

28 APRIL 2021

THAILAND / UTILITIES - CONVENTIONAL

B.GRIMM POWER BGRIM TB**BUY**
UNCHANGED

TARGET PRICE	THB56.00
CLOSE	THB42.25
UP/DOWNSIDE	+32.5%
PRIOR TP	THB63.00
CHANGE IN TP	-11.1%
TP vs CONSENSUS	-1.2%

แรงส่งจาก SPP vs แรงกดดันจาก Covid**แรงกดดันจาก Covid จะจำกัดการเติบโตของกำไรสุทธิในปี 2021-23**

เรามีความมั่นใจเกี่ยวกับแนวโน้มการเติบโตของกำไรสุทธิของ BGRIM ในปี 2021-23 น้อยลง ปัจจุบันเราคาดว่ากำไรสุทธิของบริษัท จะโตในอัตรา 32% CAGR ในปี 2020-23 ลดลงจาก 46% CAGR ก่อนหน้าจากเหตุผล 3 ประการ ประการแรกคือผลกระทบจากการแพร่ระบาดของ Covid-19 ที่ทำให้ความต้องการไฟฟ้าและไอน้ำของผู้ใช้อุตสาหกรรม (IU) และ กฟผ. ลดลง ประการที่สองคืออัตราค่าไฟฟ้าที่ต่ำกว่าคาดหลังจากรัฐบาลตัดสินใจลดค่า Ft ในอัตราที่เร็วกว่าที่ได้เคยคาดไว้เพื่อลดค่าไฟฟ้าสำหรับประชาชนในสถานการณ์เศรษฐกิจที่อ่อนแอ ประการที่สามคือความต้องการไฟฟ้าที่ลดลงในตลาดต่างประเทศ โดยเฉพาะในเวียดนาม ซึ่งทำให้รัฐบาลของประเทศดังกล่าวลดการผลิตมาตั้งแต่ปี 2020 พร้อมกับชะลอการเปิดโครงการใหม่เนื่องจากปัญหา Covid-19

อย่างไรก็ดีกำไรสุทธิควรกลับมาโตในปี 2022-23

เราคาดว่านับตั้งแต่ปี 2022 เป็นต้นไปกำไรสุทธิของ BGRIM ควรกลับมามีแนวโน้มการเติบโตที่ดี โดยอยู่ที่ 37.6% y-y ในปี 2022 จากการฟื้นตัวของความต้องการสำหรับ IU กฟผ. และ ตลาดต่างประเทศ ต้นทุนก๊าซที่ลดลงจากการนำเข้า LNG ของบริษัท ภายในช่วง 1H22 และการกลับมาของการริเริ่มโครงการเพื่อการเติบโตใหม่และการควบรวมกิจการ อย่างไรก็ตามปัจจัยผลักดันที่สำคัญที่สุดอันจะทำให้กำไรสุทธิของบริษัท มีแนวโน้มโตในระดับสูงในปี 2023 ซึ่งเราคาดว่าตัวเลขดังกล่าวจะอยู่ที่ 51% y-y ควรจะเป็นการเริ่มต้นงานโรงไฟฟ้าขนาดเล็ก (SPP) 4 แห่งในปี 2022 ภายใต้สัญญา SPP replacement

สัญญาซื้อขายไฟฟ้าภายใต้สัญญา SPP replacement จาก SPP ทั้ง 4 แห่ง**เป็นปัจจัยหนุนการเติบโตสำคัญในปี 2022-23**

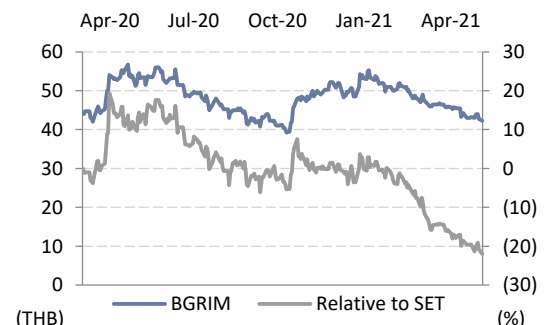
ในปี 2022 BGRIM ควรเห็นปัจจัยผลักดันการเติบโตที่สำคัญที่สุดจากการเริ่มดำเนินงานของ SPP 4 แห่งภายใต้สัญญา SPP replacement กล่าวคือ SPP1 ABP1&2 และ BPLC1 เรามองว่าสัญญาดังกล่าวจะให้ผลตอบแทนทางเศรษฐกิจ (EIRR) ที่สูงขึ้นเป็น 35% จากประสิทธิภาพในการดำเนินงานที่สูงขึ้นเนื่องจาก SPP ต้องการความร้อนน้อยลงเพื่อให้กำเนิดไฟฟ้า เราคาดว่ากำลังการผลิตสุทธิรวมตามสัดส่วนการลงทุนของ PPA ทั้ง 4 แห่งของ BGRIM จะเพิ่ม 61% จาก 307MW เป็น 493MW และสร้างกำไรสุทธิกว่า 1.5 พัน ลบ. ต่อปี เพิ่มจาก 1 พัน ลบ. ในปัจจุบัน

คงคำแนะนำซื้อหลังราคาเป้าหมายลดลงเหลือ 56 บาท

เราลดราคาเป้าหมายของเราจาก 63 เหลือ 56 บาท (SoTP) เพื่อสะท้อนการปรับลดประมาณการกำไรต่อหุ้นในปี 2021-23 ลง 21.4-45.6% อย่างไรก็ตามเรายังคงมองว่า BGRIM ยังมีความน่าสนใจในฐานะที่เป็นหนึ่งในบริษัทหลักที่จะรายงานการเติบโตในกลุ่มสาธารณูปโภคของไทย จากโครงการเพื่อการเติบโตใหม่ที่ได้รับการยืนยันแล้วในปี 2021-25 โอกาสที่อัตราค่าไฟฟ้าจะเพิ่มขึ้นจากสัญญาซื้อขายไฟฟ้าทดแทนจาก SPP ทั้ง 4 แห่งและการนำเข้า LNG

KEY STOCK DATA

YE Dec (THB m)	2020	2021E	2022E	2023E
Revenue	44,087	49,101	57,471	69,843
Net profit	2,175	2,882	3,966	5,998
EPS (THB)	0.83	1.11	1.52	2.30
vs Consensus (%)	-	(18.0)	(8.8)	4.6
EBITDA	12,694	13,843	16,618	20,830
Core net profit	2,617	2,882	3,966	5,998
Core EPS (THB)	1.00	1.11	1.52	2.30
Chg. In EPS est. (%)	-	(44.6)	(45.6)	(21.4)
EPS growth (%)	7.6	10.1	37.6	51.2
Core P/E (x)	42.1	38.2	27.8	18.4
Dividend yield (%)	0.9	2.4	2.4	2.4
EV/EBITDA (x)	14.1	13.7	12.0	9.9
Price/book (x)	4.0	3.8	3.6	3.3
Net debt/Equity (%)	146.6	149.0	145.6	128.1
ROE (%)	9.4	10.2	13.4	18.8



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	(8.2)	(18.8)	(3.4)
Relative to country (%)	(7.2)	(21.2)	(22.1)
Mkt cap (USD m)	3,506		
3m avg. daily turnover (USD m)	14.8		
Free float (%)	31		
Major shareholder	B. Grimm Power (Singapore) Pte Ltd (34%)		
12m high/low (THB)	59.00/38.75		
Issued shares (m)	2,606.90		

Sources: Bloomberg consensus; FSSIA estimates

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PREPARED BY FSS INTERNATIONAL INVESTMENT ADVISORY SECURITIES CO LTD (FSSIA). ANALYST CERTIFICATION AND IMPORTANT DISCLOSURES CAN BE FOUND AT THE END OF THIS REPORT

บทวิเคราะห์ฉบับนี้เป็นผลมาจากบทวิเคราะห์ของ FSSIA ฉบับวันที่ 28 เมษายน 2021

Investment thesis

B.Grimm Power (BGRIM) is one of Thailand's small power producer (SPP) pioneers, providing a reliable source of electricity to industrial users (IUs). It has continued to expand its portfolio, with the number of its SPPs increasing from one in 1998 to 13 at end-2016, and 17 as of 1Q20; while equity capacity has risen from 85MW in 1998 to 974MW in 2016 and 1,996MW in 2019. Its solid operational efficiency and optimisation, as well as in-house development and maintenance services, have made BGRIM a reliable power supplier, and generated solid returns for its shareholders.

With a superior SPP portfolio and solid capabilities in SPP development and operations, BGRIM plans to expand its capacity substantially. The company aims to increase its equity capacity by 65% from 974MW in 2016 to 2,222MW in 2022, and aims to increase its renewable energy and conventional power capacities via SPPs in domestic and overseas markets.

