

29 JANUARY 2021

THAILAND / OIL & GAS

PTT EXPLOR & PROD PTTEP TB

BUY

UNCHANGED

TARGET PRICE	THB116.00
CLOSE	THB108.00
UP/DOWNSIDE	+7.4%
PRIOR TP	THB116.00
CHANGE IN TP	UNCHANGED
TP vs CONSENSUS	+1.5%

ผลขาดทุนจากการด้อยค่ากระทบผลประกอบการ 4Q20

ผลขาดทุนจากการด้อยค่าและราคาขายเฉลี่ยที่ลดลงกักต้อนผลประกอบการ 4Q20

PTTEP รายงานกำไรสุทธิ 4Q20 ที่ 2.5 พัน ลบ. (-65% q-q, -78% y-y) จากผลขาดทุนพิเศษจำนวน USD87 ล้าน ประกอบด้วยผลขาดทุนจากการด้อยค่า (USD44m) สำหรับโครงการพัฒนาแหล่งก๊าซเขตภาคเหนือ ผลขาดทุนจากสัญญาป้องกันความเสี่ยง (USD38m) ผลขาดทุนจากอัตราแลกเปลี่ยน (USD26m) และกระทบทางภาษีจากผลกำไรจากอัตราแลกเปลี่ยน (USD10m) กำไรสุทธิจากการดำเนินงานลดลงเหลือ 5 พัน ลบ. (-18% q-q, -56% y-y) ต่ำกว่าตลาดคาด 7% และเรคาด 1% โดยมีปัจจัยหนุนสำคัญประกอบด้วย 1) ราคาขายเฉลี่ยที่ลดลง 5% q-q เป็น USD36.9/boe จากราคาน้ำมัน (liquid) ที่สูงขึ้น (+1.9% q-q เป็น USD42.6/boe) ซึ่งช่วยชดเชยราคาก๊าซที่ลดลง (-9.7% q-q เป็น USD5.63/mmbtu); และ 2) ปริมาณขายที่สูงขึ้นเป็น 381kboed (+10.7% q-q, -3.5% y-y) จากปริมาณขายที่เพิ่มขึ้น q-q จาก Partex และแหล่งน้ำมันในมาเลเซีย ต้นทุนรวมเพิ่มเป็น USD31.1/boe (+4.9% q-q, -8.1% y-y) จากค่าใช้จ่ายในการดำเนินงานและค่าใช้จ่ายในการขายและบริหารที่สูงขึ้น ในปี 2020 ต้นทุนรวมอยู่ที่ USD30.5/boe ใกล้เคียงกับเป้าของ PTTEP ที่ USD30/boe

กำไรสุทธิจากธุรกิจต่างประเทศลดลง

สินทรัพย์ของ PTTEP ในตะวันออกเฉียงใต้ ส่วนมากเป็นแหล่งน้ำมันของ Murphy ในมาเลเซีย และแหล่งก๊าซในพม่ารายงานกำไรสุทธิ 4Q20 ที่เพียง USD3 ล้าน ลดลง 96% q-q จากราคาขายเฉลี่ยที่ลดลง ในปี 2021 PTTEP วางเป้าหมายประกอบด้วย 1) ปริมาณขายที่ 365kboed ใน 1Q21 และ 375kboed ใน 2021; 2) ราคาก๊าซที่ต่ำลงเหลือ USD5.7/mmbtu ใน 1Q21 และ 2021; และ 3) ต้นทุนต่อหน่วยที่ลดลงเหลือ USD29-30/boe

