

PTT OIL AND RETAIL BUSINESS

THAILAND / OIL & GAS

OR TB

BUY

UNCHANGED

TARGET PRICE	THB28.00
CLOSE	THB24.90
UP/DOWNSIDE	+12.4%
PRIOR TP	THB32.00
CHANGE IN TP	-12.5%
TP vs CONSENSUS	-1.2%

Earnings eroded by EBITDA margin

- 3Q22 net profit (NP) was THB701m while core NP was THB769m, (-88% q-q, -17% y-y).
- Key drags were higher operating expenses, including 1) an oil inventory loss; 2) public relations costs; 3) a higher terminal fee.
- Maintain BUY but trim our SoTP-based TP to THB28.

Margin pressure in 3Q22

OR's 3Q22 NP at THB701m was down 89% q-q and 63% y-y, but 113% higher than the Bloomberg consensus estimate. Excluding non-recurring items, 3Q22 core NP was THB769m, down 88% q-q and 17% y-y. Key drags were higher OPEX, including 1) a THB5b oil inventory loss; 2) THB0.85b in public relations (PR) costs; and 3) a THB0.2b terminal fee.

Inventory loss was the key drag on oil EBITDA margin

3Q22 EBITDA dropped to THB2.6b, with THB1.1b coming from the oil unit, which was pressured by the lower marketing margin at THB0.68/litre, down from THB1.61/litre in 2Q22 and THB1.09/litre in 3Q21. The oil unit's sales volume dipped to 6.3b litres in 3Q22 (-8% q-q but +20% y-y) due to seasonal demand. The retail and commercial sales units' volumes both dropped q-q, despite adding eight new stations and the higher jet fuel sales volume in 3Q22. The oil EBITDA margin dropped to 0.6% in 3Q22 (vs 4.2% in 2Q22 and 2.8% in 3Q21) due to an inventory loss of THB5b, PR costs of THB0.8b and a THB0.2b terminal fee (+THB70m q-q). In 3Q22, the oil sales volume per station slid to 1.5m litres, down from 1.6m litres in 2Q22 but up from 1.2m litres in 3Q21.

Lifestyle EBITDA margin hit by PR costs

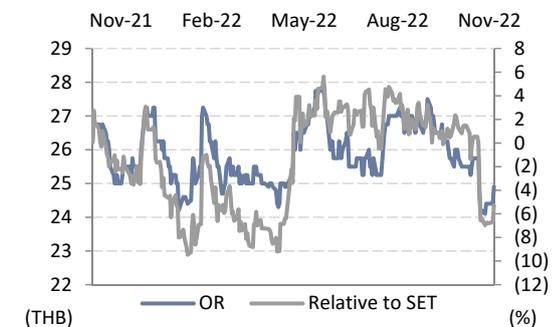
3Q22 non-oil EBITDA dipped to THB1.2b (-17% q-q but +48% y-y) due to a lower margin. Number of cups sold hit a record high at 93m, up from 91m in 2Q22 and 68m in 3Q21 due to the improving economy. EBITDA margin for non-oil was 22.9% in 3Q22 (down from 27.4% in 2Q22), mainly due to the PR cost of THB50m, which if excluded would have been 24%. In 3Q22 OR had 3,786 Café Amazon outlets (+58 q-q), 100 Texas Chicken outlets (+2 q-q), and 2,095 convenience stores (+3 q-q).

Maintain BUY with revised TP of THB28

Maintain BUY but trim our SoTP-based TP to THB28 to reflect 1) our 1-3.6% higher EPS forecasts for 2022-24 due to the higher-than-expected demand for oil stations; 2) our valuation rollover to 2023; and 3) a lower valuation for OR's retail business from 9.7x 2022E EV/EBITDA to 9.0x 2023E EV/EBITDA, to reflect our more conservative view of the market outlook, but at a premium over the valuations of its closest local peers. With this report, we transfer coverage of OR to Siriluck Pinthusoonthorn.

