

ESSO THAILAND

THAILAND / OIL & GAS

ESSO TB

BUY

UNCHANGED

หากการเติบโตเพิ่มขึ้น

- ESSO มีโอกาสในการขยายการผลิตและปริมาณขายได้อีกผ่านธุรกิจโรงกลั่นและสถานีบริการน้ำมัน
- เราคาดว่า ESSO จะรายงานกำไรสุทธิ 2Q22 ในระดับสูงถึง 8.6 พัน ลบ. และคาดว่ากำไรปกติจะกระโดดเพิ่มเป็น 7.1 พัน ลบ. (+272% q-q, +4,729% y-y) ใน 2Q22
- คงแนะนำซื้อหลังปรับราคาเป้าหมายเพิ่มจาก 12.9 บาทเป็น 13 บาท (SoTP)

TARGET PRICE	THB13.00
CLOSE	THB10.60
UP/DOWNSIDE	+22.6%
PRIOR TP	THB12.90
CHANGE IN TP	+0.8%
TP vs CONSENSUS	+4.7%

KEY STOCK DATA

YE Dec (THB m)	2021	2022E	2023E	2024E
Revenue	172,878	280,532	259,946	261,606
Net profit	4,443	20,866	6,968	7,121
EPS (THB)	1.28	6.03	2.01	2.06
vs Consensus (%)	-	154.8	25.6	24.1
EBITDA	5,223	28,730	11,213	11,454
Core net profit	920	20,866	6,968	7,121
Core EPS (THB)	0.27	6.03	2.01	2.06
Chg. In EPS est. (%)	-	260.9	10.8	10.3
EPS growth (%)	nm	2,167.5	(66.6)	2.2
Core P/E (x)	39.9	1.8	5.3	5.2
Dividend yield (%)	4.7	4.7	4.7	4.7
EV/EBITDA (x)	11.2	1.5	3.8	3.6
Price/book (x)	1.9	1.0	0.9	0.8
Net debt/Equity (%)	112.9	17.9	14.7	9.1
ROE (%)	5.5	73.4	17.3	15.6

ความแข็งแกร่งของ ExxonMobil = การเติบโตที่ดีของ ESSO

พร้อมกันกับ SPRC เราคิดว่า ESSO เป็นหุ้นโรงกลั่นที่ดีที่สุดของไทยที่จะได้ประโยชน์อย่างเต็มที่และทันเวลาจากค่าการกลั่นในอดีตอุตสาหกรรมที่อยู่ในระดับสูงในปัจจุบันจากโครงสร้างต้นทุนที่อยู่ในระดับต่ำ ความยืดหยุ่นในด้านการดำเนินงานที่อยู่ในระดับสูงทั้งในด้านผลตอบแทนการผลิตและสัดส่วนน้ำมันดิบ ซึ่งเป็น 2 ปัจจัยสำคัญสำหรับความสามารถในการทำกำไรของโรงกลั่นในปัจจุบัน รวมถึงธุรกิจสถานีบริการน้ำมันปลายทางที่มีการเติบโตสูง นอกจากนี้การสนับสนุนอย่างแข็งขันของบริษัทแม่อย่าง ExxonMobil น่าจะช่วยเสริมความสามารถในการแข่งขันในธุรกิจโรงกลั่นของ ESSO ให้ดีขึ้นอย่างต่อเนื่องโดยเฉพาะอย่างยิ่งในแง่ของการจัดหาวัตถุดิบ พอร์ตสถานีบริการน้ำมันและโรงกลั่นที่มีการกระจายความเสี่ยงได้ดีน่าจะวาง ESSO ไว้ในตำแหน่งที่ดีสำหรับการเติบโตอย่างสมดุลในธุรกิจสถานีบริการน้ำมันปลีกของไทย

การมุ่งเน้นตลาดในประเทศ = การเติบโตของธุรกิจโรงกลั่นและสถานีบริการน้ำมันที่มากขึ้น

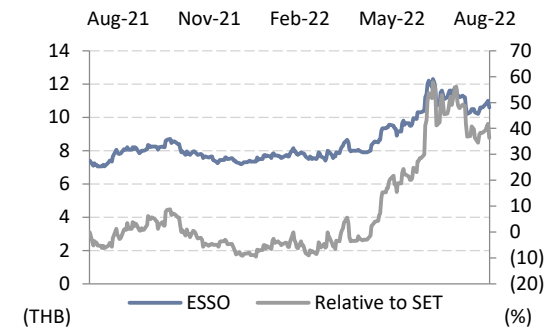
ต่างจากคู่แข่งในประเทศรายอื่น ESSO มีโอกาสขยายการผลิตและปริมาณขายผ่านธุรกิจโรงกลั่นและสถานีบริการน้ำมันได้อีกจากนโยบายการผลิตอย่างเป็นนัย ๆ ของบริษัทแม่อย่าง ExxonMobil ที่ให้ผลิตและขายแค่น้ำมันในประเทศไม่ใช่เพื่อการส่งออก การกลับตัวในยุทธศาสตร์การเติบโตของ ESSO เมื่อไม่นานมานี้มาขยายจำนวนสถานีบริการน้ำมันตั้งแต่ปี 2018 ได้ช่วยเสริมรากฐานการเติบโตให้ดียิ่งขึ้นเนื่องจากความต้องการภายในที่เพิ่มขึ้นจากสถานีบริการน้ำมันน่าจะช่วยให้อัตราการใช้จ่ายกำลังการผลิตของโรงกลั่นสูงขึ้นได้โดยตรง

