



PTT Global Chemical

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Public Company Limited

PTTGC

Bloomberg PTTGC TB
Reuters PTTGC.BK

Profit in 2Q22F to dwindle

PTTGC's share price has fallen 24% YTD, far worse than the SET's -6%, on continued pessimism on 2022 earnings, clouded by maintenance shutdowns. The fall to 0.6x PBV (2022F) is overdone, in our view, although we expect 2Q22F net profit to slip 6.7% QoQ. We trim our TP to Bt72 from Bt80, based on 1x PBV (2022F) but maintain Neutral as we see no catalyst.

Oil refining to drive operating profit in 2Q22F. We estimate a 6.7% QoQ slip in net profit to Bt3.9bn (down 84% YoY) (Aug 10) despite a sharp improvement QoQ in operating profit. Note that the YoY plunge in net profit reflects extra gain from partial divestment of GPSC and reclassification of the remaining stake in 2Q21 (Bt22bn). We expect a large hedging loss (due to wider crack spread) and FX loss (due to THB depreciation) to hurt profit. Oil refining looks to be the key driver for earnings in 2Q22F given a spike in market GRM to US\$20/bbl in 2Q22 from US\$7.6/bbl in 1Q22, boosted by wider crack spreads for gasoil (diesel) and low-sulfur fuel oil (LSFO), which together account for >85% of PTTGC's refined oil products.

Olefins: shutdown to lower utilization rate. A 39-day planned shutdown of its largest ethane cracker (OLE3) in 2Q22 cut overall olefins utilization rate to 78% in 2Q22 from 85% in 1Q22. This will also lower utilization rate for polymer products to 90% in 2Q22 from 106% in 1Q22. Lower ethylene output from the gas cracker led PTTGC to use more naphtha to run its olefins crackers, accounting for 28% of total feedstock. With better PE-naphtha spread we estimate EBITDA margin of the segment at 10-11%, though note this is still far below 5-year average of 21%.

Aromatics: earnings up QoQ on better spread. Aromatics product spread improved in 2Q22 on higher PX price due to tighter supply that exceeded a rise in feedstock cost (condensate) in tandem with oil price. PX-condensate spread rose 21% QoQ. This and the better price for byproduct condensate residue, which can be upgraded to diesel, is believed to have boosted product-to-margin in 2Q22 to US\$113/t, after touching a low in 1Q22 at only US\$48/t.

Performance materials & chemicals (PC): allnex supports. While phenol and BPA product spread began to return to normal, earnings contribution from allnex supported PC segment profit in 2Q22. Management guided to EBITDA contribution from allnex of ~US\$85mn/quarter, based on 1Q22 data. We estimate lower profit from phenol could pull PC segment EBITDA down 24% QoQ.

TP cut to Bt72 based on 1x PBV. Share price has done poorly YTD, reflecting market pessimism on its earnings. Although high oil price normally supports PTTGC's product prices and olefins margin, its planned maintenance of olefins crackers throughout 2022 will hurt earnings this year. This will be partially offset by profit from allnex, which began to be consolidated in 1Q22, and stronger oil refining profit. However, we trim TP to Bt72 from Bt80 based on 1x PBV (2022F), down from 1.1x previously, to reflect its earnings risk for this year.

Key risk factors. Oil price volatility, weaker demand for products and the move to ban single-use plastics (<3% of capacity).

Forecasts and valuation

Year to 31 Dec	Unit	2020	2021	2022F	2023F	2024F
Revenue	(Btmn)	329,291	468,953	471,555	478,488	477,923
EBITDA	(Btmn)	19,891	61,952	60,860	66,101	66,569
Core profit	(Btmn)	(932)	32,313	22,523	28,250	29,613
Reported profit	(Btmn)	200	44,982	22,523	28,250	29,613
Core EPS	(Bt)	(0.21)	7.17	5.00	6.27	6.57
DPS	(Bt)	1.00	3.75	2.50	3.10	3.30
P/E, core	(x)	n.a.	6.2	8.9	7.1	6.8
EPS growth, core	(%)	n.a.	n.a.	(30.3)	25.4	4.8
P/BV, core	(x)	0.7	0.6	0.6	0.6	0.6
ROE	(%)	(0.3)	10.5	6.8	8.2	8.2
Dividend yield	(%)	2.2	8.4	5.6	7.0	7.4
FCF yield	(x)	(3.2)	(39.2)	0.7	5.0	21.9
EV/EBIT	(x)	(718.4)	8.5	14.8	12.3	11.1
EBIT growth, core	(%)	n.a.	n.a.	(30.4)	20.2	2.4
EV/CE	(x)	0.9	1.0	1.2	1.2	1.2
ROCE	(%)	(0.8)	8.3	6.8	8.7	9.2
EV/EBITDA	(x)	14.5	5.4	6.6	6.1	5.6
EBITDA growth	(%)	(27.0)	211.5	(1.8)	8.6	0.7

Source: SCBS Investment Research

See the end of this report for disclaimer

Tactical: NEUTRAL

(3-month)

Stock data

Last close (Jul 25) (Bt)	44.50
Target price (Bt)	72.00
Mkt cap (Btbn)	200.64
Mkt cap (US\$mn)	5,481

Beta	H
Mkt cap (%) SET	1.08
Sector % SET	2.80
Shares issued (mn)	4,509
Par value (Bt)	10.00
12-m high / low (Bt)	67 / 41.8
Avg. daily 6m (US\$mn)	23.06
Foreign limit / actual (%)	37 / 13
Free float (%)	54.8
Dividend policy (%)	≥ 30

Sustainability / ESG Score

2021 Sustainability Index (THSI) Included

ESG Bloomberg Score	n.a.
Environmental Score	n.a.
Social Score	n.a.
Governance Score	n.a.

