

# PTT PCL PTT TB

## THAILAND / OIL & GAS

# BUY

UNCHANGED

### โรงแยกก๊าซ (GSP) และ PTTEP ช่วยกอบกู้ผลประกอบการ 4Q21

- กำไรสุทธิ 4Q21 ออกมาที่ 27.5 พัน ลบ. (+17% q-q, +110% y-y) กำไรสุทธิจากการดำเนินงานเพิ่มเป็น 30.4 พัน ลบ. (+69% q-q, +95% y-y)
- ปัจจัยหนุนสำคัญใน 4Q21 อยู่ที่กำไรที่สูงขึ้นของธุรกิจน้ำมัน ถ่านหิน และ PTTEP ซึ่งช่วยชดเชยกำไรสุทธิที่ลดลงของธุรกิจโรงกลั่นและปิโตรเคมี
- คงแนะนำซื้อที่ราคาเป้าหมาย 60 บาท (SoTP)

TARGET PRICE	THB60.00
CLOSE	THB40.00
UP/DOWNSIDE	+50.0%
TP vs CONSENSUS	+23.2%

### KEY STOCK DATA

YE Dec (THB m)	2021	2022E	2023E	2024E
Revenue	2,258,818	2,384,459	2,556,087	2,722,943
Net profit	108,363	134,095	151,749	141,896
EPS (THB)	3.79	4.69	5.31	4.97
vs Consensus (%)	-	16.5	30.5	-
EBITDA	392,983	394,234	409,622	383,442
Core net profit	89,249	134,095	151,749	141,896
Core EPS (THB)	3.12	4.69	5.31	4.97
Chg. In EPS est. (%)	nm	nm	nm	nm
EPS growth (%)	57.2	50.2	13.2	(6.5)
Core P/E (x)	12.8	8.5	7.5	8.1
Dividend yield (%)	1.3	3.8	3.7	4.2
EV/EBITDA (x)	5.6	4.9	4.2	4.0
Price/book (x)	1.1	1.0	0.9	0.9
Net debt/Equity (%)	39.3	25.6	9.6	(3.4)
ROE (%)	9.5	12.7	13.2	11.3

### ผลประกอบการ 4Q21 มีดีมีเสียปะปนกัน

PTT รายงานกำไรสุทธิ 4Q21 ที่ 27.5 พัน ลบ. (+17% q-q, +110% y-y) ต่ำกว่าประมาณการของตลาดอยู่ 4% และต่ำกว่าของเราอยู่ 13% โดยมีปัจจัยผลักดันสำคัญอยู่ที่ผลขาดทุนพิเศษจำนวน 6.9 พัน ลบ. อันประกอบด้วยการกลับรายการค่าใช้จ่ายจากการผิดสัญญา (Take-or-pay) จำนวน 2.7 พัน ลบ., ผลขาดทุนจากอัตราแลกเปลี่ยนเงินจำนวน 6.4 พัน ลบ., ผลขาดทุนจากการด้อยค่าจำนวน 3.4 พัน ลบ., ผลกำไรจากสัญญาป้องกันความเสี่ยงจำนวน 5 พัน ลบ., และผลขาดทุนจากการด้อยค่าอื่น ๆ ในบริษัทย่อยและบริษัทร่วม กำไรสุทธิจากการดำเนินงานเพิ่มเป็น 30.4 พัน ลบ. (+69% q-q, +95% y-y) จากกำไรที่เพิ่มขึ้นของธุรกิจน้ำมัน ถ่านหิน และ PTT Exploration and Production (PTTEP TB, BUY) ซึ่งช่วยชดเชยกำไรสุทธิที่ลดลงจากบริษัทร่วมในธุรกิจโรงกลั่นและปิโตรเคมี กำไรสุทธิจากธุรกิจก๊าซลดลงเหลือ 14.4 พัน ลบ. จากกำไรสุทธิที่ลดลงของธุรกิจท่อส่งก๊าซ (TM), จำหน่ายก๊าซและการตลาด (S&M), และการค้า ซึ่งชดเชยได้บางส่วนจากกำไรสุทธิที่สูงขึ้นของธุรกิจ GSP ท้ายที่สุด EBIT ของ PTTEP เพิ่มขึ้น 45% q-q เป็น 33.4 พัน ลบ. จากราคาขายเฉลี่ยที่สูงขึ้น