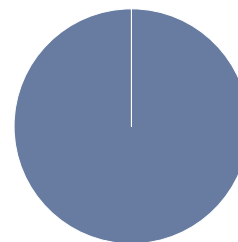
Company profile

BGRIM is a holding company investing in electricity generating businesses of Small Power plants (SPP) with major gas-fired and solar farm power assets in Thailand, Laos, and Vietnam.

www.bgrimpower.com

Principal activities (revenue, 2020)

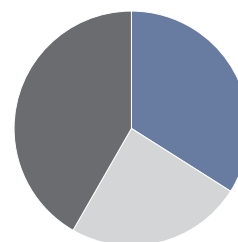
- Electricity generation - 100.0 %



Source: B.Grimm Power

Major shareholders

- B. Grimm Power (Singapore) Pte Ltd - 34.0 %
- Mr. Harald Link - 24.3 %
- Others - 41.7 %



Source: B.Grimm Power

Catalysts

Higher utilisation rates of power plants, rising demand for electricity in Thailand and Vietnam, and higher crude oil prices are key potential earnings growth drivers.

Risks to our call

The downside risks to our SoTP-based TP include 1) lower-than-expected demand for electricity in Thailand, 2) a lower crude price, and 3) unplanned shutdowns of its SPPs.

Event calendar

Date	Event
May 2021	1Q21 results announcement

Key assumptions

	2021E	2022E	2023E
Utilisation rate (%)	88	92	93
Dispatched power (GWh)	11,132	12,778	11,504
Oil price (USD/bbl)	55	50	50
Average tariff (THB/kWh)	2.76	2.90	3.04
Gas price (THB/mmbtu)	224	217	210

Source: FSSIA estimates

Earnings sensitivity

- Ceteris Paribus, for every 1% increase in gas price, we estimate 2021 earnings would decline 1.15%, and vice versa.
- Ceteris Paribus, for every 1% increase in interest rate, we estimate 2021 earnings would decline 1.2%, and vice versa.

Source: FSSIA estimates

Less sanguine but still promising growth outlook in 2021-23

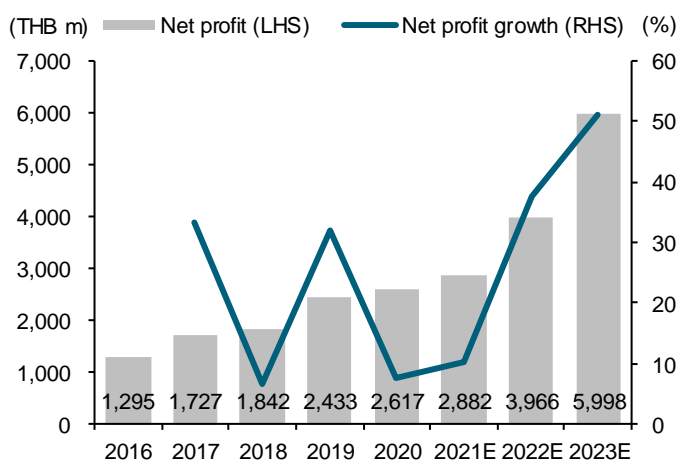
We are less positive on BGRIM’s net profit growth outlook in 2021-23 and now expect its net profit to have a CAGR of 32% in 2020-23, down from 46% CAGR previously. We now expect BGRIM to see net profit growth of 10.1% y-y in 2021, up from 7.6% y-y in 2020, due to three reasons.

First, the lingering impact of the Covid-19 pandemic has continued to curb the electricity and steam demand growth for IUs and EGAT.

Second, the impact of the lower-than-expected electricity tariff as a result of the Thai regulator’s move to lower the Ft at a faster rate than we previously projected to alleviate the electricity cost for the public amid the weak economy caused by the disruptions to tourism, the multiple lockdowns, and the impact on economic activities.

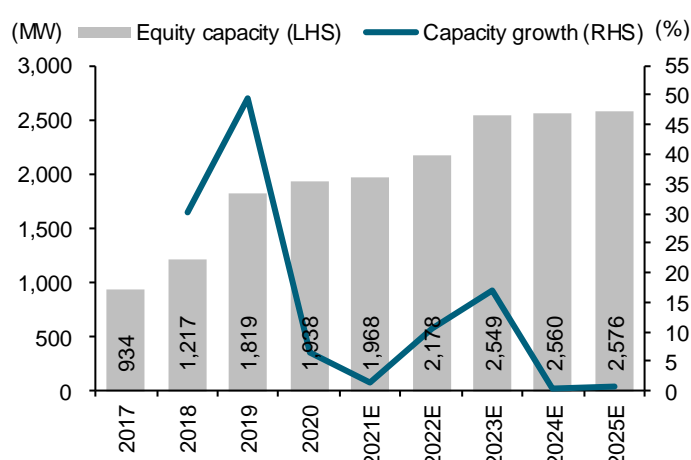
Third, the weaker demand for electricity in overseas markets, particularly in Vietnam, that led to the electricity curtailment by the Vietnamese government since 2020, along with the launch delays of new growth projects due to Covid-19.

Exhibit 1: Net profit and net profit growth



Sources: BGRIM; FSSIA estimates

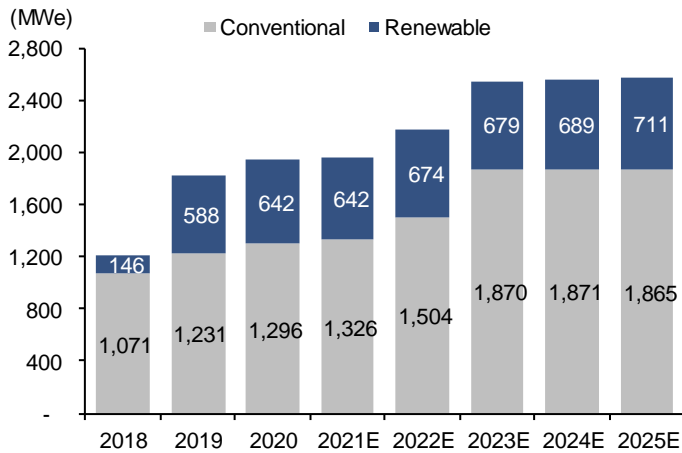
Exhibit 2: Equity capacity and capacity growth



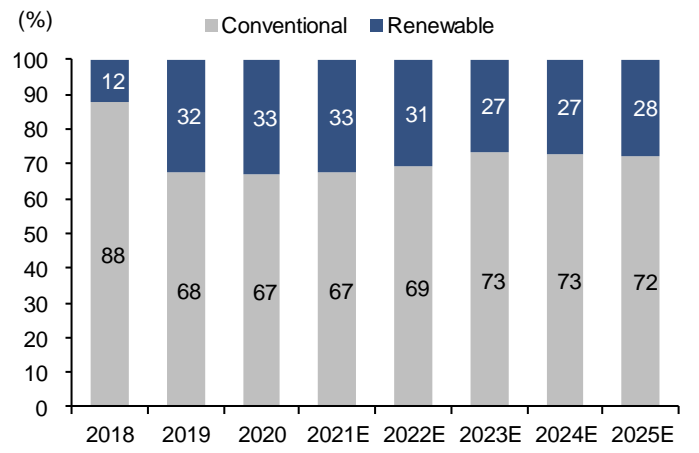
Sources: BGRIM; FSSIA estimates

However, we project that in 2022 onward, BGRIM should see the return of strong net profit growth momentum at 37.6% y-y in 2022, driven by a demand recovery for IUs, EGAT, and overseas markets, lower gas costs from BGRIM’s imports of LNG by 1H22, and the resumption of new growth project start-ups and acquisitions.

But the most significant driver for BGRIM’s strong net profit growth outlook in 2023, which we project to grow at 51% y-y in 2023, should be the commencement of four SPPs under new SPP replacement PPAs in 2022.

Exhibit 3: Equity capacity breakdown (conventional vs renewable)

Sources: BGRIM; FSSIA estimates

Exhibit 4: Equity capacity breakdown (conventional vs renewable) (%)

Sources: BGRIM; FSSIA estimates

Covid headwind vs capacity growth tailwind

While we are less positive on the demand growth for electricity and steam in Thailand and overseas markets for BGRIM in 2021 due to the resurgence of Covid-19 infections, we think the earnings downsides from the pandemic will be offset by its new capacity growth in 2022-23, with a combined capacity growth of 589MW, mainly from four SPPs under SPP replacement PPAs in 2022 and two new SPPs, BGPR1&2, in 2023.

