EQUITY RESEARCH - NEWS FLASH

27 MAY 2021

THAILAND / OIL & GAS

PTT OIL AND RETAIL BUSINESS OR TB

BUY

UNCHANGED

TARGET PRICE	THB41.00
CLOSE	THB30.00
UP/DOWNSIDE	+36.7%
TP vs CONSENSUS	+45.3%

ดีด้วยกันทั้งสองฝ่าย

การต่อสัญญาร้านสะดวกซื้อกับ CPALL เป็นไปตามคาด

เมื่อวันที่ 25 พ.ค. 2021 OR ประกาศว่าบริษัทฯ ได้ต่อสัญญาร่วมมือทางธุรกิจกับ CP All (CPALL TB, BUY, TP THB80) สำหรับดำเนินกิจการร้านสะดวกซื้อ 7-Eleven (CVS) ที่ตั้งอยู่ในสถานีบริการน้ำมันของบริษัทฯ ณ สิ้นไตรมาส 1Q21 OR ดำเนินกิจการร้านสะดวกซื้อ 1,988 แห่งในประเทศไทย จากตัวเลขดังกล่าว 1,843 แห่งเป็นร้าน 7-Elevens ที่ดำเนินงานโดย CPALL ในขณะที่อีก 145 แห่งเป็นร้าน Jiffy ที่ OR เป็นเจ้าของและดำเนินงานเอง (COCO) การต่อสัญญาดังกล่าวเป็นการขยายข้อตกลงร่วมกับ CPALL ในการดำเนินกิจการร้านสะดวกซื้อ 7-Eleven ที่สถานีบริการน้ำมันของ OR แต่เพียงผู้เดียวเป็นครั้งที่ 2 สัญญาดังกล่าวจะมีระยะเวลา 10 ปีหลังข้อตกลงปัจจุบันหมดอายุในเดือน ก.พ. 23

ข้อตกลงที่ดีทั้งสองฝ่าย

เราคาดว่าสัญญาใหม่จะรักษาโครงสร้างการแบ่งกำไรขั้นต้นเดิมไว้ ซึ่งประกอบด้วย 1) ค่าลิขสิทธิ์ในช่วง 50-61% ของกำไรขั้นต้นสำหรับร้านสะดวกซื้อ 7-Eleven ที่ OR เป็นเจ้าของและดำเนินงานเอง และร้านที่ผู้จัดจำหน่ายเป็นเจ้าของและดำเนินงาน (DODO); และ 2) ค่าธรรมเนียมบริหารที่ 19% ของกำไรขั้นต้นสำหรับร้านสะดวกซื้อ 7-Eleven ที่ OR เป็นเจ้าของและดำเนินงานเอง น่าสังเกตว่าโดยปกติ CPALL จะแบ่ง 50% ของกำไรขั้นต้นของบริษัทฯ ซึ่งจะอยู่ในช่วง 27-28% ให้แก่ผู้รับแฟรนไชส์เทียบกับ 50-61% สำหรับร้านสะดวกซื้อของ OR ที่ผู้จัดจำหน่ายเป็นเจ้าของและดำเนินงานและ 80% (ค่าลิขสิทธิ์ 61% บวกค่าธรรมเนียมการบริหาร 19%) สำหรับร้านสะดวกซื้อ 7-Eleven ที่ OR เป็นเจ้าของและดำเนินงาน

