

Star Petroleum Refining **SPRC**

Star Petroleum Refining
Public Company Limited

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Preview 4Q23F: Earnings to sour QoQ

SPRC's share price is down 2% over the past three months, slightly better than the SET's -3%, likely reflecting market optimism on earnings as GRM recovers. We believe the weak earnings in 4Q23 (to be released on Feb 20) will drag on share price in the near term, as full-year earnings may disappoint. We expect red ink in 4Q23 due to lower market GRM and a huge stock loss, followed by QoQ improvement in 1Q24 and 2024. We maintain our Neutral rating as there is no new share price catalyst in the near term. Our TP remains at Bt11.75, based on 1.2x PBV (2024F), implying 4x EV/EBITDA.

Net loss expected in 4Q23. We expect SPRC to report a net loss of Bt4.3bn after a strong profit of Bt4.2bn in 3Q23, sunk by a sharp fall in market GRM, higher crude premium and a huge stock loss. Refining margin is expected to plunge 49% YoY and 67% QoQ to US\$2.8/bbl. This remains weaker than Singapore GRM due to higher cost for crude oil offloading since it still has to rely on alternative offloading facilities as its off-coast Single Point Mooring (SPM) is still waiting for regulator permission to resume operations. It is difficult to be profitable at this GRM level against estimated operating cost of US\$2.9/bbl, seasonally higher QoQ due to adjustments in the final quarter for full-year operations. Hence, we estimate a core loss of Bt513mn vs. a profit of Bt804mn in 3Q23. We also expect a stock loss of Bt4.1bn to worsen performance in view of the sharp decline in oil price.

Crude intake up QoQ despite unplanned outage. SPRC was able to maximize its crude run in 4Q23 to compensate for the production loss during the 3Q23 planned shutdown and unplanned shutdown of RFCCU during Oct-early Nov. We estimate an increase in crude run of 6.4% QoQ to 148kbd (85% utilization). Its market was less attractive than in 3Q23, especially for gasoline due to seasonal factors, while diesel and jet fuel crack spread remained strong.

1Q24 profit to improve QoQ on better GRM. We expect core profit to improve QoQ in 1Q24 on the recovery of GRM (+32% QTD to US\$7.24/bbl) driven by higher crack spread for gasoline and fuel oil. Behind this is higher demand from independent oil refineries in China as the government has become more flexible in allocation of crude import quota, allowing these refineries to manage their quota usage throughout the year. (S&P Global) We also expect oil marketing to boost its EBITDA, although this will be offset by higher interest expense due to more loans to acquire the business in Jan 2024.

TP is Bt11.75, based on PBV of 1.2x (2024F), slightly below 5-year average, implying 4x EV/EBITDA. The current share price implies 0.8x PBV (-1.6SD), marginally above 0.6x during the pandemic years.

Key risks: Economic slowdown may hurt demand for its refined oil products which could also damage market GRM, while oil price volatility may bring more stock loss. Other risks include more expenses related to logistics costs if the oil loading facility does not come back on line as scheduled in 1H24 and regulatory changes in GHG emissions. Key ESG risk factors include the environmental impact of its business and how it adapts during the transition to clean energy.

Forecasts and valuation

Year to 31 Dec	Unit	2021	2022	2023F	2024F	2025F
Revenue	(Btmn)	172,484	285,264	244,441	245,711	231,831
EBITDA	(Btmn)	8,843	12,306	8,251	11,897	11,995
Core profit	(Btmn)	4,821	7,466	4,333	7,341	7,419
Reported profit	(Btmn)	4,746	7,674	4,018	7,341	7,419
Core EPS	(Bt)	1.11	1.72	1.00	1.69	1.71
DPS	(Bt)	0.18	1.11	0.40	0.60	0.60
P/E, core	(x)	7.1	4.6	7.9	4.7	4.6
EPS growth, core	(%)	n.a.	54.9	(42.0)	69.4	1.1
P/BV, core	(x)	1.0	0.9	0.9	0.8	0.7
ROE	(%)	15.9	20.4	11.2	17.6	15.9
Dividend yield	(%)	2.3	14.1	5.1	7.6	7.6
EV/EBITDA	(x)	4.5	3.6	4.3	2.3	1.6

Source: InnovestX Research

Tactical: NEUTRAL (3-month)

Stock data

Last close (Jan 19) (Bt)	7.90
Target price (Bt)	11.75
Mkt cap (Btmn)	34.25
Mkt cap (US\$m)	965

Beta	H
Mkt cap (% SET)	0.20
Sector % SET	20.99
Shares issued (mn)	4,336
Par value (Bt)	6.92
12-m high / low (Bt)	11.8 / 7.2
Avg. daily 6m (US\$m)	5.74
Foreign limit / actual (%)	100 / 71
Free float (%)	39.4
Dividend policy (%)	≥ 50

Share performance

(%)	1M	3M	12M
Absolute	(6.0)	(0.6)	(26.9)
Relative to SET	(4.7)	0.6	(11.3)

Source: SET, InnovestX Research

2023 Sustainability / 2022 ESG Score

SET ESG Ratings	No
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ESG Bloomberg Rank in the sector

ESG Score Rank	15/67
Environmental Score Rank	15/67
Social Score Rank	12/67
Governance Score Rank	12/67

ESG comment

SPRC's ESG score ranking in 2022 is satisfactory with the score close to the sector average, with an outstanding governance score. The environmental score was slightly below average, based on Bloomberg assessments, despite the company's proactive and continuous campaign to improve energy efficiency and reduce GHG in its operation.