ค่าการกลั่นในระดับสูงโดยไม่มีผลขาดทุนจากสัญญาป้องกันความเสี่ยง

ใน 2Q22 เราคาดว่า ESSO จะรายงานกำไรสุทธิที่ดีถึง 8.6 พัน ลบ. (+47% q-q, +1,052% y-y) เมื่อหักกำไรจากสินค้าคงคลัง เราคาดว่ากำไรปกติจะกระโดดเพิ่มเป็น 7.1 พัน ลบ. (+272% q-q, +4,729% y-y) ค่าการกลั่นที่ปรับขึ้นเป็น USD22/bbl จาก Gasoline-Dubai margin ที่พุ่งขึ้นใน 2Q22 และกำไรจากสินค้าคงคลังจำนวนมากน่าจะช่วยผลักดันให้ค่าการกลั่นพุ่งสูงเป็นประวัติการณ์ ในธุรกิจสถานีบริการน้ำมันเราคาดว่า ESSO จะรายงานการเติบโตของปริมาณขายทรงตัว q-q อย่างไรก็ตามค่าการกลั่นคาดว่าจะปรับขึ้นเป็นจำนวนมากเป็นกว่า 2.5 บาท/ลิตร จากสัดส่วนการขายน้ำมันคุณภาพสูงที่อยู่ในระดับสูงของ ESSO ซึ่งให้ค่าการกลั่น 5-7 บาท/ลิตรเทียบกับที่เพียง 2.0 บาท/ลิตรสำหรับผลิตภัณฑ์น้ำมันโภคภัณฑ์

ปรับเพิ่มราคาเป้าหมายเป็น 13 บาท คงแนะนำซื้อ

เราคงแนะนำซื้อหลังปรับเพิ่มราคาเป้าหมายจาก 12.9 เป็น 13 บาท (SoTP) เพื่อสะท้อนประมาณการกำไรต่อหุ้นที่เพิ่มขึ้นในปี 2022-24 อีก 10-26% จากค่าการกลั่นและกำไรจากสินค้าคงคลังที่คาดว่าจะสูงขึ้น อัตราการใช้จ่ายกำลังการผลิตที่ปรับขึ้นเป็นกว่า 85% และค่าการกลั่นที่สูงขึ้นของสถานีบริการน้ำมัน



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	(10.2)	12.8	41.3
Relative to country (%)	(13.4)	15.9	35.0
Mkt cap (USD m)			1,020
3m avg. daily turnover (USD m)			15.0
Free float (%)			34
Major shareholder	Exxonmobil Asia Holdings Pte. Ltd. (66%)		
12m high/low (THB)	13.10/7.00		
Issued shares (m)	3,460.86		

Sources: Bloomberg consensus; FSSIA estimates



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บทวิเคราะห์ฉบับนี้แปลมาจากบทวิเคราะห์ของ FSSIA ฉบับวันที่ 5 สิงหาคม 2022

Investment thesis

We believe ESSO will be one of the key refiners in Asia to capture the projected widening diesel-fuel oil spreads. ESSO's earnings growth started to improve from 2017, with 30% of its earnings being derived from non-refinery businesses, including aromatics (10%) and fuel stations (20%). We believe that ESSO's recent change in growth strategy to increase the number of its fuel stations will allow it to not only improve its overall profitability but also position it to benefit from a USD2-4/bbl higher market GRM from a widening diesel-Dubai spread. We believe that higher refined oil demand from its expanded fuel station business will lead to rising refinery utilisation rates of 60-69% in 2022-23. We expect the aromatics margin, mainly the PX-naphtha spread, to remain weak in 2022 due to new PX supplies coming on-stream and driving down ESSO's PX earnings.

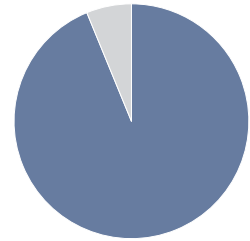
Company profile

Owned 66% by ExxonMobil, ESSO is one of Thailand's leading refiners with a 174kbpd refinery capacity and 500ktpa paraxylene (PX) production capacity. ESSO also operates a downstream oil station business.

www.esso.co.th

Principal activities (revenue, 2021)

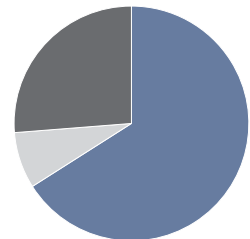
- Downstream - 93.8 %
- Petrochemicals - 6.2 %



Source: Esso Thailand

Major shareholders

- Exxonmobil Asia Holdings Pte. Ltd. - 66.0 %
- Thai NVDR - 7.8 %
- Others - 26.3 %



Source: Esso Thailand

Catalysts

Higher earnings from its downstream fuel stations, higher refinery utilisation rates, and higher market GRM and PX-naphtha margins are key potential earnings drivers.