Source: Bloomberg Finance L.P.

Share performance

(%)	1M	3M	12M
Absolute	(0.6)	(7.8)	(21.9)
Relative to SET	(0.0)	(1.3)	(22.7)

Source: SET, SCBS Investment Research

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Value proposition

PTTGC is PTT Group's flagship chemical company. It is also the largest ethane-based petrochemical producer in Thailand with fully integrated petrochemical and refinery operations and a diversified product portfolio covering the full hydrocarbon chain, as well as ventures in green chemicals. While the ethylene output from the 2.9mtpa-crackers is mostly consumed internally to produce 1.9mtpa polyethylene, the company supplies propylene to contracted customers, primarily companies under the PTT Group. PTTGC also operates a 280kbd oil refinery, comprising a 145kbd conventional oil refinery and 135kbd condensate residual splitter. PTTGC has steadily expanded its product portfolio to specialty chemicals, including ethylene oxide (EO)-based performance products and ethylene glycol (EG), as well as phenol and related. The company recently invested in one of the global coating resins – allnex – to strengthen its HVA product portfolio and international business. PTTGC has invested in the bio-based chemical business, using crude palm oil and crude palm kernel oil as the key feedstock to produce methyl ester (biodiesel) and related products via its subsidiary, Global Green Chemicals Plc (GGC).

Business outlook

PTTGC's earnings skyrocketed in 2021 on a favorable petrochemical product spread and extra gain from the sale of partial interest in GPSC. Profit in 2022F will come down off the high base in 2021. Further, it plans to shut down most of its olefin crackers for maintenance over the year, though chiefly in 2Q22-3Q22 when the largest cracker (1mtpa) is closed for 39 days. We expect product spread for the olefins chain to remain solid, though slip YoY, and oil refining margin to improve strongly on higher demand for refined oil products as it recovers back to pre-COVID level. More earnings contribution from the specialty chemical business is expected from 2022 onwards after completion of the allnex acquisition in early 2022. Expanding to more specialty and recycled products will also reduce earnings volatility compared to commodity grade products.

Bullish views	Bearish views
1. PTTGC's competitive feedstock cost, mainly ethane from PTT's gas separation plant, will support profitability in the medium term.	1. PTTGC's plan to invest in an olefins cracker in the US continues to undermine investor appetite for the stock as gas cost in the US may be less competitive on the new US administration's policy to reduce fracking activities.
2. Feedstock flexibility will increase after the olefins retrofit project (ORP) started up in 2Q21 and the olefins 2 modification project (OMP) commences operations in 2023.	2. Investors are concerned about the depleting gas reserves in the Gulf of Thailand which will reduce its competitiveness in the longer term.
3. The planned expansion in downstream specialty and recycled products will stabilize profitability in the long term.	

Key catalysts

Factor	Event	Impact	Comment
Strong PE price and improving GRM	Demand for PE will remain solid while demand recovery for refined oil product will support market GRM.	Positive	PTTGC's earnings rely heavily on the olefins chain, especially PE. We also expect demand for refined oil products, mainly middle distillates and low-sulfur fuel oil, to gradually boost GRM from a low base in 2021.
Near-term earnings outlook	2Q22F earnings momentum	Lower YoY and QoQ	We expect profit to be supported by the oil refining and aromatics segments while olefins and performance chemical businesses will weaken QoQ due to maintenance shutdowns and narrower product spread. The olefins segment will remain the key earnings contributor.

Key catalysts

Factor	Earnings impact	TP impact
EBITDA margin (+0.1%)	+1.9%	+Bt0.09/share

ESG Disclosure Score

	2020	2021
ESG Disclosure Score	80.81	n.a.
Environment	89.10	n.a.
Total GHG Emissions	5,900.00	6,280.00
Total Water Use	80,359.00	81,799.80
Hazardous Waste	56.13	48.79
Total Waste	158.25	99.15
Social	63.42	n.a.
Number of Employees	9,246.00	9,037.00
Workforce Accidents	4.00	8.00
Lost Time from Accidents	n.a.	n.a.
Fatalities - Contractors	1.00	n.a.
Fatalities - Employees	n.a.	n.a.
Fatalities - Total	1.00	n.a.
Community Spending	158.72	n.a.
Governance	89.86	n.a.
Size of the Board	15.00	15.00
Indep Directors	8.00	8.00
% Indep Directors	53.33	53.33
Board Duration (Years)	3.00	3.00
# Board Meetings	15.00	16.00
Board Mtg Attendance	96.46	99.16

Source: Bloomberg Finance LP

Disclaimer

Bloomberg ESG Disclosure Scores rate companies on their level of disclosure of ESG data. Bloomberg offers four disclosure scores, for overall ESG, as well as Environmental, Social, and Governance such as energy consumption, board composition, and workforce accidents

Company ESG reporting has evolved since our ESG Disclosure Score was originally created in 2010. In order to reflect the evolution in corporate reporting, in early 2022 Bloomberg updated its ESG disclosure scores methodology. The methodology changes were implemented for all years of data for all companies in the ESG Coverage universe.

