

CK POWER CKP TB

THAILAND / UTILITIES - CONVENTIONAL

BUY

UNCHANGED

Record high earnings from hydro

- CKP posted a 3Q22 NP of THB1.5b, up 69% q-q and 18% y-y due to the higher NPs from its two hydropower plants.
- We project CKP's NP to grow y-y in 4Q22, based on higher expected electricity production at XPCL.
- Maintain BUY but trim our SoTP-based TP to THB6.5.

TARGET PRICE	THB6.50
CLOSE	THB5.00
UP/DOWNSIDE	+30.0%
PRIOR TP	THB6.60
CHANGE IN TP	-1.5%
TP vs CONSENSUS	+2.1%

KEY STOCK DATA

YE Dec (THB m)	2021	2022E	2023E	2024E
Revenue	8,798	11,000	12,243	12,492
Net profit	2,179	2,793	2,872	3,464
EPS (THB)	0.27	0.34	0.35	0.43
vs Consensus (%)	-	16.0	12.9	36.5
EBITDA	3,388	3,826	3,107	3,370
Core net profit	2,213	2,793	2,872	3,464
Core EPS (THB)	0.27	0.34	0.35	0.43
Chg. In EPS est. (%)	-	(10.0)	(8.0)	(8.3)
EPS growth (%)	431.4	26.2	2.8	20.6
Core P/E (x)	18.4	14.6	14.2	11.7
Dividend yield (%)	1.6	2.0	2.0	3.0
EV/EBITDA (x)	15.2	12.6	14.4	12.2
Price/book (x)	1.6	1.5	1.4	1.3
Net debt/Equity (%)	(1.2)	(12.8)	(22.5)	(30.9)
ROE (%)	9.1	10.8	10.3	11.4

More waterflow, more earnings

CKP posted a 3Q22 net profit (NP) of THB1.5b, up from THB864m in 2Q22 and THB1.2b in 3Q22 – 5% above Bloomberg's consensus forecast – due to the higher NPs from its two hydropower plants. These consisted of 1) a sharp NP jump from the 1.28GW Xayaburi (XPCL) hydropower plant due to seasonally higher water levels that helped generate a higher THB1.2b share of profit in 3Q22, up from THB767m in 2Q22; and 2) a higher electricity sales volume due to the rising water level at the 615MW Nam Ngum 2 (NN2) hydropower plant. The EBITDA margin rose to 29.7% in 3Q22, mainly from NN2, which offset the weaker margins of Bangpa-in Industrial SPP (BIC) due to the rising gas cost.

High season for hydropower

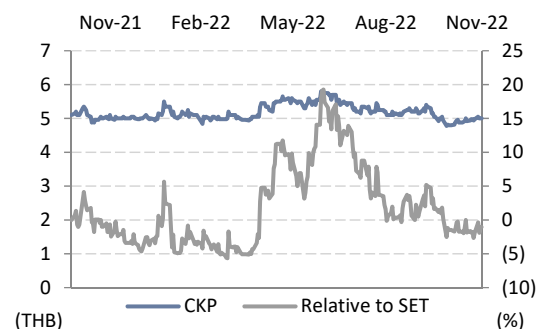
The run-of-river XPCL saw a y-y higher sales volume at 2,678GWh (+9.7% y-y) due to the Mekong River's higher average seasonal water flows, leading to a higher share of profit at THB1.2b in 3Q22. NN2 saw a higher electricity sales volume in 3Q22 at 564GWh, up 1% y-y, due to the higher electricity declaration by CKP following the higher water inflow to the reservoir. We think CKP will increase electricity production at NN2 in 2H22, given the large amount of water stored in its reservoir and the heavy rainfall in 1H22. BIC saw a 0.3% y-y higher electricity sales volume at 404GWh in 3Q22, and a sharp rise in the gas cost to THB562/mmbtu, up from THB423/mmbtu in 2Q22 and THB269/mmbtu in 3Q21.

4Q22 earnings should drop q-q

We project CKP's NP to grow y-y in 4Q22, based on higher expected electricity production at XPCL on seasonally high water flows, and at NN2 on its high reservoir level. However, NP from BIC could decline further due to potentially higher q-q gas costs, given the higher price of imported LNG needed to compensate for the gas supply shortfall from the Erawan gas field in Thailand and Zawtika in Myanmar.

