

B.GRIMM POWER BGRIM TB
THAILAND / UTILITIES - CONVENTIONAL**BUY**
UNCHANGED

สำคัญก๊าซก่อนกลับมาโต

- เราเชื่อว่ากำไรสุทธิของ BGRIM น่าจะตกต่ำสุดในปี 2022 และดีดกลับอย่างเห็นได้ชัดในปี 2023-24
- จากต้นทุนก๊าซที่ปรับขึ้น เราคาดว่ากำไรปกติของ BGRIM ใน 3Q22 จะยังอ่อนแอโดยจะอยู่ในช่วง 0.1-0.2 พัน ลบ.
- คงแนะนำซื้อแต่ปรับลดราคาเป้าหมายเป็น 42 บาท (SoTP)

TARGET PRICE	THB42.00
CLOSE	THB36.50
UP/DOWNSIDE	+15.1%
PRIOR TP	THB44.00
CHANGE IN TP	-4.5%
TP vs CONSENSUS	-2.3%

KEY STOCK DATA

YE Dec (THB m)	2021	2022E	2023E	2024E
Revenue	46,628	75,712	89,878	92,242
Net profit	2,276	913	3,000	3,632
EPS (THB)	0.87	0.35	1.15	1.39
vs Consensus (%)	-	(47.1)	(2.5)	(10.2)
EBITDA	12,160	11,163	16,136	18,365
Core net profit	2,440	913	3,000	3,632
Core EPS (THB)	0.94	0.35	1.15	1.39
Chg. In EPS est. (%)	-	(75.1)	(47.1)	(39.0)
EPS growth (%)	(6.8)	(62.6)	228.4	21.1
Core P/E (x)	39.0	104.2	31.7	26.2
Dividend yield (%)	1.2	1.5	2.7	2.7
EV/EBITDA (x)	14.3	16.8	12.5	11.8
Price/book (x)	3.2	3.2	3.0	2.9
Net debt/Equity (%)	166.4	193.3	200.6	204.6
ROE (%)	8.6	3.1	9.9	11.4

ค่า Ft, กำลังการผลิตของ SPP, และประสิทธิภาพที่ปรับขึ้นเป็นปัจจัยสำคัญ

แม้เราจะคาดว่าต้นทุนก๊าซจะปรับขึ้นจาก 430 บาท/mmbtu ในช่วง 1H22 เป็น 480 บาท/mmbtu ในช่วง 2H22 ซึ่งจะทำให้ต้นทุนก๊าซเฉลี่ยมาอยู่ที่ 456 บาท/mmbtu ในปี 2022 ก่อนลดลงเหลือ 410 บาท/mmbtu ในปี 2023 และ 389 บาท/mmbtu ในปี 2024 เราเชื่อว่ากำไรสุทธิของ BGRIM น่าจะตกต่ำสุดในปี 2022 และดีดกลับอย่างเห็นได้ชัดในปี 2023-24 ปัจจัยหนุนสำคัญน่าจะอยู่ที่ประสิทธิภาพการดำเนินงานที่ปรับตัวดีขึ้นของโรงไฟฟ้าขนาดเล็ก (SPP) ใหม่ 7 แห่ง โดย 5 แห่งจะมีสัญญาซื้อขายไฟฟ้าทดแทนจาก SPP, ค่าไฟฟ้าที่คาดว่าจะปรับขึ้นจากค่าเชื้อเพลิง (Ft) ที่สูงขึ้นในช่วง 2H22-2024, และกำลังการผลิตที่เพิ่มสูงขึ้นทั้งจากภายใน (SPP ใหม่ 7 แห่ง) และจากการควบรวมและซื้อกิจการ

กำไร 2H22 จะได้รับผลกระทบก่อนมีแนวโน้มที่ดีในปี 2023-24

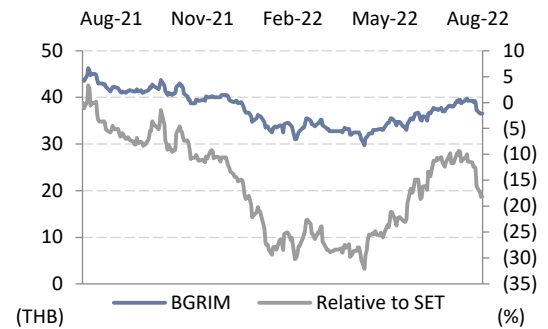
ปัจจุบันเราคาดว่ากำไรสุทธิของ BGRIM จะลดลง 62.6% y-y ในปี 2022 จากผลกระทบของต้นทุนก๊าซที่ปรับขึ้นในอัตราที่สูงกว่าค่า Ft โดยคาดว่าผลกระทบดังกล่าวจะเพิ่ม 228% y-y ในปี 2023 เป็น 3 พัน ลบ. และ 21% y-y เป็น 3.6 พัน ลบ. ในปี 2024 เราคาดว่าผลกระทบของต้นทุนก๊าซที่ปรับขึ้น 236 บาท/mmbtu y-y เป็น 456 บาท/mmbtu โดยเฉลี่ยในปี 2022 จะคิดเป็นต้นทุนก๊าซ 4.3 พัน ลบ. สำหรับ BGRIM ในปี 2022 ดังนั้นเราจึงคิดว่ากำไรสุทธิของ BGRIM จะตกต่ำสุดในปี 2022 ก่อนดีดกลับในปี 2023-24

คาดผลประกอบการที่อ่อนแอใน 3Q22 และแนวโน้มที่ดีขึ้น q-q ใน 4Q22

จากต้นทุนก๊าซที่ปรับขึ้น เราคาดว่ากำไรปกติของ BGRIM ใน 3Q22 จะยังอ่อนแอโดยจะอยู่ในช่วง 0.1-0.2 พัน ลบ. (ทรงตัว q-q) เนื่องจากค่า Ft ที่ปรับขึ้น 0.69 บาท/kWh จะกระทบราคาไฟฟ้าที่ BGRIM ขายให้แก่ผู้ซื้ออุตสาหกรรม (IU) แต่ในเดือน ก.ย. 22 อย่างไรก็ตามเราคาดว่าค่า Ft ที่จะปรับขึ้น 0.69 บาท/kWh ซึ่งเราคาดว่าจะเพิ่มรายได้ 1.5 พัน ลบ. ให้แก่ BGRIM น่าจะให้ผลดีที่มากกว่าผลเสียจากต้นทุนก๊าซที่คาดว่าจะเพิ่มขึ้น 40-50 บาท/mmbtu q-q ใน 4Q22

หุ้นเด่นในกลุ่ม SPP; ปรับลดราคาเป้าหมายเป็น 42 บาท

เราปรับลดประมาณการกำไรต่อหุ้น (EPS) ในปี 2022-24 ลง 39-75% จาก 1) สมมติฐานราคาน้ำมันที่สูงขึ้น 57-60% เป็น USD120/110/110 ต่อบาร์เรลในปี 2022-24; 2) สมมติฐานต้นทุนก๊าซที่สูงขึ้น 23.6-30.4% เพื่อสะท้อนราคาเชื้อเพลิงที่สูงขึ้นจากการนำเข้า Spot LNG ที่สูงขึ้น; และ 3) สมมติฐานค่าไฟฟ้าเฉลี่ยที่สูงขึ้น 2-14% เราปรับลดราคาเป้าหมายจาก 44 เป็น 42 บาท (SoTP) โดยรวมผลกระทบของการปรับสมมติฐาน EPS และการปรับการประเมินมูลค่าไปในปี 2023 เราเชื่อว่า BGRIM เป็นผู้ทำซิงที่แข็งแกร่งจากการเติบโตของราคาสินค้าโภคภัณฑ์รวมในตลาดโลก, การขึ้นค่าไฟฟ้าในประเทศไทย, และยุทธศาสตร์การเติบโตจากภายในประเทศ



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	(2.7)	9.8	(15.1)
Relative to country (%)	(7.4)	9.4	(17.4)
Mkt cap (USD m)	2,631		
3m avg. daily turnover (USD m)	13.4		
Free float (%)	31		
Major shareholder	B. Grimm Power (Singapore) Pte Ltd (34%)		
12m high/low (THB)	46.50/29.75		
Issued shares (m)	2,606.90		

Sources: Bloomberg consensus; FSSIA estimates



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Investment thesis

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

With a superior SPP portfolio and solid capabilities in SPP development and operations, BGRIM plans to expand its capacity substantially. The company aims to increase its capacity to 7.2GW by 2025, up from 3.25GW as of 2021, and aims to increase its renewable energy and conventional power capacities via SPPs in domestic and overseas markets.

