

CK Power Pcl (CKP TB) - BUY

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News Update**Strong hydropower output in February**

- **Total hydropower generation rose 13% y-y in Feb 2026**
- **Water availability improved compared to last year**
- **BIC is still under an unplanned outage ...**
- **... with margins under pressure amid energy prices surge**

Total electricity output from CKP's two hydropower projects rose 13% y-y to 565GWh in February, supported by stronger water availability at both XPCL and NN2 compared with the same period last year. However, the BIC gas-fired SPP project was affected by an unplanned outage, which is expected to persist until early April. In addition, BIC's profitability is now under significant pressure from rising natural gas costs, while electricity tariff adjustments appear limited.

- **Xayaburi (XPCL, hydro, 546MW):** XPCL's electricity generation increased by 17% y-y to 427GWh in February, driven by 21% y-y stronger water flow through the project to 2,103cm/s, likely reflecting sustained high water releases from upstream dams in China. The output this month was equivalent to 46% capacity factor for the month, slightly below the project's breakeven of around 50%, which is typical during the dry season.
- **Nam Ngum 2 (NN2, hydro, 283MW):** NN2's electricity generation increased 2% y-y to 138GWh in February, equivalent to a capacity factor of 31%. Water inflow to the project's reservoir rose 24% y-y to 107m cubic meters, supporting a slightly higher reservoir level of 368m above sea level, vs. 367m in the same period last year.
- **Bangpa-in Cogen (BIC, gas-fired, 154MW):** Electricity sales volume from the BIC gas-fired SPP project declined 23% y-y to 101GWh in February, following a 15% contraction in the previous month, due to an unplanned outage at one of its generating units. With repairs expected to be completed by early April, while its profitability is also severely pressured by rising gas costs, we expect BIC to become the earnings drag on CKP in 1H26F. That said, steam sales could increase 26% y-y to 6,080 tons, as demand continues to be served by the remaining operating unit.
- **Solar farms (BKC, solar, 19MW):** Total electricity output from solar farms and solar rooftop projects rose 3% y-y to 1.72GWh in February. Having said that, the business unit remains small in CKP's portfolio.

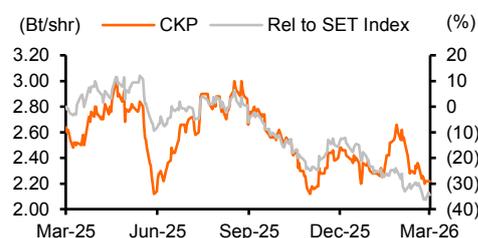
Key Valuations

Y/E Dec (Bt m)	2025A	2026F	2027F	2028F
Revenue	10,107	10,175	9,562	9,827
Net profit	2,782	2,298	2,349	2,571
Norm net profit	2,311	2,298	2,349	2,571
Norm EPS (Bt)	0.3	0.3	0.3	0.3
Norm EPS gr (%)	82.3	(0.5)	2.2	9.4
Norm PE (x)	7.8	7.9	7.7	7.0
EV/EBITDA (x)	10.2	8.7	8.6	8.7
P/BV (x)	0.6	0.6	0.6	0.5
Div. yield (%)	4.0	4.1	4.1	5.0
ROE (%)	7.9	7.5	7.4	7.7
Net D/E (%)	51.0	42.1	36.1	31.2

