

CP ALL CPALL TB

THAILAND / CONSUMER STAPLES

BUY
 UNCHANGED

CVS and Makro are key supports

- We expect CPALL's NP to rise 61% y-y and 2% q-q to THB3.5b – on the path to normalisation in the aftermath of Covid-19.
- CPALL is among the beneficiaries of improved farming incomes, as 56.6% of its stores are located in provincial areas.
- BUY call retained with DCF-based TP of THB82.

Expect strong 2Q22 results

We project CPALL to post a net profit of THB3.5b in 2Q22, up 2% q-q and 61% y-y, continuing a series of quarterly improving net profits since hitting the bottom in 3Q21 due to the impact of Covid-19 and multiple lockdowns. We project sales revenue to increase to THB199.5b, up 3% q-q and 51% y-y, driven by higher sales from convenience stores (CVS) and solid earnings from Siam Makro (MAKRO TB, BUY, TP THB52) that should help offset the weak net profit from Lotus.

CVS revenue to remain strong

CPALL should see a higher proportion of sales generated from its CVS unit at 50% in 2Q22, up from 47% in 1Q22 but still lower than the 66% proportion during the 2018-19 pre-Covid period. The gradual improvement in CVS revenue would come from the higher SSSG which we estimate to register at 12% in 2Q22, down from 13% in 1Q22 but up from -6.7% in 2021. We estimate spending per ticket to increase to THB86, up from THB84 in 1Q22 and THB82 in 2021.

Beneficiary of higher farm incomes in Thailand

We think CPALL is one of the few companies in the commerce sector that will greatly benefit from the higher farming incomes in Thailand due to the sharp rise in the prices of agricultural products. Around 56.6% of CPALL's stores (as of 1Q22) are located in provincial areas, and it expanded the number of stores in 2Q22 by 123, which should further strengthen its revenue from the CVS segment. We expect MAKRO to see improving earnings in 2Q22 as we project its sales revenue to rise and the gross margin to remain high at 12% in 2Q22. However, the consolidation of Lotus will continue to be a key drag on CPALL and MAKRO, as Lotus needs to spend THB3b (THB5b already spent in 2021) on IT infrastructure and THB2.5b on rebranding (out of a total THB3.5b), as well as the high interest expense of THB5b annually from the outstanding debt of over THB100b to fund the acquisition of Lotus.

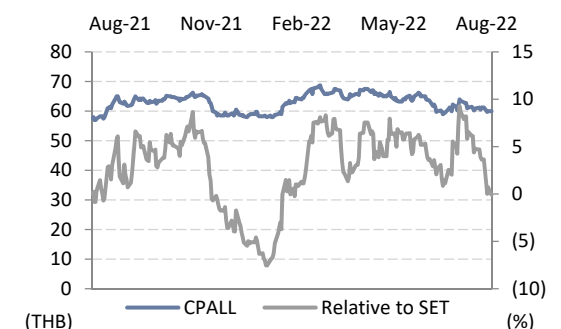
Lotus burden should be gradually offset by strong CVS

CPALL's net profit should gradually improve in 2H22-2023, backed by stronger revenues and SSSG for CVS, MAKRO, and Lotus, along with higher spending per ticket to help offset Lotus' higher expenses.

TARGET PRICE	THB82.00
CLOSE	THB60.00
UP/DOWNSIDE	+36.7%
PRIOR TP	THB82.00
CHANGE IN TP	UNCHANGED
TP vs CONSENSUS	+9.3%

KEY STOCK DATA

YE Dec (THB m)	2021	2022E	2023E	2024E
Revenue	585,743	861,710	951,381	1,027,874
Net profit	12,985	17,239	22,767	21,652
EPS (THB)	1.45	1.92	2.53	2.41
vs Consensus (%)	-	8.2	4.2	(18.2)
EBITDA	37,315	55,691	66,504	70,492
Core net profit	11,706	17,239	22,767	21,652
Core EPS (THB)	1.30	1.92	2.53	2.41
Chg. In EPS est. (%)	-	-	-	-
EPS growth (%)	(26.3)	47.3	32.1	(4.9)
Core P/E (x)	46.0	31.3	23.7	24.9
Dividend yield (%)	1.0	1.3	1.7	1.6
EV/EBITDA (x)	27.7	18.5	15.2	14.2
Price/book (x)	6.4	5.8	5.0	4.5
Net debt/Equity (%)	97.9	115.8	99.1	84.4
ROE (%)	11.7	15.9	18.9	16.2



