

SRINANAPORN MARKETING

SNNP TB

THAILAND / CONSUMER DISCRETIONARY

BUY

UNCHANGED

แผนการเติบโตในอัตราที่สูงขึ้น

- เราคาดว่ากำไรสุทธิ 2Q22 จะอยู่ในระดับสูงที่ 120 ลบ. (+14% q-q, +56% y-y) จากการฟื้นตัวของความต้องการและการเปิดตัวผลิตภัณฑ์ใหม่
- ตั้งแต่ 3Q22 เป็นต้นไป เราคาดว่า SNNP จะรายงานรายได้สูงขึ้นจากตลาดทั้งในและต่างประเทศ
- คงแนะนำซื้อที่ราคาเป้าหมาย 20 บาท

อีกไตรมาสที่ดีด้วยประมาณการกำไรสุทธิ 2Q22 ที่ 120 ลบ.

เราคาดว่า SNNP จะรายงานกำไรสุทธิ 2Q22 ในระดับสูงที่ 120 ลบ. (+14% q-q, +56% y-y) ซึ่งเป็นกำไรสุทธิรายไตรมาสที่สูงเป็นอันดับสองหลังทำสถิติสูงสุดที่ 121 ลบ. ใน 4Q21 การดำเนินงานน่าจะปรับตัวดีขึ้นในตลาดทั้งในและต่างประเทศ พร้อมรายได้ในระดับสูงและปริมาณขายที่สูงขึ้นจากการฟื้นตัวของความต้องการและการเปิดตัวผลิตภัณฑ์ใหม่อันประกอบด้วยเครื่องดื่มผสมกัญชงใหม่และขนมขบเคี้ยว Mini-JELE jelly

คาดการณ์รายได้จะทำสถิติสูงเป็นประวัติการณ์ใน 2Q22

เราคาดว่ารายได้ของ SNNP ใน 2Q22 จะทำสถิติสูงสุดเป็นประวัติการณ์ที่ 1.2 พัน ลบ. (+8% q-q, +15% y-y) โดยมีปัจจัยหนุนสำคัญอยู่ที่ปริมาณขายที่อยู่ในระดับสูงของผลิตภัณฑ์ใหม่และปริมาณการส่งออกไปยังเวียดนามที่อยู่ในระดับสูงจากความพร้อมของตู้ขนส่งสินค้าที่ปรับตัวดีขึ้นหลังขาดแคลนอย่างหนักใน 1Q22 ตั้งแต่ 3Q22 เป็นต้นไป เราคาดว่า SNNP จะรายงานรายได้สูงขึ้นจากตลาดทั้งในและต่างประเทศโดยเฉพาะอย่างยิ่งเวียดนามที่ SNNP มีกำหนดเริ่มเดินโรงงานผลิตแห่งใหม่พร้อมรายได้ต่อปีที่คาดว่าจะอยู่ที่ 0.7 พัน ลบ.

คาดการณ์อัตรากำไรจะลดลงใน 2Q22 ส่วนมากจากค่าใช้จ่ายพิเศษ

เราคาดว่าอัตรากำไรจะลดลงเล็กน้อย q-q มาอยู่ที่ 26.3% ใน 2Q22 จาก 27% ใน 1Q22 จากการขาดแคลนแรงงานในช่วงสงกรานต์ ซึ่งทำให้เกิดค่าล่วงเวลาเพิ่มขึ้น นอกจากนี้ยังมีค่าใช้จ่ายเริ่มต้นสำหรับการเพิ่มกำลังการผลิตเครื่องดื่มผสมกัญชง โดย SNNP ได้ขยายกำลังการผลิตจาก 1,500 ตู้ต่อปี (cpa) เป็น 7,000 cpa เพื่อรองรับความต้องการที่สูงเกินคาดในประเทศไทย เราคาดว่าอัตราส่วนค่าใช้จ่ายการขายและการบริหารต่อยอดขายจะปรับขึ้นเป็น 10.7% ใน 2Q22 จาก 9.9% ใน 1Q22 จากต้นทุนเชื้อเพลิงที่สูงขึ้น อย่างไรก็ตามเรายังคาดว่าตัวเลขดังกล่าวจะลดลงเหลือ 10% ในช่วง 2H22 เนื่องจากปัจจุบัน SNNP กำลังปรับต้นทุนโลจิสติกส์ให้มีประสิทธิภาพมากขึ้น

