PTG ENERGY   PTG TB

THAILAND / ENERGY

Expect a 4Q22 net loss

- We are less positive on PTG's net profit growth outlook in 4Q22-2023 due to the lower MM from government intervention.
- We project a 4Q22 core net loss of THB30m, mainly due to a q-q MM drop from its oil station business of THB1.55/litre.
- Downgrade to HOLD and lower our TP from THB18.3 to THB14.0.

Unclear policy pressures net profit growth outlook

We are less positive on PTG's net profit growth outlook in 4Q22-2023 for two key reasons. First, the impact of the increased Oil Fuel Fund expense as the government sought to reduce the financial strain from the oil fund's negative balance. Second, the impact of lower-than-expected demand and a higher-than-expected supply of biodiesel due to the government's slower-than-expected inclusion rate adjustment.

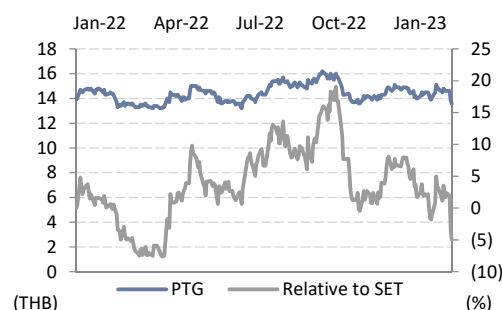## Lower MM likely to outweigh the impact of higher demand

PTG should see strong demand growth momentum driven by a demand recovery for both oil stations and the commercial segment following the easing of lockdowns, the reopening of the economy, and the resumption of tourism in 4Q22 onwards. We believe this should only partly offset the lower marketing margin from the increased oil fund expense. Consequently, we project a softer net profit in 4Q22 onwards, as the thinner MM will likely outweigh the impact of higher demand for PTG's oil stations and non-oil businesses from the economic recovery.

Oil fund expense curbs 4Q22E net profit

We project a 4Q22 core net loss of THB30m, down from the core net profit of THB188m in 3Q22 but up from the core net loss of THB86m in 4Q21. The key factors are 1) a q-q drop in MM from its oil station business at THB1.55/litre; and 2) a THB65m share of loss from biodiesel in 4Q22 – an improvement from the THB80m share of loss in 3Q22 – but still down from 4Q21's share of profit of THB40m, driven by the improving demand-supply balance.

Downgrade to HOLD; new lower TP at THB14

We downgrade to HOLD and lower our TP from THB18.3 to THB14.0, based on 17.3x 2023E P/E for its oil stations and 12x 2022E P/E for its biodiesel business, to reflect our 2022-24E EPS cuts by 21.8%-42.6% and our lower marketing margin assumptions. We also assign THB2.7/shr value for its non-oil business, based on 20x FY23E P/E. We expect PTG's share price to face pressure from the government's unclear policy – unless the government reduces the oil fund expense for oil station operators which would increase their MMs.

HOLD

FROM BUY

TARGET PRICE	THB14.00
CLOSE	THB13.60
UP/DOWNSIDE	+2.9%
PRIOR TP	THB18.30
CHANGE IN TP	-23.5%
TP vs CONSENSUS	-16.6%

KEY STOCK DATA

YE Dec (THB m)	2021	2022E	2023E	2024E
Revenue	133,908	169,873	139,280	146,173
Net profit	1,006	967	1,396	1,656
EPS (THB)	0.60	0.58	0.84	0.99
vs Consensus (%)	-	(18.5)	(12.2)	(12.5)
EBITDA	5,040	5,420	5,899	6,598
Core net profit	1,006	967	1,396	1,656
Core EPS (THB)	0.60	0.58	0.84	0.99
Chg. In EPS est. (%)	-	(42.6)	(32.0)	(21.8)
EPS growth (%)	(45.8)	(4.0)	44.4	18.7
Core P/E (x)	22.6	23.5	16.3	13.7
Dividend yield (%)	1.1	1.5	1.5	1.3
EV/EBITDA (x)	6.2	5.4	4.6	3.6
Price/book (x)	2.8	2.6	2.4	2.1
Net debt/Equity (%)	103.3	71.3	45.9	11.3
ROE (%)	12.6	11.5	15.3	16.2

