

Management Discussion and Analysis  
For the Operating Results of 2Q2020



Global Green Chemicals Public Company Limited



# CONTENTS

Executive Summary	3
Operating Performance	4
Market Overview by Business	6
▪ Market Overview of Methyl Ester Business	6
▪ Market Overview of Fatty Alcohols Business	8
Operating Performance by Business Unit	10
▪ Methyl Ester Business Unit Operating Performance	10
▪ Fatty Alcohols Business Unit Operating Performance	12
Statement of Income	14
Statement of Financial Position	16
Statement of Cash Flows	18
Key Financial Ratios	19

## Executive Summary

In 2Q2020, crude palm oil (CPO) price was higher than 2Q2019 caused by the implementation of biodiesel B10 as the mandatory diesel to gradually replace B7 since January 2020. Comparison with 1Q2020, CPO price plummeted, pressured by a high level of CPO stock in Thailand due to high seasonal palm production in this quarter as well as a softer demand for biodiesel blending due to the impact from the coronavirus (COVID-19). Thanks to the government policy to absorb crude palm oil surplus, the government delegated the Electricity Generating Authority of Thailand (EGAT) to open bidding for CPO suppliers with the remaining approved amount of 37,550 tons and also asked EGAT to consider purchasing an additional 100,000 tons of CPO to be used for electricity generation which is under considering by the government. Natural fatty alcohols (FA) market in 2Q2020 moved downward from the same period of previous year, negatively affected by the COVID-19 pandemic, resulted in the sluggish fatty alcohols market's purchasing power. Despite, COVID-19 situation has partially recovered, it could not totally return to normal situation in this quarter.

As for 2Q2020 performance, Global Green Chemicals Public Company Limited (“the Company”) had methyl ester (ME) sales volume at 100,518 tons, dropped by 11,072 tons or 10% compared to 2Q2019, mainly due to travel restriction as impact from the spread of COVID-19. This resulted in a significantly decline in diesel consumption in 2Q2020 by 6% compare to 2Q2019. However, methyl ester selling price escalated in tandem with upward CPO price compared to prior year. In 2Q2020, the Company had total sales revenue of THB 3,931 million, rose by THB 641 million or 19% compared to 2Q2019, even though, sales volume and sale revenue of fatty alcohols business closed to last year. Although the average price in 2Q2020 was higher than one in 2Q2019, CPO price and CPKO price in 2Q2020 drastically dropped from previous quarter resulting to stock loss during 2Q2020. As a result, the Company had a Stock Loss & NRV of THB 374 million, recorded EBITDA of THB -120 million, down 236% compared to 2Q2019. With deducting the effect of Stock Loss & NRV, the Company had Adjusted EBITDA of THB 254 million, an increase of 74% from 2Q2019. All resulting in this quarter, the Company posted the net loss of THB 344 million, a decrease of THB 322 million or 1,464% from the net loss including extraordinary item of 2Q2019.

Performance of the first 6 months of 2020, the Company earned revenue from sales of products of THB 9,158 million, improved by 50%, recorded EBITDA of THB 225 million, slightly down 2% and Adjusted EBITDA of THB 507 million, inched up 40% compared to the first 6 months of 2019. Net loss was recorded at THB 105 million, a decrease of THB 105 million from 1H2019.

As of June 30, 2020, the Company has total assets in the amount of THB 12,496 million which comprised of cash and short-term investment amounting to THB 2,444 million, with total liabilities of THB 3,158 million and total equities of THB 9,338 million.

## Operating Performance

Exhibit 1: Consolidated Company's Performance comparison of 2Q2020 vs. 2Q2019 vs. 1Q2020 vs. 1H2020 vs. 1H2019

