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Strong hydropower momentum continues

- Total hydropower output surged 60% y-y in August ...
- ... despite water available dropped in this peak month
- SPP margin recovery should outweigh weak sales volume
- Still expecting strong 3Q25F

Total electricity output from CKP's two hydropower projects surged 60% y-y to 1.24TWh in August, despite weaker water availability than last year. All seven generators at the XPCL project operated smoothly throughout the month compared to a 10-day shutdown in 2024 due to water overflow, while NN2 also ran near full capacity utilization, backed by its abundant reservoir levels. Electricity and steam sales from the BIC gas-fired SPP plant remained subdued, though we expect the weak volumes could be more than offset by stronger margins this quarter.

- **Xayaburi (XPCL, hydro, 546MW):** XPCL generated 803GWh of electricity in August, equivalent to an 87% capacity factor for the project which is well above the project's 54% breakeven level. The output rose 30% y-y despite a weaker water flow rate of 9,536cm/s (down 19% y-y), as all seven turbines operated at full capacity this year, while the production in August 2024 was disrupted by a 10-day shutdown when excessive river flow forced the project to halt operations due to overflow conditions.
- **Nam Ngum 2 (NN2, hydro, 283MW):** NN2's electricity generation was at 438GWh in August, marking the project's record-high monthly power output at 99% capacity factor. The output surged 178% y-y despite weaker inflows of only 1,212m cubic meter (down 28% y-y). The robust performance was supported by exceptionally high reservoir levels, which stood at 372m above sea level at end-August vs. 368m last year. This healthy water reserve suggests a strong electricity output should continue in the coming months.
- **Bangpa-in Cogen (BIC, gas-fired, 154MW):** Electricity sales from the BIC gas-fired SPP power plant remained weak at 110GWh in August, down 18% y-y. Steam volume sales also declined 13% y-y to 4,841 tons. However, we expect the weak sale volumes could be more than offset by stronger sale margins this quarter, thanks to falling domestic gas pool price trend.
- **Solar farms (BKC, solar, 19MW):** Total electricity output from solar farms and solar rooftop projects was 1.81GWh in August, down slightly by 3% y-y. The business unit remains small in CKP's power generation portfolio.

Key Valuations

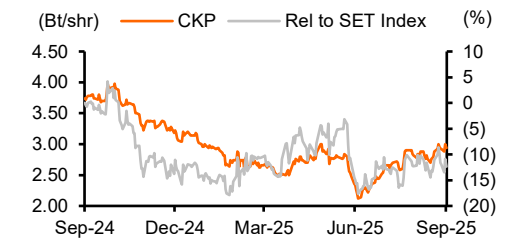
Y/E Dec (Bt m)	2024A	2025F	2026F	2027F
Revenue	10,212	10,056	9,758	9,662
Net profit	1,345	1,817	2,229	2,426
Norm net profit	1,283	1,817	2,229	2,426
Norm EPS (Bt)	0.2	0.2	0.3	0.3
Norm EPS gr (%)	(10.1)	41.6	22.7	8.8
Norm PE (x)	18.6	13.2	10.7	9.9
EV/EBITDA (x)	11.5	11.5	11.1	10.6
P/BV (x)	0.9	0.8	0.8	0.7
Div. yield (%)	2.9	3.1	3.1	3.1
ROE (%)	4.6	6.4	7.5	7.7
Net D/E (%)	53.0	48.4	42.8	37.1