Maintain BUY with a revised TP of THB6.5

We lower our EPS forecasts by 7-10% for 2022-24 due to the lower capacity of NN2. We trim our SoTP-based TP to THB6.5 to reflect our EPS forecast cuts and valuation rollover to 2023. With this report, we transfer coverage of CKP to Siriluck Pinthusoonthorn.



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	4.6	(7.4)	(3.8)
Relative to country (%)	1.5	(7.5)	(3.2)
Mkt cap (USD m)	1,102		
3m avg. daily turnover (USD m)	1.9		
Free float (%)	28		
Major shareholder	CH. Karnchang PCL (27%)		
12m high/low (THB)	5.90/4.70		
Issued shares (m)	7,370.00		

Sources: Bloomberg consensus; FSSIA estimates


Siriluck Pinthusoonthorn

 siriluck.pin@fssia.com
 +66 2611 3562

Investment thesis

CK Power was established by CH. Karnchang PCL (CK TB, BUY, TP THB26), one of three main contractors in Thailand, in 2011 as a holding company that focuses on investing in the production and distribution of electricity generated from various types of energy sources.

The company's core revenue source is dividends from its investments in subsidiaries and associated companies. CKP sells its electricity to the Electricity Generating Authority of Thailand (EGAT) and industrial users (IU) through the independent power producer (IPP) and small power producer (SPP) mechanisms. Currently, CKP holds three main business types: 1) hydropower; 2) solar farms; and 3) cogeneration power plants.

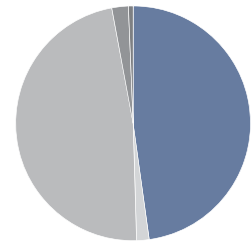
Company profile

CKP is a power subsidiary of CH. Karnchang PCL, operating power plant assets in Thailand and Laos that include hydropower plants, solar farms, and SPPs.

www.ckpower.co.th

Principal activities (revenue, 2021)

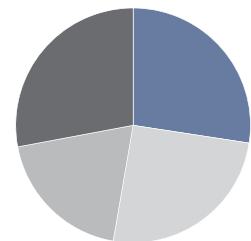
- Generation of electricity from hydroelectric power segment - 47.8 %
- Generation of electricity from solar power segment - 1.7 %
- Generation of electricity from thermal power segment - 47.6 %



Source: CK Power

Major shareholders

- CH. Karnchang PCL - 27.4 %
- TTW Plc - 25.3 %
- BEM Plc - 19.3 %
- Others - 27.9 %



Source: CK Power

Catalysts

Higher utilisation rates of power plants and rising demand for electricity in Thailand and Laos should be key growth drivers.

Risks to our call

The downside risks to our SoTP-based TP include lower-than-expected demand for electricity in Thailand and lower-than-expected water supply for hydro projects.

Event calendar

Date	Event
Feb 2023	4Q22/2022 results announcement

Key assumptions

	2022E	2023E	2024E
Tariff (THB/kWh)	3.10	3.16	3.23
Capex (THB m)	1,605	1,605	1,605
XPCL capacity factor (%)	60	65	65
NN2 capacity factor (%)	45	45	45

Source: FSSIA estimates

Earnings sensitivity

- For every 1% increase in gas price, we estimate 2023 earnings would rise by 1.1%, and vice versa, all else being equal.
- For every 1% increase in interest rate, we estimate 2023 earnings would decline by 1.3%, and vice versa, all else being equal.