สัญญาป้องกันความเสี่ยงควรช่วยชดเชยราคาขายเฉลี่ยที่ลดลงในปี 2021 ได้บางส่วน

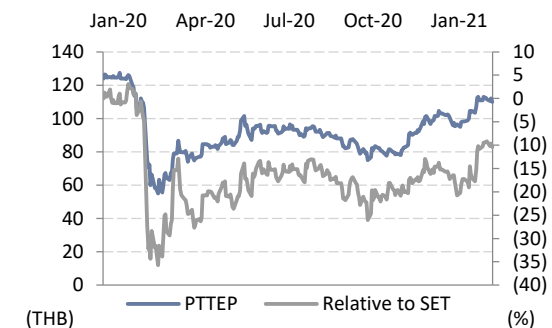
เราเชื่อว่าราคาขายเฉลี่ยของ PTTEP จะยังลดลงต่อเนื่องใน 1Q21 จากราคาก๊าซที่ลดลงเป็น USD5.7/mmbtu ตามราคาที่ลดลงของน้ำมันเตาที่มีซัลเฟอร์สูงอันเกิดจากราคาน้ำมันที่เรคาดว่าจะลดลงใน 2H20 ผู้บริหารระบุว่า PTTEP มีสัญญาป้องกันความเสี่ยงสำหรับปริมาณน้ำมัน 21m bbls ในปี 2021 ในราคาต่ำสุดที่ USD40/bbl และสูงสุดที่ USD60/bbl ดังนั้นสัญญาดังกล่าวควรช่วยชดเชยความเสี่ยงด้านลบที่คาดว่ามีต่อกำไรในปี 2021

ราคาน้ำมันที่สูงขึ้นจะช่วยชดเชยราคาก๊าซที่ลดลง

เราระงับคำแนะนำซื้อที่ราคาเป้าหมาย 116 บาท ราคาตั้งกล่าวมีสมมติฐานจากค่า 2021E EV/EBITDA ที่ 6.2x ซึ่งสะท้อนมุมมองของเราสำหรับแนวโน้มราคาน้ำมันที่เป็นบวกอยู่เล็กน้อย กล่าวคือ เราคาดว่าราคาน้ำมันจะเพิ่มจาก USD40/bbl ในปี 2020 เป็น USD50/bbl ในปี 2021 เราเห็นว่าความต้องการน้ำมันจะเริ่มฟื้นตัวภายใน 2Q21 ซึ่งเป็นเวลาที่เราคาดว่าการฉีดวัคซีน COVID-19 จะประสบความสำเร็จทั่วโลก ซึ่งจะทำให้เที่ยวบินนานาชาติและการเดินทางกลับมาเริ่มต้นใหม่

KEY STOCK DATA

YE Dec (THB m)	2020	2021E	2022E	2023E
Revenue	160,401	182,645	180,654	180,654
Net profit	22,664	25,716	25,409	25,940
EPS (THB)	5.71	6.48	6.40	6.53
vs Consensus (%)	-	7.6	(3.9)	(19.8)
EBITDA	70,603	79,998	77,000	80,343
Core net profit	23,685	25,716	25,409	25,940
Core EPS (THB)	5.97	6.48	6.40	6.53
Chg. In EPS est. (%)	nm	(3.5)	(3.5)	nm
EPS growth (%)	(46.8)	8.6	(1.2)	2.1
Core P/E (x)	18.1	16.7	16.9	16.5
Dividend yield (%)	3.5	3.6	3.6	3.6
EV/EBITDA (x)	5.9	5.8	6.3	5.9
Price/book (x)	1.2	1.2	1.1	1.1
Net debt/Equity (%)	(3.7)	9.6	16.0	10.9
ROE (%)	6.7	7.2	6.9	6.8



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	13.7	37.6	(12.9)
Relative to country (%)	12.5	13.2	(10.2)
Mkt cap (USD m)	14,277		
3m avg. daily turnover (USD m)	55.7		
Free float (%)	35		
Major shareholder	PTT Plc. (65%)		
12m high/low (THB)	128.50/50.50		
Issued shares (m)	3,969.99		

Sources: Bloomberg consensus; FSSIA estimates



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บทวิเคราะห์ฉบับนี้แปลมาจากบทวิเคราะห์ของ FSSIA ฉบับวันที่ 29 มกราคม 2021