KEY STOCK DATA

YE Dec (THB m)	2021	2022E	2023E	2024E
Revenue	511,799	622,736	646,530	661,461
Net profit	11,780	11,787	14,021	14,204
EPS (THB)	0.98	0.98	1.17	1.18
vs Consensus (%)	-	(22.1)	1.0	(3.1)
EBITDA	17,195	17,965	23,071	25,386
Core net profit	11,780	11,787	14,021	14,204
Core EPS (THB)	0.98	0.98	1.17	1.18
Chg. In EPS est. (%)	-	1.1	1.0	3.6
EPS growth (%)	(11.3)	0.1	19.0	1.3
Core P/E (x)	25.4	25.3	21.3	21.0
Dividend yield (%)	1.8	2.2	2.0	2.0
EV/EBITDA (x)	15.5	15.8	12.4	11.2
Price/book (x)	3.0	2.8	2.6	2.5
Net debt/Equity (%)	(31.9)	(15.0)	(10.9)	(12.8)
ROE (%)	17.1	11.5	12.9	12.2



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	(3.3)	(7.8)	(5.1)
Relative to country (%)	(6.4)	(9.1)	(5.5)
Mkt cap (USD m)	8,021		
3m avg. daily turnover (USD m)	14.2		
Free float (%)	62		
Major shareholder	PTT (75%)		
12m high/low (THB)	28.00/23.80		
Issued shares (m)	12,000.00		

Sources: Bloomberg consensus; FSSIA estimates


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Investment thesis

In 2020, OR's net profit weakened due to the impact of Covid-19, which resulted in lower demand for both oil and non-oil products at its retail and wholesale channels. We expect OR's EBITDA margin from the non-oil business to improve markedly in 2022 onward, driven by its three growth strategies: 1) the expansion of its fuel stations in Thailand; 2) growth in its non-oil food and beverage (F&B) businesses, particularly its Café Amazon outlets, and the number of convenience store outlets; 3) lower operating costs for mixing and logistics; and 4) the expansion of its overseas presence in new and existing markets to leverage OR's core business value of being a one-stop shop with a "Living Community" concept.

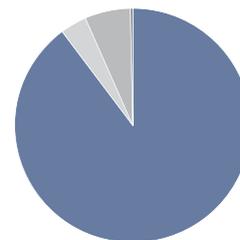
Company profile

OR is a leading gas station operator whose station network is mostly located in Thailand. It also has an overseas presence. The non-oil business of OR has increasingly contributed higher net profits, led by its in-house coffee brand, Cafe Amazon. Other products it sells include jet fuel, lube, asphalt and other petroleum products.

www.pttor.com

Principal activities (revenue, 2021)

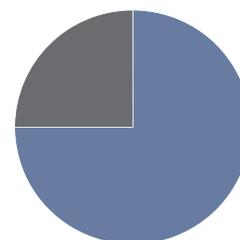
- Oil business - 89.8 %
- Non-oil business - 3.6 %
- International business - 6.2 %
- Others - 0.3 %



Source: PTT Oil and Retail Business

Major shareholders

- PTT - 75.0 %
- Others - 25.0 %



Source: PTT Oil and Retail Business

Catalysts

Key potential net profit catalysts include 1) higher sales volumes; 2) a higher marketing margin; and 3) improving EBITDA from non-oil businesses, such as the convenience store and food & beverage segments.

Risks to our call

The downside risks to our SOTP-based TP include: 1) lower-than-expected demand for petroleum products; 2) a lower marketing margin; and 3) weaker-than-expected jet demand.

Event calendar

Date	Event
Feb 2023	4Q22/2022 results announcement

Key assumptions

	2022E	2023E	2024E
Brent oil price (USD/bbl)	100	90	90
Sales volume - retail (m litres)	13,714	14,795	15,034
Sales volume - commercial (m litres)	13,172	13,378	13,428
Sales volume - international (m litres)	1,999	2,299	2,644
Sales volume - domestic (m litres)	26,886	28,173	28,462
Oil stations (stations)	2,523	2,674	2,674
Amazon cups sold (m cups)	384	436	489
Revenue per ticket (THB/ticket)	63	64	64

Source: FSSIA estimates

Earnings sensitivity

- For every 1% increase in marketing margin, we estimate 2023 earnings would rise by 3.8%, and vice versa, all else being equal.
- For every 1% increase in the number of cups sold for Café Amazon, we estimate 2023 earnings would rise by 2.1%, and vice versa, all else being equal.

