

Flying high on fueled by biofuel and SAF

- Upsides on surging demands and margins for ethanol and B100
- SAF price hikes further strengthen BBGI's profitability and margins
- Maintain BUY and lifted SoTP TP to THB5.80

Surging, windfall demand hikes for biofuels

BBGI's share price and other Thai producers of biofuels (ethanol, B100) have been surging greatly in the past 10 days, led by BBGI (+43%) and UBE (+80%), thanks to Thai government's policy to raise the blending of biodiesel from B5 (5% B100+95% diesel) to B7, effective from 14 Mar to 13 Jun-26. In addition, the government also promote the consumptions of gasohol E20 (20% ethanol+80% gasoline) and E85 by keeping the pE20 gasohol price lower than gasohol 91 by THB5/litre.

A winner on U.S.-Iran war

We believe the twin policies of Thai government to promote two biofuels – B100 and ethanol – will have far-reaching impacts to the profitability of Thai biofuel producers, particularly BBGI, as higher demands from B5 to B7 and E10 to E20/E85 are estimated to increase by 30-50%, based on our estimate.

Already a winner on BCP-ESSO merger

As one of Thailand's largest producers with total capacity of 1.8mlpd. BBGI has already gained significant benefits from its parent BCP's acquisition of ESSO (Thailand), now BSRC and already delisted under BCP, as demands for ethanol and B100 from former ESSO's retail oil stations have effectively and consistently filled up productions of BBGI's ethanol (1mlpd capacity) and B100 (0.85mlpd).

Upsides on SAF is looming large

On top of the surging demands and margins of ethanol and B100, we see BBGI's 20%-owned Sustainable Aviation Fuel (SAF), 1mlpd soon-to-COD production plant (by Jun-26) as the most significant growth driver for BBGI's net profit in 2026 onwards. We project net profit contributions from SAF at THB138m in 2026 (2H26 COD), rising to THB265m in 2027 and THB403m in 2028. However, in 2026, we see more earnings upside to BBGI as the prices of jet fuel and SAF have shot up markedly in tandem with the surging crude oil prices since 1 March, triggered by the supply disruptions in the Middle East.

Maintain BUY at SoTP TP of THB5.80

We maintain BUY and lifted our SoTP TP from of THB4.0 to THB5.8 as we raised our forward P/Es for ethanol and B100 units from 8x to 11-12x to incorporate the recent surges in margins and demands as well as for SAF price hike. We now think BBGI is one of Thailand's clear winners on the U.S./Israel-Iran war that could prolong the enforcements of higher blending of biofuels even after the end of war due to the national energy security and the government's popularity on higher agricultural products of cassava, sugar cane, and palm.

Analyst

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ESG Rating : AAA

CG Rating : ▲▲▲▲▲

BUY

Target Price 12M (THB)	5.80
VS. BB Consensus TP (%)	+22.9%
Share Price (THB)	4.16
Upside/Downside	+39.4%

Share Data

Market Cap (THB m)	6,015.36
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 (%)		(23.6)	(13.2)	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	9.77	6.72	5.83
P/BV (x)	0.44	0.61	0.57	0.54
ROE (%)	3.04	6.44	8.81	9.53
Dividend yield (%)	1.79	4.09	5.95	6.86

Source: Financial Statement and Globlex securities

Share Price Performance (%)

	1M	3M	6M	YTD
Stock	26.06	48.57	36.84	48.57
Market	33.99	29.66	21.27	29.70
12M High/Low (THB)				4.42 / 2.64



Major Shareholders (%) as of 5 Mar 2026

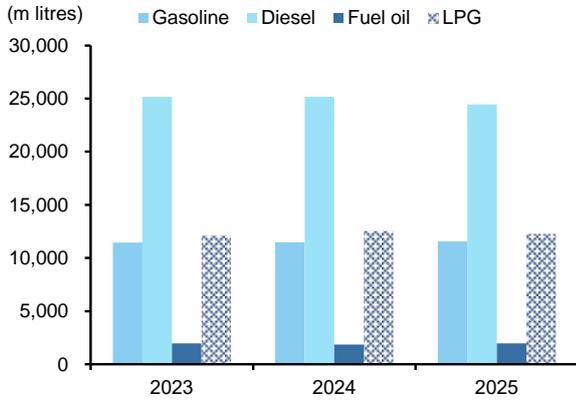
Bangchak Corporation Pcl.	45.00
Khon Kaen Sugar Industry Pcl	30.00

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.

