

8 SEPTEMBER 2021

THAILAND / PETROCHEM & CHEMICALS

GLOBAL GREEN CHEMICALS

GGC TB

BUY

FROM REDUCE

TARGET PRICE	THB13.50
CLOSE	THB10.60
UP/DOWNSIDE	+27.4%
PRIOR TP	THB8.50
CHANGE IN TP	+58.8%
TP vs CONSENSUS	+28.8%

ผู้ชนะหลังโรคระบาด

กลับสู่เส้นทางการฟื้นตัว

เราหันมามองแนวโน้มการเติบโตของกำไรสุทธิของ GGC เป็นบวกมากยิ่งขึ้นหลังกำไรสุทธิจากการดำเนินงานที่ดีเกินคาดใน 2Q21 ที่ 104 ลบ. ราคาน้ำมันปาล์มดิบ (CPO) ได้ปรับตัวสูงขึ้นเป็น 33-35 บาท/กก. จากจุดต่ำสุดที่ 20 บาท/กก. ใน 3Q20 แม้ว่ารัฐบาลจะรายงาน CPO คงคลังสูงขึ้นเป็น 0.3mt จาก 0.1mt ใน 4Q20 และการผลิตปาล์มจะสูงขึ้นตามฤดูกาล จากข้อมูลของ GGC ราคา CPO โลกปรับขึ้นจากอุปทาน ทำให้การปรับขึ้นของราคา CPO ในประเทศมีแนวโน้มที่จะต่อเนื่องไปในช่วง 1H22 ดังนั้นเราจึงคิดว่าราคา CPO ที่สูงขึ้นอาจทำให้กำไรของ GGC เพิ่มขึ้นในช่วง 2H21 - ปี 2022 เมื่อเทียบกับประมาณการก่อนหน้า

Product margin ทรงตัวแม้ว่าต้นทุนวัตถุดิบจะสูงขึ้น

แม้ว่าราคาวัตถุดิบจะสูงขึ้น กล่าวคือ CPO สำหรับการผลิต Methyl Ester (ME) และน้ำมันจากเมล็ดปาล์ม (CPKO) สำหรับการผลิต Fatty Alcohol (FA) อัตรากำไรระหว่าง ME-CPO และ FA-CPKO ยังทรงตัว q-q จากการเปลี่ยนแปลงโครงสร้างอุปทานในมาเลเซียและอินโดนีเซีย ซึ่งเป็นสองผู้ผลิตรายใหญ่ที่สุดในโลกด้วยส่วนแบ่งตลาดกว่า 70%

ธุรกิจ ME จะพลิกฟื้นจากการเปิดเมือง

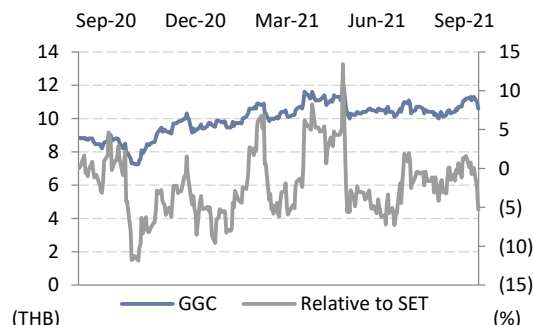
เราคาดว่า ME-CPO margin จะอยู่ในระดับที่ 5-7 บาท/ลิตร ซึ่งมากพอที่จะรักษาความสามารถในการทำกำไรของธุรกิจ ME ของ GGC ในท่ามกลางการแข่งขันที่กำลังรุนแรงยิ่งขึ้นในอุตสาหกรรมจากผู้ขายรายใหม่และความต้องการไบโอดีเซลที่ลดลงจากมาตรการปิดเมือง อย่างไรก็ดีนับตั้งแต่เดือน ก.ย. 21 เป็นต้นไป ประเทศไทยจะค่อย ๆ เปิดเศรษฐกิจและการท่องเที่ยวจากกลับมาในเดือน ต.ค. 21 ในขณะที่เราคาดว่า FA-CPKO margin จะทรงตัวเหนือ USD450/t ในช่วง 2H21 ถึงปี 2022 จากความต้องการ FA สำหรับผลิตผงซักฟอกที่คาดว่าจะสูงขึ้นตามการเปิดเศรษฐกิจของจีน ทำให้ตลาดผลิตภัณฑ์ทำความสะอาดสำหรับทั้งในบ้านและอุตสาหกรรม ซึ่งคิดเป็นส่วนใหญ่ที่สุดของตลาด FA ธรรมชาติในปี 2020 น่าจะเป็นปัจจัยผลักดันสำคัญที่ทำให้ความต้องการ FA ในตลาดโลกโต โดยคาดว่าจะอยู่ที่ 5.4% CAGR ในช่วงปี 2021-26

ปรับเพิ่มคำแนะนำเป็นซื้อหลังปรับเพิ่มราคาเป้าหมายเป็น 13.5 บาท

เราปรับเพิ่มคำแนะนำเป็นซื้อจากลดน้ำหนักการลงทุนหลังปรับเพิ่มราคาเป้าหมายจาก 8.5 (11.4x ของค่า 2021E EV/EBITDA) เป็น 13.5 บาท (13.4x ของค่า 2022E EV/EBITDA) เพื่อสะท้อนการปรับเพิ่มสมมติฐานกำไรต่อหุ้นในปี 2021-23 อีก 8.2-19.6% จากราคา CPO และ ME ที่คาดว่าจะสูงขึ้นและการปรับการประเมินมูลค่าไปเป็นปี 2022 เราเชื่อว่า GGC น่าจะได้ประโยชน์สูงสุดในกลุ่ม 3 ผู้ผลิต ME จดทะเบียนในประเทศไทยจากสัดส่วนกำไรสุทธิจาก ME ที่สูงที่สุดที่ (50%) เทียบกับ PTG (15%) และ EA (5%)

KEY STOCK DATA

YE Dec (THB m)	2020	2021E	2022E	2023E
Revenue	18,203	14,002	13,941	16,370
Net profit	560	418	557	827
EPS (THB)	0.58	0.43	0.57	0.85
vs Consensus (%)	-	(6.5)	(12.3)	5.9
EBITDA	1,198	703	854	1,162
Core net profit	458	418	557	827
Core EPS (THB)	0.47	0.43	0.57	0.85
Chg. In EPS est. (%)	-	19.6	9.4	8.2
EPS growth (%)	167.9	(8.8)	33.3	48.5
Core P/E (x)	22.5	24.7	18.5	12.5
Dividend yield (%)	3.3	3.8	3.8	3.8
EV/EBITDA (x)	8.3	13.0	10.1	6.9
Price/book (x)	1.0	1.0	1.0	1.0
Net debt/Equity (%)	(4.1)	(11.2)	(16.1)	(21.1)
ROE (%)	4.7	4.2	5.5	7.9



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	5.0	1.9	15.8
Relative to country (%)	(2.4)	0.5	(8.4)
Mkt cap (USD m)	333		
3m avg. daily turnover (USD m)	0.3		
Free float (%)	28		
Major shareholder	PTT Global Chemical Plc. (72%)		
12m high/low (THB)	12.40/7.15		
Issued shares (m)	1,023.67		

Sources: Bloomberg consensus; FSSIA estimates



Suwat Sinsadok

suwat.sin@fssia.com
+66 2611 3558

Siriluck Pinthusoonthorn

siriluck.pin@fssia.com
+66 2611 3562

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 8 กันยายน 2021

Investment thesis

Global Green Chemicals (GGC) is the leader of the oleochemicals industry, with operational expertise in ME production, and the sole producer of natural FA in Thailand with a total capacity of 500KTA and 100KTA, respectively, as of end-2019. Superior operational competency coupled with a favourable structural change in the palm oil industry is encouraging GGC to grow whilst maintaining high utilisation levels and margins.