Source: FSSIA estimates

Exhibit 1: Summary of 3Q22/9M22 operations

	3Q21	2Q22	3Q22			9M21	9M22	Change	2022E
	(THB m)	(THB m)	(THB m)	(q-q %)	(y-y %)	(THB m)	(THB m)	(y-y %)	(THB m)
Revenue	116,791	211,431	194,796	(7.9)	66.8	353,960	583,517	64.9	622,736
Operating costs	(112,740)	(201,191)	(192,149)	(4.5)	70.4	(338,042)	(564,163)	66.9	(604,771)
EBITDA	4,051	10,240	2,647	(74.2)	(34.7)	15,918	19,354	21.6	17,965
EBITDA margin (%)	3.5	4.8	1.4	nm	nm	4.5	3.3	nm	2.9
Depn & amort.	(1,526)	(1,598)	(1,658)	3.7	8.6	(4,446)	(4,804)	8.1	(6,684)
EBIT	2,525	8,642	989	(88.6)	(60.8)	11,472	14,550	26.8	11,282
Interest expense	(283)	(254)	(277)	9.3	(2.0)	(943)	(802)	(14.9)	(649)
Interest & invt inc	803	875	805	(8.0)	0.3	2,447	2,596	6.1	3,654
Associates' contrib	26	121	102	(15.2)	295.8	233	362	55.6	410
Exceptional	(610)	(584)	(844)	nm	nm	(1,765)	(2,342)	nm	0
Pretax profit	2,461	8,799	775	(91.2)	(68.5)	11,444	14,364	25.5	14,696
Tax	(566)	(2,231)	(74)	(96.7)	(86.9)	(2,325)	(3,249)	39.7	(2,909)
Tax rate (%)	23.0	25.4	9.6	(62.3)	(58.4)	20.3	22.6	11.3	19.8
Minority interests	(2)	(0)	0	nm	nm	3	(2)	(169.6)	0
Net profit	1,892	6,568	701	(89.3)	(63.0)	9,121	11,114	21.9	11,787
Non-recurring	(964)	(299)	68	nm	nm	(5,668)	(231)	(95.9)	0
Core net profit	928	6,269	769	(87.7)	(17.2)	3,453	10,883	215.2	11,787
EPS (THB)	0.16	0.55	0.06	(89.3)	(63.0)	0.76	0.93	21.9	0.98
Core EPS (THB)	0.08	0.52	0.06	(87.7)	(17.2)	0.29	0.91	215.2	0.98

