SRI TRANG AGRO-INDUSTRY (STA TB)

THAILAND / SET / AGRIBUSINESS

Globlex Securities Co., Ltd.

19 August 2026

A reversal of fortune on hiking ASPs

- Stronger-than-expected 2Q26 net profit Was driven by margins
- 2H26E-2027E earnings outlook now look more promising on the higher-for-longer ASP to more than offset the weaker sales volume
- Upgrade to BUY and lifted TP to THB23

A record high 2Q26 net profit

STA reported a solid, 4-year high 2Q26 net profit (NP) of THB895m, up 39% q-q and from a net loss of THB787m in 2Q25, driven by higher margins on both natural rubber (NR) and gloves. Key points were the recorded high GPM to 9.6%, propelled by 9.3% for NR the highest level in 7 quarters, and 17% for gloves, the highest in 4 years. EBITDA jumped to THB3b, up 47% q-q and 601% y-y while EBITDA margin improved to 9.6%, up from 7.5% in 1Q26 and 1.4% in 2Q25. Interest expense was THB295m, down 7% q-q and 22% y-y.

Margin up over sales volume down

2Q26 revenue was THB31b, up 16% q-q and 0.5% y-y, driven by higher revenues from NR at THB24.9b (+17% q-q, +0.1% y-y) while revenue from gloves rose to THB6.1b (+12% q-q, +2% y-y). 2Q26 NR sales volume grew to 354kt (+4% q-q, -11% y-y), of which EUDR-compliant rubber sales volume at 17.4kt (4.9 of total sales volume). NR utilisation rate stayed at 50.5% in 2Q26, down from 56.1% in 1Q26 and down from 53% in 2Q25. Glove sales volume rose to 8.6b pieces (-7% q-q, -6% y-y), due to the lower demands on sharp spike in ASP that subdued utilization rate down to 77.6% in 2Q26 vs 84.2% in 1Q26 and 75.8% in 2Q25.

ASP hikes on both natural rubber and gloves

NR ASP in 2Q26 rose in tandem with the global NR price, while ASP in USD for gloves rose to 22.96 per 1,000 pieces (ptp), up 18% q-q and 14% y-y. ASP in THB increased by 22% q-q due to the impact of THB/USD depreciation. China remains the largest market for STA, accounting for 60.2% of total NR revenue in 2Q26, followed by Asian countries ex-Thailand (14.7%), Thailand (12.4%), Europe (7.8%), the Americas (4.6%) and other (0.3%).

A reversal of fortune on the higher ASP

We now turned more positive on STA, projecting 2026E earnings outlook to be much stronger than our previous forecast, given rising crude oil price to drive the prices of NR and gloves, further strengthened by the tighter rubber supply despite the weaker sales volumes that could continue to curb STA's utilization rates to 50-55%.

Upgrade to BUY and lifted TP to THB23

We upgrade from HOLD to BUY and lifted our TP from THB18.8, previously based on 9x 2026E P/E, to THB22, now based on 9x 2026E P/E, to reflect STA's much more promising margin outlook on the back of the benefit of NR over the oil-driven synthetic rubber and glove prices, thereby enhancing profitability despite sales volume downsides.

Analyst

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ESG Rating : AAA

CG Rating :

BUY (from HOLD)

Target Price 12M (THB)	**23.00**
VS. BB Consensus TP (%)	+2.7%
Share Price (THB)	18.60
Upside/Downside	+23.7%

Share Data

Market Cap (THB m)	28,569.60
Par (THB)	1.00
Free Float (%)	55.51
Issued shares (m shares)	1,536

