

2 AUGUST 2021

THAILAND / OIL & GAS

PTG ENERGY PTG TB

BUY

UNCHANGED

TARGET PRICE	THB18.80
CLOSE	THB15.70
UP/DOWNSIDE	+19.7%
PRIOR TP	THB24.50
CHANGE IN TP	-23.3%
TP vs CONSENSUS	-22.0%

เหยื่อของ Covid-19

เหยื่อของการกลับมาแพร่ระบาด Covid-19

เรามองแนวโน้มกำไรสุทธิ 2H21 ของ PTG เป็นบวกน้อยลงจากการกลับมาแพร่ระบาด Covid-19 ในประเทศไทย ในเดือน เม.ย. 20 ปริมาณขายน้ำมันของ PTG ลดลงอย่างรุนแรงเหลือ 374 ล้านลิตร (ml) จาก 417ml ในเดือน มี.ค. 20 จากการปิดประเทศรอบแรก นอกจากนี้ธุรกิจที่ไม่ใช่น้ำมันยังรายงานปริมาณขายลดลงอย่างรุนแรงในทุกธุรกิจ กล่าวคือ PunThai coffee (-11% y-y), Coffee World (-87% y-y), และ Max Mart (-23% y-y) เราเชื่อว่าการแพร่ระบาดที่เกิดขึ้นตั้งแต่เดือน พ.ค. 21 มีแนวโน้มที่จะทำให้กำไรของ PTG ลดลงอย่างมีนัยสำคัญทั้งในธุรกิจน้ำมันและที่ไม่ใช่น้ำมันจากปัญหาการแพร่ระบาดที่อาจยืดเยื้อจากเดือน ก.ค. ถึง ก.ย. หรือ ต.ค. 21 เทียบกับการปิดประเทศเพียง 1 เดือนในเดือน เม.ย. 20

คาดการณ์ประกอบการจะปรับตัวลดลงแต่ยังอยู่ในระดับดีใน 2Q21

เราคาดว่ากำไรสุทธิ 2Q21 จะลดลงเหลือ 500 ลบ. (-2% y-y, -6% q-q) จาก 1) ปริมาณขายรวมที่ 1,302ml ลดลง 2.5% q-q จาก 1,336ml ใน 1Q21 (แต่เพิ่มขึ้น 8% y-y) จากปริมาณขายปลีกที่ลดลงแม้ว่าจะมีสถานีบริการใหม่เพิ่มขึ้น; และ 2) ยอดขายของธุรกิจที่ไม่ใช่น้ำมันที่ลดลงจากปัญหา Covid-19 อย่างไรก็ตามกำไรสุทธิ 2Q21 อาจได้ปัจจัยหนุนบางส่วนจาก 1) Marketing Margin (MM) ที่ทรงตัวของธุรกิจสถานีบริการน้ำมันที่ 1.8-1.9บาท/ลิตร; และ 2) ส่วนแบ่งกำไรที่เพิ่มขึ้นเป็น 40 ลบ. ของธุรกิจไบโอดีเซลจาก 5 ลบ. ใน 2Q20 โดยได้ปัจจัยผลักดันจาก ME-CPO Margin ที่สูงขึ้นจากปัญหาอุปทานขาดแคลนในตลาดสหรัฐฯ

กำไรสุทธิจะอ่อนแอต่อหนึ่งใน 3Q21

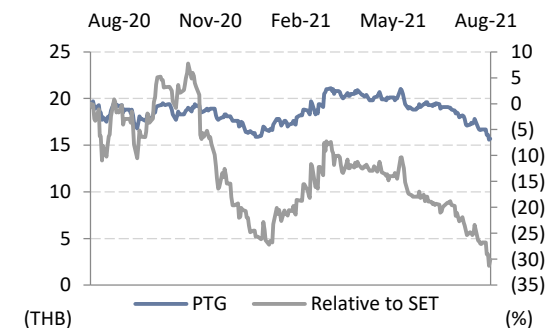
เราคาดว่ากำไรสุทธิของ PTG จะยังอ่อนแอใน 3Q21 ซึ่งจะทำให้อัตรากำไรสุทธิโตเพียงเล็กน้อยที่ 2.1% y-y อย่างไรก็ตามเราคาดว่ากำไรสุทธิจะฟื้นตัวในปี 2022 โดยได้ปัจจัยหนุนจากการฟื้นตัวของปริมาณขายน้ำมัน การขยายสถานีบริการน้ำมัน และการพลิกฟื้นของกำไรของธุรกิจที่ไม่ใช่น้ำมันหลังกลับมาเปิดเศรษฐกิจเต็มตัวในปี 2022 เราคาดว่าบริษัทรวมในธุรกิจไบโอดีเซลน่าจะสร้างกำไรที่ยั่งยืนให้แก่ PTG ในช่วง 0.3พัน ลบ. ต่อปีจากความต้องการไบโอดีเซลที่อยู่ในระดับสูงตามแผนการส่งเสริมของรัฐบาล

