

31 JULY 2020

THAILAND / OIL & GAS

PTT EXPLOR & PROD PTTEP TB

BUY

UNCHANGED

TARGET PRICE THB101.00
 CLOSE THB90.00
 UP/DOWNSIDE +12.2%
 TP vs CONSENSUS +5.4%

ผลประกอบการ 2Q20 อ่อนแอตามคาด

ผลประกอบการ 2Q20 อ่อนแอจากราคาขายเฉลี่ยและปริมาณขายที่ลดลง

PTTEP รายงานกำไรสุทธิ 2Q20 ที่ 4.3 พัน ลบ. ลดลง 68% y-y เนื่องจากราคาขายเฉลี่ยและปริมาณขายลดลง นอกจากนี้บริษัท ยังบันทึกผลขาดทุนจากการป้องกันความเสี่ยงจำนวน 26 ล้านดอลลาร์สหรัฐ และผลขาดทุนจากการด้อยค่าจำนวน 47 ล้านดอลลาร์สหรัฐ ซึ่งชดเชยได้จากการกลับรายการภาวะภาษีเงินได้ จำนวน 122 ล้านดอลลาร์สหรัฐ อย่างไรก็ตาม ผลประกอบการดังกล่าวยังสูงกว่าคาดการณ์ของตลาด 7% และของเรา 3% กำไรสุทธิจากการดำเนินงานหลัก (Core NP) ลดลงเหลือ 2.7 พัน ลบ. (-67% q-q, -78% y-y) เนื่องจาก (1) ราคาขายเฉลี่ยลดลง 22% q-q เหลือ 35 เหรียญสหรัฐ/boe ตามราคาน้ำมันและก๊าซที่ลดลง (-7% q-q เหลือ 6.37 เหรียญสหรัฐ/mmbtu); และ (2) ปริมาณขายลดลงเหลือ 327kboed (-10% q-q, +2.4% y-y) ตามปริมาณขายก๊าซที่ลดลง เนื่องจาก PTT (PTT TB, BUY) ชื้อน้อยลง ต้นทุนรวมลดเหลือ 30.3 เหรียญสหรัฐ/boe (-2.2% q-q, +3.2% y-y) จากค่าเสื่อม ค่าใช้จ่ายในการขายและบริหาร และค่าใช้จ่ายในการดำเนินงานที่ต่ำลง

การด้อยค่าของสินทรัพย์

ใน 2Q20 PTTEP บันทึกผลขาดทุนจากการด้อยค่าจำนวน 47 ล้านดอลลาร์สหรัฐ ส่วนมากมาจากผลขาดทุนจากการด้อยค่าจำนวน 45 ล้านดอลลาร์สหรัฐ ในโครงการ Marina Oil Sands (MOS) ในแคนาดา ซึ่งมีมูลค่าทางบัญชีเป็นศูนย์ ผู้บริหารระบุว่า การบันทึกผลขาดทุนดังกล่าวไม่น่าจะเกิดขึ้นอีก เมื่อพิจารณาจากราคาน้ำมันดูไบในปัจจุบันที่ 60 เหรียญสหรัฐ/bbl กับช่วงราคาน้ำมันในระยะสั้นที่ 40-45 เหรียญสหรัฐ/bbl สำหรับ 2020-2021E เราคาดว่าปัจจุบัน PTTEP มีความเป็นไปได้ต่ำที่จะบันทึกผลขาดทุนจากการด้อยค่าเพิ่มเติม เนื่องจากทรัพย์สินที่เหลือมีโครงสร้างต้นทุนต่ำกว่า MOS และตั้งอยู่ในเอเชีย ในขณะที่ MOS อยู่ที่แคนาดา ซึ่งราคาน้ำมันต่ำกว่า