Source: Bloomberg Finance L.P.

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Value proposition

SPRC is one of Thailand's oil refineries and a subsidiary of the US-based oil company, Chevron, which owns 60.6% in the company. SPRC's oil refining capacity is 175kbd, 14% of Thailand's total capacity. It recently completed the acquisition of an oil retail business in Thailand under the "Caltex" brand of Chevron Asia Pacific Holdings Limited (CAPHL) with total investment of US\$90mn plus the actual value of net working capital of the fuel business. This investment will extend the value chain of oil refining to downstream with >440 service stations throughout the country. Market share of oil retailing was ~6% in 2023.

Business outlook

SPRC's earnings are expected to recover in 2024 after a sharp fall in 2023 due to abnormally high GRM and oil price in 2022 on geopolitical tension in Europe and a huge stock loss in 2023. Recovery of demand in 2024 for refined oil products back to pre-COVID level will drive market GRM and earnings. We expect GRM to increase to US\$6.8/bbl in 2024 from <US\$5/bbl in 2023 but remain weaker than 2022's US\$9.6/bbl. Oil price fluctuation implies earnings up/downside risk due to stock gain/loss. EBITDA would improve once it can restart its crude oil offloading facility, which would cut operating costs by US\$1.2-1.5/bbl. This facility has been offline since an oil spill in Jan 2022. SPRC's earnings in 2024 will also be driven by the oil marketing business acquired in Jan 2024. This new business is likely to boost EBITDA by Bt1.8-2bn p.a., in our view, plus profit sharing from 9.91% interest in Thapline, the leading provider of petroleum pipeline transportation service, which was acquired along with CAPHL.

Bullish views	Bearish views
1. SPRC is a pure oil refining play in Thailand's stock market. A rise in GRM tends to raise investor appetite for the stock.	1. Prolonged suspension of the SPM due to an oil spill will hurt its earnings in the near term; most of the related expenses from the incident have been booked.
2. SPRC has vertically expanded to oil marketing to improve integrated margin of the oil business in Thailand. This will ease the impact of volatile GRM via a more stable marketing margin despite occasional government intervention.	2. SPRC's larger proportion of gasoline than local peers could make its earnings more vulnerable to higher EV adoption globally.
	3. Higher exposure from the regulated marketing margin for the retail oil business could adversely affect earnings performance and return on investment.

Key catalysts

Factor	Event	Impact	Comment
Improving GRM	Demand for refined oil products is expected to improve in line with economic growth, higher tourism and more air travel.	Positive	SPRC's earnings are expected to improve gradually on higher oil demand for gasoline (25% of total product yield) and middle distillates (diesel and jet fuel, 41%).
Higher freight cost due to the suspension of crude oil offloading facility	SPRC's Single Point Mooring (SPM) which enables SPRC to berth VLCC tankera has been shut down since Jan 2022 due to a spill.	Negative in the near term	The suspension of SPM raised freight cost by US\$1.2-1.5/bbl by forcing it to switch the crude oil offloading process from direct mooring from VLCC to ship-to-ship transfer.
Near-term earnings outlook	4Q23F earnings momentum	Lower YoY and QoQ	We expect core profit to weaken due to lower market GRM and higher crude premium. Net stock loss of Bt4.1bn also worsened earnings in 4Q23F as oil price plunged in the quarter due to higher oil supply from non-OPEC producers.

Sensitivity Analysis

Factor	Earnings impact	TP impact
Gross refining margin (+US\$1/bbl)	+23%	+Bt0.5/share

Our view on ESG

We view that SPRC provides concrete targets on environmental and social issues with a committed timeline and actual performance relative to its targets. We view its management and governance as satisfactory, reflecting management's expertise and experience in the business, with a diverse board of directors and transparency with stakeholders.

ESG Disclosure Score

Bloomberg ESG Score	54.54 (2022)	CG Rating	DJSI	SETESG	SET ESG Ratings
Rank in Sector	15/67	SPRC	5	No	No

Source: Thai Institute of Directors and SET

Environmental Issue (E)

- SPRC cooperated with Chevron, a world leading refiner, to study and establish continuous improvements to improve energy efficiency and reduce greenhouse gas emissions, including the new projects in terms of renewable/clean energy, carbon capture and storage.
- SPRC has achieved its target on the Energy Intensity Index and maintains its rank in the first quartile of Solomon EII of Asia Pacific.
- Despite its effort to prevent oil spills with several maintenance and inspection programs, there was an incident at SPRC's oil loading facility, i.e., single-point mooring (SPM) in Jan 2022 which cost the company >US\$40mn in 1H22. The company's quick response to the incident helped contain the damage to the surrounding environment. The SPM remains suspended pending inspection by authorities and permission to resume operation.

Social Issue (S)

- SPRC achieved over 9 years with 33.6mn man-hours without days away from work injury up to Dec 2022.
- The incident at SPM had some impact on local communities and the environment. SPRC has continued to compensate for the damages and regain public trust.
- Due to the crude oil spill at single point mooring (SPM) on January 25, 2022, the company has expanded the area of social responsibility activities and engagement with stakeholders to cover areas affected by such events, thus receiving a 77% community engagement score.
- The company maintains high employee engagement in 2021 at 77%, 8% above Thailand and oil and gas norms. 70% of employees have been with SPRC for over 10 years and turnover rate is 2%.

