

Management Discussion and Analysis  
For the Operating Results of 3Q2021



Global Green Chemicals Public Company Limited



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## Executive Summary

As for performance in 3Q2021, Global Green Chemicals Public Company Limited (“the Company”) recorded the total revenue of THB 4,986 million, rose by 30% from 3Q2020 and Adjusted EBITDA of THB 327 million, rose by 5% from the previous year. In addition, the Company had a Stock Gain & NRV of THB 132 million, as a result, the Company posted the net profit of THB 244 million (or profit per share of THB 0.24), improved by THB 145 million or 146% from 3Q2020.

For the performance of the first 9 months of 2021 compared to same period of the previous year, the Company earned revenue from sales of products of THB 14,762 million, rose by 13%, recorded EBITDA of THB 928 million, improved by 98%, and Adjusted EBITDA of THB 753, decreased by 8%. In 9M2021, Net profit was recorded at THB 418 million compared to 9M2020 with net loss at THB 6 million.

In 3Q2021, the Company had methyl ester (ME) sales volume decreased by 29% compared to 3Q2020, stood at 75,228 tons, due to the demand for diesel in energy sector contracted which affected by the COVID-19 pandemic causing the Thai government to extend the period of the emergency decree until the end of August together with entering the monsoon season. Even though, the Thai government announced the biodiesel mandatory change from B7 to B10, the growth of biodiesel consumption could not be reached to the expectation. However, the average methyl ester selling price considerably escalated, followed CPO price owing to the CPO stock dropped from level of 448,771 tons at the end of 3Q2020 to 287,069 tons at the end of 3Q2021 caused by less output production in the harvest season. In addition, the global price is higher than domestic price causing more exports. Nevertheless, the sales revenue of methyl ester increased by 16% compared to the same period of the prior year.

The sales volume of fatty alcohols in 3Q2021 increased by 8% from 3Q2020 mainly because the Company had to shut down the fatty alcohols plant for catalyst changing during 1 - 14 September 2020 to solve a problem with the machine that was causing the production not to be able to reach its full capacity during that time. Meanwhile, an average price of fatty alcohols rose by 50%, followed by raw material price due to the international CPKO stock being dropped from the previous year, which affected by the COVID-19 pandemic, causing labor shortage to harvest and less output production. As a result, the Company’s revenue of fatty alcohols rose by 71% compared to the previous year.

As of September 30, 2021, the Company has total assets in the amount of THB 13,014 million which comprised of cash and short-term investment amounting to THB 2,304 million, with total liabilities of THB 2,961 million and total equities of THB 10,053 million.

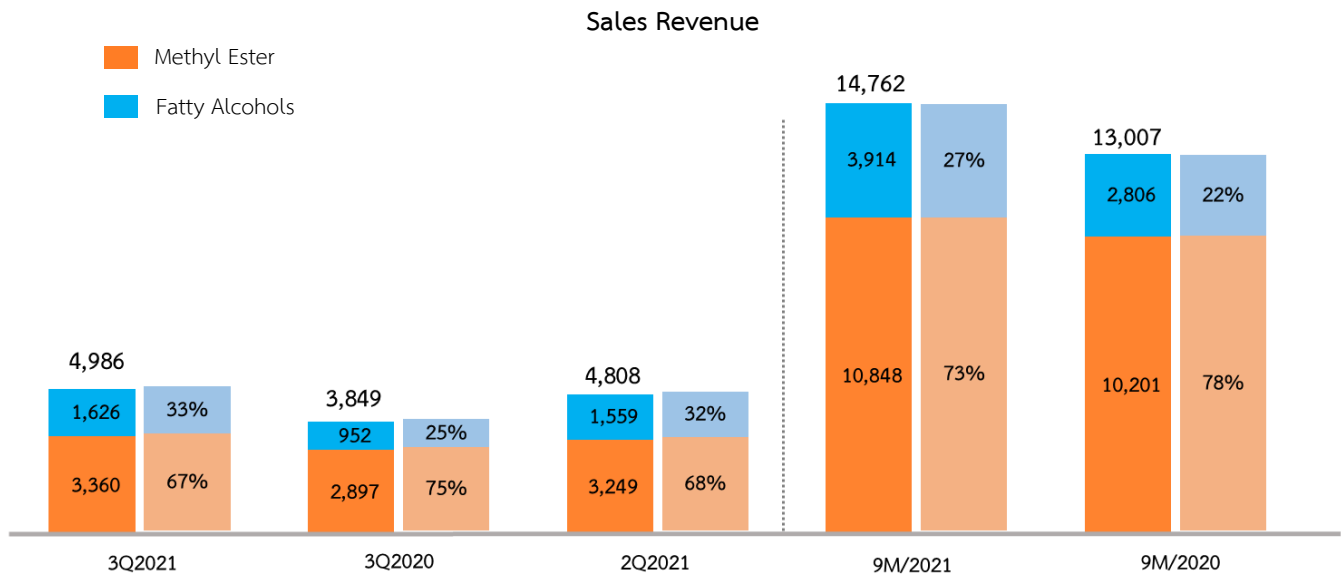
## Operating Performance

Exhibit 1: Consolidated Company's Performance comparison of 3Q2021 vs. 3Q2020 vs. 2Q2021 vs. 9M2021 vs. 9M2020