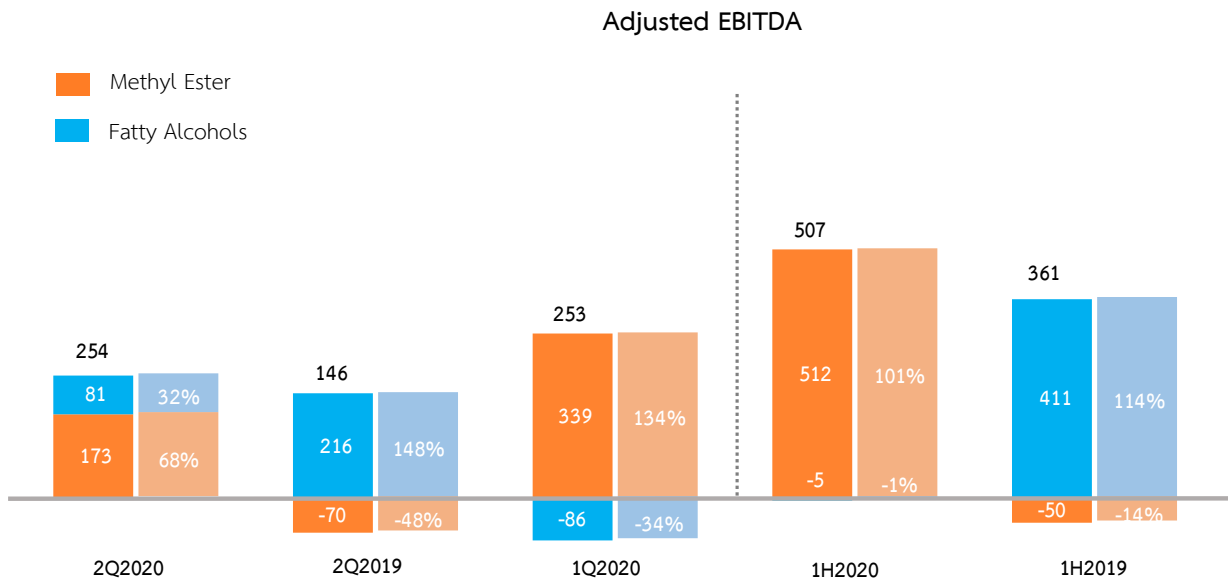
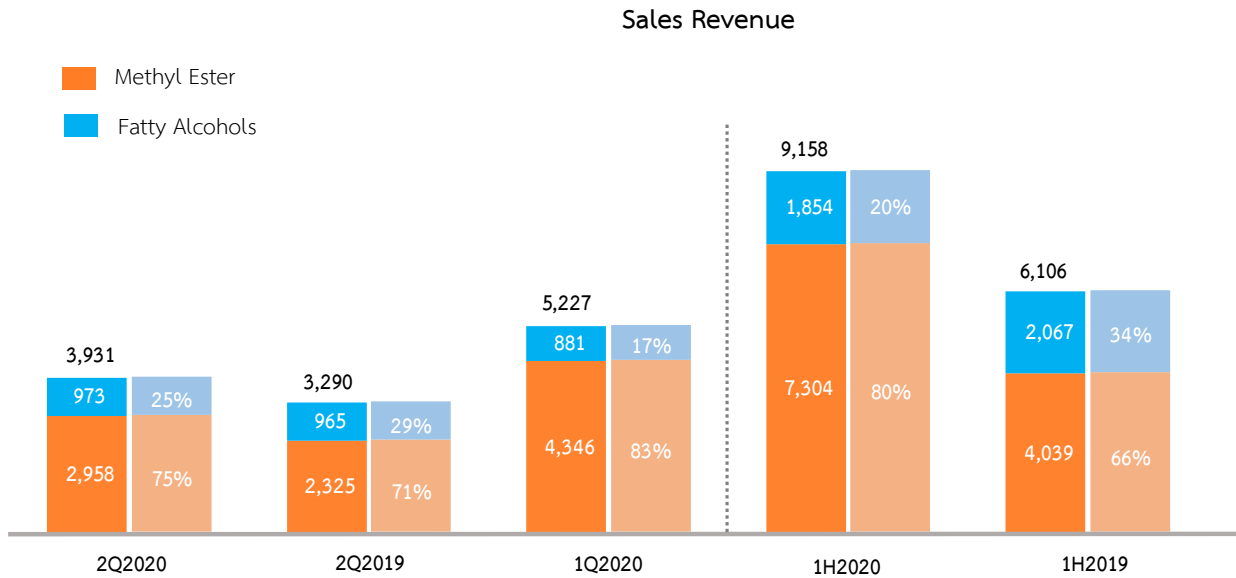
UNIT: Million Baht	2Q2020	2Q2019	% YoY	1Q2020	% QoQ	1H2020	1H2019	% YoY
Sales Revenue	3,931	3,290	19%	5,227	-25%	9,158	6,106	50%
EBITDA	-120	88	-236%	345	-135%	225	229	-2%
EBITDA Margin (%)	-3.1%	2.7%	-5.8%	6.6%	-9.7%	2.5%	3.8%	-1.3%
Stock Gain/(Loss) & NRV	-374	-58	545%	92	-507%	-282	-132	114%
Adjusted EBITDA <sup>(1)</sup>	254	146	74%	253	0.4%	507	361	40%
Adjusted EBITDA Margin (%)	6.5%	4.4%	2.1%	4.8%	1.7%	5.5%	5.9%	-0.4%
<b>Net Profit</b>	<b>-344</b>	<b>-36</b>	<b>856%</b>	<b>239</b>	<b>-244%</b>	<b>-105</b>	<b>-16</b>	<b>556%</b>
Extra Item <sup>(2)</sup>	-	14	-100%	-	N/A	-	16	-100%
<b>Net Profit after Extra Items</b>	<b>-344</b>	<b>-22</b>	<b>1,464%</b>	<b>239</b>	<b>-244%</b>	<b>-105</b>	<b>0.2</b>	<b>-52,600%</b>
EPS (Baht/Share)	-0.34	-0.02	1,600%	0.23	-248%	-0.10	0.0002	-50,100%

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

(2) Extra item was from reversal of inventory derogation because a supplier had delivered raw materials to the company regarding to the settlement agreement.



Exhibit 2 : Sales revenue and Adjusted EBITDA breakdown by business unit comparison of 2Q2020 vs. 2Q2019 vs. 1Q2020 vs. 1H2020 vs. 1H2019 (million THB)



## Market Overview by Business

### Methyl Ester (Biodiesel)

Exhibit 3: Product and Feedstock Prices

Average Price	2Q2020	2Q2019	% YoY	1Q2020	% QoQ	1H2020	1H2019	% YoY
Methyl Ester (B100) (Baht/litre) <sup>(1)</sup>	26.31	21.17	24%	37.95	-31%	32.13	20.96	53%
Methyl Ester (B100) (Baht/kg) <sup>(2)</sup>	30.42	24.48	24%	43.87	-31%	37.14	24.23	53%
Crude Palm Oil (CPO) (Baht/kg) <sup>(3)</sup>	22.00	17.21	28%	33.94	-35%	27.97	16.63	68%
EPPO P2F (Baht/kg) <sup>(4)</sup>	4.32	4.84	-11%	4.49	-4%	4.41	4.85	-9%
Biodiesel Mandate	B10	B7		B10		B10	B7	
Optional Biodiesel	B7 B20	B10 B20		B7 B20		B7 B20	B10 B20	

