

The Bangchak Petroleum

3QFY16 net profit seen down 58% q-q

THAILAND | SET | ENER | COMPANY PREVIEW

BLOOMBERG BCP TB | REUTERS BCP.BK

27 October 2016

3QFY16 net profit seen down 58% q-q due to weak refinery performance

We expect BCP to report a 58% q-q drop in 3QFY16 net profit to Bt1,022mn as the cocktail of (i) weak refinery performance pressured by GRM contraction, (ii) shrinking sales volumes in oil marketing business due to seasonal factors, (iv) a potential inventory loss in biodiesel business and (iv) more red ink from petroleum exploration and production business would offset the positive effects from (i) a better showing from solar power business following the commercial startup of the solar park in Japan and (ii) a potential FX gain of around Bt124mn on some of its US dollar-denominated debts thanks to the strength of the baht. Our forecast is based on the following assumptions:

- The refinery business, which contributes around 35-40% of total EBITDA is likely to put in a weaker performance than what it achieved in 2QFY16 buffeted by (1) a possible contraction in market GRM to US\$5.6/barrel from US\$6.3/barrel in 2QFY16 hit by (i) a US\$2.8/barrel drop in ULG95-DB crack spreads to US\$11.6/barrel as a result of faltering demand from China heading into rainy season, higher exports from China and Russia and still-high levels of inventories in Asia – 11% of BCP's refinery products are priced based on ULG95 and (ii) an increase in crude premium with DTB-Dubai spread up US\$0.4/barrel to US\$2.7/barrel – 60% of BCP's crude intake is priced based on DTB, and (2) the likely absence of a crude inventory gain. Our forecast shows BCP will suffer a crude inventory loss of around US\$0.2/barrel or Bt85mn in 3QFY16, reversing a gain of US\$2.5/barrel or Bt905mn in 2QFY16.
- The operating performance of the oil marketing business is expected to be softer than the level seen in 2QFY16 hit by a double whammy of (1) a likely drop in sales volumes to 461mn liters/month from 483mn liters/month in 2QFY16 on seasonality and (2) a possible dip in marketing margins to Bt0.79/liter from Bt0.85/liter in 2QFY16, depressed by shrinking margins in the industrial segment, which accounts for around 40% of total sales volumes, following the resumption of operations at a number of domestic refineries in Thailand after recent maintenance shutdowns.
- The solar power business is likely to perform better in 3QFY16 helped by (1) the likely absence of huge consulting expenses as recorded in 2QFY16 and (2) the commercial startup of the solar park in Japan which would make up for a weak performance from domestic solar farms in Thailand pressured by lower electricity tariff rates.
- The biodiesel business appears to remain under pressure in 3QFY16 from (1) a potential inventory loss of around Bt105mn against a gain of Bt12mn in 2QFY16 due to a sharp increase in feedstock inventory levels to feed the new plant from 360k liters/day to 810k liters/day amid a decline in CPO prices, and (2) a likely drop in sales volumes as a consequence of the government's cut in biodiesel blending mandate from B5 to B3 which slammed the brakes on biodiesel demand.
- The petroleum exploration and production business is expected to see more red ink in 3QFY16, dogged by (1) high costs of up to US\$55/barrel, well above recent ASPs of US\$45/barrel and (2) a likely decline in production volume to 2.8k bpd from 2.9k bpd in 2QFY16.

'BUY' rating with FY17 target price of Bt38/share

Looking ahead into FY17, we expect flat earnings for BCP as bleak GRM outlook pressured by new supply from India and Korea would be offset by a likely increase in refinery run rate due to the absence of planned maintenance shutdown as witnessed in FY16 and higher electricity output from BCPG would make up for the effect of BCP's diluted holding in BCPG after market listing. We upgrade BCP shares to 'BUY' with a FY17 target price of Bt38/share. The rating upgrade reflects (i) plenty of valuation upside remaining from current trading levels and (ii) its diversified business profile, comprising full integration of petroleum business from upstream to downstream, ranging from petroleum exploration and production, refinery to retail oil marketing through its service stations and power business.

