

# PTT PCL PTT TB

THAILAND / OIL &amp; GAS

# BUY

## 2Q22 earnings soar on refinery, gas

- PTT posted a 2Q22 net profit (NP) of THB38.8b, up 52% q-q and 58% y-y; 2Q22 core NP rose to THB40.3b (+64% q-q, +82% y-y).
- We think PTT's NP growth potential remains strong on high oil, gas, and coal prices in 2022.
- Maintain BUY and our SoTP-based TP of THB50.

TARGET PRICE	THB50.00
CLOSE	THB37.00
UP/DOWNSIDE	+35.1%
TP vs CONSENSUS	+8.0%

### 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	118,570	128,103	130,997
EPS (THB)	3.79	4.15	4.48	4.59
vs Consensus (%)	-	(0.3)	7.0	7.6
EBITDA	392,983	374,582	379,690	369,647
Core net profit	89,249	118,570	128,103	130,997
Core EPS (THB)	3.12	4.15	4.48	4.59
EPS growth (%)	57.2	32.9	8.0	2.3
Core P/E (x)	11.8	8.9	8.2	8.1
Dividend yield (%)	1.4	4.1	3.5	3.8
EV/EBITDA (x)	5.3	4.9	4.4	4.0
Price/book (x)	1.0	1.0	0.9	0.8
Net debt/Equity (%)	39.3	27.0	12.0	(1.3)
ROE (%)	9.5	11.4	11.4	10.8

### Solid 2Q22 results on rising margins and sales volumes

PTT posted a 2Q22 net profit (NP) of THB38.8b, up 52% q-q and 58% y-y, beating the Bloomberg consensus estimate by 7% and our forecast by 3%. Key drivers were a non-recurring loss of THB1.5b, an inventory gain of THB19.5b, an FX loss of THB13b, a THB34.5b hedging loss, a THB493m impairment loss for its coal asset, and others. 2Q22 core NP rose to THB40.3b (+64% q-q, +82% y-y) due to the higher earnings from oil, gas, PTT Exploration and Production (PTTEP TB, BUY), refinery and petrochemical associates, and coal. Gas NP inched up to THB18.4b due to the q-q higher NPs from pipeline transmission (TM), its gas separation plant (GSP), gas sales & marketing (S&M), and trading, which offset the growing losses of THB2.4b from natural gas for vehicles (NGV). PTTEP's EBIT rose 21.5% q-q to THB44.3b in 2Q22 due to a higher average selling price (ASP) and rising sales volumes.

### Core gas unit saw improved performance

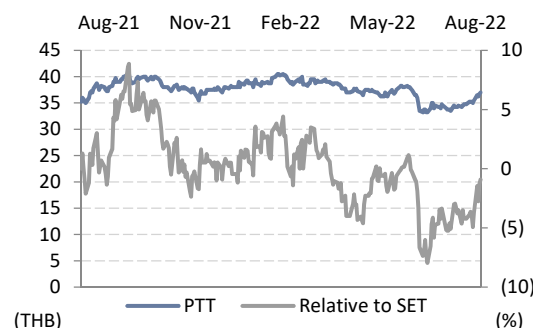
2Q22 core gas EBIT rose to THB18.4b (+22% q-q, +5% y-y), driven by the higher product prices from its GSP and higher sales volumes for TM which offset the weaker margins of S&M and NGV. EBIT from its oil trading unit dipped to THB6.3b while transmission pipeline EBITDA was at THB8.5b in 2Q22 (-1% y-y, +1% q-q) on a flat volume. EBITDA from its GSP rose to THB11.6b due to the higher product margins.

### Downstream shone in 2Q22

EBIT from downstream petrochemical and refinery associates surged to THB58.9b in 2Q22 (+71% q-q) due to higher stock gains which offset the lower olefins and aromatics margins. Coal EBIT jumped to THB6.7b, up 380% q-q, due to a 21% q-q higher sales volume of 1.7mt and the higher ASP for coal to USD195/t (+97% q-q, +157% y-y). PTT guided that its pool gas price should rise by over 20% in 3Q22, driven by higher prices and volumes of imported LNG with a projected spot LNG price of USD45/mmbtu, up from USD28/mmbtu in 2Q22.

