

2 APRIL 2021

THAILAND / UTILITIES - CONVENTIONAL

WHA UTILITIES & POWER

WHAUP TB

HOLD

FROM BUY

TARGET PRICE	THB4.50
CLOSE	THB4.42
UP/DOWNSIDE	+1.8%
PRIOR TP	THB5.20
CHANGE IN TP	-13.5%
TP vs CONSENSUS	-6.9%

กำไรสุทธิจะโตจำกัดหลังปี 2021

การฟื้นตัวของการเติบโตในธุรกิจสาธารณูปโภค

หลังรายงานกำไรสุทธิที่ย่ำแย่เพียง 0.8 พัน ลบ. ในปี 2020 จาก APs ที่ลดลงของ Gheco-One และผลกระทบของการแพร่ระบาด Covid-19 เราเชื่อว่าการเติบโตของกำไรสุทธิของ WHAUP จะค่อย ๆ ฟื้นตัวในปี 2021-23 จากยอดขายน้ำที่คาดว่าจะเพิ่มสูงขึ้นจากโรงงานประปาในประเทศไทยและหุ้น 34% ใน Duong River Surface Water Plant Joint Stocks Company (SDWTP) ซึ่งเป็นผู้ให้บริการนำประปาในฮานอย ประเทศเวียดนามด้วยโครงการ The Cua Lo Vietnam (เริ่มดำเนินงานเชิงพาณิชย์ในช่วง 3Q19 กำลังการผลิต 13 ล้าน ลบ.ม. ต่อวัน) นอกจากนี้ กำไรสุทธิจากธุรกิจโรงไฟฟ้าควรจะดีขึ้นในปี 2021 จากการฟื้นตัวของความต้องการของผู้ใช้อุตสาหกรรม (IU) และการเริ่มของโรงไฟฟ้าพลังแสงอาทิตย์ (กำลังการผลิต 30MW เริ่มดำเนินงานเชิงพาณิชย์ในปี 2020) โครงการติดตั้งแผงผลิตไฟฟ้าพลังแสงอาทิตย์บนหลังคา (กำลังการผลิต 4.9MW เริ่มดำเนินงานเชิงพาณิชย์ในเดือน ต.ค. 20) โรงบำบัดน้ำขนาด 9.1 ล้าน ลบ.ม. (เริ่มดำเนินงานเชิงพาณิชย์ในเดือน ธ.ค. 20) และโครงการสร้างมูลค่าเพิ่มให้แก่ 2 โครงการ ประกอบด้วยโครงการกรองน้ำขนาด 1.6 ล้าน ลบ.ม. ต่อปี ร่วมกับ GPSC และโครงการบำบัดน้ำเสียขนาด 1.9 ล้าน ลบ.ม. ร่วมกับ GULF

กำไรจากธุรกิจโรงไฟฟ้าที่ลดลงยังเป็นปัจจัยถ่วงสำคัญ

ในขณะที่เราคาดว่ากำไรสุทธิจากธุรกิจน้ำและโรงไฟฟ้าจะฟื้นตัวในปี 2021 จากปัญหาภัยแล้งในปี 2020 และความต้องการไฟฟ้าและไอน้ำที่ลดลงของ IU เรามองว่ากำไรสุทธิจะโตในอัตราที่ลดลงในปี 2022-23 จากโครงการเพื่อการเติบโตที่มีจำกัด ในปี 2020 ส่วนแบ่งกำไรจากธุรกิจโรงไฟฟ้าลดลง 46% y-y เหลือ 1 พัน ลบ. จากกำไรสุทธิที่ลดลงของ Gheco-One (-0.5 พัน ลบ. y-y) โรงไฟฟ้าขนาดเล็ก 8 แห่ง (-30.6 ลบ. y-y) และ GIPP (-38.5 ลบ.) ปัจจัยดังกล่าวชัดเจนได้บางส่วนจากกำไร 60.6 ลบ. ของโรงไฟฟ้าจากขยะ CCE กำไรสุทธิจากการดำเนินงานลดลง 62% y-y เป็น 813 ลบ. จากผลขาดทุนสุทธิจำนวน 159.7 ลบ. จากธุรกิจน้ำประปาส่วนมากจากส่วนแบ่งผลขาดทุนจำนวน 161.4 ลบ. ของโครงการนำ SDWTP ในเวียดนามจากปัญหาการแพร่ระบาด Covid

ปรับลดกำไรต่อหุ้น

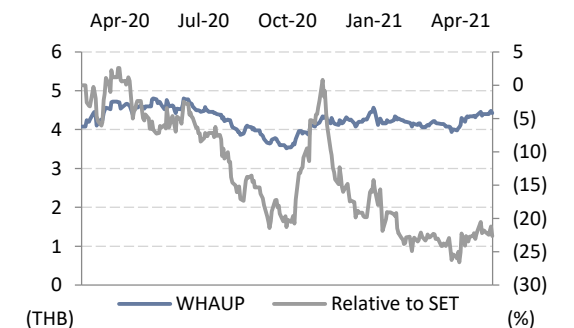
เราปรับลดประมาณการกำไรต่อหุ้นของปี 2021-22 ลง 45.6-47.2% เพื่อสะท้อนสมมติฐานส่วนแบ่งรายได้ที่ลดลงจากธุรกิจโรงไฟฟ้า เนื่องจาก APs ของ Gheco-one ลดลงในอัตราเร่งกว่าที่เคยคาดมาก เราเห็นว่าการฟื้นตัวของความต้องการน้ำของ SDWTP ไม่น่าจะมากพอที่จะชดเชยกำไรสุทธิที่ลดลงจาก Gheco-one ในปี 2022-23

ต้องอดทนรอการเติบโตในช่วงถัดไป

เราปรับลดคำแนะนำ WHAUP เป็นถือจากซื้อหลังปรับลดราคาเป้าหมายจาก 5.2 เป็น 4.5 บาท (SoTP) เพื่อสะท้อนกำไรสุทธิที่ลดลงจากธุรกิจน้ำและไฟฟ้า เรามองว่า WHAUP ต้องการเวลาก่อนที่จะกลับมามีแนวโน้มเติบโตได้อีกครั้งหลังความเสี่ยงขาลงทั้งปีปัญหาภัยแล้งและ Covid-19 บรรเทาแล้ว

