

From US with love

- Net profit to climb up from 2024 bottom to double by 2027E
- US power plants are dominant driver post AP adjustments
- Initiated with BUY and a SoTP TP of THB8.0

New growths in the pipeline

From 2025E onward, we expect BCPG's core net profit to recover from THB1.1b in 2024 to THB1.5b in 2025E, THB1.8b in 2026E, and THB1.9b in 2027E, driven by: 1) a substantial increase in capacity payments for the 857MW CCGT power plant in the US; 2) COD of the 600MW Monsoon wind farm in Laos (48% stake) in 2H25; 3) COD of a 99MW wind farm in Vietnam, expected to COD in 2H25; and 4) COD of a 100MW solar project in Taiwan (100% stake) (COD in 2H25E).

Solar adder earnings loss replacement - check

We view BCPG's success in securing new growth opportunities positively, aiming to offset the THB2.0b earnings loss from the adder expirations of its 118MW solar farms in Thailand. Following the divestment of geothermal power plants in Indonesia (2022) and solar farms in Japan (2020&2024), BCPG has invested approximately THB15b—funded through these divestments and its capital increase—to acquire assets capable of delivering its THB2.0b net profit target.

US emerges to be a key catalyst in 2025-28E

We believe the US will be a key driver of BCPG's earnings in 2025, supported by a significant increase in capacity payments for the 857MW CCGT power plant. The payment rate is set to rise sharply from USD30/MW/day in 2023-24 to USD270/MW/day in 2025E onwards, reflecting stronger market demand and improved pricing dynamics. As a result, we estimate the CCGT power plant will contribute approximately THB2.0b to BCPG's earnings in 2025E, with THB0.5b coming from the increase in capacity payments. This positions the US as a major growth catalyst for the company.

Equity income is now substantial

We see that BCPG's quarterly equity income to jump markedly from almost zero in 1H23 to over THB0.4b a quarter in 2024, driven by four CCGT power plants in US as well as wind farms in Laos and the Philippines to offset the equity income decline from the divestment of geothermal power plants in Indonesia.

Initiated with BUY and a SoTP TP of THB8.0

We initiated coverage on BCPG with BUY and a SoTP target price of THB8/share, implying a 16x 2025E P/E, in line with its 5-year average. This target reflects the company's strong growth prospects and diversified renewable energy portfolio. BCPG's strategic acquisitions, such as the 857MW CCGT power plants in the US, position it for solid profitability growth. With a robust project pipeline and improving capacity payments, we expect BCPG's earnings to recover from 2025 onwards, supporting our positive outlook.

Analyst

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ESG Rating : AAA

CG Rating : ▲▲▲▲▲

BUY

Target Price 12M (THB)	8.00
VS. BB Consensus TP (%)	-5.1%
Share Price (THB)	6.95
Upside/Downside	+15.1%

Share Data

Market Cap (THB m)	20,820.53
Par (THB)	5.00
Free Float (%)	42.11
Issued shares (m shares)	2,996

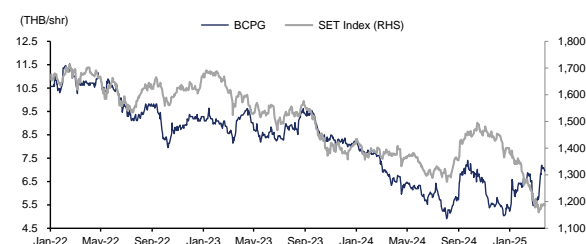
Financial forecast

YE Dec (THB m)	2024	2025E	2026E	2027E
Revenue	4,323	3,832	5,512	6,763
Net profit	1,819	1,476	1,803	1,939
Core net profit	1,123	1,476	1,803	1,939
vs Consensus (%)		2.4	(7.8)	(10.6)
Net profit growth (%)	64.8	(18.9)	22.1	7.5
Core net profit growth (%)	28.6	31.5	22.1	7.5
EPS (THB)	0.61	0.49	0.60	0.65
Core EPS (THB)	0.37	0.49	0.60	0.65
Chg from previous (%)		0.00	0.00	0.00
DPS (THB)	0.28	0.20	0.24	0.26
P/E (x)	9.14	14.10	11.55	10.74
P/BV (x)	0.54	0.66	0.64	0.62
ROE (%)	5.05	2.84	3.46	3.73
Dividend yield (%)	3.72	4.76	5.65	5.86