Exhibit 1: Summary of 4Q20/2020 operations

	4Q19	3Q20	4Q20		2019	2020	Chg.	Comments	
	(THB m)	(THB m)	(THB m)	(q-q%)	(y-y%)	(THB m)	(THB m)		(y-y%)
Revenue	53,129	38,475	39,554	2.8	(25.6)	191,053	160,401	(16.0)	Higher q-q due to higher sales volume
Operating costs	(17,004)	(11,415)	(15,035)	31.7	(11.6)	(18,946)	(14,793)	(21.9)	Higher q-q due to higher cost per unit
EBITDA	36,126	27,059	24,519	(9.4)	(32.1)	97,426	70,603	(27.5)	Lower on lower sales volume and ASP
<i>EBITDA margin (%)</i>	68.0	70.3	62.0	nm	nm	51.0	44.0	nm	
Depn & amort.	(17,499)	(16,123)	(16,774)	4.0	(4.1)	(62,811)	(26,100)	(58.4)	
EBIT	18,627	10,937	7,745	(29.2)	(58.4)	72,301	44,503	(38.4)	
Interest expense	(1,890)	(1,936)	(2,046)	5.7	8.2	(7,291)	(7,956)	9.1	
Interest & invt inc	268	1,327	(4,109)	(409.8)	(1,635.3)	2,692	1,150	(57.3)	
Associates' contrib	191	144	777	439.3	307.5	380	1,307	243.6	
Exceptionals	151	1,108	2,613	nm	nm	(2,581)	3,444	nm	Hedging loss and FX gains
Pretax profit	17,345	11,579	4,981	(57.0)	(71.3)	69,754	41,428	(40.6)	
Tax	(5,725)	(4,377)	(2,454)	(43.9)	(57.1)	(20,952)	(18,764)	(10.4)	
<i>Tax rate (%)</i>	33.0	37.8	49	nm	nm	30.0	45.3	nm	
Minority interests	0	0	0	nm	nm	0	0	nm	
Net profit	11,620	7,202	2,527	(64.9)	(78.3)	48,803	22,664	(53.6)	7% below consensus, 1% below our forecast
Non-recurring	194	1,028	(2,520)	(345.1)	(1,402.2)	(4,252)	1,021	124.0	
Core profit	11,427	6,174	5,047	(18.3)	(55.8)	44,550	23,685	(46.8)	
EPS (THB)	2.93	1.81	0.64	(64.9)	(78.3)	12.29	5.71	(53.6)	
Core EPS (THB)	2.88	1.56	1.27	(18.3)	(55.8)	11.22	5.97	(46.8)	

Sources: PTTEP; FSSIA estimates

Exhibit 2: 4Q20/2020 results – key drivers

Unit	4Q19	3Q20	4Q20	Change		2019	2020	change	
				(q-q %)	(y-y %)				
Sales volume	boed	395,028	344,317	381,285	10.7	(3.5)	350,651	354,052	1.0
ASP	USD/boe	48.3	38.8	36.9	(5.0)	(23.7)	47.2	38.9	(17.6)
Total cost	USD/boe	33.8	29.6	31.1	4.9	(8.1)	31.7	30.5	(3.8)
Cash cost	USD/boe	17.9	13.4	15.5	15.6	(13.7)	15.9	14.4	(9.3)
Operating expenses	USD/boe	7.7	5.7	6.7	16.6	(13.6)	5.9	6.1	4.8
Exploration expenses	USD/boe	0.8	0.3	0.8	192.3	-	1.0	0.8	(20.0)
Petroleum royalties	USD/boe	4.2	3.3	3.0	(10.8)	(29.0)	4.3	3.2	(25.8)
SG&A	USD/boe	3.6	2.1	3.2	48.8	(11.0)	2.9	2.3	(19.9)
Depreciation, depletion & amortisation	USD/boe	15.9	16.3	15.6	(3.9)	(1.8)	15.8	16.1	1.7
Tax	USD/boe	4.9	4.3	2.2	(49.4)	(55.6)	5.0	4.3	(13.8)
Interest	USD/boe	1.7	2.0	1.9	(2.1)	11.0	1.8	2.0	6.5
Net profit	THB m	11,620	7,202	2,527	(64.9)	(78.3)	48,803	22,664	(53.6)
Core earnings	THB m	11,427	6,174	5,047	(18.3)	(55.8)	44,550	23,685	(46.8)

Sources: PTTEP; FSSIA estimates

Exhibit 3: 4Q20/2020 net profit by segment (USD m)

