

Let's BGRIM begin again

- Net profit growth of 23% CAGR in 2024-27E on capacity growth
- Four strategies on growths overseas, renewable, data center & SMR, and high-profit projects
- Initiated with BUY and a SoTP TP of THB13.7

From abyss (2022) to above-ground to sound growth roadmap

In 2025E-27E, we project BGRIM's net profit growth of 23% CAGR, rising from THB1.6b (-15% y-y) in 2024 to THB2.1b (+37.6% y-y) in 2025E, THB2.4b (+12% y-y) in 2026E, and THB2.9b (+19% y-y) in 2027E. Key catalysts are 1) 23% capacity growth in 2024-27E; 2) margin improvement on stable gas cost and rising tariff; and 3) higher EBITDA from overseas assets from current ¼ to 30-40% by 2027E.

BGRIM's SPPs turned from a "crown jewel" to "clown devil"

BGRIM's share price has declined from its peak of THB53.25 in Jun-20 to current THB10.8, even lower than its IPO price of THB16, due to the lower-than-expected electricity selling price to Industrial Users (IU) linked to Thailand's grid tariff that has been heavily influenced by the government's intervention. BGRIM hence suffered net loss in 2022 and poor net profits below THB2.0b net profits (the average net profit level during 2017-21) in 2023-24 due to the squeezed margins for its SPPs.

A well-balanced capacity growth

BGRIM is set to see equity capacity growth in 2024-33E, rising from 3.2GW in 2024 to 4.2GW in 2033E, implying 31% capacity growth from 2024 base (+989MW). BGRIM also has a host of potential capacity growths, both from organic growth and M&As for renewable, to shift its capacity mix from SPP (56% of capacity in 2024) to 29% in 2023E. Profit-wise, we estimate that BGRIM's net profit will rise from THB0.59m/MW in 2024 to THB0.73m/MW in 2027E and THB0.96m/MW in 2030E driven by new lucrative non-SPP capacity.

What are the right strategic moves for BGRIM?

With a U-turn fortunes of its SPPs' profit due to public-over-producers policy, we think BGRIM could extricate itself from the regulatory quagmires and continue to pursue its "compassionate growth strategy" of 1) strategy#1: capacity growth for overseas projects; 2) strategy#2: capacity growth for renewable projects; 3) strategy#3: entry into SMR and data center; 4) strategy#4: focus on high profitability, high-return yet small-sized projects. Instead of focusing on sizable solar farms and even IPPs and SPPs, BGRIM should focus on a number

Initiated coverage with a TP of THB13.7

We initiated coverage on BGRIM with BUY and a SoTP target price of THB13.7, applying different WACC for each project to reflect their different risk-rewards. After its share price plunges to hit rock bottom price of THB10.8, we think BGRIM is now attractive, for initial 20-30% upsides as a "value hunting" stock on its current 0.75x 2025E P/BV, 13x 2025E P/E, and 22% discount to our SoTP TP of THB13.7.

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ESG Rating : AAA

CG Rating : ▲▲▲▲▲

BUY

Target Price 12M (THB)	13.70
VS. BB Consensus TP (%)	-23.1%
Share Price (THB)	11.20
Upside/Downside	+22.3%

Share Data

Market Cap (THB m)	29,197.28
Par (THB)	2.00
Free Float (%)	31.57
Issued shares (m shares)	2,607

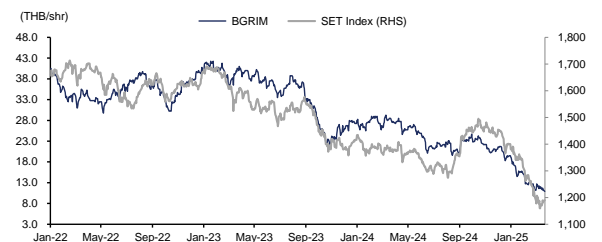
Financial forecast

YE Dec (THB m)	2024	2025E	2026E	2027E
Revenue	55,853	63,721	65,873	73,545
Net profit	1,557	2,143	2,407	2,874
Core net profit	1,729	2,143	2,407	2,874
vs Consensus (%)		8.4	1.0	(6.0)
Net profit growth (%)	(17.4)	37.6	12.3	19.4
Core net profit growth (%)	(16.0)	23.9	12.3	19.4
EPS (THB)	0.60	0.82	0.92	1.10
Core EPS (THB)	0.66	0.82	0.92	1.10
Chg from previous (%)		0.00	0.00	0.00
DPS (THB)	0.43	0.33	0.37	0.44
P/E (x)	32.65	13.63	12.13	10.16
P/BV (x)	1.41	0.79	0.76	0.72
ROE (%)	4.66	5.85	6.35	7.27
Dividend yield (%)	2.21	2.94	3.30	3.94

Source: Financial Statement and Globlex securities

Share Price Performance (%)

	1M	3M	6M	YTD
Stock	(11.11)	(38.80)	(51.93)	(42.56)
Market	(6.65)	(29.59)	(41.19)	(32.23)
12M High/Low (THB)				28.75 / 10.90



Major Shareholders (%) as of

Mr. Harald Link	24.83
UBS AG Hong Kong Branch	23.24
B.Grimm Power (Singapore) Pte.Ltd.	10.49
B. Grimm Joint Venture Holding Company Limited	7.80

Company Profile

A holding company holding shares in other companies of which the core business is generation and sale of electricity and steam and related business in Thailand and other countries.

Source: SETSMART, SET

Let's BGRIM begin again

From abyss to above-ground to sound growth

BGRIM's share price has declined steadily from its peak of THB53.25 in June 2020 down to current THB10.8, even lower than its IPO price of THB16 on 19 July 2017. The key culprit is the lower-than-expected electricity selling price to Industrial Users (IU), which are directly linked to Thailand's grid tariff that has been heavily influenced by the government's intervention to cap or curb down the tariff in order to reduce the cost of living for Thai people.

Exhibit 1: BGRIM's share price

10.80 THB

-28.45 (-72.48%) ↓ เมื่อ 5 ปีที่ผ่านมา

24 มี.ค. 12:29 GMT+7 • ข้อมูลกักตุนความผันผวน

1 วัน | 5 วัน | 1 เดือน | 6 เดือน | YTD | 1 ปี | **5 ปี** | สูงสุด



ราคาเปิด	11.10	มูลค่าตลาด	40.15B	สูงสุดใน 52 สัปดาห์	28.75
ราคาสูงสุด	11.20	อัตรา P/E	-	ต่ำสุดใน 52 สัปดาห์	10.70
ราคาต่ำสุด	10.70	เงินปันผล	-		

Sources: SET

As one of Thailand's largest SPP companies with total equity SPP capacity of 1.8GW, accounting for 68% of total equity capacity as of 2024. Despite up to 60-70% of BGRIM's SPP power generation sales volumes are sold at fixed margin and return structures to EGAT under Power Purchase Agreement (PPAs), the remaining electricity sales volumes will be sold to IUS at discount prices linked to the grid tariff. Unfortunately, the 4-month tariff has been intervened by government, dictating the lower-than-usual tariff levels aimed to subsidize public cost of electricity.