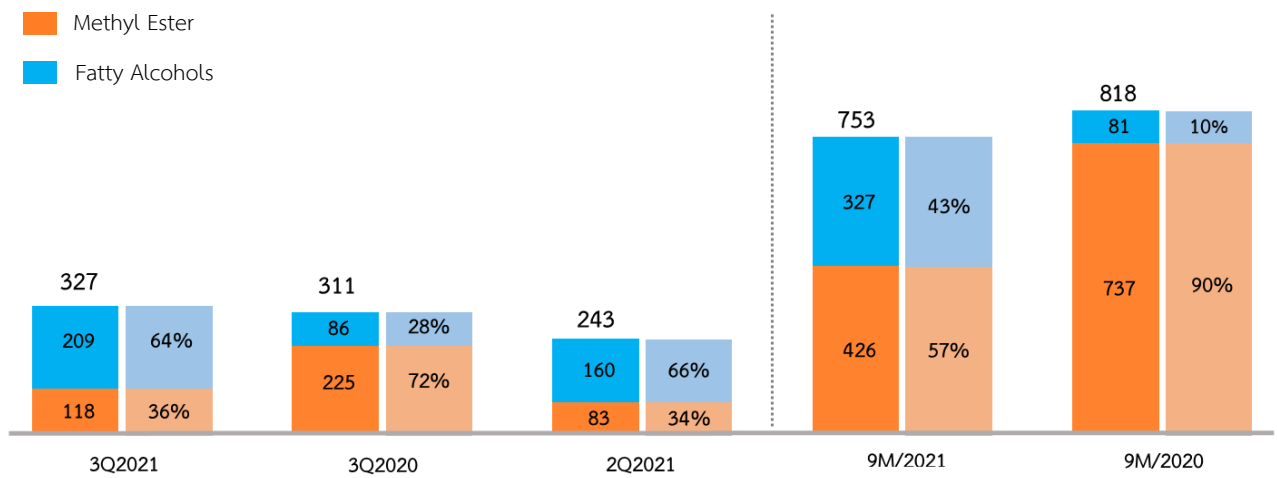
UNIT: Million Baht	3Q2021	3Q2020	% YoY	2Q2021	& QoQ	9M2021	9M2020	% YoY
Sales Revenue	4,986	3,849	30%	4,808	4%	14,762	13,007	13%
EBITDA	459	243	89%	219	110%	928	468	98%
EBITDA Margin (%)	9.2%	6.3%	2.9%	4.6%	4.6%	6.3%	3.6%	2.7%
Stock Gain/(Loss) & NRV	132	-68	294%	-24	650%	175	-350	150%
Adjusted EBITDA <sup>(1)</sup>	327	311	5%	243	35%	753	818	-8%
Adjusted EBITDA Margin (%)	6.6%	8.1%	-1.5%	5.1%	1.5%	5.1%	6.3%	-1.2%
<b>Net Profit</b>	<b>244</b>	<b>99</b>	<b>146%</b>	<b>80</b>	<b>205%</b>	<b>418</b>	<b>-6</b>	<b>7,067%</b>
<b>EPS (Baht/Share)</b>	<b>0.24</b>	<b>0.10</b>	<b>140%</b>	<b>0.08</b>	<b>200%</b>	<b>0.41</b>	<b>-0.01</b>	<b>4,200%</b>

Note: (1) Adjusted EBITDA refers to EBITDA excluding impact of Stock Gain/(Loss) and NRV

Exhibit 2 : Sales revenue and Adjusted EBITDA breakdown by business unit comparison of 3Q2021 vs. 3Q2020 vs. 2Q2021 vs. 9M2021 vs. 9M2020 (million THB)



### Adjusted EBITDA



## Operating Performance by Business Unit

### Methyl Ester (Biodiesel) Business Unit

Exhibit 3: Product and Feedstock Price

Average Price	3Q2021	3Q2020	% YoY	2Q2021	% QoQ	9M2021	9M2020	% YoY
Methyl Ester (B100) (Baht/litre) <sup>(1)</sup>	38.90	24.86	56%	36.98	5%	39.07	29.71	32%
Methyl Ester (B100) (Baht/kg) <sup>(2)</sup>	44.97	28.74	56%	42.76	5%	45.16	34.35	31%
Crude Palm Oil (CPO) (Baht/kg) <sup>(3)</sup>	36.02	20.86	73%	33.70	7%	35.79	25.60	40%
EPPO P2F (Baht/kg) <sup>(4)</sup>	3.11	3.11	-	3.11	-	3.11	3.11	-
Biodiesel Mandate			B10				B10	
Optional Biodiesel			B7 B20				B7 B20	

- Note :
- (1) Reference Price of EPPO
  - (2) Conversion ratio: 0.865 Tons = 1,000 Liters
  - (3) Reference Price of DIT
  - (4) ME Price - Mixed Feedstock and MeOH price according to EPPO's B100 formula

### Market overview comparison between 3Q2021 vs. 3Q2020

The methyl ester market overview in 3Q2021, an average of crude palm oil price (CPO-DIT) in 3Q2021 was at 36.02 Baht/kg., rose by 15.16 Baht/kg. or 73% compared to 3Q2020 due to the level of CPO stock was decreased from 448,771 tons at the end of 3Q2020 to 287,069 tons at the end of 3Q2021 caused by less output production in the harvest season and the global price is higher than domestic price causing more exports.

Meanwhile, the demand for methyl ester in 3Q2021 was lower than 3Q2020, stood at 329,855 tons, decreased by 67,701 tons or 17% caused by the COVID-19 outbreak in Thailand. Although the government has already distributed the COVID-19 vaccination to the public more widely, but the situation has still become more severe due to the 4<sup>th</sup> wave, the Center for Covid-19 Situation Administration (CDC) announced that they would extend the period of the Emergency Decree using lockdown measures in Bangkok and elevate the control area to the red area up to 29 provinces until August 30, 2021, with a time limit on leaving dwelling places as well as asking for cooperation from the private sector to "Work From Home 100%", which affected diesel consumption. In addition, the growth of biodiesel consumption could not be reached to the expectation even though the government announced the biodiesel mandatory change from B7 to B10. In September 2021, The Department of Energy has reported demand for B10 biodiesel at 20.7 million liters/day or 40% of the high-speed diesel demand in Thailand.

The methyl ester price in 3Q2021 rose in line with CPO price to 44.97 Baht/kg., increased by 16.23 Baht/kg. or 56% compared to previous year.

### Market overview comparison between 3Q2021 vs. 2Q2021

The CPO price in 3Q2021 compared to 2Q2021 was at 36.02 Baht/kg., rose by 2.32 Baht/kg. or 7%. Since domestic CPO price was lower than the global price, the mill's exports increased. As a result, the domestic CPO price gradually increased to follow the global price, and the CPO stock in 3Q2021 fell to 287,069 tons, down from 292,268 tons in 2Q2021.