Source: Financial Statement and Globlex securities

Share Price Performance (%)

	1M	3M	6M	YTD
Stock	23.01	21.93	(4.14)	25.23
Market	25.89	43.85	17.03	47.61
12M High/Low (THB)				7.80 / 5.05



Major Shareholders (%) as of 6 Mar 2025

Bangchak Corporation Public Company Limited	57.81
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Company Profile

The Company's business is to generate and sell electricity from clean energy as well as investing in companies that generate and sell electricity from clean energy.

Source: SETSMART, SET

From US with love

Since its unexpected capital increase announcement in 2020, BCPG's share price plunged over 50% within a month due to the immediate EPS dilution impact from its plan to raise THB14.5b through seven intended transactions. While BCPG successfully raised over THB10b, it failed to complete all planned M&A deals within the indicated timeframe of 2021–22, leading to market disappointment, valuation de-rating, and prolonged share price underperformance through 1H23.

Exhibit 1: BCPG's share price since IPO

7.00 THB

-4.15 (-37.22%) ↓ all time

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+ Follow

1D | 5D | 1M | 6M | YTD | 1Y | 5Y | Max



Sources: BCPG

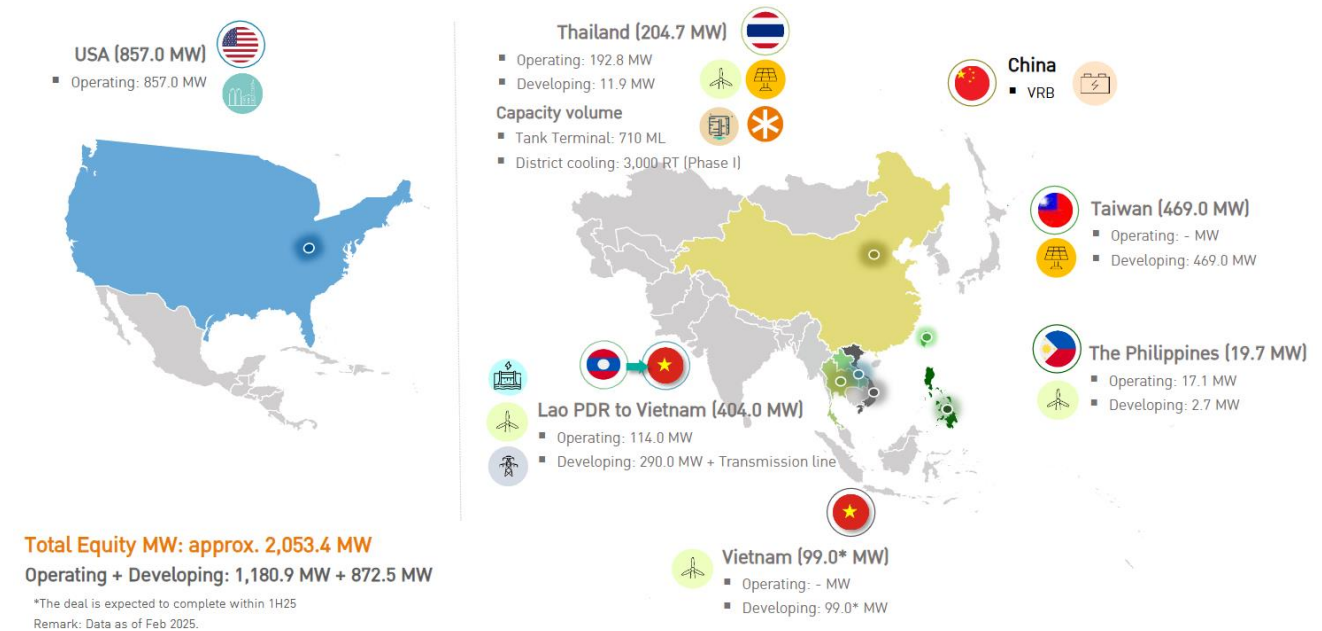
Exhibit 2: BCPG's capital increase

Capital increase method	Amount raised (THB m)	No. shares (m shares)	Ratio	Share price (THB/shr)	Exercise price (THB/shr)	Conversion ratio	% of total share outstanding pre-capital increase	Comment
1 Right offering (RO)	2,875	250.0	8 existing share to 1 RO	11.5	na	na	12.5	To be aligned with BCP's capital increase ability
2 BCPG-W1	714	89.3	2.8 RO shares to 1 BCPG-W1	0	8.0	1 W1 to 1 new share	4.5	As a sweetener to RO shareholders
