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ไชยะบุรีหยุดผลิตชั่วคราว ผลกระทบจำกัด

- คาดกำไรสุทธิ 3Q24 ก้าวกระโดด q-q, แต่ -4.8% y-y แม้เป็น Peak Season แต่โรงไฟฟ้าไชยะบุรีมีหยุดผลิตชั่วคราว 17 วัน จากภาวะน้ำท่วม
- ปรับลดประมาณการกำไรสุทธิปี 2024 ลง 23% จากส่วนแบ่งกำไรจากบริษัทร่วมที่ลดลง หลักๆมาจากโรงไฟฟ้าไชยะบุรี ทำให้คาดการณ์กำไรสุทธิทั้งปี 2024 ลดลง 17% y-y
- ยังแนะนำ “ซื้อ” ราคาเป้าหมายใหม่ 4.35 บาท

TARGET PRICE	THB4.35
CLOSE	THB3.76
UP/DOWNSIDE	+15.7%
PRIOR TP	THB4.40
CHANGE IN TP	-1.1%
TP vs CONSENSUS	-3.9%

KEY STOCK DATA

YE Dec (THB m)	2023	2024E	2025E	2026E
Revenue	10,286	10,502	11,010	11,258
Net profit	1,457	1,212	2,141	2,320
EPS (THB)	0.18	0.15	0.26	0.29
vs Consensus (%)	-	(27.9)	7.4	7.4
EBITDA	3,130	2,911	2,522	2,536
Recurring net profit	1,462	1,212	2,141	2,320
Core EPS (THB)	0.18	0.15	0.26	0.29
Chg. In EPS est. (%)	-	(22.9)	0.0	0.0
EPS growth (%)	(39.4)	(17.1)	76.6	8.3
Core P/E (x)	20.9	25.2	14.3	13.2
Dividend yield (%)	2.3	2.7	2.7	2.7
EV/EBITDA (x)	14.5	15.2	16.6	15.5
Price/book (x)	1.1	1.1	1.0	1.0
Net debt/Equity (%)	8.0	4.1	(2.9)	(9.6)
ROE (%)	5.4	4.4	7.5	7.8

คาดการณ์กำไรสุทธิ 3Q24 ก้าวกระโดด q-q, แต่ -4.8% y-y และต่ำกว่าที่เคยคาดการณ์หน้า

เรคาดกำไรสุทธิ 3Q24 ที่ 973 ล้านบาท ลดลง 4.8% y-y เนื่องจากส่วนแบ่งกำไรจากบริษัทร่วมลดลงอย่างมีนัยสำคัญ จากการหยุดผลิตชั่วคราว 17 วันของโครงการโรงไฟฟ้าไชยะบุรี ทำให้ต้องสูญเสียรายได้ราว 327 ล้านบาท ใน 3Q24 เทียบกับช่วงเวลาเดียวกันของปีก่อนหยุดผลิตเพียง 3 วัน แต่คาดการณ์กำไร 3Q24 จะเพิ่มขึ้น 1,209% q-q จาก Peak Season ของธุรกิจ แรงแหนุนหลักมาจากปริมาณการขายไฟฟ้าของโรงไฟฟ้าน้ำร้อน 2 เพิ่มขึ้น 3.5% q-q และ 20% y-y เป็น 532 GWh จากปริมาณน้ำในเขื่อนที่เพิ่มขึ้น บวกกับส่วนแบ่งกำไรจากบริษัทร่วมที่เพิ่มขึ้นตามฤดูกาล และโครงการโรงไฟฟ้าเขื่อนหลวงพระบางกลับมาเริ่มกำไรจาก FX จากค่าเงินบาทแข็ง ส่วนโรงไฟฟ้าไชยะบุรีมีปริมาณน้ำไหลผ่านโรงไฟฟ้าเฉลี่ยเพิ่มขึ้น โดยคาดการณ์การขายไฟฟ้า 3Q24 อยู่ที่ 2,480 GWh +74% q-q และ +5.5% y-y ขณะที่ค่าใช้จ่ายบริหารและดำเนินงานและภาวะดอกเบี้ยจ่ายทรงตัว q-q แต่เพิ่มขึ้น y-y

สถานการณ์น้ำไหลผ่านโรงไฟฟ้าไชยะบุรีปัจจุบันเข้าสู่ภาวะปกติแล้ว

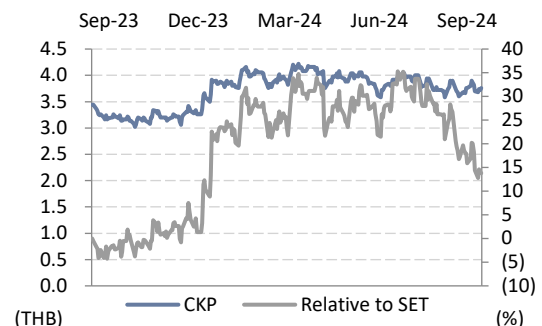
โครงการโรงไฟฟ้าพลังงานน้ำไชยะบุรีใช้เทคโนโลยีการผลิตไฟฟ้าแบบไหลผ่าน (Run of River) เป็นการสร้างเขื่อนทดน้ำบนแม่น้ำโขงเพื่อยกระดับน้ำให้สูงขึ้น ขนาดกำลังผลิต 1,285 MW สืบเนื่องจากพายุยังเข้าสู่บริเวณเหนือเขื่อนทำให้มีฝนตกหนักในรอบหลายปี จนทำให้เกิดภาวะน้ำท่วมและน้ำหลาก ดังนั้นจึงมีปริมาณน้ำไหลผ่านโรงไฟฟ้าไชยะบุรีมากจนทำให้น้ำใต้เขื่อนขึ้นสู่ระดับสูงจนไม่สามารถผลิตไฟฟ้าได้จึงจำเป็นต้องหยุดผลิตไฟฟ้าชั่วคราวเป็นเวลาประมาณ 17 วัน ใน 3Q24 แต่สถานการณ์น้ำไหลผ่านโรงไฟฟ้าปัจจุบันเข้าสู่ภาวะปกติแล้ว