Exhibit 5: Capacity growth

	Equity capacity	Growth	Growth	Project
	(MW)	(MW)	(%)	
2016	974			ABP5, BOWIN
2017	988	14	1	XXHP (SNN, SGD)
2018	1,217	229	23	ABPR3-5 SPPs, WVO solar farm
2019	1,819	602	49	Solar farms in Vietnam, Nam Che, SPP1, ABP1 extension, WTE
2020	1,938	119	7	ATP, Ray solar farm
2021E	1,968	30	2	BOTHONG wind farms, BPAM extension, Hybrid U-Tapao
2022E	2,178	210	11	BPLC1, ABP1, ABP2, SPP1 SPP replacements, Tadsakoi, Nam Khao 4
2023E	2,549	371	17	BGPR1, BGPR2 SPPs, Nam Khao 2, Hybrid U-Tapao
2024E	2,560	11	0	Nam Khao 3
2025E	2,576	16	1	Nam Khao 1, 5
Total equity capacity	2,576	1,602		
CAGR from 2016-2023		1,575	27.2	
CAGR from 2019-2023		1,332	8.8	
CAGR from 2016-2025		1,602	11.4	

Sources: BGRIM; FSSIA estimates

Four SPPs under replacement PPAs are a key growth engine in 2022 onward

In 2022, BGRIM should see the most significant growth driver from the start-up of its four SPPs under SPP replacement PPAs, namely SPP1, acquired from Glow Energy in 1Q19, ABP1 and ABP2 in Amata Nakorn industrial estate (IE), and BPLC1 in Laemchabang IE.

While BGRIM's four SPP PPAs will expire over the course of 2019-22, and will operate under a temporary PPA SPP extension scheme, which we estimate to deliver an EIRR of 30%, we think the new SPP replacement PPAs for SPP1, ABP1, ABP2, and BPLC1 will generate higher EIRRs of 35%. This is due to the better operational efficiency of SPPs, as they require less heat to generate power, with energy requirements declining sharply from the current 8,300mmBTU/kWh (vs EGAT's contracted heat rate of 8,600mmBTU/kWh) to 7,000mmBTU/kWh (vs EGAT's new contracted heat rate of 7,409mmBTU/kWh). This should more than offset the higher investment cost and lower power purchases from EGAT under the SPP replacement scheme (30MW vs 90MW for the SPP extension scheme).

Exhibit 6: BGRIM's SPP replacement PPAs

Project	----- Existing installed capacity -----				Contracted heat rate	----- New installed capacity -----				Contracted heat rate	Steam to power capacity	Pow
	Stake	Power	Steam	Equity capacity		Stake	Power	Steam	Equity capacity			
	(%)	(MW)	(tph)	(MW)	(mmBTU/kWh)	(%)	(MW)	(tph)	(MW)	(mmBTU/KWh)	(x)	(M
SPP1	75	124	48	93	8,600	75	280	96	210	7,409	0.3	1
ABP1	51	166	6	85	8,600	51	140	20	71	7,409	0.1	(
ABP2	15	171	16	26	8,600	51	140	16	71	7,409	0.1	1
BPLC1	100	103	46	103	8,600	100	140	46	140	7,409	0.3	
Total	241	564	116	307	8,600	277	700	178	493	7,409	0.3	

Sources: BGRIM; FSSIA estimates

According to management, the net total equity capacity of BGRIM's four PPAs with expirations during 2019-22 will rise by 61% from 307MW to 493MW. We think the net profit contributions will rise from the existing contributions of less than THB1b annually, to over THB1.5b, based on our estimate, considering that:

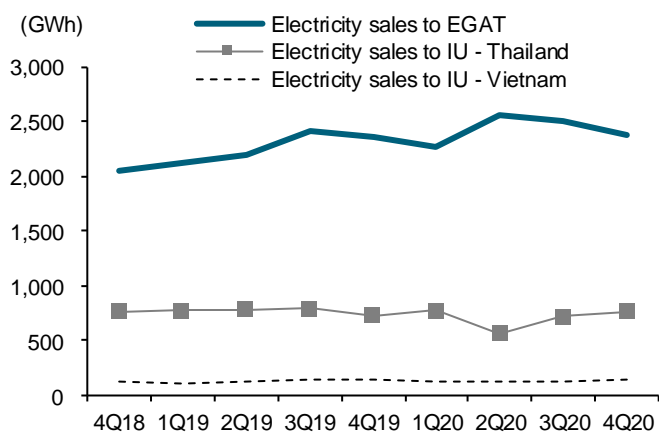
- The existing SPP capacity of 364MW is mainly sold to EGAT (64% of total capacity) and this low-margin, cost-plus capacity decline would come from the electricity capacity sold to EGAT with a gross margin lower than that of IUs.
- The 200MW SPP capacity currently sold to IUs will be replaced by a new generator and will likely see 15% lower gas and coal costs, implying a 10% lower energy cost. This would directly boost BGRIM's SPP capacity of 0.55GW (0.7GW minus 0.15GW sold to EGAT).
- Higher capacities of electricity to 700MW, up 61%, and steam to 178tph; a 53% expansion from the current 116tph under the SPP extension PPA scheme. We think the expanded electricity and steam capacities for BGRIM's SPP1 under the SPP replacement PPA are the largest and most visible, yet most overlooked net profit upsides by investors. We project that these net profit upsides will start to materialise in 2022 onward when the first SPP1 under the SPP replacement PPA starts its commercial operation date (COD) in May-22.

Earnings downsides from Covid

While we see net profit upsides for BGRIM in 2022 onward from its new growth projects, particularly the four SPPs under SPP replacement PPAs and the lower gas costs from its LNG imports, we, however, expect to see earnings downsides from Covid-19 and the mismatch of the electricity price vs gas cost movement in 2021-23.

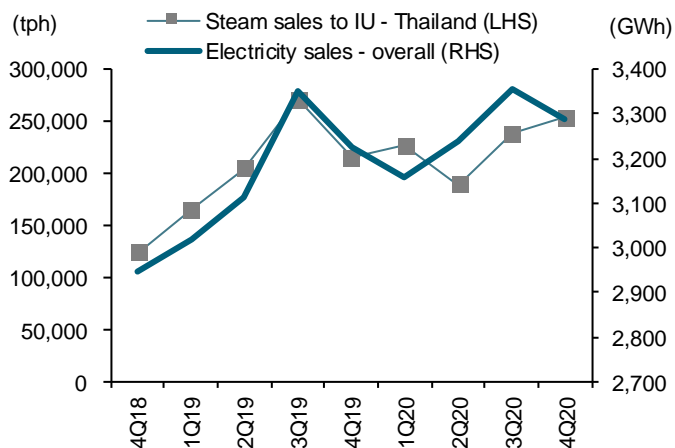
In 2020-21, the impact of the Covid-19 pandemic has reduced the electricity and steam demand growth for both IUs and EGAT, offsetting the capacity growth of 0.7GW added during 2019-20, mainly from solar farms in Vietnam and Thailand and the hydropower plant in Laos. As a result, the electricity sales to EGAT and IUs in Thailand and Vietnam and steam sales to IUs in Thailand have been relatively stagnant y-y, and even dipped in 1H20 when the global lockdowns took effect in Thailand and Vietnam.

Exhibit 7: Electricity sales volumes to EGAT and IUs



Source: BGRIM

Exhibit 8: Electricity and steam sales volumes

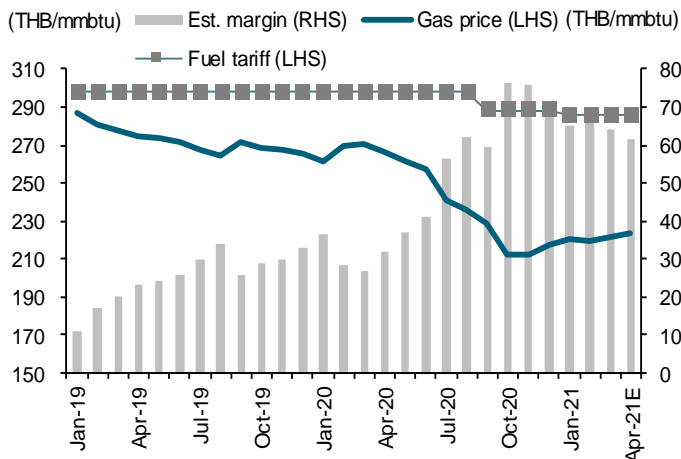


Source: BGRIM

Earnings downsides from revenue and cost mismatch

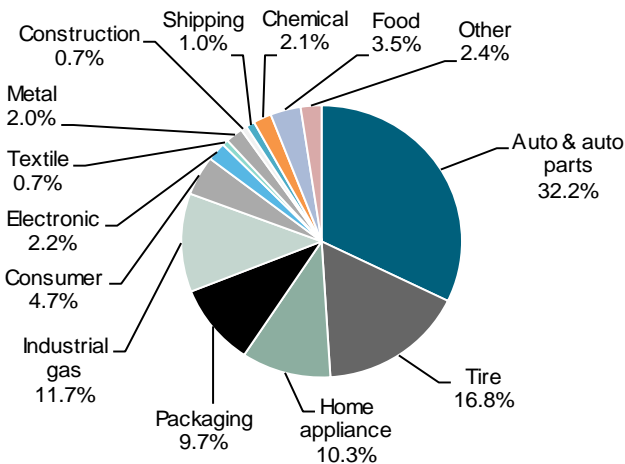
As a result of the Thai government’s policy to subsidise the Thai public’s electricity bills amid the economic slowdown caused by the nation’s lockdown to fight the Covid-19 outbreak in 2020-21, the Thai regulator decided to cut the electricity tariff in the form of a lower Ft at a faster rate than we had previously projected. We believe BGRIM is likely to see its electricity and steam gross margins decline at a faster pace than previously projected starting in 1Q21 onward.

