

13 AUGUST 2021

THAILAND / UTILITIES - RENEWABLES

ENERGY ABSOLUTE EA TB

BUY

UNCHANGED

| | |
|-----------------|----------|
| TARGET PRICE | THB76.00 |
| CLOSE | THB58.75 |
| UP/DOWNSIDE | +29.4% |
| TP vs CONSENSUS | +15.2% |

จุดเปลี่ยนเข้าสู่การเติบโตของยานยนต์ไฟฟ้าใน 3Q21

ผลประกอบการ 2Q21 ออกมาดีตามคาด

EA รายงานกำไรสุทธิ (NP) 2Q21 อยู่ที่ 1.2 พัน ลบ. (+3.6% y-y, -16% q-q) กำไรดังกล่าวต่ำกว่าที่เราคาด 2% และต่ำกว่าที่ตลาดคาด 4% จากระดับการผลิตที่ลดลงตามฤดูกาลของโรงไฟฟ้าพลังแสงอาทิตย์และค่าใช้จ่ายดอกเบี้ยที่สูงขึ้น y-y NP จากการดำเนินงานอยู่ที่ 1.2 พัน ลบ. (+2.8% y-y, -15% q-q) จากกำไรที่ลดลงของโรงไฟฟ้าพลังแสงอาทิตย์และลดตามอัตราค่าไฟฟ้าที่ลดลงและกำไรที่ลดลงของธุรกิจไบโอดีเซล ธุรกิจใหม่ของ EA กล่าวคือโรงงาน Phase Change Material (PCM) ขนาด 65tpd สร้างกำไรให้เพียง 24 ลบ. จากการเพิ่มกำลังการผลิตที่ดำเนินต่อเนื่องมาตั้งแต่ 4Q20

Covid-19 กระทบปริมาณขายไบโอดีเซล

ใน 2Q21 ยอดขายไฟฟ้าลดลง 0.7% y-y จากราคาขายเฉลี่ย (ASP) ที่ลดลง 2.4% y-y ของโรงไฟฟ้าพลังลมเป็น 6.1 บาท/kWh อย่างไรก็ตามปัจจัยดังกล่าวชดเชยได้บางส่วนจากปริมาณขายไฟฟ้าที่สูงขึ้นเป็น 163GWh (+12% y-y) ปริมาณขายของโรงไฟฟ้าพลังแสงอาทิตย์ลดลงเหลือ 167GWh (-4.6% y-y) พร้อม ASP ที่ลดลงเหลือ 9.6 บาท/kWh (-1.8% y-y) ปริมาณขายไบโอดีเซลลดลง 14% y-y เป็น 41 ล้านลิตรจากผลกระทบของ Covid-19 แต่ชดเชยได้จาก ASP ที่สูงขึ้น 17% y-y เป็น 33.8 บาท/ลิตร ปริมาณขายกลีเซอรินลดลง 36% y-y เป็น 3 ล้านลิตร อย่างไรก็ตาม ASP สูงขึ้น 34% y-y เป็น 26 บาท/กก. จากความต้องการที่สูงขึ้นของผลิตภัณฑ์ทำความสะอาดหลังการแพร่ระบาด Covid-19 PCM เริ่มสร้างรายได้จำนวน 24 ลบ. ซึ่งต่ำกว่าที่เราคาดไว้จากผลกระทบของ Covid-19

