

10 NOVEMBER 2021

THAILAND / OIL & GAS

PTT OIL AND RETAIL BUSINESS

BUY

UNCHANGED

OR TB

TARGET PRICE	THB36.00
CLOSE	THB26.00
UP/DOWNSIDE	+38.5%
TP vs CONSENSUS	+23.6%

Pandemic poison to end soon

Subsidies and lower sales volumes eroded 3Q21 net profit

3Q21 net profit amounted to THB1.9b, down 41% q-q and 45% y-y, missing BBG's consensus estimate by 11% and our forecast by 9%. Excluding a pre-tax inventory gain of THB1.0b and other non-recurring items, 3Q21 core net profit was THB0.9b, down 23% q-q and 73% y-y due to the weaker net profit from its oil and non-oil units on the Covid-19 impact, the subsidies to its franchisees in the range of THB0.4b (lower franchise, rental and royalty fees), and higher advertising expenses.

Oil unit suffered from the lockdowns

OR's 3Q21 EBITDA was THB4.1b, with THB3b coming from the oil unit, boosted by an inventory gain to offset the weaker marketing margin (MM) at THB1.09/litre, down from THB1.23/litre in 2Q21 and THB1.21/litre in 3Q20. Excluding the inventory gain, the MM was THB0.8/litre in 3Q21, down 20% q-q. The oil unit's sales volume dipped to THB5.5b in 3Q21 (-6% q-q, +2% y-y) due to the Covid lockdown. The retail sales volume dipped 8% q-q vs 4% q-q for the commercial unit, despite adding 17 new stations to 2,027 stations in 3Q21. The oil EBITDA margin lowered to 2.8% in 3Q21 (vs 3.8% in 2Q21 and 4.5% in 3Q20) due to the weak MM. The oil sales volume per station dipped to 1.2m litres in 3Q21 due to the lower retail sales volume caused by the lockdown.

Subsidies and Covid-19 hurt non-oil EBITDA

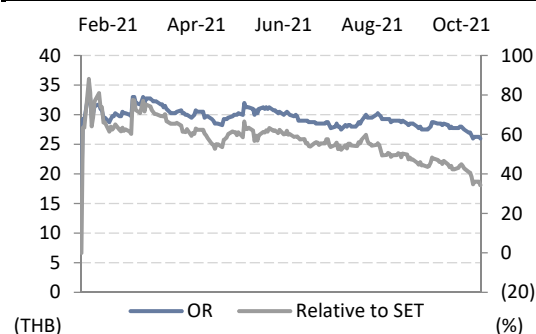
3Q21 non-oil EBITDA plunged to THB820m (-26% q-q, -34% y-y) due to the lower EBITDA from Café Amazon which saw a lower number of cups sold at 68m (-3% q-q, -6% y-y) due to Covid-19 and subsidies. The EBITDA margin for non-oil weakened to 21.8% in 3Q21, down from 27.3% in 2Q21 and 27.8% in 3Q20, due to lower sales of high-margin coffee and subsidies to its franchisees. In 3Q21, OR reached 3,512 Café Amazon outlets (+60 q-q), 87 Texas Chicken outlets (+6 q-q), and 2,041 convenience stores (+23 q-q) to help offset the impact of Covid-19.

Look beyond weak 4Q21E into a resiliently stronger 2022

We maintain BUY and our TP of THB36. We think OR remains an attractive investment as a leading company in F&B, CVS, retail oil stations, and jet fuel. We believe that a rising vaccination rate and the economic reopening, both domestically and globally, in Nov-21 would gradually boost the demand for OR's oil and non-oil products, particularly for coffee, diesel, gasoline, and jet, starting in 1Q22 onward.