แนวโน้ม 2H20

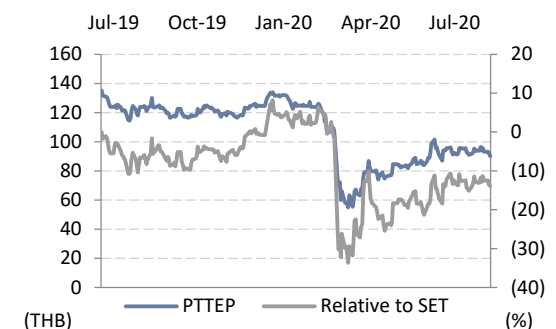
เราเชื่อว่าราคาขายเฉลี่ยของ PTTEP จะลดลงใน 3Q20-4Q20 ตามการลดลงของราคาก๊าซจาก 6.37 เหรียญสหรัฐ/mmbtu ใน 2Q20 เหลือ 5.1 เหรียญสหรัฐ/mmbtu ใน 4Q20 เนื่องจากราคาน้ำมันเตาที่มีกำมะถันสูง (High Sulphur Fuel Oil หรือ HSFO) ลดลง อย่างไรก็ตาม PTTEP ชี้แจงว่าปริมาณขายจะเพิ่มเป็น 380kboed ภายใน 4Q20 จาก 327kboed ใน 2Q20 โดยได้แรงผลักดันจากการเริ่มของโครงการ Sabah H ซึ่งคาดว่าจะมีส่วนแบ่งปริมาณขายอยู่ที่ 20kboed

ผลประกอบการอ่อนลงในระยะสั้น แต่แนวโน้มระยะยาวดี

เราคงคำแนะนำซื้อ PTTEP ที่ราคาเป้าหมาย 101 บาท (FY21E EV/EBITDA 5x) แม้เราจะคาดว่ากำไรสุทธิใน 2H20 จะลดลง h-h เราเชื่อว่ากำไรสุทธิจะกลับมาโตได้ภายใน 1Q21 จากราคาขายเฉลี่ยที่สูงขึ้น ปริมาณขายที่กำลังเพิ่ม และผลขาดทุนจากการด้อยค่าที่ลดลง y-y รวมถึงต้นทุนต่อหน่วยที่มีแนวโน้มลดลงต่ำกว่า 30 เหรียญสหรัฐ/boe ตามเป้าหมายการของบริษัท

KEY STOCK DATA

YE Dec (THB m)	2019	2020E	2021E	2022E
Revenue	191,053	167,075	182,811	180,818
Net profit	48,802	22,011	26,638	26,334
EPS (THB)	12.29	5.54	6.71	6.63
vs Consensus (%)	-	1.9	14.2	(9.5)
EBITDA	97,426	70,114	76,794	79,156
Core net profit	48,802	22,011	26,638	26,334
Core EPS (THB)	12.29	5.54	6.71	6.63
EPS growth (%)	34.8	(54.9)	21.0	(1.1)
Core P/E (x)	7.3	16.2	13.4	13.6
Dividend yield (%)	9.2	3.7	4.5	4.4
EV/EBITDA (x)	3.8	4.8	4.8	4.9
Price/book (x)	1.0	1.0	0.9	0.9
Net debt/Equity (%)	2.7	(5.1)	3.3	8.4
ROE (%)	13.1	6.1	7.2	6.9



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	(1.9)	6.5	(33.3)
Relative to country (%)	(0.2)	5.4	(13.5)
Mkt cap (USD m)			11,363
3m avg. daily turnover (USD m)			53.4
Free float (%)			35
Major shareholder			PTT Plc. (65%)
12m high/low (THB)			137.00/50.50
Issued shares (m)			3,969.99

Sources: Bloomberg consensus; FSSIA estimates



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บทวิเคราะห์ฉบับนี้แปลมาจากบทวิเคราะห์ของ FSSIA ฉบับวันที่ 31 กรกฎาคม 2020