Risks to our call

The downside risks to our SoTP-based TP on ESSO include 1) lower-than-expected demand for petroleum products; 2) a higher crude premium; and 3) unplanned shutdowns of its refinery and petrochemical plants.

Event calendar

Date	Event
Aug 2022	2Q22 results announcement

Key assumptions

	2022E	2023E	2024E
Utilisation rate (%)	80	80	80
GRM (USD/bbl)	17.70	7.21	7.21
Dubai crude oil price (USD/bbl)	120.0	110.0	110.0
Gasoline-Dubai (USD/bbl)	25.0	18.0	16.0
Jet-Dubai (USD/bbl)	35.0	22.0	20.0
Diesel-Dubai (USD/bbl)	32.0	22.0	20.0
HSFO-Dubai (USD/bbl)	(15.0)	(12.0)	(12.0)
PX-naphtha margin (USD/tonne)	276	346	346

Source: FSSIA estimates

Earnings sensitivity

- For every 1% increase in average Dubai oil price, we project 2022 earnings to rise by 1.2%, and vice versa, all else being equal.
- For every 1% rise in market GRM, we project 2022 earnings to rise by 1.4%, and vice versa, all else being equal.
- Stability in crude oil prices, rising diesel cracks and low crude premiums are key for its earnings growth.

Source: FSSIA estimates

Exhibit 1: Key changes in assumptions

	Current			Previous			Change		
	2022E	2023E	2024E	2022E	2023E	2024E	2022E	2023E	2024E
	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(%)	(%)	(%)
Revenue	280,532	259,946	261,606	225,628	221,483	223,143	24.3	17.4	17.2
Gross profit	36,953	18,833	19,123	16,501	17,045	17,334	123.9	10.5	10.3
Operating profit	26,070	8,494	8,671	7,228	7,828	8,005	260.7	8.5	8.3
Core net profit	20,866	6,968	7,121	5,782	6,289	6,456	260.9	10.8	10.3
Core EPS (THB/shr.)	6.03	2.01	2.06	1.67	1.82	1.87	260.9	10.8	10.3
Key assumptions									
Utilisation rate (%)	80	80	80	80.0	80	80	-	-	-
GRM (USD/bbl)	17.70	7.21	7.21	7.37	7.25	7.25	140.1	(0.6)	(0.6)
Dubai crude oil price (USD/bbl)	120.0	110.0	110.0	100.0	90.0	90.0	20.0	22.2	22.2
Gasoline-Dubai (USD/bbl)	25.0	18.0	16.0	20.0	18.0	16.0	25.0	-	-
Jet-Dubai (USD/bbl)	35.0	22.0	20.0	23.0	22.0	20.0	52.2	-	-
Diesel-Dubai (USD/bbl)	32.0	22.0	20.0	24.0	22.0	20.0	33.3	-	-
HSFO-Dubai (USD/bbl)	(15.0)	(12.0)	(12.0)	(15.0)	(12.0)	(12.0)	-	-	-
PX-naphtha margin (USD/tonne)	276	346	346	416	486	486	(33.7)	(28.8)	(28.8)

