

11 AUGUST 2020

THAILAND / MATERIALS

TIPCO ASPHALT TASCO TB

BUY

UNCHANGED

TARGET PRICE	THB33.00
CLOSE	THB28.75
UP/DOWNSIDE	+14.8%
PRIOR TP	THB29.00
CHANGE IN TP	+13.8%
TP vs CONSENSUS	+16.9%

ต้นทุนน้ำมันดิบที่อยู่ในระดับต่ำผลักดันผลประกอบการ 2Q20

ผลประกอบการ 2Q20 ดีตามคาด

TASCO รายงานกำไรสุทธิที่ 1.72 พัน ลบ. ใน 2Q20 เพิ่มขึ้นจากผลขาดทุนสุทธิ 784 ลบ. ใน 1Q20 และกำไรสุทธิ 1.05 พัน ลบ. ใน 2Q19 บริษัทฯ บันทึก Core Net Loss 113 ลบ. เทียบกับ Core Net Loss 666 ลบ. ใน 2Q19 และ Core NP 101 ลบ. ใน 1Q20 เราเชื่อว่า Core Net Loss ดังกล่าวเกิดจากรายได้และต้นทุนที่ห่างกัน 1-2 เดือนจากระยะเวลาการส่งมอบ (Lead Time) ที่ยาวนานตั้งแต่การสั่งซื้อไปถึงการส่งมอบไปยังโรงกลั่นในมาเลเซีย ดังจะสะท้อนให้เห็นได้ในกำไรจากสินค้าคงคลังจำนวนมากของ TASCO ใน 2Q20 EBITDA Margin เพิ่มขึ้นเป็น 7.8% จาก 2.9% ใน 1Q20 โดยได้แรงหนุนจาก Asphalt-Brent Margin ที่เพิ่มขึ้นตามอุปสงค์อุปทานของยางมะตอยที่ดึงตัวในเอเชีย

กำไรสินค้าคงคลังหนุนผลประกอบการ 2Q20

ใน 2Q20 บริษัทฯ รายงานกำไรจำนวนมากจากการกลับสำรองมูลค่าสุทธิที่ได้รับ (Net Realisable Value หรือ NRV) จำนวน 2.10 พัน ลบ. หลังราคาน้ำมันดิบเพิ่มขึ้น q-q อย่างไรก็ดี รายการดังกล่าวลดลงบางส่วนจากผลขาดทุนจากสัญญาป้องกันความเสี่ยง 164 ลบ., ผลขาดทุนจากอัตราแลกเปลี่ยน 52 ลบ., และค่าใช้จ่ายในการดำเนินงานเพิ่มเติมอีก 23 ลบ. จากการเข้าคลังน้ำมันดิบ, ค่าขนส่งและค่าใช้จ่ายอื่น ๆ ที่เกี่ยวข้องกับเรือขนส่งน้ำมันจากเหตุไฟไหม้ใน 2018 ค่าใช้จ่ายดอกเบี้ยลดลงเหลือ 40 ลบ. (-25% y-y) จากอัตราดอกเบี้ยที่ลดลงและการชำระหนี้

แนวโน้มยังดีใน 2H20-2022

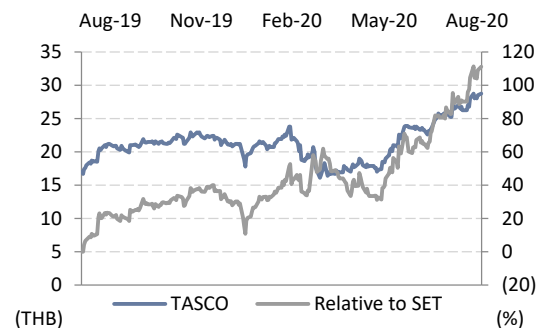
ใน 2020-2021 เราคาดว่า TASCO จะยังได้ประโยชน์จากราคาน้ำมันดิบและราคาน้ำมันเตาที่มีกำมะถันสูง (High Sulphur Fuel Oil หรือ HSFO) ที่อยู่ในระดับต่ำอันเป็นผลจากการคำสั่งห้ามของ the International Maritime Organisation ในเดือน ม.ค. 2020 ซึ่งทำให้ Asphalt-HSFO Margin ของบริษัทฯ เพิ่มขึ้น TASCO มีฐานะทางการเงินที่ดี บริษัทฯ มีสัดส่วนหนี้สินต่อทุนเพียง 0.82x ณ สิ้นไตรมาส 2Q20 เพิ่มขึ้นเล็กน้อยจาก 0.81x ใน 1Q20