In 3Q2021, methyl ester demand was slightly decreased from the previous quarter, stood at 329,855 tons, dropped by 44,465 tons or 11% due to the monsoon season together with the spread of COVID-19 outbreak. The Center for Covid-19 Situation Administration (CDC) announced to extend the period of the Emergency Decree until the end of August, causing the diesel consumption to decline as a result of less travel and transportation.

The methyl ester price in 3Q2021 considerably escalated following the domestic CPO price at 44.97 Baht/kg., an increase of 2.21 Baht/kg. or 5% from the prior quarter.

Market overview comparison between 9M2021 vs. 9M2020

According to the market overview comparison of the first 9 months of 2021 and 2020, CPO price in 9M2021 escalated to 35.79 Baht/kg., rose by 10.19 Baht/kg. or 40% from 9M2020, owing to the export volume of CPO at the end of August 2021 stood at 319,827 tons, up from 120,909 tons at the end of August 2020 due to the global price being higher than domestic price. In addition, there is an exports fee supported by the government from the palm oil exports project when the stock level and the price meet the requirements.

On methyl ester demand side in 9M2021, it has slightly decreased from the previous year, which stood at 1,098,875 tons, dropped by 111,825 tons or 9% owing to mandatory diesel B10 replacing B7 policy, which could not meet the expectation. In addition, the new wave of COVID-19 outbreak in Thailand causing the Center for Covid-19 Situation Administration (CDC) announced to extend the period of the Emergency Decree caused the limitation on leaving residence, which resulted in lower demand for biodiesel consumption as well.

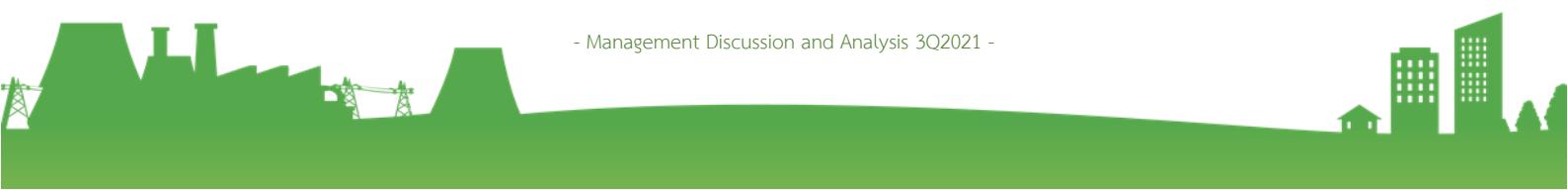
In this regard, methyl ester price in 9M2021 has grew up from 9M2020 corresponding to an upward CPO price to 45.16 Baht/kg., an increase of 10.81 Baht/kg. or 31%.

*Exhibit 4: Keys Operating Performance of ME Business Unit*

Methyl Ester Business	3Q2021	3Q2020	% YoY	2Q2021	% QoQ	9M2021	9M2020	% YoY
Utilization (%)	62%	80%	-18%	62%	0%	64%	80%	-16%
Sales Volume (ton)	75,228	105,352	-29%	76,114	-1%	242,820	307,241	-21%
Sales Volume (million litre) <sup>(1)</sup>	87	122	-29%	88	-1%	281	355	-21%
Sales Revenue (million baht)	3,360	2,897	16%	3,249	3%	10,848	10,201	6%
EBITDA (million baht)	167	179	-7%	42	298%	415	370	12%
EBITDA margin (%)	5.0%	6.2%	-1.2%	1.3%	3.7%	3.8%	3.6%	0.2%
Stock Gain/(Loss) & NRV (million baht)	49	-46	207%	-41	220%	-11	-367	97%
Adjusted EBITDA (million baht) <sup>(2)</sup>	118	225	-48%	83	42%	426	737	-42%
Adjusted EBITDA Margin (%)	3.5%	7.8%	-4.3%	2.6%	0.9%	3.9%	7.2%	-3.3%

Note : (1) Conversion ratio: 0.865 Tons = 1,000 Liters

(1) Adjusted EBITDA refers to EBITDA excluding impact of Stock Gain/(Loss) and NRV.



### Operating performance comparison between 3Q2021 vs. 3Q2020

In 3Q2021, the Company recorded methyl ester business sales revenue of THB 3,360 million, increased by THB 463 million or 16% from 3Q2020, primarily because the methyl ester selling price increased 56% in relation to upward CPO price compared to prior year. The methyl ester sales volume decreased by 30,124 tons or 29% caused by the effect of a new 4<sup>th</sup> wave of COVID-19 outbreak in Thailand causing the Thai government to extend the Emergency Decree for limitation of time to leave dwelling places as well as the monsoon season with less travel, attributed to the lower demand for energy. Furthermore, some customers adjusted their purchasing policies to include more manufacturers, and competition in the biodiesel market has increased because of the entry of new biodiesel producers. The company, on the other hand, is attempting to capture the volume from other customers and export to other countries. However, the Company had the increasing of sales revenue from refined glycerine from its selling price and sale volume escalated by 54% and 3% respectively, primarily due to an increase in demand, especially from home and personnel care products, while the supply declined due to the biodiesel production declining during the COVID-19 outbreak.