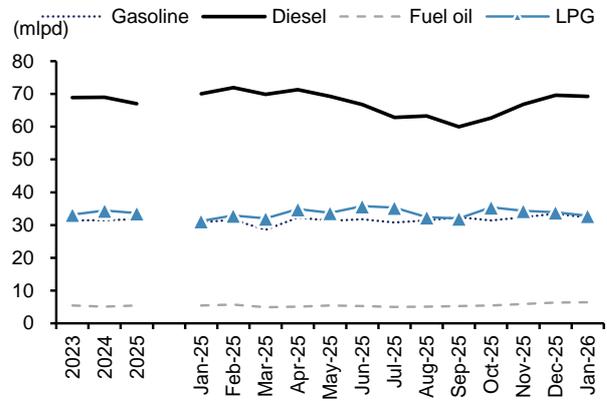
Source: SETSMART, SET

Exhibit 1: Thailand's fuel consumptions



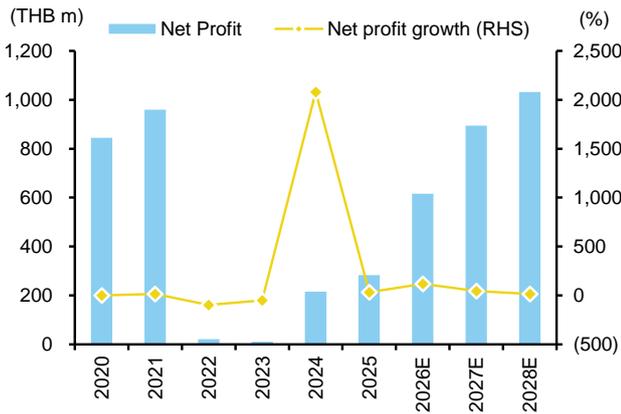
Sources: Department of Energy Business (DOEB)

Exhibit 2: Thailand's monthly fuel consumptions



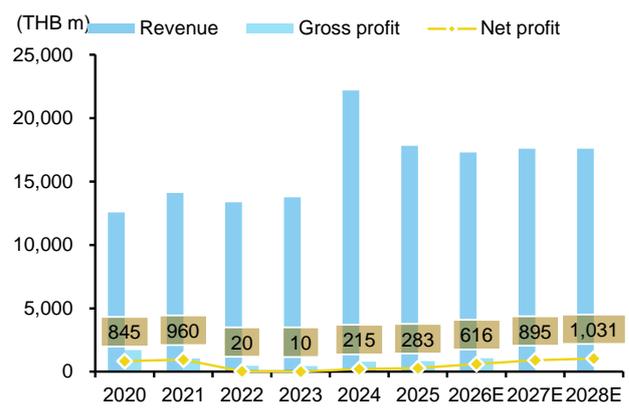
Sources: Department of Energy Business (DOEB)