กำไรสุทธิน่าจะโตในระดับสูงใน 3Q21 จากการขายรถโดยสารไฟฟ้า 120 คัน

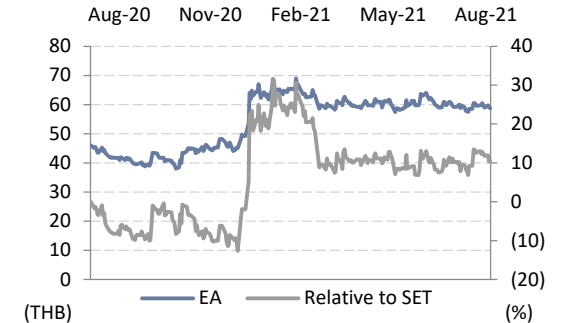
เรามองว่า NP ของ EA จะโตในอัตราเร่งนับตั้งแต่ 3Q21 เป็นต้นไปโดยได้ปัจจัยผลักดันจาก 1) การเริ่มดำเนินงานของโครงการเพื่อการเติบโตสูงหลายโครงการ ประกอบด้วยการเริ่มดำเนินงานเชิงพาณิชย์ (COD) ของโครงการเรือโดยสารไฟฟ้าใน 2Q21; การเริ่มส่งมอบรถโดยสารไฟฟ้าจำนวน 122 คันในเดือน ส.ค. - ก.ย. 2021 และอีก 400 คันใน 4Q21; COD ของโรงงานผลิตแบตเตอรี่ระยะที่ 1 ขนาด 1GWh ใน 3Q21; การส่งมอบรถยนต์ไฟฟ้าจำนวน 4,500 คันในปี 2022 หลังถูกเลื่อนจากผลกระทบของการแพร่ระบาด Covid-19; และการก่อสร้างสถานีชาร์จรถยนต์ไฟฟ้าที่กำลังดำเนินการต่อเนื่อง

กำลังรอกระแสการเติบโตจากยานยนต์ไฟฟ้า

เราคงคำแนะนำซื้อที่ราคาเป้าหมาย 76 บาท (SoTP) ซึ่งได้รวมกิจการใหม่ ๆ ไว้แล้ว EA เป็นหุ้นเด่นของเราในกลุ่มพลังงานหมุนเวียนของไทยในแง่แนวโน้มการเติบโตของกำไรสุทธิที่อยู่ในระดับสูงจากโครงการเพื่อการเติบโตสูงใหม่หลายโครงการ ซึ่งเรามองว่าจะเริ่มเห็นผลตั้งแต่ 2Q21 เป็นต้นไป เราประเมินว่าการส่งมอบรถโดยสารไฟฟ้าจำนวน 122 คันใน 3Q21 จะมอบส่วนแบ่ง NP จำนวน 150 ลบ. ให้แก่ EA ในขณะที่การส่งมอบรถโดยสารไฟฟ้าอีก 400 คันอาจสร้าง NP ให้อีก 0.4 พัน ลบ. ใน 4Q21

KEY STOCK DATA

| YE Dec (THB m) | 2020 | 2021E | 2022E | 2023E |
|---------------------|--------|--------|--------|--------|
| Revenue | 17,080 | 24,179 | 33,496 | 49,254 |
| Net profit | 5,205 | 8,192 | 9,742 | 11,143 |
| EPS (THB) | 1.40 | 2.20 | 2.61 | 2.99 |
| vs Consensus (%) | - | 24.3 | 22.5 | 23.8 |
| EBITDA | 9,211 | 11,854 | 14,432 | 16,415 |
| Core net profit | 5,155 | 8,192 | 9,742 | 11,143 |
| Core EPS (THB) | 1.38 | 2.20 | 2.61 | 2.99 |
| EPS growth (%) | (12.7) | 58.9 | 18.9 | 14.4 |
| Core P/E (x) | 42.5 | 26.7 | 22.5 | 19.7 |
| Dividend yield (%) | 0.5 | 0.4 | 0.4 | 0.4 |
| EV/EBITDA (x) | 27.9 | 21.0 | 16.5 | 13.6 |
| Price/book (x) | 7.9 | 6.3 | 5.0 | 4.1 |
| Net debt/Equity (%) | 121.9 | 76.1 | 36.4 | 2.6 |
| ROE (%) | 20.1 | 26.1 | 24.8 | 22.8 |



| Share price performance | 1 Month | 3 Month | 12 Month |
|--------------------------------|---------------------------|---------|----------|
| Absolute (%) | (0.8) | (4.9) | 27.7 |
| Relative to country (%) | 0.4 | (2.0) | 11.4 |
| Mkt cap (USD m) | 6,572 | | |
| 3m avg. daily turnover (USD m) | 22.6 | | |
| Free float (%) | 40 | | |
| Major shareholder | Mr. Somphote Ahunai (23%) | | |
| 12m high/low (THB) | 71.75/38.00 | | |
| Issued shares (m) | 3,730.00 | | |

Sources: Bloomberg consensus; FSSIA estimates



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The President of Finasia Syrus Securities PCL is also EA's Independent Director and on EA's Audit Committee.