Exhibit 2: BGRIM's capacity breakdown by power plant type (2024)

Operating Capacity by fuel (2024)	Capacity (MW)	Equity capacity (MW)	% total capacity	% total equity capacity
SPP	2,920	1,798	71	68
Diesel	13	5	0	0
Solar	1,072	784	26	30
Wind	16	15	0	1
Hydro	65	55	2	2
IWTE	5	2	0	0
Total	4,091	2,659	100	100

Sources: BGRIM

The misfortune began in mid-2022 when the spot LNG price spiked from USD2/mmbtu to peak at USD50/mmbtu, triggered by supply risk caused by Russia’s invasion of Ukraine in February 2022. Though in the past, Thailand, as a self-sufficiency gas country with some imports from Myanmar and Malaysia, had not been impacted by the changes in global LNG price.

However, as the gas productions from Erawan, Thailand’s largest gas production field accounting for ¼ of the country’s gas supply, faced an interrupted gas production dropping from 1,200mmscf to 200mmscf in 2022. PTT, as a state-owned enterprise, therefore needed to import much higher spot LNG to replace the gas supply loss from Erawan.

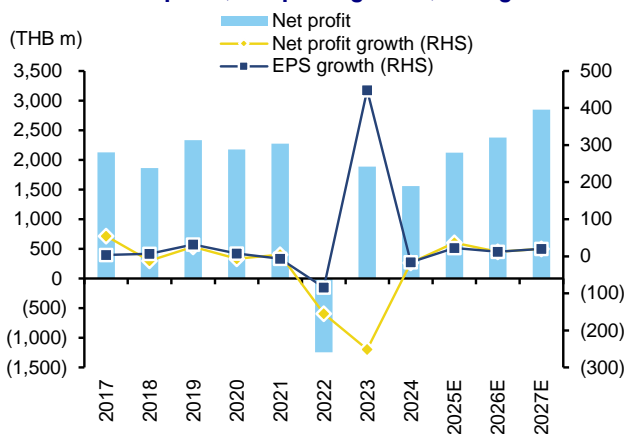
The skyrocketing LNG price imported in 2022-23 had caused significant losses for all power producers, particularly EGAT as a sole buyer of power generations from IPPs, given the tariff had been mandated at the levels that were below the actual costs. As a result, while global spot LNG price has already declined to USD13-15/mmbtu, the losses carried forward since 2022 for EGAT (losses for SPPs are not compensated by the government) balloons to THB100b and the government still figured out how to reimburse EGAT for the loss.

BGRIM, as of two major SPPs in Thailand (another is GPSC), suffered net loss in 2022 and poor net profits at below annual THB2.0b net profits (the average net profit level during 2017-21) in 2023-24 due to the squeezed margins for its SPPs on the continued lower-than-usual tariffs.

In 2023-24, BGRIM’s quarterly net profits remained under pressure as Thai government still mandate the tariffs that did not fully cover the actual energy costs. Hence, BGRIM’s quarterly net profits have been weak at only THB0.3-THB0.5b, resulting in its share price weakness on both EPS declines and valuation de-rating.

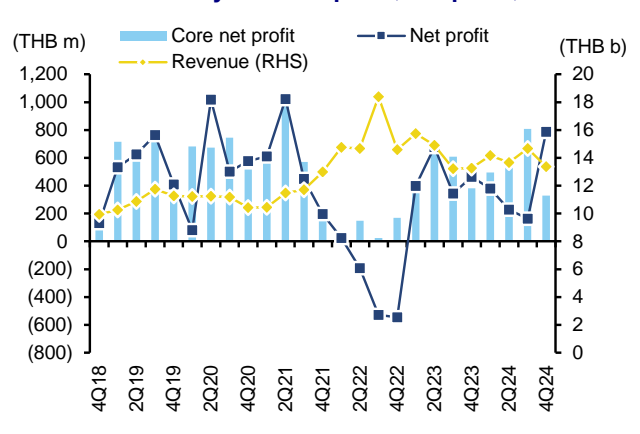
In 2025E-27E, we project BGRIM’s net profit growth of 23% CAGR, rising from THB1.6b (-15% y-y) in 2024 to THB2.1b (+37.6% y-y) in 2025E, THB2.4b (+12% y-y) in 2026E, and THB2.9b (+19% y-y) in 2027E. Key catalysts are 1) 23% capacity growth in 2024-27E; 2) margin improvement on stable gas cost and gradually rising tariff; and 3) higher EBITDA from overseas assets from current ¼ to 30-40% by 2027E.

Exhibit 3: Net profit, net profit growth, EPS growth



Sources: BGRIM; Globlex Research

Exhibit 4: Quarterly core net profit, net profit, revenue



Sources: BGRIM; Globlex Research

A well-balanced capacity growth

BGRIM is set to see equity capacity (capacity based on ownership stake) growth in 2024-33E, rising from 3.2GW in 2024 to 4.2GW in 2033E. The capacity growth accumulated since 2024 as a base will be 31% with total 989MW growth.

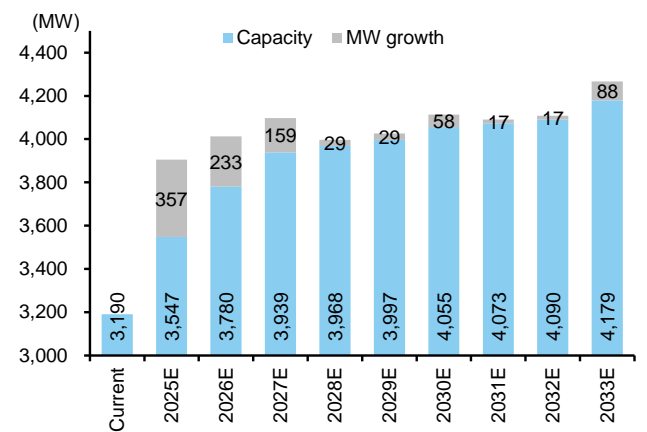
While the capacity growth already secured is now large (+989MW or +31%) during 2024-33E, BGRIM still has a host of potential capacity growths, both from organic growth and M&As, according to management. The main focus will be in current markets where BGRIM has already had presence, including Philippines, Malaysia, and South Korea. In addition, BGRIM aims to grow its power capacity dedicated for data centers that will be partially owned by BGRIM as strategic assets in its portfolio.

Exhibit 5: Capacity growth (in MW, in % y-y, in % accumulated growth from 2024)

Growth Breakdown by Year (Mwe)	Capacity (MW)	MW growth (MW)	Growth y-y (%)	Growth from 2024 (%)
Current	3,190			
2025E	3,547	357	11.2	11.2
2026E	3,780	233	6.6	18.5
2027E	3,939	159	4.2	23.5
2028E	3,968	29	0.7	24.4
2029E	3,997	29	0.7	25.3
2030E	4,055	58	1.5	27.1
2031E	4,073	17	0.4	27.7
2032E	4,090	17	0.4	28.2
2033E	4,179	88	2.2	31.0
Total Capacity		989	3.0	31.0