Exhibit 3: Net profit vs net profit growth



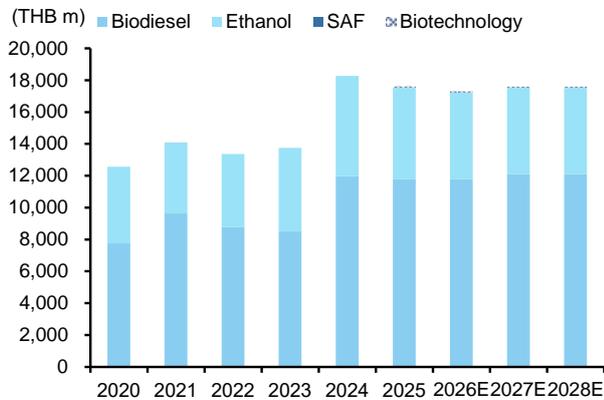
Sources: BBGI; Globlex Research

Exhibit 4: Revenue, gross profit, net profit



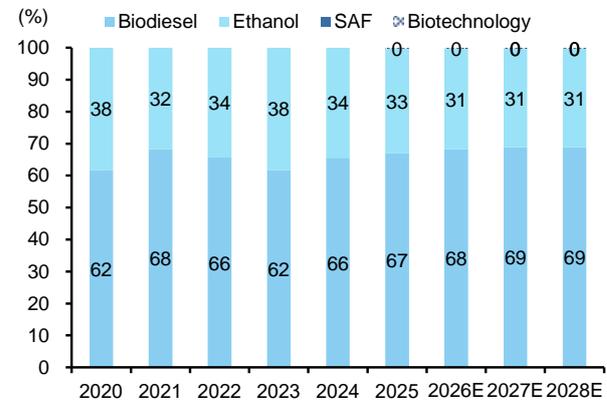
Sources: BBGI; Globlex Research

Exhibit 5: Revenue breakdown by products



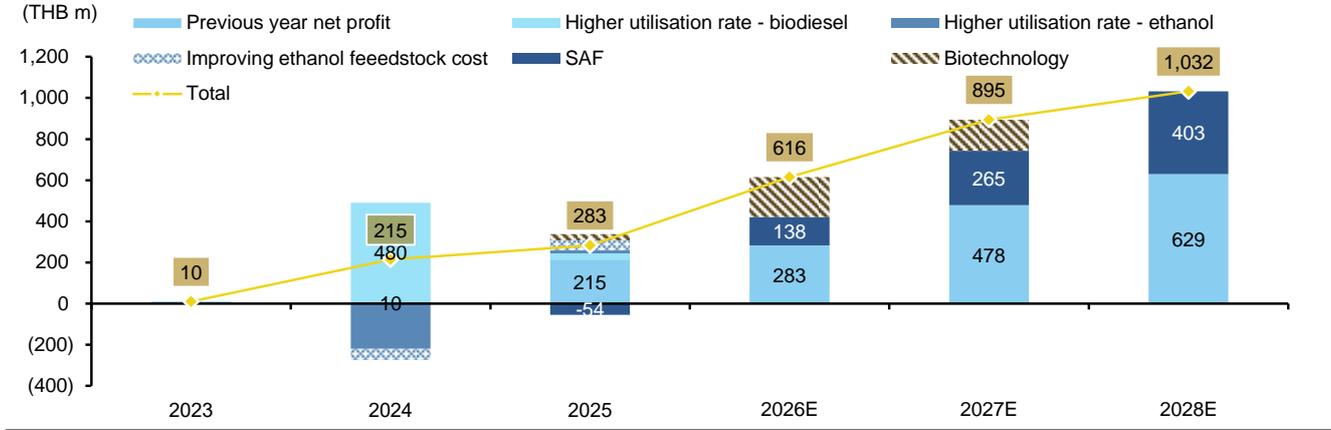
Sources: BBGI; Globlex Research

Exhibit 6: Revenue breakdown by products (%)