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

Source: FSSIA estimates

Financial Statements

Esso Thailand

Profit and Loss (THB m) Year Ending Dec	2020	2021	2022E	2023E	2024E
Revenue	126,672	172,878	280,532	259,946	261,606
Cost of goods sold	(120,888)	(162,588)	(243,579)	(241,114)	(242,484)
Gross profit	5,784	10,291	36,953	18,833	19,123
Other operating income	-	-	-	-	-
Operating costs	(5,217)	(5,068)	(8,224)	(7,620)	(7,669)
Operating EBITDA	567	5,223	28,730	11,213	11,454
Depreciation	(3,197)	(3,196)	(2,660)	(2,719)	(2,783)
Goodwill amortisation	0	0	0	0	0
Operating EBIT	(2,630)	2,027	26,070	8,494	8,671
Net financing costs	(358)	(308)	(322)	(148)	(135)
Associates	285	227	233	265	265
Recurring non-operating income	352	252	260	293	295
Non-recurring items	(7,323)	3,523	0	0	0
Profit before tax	(9,958)	5,495	26,008	8,639	8,830
Tax	2,048	(1,051)	(5,142)	(1,671)	(1,709)
Profit after tax	(7,910)	4,444	20,866	6,969	7,122
Minority interests	(1)	(1)	(1)	(1)	(1)
Preferred dividends	0	0	0	0	0
Other items	-	-	-	-	-
Reported net profit	(7,911)	4,443	20,866	6,968	7,121
Non-recurring items & goodwill (net)	7,323	(3,523)	0	0	0
Recurring net profit	(588)	920	20,866	6,968	7,121
Per share (THB)					
Recurring EPS *	(0.17)	0.27	6.03	2.01	2.06
Reported EPS	(2.29)	1.28	6.03	2.01	2.06
DPS	0.00	0.50	0.50	0.50	0.50
Diluted shares (used to calculate per share data)	3,461	3,461	3,461	3,461	3,461
Growth					
Revenue (%)	(25.2)	36.5	62.3	(7.3)	0.6
Operating EBITDA (%)	nm	820.6	450.1	(61.0)	2.2
Operating EBIT (%)	nm	nm	1,186.1	(67.4)	2.1
Recurring EPS (%)	nm	nm	2,167.5	(66.6)	2.2
Reported EPS (%)	nm	nm	369.6	(66.6)	2.2
Operating performance					
Gross margin inc. depreciation (%)	2.0	4.1	12.2	6.2	6.2
Gross margin of key business (%)	(3.7)	6.1	12.2	6.2	6.2
Operating EBITDA margin (%)	0.4	3.0	10.2	4.3	4.4
Operating EBIT margin (%)	(2.1)	1.2	9.3	3.3	3.3
Net margin (%)	(0.5)	0.5	7.4	2.7	2.7
Effective tax rate (%)	20.0	19.9	19.9	19.9	19.9
Dividend payout on recurring profit (%)	-	188.0	8.3	24.8	24.3
Interest cover (X)	(6.4)	7.4	81.8	59.4	66.3
Inventory days	48.7	35.8	35.6	43.3	43.0
Debtor days	16.6	14.0	13.9	21.8	28.1
Creditor days	14.3	10.7	9.7	11.8	11.7
Operating ROIC (%)	(5.3)	(2.0)	(22.4)	(6.5)	(6.0)
ROIC (%)	(3.5)	(1.6)	(16.6)	(5.1)	(4.8)
ROE (%)	(3.2)	5.5	73.4	17.3	15.6
ROA (%)	(0.5)	1.3	24.0	6.7	6.7
* Pre-exceptional, pre-goodwill and fully diluted					
Revenue by Division (THB m)					
Downstream	119,542	162,153	270,302	249,056	250,716
Petrochemicals	7,129	10,725	10,230	10,890	10,890

Sources: Esso Thailand; FSSIA estimates

Financial Statements

Esso Thailand

Cash Flow (THB m) Year Ending Dec	2020	2021	2022E	2023E	2024E
Recurring net profit	(588)	920	20,866	6,968	7,121
Depreciation	3,197	3,196	2,660	2,719	2,783
Associates & minorities	67	26	27	28	30
Other non-cash items	-	-	-	-	-
Change in working capital	10,787	(5,547)	(4,566)	(5,905)	(4,672)
Cash flow from operations	13,463	(1,405)	18,986	3,810	5,262
Capex - maintenance	(4,911)	(4,998)	(4,998)	(4,998)	(4,998)
Capex - new investment	(2,728)	(3,012)	(3,531)	(3,504)	(3,504)
Net acquisitions & disposals	-	-	-	-	-
Other investments (net)	1,420	42	0	0	0
Cash flow from investing	(6,219)	(7,968)	(8,529)	(8,502)	(8,502)
Dividends paid	(346)	0	(2,423)	(1,730)	(1,730)
Equity finance	0	0	0	0	0
Debt finance	(807)	(548)	0	(2,000)	(1,000)
Other financing cash flows	(6,105)	10,461	6,897	6,869	6,868
Cash flow from financing	(7,258)	9,913	4,474	3,139	4,138
Non-recurring cash flows	-	-	-	-	-
Other adjustments	0	0	0	0	0
Net other adjustments	0	0	0	0	0
Movement in cash	(15)	540	14,931	(1,554)	897
Free cash flow to firm (FCFF)	7,603.75	(9,062.22)	10,788.71	(4,355.13)	(2,934.62)
Free cash flow to equity (FCFE)	331.16	539.80	17,354.00	176.41	2,627.32

Per share (THB)

FCFF per share	2.20	(2.62)	3.12	(1.26)	(0.85)
FCFE per share	0.10	0.16	5.01	0.05	0.76
Recurring cash flow per share	0.77	1.20	6.81	2.81	2.87

