

13 DECEMBER 2021

THAILAND / UTILITIES - RENEWABLES

ENERGY ABSOLUTE EA TB

BUY

UNCHANGED

TARGET PRICE	THB122.00
CLOSE	THB82.50
UP/DOWNSIDE	+47.9%
PRIOR TP	THB88.00
CHANGE IN TP	+38.6%
TP vs CONSENSUS	+63.3%

An outstanding play on the EV theme

EV growth is now in the pocket

We are more positive on EA's net profit growth outlook in 2021-23, backed by its new S-curve ventures in the electric vehicle (EV) value chains, including the manufacturing and sales of commercial e-buses and e-trucks thanks to its first-mover advantage and its fully integrated battery-EV product portfolio. This should allow EA to fully benefit from the highly favourable regulations and incentive packages the government is implementing to transform Thailand's internal combustion engine (ICE) automotive industry into an EV industry by 2040 to ensure the sustainability of the country's key export industry.

More sanguine on the sales of commercial e-buses and batteries

After commencing operations at its 1GWh battery phase 1 plant on 12 Dec-21, delivering 122 e-buses in Sep-Oct 2021, and securing over 300 e-bus orders for delivery in 4Q21-2022, we are now more confident about EA's sales volume outlook for its EVs in 2022-23. As a result, we raise our 2022-23 sales volume assumptions for e-buses by 20-30% and for batteries by 38-50%, resulting in a 4-9% EPS increase to our 2021-23 estimates. We believe EA still has more earnings upside from the sales of e-trucks and e-buses on high pent-up demand for commercial EVs (buses and trucks) and passenger EVs pending the official announcement of the government's incentive package.

Strengthening capital for EV growth

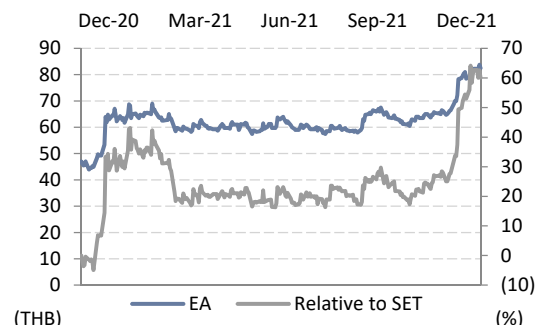
On 13 Dec-21, EA announced the issuance of unsecured convertible bonds (CBs) worth THB29b or €900m, leveraging the current negative real interest rate in the European financial market to capture zero-interest rate CBs. The CB issue is equal to 290m common shares and will have 1) a 5-year life; 2) an estimated THB100/share for the convertible share price based on the THB29b maximum value and the 290m convertible shares; 3) the conversion period for bond to common stock is 41 days after the issue date to 10 days before the maturity date; and 4) a 6-month silent period with 25% of convertible common shares being sellable.

Upgrade target price to THB122

We maintain BUY and raise our SoTP-based target price from THB88 to THB122 to incorporate 1) our EPS estimate upgrades by 4-9% in 2021-23; and 2) a higher one-year forward 2022E P/E from 15x to 24x for e-buses due to the higher backlog and product delivery visibility.

KEY STOCK DATA

YE Dec (THB m)	2020	2021E	2022E	2023E
Revenue	17,080	24,179	38,660	56,810
Net profit	5,205	8,511	10,204	12,128
EPS (THB)	1.40	2.28	2.74	3.25
vs Consensus (%)	-	31.0	28.3	26.9
EBITDA	9,211	11,854	15,366	17,975
Core net profit	5,155	8,511	10,204	12,128
Core EPS (THB)	1.38	2.28	2.74	3.25
Chg. In EPS est. (%)	-	3.9	4.7	8.8
EPS growth (%)	(12.7)	65.1	19.9	18.9
Core P/E (x)	59.7	36.2	30.2	25.4
Dividend yield (%)	0.4	0.3	0.3	0.3
EV/EBITDA (x)	37.5	28.5	21.1	17.2
Price/book (x)	11.1	8.7	6.9	5.5
Net debt/Equity (%)	121.9	75.0	31.1	(3.4)
ROE (%)	20.1	27.0	25.6	24.2