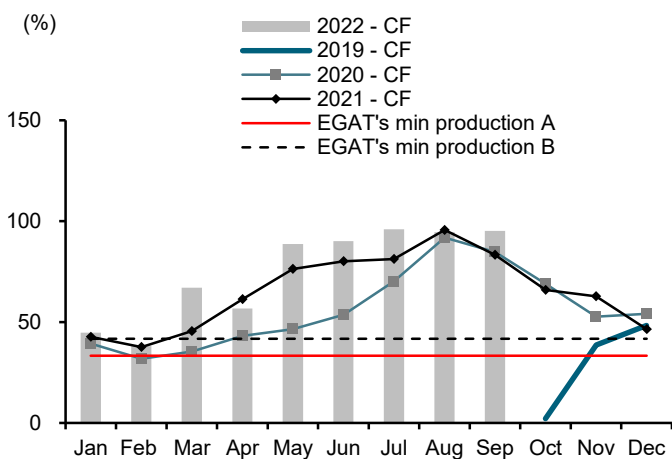
Source: FSSIA estimates

Exhibit 1: Summary of 3Q22/9M22 operations

	3Q21	2Q22	3Q22		9M21	9M22	Change	2022E	
	(THB m)	(THB m)	(THB m)	(q-q %)	(y-y %)	(THB m)	(THB m)	(y-y %)	(THB m)
Revenue	2,395	2,531	3,364	32.9	40.4	6,561	8,311	26.7	11,000
Operating costs	(1,401)	(1,810)	(2,366)	30.7	68.8	(3,870)	(5,990)	54.8	(7,174)
EBITDA	994	720	998	38.6	0.4	2,691	2,321	(13.8)	3,826
EBITDA margin (%)	41.5	28.5	29.7	nm	nm	41.0	27.9	nm	34.8
Depreciation & amort	(397)	(392)	(396)	1.1	(0.2)	(1,174)	(1,177)	0.2	(1,605)
EBIT	597	328	602	83.3	0.8	1,517	1,144	(24.6)	2,221
Interest expense	(266)	(265)	(265)	(0.0)	(0.4)	(796)	(798)	0.3	(789)
Interest & invt inc	112	126	120	(5.0)	6.6	341	371	9.0	424
Other income	1	2	11	369.0	979.1	4	15	308.9	10
Associates' contrib	1,017	772	1,252	62.2	23.1	1,517	2,021	33.3	2,240
Exceptional	18	15	24	57.8	30.4	36	40	9.8	-
Pre-tax profit	1,480	978	1,744	78.2	17.9	2,618	2,794	6.7	4,105
Tax	(26)	(18)	(23)	33.4	(10.0)	(50)	(50)	0.3	(89)
Tax rate (%)	1.8	1.8	1.3	nm	nm	1.9	1.8	(6.0)	2.2
Minority interests	(219)	(97)	(259)	167.0	18.3	(512)	(379)	(25.9)	(1,223)
Net profit	1,235	864	1,462	69.2	18.4	2,056	2,364	15.0	2,793
Core profit	1,217	849	1,438	69.4	18.2	2,021	2,325	15.1	2,793
EPS (THB)	0.17	0.12	0.20	69.2	18.4	0.28	0.32	15.0	0.34
Core EPS (THB)	0.17	0.12	0.20	69.4	18.2	0.27	0.32	15.1	0.34

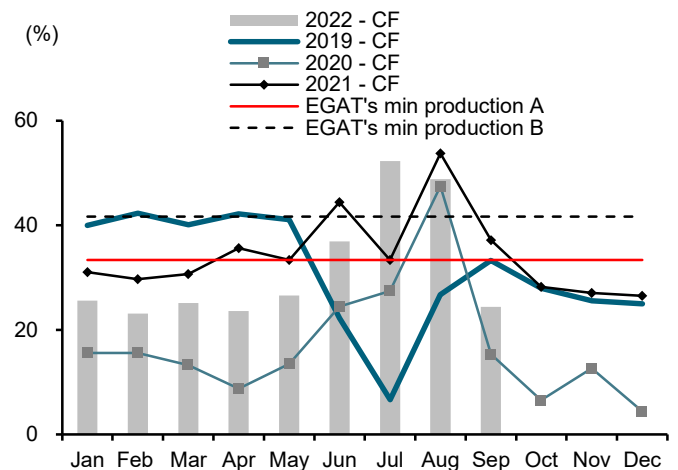
Sources: CKP; FSSIA estimates

Exhibit 2: XPCL's capacity factor



Sources: CKP; FSSIA estimates

Exhibit 3: NN2's capacity factor



Sources: CKP; FSSIA estimates

Exhibit 4: Key changes in assumptions

	Current			Previous			Change		
	2022E	2023E	2024E	2022E	2023E	2024E	2022E	2023E	2024E
	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(%)	(%)	(%)
Revenue	11,000	12,243	12,492	12,268	13,651	13,930	(10.3)	(10.3)	(10.3)
Gross profit	4,376	3,720	3,995	5,016	4,251	4,570	(12.8)	(12.5)	(12.6)
Operating profit	2,221	1,502	1,765	2,798	1,963	2,268	(20.6)	(23.5)	(22.2)
Net profit	2,793	2,872	3,464	3,103	3,102	3,756	(10.0)	(7.4)	(7.8)
EPS (THB/shr)	0.34	0.35	0.43	0.38	0.38	0.46	(10.0)	(7.4)	(7.8)
Key assumptions									
Tariff (THB/kWh)	3.10	3.16	3.23	3.10	3.16	3.23	0.0	0.0	0.0
Capex (THB m)	1,605	1,605	1,605	1,605	1,605	1,605	0.0	0.0	0.0
XPCL capacity factor (%)*	60	65	65	60	65	65	0.0	0.0	0.0
NN2 capacity factor (%)*	45	45	45	50	50	50	(5.0)	(5.0)	(5.0)