คำแนะนำซื้อหลังปรับลดราคาเป้าหมายเป็น 18.8 บาท

เราคงคำแนะนำซื้อหลังปรับลดราคาเป้าหมายลงจาก 24.5 บาท (24x ของค่า 2021E EV/EBITDA) เหลือ 18.8 บาท (21x ของค่า 2021E EV/EBITDA สำหรับธุรกิจสถานีบริการน้ำมันและ 13x ของค่า 2021E P/E สำหรับธุรกิจไบโอดีเซล) เพื่อสะท้อน 1) แผนการขยายสถานีบริการที่สมส่วนมากยิ่งขึ้น รวมถึงปริมาณขายน้ำมันและ EBITDA ที่ลดลงของธุรกิจที่ไม่ใช่น้ำมันจากปัญหา Covid-19; และ 2) ประเมินการกำไรต่อหุ้นในปี 2021-23 ที่ลดลง 1.6-3.8% เพื่อสะท้อนปริมาณขายน้ำมันและ Marketing Margin ที่ลดลง

KEY STOCK DATA

YE Dec (THB m)	2020	2021E	2022E	2023E
Revenue	104,590	140,086	152,180	166,767
Net profit	1,894	1,933	2,044	2,271
EPS (THB)	1.13	1.16	1.22	1.36
vs Consensus (%)	-	0.2	(2.0)	(8.3)
EBITDA	5,831	5,839	5,896	6,174
Core net profit	1,857	1,897	2,008	2,235
Core EPS (THB)	1.11	1.14	1.20	1.34
Chg. In EPS est. (%)	-	(1.7)	(3.6)	(3.8)
EPS growth (%)	19.0	2.1	5.9	11.3
Core P/E (x)	14.1	13.8	13.1	11.7
Dividend yield (%)	-	1.0	1.3	1.3
EV/EBITDA (x)	6.2	5.7	5.2	4.5
Price/book (x)	3.3	2.9	2.6	2.3
Net debt/Equity (%)	121.2	78.6	44.2	11.7
ROE (%)	25.6	22.5	21.0	20.7



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	(15.1)	(21.9)	(16.0)
Relative to country (%)	(11.5)	(18.7)	(27.4)
Mkt cap (USD m)	798		
3m avg. daily turnover (USD m)	10.5		
Free float (%)	48		
Major shareholder	Ratchakrit Holding (25%)		
12m high/low (THB)	21.90/15.50		
Issued shares (m)	1,670.00		

Sources: Bloomberg consensus; FSSIA estimates



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PREPARED BY FSS INTERNATIONAL INVESTMENT ADVISORY SECURITIES CO LTD (FSSIA). ANALYST CERTIFICATION AND IMPORTANT DISCLOSURES CAN BE FOUND AT THE END OF THIS REPORT

บทวิเคราะห์ฉบับนี้แปลมาจากบทวิเคราะห์ของ FSSIA ฉบับวันที่ 2 สิงหาคม 2021

Investment thesis

PTG is one of Thailand's leading service station plays, with 2,078 oil and mixed stations in 3Q20. We think PTG's growth strategy is sound, focusing on not only volume growth from its existing oil stations and non-oil businesses, but also on backward integration in the methyl ester (ME), or B100, business in order to strengthen its business integration and diversification. We project PTG to have net profit growth of 10.2% CAGR from 2019-22, with improvements in both growth and sustainability thanks to PTG's cost competitiveness, business agility, and a sound growth strategy for horizontal and vertical expansion.