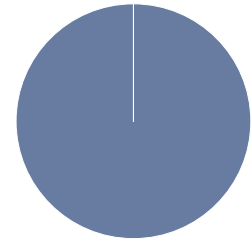
Company profile

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

www.bgrimpower.com

Principal activities (revenue, 2021)

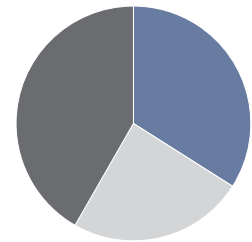
- Electricity generation - 100.0 %



Source: B.Grimm Power

Major shareholders

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



Source: B.Grimm Power

Catalysts

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

Risks to our call

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

Event calendar

Date	Event
Oct 2022	3Q22 results announcement

Key assumptions

	2022E	2023E	2024E
Utilisation rate (%)	92	93	94
Dispatched power (GWh)	12,778	11,504	11,510
Oil price (USD/bbl)	120	110	110
Average tariff (THB/kWh)	3.99	3.74	4.05
Gas price (THB/mmBtu)	456	410	389

Source: FSSIA estimates

Earnings sensitivity

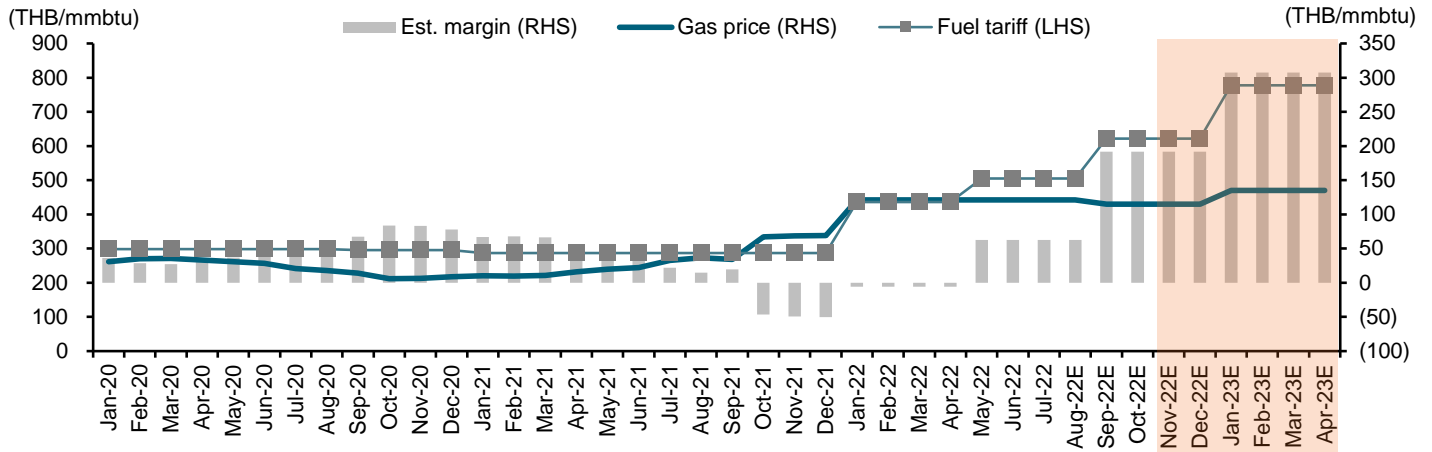
- Ceteris paribus, for every 1% increase in gas price, we estimate 2022 earnings would decline 1.15%, and vice versa.
- Ceteris paribus, for every 1% increase in interest rate, we estimate 2022 earnings would decline 1.2%, and vice versa.

Source: FSSIA estimates

Choking on gas before growth resumes

In the past three quarters since 4Q21, BGRIM, as the largest small power producer (SPP) operator in Thailand, has significantly suffered from the sharp rise in the gas cost, which has already almost doubled y-y from THB220/mmbtu on average in 2021 to THB430/mmbtu in 1H22. Its gross margins for SPPs have plunged markedly from positive to deep negative territory since Oct-21, and just turned slightly positive since May-22 due to the government's hike in the Ft by THB0.4/kWh since Jan-22.

Exhibit 1: Gas price, fuel tariff, and BGRIM's estimated gross margins for SPPs

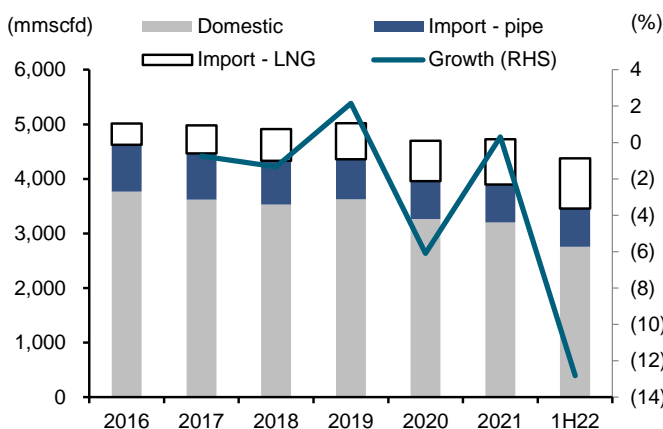


Sources: BGRIM; ERC; FSSIA estimates

Even the selling prices of BGRIM's electricity sold to IUs, which are directly linked to the national power grid price, have been lifted following the increase in the Ft by THB0.4/kWh in Jan-Aug 2022. The gas cost for BGRIM's SPPs is projected to rise further in 2H22-2023 due to the rising import volumes of spot LNG to supplant the gas supply shortfall from Erawan field, according to the Energy Policy and Planning Office (EPPO).

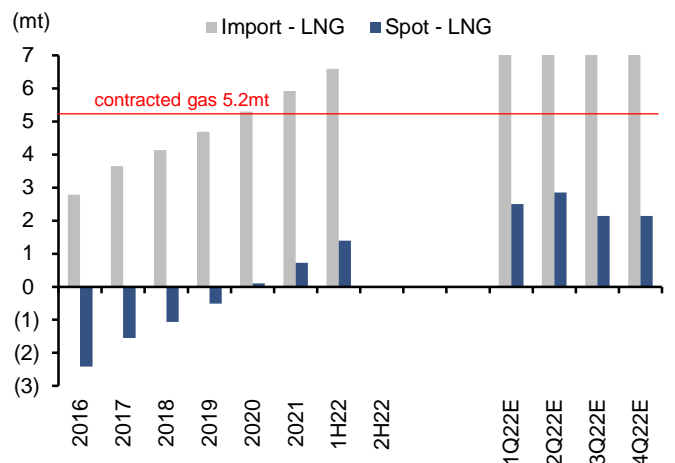
Following a three-year investment vacuum due to the "de-commissioning expenses" dispute, Erawan's gas production hit a record low at 185mmscfd in Jul-22. According to PTT Exploration and Production (PTTEP TB, BUY), the new operator of Erawan, the gas production of Erawan will only increase to 300mmscfd by end-2022 and 600mmscfd by end-2023, before reaching its contract volume of 800mmscfd by mid-2024.

Exhibit 2: Thailand's gas supply breakdown



Source: EPPO

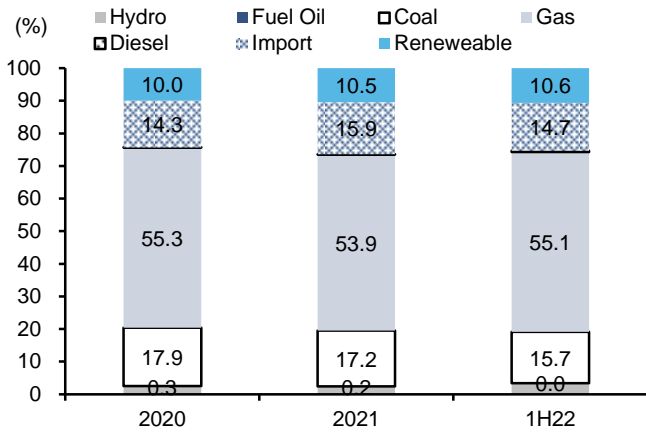
Exhibit 3: Imports of LNG



Source: EPPO

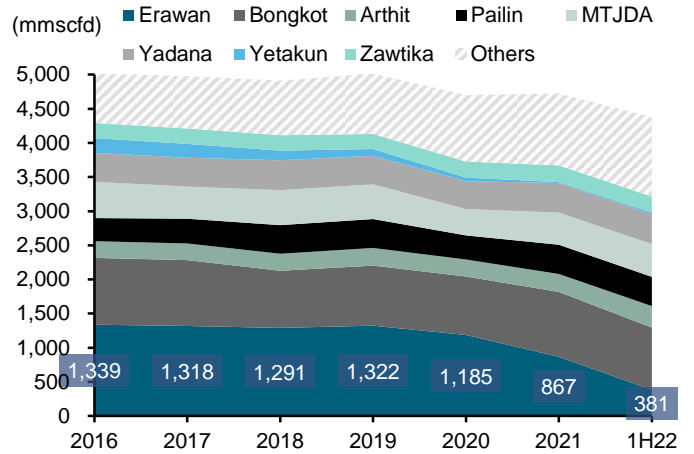
Although the Energy Regulatory Commission (ERC) plans to maximise electricity production from other fuels, including diesel, high sulphur fuel oil (HSFO), and hydropower plants, mostly imported from Laos, we believe Thailand still needs to import a significant amount of spot LNG in the range of 2mt and an additional 2.6mt of contract LNG in 2H22 to replace Erawan’s gas shortfall.