มองข้ามผลประกอบการที่อ่อนแอใน 2Q21

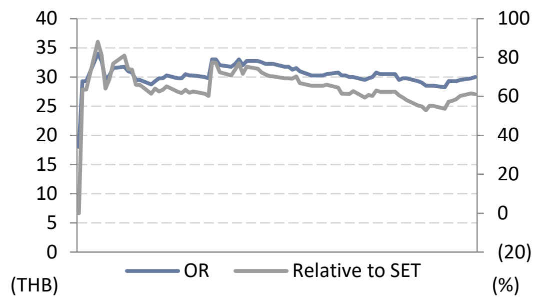
เราคาดว่ากำไรสุทธิ 2Q21 ของ OR จะลดลง q-q เป็น 2-3พัน ลบ. โดยมีสมมติฐานจาก 1) ปริมาณขายน้ำมันที่ลดลงจากมาตรการปิดเมืองเพื่อควบคุมการแพร่ระบาด Covid-19; 2) ปริมาณขายที่ลดลงของ Café Amazon และสินค้าที่ไม่ใช่น้ำมันอื่น ๆ รวมถึงร้านสะดวกซื้อ; และ 3) ปริมาณขายน้ำมันอากาศยานที่อ่อนแอ อย่างไรก็ดีเรามองว่ากำไรสุทธิของ OR จะฟื้นตัวอย่างมีนัยสำคัญตั้งแต่ 3Q21 เป็นต้นไป เราคาดว่าการกลับมาเปิดกิจกรรมทางเศรษฐกิจของประเทศไทยและการกลับมาของอุตสาหกรรมการท่องเที่ยวอย่างช้า ๆ โดยจะเริ่มจากภูเก็ตในเดือน ก.ค. 21 จากอัตราการฉีดวัคซีนที่เพิ่มขึ้นทั่วประเทศจากในปัจจุบันที่ 200,000 เป็น 500,000 คนต่อวัน ประเทศไทยวางแผนผลิตวัคซีน Covid-19 ของ AstraZeneca จำนวน 5-10 ล้านโดสด้วยตนเองที่ Siam Bioscience ซึ่งอยู่ในพระบรมราชูปถัมภ์ในเดือน มิ.ย. 21

กำไรสุทธิที่อ่อนแอใน 1H21 เทียบกับการฟื้นตัวในช่วง 2H21

เราคงคำแนะนำซื้อที่ราคาเป้าหมาย 41 บาท (SOTP) เรามองว่า OR เป็นหุ้นเติบโตที่น่าสนใจในธุรกิจน้ำมันและเครื่องดื่มและอาหารปลายน้ำสำหรับการฟื้นตัวในช่วง 2H21 เราเชื่อว่าอัตราการฉีดวัคซีนที่เพิ่มขึ้นทั้งในและต่างประเทศในช่วง 2H21 จะเพิ่มความต้องการสินค้าของ OR ทั้งที่เป็นน้ำมันและที่ไม่ใช่น้ำมันประกอบด้วย Café Amazon ร้านสะดวกซื้อ และปริมาณขายเชื้อเพลิงอย่างต่อเนื่อง

KEY STOCK DATA

YE Dec (THB m)	2020	2021E	2022E	2023E
Revenue	428,804	613,593	629,451	640,491
Net profit	9,963	11,568	14,207	15,883
EPS (THB)	1.11	0.96	1.18	1.32
vs Consensus (%)	-	(6.7)	2.7	7.3
EBITDA	17,109	19,836	24,537	28,206
Core net profit	9,963	11,568	14,207	15,883
Core EPS (THB)	1.11	0.96	1.18	1.32
EPS growth (%)	(8.6)	(12.9)	22.8	11.8
Core P/E (x)	27.1	31.1	25.3	22.7
Dividend yield (%)	1.7	1.3	1.5	1.7
EV/EBITDA (x)	17.6	16.7	12.8	11.0
Price/book (x)	7.1	3.6	3.3	3.1
Net debt/Equity (%)	83.9	(29.5)	(41.5)	(41.7)
ROE (%)	26.2	16.9	13.8	14.1



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	0.0	1.7	n/a
Relative to country (%)	(1.0)	(3.0)	n/a

Mkt cap (USD m)	11,473
3m avg. daily turnover (USD m)	77.7
Free float (%)	62
Major shareholder	PTT (75%)
12m high/low (THB)	36.50/22.10
Issued shares (m)	9,000.00