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

บทวิเคราะห์ฉบับนี้แปลมาจากบทวิเคราะห์ของ FSSIA ฉบับวันที่ 13 สิงหาคม 2021

Exhibit 1: Summary of 2Q21/6M21 operations

| | 2Q20 | 1Q21 | ----- 2Q21 ----- | | | 6M20 | 6M21 | Chg. | 2021E |
|--------------------------|--------------|--------------|------------------|---------------|--------------|--------------|--------------|--------------|---------------|
| | (THB m) | (THB m) | (THB m) | (q-q %) | (y-y %) | (THB m) | (THB m) | (y-y %) | (THB m) |
| Revenue | 4,128 | 4,703 | 4,923 | 4.7 | 19.3 | 8,860 | 9,626 | 8.6 | 24,179 |
| Operating costs | (1,883) | (2,233) | (2,690) | 20.5 | 42.9 | (4,260) | (4,923) | 15.6 | (10,633) |
| EBITDA | 2,245 | 2,470 | 2,233 | (9.6) | (0.5) | 4,600 | 4,703 | 2.2 | 11,854 |
| <i>EBITDA margin (%)</i> | <i>54.4</i> | <i>52.5</i> | <i>45.4</i> | <i>nm</i> | <i>nm</i> | <i>51.9</i> | <i>48.9</i> | <i>(5.9)</i> | <i>49.0</i> |
| Depn & amort. | (753) | (691) | (722) | 4.5 | (4.2) | (1,334) | (1,413) | 5.9 | (2,494) |
| EBIT | 1,492 | 1,779 | 1,511 | (15.0) | 1.3 | 3,267 | 3,290 | 0.7 | 9,360 |
| Interest expense | (408) | (391) | (379) | (3.1) | (7.1) | (840) | (769) | (8.5) | (1,753) |
| Interest & invt inc | - | - | - | nm | nm | - | - | nm | - |
| Other income | 47 | 4 | 12 | 212.8 | (75.5) | 77 | 15 | nm | 101 |
| Associates' contrib | (2) | (25) | (8) | (68.4) | 358.9 | (16) | (33) | 113.0 | (4) |
| Exceptionals | (3) | 32 | 17 | (47.3) | nm | 57 | 48 | nm | - |
| Pretax profit | 1,127 | 1,398 | 1,153 | (17.5) | 2.3 | 2,544 | 2,551 | 0.3 | 8,568 |
| Tax | (7) | (38) | (12) | (67.9) | 74.0 | (8) | (50) | 521.8 | (17) |
| <i>Tax rate (%)</i> | <i>0.6</i> | <i>2.7</i> | <i>1.1</i> | <i>nm</i> | <i>nm</i> | <i>0.1</i> | <i>0.5</i> | <i>559.7</i> | <i>0.2</i> |
| Minority interests | 30 | 51 | 50 | (3.1) | 68.1 | 65 | 101 | 54.9 | (320) |
| Net profit | 1,149 | 1,412 | 1,191 | (15.7) | 3.6 | 2,601 | 2,603 | 0.0 | 8,192 |
| Non-recurring | 7 | 31 | 17 | (46.5) | 135.6 | 77 | 47 | (38.2) | - |
| Core net profit | 1,142 | 1,381 | 1,174 | (15.0) | 2.8 | 2,525 | 2,555 | 1.2 | 8,192 |
| EPS (THB) | 0.31 | 0.38 | 0.32 | (15.7) | 3.6 | 0.70 | 0.70 | 0.0 | 2.20 |
| Core EPS (THB) | 0.31 | 0.37 | 0.31 | (15.0) | 2.8 | 0.68 | 0.69 | 1.2 | 2.20 |