Exhibit 9: Gas cost vs fuel tariff vs margin



Source: BGRIM

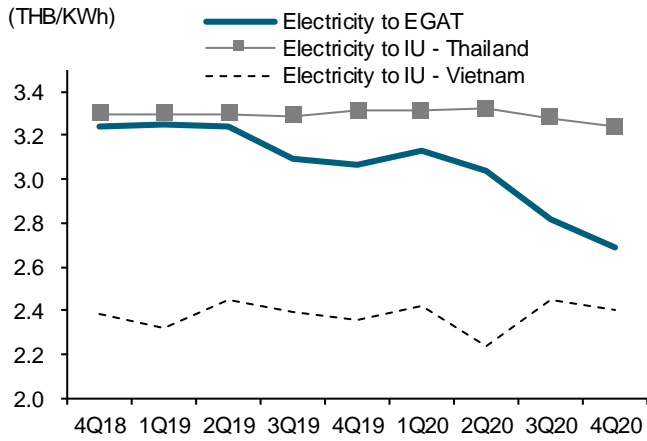
Exhibit 10: Industrial user breakdown by sector



Source: BGRIM

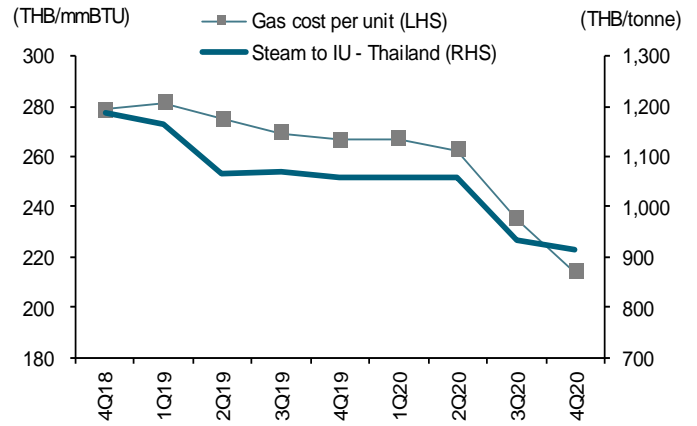
While the gas cost declined sharply in 2H20, reflecting the lower oil price in 1H20, the electricity tariff, particularly for EGAT, plunged at a faster rate than the gas cost declined due to the Thai government's subsidy policy. Hence, BGRIM's gross margin for its electricity and steam sales have been largely stable in 2H20, and is likely to continue in 1H21 as we expect the Thai government to continue to subsidise the electricity tariff by maintaining a low Ft and electricity tariff.

Exhibit 11: Electricity tariff by segment



Source: BGRIM

Exhibit 12: Gas cost vs steam sales volume in Thailand



Source: BGRIM

1Q21E results preview

We project BGRIM to post a net profit of THB625m in 1Q21, up 8.5% q-q and 674% y-y due to the absence of a large FX loss in 1Q20. We project its 1Q21 core net profit to be THB636m, up 23% q-q and down 6.7% y-y due to a lower EBITDA margin of 29% vs 29.2% in 1Q20 as a result of the mismatch of the electricity and steam prices vs the gas cost decline that should be offset by y-y higher electricity sales volumes.

- We project BGRIM's electricity sales volume to IUs in Thailand to rise by 5% y-y in 1Q21, driven by y-y higher electricity sales volumes from the automobile (+9% y-y, 40% of total sales volume in 1Q21), tire (+1% y-y, 20%), industrial gas (+8% y-y, 9%), and home appliance (+5% y-y, 9%) segments to offset a 3% y-y weaker sales volume from the packaging segment (6% of total sales volume).
- A slight increase in the gross margin of electricity sold to IUs, based on the lower gas cost that should still be higher than the decline in the electricity tariff.
- A higher interest expense by THB100m q-q and y-y from the interest expense of the solar farm project in Vietnam that has been deferred since 2020.
- A 24% q-q decline in the electricity sales volume of solar farms in Vietnam due to the curtailment from the Vietnamese government as a result of the weak demand on the back of Covid-19 and the influx of new power supplies that jammed the power grid.

Exhibit 13: 1Q21E results preview

	1Q20	4Q20	----- 1Q21E-----		2021E	Comments	
	(THB m)	(THB m)	(THB m)	(q-q %)	(y-y %)		(THB m)
Revenue	11,223	10,435	11,452	9.7	2.0	49,101	Higher due to higher electricity sales volumes
Operating costs	(7,945)	(7,328)	(8,127)	10.9	2.3	(35,258)	Higher due to higher production
EBITDA	3,278	3,107	3,325	7.0	1.4	13,843	Higher due to higher production and margin
<i>EBITDA margin (%)</i>	29.2	29.8	29.0	<i>nm</i>	<i>nm</i>	28.2	
Deprn & amort.	(1,333)	(1,383)	(1,382)	(0.1)	3.7	(5,466)	
EBIT	1,945	1,724	1,943	12.7	(0.1)	8,378	
Interest expense	(1,530)	(347)	(675)	94.3	(55.9)	(3,050)	Higher q-q due to interest expense from solar farm
Interest & invt inc	-	-	-	<i>nm</i>	<i>nm</i>	-	
Other income	92	42	40	(4.3)	(56.7)	200	
Associates' contrib	27	15	20	37.2	(26.3)	220	
Exceptionals	(321)	(277)	(260)	(6.3)	(19.1)	-	
Pretax profit	213	1,156	1,068	(7.6)	401.2	5,747	Lower q-q due to an unrealised FX loss
Tax	(54)	(100)	(45)	(54.9)	(16.5)	(229)	
<i>Tax rate (%)</i>	25.3	8.6	4.2	<i>nm</i>	<i>nm</i>	4.0	
Minority interests	(78)	(480)	(398)	(17.0)	407.2	(2,636)	
Net profit	81	576	625	8.5	674.4	2,882	
Non-recurring	(601)	60	(11)	(118.3)	(98.2)	-	
Core net profit	682	516	636	23.3	(6.7)	2,882	
EPS (THB)	0.03	0.22	0.24	8.5	674.4	1.11	
Core EPS (THB)	0.26	0.20	0.24	23.3	(6.7)	1.11	

Sources: BGRIM; FSSIA estimates

EPS and TP revisions

We cut our EPS forecasts for 2021-23 by 21.4-45.6% to reflect 1) our lower utilisation rate and power dispatch assumptions for SPPs due to the lower-than-expected demand for both electricity and steam caused by Covid-19, with a direct impact in 2021 and an indirect impact in 2022-23 due to project delays; and 2) a lower electricity tariff by 2.1% due to the lower-than-expected tariff caused by the Thai government's subsidy policy.

Exhibit 14: Changes in key assumptions and EPS

	Current			Previous			Change		
	2021E	2022E	2023E	2021E	2022E	2023E	2021E	2022E	2023E
	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(%)	(%)	(%)
Revenue	49,101	57,471	69,843	50,033	58,580	71,216	(1.9)	(1.9)	(1.9)
Gross profit	15,660	18,745	23,414	18,197	22,261	25,041	(13.9)	(15.8)	(6.5)
Operating profit	8,378	10,938	14,564	10,880	14,413	16,141	(23.0)	(24.1)	(9.8)
Net profit	2,882	3,966	5,998	5,205	7,285	7,627	(44.6)	(45.6)	(21.4)
EPS (THB/share)	1.1	1.5	2.3	2.0	2.8	3	(44.6)	(45.6)	(21.4)
Key assumptions									
Utilisation rate (%)	88	92	93	91	93	94	(3.3)	(1.1)	(1.1)
Dispatched power (GWh)	11,132	12,778	11,504	12,201	13,078	11,904	(8.8)	(2.3)	(3.4)
Oil price (USD/bbl)	55	50	50	55	50	50	0.0	0.0	0.0
Average tariff (THB/kWh)	2.76	2.90	3.04	2.82	2.96	3.00	(2.1)	(2.1)	(2.1)
Gas price (THB/mmbtu)	224	217	210	224	217	210	0.0	0.0	0.0

Sources: BGRIM; FSSIA estimates

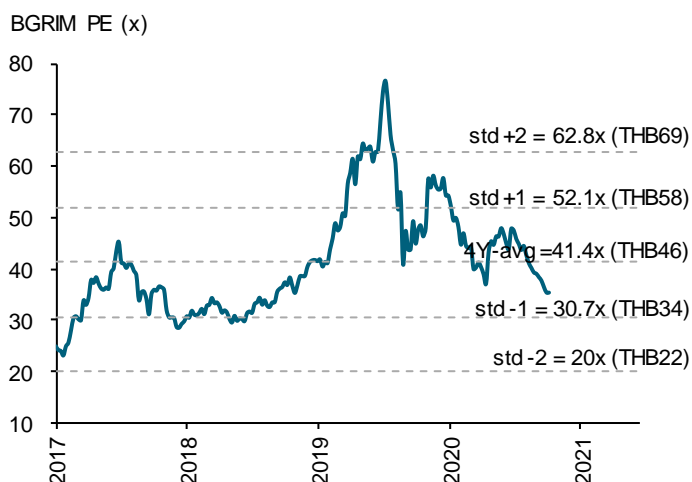
We lower our SoTP-based TP from THB63 to THB56 to reflect our EPS cuts. However, we think BGRIM remains attractive as one of the key growth companies in the Thai utilities sector, given its secured new growth projects in 2021-25, the margin upsides from four SPP replacement PPAs and its LNG imports.