3 BCPG-W2	714	89.3	2.8 RO shares to 1 BCPG-W2	0	8.0	1 W2 to 1 new share	4.5	As a sweetener to RO shareholders
4 Private placement (PP)	4,502	391.5	2.8 RO shares to 1 BCPG-W2	11.5	na	na	19.6	25% sellable within 6 months/75% after one year
	2,251	195.8	Pilgrim Partners Asia	11.5	na	na	9.8	25% sellable within 6 months/75% after one year
	2,251	195.8	Capital Asia Investment	11.5	na	na	9.8	25% sellable within 6 months/75% after one year
5 BCPG-W3	1,429	178.6	2.19 PP shares to 1 BCPG-W3	0	8.0	1 W3 to 1 new share	8.9	25% sellable within 6 months/75% after one year
6 PP 2	4,004	283.0	na	market price	na	na	14.2	For share swap to acquire new operating projects Up to 10% discount to market price
7 ESOP (2022-26E)	274	20.0	1 ESOP to 1 new share	0	13.7	1 ESOP to 1 new share	1.0	
Total	14,513	1,302					65.1	

Sources: BCPG; Globlex Research

However, in 2Q23, BCPG began delivering on its growth strategy by acquiring key assets across three countries: a tank terminal and seaport in Thailand (May 31, 2023), four CCGT power plants in the US (July 12, 2023), and two hydro power plants in Laos—Nam San 3A & 3B (June 15, 2023). As of Feb-25, BCPG has expanded its operations to seven countries, with a total equity capacity of 2,053.4MW, including 1,180.9MW in operation and 872.5MW under development.

Exhibit 3: BCPG's project locations



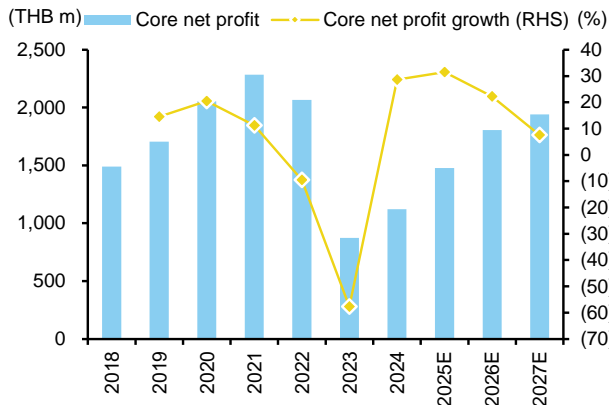
Sources: BCPG

Solar adder earnings loss replacement - check

We view BCPG's success in securing new growth opportunities positively, as it aims to generate sufficient net profit to offset the THB2.0b earnings loss from the adder expirations of its 118MW solar farms in Thailand. However, BCPG is working to bridge the dilution gap resulting from its 50% capital increase.