Sources: EA; FSSIA estimates

Exhibit 2: 2Q21/6M21 key performance

| | Unit | 2Q20 | 1Q21 | 2Q21 | ----- Change ----- | | 6M20 | 6M21 | Change |
|-------------------------|-----------|--------|--------|--------|--------------------|---------|--------|--------|---------|
| | | | | | (q-q %) | (y-y %) | | | (y-y %) |
| Biodiesel | | | | | | | | | |
| - Revenue | THB m | 1,125 | 1,587 | 1,401 | (11.7) | 24.6 | 2,924 | 2,988 | 2.2 |
| - Sales volume | m litre | 48 | 42 | 41 | (1.8) | (14.0) | 98 | 84 | (14.6) |
| - Average selling price | THB/litre | 29.0 | 37.6 | 33.8 | (10.1) | 16.6 | 29.8 | 35.7 | 19.6 |
| Glycerin | | | | | | | | | |
| - Revenue | THB m | 94 | 56 | 81 | 43.0 | (14.1) | 144 | 137 | (4.9) |
| - Sales volume | m kg | 5 | 3 | 3 | (1.6) | (36.1) | 8 | 6 | (23.2) |
| - Average selling price | THB/kg | 19.5 | 18.0 | 26.2 | 45.4 | 34.4 | 17.9 | 22.1 | 23.8 |
| Crude palm oil | | | | | | | | | |
| - Revenue | THB m | 230.91 | 248.35 | 644.42 | 159.5 | 179.1 | 230.91 | 889.41 | 285.2 |
| - Sales volume | m kg | 11.04 | 7.33 | 19.9 | 171.5 | 80.3 | 11.04 | 27.24 | 146.7 |
| - Average selling price | THB/kg | 20.92 | 33.87 | 32.38 | (4.4) | 54.8 | 20.92 | 32.65 | 56.1 |
| PCM | | | | | | | | | |
| - Revenue | THB m | 0 | 0 | 24.08 | nm | nm | 0 | 24.6 | nm |
| Solar power | | | | | | | | | |
| - Revenue | THB m | 1,705 | 1,537 | 1,597 | 3.9 | (6.3) | 3,233 | 3,134 | (3.0) |
| - Sales volume | GWh | 175 | 159 | 167 | 5.3 | (4.6) | 330 | 326 | (1.2) |
| - Average selling price | THB/kWh | 9.7 | 9.7 | 9.6 | (1.3) | (1.8) | 9.8 | 9.6 | (1.8) |
| - Availability factor* | % | 29 | 26 | 27 | (1.4) | 1.3 | 54 | 53 | 0.7 |
| Wind power | | | | | | | | | |
| - Revenue | THB m | 905 | 1,232 | 989 | (19.8) | 9.2 | 2,143 | 2,221 | 3.6 |
| - Sales volume | GWh | 146 | 202 | 163 | (19.0) | 11.9 | 345 | 365 | 6.0 |
| - Average selling price | THB/kWh | 6.2 | 6.1 | 6.1 | (0.8) | (2.4) | 6.2 | 6.1 | (2.3) |
| - Availability factor* | % | 17 | 24 | 19 | 4.5 | (2.1) | 41 | 43 | (2.5) |
| Biogas | | | | | | | | | |
| - Revenue | THB m | 0 | 4.31 | 7.06 | 63.8 | nm | 0 | 11.37 | nm |
| - Sales volume | GWh | 0 | 1.2 | 2.34 | 95.0 | nm | 0 | 3.54 | nm |
| - Average selling price | THB/kWh | 0 | 3.59 | 3.02 | (15.9) | nm | 0 | 3.21 | nm |