Exhibit 15: SoTP valuation

Cost of equity assumptions		(%)		Cost of debt assumptions		(%)	
Risk-free rate		2.3		Pretax cost of debt		4.5	
Market risk premium		8.5		Marginal tax rate		20.0	
Stock beta		0.9					
Cost of equity, Ke		10.8		Net cost of debt, Kd		3.6	
Weight applied		30.0		Weight applied		70.0	
WACC		5.5					
DCF valuation estimate		(MW)	(%)	Equity Capacity		Comments	
				(MW)	(THB/share)		
SPP	Amata Nakorn (ABP1-5)	732	38	277	6.8	WACC 5.5%, Risk free rate 2.3%, Risk premium 8.5%	
	ABP1&2 and BPLC1	420	51	214	8.7	WACC 5.5%, Risk free rate 2.3%, Risk premium 8.5%	
	Amata City (ABPR1-5)	646	58	375	21.9	WACC 5.5%, Risk free rate 2.3%, Risk premium 8.5%	
	Leam Chabang (BPLC1-2)	159	100	159	4.9	WACC 5.5%, Risk free rate 2.3%, Risk premium 8.5%	
	Bangkadi (BIP1-2)	230	74	170	6.5	WACC 5.5%, Risk free rate 2.3%, Risk premium 8.5%	
	SPP1	124	100	124	9.5	WACC 5.5%, Risk free rate 2.3%, Risk premium 8.5%	
	Amata City Bien Hoa	13	31	4	0.1	WACC 6.6%, Risk free rate 5%, Risk premium 8.5%	
	Hemraj	130	75	98	4.7	WACC 5.5%, Risk free rate 2.3%, Risk premium 8.5%	
	BGPR1&2	240	60	144	8.8	WACC 5.5%, Risk free rate 2.3%, Risk premium 8.5%	
	Solar Vietnam (Dau Tieng)	420	51	214	2.8	WACC 6.6%, Risk free rate 5%, Risk premium 8.5%	
	Solar Vietnam (Hoa Hoi)	257	80	206	2.7	WACC 6.6%, Risk free rate 5%, Risk premium 8.5%	
VSP	Solar Thailand	115	52	60	1.1	WACC 5.5%, Risk free rate 2.3%, Risk premium 8.5%	
	Hydropower	133	71	95	1.1	WACC 5.5%, Risk free rate 2.3%, Risk premium 8.5%	
	Wind	16	94	15	0.3	WACC 5.8%, Risk free rate 3%, Risk premium 8.5%	
	Solar Cambodia	39	100	15	1.4	WACC 5.8%, Risk free rate 3%, Risk premium 8.5%	
	Net debt				(25.4)	FY21E	
	Residual ordinary equity				56.0		

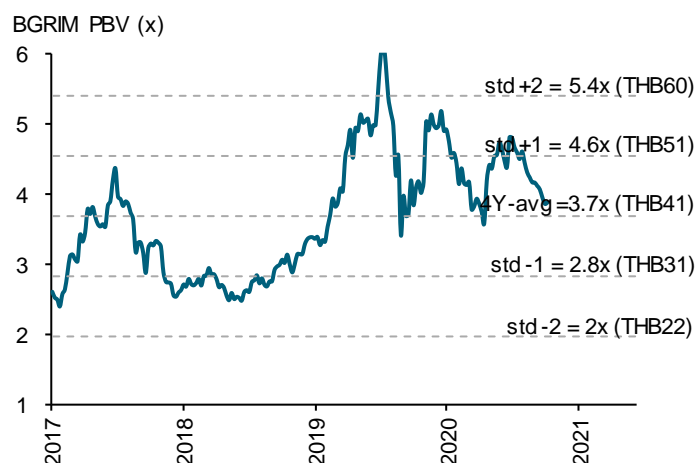
Sources: BGRIM; FSSIA estimates

Exhibit 16: Prospective P/E band



Sources: BGRIM; FSSIA estimates

Exhibit 17: Prospective P/BV band



Sources: BGRIM; FSSIA estimates

Exhibit 18: Peer comparisons

Company	BGR code	Rec	Share Price (LCY)	Target price (LCY)	Upside (%)	Market Cap (USD m)	3Y EPS CAGR (%)	PE		ROE		PBV		EV / EBITDA	
								21E (x)	22E (x)	21E (%)	22E (%)	21E (x)	22E (x)	21E (x)	22E (x)
THAILAND															
B Grimm Power	BGRIM TB	BUY	42.25	56	33	3,506	40.5	38.2	27.8	10.2	13.4	3.8	3.6	13.7	12.0
Gulf Energy Deve	GULF TB	BUY	33.75	48	42	12,605	72.0	43.8	20.0	13.5	25.4	5.6	4.6	37.2	17.0
Global Power Syn	GPSC TB	BUY	71.25	112	57	6,395	11.8	21.5	20.7	9.0	9.0	1.9	1.8	14.0	13.9
Banpu Power	BPP TB	HOLD	17.9	22	23	1,737	3.9	12.1	11.6	10.7	10.6	1.3	1.2	56.9	50.1
Electricity Gen	EGCO TB	BUY	174.5	245	40	2,933	26.2	7.1	5.4	12.3	14.5	0.8	0.7	13.8	10.0
Ratch Group	RATCH TB	BUY	49.5	76	53	2,296	16.5	9.4	7.9	12.2	13.6	1.1	1.0	10.8	8.3
Wha Utilities&Pow	WHAUP TB	BUY	4.28	4.5	1	543	20.4	14.0	12.9	9.9	10.6	1.4	1.4	45.4	44.4
Thailand avg						30,015	26.5	29.8	18.1	11.7	17.4	3.5	3.0	26.5	16.8
HONGKONG															
Datang Intl Power	991 HK	NA	1.14	NA	NA	5,677	(6.4)	6.2	5.3	2.4	3.3	0.4	0.4	9.0	8.6
Huadian Power	1071 HK	NA	2.38	NA	NA	4,761	11.1	4.7	4.5	6.9	8.3	0.3	0.3	8.0	7.7
Huaneng Power	902 HK	NA	2.68	NA	NA	8,374	1.7	5.7	5.2	5.7	6.0	0.3	0.3	8.0	7.5
China Power Inter	2380 HK	NA	1.78	NA	NA	2,249	18.1	7.0	6.1	6.6	8.1	0.4	0.4	9.3	8.2
China Resources	836 HK	NA	10.12	NA	NA	6,272	18.5	5.0	4.5	10.9	11.5	0.5	0.5	5.5	5.1
Clp Holdings Ltd	2 HK	NA	76.3	NA	NA	24,835	2.4	15.9	15.3	10.6	10.5	1.6	1.6	10.2	9.7
Power Assets	6 HK	NA	47.1	NA	NA	12,951	2.0	15.3	15.1	7.8	7.9	1.2	1.2	73.2	73.3
Hongkong avg						65,118	3.5	11.5	10.9	8.3	8.6	1.0	1.0	21.7	21.3
MALAYSIA															
Petronas Gas	PTG MK	NA	15.74	NA	NA	7,601	(0.4)	15.5	15.3	15.4	15.1	2.4	2.4	8.5	8.5
Tenaga Nasional	TNB MK	NA	9.98	NA	NA	13,895	8.9	11.8	11.4	8.6	8.7	1.0	1.0	6.8	6.7
Ytl Power Inte	YTLP MK	NA	0.705	NA	NA	1,394	106.6	13.8	12.6	3.1	3.6	0.5	0.5	10.3	10.2
Malaysia avg						22,891	5.1	4.6	4.5	3.7	3.7	0.5	0.5	2.7	2.6
CHINA															
China Datang	1798 HK	NA	1.45	NA	NA	1,359	11.4	6.4	5.8	7.5	7.8	0.5	0.4	8.4	7.8
China Gas	384 HK	NA	27.5	NA	NA	18,467	16.1	13.1	11.4	23.8	22.9	3.0	2.5	10.7	9.4
China Longyuan	916 HK	NA	11.7	NA	NA	12,113	14.5	14.2	12.4	9.4	9.8	1.3	1.2	8.8	7.7
Beijing Enterprises	392 HK	NA	25.8	NA	NA	4,195	13.0	4.1	3.8	9.3	9.3	0.4	0.3	9.9	9.9
Kunlun Energy	135 HK	NA	8.34	NA	NA	9,303	19.6	7.6	11.5	17.8	9.3	1.1	1.1	7.1	6.6
China avg						45,437	15.2	7.8	7.5	11.8	10.4	1.3	1.1	6.5	5.8
INDONESIA															
Perusahaan Gas	PGAS IJ	NA	1200	NA	NA	2,007	NA	20.7	13.8	3.6	5.4	0.8	0.8	5.6	5.3
Indonesia avg						2,007	NA	0.6	0.4	0.1	0.2	0.0	0.0	0.2	0.2
SINGAPORE															
Sembcorp Indus	SCI SP	NA	2.17	NA	NA	2,923	10.3	12.0	10.3	9.4	10.1	1.1	1.0	9.7	9.4
Singapore avg						2,923	10.3	0.5	0.5	0.4	0.5	0.0	0.0	0.4	0.4
Utilities under coverage						30,015	26.5	29.8	18.1	11.7	17.4	3.5	3.0	26.5	16.8
Average (all)						168,391	21.7	12.5	10.1	9.0	9.8	1.4	1.3	15.2	13.2

