EDISON

One and one Green Technologies

Volumes and pricing drive margin expansion

FY25 results update

Industrials

15 May 2026

One and one Green Technologies' (YDDL's) FY25 results demonstrate robust operational momentum, characterised by significant volume growth and substantial margin expansion. Despite slightly trimming our near-term earnings estimates, we have raised our margin assumptions post results and continue to see the strategic shift towards higher-value products and new processing lines as a path for sustained earnings growth. With sales volumes continuing to scale and core metal pricing remaining supportive, the investment case is underpinned by the company's unique regulatory position and ability to source high-quality feedstock.

Year end	Revenue ($m)	EBITDA ($m)	PBT ($m)	EPS ($)	P/E (x)
12/24	53.5	9.2	8.4	0.12	32.4
12/25	65.8	12.8	12.1	0.23	17.9
12/26e	86.4	15.2	14.2	0.20	20.2
12/27e	101.7	18.5	17.6	0.25	16.3

Note: PBT and EPS as reported

Strong volume momentum and record profitability

Headline revenue increased 23.1% y-o-y to US$65.8m, while EBITDA grew 39.2% to US$12.8m as the margin improved to 19.5%. This performance was underpinned by a 15.2% increase in sales volumes to 13.2kt, driven primarily by a 37.0% jump in core copper alloy sales to 5.1kt and a 13.2% rise in aluminium alloy sales to 7.9kt. Within core metals, copper contributed 69.5% to revenue against a 39.0% contribution to adjusted volumes, highlighting the successful strategic shift towards higher-value products. Profitability was further bolstered by a 4.2 percentage point expansion in the total gross profit margin to 23.9%, reflecting the normalisation of aluminium alloy margins to 24.0% (FY24: 7.7%) and favourable raw material input costs. These factors resulted in reported EPS climbing 81.0% y-o-y to US$0.23, significantly exceeding our estimate.

Remaining positive on FY26 and beyond

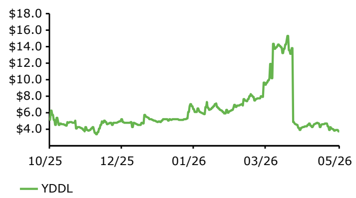
We have updated our model post-FY25 results, slightly trimming our FY26 earnings estimates but raising our margin assumptions. While our base case still reflects some profitability normalisation following exceptionally strong FY25, current robust copper and aluminium pricing suggests our estimates may prove conservative if YDDL continues to secure favourably priced feedstock. We understand that the cost base remains largely insulated from energy price escalation. Management's plan to expand into lithium battery processing within three years to target the EV market represents an attractive potential revenue stream that is not yet factored into our forecasts, alongside the recently announced Luzon tailings recovery venture.

Valuation: Growth potential justifies premium

We maintain our DCF-based valuation at US$8.3 per Class A ordinary share (US $6.8 on a diluted basis), using a 3.5% terminal growth rate (TGR) and an 8% WACC. While YDDL continues to trade at a premium to large-cap diversified peers on near-term valuation metrics, we believe this is justified by its superior earnings growth profile. This is most evident on a PEG ratio basis, where YDDL trades at a visible discount compared to the selected peer average.

Price	**$4.04**
Market cap	**$185m**
Net cash/(debt), FY25 adjusted for April equity raise	$11.6m
Shares in issue, Class A and B shares post April equity raise	56.0m
Code	YDDL
Primary exchange	NASDAQ
Secondary exchange	N/A

Share price performance



%	1m	3m	12m
Abs	(10.4)	(34.8)	
52-week high/low			

Business description

One and one Green Technologies is a waste materials and scrap metal recycling company based in the Philippines, with an annual processing capacity of 300kt and a government issued Hazardous Waste Import and Deep Processing/Smelting Licence. The company processes electronic waste, metal scrap and industrial waste into copper alloy ingots, aluminium scraps and other recycled outputs.

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FY25 results: Strong sales and pricing drive profitability

YDDL reported a positive set of FY25 results, with headline revenue increasing 23.1% y-o-y to US$65.8m and EBITDA margin improving to 19.5% from 17.2% in FY24. The results were driven by a combination of robust volume growth, favourable raw material input costs and a healthy increase in realised prices.