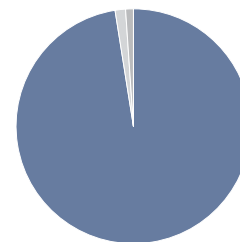
Company profile

PTG is an oil station play in Thailand with backward integration in the biodiesel business, thereby diversifying its business portfolio. PTG's core business is retail fuel sales via its own fuel stations under the name of PT Station, mostly located along secondary roads, with fuel sales to the diesel-based truck segment. PTG's non-oil ventures consist of 1) convenience stores, (PT Max Mart); 2) a coffee house chain (PunThai); and 3) automotive stores (Autobacs).

www.ptgenergy.co.th

Principal activities (revenue, 2020)

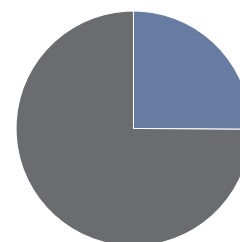
- Sales of petroleum products and others - 97.5 %
- Sales of consumable products - 1.4 %
- Others - 1.1 %



Source: PTG Energy

Major shareholders

- Ratchakrit Holding - 25.1 %
- Others - 74.9 %



Source: PTG Energy

Catalysts

Key potential net profit catalysts include 1) higher sales volumes; 2) a higher marketing margin; and 3) improving EBITDA from non-oil businesses, such as the convenience store and food & beverage segments.

Risks to our call

The downside risks to our SoTP-based TP include 1) a government cap on oil prices; and 2) weaker demand for diesel and gasoline.

Event calendar

Date	Event
Aug 2021	2Q21 results announcement

Key assumptions

	2021E	2022E	2023E
Sales volume (oil) (m litres/year)	5,356	5,784	6,363
Marketing margin (LPG & station) (THB/litre)	1.86	1.85	1.85
Utilisation of biodiesel (%)	100	100	100

Source: FSSIA estimates

Earnings sensitivity

- For every 1% increase in marketing margin, we estimate 2021 earnings will rise by 4.3%, and vice versa, all else being equal.

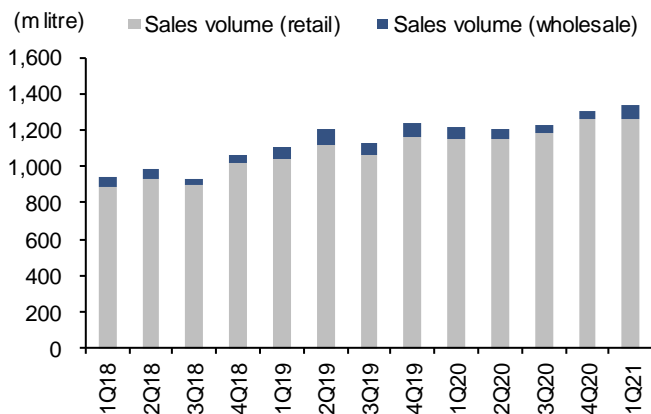
Source: FSSIA estimates

A victim of Covid-19

We turn less positive on PTG's 2H21 net profit outlook due to the resurgence of Covid-19 in Thailand. In Apr-20, PTG's oil sales volume sharply dropped to 374ml from 417ml in Mar-20 due to the nation's first lockdown. Its non-oil businesses also saw a sharp plunge in sales volumes across the board: PunThai coffee (-11%y-y), Coffee World (-87%y-y), and Max Mart (-23%y-y).

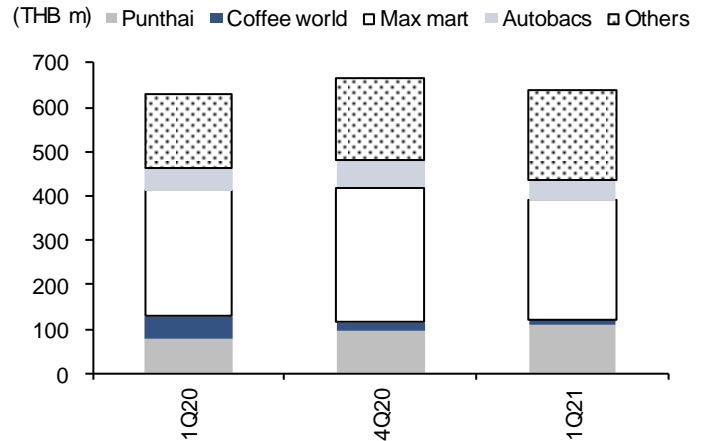
While we think the impact of the current lockdown will be smaller than the first lockdown in Apr-20, as it is less restrictive than the 2020 lockdown, we believe the outbreak since May-21 is likely to result in a significant drop in PTG's earnings for both its oil and non-oil businesses, given the potentially prolonged lockdown from Jul-Sep or Oct-21 vs the one-month lockdown in Apr-20.