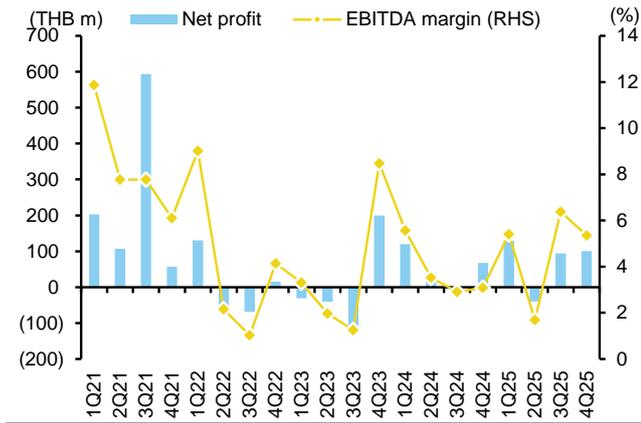
Sources: BBGI; Globlex Research

Exhibit 7: Net profit breakdown by segment



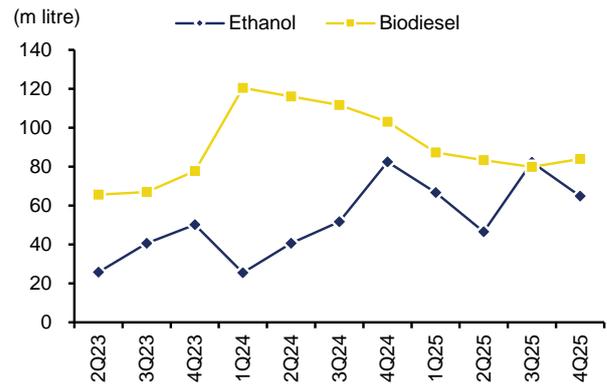
Sources: BBGI; Glolex Research

Exhibit 8: Quarterly net profit vs EBITDA margin



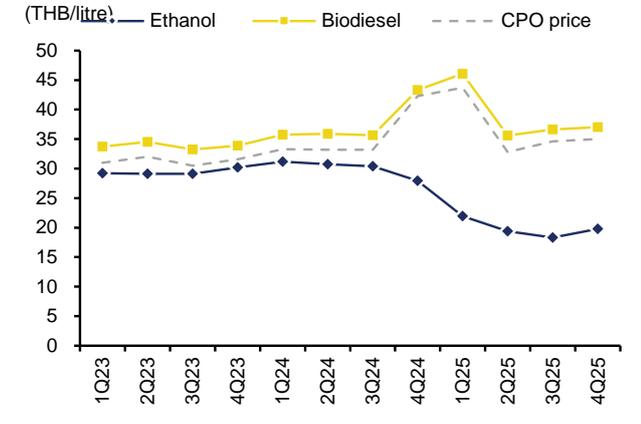
Sources: BBGI; Glolex Research

Exhibit 9: Quarterly sales volume



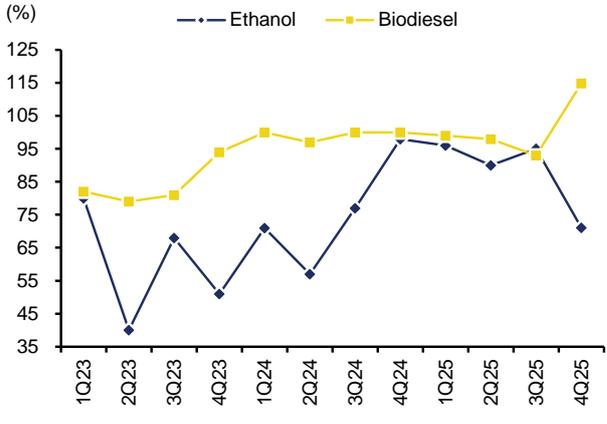
Sources: BBGI; Glolex Research

Exhibit 10: Average selling prices by products



Sources: BBGI; Glolex Research

Exhibit 11: Utilization rates



Sources: BBGI; Glolex Research

Exhibit 12: 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	633	12.0	0.4	FY26E 12x P/E
Biodiesel (BBF2)	100.0	1,356	12.0	0.9	FY26E 12x P/E
Refined Glycerin	100.0	573	12.0	0.4	FY26E 12x P/E
Total biodiesel value		2,562		1.8	
Ethanol (KGI - Bo Ploy)	100.0	1,427	11.0	1.0	FY26E 12x P/E
Ethanol (KGI - Nam Phong)	100.0	3,167	11.0	2.2	FY26E 12x P/E
Ethanol (BBE)	85.0	452	11.0	0.3	FY26E 12x P/E
Total ethanol value		5,045		3.5	
SAF	20.0	1,891		1.3	DCF
BBFB CDMO	75.0	330		0.2	DCF
Total HVP value		2,221		1.5	
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		8,350		5.8	

Sources: BBGI; Globlex Research

Exhibit 13: Capacity by products

Plant	Capacity	Unit	Stake owned by BBGI	Feedstock	Biofuel	Generation
Biodiesel (ME)	1.00	mlpd	100 (from 70)	CPO	Yes	1st
Ethanol - molasse	0.65	mlpd	100	Molasse	Yes	1st
Ethanol - cassava	0.15	mlpd	85	Casava	Yes	1st
SAF	1.00	mlpd	20	Used Cooking oil, PFAD	Yes	2nd
Biotech-based enzyme	0.20	mtpa	75	na	Yes	na