KEY STOCK DATA

YE Dec (THB m)	2020	2021E	2022E	2023E
Revenue	1,696	1,770	1,818	1,866
Net profit	815	1,220	1,321	1,419
EPS (THB)	0.21	0.32	0.35	0.37
vs Consensus (%)	-	(14.2)	(9.8)	(2.6)
EBITDA	575	619	636	653
Core net profit	813	1,220	1,321	1,419
Core EPS (THB)	0.21	0.32	0.35	0.37
Chg. In EPS est. (%)	nm	(47.2)	(45.6)	nm
EPS growth (%)	(62.0)	50.1	8.3	7.4
Core P/E (x)	20.8	13.9	12.8	11.9
Dividend yield (%)	5.7	6.8	7.9	7.9
EV/EBITDA (x)	48.6	45.2	44.1	43.2
Price/book (x)	1.4	1.4	1.3	1.3
Net debt/Equity (%)	91.2	88.9	88.2	88.9
ROE (%)	6.3	9.9	10.6	11.2



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	11.1	5.2	9.4
Relative to country (%)	4.5	(4.4)	(24.2)
Mkt cap (USD m)	540		
3m avg. daily turnover (USD m)	0.8		
Free float (%)	28		
Major shareholder	WHA Industrial Development Plc (69%)		
12m high/low (THB)	4.94/3.50		
Issued shares (m)	3,825.00		

Sources: Bloomberg consensus; FSSIA estimates



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บทวิเคราะห์ฉบับนี้เป็นผลมาจากบทวิเคราะห์ของ FSSIA ฉบับวันที่ 2 เมษายน 2021

Investment thesis

WHA Utilities and Power (WHAUP), a subsidiary of WHA (WHA), is an integrated provider of utility products and services, as well as an active power investor with strategic partnerships with reputable Thai and international operators. WHAUP is a low-risk operator with a proven track record in small power plants (SPP) and the operation of water utilities in high-growth renewable power markets in Thailand.

WHAUP currently has two main business operations: SPPs and water supply to industrial clients located inside the industrial estates (IE) that belong to its parent company, WHA.

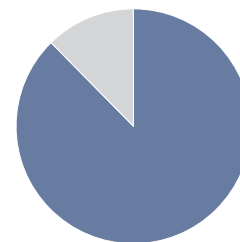
Company profile

WHAUP is the power subsidiary of the WHA group. It operates power plants and water treatment plants located across many industrial estates.

www.wha-up.com

Principal activities (revenue, 2020)

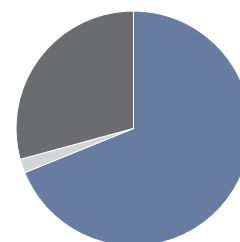
- water business - 87.6 %
- power business - 12.4 %



Source: WHA Utilities & Power

Major shareholders

- WHA Industrial Development Plc - 68.9 %
- WHA Holding Company - 1.9 %
- Others - 29.2 %



Source: WHA Utilities & Power

Catalyst

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

Risk to our call

Downside risks to our SoTP-based TP include 1) lower-than-expected demand for electricity in Thailand; and 2) lower crude prices. Upside risks are the higher than expected sales volumes of water and electricity for industrial users.

Event calendar

Date	Event
May 2021	1Q21 results announcement

Key assumptions

	2021E	2022E	2023E
Tariff (THB/kWh)	3.12	3.24	3.37
Electricity capacity (MW)	4,325	4,400	4,500
Water capacity (km ³ /day)	208	208	208
Capex (THB m)	101	101	101
Equity income (THB m)	1,163	1,242	1,326

Source: FSSIA estimates

Earnings sensitivity

- For every 1% increase in gas price, we estimate 2021 earnings will decline 1.1%, and vice versa, all else being equal.
- For every 1% increase in interest rate, we estimate 2021 earnings will decline 1.3%, and vice versa, all else being equal.

Source: FSSIA estimates

Exhibit 1: Summary of 4Q20/2020 operations

	4Q19	3Q20	4Q20			2019	2020	Chg.	Comments
	(THB m)	(THB m)	(THB m)	(q-q %)	(y-y %)	(THB m)	(THB m)	(y-y %)	
Revenue	470	416	446	7.2	(5.1)	1,857	1,696	(8.7)	Lower y-y due to Covid-19 impact
Operating costs	(329)	(250)	(317)	26.6	(3.7)	(946)	(933)	(1.4)	Lower y-y due to lower production
EBITDA	141	166	130	(22.0)	(8.4)	714	575	(19.4)	
EBITDA margin (%)	30.1	39.9	29.0	nm	nm	33.3	34.3	nm	
Depn & amort.	(57)	(86)	(74)	(14.3)	29.5	(219)	(265)	21.3	Higher y-y due to new projects
EBIT	84	80	56	(30.4)	(34.1)	495	310	(37.4)	
Interest expense	(97)	(107)	(108)	1.1	11.6	(342)	(433)	26.6	
Interest & invt inc	(0)	-	1	nm	nm	-	2	nm	
Other income	60	44	(203)	nm	nm	146	79	(45.9)	
Associates' contrib	371	97	442	355.5	19.3	1,881	866	(53.9)	
Exceptional	-	82	73	(11.0)	nm	-	2	nm	
Pretax profit	418	197	261	32.5	(37.5)	2,180	826	(62.1)	Lower y-y due to lower sales volumes
Tax	(19)	(10)	4	nm	nm	(43)	(11)	(73.8)	
Tax rate (%)	4.6	5.2	(1.4)	nm	nm	2.0	1.4	nm	
Minority interests	0	(0)	0	(200.0)	33.8	(0)	(0)	17.2	
Net profit	399	187	265	41.8	(33.6)	2,137	815	(61.9)	25%/27% below our and consensus estimates
Non-recurring	17	(8)	93	nm	431.3	-	-	nm	
Core net profit	382	195	172	(11.6)	(54.9)	2,137	813	(62.0)	
EPS (THB)	0.10	0.05	0.07	41.8	(33.6)	0.56	0.21	(61.9)	
Core EPS (THB)	0.10	0.05	0.05	(11.6)	(54.9)	0.56	0.21	(62.0)	