ปรับลดประมาณการกำไรสุทธิปี 2024 เพื่อสะท้อนโรงไฟฟ้าไชยะบุรีหยุดผลิต

เราปรับลดประมาณการกำไรสุทธิปี 2024 ลง 23% เป็น 1.2 พันล้านบาท -17% y-y จากโรงไฟฟ้าพลังงานน้ำไชยะบุรี (CKP ถือหุ้น 42.5%) ได้หยุดผลิตชั่วคราวจากภาวะน้ำท่วมเป็นเวลา 17 วัน ทำให้ต้องสูญเสียรายได้วันละ 50 ล้านบาท หรือรวมคิดเป็น 327 ล้านบาท ใน 3Q24 ส่วนโรงไฟฟ้าน้ำร้อน 2 ยังมีปริมาณน้ำไหลผ่านโรงไฟฟ้าและปริมาณน้ำในเขื่อนที่เพิ่มขึ้นมากกว่าฤดูกาลปกติตามคาดไว้ก่อนหน้านี้ โดยรวมเรายังคาดการณ์ปริมาณน้ำในเขื่อนปี 2024 จะเพิ่มขึ้นจากปีก่อน โดยจะพีคใน 3Q24 และเป็นบวกต่อเนื่องใน 4Q24

คงคำแนะนำ “ซื้อ” ราคาเป้าหมายใหม่ 4.35 บาท

ผลจากการปรับลดประมาณการ ส่งผลให้ได้ราคาเป้าหมาย 4.35 บาท ราคาหุ้นที่ปรับลงในช่วงเดือนที่ผ่านมาได้สะท้อนการหยุดผลิตของโรงไฟฟ้าไชยะบุรีไปแล้ว ส่วนระยะกลางยาว CKP จะได้ประโยชน์จากแนวโน้มดอกเบี้ยขาลง เนื่องจากเงินลงทุนในโรงไฟฟ้าส่วนใหญ่เป็นเงินกู้ และแรงหนุนจากโครงการโรงไฟฟ้าหลวงพระบาง เรายังคงแนะนำ “ซื้อ”



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	0.5	1.1	8.0
Relative to country (%)	(8.5)	(9.4)	13.1
Mkt cap (USD m)	924		
3m avg. daily turnover (USD m)	0.9		
Free float (%)	28		
Major shareholder	CH. Kamchang PCL (27%)		
12m high/low (THB)	4.28/2.98		
Issued shares (m)	7,370.00		

Sources: Bloomberg consensus; FSSIA estimates



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Investment thesis

CK Power ก่อตั้งโดยกลุ่ม ช.การช่าง ซึ่งเป็น 1 ใน 3 ผู้รับเหมาหลักในประเทศไทย ในปี 2021 ในฐานะบริษัทโฮลดิ้งที่มุ่งเน้นในการลงทุนผลิตและจำหน่ายไฟฟ้าที่เกิดจากพลังงานประเภทต่างๆ

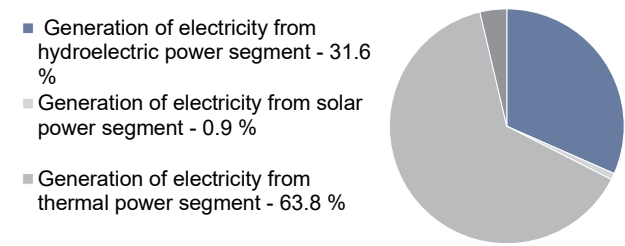
แหล่งที่มาแหล่งรายได้หลักของบริษัทมาจากเงินปันผลจากบริษัทลงทุนในบริษัทย่อยและบริษัทร่วม CKP จำหน่ายไฟฟ้าให้กับการไฟฟ้าฝ่ายผลิต การแห่งประเทศไทย (กฟผ.) และผู้ใช้อุตสาหกรรม (IU) ผ่านผู้ผลิตไฟฟ้าอิสระ (IPP) และรายเล็ก กลไกผู้ผลิตไฟฟ้า (SPP) ปัจจุบัน CKP ถือหุ้นสามประเภทธุรกิจหลัก: 1) ไฟฟ้าพลังน้ำ; 2) พลังงานแสงอาทิตย์ ฟาร์ม; และ 3) โรงไฟฟ้าพลังความร้อนร่วม

Company profile

CKP ประกอบธุรกิจหลักโดยการถือหุ้นในบริษัทอื่น ("Holding Company") ที่ประกอบธุรกิจผลิตและจำหน่ายไฟฟ้าจากพลังงานประเภทต่างๆ ทั้งภายในและต่างประเทศ โดยรายได้หลักของบริษัทที่แสดงตามงบการเงินรวม มาจากรายได้จากการขายไฟฟ้าและไอน้ำ (รวมเงินส่วนเพิ่มราคาซื้อไฟฟ้า) และรายได้ค่าบริการโครงการ ทั้งนี้ ณ วันที่ 31 ธ.ค. 2024 บริษัทมีกำลังการผลิตติดตั้งรวม 3,634 เมกะวัตต์ โดยจัดประเภทการลงทุนในธุรกิจผลิตและจำหน่ายไฟฟ้าออกเป็น 3 กลุ่มธุรกิจ ได้แก่ โครงการไฟฟ้าพลังน้ำ โครงการไฟฟ้าระบบโคเจนเนอเรชั่น และโครงการไฟฟ้าพลังน้ำแสงอาทิตย์