*Note: Change in margin % is represented in ppt change

Sources: FSSIA estimates

Exhibit 5: SoTP valuation

Cost of equity assumptions (%)		Cost of debt assumptions (%)	
Risk-free rate	2.3	Pretax cost of debt	3.8
Market risk premium	8.5	Marginal tax rate	20.0
Stock beta	0.60		
Cost of equity, Ke	7.4	Net cost of debt, Kd	2.7
Weight applied	25.0	Weight applied	75.0
WACC (%)	3.8		

DCF valuation estimate	(THB m)	(THB/share)	Comments
NN2 (Hydro, Mar-11)	7,979	1.0	WACC 3.8%, Risk free rate 2.3%, Risk premium 8.5%, zero terminal growth rate
Solar farm (BKC, NRS, CRS)	793	0.1	WACC 3.8%, Risk free rate 2.3%, Risk premium 8.5%, zero terminal growth rate
BIC-1 (Gas, Jun-13)	8,793	1.1	WACC 3.8%, Risk free rate 2.3%, Risk premium 8.5%, zero terminal growth rate
BIC-2 (Gas, Jun-17)	9,880	1.2	WACC 3.8%, Risk free rate 2.3%, Risk premium 8.5%, zero terminal growth rate
XPCL (Hydro, Oct-19)	29,934	3.7	WACC 3.8%, Risk free rate 2.3%, Risk premium 8.5%, zero terminal growth rate
Cash	16,117	2.0	At end-2023E
Debt	(6,500)	(0.8)	At end-2023E
Minorities	(13,783)	(1.7)	At end-2023E
Residual ordinary equity	53,213	6.5	

Source: FSSIA estimates

Financial Statements

CK Power

Profit and Loss (THB m) Year Ending Dec	2020	2021	2022E	2023E	2024E
Revenue	6,695	8,798	11,000	12,243	12,492
Cost of goods sold	(4,417)	(4,915)	(6,624)	(8,524)	(8,497)
Gross profit	2,278	3,883	4,376	3,720	3,995
Other operating income	-	-	-	-	-
Operating costs	(428)	(494)	(550)	(612)	(625)
Operating EBITDA	1,850	3,388	3,826	3,107	3,370
Depreciation	(1,561)	(1,571)	(1,605)	(1,605)	(1,605)
Goodwill amortisation	0	0	0	0	0
Operating EBIT	289	1,817	2,221	1,502	1,765
Net financing costs	(511)	(503)	(366)	(89)	183
Associates	407	1,528	2,240	2,780	2,905
Recurring non-operating income	416	1,532	2,250	2,790	2,915
Non-recurring items	(12)	(34)	0	0	0
Profit before tax	182	2,812	4,105	4,204	4,864
Tax	16	(61)	(89)	(68)	(93)
Profit after tax	198	2,751	4,016	4,136	4,770
Minority interests	207	(572)	(1,223)	(1,264)	(1,307)
Preferred dividends	0	0	0	0	0
Other items	-	-	-	-	-
Reported net profit	405	2,179	2,793	2,872	3,464
Non-recurring items & goodwill (net)	12	34	0	0	0
Recurring net profit	416	2,213	2,793	2,872	3,464
Per share (THB)					
Recurring EPS *	0.05	0.27	0.34	0.35	0.43
Reported EPS	0.05	0.27	0.34	0.35	0.43
DPS	0.04	0.08	0.10	0.10	0.15
Diluted shares (used to calculate per share data)	8,129	8,129	8,129	8,129	8,129
Growth					
Revenue (%)	(20.1)	31.4	25.0	11.3	2.0
Operating EBITDA (%)	(35.7)	83.1	12.9	(18.8)	8.5
Operating EBIT (%)	(78.7)	528.3	22.2	(32.4)	17.5
Recurring EPS (%)	(46.0)	431.4	26.2	2.8	20.6
Reported EPS (%)	(47.4)	438.4	28.2	2.8	20.6
Operating performance					
Gross margin inc. depreciation (%)	10.7	26.3	25.2	17.3	19.1
Gross margin of key business (%)	10.5	25.9	25.2	17.3	19.1
Operating EBITDA margin (%)	27.6	38.5	34.8	25.4	27.0
Operating EBIT margin (%)	4.3	20.7	20.2	12.3	14.1
Net margin (%)	6.2	25.2	25.4	23.5	27.7
Effective tax rate (%)	7.1	4.8	4.8	4.8	4.8
Dividend payout on recurring profit (%)	68.3	29.4	29.1	28.3	35.2
Interest cover (X)	1.4	6.7	12.2	48.3	(25.5)
Inventory days	5.1	4.8	4.4	4.4	5.0
Debtor days	64.0	54.2	62.1	75.6	94.7
Creditor days	54.1	57.4	59.7	60.7	68.5
Operating ROIC (%)	0.8	5.4	6.9	4.9	6.0
ROIC (%)	1.0	4.6	6.0	5.9	6.6
ROE (%)	1.8	9.1	10.8	10.3	11.4
ROA (%)	0.9	4.7	6.1	5.6	5.9