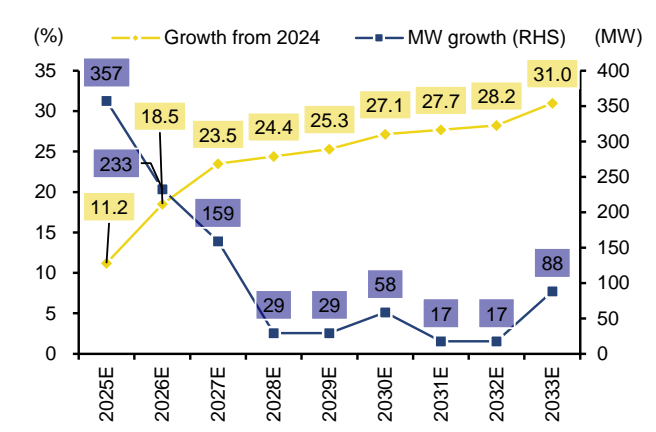
Sources: BGRIM; Globlex Research

Exhibit 6: Capacity growth vs MW growth



Sources: BGRIM; Globlex Research

Exhibit 7: MW growth vs % growth from 2024



Sources: BGRIM; Globlex Research

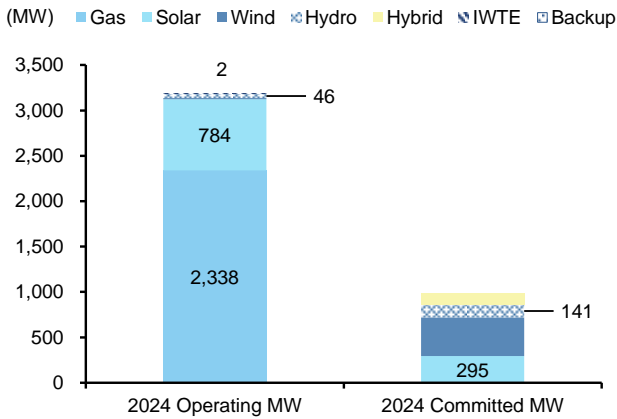
Renewable is the next growth engine. In the next 10 years, BGRIM will add only renewable capacity, embracing 295MW solar, 423MW wind, 141MW hydro, and 130 hybrid gas and Energy Storage System (ESS), bringing the portion of renewable capacity to 50% of committed capacity of 5.9GW in 2030E.

Exhibit 8: Capacity growth breakdown by fuel type in 2024 and 2030E

(MW)	Operating	Committed	2024 Operating	2024 Committed	2024	2030E Committed	% total 2024	% total 2030E
Gas	73	0	2,338	0	2,338	2,920	56	29.2
Solar	25	30	784	295	1,080	1,658	26	16.6
Wind	0	43	15	423	438	518	10	5.2
Hydro	1	14	46	141	186	836	4	8.4
Hybrid	0	13	0	130	130	98	3	1.0
IWTE	0	0	2	0	2	5	0	0.1
Backup	0	0	0	0	0	13	0	0.1
Total	100	100	3,183	989	4,174	5,932	100	59.3

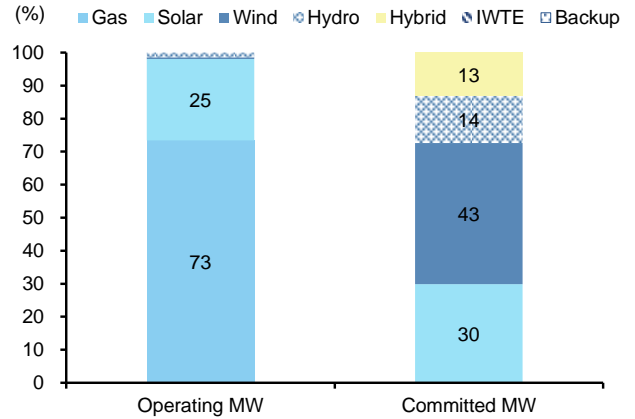
Sources: BGRIM; Globlex Research

Exhibit 9: Capacity breakdown by fuel type



Sources: BGRIM; Globlex Research

Exhibit 10: Capacity breakdown by fuel type (%)

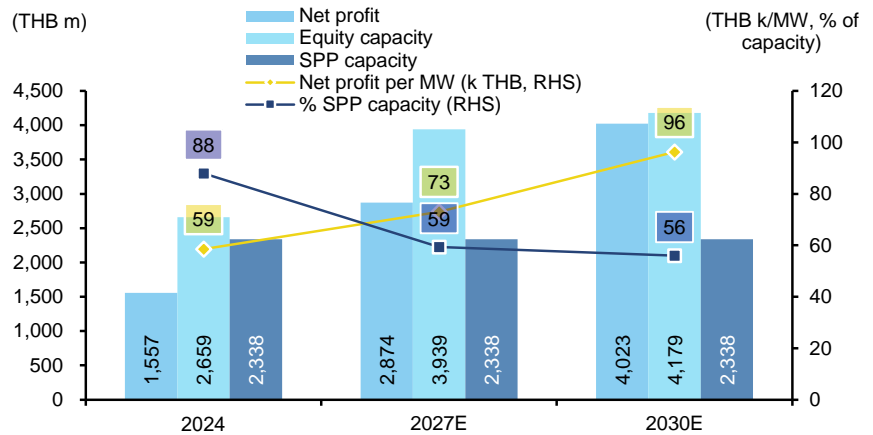


Sources: BGRIM; Globlex Research

Overseas non-SPP EBITDA to rise

The shift in capacity mix by power plant type, with the portion of gas-fired SPP capacity dropping from 56% in 2024 down to 29% in 2023E. However, in term of profitability, we estimate that BGRIM's net profit per MW will rise from THB0.59mm per MW in 2024 to THB0.73m per MW in 2027E and THB0.96m per MW in 2030E as new capacity added during this period will be non-SPP, more lucrative capacity than BGRIM's existing capacity with dominant SPP as the key catalyst.

Exhibit 11: Net profit per MW will improve from new non-SPP capacity



Sources: BGRIM; Globlex Research

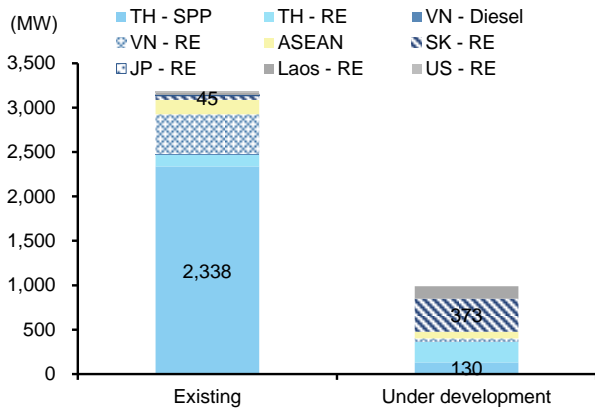
Of total equity capacity of 989MW to be added during 2024-33E, only solar farms (507MW) and one wind farm (12MW) will be in Thailand under the recent bidding that BGRIM won, which we estimate net profit per MW to be over THB1m, higher than BGRIM's current THB0.59m/MW. The remaining capacity will be from overseas, comprising wind, solar, and hydro power plants, all likely to generate net profit per MW over THB1.5m-THB3.0m/MW thanks to the high profitability of hydro power plants (THB2m-THB3m/MW) and wind (THB2.0m-THB3.0m/MW), based on our estimate.