	4Q19	3Q20	4Q20	Change		2019	2020	Change
	(USD m)	(USD m)	(USD m)	(q-q %)	(y-y %)	(USD m)	(USD m)	(y-y %)
Exploration and production	457	254	215	(15.4)	(53.0)	1,634	868	(46.9)
Southeast Asia	473	260	207	(20.4)	(56.2)	1,660	944	(43.1)
- Thailand	343	192	204	6.3	(40.5)	1,236	799	(35.4)
- Other Southeast Asia	130	68	3	(95.6)	(97.7)	424	145	(65.8)
Australia	(1)	(1)	(16)	nm	nm	(15)	(28)	86.7
America	(2)	(2)	(5)	150.0	150.0	(10)	(56)	460.0
Africa	(7)	(3)	32	nm	nm	14	23	64.3
Others	(6)	(0)	(3)	512.2	(50.0)	(15)	(15)	-
Head office and others	(73)	(24)	(134)	458.3	83.6	(65)	(148)	127.7
Total	384	230	81	(64.8)	(78.9)	1,569	720	(54.1)

Sources: PTTEP; FSSIA estimates

Financial Statements

PTT Explor & Prod

Profit and Loss (THB m) Year Ending Dec	2019	2020	2021E	2022E	2023E
Revenue	191,053	160,401	182,645	180,654	180,654
Cost of goods sold	(18,946)	(14,793)	(56,986)	(58,490)	(55,147)
Gross profit	172,107	145,607	125,659	122,164	125,506
Other operating income	-	-	-	-	-
Operating costs	(74,681)	(75,004)	(45,661)	(45,163)	(45,163)
Operating EBITDA	97,426	70,603	79,998	77,000	80,343
Depreciation	(25,124)	(26,100)	(28,948)	(31,819)	(34,276)
Goodwill amortisation	0	0	0	0	0
Operating EBIT	72,301	44,503	51,049	45,181	46,067
Net financing costs	(1,235)	(5,987)	(10,996)	(5,640)	(5,640)
Associates	380	1,307	1,307	1,307	1,307
Recurring non operating income	(5,564)	3,933	2,807	2,807	2,807
Non recurring items	4,252	(1,021)	0	0	0
Profit before tax	69,754	41,428	42,861	42,349	43,234
Tax	(20,952)	(18,764)	(17,144)	(16,939)	(17,294)
Profit after tax	48,803	22,664	25,716	25,409	25,940
Minority interests	0	0	0	0	0
Preferred dividends	0	0	0	0	0
Other items	-	-	-	-	-
Reported net profit	48,803	22,664	25,716	25,409	25,940
Non recurring items & goodwill (net)	(4,252)	1,021	0	0	0
Recurring net profit	44,550	23,685	25,716	25,409	25,940
Per share (THB)					
Recurring EPS *	11.22	5.97	6.48	6.40	6.53
Reported EPS	12.29	5.71	6.48	6.40	6.53
DPS	8.25	3.75	3.89	3.84	3.92
Diluted shares (used to calculate per share data)	3,970	3,970	3,970	3,970	3,970
Growth					
Revenue (%)	11.2	(16.0)	13.9	(1.1)	-
Operating EBITDA (%)	9.5	(27.5)	13.3	(3.7)	4.3
Operating EBIT (%)	11.1	(38.4)	14.7	(11.5)	2.0
Recurring EPS (%)	23.0	(46.8)	8.6	(1.2)	2.1
Reported EPS (%)	34.8	(53.6)	13.5	(1.2)	2.1
Operating performance					
Gross margin inc depreciation (%)	76.9	74.5	52.9	50.0	50.5
Gross margin of key business (%)	76.9	74.5	53.0	50.0	50.5
Operating EBITDA margin (%)	51.0	44.0	43.8	42.6	44.5
Operating EBIT margin (%)	37.8	27.7	28.0	25.0	25.5
Net margin (%)	23.3	14.8	14.1	14.1	14.4
Effective tax rate (%)	30.0	45.3	40.0	40.0	40.0
Dividend payout on recurring profit (%)	73.5	62.9	60.0	60.0	60.0
Interest cover (X)	54.1	8.1	4.9	8.5	8.7
Inventory days	184.2	248.2	63.7	60.4	63.7
Debtor days	63.4	58.4	44.3	62.1	77.7
Creditor days	143.2	475.6	126.5	50.6	53.4
Operating ROIC (%)	13.5	8.6	9.4	7.0	6.7
ROIC (%)	7.6	5.5	5.9	4.9	5.0
ROE (%)	11.9	6.7	7.2	6.9	6.8
ROA (%)	6.9	4.1	5.0	4.7	4.7
* Pre-exceptional, pre-goodwill and fully diluted					
Revenue By Division (THB m)					
Exploration and production	194,999	155,181	186,836	184,845	184,845
Pipeline	11,439	11,513	11,513	11,513	11,513
Others	2,653	2,875	2,875	2,875	2,875
Inter company eliminations	(18,039)	(9,168)	(18,579)	(18,579)	(18,579)