* Pre-exceptional, pre-goodwill and fully diluted

Revenue by Division (THB m)	2020	2021	2022E	2023E	2024E
Generation of electricity from hydroelectric power segment	3,490	4,206	6,160	4,895	4,898
Generation of electricity from solar power segment	150	151	152	152	153
Generation of electricity from thermal power segment	2,802	4,183	4,432	6,940	7,182
Other operating segment	200	201	201	201	202

Sources: CK Power; FSSIA estimates

Financial Statements

CK Power

Cash Flow (THB m) Year Ending Dec	2020	2021	2022E	2023E	2024E
Recurring net profit	416	2,213	2,793	2,872	3,464
Depreciation	1,561	1,571	1,605	1,605	1,605
Associates & minorities	407	1,528	2,240	2,780	2,905
Other non-cash items	-	-	-	-	-
Change in working capital	685	201	(347)	(375)	(720)
Cash flow from operations	3,069	5,513	6,291	6,882	7,254
Capex - maintenance	(1,561)	(1,571)	(1,605)	(1,605)	(1,605)
Capex - new investment	(1,353)	(1,455)	(1,605)	(1,605)	(1,605)
Net acquisitions & disposals	(396)	(4,864)	0	0	0
Other investments (net)	4,607	9,335	2,240	2,780	2,905
Cash flow from investing	1,298	1,445	(971)	(430)	(305)
Dividends paid	(3,253)	(3,252)	(650)	(813)	(813)
Equity finance	0	0	0	0	0
Debt finance	2,381	(4,540)	(142)	0	0
Other financing cash flows	1,190	(982)	(46)	(1,086)	(1,294)
Cash flow from financing	318	(8,774)	(838)	(1,899)	(2,107)
Non-recurring cash flows	-	-	-	-	-
Other adjustments	0	0	0	0	0
Net other adjustments	0	0	0	0	0
Movement in cash	4,685	(1,816)	4,482	4,552	4,843
Free cash flow to firm (FCFF)	5,363.23	8,028.18	6,109.57	7,232.17	7,729.92
Free cash flow to equity (FCFE)	7,937.55	1,435.16	5,132.70	5,365.29	5,655.58

Per share (THB)

FCFF per share	0.73	1.09	0.83	0.98	1.05
FCFE per share	1.08	0.19	0.70	0.73	0.77
Recurring cash flow per share	0.29	0.65	0.82	0.89	0.98

Balance Sheet (THB m) Year Ending Dec	2020	2021	2022E	2023E	2024E
Tangible fixed assets (gross)	39,677	39,070	39,070	39,070	39,070
Less: Accumulated depreciation	(12,675)	(13,523)	(15,128)	(16,733)	(18,338)
Tangible fixed assets (net)	27,002	25,547	23,942	22,337	20,732
Intangible fixed assets (net)	3,681	3,752	3,752	3,752	3,752
Long-term financial assets	-	-	-	-	-
Invest. in associates & subsidiaries	12,711	17,575	17,575	17,575	17,575
Cash & equivalents	8,899	7,082	11,564	16,117	20,960
A/C receivable	1,054	1,557	2,186	2,886	3,600
Inventories	61	68	91	117	116
Other current assets	552	1,005	1,256	1,398	1,426
Current assets	10,566	9,712	15,097	20,517	26,102
Other assets	13,079	12,391	12,391	12,391	12,391
Total assets	67,038	68,977	72,757	76,572	80,552
Common equity	23,774	24,834	26,977	29,035	31,686
Minorities etc.	11,264	11,296	12,519	13,783	15,090
Total shareholders' equity	35,038	36,130	39,496	42,819	46,776
Long term debt	5,638	5,142	5,000	5,000	5,000
Other long-term liabilities	20,088	24,311	24,311	24,311	24,311
Long-term liabilities	25,725	29,453	29,311	29,311	29,311
A/C payable	620	927	1,240	1,596	1,591
Short term debt	5,544	1,500	1,500	1,500	1,500
Other current liabilities	111	968	1,210	1,347	1,374
Current liabilities	6,275	3,394	3,950	4,442	4,465
Total liabilities and shareholders' equity	67,038	68,977	72,757	76,572	80,552
Net working capital	936	735	1,082	1,458	2,177
Invested capital	57,408	60,000	58,742	57,513	56,627

