

## BCPG Turns the Page

- Strong CCGT earnings, solid Laos & Vietnam pipeline
- Strong finances and clear CAPEX position for growth from 2025.
- Maintain BUY and a SoTP TP of THB8.0

### Old Debts Down, New Horizons Up

We believe BCPG's share price has already reflected current concerns, paving the way for growth. With solar adders fully phased out, strong earnings from CCGT assets supported by average capacity payments expected to reach USD270/MW/day through 2026–27E, and key upcoming projects—including the 290MWe Monsoon Wind farm in Laos (COD by July 2025), 99MW wind projects in Vietnam (3Q25E), and a 100MW solar farm in Taiwan (2Q–3Q26E)—BCPG is well positioned for the next growth phase.

### CCGT spark: BCPG poised to ride the PJM wave

We believe BCPG is set to benefit from tightening supply-demand dynamics in the PJM power market, supported by its 857MWe CCGT power plants. Electricity demand in the region is rising steadily, driven by data center expansion, economic growth, and EV adoption. Meanwhile, over 40GW of thermal generation capacity is expected to retire by 2030, with limited new capacity additions planned. These factors, combined with renewed policy support for conventional energy, have pushed PJM average capacity payments significantly higher—from USD40/MW/day in 2024 to USD174/MW/day in 2025E—and we expect prices to rise further to USD270/MW/day through 2026E–27E.

### Vietnam wind and Taiwan solar gain visibility

Vietnam tariff concerns have limited impact on BCPG, which holds two projects: 1) the 600MW Monsoon wind farm in Laos (48% stake), selling to Vietnam at a fixed tariff of USD6.95 cents/kWh; and 2) the 49.5MW CBTN and 49.5MW PTMN wind projects, which currently receive USD3.18 cents/kWh due to COD delay, but are under negotiation to raise the tariff up to USD6.35 cents/kWh. In Taiwan, BCPG has secured land for 250MW of solar projects and is in the permitting and PPA process, with the first 100MW expected to COD in 2Q–3Q26E, providing visibility for medium-term growth.

### Lean, Liquid, and Ready

Prior to 2021, BCPG converted USD34m of receivables from EDL into a 50% stake in the Nam Tai transmission line. A USD18m provision was booked in 2021, leaving USD27m outstanding, with only limited further provisions expected. BCPG is now entering a new growth phase, backed by a THB32b CAPEX plan for 2025 (58% for new investments). Financially, it remains sound with THB8b in cash and a net IBD/E of 0.9x—well below its 3x bank covenant.

### Maintain BUY with a SoTP of THB8

Maintain BUY rating with a SoTP of THB8, reflecting BCPG's strong growth potential and diversified portfolio. Strategic acquisitions and a healthy project pipeline, combined with rising capacity payments, underpin our confidence in earnings recovery from 2025 onward.

#### Analyst

Siriluck Pinthusoonthorn  
Siriluck@globlex.co.th,  
+662 672 5806

Suwat Sinsadok, CFA, FRM, ERP  
suwat.s@globlex.co.th,  
+662 687 7026

ESG Rating : AAA

CG Rating : ▲▲▲▲▲

## BUY

<b>Target Price 12M (THB)</b>	<b>8.00</b>
VS. BB Consensus TP (%)	-3.1%
Share Price (THB)	6.05
Upside/Downside	+32.2%

#### Share Data

Market Cap (THB m)	18,124.34
Par (THB)	5.00
Free Float (%)	42.11
Issued shares (m shares)	2,996

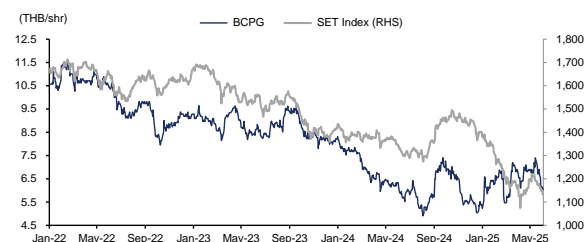
#### Financial forecast

YE Dec (THB m)	2024	2025E	2026E	2027E
Revenue	4,323	3,832	5,512	6,763
Net profit	1,819	1,476	1,807	1,945
Core net profit	1,123	1,476	1,807	1,945
vs Consensus (%)		1.9	(7.3)	(10.7)
Net profit growth (%)	64.8	(18.9)	22.4	7.7
Core net profit growth (%)	28.6	31.5	22.4	7.7
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	0.19	0.30
DPS (THB)	0.28	0.20	0.24	0.26
P/E (x)	9.14	12.28	10.03	9.32
P/BV (x)	0.54	0.58	0.56	0.54
ROE (%)	5.05	3.26	3.99	4.29
Dividend yield (%)	3.72	4.76	5.66	5.88