We turn more positive on GGC's net profit growth outlook after its stronger-than-expected 2Q21 core net profit of THB104m. The crude palm oil (CPO) price has shot up to THB33-35/kg from its bottom at THB20/kg in 3Q20, despite the government's higher CPO inventory at 0.3mt, up from 0.1mt in 4Q20, and the seasonally higher palm production.

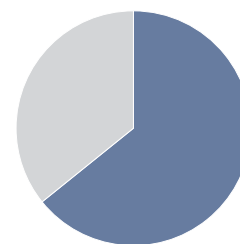
Company profile

Founded by its parent company, PTT Global Chemical (PTTGC TB), GGC is Thailand's leading producer of biofuels and biochemical products. It is one of the largest producers of methyl ester and is the only producer of fatty alcohol in Thailand.

www.ggcplc.com

Principal activities (revenue, 2020)

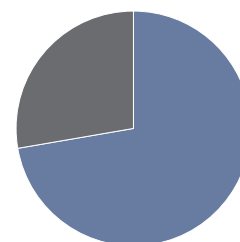
- Methyl Ester - 64.2 %
- Fatty Alcohols - 35.8 %



Source: Global Green Chemicals

Major shareholders

- PTT Global Chemical Plc. - 72.3 %
- Others - 27.7 %



Source: Global Green Chemicals

Catalysts

Weak margins of ME and FA, and low demand for ME due to changes in government policy are key potential catalysts.

Risks to our call

Downside risks to our EV/EBITDA-based target price include: 1) a sharp decline in crude palm oil price; 2) a change in government policy for biodiesel from the current B7; and 3) a narrower fatty alcohol margin due to the new supply in the US.

Event calendar

Date	Event
Nov 2021	3Q21 results announcement

Key assumptions

	2021E	2022E	2023E
ME utilisation rate (%)	72	64	72
FA utilisation rate (%)	50	70	65
CPO price (THB/kg)	25	24	21
ME price (THB/litre)	22	22	22
FA price (USD/tonne)	1,653	1,653	1,653
CPKO price (USD/tonne)	590	580	580

Source: FSSIA estimates

Earnings sensitivity

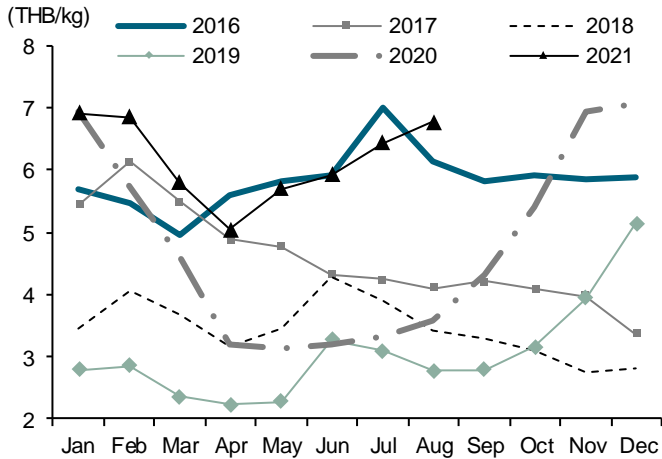
- For every 1% increase in average CPO price, we project 2021 earnings would rise by 1.1%, and vice versa, all else being equal.
- For every 1% increase in ME-CPO margin, 2021 earnings should rise by 1.5%, and vice versa, all else being equal.
- Stability in CPO price and rising ME-CPO and FA-palm fatty acid distillate (PFAD) margins are key for earnings growth.

Source: FSSIA estimates

A post-pandemic winner

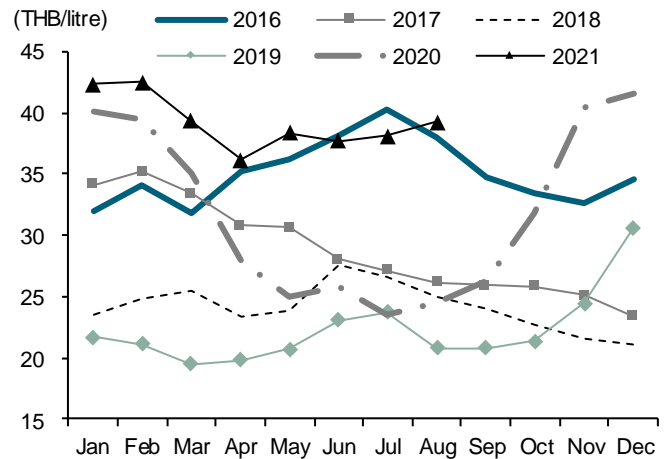
We turn more positive on GGC's net profit growth outlook after its stronger-than-expected 2Q21 core net profit of THB104m, up 283% q-q and 243% y-y and higher than our projected net profit of THB60m. The strong 2Q21 earnings resulted from the higher-than-expected CPO price in Thailand as a result of the higher-than-expected global CPO price due to the supply disruptions in Malaysia and Indonesia caused by the inability to harvest palm on the mandatory lockdowns to battle the pandemic.

Exhibit 1: Thailand's palm price



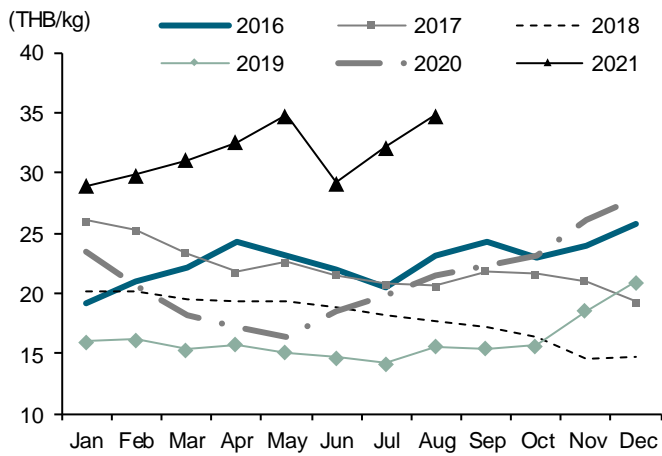
Sources: Department of Internal Trade (DIT); GGC