KEY STOCK DATA

YE Dec (THB m)	2020	2021E	2022E	2023E
Revenue	428,804	586,684	601,119	610,426
Net profit	9,963	9,365	11,515	13,920
EPS (THB)	1.11	0.78	0.96	1.16
vs Consensus (%)	-	(18.2)	(13.4)	(7.9)
EBITDA	13,064	12,934	16,836	21,160
Core net profit	9,963	9,365	11,515	13,920
Core EPS (THB)	1.11	0.78	0.96	1.16
EPS growth (%)	(8.6)	(29.5)	23.0	20.9
Core P/E (x)	23.5	33.3	27.1	22.4
Dividend yield (%)	1.9	1.5	1.7	1.9
EV/EBITDA (x)	20.4	22.1	16.3	12.8
Price/book (x)	6.2	3.2	3.0	2.8
Net debt/Equity (%)	83.9	(26.6)	(36.9)	(36.3)
ROE (%)	26.2	13.9	11.5	13.0



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	(9.6)	(8.0)	n/a
Relative to country (%)	(9.1)	(13.1)	n/a
Mkt cap (USD m)			9,521
3m avg. daily turnover (USD m)			24.4
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



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Exhibit 1: Summary of 3Q21/9M21 operations

	3Q20	2Q21	3Q21			9M20	9M21	Chg.	2021E
	(THB m)	(THB m)	(THB m)	(q-q %)	(y-y %)	(THB m)	(THB m)	(y-y %)	(THB m)
Revenue	104,854	118,708	116,791	(1.6)	11.4	319,308	353,960	10.9	586,684
Operating costs	(99,072)	(113,251)	(112,740)	(0.5)	13.8	(305,495)	(338,042)	10.7	(573,750)
EBITDA	5,782	5,457	4,051	(25.8)	(29.9)	13,813	15,918	15.2	12,934
<i>EBITDA margin (%)</i>	5.5	4.6	3.5	<i>nm</i>	<i>nm</i>	4.3	4.5	<i>nm</i>	2.2
Depn & amort.	(1,320)	(1,499)	(1,526)	1.8	15.6	(3,759)	(4,446)	18.3	(6,030)
EBIT	4,462	3,958	2,525	(36.2)	(43.4)	10,054	11,472	14.1	6,904
Interest expense	(347)	(325)	(283)	(13.1)	(18.5)	(1,104)	(943)	(14.6)	(774)
Interest & invt inc	962	802	803	0.2	(16.6)	3,100	2,447	(21.1)	4,247
Associates' contrib	125	81	26	(68.2)	(79.3)	411	233	(43.4)	750
Exceptional	(949)	(481)	(610)	<i>nm</i>	<i>nm</i>	(5,334)	(1,765)	<i>nm</i>	0
Pretax profit	4,253	4,034	2,461	(39.0)	(42.1)	7,127	11,444	60.6	11,127
Tax	(803)	(812)	(566)	(30.3)	(29.5)	(1,258)	(2,325)	84.8	(1,762)
<i>Tax rate (%)</i>	18.9	20.1	23.0	14.4	21.8	17.7	20.3	15.1	15.8
Minority interests	0	3	(2)	<i>nm</i>	<i>nm</i>	0	3	<i>nm</i>	0
Net profit	3,450	3,225	1,892	(41.3)	(45.1)	5,868	9,121	55.4	9,365
Non-recurring	(20)	(2,020)	(964)	(52.3)	4,712.0	998	(5,668)	<i>nm</i>	0
Core net profit	3,430	1,205	928	(23.0)	(72.9)	6,866	3,453	(49.7)	9,365
EPS (THB)	0.29	0.27	0.16	(41.3)	(45.1)	0.49	0.76	55.4	0.78
Core EPS (THB)	0.29	0.10	0.08	(23.0)	(72.9)	0.57	0.29	(49.7)	0.78