*Note: Change is represented in ppt change

Sources: EA; FSSIA estimates

Financial Statements

Energy Absolute

| Profit and Loss (THB m) Year Ending Dec | 2019 | 2020 | 2021E | 2022E | 2023E |
|---|---------------|---------------|---------------|---------------|---------------|
| Revenue | 14,887 | 17,080 | 24,179 | 33,496 | 49,254 |
| Cost of goods sold | (4,413) | (6,591) | (10,633) | (16,719) | (29,883) |
| Gross profit | 10,474 | 10,489 | 13,546 | 16,777 | 19,371 |
| Other operating income | - | - | - | - | - |
| Operating costs | (946) | (1,278) | (1,693) | (2,345) | (2,955) |
| Operating EBITDA | 9,528 | 9,211 | 11,854 | 14,432 | 16,415 |
| Depreciation | (2,517) | (2,730) | (2,494) | (3,694) | (4,500) |
| Goodwill amortisation | 0 | 0 | 0 | 0 | 0 |
| Operating EBIT | 7,010 | 6,480 | 9,360 | 10,738 | 11,916 |
| Net financing costs | (1,226) | (1,627) | (1,753) | (1,706) | (1,443) |
| Associates | (14) | (61) | 860 | 983 | 985 |
| Recurring non-operating income | 53 | 126 | 961 | 1,084 | 1,086 |
| Non-recurring items | 178 | 50 | 0 | 0 | 0 |
| Profit before tax | 6,016 | 5,029 | 8,568 | 10,116 | 11,559 |
| Tax | 11 | 18 | (55) | (45) | (111) |
| Profit after tax | 6,027 | 5,047 | 8,513 | 10,071 | 11,448 |
| Minority interests | 55 | 157 | (320) | (330) | (305) |
| Preferred dividends | 0 | 0 | 0 | 0 | 0 |
| Other items | - | - | - | - | - |
| Reported net profit | 6,082 | 5,205 | 8,192 | 9,742 | 11,143 |
| Non-recurring items & goodwill (net) | (178) | (50) | 0 | 0 | 0 |
| Recurring net profit | 5,903 | 5,155 | 8,192 | 9,742 | 11,143 |
| Per share (THB) | | | | | |
| Recurring EPS * | 1.58 | 1.38 | 2.20 | 2.61 | 2.99 |
| Reported EPS | 1.63 | 1.40 | 2.20 | 2.61 | 2.99 |
| DPS | 0.25 | 0.30 | 0.25 | 0.25 | 0.25 |
| Diluted shares (used to calculate per share data) | 3,730 | 3,730 | 3,730 | 3,730 | 3,730 |
| Growth | | | | | |
| Revenue (%) | 28.9 | 14.7 | 41.6 | 38.5 | 47.0 |
| Operating EBITDA (%) | 37.8 | (3.3) | 28.7 | 21.8 | 13.7 |
| Operating EBIT (%) | 38.0 | (7.6) | 44.4 | 14.7 | 11.0 |
| Recurring EPS (%) | 51.2 | (12.7) | 58.9 | 18.9 | 14.4 |
| Reported EPS (%) | 22.2 | (14.4) | 57.4 | 18.9 | 14.4 |
| Operating performance | | | | | |
| Gross margin inc. depreciation (%) | 53.4 | 45.4 | 45.7 | 39.1 | 30.2 |
| Gross margin of key business (%) | 54.6 | 45.7 | 45.7 | 39.1 | 30.2 |
| Operating EBITDA margin (%) | 64.0 | 53.9 | 49.0 | 43.1 | 33.3 |
| Operating EBIT margin (%) | 47.1 | 37.9 | 38.7 | 32.1 | 24.2 |
| Net margin (%) | 39.7 | 30.2 | 33.9 | 29.1 | 22.6 |
| Effective tax rate (%) | -0.2 | -0.4 | 0.7 | 0.5 | 1.1 |
| Dividend payout on recurring profit (%) | 15.8 | 21.7 | 11.4 | 9.6 | 8.4 |
| Interest cover (X) | 5.8 | 4.1 | 5.9 | 6.9 | 9.0 |
| Inventory days | 45.0 | 44.1 | 37.6 | 38.0 | 36.3 |
| Debtor days | 67.1 | 71.4 | 56.6 | 47.0 | 38.0 |
| Creditor days | 67.5 | 64.0 | 58.1 | 58.8 | 56.1 |
| Operating ROIC (%) | 11.8 | 9.5 | (3.4) | (4.0) | (4.8) |
| ROIC (%) | 10.9 | 8.2 | (3.0) | (3.5) | (4.0) |
| ROE (%) | 28.4 | 20.1 | 26.1 | 24.8 | 22.8 |
| ROA (%) | 10.6 | 8.5 | 9.3 | 9.9 | 10.5 |
| * Pre exceptional, pre-goodwill and fully diluted | | | | | |
| Revenue by Division (THB m) | | | | | |
| Methyl ester Biodiesel products | 6,570 | 6,570 | 6,570 | 6,570 | 6,570 |
| Pure glycerine products | 350 | 360 | 361 | 361 | 361 |
| Electricity from solar and wind power | 7,957 | 9,784 | 8,252 | 15,759 | 21,648 |
| Head office and others | 100 | 100 | 101 | 101 | 101 |

