

7 AUGUST 2020

THAILAND / PETROCHEM & CHEMICALS

INDORAMA VENTURES IVL TB

BUY
UNCHANGED

TARGET PRICE	THB44.00
CLOSE	THB24.90
UP/DOWNSIDE	+76.7%
PRIOR TP	THB40.00
CHANGE IN TP	+10.0%
TP vs CONSENSUS	+35.6%

กำลังฟื้นตัว

เห็นการฟื้นตัวของกำไรสุทธิใน 2H20

เราเชื่อว่ากำไรสุทธิของ IVL มีแนวโน้มโตออกจากจุดต่ำสุดใน 2Q20 ก่อนเร่งตัวขึ้นใน 2H20 ต่อเนื่องไปใน 2021-2022E จาก (1) ปริมาณขายที่กำลังเพิ่มขึ้นจาก 3.4mtpa ต่อไตรมาสเป็น 4mtpa ต่อไตรมาสภายใน 4Q21E จากปริมาณขาย Integrated Olefins and Derivatives (IOD) ที่กำลังเพิ่มขึ้นจากโรงงานในสหรัฐฯ ซึ่งมีกำลังการผลิต 3.1mtpa IVL (ซื้อกิจการดังกล่าวมาใน 1Q20); และ (2) Product Margins ที่กำลังปรับตัวดีขึ้น โดยเฉพาะ MTBE และ MEG ที่ผลิตจากก๊าซของสินค้ากลุ่ม IOD ในสหรัฐฯ เราคาดว่าปัจจัยบวกทั้งสองดังกล่าวจะมากกว่า PET-PTA Margins รวมที่คาดว่าจะลดลง

Product Portfolio มีคุณภาพดีขึ้น และมีความเสี่ยงลดลง

การวิเคราะห์ของเราแสดงให้เห็นว่า Product Portfolio ของ IVL มีความยืดหยุ่นสูง มีโอกาสเติบโตดีจากการกระจายความเสี่ยงทั้งในด้านผลิตภัณฑ์ ภูมิภาค และ Integrated products จากข้อมูลของผู้บริหาร 63% ของกำลังการผลิตของ IVL (PET, PTA, และ EG) ใช้ในอุตสาหกรรมอาหารและเครื่องดื่ม ซึ่งความต้องการสามารถต้านทานแรงกดดันต่าง ๆ ได้ดี เนื่องจากส่วนมากเป็นสินค้าที่จำเป็นต่อการดำเนินชีวิต อีก 11% ใช้สำหรับผลิตภัณฑ์ด้านสุขอนามัยและเส้นใยชนิดต่าง ๆ (Hygienic Products and Fibres) ในขณะที่กำลังการผลิตที่เหลืออีก 1 ใน 4 ใช้ในอุตสาหกรรมที่ขึ้นกับวัฏจักรทางเศรษฐกิจมากกว่า กล่าวคือ รถยนต์ (6%) เครื่องนุ่งห่ม (5%) ที่อยู่อาศัยและก่อสร้าง (4%) น้ำมันและก๊าซ (4%) และในท้ายที่สุด ไฟฟ้าและอิเล็กทรอนิกส์ (3%)