To review the fully transparent methodology, calculate disclosure scores for any company, and compare a company's scores vs its peers, see ESG Disclosure Score Model in Bloomberg.

Financial statement

Profit and Loss Statement

FY December 31	Unit	2017	2018	2019	2020	2021	2022F	2023F	2024F
Total revenue	(Btmn)	439,921	518,655	412,810	329,291	468,953	471,555	478,488	477,923
Cost of goods sold	(Btmn)	382,271	466,026	390,619	317,093	409,783	426,445	429,164	428,598
Gross profit	(Btmn)	57,650	52,629	22,191	12,198	59,170	45,110	49,325	49,325
SG&A	(Btmn)	14,197	14,854	16,469	14,881	21,727	19,663	17,956	17,934
Other income	(Btmn)	2,364	2,694	2,319	2,283	1,771	1,863	1,459	2,224
Interest expense	(Btmn)	3,935	3,593	3,119	3,511	5,945	9,394	8,690	8,108
Pre-tax profit	(Btmn)	41,882	36,876	4,922	(3,912)	33,269	17,916	24,137	25,507
Corporate tax	(Btmn)	3,863	2,986	649	(109)	7,228	1,792	2,414	2,551
Equity a/c profits	(Btmn)	5,572	6,895	4,559	3,323	6,841	6,977	7,117	7,259
Minority interests	(Btmn)	(2,822)	(201)	(667)	(452)	(568)	(579)	(591)	(602)
Core profit	(Btmn)	40,768	40,583	8,164	(932)	32,313	22,523	28,250	29,613
Extra-ordinary items	(Btmn)	(1,470)	(514)	3,518	1,132	12,669	0	0	0
Net Profit	(Btmn)	39,298	40,069	11,682	200	44,982	22,523	28,250	29,613
EBITDA	(Btmn)	65,267	59,524	27,239	19,891	61,952	60,860	66,101	66,569
Core EPS	(Btmn)	9.04	9.00	1.81	(0.21)	7.17	5.00	6.27	6.57
Net EPS	(Bt)	8.72	8.89	2.59	0.04	9.98	5.00	6.27	6.57
DPS	(Bt)	4.25	4.25	2.00	1.00	3.75	2.50	3.10	3.30

Balance Sheet

FY December 31	Unit	2017	2018	2019	2020	2021	2022F	2023F	2024F
Total current assets	(Btmn)	140,738	144,310	104,494	129,911	207,244	145,385	184,341	240,139
Total fixed assets	(Btmn)	294,226	324,945	348,020	359,472	546,871	538,399	527,243	513,864
Total assets	(Btmn)	434,964	469,255	452,514	489,383	754,115	683,784	711,584	754,003
Total loans	(Btmn)	96,022	95,655	106,778	148,002	209,163	236,966	265,804	297,141
Total current liabilities	(Btmn)	60,313	73,858	53,033	59,041	147,007	96,077	76,055	71,260
Total long-term liabilities	(Btmn)	94,387	91,915	105,886	141,347	279,506	251,655	282,992	314,328
Total liabilities	(Btmn)	154,700	165,773	158,919	200,389	426,512	347,733	359,047	385,589
Paid-up capital	(Btmn)	45,088	45,088	45,088	45,088	45,088	45,088	45,088	45,088
Total equity	(Btmn)	280,264	303,482	293,595	288,994	327,603	336,051	352,537	368,414
BVPS	(Bt)	60.96	65.66	63.39	62.33	70.58	72.33	75.85	79.24

Cash Flow Statement

FY December 31	Unit	2017	2018	2019	2020	2021	2022F	2023F	2024F
Core Profit	(Btmn)	40,768	40,583	8,164	(932)	32,313	22,523	28,250	29,613
Depreciation and amortization	(Btmn)	19,451	19,055	19,198	20,292	22,738	33,550	33,274	32,954
Operating cash flow	(Btmn)	61,765	53,554	30,337	21,953	70,108	26,503	32,234	63,466
Investing cash flow	(Btmn)	(41,545)	(32,842)	(41,780)	(28,274)	(148,843)	(25,078)	(22,118)	(19,575)
Financing cash flow	(Btmn)	(9,511)	(27,397)	(6,461)	31,794	90,036	(41,872)	17,073	17,601
Net cash flow	(Btmn)	10,709	(6,685)	(17,904)	25,473	11,300	(40,447)	27,189	61,492