Sources: Energy Absolute; FSSIA estimates

Financial Statements

Energy Absolute

| Cash Flow (THB m) Year Ending Dec | 2019 | 2020 | 2021E | 2022E | 2023E |
|-----------------------------------|----------------|-----------------|----------------|-----------------|----------------|
| Recurring net profit | 5,903 | 5,155 | 8,192 | 9,742 | 11,143 |
| Depreciation | 2,517 | 2,730 | 2,494 | 3,694 | 4,500 |
| Associates & minorities | (14) | (61) | 860 | 983 | 985 |
| Other non-cash items | - | - | - | - | - |
| Change in working capital | (9,651) | 4,045 | 1,554 | 2,055 | 3,821 |
| Cash flow from operations | (1,245) | 11,869 | 13,101 | 16,474 | 20,449 |
| Capex - maintenance | (2,517) | (2,730) | (2,494) | (3,694) | (4,500) |
| Capex - new investment | (3,784) | (4,486) | (1,006) | (194) | (1,000) |
| Net acquisitions & disposals | (68) | (1,429) | 0 | 0 | 0 |
| Other investments (net) | (49) | (7,546) | 860 | 983 | 985 |
| Cash flow from investing | (6,418) | (16,192) | (2,640) | (2,905) | (4,515) |
| Dividends paid | (746) | (746) | (1,119) | (933) | (933) |
| Equity finance | 0 | 0 | 0 | 0 | 0 |
| Debt finance | 12,725 | (2,873) | 8,639 | (10,990) | (2,035) |
| Other financing cash flows | 235 | 863 | (1,400) | (1,248) | 336 |
| Cash flow from financing | 12,214 | (2,756) | 6,120 | (13,171) | (2,632) |
| Non-recurring cash flows | - | - | - | - | - |
| Other adjustments | 0 | 0 | 0 | 0 | 0 |
| Net other adjustments | 0 | 0 | 0 | 0 | 0 |
| Movement in cash | 4,551 | (7,079) | 16,582 | 398 | 13,302 |
| Free cash flow to firm (FCFF) | (6,277.07) | (2,685.77) | 12,214.99 | 15,274.42 | 17,376.56 |
| Free cash flow to equity (FCFE) | 5,296.76 | (6,332.72) | 17,700.69 | 1,330.39 | 14,234.69 |

