	0.30	(81.2)	0.77

*Including depreciation and amortisation

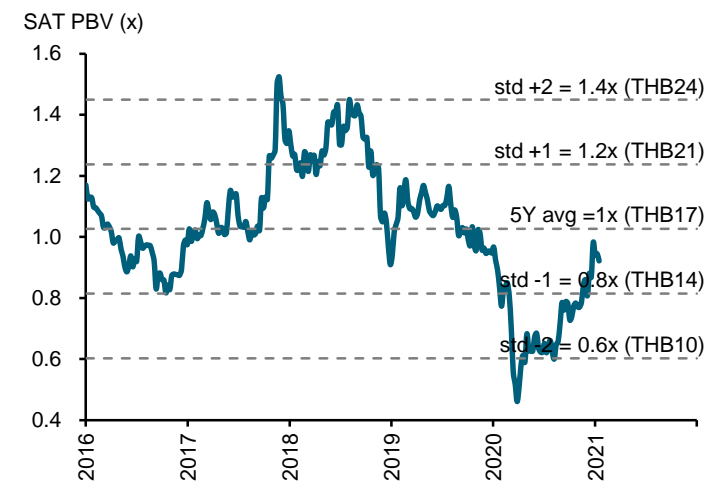
Sources: SAT; FSSIA estimates

Exhibit 2: One-year prospective P/E band



Sources: Bloomberg; FSSIA estimates

Exhibit 3: One-year prospective P/BV band

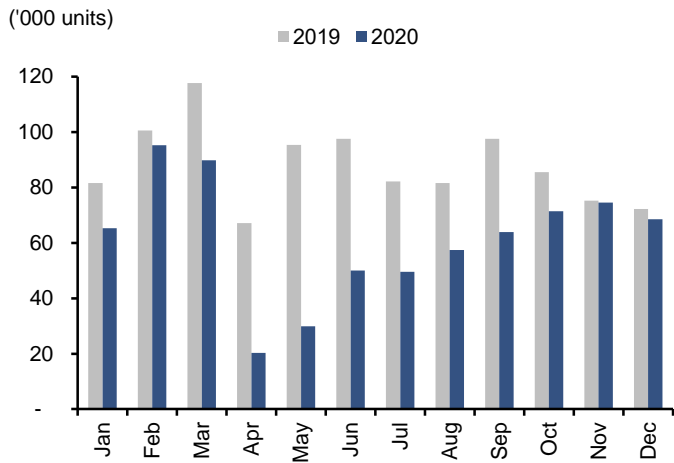


Sources: Bloomberg; FSSIA estimates

Car exports should start recovering in 2021

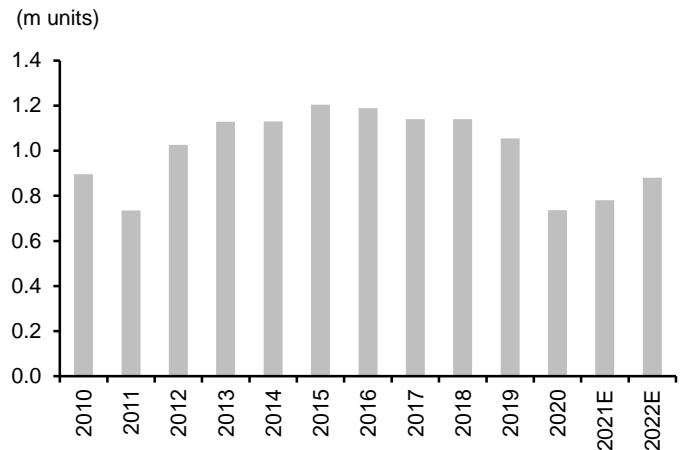
Thailand’s total car exports at 0.74m units in 2020 was the country’s lowest car export volume in the past nine years. Thailand is one of the of the largest car producers in the world, ranking 11th largest car producer in 2019 – 5th in Asia, and 1st in ASEAN. Moreover, Thailand was ranked as the 6th largest commercial vehicle producer globally in 2019. We believe the demand for new cars globally should start to recover significantly in 2021, in line with the global GDP, which should grow by 5.2%, according to the International Monetary Fund (IMF)’s forecast. As a result, we project Thailand’s total car exports to recover by 6% y-y to 0.78m units in 2021.