Exhibit 2: Thailand's B100 price



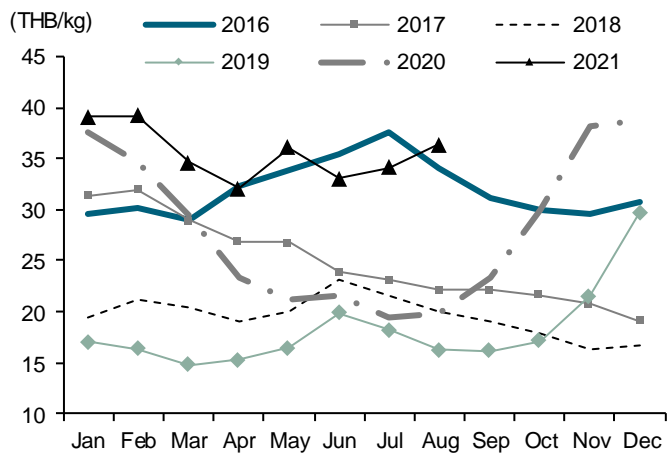
Sources: DIT; GGC

Exhibit 3: Malaysia's crude palm oil price



Sources: DIT; GGC

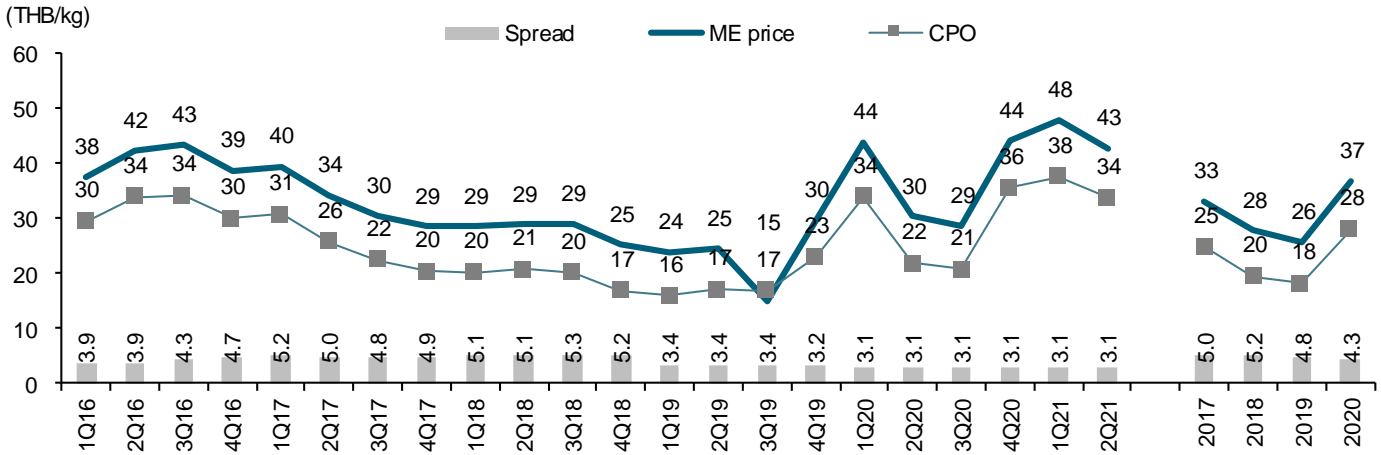
Exhibit 4: Thailand's crude palm oil price



Sources: DIT; GGC

The CPO price has shot up to THB33-35/kg from its bottom at THB20/kg in 3Q20, despite the government's higher CPO inventory at 0.3mt, up from 0.1mt in 4Q20, and the seasonally higher palm production. The supply-driven global CPO price increase that led to the higher domestic CPO price is likely to continue into 1H22, according to management. Hence, we think the higher CPO price could lead to higher earnings for GGC in 2H21-2022 vs our previous forecast.

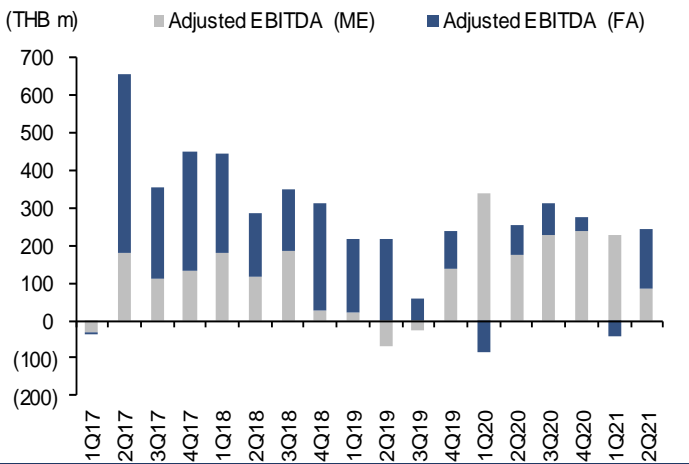
Exhibit 5: ME price and spread vs CPO price



Sources: DIT; GGC; FSSIA estimates

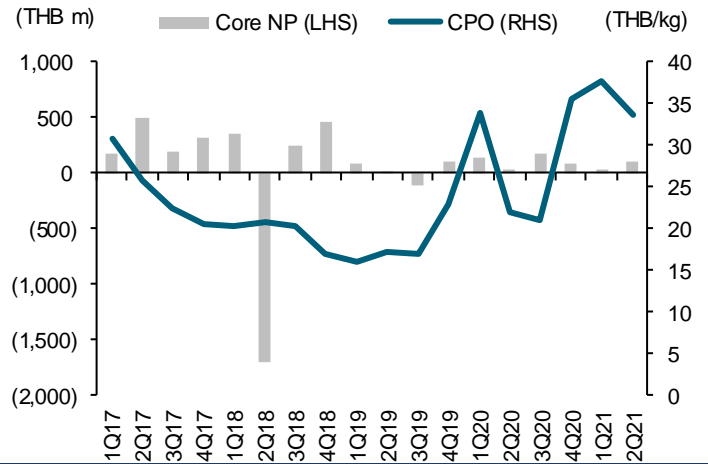
In 2H21, we project GGC to see improving EBITDA and earnings from ME and FA, thanks to the higher sales volumes and healthy margins, despite the higher feedstock costs. In particular, we think the EBITDA from ME should rebound meaningfully to over THB0.2b per quarter, while the EBITDA from FA should stay in the range of THB0.1b-0.3b per quarter, based on our estimate.

Exhibit 6: Adjusted EBITDA breakdown by business



Source: GGC

Exhibit 7: Core net profit and CPO price

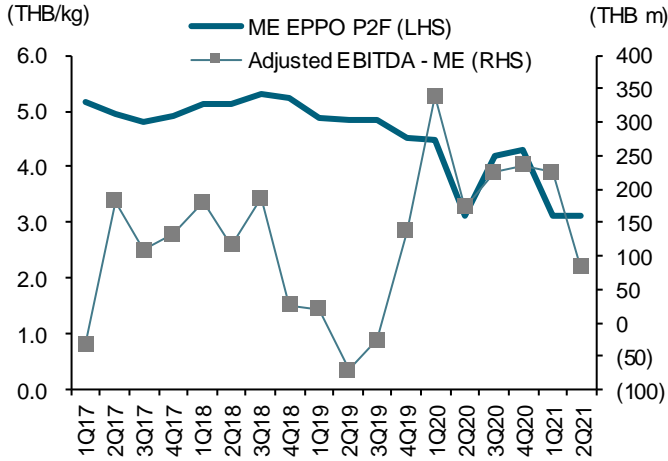


Source: GGC

Product margins stable despite higher feedstock costs

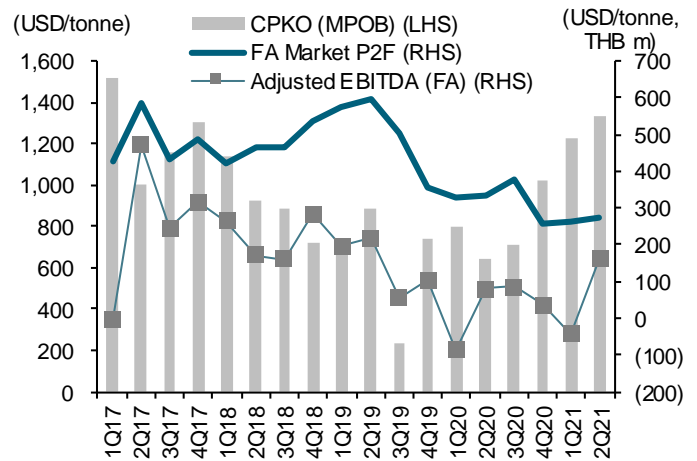
Despite the higher feedstock prices of CPO for ME production and CPKO for FA production, the margins of ME-CPO and FA-CPKO have maintained q-q, thanks to the supply disruptions in Malaysia and Indonesia, the world's two largest producers with over a 70% market share.