Key Financial Ratios

FY December 31	Unit	2017	2018	2019	2020	2021	2022F	2023F	2024F
Gross margin	(%)	13.1	10.1	5.4	3.7	12.6	9.6	10.3	10.3
Operating margin	(%)	9.9	7.3	1.4	(0.8)	8.0	5.4	6.6	6.6
EBITDA margin	(%)	14.8	11.5	6.6	6.0	13.2	12.9	13.8	13.9
EBIT margin	(%)	10.4	7.8	1.9	(0.1)	8.4	5.8	6.9	7.0
Net profit margin	(%)	8.9	7.7	2.8	0.1	9.6	4.8	5.9	6.2
ROE	(%)	14.9	13.9	2.7	(0.3)	10.5	6.8	8.2	8.2
ROA	(%)	9.6	9.0	1.8	(0.2)	5.2	3.1	4.0	4.0
Net D/E	(x)	0.1	0.1	0.3	0.3	0.4	0.6	0.6	0.5
Interest coverage	(x)	16.6	16.6	8.7	5.7	10.4	6.5	7.6	8.2
Debt service coverage	(x)	4.8	3.7	2.1	0.8	1.3	3.5	4.7	4.9
Payout Ratio	(%)	48.8	47.8	77.2	2,258.9	37.6	50.0	49.5	50.2

Main Assumptions

FY December 31	Unit	2017	2018	2019	2020	2021	2022F	2023F	2024F
Utilization rate - Olefins	(%)	96.0	101.0	102.0	97.0	91.0	80.0	95.0	95.0
Utilization rate - Aromatics	(%)	79.8	93.0	88.0	96.0	99.0	95.0	95.0	95.0
Utilization rate - Oil Refinery	(%)	102.6	101.7	86.9	97.3	100.0	100.0	100.0	100.0
HDPE-naphtha spread	(US\$/t)	672	716	468	500	536	430	480	505
PX-condensate spread	(US\$/t)	381	451	351	228	250	280	280	280
Market GRM	(US\$/bbl)	6.74	6.08	3.86	2.24	3.80	5.18	6.15	5.89

Financial statement

Profit and Loss Statement

FY December 31	Unit	2Q20	3Q20	4Q20	1Q21	2Q21	3Q21	4Q21	1Q22
Total revenue	(Btmn)	69,976	77,148	88,362	102,676	112,627	113,189	140,461	176,767
Cost of goods sold	(Btmn)	66,494	72,346	78,889	87,920	96,409	97,421	128,033	155,316
Gross profit	(Btmn)	3,481	4,801	9,473	14,756	16,218	15,768	12,428	21,451
SG&A	(Btmn)	3,271	3,528	4,512	3,955	4,417	4,998	8,357	9,532
Other income	(Btmn)	762	223	939	408	363	567	433	811
Interest expense	(Btmn)	861	909	937	1,184	1,530	1,704	1,528	2,101
Pre-tax profit	(Btmn)	111	587	4,962	10,025	10,634	9,634	2,975	10,630
Corporate tax	(Btmn)	406	235	546	721	5,591	727	190	184
Equity a/c profits	(Btmn)	805	884	1,072	1,893	2,324	1,154	1,471	1,142
Minority interests	(Btmn)	(1)	(74)	(316)	(132)	(141)	(233)	(61)	(470)
Core profit	(Btmn)	510	1,163	5,173	11,065	7,226	9,828	4,195	11,120
Extra-ordinary items	(Btmn)	1,161	(254)	1,232	(1,370)	17,809	(2,822)	(947)	(6,908)
Net Profit	(Btmn)	1,671	908	6,405	9,695	25,035	7,005	3,248	4,212
EBITDA	(Btmn)	5,989	6,575	11,181	16,666	17,753	17,175	10,358	19,568
Core EPS	(Btmn)	0.11	0.26	1.15	2.45	1.60	2.18	0.93	2.47
Net EPS	(Bt)	0.37	0.20	1.42	2.15	5.55	1.55	0.72	0.93

Balance Sheet

FY December 31	Unit	2Q20	3Q20	4Q20	1Q21	2Q21	3Q21	4Q21	1Q22
Total current assets	(Btmn)	103,054	98,951	129,911	188,244	222,986	221,154	207,244	238,676
Total fixed assets	(Btmn)	354,392	355,297	359,472	364,448	358,129	359,309	546,871	542,661
Total assets	(Btmn)	457,446	454,249	489,383	552,692	581,115	580,464	754,115	781,338
Total loans	(Btmn)	130,544	129,834	148,002	190,008	192,493	177,427	209,163	282,834
Total current liabilities	(Btmn)	39,201	53,780	59,041	68,911	73,277	101,041	147,007	165,246
Total long-term liabilities	(Btmn)	137,077	118,374	141,347	184,017	187,626	157,983	279,506	289,939
Total liabilities	(Btmn)	176,278	172,153	200,389	252,928	260,902	259,024	426,512	455,184
Paid-up capital	(Btmn)	45,088	45,088	45,088	45,088	45,088	45,088	45,088	45,088
Total equity	(Btmn)	281,168	282,095	288,994	299,764	320,212	321,439	327,603	326,153
BVPS	(Bt)	60.64	60.87	62.33	64.65	69.23	69.48	70.58	70.16