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

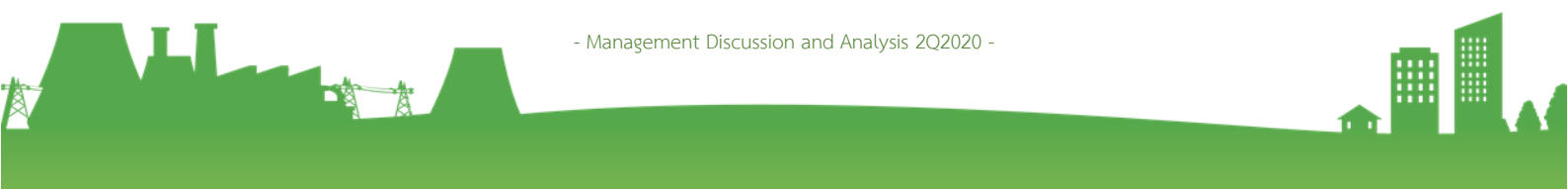
### Market overview comparison between 2Q2020 vs. 2Q2019

An average of crude palm oil price (CPO-DIT) in 2Q2020 was at 22.00 Baht/kg., climbed up by 4.79 Baht/kg. or 28% compared to 2Q2019 owing to demand growth of biodiesel as mandatory diesel shifting from B7 to B10 in Thailand since January 2020.

In 2Q2020, methyl ester demand has slightly improved in comparison with the last year. Despite, the lower transportation caused by the prevention of the spread of COVID-19 from the government's measures, higher methyl ester demand in comparison with 2Q2019 has been benefited from shifting mandatory biodiesel from B7 to B10 and also expanding petrol station of B10 at 6,101 stations as of June 30, 2020 driven by the government policies. Due to upward CPO price, methyl ester price in 2Q2020 has increased to 30.42 Baht/kg., rose by 5.94 Baht/kg. or 24% compared to 2Q2019.

### Market overview comparison between 2Q2020 vs. 1Q2020

Overall 2Q2020 compared to 1Q2020, CPO price was at 22.00 Baht/kg., decreased by 11.94 Baht/kg. or 35% primarily pressured by the higher domestic CPO of 488,428 tons compared to 188,663 tons in 1Q2020. Thus, the government ordered EGAT to open bidding for CPO suppliers with the remaining approved amount



of 37,550 tons according to the cabinet resolution previously approved on May 7, 2019, in order to absorb CPO surplus and raise CPO price up.

In 2Q2020, methyl ester demand stood at 404,000 tons, dropped by 11,000 tons or 3% from the previous quarter due to the spread of COVID-19 outbreak, resulted in the lessen transport in logistic and private sector as well as temporarily shut down or reduction of capacity in some of private sector businesses. This resulted to decline in diesel consumption in 2Q2020, even if, the government announced to shift the mandatory diesel from B7 to B10 and subsidized B10 retail price with a discount from B7. The average of 2Q2020 methyl ester price was dipped to 30.42 Baht/kg., a decrease of 13.45 Baht/kg. or 31% from the prior quarter.

### Market overview comparison between 1H2020 vs. 1H2019

The market overview of the first 6 months of 2020 and 2019 comparison, CPO price in 1H2020 was escalated at 27.97 Baht/kg., rose by 11.34 Baht/kg. or 68% mainly driven by CPO demand growth in energy sector as mandatory diesel B10 replacing B7 and also a direct impact of drought, attributed to lower palm production. As a result, CPO stock in Thailand historically touched the lowest recorded level to 180,476 tons in February 2020.

On methyl ester demand side in 1H2020, it has increased by 13% from 1H2019 owing to mandatory diesel B10 policy, expanding petrol station of B10 and other measures from the government to boost biodiesel consumption. According to measures to prevent the spread of COVID-19 by the government, methyl ester demand could not reach the expectation. In this regard, methyl ester price in 1H2020 has grew up to 37.14 Baht/kg., an increase of 12.91 Baht/kg. or 53%, corresponding to an upward CPO price.

The average EPPO P2F in 2Q2020 (the difference between ME EPPO price and mixed feedstock prices) was at 4.32 Baht/kg., decreased by 11% and 4%, compared to 2Q2019 and 1Q2020, respectively. Concurrently, the average EPPO P2F in 1H2020 was at 4.41 Baht/kg., down by 9% from 1H2019 because the methanol price which is a factor in the ME EPPO price formula dramatically declined.

## Fatty Alcohols (FA)

Exhibit 4: Products and Feedstock's prices

Average Price (USD per ton)	2Q2020	2Q2019	% YoY	1Q2020	% QoQ	1H2020	1H2019	% YoY
Fatty Alcohols <sup>(1)</sup>								
- Short Chain	1,846	3,030	-39%	2,186	-16%	2,016	3,140	-36%
- Mid Cut	1,044	1,110	-6%	1,225	-15%	1,134	1,176	-4%
- Long Chain	1,084	1,108	-2.2%	1,180	-8%	1,132	1,146	-1%
Average Fatty Alcohols <sup>(2)</sup>	1,120	1,263	-11%	1,289	-13%	1,204	1,324	-9%
Crude Palm Kernel Oil (CPKO) <sup>(3)</sup>	639	554	15%	800	-20%	720	615	17%
Market P2F of Fatty Alcohols	353	599	-41%	329	7%	341	586	-42%

Note : (1) Reference Price of ICIS

(2) Average price of fatty alcohols with production proportion: Short Chain 8% Mid Cut 62% and Long Chain 30%

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

### Market overview comparison between 2Q2020 vs. 2Q2019

An average crude palm kernel oil price (CPKO-MPOB) in 2Q2020 was at 639 USD/ton, increased from 2Q2019 by 85 USD/ton or 15% due to a slightly lower in international CPKO stock compared to 2Q2019 driven by a drop in palm production from a direct impact of drought in 2020.

