

16 AUGUST 2022

# SPOTLIGHT ON THAILAND

## Published Reports

- Thailand Diversified Financials - Supervision of motorcycle and car HP loans by BoT
- KNIGHT CLUB CAPITAL ASSET MNGT (KCC TB) - Small but solid; Maintain BUY TP THB7.10
- THANACHART CAPITAL (TCAP TB) - Expect an attractive dividend yield; Maintain HOLD TP THB43.00
- JMT NETWORK SERVICES (JMT TB) - Solid cash collection drove 2Q22 NP; Maintain BUY TP THB92.00
- RATCHTHANI LEASING (THANI TB) - 2Q22 NP beat from great asset quality; BUY TP THB4.80
- CHAYO GROUP (CHAYO TB) - Decent 2Q22 results; BUY TP THB14.20
- SAKSIAM LEASING (SAK TB) - Decent 2Q22, as expected; BUY TP THB9.70
- VGI PCL. (VGI TB) - A rough start; HOLD TP THB4.70
- STAR PETROLEUM REFINING (SPRC TB) - Lower gasoline yield was key in 2Q22; Maintain BUY TP THB14.60
- RATCH GROUP (RATCH TB) - Solid 2Q22 results on IPPs; Maintain BUY TP THB60.00
- PTT OIL AND RETAIL BUSINESS (OR TB) - Maximising profits in 2Q22; BUY TP THB32.00
- GULF ENERGY DEVELOPMENT (GULF TB) - FX loss led to weak 2Q22 results; BUY TP THB60.00
- ELECTRICITY GENERATING (EGCO TB) - Paju and FX loss were key culprits; BUY TP THB245.00
- B.GRIMM POWER (BGRIM TB) - Core net profit improved in 2Q22; BUY TP THB44.00
- BANGCHAK CORP (BCP TB) - Strong 2Q22 results on higher GRM; BUY TP THB41.00
- LAND AND HOUSES (LH TB) - In-line 2Q22 results; BUY TP THB10.20
- PTT PCL (PTT TB) - 2Q22 earnings soar on refinery, gas; BUY TP THB50.00
- EASTERN POLYMER GROUP (EPG TB) - Chips and floods were major drags; BUY TP THB16.00
- OSOTSPA PCL (OSP TB) - Transition undermined 2Q22 results; BUY TP THB42.00

Indices	Index as of 15-Aug-22	Change -1D (%)	Change YTD (%)	Net Foreign YTD (USD m)
Thailand SET	1,625	0.2	(2.0)	4,254
China SHCOMP	3,276	(0.0)	(10.0)	
Hong Kong HSI	20,041	(0.7)	(14.3)	
India SENSEX	Closed	0.2	2.1	(25,071)
Indonesia JCI	7,093	(0.5)	7.8	4,231
Korea KOSPI	Closed	0.2	(15.1)	(13,321)
MY FBMKLCI	1,504	(0.1)	(4.1)	
PH PCOMP	6,738	0.6	(5.4)	(1,037)
SG FSSTI	3,257	(0.4)	4.3	
Taiwan TWSE	15,417	0.8	(15.4)	(35,346)
VN VNINDEX	1,274	0.9	(15.0)	73
MSCI Emerging	1,015	(0.2)	(17.6)	
Nikkei 225	28,872	1.1	0.3	
FTSE 100	7,509	0.1	1.7	
CAC 40	6,570	0.2	(8.2)	
DAX	13,817	0.2	(13.0)	
Dow Jones	33,912	0.4	(6.7)	
Nasdaq	13,128	0.6	(16.1)	
S&P 500	4,297	0.4	(9.8)	
Brent	95.10	(3.1)	22.3	
Dubai	95.22	(5.0)	24.5	
WTI	89.41	(1.1)	17.5	
GOLD	1,779.71	(0.0)	(2.7)	
Trade data	Buy	Sell	Net	Share (%)
(THB m)	(THB m)	(THB m)	(THB m)	(THB m)
Foreign	38,482	32,707	5,775	49
Retail	23,221	26,487	(3,267)	34
Prop Trade	6,112	7,165	(1,053)	9
Local Institution	4,703	6,158	(1,455)	7
Total Trade	72,518	72,518	0	100
Rates	Last close	1M ago	End last yr	1yr ago
	8/15/2022	7/15/2022	12/31/2021	8/16/2021
THB/USD	35.50	36.61	33.41	33.43
Inflation *	7.61	7.66	2.17	0.45
MLR **	5.31	5.31	5.31	5.31
1Y Fixed *	0.43	0.43	0.43	0.43
Govt bond 10Y	2.37	2.50	1.89	1.53
Commodity	Last close	1M ago	End last yr	1yr ago
(USD/bbl)	8/15/2022	7/15/2022	12/31/2021	8/13/2021
Brent	95.10	101.16	77.78	70.59
Dubai	95.22	103.76	76.48	69.93
WTI	89.41	97.59	75.21	67.29
Gold	1,780	1,709	1,829	1,787
Baltic Dry	1,477	2,150	2,217	3,606
(USD/ton)	12-Aug-22	05-Aug-22	25-Dec-20	13-Aug-21
Coal	412.32	399.71	84.45	175.65
% change	3.2	2.5	388.2	134.7

\* chg y-y% last at end of most recent month end; \*\* Avg of 4 major banks;

Sources: Bloomberg, except coal from BANPU

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- SERMSANG POWER CORP (SSP TB) - Capacity growth drove 2Q22 results; BUY TP THB20.00
- PTG ENERGY (PTG TB) - Strong demand boosted 2Q22; BUY TP THB18.30
- ENERGY ABSOLUTE (EA TB) - EV tailwind to arrive in 3Q22; BUY TP THB101.00
- CK POWER (CKP TB) - Solid, in-line 2Q22 results; BUY TP THB6.60

## Results Comments

- Chularat Hospital (CHG TB, BUY, THB4.7 TP) - reported 2Q22 core profit of THB0.9b, in line with our estimate
- Bangkok Chain Hospital (BCH TB, BUY, TP THB28.50) - 2Q22 core profit of THB1.1b (-44% q-q), in line with our estimate
- Vibhavadi Medical Center (VIBHA TB, BUY, TP THB3.20) - core profit grew by 6% q-q to THB467m in 2Q22
- Centel Plaza Hotel (CENTEL TB, BUY, THB49 TP) - booked 2Q22 turnaround core profit of THB22m, missed our estimates
- Dusit Thani (DUSIT TB, BUY, THB18 TP) - booked larger q-q core loss of THB292m in 2Q22, dragged by education business
- RS (RS TB, HOLD, TP THB16.30) - 2Q22 results were lower than expected
- Plan B Media (PLANB TB, BUY, TP THB7.60) - The highest quarterly earnings in the past two years
- True Corporation (TRUE TB, BUY, TP THB5.40) - Its core loss in 2Q22 were in line
- Aapico Hitech (AH TB, BUY, TP THB29.50) - Impressive earnings in 2Q22
- NEX (BUY, TP THB21.6) Groundbreaking orders in 3Q22
- CPF (HOLD, TP THB28) - Disappointing 2Q22 results on poor overseas performance
- Sino-Thai Engineering and Construction (STEC TB, BUY, TP THB15.40) – 2Q22 results, missing BBG's consensus
- CH. Karnchang (CK TB, BUY, TP THB26) – Solid 2Q22 results
- SAWAD (BUY; 2023 TP of THB62) - In line 2Q22 performance
- DITTO (REDUCE; 2022 TP of THB34) - Strong 2Q22 performance from solid revenue and margin

## Key takeaways from Analyst Meeting

- Asia Aviation (AAV TB, BUY, THB3.4 TP) - Key takeaways from 2Q22 analyst meeting
- Praram 9 Hospital (PR9 TB, BUY, TP THB18.0) - key takeaways from 2Q22 meeting

## Economics

- COVID-19 cases as of 1 Aug globally reaches 595,549,387 with new 418,484 cases and 1,038 new deaths. There are 19,960,978 currently infected patients, with 45,671 (0.2%) cases in serious condition.
- Govt to regulate booming auto leasing sector
- Record-high electricity price rise approved
- Baht's rebound driven by tourism, but volatility remains
- China cuts rates as economic recovery weaker than expected
- GDP notches fastest growth in a year on eased pandemic curbs
- Yield curve of state 10-year bonds rises
- Making more than ends meet
- EEC schemes to get govt hurry-up

## Corporate News

- Investors In crypto exchange Zipmex seek CEO Lim's resignation
- THAI narrows operating loss in Q2

## Published Reports

### Thailand Diversified Financials - Supervision of motorcycle and car HP loans by BoT

#### Public hearing during 15-31 August 2022 about the control of HP contracts

Today, the Bank of Thailand (BoT) opened a public hearing about the (draft) Royal Decree for the BoT to control hire purchase (HP) and financial lease contracts for motorcycles and cars. The BoT would control all operators who run the mentioned businesses, except for operators who are already subject to other laws such as commercial banks. The hearing will run from the 15th to the 31st of August 2022. The Royal Decree will come into effect 180 days from the date of announcement in the Government Gazette.

#### BoT wants to increase HP service standards and protect consumers' rights

HP and financial lease contracts for motorcycles and cars are available to the general public in a wide area. These loans have also had a high growth rate, with average growth of 5.5% p.a. during 2017-21. At the end of 2021, there were total outstanding loans of THB1.8t or 12.3% of household debt. On top of that, there is currently no agency to supervise these business operations. This has resulted in a number of complaints about using these services. The BoT, therefore, recognises the necessity of supervising this group of businesses in order to 1) raise the level of business operations to be more standardised; and 2) protect consumers' rights. Initially, the BOT asked operators to conduct business in accordance with regulations, e.g. disclosure of product information.

#### Neutral view in short to medium term

We read this public hearing as neutral in the short to medium term as there are no clear supervision measures, particularly the interest rate cap. We think it would take some time to consider. We expect the rate cap for motorcycle HP to be c25-28%. In the short term, we think that control by the BoT might lead to a more difficult workflow for small-sized operators, resulting in higher OPEX. However, we still see a limited impact for larger-sized operators as most of their portfolios are controlled by the BoT. In the longer term, this should make competition fairer, in our view.

#### Overhang for motorcycle HP not over yet

NCAP (c100% of portfolio, 30-35% rate charge), SAWAD (c15-20% of portfolio, 30-35% rate charge), SAK (c5% of portfolio, 24% rate charge) and MTC (c5% of portfolio, 22-24% rate charge) operate motorcycle HP. The current control by the BoT should have a limited impact on them. However, this could be followed up by other rules that may come into force, e.g. the rate cap. We think the BoT's control over HP loans would continue to pressure operators' share prices, especially NCAP. Other covered diversified financials would have no impact from this announcement.

#### Exhibit 1: Key valuations of diversified financials under coverage

	BBG code	Rec	---Share price---		Up side (%)	Market Cap (USD m)	EPS growth		---- P/E ----		---- ROE ----		---- PBV ----	
			Current (THB)	Target (THB)			22E (%)	23E (%)	22E (x)	23E (x)	22E (%)	23E (%)	22E (x)	23E (x)
<b>Diversified financials</b>						<b>21,327</b>	<b>10.7</b>	<b>20.8</b>	<b>24.2</b>	<b>19.4</b>	<b>15.8</b>	<b>16.3</b>	<b>3.3</b>	<b>2.8</b>
<b>Unsecured-loan lender</b>						<b>5,523</b>	<b>13.0</b>	<b>7.3</b>	<b>19.3</b>	<b>18.0</b>	<b>23.1</b>	<b>21.6</b>	<b>4.2</b>	<b>3.7</b>
Aeon Thana Sinsap (Thailand)	AEONTS TB	HOLD	175.50	188.00	7	1,236	19.0	7.0	10.4	9.7	19.8	18.5	1.9	1.7
Krungthai Card	KTC TB	HOLD	59.00	60.00	2	4,286	11.2	7.4	21.9	20.4	24.1	22.5	4.9	4.3
<b>Auto-title lender</b>						<b>7,279</b>	<b>10.3</b>	<b>20.4</b>	<b>17.4</b>	<b>14.5</b>	<b>18.1</b>	<b>19.0</b>	<b>2.9</b>	<b>2.6</b>
Muangthai Capital	MTC TB	BUY	46.00	60.00	30	2,748	14.3	23.0	17.2	14.0	20.7	21.3	3.3	2.7
Srisawad Corp	SAWAD TB	BUY	51.25	62.00	21	1,983	0.8	19.3	15.2	12.7	17.8	19.4	2.6	2.4
Saksiam Leasing	SAK TB	BUY	7.10	9.70	37	419	23.1	26.3	19.9	15.8	14.5	16.4	2.7	2.4
Ngern Tid Lor	TIDLOR TB	BUY	30.25	37.00	22	2,129	11.4	16.9	19.2	16.5	15.6	16.3	2.9	2.5
<b>Truck lender</b>						<b>1,885</b>	<b>0.8</b>	<b>26.6</b>	<b>26.1</b>	<b>20.1</b>	<b>10.3</b>	<b>11.9</b>	<b>2.3</b>	<b>2.1</b>
Micro Leasing	MICRO TB	HOLD	4.98	5.50	10	131	0.4	39.0	24.7	17.8	9.3	11.9	2.2	2.0
Singer Thailand	SINGER TB	BUY	46.50	59.00	27	1,074	(4.1)	35.2	34.6	25.6	7.2	9.4	2.5	2.4
Ratchthani Leasing	THANI TB	BUY	4.26	4.80	13	680	8.6	10.6	13.0	11.8	15.5	16.0	1.9	1.8
<b>Asset management</b>						<b>5,303</b>	<b>16.0</b>	<b>34.9</b>	<b>41.4</b>	<b>30.1</b>	<b>9.0</b>	<b>10.6</b>	<b>3.7</b>	<b>3.2</b>
Bangkok Commercial Asset Mngt.	BAM TB	BUY	17.90	22.00	23	1,630	14.3	23.2	19.5	15.8	6.9	7.9	1.3	1.2
Chayo Group	CHAYO TB	BUY	10.80	14.20	31	325	8.4	32.5	43.8	33.0	8.8	8.1	3.2	2.3
JMT Network Services	JMT TB	BUY	78.75	92.00	17	3,238	16.4	41.5	52.4	37.1	10.0	12.3	4.9	4.3
Knight Club Capital Asset Mngt.	KCC TB	BUY	6.35	7.10	12	111	53.1	21.9	36.4	29.9	11.7	10.1	3.3	2.8
<b>Other</b>						<b>1,167</b>	<b>4.1</b>	<b>8.5</b>	<b>7.5</b>	<b>6.9</b>	<b>8.0</b>	<b>8.2</b>	<b>0.6</b>	<b>0.6</b>
Thanachart Capital	TCAP TB	HOLD	39.50	43.00	9	1,167	4.1	8.5	7.5	6.9	8.0	8.2	0.6	0.6
<b>Hire purchase motorcycle</b>						<b>170</b>	<b>(52.9)</b>	<b>56.5</b>	<b>27.5</b>	<b>17.6</b>	<b>5.7</b>	<b>7.6</b>	<b>1.4</b>	<b>1.3</b>
Next Capital	NCAP TB	HOLD	4.48	5.00	12	170	(52.9)	56.5	27.5	17.6	5.7	7.6	1.4	1.3

Share prices as of 15 Aug 2022

Source: FSSIA estimates

## KNIGHT CLUB CAPITAL ASSET MNGT (KCC TB) - Small but solid; Maintain BUY TP THB7.10

### Outstanding 2Q22 results from big NPL settlement

KCC posted a solid 2Q22 net profit of THB43m, increasing from THB12m and THB19 in 2Q21 and 1Q22, respectively. The strong growth in its net profit came from a rise in its non-performing loan (NPL) and non-performing asset (NPA) cash collection (CC) to THB158m, from THB18m and THB63m in 2Q21 and 1Q22, respectively, as the company was able to settle one big-plot corporate NPL deal and some retail housing NPL sales. The outstanding revenue growth completely offset a rise in its IPO-related OPEX. As for its NPL purchases, KCC accelerated its NPL acquisitions in 2Q22, with NPL purchases amounting to THB540m from no purchases in 1Q22. Its accumulated 1H22 NPL purchases were at THB540m vs its 2022 target of THB800m.

### Strong cash collection expected in 2H22

We believe KCC's CC should be strong in 2H22. High inflation does not impact KCC's CC much as the majority of its clients are in the corporate segment. The company may continue to settle corporate NPL deals and offer debt restructuring to its clients. However, as we conservatively forecast that there should be no large-ticket NPL settlements like in 2Q22, we expect that KCC's net profit will be back to its normal level of around cTHB15m-20m.

### Revising earnings up by 7- 49% during 2022-24

We increase our 2022/23/24 net profit forecasts by 49%/20%/7%. Although KCC might be negatively impacted by a rise in its cost of funds following the rate uptrend, we believe an increase in KCC's CC due to its unique business model could totally offset that.

### Maintain BUY with a 2023 GGM-based TP of THB7.1

We roll our valuation forward to 2023 and derive a new GGM-based TP of THB7.1, up from our 2022 TP of THB5.1. We maintain our BUY call. We expect KCC to deliver outstanding net profit growth of 52% at a three-year CAGR in 2022-24, driven by 1) its aggressive NPL purchases after unlocking a source of funds from its IPO; 2) a substantial rise in revenue following its NPL portfolio expansion; 3) an increase in its CC supported by both new and existing NPL portfolios; and 4) a lower cost to income ratio due to efficient OPEX control.

### Exhibit 2: KCC – 2Q22 results review

	2Q21	1Q22	2Q22		1H22			2022E	Change	2Q22 comments
	(THB m)	(THB m)	(THB m)	(y-y%)	(q-q%)	(THB m)	(y-y%)	%22E	(THB m)	(y-y%)
<b>Interest income</b>										
- Interest income from NPLs	28	16	18	(38)	12	33	(39)	30	111	7
<b>Total interest income</b>	<b>28</b>	<b>16</b>	<b>18</b>	<b>(38)</b>	<b>12</b>	<b>33</b>	<b>(39)</b>	<b>30</b>	<b>111</b>	<b>7</b>
Interest expense	4	4	11	186	212	15	84	57	26	64
<b>Net interest income</b>	<b>24</b>	<b>12</b>	<b>6</b>	<b>(73)</b>	<b>(47)</b>	<b>19</b>	<b>(60)</b>	<b>22</b>	<b>86</b>	<b>(3)</b>
<b>Non-interest income</b>										
- Gain on properties for sale	1	2	0		nm	2	317	43	5	162
- Others	3	11	62	2,129	469	73	326	83	87	147
<b>Total non-interest income</b>	<b>3</b>	<b>13</b>	<b>62</b>	<b>1,749</b>	<b>367</b>	<b>75</b>	<b>326</b>	<b>81</b>	<b>93</b>	<b>148</b>
<b>Total operating income</b>	<b>28</b>	<b>25</b>	<b>68</b>	<b>147</b>	<b>169</b>	<b>94</b>	<b>46</b>	<b>53</b>	<b>178</b>	<b>42</b>
Operating expenses	7	8	12	75	44	20	49	48	41	20
<b>Pre provision operating profit</b>	<b>21</b>	<b>17</b>	<b>57</b>	<b>170</b>	<b>227</b>	<b>74</b>	<b>45</b>	<b>54</b>	<b>137</b>	<b>50</b>
Expected credit loss	6	(7)	3	(45)	nm	(3)	nm	nm	16	(36)
<b>Operating profit</b>	<b>15</b>	<b>24</b>	<b>53</b>	<b>254</b>	<b>124</b>	<b>77</b>	<b>91</b>	<b>64</b>	<b>121</b>	<b>84</b>
Income tax expenses	3	5	11	238	126	15	87	64	24	82
<b>Profit before minority interest</b>	<b>12</b>	<b>19</b>	<b>43</b>	<b>259</b>	<b>124</b>	<b>62</b>	<b>92</b>	<b>64</b>	<b>97</b>	<b>84</b>
<b>Normalised profit</b>	<b>12</b>	<b>19</b>	<b>43</b>	<b>259</b>	<b>124</b>	<b>62</b>	<b>92</b>	<b>64</b>	<b>97</b>	<b>84</b>
Extra items	0	0	0	nm	nm	0	nm	nm	0	
<b>Net profit</b>	<b>12</b>	<b>19</b>	<b>43</b>	<b>259</b>	<b>124</b>	<b>62</b>	<b>92</b>	<b>64</b>	<b>97</b>	<b>84</b>
<b>Key financial highlights/ratios</b>	<b>(THB m)</b>	<b>(THB m)</b>	<b>(THB m)</b>	<b>(y-y%)</b>	<b>(q-q%)</b>	<b>(THB m)</b>	<b>(y-y%)</b>		<b>(THB m)</b>	<b>(y-y%)</b>
NPL & NPA purchases	0	0	540	nm	nm	540	nm		800	1,059
NPL & NPA cash collection	18	63	158	783	152	221	336		304	53
Cash collection/NPL & NPA (%)	879.5	47.8	86.8						36.0	
Liabilities / equity (x)	0.6	0.6	0.6						0.8	
Interest-bearing debt/equity (x)	0.6	0.5	0.6						0.5	
ROA (%)	13.2	10.3	13.6						7.5	
ROE (%)	13.0	16.3	21.6						11.7	
Cost of funds (%)	12.2	6.0	10.3						6.1	
Cost to income (%)	24.3	32.0	17.2						23.2	

Sources: KCC; FSSIA estimates

## THANACHART CAPITAL (TCAP TB) - Expect an attractive dividend yield; Maintain HOLD TP THB43.00

### Solid 2Q22 net profit on THANI and TTB's strong performance

TCAP reported a 2Q22 net profit of THB1,772m (+60% y-y, +71% q-q). The solid net profit came from a rise in subsidiaries' and associates' performance, including 1) Ratchthani Leasing (THANI TB, BUY, TP of THB4.8) – due to lower provisions and stronger loan growth; 2) TMBThanachart Bank (TTB TB, BUY, TP of THB1.4) – due to lower provisions and stronger fee income; 3) Thanachart Plus (not listed) – due to a rise in its loan volume; and 4) MBK Life Assurance (not listed). Also, TCAP booked a higher gain from mark to market on its financial instruments through profit and loss. Its 1H22 net profit accounts for 52% of our 2022 net profit forecast.

### Net profit might drop q-q from TTB's performance

We expect TCAP's 3Q22 net profit to increase y-y but decline q-q following TTB's performance. We think TTB's net profit in 3Q22 should decline q-q (but still surge y-y from the low base) due to 1) an increase in its OPEX; and 2) an elevated provision, as we expect that the debt repayment ability of TTB's clients could be reduced due to the highly inflationary environment and its high concentration in the SME and retail segments – 66% of its total portfolio. Other subsidiaries' net profits might also rise y-y but fall q-q, with the exception of THANI, whose net profit we expect to increase both y-y and q-q.

### Expect an attractive interim dividend yield

We expect TCAP to announce its interim dividend at the end of August 2022. We forecast its dividend to be at THB1.2/share, implying an attractive interim dividend yield of 3.1%.

### Maintain HOLD while rolling forward to 2023 TP of THB43

Even though there are few apparent positive catalysts for TCAP's earnings in the near term, we estimate that TCAP could offer a high dividend yield at 8-10% per year in the next three years. We maintain our HOLD call for its attractive dividend yield and maintain our 2022-24 net profit forecasts. We roll forward our valuation to 2023 and derive a new TP of THB43, up from our 2022 TP of THB42, following a rise in its 2023 book value per share to THB71.1 from THB67.0 in 2022. Our TP implies 0.62x 2023E P/BV.

### Exhibit 3: TCAP – summary of 2Q22 earnings

Year-end Dec 31	2Q21	1Q22	2Q22			1H22			2022E	Change (y-y %)
	(THB m)	(THB m)	(THB m)	(y-y %)	(q-q %)	(THB m)	(y-y %)	%22E	(THB m)	
Net interest income	653	705	752	15	7	1,458	13	57	2,536	(5)
Non-interest income*	1,984	1,814	2,469	24	36	4,283	8	46	9,265	9
Operating income*	2,638	2,520	3,221	22	28	5,741	9	49	11,802	6
Operating expenses	808	790	814	1	3	1,604	2	50	3,223	3
<b>PPOP before tax</b>	<b>1,830</b>	<b>1,730</b>	<b>2,407</b>	<b>32</b>	<b>39</b>	<b>4,137</b>	<b>12</b>	<b>48</b>	<b>8,579</b>	<b>7</b>
Expected credit loss	140	138	43	(69)	(69)	181	(24)	31	574	19
Income tax	253	202	243	(4)	21	444	(8)	36	1,237	48
Minority interest	330	354	350	6	(1)	704			1,367	(5)
<b>Normalised profit</b>	<b>1,107</b>	<b>1,036</b>	<b>1,772</b>	<b>60</b>	<b>71</b>	<b>2,808</b>	<b>28</b>	<b>52</b>	<b>5,401</b>	<b>2</b>
Extraordinary items	0	0	0			0			0	
<b>Net profit</b>	<b>1,107</b>	<b>1,036</b>	<b>1,772</b>	<b>60</b>	<b>71</b>	<b>2,808</b>	<b>28</b>	<b>52</b>	<b>5,401</b>	<b>2</b>
EPS (THB)	1.06	0.99	1.69	60	71	2.68	28	51	5.25	4
<b>Profitability ratio (%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>						<b>(%)</b>	
Cost to income ratio	30.6	31.3	25.3						27.3	
Average yield	2.9	3.0	3.1						3.1	
Cost of funds	2.8	2.6	2.4						2.7	
Net interest margin (NIM)	1.9	2.0	2.1						1.9	
Non-int inc / total income	75.2	72.0	76.6						78.5	
<b>Loan growth (%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>						<b>(%)</b>	
Year-to-date	5.9	7.2	11.4							
y-y	2.0	14.9	15.6						8.0	
q-q	3.3	7.2	3.9							

\*Including share of profits from associates

Sources: TCAP; FSSIA estimates

## JMT NETWORK SERVICES (JMT TB) - Solid cash collection drove 2Q22 NP; Maintain BUY TP THB92.00

### Net profit profile back on track in 2Q22 as expected

JMT reported a decent 2Q22 net profit of THB433m (+50% y-y, +18% q-q). We see two positives in its performance. First, despite the high inflation, JMT's cash collection (CC) rose 38% y-y (but dropped 8% q-q due to seasonality) to THB1.3b. Second, the solid 1H22 CC resulted in a lower ECL of THB2m in 2Q22 from 1Q22's ECL of THB112m. These positives were able to totally offset the weakness in its insurance business (6% of total revenue) from a rise in Covid insurance claims.

### Post-2Q22 results meeting feedback

At its 2Q22 post-results meeting, JMT mentioned new information – it is considering expanding its AMC business to another Asian country. It will partner with a local operator(s). The business' progress should be clearer in 4Q22. As for its existing business, JMT has seen stable CC q-q (still increasing y-y) during 3QTD. Management expects higher NPL sales from banks in 4Q22. JMT will accelerate some of its investments in 3Q22, potentially resulting in a surge in its 3Q22 OPEX. Management believes these investments should support its growth trajectory in the next two years. As for JK, JMT expects a net profit contribution in 4Q22.

### Expect a decent 3Q22 net profit before surging in 4Q22

We expect JMT's 3Q22 net profit to rise y-y. We think its AMC business should continue to perform well, with a rise in CC from its portfolio expansion and its ability to manage cash collection. On top of that, after facing a net loss in its insurance business, we expect fewer insurance claims going forward. Therefore, its insurance business' bottom line should turn green. However, we expect that its 3Q22 net profit might be relatively stable q-q, dragged down by a rise in its OPEX. We think its net profit might surge y-y and q-q again in 4Q22 due to higher CC, a rise in its fully amortised revenue, and an ECL reversal.

### Maintain BUY on its projected strong growth

We maintain JMT as one of our top picks with a TP of THB92 for three reasons. First, we think JMT's limited exposure to high inflation should result in resilient CC. Second, rate hikes should not affect JMT's cost of funds as it still has sufficient funding to run its business next year without increasing its debt, in our view. Lastly, we believe JMT will deliver solid 42% EPS growth in 2023.

### Exhibit 4: JMT – 2Q22 results preview

	2Q21	1Q22	----- 2Q22 -----		----- 1H22 -----			2022E	Change	2Q22 comments
	(THB m)	(THB m)	(THB m)	(y-y%)	(q-q%)	(THB m)	(y-y%)	%22E	(THB m)	(y-y %)
<b>Interest income</b>										
- Interest income from NPLs	472	639	649	37	2	1,288	37	44	2,960	43
- Gain on NPLs (fully amortised)	228	312	306	34	(2)	618	41	49	1,256	19
<b>Total interest income</b>	<b>701</b>	<b>951</b>	<b>955</b>	<b>36</b>	<b>0</b>	<b>1,906</b>	<b>38</b>	<b>43</b>	<b>4,410</b>	<b>41</b>
Interest expense	82	71	66	(19)	(8)	137	(14)	52	265	(23)
<b>Net interest income</b>	<b>619</b>	<b>879</b>	<b>889</b>	<b>44</b>	<b>1</b>	<b>1,769</b>	<b>45</b>	<b>43</b>	<b>4,145</b>	<b>48</b>
<b>Non-interest income</b>										nm
- Service income from debt collection services	75	69	75	(0)	9	144	(14)	42	345	15
- Net insurance premium	1	(48)	(50)	nm	nm	(98)	nm	nm	(61)	nm
- Others	3	30	3	7	(89)	33	129	121	27	10
Total non-interest income	80	51	28	(65)	(46)	79	(61)	25	311	(11)
<b>Total operating income</b>	<b>699</b>	<b>931</b>	<b>917</b>	<b>31</b>	<b>(1)</b>	<b>1,848</b>	<b>30</b>	<b>41</b>	<b>4,456</b>	<b>42</b>
Operating expenses	316	416	464	47	11	880	32	50	1,760	20
Pre provision operating profit	383	515	453	18	(12)	968	28	36	2,696	61
Expected credit loss	50	112	2	(96)	(98)	113	54	54	210	276
<b>Operating profit</b>	<b>332</b>	<b>403</b>	<b>451</b>	<b>36</b>	<b>12</b>	<b>854</b>	<b>25</b>	<b>34</b>	<b>2,486</b>	<b>53</b>
Income tax expenses	50	63	48	(4)	(25)	111	(4)	30	373	55
Profit before minority interest	283	340	404	43	19	743	31	35	2,113	53
Share of profit		0	0	nm	nm	0			19	
Minority	(6)	(27)	(30)	nm	nm	(57)	nm	nm	0	nm
<b>Normalised profit</b>	<b>289</b>	<b>367</b>	<b>433</b>	<b>50</b>	<b>18</b>	<b>800</b>	<b>40</b>	<b>38</b>	<b>2,132</b>	<b>52</b>
Extra items	0	0	0	nm	nm	0	nm	nm	0	nm
<b>Net profit</b>	<b>289</b>	<b>367</b>	<b>433</b>	<b>50</b>	<b>18</b>	<b>800</b>	<b>40</b>	<b>38</b>	<b>2,132</b>	<b>52</b>
										<b>10% higher than the BBG</b>
<b>Key financial highlights</b>	<b>(THB m)</b>	<b>(THB m)</b>	<b>(THB m)</b>	<b>(y-y%)</b>	<b>(q-q%)</b>	<b>(THB m)</b>	<b>(y-y%)</b>	<b>%22E</b>	<b>(THB m)</b>	<b>(y-y%)</b>
NPL & NPA purchases	1,502	728	375	(75)	(48)	1,102	(67)		8,500	(2)
NPL & NPA cash collection	970	1,458	1,337	38	(8)	2,795	42		6,239	36
Cash collection/NPL & NPA (%)	31.2	33.4	30.4						31.0	
<b>Key financial ratios</b>										
Liabilities/equity (x)	1.1	0.3	0.2						0.3	
Interest-bearing debt/equity (x)	0.9	0.3	0.2						0.3	
ROA (%)	7.1	5.1	6.0						7.2	
ROE (%)	14.8	7.1	7.7						10.0	
Cost of funds (%)	4.5	4.2	4.8						3.5	
Cost to income (%)	45.3	44.7	50.6						39.5	

Sources: JMT; FSSIA estimates

## RATCHTHANI LEASING (THANI TB) - 2Q22 NP beat from great asset quality; BUY TP THB4.80

### Beat 2Q22 results from great asset quality control

We read THANI's overall performance as positive. It delivered a solid 2Q22 net profit of THB492m, up 15% y-y and 8% q-q, which was 7% higher than our expectation and the BBG consensus due to lower ECL.

### Plummeting ECL and gradual loan recovery were key drivers

Its robust bottom line was driven by three factors. First, there was a rise in its loan volume by 6% y-y and 3% q-q on the strong demand for trucks. Next, its fee income increased by 22% y-y following the rise in its loan volume. Lastly, THANI did a good job on its credit cost, which was better than our expectation. It went down significantly by 59 bps y-y and 45 bps q-q to 56 bps, as THANI was able to control its asset quality effectively. Unlike other diversified financial companies, its NPLs plummeted by 18% q-q, implying a record low NPL ratio of 2.4%. Its coverage ratio increased impressively to 117%. These positives were able to completely offset the company's higher OPEX as it is continuing to speed up its truck confiscation process to prevent its asset quality from declining. Its 1H22 net profit accounts for 51% of our 2022 net profit forecast.

### Solid net profit growth and healthy asset quality expected in 2H22

We believe THANI should continue to deliver robust performance – strong net profit growth with healthy asset quality – in 2H22, driven by 1) moderate loan growth; 2) higher fee income; and 3) lower ECL. Its asset quality should be healthier than its peers as c60% of THANI's truck clients are medium to large business operators. Normally, these segments can pass through the higher costs from the rising energy price to employers. We think THANI's clients will still have a limited impact from the rising energy price and high inflation environment.

### Maintain BUY with a 2023 GGM-based TP of THB4.8

We reiterate our BUY call and our 2023 GGM-based TP of THB4.8. We think THANI will be able to manage the impact from the potential rate hikes and high inflation. Also, it is resuming its loan expansion mode. We believe its net profit should gradually increase y-y in 2H22 and by 11% in 2023. We think its share price still has not reflected the improving performance that we expect in the coming quarters. THANI's valuation is undemanding at 11.8x 2023E P/E and 1.8x 2023E P/BV.

### Exhibit 5: THANI – 2Q22 results review

Year-end Dec 31	2Q21	1Q22	2Q22			1H22			2022E	Change	2Q22 comments
	(THB m)	(THB m)	(THB m)	(y-y %)	(q-q %)	(THB m)	(y-y %)	%22E	(THB m)	(y-y %)	
Net interest income	616	624	644	5	3	1,268	3	50	2,539	1	
Non-interest income	190	239	232	22	(3)	471	24	52	915	15	
Operating income	806	863	876	9	2	1,739	8	50	3,454	4	
Operating expenses	137	169	194	41	15	362	30	56	642	10	
<b>PPOP before tax</b>	<b>669</b>	<b>694</b>	<b>682</b>	<b>2</b>	<b>(2)</b>	<b>1,376</b>	<b>3</b>	<b>49</b>	<b>2,812</b>	<b>3</b>	
Expected credit loss	140	126	71	(49)	(43)	197	(20)	38	514	(12)	
Income tax	101	113	119	17	5	232	1	52	442	2	
Minority interest	0	0	0	17	133	0			0		
<b>Normalised profit</b>	<b>428</b>	<b>455</b>	<b>492</b>	<b>15</b>	<b>8</b>	<b>947</b>	<b>11</b>	<b>51</b>	<b>1,856</b>	<b>9</b>	
Extraordinary items	0	0	0			0			0		
<b>Net profit</b>	<b>428</b>	<b>455</b>	<b>492</b>	<b>15</b>	<b>8</b>	<b>947</b>	<b>11</b>	<b>51</b>	<b>1,856</b>	<b>9</b>	<b>7% higher than the BBG expectation</b>
EPS (THB)	0.08	0.08	0.09	15	8	0.17	11	51	0.33	9	
<b>Asset quality ratio (%)</b>											
NPLs (THB m)	1,714	1,514	1,244	(27)	(18)				1,770	(5)	
NPLs / loans	3.49	2.99	2.38						3.32		
Loan loss reserve/NPLs	77	101	117						104		
Credit cost (bps)	115	101	56						100		
<b>Profitability ratio (%)</b>											
Cost to income ratio	17.0	19.6	22.1						18.6		
Average yield	6.92	6.74	6.73						6.75		
Cost of funds (COF)	2.46	2.39	2.34						2.45		
Net interest margin (NIM)	5.05	4.99	5.01						4.94		
Non-int inc / total income	23.61	27.70	26.52						26.5		
<b>Loan growth (%)</b>											
y-y	(2.0)	4.5	6.4						8.0		
q-q	1.3	2.5	3.2								

Sources: THANI; FSSIA estimates

## CHAYO GROUP (CHAYO TB) - Decent 2Q22 results; BUY TP THB14.20

### Lower NPA sales leave 2Q22 results slightly below expectation

CHAYO posted a 2Q22 net profit of THB57m (+61% y-y, -22% q-q), which was slightly below our forecast of THB63m due to lower non-performing asset (NPA) sales. Its 1H22 net profit accounted for 44% of our 2022 net profit forecast.