Portfolio เป็นมิตรต่อสิ่งแวดล้อมมากขึ้นจากการซื้อกิจการ ริไซเคิล

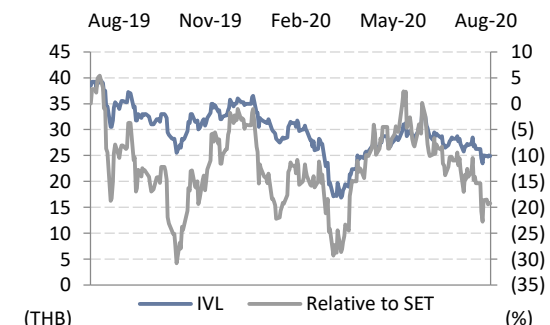
เมื่อวันที่ 4 ส.ค. 2020 IVL ประกาศซื้อหุ้น 100% ใน Industrie Maurizo Peruzzo Polowat (IMP Polowat) ผู้ประกอบกิจการโรงงานรีไซเคิล PET ในโปแลนด์ เรามองว่าการซื้อกิจการ IMP Polowat ของ IVL ล่าสุดมีผลดี 2 ประการ ประการแรก การซื้อดังกล่าวเหมาะสมในแง่กลยุทธ์สำหรับ Portfolio ในด้านรีไซเคิลของบริษัท หลังการซื้อกำลังการผลิตในด้านการรีไซเคิลจะเพิ่มเป็น 283ktpa (1.6% ของกำลังการผลิตรวม 17.9mtpa ใน 1Q20) ประการที่สองการซื้อดังกล่าวจะเพิ่มกำลังการผลิตในด้านการรีไซเคิลของ IVL ในยุโรปตะวันออก ซึ่งบริษัทฯ ยังขาดโรงงานรีไซเคิลในปัจจุบัน และสร้างเสริมตลาดรีไซเคิลของบริษัท อันประกอบด้วยทวีปอเมริกา (112ktpa) ทวีปยุโรป (139ktpa) และทวีปเอเชีย (32ktpa ในไทย)

เพิ่มราคาเป้าหมายเป็น 44 บาท

เราคงคำแนะนำซื้อ IVL จากราคาเป้าหมายที่เพิ่มขึ้นจาก 40 (FY20E EV/EBITDA 8.1x) เป็น 44 บาท (FY21E EV/EBITDA 8.6x) หลังเราปรับเป้าไป 2021 อย่างไรก็ดี เราลดประมาณการกำไรต่อหุ้นสำหรับ 2020-2022 ลง 13.4-51.2% ตามลำดับเพื่อสะท้อน (1) สมมติฐานอัตราการใช้กำลังการผลิตที่ลดลง 2.2-4.4%; และ (2) ผลขาดทุนจากสินค้าคงคลังจำนวน USD201 ล้าน (USD110 ล้านใน 1Q20 และ USD91 ล้านใน 2Q20) ในประมาณการของเรา

KEY STOCK DATA

YE Dec (THB m)	2019	2020E	2021E	2022E
Revenue	352,692	326,503	357,855	358,326
Net Profit	5,252	9,520	15,285	22,044
EPS (THB)	0.93	1.68	2.70	3.90
vs Consensus (%)	-	7.4	17.7	29.6
EBITDA	26,475	41,639	43,168	51,232
Core net profit	3,465	7,735	13,500	20,259
Core EPS (THB)	0.61	1.37	2.39	3.58
Chg. In EPS est. (%)	-	(51.2)	(15.0)	(13.4)
EPS growth (%)	(86.3)	123.2	74.5	50.1
Core P/E (x)	40.6	18.2	10.4	7.0
Dividend yield (%)	1.4	2.5	4.1	5.9
EV/EBITDA (x)	10.6	6.2	6.1	4.9
Price/book (x)	1.1	1.0	0.9	0.9
Net debt/Equity (%)	95.2	86.5	65.6	47.3
ROE (%)	2.5	5.8	9.4	12.9



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	(11.9)	(7.8)	(33.6)
Relative to country (%)	(9.3)	(11.6)	(16.8)
Mkt cap (USD m)	4,493		
3m avg. daily turnover (USD m)	26.7		
Free float (%)	33		
Major shareholder	Indorama Resources (63%)		
12m high/low (THB)	40.50/15.90		
Issued shares (m)	5,614.55		

Sources: Bloomberg consensus; FSSIA estimates



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บทวิเคราะห์ฉบับนี้แปลมาจากบทวิเคราะห์ของ FSSIA ฉบับวันที่ 7 สิงหาคม 2020

