

Indorama Ventures

Indorama Ventures
Public Company Limited

IVL

Bloomberg IVL.TB
Reuters IVL.BK



2Q24: Huge loss caused by impairments

Net loss of Bt23bn was in line with INVX estimates, hit by impairment charges and related expenses of US\$666mn from the closure of some plants under IVL's asset optimization strategy: US\$543mn non-cash items and US\$123mn in severance payments to be paid later. Adjusted net profit shows a fall of 62.3% YoY and 1% QoQ to Bt1.2bn on lower profit from the combined PET and intermediate segment that beat out the strong improvement in the surfactant segment under Indovinya on demand recovery after destocking eased. 1H24 net loss of Bt21.9bn was much worse than net profit of Bt1.4bn in 1H23. We maintain our 2024F, which already included the impairment charge. We expect earnings to improve gradually in 2H24 on recovering demand and cost savings after asset optimization. We stay Neutral with TP (2024) cut to Bt19, based on 0.7x PBV (2024F) or -2SD of 5-year average.

CPET&IC^{1/} margin under pressure. Adjusted EBITDA fell 11% YoY but rose 1% QoQ to US\$370mn as contribution from the CPET&IC segment (63% of total adjusted EBITDA) fell 25% YoY and 6% QoQ on a fall in adj. EBITDA/t to US\$81.3/t (-25% YoY, -11% QoQ). Behind this was lower margin for specialty and intermediate chemicals caused by a 50-day outage of US the gas cracker. Intense competition in the PET market due to cheap supply from China and margin reset on sales contracts in North America pulled adj. EBITDA/t for integrated PET down 37% YoY and 1.2% QoQ to US\$56.1/t.

Surfactant segment key profit support. Indovinya's adj. EBITDA (surfactant segment), which accounted for 27% of total adj. EBITDA in 2Q24, rose 85% YoY and 40% QoQ on 71% YoY and 30% QoQ growth in adj. EBITDA/t as demand for high value-added products (80% of the segment's volume, with adj. EBITDA of >20%), recovered after destocking eased. This segment shored up earnings in 2Q24 and is likely to continue to do so in 2H24, particularly in the crop solution and energy & resources units, where sales volume rose 4% and 26% YoY.

Fiber segment stable QoQ. Adjusted EBITDA for the fiber segment improved 19% YoY and 2% QoQ, driven by the mobility segment, where demand was better and destocking lower. Adjusted EBITDA/t for the segment rose 11% YoY and 1% QoQ to US\$95.4/t as the mobility segment EBITDA margin surged from 6.7% in 1Q24 to 10.2% in 2Q24. Still, the segment's adjusted EBITDA contributed only 11% of the total.

Earnings to recover in 3Q24. Although the asset optimization will reduce IVL's annual capacity by 1.9mt and production volume by 0.6mt, it is expected to have limited impact on revenue as products will be sourced from other, most cost-competitive locations such as Egypt and Turkey. Hence, IVL's sales volume is expected to increase further in 3Q24. Product spread will continue to edge up as industry destocking has ended and IVL will begin to benefit from fixed cost savings of US\$170mn/year from the asset optimization. This will translate into EBITDA enhancement of US\$150-160mn/year (~US\$15-20mn in 3Q24 and US\$30mn in 4Q24).

Earnings forecast maintained but TP cut. As we already put the huge impairment charge recorded in 2Q24 into our forecast, we leave our 2024F unchanged with a net loss of Bt18.3bn. We expect earnings to recover in 2H24, backed by better product spread in the surfactant segment and the benefit from fixed cost savings from the closed plants. Nonetheless, we cut PBV-based TP further to Bt19, pegged to 0.7x PBV (2024F) or -2SD of 5-year average.

Risk factors: 1) Weaker demand, 2) less efficiency improvement at new assets than expected and 3) changes in regulations on plastic products. Key ESG risk factors include the environmental impact of its business and how it adapts during the transition to clean energy and a circular economy.

Forecasts and valuation

Year to 31 Dec	Unit	2022	2023	2024F	2025F	2026F
Revenue	(Btmn)	656,266	541,458	545,372	529,540	511,838
EBITDA	(Btmn)	84,054	40,646	52,472	55,858	60,817
Core profit	(Btmn)	38,717	389	6,555	12,320	17,796
Reported profit	(Btmn)	31,006	(10,798)	(18,256)	12,320	17,796
Core EPS	(Bt)	6.90	0.07	1.17	2.19	3.17
DPS	(Bt)	1.60	0.93	0.60	1.00	1.00
P/E, core	(x)	2.4	239.4	14.2	7.6	5.2
EPS growth, core	(%)	43.5	(99.0)	1,583.5	87.9	44.5
P/BV, core	(x)	0.5	0.6	0.7	0.6	0.6
ROE	(%)	22.5	0.2	4.3	8.5	11.4
Dividend yield	(%)	9.6	5.6	3.6	6.0	6.0
EV/EBITDA	(x)	3.8	7.8	5.4	4.5	3.6

Source: InnovestX Research

Tactical: NEUTRAL (3-month)

Stock data

Last close (Aug 9) (Bt)	16.60
Target price (Bt)	19.00
Mkt cap (Btbn)	93.20
Mkt cap (US\$mn)	2,655

Beta	H
Mkt cap (%) SET	0.58
Sector % SET	1.51
Shares issued (mn)	5,615
Par value (Bt)	1.00
12-m high / low (Bt)	33.5 / 16.3
Avg. daily 6m (US\$mn)	12.77
Foreign limit / actual (%)	100 / 70
Free float (%)	35.2
Dividend policy (%)	≥ 30

Share performance

(%)	1M	3M	12M
Absolute	(16.2)	(29.4)	(50.1)
Relative to SET	(14.5)	(25.3)	(41.0)

Source: SET, InnovestX Research

2023 Sustainability / 2022 ESG Score

SET ESG Ratings	AA
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ESG Bloomberg Rank in the sector

ESG Score Rank	1/15
Environmental Score Rank	2/15
Social Score Rank	1/15
Governance Score Rank	1/15

ESG comment

IVL had the sector's best ESG score in 2022, with outperforming social and governance scores. The environmental score is also above average and much better than sector peers in 2022.