### Maintain BUY

Maintain BUY and our SoTP-based TP of THB50. We think PTT's NP growth potential remains strong on high oil, gas, and coal prices in 2022 and stronger gas earnings in 2H22.



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	8.8	0.7	7.2
Relative to country (%)	3.8	(1.7)	1.3
Mkt cap (USD m)	30,103		
3m avg. daily turnover (USD m)	59.4		
Free float (%)	49		
Major shareholder	Ministry of Finance (51%)		
12m high/low (THB)	41.25/32.75		
Issued shares (m)	28,563.00		

Sources: Bloomberg consensus; FSSIA estimates



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## Exhibit 1: Summary of 2Q22/6M22 operations

	2Q21	1Q22	2Q22		6M21	6M22	Change	2022E	
	(THB m)	(THB m)	(THB m)	(q-q %)	(y-y %)	(THB m)	(THB m)	(y-y %)	(THB m)
<b>Revenue</b>	<b>533,256</b>	<b>758,465</b>	<b>926,954</b>	<b>22.2</b>	<b>73.8</b>	<b>1,011,093</b>	<b>1,685,419</b>	<b>66.7</b>	<b>2,384,459</b>
Operating costs	(420,090)	(615,764)	(744,186)	20.9	77.1	(794,930)	(1,359,950)	71.1	(2,759,041)
<b>EBITDA</b>	<b>113,166</b>	<b>142,701</b>	<b>182,768</b>	<b>28.1</b>	<b>61.5</b>	<b>216,163</b>	<b>325,469</b>	<b>50.6</b>	<b>374,582</b>
EBITDA margin (%)	21.2	18.8	19.7	nm	nm	21.4	19.3	nm	15.7
Depreciation & amort	(38,608)	(37,145)	(40,313)	8.5	4.4	(73,644)	(77,459)	5.2	(173,007)
EBIT	74,558	105,556	142,455	35.0	91.1	142,519	248,010	74.0	201,574
Interest expense	(7,101)	(7,445)	(9,150)	22.9	28.8	(13,540)	(16,595)	22.6	(30,424)
Interest & invt inc	4,885	3,787	4,293	13.4	(12.1)	19,240	8,080	(58.0)	8,740
Associates' contri	2,894	1,949	2,497	28.1	(13.7)	4,840	4,447	(8.1)	9,911
Exceptional	(20,590)	(45,270)	(51,566)	13.9	150.4	(39,525)	(96,836)	145.0	0
<b>Pretax profit</b>	<b>54,645</b>	<b>58,578</b>	<b>88,529</b>	<b>51.1</b>	<b>62.0</b>	<b>113,534</b>	<b>147,107</b>	<b>29.6</b>	<b>189,801</b>
Tax	(20,851)	(21,874)	(34,851)	59.3	67.1	(32,534)	(56,725)	74.4	(39,858)
Tax rate (%)	(38.2)	(37.3)	(39.4)	nm	nm	28.7	38.6	nm	21.0
Minority interests	(9,215)	(11,133)	(14,831)	33.2	60.9	(23,833)	(25,964)	8.9	(31,373)
<b>Net profit</b>	<b>24,579</b>	<b>25,571</b>	<b>38,848</b>	<b>51.9</b>	<b>58.1</b>	<b>57,166</b>	<b>64,418</b>	<b>12.7</b>	<b>118,570</b>
Non-recurring	2,414	929	(1,481)	nm	nm	16,435	(553)	nm	0
<b>Core profit</b>	<b>22,165</b>	<b>24,642</b>	<b>40,329</b>	<b>63.7</b>	<b>81.9</b>	<b>40,731</b>	<b>64,971</b>	<b>59.5</b>	<b>118,570</b>
EPS (THB)	0.86	0.90	1.36	51.9	58.1	2.00	2.26	12.7	4.15
Core EPS (THB)	0.78	0.86	1.41	63.7	81.9	1.43	2.27	59.5	4.15