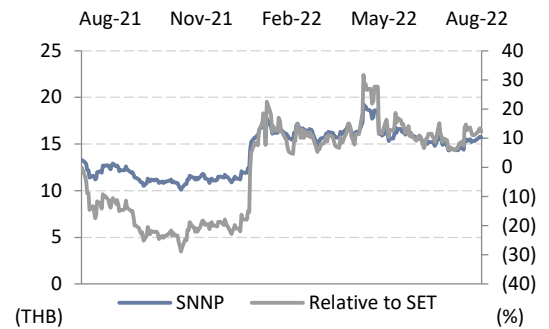
พร้อมโต

เราแนะนำซื้อที่ราคาเป้าหมาย 20 บาท (37x ของค่า 2022E P/E) เราคิดว่า SNNP อยู่ในตำแหน่งที่ดีที่จะจับการเติบโตของรายได้ที่อยู่ในระดับสูงจากผลิตภัณฑ์ใหม่และอัตราการใช้จ่ายการผลิตที่กำลังปรับขึ้นที่โรงงานผลิตแห่งใหม่ในเวียดนาม ซึ่งเราคาดว่าจะเพิ่มเป็น 50% ภายในสิ้นปี 2022 เทียบกับจุดคุ้มทุนที่ 30% เวียดนามและกัมพูชาเป็น 2 ตลาดสำคัญในต่างประเทศของ SNNP ด้วยสัดส่วนรายได้ที่ประมาณ 10% สำหรับเวียดนามและ 7% สำหรับกัมพูชา เราคาดว่ารายได้จากต่างประเทศจะโต 10-20% y-y ในปี 2022.

TARGET PRICE	THB20.00
CLOSE	THB15.70
UP/DOWNSIDE	+27.4%
PRIOR TP	THB20.00
CHANGE IN TP	UNCHANGED
TP vs CONSENSUS	+0.8%

KEY STOCK DATA

YE Dec (THB m)	2021	2022E	2023E	2024E
Revenue	4,391	5,051	5,809	6,507
Net profit	437	514	624	733
EPS (THB)	0.46	0.54	0.65	0.76
vs Consensus (%)	-	7.6	4.8	6.6
EBITDA	618	833	992	1,157
Core net profit	308	514	624	733
Core EPS (THB)	0.32	0.54	0.65	0.76
Chg. In EPS est. (%)	-	-	-	-
EPS growth (%)	146.6	66.6	21.5	17.4
Core P/E (x)	48.9	29.3	24.1	20.6
Dividend yield (%)	1.4	2.4	2.9	3.4
EV/EBITDA (x)	24.6	18.6	15.6	13.4
Price/book (x)	5.3	5.0	4.7	4.4
Net debt/Equity (%)	(4.3)	3.9	5.3	5.2
ROE (%)	20.2	17.6	20.2	22.3



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	5.4	(2.5)	22.7
Relative to country (%)	1.6	0.2	17.2
Mkt cap (USD m)			419
3m avg. daily turnover (USD m)			15.0
Free float (%)			34
Major shareholder	Concord I. Capital Limited (21%)		
12m high/low (THB)			19.90/9.90
Issued shares (m)			960.00

Sources: Bloomberg consensus; FSSIA estimates



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บทวิเคราะห์ฉบับนี้แปลมาจากบทวิเคราะห์ของ FSSIA ฉบับวันที่ 5 สิงหาคม 2022

Investment thesis

As one of Thailand's leading producers and distributors of snacks and jelly, with three highly recognised brands – 'Bento' (squid and fish strips), 'Jele' (jelly), and 'Lotus' (biscuit sticks), Srinaporn Marketing (SNNP) has been an iconic snack market leader in Thailand over the past three decades. After three years of restructuring efforts in 2018-20, we think SNNP will now reap the benefits from higher net margins, rising sales volumes, and improving operational and distribution efficiency. Unlike other snacks, which have seen demand sharply dwindle after a few years due to health concerns and high prices, we think SNNP's seafood snacks and jelly products are "core snacks", which have seen consistent demand growth in the past three decades.

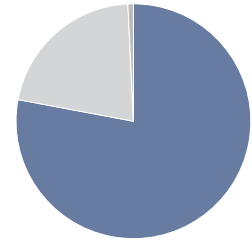
Company profile

Founded in 1972 by the Kraipisitkul family as a snack wholesaler under the name Sriwatt, SNNP has been operating for more than 30 years and is currently a market leader with strong brands in snack and beverage products.