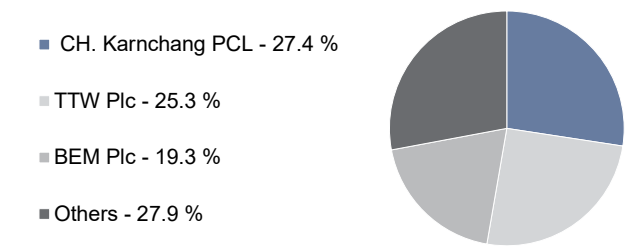
www.ckpower.co.th

Principal activities (revenue, 2023)



Source: CK Power

Major shareholders



Source: CK Power

Catalysts

ความต้องการใช้พลังงานไฟฟ้าที่สูงขึ้นทั้งในไทยและลาว รวมถึงกำลังผลิตไฟฟ้าที่เพิ่มขึ้นอย่างต่อเนื่อง จะสร้างการเติบโตในอนาคต

Risks to our call

ความต้องการไฟฟ้าในไทยลดลงมากกว่าคาด และปริมาณน้ำที่ใช้เพื่อการผลิตกระแสไฟฟ้าโครงการโรงไฟฟ้าหลักต่ำกว่าคาดจากภัยธรรมชาติ

Event calendar

Date	Event
November-2024	3Q24 Earnings results announcement

Key assumptions

Key assumptions	2024E	2025E	2026E
Tariff	3.23	3.29	3.36
Capex (THB m)	1,202	1,184	1,159
XPCL capacity factor (%)	57	62	61
NN2 capacity factor (%)	35	35	35

Source: FSSIA estimates

Earnings sensitivity

- For every 1% increase in gas price, we estimate 2024 earnings would rise by 1.1%, and vice versa, all else being equal.
- For every 1% increase in interest rate, we estimate 2024 earnings would decline by 1.3%, and vice versa, all else being equal.

Source: FSSIA estimates

Exhibit 1: CKP - 3Q24 Earnings Preview

	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24	3Q24E			9M23	9M24E	Change	% of
	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(q-q%)	(y-y%)	(THB m)	(THB m)	(y-y%)	2024E
Revenue	2,555	2,365	2,478	2,889	2,348	2,473	2,517	1.8	1.6	7,397	7,337	(0.8)	69.9
Operating costs	(2,198)	(2,062)	(1,869)	(2,031)	(1,931)	(1,759)	(1,866)	6.1	(0.2)	(6,129)	(5,556)	(9.4)	78.6
EBITDA	617	560	881	1,073	703	975	908	(6.8)	3.1	2,057	2,586	25.7	85.3
Administrative expenses	(126)	(133)	(124)	(180)	(104)	(124)	(123)	(0.5)	(0.6)	(383)	(351)	(8.4)	66.8
EBIT	230	169	485	678	313	590	528	(10.5)	8.8	885	1,431	61.7	97.5
Interest expense	(263)	(264)	(268)	(269)	(263)	(298)	(305)	2.5	13.8	(796)	(865)	8.7	76.3
Interest income	126	138	142	140	134	141	145	3.1	2.1	406	420	3.3	81.6
Other income	5	63	29	12	9	8	10	32.7	(65.9)	97	26	(72.9)	22.0
Associates' contribution	(162)	(99)	816	304	(569)	(109)	900	(924.1)	10.3	555	221	(60.1)	25.2
Tax	(15)	(11)	(31)	(31)	(15)	(28)	(10)	n/a	n/a	(58)	(52)	(9.5)	80.4
Minority interests	(25)	(9)	(161)	(271)	(85)	(233)	(295)	n/a	n/a	(195)	(613)	214.3	137.2
Net profit	(104)	2	1,022	543	(461)	74	973	1,209	(4.8)	919	586	(36.2)	48.4
Key ratio:	(%)	(%)	(%)	(%)	(%)	(%)	(%)			(%)	(%)		
EBITDA margin	24.1	23.7	35.5	37.1	30.0	39.4	36.1			83.4	35.3		
Gross margin	13.9	12.8	24.6	29.7	17.8	28.9	25.9			17.1	24.3		
SG&A/revenue	4.9	5.6	5.0	6.2	4.4	5.0	4.9			5.18	4.78		
Net margin	(4)	(0)	41	19	(20)	3	39			12.4	8.0		

Sources: CKP, FSSIA estimate

Exhibit 2: Key change in assumption and Earnings revision

	Current			Previous			Change		
	2024E	2025E	2026E	2024E	2025E	2026E	2024E	2025E	2026E
	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(%)	(%)	(%)
Revenue	10,502	11,010	11,258	10,502	11,010	11,258	0.0	0.0	0.0
Net profit	1,212	2,141	2,320	1,573	2,141	2,320	(22.9)	0.0	(0.0)
EPS (THB/share)	0.15	0.26	0.29	0.19	0.26	0.29	(22.9)	0.0	(0.0)
Key assumptions									
Tariff (%)	3.23	3.29	3.36	3.23	3.29	3.36	0.0	0.0	0.0
XPCL capacity factor (%)	57	62	61	62	62	61	(4.7)	0.0	0.0
NN2 capacity factor (%)	35	35	35	35	35	35	0.0	0.0	0.0

Source: FSSIA estimate

Exhibit 3: Valuation : Sum of the parts target price

Cost of equity assumptions (%)		Cost of debt assumptions (%)	
Risk free rate	3.0	Pretax cost of debt	2.9
Market risk premium	8.0	Marginal tax rate	20.0
Stock beta	0.7		
Cost of equity, Ke	8.7	Net cost of debt, Kd	3.6
Weight applied	25.0	Weight applied	75.0
WACC (%)	4.9		