Sources: OR; FSSIA estimates

Exhibit 2: 3Q21/9M21 key performance

	3Q20	2Q21	3Q21	(q-q %)	(y-y %)	9M20	9M21	(y-y %)
Total sales and service (THB m)	104,854	118,708	116,792	(2)	11	319,308	353,960	11
Oil	96,583	109,732	108,668	(1)	13	295,378	328,348	11
Non-oil	4,443	4,060	3,761	(7)	(15)	12,249	11,907	(3)
International	5,211	6,669	6,613	(1)	27	16,385	19,738	20
Other	385	108	239	121	(38)	819	738	(10)
EBITDA (THB m)	5,782	5,457	4,051	(26)	(30)	12,523	15,917	27
Oil	4,312	4,202	3,003	(29)	(30)	8,636	12,326	43
Non-oil	1,237	1,109	820	(26)	(34)	3,139	2,993	(5)
International	240	183	199	9	(17)	730	589	(19)
Other	15	(38)	28	(174)	87	23	14	(39)
Share of profit/loss from investments (THB m)	97	126	81	(36)	(16)	287	207	(28)
Gain/loss on derivatives (THB m)	(285)	(19)	(51)	168	(82)	(1,178)	(70)	(94)
Gain/loss on exchange rate (THB m)	(23)	191	203	6	(983)	676	394	(42)
Oil								
Number of stations (stations)								
PTT in Thailand	1,943	2,010	2,027	1	4	1,943	2,027	4
LPG station	237	221	214	(3)	(10)	237	214	(10)
Volume sold (m bbl)	5,433	5,910	5,542	(6)	2	12,056	11,452	(5)
Retail	2,924	3,121	2,870	(8)	(2)	5,917	5,991	1
Commercial	2,509	2,789	2,672	(4)	6	6,139	5,461	(11)
Sales volume per station (m litre/station)	1.7	1.4	1.2	(13)	(25)	4.7	4.2	(10)
Gross profit (THB/litre)	1.21	1.23	1.09	(11)	(10)	0.94	1.21	29
Oil EBITDA margin* (%)	4.5	3.8	2.8	(1.0)	(1.7)	2.9	3.8	0.9
Non-oil								
Number of outlets (outlets)								
Café Amazon (Thailand, Myanmar, Japan, Oman, Malaysia)	3,188	3,452	3,512	2	10	3,188	3,512	10
Texas Chicken	73	81	87	7	19	73	87	19
Convenience store (Jiffy and 7-Eleven in Thailand)	1,960	2,018	2,041	1	4	1,960	2,041	4
Café Amazon total cups sold (Thailand, Myanmar, Japan, Oman, Malaysia) (m cups)	72	70	68	(3)	(6)	200	211	6
Cups sold per outlet (cups/outlet)	22,585	20,278	19,362	(5)	(14)	62,735	60,080	(4)
Sales and service (THB m)	4,443	4,060	3,761	(7)	(15)	12,249	11,907	(3)
Food & Beverage	2,802	2,611	2,467	(6)	(12)	7,397	7,784	5
Other non-oil	1,641	1,449	1,294	(11)	(21)	4,852	4,123	(15)
Non-oil EBITDA margin* (%)	27.8	27.3	21.8	(5.5)	(6.0)	25.6	25.1	(0.5)