### Unsecured NPL cash collection & interest income were catalysts

The strong growth y-y in its net profit came from a rise in its non-performing loan (NPL) and NPA cash collection (CC) to THB89m (+8% y-y, -43% q-q) following its strategy of increasing its unsecured NPL portfolio and selling NPAs on a regular basis to generate recurring revenue. On top of that, CHAYO's interest income from its lending business (9% of 2Q22 total revenue) increased significantly to THB17m from THB2m in 2Q21, with a loan portfolio of THB400m (+529% y-y, +4% q-q) due to its aggressive product and client base expansion. Its 2Q22 net profit dropped q-q thanks mainly to lower NPA sales. 2Q22 pre-tax profit from the NPA side was at THB0.4m vs THB16m in 1Q22. As for asset acquisitions, CHAYO accelerated its NPL and NPA purchases in 2Q22, which rose to THB325m from THB29m in 1Q22. This was below its 2022 asset acquisition target of THB3b, as most banks still prefer to manage NPLs themselves, resulting in a low NPL supply in 1H22.

### Expect an increase y-y and q-q in 3Q22 net profit

We think CHAYO's NPL cash collection should be on a rising trend from the increase in its unsecured NPL portfolio. Also, we think its lending business should expand continuously, potentially resulting in higher interest income. Therefore, we expect CHAYO's 3Q22 net profit should increase y-y and q-q.

### Maintain BUY on robust growth outlook

We maintain our BUY call with a 2023 GGM-based TP of THB14.2. Its 2H22 performance should increase y-y and h-h. Also, we expect CHAYO to experience solid net profit growth, with 2022-24E net profit growth rising at a 31% three-year CAGR. We believe CHAYO's smaller asset size than its peers gives it greater operational flexibility.

### Exhibit 6: CHAYO – 2Q22 results review

	2Q21	1Q22	2Q22			1H22			2022E	Change	2Q22 comments
	(THB m)	(THB m)	(THB m)	(y-y%)	(q-q%)	(THB m)	(y-y%)	%22E	(THB m)	(y-y%)	
<b>Interest income</b>											
- Interest income from NPLs	144	201	200	39	(1)	401	31	49	816	27	Strong loan growth
- Interest income from loan	2	13	17	939	31	30	634	51	59	332	
<b>Total interest income</b>	<b>146</b>	<b>214</b>	<b>217</b>	<b>49</b>	<b>1</b>	<b>431</b>	<b>39</b>	<b>49</b>	<b>875</b>	<b>33</b>	
Interest expense	25	24	38	50	58	61	21	62	98	(13)	
<b>Net interest income</b>	<b>121</b>	<b>190</b>	<b>179</b>	<b>48</b>	<b>(6)</b>	<b>369</b>	<b>42</b>	<b>48</b>	<b>776</b>	<b>43</b>	
<b>Non-interest income</b>											
- Gain on properties for sale	9	16	0	(95)	(97)	17	88	18	94	23	
- Service income from debt collection services	10	8	8	(21)	4	16	(27)	45	36	(10)	
- Others	1	1	2	58	81	3	(25)	9	36	6	
<b>Total non-interest income</b>	<b>21</b>	<b>25</b>	<b>11</b>	<b>(48)</b>	<b>(57)</b>	<b>36</b>	<b>2</b>	<b>22</b>	<b>166</b>	<b>11</b>	
<b>Total operating income</b>	<b>141</b>	<b>215</b>	<b>190</b>	<b>34</b>	<b>(12)</b>	<b>406</b>	<b>37</b>	<b>43</b>	<b>943</b>	<b>36</b>	
Operating expenses	54	74	77	43	3	151	45	45	334	35	
<b>Pre provision operating profit</b>	<b>88</b>	<b>141</b>	<b>113</b>	<b>29</b>	<b>(20)</b>	<b>255</b>	<b>33</b>	<b>42</b>	<b>609</b>	<b>37</b>	
Expected credit loss	54	42	38	(28)	(9)	80	7	33	243	37	
<b>Operating profit</b>	<b>34</b>	<b>99</b>	<b>75</b>	<b>119</b>	<b>(24)</b>	<b>174</b>	<b>50</b>	<b>48</b>	<b>366</b>	<b>37</b>	
Income tax expenses	(1)	23	14	nm	(40)	37	133	56	66	44	
<b>Profit before minority interest</b>	<b>35</b>	<b>76</b>	<b>61</b>	<b>74</b>	<b>(20)</b>	<b>138</b>	<b>37</b>	<b>46</b>	<b>300</b>	<b>35</b>	
Minority	0	4	5	5,046	28	8	1,481	141	6		
<b>Normalised profit</b>	<b>35</b>	<b>73</b>	<b>57</b>	<b>61</b>	<b>(22)</b>	<b>129</b>	<b>30</b>	<b>44</b>	<b>294</b>	<b>34</b>	
Extra items	0	0	0	nm	nm	0	nm	nm	0		
<b>Net profit</b>	<b>35</b>	<b>73</b>	<b>57</b>	<b>61</b>	<b>(22)</b>	<b>129</b>	<b>30</b>	<b>44</b>	<b>294</b>	<b>34</b>	
<b>Key financial highlights</b>	<b>(THB m)</b>	<b>(THB m)</b>	<b>(THB m)</b>	<b>(y-y%)</b>	<b>(q-q%)</b>	<b>(THB m)</b>	<b>(y-y%)</b>		<b>(THB m)</b>	<b>(y-y%)</b>	
NPL & NPA purchases	392	29	351	(10)	1,119	380	(24)		1,559	20	
NPL & NPA cash collection	83	157	89	8	(43)	246	25		766	49	
Cash collection/NPL & NPA (%)	16.1	21.9	11.8						21.6		
<b>Key financial ratio</b>											
Liabilities / equity (x)	0.5	0.5	0.9						0.3		
Interest-bearing debt/equity (x)	0.4	0.4	0.8						0.2		
ROA (%)	3.5	5.6	3.6						5.2		
ROE (%)	6.8	10.9	8.1						8.8		
Cost of funds (%)	8.6	7.8	7.0						7.5		
Cost to income (%)	37.9	34.5	40.3						35.4		

Sources: CHAYO; FSSIA estimates



## SAKSIAM LEASING (SAK TB) - Decent 2Q22, as expected; BUY TP THB9.70

### Neutral view from SAK's 2Q22 results

SAK reported a 2Q22 net profit of THB166m (+21% y-y, +1% q-q), in line with our expectation. Its 1H22 net profit accounted for 44% of our 2022E net profit projection. We read the overall performance as neutral.

### Strong loan growth, but high NPLs in 2Q22

There was mixed performance in this quarter, in our view. On the positive side, the company delivered strong loan growth of 8% q-q due to the resumption of business activity and agricultural seasonality. However, we see two main negatives. First, its non-performing loans (NPLs) increased substantially by 20% q-q, implying an NPL ratio of 2.5%, up from 2.3% in 1Q22, due to the end of the forbearance program and the highly inflationary environment. Hence, SAK set a higher credit cost of 155 bps in 2Q22 from 130 bps in 1Q22. Second, its cost to income rose to 53.5% from 52.4% in 1Q22, as SAK continued to front-load its branch expansion, adding 171 new branches in 1H22 from its 2022 target of 200 branches. The aggressive branch expansion should benefit the company in 2H22.

### Stronger performance expected in 2H22

We think SAK's net profit in 2H22 will increase y-y and h-h, driven by two factors. First, we expect its loan volume to increase continuously from ample demand and new loan generation from its new branches. Second, we think its cost to income ratio should slightly decline q-q as SAK has already front-loaded its branch expansion in 1H22. We believe these positives should offset a minimal rise in its cost of funds from future rate hikes and an increase in its expected credit loss due to further asset deterioration.

### Maintain BUY at a 2023 GGM-based TP of THB9.7

We reiterate our BUY call with an unchanged GGM-based TP of THB9.7. We think SAK should deliver the strongest 2023 net profit growth at 26% y-y, driven mainly by its solid loan growth and economies of scale.

### Exhibit 7: SAK – 2Q22 results review

Year-end Dec 31	2Q21	1Q22	2Q22	Change		1H22			2022E	Change	2Q22 Comments
	(THB m)	(THB m)	(THB m)	(y-y%)	(q-q%)	(THB m)	(y-y %)	%22E	(THB m)	(y-y %)	
Net interest income	417	490	520	25	6	1,009	29	46	2,196	27	
Non-interest income	3	4	7	123	67	12	75	88	13	0	
<b>Operating income</b>	<b>420</b>	<b>494</b>	<b>527</b>	<b>25</b>	<b>7</b>	<b>1,021</b>	<b>29</b>	<b>46</b>	<b>2,209</b>	<b>27</b>	
Operating expenses	238	259	282	19	9	541	19	50	1,071	16	
<b>PPOP before tax</b>	<b>183</b>	<b>235</b>	<b>245</b>	<b>34</b>	<b>4</b>	<b>480</b>	<b>43</b>	<b>42</b>	<b>1,138</b>	<b>38</b>	
Provision	12	29	37	216	27	66	298	33	203	219	
Income tax	34	42	42	24	1	83	33	45	187	24	
Minority interest	0	0	0			0			0		
<b>Normalised profit</b>	<b>137</b>	<b>164</b>	<b>166</b>	<b>21</b>	<b>1</b>	<b>330</b>	<b>29</b>	<b>44</b>	<b>748</b>	<b>23</b>	
Extraordinary items	0	0	0			0			0		
<b>Net profit</b>	<b>137</b>	<b>164</b>	<b>166</b>	<b>21</b>	<b>1</b>	<b>330</b>	<b>29</b>	<b>44</b>	<b>748</b>	<b>23</b>	<b>In line with our forecast</b>
EPS (THB)	0.07	0.08	0.08	21	1	0.16	29	44	0.36	23	
<b>Asset quality ratio</b>											
Gross NPLs (THB m)	167	211	253	52	20				277	45	
NPL ratios (%)	2.14	2.29	2.54						2.42		
LLR/NPLs (%)	104	111	105						130		
Credit cost (bp)	64	130	155						200		
<b>Profitability ratio</b>											
Cost to income ratio	56.5	52.4	53.5						48.5		
Average yield	23.9	23.2	23.4						23.2		
Cost of funds	2.7	2.9	3.1						3.0		
Net interest margin (NIM)	22.8	21.8	21.8						21.7		
Non-int inc/total income	0.8	0.9	1.4						38.5		
<b>Loan growth</b>											
y-y	25.3	32.9	28.0						30.0		
q-q	12.2	4.5	8.0								

Source: SAK; FSSIA estimates

## VGI PCL. (VGI TB) - A rough start; HOLD TP THB4.70

### Apart from digital media, all units reported weaker revenue

We have a negative view on VGI's performance during 1QFY23 (Apr-Jun 2022). Although VGI's reported net profit in 1QFY23 was THB25m, its core loss was THB181m – its highest loss in the past five quarters. The core loss was higher than our expectation of THB70m and higher than Bloomberg's forecast of a THB10m loss. Every business unit except digital media had weaker-than-expected revenue. The company's total revenue at THB1,041m (-17% q-q, +75% y-y) was 9% lower than our expectation. Share of losses in this quarter increased to THB101m, mainly due to the poor performance of Kerry Express (Thailand) (KEX TB, REDUCE, TP THB20) which booked an all-time-high loss of THB732m during 2Q22, despite the continuous growth in Jay Mart's (JMART TB, BUY, TP THB66) net profit.

### Share divestments boosted reported profit

The reported THB205m in extra items this quarter included 1) a gain from a share divestment in JMART worth THB113m that reduced VGI's stake in JMART from 14.58% to 14.46%; 2) a gain from the divestment of KEX shares worth THB59m, which cut VGI's shareholding in KEX from 18.03% to 17.41%; and 3) a gain from the fair value adjustment on debt instruments of THB33m. Note that the share divestments in JMART and KEX have no impact on VGI's earnings and TP.

### Disappointing mass transit media revenue

Mass transit revenue, the main business of VGI, had a poor performance, falling to THB392m (-13% q-q, +12% y-y), despite the strong increase in mass transit ridership by 28% q-q during the same period. This indicates that although there has been a clear recovery in eyeballs on mass transit, ad buyers remain risk-averse to spending their advertising budgets on mass transit media.

### Maintain HOLD with the same TP of THB4.70

Although its losses may have bottomed in 1QFY23, the timeline for a recovery in VGI's earnings remains questionable. We expect KEX's losses to continue in 3Q22. The weaker-than-expected performance in 1QFY23 heightens our concerns about VGI's performance in 2QFY23. Therefore, we maintain our HOLD recommendation with the same SoTP-based TP of THB4.70. The recovery signs need to manifest, in our view.

### Exhibit 8: VGI – 1QFY23 results review

	1QFY22	4QFY22	1QFY23	Change		FY2023E
	(THB m)	(THB m)	(THB m)	(q-q%)	(y-y%)	(THB m)
Transit media	349	448	392	(12.5)	12.3	1,924
Office and others	29	24	19	(20.8)	(34.5)	150
Digital media	218	298	260	(12.8)	19.3	1,215
Retail	0	476	370	(22.3)	n.a.	2,220
<b>Total revenue</b>	<b>596</b>	<b>1,246</b>	<b>1,041</b>	<b>(16.5)</b>	<b>74.7</b>	<b>5,509</b>
Operating costs	(410)	(938)	(776)	(17.2)	89.2	(4,017)
<b>Gross profit</b>	<b>186</b>	<b>308</b>	<b>265</b>	<b>(14.1)</b>	<b>42.5</b>	<b>1,492</b>
SG&A expenses	(251)	(268)	(395)	47.3	57.6	(1,243)
<b>EBIT</b>	<b>(65)</b>	<b>40</b>	<b>(131)</b>	<b>(427.5)</b>	<b>100.7</b>	<b>249</b>
Depreciation & Amortization	123	121	115	(5.0)	(6.2)	520
<b>EBITDA</b>	<b>58</b>	<b>161</b>	<b>(15)</b>	<b>(109.4)</b>	<b>(126.3)</b>	<b>769</b>
<i>EBITDA margin (%)</i>	10	13	(1)	nm	nm	14
Interest expense	(15)	(46)	(13)	(71.3)	(9.7)	(48)
Other income	24	42	47	11.1	93.9	252
Associates	38	(90)	(101)	12.4	(112.3)	(81)
Extra items	-	60	205	242.5	-	-
<b>Pretax profit</b>	<b>(18)</b>	<b>6</b>	<b>7</b>	<b>18.2</b>	<b>(141.7)</b>	<b>372</b>
Tax	7	(22)	(42)	91.1	(706.7)	(60)
<i>Tax rate (%)</i>	(39)	(350)	(566)	nm	nm	(16)
Minority interests	(21)	(66)	(60)	(9.8)	178.9	(1)
<b>Net profit</b>	<b>10</b>	<b>50</b>	<b>25</b>	<b>(50.7)</b>	<b>137.9</b>	<b>314</b>
<b>Core net profit</b>	<b>10</b>	<b>(10)</b>	<b>(181)</b>	<b>1,763.8</b>	<b>(1,897.9)</b>	<b>314</b>
EPS (THB)	0.00	0.00	0.00	(50.7)	137.9	0.03
Core EPS (THB)	0.00	(0.00)	(0.02)	1,763.8	(1,897.9)	0.03

Sources: VGI; FSSIA estimates

## STAR PETROLEUM REFINING (SPRC TB) - Lower gasoline yield was key in 2Q22; Maintain BUY TP THB14.60

### Lower-than-expected 2Q22 net profit on lower gasoline yield

SPRC's 2Q22 core net profit (NP) was THB5.5b, up 158% q-q and 23x y-y. 2Q22 NP was THB7.2b, up 35% q-q and 825% y-y, driven by an estimated pre-tax inventory gain of THB2b, or USD4/bbl, due to the higher oil price and a forex loss of THB0.6b. The NP of THB7.2b beat Bloomberg's consensus estimate by 15% but missed our estimate by 25%. The main reason was the lower-than-expected market gross refining margin (GRM) which jumped to USD18.9/bbl (+124% q-q, +614% y-y) on higher product margins but was offset by the higher crude premium and lower-than-expected utilisation rate at 89% or 156kbpd.

### High jet yield but lower gasoline yield in 2Q22

In 2Q22, SPRC continued to optimise its crude mix by using Middle East crude at a proportion of over 80%. It raised jet fuel production to 7% in 2Q22, up from 3% in 1Q22, at the expense of a lower gasoline yield at 24%, down from 27% in 1Q22. Diesel yield rose to 39% in 2Q22, up from 38% in 1Q22. Its 2Q22 utilisation rate was higher at 89%, up from 86% in 1Q22 and 77% in 2Q21, but still lower than our projection of 92%, due to the lower gasoline yield – the product with the highest margin in 2Q22.

### Softer q-q earnings expected in 3Q22 before rebounding in 4Q22

We think SPRC's NP will soften q-q in 3Q22 before rebounding again in 4Q22, driven by a q-q lower market GRM on the q-q weaker product margins. As of 11 Aug-22, the margins of diesel, jet fuel, and gasoline-Dubai have plunged sharply due to weaker demand, resulting in a q-q lower GRM by USD10-15/bbl, on market concerns about potentially weaker demand due to the looming recession, particularly in the US market, following the Fed's rate hike to curb inflation.

### An attractive refinery play

We maintain BUY and our TP of THB14.6, based on 2.4x 2022E EV/EBITDA. We think SPRC's share price is poised to rerate further on the back of its strong GRM and higher demand, which should boost its refinery utilisation rate to above 90% in 2Q22 onward. SPRC is one of the most attractive Thai refiners for its low-cost structure amid the rising demand for oil products. Plus, SPRC should pay a dividend of THB0.174 in 2022 after its retained earnings turn positive, based on our estimate.

### Exhibit 9: 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 %)	
<b>Revenue</b>	<b>41,545</b>	<b>65,404</b>	<b>78,008</b>	<b>19.3</b>	<b>87.8</b>	<b>78,489</b>	<b>143,412</b>	<b>82.7</b>	<b>407,047</b>
Operating costs	(39,787)	(58,410)	(67,762)	16.0	70.3	(73,450)	(126,172)	71.8	(384,798)
<b>EBITDA</b>	<b>1,758</b>	<b>6,994</b>	<b>10,246</b>	<b>46.5</b>	<b>482.9</b>	<b>5,039</b>	<b>17,241</b>	<b>242.1</b>	<b>22,248</b>
<i>EBITDA margin (%)</i>	4.2	11	13.1	<i>nm</i>	<i>nm</i>	6.4	12	<i>nm</i>	5.5
Depn & amort.	(710)	(606)	(626)	3.3	(11.9)	(1,397)	(1,232)	(11.8)	(3,286)
EBIT	1,048	6,388	9,621	50.6	818.2	3,642	16,009	339.5	18,962
Interest expense	(53)	(41)	(58)	42.2	8.7	(106)	(98)	(7.3)	(261)
Interest & invt inc	0	0	0	<i>nm</i>	<i>nm</i>	0	0	<i>nm</i>	0
Other income	13	16	14	(11.2)	6.2	26	30	13.5	253
Associates' contrib	0	0	0	<i>nm</i>	<i>nm</i>	0	0	<i>nm</i>	0
Exceptional	(12)	242	(639)	<i>nm</i>	5,209.6	(60)	(397)	567.0	0
<b>Pretax profit</b>	<b>996</b>	<b>6,605</b>	<b>8,938</b>	<b>35.3</b>	<b>797.5</b>	<b>3,503</b>	<b>15,543</b>	<b>343.7</b>	<b>18,954</b>
Tax	(222)	(1,321)	(1,782)	34.9	701.2	-724	(3,103)	328.7	(3,502)
<i>Tax rate (%)</i>	22	20	20	<i>nm</i>	<i>nm</i>	21	20	<i>nm</i>	18
Minority interests	0	0	0	<i>nm</i>	<i>nm</i>	0	0	<i>nm</i>	0
<b>Net profit</b>	<b>773</b>	<b>5,284</b>	<b>7,156</b>	<b>35.4</b>	<b>825.3</b>	<b>2,779</b>	<b>12,440</b>	<b>347.6</b>	<b>15,451</b>
Non-recurring	545	3,138	1,622	(48.3)	197.5	1,712	4,760	178.0	-
<b>Core net profit</b>	<b>228</b>	<b>2,146</b>	<b>5,534</b>	<b>157.8</b>	<b>2,325.6</b>	<b>1,067</b>	<b>7,680</b>	<b>620.0</b>	<b>15,451</b>
EPS (THB)	0.18	1.22	1.65	35.4	825.3	0.64	2.87	347.6	3.56
Core EPS (THB)	0.05	0.50	1.28	157.8	2,325.6	0.25	1.77	620.0	3.56

Sources: SPRC; FSSIA estimates

## Exhibit 10: 2Q22/6M22 key performance

	2Q21	1Q22	2Q22	----- Change -----		6M21	6M22	Change
	(USD m)	(USD m)	(USD m)	(q-q %)	(y-y %)	(USD m)	(USD m)	(y-y %)
Gross refining margin – accounting (USD/bbl)	6.64	20.61	22.93	11.3	245.3	8.66	21.80	151.7
Market gross refining margin (USD/bbl)	2.65	8.46	18.92	123.6	614.0	3.09	13.82	347.2
EBITDA (USD m)	56	218	278	27.5	396.4	163	496	204.3
Gain (loss) on foreign exchange and derivatives (loss) (USD m)	0	7	(18)	nm	nm	(2)	(11)	450.0
Inventory gain (loss) (USD/bbl)	4.0	12.2	4.0	(67.0)	0.5	5.6	8.0	43.3
Net profit (USD m)	25	159	206	29.6	724.0	91	365	301.1
Crude intake (k bbl/ day)	135.3	150.2	156.0	3.9	15.3	136.2	153.1	12.4
<b>Production Volumes (k bbl)</b>								
Polymer-grade propylene	408	380	324	(14.7)	(20.6)	851	704	(17.3)
Liquefied petroleum gas	599	628	636	1.3	6.2	1,248	1,263	1.2
Light naphtha	817	904	953	5.4	16.6	1,575	1,857	17.9
Gasoline	3,784	4,119	3,785	(8.1)	0.0	7,697	7,904	2.7
Jet fuel	294	466	1,043	123.8	254.8	605	1,509	149.4
Diesel	5,335	5,816	6,057	4.1	13.5	10,457	11,872	13.5
Fuel oil	526	750	822	9.6	56.3	1,003	1,572	56.7
Asphalt	237	237	188	(20.7)	(20.7)	381	425	11.5
Mix C4	506	520	465	(10.6)	(8.1)	1,076	985	(8.5)
Others	1,022	1,315	1,343	2.1	31.4	2,107	2,658	26.2
<b>Total Revenue</b>	<b>13,528</b>	<b>15,134</b>	<b>15,615</b>	<b>3.2</b>	<b>15.4</b>	<b>27,002</b>	<b>30,749</b>	<b>13.9</b>
<b>Production Volumes *</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(ppt)</b>	<b>(ppt)</b>			<b>(ppt)</b>
Polymer-grade propylene	3	3	2	(0.4)	(0.9)	3	2	(0.9)
Liquefied petroleum gas	4	4	4	(0.1)	(0.4)	5	4	(0.5)
Light naphtha	6	6	6	0.1	0.1	6	6	0.2
Gasoline	28	27	24	(3.0)	(3.7)	29	26	(2.8)
Jet fuel	2	3	7	3.6	4.5	2	5	2.7
Diesel	39	38	39	0.4	(0.6)	39	39	(0.1)
Fuel oil	4	5	5	0.3	1.4	4	5	1.4
Asphalt	2	2	1	(0.4)	(0.5)	1	1	(0.0)
Mix C4	4	3	3	(0.5)	(0.8)	4	3	(0.8)
Others	8	9	9	(0.1)	1.0	8	9	0.8

\*Note that change is in percentage point change

Sources: SPRC; FSSIA estimates

## RATCH GROUP (RATCH TB) - Solid 2Q22 results on IPPs; Maintain BUY TP THB60.00

### IPPs led to strong 2Q22 results

RATCH's 2Q22 net profit (NP) was THB2.2b, up 39% y-y and 3.5% q-q on y-y higher earnings from independent power producers (IPPs) and an FX gain. 2Q22 core NP was THB2.2b, up 87% q-q but down 0.7% y-y, beating our forecast by 4% and BBG's consensus estimate by 13%. Share of profits from IPPs came to THB1.92b, up 62% q-q and 20% y-y on the higher q-q utilisation rate for the Hongsa power plant (HPC). There were additional earnings from the start-ups of two new small power producers (SPPs), including the 49%-owned NRES. Key points were: 1) equity NP from HPC of THB1.2b (including a THB0.1b FX gain), up 17% y-y; 2) THB81m equity income from its coal-fired power plant in Vietnam; 3) equity income from its hydropower plant Nam Ngum 2 at THB66m (-28% y-y); and 4) higher revenues from two wind farms, Yandin and Collector, in Australia following their full-quarter operations.

### Weaker SPP NPs offset by stronger NPs from IPPs

RG's revenue rose y-y on higher energy payments but saw 25% y-y lower availability payments, while revenue from RATCH-Australia (RAC) rose to THB1.4b (+63% y-y) due to the full-quarter operations of the two new wind farms, Yandin and Collector. RATCH Cogen (RCO) saw 52% higher y-y revenue of THB811m due to higher demand. RATCH's small power producers saw mixed NP results in 2Q22, including Berkprai (-THB3m y-y), Navanakorn Electricity (-THB55m y-y), and RW Cogen (-THB4m y-y) due to the higher gas cost.

### New capacity growth to continue

We expect RATCH's NP growth to rise in 2022-23, premised on 1) a high utilisation rate estimated at 85-90% for HPC; and 2) equity capacity growth (137MW) from two coal-fired power plants, Thang Long and Paiton, the Riau power plant in Indonesia (+146MW in Feb-22), NRES (Apr-22), and HKP in Thailand (+700MW estimated in 2024-25).

### Maintain BUY with overhang removal from capital increase

We maintain BUY and our SoTP-based TP of THB60. We think RATCH's share price has already bottomed out after its THB25b capital increase by issuing 769.23m new shares at THB34.48 in Jun-22 and is now likely to rerate, driven by stronger net profit growth momentum on new growth.

### Exhibit 11: Summary of 2Q22/6M22 operations

	2Q21	1Q22	2Q22		6M21	6M22	Chg.	2022E	
	(THB m)	(THB m)	(THB m)	(q-q %)	(y-y %)	(THB m)	(THB m)	(y-y %)	(THB m)
<b>Revenue</b>	<b>8,721</b>	<b>16,983</b>	<b>16,402</b>	<b>(3.4)</b>	<b>88.1</b>	<b>15,896</b>	<b>33,386</b>	<b>110.0</b>	<b>40,966</b>
Operating costs	(7,514)	(15,273)	(14,495)	(5.1)	92.9	(13,493)	(29,769)	120.6	(28,651)
<b>EBITDA</b>	<b>1,206</b>	<b>1,710</b>	<b>1,907</b>	<b>11.5</b>	<b>58.1</b>	<b>2,403</b>	<b>3,617</b>	<b>50.5</b>	<b>10,472</b>
<i>EBITDA margin (%)</i>	<i>13.8</i>	<i>10.1</i>	<i>11.6</i>	<i>nm</i>	<i>nm</i>	<i>15.1</i>	<i>10.8</i>	<i>nm</i>	<i>25.6</i>
Depn & amort.	(497)	(723)	(725)	0.3	46.0	(966)	(1,448)	49.8	(1,863)
EBIT	710	987	1,182	19.8	66.6	1,436	2,169	51.0	8,609
Interest expense	(426)	(808)	(751)	(7.1)	76.4	(837)	(1,559)	86.4	(2,271)
Interest & invt inc	51.9	47.1	67.3	42.9	29.5	104.2	114.4	9.8	118.3
Other income	195.7	7.7	136.4	1,670.4	(30.3)	256.6	144.2	(43.8)	855.8
Associates' contrib	1,600.0	1,186.3	1,922.4	62.1	20.2	3,011.6	3,108.7	3.2	7,382.5
Exceptional	(67)	413	(21)	nm	(68.3)	201	392	94.9	-
<b>Pretax profit</b>	<b>2,065</b>	<b>1,833</b>	<b>2,536</b>	<b>38.4</b>	<b>22.8</b>	<b>4,173</b>	<b>4,369</b>	<b>4.7</b>	<b>14,694</b>
Tax	58	(469)	(266)	(43.2)	(559.5)	37	(735)	nm	(1,459)
<i>Tax rate (%)</i>	<i>(2.8)</i>	<i>25.6</i>	<i>10.5</i>	<i>nm</i>	<i>nm</i>	<i>(0.9)</i>	<i>16.8</i>	<i>nm</i>	<i>9.9</i>
Minority interests	(0.0)	215.1	(74.1)	nm	nm	(0.0)	141.0	nm	(118.9)
<b>Net profit</b>	<b>2,123</b>	<b>1,579</b>	<b>2,196</b>	<b>39.1</b>	<b>3.5</b>	<b>4,211</b>	<b>3,775</b>	<b>(10.3)</b>	<b>13,116</b>
Non-recurring	(67)	413	21	(94.9)	nm	201	434	115.9	-
<b>Core net profit</b>	<b>2,189</b>	<b>1,166</b>	<b>2,175</b>	<b>86.5</b>	<b>(0.7)</b>	<b>4,010</b>	<b>3,341</b>	<b>(16.7)</b>	<b>13,116</b>
EPS (THB)	0.96	0.71	0.99	39.1	3.5	1.90	1.70	(10.3)	5.91
Core EPS (THB)	0.99	0.53	0.98	86.5	(0.7)	1.81	1.51	(16.7)	5.91

Sources: RATCH; FSSIA estimates

### Exhibit 12: 2Q22/6M22 – key performance

	2Q21	1Q22	2Q22	Change		6M21	6M22	Change
	(THB m)	(THB m)	(THB m)	(q-q %)	(y-y %)	(THB m)	(THB m)	(y-y %)
<b>Revenue from sales and rendering of services</b>	<b>8,167</b>	<b>16,182</b>	<b>15,621</b>	<b>(3.5)</b>	<b>91.3</b>	<b>14,761</b>	<b>31,803</b>	<b>115.5</b>
RG	6,745.5	13,045.6	12,068.0	(7.5)	78.9	12,161.9	25,113.6	106.5
RAC	870.8	1,000.2	1,421.9	42.2	63.3	1,573.2	2,422.0	54.0
RCO	533.9	778.1	810.5	4.2	51.8	992.2	1,588.6	60.1
FRD/SCG	-	1,304.1	1,282.3	(1.7)	nm	-	2,586.4	nm
RL	-	34.6	19.9	(42.6)	nm	-	54.5	nm
<b>Share of profits from associates and joint ventures</b>	<b>16.9</b>	<b>19.9</b>	<b>18.2</b>	<b>(8.9)</b>	<b>7.1</b>	<b>33.8</b>	<b>38.1</b>	<b>12.7</b>
IPPs	<b>1,600</b>	<b>1,186</b>	<b>1,922</b>	<b>62.1</b>	<b>20.2</b>	<b>2,992</b>	<b>3,109</b>	<b>3.9</b>
SPPs	1,218.4	792.2	1,395.0	76.1	14.5	2,165.3	2,187.2	1.0
Hydropower plants	113.9	191.7	181.0	(5.6)	59.0	253.6	372.8	47.0
Renewable	183.1	43.3	246.0	467.9	34.3	371.2	289.3	(22.1)
Infrastructure and others	51.2	110.0	63.2	(42.5)	23.5	161.8	173.2	7.0

Sources: RATCH; FSSIA estimates

## PTT OIL AND RETAIL BUSINESS (OR TB) - Maximising profits in 2Q22; BUY TP THB32.00

### A record high 2Q22 net profit of THB6.6b

2Q22 net profit (NP) was THB6.6b, up 71% q-q and 104% y-y, 32% above the Bloomberg consensus estimate and our forecast by 35%. Excluding non-recurring items, 2Q22 core net profit was THB6.3b, up 63% q-q and 420% y-y due to the higher net profit from its oil unit on the rising sales volumes of oil stations, jet fuel, and diesel to power plants, and the non-oil unit on higher sales volumes and the dissipating impact of the government's diesel price cap.

### Oil unit saw improvements in both sales volumes and margins

OR's 2Q22 EBITDA was THB10.2b, with THB8.3b coming from the oil unit, boosted by a higher marketing margin (MM) at THB1.61/litre, up from THB1.14/litre in 1Q22 and THB1.23/litre in 2Q21. The oil unit's sales volume rose to 6.9b litres in 2Q22 (+2% q-q, +24% y-y) due to higher sales volumes of jet fuel and diesel. The retail and commercial sales units' volumes both jumped 2% q-q, thanks to the 15 new stations added and the higher jet fuel sales volume in 2Q22. The oil EBITDA margin rose to 4.2% in 2Q22 (vs 2.9% in 1Q22 and 3.8% in 2Q21) due to the q-q higher MM and rising sales volumes. In 2Q22, the oil sales volume per station remained high at 1.6m litres, flat q-q, on strong demand.

### Non-oil EBITDA grew, led by Café Amazon

2Q22 non-oil EBITDA rose to THB1.45b (+8% q-q, +31% y-y) due to the q-q higher EBITDA from Café Amazon which saw a higher margin and rising number of cups sold at 91m (+10% q-q, +30% y-y) due to rising demand. The EBITDA margin for non-oil was 27.4% in 2Q22, down from 28.3% in 1Q22, due to higher raw material costs, mainly the coffee beans. In 2Q22 OR had a total of 3,728 Café Amazon outlets (+53 q-q), 98 Texas Chicken outlets (+3 q-q), and 2,092 convenience stores (+11 q-q) with q-q lower subsidies to its franchisees.

### Time to reload for OR's strong growth ahead

Maintain BUY and our TP of THB32. We think OR remains an attractive investment as a leading company in F&B, CVS, retail oil stations, and jet fuel. We believe that the economic reopening, both domestically and globally, should drive up OR's EBITDA for both oil and non-oil products. Non-oil EBITDA should account for 20-30% of total by 2025, in our view.