DCF valuation estimate	(THB m)	(THB/share)	Comments
NN2 (Hydro, Mar-11)	6,298	0.8	WACC 4.9%, Risk free rate 3%, Risk premium 8.0%, zero terminal growth rate
Solar farm (42MW, 12-13)	779	0.3	WACC 4.9%, Risk free rate 3%, Risk premium 8.0%, zero terminal growth rate
BIC-1 (Gas, Jun-13)	4,702	0.6	WACC 4.9%, Risk free rate 3%, Risk premium 8.0%, zero terminal growth rate
BIC-2 (Gas, Jun-17)	6,190	0.8	WACC 4.9%, Risk free rate 3%, Risk premium 8.0%, zero terminal growth rate
XPCL(Hydro, Oct-19)	16,693	2.1	WACC 4.9%, Risk free rate 3%, Risk premium 8.0%, zero terminal growth rate
LPB (Hydro, Early 2030E)	12,302	1.5	WACC 4.9%, Risk free rate 3%, Risk premium 8.0%, zero terminal growth rate
Cash	8,764	1.1	At end-2024E
Debt	(9,603)	(1.2)	At end-2024E
Minorities	(12,100)	(1.5)	At end-2024E
Residual ordinary equity	34,026	4.35	

Sources: CKP, FSSIA estimates

Financial Statements

CK Power

Profit and Loss (THB m) Year Ending Dec	2022	2023	2024E	2025E	2026E
Revenue	10,904	10,286	10,502	11,010	11,258
Cost of goods sold	(9,100)	(8,161)	(8,629)	(9,562)	(9,758)
Gross profit	1,805	2,125	1,873	1,448	1,501
Other operating income	-	-	-	-	-
Operating costs	(526)	(563)	(525)	(551)	(563)
Operating EBITDA	2,851	3,130	2,911	2,522	2,536
Depreciation	(1,572)	(1,567)	(1,563)	(1,624)	(1,599)
Goodwill amortisation	0	0	0	0	0
Operating EBIT	1,279	1,562	1,347	898	938
Net financing costs	(561)	(513)	(621)	(505)	(226)
Associates	2,129	859	877	2,104	2,002
Recurring non-operating income	2,152	968	997	2,256	2,142
Non-recurring items	23	(5)	0	0	0
Profit before tax	2,893	2,012	1,724	2,649	2,854
Tax	(47)	(89)	(65)	(42)	(65)
Profit after tax	2,846	1,923	1,659	2,607	2,788
Minority interests	(410)	(466)	(447)	(466)	(469)
Preferred dividends	0	0	0	0	0
Other items	-	-	-	-	-
Reported net profit	2,436	1,457	1,212	2,141	2,320
Non-recurring items & goodwill (net)	(23)	5	0	0	0
Recurring net profit	2,413	1,462	1,212	2,141	2,320
Per share (THB)					
Recurring EPS *	0.30	0.18	0.15	0.26	0.29
Reported EPS	0.30	0.18	0.15	0.26	0.29
DPS	0.09	0.09	0.10	0.10	0.10
Diluted shares (used to calculate per share data)	8,129	8,129	8,129	8,129	8,129
Growth					
Revenue (%)	23.9	(5.7)	2.1	4.8	2.2
Operating EBITDA (%)	(15.9)	9.8	(7.0)	(13.4)	0.6
Operating EBIT (%)	(29.6)	22.2	(13.8)	(33.4)	4.4
Recurring EPS (%)	9.0	(39.4)	(17.1)	76.6	8.3
Reported EPS (%)	11.8	(40.2)	(16.8)	76.6	8.3
Operating performance					
Gross margin inc. depreciation (%)	16.6	20.7	17.8	13.2	13.3
Gross margin exc. depreciation (%)	31.0	35.9	32.7	27.9	27.5
Operating EBITDA margin (%)	26.1	30.4	27.7	22.9	22.5
Operating EBIT margin (%)	11.7	15.2	12.8	8.2	8.3
Net margin (%)	22.1	14.2	11.5	19.4	20.6
Effective tax rate (%)	6.2	7.7	7.7	7.7	7.7
Dividend payout on recurring profit (%)	28.6	47.3	67.1	38.0	35.0
Interest cover (X)	6.1	4.9	3.8	6.2	13.6
Inventory days	3.3	3.8	3.8	3.8	3.9
Debtor days	57.7	69.5	72.9	74.3	77.5
Creditor days	40.4	54.6	66.0	64.5	67.3
Operating ROIC (%)	3.8	4.7	4.3	3.0	3.2
ROIC (%)	4.5	3.3	3.0	4.2	4.1
ROE (%)	9.4	5.4	4.4	7.5	7.8
ROA (%)	4.7	3.4	3.1	4.2	4.0

* Pre-exceptional, pre-goodwill and fully diluted

Revenue by Division (THB m)	2022	2023	2024E	2025E	2026E
Generation of electricity from hydroelectric power segment	3,274	3,250	3,343	3,213	2,915
Generation of electricity from solar power segment	153	93	153	154	155
Generation of electricity from thermal power segment	7,169	6,564	6,804	7,440	7,984
Other operating segment	310	379	202	203	204

