BBGI (BBGI TB)

THAILAND / SET / ENERGY & UTILITIES

Globlex Securities Co., Ltd.

5 March 2026

New growth cycle begins with SAF

- Solid 4Q25 net profit indicated BBGI's improving business model
- SAF's operation start-up in June 2026 will kick off BBGI's new growth cycle
- Maintain BUY and lifted TP to THB4.0

Solid 4Q25 was a beginning of growth trajectory

BBGI reported a 4Q25 net profit of THB100m, up 7% q-q and 45% y-y. Key points are 1) lower sales volumes for ethanol to 65ml (-21% y-y, -21% q-q) and lower sales volume for biodiesel; 2) the y-y lower selling price for both ethanol and biodiesel due to the changes in feedstock costs; 3) lower EBITDA to THB230m, down 17% q-q but up 12% y-y on lower feedstock costs particularly molasses as higher sugarcane production lifted supply.

Weak demands and selling prices

Biodiesel business saw stronger demands at 84ml (+5% q-q, -19% y-y) sales volume on higher utilization rate to 100% as demand for B100 improved. CPO price flattened q-q at THB35/kg, supporting B100 price at THB37.1/l (+1% q-q, -15% y-y). Ethanol demand stayed weak at 65ml (-21% q-q, -21% y-y) but ethanol price rose to THB20/l (+8% q-q, -29% y-y) on a high tapioca price.

2026 is the beginning of the new growth cycle

In 2026, we project net profit to rise substantially by 118% y-y, supported by the improving sales volumes and margins for ethanol and biodiesel and the net profit contribution from the 20%-owned, 1mlpd Sustainable Aviation Fuel (SAF) plant, scheduled to COD in June 2026. The improving margins for ethanol will come from the drop in molasse cost while the rising margin for biodiesel will derive from the weaker CPO price.

SAF emerges to be the key growth engine in 2026 onwards

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.

Maintain BUY and lifted TP to THB4.0

We maintain BUY and lifted our SoTP TP from THB3.1 to THB4.0 to reflect our revisions in EPS forecasts. We think it is now a turning point to BBGI's share price to turn around, 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.

Analyst

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ESG Rating : AAA

CG Rating :

BUY

Target Price 12M (THB)	**4.00**
VS. BB Consensus TP (%)	+23.1%
Share Price (THB)	3.16
Upside/Downside	+26.6%

Share Data

Market Cap (THB m)	4,569.36
Par (THB)	2.50
Free Float (%)	24.66
Issued shares (m shares)	1,446

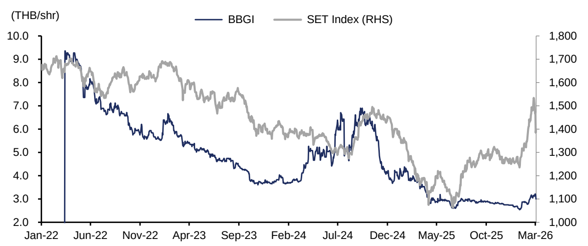
Financial forecast

YE Dec (THB m)	2025	2026E	2027E	2028E
Revenue	17,834	17,298	17,599	17,599
Net profit	283	616	895	1,031
Core net profit	283	616	895	1,031
vs Consensus (%)		(33.1)	na	na
Net profit growth (%)	31.4	117.8	45.3	15.2
Core net profit growth (%)	31.4	117.8	45.3	15.2
EPS (THB)	0.20	0.43	0.62	0.71
Core EPS (THB)	0.20	0.43	0.62	0.71
Chg from previous (%)		1.19	(35.81)	na
DPS (THB)	0.05	0.17	0.25	0.29
P/E (x)	14.32	7.42	5.11	4.43
P/BV (x)	0.44	0.46	0.44	0.41
ROE (%)	3.04	6.44	8.81	9.53
Dividend yield (%)	1.79	5.39	7.83	9.03

Source: Financial Statement and Globlex securities

Share Price Performance (%)