Sources: BBGI; Globlex Research

Exhibit 14: Jet fuel price spike on U.S.-Iran war

Week ending	Index Value (Year 2000 = 100)	Weekly Average Price \$/bbl	Change vs prior week	Weekly Average Crack Spread \$/bbl
13 Mar 2026	478.4	175.00	11.2%	77.73
6 Mar 2026	430.3	157.41	58.4%	72.26
27 Feb 2026	271.7	99.40	3.6%	27.83
20 Feb 2026	262.3	95.95	2.2%	24.48
13 Feb 2026	256.6	93.88	0.2%	22.18

Sources: S&P Global Energy Platts; IATA

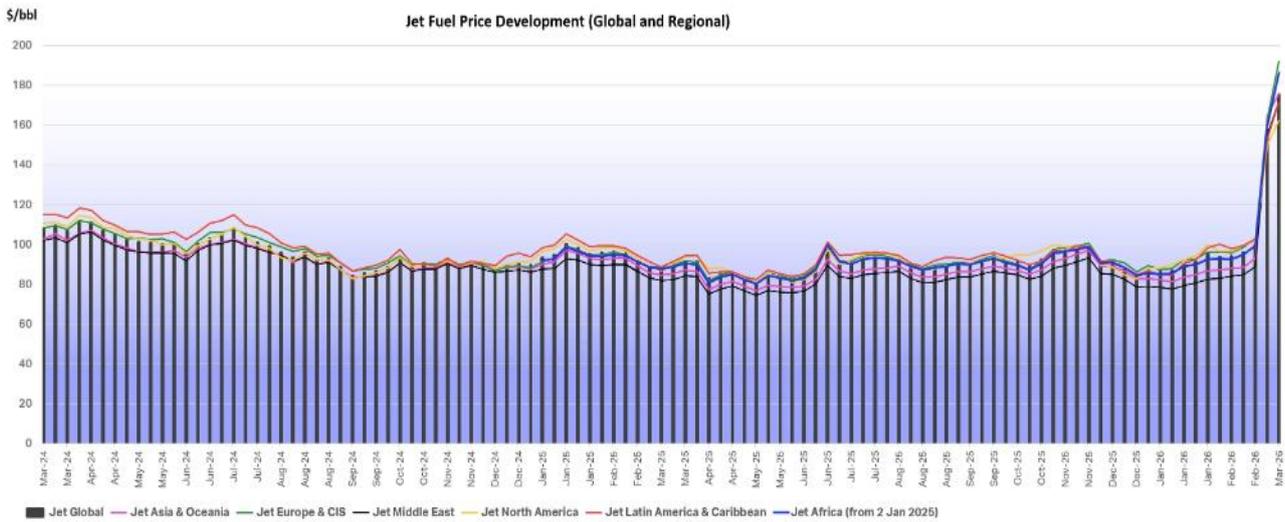
Exhibit 15: The global average jet fuel price last week rose 11.2% compared to the week before to USD175/bbl

Week ending 13 Mar 2026	Share in Global Index	Weekly Average Price			Index Value (Year 2000 = 100)	Weekly Average Price versus		
		cts/gal	\$/bbl	\$/t		prior week's average	prior month's average	prior year's average
Jet fuel price	100%	416.67	175.00	1381.95	478.4	11.2%	82.8%	94.4%
Asia & Oceania	22%	418.43	175.74	1,388.36	502.1	6.6%	97.0%	102.4%
Europe & CIS	28%	457.02	191.95	1,514.48	517.2	17.8%	95.1%	110.7%
Middle East	5%	410.41	172.37	1,361.71	514.7	11.4%	102.2%	105.5%
North America	39%	386.42	162.30	1,282.14	431.5	8.3%	64.8%	77.1%
Latin & Central America	4%	408.43	171.54	1,355.16	475.2	12.0%	71.4%	84.9%
Africa*	2%	443.78	186.39	1,471.24	184.5	17.3%	96.3%	106.8%
Oil Price (Dated Brent)			97.27			14.2%	36.7%	40.8%
Crack Spread			77.73			7.6%	216.1%	269.5%

*The Africa index was launched on 2 January 2025, carved out from the Middle East and Africa index. Because of its newness, its values are indexed to its 2024 annual average value, unlike the other regional indices, which are indexed to their respective average annual values in 2000.

