

Still a bearish view until SAF COD

- Soft earnings outlook to continue in 4Q25 into 2026 on weak demands for biodiesel and ethanol in Thailand
- SAF operation in June 2026 will be the only key catalyst
- Downgrade from BUY to HOLD and cut TP to THB3.10

Until the dawn of SAF comes

We project BBGI's NP in 2025-1H26 to remain weak given the poor demands for both biodiesel and ethanol despite the lower feedstock cost of molasse and CPO. The only visible and convincing catalyst to turn around BBGI's net profit outlook on sustainable basis will be its 40%-owned Sustainable Aviation Fuel (SAF) plant, scheduled to start production in June 2026, a delay from 2Q25.

Solid 3Q25 results on lower feedstock costs

BBGI reported a 3Q25 net profit of THB94m, up 335% q-q and 855% y-y. Key points are 1) higher sales volumes for ethanol to 82.46ml (+59% y-y, +77% q-q) on lower feedstock cost but lower sales volume for biodiesel; 2) lower selling price for ethanol but higher selling price for biodiesel due to the changes in feedstock costs; 3) rising EBITDA to THB278m, up 335% q-q and 79% y-y on lower feedstock costs particularly molasses as higher sugarcane production lifted supply.

Weak demands offset by lower costs

Biodiesel business continued to see weaker demands with only 80ml (-4% q-q, -28% y-y) sales volume on lower utilization rate to 93% as demand for B100 dipped to 3.1mlpd (-10% q-q, -27% y-y) on weaker demand for diesel at 60.1mlpd (-10% q-q, -5% y-y). CPO price rebounded slightly q-q to THB34.6/kg (+5.5% q-q, +4.4% y-y), driving up B100 price to THB36.6/l (+3% q-q, +3% y-y). Ethanol demand stayed resilient at 31.4mlpd (-4.4% q-q, -2% y-y) but ethanol price dropped to THB18.3/l (-5.5% q-q, -39% y-y) on a sharp drop in tapioca price to THB6.2/kg.

SAF plant remains on track

BBGI's THB8.5b, 1mlpd capacity Sustainable Aviation Fuel (SAF) plant is now on track to start operation by Jun-26, with an annual net profit of THB2.7b once the plant operates based on 1) utilization rate at 80%; 2) SAF price USD2.0/litre; 3) Used Cooking Oil (UCO) price of USD1.0/litre; 4) Interest expense of THB240m annually (4% interest rate on THB6.0b debt); 5) annal depreciation expense of THB470m (18 year depreciation useful life).

Downgrade to HOLD and cut our SoTP TP to THB3.10

We downgrade from BUY to HOLD and cut our SoTP from THB4.3 to THB3.1, to reflect our cuts in EPS forecasts on the delay of COD in SAF plant, the lower-than-expected margins for ethanol and biodiesel supported. We think BBGI's share price will hinge primarily on the COD of SAF plant, which could generate net profit of THB2.4b annually based on USD1/litre SAF-UCO margin and the SAF project's net profit will decline by THB0.8b on every USD0.1/litre SAF-UCO margin drop.

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ESG Rating : AA

CG Rating : ▲▲▲▲▲

HOLD (from BUY)

Target Price 12M (THB)	3.10
VS. BB Consensus TP (%)	-1.3%
Share Price (THB)	2.88
Upside/Downside	+3.3%

Share Data

Market Cap (THB m)	4,164.48
Par (THB)	2.50
Free Float (%)	24.66
Issued shares (m shares)	1,446