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	26.9	25.0	71.0
Relative to country (%)	28.0	25.8	56.7
Mkt cap (USD m)	9,194		
3m avg. daily turnover (USD m)	31.3		
Free float (%)	40		
Major shareholder	Mr. Somphote Ahunai (23%)		
12m high/low (THB)	85.00/43.25		
Issued shares (m)	3,730.00		

Sources: Bloomberg consensus; FSSIA estimates



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

Investment thesis

EA is Thailand's largest green energy player, operating through its three business segments of solar, wind and biodiesel; all touted to be the key pillars of Thailand's energy growth over the next 10 years. A biodiesel producer since 2012 with an 800k litre-per-day (lpd) capacity, EA later ventured into the solar and wind businesses. We believe EA's solar farms will be key earnings growth drivers, as they stand to gain from: 1) a high-margin THB6.5/kWh adder; and 2) a 40% decline in the cost of solar panels since 2010.

EA has evolved from being a pure biodiesel player to emerge as one of Thailand's key players in renewable energy. While its biodiesel segment has been struggling at a mere 50% utilisation rate due to the country's oversupply, EA's solar and wind farm businesses have benefited from high-margin electricity tariffs and the declining cost of solar panels.

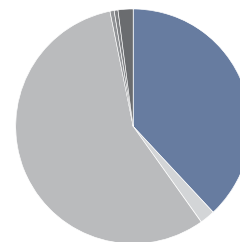
Company profile

Energy Absolute (EA) is a leading green energy company in Thailand with business interests in biodiesel, solar and wind energy. EA has expanded into the battery storage and electricity vehicle (EV) businesses, which we expect to be key earnings growth drivers post 2019.

www.energyabsolute.co.th

Principal activities (revenue, 2020)

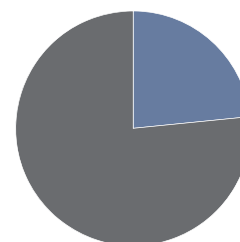
- Methyl ester Biodiesel products - 38.5 %
- Pure glycerine products - 2.1 %
- Electricity from solar and wind power - 57.3 %
- Head office and others - 0.6 %
- Project consultation regarding alternative electric energy - -0.5 %



Source: Energy Absolute

Major shareholders

- Mr. Somphote Ahunai - 23.4 %
- Others - 76.6 %



Source: Energy Absolute

Catalysts

Higher utilisation rates of power plants and rising demand for electricity in Thailand are key potential growth drivers.

Risks to our call

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.

Event calendar

Date	Event
Feb 2022	4Q21/2021 results announcement

Key assumptions

	2021E	2022E	2023E
Dispatched power (GWh)	9,715	9,715	9,715
Capacity factor - wind farms (%)	26	26	27
Battery sales volume (GWh)	0.7	4.7	8.4
EV car sales (cars)	5,000	5,500	8,500
EV boat sales (boats)	50	50	50
EV bus sales (buses)	2,640	3,900	3,600
EV charging stations (stations)	1,000	1,000	1,000
Green diesel & PCM (tpd)	61	124	124

Source: FSSIA estimates

Earnings sensitivity

- For every 1% increase in utilisation rate, we estimate 2021 earnings would rise by 1.3%, and vice versa, all else being equal.
- For every 1% increase in interest rate, we estimate 2021 earnings would decline by 1.3%, and vice versa, all else being equal.

