

29 APRIL 2021

THAILAND / AUTOMOTIVES

SOMBOON ADVANCE TECHNOLOGY

SAT TB

BUY

UNCHANGED

TARGET PRICE	THB25.50
CLOSE	THB20.00
UP/DOWNSIDE	+27.5%
PRIOR TP	THB20.00
CHANGE IN TP	+27.5%
TP vs CONSENSUS	+26.2%

จุดเริ่มต้นที่ดี

คาดการณ์ 1Q21 จะอยู่ในระดับสูง

เราคาดว่ากำไรจากการดำเนินงาน 1Q21 จะยังอยู่ในระดับสูงที่ 261 ลบ. (+38% y-y, +7% q-q) เราเห็นว่ารายได้ของ SAT จะแตะ 2.1 พัน ลบ. (+15% y-y, +19% q-q) จาก 1) การผลิตรถยนต์ของไทยที่โต 2.7% y-y; 2) รถแทรกเตอร์ของ Kubota ยังมีปริมาณการผลิตอยู่ในระดับสูง; และ 3) คำสั่งซื้อใหม่ที่ได้เริ่มการผลิตไปแล้วด้วยมูลค่า 300 ลบ. ต่อปี นอกจากนี้เรายังคาดอีกว่าอัตรากำไรขั้นต้นของ SAT จะอยู่เหนือ 20.3% ต่อเนื่องเป็นไตรมาสที่สองจากแผนการปรับปรุงต้นทุนและประสิทธิภาพในการผลิต

ไม่ได้รับผลกระทบจากปัจจัยด้านฤดูกาล

แม้ว่ากลุ่มยานยนต์จะออกนอกฤดูการผลิตใน 2Q เนื่องจากมีวันหยุดเป็นจำนวนมาก ซึ่งควรมีผลให้กำไรลดลง เราเชื่อว่าปัจจัยดังกล่าวจะไม่ส่งผลกระทบต่อราคาหุ้นของ SAT จากการศึกษาของเรา แม้ว่า SAT จะอยู่นอกฤดูการผลิตใน 2Q ราคาหุ้นกลับให้ผลตอบแทนเป็นลบเพียง 2 ใน 9 ครั้งเท่านั้น ซึ่งต่ำที่สุดเมื่อเทียบกับไตรมาสอื่น ทั้งนี้เนื่องจากเราคาดว่ากำไรสุทธิที่ดีของบริษัท (ถึงแม้ว่าจะลดลงจาก 1Q21) จะเกิดต่อเนื่องใน 2Q21 เมื่อเทียบกับผลขาดทุนจำนวนมากใน 2Q20 เรามองว่ากระแสราคาหุ้นของบริษัทฯ จะยังคงดีตลอดไตรมาส

ไม่ได้รับผลกระทบอย่างมีนัยสำคัญจากการขาดแคลนเซมิคอนดักเตอร์หรือราคาเหล็ก

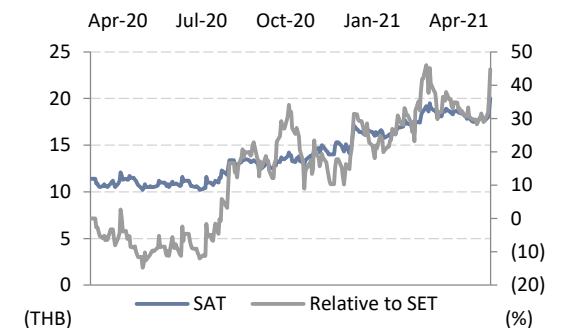
นักลงทุนบางรายมีความกังวลเกี่ยวกับแนวโน้มของกลุ่มยานยนต์ ซึ่งรวมถึง SAT จาก 1) ปัญหาการขาดแคลนเซมิคอนดักเตอร์อันก่อให้เกิดความล่าช้าในการผลิตของผู้ผลิตรถยนต์บางรายตั้งแต่ 2Q21; และ 2) การปรับขึ้นของราคาเหล็ก ซึ่งเป็นวัตถุดิบสำคัญสำหรับชิ้นส่วนรถยนต์ เราเห็นว่าปัญหาดังกล่าวควรส่งผลกระทบต่อเพียงเล็กน้อยต่อบริษัทฯ ใน 2Q และ 3Q ของปีนี้ มีเพียงลูกค้าบางรายที่ประสบปัญหาขาดแคลนเซมิคอนดักเตอร์ ในขณะที่บริษัทฯ สามารถส่งผ่านต้นทุนวัตถุดิบที่เพิ่มขึ้นให้กับลูกค้าได้

คงคำแนะนำซื้อหลังปรับราคาเป้าหมายเป็น 25.50 บาท

เราคงคำแนะนำซื้อ SAT หลังปรับราคาเป้าหมายไปในปี 2022 ที่ 25.50 บาท ราคาดังกล่าวมีสมมติฐานจากค่า 2022E P/E ที่ 12x คิดเป็น +2SD ของค่า P/E เฉลี่ย ดังนั้นเราจึงมีมุมมองที่เป็นบวกต่อแนวโน้มในอนาคตของบริษัทฯ เราเห็นว่าการฟื้นตัวของการผลิตรถยนต์ของไทย การลดต้นทุนของบริษัทฯ ฐานะการเงินที่ดี และผลตอบแทนในรูปเงินปันผลที่น่าสนใจจะเป็นปัจจัยบวกสำคัญสำหรับ SAT นอกจากนี้บริษัทฯ ยังมีความเสี่ยงขาขึ้นในด้านอัตรากำไรขั้นต้นซึ่งอาจสูงเกินคาด กำไรของบริษัทฯ อาจแตะระดับก่อน Covid แม้ว่าแนวโน้มการผลิตรถยนต์ของไทยจะยังต่ำกว่าระดับก่อน Covid อย่างมีนัยสำคัญ

