

# Banpu Power

(BPP.BK/BPP TB)\*

**Neutral · Maintained**

Price as of 2 May 2023	13.50
12M target price (Bt/shr)	14.60
Unchanged/Revised up(down)(%)	(14.0)
Upside/downside (%)	8.1

**Key messages**

เราคิดว่ากำไรสุทธิใน 1Q66F จะอยู่ที่ 2.1 พันลบ. (พลิกขึ้น QoQ, -29% YoY) และคิดว่ากำไรหลักของ BPP จะอยู่ที่ 700 ลบ. (+43% QoQ, +196% YoY) จากผลการดำเนินงานที่ดีขึ้นของโครงการส่วนใหญ่ เราปรับลดกำไรหลักในปี 2566-68F ลง 13-16% เพื่อสะท้อน SG&A ที่เพิ่มขึ้น และยอดขายที่ลดลง เรายังคงคำแนะนำ ถือ และปรับราคาเป้าหมายลงเหลือ 14.60 บาท เราจะไม่เห็นปัจจัยที่จะกระตุ้นให้มีการปรับเพิ่มคำแนะนำได้ โดยหากไม่มีดีลใหม่ ๆ ที่มีขนาดใหญ่ เราคิดว่ากำไรของบริษัทจะเติบโตอย่างช้า ๆ ในขณะที่นักลงทุนส่วนใหญ่จะ under-owned หุ้น BPP จากกระแส ESG ที่แรงขึ้น

**Trading data**

Mkt cap (Btbn/US\$bn)	41.1/1.3		
Outstanding shares (mn)	3,048		
Foreign ownership (mn)	88		
3M avg. daily trading (mn)	1		
52-week trading range (Bt)	13.50-17.50		
Performance (%)	3M	6M	12M
Absolute	-22.4	-10.0	-17.2
Relative	-14.4	-4.3	-10.5

**Quarterly EPS**

Bt	Q1	Q2	Q3	Q4
2021	0.34	0.37	0.20	0.12
2022	0.96	0.22	0.76	(0.06)
2023	0.68			

**Share price chart**



Source: SET

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**ประมาณการ 1Q66F: ผลการดำเนินงานดีขึ้น**

**Event**

ประมาณการ 1Q66F และปรับลดประมาณการกำไรลง

**Impact**

**ประมาณการ 1Q66F – จะพลิกขึ้น QoQ แต่ลดลง YoY**

วันที่ 10 พ.ค. เราคิดว่า BPP จะรายงานกำไรสุทธิ 1Q66F จะอยู่ที่ 2.1 พันลบ. (พลิกขึ้น QoQ, -29% YoY) เพราะไม่มีกำไรขาย Sunseap เหมือน 1Q65 และไม่มีขาดทุนเครื่องมือการเงินของ Temple I เหมือน 4Q65 แต่หากไม่รวม i) กำไร 75 ลบ. จากอนุพันธ์ ii) กำไร 1.3 พันลบ. จากการปรับมูลค่าของ Durapower กำไรหลัก BPP จะอยู่ที่ 700 ลบ. (+43% QoQ, +196% YoY) คิดเป็น 23% ของกำไรหลักปี 2566F ใหม่ของเรา

**โครงการส่วนใหญ่ผลการดำเนินงานดีขึ้น**

กำไรที่เพิ่มขึ้นมาก YoY จะมาจากกำไรที่ดีขึ้นของโครงการหุงสา (ไม่มีปิดซ่อมโรงไฟฟ้า), CHP (ยอดขายไฟฟ้า และราคาขายไฟสูงขึ้น), BLCP (ปิดซ่อมบำรุงน้อยลง) และ SLG (อัตราเดินเครื่องดีขึ้น และต้นทุนถ่านหินลดลง) แม้ว่าผลการดำเนินงาน Temple I (อัตราค่าไฟลดลง) และ Nakoso (มีการปิดซ่อมบำรุงรอบใหญ่) รวมถึงกำไรขาย SG&A และต้นทุนดอกเบี้ยเพิ่มขึ้น ในแง่ของ QoQ ถึงแม้ผลการดำเนินงาน BLCP และ Temple I จะแย่ลง แต่เรายังคงคิดว่ากำไรจะดีขึ้นเพราะ i) CHP แข็งแกร่งขึ้นตามฤดูกาล ii) โครงการหุงสาแข็งแกร่งขึ้น (ไม่มีซ่อมบำรุงเหมือนใน 4Q65) และ iii) SG&A กลับสู่ระดับปกติ เราคิดว่าอุปสงค์ SLG จะลดลงจากกลุ่มที่พักอาศัย และการ on-and-off ของผู้ใช้ไฟฟ้าในภาคอุตสาหกรรมจากผลของโควิด ในขณะที่คาดว่าผลการดำเนินงานหลักของ Banpu NEXT จะดีขึ้นเพราะโครงการ solar ดีขึ้นตามการแผ่รังสีความร้อนที่สูงขึ้น

**ปรับลดกำไรลง...สะท้อนถึง SG&A ที่สูงขึ้น และอุปสงค์ไฟฟ้าที่ชะลุดาวน์**

การที่เงินเปิดประตูจะทำให้ทั้งกิจกรรมทางเศรษฐกิจ และอุปสงค์ถ่านหินดีขึ้นทั้งคู่ เราคิดว่าโรงไฟฟ้า BPP ในจีนจะได้อานิสงส์เพียงเล็กน้อยเนื่องจากราคาถ่านหินมี downside จำกัด และการฟื้นตัวอย่างลุ่ม ๆ ดอน ๆ ของจีน นอกจากนี้ เรายังมองว่า upside ของอัตราค่าไฟฟ้าที่จำกัดของ CHP และ SLG เพราะถูกตรึงเพดานราคาไว้ และราคาถ่านหินลดลงตามราคาถ่านหินในตลาดโลก นอกจากนี้ BPP ยังขายธุรกิจไปยังถูกการขายย่อยในสหรัฐด้วย ทำให้จะมีต้นทุนเพิ่มขึ้น 50-100 ลบ./ไตรมาส ดังนั้นเราจึงปรับลดกำไรหลักในปี 2566-68F ลง 13-16% เพื่อสะท้อน SG&A ที่เพิ่มขึ้น และยอดขายที่ลดลง ทั้งนี้กำไรหลักปี 2566F ที่ปรับใหม่จะให้การเติบโตที่ 10% YoY จากต้นทุนถ่านหินที่ลดลง และยอดขายไฟฟ้าที่เพิ่มขึ้นนำโดยจีน และน่าจะเห็นชัดเจนใน 2H66 ทั้งนี้ เราคิดว่ากำไรหลักใน 2Q66 น่าจะเพิ่มขึ้น QoQ เพราะเป็นช่วง high season ของ Temple I ส่วน BLCP กลับมาเปิดดำเนินการอีกครั้ง