Cash Flow Statement

FY December 31	Unit	2Q20	3Q20	4Q20	1Q21	2Q21	3Q21	4Q21	1Q22
Core Profit	(Btmn)	510	1,163	5,173	11,065	7,226	9,828	4,195	11,120
Depreciation and amortization	(Btmn)	5,017	5,079	5,281	5,458	5,589	5,837	5,854	6,837
Operating cash flow	(Btmn)	10,055	2,587	8,941	8,649	10,377	21,922	29,159	5,176
Investing cash flow	(Btmn)	(12,151)	(1,027)	(12,461)	(41,755)	(4,291)	11,934	(114,731)	(17,588)
Financing cash flow	(Btmn)	15,609	(3,625)	19,160	37,842	(4,705)	(29,262)	86,161	15,337
Net cash flow	(Btmn)	13,514	(2,065)	15,640	4,736	1,381	4,595	589	2,925

Key Financial Ratios

FY December 31	Unit	2Q20	3Q20	4Q20	1Q21	2Q21	3Q21	4Q21	1Q22
Gross margin	(%)	5.0	6.2	10.7	14.4	14.4	13.9	8.8	12.1
Operating margin	(%)	0.3	1.7	5.6	10.5	10.5	9.5	2.9	6.7
EBITDA margin	(%)	8.6	8.5	12.7	16.2	15.8	15.2	7.4	11.1
EBIT margin	(%)	1.4	1.9	6.7	10.9	10.8	10.0	3.2	7.2
Net profit margin	(%)	2.4	1.2	7.2	9.4	22.2	6.2	2.3	2.4
ROE	(%)	0.7	1.7	7.2	15.0	9.3	12.3	5.2	13.6
ROA	(%)	0.5	1.0	4.4	8.5	5.1	6.8	2.5	5.8
Net D/E	(x)	0.4	0.4	0.4	0.5	0.4	0.4	0.5	0.7
Interest coverage	(x)	7.0	7.2	11.9	14.1	11.6	10.1	6.8	9.3
Debt service coverage	(x)	2.5	0.9	1.7	2.4	2.3	1.5	0.9	1.5

Key Statistics

FY December 31	Unit	2Q20	3Q20	4Q20	1Q21	2Q21	3Q21	4Q21	1Q22
Utilization rate - Olefins	(%)	100.0	103.0	104.0	104.0	93.0	91.0	80.0	85.0
Utilization rate - Aromatics	(%)	99.0	91.0	98.0	98.0	102.0	100.0	97.0	100.0
Utilization rate - Oil Refinery	(%)	102.0	94.0	91.0	102.0	101.0	77.0	101.0	101.0
HDPE-naphtha spread	(US\$/t)	486	522	592	588	585	462	507	453
PX-condensate spread	(US\$/t)	271	188	191	240	283	304	211	248
Market GRM	(US\$/bbl)	2.31	1.22	1.78	3.17	2.03	3.20	6.35	7.60

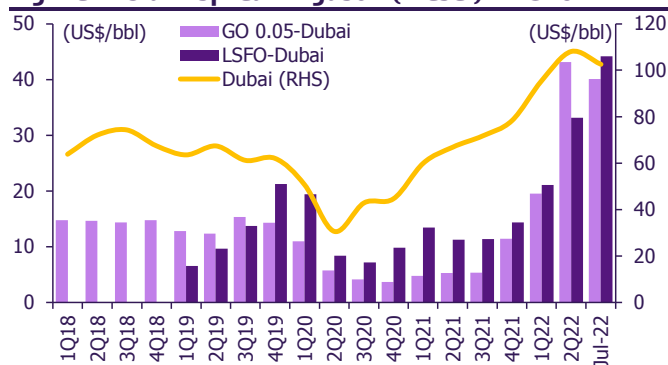
Figure 1: PTTGC – 2Q22F preview

(Btmn)	2Q21	1Q22	2Q22F	%YoY	%QoQ
Sales and Service Incomes	112,627	176,767	181,790	61.4	2.8
EBITDA	17,577	18,440	22,520	28.1	22.1
Operating profit	10,459	6,236	10,641	1.7	70.6
Net profit	25,035	4,212	3,931	(84.3)	(6.7)
EPS (Bt/share)	5.55	0.93	0.87	(84.3)	(6.7)
CDU utilization rate	101%	100%	100%	(1.0)	0.0
Market GRM (PTTGC)	2.03	7.60	20.00	885.2	163.2
Utilization rate - PE	105%	106%	90%	(15.0)	(16.0)
EBITDA margin - Olefins	26%	11%	10%	(16.0)	(1.0)
Utilization rate - BTX	102%	100%	80%	(22.0)	(20.0)
P2F margin - aromatics (US\$/t)	181	48	113	(37.6)	135.3