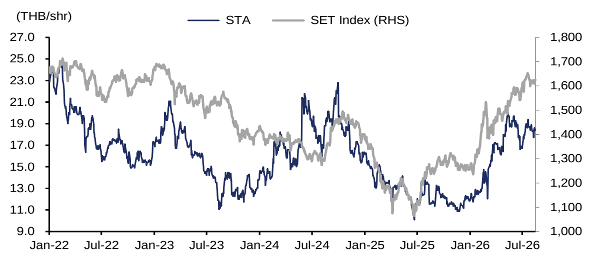
Financial forecast

YE Dec (THB m)	2025	2026E	2027E	2028E
Revenue	113,478	142,995	148,581	153,808
Net profit	(1,266)	2,952	3,215	3,592
Core net profit	(1,266)	2,952	3,215	3,592
vs Consensus (%)		20.3	30.6	21.8
Net profit growth (%)	(175.8)	333.2	8.9	11.8
Core net profit growth (%)	(175.8)	333.2	8.9	11.8
EPS (THB)	(0.82)	1.92	2.09	2.34
Core EPS (THB)	(0.82)	1.92	2.09	2.34
Chg from previous (%)		0.00	0.00	0.00
DPS (THB)	0.50	0.96	1.05	1.17
P/E (x)	(14.81)	9.68	8.89	7.95
P/BV (x)	0.39	0.57	0.55	0.53
ROE (%)	(2.55)	5.98	6.26	6.74
Dividend yield (%)	4.10	5.17	5.63	6.29

Source: Financial Statement and Globlex securities

Share Price Performance (%)

	1M	3M	6M	YTD
Stock	(0.53)	(5.58)	24.83	52.46
Market	0.53	(11.63)	12.90	18.43
12M High/Low (THB)				20.50 / 11.20



Major Shareholders (%) as of 22 Apr 2026

Sri Trang Holding Co., Ltd	22.41
Dr. Viyavood Sincharoenkul	8.66

Company Profile

The Company operates a fully integrated natural rubber supply chain business in many countries. The business starts from upstream business by engaging in rubber plantation in Thailand, midstream business by processing and distributing natural rubber products which are TSR, RSS, and Concentrated Latex, and downstream business to produce and distribute gloves as well as finished goods namely hydraulic hoses.

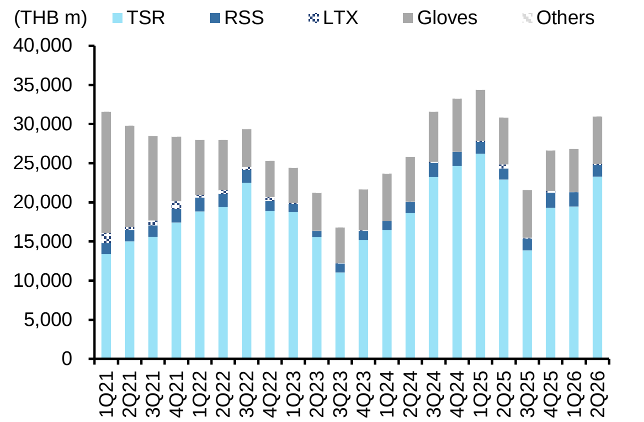
Source: SETSMART, SET

Exhibit 1: Summary of 2Q26/6M26 operations

	2Q25	1Q26	---------------- 2Q26	------------------		6M25	6M26	chg.	2026E
	(THB m)	(THB m)	(THB m)	*(q-q%)*	*(y-y%)*	(THB m)	(THB m)	*(y-y%)*	(THB m)
Revenue	**30,841**	**26,842**	**31,004**	***15.5***	***0.5***	**65,226**	**57,846**	***(11.3)***	**142,995**
Operating costs	(30,417)	(24,818)	(28,032)	*13.0*	*(7.8)*	(62,506)	(52,849)	*(15.4)*	(138,152)
EBITDA	**424**	**2,024**	**2,972**	***46.8***	***601.0***	**2,720**	**4,996**	***83.7***	**4,844**
EBITDA margin (%)	*1.4*	*7.5*	*9.6*	*nm*	*nm*	*4.2*	*8.6*	*nm*	*3.4*
Depn & amort.	(1,104)	(1,170)	(1,183)	*1.1*	*7.2*	(2,209)	(2,353)	*6.5*	(3,712)
EBIT	**(680)**	**854**	**1,789**	*109.4*	*(363.1)*	**511**	**2,643**	*416.9*	**8,556**
Interest expense	(377)	(317)	(295)	*(7.0)*	*(21.8)*	(854)	(612)	*(28.4)*	(1,494)
Interest & invt inc	67	30	23	*(22.9)*	*na*	142	53	*na*	155.9
Other income	52	403	78	*(80.6)*	*51.1*	123	481	***292.1***	331.0
Associates' contrib	55	50	49	*na*	*na*	82	99	*na*	99.4
Exceptionals	65	(108)	(253)	*133.8*	*na*	20	(361)	*na*	-
Pretax profit	**(819)**	**912**	**1,392**	***52.5***	***(270.0)***	**24**	**2,304**	***9,650.4***	**3,936**
Tax	113	(103)	(167)	*61.7*	*(248.3)*	93	(270)	*(389.9)*	(364)
Tax rate (%)	*13.7*	*11.3*	*12.0*	*nm*	*nm*	*(394.4)*	*11.7*	*nm*	*9.2*
Minority interests	(81)	(164)	(330)	*na*	*na*	(215)	(493)	*na*	(620.4)
Net profit	**(787)**	**645**	**895**	***38.7***	***(213.8)***	**(98)**	**1,540**	***nm***	**2,952**
Non-recurring				*na*	*na*	-	-	*na*	-
Core net profit	**(787)**	**645**	**895**	***38.7***	***(213.8)***	**(98)**	**1,540**	***nm***	**2,952**
EPS (THB)	(0.51)	0.42	0.58	*38.7*	*(213.8)*	1.73	0.26	*(85.0)*	1.92
Core EPS (THB)	(0.51)	0.42	0.58	*38.7*	*(213.8)*	1.73	0.26	*(85.0)*	1.92