KEY STOCK DATA

YE Dec (THB m)	2020	2021E	2022E	2023E
Revenue	5,883	7,347	8,117	8,686
Net profit	371	710	902	978
EPS (THB)	0.87	1.67	2.12	2.30
vs Consensus (%)	-	2.1	8.6	1.5
EBITDA	910	1,221	1,421	1,491
Core net profit	385	710	902	978
Core EPS (THB)	0.91	1.67	2.12	2.30
Chg. In EPS est. (%)	-	-	-	-
EPS growth (%)	(56.9)	84.1	27.1	8.4
Core P/E (x)	22.1	12.0	9.4	8.7
Dividend yield (%)	3.0	5.9	7.5	8.2
EV/EBITDA (x)	7.4	5.0	4.1	3.7
Price/book (x)	1.2	1.1	1.1	1.0
Net debt/Equity (%)	(26.1)	(31.9)	(34.9)	(36.4)
ROE (%)	5.4	9.8	11.7	12.1



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	7.5	25.8	98.0
Relative to country (%)	7.4	17.1	60.1
Mkt cap (USD m)	271		
3m avg. daily turnover (USD m)	1.7		
Free float (%)	58		
Major shareholder	Kitapanich Family (44%)		
12m high/low (THB)	20.20/9.95		
Issued shares (m)	425.19		

Sources: Bloomberg consensus; FSSIA estimates



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บทวิเคราะห์ฉบับนี้แปลมาจากบทวิเคราะห์ของ FSSIA ฉบับวันที่ 29 เมษายน 2021

Investment thesis

SAT is the largest producer of axle shafts (76% market share), which are used in the manufacturing of one-tonne pickup 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.

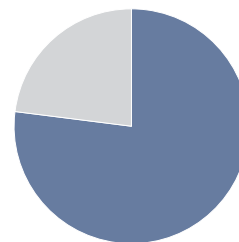
Company profile

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, 2020)

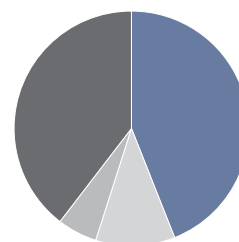
■ Auto - 77.0 % ■ Non-auto - 23.0 %



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

Catalysts

- The strong recovery of Thailand's car manufacturing industry in 2021;
- Cost reduction program;
- Solid dividend yield track record at 4-7% p.a.

Risks 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
May 2021	1Q21 results announcement

Key assumptions

	2021E	2022E	2023E
	(%)	(%)	(%)
Car production growth	6	8	8
Kubota tractor growth	15	5	7

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

No impact from the low season

Although the auto sector will enter its low season in 2Q due to the numerous holidays, which should soften SAT's earnings from the high season in 1Q, we believe there will be no impact on SAT's share price. According to our study, despite the low season in 2Q, seven out of nine quarters (excluding after the first car buying tax policy in 2013 and the Covid outbreak in 2020) have provided a positive return similar to 1Q.

Moreover, since we expect its solid (but softening from 1Q21) net profit to continue in 2Q21 vs the huge loss in 2Q20, we think the company's share price momentum will remain strong throughout the quarter.

Using SAT's share price divided by Aapico Hitech (AH TB, BUY, TP THB22)'s share price, we can see that, normally, SAT's relative share price is above AH's (1.1x on average), but now its relative share price is only 0.83x (-1SD of its 3-year mean). This can imply that now SAT is lagging compared to AH. We believe that SAT deserves to trade close to its mean at 1.1x.

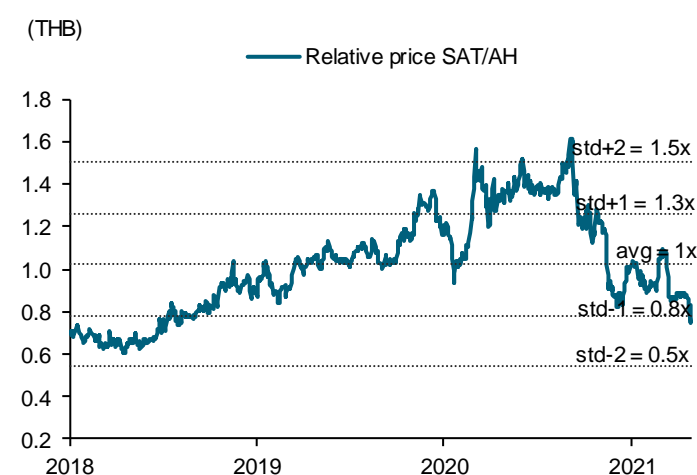
Exhibit 1: SAT's quarterly share price performance

SAT	1Q	2Q	3Q	4Q
	(THB)	(THB)	(THB)	(THB)
2010	28.8	15.3	16.8	27.7
2011	(22.4)	1.3	(9.1)	0.5
2012	32.1	0.9	2.7	6.1
2013	23.0	(32.7)	(11.4)	(19.6)
2014	11.1	12.5	5.6	(14.7)
2015	28.8	(3.6)	(15.0)	1.9
2016	(11.1)	(7.6)	(4.5)	15.7
2017	12.9	0.6	4.2	25.3
2018	(5.0)	3.9	2.3	(30.5)
2019	16.3	1.7	(7.2)	(7.1)
2020	(49.4)	35.4	20.6	27.1
2021	12.8	-	-	-
Avg. return (%)	10.2	2.8	(0.5)	2.8
Positive return (times)	7	7	5	6