Exhibit 12: Capacity under development

	Under Development	Plant type	Capacity	Contract capacity	Tenor (years)	COD	BGRIM's holding	Equity capacity
1	U-Tapao	TH Solar	18	15	25	2025	100%	18
2	KOPOS	SK Wind	20	20	20	2025	50%	10
3	IBS	TH Solar	76	76	25	2025	25%	19
4	386 rooftop	ML Solar	28	na	5-20	2025	40%	11
5	ZC Rubber rooftop	TH Solar	35	na	20	2025	49%	17
6	Hong Hoa 1	VN Wind	48	48	20	2025	80%	38
7	ARECO	PH Solar	65	50	20	2025	100%	65
8	Nakwol 1	SK Wind	365	365	20	2025	49%	179
9	Nakwol 2	SK Wind	375	TBA	TBA	2026	49%	184
10	Solar (service)	TH Solar	10	10	25	2026	100%	10
11	U-Tapao (phase 2)	TH Hybrid (gas +ESS)	130	130	25	2027	100%	130
12	2022 Gov FIT RE (339)	TH Solar	323	265	25	2026-2030	45%	145
13	2024 Gov FIT RE (60.9)	TH Solar	10	10	25	2026	93%	10
14	2024 Gov FIT RE (60.9)	TH Wind	12	12	25	2030	100%	12
15	Tadsakhoi	Lao Hydro	30	30	25	2030-2033	70%	21
16	Nam Khao 1-5	Lao Hydro	68	68	25	2030-2033	72%	49
17	Xekong 4	Lao Hydro	355	355	25	2033	20%	71
	Total Under Development		1,968	1,455				989

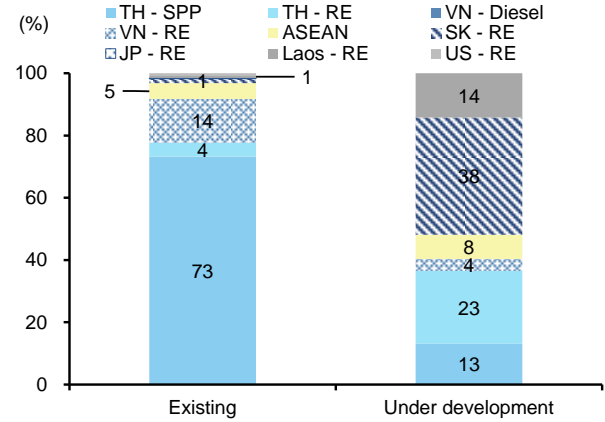
Sources: BGRIM; Globlex Research

Exhibit 13: Capacity breakdown by country



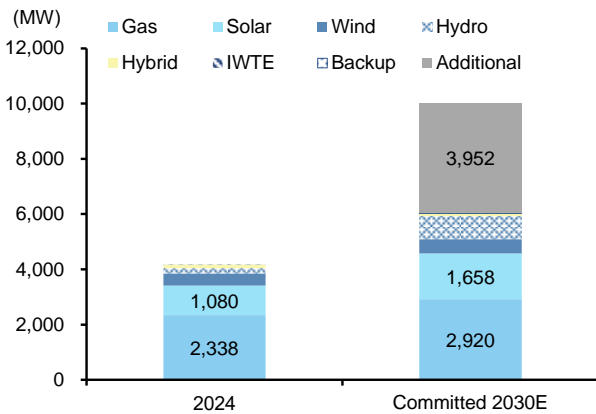
Sources: BGRIM; Globlex Research

Exhibit 14: Capacity breakdown by country (%)



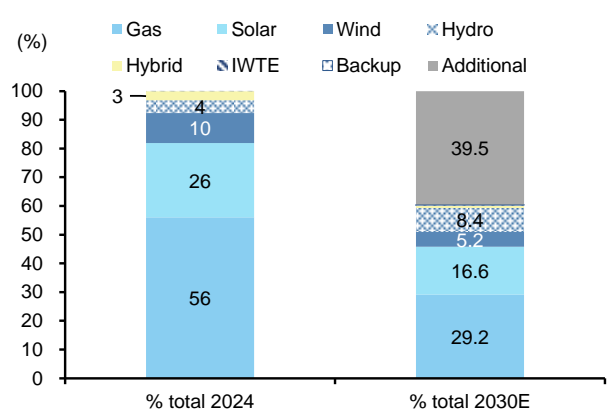
Sources: BGRIM; Globlex Research

Exhibit 15: 2030E capacity mix target



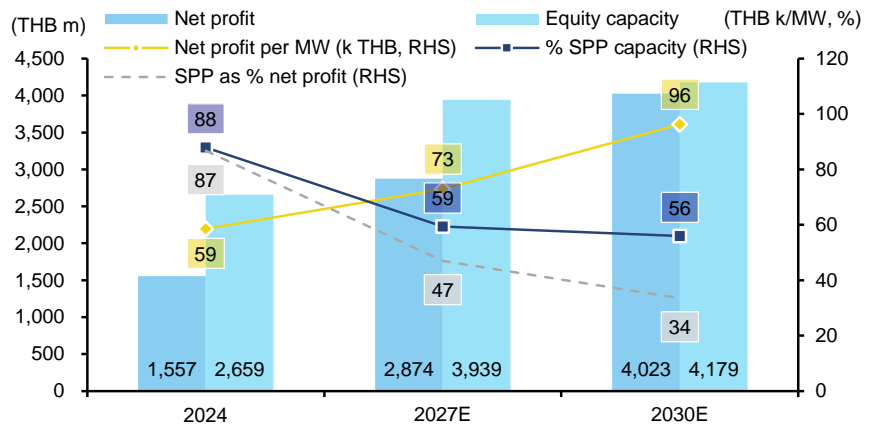
Sources: BGRIM

Exhibit 16: 2030E capacity mix target (%)



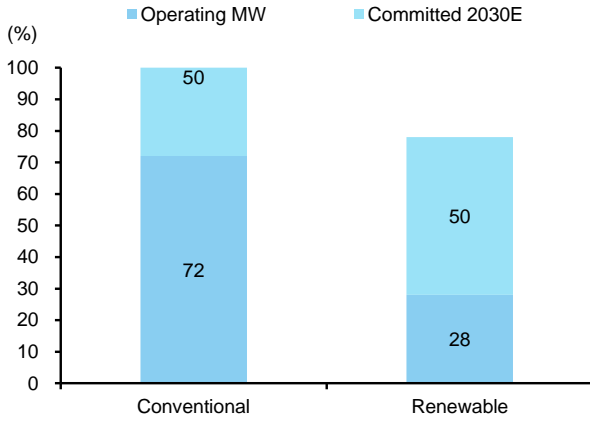
Sources: BGRIM

Exhibit 17: Net profit per MW will improve as % SPP capacity declines



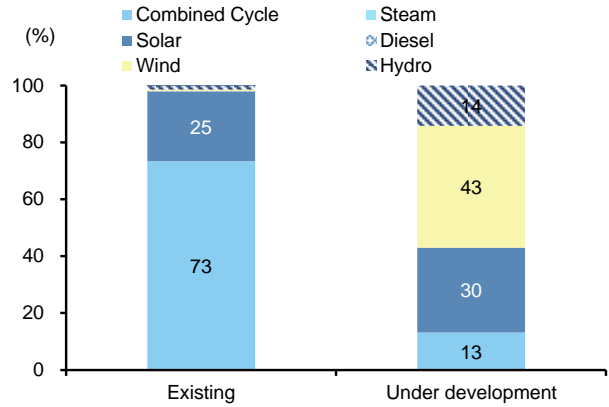
Sources: BGRIM; Globlex Research

Exhibit 18: Capacity breakdown by conventional vs renewable



Sources: BGRIM; Globlex Research

Exhibit 19: Capacity breakdown by fuel type (%)

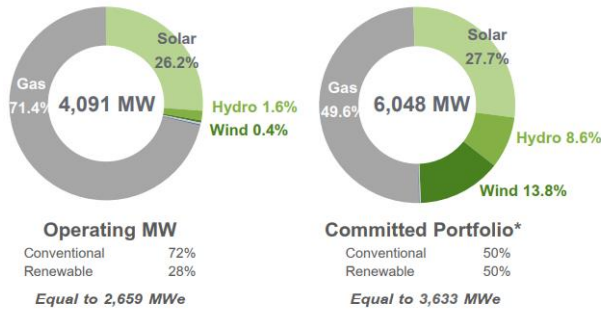


Sources: BGRIM; Globlex Research

Another strategic goal that BGRIM aims to achieve is the 50% plus portion of renewable capacity by 2030E at the targeted capacity of 10GW vs 6GW total committed capacity. Hence, BGRIM needs to add 4GW capacity of renewable in order to achieve its target of 50% renewable capacity at 10GW portfolio.