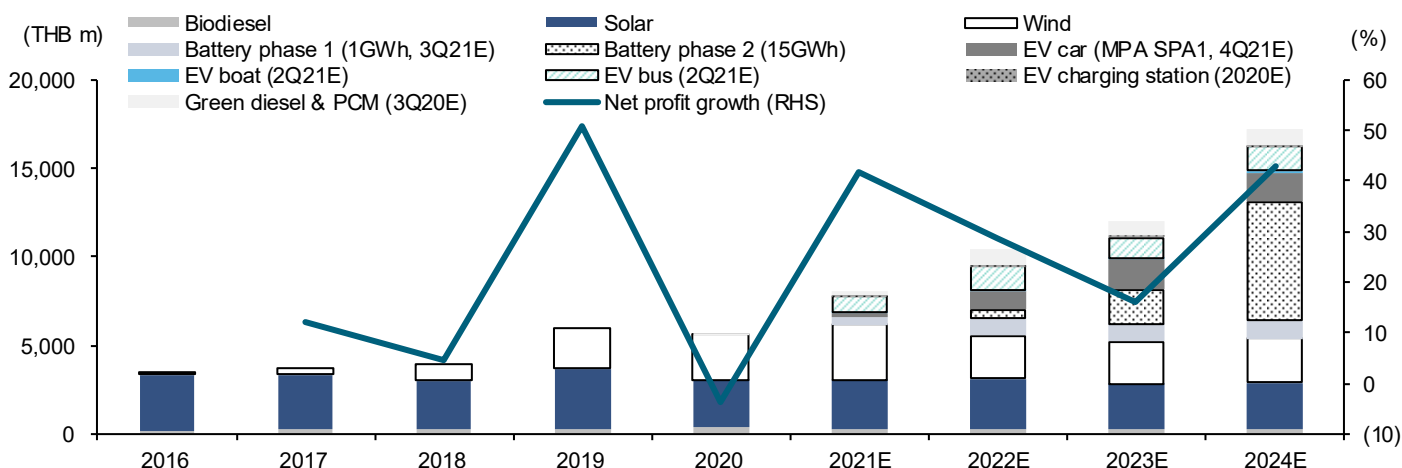
Source: FSSIA estimates

An outstanding EV play

We are more positive on EA's net profit growth outlook in 2021-23, backed by its new S-curve ventures in the EV value chains, including the manufacturing and sales of commercial e-buses and e-trucks thanks to its first-mover advantage and its fully integrated battery-EV product portfolio. This should allow EA to fully benefit from the highly favourable regulations and incentive packages the government is implementing to transform Thailand's ICE automotive industry into an EV industry by 2040 to ensure the sustainability of the country's key export industry.

We believe that EA, five years on from announcing its entrance into EV ventures from the renewables business, will be the fastest, most well-positioned, and fully integrated company to capture Thailand's and the global automotive market's transition from ICE automotives to EVs.

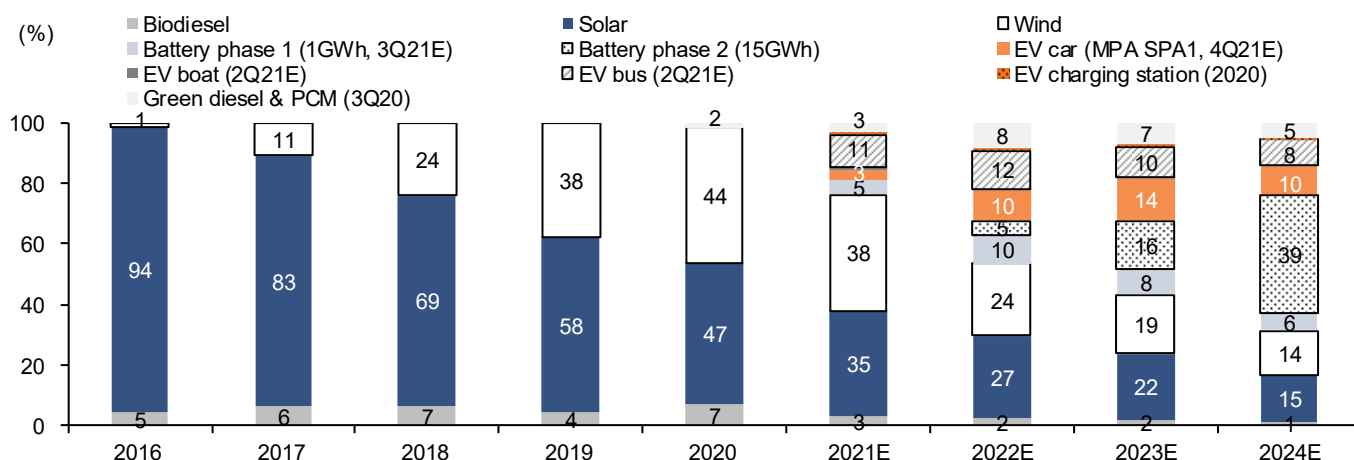
Exhibit 1: Net profit breakdown by segment



Sources: EA; FSSIA estimates

We project that EA's net profit from its S-curve ventures will jump from a mere 2% (all from the crude palm oil-based phase change material) in 2020 to 24% (e-buses and batteries) in 2021, 47% (e-buses, e-trucks, and batteries) in 2022, 57% in 2023, and 70% in 2024. We expect the strong net profit growth from its EV ventures to be the pillar of EA's next growth phase post 2021 after its high-margin earnings from solar and wind farms start to decline in 2023 when the adders will gradually expire piecemeal.