Share price performance	1 Month	3 Month	12 Month
Absolute (%)	(2.9)	(1.4)	(4.2)
Relative to country (%)	(6.1)	(6.5)	(6.4)
Mkt cap (USD m)			691
3m avg. daily turnover (USD m)			3.9
Free float (%)			48
Major shareholder			Ratchakrit Holding (25%)
12m high/low (THB)			16.40/12.90
Issued shares (m)			1,670.00

Sources: Bloomberg consensus; FSSIA estimates

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Investment thesis

PTG is one of Thailand's leading service station plays, with 2,094 oil and mixed stations at end-2020. We think PTG's growth strategy is sound, focusing on not only volume growth from its existing oil stations and non-oil businesses, but also on backward integration in the methyl ester (ME), or B100, business in order to strengthen its business integration and diversification. We project PTG's net profit growth at a 6.37% CAGR from 2020-23 based on improvements in both growth and sustainability thanks to PTG's cost competitiveness, business agility, and sound growth strategy for horizontal and vertical expansion.

Company profile

PTG is an oil station play in Thailand with backward integration in the biodiesel business, thereby diversifying its business portfolio. PTG's core business is retail fuel sales via its own fuel stations under the name of PT Station, mostly located along secondary roads, with fuel sales to the diesel-based truck segment. PTG's non-oil ventures consist of 1) convenience stores, (PT Max Mart); 2) a coffee house chain (PunThai); and 3) automotive stores (Autobacs).

www.ptgenergy.co.th

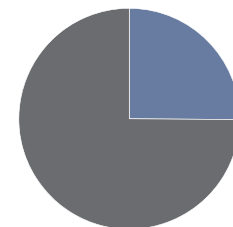## Principal activities (revenue, 2021)

- Sales of petroleum products and others - 89.4 %
- Sales of consumable products - 1.1 %
- Others - 9.5 %
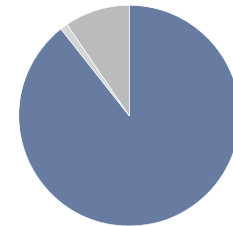
Source: PTG Energy

Major shareholders

- Ratchakrit Holding - 25.1 %
- Others - 74.9 %

Source: PTG Energy

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 key upside/downside risks to our SoTP-based TP include 1) a government cap on oil prices; 2) weaker or stronger demand for diesel and gasoline; 3) a higher or lower marketing margin.

Event calendar

Date	Event
Feb 2023	2022/4Q22 results announcement

Key assumptions

|	2022E	2023E	2024E
Sales volume (oil stations) (m litres/year)	5,171	5,429	5,701
Marketing margin (LPG & station) (THB/litre)	1.80	1.80	1.85
Price per litre (THB/litre)	32	25	25

Source: FSSIA estimates

Earnings sensitivity

- For every 1% increase in marketing margin, we estimate 2023 earnings will rise by 5%, and vice versa, all else being equal.

Source: FSSIA estimates

FINANSIA

## Increased oil fund expense could dampen 4Q22 results

We are less positive on PTG's net profit growth outlook in 4Q22-2023 for two key reasons. First, the impact of the increased oil fund expense that reduced the government's financial strain from the oil fund's negative balance. Second, the impact of lower-than-expected demand and higher-than-expected supply for biodiesel due to the government's slower-than-expected inclusion rate adjustment.

Exhibit 1: Biodiesel B7 retail price structure as of 24 Jan-23 (THB34.94/litre)
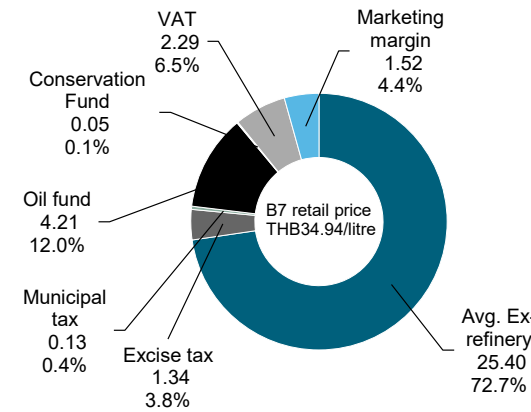
Source: Energy Policy and Planning Office (EPPO)