<https://snnp.co.th>

Principal activities (revenue, 2021)

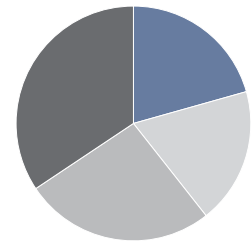
- Domestic - 78.0 %
- Overseas - 21.3 %
- Others - 0.8 %



Source: Srinaporn Marketing

Major shareholders

- Concord I. Capital Limited - 20.6 %
- Ascend I. Holding Company Limited - 18.8 %
- Chaisathaporn family - 26.3 %
- Others - 34.4 %



Source: Srinaporn Marketing

Catalysts

Potential catalysts are 1) revenue growth driven by higher utilisation rates and the new production plant in Vietnam (COD in 2022); and 2) a net margin rise from 2.1% in 2020 to 9.1-10.2% in 2021-23, driven by lower SG&A and interest expenses, along with higher sales volumes from traditional trade, rising from 48% in 2020 to 52% of the total sales volume in 2023, based on our estimate.

Risks to our call

The key downside risks to our DCF-based TP are 1) slower-than-expected demand growth and market penetration overseas, especially in Cambodia and Vietnam; 2) a lower-than-expected profit margin due to high raw material and transportation costs; and 3) higher-than-expected SG&A expenses from overseas operations.

Event calendar

Date	Event
Aug 2022	2Q22 results announcement

Key assumptions

SNNP	2022E	2023E	2024E
	(THB m)	(THB m)	(THB m)
Total sales	5,012	5,766	6,457
Sales growth (%)	15.0	15.0	12.0
Domestic sales	3,759	4,209	4,520
Overseas sales	1,253	1,557	1,937
GPM (%)	27.0	27.1	27.3
SG&A to sales (%)	15.0	14.5	14.0

Source: FSSIA estimates

Earnings sensitivity

- For every 1% increase in utilisation rate, we estimate that 2022 earnings would rise by 2.4%, and vice versa, all else being equal.
- For every 1% increase in THB/USD, we estimate that 2022 earnings would rise by 1.7%, and vice versa, all else being equal.
- For every 1% increase in electricity tariff, we estimate that 2022 earnings would drop by 0.2%, and vice versa, all else being equal.

Source: FSSIA estimates

Exhibit 1: 2Q22 results preview

	2Q21	1Q22	----- 2Q22E -----		
	(THB m)	(THB m)	(THB m)	(q-q%)	(y-y%)
Revenue	1,073	1,144	1,234	7.9	15.0
Operating costs	1,068	1,133	1,158	2.2	8.4
EBITDA	6	11	-	(100.0)	(100.0)
<i>EBITDA margin (%)</i>	<i>794.9</i>	<i>822.7</i>	<i>889.0</i>	<i>nm</i>	<i>nm</i>
Depn & amort.	278	321	345	7.5	23.9
EBIT	-	-	-	-	-
Interest expense	158	179	190	6.4	20.5
Interest & invt inc	121	142	155	8.9	28.3
Other income	162	181	196	8.5	21.3
Associates' contrib	-	-	-	-	-
Exceptionals	(17)	(0)	(1)	nm	(94.1)
Pretax profit	104	142	154	8.4	48.4
Tax	(21)	(29)	(30)	3.2	41.1
<i>Tax rate (%)</i>	<i>(8.7)</i>	<i>(8.1)</i>	<i>(4.0)</i>	<i>nm</i>	<i>nm</i>
Minority interests	(3)	(0)	-	-	-
Non-recurring	-	-	-	nm	nm
Net profit	77	105	120	13.9	56.3
Core net profit	77	105	120	13.9	56.3
EPS (THB)	0.08	0.11	0.13	13.9	50.3
Core EPS (THB)	0.08	0.11	0.13	13.9	50.3
Key Ratios					
Sales margin	(%)	(%)	(%)		
EBIT margin	25.56	27.40	23.23		
Recurring net margin	11.26	12.44	12.56		
SG&A / Sales	7.69	9.88	10.71		
Effective tax rate	14.69	15.62	15.40		
Inventory days	(20.49)	(20.45)	(19.48)		
Operating statistics	(THB m)	(THB m)	(THB m)		
Domestic sales	848.62	898.94	937.84		
Overseas sales	438.54	234.73	296.16		
CLMV	161.00				
Others	58.00				
Distribution for third party (Domestic)	-				
<i>% Domestic sales</i>	<i>65.93</i>	<i>79.29</i>	<i>76.00</i>		
<i>% Overseas sales</i>	<i>34.07</i>	<i>20.71</i>	<i>24.00</i>		