Exhibit 1: Summary of 2Q20/6M20 operations

	2Q19	1Q20	----- 2Q20-----		6M19	6M20	chg.	2020E	Comments	
	(THB m)	(THB m)	(THB m)	(q-q%)	(y-y%)	(THB m)	(THB m)	(y-y%)		(THB m)
Revenue	46,438	46,244	33,232	(28.1)	(28.4)	88,404	79,477	(10.1)	167,075	Lower due to lower sales volume
Operating costs	(12,828)	(13,958)	(15,778)	13.0	23.0	(24,588)	(28,099)	14.3	(55,193)	
EBITDA	33,610	32,286	17,454	(45.9)	(48.1)	63,817	51,377	(19.5)	70,114	Lower on lower sales volume and ASP
EBITDA margin (%)	72.4	69.8	52.5	nm	nm	72.2	64.6	nm	42.0	
Depn & amort.	(15,070)	(16,776)	(15,577)	(7.1)	3.4	(29,594)	(32,353)	9.3	(69,093)	
EBIT	18,540	15,510	1,877	(87.9)	(89.9)	34,223	19,024	(44.4)	42,476	
Interest expense	(1,760)	(2,029)	(1,945)	(4.1)	10.5	(3,564)	(3,973)	11.5	(6,791)	
Interest & invt inc	1,361	8,349	633	(92.4)	(53.5)	2,617	8,981	243.2	2,691	
Associates' contrib	79	439	(53)	(112.0)	(166.8)	165	386	134.0	380	
Exceptionals	1,353	450	1,637	nm	nm	1,989	450	nm	(2,073)	Hedging loss and FX gain
Pretax profit	19,573	22,719	2,150	(90.5)	(89.0)	35,429	24,869	(29.8)	36,684	
Tax	(5,889)	(14,106)	2,173	nm	nm	(9,266)	(11,933)	28.8	(14,674)	
Tax rate (%)	30.1	62.1	(101)	nm	nm	26.2	48.0	nm	40.0	
Minority interests	0	0	0	nm	nm	0	0	nm	0	
Net profit	13,684	8,612	4,323	(49.8)	(68.4)	26,163	12,935	(50.6)	22,011	7% above consensus, 3% above our forecast
Core profit	11,958	8,162	2,686	(67.1)	(77.5)	23,855	12,485	(47.7)	22,011	
EPS (THB)	3.45	2.17	1.09	(49.8)	(68.4)	6.59	3.26	(50.6)	5.54	
Core EPS (THB)	3.01	2.06	0.68	(67.1)	(77.5)	6.01	3.14	(47.7)	5.54	

Sources: PTTEP; FSSIA estimates

Exhibit 2: 2Q20/6M20 results – key drivers

Quarterly information (USD/boe)	2Q19	1Q20	2Q20	---- Change ----		6M19	6M20	Chg.	Unit
				(q-q %)	(y-y %)			(y-y%)	
Sales volume	319,230	363,411	327,004	(10.0)	2.4	653,857	690,415	5.6	boed
ASP	46.2	44.8	35.0	(22.0)	(24.3)	94	80	(15.5)	USD/boe
Total cost	29.3	31.0	30.3	(2.2)	3.2	60	61	1.3	USD/boe
Cash cost	13.3	14.7	13.9	(5.6)	4.2	29	29	(0.6)	USD/boe
Operating expenses	4.7	5.9	6.2	3.7	31.1	10	12	24.2	USD/boe
Exploration expenses	0.3	1.2	1.0	(12.0)	255.2	1	2	59.4	USD/boe
Petroleum royalties	4.3	3.7	2.6	(29.3)	(38.1)	9	6	(27.4)	USD/boe
SG&A	2.1	1.9	2.0	5.2	(3.3)	5	4	(22.0)	USD/boe
Depreciation, depletion & amortisation	16.0	16.2	16.4	0.9	2.4	32	33	3.0	USD/boe
Tax	3.6	13.1	(2.2)	(117.1)	(162.8)	9	11	14.2	USD/boe
Interest	2.0	2.0	2.0	4.1	2.5	4	4	4.7	USD/boe
Net profit (THB m)	12,479	8,612	4,323	(49.8)	(65.4)	26,163	12,935	(50.6)	THB m
Core earnings	11,897	8,162	2,686	(67.1)	(77.4)	23,855	10,848	(54.5)	THB m