Sources: WHAUP; FSSIA estimates

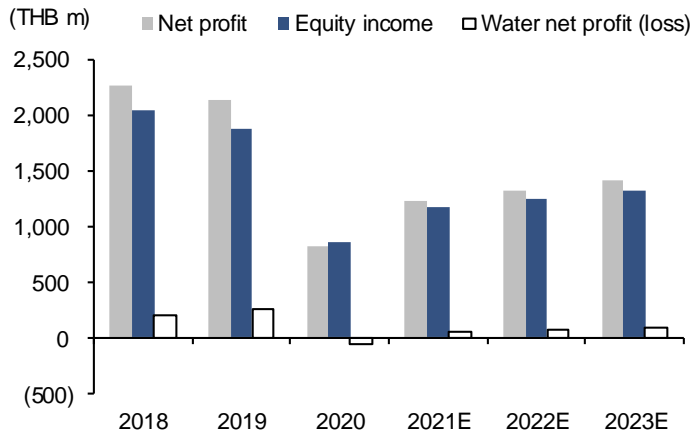
Exhibit 2: 4Q20/2020 key performance

	4Q19	3Q20	4Q20	Change		2019	2020	Chg.
	(THB m)	(THB m)	(THB m)	(q-q %)	(y-y %)	(THB m)	(THB m)	(y-y %)
Utilities business								
Revenue from utilities business	465.6	402.1	427.0	6.2	(8.3)	1,847.0	1,642.6	(11.1)
- Industrial water sales	331.2	305.2	327.2	7.2	(1.2)	1,309.5	1,233.8	(5.8)
- Raw water sales	62.6	60.0	59.9	(0.2)	(4.3)	264.0	250.4	(5.2)
- Wastewater treatment services	41.0	33.8	35.7	5.6	(12.9)	160.8	140.5	(12.6)
- Other revenue	30.9	3.1	4.2	35.5	(86.4)	112.7	17.9	(84.1)
Share of profits from utilities business	(13.6)	(57.5)	(36.0)	(37.4)	164.7	(13.5)	(159.7)	1,083.0
Total revenue & share of profits from utilities business	452.0	344.6	390.9	13.4	(13.5)	1,833.5	1,482.9	(19.1)
Power business								
Revenue from power business	4.3	14.9	19.9	33.6	362.8	10.2	55.4	443.1
Share of profits from power business	384.3	154.6	478.3	209.4	24.5	1,894.6	1,026.0	(45.8)
Dividend income	45.0	36.5	0.0	nm	nm	75.0	36.5	(51.3)
Total revenue from power business and share of profits from investments and dividends	433.6	154.6	498.2	222.3	14.9	1,979.8	1,117.8	(43.5)
Normalised share of profits from investment in associates, joint ventures and dividends	356.4	295.5	266.3	(9.9)	(25.3)	1,575.5	1,073.1	(31.9)
- IPP	159.2	100.0	42.5	(57.5)	(73.3)	907.0	324.6	(64.2)
- SPP	196.9	164.7	193.3	17.4	(1.8)	668.8	638.3	(4.6)
- Alternative energy	(1.0)	16.2	29.1	79.6	nm	6.3	111.7	1,673.0
- Power plants under construction and development	1.2	14.6	1.3	(91.1)	8.3	(6.7)	(1.3)	(80.6)

Source: WHAUP

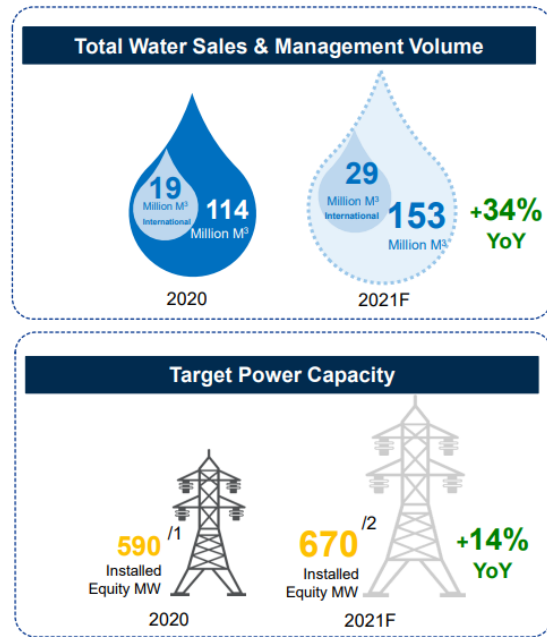
WHAUP reported a 4Q20 NP of THB265m, down 34% y-y, which missed our forecast by 25% and Bloomberg consensus by 27%. The key drivers were q-q lower availability payments (APs) from the Gheco-One power plant and the lower revenue from water due to the Covid-19 outbreak.