Sources: SNNP; FSSIA estimates

Financial Statements

Srinanaporn Marketing

Profit and Loss (THB m) Year Ending Dec	2020	2021	2022E	2023E	2024E
Revenue	4,436	4,391	5,051	5,809	6,507
Cost of goods sold	(3,058)	(3,036)	(3,460)	(3,975)	(4,439)
Gross profit	1,378	1,355	1,590	1,835	2,068
Other operating income	0	0	0	0	0
Operating costs	(997)	(737)	(758)	(842)	(911)
Operating EBITDA	381	618	833	992	1,157
Depreciation	(206)	(173)	(199)	(228)	(256)
Goodwill amortisation	0	0	0	0	0
Operating EBIT	175	445	634	764	901
Net financing costs	(81)	(40)	(5)	(9)	(9)
Associates	0	(26)	3	15	16
Recurring non-operating income	0	(26)	3	15	16
Non-recurring items	0	129	0	0	0
Profit before tax	94	507	632	770	908
Tax	(19)	(86)	(113)	(140)	(165)
Profit after tax	74	422	519	630	743
Minority interests	20	16	(5)	(6)	(10)
Preferred dividends	0	0	0	0	0
Other items	0	0	0	0	0
Reported net profit	94	437	514	624	733
Non-recurring items & goodwill (net)	0	(129)	0	0	0
Recurring net profit	94	308	514	624	733
Per share (THB)					
Recurring EPS *	0.13	0.32	0.54	0.65	0.76
Reported EPS	0.13	0.46	0.54	0.65	0.76
DPS	0.00	0.22	0.37	0.46	0.53
Diluted shares (used to calculate per share data)	720	960	960	960	960
Growth					
Revenue (%)	(6.6)	(1.0)	15.0	15.0	12.0
Operating EBITDA (%)	9.4	62.1	34.8	19.2	16.6
Operating EBIT (%)	(11.3)	154.7	42.5	20.5	17.9
Recurring EPS (%)	(15.5)	146.6	66.6	21.5	17.4
Reported EPS (%)	(15.5)	249.5	17.5	21.5	17.4
Operating performance					
Gross margin inc. depreciation (%)	26.4	26.9	27.6	27.7	27.8
Gross margin of key business (%)	25.7	26.4	27.0	27.1	27.3
Operating EBITDA margin (%)	8.6	14.1	16.5	17.1	17.8
Operating EBIT margin (%)	3.9	10.1	12.6	13.2	13.8
Net margin (%)	2.1	7.0	10.2	10.7	11.3
Effective tax rate (%)	20.8	21.2	18.0	18.5	18.5
Dividend payout on recurring profit (%)	-	66.9	70.0	70.0	70.0
Interest cover (X)	2.2	10.4	131.8	84.3	99.2
Inventory days	50.0	49.9	48.2	49.5	50.1
Debtor days	91.5	89.6	88.2	88.8	89.9
Creditor days	116.7	110.8	99.0	98.6	99.9
Operating ROIC (%)	5.9	15.2	19.5	21.1	23.5
ROIC (%)	4.8	11.2	15.8	17.4	19.2
ROE (%)	53.8	20.2	17.6	20.2	22.3
ROA (%)	3.4	8.0	11.4	12.2	13.4
* Pre-exceptional, pre-goodwill and fully diluted					
Revenue by Division (THB m)					
Domestic	3,490	3,423	3,759	4,209	4,520
Overseas	903	935	1,253	1,557	1,937
Others	43	33	38	44	49