Note: Average return and positive return excluding 2013 and 2020 (after the first car buying tax policy and Covid outbreak)

Source: Bloomberg

Exhibit 2: Relative price between SAT/AH



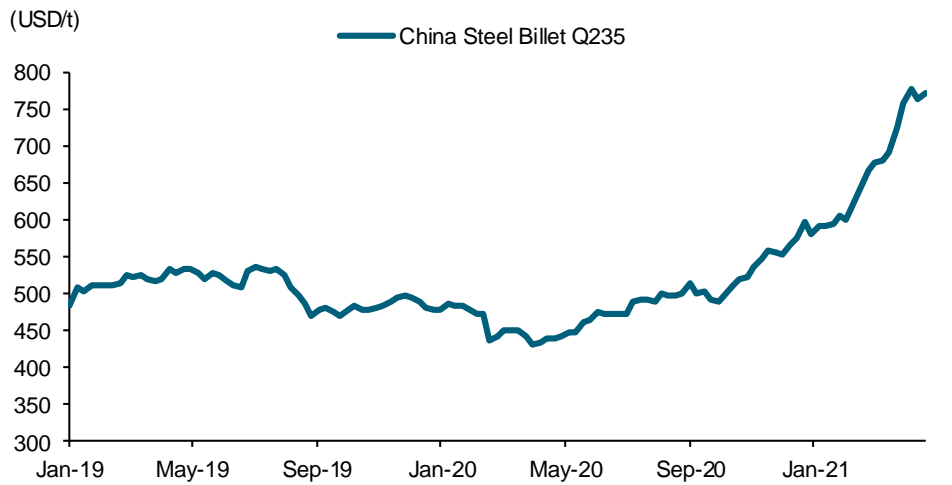
Source: Bloomberg

No significant impact from semi-conductor shortage or steel price

There is some concern on the auto sector's outlook, including SAT, but we think there should be a minimal impact to the company in 2Q and 3Q this year. The reasons are as follows:

- 1) The first concern comes from the semi-conductor shortage that caused a delay in some automakers' production from 2Q21. SAT thinks it should have some impact on its 2Q21 performance but not its whole year outlook. The company believes it is just a supply shortage that should recover within 3-6 months, while the demand for new cars should remain strong following the global economic recovery. Moreover, according to the company, there are only two automakers that have delayed their production output by around 5-10% from their original targets in 2Q21. These two companies contribute less than 35% of SAT's total revenue.
- 2) The second concern stems from the higher price of steel that started to increase at the end of 2020 and is still rising in Apr-21, which is the main raw material for auto parts. Normally, the raw material price can be passed through to its customers with some lead time of around 1-2 months. Therefore, this issue could have a minimal impact on the company's cost in 3Q21.

Exhibit 3: China steel price



Source: Bloomberg

Exhibit 4: 1Q21 results preview

	1Q20	4Q20	1Q21E	Change		2021E
	(THB m)	(THB m)	(THB m)	(q-q%)	(y-y%)	(THB m)
Revenue	1,831	1,768	2,100	18.8	14.7	7,347
Operating costs	(1,496)	(1,402)	(1,674)	19.3	11.9	(6,025)
Gross profit	335	366	426	16.6	27.1	1,323
SG&A expenses	(161)	(172)	(183)	6.6	14.0	(705)
EBIT	175	194	243	25.4	39.1	617
Depn & amort.	160	159	160	0.9	0.0	604
EBITDA	335	353	403	14.4	20.4	1,221
EBITDA margin (%)	18	20	19	(0.7)	0.9	17
Interest expense	(3)	(2)	(2)	(2.5)	(30.6)	(5)
Other income	33	40	41	2.3	25.5	158
Associates	11	27	15	(45.1)	34.4	37
Gain/Loss from exchange	(1)	(2)	0	n.a.	n.a.	0
Pretax profit	215	258	297	15.3	38.1	806
Tax	(25)	(13)	(34)	165.1	38.1	(89)
Tax rate (%)	(11)	(5)	(12)	(6.5)	(0.0)	(11.00)
Minority interests	2	2	2	(3.5)	0.0	8
Net profit	189	243	261	7.5	38.5	710
Extra items	(1)	(2)	0	n.a.	n.a.	0
Core net profit	189	245	261	6.8	38.0	710
EPS (THB)	0.44	0.57	0.61	7.5	38.5	1.67
Core EPS (THB)	0.45	0.58	0.61	6.8	38.0	1.67