Exhibit 3: Net profit vs power equity income and water net profit



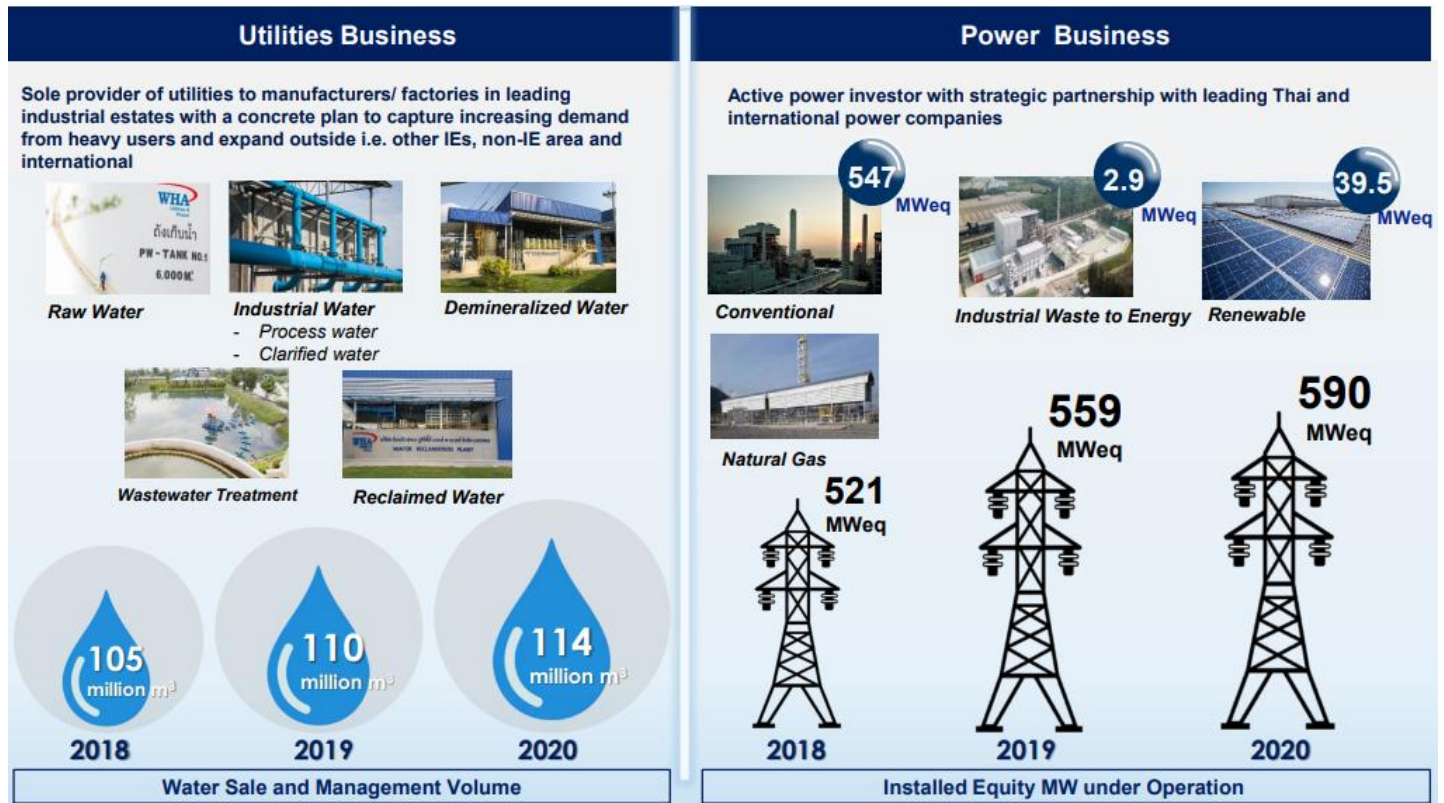
Sources: WHAUP; FSSIA estimates

Exhibit 4: 2021 capacity growth targets for power and water



Source: WHAUP

Exhibit 5: Current asset portfolio



Source: WHAUP

Exhibit 6: Key changes in assumptions

(THB m)	Current			Previous			Change (%)		
	2021E	2022E	2023E	2021E	2022E	2022E	2021E	2022E	2023E
Revenue	1,770	1,818	1,866	1,977	2,030	2,030	(10.5)	(10.5)	(8.1)
Gross profit	761	781	802	850	872	872	(10.5)	(10.5)	(8.1)
Operating profit	416	429	443	465	480	480	(10.6)	(10.6)	(7.8)
Net profit	1,220	1,321	1,419	2,308	2,428	2,428	(47.2)	(45.6)	(41.5)
EPS (THB)	0.32	0.35	0.37	0.60	0.63	0.63	(47.2)	(45.6)	(41.5)
Key assumptions									
Tariff (THB/kWh)	3.12	3.24	3.37	3.12	3.24	3.24	0.0	0.0	4.0
Electricity capacity (MW)	4,325	4,400	4,500	4,600	4,601	4,601	(6.0)	(4.4)	(2.2)
Water capacity (km ³ /day)	208	208	208	208	208	208	0.0	0.0	0.0
Capex (THB m)	101	101	101	101	101	101	0.0	0.0	0.0
Equity income (THB m)	1,163	1,242	1,326	2,120	2,219	2,219	(45.2)	(44.0)	(40.2)

Source: FSSIA estimates

Exhibit 7: SOTP valuation

Cost of equity assumptions	(%)		Cost of debt assumptions	(%)		
Risk free rate	2.3		Pretax cost of debt	4.5		
Market risk premium	8.5		Marginal tax rate	20.0		
Stock beta	0.80					
Cost of equity, Ke	9.1		Net cost of debt, Kd	3.4		
Weight applied	25.0		Weight applied	75.0		
WACC (%)	4.8					
DCF valuation estimate	(MW)	(%)	Equity Capacity	(THB m)	(THB/share)	Comments
Gheco-1 (Aug,2012) – Coal	660	35	231	4,433	1.2	WACC 4.8%, Risk free rate 2.3%, Risk premium 8.5%, Zero terminal growth
GLOW IPP (Jan,03) – Gas	713	5	36	94	0.0	WACC 4.8%, Risk free rate 2.3%, Risk premium 8.5%, Zero terminal growth
Houay Ho (Sep,99) – Hydro	152	13	19	702	0.2	WACC 4.8%, Risk free rate 2.3%, Risk premium 8.5%, Zero terminal growth
GJP NLL (May, 2013) – Gas	123	25	31	1,780	0.5	WACC 4.8%, Risk free rate 2.3%, Risk premium 8.5%, Zero terminal growth
GULF SOLAR (2014) – Solar	1	25	0	6	0.0	WACC 4.8%, Risk free rate 2.3%, Risk premium 8.5%, Zero terminal growth
WHA GUNKUL (2014) – Solar	3	75	2	108	0.0	WACC 4.8%, Risk free rate 2.3%, Risk premium 8.5%, Zero terminal growth
BGRIM POWER1 Nov, 2016) – Gas	121	25	30	1,253	0.3	WACC 4.8%, Risk free rate 2.3%, Risk premium 8.5%, Zero terminal growth
GULF VTP (2017) – Gas & steam	130	25	33	640	0.2	WACC 4.8%, Risk free rate 2.3%, Risk premium 8.5%, Zero terminal growth
GULF TS1 (2017) – Gas & steam	130	25	33	1,081	0.3	WACC 4.8%, Risk free rate 2.3%, Risk premium 8.5%, Zero terminal growth
GULF TS2 (2017) – Gas & steam	130	25	33	1,135	0.3	WACC 4.8%, Risk free rate 2.3%, Risk premium 8.5%, Zero terminal growth
GULF TS3 (2017) – Gas & steam	125	25	31	990	0.3	WACC 4.8%, Risk free rate 2.3%, Risk premium 8.5%, Zero terminal growth
GULF TS4 (2018) – Gas & steam	125	25	31	1,758	0.5	WACC 4.8%, Risk free rate 2.3%, Risk premium 8.5%, Zero terminal growth
GULF NLL2 (2019) – Gas & steam	120	25	30	1,165	0.3	WACC 4.8%, Risk free rate 2.3%, Risk premium 8.5%, Zero terminal growth
WHA km3 (1Q19) – Solar	1	75	1	38	0.0	WACC 4.8%, Risk free rate 2.3%, Risk premium 8.5%, Zero terminal growth
Chonburi Clean Energy (Waste Heat,2019)	7	33	2	135	0.0	WACC 4.8%, Risk free rate 2.3%, Risk premium 8.5%, Zero terminal growth
Water in Thailand (cmpd)	425	100	425	11,395	3.0	WACC 4.8%, Risk free rate 2.3%, Risk premium 8.5%, Zero terminal growth
Duong River (Nov 2019) – Water	300	34	102	1,397	0.4	
Net debt				(11,082)	(2.9)	
Minorities				(0)	(0.0)	
Residual ordinary equity				17,027	4.5	

