

IRPC PCL

IRPC TB

THAILAND / OIL & GAS

BUY

UNCHANGED

GRM rescues 4Q21 results

- IRPC posted a 4Q21 NP of THB2.19b (+1.8% q-q, +36% y-y) due to a larger-than-expected net inventory gain of THB2.1b.
- We project strong NPs in 2022-24, driven by 1) higher earnings from olefins and aromatics; 2) a GRM recovery; 3) lower costs.
- Maintain BUY and our TP of THB5.8.

TARGET PRICE	THB5.80
CLOSE	THB3.90
UP/DOWNSIDE	+48.7%
TP vs CONSENSUS	+28.8%

KEY STOCK DATA

YE Dec (THB m)	2021	2022E	2023E	2024E
Revenue	255,115	240,413	244,553	246,043
Net profit	16,447	12,835	15,516	16,734
EPS (THB)	0.80	0.63	0.76	0.82
vs Consensus (%)	-	0.2	176.4	162.0
EBITDA	26,935	23,030	26,495	28,125
Core net profit	16,447	12,835	15,516	16,734
Core EPS (THB)	0.80	0.63	0.76	0.82
Chg. In EPS est. (%)	nm	0.7	(2.7)	nm
EPS growth (%)	nm	(22.0)	20.9	7.9
Core P/E (x)	4.8	6.2	5.1	4.8
Dividend yield (%)	8.5	8.1	9.7	10.5
EV/EBITDA (x)	4.8	5.7	4.7	4.2
Price/book (x)	0.9	0.9	0.8	0.7
Net debt/Equity (%)	56.8	55.0	45.2	36.6
ROE (%)	20.2	14.3	16.2	16.2

A weak core net profit on poor chemical margins

IRPC posted a 4Q21 net profit (NP) of THB2.19b, up 1.8% q-q and 36% y-y, beating our estimate by 10% and BBG consensus by 36%, due to a larger-than-expected net inventory gain of THB2.1b. Excluding an after-tax non-recurring gain of THB1.9b, IRPC's 4Q21 core NP was THB549m due to the lower margins for its refinery, lube, olefins, aromatics, and utilities units. IRPC's one-time pre-tax gain of THB1.9b comprised a THB2.1b inventory gain, a THB1.8b oil hedging loss, a THB107m derivative gain, an unrealised hedging gain of THB1.5b, a THB70m FX gain, and a THB215m investment gain. The refinery utilisation rate was at 92% in 4Q21, up from 89% in 3Q21, due to the higher product margins.

GRM rose to offset margin weakness in other products

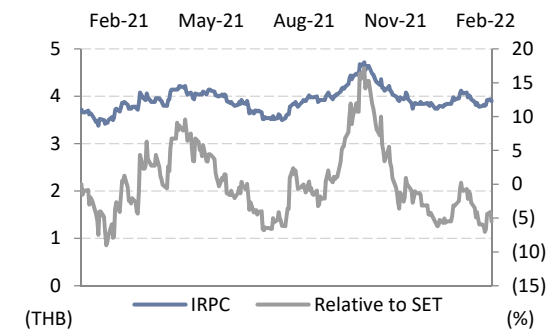
The market gross integrated margin (GIM) dipped to USD10.9/bbl in 4Q21, down 12% q-q and 0.8% y-y. Key drivers were: 1) a higher market gross refining margin (GRM) of USD5.0/bbl, up 186% q-q due to higher product margins; 2) a weak lube margin at USD1.1/bbl (-67% q-q) due to the rising new supply; and 3) a softer q-q petrochemical group margin. The olefins GIM dropped to USD2.0/bbl in 4Q21 (-44% y-y, -32% q-q) due to the lower polyethylene-naphtha and polypropylene-naphtha margins, while the aromatics GIM was at USD1.8/bbl, down 45% q-q due to the weaker styrene-naphtha (-19% q-q), ABS-naphtha (-13% q-q), and polystyrene (-3% q-q) margins.

A rosier road ahead

We project strong NPs in 2022-24, driven by: 1) higher earnings from olefins and aromatics, supported by the high margins of ABS and PS-naphtha due to rising automotive parts and packaging demand; 2) a GRM recovery to USD5-7/bbl in 2022, driven by higher utilisation rates and rising product margins; and 3) a lower cost by USD0.5/bbl to USD11.5-12/bbl based on the New Organisation with Agile Humans (NOAH) impact and a lower fixed cost per unit.