Share prices as of 27 April 2021

Sources: Bloomberg; FSSIA estimates

Financial Statements

B.Grimm Power

Profit and Loss (THB m) Year Ending Dec	2019	2020	2021E	2022E	2023E
Revenue	44,132	44,087	49,101	57,471	69,843
Cost of goods sold	(31,293)	(29,354)	(33,441)	(38,726)	(46,429)
Gross profit	12,839	14,733	15,660	18,745	23,414
Other operating income	-	-	-	-	-
Operating costs	(1,865)	(2,039)	(1,817)	(2,126)	(2,584)
Operating EBITDA	10,974	12,694	13,843	16,618	20,830
Depreciation	(4,660)	(5,494)	(5,466)	(5,681)	(6,266)
Goodwill amortisation	0	0	0	0	0
Operating EBIT	6,314	7,200	8,378	10,938	14,564
Net financing costs	(2,493)	(3,520)	(3,050)	(2,993)	(3,203)
Associates	101	58	220	224	228
Recurring non-operating income	493	751	420	424	428
Non-recurring items	(102)	(442)	0	0	0
Profit before tax	4,212	3,989	5,747	8,369	11,789
Tax	(235)	(233)	(229)	(406)	(698)
Profit after tax	3,977	3,755	5,519	7,963	11,091
Minority interests	(1,646)	(1,581)	(2,636)	(3,997)	(5,093)
Preferred dividends	0	0	0	0	0
Other items	-	-	-	-	-
Reported net profit	2,331	2,175	2,882	3,966	5,998
Non-recurring items & goodwill (net)	102	442	0	0	0
Recurring net profit	2,433	2,617	2,882	3,966	5,998
Per share (THB)					
Recurring EPS *	0.93	1.00	1.11	1.52	2.30
Reported EPS	0.89	0.83	1.11	1.52	2.30
DPS	0.37	0.37	1.00	1.00	1.00
Diluted shares (used to calculate per share data)	2,607	2,607	2,607	2,607	2,607
Growth					
Revenue (%)	20.6	(0.1)	11.4	17.0	21.5
Operating EBITDA (%)	22.5	15.7	9.1	20.0	25.3
Operating EBIT (%)	16.0	14.0	16.4	30.6	33.2
Recurring EPS (%)	32.1	7.6	10.1	37.6	51.2
Reported EPS (%)	25.1	(6.7)	32.5	37.6	51.2
Operating performance					
Gross margin inc. depreciation (%)	18.5	21.0	20.8	22.7	24.6
Gross margin of key business (%)	18.5	21.0	20.8	22.7	24.6
Operating EBITDA margin (%)	24.9	28.8	28.2	28.9	29.8
Operating EBIT margin (%)	14.3	16.3	17.1	19.0	20.9
Net margin (%)	5.5	5.9	5.9	6.9	8.6
Effective tax rate (%)	5.7	5.9	4.1	5.0	6.0
Dividend payout on recurring profit (%)	39.6	36.9	90.4	65.7	43.5
Interest cover (X)	2.7	2.3	2.9	3.8	4.7
Inventory days	11.4	12.4	12.1	12.0	11.8
Debtor days	54.9	57.8	50.7	43.3	35.6
Creditor days	139.0	148.6	65.9	65.4	64.3
Operating ROIC (%)	7.9	7.8	7.5	8.7	10.4
ROIC (%)	6.9	6.9	6.4	7.5	9.1
ROE (%)	10.3	9.4	10.2	13.4	18.8
ROA (%)	5.5	5.6	6.2	7.8	9.4
* Pre-exceptional, pre-goodwill and fully diluted					
Revenue by Division (THB m)					
Electricity generation	44,128	44,087	49,101	57,471	69,843
Others business	4	0	0	0	0

Sources: B.Grimm Power; FSSIA estimates

Financial Statements

B.Grimm Power

Cash Flow (THB m) Year Ending Dec	2019	2020	2021E	2022E	2023E
Recurring net profit	2,433	2,617	2,882	3,966	5,998
Depreciation	4,660	5,494	5,466	5,681	6,266
Associates & minorities	101	58	220	224	228
Other non-cash items	-	-	-	-	-
Change in working capital	11,276	(12,068)	524	634	920
Cash flow from operations	18,470	(3,898)	9,092	10,504	13,411
Capex - maintenance	(100)	(101)	(100)	(100)	(100)
Capex - new investment	(14,341)	(13,562)	(16,900)	(17,900)	(17,900)
Net acquisitions & disposals	(272)	(465)	0	0	0
Other investments (net)	(959)	815	220	224	228
Cash flow from investing	(15,672)	(13,313)	(16,780)	(17,776)	(17,772)
Dividends paid	(965)	(965)	(1,486)	(2,607)	(2,607)
Equity finance	0	0	0	0	0
Debt finance	(2,494)	15,230	(10,745)	8,000	2,000
Other financing cash flows	9,144	(328)	2,195	3,549	4,638
Cash flow from financing	5,685	13,938	(10,035)	8,943	4,031
Non-recurring cash flows	-	-	-	-	-
Other adjustments	0	0	0	0	0
Net other adjustments	0	0	0	0	0
Movement in cash	8,483	(3,274)	(17,723)	1,671	(331)
Free cash flow to firm (FCFF)	5,428.45	(14,024.75)	(4,637.33)	(4,279.10)	(1,158.60)
Free cash flow to equity (FCFE)	9,447.90	(2,308.98)	(16,237.67)	4,277.62	2,276.22

Per share (THB)

FCFF per share	2.08	(5.38)	(1.78)	(1.64)	(0.44)
FCFE per share	3.62	(0.89)	(6.23)	1.64	0.87
Recurring cash flow per share	2.76	3.13	3.29	3.79	4.79

Balance Sheet (THB m) Year Ending Dec	2019	2020	2021E	2022E	2023E
Tangible fixed assets (gross)	100,752	114,469	131,469	149,469	167,469
Less: Accumulated depreciation	(28,620)	(34,169)	(39,635)	(45,315)	(51,581)
Tangible fixed assets (net)	72,132	80,300	91,835	104,154	115,888
Intangible fixed assets (net)	10,908	12,949	12,949	12,949	12,949
Long-term financial assets	-	-	-	-	-
Invest. in associates & subsidiaries	1,535	1,070	1,070	1,070	1,070
Cash & equivalents	23,663	20,389	2,667	4,337	4,007
A/C receivable	7,156	6,818	6,818	6,818	6,818
Inventories	969	1,033	1,177	1,363	1,634
Other current assets	1,706	1,638	1,825	2,136	2,595
Current assets	33,493	29,879	12,486	14,654	15,055
Other assets	3,625	6,498	6,498	6,498	6,498
Total assets	121,693	130,696	124,838	139,325	151,460
Common equity	28,144	27,470	28,866	30,226	33,617
Minorities etc.	10,533	11,834	14,470	18,467	23,560
Total shareholders' equity	38,677	39,304	43,337	48,693	57,177
Long term debt	55,596	57,256	57,256	67,256	67,256
Other long-term liabilities	1,588	7,143	7,143	7,143	7,143
Long-term liabilities	57,184	64,399	64,399	74,399	74,399
A/C payable	18,254	5,641	6,426	7,442	8,922
Short term debt	7,175	20,745	10,000	8,000	10,000
Other current liabilities	403	607	676	791	961
Current liabilities	25,832	26,993	17,102	16,233	19,884
Total liabilities and shareholders' equity	121,693	130,696	124,838	139,325	151,460
Net working capital	(8,826)	3,242	2,717	2,084	1,164
Invested capital	79,374	104,059	115,069	126,754	137,569

* Includes convertibles and preferred stock which is being treated as debt

Per share (THB)

Book value per share	10.80	10.54	11.07	11.59	12.90
Tangible book value per share	6.61	5.57	6.11	6.63	7.93

Financial strength

Net debt/equity (%)	101.1	146.6	149.0	145.6	128.1
Net debt/total assets (%)	32.1	44.1	51.7	50.9	48.4
Current ratio (x)	1.3	1.1	0.7	0.9	0.8
CF interest cover (x)	10.5	4.2	1.2	8.4	7.3

