

# GULF ENERGY DEVELOPMENT

THAILAND / UTILITIES - CONVENTIONAL

# GULF TB

# BUY

UNCHANGED

## Strong INTUCH-driven 4Q21 results

- 4Q21 core NP was THB2.7b (+19% q-q, +120% y-y), driven by the THB1.1b share of profit from INTUCH and stronger operations.
- In 4Q21, the gas cost for SPPs jumped to THB337/mmbtu (+25% q-q, +57% y-y) due to the higher LNG price.
- Maintain BUY and our SoTP-based TP of THB60.

TARGET PRICE	THB60.00
CLOSE	THB52.00
UP/DOWNSIDE	+15.4%
TP vs CONSENSUS	+23.4%

### Solid all-around earnings in 4Q21

GULF's 4Q21 net profit (NP) was THB3b, up 92% q-q and 65% y-y, beating the BBG consensus by 20% and our estimate by 10%. Key drivers were: 1) a THB242m FX gain; 2) a THB1.1b share of profit from Intouch Holdings (INTUCH TB, BUY, TP THB86.8); and 3) a THB675m share of profit from Gulf JP (GJP). In 4Q21, the gas cost for its 19 small power producers (SPPs) jumped to THB337/mmbtu (+25% q-q, +57% y-y) due to the higher LNG price. 4Q21 core NP was THB2.7b (+19% q-q, +120% y-y), mainly driven by the THB1.1b share of profit from INTUCH and the stronger operations of: 1) cTHB0.8b NP from the 1.25GW Gulf Sriracha (GSRC) independent power producer (IPP) units 1 & 2 (COD Mar and Oct-21); and 2) higher electricity and steam volumes sold to the Electricity Generating Authority of Thailand (EGAT) and industrial users (IU) from its 12 SPPs under Gulf Mitsui Power (GMP). The EBITDA margin rose to 32.6% in 4Q21, up from 30.6% in 3Q21, due to higher sales volumes.

### Higher sales volumes offset gas cost spike

The higher sales volume in 4Q21 came from higher electricity sales volumes from the 12 SPPs under GMP at 592GWh (+14% y-y, +4% q-q) and a rising steam sales volume of 183k tonnes sold to IUs (+1.5% y-y, +12% q-q) to offset the weaker volume of 1,848GWh sold to EGAT (-0.3% y-y, -7% q-q). Sales volumes for GJP's two IPPs rose to 570GWh in 4Q21 (-15% y-y, +89% q-q) and electricity sales volumes to IUs from the 7 SPPs under GJP amounted to 287GWh (+2% y-y, -1% q-q). The share of profits from GJP rose to THB675m in 4Q21 (THB152m FX gain), up from THB34m in 3Q21 (THB577m FX loss). The 4Q21 higher gas cost drove production costs higher by 84% y-y vs a 64% y-y rise in revenue.

### 2022 net profit outlook remains sanguine

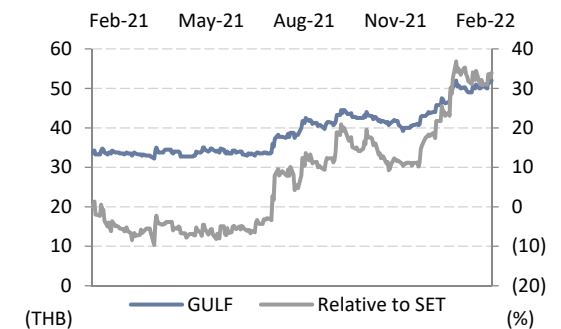
We expect GULF's 2022 core NP to rise to THB14b, driven by: 1) NPs from BKR2 and GSRC; 2) higher NPs from SPPs and IPPs on the higher demand post reopening; and 3) the share of profits from INTUCH.

### Still our top pick in the Thai power sector

We maintain BUY and our SoTP-based TP of THB60. We think GULF's NP growth will accelerate in 2022-23 on new growth projects.