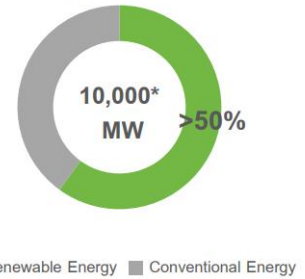
Exhibit 20: BGRIM's energy mix and ventures

CAPACITY BREAKDOWN BY FUEL TYPE
(as of March 2025)



Gas	2,920 MW
Solar	1,658 MW
Hydro	518 MW
Wind	836 MW
Hybrid	98 MW
IWTE	5 MW
Backup	13 MW**

2030 TARGET



Transmission & Distribution

- Bien Hoa (Vietnam) (with 13 MW back up for power trading)
- Poi Pet PPSEZ (Cambodia)

Solar Rooftop***

Solar rooftop for industrial users and commercial buildings with up to 100 MW opportunity

Renewable Energy Certificate (REC)

Facilitate and procure REC certificates from various renewable sources in Thailand and Vietnam

Sources: BGRIM

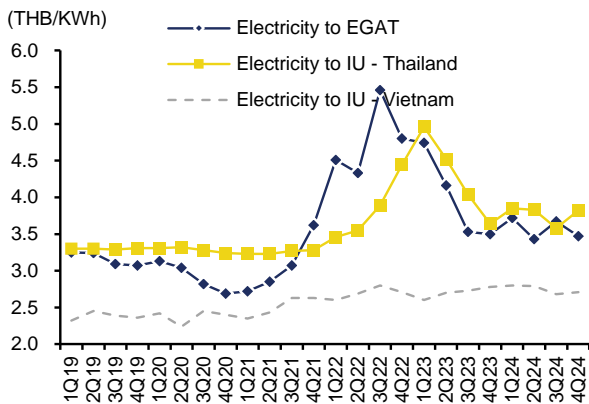
Margin on the rise

While it is arguable to forecast the margin improvement in 2025E-27E considering that Thai government's stance still be in favor of public subsidy over electricity producers, both EGAT and private SPPs alike, we believe the likelihood for the gross margins of SPPs to improve marginally, if substantially under the full reimbursement to EGAT's loss carried forward, is high, premised on

EGAT's loss of THB100b needs to be reimbursed. According to FitchRating credit report of EGAT, the agency affirmed EGAT "BBB+" credit rating with "Stable" outlook, mainly based on the notion of "Slower Recovery of Accrued Revenue". Fitch expects only a gradual recovery in EGAT's accrued revenue from the government as the government will aim to strike a balance between supporting Thailand's economic recovery by cutting electricity tariffs as fuel costs fall, and compensating EGAT for past losses when fuel costs were high. EGAT's accrued revenue and unbilled receivables fell to THB100b in 2024, down from THB125b in 2023 and THB160b in 2022, with a full recovery delayed beyond 2028, from 2026 earlier.

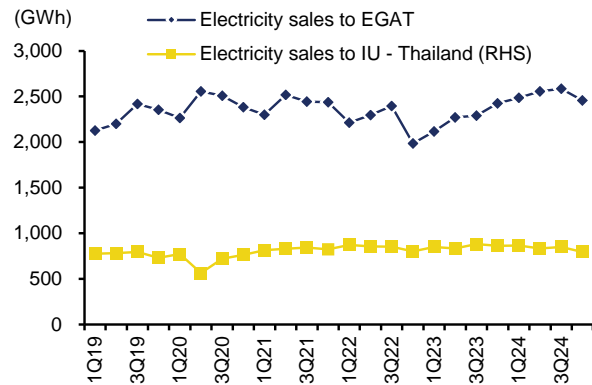
We expect the regulator to limit sharp changes to tariffs even under the circumstance where higher fuel costs are not fully passed through in retail tariffs. Power utilities have been allowed to recover dues over time when fuel costs started to decline and as a result, we think the margin of SPPs will later, if not sooner, to be compensated in tandem with EGAT's loss compensation.

Exhibit 21: Electricity tariffs to EGAT and IUs in Thailand and Vietnam



Sources: BGRIM

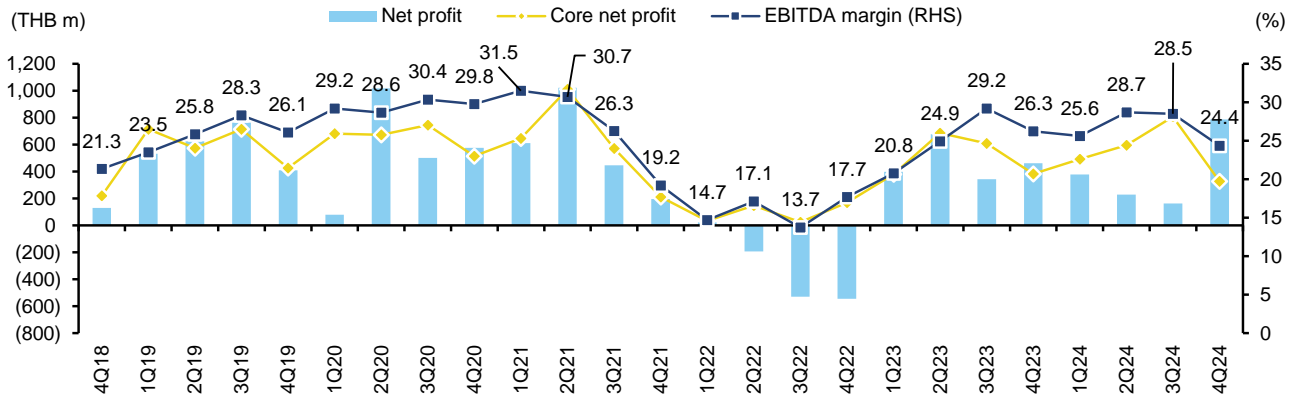
Exhibit 22: Electricity sales volumes to EGAT and IU in Thailand



Sources: BGRIM

Higher portion of non-grid tariffs. As of 2024, the sales volume of electricity to IUs from BGRIM's SPP portfolio of 2,338MW equity capacity is estimated to be 27% of SPP's sales volumes (electricity and steam) but generated over 50-60% of EBITDA. Unfortunately, the government's price cap policy has ruined BGRIM's EBITDA margins generated from SPPs.