Source: SAT; FSSIA estimates

Exhibit 5: Rolling one-year forward P/E band



Sources: Bloomberg; FSSIA estimates

Exhibit 6: Rolling one-year forward P/BV band



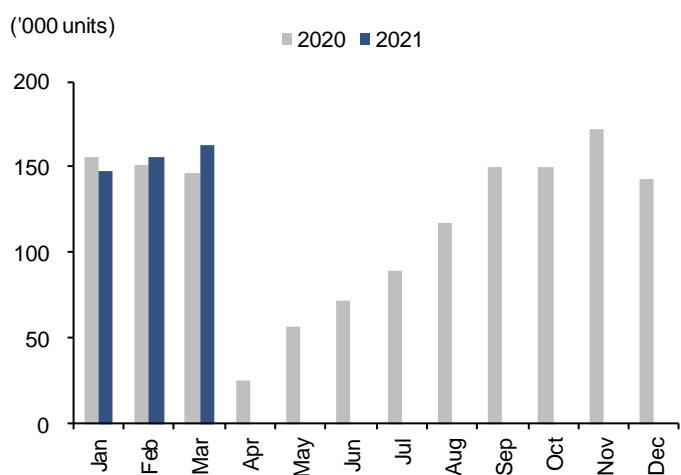
Sources: Bloomberg; FSSIA estimates

Exhibit 7: Peers comparison as of 28 Apr 2021

Company	BBG	Rec	Market Cap	3Y EPS CAGR	PE		DivYld		ROE		PBV	
					21E	22E	21E	22E	21E	22E	21E	22E
			(USD m)	(%)	(x)	(x)	(%)	(%)	(x)	(x)	(x)	(x)
Aapico Hitech	AH TB	BUY	273	(97)	11.0	7.7	3.2	4.6	10.1	13.3	1.1	1.0
Somboon Advance Technology	SAT TB	BUY	271	36	12.0	9.4	5.9	7.5	9.8	11.7	1.1	1.1
Coverage			544	62	11.5	8.5	4.6	6.0	9.9	12.5	1.1	1.0
Pcs Machine Group Holding	PCSGH TB	n/a	245	(41)	19.4	13.6	5.0	5.1	8.0	11.0	1.6	1.5
Thai Stanley Electric	STANLY TB	n/a	440	4	14.6	9.3	2.6	3.4	5.3	7.8	0.7	0.7
Local peers			685	(4)	17.0	11.5	3.8	4.3	6.6	9.4	1.2	1.1
Gabriel India	GABR IN	n/a	1,125	nm	31.8	14.6	1.4	1.9	7.5	15.1	n/a	n/a
Mahindra Cie Automotive	MACA IN	n/a	888	(74)	62.3	13.7	0.9	1.1	2.2	9.4	n/a	n/a
Shanghai Daimay Automotive-A	603730 CH	n/a	1,979	nm	15.0	12.5	n/a	n/a	17.7	18.4	2.6	2.3
Bethel Automotive Safety S-A	603596 CH	n/a	1,914	(26)	21.5	17.4	n/a	n/a	17.3	17.9	3.8	3.1
Great Wall Motor Co Ltd-A	601633 CH	n/a	39,321	(41)	35.2	27.3	1.3	1.7	14.0	16.1	4.8	4.2
Geely Automobile Holdings	175 HK	n/a	26,124	(37.98)	19.5	15.8	1.5	1.9	12.6	14.0	2.3	2.1
Regional peers			71,352	40	30.9	16.9	1.3	1.7	11.9	15.2	3.4	2.9
Average			72,581	47	24.2	14.2	2.7	3.4	10.4	13.5	2.2	2.0