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	(0.4)	(9.8)	4.3
Relative to country (%)	(3.1)	(8.2)	(0.8)
Mkt cap (USD m)	15,067		
3m avg. daily turnover (USD m)	40.7		
Free float (%)	40		
Major shareholder	CP Group (45%)		
12m high/low (THB)	69.00/56.50		
Issued shares (m)	8,983.10		

Sources: Bloomberg consensus; FSSIA estimates



Suwat Sinsadok, CFA, FRM, ERP

suwat.sin@fssia.com
 +66 2611 3558

Investment thesis

The convenience store (CVS) format has the most resilient same-store sales growth (SSSG) in Thailand under varying economic conditions. The sector is far from saturation, in our view. In 2021, CPALL expanded its stores by 702 branches, increasing 5.6% y-y to 13,134 branches.

On top of its SSSG growth and expansion plan, CPALL plans to increase its GPM by 10-20 bps a year by focusing on high-margin ready-to-eat products and non-food high-margin products.

The key upside risk would be the faster-than-expected recovery of the tourism industry. In 2019, the year before Covid-19, Thailand tourist revenue was THB1.9t, accounting for 12% of GDP, 20% of which (THB380b) was from food and beverage spending. Note that 4-5% of CPALL's sales are derived from tourism.

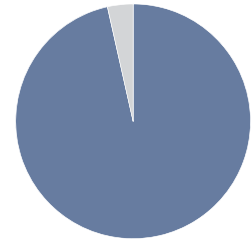
Company profile

CP All is the market leader in the CVS segment, with at least a 50% market share in terms of store numbers. As of end-2020, it operated 12,432 stores. It currently owns 93% of Siam Makro (MAKRO TB), which will reduce to 52% post completion of the transaction.

www.cpall.co.th

Principal activities (revenue, 2021)

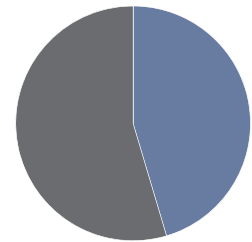
- Sales - 96.5 %
- Other income - 3.5 %



Source: CP All

Major shareholders

- CP Group - 45.4 %
- Others - 54.6 %



Source: CP All

Catalysts

Potential catalysts for CPALL are a recovery of Thailand's economy and increasing consumer confidence, as well as a higher proportion of food products to drive its GPM.

Risks to our call

The key downside risks to our DCF-derived TP are: 1) the higher-than-expected impact from a loss of service income from the convenience store business; 2) the worse-than-expected overseas performance of Makro; and 3) the slow recovery of tourist numbers.

Event calendar

Date	Event
Aug-22	2Q22 results announcement

Key assumptions

	2022E (%)	2023E (%)	2024E (%)
SSSG	6.0	8.0	5.0
New store growth	5.1	4.8	4.6
GPM (CVS only)	23.2	23.3	22.8
SG&A to sales	19.7	19.6	19.7

Source: FSSIA estimates

Earnings sensitivity

- For every 1% increase in SSSG, we estimate 2022 EPS to rise 0.7%, and vice versa, all else being equal.
- For every 0.1% increase in GPM, we estimate 2022 EPS to rise 1.1%, and vice versa, all else being equal.
- For every 1% increase in SG&A to sales, we estimate 2022 EPS to fall 1.3%, and vice versa, all else being equal.