Sources: Srinanaporn Marketing; FSSIA estimates

Financial Statements

Srinaporn Marketing

Cash Flow (THB m) Year Ending Dec	2020	2021	2022E	2023E	2024E
Recurring net profit	94	308	514	624	733
Depreciation	206	173	199	228	256
Associates & minorities	1	29	(5)	(6)	(10)
Other non-cash items	(9)	8	(3)	17	10
Change in working capital	142	(179)	(155)	(124)	(115)
Cash flow from operations	434	338	549	740	874
Capex - maintenance	0	(367)	(400)	(300)	(315)
Capex - new investment	0	0	0	0	0
Net acquisitions & disposals	(233)	274	(51)	(58)	(53)
Other investments (net)	32	0	0	0	0
Cash flow from investing	(201)	(93)	(451)	(358)	(368)
Dividends paid	0	(206)	(360)	(437)	(513)
Equity finance	0	2,386	0	0	0
Debt finance	(292)	(2,436)	587	0	0
Other financing cash flows	0	0	0	0	0
Cash flow from financing	(292)	(257)	227	(437)	(513)
Non-recurring cash flows	-	-	-	-	-
Other adjustments	0	0	0	0	0
Net other adjustments	0	0	0	0	0
Movement in cash	(59)	(11)	326	(54)	(7)
Free cash flow to firm (FCFF)	314.37	285.98	103.12	392.10	515.17
Free cash flow to equity (FCFE)	(58.45)	(2,190.58)	685.50	382.86	505.93

Per share (THB)

FCFF per share	0.33	0.30	0.11	0.41	0.54
FCFE per share	(0.06)	(2.28)	0.71	0.40	0.53
Recurring cash flow per share	0.41	0.54	0.73	0.90	1.03

Balance Sheet (THB m) Year Ending Dec	2020	2021	2022E	2023E	2024E
Tangible fixed assets (gross)	2,724	2,724	3,124	3,424	3,739
Less: Accumulated depreciation	(1,060)	(866)	(1,064)	(1,293)	(1,549)
Tangible fixed assets (net)	1,664	1,858	2,060	2,131	2,191
Intangible fixed assets (net)	0	0	0	0	0
Long-term financial assets	0	0	0	0	0
Invest. in associates & subsidiaries	0	137	137	137	137
Cash & equivalents	173	162	488	434	427
A/C receivable	1,031	1,126	1,315	1,512	1,693
Inventories	418	412	501	576	643
Other current assets	3	2	2	3	3
Current assets	1,625	1,702	2,306	2,525	2,767
Other assets	687	454	522	601	673
Total assets	3,976	4,152	5,025	5,394	5,767
Common equity	221	2,838	2,992	3,179	3,399
Minorities etc.	239	253	253	253	253
Total shareholders' equity	460	3,091	3,245	3,432	3,652
Long term debt	721	13	600	600	600
Other long-term liabilities	73	122	139	160	180
Long-term liabilities	794	135	739	760	780
A/C payable	968	877	1,000	1,148	1,282
Short term debt	1,744	16	16	16	16
Other current liabilities	11	34	26	37	37
Current liabilities	2,722	927	1,041	1,201	1,336
Total liabilities and shareholders' equity	3,976	4,152	5,025	5,394	5,767
Net working capital	473	630	793	905	1,020
Invested capital	2,825	3,080	3,512	3,775	4,021

* Includes convertibles and preferred stock which is being treated as debt

Per share (THB)

Book value per share	0.31	2.96	3.12	3.31	3.54
Tangible book value per share	0.31	2.96	3.12	3.31	3.54

Financial strength

Net debt/equity (%)	497.8	(4.3)	3.9	5.3	5.2
Net debt/total assets (%)	57.6	(3.2)	2.5	3.4	3.3
Current ratio (x)	0.6	1.8	2.2	2.1	2.1
CF interest cover (x)	0.3	(53.4)	142.8	42.4	55.8

Valuation	2020	2021	2022E	2023E	2024E
Recurring P/E (x) *	120.5	48.9	29.3	24.1	20.6
Recurring P/E @ target price (x) *	153.5	62.3	37.4	30.8	26.2
Reported P/E (x)	120.5	34.5	29.3	24.1	20.6
Dividend yield (%)	-	1.4	2.4	2.9	3.4
Price/book (x)	51.1	5.3	5.0	4.7	4.4
Price/tangible book (x)	51.1	5.3	5.0	4.7	4.4
EV/EBITDA (x) **	36.3	24.6	18.6	15.6	13.4
EV/EBITDA @ target price (x) **	44.4	31.3	23.5	19.8	17.0
EV/invested capital (x)	4.9	4.9	4.4	4.1	3.9

* Pre-exceptional, pre-goodwill and fully diluted ** EBITDA includes associate income and recurring non-operating income