On the demand side, natural fatty alcohols in 2Q2020 has considerably slowed down from the same period of prior year, primarily due to the impact from COVID-19. To prevent the spread of COVID-19, the government of many countries enacted lockdown measure, leading to the announcement of the temporarily capacity reduction of plant for a long while by customers. As a result, fatty alcohols market's purchasing power has declined, even though, COVID-19 spreading trends to ease in some countries. On the supply side, Indonesia and Malaysia which are the major producers of fatty alcohols, implemented lockdown measure to control the spread of COVID-19, attributed to supply chain and travel restrictions. The market P2F of natural fatty alcohols in 2Q2020 was at 353 USD/ton, a decrease of 41% from 2Q2019





### Market overview comparison between 2Q2020 vs. 1Q2020

In 2Q2020, an average CPKO price fell by 161 USD/ton or 20% from 1Q2020 caused by a higher in CPKO stock in international market from level of 408,000 tons to 435,000 tons. Because this period was a harvest season of palm fruit, palm production was higher compared to previous quarter.

Moreover, the market demand in 2Q2020 has slightly improved by easing of COVID-19 spread, leading to relaxing of lockdown measure as well as easing of travel restriction in China. As aforementioned, fatty alcohols buyers have been returning to market because they did not order raw materials for production for a while. Trendy to normal situation on supply side, many producers have been turning to operate business as usual due to easing lockdown measure from their governments. Market P2F natural fatty alcohols in 2Q2020 was at 353 USD/ton, an increase of 7% from previous quarter driven by improvement of natural fatty alcohols demand in comparison with 1Q2020.

### Market overview comparison between 1H2020 vs. 1H2019

An average CPKO-MPOB price of the first 6 months of 2020 was at 720 USD/ton, rose by 105 USD/ton or 17% from the first 6 months of 2019 mainly due to decreasing of CPKO stock in international market, caused by lower palm production from drought effect.

The contraction in market demand in 1H2020 compared to 1H2019 caused by impact of COVID-19 outbreak, led to the sluggish fatty alcohols market's purchasing power. Despite, natural fatty alcohols price was more attractive than synthetic fatty alcohols price. Consequently, the market P2F of natural fatty alcohols in 1H2020 decreased by 42% from 1H2019, stood at 341 USD/ton because an average of natural fatty alcohols price has fallen as above factors.

## Operating Performance by Business Unit

### Methyl Ester (ME) Business Unit Operating Performance

Exhibit 5: Keys Operating Performance of ME Business Unit

Methyl Ester Business	2Q2020	2Q2019	% YoY	1Q2020	% QoQ	1H2020	1H2019	% YoY
Utilization (%)	79%	81% <sup>(1)</sup>	-2%	82%	-3%	80%	90% <sup>(1)</sup>	-10%
Sales Volume (ton)	100,518	111,590 <sup>(2)</sup>	-10%	101,371	-1%	201,889	206,293 <sup>(3)</sup>	-2%
Sales Volume (million litre) <sup>(4)</sup>	116	129	-10%	117	-1%	233	238	-2%
Sales Revenue (million baht)	2,958	2,325	27%	4,346	-32%	7,304	4,039	81%
EBITDA (million baht)	-110	-55	100%	301	-137%	191	-53	-460%
EBITDA margin (%)	-3.7%	-2.4%	-1.3%	6.9%	-10.6%	2.6%	-1.3%	3.9%
Stock Gain/(Loss) & NRV (million baht)	-283	15	-1,987%	-38	645%	-321	-3	10,600%
Adjusted EBITDA (million baht) <sup>(5)</sup>	173	-70	-347%	339	-49%	512	-50	-1,124%
Adjusted EBITDA Margin (%)	5.8%	-3.0%	8.8%	7.8%	-2.0%	7.0%	-1.2%	8.2%

Note : (1) The methyl ester plant 2 has commenced the commercial operation on April 5, 2019. Thus, the calculation of utilization rate came from totaling nameplate capacity 500,000 tons/year from methyl ester plant 1 and plant 2 with nameplate 300,000 and 200,000 ton/year respectively.

(2) In 2Q2019, Sales volume during 1-4 April, 2019 from methyl ester plant 2 amounting to 1,615 tons could not be recorded in profit/loss statement because it was under testing run for commercial operation. However, that sales volume was included in the total sales volume of 111,590 tons in 2Q2019 as table above.

(3) In 1H2019, sales volume from methyl ester plant 2 amounting to 17,293 tons could not be recorded in profit/loss statement because it was under testing run for commercial operation. However, that sales volume for methyl ester was included in the total sales volume of 206,293 tons in 1H2019 as table above.

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

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

### Operating performance comparison between 2Q2020 vs. 2Q2019

In 2Q2020, the Company recorded methyl ester business sales revenue of THB 2,958 million, an increase of THB 633 million or 27% because of the rising of methyl ester selling price in relation to upward CPO price compared to prior year. Even though, methyl ester sales volume was at 100,518 tons, dropped by 10% from 2Q2019 mainly from impact of COVID-19, resulted in the lessen transport in logistic and private sector, leading to significant decreasing of diesel consumption in 2Q2020. In addition, rising of refined glycerine price and sales volume also affected to a higher methyl ester business sales revenue due to growing of refined glycerine demand, especially home and personnel care products.