Source: Financial Statement and Globlex securities

#### Share Price Performance (%)

	1M	3M	6M	YTD
Stock	(12.32)	7.08	2.54	9.01
Market	(7.13)	11.39	31.42	34.83
12M High/Low (THB)				7.80 / 5.05



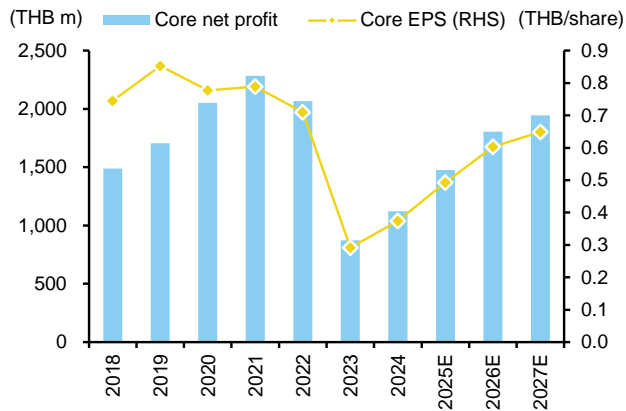
#### Major Shareholders (%) as of 6 Jan 2025

Bangchak Corporation Public Company Limited	57.81
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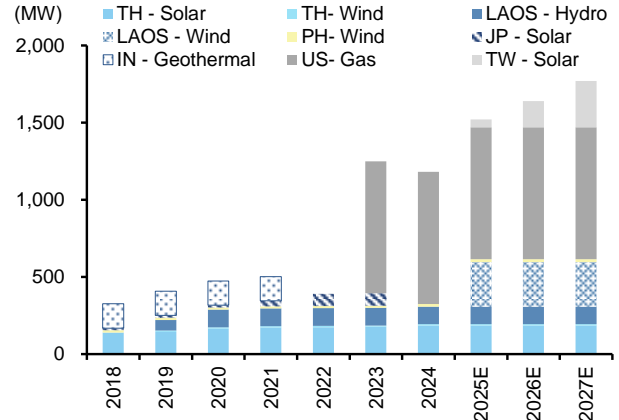
#### Company Profile

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.