Sources: PTTEP; FSSIA estimates

Financial Statements

PTT Explor & Prod

Profit and Loss (THB m) Year Ending Dec	2018	2019	2020E	2021E	2022E
Revenue	171,809	191,053	167,075	182,811	180,818
Cost of goods sold	(13,618)	(18,946)	(55,193)	(60,314)	(56,458)
Gross profit	158,191	172,107	111,882	122,497	124,360
Other operating income	-	-	-	-	-
Operating costs	(69,214)	(74,681)	(41,769)	(45,703)	(45,205)
Operating EBITDA	88,978	97,426	70,114	76,794	79,156
Depreciation	(23,924)	(25,124)	(27,637)	(30,177)	(33,047)
Goodwill amortisation	0	0	0	0	0
Operating EBIT	65,054	72,301	42,476	46,617	46,109
Net financing costs	(5,640)	(1,235)	(9,273)	(4,100)	(4,099)
Associates	256	380	380	380	380
Recurring non operating income	556	(1,312)	3,480	1,880	1,880
Non recurring items	0	0	0	0	0
Profit before tax	59,971	69,754	36,684	44,397	43,890
Tax	(23,764)	(20,952)	(14,674)	(17,759)	(17,556)
Profit after tax	36,206	48,802	22,011	26,638	26,334
Minority interests	0	0	0	0	0
Preferred dividends	0	0	0	0	0
Other items	-	-	-	-	-
Reported net profit	36,206	48,802	22,011	26,638	26,334
Non recurring items & goodwill (net)	0	0	0	0	0
Recurring net profit	36,206	48,802	22,011	26,638	26,334
Per share (THB)					
Recurring EPS *	9.12	12.29	5.54	6.71	6.63
Reported EPS	9.12	12.29	5.54	6.71	6.63
DPS	5.00	8.25	3.33	4.03	3.98
Diluted shares (used to calculate per share data)	3,970	3,970	3,970	3,970	3,970
Growth					
Revenue (%)	16.3	11.2	(12.6)	9.4	(1.1)
Operating EBITDA (%)	81.5	9.5	(28.0)	9.5	3.1
Operating EBIT (%)	35.8	11.1	(41.3)	9.7	(1.1)
Recurring EPS (%)	75.9	34.8	(54.9)	21.0	(1.1)
Reported EPS (%)	75.9	34.8	(54.9)	21.0	(1.1)
Operating performance					
Gross margin inc depreciation (%)	78.1	76.9	50.4	50.5	50.5
Gross margin of key business (%)	-	-	-	-	-
Operating EBITDA margin (%)	51.8	51.0	42.0	42.0	43.8
Operating EBIT margin (%)	37.9	37.8	25.4	25.5	25.5
Net margin (%)	21.1	25.5	13.2	14.6	14.6
Effective tax rate (%)	39.6	30.0	40.0	40.0	40.0
Dividend payout on recurring profit (%)	54.8	67.1	60.0	60.0	60.0
Interest cover (X)	11.6	57.5	5.0	11.8	11.7
Inventory days	261.8	184.2	62.4	56.4	62.7
Debtor days	67.4	63.4	50.8	39.4	62.1
Creditor days	181.1	143.2	48.4	47.3	52.5
Operating ROIC (%)	11.5	13.5	7.6	7.7	6.7
ROIC (%)	7.5	8.1	5.3	5.5	5.2
ROE (%)	9.4	13.1	6.1	7.2	6.9
ROA (%)	6.2	7.6	4.2	4.6	4.5
* Pre exceptional, pre-goodwill and fully diluted					
Revenue By Division (THB m)					
Exploration and production	170,083	194,999	161,856	187,003	185,010
Pipeline	11,775	11,439	11,513	11,513	11,513
Others	2,512	2,653	2,875	2,875	2,875
Inter company eliminations	(12,560)	(18,039)	(9,168)	(18,579)	(18,579)