ปรับ EPS และ TP

เราคงคำแนะนำซื้อหลังปรับประมาณการกำไรต่อหุ้นใน 2020-2022 ขึ้น 6.6-31.6% เพื่อสะท้อนสมมติฐาน Asphalt-Brent Margin ที่สูงขึ้นตามลำดับ เราคาดว่าความต้องการยางมะตอยและอัตรากำไรจะยังคงดีใน 2020-2022 โดยได้แรงหนุนจากความต้องการที่ยั่งยืนในตลาดสำคัญ เราปรับเพิ่มราคาเป้าหมายของเราจาก 29 บาท (FY21E EV/EBITDA ที่ 12.8x) เป็น 33 บาท (FY21E EV/EBITDA ที่ 11.1x) เพื่อสะท้อนประมาณการกำไรต่อหุ้นที่เพิ่มขึ้น เรามองว่า TASCO เป็นหนึ่งในหุ้นที่ดีที่สุดในประเทศที่จะได้ประโยชน์จากการใช้จ่ายภาครัฐในด้านระบบสาธารณสุขป้อนหลัง COVID-19 ในไทย จีน อินเดีย และเวียดนามใน 2021-2022E

KEY STOCK DATA

YE Dec (THB m)	2019	2020E	2021E	2022E
Revenue	36,893	32,099	37,532	37,372
Net profit	3,123	2,569	3,427	2,909
EPS (THB)	2.00	1.64	2.19	1.86
vs Consensus (%)	-	(2.1)	21.8	0.3
EBITDA	3,796	3,464	4,516	3,841
Core net profit	3,123	2,569	3,427	2,909
Core EPS (THB)	2.00	1.64	2.19	1.86
Chg. In EPS est. (%)	-	6.6	31.6	7.3
EPS growth (%)	453.3	(17.7)	33.4	(15.1)
Core P/E (x)	14.4	17.5	13.1	15.4
Dividend yield (%)	5.2	3.1	3.5	3.1
EV/EBITDA (x)	12.2	13.3	9.7	10.7
Price/book (x)	3.4	3.3	2.9	2.6
Net debt/Equity (%)	8.2	8.0	(9.5)	(22.3)
ROE (%)	24.2	19.0	23.4	17.8



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	11.7	66.2	69.1
Relative to country (%)	14.1	59.1	111.2
Mkt cap (USD m)	1,458		
3m avg. daily turnover (USD m)	14.6		
Free float (%)	39		
Major shareholder	Tipco Food, Colas S.A. (31%)		
12m high/low (THB)	29.00/14.90		
Issued shares (m)	1,569.73		

Sources: Bloomberg consensus; FSSIA estimates



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บทวิเคราะห์ฉบับนี้แปลมาจากบทวิเคราะห์ของ FSSIA ฉบับวันที่ 11 สิงหาคม 2020