Exhibit 4: Thailand’s electricity production breakdown by power plant type



Source: EPPO

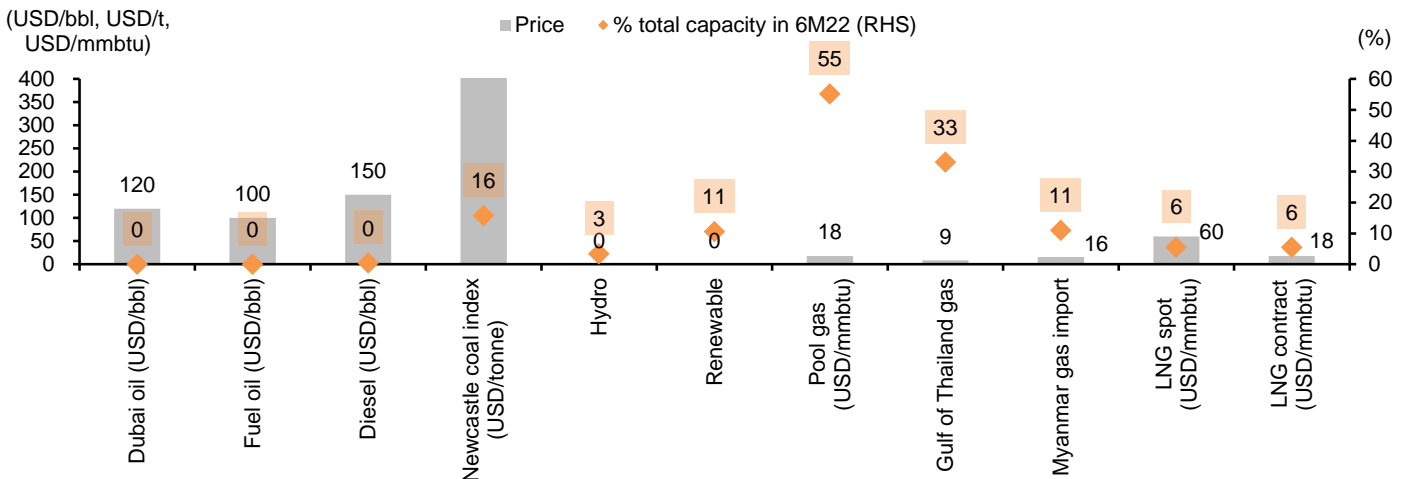
Exhibit 5: Thailand’s gas production breakdown by field



Source: EPPO

As gas-fired capacity accounts for 55% of Thailand’s total capacity as of 6M22, and spot LNG and contract LNG accounts for 6% of the total capacity, based on our estimate, we think the impact of the spike in the spot LNG price to USD56-60/mmbtu as of 24 Aug-22 and the contract LNG price – which is linked to the price of crude oil and the Henry Hub gas index – will be significant for the overall pool gas price and Thailand’s electricity tariff in 2023.

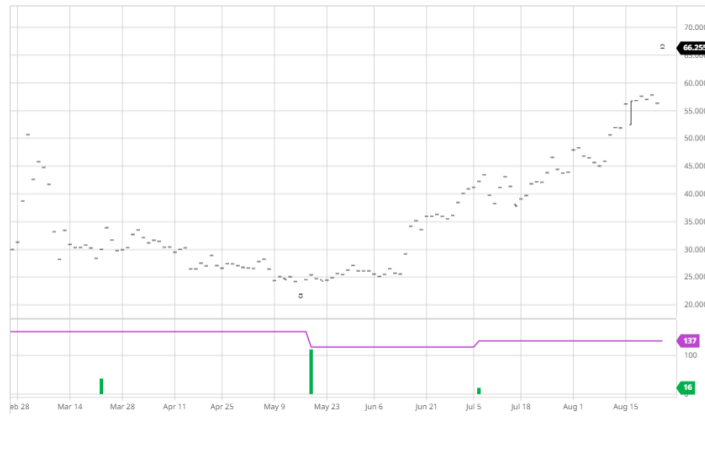
Exhibit 6: Estimated cost of electricity production vs energy prices



Sources: EPPO; Bloomberg; FSSIA estimates

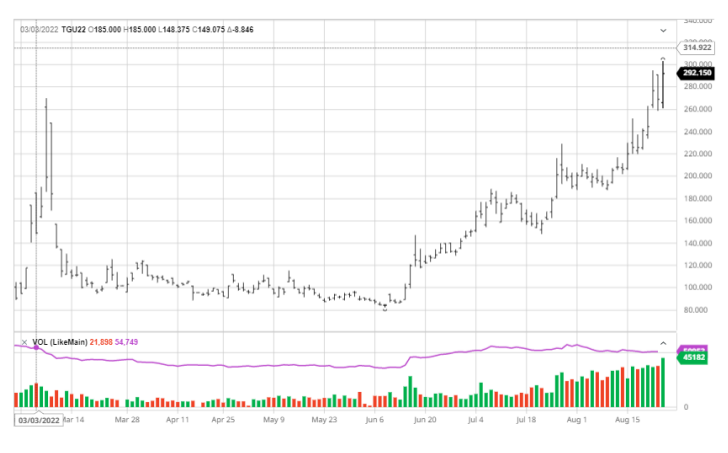
We estimate that global spot LNG prices will rise toward their record highs in the coming winter, led by the spike in the spot LNG prices in the European market. The two benchmark indexes for spot LNG prices in the European market already hit record highs on 24 Aug-22 as investors and buyers rush to re-stock their gas inventories ahead of the coming winter to replace the Russian gas supplies.

Exhibit 7: LNG swap futures based on South East Asia price for Oct-22 (JKMV22) has spiked to its record high at USD66.3/mmbtu



Source: [Barchart.com](https://www.barchart.com)

Exhibit 8: Dutch TTF gas futures for Sep-22 (TGU22) hit a record high level at over €306/MWh before dropping to €292/MWh as of 24 Aug 2022



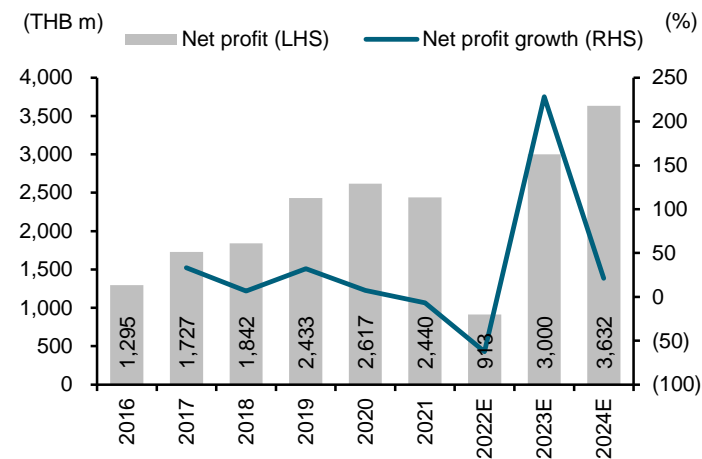
Source: [Barchart.com](https://www.barchart.com)

Higher gas cost more than offset by higher Ft and operational efficiency

Despite our projected higher gas cost from THB430/mmbtu in 1H22 to THB480/mmbtu in 2H22 – to bring the average gas cost to THB456/mmbtu in 2022 before declining to THB410/mmbtu in 2023 and THB389/mmbtu in 2024 – we believe BGRIM’s net profit will likely bottom in 2022 and rebound markedly in 2023-24.

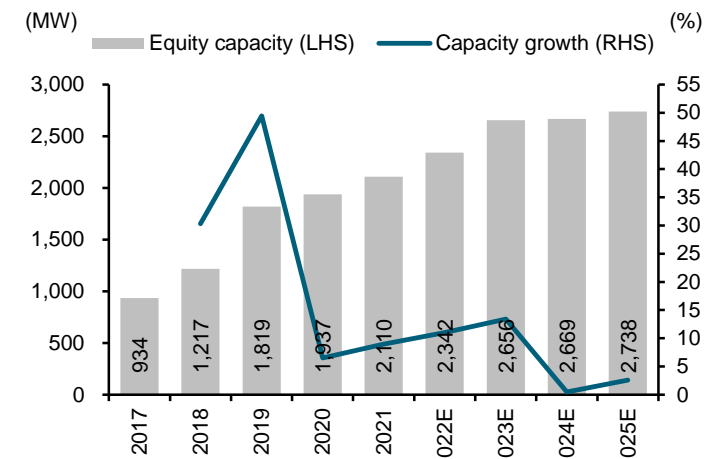
The key drivers would be the improving operational efficiency of its seven new SPPs, with five under SPP replacement power purchase agreements (PPAs), the higher projected electricity tariff driven by the higher Ft in 2H22-2024, and higher capacity growth, both organic (seven new SPPs) and from M&As. We now project BGRIM’s net profit to drop by 62.6% y-y in 2022 due to the impact of the mismatch of the higher gas cost and the rising Ft, estimated to rise by 228% y-y in 2023 to THB3b and 21% y-y to THB3.6b in 2024.

