

CK Power Pcl (CKP TB) - BUY

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News Update**Strong hydropower generation in January**

- **CKP's hydropower output rose 17% y-y in January**
- **High water availability was the key driver**
- **Lower SPP output likely on maintenance**
- **We maintain BUY**

Total electricity output from CKP's two hydropower projects increased strongly by 17% y-y to 718GWh in January, marking a strong first month for the year. The strong generation was driven by high water availability in both XPCL and NN2 projects despite the dry season is approaching for the Indochina region. Having said that, electricity and steam sales from BIC gas-fired SPP project was soft this month as the project was partially down for planned maintenance.

- **Xayaburi (XPCL, hydro, 546MW):** XPCL's electricity generation grew 21% y-y to 581GWh in January. The output also increased 15% m-m despite dry season is approaching, likely due to higher water release from upstream dams in China. Average water flow through the project was 2,681 cm/s, up 28% from last year. The generation this month was equivalent to 63% capacity factor for the project, which is above its 54% breakeven level.
- **Nam Ngum 2 (NN2, hydro, 283MW):** NN2's electricity generation improved slightly by 1% y-y to 136GWh in January, equivalent to a 31% capacity factor for the project. Amount of water inflow to the project's reservoir surged up 50% y-y to 181m cubic meters so the reservoir level elevated to 370m above sea level, vs. 369m last year.
- **Bangpa-in Cogen (BIC, gas-fired, 154MW):** Electricity sales volume from BIC gas-fired SPP project declined 15% y-y to 101GWh in January. Steam sales volume also dropped 13% y-y to 5,270 tons. Those were due to the project was partially down for planned maintenance during the month. For margins, we expect strong profitability for BIC project in 1Q26F as domestic natural gas cost is falling faster than a small cut in national electricity tariff.
- **Solar farms (BKC, solar, 19MW):** Total electricity output from solar farms and solar rooftop projects rose 5% y-y to 1.97GWh in January. Having said that, the business unit remains small in CKP's portfolio.

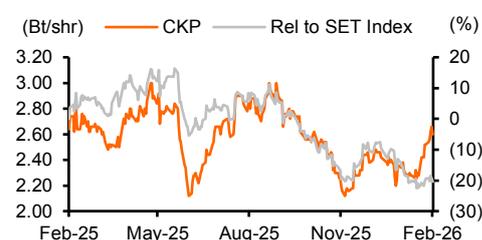
Key Valuations

Y/E Dec (Bt m)	2024A	2025F	2026F	2027F
Revenue	10,212	10,129	10,175	9,562
Net profit	1,345	1,908	2,298	2,349
Norm net profit	1,283	1,908	2,298	2,349
Norm EPS (Bt)	0.2	0.2	0.3	0.3
Norm EPS gr (%)	(10.1)	48.7	20.4	2.2
Norm PE (x)	16.5	11.1	9.2	9.0
EV/EBITDA (x)	10.8	10.3	9.4	9.4
P/BV (x)	0.8	0.7	0.7	0.7
Div. yield (%)	3.3	3.5	3.5	3.5
ROE (%)	4.6	6.7	7.7	7.4
Net D/E (%)	53.0	48.1	42.1	36.1

Source: Thanachart estimates

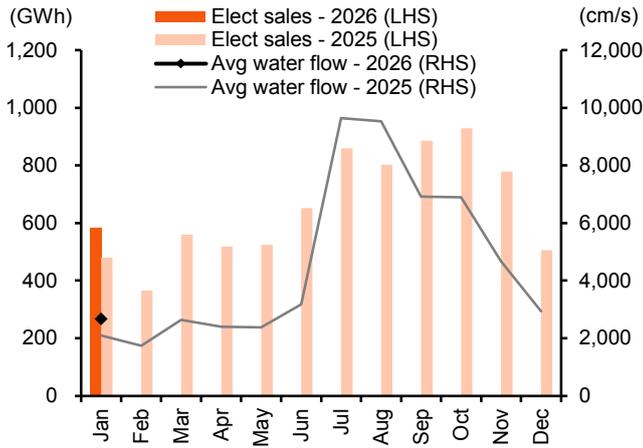
Stock Data

Closing price (Bt)	2.60
Target price (Bt)	5.00
Market cap (US\$ m)	678
Avg daily turnover (US\$ m)	0.6
12M H/L price (Bt)	3.00/2.12

Price Performance

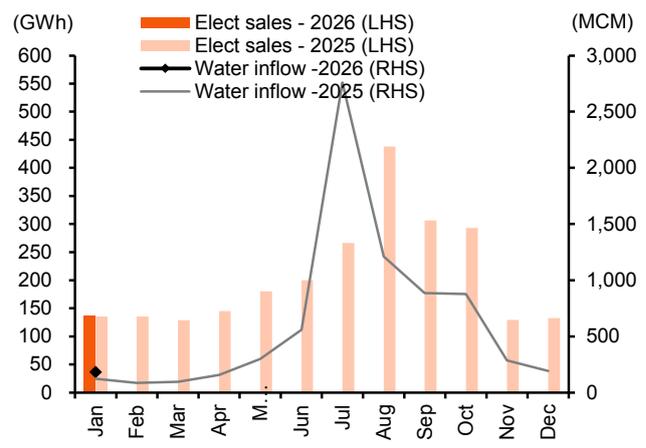
Source: Bloomberg

Ex 1: High Water Availability Drove Strong XPCL Output



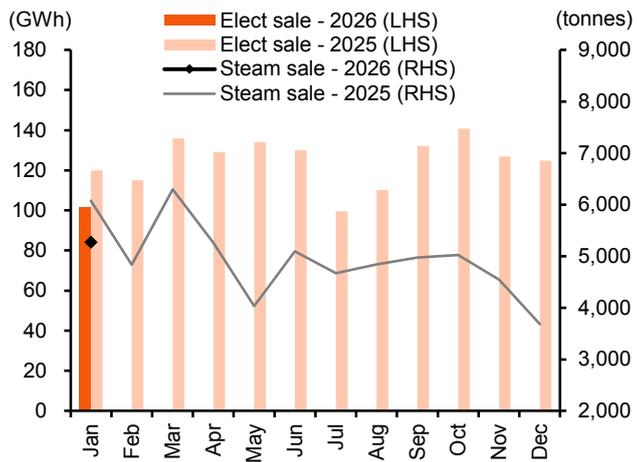
Source: Company data

Ex 2: Water Inflow At NN2 Project Also Strong



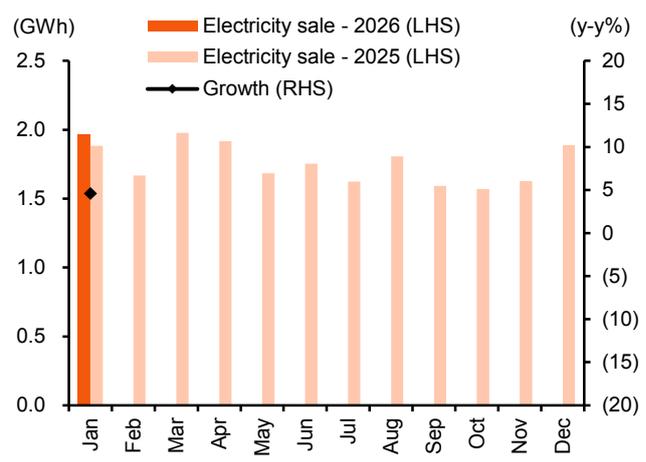
Source: Company data

Ex 3: Planned Maintenance At BIC Project



Source: Company data

Ex 4: Higher Solar Power Generation This Year



Source: Company data

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