### Exhibit 13: 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>118,708</b>	<b>177,291</b>	<b>211,431</b>	<b>19.3</b>	<b>78.1</b>	<b>237,168</b>	<b>388,722</b>	<b>63.9</b>	<b>555,967</b>
Operating costs	(113,251)	(170,824)	(201,191)	17.8	77.7	(225,301)	(372,015)	65.1	(536,808)
<b>EBITDA</b>	<b>5,457</b>	<b>6,467</b>	<b>10,240</b>	<b>58.3</b>	<b>87.6</b>	<b>11,867</b>	<b>16,707</b>	<b>40.8</b>	<b>19,159</b>
<i>EBITDA margin (%)</i>	4.6	3.6	4.8	<i>nm</i>	<i>nm</i>	5.0	4.3	<i>nm</i>	3.4
Deprn & amort.	(1,499)	(1,547)	(1,598)	3.3	6.6	(2,919)	(3,145)	7.8	(8,045)
EBIT	3,958	4,920	8,642	75.6	118.3	8,948	13,562	51.6	11,114
Interest expense	(325)	(271)	(254)	(6.6)	(22.1)	(660)	(525)	(20.5)	(649)
Interest & invt inc	802	916	875	(4.5)	9.2	1,644	1,791	9.0	3,654
Associates' contrib	81	139	121	(13.5)	48.6	207	260	25.6	410
Exceptional	(481)	(914)	(584)	<i>nm</i>	<i>nm</i>	(1,155)	(1,498)	<i>nm</i>	0
<b>Pretax profit</b>	<b>4,034</b>	<b>4,790</b>	<b>8,799</b>	<b>83.7</b>	<b>118.1</b>	<b>8,983</b>	<b>13,589</b>	<b>51.3</b>	<b>14,529</b>
Tax	(812)	(943)	(2,231)	136.5	174.8	(1,759)	(3,175)	80.5	(2,875)
<i>Tax rate (%)</i>	20.1	19.7	25.4	28.8	26.0	19.6	23.4	19.3	19.8
Minority interests	3	(2)	(0)	(79.3)	<i>nm</i>	5	(2)	<i>nm</i>	0
<b>Net profit</b>	<b>3,225</b>	<b>3,845</b>	<b>6,568</b>	<b>70.8</b>	<b>103.7</b>	<b>7,228</b>	<b>10,413</b>	<b>44.1</b>	<b>11,654</b>
Non-recurring	(2,020)	(0)	(299)	<i>nm</i>	(85.2)	(4,703)	(299)	(93.6)	0
<b>Core net profit</b>	<b>1,205</b>	<b>3,845</b>	<b>6,269</b>	<b>63.0</b>	<b>420.2</b>	<b>2,525</b>	<b>10,114</b>	<b>300.6</b>	<b>11,654</b>
EPS (THB)	0.27	0.32	0.55	70.8	103.7	0.60	0.87	44.1	0.97
Core EPS (THB)	0.10	0.32	0.52	63.0	420.2	0.21	0.84	300.6	0.97

Sources: OR; FSSIA estimates

## Exhibit 14: 2Q22/6M22 key performance

	2Q21	1Q22	2Q22	(q-q %)	(y-y %)	6M21	6M22	(y-y %)
<b>Total sales and service (THB m)</b>	<b>118,708</b>	<b>177,291</b>	<b>211,431</b>	<b>19</b>	<b>78</b>	<b>237,168</b>	<b>388,722</b>	<b>64</b>
Mobility	109,732	165,585	197,202	19	80	219,680	362,787	65
Lifestyle	4,060	4,767	5,293	11	30	8,146	10,060	23
Global	6,669	11,230	14,950	33	124	13,125	26,180	99
Other	108	260	265	2	145	499	525	5
<b>EBITDA (THB m)</b>	<b>5,457</b>	<b>6,467</b>	<b>10,240</b>	<b>58</b>	<b>88</b>	<b>11,867</b>	<b>16,707</b>	<b>41</b>
Mobility	4,202	4,763	8,257	73	97	9,372	13,020	39
Lifestyle	1,109	1,350	1,452	8	31	2,173	2,802	29
Global	183	430	517	20	183	390	947	143
Other	(38)	(24)	6	(125)	(116)	(63)	(18)	(71)
<b>Share of profit/loss from investments (THB m)</b>	<b>81</b>	<b>139</b>	<b>121</b>	<b>(13)</b>	<b>49</b>	<b>207</b>	<b>260</b>	<b>26</b>
<b>Gain/loss on derivatives (THB m)</b>	<b>(51)</b>	<b>(133)</b>	<b>(192)</b>	<b>44</b>	<b>276</b>	<b>(70)</b>	<b>(325)</b>	<b>364</b>
<b>Gain/loss on exchange rate (THB m)</b>	<b>203</b>	<b>81</b>	<b>491</b>	<b>506</b>	<b>142</b>	<b>394</b>	<b>572</b>	<b>45</b>
<b>Oil</b>								
<b>Number of stations (stations)</b>								
PTT in Thailand	2,027	2,088	2,103	1	4	2,027	2,103	4
EV Station PluZ	0	104	112	8	nm	31	112	261
LPG station	214	229	234	2	9	214	234	9
<b>Volume sold (m litres)</b>	<b>5,542</b>	<b>6,724</b>	<b>6,859</b>	<b>2</b>	<b>24</b>	<b>11,452</b>	<b>13,583</b>	<b>19</b>
Retail	2,870	3,317	3,395	2	18	5,991	6,712	12
Commercial	2,672	3,407	3,464	2	30	5,461	6,871	26
<b>Sales volume per station (m litres/station)</b>	<b>1.4</b>	<b>1.6</b>	<b>1.6</b>	<b>2</b>	<b>14</b>	<b>3.0</b>	<b>3.2</b>	<b>8</b>
<b>Gross profit (THB/litre)</b>	<b>1.23</b>	<b>1.14</b>	<b>1.61</b>	<b>41</b>	<b>31</b>	<b>1.27</b>	<b>1.38</b>	<b>9</b>
<b>Oil EBITDA margin* (%)</b>	<b>3.8</b>	<b>2.9</b>	<b>4.2</b>	<b>1.3</b>	<b>0.4</b>	<b>4.2</b>	<b>3.6</b>	<b>(0.6)</b>
<b>Lifestyle</b>								
<b>Number of outlets (outlets)</b>								
Café Amazon (Thailand, Myanmar, Japan, Oman, Malaysia)	3,452	3,685	3,728	1	8	3,452	3,728	8
Texas Chicken	81	95	98	3	21	81	98	21
Convenience store (Jiffy and 7-Eleven in Thailand)	2,018	2,081	2,092	1	4	2,018	2,092	4
<b>Café Amazon total cups sold (Thailand, Myanmar, Japan, Oman, Malaysia) (m cups)</b>	<b>70</b>	<b>83</b>	<b>91</b>	<b>10</b>	<b>30</b>	<b>143</b>	<b>174</b>	<b>22</b>
<b>Cups sold per outlet (cups/outlet)</b>	<b>20,278</b>	<b>22,524</b>	<b>24,410</b>	<b>8</b>	<b>20</b>	<b>41,425</b>	<b>46,674</b>	<b>13</b>
<b>Sales and service (THB m)</b>	<b>4,060</b>	<b>4,767</b>	<b>5,293</b>	<b>11</b>	<b>30</b>	<b>8,147</b>	<b>10,060</b>	<b>23</b>
Food & Beverage	2,611	3,158	3,479	10	33	5,318	6,637	25
Other non-oil	1,449	1,609	1,814	13	25	2,829	3,423	21
<b>Lifestyle EBITDA margin* (%)</b>	<b>27.3</b>	<b>28.3</b>	<b>27.4</b>	<b>(0.9)</b>	<b>0.1</b>	<b>26.7</b>	<b>27.9</b>	<b>1.2</b>

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

Source: OR

## GULF ENERGY DEVELOPMENT (GULF TB) - FX loss led to weak 2Q22 results; BUY TP THB60.00

### FX loss hurt 2Q22 results

GULF's 2Q22 net profit (NP) was THB1.5b, down 55% q-q but up 9% y-y, missing the BBG consensus by 70% and our estimate by 16%. Key drivers were 1) a THB1.6b FX loss; 2) a THB1.2b share of profit from Intouch Holdings (INTUCH TB, BUY, TP THB83.5), +7% q-q; and 3) a THB60m share of loss from Gulf JP (GJP). In 2Q22, the gas cost for its 19 small power producers (SPPs) jumped to THB422.7/mmbtu (-4.3% q-q, +77% y-y) due to the higher LNG price. 2Q22 core NP was THB3.1b (-5.4% q-q, +120% y-y), mainly driven by the THB1.2b share of profit from INTUCH as well as 1) a weaker cTHB0.8b NP from the 1.25GW Gulf Sriracha (GSRC) independent power producer (IPP) units 1 & 2 (COD Mar and Oct-21); and 2) the lower electricity and steam volumes sold to the Electricity Generating Authority of Thailand (EGAT) and industrial users (IUs) from its 12 SPPs under Gulf Mitsui Power (GMP). The EBITDA margin dipped to 21.9% in 2Q22, down from 25.5% in 1Q22, due to the higher gas cost for SPPs.

### Weak sales volume was the key culprit

The weak sales volume in 2Q22 came from lower electricity sales volumes from the 12 SPPs under GMP at 595GWh (+10% y-y, -2% q-q) and a drop in the steam sales volume to 183k tonnes sold to IUs (-4% y-y, -6% q-q), which was partly offset by the 1,847GWh sold to EGAT (-5% y-y, +2% q-q). The sales volume for GJP's two IPPs was 700GWh in 2Q22 (-72% y-y, -40% q-q) and the electricity sales volume to IUs from the seven SPPs under GJP was 298GWh (-0.4% y-y, +1.7% q-q). The share of loss from GJP was THB60m in 2Q22 (THB608m FX loss), down from THB658m in 1Q22 (THB38m FX gain). The 2Q22 higher gas cost drove fuel costs higher by 149% y-y vs a 105% y-y rise in revenue.

### Stronger earnings outlook ahead

We expect GULF's 2022 core NP to remain strong at THB3b a quarter, backed by: 1) NPs from BKR2 and GSRC; 2) higher NPs from its SPPs and IPPs on higher demand; and 3) the share of profits from INTUCH.

### Maintain BUY

We maintain BUY and our SoTP-based TP of THB60. We think GULF's NP growth will accelerate in 2022-23 on new growth projects.

### Exhibit 15: 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>11,242</b>	<b>20,628</b>	<b>23,004</b>	<b>11.5</b>	<b>104.6</b>	<b>20,277</b>	<b>43,632</b>	<b>115.2</b>	<b>76,192</b>
Operating costs	(7,813)	(15,371)	(17,964)	16.9	129.9	(13,124)	(33,335)	154.0	(53,524)
<b>EBITDA</b>	<b>3,429</b>	<b>5,257</b>	<b>5,040</b>	<b>(4.1)</b>	<b>47.0</b>	<b>7,153</b>	<b>10,297</b>	<b>44.0</b>	<b>22,667</b>
<i>EBITDA margin (%)</i>	30.5	25.5	21.9	<i>nm</i>	<i>nm</i>	35.3	23.6	<i>nm</i>	29.8
Deprn & amort.	(1,245)	(1,246)	(1,242)	(0.3)	(0.2)	(2,446)	(2,488)	1.7	(5,180)
EBIT	2,184	4,011	3,798	(5.3)	73.9	4,707	7,809	65.9	17,487
Interest expense	(1,174)	(1,473)	(1,864)	26.6	58.8	(2,105)	(3,337)	58.5	(4,879)
Interest & invt inc	25	29	38	30.4	55.8	36	68	86.9	794
Other income	2	5	8	46.4	316.1	3	13	326.7	20
Associates' contrib	515	1,790	1,451	(19.0)	181.7	774	3,241	318.7	5,015
Exceptional	88	180	(1,575)	<i>nm</i>	<i>nm</i>	158	(1,395)	<i>nm</i>	-
<b>Pretax profit</b>	<b>1,640</b>	<b>4,543</b>	<b>1,856</b>	<b>(59.1)</b>	<b>13.2</b>	<b>3,572</b>	<b>6,399</b>	<b>79.1</b>	<b>18,437</b>
Tax	193	(448)	(146)	(67.4)	<i>nm</i>	52	(594)	<i>nm</i>	(503)
<i>Tax rate (%)</i>	<i>(11.8)</i>	9.9	7.9	<i>nm</i>	<i>nm</i>	(1.4)	9.3	<i>nm</i>	2.7
Minority interests	(427)	(701)	(179)	(74.4)	(58.0)	(585)	(880)	50.4	(4,182)
<b>Net profit</b>	<b>1,407</b>	<b>3,395</b>	<b>1,531</b>	<b>(54.9)</b>	<b>8.8</b>	<b>3,039</b>	<b>4,925</b>	<b>62.1</b>	<b>13,752</b>
Non-recurring	6	138	(1,550)	<i>nm</i>	<i>nm</i>	(752)	(1,413)	87.8	-
<b>Core net profit</b>	<b>1,401</b>	<b>3,257</b>	<b>3,081</b>	<b>(5.4)</b>	<b>119.9</b>	<b>3,791</b>	<b>6,338</b>	<b>67.2</b>	<b>13,752</b>
EPS (THB)	0.12	0.29	0.13	(54.9)	8.8	0.26	0.42	62.1	1.17
Core EPS (THB)	0.12	0.28	0.26	(5.4)	119.9	0.32	0.54	67.2	1.17

Sources: GULF; FSSIA estimates

### Exhibit 16: 2Q22/6M22 performance of key elements

	2Q21	1Q22	2Q22	Change		6M21	6M22	Change
	(THB m)	(THB m)	(THB m)	(q-q %)	(y-y %)	(THB m)	(THB m)	(y-y %)
<b>Profit for the period</b>	<b>1,833</b>	<b>4,095</b>	<b>1,710</b>	<b>(58.2)</b>	<b>(6.7)</b>	<b>3,624</b>	<b>5,805</b>	<b>60.2</b>
<b>Profit attributable to owners of the parent</b>	<b>1,407</b>	<b>3,395</b>	<b>1,531</b>	<b>(54.9)</b>	<b>8.8</b>	<b>3,039</b>	<b>4,926</b>	<b>62.1</b>
Gain/(loss) on exchange rate attributable to owners of the parent	2	160	(1,581)	<i>nm</i>	<i>nm</i>	(702)	(1,421)	102.4
Unrealised gain (loss) on derivatives of PTT NGD	4	(22)	30	<i>nm</i>	650.0	(50)	8	<i>nm</i>
<b>Profit attributable to owners of parent before gain (loss) on FX (core profit)</b>	<b>1,401</b>	<b>3,257</b>	<b>3,081</b>	<b>(5.4)</b>	<b>119.9</b>	<b>3,790</b>	<b>6,338</b>	<b>67.2</b>
Gross profit margin (sales)*	24.0	22.1	19.2	(2.9)	(4.8)	28	21	(7.4)
Gross profit margin (service)*	48.8	55.3	56.1	0.8	7.3	52	56	3.4
Average natural gas cost per unit (SPP under GMP) (THB/mmbtu)	238.6	441.6	422.7	(4.3)	77.2	229.4	432.1	88.4
Average natural gas cost per unit (IPP under GSRC) (THB/mmbtu)	229.2	432.2	413.4	(4.4)	80.3	229.2	420.5	83.5

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

Source: GULF



## Exhibit 17: 2Q22/6M22 share of profits from associates and joint ventures

	2Q21	1Q22	2Q22	----- Change -----		6M21	6M22	Change
	(THB m)	(THB m)	(THB m)	(q-q %)	(y-y %)	(THB m)	(THB m)	(y-y %)
Share of profit from INTUCH	0	1,090	1,166	7.0	nm	0	2,256	nm
Share of profit from GJP	441	658	(60)	nm	(113.6)	660	598	(9.4)
Share of profit from PTT NGD	67	(26)	303	nm	352.2	65	277	326.2
Share of profit from GJP1	0	(1)	1	nm	nm	0	0	nm
Share of profit from a project in Oman	9	50	35	(30.0)	288.9	11	85	672.7
Share of profit from other associates and JVs	(3)	19	6	(68.4)	nm	36	25	(30.6)
<b>Total share of profit from associates and joint ventures</b>	<b>515</b>	<b>1,790</b>	<b>1,451</b>	<b>(18.9)</b>	<b>181.7</b>	<b>774</b>	<b>3,241</b>	<b>318.7</b>
gain/(loss) on exchange rate from INTUCH's share of profit	0	(10)	(6)	(40.0)	nm	0	(16)	nm
<b>INTUCH's share of core profit</b>	<b>0</b>	<b>1,100</b>	<b>1,172</b>	<b>6.5</b>	<b>nm</b>	<b>0</b>	<b>2,272</b>	<b>nm</b>
gain/(loss) on exchange rate from GJP's share of profit	(222)	38	(608)	nm	173.9	(652)	(570)	(12.6)
<b>GJP's share of core profit</b>	<b>663</b>	<b>619</b>	<b>548</b>	<b>(11.5)</b>	<b>(17.3)</b>	<b>1,311</b>	<b>1,167</b>	<b>(11.0)</b>
Unrealised gain/(loss) on derivatives of PTT NGD	4	(22)	30	nm	650.0	(50)	8	nm
<b>PTT NGD's share of core profit</b>	<b>63</b>	<b>(4)</b>	<b>273</b>	<b>nm</b>	<b>333.3</b>	<b>115</b>	<b>269</b>	<b>133.9</b>
<b>Total share of core profit from associates and JVs</b>	<b>733</b>	<b>1,784</b>	<b>2,035</b>	<b>14.1</b>	<b>177.6</b>	<b>1,475</b>	<b>3,819</b>	<b>158.9</b>

Source: GULF

## ELECTRICITY GENERATING (EGCO TB) - Paju and FX loss were key culprits; BUY TP THB245.00

### Large FX loss turned 2Q22 into a net loss

EGCO posted a 2Q22 net loss of THB777m, down from a net profit (NP) of THB4.1b in 1Q22. Excluding non-recurring income of THB2.6b, 2Q22 core NP was THB1.8b, down 54% q-q and 19% y-y, below our forecast by 15% and the BBG consensus by 39%. Key drags were weaker operating profits from Paju (-91% q-q) and KEGCO (-1% q-q), which were offset by stronger operating profits from Quezon, SBPL, XPCL, BLCP, NTPC, SPPs, VSPPs and the new power plant Linden Topco (+THB44m). 2Q22 revenue rose to THB13.9b (+60% y-y, +16% q-q) due to a y-y higher average selling price (ASP) for electricity and higher sales volumes.

### Paju's plunging earnings also weighed heavily

EGCO's 2Q22 core NP of THB1.8b was dragged down by the weak operating profit from KEGCO (THB472m), VSPPs (THB230m), NTPC (THB412m) and Paju (THB252m). Meanwhile, GPG (THB328m), XPCL (THB212m), Quezon (THB1,026m), SBPL (THB347m), BLCP (THB201m), overseas power producers (THB354m), and other businesses (THB451m) had higher operating profits. Linden Topco, acquired in Jun-22, was a key driver for overseas earnings. XPCL's operating profit rose in 2Q22 due to the seasonally higher water levels.

### Expect stronger earnings in 2H22

We project EGCO's core NP to improve in 2H22, driven by 1) Paju's 1.8GW gas-fired power plant in South Korea, which should see rising earnings in 2H22; 2) higher capacity factors at XPCL's (EGCO holds 12.5%) 1.28GW hydropower plant and NTPC due to high water levels; 3) Gangdong's (EGCO holds 49%) 19.8MW fuel cell power plant; 4) Yunlin's 640MW offshore wind farm in Taiwan (Yunlin, 25%, COD 3Q21); 5) Linden and Apex, acquired in 2021; and 6) Nam Theun 1's 644MW hydropower plant (NT1PC, EGCO holds 25%) in Laos (COD in 2Q22).

### Maintain BUY

We maintain BUY and our SoTP-based TP of THB245. We believe EGCO's current share price below THB170 is attractive based on the strong net profit growth momentum we expect to see in 2022-23 thanks to the projected earnings recoveries for its power plants.

### Exhibit 18: 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>8,706</b>	<b>11,985</b>	<b>13,891</b>	<b>15.9</b>	<b>59.6</b>	<b>15,815</b>	<b>25,876</b>	<b>63.6</b>	<b>36,906</b>
Operating costs	(6,255)	(10,265)	(10,984)	7.0	75.6	(11,697)	(21,249)	81.7	(19,844)
<b>EBITDA</b>	<b>2,450</b>	<b>1,720</b>	<b>2,907</b>	<b>69.0</b>	<b>18.6</b>	<b>4,117</b>	<b>4,627</b>	<b>12.4</b>	<b>14,848</b>
<i>EBITDA margin (%)</i>	28.1	14.4	20.9	nm	nm	26.0	17.9	nm	40.2
Depn & amort.	(767)	(783)	(803)	2.5	4.7	(1,526)	(1,586)	3.9	(2,662)
EBIT	1,684	937	2,104	124.5	25.0	2,592	3,041	17.3	12,186
Interest expense	(1,873)	(861)	(4,312)	400.7	130.2	(4,149)	(5,173)	24.7	(4,963)
Interest & invt inc	-	-	-	nm	nm	-	-	nm	1
Other income	505	514	532	3.5	5.4	1,026	1,047	2.0	2,800
Associates' contrib	1,749	3,814	2,182	(42.8)	24.7	3,470	5,996	72.8	8,316
Exceptional	(513)	(391)	(1,285)	228.8	150.4	(799)	(1,676)	109.8	-
<b>Pretax profit</b>	<b>1,552</b>	<b>4,014</b>	<b>(779)</b>	<b>nm</b>	<b>nm</b>	<b>2,140</b>	<b>3,235</b>	<b>51.2</b>	<b>18,518</b>
Tax	(51)	88	0	nm	nm	(45)	88	nm	(1,247)
<i>Tax rate (%)</i>	3.3	(2.2)	0.1	nm	nm	2.1	(2.7)	nm	6.7
Minority interests	9	14	2	(89.1)	(83.4)	1	16	1,039.6	(190)
<b>Net profit</b>	<b>1,510</b>	<b>4,116</b>	<b>(777)</b>	<b>(118.9)</b>	<b>(151.4)</b>	<b>2,096</b>	<b>3,339</b>	<b>59.3</b>	<b>17,081</b>
Non-recurring	(732)	183	(2,605)	nm	256.1	(1,724)	(2,422)	40.5	-
<b>Core net profit</b>	<b>2,242</b>	<b>3,933</b>	<b>1,828</b>	<b>(53.5)</b>	<b>(18.5)</b>	<b>3,820</b>	<b>5,761</b>	<b>50.8</b>	<b>17,081</b>
EPS (THB)	2.87	7.82	(1.48)	nm	nm	3.98	6.34	59.3	32.44
Core EPS (THB)	4.26	7.47	3.47	(53.5)	(18.5)	7.26	10.94	50.8	32.44

Sources: EGCO; FSSIA estimates

### Exhibit 19: 2Q22/6M22 key performance

Operating profit	2Q21	1Q22	2Q22	(q-q%)	(y-y%)	6M21	6M22	(y-y%)
<b>IPP (Domestic)</b>								
KEGCO	476	476	472	(0.8)	(0.8)	510	948	85.9
BLCP	99	(205)	201	nm	103.0	239	(4)	nm
GPG	272	299	328	9.7	20.6	552	627	13.6
<b>IPP (Overseas)</b>								
Paju ES	281	2,815	252	(91.0)	(10.3)	710	3,067	332.0
XPCL	134	5	212	4,140.0	58.2	136	217	59.6
Quezon	1,030	566	1,026	81.3	(0.4)	1,845	1,592	(13.7)
NTPC	201	521	412	(20.9)	105.0	611	933	52.7
SBPL	305	116	347	199.1	13.8	427	463	8.4
<b>IPP (Other Overseas)</b>								
NT1PC, BRWF, SEG, SEGSD, GDFC and Yunlin	333	314	354	12.7	6.3	496	668	34.7
<b>SPP</b>								
EGCO Cogen, RG, BPU, KLU, CWF, GYG, NKCC and NED	287	68	173	154.4	(39.7)	611	241	(60.6)
<b>VSPP</b>								
SPP2, SPP3, SPP4, SPP5, TWF, Solarco and GPS	316	300	230	(23.3)	(27.2)	673	530	(21.2)
<b>Other Businesses</b>								
ESCO, PEPOI, QMS, MME, EE and TPN	167	376	451	19.9	170.1	278	827	197.5

Source: EGCO

## B.GRIMM POWER (BGRIM TB) - Core net profit improved in 2Q22; BUY TP THB44.00

### 2Q22 net loss worsened by FX loss

BGRIM's 2Q22 net loss was THB193m, down from a net profit (NP) of THB23m in 1Q22. Excluding non-recurring items, 2Q22 core NP was THB147m, up 332% q-q but down 86% y-y, mainly due to 1) the sharp increase in the gas price; 2) lower electricity and steam sales to industrial users (IUs) in both Thailand and Vietnam; 3) the 8.7% y-y lower electricity revenue for the power sold to the Electricity Generating Authority of Thailand (EGAT); and 4) an unrealised FX loss of THB541m. BGRIM's revenue rose to THB14.7b (+28% y-y, -0.6% q-q), driven by a higher tariff from EGAT (+52% y-y), IUs in Thailand (+10% y-y), IUs in Vietnam (+11% y-y) and steam to IUs (+69% y-y).

### Margin improved on the q-q lower gas cost

The EBITDA margin rose to 17.1% in 2Q22, up from 14.7% in 1Q22, but down from 30.7% in 2Q21 due to the sharp rise in the gas price to THB421.9/mmbtu (-4.6% q-q, +77% y-y) from the impact of the higher prices for LNG imports by PTT (PTT TB, BUY) to compensate for the gas supply shortfall from the Erawan gas field. While the gas price spiked by 77% y-y, the price of electricity sold to IUs rose to THB3.55/kWh (+10% y-y, +2.6% q-q), and the steam price rose to THB1,332/t (+69% y-y, +25% q-q), resulting in narrower margins for the electricity and steam sold to IUs from BGRIM's small power producers (SPP).

### Slower-but-better earnings outlook in 2H22-2023

We believe BGRIM's core net profit has bottomed out in 2Q22 and expect it to recover marginally in 2H22 as the higher fuel tariff compensates for the continued higher gas cost. However, by 1Q23 we think earnings growth will accelerate, driven by 1) the full impact of the five new SPPs under SPP power purchase agreements, which are scheduled to start their operations in 2H22; and 2) gradually lower gas prices due to the lower price of self-imported LNG.

### Still the best SPP play in Thailand

Maintain BUY and our SoTP-TP of THB44. We think BGRIM is attractive as a turnaround and growth power play on an earnings recovery, with key catalysts from the structural declines in the gas cost in Thailand as gas production from the Erawan gas field should rise in 2H22-2024.

### Exhibit 20: 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>11,475</b>	<b>14,758</b>	<b>14,676</b>	<b>(0.6)</b>	<b>27.9</b>	<b>21,928</b>	<b>29,433</b>	<b>34.2</b>	<b>71,472</b>
Operating costs	(7,951)	(12,586)	(12,160)	(3.4)	52.9	(15,110)	(24,745)	63.8	(54,950)
<b>EBITDA</b>	<b>3,524</b>	<b>2,172</b>	<b>2,516</b>	<b>15.8</b>	<b>(28.6)</b>	<b>6,818</b>	<b>4,688</b>	<b>(31.2)</b>	<b>16,522</b>
<i>EBITDA margin (%)</i>	30.7	14.7	17.1	<i>nm</i>	<i>nm</i>	31.1	15.9	<i>nm</i>	23.1
Deprn & amort.	(1,318)	(1,207)	(1,231)	2.0	(6.6)	(2,630)	(2,438)	(7.3)	(5,623)
EBIT	2,206	965	1,285	33.2	(41.7)	4,188	2,250	(46.3)	10,899
Interest expense	(945)	(860)	(1,670)	94.2	76.7	(2,283)	(2,530)	10.8	(4,262)
Interest & invt inc	-	-	-	<i>nm</i>	<i>nm</i>	-	-	<i>nm</i>	-
Other income	45	51	66	28.1	46.0	72	117	61.1	200
Associates' contrib	(9)	(3)	(20)	553.4	119.0	41	(23)	(156.5)	224
Exceptionals	302	(34)	192	(663.9)	(36.4)	537	158	(70.6)	-
<b>Pretax profit</b>	<b>1,598</b>	<b>119</b>	<b>(148)</b>	<b>(223.9)</b>	<b>(109.2)</b>	<b>2,556</b>	<b>(28)</b>	<b>(101.1)</b>	<b>7,061</b>
Tax	(128)	(29)	(2)	(93.4)	(98.5)	(237)	(31)	(87.1)	(359)
<i>Tax rate (%)</i>	8.0	24.1	(1.3)	<i>nm</i>	<i>nm</i>	9.3	(107.4)	<i>nm</i>	5.1
Minority interests	(449)	(67)	(44)	(35.2)	(90.3)	(686)	(111)	(83.8)	(3,038)
<b>Net profit</b>	<b>1,022</b>	<b>23</b>	<b>(193)</b>	<b>(939.8)</b>	<b>(118.9)</b>	<b>1,633</b>	<b>(170)</b>	<b>(110.4)</b>	<b>3,663</b>
Non-recurring	11	(11)	(340)	2,993.3	(3,198.4)	(24)	(351)	1,359.7	-
<b>Core net profit</b>	<b>1,011</b>	<b>34</b>	<b>147</b>	<b>332.4</b>	<b>(85.5)</b>	<b>1,657</b>	<b>181</b>	<b>(89.1)</b>	<b>3,663</b>
EPS (THB)	0.39	0.01	(0.07)	(939.8)	(118.9)	0.63	(0.07)	(110.4)	1.41
Core EPS (THB)	0.39	0.01	0.06	332.4	(85.5)	0.64	0.07	(89.1)	1.41

Sources: BGRIM; FSSIA estimates

**Exhibit 21: 2Q22/6M22 key performance**

	2Q21	1Q22	2Q22	----- Change -----		6M21	6M22	Change (y-y %)
				(q-q %)	(y-y %)			
<b>Electricity sales volume to EGAT (GWh)</b>	<b>2,516</b>	<b>2,212</b>	<b>2,296</b>	<b>3.8</b>	<b>(8.7)</b>	<b>4,816</b>	<b>4,508</b>	<b>(6.4)</b>
<b>Electricity sales volume to IUs – Thailand (GWh)</b>	<b>831</b>	<b>871</b>	<b>857</b>	<b>(1.6)</b>	<b>3.1</b>	<b>1,645</b>	<b>1,729</b>	<b>5.1</b>
Amata City Chonburi Industrial Estate (GWh)	384	393	382	(2.8)	(0.5)	771	775	0.5
Amata City Rayong Industrial Estate (GWh)	170	196	192	(2.0)	12.9	322	388	20.5
Laemchabang Industrial Estate (GWh)	161	184	174	(5.4)	8.1	329	358	8.8
WHA Chonburi 1 Industrial Estate (GWh)	63	45	56	24.4	(11.1)	123	100	(18.7)
Bangkadi Industrial Park (GWh)	50	50	50	-	-	94	100	6.4
WHA Eastern Industrial Estate (Map Ta Phut) (GWh)	4	4	4	-	-	7	8	14.3
<b>Electricity sales volume to IUs – Vietnam (GWh)</b>	<b>150</b>	<b>136</b>	<b>146</b>	<b>7.4</b>	<b>(2.7)</b>	<b>282</b>	<b>282</b>	<b>-</b>
<b>Steam sales volume to IUs – Thailand (tonnes)</b>	<b>240,092</b>	<b>238,166</b>	<b>192,260</b>	<b>(19.3)</b>	<b>(19.9)</b>	<b>487,686</b>	<b>430,426</b>	<b>(11.7)</b>
Amata City Chonburi Industrial Estate (tonnes)	37,108	38,953	38,011	(2.4)	2.4	75,263	76,964	2.3
Amata City Rayong Industrial Estate (tonnes)	30,467	29,308	26,048	(11.1)	(14.5)	61,439	55,356	(9.9)
Laemchabang Industrial Estate (tonnes)	59,967	66,973	60,500	(9.7)	0.9	125,883	127,473	1.3
WHA Chonburi 1 Industrial Estate (tonnes)	112,550	102,933	67,701	(34.2)	(39.8)	225,102	170,634	(24.2)

Sources: BGRIM; FSSIA estimates

**Exhibit 22: 2Q22/6M22 price per unit**

	2Q21	1Q22	2Q22	----- Change -----		6M21	6M22	Change (y-y %)
				(q-q %)	(y-y %)			
Electricity to EGAT (THB/kWh)	2.85	4.51	4.33	(4.0)	51.9	2.79	4.42	58.4
Electricity to IUs – Thailand (THB/kWh)	3.23	3.46	3.55	2.6	9.9	3.23	3.50	8.4
Electricity to IUs – Vietnam (THB/kWh)	2.43	2.60	2.69	3.5	10.7	2.39	2.64	10.5
Steam to IUs - Thailand (THB/tonne)	786	1,070	1,332	24.5	69.4	797	1,187	48.9
Gas cost per unit (THB/mmbtu)	239.0	442.2	421.9	(4.6)	76.6	230	432	87.7

Sources: BGRIM; FSSIA estimates

## BANGCHAK CORP (BCP TB) - Strong 2Q22 results on higher GRM; BUY TP THB41.00

### Refinery rebound boosted 2Q22 results

2Q22 net profit (NP) was THB5.3b, up 21% q-q and 199% y-y, missing the BBG consensus forecast by 15% and our own by 1%, mainly due to an after-tax, non-recurring loss. 2Q22 core NP was THB7.4b, up 213% q-q due to a higher gross refining margin (GRM) and the high utilisation rate of 102%, or 122.5kbpd. In 2Q22, there were multiple pre-tax non-operating items, including: 1) a THB4.3b oil inventory gain; 2) a hedging loss of THB6.4b; 3) an FX loss of THB516m; and 4) an impairment loss of THB20m.

### Higher GRM offset by larger hedging loss

Total EBITDA was THB12.6b in 2Q22, down 8% q-q due to the larger hedging loss despite a sharp rise in GRM. Accounting GRM was USD17.6/bbl in 2Q22, up 33% q-q due to a higher inventory gain. Market GRM was USD24.4/bbl, up 257% q-q, driven by q-q higher product margins and higher sales of unconverted oil. Power EBITDA was THB1.1b in 2Q22, up 11.5% y-y but down 64% q-q, due to the absence of the THB2b divestment gain in 1Q22.

### Marketing EBITDA rose while biodiesel and E&P dropped

Marketing EBITDA was THB1.5b in 2Q22 (+78% y-y, +31% q-q) due to a higher marketing margin at THB0.94/litre (+59% q-q) and nine new oil service stations for a total of 1,301 in 2Q22. The marketing sales volume jumped in 2Q22, driven by a rise in the industrial sales volume to 300m litres (+60% y-y, +5% q-q) and the rise in retail service station sales volume of 1,170m litres (+18% y-y, +4% q-q). Biodiesel EBITDA plunged to THB93m, (-69% y-y, -73% q-q) on weaker demand and the rising feedstock cost of crude palm oil. The E&P unit saw 17% q-q lower EBITDA to THB3.5b due to a 54% q-q lower gas price of USD14.7/mmbtu despite a 3% q-q rise in sales volume to 16kboed.

### A well-balanced integrated refinery play

Maintain BUY and our TP of THB41. We think BCP is an attractive refinery play thanks to its multiple growth drivers in 2022, including the higher price of oil & gas, rising demand for domestic oil, the improving margins and sales volumes of its non-oil businesses, and the potential earnings upside from its E&P unit.