Sources: Srinaporn Marketing; FSSIA estimates

Corporate Governance report of Thai listed companies 2021

EXCELLENT LEVEL – Score range 90-100										
AAV	BCPG	CPALL	GCAP	K	MSC	PLANET	SAMART	SPI	THRE	TVD
ADVANC	BDMS	CPF	GFPT	KBANK	MST	PLAT	SAMTEL	SPRC	THREL	TVI
AF	BEM	CPI	GGC	KCE	MTC	PORT	SAT	SPVI	TIPCO	TVO
AH	BGC	CPN	GLAND	KKP	MVP	PPS	SC	SSSC	TISCO	TWPC
AIRA	BGRIM	CRC	GLOBAL	KSL	NCL	PR9	SCB	SST	TK	U
AKP	BIZ	CSS	GPI	KTB	NEP	PREB	SCC	STA	TKT	UAC
AKR	BKI	DDD	GPSC	KTC	NER	PRG	SCCC	STEC	TMT	UBIS
ALT	BOL	DELTA	GRAMMY	LALIN	NKI	PRM	SCG	STI	TNDT	UV
AMA	BPP	DEMCO	GULF	LANNA	NOBLE	PROUD	SCGP	SUN	TNITY	VGI
AMATA	BRR	DRT	GUNKUL	LH	NSI	DRS	SCM	SUSCO	TOA	VIH
AMATAV	BTS	DTAC	HANA	LHFG	NVD	PSL	SDC	SUTHA	TOP	WACOAL
ANAN	BTW	DUSIT	HARN	LIT	NWR	PTG	SEAFCO	SVI	TPBI	WAVE
AOT	BWG	EA	HMPRO	LPN	NYT	PTT	SEAOL	SYMC	TQM	WHA
AP	CENTEL	EASTW	ICC	MACO	OISHI	PTTEP	ICC	SE-ED	SYNTEC	TRC
ARIP	CFRESH	ECF	ICHI	MAJOR	OR	PTTGC	SELIC	TACC	TRU	WICE
ARROW	CHEWA	ECL	III	MAKRO	ORI	PYLON	SENA	TASCO	TRUE	WINNER
ASP	CHO	EE	ILINK	MALEE	OSP	Q-CON	SHR	TCAP	TSC	ZEN
AUCT	CIMBT	EGCO	ILM	MBK	OTO	QH	SIRI	TEAMG	TSR	
AWC	CK	EPG	INTUCH	MC	PAP	QTC	SIS	TFMAMA	TSTE	
AYUD	CKP	ETC	IP	MCOT	PCSGH	RATCH	SITHAI	TGH	TSTH	
BAFS	CM	FPI	IRPC	METCO	PDG	RS	SMK	THANA	TTA	
BANPU	CNT	FPT	ITEL	MFEC	PDJ	S	SMPC	THANI	TTB	
BAY	COM7	FSMART	IVL	MINT	PG	S & J	SNC	THCOM	TTCL	
BBL	COMAN	GBX	JSP	MONO	PHOL	SAAM	SONIC	THG	TTW	
BCP	COTTO	GC	JWD	MOONG	PLANB	SABINA	SPALI	THIP	TU	
VERY GOOD LEVEL – Score range 80-89										
2S	ASIMAR	CHOW	FLOYD	IT	LOXLEY	OCC	RPC	SKY	TCC	TVT
7UP	ASK	CI	FN	ITD	LRH	OGC	RT	SLP	TCMC	TWP
ABICO	ASN	CIG	FNS	J	LST	PATO	RWI	SMIT	TEAM	UEC
ABM	ATP30	CMC	FORTH	JAS	M	PB	S11	SMT	TFG	UMI