### GSP ช่วยกอบกู้ธุรกิจก๊าซ

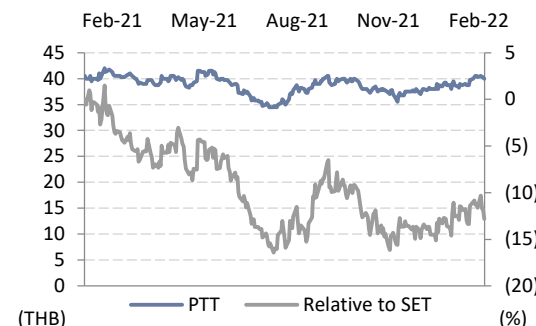
ใน 4Q21 EBIT จากการดำเนินงานของธุรกิจก๊าซลดลงเหลือ 14.4 พัน ลบ. (-23% q-q, +26% y-y) จาก Product spread และปริมาณขายในธุรกิจ S&M, TM, และ NGV ที่ลดลง ซึ่งชดเชยได้บางส่วนจาก EBIT ที่สูงขึ้นในธุรกิจ GSP และคลังเก็บ LNG ธุรกิจการค้ารายงาน EBIT ติดลบสุทธิ 108 ลบ. จากปริมาณขายน้ำมันที่ลดลง ธุรกิจท่อส่งน้ำมันรายงาน EBITDA ลดลงเหลือ 7.9 พัน ลบ. (-2% y-y, -7% q-q) จากปริมาณที่ลดลง ในขณะที่ EBITDA จากธุรกิจ GSP เพิ่มขึ้นเป็น 8.4 พัน ลบ. จาก Product margin ที่สูงขึ้นและการปิดซ่อมบำรุงตามแผนที่ลดลง พร้อมอัตราการเดินการผลิตที่ 90%

### ธุรกิจถ่านหินดีขึ้น ในขณะที่ธุรกิจโรงกลั่นและเคมีปลายน้ำตกต่ำ

ใน 4Q21 EBIT จากบริษัทร่วมปลายน้ำในธุรกิจปิโตรเคมีและโรงกลั่นลดลงเหลือ 13.7 พัน ลบ. (-33% q-q) จาก Olefins และ Aromatics margins และกำไรจากสินค้าคงคลังที่ลดลง EBIT ของธุรกิจถ่านหินกระโดดเพิ่มเป็น 2.3 พัน ลบ. (+40% q-q) จากปริมาณขายที่สูงขึ้น 13% q-q เป็น 1.8mt และราคาขายเฉลี่ยของถ่านหินที่สูงขึ้น 8% q-q PTT คาดว่า Pool gas price น่าจะเพิ่มกว่า 30% ในปี 2022 จากราคา LNG นำเข้าที่สูงขึ้นโดยคาดว่าราคา Spot LNG จะอยู่ที่ USD25/mmbtu ใน 1Q22 และ USD17/mmbtu ในปี 2022

### หุ้นที่ตีจากราคาน้ำมันและก๊าซที่สูงขึ้น

เราคงแนะนำซื้อที่ราคาเป้าหมาย 60 บาท (SoTP) เราคิดว่าการเติบโตของกำไรสุทธิของ PTT ยังดีจากราคาน้ำมัน ก๊าซ และถ่านหินที่อยู่ในระดับสูง



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	3.2	5.3	(1.8)
Relative to country (%)	0.9	1.1	(12.6)
Mkt cap (USD m)			35,522
3m avg. daily turnover (USD m)			64.1
Free float (%)			49
Major shareholder		Ministry of Finance (51%)	
12m high/low (THB)			42.50/34.00
Issued shares (m)			28,563.00