Source: Thanachart estimates

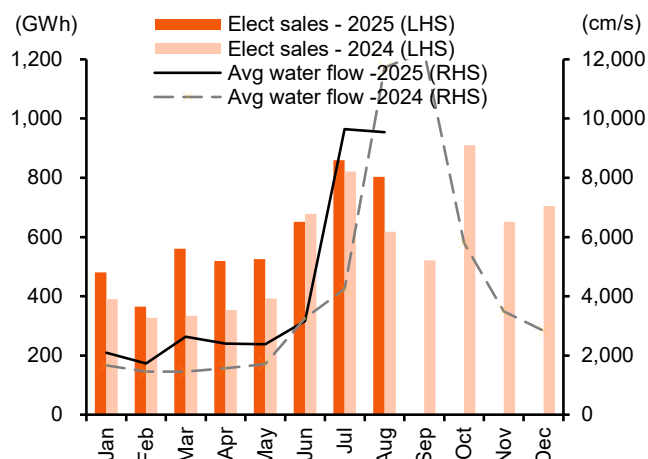
Stock Data

Closing price (Bt)	2.94
Target price (Bt)	5.00
Market cap (US\$ m)	753
Avg daily turnover (US\$ m)	0.5
12M H/L price (Bt)	3.98/2.12

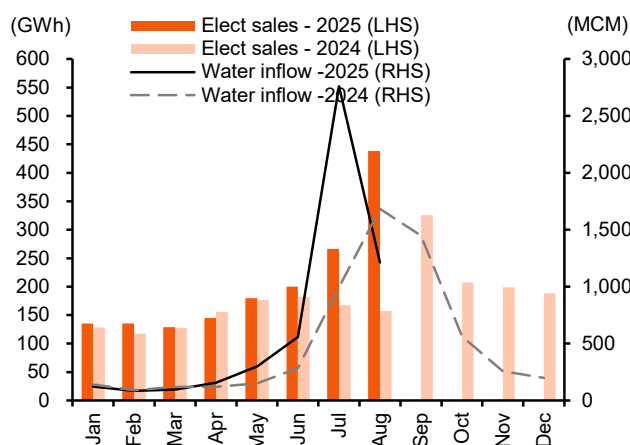
Price Performance



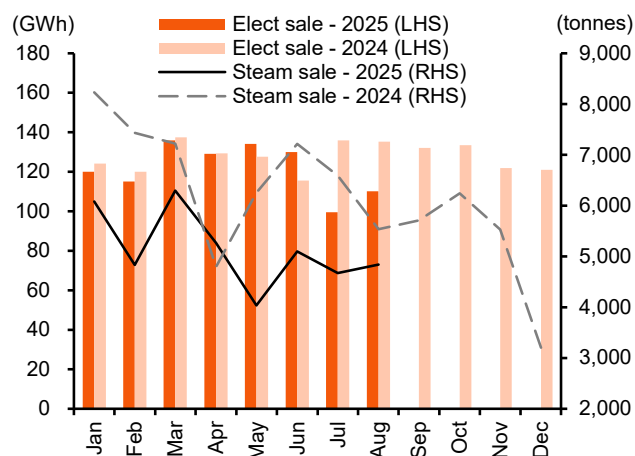
Source: Bloomberg

**Ex 1: Optimum XPCL's Output Vs. Low Base Last Year**

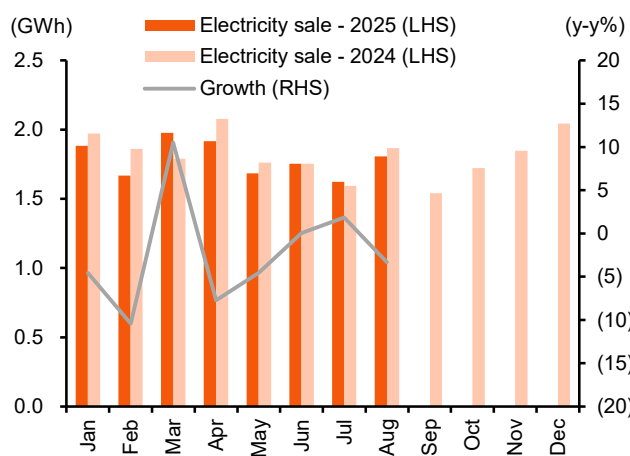
Source: Company data

**Ex 2: NN2 Nearly Hit 100% Capacity Factor This Month**

Source: Company data

**Ex 3: Weak BIC's Volume, But Better Margins**

Source: Company data

**Ex 4: Contribution From Solar Projects Remain Small**

Source: Company data

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