Sources: PTT Explor & Prod; FSSIA estimates

Financial Statements

PTT Explor & Prod

Cash Flow (THB m) Year Ending Dec	2018	2019	2020E	2021E	2022E
Recurring net profit	36,206	48,802	22,011	26,638	26,334
Depreciation	23,924	25,124	27,637	30,177	33,047
Associates & minorities	-	-	-	-	-
Other non-cash items	30,893	35,065	35,065	35,066	35,066
Change in working capital	(13,400)	10,665	16,623	(4,393)	556
Cash flow from operations	77,623	119,656	101,336	87,488	95,003
Capex - maintenance	-	-	-	-	-
Capex - new investment	(111,780)	(115,506)	(88,380)	(114,807)	(114,807)
Net acquisitions & disposals	184	192	176	457	457
Other investments (net)	115,360	0	0	0	0
Cash flow from investing	3,764	(115,314)	(88,204)	(114,350)	(114,350)
Dividends paid	(17,946)	(21,655)	(13,206)	(15,983)	(15,800)
Equity finance	0	0	0	0	0
Debt finance	(13,314)	31,659	(9,997)	0	0
Other financing cash flows	3,648	(32,417)	6,853	11,522	15,036
Cash flow from Financing	(27,612)	(22,414)	(16,350)	(4,461)	(764)
Non-recurring cash flows	-	-	-	-	-
Other adjustments	0	0	0	0	0
Net other adjustments	0	0	0	0	0
Movement in cash	53,774	(18,072)	(3,219)	(31,323)	(20,112)
Free cash flow to firm (FCFF)	89,093.51	11,632.60	19,922.37	(20,070.77)	(12,556.86)
Free cash flow to equity (FCFE)	71,720.48	3,583.20	9,987.10	(15,340.04)	(4,311.13)
Per share (THB)					
FCFF per share	22.44	2.93	5.02	(5.06)	(3.16)
FCFE per share	18.07	0.90	2.52	(3.86)	(1.09)
Recurring cash flow per share	22.93	27.45	21.34	23.14	23.79
Balance Sheet (THB m) Year Ending Dec					
Tangible fixed asset (gross)	943,174	1,061,295	1,149,675	1,264,482	1,379,289
Less: Accumulated depreciation	(676,983)	(739,794)	(808,887)	(884,329)	(966,947)
Tangible fixed assets (Net)	266,191	321,501	340,789	380,153	412,342
Intangible fixed assets (Net)	0	0	0	0	0
Long-term financial assets	-	-	-	-	-
Invest. In associates & subsidiaries	7,715	13,675	13,599	13,523	13,447
Cash & equivalents	103,194	85,122	81,903	50,579	30,468
A/C receivable	38,802	27,599	18,867	20,644	40,837
Inventories	9,158	9,961	8,906	9,745	9,638
Other current assets	35,629	19,443	19,443	19,443	19,443
Current assets	186,783	142,125	129,118	100,411	100,386
Other assets	174,398	192,163	153,371	144,149	112,506
Total assets	635,087	669,464	636,876	638,235	638,681
Common equity	390,063	357,059	365,865	376,520	387,054
Minorities etc.	0	0	0	0	0
Total Shareholders' equity	390,063	357,059	365,865	376,520	387,054
Long term debt	49,900	81,559	49,900	49,900	49,900
Other long-term liabilities	114,461	169,005	160,917	152,829	144,741
Long-term liabilities	164,361	250,564	210,818	202,730	194,642
A/C payable	7,669	7,194	7,458	8,160	8,071
Short term debt	13,208	13,208	13,208	13,208	13,208
Other current liabilities	59,787	41,440	39,529	37,618	35,707
Current liabilities	80,663	61,841	60,194	58,985	56,985
Total liabilities and shareholders' equity	635,087	669,464	636,876	638,235	638,681
Net working capital	16,134	8,369	229	4,053	26,141
Invested capital	464,438	535,709	507,987	541,878	564,435
* Includes convertibles and preferred stock which is being treated as debt					
Per share (THB)					
Book value per share	98.25	89.94	92.16	94.84	97.50
Tangible book value per share	98.25	89.94	92.16	94.84	97.50
Financial strength					
Net debt/Equity (%)	(10.3)	2.7	(5.1)	3.3	8.4
Net debt/total assets (%)	(6.3)	1.4	(3.0)	2.0	5.1
Current ratio (x)	2.3	2.3	2.1	1.7	1.8
CF interest cover (x)	33.5	97.4	11.6	25.3	28.0
Valuation					
Recurring P/E (x) *	9.9	7.3	16.2	13.4	13.6
Recurring P/E @ target price (x) *	11.1	8.2	18.2	15.1	15.2
Reported P/E (x)	9.9	7.3	16.2	13.4	13.6
Dividend yield (%)	5.6	9.2	3.7	4.5	4.4
Price/book (x)	0.9	1.0	1.0	0.9	0.9
Price/tangible book (x)	0.9	1.0	1.0	0.9	0.9
EV/EBITDA (x) **	3.6	3.8	4.8	4.8	4.9
EV/EBITDA @ target price (x) **	4.1	4.2	5.5	5.4	5.5
EV/invested capital (x)	0.7	0.7	0.7	0.7	0.7
* Pre-exceptional & pre-goodwill are fully diluted ** EBITDA includes associate income and recurring non operating income					