Sources: Bloomberg consensus; FSSIA estimates

Suwat Sinsadok
suwat.sin@fssia.com
+66 2611 3558

Siriluck Pinthusoonthorn
siriluck.pin@fssia.com
+66 2611 3562

บทวิเคราะห์ฉบับนี้แปลมาจากบทวิเคราะห์ของ FSSIA ฉบับวันที่ 27 พฤษภาคม 2021

Exhibit 1: Financial analysis of CPALL's net profit from CVS

	2021E	% of CPALL's total net profit	Comment
	(THB m)	(%)	
CPALL	15,067	100	
MAKRO	7,100	47	
CPALL's 93% stake in MAKRO	6,603	44	
Equity income from Lotus	853	6	
Profit from CVS (7-Eleven)	7,611	51	Net profit excluding MAKRO and Lotus
No. of total 7-Eleven branches	13,034		Assume adding 600 CVS' in 2021
7-Eleven outlet breakdown at end-1Q21 (outlets)		**(%)**	
No. of total 7-Eleven branches	12,587	100	
No. of 7-Elevens in OR's stations	1,843	15	
No. of total standalone 7-Elevens	10,744	85	

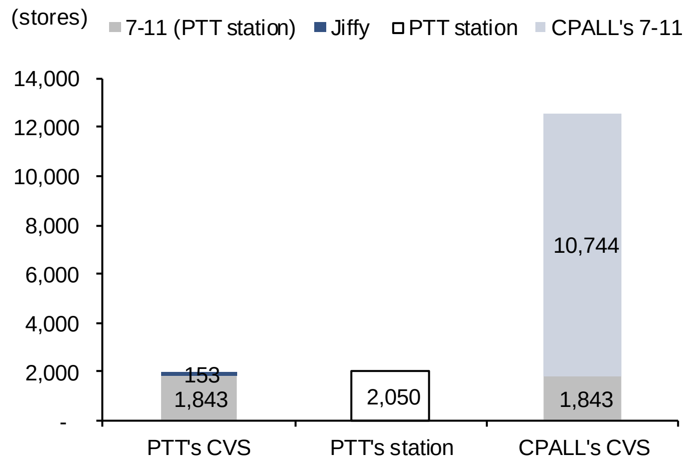
Sources: CPALL; PTT; FSSIA estimates

Exhibit 2: Financial analysis of gross profit sharing structure for CVS (PTT vs CPALL)

As of 31 Mar 2021	Revenue/store	GPM	Gross profit	Sharing GP to CPALL	Operating profit	Estimated operating profit
	(THB m/store)	(%)	(THB m/store)	(%)	(THB m/store)	(THB m)
7-11 (Total stores)	24.4	27	6.6	50	3.3	9,660
7-11 (PTT station)	26.8	27	7.2	19	5.9	2,753
Jiffy	23.2	25	5.8	0	5.8	216