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

Per share (THB)

Book value per share	2.92	3.05	3.32	3.57	3.90
Tangible book value per share	2.47	2.59	2.86	3.11	3.44

Financial strength


Net debt/equity (%)	6.5	(1.2)	(12.8)	(22.5)	(30.9)
Net debt/total assets (%)	3.4	(0.6)	(7.0)	(12.6)	(18.0)
Current ratio (x)	1.7	2.9	3.8	4.6	5.8
CF interest cover (x)	19.2	6.7	19.4	79.4	(38.6)

Valuation	2020	2021	2022E	2023E	2024E
Recurring P/E (x) *	97.6	18.4	14.6	14.2	11.7
Recurring P/E @ target price (x) *	126.9	23.9	18.9	18.4	15.3
Reported P/E (x)	100.4	18.7	14.6	14.2	11.7
Dividend yield (%)	0.7	1.6	2.0	2.0	3.0
Price/book (x)	1.7	1.6	1.5	1.4	1.3
Price/tangible book (x)	2.0	1.9	1.8	1.6	1.5
EV/EBITDA (x) **	29.3	15.2	12.6	14.4	12.2
EV/EBITDA @ target price (x) **	35.9	18.8	15.8	18.3	15.9
EV/invested capital (x)	0.9	0.9	0.8	0.8	0.7

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

Sources: CK Power; FSSIA estimates

Corporate Governance report of Thai listed companies 2021

 EXCELLENT LEVEL – Score range 90-100										
AAV	BCPG	CPALL	GCAP	K	MSC	PLANET	SAMART	SPI	THRE	TVD
ADVANC	BDMS	CPF	GFPT	KBANK	MST	PLAT	SAMTEL	SPRC	THREL	TVI
AF	BEM	CPI	GGC	KCE	MTC	PORT	SAT	SPVI	TIPCO	TVO
AH	BGC	CPN	GLAND	KKP	MVP	PPS	SC	SSSC	TISCO	TWPC
AIRA	BGRIM	CRC	GLOBAL	KSL	NCL	PR9	SCB	SST	TK	U
AKP	BIZ	CSS	GPI	KTB	NEP	PREB	SCC	STA	TKT	UAC
AKR	BKI	DDD	GPSC	KTC	NER	PRG	SCCC	STEC	TMT	UBIS
ALT	BOL	DELTA	GRAMMY	LALIN	NKI	PRM	SCG	STI	TNDT	UV
AMA	BPP	DEMCO	GULF	LANNA	NOBLE	PROUD	SCGP	SUN	TNITY	VGI
AMATA	BRR	DRT	GUNKUL	LH	NSI	DRS	SCM	SUSCO	TOA	VIH
AMATAV	BTS	DTAC	HANA	LHFG	NVD	PSL	SDC	SUTHA	TOP	WACOAL
ANAN	BTW	DUSIT	HARN	LIT	NWR	PTG	SEAFCO	SVI	TPBI	WAVE
AOT	BWG	EA	HMPRO	LPN	NYT	PTT	SEAOIL	SYMC	TQM	WHA
AP	CENTEL	EASTW	ICC	MACO	OISHI	PTTEP	SE-ED	SYNTEC	TRC	WHAUP
ARIP	CFRESH	ECF	ICHI	MAJOR	OR	PTTGC	SELIC	TACC	TRU	WICE
ARROW	CHEWA	ECL	III	MAKRO	ORI	PYLON	SENA	TASCO	TRUE	WINNER
ASP	CHO	EE	ILINK	MALEE	OSP	Q-CON	SHR	TCAP	TSC	ZEN
AUCT	CIMBT	EGCO	ILM	MBK	OTO	QH	SIRI	TEAMG	TSR	
AWC	CK	EPG	INTUCH	MC	PAP	QTC	SIS	TFMAMA	TSTE	
AYUD	CKP	ETC	IP	MCOT	PCSGH	RATCH	SITHAI	TGH	TSTH	
BAFS	CM	FPI	IRPC	METCO	PDG	RS	SMK	THANA	TTA	
BANPU	CNT	FPT	ITEL	MFEC	PDJ	S	SMPC	THANI	TTB	
BAY	COM7	FSMART	IVL	MINT	PG	S & J	SNC	THCOM	TTCL	
BBL	COMAN	GBX	JSP	MONO	PHOL	SAAM	SONIC	THG	TTW	
BCP	COTTO	GC	JWD	MOONG	PLANB	SABINA	SPALI	THIP	TU	