Exhibit 9: Net profit and net profit growth projections



Sources: BGRIM; FSSIA estimates

Exhibit 10: Equity capacity and equity capacity growth



Sources: BGRIM; FSSIA estimates

Three key catalysts to overcome the gas price hike. We project that the impact of a gas cost hike by THB236/mmbtu y-y to an average of THB456/mmbtu in 2022 would cost BGRIM up to THB4.3b in gas costs in 2022. Hence, we think BGRIM’s net profit will bottom in 2022 before rebounding remarkably in 2023-24, driven by three key factors.

SPP replacements and two new SPPs. In the next six quarters, BGRIM is expected to start up a series of six new SPPs, with one SPP, BPLC1, already commencing its commercial operation date (COD) in July. BPLC1 and four more SPPs will all be under SPP replacement PPAs (SPPR). These five SPPRs will use new turbine technology that will save on gas costs by up to 6-10%, based on management’s guidance.

Exhibit 11: SPPs with SPP replacement PPAs

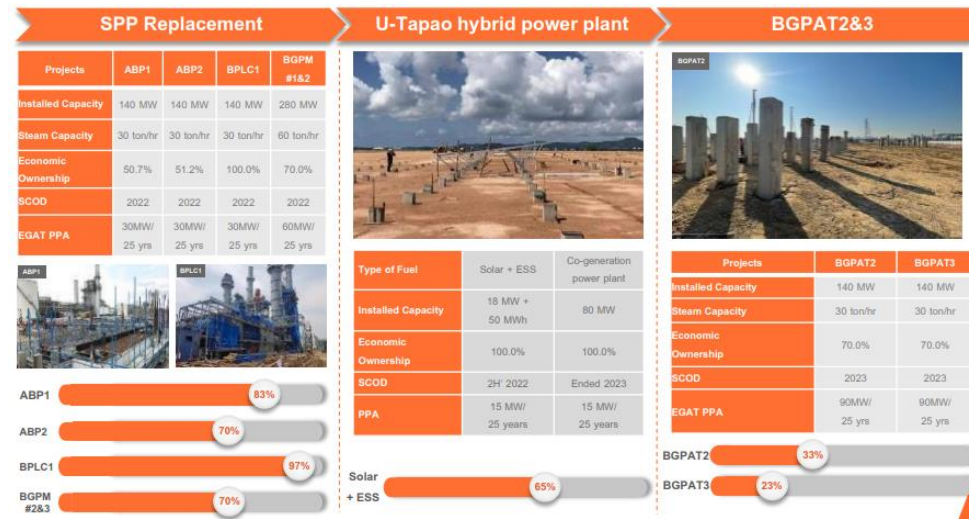
Project	Existing installed capacity				Contracted heat rate	New installed capacity				Contracted heat rate	SPP replacement PPA
	stake (%)	Power (MW)	Steam (tph)	Equity capacity (MW)		stake (%)	Power (MW)	Steam (tph)	Equity capacity (MW)		
BPLC1	100	103	46	103	8,600	100	140	46	140	7,409	Jul-22
ABP1	51	166	6	85	8,282	51	140	20	71	7,409	Sep-22E
ABP2	15	171	16	26	8,600	51	140	16	71	7,409	Sep-22E
BGPC #1	70	62	24	43.4	8,282	70	140	48	98	7,409	Dec-22E
BGPM #2	70	62	24	43.4	8,282	70	140	48	98	7,409	Dec-22E
Total	61	564	116	301	8,282	68	700	178	479	7,409	

Sources: BGRIM; FSSIA estimates

In addition, the five SPPRs will also sell a higher capacity of power and steam to IUs than the five SPPs they replace, with an additional 180MW capacity increase and up to a total of 440MW of electricity sold to IUs, up from 120MW from the five SPPs under the previous PPAs. These volumes of electricity sold to IUs should command higher gross margins in 2023 onward as we project the higher gas cost to be more than offset by the higher Ft-driven selling prices of electricity and the steam prices which are linked to the gas prices.

In 2023, BGRIM will commence the CODs of two new SPPs with new PPAs that will allow BGRIM to earn higher gross margins for gas consumption thanks to the higher efficiency of the gas turbines and power generators that will use 20% less gas to produce one unit of electricity.

Exhibit 12: Progress of BGRIM's growth projects



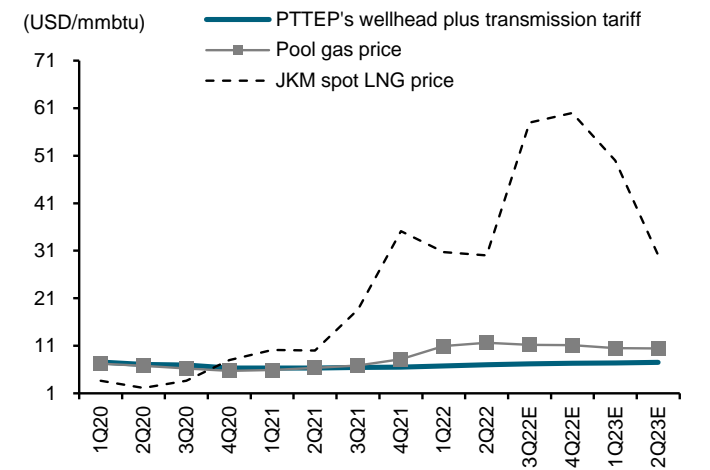
Source: BGRIM

Projected higher Ft in 2023. Even after three consecutive Ft increases of THB1.09/kWh in 2022, comprising a THB0.1671/kWh increase for Jan-Apr, THB0.2338/kWh for May-Aug, and THB0.69/kWh for Sep-Dec 2022, the national grid tariff remains far lower than the actual gas cost increase of THB210/mmbtu (+95% y-y).

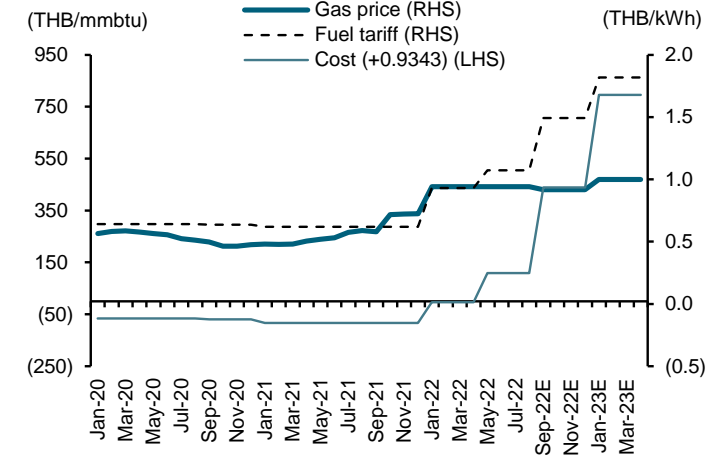
SPPs and the Electricity Generating Authority of Thailand (EGAT) would still incur losses despite the estimated THB1.8/kWh Ft increase in order to allow SPPs and EGAT to reach their breakeven levels.

Exhibit 13: PTTEP's gas price vs pool gas price vs JKM gas price

Exhibit 14: Gas price vs fuel tariff vs cost (+0.9343)



Sources: PTTEP; EGAT; PTT; FSSIA estimates



Sources: EGAT; PTT; FSSIA estimates

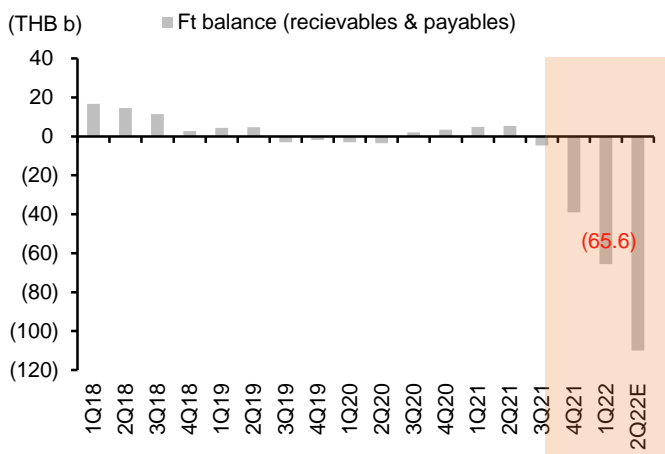
With the continued spikes in the spot LNG price to record highs, and the mandatory imports of spot LNG to ensure power and energy security for Thailand, we think that in 2023 the ERC will have to raise the Ft by up to THB1.0-2.0/kWh to allow EGAT to avoid potential financial distress.

As of 1Q22, EGAT's accumulated subsidy loss incurred from the mismatch between the gas cost hike and the Ft rise is overwhelmingly large at THB65b. We project that the loss has now ballooned to over THB100b as of Aug-22, and is likely to rise further to reach THB150b by 1Q23 as the THB0.69/kWh hike for Sep-Dec 2022 will likely be insufficient to cover the increase in the gas cost.

Hence, in our view, the ERC has no choice but to raise the Ft further in 2023 to prevent EGAT from entering into financial distress with insufficient cash flows to repay its interest expenses from THB137.8b in interest-bearing debts as of 1Q22.

The Ft increase, which we estimate to be in the range of THB1.0-2.0/kWh in 2023, would widen the gross margins of BGRIM's SPPs, particularly for the seven new SPPs with CODs in 2H22-2023.