Although the selling price in 3Q2021 was increased, the sales volume was decreased as aforementioned. Consequently, in 3Q2021, the Company recorded EBITDA of THB 167 million, a decrease from the same period of prior year of THB 12 million or 7%. However, due to the volatility of CPO and methyl ester prices, they were increased in 3Q2021, which impacted on the Company's Stock Gain & NRV of THB 49 million. When deducting the effect of Stock Gain & NRV, the Company reported Adjusted EBITDA of THB 118 million, a decrease of THB 107 million or 48% from 3Q2020 and Adjusted EBITDA Margin of 3.5%

### Operating performance comparison between 3Q2021 vs. 2Q2021

On quarter by quarter basis, sales revenue in 3Q2021 increased from previous quarter by THB 111 million or 3% mainly from the the increasing of the methyl ester selling price by 5% following the higher CPO price. In addition, the methyl ester sales volume was decreased by 1% compared to previous quarter, owing to the impact of a new wave COVID-19 outbreak in Thailand, as well as monsoon season, resulted in lower diesel energy consumption. As a result, the Company recorded EBITDA of THB 167 million in 3Q2021, increased by THB 125 million or 298%. When deducting the effect of Stock Gian & NRV of THB 49 million, Adjusted EBITDA was reported at THB 118 million, an increase of THB 35 million or 42% from 2Q2021.



### Operating performance comparison between 9M2021 vs. 9M2020

For the first 9 months of 2021, the Company posted methyl ester business sales revenue of THB 10,848 million, an increase of THB 647 million or 6% from the first 9 months of 2020, mainly from the rising of methyl ester selling price in relation to upward CPO price, while methyl ester sales volume decreased by 21% in comparison with 9M2020. Despite, the government announced of shifting of biodiesel from B7 to B10 as the mandatory diesel, methyl ester demand could not reach the expectation. In addition, the impact of a new wave of COVID-19 outbreak in Thailand affected to a decline in diesel consumption. In addition, as previously said, some customers' purchasing policies changed, and the biodiesel market became more competitive. Nevertheless, the Company recorded the increasing of sales revenue from refined glycerine from its selling price and sale volume which escalated following the demand from home and personnel care products.

However, the considerable volatility of CPO prices in 9M2021 impacted on the Company's Stock Loss & NRV of THB 11 million which is a result of Company's attempt to try to minimize the inventory volume to prevent the Stock Loss impact from the volatility of CPO domestic price. In 9M2021, the Company recorded EBITDA of THB 415 million, increased from the same period of prior year by 12%. When deducting the effect of Stock Loss & NRV as aforementioned, the Company reported Adjusted EBITDA of THB 426 million, a decrease of THB 311 million or 42% from 9M2020 and Adjusted EBITDA Margin of 3.9%

## Fatty Alcohols (FA) Business Unit

Exhibit 5: Products and Feedstock's prices

Average Price (USD per ton)	3Q2021	3Q2020	% YoY	2Q2021	% QoQ	9M2021	9M2020	% YoY
Fatty Alcohols <sup>(1)</sup>								
- Short Chain	2,462	1,883	31%	2,235	10%	2,246	2,035	10%
- Mid Cut	1,825	1,147	59%	2,049	-11%	1,935	1,169	66%
- Long Chain	1,532	1,116	37%	1,476	4%	1,447	1,138	27%
Average Fatty Alcohols <sup>(2)</sup>	1,784	1,189	50%	1,896	-6%	1,815	1,221	49%
Crude Palm Kernel Oil (CPKO) <sup>(3)</sup>	1,204	688	75%	1,329	-9%	1,254	737	70%
Market P2F of Fatty Alcohols	315	350	-10%	274	15%	285	322	-11%

Note : (1) Reference Price of ICIS

(2) Average price of fatty alcohols with production proportion: Short Chain 7% Mid Cut 64% and Long Chain 29%

(3) Reference Price of Malaysian Palm Oil Board (MPOB)

### Market overview comparison between 3Q2021 vs. 3Q2020

For the fatty alcohols market overview, an average crude palm kernel oil price (CPKO-MPOB) in 3Q2021 was at 1,204 USD/ton, rose by 516 USD/ton from 3Q2020 or 75% due to a decrease of international CPKO stock from 454,495 tons to 302,978 tons or dropped by 33% compared to the same period of prior year due to the impact of the COVID-19 outbreak effected to a labor shortage, which led to less output production. As a result, the key buyers in markets such as China, India and Europe were concerned that the level of stock was lower than expected, causing increased demand for products. The result was that CPKO's price in 3Q3021 was higher than in the previous year.

On the demand side, natural fatty alcohols in 3Q2021 improved a bit from 3Q2020. Even though, international shipping still has problems, including tight shipping container, sea freight booking and the rising of transportation service rates, as well as the new wave of COVID-19 in some areas. The economy in many countries has recovered especially buyers in China who are stockpiling for the National Day during 1-7 October 2021 due to concerns about the domestic supply that may be affected by the government's Dual Control Policy and energy consumption, causing the overall natural fatty alcohols market to recover in late 3Q2021.

On the supply side, the supply of fatty alcohols in 3Q2021 was decreased due to a manufacturer in Malaysia still shutting down plant to maintenance the wastewater tank since May 2021, and a



manufacturer in Saudi Arabia has changed the production line to produce other products. Many manufacturers in China, especially in Jiangsu and Zhejiang provinces, have temporarily suspended production according to the measurement to control pollution and energy costs during the National Day by the Chinese government since the end of September 2021.

The market P2F of natural fatty alcohols in 3Q2021 at 315 USD/ton or fell by 10% compared with 3Q2020, this was because the product price was unable to catch up the volatility of the feedstock price.

#### [Market overview comparison between 3Q2021 vs. 2Q2021](#)

An average crude palm kernel oil price (CPKO-MPOB) in 3Q2021 was at 1,204 USD/ton, dropped from 2Q2021 by 125 USD/ton or 9%. Although the international CPKO stock at the end of 3Q2021 was at 302,978 tons, decreased from 314,792 tons in 2Q2021 or dropped by 4%, due to the harvest season in Malaysia during late June to August, causing buyers to wait-and-see for the price correction as the CPKO price was high due to the cold wave in the South State of the United States of America (US) in 2Q2021, caused soybean price to increase and demand shifted from soybean to palm oil instead. As a result, CPKO price have risen.

On the demand side, natural fatty alcohols in 3Q2021 have improved from the previous quarter. Even though the new wave of COVID-19 from Delta variant was introduced in some areas, the economy in many countries recovered, especially buyers in China, who were stockpiling for the National Day due to their concerns that the supply in their country may be affected by the government's Dual Control Policy and energy consumption as aforementioned.