Financial Statements

Tipco Asphalt

Profit and Loss (THB m) Year Ending Dec	2018	2019	2020E	2021E	2022E
Revenue	27,632	36,893	32,099	37,532	37,372
Cost of goods sold	(23,487)	(31,844)	(27,071)	(31,188)	(31,710)
Gross profit	4,145	5,049	5,028	6,344	5,662
Other operating income	-	-	-	-	-
Operating costs	(1,346)	(1,253)	(1,564)	(1,828)	(1,821)
Operating EBITDA	2,799	3,796	3,464	4,516	3,841
Depreciation	(1,001)	(875)	(1,007)	(1,007)	(1,007)
Goodwill amortisation	0	0	0	0	0
Operating EBIT	1,798	2,921	2,457	3,509	2,834
Net financing costs	(169)	(204)	(110)	(110)	(71)
Associates	98	133	80	80	80
Recurring non operating income	(814)	938	780	780	780
Non recurring items	0	0	0	0	0
Profit before tax	815	3,655	3,126	4,178	3,543
Tax	(234)	(509)	(557)	(751)	(634)
Profit after tax	580	3,146	2,569	3,427	2,909
Minority interests	(16)	(22)	0	0	0
Preferred dividends	0	0	0	0	0
Other items	-	-	-	-	-
Reported net profit	564	3,123	2,569	3,427	2,909
Non recurring items & goodwill (net)	0	0	0	0	0
Recurring net profit	564	3,123	2,569	3,427	2,909
Per share (THB)					
Recurring EPS *	0.36	2.00	1.64	2.19	1.86
Reported EPS	0.36	2.00	1.64	2.19	1.86
DPS	0.60	1.50	0.90	1.00	0.90
Diluted shares (used to calculate per share data)	1,562	1,562	1,562	1,562	1,562
Growth					
Revenue (%)	(2.2)	33.5	(13.0)	16.9	(0.4)
Operating EBITDA (%)	(26.8)	35.6	(8.7)	30.4	(14.9)
Operating EBIT (%)	(36.1)	62.5	(15.9)	42.8	(19.2)
Recurring EPS (%)	(77.8)	453.3	(17.7)	33.4	(15.1)
Reported EPS (%)	(77.8)	453.3	(17.7)	33.4	(15.1)
Operating performance					
Gross margin inc depreciation (%)	11.4	11.3	12.5	14.2	12.5
Gross margin of key business (%)	-	-	-	-	-
Operating EBITDA margin (%)	10.1	10.3	10.8	12.0	10.3
Operating EBIT margin (%)	6.5	7.9	7.7	9.3	7.6
Net margin (%)	2.0	8.5	8.0	9.1	7.8
Effective tax rate (%)	32.7	14.5	18.3	18.3	18.3
Dividend payout on recurring profit (%)	166.1	75.0	54.7	45.6	48.3
Interest cover (X)	5.8	18.9	29.3	38.8	50.7
Inventory days	87.1	84.8	93.1	79.9	84.9
Debtor days	57.5	50.8	55.9	39.2	26.6
Creditor days	54.8	59.2	78.8	67.6	71.8
Operating ROIC (%)	9.6	15.1	13.9	20.1	17.2
ROIC (%)	5.0	18.9	17.3	23.2	20.6
ROE (%)	4.5	24.2	19.0	23.4	17.8
ROA (%)	3.3	13.4	10.6	13.7	10.8

* Pre-exceptional, pre-goodwill and fully diluted

Revenue By Division (THB m)	2018	2019	2020E	2021E	2022E
Geographic segment located in Thailand	20,372	29,044	25,183	31,527	31,391
Geographic segment located overseas	7,260	7,849	6,916	6,004	5,981

Sources: Tipco Asphalt; FSSIA estimates

Financial Statements

Tipco Asphalt

Cash Flow (THB m) Year Ending Dec	2018	2019	2020E	2021E	2022E
Recurring net profit	564	3,123	2,569	3,427	2,909
Depreciation	1,001	875	1,007	1,007	1,007
Associates & minorities	98	133	80	80	80
Other non-cash items	-	-	-	-	-
Change in working capital	(4,519)	3,133	731	1,072	1,473
Cash flow from operations	(2,856)	7,264	4,387	5,586	5,469
Capex - maintenance	(86)	(110)	(214)	(364)	(514)
Capex - new investment	(485)	(923)	(1,731)	(1,137)	(987)
Net acquisitions & disposals	(103)	(48)	0	0	0
Other investments (net)	2,516	3,703	80	80	80
Cash flow from investing	1,843	2,623	(1,864)	(1,421)	(1,421)
Dividends paid	(3,750)	(4,687)	(2,344)	(1,406)	(1,562)
Equity finance	0	0	0	0	0
Debt finance	4,583	(3,061)	297	(1,000)	0
Other financing cash flows	360	(1,196)	(160)	(160)	(160)
Cash flow from Financing	1,194	(8,944)	(2,206)	(2,566)	(1,722)
Non-recurring cash flows	-	-	-	-	-
Other adjustments	0	0	0	0	0
Net other adjustments	0	0	0	0	0
Movement in cash	181	943	316	1,599	2,326
Free cash flow to firm (FCFF)	(843.02)	10,090.87	2,633.22	4,275.84	4,158.29
Free cash flow to equity (FCFE)	3,931.33	5,630.35	2,660.06	3,005.51	3,888.35

Per share (THB)

FCFF per share	(0.54)	6.43	1.68	2.72	2.65
FCFE per share	2.50	3.59	1.69	1.91	2.48
Recurring cash flow per share	1.06	2.64	2.34	2.89	2.56