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 %)
<b>Revenue</b>	<b>407,174</b>	<b>558,888</b>	<b>688,838</b>	<b>23.3</b>	<b>69.2</b>	<b>1,615,665</b>	<b>2,258,818</b>	<b>39.8</b>
Operating costs	(335,560)	(448,366)	(587,567)	31.0	75.1	(1,848,900)	(2,619,843)	41.7
<b>EBITDA</b>	<b>71,614</b>	<b>110,522</b>	<b>101,271</b>	<b>(8.4)</b>	<b>41.4</b>	<b>233,235</b>	<b>361,025</b>	<b>54.8</b>
EBITDA margin (%)	17.6	19.8	14.7	nm	nm	14.4	16.0	nm
Depreciation & amort	(34,823)	(39,296)	(33,850)	(13.9)	(2.8)	(154,591)	(163,799)	6.0
EBIT	36,791	71,226	67,421	(5.3)	83.3	78,644	197,226	150.8
Interest expense	(7,426)	(7,470)	(7,153)	(4.2)	(3.7)	(28,536)	(28,163)	(1.3)
Interest & invt inc	6,692	3,171	6,529	105.9	(2.4)	20,579	28,940	40.6
Associates' contri	1,677	2,233	1,937	(13.2)	15.5	4,178	9,010	115.7
Exceptional	(10,183)	(20,901)	(10,868)	(48.0)	6.7	(9,748)	44,604	nm
<b>Pretax profit</b>	<b>27,551</b>	<b>48,259</b>	<b>57,866</b>	<b>19.9</b>	<b>110.0</b>	<b>65,116</b>	<b>219,658</b>	<b>237.3</b>
Tax	(8,342)	(15,408)	(19,648)	27.5	135.5	(25,166)	(67,591)	168.6
Tax rate (%)	(30.3)	(31.9)	(34.0)	nm	nm	38.6	30.8	nm
Minority interests	(6,062)	(9,198)	(10,674)	16.0	76.1	(2,184)	(43,704)	1,901.1
<b>Net profit</b>	<b>13,147</b>	<b>23,653</b>	<b>27,544</b>	<b>16.5</b>	<b>109.5</b>	<b>37,766</b>	<b>108,363</b>	<b>186.9</b>
Non-recurring	(2,461)	5,580	(2,901)	nm	17.9	(19,017)	19,114	nm
<b>Core profit</b>	<b>15,608</b>	<b>18,073</b>	<b>30,445</b>	<b>68.5</b>	<b>95.1</b>	<b>56,783</b>	<b>89,249</b>	<b>57.2</b>
EPS (THB)	0.46	0.83	0.96	16.5	109.5	1.32	3.79	186.9
Core EPS (THB)	0.55	0.63	1.07	68.5	95.1	1.99	3.12	57.2