Exhibit 8: ME price vs adjusted ME EBITDA for GGC (excluding inventory impact)



Sources: GGC; FSSIA estimates

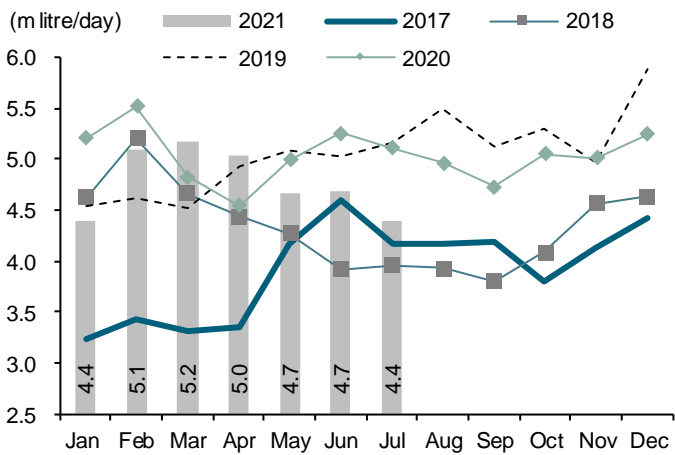
Exhibit 9: FA and CPKO prices vs GGC's adjusted EBITDA



Sources: GGC; FSSIA estimates

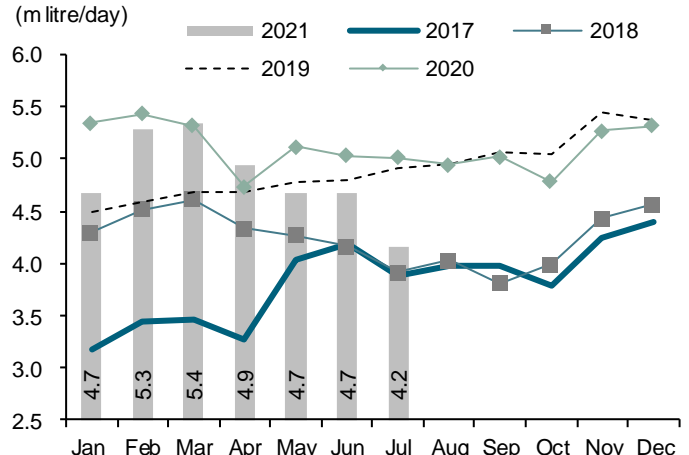
We expect the ME-CPO margin to stay healthy at THB5-7/litre, sufficient to maintain profitability for GGC's ME unit amid the industry's intensifying competition from a new supplier and the low demand for biodiesel caused by the country's lockdown. However, starting Sep-21 onward, Thailand is gradually reopening its economy, and tourism may resume later in Oct-21. This should lead to a higher demand for biodiesel by 10-20% q-q, based on our estimate.

Exhibit 10: Thailand's biodiesel production



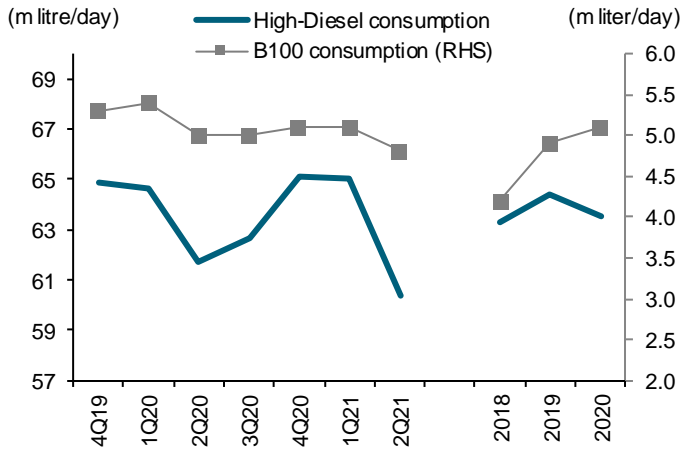
Source: Department of Energy Business (DOEB)