Sources: CK Power; FSSIA estimates

Financial Statements

CK Power

Cash Flow (THB m) Year Ending Dec	2022	2023	2024E	2025E	2026E
Recurring net profit	2,413	1,462	1,212	2,141	2,320
Depreciation	1,572	1,567	1,563	1,624	1,599
Associates & minorities	2,129	859	877	2,104	2,002
Other non-cash items	-	-	-	-	-
Change in working capital	(2,488)	114	(104)	(105)	(166)
Cash flow from operations	3,626	4,002	3,548	5,765	5,755
Capex - maintenance	(1,572)	(1,567)	(1,563)	(1,624)	(1,599)
Capex - new investment	(1,467)	(1,390)	(1,202)	(1,184)	(1,159)
Net acquisitions & disposals	(3,030)	(615)	(592)	0	0
Other investments (net)	4,449	510	877	2,104	2,002
Cash flow from investing	(1,619)	(3,062)	(2,481)	(704)	(755)
Dividends paid	(3,251)	(3,251)	(691)	(813)	(813)
Equity finance	0	0	0	0	0
Debt finance	1,369	692	400	500	0
Other financing cash flows	(1,278)	1,269	1,097	(1,374)	(1,218)
Cash flow from financing	(3,159)	(1,290)	806	(1,687)	(2,031)
Non-recurring cash flows	-	-	-	-	-
Other adjustments	0	0	0	0	0
Net other adjustments	0	0	0	0	0
Movement in cash	(1,152)	(350)	1,874	3,374	2,970
Free cash flow to firm (FCFF)	3,081.47	2,004.73	2,202.04	6,252.61	6,224.12
Free cash flow to equity (FCFE)	2,098.54	2,900.62	2,564.70	4,186.75	3,782.59

Per share (THB)

FCFF per share	0.42	0.27	0.30	0.85	0.84
FCFE per share	0.28	0.39	0.35	0.57	0.51
Recurring cash flow per share	0.75	0.48	0.45	0.72	0.73

Balance Sheet (THB m) Year Ending Dec	2022	2023	2024E	2025E	2026E
Tangible fixed assets (gross)	39,725	39,858	40,219	40,659	41,099
Less: Accumulated depreciation	(15,645)	(17,167)	(18,731)	(20,355)	(21,953)
Tangible fixed assets (net)	24,081	22,691	21,488	20,304	19,145
Intangible fixed assets (net)	3,013	3,673	3,673	3,673	3,673
Long-term financial assets	-	-	-	-	-
Invest. in associates & subsidiaries	20,605	21,220	21,812	21,812	21,812
Cash & equivalents	5,931	5,580	7,454	10,828	13,797
A/C receivable	1,889	2,026	2,167	2,314	2,465
Inventories	66	72	77	86	89
Other current assets	2,538	2,423	2,474	2,594	2,652
Current assets	10,423	10,102	12,172	15,823	19,003
Other assets	11,724	11,080	11,080	11,080	11,080
Total assets	69,846	68,765	70,225	72,691	74,713
Common equity	26,550	27,264	27,786	29,114	30,620
Minorities etc.	11,390	11,653	12,100	12,566	13,035
Total shareholders' equity	37,939	38,918	39,886	41,680	43,655
Long term debt	4,648	4,100	4,500	5,000	5,001
Other long-term liabilities	22,626	19,732	19,732	19,732	19,732
Long-term liabilities	27,275	23,832	24,232	24,732	24,733
A/C payable	741	1,233	1,321	1,484	1,525
Short term debt	3,362	4,603	4,603	4,603	4,603
Other current liabilities	529	179	183	192	196
Current liabilities	4,632	6,015	6,107	6,279	6,325
Total liabilities and shareholders' equity	69,846	68,765	70,225	72,691	74,713
Net working capital	3,223	3,109	3,214	3,319	3,484
Invested capital	62,646	61,773	61,267	60,187	59,194

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

Per share (THB)

Book value per share	3.27	3.35	3.42	3.58	3.77
Tangible book value per share	2.90	2.90	2.97	3.13	3.31

Financial strength

Net debt/equity (%)	5.5	8.0	4.1	(2.9)	(9.6)
Net debt/total assets (%)	3.0	4.5	2.3	(1.7)	(5.6)
Current ratio (x)	2.3	1.7	2.0	2.5	3.0
CF interest cover (x)	7.4	9.4	7.1	11.6	22.8

Valuation	2022	2023	2024E	2025E	2026E
Recurring P/E (x) *	12.7	20.9	25.2	14.3	13.2
Recurring P/E @ target price (x) *	14.7	24.2	29.2	16.5	15.2
Reported P/E (x)	12.5	21.0	25.2	14.3	13.2
Dividend yield (%)	2.3	2.3	2.7	2.7	2.7
Price/book (x)	1.2	1.1	1.1	1.0	1.0
Price/tangible book (x)	1.3	1.3	1.3	1.2	1.1
EV/EBITDA (x) **	15.4	14.5	15.2	16.6	15.5
EV/EBITDA @ target price (x) **	17.1	16.0	16.9	18.5	17.4
EV/invested capital (x)	0.7	0.7	0.7	0.7	0.7

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

Sources: CK Power; FSSIA estimates

CK Power PCL (CKP TB)

FSSIA ESG rating


58.18 / 100

Exhibit 4: FSSIA ESG score implication

Rating	Score	Implication
★★★★★	>79-100	Leading its industry peers in managing the most significant ESG risks which not only better cost efficiency but also lead to higher profitability.
★★★★	>59-79	A mixed track record of managing the most significant ESG risks and opportunities relative to industry peers.
★★★	>39-59	Relevant ESG materiality matrix has been constructively addressed, well-managed and incorporated into day-to-day operations, in which targets and achievements are evaluated annually.
★★	>19-39	Relevant ESG materiality matrix has been identified with key management in charge for progress to be followed up on and to provide intensive disclosure. Most targets are conventional and achievable.
★	1-19	The company has adopted the United Nations Sustainable Development Goals (UN SDGs), established sustainability management guidelines and fully complies with regulations or ESG suggested guidance from related organizations such as the SET and SEC.