Sources: PTT; FSSIA estimates

## Exhibit 2: 4Q21/2021 performance of key segments

	4Q20	3Q21	4Q21	Change		2020	2021	Change
	(THB m)	(THB m)	(THB m)	(q-q %)	(y-y %)	(THB m)	(THB m)	(y-y %)
<b>EBITDA</b>	<b>71,614</b>	<b>110,522</b>	<b>101,271</b>	<b>(8.4)</b>	<b>41.4</b>	<b>225,623</b>	<b>427,869</b>	<b>89.6</b>
Oil	5,261	4,158	4,513	8.5	(14.2)	18,098	20,807	15.0
Oil trading	1,032	3,409	(54)	nm	nm	(766)	10,740	nm
Gas	16,202	23,388	19,200	(17.9)	18.5	54,942	86,497	57.4
PTTEP	25,659	42,961	47,419	10.4	84.8	110,044	164,365	49.4
Petrochem and refining	18,743	30,260	23,573	(22.1)	25.8	20,638	120,733	485.0
Coal	901	2,051	2,943	43.5	226.6	3,176	7,158	125.4
Others	4,234	4,310	3,298	(23.5)	(22.1)	19,491	17,569	(9.9)
<b>EBIT*</b>	<b>3Q20</b>	<b>2Q21</b>	<b>3Q21</b>	<b>(q-q %)</b>	<b>(y-y %)</b>	<b>2019</b>	<b>2020</b>	<b>(y-y %)</b>
Oil	3,827	2,673	2,939	10.0	(23.2)	12,713	14,899	17.2
Oil trading	961	3,357	(108)	nm	nm	(1,054)	10,536	nm
Gas	11,400	18,695	14,411	(22.9)	26.4	35,696	67,768	89.8
PTTEP	8,946	23,060	33,439	45.0	273.8	45,035	94,303	109.4
Petrochem and refining	9,944	20,403	13,662	(33.0)	37.4	(16,554)	81,788	nm
Coal	642	1,617	2,257	39.6	251.6	1,303	5,404	314.7
Others	1,489	1,437	441	(69.3)	(70.4)	8,604	6,381	(25.8)
Share of profit/(loss) - Petrochem and refining	638	1,146	1,393	21.6	118.3	1,254	6,085	385.2
Share of profit/(loss) - Others	1,039	1,087	555	(48.9)	(46.6)	2,925	2,936	0.4
FX gain (loss)	8,811	(6,405)	5,139	nm	(41.7)	9,270	(6,469)	nm
<b>Net profit</b>	<b>13,147</b>	<b>23,653</b>	<b>27,544</b>	<b>16.5</b>	<b>109.5</b>	<b>37,766</b>	<b>108,363</b>	<b>186.9</b>

\*Note: EBIT includes exceptionals, share of profit (loss), and investment income, hence it differs from EBIT in Exhibit 1, which excludes these items

Source: PTT

## Exhibit 3: 4Q21/2021 quarterly key drivers

	Unit	4Q20	3Q21	4Q21	Change		2020	2021	Change
					(q-q %)	(y-y %)			(y-y %)
Oil sales volume	bpd	1,706,729	1,508,857	2,152,143	42.6	26.1	6,815,511	6,975,532	2.3
Gas sales volume	mmscfd	4,255	4,224	4,158	(1.6)	(2.3)	4,394	4,437	1.0
GSP volume	tonnes	1,736,473	1,694,294	1,637,187	(3.4)	(5.7)	6,639,468	6,908,012	4.0
PTTEP's ASP	USD/boe	36.9	44.3	46.9	5.9	27.1	38.9	43.5	11.8
PTTEP's sales volume	boed	381,285.0	417,167.0	420,965.0	0.9	10.4	354,052.0	416,141.0	17.5
Coal ASP	USD/tonne	52.0	88.6	95.3	7.6	83.3	53.8	83.0	54.3
Coal sales volume	m tonnes	1.7	1.6	1.8	12.5	5.9	6.4	6.1	(4.7)
<b>Net profit</b>	<b>THB m</b>	<b>13,147</b>	<b>23,653</b>	<b>27,544</b>	<b>16.5</b>	<b>109.5</b>	<b>37,766</b>	<b>108,363</b>	<b>186.9</b>