Exhibit 2: Estimated oil fund status as of 22 Jan-23
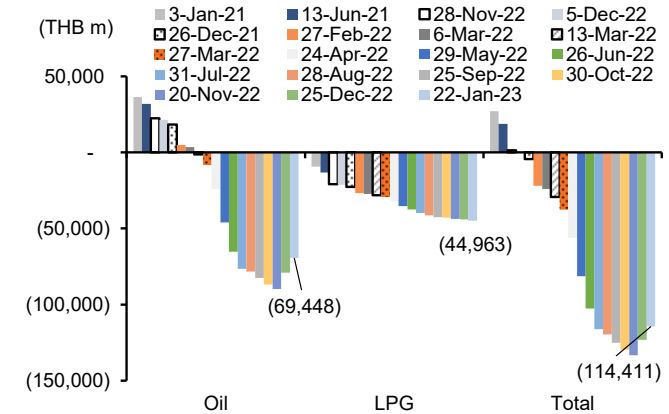
Source: Oil Fuel Fund Office (OFFO)

In late September, the government decided to lower the subsidies for diesel and gradually increase the oil fund expense to reduce the government's financial strain from the oil fund's negative balance. As a result, the oil fund started to recover from the net loss of THB90b in Nov-22 to a net loss of THB79b at the end of 2022. In contrast with the changes in the subsidies for diesel, retail oil stations' marketing margins suffered from the higher oil fund expense.

Exhibit 3: Oil fund expense/subsidy vs estimated oil fund status from 3 Oct-22 to 29 Dec-22
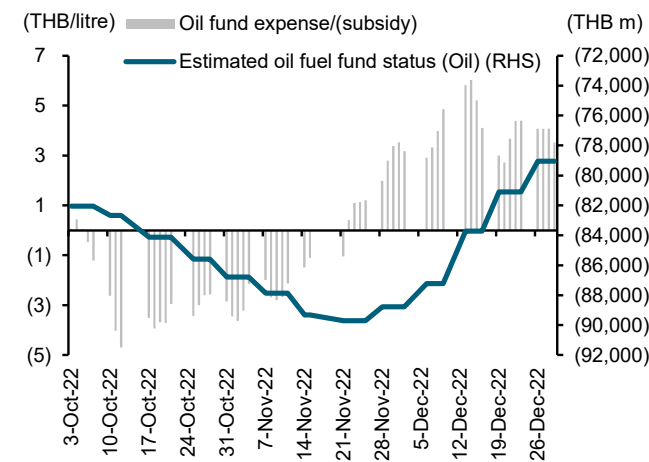
Source: EPPO

Exhibit 4: Oil fund expense/subsidy vs estimated oil fund status from 3 Jan-23 to 25 Jan-23

Source: EPPO

FINANSIA
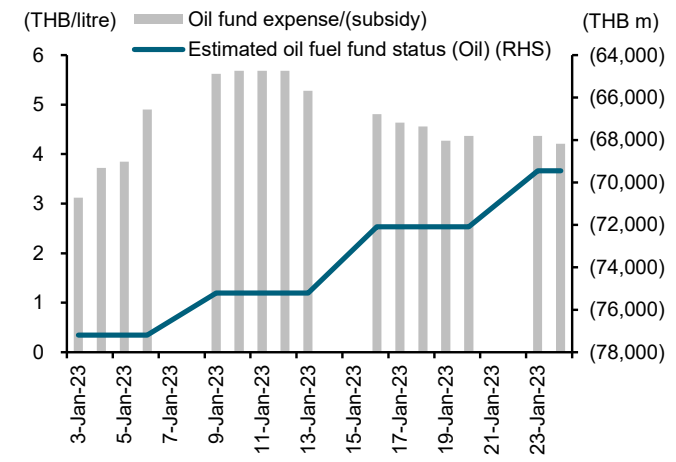
In 2022, PTG's biodiesel associate generated a net loss after demand slumped following the government's move to adjust the mandated biodiesel inclusion rate from B7 to B5 in Feb-22. We think that the demand for biodiesel in 2023 should gradually rebound after the government's mandated inclusion rate returns to B7 in 4Q22 onward, the full reopening of economic activities, and a lower CPO price due to the improving demand-supply balance. We believe PTG's biodiesel associate should gradually recover and resume generating earnings for PTG in the range of THB0.1b annually, based on our estimates.