Governance Issue (G)

- SPRC's board of directors consists of 9 directors, 8 non-executive directors (88.88% of the entire board), 4 independent directors (44.44% of the entire board), and an executive director. These include 2 female directors (22.22% of the entire board).
- The company was rated "Excellent" (5 stars) by the Thai Institute of Directors for the seventh consecutive year in 2022.
- We view SPRC's management and governance as satisfactory, reflecting management's expertise and experience in the oil and gas sector, its transparency with stakeholders, and its independent board of directors.

ESG Disclosure Score

	2021	2022
ESG Disclosure Score	54.54	54.54
Environment	37.93	37.93
Emissions Reduction Initiatives	Yes	Yes
Climate Change Policy	Yes	Yes
GHG Scope 1	1,263.85	1,316.32
Biodiversity Policy	No	No
Energy Efficiency Policy	Yes	Yes
Total Energy Consumption	5,221.43	5,476.03
Social	41.99	41.99
Human Rights Policy	Yes	Yes
Equal Opportunity Policy	Yes	Yes
Health and Safety Policy	Yes	Yes
Fatalities - Employees	0.00	0.00
Total Recordable Incident Rate - Employees	—	—
Employee Turnover Pct	1.80	2.20
Governance	83.59	83.59
Size of the Board	8	7
Number of Board Meetings for the Year	6	6
Board Meeting Attendance Pct	98	91
Number of Female Executives	3	5
Number of Independent Directors	4	3
Board Duration (Years)	3	3

Source: Bloomberg Finance L.P.

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. 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	2018	2019	2020	2021	2022	2023F	2024F	2025F
Total revenue	(Btmn)	209,159	168,840	130,163	172,484	285,264	244,441	245,711	231,831
Cost of goods sold	(Btmn)	206,188	172,051	137,169	165,598	272,833	237,619	235,410	221,494
Gross profit	(Btmn)	2,972	(3,211)	(7,006)	6,886	12,432	6,822	10,301	10,337
SG&A	(Btmn)	947	1,690	911	749	2,791	1,278	1,071	1,010
Other income	(Btmn)	84	36	71	62	63	104	64	65
Interest expense	(Btmn)	50	46	177	212	316	231	117	117
Pre-tax profit	(Btmn)	2,011	(4,919)	(8,024)	5,987	9,387	5,417	9,178	9,275
Corporate tax	(Btmn)	541	(885)	(1,555)	1,166	1,921	1,083	1,837	1,857
Equity a/c profits	(Btmn)	0	0	0	0	0	0	0	0
Minority interests	(Btmn)	0	0	0	0	0	0	0	0
Core profit	(Btmn)	1,470	(4,034)	(6,468)	4,821	7,466	4,333	7,341	7,419
Extra-ordinary items	(Btmn)	793	1,225	464	(74)	207	(315)	0	0
Net Profit	(Btmn)	2,263	(2,809)	(6,005)	4,746	7,674	4,018	7,341	7,419
EBITDA	(Btmn)	4,797	(2,307)	(5,014)	8,843	12,306	8,251	11,897	11,995
Core EPS	(Btmn)	0.34	(0.93)	(1.49)	1.11	1.72	1.00	1.69	1.71
Net EPS	(Bt)	0.52	(0.65)	(1.38)	1.09	1.77	0.93	1.69	1.71
DPS	(Bt)	0.59	0.18	0.00	0.18	1.11	0.40	0.60	0.60

Balance Sheet

FY December 31	Unit	2018	2019	2020	2021	2022	2023F	2024F	2025F
Total current assets	(Btmn)	25,521	25,524	19,323	32,731	38,258	37,810	45,363	51,628
Total fixed assets	(Btmn)	29,489	28,770	27,218	25,995	25,030	22,632	20,234	17,836
Total assets	(Btmn)	55,011	54,294	46,541	58,726	63,288	60,442	65,597	69,464
Total loans	(Btmn)	0	6,819	10,237	8,054	9,731	3,281	3,281	3,281
Total current liabilities	(Btmn)	15,704	21,334	10,740	20,031	23,904	20,774	20,626	19,675
Total long-term liabilities	(Btmn)	778	484	9,374	4,324	677	678	679	679
Total liabilities	(Btmn)	16,482	21,818	20,114	24,355	24,581	21,452	21,304	20,354
Paid-up capital	(Btmn)	30,004	30,004	30,004	30,004	30,004	30,004	30,004	30,004
Total equity	(Btmn)	38,529	32,476	26,427	34,371	38,707	38,990	44,293	49,110
BVPS	(Bt)	8.89	7.49	6.09	7.93	8.93	8.99	10.22	11.33

Cash Flow Statement

FY December 31	Unit	2018	2019	2020	2021	2022	2023F	2024F	2025F
Core Profit	(Btmn)	1,470	(4,034)	(6,468)	4,821	7,466	4,333	7,341	7,419
Depreciation and amortization	(Btmn)	2,737	2,565	2,832	2,644	2,603	2,603	2,603	2,603
Operating cash flow	(Btmn)	6,517	(3,662)	(1,382)	4,257	707	12,580	9,984	10,933
Investing cash flow	(Btmn)	(804)	(2,599)	(350)	(103)	(278)	(200)	(200)	(200)
Financing cash flow	(Btmn)	(7,811)	6,207	3,346	(2,844)	(3,298)	(10,185)	(2,038)	(2,602)
Net cash flow	(Btmn)	(2,097)	(54)	1,615	1,310	(2,869)	2,195	7,746	8,131

