BCPG Public Co Ltd (BCPG TB) - BUY, Price Bt7.75, TP Bt10.50

Results Comment

Nuttapop Prasitsuksant | Email: nuttapop.pra@thanachartsec.co.th

Strong 3Q25 profit, in-line

- BCPG reported Bt712m normalized profit in 3Q25 (ex. impact from an accounting FX loss), grew strongly 62% y-y and 431% q-q in a like-for-like basis. The strong growth was mainly driven by a full-quarter recognition of higher capacity payment rate in the US and a high season of hydropower output. This profit came in-line with our expectations.
- Gross profit declined 4% y-y to Bt562m in 3Q25, pressured by 1) weaker output and lower average selling prices from solar projects in Thailand and 2) negative impact from strong baht on US dollar-based revenue from hydropower projects in Laos despite their stronger output. The profit surged 124% q-q as benefit from seasonally higher hydropower generation could more than negative the negatives mentioned.
- SG&A expense was relatively maintained at Bt136m in 3Q25, down 9% y-y but up 10% q-q.
- EBITDA decreased slightly by 2% y-y to Bt808m this quarter, in-line with the gross profit. It grew 60% on a q-q basis.
- Strong equity income was the key earnings growth driver this quarter. It grew 84% y-y and 135% q-q to Bt757m in 3Q25, driven mainly by the first full-quarter recognition of higher capacity payment (CP) rates for BCPG's US gas-fired power plants in the PJM market, which jumped from US$29/MW-day to US$270 since June. This more than offset a loss from the Monsoon wind project in Laos during the low season.
- We maintain BUY on BCPG as the prime beneficiary among the Thai utility firms of the sharp rise in CP rate in the PJM market, which we believe should remain elevated for at least another three years amid a tight generation capacity there.

Income Statement					(consolidated)
Yr-end Dec (Bt m)	**3Q24**	**4Q24**	**1Q25**	**2Q25**	**3Q25**
Revenue	1,125	921	731	780	1,100
Gross profit	**586**	**373**	**220**	**251**	**562**
SG&A	149	157	114	123	136
Operating profit	437	216	107	127	426
EBITDA	**824**	**599**	**483**	**506**	**808**
Other income	83	90	58	69	53
Other expense	0	0	0	0	0
Interest expense	370	330	305	299	296
Profit before tax	**151**	**(24)**	**(140)**	**(103)**	**183**
Income tax	122	82	107	85	228
Equity & invest. income	412	339	444	322	757
Minority interests	0	0	(0)	0	1
Extraordinary items	(469)	(69)	(44)	(785)	(86)
Net profit	**(28)**	**164**	**153**	**(651)**	**627**
Normalized profit	**441**	**233**	**197**	**134**	**712**
EPS (Bt)	(0.01)	0.05	0.05	(0.22)	0.21
Normalized EPS (Bt)	0.15	0.08	0.07	0.04	0.24

Income Statement			9M as		
(Bt m)	**q-q%**	**y-y%**	**% 2025F**	**2025F**	**2026F**
Revenue	41	(2)	68	3,827	4,749
Gross profit	**124**	**(4)**	**71**	**1,462**	**1,984**
SG&A	10	(9)	59	629	660
Operating profit	235	(3)	79	832	1,324
EBITDA	**60**	**(2)**	**85**	**2,110**	**2,814**
Other income	(24)	(37)	89	204	143
Other expense			na		
Interest expense	(1)	(20)	66	1,370	1,660
Profit before tax	**na**	**21**	**18**	**(334)**	**(193)**
Income tax	169	87	80	523	773
Equity & invest. income	135	84	66	2,309	3,050
Minority interests	92	47	na	0	0
Extraordinary items	na	na	na	0	0
Net profit	**na**	**na**	**9**	**1,453**	**2,085**
Normalized profit	**431**	**62**	**72**	**1,453**	**2,085**
EPS (Bt)	na	na	9	0.50	0.72
Normalized EPS (Bt)	431	62	69	0.50	0.72

Balance Sheet					(consolidated)
Yr-end Dec (Bt m)	**3Q24**	**4Q24**	**1Q25**	**2Q25**	**3Q25**
Cash & ST investment	7,674	7,346	7,862	6,887	5,801
A/C receivable	1,919	1,593	1,353	1,328	853
Inventory	0	0	0	0	0
Other current assets	1,267	789	791	1,964	1,994
Investment	19,845	21,722	20,829	18,630	19,498
Fixed assets	16,145	15,818	15,632	15,610	16,200
Other assets	14,260	14,724	14,631	15,055	14,892
Total assets	**61,110**	**61,992**	**61,098**	**59,474**	**59,237**
S-T debt	3,887	1,975	2,067	2,621	3,652
A/C payable	1,066	969	1,014	987	1,326
Other current liabilities	313	210	202	223	285
L-T debt	25,613	26,429	7,181	25,015	23,028
Other liabilities	1,237	1,483	20,296	2,213	2,384
Minority interest	215	215	257	256	256
Shareholders' equity	**28,778**	**30,711**	**30,082**	**28,160**	**28,306**
Working capital	853	624	339	341	(474)
Total debt	29,500	28,404	9,248	27,635	26,680
Net debt	**21,826**	**21,058**	**1,386**	**20,748**	**20,879**

Financial Ratios					
(%)	**3Q24**	**4Q24**	**1Q25**	**2Q25**	**3Q25**
Sales growth	(28.1)	(30.1)	(38.8)	(28.0)	(2.2)
Operating profit growth	(39.4)	(45.2)	(71.8)	(42.8)	(2.7)
EBITDA growth	(32.6)	(33.1)	(44.7)	(29.8)	(2.0)
Norm profit growth	(1.3)	667.9	(43.0)	37.2	61.6
Norm EPS growth	(4.2)	667.9	(43.0)	37.2	61.6
Gross margin	52.1	40.5	30.2	32.1	51.1
Operating margin	38.9	23.4	14.6	16.3	38.7
EBITDA margin	73.3	65.1	66.1	64.8	73.4
Norm net margin	39.2	25.3	26.9	17.2	64.8
D/E (x)	1.0	0.9	0.3	1.0	0.9
Net D/E (x)	0.8	0.7	0.0	0.7	0.7
Interest coverage (x)	2.2	1.8	1.6	1.7	2.7
Interest rate	4.6	4.6	6.5	6.5	4.4
Effective tax rate	81.1	(335.9)	(76.6)	(82.5)	125.0
ROA	2.7	1.5	1.3	0.9	4.8
ROE	5.7	3.1	2.6	1.8	10.1

Sources: Company data, Thanachart estimates

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