Exhibit 23: EBITDA margin dipped below BGRIM's optimal 26% during 2022-1H23

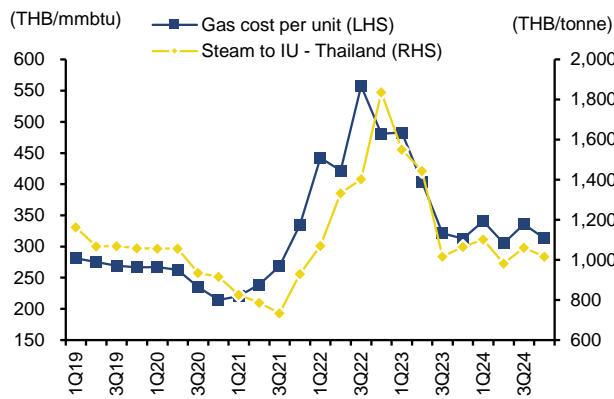


Sources: BGRIM; Globlex Research

26%-27% EBITDA margin is BGRIM's optimum levels. According to our estimate, BGRIM's optimum EBITDA margin – defined by EBITDA margin that will generate net profit of THB2m-THB3m/MW for SPPs, seen long before the period of gas spike-tariff cap in 2022-24, will be 26%-27% seen in 2018-21.

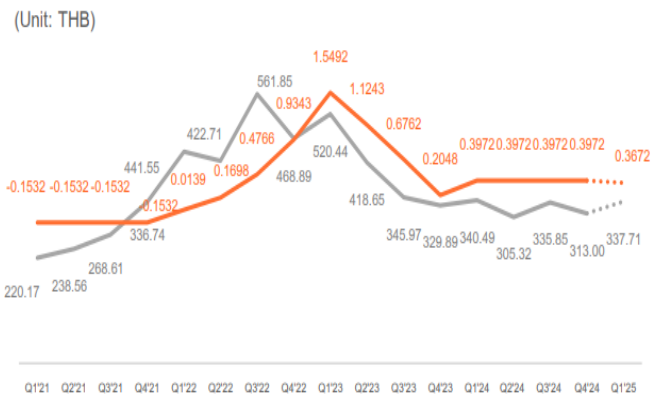
BGRIM's SPPs turned from a "crown jewel" to "clown devil". However, since 2022 when the gas cost per unit jumped from sub-THB300/mmbtu in 2018-21 to THB550/mmbtu in mid-2022 and even since declined to a new normal level of THB300-350/mmbtu, BGRIM's EBITDA margins have plunged to bottom at 13.7% in 3Q22 but recover to above 25% during 2Q23-3Q24 before plunging again to 24.4% in 4Q24 as tariff is fixed while gas cost begins to increase again.

Exhibit 24: Gas cost per unit and steam selling price



Sources: BGRIM

Exhibit 25: Gas price vs Fuel tariff (grid electricity tariff)

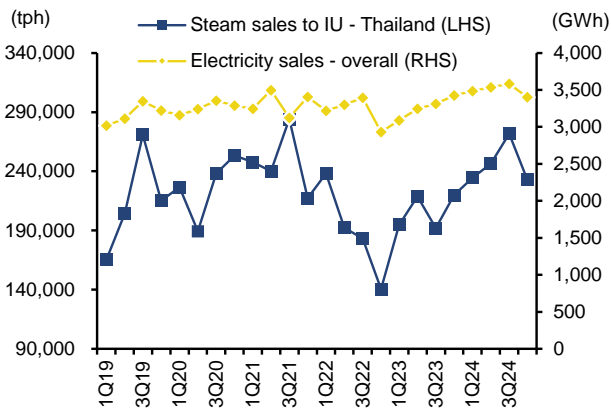


Sources: BGRIM

Looking forward, we project BGRIM's gas cost to stay rangebound between THB300-THB360/mmbtu based on the assumptions of spot LNG price of USD11-USD15/mmbtu, Brent crude oil price of USD75/bbl, and the aggregate portion of LNG to total gas supply at 1/3 (contract + spot LNG imports).

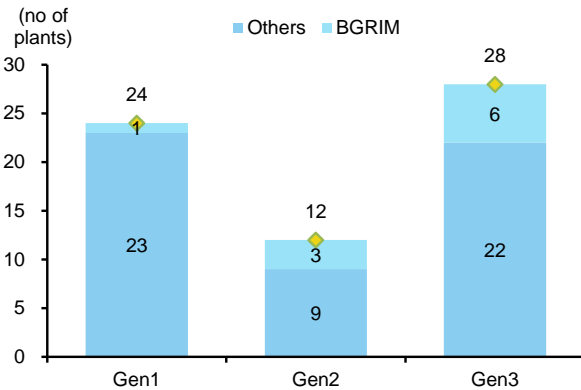
With a relatively fixed gas cost, we think BGRIM's EBITDA margins will stay between 23%-25%, sufficiently high for BGRIM's SPPs to be profitable but still lower than its optimum 26%-28% levels as we conservatively apply low electricity tariff of THB3.6-THB3.8/kWh.

Exhibit 26: Steam and electricity sales volume to IUs in Thailand



Sources: BGRIM

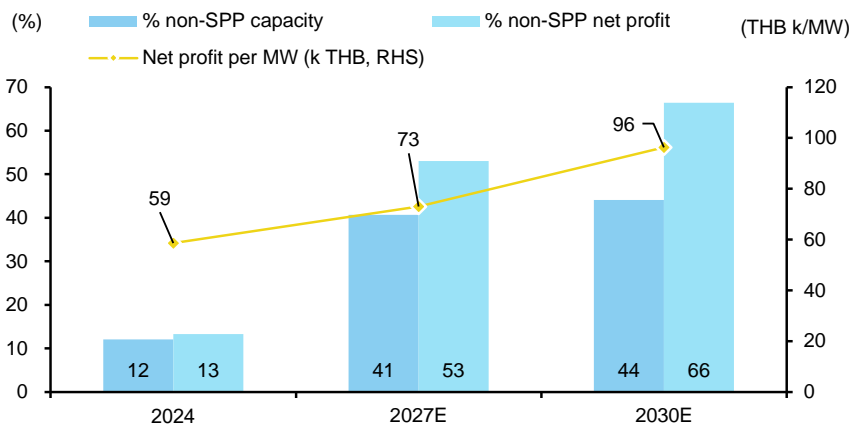
Exhibit 27: BGRIM's SPPs classified by PPAs Gen 1-3



Sources: BGRIM; Globlex Research

High overseas non-SPP capacity will not only boost profitability but also lower regulatory risks. Yet the higher portion of overseas non-SPP capacity, which we project to increase from 12% in 2024 to 41% in 2027E and 44% in 2030E would result in the higher portion of non-SPP net profit from 13% in 2024 to 53% in 2027E and 66% in 2030E, thanks to the higher net profit per MW from THB0.59m per MW in 2024 to THB0.73m per MW in 2027E and THB0.96m per MW in 2030E, driven by the non-SPP capacity of renewable projects overseas that will not be subject to any regulatory risks from Thai government.

Exhibit 28: As % of non-SPP capacity increases, so does net profit per MW



Sources: BGRIM; Globlex Research

What are the right strategic moves for BGRIM? With a U-turn fortunes of its SPPs from a “crown jewel” to a “clown devil” due to government’s public-over-producers policy, we think BGRIM could extricate itself from the regulatory quagmires and continue to pursue its “compassionate growth strategy” with

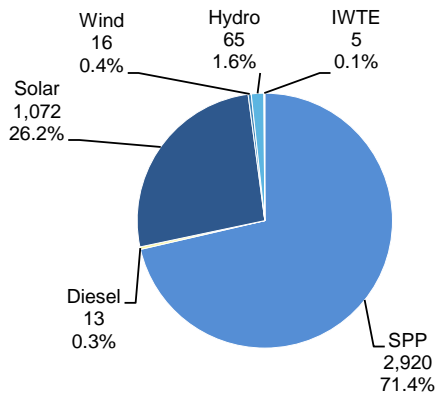
Strategy#1: capacity growth for overseas projects. It is now manifest that BGRIM’s many overseas projects have far lower regulatory risks than the projects in Thailand, including SPPs and renewable. Hence, the more capacity outside Thailand, the better growth outlook and lower regulatory risks for BGRIM.