Exhibit 15: EGAT's estimated subsidy loss



Sources: EGAT; FSSIA estimates

Exhibit 16: EGAT's balance sheet as of 1Q22

Assets & equity	THB m	Liabilities	THB m
Cash on hand	51.8	Short-term debt - loan	4.9
Ft receivable	65.6	Account payable to MoF	11.0
Current asset	206.6	Loan due within one year	9.4
Total assets	1,113.9	Current liabilities	143.2
Retained earnings	468.9	Long-term debt - loan	137.8
Total equity	479.6	Long-term debt - IF	16.1
Minority interest	47.9	Financial lease	239.9
Total shareholder's equity	527.5	Total liabilities	586.4

Source: EGAT

M&As remain a key growth driver in 2H22-2023. According to management, in 2H22-2024, BGRIM remains sanguine about the inorganic growth that should further strengthen its earnings growth and help it to achieve its target of 10GW by 2030 vs its current 4GW total installed capacity and 2.7GW equity capacity as of 2Q22. Major markets for capacity growth include renewable energy in South Korea, Cambodia, Malaysia, Vietnam, Indonesia, Laos, Myanmar, the Middle East, Australia and Europe.

Exhibit 17: BGRIM's capacity growth roadmap



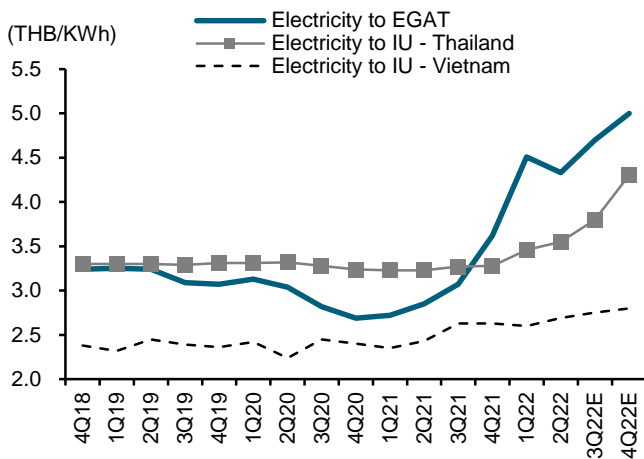
Source: BGRIM

3Q22 outlook remains bleak. Thanks to the rising gas cost, we expect BGRIM's core net profit in 3Q22 to remain weak in the range of THB0.1b-THB0.2b, flat q-q. The impact of the THB0.69/kWh Ft rise will affect BGRIM's selling prices for electricity sold to IUs only in Sep-22. However, in 4Q22, the full impact of the THB0.69/kWh Ft increase, which we estimate to add THB1.5b in revenue to BGRIM, should more than offset the projected THB40-50/mmbtu q-q increase in the gas cost, based on our estimate.

But the earnings outlook should greatly improve by 4Q22. We project BGRIM to see a meaningful improvement in earnings growth momentum in 4Q22 onward, driven by:

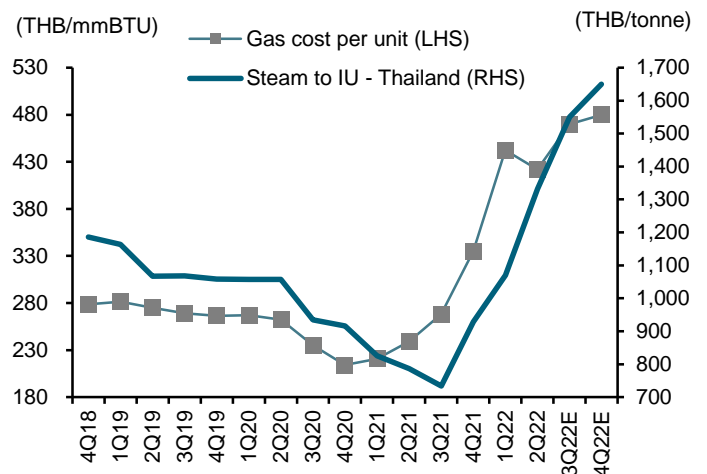
- 1) wider gross margins of SPPs due to the Ft hike that should outpace the gas cost rise;
- 2) gas cost savings by 6-10% from the seven new SPPs that are scheduled to sequentially come on stream in 2H22-2023;
- 3) higher volumes of electricity and steam sold to IUs, mainly from the seven new SPPs;
- 4) a y-y lower gas cost in 2023 due to the rising LNG supply from the US and the lower demand for heating in the EU after the winter season (Oct-22 to Apr-23).

Exhibit 18: Electricity selling prices to EGAT and IUs



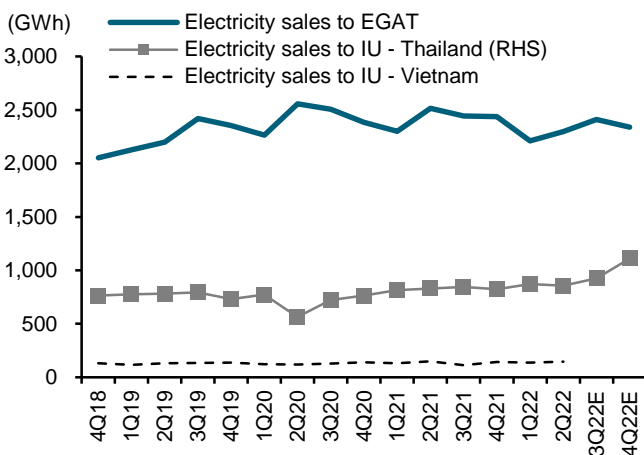
Sources: BGRIM; FSSIA estimates

Exhibit 19: Gas cost vs steam selling price



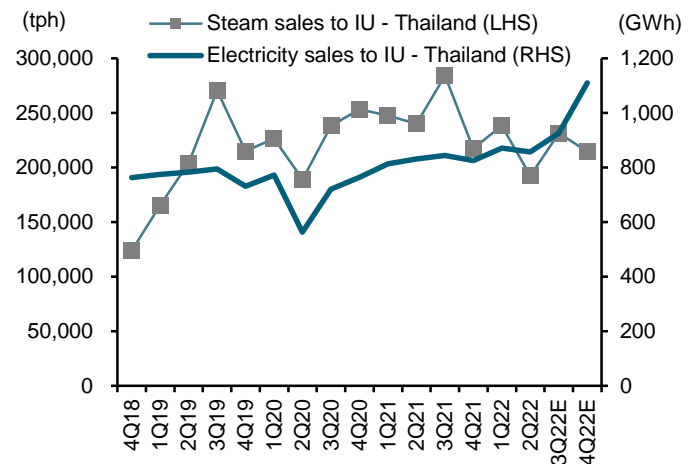
Sources: BGRIM; FSSIA estimates

Exhibit 20: Sales volumes of electricity and steam



Sources: BGRIM; FSSIA estimates

Exhibit 21: Sales volumes of electricity and steam to IUs



Sources: BGRIM; FSSIA estimates

EPS and target price revisions

We lower our EPS forecasts for 2022-24 by 39-75% to reflect 1) our higher oil price assumptions by 57-60% to USD120/110/110 per bbl in 2022-24; 2) our higher gas cost estimates by 23.6-30.4% to reflect the higher pool gas price due to higher imports of spot LNG; and 3) higher average tariff assumptions by 2-14%.

We trim our SoTP-based target price from THB44 to THB42, incorporating the impact of our EPS revisions and the valuation rollover to 2023. We believe BGRIM is a strong contender for growth on the mixed bag of global commodity prices, Thailand's electricity tariff hikes, and its endemic growth strategy to grow its capacity both organically (seven new SPPs) and inorganically (M&As).

Exhibit 22: Changes in key assumptions and EPS forecasts

	Current			Previous			Change		
	2022E	2023E	2024E	2022E	2023E	2024E	2022E	2023E	2024E
	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(%)	(%)	(%)
Revenue	75,712	89,878	92,242	71,472	86,357	88,905	5.9	4.1	3.8
Gross profit	13,879	19,361	21,675	19,087	24,132	25,982	(27.3)	(19.8)	(16.6)
Operating profit	5,539	9,925	12,042	10,899	14,823	16,469	(49.2)	(33.0)	(26.9)
Net profit	913	3,000	3,632	3,663	5,675	5,958	(75.1)	(47.1)	(39.0)
EPS (THB/share)	0.4	1.2	1.4	1.4	2.2	2	(75.1)	(47.1)	(39.0)
Key assumptions									
Utilisation rate (%)	92	93	94	92	93	94	0.0	0.0	0.0
Dispatched power (GWh)	12,778	11,504	11,510	12,778	11,504	11,510	0.0	0.0	0.0
Oil price (USD/bbl)	120	110	110	75	70	70	60.0	57.1	57.1
Average tariff (THB/kWh)	3.99	3.74	4.05	3.49	3.67	4	14.3	1.9	5.2
Gas price (THB/mmbtu)	456	410	389	349	332	314	30.4	23.6	23.6