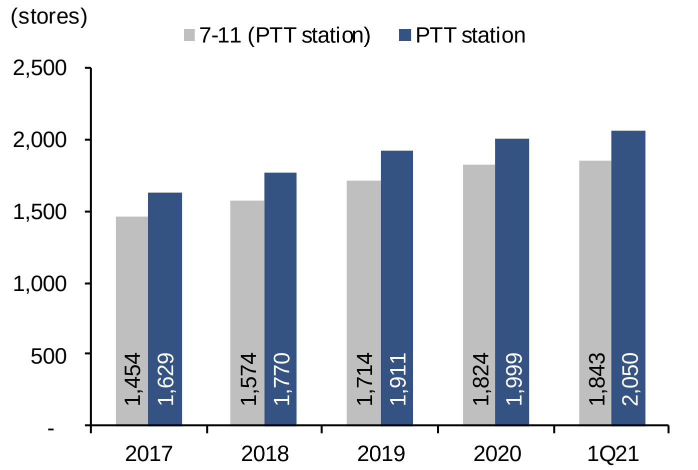
Sources: CPALL; PTT; FSSIA estimates

Exhibit 3: Number of CVS' (OR vs CPALL) as of 1Q21



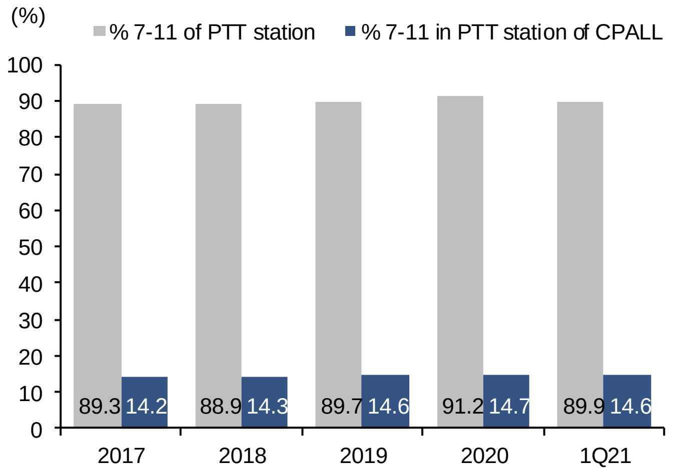
Sources: CPALL; PTT; FSSIA estimates

Exhibit 4: Number of OR's CVS' and fuel stations as of 1Q21



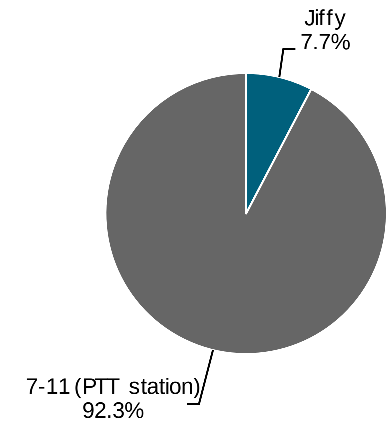
Sources: CPALL; PTT

Exhibit 5: % of 7-Eleven CVS' in OR's stations and stand-alone



Sources: CPALL; PTT; FSSIA estimates

Exhibit 6: Breakdown of OR's CVS proportion



Sources: CPALL; PTT; FSSIA estimates

Financial Statements

PTT Oil and Retail Business

Profit and Loss (THB m) Year Ending Dec	2019	2020	2021E	2022E	2023E
Revenue	577,134	428,804	613,593	629,451	640,491
Cost of goods sold	(539,465)	(390,479)	(573,461)	(584,195)	(591,347)
Gross profit	**37,669**	**38,325**	**40,132**	**45,256**	**49,143**
Other operating income	6,075	4,045	4,247	4,459	4,682
Operating costs	(26,481)	(25,261)	(24,544)	(25,178)	(25,620)
Operating EBITDA	**17,262**	**17,109**	**19,836**	**24,537**	**28,206**
Depreciation	(3,602)	(5,203)	(6,030)	(8,267)	(10,016)
Goodwill amortisation	0	0	0	0	0
Operating EBIT	**13,660**	**11,906**	**13,805**	**16,271**	**18,190**
Net financing costs	(1,376)	(702)	(774)	(151)	(151)
Associates	744	535	750	825	908
Recurring non-operating income	744	535	750	825	908
Non-recurring items	0	0	0	0	0
Profit before tax	**13,028**	**11,739**	**13,781**	**16,944**	**18,946**
Tax	(2,132)	(1,776)	(2,213)	(2,737)	(3,063)
Profit after tax	**10,896**	**9,963**	**11,568**	**14,207**	**15,883**
Minority interests	0	0	0	0	0
Preferred dividends	0	0	0	0	0
Other items	-	-	-	-	-
Reported net profit	**10,896**	**9,963**	**11,568**	**14,207**	**15,883**
Non-recurring items & goodwill (net)	**0**	**0**	**0**	**0**	**0**
Recurring net profit	**10,896**	**9,963**	**11,568**	**14,207**	**15,883**
Per share (THB)					
Recurring EPS *	1.21	1.11	0.96	1.18	1.32
Reported EPS	1.21	1.11	0.96	1.18	1.32
DPS	0.00	0.50	0.40	0.45	0.50
Diluted shares (used to calculate per share data)	9,000	9,000	12,000	12,000	12,000
Growth					
Revenue (%)	(2.9)	(25.7)	43.1	2.6	1.8
Operating EBITDA (%)	14.7	(0.9)	15.9	23.7	15.0
Operating EBIT (%)	20.5	(12.8)	16.0	17.9	11.8
Recurring EPS (%)	262.5	(8.6)	(12.9)	22.8	11.8
Reported EPS (%)	262.5	(8.6)	(12.9)	22.8	11.8
Operating performance					
Gross margin inc. depreciation (%)	5.9	7.7	5.6	5.9	6.1
Gross margin of key business (%)	5.9	7.7	5.6	5.9	6.1
Operating EBITDA margin (%)	3.0	4.0	3.2	3.9	4.4
Operating EBIT margin (%)	2.4	2.8	2.2	2.6	2.8
Net margin (%)	1.9	2.3	1.9	2.3	2.5
Effective tax rate (%)	17.6	17.0	17.0	17.0	17.0
Dividend payout on recurring profit (%)	-	45.2	41.5	38.0	37.8
Interest cover (X)	10.5	17.7	18.8	113.0	126.2
Inventory days	16.4	19.1	14.9	17.6	17.7
Debtor days	27.8	29.2	13.5	5.2	1.2
Creditor days	28.7	32.9	22.7	26.8	26.8
Operating ROIC (%)	17.6	16.0	18.3	22.9	25.8
ROIC (%)	13.3	11.2	12.3	15.0	16.8
ROE (%)	33.3	26.2	16.9	13.8	14.1
ROA (%)	8.1	7.1	7.6	8.0	8.4