Exhibit 4: Thailand’s monthly car sales (2019 vs 2020)



Source: Federal Chamber of Automotive Industries

Exhibit 5: Thailand’s car exports



Sources: Federal Chamber of Automotive Industries; FSSIA estimates

Exhibit 6: Pick-up truck domestic sales and production performance

Sales	Jan-Nov 19	Jan-Nov 20	Change
	(units)	(units)	(%)
Mitsubishi	80,893	51,386	(36.48)
Toyota	302,893	211,119	(30.30)
Isuzu	152,448	158,277	3.82
Production			
Mitsubishi	204,540	124,386	(39.19)
Toyota	366,362	292,286	(20.22)
Isuzu	215,397	195,491	(9.24)

Source: Federal Chamber of Automotive Industries

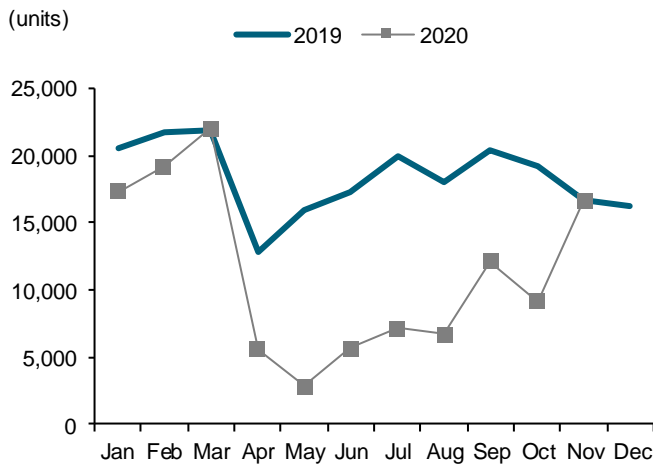
Exhibit 7: Pick-up truck domestic sales and production ratio

	Jan-Nov 19	Jan-Nov 20
	(%)	(%)
Mitsubishi	28	32
Toyota	54	50
Isuzu	68	78

Source: Federal Chamber of Automotive Industries

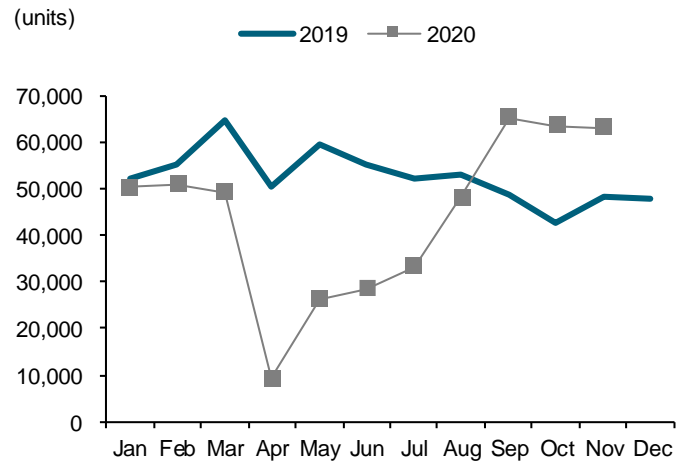
Given the expectation of a strong recovery in car exports during 2021, we believe Mitsubishi pick-up trucks (including pick-up passenger vehicles (PPV)) should directly benefit. According to the data from the FTI, the number of Mitsubishi pick-up trucks sold domestically from Jan to Nov-20 only accounted for 32% of the pick-up trucks sold during the same period in 2019. This is the lowest number compared to Toyota and Isuzu at 50% and 78%, respectively. This information tells us that most of Mitsubishi’s pick-up trucks were for exporting. Therefore, when exports were weak during the COVID-19 pandemic, the decrease in pick-up truck production was higher for Mitsubishi than its competitors.