	1M	3M	6M	YTD
Stock	6.76	9.72	6.04	12.86
Market	3.82	0.94	(4.07)	2.67
12M High/Low (THB)				4.02 / 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: Summary of 4Q25/2025 operations

	4Q24 (THB m)	3Q25 (THB m)	---------------- 4Q25 (THB m)	(q-q%)	------------------ (y-y%)	2024 (THB m)	2025 (THB m)	chg. (y-y%)
Revenue	**6,659**	**4,363**	**4,295**	***(1.6)***	***(35.5)***	**22,192**	**17,834**	***24.4***
Operating costs	(6,454)	(4,085)	(4,065)	*(0.5)*	*(37.0)*	(21,371)	(16,971)	*25.9*
EBITDA	**205**	**278**	**230**	***(17.4)***	***12.1***	**820**	**863**	***(5.0)***
EBITDA margin (%)	3.1	6.4	5.4	*nm*	*nm*	3.7	4.8	*nm*
Depn & amort.	(119)	(118)	(118)	*(0.5)*	*(1.5)*	(479)	(469)	*2.1*
EBIT	86	160	112	*(29.9)*	*31.2*	341	394	*(13.5)*
Interest expense	(19)	(17)	(14)	*(19.3)*	*(27.2)*	(78)	(69)	*12.5*
Interest & invt inc	-	-	-	*nm*	*nm*	-	-	*nm*
Other income	55	6	17	*169.0*	*(69.5)*	103	39	*166.7*
Associates' contrib	(5)	(15)	7	*nm*	*nm*	(12)	(17)	*nm*
Exceptionals	4	-	(11)	*nm*	*(380.3)*	-	-	*nm*
Pretax profit	**120**	**134**	**110**	***(17.8)***	***(8.3)***	**354**	**346**	***2.3***
Tax	1	(41)	(11)	*(74.0)*	*(822.8)*	(18)	(66)	*(72.4)*
Tax rate (%)	(1.2)	30.5	9.6	*nm*	*nm*	5.1	19.0	*nm*
Minority interests	(54)	1	1	*nm*	*nm*	(121)	2	*nm*
Net profit	**68**	**94**	**100**	***6.9***	***47.6***	**215**	**283**	***(23.9)***
Core net profit	**64**	**94**	**111**	***18.0***	***73.4***	**215**	**283**	***(23.9)***
EPS (THB)	0.05	0.06	0.07	*6.9*	*47.6*	0.15	0.20	*(23.9)*
Core EPS (THB)	0.04	0.06	0.08	*18.0*	*73.4*	0.15	0.20	*(23.9)*

Sources: BBGI; Globlex Research

Exhibit 2: 4Q25/2025 key performance

	4Q24	3Q25	4Q25	(q-q%)	(y-y%)	2024	2025	(y-y%)
Sales volume (m litres)								
Ethanol	82	82	65	(21.2)	(21.4)	200	260	30.1
Biodiesel	103	80	84	5.0	(18.5)	451	334	(25.9)
Average reference price (THB/litre)								
Ethanol	28	18	20	8.0	(29.2)	29.9	19.9	(33.5)
Biodiesel	43	37	37	1.1	(14.5)	38.1	38.9	2.0