Sources: IATA

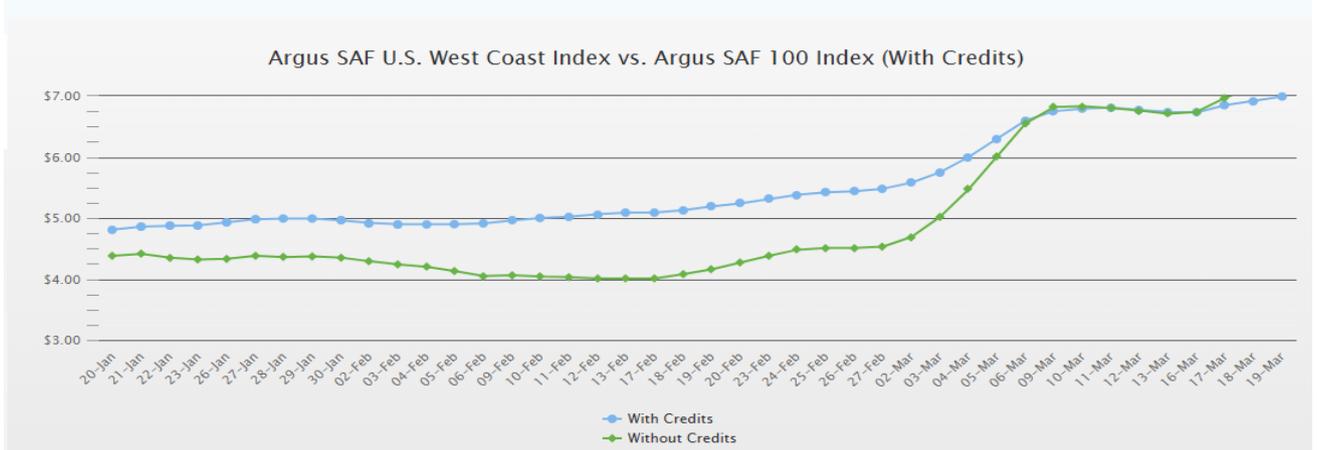
Exhibit 16: Jet fuel price by region



Sources: S&P Global Energy Platts; IATA

Exhibit 17: SAF price (5-day rolling average)