Source: PTT



## Financial Statements

### PTT PCL

Profit and Loss (THB m) Year Ending Dec	2020	2021	2022E	2023E	2024E
Revenue	1,615,665	2,258,818	2,384,459	2,556,087	2,722,943
Cost of goods sold	(1,305,456)	(1,736,431)	(1,944,920)	(2,097,900)	(2,287,765)
<b>Gross profit</b>	<b>310,209</b>	<b>522,388</b>	<b>439,539</b>	<b>458,187</b>	<b>435,178</b>
Other operating income	-	-	-	-	-
Operating costs	(76,974)	(129,405)	(45,305)	(48,566)	(51,736)
<b>Operating EBITDA</b>	<b>233,235</b>	<b>392,983</b>	<b>394,234</b>	<b>409,622</b>	<b>383,442</b>
Depreciation	(154,591)	(163,799)	(173,007)	(182,215)	(191,423)
Goodwill amortisation	0	0	0	0	0
<b>Operating EBIT</b>	<b>78,644</b>	<b>229,184</b>	<b>221,227</b>	<b>227,407</b>	<b>192,020</b>
Net financing costs	(19,267)	(34,632)	(30,424)	(30,230)	(30,036)
Associates	4,178	9,010	9,911	10,902	11,992
Recurring non-operating income	24,757	5,992	18,651	36,177	60,521
Non-recurring items	(19,017)	19,114	0	0	0
<b>Profit before tax</b>	<b>65,116</b>	<b>219,658</b>	<b>209,454</b>	<b>233,354</b>	<b>222,504</b>
Tax	(25,166)	(67,591)	(43,985)	(49,004)	(46,726)
<b>Profit after tax</b>	<b>39,950</b>	<b>152,068</b>	<b>165,469</b>	<b>184,350</b>	<b>175,778</b>
Minority interests	(2,184)	(43,704)	(31,373)	(32,601)	(33,883)
Preferred dividends	0	0	0	0	0
Other items	-	-	-	-	-
<b>Reported net profit</b>	<b>37,766</b>	<b>108,363</b>	<b>134,095</b>	<b>151,749</b>	<b>141,896</b>
<b>Non-recurring items &amp; goodwill (net)</b>	<b>19,017</b>	<b>(19,114)</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Recurring net profit</b>	<b>56,783</b>	<b>89,249</b>	<b>134,095</b>	<b>151,749</b>	<b>141,896</b>
<b>Per share (THB)</b>					
Recurring EPS *	1.99	3.12	4.69	5.31	4.97
Reported EPS	1.32	3.79	4.69	5.31	4.97
DPS	0.50	0.50	1.50	1.48	1.68
Diluted shares (used to calculate per share data)	28,563	28,563	28,563	28,563	28,563
<b>Growth</b>					
Revenue (%)	(27.2)	39.8	5.6	7.2	6.5
Operating EBITDA (%)	(18.8)	68.5	0.3	3.9	(6.4)
Operating EBIT (%)	(44.5)	191.4	(3.5)	2.8	(15.6)
Recurring EPS (%)	(38.9)	57.2	50.2	13.2	(6.5)
Reported EPS (%)	(59.4)	186.9	23.7	13.2	(6.5)
<b>Operating performance</b>					
Gross margin inc. depreciation (%)	9.6	15.9	11.2	10.8	9.0
Gross margin of key business (%)	9.6	15.9	11.2	10.8	9.0
Operating EBITDA margin (%)	14.4	17.4	16.5	16.0	14.1
Operating EBIT margin (%)	4.9	10.1	9.3	8.9	7.1
Net margin (%)	3.5	4.0	5.6	5.9	5.2
Effective tax rate (%)	38.6	30.8	21.0	21.0	21.0
Dividend payout on recurring profit (%)	25.2	16.0	32.0	28.0	33.8
Interest cover (X)	5.4	6.8	7.9	8.7	8.4
Inventory days	39.4	35.8	40.6	40.0	39.2
Debtor days	31.4	24.8	30.9	30.6	30.7
Creditor days	57.9	51.7	61.1	60.3	59.1
Operating ROIC (%)	6.9	24.0	21.5	18.4	16.8
ROIC (%)	3.2	7.4	8.3	9.7	9.7
ROE (%)	6.5	9.5	12.7	13.2	11.3
ROA (%)	2.8	5.6	6.1	6.5	6.0
* Pre-exceptional, pre-goodwill and fully diluted					
<b>Revenue by Division (THB m)</b>					
Petroleum exploration and production	192,963	194,893	196,842	198,810	200,798
Natural gas	512,874	531,465	531,465	531,465	531,465
Coal	22,654	21,452	21,452	21,452	21,452
Oil	511,478	531,211	531,211	531,211	531,211