**Valuation & Action**

เราแนะนำ ถือ ด้วยราคาเป้าหมายเหลือ 14.60 บาท (จากเดิม 17.00 บาท) เพื่อสะท้อนการปรับประมาณการ ทั้งนี้ราคาหุ้นปรับลดลงหลังจากเรลดคำแนะนำ เราจะไม่เห็นปัจจัยที่จะทำให้ปรับเพิ่มคำแนะนำได้ โดยหากไม่มีดีลใหม่ ๆ ที่ใหญ่ เราคิดว่ากำไร BPP จะเติบโตช้า ๆ ขณะที่นักลงทุนส่วนใหญ่จะ under-owned หุ้น BPP จากกระแส ESG แต่ทั้งนี้ราคาหุ้นปัจจุบันให้เงินปันผลที่ 4.7% ต่อปีสูงกว่าค่าเฉลี่ยของหุ้นในกลุ่ม เรายังมองว่า Upside จะมาจากอุปสงค์ไฟฟ้าที่สูงเกินคาด และราคาถ่านหินต่ำกว่าที่คาด

**Risks**

การปิดโรงงานนอกแผน, ปัญหา cost overrun, ความผันผวนของอัตราแลกเปลี่ยน และอัตราดอกเบี้ย

**Key financials and valuations**

	Dec - 21A	Dec - 22A	Dec - 23F	Dec - 24F	Dec - 25F
Revenue (Btmn)	6,784	24,501	17,267	16,789	16,432
Net Profit (Btmn)	3,127	5,739	3,096	3,325	3,742
Normalized Profit (Btmn)	2,492	2,805	3,096	3,325	3,742
Net Profit Growth (%)	(15.5)	83.5	(46.1)	7.4	12.5
Normalized Profit Growth (%)	(32.9)	12.6	10.4	7.4	12.5
EPS (Bt)	1.01	1.85	1.00	1.07	1.21
DPS (Bt)	0.65	0.65	0.65	0.65	0.65
P/E (X)	17.0	7.3	13.5	12.6	11.2
P/B (X)	1.1	0.8	0.8	0.8	0.7
EV/EBITDA (X)	21.9	10.4	16.8	16.0	14.8
Dividend Yield (%)	3.8	4.8	4.8	4.8	4.8
Return on Average Equity (%)	6.3	10.9	5.8	6.0	6.6

Source: Company data, KGI Securities Research

**Figure 1: BPP's 1Q23F earnings preview**

Bt mn	1Q23F	1Q22	YoY (%)	4Q22	QoQ (%)	2022	2021	YoY (%)	Comments (1Q23 vs 1Q22)
Revenue	3,532	3,861	(9)	11,308	(69)	24,501	6,784	261 (+)	Higher revenues from both Temple I and CHP, led by sales volumes
Gross Profit	(105)	252	(142)	1,080	(110)	2,411	(40)	6,163 (-)	Higher losses on losses from Temple I, despite stronger margin of CHP
SG&A	450	308	46	830	(46)	1,887	1,103	71 (-)	higher, in line with business expansion into retail segment in the US
Operating Profit	(353)	103	(443)	613	(158)	1,430	(109)	1,412	
Operating EBITDA	(28)	402	(107)	930	(103)	2,676	472	467	
Non-Operating Inc./(Exp.)	200	(794)	125	(2,173)	109	(689)	756	(191)	
Equity Income/(Loss)	2,355	3,232	(27)	1,171	101	6,350	2,834	124	(-) Absence of gains from sales of Sunseap in 1Q22, despite gains from revaluation gains of Durapower coupled with stronger operations of Hongsa, BLCP, and SLG
<b>Net Profit</b>	<b>2,075</b>	<b>2,918</b>	<b>(29)</b>	<b>(180)</b>	<b>N.A.</b>	<b>5,739</b>	<b>3,127</b>	<b>84</b>	
<b>Normalized profit</b>	<b>700</b>	<b>236</b>	<b>196</b>	<b>491</b>	<b>43</b>	<b>2,805</b>	<b>2,492</b>	<b>13 (+)</b>	<b>Stronger CHP, Hongsa, SLG, and BLCP</b>
EPS (Bt)	0.68	0.96	(29)	0.06	1,253	1.88	1.02	84	
Normalized EPS (Bt)	0.23	0.08	196	0.16	43	0.92	0.82	13	
<b>Percent</b>	<b>1Q23F</b>	<b>1Q22</b>	<b>YoY (ppts)</b>	<b>4Q22</b>	<b>QoQ (ppts)</b>	<b>2022</b>	<b>2021</b>	<b>YoY (ppts)</b>	
Gross margin	(3.0)	6.5	(9)	9.6	(13)	9.8	(0.6)	10	
EBITDA margin	(0.8)	10.4	(11)	8.2	(9)	5.8	(1.6)	7	
SG&A/sales	12.7	8.0	5	7.3	5	7.7	16.3	(9)	
<b>Assumptions (Btmn)</b>		<b>Change</b>		<b>Change</b>		<b>Change</b>			
CHP's gross profit	92	(1,159)	1,251	(326)	418	(1,665)	(2)	(1,663)	
Temple I's gross profit	(197)	69	(266)	1,406	(1,603)	2,734	(38)	2,772	
Hongsa's core share of profit	1,100	646	454	530	570	3,401	3,229	172	
BLCP's core share of profit	12	(71)	83	251	(239)	785	861	(76)	
SLG's share of profit	50	(254)	304	177	(127)	(291)	(326)	35	
Banpu NEXT's share of profit	1,248	2,668	(1,420)	68	1,180	2,082	(521)	2,603	