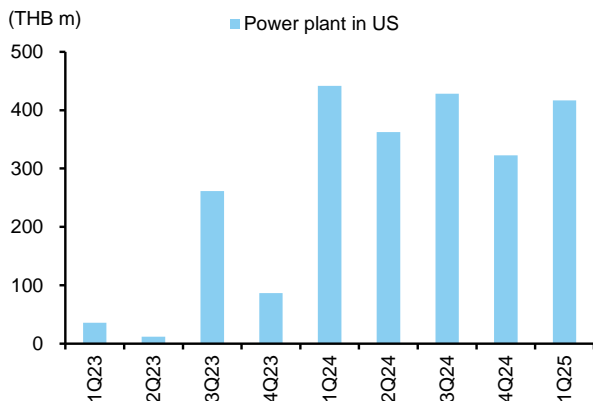
Source: SETSMART, SET

**Exhibit 1: Core net profit vs Core EPS**

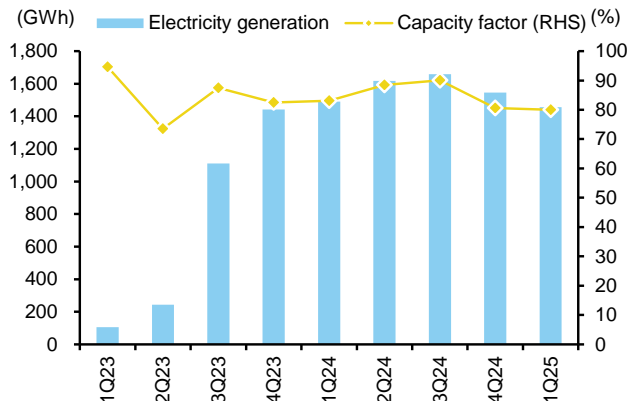
Sources: BCPG, Globlex Research

**Exhibit 2: Equity capacity**

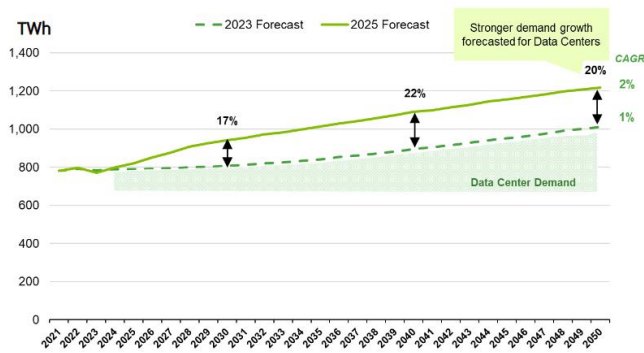
Sources: BCPG, Globlex Research

**Exhibit 3: Share of profit from US**

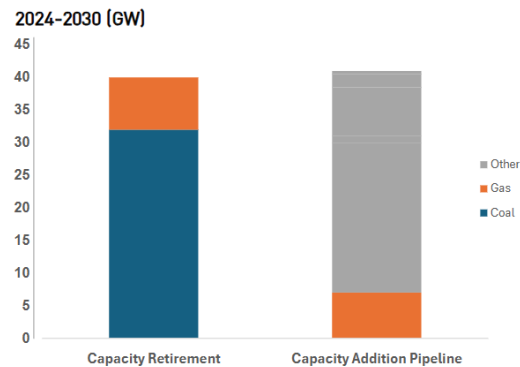
Sources: BCPG, Globlex Research

**Exhibit 4: Electricity generation and capacity factor - US**

Sources: BCPG, Globlex Research

**Exhibit 5: Demand forecast in PJM**

Sources: BCPG

**Exhibit 6: Supply capacity in PJM**

Sources: BCPG

**Exhibit 7: 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
<b>Total solar</b>	<b>8,920</b>	<b>3.0</b>	
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
<b>Total wind</b>	<b>7,349</b>	<b>2.5</b>	
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
<b>Residual ordinary equity</b>	<b>20,501</b>	<b>8.0</b>	

Sources: Globlex Research

Balance sheet (THB m)					
Year ending Dec	2023	2024	2025E	2026E	2027E
<b>Current assets</b>					
Cash & ST investment	9,790	7,346	9,977	8,659	2,686
Account receivable	2,006	1,593	1,670	1,670	1,670
Inventories	0	0	0	0	0
Others	539	789	699	1,006	1,234
<b>Non-current assets</b>					
Net fixed assets	23,011	15,818	24,087	32,255	40,390
Others	38,894	36,446	36,446	36,446	36,446
<b>Total Assets</b>	<b>74,240</b>	<b>61,992</b>	<b>72,879</b>	<b>80,036</b>	<b>82,426</b>

<b>Current liabilities</b>					
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
<b>Long-term liabilities</b>					
Long-term debts	30,423	26,429	35,844	40,611	40,372
Others	2,393	1,483	1,483	1,483	1,483
<b>Total liabilities</b>	<b>44,628</b>	<b>31,066</b>	<b>41,305</b>	<b>47,306</b>	<b>48,496</b>
Paid-up capital	14,979	14,979	14,979	14,979	14,979
Retained earnings	6,963	8,040	8,682	9,832	11,026
Others	7,617	7,692	7,692	7,692	7,692
Minority interest	53	215	221	227	233
<b>Shareholders' equity</b>	<b>29,612</b>	<b>30,926</b>	<b>31,574</b>	<b>32,730</b>	<b>33,930</b>

Key ratios					
Year ending Dec	2023	2024	2025E	2026E	2027E
<b>Growth (%YoY)</b>					
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)	22.4	7.7
Core net profit	(57.7)	28.6	31.5	22.4	7.7
EPS	(48.1)	64.8	(18.9)	22.4	7.7
Core EPS	(59.0)	28.6	31.5	22.4	7.7
<b>Profitability (%)</b>					
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	32.8	28.8
ROE	3.0	3.7	4.8	5.7	5.9
ROA	2.6	3.2	1.8	(0.1)	(0.1)
<b>Stability</b>					
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	1.0	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	2.0	0.7
Net debt (THB m)	30,279	21,058	28,039	34,341	40,314
<b>Activity</b>					
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	0.0	0.0	0.0	0.0
Days payable	586.2	672.0	388.6	397.3	411.8
Cash cycle days	(449.5)	(520.1)	(233.2)	(286.7)	(321.7)