Valuation	2019	2020	2021E	2022E	2023E
Recurring P/E (x) *	45.3	42.1	38.2	27.8	18.4
Recurring P/E @ target price (x) *	60.0	55.8	50.7	36.8	24.3
Reported P/E (x)	47.2	50.6	38.2	27.8	18.4
Dividend yield (%)	0.9	0.9	2.4	2.4	2.4
Price/book (x)	3.9	4.0	3.8	3.6	3.3
Price/tangible book (x)	6.4	7.6	6.9	6.4	5.3
EV/EBITDA (x) **	14.6	14.1	13.7	12.0	9.9
EV/EBITDA @ target price (x) **	17.8	17.0	16.3	14.2	11.7
EV/invested capital (x)	2.0	1.7	1.6	1.6	1.5

* Pre-exceptional, pre-goodwill and fully diluted ** EBITDA includes associate income and recurring non-operating income

Sources: B.Grimm Power; FSSIA estimates

Corporate Governance report of Thai listed companies 2020

EXCELLENT LEVEL										
AAV	ADVANC	AF	AIRA	AKP	AKR	ALT	AMA	AMATA	AMATAV	ANAN
AOT	AP	ARIP	ARROW	ASP	BAFS	BANPU	BAY	BCP	BCPG	BDMS
BEC	BEM	BGRIM	BIZ	BKI	BLA	BOL	BPP	BRR	BTS	BWG
CENTEL	CFRESH	CHEWA	CHO	CIMBT	CK	CKP	CM	CNT	COL	COMAN
COTTO	CPALL	CPF	CPI	CPN	CSS	DELTA	DEMCO	DRT	DTAC	DTC
DV8	EA	EASTW	ECF	ECL	EGCO	EPG	ETE	FNS	FPI	FPT
FSMART	GBX	GC	GCAP	GEL	GFPT	GGC	GPSC	GRAMMY	GUNKUL	HANA
HARN	HMPRO	ICC	ICI	III	ILINK	INTUCH	IRPC	IVL	JKN	JSP
JWD	K	KBANK	KCE	KKP	KSL	KTB	KTC	LANNA	LH	LHFG
LIT	LPN	MAKRO	MALEE	MBK	MBKET	MC	MCOT	METCO	MFEC	MINT
MONO	MOONG	MSC	MTC	NCH	NCL	NEP	NKI	NOBLE	NSI	NVD
NYT	OISHI	ORI	OTO	PAP	PAP	PCSGH	PDJ	PG	PHOL	PLANB
PLAT	PORT	PPS	PR9	PREB	PRG	PRM	PSH	PSL	PTG	PTT
PTTEP	PTTGC	PYLON	Q-CON	QH	QTC	RATCH	RS	S	S & J	SAAM
SABINA	SAMART	SAMTEL	SAT	SC	SCB	SCC	SCCC	SCG	SCN	SDC
SEAFCO	SEAOIL	SE-ED	SELIC	SENA	SIRI	SIS	SITHAI	SMK	SMPC	SNC
SONIC	SORKON	SPALI	SPI	SPRC	SPVI	SSSC	SST	STA	SUSCO	SUTHA
SVI	SYMC	SYNTEC	TACC	TASCO	TCAP	TFMAMA	THANA	THANI	THCOM	THG
THIP	THRE	THREL	TIP	TIPCO	TISCO	TK	TKT	TMB	TMILL	TNDT
TNL	TOA	TOP	TPBI	TQM	TRC	TSC	TSR	TSTE	TSTH	TTA
TTCL	TTW	TU	TVD	TVI	TVO	TWPC	U	UAC	UBIS	UV
VGI	VIH	WACOAL	WAVE	WHA	WHAUP	WICE	WINNER	TRUE		

VERY GOOD LEVEL										
2S	ABM	ACE	ACG	ADB	AEC	AEONTS	AGE	AH	AHC	AIT
ALLA	AMANAHA	AMARIN	APCO	APCS	APURE	AQUA	ASAP	ASEFA	ASIA	ASIAN
ASIMAR	ASK	ASN	ATP30	AUCT	AWC	AYUD	B	BA	BAM	BBL
BFIT	BGC	BJC	BJCHI	BROOK	BTW	CBG	CEN	CGH	CHARAN	CHAYO
CHG	CHOTI	CHOW	CI	CIG	CMC	COLOR	COM7	CPL	CRC	CRD
CSC	CSP	CWT	DCC	DCON	DDD	DOD	DOHOME	EASON	EE	ERW
ESTAR	FE	FLOYD	FN	FORTH	FSS	FTE	FVC	GENCO	GJS	GL
GLAND	GLOBAL	GLOCON	GPI	GULF	GYT	HPT	HTC	ICN	IFS	ILM
IMH	INET	INSURE	IRC	IRCP	IT	ITD	ITEL	J	JAS	JCK
JCKH	JMART	JMT	KBS	KCAR	KGI	KIAT	KOOL	KTIS	KWC	KWM
L&E	LALIN	LDC	LHK	LOXLEY	LPH	LRH	LST	M	MACO	MAJOR
MBAX	MEGA	META	MFC	MGT	MILL	MITSIB	MK	MODERN	MTI	MVP
NETBAY	NEX	NINE	NTV	NWR	OCC	OGC	OSP	PATO	PB	PDG
PDI	PICO	PIMO	PJW	PL	PM	PPP	PRIN	PRINC	PSTC	PT
QLT	RCL	RICHY	RML	RPC	RWI	S11	SALEE	SAMCO	SANKO	SAPPE
SAWAD	SCI	SCP	SE	SEG	SFP	SGF	SHR	SIAM	SINGER	SKE
SKR	SKY	SMIT	SMT	SNP	SPA	SPC	SPCG	SR	SRICHA	SSC
SSF	STANLY	STI	STPI	SUC	SUN	SYNEX	T	TAE	TAKUNI	TBSP
TCC	TCMC	TEAM	TEAMG	TFG	TIGER	TITLE	TKN	TKS	TM	TMC
TMD	TMI	TMT	TNITY	TNP	TNR	TOG	TPA	TPAC	TPCORP	TPOLY
TPS	TRITN	TRT	TRU	TSE	TVT	TWP	UEC	UMI	UOBKH	UP
UPF	UPOIC	UT	UTP	UWC	VL	VNT	VPO	WIJK	WP	XO
YUASA	ZEN	ZIGA	ZMICO							

GOOD LEVEL										
7UP	A	ABICO	AJ	ALL	ALUCON	AMC	APP	ARIN	AS	AU
B52	BC	BCH	BEAUTY	BGT	BH	BIG	BKD	BLAND	BM	BR
BROCK	BSBM	BSM	BTNC	CAZ	CCP	CGD	CITY	CMAN	CMO	CMR
CPT	CPW	CRANE	CSR	D	EKH	EP	ESSO	FMT	GIFT	GREEN
GSC	GTB	HTECH	HUMAN	IHL	INOX	INSET	IP	JTS	JUBILE	KASET
KCM	KKC	KUMWEL	KUN	KWG	KYE	LEE	MATCH	MATI	M-CHAI	MCS
MDX	MJD	MM	MORE	NC	NDR	NER	NFC	NNCL	NPK	NUSA
OCEAN	PAF	PF	PK	PLE	PMTA	POST	PPM	PRAKIT	PRECHA	PRIME
PROUD	PTL	RBF	RCI	RJH	ROJNA	RP	RPH	RSP	SF	SFLEX
SGP	SISB	SKN	SLP	SMART	SOLAR	SPG	SQ	SSP	STARK	STC
SUPER	SVOA	TC	TCCC	THMUI	TIW	TNH	TOPP	TPCH	TIPIP	TPLAS
TTI	TYCN	UKEM	UMS	VCOM	VRANDA	WIN	WORK	WPH		

Description

Score Range

Excellent

90-100

Very Good

80-89

Good

70-79

Disclaimer:

The disclosure of the survey results of the Thai Institute of Directors Association ("IOD") regarding corporate governance is made pursuant to the policy of 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 Investment disclosed to the public and able to be accessed by a general public investor. The result, 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 results may be changed after that date. FSS International Investment Advisory Company Limited does not confirm nor certify the accuracy of such survey results.