Source: Company data, KGI Securities Research

**Figure 2: BPP – Earnings revisions**

	Previous	2023F Revised	Change	Previous	2024F Revised	Change	Previous	2025F Revised	Change
Financials (Btmn)			Percent			Percent			Percent
Revenue	17,445	17,267	(1.0)	16,840	16,789	(0.3)	16,483	16,432	(0.3)
Gross profit	2,199	2,021	(8.1)	1,867	1,816	(2.7)	2,127	2,076	(2.4)
SG&A	1,480	1,881	27.1	1,519	1,934	27.3	1,555	2,013	29.5
Other incomes	770	770	0.0	790	790	0.0	811	811	0.0
Equity income	2,922	2,928	0.2	3,377	3,378	0.0	3,544	3,544	(0.0)
Interest cost	947	947	0.0	939	939	0.0	917	917	0.0
Minority	-69	-57	(16.5)	-63	-55	(13.0)	-71	-62	(12.7)
<b>Net profit</b>	<b>3,709</b>	<b>3,096</b>	<b>(16.5)</b>	<b>3,822</b>	<b>3,325</b>	<b>(13.0)</b>	<b>4,287</b>	<b>3,742</b>	<b>(12.7)</b>
<b>Normalized profit</b>	<b>3,709</b>	<b>3,096</b>	<b>(16.5)</b>	<b>3,822</b>	<b>3,325</b>	<b>(13.0)</b>	<b>4,287</b>	<b>3,742</b>	<b>(12.7)</b>
<b>Key financial ratio (%)</b>			<b>ppts</b>			<b>ppts</b>			<b>ppts</b>
GPM	12.6	11.7	(0.9)	11.1	10.8	(0.3)	12.9	12.6	(0.3)
SG&A/Sale	8.5	10.9	2.4	9.0	11.5	2.5	9.4	12.3	2.8
ROE	6.8	5.8	(1.1)	6.8	6.0	(0.8)	7.3	6.6	(0.7)
Net profit growth	-35.4	-46.1	(10.7)	3.0	7.4	4.4	12.2	12.5	0.4
Normalised profit growth	3.0	7.4	4.4	12.2	12.5	0.4	0.0	0.0	0.0

Source: Company data, KGI Securities Research

**Figure 3: Key assumptions and valuation of BPP**

	Unit	2021	2022	2023F	2024F	2025F
Effective capacity	MWe	3,196	3,161	3,288	3,337	3,337
Average Ft rate	Bt/kWh	0.70	0.50	1.45	1.60	1.75
Average coal price	RMB/Ton	933	1,050	950	900	900
Steam price at CHPs	RMB/Ton	140	165	161	158	158
<b>Ratio:</b>						
GPM	Percent	-0.6	9.8	11.7	10.8	12.6
EBITDA	Percent	59.9	34.0	29.6	31.7	34.7
NPM	Percent	46.1	23.4	17.9	19.8	22.8
<b>Valuation</b>	<b>Bt/share</b>	<b>Avg. WACC</b>				
Operating	16.41	5.7				
Developing	0.34	7.0				
Cash	1.19					
Debts	(3.33)					
Our DCF-based TP	<b>14.60</b>					
No.shares (mn)	3,048					

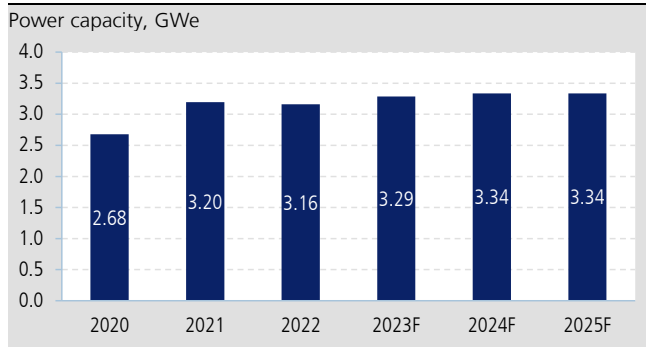
Source: KGI Securities Research

**Figure 4: Company profile**

Banpu Power Public Company Limited (BPP) was established in December 1996, as a wholly-owned subsidiary of Banpu PCL (BANPU.BK/BANPU TB)\*. The company is the group's flagship power company operating conventional and renewable power assets across Asia, including Thailand, Laos, China, and Japan. With nearly 20 years of experience, the company has run its business on a regional platform of highest international standards in both operations and corporate governance through its extensive proven experiences coupled with the emphasis on sustainability and social responsibilities.

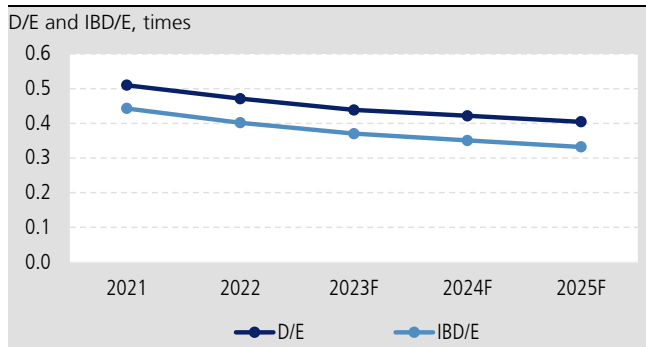
Source: Company data

**Figure 6: Capacity growth**



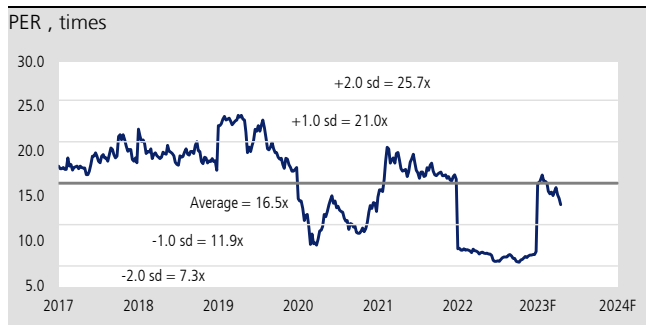
Source: Company data, KGI Securities Research

**Figure 8: Very low net IBD/E vs peers vs covenant of 2.5x**



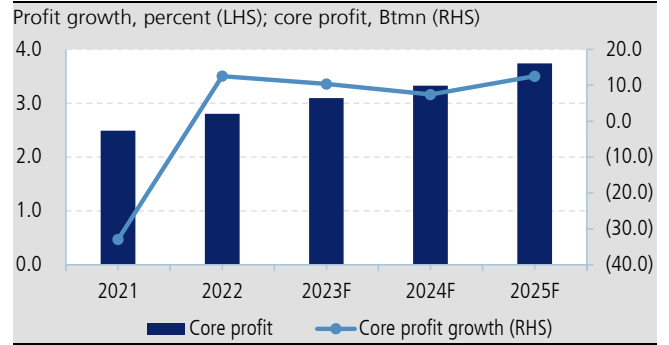
Source: Company data, KGI Securities Research