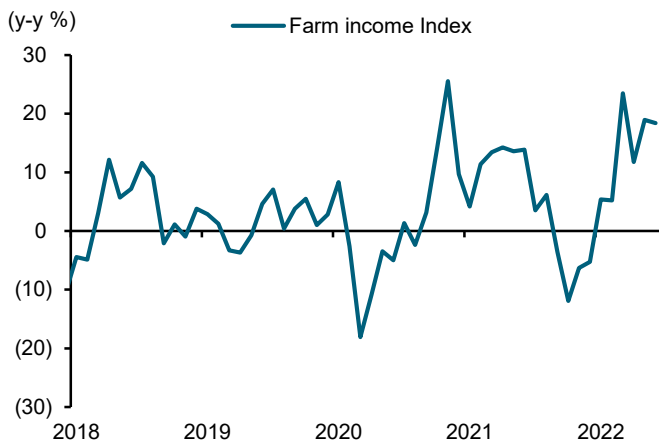
Source: FSSIA estimates

Exhibit 1: CPALL – 2Q22 earnings preview

Year to Dec 31	2Q21	1Q22	2Q22E	Change		2Q22E	1H22E			2022E	Change
	(THB m)	(THB m)	(THB m)	(q-q%)	(y-y%)	(%22E)	(THB m)	(y-y%)	(%22E)	(THB m)	(y-y%)
Total revenue	137,370	199,662	204,949	3	49	24	404,611	49	47	861,710	47
Retail sales	132,146	194,409	199,526	3	51	24	393,935	51	47	839,830	49
Other income	5,224	5,253	5,423	3	4	25	10,676	8	49	21,880	7
Gross profit	33,287	47,075	48,426	3	45	23	95,501	46	45	213,119	51
Operating costs	(27,438)	(38,295)	(39,563)	3	44	23	(77,858)	45	46	(169,506)	45
Operating profit	5,849	8,780	8,863	1	52	20	17,643	51	40	43,613	81
Other income	22	69	53	(24)	146	17	122	125	39	313	143
Interest expense	(3,529)	(3,825)	(3,956)	3	12	24	(7,781)	21	48	(16,317)	29
Profit before tax	2,341	5,025	4,960	(1)	112	18	9,985	87	36	27,609	140
Tax	(234)	(946)	(752)	(21)	221	18	(1,698)	181	41	(4,141)	689
Equity income	(129)	224	263	17	(304)	-	487	nm	nm	-	-
Minority interests	(72)	(801)	(952)	19	1,226	15	(1,753)	863	28	(6,229)	(768)
Non-recurring items	284	(49)	12	(125)	nm	nm	(37)	(111)	nm	-	-
Reported net profit	2,190	3,453	3,531	2	61	20	6,984	46	41	17,239	33
Recurring net profit	1,906	3,502	3,519	0	85	20	7,021	58	41	17,239	47
EPS (THB)	0.24	0.38	0.39	2	61	20	0.78	46	41	1.92	33
Recurring EPS (THB)	0.21	0.39	0.39	0	85	20	0.78	58	41	1.92	47
Key Ratios (%)	(%)	(%)	(%)	(ppt)	(ppt)		(%)			(%)	(ppt)
Gross margin	21.2	21.5	21.6	0.0	0.3		21.5			22.8	(1.5)
Operating margin	4.3	4.4	4.3	(0.1)	0.1		4.4			5.1	(1.0)
Recurring net margin	1.4	1.8	1.7	(0.0)	0.3		1.7			2.0	(0.0)
SG&A / Sales	20.0	19.2	19.3	0.1	(0.7)		19.2			19.7	0.3
Effective tax rate	10.0	18.8	15.2	(3.7)	5.1		17.0			15.0	(10.4)