Sources: PTT PCL; FSSIA estimates

## Financial Statements

### PTT PCL

Cash Flow (THB m) Year Ending Dec	2020	2021	2022E	2023E	2024E
Recurring net profit	56,783	89,249	134,095	151,749	141,896
Depreciation	154,591	163,799	173,007	182,215	191,423
Associates & minorities	(4,178)	(9,010)	(9,911)	(10,902)	(11,992)
Other non-cash items	79,186	(79,095)	130,046	130,131	130,287
Change in working capital	3,052	(52,023)	101,680	103,932	103,863
<b>Cash flow from operations</b>	<b>289,435</b>	<b>112,921</b>	<b>528,917</b>	<b>557,125</b>	<b>555,476</b>
Capex - maintenance	-	-	-	-	-
Capex - new investment	(110,494)	(110,494)	(110,494)	(110,494)	(110,494)
Net acquisitions & disposals	5,283	5,194	5,194	5,194	5,194
Other investments (net)	0	0	0	0	0
<b>Cash flow from investing</b>	<b>(105,212)</b>	<b>(105,300)</b>	<b>(105,300)</b>	<b>(105,300)</b>	<b>(105,300)</b>
Dividends paid	(14,281)	(14,281)	(42,844)	(42,415)	(47,998)
Equity finance	0	0	0	0	0
Debt finance	109,972	129,476	0	0	0
Other financing cash flows	(240,423)	(142,117)	(181,118)	(181,203)	(181,358)
<b>Cash flow from financing</b>	<b>(144,733)</b>	<b>(26,922)</b>	<b>(223,962)</b>	<b>(223,617)</b>	<b>(229,357)</b>
Non-recurring cash flows	-	-	-	-	-
Other adjustments	0	0	0	0	0
<b>Net other adjustments</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Movement in cash</b>	<b>39,490</b>	<b>(19,302)</b>	<b>199,654</b>	<b>228,207</b>	<b>220,819</b>
Free cash flow to firm (FCFF)	212,759.39	35,783.75	454,040.89	482,055.02	480,211.44
Free cash flow to equity (FCFE)	53,771.55	(5,020.35)	242,498.77	270,622.10	268,817.16

### Per share (THB)

FCFF per share	7.45	1.25	15.90	16.88	16.81
FCFE per share	1.88	(0.18)	8.49	9.47	9.41
Recurring cash flow per share	10.03	5.77	14.96	15.87	15.81