The company achieved a 15.2% increase in total sales volumes to 13.2kt, in line with our estimates, with strong operating performance somewhat masked by a reduction in sales of non-core brass alloy products. On a standalone basis, copper alloy sales jumped 37.0% y-o-y to 5.1kt, while aluminium product sales rose 13.2% to 7.9kt. Consequently, the share of higher value-added copper in the overall product mix increased to 38% from 32% in FY24. While headline revenue expanded 23.1%, top-line growth was somewhat diluted by the reduction in legacy brass alloy and slag sales; excluding these, combined revenue from copper and aluminium alloys surged 34.2% y-o-y to US$64.8m. Within the core metals, copper contributed 69.5% to revenue against a 39.0% contribution to adjusted volumes. With an increasing share of higher value-added products, YDDL saw a 4.2 percentage point expansion in total gross profit margin to 23.9%. Profitability was further supported by favourable raw material input costs and a significant normalisation of aluminium alloy margins, which reached 24.0% in FY25, up from 7.7% in FY24. As can be seen from Exhibit 2, unit cost of sales as a percentage of realised prices remained consistently flat across FY25 for both core product categories.

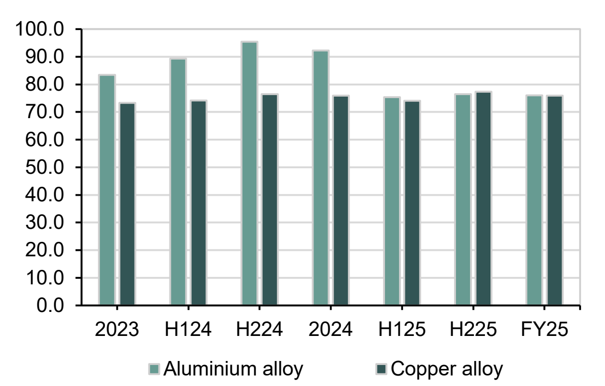
Below the gross profit line, despite a notable increase in SG&A expenses – primarily driven by one-off IPO related listing and executive recruitment costs – EBITDA grew 39.2% to US$12.8m, compared to our estimate of US$13.5m. Reported EPS climbed 81.0% to US$0.23 (Edison estimate US$0.17), supported by positive operating leverage and a reduction in tax expense, resulting in a net profit margin expansion to 18% from 12% in FY24.

Exhibit 1: Summary of FY25 results, US$m

	FY23	FY24	FY25	Change, y-o-y
Aluminium alloy, kt	9.6	7.0	7.9	13.2
Copper alloy, kt	2.3	3.7	5.1	37.0
Brass alloy, kt	0.5	0.7	0.2	(75.9)
Total volumes, kt	**12.4**	**11.5**	**13.2**	**15.2**
Revenue	**41.3**	**53.5**	**65.8**	**23.1**
Gross profit	8.9	10.6	15.8	49.1
Gross margin, %	21.5	19.8	23.9	21.1
EBITDA	**8.2**	**9.2**	**12.8**	**39.2**
EBITDA margin, %	19.8	17.2	19.5	13.1
PBT	7.3	8.4	12.1	44.3
Net profit	5.6	6.5	11.8	82.4
EPS, US$	**0.11**	**0.12**	**0.23**	**81.0**