Buy (Upgraded from Accumulate)

Closing Price(Bt) 31.00
Target Price(Bt) 38.00 (+27.1%)

COMPANY DATA

O/S Shares (mn):	1,377
Market Cap. (Btmn):	42,685
Market Cap. (USDmn):	1,219
52-WK Hi/Lo (Bt):	37/27.5
3M Average Daily T/O (mn):	7.51
Par Value (Bt):	1.00

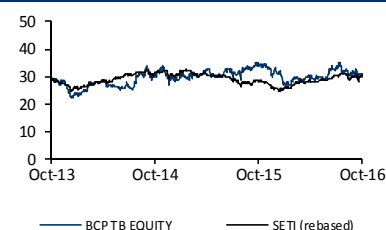
MAJOR SHAREHOLDERS (%) 09 September 2016

1. VAYUPAK FUND1	15.6
2. SOCIAL SECURITY OFFICES	14.3
3. FINANCE MINISTRY	10.0

PRICE PERFORMANCE (%)

	1MTH	3MTH	1YR
ABS	-2%	-6%	-9%
REL TO SET INDEX	-2%	-5%	-13%

PRICE VS SET INDEX



Source: Bloomberg, PSR

KEY FINANCIALS

FYE Dec	FY14	FY15	FY16E	FY17E
Sales(Btmn)	183,016	151,140	141,008	163,249
Net Profit(Btmn)	696	4,151	4,711	4,804
EPS (Bt)	0.51	3.01	3.42	3.49
P/E (X)	61.3	10.3	9.1	8.9
BVPS (Bt)	24.19	25.77	27.39	29.71
P/B (X)	1.3	1.2	1.1	1.0
DPS (Bt)	1.00	2.00	1.37	1.40
Dividend Yield (%)	3.2	6.5	4.4	4.5
ROE (%)	2.05	12.07	12.87	12.22
Debt/Equity (X)	1.29	1.30	1.44	1.30

Source: Company, PSR Est.

**Multiples and yields are based on latest closing price

VALUATION METHOD

SOTP

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Capital Market Investment Analyst # 34100
Tel: 66 2 635 1700 # 491

Ref. No.: CO2016_0652

Financials

Income Statement

FYE Dec, Btmn	FY14	FY15	FY16E	FY17E
Revenue	183,016	151,140	141,008	163,249
EBITDA	5,122	11,081	11,083	12,146
Depreciation & Amortisation	-3,313	-4,708	-5,126	-5,268
EBIT	1,809	6,373	5,956	6,877
Net Finance (Expense)/Inc	-1,427	-1,615	-1,416	-1,636
Other items	709	65	652	536
Associates & JVs	5	12	0	0
Exceptional items	-1,157	-65	0	0
Profit Before Tax	-61	4,770	5,192	5,776
Taxation	691	-673	-537	-502
Profit After Tax	629	4,097	4,655	5,275
Non-controlling Interest	67	53	56	-471
Net Income, reported	696	4,151	4,711	4,804
Net Income, adj.	22	3,973	4,711	4,804

Per share data

FYE Dec, Bt	FY14	FY15	FY16E	FY17E
EPS, reported	0.51	3.01	3.42	3.49
EPS, adj.	0.02	2.89	3.42	3.49
DPS	1.00	2.00	1.37	1.40
BVPS	24.19	25.77	27.39	29.71

Balance Sheet

FYE Dec, Btmn	FY14	FY15	FY16E	FY17E
Cash	7,954	7,872	3,169	2,695
Investments	623	4,519	4,519	4,519
Accounts Receivables	7,095	5,977	6,624	6,889
Inventories	14,059	13,945	15,133	17,496
Others	2,564	1,488	1,488	1,488
Total current assets	32,294	33,800	30,933	33,086
PPE	38,136	40,044	54,832	55,065
Intangibles	1,648	2,779	1,547	1,506
Associates & JVs	762	774	774	774
Investments	783	788	788	788
Others	3,342	3,758	3,758	3,758
Total non-current assets	44,671	48,143	61,699	61,891
Total Assets	76,966	81,942	92,632	94,977
Short term loans	0	0	0	0
Accounts Payables	8,134	7,749	10,899	9,681
Others	3,176	2,740	3,043	3,035
Total current liabilities	11,309	10,489	13,941	12,716
Long term loans	29,832	32,675	37,735	37,642
Others	1,858	2,795	2,795	2,795
Total non-current liabilities	31,690	35,470	40,530	40,437
Non-controlling interests	657	502	447	917
Shareholder Equities	33,309	35,481	37,713	40,906