### KEY STOCK DATA

YE Dec (THB m)	2021	2022E	2023E	2024E
Revenue	47,467	76,192	76,374	77,844
Net profit	7,670	13,752	14,799	15,669
EPS (THB)	0.65	1.17	1.26	1.34
vs Consensus (%)	-	11.5	(2.2)	-
EBITDA	16,913	22,667	24,078	22,635
Core net profit	8,812	13,752	14,799	15,669
Core EPS (THB)	0.75	1.17	1.26	1.34
Chg. In EPS est. (%)	nm	1.9	0.2	nm
EPS growth (%)	96.8	56.1	7.6	5.9
Core P/E (x)	69.2	44.4	41.2	38.9
Dividend yield (%)	0.8	1.3	1.3	1.3
EV/EBITDA (x)	44.5	33.1	30.9	32.4
Price/book (x)	6.3	5.8	5.5	5.1
Net debt/Equity (%)	122.6	103.2	86.5	66.1
ROE (%)	11.0	13.6	13.6	13.6



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	3.0	26.8	50.7
Relative to country (%)	(0.2)	22.2	32.9
Mkt cap (USD m)	18,963		
3m avg. daily turnover (USD m)	44.5		
Free float (%)	27		
Major shareholder	Mr. Sarath Ratanavadi (35%)		
12m high/low (THB)	52.75/31.00		
Issued shares (m)	11,733.15		

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>9,309</b>	<b>11,903</b>	<b>15,287</b>	<b>28.4</b>	<b>64.2</b>	<b>32,827</b>	<b>47,467</b>	<b>44.6</b>
Operating costs	(5,600)	(8,262)	(10,311)	24.8	84.1	(22,155)	(30,554)	37.9
<b>EBITDA</b>	<b>3,709</b>	<b>3,642</b>	<b>4,977</b>	<b>36.7</b>	<b>34.2</b>	<b>10,672</b>	<b>16,913</b>	<b>58.5</b>
EBITDA margin (%)	39.8	30.6	32.6	nm	nm	32.5	35.6	nm
Depn & amort.	(1,221)	(1,271)	(1,272)	0.1	4.2	(3,431)	(4,989)	45.4
EBIT	2,488	2,370	3,705	56.3	48.9	7,241	11,924	64.7
Interest expense	(1,040)	(1,753)	(1,737)	(0.9)	67.0	(3,665)	(5,596)	52.7
Interest & invt inc	19	20	27	37.7	41.4	83	83	(0.1)
Other income	2	1	3	192.4	115.3	460	2,433	428.9
Associates' contrib	979	175	1,936	1,003.6	97.8	2,462	2,886	17.2
Exceptional	455	956	237	(75.2)	(47.8)	(330)	(2,217)	572.5
<b>Pretax profit</b>	<b>2,903</b>	<b>1,770</b>	<b>4,172</b>	<b>135.7</b>	<b>43.7</b>	<b>6,252</b>	<b>9,514</b>	<b>52.2</b>
Tax	(167)	(91)	(308)	240.3	84.0	(107)	(347)	223.4
Tax rate (%)	5.8	5.1	7.4	nm	nm	1.7	3.6	nm
Minority interests	(891)	(91)	(821)	801.9	(7.9)	(1,862)	(1,497)	(19.6)
<b>Net profit</b>	<b>1,844</b>	<b>1,588</b>	<b>3,043</b>	<b>91.6</b>	<b>65.0</b>	<b>4,282</b>	<b>7,670</b>	<b>79.1</b>
Non-recurring	605	(705)	315	nm	(47.9)	(196)	(1,142)	483.0
<b>Core net profit</b>	<b>1,239</b>	<b>2,293</b>	<b>2,728</b>	<b>19.0</b>	<b>120.2</b>	<b>4,478</b>	<b>8,812</b>	<b>96.8</b>
EPS (THB)	0.16	0.14	0.26	91.6	65.0	0.36	0.65	79.1
Core EPS (THB)	0.11	0.20	0.23	19.0	120.2	0.38	0.75	96.8