Financial Statements

Indorama Ventures

Profit and Loss (THB m) Year Ending Dec	2018	2019	2020E	2021E	2022E
Revenue	347,171	352,692	326,503	357,855	358,326
Cost of goods sold	(277,071)	(292,304)	(262,009)	(293,215)	(285,595)
Gross profit	70,100	60,388	64,494	64,639	72,731
Other operating income	-	-	-	-	-
Operating costs	(28,569)	(33,914)	(22,855)	(21,471)	(21,500)
Operating EBITDA	41,531	26,475	41,639	43,168	51,232
Depreciation	(12,161)	(17,040)	(15,535)	(15,424)	(16,053)
Goodwill amortization	0	0	0	0	0
Operating EBIT	29,370	9,434	26,103	27,744	35,179
Net financing costs	(3,395)	(5,730)	(8,523)	(8,523)	(6,822)
Associates	586	5	491	506	506
Recurring non operating income	2,933	407	(5,709)	506	506
Non recurring items	1,243	1,787	1,785	1,785	1,785
Profit before tax	30,151	5,898	13,657	21,512	30,648
Tax	(3,812)	(1,534)	(3,552)	(5,595)	(7,972)
Profit after tax	26,339	4,364	10,105	15,917	22,676
Minority interests	128	888	(584)	(632)	(632)
Preferred dividends	0	0	0	0	0
Other items	-	-	-	-	-
Reported net profit	26,466	5,252	9,520	15,285	22,044
Non recurring items & goodwill (net)	(1,243)	(1,787)	(1,785)	(1,785)	(1,785)
Recurring net profit	25,224	3,465	7,735	13,500	20,259
Per share (THB)					
Recurring EPS *	4.46	0.61	1.37	2.39	3.58
Reported EPS	4.68	0.93	1.68	2.70	3.90
DPS	0.35	0.35	0.63	1.02	1.47
Diluted shares (used to calculate per share data)	5,656	5,656	5,656	5,656	5,656
Growth					
Revenue (%)	21.2	1.6	(7.4)	9.6	0.1
Operating EBITDA (%)	28.4	(36.3)	57.3	3.7	18.7
Operating EBIT (%)	35.6	(67.9)	176.7	6.3	26.8
Recurring EPS (%)	15.5	(86.3)	123.2	74.5	50.1
Reported EPS (%)	26.7	(80.2)	81.3	60.5	44.2
Operating performance					
Gross margin inc depreciation (%)	16.7	12.3	15.0	13.8	15.8
Gross margin of key business (%)	-	-	-	-	-
Operating EBITDA margin (%)	12.0	7.5	12.8	12.1	14.3
Operating EBIT margin (%)	8.5	2.7	8.0	7.8	9.8
Net margin (%)	7.3	1.0	2.4	3.8	5.7
Effective tax rate (%)	12.6	26.0	26.0	26.0	26.0
Dividend payout on recurring profit (%)	7.8	57.1	46.4	42.7	41.0
Interest cover (X)	9.5	1.7	2.4	3.3	5.2
Inventory days	76.5	82.6	83.4	75.1	80.7
Debtor days	36.7	37.2	36.9	33.9	35.5
Creditor days	65.6	74.2	82.2	74.0	79.5
Operating ROIC (%)	14.5	4.2	12.5	0.9	1.1
ROIC (%)	13.3	3.6	8.1	0.7	0.9
ROE (%)	19.3	2.5	5.8	9.4	12.9
ROA (%)	8.7	2.3	4.2	3.2	4.5
* Pre exceptional, pre-goodwill and fully diluted					
Revenue By Division (THB m)					
PET	182,415	196,047	134,859	139,458	139,930
Feedstock	147,296	132,911	100,905	113,613	113,613
Fibres	99,207	107,059	104,621	124,019	124,019
Eliminations and unallocated	(81,747)	(83,325)	(13,882)	(19,236)	(19,236)