Exhibit 2: Net profit breakdown (%)



Sources: EA; FSSIA estimates

Timely and wise issuance of €900m worth of convertible debentures

On 13 Dec-21, EA announced the issuance of unsecured convertible bonds (CBs) worth THB29b or €900m, leveraging the current negative real interest rate in the European financial market to capture zero-interest rate CBs. The CB issue is equal to 290m common shares and will have key characteristics as follows:

- A 5-year bond life;
- An estimated THB100/share for the convertible share price based on the THB29b maximum value and the 290m convertible shares, but the final convertible ratio will depend on the market share price prior to and after the issuance period;
- The conversion period for bond to common stock is 41 days after the issue date to 10 days before the maturity date;
- There will be a 6-month silent period with 25% of convertible common shares being sellable.

We believe EA's issuance of CBs is 1) timely to capture the low-cost funding in € currency; 2) financially positive to add THB29b in capital for EA's future battery phase 2 expansion (49GWh) and as working capital and a financial weapon to fund the sales of its batteries and EVs to customers; and 3) should strategically strengthen EA's balance sheet to effectively enhance its bargaining power against large-scale automakers and competitors.

EPS and target price upgrades

After commencing operations at its 1GWh battery phase 1 plant on 12 Dec-21, delivering 122 e-buses in Sep-Oct 2021, and securing over 300 e-bus orders for delivery in 4Q21-2022, we are now more confident about EA's sales volume outlook for its EVs in 2022-23.

As a result, we raise our 2022-23 sales volume assumptions for e-buses by 20-30% and for batteries by 38-50%, resulting in a 4-9% EPS increase to our 2021-23 estimates.

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Exhibit 3: Key changes in assumptions

	Current			Previous			Change		
	2021E (THB m)	2022E (THB m)	2023E (THB m)	2021E (THB m)	2022E (THB m)	2023E (THB m)	2021E (%)	2022E (%)	2023E (%)
Revenue	24,179	38,660	56,810	24,179	33,496	49,254	0	15	15
Gross profit	13,546	18,072	21,383	13,546	16,777	19,371	0	8	10
Operating profit	9,360	10,872	12,675	9,360	10,738	11,916	0	1	6
Net profit	8,511	10,204	12,128	8,192	9,742	11,143	4	5	9
EPS (THB/shr)	2.3	2.7	3.3	2.2	2.6	3	4	5	9
Key assumptions									
Dispatched power (GWh)	9,715	9,715	9,715	9,715	9,715	9,715	0	0	0
Capacity factor - wind farms (%)	26	26	27	26	26	27	0	0	0
Battery sales volume (GWh)	0.7	4.7	8.4	0.7	3.1	6.1	0	50	38
EV car sales (cars)	5,000	5,500	8,500	5,000	5,500	8,500	0	0	0
EV boat sale (boats)	50	50	50	50	50	50	0	0	0
EV bus sales (buses)	2,640	3,900	3,600	2,640	3,000	3,000	0	30	20
EV charging station (stations)	1,000	1,000	1,000	1,000	1,000	1,000	0	0	0
Green diesel & PCM (tpd)	61	124	124	61	124	124	0	0	0

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

Source: FSSIA estimates

Exhibit 4: SoTP valuation

Cost of equity assumptions (%)		Cost of debt assumptions (%)	
Risk free rate	2.3	Pretax cost of debt	4.6
Market risk premium	8.5	Marginal tax rate	20.0
Stock beta	0.40		
DCF assumptions			
Cost of equity, Ke	5.7	Net cost of debt, Kd	3.4
Weight applied	25.0	Weight applied	75.0
WACC (%)	4.0		