Exhibit 11: Thailand's biodiesel demand



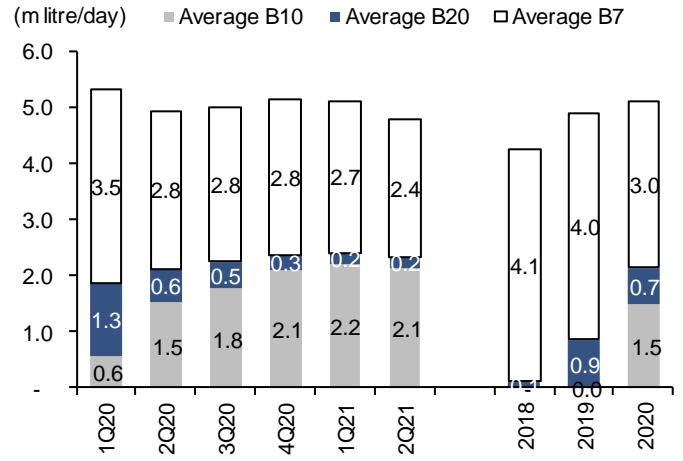
Source: DOEB

Exhibit 12: Diesel demand / B100 demand



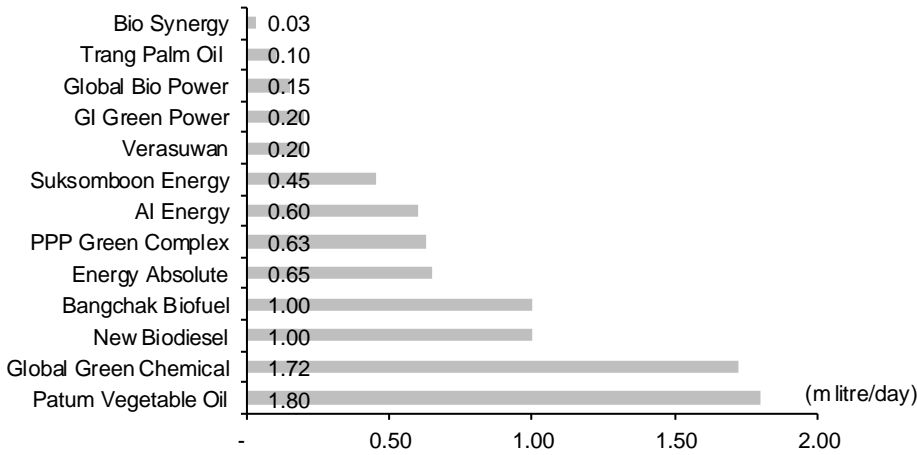
Source: GGC

Exhibit 13: B10, B20, B7 consumption



Source: GGC

Exhibit 14: ME production capacity in Thailand as of Dec-20

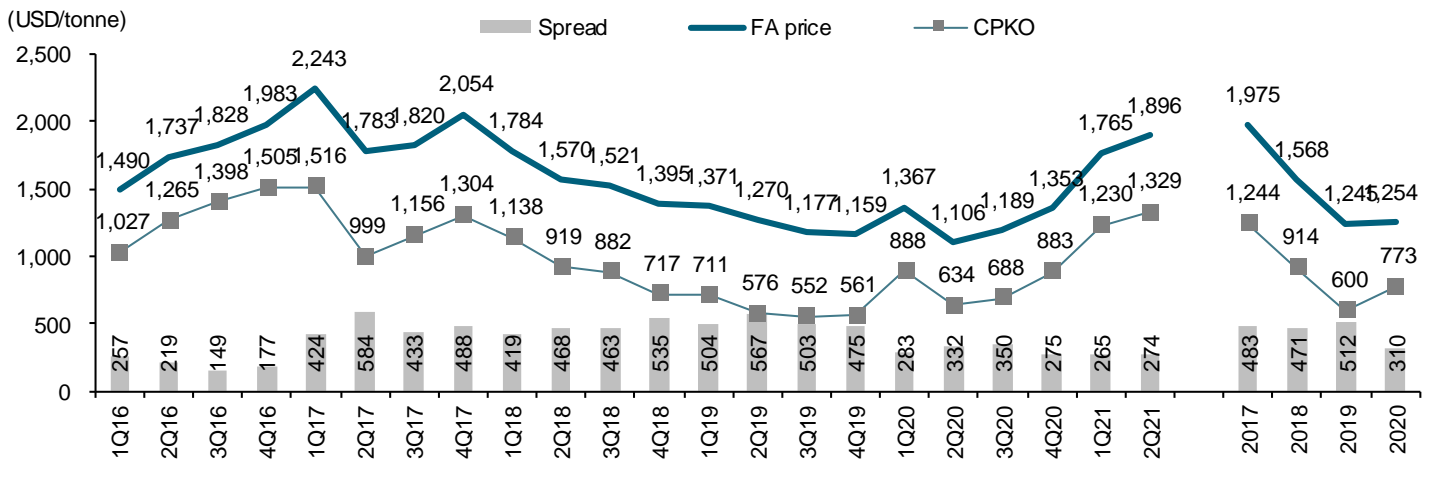


Source: DOEB

FA-CPKO margin to rebound in 2022

Meanwhile, we project the FA-CPKO margin to stay over USD450/t in 2H21 into 2022, thanks to the higher projected demand for FA for detergent consumption following the full reopening of China's economy.

Exhibit 15: FA price and spread vs CPKO price

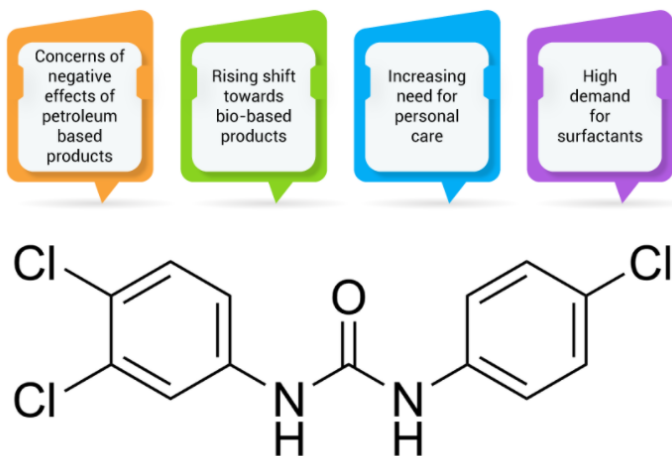


Sources: DIT; GGC; FSSIA estimates

FA market. Fatty alcohols (or long-chain alcohols) are usually high-molecular-weight, straight-chain primary alcohols, derived from natural fats and oils. According to GGC, the worldwide market for FA is projected to reach USD9.5b by 2026, up from USD 6.9b in 2020, rising at a CAGR of 5.4% from 2021-26. The increasing use of FA in detergents and soaps, personal care, plasticizers, lubricants, flavours, fragrances and other industries is driving the growth of the FA market across the globe.

The household and industrial cleaning segment held the largest share in the natural FA market in 2020 and could grow at a CAGR of 5.4% from 2021-26, owing to the increasing usage of long-chain alcohols derived from sources such as tropical oils, animal fats, and soft oils for cleaning purposes.

Exhibit 16: Key growth drivers for fatty alcohol



Source: GGC

Exhibit 17: Fatty alcohol applications



Source: [Timur Oleochemical](#)

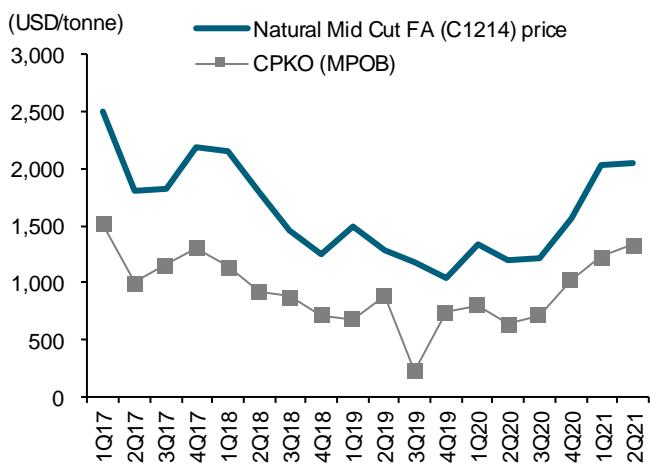
FA demand growth post-Covid-19 pandemic. Natural FA are employed as thickeners, emollients, and emulsifiers, with applications in detergents. Due to their good washing efficiency and foaming properties, they mainly serve as primary surfactants in the detergent and cleaning industry and as cleaning agents. Growing demand for natural emulsifiers and surfactants in the soaps & detergents industry is projected to be the major driving factor for the natural FA-based cleaning products and detergents market during 2021-26.

There is an increasing demand for household and industrial cleaning products due to the emergence of Covid-19. As a precautionary measure against the spread of coronavirus, the demand for soaps, hand sanitizers, and other personal care products is growing. The United Nations Children’s Fund (UNICEF) has advised people to wash their hands regularly and to maintain cleanliness and hygiene. It also recommends that surfaces be washed using soap or a detergent and water.

According to the National Centre for Disease Control (NCDC), washing with water and household detergents and the use of common disinfectant products should be sufficient for general precautionary cleaning. Furthermore, on certain surfaces, diluted household bleach solutions can also be used, since it is one of the best ways to eliminate Covid-19.

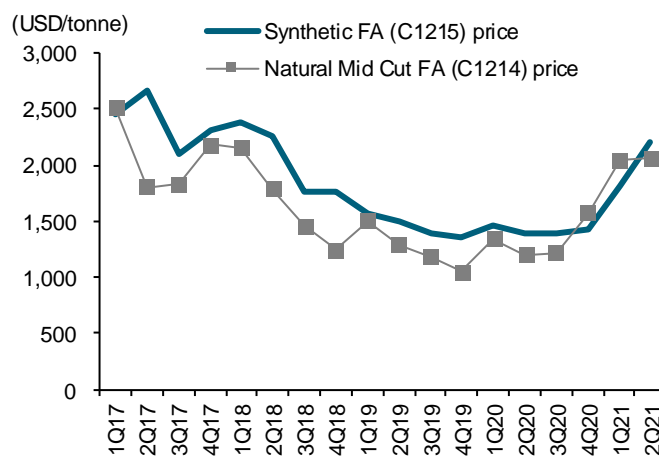
Thus, the demand for detergents has increased during the pandemic, owing to which there has been no major impact of the coronavirus on the natural FA market. However, natural FA manufacturers have announced the suspension of production due to supply chain bottlenecks and to protect the safety of their employees during the pandemic, which may moderately hinder the FA market’s growth.