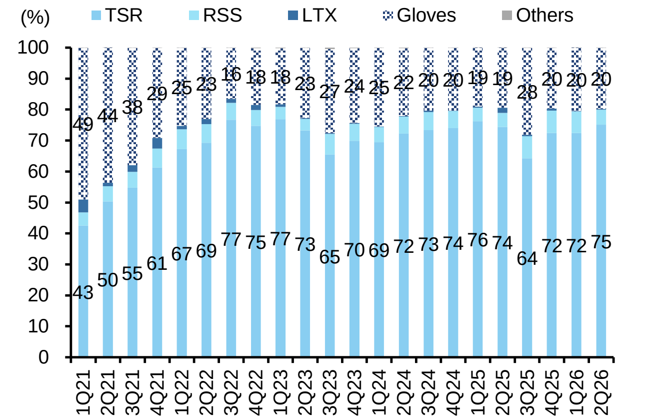
Sources: STA; Globlex Research

Exhibit 2: Revenue breakdown by product



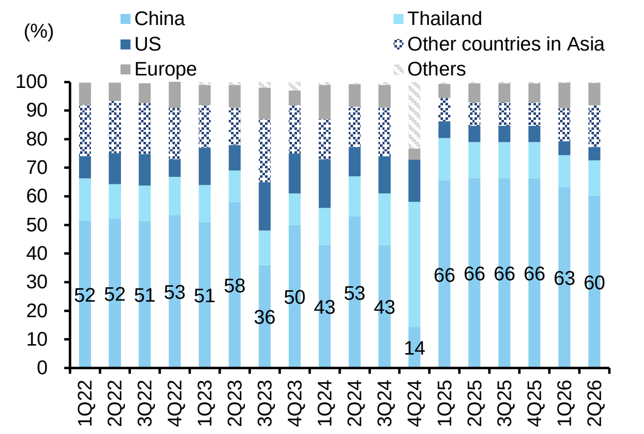
Sources: STA

Exhibit 3: Revenue breakdown by product (%)



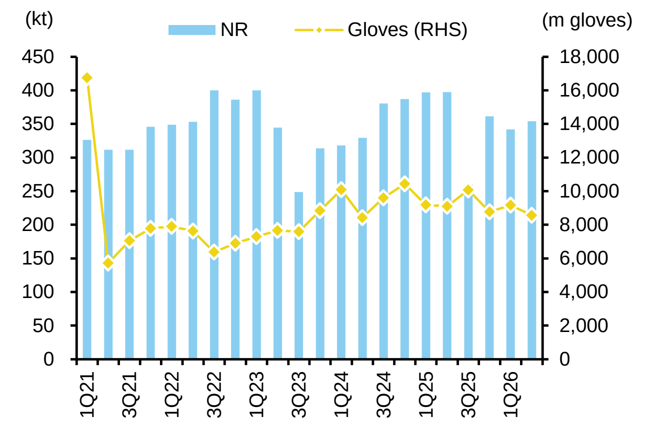
Sources: STA

Exhibit 4: Revenue breakdown by geography (%)



Sources: STA

Exhibit 5: Sales volume (Natural rubber vs Gloves)