Sources: Indorama Ventures; FSSIA estimates

Financial Statements

Indorama Ventures

Cash Flow (THB m) Year Ending Dec	2018	2019	2020E	2021E	2022E
Recurring net profit	25,224	3,465	7,735	13,500	20,259
Depreciation	12,161	17,040	15,535	15,424	16,053
Associates & minorities	-	-	-	-	-
Other non-cash items	(1,233)	(978)	(1,002)	(1,001)	(1,001)
Change in working capital	(5,933)	19,446	2,613	(3,128)	(47)
Cash flow from operations	30,218	38,973	24,882	24,795	35,264
Capex - maintenance	-	-	-	-	-
Capex - new investment	(16,275)	(16,233)	(13,200)	(13,200)	(13,200)
Net acquisitions & disposals	0	0	0	0	0
Other investments (net)	(39,953)	(9,065)	0	0	0
Cash flow from investing	(56,228)	(25,298)	(13,200)	(13,200)	(13,200)
Dividends paid	(9,615)	(6,929)	(1,980)	(3,588)	(5,761)
Equity finance	0	0	0	0	0
Debt finance	40,414	8,881	66,179	0	0
Other financing cash flows	(6,088)	(10,760)	2,880	2,912	2,912
Cash flow from Financing	24,711	(8,807)	67,079	(676)	(2,849)
Non recurring cash flows	-	-	-	-	-
Other adjustments	0	0	0	0	0
Net other adjustments	0	0	0	0	0
Movement in cash	(1,299)	4,868	78,761	10,918	19,215
Free cash flow to firm (FCFF)	(21,782.24)	19,290.25	21,383.33	21,296.31	31,765.77
Free cash flow to equity (FCFE)	8,316.31	11,796.62	80,740.29	14,506.57	24,976.02
Per share (THB)					
FCFF per share	(3.88)	3.44	3.81	3.79	5.66
FCFE per share	1.48	2.10	14.38	2.58	4.45
Recurring cash flow per share	6.39	3.45	3.94	4.94	6.24
Balance Sheet (THB m) Year Ending Dec					
Tangible fixed asset (gross)	279,828	304,108	317,308	330,508	343,708
Less: Accumulated depreciation	(74,645)	(91,686)	(107,221)	(122,645)	(138,698)
Tangible fixed assets (Net)	205,182	212,423	210,087	207,863	205,011
Intangible fixed assets (Net)	0	0	0	0	0
Long-term financial assets	-	-	-	-	-
Invest. In associates & subsidiaries	0	0	0	0	0
Cash & equivalents	5,578	10,447	89,207	100,126	119,341
A/C receivable	37,637	34,305	31,758	34,807	34,853
Inventories	70,085	62,165	57,549	63,075	63,158
Other current assets	10,984	11,840	11,840	11,840	11,840
Current assets	124,284	118,757	190,354	209,848	229,192
Other assets	49,728	49,388	46,415	46,416	46,416
Total assets	379,195	380,568	446,857	464,127	480,619
Common equity	144,838	129,712	137,253	148,949	165,232
Minorities etc	7,018	8,455	286	15,743	22,706
Total Shareholders' equity	151,855	138,167	137,538	164,692	187,938
Long term debt	93,244	105,611	171,790	171,790	171,790
Other long-term liabilities	20,395	11,828	3,954	3,955	3,955
Long-term liabilities	113,639	117,439	175,744	175,745	175,745
A/C payable	57,578	61,281	56,730	62,178	62,260
Short term debt	39,899	36,413	36,413	36,413	36,413
Other current liabilities	16,223	27,268	40,431	25,100	18,263
Current liabilities	113,700	124,962	133,575	123,691	116,936
Total liabilities and shareholders' equity	379,195	380,568	446,857	464,127	480,619
Net working capital	44,904	19,762	3,985	22,445	29,329
Invested capital	299,815	281,573	260,488	276,724	280,755
* Includes convertibles and preferred stock which is being treated as debt					
Per share (THB)					
Book value per share	25.61	22.93	24.27	26.33	29.21
Tangible book value per share	25.61	22.93	24.27	26.33	29.21
Financial strength					
Net debt/Equity (%)	84.0	95.2	86.5	65.6	47.3
Net debt/total assets (%)	33.6	34.6	26.6	23.3	18.5
Current ratio (x)	1.1	1.0	1.4	1.7	2.0
CF interest cover (x)	8.2	5.9	12.0	4.3	6.6
Valuation					
Recurring P/E (x) *	5.6	40.6	18.2	10.4	7.0
Recurring P/E @ target price (x) *	9.9	71.8	32.2	18.4	12.3
Reported P/E (x)	5.3	26.8	14.8	9.2	6.4
Dividend yield (%)	1.4	1.4	2.5	4.1	5.9
Price/book (x)	1.0	1.1	1.0	0.9	0.9
Price/tangible book (x)	1.0	1.1	1.0	0.9	0.9
EV/EBITDA (x) **	6.6	10.6	6.2	6.1	4.9
EV/EBITDA @ target price (x) **	9.2	14.7	8.8	8.6	7.0
EV/invested capital (x)	0.9	1.0	1.0	1.0	0.9
* Pre exceptional & pre-goodwill are fully diluted ** EBITDA includes associate income and recurring non operating income					