Exhibit 1: Sales volume breakdown by channel



Source: PTG

Exhibit 2: Non-oil revenue breakdown by business



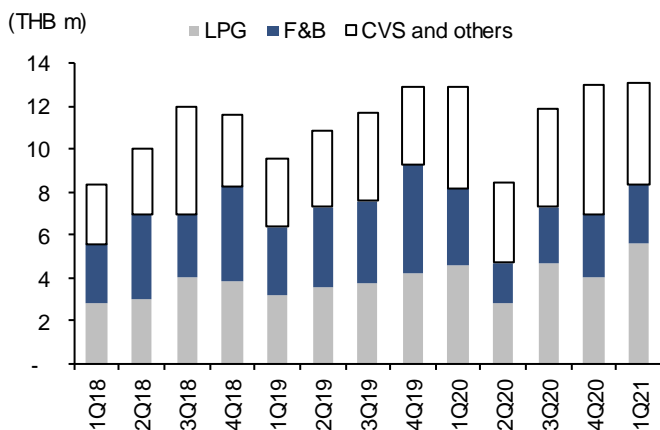
Source: PTG

3Q21 outlook remains weak

We project PTG's net profit to remain weak in 3Q21, resulting in marginal net profit growth of 2.1% y-y. However, we expect its net profit to recover in 2022, backed by a demand recovery in the oil sales volume, its oil station expansion, and a profit turnaround for its non-oil units after the full economic reopening in 2022.

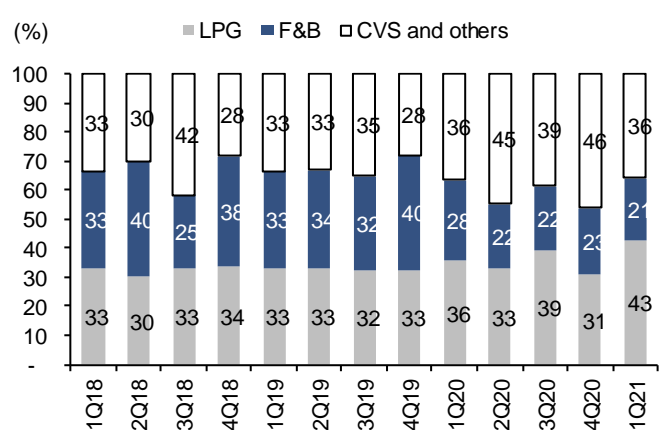
We project that by end-2021, Thailand is likely to reopen its economic activities again, based on a higher vaccination rate and a decline in the new infection rate which should result in higher demand for PTG's oil stations and non-oil businesses.

Exhibit 3: Non-oil EBITDA breakdown



Source: PTG

Exhibit 4: Non-oil EBITDA breakdown (%)

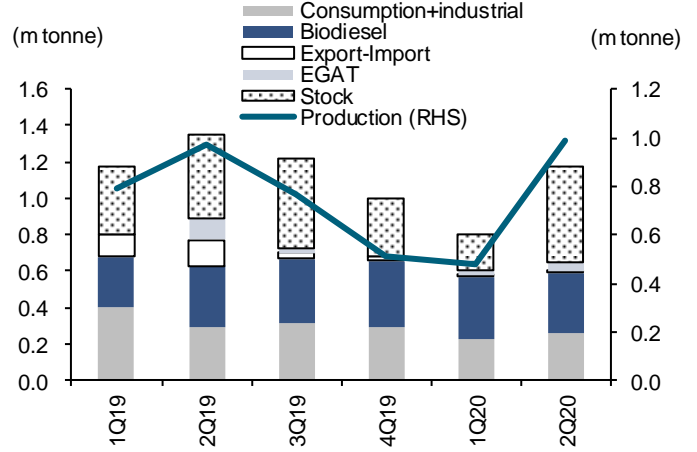
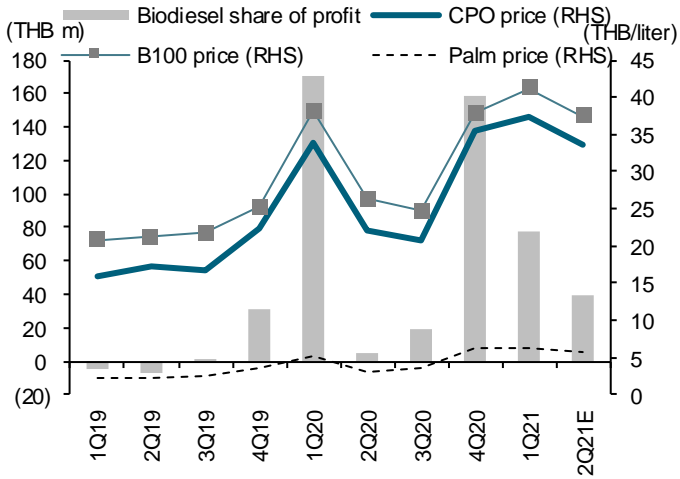