Exhibit 18: Average price of CPKO-based FA vs CPKO



Sources: GGC; FSSIA estimates

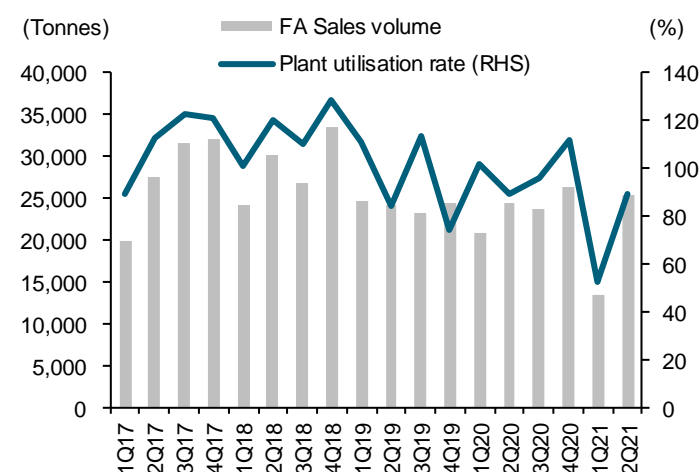
Exhibit 19: Average price of synthetic FA vs mid-cut CPKO-based FA



Sources: GGC; FSSIA estimates

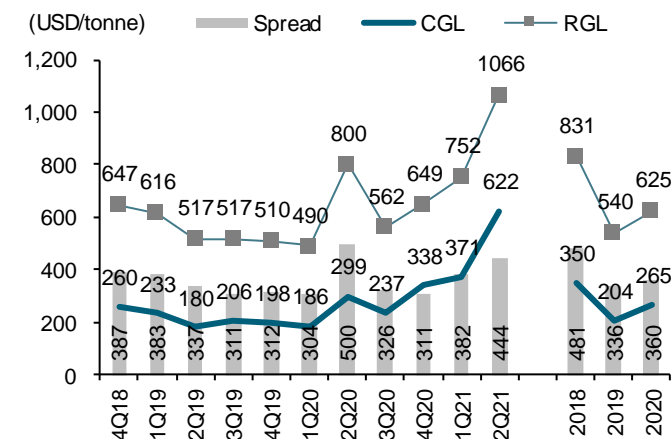
Natural FA (CPO-based) vs synthetic FA (oil-based). Since petrochemical-based FA have significant and harmful consequences, global demand is high for natural FA. The rapid growth of the personal care industry has increased the demand for thickeners, emollients, and emulsifiers, thereby fuelling the market's growth. Furthermore, the increasing demand for naturally derived ingredients to manufacture household & industrial cleaners is also expected to drive the natural FA market substantially during 2021-26.

Exhibit 20: FA sales volume and plant utilisation



Source: GGC

Exhibit 21: CGL, RGL and spread



Source: GGC

EPS and target price revisions

We raise our EPS forecasts for 2021-23 by 8.2-19.6% to reflect our higher CPO and ME price estimates, as we think the high oil price and tight supply of CPO and CPKO should continue in 2H21 into 2022. Among the three major producers of ME in Thailand, only GGC produces both ME and FA.

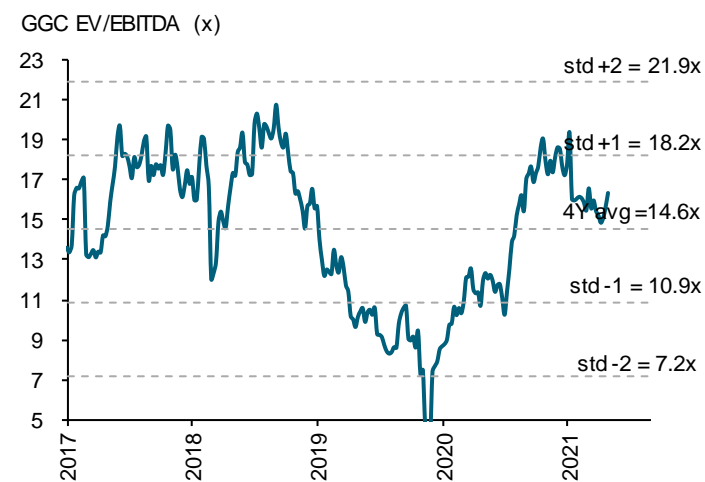
Exhibit 22: Key changes in assumptions

	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	14,002	13,941	16,370	13,836	13,799	16,192	1.2	1.0	1.1
Gross profit	595	742	1,120	519	690	1,053	14.6	7.5	6.3
Operating profit	175	323	629	104	276	568	68.2	17.2	10.7
Net profit	418	557	827	349	509	764	19.6	9.4	8.2
EPS (THB/shares)	0.4	0.6	0.9	0.4	0.5	0.8	19.6	9.4	8.2
Key assumptions									
ME utilisation rate (%)	72	64	72	72	64	72	0	0	0
FA utilisation rate (%)	50	70	65	50	70	65	0	0	0
CPO price (THB/kg)	25	24	21	24	23	20	4	4	5
ME price (THB/litre)	22	22	22	22	22	22	1	1	1
FA price (USD/tonne)	1,653	1,653	1,653	1,653	1,653	1,653	0	0	0
CPKO price (USD/tonne)	590	580	580	590	580	580	0	0	0

Note: Change of items in percentage terms are represented in ppt change

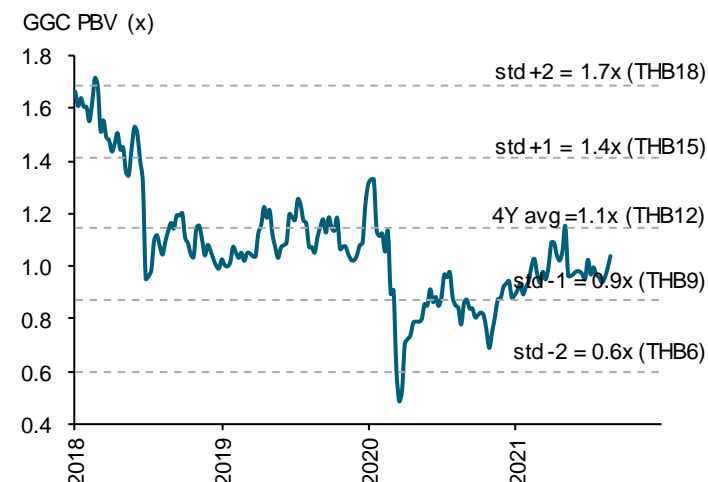
Source: FSSIA estimates

Exhibit 23: Rolling one-year forward EV/EBITDA band



Sources: GGC; FSSIA estimates

Exhibit 24: Rolling one-year forward P/BV band



Sources: GGC; FSSIA estimates

Unlike its two local peers, PTG Energy (PTG TB, BUY, TP THB20.8) and Energy Absolute (EA TB, BUY, TP THB76), with relatively small net profit contributions from ME at 5% for (EA) and 15% for PTG, GGC generates significant net profits from ME at 50% on average. Hence, we think the CPO price uptrend and the ME demand recovery should benefit GGC the most among the three listed ME players in Thailand.