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

Sources: BGRIM; FSSIA estimates

Exhibit 23: SoTP target price

Cost of equity assumptions		(%)		Cost of debt assumptions		(%)	
Risk-free rate		2.3		Pretax cost of debt		4.2	
Market risk premium		8.0		Marginal tax rate		20.0	
Stock beta		0.60					
Cost of equity, Ke		7.1		Net cost of debt, Kd		3.4	
Weight applied		26.2		Weight applied		73.8	
		0.0					
WACC (%)		4.3					
DCF valuation estimate		(MW)		Equity Capacity (MW)		(THB/share)	
SPP	Amata Nakorn (ABP1-5)	732	38	277	6.8		
	ABP1&2 and BPLC1	420	51	214	6.4		
	Amata City (ABPR1-5)	646	58	375	27.4		
	Leam Chabang (BPLC1-2)	159	100	159	2.8		
	Bangkadi (BIP1-2)	230	74	170	2.6		
	SPP1	124	100	124	7.1		
	Amata City Bien Hoa	13	31	4	0.2		
	Hemraj	130	75	98	4.6		
	BGPR1&2	240	60	144	7.9		
	Solar Vietnam (Dau Tieng)	420	51	214	3.3		
	Solar Vietnam (Hoa Hoi)	257	80	206	3.2		
	VSPP	Solar Thailand	115	52	60	1.3	
		Hydropower	133	71	95	2.3	
Wind		16	94	15	0.5		
Solar Cambodia		39	100	15	1.4		
	Net debt				(36.0)		
	Residual ordinary equity				42.0		

Sources: BGRIM; FSSIA estimates

Financial Statements

B.Grimm Power

Profit and Loss (THB m) Year Ending Dec	2020	2021	2022E	2023E	2024E
Revenue	44,087	46,628	75,712	89,878	92,242
Cost of goods sold	(29,354)	(32,796)	(61,833)	(70,517)	(70,567)
Gross profit	14,733	13,833	13,879	19,361	21,675
Other operating income	-	-	-	-	-
Operating costs	(2,039)	(1,673)	(2,716)	(3,225)	(3,309)
Operating EBITDA	12,694	12,160	11,163	16,136	18,365
Depreciation	(5,494)	(5,139)	(5,623)	(6,211)	(6,323)
Goodwill amortisation	0	0	0	0	0
Operating EBIT	7,200	7,021	5,539	9,925	12,042
Net financing costs	(3,520)	(3,537)	(4,262)	(4,546)	(4,588)
Associates	58	44	224	228	211
Recurring non-operating income	751	396	424	428	411
Non-recurring items	(442)	(164)	0	0	0
Profit before tax	3,989	3,715	1,702	5,806	7,864
Tax	(233)	(298)	(81)	(351)	(562)
Profit after tax	3,755	3,417	1,621	5,455	7,302
Minority interests	(1,581)	(1,141)	(707)	(2,456)	(3,670)
Preferred dividends	0	0	0	0	0
Other items	-	-	-	-	-
Reported net profit	2,175	2,276	913	3,000	3,632
Non-recurring items & goodwill (net)	442	164	0	0	0
Recurring net profit	2,617	2,440	913	3,000	3,632
Per share (THB)					
Recurring EPS *	1.00	0.94	0.35	1.15	1.39
Reported EPS	0.83	0.87	0.35	1.15	1.39
DPS	0.45	0.42	0.53	1.00	1.00
Diluted shares (used to calculate per share data)	2,607	2,607	2,607	2,607	2,607
Growth					
Revenue (%)	(0.1)	5.8	62.4	18.7	2.6
Operating EBITDA (%)	15.7	(4.2)	(8.2)	44.6	13.8
Operating EBIT (%)	14.0	(2.5)	(21.1)	79.2	21.3
Recurring EPS (%)	7.5	(6.8)	(62.6)	228.4	21.1
Reported EPS (%)	(6.7)	4.6	(59.9)	228.4	21.1
Operating performance					
Gross margin inc. depreciation (%)	21.0	18.6	10.9	14.6	16.6
Gross margin of key business (%)	21.0	18.6	10.9	14.6	16.6
Operating EBITDA margin (%)	28.8	26.1	14.7	18.0	19.9
Operating EBIT margin (%)	16.3	15.1	7.3	11.0	13.1
Net margin (%)	5.9	5.2	1.2	3.3	3.9
Effective tax rate (%)	5.9	8.1	5.5	6.3	7.3
Dividend payout on recurring profit (%)	44.8	44.9	151.3	86.9	71.8
Interest cover (X)	2.3	2.1	1.4	2.3	2.7
Inventory days	12.4	11.2	8.3	10.1	10.8
Debtor days	57.8	61.8	51.8	59.2	74.4
Creditor days	148.6	63.1	48.5	59.4	63.3
Operating ROIC (%)	7.8	6.4	4.5	7.0	7.5
ROIC (%)	6.9	5.4	3.9	6.1	6.5
ROE (%)	9.4	8.6	3.1	9.9	11.4
ROA (%)	5.6	4.6	3.2	5.3	6.2
* Pre-exceptional, pre-goodwill and fully diluted					
Revenue by Division (THB m)					
Electricity generation	44,087	46,628	75,712	89,878	92,242
Others business	0	0	0	0	0

Sources: B.Grimm Power; FSSIA estimates

Financial Statements

B.Grimm Power

Cash Flow (THB m) Year Ending Dec	2020	2021	2022E	2023E	2024E
Recurring net profit	2,617	2,440	913	3,000	3,632
Depreciation	5,494	5,139	5,623	6,211	6,323
Associates & minorities	58	44	224	228	211
Other non-cash items	-	-	-	-	-
Change in working capital	(12,068)	(3,772)	(1,052)	(3,759)	(4,415)
Cash flow from operations	(3,898)	3,851	5,709	5,680	5,751
Capex - maintenance	(101)	(102)	(100)	(100)	(100)
Capex - new investment	(13,562)	(9,541)	(17,900)	(17,900)	(17,900)
Net acquisitions & disposals	(465)	1,839	0	0	0
Other investments (net)	1,024	(1,553)	224	228	211
Cash flow from investing	(13,104)	(9,357)	(17,776)	(17,772)	(17,789)
Dividends paid	(1,173)	(1,095)	(782)	(1,303)	(2,607)
Equity finance	0	0	0	0	0
Debt finance	15,230	17,692	11,548	2,000	0
Other financing cash flows	(328)	(3,707)	260	2,001	3,250
Cash flow from financing	13,729	12,890	11,025	2,697	643
Non-recurring cash flows	-	-	-	-	-
Other adjustments	0	0	0	0	0
Net other adjustments	0	0	0	0	0
Movement in cash	(3,274)	7,385	(1,042)	(9,395)	(11,396)
Free cash flow to firm (FCFF)	(13,816.44)	(1,211.98)	(7,805.62)	(7,546.55)	(7,450.54)
Free cash flow to equity (FCFE)	(2,100.66)	8,479.58	(259.77)	(8,091.98)	(8,789.15)

Per share (THB)

FCFF per share	(5.30)	(0.46)	(2.99)	(2.89)	(2.86)
FCFE per share	(0.81)	3.25	(0.10)	(3.10)	(3.37)
Recurring cash flow per share	3.13	2.92	2.59	3.62	3.90

Balance Sheet (THB m) Year Ending Dec	2020	2021	2022E	2023E	2024E
Tangible fixed assets (gross)	114,469	123,187	141,187	159,187	177,187
Less: Accumulated depreciation	(34,169)	(38,383)	(44,006)	(50,218)	(56,541)
Tangible fixed assets (net)	80,300	84,804	97,180	108,969	120,645
Intangible fixed assets (net)	12,949	13,587	13,587	13,587	13,587
Long-term financial assets	-	-	-	-	-
Invest. in associates & subsidiaries	1,070	2,909	2,909	2,909	2,909
Cash & equivalents	20,389	27,774	26,732	17,336	5,940
A/C receivable	6,818	8,983	12,498	16,672	20,954
Inventories	1,033	971	1,831	2,088	2,090
Other current assets	1,638	3,330	5,407	6,419	6,588
Current assets	29,879	41,058	46,468	42,515	35,571
Other assets	6,498	6,839	6,839	6,839	6,839
Total assets	130,696	149,198	166,984	174,819	179,552
Common equity	27,470	29,471	29,603	31,299	32,324
Minorities etc.	11,834	11,344	12,052	14,507	18,178
Total shareholders' equity	39,304	40,816	41,654	45,806	50,501
Long term debt	57,256	89,241	99,241	99,241	99,241
Other long-term liabilities	7,143	6,418	6,417	6,417	6,417
Long-term liabilities	64,399	95,658	105,658	105,658	105,658
A/C payable	5,641	5,691	10,729	12,236	12,244
Short term debt	20,745	6,452	8,000	10,000	10,000
Other current liabilities	607	581	943	1,119	1,149
Current liabilities	26,993	12,724	19,672	23,355	23,393
Total liabilities and shareholders' equity	130,696	149,198	166,984	174,819	179,552
Net working capital	3,242	7,013	8,065	11,824	16,239
Invested capital	104,059	115,152	128,581	144,128	160,220