Sources: FSSIA estimates

Exhibit 5: ESG – peer comparison

	FSSIA	Domestic ratings						Global ratings					Bloomberg		
	ESG score	DJSI	SET THSI	THSI	CG score	AGM level	Thai CAC	Morningstar ESG risk	ESG Book	MSCI	Moody's	Refinitiv	S&P Global	ESG score	Disclosure score
SET100	69.20	5.34	4.40	4.40	4.76	4.65	3.84	Medium	51.76	BBB	20.87	58.72	63.91	3.72	28.17
Coverage	67.12	5.11	4.15	4.17	4.83	4.71	3.53	Medium	52.04	BB	16.97	56.85	62.09	3.40	31.94
BCPG	60.77	--	Y	Y	5.00	4.00	Certified	Medium	53.04	A	--	57.81	38.00	--	54.74
BGRIM	66.87	--	Y	Y	5.00	5.00	Certified	High	47.55	BBB	--	63.32	84.00	3.58	68.21
CKP	58.18	--	Y	Y	5.00	5.00	--	High	66.30	--	--	75.69	41.00	4.37	63.61
GULF	61.25	--	Y	Y	5.00	5.00	Certified	High	57.10	B	--	53.85	74.00	2.92	53.27
GPSC	69.86	--	Y	Y	5.00	5.00	Certified	Medium	63.22	B	--	60.43	88.00	4.77	--

Sources: [SETTRADE.com](https://www.settrade.com); FSSIA's compilation

Exhibit 6: ESG score by Bloomberg

FY ending Dec 31	FY 2019	FY 2020	FY 2021	FY 2022
ESG financial materiality scores - ESG score	—	—	4.42	4.39
BESG environmental pillar score	—	—	4.32	4.49
BESG social pillar score	—	—	4.35	4.05
BESG governance pillar score	—	—	4.68	4.58
ESG disclosure score	51.56	61.37	64.21	63.61
Environmental disclosure score	36.54	59.17	59.17	59.17
Social disclosure score	41.96	43.77	46.01	44.20
Governance disclosure score	76.10	81.10	87.36	87.36
Environmental				
Emissions reduction initiatives	Yes	Yes	Yes	Yes
Climate change policy	No	Yes	Yes	Yes
Climate change opportunities discussed	No	No	No	No
Risks of climate change discussed	Yes	Yes	Yes	Yes
GHG scope 1	723	713	716	716
GHG scope 2 location-based	8	4	5	2
GHG Scope 3	—	—	—	—
Carbon per unit of production	—	—	—	—
Biodiversity policy	Yes	Yes	Yes	Yes
Energy efficiency policy	Yes	Yes	Yes	Yes
Total energy consumption	3,581	3,532	3,643	3,706
Renewable energy use	—	50	88	165
Electricity used	17	9	11	4
Fuel used - natural gas	—	354,182	355,362	354,351

Sources: Bloomberg; FSSIA's compilation

Exhibit 7: ESG score by Bloomberg (cont.)

FY ending Dec 31	FY 2019	FY 2020	FY 2021	FY 2022
Fuel used - crude oil/diesel	No	No	No	No
Waste reduction policy	No	Yes	Yes	Yes
Hazardous waste	0	0	0	0
Total waste	0	0	0	0
Waste recycled	0	0	0	0
Waste sent to landfills	0	0	0	0
Environmental supply chain management	No	Yes	Yes	Yes
Water policy	No	Yes	Yes	Yes
Water consumption	1,625	1,529	1,378	1,579
Social				
Human rights policy	Yes	Yes	Yes	Yes
Policy against child labor	Yes	Yes	Yes	Yes
Quality assurance and recall policy	Yes	Yes	Yes	Yes
Consumer data protection policy	No	Yes	Yes	Yes
Equal opportunity policy	Yes	Yes	Yes	Yes
Gender pay gap breakout	No	No	Yes	Yes
Pct women in workforce	62	33	33	33
Pct disabled in workforce	0	0	—	—
Business ethics policy	Yes	Yes	Yes	Yes
Anti-bribery ethics policy	Yes	Yes	Yes	Yes
Health and safety policy	Yes	Yes	Yes	Yes
Lost time incident rate - employees	1	0	0	0
Total recordable incident rate - employees	1	0	0	0
Training policy	Yes	Yes	Yes	Yes
Fair remuneration policy	No	No	No	No
Number of employees – CSR	457	509	505	517
Employee turnover pct	6	6	—	—
Total hours spent by firm - employee training	10,136	18,833	16,737	17,173
Social supply chain management	No	Yes	Yes	Yes
Governance				
Board size	12	12	12	11
No. of independent directors (ID)	4	4	4	4
No. of women on board	1	1	1	1
No. of non-executive directors on board	7	11	11	10
Company conducts board evaluations	Yes	Yes	Yes	Yes
No. of board meetings for the year	6	8	7	7
Board meeting attendance pct	92	96	100	99
Board duration (years)	3	3	3	3
Director share ownership guidelines	No	No	No	No
Age of the youngest director	—	37	38	39
Age of the oldest director	—	76	77	77
No. of executives / company managers	8	9	11	10
No. of female executives	3	4	6	5
Executive share ownership guidelines	No	No	No	No
Size of audit committee	3	3	3	3
No. of ID on audit committee	3	3	3	3
Audit committee meetings	4	4	5	6
Audit meeting attendance %	92	100	100	100
Size of compensation committee	3	3	3	3
No. of ID on compensation committee	2	2	2	2
No. of compensation committee meetings	2	3	3	2
Compensation meeting attendance %	93	100	100	100
Size of nomination committee	3	3	3	3
No. of nomination committee meetings	2	3	3	2
Nomination meeting attendance %	93	100	100	100
Sustainability governance				
Verification type	No	No	Yes	Yes