Exhibit 25: Peer comparisons

Company	BBG code	Rec	Share Price (THB)	Target price (THB)	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)
Global Green Chemicals Pcl	GGC TB	BUY	10.6	13.5	27	333	21.8	24.7	18.5	4.2	5.5	1.0	1.0	13.0	10.1
PTG Energy Pcl	PTG TB	BUY	17.3	20.8	20	886	6.4	15.2	14.4	22.5	21.0	3.2	2.8	6.2	5.7
Energy Absolute Pcl	EA TB	BUY	66.5	76	14	7,604	29.3	30.3	25.5	26.1	24.8	7.1	5.7	23.5	18.5
Biodiesel under coverage						8,822	27.6	28.6	24.1	24.9	23.7	6.5	5.2	21.4	16.9

Share prices as of 7 September 2021

Sources: Bloomberg; FSSIA estimates

Financial Statements

Global Green Chemicals

Profit and Loss (THB m) Year Ending Dec	2019	2020	2021E	2022E	2023E
Revenue	13,055	18,203	14,002	13,941	16,370
Cost of goods sold	(11,783)	(16,177)	(12,878)	(12,669)	(14,717)
Gross profit	1,271	2,026	1,123	1,273	1,653
Other operating income	-	-	-	-	-
Operating costs	(839)	(828)	(420)	(418)	(491)
Operating EBITDA	433	1,198	703	854	1,162
Depreciation	(514)	(683)	(529)	(531)	(533)
Goodwill amortisation	0	0	0	0	0
Operating EBIT	(81)	514	175	323	629
Net financing costs	(38)	(41)	75	70	85
Associates	29	62	100	100	100
Recurring non-operating income	423	0	180	180	140
Non-recurring items	(77)	102	0	0	0
Profit before tax	227	575	429	573	854
Tax	(133)	(15)	(12)	(17)	(27)
Profit after tax	94	560	418	557	827
Minority interests	0	0	0	0	0
Preferred dividends	0	0	0	0	0
Other items	-	-	-	-	-
Reported net profit	94	560	418	557	827
Non-recurring items & goodwill (net)	77	(102)	0	0	0
Recurring net profit	171	458	418	557	827
Per share (THB)					
Recurring EPS *	0.18	0.47	0.43	0.57	0.85
Reported EPS	0.10	0.58	0.43	0.57	0.85
DPS	0.35	0.35	0.40	0.40	0.40
Diluted shares (used to calculate per share data)	972	972	972	972	972
Growth					
Revenue (%)	(19.5)	39.4	(23.1)	(0.4)	17.4
Operating EBITDA (%)	(47.7)	176.8	(41.3)	21.5	36.0
Operating EBIT (%)	nm	nm	(66.0)	85.0	94.3
Recurring EPS (%)	(62.5)	167.9	(8.8)	33.3	48.5
Reported EPS (%)	nm	495.8	(25.4)	33.3	48.5
Operating performance					
Gross margin inc. depreciation (%)	5.8	7.4	4.2	5.3	6.8
Gross margin of key business (%)	5.8	7.4	4.2	5.3	6.8
Operating EBITDA margin (%)	3.3	6.6	5.0	6.1	7.1
Operating EBIT margin (%)	(0.6)	2.8	1.2	2.3	3.8
Net margin (%)	1.3	2.5	3.0	4.0	5.1
Effective tax rate (%)	67.3	2.9	3.5	3.5	3.5
Dividend payout on recurring profit (%)	199.0	74.3	93.1	69.9	47.0
Interest cover (X)	9.0	12.6	(4.8)	(7.2)	(9.0)
Inventory days	47.8	40.6	51.0	45.6	42.0
Debtor days	39.3	30.7	42.7	42.9	36.5
Creditor days	30.7	22.9	27.4	24.5	22.6
Operating ROIC (%)	(1.0)	6.2	(0.5)	(1.0)	(2.1)
ROIC (%)	3.4	4.5	(0.7)	(1.1)	(1.7)
ROE (%)	1.8	4.7	4.2	5.5	7.9
ROA (%)	1.5	3.8	3.3	4.4	6.4
* Pre-exceptional, pre-goodwill and fully diluted					
Revenue by Division (THB m)					
Methyl Ester	9,261	11,687	7,925	7,689	9,986
Fatty Alcohols	3,794	6,515	6,077	6,252	6,384

Sources: Global Green Chemicals; FSSIA estimates

Financial Statements

Global Green Chemicals

Cash Flow (THB m) Year Ending Dec	2019	2020	2021E	2022E	2023E
Recurring net profit	171	458	418	557	827
Depreciation	514	683	529	531	533
Associates & minorities	-	-	-	-	-
Other non-cash items	-	-	-	-	-
Change in working capital	(264)	(1,066)	304	14	(184)
Cash flow from operations	421	75	1,251	1,101	1,176
Capex - maintenance	(472)	(472)	(529)	(531)	(533)
Capex - new investment	-	-	-	-	-
Net acquisitions & disposals	-	-	-	-	-
Other investments (net)	1,047	1,213	1,121	1,274	1,543
Cash flow from investing	575	741	592	743	1,010
Dividends paid	(699)	(681)	(340)	(389)	(389)
Equity finance	(642)	0	0	0	0
Debt finance	(335)	(446)	56	(445)	55
Other financing cash flows	204	(1,258)	(783)	(934)	(1,202)
Cash flow from financing	(1,471)	(2,385)	(1,067)	(1,768)	(1,536)
Non-recurring cash flows	-	-	-	-	-
Other adjustments	0	0	0	0	0
Net other adjustments	0	0	0	0	0
Movement in cash	(476)	(1,569)	776	76	650
Free cash flow to firm (FCFF)	1,063.52	885.15	1,885.89	1,874.79	2,204.73
Free cash flow to equity (FCFE)	864.42	(887.80)	1,116.22	465.09	1,039.03
Per share (THB)					
FCFF per share	1.04	0.86	1.84	1.83	2.15
FCFE per share	0.84	(0.87)	1.09	0.45	1.02
Recurring cash flow per share	0.70	1.17	0.97	1.12	1.40
Balance Sheet (THB m) Year Ending Dec					
Tangible fixed assets (gross)	10,136	10,395	10,586	10,778	10,969
Less: Accumulated depreciation	(5,372)	(5,819)	(6,348)	(6,878)	(7,411)
Tangible fixed assets (net)	4,764	4,576	4,239	3,899	3,558
Intangible fixed assets (net)	69	69	69	69	69
Long-term financial assets	-	-	-	-	-
Invest. in associates & subsidiaries	1,115	1,623	1,623	1,623	1,623
Cash & equivalents	3,311	1,742	2,518	2,594	3,244
A/C receivable	1,426	1,637	1,637	1,637	1,637
Inventories	1,596	2,003	1,594	1,568	1,822
Other current assets	-	-	-	-	-
Current assets	6,333	5,382	5,749	5,799	6,703
Other assets	650	1,589	1,417	1,414	1,514
Total assets	12,931	13,239	13,097	12,805	13,467
Common equity	9,648	9,993	10,071	10,238	10,676
Minorities etc.	0	0	0	0	0
Total shareholders' equity	9,648	9,993	10,071	10,238	10,676
Long term debt	1,329	764	820	375	430
Other long-term liabilities	105	596	596	596	596
Long-term liabilities	1,433	1,360	1,416	971	1,026
A/C payable	953	1,076	857	843	979
Short term debt	447	566	566	566	566
Other current liabilities	450	244	188	187	220
Current liabilities	1,850	1,886	1,611	1,596	1,765
Total liabilities and shareholders' equity	12,931	13,239	13,097	12,805	13,467
Net working capital	1,619	2,319	2,187	2,176	2,260
Invested capital	8,217	10,176	9,534	9,181	9,024
* Includes convertibles and preferred stock which is being treated as debt					
Per share (THB)					
Book value per share	9.92	10.28	10.36	10.53	10.98
Tangible book value per share	9.85	10.21	10.28	10.46	10.91
Financial strength					
Net debt/equity (%)	(15.9)	(4.1)	(11.2)	(16.1)	(21.1)
Net debt/total assets (%)	(11.9)	(3.1)	(8.6)	(12.9)	(16.7)
Current ratio (x)	3.4	2.9	3.6	3.6	3.8
CF interest cover (x)	23.8	(20.7)	(14.0)	(5.6)	(11.2)
Valuation					
Recurring P/E (x) *	60.3	22.5	24.7	18.5	12.5
Recurring P/E @ target price (x) *	76.8	28.7	31.4	23.6	15.9
Reported P/E (x)	109.6	18.4	24.7	18.5	12.5
Dividend yield (%)	3.3	3.3	3.8	3.8	3.8
Price/book (x)	1.1	1.0	1.0	1.0	1.0
Price/tangible book (x)	1.1	1.0	1.0	1.0	1.0
EV/EBITDA (x) **	20.3	8.3	13.0	10.1	6.9
EV/EBITDA @ target price (x) **	26.8	10.6	17.1	13.4	9.4
EV/invested capital (x)	1.1	1.0	1.0	0.9	0.9
* Pre-exceptional, pre-goodwill and fully diluted ** EBITDA includes associate income and recurring non-operating income					