 VERY GOOD LEVEL – Score range 80-89										
2S	ASIMAR	CHOW	FLOYD	IT	LOXLEY	OCC	RPC	SKY	TCC	TVT
7UP	ASK	CI	FN	ITD	LRH	OGC	RT	SLP	TCMC	TWP
ABICO	ASN	CIG	FNS	J	LST	PATO	RWI	SMIT	TEAM	UEC
ABM	ATP30	CMC	FORTH	JAS	M	PB	S11	SMT	TFG	UMI
ACE	B	COLOR	FSS	JCK	MATCH	PICO	SA	SNP	TFI	UOBKH
ACG	BA	CPL	FTE	JCKH	MBAX	PIMO	SAK	SO	TIGER	UP
ADB	BAM	CPW	FVC	JMART	MEGA	PJW	SALEE	SORKON	TITLE	UPF
AEONTS	BC	CRD	GEL	JMT	META	PL	SAMCO	SPA	TKN	UPOIC
AGE	BCH	CSC	GENCO	KBS	MFC	PM	SANKO	SPC	TKS	UTP
AHC	BEC	CSP	GJS	KCAR	MGT	PMTA	SAPPE	SPCG	TM	VCOM
AIT	BEYOND	CWT	GYT	KEX	MICRO	PPP	SAWAD	SR	TMC	VL
ALL	BFIT	DCC	HEMP	KGI	MILL	PPP	SCI	SRICHA	TMD	VPO
ALLA	BJC	DCON	HPT	KIAT	MITSIB	PRIME	SCN	SSC	TMI	VRANDA
ALUCON	BJCHI	DHOUSE	HTC	KISS	MK	PRIN	SCP	SSF	TMILL	WGE
AMANAH	BLA	DOD	HYDRO	KOOL	MODERN	PRINC	SE	STANLY	TNL	WIJK
AMARIN	BR	DOHOME	ICN	KTIS	MTI	PSG	SFLEX	STGT	TNP	WP
APCO	BROOK	DV8	IFS	KUMWEL	NBC	PSTC	SFP	STOWER	TOG	XO
APCS	CBG	EASON	IMH	KUN	NCAP	PT	SFT	STPI	TPA	XPG
APURE	CEN	EFORL	IND	KWC	NCH	QLT	SGF	SUC	TPAC	YUASA
AQUA	CGH	ERW	INET	KWM	NETBAY	RBF	SIAM	SWC	TPCS	
ASAP	CHARAN	ESSO	INSET	L&E	NEX	RCL	SINGER	SYNEX	TPS	
ASEFA	CHAYO	ESTAR	INSURE	LDC	NINE	RICHY	SKE	TAE	TRITN	
ASIA	CHG	ETE	IRC	LEO	NRF	RML	SKN	TAKUNI	TRT	
ASIAN	CHOTI	FE	IRCP	LHK	NTV	ROJNA	SKR	TBSP	TSE	