Key Financial Ratios

FY December 31	Unit	2018	2019	2020	2021	2022	2023F	2024F	2025F
Gross margin	(%)	1.4	(1.9)	(5.4)	4.0	4.4	2.8	4.2	4.5
Operating margin	(%)	1.0	(2.9)	(6.1)	3.6	3.4	2.3	3.8	4.0
EBITDA margin	(%)	2.3	(1.4)	(3.9)	5.1	4.3	3.4	4.8	5.2
EBIT margin	(%)	1.0	(2.9)	(6.0)	3.6	3.4	2.3	3.8	4.1
Net profit margin	(%)	1.1	(1.7)	(4.6)	2.8	2.7	1.6	3.0	3.2
ROE	(%)	3.6	(11.4)	(22.0)	15.9	20.4	11.2	17.6	15.9
ROA	(%)	2.6	(7.4)	(12.8)	9.2	12.2	7.0	11.6	11.0
Net D/E	(x)	n.a.	0.2	0.3	0.1	0.2	0.0	n.a.	n.a.
Interest coverage	(x)	96.0	(50.1)	(28.3)	41.7	38.9	35.6	101.9	102.7
Debt service coverage	(x)	96.0	(0.3)	(3.2)	1.8	1.2	2.3	3.5	3.5
Payout Ratio	(%)	113.6	n.a.	0.0	16.3	62.7	43.2	35.4	35.1

Main Assumptions

FY December 31	Unit	2018	2019	2020	2021	2022	2023F	2024F	2025F
Dubai crude oil	(US\$/bbl)	69.22	63.16	42.19	68.78	97.10	83.50	78.00	73.00
Market GRM	(US\$/bbl)	5.67	3.39	2.79	3.66	9.64	6.43	6.82	6.82
Crude intake	(kbd)	159.6	134.3	143.1	135.1	156.0	156.0	166.0	167.0
FX	(%)	32.32	31.06	31.29	31.99	35.04	35.00	35.50	35.50

Financial statement

Profit and Loss Statement

FY December 31	Unit	4Q21	1Q22	2Q22	3Q22	4Q22	1Q23	2Q23	3Q23
Total revenue	(Btmn)	52,803	65,404	78,008	76,146	65,706	59,130	53,883	61,107
Cost of goods sold	(Btmn)	50,677	57,333	68,069	81,416	66,015	57,108	55,989	55,368
Gross profit	(Btmn)	2,126	8,071	9,939	(5,270)	(309)	2,022	(2,106)	5,739
SG&A	(Btmn)	24	1,683	318	333	457	425	300	259
Other income	(Btmn)	20	16	14	16	17	47	15	40
Interest expense	(Btmn)	51	41	58	77	141	94	106	56
Pre-tax profit	(Btmn)	2,070	6,364	9,577	(5,664)	(890)	1,541	(2,497)	5,464
Corporate tax	(Btmn)	414	1,321	1,782	(1,257)	75	305	(526)	1,056
Equity a/c profits	(Btmn)	0	0	0	0	0	0	0	0
Minority interests	(Btmn)	0	0	0	0	0	0	0	0
Core profit	(Btmn)	1,656	5,043	7,795	(4,407)	(965)	1,237	(1,971)	4,408
Extra-ordinary items	(Btmn)	199	242	(639)	(620)	1,225	(18)	(134)	(163)
Net Profit	(Btmn)	1,855	5,284	7,156	(5,027)	260	1,219	(2,105)	4,245
EBITDA	(Btmn)	2,749	7,020	10,271	(4,912)	(73)	2,259	(1,758)	6,198
Core EPS	(Bt)	0.38	1.16	1.80	(1.02)	(0.22)	0.29	(0.45)	1.02
Net EPS	(Bt)	0.43	1.22	1.65	(1.16)	0.06	0.28	(0.49)	0.98

Balance Sheet

FY December 31	Unit	4Q21	1Q22	2Q22	3Q22	4Q22	1Q23	2Q23	3Q23
Total current assets	(Btmn)	32,731	49,173	57,709	48,927	38,258	40,911	34,188	43,370
Total fixed assets	(Btmn)	25,995	24,379	25,230	26,503	25,030	24,240	24,980	25,472
Total assets	(Btmn)	58,726	73,552	82,939	75,430	63,288	65,151	59,167	68,842
Total loans	(Btmn)	8,054	7,290	6,564	9,043	9,731	7,506	5,772	5,776
Total current liabilities	(Btmn)	20,031	30,117	33,807	32,207	23,904	24,991	20,268	23,987
Total long-term liabilities	(Btmn)	4,324	3,911	666	678	677	687	700	1,238
Total liabilities	(Btmn)	24,355	34,028	34,474	32,886	24,581	25,678	20,968	25,226
Paid-up capital	(Btmn)	30,004	30,004	30,004	30,004	30,004	30,004	30,004	30,004
Total equity	(Btmn)	34,371	39,524	48,465	42,544	38,707	39,472	38,200	43,611
BVPS	(Bt)	7.93	9.12	11.18	9.81	8.93	9.10	8.81	10.06

Cash Flow Statement

FY December 31	Unit	4Q21	1Q22	2Q22	3Q22	4Q22	1Q23	2Q23	3Q23
Core Profit	(Btmn)	1,656	5,043	7,795	(4,407)	(965)	1,237	(1,971)	4,408
Depreciation and amortization	(Btmn)	627	616	636	675	675	624	634	678
Operating cash flow	(Btmn)	3,667	(961)	3,611	(1,370)	(573)	2,328	3,129	495
Investing cash flow	(Btmn)	(56)	(42)	(29)	(76)	(132)	(29)	(47)	(175)
Financing cash flow	(Btmn)	(2,102)	(505)	(1,572)	(1,933)	713	(2,314)	(3,039)	(359)
Net cash flow	(Btmn)	1,509	(1,508)	2,010	(3,379)	8	(16)	43	(39)