Sources: WHAUP; FSSIA estimates

Financial Statements

WHA Utilities & Power

Profit and Loss (THB m) Year Ending Dec	2019	2020	2021E	2022E	2023E
Revenue	1,857	1,696	1,770	1,818	1,866
Cost of goods sold	(946)	(933)	(1,010)	(1,037)	(1,064)
Gross profit	912	764	761	781	802
Other operating income	-	-	-	-	-
Operating costs	(198)	(188)	(142)	(145)	(149)
Operating EBITDA	714	575	619	636	653
Depreciation	(219)	(265)	(203)	(207)	(210)
Goodwill amortisation	0	0	0	0	0
Operating EBIT	495	310	416	429	443
Net financing costs	(342)	(431)	(417)	(400)	(397)
Associates	1,881	866	1,163	1,242	1,326
Recurring non operating income	2,027	945	1,242	1,321	1,405
Non recurring items	0	2	0	0	0
Profit before tax	2,180	826	1,240	1,350	1,451
Tax	(43)	(11)	(10)	(19)	(22)
Profit after tax	2,137	815	1,230	1,331	1,429
Minority interests	0	0	(10)	(9)	(9)
Preferred dividends	0	0	0	0	0
Other items	-	-	-	-	-
Reported net profit	2,137	815	1,220	1,321	1,419
Non recurring items & goodwill (net)	0	(2)	0	0	0
Recurring net profit	2,137	813	1,220	1,321	1,419
Per share (THB)					
Recurring EPS *	0.56	0.21	0.32	0.35	0.37
Reported EPS	0.56	0.21	0.32	0.35	0.37
DPS	0.25	0.25	0.30	0.35	0.35
Diluted shares (used to calculate per share data)	3,825	3,825	3,825	3,825	3,825
Growth					
Revenue (%)	8.7	(8.7)	4.4	2.7	2.7
Operating EBITDA (%)	8.0	(19.4)	7.6	2.7	2.7
Operating EBIT (%)	8.3	(37.4)	34.2	3.2	3.2
Recurring EPS (%)	(5.1)	(62.0)	50.1	8.3	7.4
Reported EPS (%)	(5.1)	(61.9)	49.7	8.3	7.4
Operating performance					
Gross margin inc depreciation (%)	37.3	29.4	31.5	31.6	31.7
Gross margin of key business (%)	37.3	29.4	31.5	31.6	31.7
Operating EBITDA margin (%)	38.4	33.9	35.0	35.0	35.0
Operating EBIT margin (%)	26.7	18.3	23.5	23.6	23.7
Net margin (%)	115.1	47.9	68.9	72.7	76.1
Effective tax rate (%)	14.3	-26.6	13.4	17.6	17.5
Dividend payout on recurring profit (%)	44.7	118.8	94.1	101.3	94.3
Interest cover (X)	7.4	2.9	4.0	4.4	4.7
Inventory days	-	-	-	-	-
Debtor days	106.2	113.3	86.3	156.1	224.1
Creditor days	93.0	124.2	128.9	132.3	132.3
Operating ROIC (%)	9.6	8.0	6.9	6.5	6.4
ROIC (%)	9.0	6.5	6.0	5.9	6.2
ROE (%)	15.5	6.3	9.9	10.6	11.2
ROA (%)	9.7	5.2	6.2	6.6	7.0
* Pre-exceptional, pre-goodwill and fully diluted					
Revenue By Division (THB m)					
water business	1,627	1,486	1,560	1,608	1,656
power business	230	210	210	210	210
service income					

Sources: WHA Utilities & Power; FSSIA estimates

Financial Statements

WHA Utilities & Power

Cash Flow (THB m) Year Ending Dec	2019	2020	2021E	2022E	2023E
Recurring net profit	2,137	813	1,220	1,321	1,419
Depreciation	219	265	203	207	210
Associates & minorities	1,881	866	1,163	1,242	1,326
Other non-cash items	-	-	-	-	-
Change in working capital	260	661	(333)	(358)	(368)
Cash flow from operations	4,497	2,606	2,253	2,412	2,588
Capex - maintenance	(898)	(1,378)	(101)	(101)	(101)
Capex - new investment	(57)	(24)	0	0	0
Net acquisitions & disposals	1,956	(2,090)	0	0	0
Other investments (net)	-	-	-	-	-
Cash flow from investing	1,002	(3,493)	(101)	(101)	(101)
Dividends paid	(3,255)	(3,254)	(966)	(1,148)	(1,339)
Equity finance	0	0	0	0	0
Debt finance	2,769	1,109	(1,000)	(500)	0
Other financing cash flows	(5,112)	4,060	(1,153)	(1,233)	(1,316)
Cash flow from Financing	(5,598)	1,916	(3,119)	(2,880)	(2,655)
Non-recurring cash flows	-	-	-	-	-
Other adjustments	0	0	0	0	0
Net other adjustments	0	0	0	0	0
Movement in cash	(99)	1,029	(967)	(569)	(168)
Free cash flow to firm (FCFF)	5,840.63	(453.81)	2,586.50	2,719.38	2,886.78
Free cash flow to equity (FCFE)	3,155.59	4,282.88	(1.00)	578.43	1,170.71
Per share (THB)					
FCFF per share	1.53	(0.12)	0.68	0.71	0.75
FCFE per share	0.82	1.12	0.00	0.15	0.31
Recurring cash flow per share	1.11	0.51	0.68	0.72	0.77
Balance Sheet (THB m) Year Ending Dec	2019	2020	2021E	2022E	2023E
Tangible fixed asset (gross)	4,744	6,050	6,151	6,252	6,353
Less: Accumulated depreciation	(794)	(1,011)	(1,214)	(1,421)	(1,631)
Tangible fixed assets (Net)	3,950	5,039	4,937	4,831	4,722
Intangible fixed assets (Net)	4,691	4,761	4,761	4,761	4,761
Long-term financial assets	-	-	-	-	-
Invest. In associates & subsidiaries	15,579	13,489	13,489	13,489	13,489
Cash & equivalents	755	1,784	818	248	80
A/C receivable	811	242	596	959	1,332
Inventories	0	0	0	0	0
Other current assets	508	218	228	234	240
Current assets	2,074	2,244	1,641	1,442	1,653
Other assets	124	639	639	639	639
Total assets	26,419	26,171	25,466	25,161	25,263
Common equity	13,559	12,157	12,411	12,585	12,666
Minorities etc.	0	0	10	19	29
Total Shareholders' equity	13,559	12,157	12,421	12,605	12,695
Long term debt	5,869	10,227	9,227	8,727	8,727
Other long-term liabilities	509	753	753	753	753
Long-term liabilities	6,378	10,980	9,980	9,480	9,480
A/C payable	292	342	371	381	391
Short term debt	5,888	2,639	2,639	2,639	2,639
Other current liabilities	301	53	55	56	58
Current liabilities	6,482	3,034	3,065	3,076	3,088
Total liabilities and shareholders' equity	26,419	26,172	25,466	25,161	25,263
Net working capital	726	65	398	756	1,124
Invested capital	25,070	23,992	24,223	24,475	24,734
* Includes convertibles and preferred stock which is being treated as debt					
Per share (THB)					
Book value per share	3.54	3.18	3.24	3.29	3.31
Tangible book value per share	2.32	1.93	2.00	2.05	2.07
Financial strength					
Net debt/Equity (%)	81.1	91.2	88.9	88.2	88.9
Net debt/total assets (%)	41.6	42.3	43.4	44.2	44.7
Current ratio (x)	0.3	0.7	0.5	0.5	0.5
CF interest cover (x)	10.4	11.0	1.0	2.4	3.9
Valuation	2019	2020	2021E	2022E	2023E
Recurring P/E (x) *	7.9	20.8	13.9	12.8	11.9
Recurring P/E @ target price (x) *	8.1	21.2	14.1	13.0	12.1
Reported P/E (x)	7.9	20.7	13.9	12.8	11.9
Dividend yield (%)	5.7	5.7	6.8	7.9	7.9
Price/book (x)	1.2	1.4	1.4	1.3	1.3
Price/tangible book (x)	1.9	2.3	2.2	2.2	2.1
EV/EBITDA (x) **	39.1	48.6	45.2	44.1	43.2
EV/EBITDA @ target price (x) **	39.5	49.2	45.7	44.6	43.7
EV/invested capital (x)	1.1	1.2	1.2	1.1	1.1