SoTP valuation estimate	(THB m)	(THB/share)	Valuation methodology
Biodiesel	4,417	1.2	DCF with WACC 4.0%, Risk free rate 2.3%, Risk premium 8.5%
Solar			
Lop buri	1,331	0.4	DCF with WACC 4.0%, Risk free rate 2.3%, Risk premium 8.5%
Nakornsawun	12,119	3.2	DCF with WACC 4.0%, Risk free rate 2.3%, Risk premium 8.5%
Lumpang	18,979	5.1	DCF with WACC 4.0%, Risk free rate 2.3%, Risk premium 8.5%
Pisanuloak	19,270	5.2	DCF with WACC 4.0%, Risk free rate 2.3%, Risk premium 8.5%
Total solar	51,699	13.9	
Wind			
Southern (COD 2017)			
Had Gunghun 1	4,175	1.1	DCF with WACC 4.0%, Risk free rate 2.3%, Risk premium 8.5%
Had Gunghun 2	5,087	1.4	DCF with WACC 4.0%, Risk free rate 2.3%, Risk premium 8.5%
Had Gunghun 3	5,103	1.4	DCF with WACC 4.0%, Risk free rate 2.3%, Risk premium 8.5%
Had Gunghun 4	6,301	1.7	DCF with WACC 4.0%, Risk free rate 2.3%, Risk premium 8.5%
Total wind farm Southern	14,365	5.5	
Northeastern (COD 2018E)			
Hanuman 1	8,160	2.2	DCF with WACC 4.0%, Risk free rate 2.3%, Risk premium 8.5%
Hanuman 5	8,682	2.3	DCF with WACC 4.0%, Risk free rate 2.3%, Risk premium 8.5%
Hanuman 8	8,139	2.2	DCF with WACC 4.0%, Risk free rate 2.3%, Risk premium 8.5%
Hanuman 9	7,596	2.0	DCF with WACC 4.0%, Risk free rate 2.3%, Risk premium 8.5%
Hanuman 10	14,507	3.9	DCF with WACC 4.0%, Risk free rate 2.3%, Risk premium 8.5%
Total wind farm Northeastern	47,084	12.6	
Battery phase 1 (1GWh)	12,366	3.3	DCF with WACC 4%, Risk free rate 5.3%, Risk premium 8.5%
Battery phase 2 (15GWh)	226,739	60.8	DCF with WACC 4%, Risk free rate 5.3%, Risk premium 8.5%
EV car (MPA SPA1, 2Q21E)	12,355	3.3	FY22E P/E at 12x
EV boat (1Q21E)	939	0.3	FY22E P/E at 12x
EV charging station (2020E)	1,085	0.3	DCF with WACC 4.0%, Risk free rate 2.3%, Risk premium 8.5%
EV bus (3Q21)	77,342	20.7	FY22E P/E at 24x
Total EV and battery	253,484	88.7	
Green diesel & PCM	12,654	3.4	FY22E P/E at 15x
Net debt	(14,618)	(3.9)	
Minorities	2,465	0.7	
Residual ordinary equity	371,551	122.0	