Sources: GULF; FSSIA estimates

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

	4Q20	3Q21	4Q21	Change		2020	2021	Change
	(THB m)	(THB m)	(THB m)	(q-q %)	(y-y %)	(THB m)	(THB m)	(y-y %)
<b>Profit for the period</b>	<b>2,736</b>	<b>1,679</b>	<b>3,864</b>	<b>130.1</b>	<b>41.2</b>	<b>6,144</b>	<b>9,167</b>	<b>49.2</b>
<b>Profit attributable to owners of the parent</b>	<b>1,844</b>	<b>1,588</b>	<b>3,043</b>	<b>91.6</b>	<b>65.0</b>	<b>4,282</b>	<b>7,670</b>	<b>79.1</b>
Gain/(loss) on exchange rate attributable to owners of the parent	612	(767)	242	nm	(60.5)	(189)	(1,227)	549.2
Unrealized gain (loss) on derivatives of PTT NGD	0	62	73	17.7	nm	(7)	86	nm
<b>Profit attributable to owners of parent before gain (loss) on FX (core profit)</b>	<b>1,239</b>	<b>2,293</b>	<b>2,728</b>	<b>19.0</b>	<b>120.2</b>	<b>4,478</b>	<b>8,812</b>	<b>96.8</b>
Gross profit margin (sales)*	36.1	24.6	28.6	4.0	(7.5)	28	27	(0.3)
Gross profit margin (service)*	51.4	56.3	56.9	0.6	5.5	54	55	0.6
Average natural gas cost per unit (SPP under GMP) (THB/mmbtu)	214.0	268.6	336.7	25.4	57.3	244.5	266.0	37.7
Average natural gas cost per unit (IPP under GSRC) (THB/mmbtu)	220.0	259.2	327.4	29.9	48.8	240.0	263.5	40.3

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

Source: GULF

## Exhibit 3: 4Q21/2021 share of profits from associates and joint ventures

	4Q20	3Q21	4Q21	Change		2020	2021	Change
	(THB m)	(THB m)	(THB m)	(q-q %)	(y-y %)	(THB m)	(THB m)	(y-y %)
Share of profit from INTUCH	0	0	1,105	nm	nm	0	1,105	nm
Share of profit from GJP	977	34	675	1,885.3	(30.9)	2,487	1,370	nm
Share of profit from PTT NGD	3	129	105	(18.6)	3,400.0	3	300	9,900.0
Share of profit from GJP1	0	0	0	nm	nm	0	0	nm
Share of profit from the joint venture GULF WHA MT	1	1	1	0.0	0.0	(1)	3	nm
Share of profit from the joint venture BSE	0	0	0	nm	nm	(7)	(1)	(85.7)
Share of profit from the joint venture HKH	(2)	(2)	(6)	200.0	200.0	(8)	(14)	75.0
Share of profit from the joint venture BPH	0	0	0	nm	nm	1	1	0.0
Share of profit from BGSR 6	0	0	(2)	nm	nm	0	(2)	nm
Share of profit from BGSR 81	0	0	(2)	nm	nm	0	(2)	nm
Share of profit from GPC	0	0	0	nm	nm	0	0	nm
Share of profit from GMIM	0	5	42	740.0	nm	0	88	nm
Share of profit from a project in Oman	(1)	10	18	80.0	nm	(13)	38	nm
<b>Total share of profit from associates and joint ventures</b>	<b>979</b>	<b>175</b>	<b>1,936</b>	<b>1,006.3</b>	<b>97.8</b>	<b>2,462</b>	<b>2,886</b>	<b>17.2</b>
gain/(loss) on exchange rate from INTUCH's share of profit	0	0	12	nm	nm	0	12	nm
<b>INTUCH's share of core profit</b>	<b>0</b>	<b>0</b>	<b>1,093</b>	<b>nm</b>	<b>nm</b>	<b>0</b>	<b>1,093</b>	<b>nm</b>
gain/(loss) on exchange rate from GJP's share of profit	544	(577)	152	nm	(72.1)	26	(1,076)	nm
<b>GJP's share of core profit</b>	<b>433</b>	<b>611</b>	<b>523</b>	<b>(14.4)</b>	<b>20.8</b>	<b>2,461</b>	<b>2,446</b>	<b>(0.6)</b>
Unrealized gain/(loss) on derivatives of PTT NGD	(7)	62	73	17.7	nm	(7)	86	nm
<b>PTT NGD's share of core profit</b>	<b>10</b>	<b>67</b>	<b>32</b>	<b>(52.2)</b>	<b>220.0</b>	<b>10</b>	<b>214</b>	<b>2,040.0</b>
<b>Total share of core profit from associates and JVs</b>	<b>442</b>	<b>690</b>	<b>1,699</b>	<b>146.2</b>	<b>284.4</b>	<b>2,443</b>	<b>3,864</b>	<b>58.2</b>