However, the considerably volatility of CPO price, in which CPO price in 2Q2020 declined by 27% compared to end of 1Q2020 in contrast to CPO price in 2Q2019 escalated by 34% compared to end of 1Q2019



impacted to the Company's Stock Loss & NRV of THB 283 million. Hence, the Company recorded EBITDA of THB -110 million, decreased from the last year by 100%. When deducting the effect of Stock Loss & NRV, the Company had Adjusted EBITDA of THB 173 million, an increase of THB 243 million or 347%.

### Operating performance comparison between 2Q2020 vs. 1Q2020

On quarter by quarter basis, sales revenue in 2Q2020 was recorded at THB 2,958 million, decreased by THB 1,388 million or 32%. This was because an average of methyl ester selling price dropped by more than 30% compared to previous quarter, in a relation to the decreasing of CPO price. Meanwhile, methyl ester sales volume closed to prior quarter, CPO and methyl ester prices drastically fall compared to 1Q2020. This resulted to Stock Loss & NRV of THB 283 million, consequently, the Company recorded EBITDA of THB -110 million, a decrease of 137% from 1Q2020 and Adjusted EBITDA of THB 173 million, declined by 49% when deducting the effect of Stock Loss & NRV.

### Operating performance comparison between 1H2020 vs. 1H2019

As for the first 6 months of 2020, the Company posted methyl ester business sales revenue of THB 7,304 million, an increase of THB 3,265 million or 81% from the first 6 months of 2019. This was because the rising of methyl ester selling price in relation to upward CPO price, while methyl ester sales volume slightly decreased in comparison with 1H2019. Despite, the shifting of biodiesel B10 as the mandatory diesel from B7 since January 2020 was implemented, the impact of COVID-19 outbreak reflected to a decline in diesel consumption. Additionally, the improvement of refined glycerine price and sales volume led to the increasing of the Company's sales volume from by-product compared to 1H2019.

According to the implementation of biodiesel B10 as mandatory diesel in Thailand, the methyl ester market trends to a balanced demand-supply condition after lessen competition in product discount, attributed to the improved profitability of methyl ester. Nevertheless, the volatility of CPO price in 1H2020 resulted in the Company's Stock Loss & NRV of THB 321 million. As aforementioned, in the first 6 months of 2020, the Company posted EBITDA of THB 191 million, an increase of 460% and Adjusted EBITDA of THB 512 million, up 1,124% or THB 562 million from 1H2019 when deducting the effect of Stock Loss & NRV.

## Fatty Alcohols (FA) Business Unit Operating Performance

Exhibit 6 : Keys Operating Performance of FA Business Unit

Fatty Alcohols Business	2Q2020	2Q2019	% YoY	1Q2020	% QoQ	1H2020	1H2019	% YoY
Utilization (%)	89%	84%	5%	102%	-13%	95%	97%	-2%
Sales Volume (Ton)	24,412	24,245	1%	20,938	17%	45,350	49,043	-8%
Sales Revenue (million baht)	973	965	1%	881	10%	1,854	2,067	-10%
EBITDA (million baht)	-10	143	-107%	44	-123%	34	282	-88%
EBITDA margin (%)	-1.0%	14.8%	-15.8%	5.0%	-6.0%	1.8%	13.6%	-11.8%
Stock Gain/(Loss) & NRV	-91	-73	25%	130	-170%	39	-129	-130%
Adjusted EBITDA (million baht) <sup>(1)</sup>	81	216	-63%	-86	-194%	-5	411	-101%
Adjusted EBITDA Margin (%)	8.3%	22.4%	-14.1%	-9.8%	18.1%	-0.3%	19.9%	-20.2%

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

### Operating performance comparison between 2Q2020 vs. 2Q2019

In 2Q2020, fatty alcohols business recorded sales revenue of THB 973 million, a slightly increase of 1% from 2Q2019 in relation to a bit higher in sales volume. In this quarter, the impact of COVID-19 outbreak led to sluggish in fatty alcohols market worldwide. While, in 2Q2019, fatty alcohols supply was tight which was impacted by the announcement of permanent shutdown of a synthetic fatty alcohols plant in Europe. As these factors above, the profitability of products was soften compared to 2Q2019. In addition, the Company had Stock Loss & NRV of THB 91 million because CPKO price in 2Q2020 decreased more than that of 2Q2019. Consequently, the Company posted EBITDA of THB -10 million, down by 107% from the same period of 2Q2019. When deducting the effect of Stock Loss & NRV, the Company had Adjusted EBITDA of THB 81 million, a decrease of 63% from 2Q2019.

### Operating performance comparison between 2Q2020 vs. 1Q2020

On quarter by quarter basis, sales revenue of fatty alcohols business in 2Q2020 was at THB 973 million, increased from previous quarter by THB 92 million or 10% due to increasing of fatty alcohols sales volume of 17%, stood at 24,412 tons. The primary caused improvement of COVID-19 situation, resulted in being better fatty alcohols market from easing lockdown measure. However, the Company had the shutdown of fatty alcohols plant for catalyst changing at the end of May until beginning of June 2020. Additionally, an average of natural fatty alcohols price decreased in a relation to downward CPKO price. Therefore, the Company recorded EBITDA



of THB -10 million, decreased by THB 54 million or 123% and Adjusted EBITDA of THB 81 million, increase 194% when deducting the effect of Stock Loss & NRV of THB 91 million.