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

Sources: WHA Utilities & Power; FSSIA estimates

Corporate Governance report of Thai listed companies 2020

EXCELLENT LEVEL										
AAV	ADVANC	AF	AIRA	AKP	AKR	ALT	AMA	AMATA	AMATAV	ANAN
AOT	AP	ARIP	ARROW	ASP	BAFS	BANPU	BAY	BCP	BCPG	BDMS
BEC	BEM	BGRIM	BIZ	BKI	BLA	BOL	BPP	BRR	BTS	BWG
CENTEL	CFRESH	CHEWA	CHO	CIMBT	CK	CKP	CM	CNT	COL	COMAN
COTTO	CPALL	CPF	CPI	CPN	CSS	DELTA	DEMCO	DRT	DTAC	DTC
DV8	EA	EASTW	ECF	ECL	EGCO	EPG	ETE	FNS	FPI	FPT
FSMART	GBX	GC	GCAP	GEL	GFPT	GGC	GPSC	GRAMMY	GUNKUL	HANA
HARN	HMPRO	ICC	ICI	III	ILINK	INTUCH	IRPC	IVL	JKN	JSP
JWD	K	KBANK	KCE	KKP	KSL	KTB	KTC	LANNA	LH	LHFG
LIT	LPN	MAKRO	MALEE	MBK	MBKET	MC	MCOT	METCO	MFEC	MINT
MONO	MOONG	MSC	MTC	NCH	NCL	NEP	NKI	NOBLE	NSI	NVD
NYT	OISHI	ORI	OTO	PAP	PCSGH	PDJ	PG	PHOL	PLANB	PLANET
PLAT	PORT	PPS	PR9	PREB	PRG	PRM	PSH	PSL	PTG	PTT
PTTEP	PTTGC	PYLON	Q-CON	QH	QTC	RATCH	RS	S	S & J	SAAM
SABINA	SAMART	SAMTEL	SAT	SC	SCB	SCC	SCCC	SCG	SCN	SDC
SEAFCO	SEOIL	SE-ED	SELIC	SENA	SIRI	SIS	SITHAI	SMK	SMPC	SNC
SONIC	SORKON	SPALI	SPI	SPRC	SPVI	SSSC	SST	STA	SUSCO	SUTHA
SVI	SYMC	SYNTEC	TACC	TASCO	TCAP	TFMAMA	THANA	THANI	THCOM	THG
THIP	THRE	THREL	TIP	TIPCO	TISCO	TK	TKT	TMB	TMILL	TNDT
TNL	TOA	TOP	TPBI	TQM	TRC	TSC	TSR	TSTE	TSTH	TTA
TTCL	TTW	TU	TVD	TVI	TVO	TWPC	U	UAC	UBIS	UV
VGI	VIH	WACOAL	WAVE	WHA	WHAUP	WICE	WINNER	TRUE		

VERY GOOD LEVEL										
2S	ABM	ACE	ACG	ADB	AEC	AEONTS	AGE	AH	AHC	AIT
ALLA	AMANAHA	AMARIN	APCO	APCS	APURE	AQUA	ASAP	ASEFA	ASIA	ASIAN
ASIMAR	ASK	ASN	ATP30	AUCT	AWC	AYUD	B	BA	BAM	BBL
BFIT	BGC	BJC	BJCHI	BROOK	BTW	CBG	CEN	CGH	CHARAN	CHAYO
CHG	CHOTI	CHOW	CI	CIG	CMC	COLOR	COM7	CPL	CRC	CRD
CSC	CSP	CWT	DCC	DCON	DDD	DOD	DOHOME	EASON	EE	ERW
ESTAR	FE	FLOYD	FN	FORTH	FSS	FTE	FVC	GENCO	GJS	GL
GLAND	GLOBAL	GLOCON	GPI	GULF	GYT	HPT	HTC	ICN	IFS	ILM
IMH	INET	INSURE	IRC	IRCP	IT	ITD	ITEL	J	JAS	JCK
JCKH	JMART	JMT	KBS	KCAR	KGI	KIAT	KOOL	KTIS	KWC	KWM
L&E	LALIN	LDC	LHK	LOXLEY	LPH	LRH	LST	M	MACO	MAJOR
MBAX	MEGA	META	MFC	MGT	MILL	MITSIB	MK	MODERN	MTI	MVP
NETBAY	NEX	NINE	NTV	NWR	OCC	OGC	OSP	PATO	PB	PDG
PDI	PICO	PIMO	PJW	PL	PM	PPP	PRIN	PRINC	PSTC	PT
QLT	RCL	RICHY	RML	RPC	RWI	S11	SALEE	SAMCO	SANKO	SAPPE
SAWAD	SCI	SCP	SE	SEG	SFP	SGF	SHR	SIAM	SINGER	SKE
SKR	SKY	SMIT	SMT	SNP	SPA	SPC	SPCG	SR	SRICHA	SSC
SSF	STANLY	STI	STPI	SUC	SUN	SYNEX	T	TAE	TAKUNI	TBSP
TCC	TCMC	TEAM	TEAMG	TFG	TIGER	TITLE	TKN	TKS	TM	TMC
TMD	TMI	TMT	TNITY	TNP	TNR	TOG	TPA	TPAC	TPCORP	TPOLY
TPS	TRITN	TRT	TRU	TSE	TVT	TWP	UEC	UMI	UOBKH	UP
UPF	UPOIC	UT	UTP	UWC	VL	VNT	VPO	WIJK	WP	XO
YUASA	ZEN	ZIGA	ZMICO							