Source: Bloomberg Finance L.P.

Note:

^{1/} Combined PET and intermediate chemicals

Analyst

Chaipat Thanawattano

Fundamental Investment
Analyst on Securities
(66-2) 949-1005
chaipat.thanawattano@scbx.co.th

Our view on ESG

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

ESG Disclosure Score

Bloomberg ESG Score	79.46 (2022)	CG Rating	DJSI	SETESG	SET ESG Ratings	
Rank in Sector	1/15	IVL	5	Yes	Yes	AA

Source: Thai Institute of Directors (IOD), SET

Environmental Issue (E)

- IVL is one of the key players in plastic recycling. It has committed to recycle post-consumer PET bale input by 0.75mn tons/year by 2025 and 1.50mn tons/year by 2030.
- IVL pledged to be Net Zero Carbon by 2050-2070 and announced a US\$4.7bn investment to increase biomass feedstock to 2.4mn tons by 2030.
- New solar energy investments in China and Indonesia provide a combined emissions savings of over 3,300 tCO₂e/year.
- IVL targets 10% renewable electricity consumption by 2025 and 25% by 2030.
- New CarbonLite recycling facility in the US and an upcoming facility in Indonesia will recycle 5bn PET bottles annually by 2023. The manufacturing site in Thailand recorded a waste diversion rate of 99%, obtaining Zero Waste to Landfill certification.

Governance Issue (G)

- IVL's board of directors consists of 12 directors, including five independent directors (41.67% of the entire Board) and three non-executive directors. These include three female members (25% of the entire Board).
- 100% independent directors on the Nomination, Compensation and Corporate Governance (NCCG) Committee.
- IVL has been rated "Excellent" (5 stars) by the Thai Institute of Directors for the tenth consecutive year in 2022.
- We view IVL's management and governance as satisfactory, reflecting management's ability to plan and execute capacity expansion organically and non-organically, its experience and expertise, its transparency with stakeholders, and its independent board of directors.

Social Issue (S)

- IVL implemented a global Environment, Health and Safety (EHS) and Sustainability Software Management System.
- IVL continue to focus on the execution of the Injury and Illness Prevention Program (I2P2), which systematically analyses incident trends and implements controls to reduce the most frequent types. In 2022, 79% of plants participating in the program improved their TRIR and 66% improved their LTIFR.
- The company recorded an overall LTIFR of 0.51 in 2022, down from 0.66, approaching the goal to achieve an LTIFR of less than 0.5 cases per 200,000 man-hours by 2025.
- Diversity highlights for 2022 include women in the workforce (25%, up from 22% in 2021), women in leadership roles (35%) and in top management (21.3%).
- IVL continues to educate people on PET's circular and recyclable qualities, and the importance of recycling to prevent PET waste mismanagement.

ESG Disclosure Score

	2021	2022
ESG Disclosure Score	80.31	79.46
Environment	82.18	82.18
Emissions Reduction Initiatives	Yes	Yes
Climate Change Policy	Yes	Yes
GHG Scope 1	7,247.67	7,195.28
Biodiversity Policy	Yes	Yes
Energy Efficiency Policy	Yes	Yes
Total Energy Consumption	30,429.90	33,929.80
Social	68.86	66.29
Human Rights Policy	Yes	Yes
Equal Opportunity Policy	Yes	Yes
Health and Safety Policy	Yes	Yes
Fatalities - Employees	1.00	0.00
Total Recordable Incident Rate - Employees	1.19	1.04
Employee Turnover Pct	11.42	13.71
Governance	89.86	89.86
Size of the Board	16	15
Number of Board Meetings for the Year	8	5
Board Meeting Attendance Pct	98	99
Number of Female Executives	1	1
Number of Independent Directors	8	7
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	2019	2020	2021	2022	2023	2024F	2025F	2026F
Total revenue	(Btmn)	352,692	331,513	468,108	656,266	541,458	545,372	529,540	511,838
Cost of goods sold	(Btmn)	309,345	287,882	383,128	544,321	476,039	466,145	443,935	419,673
Gross profit	(Btmn)	43,348	43,631	84,980	111,945	65,419	79,227	85,605	92,164
SG&A	(Btmn)	34,250	39,013	47,343	62,895	58,743	60,506	62,321	64,190
Other income	(Btmn)	2,367	3,224	4,965	9,282	6,274	4,878	5,050	5,319
Interest expense	(Btmn)	5,615	7,674	7,121	10,495	15,367	14,781	12,133	9,886
Pre-tax profit	(Btmn)	5,850	167	35,481	47,837	(2,418)	8,819	16,201	23,407
Corporate tax	(Btmn)	1,534	(1,243)	6,703	5,774	(2,684)	1,794	3,242	4,683
Equity a/c profits	(Btmn)	5	143	160	(23)	8	9	9	9
Minority interests	(Btmn)	888	(386)	(1,966)	(3,324)	115	(478)	(648)	(936)
Core profit	(Btmn)	5,209	1,168	26,972	38,717	389	6,555	12,320	17,796
Extra-ordinary items	(Btmn)	43	1,247	(684)	(7,711)	(11,187)	(24,811)	0	0
Net Profit	(Btmn)	5,252	2,414	26,288	31,006	(10,798)	(18,256)	12,320	17,796
EBITDA	(Btmn)	28,505	28,328	64,338	84,054	40,646	52,472	55,858	60,817
Core EPS	(Btmn)	0.93	0.21	4.80	6.90	0.07	1.17	2.19	3.17
Net EPS	(Bt)	0.94	0.43	4.68	5.52	(1.92)	(3.25)	2.19	3.17
DPS	(Bt)	1.23	0.70	1.00	1.60	0.93	0.60	1.00	1.00