Sources: PTT Explor & Prod; 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	NACL	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	SEAOIL	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	PM	PPP	PRECHA	PRIN	PRINC	PSTC
PT	QLT	RCL	RICHY	RML	RWI	S11	SAAM	SALEE	SAMCO	SANKO
SAPPE	SAWAD	SCG	SCI	SCP	SE	SFP	SIAM	SINGER	SIRI	SKE
SKR	SKY	SMIT	SMK	SMP	SMT	SNP	SONIC	SPA	SPC	SPCG
SPVI	SR	SRICHA	SSC	SSF	SST	STANLY	STPI	SUC	SUN	SUSCO
SUTHA	SWC	SYMC	SYNEX	T	TACC	TAE	TAKUNI	TBSP	TCC	TCMC
TEAM	TEAMG	TFG	TFMAMA	THG	THRE	TIPCO	TITLE	TIW	TKN	TKS
TM	TMC	TMD	TMI	TMT	TNITY	TNL	TNP	TNR	TOG	TPA
TPAC	TPBI	TPCORP	TPOLY	TRITN	TRT	TSE	TSTE	TVI	TVT	TWP
TWPC	UBIS	UEC	UMI	UOBKH	UP	UPF	UPOIC	UT	UWC	VNT
WIIK	XO	YUASA	ZEN	ZMICO						
GOOD LEVEL										
A	ABICO	ACAP***	AEC	AEONTS	AJ	ALUCON	AMC	APURE	AS	ASEFA
AU	B52	BCH	BEAUTY	BGT	BH	BIG	BLAND	BM	BR	BROCK
BSBM	BSM	BTNC	CCET	CCP	CGD	CHARAN	CHAYO	CITY	CMAN	CMC
CMO	CMR	CPL	CPT	CSR	CTW	CWT	D	DIMET	EKH	EMC
EPCO	ESSO	FE	FTE	GIFT	GLAND	GLOCON	GPI	GREEN	GTB	GYT
HTECH	HUMAN	IHL	INGRS	INOX	JTS	JUBILE	KASET	KCM	KKC	KWG
KYE	LEE	LPH	MATCH	MATI	M-CHAI	MCS	MDX	META	MGT	MJD
MM	MVP	NC	NDR	NER	NNCL	NPK	NUSA	OCEAN	PAF	PF
PICO	PIMO	PK	PLE	PMTA	POST	PPM	PROUD	PTL	RCI	RJH
ROJNA	RPC	RPH	SF	SGF	SGP	SKN	SLP	SMART	SOLAR	SPG
SQ	SSP	STI	SUPER	SVOA	TCCC	THE	THMUI	TIC	TIGER	TNH
TOPP	TPCH	TPIPP	TPLAS	TQM	TTI	TYCN	UTP	VCOM	VIBHA	VPO
WIN	WORK	WP	WPH	ZIGA						
Score Range	Number of Logo					Description				
90-100						Excellent				
80-89						Very Good				
70-79						Good				
60-69						Satisfactory				
50-59						Pass				
Less than 50	No logo given					-				

Disclaimer:

The disclosure of the survey results of the Thai Institute of Directors Association ("IOD") regarding corporate governance is made pursuant to the policy of the Office of the Securities and Exchange Commission. The survey of the IOD is based on the information of a company listed on the Stock Exchange of Thailand and the Market for Alternative Investment disclosed to the public and able to be accessed by a general public investor. The result, therefore, is from the perspective of a third party. It is not an evaluation of operation and is not based on inside information.

The survey result is as of the date appearing in the Corporate Governance Report of Thai Listed Companies. As a result, the survey results may be changed after that date. FSS International Investment Advisory Company Limited does not confirm nor certify the accuracy of such survey results.