### Operating performance comparison between 1H2020 vs. 1H2019

In 1H2020, fatty alcohols business recorded sales revenue of THB 1,854 million, decreased from 1H2019 by THB 213 million or 10% mainly due to a decrease of sales volume by 8%, stood at 45,350 tons. Because many countries enacted lockdown measure from COVID-19 outbreak led to temporarily capacity reduction of plant by customers during end of 1Q2020 to beginning of 2Q2020. Despite, many countries announced to ease lockdown measure resulted in fatty alcohols market's purchasing power improved. In addition, the profitability of fatty alcohols was lower than that of 1H2019 because of the volatility of CPKO price. Despite, CPKO price moved upward compared to previous year, the average of product price was unable to catch up CPKO price immediately. As aforementioned, the Company recorded EBITDA of THB 34 million, dropped from 1H2019 by 88%. When deducting impact from Stock Gain & NRV of THB 39 million in 1H2020, Adjusted EBITDA was recorded at THB -5 million, a decrease of 101% from the first 6 months of 2019.

## Consolidated Statement of Income

Exhibit 7 : Consolidated Profit & Loss Statement comparison of 2Q2020, 2Q2019 and 1Q2020

	2Q2020		2Q2019		YoY		1Q2020		QoQ	
	MB.	%	MB.	%	MB.	%	MB.	%	MB.	%
<b>Sale Revenue</b>	<b>3,931</b>	<b>100</b>	<b>3,290</b>	<b>100</b>	<b>641</b>	<b>19</b>	<b>5,227</b>	<b>100</b>	<b>(1,296)</b>	<b>(25)</b>
Feedstock	(3,034)	(77)	(2,388)	(73)	(646)	27	(4,292)	(82)	1,258	(29)
Net Realizable Value (NRV)	9	0	10	0	(1)	(10)	(7)	(0)	16	(229)
<b>Product to Feed Margin</b>	<b>906</b>	<b>23</b>	<b>912</b>	<b>28</b>	<b>(6)</b>	<b>(1)</b>	<b>928</b>	<b>18</b>	<b>(22)</b>	<b>(2)</b>
Variable Costs	(386)	(10)	(486)	(15)	100	(21)	(411)	(8)	25	(6)
Fixed Costs	(181)	(5)	(177)	(5)	(4)	2	(154)	(3)	(27)	18
Stock Gain/(Loss)	(383)	(10)	(68)	(2)	(315)	463	99	2	(482)	(487)
SG&A	(90)	(2)	(107)	(3)	17	(16)	(127)	(2)	37	(29)
Other Income	14	0	14	0	-	-	10	0	4	40
<b>EBITDA</b>	<b>(120)</b>	<b>(3)</b>	<b>88</b>	<b>3</b>	<b>(208)</b>	<b>(236)</b>	<b>345</b>	<b>7</b>	<b>(465)</b>	<b>(135)</b>
Depreciation and Amortization	(183)	(5)	(131)	(4)	(52)	40	(154)	(3)	(29)	19
<b>EBIT</b>	<b>(303)</b>	<b>(8)</b>	<b>(43)</b>	<b>(1)</b>	<b>(260)</b>	<b>605</b>	<b>191</b>	<b>4</b>	<b>(494)</b>	<b>(259)</b>
Net Financial Costs	(14)	(0)	(4)	(0)	(10)	250	(11)	(0)	(3)	27
FX Gain/Loss <sup>(1)</sup>	(10)	(0)	(2)	(0)	(8)	400	18	0	(28)	(156)
Share of Profit/(Loss) from investment	(11)	(0)	16	0	(27)	(169)	59	1	(70)	(119)
Income Tax Expenses	(6)	(0)	(3)	(0)	(3)	100	(18)	(0)	12	(67)
<b>Net Profit before extra item</b>	<b>(344)</b>	<b>(9)</b>	<b>(36)</b>	<b>(1)</b>	<b>(308)</b>	<b>856</b>	<b>239</b>	<b>5</b>	<b>(583)</b>	<b>(244)</b>
Extra item <sup>(2)</sup>	-	-	14	0	(14)	(100)	-	-	-	N/A
<b>Net Profit after extra item</b>	<b>(344)</b>	<b>(9)</b>	<b>(22)</b>	<b>(1)</b>	<b>(322)</b>	<b>1,464</b>	<b>239</b>	<b>5</b>	<b>(583)</b>	<b>(244)</b>

**Notes :**

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

(2) Extra item was from reversal of inventory derogation because a supplier had delivered raw materials to the company regarding to the settlement agreement.

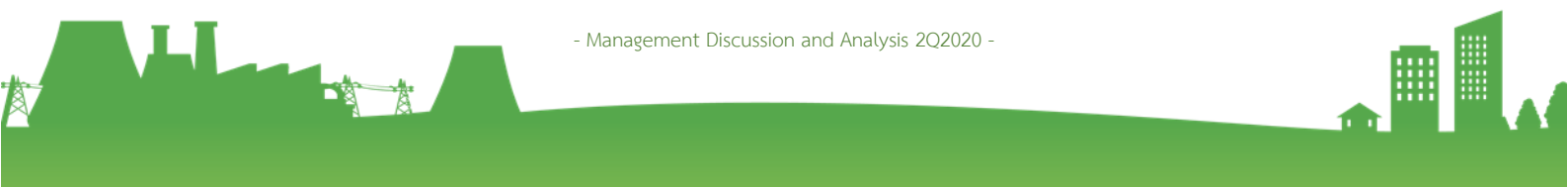


Exhibit 8 : Consolidated Profit &amp; Loss Statement comparison of 1H2020 and 1H2019