Balance Sheet

FY December 31	Unit	2019	2020	2021	2022	2023	2024F	2025F	2026F
Total current assets	(Btmn)	118,757	119,835	176,859	215,708	189,354	167,980	164,683	169,350
Total fixed assets	(Btmn)	261,811	333,337	364,969	408,171	400,778	343,550	322,600	298,657
Total assets	(Btmn)	380,568	453,172	541,828	623,878	590,132	511,530	487,283	468,007
Total loans	(Btmn)	146,262	203,016	215,714	245,668	243,227	204,692	173,621	145,945
Total current liabilities	(Btmn)	112,991	117,161	161,121	202,200	201,347	175,838	185,678	169,565
Total long-term liabilities	(Btmn)	129,410	200,402	209,704	220,793	210,717	179,683	137,120	120,839
Total liabilities	(Btmn)	242,401	317,564	370,825	422,993	412,064	355,521	322,798	290,403
Paid-up capital	(Btmn)	5,615	5,615	5,615	5,615	5,615	5,615	5,615	5,615
Total equity	(Btmn)	129,712	126,655	158,769	185,990	164,362	141,825	149,654	161,836
BVPS	(Bt)	23.10	22.56	28.28	33.13	29.27	25.26	26.65	28.82

Cash Flow Statement

FY December 31	Unit	2019	2020	2021	2022	2023	2024F	2025F	2026F
Core Profit	(Btmn)	5,209	1,168	26,972	38,717	389	6,555	12,320	17,796
Depreciation and amortization	(Btmn)	17,040	20,487	21,737	25,721	27,697	28,871	27,524	27,524
Operating cash flow	(Btmn)	40,963	43,367	33,928	77,638	52,034	44,999	43,282	39,465
Investing cash flow	(Btmn)	(25,298)	(78,602)	(25,828)	(74,158)	(25,653)	(6,475)	(6,475)	(3,481)
Financing cash flow	(Btmn)	(10,796)	43,737	(10,833)	1,516	(28,910)	(42,339)	(34,915)	(32,354)
Net cash flow	(Btmn)	4,868	8,502	(2,733)	4,996	(2,529)	(3,815)	1,893	3,630

Key Financial Ratios

FY December 31	Unit	2019	2020	2021	2022	2023	2024F	2025F	2026F
Gross margin	(%)	12.3	13.2	18.2	17.1	12.1	14.5	16.2	18.0
Operating margin	(%)	2.6	1.4	8.0	7.5	1.2	3.4	4.4	5.5
EBITDA margin	(%)	8.1	8.5	13.7	12.8	7.5	9.6	10.5	11.9
EBIT margin	(%)	3.3	2.4	9.1	8.9	2.4	4.3	5.4	6.5
Net profit margin	(%)	1.5	0.7	5.6	4.7	(2.0)	(3.3)	2.3	3.5
ROE	(%)	3.8	0.9	18.9	22.5	0.2	4.3	8.5	11.4
ROA	(%)	1.4	0.3	5.4	6.6	0.1	1.2	2.5	3.7
Net D/E	(x)	1.0	1.4	1.3	1.2	1.4	1.3	1.0	0.8
Interest coverage	(x)	5.1	3.7	9.0	8.0	2.6	3.5	4.6	6.2
Debt service coverage	(x)	0.6	0.6	1.4	1.5	0.5	0.6	0.8	0.7
Payout Ratio	(%)	131.0	162.8	21.4	29.0	(48.1)	(18.5)	45.6	31.5

Main Assumptions

FY December 31	Unit	2019	2020	2021	2022	2023	2024F	2025F	2026F
Effective capacity	(ktpa)	14,549	17,261	17,361	18,866	19,348	19,358	19,368	19,368
Total production volume	(kt)	12,340	13,716	14,722	14,652	13,909	14,180	14,710	15,260
Core EBITDA/t	(US\$/t)	93	82	118	155	92	95	97	102
Reported EBITDA/t	(US\$/t)	74	68	135	163	81	95	97	102
Average selling price	(US\$/t)	971	804	1,042	1,331	1,163	1,127	1,055	983
FX	(Bt/US\$)	31.05	31.29	32.00	35.07	34.81	35.50	35.50	35.50