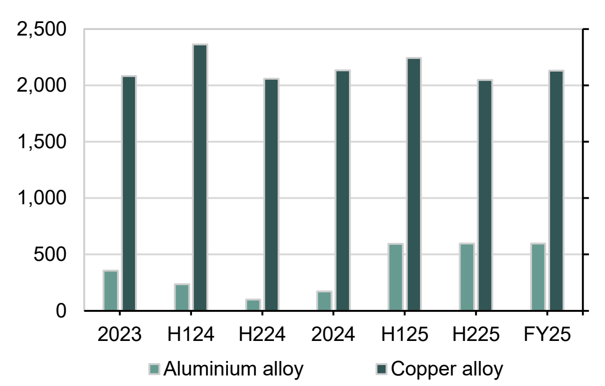
Source: YDDL

Exhibit 2: Unit cost of sales as % of realised price



Source: YDDL

Exhibit 3: Gross profit by product, US$/t



Source: YDDL

The cash flow performance was mixed, with net operating cash outflow of US$9.7m compared to a cash inflow of US$2.0m in FY24. This resulted from unfavourable working capital movements, which saw an increase in the cash conversion cycle from 114 days in FY24 to 188 days, with accounts receivable days increasing while inventory and accounts payable days falling. Taking into account other cash flow movements, YDDL reported a reduction in cash and cash equivalents for the year of US$0.9m to US$1.0m. This was below our prior estimate of US$16.5m, mainly reflecting differences versus our forecast assumptions in the timing of working-capital and other cash movements, as well as the phasing of project investment. Following the April equity raise, FY25 net cash adjusted for the raise was US$11.6m, providing additional liquidity headroom.

Revisions to estimates and valuation

We have slightly recalibrated our model post strong FY25 results, trimming our FY26 earnings estimates while raising our margin assumptions (Exhibit 4). In its results announcement, the company noted potential supply-side disruptions and inflationary pressures stemming from current geopolitical uncertainty. Noting that YDDL's cost base is heavily dominated by raw material inputs, our base case assumption remains that the company is unlikely to be visibly affected by escalating energy costs. We understand that while geopolitical developments have led to higher logistics and energy-related production costs, these items collectively represent a marginal share of the overall cost of sales (less than c 1%), and the total impact on operating costs should therefore be limited and manageable.

While we have upgraded our margin assumptions, we nevertheless remain cautious and continue to factor in some profitability normalisation this year following the exceptionally strong FY25 performance. That said, if the company continues to benefit from attractively sourced raw material feedstock, current strong copper and aluminium pricing coupled with operating leverage suggests that our profitability estimates may prove conservative. In addition, following the higher-than-expected working capital drag in FY25, we have adjusted our modelling to reflect a normalisation in the cash conversion cycle. This has resulted in a downward revision to our net cash position estimate at end FY26.

Overall, we believe YDDL's investment case remains intact, underpinned by its unique regulatory position in the Philippines. Near-term performance should continue to be driven by robust volume growth, supported by the favourable commodity market environment for both copper and aluminium, as well as the ongoing shift towards higher value-added products. During the analyst's call, management highlighted that the company is considering expanding into lithium battery processing to capitalise on the growing electric vehicle market. Should lithium prices continue their sustained recovery in the medium term, this could represent an attractive additional revenue stream for YDDL. However, the required capital expenditure for this potential expansion remains unclear. Consequently, neither lithium battery processing nor the previously announced Luzon tailings recovery venture is currently factored into our estimates.

Exhibit 4: Changes to estimates, US$m

	FY26e new	FY26e old	Change, %	FY27e new
Total sales volumes, kt	15.4	15.1	2.2	18.0
Revenue	86.4	92.9	(7.0)	101.7
Gross profit	18.3	18.3	(0.2)	22.1
- margin, %	21.1	19.7	7.2	21.8
EBITDA	15.2	15.9	(4.6)	18.5
- margin, %	17.5	17.1	2.5	18.2
PBT	14.2	14.8	(3.8)	17.6
EPS, US$	0.20	0.21	(4.8)	0.25

Source: Edison Investment Research

Having updated our estimates and rolled our model forward, we maintain our DCF-based valuation of YDDL at US $8.3 per Class A ordinary share or US$6.8 per Class A and Class B shares, using a 3.5% terminal growth rate and 8% WACC.

Relative to large cap diversified peers, YDDL continues to trade at a premium on all near-term valuation metrics. However, given the company's strong earnings growth profile, it trades at a discount based on a price-to-earnings growth (PEG) ratio of 0.3x vs 0.6x for the selected peer group.