Key Financial Ratios

FY December 31	Unit	4Q21	1Q22	2Q22	3Q22	4Q22	1Q23	2Q23	3Q23
Gross margin	(%)	4.0	12.3	12.7	(6.9)	(0.5)	3.4	(3.9)	9.4
Operating margin	(%)	4.0	9.8	12.3	(7.4)	(1.2)	2.7	(4.5)	9.0
EBITDA margin	(%)	5.2	10.7	13.2	(6.5)	(0.1)	3.8	(3.3)	10.1
EBIT margin	(%)	4.0	9.8	12.4	(7.3)	(1.1)	2.8	(4.4)	9.0
Net profit margin	(%)	3.5	8.1	9.2	(6.6)	0.4	2.1	(3.9)	6.9
ROE	(%)	19.7	54.6	70.9	(38.7)	(9.5)	12.7	(20.3)	43.1
ROA	(%)	11.5	30.5	39.9	(22.3)	(5.6)	7.7	(12.7)	27.5
Net D/E	(x)	0.1	0.1	0.1	0.2	0.2	0.2	0.1	0.1
Interest coverage	(x)	53.5	173.0	178.0	(63.9)	(0.5)	24.2	(16.6)	110.7
Debt service coverage	(x)	2.3	5.9	6.0	(2.1)	(0.0)	1.1	(1.1)	4.1

Main Assumptions

FY December 31	Unit	4Q21	1Q22	2Q22	3Q22	4Q22	1Q23	2Q23	3Q23
Dubai crude oil	(US\$/bbl)	77.80	96.85	108.94	98.17	84.42	79.50	77.63	86.71
Market GRM	(US\$/bbl)	5.97	8.46	18.92	6.00	5.39	6.36	1.34	8.36
Crude intake	(kbd)	139.2	150.2	156.0	155.4	163.0	162.2	159.0	139.4
FX	(%)	33.37	33.05	34.39	36.41	36.33	33.94	34.46	35.17

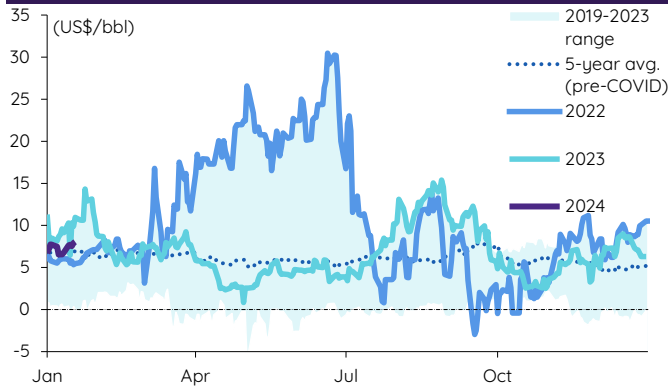
Figure 1: SPRC - 4Q23F earnings preview

	4Q22	3Q23	4Q23F	%YoY	%QoQ
Sales	65,706	61,107	61,752	(6.0)	1.1
EBITDA	(2,147)	5,897	(4,393)	n.a.	n.a.
Core profit	76	804	(513)	n.a.	n.a.
Net profit	260	4,245	(4,313)	n.a.	n.a.
EPS (Bt/share)	0.06	0.98	(0.99)	n.a.	n.a.
Crude run (kbd)	163	139	148	(9.0)	6.4
Market GRM (US\$/bbl)	5.4	8.4	2.8	(48.5)	(66.8)

Source: SPRC and InnovestX Research

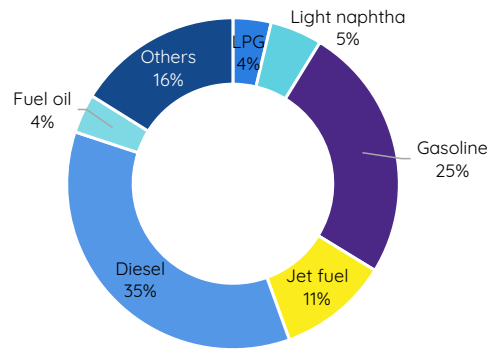
Appendix

Figure 2: Singapore GRM (Hydro-cracking)