Sources: PTT Explor & Prod; FSSIA estimates

Financial Statements

PTT Explor & Prod

Cash Flow (THB m) Year Ending Dec	2019	2020	2021E	2022E	2023E
Recurring net profit	44,550	23,685	25,716	25,409	25,940
Depreciation	25,124	26,100	28,948	31,819	34,276
Associates & minorities	-	-	-	-	-
Other non-cash items	35,065	35,065	35,066	35,066	35,066
Change in working capital	34,563	(19,552)	(17,077)	556	4,669
Cash flow from operations	139,303	65,297	72,653	92,849	99,951
Capex - maintenance	-	-	-	-	-
Capex - new investment	(115,506)	(115,506)	(114,807)	(114,807)	(81,807)
Net acquisitions & disposals	192	176	457	838	838
Other investments (net)	0	1	0	0	0
Cash flow from investing	(115,314)	(115,329)	(114,350)	(113,969)	(80,969)
Dividends paid	(21,655)	(20,986)	(15,430)	(15,245)	(15,564)
Equity finance	0	0	0	0	0
Debt finance	31,659	3,457	0	0	0
Other financing cash flows	(52,064)	93,696	(25,882)	11,098	14,873
Cash flow from Financing	(42,061)	76,168	(41,311)	(4,147)	(691)
Non-recurring cash flows	-	-	-	-	-
Other adjustments	0	0	0	0	0
Net other adjustments	0	0	0	0	0
Movement in cash	(18,072)	26,136	(83,009)	(25,267)	18,292
Free cash flow to firm (FCFF)	31,279.40	(42,076.07)	(34,906.07)	(14,329.13)	25,772.99
Free cash flow to equity (FCFE)	3,582.99	47,121.75	(67,578.91)	(10,021.40)	33,855.72

Per share (THB)

FCFF per share	7.88	(10.60)	(8.79)	(3.61)	6.49
FCFE per share	0.90	11.87	(17.02)	(2.52)	8.53
Recurring cash flow per share	26.38	21.37	22.60	23.25	24.00

Balance Sheet (THB m) Year Ending Dec	2019	2020	2021E	2022E	2023E
Tangible fixed asset (gross)	1,061,295	1,100,534	1,215,341	1,330,148	1,411,955
Less: Accumulated depreciation	(739,794)	(805,044)	(877,415)	(956,961)	(1,042,652)
Tangible fixed assets (Net)	321,501	295,491	337,927	373,187	369,303
Intangible fixed assets (Net)	0	0	0	0	0
Long-term financial assets	-	-	-	-	-
Invest. In associates & subsidiaries	13,675	13,523	13,992	14,461	14,929
Cash & equivalents	85,122	111,257	28,249	2,982	21,273
A/C receivable	27,599	23,752	20,625	40,800	36,131
Inventories	9,961	10,156	9,736	9,630	9,630
Other current assets	19,443	7,551	7,551	7,551	7,551
Current assets	142,125	152,716	66,160	60,962	74,584
Other assets	192,163	213,908	199,529	169,073	159,243
Total assets	669,464	675,637	617,607	617,683	618,060
Common equity	357,059	354,411	364,699	374,863	385,239
Minorities etc.	0	0	0	0	0
Total Shareholders' equity	357,059	354,411	364,699	374,863	385,239
Long term debt	81,559	85,016	49,900	49,900	49,900
Other long-term liabilities	169,005	179,953	171,865	163,777	155,689
Long-term liabilities	250,564	264,969	221,765	213,677	205,589
A/C payable	7,194	31,356	8,153	8,064	8,064
Short term debt	13,208	13,208	13,208	13,208	13,208
Other current liabilities	41,440	11,693	9,782	7,871	5,960
Current liabilities	61,841	56,257	31,143	29,143	27,232
Total liabilities and shareholders' equity	669,464	675,637	617,607	617,683	618,060
Net working capital	8,369	(1,591)	19,976	42,045	39,287
Invested capital	535,709	521,330	571,423	598,766	582,763