Balance Sheet (THB m) Year Ending Dec	2020	2021	2022E	2023E	2024E
Tangible fixed assets (gross)	69,994	71,162	72,768	74,374	75,979
Less: Accumulated depreciation	(45,244)	(47,457)	(50,117)	(52,835)	(55,618)
Tangible fixed assets (net)	24,750	23,706	22,652	21,539	20,362
Intangible fixed assets (net)	181	153	153	153	153
Long-term financial assets	-	-	-	-	-
Invest. in associates & subsidiaries	2,137	2,095	2,095	2,095	2,095
Cash & equivalents	262	802	15,733	14,179	15,076
A/C receivable	5,083	8,171	13,182	17,826	22,499
Inventories	13,144	18,786	28,767	28,476	28,638
Other current assets	4,432	6,025	9,777	9,060	9,118
Current assets	22,921	33,784	67,460	69,541	75,330
Other assets	11,388	10,317	10,317	10,317	10,317
Total assets	61,378	70,055	102,676	103,644	108,256
Common equity	14,352	19,201	37,644	42,882	48,272
Minorities etc.	7	7	8	9	10
Total shareholders' equity	14,360	19,208	37,652	42,891	48,282
Long term debt	6,333	3,999	6,999	6,999	8,999
Other long-term liabilities	5,239	4,839	4,839	4,839	4,839
Long-term liabilities	11,573	8,839	11,839	11,839	13,839
A/C payable	4,452	5,117	7,836	7,757	7,801
Short term debt	16,703	18,488	15,488	13,488	10,488
Other current liabilities	14,291	18,402	29,861	27,670	27,847
Current liabilities	35,446	42,008	53,186	48,915	46,136
Total liabilities and shareholders' equity	61,378	70,055	102,676	103,644	108,256
Net working capital	3,916	9,463	14,030	19,935	24,607
Invested capital	42,373	45,734	49,246	54,038	57,533

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

Per share (THB)

Book value per share	4.15	5.55	10.88	12.39	13.95
Tangible book value per share	4.09	5.50	10.83	12.35	13.90

Financial strength

Net debt/equity (%)	158.6	112.9	17.9	14.7	9.1
Net debt/total assets (%)	37.1	31.0	6.6	6.1	4.1
Current ratio (x)	0.6	0.8	1.3	1.4	1.6
CF interest cover (x)	9.6	12.5	65.9	25.9	46.3

Valuation	2020	2021	2022E	2023E	2024E
Recurring P/E (x) *	(62.4)	39.9	1.8	5.3	5.2
Recurring P/E @ target price (x) *	(76.5)	48.9	2.2	6.5	6.3
Reported P/E (x)	(4.6)	8.3	1.8	5.3	5.2
Dividend yield (%)	-	4.7	4.7	4.7	4.7
Price/book (x)	2.6	1.9	1.0	0.9	0.8
Price/tangible book (x)	2.6	1.9	1.0	0.9	0.8
EV/EBITDA (x) **	104.8	11.2	1.5	3.8	3.6
EV/EBITDA @ target price (x) **	119.5	12.8	1.8	4.6	4.3
EV/invested capital (x)	1.4	1.3	0.9	0.8	0.7