Sources: Bloomberg; FSSIA's compilation

Disclaimer for ESG scoring

ESG score	Methodology	Rating																				
The Dow Jones Sustainability Indices (DJSI) By S&P Global	The DJSI World applies a transparent, rules-based component selection process based on the companies' Total Sustainability Scores resulting from the annual S&P Global Corporate Sustainability Assessment (CSA). Only the top-ranked companies within each industry are selected for inclusion.	Be a member and invited to the annual S&P Global Corporate Sustainability Assessment (CSA) for DJSI. Companies with an S&P Global ESG Score of less than 45% of the S&P Global ESG Score of the highest scoring company are disqualified. The constituents of the DJSI indices are selected from the Eligible Universe.																				
Sustainability Investment List (THSI) by The Stock Exchange of Thailand (SET)	THSI quantifies responsibility in Environmental and Social issues by managing business with transparency in Governance, updated annually. Candidates must pass the preemptive criteria, with two crucial conditions: 1) no irregular trading of the board members and executives; and 2) free float of >150 shareholders, and combined holding must be >15% of paid-up capital. Some key disqualifying criteria include: 1) CG score of below 70%; 2) independent directors and free float violation; 3) executives' wrongdoing related to CG, social & environmental impacts; 4) equity in negative territory; and 5) earnings in red for > 3 years in the last 5 years.	To be eligible for THSI inclusion , verified data must be scored at a minimum of 50% for each indicator, unless the company is a part of DJSI during the assessment year. The scoring will be fairly weighted against the nature of the relevant industry and materiality. SETTHSI Index is extended from the THSI companies whose 1) market capitalization > THB5b (~USD150b); 2) free float >20%; and 3) liquidity >0.5% of paid-up capital for at least 9 out of 12 months. The SETTHSI Index is a market capitalisation-weighted index, cap 5% quarterly weight at maximum, and no cap for number of stocks.																				
CG Score by Thai Institute of Directors Association (Thai IOD)	An indicator of CG strength in sustainable development, measured annually by the Thai IOD, with support from the Stock Exchange of Thailand (SET). The results are from the perspective of a third party, not an evaluation of operations.	Scores are rated in six categories: 5 for Excellent (90-100), 4 for Very Good (80-89), 3 for Good (70-79), 2 for Fair (60-69), 1 for Pass (60-69), and not rated for scores below 50. Weightings include: 1) the rights; 2) and equitable treatment of shareholders (weight 25% combined); 3) the role of stakeholders (25%); 4) disclosure & transparency (15%); and 5) board responsibilities (35%).																				
AGM level By Thai Investors Association (TIA) with support from the SEC	It quantifies the extent to which shareholders' rights and equitable treatment are incorporated into business operations and information is transparent and sufficiently disclosed. All form important elements of two out of five the CG components to be evaluated annually. The assessment criteria cover AGM procedures before the meeting (45%), at the meeting date (45%), and after the meeting (10%). <i>(The first assesses 1) advance circulation of sufficient information for voting; and 2) facilitating how voting rights can be exercised. The second assesses 1) the ease of attending meetings; 2) transparency and verifiability; and 3) openness for Q&A. The third involves the meeting minutes that should contain discussion issues, resolutions and voting results.)</i>	The scores are classified into four categories: 5 for Excellent (100), 4 for Very Good (90-99), 3 for Fair (80-89), and not rated for scores below 79.																				
Thai CAC By Thai Private Sector Collective Action Against Corruption (CAC)	The core elements of the Checklist include corruption risk assessment, establishment of key controls, and the monitoring and developing of policies. The Certification is good for three years. <i>(Companies deciding to become a CAC certified member start by submitting a Declaration of Intent to kick off an 18-month deadline to submit the CAC Checklist for Certification, including risk assessment, in place of policy and control, training of managers and employees, establishment of whistleblowing channels, and communication of policies to all stakeholders.)</i>	The document will be reviewed by a committee of nine professionals. A passed Checklist will move for granting certification by the CAC Council approvals whose members are twelve highly respected individuals in professionalism and ethical achievements.																				
Morningstar Sustainabilitys	The Sustainabilitys' ESG risk rating provides an overall company score based on an assessment of how much of a company's exposure to ESG risk is unmanaged. <i>Sources to be reviewed include corporate publications and regulatory filings, news and other media, NGO reports/websites, multi-sector information, company feedback, ESG controversies, issuer feedback on draft ESG reports, and quality & peer reviews.</i>	A company's ESG risk rating score is the sum of unmanaged risk. The more risk is unmanaged, the higher ESG risk is scored. <table><tr><th>NEGL</th><th>Low</th><th>Medium</th><th>High</th><th>Severe</th></tr><tr><td>0-10</td><td>10-20</td><td>20-30</td><td>30-40</td><td>40+</td></tr></table>	NEGL	Low	Medium	High	Severe	0-10	10-20	20-30	30-40	40+										
NEGL	Low	Medium	High	Severe																		
0-10	10-20	20-30	30-40	40+																		
ESG Book	The ESG score identifies sustainable companies that are better positioned to outperform over the long term. The methodology considers the principle of financial materiality including information that significantly helps explain future risk-adjusted performance. Materiality is applied by over-weighting features with higher materiality and rebalancing these weights on a rolling quarterly basis.	The total ESG score is calculated as a weighted sum of the features scores using materiality-based weights. The score is scaled between 0 and 100 with higher scores indicating better performance.																				
MSCI	MSCI ESG ratings aim to measure a company's management of financially relevant ESG risks and opportunities. It uses a rules-based methodology to identify industry leaders and laggards according to their exposure to ESG risks and how well they manage those risks relative to peers. <table><tr><td>AAA</td><td>8.571-10.000</td><td rowspan="3">Leader:</td><td rowspan="3">leading its industry in managing the most significant ESG risks and opportunities</td></tr><tr><td>AA</td><td>7.143-8.570</td></tr><tr><td>A</td><td>5.714-7.142</td></tr><tr><td>BBB</td><td>4.286-5.713</td><td rowspan="2">Average:</td><td rowspan="2">a mixed or unexceptional track record of managing the most significant ESG risks and opportunities relative to industry peers</td></tr><tr><td>BB</td><td>2.857-4.285</td></tr><tr><td>B</td><td>1.429-2.856</td><td rowspan="2">Laggard:</td><td rowspan="2">lagging its industry based on its high exposure and failure to manage significant ESG risks</td></tr><tr><td>CCC</td><td>0.000-1.428</td></tr></table>		AAA	8.571-10.000	Leader:	leading its industry in managing the most significant ESG risks and opportunities	AA	7.143-8.570	A	5.714-7.142	BBB	4.286-5.713	Average:	a mixed or unexceptional track record of managing the most significant ESG risks and opportunities relative to industry peers	BB	2.857-4.285	B	1.429-2.856	Laggard:	lagging its industry based on its high exposure and failure to manage significant ESG risks	CCC	0.000-1.428
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CCC	0.000-1.428																					
Moody's ESG solutions	Moody's assesses the degree to which companies take into account ESG objectives in the definition and implementation of their strategy policies. It believes that a company integrating ESG factors into its business model and relatively outperforming its peers is better positioned to mitigate risks and create sustainable value for shareholders over the medium to long term.																					
Refinitiv ESG rating	Designed to transparently and objectively measure a company's relative ESG performance, commitment and effectiveness across 10 main themes, based on publicly available and auditable data. The score ranges from 0 to 100 on relative ESG performance and insufficient degree of transparency in reporting material ESG data publicly. <i>(Score ratings are 0 to 25 = poor; >25 to 50 = satisfactory; >50 to 75 = good; and >75 to 100 = excellent.)</i>																					
S&P Global	The S&P Global ESG Score is a relative score measuring a company's performance on and management of ESG risks, opportunities, and impacts compared to its peers within the same industry classification. The score ranges from 0 to 100.																					
Bloomberg	ESG Score	Bloomberg score evaluating the company's aggregated Environmental, Social and Governance (ESG) performance. The score is based on Bloomberg's view of ESG financial materiality. The score is a weighted generalized mean (power mean) of Pillar Scores, where the weights are determined by the pillar priority ranking. Values range from 0 to 10; 10 is the best.																				
Bloomberg	ESG Disclosure Score	Disclosure of a company's ESG used for Bloomberg ESG score. The score ranges from 0 for none to 100 for disclosure of every data point, measuring the amount of ESG data reported publicly, and not the performance on any data point.																				