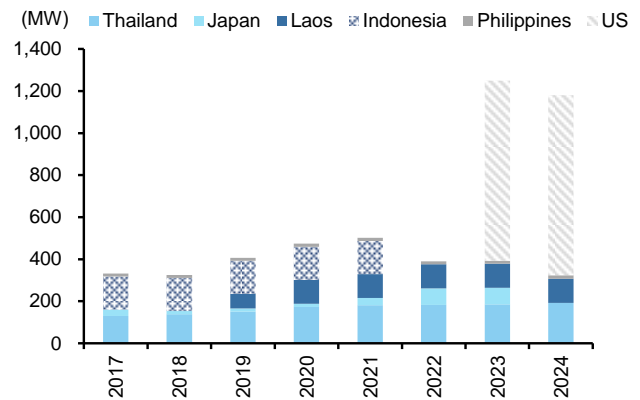
Following the divestment of geothermal power plants in Indonesia (2022) and solar farms in Japan (2020&2024), BCPG has invested approximately THB15b—funded through these divestments and its capital increase—to acquire assets capable of delivering its THB2.0b net profit target. A significant portion of this earnings replacement will come from the acquisition of four CCGT power plants in the US, with a total equity capacity of 857MW.

Exhibit 4: Net profit vs Net profit growth



Sources: BCPG, Globlex Research

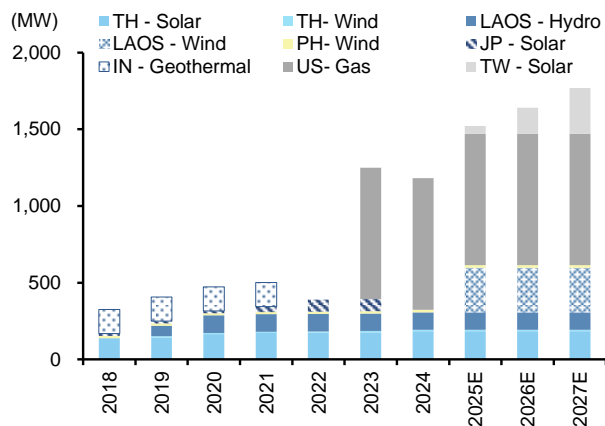
Exhibit 5: BCPG's equity capacity



Sources: BCPG, Globlex Research

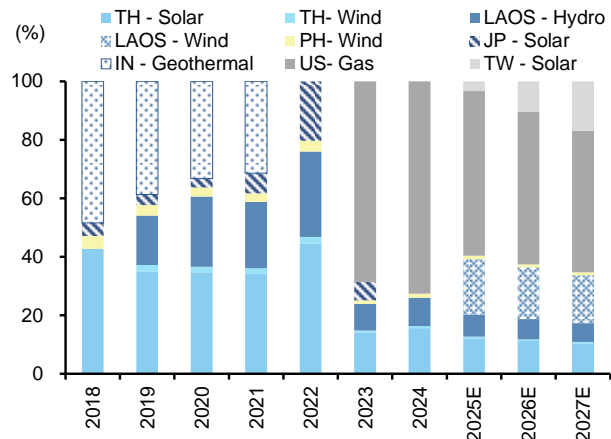
As of 1Q25, BCPG's total operating equity capacity stands at 2,053.4MW, with the largest contribution from 857MW of CCGT power plants in the US, followed by 192.8MW from solar and wind farms in Thailand, 114MW from hydropower in Laos, and 17.1MW from a wind farm in the Philippines. The full impact of the adder expirations for BCPG's 118MW solar farms will be reflected in 2025, marking a significant shift in earnings contribution. The last remaining adder, a THB3.5/kWh incentive for the 10MW Lomligor wind farm in Thailand, is set to expire in 2029E.

Exhibit 6: BCPG's equity capacity



Sources: BCPG, Globlex Research

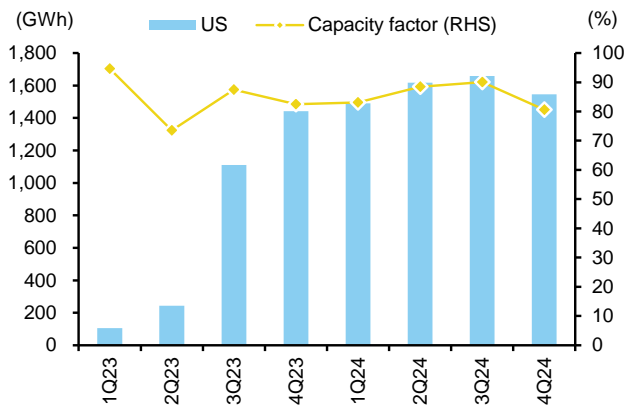
Exhibit 7: BCPG's equity capacity breakdown (%)