Source: Company Data, PSR est

**Based on latest closing price

Cash Flow

FYE Dec, Btmn	FY14	FY15	FY16E	FY17E
CFO				
PBT	629	4,097	4,655	5,275
Adjustments	5,894	6,429	5,664	5,770
WC changes	300	2,184	1,458	-3,850
Cash generated from ops	6,823	12,710	11,777	7,195
Others	-755	-677	-537	-502
Cashflow from ops	6,068	12,033	11,240	6,693
CFI				
CAPEX, net	-7,337	-4,591	-19,874	-5,460
Others	-2,705	-6,751	1,191	0
Cashflow from investments	-10,042	-11,343	-18,683	-5,460
CFF				
Share issuance	0	0	0	0
Loans, net of repayments	8,733	2,762	5,219	-96
Dividends	-1,946	-2,039	-2,478	-1,611
Others	-1,439	-1,615	0	0
Cashflow from financing	5,348	-893	2,741	-1,707
Net change in cash	1,374	-202	-4,703	-474
Effects of exchange rates	53	120	0	0
CCE, end	7,954	7,872	3,169	2,695

Valuation Ratios

FYE Dec	FY14	FY15	FY16E	FY17E
P/E (X), adj.**	n.m.	10.7	9.1	8.9
P/B (X), adj.**	1.3	1.2	1.1	1.0
Dividend Yield (%)	3.2	6.5	4.4	4.5

Growth

FYE Dec, %	FY14	FY15	FY16E	FY17E
Revenue	-1.88	-17.42	-6.70	15.77
EBITDA	-52.37	116.34	0.02	9.59
EBIT	-77.17	252.36	-6.53	15.46
Net Income, adj.	-99.51	n.m.	18.57	1.97

Margins

FYE Dec, %	FY14	FY15	FY16E	FY17E
EBITDA margin	2.80	7.33	7.86	7.44
EBIT margin	0.99	4.22	4.22	4.21
Net Profit Margin	0.38	2.75	3.34	2.94

Key Ratios

FYE Dec	FY14	FY15	FY16E	FY17E
ROE (%)	2.05	12.07	12.87	12.22
ROA (%)	0.92	5.22	5.40	5.12
Net Debt/(Cash) (Btmn)	21,878	24,803	34,566	34,947
Net Gearing (X)	0.46	0.46	0.55	0.53

Fact Sheet

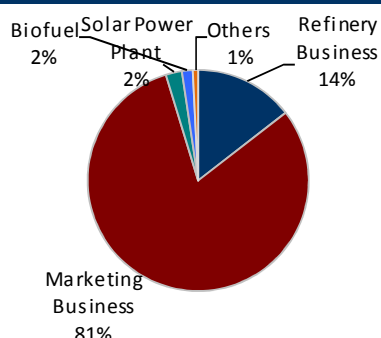
GENERAL INFORMATION

Address:	555/1 Energy Complex Building A, Floor 10th Vibhavadi Rangsit Road, Chatuchak, Bangkok
Tel:	66 2 140 8999
Fax:	66 2 140 8900
URL:	http://www.bangchak.co.th
Market/Sector:	Energy & Utilities

BUSINESS DESCRIPTION

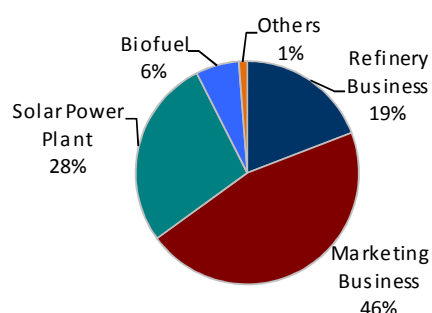
BCP operates four major business segments: (i) refinery - a crude oil refinery complex in Bangkok with a total nameplate capacity of 120k bpd, (ii) renewable energy - palm-based biodiesel plant in Ayutthaya Province, cassava-based ethanol plant in Ubon Ratchathani Province and solar farms through its 70.35%-owned BCPG, (iii) marketing - distribution of finished products through its retail service stations under the 'Bangchak' brand to both retail and industrial consumers, and (iv) petroleum exploration and production through NIDO - petroleum fields currently in production: Galoc, Nido and Matinloc in Philippines, petroleum field under development: West Linanacan in Philippines and petroleum field under

REVENUE BREAKDOWN as of 30 June 2016



Source: Company, PSR

CUSTOMER BREAKDOWN as of 30 June 2016



Source: Company, PSR

RISK FACTORS

1. Volatile crude oil prices
2. Petroleum supply glut
3. Unplanned maintenance shutdowns

KEY DEVELOPMENT

-Yr 2015 PTT sold its entire 27.22% stake in BCP to VAYU1 (15.25%) and Social Security Office (11.97%). Nido Petroleum Limited, a subsidiary of BCP upped its stake in Galoc Production Company WLL (GPC) to 55.88% from 22.88%. BCP divested its entire 10.66% stake in ASEAN Potash Chaiyaphum to S Group AEC (Thailand).