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

Per share (THB)

Book value per share	89.94	89.27	91.86	94.42	97.04
Tangible book value per share	89.94	89.27	91.86	94.42	97.04

Financial strength

Net debt/Equity (%)	2.7	(3.7)	9.6	16.0	10.9
Net debt/total assets (%)	1.4	(1.9)	5.6	9.7	6.8
Current ratio (x)	2.3	2.7	2.1	2.1	2.7
CF interest cover (x)	97.5	28.2	5.3	19.6	21.5

Valuation	2019	2020	2021E	2022E	2023E
Recurring P/E (x) *	9.6	18.1	16.7	16.9	16.5
Recurring P/E @ target price (x) *	10.3	19.4	17.9	18.1	17.8
Reported P/E (x)	8.8	18.9	16.7	16.9	16.5
Dividend yield (%)	7.6	3.5	3.6	3.6	3.6
Price/book (x)	1.2	1.2	1.2	1.1	1.1
Price/tangible book (x)	1.2	1.2	1.2	1.1	1.1
EV/EBITDA (x) **	4.5	5.9	5.8	6.3	5.9
EV/EBITDA @ target price (x) **	4.8	6.3	6.2	6.8	6.3
EV/invested capital (x)	0.8	0.8	0.8	0.8	0.8

* 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 2020

EXCELLENT LEVEL										
AAV	ADVANC	AF	AIRA	AKP	AKR	ALT	AMA	AMATA	AMATAV	ANAN
AOT	AP	ARIP	ARROW	ASP	BAFS	BANPU	BAY	BCP	BCPG	BDMS
BEC	BEM	BGRIM	BIZ	BKI	BLA	BOL	BPP	BRR	BTS	BWG
CENTEL	CFRESH	CHEWA	CHO	CIMBT	CK	CKP	CM	CNT	COL	COMAN
COTTO	CPALL	CPF	CPI	CPN	CSS	DELTA	DEMCO	DRT	DTAC	DTC
DV8	EA	EASTW	ECF	ECL	EGCO	EPG	ETE	FNS	FPI	FPT
FSMART	GBX	GC	GCAP	GEL	GFPT	GGC	GPSC	GRAMMY	GUNKUL	HANA
HARN	HMPRO	ICC	ICI	III	ILINK	INTUCH	IRPC	IVL	JKN	JSP
JWD	K	KBANK	KCE	KKP	KSL	KTB	KTC	LANNA	LH	LHFG
LIT	LPN	MAKRO	MALEE	MBK	MBKET	MC	MCOT	METCO	MFEC	MINT
MONO	MOONG	MSC	MTC	NCH	NCL	NEP	NKI	NOBLE	NSI	NVD
NYT	OISHI	ORI	OTO	PAP	PCSGH	PDJ	PG	PHOL	PLANB	PLANET
PLAT	PORT	PPS	PR9	PREB	PRG	PRM	PSH	PSL	PTG	PTT
PTTEP	PTTGC	PYLON	Q-CON	QH	QTC	RATCH	RS	S	S & J	SAAM
SABINA	SAMART	SAMTEL	SAT	SC	SCB	SCC	SCCC	SCG	SCN	SDC
SEAFCO	SEOIL	SE-ED	SELIC	SENA	SIRI	SIS	SITHAI	SMK	SMPC	SNC
SONIC	SORKON	SPALI	SPI	SPRC	SPVI	SSSC	SST	STA	SUSCO	SUTHA
SVI	SYMC	SYNTEC	TACC	TASCO	TCAP	TFMAMA	THANA	THANI	THCOM	THG
THIP	THRE	THREL	TIP	TIPCO	TISCO	TK	TKT	TMB	TMILL	TNDT
TNL	TOA	TOP	TPBI	TQM	TRC	TSC	TSR	TSTE	TSTH	TTA
TTCL	TTW	TU	TVD	TVI	TVO	TWPC	U	UAC	UBIS	UV
VGI	VIH	WACOAL	WAVE	WHA	WHAUP	WICE	WINNER	TRUE		