Financial statement

Profit and Loss Statement

FY December 31	Unit	3Q22	4Q22	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24
Total revenue	(Btmn)	178,782	143,786	136,579	137,419	138,352	129,109	135,908	146,163
Cost of goods sold	(Btmn)	151,832	134,401	120,076	118,948	120,404	116,610	116,300	126,727
Gross profit	(Btmn)	26,950	9,386	16,503	18,471	17,947	12,498	19,608	19,435
SG&A	(Btmn)	16,788	14,167	14,086	14,824	14,690	15,144	14,528	20,405
Other income	(Btmn)	2,335	1,818	1,504	1,492	1,795	1,483	1,719	1,967
Interest expense	(Btmn)	3,016	3,293	3,460	3,865	4,015	4,027	4,176	4,692
Pre-tax profit	(Btmn)	9,481	(6,256)	461	1,273	1,038	(5,190)	2,623	(3,695)
Corporate tax	(Btmn)	958	(2,804)	(625)	466	568	(3,093)	886	(6,309)
Equity a/c profits	(Btmn)	(22)	(46)	(24)	11	21	1	(33)	(49)
Minority interests	(Btmn)	(863)	392	7	(114)	(13)	235	111	(289)
Core profit	(Btmn)	7,638	(3,106)	1,068	703	479	(1,860)	1,816	2,276
Extra-ordinary items	(Btmn)	499	(8,372)	(44)	(292)	(283)	(10,568)	(683)	(25,272)
Net Profit	(Btmn)	8,137	(11,479)	1,023	411	195	(12,428)	1,133	(22,996)
EBITDA	(Btmn)	19,219	4,131	10,465	11,672	11,980	6,530	13,985	8,331
Core EPS	(Btmn)	1.36	(0.55)	0.19	0.13	0.09	(0.33)	0.32	0.41
Net EPS	(Bt)	1.45	(2.04)	0.18	0.07	0.03	(2.21)	0.20	(4.10)

Balance Sheet

FY December 31	Unit	3Q22	4Q22	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24
Total current assets	(Btmn)	271,708	215,708	211,864	214,169	205,837	189,354	209,839	206,500
Total fixed assets	(Btmn)	443,156	408,171	405,605	423,524	433,266	400,778	417,550	395,935
Total assets	(Btmn)	714,864	623,878	617,469	637,693	639,103	590,132	627,389	602,435
Total loans	(Btmn)	273,964	245,668	248,158	252,662	253,905	243,227	257,949	259,546
Total current liabilities	(Btmn)	233,471	202,200	193,455	215,621	203,806	201,347	213,696	219,661
Total long-term liabilities	(Btmn)	251,914	220,793	225,612	217,734	230,442	210,717	224,797	221,602
Total liabilities	(Btmn)	485,385	422,993	419,067	433,355	434,248	412,064	438,493	441,263
Paid-up capital	(Btmn)	5,615	5,615	5,615	5,615	5,615	5,615	5,615	5,615
Total equity	(Btmn)	211,663	185,990	183,983	189,088	189,623	164,362	174,058	145,900
BVPS	(Bt)	37.70	33.13	32.77	33.68	33.77	29.27	31.00	25.99

Cash Flow Statement

FY December 31	Unit	3Q22	4Q22	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24
Core Profit	(Btmn)	7,638	(3,106)	1,068	703	479	(1,860)	1,816	2,276
Depreciation and amortization	(Btmn)	6,722	7,094	6,544	6,534	6,927	7,693	7,185	7,334
Operating cash flow	(Btmn)	10,657	18,086	6,684	16,401	13,890	15,060	6,229	17,915
Investing cash flow	(Btmn)	(8,794)	(7,504)	(6,472)	(5,902)	(7,498)	(5,781)	(4,489)	(9,928)
Financing cash flow	(Btmn)	1,410	(19,130)	680	(11,877)	(8,560)	(9,153)	1,656	(7,928)
Net cash flow	(Btmn)	3,272	(8,548)	892	(1,378)	(2,168)	125	3,395	59

Key Financial Ratios

FY December 31	Unit	3Q22	4Q22	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24
Gross margin	(%)	15.1	6.5	12.1	13.4	13.0	9.7	14.4	13.3
Operating margin	(%)	5.7	(3.3)	1.8	2.7	2.4	(2.0)	3.7	(0.7)
EBITDA margin	(%)	10.8	2.9	7.7	8.5	8.7	5.1	10.3	5.7
EBIT margin	(%)	7.0	(2.1)	2.9	3.7	3.7	(0.9)	5.0	0.7
Net profit margin	(%)	4.6	(8.0)	0.7	0.3	0.1	(9.6)	0.8	(15.7)
ROE	(%)	15.0	(6.2)	2.3	1.5	1.0	(4.2)	4.3	5.7
ROA	(%)	4.4	(1.9)	0.7	0.4	0.3	(1.2)	1.2	1.5
Net D/E	(x)	1.2	1.2	1.2	1.2	1.2	1.4	1.4	1.6
Interest coverage	(x)	6.4	1.3	3.0	3.0	3.0	1.6	3.3	1.8
Debt service coverage	(x)	0.9	0.2	0.5	0.5	0.6	0.3	0.6	0.4

Main Assumptions

FY December 31	Unit	3Q22	4Q22	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24
Effective capacity	(ktpa)	19,015	18,866	19,129	19,462	19,821	18,297	18,921	18,858
Total production volume	(kt)	3,816	3,204	3,398	3,627	3,389	3,459	3,459	3,608
Core EBITDA/t	(US\$/t)	159	82	101	104	89	75	102	99
Reported EBITDA/t	(US\$/t)	134	25	89	88	96	50	106	102
Average selling price	(US\$/t)	1,283	1,225	1,185	1,099	1,160	1,044	1,102	1,106
FX	(Bt/US\$)	36.42	36.33	33.92	34.50	35.18	35.67	35.65	36.70