Exhibit 5: Share of profits from biodiesel vs prices of CPO, B100 and palm
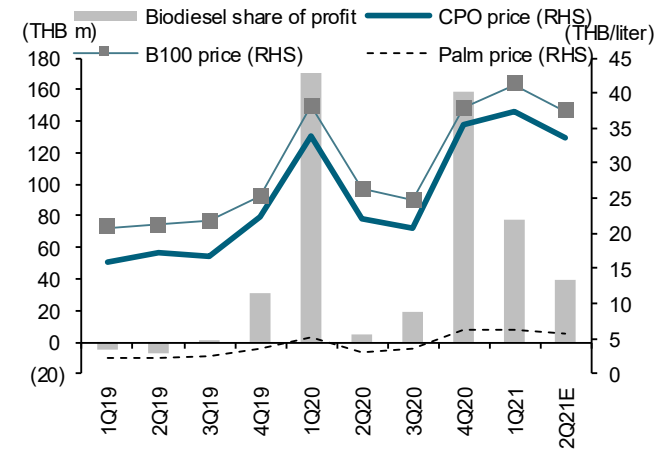
Exhibit 6: CPO situation in Thailand

Sources: PTG; FSSIA estimates
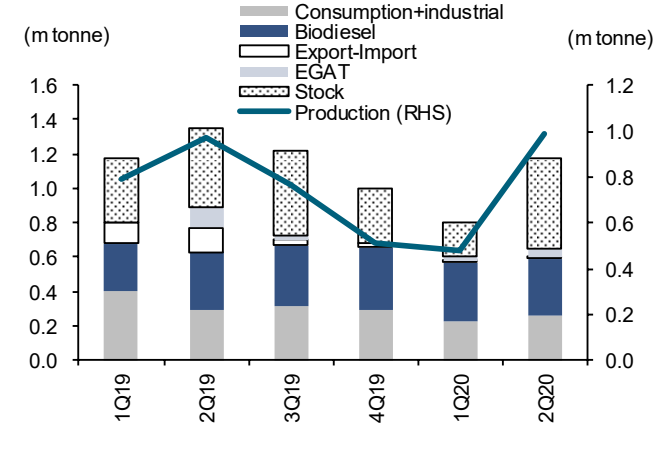
Source: Global Green Chemicals

We think PTG should see strong demand growth momentum, driven by a demand recovery for both oil stations and the commercial segment following the easing of lockdowns, the reopening of the economy, and the resumption of tourism in 4Q22 onwards. However, we believe this should only partly offset the impact of the lower marketing margin caused by the increase in the oil fund expense.

Consequently, we project a softer net profit in 4Q22 onwards, as the lower MM will likely outweigh the impact of the higher demand for PTG's oil stations and non-oil businesses from the economic reopening.

Based on our calculations, every THB0.1/litre drop in MM results in a THB0.1b net loss for PTG. Therefore, we think PTG's net profit in 4Q22 could see a downside of up to THB0.2b-THB0.3b unless the government reduces the oil fund expense for oil station operators.

Exhibit 7: Thailand's diesel consumption breakdown
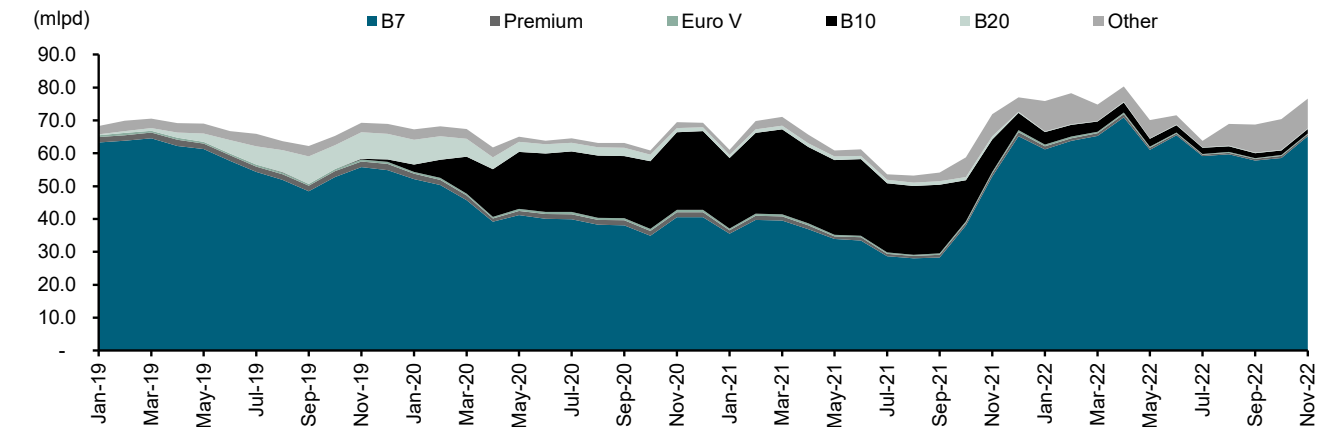
Source: Department of Energy Business (DOEB)