*Note: Change in margin % is represented in ppt change

Source: OR

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	586,684	601,119	610,426
Cost of goods sold	(539,465)	(390,479)	(550,282)	(560,239)	(564,849)
Gross profit	37,669	38,325	36,402	40,880	45,577
Other operating income	0	0	0	0	0
Operating costs	(26,481)	(25,261)	(23,467)	(24,045)	(24,417)
Operating EBITDA	11,188	13,064	12,934	16,836	21,160
Depreciation	(3,602)	(5,203)	(6,030)	(8,267)	(10,016)
Goodwill amortisation	0	0	0	0	0
Operating EBIT	7,586	7,861	6,904	8,569	11,144
Net financing costs	4,699	3,343	3,473	4,308	4,531
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	11,127	13,702	16,582
Tax	(2,132)	(1,776)	(1,762)	(2,187)	(2,662)
Profit after tax	10,896	9,963	9,365	11,515	13,920
Minority interests	0	0	0	0	0
Preferred dividends	0	0	0	0	0
Other items	-	-	-	-	-
Reported net profit	10,896	9,963	9,365	11,515	13,920
Non-recurring items & goodwill (net)	0	0	0	0	0
Recurring net profit	10,896	9,963	9,365	11,515	13,920
Per share (THB)					
Recurring EPS *	1.21	1.11	0.78	0.96	1.16
Reported EPS	1.21	1.11	0.78	0.96	1.16
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)	36.8	2.5	1.5
Operating EBITDA (%)	8.2	16.8	(1.0)	30.2	25.7
Operating EBIT (%)	14.4	3.6	(12.2)	24.1	30.1
Recurring EPS (%)	262.5	(8.6)	(29.5)	23.0	20.9
Reported EPS (%)	262.5	(8.6)	(29.5)	23.0	20.9
Operating performance					
Gross margin inc. depreciation (%)	5.9	7.7	5.2	5.4	5.8
Gross margin of key business (%)	5.9	7.7	5.2	5.4	5.8
Operating EBITDA margin (%)	1.9	3.0	2.2	2.8	3.5
Operating EBIT margin (%)	1.3	1.8	1.2	1.4	1.8
Net margin (%)	1.9	2.3	1.6	1.9	2.3
Effective tax rate (%)	17.6	17.0	17.0	17.0	17.0
Dividend payout on recurring profit (%)	-	45.2	51.3	46.9	43.1
Interest cover (X)	(1.8)	(2.5)	(2.2)	(2.2)	(2.7)
Inventory days	16.4	19.1	15.2	17.6	17.7
Debtor days	27.8	29.2	14.4	6.0	2.0
Creditor days	28.7	32.9	23.1	26.8	26.9
Operating ROIC (%)	9.8	10.6	9.1	11.7	15.3
ROIC (%)	7.7	7.6	6.4	8.1	10.4
ROE (%)	33.3	26.2	13.9	11.5	13.0
ROA (%)	4.8	4.9	4.2	4.6	5.6
* Pre exceptional, pre-goodwill and fully diluted					
Revenue by Division (THB m)					
Oil business		389,783	540,678	545,621	546,604
Non-oil business		16,723	19,123	23,375	25,648
International business		21,011	25,169	30,273	36,274
Others		1,286	1,714	1,850	1,900

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	9,365	11,515	13,920
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	17,504	13,572	146
Cash flow from operations	33,599	19,703	37,146	37,814	28,765
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)	12,230	12,252	2,382
Free cash flow to firm (FCFF)	14,306.58	1,772.23	(11,612.29)	6,161.31	(2,887.04)
Free cash flow to equity (FCFE)	15,810.19	(2,796.04)	(36,970.16)	17,652.01	8,381.66

Per share (THB)

FCFF per share	1.59	0.20	(1.29)	0.68	(0.32)
FCFE per share	1.76	(0.31)	(4.11)	1.96	0.93
Recurring cash flow per share	2.29	2.13	1.64	2.02	2.38

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	31,234	43,487	45,868
A/C receivable	39,013	29,543	16,588	3,314	3,314
Inventories	21,856	19,021	26,805	27,290	27,514
Other current assets	716	1,027	1,405	1,439	1,461
Current assets	87,885	68,594	76,031	75,529	78,157
Other assets	12,082	23,547	23,547	23,547	23,547
Total assets	152,176	144,979	171,152	178,285	186,799
Common equity	38,295	37,823	96,588	102,903	111,024
Minorities etc.	412	93	93	93	93
Total shareholders' equity	38,708	37,916	96,681	102,996	111,116
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	40,725	41,462	41,803
Short term debt	4,076	9,169	500	500	500
Other current liabilities	1,222	2,402	3,286	3,367	3,419
Current liabilities	46,877	40,469	44,511	45,329	45,722
Total liabilities and shareholders' equity	152,176	144,979	171,152	178,285	186,799
Net working capital	18,783	18,291	786	(12,786)	(12,933)
Invested capital	83,075	94,675	95,907	89,970	95,709