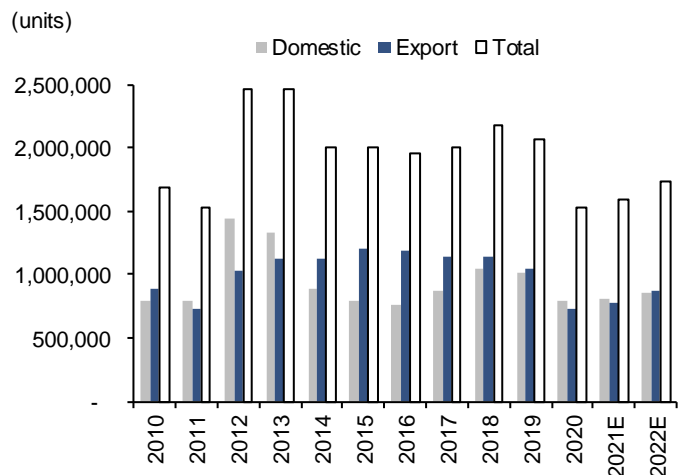
Sources: Bloomberg; FSSIA estimates

Exhibit 8: Thailand's car production – 2020 vs 2021



Source: Thai Automotive Industry Association

Exhibit 9: Thailand's car production outlook



Sources: Thai Automotive Industry Association; FSSIA estimates

Financial Statements

Somboon Advance Technology

Profit and Loss (THB m) Year Ending Dec	2019	2020	2021E	2022E	2023E
Revenue	8,006	5,883	7,347	8,117	8,686
Cost of goods sold	(5,869)	(4,372)	(5,421)	(5,957)	(6,413)
Gross profit	2,137	1,511	1,927	2,160	2,272
Other operating income	-	-	-	-	-
Operating costs	(736)	(601)	(705)	(739)	(782)
Operating EBITDA	1,401	910	1,221	1,421	1,491
Depreciation	(643)	(620)	(604)	(618)	(622)
Goodwill amortisation	-	-	-	-	-
Operating EBIT	757	290	617	804	869
Net financing costs	(11)	(8)	(5)	(4)	(4)
Associates	59	3	37	61	87
Recurring non-operating income	252	147	195	239	278
Non-recurring items	0	(15)	0	0	0
Profit before tax	998	415	806	1,039	1,142
Tax	(100)	(40)	(89)	(125)	(148)
Profit after tax	899	374	718	914	994
Minority interests	(4)	(4)	(8)	(12)	(16)
Preferred dividends	-	-	-	-	-
Other items	-	-	-	-	-
Reported net profit	895	371	710	902	978
Non-recurring items & goodwill (net)	0	15	0	0	0
Recurring net profit	894	385	710	902	978
Per share (THB)					
Recurring EPS *	2.10	0.91	1.67	2.12	2.30
Reported EPS	2.10	0.87	1.67	2.12	2.30
DPS	1.35	0.60	1.18	1.50	1.64
Diluted shares (used to calculate per share data)	425	425	425	425	425
Growth					
Revenue (%)	(2.3)	(26.5)	24.9	10.5	7.0
Operating EBITDA (%)	(6.0)	(35.0)	34.2	16.4	4.9
Operating EBIT (%)	(8.5)	(61.7)	112.6	30.2	8.1
Recurring EPS (%)	(1.9)	(56.9)	84.1	27.1	8.4
Reported EPS (%)	(2.3)	(58.6)	91.4	27.1	8.4
Operating performance					
Gross margin inc. depreciation (%)	18.7	15.1	18.0	19.0	19.0
Gross margin of key business (%)	0.2	0.2	0.2	0.2	0.2
Operating EBITDA margin (%)	17.5	15.5	16.6	17.5	17.2
Operating EBIT margin (%)	9.5	4.9	8.4	9.9	10.0
Net margin (%)	11.2	6.6	9.7	11.1	11.3
Effective tax rate (%)	(10.0)	(9.7)	(11.0)	(12.0)	(13.0)
Dividend payout on recurring profit (%)	64.2	66.2	70.8	70.9	71.1
Interest cover (X)	94.6	56.4	149.6	240.2	264.0
Inventory days	32.5	47.4	35.7	31.7	31.8
Debtor days	66.7	85.6	67.6	64.7	63.8
Creditor days	88.9	111.7	89.5	84.6	84.9
Operating ROIC (%)	15.0	6.2	14.1	18.4	19.8
ROIC (%)	16.5	7.5	14.8	19.0	20.5
ROE (%)	12.7	5.4	9.8	11.7	12.1
ROA (%)	9.9	4.3	7.9	9.5	9.8
* Pre-exceptional, pre-goodwill and fully diluted					
Revenue by Division (THB m)					
Auto	6,404	4,530	5,750	6,440	6,891
Non-auto	1,601	1,353	1,597	1,677	1,795

Sources: Somboon Advance Technology; FSSIA estimates

Financial Statements

Somboon Advance Technology

Cash Flow (THB m) Year Ending Dec	2019	2020	2021E	2022E	2023E
Recurring net profit	894	385	710	902	978
Depreciation	643	620	604	618	622
Associates & minorities	-	4	8	12	16
Other non-cash items	(88)	(109)	47	12	16
Change in working capital	(153)	128	33	12	(42)
Cash flow from operations	1,297	1,028	1,402	1,555	1,589
Capex - maintenance	(253)	(283)	(357)	(427)	(427)
Capex - new investment	(108)	(121)	(153)	(183)	(183)
Net acquisitions & disposals	4	17	0	0	0
Other investments (net)	121	329	(37)	(61)	(87)
Cash flow from investing	(237)	(59)	(547)	(671)	(697)
Dividends paid	(574)	(476)	(262)	(502)	(640)
Equity finance	0	0	0	0	0
Debt finance	0	(187)	(35)	0	0
Other financing cash flows	(11)	(29)	(11)	0	0
Cash flow from financing	(585)	(692)	(309)	(502)	(640)
Non-recurring cash flows	-	-	-	-	-
Other adjustments	0	0	0	0	0
Net other adjustments	(136)	0	(12)	0	0
Movement in cash	340	277	534	382	253
Free cash flow to firm (FCFF)	1,071.31	977.18	860.88	888.65	896.84
Free cash flow to equity (FCFE)	913.90	753.56	796.61	884.31	892.50
Per share (THB)					
FCFF per share	2.52	2.30	2.02	2.09	2.11
FCFE per share	2.15	1.77	1.87	2.08	2.10
Recurring cash flow per share	3.41	2.12	3.22	3.63	3.84
Balance Sheet (THB m) Year Ending Dec	2019	2020	2021E	2022E	2023E
Tangible fixed assets (gross)	11,575	11,605	12,105	12,705	13,305
Less: Accumulated depreciation	(7,978)	(8,202)	(8,794)	(9,399)	(10,009)
Tangible fixed assets (net)	3,596	3,403	3,311	3,306	3,296
Intangible fixed assets (net)	74	70	41	39	37
Long-term financial assets	-	-	-	-	-
Invest. in associates & subsidiaries	973	867	904	965	1,052
Cash & equivalents	1,703	1,981	2,515	2,897	3,149
A/C receivable	1,448	1,311	1,409	1,468	1,571
Inventories	570	565	495	540	578
Other current assets	860	550	567	584	601
Current assets	4,581	4,407	4,986	5,489	5,899
Other assets	88	208	132	140	145
Total assets	9,312	8,955	9,374	9,938	10,429
Common equity	7,158	7,042	7,498	7,909	8,263
Minorities etc.	45	48	56	68	84
Total shareholders' equity	7,203	7,091	7,554	7,978	8,348
Long term debt	118	59	109	109	109
Other long-term liabilities	355	305	309	324	340
Long-term liabilities	473	364	417	433	449
A/C payable	1,340	1,337	1,321	1,441	1,542
Short term debt	199	71	0	0	0
Other current liabilities	97	93	82	86	91
Current liabilities	1,636	1,501	1,403	1,527	1,633
Total liabilities and shareholders' equity	9,311	8,955	9,374	9,938	10,429
Net working capital	1,442	996	1,068	1,064	1,117
Invested capital	6,173	5,545	5,456	5,514	5,647
* Includes convertibles and preferred stock which is being treated as debt					
Per share (THB)					
Book value per share	16.83	16.56	17.63	18.60	19.43
Tangible book value per share	16.66	16.40	17.54	18.51	19.35
Financial strength					
Net debt/equity (%)	(19.2)	(26.1)	(31.9)	(34.9)	(36.4)
Net debt/total assets (%)	(14.9)	(20.7)	(25.7)	(28.1)	(29.2)
Current ratio (x)	2.8	2.9	3.6	3.6	3.6
CF interest cover (x)	96.9	113.8	175.9	246.8	248.6
Valuation	2019	2020	2021E	2022E	2023E
Recurring P/E (x) *	9.5	22.1	12.0	9.4	8.7
Recurring P/E @ target price (x) *	12.1	28.1	15.3	12.0	11.1
Reported P/E (x)	9.5	22.9	12.0	9.4	8.7
Dividend yield (%)	6.8	3.0	5.9	7.5	8.2
Price/book (x)	1.2	1.2	1.1	1.1	1.0
Price/tangible book (x)	1.2	1.2	1.1	1.1	1.0
EV/EBITDA (x) **	5.1	7.4	5.0	4.1	3.7
EV/EBITDA @ target price (x) **	6.8	9.9	7.0	5.7	5.3
EV/invested capital (x)	1.2	1.2	1.1	1.0	1.0
* Pre-exceptional, pre-goodwill and fully diluted ** EBITDA includes associate income and recurring non-operating income					