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

Sources: Esso Thailand; FSSIA estimates

Corporate Governance report of Thai listed companies 2021

EXCELLENT LEVEL – Score range 90-100										
AAV	BCPG	CPALL	GCAP	K	MSC	PLANET	SAMART	SPI	THRE	TVD
ADVANC	BDMS	CPF	GFPT	KBANK	MST	PLAT	SAMTEL	SPRC	THREL	TVI
AF	BEM	CPI	GGC	KCE	MTC	PORT	SAT	SPVI	TIPCO	TVO
AH	BGC	CPN	GLAND	KKP	MVP	PPS	SC	SSSC	TISCO	TWPC
AIRA	BGRIM	CRC	GLOBAL	KSL	NCL	PR9	SCB	SST	TK	U
AKP	BIZ	CSS	GPI	KTB	NEP	PREB	SCC	STA	TKT	UAC
AKR	BKI	DDD	GPSC	KTC	NER	PRG	SCCC	STEC	TMT	UBIS
ALT	BOL	DELTA	GRAMMY	LALIN	NKI	PRM	SCG	STI	TNDT	UV
AMA	BPP	DEMCO	GULF	LANNA	NOBLE	PROUD	SCGP	SUN	TNITY	VGI
AMATA	BRR	DRT	GUNKUL	LH	NSI	DRS	SCM	SUSCO	TOA	VIH
AMATAV	BTS	DTAC	HANA	LHFG	NVD	PSL	SDC	SUTHA	TOP	WACOAL
ANAN	BTW	DUSIT	HARN	LIT	NWR	PTG	SEAFCO	SVI	TPBI	WAVE
AOT	BWG	EA	HMPRO	LPN	NYT	PTT	SEAOIL	SYMC	TQM	WHA
AP	CENTEL	EASTW	ICC	MACO	OISHI	PTTEP	SE-ED	SYNTEC	TRC	WHAUP
ARIP	CFRESH	ECF	ICHI	MAJOR	OR	PTTGC	SELIC	TACC	TRU	WICE
ARROW	CHEWA	ECL	III	MAKRO	ORI	PYLON	SENA	TASCO	TRUE	WINNER
ASP	CHO	EE	ILINK	MALEE	OSP	Q-CON	SHR	TCAP	TSC	ZEN
AUCT	CIMBT	EGCO	ILM	MBK	OTO	QH	SIRI	TEAMG	TSR	
AWC	CK	EPG	INTUCH	MC	PAP	QTC	SIS	TFMAMA	TSTE	
AYUD	CKP	ETC	IP	MCOT	PCSGH	RATCH	SITHAI	TGH	TSTH	
BAFS	CM	FPI	IRPC	METCO	PDG	RS	SMK	THANA	TTA	
BANPU	CNT	FPT	ITEL	MFEC	PDJ	S	SMPC	THANI	TTB	
BAY	COM7	FSMART	IVL	MINT	PG	S & J	SNC	THCOM	TTCL	
BBL	COMAN	GBX	JSP	MONO	PHOL	SAAM	SONIC	THG	TTW	
BCP	COTTO	GC	JWD	MOONG	PLANB	SABINA	SPALI	THIP	TU	
VERY GOOD LEVEL – Score range 80-89										
2S	ASIMAR	CHOW	FLOYD	IT	LOXLEY	OCC	RPC	SKY	TCC	TVT
7UP	ASK	CI	FN	ITD	LRH	OGC	RT	SLP	TCMC	TWP
ABICO	ASN	CIG	FNS	J	LST	PATO	RWI	SMIT	TEAM	UEC
ABM	ATP30	CMC	FORTH	JAS	M	PB	S11	SMT	TFG	UMI
ACE	B	COLOR	FSS	JCK	MATCH	PICO	SA	SNP	TFI	UOBKH
ACG	BA	CPL	FTE	JCKH	MBAX	PIMO	SAK	SO	TIGER	UP
ADB	BAM	CPW	FVC	JMART	MEGA	PJW	SALEE	SORKON	TITLE	UPF
AEONTS	BC	CRD	GEL	JMT	META	PL	SAMCO	SPA	TKN	UPOIC
AGE	BCH	CSC	GENCO	KBS	MFC	PM	SANKO	SPC	TKS	UTP
AHC	BEC	CSP	GJS	KCAR	MGT	PMTA	SAPPE	SPCG	TM	VCOM
AIT	BEYOND	CWT	GYT	KEX	MICRO	PPP	SAWAD	SR	TMC	VL
ALL	BFIT	DCC	HEMP	KGI	MILL	PPP	SCI	SRICHA	TMD	VPO
ALLA	BJC	DCON	HPT	KIAT	MITSIB	PRIME	SCN	SSC	TMI	VRANDA
ALUCON	BJCHI	DHOUSE	HTC	KISS	MK	PRIN	SCP	SSF	TMILL	WGE
AMANAH	BLA	DOD	HYDRO	KOOL	MODERN	PRINC	SE	STANLY	TNL	WIJK
AMARIN	BR	DOHOME	ICN	KTIS	MTI	PSG	SFLEX	STGT	TNP	WP
APCO	BROOK	DV8	IFS	KUMWEL	NBC	PSTC	SFP	STOWER	TOG	XO
APCS	CBG	EASON	IMH	KUN	NCAP	PT	SFT	STPI	TPA	XPG
APURE	CEN	EFORL	IND	KWC	NCH	QLT	SGF	SUC	TPAC	YUASA
AQUA	CGH	ERW	INET	KWM	NETBAY	RBF	SIAM	SWC	TPCS	
ASAP	CHARAN	ESSO	INSET	L&E	NEX	RCL	SINGER	SYNEX	TPS	
ASEFA	CHAYO	ESTAR	INSURE	LDC	NINE	RICHY	SKE	TAE	TRITN	
ASIA	CHG	ETE	IRC	LEO	NRF	RML	SKN	TAKUNI	TRT	
ASIAN	CHOTI	FE	IRCP	LHK	NTV	ROJNA	SKR	TBSP	TSE	
GOOD LEVEL – Score range 70-79										
A	BGT	CITY	GIFT	JTS	MDX	PK	SGP	SUPER	TQR	YGG
AI	BH	CMAN	GLOCON	JUBILE	MJD	PLE	SICT	SVOA	TTI	ZIGA
AIE	BIG	CMO	GREEN	KASET	MORE	PPM	SIMAT	TC	TYCN	
AJ	BLAND	CMR	GSC	KCM	MUD	PRAKIT	SISB	TCCC	UKEM	
ALPHAX	BM	CPT	GTB	KK	NC	PRAPAT	SK	THMUI	UMS	
AMC	BROCK	CRANE	HTECH	KKC	NDR	PRECHA	SMART	TNH	UNIQ	
APP	BSBM	CSR	HUMAN	KWI	NFC	PTL	SOLAR	TNR	UPA	
AQ	BSM	D	IHL	KYE	NNCL	RJH	SPACK	TOPP	UREKA	
ARIN	BTNC	EKH	IIG	LEE	NOVA	RP	SPG	TPCH	VIBHA	
AS	BYD	EMC	INGRS	LPH	NPK	RPH	SQ	TPIPL	W	
AU	CAZ	EP	INOX	MATI	NUSA	RSP	SSP	TIPIP	WIN	
B52	CCP	F&D	JAK	M-CHAI	PAF	SABUY	STARK	TPLAS	WORK	
BEAUTY	CGD	FMT	JR	MCS	PF	SF	STC	TPOLY	WPH	