Sources: PTT; FSSIA estimates

## Exhibit 2: 2Q22/6M22 performance of key segments

	2Q21	1Q22	2Q22	Change		6M21	6M22	Change
	(THB m)	(THB m)	(THB m)	(q-q %)	(y-y %)	(THB m)	(THB m)	(y-y %)
<b>EBITDA</b>	<b>113,166</b>	<b>142,701</b>	<b>182,768</b>	<b>28.1</b>	<b>61.5</b>	<b>216,163</b>	<b>325,469</b>	<b>50.6</b>
Oil	5,605	6,686	10,152	51.8	81.1	12,136	16,838	38.7
Oil trading	3,410	15,625	6,389	(59.1)	87.4	7,385	22,014	198.1
Gas	22,134	19,520	22,892	17.3	3.4	43,909	42,412	(3.4)
PTTEP	42,161	53,465	63,656	19.1	51.0	73,985	117,121	58.3
Petrochem and refining	33,408	45,162	69,713	54.4	108.7	66,900	114,875	71.7
Coal	934	1,836	7,304	297.8	682.0	2,164	9,140	322.4
Others	5,175	2,456	3,704	50.8	(28.4)	9,961	6,160	(38.2)
<b>EBIT*</b>								
Oil	4,160	5,177	8,591	65.9	106.5	9,287	13,768	48.3
Oil trading	3,361	15,502	6,256	(59.6)	86.1	7,287	21,758	198.6
Gas	17,484	15,089	18,371	21.8	5.1	34,662	33,460	(3.5)
PTTEP	22,477	36,431	44,267	21.5	96.9	37,804	80,698	113.5
Petrochem and refining	23,739	34,457	58,865	70.8	148.0	47,723	93,322	95.5
Coal	633	1,390	6,664	379.4	952.8	1,530	8,054	426.4
Others	2,365	(441)	483	(209.5)	(79.6)	4,503	42	(99.1)
Share of profit/(loss) - Petrochem and refining	2,081	1,075	1,370	27.4	(34.2)	3,546	2,445	(31.0)
Share of profit/(loss) - Others	812	879	1,133	28.9	39.5	1,294	2,012	55.5
FX gain (loss)	(873)	5,712	(13,021)	(328.0)	1,391.5	(5,203)	(7,309)	40.5
<b>Net profit</b>	<b>24,579</b>	<b>25,571</b>	<b>38,848</b>	<b>51.9</b>	<b>58.1</b>	<b>57,166</b>	<b>64,418</b>	<b>12.7</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: 2Q22/6M22 quarterly key drivers