The market P2F of natural fatty alcohols in 3Q2021 rose by 15% from 2Q2021 and stood at 315 USD/ton.

### Market overview comparison between 9M2021 vs. 9M2020

An average CPKO-MPOB price for the first 9 months of 2021 was at 1,254 USD/ton, rose by 517 USD/ton or 70% from the first 9 months of 2020, mainly due to the decrease in CPKO stock in the international market, which stood at 302,978 tons in 9M2021 from 454,495 tons in 9M2020, or 33%, caused by the impact of COVID-19 outbreak, which led to a labor shortage. As a result, many buyers were forced to stockpile because they were concerned that supply would not be able to meet market demand.

For the demand side, natural fatty alcohols in 9M2021 have improved from the same period of prior year, mainly due to the improved situation of the COVID-19 outbreak in 9M2021 after vaccination in many countries, especially in US and Europe, where their economies have recovered, including major buyers like China. In addition, the improvement in demand for detergents and hygiene products and the capacity expansion in major Antioxidant producers have resulted in greater demand for long chain in fatty alcohol market. This resulted in the purchasing power of the fatty alcohol market being improved.

On the supply side, the supply of fatty alcohols in 9M2021 was tight due to a manufacturer in Malaysia still shutting down plant to maintenance the wastewater tank since May 2021, and a manufacturer in Saudi Arabia has changed the production line to produce other products. Many manufacturers in China have temporarily suspended production according to the measurement to control pollution and energy costs during the National Day by the Chinese government since the end of September 2021.

The market P2F of natural fatty alcohols in 9M2021 dropped by 11% from 9M2020 stood at 285 USD/ton because the product price was unable to catch up the volatility of the feedstock price.

Exhibit 6 : Keys Operating Performance of FA Business Unit

Fatty Alcohols Business	3Q2021	3Q2020	% YoY	2Q2021	% QoQ	9M2021	9M2020	% YoY
Utilization (%)	112%	96%	16%	89%	23%	84%	96%	-12%
Sales Volume (Ton)	25,644	23,759	8%	25,451	1%	64,470	69,109	-7%
Revenue from Sales (million baht)	1,626	952	71%	1,559	4%	3,914	2,806	39%
EBITDA (million baht)	292	64	356%	177	65%	513	98	423%
EBITDA margin (%)	18.0%	6.7%	11.3%	11.4%	6.6%	13.1%	3.5%	9.6%
Stock Gain/(Loss) & NRV	83	-22	477%	17	388%	186	17	994%
Adjusted EBITDA (million baht) <sup>(1)</sup>	209	86	143%	160	31%	327	81	304%
Adjusted EBITDA Margin (%)	12.8%	9.0%	3.8%	10.3%	2.5%	8.4%	2.9%	5.5%

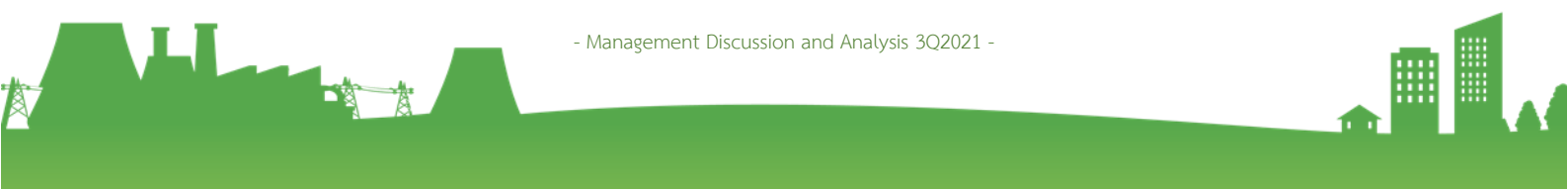
Note: (1) Adjusted EBITDA refers to EBITDA excluding impact of Stock Gain/(Loss) and NRV

### Operating performance comparison between 3Q2021 vs. 3Q2020

In 3Q2021, fatty alcohols business recorded sales revenue of THB 1,626 million, an increase of THB 674 million or 71% from 3Q2020 in relation to a bit higher sales volume about 8%. Due to in 3Q2020, the Company had to shut down for catalyst changing system maintenance during 1-4 September 2020 to solve the make-up compressor problem, which was causing the production not to be able to produce at full capacity. The Company recorded a Stock Gain & NRV of THB 83 million based on the significantly higher CPKO price in 3Q2021, which increased by 75% compared to the same period the previous year. Consequently, EBITDA was at THB 292 million. When deducting the effect of Stock Gain & NRV, the Company had Adjusted EBITDA of THB 209 million, an increase of 143% from 3Q2020 and Adjusted EBITDA Margin was at 12.8%.

### Operating performance comparison between 3Q2021 vs. 2Q2021

On quarter by quarter basis, sales revenue of fatty alcohols business in 3Q2021 increased from previous quarter by 4%, mainly due to an increase in sales volume of 1% from the improved demand for detergents and hygiene products derived from the improved situation of the COVID-19 outbreak in buyer country. The Company recorded EBITDA of THB 292 million, an increase of 65% compared to 2Q2021. When deducting the effect of Stock Gain & NRV of THB 83 million, the Company had Adjusted EBITDA of THB 209 million, an increase of 30% from previous quarter.



### Operating performance comparison between 9M2021 vs. 9M2020

For the first 9 months of 2021, fatty alcohols business recorded sales revenue of THB 3,914 million, increased from 9M2020 by THB 1,108 million or 39%, mainly due to an average of fatty alcohols price increase of 49%, even though the fatty alcohols sales volume decreased by 7% to stand at 64,470 tons at the end of 9M2021 due to the long period shutdown of catalyst changing and the unexpected problem of impurity in the production system in 1Q2021. However, the profitability of fatty alcohols was higher than that of 9M2020 because the Company had a higher discount rate for the raw materials.