**Figure 10: BPP's forward PER**



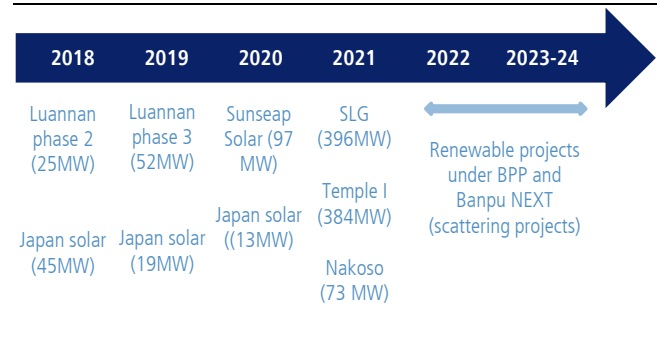
Source: KGI Securities Research

**Figure 5: Earnings outlook for 2023-25F**



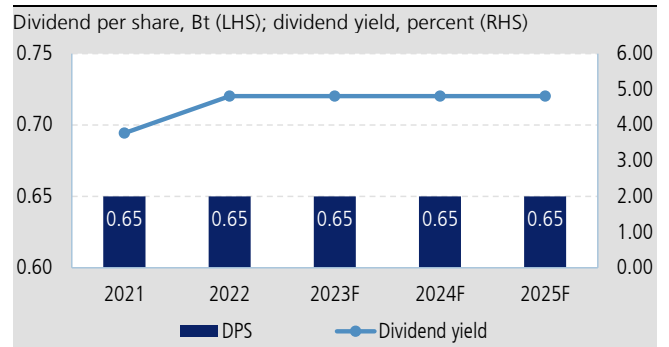
Source: Company data, KGI Securities Research

**Figure 7: Expansion plan in 2023-25F**



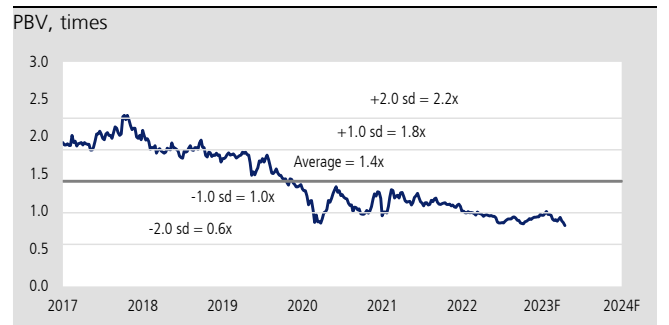
Source: Company data, KGI Securities Research

**Figure 9: DPS and Dividend yield in 2023-25F**



Source: Company data, KGI Securities Research

**Figure 11: BPP's forward PBV**



Source: KGI Securities Research

**Quarterly Income Statement**

	Mar-20A	Jun-20A	Sep-20A	Dec-20A	Mar-21A	Jun-21A	Sep-21A	Dec-21F	Mar-22A	Jun-22A	Sep-22A	Dec-22A	Mar-23A
Income Statement (Bt mn)													
<b>Revenue</b>	<b>1,843</b>	<b>1,061</b>	<b>972</b>	<b>1,629</b>	<b>1,812</b>	<b>861</b>	<b>1,048</b>	<b>3,064</b>	<b>3,861</b>	<b>4,377</b>	<b>4,956</b>	<b>11,308</b>	<b>3,532</b>
Cost of Goods Sold	(1,319)	(933)	(880)	(1,258)	(1,462)	(964)	(1,189)	(3,209)	(3,609)	(3,898)	(4,355)	(10,228)	(3,637)
<b>Gross Profit</b>	<b>524</b>	<b>128</b>	<b>92</b>	<b>371</b>	<b>349</b>	<b>(103)</b>	<b>(141)</b>	<b>(145)</b>	<b>252</b>	<b>478</b>	<b>601</b>	<b>1,080</b>	<b>(105)</b>
Operating Expenses	(245)	(204)	(211)	(285)	(205)	(228)	(232)	(439)	(308)	(336)	(412)	(830)	(450)
Other incomes	222	222	312	264	223	197	316	298	159	194	189	363	202
<b>Operating Profit</b>	<b>501</b>	<b>146</b>	<b>193</b>	<b>350</b>	<b>367</b>	<b>(134)</b>	<b>(57)</b>	<b>(285)</b>	<b>103</b>	<b>336</b>	<b>378</b>	<b>613</b>	<b>(353)</b>
Depreciation of fixed assets	(164)	(94)	(77)	(67)	(110)	(119)	(124)	(227)	(299)	(309)	(322)	(316)	(325)
<b>Operating EBITDA</b>	<b>665</b>	<b>241</b>	<b>270</b>	<b>417</b>	<b>477</b>	<b>(15)</b>	<b>67</b>	<b>(57)</b>	<b>402</b>	<b>644</b>	<b>700</b>	<b>930</b>	<b>(28)</b>
<b>Non-Operating Income</b>	<b>298</b>	<b>(113)</b>	<b>167</b>	<b>233</b>	<b>114</b>	<b>140</b>	<b>207</b>	<b>332</b>	<b>(797)</b>	<b>(620)</b>	<b>2,831</b>	<b>(2,049)</b>	<b>216</b>
Interest Income	4	5	6	7	8	9	10	11	12	13	14	15	16
Other Non-op Income	294	(118)	161	226	106	131	197	321	(809)	(633)	2,817	(2,064)	200
<b>Non-Operating Expenses</b>	<b>515</b>	<b>(69)</b>	<b>(64)</b>	<b>(48)</b>	<b>(33)</b>	<b>(41)</b>	<b>(44)</b>	<b>(130)</b>	<b>(166)</b>	<b>(196)</b>	<b>(255)</b>	<b>(280)</b>	<b>(280)</b>
Interest Expenses	(62)	(69)	(64)	(48)	(33)	(41)	(44)	(130)	(166)	(196)	(255)	(280)	(280)
Other Non-op Expenses	577	0	0	0	0	0	0	0	0	0	0	0	0
<b>Equity Income/(Loss)</b>	<b>979</b>	<b>782</b>	<b>614</b>	<b>775</b>	<b>693</b>	<b>1,137</b>	<b>513</b>	<b>491</b>	<b>3,247</b>	<b>821</b>	<b>1,220</b>	<b>1,062</b>	<b>2,355</b>
<b>Pre-tax Profit</b>	<b>2,294</b>	<b>746</b>	<b>910</b>	<b>1,310</b>	<b>1,141</b>	<b>1,102</b>	<b>618</b>	<b>408</b>	<b>2,387</b>	<b>340</b>	<b>4,175</b>	<b>(653)</b>	<b>1,938</b>
Current Taxation	(135)	(27)	(46)	(93)	(94)	19	(8)	25	99	34	(441)	263	(148)
Minorities	(25)	(34)	(13)	(9)	(6)	14	(4)	(52)	445	324	(1,405)	225	301
Extraordinary items	0	0	0	0	0	0	0	0	2,962	0	0	0	0
<b>Net Profit</b>	<b>975</b>	<b>680</b>	<b>845</b>	<b>1,201</b>	<b>1,034</b>	<b>1,126</b>	<b>596</b>	<b>371</b>	<b>2,918</b>	<b>685</b>	<b>2,315</b>	<b>(180)</b>	<b>2,075</b>
<b>Normalized Profit</b>	<b>1,362</b>	<b>799</b>	<b>685</b>	<b>975</b>	<b>928</b>	<b>995</b>	<b>399</b>	<b>170</b>	<b>379</b>	<b>847</b>	<b>1,237</b>	<b>491</b>	<b>700</b>
EPS (Bt)	0.32	0.22	0.28	0.39	0.34	0.37	0.20	0.12	0.96	0.22	0.76	(0.06)	0.68
Normalized EPS (Bt)	0.45	0.26	0.22	0.32	0.30	0.33	0.13	0.06	0.12	0.28	0.41	0.16	0.23
<b>Margins</b>													
Gross profit margin	28.4	12.1	9.4	22.8	19.3	(11.9)	(13.5)	(4.7)	6.5	10.9	12.1	9.6	(3.0)
Operating EBIT margin	27.2	13.8	19.8	21.5	20.3	(15.5)	(5.5)	(9.3)	2.7	7.7	7.6	5.4	(10.0)
Operating EBITDA margin	36.1	22.7	27.8	25.6	26.3	(1.7)	6.4	(1.9)	10.4	14.7	14.1	8.2	(0.8)
Net profit margin	52.9	64.1	87.0	73.7	57.1	130.8	56.9	12.1	75.6	15.7	46.7	(1.6)	58.7
<b>Growth</b>													
Revenue growth	10.2	(42.4)	(8.4)	67.6	11.2	(52.5)	21.7	192.4	26.0	13.4	13.2	128.2	(68.8)
Operating EBIT growth	341.5	(70.8)	31.8	81.7	4.9	(136.4)	57.1	(396.1)	136.1	226.4	12.7	62.1	(157.5)
Operating EBITDA growth	1,540.5	(63.8)	12.1	54.7	14.3	(103.1)	556.1	(186.4)	799.8	60.1	8.6	32.8	(103.0)
Net profit growth	364.5	(30.2)	24.2	42.1	(13.9)	8.8	(47.0)	(37.8)	687.1	(76.5)	237.9	(107.8)	1,252.5
Normalized profit growth	986.8	(41.4)	(14.3)	42.4	(4.8)	7.2	(59.8)	(57.4)	122.7	123.6	46.0	(60.3)	42.7