Sources: Indorama Ventures; FSSIA estimates

Corporate Governance report of Thai listed companies 2019

EXCELLENT LEVEL										
AAV	ADVANC	AIRA	AKP	AKR	AMA	AMATA	AMATAV	ANAN	AOT	AP
ARROW	BAFS	BANPU	BAY	BCP	BCPG	BOL	BRR	BTS	BTW	BWG
CFRESH	CHEWA	CHO	CK	CKP	CM	CNT	COL	COMAN	CPALL	CPF
CPI	CPN	CSS	DELTA	DEMCO	DRT	DTAC	DTC	EA	EASTW	ECF
EGCO	GBX	GC	GCAP	GEL	GGP	GGC	GOLD	GPSC	GRAMMY	GUNKUL
HANA	HARN	HMPRO	ICC	ICHI	III	ILINK	INTUCH	IRPC	IVL	JKN
JSP	K	KBANK	KCE	KKP	KSL	KTB	KTC	KTIS	LH	LHFG
LIT	LPN	MAKRO	MALEE	MBK	MBKET	MC	MCOT	MFEC	MINT	MONO*
MTC	NCH	NCL	NKI	NSI	NVD	NYT	OISHI	OTO	PAP	PCSGH
PDJ	PG	PHOL	PJW	PLANB	PLANET	PORT	PPS	PR9	PREB	PRG
PRM	PSH	PSL	PTG	PTT	PTTEP	PTTGC	PYLON	Q-CON	QH	QTC
RATCH	ROBINS**	RS	S	S & J	SABINA	SAMART	SAMTEL	SAT	SC	SCB
SCC	SCCC	SCN	SDC	SEAFCO	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	KBS	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

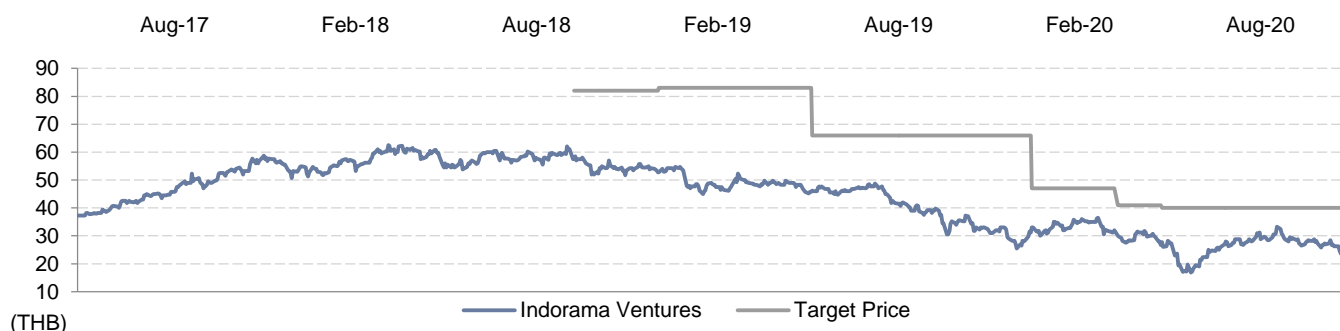
The individual(s) identified above certify(ies) that (i) all views expressed in this report accurately reflect the personal view of the analyst(s) with regard to any and all of the subject securities, companies or issuers mentioned in this report; and (ii) no part of the compensation of the analyst(s)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