* Pre exceptional, pre-goodwill and fully diluted

Revenue by Division (THB m)	2019	2020	2021E	2022E	2023E
Thailand	556,852	393,575	567,195	577,840	582,860
Cambodia	3,202	14,090	17,612	20,254	20,254
Philippines	17,081	14,519	18,148	20,871	20,871

Sources: PTT Oil and Retail Business; FSSIA estimates

Financial Statements

PTT Oil and Retail Business

Cash Flow (THB m) Year Ending Dec	2019	2020	2021E	2022E	2023E
Recurring net profit	10,896	9,963	11,568	14,207	15,883
Depreciation	3,602	5,203	6,030	8,267	10,016
Associates & minorities	6,075	4,045	4,247	4,459	4,682
Other non-cash items	-	-	-	-	-
Change in working capital	13,027	493	18,771	14,222	216
Cash flow from operations	**33,599**	**19,703**	**40,616**	**41,156**	**30,798**
Capex - maintenance	(2,856)	(3,191)	(4,217)	(5,781)	(7,004)
Capex - new investment	(10,200)	(10,200)	(24,767)	(15,902)	(15,902)
Net acquisitions & disposals	-	-	-	-	-
Other investments (net)	(7,796)	(5,987)	(20,550)	(10,121)	(8,898)
Cash flow from investing	**(20,853)**	**(19,378)**	**(49,533)**	**(31,804)**	**(31,804)**
Dividends paid	0	(4,500)	(4,800)	(5,400)	(6,000)
Equity finance	0	0	54,000	0	0
Debt finance	3,616	3,608	45,303	0	0
Other financing cash flows	(552)	(6,729)	(69,886)	11,642	11,420
Cash flow from financing	**3,064**	**(7,621)**	**24,617**	**6,242**	**5,420**
Non-recurring cash flows	-	-	-	-	-
Other adjustments	0	0	0	0	0
Net other adjustments	**0**	**0**	**0**	**0**	**0**
Movement in cash	**15,810**	**(7,296)**	**15,700**	**15,594**	**4,414**
Free cash flow to firm (FCFF)	14,306.58	1,772.23	(8,142.13)	9,503.03	(854.88)
Free cash flow to equity (FCFE)	15,810.19	(2,796.04)	(33,500.00)	20,993.73	10,413.82
Per share (THB)					
FCFF per share	1.59	0.20	(0.90)	1.06	(0.09)
FCFE per share	1.76	(0.31)	(3.72)	2.33	1.16
Recurring cash flow per share	2.29	2.13	1.82	2.24	2.55