Sources: Somboon Advance Technology; FSSIA estimates

Corporate Governance report of Thai listed companies 2020

EXCELLENT LEVEL										
AAV	ADVANC	AF	AIRA	AKP	AKR	ALT	AMA	AMATA	AMATAV	ANAN
AOT	AP	ARIP	ARROW	ASP	BAFS	BANPU	BAY	BCP	BCPG	BDMS
BEC	BEM	BGRIM	BIZ	BKI	BLA	BOL	BPP	BRR	BTS	BWG
CENTEL	CFRESH	CHEWA	CHO	CIMBT	CK	CKP	CM	CNT	COL	COMAN
COTTO	CPALL	CPF	CPI	CPN	CSS	DELTA	DEMCO	DRT	DTAC	DTC
DV8	EA	EASTW	ECF	ECL	EGCO	EPG	ETE	FNS	FPI	FPT
FSMART	GBX	GC	GCAP	GEL	GFPT	GGC	GPSC	GRAMMY	GUNKUL	HANA
HARN	HMPRO	ICC	ICHI	III	ILINK	INTUCH	IRPC	IVL	JKN	JSP
JWD	K	KBANK	KCE	KKP	KSL	KTB	KTC	LANNA	LH	LHFG
LIT	LPN	MAKRO	MALEE	MBK	MBKET	MC	MCOT	METCO	MFEC	MINT
MONO	MOONG	MSC	MTC	NCH	NCL	NEP	NKI	NOBLE	NSI	NVD
NYT	OISHI	ORI	OTO	PAP	PCSGH	PDJ	PG	PHOL	PLANB	PLANET
PLAT	PORT	PPS	PR9	PREB	PRG	PRM	PSH	PSL	PTG	PTT
PTTEP	PTTGC	PYLON	Q-CON	QH	QTC	RATCH	RS	S	S & J	SAAM
SABINA	SAMART	SAMTEL	SAT	SC	SCB	SCC	SCCC	SCG	SCN	SDC
SEAFCO	SEOIL	SE-ED	SELIC	SENA	SIRI	SIS	SITHAI	SMK	SMPC	SNC
SONIC	SORKON	SPALI	SPI	SPRC	SPVI	SSSC	SST	STA	SUSCO	SUTHA
SVI	SYMC	SYNTEC	TACC	TASCO	TCAP	TFMAMA	THANA	THANI	THCOM	THG
THIP	THRE	THREL	TIP	TIPCO	TISCO	TK	TKT	TMB	TMILL	TNDT
TNL	TOA	TOP	TPBI	TQM	TRC	TSC	TSR	TSTE	TSTH	TTA
TTCL	TTW	TU	TVD	TVI	TVO	TWPC	U	UAC	UBIS	UV
VGI	VIH	WACOAL	WAVE	WHA	WHAUP	WICE	WINNER	TRUE		