This report has been prepared by FSS International Investment Advisory Company Limited (FSSIA). The information herein has been obtained from sources believed to be reliable and accurate; however FSS makes no representation as to the accuracy and completeness of such information. Information and opinions expressed herein are subject to change without notice. FSS has no intention to solicit investors to buy or sell any security in this report. In addition, FSS does not guarantee returns nor price of the securities described in the report nor accept any liability for any loss or damage of any kind arising out of the use of such information or opinions in this report. Investors should study this report carefully in making investment decisions. All rights are reserved.

This report may not be reproduced, distributed or published by any person in any manner for any purpose without permission of FSSIA. Investment in securities has risks. Investors are advised to consider carefully before making investment decisions.

History of change in investment rating and/or target price

Indorama Ventures (IVL TB)



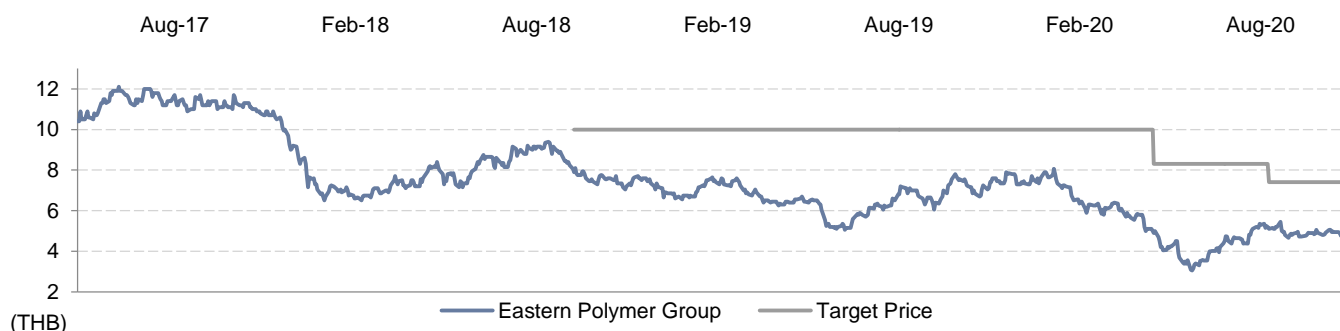
Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
09-Oct-2018	BUY	82.00	07-Nov-2019	BUY	47.00	09-Jun-2020	BUY	40.00
21-Dec-2018	BUY	83.00	20-Jan-2020	BUY	41.00			
02-May-2019	BUY	66.00	27-Feb-2020	BUY	40.00			

Suwat Sinsadok started covering this stock from 09-Oct-2018

Price and TP are in local currency

Source: FSSIA estimates

Eastern Polymer Group (EPG TB)



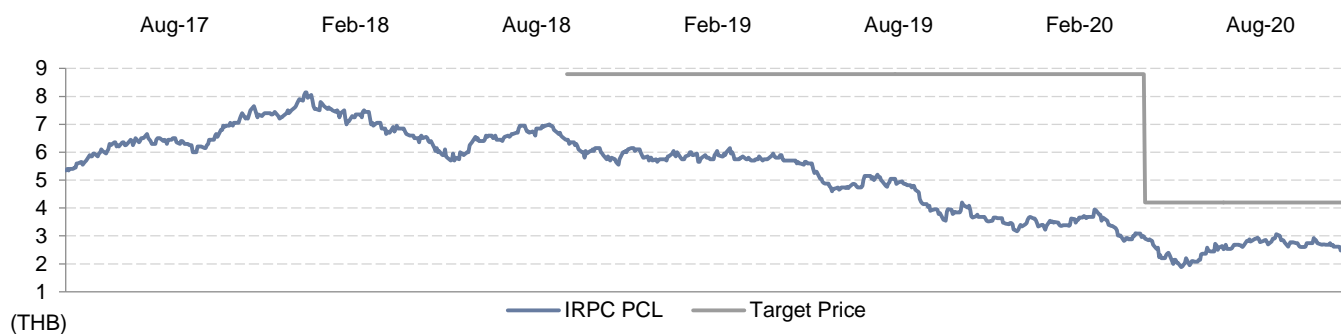
Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
09-Oct-2018	BUY	10.00	29-May-2020	BUY	7.40	-	-	-
20-Feb-2020	BUY	8.30	29-May-2020	BUY	7.40			