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

Per share (THB)

Book value per share	10.54	11.31	11.36	12.01	12.40
Tangible book value per share	5.57	6.09	6.14	6.79	7.19

Financial strength

Net debt/equity (%)	146.6	166.4	193.3	200.6	204.6
Net debt/total assets (%)	44.1	45.5	48.2	52.6	57.5
Current ratio (x)	1.1	3.2	2.4	1.8	1.5
CF interest cover (x)	4.3	6.1	5.1	3.2	3.0

Valuation	2020	2021	2022E	2023E	2024E
Recurring P/E (x) *	36.4	39.0	104.2	31.7	26.2
Recurring P/E @ target price (x) *	41.8	44.9	119.9	36.5	30.1
Reported P/E (x)	43.8	41.8	104.2	31.7	26.2
Dividend yield (%)	1.2	1.2	1.5	2.7	2.7
Price/book (x)	3.5	3.2	3.2	3.0	2.9
Price/tangible book (x)	6.6	6.0	5.9	5.4	5.1
EV/EBITDA (x) **	13.0	14.3	16.8	12.5	11.8
EV/EBITDA @ target price (x) **	14.1	15.5	18.1	13.4	12.6
EV/invested capital (x)	1.6	1.5	1.5	1.4	1.4

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

Sources: B.Grimm Power; FSSIA estimates

Corporate Governance report of Thai listed companies 2021

EXCELLENT LEVEL – Score range 90-100										
AAV	BCPG	CPALL	GCAP	K	MSC	PLANET	SAMART	SPI	THRE	TVD
ADVANC	BDMS	CPF	GFPT	KBANK	MST	PLAT	SAMTEL	SPRC	THREL	TVI
AF	BEM	CPI	GGC	KCE	MTC	PORT	SAT	SPVI	TIPCO	TVO
AH	BGC	CPN	GLAND	KKP	MVP	PPS	SC	SSSC	TISCO	TWPC
AIRA	BGRIM	CRC	GLOBAL	KSL	NCL	PR9	SCB	SST	TK	U
AKP	BIZ	CSS	GPI	KTB	NEP	PREB	SCC	STA	TKT	UAC
AKR	BKI	DDD	GPSC	KTC	NER	PRG	SCCC	STEC	TMT	UBIS
ALT	BOL	DELTA	GRAMMY	LALIN	NKI	PRM	SCG	STI	TNDT	UV
AMA	BPP	DEMCO	GULF	LANNA	NOBLE	PROUD	SCGP	SUN	TNITY	VGI
AMATA	BRR	DRT	GUNKUL	LH	NSI	DRS	SCM	SUSCO	TOA	VIH
AMATAV	BTS	DTAC	HANA	LHFG	NVD	PSL	SDC	SUTHA	TOP	WACOAL
ANAN	BTW	DUSIT	HARN	LIT	NWR	PTG	SEAFCO	SVI	TPBI	WAVE
AOT	BWG	EA	HMPRO	LPN	NYT	PTT	SEAOIL	SYMC	TQM	WHA
AP	CENTEL	EASTW	ICC	MACO	OISHI	PTTEP	SE-ED	SYNTEC	TRC	WHAUP
ARIP	CFRESH	ECF	ICHI	MAJOR	OR	PTTGC	SELIC	TACC	TRU	WICE
ARROW	CHEWA	ECL	III	MAKRO	ORI	PYLON	SENA	TASCO	TRUE	WINNER
ASP	CHO	EE	ILINK	MALEE	OSP	Q-CON	SHR	TCAP	TSC	ZEN
AUCT	CIMBT	EGCO	ILM	MBK	OTO	QH	SIRI	TEAMG	TSR	
AWC	CK	EPG	INTUCH	MC	PAP	QTC	SIS	TFMAMA	TSTE	
AYUD	CKP	ETC	IP	MCOT	PCSGH	RATCH	SITHAI	TGH	TSTH	
BAFS	CM	FPI	IRPC	METCO	PDG	RS	SMK	THANA	TTA	
BANPU	CNT	FPT	ITEL	MFEC	PDJ	S	SMPC	THANI	TTB	
BAY	COM7	FSMART	IVL	MINT	PG	S & J	SNC	THCOM	TTCL	
BBL	COMAN	GBX	JSP	MONO	PHOL	SAAM	SONIC	THG	TTW	
BCP	COTTO	GC	JWD	MOONG	PLANB	SABINA	SPALI	THIP	TU	
VERY GOOD LEVEL – Score range 80-89										
2S	ASIMAR	CHOW	FLOYD	IT	LOXLEY	OCC	RPC	SKY	TCC	TVT
7UP	ASK	CI	FN	ITD	LRH	OGC	RT	SLP	TCMC	TWP
ABICO	ASN	CIG	FNS	J	LST	PATO	RWI	SMIT	TEAM	UEC
ABM	ATP30	CMC	FORTH	JAS	M	PB	S11	SMT	TFG	UMI
ACE	B	COLOR	FSS	JCK	MATCH	PICO	SA	SNP	TFI	UOBKH
ACG	BA	CPL	FTE	JCKH	MBAX	PIMO	SAK	SO	TIGER	UP
ADB	BAM	CPW	FVC	JMART	MEGA	PJW	SALEE	SORKON	TITLE	UPF
AEONTS	BC	CRD	GEL	JMT	META	PL	SAMCO	SPA	TKN	UPOIC
AGE	BCH	CSC	GENCO	KBS	MFC	PM	SANKO	SPC	TKS	UTP
AHC	BEC	CSP	GJS	KCAR	MGT	PMTA	SAPPE	SPCG	TM	VCOM
AIT	BEYOND	CWT	GYT	KEX	MICRO	PPP	SAWAD	SR	TMC	VL
ALL	BFIT	DCC	HEMP	KGI	MILL	PPPM	SCI	SRICHA	TMD	VPO
ALLA	BJC	DCON	HPT	KIAT	MITSIB	PRIME	SCN	SSC	TMI	VRANDA
ALUCON	BJCHI	DHOUSE	HTC	KISS	MK	PRIN	SCP	SSF	TMILL	WGE
AMANAH	BLA	DOD	HYDRO	KOOL	MODERN	PRINC	SE	STANLY	TNL	WIJK
AMARIN	BR	DOHOME	ICN	KTIS	MTI	PSG	SFLEX	STGT	TNP	WP
APCO	BROOK	DV8	IFS	KUMWEL	NBC	PSTC	SFP	STOWER	TOG	XO
APCS	CBG	EASON	IMH	KUN	NCAP	PT	SFT	STPI	TPA	XPG
APURE	CEN	EFORL	IND	KWC	NCH	QLT	SGF	SUC	TPAC	YUASA
AQUA	CGH	ERW	INET	KWM	NETBAY	RBF	SIAM	SWC	TPCS	
ASAP	CHARAN	ESSO	INSET	L&E	NEX	RCL	SINGER	SYNEX	TPS	
ASEFA	CHAYO	ESTAR	INSURE	LDC	NINE	RICHY	SKE	TAE	TRITN	
ASIA	CHG	ETE	IRC	LEO	NRF	RML	SKN	TAKUNI	TRT	
ASIAN	CHOTI	FE	IRCP	LHK	NTV	ROJNA	SKR	TBSP	TSE	
GOOD LEVEL – Score range 70-79										
A	BGT	CITY	GIFT	JTS	MDX	PK	SGP	SUPER	TQR	YGG
AI	BH	CMAN	GLOCON	JUBILE	MJD	PLE	SICT	SVOA	TTI	ZIGA
AIE	BIG	CMO	GREEN	KASET	MORE	PPM	SIMAT	TC	TYCN	
AJ	BLAND	CMR	GSC	KCM	MUD	PRAKIT	SISB	TCCC	UKEM	
ALPHAX	BM	CPT	GTB	KK	NC	PRAPAT	SK	THMUI	UMS	
AMC	BROCK	CRANE	HTECH	KKC	NDR	PRECHA	SMART	TNH	UNIQ	
APP	BSBM	CSR	HUMAN	KWI	NFC	PTL	SOLAR	TNR	UPA	
AQ	BSM	D	IHL	KYE	NNCL	RJH	SPACK	TOPP	UREKA	
ARIN	BTNC	EKH	IIG	LEE	NOVA	RP	SPG	TPCH	VIBHA	
AS	BYD	EMC	INGRS	LPH	NPK	RPH	SQ	TPIPL	W	
AU	CAZ	EP	INOX	MATI	NUSA	RSP	SSP	TIPIP	WIN	
B52	CCP	F&D	JAK	M-CHAI	PAF	SABUY	STARK	TPLAS	WORK	
BEAUTY	CGD	FMT	JR	MCS	PF	SF	STC	TPOLY	WPH	

Disclaimer:

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* 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

Sources: Thai Institute of Directors Association (IOD); FSSIA's compilation; data as of 26 October 2021