VERY GOOD LEVEL										
2S	ABM	ACE	ACG	ADB	AEC	AEONTS	AGE	AH	AHC	AIT
ALLA	AMANAHA	AMARIN	APCO	APCS	APURE	AQUA	ASAP	ASEFA	ASIA	ASIAN
ASIMAR	ASK	ASN	ATP30	AUCT	AWC	AYUD	B	BA	BAM	BBL
BFIT	BGC	BJC	BJCHI	BROOK	BTW	CBG	CEN	CGH	CHARAN	CHAYO
CHG	CHOTI	CHOW	CI	CIG	CMC	COLOR	COM7	CPL	CRC	CRD
CSC	CSP	CWT	DCC	DCON	DDD	DOD	DOHOME	EASON	EE	ERW
ESTAR	FE	FLOYD	FN	FORTH	FSS	FTE	FVC	GENCO	GJS	GL
GLAND	GLOBAL	GLOCON	GPI	GULF	GYT	HPT	HTC	ICN	IFS	ILM
IMH	INET	INSURE	IRC	IRCP	IT	ITD	ITEL	J	JAS	JCK
JCKH	JMART	JMT	KBS	KCAR	KGI	KIAT	KOOL	KTIS	KWC	KWM
L&E	LALIN	LDC	LHK	LOXLEY	LPH	LRH	LST	M	MACO	MAJOR
MBAX	MEGA	META	MFC	MGT	MILL	MITSIB	MK	MODERN	MTI	MVP
NETBAY	NEX	NINE	NTV	NWR	OCC	OGC	OSP	PATO	PB	PDG
PDI	PICO	PIMO	PJW	PL	PM	PPP	PRIN	PRINC	PSTC	PT
QLT	RCL	RICHY	RML	RPC	RWI	S11	SALEE	SAMCO	SANKO	SAPPE
SAWAD	SCI	SCP	SE	SEG	SFP	SGF	SHR	SIAM	SINGER	SKE
SKR	SKY	SMIT	SMT	SNP	SPA	SPC	SPCG	SR	SRICHA	SSC
SSF	STANLY	STI	STPI	SUC	SUN	SYNEX	T	TAE	TAKUNI	TBSP
TCC	TCMC	TEAM	TEAMG	TFG	TIGER	TITLE	TKN	TKS	TM	TMC
TMD	TMI	TMT	TNITY	TNP	TNR	TOG	TPA	TPAC	TPCORP	TPOLY
TPS	TRITN	TRT	TRU	TSE	TVT	TWP	UEC	UMI	UOBKH	UP
UPF	UPOIC	UT	UTP	UWC	VL	VNT	VPO	WIJK	WP	XO
YUASA	ZEN	ZIGA	ZMICO							