-Yr 2014BCP's refinery was shut down for 46 days for a major turnaround from May 1-Jun 15. BCP had generated and distributed power through PV generation to fulfill the 118-MW amount under the PPA since Nov and acquired 81.4% of ASX-listed Nido Petroleum Limited which was engaged in oil and gas exploration and production in Southeast Asia.

-Yr 2013BCP signed a long-term exclusive partnership deal with BIGC to open Mini Big C stores in Bangchak petrol stations, acquired 21.28% of Ubon Bioethanol in Ubon Ratchathani. Ubon Bioethanol, which had a capacity to produce 400,000 liters a day of cassava and molasses-based ethanol started commercial production in Jan.

KEY FINANCIAL SUMMARY

Btmn	2Q16	1Q16	4Q15	3Q15	2Q15
Sales	37,262	30,276	35,136	35,203	41,357
Gross profit	4,276	949	2,039	2,085	4,967
Net profit	2,417	47	(112)	432	2,794
Assets	89,786	81,956	81,942	81,333	82,530
Liabilities	52,466	45,970	45,959	44,978	45,360
Equities	36,936	35,555	35,481	35,719	36,527
EPS (Bt)	1.76	0.03	(0.08)	0.31	2.03
BVPS (Bt)	26.82	25.82	25.77	25.94	26.53
GPM (%)	11%	3%	6%	6%	12%
NPM (%)	6%	0%	0%	1%	7%

Source: Company, PSR

PEER COMPARISON * updated on 26 October 2016

Company name	as of	Mkt Cap. (Btmn)	P/E (x)	P/BV (x)	Div Yield (%)
Bangchak Petroleum PCL/The					
BCP TB	6/16	42,685	15.3	1.2	5.8
PTT PCL					
PTT TB	6/16	991,136	44.9	1.4	2.9
Thai Oil PCL					
TOP TB	6/16	142,802	10.2	1.5	4.7
Star Petroleum Refining PCL					
SPRC TB	6/16	52,031	6.0	1.4	6.7

Source: Bloomberg, PSR

*Data based on trailing 12 months earnings, book value and dividend per share

Corporate Governance -2015



ADVANC	BAFS	BCP	BIGC	BTS	CK	CPN	DRT	DTAC	DTC
EASTW	EGCO	GRAMMY	HANA	HMPRO	INTUCH	IRPC	IVL	KBANK	KCE
KKP	KTB	LHBANK	LPN	MCOT	MINT	MONO	NKI	PHOL	PPS
PS	PSL	PTT	PTTEP	PTTGC	QTC	RATCH	ROBINS	SAMART	SAMTEL
SAT	SC	SCB	SCC	SE-ED	SIM	SNC	SPALI	THCOM	TISCO
TKT	TMB	TOP	VGI	WACOAL					



AAV	ACAP	AGE	AHC	AKP	AMATA	ANAN	AOT	APCS	ARIP
ASIMAR	ASK	ASP	BANPU	BAY	BBL	BDMS	BECL	BKI	BLA
BMCL	BOL	BROOK	BWG	CENDEL	CFRESH	CHO	CIMBT	CM	CNT
COL	CPF	CPI	CSL	DCC	DELTA	DEMCO	ECF	EE	ERW
GBX	GC	GFPT	GLOBAL	GUNKUL	HEMRAJ	HOTPOT	HYDRO	ICC	ICHI
INET	IRC	KSL	KTC	LANNA	LH	LOXLEY	LRH	MACO	MBK
MC	MEGA	MFEC	NBC	NCH	NINE	NSI	NTV	OCC	OGC
OISHI	OTO	PAP	PDI	PE	PG	PJW	PM	PPP	PR
PRANDA	PREB	PT	PTG	Q-CON	QH	RS	S & J	SABINA	SAMCO
SCG	SEAFCO	SFP	SIAM	SINGER	SIS	SITHAI	SMK	SMPC	SMT
SNP	SPI	SSF	SSI	SSSC	SST	STA	STEC	SVI	SWC
SYMC	SYNTEC	TASCO	TBSP	TCAP	TF	TGCI	THAI	THANA	THANI
THIP	THRE	THREL	TICON	TIP	TIPCO	TK	TKS	TMI	TMILL
TMT	TNDT	TNITY	TNL	TOG	TPC	TPCORP	TRC	TRU	TRUE
TSC	TSTE	TSTH	TTA	TTCL	TTW	TU	TVD	TVO	TWFP
TWS	UAC	UT	UV	VNT	WAVE	WINNER	YUASA	ZMICO	