Suwat Sinsadok started covering this stock from 09-Oct-2018

Price and TP are in local currency

Source: FSSIA estimates

IRPC PCL (IRPC TB)



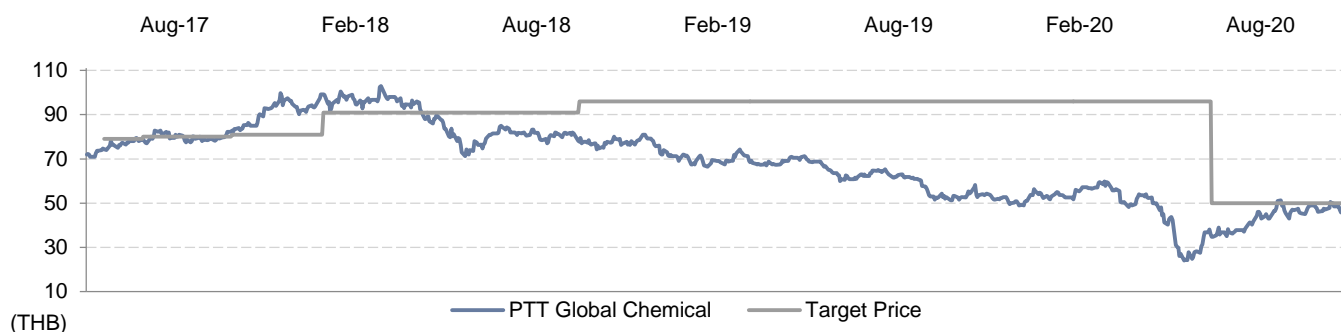
Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
09-Oct-2018	BUY	8.80	14-Feb-2020	BUY	4.20	-	-	-
13-Feb-2019	BUY	8.80	08-May-2020	BUY	4.20			

Suwat Sinsadok started covering this stock from 09-Oct-2018

Price and TP are in local currency

Source: FSSIA estimates

PTT Global Chemical (PTTGC TB)



Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
23-Aug-2017	HOLD	79.00	01-Mar-2018	HOLD	91.00	09-Oct-2018	BUY	96.00
26-Sep-2017	HOLD	80.00	03-Apr-2018	HOLD	91.00	09-Apr-2020	BUY	50.00
12-Dec-2017	HOLD	81.00	08-Oct-2018	NOT RATED	91.00	08-May-2020	BUY	50.00

Suwat Sinsadok started covering this stock from 27-Aug-2015

Price and TP are in local currency

Source: FSSIA estimates

Company	Ticker	Price	Rating	Valuation & Risks
Indorama Ventures	IVL TB	THB 24.90	BUY	The key downside risks to our EV/EBITDA-based TP are weaker-than-expected margins for PX-PTA and PET-PTA, lower demand for polyester, and delays in IVL's projects.
Eastern Polymer Group	EPG TB	THB 4.78	BUY	Downside risks to our EV/EBITDA-based target price include 1) a sharp rise in feedstock prices, driven mostly by a higher oil price, and 2) lower-than-expected demand for plastics used for insulators, automobile and packaging industries.
IRPC PCL	IRPC TB	THB 2.58	BUY	Key risks to our positive view and EV/EBITDA-based target price are weaker-than-expected oil product demand growth and lower-than-expected PP-naphtha and SM-benzene margins.and SM-benzene margins.
PTT Global Chemical	PTTGC TB	THB 51.25	BUY	The key downside risks to our EV/EBITDA-based TP are the weaker-than-expected HDPE price and HDPE-naphtha margin.

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 06-Aug-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.