Source: KGI Securities Research

**Balance Sheet**

As of 31 Dec (Bt mn)	2021	2022	2023F	2024F	2025F
<b>Total Assets</b>	<b>74,867</b>	<b>77,665</b>	<b>77,426</b>	<b>78,294</b>	<b>79,698</b>
<b>Current Assets</b>	<b>9,882</b>	<b>11,670</b>	<b>10,715</b>	<b>10,780</b>	<b>11,048</b>
Cash & ST Investments	2,635	4,055	3,623	3,682	3,934
Inventories	1,186	1,101	1,130	1,159	1,190
Accounts Receivable	1,317	1,757	1,238	1,204	1,178
Others	4,744	4,757	4,723	4,735	4,747
<b>Non-current Assets</b>	<b>64,984</b>	<b>65,995</b>	<b>66,711</b>	<b>67,514</b>	<b>68,649</b>
LT Investments	39,245	41,157	41,157	41,157	41,157
Net fixed Assets	23,811	22,876	23,458	24,113	25,090
Others	1,928	1,962	2,097	2,243	2,403
<b>Total Liabilities</b>	<b>25,287</b>	<b>24,873</b>	<b>23,609</b>	<b>23,218</b>	<b>22,953</b>
<b>Current Liabilities</b>	<b>10,968</b>	<b>9,385</b>	<b>7,888</b>	<b>7,986</b>	<b>8,209</b>
Accounts Payable	331	220	237	255	275
ST Borrowings	6,551	242	242	242	242
Others	4,086	8,924	7,410	7,489	7,692
<b>Long-term Liabilities</b>	<b>14,319</b>	<b>15,488</b>	<b>15,721</b>	<b>15,232</b>	<b>14,744</b>
Long-term Debts	13,965	15,352	15,628	15,142	14,656
Others	354	136	93	90	88
<b>Shareholders' Equity</b>	<b>49,579</b>	<b>52,792</b>	<b>53,818</b>	<b>55,076</b>	<b>56,744</b>
Common Stock	3,096	3,096	3,096	3,096	3,096
Capital Surplus	7,231	7,231	7,231	7,231	7,231
Retained Earnings	10,648	13,997	15,081	16,394	18,124
Preferred Stock	0	0	0	0	0

Source: KGI Securities Research

**Key Ratios**

Year to 31 Dec	2021	2022	2023F	2024F	2025F
<b>Growth (% YoY)</b>					
Sales	23.2	261.1	(29.5)	(2.8)	(2.1)
OP	(109.2)	(1,411.7)	(36.4)	(26.1)	30.0
EBITDA	(14.1)	105.3	(38.7)	4.3	7.1
NP	(15.5)	83.5	(46.1)	7.4	12.5
Normalized Profit	(32.9)	12.6	10.4	7.4	12.5
EPS	(15.8)	83.5	(46.1)	7.4	12.5
Normalized EPS	(33.2)	12.6	10.4	7.4	12.5
<b>Profitability (%)</b>					
Gross Margin	(0.6)	9.8	11.7	10.8	12.6
Operating Margin	(1.6)	5.8	5.3	4.0	5.3
EBITDA Margin	59.9	34.0	29.6	31.7	34.7
Net Profit Margin	46.1	23.4	17.9	19.8	22.8
ROAA	4.2	7.4	4.0	4.2	4.7
ROAE	6.3	10.9	5.8	6.0	6.6
<b>Stability</b>					
Gross Debt/Equity (%)	0.5	0.5	0.4	0.4	0.4
Net Debt/Equity (%)	0.4	0.3	0.3	0.3	0.3
Interest Coverage (x)	14.0	7.9	4.1	4.3	4.8
Interest & ST Debt Coverage (x)	0.5	6.2	3.2	3.4	3.8
Cash Flow Interest Coverage (x)	(1.5)	0.7	0.2	1.2	1.6
Cash Flow/Interest & ST Debt (x)	(0.1)	0.6	0.2	0.9	1.2
Current Ratio (x)	0.9	1.2	1.4	1.3	1.3
Quick Ratio (x)	0.8	1.1	1.2	1.2	1.2
Net Debt (Bt mn)	19,321	17,156	16,296	15,635	14,897
<b>Per Share Data (Bt)</b>					
EPS	1.0	1.9	1.0	1.1	1.2
Normalized EPS	0.8	0.9	1.0	1.1	1.2
CFPS	(0.1)	0.2	0.1	0.4	0.5
BVPS	16.0	17.1	17.4	17.8	18.3
SPS	2.2	7.9	5.6	5.4	5.3
EBITDA/Share	1.3	2.7	1.7	1.7	1.8
DPS	0.7	0.7	0.7	0.7	0.7
<b>Activity</b>					
Asset Turnover (x)	0.1	0.3	0.2	0.2	0.2
Days Receivables	70.8	26.2	26.2	26.2	26.2
Days Inventory	63.4	18.2	27.1	28.3	30.2
Days Payable	17.7	3.6	5.7	6.2	7.0
Cash Cycle	116.6	40.7	47.6	48.2	49.4
<b>Keys Driver</b>					
Effective capacity (MW)	3,196	3,161	3,288	3,337	3,337

