

Time to reload

- 4Q25 a bottom ahead of subsequent rises in net profits, supported by structural improvement for ethanol on cost and pricing outlook
- The soon-to-COD of its 1mlpd SAF plant and structural
- Upgrade to BUY with TP of THB3.1

A soft 4Q25 outcome before sanguine 2026 outlook

We project 4Q25 net profit of THB47m, down from THB94m in 3Q25 and THB68m in 4Q24. Key culprits will be the declining prices of ethanol that likely reached the bottom at THB18/litre in 4Q25 and now recovered meaningfully in 1Q26. High molasse cost is likely to subside going forward while demands remains strong for both ethanol and biodiesel thanks to the captive demands for two refinery plants BCP at Phrakanong and BSRC at Sriracha in Choburi.

Better all-around in 2026

Starting in 1Q26, we think BBGI's net profit growth will accelerate, rising from average THB0.1b a quarter in 2025 to THB150m in 2026, driven by 1) the higher margins of ethanol (THB1.0/litre+) on the back of significant drop in molasse cost by THB1k/t; 2) recovering biodiesel price on the higher CPO price as Indonesia now implements B50 fuel policy that causes tightening supply and cut CPO exports; and 3) the startup of 1mlpd Sustainable Aviation Fuel (SAF) by 2Q26.

Ethanol outlook improves on lower cost and high selling price

Ethanol unit is projected to see significant improvement y-y, premised on 1) the higher margins of ethanol (THB1.0/litre+) on the back of significant drop in molasse cost from average THB4k-5k/t in 2025 to THB3k-4k/t in 2026. The THB1k/t cost drop will translate into THB4/litre cost drop for BBGI's ethanol; 2) the sustained high price at THB20/litre thanks to the high cost of cassava-based ethanol that should enable the molasse-based ethanol to enjoy sustained THB1-2/litre net margin.

SAF to start generating profit, finally

After one year delay, BBGI's 20%-owned 1mlpd SAF production plant is now poised to start production within 2Q26. The THB8.5b plant is now projected to generate annual net profit THB0.20b-0.50b, based on THB4.0/litre net profit, which we think is a conservative assumption based on current margin of over THB10/litre margin vs ours at THB4/litre.

Upgrade to BUY with TP of THB3.1

We upgrade BBGI from HOLD to BUY and retain our SoTP TP of THB3.1. We think it is now a turning point to BBGI's share price to turn around and rerate from its bottom at THB2.66 to our TP, driven by the improving outlook for the net profits from BBGI's existing businesses of biofuels (ethanol and biodiesel) on lower raw material costs, favorable selling price environment, and the new venture of SAF whose demand is now standing firm with the mandates of SAF blending in Thailand and other countries.

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ESG Rating : AAA

CG Rating : ▲▲▲▲▲

BUY (from HOLD)

Target Price 12M (THB)	3.10
VS. BB Consensus TP (%)	-18.4%
Share Price (THB)	2.68
Upside/Downside	+15.7%

Share Data

Market Cap (THB m)	3,875.28
Par (THB)	2.50
Free Float (%)	24.66
Issued shares (m shares)	1,446

Financial forecast

YE Dec (THB m)	2024	2025E	2026E	2027E
Revenue	22,192	17,610	17,298	17,599
Net profit	215	230	609	1,394
Core net profit	215	230	609	1,394
vs Consensus (%)		(34.6)	(17.9)	49.8
Net profit growth (%)	2,080.1	6.8	164.9	129.1
Core net profit growth (%)	2,080.1	6.8	164.9	129.1
EPS (THB)	0.15	0.16	0.42	0.96
Core EPS (THB)	0.15	0.16	0.42	0.96
Chg from previous (%)		0.00	0.00	0.00
DPS (THB)	0.05	0.06	0.17	0.39
P/E (x)	28.10	16.87	6.37	2.78
P/BV (x)	0.65	0.41	0.39	0.35
ROE (%)	2.30	2.45	6.26	13.21
Dividend yield (%)	1.20	2.37	6.28	14.39

Source: Financial Statement and Globlex securities

Share Price Performance (%)