Source: PTTGC, SCBS Investment Research

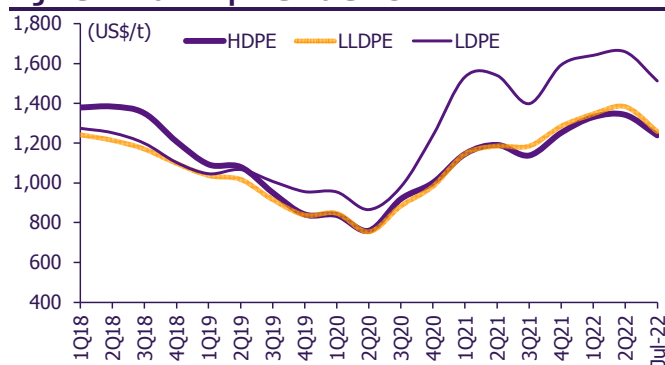
Appendix

Figure 2: Crack spread – gasoil (diesel) & LSFO



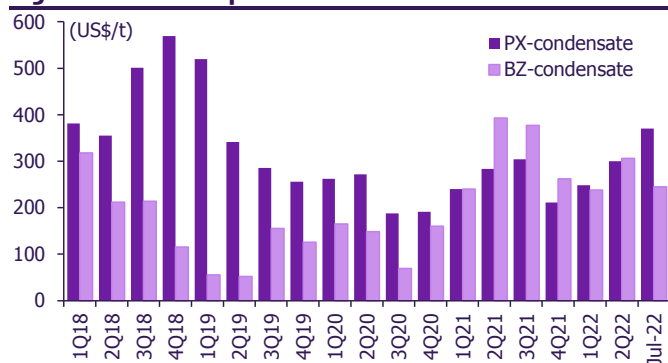
Source: Industry data, PTTGC, SCBS Investment Research

Figure 3: Product price – olefins



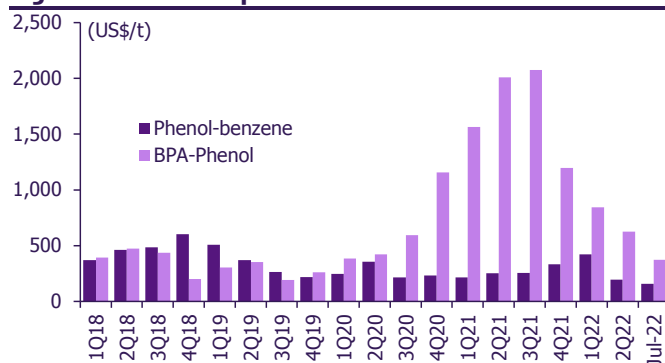
Source: Industry data, PTTGC, SCBS Investment Research

Figure 4: Product price – aromatics



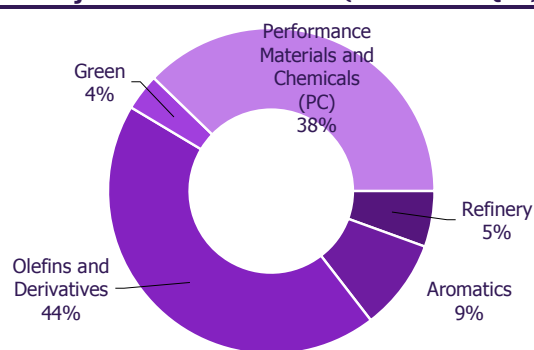
Source: Industry data, PTTGC, SCBS Investment Research

Figure 5: Product spread – Phenol & BPA



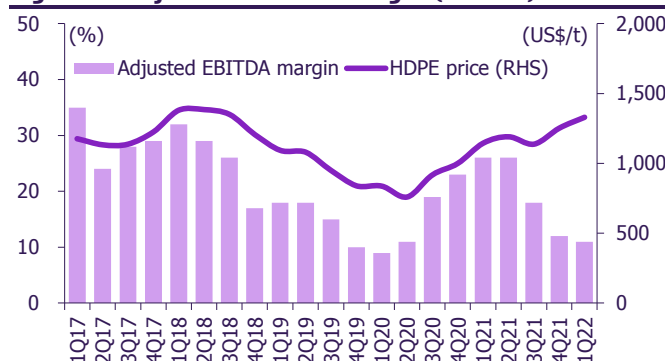
Source: Industry data, PTTGC, SCBS Investment Research

Figure 6: Adj. EBITDA breakdown (LTM-end 1Q22)



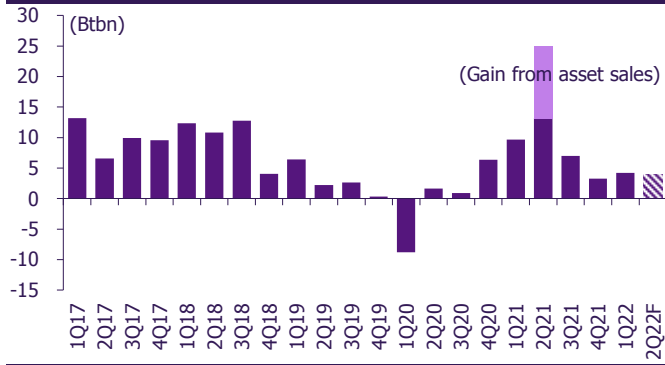
Source: Industry data, PTTGC, SCBS Investment Research