	1H2020		1H2019		YoY	
	MB.	%	MB.	%	MB.	%
<b>Sale Revenue</b>	<b>9,158</b>	<b>100</b>	<b>6,106</b>	<b>100</b>	<b>3,052</b>	<b>50</b>
Feedstock	(7,326)	(80)	(4,363)	(71)	(2,963)	68
Net Realizable Value (NRV)	2	0	3	0	(1)	(33)
<b>Product to Feed Margin</b>	<b>1,834</b>	<b>20</b>	<b>1,746</b>	<b>29</b>	<b>88</b>	<b>5</b>
Variable Costs	(797)	(9)	(889)	(15)	92	(10)
Fixed Costs	(335)	(4)	(310)	(5)	(25)	8
Stock Gain/(Loss)	(284)	(3)	(135)	(2)	(149)	110
SG&A	(217)	(2)	(219)	(4)	2	(1)
Other Income	24	0	36	1	(12)	(33)
<b>EBITDA</b>	<b>225</b>	<b>2</b>	<b>229</b>	<b>4</b>	<b>(4)</b>	<b>(2)</b>
Depreciation and Amortization	(337)	(4)	(242)	(4)	(95)	39
<b>EBIT</b>	<b>(112)</b>	<b>(1)</b>	<b>(13)</b>	<b>(0)</b>	<b>(99)</b>	<b>762</b>
Net Financial Costs	(25)	(0)	(8)	(0)	(17)	213
FX Gain/Loss <sup>(1)</sup>	8	0	(5)	(0)	13	(260)
Share of Profit/(Loss) from investment	48	1	17	0	31	182
Income Tax Expenses	(24)	(0)	(7)	(0)	(17)	243
<b>Net Profit before extra item</b>	<b>(105)</b>	<b>(1)</b>	<b>(16)</b>	<b>(0)</b>	<b>(89)</b>	<b>556</b>
Extra item <sup>(2)</sup>	-	-	16	0	(16)	(100)
<b>Net Profit after extra item</b>	<b>(105)</b>	<b>(1)</b>	<b>0</b>	<b>0</b>	<b>(105)</b>	<b>N/A</b>

## Notes :

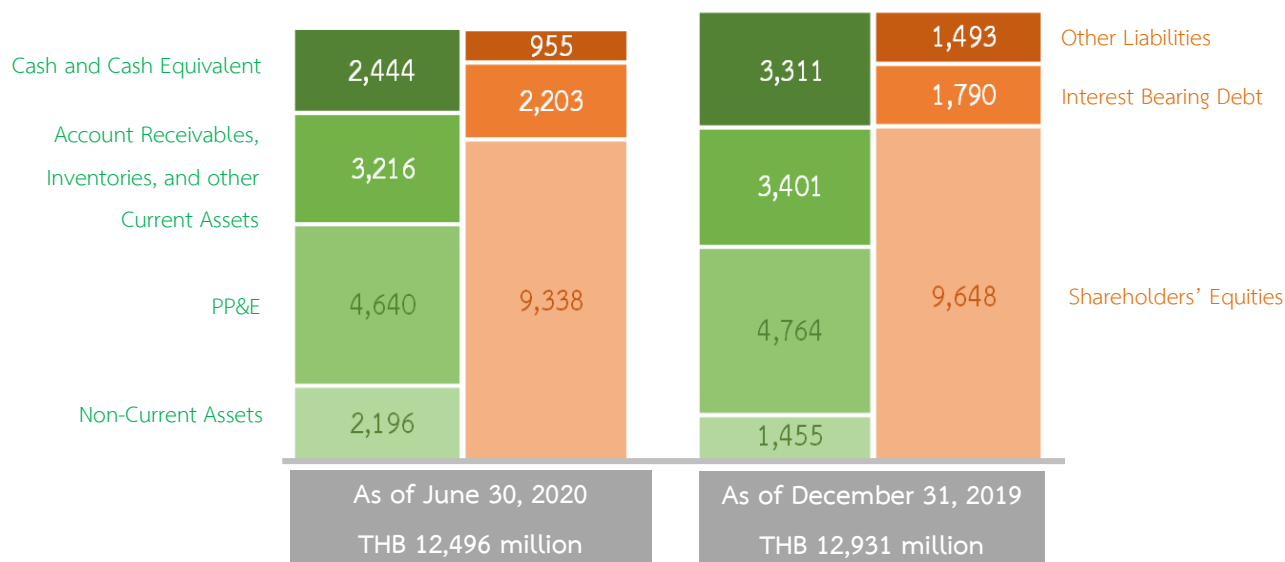
(1) Including Gain/(Loss) from FX and Derivatives

(2) Extra items were from reversal of inventory derogation because a supplier had delivered raw materials to the company regarding to the settlement agreement.



## Statement of Financial Position

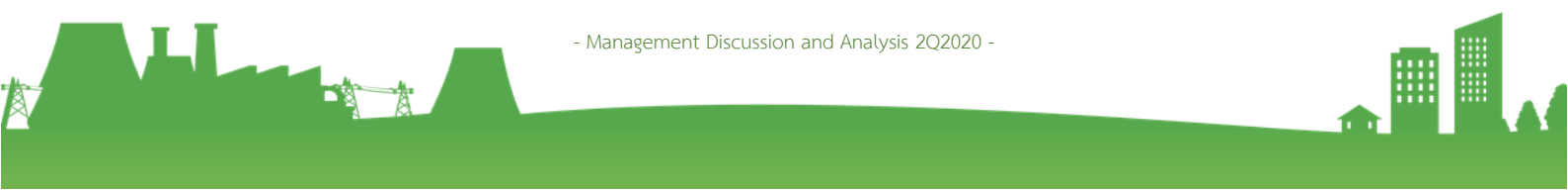
Exhibit 9 : Consolidated Financial Position as of June 30, 2020 and as of December 31, 2019