Sources: BCPG, Globlex Research

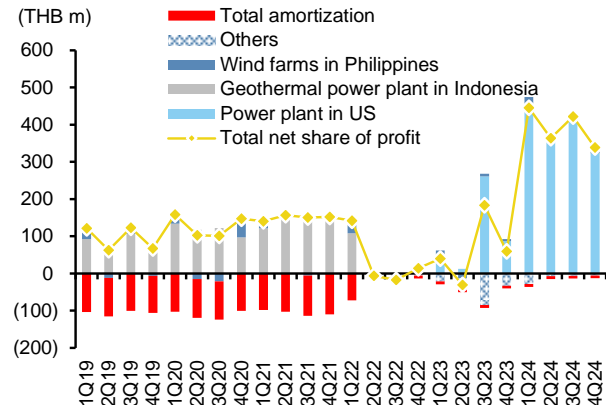
From 2025E onward, we expect BCPG's core net profit to recover from THB1.1b in 2024 to THB1.5b in 2025E, THB1.8b in 2026E, and THB1.9b in 2027E, driven by: 1) a substantial increase in capacity payments for the 857MW CCGT power plant in the US; 2) the COD of the 600MW Monsoon wind farm in Laos (48% stake), currently in pre-commissioning and expected to begin operations in 2H25; 3) the COD of a 99MW wind power project in Vietnam, expected to COD in 2H25; and 4) the COD of a 100MW solar project in Taiwan (100% stake), expected to COD in 2H25.

Exhibit 8: US's power plant performance



Sources: BCPG, Globlex Research

Exhibit 9: Quarterly share of profit breakdown



Sources: BCPG, Globlex Research

We see that BCPG's quarterly equity income to jump markedly from almost zero in 1H23 to over THB0.4b a quarter in 2024, driven by four CCGT power plants in US as well as wind farms in Laos and the Philippines to offset the equity income decline from the divestment of geothermal power plants in Indonesia.

US emerges to be a key catalyst in 2025-28E. We believe the US will be a key driver of BCPG's earnings in 2025, supported by a significant increase in capacity payments for the 857MW CCGT power plant. The payment rate is set to rise sharply from USD30/MW/day in 2023-24 to USD270/MW/day in 2025E onwards, reflecting stronger market demand and improved pricing dynamics. As a result, we estimate the CCGT power plant will contribute approximately THB2.0b to BCPG's earnings in 2025E, with THB0.5b coming from the increase in capacity payments. This positions the US as a major growth catalyst for the company.