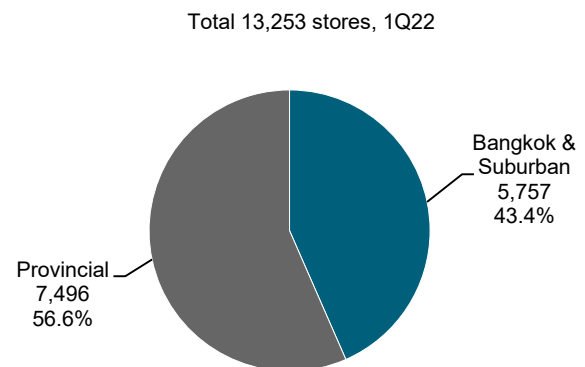
Sources: CPALL; FSSIA estimates

Exhibit 2: Farm income index



Sources: Office of Agricultural Economics; FSSIA's compilation

Exhibit 3: Breakdown of stores by location at end of 1Q22



Sources: CPALL; FSSIA estimates

Financial Statements

CP All

Profit and Loss (THB m) Year Ending Dec	2020	2021	2022E	2023E	2024E
Revenue	546,207	585,743	861,710	951,381	1,027,874
Cost of goods sold	(399,233)	(431,562)	(636,513)	(697,675)	(755,974)
Gross profit	146,974	154,181	225,197	253,706	271,900
Other operating income	0	0	0	0	0
Operating costs	(107,858)	(116,867)	(169,506)	(187,202)	(201,408)
Operating EBITDA	39,116	37,315	55,691	66,504	70,492
Depreciation	(11,647)	(13,277)	(12,078)	(14,355)	(15,611)
Goodwill amortisation	0	0	0	0	0
Operating EBIT	27,469	24,038	43,613	52,149	54,881
Net financing costs	(8,369)	(12,514)	(16,003)	(15,842)	(17,091)
Associates	(63)	(226)	0	0	0
Recurring non-operating income	(63)	(226)	0	0	0
Non-recurring items	226	1,280	0	0	0
Profit before tax	19,262	12,577	27,609	36,307	37,790
Tax	(2,759)	(525)	(4,141)	(5,446)	(6,802)
Profit after tax	16,503	12,052	23,468	30,861	30,988
Minority interests	(400)	933	(6,229)	(8,094)	(9,336)
Preferred dividends	0	0	0	0	0
Other items	0	0	0	0	0
Reported net profit	16,102	12,985	17,239	22,767	21,652
Non-recurring items & goodwill (net)	(226)	(1,280)	0	0	0
Recurring net profit	15,876	11,706	17,239	22,767	21,652
Per share (THB)					
Recurring EPS *	1.77	1.30	1.92	2.53	2.41
Reported EPS	1.79	1.45	1.92	2.53	2.41
DPS	0.90	0.60	0.77	1.01	0.96
Diluted shares (used to calculate per share data)	8,983	8,983	8,983	8,983	8,983
Growth					
Revenue (%)	(4.3)	7.2	47.1	10.4	8.0
Operating EBITDA (%)	(13.3)	(4.6)	49.2	19.4	6.0
Operating EBIT (%)	(19.0)	(12.5)	81.4	19.6	5.2
Recurring EPS (%)	(31.1)	(26.3)	47.3	32.1	(4.9)
Reported EPS (%)	(27.9)	(19.4)	32.8	32.1	(4.9)
Operating performance					
Gross margin inc. depreciation (%)	24.8	24.1	24.7	25.2	24.9
Gross margin of key business (%)	21.9	21.3	22.8	23.2	23.3
Operating EBITDA margin (%)	7.2	6.4	6.5	7.0	6.9
Operating EBIT margin (%)	5.0	4.1	5.1	5.5	5.3
Net margin (%)	2.9	2.0	2.0	2.4	2.1
Effective tax rate (%)	14.4	4.6	15.0	15.0	18.0
Dividend payout on recurring profit (%)	50.9	46.0	40.0	40.0	40.0
Interest cover (X)	3.3	1.9	2.7	3.3	3.2
Inventory days	28.9	34.8	30.8	31.2	31.4
Debtor days	6.1	8.1	8.6	9.5	9.6
Creditor days	83.2	95.7	70.3	58.5	58.9
Operating ROIC (%)	37.2	22.6	31.0	42.2	40.9
ROIC (%)	7.4	4.2	5.4	6.4	6.5
ROE (%)	16.7	11.7	15.9	18.9	16.2
ROA (%)	5.2	3.1	4.2	5.3	5.3