Sources: BBGI; Globlex Research

Exhibit 3: Key changes in EPS forecasts and assumptions

THB m	------------ Current	------------		------------- Previous	------------		------------- *Change (%)*	------------	
	2026E	2027E	2028E	*2026E*	*2027E*	*2028E*	*2026E*	*2027E*	*2028E*
Revenue	17,298	17,599	17,599	17,298	17,599	17,599	*0.0*	*0.0*	*0.0*
Gross profit	1,670	1,860	1,860	1,266	2,142	1,860	*31.9*	*(13.2)*	*0.0*
Operating profit	1,237	1,420	1,420	833	1,702	1,420	*48.5*	*(16.6)*	*0.0*
Net profit	616	895	1,031	609	1,394	1,031	*1.2*	*(35.8)*	*0.0*
EPS (THB/shar)	0.4	0.6	0.7	0.4	1.0	0.7	*1.2*	*(35.8)*	*0.0*
Key assumptions									
Selling Price - ME (THB/litre)	35.0	36.0	36.0	35.0	36.0	36.0	*0.0*	*0.0*	*0.0*
Cost of Feedstock - CPO (THB/kg)	33.0	33.0	33.0	33.0	32.0	33.0	*0.0*	*3.1*	*0.0*
Ethanol price - Fuel (THB/litre)	22.0	22.0	22.0	21.0	22.0	22.0	*4.8*	*0.0*	*0.0*
Cost of Feedstock - Molasses (THB/kg)	4.0	4.0	4.0	4.0	4.0	4.0	*0.0*	*0.0*	*0.0*
Utilisation - Biodiesel (%)	95	95	95	95	95	95	*0.0*	*0.0*	*0.0*
Utilisation - Ethanol(%)	90	90	90	90	90	90	*0.0*	*0.0*	*0.0*

Sources: BBGI; Globlex Research

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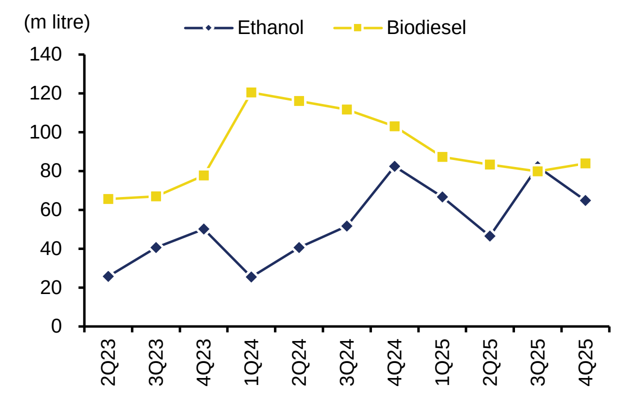
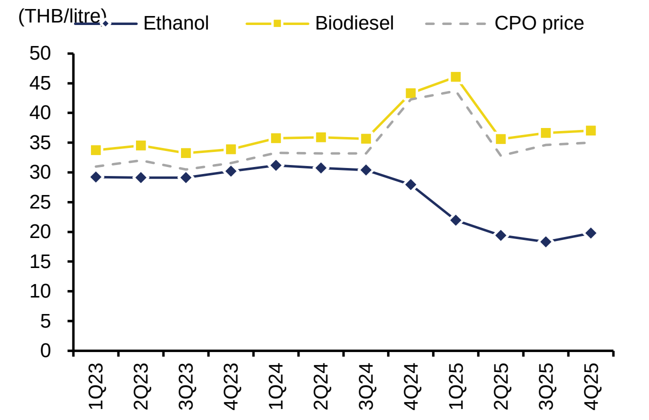
Exhibit 4: Sales volume