### Exhibit 23: Summary of 2Q22/6M22 operations

	2Q21	1Q22	2Q22			6M21	6M22	Chg.	2022E
	(THB m)	(THB m)	(THB m)	(q-q %)	(y-y %)	(THB m)	(THB m)	(y-y %)	(THB m)
<b>Revenue</b>	<b>43,775</b>	<b>69,055</b>	<b>83,796</b>	<b>21.3</b>	<b>91.4</b>	<b>85,006</b>	<b>152,852</b>	<b>79.8</b>	<b>327,157</b>
Operating costs	(39,506)	(55,341)	(71,224)	28.7	80.3	(76,000)	(126,566)	66.5	(297,332)
<b>EBITDA</b>	<b>4,269</b>	<b>13,714</b>	<b>12,572</b>	<b>(8.3)</b>	<b>194.5</b>	<b>9,006</b>	<b>26,286</b>	<b>191.9</b>	<b>29,825</b>
<i>EBITDA margin (%)</i>	9.8	19.9	15.0	nm	nm	10.6	17.2	nm	9.1
Depreciation & amort	(1,719)	(2,267)	(2,474)	9.2	43.9	(3,390)	(4,741)	39.9	(9,158)
EBIT	2,550	11,447	10,098	(11.8)	296.1	5,616	21,545	283.6	20,667
Interest expense	(518)	(836)	(1,043)	24.8	101.2	(982)	(1,879)	91.3	(2,611)
Interest & invt inc	176	350	477	36.3	171.4	317	826	nm	0
Associates' contrib	512	148	(6)	nm	nm	706	141	(80.0)	1,373
Exceptionals	(450)	(258)	(1,002)	288.3	122.8	(339)	(1,260)	272.2	0
<b>Pretax profit</b>	<b>2,269</b>	<b>10,850</b>	<b>8,523</b>	<b>(21.5)</b>	<b>275.6</b>	<b>5,318</b>	<b>19,373</b>	<b>264.3</b>	<b>19,429</b>
Tax	(195)	(5,347)	(3,033)	(43.3)	1,454.6	(603)	(8,380)	1,290.1	(5,609)
<i>Tax rate (%)</i>	8.6	49.3	35.6	nm	nm	11.3	43.3	nm	28.9
Minority interests	(309)	(1,147)	(213)	(81.4)	(31.1)	(668)	(1,360)	103.7	(700)
<b>Net profit</b>	<b>1,765</b>	<b>4,356</b>	<b>5,276</b>	<b>21.1</b>	<b>199.0</b>	<b>4,048</b>	<b>9,633</b>	<b>138.0</b>	<b>13,119</b>
Non-recurring	(1,129)	(2,002)	2,081	nm	nm	(3,331)	78	nm	0
<b>Core profit</b>	<b>636</b>	<b>2,354</b>	<b>7,357</b>	<b>212.5</b>	<b>1,056.8</b>	<b>717</b>	<b>9,711</b>	<b>1,254.4</b>	<b>13,119</b>
EPS (THB)	1.21	3.12	0.45	(85.6)	(62.8)	2.80	3.57	27.5	9.53
Core EPS (THB)	0.46	1.71	5.34	212.5	1,056.8	0.52	7.05	1,254.4	9.53

Sources: BCP; FSSIA estimates

## Exhibit 24: 2Q22/6M22 key quarterly performance

	Unit	2Q21	1Q22	2Q22	Change		6M21	6M22	Change
					(q-q %)	(y-y %)			(y-y %)
<b>Refinery business</b>									
Average crude run	kbd	107.0	122.1	122.5	0.3	14.5	86.1	122.3	42.0
Utilisation rate*	%	89.0	102.0	102.0	-	13.0	72.0	102.0	30.0
Average FX	THB/USD	31.5	33.2	34.6	4.0	9.6	31.0	33.9	9.4
Total GRM	USD/bbl	7.6	13.3	17.6	32.7	132.0	10.5	15.5	47.4
Market GRM	USD/bbl	4.2	6.8	24.4	257.0	484.2	3.9	15.9	312.2
Oil hedging	USD/bbl	(0.4)	(3.3)	(16.8)	406.9	4,107.5	(0.3)	(10.3)	nm
Inventory gain/(loss)	kbd	3.8	9.8	10.0	2.8	163.5	6.9	9.9	42.8
EBITDA	THB m	1,976.0	5,021.0	6,506.0	29.6	229.3	4,387.0	11,527.0	162.8
<b>Marketing business</b>									
Retail (service station)	m litre	996	1,122	1,170	4.3	17.5	2,049	2,292	11.9
Industrial	m litre	187	286	300	4.9	60.4	373	586	57.1
Total marketing margin	THB/litre	0.88	0.59	0.94	59.3	6.8	0.82	0.77	(6.1)
Number of oil stations	Station	1,247	1,292	1,301	0.7	4.3	1,247	1,301	4.3
EBITDA	THB m	827	1,118	1,468	31.3	77.5	1,797	2,586	43.9
<b>Power plant business</b>									
Solar power business - Thailand	m kWh	80.1	84.2	85.9	2.0	7.3	161.4	170.1	5.4
Solar power business - Japan	m kWh	4.6	14.9	35.6	139.1	682.9	8.6	50.5	490.1
Wind power business - Thailand	m kWh	2.4	3.2	1.9	(40.1)	(20.9)	6.1	5.2	(16.0)
Hydropower business - Laos	m kWh	102.0	76.9	101.0	31.3	(1.0)	170.1	177.9	4.6
Share of profit (loss) from associated companies	THB m	157	142	-	nm	nm	297	133	(55.2)
EBITDA	THB m	997	3,075	1,112	(63.8)	11.5	1,976	4,187	111.9
<b>Biodiesel and Ethanol business</b>									
B100 sales volume	m litre	63.1	51.1	46.6	(8.8)	(26.1)	127.6	97.7	(23.4)
Ethanol sales volume	m litre	49.8	38.2	27.1	(29.0)	(45.5)	83.7	65.3	(21.9)
EBITDA	THB m	296	343	93	(72.9)	(68.6)	718	436	(39.3)
<b>Exploration and production business</b>									
Production volume (Draugen Field)	kbd	13.2	14.9	16.0	7.6	21.4	14.9	15.5	4.1
Production volume (Gjoa Field)	kbd	13.1	15.4	16.0	3.4	22.3	14.1	15.7	11.2
Share of profits from OKEA	THB m	333	na	na	nm	nm	371	na	nm
EBITDA	THB m	276	4,251	3,541	(16.7)	1,183.0	307	7,792	2,438.1

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

Sources: BCP; FSSIA estimates

## LAND AND HOUSES (LH TB) - In-line 2Q22 results; BUY TP THB10.20

### In-line 2Q22 results on solid revenue

LH reported a strong 2Q22 net profit of THB2.1b, up 11% q-q and 14% y-y. Excluding an FX gain of THB201m, core net profit was THB1.9b, up 4.5% q-q and 3% y-y, 2% below BBG's consensus forecast. Revenue grew to THB9.2b, up 22% q-q and 4.5% y-y, driven mainly by the higher revenue from real estate at THB8.4b (+20% q-q, -1% y-y). Gross margin was 32.4% in 2Q22, down from 32.5% in 1Q22 but up from 30.8% in 2Q21 due to the q-q rising material costs. Equity income was THB651m, down 9% q-q but up 1% y-y, comprising THB51m from LH Financial (-54% q-q, -43% y-y), THB460m from HMPRO (+1% q-q, +6% y-y), THB1m from LHP, THB129m from QH (-12% q-q, +6% y-y), and THB11m from Quality Construction Products (+11% q-q, +58% y-y).

### Stronger revenues from townhouse and condo sales

Revenue from single detached houses (SDHs) accounted for 77.3% of total revenue, down from 79.2% in 2Q21, while revenue from townhouses rose to 10.2% in 2Q22, up from 9.6% in 2Q21. Condominiums contributed 12.5% of total revenue in 2Q22, up from 11.2% in 2Q21. Rental and service income jumped to THB920m in 2Q22, up over 2x from THB406m in 2Q21, leading to a higher gross margin at 22.3% in 2Q22 vs only 10.6% in 2Q21.

### Margins weakened in 2Q22

Operating margin stayed flat q-q at 19.2% while EBITDA margin dipped to 23.3% in 2Q22, down from 24.2% in 1Q22, due to the rising prices. Net margin fell to 21%, down from 24.5% in 1Q22 and 21.3% in 2Q21, due to the higher effective tax rate at 23.7%, up from 21.9% in 1Q22. Low-rise projects generated 88% of total sales, down from 92% in 1Q22 and 89% in 2Q21.

### Still a good property play

We maintain BUY and our TP of THB10.2. We see LH as one of Thailand's strongest property plays thanks to its solid brand, sound growth strategy, and diversified earnings portfolio with stakes in HMPRO (home improvement), QH (property developer), and LH Financial (bank), which help to sustain LH's net profits with property revenue streams. LH will pay a THB0.25 interim dividend for its 1H22 operations.

### Exhibit 25: LH – summary of 2Q22/1H22 operations

Year to Dec 31	2Q21	1Q22	2Q22	----- Change -----		2Q22	----- 1H22 -----			2022E	Change
	(THB m)	(THB m)	(THB m)	(q-q%)	(y-y%)	(%22E)	(THB m)	(y-y%)	(%22E)	(THB m)	(y-y%)
<b>Sales</b>	<b>8,824</b>	<b>7,569</b>	<b>9,218</b>	<b>21.8</b>	<b>4.5</b>	<b>26</b>	<b>16,788</b>	<b>3</b>	<b>52</b>	<b>36,050</b>	<b>12</b>
<b>Sales of real estate</b>	<b>8,465</b>	<b>6,966</b>	<b>8,360</b>	<b>20.0</b>	<b>(1.2)</b>	<b>23</b>	<b>15,326</b>	<b>(2)</b>	<b>50</b>	<b>36,050</b>	<b>18</b>
Gross profit	2,721	2,458	2,988	21.5	9.8	27	5,446	8	54	11,125	10
Operating costs	(1,001)	(1,006)	(1,221)	21.4	22.0	25	(2,226)	13	56	(4,875)	23
Operating profit	1,720	1,453	1,767	21.6	2.7	28	3,220	4	53	6,249	2
Operating EBITDA	2,101	1,830	2,150	17.4	2.3	30	3,980	3	52	7,259	(5)
Other income	177	292	210	(28.1)	18.3	18	502	28	52	1,183	23
Other expense	(47)	(40)	(40)	n/a	n/a	25	(79)	(10)	55	(156)	n/a
Interest expense	(293)	(246)	(254)	3.3	(13.5)	28	(499)	(10)	45	(901)	(19)
Profit before tax	1,557	1,459	1,684	15.4	8.1	26	3,143	10	54	6,375	9
Tax	(326)	(320)	(399)	24.6	22.1	28	(719)	18	56	(1,424)	11
Associates	644	717	651	(9.1)	1.1	21	1,368	6	59	3,090	32
Minority interests	6	(1)	2	n/a	(66.3)	7	1	(82)	(59)	28	n/a
Non recurring items	(12)	76	201	165.5	n/a	276	244			0	n/a
<b>Reported net profit</b>	<b>1,870</b>	<b>1,931</b>	<b>2,139</b>	<b>10.8</b>	<b>14.4</b>	<b>27</b>	<b>4,071</b>	<b>2</b>	<b>59</b>	<b>8,069</b>	<b>16</b>
<b>Recurring net profit</b>	<b>1,881</b>	<b>1,856</b>	<b>1,938</b>	<b>4.5</b>	<b>3.0</b>	<b>24</b>	<b>3,794</b>	<b>7</b>	<b>55</b>	<b>8,069</b>	<b>17</b>
EPS (THB)	0.16	0.16	0.18	10.8	14.4		0.34			0.68	16
Recurring EPS (THB)	0.16	0.16	0.16	4.5	3.0		0.32			0.68	17
BV/share (THB)	4.17	4.33	4.22	(2.5)	1.2					4.17	(0)
<b>Key ratios</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(ppt)</b>	<b>(ppt)</b>		<b>(%)</b>	<b>(ppt)</b>		<b>(%)</b>	<b>(ppt)</b>
Gross margin	30.8	32.5	32.4	(0.1)	1.6		32.4	1.5		30.9	(0.6)
Operating margin	19.5	19.2	19.2	(0.0)	(0.3)		19.2	0.3		17.3	(1.8)
EBITDA margin	23.8	24.2	23.3	(0.9)	(0.5)		23.7	0.2		20.1	(3.7)
Recurring net margin	21.3	24.5	21.0	(3.5)	(0.3)		22.6	1.0		22.4	0.9
SG&A / Sales	11.3	13.3	13.2	(0.0)	1.9		13.3	1.2		13.5	1.1
Effective tax rate	21.0	21.9	23.7	1.8	2.7		22.9	1.4		22.3	0.4
Interest coverage (EBITDA) (x)	7.2	7.5	8.5				8.0	1.0		8.1	
Net debt/equity (x)	1.1	1.1	1.1				0.0			1.1	
<b>Sales by product</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>				<b>(%)</b>				
Low-rise	89	92	88				91				
High-rise	11	8	13				9				
<b>Equity income from Assoc.</b>	<b>2Q21</b>	<b>1Q22</b>	<b>2Q22</b>	<b>----- Change -----</b>			<b>----- 1H22 -----</b>				
	<b>(THB m)</b>	<b>(THB m)</b>	<b>(THB m)</b>	<b>(q-q%)</b>	<b>(y-y%)</b>		<b>(THB m)</b>	<b>(y-y%)</b>			
LH Financial Group	90	112	51	(54)	(43)		163	(24)			
Home Product Center	433	457	460	1	6		916	8			
LH Property and Loan Fund-II	(8)	(8)	1	(117)	(116)		(6)	(59)			
Quality Houses	122	146	129	(12)	6		275	21			
Quality Construction Products	7	10	11	11	58		20	6			
<b>Total</b>	<b>644</b>	<b>717</b>	<b>651</b>	<b>(9)</b>	<b>1</b>		<b>1,368</b>	<b>6</b>			
Contribution to net profit	34.5%	37.1%	30.4%				33.6%				

Sources: LH; FSSIA estimates

## PTT PCL (PTT TB) - 2Q22 earnings soar on refinery, gas; BUY TP THB50.00

### 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.

### Exhibit 26: 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>
<i>EBITDA margin (%)</i>	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)
<i>Tax rate (%)</i>	(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 27: 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 28: 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

## EASTERN POLYMER GROUP (EPG TB) - Chips and floods were major drags; BUY TP THB16.00

### Aeroklas' NP weakened by flood in Australia and chip shortage

EPG's 1QFY23 (Apr to Jun-22) net profit (NP) was THB231m, down 33% q-q and 48% y-y, missing the Bloomberg consensus estimate by 37% and our forecast by 13%. Excluding a non-operating FX gain of THB13m, 1QFY23 core NP was THB218m, down 35% q-q and 49% y-y, due to a lower gross margin (GM) for Eastern Polypack (EPP). EPG's 1QFY23 GM remained high at 32.8%, up from 32.1% in 4QFY22 (Jan to Mar-22), due to a higher GM from Aeroflex at 45.6% vs 45.4% in 4QFY22 and 42.6% in 1QFY22, while Aeroklas' GM was a robust 32.0% on strong demand. EPP's GM dropped to 17.3%, down from 20.1% in 4QFY22, due to higher costs and a weaker sales volume.

### Only Aeroflex stayed strong in 1QFY23

Revenue from sales dipped 7% y-y, with revenue from Aeroflex rising 8% y-y to THB884m from a rise in domestic and international sales. Revenue from the US-based Aeroflex unit dipped to 56% of total sales, up 8.0 ppts q-q, while Aeroflex's revenue in Thailand plunged to 23.4% of total sales in 1QFY23. Aeroklas saw lower revenue at THB1,304m (-11% y-y, -6% q-q) due to the chip shortage for automotive clients. EPP saw revenue of THB655m, down 5% q-q but up 1% y-y, due to the y-y weaker demand for plastics used in food and beverage packaging.

### Aeroklas and EPP should see improvements

We remain positive on EPG's sales volumes in FY23 (Apr-22 to Mar-23), driven by 1) potentially higher GMs for Aeroklas and Aeroflex; 2) rising utilisation rates for its plants in Thailand and the US from a demand recovery for insulation (Aeroflex); 3) a demand recovery for plastics after Thailand's lockdown is fully relaxed; and 4) a demand recovery for Aeroklas in Australia, China, India, and South Africa.

### Stay tuned for stronger growth ahead

We maintain BUY and our TP of THB16, based on 19.3x FY23E EV/EBITDA. We think the demand recovery for EPG's products – insulators, auto parts, and packaging – along with Aeroflex's US capacity expansion, should boost its net profit momentum in FY23. The rising cost of plastic resin for EPP and Aeroklas should subside in 2H22 due to the lower crude oil price and rising supply.

### Exhibit 29: Summary of 1QFY23 operations

FY end 31 Mar	1QFY22	4QFY22	1QFY23		FY23E
	Jun-21 (THB m)	Mar-22 (THB m)	Jun-22 (THB m)	Change (q-q %) (y-y %)	
<b>Revenue</b>	<b>2,938</b>	<b>2,893</b>	<b>2,852</b>	<b>(1.4)</b>	<b>(2.9)</b>
Operating costs	(2,337)	(2,333)	(2,373)	1.7	1.5
<b>EBITDA</b>	<b>601</b>	<b>560</b>	<b>479</b>	<b>(14.4)</b>	<b>(20.2)</b>
<i>EBITDA margin (%)</i>	20.4	19.4	16.8	na	na
Depn & amort.	(205)	(208)	(216)	3.9	5.1
EBIT	395	352	263	(25.2)	(33.4)
Interest expense	(17)	(20)	(18)	(12.5)	2.0
Interest & invt inc	23	(13)	(22)	77.3	nm
Associates' contrib	46	35	23	(33.8)	(49.4)
Exceptionals	20	7	15	100.6	(27.4)
<b>Pretax profit</b>	<b>467</b>	<b>362</b>	<b>261</b>	<b>(27.8)</b>	<b>(44.0)</b>
Tax	(18)	(23)	(31)	34.5	67.2
<i>Tax rate (%)</i>	3.9	6.3	11.8	na	na
Minority interests	(1)	3	0	(90.4)	nm
<b>Net profit</b>	<b>448</b>	<b>342</b>	<b>231</b>	<b>(32.5)</b>	<b>(48.4)</b>
Non-recurring	19	7	13	88.9	(33.3)
<b>Core net profit</b>	<b>428</b>	<b>335</b>	<b>218</b>	<b>(35.0)</b>	<b>(49.1)</b>
EPS (THB)	0.16	0.12	0.08	(32.5)	(48.4)
Core EPS (THB)	0.15	0.12	0.08	(35.0)	(49.1)

Sources: EPG; FSSIA estimates

### Exhibit 30: 1QFY23 associates' key performance

FY end 31 Mar	1QFY22	4QFY22	1QFY23	Change	
	Jun-21	Mar-22	Jun-22	(q-q %)	(y-y %)
<b>Revenue from sales (THB m)</b>	<b>2,934</b>	<b>2,881</b>	<b>2,737</b>	<b>(5.0)</b>	<b>(6.7)</b>
AEROFLEX	821	805	884	9.9	7.7
AEROKLAS	1,466	1,387	1,304	(5.9)	(11.0)
EPP	648	690	655	(5.0)	1.2
<b>Gross profit margin (%)*</b>	<b>32.8</b>	<b>32.1</b>	<b>32.8</b>	<b>0.7</b>	<b>0.0</b>
AEROFLEX	42.6	45.4	45.6	0.2	3.0
AEROKLAS	33.8	30.3	32.0	1.7	(1.8)
EPP	17.9	20.1	17.3	(2.8)	(0.6)
<b>Gross profit (THB m)</b>	<b>961.0</b>	<b>924.1</b>	<b>933.8</b>	<b>1.1</b>	<b>(2.8)</b>
AEROFLEX	349.7	365.3	403.1	10.3	15.3
AEROKLAS	495.4	420.2	417.3	(0.7)	(15.8)
EPP	115.9	138.6	113.3	(18.2)	(2.2)

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

Sources: EPG; FSSIA estimates

## OSOTSPA PCL (OSP TB) - Transition undermined 2Q22 results; BUY TP THB42.00

### Softer 2Q22 results on domestic beverage market

OSP recorded a 2Q22 net profit of THB604m, down 19% q-q and 26% y-y, missing Bloomberg's consensus estimate by 4% and ours by 5%. Revenue plunged to THB7.3b, down 3% q-q but up 4% y-y, due mainly to weaker domestic sales and OSP's ongoing transformation and premiumisation strategy aimed at building its product portfolio, strengthening distribution networks, and enhancing its flexibility and capabilities in manufacturing and operations. Gross margin dipped to 31.7% in 2Q22, down from 32.1% in 1Q22 and 36.3% in 2Q21, due to higher material costs.

### Beverage growth supported by international markets

The beverage segment saw an overall 1% y-y decline in revenue to THB5.9b in 2Q22, dragged down by the 3.4% lower revenue in the domestic market that was partly offset by 6.3% y-y higher sales in overseas markets. The key reason for the drop in domestic revenue was the aggressive price competition and OSP's premiumisation transition, which management believes will help invigorate its long-term growth outlook. Functional drinks grew from C-Vitt, which captured a higher market share of 40.1% (+730bps y-y), thanks to demand growth from the health and well-being consumer trend and demand recovery in the modern trade channel. International markets continued their solid growth despite the unrest in Myanmar, rising inflation, and the debt repayment crisis in Laos.

### Personal care demand rebounded

Revenue from personal care grew to THB587m, up 22% y-y and 6% q-q, due to the impact of the economic reopening, which drove demand for baby care (Baby Mild brand), women's beauty care (Twelve Plus), and male grooming products (Exit).

### Improving outlook ahead

We maintain BUY and our TP of THB42. We see OSP as Thailand's leading consumer play with a solid product portfolio and a better earnings growth outlook backed by its transformation into premium product categories. OSP announced a THB0.45 dividend for its 1H22 operations, implying a 100% payout ratio based on its THB0.45 EPS.

### Exhibit 31: OSP – summary of 2Q22/1H22 operations

YE Dec 31	2Q21	1Q22	2Q22	Change		2Q22	1H22			2022E	Change
	(THB m)	(THB m)	(THB m)	(q-q%)	(y-y%)	(%22E)	(THB m)	(y-y%)	(%22E)	(THB m)	y-y%
Reported revenue	6,964	7,518	7,262	(3)	4	25	14,780	5	51	29,203	8
<b>Retail sales</b>	<b>6,913</b>	<b>7,472</b>	<b>7,183</b>	<b>(4)</b>	<b>4</b>	<b>25</b>	<b>14,656</b>	<b>7</b>	<b>51</b>	<b>28,771</b>	<b>8</b>
Other income	46	41	50	23	8	12	91	9	21	432	152
Cost of sales	(4,435)	(5,100)	(4,940)	(3)	11	26	(10,040)	12	53	(18,880)	8
<b>Gross profit</b>	<b>2,525</b>	<b>2,413</b>	<b>2,294</b>	<b>(5)</b>	<b>(9)</b>	<b>22</b>	<b>4,707</b>	<b>(2)</b>	<b>46</b>	<b>10,323</b>	<b>10</b>
Operating costs	(1,582)	(1,580)	(1,650)	4	4	25	(3,231)	5	50	(6,502)	7
<b>Operating profit</b>	<b>943</b>	<b>832</b>	<b>644</b>	<b>(23)</b>	<b>(32)</b>	<b>17</b>	<b>1,476</b>	<b>(15)</b>	<b>39</b>	<b>3,820</b>	<b>15</b>
Operating EBITDA	1,308	1,241	1,046	(16)	(20)	19	2,287	(7)	42	5,467	13
Interest expense	(24)	(21)	(21)	(0)	(12)	20	(42)	(19)	41	(103)	7
<b>Profit before tax</b>	<b>919</b>	<b>811</b>	<b>623</b>	<b>(23)</b>	<b>(32)</b>	<b>17</b>	<b>1,434</b>	<b>(15)</b>	<b>39</b>	<b>3,718</b>	<b>15</b>
Tax	(191)	(151)	(134)	(11)	(30)	18	(284)	(20)	37	(762)	15
Associates	66	85	90	7	36	34	175	25	67	263	(0)
Investment income	4	5	28	438	551	8	34	(89)	10	337	5
Minority interests	21	(1)	(4)	337	(118)	n/a	(5)	n.a.	(5)	91	30
Non recurring items	0	0	0	nm	nm	nm	0	nm	nm	0	(100)
<b>Reported net profit</b>	<b>820</b>	<b>750</b>	<b>604</b>	<b>(19)</b>	<b>(26)</b>	<b>17</b>	<b>1,353</b>	<b>(26)</b>	<b>37</b>	<b>3,647</b>	<b>12</b>
<b>Recurring net profit</b>	<b>820</b>	<b>750</b>	<b>604</b>	<b>(19)</b>	<b>(26)</b>	<b>17</b>	<b>1,353</b>	<b>(26)</b>	<b>37</b>	<b>3,647</b>	<b>13</b>
EPS (THB)	0.27	0.25	0.20	(19)	(26)	17	0.45	(26)	37	1.21	12
Recurring EPS (THB)	0.27	0.25	0.20	(19)	(26)	17	0.45	(26)	37	1.21	13
<b>Key Ratios (%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(ppt)</b>	<b>(ppt)</b>		<b>(%)</b>	<b>(ppt)</b>		<b>(%)</b>	<b>(ppt)</b>
Gross margin	36.3	32.1	31.7	(0.4)	(4.6)		31.9	(3.0)		35.3	0.4
<b>Retail sales margin</b>	<b>35.8</b>	<b>31.7</b>	<b>31.2</b>	<b>(0.5)</b>	<b>(4.6)</b>		<b>31.5</b>	<b>(3.1)</b>		<b>34.4</b>	<b>(0.1)</b>
EBIT margin	13.5	11.1	8.9	(2.2)	(4.6)		10.0	(2.6)		13.1	0.7
Recurring net margin	11.8	10.0	8.3	(1.7)	(3.5)		9.2	(3.8)		12.5	0.5
SG&A / Sales	22.7	21.0	22.8	1.8	0.1		21.9	(0.4)		22.3	(0.3)
Effective tax rate	20.8	18.6	21.4	2.9	0.7		19.8			20.5	0.0
<b>Sales breakdown</b>	<b>(THB m)</b>	<b>(THB m)</b>	<b>(THB m)</b>	<b>(q-q%)</b>	<b>(y-y%)</b>		<b>(THB m)</b>	<b>(y-y%)</b>			
Beverages	5,938	6,355	5,857	(8)	(1)		12,212	4			
Personal care	481	554	587	6	22		1,141	16			
Others	494	563	740	31	50		1,303	34			
<b>Total</b>	<b>6,913</b>	<b>7,472</b>	<b>7,184</b>	<b>(4)</b>	<b>4</b>		<b>14,656</b>	<b>7</b>			
<b>Sales contribution</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>				<b>(%)</b>				
Beverages	86	85	82				83				
Personal care	7	7	8				8				
Others	7	8	10				9				
<b>Total</b>	<b>100</b>	<b>100</b>	<b>100</b>				<b>100</b>				

Sources: OSP; FSSIA estimates

## SERMSANG POWER CORP (SSP TB) - Capacity growth drove 2Q22 results; BUY TP THB20.00

### Solid core and reported net profits in 2Q22

SSP's 2Q22 core net profit (NP) was THB294m, down 0.5% q-q but up 25% y-y, driven by seasonally higher earnings from its solar farms, the higher sales volume from its new solar farm Leo 1 (COD in Jul-21) in Japan, and improving NPs from acquired biomass power plants, beating our estimate by 1% and Bloomberg's consensus estimate by 13%. NP jumped to THB645m, up 119% q-q and 168% y-y due to the divestment gain of THB351m from its 86.9% stake in the 14.8MW Hidaka solar farm project which was sold on 9 Jun-22 for THB716m. 2Q22 revenue from solar farms rose to THB633m (+13% q-q), and revenue from solar rooftops increased to THB33.9m, up 34% q-q and 78% y-y. Revenue from wind dipped to THB88.7m, down 53% q-q due to seasonally lower wind speeds, while revenue from its biomass power plant dipped to THB68.8m, down 13% q-q and 7.5% y-y on maintenance shutdowns.

### Strong revenue from solar farms and solar rooftops

SSP's revenue rose to THB1.17b in 2Q22 (+37% q-q, +111% y-y), driven by higher y-y electricity sales from its solar farms in Thailand, Japan, and Mongolia (+18% y-y) and solar rooftops in Indonesia and Thailand (+78% y-y) which offset weaker revenue from its wind farms in Vietnam (-53% q-q) and biomass plant in Thailand (-7.5% y-y). SSP saw its 2Q22 EBITDA margin rise to 82.5% from 79.8% in 1Q22 due to the increase in high-margin earnings from solar farms in Thailand on the rising fuel tariff. Financing costs were THB125m (+86% y-y) due to the long-term loan drawdowns from both Thai and Japanese financial institutions for new project investments.

### More growth from Vietnam in 2H22

We expect SSP's strong yearly net profit growth to continue in 2022-24 from already secured and potential growth projects in 2021-22, including a soon-to-be-announced 48MW wind farm and an LNG-to-power plant under Vietnam's Power Development Plan 8.

### An overlooked but attractive power growth play

We maintain BUY and our SoTP-TP of THB20. We think SSP's plan to raise its capacity from 118MW to 400MW by 2025 is highly achievable, and its valuation is attractive at 9x 2022E P/E.

### Exhibit 32: Summary of 2Q22/6M22 operations

	2Q21 (THB m)	1Q22 (THB m)	2Q22		6M21 (THB m)	6M22 (THB m)	Change (y-y %)	2022E (THB m)	
			(THB m)	(q-q %)	(y-y %)				
<b>Revenue</b>	<b>557</b>	<b>856</b>	<b>1,173</b>	<b>37.0</b>	<b>110.8</b>	<b>1,043</b>	<b>2,030</b>	<b>94.6</b>	<b>3,198</b>
Operating costs	(80)	(173)	(205)	18.5	157.2	(153)	(379)	146.8	(752)
<b>EBITDA</b>	<b>477</b>	<b>683</b>	<b>968</b>	<b>41.7</b>	<b>103.0</b>	<b>890</b>	<b>1,651</b>	<b>85.6</b>	<b>2,446</b>
EBITDA margin (%)	85.7	79.8	82.5	nm	nm	85.3	81.3	nm	76.5
Deprn & amort.	(152)	(239)	(242)	1.0	59.2	(299)	(481)	60.9	(448)
<b>EBIT</b>	<b>325</b>	<b>444</b>	<b>726</b>	<b>63.5</b>	<b>123.4</b>	<b>591</b>	<b>1,170</b>	<b>98.1</b>	<b>1,998</b>
Interest expense	(67)	(124)	(125)	1.0	86.1	(148)	(249)	68.5	(697)
Interest & invt inc	1	2	4	97.1	552.7	1	6	857.5	-
Other income	1	3	32	936.2	3,400.3	15	35	126.4	(17.8)
Associates' contrib	-	3	20	504.5	nm	-	23	nm	-
Exceptional	10	-	-	nm	nm	10	-	nm	-
<b>Pre-tax profit</b>	<b>270</b>	<b>329</b>	<b>657</b>	<b>99.7</b>	<b>143.6</b>	<b>470</b>	<b>986</b>	<b>109.9</b>	<b>1,284</b>
Tax	(17)	(5)	3	nm	nm	(28)	(2)	(92.3)	(42)
Tax rate (%)	6.2	1.5	(0.4)	nm	nm	6.0	0.2	nm	3.2
Minority interests	(13)	(29)	(15)	(48.7)	18.2	(18)	(44)	144.7	(85.9)
<b>Net profit</b>	<b>240</b>	<b>295</b>	<b>645</b>	<b>118.8</b>	<b>168.3</b>	<b>423</b>	<b>940</b>	<b>121.9</b>	<b>1,156</b>
Non-recurring	5	(1)	351	nm	6,565.9	10	350	3,346.6	-
<b>Core net profit</b>	<b>235</b>	<b>296</b>	<b>294</b>	<b>(0.5)</b>	<b>25.1</b>	<b>413</b>	<b>590</b>	<b>42.7</b>	<b>1,156</b>
EPS (THB)	0.26	0.32	0.70	118.8	168.3	0.46	1.02	121.9	1.08
Core EPS (THB)	0.25	0.32	0.32	(0.5)	25.1	0.45	0.64	42.7	1.08

Sources: SSP; FSSIA estimates

### Exhibit 33: 2Q22/6M22 performance

	2Q21 (THB m)	1Q22 (THB m)	2Q22 (THB m)	Change		6M21 (THB m)	6M22 (THB m)	Change (y-y %)
				(q-q %)	(y-y %)			
<b>Sales revenue from electricity</b>	<b>629.3</b>	<b>855.1</b>	<b>824.7</b>	<b>(3.6)</b>	<b>31.1</b>	<b>1,187.0</b>	<b>1,679.7</b>	<b>41.5</b>
Solar	535.8	561.7	633.3	12.7	18.2	1,009.7	1,195.0	18.4
Wind	0.0	189.0	88.7	(53.1)	nm	0.0	277.7	nm
Biomass	74.4	79.1	68.8	(13.0)	(7.5)	147.3	147.9	0.4
Solar rooftop	19.1	25.3	33.9	34.0	77.5	30.0	59.2	97.3
<b>Net profit distribution to SSP shareholders</b>	<b>240.4</b>	<b>294.8</b>	<b>644.8</b>	<b>118.7</b>	<b>168.2</b>	<b>423.5</b>	<b>939.6</b>	<b>121.9</b>
Unrealised FX (gain)/loss	(7.3)	1.1	(11.7)	nm	60.3	(12.2)	(10.6)	(13.1)
Gain/(loss) from disposal	0.0	0.0	(348.4)	nm	nm	0.0	(348.4)	nm
Unrealized impairment provision	0.0	0.0	(8.5)	nm	nm	0.0	(8.5)	nm
Others	0.0	0.0	17.6	nm	nm	0.0	17.6	nm
<b>Core operating profit</b>	<b>235.1</b>	<b>295.6</b>	<b>294.1</b>	<b>(0.5)</b>	<b>25.1</b>	<b>413.3</b>	<b>589.7</b>	<b>42.7</b>

Sources: SSP; FSSIA estimates

## PTG ENERGY (PTG TB) - Strong demand boosted 2Q22; BUY TP THB18.30

### Solid 2Q22 results on higher sales volume

PTG reported a 2Q22 net profit of THB601m, up 275% q-q and 21% y-y. 2Q22 earnings were supported by a q-q higher marketing margin (MM) of THB1.8/litre, up from THB1.7/litre in 1Q22, due to the Thai government relaxing its price cap for diesel to THB35/litre. The oil sales volume rose to 1,367m litres (ml) (+6% y-y, +8% q-q), mainly from its retail channel at 1,315ml (+7% y-y, +10% q-q), which accounted for 97% of PTG's total sales volume with eleven new stations added in 2Q22. Share of losses from biodiesel were THB50m due to weak demand caused by the government's mandate to change from

### B7/B10 to B5 biodiesel and rising feedstock costs.

Rising oil sales volumes and improving non-oil gross profits

Revenue rose 39% y-y in 2Q22 to THB46.3b, driven by a higher average retail oil price at THB32.36 (+30% y-y, +10% q-q) and rising average sales volume per station from 13.3m litres per station in 1Q22 to 14.5m litres per station in 2Q22. Gross profits from the non-oil businesses (LPG, food & beverages (F&B) and convenience stores), accounted for 16% of the total gross profit in 2Q22, comprising 7.6% from LPG sales at 121m litres (+14% q-q, +83% y-y), 2.5% from F&B, mainly from PunThai Coffee, which saw its number of branches increase from 358 in 1Q22 to 414 in 2Q22, and 5.9% from Max Mart convenience stores and other businesses.

### Expect a solid recovery in 2H22

We expect PTG's net profit to continue to recover in 2H22, driven by 1) a 10-20% y-y stronger retail oil sales volume on rising domestic demand; 2) a higher average MM in the range of THB1.8-1.9/litre in 2H22; and 3) PTG's strategic move into the non-oil business by opening more stores as it targets 60% EBITDA from non-oil in the next 3-4 years vs 20% currently. PTG is scheduled to list its LPG and biodiesel businesses in 4Q22, according to management.