4Q22 results preview

We project a 4Q22 core net loss of THB30m, down from the core net profit of THB188m in 3Q22, but up from the core net loss of THB86m in 4Q21. The key factors are:

▪ a q-q MM drop from its oil station business of THB1.55/litre; and

▪ an expected THB65m share of loss from biodiesel in 4Q22, up from the THB80m share of loss in 3Q22 but down from the THB40m share of profit in 4Q21, driven the improving demand-supply balance.

However, PTG's 4Q22 core net loss could be partly supported by:

▪ a higher q-q retail sales volume of 1,352ml, up 10% q-q and up 8% y-y, due to seasonal demand and the additional new stations;

▪ a higher q-q LPG sales volume of 139ml, up 5% q-q and up 36% y-y, due to the full reopening of economic activities and increased tourist arrivals; and

▪ higher sales volumes for its non-oil businesses due to the full economic reopening.

Exhibit 8:   Summary of 4Q22E/2022E operations

	4Q21	3Q22	4Q22E			2021	2022E	Change
	(THB m)	(THB m)	(THB m)	(q-q %)	(y-y %)	(THB m)	(THB m)	(y-y %)
Revenue	37,600	45,171	39,425	(12.7)	4.9	133,908	169,873	26.9
Operating costs	(36,733)	(43,758)	(38,488)	(12.0)	4.8	(128,868)	(164,452)	27.6
Interest & invt inc	48	49	(143)	nm	nm	0	0	nm
Associates' contrib	47	(86)	111	nm	136.7	205	0	nm
Exceptionals	(2)	(11)	59	nm	nm	0	0	nm
EBITDA	**960**	**1,364**	**964**	**(29.3)**	**0.5**	**5,040**	**5,420**	**7.5**
EBITDA margin (%)	*2.6*	*3.0*	*2.4*	*nm*	*nm*	*3.8*	*3.2*	*nm*
Depn & amort.	(777)	(816)	(720)	(11.7)	(7.3)	(3,029)	(3,084)	1.8
EBIT	182	548	244	(55.4)	34.4	2,011	2,336	16.2
Interest expense	(284)	(279)	(218)	(21.9)	(23.3)	(1,118)	(1,060)	(5.2)
Pretax profit	**(103)**	**269**	**26**	**(90.2)**	**nm**	**1,277**	**1,277**	**(0.1)**
Tax	21	(88)	(10)	(88.1)	nm	(261)	(310)	19.0
Tax rate (%)	*20.4*	*32.7*	*39.7*	*21.4*	*94.8*	*20.4*	*24.3*	*19.1*
Minority interests	(6)	(4)	13	nm	nm	(10)	0	nm
Net profit	**(88)**	**177**	**29**	**(83.7)**	**nm**	**1,006**	**967**	**(4.0)**
Core profit	**(86)**	**188**	**(30)**	**nm**	**(64.7)**	**1,006**	**967**	**(4.0)**
EPS (THB)	(0.05)	0.11	0.02	(83.7)	nm	0.60	0.58	(4.0)
Core EPS (THB)	(0.05)	0.11	(0.02)	nm	(64.7)	0.60	0.58	(4.0)

Sources: PTG; FSSIA estimates

FINANSIA

EPS and target price revisions

We cut our EPS forecasts for 2022-24 by 21.8%-42.6% to reflect our lower marketing margin assumptions in 2022-24 due to the government's lack of policy clarity regarding the diesel price cap and the increase in the oil fund expense for diesel. We also lift our projected price per litre to THB32/litre from THB25/litre due to the sharp rise in the crude oil price in 2022.