As aforementioned, the Company recorded EBITDA of THB 513 million, increased from 9M2020 by 423%. When deducting impact from Stock Gain & NRV of THB 186 million in 9M2021, Adjusted EBITDA was recorded at THB 327 million and Adjusted EBITDA Margin at 8.4%

## Market and Business Outlook in 2022

Following the outbreak of COVID-19 pandemic situation, the Company anticipates that the situation in 2022 will improve after distributed the COVID-19 vaccination to the public more widely including the relaxation of lockdown measures to allow people to leave dwelling places causing the Company expects the demand consumption to gradually recover in the next year. For the output situation, the Company anticipates that the domestic output in 2022 will be more than 2021 due to the replacement of aging palm and rubber plantations caused by the low price of rubber. In addition, the rainfall is having seen well distribution since the end of 2020 onwards. As aforementioned, the Company anticipates that the CPO price in 2022 tend to decline compared to 2021. However, there are other factors from the government policy that may affect to the Company's expectation such as the supporting for exports in foreign markets, the biodiesel blending ratio and the determination of Electricity Generating Authority of Thailand (EGAT) to purchase the crude palm oil for power generation etc.

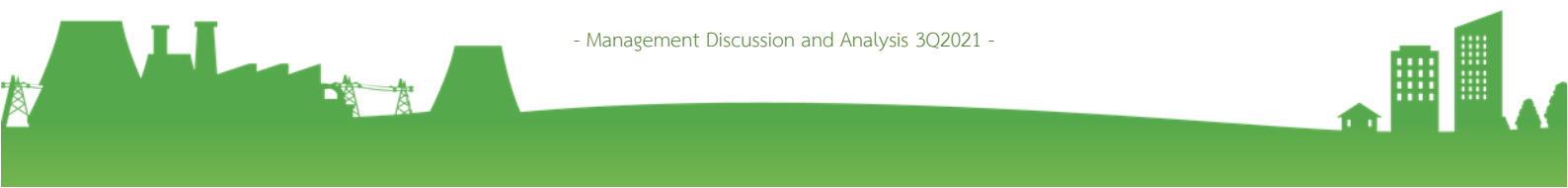
On methyl ester demand side in 2022, the Company anticipates that the demand tend to improve from 2021, mainly due to the incentivized greater consumption of B10 after the Committee on Energy Policy Administration (CEPA) meeting on October 20 agreed on the distribution of 3 biodiesel blending type namely standard diesel (B10), diesel (B7) and diesel (B20) effective from November 1, 2021 onwards and maintain the retail price of diesel fuel not exceeding 30 Baht/liter. According to the government measure of distribution the COVID-19 vaccine and the people's adaptation to cope with the epidemic situation, the Company anticipates that the economy of Thailand in 2022 will be improved leading to an increase in the biodiesel consumption in travel sector and transportation sector accordingly. In terms of methyl ester market in 2022, there will be more intense competition due to a manufacturer having expanded production capacity and the new manufacturer starting production. That may affect the methyl ester price, causing the trend to decline in 2022.

For the Fatty Alcohols market outlook in 2022, the Company expects that an average crude palm kernel oil price (CPKO-MPOB) tends to lower than an average price in 2021 due to more output production from Malaysian workforce able to harvest in 2022.

On the Fatty Alcohols demand side in 2022, the Company anticipates that it will increase slightly from the improved situation of the COVID-19 outbreak and the abolition of the country's lockdown measures especially buyers in Asia, Europe, and America. In addition, the distribution rate of vaccination thoroughly causing the global economy has recovered in relation to market demand to increase as well. The consumer awareness of cleanliness and hygiene is another factor contributing to the increasing demand

for fatty alcohol. While the overall supply in 2022 is likely to decline, even though manufacturers in some countries are gradually easing lockdown measures and will resume normal operations, a major manufacturer in Saudi Arabia has decided to change the Fatty Alcohol production line with a capacity of 100,000 tons/year to produce other products since 3Q2021, causing the supply to tend to decline.

However, an average FA price in 2022 is expected to strengthen from 2021 in line with the economic outlook.





## Consolidated Statement of Income

Exhibit 7 : Consolidated Profit & Loss Statement comparison of 3Q2021, 3Q2020 and 2Q2021

	3Q2021		3Q2020		YoY		2Q2021		QoQ	
	MB	%	MB	%	MB	%	MB	%	MB	%
<b>Sale Revenue</b>	<b>4,986</b>	<b>100</b>	<b>3,849</b>	<b>100</b>	<b>1,137</b>	<b>30</b>	<b>4,808</b>	<b>100</b>	<b>178</b>	<b>4</b>
Feedstock	(4,092)	(82)	(2,894)	(75)	(1,198)	41	(4,013)	(83)	(79)	2
Net Realizable Value (NRV)	15	0	14	0	1	7	(8)	(0)	23	(288)
<b>Product to Feed Margin</b>	<b>909</b>	<b>18</b>	<b>969</b>	<b>25</b>	<b>(60)</b>	<b>(6)</b>	<b>787</b>	<b>16</b>	<b>122</b>	<b>16</b>
Variable Costs	(305)	(6)	(385)	(10)	80	(21)	(288)	(6)	(17)	6
Fixed Costs	(167)	(3)	(173)	(4)	6	(3)	(172)	(4)	5	(3)
Stock Gain/(Loss)	117	2	(82)	(2)	199	(243)	(16)	(0)	133	(831)
SG&A	(103)	(2)	(93)	(2)	(10)	11	(100)	(2)	(3)	3
Other Income	8	0	7	0	1	14	8	0	0	0
<b>EBITDA</b>	<b>459</b>	<b>9</b>	<b>243</b>	<b>6</b>	<b>216</b>	<b>89</b>	<b>219</b>	<b>5</b>	<b>240</b>	<b>110</b>
Depreciation and Amortization	(179)	(4)	(169)	(4)	(10)	6	(169)	(4)	(10)	6
<b>EBIT</b>	<b>280</b>	<b>6</b>	<b>74</b>	<b>2</b>	<b>206</b>	<b>278</b>	<b>50</b>	<b>1</b>	<b>230</b>	<b>460</b>
Net Financial Costs	(11)	(0)	(12)	(0)	1	(8)	(10)	(0)	(1)	10
FX Gain/Loss <sup>(1)</sup>	(1)	(0)	6	0	(7)	(117)	3	0	(4)	(133)
Share of Profit/(Loss) from investment	13	0	31	1	(18)	(58)	30	1	(17)	(57)
Income Tax Expenses	(37)	(1)	0	0	(37)	n/a	7	0	(44)	(629)
<b>Net Profit</b>	<b>244</b>	<b>5</b>	<b>99</b>	<b>3</b>	<b>145</b>	<b>146</b>	<b>80</b>	<b>2</b>	<b>164</b>	<b>205</b>