	1M	3M	6M	YTD
Stock	(6.29)	(9.46)	(12.42)	(4.29)
Market	(7.39)	(8.33)	(20.52)	(5.48)
12M High/Low (THB)				4.74 / 2.64



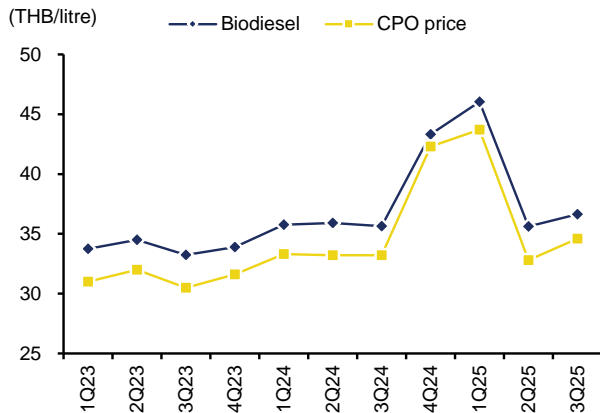
Major Shareholders (%) as of 4 Mar 2025

Bangchak Corporation Pcl.	45.00
Khon Kaen Sugar Industry Pcl	30.00
Sansiri	1.03

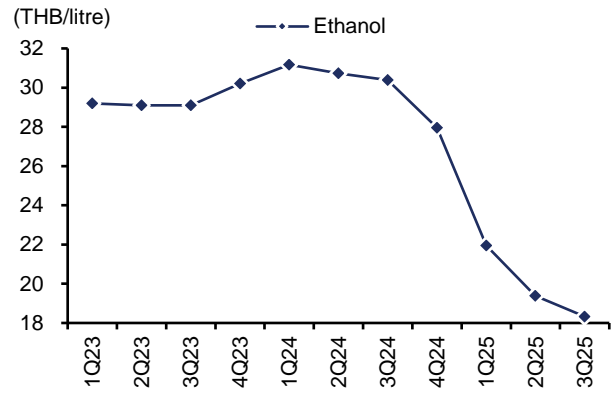
Company Profile

The company performed through Holding Company within 1) the business of Biofuel including Ethanol, Biodiesel, and 2) High Value Bio-Based Products in Health and Well-Being which utilizing advanced technology.