* Pre-exceptional, pre-goodwill and fully diluted

Revenue by Division (THB m)	2020	2021	2022E	2023E	2024E
Sales	525,884	565,207	839,830	927,135	1,005,143
Other income	20,323	20,536	21,880	24,246	22,731

Sources: CP All; FSSIA estimates

Financial Statements

CP All

Cash Flow (THB m) Year Ending Dec	2020	2021	2022E	2023E	2024E
Recurring net profit	15,876	11,706	17,239	22,767	21,652
Depreciation	11,647	13,277	12,078	14,355	15,611
Associates & minorities	464	(707)	6,229	8,094	9,336
Other non-cash items	-	-	0	0	0
Change in working capital	(6,528)	24,046	(8,142)	2,410	2,473
Cash flow from operations	21,459	48,321	27,404	47,626	49,071
Capex - maintenance	0	0	0	0	0
Capex - new investment	(15,763)	(104,611)	(20,667)	(22,289)	(23,615)
Net acquisitions & disposals	(86,238)	75,273	(2)	(2)	(2)
Other investments (net)	(5,711)	(265,758)	(216,642)	7,401	7,181
Cash flow from investing	(107,712)	(295,096)	(237,311)	(14,890)	(16,436)
Dividends paid	(8,085)	(5,390)	(6,896)	(9,107)	(8,661)
Equity finance	(193)	174,772	135,000	0	0
Debt finance	104,638	133,901	82,224	(27,293)	(25,859)
Other financing cash flows	0	0	0	0	0
Cash flow from financing	96,360	303,283	210,328	(36,400)	(34,520)
Non-recurring cash flows	0	0	0	0	0
Other adjustments	0	0	0	0	0
Net other adjustments	0	0	0	0	0
Movement in cash	10,107	56,508	421	(3,664)	(1,885)
Free cash flow to firm (FCFF)	(77,727.53)	(234,131.90)	(193,590.36)	48,874.73	49,995.72
Free cash flow to equity (FCFE)	18,384.46	(112,874.06)	(127,683.29)	5,442.90	6,775.86

Per share (THB)

FCFF per share	(8.65)	(26.06)	(21.55)	5.44	5.57
FCFE per share	2.05	(12.57)	(14.21)	0.61	0.75
Recurring cash flow per share	3.12	2.70	3.96	5.03	5.19

Balance Sheet (THB m) Year Ending Dec	2020	2021	2022E	2023E	2024E
Tangible fixed assets (gross)	192,440	291,987	230,394	251,581	274,041
Less: Accumulated depreciation	(72,241)	(80,454)	(92,520)	(105,775)	(120,229)
Tangible fixed assets (net)	120,199	211,533	137,873	145,807	153,811
Intangible fixed assets (net)	128,096	360,641	383,096	383,096	383,096
Long-term financial assets	0	0	0	0	0
Invest. in associates & subsidiaries	85,588	14,838	85,592	85,594	85,597
Cash & equivalents	40,626	97,134	31,585	27,921	26,036
A/C receivable	8,828	17,085	23,608	26,065	28,161
Inventories	31,749	50,535	56,863	62,425	67,646
Other current assets	202	1,019	318	351	379
Current assets	81,404	165,773	112,374	116,761	122,222
Other assets	108,067	179,107	113,844	116,951	120,214
Total assets	523,354	931,893	832,780	848,210	864,939
Common equity	96,759	104,134	113,346	127,006	139,998
Minorities etc.	14,836	188,673	156,506	164,599	173,935
Total shareholders' equity	111,595	292,807	269,851	291,606	313,933
Long term debt	221,503	311,679	308,108	282,246	254,493
Other long-term liabilities	66,874	112,518	102,291	112,936	122,016
Long-term liabilities	288,377	424,197	410,399	395,181	376,509
A/C payable	87,577	138,666	106,618	117,046	126,836
Short term debt	28,276	72,000	36,076	34,645	36,538
Other current liabilities	7,529	4,222	9,836	9,732	11,123
Current liabilities	123,383	214,888	152,529	161,423	174,497
Total liabilities and shareholders' equity	523,354	931,893	832,780	848,210	864,939
Net working capital	(54,328)	(74,248)	(35,664)	(37,937)	(41,773)
Invested capital	387,622	691,871	684,742	693,511	700,944