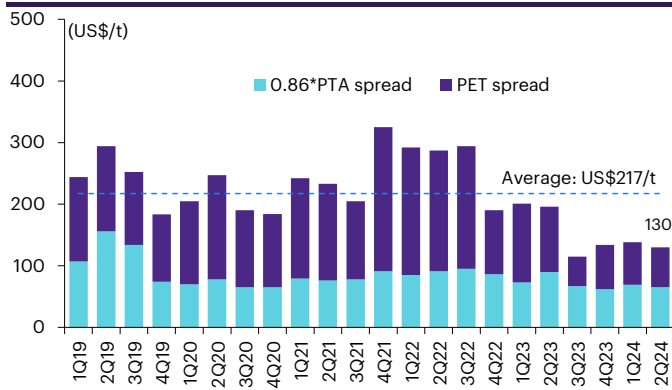
Figure 1: IVL – 2Q24 earnings review

	2Q23	1Q24	2Q24	%YoY	%QoQ	6M23	6M24	%YoY
P&L (Bt, mn)								
Total revenue	137,419	135,908	146,163	6.4	7.5	273,998	282,071	2.9
Gross profit	18,471	19,608	19,435	5.2	(0.9)	34,973	39,043	11.6
EBITDA	11,672	13,985	8,331	(28.6)	(40.4)	22,137	22,316	0.8
Profit before extra items	703	1,816	2,276	223.8	25.3	1,771	4,093	131.1
Net Profit	411	1,133	(22,996)	n.a.	n.a.	1,435	(21,863)	n.a.
EPS (Bt)	0.07	0.20	(4.10)	n.a.	n.a.	0.26	(3.89)	n.a.
B/S (Bt, mn)								
Total assets	637,693	627,389	602,435	(5.5)	(4.0)	637,693	602,435	(5.5)
Total liabilities	433,355	438,493	441,263	1.8	0.6	433,355	441,263	1.8
Total equity	204,338	188,896	161,172	(21.1)	(14.7)	204,338	161,172	(21.1)
BVPS (Bt)	33.68	31.00	25.99	(22.8)	(16.2)	33.68	25.99	(22.8)
Financial ratio (%)								
Gross margin (%)	13.4	14.4	13.3	(0.1)	(1.1)	12.8	13.8	1.1
EBITDA margin (%)	8.5	10.3	5.7	(2.8)	(4.6)	8.1	7.9	(0.2)
Net profit margin (%)	0.3	0.8	(15.7)	(16.0)	(16.6)	0.5	(7.8)	(8.3)
ROA (%)	0.4	1.2	1.5	1.0	0.3	0.5	(7.3)	(7.8)
ROE (%)	1.5	4.3	5.7	4.2	1.4	1.5	(28.2)	(29.7)
D/E (X)	2.1	2.3	2.7	61.7	41.6	2.1	2.7	61.7

Source: IVL and InnovestX Research

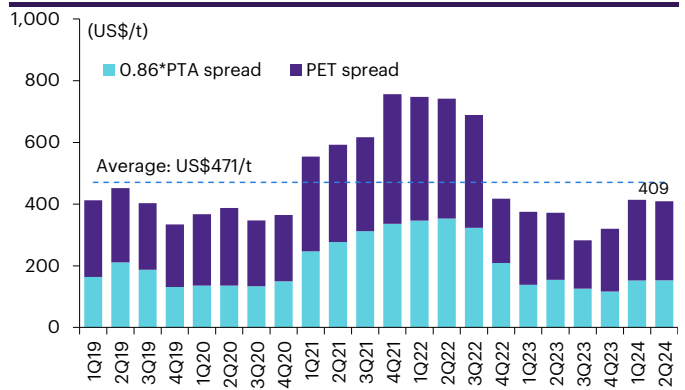
Appendix

Figure 2: Integrated PET spread – Asia



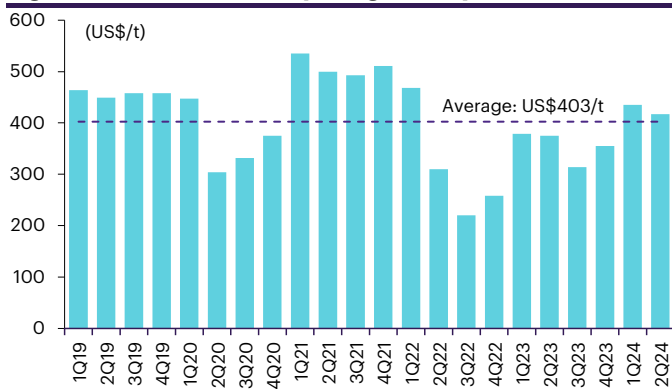
Source: Industry data and InnovestX Research

Figure 3: Integrated PET spread – EMEA



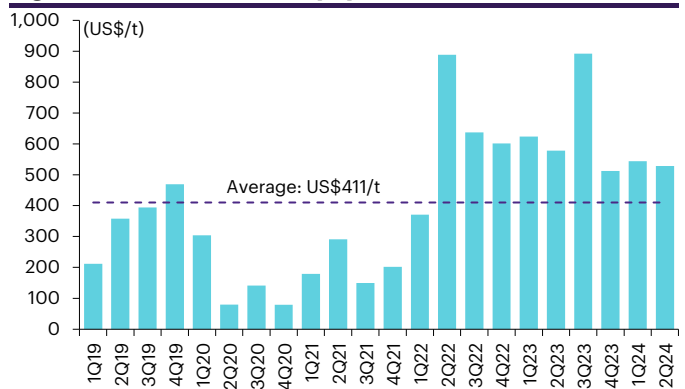
Source: Industry data and InnovestX Research