Sources: OR; FSSIA estimates

Exhibit 2: 3Q22/9M22 key performance

	3Q21	2Q22	3Q22	(q-q %)	(y-y %)	9M21	9M22	(y-y %)
Total sales and service (THB m)	116,792	211,431	194,795	(8)	67	353,960	583,517	65
Mobility	108,668	197,202	180,190	(9)	66	328,348	542,977	65
Lifestyle	3,761	5,293	5,295	0	41	11,907	15,355	29
Global	6,613	14,950	13,823	(8)	109	19,738	40,003	103
Other	239	265	265	0	11	738	790	7
EBITDA (THB m)	4,051	10,240	2,647	(74)	(35)	15,917	19,354	22
Mobility	3,003	8,257	1,084	(87)	(64)	12,326	14,104	14
Lifestyle	820	1,452	1,210	(17)	48	2,993	4,012	34
Global	199	517	270	(48)	36	589	1,217	107
Other	28	6	6	0	(79)	14	(12)	(186)
Share of profit/loss from investments (THB m)	26	121	102	(16)	292	233	362	55
Gain/loss on derivatives (THB m)	(149)	(192)	(663)	245	345	(219)	(988)	351
Gain/loss on exchange rate (THB m)	235	491	595	21	153	629	1,167	86
Oil								
Number of stations (stations)								
PTT in Thailand	2,042	2,103	2,111	0	3	2,042	2,111	3
EV Station PluZ	0	112	123	10	nm	31	123	297
LPG station	215	234	234	0	9	215	234	9
Volume sold (m litres)	5,217	6,859	6,284	(8)	20	16,669	19,867	19
Retail	2,529	3,395	3,138	(8)	24	8,520	9,850	16
Commercial	2,688	3,464	3,146	(9)	17	8,149	10,017	23
Sales volume per station (m litres/station)	1.2	1.6	1.5	(8)	20	4.2	4.7	12
Gross profit (THB/litre)	1.09	1.61	0.68	(58)	(38)	1.21	1.16	(4)
Oil EBITDA margin* (%)	2.8	4.2	0.6	(3.6)	(2.2)	3.8	2.6	(1.2)
Lifestyle								
Number of outlets (outlets)								
Café Amazon (Thailand, Myanmar, Japan, Oman, Malaysia)	3,512	3,728	3,786	2	8	3,512	3,786	8
Texas Chicken	87	98	100	2	15	87	100	15
Convenience store (Jiffy and 7-Eleven in Thailand)	2,041	2,092	2,095	0	3	2,041	2,095	3
Café Amazon total cups sold (Thailand, Myanmar, Japan, Oman, Malaysia) (m cups)	68	91	93	2	37	211	267	27
Cups sold per outlet (cups/outlet)	19,362	24,410	24,564	1	27	60,080	70,523	17
Sales and service (THB m)	3,761	5,293	5,295	0	41	11,907	15,355	29
Food & Beverage	2,467	3,479	3,517	1	43	7,784	10,154	30
Other non-oil	1,294	1,814	1,778	(2)	37	4,123	5,201	26
Lifestyle EBITDA margin* (%)	21.8	27.4	22.9	(4.5)	1.1	25.1	26.1	1.0

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

Source: OR

Exhibit 3: Changes in key assumptions

	Current			Previous			Change		
	2022E (THB m)	2023E (THB m)	2024E (THB m)	2022E (THB m)	2023E (THB m)	2024E (THB m)	2022E (%)	2023E (%)	2024E (%)
Revenue	622,736	646,530	661,461	555,967	564,638	578,380	12	15	14
Gross profit	45,989	52,165	55,151	44,177	50,252	53,213	4	4	4
Operating profit	11,282	13,493	13,474	11,114	13,315	12,848	2	1	5
Net profit	11,787	14,021	14,204	11,654	13,879	13,706	1	1	4
EPS (THB/shr)	0.98	1.17	1.18	0.97	1.16	1.14	1	1	4
Key assumptions									
Brent oil price (USD/bbl)	100	90	90	100	90	90	0	0	0
Sales volume - retail (m litres)	13,714	14,795	15,034	12,244	12,455	12,670	12	19	19
Sales volume - commercial (m litres)	13,172	13,378	13,428	14,257	14,256	14,307	(8)	(6)	(6)
Sales volume - international (m litres)	1,999	2,299	2,644	1,999	2,299	2,644	0	0	0
Sales volume - domestic (m litres)	26,886	28,173	28,462	26,501	26,711	26,977	1	5	6
Oil stations (stations)	2,523	2,674	2,674	2,523	2,674	2,674	0	0	0
Amazon cups sold (m cups)	384	436	489	382	434	487	1	0	0
Revenue per ticket (THB/ticket)	63	64	64	63	64	64	0	0	0

Source: FSSIA estimates

Exhibit 4: SoTP-based target price

SoTP valuation	EBITDA (THB m)	EBITDA margin (%)	EV/EBITDA (X)	Valuation (THB m)	Valuation (THB/shr)	Comments
Oil business	16,933	2.5	8.2	138,711	11.6	
Retail	10,090	2.2	9.0	90,813	7.6	At 9.6x FY23E EV/EBITDA
Commercial	6,843	3.1	7.0	47,898	4.0	At 7x FY23E EV/EBITDA
Non-oil	7,488	30.0	21.7	162,221	13.5	
Food & Beverage	4,978	32.4	22.0	109,517	9.1	At 22x FY23E EV/EBITDA
Others	2,510	26.2	21.0	52,704	4.4	At 21x FY23E EV/EBITDA
International	1,744	3.7	11.0	19,185	1.6	At 11x FY23E EV/EBITDA
Others	95	14.1	8.0	760	0.1	At 8.0x FY23E EV/EBITDA
Total	26,260		12.2	320,876	26.7	At 13.6x FY23E EV/EBITDA
Net cash /(net debt)	12,271	nm	nm	12,271	1.0	FY23E net cash
Total value	38,531		8.6	333,147	28.0	