Notes :

(1) Including Gain/(Loss) from FX and Derivatives

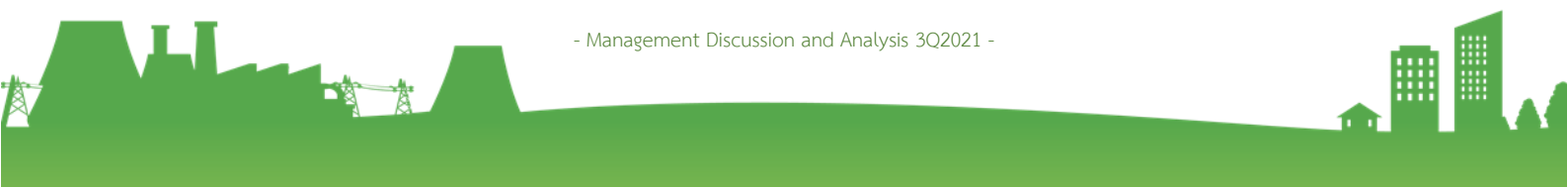


Exhibit 8 : Consolidated Profit &amp; Loss Statement comparison of 9M2021 and 9M2020

	9M2021		9M2020		YoY	
	MB	%	MB	%	MB	%
<b>Sale Revenue</b>	14,762	100	13,007	100	1,755	13
Feedstock	(12,431)	(84)	(10,220)	(79)	(2,211)	22
Net Realizable Value (NRV)	0	0	16	0	(16)	(100)
<b>Product to Feed Margin</b>	<b>2,331</b>	<b>16</b>	<b>2,803</b>	<b>22</b>	<b>(472)</b>	<b>(17)</b>
Variable Costs	(796)	(5)	(1,182)	(9)	386	(33)
Fixed Costs	(513)	(3)	(508)	(4)	(5)	1
Stock Gain/(Loss)	175	1	(366)	(3)	541	148
SG&A	(293)	(2)	(310)	(2)	17	(5)
Other Income	24	0	31	0	(7)	(23)
<b>EBITDA</b>	<b>928</b>	<b>6</b>	<b>468</b>	<b>4</b>	<b>460</b>	<b>98</b>
Depreciation and Amortization	(520)	(4)	(506)	(4)	(14)	3
<b>EBIT</b>	<b>408</b>	<b>3</b>	<b>(38)</b>	<b>(0)</b>	<b>446</b>	<b>1,174</b>
Net Financial Costs	(32)	(0)	(37)	(0)	5	(14)
FX Gain/Loss <sup>(1)</sup>	(3)	(0)	14	0	(17)	(121)
Share of Profit/(Loss) from investment	66	0	79	1	(13)	(16)
Income Tax Expenses	(20)	(0)	(24)	(0)	4	17
<b>Net Profit</b>	<b>418</b>	<b>3</b>	<b>(6)</b>	<b>(0)</b>	<b>424</b>	<b>7,067</b>

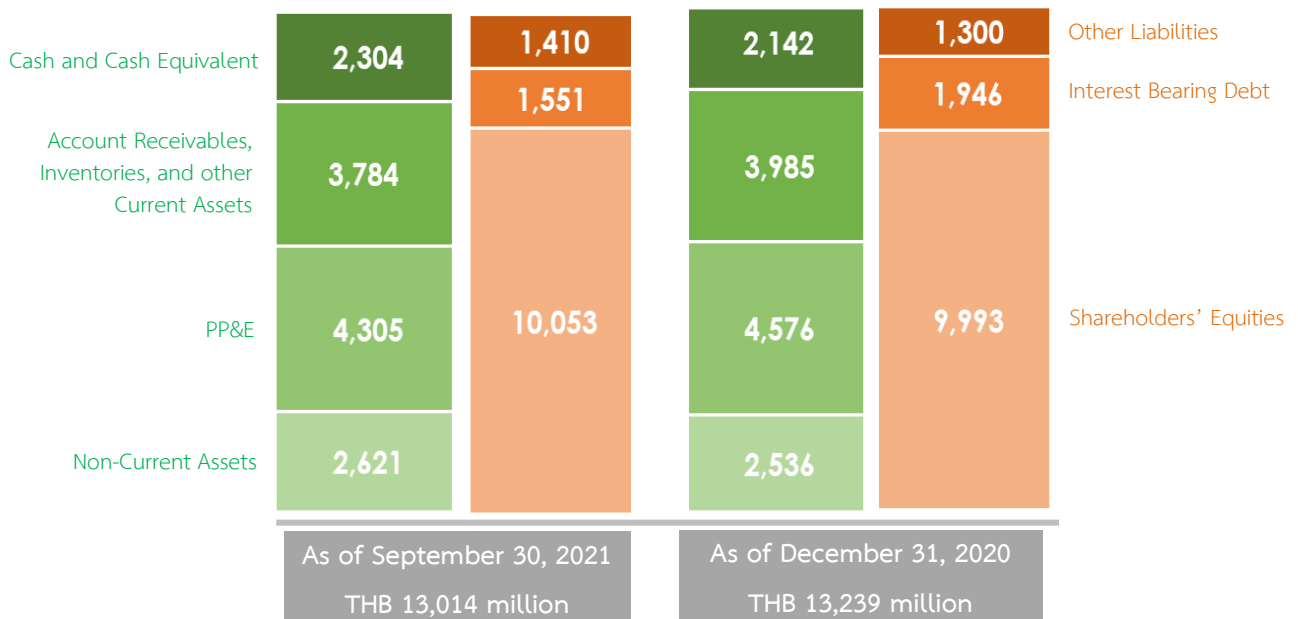
## Notes :