Per share (THB)

| | | | | | |
|-------------------------------|--------|--------|------|------|------|
| FCFF per share | (1.68) | (0.72) | 3.27 | 4.10 | 4.66 |
| FCFE per share | 1.42 | (1.70) | 4.75 | 0.36 | 3.82 |
| Recurring cash flow per share | 2.25 | 2.10 | 3.10 | 3.87 | 4.46 |

| Balance Sheet (THB m) Year Ending Dec | 2019 | 2020 | 2021E | 2022E | 2023E |
|---|---------------|---------------|---------------|---------------|----------------|
| Tangible fixed assets (gross) | 59,819 | 67,122 | 70,622 | 74,122 | 77,622 |
| Less: Accumulated depreciation | (8,448) | (11,265) | (13,759) | (17,453) | (21,953) |
| Tangible fixed assets (net) | 51,371 | 55,857 | 56,863 | 56,669 | 55,669 |
| Intangible fixed assets (net) | 3,683 | 4,130 | 4,130 | 4,130 | 4,130 |
| Long-term financial assets | - | - | - | - | - |
| Invest. in associates & subsidiaries | 100 | 1,529 | 1,529 | 1,529 | 1,529 |
| Cash & equivalents | 10,029 | 2,951 | 19,532 | 19,930 | 33,232 |
| A/C receivable | 3,175 | 3,511 | 3,987 | 4,647 | 5,616 |
| Inventories | 758 | 833 | 1,355 | 2,130 | 3,807 |
| Other current assets | 71 | 94 | 133 | 184 | 270 |
| Current assets | 14,033 | 7,389 | 25,007 | 26,890 | 42,925 |
| Other assets | 1,033 | 9,578 | 9,578 | 9,578 | 9,578 |
| Total assets | 70,220 | 78,484 | 97,107 | 98,797 | 113,832 |
| Common equity | 23,365 | 27,812 | 34,885 | 43,694 | 53,904 |
| Minorities etc. | 1,502 | 1,815 | 2,136 | 2,465 | 2,771 |
| Total shareholders' equity | 24,866 | 29,627 | 37,021 | 46,159 | 56,675 |
| Long term debt | 36,977 | 31,090 | 39,729 | 28,739 | 26,704 |
| Other long-term liabilities | 2,306 | 4,203 | 4,203 | 4,203 | 4,203 |
| Long-term liabilities | 39,283 | 35,292 | 43,932 | 32,941 | 30,907 |
| A/C payable | 1,021 | 1,289 | 2,095 | 3,293 | 5,887 |
| Short term debt | 4,968 | 7,983 | 7,983 | 7,983 | 7,983 |
| Other current liabilities | 81 | 4,293 | 6,078 | 8,420 | 12,381 |
| Current liabilities | 6,070 | 13,564 | 16,155 | 19,696 | 26,250 |
| Total liabilities and shareholders' equity | 70,220 | 78,484 | 97,107 | 98,797 | 113,832 |
| Net working capital | 2,902 | (1,143) | (2,698) | (4,753) | (8,574) |
| Invested capital | 59,089 | 69,951 | 69,403 | 67,154 | 62,332 |

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

Per share (THB)

| | | | | | |
|-------------------------------|------|------|------|-------|-------|
| Book value per share | 6.26 | 7.46 | 9.35 | 11.71 | 14.45 |
| Tangible book value per share | 5.28 | 6.35 | 8.25 | 10.61 | 13.34 |

Financial strength

| | | | | | |
|---------------------------|-------|-------|------|------|------|
| Net debt/equity (%) | 128.4 | 121.9 | 76.1 | 36.4 | 2.6 |
| Net debt/total assets (%) | 45.5 | 46.0 | 29.0 | 17.0 | 1.3 |
| Current ratio (x) | 2.3 | 0.5 | 1.5 | 1.4 | 1.6 |
| CF interest cover (x) | 8.4 | (0.1) | 11.7 | 1.9 | 11.6 |

| Valuation | 2019 | 2020 | 2021E | 2022E | 2023E |
|---|-------------|-------------|-------------|-------------|-------------|
| Recurring P/E (x) * | 37.1 | 42.5 | 26.7 | 22.5 | 19.7 |
| Recurring P/E @ target price (x) * | 48.0 | 55.0 | 34.6 | 29.1 | 25.4 |
| Reported P/E (x) | 36.0 | 42.1 | 26.7 | 22.5 | 19.7 |
| Dividend yield (%) | 0.4 | 0.5 | 0.4 | 0.4 | 0.4 |
| Price/book (x) | 9.4 | 7.9 | 6.3 | 5.0 | 4.1 |
| Price/tangible book (x) | 11.1 | 9.3 | 7.1 | 5.5 | 4.4 |
| EV/EBITDA (x) ** | 26.5 | 27.9 | 21.0 | 16.5 | 13.6 |
| EV/EBITDA @ target price (x) ** | 33.3 | 34.9 | 26.5 | 21.0 | 17.5 |
| EV/invested capital (x) | 4.3 | 3.7 | 3.6 | 3.5 | 3.6 |