Source: GULF

## Financial Statements

### Gulf Energy Development

Profit and Loss (THB m) Year Ending Dec	2020	2021	2022E	2023E	2024E
Revenue	32,827	47,467	76,192	76,374	77,844
Cost of goods sold	(20,271)	(29,399)	(47,962)	(46,949)	(50,538)
<b>Gross profit</b>	<b>12,556</b>	<b>18,068</b>	<b>28,229</b>	<b>29,424</b>	<b>27,306</b>
Other operating income	-	-	-	-	-
Operating costs	(1,884)	(1,155)	(5,562)	(5,346)	(4,671)
<b>Operating EBITDA</b>	<b>10,672</b>	<b>16,913</b>	<b>22,667</b>	<b>24,078</b>	<b>22,635</b>
Depreciation	(3,431)	(4,989)	(5,180)	(5,503)	(5,503)
Goodwill amortisation	0	0	0	0	0
<b>Operating EBIT</b>	<b>7,241</b>	<b>11,924</b>	<b>17,487</b>	<b>18,575</b>	<b>17,132</b>
Net financing costs	(3,715)	(6,587)	(4,085)	(4,376)	(1,277)
Associates	2,462	2,886	5,015	5,928	7,829
Recurring non-operating income	2,922	5,319	5,035	5,948	7,849
Non-recurring items	(196)	(1,142)	0	0	0
<b>Profit before tax</b>	<b>6,252</b>	<b>9,514</b>	<b>18,437</b>	<b>20,147</b>	<b>23,704</b>
Tax	(107)	(347)	(503)	(970)	(1,135)
<b>Profit after tax</b>	<b>6,144</b>	<b>9,167</b>	<b>17,934</b>	<b>19,177</b>	<b>22,569</b>
Minority interests	(1,862)	(1,497)	(4,182)	(4,378)	(6,900)
Preferred dividends	0	0	0	0	0
Other items	-	-	-	-	-
<b>Reported net profit</b>	<b>4,282</b>	<b>7,670</b>	<b>13,752</b>	<b>14,799</b>	<b>15,669</b>
<b>Non-recurring items &amp; goodwill (net)</b>	<b>196</b>	<b>1,142</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Recurring net profit</b>	<b>4,478</b>	<b>8,812</b>	<b>13,752</b>	<b>14,799</b>	<b>15,669</b>
<b>Per share (THB)</b>					
Recurring EPS *	0.38	0.75	1.17	1.26	1.34
Reported EPS	0.36	0.65	1.17	1.26	1.34
DPS	0.25	0.44	0.70	0.70	0.70
Diluted shares (used to calculate per share data)	11,733	11,733	11,733	11,733	11,733
<b>Growth</b>					
Revenue (%)	9.3	44.6	60.5	0.2	1.9
Operating EBITDA (%)	61.9	58.5	34.0	6.2	(6.0)
Operating EBIT (%)	74.1	64.7	46.7	6.2	(7.8)
Recurring EPS (%)	16.0	96.8	56.1	7.6	5.9
Reported EPS (%)	(20.3)	79.1	79.3	7.6	5.9
<b>Operating performance</b>					
Gross margin inc. depreciation (%)	27.8	27.6	30.3	31.3	28.0
Gross margin of key business (%)	27.8	27.6	30.3	31.3	28.0
Operating EBITDA margin (%)	32.5	35.6	29.8	31.5	29.1
Operating EBIT margin (%)	22.1	25.1	23.0	24.3	22.0
Net margin (%)	13.6	18.6	18.0	19.4	20.1
Effective tax rate (%)	2.8	5.2	3.7	6.8	7.1
Dividend payout on recurring profit (%)	65.5	58.6	59.7	55.5	52.4
Interest cover (X)	2.7	2.6	5.5	5.6	19.6
Inventory days	-	-	-	-	-
Debtor days	60.4	58.6	49.5	56.7	62.8
Creditor days	27.4	27.5	30.8	38.7	36.9
Operating ROIC (%)	5.5	(1.9)	(2.7)	(2.8)	(2.6)
ROIC (%)	5.0	(1.3)	(1.4)	(1.5)	(1.5)
ROE (%)	8.7	11.0	13.6	13.6	13.6
ROA (%)	4.9	3.0	4.6	4.8	5.6
* Pre-exceptional, pre-goodwill and fully diluted					
<b>Revenue by Division (THB m)</b>					
Power business	31,772	42,324	70,940	71,122	72,593
Consulting business	1,154	5,772	5,772	5,772	5,772
Others	(99)	(629)	(521)	(521)	(521)