Source: KGI Securities Research

**Profit & Loss**

Year to 31 Dec (Bt mn)	2021	2022	2023F	2024F	2025F
<b>Revenue</b>	<b>6,784</b>	<b>24,501</b>	<b>17,267</b>	<b>16,789</b>	<b>16,432</b>
Cost of Goods Sold	(6,824)	(22,090)	(15,246)	(14,973)	(14,356)
<b>Gross Profit</b>	<b>(40)</b>	<b>2,411</b>	<b>2,021</b>	<b>1,816</b>	<b>2,076</b>
Operating Expenses	(1,102)	(1,880)	(1,881)	(1,934)	(2,013)
Other Incomes	1,034	905	770	790	811
<b>Operating Profit</b>	<b>(108)</b>	<b>1,437</b>	<b>910</b>	<b>673</b>	<b>874</b>
Depreciation of fixed assets	(581)	(1,246)	(1,271)	(1,280)	(1,289)
<b>Operating EBITDA</b>	<b>4,062</b>	<b>8,337</b>	<b>5,109</b>	<b>5,330</b>	<b>5,707</b>
<b>Non-Operating Income</b>	<b>756</b>	<b>(689)</b>	<b>0</b>	<b>0</b>	<b>0</b>
Interest Income	0	0	0	0	0
Other Non-op Income	756	(689)	0	0	0
<b>Non-Operating Expenses</b>	<b>(249)</b>	<b>(897)</b>	<b>(947)</b>	<b>(939)</b>	<b>(917)</b>
Interest Expenses	(249)	(897)	(947)	(939)	(917)
Other Non-op Expenses	0	0	0	0	0
<b>Equity Income/(Loss)</b>	<b>2,834</b>	<b>6,350</b>	<b>2,928</b>	<b>3,378</b>	<b>3,544</b>
<b>Pre-tax Profit</b>	<b>3,232</b>	<b>6,201</b>	<b>2,890</b>	<b>3,111</b>	<b>3,501</b>
Current Taxation	(57)	(45)	148	159	179
Minorities	(47)	(411)	57	55	62
Extraordinary items	0	0	0	0	0
<b>Net Profit</b>	<b>3,127</b>	<b>5,739</b>	<b>3,096</b>	<b>3,325</b>	<b>3,742</b>
<b>Normalized Profit</b>	<b>2,492</b>	<b>2,805</b>	<b>3,096</b>	<b>3,325</b>	<b>3,742</b>
EPS (Bt)	1.01	1.85	1.00	1.07	1.21
Normalized EPS (Bt)	0.80	0.91	1.00	1.07	1.21

Source: KGI Securities Research

**Cash Flow**

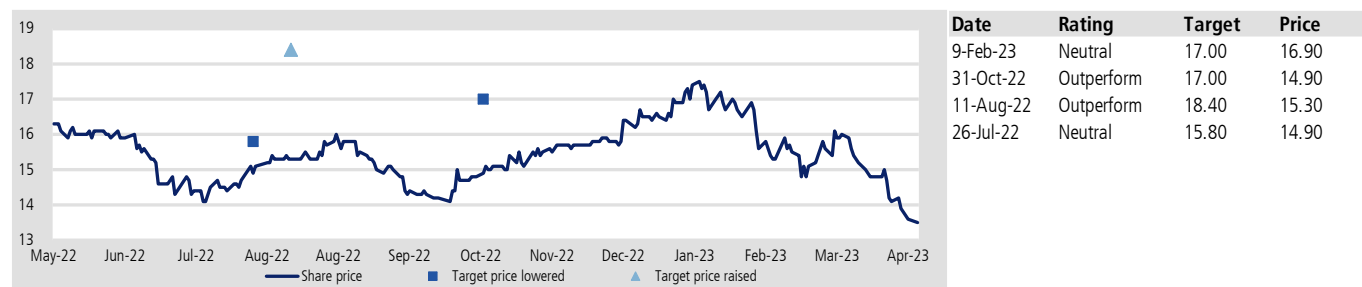
Year to 31 Dec (Bt mn)	2021	2022	2023F	2024F	2025F
<b>Operating Cash Flow</b>	<b>(368)</b>	<b>631</b>	<b>212</b>	<b>1,092</b>	<b>1,447</b>
Net Profit	3,127	5,739	3,096	3,325	3,742
Depreciation & Amortization	581	1,246	1,271	1,280	1,289
Change in Working Capital	(2,044)	274	(1,169)	(80)	22
Others	(2,032)	(6,627)	(2,985)	(3,433)	(3,606)
<b>Investment Cash Flow</b>	<b>(16,053)</b>	<b>4,085</b>	<b>1,132</b>	<b>1,497</b>	<b>1,341</b>
Net CAPEX	(16,390)	(310)	(1,853)	(1,935)	(2,265)
Change in LT Investment	(6,696)	(6,283)	0	0	0
Change in Other Assets	7,034	10,678	2,985	3,433	3,606
<b>Free Cash Flow</b>	<b>(16,420)</b>	<b>4,715</b>	<b>1,345</b>	<b>2,589</b>	<b>2,788</b>
<b>Financing Cash Flow</b>	<b>16,774</b>	<b>(3,256)</b>	<b>(1,776)</b>	<b>(2,530)</b>	<b>(2,537)</b>
Change in Share Capital	(33)	0	0	0	0
Net Change in Debt	15,975	(4,886)	293	(463)	(463)
Change in Other LT Liab.	832	(2,148)	(2,070)	(2,067)	(2,074)
<b>Net Cash Flow</b>	<b>354</b>	<b>1,460</b>	<b>(432)</b>	<b>59</b>	<b>251</b>