VERY GOOD LEVEL										
2S	ABM	ACE	ACG	ADB	AEC	AEONTS	AGE	AH	AHC	AIT
ALLA	AMANAHA	AMARIN	APCO	APCS	APURE	AQUA	ASAP	ASEFA	ASIA	ASIAN
ASIMAR	ASK	ASN	ATP30	AUCT	AWC	AYUD	B	BA	BAM	BBL
BFIT	BGC	BJC	BJCHI	BROOK	BTW	CBG	CEN	CGH	CHARAN	CHAYO
CHG	CHOTI	CHOW	CI	CIG	CMC	COLOR	COM7	CPL	CRC	CRD
CSC	CSP	CWT	DCC	DCON	DDD	DOD	DOHOME	EASON	EE	ERW
ESTAR	FE	FLOYD	FN	FORTH	FSS	FTE	FVC	GENCO	GJS	GL
GLAND	GLOBAL	GLOCON	GPI	GULF	GYT	HPT	HTC	ICN	IFS	ILM
IMH	INET	INSURE	IRC	IRCP	IT	ITD	ITEL	J	JAS	JCK
JCKH	JMART	JMT	KBS	KCAR	KGI	KIAT	KOOL	KTIS	KWC	KWM
L&E	LALIN	LDC	LHK	LOXLEY	LPH	LRH	LST	M	MACO	MAJOR
MBAX	MEGA	META	MFC	MGT	MILL	MITSIB	MK	MODERN	MTI	MVP
NETBAY	NEX	NINE	NTV	NWR	OCC	OGC	OSP	PATO	PB	PDG
PDI	PICO	PIMO	PJW	PL	PM	PPP	PRIN	PRINC	PSTC	PT
QLT	RCL	RICHY	RML	RPC	RWI	S11	SALEE	SAMCO	SANKO	SAPPE
SAWAD	SCI	SCP	SE	SEG	SFP	SGF	SHR	SIAM	SINGER	SKE
SKR	SKY	SMIT	SMT	SNP	SPA	SPC	SPCG	SR	SRICHA	SSC
SSF	STANLY	STI	STPI	SUC	SUN	SYNEX	T	TAE	TAKUNI	TBSP
TCC	TCMC	TEAM	TEAMG	TFG	TIGER	TITLE	TKN	TKS	TM	TMC
TMD	TMI	TMT	TNITY	TNP	TNR	TOG	TPA	TPAC	TPCORP	TPOLY
TPS	TRITN	TRT	TRU	TSE	TVT	TWP	UEC	UMI	UOBKH	UP
UPF	UPOIC	UT	UTP	UWC	VL	VNT	VPO	WIIK	WP	XO
YUASA	ZEN	ZIGA	ZMICO							

GOOD LEVEL										
7UP	A	ABICO	AJ	ALL	ALUCON	AMC	APP	ARIN	AS	AU
B52	BC	BCH	BEAUTY	BGT	BH	BIG	BKD	BLAND	BM	BR
BROCK	BSBM	BSM	BTNC	CAZ	CCP	CGD	CITY	CMAN	CMO	CMR
CPT	CPW	CRANE	CSR	D	EKH	EP	ESSO	FMT	GIFT	GREEN
GSC	GTB	HTECH	HUMAN	IHL	INOX	INSET	IP	JTS	JUBILE	KASET
KCM	KKC	KUMWEL	KUN	KWG	KYE	LEE	MATCH	MATI	M-CHAI	MCS
MDX	MJD	MM	MORE	NC	NDR	NER	NFC	NNCL	NPK	NUSA
OCEAN	PAF	PF	PK	PLE	PMTA	POST	PPM	PRAKIT	PRECHA	PRIME
PROUD	PTL	RBF	RCI	RJH	ROJNA	RP	RPH	RSP	SF	SFLEX
SGP	SISB	SKN	SLP	SMART	SOLAR	SPG	SQ	SSP	STARK	STC
SUPER	SVOA	TC	TCCC	THMUI	TIW	TNH	TOPP	TPCH	TIPIP	TPLAS
TTI	TYCN	UKEM	UMS	VCOM	VRANDA	WIN	WORK	WPH		

Description

Score Range

Excellent

90-100

Very Good

80-89

Good

70-79

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 2020

CERTIFIED										
2S	ADVANC	AI	AIE	AIRA	AKP	AMA	AMANA	AP	AQUA	ARROW
ASK	ASP	AYUD	B	BAFS	BANPU	BAY	BBL	BCH	BCP	BCPG
BGC	BGRIM	BJCHI	BKI	BLA	BPP	BROOK	BRR	BSBM	BTS	BWG
CEN	CENTEL	CFRESH	CGH	CHEWA	CHOTI	CHOW	CIG	CIMBT	CM	CMC
COL	COM7	CPALL	CPF	CPI	CPN	CSC	DCC	DELTA	DEMCO	DIMET
DRT	DTAC	DTC	EASTW	ECL	EGCO	FE	FNS	FPI	FPT	FSS
FTE	GBX	GC	GCAP	GEL	GFPT	GGC	GJS	GPSC	GSTEEL	GUNKUL
HANA	HARN	HMPRO	HTC	ICC	ICHI	IFS	INET	INSURE	INTUCH	IRPC
ITEL	IVL	K	KASET	KBANK	KBS	KCAR	KCE	KGI	KKP	KSL
KTB	KTC	KWC	L&E	LANNA	LHFG	LHK	LPN	LRH	M	MAKRO
MALEE	MBAX	MBK	MBKET	MC	MCOT	MFC	MFEC	MINT	MONO	MOONG
MPG	MSC	MTC	MTI	NBC	NEP	NINE	NKI	NMG	NNCL	NSI
NWR	OCC	OCEAN	OGC	ORI	PAP	PATO	PB	PCSGH	PDG	PDI
PDJ	PE	PG	PHOL	PL	PLANB	PLANET	PLAT	PM	PPP	PPPM
PPS	PREB	PRG	PRINC	PRM	PSH	PSL	PSTC	PT	PTG	PTT
PTTEP	PTTGC	PYLON	Q-CON	QH	QLT	QTC	RATCH	RML	RWI	S & J
SABINA	SAT	SC	SCB	SCC	SCCC	SCG	SCN	SEAOL	SE-ED	SELIC
SENA	SGP	SIRI	SITHAI	SMIT	SMK	SMPC	SNC	SNP	SORKON	SPACK
SPC	SPI	SPRC	SRICHA	SSF	SSSC	SST	STA	SUSCO	SVI	SYNTEC
TAE	TAKUNI	TASCO	TBSP	TCAP	TCMC	TFG	TFI	TFMAMA	THANI	THCOM
THIP	THRE	THREL	TIP	TIPCO	TISCO	TKT	TMB	TMD	TMILL	TMT
TNITY	TNL	TNP	TNR	TOG	TOP	TPA	TPCORP	TPP	TRU	TSC
TSTH	TTCL	TU	TVD	TVI	TVO	TWPC	U	UBIS	UEC	UKEM
UOBKH	UWC	VGI	VIH	VNT	WACOAL	WHA	WHAUP	WICE	WIJK	XO
ZEN	TRUE									
DECLARED										
7UP	ABICO	AF	ALT	AMARIN	AMATA	AMATAV	ANAN	APURE	B52	BKD
BM	BROCK	BUI	CHO	CI	COTTO	DDD	EA	EFORL	EP	ERW
ESTAR	ETE	EVER	FSMART	GPI	ILINK	IRC	J	JKN	JMART	JMT
JSP	JTS	KWG	LDC	MAJOR	META	NCL	NOBLE	NOK	PK	PLE
ROJNA	SAAM	SAPPE	SCI	SE	SHANG	SINGER	SKR	SPALI	SSP	STANLY
SUPER	SYNEX	THAI	TKS	TOPP	TRITN	TTA	UPF	UV	WIN	ZIGA