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	38,660	56,810
Cost of goods sold	(4,413)	(6,591)	(10,633)	(20,588)	(35,427)
Gross profit	10,474	10,489	13,546	18,072	21,383
Other operating income	-	-	-	-	-
Operating costs	(946)	(1,278)	(1,693)	(2,706)	(3,409)
Operating EBITDA	9,528	9,211	11,854	15,366	17,975
Depreciation	(2,517)	(2,730)	(2,494)	(4,494)	(5,300)
Goodwill amortisation	0	0	0	0	0
Operating EBIT	7,010	6,480	9,360	10,872	12,675
Net financing costs	(1,226)	(1,627)	(1,432)	(1,689)	(1,428)
Associates	(14)	(61)	860	1,289	1,189
Recurring non-operating income	53	126	961	1,390	1,290
Non-recurring items	178	50	0	0	0
Profit before tax	6,016	5,029	8,889	10,573	12,537
Tax	11	18	(57)	(39)	(103)
Profit after tax	6,027	5,047	8,832	10,534	12,433
Minority interests	55	157	(320)	(330)	(305)
Preferred dividends	0	0	0	0	0
Other items	-	-	-	-	-
Reported net profit	6,082	5,205	8,511	10,204	12,128
Non-recurring items & goodwill (net)	(178)	(50)	0	0	0
Recurring net profit	5,903	5,155	8,511	10,204	12,128
Per share (THB)					
Recurring EPS *	1.58	1.38	2.28	2.74	3.25
Reported EPS	1.63	1.40	2.28	2.74	3.25
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	59.9	46.9
Operating EBITDA (%)	37.8	(3.3)	28.7	29.6	17.0
Operating EBIT (%)	38.0	(7.6)	44.4	16.2	16.6
Recurring EPS (%)	51.2	(12.7)	65.1	19.9	18.9
Reported EPS (%)	22.2	(14.4)	63.5	19.9	18.9
Operating performance					
Gross margin inc. depreciation (%)	53.4	45.4	45.7	35.1	28.3
Gross margin of key business (%)	54.6	45.7	45.7	35.1	28.3
Operating EBITDA margin (%)	64.0	53.9	49.0	39.7	31.6
Operating EBIT margin (%)	47.1	37.9	38.7	28.1	22.3
Net margin (%)	39.7	30.2	35.2	26.4	21.3
Effective tax rate (%)	-0.2	-0.4	0.7	0.4	0.9
Dividend payout on recurring profit (%)	15.8	21.7	11.0	9.1	7.7
Interest cover (X)	5.8	4.1	7.2	7.3	9.8
Inventory days	45.0	44.1	37.6	35.3	36.8
Debtor days	52.9	57.9	42.4	28.0	20.6
Creditor days	18.0	18.2	16.8	15.8	16.4
Operating ROIC (%)	11.8	9.5	(3.4)	(4.1)	(5.3)
ROIC (%)	10.9	8.2	(3.0)	(3.6)	(4.4)
ROE (%)	28.4	20.1	27.0	25.6	24.2
ROA (%)	10.6	8.5	9.7	10.3	11.2
* 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	20,923	29,204
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	8,511	10,204	12,128
Depreciation	2,517	2,730	2,494	4,494	5,300
Associates & minorities	(14)	(61)	860	1,289	1,189
Other non-cash items	-	-	-	-	-
Change in working capital	(9,651)	4,045	1,402	2,799	3,301
Cash flow from operations	(1,245)	11,869	13,268	18,787	21,918
Capex - maintenance	(2,517)	(2,730)	(2,494)	(4,494)	(5,300)
Capex - new investment	(3,784)	(4,486)	(1,006)	(994)	(1,800)
Net acquisitions & disposals	(68)	(1,429)	0	0	0
Other investments (net)	(49)	(7,546)	860	1,289	1,189
Cash flow from investing	(6,418)	(16,192)	(2,640)	(4,199)	(5,911)
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	(1,401)	(260)	1,527
Cash flow from financing	12,214	(2,756)	6,120	(12,183)	(1,441)
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)	16,748	2,404	14,567
Free cash flow to firm (FCFF)	(6,277.07)	(2,685.77)	12,060.48	16,275.93	17,435.42
Free cash flow to equity (FCFE)	5,296.76	(6,332.72)	17,867.25	3,336.60	15,499.14

Per share (THB)

FCFF per share	(1.68)	(0.72)	3.23	4.36	4.67
FCFE per share	1.42	(1.70)	4.79	0.89	4.16
Recurring cash flow per share	2.25	2.10	3.18	4.29	4.99

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)	(18,253)	(23,553)
Tangible fixed assets (net)	51,371	55,857	56,863	55,869	54,069
Intangible fixed assets (net)	890	1,337	1,337	1,337	1,337
Long-term financial assets	-	-	-	-	-
Invest. in associates & subsidiaries	100	1,529	1,529	1,529	1,529
Cash & equivalents	10,029	2,951	19,699	22,103	36,670
A/C receivable	2,666	2,750	2,870	3,061	3,342
Inventories	758	833	1,355	2,623	4,513
Other current assets	580	855	1,210	1,935	2,844
Current assets	14,033	7,389	25,134	29,722	47,369
Other assets	3,826	12,371	12,371	12,371	12,371
Total assets	70,220	78,484	97,234	100,829	116,676
Common equity	23,365	27,812	35,204	44,475	55,671
Minorities etc.	1,502	1,815	2,136	2,465	2,771
Total shareholders' equity	24,866	29,627	37,340	46,941	58,442
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	285	373	606	1,173	2,018
Short term debt	4,968	7,983	7,983	7,983	7,983
Other current liabilities	817	5,209	7,374	11,791	17,327
Current liabilities	6,070	13,564	15,963	20,946	27,328
Total liabilities and shareholders' equity	70,220	78,484	97,234	100,829	116,676
Net working capital	2,902	(1,143)	(2,545)	(5,345)	(8,646)
Invested capital	59,089	69,951	69,555	65,761	60,661