Spot Prices Over 60 Days Spot Prices Over One Year



Sources: ARGUS

Balance sheet (THB m)						Profit & loss (THB m)						
Year ending Dec	2024	2025	2026E	2027E	2028E	Year ending Dec	2024	2025	2026E	2027E	2028E	
Current assets						Revenue						
Cash & ST investment	547	401	1,595	2,379	3,195		22,192	17,834	17,298	17,599	17,599	
Account receivable	1,847	1,154	1,327	1,503	1,679		(20,929)	(16,522)	(15,628)	(15,738)	(15,738)	
Inventories	1,074	983	930	936	936							
Others	799	918	891	906	906							
Non-current assets						Gross profit						
Net fixed assets	5,707	5,409	5,527	5,225	4,922		1,262	1,313	1,670	1,860	1,860	
Others	3,755	3,815	3,815	3,815	3,815							
Total Assets	13,728	12,682	14,085	14,764	15,455	Operating profit						
Current liabilities							(442)	(449)	(432)	(440)	(440)	
Account payable	907	458	433	436	436		820	863	1,237	1,420	1,420	
ST borrowing	1,889	1,279	1,002	1,002	1,002		EBIT	341	394	635	818	
Others	349	666	645	657	657			(479)	(469)	(602)	(602)	
Long-term liabilities							EBITDA	820	863	1,237	1,420	
Long-term debts	1,124	835	2,000	2,000	2,000		Non-operating income	103	39	54	54	
Others	99	102	102	102	102			91	39	54	54	
Total liabilities	4,368	3,339	4,182	4,197	4,197			12	0	0	0	
Pai-up capital	3,615	3,615	3,615	3,615	3,615		Non-operating expense	(78)	(69)	(88)	(99)	
Retained earnings	2,028	2,169	2,712	3,361	4,034			(78)	(69)	(88)	(99)	
Others	3,660	3,504	3,504	3,504	3,504			0	0	0	0	
Minority interest	57	55	71	88	105		Equity income/(loss)	(12)	(17)	138	265	
Shareholders' equity	9,360	9,343	9,902	10,568	11,258			354	346	739	1,038	
Key ratios								0	0	0	0	
Year ending Dec	2024	2025	2026E	2027E	2028E			0	0	0	0	
Growth (%YoY)								(18)	(66)	(107)	(126)	
Sales	61.3	(19.6)	(3.0)	1.7	0.0			(121)	2	(16)	(17)	
Operating profit	46.2	5.3	43.3	14.8	0.0		Net Profit	215	283	616	895	
EBITDA	46.2	5.3	43.3	14.8	0.0			215	283	616	895	
Net profit	2,080.1	31.4	117.8	45.3	15.2		Core net profit	215	283	616	895	
Core net profit	2,080.1	31.4	117.8	45.3	15.2			0.15	0.20	0.43	0.62	
EPS	2,080.1	31.4	117.8	45.3	15.2		EPS (THB)	0.15	0.20	0.43	0.62	
Core EPS	2,080.1	31.4	117.8	45.3	15.2		Core EPS (THB)	0.15	0.20	0.43	0.62	
Profitability (%)												
Gross margin	5.7	7.4	9.7	10.6	10.6		Cash flow (THB m)					
Operation margin	3.7	4.8	7.2	8.1	8.1		Year ending Dec	2024	2025	2026E	2027E	2028E
EBITDA margin	3.7	4.8	7.2	8.1	8.1		Operating cash flow	(144)	1,284	1,081	1,313	1,458
Net margin	1.0	1.6	3.6	5.1	5.9			215	283	616	895	1,031
ROE	2.3	3.0	6.4	8.8	9.5			479	469	602	602	602
ROA	3.0	2.6	5.3	7.0	7.6			(838)	532	(137)	(184)	(176)
Stability								0	0	0	0	0
Interest bearing debt/equity (x)	0.3	0.2	0.3	0.3	0.3		Investment cash flow	554	730	572	1,174	1,174
Net debt/equity (x)	0.3	0.2	0.1	0.1	n.a.			(442)	(442)	(602)	(602)	(602)
Interest coverage (x)	4.4	5.7	7.3	8.2	8.2			996	1,172	1,174	1,777	1,777
Interest & ST debt coverage (x)	0.2	0.3	0.6	0.7	0.7			0	0	0	0	0
Cash flow interest coverage (x)	(0.0)	0.4	0.3	0.3	0.3		Free cash flow	410	2,014	1,653	2,488	2,632
Current ratio (x)	1.4	1.4	2.3	2.7	3.2			(2,124)	(2,159)	(459)	(1,704)	(1,815)
Quick ratio (x)	0.8	0.6	1.4	1.9	2.3				0	0	0	0
Net debt (THB m)	2,467	1,713	1,407	623	(193)				(505)	899	(888)	0
Activity									(434)	(434)	(145)	(493)
Asset turnover (X)	1.6	1.3	1.3	1.2	1.2				(1,185)	(2,625)	573	(1,211)
Days receivables	25.1	30.7	26.2	29.4	33.0		Net cash flow	(1,714)	(145)	1,193	784	817
Days inventory	18.9	22.7	22.3	21.6	21.7		Per share (THB)					
Days payable	15.4	15.1	10.4	10.1	10.1			0.15	0.20	0.43	0.62	0.71
Cash cycle days	28.6	38.4	38.1	40.9	44.6			0.15	0.20	0.43	0.62	0.71
								0.56	0.52	0.85	1.05	1.14
								6.43	6.42	6.80	7.25	7.71
								15.35	12.33	11.96	12.17	12.17
								0.57	0.60	0.86	0.98	0.98
								0.05	0.05	0.17	0.25	0.29
							Valuation					
								28.1	14.3	9.8	6.7	5.8
								0.65	0.44	0.61	0.57	0.54
								1.20	1.79	4.09	5.95	6.86
								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 $(\text{target price}^* - \text{current price}) / \text{current price}$.

- 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.