Source: KGI Securities Research

**Rates of Return on Invested Capital**

Year	1- COGS Revenue	+ Depreciation Revenue	+ Operating Exp. Revenue	= Operating Margin
2021	92.0%	8.6%	31.5%	-32.1%
2022	85.1%	5.1%	11.4%	-1.5%
2023F	80.9%	7.4%	15.4%	-3.6%
2024F	81.6%	7.6%	16.2%	-5.4%
2025F	79.5%	7.8%	17.2%	-4.6%
Year	1/ Working Capital Revenue	+ Net PPE Revenue	+ Other Assets Revenue	= Capital Turnover
2021	-0.3	3.5	7.5	0.1
2022	0.0	0.9	2.2	0.3
2023F	-0.1	1.4	3.1	0.2
2024F	0.0	1.4	3.2	0.2
2025F	0.0	1.5	3.3	0.2
Year	Operating Margin	x Capital Turnover	x Cash Tax Rate	= After-tax Return on Inv. Capital
2021	-32.1%	0.1	1.8%	-0.1%
2022	-1.5%	0.3	0.7%	0.0%
2023F	-3.6%	0.2	-5.1%	0.0%
2024F	-5.4%	0.2	-5.1%	0.1%
2025F	-4.6%	0.2	-5.1%	0.0%

Source: KGI Securities Research

**Banpu Power Pl. – Recommendation & target price history**


Source: KGI Securities Research

# Corporate Governance Report of Thai Listed Companies



## Companies with Excellent CG Scoring

Stock	Company name	Stock	Company name	Stock	Company name
AAV	ASIA AVIATION	EGCO	ELECTRICITY GENERATING	PTTEP	PTT EXPLORATION AND PRODUCTION
ADVANC	ADVANCED INFO SERVICE	GFPT	GFPT	PTTGC	PTT GLOBAL CHEMICAL
AMA	AMA MARINE	GGC	GLOBAL GREEN CHEMICALS	PYLON	PYLON
AMATA	AMATA CORPORATION	GPSC	GLOBAL POWER SYNERGY	QH	QUALITY HOUSES
ANAN	ANANDA DEVELOPMENT	HANA	HANA MICROELECTRONICS	RATCH	RATCHABURI ELECTRICITY GENERATING HOLDING
AOT	AIRPORTS OF THAILAND	HMPRO	HOME PRODUCT CENTER	RS	RS
AP	ASIAN PROPERTY DEVELOPMENT	INTUCH	SHIN CORPORATION	SCB	THE SIAM COMMERCIAL BANK
BANPU	BANPU	IRPC	IRPC	SCC	THE SIAM CEMENT
BCP	THE BANGCHAK PETROLEUM	IVL	INDORAMA VENTURES	SCCC	SIAM CITY CEMENT
BCPG	BCPG	KBANK	KASIKORNBANK	SEAFCO	SEAFCO
BDMS	BANGKOK DUSIT MEDICAL SERVICES	KCE	KCE ELECTRONICS	SMPC	SAHAMITR PRESSURE CONTAINER
BEC	BEC WORLD	KKP	KIATNAKIN BANK	SPALI	SUPALAI
BEM	BANGKOK EXPRESSWAY AND METRO	KTB	KRUNG THAI BANK	SPRC	STAR PETROLEUM REFINING
BGRIM	B.GRIMM POWER	KTC	KRUNGTHAI CARD	SVI	SVI
BPP	BANPU POWER	LH	LAND AND HOUSES	TACC	T.A.C. CONSUMER
BTS	BTS GROUP HOLDINGS	LPN	L.P.N. DEVELOPMENT	TCAP	THANACHART CAPITAL
CENTEL	CENTRAL PLAZA HOTEL	MAKRO	SIAM MAKRO	THCOM	THAICOM
CK	CH. KARNCHANG	MBK	MBK	TISCO	TISCO FINANCIAL GROUP
CKP	CK POWER	MINT	MINOR INTERNATIONAL	TOP	THAI OIL
CPALL	CP ALL	MTC	MUANGTHAI CAPITAL	TRUE	TRUE CORPORATION
CPF	CHAROEN POKPHAND FOODS	PLANB	PLAN B MEDIA	TTB	TMBTHANACHART BANK
CPN	CENTRAL PATTANA	PSH	PRUKSA HOLDING	VGI	VGI GLOBAL MEDIA
DELTA	DELTA ELECTRONICS (THAILAND)	PTG	PTG ENERGY	WHA	WHA CORPORATION
DTAC	TOTAL ACCESS COMMUNICATION	PTT	PTT	WHAUP	



## Companies with Very Good CG Scoring

Stock	Company name	Stock	Company name	Stock	Company name
BAM	BANGKOK COMMERCIAL ASSET MANAGEMENT	GULF	GULF ENERGY DEVELOPMENT	SAPPE	SAPPE
BBL	BANGKOK BANK	JMT	JMT NETWORK SERVICES	SAWAD	SRISAWAD POWER 1979
CBG	CARABAO GROUP	LPH	LADPRAO GENERAL HOSPITAL	SINGER	SINGER THAILAND
CHG	CHULARAT HOSPITAL	M	MK RESTAURANT GROUP	SPA	SIAM WELLNESS GROUP
COM7	COM7	MAJOR	MAJOR CINEPLEX GROUP	TFG	THAIFOODS GROUP
DOHOME	DOHOME	MEGA	MEGA LIFESCIENCES	TKN	TAOKAENOI FOOD & MARKETING
ERW	THE ERAWAN GROUP	NETBAY	NETBAY	ZEN	ZEN CORPORATION GROUP
GLOBAL	SIAM GLOBAL HOUSE	OSP	OSOTSPA		



## Companies with Good CG Scoring

Stock	Company name	Stock	Company name	Stock	Company name
BCH	BANGKOK CHAIN HOSPITAL	ESSO	ESSO (THAILAND)	SF	SIAM FUTURE DEVELOPMENT
BH	BUMRUNGRAD HOSPITAL	HUMAN	HUMANICA	SISB	SISB
EKH	EKACHAI MEDICAL CARE	RBF	R&B FOOD SUPPLY	TPCH	TPC POWER HOLDING

## Companies classified Not in the three highest score groups

Stock	Company name	Stock	Company name	Stock	Company name
IIG	I&I GROUP	OR	PTT OIL AND RETAIL BUSINESS	STGT	SRI TRANG GLOVES (THAILAND)
KEX	KERRY EXPRESS (THAILAND)	STEC	SINO-THAI ENGINEERING AND CONSTRUCTION		

Source: www.thai-iod.com

**Disclaimer:** The disclosure of the survey result of the Thai Institute of Directors Association ("IOD") regarding corporate governance is made pursuant to the policy of the Office of the Securities and Exchange Commission. The survey of the IOD is based on the information of a company listed on the Stock Exchange of Thailand and the Market for Alternative Investment disclosed to the public and able to be accessed by a general public investor. The result, therefore, is from the perspective of a third party. It is not an assessment of operation and is not based on inside information. The survey result is as of the date appearing in the Corporate Governance Report of Thai Listed Companies. As a result, the survey result may be changed after that date or when there is any change to the relevant information. Nevertheless, KGI Securities (Thailand) Public Company Limited (KGI) does not confirm, verify, or certify the accuracy and completeness of such survey result.