Time to reload

We maintain BUY and our TP of THB5.8. IRPC is an attractive refinery-petrochemical play based on its high operating leverage, ABS-naphtha and lube margins, and a rising utilisation rate.



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	(1.0)	(6.7)	4.8
Relative to country (%)	(2.6)	(9.6)	(5.5)
Mkt cap (USD m)	2,420		
3m avg. daily turnover (USD m)	15.4		
Free float (%)	52		
Major shareholder	PTT Plc. (48%)		
12m high/low (THB)	4.76/3.36		
Issued shares (m)	20,434.42		

Sources: Bloomberg consensus; FSSIA estimates



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Exhibit 1: Summary of 4Q21/2021 operations

	4Q20	3Q21	4Q21			2020	2021	Chg.
	(THB m)	(THB m)	(THB m)	(q-q %)	(y-y %)	(THB m)	(THB m)	(y-y %)
Revenue	46,693	67,017	72,445	8.1	55.2	174,463	255,115	46.2
Operating costs	(42,912)	(60,827)	(69,351)	14.0	61.6	(165,539)	(220,402)	33.1
EBITDA	3,781	6,190	3,094	(50.0)	(18.2)	1,831	26,935	1,371.2
EBITDA margin (%)	8.1	9.2	4.3	nm	nm	1.0	10.6	nm
Depreciation & amor	(2,241)	(2,130)	(2,067)	(2.9)	(7.7)	(8,952)	(8,587)	(4.1)
EBIT	1,540	4,060	1,027	(74.7)	(33.3)	(7,121)	18,348	nm
Interest expense	(499)	(431)	(426)	(1.2)	(14.7)	(1,902)	(1,743)	(8.4)
Interest & invt inc	(89)	473	(205)	nm	130.2	0	0	nm
Associates' contr	127	157	214	36.4	69.1	333	713	114.2
Exceptional	904	(1,638)	1,906	nm	110.9	0	0	nm
Pretax profit	1,982	2,621	2,515	(4.0)	26.9	(7,684)	18,826	nm
Tax	(365)	(460)	(319)	(30.6)	(12.6)	1,554	(2,351)	nm
Tax rate (%)	18.4	17.5	12.7	nm	nm	20.2	12.5	nm
Minority interests	(8)	(6)	(2)	(68.9)	(76.7)	(22)	(28)	30.0
Net profit	1,608	2,155	2,194	1.8	36.4	(6,152)	16,447	nm
Non-recurring	(737)	1,317	1,884	43.1	nm	-	-	nm
Core profit	871	1,069	549	(48.6)	(37.0)	(6,152)	16,447	nm
EPS (THB)	0.08	0.11	0.11	1.8	36.4	(0.30)	0.80	nm
Core EPS (THB)	0.04	0.05	0.03	(48.6)	(37.0)	(0.30)	0.80	nm

Sources: IRPC; FSSIA estimates

Exhibit 2: 4Q21/2021 quarterly performance

	4Q20	3Q21	4Q21	Change		2020	2021	Change
	(%)	(%)	(%)	(q-q %)	(y-y %)	(%)	(%)	(y-y %)
Utilisation rate*								
Refinery	92	89	92	3.0	0.0	89	89	0.0
RDCC	90	111	115	4.0	25.0	90	115	25.0
Lube-based oil	92	95	92	(3.0)	0.0	85	90	5.0
Olefins	97	98	96	(2.0)	(1.0)	93	95	2.0
Aromatics and Styrenics	103	105	98	(7.0)	(5.0)	98	99	1.0
Electricity	71	75	74	(1.0)	3.0	70	75	5.0
Steam	64	61	58	(3.0)	(6.0)	64	61	(3.0)
	(USD/bbl)	(USD/bbl)	(USD/bbl)	(q-q %)	(y-y %)	(USD/bbl)	(USD/bbl)	(y-y %)
Market GIM	11.0	12.4	10.9	(11.9)	(0.8)	8.8	13.1	49.4
Refinery	1.9	1.8	5	186.0	163.7	0.9	3.1	249.4
Lube-based oil	1.6	3.2	1.1	(66.5)	(30.3)	1.6	2.8	77.2
Olefins	3.6	2.99	2.0	(32.4)	(43.6)	3.4	3.1	(7.7)
Aromatics and Styrenics	2.7	3.27	1.8	(44.6)	(33.9)	1.7	2.9	76.5
Utilities	1.2	1.14	0.9	(19.3)	(24.0)	1.3	1.2	(8.7)
Stock Gain/(Loss) & LCM	2.9	4.57	3.4	(26.0)	17.0	(1.5)	5.8	nm
Hedging	(0.5)	(0.57)	(2.9)	415.8	553.3	0.8	(0.9)	nm
Accounting GIM	13.5	16.40	11.4	(30.7)	(15.5)	8.1	18.0	123.8

