

Bangchak Corporation Pcl (BCP TB) - BUY, Price Bt34, TP Bt37**Results Comment**

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2Q25 – in-line

- BCP report a net loss of Bt2.5bn in 2Q25, compared with a profit of Bt2.1bn in 1Q25, mainly due to large non-recurring losses totaling Bt3.8bn and weaker core earnings. Core profit dropped to Bt1.2bn (-29% q-q), driven by softer contributions from E&P businesses.
- Refinery:** BCP group's operating GRM rose to US\$4.45/bbl in 2Q25 from US\$3.98 in 1Q25, driven by wider crack spreads. Crude runs averaged 241.6k bpd (82% utilization), down from 268k bpd (91%) due to a 28-day planned slowdown at Sriracha refinery in May for upgrades and efficiency improvements.
- Marketing:** EBITDA fell 36% q-q and 24% y-y. Margin dropped to Bt0.73/litre both y-y and q-q due to inventory loss but rose 5% q-q excluding it. Sales volume dropped 3% q-q from weaker industrial, stable y-y, with slight retail growth and industrial decline amid competition.
- E&P:** EBITDA fell 47% q-q due to lower sales volume and a 13% drop in liquid selling price. OKEA's sales volume declined 16% q-q after exceeding contractual production capacity in the prior quarter (overlift).
- Non-recurring items.** BCP booked a net loss of Bt3.8bn in 2Q25 vs a net gain of Bt365m in 1Q25 vs. a gain of Bt1.8bn in 2Q24, mainly comprising a Bt4bn stock loss, Bt1.4m derivative loss, Bt466m FX gain, and Bt808m impairment loss.
- Outlook.** We expect 3Q25 profit to trend higher with higher utilization rate and higher GRM, in-line with benchmark. Maintain BUY.

Income Statement (consolidated)						Income Statement 6M as					
Yr-end Dec (Bt m)	2Q24	3Q24	4Q24	1Q25	2Q25	(Bt m)	q-q%	y-y%	% 2025F	2025F	2026F
Revenue	158,057	154,193	142,246	134,647	125,827	Revenue	(7)	(20)	65	403,527	400,170
Gross profit	7,175	6,975	10,248	8,834	8,080	Gross profit	(9)	13	51	33,470	35,038
SG&A	4,354	3,391	4,478	3,317	3,319	SG&A	0	(24)	55	12,106	12,005
Operating profit	2,821	3,584	5,770	5,517	4,761	Operating profit	(14)	69	48	21,364	23,032
EBITDA	7,901	8,165	10,748	10,098	9,279	EBITDA	(8)	17	45	43,057	45,004
Other income	3,836	6,336	(1,551)	1,886	(2,395)	Other income	na	na	na	3,000	3,000
Other expense	0	0	0	0	0	Other expense			na		
Interest expense	1,784	1,740	1,769	1,577	1,858	Interest expense	18	4	49	7,030	8,140
Profit before tax	4,874	8,181	2,450	5,826	508	Profit before tax	(91)	(90)	37	17,333	17,892
Income tax	3,819	7,535	920	3,990	416	Income tax	(90)	(89)	40	11,126	10,385
Equity & invest. income	(52)	471	395	466	301	Equity & invest. income	(35)	na	56	1,361	1,361
Minority interests	(971)	(406)	(126)	(551)	854	Minority interests	na	na	na	(2,028)	(1,909)
Extraordinary items	1,792	(2,804)	(1,782)	365	(3,807)	Extraordinary items	na	na	na	(378)	0
Net profit	1,824	(2,093)	17	2,116	(2,560)	Net profit	na	na	na	5,163	6,960
Normalized profit	32	711	1,799	1,750	1,247	Normalized profit	(29)	3,793	54	5,540	6,960
EPS (Bt)	1.32	(1.52)	0.01	1.54	(1.86)	EPS (Bt)	na	na	na	3.75	5.05
Normalized EPS (Bt)	0.02	0.52	1.31	1.27	0.91	Normalized EPS (Bt)	(29)	3,793	54	4.02	5.05

Balance Sheet (consolidated)						Financial Ratios					
Yr-end Dec (Bt m)	2Q24	3Q24	4Q24	1Q25	2Q25	(%)	2Q24	3Q24	4Q24	1Q25	2Q25
Cash & ST investment	45,300	31,494	29,408	28,360	31,562	Sales growth	132.4	63.4	(0.6)	(0.5)	(20.4)
A/C receivable	39,489	34,994	33,169	30,894	31,917	Operating profit growth	(31.5)	(42.9)	132.0	(44.9)	68.8
Inventory	53,250	46,911	41,210	46,869	37,043	EBITDA growth	16.4	(21.6)	48.3	(34.6)	17.4
Other current assets	2,562	9,994	1,445	2,336	2,099	Norm profit growth	(98.4)	(76.7)	25.6	(57.2)	3,793.3
Investment	29,275	27,670	31,568	30,396	27,850	Norm EPS growth	(98.4)	(76.7)	25.6	(57.2)	3,793.3
Fixed assets	116,022	115,375	115,748	116,608	117,590	Gross margin	4.5	4.5	7.2	6.6	6.4
Other assets	67,224	63,004	63,994	63,927	62,640	Operating margin	1.8	2.3	4.1	4.1	3.8
Total assets	353,122	329,441	316,542	319,392	310,702	EBITDA margin	5.0	5.3	7.6	7.5	7.4
S-T debt	25,507	34,400	31,161	34,715	36,989	Norm net margin	0.0	0.5	1.3	1.3	1.0
A/C payable	46,090	39,066	34,252	34,795	31,896	D/E (x)	1.3	1.5	1.5	1.4	1.6
Other current liabilities	16,484	21,564	15,764	14,626	11,695	Net D/E (x)	0.8	1.2	1.1	1.1	1.2
L-T debt	107,895	97,955	96,349	92,506	92,266	Interest coverage (x)	4.4	4.7	6.1	6.4	5.0
Other liabilities	52,739	50,890	52,542	54,660	55,402	Interest rate	5.4	5.2	5.4	5.0	5.8
Minority interest	29,010	27,129	26,729	26,950	25,470	Effective tax rate	78.4	92.1	37.6	68.5	81.9
Shareholders' equity	75,397	58,437	59,745	61,140	56,984	ROA	0.0	0.8	2.2	2.2	1.6
Working capital	46,649	42,839	40,126	42,969	37,064	ROE	0.2	4.3	12.2	11.6	8.4
Total debt	133,402	132,355	127,510	127,221	129,255						
Net debt	88,102	100,861	98,102	98,861	97,692						

Sources: Company data, Thanachart estimates

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