Exhibit 9: 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	169,873	139,280	146,173	136,750	143,324	150,225	*24.2*	*(2.8)*	*(2.7)*
Gross profit	13,914	14,255	15,368	14,922	15,527	15,886	*(6.8)*	*(8.2)*	*(3.3)*
Operating profit	2,336	2,660	3,100	2,896	3,008	2,852	*(19.3)*	*(11.6)*	*8.7*
Net profit	967	1,396	1,656	1,683	2,054	2,119	*(42.6)*	*(32.0)*	*(21.8)*
EPS (THB/shr)	0.58	0.84	0.99	1.01	1.23	1.27	*(42.6)*	*(32.0)*	*(21.8)*
Key assumptions									
Sales volume (oil stations) (m litres/year)	5,171	5,429	5,701	5,171	5,429	5,701	*0.0*	*0.0*	*0.0*
Marketing margin (LPG & station) (THB/litre)	1.80	1.80	1.85	1.95	1.95	1.90	*(7.7)*	*(7.7)*	*(2.6)*
Price per litre (THB/litre)	32	25	25	25	25	25	*28.0*	*0.0*	*0.0*

Source: FSSIA estimates

We downgrade to HOLD and lower our TP from THB18.3 to THB14.0, based on 17.3x 2023E P/E for PTG's oil stations, 12x 2022E P/E for its biodiesel business, to reflect our 2022-24E EPS cuts by 21.8%-42.6% and our lower marketing margin assumptions. We also assign THB2.7/shr value for its non-oil business, based on 20x FY23E P/E. We think PTG's share price will face pressure due to the government's unclear policy – unless the government reduces the oil fund expense for oil station operators which would increase their MMs.

Exhibit 10: SoTP valuation

PTG valuation	THB m	THB/shr	Comments
Oil stations	19,465	11.7	At 17.3x FY23E P/E
Non-oil	4,382	2.7	At 20x FY23E P/E
Biodiesel	3,245	2.0	At 12x FY23E P/E
Net debt	(4,463)	(2.7)	FY23E net debt
Total value	**22,630**	**14.0**	

Source: FSSIA estimates

Financial Statements
PTG Energy

Profit and Loss (THB m) Year Ending Dec	2020	2021	2022E	2023E	2024E
Revenue	104,590	133,908	169,873	139,280	146,173
Cost of goods sold	(90,939)	(120,598)	(155,959)	(125,024)	(130,804)
Gross profit	**13,650**	**13,311**	**13,914**	**14,255**	**15,368**
Other operating income	-	-	-	-	-
Operating costs	(7,820)	(8,271)	(8,494)	(8,357)	(8,770)
Operating EBITDA	**5,831**	**5,040**	**5,420**	**5,899**	**6,598**
Depreciation	(2,885)	(3,029)	(3,084)	(3,238)	(3,497)
Goodwill amortisation	0	0	0	0	0
Operating EBIT	**2,946**	**2,011**	**2,336**	**2,660**	**3,100**
Net financing costs	(1,104)	(1,118)	(1,060)	(817)	(913)
Associates	376	205	0	0	0
Recurring non-operating income	452	385	0	0	0
Non-recurring items	0	0	0	0	0
Profit before tax	**2,294**	**1,277**	**1,277**	**1,843**	**2,188**
Tax	(388)	(261)	(310)	(448)	(532)
Profit after tax	**1,906**	**1,017**	**967**	**1,396**	**1,656**
Minority interests	(12)	(10)	0	0	0
Preferred dividends	0	0	0	0	0
Other items	-	-	-	-	-
Reported net profit	**1,894**	**1,006**	**967**	**1,396**	**1,656**
Non-recurring items & goodwill (net)	(37)	0	0	0	0
Recurring net profit	**1,857**	**1,006**	**967**	**1,396**	**1,656**
Per share (THB)					
Recurring EPS *	1.11	0.60	0.58	0.84	0.99
Reported EPS	1.13	0.60	0.58	0.84	0.99
DPS	0.00	0.15	0.20	0.20	0.17
Diluted shares (used to calculate per share data)	1,670	1,670	1,670	1,670	1,670
Growth					
Revenue (%)	(13.0)	28.0	26.9	(18.0)	4.9
Operating EBITDA (%)	12.9	(13.6)	7.5	8.8	11.9
Operating EBIT (%)	37.1	(31.8)	16.2	13.9	16.5
Recurring EPS (%)	19.0	(45.8)	(4.0)	44.4	18.7
Reported EPS (%)	21.4	(46.9)	(4.0)	44.4	18.7
Operating performance					
Gross margin inc. depreciation (%)	10.3	7.7	6.4	7.9	8.1
Gross margin of key business (%)	0.1	0.1	0.1	0.1	0.1
Operating EBITDA margin (%)	5.6	3.8	3.2	4.2	4.5
Operating EBIT margin (%)	2.8	1.5	1.4	1.9	2.1
Net margin (%)	1.8	0.8	0.6	1.0	1.1
Effective tax rate (%)	22.1	24.3	24.3	24.3	24.3
Dividend payout on recurring profit (%)	-	24.9	34.6	23.9	17.1
Interest cover (X)	3.1	2.1	2.2	3.3	3.4
Inventory days	8.6	6.5	6.0	7.6	6.6
Debtor days	-	-	-	-	-
Creditor days	-	-	-	-	-
Operating ROIC (%)	21.7	15.5	21.2	28.3	41.0
ROIC (%)	9.0	4.6	4.6	5.4	6.5
ROE (%)	25.6	12.6	11.5	15.3	16.2
ROA (%)	8.2	4.2	3.9	4.5	5.2
* Pre-exceptional, pre-goodwill and fully diluted					

