

WHA UTILITIES AND POWER PLC

No. 38/2022
12 April 2022

CORPORATES

| | |
|------------------------|--------|
| Company Rating: | A- |
| Issue Ratings: | |
| Senior unsecured | A- |
| Outlook: | Stable |

Last Review Date: 14/01/22

Company Rating History:

| Date | Rating | Outlook/Alert |
|----------|--------|---------------|
| 27/10/21 | A- | Stable |
| 27/09/19 | A- | Negative |
| 03/04/18 | A- | Stable |

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RATIONALE

TRIS Rating affirms the company rating on WHA Utilities and Power PLC (WHAUP) and the ratings on its outstanding senior unsecured debentures at "A-" with a "stable" rating outlook. At the same time, TRIS Rating assigns the "A-" rating to WHAUP's proposed issue of up to THB2.8 billion in senior unsecured debentures. The company intends to use the proceeds from the new debenture issuance to refinance existing debts and/or to support general corporate purposes.

The ratings reflect WHAUP's status as a core subsidiary of WHA Corporation PLC (WHA) according to TRIS Rating's "Group Rating Methodology". WHA is rated "A-/stable" by TRIS Rating.

WHAUP's performance in 2021 was in line with our forecast. Total operating revenue and earnings before interest, tax, depreciation, and amortization (EBITDA) were THB2.2 billion and THB2.1 billion, respectively. The debt to capitalization ratio was 48%, aligned with as of year-end 2020. Adjusted net debt to EBITDA was 5.5 times.

We assess WHAUP to have adequate liquidity over the next 12 months. Sources of liquidity include cash on hand and undrawn credit facilities as of 31 December 2021 of THB905 million and THB3.7 billion, respectively. In addition, we expect the funds from operations (FFO) of THB1.6 billion in 2022. These should be adequate to cover bank loans and debentures of THB4.2 billion coming due in the next 12 months.

According to the key financial covenant on its debentures, WHAUP must maintain its net interest-bearing debt to equity ratio below 2.5 times. The ratio was 0.9 times as of December 2021.

RATING OUTLOOK

The "stable" outlook mirrors the outlook on WHA. We expect the business model and the level of integration between WHA and WHAUP to remain unchanged.

RATING SENSITIVITIES

As a core subsidiary of WHA, the ratings on WHAUP are tied to the ratings on WHA. Any change in the credit rating on WHA, or WHAUP's group status, will affect WHAUP's ratings accordingly.

RELATED CRITERIA

- Key Financial Ratio and Adjustments for Corporate Issuers, 11 January 2022
- Issue Rating Criteria, 15 June 2021
- Group Rating Methodology, 13 January 2021
- Rating Methodology – Corporate, 26 July 2019

CreditUpdate, reviews ratings of companies or debt issues that have already been rated by TRIS Rating. The CreditUpdate occurs when new debt instruments are issued or if significant events have taken place that may impact a company's current ratings or when current ratings are cancelled. The CreditUpdate announces whether a rating has been "upgraded," "downgraded," "affirmed" or "cancelled." The update includes information to supplement the previously published ratings.

Credit Updates are part of TRIS Rating's monitoring process. TRIS Rating monitors every rating it assigns until either the debt instrument matures or the rating contract ends. To keep the public informed of changing situations, TRIS Rating periodically issues announcements about the credit ratings it monitors.

WHA Utilities and Power PLC (WHAUP)

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|---|--------|
| Company Rating: | A- |
| Issue Ratings: | |
| WHAUP22DA: THB1,500 million senior unsecured debentures due 2022 | A- |
| WHAUP231A: THB1,000 million senior unsecured debentures due 2023 | A- |
| WHAUP236A: THB1,290 million senior unsecured debentures due 2023 | A- |
| WHAUP237A: THB1,500 million senior unsecured debentures due 2023 | A- |
| WHAUP247A: THB1,300 million senior unsecured debentures due 2024 | A- |
| WHAUP256A: THB1,320 million senior unsecured debentures due 2025 | A- |
| WHAUP267A: THB700 million senior unsecured debentures due 2026 | A- |
| WHAUP302A: THB1,500 million senior unsecured debentures due 2030 | A- |
| Up to THB2,800 million senior unsecured debentures due within 5 years | A- |
| Rating Outlook: | Stable |

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