Source: PTG

Its biodiesel associate should generate sustainable earnings to PTG in the range of THB0.3b annually, based on our estimate, thanks to the high demand for biodiesel due to the government's promotional campaign. The demand for diesel should rebound strongly in 4Q21 onward due to an improving Covid-19 situation in Thailand and a higher CPO price due to the improving demand-supply balance.

Exhibit 5: Biodiesel share of profits vs prices of CPO, B100 and palm

Exhibit 6: CPO situation in Thailand



Sources: PTG; FSSIA estimates

Source: Global Green Chemicals

2Q21E preview

We project a weaker 2Q21 net profit of THB500m, down 2% y-y and 6% q-q, from THB531m in 1Q21 and THB510m in 2Q20, dragged down by:

- A lower q-q total sales volume of 1,302ml, down 2.5% q-q and up 8% y-y from 1,336ml in 1Q21, due to a lower retail sales volume despite the additional new stations;
- A drop in sales for its non-oil businesses due to Covid-19;
- A stable MM from its oil station business at THB1.8-1.9/litre;
- A better share of profits of THB40m from biodiesel in 2Q21, up from THB5m in 2Q20, driven by a higher ME-CPO margin due to a supply shortage in the US market.

Exhibit 7: Summary of 2Q21E/6M21E operations

	2Q20	1Q21	----- 2Q21E -----			6M20	6M21E	Change	2021E
	(THB m)	(THB m)	(THB m)	(q-q %)	(y-y %)	(THB m)	(THB m)	(y-y %)	(THB m)
Revenue	22,257	32,264	33,877	5.0	52.2	51,378	66,141	28.7	140,086
Operating costs	(20,656)	(30,715)	(32,317)	5.2	56.5	(48,778)	(63,032)	29.2	(134,247)
Interest & invt inc	32	35	30	(15.3)	(7.4)	77	65	(15.1)	0
Associates' contrib	12	78	40	(48.9)	242.1	176	118	(32.9)	0
Exceptionals	1	1	0	(100.0)	(100.0)	1	1	(21.4)	0
EBITDA	1,646	1,663	1,630	(2.0)	(1.0)	2,855	3,293	15.3	5,839
<i>EBITDA margin (%)</i>	7.4	5.2	4.8	nm	nm	5.6	5.0	nm	4.2
Depn & amort.	(730)	(733)	(730)	(0.4)	0.0	(1,419)	(1,463)	3.1	(3,238)
EBIT	924	930	900	(3.2)	(2.6)	1,437	1,830	27.3	2,602
Interest expense	(268)	(274)	(270)	(1.4)	0.8	(540)	(544)	0.7	(340)
Pretax profit	656	656	630	(4.0)	(4.0)	897	1,286	43.4	2,341
Tax	(143)	(125)	(130)	4.4	(9.0)	(179)	(255)	42.2	(445)
<i>Tax rate (%)</i>	21.8	19.0	20.6	8.7	(5.3)	20.0	19.8	(0.8)	19.0
Minority interests	(3)	(0)	0	(100.0)	(100.0)	(4)	(0)	(100.0)	0
Net profit	510	531	500	(6.0)	(2.0)	714	1,031	44.5	1,933
Core profit	509	531	500	(5.8)	(1.9)	713	1,030	44.6	1,897
EPS (THB)	0.31	0.32	0.30	(6.0)	(2.0)	0.43	0.62	44.5	1.16
Core EPS (THB)	0.30	0.32	0.30	(5.8)	(1.9)	0.43	0.62	44.6	1.14