Sources: Gulf Energy Development; FSSIA estimates

## Financial Statements

### Gulf Energy Development

Cash Flow (THB m) Year Ending Dec	2020	2021	2022E	2023E	2024E
Recurring net profit	4,478	8,812	13,752	14,799	15,669
Depreciation	3,431	4,989	5,180	5,503	5,503
Associates & minorities	2,462	2,886	5,015	5,928	7,829
Other non-cash items	-	-	-	-	-
Change in working capital	2,798	1,823	6,236	(1,597)	(883)
<b>Cash flow from operations</b>	<b>13,169</b>	<b>18,510</b>	<b>30,184</b>	<b>24,632</b>	<b>28,117</b>
Capex - maintenance	(3,152)	(4,285)	(3,395)	(3,805)	(3,805)
Capex - new investment	(49,037)	(1,114)	(13,043)	(462)	(2,108)
Net acquisitions & disposals	(832)	(113,494)	0	0	0
Other investments (net)	436	55,878	5,015	5,928	7,829
<b>Cash flow from investing</b>	<b>(52,585)</b>	<b>(63,015)</b>	<b>(11,423)</b>	<b>1,661</b>	<b>1,916</b>
Dividends paid	(2,773)	(2,933)	(5,163)	(8,213)	(8,213)
Equity finance	0	0	0	0	0
Debt finance	27,702	54,256	(10,931)	0	0
Other financing cash flows	16,000	(2,874)	(5,848)	(7,477)	(4,542)
<b>Cash flow from financing</b>	<b>40,929</b>	<b>48,449</b>	<b>(21,942)</b>	<b>(15,691)</b>	<b>(12,755)</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>1,513</b>	<b>3,944</b>	<b>(3,181)</b>	<b>10,603</b>	<b>17,278</b>
Free cash flow to firm (FCFF)	(35,750.90)	(38,909.14)	23,640.23	31,336.18	32,401.22
Free cash flow to equity (FCFE)	4,285.96	6,877.73	1,981.82	18,815.82	25,491.10

Per share (THB)	2020	2021	2022E	2023E	2024E
FCFF per share	(3.05)	(3.32)	2.01	2.67	2.76
FCFE per share	0.37	0.59	0.17	1.60	2.17
Recurring cash flow per share	0.88	1.42	2.04	2.24	2.47