Sources: BBGI; Globlex Research

Exhibit 5: Average selling prices



Sources: BBGI; Globlex Research

Exhibit 6: SoTP valuation

Cost of equity assumptions (%)					**Cost of debt assumptions (%)**	
Risk free rate		2.3			Pretax cost of debt	2.8
Market risk premium		8.5			Marginal tax rate	.
Stock beta		1.50				
DCF assumptions						
Cost of equity, Ke		11.6			Net cost of debt, Kd	2.2
Weight applied		30.0			Weight applied	70.0
WACC (%)		5.1				
SOP valuation estimate	**% holding**	**THB m**	**P/E (x)**	**THB/share**	**Valuation methodology**	
Biodiesel (BBF1)	100.0	422	8.0	0.3	FY26E 7x P/E, an industry peers' average	
Biodiesel (BBF2)	100.0	904	8.0	0.6	FY26E 7x P/E, an industry peers' average	
Refined Glycerin	100.0	382	8.0	0.3	FY26E 7x P/E, an industry peers' average	
Total biodiesel value		1,708		1.2		
Ethanol (KGI - Bo Ploy)	100.0	1,038	8.0	0.7	FY26E 7x P/E, an industry peers' average	
Ethanol (KGI - Nam Phong)	100.0	2,303	8.0	1.6	FY26E 7x P/E, an industry peers' average	
Ethanol (BBE)	85.0	329	8.0	0.2	FY26E 7x P/E, an industry peers' average	
Total ethanol value		3,669		2.5		
SAF	20.0	1,622		1.1	DCF	
BBFB CDMO	75.0	330		0.2	DCF	
Total HVP value		1,951		1.3		
Investment in UBE	12.5	0		0.0	At THB1.0/share value	
Net debt		(1,407)		(1.0)	FY26E net debt	
Minorities		(71)		(0.0)	FY26E minority interest	
Residual ordinary equity		**5,850**		**4.0**		

Sources: BBGI; Globlex Research

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Balance sheet (THB m) Year ending Dec	2024	2025	2026E	2027E	2028E
Current assets					
Cash & ST investment	547	401	1,595	2,379	3,195
Account receivable	1,847	1,154	1,327	1,503	1,679
Inventories	1,074	983	930	936	936
Others	799	918	891	906	906
Non-current assets					
Net fixed assets	5,707	5,409	5,527	5,225	4,922
Others	3,755	3,815	3,815	3,815	3,815
Total Assets	**13,728**	**12,682**	**14,085**	**14,764**	**15,455**
Current liabilities					
Account payable	907	458	433	436	436
ST borrowing	1,889	1,279	1,002	1,002	1,002
Others	349	666	645	657	657
Long-term liabilities					
Long-term debts	1,124	835	2,000	2,000	2,000
Others	99	102	102	102	102
Total liabilities	**4,368**	**3,339**	**4,182**	**4,197**	**4,197**
Pai-up capital	3,615	3,615	3,615	3,615	3,615
Retained earnings	2,028	2,169	2,712	3,361	4,034
Others	3,660	3,504	3,504	3,504	3,504
Minority interest	57	55	71	88	105
Shareholders' equity	**9,360**	**9,343**	**9,902**	**10,568**	**11,258**

Profit & loss (THB m) Year ending Dec	2024	2025	2026E	2027E	2028E
Revenue	**22,192**	**17,834**	**17,298**	**17,599**	**17,599**
Cost of goods sold	(20,929)	(16,522)	(15,628)	(15,738)	(15,738)
Gross profit	**1,262**	**1,313**	**1,670**	**1,860**	**1,860**
Operating expenses	(442)	(449)	(432)	(440)	(440)
Operating profit	**820**	**863**	**1,237**	**1,420**	**1,420**
EBIT	**341**	**394**	**635**	**818**	**818**
Depreciation	(479)	(469)	(602)	(602)	(602)
EBITDA	**820**	**863**	**1,237**	**1,420**	**1,420**
Non-operating income	**103**	**39**	**54**	**54**	**54**
Other incomes	91	39	54	54	54
Other non-op income	12	0	0	0	0
Non-operating expense	**(78)**	**(69)**	**(88)**	**(99)**	**(99)**
Interest expense	(78)	(69)	(88)	(99)	(99)
Other non-op expense	0	0	0	0	0
Equity income/(loss)	(12)	(17)	138	265	403
Pre-tax Profit	**354**	**346**	**739**	**1,038**	**1,176**
Extraordinary items	0	0	0	0	0
Current taxation	(18)	(66)	(107)	(126)	(127)
Minorities	(121)	2	(16)	(17)	(17)
Net Profit	**215**	**283**	**616**	**895**	**1,031**
Core net profit	**215**	**283**	**616**	**895**	**1,031**
EPS (THB)	**0.15**	**0.20**	**0.43**	**0.62**	**0.71**
Core EPS (THB)	**0.15**	**0.20**	**0.43**	**0.62**	**0.71**