2S	AEC	AEONTS	AF	AH	AIRA	AIT	AJ	AKR	AMANAH
AMARIN	AP	APCO	AQUA	AS	ASIA	AUCT	AYUD	BA	BEAUTY
BEC	BFIT	BH	BIG	BJC	BJCHI	BKD	BTNC	CBG	CGD
CHG	CHOW	CI	CITY	CKP	CNS	CPALL	CPL	CSC	CSP
CSS	CTW	DNA	EARTH	EASON	ECL	EFORL	ESSO	FE	FIRE
FOCUS	FORTH	FPI	FSMART	FSS	FVC	GCAP	GENCO	GL	GLAND
GLOW	GOLD	GYT	HTC	HTECH	IEC	IFEC	IFS	IHL	IRCP
ITD	JSP	JTS	JUBILE	KASET	KBS	KCAR	KGI	KKC	KTIS
KWC	KYE	L&E	LALIN	LHK	LIT	LIVE	LST	M	MAJOR
MAKRO	MATCH	MATI	MBKET	M-CHAI	MFC	MILL	MJD	MK	MODERN
MOONG	MPG	MSC	MTI	MTLS	NC	NOK	NUSA	NWR	NYT
OCEAN	PACE	PATO	PB	PCA	PCSGH	PDG	PF	PICO	PL
PLANB	PLAT	PPM	PRG	PRIN	PSTC	PTL	PYLON	QLT	RCI
RCL	RICHY	RML	RPC	S	SALEE	SAPPE	SAWAD	SCCC	SCN
SCP	SEAOL	SIRI	SKR	SMG	SOLAR	SORKON	SPA	SPC	SPCG
SPPT	SPVI	SRICHA	SSC	STANLY	STPI	SUC	SUSCO	SUTHA	SYNEX
TAE	TAKUNI	TCC	TCCC	TCJ	TEAM	TFD	TFI	TIC	TIW
TLUXE	TMC	TMD	TOPP	TPCH	TPIPL	TRT	TSE	TSR	UMI
UP	UPF	UPOIC	UREKA	UWC	VIBHA	VIH	VPO	WHA	WIN
XO									

Results Presentation

Score Range

- < 50%
- 50-59%
- 60-69%
- 70-79%
- 80-89%
- 90-100%

Number of Logo

No logo given



The disclosure of the survey result of the Thai Institute of Directors Association (IOD) regarding corporate governance is made pursuant to the Office of the Securities and Exchange Commission. The survey of the IOD is based on the information of a company listed on the Stock Exchange of Thailand and the Market for Alternative disclosure to the public and able to be accessed by a general public investor. The results, therefore, is from the perspective of a third party. It is not an evaluation of operation and is not based on inside information.

The survey result is as of the date appearing in the Corporate Governance Report of Thai Listed Companies. As a result, the survey result may be changed after that data. Phillip Securities (Thailand) of securities company does not confirm nor certify the accuracy of such survey result.

Anti-corruption indicators

Level 5 (Extended)

BCP	CPN	GYT	PE	PM	PPP	PT	PTT	PTTGC	SAT	scc
THANI	TOP									

Level 4 (Certified)

DCC	DTC	DRT	EASTW	ECL	EGCO	ERW	FSS	GCAP	HANA	HTC
INTUCH	IRPC	IVL	KBANK	KCE	KGI	KKP	KTB	LANNA	LHBANK	MTI
NKI	PSL	PTG	PTTEP	SABINA	SCB	SNC	SNP	SSF	SSSC	TCAP
THCOM	TISCO	TMB	TMD	TNITY	TOG					

Level 3 (Established)