Exhibit 8: Monthly Mitsubishi pick-up truck production



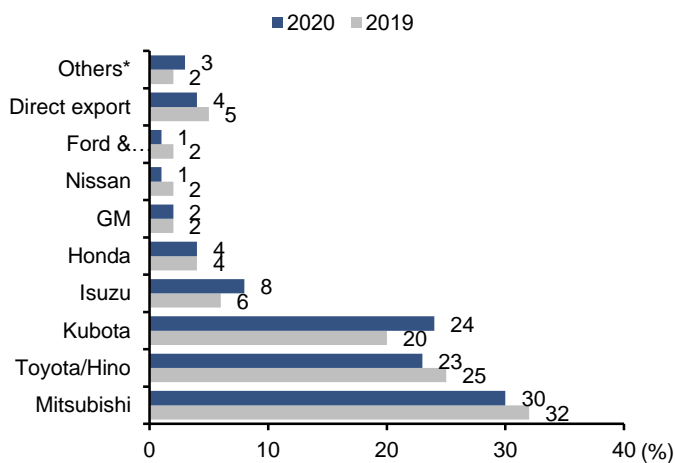
Source: Federal Chamber of Automotive Industries

Exhibit 9: Monthly Toyota and Isuzu pick-up truck production



Source: Federal Chamber of Automotive Industries

Exhibit 10: Sales by customers (9M20)



Source: SAT

Exhibit 11: Assumption and forecast changes

	----- New -----		----- Previous -----		----- Change -----	
	2020E	2021E	2020E	2021E	2020E	2021E
	(THB m)	(THB m)	(THB m)	(THB m)	(%)	(%)
Revenue	6,128	7,347	6,128	7,146	0.0	2.8
Gross profit	858	1,256	858	1,143	0.0	9.9
EBITDA	907	1,213	907	1,113	0.0	9.0
Net profit	326	655	326	562	0.0	16.6
Margin	(%)	(%)	(%)	(%)	(ppt)	(ppt)
Gross margin	14.0	17.1	14.0	16.0	0.0	1.1
Net margin	5.3	8.9	5.3	7.9	0.0	1.1

Source: FSSIA estimates

Earnings upgrade

The strong car production volume recovery expected in 4Q20, the solid outlook for 2021, as well as the expectation of a recovery in Mitsubishi’s pick-up truck production volume, has prompted us to revise our revenue assumptions for SAT in 2021 by 2.8%. We also increase our GPM forecast in 2021 to 17.1%, given our positive view on SAT’s cost reduction programs, including combining its production lines, increasing production efficiency, and reducing working hours. We expect that this could boost its GPM significantly once production volumes recover to near-normal levels. As a result, we upgrade our 2021 earnings forecast by 16.6% to THB655m (+100% y-y).

Financial Statements

Somboon Advance Technology

Profit and Loss (THB m) Year Ending Dec	2018	2019	2020E	2021E	2022E
Revenue	8,194	8,006	6,128	7,347	8,117
Cost of goods sold	(6,021)	(5,869)	(4,621)	(5,429)	(6,045)
Gross profit	2,173	2,137	1,507	1,918	2,072
Other operating income	-	-	-	-	-
Operating costs	(682)	(736)	(600)	(705)	(739)
Operating EBITDA	1,491	1,401	907	1,213	1,333
Depreciation	(663)	(643)	(649)	(662)	(692)
Goodwill amortisation	-	-	-	-	-
Operating EBIT	827	757	258	551	641
Net financing costs	(23)	(11)	(7)	(1)	(1)
Associates	89	59	(15)	37	61
Recurring non operating income	200	252	115	195	239
Non recurring items	3	0	0	0	0
Profit before tax	1,007	998	366	745	880
Tax	(92)	(100)	(35)	(82)	(106)
Profit after tax	916	899	331	663	774
Minority interests	0	(4)	(5)	(8)	(12)
Preferred dividends	-	-	-	-	-
Other items	-	-	-	-	-
Reported net profit	916	895	326	655	762
Non recurring items & goodwill (net)	(3)	0	0	0	0
Recurring net profit	912	894	326	655	762
Per share (THB)					
Recurring EPS *	2.15	2.10	0.77	1.54	1.79
Reported EPS	2.15	2.10	0.77	1.54	1.79
DPS	1.35	1.35	0.47	0.94	1.09
Diluted shares (used to calculate per share data)	425	425	425	425	425
Growth					
Revenue (%)	(4.6)	(2.3)	(23.5)	19.9	10.5
Operating EBITDA (%)	3.6	(6.0)	(35.3)	33.7	9.9
Operating EBIT (%)	27.1	(8.5)	(65.9)	113.6	16.4
Recurring EPS (%)	12.4	(1.9)	(63.5)	100.7	16.4
Reported EPS (%)	12.9	(2.3)	(63.5)	100.7	16.4
Operating performance					
Gross margin inc depreciation (%)	18.4	18.7	14.0	17.1	17.0
Gross margin of key business (%)	0.2	0.2	0.1	0.2	0.2
Operating EBITDA margin (%)	18.2	17.5	14.8	16.5	16.4
Operating EBIT margin (%)	10.1	9.5	4.2	7.5	7.9
Net margin (%)	11.1	11.2	5.3	8.9	9.4
Effective tax rate (%)	(9.1)	(10.0)	(9.5)	(11.0)	(12.0)
Dividend payout on recurring profit (%)	62.9	64.2	60.9	60.7	60.9
Interest cover (X)	44.9	94.6	54.8	932.2	1,100.9
Inventory days	27.4	32.5	42.5	33.8	31.8
Debtor days	66.8	66.7	80.6	66.3	64.7
Creditor days	93.7	88.9	98.5	83.7	84.9
Operating ROIC (%)	16.5	15.0	5.3	11.5	13.0
ROIC (%)	17.0	16.5	6.2	12.6	14.4
ROE (%)	13.7	12.7	4.6	9.1	10.0
ROA (%)	10.0	9.9	3.7	7.3	8.1
* Pre-exceptional, pre-goodwill and fully diluted					
Revenue By Division (THB m)					
Auto	6,637	6,404	4,739	5,750	6,440
Non-auto	1,557	1,601	1,389	1,597	1,677