Sources: STA

Balance sheet (THB m) Year ending Dec	2024	2025	2026E	2027E	2028E
Current assets					
Cash & ST investment	7,921	5,266	11,675	21,489	31,910
Account receivable	11,606	9,295	6,384	3,359	227
Inventories	41,072	31,454	38,964	40,190	41,456
Others	3,986	2,679	3,376	3,508	3,632
Non-current assets					
Net fixed assets	48,374	45,507	44,794	43,913	42,863
Others	18,250	19,563	19,563	19,563	19,563
Total Assets	**131,208**	**113,765**	**124,757**	**132,022**	**139,651**
Current liabilities					
Account payable	5,014	3,912	4,846	4,998	5,156
ST borrowing	33,971	20,644	20,644	20,644	20,644
Others	775	753	949	986	1,020
Long-term liabilities					
Long-term debts	20,106	21,137	28,137	32,137	36,137
Others	1,646	1,114	1,114	1,114	1,114
Total liabilities	**61,513**	**47,559**	**55,689**	**59,879**	**64,071**
Paid-up capital	1,536	1,536	1,536	1,536	1,536
Retained earnings	25,827	22,910	25,094	26,833	28,818
Others	23,724	23,765	23,823	23,881	23,939
Minority interest	18,608	17,994	18,614	19,894	21,287
Shareholders' equity	**69,695**	**66,205**	**69,067**	**72,144**	**75,580**

Profit & loss (THB m) Year ending Dec	2024	2025	2026E	2027E	2028E
Revenue	**114,374**	**113,478**	**142,995**	**148,581**	**153,808**
Cost of goods sold	(99,593)	(101,713)	(125,996)	(129,961)	(134,057)
Gross profit	**14,781**	**11,765**	**16,999**	**18,620**	**19,751**
Operating expenses	(7,973)	(8,226)	(8,443)	(8,897)	(9,451)
Operating profit	**6,807**	**3,539**	**8,556**	**9,723**	**10,300**
EBIT	**6,807**	**3,539**	**8,556**	**9,723**	**10,300**
Depreciation	(3,959)	(4,685)	(3,712)	(3,881)	(4,050)
EBITDA	**2,848**	**(1,146)**	**4,844**	**5,842**	**6,250**
Non-operating income	**1,117**	**656**	**487**	**767**	**1,058**
Other incomes	422	909	331	422	422
Other non-op income	696	(253)	156	346	636
Non-operating expense	**(1,721)**	**(1,512)**	**(1,494)**	**(1,676)**	**(1,808)**
Interest expense	(1,721)	(1,512)	(1,494)	(1,676)	(1,808)
Other non-op expense	0	0	0	0	0
Equity income/(loss)	99	88	99	99	99
Pre-tax Profit	**2,343**	**(1,914)**	**3,936**	**5,033**	**5,600**
Extraordinary items					
Current taxation	(163)	508	(364)	(539)	(614)
Minorities	(510)	140	(620)	(1,279)	(1,393)
Net Profit	**1,670**	**(1,266)**	**2,952**	**3,215**	**3,592**
Core net profit	**1,670**	**(1,266)**	**2,952**	**3,215**	**3,592**
EPS (THB)	**1.09**	**(0.82)**	**1.92**	**2.09**	**2.34**
Core EPS (THB)	**1.09**	**(0.82)**	**1.92**	**2.09**	**2.34**

Key ratios Year ending Dec	2024	2025	2026E	2027E	2028E
Growth (y-y%)					
Sales	35.8	(0.8)	26.0	3.9	3.5
Operating profit	89.8	(48.0)	141.8	13.6	5.9
EBITDA	2,754.2	(140.3)	522.6	20.6	7.0
Net profit	484.6	(175.8)	333.2	8.9	11.8
Core net profit	484.6	(175.8)	333.2	8.9	11.8
EPS	484.6	(175.8)	333.2	8.9	11.8
Core EPS	484.6	(175.8)	333.2	8.9	11.8
Profitability (%)					
Gross margin	12.9	10.4	11.9	12.5	12.8
Operation margin	6.0	3.1	6.0	6.5	6.7
EBITDA margin	2.5	(1.0)	3.4	3.9	4.1
Net margin	1.5	(1.1)	2.1	2.2	2.3
ROE	3.3	(2.5)	6.0	6.3	6.7
ROA	1.4	(1.0)	2.5	2.5	2.6
Stability					
Interest bearing debt/equity (x)	0.8	0.6	0.7	0.7	0.8
Net debt/equity (x)	0.7	0.6	0.5	0.4	0.3
Interest coverage (x)	4.0	2.3	5.7	5.8	5.7
Interest & ST debt coverage (x)	0.2	0.2	0.4	0.4	0.5
Cash flow interest coverage (x)	(0.1)	0.3	0.0	0.1	0.1
Current ratio (x)	1.6	1.9	2.3	2.6	2.9
Quick ratio (x)	0.5	0.6	0.7	0.9	1.2
Net debt (THB m)	46,157	36,515	37,106	31,292	24,871
Activity					
Asset turnover (X)	0.9	0.9	1.2	1.2	1.1
Days receivables	30.2	33.6	20.0	12.0	4.3
Days inventory	124.7	130.1	102.0	111.2	111.2
Days payable	16.5	16.0	12.7	13.8	13.8
Cash cycle days	138.3	147.7	109.3	109.3	101.6