Sources: PTG; FSSIA estimates

EPS and target price revisions

We maintain BUY and lower our TP from THB24.5, previously based on 24x 2021E EV/EBITDA, to THB18.8, now based on 21x 2021E EV/EBITDA for its oil stations and 13x 2021E P/E for its biodiesel business, to reflect 1) its leaner station expansion plan and lower oil sales volumes and EBITDA from non-oil businesses due to Covid-19; and 2) our 2021-23E EPS cuts by 1.6-3.8% to reflect our lower oil sales volumes and marketing margin.

Exhibit 8: Key changes in assumptions

(THB m)	----- Current -----			----- Previous -----			----- Change (%) -----		
	2021E	2022E	2023E	2021E	2022E	2023E	2021E	2022E	2023E
Revenue	140,086	152,180	166,767	142,526	156,064	170,956	(1.7)	(2.5)	(2.5)
Gross profit	14,756	15,617	16,841	15,355	16,458	17,671	(3.9)	(5.1)	(4.7)
Operating profit	2,602	2,594	2,806	2,627	2,659	2,847	(1.0)	(2.5)	(1.4)
Net profit	1,933	2,044	2,271	1,965	2,120	2,360	(1.6)	(3.6)	(3.8)
EPS (THB/share)	1.16	1.22	1.36	1.18	1.27	1.41	(1.6)	(3.6)	(3.8)
Key assumptions									
Sales volume (oil station) (m litres/year)	5,356	5,784	6,363	5,407	5,947	6,542	(0.9)	(2.7)	(2.7)
Marketing margin (THB/litre)	1.86	1.85	1.85	2.00	2.00	2.00	(7.0)	(7.5)	(7.5)
Bio-complex utilisation (%)	100	100	100	100	100	100	0.0	0.0	0.0

Note: Change of items in percentage terms are represented in ppt change

Sources: PTG; FSSIA estimates

Financial Statements

PTG Energy

Profit and Loss (THB m) Year Ending Dec	2019	2020	2021E	2022E	2023E
Revenue	120,183	104,590	140,086	152,180	166,767
Cost of goods sold	(107,111)	(90,939)	(125,330)	(136,563)	(149,926)
Gross profit	13,072	13,650	14,756	15,617	16,841
Other operating income	-	-	-	-	-
Operating costs	(7,907)	(7,820)	(8,916)	(9,721)	(10,667)
Operating EBITDA	5,164	5,831	5,839	5,896	6,174
Depreciation	(3,015)	(2,885)	(3,238)	(3,303)	(3,369)
Goodwill amortisation	0	0	0	0	0
Operating EBIT	2,149	2,946	2,602	2,594	2,806
Net financing costs	(335)	(1,104)	(340)	(199)	(135)
Associates	40	376	0	0	0
Recurring non-operating income	108	452	80	84	88
Non-recurring items	0	0	0	0	0
Profit before tax	1,923	2,294	2,341	2,479	2,759
Tax	(359)	(388)	(408)	(434)	(488)
Profit after tax	1,563	1,906	1,933	2,044	2,271
Minority interests	(3)	(12)	0	0	0
Preferred dividends	0	0	0	0	0
Other items	-	-	-	-	-
Reported net profit	1,561	1,894	1,933	2,044	2,271
Non-recurring items & goodwill (net)	0	(37)	(37)	(37)	(37)
Recurring net profit	1,561	1,857	1,897	2,008	2,235
Per share (THB)					
Recurring EPS *	0.93	1.11	1.14	1.20	1.34
Reported EPS	0.93	1.13	1.16	1.22	1.36
DPS	0.00	0.00	0.15	0.20	0.20
Diluted shares (used to calculate per share data)	1,670	1,670	1,670	1,670	1,670
Growth					
Revenue (%)	11.3	(13.0)	33.9	8.6	9.6
Operating EBITDA (%)	53.8	12.9	0.1	1.0	4.7
Operating EBIT (%)	144.8	37.1	(11.7)	(0.3)	8.2
Recurring EPS (%)	149.8	19.0	2.1	5.9	11.3
Reported EPS (%)	149.8	21.4	2.1	5.8	11.1
Operating performance					
Gross margin inc. depreciation (%)	8.4	10.3	8.2	8.1	8.1
Gross margin of key business (%)	0.1	0.1	0.1	0.1	0.1
Operating EBITDA margin (%)	4.3	5.6	4.2	3.9	3.7
Operating EBIT margin (%)	1.8	2.8	1.9	1.7	1.7
Net margin (%)	1.3	1.8	1.4	1.3	1.3
Effective tax rate (%)	19.1	22.1	19.0	19.0	19.0
Dividend payout on recurring profit (%)	-	-	13.2	16.6	14.9
Interest cover (X)	6.7	3.1	7.9	13.5	21.4
Inventory days	6.8	8.6	7.2	8.0	8.0
Debtor days	-	-	-	-	-
Creditor days	-	-	-	-	-
Operating ROIC (%)	17.8	21.7	20.5	24.3	33.9
ROIC (%)	10.8	9.0	5.2	5.4	6.1
ROE (%)	25.8	25.6	22.5	21.0	20.7
ROA (%)	8.2	8.2	5.1	5.2	5.6
* Pre-exceptional, pre-goodwill and fully diluted					
Revenue by Division (THB m)					
Sales of petroleum products and others	116,535	101,970	119,659	125,642	138,206
Sales of consumable products	2,415	1,500	1,500	1,500	1,500
Others	1,233	1,120	18,927	25,038	27,061