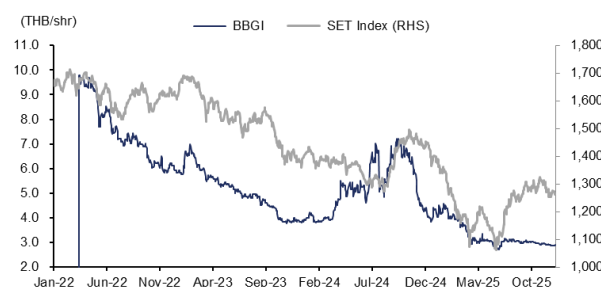
Financial forecast

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 (%)		(3.9)	66.3	230.4
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 (%)		(43.62)	(45.49)	0.00
DPS (THB)	0.05	0.06	0.17	0.39
P/E (x)	28.10	18.13	6.84	2.99
P/BV (x)	0.65	0.44	0.42	0.37
ROE (%)	2.30	2.45	6.26	13.21
Dividend yield (%)	1.20	2.21	5.84	13.39

Source: Financial Statement and Globlex securities

Share Price Performance (%)

	1M	3M	6M	YTD
Stock	(1.32)	10.29	(15.73)	(32.74)
Market	(4.22)	(5.69)	(22.26)	(26.08)
12M High/Low (THB)				7.25 / 2.70



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 3Q25/9M25 operations

	3Q24	2Q25	3Q25			9M24	9M25	chg.	2025E
	(THB m)	(THB m)	(THB m)	(q-q%)	(y-y%)	(THB m)	(THB m)	(y-y%)	(THB m)
Revenue	5,365	3,789	4,363	15.1	(18.7)	15,532	13,540	14.7	17,610
Operating costs	(5,209)	(3,725)	(4,085)	9.6	(21.6)	(14,917)	(12,906)	15.6	(16,222)
EBITDA	156	64	278	334.7	78.5	615	634	(2.9)	1,388
EBITDA margin (%)	2.9	1.7	6.4	nm	nm	4.0	4.7	nm	7.9
Depn & amort.	(121)	(118)	(118)	0.3	(2.5)	(360)	(352)	2.3	(602)
EBIT	35	(54)	160	398.2	361.0	255	282	(9.4)	785
Interest expense	(20)	(18)	(17)	(2.3)	(13.2)	(58)	(55)	6.2	(99)
Interest & invt inc	-	-	-	nm	nm	-	-	nm	-
Other income	4	11	6	(41.5)	51.9	36	22	65.5	50
Associates' contrib	(1)	(1)	(15)	nm	nm	(6)	(24)	nm	(171)
Exceptionals	-	11	-	nm	nm	8	11	(33.9)	-
Pretax profit	18	(50)	134	365.7	650.9	234	236	(0.8)	565
Tax	(7)	10	(41)	(509.1)	478.1	(20)	(55)	(64.5)	(130)
Tax rate (%)	39.6	19.8	30.5	nm	nm	8.4	23.4	nm	23.0
Minority interests	(23)	1	1	nm	nm	(67)	2	nm	(27.6)
Net profit	(12)	(40)	94	335.4	855.7	147	182	(19.4)	407
Non-recurring	(12)	(49)	94	291.3	855.7	140	173	(19.1)	407
Core net profit	(0.01)	(0.03)	0.06	335.4	855.7	0.10	0.13	(19.4)	0.28
EPS (THB)	(0.01)	(0.03)	0.06	291.3	855.7	0.10	0.12	(19.1)	0.28
Core EPS (THB)	5,365	3,789	4,363	15.1	(18.7)	15,532	13,540	14.7	17,610

Sources: BBGI; Globlex Research

Exhibit 2: 3Q25/9M25 key performance

	3Q24	2Q25	3Q25	(q-q%)	(y-y%)	9M24	9M25	(y-y%)
Sales volume (m litres)								
Ethanol	52	47	82	76.9	59.4	118	196	66.3
Biodiesel	112	83	80	(4.1)	(28.4)	348	250	(28.1)
Average reference price (THB/litre)								
Ethanol	30	19	18	(5.4)	(39.7)	31	20	(35.3)
Biodiesel	36	36	37	2.9	2.9	36	39	10.2