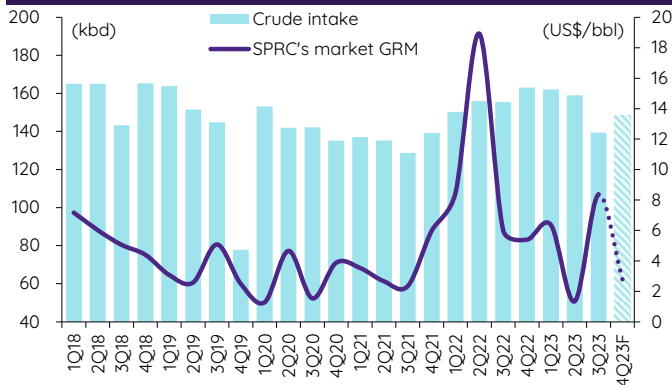
Source: Reuters and InnovestX Research

Figure 3: SPRC - product yield



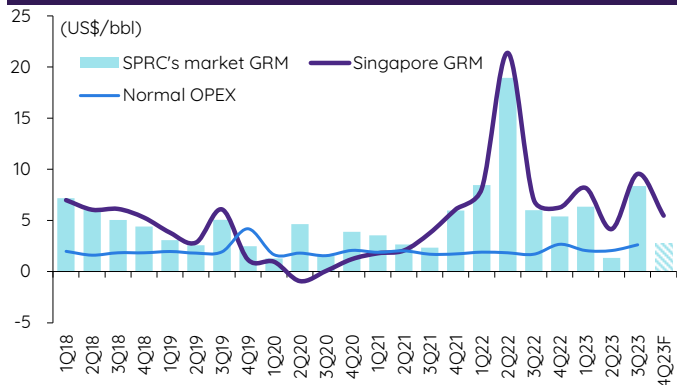
Source: SPRC and InnovestX Research

Figure 4: SPRC - crude intake



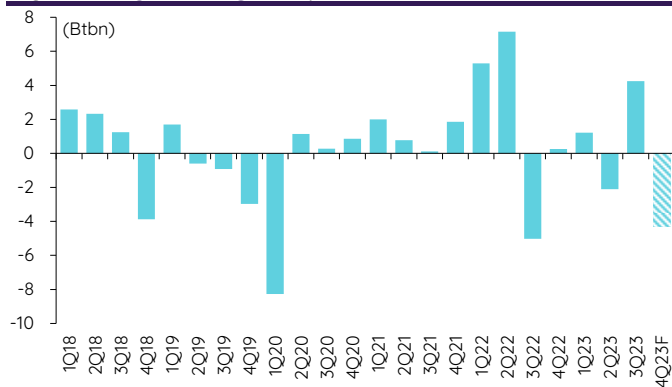
Source: SPRC and InnovestX Research

Figure 5: Gross market margin vs. normal OPEX



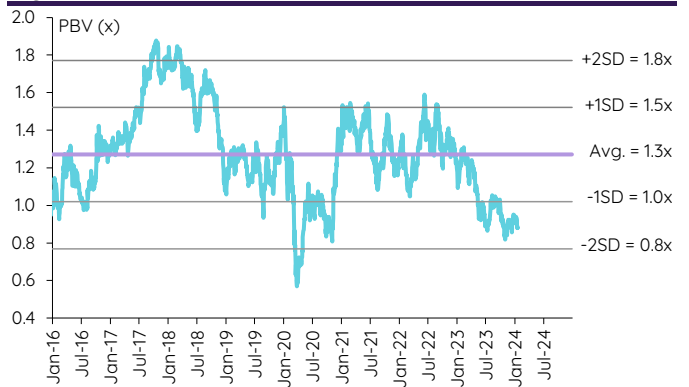
Source: SPRC and InnovestX Research

Figure 6: Quarterly net profit



Source: SPRC and InnovestX Research

Figure 7: SPRC - PBV band



Source: InnovestX Research

Figure 8: Valuation summary (price as of Jan 19, 2024)

	Rating	Price (Bt/Sh)	Target (Bt/Sh)	ETR (%)	P/E (x)			EPS growth (%)			P/BV (x)			ROE (%)			Div. Yield (%)			EV/EBITDA (x)		
					22A	23F	24F	22A	23F	24F	22A	23F	24F	22A	23F	24F	22A	23F	24F	22A	23F	24F
BCP	Outperform	40.50	51.0	35.3	3.0	5.5	3.6	99	(45)	53	0.9	0.7	0.6	24	11	15	5.6	9.4	8.4	2.1	3.5	2.4
BSRC	Underperform	9.15	10.5	19.1	3.3	6.6	8.3	114	(49)	(21)	1.2	1.0	0.9	41	17	12	8.7	4.4	3.3	5.3	7.4	8.3
IRPC	Neutral	1.93	3.0	55.4	14.1	n.m.	7.2	(82)	n.m.	n.m.	0.5	0.5	0.5	3	(2)	7	3.6	0.0	6.7	9.5	13.4	5.8
OR	Outperform	18.30	27.0	50.3	20.6	16.1	14.4	(6)	28	12	2.1	2.0	1.8	10	13	13	2.7	2.7	3.2	11.3	9.9	9.0
PTT	Outperform	34.25	45.0	37.2	6.1	8.0	9.0	9	(24)	(11)	0.9	0.9	0.8	11	8	7	5.8	5.8	5.8	3.6	3.9	3.6
PTTEP	Outperform	149.50	194.0	36.0	6.5	7.9	8.2	112	(17)	(4)	1.3	1.2	1.1	21	16	14	6.2	6.2	6.0	2.2	2.5	2.7
SPRC	Neutral	7.90	11.8	53.8	4.6	7.9	4.7	55	(42)	69	0.9	0.9	0.8	20	11	18	14.1	5.1	7.6	3.6	4.3	2.3
TOP	Outperform	53.00	71.0	38.3	3.5	7.0	5.9	61	(50)	20	0.7	0.7	0.6	22	10	11	7.0	4.3	5.3	4.6	8.8	7.5
Average					7.7	8.4	7.7	45	(28)	17	1.1	1.0	0.9	19	10	12	6.7	4.7	5.8	5.3	6.7	5.2

Source: InnovestX Research

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Companies with Good CG Scoring