### An attractive pure play for oil stations

We maintain our BUY rating and our SoTP-based TP of THB18.3. We think PTG now is on track to recover in 2022 on the back of higher demand and an improving MM.

### Exhibit 34: 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>33,310</b>	<b>38,969</b>	<b>46,307</b>	<b>18.8</b>	<b>39.0</b>	<b>65,573</b>	<b>85,277</b>	<b>30.0</b>	<b>145,404</b>
Operating costs	(31,756)	(37,746)	(44,460)	17.8	40.0	(62,471)	(82,206)	31.6	(139,084)
Interest & invt inc	42	51	43	(15.4)	3.1	77	94	nm	0
Associates' contrib	45	27	(51)	nm	nm	123	(25)	nm	0
Exceptionals	0	(38)	(10)	(73.6)	nm	1	(48)	nm	0
<b>EBITDA</b>	<b>1,641</b>	<b>1,263</b>	<b>1,829</b>	<b>44.8</b>	<b>11.5</b>	<b>3,304</b>	<b>3,092</b>	<b>(6.4)</b>	<b>6,320</b>
<i>EBITDA margin (%)</i>	4.9	3.2	3.9	nm	nm	5.0	3.6	nm	4.3
Depn & amort.	(746)	(764)	(783)	2.5	5.0	(1,479)	(1,548)	4.7	(3,303)
EBIT	894	499	1,045	109.6	16.9	1,824	1,544	(15.4)	3,018
Interest expense	(276)	(282)	(280)	(0.6)	1.5	(550)	(562)	2.2	(850)
<b>Pretax profit</b>	<b>618</b>	<b>217</b>	<b>765</b>	<b>253.1</b>	<b>23.7</b>	<b>1,274</b>	<b>982</b>	<b>(23.0)</b>	<b>2,357</b>
Tax	(118)	(53)	(159)	198.5	35.0	(242)	(212)	(12.5)	(573)
<i>Tax rate (%)</i>	19.0	24.5	20.7	(15.5)	9.1	19.0	21.6	13.6	24.3
Minority interests	(3)	(3)	(6)	64.1	94.8	(3)	(9)	213.4	0
<b>Net profit</b>	<b>498</b>	<b>160</b>	<b>601</b>	<b>275.3</b>	<b>20.7</b>	<b>1,029</b>	<b>761</b>	<b>(26.1)</b>	<b>1,784</b>
<b>Core profit</b>	<b>497</b>	<b>198</b>	<b>611</b>	<b>208.4</b>	<b>22.8</b>	<b>1,028</b>	<b>809</b>	<b>(21.3)</b>	<b>1,784</b>
EPS (THB)	0.30	0.10	0.36	275.3	20.7	0.62	0.46	(26.1)	1.07
Core EPS (THB)	0.30	0.12	0.37	208.4	22.8	0.62	0.48	(21.3)	1.07

Sources: PTG; FSSIA estimates

## Exhibit 35: 2Q22/6M22 key performance

	2Q21	1Q22	2Q22	(q-q %)	(y-y %)	6M21	6M22	(y-y %)
<b>Oil sales volume by channel (m litres)</b>								
Retail channel	1,225	1,197	1,315	9.9	7.3	2,490	2,512	0.9
Wholesale channel	65	67	52	(22.4)	(20.0)	136	119	(12.5)
<b>Total</b>	<b>1,290</b>	<b>1,264</b>	<b>1,367</b>	<b>8.1</b>	<b>6.0</b>	<b>2,626</b>	<b>2,631</b>	<b>0.2</b>
<b>Proportion* (%)</b>								
Retail channel	95	97	97	(0.1)	(2.0)	95	96	(0.7)
Wholesale channel	5	3	3	0.1	2.0	5	5	0.7
<b>LPG sales volume by channel (m litres)</b>								
Auto LPG	47	75	90	20.0	91.5	96	164	70.8
Household and industrial LPG	19	31	31	-	63.2	32	62	93.8
<b>Total</b>	<b>66</b>	<b>106</b>	<b>121</b>	<b>14.2</b>	<b>83.3</b>	<b>128</b>	<b>226</b>	<b>76.6</b>
<b>Proportion* (%)</b>								
Auto LPG	71	71	74	(3.2)	(3.4)	75	73	2.3
Household and industrial LPG	29	29	26	3.2	3.4	25	27	(2.3)
<b>Number of outlets (outlets)</b>								
<b>Oil stations</b>	1,902	1,958	1,969	0.6	3.5			
LPG stations	212	223	225	0.9	6.1			
EV charging stations	5	17	17	-	240.0			
PunThai Coffee	288	358	414	15.6	43.8			
Coffee World (Domestic and international)	56	34	33	(2.9)	(41.1)			
Max Mart	241	277	286	3.2	18.7			
Autobacs	21	34	36	5.9	71.4			
Maxnitron Lube Change	41	40	49	22.5	19.5			
Max Camp	35	52	56	7.7	60.0			
<b>Average sales volume per station (m litre/station/month)</b>	<b>13.5</b>	<b>13.3</b>	<b>14.5</b>	<b>8.7</b>	<b>7.3</b>			
<b>Biodiesel share of profits</b>	<b>33</b>	<b>26</b>	<b>(50)</b>	<b>nm</b>	<b>nm</b>			

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

Sources: PTG; FSSIA estimates

## ENERGY ABSOLUTE (EA TB) - EV tailwind to arrive in 3Q22; BUY TP THB101.00

### 2Q22 should be the last quarter of weak results

EA's 2Q22 net profit (NP) of THB1.1b, down 8% y-y and 20% q-q, was 15% below our forecast and 18% below Bloomberg's consensus estimate due to the weaker earnings from biodiesel and the lower-than-expected revenue of THB84m from EA's new venture – the manufacture and sales of batteries and e-buses – in 2Q22. 2Q22 core NP came to THB1.06b, down 9% y-y and 22% q-q, on an estimated net loss contribution of THB0.3b from Absolute Assembly, a manufacturing EV plant which postponed all of its 200 e-bus deliveries to 3Q22. This was partly offset by the stronger earnings from EA's wind and solar farms due to higher electricity production levels and rising electricity tariffs.

### Strong power offsets weaker earnings from biodiesel and EVs

In 2Q22, EA generated revenue of THB84m from its battery and EV business, with an estimated net loss of THB0.3b arising from higher personnel expenses as there were no sales in 2Q22 vs 30 e-bus sales in 1Q22. However, in 3Q22 onward, management expects to deliver 800 EVs in 3Q22 and 600-800 EVs in 4Q22, as production ramps up. 2Q22 power sales rose on a higher electricity sales volume of 170GW (+4% y-y, +17% q-q) from wind farms, and 177GWh (+6% y-y, +4% q-q) from solar farms. The average selling price (ASP) for electricity from solar farms was THB9.9/kWh (+4% y-y), and THB6.5/kWh (+7% y-y) for wind farms. As for biodiesel, 2Q22 sales dropped 49% y-y to 21m litres due to the government's change in the biodiesel formula from B7 to B5 since Feb-22, but this was offset by a 53% y-y higher ASP at THB52/litre.

### EV growth to commence in 3Q22

We think EA's NP growth will accelerate starting in 3Q22 onward and boost its 2022-23 NP growth, driven by the delivery of 1,500-2,000 e-buses in 2022 and the capacity expansion of its 1GWh phase 1 battery plant to 2GWh by 4Q22 and 4GWh by end-23.

### An EV tailwind is coming soon for EA

We maintain BUY and our SoTP-based TP of THB101. EA is our top pick in the Thai renewables sector based on the strong NP outlook for its new S-curve growth projects, which we think will start to accelerate in 2022 onward.

### Exhibit 36: 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>4,923</b>	<b>4,740</b>	<b>5,396</b>	<b>13.8</b>	<b>9.6</b>	<b>14,666</b>	<b>10,136</b>	<b>(30.9)</b>	<b>23,291</b>
Operating costs	(2,690)	(2,458)	(3,164)	28.7	17.6	(7,496)	(5,622)	(25.0)	(6,721)
<b>EBITDA</b>	<b>2,233</b>	<b>2,283</b>	<b>2,232</b>	<b>(2.2)</b>	<b>(0.1)</b>	<b>7,170</b>	<b>4,515</b>	<b>(37.0)</b>	<b>14,939</b>
<i>EBITDA margin (%)</i>	<i>45.4</i>	<i>48.2</i>	<i>41.4</i>	<i>nm</i>	<i>nm</i>	<i>48.9</i>	<i>44.5</i>	<i>(8.9)</i>	<i>64.1</i>
Depn & amort.	(722)	(769)	(979)	27.4	35.6	(2,108)	(1,748)	(17.1)	(2,494)
EBIT	1,511	1,514	1,253	(17.2)	(17.1)	5,062	2,767	(45.3)	12,445
Interest expense	(379)	(310)	(362)	16.5	(4.5)	(1,093)	(672)	(38.5)	(1,282)
Interest & invt inc	-	-	-	nm	nm	-	-	nm	-
Other income	12	76	58	(23.7)	400.2	154	134	nm	250
Associates' contrib	(8)	2	7	345.2	nm	(27)	9	nm	(3)
Exceptionals	17	8	33	316.4	99.9	85	41	nm	50
<b>Pretax profit</b>	<b>1,153</b>	<b>1,289</b>	<b>990</b>	<b>(23.2)</b>	<b>(14.1)</b>	<b>4,182</b>	<b>2,280</b>	<b>(45.5)</b>	<b>12,267</b>
Tax	(12)	5	(42)	nm	243.9	(59)	(37)	(37.2)	(16)
<i>Tax rate (%)</i>	<i>1.1</i>	<i>(0.4)</i>	<i>4.2</i>	<i>nm</i>	<i>nm</i>	<i>0.5</i>	<i>(3.6)</i>	<i>nm</i>	<i>0.1</i>
Minority interests	50	72	147	104.4	195.4	96	219	128.9	(306)
<b>Net profit</b>	<b>1,191</b>	<b>1,366</b>	<b>1,095</b>	<b>(19.8)</b>	<b>(8.0)</b>	<b>4,219</b>	<b>2,462</b>	<b>(41.6)</b>	<b>11,873</b>
Non-recurring	17	8	32	297.4	93.1	84	40	(52.4)	-
<b>Core net profit</b>	<b>1,174</b>	<b>1,358</b>	<b>1,064</b>	<b>(21.7)</b>	<b>(9.4)</b>	<b>4,135</b>	<b>2,422</b>	<b>(41.4)</b>	<b>11,873</b>
EPS (THB)	0.32	0.37	0.29	(19.8)	(8.0)	1.13	0.66	(41.7)	3.18
Core EPS (THB)	0.31	0.36	0.29	(21.7)	(9.4)	1.11	0.65	(41.4)	3.18

Sources: EA; FSSIA estimates

## Exhibit 37: 2Q22/6M22 key performance

	Unit	2Q21	1Q22	2Q22	----- Change -----		6M21	6M22	Change
					(q-q %)	(y-y %)			(y-y %)
<b>Biodiesel</b>									
- Revenue	THB m	1,401	1,528	1,098	(28.2)	(21.7)	2,988	2,626	(12.1)
- Sales volume	m litre	41	31	21	(31.9)	(48.8)	84	52	(37.3)
- Average selling price	THB/litre	33.8	49.0	51.7	5.5	53.0	35.7	50.1	40.2
<b>Glycerin</b>									
- Revenue	THB m	81	157	81	(48.8)	(0.2)	137	238	73.4
- Sales volume	m kg	3	3	2	(51.9)	(51.3)	6	5	(25.6)
- Average selling price	THB/kg	26.2	50.5	53.7	6.3	104.5	22.1	51.5	133.0
<b>Crude palm oil</b>									
- Revenue	THB m	644.42	243.51	925.53	280.1	43.6	843.14	1169.04	38.7
- Sales volume	m kg	19.9	4.82	17.3	258.9	(13.1)	27.24	22.11	(18.8)
- Average selling price	THB/kg	32.38	50.52	53.51	5.9	65.3	30.96	52.88	70.8
<b>PCM</b>									
- Revenue	THB m	24.08	12.67	50.41	297.9	109.3	24.61	61.33	149.2
- Sales volume	m kg	0.25	0.104	0.48	361.5	92.0	0.26	0.58	123.1
- Average selling price	THB/kg	96.08	122.25	105.83	(13.4)	10.1	96.27	105.75	9.8
<b>Battery and Electric Vehicle</b>									
- Revenue	THB m	68.3	64.14	84.21	31.3	23.3	103.97	148.35	42.7
<b>Solar power</b>									
- Revenue	THB m	1,597	1,695	1,757	3.6	10.0	3,133	3,461	10.5
- Sales volume	GWh	167	170	177	3.9	6.0	326	347	6.7
- Average selling price	THB/kWh	9.6	10.0	9.9	(0.3)	3.9	9.6	10.0	3.6
- Availability factor*	%	27	28	29	1.1	1.6	53	57	3.6
<b>Wind power</b>									
- Revenue	THB m	989	923	1,100	19.2	11.3	2,221	2,014	(9.3)
- Sales volume	GWh	163	145	170	16.8	3.8	365	315	(13.8)
- Average selling price	THB/kWh	6.1	6.4	6.5	2.0	7.1	6.1	6.4	5.1
- Availability factor*	%	19	17	20	2.9	0.7	43	37	(5.9)
<b>Biogas</b>									
- Revenue	THB m	7.06	3.43	3.65	6.4	(48.3)	12.61	7.08	(43.9)
- Sales volume	GWh	2.34	0.83	0.95	14.5	(59.4)	3.54	1.78	(49.7)
- Average selling price	THB/kWh	3.02	4.13	3.83	(7.3)	26.8	3.56	3.97	11.5

\*Note: Change is represented in ppt change

Sources: EA; FSSIA estimates



## CK POWER (CKP TB) - Solid, in-line 2Q22 results; BUY TP THB6.60

### Solid 2Q22 results as expected

CKP posted a 2Q22 net profit (NP) of THB864m, up from THB39m in 1Q22 and +22% y-y, 2% above our NP estimate and 15% above Bloomberg's consensus forecast, due to the higher NPs from its two hydropower plants. These consisted of 1) a sharp NP jump from the 1.28GW Xayaburi (XPCL) hydropower plant due to seasonally higher water levels that helped generate a higher THB767m share of profit in 2Q22; and 2) a higher electricity sales volume due to the rising water level at the 615MW Nam Ngum 2 (NN2) hydropower plant. The EBITDA margin rose to 28.5% in 2Q22, mainly from NN2, which offset the weaker margins of Bangpa-in Industrial SPP (BIC) due to the rising gas cost.

### XPCL was a true hero in 2Q22

The run-of-river XPCL saw a y-y higher sales volume at 2,208.6GWh (+8.1% y-y) due to the Mekong River's higher average seasonal water flows, leading to a higher share of profit of THB767m in 2Q22. NN2 saw a lower electricity sales volume in 2Q22 at 391GWh, down 23% y-y, due to the lower planned sales volume by CKP. We think CKP will increase electricity production at NN2 in 2H22, given the large amount of water stored in its reservoir and the heavy rainfall in 1H22. BIC SPP saw a 3.2% y-y higher electricity sales volume at 383.6GWh and a sharp rise in the gas cost to THB422.7/mmbtu, up 77% y-y.

### Expect stronger 3Q22 results

We project CKP's NP to grow q-q and y-y in 3Q22 and y-y in 4Q22, based on higher expected electricity production at XPCL on seasonally high water flows and at NN2 on its high reservoir level. However, NP from BIC could decline further due to potentially higher q-q gas costs given the higher price of imported LNG needed to compensate for the gas supply shortfall from the Erawan gas field in Thailand and Zawtika in Myanmar.

### More growth ahead

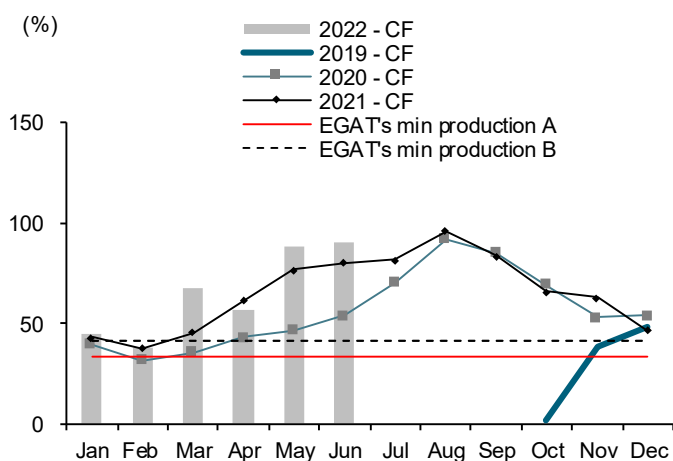
We maintain BUY and our SoTP-based TP of THB6.6. We think CKP remains attractive as a key beneficiary of the strong NPs from its hydropower plants NN2 and XPCL. We think in 3Q22, CKP stands to benefit from Thailand's higher electricity imports from hydropower plants in Laos that could balance its gas-fired capacity losses.

### Exhibit 38: Summary of 2Q22/6M22 operations

	2Q21	1Q22	2Q22		6M21	6M22	Chg.	2022E	
	(THB m)	(THB m)	(THB m)	(q-q %)	(y-y %)	(THB m)	(THB m)	(y-y %)	(THB m)
<b>Revenue</b>	<b>2,180</b>	<b>2,416</b>	<b>2,531</b>	<b>4.7</b>	<b>16.1</b>	<b>4,165</b>	<b>4,947</b>	<b>18.8</b>	<b>12,268</b>
Operating costs	(1,280)	(1,814)	(1,810)	(0.2)	41.4	(2,468)	(3,624)	46.8	(7,865)
<b>EBITDA</b>	<b>900</b>	<b>602</b>	<b>720</b>	<b>19.7</b>	<b>(19.9)</b>	<b>1,697</b>	<b>1,322</b>	<b>(22.1)</b>	<b>4,403</b>
EBITDA margin (%)	41.3	24.9	28.5	nm	nm	40.7	26.7	nm	35.9
Depreciation & amort	(391)	(388)	(392)	1.0	0.3	(777)	(780)	0.4	(1,605)
EBIT	509	214	328	53.6	(35.5)	920	542	(41.0)	2,798
Interest expense	(267)	(267)	(265)	(0.6)	(0.7)	(529)	(532)	0.6	(789)
Interest & invt inc	115	126	126	0.3	10.0	229	252	10.1	424
Other income	1	1	2	93.6	128.1	3	4	40.0	10
Associates' contrib	532	(3)	772	nm	45.2	499	769	54.0	2,240
Exceptional	7	1	15	1,865.8	113.8	18	16	(11.3)	-
<b>Pre-tax profit</b>	<b>896</b>	<b>71</b>	<b>978</b>	<b>1,268.6</b>	<b>9.2</b>	<b>1,139</b>	<b>1,050</b>	<b>(7.8)</b>	<b>4,682</b>
Tax	(16)	(9)	(18)	94.8	10.4	(24)	(27)	11.6	(116)
Tax rate (%)	1.8	12.6	1.8	nm	nm	2.1	2.5	21.0	2.5
Minority interests	(173)	(24)	(97)	308.1	(44.0)	(293)	(121)	(58.9)	(1,462)
<b>Net profit</b>	<b>707</b>	<b>39</b>	<b>864</b>	<b>2,131.1</b>	<b>22.2</b>	<b>822</b>	<b>903</b>	<b>9.9</b>	<b>3,103</b>
<b>Core profit</b>	<b>700</b>	<b>38</b>	<b>849</b>	<b>2,131.5</b>	<b>21.3</b>	<b>804</b>	<b>887</b>	<b>10.3</b>	<b>3,103</b>
EPS (THB)	0.10	0.01	0.12	2,131.1	22.2	0.11	0.12	9.9	0.38
Core EPS (THB)	0.09	0.01	0.12	2,131.5	21.3	0.11	0.12	10.3	0.38

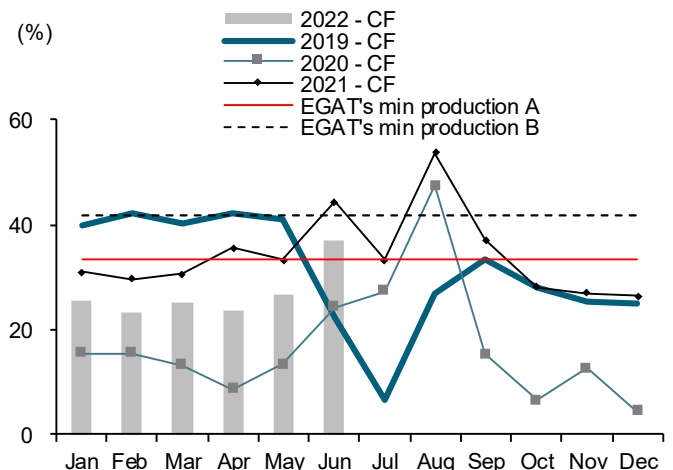
Sources: CKP; FSSIA estimates

### Exhibit 39: XPCL's capacity factor



Sources: CKP; FSSIA estimates

### Exhibit 40: NN2's capacity factor



Sources: CKP; FSSIA estimates

## Results Comments

### Chularat Hospital (CHG TB, BUY, THB4.7 TP) - reported 2Q22 core profit of THB0.9b, in line with our estimate

2Q22 earnings highlight:

- CHG reported core profit of THB0.9b in 2Q22 (+52% y-y, -35% q-q), in line with our estimate, but beat consensus estimate by 7%.
- Revenue dropped by 22% q-q, due to lower reimbursement rate of Covid treatment. Covid related revenue slightly dropped from 55% of total revenue in 1Q22 to 41% in 2Q22.
- Excluding Covid related revenue, organic revenue remained strong. SSO revenue increased by 2% q-q. Non-Covid cash patient revenue (A-class and NHSO) grew 3% q-q and hit a record high.
- EBITDA margin dropped to 44% in 2Q22 from to 51% in 1Q22.

#### Exhibit 41: CHG – 2Q22 results summary

Year to Dec	2Q21	3Q21	4Q21	1Q22	2Q22	----- Change -----		1H21	1H22E	Change	2022E
	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(q-q %)	(y-y %)	(THB m)	(THB m)	(y-y %)	(THB m)
<b>Revenue</b>	<b>2,071</b>	<b>4,390</b>	<b>3,866</b>	<b>3,571</b>	<b>2,784</b>	<b>(22)</b>	<b>34</b>	<b>3,486</b>	<b>6,356</b>	<b>82</b>	<b>11,136</b>
Cost of sales (Incl. depreciation)	(1,206)	(2,159)	(1,523)	(1,702)	(1,497)	(12)	24	(2,201)	(3,199)	45	(6,641)
<b>Gross profit</b>	<b>865</b>	<b>2,232</b>	<b>2,343</b>	<b>1,869</b>	<b>1,288</b>	<b>(31)</b>	<b>49</b>	<b>1,285</b>	<b>3,157</b>	<b>146</b>	<b>4,495</b>
SG&A	(206)	(338)	(117)	(205)	(223)	9	8	(365)	(428)	17	(1,002)
<b>Operating profit</b>	<b>659</b>	<b>1,893</b>	<b>2,226</b>	<b>1,665</b>	<b>1,064</b>	<b>(36)</b>	<b>61</b>	<b>920</b>	<b>2,729</b>	<b>197</b>	<b>3,493</b>
Other operating income	64	67	69	67	68	2	6	121	135	11	300
Interest income	1	0	1	1	3	524	500	1	4	427	10
<b>EBIT</b>	<b>724</b>	<b>1,961</b>	<b>2,295</b>	<b>1,732</b>	<b>1,136</b>	<b>(34)</b>	<b>57</b>	<b>1,042</b>	<b>2,868</b>	<b>175</b>	<b>3,803</b>
Interest expense	(5)	(5)	(5)	(3)	(3)	(5)	(40)	(11)	(6)	(42)	(7)
<b>EBT</b>	<b>718</b>	<b>1,956</b>	<b>2,290</b>	<b>1,729</b>	<b>1,133</b>	<b>(34)</b>	<b>58</b>	<b>1,031</b>	<b>2,861</b>	<b>178</b>	<b>3,796</b>
Income tax	(143)	(377)	(426)	(341)	(226)	(34)	58	(206)	(567)	175	(726)
Minority interests	0.8	(15)	(51)	(31)	(29)	(8)	(3,845)	3	(60)	n/a	(51)
<b>Core profit</b>	<b>576</b>	<b>1,564</b>	<b>1,813</b>	<b>1,356</b>	<b>878</b>	<b>(35)</b>	<b>52</b>	<b>828</b>	<b>2,235</b>	<b>170</b>	<b>3,019</b>
Extraordinaries											
<b>Net income</b>	<b>576</b>	<b>1,564</b>	<b>1,813</b>	<b>1,356</b>	<b>878</b>	<b>(35)</b>	<b>52</b>	<b>828</b>	<b>2,235</b>	<b>170</b>	<b>3,019</b>
Core EPS (THB)	0.05	0.14	0.16	0.12	0.08	(35)	52	0.08	0.20	170	0.27
No of share (m)	11,000	11,000	11,000	11,000	11,000	0	0	11,000	11,000	0	11,000
Cost (Excl. depreciation)	(1,121)	(2,071)	(1,431)	(1,609)	(1,402)	(13)	25	(2,029)	(3,012)	48	(6,236)
Depreciation & amortisation	(86)	(87)	(92)	(93)	(95)	2	11	(172)	(188)	9	(405)
EBITDA	809	2,048	2,386	1,824	1,227	(33)	52	1,254	6,258	399	4,198
<b>Key ratios</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(ppt)</b>	<b>(ppt)</b>	<b>(%)</b>	<b>(%)</b>	<b>(ppt)</b>	<b>(%)</b>
Gross margin	42	51	61	52	46	(6)	4	37	50	13	40
SG&A/Revenue	10	8	3	6	8	2	(2)	10	7	(4)	9
EBITDA margin	39	47	62	51	44	(7)	5	36	98	62	38
Net profit margin	28	36	47	38	32	(6)	4	24	35	11	27
<b>Operating stats</b>	<b>(y-y %)</b>	<b>(y-y %)</b>	<b>(y-y %)</b>	<b>(y-y %)</b>	<b>(y-y %)</b>						
SSO revenue	2	(29)	53	4	12						
SSO registered members ('000)	457	460	464	483							
SSO revenue per head	(0)	(32)	45	(4)							
Cash-OPD revenue	86	29	59	86	14						
Cash-OPD visit number	51	11	7	34							
Cash-OPD revenue per head	23	16	48	39							
Cash-IPD revenue	40	35	5	70	40						
Cash-IPD admission number	9	(25)	(25)	20							
Cash-IPD revenue per head	29	80	41	41							

Sources: CHG; FSSIA estimates

## Bangkok Chain Hospital (BCH TB, BUY, TP THB28.50) - 2Q22 core profit of THB1.1b (-44% q-q), in line with our estimate

- BCH reported 2Q22 core profit of THB1.1b (flat y-y, -44% q-q). The result in line with our estimate but missed consensus estimates by 7% due to higher-than-expected SG&A of bad debt provision expense and FX loss from KIH Vientiane together of cTHB100m
- Revenue dropped 22% q-q due to slowdown of Covid related revenue which decreased by c30% q-q and accounted for 56% of total revenue in 2Q22 (vs 63% in 1Q22).
- Non-Covid patient remained strong. SSO grew by 12% y-y thanks to larger registered members base (985k in 2Q22 vs 892k in 2Q21). Non-Covid cash patient grew by 35% y-y and exceeded pre-Covid level by 22%.
- EBITDA margin decreased to 32% in 2Q22 from 42% in 1Q22 due to lower reimbursement rate of Covid related service and higher SG&A as mentioned earlier.

### Exhibit 42: BCH – 2Q22 results summary

P&L (THB m)	2Q21	3Q21	4Q21	1Q22	2Q22	--Change--		1H21	1H22E	Chg.	2022E
	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(q-q %)	(y-y %)	(THB m)	(THB m)	(y-y %)	(THB m)
Sales	4,313	7,959	6,816	7,087	5,523	(22)	28	6,630	12,610	90	20,531
COGS (incl. depreciation)	(2,318)	(3,689)	(2,935)	(3,890)	(3,487)	(10)	50	(3,937)	(7,376)	87	(12,327)
<b>Gross Profit</b>	<b>1,995</b>	<b>4,271</b>	<b>3,881</b>	<b>3,197</b>	<b>2,037</b>	<b>(36)</b>	<b>2</b>	<b>2,692</b>	<b>5,234</b>	<b>94</b>	<b>8,205</b>
SG&A	(401)	(367)	(411)	(491)	(524)	7	31	(691)	(1,015)	47	(1,889)
<b>Operating Profit</b>	<b>1,594</b>	<b>3,904</b>	<b>3,470</b>	<b>2,706</b>	<b>1,513</b>	<b>(44)</b>	<b>(5)</b>	<b>2,001</b>	<b>4,219</b>	<b>111</b>	<b>6,316</b>
Net other income	18	19	24	32	21	(35)	13	86	52	(39)	153
Interest expense	(35)	(40)	(48)	(48)	(39)	(19)	10	(63)	(87)	38	(124)
<b>Pretax profit</b>	<b>1,577</b>	<b>3,882</b>	<b>3,445</b>	<b>2,690</b>	<b>1,495</b>	<b>(44)</b>	<b>(5)</b>	<b>2,024</b>	<b>4,184</b>	<b>107</b>	<b>6,345</b>
Income Tax	(312)	(772)	(679)	(542)	(319)	(41)	2	(395)	(861)	118	(1,269)
Associates	1	0	1	1	0	(39)	(40)	1	1	n/a	0
Minority interest	(121)	(215)	(286)	(120)	(32)	(73)	(73)	(161)	(152)	(5)	(420)
<b>Core profit</b>	<b>1,146</b>	<b>2,896</b>	<b>2,480</b>	<b>2,028</b>	<b>1,144</b>	<b>(44)</b>	<b>(0)</b>	<b>1,469</b>	<b>3,172</b>	<b>116</b>	<b>4,656</b>
Extraordinaries, GW & FX	0	0	0	0	0						
<b>Reported net profit</b>	<b>1,146</b>	<b>2,896</b>	<b>2,480</b>	<b>2,028</b>	<b>1,144</b>	<b>(44)</b>	<b>(0)</b>	<b>1,469</b>	<b>3,172</b>	<b>116</b>	<b>4,656</b>
Outstanding shares (m)	2,494	2,494	2,494	2,494	2,494	0	0	2,494	2,494	0	2,494
Core EPS (THB)	0.46	1.16	0.99	0.81	0.46	(44)	(0)	0.59	1.27	116	1.87
EPS (THB)	0.46	1.16	0.99	0.81	0.46	(44)	(0)	0.59	1.27	116	1.87
COGS (excl. depreciation)	2,113	3,468	2,703	3,656	3,251	(11)	54	3,516	6,907	96	11,346
Depreciation	205	220	232	234	236	1	15	422	469	11	981
EBITDA	1,817	4,143	3,725	2,972	1,769	(40)	(3)	2,508	4,741	89	7,450
<b>Key ratios</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(ppt)</b>	<b>(ppt)</b>	<b>(%)</b>	<b>(%)</b>	<b>(ppt)</b>	<b>(%)</b>
Gross margin	46	54	57	45	37	(8)	(9)	41	42	1	40
SG&A/Revenue	9	5	6	7	9	3	0	10	8	(2)	9
EBITDA margin	42	52	55	42	32	(10)	(10)	38	38	(0)	36
Net profit margin	27	36	36	29	21	(8)	(6)	22	25	3	23
<b>Operating stats</b>	<b>(y-y %)</b>	<b>(y-y %)</b>	<b>(y-y %)</b>	<b>(y-y %)</b>	<b>(y-y %)</b>						
Cash-OPD revenue growth	117	70	101	121	(32)						
Cash-OPD volume growth	170	157	199	213	n/a						
Cash-OPD revenue per head growth	(20)	(34)	(33)	(29)	n/a						
Cash-IPD revenue growth	263	966	526	514	0						
Cash-IPD volume growth	453	1,352	247	2,035	n/a						
Cash-IPD revenue per head growth	(34)	(27)	80	(71)	n/a						
SSO revenue growth	(4)	(18)	24	81	247						
SSO registered member ('000)	890	894	899	936	n/a						
SSO registered member growth	0	1	2	5	n/a						
SSO revenue per head growth	(4)	(19)	21	72	n/a						

Sources: BCH; FSSIA estimates

## Vibhavadi Medical Center (VIBHA TB, BUY, TP THB3.20) - core profit grew by 6% q-q to THB467m in 2Q22

- VIBHA reported a core profit of THB467m in 2Q22 (+98% y-y, +6% q-q). Strong performance was driven by CMR which booked additional Covid related revenue from Home Isolation care. Including THB139m loss on fair value measurement, net profit was THB338m.
- Hospital revenue flat q-q. Revenue of Vibhavadi Hospital dropped by 29% q-q due to slowdown of Covid related revenue. However, revenue from CMR increased by 20% q-q due to Hariphunchai Hospital booked THB200m additional Covid related revenue from Home Isolation care in Lamphum provinces
- EBITDA margin of Vibhavadi Hospital decreased to 23% from 32% in 1Q22, while EBITDA margin of CMR improved to 40% from 24% in 1Q22.
- Share of income decreased from THB88m in 1Q22 to THB14m in 2Q22 mainly contributed from THB25m share income of Vibharam (vs THB78m in 1Q22). Dividend income jumped from THB65m in 1Q22 to THB120m in 2Q22.

### Exhibit 43: VIBHA – 2Q22 results summary

P&L (THB m)	2Q21	3Q21	4Q21	1Q22	2Q22	-----Change-----		2022E
	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(q-q %)	(y-y %)	(THB m)
Sales	1,602	1,909	2,378	2,279	2,269	(0)	42	7,405
COGS (incl depreciation)	(1,164)	(1,270)	(1,659)	(1,532)	(1,480)	(3)	27	(5,433)
<b>Gross Profit</b>	<b>438</b>	<b>638</b>	<b>718</b>	<b>747</b>	<b>788</b>	<b>5</b>	<b>80</b>	<b>1,972</b>
SG&A	(237)	(234)	(253)	(260)	(275)	6	16	(947)
<b>Operating Profit</b>	<b>201</b>	<b>405</b>	<b>466</b>	<b>488</b>	<b>513</b>	<b>5</b>	<b>155</b>	<b>1,025</b>
Dividend income	60	50	176	65	120	84	100	245
Other income	23	20	43	27	29	8	25	132
Interest expense	(49)	(59)	(63)	(61)	(60)	(1)	24	(227)
<b>Pretax profit</b>	<b>236</b>	<b>416</b>	<b>622</b>	<b>519</b>	<b>602</b>	<b>16</b>	<b>155</b>	<b>1,175</b>
Income Tax	(43)	(50)	(83)	(95)	(62)	(34)	45	(235)
Associates	57	408	258	88	14	(85)	(76)	331
Minority interest	(13)	(37)	(55)	(72)	(86)	20	551	(146)
<b>Core profit</b>	<b>236</b>	<b>736</b>	<b>743</b>	<b>440</b>	<b>467</b>	<b>6</b>	<b>98</b>	<b>1,125</b>
Extraordinaries, GW & FX	35	(86)	(51)	15	(129)	(991)	(467)	0
<b>Reported net profit</b>	<b>272</b>	<b>651</b>	<b>691</b>	<b>455</b>	<b>338</b>	<b>(26)</b>	<b>24</b>	<b>1,125</b>
Outstanding shares (m)	13,576	13,576	13,576	13,576	13,576	0	0	14,590
Core EPS	0.02	0.05	0.05	0.03	0.03	6	98	0.08
EPS	0.02	0.05	0.05	0.03	0.02	(26)	24	0.08
COGS (Exclude depre)	1,054	1,144	1,503	1,371	1,330	(3)	26	4,923
Depreciation	110	127	156	161	151	(6)	37	509
EBITDA	371	581	798	713	784	10	111	1,780
<b>Key ratios</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>			<b>(%)</b>	<b>(%)</b>
Gross margin	27	33	30	33	35	2	7	27
SG&A/Revenue	15	12	11	11	12	1	(3)	13
EBITDA margin	23	30	34	31	35	3	11	24
Net profit margin	17	34	29	20	15	(5)	(2)	15
	2Q21	3Q21	4Q21	1Q22	2Q22			
<b>Operating stats</b>								
VIBHA revenue growth (%)	64	52	58	89	2			
CMR revenue growth (%)	14	13	39	35	71			
Share income : Vibharam (THB m)	46	394	232	78	25			
Other Share income (THB m)	10	14	25	10	(11)			

Sources: VIBHA; FSSIA estimates

## Centel Plaza Hotel (CENTEL TB, BUY, THB49 TP) - booked 2Q22 turnaround core profit of THB22m, missed our estimates

### 2Q22 earnings highlight

- CENTEL reported 2Q22 core profit of THB22m, beat consensus estimate of THB25m loss. However, it missed our estimate of THB88m core profit mainly due to higher-than-expected expense from hotel business.