Balance Sheet (THB m) Year Ending Dec	2018	2019	2020E	2021E	2022E
Tangible fixed asset (gross)	14,715	14,874	16,375	17,876	19,377
Less: Accumulated depreciation	(6,588)	(6,588)	(7,152)	(8,159)	(9,166)
Tangible fixed assets (Net)	8,127	8,286	9,223	9,717	10,211
Intangible fixed assets (Net)	146	146	146	146	146
Long-term financial assets	-	-	-	-	-
Invest. In associates & subsidiaries	-	-	-	-	-
Cash & equivalents	2,032	2,975	3,292	4,891	7,216
A/C receivable	5,042	5,234	4,592	3,466	1,971
Inventories	7,322	7,467	6,348	7,313	7,436
Other current assets	923	462	402	470	468
Current assets	15,319	16,138	14,633	16,140	17,091
Other assets	661	692	692	692	692
Total assets	24,253	25,262	24,694	26,695	28,140
Common equity	12,382	13,407	13,633	15,654	17,000
Minorities etc.	155	171	171	171	171
Total Shareholders' equity	12,537	13,579	13,804	15,825	17,171
Long term debt	87	43	1,840	840	840
Other long-term liabilities	149	168	168	168	168
Long-term liabilities	236	211	2,008	1,008	1,008
A/C payable	4,015	6,316	5,369	6,186	6,290
Short term debt	7,068	4,051	2,551	2,551	2,551
Other current liabilities	397	1,106	962	1,125	1,120
Current liabilities	11,480	11,473	8,882	9,861	9,960
Total liabilities and shareholders' equity	24,253	25,262	24,694	26,695	28,140
Net working capital	8,874	5,741	5,010	3,938	2,465
Invested capital	17,809	14,865	15,071	14,493	13,514

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

Per share (THB)

Book value per share	7.92	8.58	8.73	10.02	10.88
Tangible book value per share	7.83	8.49	8.63	9.93	10.79

Financial strength

Net debt/Equity (%)	40.9	8.2	8.0	(9.5)	(22.3)
Net debt/total assets (%)	21.1	4.4	4.5	(5.6)	(13.6)
Current ratio (x)	1.3	1.4	1.6	1.6	1.7
CF interest cover (x)	27.1	33.1	40.8	38.5	69.4

Valuation	2018	2019	2020E	2021E	2022E
Recurring P/E (x) *	79.6	14.4	17.5	13.1	15.4
Recurring P/E @ target price (x) *	91.3	16.5	20.1	15.0	17.7
Reported P/E (x)	79.6	14.4	17.5	13.1	15.4
Dividend yield (%)	2.1	5.2	3.1	3.5	3.1
Price/book (x)	3.6	3.4	3.3	2.9	2.6
Price/tangible book (x)	3.7	3.4	3.3	2.9	2.7
EV/EBITDA (x) **	17.9	12.2	13.3	9.7	10.7
EV/EBITDA @ target price (x) **	20.3	13.9	15.3	11.1	12.5
EV/invested capital (x)	2.8	3.1	3.1	3.0	3.1

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

Sources: Tipco Asphalt; 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	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

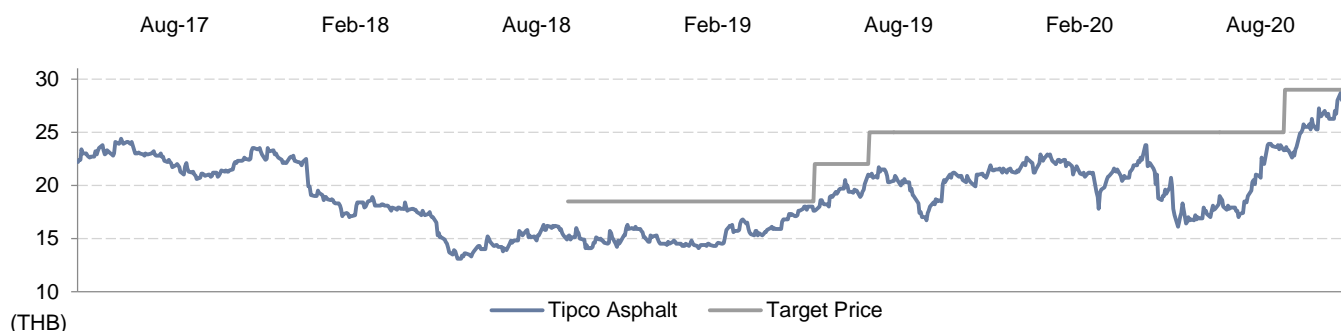
The individual(s) identified above certify(ies) that (i) all views expressed in this report accurately reflect the personal view of the analyst(s) with regard to any and all of the subject securities, companies or issuers mentioned in this report; and (ii) no part of the compensation of the analyst(s)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

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.