Balance Sheet (THB m) Year Ending Dec	2019	2020	2021E	2022E	2023E
Tangible fixed assets (gross)	41,600	43,498	68,265	84,167	100,068
Less: Accumulated depreciation	(1,502)	(1,502)	(7,532)	(15,799)	(25,816)
Tangible fixed assets (net)	**40,098**	**41,996**	**60,732**	**68,367**	**74,253**
Intangible fixed assets (net)	**5,872**	**5,624**	**5,624**	**5,624**	**5,624**
Long-term financial assets	-	-	-	-	-
Invest. in associates & subsidiaries	6,240	5,218	5,218	5,218	5,218
Cash & equivalents	26,300	19,004	34,704	50,298	54,712
A/C receivable	39,013	29,543	15,994	2,094	2,094
Inventories	21,856	19,021	27,934	28,457	28,805
Other current assets	716	1,027	1,469	1,507	1,533
Current assets	**87,885**	**68,594**	**80,101**	**82,356**	**87,144**
Other assets	12,082	23,547	23,547	23,547	23,547
Total assets	**152,176**	**144,979**	**175,222**	**185,112**	**195,786**
Common equity	38,295	37,823	98,791	107,798	117,881
Minorities etc.	412	93	93	93	93
Total shareholders' equity	**38,708**	**37,916**	**98,884**	**107,891**	**117,974**
Long term debt	50,335	41,634	5,000	5,000	5,000
Other long-term liabilities	16,257	24,961	24,961	24,961	24,961
Long-term liabilities	**66,592**	**66,595**	**29,961**	**29,961**	**29,961**
A/C payable	41,579	28,898	42,441	43,235	43,764
Short term debt	4,076	9,169	500	500	500
Other current liabilities	1,222	2,402	3,437	3,525	3,587
Current liabilities	**46,877**	**40,469**	**46,377**	**47,260**	**47,851**
Total liabilities and shareholders' equity	**152,176**	**144,979**	**175,222**	**185,112**	**195,786**
Net working capital	18,783	18,291	(481)	(14,703)	(14,919)
Invested capital	83,075	94,675	94,641	88,053	93,723
* Includes convertibles and preferred stock which is being treated as debt					
Per share (THB)					
Book value per share	4.26	4.20	8.23	8.98	9.82
Tangible book value per share	3.60	3.58	7.76	8.51	9.35
Financial strength					
Net debt/equity (%)	72.6	83.9	(29.5)	(41.5)	(41.7)
Net debt/total assets (%)	18.5	21.9	(16.7)	(24.2)	(25.1)
Current ratio (x)	1.9	1.7	1.7	1.7	1.8
CF interest cover (x)	19.9	11.5	(10.3)	244.9	174.9

Valuation	2019	2020	2021E	2022E	2023E
Recurring P/E (x) *	**24.8**	**27.1**	**31.1**	**25.3**	**22.7**
Recurring P/E @ target price (x) *	**33.9**	**37.0**	**42.5**	**34.6**	**31.0**
Reported P/E (x)	24.8	27.1	31.1	25.3	22.7
Dividend yield (%)	-	1.7	1.3	1.5	1.7
Price/book (x)	7.1	7.1	3.6	3.3	3.1
Price/tangible book (x)	8.3	8.4	3.9	3.5	3.2
EV/EBITDA (x) **	17.3	17.6	16.7	12.8	11.0
EV/EBITDA @ target price (x) **	23.0	23.4	23.3	18.2	15.7
EV/invested capital (x)	3.6	3.2	3.5	3.6	3.3

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

Sources: PTT Oil and Retail Business; 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	ICHI	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	SEAOIL	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	AMANAH	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	WIIK	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	TPIPP	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	AMANAH	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	WIIK	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 th e 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