Strategy#2: capacity growth for renewable projects. Beyond BGRIM’s own target of 50% renewable projects, we think it is worthwhile for BGRIM to grow its renewable capacity, specifically wind, gas-fired SPPs, and even Small Modular Reactor (SMR) nuclear power plants that are competitively developed by China, Russia, US, and European players.

Strategy#3: entry into SMR and data center. On top of the role as a reliable power provider to data center, we think it is understandable that BGRIM should strategically move into data center as a passive partner for data center and an active partner for power producer.

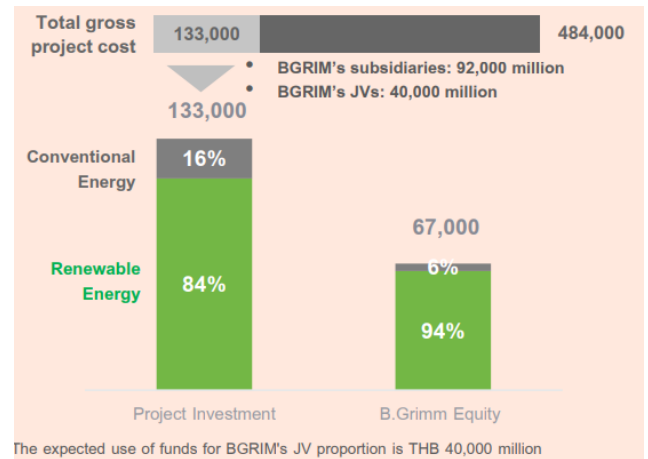
Strategy#4: focus on high profitability, high-return yet small-sized projects. Instead of focusing on sizable solar farms and even IPPs and SPPs, BGRIM should focus on a number of small projects in renewable such as Industrial Waste-to-Energy (WTE) or municipal WTE power plants, offshore wind farms, SMR, or solar farms with ESS.

Exhibit 29: Gross capacity breakdown by fuel type



Sources: BGRIM

Exhibit 30: BGRIM’s investment plan in 2025-30 (THB m)



Sources: BGRIM

Exhibit 31: Comparison of BGRIM’s risk-rewards for Thailand’s IPP, SPP, and overseas renewable projects

	IPP	SPP	SPP (w gov’s cap)	Overseas non-SPP
Client	EGAT	EGAT/ IU	EGAT/ IU	Gov/ private/ merchant
% Electricity sold to EGAT/Gov	100%	Up to 75%	Up to 75%	Up to 100%
Energy price risk				
EGAT/Gov	None	None	None	None
Private/IU		Medium, linked to energy pool price	High linked to energy pool price	Medium, linked to energy price, pool tariff
Demand risk	Low	High	High	High
Est. IRR	8-13%	18-25%	8-10%	10-13%
Energy type	Coal/Gas	Mostly gas	Mostly gas	Renewable

Sources: BGRIM; EPPO; Globlex Research

Initiated with BUY and a TP of THB13.7

We initiated coverage on BGRIM with BUY and a SoTP target price of THB13.7, applying different WACC for each project to reflect their different risk-rewards. After its share price plunges to hit rock bottom price of THB10.8, we think BGRIM is now attractive, for initial 20-30% upsides as a “value hunting” stock on its current 0.75x 2025E P/BV, 13x 2025E P/E, and 22% discount to our SoTP TP of THB13.7.

Exhibit 32: Valuation and SoTP target price

Cost of equity assumptions (%)		Cost of debt assumptions (%)	
Risk free rate	2.3	Pretax cost of debt	4.2
Market risk premium	8.5	Marginal tax rate	20.0
Stock beta	1.28		
Cost of equity, Ke	13.2	Net cost of debt, Kd	3.4
Weight applied	20.0	Weight applied	80.0
WACC (%)	5.3		

DCF valuation estimate	MW	%	Equity Capacity	THB/sha re	Comments
SPP					
Amata Nakorn (ABP3-5)	395	57	226	1.3	WACC 5.3%, RF 2.3%, RPM 8.5%
Amata Nakorn (ABP1R&2R)	280	51	143	2.0	WACC 5.3%, RF 2.3%, RPM 8.5%
Amata City (ABPR1-5)	647	58	374	7.6	WACC 5.3%, RF 2.3%, RPM 8.5%
Leam Chabang (BPLC1R-2)	196	82	161	2.7	WACC 5.3%, RF 2.3%, RPM 8.5%
Bangkadi (BIP1-2)	229	74	170	1.8	WACC 5.3%, RF 2.3%, RPM 8.5%
WHA Chonburi1 (BPWHA1)	130	75	98	1.2	WACC 5.3%, RF 2.3%, RPM 8.5%
Asia (Map Ta Phut) (BGPM1&2R)	280	70	196	3.5	WACC 5.3%, RF 2.3%, RPM 8.5%
S-Angthong (BGPAT1-3)	403	70	282	2.2	WACC 5.3%, RF 2.3%, RPM 8.5%
Lad Krabang (PPTC)	127	34	43	0.5	WACC 5.3%, RF 2.3%, RPM 8.5%
Bangpoo (SSUT)	240	45	108	1.3	WACC 5.3%, RF 2.3%, RPM 8.5%
Amata City (Bien Hoa) (APB)	13	31	4	0.0	WACC 5.3%, RF 2.3%, RPM 8.5%
VSPP					
Solar-Thailand	163	85	139	0.3	WACC 5.3%, RF 2.3%, RPM 8.5%
Solar-Vietnam (Dau Tieng)	240	100	240	0.1	WACC 8%, RF 5%, RPM 7.5%
Solar-Vietnam (Phu Yen)	257	80	206	0.1	WACC 8%, RF 5%, RPM 7.5%
Solar-Cambodia (Ray)	39	100	39	0.1	WACC 5.3%, RF 2.3%, RPM 8.5%
Solar-Malaysia (reNIKOLA)	178	41	72	0.0	WACC 5.3%, RF 2.3%, RPM 8.5%
Solar-South Korea (SEBIT)	99	34	34	0.2	WACC 5.3%, RF 2.3%, RPM 8.5%
Solar rooftop-Thailand, Philippines, ME	71	72	51	0.3	WACC 5.3%, RF 2.3%, RPM 8.5%
Hydropower-Laos (XXHP, Nam Che1, Malacha)	56	82	46	0.1	WACC 5.3%, RF 2.3%, RPM 8.5%
Wind-Thailand (BTW)	16	92	15	0.1	WACC 5.3%, RF 2.3%, RPM 8.5%
Industrial waste-Thailand (PIC)	5	48	2	0.0	WACC 5.3%, RF 2.3%, RPM 8.5%
Solar-Japan (GIFU)	20	49	10	0.1	WACC 5.3%, RF 2.3%, RPM 8.5%
Wind-South Korea (KOPOS)	24	50	12	0.0	WACC 5.3%, RF 2.3%, RPM 8.5%
Upcoming project					
Solar-Thailand (IBS) (2025)	76	25	19	0.1	WACC 5.3%, RF 2.3%, RPM 8.5%
Solar rooftop - Middle East (386) (2025)	30	40	12	0.1	WACC 8%, RF 5%, RPM 7.5%
Wind-Vietnam (Huong Hoa1) (2025)	48	80	38	0.7	WACC 8%, RF 5%, RPM 7.5%
Wind-South Korea (Nokwol & Myungwoon) (4Q25)	365	80	292	1.7	WACC 5.3%, RF 2.3%, RPM 8.5%
Net debt				(14.6)	
Residual ordinary equity				13.7	