Sources: BBGI; Globlex Research

Exhibit 3: Key changes in assumptions and EPS forecasts

THB m	Current			Previous			Change (%)		
	2025E	2026E	2027E	2025E	2026E	2027E	2025E	2026E	2027E
Revenue	17,610	17,298	17,599	17,610	17,298	17,599	0	0	0
Gross profit	1,718	1,266	2,142	1,916	1,830	2,142	-10	-31	0
Operating profit	1,190	833	1,702	1,388	1,397	1,702	-14	-40	0
Net profit	230	609	1,394	407	1,116	1,394	-44	-45	0
EPS	0.2	0.4	1.0	0.3	0.8	1.0	-44	-45	0
Key assumptions									
Selling Price - ME (THB/litre)	35.0	35.0	36.0	35.0	35.0	36.0	0	0	0
Cost of Feedstock - CPO (THB/kg)	32.7	34.0	32.0	32.0	32.0	32.0	2	6	0
Ethanol price - Fuel (THB/litre)	23.0	22.0	22.0	23.0	22.0	22.0	0	0	0
Cost of Feedstock - Molasses (THB/kg)	4.3	4.0	4.0	4.3	4.0	4.0	0	0	0
Utilisation - Biodiesel (%)	95	95	95	95	95	95	0	0	0
Utilisation - Ethanol	90	90	90	90	90	90	0	0	0

Sources: BBGI; Globlex Research

Exhibit 4: SAF financial analysis

	Amount	Unit
Exchange rate	32	THB/USD
Capacity	1.0	mlpd
Utilization rate	80	%
Production	0.8	mlpd
Production	264	ml
Price		
SAF price	2.0	USD/litre
UCO price	1.0	USD/litre
Spread (SAF-UCO)	1.0	USD/litre
Conversion cost	0.6	USD/litre
Financials		
Investment	8.5	THB b
Depreciation year	18.0	years
Annual depreciation expense	0.47	THB b
Debt	6.0	THB b
Interest rate	4.0	%
Interest	0.24	THB b
Profit/loss		
Revenue	2.00	16,896
EBITDA	0.40	3,379
EBIT	0.34	2,907
EBT	0.32	2,667
Tax expense	0.00	0
Net profit	0.32	2,667

Sources: BBGI; BCP; Globlex Research

Exhibit 5: SoTP valuation

SOP valuation estimate	% holding	THB m	P/E (x)	THB/share	Valuation methodology
Biodiesel (BBF1)	100.0	1,098	7.0	0.8	FY26E 7x P/E, an industry peers' average
Biodiesel (BBF2)	100.0	1,027	7.0	0.7	FY26E 7x P/E, an industry peers' average
Refined Glycerin	100.0	334	7.0	0.2	FY26E 7x P/E, an industry peers' average
Total biodiesel value		2,459		1.7	
Ethanol (KGI - Bo Ploy)	100.0	908	7.0	0.6	FY26E 7x P/E, an industry peers' average
Ethanol (KGI - Nam Phong)	100.0	2,015	7.0	1.4	FY26E 7x P/E, an industry peers' average
Ethanol (BBE)	85.0	288	7.0	0.2	FY26E 7x P/E, an industry peers' average
Total ethanol value		3,210		2.2	
SAF	20.0	888		0.6	DCF
BBFB CDMO	75.0	330		0.2	DCF
Total HVP value		1,217		0.8	
Investment in UBE	12.5	0		0.0	At THB1.0/share value
Net debt		(2,231)		(1.5)	FY26E net debt
Minorities		(101)		(0.1)	FY26E minority interest
Residual ordinary equity		4,555		3.2	

Sources: BBGI; Globlex Research

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	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	117	103	50	54	54
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	1,763	(144)	613	1,043	1,819
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	(1,484)	(2,124)	(1,495)	(1,455)	(1,780)
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)	(1,362)	(1,270)	(1,293)
Net cash flow	846	(1,714)	(642)	175	1,495
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	18.1	6.8	3.0
P/BV (x)	0.64	0.65	0.44	0.42	0.37
Dividend yield (%)	1.20	1.20	2.21	5.84	13.39
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.