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

Sources: IRPC; FSSIA estimates

Exhibit 3: 4Q21/2021 quarterly information

Quarterly information	4Q20	3Q21	4Q21	Chg. (q-q %)	Chg. (y-y %)	2020	2021	Chg. (y-y %)
Crude intake (m bbl)	18.12	17.58	18.23	3.7	0.6	70.35	70.19	(0.2)
Sales volume (THB m)	46,693	67,017	72,445	8.1	55.2	174,463	255,115	46.2
Net sales (THB m)	40,661	62,088	67,840	9.3	66.8	152,319	235,174	54.4
Market GIM (THB m)	6,144	7,216	6,680	(7.4)	8.7	19,414	29,588	52.4
Market GIM (USD/bbl)	11.01	12.40	10.92	(11.9)	(0.8)	8.78	13.12	49.4
Accounting GIM (THB m)	7,507	9,544	6,947	(27.2)	(7.5)	17,825	40,692	128.3
Accounting GIM (USD/bbl)	13.45	16.40	11.36	(30.7)	(15.5)	8.06	18.04	123.8
EBITDA (THB m)	3,781	6,190	3,094	(50.0)	(18.2)	4,692	26,961	474.6
Net profit (THB m)	1,608	2,155	2,194	1.8	36.4	(6,152)	14,505	nm

Sources: IRPC; FSSIA estimates

Financial Statements

IRPC PCL

Profit and Loss (THB m) Year Ending Dec	2020	2021	2022E	2023E	2024E
Revenue	174,463	255,115	240,413	244,553	246,043
Cost of goods sold	(165,539)	(220,402)	(210,054)	(210,603)	(210,417)
Gross profit	8,924	34,712	30,360	33,950	35,626
Other operating income	-	-	-	-	-
Operating costs	(7,093)	(7,778)	(7,329)	(7,456)	(7,501)
Operating EBITDA	1,831	26,935	23,030	26,495	28,125
Depreciation	(8,952)	(8,587)	(8,839)	(9,254)	(9,581)
Goodwill amortisation	0	0	0	0	0
Operating EBIT	(7,121)	18,348	14,192	17,241	18,544
Net financing costs	(1,902)	(1,743)	(1,737)	(1,705)	(1,608)
Associates	333	713	713	713	713
Recurring non-operating income	1,339	2,221	2,221	2,221	2,221
Non-recurring items	0	0	0	0	0
Profit before tax	(7,684)	18,826	14,675	17,756	19,157
Tax	1,554	(2,351)	(1,812)	(2,212)	(2,394)
Profit after tax	(6,130)	16,475	12,863	15,544	16,763
Minority interests	(22)	(28)	(28)	(28)	(28)
Preferred dividends	0	0	0	0	0
Other items	-	-	-	-	-
Reported net profit	(6,152)	16,447	12,835	15,516	16,734
Non-recurring items & goodwill (net)	0	0	0	0	0
Recurring net profit	(6,152)	16,447	12,835	15,516	16,734
Per share (THB)					
Recurring EPS *	(0.30)	0.80	0.63	0.76	0.82
Reported EPS	(0.30)	0.80	0.63	0.76	0.82
DPS	0.06	0.33	0.31	0.38	0.41
Diluted shares (used to calculate per share data)	20,434	20,434	20,434	20,434	20,434
Growth					
Revenue (%)	(27.1)	46.2	(5.8)	1.7	0.6
Operating EBITDA (%)	(56.7)	1,371.2	(14.5)	15.0	6.2
Operating EBIT (%)	nm	nm	(22.7)	21.5	7.6
Recurring EPS (%)	nm	nm	(22.0)	20.9	7.9
Reported EPS (%)	nm	nm	(22.0)	20.9	7.9
Operating performance					
Gross margin inc. depreciation (%)	0.0	10.2	9.0	10.1	10.6
Gross margin of key business (%)	0.0	10.2	9.0	10.1	10.6
Operating EBITDA margin (%)	1.0	10.6	9.6	10.8	11.4
Operating EBIT margin (%)	(4.1)	7.2	5.9	7.0	7.5
Net margin (%)	(3.5)	6.4	5.3	6.3	6.8
Effective tax rate (%)	19.4	13.0	13.0	13.0	13.0
Dividend payout on recurring profit (%)	(19.9)	41.0	50.0	50.0	50.0
Interest cover (X)	(3.0)	11.8	9.4	11.4	12.9
Inventory days	52.0	45.5	57.3	55.8	55.9
Debtor days	20.6	16.7	23.9	29.4	35.2
Creditor days	53.9	43.6	48.7	47.4	47.5
Operating ROIC (%)	(4.6)	11.9	8.7	10.2	10.9
ROIC (%)	(3.3)	11.9	9.0	10.4	11.0
ROE (%)	(7.7)	20.2	14.3	16.2	16.2
ROA (%)	(2.6)	9.8	7.6	9.0	9.3
* Pre-exceptional, pre-goodwill and fully diluted					
Revenue by Division (THB m)					
	2020	2021	2022E	2023E	2024E
Petroleum products	145,248	216,711	208,635	214,730	215,999
Petrochemical products	47,726	85,695	77,199	76,534	77,035
Other business	(18,511)	(47,292)	(45,420)	(46,711)	(46,991)