### Hotel business

- Hotel Revenue improve by 22% q-q driven by Thai hotels which RevPAR recovered from 23% of the pre-Covid level in 1Q22 to 64% in 2Q22, driven by Bangkok hotels which recorded an OCC rate of 53% following the recovery of MICE clients. However, Maldives hotels' RevPAR dropped by 38% q-q in 2Q22 due to the low tourism season.
- EBITDA margin of hotel business decreased to 23% in 2Q22 (vs 26% in 1Q22) due to softer performance of Maldives hotels and share loss from Dubai hotel.
- As a result, hotel business booked smaller core loss of THB116m in 2Q22 (vs THB149m in 1Q22).

### Food business

- Food business revenue increased by 11% q-q. SSSG was +19% y-y thanks to the return of dine in traffic and TSSG was +25% y-y thanks to strong outlet expansions (+8% q-q)
- EBITDA margin of food business slightly declined from 24% in 1Q22 to 23% in 2Q22 due to higher cost of raw material and higher expense related to outlet expansion
- As a result, food business core profit grew to THB138m in 2Q22 from THB105m in 1Q22

### Exhibit 44: CENTEL – 2Q22 results summary

P&L (Btm)	2Q21 (THB m)	3Q21 (THB m)	4Q21 (THB m)	1Q22 (THB m)	2Q22 (THB m)	--- Change ---		6M21 (THB m)	6M22E (THB m)	Change (y-y %)	2022E (THB m)
						(q-q %)	(y-y %)				
Sales	2,566	2,310	3,653	3,681	4,193	14	63	5,248	7,874	50	16,758
-Hotel operation	269	370	1,003	1,065	1,298	22	382	711	2,363	232	4,787
-Food and beverage	2,297	1,940	2,650	2,616	2,895	11	26	4,537	5,511	21	11,971
COGS (Incl. depreciation)	(1,849)	(1,758)	(2,194)	(2,285)	(2,519)	10	36	(3,662)	(4,804)	31	(8,106)
Gross Profit	717	553	1,459	1,396	1,674	20	133	1,586	3,070	94	8,652
SG&A	(1,297)	(1,256)	(1,246)	(1,413)	(1,619)	15	25	(2,573)	(3,032)	18	(7,569)
Operating Profit	(580)	(703)	214	(17)	55	424	109	(987)	38	104	1,083
Net other income	78	114	95	201	147	(27)	87	170	347	104	505
Interest expense	(172)	(214)	(167)	(172)	(177)	3	3	(337)	(349)	4	(770)
Pretax profit	(673)	(803)	142	11	25	115	104	(1,154)	36	103	818
Income Tax	7	(12)	74	(35)	12	(136)	82	16	(22)	(238)	(156)
Associates	(13)	(17)	(25)	0	(18)			(22)	(18)	(17)	(39)
Minority interest	28	29	(38)	(21)	3	(117)	(88)	33	(17)	(152)	(32)
Core profit	(651)	(803)	152	(44)	22	150	103	(1,127)	(22)	98	591
Extraordinaries, GW & FX	45	0	0	0	0			45	0		0
Reported net profit	(606)	(803)	152	(44)	22	150	104	(1,082)	(22)	98	591
Shares out (end Q, m)	1,350	1,350	1,350	1,350	1,350	0	0	1,350	1,350	0	1,350
Pre-ex EPS	(0.48)	(0.60)	0.11	(0.03)	0.02	150	103	(0.83)	(0.02)	(98)	0.44
EPS	(0.45)	(0.60)	0.11	(0.03)	0.02	150	104	(0.80)	(0.02)	(98)	0.44
										0	
COGS Excl depreciation	(1,033)	(911)	(1,500)	(1,518)	(1,711)	13	66	(2,036)	(3,229)	59	(4,822)
Depreciation	(816)	(847)	(694)	(767)	(807)	5	(1)	(1,626)	(1,575)	(3)	(3,284)
EBITDA	302	240	978	951	991	4	229	639	1,613	152	4,367
<b>Key Ratios</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(ppt)</b>	<b>(ppt)</b>	<b>(%)</b>	<b>(%)</b>	<b>(ppt)</b>	<b>(%)</b>
Gross margin	28	24	40	38	40	2	12	30	39	9	52
SG&A/Revenue	51	54	34	38	39	0	(12)	49	39	(11)	45
Hotel EBITDA margin	(92)	(95)	27	26	23	(3)	114			0	
Food EBITDA margin	25	32	26	24	23	(1)	(3)			0	
Total EBITDA margin	11	10	26	24	23	(2)	11	12	20	8	26
Net profit margin	(24)	(35)	4	(1)	1	2	24	(21)	(0)	20	4
<b>Operating stats</b>											
<b>Hotel</b>											
OCC -Maldives(%)	25	64	81	86	66						
OCC -Thailand (%)	11	13	27	26	45						
ARR - Maldives (THB)	9,446	9,643	14,128	17,016	13,647						
ARR - Thailand (THB)	2,343	1,592	3,227	3,378	3,410						
RevPAR - Maldives (THB)	2,320	6,174	11,382	14,558	8,969						
RevPAR Thailand (THB)	259	207	871	874	1,519						
<b>Food</b>											
SSSG (y-y %)	0	(30)	(2)	10	19						
TSSG (y-y %)	5	(25)	3	15	25						

Sources: CENTEL; FSSIA estimates

## Dusit Thani (DUSIT TB, BUY, THB18 TP) - booked larger q-q core loss of THB292m in 2Q22, dragged by education business

### 2Q22 earnings highlight

- DUSIT booked larger q-q core loss of THB292m in 2Q22 (vs THB263m core loss in 1Q22) mainly due to lower EBITDA of education business. Including THB34m non-recurring income (THB37m FX gain and THB3m loss on measurement of financial assets), net loss was THB258m.

#### Hotel business

- Hotel revenue grew by 8% q-q. Owned hotel revenue grew by 2%. OCC rate increased to 58% in 2Q22 (vs 34% in 1Q22). Revenue from Hotel management also improved by 73% q-q.
- EBITDA margin relatively flat q-q. Operation of Thai hotel improved, but it was offset by Maldives performances during low seasonal.

#### Other business

- Revenue of Education business dropped by 38% q-q due to a decrease of students registered for summer courses. Education business booked EBITDA loss of THB10m (vs THB36m profit in 1Q22).
- Revenue of food business grew by 19% q-q thanks to resuming operation of Epicure Catering. Food business booked EBITDA loss of THB4m (vs THB1m loss in 1Q22) due to the rising cost of ingredients.

#### Overall

- EBITDA excluding non-recurring items decreased to THB20m in 2Q22 from THB72m in 1Q22 mainly due to soft performance of education business.

### Exhibit 45: DUSIT – 2Q22 results summary

FY ending Dec	2Q21	3Q21	4Q21	1Q22	2Q22	--Change--		2021	2022E
	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(q-q %)	(y-y %)	(THB m)	(THB m)
Sales	376	436	742	857	881	3	134	2,194	3,698
COGS (incl depreciation)	(402)	(541)	(592)	(618)	(646)	5	61	(2,044)	(2,548)
<b>Gross Profit</b>	<b>(26)</b>	<b>(105)</b>	<b>150</b>	<b>239</b>	<b>234</b>	<b>(2)</b>	<b>(1,000)</b>	<b>151</b>	<b>1,150</b>
SG&A	(465)	(362)	(507)	(502)	(574)	14	23	(1,825)	(1,971)
<b>Operating Profit</b>	<b>(491)</b>	<b>(467)</b>	<b>(357)</b>	<b>(263)</b>	<b>(340)</b>	<b>(29)</b>	<b>31</b>	<b>(1,674)</b>	<b>(821)</b>
Dividend income	0	0	0	0	0			0	0
Management service income	32	34	61	43	37	(14)	17	174	215
Interest income	3	2	2	2	3	31	(6)	10	24
Realised income from deferred rental revenue	6	6	6	6	6	1	0	25	25
Other income	47	49	80	35	69	95	45	241	237
Interest expenses	(109)	(131)	(120)	(123)	(123)	0	13	(469)	(503)
<b>Pretax profit</b>	<b>(512)</b>	<b>(507)</b>	<b>(328)</b>	<b>(299)</b>	<b>(348)</b>	<b>(16)</b>	<b>32</b>	<b>(1,693)</b>	<b>(822)</b>
Income Tax	(18)	9	27	2	23			(24)	50
Associates	(47)	65	(7)	17	15	(14)	(131)	16	70
Minority interest	32	2	25	17	18	6	(45)	79	30
<b>Core profit</b>	<b>(544)</b>	<b>(430)</b>	<b>(282)</b>	<b>(263)</b>	<b>(292)</b>	<b>(11)</b>	<b>46</b>	<b>(1,622)</b>	<b>(672)</b>
Extraordinaries, GW & FX	168	128	(59)	135	34	(75)	(80)	677	135
- Gain on sale of other long term investments	59	0	0	131	0	(100)	(100)		
- Gain on measurement of other financial assets	93	(175)	(43)	32	(3)	(109)	(103)		
- Others	17	303	(16)	(29)	37	(231)	121		
<b>Reported net profit</b>	<b>(376)</b>	<b>(302)</b>	<b>(341)</b>	<b>(129)</b>	<b>(258)</b>	<b>(100)</b>	<b>31</b>	<b>(945)</b>	<b>(538)</b>
Outstanding shares (m)	850	850	850	850	850	0	0	850	850
<b>Pre-ex EPS (THB)</b>	<b>(0.64)</b>	<b>(0.51)</b>	<b>(0.33)</b>	<b>(0.31)</b>	<b>(0.34)</b>	<b>(11)</b>	<b>46</b>	<b>(1.11)</b>	<b>(0.63)</b>
<b>EPS (THB)</b>	<b>(0.44)</b>	<b>(0.36)</b>	<b>(0.40)</b>	<b>(0.15)</b>	<b>(0.30)</b>	<b>(100)</b>	<b>31</b>	<b>(1.11)</b>	<b>(0.63)</b>
COGS excl. depreciation	(167)	(308)	(354)	(387)	(417)	8	150	(1,104)	(1,553)
Depreciation	(236)	(233)	(238)	(232)	(230)	(1)	(2)	(940)	(995)
EBITDA	(213)	(77)	23	72	20	(72)	(109)	(753)	746
<b>Key ratios</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(ppt)</b>	<b>(ppt)</b>	<b>(%)</b>	<b>(%)</b>
Gross margin	(7)	(24)	20	28	27	(1)	34	7	31
SG&A/Revenue	124	83	68	59	65	7	(58)	83	53
EBITDA margin	(50)	(16)	3	8	2	(6)	52	(31)	19
Net profit margin	(100)	(69)	(46)	(15)	(29)	(14)	71	(43)	(15)
<b>Operating stats</b>									
Hotel revenue growth y-y (%)	222	92	59	45	112				
Education revenue growth y-y (%)	(2)	(47)	(27)	22	57				
Foods revenue growth y-y (%)	218	(95)	(72)	(11)	211				
Occupancy (%)	33	43	53	47	58				
ADR (THB/night)	2,312	2,360	3,419	3,899	3,041				
RevPar (THB/night)	763	1,007	1,798	1,833	1,751				

Sources: DUSIT; FSSIA estimates

## RS (RS TB, HOLD, TP THB16.30) - 2Q22 results were lower than expected

- RS reported its 2Q22 results of THB13m (-76% q-q and y-y), lower than the market and our expectation of THB26m;
- Commerce's revenue fell to THB399m (-6% q-q, -29% y-y), the lowest revenue by quarter in the over the past six years, despite the consolidation of Ulife in May-22, the new direct sales business. This could mean that RS's commerce business has a poor performance in 2Q22;
- Entertainment's revenue was in line with our expectation grew to THB429m (+3% q-q, +0.2% y-y), thanks to the resume of event business;
- Although the revenue from commerce business, the company anticipated that recognizing revenue from ULife, a high margin business and pushing in-house product and focus on marketing in-house brand, which deliver high gross margin. As a result, GPM of the commerce business increased to 66% in 2Q22 from 56.8% in the previous quarter;
- Share of profit from Chase fell to THB9.4m lower than 1Q22 of THB23m due to higher bad debt reserve;
- RS revised revenue guidance for 2022 down by 15% to THB4.2b vs our expectation of THB3.9b;
- Their earnings outlook for RS still have a downside risk given that 1H21 earnings contribute only 22% of our full year forecast.

### Exhibit 46: 2Q22 results review

	2Q21	1Q22	2Q22	----- Change -----		1H21	1H22E	chg.	2022E
	(THB m)	(THB m)	(THB m)	(q-q%)	(y-y%)	(THB m)	(THB m)	(y-y%)	(THB m)
<b>Revenue</b>	<b>992</b>	<b>845</b>	<b>828</b>	<b>(2)</b>	<b>(17)</b>	<b>1,985</b>	<b>1,672</b>	<b>(16)</b>	<b>3,929</b>
Operating costs	(459)	(432)	(428)	(1)	(7)	(891)	(860)	(3)	(2,141)
<b>Gross profit</b>	<b>534</b>	<b>412</b>	<b>400</b>	<b>(3)</b>	<b>(25)</b>	<b>1,094</b>	<b>812</b>	<b>(26)</b>	<b>1,789</b>
SG&A expenses	(469)	(350)	(379)	8	(19)	(856)	(729)	(15)	(1,375)
Other income	2	3	3	22	76	4	6	29	8
<b>EBIT</b>	<b>67</b>	<b>65</b>	<b>24</b>	<b>(63)</b>	<b>(64)</b>	<b>242</b>	<b>89</b>	<b>(63)</b>	<b>421</b>
Depreciation & amortisation	150	158	177	12	18	244	284	16	572
<b>EBITDA</b>	<b>217</b>	<b>223</b>	<b>201</b>	<b>(10)</b>	<b>(7)</b>	<b>486</b>	<b>373</b>	<b>(23)</b>	<b>993</b>
EBITDA margin (%)	21.8	26.4	24.3	<i>n.m.</i>	<i>n.m.</i>	24.5	22.3	<i>n.m.</i>	25.3
Interest expense	(16)	(16)	(23)	43	47	(27)	(40)	47	(125)
Associates	10	24	9	(63)	(14)	20	33	65	90
<b>Pretax profit</b>	<b>61</b>	<b>73</b>	<b>10</b>	<b>(87)</b>	<b>(84)</b>	<b>235</b>	<b>83</b>	<b>(65)</b>	<b>387</b>
Tax	(8)	(14)	(1)	(95)	(91)	(41)	(15)	(64)	(77)
Tax rate (%)	(12.4)	(19.4)	(6.7)	<i>n.m.</i>	<i>n.m.</i>	(17.5)	(17.9)	<i>n.m.</i>	(20)
<b>Net profit</b>	<b>54</b>	<b>55</b>	<b>13</b>	<b>(76)</b>	<b>(76)</b>	<b>194</b>	<b>68</b>	<b>(65)</b>	<b>308</b>
<b>Core net profit</b>	<b>54</b>	<b>55</b>	<b>13</b>	<b>(76)</b>	<b>(76)</b>	<b>194</b>	<b>68</b>	<b>(65)</b>	<b>308</b>
EPS (THB)	0.06	0.06	0.01	(76)	(76)	0.20	0.07	(65)	0.32
Core EPS (THB)	0.06	0.06	0.01	(76)	(76)	0.20	0.07	(65)	0.32

Sources: RS; FSSIA estimates

## Plan B Media (PLANB TB, BUY, TP THB7.60) - The highest quarterly earnings in the past two years

- PLANB's reported its core profit during 2Q22 at THB175m (+96 q-q), the highest quarterly earnings in the past two years since Covid outbreak;
- The company's revenue reached its all-time high of THB1.6b (+35% q-q, +48% y-y) thanks to
  - 1) The additional revenue from the investment in 301static billboards and 141 digital billboards of AQUA
  - 2) Better-than-expected utilisation of 57.3% in 2Q22 vs 52.1% in 1Q22
  - 3) Revenue from the election activities of BNK48 from including other events that resumed after the ease of COVID-19 prevention measures
- Despite the expectation that the additional revenue from AQUA should have a low margin as the company said AQUA performance in this quarter was just a break-even, PLANB's GPM, however, continue to grow to 28.8% VS 27.9% in 1Q21. The company continued to manage expenses efficiently through operating process improvement.
- 1H21's core earnings of PLANB already contribute 46% of our full year forecast.

### Exhibit 47: 2Q22 results review

	2Q21	1Q22	2Q22	-----Change-----		1H21	1H22	Chg.	2022E
	(THB m)	(THB m)	(THB m)	(q-q%)	(y-y%)	(THB m)	(THB m)	(y-y%)	(THB m)
<b>Revenue</b>	1,097	1,209	1,627	<b>35</b>	<b>48</b>	2,121	2,836	<b>34</b>	5,491
Operating costs	(989)	(871)	(1,159)	33	17	(1,826)	(2,030)	11	(4,003)
<b>Gross profit</b>	<b>109</b>	<b>337</b>	<b>468</b>	<b>39</b>	<b>331</b>	<b>295</b>	<b>806</b>	<b>173</b>	<b>1,488</b>
SG&A expenses	(136)	(167)	(205)	23	51	(256)	(372)	45	(719)
<b>EBIT</b>	<b>(27)</b>	<b>170</b>	<b>264</b>	<b>55</b>	<i>n.a.</i>	<b>40</b>	<b>434</b>	<b>997</b>	<b>769</b>
Deprn & amort.	601	562	635	13	6	1,215	1,197	(2)	1,317
Other income	10	9	25	178	164	32	34	8	64
<b>EBITDA</b>	<b>584</b>	<b>741</b>	<b>924</b>	<b>25</b>	<b>58</b>	<b>1,287</b>	<b>1,665</b>	<b>29</b>	<b>2,150</b>
EBITDA margin (%)	53.2	61.3	56.8	<i>nm</i>	<i>nm</i>	60.7	58.7	<i>nm</i>	39
Interest expense	(46)	(37)	(43)	14	3.9	(98)	(80)	(19)	(155)
Associates	(8)	(6)	(3)	(42)	5.1	(18)	(9)	(51)	6
Extra items	(29)	15	(1)	<i>n.a.</i>	27.3	(29)	14	<i>n.a.</i>	0
<b>Pretax profit</b>	<b>(101)</b>	<b>152</b>	<b>242</b>	<b>59</b>	<i>n.a.</i>	<b>(73)</b>	<b>393</b>	<b>(637)</b>	<b>684</b>
Tax	4	(51)	(54)	6	<i>n.a.</i>	(9)	(106)	1,031	(137)
Tax rate (%)	(4)	(34)	(22)	<i>nm</i>	<i>nm</i>	13	(27)	<i>nm</i>	(20)
Minority interests	(26)	(4)	14	<i>n.a.</i>	<i>n.a.</i>	(49)	10	<i>n.a.</i>	(21)
<b>Net profit</b>	<b>(71)</b>	<b>104</b>	<b>174</b>	<b>66</b>	<i>n.a.</i>	<b>(34)</b>	<b>278</b>	<i>n.a.</i>	<b>568</b>
<b>Core net profit</b>	<b>(42)</b>	<b>89</b>	<b>175</b>	<b>96</b>	<i>n.a.</i>	<b>(5)</b>	<b>264</b>	<i>n.a.</i>	<b>568</b>
EPS (THB)	(0.02)	0.02	0.04	<b>66</b>	<i>n.a.</i>	(0.01)	0.06	<i>n.a.</i>	0.13
Core EPS (THB)	(0.01)	0.02	0.04	<b>96</b>	<i>n.a.</i>	(0.00)	0.06	<i>n.a.</i>	0.13

Sources: PLANB: FSSIA estimates



## True Corporation (TRUE TB, BUY, TP THB5.40) - Its core loss in 2Q22 were in line

- TRUE reported its loss of THB761m in 2Q22 but its core loss was at THB1,953m, slightly lower than 1Q21 of THB2,052m loss but lower than 2Q21 loss of THB688m;
- The company has recognized an extra gain from disposal of DIF of THB1,192m. The disposal resulted in decrease of TRUE interest in DIF from 23.38% to 20.56%;
- Its 1H22 loss already beat our full year forecast of THB3,495m loss. This could lead us to increase their loss projection for this year in the near future;
- Although TRUE has a solid number of mobile net-add, ranked second in term of number of new subscribers in this quarter, however, the company also has the highest decreasing rate of ARPU in the industry. Mobile revenue market share continues to decline in this quarter;
- FBB revenue also declined for the second consecutive quarters due to the intense competition that pressured its ARPU to fall significantly, despite the continuous growth in subscribers;
- EBITDA in 2Q22 slipped to THB13.9b (-1.1% q-q, -5.2% y-y) due to the slight decrease on its revenue.

### Exhibit 48: 2Q22 results review

	2Q21	1Q22	2Q22	Change		1H21	1H22	Chg.	2022E
	(THB m)	(THB m)	(THB m)	(q-q%)	(y-y%)	(THB m)	(THB m)	(y-y%)	(THB m)
<b>Operating Revenue</b>	<b>33,797</b>	<b>35,138</b>	<b>34,055</b>	<b>(3.1)</b>	<b>0.8</b>	<b>69,222</b>	<b>69,193</b>	<b>(0.0)</b>	<b>143,429</b>
Operating Expense	(19,110)	(21,064)	(20,134)	(4.4)	5.4	(40,482)	(41,198)	1.8	(85,579)
<b>EBITDA</b>	<b>14,687</b>	<b>14,074</b>	<b>13,921</b>	<b>(1.1)</b>	<b>(5.2)</b>	<b>28,740</b>	<b>27,995</b>	<b>(2.6)</b>	<b>57,850</b>
EBITDA margin (%)	43	40	41	nm	nm	42	40	nm	40
Depreciation & Amortization	(11,066)	(12,117)	(12,496)	3.1	12.9	(21,831)	(24,613)	12.7	(47,513)
<b>EBIT</b>	<b>3,621</b>	<b>1,957</b>	<b>1,425</b>	<b>(27.2)</b>	<b>(60.6)</b>	<b>6,909</b>	<b>3,382</b>	<b>(51.0)</b>	<b>10,337</b>
Finance expenses	(4,911)	(4,777)	(4,808)	0.6	(2.1)	(9,645)	(9,585)	(0.6)	(19,975)
Other income	190	640	1,548	141.9	714.7	232	2,188	843.1	3,194
Associates	873	818	1,140	39.4	30.6	1,747	1,958	12.1	3,861
<b>Pretax profit</b>	<b>(227)</b>	<b>(1,362)</b>	<b>(695)</b>	<b>(49.0)</b>	<b>206.2</b>	<b>(757)</b>	<b>(2,057)</b>	<b>171.7</b>	<b>(2,583)</b>
Tax	(19)	(225)	(50)	(77.8)	163.2	(64)	(275)	329.7	387
Tax rate (%)	8	17	7	nm	nm	8	13	nm	(15)
Minority interests	53	30	16	(46.7)	(69.8)	59	46	(22.0)	(100)
<b>Net profit</b>	<b>(299)</b>	<b>(1,617)</b>	<b>(761)</b>	<b>(52.9)</b>	<b>154.5</b>	<b>(880)</b>	<b>(2,378)</b>	<b>170.2</b>	<b>(2,095)</b>
Extra items	389	435	1,192	174.0	206.4	252	1,627	545.6	1,400
<b>Core net profit</b>	<b>(688)</b>	<b>(2,052)</b>	<b>(1,953)</b>	<b>(4.8)</b>	<b>183.9</b>	<b>(1,132)</b>	<b>(4,005)</b>	<b>253.8</b>	<b>(3,495)</b>
EPS (THB)	(0.01)	(0.05)	(0.02)	n.a.	154.5	(0.03)	(0.07)	170.2	(0.06)
Core EPS (THB)	(0.02)	(0.06)	(0.06)	(4.8)	183.9	(0.03)	(0.12)	253.8	(0.10)

Sources: TRUE: FSSIA estimates

### Exhibit 49: Operational statistic

Operational summary	2Q21	1Q22	2Q22	(q-q%)	(y-y%)
<b>Mobile</b>					
Total subscribers (m)	31.70	32.56	33.33	2.4	5.2
Postpaid (m)	10.51	11.18	11.41	2.0	8.5
Prepaid (m)	21.18	21.39	21.93	2.5	3.5
Blended ARPU (Bt/sub/mth)	209	194	191	(1.5)	(8.6)
Postpaid APRU (Bt/sub/mth)	448	428	424	(0.9)	(5.4)
Prepaid APRU (Bt/sub/mth)	100	92	92	0.0	(8.0)
<b>Fixed broadband</b>					
FBB subscribers (000')	4,402	4,728	4,823	2.0	9.6
APRU (Bt/sub/mth)	527	491	469	(4.5)	(11.0)

Source: TRUE

## Aapico Hitech (AH TB, BUY, TP THB29.50) - Impressive earnings in 2Q22

- AH's reported its core profit in 2Q22 of THB281m (-31% q-q, +35% y-y), 32% higher than our expectation;
- The company's reported net profit was flat at THB410m (+2% q-q, +64% y-y) thanks to a huge extra gain from exchange of THB129m due to the depreciation of THB against USD;
- The company's revenue was in line at THB6.1b (-9% q-q, 27% y-y), the q-q decrease due to the low season of auto industry. Auto parts manufacturer and car dealership grew by 24% y-y and 39% y-y respectively;
- The performance on auto parts manufacturer in Thailand has outperformed the industry. It grew by 28% y-y, while car production in Thailand grew only 3% thanks to a higher volume from major customers and new orders;
- The Growth in car dealership business was driven by the new car showroom of Mazda and MG. In Malaysia, it driven by the end of Sales and Service Tax exemption in Jun-22;
- The company's GPM dropped slightly to 10.1% vs 11.1% in 1Q22 and 11.6% in 2Q21 due to 1) its low season, and 2) the higher revenue portion from a low margin business of car dealership;
- Share of profit from associate in 2Q22 surged to THB122m, highest share of profit by quarterly in the past two years thanks to the solid performance from Sakthi and Hyundai Motor;
- 1H22 earnings of AH already contribute 62% of our full year forecast, which can indicate that the company's earnings for this year could be the highest earnings in the past four years;
- The company announced to pay an interim dividend of THB0.58 per share.

### Exhibit 50: 2Q22 results review

	2Q21	1Q22	2Q22	-----Change-----		1H21	1H22	Chg.	2022E
	(THB m)	(THB m)	(THB m)	(q-q%)	(y-y%)	(THB m)	(THB m)	(y-y%)	(THB m)
Auto parts	3,663	5,134	4,522	(11.9)	23.5	7,836	9,656	23.2	17,654
Car dealership and others	1,167	1,596	1,623	1.7	39.1	2,580	3,219	24.8	6,664
<b>Revenue</b>	<b>4,833</b>	<b>6,730</b>	<b>6,145</b>	<b>(8.7)</b>	<b>27.2</b>	<b>10,419</b>	<b>12,875</b>	<b>23.6</b>	<b>24,318</b>
Operating costs	(4,273)	(5,985)	(5,523)	(7.7)	29.3	(9,185)	(11,508)	25.3	(21,594)
<b>Gross profit</b>	<b>559</b>	<b>746</b>	<b>622</b>	<b>(16.6)</b>	<b>11.1</b>	<b>1,234</b>	<b>1,367</b>	<b>10.8</b>	<b>2,724</b>
SG&A expenses	(391)	(392)	(412)	5.2	5.4	(781)	(805)	3.0	(1,792)
<b>EBIT</b>	<b>168</b>	<b>354</b>	<b>209</b>	<b>(40.8)</b>	<b>24.3</b>	<b>453</b>	<b>563</b>	<i>n.a.</i>	<b>931</b>
Depreciation & amortisation	259	273	297	8.9	<i>n.a.</i>	448	507	13.1	743
<b>EBITDA</b>	<b>427</b>	<b>626</b>	<b>506</b>	<b>(19.2)</b>	<b>18.4</b>	<b>902</b>	<b>1,070</b>	<b>18.7</b>	<b>1,674</b>
EBITDA margin (%)	9	9	8	<i>nm</i>	<i>nm</i>	9	8	<i>nm</i>	7
Interest expense	(89)	(81)	(77)	(5.4)	(13.8)	(177)	(158)	(10.4)	(332)
Other income	104	87	74	(15.0)	(29.4)	156	160	2.9	358
Extra item	0	0	0	<i>n.a.</i>	<i>n.a.</i>	0	0	<i>n.a.</i>	0
Associates	57	82	122	48.0	112.2	145	204	41.0	306
Gain/Loss from exchange	42	(4)	129	<i>n.a.</i>	204.2	145	125	(13.4)	0
<b>Pretax profit</b>	<b>283</b>	<b>438</b>	<b>457</b>	<b>4.3</b>	<b>61.2</b>	<b>722</b>	<b>894</b>	<b>23.9</b>	<b>1,263</b>
Tax	(33)	(29)	(43)	48.2	30.2	(59)	(71)	20.8	(139)
Tax rate (%)	(12)	(7)	(9)	<i>nm</i>	<i>nm</i>	(8)	(8)	<i>nm</i>	(11)
Minority interests	0	7	4	(32.8)	1,020.1	3	11	254.1	16
<b>Net profit</b>	<b>250</b>	<b>402</b>	<b>410</b>	<b>1.8</b>	<b>63.8</b>	<b>660</b>	<b>812</b>	<b>23.1</b>	<b>1,108</b>
<b>Core net profit</b>	<b>208</b>	<b>406</b>	<b>281</b>	<b>(30.8)</b>	<b>35.2</b>	<b>515</b>	<b>687</b>	<b>33.3</b>	<b>1,108</b>
EPS (THB)	0.78	1.25	1.15	(7.4)	48.9	2.05	2.29	11.9	3.12
Core EPS (THB)	0.64	1.26	0.79	(37.1)	22.9	1.60	1.94	21.2	3.12

Sources: AH: FSSIA estimates

## NEX (BUY, TP THB21.6) Groundbreaking orders in 3Q22

NEX posted a 2Q22 net loss (NL) of THB59m, up from an NL of THB63m in 1Q22 – 17% below our forecast – due to the THB36m share of loss from Absolute Assembly (AAB) due to the delayed e-bus deliveries.

In 2Q22, NEX booked no earnings from e-buses as the delivery of its finished 200 bus production was delayed due to a longer-than-expected period of approval for the new e-bus models to be granted a tax free under AAB's free trade zone industrial estate.

We estimate that the 2Q22 NL was mainly incurred from NEX's fixed overhead expenses for its employees at THB35m per quarter, with an additional loss coming from NEX's new intercity bus operation and AAB's share of loss.

### Exhibit 51: 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%)	
<b>Revenue</b>	<b>192</b>	<b>155</b>	<b>210</b>	<b>36.0</b>	<b>9.7</b>	<b>394</b>	<b>365</b>	<b>(7.5)</b>	<b>14,109</b>
Operating costs	(202)	(172)	(196)	13.8	(2.8)	(414)	(369)	(10.9)	(12,511)
<b>EBITDA</b>	<b>(10)</b>	<b>(18)</b>	<b>14</b>	<b>nm</b>	<b>nm</b>	<b>(20)</b>	<b>(4)</b>	<b>(79.4)</b>	<b>(112)</b>
<i>EBITDA margin (%)</i>	<i>(5.4)</i>	<i>(11.6)</i>	<i>6.6</i>	<i>nm</i>	<i>nm</i>	<i>(5.1)</i>	<i>(1.1)</i>	<i>(77.7)</i>	<i>(0.8)</i>
Depn & amort.	(20)	(25)	(27)	6.0	32.4	(39)	(52)	33.1	(70)
EBIT	(31)	(43)	(13)	(70.3)	(58.1)	(59)	(56)	(5.0)	(182)
Interest expense	(2)	(2)	(2)	(16.8)	(25.4)	(4)	(4)	(12.3)	(7)
Interest & invt inc	-	-	-	nm	nm	-	-	nm	-
Other income	7	6	8	34.2	10.6	12	14	nm	20
Associates' contrib	(3)	(22)	(36)	59.6	1,089.1	(12)	(58)	377.5	820
Exceptionals	-	-	-	nm	nm	-	-	nm	-
<b>Pretax profit</b>	<b>(28)</b>	<b>(61)</b>	<b>(42)</b>	<b>(31.7)</b>	<b>48.3</b>	<b>(63)</b>	<b>(103)</b>	<b>63.8</b>	<b>651</b>
Tax	(2)	1	(3)	nm	63.1	(5)	(2)	(56.4)	6
<i>Tax rate (%)</i>	<i>(7.2)</i>	<i>1.7</i>	<i>(7.9)</i>	<i>nm</i>	<i>nm</i>	<i>(8.3)</i>	<i>(2.2)</i>	<i>(73.4)</i>	<i>(0.9)</i>
Minority interests	(3)	(3)	(14)	462.4	429.2	(3)	(17)	533.1	-
<b>Net profit</b>	<b>(33)</b>	<b>(63)</b>	<b>(59)</b>	<b>(5.3)</b>	<b>80.4</b>	<b>(71)</b>	<b>(122)</b>	<b>72.6</b>	<b>656</b>
Non-recurring	-	-	-	nm	nm	-	-	nm	-
<b>Core net profit</b>	<b>(33)</b>	<b>(63)</b>	<b>(59)</b>	<b>(5.3)</b>	<b>80.4</b>	<b>(71)</b>	<b>(122)</b>	<b>72.6</b>	<b>656</b>
EPS (THB)	(0.01)	(0.02)	(0.02)	(5.3)	80.4	(0.02)	(0.03)	72.6	0.48
Core EPS (THB)	(0.01)	(0.02)	(0.02)	(5.3)	80.4	(0.02)	(0.03)	72.6	0.48

Sources: NEX; FSSIA estimates

### Exhibit 52: 2Q22/6M22 key performance

	2Q21	1Q22	2Q22	(q-q%)	(y-y%)	6M21	6M22	(y-y%)
<b>Revenue (THB m)</b>								
Computer and software systems	110	109	152	40.3	37.9	167	208	24.8
Logistics service	15	4	7	67.9	(50.4)	56	33	(41.3)
Bus business	66	42	51	21.5	(23.9)	680	153	(77.5)
<b>Total</b>	<b>192</b>	<b>155</b>	<b>210</b>	<b>36.0</b>	<b>9.7</b>	<b>995</b>	<b>394</b>	<b>(60.4)</b>
<b>Cost (THB m)</b>								
Computer and software systems	83	82	122	48.4	47.1	127	157	24.2
Logistics service	24	17	18	4.4	(23.1)	61	40	(34.6)
Bus business	45	28	32	13.7	(29.2)	636	104	(83.7)
<b>Total</b>	<b>151</b>	<b>128</b>	<b>172</b>	<b>34.8</b>	<b>13.5</b>	<b>910</b>	<b>301</b>	<b>(66.9)</b>
<b>Gross profit (THB m)</b>								
Computer and software systems	28	26	31	15.3	10.3	40	51	26.5
Logistics service	(9)	(13)	(11)	(16.8)	21.9	(5)	(7)	43.6
Bus business	21	14	19	37.4	(12.8)	44	49	11.3
<b>Total</b>	<b>40</b>	<b>27</b>	<b>38</b>	<b>42.0</b>	<b>(4.6)</b>	<b>84</b>	<b>93</b>	<b>10.4</b>
<b>Gross profit margin* (%)</b>								
Computer and software systems	25	24	20	(4.3)	(5.0)	25	24	(0.4)
Logistics service	(61)	(300)	(149)	151.5	(88.2)	(8)	(24)	(16.4)
Bus business	32	33	37	4.3	4.7	7	32	25.2
<b>Total</b>	<b>21</b>	<b>17</b>	<b>18</b>	<b>0.8</b>	<b>(2.7)</b>	<b>9</b>	<b>24</b>	<b>14.8</b>

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

Source: NEX

## CPF (HOLD, TP THB28) - Disappointing 2Q22 results on poor overseas performance

CPF reported a strong 2Q22 net profit of THB4.2b, up 48% q-q but down 11% y-y. Core net profit was THB1.5b, up 551% q-q but down 62% y-y, missing BBG's consensus' estimate by 15%.