Sources: BGRIM; Globlex Research

Balance sheet (THB m)					
Year ending Dec	2023	2024	2025E	2026E	2027E
Current assets					
Cash & ST investment	28,439	18,785	5,785	6,709	1,364
Account receivable	10,009	14,851	18,037	21,331	22,066
Inventories	929	2,121	2,485	2,562	2,927
Others	14,350	10,669	12,046	12,423	13,765
Non-current assets					
Net fixed assets	93,909	92,118	104,092	115,911	127,601
Others	29,400	42,357	42,357	42,357	42,357
Total Assets	177,036	180,901	184,801	201,292	210,080

Current liabilities					
Account payable	8,048	7,744	9,072	9,355	10,687
ST borrowing	8,119	22,981	21,000	33,000	36,000
Others	1,317	790	2,237	2,268	2,376
Long-term liabilities					
Long-term debts	101,313	92,650	92,650	92,650	92,650
Others	5,537	5,065	5,065	5,065	5,065
Total liabilities	124,334	129,229	130,024	142,338	146,778
Paid-up capital	5,214	5,214	5,214	5,214	5,214
Retained earnings	6,064	5,765	6,827	8,324	10,142
Others	26,850	25,108	25,108	25,108	25,108
Minority interest	14,575	15,585	17,628	20,308	22,839
Shareholders' equity	52,703	51,672	54,777	58,954	63,303

Key ratios					
Year ending Dec	2023	2024	2025E	2026E	2027E
Growth (%YoY)					
Sales	(8.5)	(2.2)	14.1	3.4	11.6
Operating profit	39.6	2.9	5.1	6.0	4.5
EBITDA	39.6	2.9	5.1	6.0	4.5
Net profit	251.5	(17.4)	37.6	12.3	19.4
Core net profit	448.3	(16.0)	23.9	12.3	19.4
EPS	251.5	(17.4)	37.6	12.3	19.4
Core EPS	448.3	(16.0)	23.9	12.3	19.4
Profitability (%)					
Gross margin	27.3	29.1	27.2	27.4	25.7
Operation margin	23.3	24.5	22.6	23.2	21.7
EBITDA margin	23.3	24.5	22.6	23.2	21.7
Net margin	3.3	2.8	3.4	3.7	3.9
ROE	6.1	4.7	5.9	6.4	7.3
ROA	4.6	4.4	1.7	2.0	2.1
Stability					
Interest bearing debt/equity (x)	2.1	2.2	2.1	2.1	2.0
Net debt/equity (x)	1.5	1.9	2.0	2.0	2.0
Interest coverage (x)	1.5	1.4	1.5	1.6	1.7
Interest & ST debt coverage (x)	0.6	0.3	0.3	0.2	0.2
Cash flow interest coverage (x)	0.0	0.0	0.0	0.0	0.1
Current ratio (x)	3.1	1.5	1.2	1.0	0.8
Quick ratio (x)	2.2	1.1	0.7	0.6	0.5
Net debt (THB m)	80,993	96,846	107,865	118,942	127,286
Activity					
Asset turnover (X)	0.3	0.3	0.3	0.3	0.4
Days receivables	61.5	81.2	94.2	109.1	107.7
Days inventory	7.7	14.1	18.1	19.3	18.3
Days payable	70.6	72.8	66.2	70.3	66.9
Cash cycle days	(1.3)	22.5	46.1	58.0	59.1

Profit & loss (THB m)					
Year ending Dec	2023	2024	2025E	2026E	2027E
Revenue					
Revenue	57,115	55,853	63,721	65,873	73,545
Cost of goods sold	(41,508)	(39,589)	(46,380)	(47,829)	(54,634)
Gross profit	15,607	16,264	17,341	18,045	18,911
Operating expenses	(2,285)	(2,557)	(2,931)	(2,767)	(2,942)
Operating profit	13,321	13,707	14,410	15,278	15,969
EBIT	7,904	8,049	8,384	9,097	9,660
Depreciation	(5,418)	(5,658)	(6,027)	(6,181)	(6,309)
EBITDA	13,321	13,707	14,410	15,278	15,969
Non-operating income					
Other incomes	1,114	1,170	500	863	653
Other non-op income	0	0	0	0	0
Non-operating expense					
Interest expense	(5,177)	(5,554)	(5,732)	(5,743)	(5,722)
Other non-op expense	39	(139)	0	0	0
Equity income/(loss)	93	40	1,270	1,276	1,336
Pre-tax Profit	3,973	3,567	4,422	5,492	5,927
Extraordinary items					
Current taxation	(288)	(396)	(236)	(406)	(522)
Minorities	(1,800)	(1,614)	(2,043)	(2,680)	(2,531)
Net Profit	1,885	1,557	2,143	2,407	2,874
Core net profit	2,058	1,729	2,143	2,407	2,874
EPS (THB)	0.72	0.60	0.82	0.92	1.10
Core EPS (THB)	0.79	0.66	0.82	0.92	1.10

Cash flow (THB m)					
Year ending Dec	2023	2024	2025E	2026E	2027E
Operating cash flow					
Net profit	1,885	1,557	2,143	2,407	2,874
Depre. & amortization	5,418	5,658	6,027	6,181	6,309
Change in working capital	(5,550)	(3,496)	(3,487)	(3,434)	(1,003)
Others	93	40	1,270	1,276	1,336
Investment cash flow	(3,141)	(11,716)	(16,730)	(16,724)	(16,664)
Net CAPEX	(5,256)	(3,867)	(18,000)	(18,000)	(18,000)
Change in LT investment	1,345	(9,856)	1,270	1,276	1,336
Change in other assets	769	2,008	0	0	0
Free cash flow	(1,295)	(7,957)	(10,778)	(10,295)	(7,148)
Financing cash flow					
Change in share capital	0	0	0	0	0
Net change in debt	(4,977)	6,199	(1,981)	12,000	3,000
Dividend paid	(938)	(1,121)	(1,080)	(910)	(1,056)
Others	5,858	(7,087)	839	128	(141)
Net cash flow	(1,353)	(9,967)	(13,000)	924	(5,345)

Per share (THB)					
EPS	0.72	0.60	0.82	0.92	1.10
Core EPS	0.79	0.66	0.82	0.92	1.10
CFPS	3.49	3.39	3.92	4.32	4.49
BVPS	14.63	13.84	14.25	14.82	15.52
Sales/share	21.91	21.43	24.44	25.27	28.21
EBITDA/share	5.11	5.26	5.53	5.86	6.13
DPS	0.36	0.43	0.33	0.37	0.44
Valuation					
P/E (x)	37.69	32.65	13.63	12.13	10.16
P/BV (x)	1.86	1.41	0.79	0.76	0.72
Dividend yield (%)	1.32	2.21	2.94	3.30	3.94
Dividend payout ratio (%)	49.80	72.00	40.00	40.00	40.00

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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.