Cash flow (THB m) Year ending Dec	2024	2025	2026E	2027E	2028E
Operating cash flow	**(8,785)**	**15,770**	**1,860**	**8,130**	**8,696**
Net profit	1,670	(1,266)	2,952	3,215	3,592
Depre.& amortization	3,959	4,685	3,712	3,881	4,050
Change in working capital	(13,969)	12,110	(4,165)	1,857	1,934
Others	(446)	241	(639)	(822)	(880)
Investment cash flow	**(8,157)**	**(5,617)**	**(4,063)**	**(4,047)**	**(3,905)**
Net CAPEX	363	(1,818)	(3,000)	(3,000)	(3,000)
Change in LT investment	(7,646)	(1,906)	0	0	0
Change in other assets	(874)	(1,894)	(1,063)	(1,047)	(905)
Free cash flow	**(16,942)**	**10,153**	**(2,203)**	**4,084**	**4,791**
Financing cash flow	**14,287**	**(3,744)**	**12,017**	**6,337**	**(36,700)**
Change in share capital	802	(614)	678	1,337	1,451
Net change in debt	744	(447)	0	0	0
Dividend paid	(1,536)	(768)	(768)	(1,476)	(1,607)
Others	14,278	(1,915)	12,107	6,475	(36,544)
Net cash flow	**(2,655)**	**6,409**	**9,814**	**10,420**	**(31,910)**

Per share (THB)	2024	2025	2026E	2027E	2028E
EPS	1.09	(0.82)	1.92	2.09	2.34
Core EPS	1.09	(0.82)	1.92	2.09	2.34
CFPS	4.00	2.13	4.74	5.45	5.88
BVPS	33.26	31.39	32.85	34.02	35.35
Sales/share	74.46	73.88	93.10	96.73	100.14
EBITDA/share	1.85	(0.75)	3.15	3.80	4.07
DPS	1.00	0.50	0.96	1.05	1.17
Valuation					
P/E (x)	16.64	(14.81)	9.68	8.89	7.95
P/BV (x)	0.54	0.39	0.57	0.55	0.53
Dividend yield (%)	5.52	4.10	5.17	5.63	6.29
Divdend payout ratio (%)	92	na	50	50	50

SRI TRANG AGRO-INDUSTRY (STA TB) | THAILAND / SET / AGRIBUSINESS

ESG Analysis

ESG Assessment	SET ESG	Bloomberg
Environment STA promotes sustainable natural rubber production through responsible sourcing, traceable supply chains, and climate change mitigation initiatives. The company continues to improve energy efficiency, expand renewable energy use, reduce greenhouse gas emissions, and strengthen water and waste management while supporting sustainable rubber plantations and biodiversity conservation.	AAA	6.17
Social STA works closely with smallholder rubber farmers to improve livelihoods through sustainable agricultural practices, technical support, and fair procurement. The company also prioritizes employee health and safety, human capital development, and community engagement through education, healthcare, and local development initiatives.		6.52
Governance STA maintains strong corporate governance through independent board oversight, enterprise risk management, anti-corruption policies, and transparent ESG reporting. Sustainability is embedded across the value chain through responsible sourcing, human rights due diligence, and compliance with international sustainability standards.		5.36
Overall | CG Score: Excellent (5-star) | CAC: Certified		**6.02**

Bloomberg ESG scores reflect FY2025 data (latest available). SET ESG Rating as of April 2026 (Globlex Research). CG rating reflects 2025 Thai IOD survey. SET ESG Rating as of 9 January 2026.
Sources: SET, Thai IOD, CAC, Bloomberg, Globlex Securities Research