Balance Sheet (THB m) Year Ending Dec	2020	2021	2022E	2023E	2024E
Tangible fixed assets (gross)	139,958	144,790	159,443	162,012	162,012
Less: Accumulated depreciation	(10,240)	(14,662)	(18,057)	(21,862)	(25,668)
<b>Tangible fixed assets (net)</b>	<b>129,718</b>	<b>130,128</b>	<b>141,386</b>	<b>140,150</b>	<b>136,345</b>
<b>Intangible fixed assets (net)</b>	<b>17,354</b>	<b>18,964</b>	<b>18,964</b>	<b>18,964</b>	<b>18,964</b>
Long-term financial assets	-	-	-	-	-
Invest. in associates & subsidiaries	22,079	135,573	135,573	135,573	135,573
Cash & equivalents	15,902	19,847	16,666	27,268	44,546
A/C receivable	5,660	9,569	11,093	12,620	14,177
Inventories	0	0	0	0	0
Other current assets	8,792	9,395	15,081	15,117	15,408
<b>Current assets</b>	<b>30,354</b>	<b>38,811</b>	<b>42,839</b>	<b>55,005</b>	<b>74,131</b>
Other assets	46,075	39,197	39,197	39,197	39,197
<b>Total assets</b>	<b>245,580</b>	<b>362,674</b>	<b>377,960</b>	<b>388,890</b>	<b>404,211</b>
Common equity	64,027	96,596	105,185	111,771	119,227
Minorities etc.	8,053	10,913	15,095	19,473	26,373
<b>Total shareholders' equity</b>	<b>72,080</b>	<b>107,509</b>	<b>120,281</b>	<b>131,244</b>	<b>145,600</b>
Long term debt	83,544	138,761	138,761	138,761	138,761
Other long-term liabilities	60,314	81,387	81,387	81,387	81,387
<b>Long-term liabilities</b>	<b>143,858</b>	<b>220,148</b>	<b>220,148</b>	<b>220,148</b>	<b>220,148</b>
A/C payable	1,353	3,080	5,025	4,919	5,295
Short term debt	13,892	12,931	2,000	2,000	2,000
Other current liabilities	14,397	19,005	30,505	30,578	31,167
<b>Current liabilities</b>	<b>29,643</b>	<b>35,016</b>	<b>37,531</b>	<b>37,498</b>	<b>38,462</b>
<b>Total liabilities and shareholders' equity</b>	<b>245,581</b>	<b>362,674</b>	<b>377,960</b>	<b>388,890</b>	<b>404,211</b>
Net working capital	(1,298)	(3,121)	(9,357)	(7,760)	(6,877)
Invested capital	213,928	320,742	325,764	326,124	323,202

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

Per share (THB)	2020	2021	2022E	2023E	2024E
Book value per share	5.46	8.23	8.96	9.53	10.16
Tangible book value per share	3.98	6.62	7.35	7.91	8.55

Financial strength	2020	2021	2022E	2023E	2024E
Net debt/equity (%)	113.1	122.6	103.2	86.5	66.1
Net debt/total assets (%)	33.2	36.4	32.8	29.2	23.8
Current ratio (x)	1.0	1.1	1.1	1.5	1.9
CF interest cover (x)	15.4	2.2	4.7	5.4	22.6

Valuation	2020	2021	2022E	2023E	2024E
<b>Recurring P/E (x) *</b>	<b>136.2</b>	<b>69.2</b>	<b>44.4</b>	<b>41.2</b>	<b>38.9</b>
<b>Recurring P/E @ target price (x) *</b>	<b>157.2</b>	<b>79.9</b>	<b>51.2</b>	<b>47.6</b>	<b>44.9</b>
Reported P/E (x)	142.5	79.5	44.4	41.2	38.9
Dividend yield (%)	0.5	0.8	1.3	1.3	1.3
Price/book (x)	9.5	6.3	5.8	5.5	5.1
Price/tangible book (x)	13.1	7.9	7.1	6.6	6.1
EV/EBITDA (x) **	65.6	44.5	33.1	30.9	32.4
EV/EBITDA @ target price (x) **	74.4	50.1	37.2	34.8	36.5
EV/invested capital (x)	3.3	2.3	2.3	2.3	2.3

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

Sources: Gulf Energy Development; 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	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	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