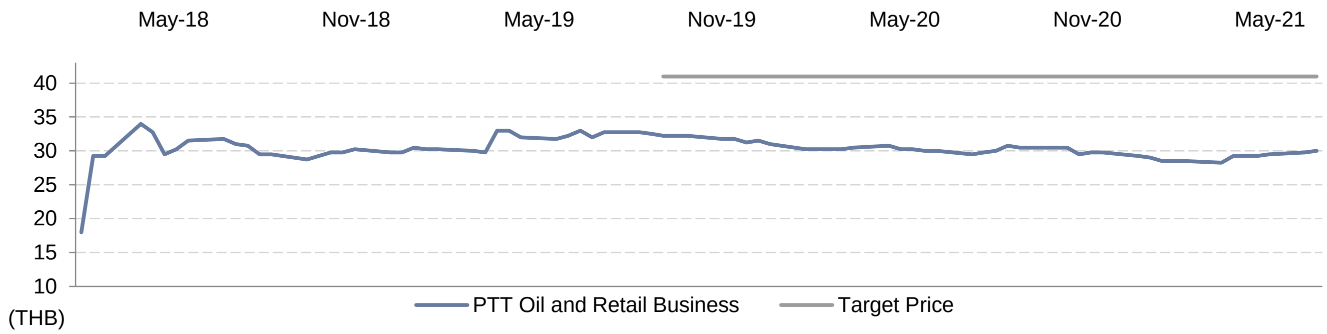
The individual(s) identified above certify(ies) that (i) all views expressed in this report accurately reflect the personal view of the analyst(s) with regard to any and all of the subject securities, companies or issuers mentioned in this report; and (ii) no part of the compensation of the analyst(s)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

 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

PTT Oil and Retail Business (OR TB)



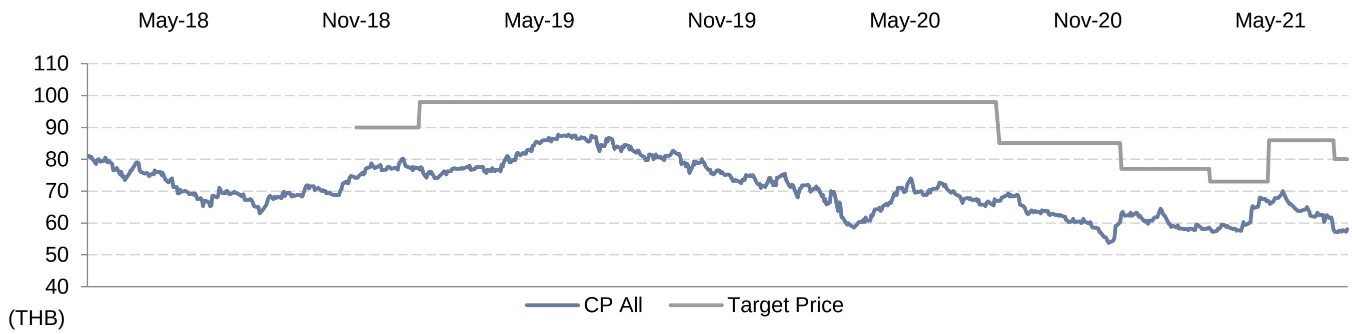
Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
30-Mar-2021	BUY	41.00	-	-	-	-	-	-

Suwat Sinsadok started covering this stock from 30-Mar-2021

Price and TP are in local currency

Source: FSSIA estimates

CP All (CPALL TB)



Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
16-Jan-2019	BUY	90.00	19-Oct-2020	BUY	85.00	17-Mar-2021	BUY	86.00
12-Mar-2019	BUY	98.00	09-Nov-2020	BUY	77.00	17-Mar-2021	BUY	86.00
02-Apr-2020	BUY	98.00	13-Nov-2020	BUY	77.00	13-May-2021	BUY	80.00
24-Jul-2020	BUY	85.00	25-Jan-2021	BUY	73.00			
13-Aug-2020	BUY	85.00	23-Feb-2021	BUY	73.00			

Karun Intrachai started covering this stock from 24-Jul-2020

Price and TP are in local currency

Source: FSSIA estimates

Company	Ticker	Price	Rating	Valuation & Risks
PTT Oil and Retail Business	OR TB	THB 30.00	BUY	The downside risks to our SoTP TP include: 1) lower-than-expected demand for petroleum products; 2) a lower marketing margin; and 3) weaker-than-expected jet demand.
CP All	CPALL TB	THB 58.00	BUY	The key downside risks to our DCF-derived TP are: 1) the higher-than-expected impact from a loss of service income from the convenience store business; 2) the worse-than-expected overseas performance of Makro; and 3) the slow recovery of tourist numbers.

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

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 Finansia Syrus Securities Public Company Limited, which is the parent company of FSSIA.

All share prices are as at market close on 25-May-2021 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.