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

Per share (THB)

Book value per share	6.26	7.46	9.44	11.92	14.93
Tangible book value per share	6.03	7.10	9.08	11.57	14.57

Financial strength

Net debt/equity (%)	128.4	121.9	75.0	31.1	(3.4)
Net debt/total assets (%)	45.5	46.0	28.8	14.5	(1.7)
Current ratio (x)	2.3	0.5	1.6	1.4	1.7
CF interest cover (x)	8.4	(0.1)	14.2	3.6	13.1

Valuation	2019	2020	2021E	2022E	2023E
Recurring P/E (x) *	52.1	59.7	36.2	30.2	25.4
Recurring P/E @ target price (x) *	77.1	88.3	53.5	44.6	37.5
Reported P/E (x)	50.6	59.1	36.2	30.2	25.4
Dividend yield (%)	0.3	0.4	0.3	0.3	0.3
Price/book (x)	13.2	11.1	8.7	6.9	5.5
Price/tangible book (x)	13.7	11.6	9.1	7.1	5.7
EV/EBITDA (x) **	35.8	37.5	28.5	21.1	17.2
EV/EBITDA @ target price (x) **	51.3	53.5	40.9	30.7	25.4
EV/invested capital (x)	5.8	4.9	4.9	4.9	5.1

* 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	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	SCC	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	TTB	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	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

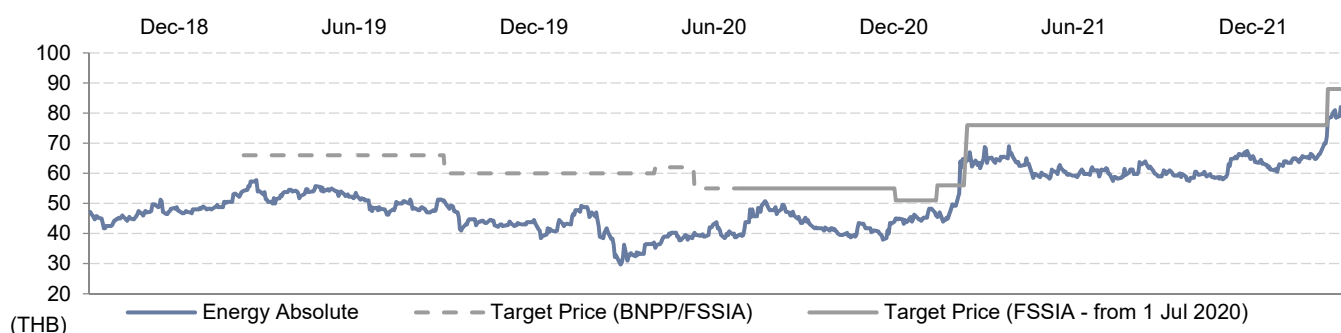
The individual(s) identified above certify(ies) that (i) all views expressed in this report accurately reflect the personal view of the analyst(s) with regard to any and all of the subject securities, companies or issuers mentioned in this report; and (ii) no part of the compensation of the analyst(s)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

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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
26-Apr-2019	BUY	66.00	17-Jul-2020	BUY	55.00	11-May-2021	BUY	76.00
17-Oct-2019	BUY	60.00	09-Nov-2020	BUY	51.00	25-Jun-2021	BUY	76.00
16-Apr-2020	BUY	62.00	15-Dec-2020	BUY	56.00	25-Aug-2021	BUY	76.00
20-May-2020	BUY	55.00	08-Jan-2021	BUY	76.00	03-Sep-2021	BUY	76.00
09-Jul-2020	BUY	55.00	01-Mar-2021	BUY	76.00	18-Nov-2021	BUY	88.00

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 82.50	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 Finasia 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 Finasia Syrus Securities Public Company Limited, which is the parent company of FSSIA.

All share prices are as at market close on 09-Dec-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.