The key culprits were the weaker-than-expected revenues from overseas operations, mainly from China as a result of the lockdowns and the rising feedstock costs. Operating profit was THB9.1b, up 60% q-q and 1% y-y, mainly driven by the strong operations in Thailand, which accounted for 33% of total revenue in 2Q22 thanks to the higher selling price to more than cover the higher costs of raw materials, labour, and energy.

Revenue grew by 20% y-y to THB156b, driven by Thailand's solid revenue growth of 17% y-y to THB51b, which contributed around 33% of total revenue in 2Q22. Overseas revenue similarly rose by 22% to THB105b, up 22% y-y, due to the rising selling prices on the cost-push factors, mainly due to the higher prices of feed meals.

While operations in Thailand remained strong in 2Q22, CPF's overseas operations under its associates posted net loss of THB793m to CPF in 2Q22, up from a net loss of THB336m in 1Q22 and a net profit of THB753m in 2Q21. The main reason is the sharp spikes in the feed meal for the animal farming, caused by the impact of Russia-Ukraine war as both countries are global major producers of grains and feed meals, while the selling prices of swine in China had not matched with the rising cost.

### Exhibit 53: CPF – summary of 2Q22/1H22 operation

	1Q21	2Q21	3Q21	4Q21	1Q22	2Q22	----- change -----		2Q22	----- 1H22 -----		2022E	Change	
	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(q-q%)	(y-y%)	(%22E)	(THB m)	(y-y%)	(%22E)	(THB m)	(y-y%)
<b>Sales</b>	<b>119,346</b>	<b>129,638</b>	<b>125,940</b>	<b>137,781</b>	<b>138,887</b>	<b>155,996</b>	<b>12</b>	<b>20</b>	<b>32</b>	<b>294,883</b>	<b>18</b>	<b>60</b>	<b>493,508</b>	<b>(4)</b>
Gross profit	23,791	21,236	11,101	9,761	17,791	22,624	27	7	29	40,415	(10)	51	78,777	20
Operating costs	(11,684)	(12,297)	(13,127)	(13,772)	(12,124)	(13,564)	12	10	(27)	(25,688)	7	(52)	49,351	(3)
<b>Operating profit</b>	<b>12,107</b>	<b>8,939</b>	<b>(2,027)</b>	<b>(4,010)</b>	<b>5,667</b>	<b>9,060</b>	<b>60</b>	<b>1</b>	<b>31</b>	<b>14,727</b>	<b>(30)</b>	<b>50</b>	<b>29,427</b>	<b>96</b>
<b>Operating EBITDA</b>	<b>18,875</b>	<b>16,218</b>	<b>5,215</b>	<b>3,633</b>	<b>13,140</b>	<b>16,852</b>	<b>28</b>	<b>4</b>	<b>32</b>	<b>29,992</b>	<b>(15)</b>	<b>56</b>	<b>53,365</b>	<b>21</b>
Other income/exp	741	827	1,964	1,348	686	1,405	105	70	32	2,090	33	48	4,373	(10)
Interest expense	(4,098)	(3,971)	(4,155)	(4,372)	(4,469)	(4,360)	(2)	10	24	(8,829)	9	50	(17,829)	7
<b>Profit before tax</b>	<b>8,750</b>	<b>5,795</b>	<b>(4,218)</b>	<b>(7,034)</b>	<b>1,883</b>	<b>6,105</b>	<b>224</b>	<b>5</b>	<b>38</b>	<b>7,988</b>	<b>(45)</b>	<b>50</b>	<b>15,970</b>	<b>385</b>
Tax	2,117	1,752	(1,266)	50	1,158	3,522	204	101	110	4,681	21	147	3,194	20
Equity income	2,043	753	(1,266)	2,636	(336)	(793)	136	(205)	(7)	(1,129)	(140)	(10)	11,800	183
Minority interests	(1,673)	(748)	468	903	(154)	(264)	71	(65)	3	(418)	(83)	5	(8,415)	701
Non-recurring items	(58)	690	(1,625)	10,265	2,608	2,682	3	289	n/a	5,290	737	na	0	(100)
<b>Reported net profit</b>	<b>6,945</b>	<b>4,737</b>	<b>(5,374)</b>	<b>6,720</b>	<b>2,842</b>	<b>4,208</b>	<b>48</b>	<b>(11)</b>	<b>26</b>	<b>7,050</b>	<b>(40)</b>	<b>44</b>	<b>16,160</b>	<b>24</b>
<b>Recurring profit</b>	<b>7,003</b>	<b>4,048</b>	<b>(3,750)</b>	<b>(3,546)</b>	<b>235</b>	<b>1,526</b>	<b>551</b>	<b>(62)</b>	<b>9</b>	<b>1,761</b>	<b>(84)</b>	<b>11</b>	<b>16,160</b>	<b>330</b>
EPS (THB)	0.81	0.55	(0.62)	0.78	0.33	0.49	48	(11)	26	0.82	(40)	44	1.88	24
Recurring EPS (THB)	0.81	0.47	(0.44)	(0.41)	0.03	0.18	551	(62)	9	0.20	(84)	11	1.88	330
<b>Key Ratios</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(ppt)</b>	<b>(ppt)</b>		<b>(%)</b>	<b>(ppt)</b>		<b>(%)</b>	<b>(ppt)</b>
Gross margin	19.9	16.4	8.8	7.1	12.8	14.5	1.7	(1.9)		13.7			16.0	3.1
Operating margin	10.1	6.9	(1.6)	(2.9)	4.1	5.8	1.7	(1.1)		5.0			6.0	3.0
EBITDA margin	15.8	12.5	4.1	2.6	9.5	10.8	1.3	(1.7)		10.2			10.8	2.2
SG&A / Sales	9.8	9.5	10.4	10.0	8.7	8.7	(0.0)	(0.8)		8.7			(10.0)	(0.1)

Sources: CPF; FSSIA estimates

## Sino-Thai Engineering and Construction (STEC TB, BUY, TP THB15.40) – 2Q22 results, missing BBG's consensus

- STEC reported a 2Q22 net profit of THB173m, up from a 1Q22 net profit of THB1m but down 25% q-q. Core net profit was THB173m, up 38% y-y but down 25% q-q, missing BBG's consensus' estimate by 25%.
- The key culprits were the weaker-than-expected revenues from new construction projects and lower gross margin to 4.1% in 2Q22 from 5.7% in 1Q22 as mainly a result of the lack labour forces and the rising construction material and energy costs.
- Given the weaker- than -expected net profit in 2Q22, we see downside on our STEC's earnings forecast in 2022 due to the 1H22 net profit account for 28% of our full year forecast in 2022. However, STEC's share price dropped by 15%YTD, reflecting to a weak earnings and STEC was not attend the new round of MRT Orange line bidding, which is a key potential project to drive its future growth.
- A STEC's poor earnings in 1H20. Its share price has fallen 15% YTD, due to the Covid-19 outbreak, poor earnings in 2Q22 as higher of construction material cost and missing a new round of MRT Orange bidding. We believe these concerns have already been factored into its share price, and it is trading below -2SD of its 2022E P/E, which implies that further downsides to its share price should be limited.
- We maintain BUY on STEC with a TP of THB15.4, backed by 1) its compelling valuation –and 3) the huge backlog of around THB100b at end-2022 which should secure its revenue for the next two years with a net cash balance sheet.

### Exhibit 54: STEC – summary of 2Q22/1H22 operation

Year to Dec 31	1Q21	2Q21	3Q21	4Q21	1Q22	2Q22	Change		2Q22	1H22			2022E	Change
	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(q-q %)	(y-y %)	(%22E)	(THB m)	(y-y %)	(%22E)	(THB m)	(y-y %)
<b>Revenue</b>	<b>7,549</b>	<b>7,072</b>	<b>6,072</b>	<b>6,982</b>	<b>7,620</b>	<b>6,759</b>	<b>(11)</b>	<b>(4)</b>	<b>18</b>	<b>14,380</b>	<b>(2)</b>	<b>37</b>	<b>38,507</b>	<b>39</b>
Gross profit	385	230	267	393	431	276	(36)	20	18	707	15	31	2,266	78
Operating costs	182	203	169	120	182	217	19	7	22	399	4	40	1,001	48
<b>Operating profit</b>	<b>568</b>	<b>433</b>	<b>436</b>	<b>513</b>	<b>614</b>	<b>492</b>	<b>(20)</b>	<b>14</b>	<b>39</b>	<b>1,106</b>	<b>11</b>	<b>87</b>	<b>1,265</b>	<b>111</b>
Operating EBITDA	479	306	382	562	526	330	(37)	8	13	856	9	33	2,630	52
Other income	36	111	57	51	34	132	287	19	43	166	13	54	305	20
Interest expense	(11)	(8)	(7)	(7)	(7)	(5)	(16)	(33)	14	(12)	(38)	31	(38)	15
<b>Profit before tax</b>	<b>228</b>	<b>129</b>	<b>148</b>	<b>316</b>	<b>277</b>	<b>186</b>	<b>(33)</b>	<b>44</b>	<b>12</b>	<b>462</b>	<b>29</b>	<b>30</b>	<b>1,531</b>	<b>86</b>
Tax	46	21	12	50	55	23	(58)	9	10	78	16	32	241	86
Associates	18	20	2	(1)	12	13	2	(37)	16	25	(35)	32	79	100
Minority interests	(3)	(3)	(2)	(2)	(2)	(2)	(1)	(24)	15	(4)	(23)	31	(14)	39
Non recurring items	0	(124)	0	113	0	0	n/a	n/a		0	nm	nm	105	n/a
<b>Reported net profit</b>	<b>197</b>	<b>1</b>	<b>136</b>	<b>376</b>	<b>232</b>	<b>173</b>	<b>(25)</b>	<b>12,127</b>	<b>12</b>	<b>405</b>	<b>104</b>	<b>28</b>	<b>1,461</b>	<b>106</b>
<b>Recurring net profit</b>	<b>197</b>	<b>125</b>	<b>136</b>	<b>263</b>	<b>232</b>	<b>173</b>	<b>(25)</b>	<b>38</b>	<b>13</b>	<b>405</b>	<b>25</b>	<b>30</b>	<b>1,356</b>	<b>88</b>
EPS (THB)	0.13	0.00	0.09	0.25	0.15	0.11	(25)	12,127	12	0	104	28	0.96	106
Recurring EPS (THB)	0.13	0.08	0.09	0.17	0.15	0.11	(25)	38	13	0	25		0.89	88
BV/share (THB)	9.72	9.48	10.41	11.20	12.10	11.61	(4)	22					11.86	6
<b>Key Ratios (%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(ppt)</b>	<b>(ppt)</b>		<b>(%)</b>	<b>(ppt)</b>		<b>(%)</b>	<b>(ppt)</b>
Gross margin	5.1	3.2	4.4	5.6	5.7	4.1	(1.6)	0.8		4.9	0.3		5.9	1.3
Operating margin	7.5	6.1	7.2	7.3	8.1	7.3	(0.8)	1.2		7.7	5.5		3.3	1.1
EBITDA margin	6.3	4.3	6.3	8.0	6.9	4.9	(2.0)	0.6		6.0	(0.3)		6.8	0.6
Recurring net margin	3.6	2.1	2.6	5.2	4.4	3.1	(1.3)	1.0		3.8	0.3		4.6	1.2
SG&A / Sales	2.4	2.9	2.8	1.7	2.4	3.2	0.8	0.3		2.8	0.3		2.6	0.2
Effective tax rate	20.3	16.4	8.0	15.8	20.0	12.4				16.9	1.2		15.8	0.0
Interest coverage (EBITDA)	42.8	37.6	52.3	82.5	80.8	60.1				71.4	19.7		68.4	

Sources: STEC; FSSIA estimates

## CH. Karnchang (CK TB, BUY, TP THB26) – Solid 2Q22 results

- CK posted a strong 2Q22 net profit of THB300m, up 147% q-q and but down 6% y-y, a core profit jumped 147% q-q and 71% y-y, slightly lower our estimate but lower BBG's consensus' estimate by 5%, as solid profit sharing from associates more than expectation and higher revenues from construction
- However, in term of construction operation In 2Q22, CK's gross margin declined to 7% from 8.4% in 1Q22 and 8.1% in 2Q21, lower our expectation due to higher construction material and energy cost.
- We maintain BUY on CK with a TP of THB26, buoyed by CK is a value stock with strong fundamentals and a solid investment portfolio, including concessions, which gives CK a chance to secure contracts from its subsidiaries, especially, there are potential upside from Orange line bidding with low competition, which we think BEM/CK has a high potential to win the bid, in our view. Moreover, we think CK's earnings outlook continue to strong in 3Q22.

### Exhibit 55: CK – summary of 2Q22/1H22 operation

Year to Dec 31	2Q21	1Q22	2Q22	----- Change -----		2Q22	----- 1H22E -----			2022E	Change
	(THB m)	(THB m)	(THB m)	(q-q %)	(y-y %)	(%22E)	(THB m)	(y-y%)	(%22E)	(THB m)	(y-y %)
Construction revenue	3,190	7,039	3,474	(51)	9	23	10,514	72	70	14,954	23
Gross profit*	259	590	244	(59)	(6)	18	835	66	62	1,346	40
Operating costs	497	469	496	6	(0)	33	965	(0)	65	1,495	(22)
Operating profit	(238)	122	(252)	(307)	6	168	(130)	(72)	87	(150)	84
Operating EBITDA	(63)	297	(79)	(127)	(24)	(14)	218	(273)	39	555	316
Other income	477	244	452	85	(5)	29	696	(1)	44	1,569	11
Interest expense	(357)	(330)	(363)	10	2	22	(694)	1	43	(1,623)	17
Profit before tax**	(119)	35	(163)	(567)	38	80	(128)	(72)	63	(203)	78
Tax	9	4	5	23	(41)	n/a	10	(44)	n/a	0	nm
Associates	306	84	468	459	53	37	552	18	44	1,251	15
Minority interests	(4)	7	(0)	(101)	98	0	7	1	nm	(34)	23
Non recurring items	143	0	0	nm	(100)	0	0	(100)	0	185	(77)
Reported net profit	318	121	300	147	(6)	25	421	(20)	35	1,199	32
Recurring net profit	175	121	300	147	71	30	421	(164,539)	42	1,014	915
EPS (THB)	0.19	0.07	0.18	147	(6)	25	0.25	(20)	35	0.71	32
Recurring EPS (THB)	0.10	0.07	0.18	147	71	30	0.25	(164,539)	42	0.60	915
<b>Key Ratios (%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(ppt)</b>	<b>(ppt)</b>		<b>(%)</b>			<b>(%)</b>	<b>(ppt)</b>
Gross margin	8.1	8.4	7.0	(1.4)	(1.1)		7.9			9.0	1.1
Operating margin	(7.5)	1.7	(7.3)	(9.0)	0.2		(1.2)			(1.0)	6.8
EBITDA margin	(2.0)	4.2	(2.3)	(6.5)	(0.3)		2.1			3.7	5.8
Recurring net margin	(3.4)	0.6	(4.5)	(5.1)	(1.1)		(1.1)			(1.4)	5.9
SG&A / Sales	15.6	6.7	14.3	7.6	(1.3)		9.2			10.0	(5.7)

Sources: CK; FSSIA estimates

## SAWAD (BUY; 2023 TP of THB62) - In line 2Q22 performance

- SAWAD reported a 2Q22 net profit of THB1,042m (-6% y-y, +1% q-q), which was in line with our expectation and the Bloomberg consensus forecast. We see mixed bags in its performance. There were three positives. First, SAWAD aggressively resumed its growth mode, with the strongest loan growth among auto title lenders at 14% q-q – especially for motorcycle hire purchase (MHP). Second, we see a slightly higher NIM q-q to 18.1% from 17.9% aid by a solid growth of high yield motorcycle HP. Lastly, different from peers, its non-performing loans (NPLs) fell by 4% q-q from a rise in car seizures. Its NPL ratio went down q-q to 2.8% and its coverage ratio slightly rose q-q to 61%. On negatives, its OPEX jumped substantially, resulting a surge in its cost to income ratio of 43.6% as the company increased its marketing campaign to boost its loan volume. Its 1H22 net profit accounted for 45% of our 2022 forecast.

### 2Q22 key highlights

- SAWAD's total loan volume rose strongly by 25% y-y and 14% q-q. MHP lending was the key driver. Car and land title loans also increased moderately.
- OPEX rose by 41% y-y and 13% q-q, resulting in a high cost to income ratio of 43.6%. SAWAD increased its marketing campaign and expanded its branch to 5,043 from 4,950 in 1Q22.
- Amid the rising NPL trend among auto title lenders, SAWAD's NPLs moderately dropped 4% q-q, implying an NPL ratio of 2.83% in 2Q22 from 3.4% in 1Q22.
- Fast Money (JV between SAWAD and the Government Savings Bank) should contribute a green bottom line of THB15m from a loss of THB6m in 1Q22 from lower marketing costs.

- We think SAWAD's net profit in 2H22 will increase y-y and h-h, driven by strong loan growth. We expect the company to continue to expand its loan volume aggressively in 2H22. We think SAWAD will gain more market share in motorcycle title loans. On top of that, its NIM might inch up slightly from the increase of MHP.

### Exhibit 56: SAWAD – 2Q22 results review

Year-end Dec 31	2Q21	1Q22	2Q22	---- Change ----		----- 1H22 -----			2022E	Change	Comments
	(THB m)	(THB m)	(THB m)	(y-y%)	(q-q%)	(THB m)	(y-y %)	%22E	(THB m)	(y-y %)	
Net interest income	1,415	1,560	1,734	23	11	3,294	6	48	6,804	12	
Non-interest income	831	794	830	(0)	4	1,623	7	50	3,273	2	
<b>Operating income</b>	<b>2,246</b>	<b>2,354</b>	<b>2,564</b>	<b>14</b>	<b>9</b>	<b>4,917</b>	<b>7</b>	<b>49</b>	<b>10,076</b>	<b>9</b>	
Operating expenses	793	991	1,118	41	13	2,108	23	53	3,960	14	
<b>PPOP before tax</b>	<b>1,453</b>	<b>1,363</b>	<b>1,446</b>	<b>(0)</b>	<b>6</b>	<b>2,809</b>	<b>(3)</b>	<b>46</b>	<b>6,116</b>	<b>6</b>	
Provision	(48)	20	31	n.a.	55	51	(123)	15	338	n.a.	
Income tax	315	219	291	(8)	33	511	(26)	47	1,098	(19)	
Minority interest	84	82	97	15	18	179			112	(65)	
<b>Normalised profit</b>	<b>1,106</b>	<b>1,036</b>	<b>1,042</b>	<b>(6)</b>	<b>1</b>	<b>2,078</b>	<b>(9)</b>	<b>45</b>	<b>4,580</b>	<b>1</b>	
Extraordinary items	0	0	0			0			0		
<b>Net profit</b>	<b>1,106</b>	<b>1,036</b>	<b>1,042</b>	<b>(6)</b>	<b>1</b>	<b>2,078</b>	<b>(16)</b>	<b>45</b>	<b>4,580</b>	<b>(3)</b>	In-line with the BBG
EPS (THB)	0.81	0.75	0.76	(6)	1	1.51	(16)	45	3.37	(3)	
<b>Asset quality ratio</b>											
Gross NPLs (THB m)	1,532	1,207	1,155	(25)	(4)				1,473	18	
NPL ratios (%)	4.70	3.37	2.83						3.56		
LLR/NPLs (%)	69	58	61						64		
Credit cost (bp)	(59)	23	32						90		
<b>Profitability ratio</b>											
Cost to income ratio	35.3	42.1	43.6						39.3		
Average yield	20.1	19.9	20.0						20.1		
Cost of funds	3.5	3.5	3.1						3.6		
Net interest margin (NIM)	17.5	17.9	18.1						18.1		
Non-int inc/total income	37.0	33.7	32.4						38.5		
<b>Loan growth</b>											
y-y	(15.4)	12.1	25.1						23.0		
q-q	1.8	6.5	13.6								

Source: SAWAD; FSSIA estimates

## DITTO (REDUCE; 2022 TP of THB34) - Strong 2Q22 performance from solid revenue and margin

DITTO posted a strong 2Q22 core profit of THB58m (+52% y-y, -9% q-q), driven by strong revenue growth – especially in its technology and engineering services (TES) – and a higher profitability margin. Its 2Q22 net profit was at THB63m (+64% y-y, +7% q-q), which was higher than its core profit due to a special gain on an investment and hedging of THB5m (net of tax). Its 1H22 core profit accounts for 50% of our 2022 net profit forecast.

### 2Q22 highlights

- DITTO's 2Q22 revenue increased by 33% y-y and 6% q-q due mainly to a significant rise in its TES revenue following a revenue realisation from its backlog, including planetariums, museums, and SCADA. On top of that, the document and data management solutions (DDM) revenue rose due to a cybersecurity project and the selling of intelligent office systems to support the operations of government agencies under the Draft Act on Electronic Performance of Administrative Functions. Its document service and other solutions (DS) revenue declined on the lower demand for photocopiers. This is in line with the company's business plan to shift its focus to the DDM business.
- Its recurring net margin was at 17.1% - improving 210 bps y-y thanks to higher operating leverage, but declining 290 bps due to the recruitment of new sales personnel to support DDM unit.

### Exhibit 57: DITTO – 2Q22 earnings review

Year to Dec 31	2Q21	1Q21	2Q21	----- Change -----		1H21	2020	2021E	Change
	(THB m)	(THB m)	(THB m)	(y-y%)	(q-q%)	%21E	(THB m)	(THB m)	(y-y%)
Sales	256	320	340	33	6	46	1,091	1,432	31
Gross profit	78	109	106	35	(3)	47	323	455	41
Operating costs	32	29	32	(0)	9	(40)	(121)	(155)	28
<b>Operating profit</b>	<b>46</b>	<b>79</b>	<b>74</b>	<b>60</b>	<b>(7)</b>	<b>51</b>	<b>201</b>	<b>300</b>	<b>49</b>
Operating EBITDA	60	92	86	43	(7)	50	258	353	37
Other income	0	1	(0)	n/a	n/a	37	3	3	(8)
Other expense	0	0	0	n/a	n/a	n/a	0	0	
Interest expense	2	1	1	(64)	(1)	(34)	(6)	(4)	(31)
Profit before tax	44	80	73	65	(9)	51	198	299	51
Tax	6	16	15	156	(8)	(54)	(36)	(56)	56
Non-recurring items	0	(5)	5	n/a	189	n/a	38	0	n/a
<b>Reported net profit</b>	<b>38</b>	<b>59</b>	<b>63</b>	<b>64</b>	<b>7</b>	<b>50</b>	<b>201</b>	<b>242</b>	<b>21</b>
<b>Recurring net profit</b>	<b>38</b>	<b>64</b>	<b>58</b>	<b>52</b>	<b>(9)</b>	<b>50</b>	<b>162</b>	<b>242</b>	<b>49</b>
<b>Key Ratios (%)</b>									
Gross margin	30.5	34.1	31.1				29.6	31.8	
Operating margin	17.9	24.9	21.7				18.5	21.0	
Recurring net margin	15.0	20.0	17.1				14.9	16.9	
SG&A / Sales	12.5	9.2	9.4				11.1	10.8	
Effective tax rate	13.1	20.0	20.2				18.3	18.9	
Interest coverage (EBITDA) (x)	31.3	132.6	125.1				43.4	86.1	

Sources: DITTO; FSSIA estimates



## Key takeaways from Analyst Meeting

### Asia Aviation (AAV TB, BUY, THB3.4 TP) - Key takeaways from 2Q22 analyst meeting

Overall meeting tone is positive

- Management expect 3Q22 operation should continue to improve. Number of operating aircrafts should increase from 25 in 2Q22 to 33 in 3Q22 (from total 59 aircrafts) with capacity of 50% of pre Covid level in 3Q22 (vs 33% in 1Q22). They also expect international traffic to reach 30% of pre-Covid level in 3Q22 and 50% in 4Q22.
- Ticket fares should continue to improve from THB1,317 in 2Q22 with possibility to exceed pre-Covid level of cTHB1,500 led by strong recovery of international flights which AAV can charge fuel surcharge. Managements also mentioned that CAAT may soon approve airlines to charge fuel surcharge for domestic routes. This would lead to c20% increase of overall ticket fares for domestic route.
- AAV has a stained balance sheet with cash on hand of THB1.3b as of 2Q22, while the cash burn rate was THB300-500m per month in 2Q22. However, AAV expect cash burn to reduce in 2H22 from improving operation.

### Praram 9 Hospital (PR9 TB, BUY, TP THB18.0) - key takeaways from 2Q22 meeting

Overall tone is positive

- Management revised 2022E revenue target from THB3.5b to THB3.9b (implying 31% growth), higher than our estimate of THB3.8b. They also suggest revenue growth momentum in 2H22 as revenue in July has a potential to hit a new high in term of monthly basis (from current record high in Dec-21).
- One key catalyst would be international patient revenue which already exceeded pre-Covid level by 19% in 2Q22. Fly-in patients has gradually recover to 50% of total international patient revenue led by Myanmar, Cambodia and Laos. Meanwhile, revenue from expat especially Chinese remained strong. PR9 expect momentum to continue in 2H22 and 2023 when PR9 plan to open International Center to offer one-stop service for patients.
- Management expect minimum wage hike to have limited impact to employee expenses as they have gradually adjusted salary for the staffs.

### Economic news

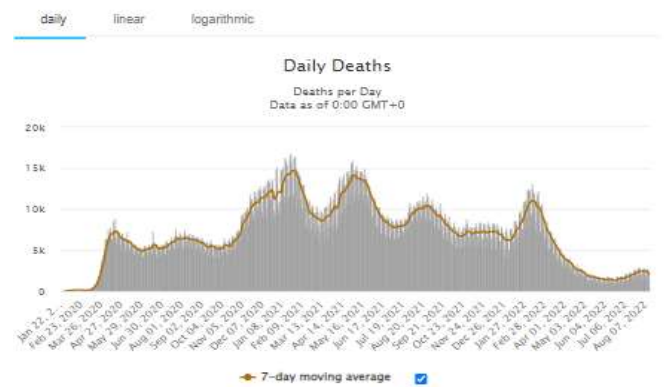
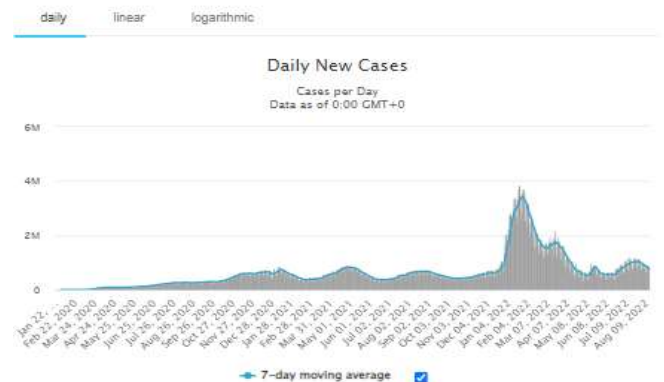
- COVID-19 cases as of 15 Aug globally reaches 595,549,387 with new 418,484 cases and 1,038 new deaths. There are 19,960,978 currently infected patients, with 45,671 (0.2%) cases in serious condition.

Exhibit 58: Top 25 countries by new cases

Country	Total Cases	New Cases	Total Deaths	New Deaths
<b>World</b>	<b>595,549,387</b>	<b>418,484</b>	<b>6,455,645</b>	<b>1,038</b>
1 Japan	15,615,251	169,972	35,156	155
2 S. Korea	21,418,036	62,078	25,673	50
3 Russia	18,907,231	25,273	383,178	53
4 USA	94,736,872	19,913	1,062,493	72
5 Taiwan	4,904,622	15,792	9,457	22
6 Australia	9,810,496	14,543	12,886	27
7 Italy	21,509,424	9,893	174,102	42
8 Chile	4,387,731	7,583	60,023	34
9 Iran	7,482,521	7,348	143,015	71
10 India	44,275,687	7,306	527,069	
11 Brazil	34,178,240	6,596	681,705	155
12 Serbia	2,212,702	5,896	16,463	14
13 Hong Kong	1,421,918	4,896	9,569	4
14 France	34,234,005	4,564	153,129	65
15 Mongolia	970,534	4,111	2,179	
16 Indonesia	6,286,362	3,588	157,247	21
17 New Zealand	1,691,261	3,556	2,509	12
18 Philippines	3,835,422	3,484	61,078	42
19 Austria	4,828,503	3,008	19,277	3
20 Denmark	3,079,575	2,933	6,816	24
21 Singapore	1,796,734	2,665	1,560	1
22 Latvia	883,631	2,611	5,909	
23 Malaysia	4,737,984	2,437	36,093	8
24 Romania	3,159,626	2,254	66,357	9
25 Guadeloupe	188,616	2,236	975	4
30 Thailand	4,622,088	1,663	31,861	30

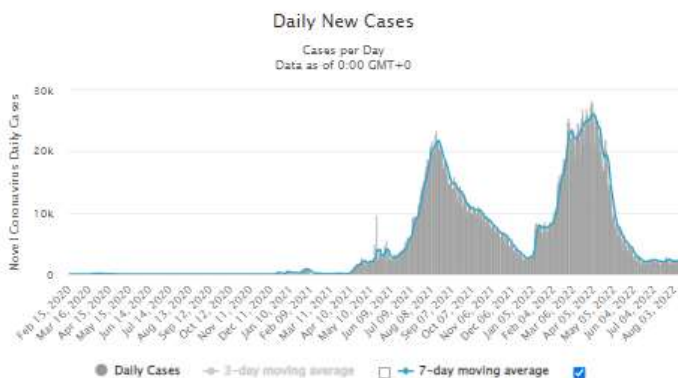
Source: worldometers.info

Exhibit 59: Global by new cases and deaths

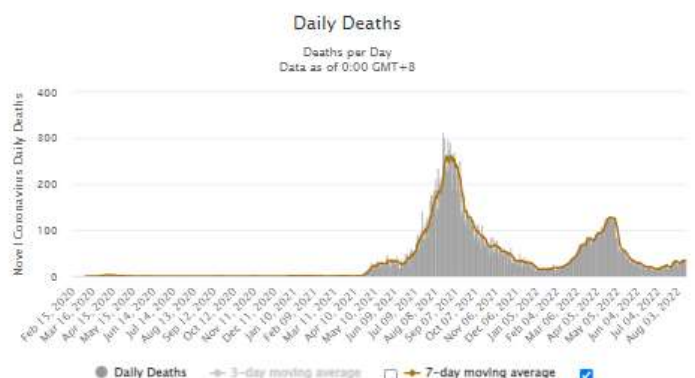


Source: worldometers.info

Daily New Cases in Thailand



Daily New Deaths in Thailand



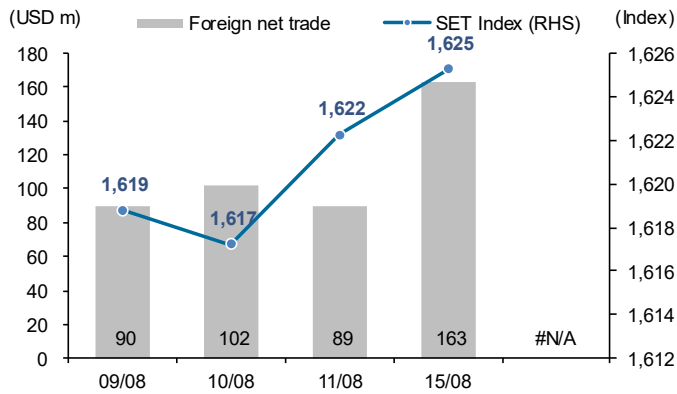
- Govt to regulate booming auto leasing sector** BANGKOK POST : The government plans to regulate the fast-growing business of hire purchase and leasing of cars and motorcycles to maintain financial stability and protect consumers, the central bank said on Monday.
- Record-high electricity price rise approved** BANGKOK POST : The cost of household electricity to rise 18% from Sept 1, to a record-high 4.72 baht per kilowatt hour.
- Baht's rebound driven by tourism, but volatility remains** BANGKOK POST : The baht rebounded so rapidly in the past few weeks on optimism about the country's tourism-led growth that it's already hit year-end analyst targets.
- China cuts rates as economic recovery weaker than expected** BANGKOK POST : BEIJING: China's central bank slashed key interest rates Monday in a bid to kick-start the country's stuttering economic recovery as data showed factory output and retail sales for July came in weaker than analysts' expectations.

- **GDP notches fastest growth in a year on eased pandemic curbs** BANGKOK POST : Thailand's economy expanded at the fastest pace in a year in the second quarter as eased Covid-19 restrictions boosted activity and tourism, but multi-year high inflation and China's slowdown remain a drag on the nascent recovery.
- **Yield curve of state 10-year bonds rises** BANGKOK POST : The yield curve of government bonds had already risen even before the Bank of Thailand's policy rate hike, which also reflected the policy rate hikes of the US Federal Reserve, according to the Public Debt Management Office (PDMO).
- **Making more than ends meet** BANGKOK POST : Businesses brace for the impact of the increase in the minimum daily wage, now expected in October.
- **EEC schemes to get govt hurry-up** BANGKOK POST : Prime Minister Prayut Chan-o-cha will today chair a meeting of the Eastern Economic Corridor (EEC) Policy Committee to follow up on progress in investment projects.

## Corporate news

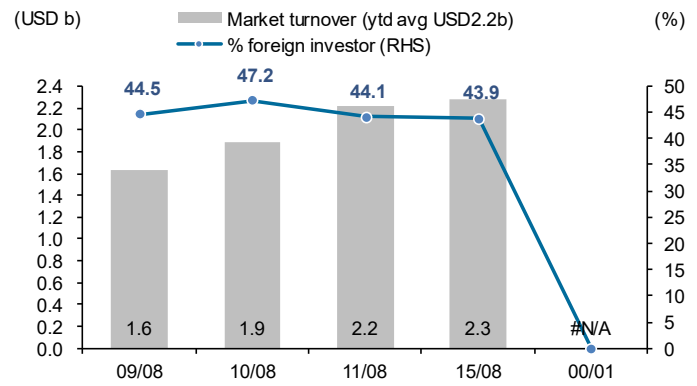
- **Investors In crypto exchange Zipmex seek CEO Lim's resignation** BANGKOK POST : Some shareholders and potential investors in Asian crypto exchange Zipmex Pte are urging Chief Executive Officer Marcus Lim to step down over management decisions they argue led to a severe cash crunch, people familiar with the matter said.
- **THAI narrows operating loss in Q2** BANGKOK POST : Bankrupt national carrier Thai Airways International improved its performance in the second quarter this year with revenue of 21.5 billion baht, up 282% on last year.