Sources: Somboon Advance Technology; FSSIA estimates

Financial Statements

Somboon Advance Technology

Cash Flow (THB m) Year Ending Dec	2018	2019	2020E	2021E	2022E
Recurring net profit	912	894	326	655	762
Depreciation	663	643	649	662	692
Associates & minorities	-	-	(5)	(8)	(12)
Other non-cash items	(62)	(88)	32	8	12
Change in working capital	(60)	(153)	140	(15)	22
Cash flow from operations	1,453	1,297	1,142	1,302	1,476
Capex - maintenance	(298)	(253)	(322)	(567)	(567)
Capex - new investment	(128)	(108)	(138)	(243)	(243)
Net acquisitions & disposals	1	4	0	0	0
Other investments (net)	(203)	121	15	(37)	(61)
Cash flow from investing	(628)	(237)	(445)	(847)	(871)
Dividends paid	(425)	(574)	(539)	(199)	(398)
Equity finance	0	0	0	0	0
Debt finance	(898)	0	(39)	(150)	0
Other financing cash flows	(24)	(11)	(4)	0	0
Cash flow from Financing	(1,347)	(585)	(583)	(349)	(398)
Non-recurring cash flows	-	-	-	-	-
Other adjustments	0	0	0	0	0
Net other adjustments	0	(136)	(109)	0	0
Movement in cash	(522)	340	5	106	207
Free cash flow to firm (FCFF)	847.72	1,071.31	703.62	455.59	605.91
Free cash flow to equity (FCFE)	(96.66)	913.90	544.58	304.79	605.11
Per share (THB)					
FCFF per share	1.99	2.52	1.65	1.07	1.43
FCFE per share	(0.23)	2.15	1.28	0.72	1.42
Recurring cash flow per share	3.56	3.41	2.36	3.10	3.42
Balance Sheet (THB m) Year Ending Dec					
Tangible fixed asset (gross)	11,341	11,575	12,025	12,825	13,625
Less: Accumulated depreciation	(7,537)	(7,978)	(8,615)	(9,264)	(9,944)
Tangible fixed assets (Net)	3,804	3,596	3,410	3,560	3,681
Intangible fixed assets (Net)	47	74	45	42	40
Long-term financial assets	-	-	-	-	-
Invest. In associates & subsidiaries	917	973	958	994	1,055
Cash & equivalents	1,363	1,703	1,708	1,814	2,021
A/C receivable	1,480	1,448	1,259	1,409	1,468
Inventories	476	570	505	501	554
Other current assets	906	860	817	842	867
Current assets	4,224	4,581	4,290	4,566	4,910
Other assets	73	88	82	131	139
Total assets	9,065	9,312	8,784	9,294	9,825
Common equity	6,887	7,158	6,950	7,414	7,791
Minorities etc.	-	45	40	32	20
Total Shareholders' equity	6,887	7,203	6,990	7,447	7,811
Long term debt	195	118	20	20	20
Other long-term liabilities	260	355	368	387	406
Long-term liabilities	455	473	388	407	426
A/C payable	1,519	1,340	1,155	1,335	1,477
Short term debt	115	199	150	0	0
Other current liabilities	90	97	100	105	111
Current liabilities	1,724	1,636	1,405	1,440	1,587
Total liabilities and shareholders' equity	9,065	9,311	8,784	9,294	9,825
Net working capital	1,253	1,442	1,326	1,311	1,301
Invested capital	6,093	6,173	5,821	6,039	6,216
* Includes convertibles and preferred stock which is being treated as debt					
Per share (THB)					
Book value per share	16.20	16.83	16.35	17.44	18.32
Tangible book value per share	16.09	16.66	16.24	17.34	18.23
Financial strength					
Net debt/Equity (%)	(15.3)	(19.2)	(22.0)	(24.1)	(25.6)
Net debt/total assets (%)	(11.6)	(14.9)	(17.5)	(19.3)	(20.4)
Current ratio (x)	2.5	2.8	3.1	3.2	3.1
CF interest cover (x)	2.4	96.9	101.4	685.7	1,061.1
Valuation					
Recurring P/E (x) *	7.4	7.6	20.7	10.3	8.9
Recurring P/E @ target price (x) *	8.6	8.8	24.1	12.0	10.3
Reported P/E (x)	7.4	7.6	20.7	10.3	8.9
Dividend yield (%)	8.5	8.5	2.9	5.9	6.9
Price/book (x)	1.0	0.9	1.0	0.9	0.9
Price/tangible book (x)	1.0	1.0	1.0	0.9	0.9
EV/EBITDA (x) **	3.8	3.9	5.8	4.1	3.6
EV/EBITDA @ target price (x) **	4.6	4.7	7.0	5.0	4.4
EV/invested capital (x)	0.9	0.9	0.9	0.8	0.8
* Pre-exceptional & pre-goodwill are fully diluted ** EBITDA includes associate income and recurring non operating income					