Sources: OR; FSSIA estimates

Financial Statements

PTT Oil and Retail Business

Profit and Loss (THB m) Year Ending Dec	2020	2021	2022E	2023E	2024E
Revenue	428,804	511,799	622,736	646,530	661,461
Cost of goods sold	(390,479)	(469,517)	(576,747)	(594,365)	(606,310)
Gross profit	38,325	42,282	45,989	52,165	55,151
Other operating income	0	0	0	0	0
Operating costs	(25,261)	(25,087)	(28,023)	(29,094)	(29,766)
Operating EBITDA	13,064	17,195	17,965	23,071	25,386
Depreciation	(5,203)	(6,075)	(6,684)	(9,578)	(11,912)
Goodwill amortisation	0	0	0	0	0
Operating EBIT	7,861	11,120	11,282	13,493	13,474
Net financing costs	3,343	3,001	3,005	3,547	3,739
Associates	535	372	410	451	496
Recurring non-operating income	535	372	410	451	496
Non-recurring items	0	0	0	0	0
Profit before tax	11,739	14,494	14,696	17,491	17,709
Tax	(1,776)	(2,719)	(2,909)	(3,470)	(3,505)
Profit after tax	9,963	11,775	11,787	14,021	14,204
Minority interests	0	4	0	0	0
Preferred dividends	0	0	0	0	0
Other items	-	-	-	-	-
Reported net profit	9,963	11,780	11,787	14,021	14,204
Non-recurring items & goodwill (net)	0	0	0	0	0
Recurring net profit	9,963	11,780	11,787	14,021	14,204
Per share (THB)					
Recurring EPS *	1.11	0.98	0.98	1.17	1.18
Reported EPS	1.11	0.98	0.98	1.17	1.18
DPS	0.30	0.46	0.55	0.50	0.50
Diluted shares (used to calculate per share data)	9,000	12,000	12,000	12,000	12,000
Growth					
Revenue (%)	(25.7)	19.4	21.7	3.8	2.3
Operating EBITDA (%)	16.8	31.6	4.5	28.4	10.0
Operating EBIT (%)	3.6	41.5	1.4	19.6	(0.1)
Recurring EPS (%)	(8.6)	(11.3)	0.1	19.0	1.3
Reported EPS (%)	(8.6)	(11.3)	0.1	19.0	1.3
Operating performance					
Gross margin inc. depreciation (%)	7.7	7.1	6.3	6.6	6.5
Gross margin of key business (%)	7.7	7.1	6.3	6.6	6.5
Operating EBITDA margin (%)	3.0	3.4	2.9	3.6	3.8
Operating EBIT margin (%)	1.8	2.2	1.8	2.1	2.0
Net margin (%)	2.3	2.3	1.9	2.2	2.1
Effective tax rate (%)	17.0	20.4	20.4	20.4	20.4
Dividend payout on recurring profit (%)	27.1	46.9	56.0	42.8	42.2
Interest cover (X)	(2.5)	(3.8)	(3.9)	(3.9)	(3.7)
Inventory days	19.1	16.9	17.2	18.7	18.8
Debtor days	29.2	22.8	21.8	22.7	22.1
Creditor days	32.9	28.3	31.0	33.7	33.9
Operating ROIC (%)	10.6	15.3	13.6	13.1	11.9
ROIC (%)	7.6	9.7	8.9	9.2	8.6
ROE (%)	26.2	17.1	11.5	12.9	12.2
ROA (%)	4.9	5.3	4.6	5.5	5.3
* Pre-exceptional, pre-goodwill and fully diluted					
Revenue by Division (THB m)					
Oil business	389,783	459,576	561,112	577,472	584,478
Non-oil business	16,723	18,570	22,706	24,943	26,973
International business	21,011	31,939	37,068	42,214	48,110
Others	1,286	1,714	1,850	1,900	1,900