Exhibit 10: CCGT power plant's capacity payments

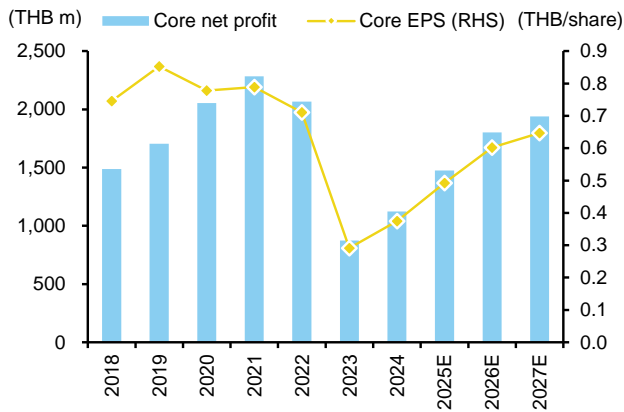


Sources: BCPG

Initiated with BUY and SoTP TP of THB8/share

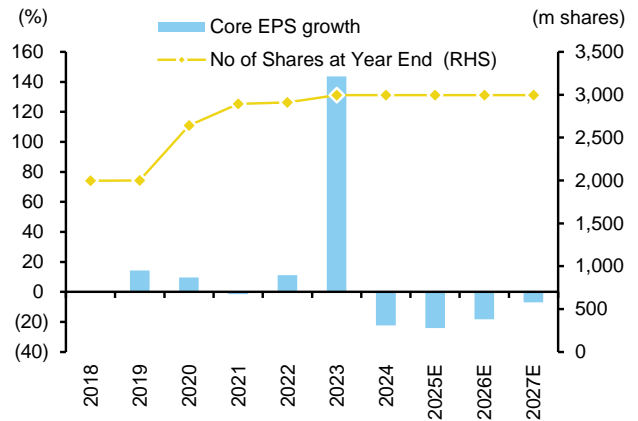
With BCPG's outstanding shares increasing by nearly 50% from 2.0b shares pre-capital increase in 2019 to the current 3.0b shares, we believe the company still needs to secure new growth drivers to generate approximately THB1.0b in annual net profit. This is necessary to bridge the estimated 50% EPS dilution resulting from the capital increase, which was undertaken to fund acquisitions expected to contribute THB2.0b in annual net profit and offset the earnings impact of the adder expirations.

Exhibit 11: Core net profit vs Core EPS



Sources: BCPG, Globlex Research

Exhibit 12: Core EPS growth vs Number of shares



Sources: BCPG, Globlex Research

BCPG's share price has fallen from its peak in 2018 to THB8.7/share in 2023, before rebounding to the current price of THB6.95/share, which we believe has priced in both dilution impact.

We initiated coverage on BCPG with BUY and a SoTP target price of THB8/share, implying a 16x 2025E P/E, in line with its 5-year average. This target reflects the company's strong growth prospects and diversified renewable energy portfolio. BCPG's strategic acquisitions, such as the 857MW CCGT power plants in the US, position it for solid profitability growth. With a robust project pipeline and improving capacity payments, we expect BCPG's earnings to recover from 2025 onwards, supporting our positive outlook.

Exhibit 13: Prospective P/E band



Sources: Bloomberg

Exhibit 14: Prospective P/BV band



Sources: Bloomberg

Exhibit 15: SoTP target price

Cost of equity assumptions (%)		Cost of debt assumptions (%)	
Risk free rate	2.3	Pretax cost of debt	4.4
Market risk premium	8.5	Marginal tax rate	20.0
Stock beta	1.20		
Cost of equity, Ke	12.5	Net cost of debt, Kd	3.5
Weight applied	30.0	Weight applied	70.0
WACC (%)	6.2		

SOP valuation estimate	THB m	THB/share	Comments
Solar - Thailand	3,520	1.2	WACC 6.8%, Risk free rate 2%, Risk premium 8.0%, zero terminal growth
Solar - Taiwan (2025-28E)	5,400	1.8	WACC 5.8%, Risk free rate 2%, Risk premium 8.0%, zero terminal growth
Total solar	8,920	3.0	
Wind -Thailand (Lomligor)	298	0.1	WACC 6.8%, Risk free rate 2%, Risk premium 8.0%, zero terminal growth
Wind - Philippines (Nabas1)	1,082	0.4	WACC 7.8%, Risk free rate 4%, Risk premium 5.5%, zero terminal growth
Wind - Philippines (Nabas2)	408	0.1	WACC 7.8%, Risk free rate 4%, Risk premium 5.5%, zero terminal growth
Wind - Laos (Monsoon) (2025E)	5,562	1.9	WACC 6.8%, Risk free rate 2%, Risk premium 8.0%, zero terminal growth
Total wind	7,349	2.5	
Hydro - Laos (Nam San 3A & B)	5,394	1.8	WACC 6.8%, Risk free rate 2%, Risk premium 8.0%, zero terminal growth
Gas - US (CCE,SFE,Libert,Patriot)	27,205	9.1	WACC 7.3%, Risk free rate 6%, Risk premium 2.0%, zero terminal growth
Tank terminal	3,450	1.2	WACC 6.8%, Risk free rate 2%, Risk premium 8.0%, zero terminal growth
Net debt	(28,146)	(9.4)	At end-2025E
Minorities	(221)	(0.1)	At end-2025E
Residual ordinary equity	20,501	8.0	