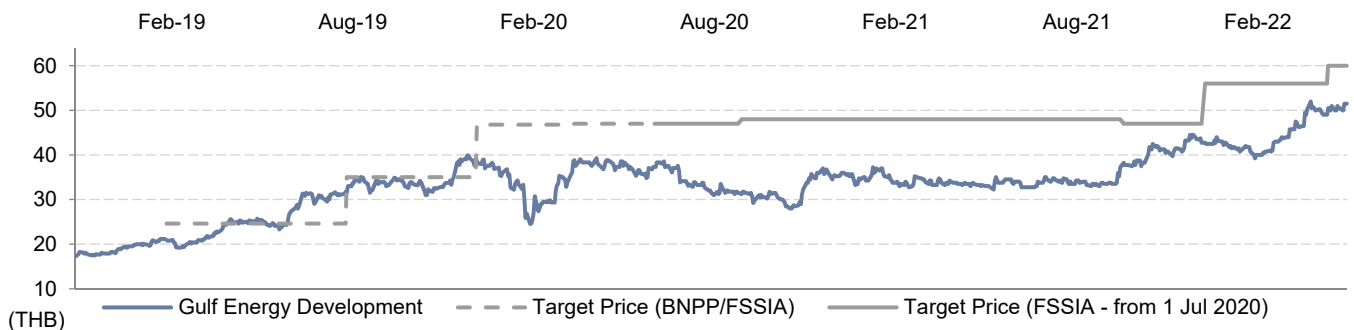
The individual(s) identified above certify(ies) that (i) all views expressed in this report accurately reflect the personal view of the analyst(s) with regard to any and all of the subject securities, companies or issuers mentioned in this report; and (ii) no part of the compensation of the analyst(s)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

**Gulf Energy Development (GULF TB)**



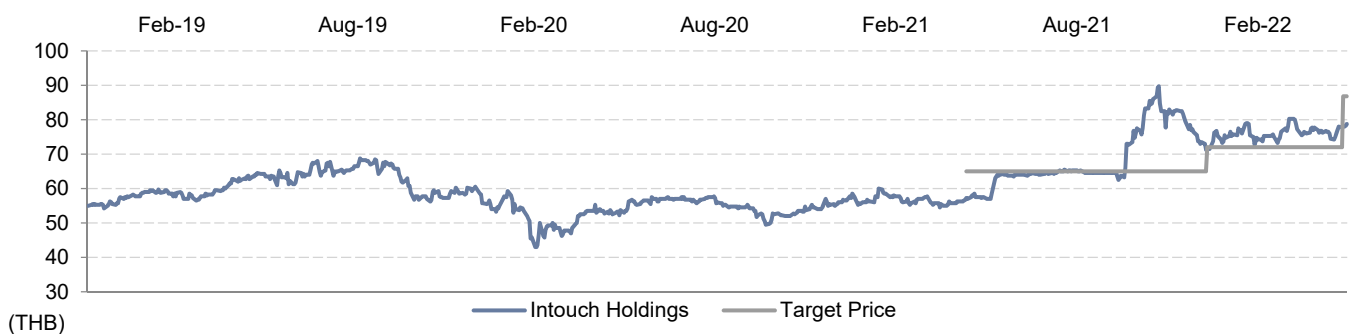
Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
08-May-2019	BUY	24.60	22-Apr-2020	BUY	47.00	15-Oct-2021	BUY	56.00
10-Oct-2019	BUY	35.00	11-Sep-2020	BUY	48.00	31-Jan-2022	BUY	60.00
30-Jan-2020	BUY	46.80	06-Aug-2021	BUY	47.00			

Suwat Sinsadok, CFA, FRM, ERP started covering this stock from 30-Jun-2020

Price and TP are in local currency

Source: FSSIA estimates

**Intouch Holdings (INTUCH TB)**



Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
24-Mar-2021	BUY	65.00	19-Oct-2021	HOLD	72.00	-	-	-
05-May-2021	HOLD	65.00	14-Feb-2022	BUY	86.80			

Naruedom Mujjalinkool started covering this stock from 24-Mar-2021

Price and TP are in local currency

Source: FSSIA estimates

Company	Ticker	Price	Rating	Valuation & Risks
Gulf Energy Development	GULF TB	THB 52.00	BUY	The downside risks to our SoTP-based TP on GULF include 1) lower-than-expected demand for electricity in Thailand; 2) a lower crude price; and 3) delays in project commercial operation dates.
Intouch Holdings	INTUCH TB	THB 78.75	BUY	The key downside risks to our NAV-discounted TP are if the sluggish performance from the satellite business continues and if there is a slower-than-expected 5G adoption rate.

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 18-Feb-2022 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.