Sources: IRPC PCL; FSSIA estimates

Financial Statements

IRPC PCL

Cash Flow (THB m) Year Ending Dec	2020	2021	2022E	2023E	2024E
Recurring net profit	(6,152)	16,447	12,835	15,516	16,734
Depreciation	8,952	8,587	8,839	9,254	9,581
Associates & minorities	333	713	713	713	713
Other non-cash items	-	-	-	-	-
Change in working capital	6,198	(15,210)	(3,673)	(4,002)	(4,008)
Cash flow from operations	9,331	10,536	18,713	21,480	23,020
Capex - maintenance	(4,672)	(4,697)	(4,835)	(5,062)	(5,241)
Capex - new investment	(2,994)	(2,350)	(5,602)	(1,695)	(1,520)
Net acquisitions & disposals	1,241	(610)	0	0	0
Other investments (net)	(2,920)	(1,721)	(1,475)	(1,523)	(1,523)
Cash flow from investing	(9,345)	(9,378)	(11,912)	(8,280)	(8,284)
Dividends paid	(2,043)	(1,226)	(6,743)	(6,417)	(7,758)
Equity finance	0	0	0	0	0
Debt finance	2,960	(852)	(9,000)	0	(5,000)
Other financing cash flows	4,913	3,305	(1,122)	(1,095)	(1,090)
Cash flow from financing	5,829	1,227	(16,865)	(7,512)	(13,848)
Non-recurring cash flows	-	-	-	-	-
Other adjustments	0	0	0	0	0
Net other adjustments	0	0	0	0	0
Movement in cash	5,815	2,384	(10,064)	5,688	888
Free cash flow to firm (FCFF)	1,887.39	2,900.20	8,538.06	14,905.68	16,344.19
Free cash flow to equity (FCFE)	7,858.38	3,610.44	(3,320.65)	12,105.47	8,645.85

Per share (THB)

FCFF per share	0.09	0.14	0.42	0.73	0.80
FCFE per share	0.38	0.18	(0.16)	0.59	0.42
Recurring cash flow per share	0.15	1.26	1.10	1.25	1.32

Balance Sheet (THB m) Year Ending Dec	2020	2021	2022E	2023E	2024E
Tangible fixed assets (gross)	204,132	206,824	217,822	224,989	232,156
Less: Accumulated depreciation	(89,581)	(97,757)	(106,595)	(115,849)	(125,430)
Tangible fixed assets (net)	114,551	109,067	111,227	109,140	106,726
Intangible fixed assets (net)	774	761	761	761	761
Long-term financial assets	-	-	-	-	-
Invest. in associates & subsidiaries	8,684	9,294	9,294	9,294	9,294
Cash & equivalents	8,851	11,236	1,172	6,860	7,748
A/C receivable	9,626	13,785	17,705	21,693	25,704
Inventories	21,169	33,766	32,181	32,265	32,236
Other current assets	3,725	8,413	7,928	8,064	8,114
Current assets	43,371	67,200	58,986	68,882	73,802
Other assets	6,111	4,170	4,170	4,170	4,170
Total assets	173,491	190,492	184,437	192,246	194,752
Common equity	75,526	87,496	92,236	99,812	107,265
Minorities etc.	140	217	245	273	301
Total shareholders' equity	75,666	87,712	92,481	100,085	107,566
Long term debt	48,597	50,494	41,494	41,494	36,494
Other long-term liabilities	5,169	4,743	4,743	4,743	4,743
Long-term liabilities	53,766	55,237	46,237	46,237	41,237
A/C payable	23,983	28,671	27,325	27,396	27,372
Short term debt	13,335	10,585	10,585	10,585	10,585
Other current liabilities	6,741	8,287	7,809	7,944	7,992
Current liabilities	44,059	47,543	45,719	45,925	45,949
Total liabilities and shareholders' equity	173,491	190,492	184,437	192,246	194,752
Net working capital	3,796	19,006	22,680	26,682	30,690
Invested capital	133,916	142,298	148,131	150,046	151,640