GOOD LEVEL										
7UP	A	ABICO	AJ	ALL	ALUCON	AMC	APP	ARIN	AS	AU
B52	BC	BCH	BEAUTY	BGT	BH	BIG	BKD	BLAND	BM	BR
BROCK	BSBM	BSM	BTNC	CAZ	CCP	CGD	CITY	CMAN	CMO	CMR
CPT	CPW	CRANE	CSR	D	EKH	EP	ESSO	FMT	GIFT	GREEN
GSC	GTB	HTECH	HUMAN	IHL	INOX	INSET	IP	JTS	JUBILE	KASET
KCM	KKC	KUMWEL	KUN	KWG	KYE	LEE	MATCH	MATI	M-CHAI	MCS
MDX	MJD	MM	MORE	NC	NDR	NER	NFC	NNCL	NPK	NUSA
OCEAN	PAF	PF	PK	PLE	PMTA	POST	PPM	PRAKIT	PRECHA	PRIME
PROUD	PTL	RBF	RCI	RJH	ROJNA	RP	RPH	RSP	SF	SFLEX
SGP	SISB	SKN	SLP	SMART	SOLAR	SPG	SQ	SSP	STARK	STC
SUPER	SVOA	TC	TCCC	THMUI	TIW	TNH	TOPP	TPCH	TIPIP	TPLAS
TTI	TYCN	UKEM	UMS	VCOM	VRANDA	WIN	WORK	WPH		

Description

Score Range

Excellent

90-100

Very Good

80-89

Good

70-79

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 2020

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

DECLARED										
7UP	ABICO	AF	ALT	AMARIN	AMATA	AMATAV	ANAN	APURE	B52	BKD
BM	BROCK	BUI	CHO	CI	COTTO	DDD	EA	EFORL	EP	ERW
ESTAR	ETE	EVER	FSMART	GPI	ILINK	IRC	J	JKN	JMART	JMT
JSP	JTS	KWG	LDC	MAJOR	META	NCL	NOBLE	NOK	PK	PLE
ROJNA	SAAM	SAPPE	SCI	SE	SHANG	SINGER	SKR	SPALI	SSP	STANLY
SUPER	SYNEX	THAI	TKS	TOPP	TRITN	TTA	UPF	UV	WIN	ZIGA

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

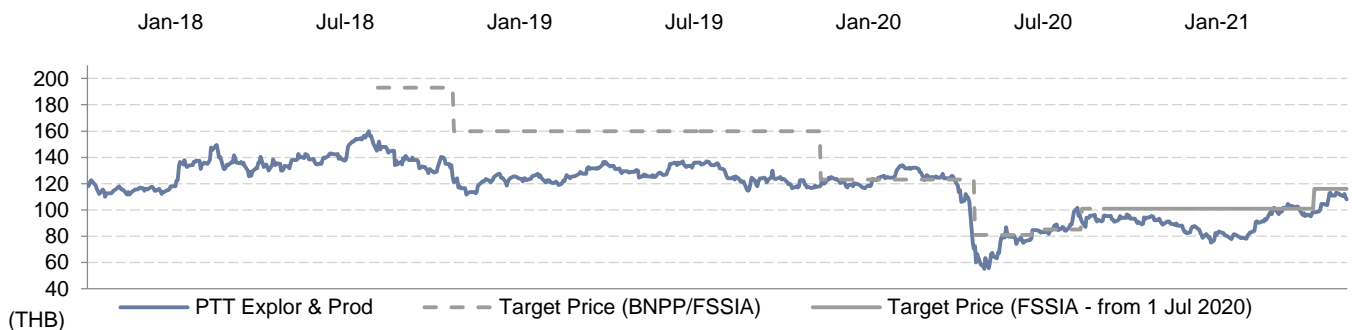
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History of change in investment rating and/or target price

PTT Explor & Prod (PTTEP TB)



Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
09-Oct-2018	BUY	193.00	11-Mar-2020	HOLD	81.00	12-Jun-2020	BUY	101.00
14-Dec-2018	BUY	160.00	26-Mar-2020	BUY	81.00	12-Jun-2020	BUY	101.00
29-Oct-2019	HOLD	123.00	30-Apr-2020	BUY	85.00	30-Dec-2020	BUY	116.00

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
PTT Explor & Prod	PTTEP TB	THB 108.00	BUY	Risks our TP, which is based on EV/EBITDA, are a sharp decline in oil price and a potential earnings downside 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 Finasia Syrus Securities Public Company Limited

FSSIA may incorporate the recommendations and target prices of companies currently covered by FSS Research into equity research reports, denoted by an 'FSS' before the recommendation. FSS Research is part of Finasia Syrus Securities Public Company Limited, which is the parent company of FSSIA.

All share prices are as at market close on 28-Jan-2021 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.