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

Sources: Thai Institute of Directors Association (IOD); FSSIA's compilation; data as of 26 October 2021

Anti-corruption Progress Indicator

CERTIFIED										
2S	BCH	CPALL	GC	K	MFC	PE	QLT	SNP	THCOM	TU
7UP	BCP	CPF	GCAP	KASET	MFEC	PG	QTC	SORKON	THIP	TVD
ADVANC	BCPG	CPI	GEL	KBANK	MILL	PHOL	RATCH	SPACK	THRE	TVI
AF	BE8	CPN	GFPT	KBS	MINT	PK	RML	SPALI	THREL	TVO
AI	BEYOND	CSC	GGC	KCAR	MONO	PL	RWI	SPC	TIDLOR	TWPC
AIE	BGC	DCC	GJS	KCE	MOONG	PLANB	S & J	SPI	TIPCO	U
AIRA	BGRIM	DELTA	GPI	KGI	MSC	PLANET	SAAM	SPRC	TISCO	UBE
AKP	BJCHI	DEMCO	GPSC	KKP	MST	PLAT	SABINA	SRICHA	TKS	UBIS
ALPHAX	BKI	DIMET	GSTEEL	KSL	MTC	PM	SAPPE	SSF	TKT	UEC
AMA	BLA	DRT	GUNKUL	KTB	MTI	PPP	SAT	SSP	TMD	UKEM
AMANAHA	BPP	DTAC	HANA	KTC	NBC	PPPM	SC	SSSC	TMILL	UOBKH
AMATA	BROOK	DUSIT	HARN	KWC	NEP	PPS	SCB	SST	TMT	UPF
AMATAV	BRR	EA	HEMP	KWI	NINE	PR9	SCC	STA	TNITY	UV
AP	BSBM	EASTW	HENG	L&E	NKI	PREB	SCCC	STOWER	TNL	VGI
APCS	BTS	ECL	HMPRO	LANNA	NMG	PRG	SCG	SUSCO	TNP	VIH
AQUA	BWG	EGCO	HTC	LH	NNCL	PRINC	SCN	SVI	TNR	WACOAL
ARROW	CEN	EP	ICC	LHFG	NOBLE	PRM	SEAOIL	SYMC	TOG	WHA
AS	CENTEL	EPG	ICHI	LHK	NOK	PROS	SE-ED	SYNTEC	TOP	WHAUP
ASIAN	CFRESH	ERW	IFEC	LPN	NSI	PSH	SELIC	TAE	TOPP	WICE
ASK	CGH	ESTAR	IFS	LRH	NWR	PSL	SENA	TAKUNI	TPA	WIJK
ASP	CHEWA	ETE	ILINK	M	OCC	PSTC	SGP	TASCO	TPP	XO
AWC	CHOTI	FE	INET	MAKRO	OGC	PT	SINGER	TBSP	TRU	ZEN
AYUD	CHOW	FNS	INSURE	MALEE	ORI	PTG	SIRI	TCAP	TRUE	
B	CIG	FPI	INTUCH	MATCH	PAP	PTT	SITHAI	TCMC	TSC	
BAFS	CIMBT	FPT	IRC	MBAX	PATO	PTTEP	SKR	TFG	TSTE	
BAM	CM	FSMART	IRPC	MBK	PB	PTTGC	SMIT	TFI	TSTH	
BANPU	CMC	FSS	ITEL	MC	PCSGH	PYLON	SMK	TFMAMA	TTA	
BAY	COM7	FTE	IVL	MCOT	PDG	Q-CON	SMPC	TGH	TTB	
BBL	COTTO	GBX	JKN	META	PDJ	QH	SNC	THANI	TTCL	
DECLARED										
AJ	CHG	DDD	ETC	JR	MAJOR	NUSA	RS	SSS	TQM	YUASA
ALT	CPL	DHOUSE	FLOYD	JTS	NCAP	NYT	SAK	STECH	TSI	ZIGA
APCO	CPR	DOHOME	GULF	KEX	NCL	OR	SCGP	STGT	VARO	
B52	CPW	ECF	III	KUMWEL	NOVA	PIMO	SCM	TKN	VCOM	
BEC	CRC	EKH	INOX	LDC	NRF	PLE	SIS	TMI	VIBHA	

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 26 October 2021) are categorised into: 1) companies that have declared their intention to join CAC, and; 2) companies certified by CAC.