Level 3A: Declaration to join CAC, etc

ABC	ACAP	ADVANC	AGE	AH	AMANAHA	ANAN	AP	APCS	APURE	AS
ASIA	ASIAN	ASIMAR	BIGC	BROOK	BTS	BWG	CEN	CENDEL	CFRESH	CHARAN
CHO	CHOTI	CM	CNT	COL	CPF	CPI	CPL	DELTA	DEMCO	DIMET
DNA	DTAC	EA	ECF	EE	EVER	FPI	GBX	GC	GFPT	GLOW
HMPRO	HOTPOT	ICC	ICHI	IFEC	INOX	INSURE	IRC	JAS	JTS	JUBILE
KC	KTC	KYE	LHK	LPN	LRH	MAKRO	MC	MCOT	MFC	MFEC
MINT	MJD	MONO	MOONG	NBC	MSC	NDR	NINE	NMG	NSI	NTV
OGC	PACE	PCSGH	PDI	PG	PHOL	PLAT	PPS	PR	PRANDA	PREB
PS	QLT	RATCH	RML	ROBINS	ROJNA	RWI	SAMCO	SCCC	SCG	SEAOIL
SE-ED	SENA	SINGER	SITHAI	SMK	SMPC	SPALI	SPC	SPCG	SPI	SRICHA
SSI	STANLY	SUPER	SVI	SYMC	SYNEX	SYNTEC	TASCO	TCMC	TFI	THAI
THRE	THREL	TICON	TKT	TLUXE	TMILL	TMT	TNL	TPCORP	TSTE	TSTH
TTCL	TU	TVI	UOBKH	UREKA	VGI	VNT	WACOAL	WHA	ZMICO	

Level 3B: Organization's statement but no declaration to join CAC, etc

AAV	AHC	AIT	AKR	ARROW	ASK	BA	BDMS	BEC	BJCHI	BUI
CGH	CHG	CHOW	CIG	CITY	CK	CKP	COLOR	CWT	EARTH	EASON
EPG	F&D	FANCY	FIRE	FMT	FORTH	GENCO	GL	GOLD	GPSC	GRAMMY
HYDRO	IRCP	IT	JCT	KCM	KWC	LH	LIT	LOXLEY	MACO	MANRIN
MATI	MODERN	MSC	NOBLE	NOK	NPK	NUSA	OISHI	OTO	PAF	PAP
PATO	PF	PJW	PLANB	PLE	POLAR	PRG	PTL	Q-CON	QTC	RCI
S11	SALEE	SAM	SAMART	SAMTEL	SAPPE	SC	SCP	SFP	SIM	SLP
SMT	SPA	SPORT	SSC	SST	STEC	STPI	SUC	SUTHA	SVI	T
TBSP	TAE	TCC	TFD	TGCI	TGPRO	THANA	THIP	TIW	TK	TMW
TNDT	TOPP	TPC	TPCH	TPIPL	TSR	TT	TYCN	UAC	UBIS	UEC
UMI	UP	UPF	UT	UV	VPO	WAVE	WINNER	YUASA		

Level 2 (Declared)

2S	ABICO	AF	AKP	AMARIN	AMATA	AOT	APCO	AYUD	BEAUTY	BFIT
BH	BKD	BLAND	BTNC	CCP	CI	CSR	CSS	EFORL	EPCO	FE
FNS	FVC	GEL	GLOBAL	HEMRAJ	IEC	IFS	INET	JUTHA	KASET	KCAR
KKC	KSL	L&E	LALIN	LTX	M	MALEE	MBK	MBKET	MEGA	MK
MPG	MTLS	NCH	NCL	NPP	OCC	OCEAN	PB	PCA	PRINC	QH
ROCK	RPC	S & J	SGP	SIAM	SIS	SKR	SMG	SMIT	SORKON	SUSCO
TAKUNI	TEAM	TF	TIC	TIP	TIPCO	TMC	TMI	TTP	TRT	TRU
TRUE	TSC	TSI	TTW	TVD	TVO	UKEM	UNIQ	UWC	VNG	WIIK
WIN	XO									

Level 1 (Committed)