Sources: PTG Energy; FSSIA estimates

Financial Statements

PTG Energy

Cash Flow (THB m) Year Ending Dec	2019	2020	2021E	2022E	2023E
Recurring net profit	1,561	1,857	1,897	2,008	2,235
Depreciation	3,015	2,885	3,238	3,303	3,369
Associates & minorities	69	76	80	84	88
Other non-cash items	-	-	-	-	-
Change in working capital	(1,354)	(853)	382	(88)	(77)
Cash flow from operations	3,291	3,965	5,596	5,306	5,615
Capex - maintenance	(873)	(928)	(981)	(1,133)	(1,282)
Capex - new investment	-	-	-	-	-
Net acquisitions & disposals	-	-	-	-	-
Other investments (net)	(2,392)	(810)	(1,047)	(503)	37
Cash flow from investing	(3,265)	(1,738)	(2,029)	(1,636)	(1,244)
Dividends paid	(334)	(835)	(835)	(868)	(1,002)
Equity finance	0	0	0	0	0
Debt finance	1,063	1,045	(3,112)	(2,500)	0
Other financing cash flows	(725)	(2,534)	(201)	(192)	(191)
Cash flow from financing	4	(2,324)	(4,149)	(3,561)	(1,193)
Non-recurring cash flows	-	-	-	-	-
Other adjustments	0	0	0	0	0
Net other adjustments	0	0	0	0	0
Movement in cash	29	(97)	(581)	109	3,177
Free cash flow to firm (FCFF)	360.06	3,330.60	3,907.96	3,868.85	4,505.49
Free cash flow to equity (FCFE)	363.08	738.03	253.82	977.69	4,179.18

Per share (THB)

FCFF per share	0.22	1.99	2.34	2.32	2.70
FCFE per share	0.22	0.44	0.15	0.59	2.50
Recurring cash flow per share	2.78	2.89	3.12	3.23	3.41

Balance Sheet (THB m) Year Ending Dec	2019	2020	2021E	2022E	2023E
Tangible fixed assets (gross)	17,970	17,365	19,365	21,365	23,365
Less: Accumulated depreciation	(6,511)	(6,511)	(9,563)	(13,084)	(17,069)
Tangible fixed assets (net)	11,458	10,853	9,802	8,280	6,296
Intangible fixed assets (net)	214	229	229	229	229
Long-term financial assets	-	-	-	-	-
Invest. in associates & subsidiaries	2,570	2,195	2,195	2,195	2,195
Cash & equivalents	1,038	942	361	470	3,647
A/C receivable	0	0	0	0	0
Inventories	2,217	2,088	2,878	3,136	3,442
Other current assets	1,595	829	1,220	1,562	1,941
Current assets	4,850	3,859	4,458	5,167	9,030
Other assets	3,559	24,902	24,902	24,902	24,902
Total assets	22,652	42,037	41,586	40,773	42,652
Common equity	6,648	7,884	8,982	10,158	11,427
Minorities etc.	60	96	96	96	96
Total shareholders' equity	6,707	7,980	9,078	10,254	11,524
Long term debt	3,857	6,282	3,500	4,000	4,000
Other long-term liabilities	474	19,289	19,289	19,289	19,289
Long-term liabilities	4,330	25,572	22,789	23,289	23,289
A/C payable	0	0	0	0	0
Short term debt	5,711	4,330	4,000	1,000	1,000
Other current liabilities	5,904	4,156	5,718	6,230	6,839
Current liabilities	11,614	8,486	9,718	7,230	7,839
Total liabilities and shareholders' equity	22,652	42,037	41,586	40,773	42,652
Net working capital	(2,092)	(1,239)	(1,621)	(1,533)	(1,456)
Invested capital	15,710	36,940	35,507	34,073	32,166