Exhibit 5: YDDL DCF valuation summary, US$'000

Sum of discounted free cash flow	54,002
Terminal growth rate, %	3.5
Terminal value	313,779
Enterprise value	367,781
Less net debt/(cash), including April equity raise	(11,580)
Equity value	379,361
Class A shares, including April equity raise, m	45.8
Value per share, US$	8.3
Class A and B shares, m	56.0
Diluted value per share, US$	6.8

Source: Edison Investment Research

Exhibit 6: YDDL selected peer group valuation

	Mcap, US$m	EV/S		EV/EBITDA		P/E		PEG	
		2026e	2027e	2026e	2027e	2026e	2027e	2026e	2027e
Umicore	4,962	1.5	1.5	6.3	5.9	12.0	10.9	0.7	0.7
Aurubis	9,326	0.4	0.4	9.9	9.2	21.4	18.9	0.8	0.7
Sims Limited	2,787	0.6	0.5	7.5	6.3	18.8	13.5	0.2	0.1
Average		**0.8**	**0.8**	**7.9**	**7.1**	**17.4**	**14.4**	**0.6**	**0.5**

Source: LSEG Data & Analytics

Exhibit 7: Financial summary, US$'000

US$'000	2023	2024	2025	2026e	2027e
Income Statement					
Revenue	41,270	53,464	65,823	86,442	101,697
Cost of sales	(32,388)	(42,893)	(50,062)	(68,181)	(79,571)
Gross profit	**8,882**	**10,571**	**15,761**	**18,261**	**22,126**
Selling and marketing	(476)	(394)	(525)	(618)	(720)
G&A	(1,148)	(2,090)	(3,377)	(3,396)	(3,781)
Operating income	**7,258**	**8,087**	**11,858**	**14,247**	**17,625**
EBITDA	**8,154**	**9,207**	**12,820**	**15,169**	**18,511**
PBT	**7,330**	**8,418**	**12,146**	**14,244**	**17,622**
Tax	(1,763)	(1,942)	(334)	(3,134)	(3,877)
Net profit	**5,567**	**6,477**	**11,812**	**11,111**	**13,745**
EPS, US$	0.11	0.12	0.23	0.20	0.25
Average number of shares, m	52	52	52	56	56
Balance Sheet					
Cash and cash equivalents	136	1,848	957	22,747	31,189
Accounts receivable	2,652	17,402	26,634	26,051	30,648
Inventories	6,241	5,227	7,231	13,076	15,260
Other	978	274	4,131	4,131	4,131
Total current assets	**10,008**	**24,751**	**38,953**	**66,005**	**81,228**
PP&E	12,710	11,293	10,285	9,863	9,477
Other	740	475	6,807	6,807	6,807
Total non-current assets	**13,450**	**11,768**	**17,092**	**16,670**	**16,284**
Accounts payable	475	5,752	1,712	6,538	7,630
Other	7,378	9,925	9,197	9,197	9,197
Total current liabilities	**7,853**	**15,677**	**10,909**	**15,734**	**16,827**
Total non-current liabilities	**549**	**92**	**3,315**	**2,379**	**2,379**
Total Liabilities	**8,401**	**15,769**	**14,224**	**18,113**	**19,206**
Additional paid in capital	392	392	10,220	21,850	21,850
Accumulated income	15,378	21,855	33,667	44,777	58,522
Other	(714)	(1,496)	(2,066)	(2,066)	(2,066)
Total Equity	**15,056**	**20,751**	**41,821**	**64,562**	**78,307**
Total Equity and Liabilities	**23,458**	**36,520**	**56,045**	**82,675**	**97,512**
Cash Flow					
Net income	5,567	6,477	11,812	11,111	13,745
Depreciation and Amortisation	896	1,121	961	922	886
Changes in working capital	(2,373)	(5,553)	(22,492)	(1,372)	(5,689)
Net cash provided by operating activities	**4,061**	**2,010**	**(9,732)**	**10,660**	**8,941**
Net cash used in investing activities	**(3,836)**	**(12)**	**(2,030)**	**(500)**	**(500)**
Net cash used in financing activities	**(18)**	**(258)**	**10,085**	**11,630**	**0**
Forex	(295)	(30)	786	0	0
Net increase in cash and cash equivalents	**(88)**	**1,711**	**(890)**	**21,790**	**8,441**
Beginning cash	225	136	1,848	957	22,747
Closing cash	136	1,848	957	22,747	31,189

Source: YDDL, Edison Investment Research

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