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History of change in investment rating and/or target price

Tipco Asphalt (TASCO TB)



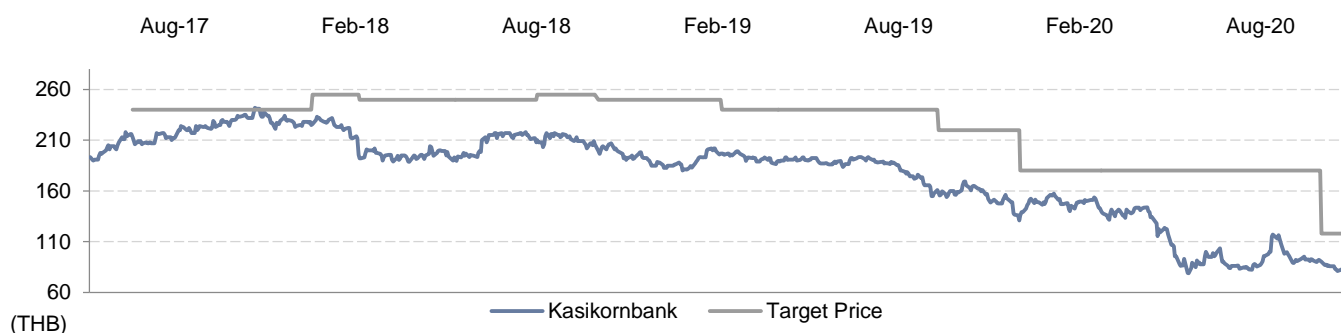
Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
09-Oct-2018	BUY	18.50	25-Jun-2019	BUY	25.00	-	-	-
09-May-2019	BUY	22.00	16-Jun-2020	BUY	29.00			

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

Price and TP are in local currency

Source: FSSIA estimates

Kasikornbank (KBANK TB)



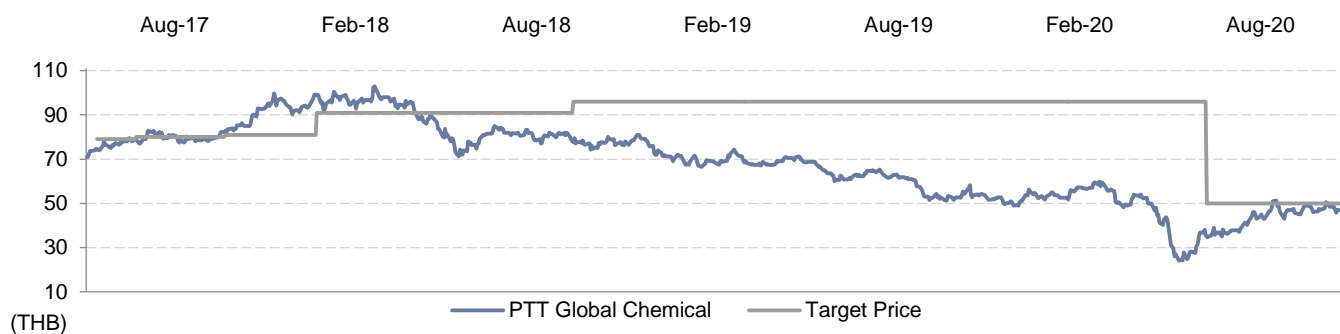
Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
20-Sep-2017	BUY	240.00	06-Sep-2018	BUY	255.00	30-Oct-2019	BUY	180.00
23-Feb-2018	BUY	255.00	29-Oct-2018	BUY	250.00	02-Apr-2020	BUY	180.00
03-Apr-2018	BUY	255.00	13-Feb-2019	BUY	240.00	16-Jul-2020	BUY	118.00
05-Apr-2018	BUY	250.00	20-Aug-2019	BUY	220.00			

Yuvanart Suwanumphai started covering this stock from 16-Jul-2020

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			

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

Price and TP are in local currency

Source: FSSIA estimates

Company	Ticker	Price	Rating	Valuation & Risks
Tipco Asphalt	TASCO TB	THB 28.75	BUY	Downside risks to our EV/EBITDA-based TP are 1) lower demand for asphalt in Thailand due to the government's uncertain road budget and 2) crude supply disruptions from South America, the major crude source for TASCO (accounts for over 90% of its crude consumption).
Kasikornbank	KBANK TB	THB 82.75	BUY	Downside risks to our GGM-based TP are 1) prolonged economic sluggishness and a second wave of the COVID-19 pandemic affecting to loan growth and asset quality; and 2) the impact of further interest rate cuts on NIM and potential new regulations from the Bank of Thailand on debt-servicing programs.
PTT Global Chemical	PTTGC TB	THB 50.00	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 Finasia Syrus Securities Public Company Limited

All share prices are as at market close on 10-Aug-2020 unless otherwise stated.

RECOMMENDATION STRUCTURE

Stock ratings

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