Anti-corruption Progress Indicator

CERTIFIED										
2S	BCH	CPALL	GC	K	MFC	PE	QLT	SNP	THCOM	TU
7UP	BCP	CPF	GCAP	KASET	MFEC	PG	QTC	SORKON	THIP	TVD
ADVANC	BCPG	CPI	GEL	KBANK	MILL	PHOL	RATCH	SPACK	THRE	TVI
AF	BE8	CPN	GFPT	KBS	MINT	PK	RML	SPALI	THREL	TVO
AI	BEYOND	CSC	GGC	KCAR	MONO	PL	RWI	SPC	TIDLOR	TWPC
AIE	BGC	DCC	GJS	KCE	MOONG	PLANB	S & J	SPI	TIPCO	U
AIRA	BGRIM	DELTA	GPI	KGI	MSC	PLANET	SAAM	SPRC	TISCO	UBE
AKP	BJCHI	DEMCO	GPSC	KKP	MST	PLAT	SABINA	SRICHA	TKS	UBIS
ALPHAX	BKI	DIMET	GSTEEL	KSL	MTC	PM	SAPPE	SSF	TKT	UEC
AMA	BLA	DRT	GUNKUL	KTB	MTI	PPP	SAT	SSP	TMD	UKEM
AMANAHA	BPP	DTAC	HANA	KTC	NBC	PPPM	SC	SSSC	TMILL	UOBKH
AMATA	BROOK	DUSIT	HARN	KWC	NEP	PPS	SCB	SST	TMT	UPF
AMATAV	BRR	EA	HEMP	KWI	NINE	PR9	SCC	STA	TNITY	UV
AP	BSBM	EASTW	HENG	L&E	NKI	PREB	SCCC	STOWER	TNL	VGI
APCS	BTS	ECL	HMPRO	LANNA	NMG	PRG	SCG	SUSCO	TNP	VIH
AQUA	BWG	EGCO	HTC	LH	NNCL	PRINC	SCN	SVI	TNR	WACOAL
ARROW	CEN	EP	ICC	LHFG	NOBLE	PRM	SEAOIL	SYMC	TOG	WHA
AS	CENTEL	EPG	ICHI	LHK	NOK	PROS	SE-ED	SYNTEC	TOP	WHAUP
ASIAN	CFRESH	ERW	IFEC	LPN	NSI	PSH	SELIC	TAE	TOPP	WICE
ASK	CGH	ESTAR	IFS	LRH	NWR	PSL	SENA	TAKUNI	TPA	WIJK
ASP	CHEWA	ETE	ILINK	M	OCC	PSTC	SGP	TASCO	TPP	XO
AWC	CHOTI	FE	INET	MAKRO	OGC	PT	SINGER	TBSP	TRU	ZEN
AYUD	CHOW	FNS	INSURE	MALEE	ORI	PTG	SIRI	TCAP	TRUE	
B	CIG	FPI	INTUCH	MATCH	PAP	PTT	SITHAI	TCMC	TSC	
BAFS	CIMBT	FPT	IRC	MBAX	PATO	PTTEP	SKR	TFG	TSTE	
BAM	CM	FSMART	IRPC	MBK	PB	PTTGC	SMIT	TFI	TSTH	
BANPU	CMC	FSS	ITEL	MC	PCSGH	PYLON	SMK	TFMAMA	TTA	
BAY	COM7	FTE	IVL	MCOT	PDG	Q-CON	SMPC	TGH	TTB	
BBL	COTTO	GBX	JKN	META	PDJ	QH	SNC	THANI	TTCL	
DECLARED										
AJ	CHG	DDD	ETC	JR	MAJOR	NUSA	RS	SSS	TQM	YUASA
ALT	CPL	DHOUSE	FLOYD	JTS	NCAP	NYT	SAK	STECH	TSI	ZIGA
APCO	CPR	DOHOME	GULF	KEX	NCL	OR	SCGP	STGT	VARO	
B52	CPW	ECF	III	KUMWEL	NOVA	PIMO	SCM	TKN	VCOM	
BEC	CRC	EKH	INOX	LDC	NRF	PLE	SIS	TMI	VIBHA	

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 26 October 2021) are categorised into: 1) companies that have declared their intention to join CAC, and; 2) companies certified by CAC.

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

GENERAL DISCLAIMER

ANALYST(S) CERTIFICATION

Suwat Sinsadok, CFA, FRM, ERP FSS International Investment Advisory Securities Co., Ltd

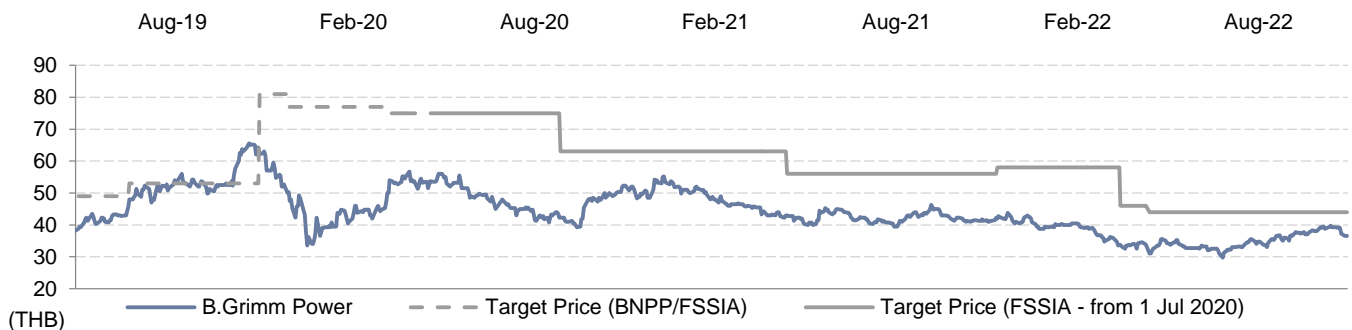
The individual(s) identified above certify(ies) that (i) all views expressed in this report accurately reflect the personal view of the analyst(s) with regard to any and all of the subject securities, companies or issuers mentioned in this report; and (ii) no part of the compensation of the analyst(s) 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

B.Grimm Power (BGRIM TB)



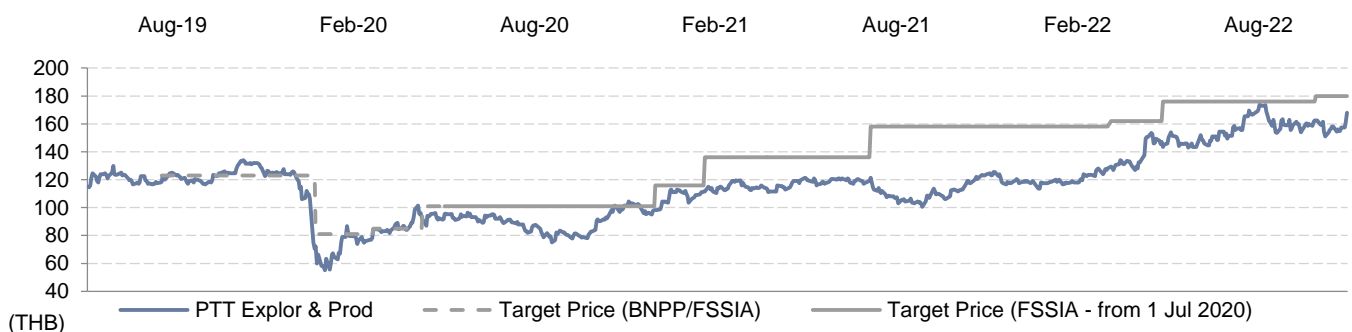
Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
28-Aug-2019	BUY	49.00	22-May-2020	BUY	75.00	09-Feb-2022	BUY	46.00
11-Oct-2019	BUY	53.00	15-Oct-2020	BUY	63.00	04-Mar-2022	BUY	44.00
31-Jan-2020	BUY	81.00	28-Apr-2021	BUY	56.00			
25-Feb-2020	BUY	77.00	26-Oct-2021	BUY	58.00			

Suwat Sinsadok, CFA, FRM, ERP started covering this stock from 26-Jun-2020

Price and TP are in local currency

Source: FSSIA estimates

PTT Explor & Prod (PTTEP TB)



Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
29-Oct-2019	HOLD	123.00	12-Jun-2020	BUY	101.00	28-Jan-2022	BUY	162.00
11-Mar-2020	HOLD	81.00	30-Dec-2020	BUY	116.00	16-Mar-2022	BUY	176.00
26-Mar-2020	BUY	81.00	11-Feb-2021	BUY	136.00	27-Jul-2022	BUY	180.00
30-Apr-2020	BUY	85.00	05-Jul-2021	BUY	158.00			

Suwat Sinsadok, CFA, FRM, ERP started covering this stock from 12-Jun-2020

Price and TP are in local currency

Source: FSSIA estimates

Company	Ticker	Price	Rating	Valuation & Risks
B.Grimm Power	BGRIM TB	THB 36.50	BUY	The downside risks to our SoTP-based TP include 1) lower-than-expected demand for electricity in Thailand, 2) a lower crude price, and 3) unplanned shutdowns of its SPPs.
PTT Explor & Prod	PTTEP TB	THB 168.00	BUY	Risks our TP, which is based on EV/EBITDA, are a sharp decline in oil price and a potential earnings downside from government intervention.

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 24-Aug-2022 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.