Revenue by Division (THB m)	2020	2021	2022E	2023E	2024E
Sales of petroleum products and others	101,970	119,659	162,076	131,333	138,070
Sales of consumable products	1,500	1,500	1,500	1,500	1,500
Others	1,120	12,750	6,297	6,446	6,603

Sources: PTG Energy; FSSIA estimates

Financial Statements
PTG Energy

Cash Flow (THB m) Year Ending Dec	2020	2021	2022E	2023E	2024E
Recurring net profit	1,857	1,006	967	1,396	1,656
Depreciation	2,885	3,029	3,084	3,238	3,497
Associates & minorities	76	180	0	0	0
Other non-cash items	-	-	-	-	-
Change in working capital	(853)	1,699	798	(881)	(50)
Cash flow from operations	**3,965**	**5,915**	**4,849**	**3,753**	**5,103**
Capex - maintenance	(950)	(884)	(1,065)	(1,249)	(1,425)
Capex - new investment	-	-	-	-	-
Net acquisitions & disposals	-	-	-	-	-
Other investments (net)	(788)	(2,895)	(938)	(318)	141
Cash flow from investing	**(1,738)**	**(3,779)**	**(2,003)**	**(1,567)**	**(1,285)**
Dividends paid	(835)	(835)	(418)	(418)	(418)
Equity finance	0	0	0	0	0
Debt finance	1,045	(437)	(3,675)	500	500
Other financing cash flows	(2,534)	(104)	(191)	4	(175)
Cash flow from financing	**(2,324)**	**(1,377)**	**(4,284)**	**87**	**(92)**
Non-recurring cash flows	-	-	-	-	-
Other adjustments	0	0	0	0	0
Net other adjustments	**0**	**0**	**0**	**0**	**0**
Movement in cash	**(97)**	**760**	**(1,438)**	**2,273**	**3,726**
Free cash flow to firm (FCFF)	3,330.60	3,253.86	3,905.54	3,003.56	4,731.21
Free cash flow to equity (FCFE)	738.03	1,594.52	(1,020.21)	2,690.73	4,143.71

Per share (THB)					
FCFF per share	1.99	1.95	2.34	1.80	2.83
FCFE per share	0.44	0.95	(0.61)	1.61	2.48
Recurring cash flow per share	2.89	2.52	2.43	2.77	3.09

Balance Sheet (THB m) Year Ending Dec	2020	2021	2022E	2023E	2024E
Tangible fixed assets (gross)	17,365	18,017	20,517	23,017	25,517
Less: Accumulated depreciation	(6,511)	(6,511)	(9,902)	(13,878)	(18,415)
Tangible fixed assets (net)	**10,853**	**11,505**	**10,615**	**9,139**	**7,102**
Intangible fixed assets (net)	**229**	**283**	**283**	**283**	**283**
Long-term financial assets	-	-	-	-	-
Invest. in associates & subsidiaries	2,195	2,457	2,457	2,457	2,457
Cash & equivalents	942	1,701	264	2,537	6,263
A/C receivable	0	0	0	0	0
Inventories	2,088	2,239	2,896	2,322	2,429
Other current assets	829	918	1,248	1,431	1,679
Current assets	**3,859**	**4,859**	**4,408**	**6,290**	**10,372**
Other assets	24,902	25,280	25,280	25,280	25,280
Total assets	**42,037**	**44,384**	**43,043**	**43,449**	**45,493**
Common equity	7,884	8,095	8,644	9,622	10,861
Minorities etc.	96	105	105	105	105
Total shareholders' equity	**7,980**	**8,200**	**8,749**	**9,727**	**10,966**
Long term debt	6,282	3,821	4,000	3,000	3,500
Other long-term liabilities	19,289	19,914	19,914	20,114	20,114
Long-term liabilities	**25,572**	**23,735**	**23,914**	**23,114**	**23,614**
A/C payable	0	0	0	0	0
Short term debt	4,330	6,354	2,500	4,000	4,000
Other current liabilities	4,156	6,096	7,881	6,608	6,914
Current liabilities	**8,486**	**12,450**	**10,381**	**10,608**	**10,914**
Total liabilities and shareholders' equity	**42,037**	**44,384**	**43,043**	**43,449**	**45,493**
Net working capital	(1,239)	(2,938)	(3,736)	(2,856)	(2,806)
Invested capital	36,940	36,587	34,899	34,303	32,316
* Includes convertibles and preferred stock which is being treated as debt					

