

CK POWER
THAILAND / UTILITIES**CKP TB****BUY**
UNCHANGED**3Q24 results at first glance**

กำไรสุทธิ 3Q24 ดีกว่าเราและตลาดคาด 20-40%

Highlights

- CKP รายงานกำไรปกติ 3Q24 ที่ 1,191 ลบ. +1,503% q-q, +16.6% y-y ดีกว่าเราและตลาดคาด 20-40% หลักๆ มาจากโครงการโรงไฟฟ้าพลังงานน้ำหลวงพระบางที่อยู่ระหว่างการก่อสร้างมีกำไรจากอัตราแลกเปลี่ยนมากกว่าคาดจากหนี้ที่เป็นเงินสกุลดอลลาร์เพราะค่าเงินบาทแข็ง ส่วนโรงไฟฟ้าไชยะบุรีมีกำไรลดลงตามคาด จากการหยุดผลิต 17 วันเนื่องจากมีปริมาณน้ำไหลผ่านเขื่อนสูงเกิน
- รายได้จากโรงไฟฟ้าหลักอย่างโครงการโรงไฟฟ้าน้ำงึม (NN2) เพิ่มขึ้น 11% ทั้ง q-q, y-y ตามปริมาณน้ำในอ่างเก็บน้ำสูงขึ้น
- หากหักรายการพิเศษ FX gain จะมีกำไรปกติ 585 ล้านบาท ลดลง 40% y-y เนื่องจากโรงไฟฟ้าไชยะบุรีหยุดผลิตชั่วคราวนานถึง 17 วัน เทียบกับช่วงเวลาเดียวกันกับปีก่อนหยุดเพียง 2 วัน แต่เพิ่มขึ้นจากกำไรปกติ 149 ลบ.ใน 2Q24 จาก Peak season ของโรงไฟฟ้าไชยะบุรีตามคาด

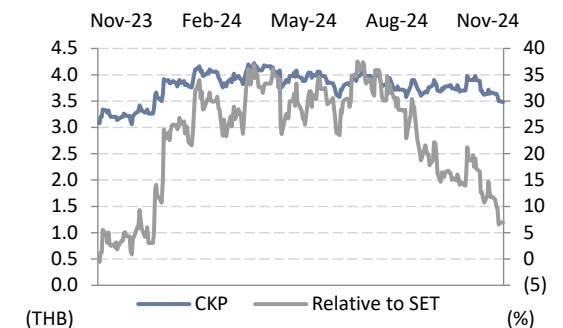
Outlook

- แนวโน้มกำไรสุทธิ 4Q24 น่าจะชะลอตัว q-q จาก FX gain ที่อาจหายไปจากบาทที่กลับมาอ่อนค่า ส่วนกำไรปกติน่าจะทรงตัว q-q เพราะโรงไฟฟ้าไชยะบุรีผ่าน Peak Season ไปแล้วใน 3Q24
- คงประมาณการและราคาเป้าหมาย 4.35 บาท ราคาหุ้นที่ปรับลงในช่วงเดือนที่ผ่านมาได้สะท้อนการหยุดผลิตของโรงไฟฟ้าไชยะบุรีไปแล้ว ส่วนระยะกลางยาว CKP จะได้ประโยชน์จากแนวโน้มดอกเบี้ยขาลง
- คงคำแนะนำ ซื้อ ราคาเป้าหมาย 4.35 บาท (SOTP) ตามสัญญาซื้อขายไฟฟ้าระยะยาว Catalyst ระยะสั้นมาจาก Peak Season ของโรงไฟฟ้าไชยะบุรี และระยะยาวจะมาจากโรงไฟฟ้าหลวงพระบางที่จะผลิตไฟฟ้าได้ในปี 2030

TARGET PRICE THB4.35
CLOSE THB3.48
UP/DOWNSIDE +25.0%
TP vs CONSENSUS -5.2%

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 (%)	-	(19.8)	7.4	6.2
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
EPS growth (%)	(39.4)	(17.1)	76.6	8.3
Core P/E (x)	19.3	23.3	13.2	12.2
Dividend yield (%)	2.4	2.9	2.9	2.9
EV/EBITDA (x)	13.8	14.4	15.7	14.6
Price/book (x)	1.0	1.0	1.0	0.9
Net debt/Equity (%)	8.0	4.1	(2.9)	(9.6)
ROE (%)	5.4	4.4	7.5	7.8



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	(10.8)	(6.5)	10.8
Relative to country (%)	(9.9)	(16.7)	5.7
Mkt cap (USD m)	824		
3m avg. daily turnover (USD m)	1.1		
Free float (%)	28		
Major shareholder	CH. Kamchang PCL (27%)		
12m high/low (THB)	4.28/3.04		
Issued shares (m)	7,370.00		

Sources: Bloomberg consensus; FSSIA estimates

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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) *	11.7	19.3	23.3	13.2	12.2
Recurring P/E @ target price (x) *	14.7	24.2	29.2	16.5	15.2
Reported P/E (x)	11.6	19.4	23.3	13.2	12.2
Dividend yield (%)	2.4	2.4	2.9	2.9	2.9
Price/book (x)	1.1	1.0	1.0	1.0	0.9
Price/tangible book (x)	1.2	1.2	1.2	1.1	1.0
EV/EBITDA (x) **	14.6	13.8	14.4	15.7	14.6
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	0.6

* 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

★ ★ ★

Exhibit 3: FSSIA ESG score implication

58.18 / 100

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 4: 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; FSSIA's compilation

Exhibit 5: 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 6: 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 Sustainability	The Sustainability's 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+										
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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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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

ANALYST(S) CERTIFICATION

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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	07-Jun-2024	BUY	4.40	-	-	-
11-Nov-2022	BUY	6.50	20-Sep-2024	BUY	4.35			

Songklod Wongchai started covering this stock from 07-Jun-2024

Price and TP are in local currency

Source: FSSIA estimates

Company	Ticker	Price	Rating	Valuation & Risks
CK Power	CKP TB	THB 3.48	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 11-Nov-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.