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

Per share (THB)

Book value per share	3.98	4.72	5.38	6.08	6.84
Tangible book value per share	3.85	4.58	5.24	5.95	6.71

Financial strength

Net debt/equity (%)	127.2	121.2	78.6	44.2	11.7
Net debt/total assets (%)	37.7	23.0	17.2	11.1	3.2
Current ratio (x)	0.4	0.5	0.5	0.7	1.2
CF interest cover (x)	2.1	1.7	1.7	5.9	32.0

Valuation	2019	2020	2021E	2022E	2023E
Recurring P/E (x) *	16.8	14.1	13.8	13.1	11.7
Recurring P/E @ target price (x) *	20.1	16.9	16.6	15.6	14.0
Reported P/E (x)	16.8	13.8	13.6	12.8	11.5
Dividend yield (%)	-	-	1.0	1.3	1.3
Price/book (x)	3.9	3.3	2.9	2.6	2.3
Price/tangible book (x)	4.1	3.4	3.0	2.6	2.3
EV/EBITDA (x) **	6.7	6.2	5.7	5.2	4.5
EV/EBITDA @ target price (x) **	7.7	7.1	6.6	6.1	5.3
EV/invested capital (x)	2.2	1.0	0.9	0.9	0.9

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

Sources: PTG Energy; 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	PAP	PCSGH	PDJ	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	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

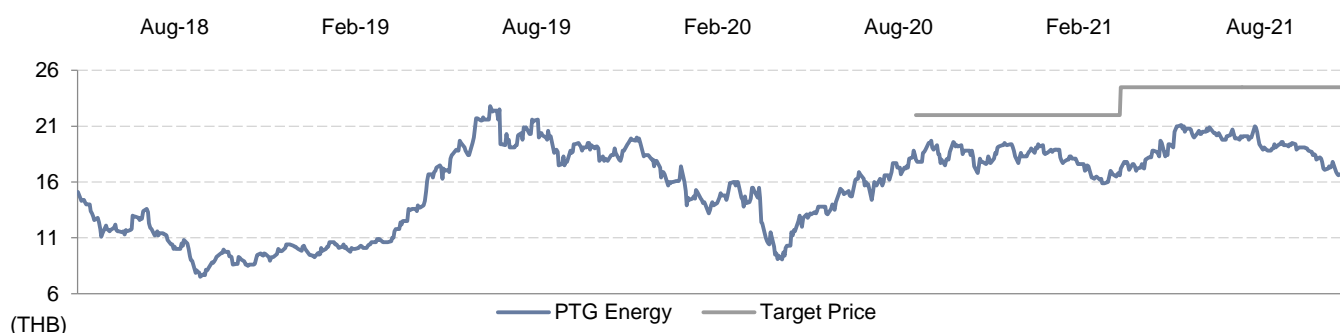
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History of change in investment rating and/or target price

PTG Energy (PTG TB)



Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
22-Jul-2020	BUY	22.00	09-Sep-2020	BUY	22.00	14-Jan-2021	BUY	24.50

Suwat Sinsadok started covering this stock from 22-Jul-2020

Price and TP are in local currency

Source: FSSIA estimates

Company	Ticker	Price	Rating	Valuation & Risks
PTG Energy	PTG TB	THB 15.70	BUY	The downside risks to our SoTP-based TP include 1) a government cap on oil prices; and 2) weaker demand for diesel and gasoline.

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

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All share prices are as at market close on 30-Jul-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.