	Unit	2Q21	1Q22	2Q22	Change		6M21	6M22	Change
					(q-q %)	(y-y %)			(y-y %)
Oil sales volume	bpd	1,620,901	2,929,197	2,413,044	(17.6)	48.9	3,314,532	5,342,241	61.2
Gas sales volume	mmscfd	4,751	4,422	4,329	(2.1)	(8.9)	9,335	8,751	(6.3)
GSP volume	tonnes	1,797,137	1,703,083	1,700,344	(0.2)	(5.4)	3,577,193	3,403,427	(4.9)
PTTEP's ASP	USD/boe	42.2	51.4	55.6	8.2	31.8	41.4	53.6	29.5
PTTEP's sales volume	boed	443,126.0	427,368.0	465,459.0	8.9	5.0	413,168.0	446,519.0	8.1
Coal ASP	USD/tonne	75.9	99.2	195.2	96.8	157.2	71.6	153.0	113.7
Coal sales volume	m tonnes	1.3	1.4	1.7	21.4	30.8	2.7	3.0	11.1
<b>Net profit</b>	<b>THB m</b>	<b>24,579</b>	<b>25,571</b>	<b>38,848</b>	<b>51.9</b>	<b>58.1</b>	<b>57,166</b>	<b>64,418</b>	<b>12.7</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)	(1,964,573)	(2,127,832)	(2,301,560)
<b>Gross profit</b>	<b>310,209</b>	<b>522,388</b>	<b>419,886</b>	<b>428,255</b>	<b>421,383</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>374,582</b>	<b>379,690</b>	<b>369,647</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>201,574</b>	<b>197,475</b>	<b>178,224</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>189,801</b>	<b>203,422</b>	<b>208,709</b>
Tax	(25,166)	(67,591)	(39,858)	(42,719)	(43,829)
<b>Profit after tax</b>	<b>39,950</b>	<b>152,068</b>	<b>149,943</b>	<b>160,703</b>	<b>164,880</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>118,570</b>	<b>128,103</b>	<b>130,997</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>118,570</b>	<b>128,103</b>	<b>130,997</b>
<b>Per share (THB)</b>					
Recurring EPS *	1.99	3.12	4.15	4.48	4.59
Reported EPS	1.32	3.79	4.15	4.48	4.59
DPS	0.50	0.50	1.50	1.31	1.42
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	(4.7)	1.4	(2.6)
Operating EBIT (%)	(44.5)	191.4	(12.0)	(2.0)	(9.7)
Recurring EPS (%)	(38.9)	57.2	32.9	8.0	2.3
Reported EPS (%)	(59.4)	186.9	9.4	8.0	2.3
<b>Operating performance</b>					
Gross margin inc. depreciation (%)	9.6	15.9	10.4	9.6	8.4
Gross margin of key business (%)	9.6	15.9	10.4	9.6	8.4
Operating EBITDA margin (%)	14.4	17.4	15.7	14.9	13.6
Operating EBIT margin (%)	4.9	10.1	8.5	7.7	6.5
Net margin (%)	3.5	4.0	5.0	5.0	4.8
Effective tax rate (%)	38.6	30.8	21.0	21.0	21.0
Dividend payout on recurring profit (%)	25.2	16.0	36.1	29.3	30.9
Interest cover (X)	5.4	6.8	7.2	7.7	7.9
Inventory days	39.4	35.8	40.2	39.5	39.0
Debtor days	31.4	24.8	30.9	30.6	30.7
Creditor days	57.9	51.7	60.5	59.4	58.7
Operating ROIC (%)	6.9	24.0	19.6	16.0	15.6
ROIC (%)	3.2	7.4	7.6	8.6	9.2
ROE (%)	6.5	9.5	11.4	11.4	10.8
ROA (%)	2.8	5.6	5.6	5.8	5.7
* 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	118,570	128,103	130,997
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>513,391</b>	<b>533,479</b>	<b>544,577</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)	(37,504)	(40,519)
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>(218,707)</b>	<b>(221,877)</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>184,129</b>	<b>209,472</b>	<b>217,400</b>
Free cash flow to firm (FCFF)	212,759.39	35,783.75	438,515.23	458,408.81	469,313.24
Free cash flow to equity (FCFE)	53,771.55	(5,020.35)	226,973.19	246,975.59	257,918.94

### Per share (THB)

FCFF per share	7.45	1.25	15.35	16.05	16.43
FCFE per share	1.88	(0.18)	7.95	8.65	9.03
Recurring cash flow per share	10.03	5.77	14.41	15.04	15.43

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	498,078	707,550	924,950
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>1,510,420</b>	<b>1,746,865</b>	<b>1,990,641</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>3,082,805</b>	<b>3,230,044</b>	<b>3,377,609</b>
Common equity	882,040	1,006,696	1,082,421	1,173,020	1,263,498
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>1,475,755</b>	<b>1,598,954</b>	<b>1,723,315</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>3,082,805</b>	<b>3,230,044</b>	<b>3,377,609</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	37.90	41.07	44.24
Tangible book value per share	30.12	34.49	37.14	40.31	43.48