Balance Sheet (THB m) Year Ending Dec	2020	2021	2022E	2023E	2024E
Tangible fixed assets (gross)	1,910,343	2,020,837	2,131,332	2,241,826	2,352,320
Less: Accumulated depreciation	(1,392,217)	(1,556,017)	(1,729,024)	(1,911,239)	(2,102,661)
<b>Tangible fixed assets (net)</b>	<b>518,126</b>	<b>464,821</b>	<b>402,308</b>	<b>330,588</b>	<b>249,659</b>
<b>Intangible fixed assets (net)</b>	<b>21,678</b>	<b>21,679</b>	<b>21,679</b>	<b>21,679</b>	<b>21,679</b>
Long-term financial assets	-	-	-	-	-
Invest. in associates & subsidiaries	75,680	128,779	184,568	241,347	299,217
Cash & equivalents	333,251	313,949	513,604	741,811	962,630
A/C receivable	110,528	196,243	207,158	222,069	236,565
Inventories	129,779	210,410	222,114	238,101	253,644
Other current assets	147,372	132,804	583,070	579,144	575,483
<b>Current assets</b>	<b>720,930</b>	<b>853,406</b>	<b>1,525,945</b>	<b>1,781,126</b>	<b>2,028,321</b>
Other assets	1,207,769	1,609,335	963,831	889,566	816,413
<b>Total assets</b>	<b>2,544,183</b>	<b>3,078,019</b>	<b>3,098,330</b>	<b>3,264,306</b>	<b>3,415,289</b>
Common equity	882,040	1,006,696	1,097,947	1,207,281	1,301,178
Minorities etc.	403,805	466,243	393,333	425,934	459,817
<b>Total shareholders' equity</b>	<b>1,285,845</b>	<b>1,472,940</b>	<b>1,491,280</b>	<b>1,633,215</b>	<b>1,760,995</b>
Long term debt	664,732	786,224	781,224	776,224	771,224
Other long-term liabilities	295,579	325,201	306,563	303,542	300,355
<b>Long-term liabilities</b>	<b>960,312</b>	<b>1,111,425</b>	<b>1,087,786</b>	<b>1,079,766</b>	<b>1,071,578</b>
A/C payable	174,873	316,864	334,488	358,564	381,970
Short term debt	98,793	106,778	114,763	122,748	130,733
Other current liabilities	24,360	70,013	70,013	70,013	70,013
<b>Current liabilities</b>	<b>298,026</b>	<b>493,654</b>	<b>519,264</b>	<b>551,325</b>	<b>582,716</b>
<b>Total liabilities and shareholders' equity</b>	<b>2,544,183</b>	<b>3,078,019</b>	<b>3,098,330</b>	<b>3,264,306</b>	<b>3,415,289</b>
Net working capital	188,446	152,580	607,841	610,738	613,708
Invested capital	2,011,699	2,377,193	2,180,226	2,093,918	2,000,676

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

### Per share (THB)

Book value per share	30.88	35.24	38.44	42.27	45.55
Tangible book value per share	30.12	34.49	37.68	41.51	44.80

### Financial strength

Net debt/equity (%)	33.5	39.3	25.6	9.6	(3.4)
Net debt/total assets (%)	16.9	18.8	12.3	4.8	(1.8)
Current ratio (x)	2.4	1.7	2.9	3.2	3.5
CF interest cover (x)	9.5	4.0	12.6	13.6	13.6

Valuation	2020	2021	2022E	2023E	2024E
<b>Recurring P/E (x) *</b>	<b>20.1</b>	<b>12.8</b>	<b>8.5</b>	<b>7.5</b>	<b>8.1</b>
<b>Recurring P/E @ target price (x) *</b>	<b>30.2</b>	<b>19.2</b>	<b>12.8</b>	<b>11.3</b>	<b>12.1</b>
Reported P/E (x)	30.3	10.5	8.5	7.5	8.1
Dividend yield (%)	1.3	1.3	3.8	3.7	4.2
Price/book (x)	1.3	1.1	1.0	0.9	0.9
Price/tangible book (x)	1.3	1.2	1.1	1.0	0.9
EV/EBITDA (x) **	8.5	5.6	4.9	4.2	4.0
EV/EBITDA @ target price (x) **	10.9	7.0	6.3	5.6	5.5
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: PTT 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	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	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	TTB	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	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