Figure 4: US MEG industry integrated spread



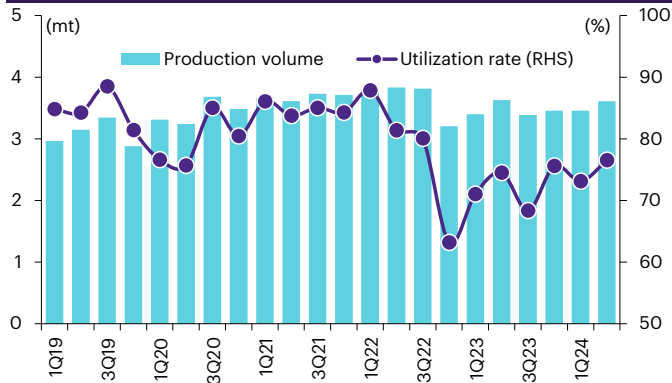
Source: Industry data and InnovestX Research

Figure 5: US MTBE industry spread (C-Factor)



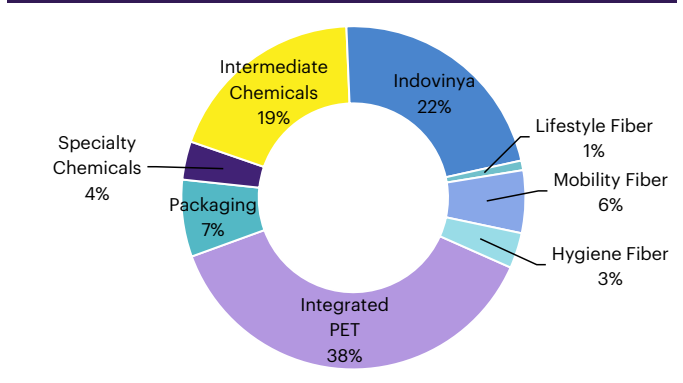
Source: Industry data and InnovestX Research

Figure 6: Production volume



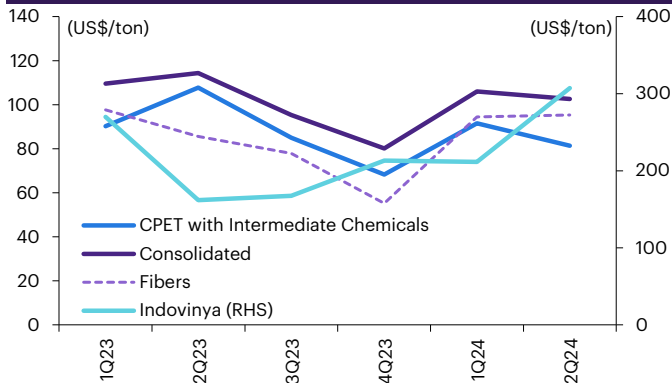
Source: IVL and InnovestX Research

Figure 7: Adjusted EBITDA breakdown (LTM to 2Q24)



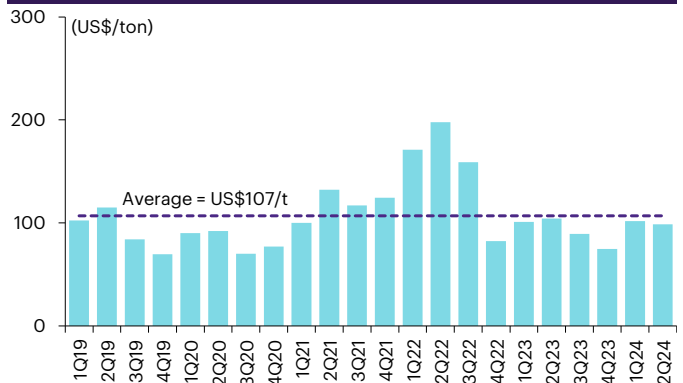
Source: IVL and InnovestX Research

Figure 8: Adj. EBITDA/t



Source: IVL and InnovestX Research

Figure 9: Core EBITDA/t



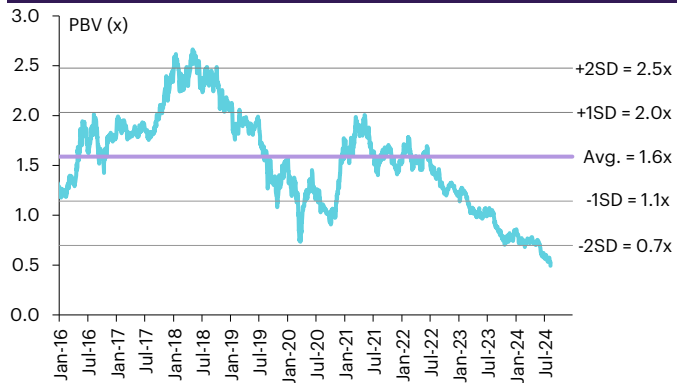
Source: IVL and InnovestX Research

Figure 10: Quarterly net profit



Source: IVL and InnovestX Research

Figure 11: IVL - PBV band



Source: InnovestX Research

Figure 12: Valuation summary (price as of Aug 9, 2024)

	Rating	Price (Bt/Sh)	Target (Bt/Sh)	ETR (%)	P/E (x)			EPS growth (%)			P/BV (x)			ROE (%)			Div. Yield (%)			EV/EBITDA (x)		
					23A	24F	25F	23A	24F	25F	23A	24F	25F	23A	24F	25F	23A	24F	25F	23A	24F	25F
GGC	Underperform	4.98	5.2	4.6	n.m.	n.m.	22.3	n.m.	(23)	n.m.	0.5	0.5	0.5	(2)	(3)	2	2.0	0.2	2.2	7.1	5.2	3.8
IVL	Neutral	16.60	19.0	18.1	239.4	14.2	7.6	(99)	1,583	88	0.6	0.7	0.6	0	4	8	5.6	3.6	6.0	7.8	5.4	4.5
PTTGC	Outperform	23.40	35.0	53.0	n.m.	10.5	8.5	n.m.	n.m.	24	0.4	0.4	0.4	(1)	3	4	4.3	3.4	6.0	8.1	6.4	5.7
Average					239.4	12.4	12.8	(99)	780	56	0.5	0.5	0.5	(1)	2	5	4.0	2.4	4.8	7.7	5.7	4.6