### Financial strength




Net debt/equity (%)	33.5	39.3	27.0	12.0	(1.3)
Net debt/total assets (%)	16.9	18.8	12.9	5.9	(0.7)
Current ratio (x)	2.4	1.7	2.9	3.2	3.4
CF interest cover (x)	9.5	4.0	12.1	12.8	13.3

Valuation	2020	2021	2022E	2023E	2024E
<b>Recurring P/E (x) *</b>	<b>18.6</b>	<b>11.8</b>	<b>8.9</b>	<b>8.2</b>	<b>8.1</b>
<b>Recurring P/E @ target price (x) *</b>	<b>25.2</b>	<b>16.0</b>	<b>12.0</b>	<b>11.1</b>	<b>10.9</b>
Reported P/E (x)	28.0	9.8	8.9	8.2	8.1
Dividend yield (%)	1.4	1.4	4.1	3.5	3.8
Price/book (x)	1.2	1.0	1.0	0.9	0.8
Price/tangible book (x)	1.2	1.1	1.0	0.9	0.9
EV/EBITDA (x) **	8.1	5.3	4.9	4.4	4.0
EV/EBITDA @ target price (x) **	9.7	6.3	5.9	5.4	5.0
EV/invested capital (x)	0.9	0.9	0.8	0.8	0.7

\* 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 2021

 <b>EXCELLENT LEVEL – Score range 90-100</b>										
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	
 <b>VERY GOOD LEVEL – Score range 80-89</b>										
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	WIK
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	
 <b>GOOD LEVEL – Score range 70-79</b>										
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	WIIK
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)

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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

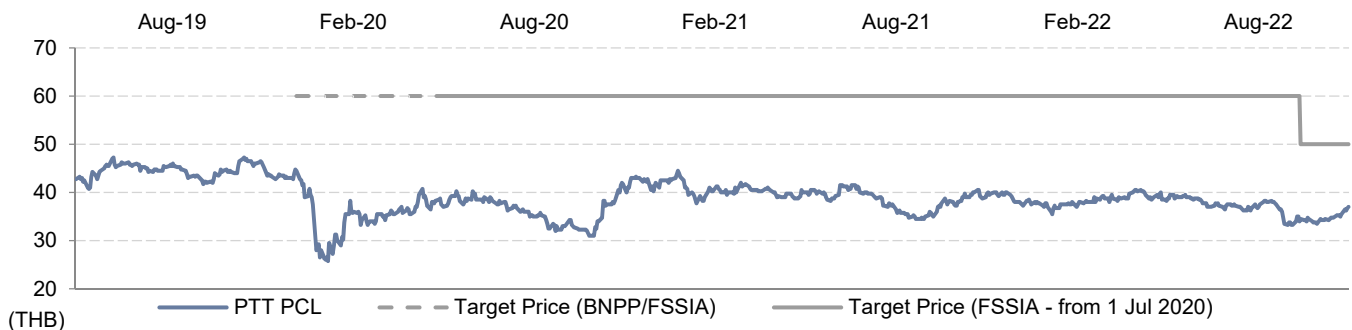
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### History of change in investment rating and/or target price

#### PTT PCL (PTT TB)



Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
21-Feb-2020	BUY	60.00	30-Jun-2022	BUY	50.00	-	-	-

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	12-Jun-2020	BUY	101.00	28-Jan-2022	BUY	162.00
11-Mar-2020	HOLD	81.00	30-Dec-2020	BUY	116.00	16-Mar-2022	BUY	176.00
26-Mar-2020	BUY	81.00	11-Feb-2021	BUY	136.00	27-Jul-2022	BUY	180.00
30-Apr-2020	BUY	85.00	05-Jul-2021	BUY	158.00			

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 37.00	BUY	Risks to our SoTP-based valuation are the oil price and potential earnings downsides from government intervention.
PTT Explor & Prod	PTTEP TB	THB 158.00	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 11-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.