[Rating](#) regarding the sustainable development of Thai listed companies, both on the SET and MAI, are publicly available on the website of the Securities and Exchange Commission of Thailand (SEC). Currently, ratings available are 1) **"CG Score"**; 2) **"AGM Level"**; 3) **"Thai CAC"**; and 4) **THSI**. The ratings are updated on an annual basis. FSSIA does not confirm nor certify the accuracy of such ratings.

Source: FSSIA's compilation

GENERAL DISCLAIMER

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Songklod Wongchai FSS International Investment Advisory Securities Co., Ltd

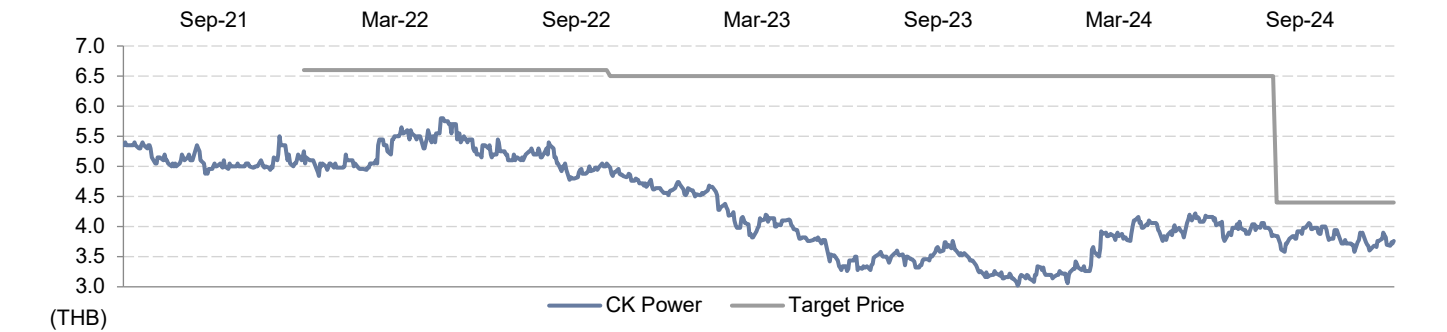
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History of change in investment rating and/or target price

CK Power (CKP TB)



Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
22-Feb-2022	BUY	6.60	11-Nov-2022	BUY	6.50	07-Jun-2024	BUY	4.40

Songklod Wongchai started covering this stock from 7-Jun-2024

Price and TP are in local currency

Source: FSSIA estimates

Company	Ticker	Price	Rating	Valuation & Risks
CK Power	CKP TB	THB 3.76	BUY	ความต้องการไฟฟ้าในไทยลดลงมากกว่าคาด และปริมาณน้ำที่ใช้เพื่อการผลิตกระแสไฟฟ้าโครงการโรงไฟฟ้าหลักต่ำกว่าคาดจากภัยธรรมชาติ

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.

All share prices are as at market close on 19-Sep-2024 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.