GOOD LEVEL										
7UP	A	ABICO	AJ	ALL	ALUCON	AMC	APP	ARIN	AS	AU
B52	BC	BCH	BEAUTY	BGT	BH	BIG	BKD	BLAND	BM	BR
BROCK	BSBM	BSM	BTNC	CAZ	CCP	CGD	CITY	CMAN	CMO	CMR
CPT	CPW	CRANE	CSR	D	EKH	EP	ESSO	FMT	GIFT	GREEN
GSC	GTB	HTECH	HUMAN	IHL	INOX	INSET	IP	JTS	JUBILE	KASET
KCM	KKC	KUMWEL	KUN	KWG	KYE	LEE	MATCH	MATI	M-CHAI	MCS
MDX	MJD	MM	MORE	NC	NDR	NER	NFC	NNCL	NPK	NUSA
OCEAN	PAF	PF	PK	PLE	PMTA	POST	PPM	PRAKIT	PRECHA	PRIME
PROUD	PTL	RBF	RCI	RJH	ROJNA	RP	RPH	RSP	SF	SFLEX
SGP	SISB	SKN	SLP	SMART	SOLAR	SPG	SQ	SSP	STARK	STC
SUPER	SVOA	TC	TCCC	THMUI	TIW	TNH	TOPP	TPCH	TPIPP	TPLAS
TTI	TYCN	UKEM	UMS	VCOM	VRANDA	WIN	WORK	WPH		

Description

Score Range

Excellent

90-100

Very Good

80-89

Good

70-79

Disclaimer:

The disclosure of the survey results of the Thai Institute of Directors Association ("IOD") regarding corporate governance is made pursuant to the policy of the Office of the Securities and Exchange Commission. The survey of the IOD is based on the information of a company listed on the Stock Exchange of Thailand and the Market for Alternative Investment disclosed to the public and able to be accessed by a general public investor. The result, therefore, is from the perspective of a third party. It is not an evaluation of operation and is not based on inside information.

The survey result is as of the date appearing in the Corporate Governance Report of Thai Listed Companies. As a result, the survey results may be changed after that date. FSS International Investment Advisory Company Limited does not confirm nor certify the accuracy of such survey results.

* CGR scoring should be considered with news regarding wrong doing of the company or director or executive of the company such unfair practice on securities trading, fraud, and corruption SEC imposed a civil sanction against insider trading of director and executive; ** delisted

Source: Thai Institute of Directors Association (IOD); FSSIA's compilation

Anti-corruption Progress Indicator 2020

CERTIFIED										
2S	ADVANC	AI	AIE	AIRA	AKP	AMA	AMANAHA	AP	AQUA	ARROW
ASK	ASP	AYUD	B	BAFS	BANPU	BAY	BBL	BCH	BCP	BCPG
BGC	BGRIM	BJCHI	BKI	BLA	BPP	BROOK	BRR	BSBM	BTS	BWG
CEN	CENTEL	CFRESH	CGH	CHEWA	CHOTI	CHOW	CIG	CIMBT	CM	CMC
COL	COM7	CPALL	CPF	CPI	CPN	CSC	DCC	DELTA	DEMCO	DIMET
DRT	DTAC	DTC	EASTW	ECL	EGCO	FE	FNS	FPI	FPT	FSS
FTE	GBX	GC	GCAP	GEL	GFPT	GGC	GJS	GPSC	GSTEEL	GUNKUL
HANA	HARN	HMPRO	HTC	ICC	ICHI	IFS	INET	INSURE	INTUCH	IRPC
ITEL	IVL	K	KASET	KBANK	KBS	KCAR	KCE	KGI	KKP	KSL
KTB	KTC	KWC	L&E	LANNA	LHFG	LHK	LPN	LRH	M	MAKRO
MALEE	MBAX	MBK	MBKET	MC	MCOT	MFC	MFEC	MINT	MONO	MOONG
MPG	MSC	MTC	MTI	NBC	NEP	NINE	NKI	NMG	NNCL	NSI
NWR	OCC	OCEAN	OGC	ORI	PAP	PATO	PB	PCSGH	PDG	PDI
PDJ	PE	PG	PHOL	PL	PLANB	PLANET	PLAT	PM	PPP	PPPM
PPS	PREB	PRG	PRINC	PRM	PSH	PSL	PSTC	PT	PTG	PTT
PTTEP	PTTGC	PYLON	Q-CON	QH	QLT	QTC	RATCH	RML	RWI	S & J
SABINA	SAT	SC	SCB	SCC	SCCC	SCG	SCN	SEAOIL	SE-ED	SELIC
SENA	SGP	SIRI	SITHAI	SMIT	SMK	SMPC	SNC	SNP	SORKON	SPACK
SPC	SPI	SPRC	SRICHA	SSF	SSSC	SST	STA	SUSCO	SVI	SYNTEC
TAE	TAKUNI	TASCO	TBSP	TCAP	TCMC	TFG	TFI	TFMAMA	THANI	THCOM
THIP	THRE	THREL	TIP	TIPCO	TISCO	TKT	TMB	TMD	TMILL	TMT
TNITY	TNL	TNP	TNR	TOG	TOP	TPA	TPCORP	TPP	TRU	TSC
TSTH	TTCL	TU	TVD	TVI	TVO	TWPC	U	UBIS	UEC	UKEM
UOBKH	UWC	VGI	VIH	VNT	WACOAL	WHA	WHAUP	WICE	WIJK	XO
ZEN	TRUE									