ACD	AEONTS	AFC	AIRA	AJ	ALUCON	AMC	AQUA	ARIP	AUCT	BAT-3K
BIG	BJC	BOL	BRR	BSBM	CBG	CCET	CCN	CGD	CMR	CPH
CSC	CSP	CTW	DCON	DRACO	DSGT	DTCI	E	EMC	ESSO	FOCUS
FSMART	GIFT	GLAND	GRAND	GUNKUL	HFT	HTECH	ILINK	ITD	JSP	IHL
KDH	KTIS	KTP	LEE	LST	MAJOR	MAX	M-CHAI	MDX	MIDA	MATCH
ML	MPIC	NC	NEP	NNCL	OHTL	PICO	PK	PL	PPM	NWR
PRAKIT	PRECHA	PRIN	PSTC	RAM	RICH	RS	SANKO	SAUCE	SAWAD	PYLON
SAWANG	SCN	SEAFCO	SHANG	SIRI	SMART	SMM	SOLAR	SPACK	SPG	SF
SPPT	SPVI	STAR	SVH	SVOA	SWC	TAPAC	TC	TCCC	TCJ	STA
TCOAT	TKS	TNH	TNPC	TPA	TPAC	TPOLY	TRC	TRUBB	TSE	TTA
TTI	TTL	TTTM	TWP	TWZ	U	UMS	UPA	UPOIC	UVAN	UTP
VARO	VI	VIBHA	VIH	VTE	WG					

Data not available/No policy

A	ACC	AJD	AQ	BCH	BGT	BROCK	BSM	BTC	CHUO	CRANE
CPR	EIC	FER	JMART	JMT	KAMART	KBS	KIAT	LDC	MCS	METCO
MBAX	NEW	NEWS	NYT	PAE	PDG	PERM	PMTA	RCL	RICHY	ROH
POST	S	SIMAT	TCB	TR	TSF	TVT				

Anti-corruption indicators

Level 5 : Extended

Anti-corruption policies extend to business partners, dealers, and distributors.

Level 4 : Certified

Anti-corruption policies can be engaged by audit committee and auditors approved by the SEC.

Anti-corruption policies are certified by CAC and independent assurance providers.

Level 3 : Established

Anti-corruption corruption policies cover anti-bribery, and communications and educating all employees anti-corruption policies.

Level 3A Public out statement to join CAC, etc.

Level 3B Declare statement and organization's anti-corruption policies but no intention to join CAC, etc.

Level 2 : Declared

Declare statement to participate CAC against corruption.

Level 1 : Committed

Organization and Board of Directors' statements against corruption and not getting involve in any malpractices.

Assessment

Anti-corruption progress indicator for listed companies is a part of SEC's commitment to create sustainability in anti-corruption and to become a role model to any

related business. The progress indicators comprise of five levels: 1) Committed, 2) Declared, 3) Established, 4) Certified, and 5) Extended. These indicators will

encourage listed firms to formulate anti-corruption policies to opt out of corruption, and investors can determine their investment based on anti-corruption indicator

or avoid investment in listed firms that could get involve in corruption.

Industry Group

Name	Sector Name	Sector Index
Agro & Food Industry[AGRO]	Agribusiness	AGRI
	Food & Beverage	FOOD
Consumer Products[CONSUMP]	Fashion	FASHION
	Home & Office Products	HOME
	Personal Products & Pharmaceuticals	PERSON
Financials [FINCIAL]	Banking	BANK
	Finance & Securities	FIN
	Insurance	INSUR
Industrials [INDUS]	Automotive	AUTO
	Industrial Materials & Machinery	IMM
	Packaging	PKG
	Paper & Printing Materials	PAPER
	Petrochemicals & Chemicals	PETRO
	Steel	STEEL
Property & Construction[PROPCON]	Construction Materials	CONMAT
	Construction Services	CONS
	Property Development	PROP
	Property Fund & REITs	PF&REIT
Resources [RESOURC]	Energy & Utilities	ENERG
	Mining	MINE
Services [SERVICE]	Commerce	COMM
	Media & Publishing	MEDIA
	Health Care Services	HELTH
	Tourism & Leisure	TOURISM
	Professional Services	PROF
	Transportation & Logistics	TRANS
Technology [TECH]	Electronic Components	ETRON
	Information & Communication Technology	ICT

PSR Rating System

Capital Gain	Recommendation
> 15%	BUY
> 5% - 15%	ACCUMULATE / TRADING BUY
> 0% - 5%	NEUTRAL
0 <=	SELL

Remarks

We do not base our recommendations entirely on the above quantitative return bands. We consider qualitative factors like (but not limited to) a stock's risk reward profile, market sentiment, recent rate of share price appreciation, presence or absence of stock price catalysts, and speculative undertones surrounding the stock, before making our final recommendation

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