ACE	B	COLOR	FSS	JCK	MATCH	PICO	SA	SNP	TFI	UOBKH
ACG	BA	CPL	FTE	JCKH	MBAX	PIMO	SAK	SO	TIGER	UP
ADB	BAM	CPW	FVC	JMART	MEGA	PJW	SALEE	SORKON	TITLE	UPF
AEONTS	BC	CRD	GEL	JMT	META	PL	SAMCO	SPA	TKN	UPOIC
AGE	BCH	CSC	GENCO	KBS	MFC	PM	SANKO	SPC	TKS	UTP
AHC	BEC	CSP	GJS	KCAR	MGT	PMTA	SAPPE	SPCG	TM	VCOM
AIT	BEYOND	CWT	GYT	KEX	MICRO	PPP	SAWAD	SR	TMC	VL
ALL	BFIT	DCC	HEMP	KGI	MILL	PPP	SCI	SRICHA	TMD	VPO
ALLA	BJC	DCON	HPT	KIAT	MITSIB	PRIME	SCN	SSC	TMI	VRANDA
ALUCON	BJCHI	DHOUSE	HTC	KISS	MK	PRIN	SCP	SSF	TMILL	WGE
AMANAHA	BLA	DOD	HYDRO	KOOL	MODERN	PRINC	SE	STANLY	TNL	WIJK
AMARIN	BR	DOHOME	ICN	KTIS	MTI	PSG	SFLEX	STGT	TNP	WP
APCO	BROOK	DV8	IFS	KUMWEL	NBC	PSTC	SFP	STOWER	TOG	XO
APCS	CBG	EASON	IMH	KUN	NCAP	PT	SFT	STPI	TPA	XPG
APURE	CEN	EFORL	IND	KWC	NCH	QLT	SGF	SUC	TPAC	YUASA
AQUA	CGH	ERW	INET	KWM	NETBAY	RBF	SIAM	SWC	TPCS	
ASAP	CHARAN	ESSO	INSET	L&E	NEX	RCL	SINGER	SYNEX	TPS	
ASEFA	CHAYO	ESTAR	INSURE	LDC	NINE	RICHY	SKE	TAE	TRITN	
ASIA	CHG	ETE	IRC	LEO	NRF	RML	SKN	TAKUNI	TRT	
ASIAN	CHOTI	FE	IRCP	LHK	NTV	ROJNA	SKR	TBSP	TSE	
GOOD LEVEL – Score range 70-79										
A	BGT	CITY	GIFT	JTS	MDX	PK	SGP	SUPER	TQR	YGG
AI	BH	CMAN	GLOCON	JUBILE	MJD	PLE	SICT	SVOA	TTI	ZIGA
AIE	BIG	CMO	GREEN	KASET	MORE	PPM	SIMAT	TC	TYCN	
AJ	BLAND	CMR	GSC	KCM	MUD	PRAKIT	SISB	TCCC	UKEM	
ALPHAX	BM	CPT	GTB	KK	NC	PRAPAT	SK	THMUI	UMS	
AMC	BROCK	CRANE	HTECH	KKC	NDR	PRECHA	SMART	TNH	UNIQ	
APP	BSBM	CSR	HUMAN	KWI	NFC	PTL	SOLAR	TNR	UPA	
AQ	BSM	D	IHL	KYE	NNCL	RJH	SPACK	TOPP	UREKA	
ARIN	BTNC	EKH	IIG	LEE	NOVA	RP	SPG	TPCH	VIBHA	
AS	BYD	EMC	INGRS	LPH	NPK	RPH	SQ	TPIPL	W	
AU	CAZ	EP	INOX	MATI	NUSA	RSP	SSP	TIPIP	WIN	
B52	CCP	F&D	JAK	M-CHAI	PAF	SABUY	STARK	TPLAS	WORK	
BEAUTY	CGD	FMT	JR	MCS	PF	SF	STC	TPOLY	WPH	