* CGR scoring should be considered with news regarding wrong doing of the company or director or executive of the company such unfair practice on securities trading, fraud, and corruption SEC imposed a civil sanction against insider trading of director and executive; ** delisted

Source: Thai Institute of Directors Association (IOD); FSSIA's compilation

Anti-corruption Progress Indicator 2020

CERTIFIED										
2S	ADVANC	AI	AIE	AIRA	AKP	AMA	AMANAHA	AP	AQUA	ARROW
ASK	ASP	AYUD	B	BAFS	BANPU	BAY	BBL	BCH	BCP	BCPG
BGC	BGRIM	BJCHI	BKI	BLA	BPP	BROOK	BRR	BSBM	BTS	BWG
CEN	CENTEL	CFRESH	CGH	CHEWA	CHOTI	CHOW	CIG	CIMBT	CM	CMC
COL	COM7	CPALL	CPF	CPI	CPN	CSC	DCC	DELTA	DEMCO	DIMET
DRT	DTAC	DTC	EASTW	ECL	EGCO	FE	FNS	FPI	FPT	FSS
FTE	GBX	GC	GCAP	GEL	GFPT	GGC	GJS	GPSC	GSTEEL	GUNKUL
HANA	HARN	HMPRO	HTC	ICC	ICHI	IFS	INET	INSURE	INTUCH	IRPC
ITEL	IVL	K	KASET	KBANK	KBS	KCAR	KCE	KGI	KKP	KSL
KTB	KTC	KWC	L&E	LANNA	LHFG	LHK	LPN	LRH	M	MAKRO
MALEE	MBAX	MBK	MBKET	MC	MCOT	MFC	MFEC	MINT	MONO	MOONG
MPG	MSC	MTC	MTI	NBC	NEP	NINE	NKI	NMG	NNCL	NSI
NWR	OCC	OCEAN	OGC	ORI	PAP	PATO	PB	PCSGH	PDG	PDI
PDJ	PE	PG	PHOL	PL	PLANB	PLANET	PLAT	PM	PPP	PPPM
PPS	PREB	PRG	PRINC	PRM	PSH	PSL	PSTC	PT	PTG	PTT
PTTEP	PTTGC	PYLON	Q-CON	QH	QLT	QTC	RATCH	RML	RWI	S & J
SABINA	SAT	SC	SCB	SCC	SCCC	SCG	SCN	SEAOIL	SE-ED	SELIC
SENA	SGP	SIRI	SITHAI	SMIT	SMK	SMPC	SNC	SNP	SORKON	SPACK
SPC	SPI	SPRC	SRICHA	SSF	SSSC	SST	STA	SUSCO	SVI	SYNTEC
TAE	TAKUNI	TASCO	TBSP	TCAP	TCMC	TFG	TFI	TFMAMA	THANI	THCOM
THIP	THRE	THREL	TIP	TIPCO	TISCO	TKT	TMB	TMD	TMILL	TMT
TNITY	TNL	TNP	TNR	TOG	TOP	TPA	TPCORP	TPP	TRU	TSC
TSTH	TTCL	TU	TVD	TVI	TVO	TWPC	U	UBIS	UEC	UKEM
UOBKH	UWC	VGI	VIH	VNT	WACOAL	WHA	WHAUP	WICE	WIJK	XO
ZEN	TRUE									

DECLARED										
7UP	ABICO	AF	ALT	AMARIN	AMATA	AMATAV	ANAN	APURE	B52	BKD
BM	BROCK	BUI	CHO	CI	COTTO	DDD	EA	EFORL	EP	ERW
ESTAR	ETE	EVER	FSMART	GPI	ILINK	IRC	J	JKN	JMART	JMT
JSP	JTS	KWG	LDC	MAJOR	META	NCL	NOBLE	NOK	PK	PLE
ROJNA	SAAM	SAPPE	SCI	SE	SHANG	SINGER	SKR	SPALI	SSP	STANLY
SUPER	SYNEX	THAI	TKS	TOPP	TRITN	TTA	UPF	UV	WIN	ZIGA

Level	
Certified	This level indicates practical participation with thoroughly examination in relation to the recommended procedures from the audit committee or the SEC's certified auditor, being a certified member of Thailand's Private Sector Collective Action Coalition Against Corruption programme (Thai CAC) or already passed examination to ensure independence from external parties.
Declared	This level indicates determination to participate in the Thailand's Private Sector Collective Action Coalition Against Corruption programme (Thai CAC)

Disclaimer:

The disclosure of the Anti-Corruption Progress Indicators of a listed company on the Stock Exchange of Thailand, which is assessed by Thaipat Institute, is made in order to comply with the policy and sustainable development plan for the listed companies of the Office of the Securities and Exchange Commission. Thaipat Institute made this assessment based on the information received from the listed company, as stipulated in the form for the assessment of Anti-corruption which refers to the Annual Registration Statement (Form 56-1), Annual Report (Form 56-2), or other relevant documents or reports of such listed company. The assessment result is therefore made from the perspective of Thaipat Institute that is a third party. It is not an assessment of operation and is not based on any inside information. Since this assessment is only the assessment result as of the date appearing in the assessment result, it may be changed after that date or when there is any change to the relevant information. Nevertheless, FSS International Investment Advisory Company Limited does not confirm, verify, or certify the accuracy and completeness of the assessment results.

Note: Companies participating in Thailand's Private Sector Collective Action Coalition Against Corruption programme (Thai CAC) under Thai Institute of Directors (as of June 24, 2019) are categorised into: 1) companies that have declared their intention to join CAC, and; 2) companies certified by CAC.

Source: The Securities and Exchange Commission, Thailand; * FSSIA's compilation

GENERAL DISCLAIMER

ANALYST(S) CERTIFICATION

Suwat Sinsadok FSS International Investment Advisory Securities Co., Ltd

The individual(s) identified above certify(ies) that (i) all views expressed in this report accurately reflect the personal view of the analyst(s) with regard to any and all of the subject securities, companies or issuers mentioned in this report; and (ii) no part of the compensation of the analyst(s) was, is, or will be, directly or indirectly, related to the specific recommendations or views expressed herein.

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Company	Ticker	Price	Rating	Valuation & Risks
B.Grimm Power	BGRIM TB	THB 42.25	BUY	The downside risks to our SoTP-based TP include 1) lower-than-expected demand for electricity in Thailand, 2) a lower crude price, and 3) unplanned shutdowns of its SPPs.
Gulf Energy Development	GULF TB	THB 33.75	BUY	The downside risks to our SoTP-based TP on GULF include 1) lower-than-expected demand for electricity in Thailand; 2) a lower crude price; and 3) delays in project commercial operation dates.
Global Power Synergy	GPSC TB	THB 71.25	BUY	The downside risks to our SoTP-based TP on GPSC include 1) lower-than-expected demand for electricity in Thailand, 2) lower crude price, and 3) lower-than-expected demand from industrial users.
Banpu Power	BPP TB	THB 17.90	BUY	Downside risks to our SOTP valuation are the start-up delays of its new projects and government intervention in the electricity tariff.
Electricity Generating	EGCO TB	THB 174.50	BUY	Downside risks to our SoTP-based TP include 1) lower-than expected demand for electricity in Thailand; 2) delays in project commencement or commercial operation dates (COD); and 3) government intervention in electricity tariff subsidies.
Ratch Group	RATCH TB	THB 49.50	BUY	The downside risks to our SoTP-based TP include 1) lower-than-expected demand for electricity in Thailand; 2) lower crude price; and 3) delays in starting new projects.
WHA Utilities & Power	WHAUP TB	THB 4.28	HOLD	Downside risks to our SoTP-based TP include 1) lower-than-expected demand for electricity in Thailand; and 2) lower crude prices. Upside risks are the higher than expected sales volumes of water and electricity for industrial users.

Source: FSSIA estimates

Additional Disclosures

Target price history, stock price charts, valuation and risk details, and equity rating histories applicable to each company rated in this report is available in our most recently published reports. You can contact the analyst named on the front of this note or your representative at Finansia Syrus Securities Public Company Limited

FSSIA may incorporate the recommendations and target prices of companies currently covered by FSS Research into equity research reports, denoted by an 'FSS' before the recommendation. FSS Research is part of Finansia Syrus Securities Public Company Limited, which is the parent company of FSSIA.

All share prices are as at market close on 27-Apr-2021 unless otherwise stated.

RECOMMENDATION STRUCTURE

Stock ratings

Stock ratings are based on absolute upside or downside, which we define as (target price* - current price) / current price.

BUY (B). The upside is 10% or more.

HOLD (H). The upside or downside is less than 10%.

REDUCE (R). The downside is 10% or more.

Unless otherwise specified, these recommendations are set with a 12-month horizon. Thus, it is possible that future price volatility may cause a temporary mismatch between upside/downside for a stock based on market price and the formal recommendation.

* In most cases, the target price will equal the analyst's assessment of the current fair value of the stock. However, if the analyst doesn't think the market will reassess the stock over the specified time horizon due to a lack of events or catalysts, then the target price may differ from fair value. In most cases, therefore, our recommendation is an assessment of the mismatch between current market price and our assessment of current fair value.

Industry Recommendations

Overweight. The analyst expects the fundamental conditions of the sector to be positive over the next 12 months.

Neutral. The analyst expects the fundamental conditions of the sector to be maintained over the next 12 months.

Underweight. The analyst expects the fundamental conditions of the sector to be negative over the next 12 months.

Country (Strategy) Recommendations

Overweight (O). Over the next 12 months, the analyst expects the market to score positively on two or more of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.

Neutral (N). Over the next 12 months, the analyst expects the market to score positively on one of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.

Underweight (U). Over the next 12 months, the analyst does not expect the market to score positively on any of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.