Source: InnovestX Research

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CG Rating 2023 Companies with CG Rating

Companies with Excellent CG Scoring

7UP, AAV, ABM, ACE, ACG, ADB, ADD, ADVANC, AEONTS, AF, AGE, AH, AHC, AIRA, AIT, AJ, AKP, AKR, ALL, ALA, ALT, AMA, AMARIN, AMATA, AMATAV, ANAN, AOT, AP, APCO, APCS, ARIP, ARROW, ASEFA, ASK, ASP, ASW, ATP30, AUCTION, AWC, AYUD, B, BA, BAFS, BAM, BANPU, BAY, BBGI, BBK, BBL, BC, BCH, BCP, BCPG, BDMS, BEC, BEM, BEYOND, BGC, BGRIM, BH, BIZ, BJC, BJCHI, BKI, BLA, BOL, BPP, BRI, BROOK, BRR, BTS, BTW, BWG, BYD, CBG, CENTEL, CFRESH, CHASE, CHEWA, CHG, CHOW, CIMBT, CIVIL, CK, CKP, CM, CNT, COLOR, COM7, COTTO, CPALL, CPAXT, CPF, CPI, CPL, CPN, CPW, CRC, CRD, CSC, CSS, CV, DCC, DDD, DELTA, DEMCO, DMT, DOHOME, DRT, DUSIT, EA, EASTW, ECF, ECL, EE, EGCO, EPG, ERW, ETC, ETE, FE, FLOYD, FN, FPI, FPT, FSX, FVC, GBX, GC, GCAP, GENCO, GFPT, GGC, GLAND, GLOBAL, GPSC, GRAMMY, GULF, GUNKUL, HANA, HARN, HENG, HMPRO, HPT, HTC, ICC, ICHI, ICN, III, ILINK, ILM, IMH, IND, INET, INTUCH, IP, IRC, IRPC, ITC, ITEL, IVL, JAS, JTS, KBANK, KCC, KCE, KEX, KKP, KSL, KTB, KTC, KTMS, KUMWEL, KUN, LALIN, LANNA, LH, LHF, LIT, LOXLEY, LPN, LRH, LST, M, MAJOR, MALEE, MATCH, MBK, MC, M-CHAI, MCOT, MEGA, MFC, MFEC, MILL, MINT, MONO, MOONG, MSC, MST, MTC, MTI, NC, NCH, NCL, NDR, NER, NKI, NOBLE, NRF, NTV, NVD, NWR, NYT, OCC, OISHI¹, ONEE, OR, ORI, OSP, OTO, PAF, PATO, PB, PCSGH, PDG, PDJ, PG, PHOL, PIMO, PJW, PLANB, PLAT, PLUS, PM, POLY, PORT, PPP, PPS, PR9, PRG, PRINC, PRM, PRTR, PSH, PSL, PT, PTC, PTT, PTTEP, PTTGC, Q-CON, QH, QTC, RATCH, RBF, RPH, RS, RT, S, S&J, SA, SABINA, SAK, SAMART, SAMTEL, SAPPE, SAT, SBNEXT, SC, SCB, SCC, SCCC, SCG, SCGP, SCM, SDC, SEAFCO, SEAOL, SECURE, SELIC, SENA, SENX, SFP², SFT, SGC, SGF, SGP, SHR, SICT, SIRI, SIS, SITHAI, SJWD, SKR, SM, SMP, SMT, SNC, SNNP, SNP, SO, SPALI, SPC, SPCG, SPI, SPRC, SR, SSC, SSF, SSSC, STA, STC, STEC, STGT, STI, SUC, SUN, SUSCO, SUTHA, SVI, SVT, SYMC, SYNEX, SYNTEC, TACC, TAE, TCAP, TCMC, TEAMG, TEGH, TFG, TFMAMA, TGE, TGH, THANA, THANI, THCOM, THIP, THRE, THREL, TIDLOR, TIPH, TISCO, TK, TKN, TKS, TKT, TLI, TM, TMC, TMD, TMT, TNDT, TNITY, TNL, TNR, TOA, TOG, TOP, TPBI, TPCS, TPIPL, TPIPP, TPS, TQM, TQR, TRT, TRUE, TRV, TSC, TSTE, TSTH, TTA, TTB, TTCL, TTW, TURTLE, TVDH, TVH, TVO, TVT, TWPC, UAC, UBE, UBIS, UKEM, UP, UPF, UPOIC, UV, VCOM, VGI, VIBHA, VIH, VL, WACOAL, WGE, WHA, WHAUP, WICE, WINMED, WINNER, XPG, YUASA, ZEN

Companies with Very Good CG Scoring

2S, A5, AAI, AIE, ALUCON, AMR, APURE, ARIN, AS, ASIA, ASIAN, ASIMAR, ASN, AURA, BR, BSBM, BSRC, BTG, CEN, CGH, CH, CHIC, CI, CIG, CMC, COMAN, CSP, DOD, DPAINT, DV8, EFORL, EKH, ESTAR, EVER, FORTH, FSMART, FTI, GEL, GPI, HEALTH, HUMAN, IFS, INSET, IT, J, JCKH, JDF, JKN, JMART, JUBILE, K, KCAR, KGI, KIAT, KISS, KK, KTIS, KWC, KWM, LDC, LEO, LHK, MACO, METCO, MICRO, MK, MVP, NCAP, NOVA, NTSC, PACO, PIN, PQS, PREB, PRI, PRIME, PROEN, PROS, PROUD, PSTC, PTECH, PYLON, RCL, SALEE, SANKO, SCI, SCN, SE, SE-ED, SFLEX, SINGER, SKO, SONIC, SORKON, SPVI, SSP, SST, STANLY, STP, SUPER, SVOA, SWC, TCC, TEKA, TFM, TMILL, TNP, TPLAS, TPOLY, TRC, TRU, TRUBB, TSE, VRANDA, WAVE, WFX, WIJK, WIN, WP, XO