Figure 7: Adjusted EBITDA margin (olefins)



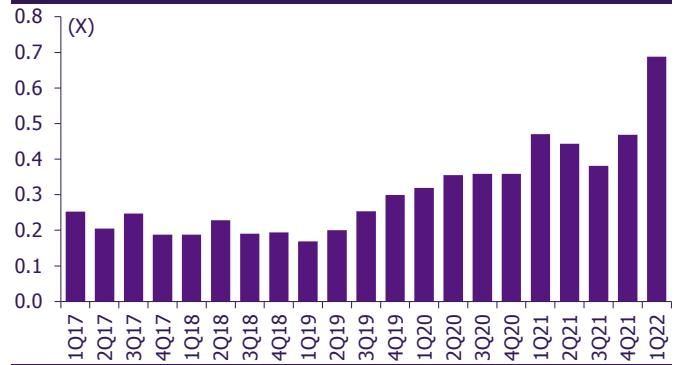
Source: Industry data, PTTGC, SCBS Investment Research

Figure 8: Quarterly performance



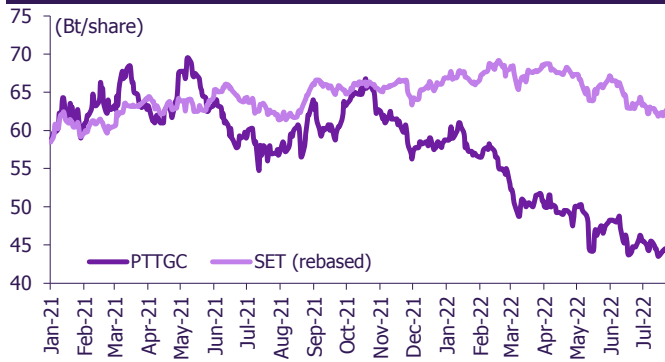
Source: PTTGC, SCBS Investment Research

Figure 9: Net D/E



Source: PTTGC, SCBS Investment Research

Figure 10: Share price performance



Source: PTTGC, SCBS Investment Research

Figure 11: PTTGC – PBV



Source: PTTGC, SCBS Investment Research

Figure 12: PTTGC – maintenance shutdown plan (2022)

Plant	2022												
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	
OLE	Cracker		19	OLE4		38	OLE3		16	OLE2-1 and OLE2-3		27	OLE2-2
	Oleflex												
POL	HDPE								28	BPE1		38	HDPE
	LDPE					24							
	LLDPE I					7							
	LLDPE II					20							
	PS					15							
EOB	TOCGC		35										
	EA		35										
PHN	Phenol I												
	Phenol II											11	
	BPA						30						
REF	Refinery										50		
ARO1	Aromatics I					30							
	Aromatics II												
GCO	PO								56				

Source: PTTGC, SCBS Investment Research

Figure 13: Valuation summary (price as of Jul 25, 2022)

	Rating	Price (Bt/Sh)	Target (Bt/Sh)	ETR (%)	P/E (x)			EPS growth (%)			P/BV (x)			ROE (%)			Div. Yield (%)			EV/EBITDA (x)		
					21A	22F	23F	21A	22F	23F	21A	22F	23F	21A	22F	23F	21A	22F	23F	21A	22F	23F
GGC	Neutral	14.70	12.4	(12.5)	19.6	15.9	16.6	39	24	(5)	1.5	1.4	1.4	8	9	8	2.4	3.2	3.0	9.1	8.2	7.5
IVL	Outperform	46.00	55.0	24.8	9.6	6.4	6.0	2,210	49	7	1.6	1.4	1.2	19	23	21	2.2	5.2	5.0	7.1	5.1	4.4
PTTGC	Neutral	44.50	72.0	67.4	6.2	8.9	7.1	n.m.	(30)	25	0.6	0.6	0.6	10	7	8	8.4	5.6	7.0	5.4	6.6	6.1
Average					11.8	10.4	9.9	1,125	14	9	1.3	1.1	1.0	12	13	13	4.3	4.7	5.0	7.2	6.7	6.0

Source: SCBS Investment Research

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Corporate Governance Report

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To recognize well performers, the list of companies attaining "Good", "Very Good" and "Excellent" levels of recognition

(Not including listed companies qualified in the "no announcement of the results" clause from 1 January 2020 to 26 October 2021) is publicized.