Sources: Somboon Advance Technology; 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	NCL	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	CENDEL
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

Naruedom Mujjalinkool FSS International Investment Advisory Securities Co., Ltd

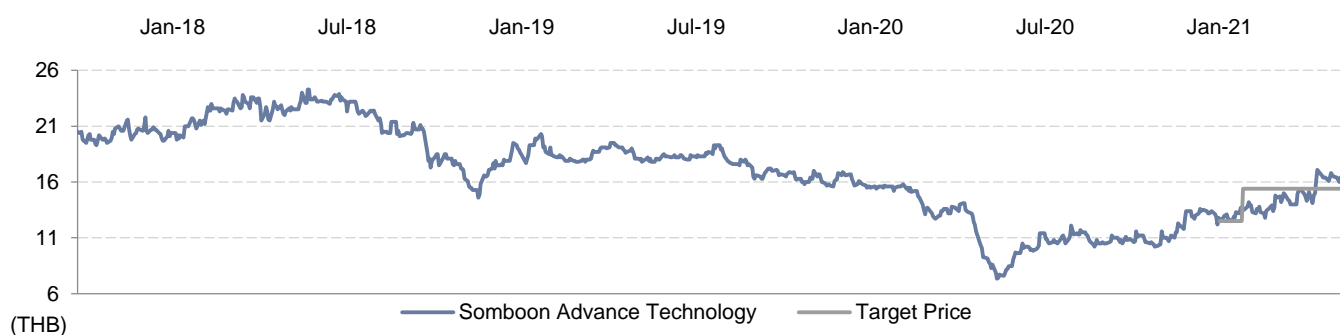
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History of change in investment rating and/or target price

Somboon Advance Technology (SAT TB)



Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
01-Oct-2020	HOLD	12.50	21-Oct-2020	BUY	15.40	-	-	-

Naruedom Mujjalinkool started covering this stock from 01-Oct-2020

Price and TP are in local currency

Source: FSSIA estimates

Company	Ticker	Price	Rating	Valuation & Risks
Somboon Advance Technology	SAT TB	THB 15.90	BUY	The key downside risks to our P/E-based TP are the domestic car manufacturing industry recovering more slowly than expected, a slower-than-expected adoption rate for electric vehicles in Thailand, and worse global demand for pick-up trucks.

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 21-Jan-2021 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.