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

Per share (THB)

Book value per share	8.55	9.38	10.40	11.92	13.37
Tangible book value per share	(5.70)	(30.77)	(32.24)	(30.72)	(29.28)

Financial strength

Net debt/equity (%)	187.4	97.9	115.8	99.1	84.4
Net debt/total assets (%)	40.0	30.7	37.5	34.1	30.6
Current ratio (x)	0.7	0.8	0.7	0.7	0.7
CF interest cover (x)	5.1	0.3	(5.7)	2.8	2.8

Valuation	2020	2021	2022E	2023E	2024E
Recurring P/E (x) *	33.9	46.0	31.3	23.7	24.9
Recurring P/E @ target price (x) *	46.4	62.9	42.7	32.4	34.0
Reported P/E (x)	33.5	41.5	31.3	23.7	24.9
Dividend yield (%)	1.5	1.0	1.3	1.7	1.6
Price/book (x)	7.0	6.4	5.8	5.0	4.5
Price/tangible book (x)	(10.5)	(1.9)	(1.9)	(2.0)	(2.0)
EV/EBITDA (x) **	20.0	27.7	18.5	15.2	14.2
EV/EBITDA @ target price (x) **	25.1	33.0	22.0	18.2	17.0
EV/invested capital (x)	2.0	1.5	1.5	1.5	1.4

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

Sources: CP All; 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	PSH	SCM	SUSCO	TOA	VIH
AMATAV	BTS	DTAC	HANA	LHFG	NVD	PSL	SDC	SUTHA	TOP	WACOAL
ANAN	BTW	DUSIT	HARN	LIT	NWR	PTG	SEAFECO	SVI	TPBI	WAVE
AOT	BWG	EA	HMPRO	LPN	NYT	PTT	SEAOL	SYMC	TQM	WHA
AP	CENEL	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	PPPM	SCI	SRICHA	TMD	VPO
ALLA	BJC	DCON	HPT	KIAT	MTSIB	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	TIPIPP	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	SEA OIL	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

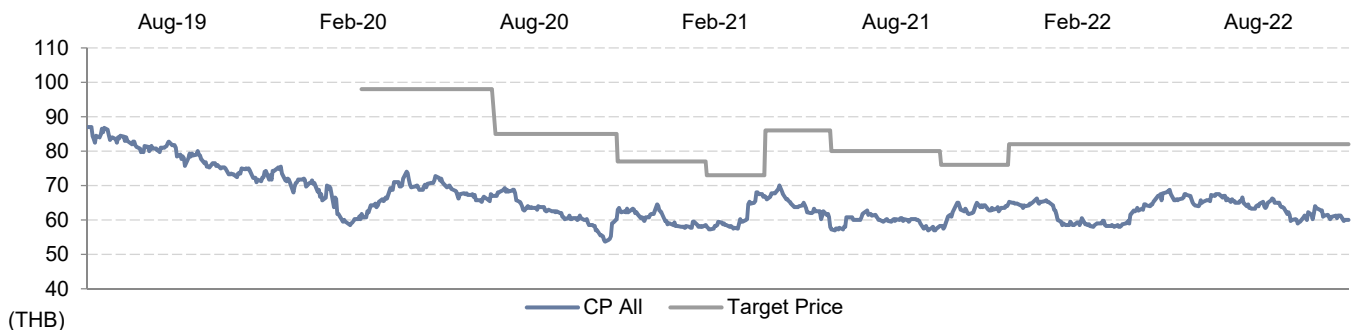
The individual(s) identified above certify(ies) that (i) all views expressed in this report accurately reflect the personal view of the analyst(s) with regard to any and all of the subject securities, companies or issuers mentioned in this report; and (ii) no part of the compensation of the analyst(s)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