Key ratios Year ending Dec	2024	2025	2026E	2027E	2028E
Growth (%YoY)					
Sales	61.3	(19.6)	(3.0)	1.7	0.0
Operating profit	46.2	5.3	43.3	14.8	0.0
EBITDA	46.2	5.3	43.3	14.8	0.0
Net profit	2,080.1	31.4	117.8	45.3	15.2
Core net profit	2,080.1	31.4	117.8	45.3	15.2
EPS	2,080.1	31.4	117.8	45.3	15.2
Core EPS	2,080.1	31.4	117.8	45.3	15.2
Profitability (%)					
Gross margin	5.7	7.4	9.7	10.6	10.6
Operation margin	3.7	4.8	7.2	8.1	8.1
EBITDA margin	3.7	4.8	7.2	8.1	8.1
Net margin	1.0	1.6	3.6	5.1	5.9
ROE	2.3	3.0	6.4	8.8	9.5
ROA	3.0	2.6	5.3	7.0	7.6
Stability					
Interest bearing debt/equity (x)	0.3	0.2	0.3	0.3	0.3
Net debt/equity (x)	0.3	0.2	0.1	0.1	n.a.
Interest coverage (x)	4.4	5.7	7.3	8.2	8.2
Interest & ST debt coverage (x)	0.2	0.3	0.6	0.7	0.7
Cash flow interest coverage (x)	(0.0)	0.4	0.3	0.3	0.3
Current ratio (x)	1.4	1.4	2.3	2.7	3.2
Quick ratio (x)	0.8	0.6	1.4	1.9	2.3
Net debt (THB m)	2,467	1,713	1,407	623	(193)
Activity					
Asset turnover (X)	1.6	1.3	1.3	1.2	1.2
Days receivables	25.1	30.7	26.2	29.4	33.0
Days inventory	18.9	22.7	22.3	21.6	21.7
Days payable	15.4	15.1	10.4	10.1	10.1
Cash cycle days	28.6	38.4	38.1	40.9	44.6

Cash flow (THB m) Year ending Dec	2024	2025	2026E	2027E	2028E
Operating cash flow	**(144)**	**1,284**	**1,081**	**1,313**	**1,458**
Net profit	215	283	616	895	1,031
Depre.& amortization	479	469	602	602	602
Change in working capital	(838)	532	(137)	(184)	(176)
Others	0	0	0	0	0
Investment cash flow	**554**	**730**	**572**	**1,174**	**1,174**
Net CAPEX	(442)	(442)	(602)	(602)	(602)
Change in LT investment	996	1,172	1,174	1,777	1,777
Change in other assets	0	0	0	0	0
Free cash flow	**410**	**2,014**	**1,653**	**2,488**	**2,632**
Financing cash flow	**(2,124)**	**(2,159)**	**(459)**	**(1,704)**	**(1,815)**
Change in share capital	0	0	0	0	0
Net change in debt	(505)	899	(888)	0	0
Divident paid	(434)	(434)	(145)	(493)	(716)
Others	(1,185)	(2,625)	573	(1,211)	(1,099)
Net cash flow	**(1,714)**	**(145)**	**1,193**	**784**	**817**
Per share (THB)					
EPS	0.15	0.20	0.43	0.62	0.71
Core EPS	0.15	0.20	0.43	0.62	0.71
CFPS	0.56	0.52	0.85	1.05	1.14
BVPS	6.43	6.42	6.80	7.25	7.71
Sales/share	15.35	12.33	11.96	12.17	12.17
EBITDA/share	0.57	0.60	0.86	0.98	0.98
DPS	0.05	0.05	0.17	0.25	0.29
Valuation					
P/E (x)	28.1	14.3	7.4	5.1	4.4
P/BV (x)	0.65	0.44	0.46	0.44	0.41
Dividend yield (%)	1.20	1.79	5.39	7.83	9.03
Divdend payout ratio (%)	33.62	25.58	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 (target price* - current price) / 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.