(1) Including Gain/(Loss) from FX and Derivatives



## Statement of Financial Position

Exhibit 9 : Consolidated Financial Position as of September 30, 2021 and as of December 31, 2020



### Assets

As of September 30, 2021, the Company had total assets of THB 13,014 million, a decrease of THB 225 million compared to December 31, 2020 in which key changes are described as follow;

1. Current assets decreased by THB 39 million mainly from;
  - 1.1 An increase in cash and cash equivalent THB 161 million mainly due to the operating profit and a decline in working capital from downward feed stock prices and a decrease in inventory, and payment for investments in GGC KTIS Bioindustrial Co., Ltd. (GKBI) including dividend payment and payment of long-term loans from financial institutions.
  - 1.2 Accounts receivable and other accounts receivables decreased by THB 50 million caused by the decreasing of prepaid insurance and receiving payment of audit reporting services.
  - 1.3 A decrease in inventory of THB 207 million owing to a decrease in CPO prices, as a result, selling price was declined in relation to a decrease in inventory.
2. Non-current assets decreased by THB 186 million mainly from;
  - 2.1 The right of use (ROU) asset decreased by THB 139 million.
  - 2.2 PP&E decreased by THB 271 million mainly due to occurring the depreciation amount of THB 366 million, an additional investment for refined glycerine plant 2 project of THB 178 million and disposal of THB 83 million.



2.3 Investments in joint ventures increased by THB 238 million primarily due to increasing of investment in GGC KTIS Bioindustrial Co., Ltd. (GKBI) amounted of THB 263 million including the dividend and share of profit from investment in joint ventures amounted of THB 91 million and THB 66 million respectively.

## Liabilities

As of September 30, 2021, the Company had total liabilities of THB 2,961 million, a decrease of THB 285 million or 9% compared to December 31, 2020, mainly attributed to

- 1) Accounts payable and payables to contractors decreased by THB 30 million.
- 2) Other accounts payable increased by THB 117 million from the received in advance.
- 3) Long-term borrowing from financial institution decreased by THB 251 million.
- 4) Lease liabilities decreased by THB 136 million.

## Shareholders' equity

As of September 30, 2021, the Company had total shareholders' equity of THB 10,053 million, an increase of THB 60 million compared to December 31, 2020. This was the net profit of THB 418 million in 9M2021 and the dividend payment of THB 385 million as the approval of the Company's Board of Directors on February 10, 2021.

## Statement of Cash Flows

Exhibit 10 : Consolidated Cash Flows Statement for the period ended September 30, 2021 and September 30, 2020.

Cash Flow (Unit: Million Baht)	30 September 2021	30 September 2020
Net cash received (used in) operating activities	1,208	357
Net cash received (used in) investing activities	(131)	(29)
Net cash received (used in) financing activities	(735)	(546)
Effect of exchange rate changes on balances held in foreign currencies	20	2
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>362</b>	<b>(216)</b>
Cash and cash equivalents as at 1 January	1,742	2,311
<b>Cash and cash equivalents as at 30 September</b>	<b>2,104</b>	<b>2,095</b>

Note: Ending cash and cash equivalents as at 30 September 2021 had not included current investment in financial assets of THB 200 million.

As for the first 9 months of 2021, the Company had cash received from operating activities of THB 1,208 million which comprised of cash from the net profit of THB 418 million, the adjustment for non-cash items, a decline in account receivable, other account receivables and inventories and an increase in account payables and other account payables.

The Company had cash used in investing activities of THB 131 million primarily due the payment for investments in GGC KTIS Bioindustrial Co., Ltd. (GKBI) and spending for PP&E amounted of 159 THB million, mainly from investment in refined glycerine plant 2 project while the cash receiving from deposits with financial institution of THB 200 million and dividend of THB 91 million.

The Company had cash flow spending for financial activities of THB 735 million, which was spent for dividend payment of THB 358 million, long-term borrowing from financial institution of THB 252 million, repayment financial lease of THB 100 million and interest paid of THB 25 million.

As the activities above, the Company had an increase in cash and cash equivalents in the amount of THB 362 million which had cash and cash equivalents as of January 1, 2021 in the amount of THB 1,742 million. As a result, as of September 30, 2021 the Company had cash and cash equivalents of THB 2,104 million.



## Key Financial Ratios

Exhibit 11 : Key Financial Ratios comparison of 3Q2021 vs 3Q2020 vs 2Q2021.

Key Financial Ratio	3Q2021	3Q2020	2Q2021
Current Ratio (x)	3.0	3.7	3.3
EBITDA to Sales Revenue (%)	9.2	6.3	4.6
Net Profit to Sales Revenue (%)	4.9	2.6	1.7
Return on Total Assets (%)	8.2	3.2	7.0
Return on Equity (%)	10.1	2.0	8.8
Debt to Equity (x)	0.3	0.3	0.3
Interest Bearing Debt to Equity (x)	0.2	0.2	0.2
Interest Bearing Debt to EBITDA (x)	0.9	3.2	1.1

Notes:

Current ratio (x)	=	Current assets divided by current liabilities
EBITDA to sales revenue (%)	=	EBITDA divided by sale volume
Net profit to sales revenue (%)	=	Net profit divided by sales revenue
Return on total assets (%)	=	Net profit divided by average total assets
Return on equity (%)	=	Net profit divided by average equities attributed to owners of the company
Debt to equity (x)	=	Total debt divided by shareholders' equities
Interest bearing debt to equity (x)	=	Interest bearing debt divided by shareholder' equities
Interest bearing debt to EBITDA (x)	=	Interest bearing debt divided by EBITDA