 GOOD LEVEL – Score range 70-79										
A	BGT	CITY	GIFT	JTS	MDX	PK	SGP	SUPER	TQR	YGG
AI	BH	CMAN	GLOCON	JUBILE	MJD	PLE	SICT	SVOA	TTI	ZIGA
AIE	BIG	CMO	GREEN	KASET	MORE	PPM	SIMAT	TC	TYCN	
AJ	BLAND	CMR	GSC	KCM	MUD	PRAKIT	SISB	TCCC	UKEM	
ALPHAX	BM	CPT	GTB	KK	NC	PRAPAT	SK	THMUI	UMS	
AMC	BROCK	CRANE	HTECH	KKC	NDR	PRECHA	SMART	TNH	UNIQ	
APP	BSBM	CSR	HUMAN	KWI	NFC	PTL	SOLAR	TNR	UPA	
AQ	BSM	D	IHL	KYE	NNCL	RJH	SPACK	TOPP	UREKA	
ARIN	BTNC	EKH	IIG	LEE	NOVA	RP	SPG	TPCH	VIBHA	
AS	BYD	EMC	INGRS	LPH	NPK	RPH	SQ	TPIPL	W	
AU	CAZ	EP	INOX	MATI	NUSA	RSP	SSP	TIPIP	WIN	
B52	CCP	F&D	JAK	M-CHAI	PAF	SABUY	STARK	TPLAS	WORK	
BEAUTY	CGD	FMT	JR	MCS	PF	SF	STC	TPOLY	WPH	

Disclaimer:

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

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

Anti-corruption Progress Indicator

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

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

Disclaimer:

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

Note: Companies participating in Thailand's Private Sector Collective Action Coalition Against Corruption programme (Thai CAC) under Thai Institute of Directors (as of 26 October 2021) are categorised into: 1) companies that have declared their intention to join CAC, and; 2) companies certified by CAC.

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

GENERAL DISCLAIMER

ANALYST(S) CERTIFICATION

Siriluck Pinthusoonthorn FSS International Investment Advisory Securities Co., Ltd

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History of change in investment rating and/or target price

CK Power (CKP TB)



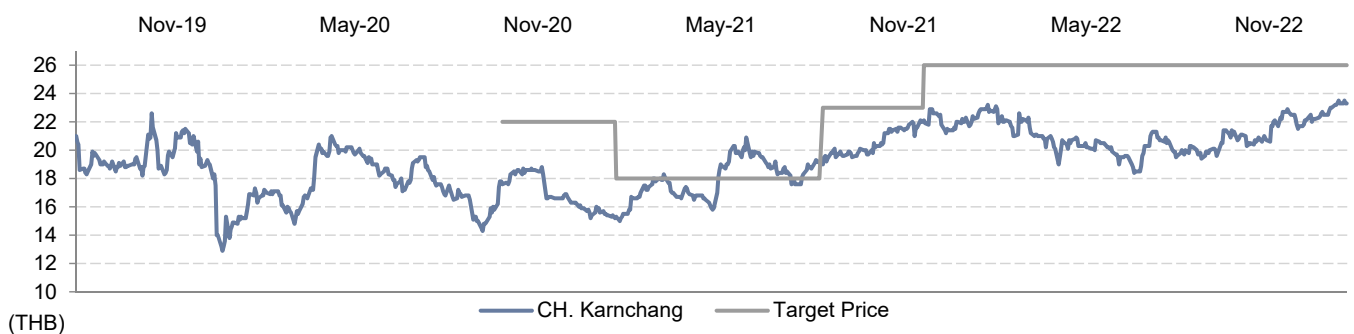
Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
13-Apr-2020	HOLD	3.60	23-Jun-2020	HOLD	4.20	04-Aug-2020	BUY	6.60

Siriluck Pinthusoonthorn started covering this stock from 11-Nov-2022

Price and TP are in local currency

Source: FSSIA estimates

CH. Karnchang (CK TB)



Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
12-Nov-2020	BUY	22.00	13-Aug-2021	BUY	23.00	-	-	-
18-Feb-2021	BUY	18.00	10-Nov-2021	BUY	26.00			

Songklod Wongchai started covering this stock from 12-Nov-2020

Price and TP are in local currency

Source: FSSIA estimates

Company	Ticker	Price	Rating	Valuation & Risks
CK Power	CKP TB	THB 5.00	BUY	The downside risks to our SoTP-based TP include lower-than-expected demand for electricity in Thailand and lower-than-expected water supply for hydro projects.
CH. Karnchang	CK TB	THB 23.30	BUY	Key downside risks to our SoTP-based TP are delays in new bids, political instability, fluctuations in construction material prices, cost overruns, and the prolonged Covid-19 pandemic.

Source: FSSIA estimates

Additional Disclosures

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

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

All share prices are as at market close on 10-Nov-2022 unless otherwise stated.

RECOMMENDATION STRUCTURE

Stock ratings

Stock ratings are based on absolute upside or downside, which we define as $(\text{target price}^* - \text{current price}) / \text{current price}$.

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

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

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

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

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

Industry Recommendations

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

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

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

Country (Strategy) Recommendations

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

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

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