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

Sources: Energy Absolute; 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 | PCSGH | PDJ | PG | PHOL | PLANB | PLANET |
| 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 | TRC | TSC | TSR | TSTE | TSTH |
| 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

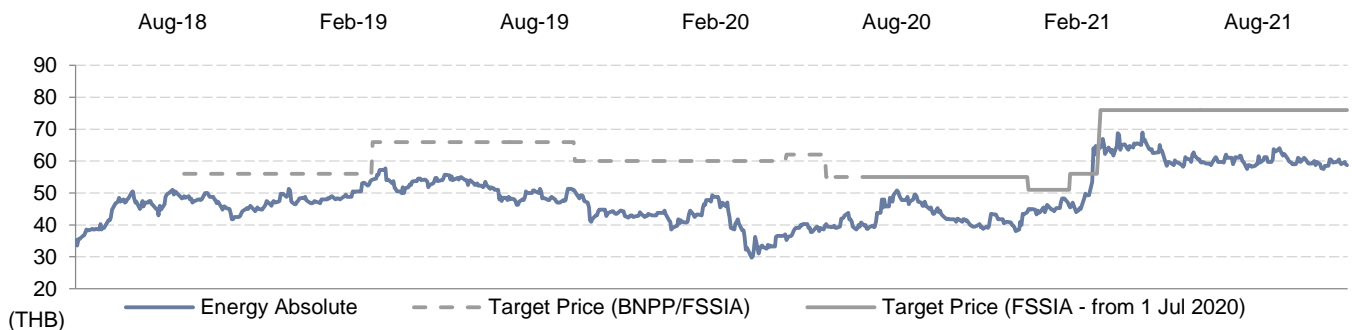
The individual(s) identified above certify(ies) that (i) all views expressed in this report accurately reflect the personal view of the analyst(s) with regard to any and all of the subject securities, companies or issuers mentioned in this report; and (ii) no part of the compensation of the analyst(s)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

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History of change in investment rating and/or target price

Energy Absolute (EA TB)



| Date | Rating | Target price | Date | Rating | Target price | Date | Rating | Target price |
|-------------|--------|--------------|-------------|--------|--------------|-------------|--------|--------------|
| 15-Nov-2018 | BUY | 56.00 | 20-May-2020 | BUY | 55.00 | 15-Dec-2020 | BUY | 56.00 |
| 26-Apr-2019 | BUY | 66.00 | 09-Jul-2020 | BUY | 55.00 | 08-Jan-2021 | BUY | 76.00 |
| 17-Oct-2019 | BUY | 60.00 | 17-Jul-2020 | BUY | 55.00 | | | |
| 16-Apr-2020 | BUY | 62.00 | 09-Nov-2020 | BUY | 51.00 | | | |

Suwat Sinsadok started covering this stock from 15-Nov-2018

Price and TP are in local currency

Source: FSSIA estimates

| Company | Ticker | Price | Rating | Valuation & Risks |
|-----------------|--------|-----------|--------|---|
| Energy Absolute | EA TB | THB 58.75 | BUY | Downside risks to our SoTP-based TP include: 1) lower-than-expected demand for electricity in Thailand; 2) lower crude prices; and 3) lower-than-expected demand for batteries. |

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 11-Aug-2021 unless otherwise stated.

RECOMMENDATION STRUCTURE

Stock ratings

Stock ratings are based on absolute upside or downside, which we define as $(\text{target price}^* - \text{current price}) / \text{current price}$.

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.