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, IRCP, 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, TITLE, 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 (ได้คุ้มครอง)

2S, AAI, ADVANC, AE, AF, AH, AI, AIE, AIRA, AJ, AKP, AMA, AMANAH, AMATA, AMATAV, AP, APCS, AS, ASIAN, ASK, ASP, AWC, AYUD, B, BAFS, BAM, BANPU, BAY, BBGI, BBL, BCH, BCP, BCPG, BE8, BEC, BEYOND, BGC, BGRIM, BLA, BPP, BRR, BSBM, BTC, 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, KCE, KGEN, KGI, KKP, KSL, KTB, KTC, L&E, LANNA, LHF, 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, PPM, PPS, PR9, PREB, PRG, PRINC, PRM, PROS, PSH, PSL, PSTC, PT, PTECH, PTG, PTT, PTTEP, PTTGC, PYLON, Q-CON, QH, QLT, 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, TASCO, 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, WIJK, XO, YUASA, ZEN, ZIGA

Declared (ประกาศเจตนา)

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, PEER, 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, ADVICE, AEONTS, AFC, AGE, AHC, AIT, AJA, AKR, AKS, ALL, ALLA, ALPHAX, ALUCON, AMARC, AMARIN, AMR, ANAN, ANI, AOT, APCO, APREX, APO, APP, APURE, AQUA, ARIN, ARIP, ARROW, ASAP, ASEFA, ASIA, ASIMAR, ASN, ATP30, AU, AUCTION, AURA, B52, BA, BBK, BC, BCT, BDMS, BEAUTY, BEM, BGT, BH, BIG, BIOTEC, BIS, BIZ, BJC, BJCHI, BKD, BKGI, BKIH, BLC, BLESS, BLISS, BM, BOL, BPS, BR, BRI, BROCK, BSM, BSRC, BTNC, BTW, BUI, BVG, CCET, CCP, CEYE, CFARM, CGD, CH, CHAO, CHARAN, CHASE, CHAYO, CHG, CHIC, CHO, CI, CITY, CIVIL, CK, CKP, CMAN, CMO, CMR, CNT, COCOCO, COLOR, COMAN, CPANEL, CPH, CPR, CPT, CRANE, CRD, CREDIT, CSP, CSR, CSS, CTW, CWT, D, DCON, DDD, DHOUSE, DITTO, DOD, DPAINT, DTCENT, DTICI, DV8, EASON, ECL, EE, EFORL, EMC, ETL, EFTO, EVER, F&D, FANCY, FE, FLOYD, FM, FMT, FN, FORTH, FTI, FVC, GABLE, GENCO, GFC, GIFT, GL, GLAND, GLOCON, GLORY, GRAMMY, GRAND, GSC, GTB, GTV, GYT, HEALTH, HFT, HL, HPT, HTECH, HUMAN, HYDRO, I2, IIG, IMH, IND, INGRS, INSET, IP, IRC, IRCP, IT, ITD, ITNS, ITTHI, JAK, JCK, JCKH, JCT, JDF, JPARK, JSP, JUBILE, K, KAMART, KC, KCC, 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, LTS, MAGURO, MANRIN, MASTER, MATI, MCA, M-CHAI, MCS, MDX, MEB, MEGA, METCO, MGC, MGI, MGT, MICRO, MIDA, MJD, MK, ML, MORE, MOSHI, MTW, MUD, MVP, NAM, NAT, NC, NCH, NCL, NCP, NDR, NEO, NETBAY, NEW, NEWS, NFC, NL, NNCL, NOK, NOVA, NPK, NSL, NTSC, NTV, NUSA, NV, NVD, NYT, OHTL, ONEE, ORN, PACO, PAF, PANEL, PCC, PEACE, PERM, PF, PHG, PICO, PIN, PJW, PLE, PLT, PMTA, POLAR, PORT, PPM, PRAKIT, PRAPAT, PRECHA, PRI, PRIN, PRO, PROUD, PSG, PSP, PTC, PTL, QTCG, 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, 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, SPREME, SPVI, SQ, SR, SRS, SSC, STANLY, STARK, STC, STEC, STECH, STHAI, STI, STP, STPI, STX, SUC, SUN, SUPER, SUTHA, SVR, SVT, SWC, SYNEX, TACC, TAN, TAPAC, TC, TCC, TCJ, TCOAT, TEAM, TEAMG, TEKA, TERA, TFM, TGPRO, TH, THAI, THANA, THE, THG, THMUI, TIGER, TITLE, 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, UNIQU, UP, UPF, UPOIC, UREKA, UTP, UVAN, VARO, VIBHA, VL, VNG, VPO, VRANDA, WARRIX, WAVE, WELL, WFX, WGE, WIN, WINDOW, WINMED, WINNER, WORK, WORLD, WP, YGG, YONG, ZAA

Explanations

Companies participating in Thailand's Private Sector Collective Action Coalition Against Corruption programme (Thai CAC) under Thai Institute of Directors (as of November 1, 2023) are categorised into: companies that have declared their intention to join CAC, and companies certified by CAC.