Sources: PTT Oil and Retail Business; FSSIA estimates

Financial Statements

PTT Oil and Retail Business

Cash Flow (THB m) Year Ending Dec	2020	2021	2022E	2023E	2024E
Recurring net profit	9,963	11,780	11,787	14,021	14,204
Depreciation	5,203	6,075	6,684	9,578	11,912
Associates & minorities	4,045	3,480	3,654	3,837	4,029
Other non-cash items	-	-	-	-	-
Change in working capital	493	5,310	(960)	817	550
Cash flow from operations	19,703	26,645	21,166	28,253	30,694
Capex - maintenance	(3,191)	(3,290)	(4,357)	(6,244)	(7,765)
Capex - new investment	(10,200)	(10,200)	(26,900)	(21,800)	(17,400)
Net acquisitions & disposals	-	-	-	-	-
Other investments (net)	(5,987)	(8,612)	(22,543)	(15,556)	(9,635)
Cash flow from investing	(19,378)	(22,102)	(53,800)	(43,600)	(34,800)
Dividends paid	(2,700)	(5,520)	(6,600)	(6,000)	(6,000)
Equity finance	0	53,497	0	0	0
Debt finance	3,608	16,433	24,502	0	0
Other financing cash flows	(8,529)	(21,732)	(25,863)	17,858	13,266
Cash flow from financing	(7,621)	42,678	(7,962)	11,858	7,266
Non-recurring cash flows	-	-	-	-	-
Other adjustments	0	0	0	0	0
Net other adjustments	0	0	0	0	0
Movement in cash	(7,296)	47,220	(40,596)	(3,489)	3,160
Free cash flow to firm (FCFF)	1,772.23	5,792.57	(31,984.87)	(15,057.29)	(3,816.17)
Free cash flow to equity (FCFE)	(4,596.04)	(756.64)	(33,996.15)	2,510.51	9,159.64

Per share (THB)

FCFF per share	0.15	0.48	(2.67)	(1.25)	(0.32)
FCFE per share	(0.38)	(0.06)	(2.83)	0.21	0.76
Recurring cash flow per share	2.13	1.78	1.84	2.29	2.51

Balance Sheet (THB m) Year Ending Dec	2020	2021	2022E	2023E	2024E
Tangible fixed assets (gross)	43,498	44,165	71,065	92,865	110,265
Less: Accumulated depreciation	(1,502)	(1,502)	(8,186)	(17,764)	(29,676)
Tangible fixed assets (net)	41,996	42,663	62,879	75,102	80,590
Intangible fixed assets (net)	5,624	5,463	5,463	5,463	5,463
Long-term financial assets	-	-	-	-	-
Invest. in associates & subsidiaries	5,218	6,920	6,920	6,920	6,920
Cash & equivalents	19,004	66,224	25,628	22,139	25,298
A/C receivable	29,543	34,321	40,134	40,134	40,134
Inventories	19,021	24,432	30,012	30,928	31,550
Other current assets	1,027	1,090	1,326	1,377	1,408
Current assets	68,594	126,066	97,100	94,577	98,390
Other assets	23,547	26,546	26,546	26,546	26,546
Total assets	144,979	207,659	198,908	208,608	217,910
Common equity	37,823	99,818	104,900	112,815	120,914
Minorities etc.	93	54	54	54	54
Total shareholders' equity	37,916	99,872	104,954	112,870	120,968
Long term debt	41,634	29,502	5,000	5,000	5,000
Other long-term liabilities	24,961	26,555	26,555	26,555	26,555
Long-term liabilities	66,595	56,057	31,555	31,555	31,555
A/C payable	28,898	44,000	54,049	55,700	56,819
Short term debt	9,169	4,868	4,868	4,868	4,868
Other current liabilities	2,402	2,862	3,483	3,616	3,699
Current liabilities	40,469	51,730	62,399	64,183	65,386
Total liabilities and shareholders' equity	144,979	207,659	198,908	208,608	217,910
Net working capital	18,291	12,980	13,940	13,123	12,574
Invested capital	94,675	94,573	115,749	127,154	132,093