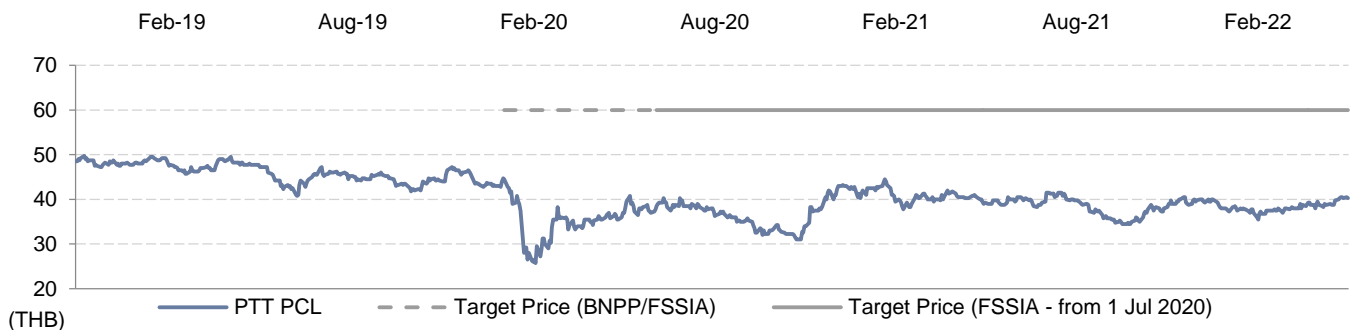
The individual(s) identified above certify(ies) that (i) all views expressed in this report accurately reflect the personal view of the analyst(s) with regard to any and all of the subject securities, companies or issuers mentioned in this report; and (ii) no part of the compensation of the analyst(s)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

#### PTT PCL (PTT TB)



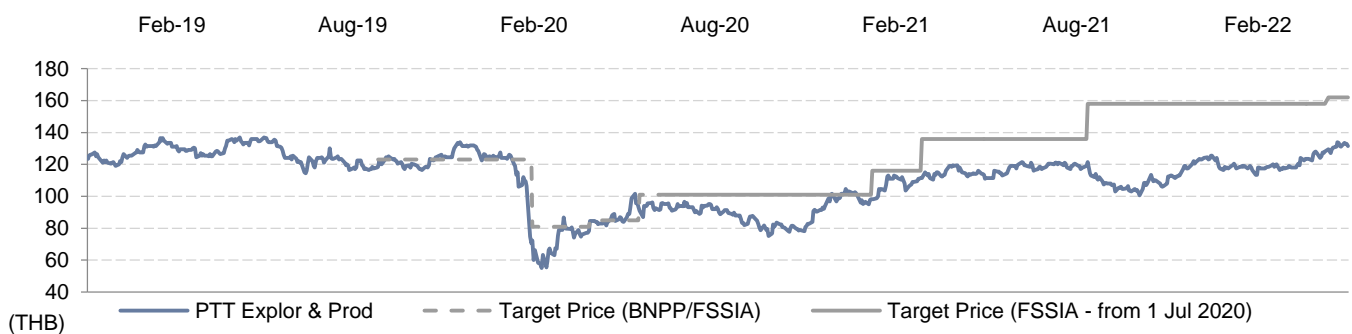
Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
21-Feb-2020	BUY	60.00	-	-	-	-	-	-

Suwat Sinsadok, CFA, FRM, ERP started covering this stock from 12-May-2020

Price and TP are in local currency

Source: FSSIA estimates

#### PTT Explor & Prod (PTTEP TB)



Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
29-Oct-2019	HOLD	123.00	30-Apr-2020	BUY	85.00	11-Feb-2021	BUY	136.00
11-Mar-2020	HOLD	81.00	12-Jun-2020	BUY	101.00	05-Jul-2021	BUY	158.00
26-Mar-2020	BUY	81.00	30-Dec-2020	BUY	116.00	28-Jan-2022	BUY	162.00

Suwat Sinsadok, CFA, FRM, ERP started covering this stock from 12-Jun-2020

Price and TP are in local currency

Source: FSSIA estimates

Company	Ticker	Price	Rating	Valuation & Risks
PTT PCL	PTT TB	THB 40.00	BUY	Risks to our SoTP-based valuation are the oil price and potential earnings downside from government intervention.
PTT Explor & Prod	PTTEP TB	THB 131.50	BUY	Risks our TP, which is based on EV/EBITDA, are a sharp decline in oil price and a potential earnings downside from government intervention.

Source: FSSIA estimates



**Additional Disclosures**

Target price history, stock price charts, valuation and risk details, and equity rating histories applicable to each company rated in this report is available in our most recently published reports. You can contact the analyst named on the front of this note or your representative at 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 17-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.