* CGR scoring should be considered with news regarding wrong doing of the company or director or executive of the company such unfair practice on securities trading, fraud, and corruption SEC imposed a civil sanction against insider trading of director and executive; ** delisted

Source: Thai Institute of Directors Association (IOD); FSSIA's compilation

Anti-corruption Progress Indicator

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

Level	
Certified	This level indicates practical participation with thoroughly examination in relation to the recommended procedures from the audit committee or the SEC's certified auditor, being a certified member of Thailand's Private Sector Collective Action Coalition Against Corruption programme (Thai CAC) or already passed examination to ensure independence from external parties.
Declared	This level indicates determination to participate in the Thailand's Private Sector Collective Action Coalition Against Corruption programme (Thai CAC)

Disclaimer:

The disclosure of the Anti-Corruption Progress Indicators of a listed company on the Stock Exchange of Thailand, which is assessed by ThaiPat Institute, is made in order to comply with the policy and sustainable development plan for the listed companies of the Office of the Securities and Exchange Commission. ThaiPat Institute made this assessment based on the information received from the listed company, as stipulated in the form for the assessment of Anti-corruption which refers to the Annual Registration Statement (Form 56-1), Annual Report (Form 56-2), or other relevant documents or reports of such listed company. The assessment result is therefore made from the perspective of ThaiPat Institute that is a third party. It is not an assessment of operation and is not based on any inside information. Since this assessment is only the assessment result as of the date appearing in the assessment result, it may be changed after that date or when there is any change to the relevant information. Nevertheless, FSS International Investment Advisory Company Limited does not confirm, verify, or certify the accuracy and completeness of the assessment results.

Note: Companies participating in Thailand's Private Sector Collective Action Coalition Against Corruption programme (Thai CAC) under Thai Institute of Directors (as of June 24, 2019) are categorised into: 1) companies that have declared their intention to join CAC, and; 2) companies certified by CAC.

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

GENERAL DISCLAIMER

ANALYST(S) CERTIFICATION

Suwat Sinsadok FSS International Investment Advisory Securities Co., Ltd

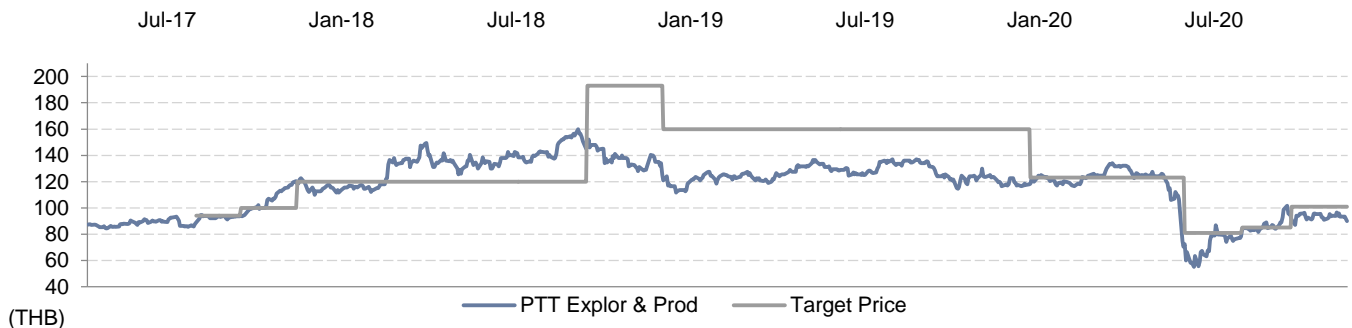
The individual(s) identified above certify(ies) that (i) all views expressed in this report accurately reflect the personal view of the analyst(s) with regard to any and all of the subject securities, companies or issuers mentioned in this report; and (ii) no part of the compensation of the analyst(s) was, is, or will be, directly or indirectly, related to the specific recommendations or views expressed herein.