This report has been prepared by FSS International Investment Advisory Company Limited (FSSIA). The information herein has been obtained from sources believed to be reliable and accurate; however FSS makes no representation as to the accuracy and completeness of such information. Information and opinions expressed herein are subject to change without notice. FSS has no intention to solicit investors to buy or sell any security in this report. In addition, FSS does not guarantee returns nor price of the securities described in the report nor accept any liability for any loss or damage of any kind arising out of the use of such information or opinions in this report. Investors should study this report carefully in making investment decisions. All rights are reserved.

This report may not be reproduced, distributed or published by any person in any manner for any purpose without permission of FSSIA. Investment in securities has risks. Investors are advised to consider carefully before making investment decisions.

History of change in investment rating and/or target price

CP All (CPALL TB)



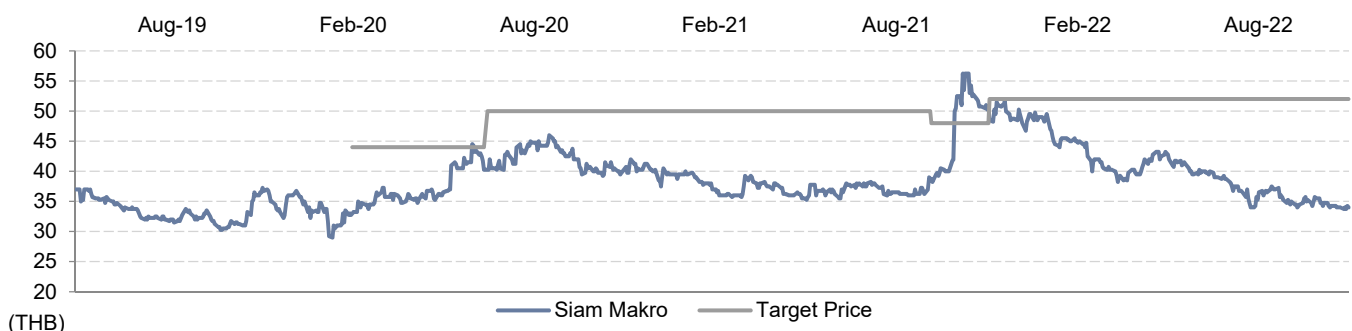
Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
02-Apr-2020	BUY	98.00	25-Jan-2021	BUY	73.00	16-Aug-2021	BUY	76.00
24-Jul-2020	BUY	85.00	17-Mar-2021	BUY	86.00	14-Oct-2021	BUY	82.00
09-Nov-2020	BUY	77.00	13-May-2021	BUY	80.00			

Suwat Sinsadok, CFA, FRM, ERP started covering this stock from 24-Jul-2020

Price and TP are in local currency

Source: FSSIA estimates

Siam Makro (MAKRO TB)



Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
02-Apr-2020	BUY	44.00	11-Aug-2021	BUY	48.00	22-Feb-2022	BUY	52.00
24-Jul-2020	BUY	50.00	30-Sep-2021	HOLD	52.00			

Suwat Sinsadok, CFA, FRM, ERP started covering this stock from 24-Jul-2020

Price and TP are in local currency

Source: FSSIA estimates

Company	Ticker	Price	Rating	Valuation & Risks
CP All	CPALL TB	THB 60.00	BUY	The key downside risks to our DCF-derived TP are: 1) the higher-than-expected impact from a loss of service income from the convenience store business; 2) the worse-than-expected overseas performance of Makro; and 3) the slow recovery of tourist numbers.
Siam Makro	MAKRO TB	THB 34.00	BUY	The key downside risks to our DCF-based TP include: 1) lower-than-expected SSSG; 2) a lower-than-expected GPM improvement; and 3) operational losses from its overseas business.

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 05-Aug-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.