¹ TIP was voluntarily delisted from the Stock Exchange of Thailand effectively on July 24, 2021

² RCI was voluntarily delisted from the Stock Exchange of Thailand, effectively on July 16, 2021

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Declared (ประกาศเจตนารมณ์)

AH, AJ, ALT, APCO, B52, BEC, CHG, CI, CPL, CPR, CPW, CRC, DDD, DHOUSE, DOHOME, ECF, EKH, ETC, EVER, FLOYD, GLOBAL, III, ILM, INOX, JTS, KEX, KUMWEL, LDC, MAJOR, MEGA, NCAP, NOVA, NRF, NUSA, NYT, OR, PIMO, PLE, RS, SAK, SIS, STECH, STGT, SUPER, SVT, TKN, TMI, TQM, TSI, VARO, VCOM, VIBHA, WIN

N/A

3K-BAT, A, A5, AAV, ABICO, ABM, ACAP, ACC, ACE, ACG, ADB, ADD, AEONTS, AFC, AGE, AHC, AIT, AJA, AKR, ALL, ALLA, ALPHAX, ALUCON, AMARIN, AMC, AMR, ANAN, AOT, APEX, APP, APURE, AQ, ARIN, ARIP, ASAP, ASEFA, ASIA, ASIMAR, ASN, ASW, ATP30, AU, AUCTION, BA, BBGI, BBK, BC, BCT, BDMS, BEAUTY, BEM, BFIT, BGT, BH, BIG, BIOTEC, BIS, BIZ, BJC, BJCHI, BKD, BLAND, BLESS, BLISS, BM, BOL, BR, BRI, BROCK, BSM, BTNC, BTW, BUI, BYD, CAZ, CBG, CCET, CCP, CEYE, CGD, CHARAN, CHAYO, CHO, CITY, CIVIL, CK, CKP, CMAN, CMO, CMR, CNT, COLOR, COMAN, CPANEL, CPH, CPT, CRANE, CRD, CSP, CSR, CSS, CTW, CV, CWT, D, DCON, DITTO, DMT, DOD, DPAINT, DTCI, DV8, EASON, EE, EFORL, EMC, ESSO, F&D, FANCY, FMT, FN, FORTH, FTI, FVC, GENCO, GIFT, GL, GLAND, GLOCON, GLORY, GRAMMY, GRAND, GREEN, GSC, GTB, GYT, HFT, HL, HPT, HTECH, HUMAN, HYDRO, ICN, IFEC, IHL, IIG, IMH, IND, INGRS, INSET, IP, IRCP, IT, ITD, J, JAK, JAS, JCK, JKH, JCT, JDF, JMART, JMT, JP, JUBILE, JWD, KAMART, KC, KCC, KCM, KDH, KIAT, KISS, KK, KKC, KOOL, KTIS, KUN, KWC, KWM, KYE, LALIN, LEE, LEO, LIT, LOXLEY, LPH, LST, MACO, MANRIN, MATI, MAX, M-CHAI, MCS, MDX, MENA, METCO, MGT, MICRO, MIDA, MITSIB, MJD, MK, ML, MODERN, MORE, MPIC, MUD, MVP, NC, NCH, NCL, NDR, NER, NETBAY, NEW, NEWS, NEX, NFC, NNCL, NPK, NSL, NTV, NV, NVD, OHTL, OISHI, ONEE, OSP, OTO, PACE, PACO, PAE, PAF, PEACE, PERM, PF, PICO, PIN, PJW, PLUS, PMTA, POLAR, POMPU, PORT, POST, PPM, PRAKIT, PRAPAT, PRECHA, PRIME, PRIN, PRO, PROEN, PROUD, PSG, PTC, PTECH, PTL, RAM, RBF, RCL, RICHY, RJH, ROCK, ROH, ROJNA, RP, RPC, RPH, RSP, RT, S, S11, SA, SABUY, SAFARI, SALEE, SAM, SAMART, SAMCO, SAMTEL, SANKO, SAUCE, SAWAD, SAWANG, SCI, SCP, SDC, SE, SEAFCO, SECURE, SENAJ, SFLEX, SFP, SFT, SGF, SHANG, SHR, SIAM, SICT, SIMAT, SISB, SK, SKE, SKN, SKY, SLM, SLP, SMART, SMD, SMT, SNPN, SO, SOLAR, SONIC, SPA, SPCG, SPG, SPVI, SQ, SR, SSC, SSS, STANLY, STARK, STC, STEC, STANI, STI, STP, STPI, SUC, SUN, SUTHA, SVH, SVOA, SWC, SYNEX, TACC, TAPAC, TC, TCC, TCCC, TCJ, TCOAT, TEAM, TEAMG, TEKA, TFM, TGPRO, TH, THAI, THANA, THE, THG, THL, THMUI, TIGER, TIPH, TITTLE, TK, TKC, TM, TMC, TMD, TMW, TNDT, TNH, TNPC, TOA, TPAC, TPBI, TPCH, TPIPL, TPIPP, TPLAS, TPOLY, TPS, TQR, TR, TRC, TRITN, TRT, TRUBB, TRV, TSE, TSF, TSR, TTI, TTT, TTT, TTT, TWP, TWZ, TYCN, UAC, UMI, UMS, UNIQ, UP, UP, UPOIC, UREA, UTP, UVAN, VL, VNG, VPO, VRANDA, W, WAVE, WFX, WGE, WINMED, WINNER, WORK, WORLD, WP, WPH, XPG, YGG

Explanations

Companies participating in Thailand's Private Sector Collective Action Coalition Against Corruption programme (Thai CAC) under Thai Institute of Directors (as of May 9, 2022) are categorised into: companies that have declared their intention to join CAC, and companies certified by CAC.