Sources: Globlex Research

Balance sheet (THB m)					
Year ending Dec	2023	2024	2025E	2026E	2027E
Current assets					
Cash & ST investment	9,790	7,346	9,780	8,315	2,118
Account receivable	2,006	1,593	1,670	1,670	1,670
Inventories	0	251	419	661	953
Others	539	538	477	686	842
Non-current assets					
Net fixed assets	23,011	15,818	24,087	32,255	40,390
Others	38,894	36,446	36,446	36,446	36,446
Total Assets	74,240	61,992	72,879	80,033	82,419

Current liabilities					
Account payable	1,708	969	1,619	2,555	3,684
ST borrowing	9,646	1,975	2,172	2,389	2,628
Others	457	210	186	268	328
Long-term liabilities					
Long-term debts	30,423	26,429	35,844	40,611	40,372
Others	2,393	1,483	1,483	1,483	1,483
Total liabilities	44,628	31,066	41,305	47,306	48,496
Paid-up capital	14,979	14,979	14,979	14,979	14,979
Retained earnings	6,963	8,040	8,682	9,829	11,020
Others	7,617	7,692	7,692	7,692	7,692
Minority interest	53	215	221	227	233
Shareholders' equity	29,612	30,926	31,574	32,727	33,923

Key ratios					
Year ending Dec	2023	2024	2025E	2026E	2027E
Growth (%YoY)					
Sales	(6.9)	(14.1)	(11.4)	43.8	22.7
Operating profit	(9.7)	(20.8)	(32.8)	40.8	7.8
EBITDA	(1.9)	(35.7)	(11.7)	40.8	7.8
Net profit	(46.5)	64.8	(18.9)	22.1	7.5
Core net profit	(57.7)	28.6	31.5	22.1	7.5
EPS	(48.1)	64.8	(18.9)	22.1	7.5
Core EPS	(59.0)	28.6	31.5	22.1	7.5
Profitability (%)					
Gross margin	85.1	83.2	68.3	65.2	59.1
Operation margin	73.4	67.6	51.3	50.2	44.1
EBITDA margin	68.8	51.5	51.3	50.2	44.1
Net margin	21.9	42.1	38.5	32.7	28.7
ROE	3.0	3.7	4.8	5.6	5.9
ROA	2.6	3.2	1.8	(0.1)	(0.2)
Stability					
Interest bearing debt/equity (x)	1.4	0.9	1.2	1.3	1.3
Net debt/equity (x)	1.0	0.7	0.9	1.1	1.2
Interest coverage (x)	1.3	0.3	0.2	0.5	0.6
Interest & ST debt coverage (x)	0.2	0.1	0.1	0.2	0.2
Cash flow interest coverage (x)	0.1	0.1	0.1	0.1	0.1
Current ratio (x)	1.0	3.1	3.1	2.2	0.8
Quick ratio (x)	1.0	2.8	2.9	1.9	0.6
Net debt (THB m)	30,279	21,058	28,236	34,685	40,882
Activity					
Asset turnover (X)	0.1	0.1	0.1	0.1	0.1
Days receivables	136.7	151.9	155.4	110.6	90.1
Days inventory	0.0	62.9	100.6	102.8	106.6
Days payable	586.2	672.0	388.6	397.3	411.8
Cash cycle days	(449.5)	(457.1)	(132.7)	(183.9)	(215.1)

Profit & loss (THB m)					
Year ending Dec	2023	2024	2025E	2026E	2027E
Revenue					
Revenue	5,031	4,323	3,832	5,512	6,763
Cost of goods sold	(750)	(727)	(1,215)	(1,918)	(2,765)
Gross profit	4,281	3,596	2,617	3,595	3,998
Operating expenses	(588)	(672)	(651)	(827)	(1,014)
Operating profit	3,693	2,923	1,965	2,768	2,983
EBIT	1,654	463	234	936	1,118
Depreciation	(1,808)	(1,764)	(1,731)	(1,832)	(1,865)
EBITDA	3,462	2,227	1,965	2,768	2,983
Non-operating income					
Other incomes	64	418	250	250	250
Other non-op income	509	1,190	147	196	166
Non-operating expense	(1,268)	(1,529)	(1,461)	(1,782)	(1,892)
Interest expense	(1,268)	(1,529)	(1,461)	(1,782)	(1,892)
Other non-op expense	0	0	0	0	0
Equity income/(loss)	252	1,014	2,199	2,154	2,246
Pre-tax Profit	1,211	1,556	1,369	1,753	1,888
Extraordinary items	231	697	0	0	0
Current taxation	(336)	(433)	114	56	57
Minorities	(2)	(0)	(6)	(6)	(6)
Net Profit	1,104	1,819	1,476	1,803	1,939
Core net profit	873	1,123	1,476	1,803	1,939
EPS (THB)	0.37	0.61	0.49	0.60	0.65
Core EPS (THB)	0.29	0.37	0.49	0.60	0.65