## Anti-corruption Progress Indicator

### Level 5: Extended

Stock	Company name	Stock	Company name	Stock	Company name
ADVANC	ADVANCED INFO SERVICE	GLOBAL	SIAM GLOBAL HOUSE	QH	QUALITY HOUSES
ANAN	ANANDA DEVELOPMENT	GPSC	GLOBAL POWER SYNERGY	RATCH	RATCHABURI ELECTRICITY GENERATING HOLDING
BBL	BANGKOK BANK	HMPRO	HOME PRODUCT CENTER	ROBINS	ROBINSON DEPARTMENT STORE
BCH	BANGKOK CHAIN HOSPITAL	IRPC	IRPC	SCC	THE SIAM CEMENT
BDMS	BANGKOK DUSIT MEDICAL SERVICES	KBANK	KASIKORN BANK	SIRI	SANSIRI
BIGC	BIG C SUPERCENTER	KCE	KCE ELECTRONICS	SPALI	SUPALAI
CK	CH. KARNCHANG	KKP	KIATNAKIN BANK	STEC	SINO-THAI ENGINEERING AND CONSTRUCTION
DCC	DYNASTY CERAMIC	KTB	KRUNG THAI BANK	TCAP	THANACHART CAPITAL
DELTA	DELTA ELECTRONICS (THAILAND)	LPH	LADPRAO GENERAL HOSPITAL	TISCO	TISCO FINANCIAL GROUP
DRT	DIAMOND ROOFING TILES	PACE	PACE DEVELOPMENT CORPORATION	TMT	THAI METAL TRADE
EGCO	ELECTRICITY GENERATING	PTT	PTT	TOP	THAI OIL
GFPT	GFPT	PTTGC	PTT GLOBAL CHEMICAL		

### Level 4: Certified

Stock	Company name	Stock	Company name	Stock	Company name
AAV	ASIA AVIATION	ERW	THE ERWAN GROUP	SAPPE	SAPPE
AP	ASIAN PROPERTY DEVELOPMENT	GLOW	GLOW ENERGY	SAWAD	SRISAWAD POWER 1979
BA	BANGKOK AIRWAYS	GUNKUL	GUNKUL ENGINEERING	SCB	THE SIAM COMMERCIAL BANK
BANPU	BANPU	ILINK	INTERLINK COMMUNICATION	SCN	SCAN INTER
BCP	THE BANGCHAK PETROLEUM	KTC	KRUNGTHAI CARD	SEAFCO	SEAFCO
BH	BUMRUNGRAD HOSPITAL	LH	LAND AND HOUSES	SVI	SVI
BJCHI	BJC HEAVY INDUSTRIES	LPN	L.P.N. DEVELOPMENT	TASCO	TIPCO ASPHALT
CBG	CARABAO GROUP	MAKRO	SIAM MAKRO	TKN	TAOKAENOI FOOD & MARKETING
CENTEL	CENTRAL PLAZA HOTEL	MALEE	MALEE SAMPRAN	TMB	TMB BANK
CHG	CHULARAT HOSPITAL	MINT	MINOR INTERNATIONAL	TRT	TIRATHAI
CKP	CK POWER	MODERN	MODERNFORM GROUP	TRUE	TRUE CORPORATION
CPF	CHAROEN POKPHAND FOODS	NOK	NOK AIRLINES	TVO	THAI VEGETABLE OIL
CPN	CENTRAL PATTANA	PTTEP	PTT EXPLORATION AND PRODUCTION		
DTAC	TOTAL ACCESS COMMUNICATION	PYLON	PYLON		

### Level 3: Established

Stock	Company name	Stock	Company name	Stock	Company name
BEM	BANGKOK EXPRESSWAY AND METRO	MTLS	MUANGTHAI LEASING	SPRC	STAR PETROLEUM REFINING
CPALL	CP ALL	SCI	SCI ELECTRIC		

### No progress

Stock	Company name	Stock	Company name	Stock	Company name
AOT	AIRPORTS OF THAILAND	BPP	BANPU POWER	FN	FN FACTORY OUTLET
BCPG	BCPG	BTS	BTS GROUP HOLDINGS	TPCH	TPC POWER HOLDING

Source: [www.cgthailand.org](http://www.cgthailand.org)

**Disclaimer:** The disclosure of the Anti-Corruption Progress Indicators of a listed company on the Stock Exchange of Thailand, which is assessed by the relevant institution as disclosed by the Office of the Securities and Exchange Commission, is made in order to comply with the policy and sustainable development plan for the listed companies. The relevant institution made this assessment based on the information received from the listed company, as stipulated in the form for the assessment of Anti-corruption which refers to the Annual Registration Statement (Form 56-1), Annual Report (Form 56-2), or other relevant documents or reports of such listed company. The assessment result is therefore made from the perspective of a third party. It is not an assessment of operation and is not based on any inside information. Since this assessment is only the assessment result as of the date appearing in the assessment result, it may be changed after that date or when there is any change to the relevant information. Nevertheless, KGI Securities (Thailand) Public Company Limited (KGI) does not confirm, verify, or certify the accuracy and completeness of the assessment result.



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<b>Rating</b>	<b>Definition</b>
Outperform (OP)	The stock's excess return over the next twelve months is ranked in the top 40% of KGI's coverage universe in the related market (e.g. Taiwan)..
Neutral (N)	The stock's excess return over the next twelve months is ranked in the range between the top 40% and the bottom 40% of KGI's coverage universe in the related market (e.g. Taiwan)
Under perform (U)	The stock's excess return over the next twelve months is ranked in the bottom 40% of KGI's coverage universe in the related market (e.g. Taiwan).
Not Rated (NR)	The stock is not rated by KGI.
Restricted (R)	KGI policy and/or applicable law regulations preclude certain types of communications, including an investment recommendation, during the course of KGI's engagement in an investment banking transaction and in certain other circumstances.  Excess return = 12M target price/current price-
Note	When an analyst publishes a new report on a covered stock, we rank the stock's excess return with those of other stocks in KGI's coverage universe in the related market. We will assign a rating based on its ranking. If an analyst does not publish a new report on a covered stock, its rating will not be changed automatically.

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