Source: Thanachart estimates

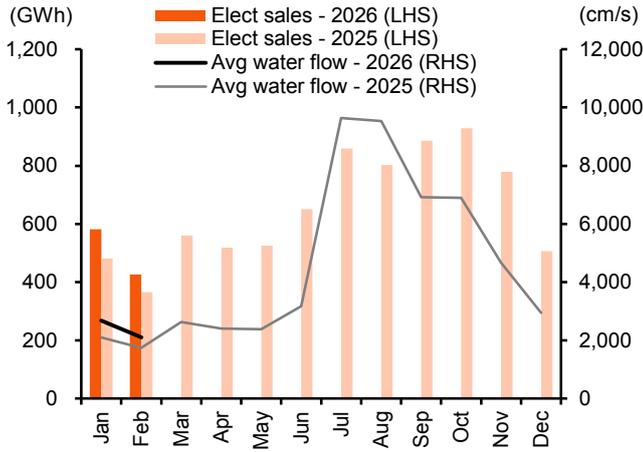
Stock Data

Closing price (Bt)	2.22
Target price (Bt)	5.00
Market cap (US\$ m)	554
Avg daily turnover (US\$ m)	0.6
12M H/L price (Bt)	3.00/2.12

Price Performance

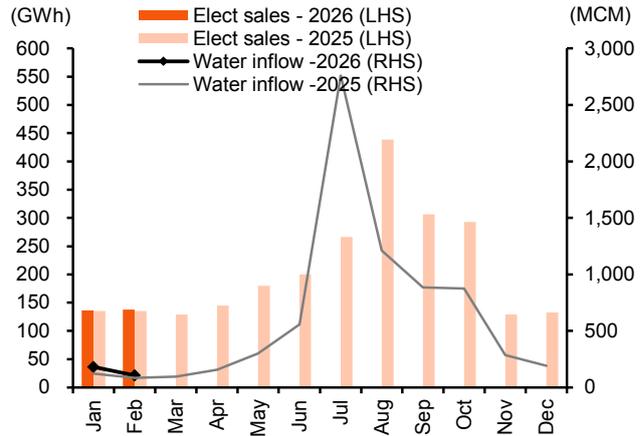
Source: Bloomberg

Ex 1: High Water Availability Drove Strong XPCL Output



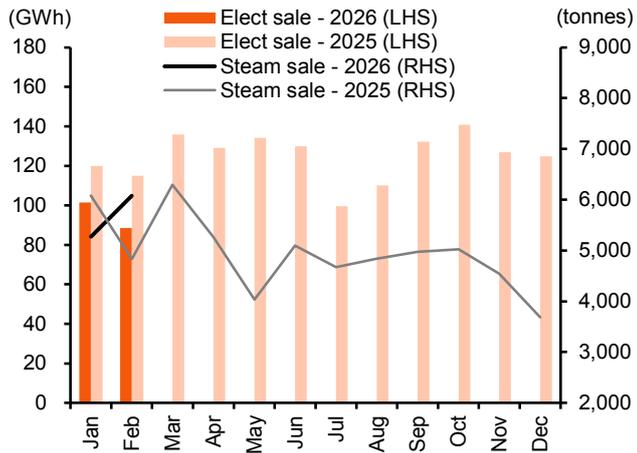
Source: Company data

Ex 2: Water Inflow At NN2 Project Also Strong



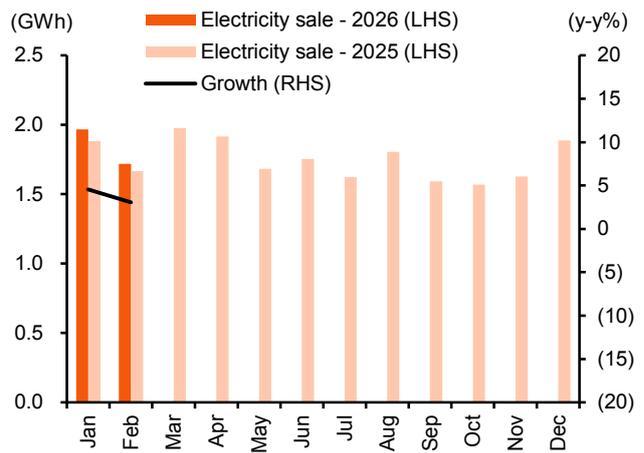
Source: Company data

Ex 3: Unplanned Outage At BIC Project



Source: Company data

Ex 4: Higher Solar Power Generation This Year



Source: Company data

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