### Assets

As of June 30, 2020, the Company had total assets of THB 12,496 million, a decrease of THB 435 million compared to December 31, 2019 in which key changes are described as follow;

1. Current assets decreased by THB 1,052 million mainly from;
  - 1.1 A decline in cash and cash equivalent THB 867 million mainly due to cash for operating, construction payment for refined glycerine#2 project and repayment of long-term debt from financial institutions
  - 1.2 Accounts receivable and other accounts receivables decreased by THB 192 million caused by the declining of methyl ester selling price and sales volume compared to end of 2019.
2. Non-current assets increased by THB 617 million mainly from;
  - 2.1 The right of use (ROU) asset increased by THB 633 million following the new standard for leases under Thai Financial Reporting Standards 16 (TFRS 16).
  - 2.2 Investments in joint ventures and associates increased by THB 134 million primarily due to share of profit from investment in joint ventures and increasing of investment in joint ventures.





2.3 PP&E decreased by THB 124 million due to a depreciation in 1H2020 amounting of THB 234 million and additional investment of THB 168 million mainly in refined glycerine#2 project.

2.4 Deferred tax asset declined by THB 24 million.

## Liabilities

As of June 30, 2020, the Company had total liabilities of THB 3,158 million, a decrease of THB 125 million or 4% compared to December 31, 2019, mainly attributed to

1. Accounts payable and other accounts payables decreased by THB 527 million mainly due to an extremely decline in raw material prices compared to end of FY2019.
2. A decline in long-term borrowing from financial institutions of THB 251 million.
3. The lease liability increased by THB 633 million which is accounted for similarly to the right of use asset under TFRS 16.

## Shareholder's equities

As of June 30, 2020, the Company had total shareholder's equity of THB 9,338 million, a decrease of THB 310 million compared to December 31, 2019. This was the net loss of THB 105 million in 1H2020 and the announcement of dividend payment of THB 205 million as the approval of the Company's Board of Directors on March 27, 2020.

## Statement of Cash Flows

Exhibit 10 : Consolidated Cash Flows Statement for the six-month period ended June 30, 2020 and June 30, 2019.

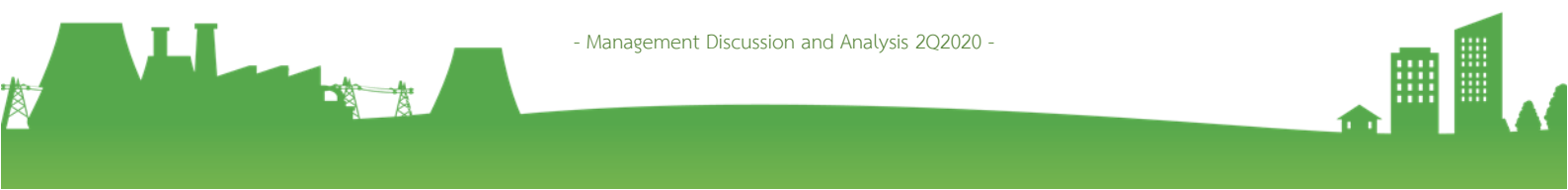
Cash Flow (Unit: Million Baht)	30 June 2020	30 June 2019
Net cash received (used in) operating activities	(134)	649
Net cash received (used in) investing activities	222	705
Net cash received (used in) financing activities	(501)	(205)
Effect of exchange rate changes on balances held in foreign currencies	(1.6)	(0.9)
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(415)</b>	<b>1,148</b>
Cash and cash equivalents as at 1 January	2,311	2,387
<b>Cash and cash equivalents as at 30 June</b>	<b>1,896</b>	<b>3,535</b>

As for the first 6 months of 2020, the Company had cash used in operating activities of THB 134 million which comprised of cash from the net loss of THB 105 million, the adjustment for non-cash items, a decline in accounts payable, accounts receivable and inventories.

The Company had cash received from investing activities of THB 222 million primarily due to an increase in deposits with financial institutions of THB 452 million and cash spending for PP&E and intangible assets of THB 158 million mainly from investment in refined glycerine#2 project, investments in joint ventures of THB 152 million, in addition to cash receiving from dividend and interest income of THB 80 million.

The Company had cash flow spending for financial activities of THB 501 million, which was spent for repayment of long-term borrowing from financial institutions, dividend payment, financial costs and financial lease.

As the activities above, the Company had a decline in cash and cash equivalents in the amount of THB 415 million which had cash and cash equivalents as of January 1, 2020 in the amount of THB 2,311 million. As a result, as of June 30, 2020 the Company had cash and cash equivalents of THB 1,896 million.



## Key Financial Ratios

Exhibit 11 : Key Financial Ratios comparison of 2Q2020, 2Q2019 and 1Q2020.

Key Financial Ratio	2Q2020	2Q2019	1Q2020
Current Ratio (x)	3.9	4.9	4.0
EBITDA to Sales Revenue (%)	(3.0)	2.7	6.6
Net Profit to Sales Revenue (%)	(8.7)	(0.7)	4.5
Return on Total Assets (%)	1.7	3.4	4.1
Return on Equity (%)	(0.1)	6.7	3.2
Debt to Equity (x)	0.3	0.3	0.4
Interest Bearing Debt to Equity (x)	0.2	0.2	0.2
Interest Bearing Debt to EBITDA (x)	4.4	2.4	3.2

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