Cash flow (THB m)					
Year ending Dec	2023	2024	2025E	2026E	2027E
Operating cash flow					
Net profit	1,104	1,819	1,476	1,803	1,939
Depre. & amortization	1,808	1,764	1,731	1,832	1,865
Change in working capital	1,242	(824)	443	566	742
Others	252	1,014	2,199	2,154	2,246
Investment cash flow	(29,063)	9,037	(7,801)	(7,846)	(7,754)
Net CAPEX	(7,805)	5,429	(10,000)	(10,000)	(10,000)
Change in LT investment	(305)	3,035	2,199	2,154	2,246
Change in other assets	(20,953)	572	0	0	0
Free cash flow	(24,657)	12,810	(1,952)	(1,492)	(962)
Financing cash flow					
Change in share capital	0	0	0	0	0
Net change in debt	15,650	(11,665)	9,613	4,984	0
Dividend paid	(749)	(839)	(834)	(656)	(748)
Others	(788)	(2,750)	(4,392)	(4,301)	(4,486)
Net cash flow	(10,543)	(2,444)	2,434	(1,465)	(6,196)

Per share (THB)					
EPS	0.37	0.61	0.49	0.60	0.65
Core EPS	0.29	0.37	0.49	0.60	0.65
CFPS	0.90	0.96	1.07	1.22	1.27
BVPS	9.87	10.25	10.47	10.85	11.25
Sales/share	1.68	1.44	1.28	1.84	2.26
EBITDA/share	1.16	0.74	0.66	0.92	1.00
DPS	0.25	0.28	0.20	0.24	0.26
Valuation					
P/E (x)	23.88	9.14	14.10	11.55	10.74
P/BV (x)	0.89	0.54	0.66	0.64	0.62
Dividend yield (%)	2.84	5.05	2.84	3.46	3.73
Dividend payout ratio (%)	67.84	46.10	40.00	40.00	40.00

GENERAL DISCLAIMER

Analyst Certification

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RECOMMENDATION STRUCTURE

Stock Recommendations

Stock ratings are based on absolute upside or downside, which we define as $(\text{target price}^* - \text{current price}) / \text{current price}$.

- BUY:** Expected return of 10% or more over the next 12 months.
HOLD: Expected return between -10% and 10% over the next 12 months.
REDUCE: Expected return of -10% or worse over the next 12 months.

Unless otherwise specified, these recommendations are set with a 12-month horizon. Thus, it is possible that future price volatility may cause temporary mismatch between upside/downside for a stock based on market price and the formal recommendation.

* In most cases, the target price will equal the analyst's assessment of the current fair value of the stock. However, if the analyst doesn't think the market will reassess the stock over the specified time horizon due to a lack of events or catalysts, then the target price may differ from fair value. In most cases, therefore, our recommendation is an assessment of the mismatch between current market price and our assessment of current fair value.

Sector Recommendations

- Overweight:** The industry is expected to outperform the relevant primary market index over the next 12 months.
Neutral: The industry is expected to perform in line with the relevant primary market index over the next 12 months.
Underweight: The industry is expected to underperform the relevant primary market index over the next 12 months.

Country (Strategy) Recommendations

Overweight: Over the next 12 months, the analyst expects the market to score positively on two or more of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.

Neutral: Over the next 12 months, the analyst expects the market to score positively on one of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.

Underweight: Over the next 12 months, the analyst does not expect the market to score positively on any of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.