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

Per share (THB)

Book value per share	4.26	4.20	8.05	8.58	9.25
Tangible book value per share	3.60	3.58	7.58	8.11	8.78

Financial strength

Net debt/equity (%)	72.6	83.9	(26.6)	(36.9)	(36.3)
Net debt/total assets (%)	18.5	21.9	(15.0)	(21.3)	(21.6)
Current ratio (x)	1.9	1.7	1.7	1.7	1.7
CF interest cover (x)	(4.5)	(1.2)	4.5	(6.8)	(4.4)

Valuation	2019	2020	2021E	2022E	2023E
Recurring P/E (x) *	21.5	23.5	33.3	27.1	22.4
Recurring P/E @ target price (x) *	29.7	32.5	46.1	37.5	31.0
Reported P/E (x)	21.5	23.5	33.3	27.1	22.4
Dividend yield (%)	-	1.9	1.5	1.7	1.9
Price/book (x)	6.1	6.2	3.2	3.0	2.8
Price/tangible book (x)	7.2	7.3	3.4	3.2	3.0
EV/EBITDA (x) **	23.5	20.4	22.1	16.3	12.8
EV/EBITDA @ target price (x) **	31.5	27.2	31.4	23.4	18.5
EV/invested capital (x)	3.2	2.8	3.0	3.0	2.8

* 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	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	PG	PHOL	PLANB
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	SCC	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	TTB	TMILL	TNDT
TNL	TOA	TOP	TPBI	TQM	TRC	TRC	TSC	TSR	TSTE	TSTH
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	TTB	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

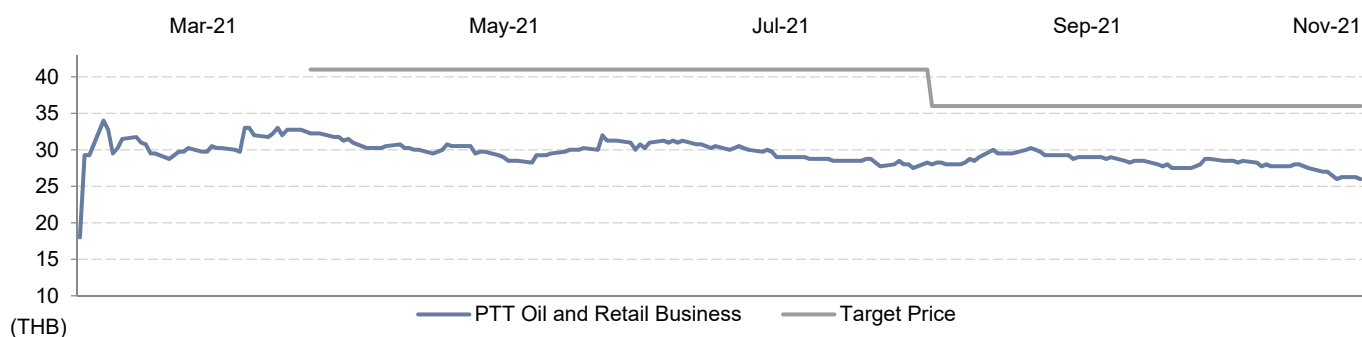
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History of change in investment rating and/or target price

PTT Oil and Retail Business (OR TB)



Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
30-Mar-2021	BUY	41.00	17-Jun-2021	BUY	41.00	09-Aug-2021	BUY	36.00

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

Price and TP are in local currency

Source: FSSIA estimates

Company	Ticker	Price	Rating	Valuation & Risks
PTT Oil and Retail Business	OR TB	THB 26.00	BUY	The downside risks to our SOTP-based TP include: 1) lower-than-expected demand for petroleum products; 2) a lower marketing margin; and 3) weaker-than-expected jet demand.

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

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All share prices are as at market close on 09-Nov-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.