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History of change in investment rating and/or target price

PTT Explor & Prod (PTTEP TB)



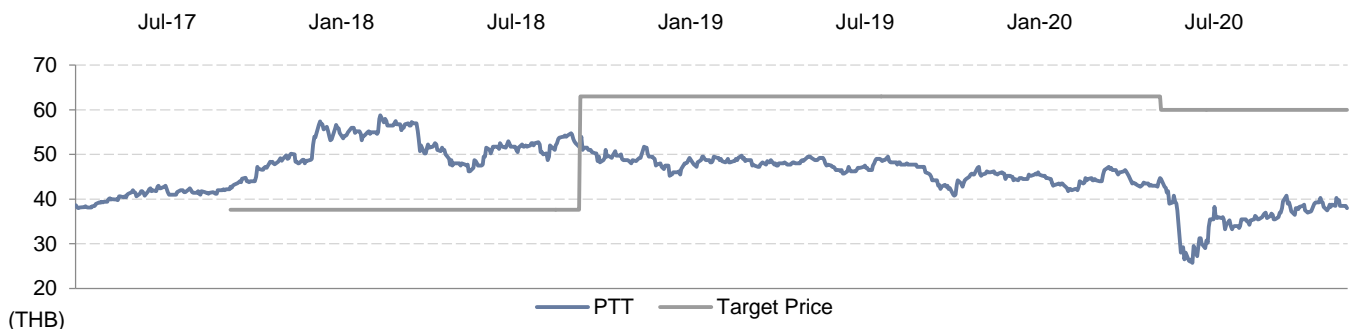
Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
03-Nov-2017	HOLD	94.00	09-Oct-2018	BUY	193.00	30-Apr-2020	BUY	85.00
12-Dec-2017	HOLD	100.00	14-Dec-2018	BUY	160.00	12-Jun-2020	BUY	101.00
30-Jan-2018	HOLD	120.00	29-Oct-2019	HOLD	123.00			
03-Apr-2018	HOLD	120.00	11-Mar-2020	HOLD	81.00			
08-Oct-2018	NOT RATED	120.00	26-Mar-2020	BUY	81.00			

Suwat Sinsadok started covering this stock from 03-Nov-2017

Price and TP are in local currency

Source: FSSIA estimates

PTT (PTT TB)



Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
12-Dec-2017	REDUCE	37.60	08-Oct-2018	NOT RATED	37.60	21-Feb-2020	BUY	60.00
03-Apr-2018	REDUCE	37.60	09-Oct-2018	BUY	63.00	12-May-2020	BUY	60.00

Suwat Sinsadok started covering this stock from 12-Dec-2017

Price and TP are in local currency

Source: FSSIA estimates

Company	Ticker	Price	Rating	Valuation & Risks
PTT Explor & Prod	PTTEP TB	THB 90.00	BUY	Risks our TP, which is based on EV/EBITDA, are a sharp decline in oil price and potential earnings downside from government intervention.
PTT	PTT TB	THB 38.00	BUY	Risks to our SoTP-based valuation are the oil price and potential earnings downsides from government intervention.

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

All share prices are as at market close on 30 July 2020 unless otherwise stated.

RECOMMENDATION STRUCTURE**Stock ratings**

Stock ratings are based on absolute upside or downside, which we define as $(\text{target price}^* - \text{current price}) / \text{current price}$.

BUY (B). The upside is 10% or more.

HOLD (H). The upside or downside is less than 10%.

REDUCE (R). The downside is 10% or more.

Unless otherwise specified, these recommendations are set with a 12-month horizon. Thus, it is possible that future price volatility may cause a temporary mismatch between upside/downside for a stock based on market price and the formal recommendation.

* In most cases, the target price will equal the analyst's assessment of the current fair value of the stock. However, if the analyst doesn't think the market will reassess the stock over the specified time horizon due to a lack of events or catalysts, then the target price may differ from fair value. In most cases, therefore, our recommendation is an assessment of the mismatch between current market price and our assessment of current fair value.

Industry Recommendations

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

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

Underweight. The analyst expects the fundamental conditions of the sector to be negative over the next 12 months.

Country (Strategy) Recommendations

Overweight (O). Over the next 12 months, the analyst expects the market to score positively on two or more of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.

Neutral (N). Over the next 12 months, the analyst expects the market to score positively on one of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.

Underweight (U). Over the next 12 months, the analyst does not expect the market to score positively on any of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.