Profit & loss (THB m)					
Year ending Dec	2023	2024	2025E	2026E	2027E
<b>Revenue</b>					
Revenue	5,031	4,323	3,832	5,512	6,763
Cost of goods sold	(750)	(727)	(1,215)	(1,918)	(2,765)
<b>Gross profit</b>	<b>4,281</b>	<b>3,596</b>	<b>2,617</b>	<b>3,595</b>	<b>3,998</b>
Operating expenses	(588)	(672)	(651)	(827)	(1,014)
<b>Operating profit</b>	<b>3,693</b>	<b>2,923</b>	<b>1,965</b>	<b>2,768</b>	<b>2,983</b>
<b>EBIT</b>	<b>1,654</b>	<b>463</b>	<b>234</b>	<b>936</b>	<b>1,118</b>
Depreciation	(1,808)	(1,764)	(1,731)	(1,832)	(1,865)
<b>EBITDA</b>	<b>3,462</b>	<b>2,227</b>	<b>1,965</b>	<b>2,768</b>	<b>2,983</b>
<b>Non-operating income</b>					
Other incomes	64	418	250	250	250
Other non-op income	509	1,190	147	200	173
<b>Non-operating expense</b>	<b>(1,268)</b>	<b>(1,529)</b>	<b>(1,461)</b>	<b>(1,782)</b>	<b>(1,892)</b>
Interest expense	(1,268)	(1,529)	(1,461)	(1,782)	(1,892)
Other non-op expense	0	0	0	0	0
<b>Equity income/(loss)</b>	<b>252</b>	<b>1,014</b>	<b>2,199</b>	<b>2,154</b>	<b>2,246</b>
<b>Pre-tax Profit</b>	<b>1,211</b>	<b>1,556</b>	<b>1,369</b>	<b>1,757</b>	<b>1,895</b>
Extraordinary items	231	697	0	0	0
Current taxation	(336)	(433)	114	56	56
Minorities	(2)	(0)	(6)	(6)	(6)
<b>Net Profit</b>	<b>1,104</b>	<b>1,819</b>	<b>1,476</b>	<b>1,807</b>	<b>1,945</b>
<b>Core net profit</b>	<b>873</b>	<b>1,123</b>	<b>1,476</b>	<b>1,807</b>	<b>1,945</b>
<b>EPS (THB)</b>	<b>0.37</b>	<b>0.61</b>	<b>0.49</b>	<b>0.60</b>	<b>0.65</b>
<b>Core EPS (THB)</b>	<b>0.29</b>	<b>0.37</b>	<b>0.49</b>	<b>0.60</b>	<b>0.65</b>

Cash flow (THB m)					
Year ending Dec	2023	2024	2025E	2026E	2027E
<b>Operating cash flow</b>					
Net profit	1,104	1,819	1,476	1,807	1,945
Depre. & amortization	1,808	1,764	1,731	1,832	1,865
Change in working capital	1,242	(824)	640	711	962
Others	252	1,014	2,199	2,154	2,246
<b>Investment cash flow</b>	<b>(29,063)</b>	<b>9,037</b>	<b>(7,801)</b>	<b>(7,846)</b>	<b>(7,754)</b>
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
<b>Free cash flow</b>	<b>(24,657)</b>	<b>12,810</b>	<b>(1,755)</b>	<b>(1,344)</b>	<b>(736)</b>
<b>Financing cash flow</b>	<b>14,114</b>	<b>(15,255)</b>	<b>4,386</b>	<b>26</b>	<b>(5,236)</b>
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)	(657)	(750)
Others	(788)	(2,750)	(4,392)	(4,301)	(4,486)
<b>Net cash flow</b>	<b>(10,543)</b>	<b>(2,444)</b>	<b>2,631</b>	<b>(1,318)</b>	<b>(5,973)</b>

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
<b>Valuation</b>					
P/E (x)	23.88	9.14	12.28	10.03	9.32
P/BV (x)	0.89	0.54	0.58	0.56	0.54
Dividend yield (%)	2.84	5.05	3.26	3.99	4.29
Dividend payout ratio (%)	67.84	46.10	40.00	40.00	40.00



## GENERAL DISCLAIMER

### Analyst Certification

Siriluck Pinthusoonthorn, Register No. 119539, Globlex Securities Public Company Limited

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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.