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

Per share (THB)

Book value per share	3.70	4.28	4.51	4.88	5.25
Tangible book value per share	3.66	4.24	4.48	4.85	5.21

Financial strength

Net debt/equity (%)	70.2	56.8	55.0	45.2	36.6
Net debt/total assets (%)	30.6	26.2	27.6	23.5	20.2
Current ratio (x)	1.0	1.4	1.3	1.5	1.6
CF interest cover (x)	6.7	4.4	2.3	9.1	7.3

Valuation	2020	2021	2022E	2023E	2024E
Recurring P/E (x) *	(13.0)	4.8	6.2	5.1	4.8
Recurring P/E @ target price (x) *	(19.3)	7.2	9.2	7.6	7.1
Reported P/E (x)	(13.0)	4.8	6.2	5.1	4.8
Dividend yield (%)	1.5	8.5	8.1	9.7	10.5
Price/book (x)	1.1	0.9	0.9	0.8	0.7
Price/tangible book (x)	1.1	0.9	0.9	0.8	0.7
EV/EBITDA (x) **	72.6	4.8	5.7	4.7	4.2
EV/EBITDA @ target price (x) **	93.8	6.3	7.4	6.2	5.6
EV/invested capital (x)	1.0	0.9	0.9	0.8	0.8

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

Sources: IRPC PCL; 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	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, CFA, FRM, ERP FSS International Investment Advisory Securities Co., Ltd

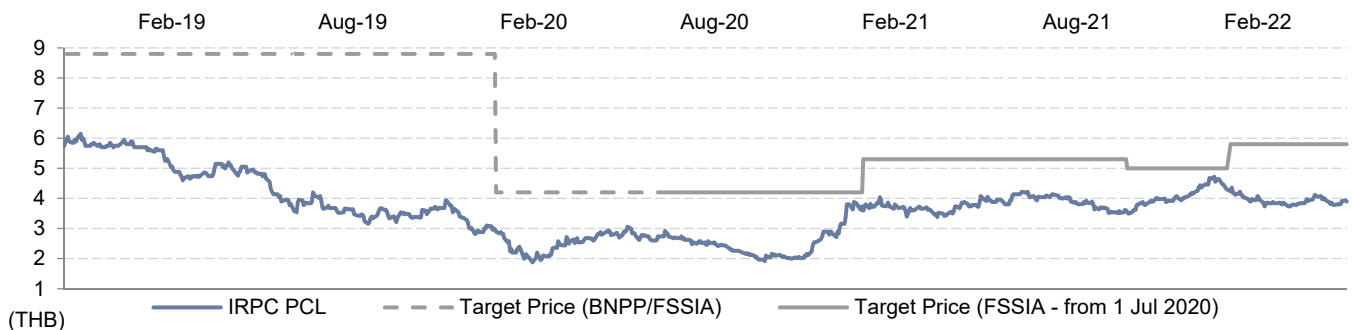
The individual(s) identified above certify(ies) that (i) all views expressed in this report accurately reflect the personal view of the analyst(s) with regard to any and all of the subject securities, companies or issuers mentioned in this report; and (ii) no part of the compensation of the analyst(s)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

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History of change in investment rating and/or target price

IRPC PCL (IRPC TB)



Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
13-Feb-2019	BUY	8.80	22-Dec-2020	BUY	5.30	29-Oct-2021	BUY	5.80
14-Feb-2020	BUY	4.20	04-Aug-2021	BUY	5.00			

Suwat Sinsadok, CFA, FRM, ERP started covering this stock from 08-May-2020

Price and TP are in local currency

Source: FSSIA estimates

Company	Ticker	Price	Rating	Valuation & Risks
IRPC PCL	IRPC TB	THB 3.90	BUY	Key risks to our positive view and EV/EBITDA-based target price are weaker-than-expected oil product demand growth and lower-than-expected PP-naphtha and SM-benzene margins.

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 08-Feb-2022 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.