Sources: Global Green Chemicals; 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	SEOIL	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	TTB	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	AMANAH	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	TTB	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

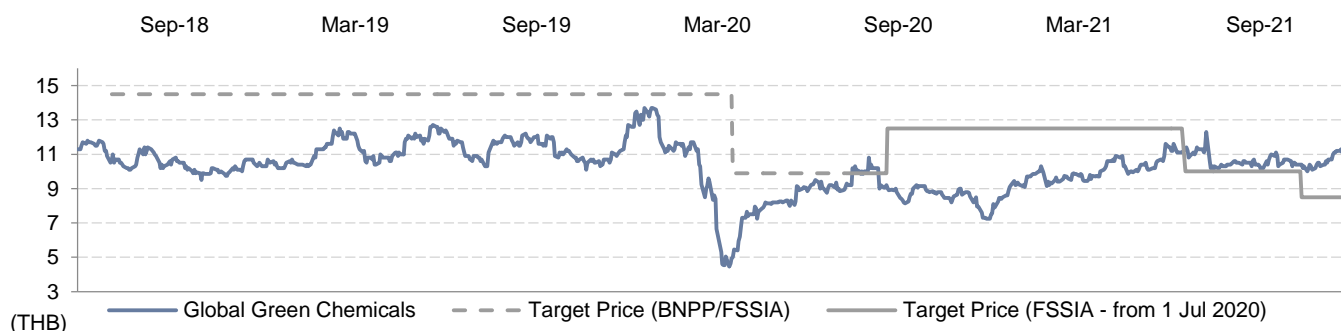
The individual(s) identified above certify(ies) that (i) all views expressed in this report accurately reflect the personal view of the analyst(s) with regard to any and all of the subject securities, companies or issuers mentioned in this report; and (ii) no part of the compensation of the analyst(s)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

This report has been prepared by FSS International Investment Advisory Company Limited (FSSIA). The information herein has been obtained from sources believed to be reliable and accurate; however FSS makes no representation as to the accuracy and completeness of such information. Information and opinions expressed herein are subject to change without notice. FSS has no intention to solicit investors to buy or sell any security in this report. In addition, FSS does not guarantee returns nor price of the securities described in the report nor accept any liability for any loss or damage of any kind arising out of the use of such information or opinions in this report. Investors should study this report carefully in making investment decisions. All rights are reserved.

This report may not be reproduced, distributed or published by any person in any manner for any purpose without permission of FSSIA. Investment in securities has risks. Investors are advised to consider carefully before making investment decisions.

History of change in investment rating and/or target price

Global Green Chemicals (GGC TB)



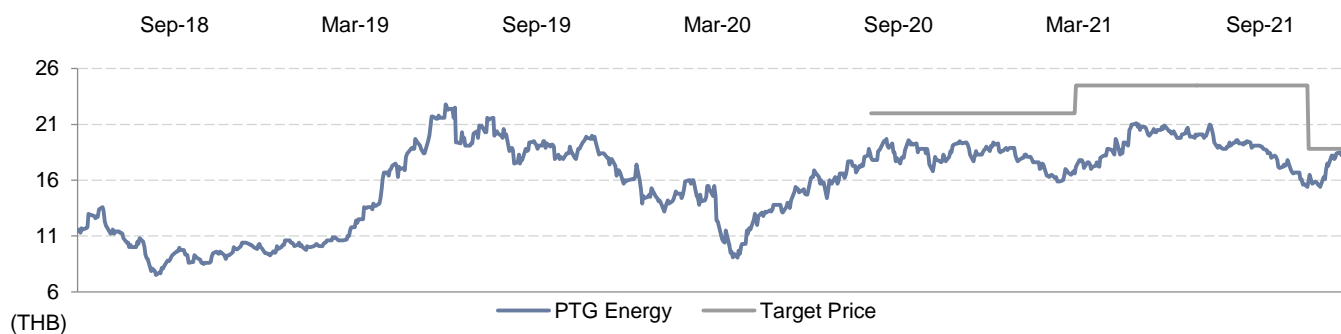
Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
09-Oct-2018	BUY	14.50	05-Aug-2020	BUY	12.50	27-Jul-2021	REDUCE	8.50
26-Mar-2020	BUY	9.90	11-Feb-2021	BUY	12.50			
11-Jun-2020	BUY	9.90	16-Apr-2021	REDUCE	10.00			

Suwat Sinsadok started covering this stock from 09-Oct-2018

Price and TP are in local currency

Source: FSSIA estimates

PTG Energy (PTG TB)



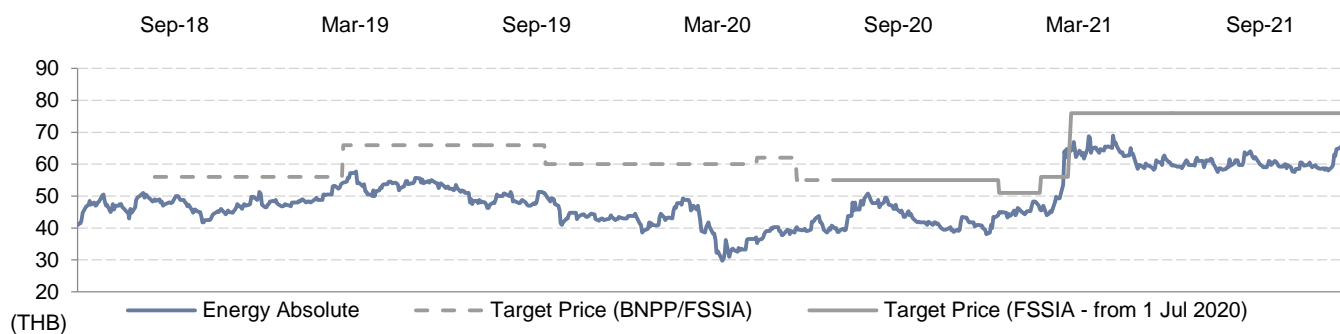
Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
22-Jul-2020	BUY	22.00	24-Feb-2021	BUY	24.50	02-Sep-2021	BUY	20.80
09-Sep-2020	BUY	22.00	01-Mar-2021	BUY	24.50			
14-Jan-2021	BUY	24.50	02-Aug-2021	BUY	18.80			

Suwat Sinsadok started covering this stock from 22-Jul-2020

Price and TP are in local currency

Source: FSSIA estimates

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
Global Green Chemicals	GGC TB	THB 10.60	BUY	Upside risks to our EV/EBITDA-based target price include: 1) a sharp increase in crude palm oil price; 2) a supply shortage of palm, CPO, and ME; and 3) a higher fatty alcohol margin due to the new supply in the US.
PTG Energy	PTG TB	THB 17.30	BUY	The downside risks to our SoTP-based TP include 1) a government cap on oil prices; and 2) weaker demand for diesel and gasoline.
Energy Absolute	EA TB	THB 66.50	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 07-Sep-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.