24CS, AMANAH, AMARC, AMC, APP, ASAP, BCT, BE8, BIG, BIOTEC, BLESS, BSM, BVG, CAZ, CCET, CHARAN, CHAYO, CHOTI, CITY, CMAN, CMR, CRANE, CWT, DHOUSE, DTCENT, EASON, FNS, FTE, GIFT, GJS, GTB, GTV, GYT, HL, HTECH, HYDRO, IIG, INGRS, INSURE, IRPC, ITD, ITNS, JCK, JMT, JR, JSP, KBS, KGEN, KJL, L&E, LEE, MASTER, MBAX, MEB, MENA, META, MGT, MITSIB, MJD, MOSHI, MUD, NATION, NNCL, NPK, NSL, NV, OGC, PAF, PCC, PEACE, PICO, PK, PL, PLANET, PLE, PMTA, PPM, PRAKIT, PRAPAT, PRECHA, PRIN, PSG, RABBIT, READY, RJH, RSP, RWI, S11, SAAM, SAF, SAMCO, SAWAD, SCAP, SCP, SIAM, SKE, SKY, SMART, SMD, SMIT, SOLAR, SPA, STECH, STPI, SVR, TC, TCCC³, TEAM, TFI, TIGER, TITL, TKC, TMI, TNH, TPA, TPAC, TRITN, UBA, UMI, UMS, UTP, VARO, VPO, W, WARRIX, WORK, WPH, YONG, ZIGA

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 2022 to 31 October 2023) is publicized.

¹OISHI was voluntarily delisted from the Stock Exchange of Thailand, effectively on September 6, 2023

²SFP was voluntarily delisted from the Stock Exchange of Thailand, effectively on July 19, 2023

³TCCC was voluntarily delisted from the Stock Exchange of Thailand effectively on August 25, 2023

Anti-corruption Progress Indicator

Certified (ได้ยื่นบัญชี)

2S, 7UP, AAI, ADVANC, AF, AH, AI, AIE, AIRA, AJ, AKP, AMA, AMANAH, AMATA, AMATAV, AP, AP, AS, ASIAN, ASK, ASP, AWC, AYUD, B, BAFS, BAM, BANPU, BAY, BBGI, BBL, BCH, BCP, BCPG, BE8, BEC, BEYOND, BGC, BGRIM, BKI, BLA, BPP, BROOK, BRR, BSBM, BTS, BWG, CEN, CENTEL, CFRESH, CGH, CHEWA, CHOTI, CHOW, CIG, CIMBT, CM, CMC, COM7, CPALL, CPAXT, CPF, CPI, CPL, CPN, CPW, CRC, CSC, DCC, DELTA, DEMCO, DIMET, DOHOME, DRT, DUSIT, EA, EASTW, ECF, EGCO, EP, EPG, ERW, ESTAR, ETC, ETE, FNS, FPI, FPT, FSMART, FTE, GBX, GC, GCAP, GEL, GFPT, GGC, GJS, GPI, GPSC, GSTEEL, GULF, GUNKUL, HANA, HARN, HENG, HMPRO, HTC, ICC, ICHI, IFS, III, ILINK, ILM, INET, INOX, INSURE, INTUCH, IRPC, ITEL, IVL, JAS, JKN, JR, JTS, KASET, KBANK, KBS, KCAR, KCC, KCE, KGEN, KGI, KKP, KSL, KTB, L&E, LANNA, LHFG, LHK, LPN, LRH, M, MAJOR, MALEE, MATCH, MBAX, MBK, MC, MCOT, META, MFC, MFEC, MILL, MINT, MONO, MOONG, MSC, MST, MTC, MTI, NATION, NCAP, NEP, NKI, NOBLE, NRF, NWR, OCC, OGC, OR, ORI, PAP, PATO, PB, PCSGH, PDG, PDJ, PG, PHOL, PIMO, PK, PL, PLANB, PLANET, PLAT, PM, PPP, PPPM, PPS, PR9, PREB, PRG, PRINC, PRM, PROS, PSH, PSL, PSTC, PT, PTECH, PTG, PTT, PTTPE, PTTGC, PYLON, Q-CON, QH, QTC, RABBIT, RATCH, RML, RS, RWI, S&J, SAAM, SABINA, SAK, SAPPE, SAT, SC, SCC, SCCC, SCG, SCGP, SCM, SCN, SEAOL, SE-ED, SELIC, SENA, SGC, SGP, SIRI, SITHAI, SKR, SMIT, SMK, SMP, SNC, SNP, SORKON, SPACK, SPALI, SPC, SPI, SPRC, SRICHA, SSF, SSP, SSSC, SST, STA, STGT, STOWER, SUSCO, SVI, SYMC, SYNTEC, TAE, TAKUNI, TASC, TCAP, TCMC, TFG, TFI, TFMAMA, TGE, TGH, THANI, THCOM, THIP, THRE, THREL, TIDLOR, TIPCO, TISCO, TKS, TKT, TMD, TMILL, TMT, TNITY, TNL, TNP, TNR, TOG, TOP, TOPP, TPA, TPCS, TRT, TRU, TSC, TSI, TSTE, TSTH, TTA, TTB, TTCL, TU, TVDH, TVO, TWPC, UBE, UBIS, UEC, UKEM, UOBKH, UV, VCOM, VGI, VIH, WACOAL, WHA, WHAUP, WICE, WIIK, XO, YUASA, ZEN, ZIGA

Declared (ได้ทำรายงาน)