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

Per share (THB)

Book value per share	4.20	8.32	8.74	9.40	10.08
Tangible book value per share	3.58	7.86	8.29	8.95	9.62

Financial strength

Net debt/equity (%)	83.9	(31.9)	(15.0)	(10.9)	(12.8)
Net debt/total assets (%)	21.9	(15.3)	(7.9)	(5.9)	(7.1)
Current ratio (x)	1.7	2.4	1.6	1.5	1.5
CF interest cover (x)	(0.7)	(2.1)	3.4	(5.9)	(6.1)

Valuation	2020	2021	2022E	2023E	2024E
Recurring P/E (x) *	22.5	25.4	25.3	21.3	21.0
Recurring P/E @ target price (x) *	25.3	28.5	28.5	24.0	23.7
Reported P/E (x)	22.5	25.4	25.3	21.3	21.0
Dividend yield (%)	1.2	1.8	2.2	2.0	2.0
Price/book (x)	5.9	3.0	2.8	2.6	2.5
Price/tangible book (x)	7.0	3.2	3.0	2.8	2.6
EV/EBITDA (x) **	19.6	15.5	15.8	12.4	11.2
EV/EBITDA @ target price (x) **	21.7	17.7	17.8	14.0	12.6
EV/invested capital (x)	2.7	2.8	2.4	2.3	2.1

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

Sources: PTT Oil and Retail Business; 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	DRSH	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	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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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

Siriluck Pinthusoonthorn FSS International Investment Advisory Securities Co., Ltd

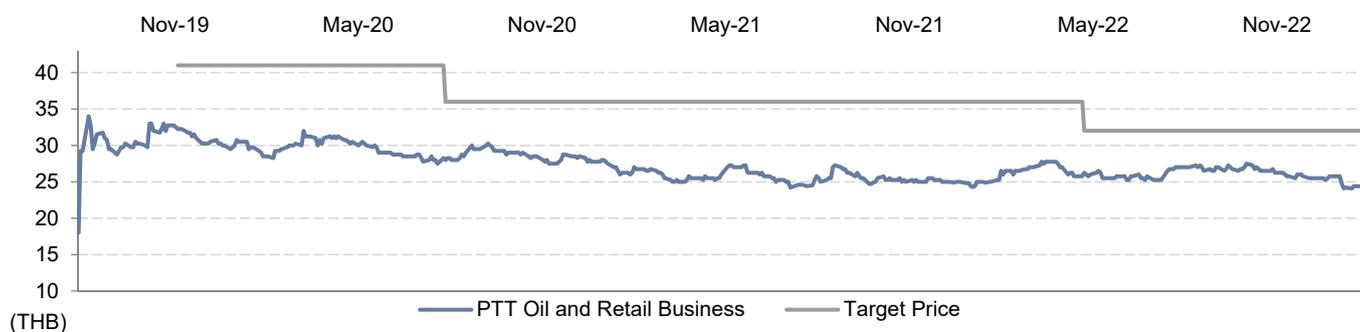
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History of change in investment rating and/or target price

PTT Oil and Retail Business (OR TB)



Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
30-Mar-2021	BUY	41.00	09-Aug-2021	BUY	36.00	20-Jun-2022	BUY	32.00

Siriluck Pinthusoonthorn started covering this stock from 30-Mar-2021

Price and TP are in local currency

Source: FSSIA estimates

Company	Ticker	Price	Rating	Valuation & Risks
PTT Oil and Retail Business	OR TB	THB 24.90	BUY	The downside risks to our SOTP-based TP include: 1) lower-than-expected demand for petroleum products; 2) a lower marketing margin; and 3) weaker-than-expected jet demand.

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 Financia Syrus Securities Public Company Limited

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All share prices are as at market close on 08-Nov-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.