Sources: 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

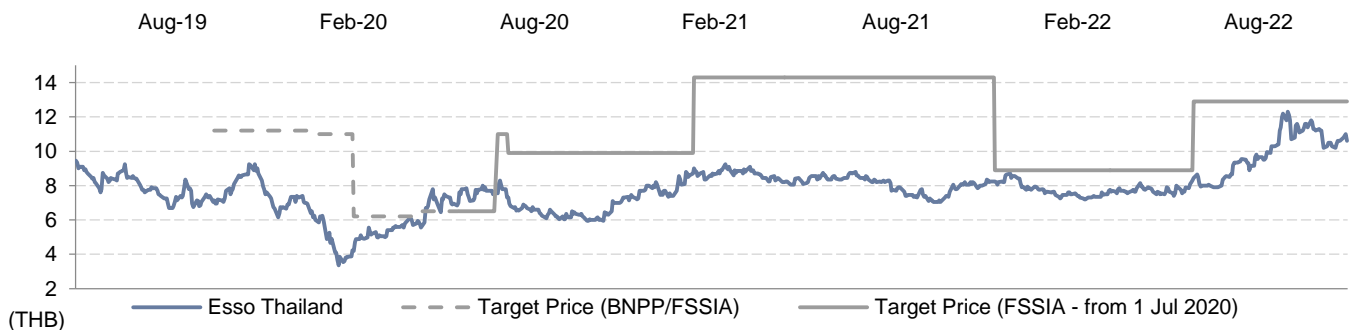
The individual(s) identified above certify(ies) that (i) all views expressed in this report accurately reflect the personal view of the analyst(s) with regard to any and all of the subject securities, companies or issuers mentioned in this report; and (ii) no part of the compensation of the analyst(s)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

Esso Thailand (ESSO TB)



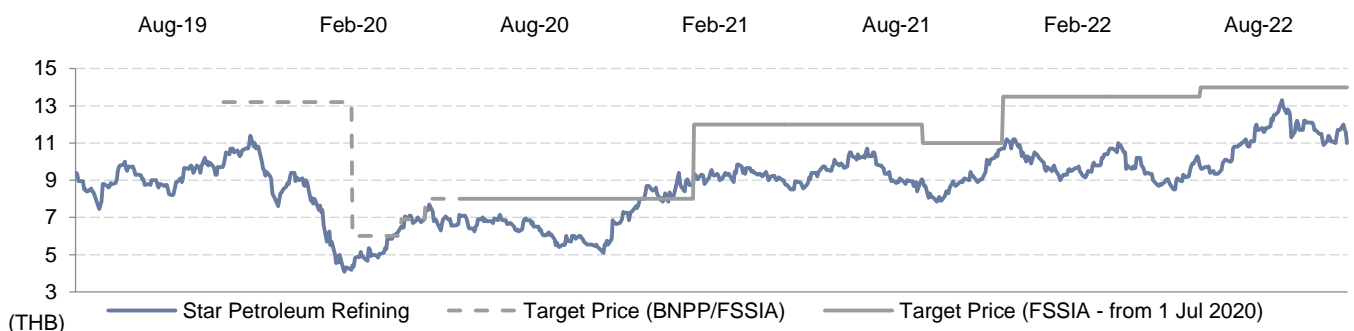
Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
03-Dec-2019	BUY	11.20	26-May-2020	BUY	6.50	18-Jan-2021	BUY	14.30
26-Feb-2020	BUY	11.00	31-Jul-2020	BUY	11.00	04-Oct-2021	HOLD	8.90
01-Apr-2020	BUY	6.20	11-Aug-2020	BUY	9.90	24-Mar-2022	BUY	12.90

Suwat Sinsadok, CFA, FRM, ERP started covering this stock from 26-May-2020

Price and TP are in local currency

Source: FSSIA estimates

Star Petroleum Refining (SPRC TB)



Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
11-Dec-2019	BUY	13.20	02-Jun-2020	BUY	8.00	11-Oct-2021	BUY	13.50
31-Mar-2020	BUY	6.00	18-Jan-2021	BUY	12.00	30-Mar-2022	BUY	14.00
12-May-2020	BUY	6.90	03-Aug-2021	BUY	11.00			

Suwat Sinsadok, CFA, FRM, ERP started covering this stock from 18-Jun-2020

Price and TP are in local currency

Source: FSSIA estimates

Company	Ticker	Price	Rating	Valuation & Risks
Esso Thailand	ESSO TB	THB 10.60	BUY	The downside risks to our SoTP-based TP on ESSO include 1) lower-than-expected demand for petroleum products; 2) a higher crude premium; and 3) unplanned shutdowns of its refinery and petrochemical plants.
Star Petroleum Refining	SPRC TB	THB 11.00	BUY	TP is based on EV/EBITDA. Downside risks are a sharp rise in oil price and weak demand for refined oil products.

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 04-Aug-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.