ACE, ADB, ALT, AMC, ASW, BLAND, BTG, BYD, CAZ, CBG, CV, DEXON, DMT, EKH, FSX, GLOBAL, GREEN, ICN, IHL, ITC, J, JMART, JMT, LEO, LH, MENA, MITSIB, MODERN, NER, NEX, OSP, OTO, PLUS, POLY, PQS, PRIME, PROEN, PRTR, RBF, RT, SA, SANKO, SCB, SENX, SFLEX, SIS, SKE, SM, SVOA, TBN, TEGH, TIPH, TKN, TPAC, TPLAS, TQM, TRUE, W, WPH, XPG

N/A

24CS, 3K-BAT, A, A5, AAV, ABM, ACAP, ACC, ACG, ADD, AEONTS, AFC, AGE, AHC, AIT, AJA, AKR, AKS, ALL, ALLA, ALPHAX, ALUCON, AMARC, AMARIN, AMR, ANAN, ANI, AOT, APCO, APEX, APP, APURE, AQUA, ARIN, ARIP, ARROW, ASAP, ASEFA, ASIA, ASIMAR, ASN, ATP30, AU, AU, AU, AUCT, AURA, B52, BA, BBIK, BC, BCT, BDMS, BEAUTY, BEM, BGT, BH, BIG, BIOTEC, BIS, BIZ, BJC, BJCHI, BKD, BLC, BLESS, BLISS, BM, BOL, BR, BRI, BROCK, BSM, BSRC, BTNC, BTW, BUI, BVG, CCET, CCP, CEY, CGD, CH, CHARAN, CHASE, CHAYO, CHG, CHIC, CHO, CI, CITY, CIVIL, CK, CKP, CMAN, CMO, CMR, CNT, COCOCO, COLOR, COMAN, CPANEL, CPH, CPR, CPT, CRANE, CSD, CSR, CSS, CTW, CWT, D, DCON, DDD, DHOUSE, DITTO, DOD, DPAINT, DTCENT, DTCI, DV8, EASON, ECL, EE, EFORL, EMC, ETL, EVER, F&D, FANCY, FE, FLOYD, FMT, FN, FORTH, FTI, FVC, GABLE, GENCO, GFC, GIFT, GL, GLAND, GLOCON, GLOCKY, GRAMMY, GRAND, GSC, GTB, GTV, GYT, HEALTH, HFT, HL, HPT, HTECH, HUMAN, HYDRO, I2, IFEC, IIG, IMH, IND, INGRS, INSET, IP, IRC, IRPC, IT, ITD, ITNS, ITTHI, JAK, JCKH, JCT, JDF, JPARK, JSP, JUBILE, K, KAMART, KC, KCG, KCM, KDH, KEX, KIAT, KISS, KJL, KK, KKC, KLINIQ, KOOL, KTIS, KTMS, KUMWEL, KUN, KWC, KWI, KWM, KYE, LALIN, LDC, LEE, LIT, LOXLEY, LPH, LST, MANRIN, MASTER, MATI, MCA, MDX, MEB, MEGA, METCO, MGC, MGI, MGT, MICRO, MIDA, MJD, MK, ML, MORE, MOSHI, MTW, MUD, MVP, NAM, NC, NCH, NCL, NDR, NETBAY, NEW, NEWS, NFC, NNCL, NOK, NOVA, NPK, NSL, NTSC, NTV, NUSA, NV, NVD, NYT, OHTL, ONEE, ORN, PACE, PACO, PAF, PCC, PEACE, PERM, PF, PHG, PICO, PIN, PJW, PLE, PLT, PMTA, POLAR, POMPUI, PORT, POST, PPM, PRAKIT, PRAPAT, PRECHA, PRI, PRIN, PRO, PROUD, PSG, PSP, PTC, PTL, RAM, RCL, READY, RICHY, RJH, ROCK, ROCTEC, ROH, ROJNA, RP, RPC, RPH, RSP, S, S11, SABUY, SAF, SAFARI, SAFE, SALEE, SAM, SAMART, SAMCO, SAMTEL, SAUCE, SAV, SAWAD, SAWANG, SBNEXT, SCAP, SCGD, SCI, SCL, SCP, SDC, SE, SEAFCO, SECURE, SFT, SGF, SHANG, SHR, SIAM, SICT, SIMAT, SINGER, SINO, SISB, SJWD, SK, SKN, SKY, SLM, SLP, SMART, SMD, SMT, SNNP, SO, SOLAR, SONIC, SPA, SPCG, SPG, SPVI, SQ, SR, SRS, SSC, SSS, STANLY, STARK, STC, STEC, STECH, STHAI, STI, STP, STPI, SUK, SUN, SUPER, SUTHA, SVR, SVT, SWC, SYNEX, TACC, TAN, TAPAC, TC, TCC, TCJ, TCOAT, TEAM, TEAMG, TEKA, TFM, TGPRO, TH, THAI, THANA, THE, THG, THMUI, TIGER, TITL, TK, TKC, TLI, TM, TMC, TMI, TMW, TNDT, TNH, TNPC, TOA, TPBI, TPCH, TPIPL, TPIPP, TPL, TPOLY, TPP, TPS, TQR, TR, TRC, TRITN, TRP, TRUBB, TRV, TSE, TTI, TTT, TTW, TURTLE, TVH, TVT, TWP, TWZ, TYCN, UAC, UBA, UMI, UMS, UNIQ, UP, UPF, UPOIC, UREKA, UTP, UVAN, VARO, VIBHA, VL, VNG, VPO, VRANDA, WARRIX, WAVE, WFX, WGE, WIN, WINDOW, WINMED, WINNER, LPH, WORLD, WP, YGG, YONG, ZAA

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