SET ESG Ratings 2025 | Thai Listed Companies — As of 9 January 2026

Ratings: AAA (90-100)							
AAV	ACE	ADVANC	AJ	AMATA	AMATAV	ASW	AWC
BAM	BANPU	BAY	BBGI	BBL	BDMS	BEM	BGC
BGRIM	BJC	BKIH	BPP	BTG	CENTEL	CKP	CPALL
CPF	CPAXT	CPN	CRC	DITTO	EASTW	FPI	FPT
GLOBAL	GPSC	GUNKUL	HANA	HENG	HMPRO	III	ILM
IVL	KBANK	KCG	KJL	KKP	KTB	KTC	LH
LOXLEY	MAJOR	MBK	MC	M-CHAI	MFEC	MTI	NER
NOBLE	OR	ORI	OSP	PB	PLANB	PR9	PSH
PTG	PTT	PTTEP	PTTGC	RATCH	S	S&J	SABINA
SAT	SC	SCB	SCC	SCG	SCGP	SIRI	SJWD
SKY	SNP	**STA**	STECON	STGT	SVOA	TEAMG	TEGH
TFMAMA	THCOM	TISCO	TMT	TOA	TOP	TPBI	TTA
TTB	TTW	TVO	VNG	WHA	WHAUP		
Ratings: AA (80-89)							
ADB	AKP	AOT	AP	ASK	ASP	AURA	BCH
BLA	BRI	BTS	CBG	CIVIL	CK	CMAN	COLOR
COM7	DMT	DRT	EGCO	EPG	ETC	GFPT	GULF
HTC	ICHI	ILINK	IT	ITTHI	JMART	KCE	KUMWEL
LHFG	MINT	MODERN	MOSHI	MSC	MTC	NVD	NYT
PCC	PRM	PSL	QTC	RBF	SA	SAWAD	SCCC
SCGD	SELIC	SFLEX	SHR	SMPC	SNNP	SPALI	SPI
SSP	SUTHA	SYNEX	TASCO	TCAP	TCMC	TGH	THANI
TIPH	TKS	TLI	TOG	TPAC	TPIPP	TSC	TU
UAC	UBE	VIH	WICE	XO	ZEN		
Ratings: A (65-100)							
AEONTS	ALLA	ALT	ALUCON	BA	BH	BLC	CFRESH
CHAO	CHASE	CHG	CM	CPL	CREDIT	ERW	GABLE
HARN	HUMAN	INSET	IRC	ITC	JMT	KSL	M
MALEE	MGC	MOONG	NEO	PHOL	PLUS	PM	PPS
PQS	PROUD	PRTR	PSP	Q-CON	QLT	SAK	SAPPE
SCAP	SEAFCO	SEAOIL	SENA	SENX	SGC	SICT	SITHAI
SKR	SNC	SPC	SSSC	SYMC	TAN	TBN	TGE
THANA	THIP	THREL	TPA	TPCS	TQM	TRU	TWPC
UPF	UPOIC	VIBHA	WPH				
Ratings: BBB (50-64)							
AKR	ASIMAR	CSC	J	LEO	MEGA	NL	PRIN
SE	SO	SPRC	SUN	TMILL	TSTH	WP	YUASA

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Source: SET ESG Ratings, Stock Exchange of Thailand (setsustainability.com). Ratings as of 9 January 2026. Only companies scoring 50 and above are assigned a rating. Covered company are Bold in letter.

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Analyst Certification

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RECOMMENDATION STRUCTURE
Stock Recommendations

Stock ratings are based on absolute upside or downside, which we define as (target price* - current price) / current price.

BUY: Expected return of 10% or more over the next 12 months.
HOLD: Expected return between -10% and 10% over the next 12 months.
REDUCE: Expected return of -10% or worse over the next 12 months.

Unless otherwise specified, these recommendations are set with a 12-month horizon. Thus, it is possible that future price volatility may cause 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.

Sector Recommendations

Overweight:	The industry is expected to outperform the relevant primary market index over the next 12 months.
Neutral:	The industry is expected to perform in line with the relevant primary market index over the next 12 months.
Underweight:	The industry is expected to underperform the relevant primary market index over the next 12 months.

Country (Strategy) Recommendations

Overweight: 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: 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: 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.