Source: SETSMART, SET

Exhibit 1: Biodiesel and CPO price

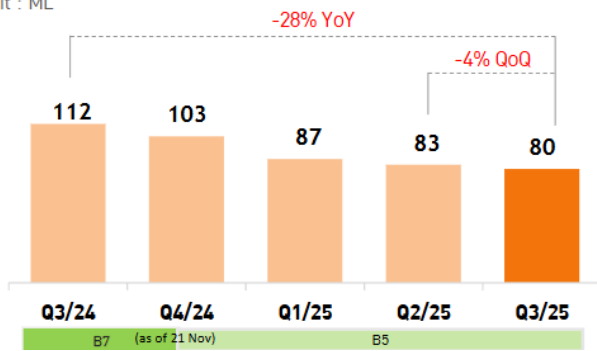
Sources: BBGI; Globlex Research

Exhibit 2: Ethanol price

Sources: BBGI; Globlex Research

Exhibit 3: Biodiesel sales volume

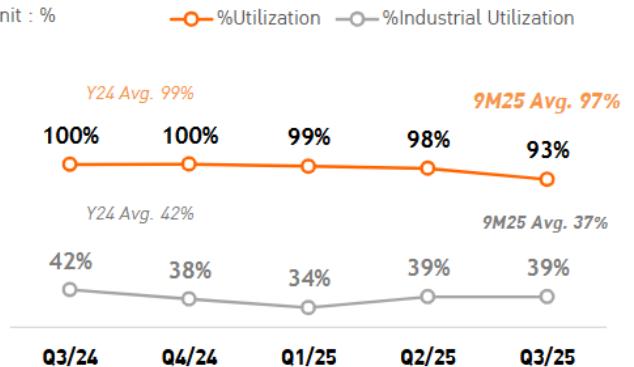
Unit : ML



Sources: BBGI

Exhibit 4: Biodiesel utilisation rate vs industrial

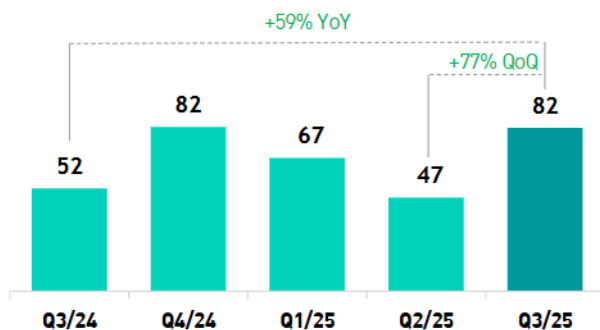
Unit : %



Sources: BBGI

Exhibit 5: Ethanol sales volume

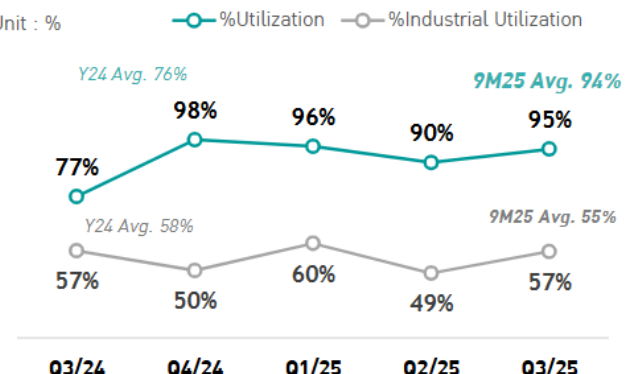
Unit : ML



Sources: BBGI

Exhibit 6: Ethanol utilisation rate vs industrial

Unit : %



Sources: BBGI

Balance sheet (THB m)					
Year ending Dec	2023	2024	2025E	2026E	2027E
Current assets					
Cash & ST investment	2,260	547	102	771	2,063
Account receivable	1,204	1,847	2,200	2,373	2,549
Inventories	1,090	1,074	815	822	793
Others	386	799	634	623	633
Non-current assets					
Net fixed assets	5,829	5,707	6,105	5,803	5,500
Others	2,866	3,755	3,755	3,755	3,755
Total Assets	13,635	13,728	13,611	14,146	15,293

Current liabilities					
Account payable	857	907	689	695	670
ST borrowing	1,812	1,889	1,001	1,002	1,002
Others	197	349	277	272	276
Long-term liabilities					
Long-term debts	696	1,124	2,000	2,000	2,000
Others	137	99	99	99	99
Total liabilities	3,699	4,368	4,066	4,068	4,048
Pai-up capital	3,615	3,615	3,615	3,615	3,615
Retained earnings	1,887	2,028	2,186	2,702	3,853
Others	3,895	3,660	3,660	3,660	3,660
Minority interest	539	57	85	101	117
Shareholders' equity	9,937	9,360	9,545	10,078	11,246

Key ratios					
Year ending Dec	2023	2024	2025E	2026E	2027E
Growth (%YoY)					
Sales	2.9	61.3	(20.6)	(1.8)	1.7
Operating profit	(2.7)	46.2	45.1	(30.0)	104.4
EBITDA	(2.7)	46.2	45.1	(30.0)	104.4
Net profit	(51.7)	2,080.1	6.8	164.9	129.1
Core net profit	(51.7)	2,080.1	6.8	164.9	129.1
EPS	(51.7)	2,080.1	6.8	164.9	129.1
Core EPS	(51.7)	2,080.1	6.8	164.9	129.1
Profitability (%)					
Gross margin	6.6	5.7	9.8	7.3	12.2
Operation margin	4.1	3.7	6.8	4.8	9.7
EBITDA margin	4.1	3.7	6.8	4.8	9.7
Net margin	0.1	1.0	1.3	3.5	7.9
ROE	0.1	2.3	2.4	6.3	13.2
ROA	1.3	3.0	2.6	5.2	10.3
Stability					
Interest bearing debt/equity (x)	0.3	0.3	0.3	0.3	0.3
Net debt/equity (x)	0.0	0.3	0.3	0.2	0.1
Interest coverage (x)	1.2	4.4	5.9	2.3	11.1
Interest & ST debt coverage (x)	0.0	0.2	0.5	0.2	1.0
Cash flow interest coverage (x)	0.5	(0.0)	0.2	0.3	0.4
Current ratio (x)	1.7	1.4	1.9	2.3	3.1
Quick ratio (x)	1.2	0.8	1.2	1.6	2.4
Net debt (THB m)	248	2,467	2,899	2,231	939
Activity					
Asset turnover (X)	1.0	1.6	1.3	1.2	1.2
Days receivables	28.0	25.1	41.9	48.2	51.0
Days inventory	28.2	18.9	21.7	18.6	19.1
Days payable	23.1	15.4	18.3	15.7	16.1
Cash cycle days	33.1	28.6	45.3	51.1	54.0