DECLARED										
7UP	ABICO	AF	ALT	AMARIN	AMATA	AMATAV	ANAN	APURE	B52	BKD
BM	BROCK	BUI	CHO	CI	COTTO	DDD	EA	EFORL	EP	ERW
ESTAR	ETE	EVER	FSMART	GPI	ILINK	IRC	J	JKN	JMART	JMT
JSP	JTS	KWG	LDC	MAJOR	META	NCL	NOBLE	NOK	PK	PLE
ROJNA	SAAM	SAPPE	SCI	SE	SHANG	SINGER	SKR	SPALI	SSP	STANLY
SUPER	SYNEX	THAI	TKS	TOPP	TRITN	TTA	UPF	UV	WIN	ZIGA

Level	
Certified	This level indicates practical participation with thoroughly examination in relation to the recommended procedures from the audit committee or the SEC's certified auditor, being a certified member of Thailand's Private Sector Collective Action Coalition Against Corruption programme (Thai CAC) or already passed examination to ensure independence from external parties.
Declared	This level indicates determination to participate in the Thailand's Private Sector Collective Action Coalition Against Corruption programme (Thai CAC)

Disclaimer:

The disclosure of the Anti-Corruption Progress Indicators of a listed company on the Stock Exchange of Thailand, which is assessed by Thaipat Institute, is made in order to comply with the policy and sustainable development plan for the listed companies of the Office of the Securities and Exchange Commission. Thaipat Institute made this assessment based on the information received from the listed company, as stipulated in the form for the assessment of Anti-corruption which refers to the Annual Registration Statement (Form 56-1), Annual Report (Form 56-2), or other relevant documents or reports of such listed company. The assessment result is therefore made from the perspective of Thaipat Institute that is a third party. It is not an assessment of operation and is not based on any inside information. Since this assessment is only the assessment result as of the date appearing in the assessment result, it may be changed after that date or when there is any change to the relevant information. Nevertheless, FSS International Investment Advisory Company Limited does not confirm, verify, or certify the accuracy and completeness of the assessment results.

Note: Companies participating in Thailand's Private Sector Collective Action Coalition Against Corruption programme (Thai CAC) under Thai Institute of Directors (as of June 24, 2019) are categorised into: 1) companies that have declared their intention to join CAC, and; 2) companies certified by CAC.

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

GENERAL DISCLAIMER

ANALYST(S) CERTIFICATION

Suwat Sinsadok FSS International Investment Advisory Securities Co., Ltd

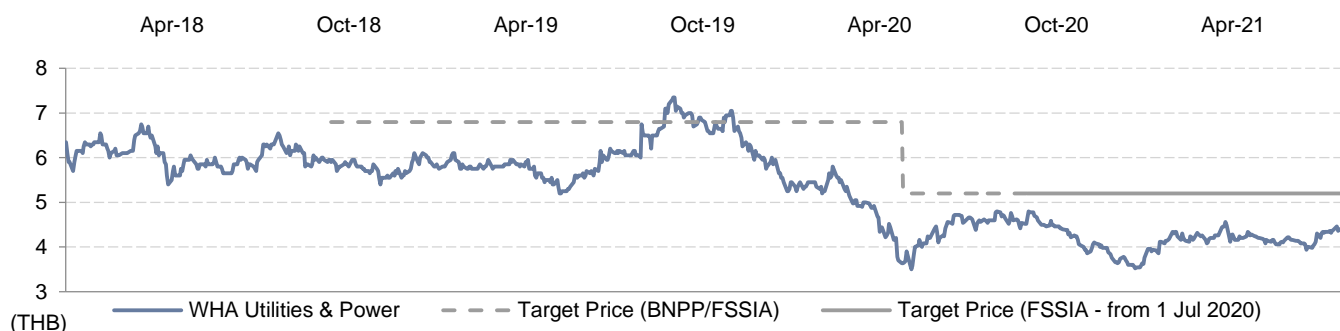
The individual(s) identified above certify(ies) that (i) all views expressed in this report accurately reflect the personal view of the analyst(s) with regard to any and all of the subject securities, companies or issuers mentioned in this report; and (ii) no part of the compensation of the analyst(s)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

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History of change in investment rating and/or target price

WHA Utilities & Power (WHAUP TB)



Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
15-Nov-2018	BUY	6.80	17-Mar-2020	BUY	5.20	-	-	-

Suwat Sinsadok started covering this stock from 15-Nov-2018

Price and TP are in local currency

Source: FSSIA estimates

Company	Ticker	Price	Rating	Valuation & Risks
WHA Utilities & Power	WHAUP TB	THB 4.42	HOLD	Downside risks to our SoTP-based TP include 1) lower-than-expected demand for electricity in Thailand; and 2) lower crude prices. Upside risks are the higher than expected sales volumes of water and electricity for industrial users.

Source: FSSIA estimates

Additional Disclosures

Target price history, stock price charts, valuation and risk details, and equity rating histories applicable to each company rated in this report is available in our most recently published reports. You can contact the analyst named on the front of this note or your representative at Finasia Syrus Securities Public Company Limited

FSSIA may incorporate the recommendations and target prices of companies currently covered by FSS Research into equity research reports, denoted by an 'FSS' before the recommendation. FSS Research is part of Finasia Syrus Securities Public Company Limited, which is the parent company of FSSIA.

All share prices are as at market close on 01-Apr-2021 unless otherwise stated.

RECOMMENDATION STRUCTURE

Stock ratings

Stock ratings are based on absolute upside or downside, which we define as (target price* - current price) / current price.

BUY (B). The upside is 10% or more.

HOLD (H). The upside or downside is less than 10%.

REDUCE (R). The downside is 10% or more.

Unless otherwise specified, these recommendations are set with a 12-month horizon. Thus, it is possible that future price volatility may cause a temporary mismatch between upside/downside for a stock based on market price and the formal recommendation.

* In most cases, the target price will equal the analyst's assessment of the current fair value of the stock. However, if the analyst doesn't think the market will reassess the stock over the specified time horizon due to a lack of events or catalysts, then the target price may differ from fair value. In most cases, therefore, our recommendation is an assessment of the mismatch between current market price and our assessment of current fair value.

Industry Recommendations

Overweight. The analyst expects the fundamental conditions of the sector to be positive over the next 12 months.

Neutral. The analyst expects the fundamental conditions of the sector to be maintained over the next 12 months.

Underweight. The analyst expects the fundamental conditions of the sector to be negative over the next 12 months.

Country (Strategy) Recommendations

Overweight (O). Over the next 12 months, the analyst expects the market to score positively on two or more of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.

Neutral (N). Over the next 12 months, the analyst expects the market to score positively on one of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.

Underweight (U). Over the next 12 months, the analyst does not expect the market to score positively on any of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.