Per share (THB)					
Book value per share	4.72	4.85	5.18	5.76	6.50
Tangible book value per share	4.58	4.68	5.01	5.59	6.33
Financial strength					
Net debt/equity (%)	121.2	103.3	71.3	45.9	11.3
Net debt/total assets (%)	23.0	19.1	14.5	10.3	2.7
Current ratio (x)	0.5	0.4	0.4	0.6	1.0
CF interest cover (x)	1.7	2.4	0.0	4.3	5.5

Valuation	2020	2021	2022E	2023E	2024E
Recurring P/E (x) *	**12.2**	**22.6**	**23.5**	**16.3**	**13.7**
Recurring P/E @ target price (x) *	**12.6**	**23.2**	**24.2**	**16.8**	**14.1**
Reported P/E (x)	12.0	22.6	23.5	16.3	13.7
Dividend yield (%)	-	1.1	1.5	1.5	1.3
Price/book (x)	2.9	2.8	2.6	2.4	2.1
Price/tangible book (x)	3.0	2.9	2.7	2.4	2.1
EV/EBITDA (x) **	5.6	6.2	5.4	4.6	3.6
EV/EBITDA @ target price (x) **	5.7	6.3	5.5	4.7	3.7
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: PTG Energy; 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	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	PPPM	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	WIIK
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	TPIPP	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
AMANAH	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

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**Siriluck Pinthusoonthorn FSS International Investment Advisory Securities Co., Ltd**

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History of change in investment rating and/or target price

PTG Energy (PTG TB)

(THB)
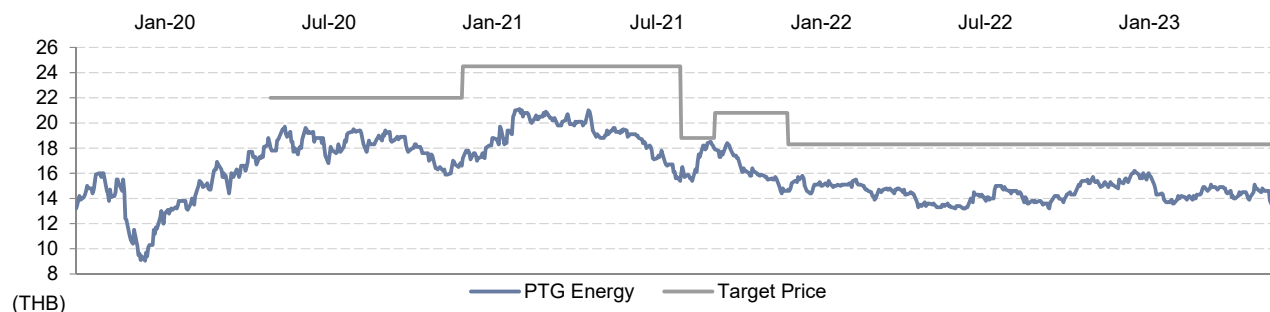
Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
22-Jul-2020	BUY	22.00	02-Aug-2021	BUY	18.80	08-Nov-2021	BUY	18.30
14-Jan-2021	BUY	24.50	02-Sep-2021	BUY	20.80			

Siriluck Pinthusoonthorn started covering this stock from 15-Nov-2022

Price and TP are in local currency

Source: FSSIA estimates

Company	Ticker	Price	Rating	Valuation & Risks
PTG Energy	PTG TB	THB 13.60	HOLD	The key upside/downside risks to our SoTP-based TP include 1) a government cap on oil prices; 2) weaker or stronger demand for diesel and gasoline; 3) a higher or lower marketing margin.

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

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All share prices are as at market close on 25-Jan-2023 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.