Profit & loss (THB m)					
Year ending Dec	2023	2024	2025E	2026E	2027E
Revenue					
Revenue	13,757	22,192	17,610	17,298	17,599
Cost of goods sold	(12,847)	(20,929)	(15,891)	(16,032)	(15,456)
Gross profit	910	1,262	1,718	1,266	2,142
Operating expenses	(349)	(442)	(528)	(432)	(440)
Operating profit	561	820	1,190	833	1,702
EBIT	92	341	588	231	1,100
Depreciation	(469)	(479)	(602)	(602)	(602)
EBITDA	561	820	1,190	833	1,702
Non-operating income					
Other incomes	117	91	50	54	54
Other non-op income	0	12	0	0	0
Non-operating expense	(78)	(78)	(99)	(99)	(99)
Interest expense	(78)	(78)	(99)	(99)	(99)
Other non-op expense	0	0	0	0	0
Equity income/(loss)	(11)	(12)	(171)	506	511
Pre-tax Profit	120	354	368	691	1,566
Extraordinary items	0	0	0	0	0
Current taxation	(20)	(18)	(110)	(67)	(155)
Minorities	(91)	(121)	(28)	(16)	(17)
Net Profit	10	215	230	609	1,394
Core net profit	10	215	230	609	1,394
EPS (THB)	0.01	0.15	0.16	0.42	0.96
Core EPS (THB)	0.01	0.15	0.16	0.42	0.96

Cash flow (THB m)					
Year ending Dec	2023	2024	2025E	2026E	2027E
Operating cash flow					
Net profit	10	215	230	609	1,394
Depre. & amortization	469	479	602	602	602
Change in working capital	1,284	(838)	(219)	(168)	(178)
Others	0	0	0	0	0
Investment cash flow	567	554	240	587	1,456
Net CAPEX	(442)	(465)	(602)	(602)	(602)
Change in LT investment	1,009	1,019	842	1,189	2,059
Change in other assets	0	0	0	0	0
Free cash flow	2,330	410	853	1,630	3,275
Financing cash flow					
Change in share capital	0	0	0	0	0
Net change in debt	(482)	(505)	12	(1)	0
Dividend paid	(723)	(434)	(145)	(184)	(487)
Others	(279)	(1,185)	(1,165)	(777)	(1,496)
Net cash flow	846	(1,714)	(444)	668	1,292
Per share (THB)					
EPS	0.01	0.15	0.16	0.42	0.96
Core EPS	0.01	0.15	0.16	0.42	0.96
CFPS	0.39	0.56	0.59	0.85	1.39
BVPS	6.50	6.43	6.54	6.90	7.70
Sales/share	9.51	15.35	12.18	11.96	12.17
EBITDA/share	0.39	0.57	0.82	0.58	1.18
DPS	0.05	0.05	0.06	0.17	0.39
Valuation					
P/E (x)	609.8	28.1	16.9	6.4	2.8
P/BV (x)	0.64	0.65	0.41	0.39	0.35
Dividend yield (%)	1.20	1.20	2.37	6.28	14.39
Dividend payout ratio (%)	732.88	33.62	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.