Exhibit 60: Foreign fund flow and SET Index



Source: Bloomberg

Exhibit 61: Foreign participation



Source: Bloomberg

Exhibit 62: Index performance

	SET Index		Index performance (% change)									
	Index	(%chg)	Energy	Bank	Comu	Commerce	Food	Property	Construct	Transport	Petrochem	
<b>% of SET Index</b>			22%	9%	9%	10%	6%	6%	4%	8%	3%	
Current	1,625.25	0.2	(0.0)	0.9	0.8	0.2	(0.1)	0.3	(0.5)	(0.0)	1.7	
-5D	1,601.09	1.5	3.0	2.3	0.4	0.6	2.0	2.2	(0.2)	0.4	2.3	
-1M	1,533.37	6.0	5.6	8.6	2.0	3.1	1.4	8.0	0.5	3.6	3.3	
-3M	1,584.38	2.6	4.4	3.8	(12.3)	(3.5)	3.1	5.8	2.4	5.0	(0.6)	
-6M	1,701.45	(4.5)	(2.0)	(17.5)	(13.1)	(8.6)	(0.5)	(1.7)	(6.9)	6.4	(14.5)	
-1Y	1,531.24	6.1	11.6	16.1	17.7	0.2	(3.3)	17.8	(10.5)	12.6	(7.8)	
WTD	1,622.26	0.2	(0.0)	0.9	0.8	0.2	(0.1)	0.3	(0.5)	(0.0)	1.7	
MTD	1,576.41	3.1	3.4	3.3	2.9	1.3	2.7	4.1	(0.6)	2.6	2.3	
QTD	1,568.33	3.6	4.6	2.0	1.9	2.1	(0.7)	5.1	(1.3)	1.2	(2.5)	
End of 2021	1,657.62	(2.0)	1.4	(9.3)	(8.3)	(4.8)	(1.3)	2.6	(6.6)	8.6	(9.1)	

Source: Bloomberg

Exhibit 63: Trade by investor types

	SET Index		Exchange rate (USD:THB)	SET Index		Equity trading / Net position				Bond Net foreign (USD m)
	Index	Change (y-y%)		Average daily turnover (THB m)	Average daily turnover (USD m)	Foreign (USD m)	Retail (USD m)	PropTrade (USD m)	Local Inst (USD m)	
2018	1,563.88	(10.8)	32.32	56,370	1,744	(8,913)	3,571	(478)	5,799	8,855
2019	1,579.84	1.0	31.06	52,468	1,689	(1,496)	(662)	477	1,681	(502)
2020	1,449.35	(8.3)	31.29	67,335	2,152	(8,287)	6,873	459	953	(1,005)
2021	1,657.62	14.4	32.00	88,443	2,764	(1,632)	3,630	435	(2,330)	6,550
<b>2022YTD</b>	<b>1,625.25</b>	<b>(2.0)</b>	<b>34.18</b>	<b>76,658</b>	<b>2,243</b>	<b>4,254</b>	<b>(1,002)</b>	<b>(15)</b>	<b>(3,236)</b>	<b>3,620</b>
1Q21	1,587.21	41.0	30.26	93,653	3,095	(987)	1,622	129	(764)	128
2Q21	1,587.79	18.6	31.36	94,016	2,998	(1,482)	1,973	85	(574)	2,442
3Q21	1,605.68	29.8	32.92	86,406	2,625	(8)	(178)	189	97	632
4Q21	1,657.62	14.4	33.38	79,917	2,394	845	213	32	(1,089)	3,348
1Q22	1,695.24	6.8	33.04	89,343	2,704	3,369	(902)	32	(2,495)	2,613
2Q22	1,568.33	(1.2)	34.40	70,765	2,057	72	126	10	(212)	663
3Q22	1,625.25	1.2	36.05	62,101	1,722	813	(225)	(57)	(528)	344
Jan-22	1,648.81	12.4	33.22	87,540	2,635	432	221	104	(756)	2,434
Feb-22	1,685.18	12.6	32.65	91,300	2,796	1,931	(863)	142	(1,208)	2,201
Mar-22	1,695.24	6.8	33.26	89,189	2,682	1,006	(260)	(215)	(531)	(2,023)
Apr-22	1,667.44	5.3	33.83	71,959	2,127	321	109	(40)	(391)	227
May-22	1,663.41	4.4	34.39	73,281	2,131	592	(771)	50	128	876
Jun-22	1,568.33	(1.2)	34.97	67,056	1,917	(841)	789	1	50	(440)
Jul-22	1,576.41	3.6	36.37	58,263	1,602	128	156	(12)	(271)	(96)
Aug-22	1,625.25	(0.8)	35.74	65,938	1,845	685	(381)	(45)	(257)	441
<b>2022YTD</b>	<b>1,625.25</b>	<b>(2.0)</b>	<b>34.18</b>	<b>76,658</b>	<b>2,243</b>	<b>4,254</b>	<b>(1,002)</b>	<b>(15)</b>	<b>(3,236)</b>	<b>3,620</b>
8/8/2022	1,608.87		35.76	63,266	1,769	125	(49)	(13)	(63)	56
8/9/2022	1,618.80		35.37	57,674	1,630	90	(67)	(1)	(22)	137
8/10/2022	1,617.21		35.57	67,116	1,887	102	(51)	4	(54)	14
8/11/2022	1,622.26		35.19	78,266	2,224	89	(70)	(45)	26	47
8/15/2022	1,625.25		35.50	72,518	2,043	163	(92)	(30)	(41)	170

Source: Bloomberg

## Exhibit 64: Upcoming events

Date Time	Event		Survey	Actual	Prior
08/15/2022 09:30	GDP YoY	2Q	3.10%	2.50%	2.20%
08/15/2022 09:30	GDP SA QoQ	2Q	0.90%	0.70%	1.10%
08/18/2022 08:24	Car Sales	Jul	--	--	67952
08/19/2022 14:30	Forward Contracts	12-Aug	--	--	\$27.5b
08/19/2022 14:30	Foreign Reserves	12-Aug	--	--	\$219.9b
08/24/2022 10:30	Customs Exports YoY	Jul	--	--	11.90%
08/24/2022 10:30	Customs Imports YoY	Jul	--	--	24.50%
08/24/2022 10:30	Customs Trade Balance	Jul	--	--	-\$1529m
08/26/2022 08:30	Mfg Production Index ISIC NSA YoY	Jul	--	--	-0.08%
08/26/2022 08:30	Capacity Utilization ISIC	Jul	--	--	62.41
08/31/2022 14:00	BoP Current Account Balance	Jul	--	--	-\$1873m
08/31/2022 14:30	Exports YoY	Jul	--	--	11.10%
08/31/2022 14:30	Exports	Jul	--	--	\$26234m
08/31/2022 14:30	Imports YoY	Jul	--	--	24.30%
08/31/2022 14:30	Imports	Jul	--	--	\$24175m
08/31/2022 14:30	Trade Balance	Jul	--	--	\$2059m
08/31/2022 14:30	BoP Overall Balance	Jul	--	--	-\$3308m
09/01/2022 07:30	S&P Global Thailand PMI Mfg	Aug	--	--	52.4
09/01/2022 14:30	Business Sentiment Index	Aug	--	--	49.4
09/05/2022 10:30	CPI YoY	Aug	--	--	7.61%
09/05/2022 10:30	CPI NSA MoM	Aug	--	--	-0.16%
09/05/2022 10:30	CPI Core YoY	Aug	--	--	2.99%
09/08/2022 09:12	Consumer Confidence Economic	Aug	--	--	36.4
09/08/2022 09:12	Consumer Confidence	Aug	--	--	42.4

Source: Bloomberg

## Exhibit 65: Management trading

Company	Management	Securities	Transaction	Shares	Price (THB)	Action	Value (THBm)
Sappe (SAPPE)	Worapong Kietdumrongwong	Common Shares	11/8/2022	20,000	36.00	Buy	0.72
Siamese Asset (SA)	Suphon Chongchintaraksa	Warrant	15/08/2022	5,700	0.47	Sell	0.00
Siamese Asset (SA)	Suphon Chongchintaraksa	Warrant	15/08/2022	21,100	0.47	Sell	0.01
Thanapiriya (TNP)	Douangjai Yuin	Common Shares	11/8/2022	5,000	4.00	Sell	0.02
Thanapiriya (TNP)	Douangjai Yuin	Common Shares	11/8/2022	10,000	4.04	Sell	0.04
BG Container Glass (BGC)	Adisak Sukprasert	Common Shares	15/08/2022	5,000	10.30	Buy	0.05
Micro Leasing (MICRO)	Keittipong Toemkunanon	Common Shares	10/8/2022	44,000	5.10	Sell	0.22
Micro Leasing (MICRO)	Keittipong Toemkunanon	Common Shares	10/8/2022	60,000	5.05	Sell	0.30
Micro Leasing (MICRO)	Keittipong Toemkunanon	Common Shares	10/8/2022	99,000	5.05	Sell	0.50
Micro Leasing (MICRO)	Keittipong Toemkunanon	Common Shares	10/8/2022	45,000	5.05	Sell	0.23
Micro Leasing (MICRO)	Keittipong Toemkunanon	Common Shares	10/8/2022	40,000	5.05	Sell	0.20
Micro Leasing (MICRO)	Keittipong Toemkunanon	Common Shares	10/8/2022	35,000	5.05	Sell	0.18
Micro Leasing (MICRO)	Keittipong Toemkunanon	Common Shares	10/8/2022	40,000	5.05	Sell	0.20
Micro Leasing (MICRO)	Keittipong Toemkunanon	Common Shares	10/8/2022	44,000	5.05	Sell	0.22
Micro Leasing (MICRO)	Keittipong Toemkunanon	Common Shares	10/8/2022	49,000	5.05	Sell	0.25
Micro Leasing (MICRO)	Keittipong Toemkunanon	Common Shares	10/8/2022	45,000	5.05	Sell	0.23
Micro Leasing (MICRO)	Keittipong Toemkunanon	Common Shares	10/8/2022	200,000	5.00	Sell	1.00
Micro Leasing (MICRO)	Keittipong Toemkunanon	Common Shares	10/8/2022	55,000	4.98	Sell	0.27
Micro Leasing (MICRO)	Keittipong Toemkunanon	Common Shares	10/8/2022	49,000	4.96	Sell	0.24
Micro Leasing (MICRO)	Keittipong Toemkunanon	Common Shares	10/8/2022	160,000	4.96	Sell	0.79
Micro Leasing (MICRO)	Keittipong Toemkunanon	Common Shares	10/8/2022	29,700	4.96	Sell	0.15
Micro Leasing (MICRO)	Keittipong Toemkunanon	Common Shares	10/8/2022	10,000	4.96	Sell	0.05
Micro Leasing (MICRO)	Keittipong Toemkunanon	Common Shares	10/8/2022	59,300	4.96	Sell	0.29
Micro Leasing (MICRO)	Keittipong Toemkunanon	Common Shares	10/8/2022	100,000	4.96	Sell	0.50
Micro Leasing (MICRO)	Keittipong Toemkunanon	Common Shares	10/8/2022	80,000	4.96	Sell	0.40
Micro Leasing (MICRO)	Keittipong Toemkunanon	Common Shares	10/8/2022	43,500	4.96	Sell	0.22
Micro Leasing (MICRO)	Keittipong Toemkunanon	Common Shares	10/8/2022	100,000	4.96	Sell	0.50
Micro Leasing (MICRO)	Keittipong Toemkunanon	Common Shares	10/8/2022	93,000	4.96	Sell	0.46
Micro Leasing (MICRO)	Keittipong Toemkunanon	Common Shares	10/8/2022	77,000	4.96	Sell	0.38
Index Living Mall (ILM)	Kridchanok Patamasatayasonthi	Common Shares	11/8/2022	50,000	18.30	Buy	0.92

Source: SEC

## Exhibit 66: Upcoming XM

Symbol	X-Date	Meeting Date	Type of Meeting	Agenda	Venue
JASIF	8/18/2022	9/23/2022	EGM	To consider and approve the waiver and/or amendment to certain provisions of the Benefits Seeking Agreements, termination the relevant Benefits Seeking Agreements	EGM
WAVE	8/18/2022	9/13/2022	EGM	Capital increase,The issuance of convertible securities	EGM
CIG	8/19/2022	9/16/2022	EGM	Capital increase,Acquisition and disposition of assets,The issuance of convertible securities,The issuance of debentures	EGM
KASET	8/22/2022	9/22/2022	EGM	The issuance of debentures	EGM
PPP	8/23/2022	10/4/2022	EGM	Amendment of the Company's Objectives and Amendment of the Company's Memorandum of Association Clause 3.	EGM
SA	8/23/2022	9/23/2022	EGM	The issuance of convertible securities,To consider and approve the amendment of the allocation of newly issued ordinary shares and to consider and approve the determination of the remuneration of the Vice Chairman of the Board of Directors.	EGM
JMART	8/24/2022	9/29/2022	EGM	The issuance of debentures,To acknowledged the payment of the interim dividend from the operating results for the six-month period ended 30 June 2022.	EGM
JMT	8/24/2022	9/29/2022	EGM	The issuance of debentures,To acknowledged the payment of the interim dividend from the operating results for the six-month period ended 30 June 2022.	EGM
MONO	8/24/2022	9/27/2022	EGM	Capital increase	EGM
GLORY	8/25/2022	10/19/2022	EGM	Capital increase,The issuance of convertible securities	EGM
THANA	8/25/2022	9/23/2022	EGM	Capital increase	EGM
STARK	8/29/2022	9/23/2022	EGM	Capital increase, Acquisition and disposition of assets	EGM
TPS	9/8/2022	9/30/2022	EGM	Capital increase,The issuance of convertible securities,The amendment of the Company's Memorandum of Association, Clause 4 regarding the registered capital	EGM
ABM	9/22/2022	10/26/2022	EGM	Capital increase,The issuance of convertible securities	EGM

Source: SET

## Exhibit 67: Upcoming XR

Symb ol	X-Date	Announce Date	Rights for	Subscription Price	Unit	Subscription Ratio (Holding:New)	Subscription Period	Allotted Shares (Shares)
BR	8/18/2022	7/5/2022	Warrants	-	Baht	2 : 1	-	456,723,279
JP	8/23/2022	6/28/2022	Warrants	-	Baht	2 : 1	-	227,500,000
MBAX	8/24/2022	6/29/2022	Warrants	-	Baht	3 : 1	-	63,965,047
ASW	8/25/2022	2/25/2022	Warrants	-	Baht	1 : 300	-	96,000,000
SABU Y	9/1/2022	6/24/2022	Warrants	-	Baht	5 : 2	-	616,428,376
WAVE	9/20/2022	8/8/2022	Common	0.1	Baht	-	07/10/2022 - 17/10/2022	7,852,617,010
WAVE	9/20/2022	8/8/2022	Warrants	-	Baht	3 : 1	-	2,617,539,003
ABM	9/22/2022	8/10/2022	Common	1.8	Baht	3 : 1	21/11/2022 - 28/11/2022	100,000,000
ABM	9/22/2022	8/10/2022	Warrants	-	Baht	2 : 1	-	50,000,000
CIG	9/22/2022	8/8/2022	Common	0.5	Baht	1 : 2	10/10/2022 - 21/10/2022	1,729,577,364
TPS	10/7/2022	8/10/2022	Warrants	-	Baht	4 : 1	-	83,999,968
GLOR Y	10/28/2022	8/11/2022	Warrants	-	Baht	2 : 1	-	135,000,000

Source: SET

## Exhibit 68: New securities

Derivative Warrants	Trade Date	Underlying	Issuer	DW Type	Market	Maturity Date	Exercise Price (Baht)
ADVANC13C2212A	16/08/2022	ADVANC	KGI	Call	SET	15/12/2022	255
BAM24C2301A	16/08/2022	BAM	FSS	Call	SET	12/1/2023	21.9
BANPU16C2212A	16/08/2022	BANPU	TNS	Call	SET	6/1/2023	18.5
BEC24C2301A	16/08/2022	BEC	FSS	Call	SET	12/1/2023	15.9
BGRIM16C2212A	16/08/2022	BGRIM	TNS	Call	SET	6/1/2023	50.75
COM713C2212A	16/08/2022	COM7	KGI	Call	SET	15/12/2022	43
DJI41C2212B	16/08/2022	DJI	JPM	Call	SET	22/12/2022	37,000.00
EPG19C2301A	16/08/2022	EPG	YUANTA	Call	SET	10/1/2023	12.54
ESSO13C2212B	16/08/2022	ESSO	KGI	Call	SET	15/12/2022	14.5
KBANK13P2212A	16/08/2022	KBANK	KGI	Put	SET	15/12/2022	106
NDX41C2212A	16/08/2022	NDX	JPM	Call	SET	22/12/2022	15,000.00
NDX41P2212A	16/08/2022	NDX	JPM	Put	SET	22/12/2022	11,800.00
PSL19C2301A	16/08/2022	PSL	YUANTA	Call	SET	10/1/2023	22.13
PTTEP16C2212A	16/08/2022	PTTEP	TNS	Call	SET	6/1/2023	210
SCGP13C2301A	16/08/2022	SCGP	KGI	Call	SET	11/1/2023	74
SCGP16C2212A	16/08/2022	SCGP	TNS	Call	SET	6/1/2023	74.5
SET5016C2212A	16/08/2022	SET50	TNS	Call	SET	5/1/2023	1,100.00
SET5016P2212A	16/08/2022	SET50	TNS	Put	SET	5/1/2023	850
SINGER16C2212A	16/08/2022	SINGER	TNS	Call	SET	6/1/2023	70.5
SPX41C2212B	16/08/2022	SPX	JPM	Call	SET	22/12/2022	4,700.00
STARK19C2301A	16/08/2022	STARK	YUANTA	Call	SET	10/1/2023	5.74
SUPER13C2301A	16/08/2022	SUPER	KGI	Call	SET	11/1/2023	1.06

Source: SET

## Exhibit 69: Upcoming XD (1/3)

Symbol	X-Date	Dividend (per Share)	Unit	Operation Period	Source of Dividend	Payment Date	Price Before X-Date	Par
CPNCG	8/16/2022	0.235	Baht	01/04/2022 - 30/06/2022	NP	9/5/2022	11.9	10.3
DIF	8/16/2022	0.26	Baht	01/04/2022 - 30/06/2022	NP	9/5/2022	13.9	10
FTREIT	8/16/2022	0.175	Baht	01/04/2022 - 30/06/2022	NP	9/1/2022	11	9.5363
POPF	8/16/2022	0.2544	Baht	01/04/2022 - 30/06/2022	Both	9/5/2022	11.6	10
PPF	8/16/2022	0.17	Baht	01/04/2022 - 30/06/2022	NP	9/5/2022	11.4	10
SIRIP	8/16/2022	0.05	Baht	01/04/2022 - 30/06/2022	NP	9/5/2022	8.5	10
TFM	8/16/2022	0.05	Baht	01/01/2022 - 30/06/2022	NP	8/31/2022	11.1	2
CPNREIT	8/17/2022	0.28	Baht	01/04/2022 - 30/06/2022	NP	9/2/2022	-	12.0402
TPRIME	8/17/2022	0.113	Baht	01/04/2022 - 30/06/2022	NP	9/6/2022	-	8.7305
LPN	8/17/2022	0.1	Baht	01/01/2022 - 30/06/2022	NP	9/1/2022	-	1
WHABT	8/18/2022	0.16	Baht	01/04/2022 - 30/06/2022	NP	9/2/2022	-	9.5187
WHAIR	8/18/2022	0.1556	Baht	01/04/2022 - 30/06/2022	NP	9/19/2022	-	8.8572
WHART	8/18/2022	0.192	Baht	01/04/2022 - 30/06/2022	Both	9/2/2022	-	9.0241
BOL	8/18/2022	0.13	Baht	01/01/2022 - 30/06/2022	NP	9/2/2022	-	0.1
INSET	8/18/2022	0.04	Baht	01/01/2022 - 30/06/2022	NP	9/1/2022	-	0.5
RCL	8/18/2022	1.75	Baht	01/01/2022 - 30/06/2022	Both	9/2/2022	-	1
SNC	8/18/2022	0.65	Baht	01/01/2022 - 30/06/2022	Both	9/2/2022	-	1
JASIF	8/19/2022	0.23	Baht	01/04/2022 - 30/06/2022	Both	9/6/2022	-	9.8516
ADVANC	8/19/2022	3.45	Baht	01/01/2022 - 30/06/2022	NP	9/6/2022	-	1
ASIAN	8/19/2022	0.25	Baht	01/01/2022 - 30/06/2022	NP	9/7/2022	-	1
BSBM	8/19/2022	0.02	Baht	01/01/2022 - 30/06/2022	Both	9/7/2022	-	1
SNNP	8/19/2022	0.18	Baht	01/01/2022 - 30/06/2022	NP	9/6/2022	-	0.5
THREL	8/19/2022	0.08	Baht	01/01/2022 - 30/06/2022	NP	-	-	1
VNG	8/19/2022	0.1	Baht	01/01/2022 - 30/06/2022	NP	9/2/2022	-	1
ADD	8/22/2022	0.11	Baht	01/04/2022 - 30/06/2022	NP	9/9/2022	-	0.5
BGC	8/22/2022	0.1	Baht	01/04/2022 - 30/06/2022	NP	9/9/2022	-	5
DCC	8/22/2022	0.035	Baht	01/04/2022 - 30/06/2022	NP	9/6/2022	-	0.1
SPRIME	8/22/2022	0.1493	Baht	01/04/2022 - 30/06/2022	NP	9/5/2022	-	9.382
ILM	8/22/2022	0.2	Baht	01/01/2022 - 30/06/2022	NP	9/6/2022	-	5
KCE	8/22/2022	1	Baht	01/01/2022 - 30/06/2022	NP	9/9/2022	-	0.5
KIAT	8/22/2022	0.01	Baht	01/01/2022 - 30/06/2022	NP	9/2/2022	-	0.1
MAKRO	8/22/2022	0.18	Baht	01/01/2022 - 30/06/2022	NP	9/6/2022	-	0.5
PIMO	8/22/2022	0.02	Baht	01/01/2022 - 30/06/2022	NP	9/7/2022	-	0.25
RJH	8/22/2022	2	Baht	01/01/2022 - 30/06/2022	NP	9/7/2022	-	1
SCM	8/22/2022	0.15	Baht	01/01/2022 - 30/06/2022	NP	9/5/2022	-	0.5
SWC	8/22/2022	0.125	Baht	01/01/2022 - 30/06/2022	Both	9/8/2022	-	0.5
SYNEX	8/22/2022	0.18	Baht	01/01/2022 - 30/06/2022	NP	9/5/2022	-	1
TKS	8/22/2022	0.12	Baht	01/01/2022 - 30/06/2022	NP	9/7/2022	-	1
TNP	8/22/2022	0.035	Baht	01/01/2022 - 30/06/2022	NP	9/7/2022	-	0.25
TU	8/22/2022	0.4	Baht	01/01/2022 - 30/06/2022	NP	9/5/2022	-	0.25
VCOM	8/22/2022	0.12	Baht	01/01/2022 - 30/06/2022	NP	9/5/2022	-	0.5
BBGI	8/22/2022	0.05	Baht	-	RE	9/7/2022	-	2.5
GGC	8/22/2022	0.25	Baht	-	RE	9/6/2022	-	9.5
ALLY	8/23/2022	0.165	Baht	01/04/2022 - 30/06/2022	NP	9/14/2022	-	9.7996
B-WORK	8/23/2022	0.1771	Baht	01/04/2022 - 30/06/2022	NP	9/8/2022	-	9.8157
KTBSTMR	8/23/2022	0.1779	Baht	01/04/2022 - 30/06/2022	NP	9/8/2022	-	10
GPI	8/23/2022	0.05	Baht	01/01/2022 - 30/06/2022	NP	9/8/2022	-	0.5
LPH	8/23/2022	0.1	Baht	01/01/2022 - 30/06/2022	NP	9/9/2022	-	0.5
M	8/23/2022	0.5	Baht	01/01/2022 - 30/06/2022	NP	9/8/2022	-	1
NER	8/23/2022	0.07	Baht	01/01/2022 - 30/06/2022	NP	9/7/2022	-	0.5
PCSGH	8/23/2022	0.15	Baht	01/01/2022 - 30/06/2022	NP	9/6/2022	-	1
SMPC	8/23/2022	0.6	Baht	01/01/2022 - 30/06/2022	NP	9/9/2022	-	1

Source: SET



## Exhibit 70: Upcoming XD (2/3)

Symbol	X-Date	Dividend (per Share)	Unit	Operation Period	Source of Dividend	Payment Date	Price Before X-Date	Par
SO	8/23/2022	0.15	Baht	01/01/2022 - 30/06/2022	NP	9/9/2022	-	1
SPALI	8/23/2022	0.7	Baht	01/01/2022 - 30/06/2022	NP	9/7/2022	-	1
STA	8/23/2022	0.85	Baht	01/01/2022 - 30/06/2022	NP	9/8/2022	-	1
STA	8/23/2022	0.15	Baht	01/01/2022 - 30/06/2022	Both	9/8/2022	-	1
STGT	8/23/2022	0.5	Baht	01/01/2022 - 30/06/2022	NP	9/7/2022	-	0.5
TEAM	8/23/2022	0.05	Baht	01/01/2022 - 30/06/2022	NP	9/7/2022	-	1
TQR	8/23/2022	0.14	Baht	01/01/2022 - 30/06/2022	NP	9/9/2022	-	0.5
BLA	8/23/2022	0.32	Baht	-	RE	-	-	1
ONEE	8/23/2022	0.12	Baht	-	RE	9/9/2022	-	2
AIMCG	8/24/2022	0.09	Baht	01/04/2022 - 30/06/2022	NP	9/7/2022	-	9.83
AIMIRT	8/24/2022	0.2225	Baht	01/04/2022 - 30/06/2022	NP	9/7/2022	-	10
BKI	8/24/2022	3.5	Baht	01/04/2022 - 30/06/2022	NP	9/8/2022	-	10
BOFFICE	8/24/2022	0.174	Baht	01/04/2022 - 30/06/2022	Both	9/8/2022	-	8.9592
IMPACT	8/24/2022	0.1	Baht	01/04/2022 - 30/06/2022	NP	9/8/2022	-	10.6
AI	8/24/2022	0.25	Baht	01/01/2022 - 30/06/2022	NP	9/9/2022	-	1
ARROW	8/24/2022	0.1	Baht	01/01/2022 - 30/06/2022	NP	9/9/2022	-	1
AS	8/24/2022	0.3	Baht	01/01/2022 - 30/06/2022	NP	9/8/2022	-	0.5
ASP	8/24/2022	0.07	Baht	01/01/2022 - 30/06/2022	NP	9/9/2022	-	1
AUCT	8/24/2022	0.15	Baht	01/01/2022 - 30/06/2022	NP	9/9/2022	-	0.25
BIS	8/24/2022	0.06	Baht	01/01/2022 - 30/06/2022	NP	9/9/2022	-	0.5
BJC	8/24/2022	0.15	Baht	01/01/2022 - 30/06/2022	NP	9/8/2022	-	1
CCET	8/24/2022	0.02	Baht	01/01/2022 - 30/06/2022	NP	9/8/2022	-	1
CHG	8/24/2022	0.085	Baht	01/01/2022 - 30/06/2022	NP	9/9/2022	-	0.1
CSS	8/24/2022	0.04	Baht	01/01/2022 - 30/06/2022	NP	9/9/2022	-	0.5
D	8/24/2022	0.03	Baht	01/01/2022 - 30/06/2022	NP	9/8/2022	-	0.5
DMT	8/24/2022	0.1	Baht	01/01/2022 - 30/06/2022	NP	-	-	5.2
FSMART	8/24/2022	0.2	Baht	01/01/2022 - 30/06/2022	NP	9/8/2022	-	0.5
HPT	8/24/2022	0.018	Baht	01/01/2022 - 30/06/2022	NP	9/9/2022	-	0.25
III	8/24/2022	0.15	Baht	01/01/2022 - 30/06/2022	NP	9/9/2022	-	0.5
INTUCH	8/24/2022	1.76	Baht	01/01/2022 - 30/06/2022	Both	9/8/2022	-	1
JMART	8/24/2022	0.45	Baht	01/01/2022 - 30/06/2022	NP	9/9/2022	-	1
JMT	8/24/2022	0.49	Baht	01/01/2022 - 30/06/2022	NP	9/7/2022	-	0.5
KCC	8/24/2022	0.0379	Baht	01/01/2022 - 30/06/2022	NP	9/9/2022	-	0.5
MBAX	8/24/2022	0.12	Baht	01/01/2022 - 30/06/2022	Both	9/8/2022	-	1
MEGA	8/24/2022	0.75	Baht	01/01/2022 - 30/06/2022	Both	9/9/2022	-	0.5
MGT	8/24/2022	0.03	Baht	01/01/2022 - 30/06/2022	NP	9/9/2022	-	0.5
NSL	8/24/2022	0.25	Baht	01/01/2022 - 30/06/2022	NP	9/8/2022	-	1
OSP	8/24/2022	0.45	Baht	01/01/2022 - 30/06/2022	NP	9/9/2022	-	1
PHOL	8/24/2022	0.08	Baht	01/01/2022 - 30/06/2022	NP	9/9/2022	-	1
PSH	8/24/2022	0.31	Baht	01/01/2022 - 30/06/2022	NP	9/9/2022	-	1
QH	8/24/2022	0.04	Baht	01/01/2022 - 30/06/2022	NP	9/8/2022	-	1
SAT	8/24/2022	0.38	Baht	01/01/2022 - 30/06/2022	NP	9/6/2022	-	1
SC	8/24/2022	0.08	Baht	01/01/2022 - 30/06/2022	NP	9/7/2022	-	1
SGP	8/24/2022	0.2	Baht	01/01/2022 - 30/06/2022	NP	9/7/2022	-	0.5
SINGER	8/24/2022	0.3	Baht	01/01/2022 - 30/06/2022	NP	9/9/2022	-	1
SKR	8/24/2022	0.08	Baht	01/01/2022 - 30/06/2022	NP	9/8/2022	-	0.5
SPRC	8/24/2022	0.96	Baht	01/01/2022 - 30/06/2022	NP	9/8/2022	-	6.92
SSP	8/24/2022	0.2	Baht	01/01/2022 - 30/06/2022	NP	9/9/2022	-	1
TKC	8/24/2022	0.2	Baht	01/01/2022 - 30/06/2022	NP	9/9/2022	-	1
TKN	8/24/2022	0.09	Baht	01/01/2022 - 30/06/2022	NP	9/7/2022	-	0.25
TMT	8/24/2022	0.15	Baht	01/01/2022 - 30/06/2022	NP	9/9/2022	-	1
TOG	8/24/2022	0.17	Baht	01/01/2022 - 30/06/2022	Both	9/9/2022	-	1

Source: SET

## Exhibit 71: Upcoming XD (3/3)

Symbol	X-Date	Dividend (per Share)	Unit	Operation Period	Source of Dividend	Payment Date	Price Before X-Date	Par
UVAN	8/24/2022	0.3	Baht	01/01/2022 - 30/06/2022	Both	9/9/2022	-	0.5
WORK	8/24/2022	0.2	Baht	01/01/2022 - 30/06/2022	NP	9/6/2022	-	1
SABINA	8/24/2022	0.61	Baht	-	RE	9/8/2022	-	1
AMATAR	8/25/2022	0.16	Baht	01/04/2022 - 30/06/2022	NP	9/14/2022	-	9.405
KAMART	8/25/2022	0.05	Baht	01/04/2022 - 30/06/2022	NP	9/9/2022	-	0.6
AIT	8/25/2022	0.15	Baht	01/01/2022 - 30/06/2022	NP	9/9/2022	-	1
AJ	8/25/2022	0.38	Baht	01/01/2022 - 30/06/2022	NP	9/9/2022	-	1
BH	8/25/2022	1.15	Baht	01/01/2022 - 30/06/2022	NP	9/8/2022	-	1
BH-P	8/25/2022	1.15	Baht	01/01/2022 - 30/06/2022	NP	9/8/2022	-	1
EASON	8/25/2022	0.04	Baht	01/01/2022 - 30/06/2022	NP	9/9/2022	-	1
ECL	8/25/2022	0.05	Baht	01/01/2022 - 30/06/2022	NP	9/9/2022	-	1
GC	8/25/2022	0.2	Baht	01/01/2022 - 30/06/2022	NP	9/9/2022	-	0.5
LH	8/25/2022	0.25	Baht	01/01/2022 - 30/06/2022	Both	9/9/2022	-	1
PM	8/25/2022	0.15	Baht	01/01/2022 - 30/06/2022	NP	9/7/2022	-	1
RPH	8/25/2022	0.2	Baht	01/01/2022 - 30/06/2022	NP	9/6/2022	-	1
SAMTEL	8/25/2022	0.06	Baht	01/01/2022 - 30/06/2022	NP	9/9/2022	-	1
SENA	8/25/2022	0.12692	Baht	01/01/2022 - 30/06/2022	NP	9/9/2022	-	1
SNP	8/25/2022	0.1	Baht	01/01/2022 - 30/06/2022	NP	9/9/2022	-	1
TACC	8/25/2022	0.17	Baht	01/01/2022 - 30/06/2022	NP	9/9/2022	-	0.25
THANA	8/25/2022	0.05	Baht	01/01/2022 - 30/06/2022	NP	9/8/2022	-	1
AMATA	8/25/2022	0.2	Baht	-	RE	9/9/2022	-	1
BGRIM	8/25/2022	0.03	Baht	-	RE	9/9/2022	-	2
PT	8/25/2022	0.2	Baht	-	RE	9/7/2022	-	1
UEC	8/25/2022	0.06	Baht	-	RE	9/8/2022	-	0.25
WINNER	8/25/2022	0.06	Baht	-	RE	9/9/2022	-	0.25
PROSPECT	8/26/2022	0.2285	Baht	01/04/2022 - 30/06/2022	NP	9/9/2022	-	9.4697
BLESS	8/26/2022	0.05	Baht	01/01/2022 - 30/06/2022	Both	9/9/2022	-	0.5
CBG	8/26/2022	0.75	Baht	01/01/2022 - 30/06/2022	Both	9/9/2022	-	1
CK	8/26/2022	0.15	Baht	01/01/2022 - 30/06/2022	Both	9/12/2022	-	1
JUBILE	8/26/2022	0.38	Baht	01/01/2022 - 30/06/2022	NP	9/9/2022	-	1
LEO	8/26/2022	0.2	Baht	01/01/2022 - 30/06/2022	NP	9/9/2022	-	0.5
PDG	8/26/2022	0.08	Baht	01/01/2022 - 30/06/2022	NP	9/7/2022	-	0.5
SMIT	8/26/2022	0.14	Baht	01/01/2022 - 30/06/2022	NP	9/9/2022	-	1
TFG	8/26/2022	0.1	Baht	01/01/2022 - 30/06/2022	Both	9/9/2022	-	1
TNITY	8/26/2022	0.175	Baht	01/01/2022 - 30/06/2022	NP	9/9/2022	-	5
TQM	8/26/2022	0.7	Baht	01/01/2022 - 30/06/2022	Both	9/9/2022	-	0.5
TVO	8/26/2022	0.2	Baht	01/01/2022 - 30/06/2022	NP	10/7/2022	-	1
TVO	8/26/2022	10 : 1	Share	01/01/2022 - 30/06/2022	NP	10/7/2022	-	1
FPI	8/29/2022	0.08	Baht	01/01/2022 - 30/06/2022	NP	9/9/2022	-	0.25
SPCG	8/29/2022	0.25	Baht	01/01/2022 - 30/06/2022	Both	9/9/2022	-	1
HTECH	8/30/2022	0.1	Baht	01/01/2022 - 30/06/2022	NP	9/9/2022	-	1
PJW	10/10/2022	0.0025	Baht	-	RE	10/27/2022	-	0.5
PJW	10/10/2022	20 : 1	Share	-	RE	10/27/2022	-	0.5

Source: SET