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

Sources: Thai Institute of Directors Association (IOD); FSSIA's compilation; data as of 26 October 2021

Anti-corruption Progress Indicator

CERTIFIED										
2S	BCH	CPALL	GC	K	MFC	PE	QLT	SNP	THCOM	TU
7UP	BCP	CPF	GCAP	KASET	MFEC	PG	QTC	SORKON	THIP	TVD
ADVANC	BCPG	CPI	GEL	KBANK	MILL	PHOL	RATCH	SPACK	THRE	TVI
AF	BE8	CPN	GFPT	KBS	MINT	PK	RML	SPALI	THREL	TVO
AI	BEYOND	CSC	GGC	KCAR	MONO	PL	RWI	SPC	TIDLOR	TWPC
AIE	BGC	DCC	GJS	KCE	MOONG	PLANB	S & J	SPI	TIPCO	U
AIRA	BGRIM	DELTA	GPI	KGI	MSC	PLANET	SAAM	SPRC	TISCO	UBE
AKP	BJCHI	DEMCO	GPSC	KKP	MST	PLAT	SABINA	SRICHA	TKS	UBIS
ALPHAX	BKI	DIMET	GSTEEL	KSL	MTC	PM	SAPPE	SSF	TKT	UEC
AMA	BLA	DRT	GUNKUL	KTB	MTI	PPP	SAT	SSP	TMD	UKEM
AMANAHA	BPP	DTAC	HANA	KTC	NBC	PPPM	SC	SSSC	TMILL	UOBKH
AMATA	BROOK	DUSIT	HARN	KWC	NEP	PPS	SCB	SST	TMT	UPF
AMATAV	BRR	EA	HEMP	KWI	NINE	PR9	SCC	STA	TNITY	UV
AP	BSBM	EASTW	HENG	L&E	NKI	PREB	SCCC	STOWER	TNL	VGI
APCS	BTS	ECL	HMPRO	LANNA	NMG	PRG	SCG	SUSCO	TNP	VIH
AQUA	BWG	EGCO	HTC	LH	NNCL	PRINC	SCN	SVI	TNR	WACOAL
ARROW	CEN	EP	ICC	LHFG	NOBLE	PRM	SEAOIL	SYMC	TOG	WHA
AS	CENTEL	EPG	ICHI	LHK	NOK	PROS	SE-ED	SYNTEC	TOP	WHAUP
ASIAN	CFRESH	ERW	IFEC	LPN	NSI	PSH	SELIC	TAE	TOPP	WICE
ASK	CGH	ESTAR	IFS	LRH	NWR	PSL	SENA	TAKUNI	TPA	WIJK
ASP	CHEWA	ETE	ILINK	M	OCC	PSTC	SGP	TASCO	TPP	XO
AWC	CHOTI	FE	INET	MAKRO	OGC	PT	SINGER	TBSP	TRU	ZEN
AYUD	CHOW	FNS	INSURE	MALEE	ORI	PTG	SIRI	TCAP	TRUE	
B	CIG	FPI	INTUCH	MATCH	PAP	PTT	SITHAI	TCMC	TSC	
BAFS	CIMBT	FPT	IRC	MBAX	PATO	PTTEP	SKR	TFG	TSTE	
BAM	CM	FSMART	IRPC	MBK	PB	PTTGC	SMIT	TFI	TSTH	
BANPU	CMC	FSS	ITEL	MC	PCSGH	PYLON	SMK	TFMAMA	TTA	
BAY	COM7	FTE	IVL	MCOT	PDG	Q-CON	SMPC	TGH	TTB	
BBL	COTTO	GBX	JKN	META	PDJ	QH	SNC	THANI	TTCL	
DECLARED										
AJ	CHG	DDD	ETC	JR	MAJOR	NUSA	RS	SSS	TQM	YUASA
ALT	CPL	DHOUSE	FLOYD	JTS	NCAP	NYT	SAK	STECH	TSI	ZIGA
APCO	CPR	DOHOME	GULF	KEX	NCL	OR	SCGP	STGT	VARO	
B52	CPW	ECF	III	KUMWEL	NOVA	PIMO	SCM	TKN	VCOM	
BEC	CRC	EKH	INOX	LDC	NRF	PLE	SIS	TMI	VIBHA	

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)

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Note: Companies participating in Thailand's Private Sector Collective Action Coalition Against Corruption programme (Thai CAC) under Thai Institute of Directors (as of 26 October 2021) are categorised into: 1) companies that have declared their intention to join CAC, and; 2) companies certified by CAC.

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

GENERAL DISCLAIMER

ANALYST(S) CERTIFICATION

Suwat Sinsadok, CFA, FRM, ERP 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

Srinanaporn Marketing (SNNP TB)



Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
30-Jul-2021	BUY	15.00	20-Jan-2022	BUY	20.00	-	-	-

Suwat Sinsadok, CFA, FRM, ERP started covering this stock from 30-Jul-2021

Price and TP are in local currency

Source: FSSIA estimates

Company	Ticker	Price	Rating	Valuation & Risks
Srinanaporn Marketing	SNNP TB	THB 15.70	BUY	The key downside risks to our DCF-based TP are 1) slower-than-expected demand growth and market penetration overseas, especially in Cambodia and Vietnam; 2) a lower-than-expected profit margin due to high raw material and transportation costs; and 3) higher-than-expected SG&A expenses from overseas operations.

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 Finasia Syrus Securities Public Company Limited

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All share prices are as at market close on 04-Aug-2022 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.