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

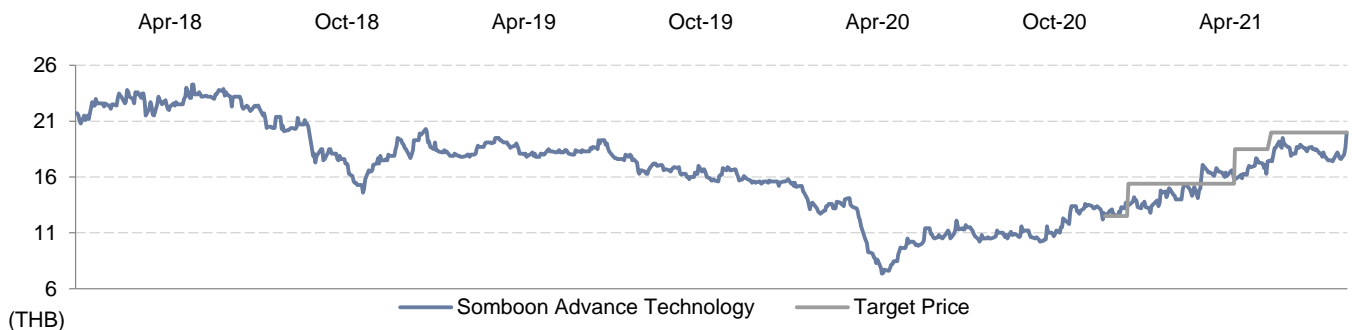
The individual(s) identified above certify(ies) that (i) all views expressed in this report accurately reflect the personal view of the analyst(s) with regard to any and all of the subject securities, companies or issuers mentioned in this report; and (ii) no part of the compensation of the analyst(s) 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

Somboon Advance Technology (SAT TB)



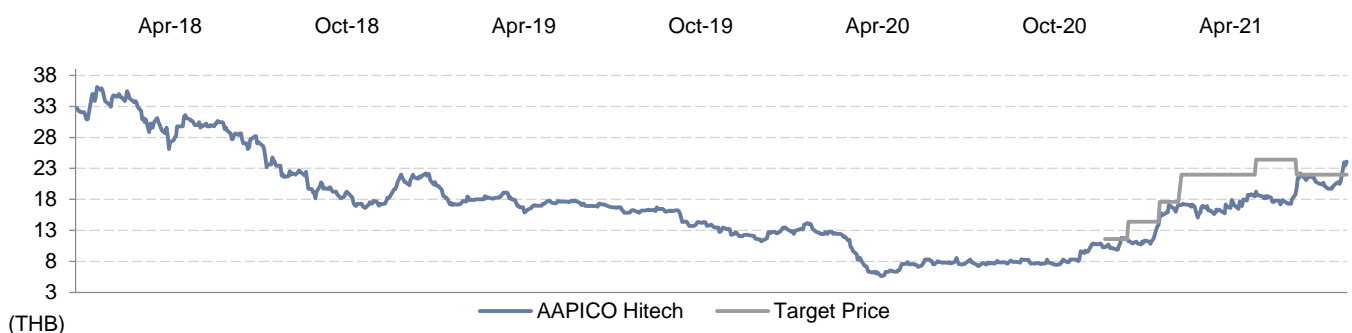
Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
01-Oct-2020	HOLD	12.50	21-Jan-2021	BUY	18.50	-	-	-
21-Oct-2020	BUY	15.40	19-Feb-2021	BUY	20.00			

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

Price and TP are in local currency

Source: FSSIA estimates

AAPICO Hitech (AH TB)



Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
01-Oct-2020	HOLD	11.60	17-Nov-2020	BUY	17.60	08-Feb-2021	BUY	24.40
21-Oct-2020	BUY	14.40	04-Dec-2020	BUY	22.00	15-Mar-2021	BUY	22.00

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 20.00	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 pickup trucks.
AAPICO Hitech	AH TB	THB 24.10	BUY	Key downside risks to our P/E-derived TP include lower-than-expected car production volumes and lower car sales in both Thailand and Malaysia. Additional downside risks include a faster-than-expected EV adoption rate in Thailand, and exchange rate risk.

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

FSSIA may incorporate the recommendations and target prices of companies currently covered by FSS Research into equity research reports, denoted by an 'FSS' before the recommendation. FSS Research is part of Finansia Syrus Securities Public Company Limited, which is the parent company of FSSIA.

All share prices are as at market close on 28-Apr-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.