

PTG Energy Pcl (PTG TB) - SELL, Price Bt8.90, TP Bt6.80**Results Comment**

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3Q24 – Weak as expected

- PTG reported 3Q24 profit of Bt70m, -85% q-q and +261% y-y. This is in-line with our and consensus estimate. Q-Q drop is mainly due to lower oil marketing margin while y-y increase is due to higher non-oil profit and oil sale volume.
- Sales volume.** Oil sales volume dropped by 8% q-q due to seasonality but grew +12% y-y, in-line with its target. The number of oil service stations was 2,214 vs 2,208 in 2Q24. The company's retail market share dropped marginally to 21.5% vs 22.3% in 2Q24, but up substantially from 19.2% in 3Q23.
- Marketing margin.** We estimate PTG's marketing margin decrease by 5% q-q and -1% y-y to Bt1.65 per liter in 3Q24. This is due to misalignment between the oil fund adjustment and the change in ex-refinery prices during the quarter.
- Non-oil gross profit grew** 1% q-q and 31% y-y to Bt923m. The growth is due to continue Punthai branch expansion. Gross profit marginally dropped to 21% vs 22% in 2Q24.
- Guidance change:** Looking into 4Q24F, profit could improve from higher marketing margin as oil price decrease. We maintain our SELL rating given expensive valuation and limited growth outlook.

Income Statement						Income Statement					
(consolidated)						9M as					
Yr-end Dec (Bt m)	3Q23	4Q23	1Q24	2Q24	3Q24	(Bt m)	q-q%	y-y%	% 2024F	2024F	2025F
Revenue	47,656	49,645	55,083	57,913	54,538	Revenue	(6)	14	81	206,611	200,586
Gross profit	3,159	3,738	3,663	4,024	3,675	Gross profit	(9)	16	82	13,849	14,366
SG&A	2,787	2,856	3,022	3,189	3,295	SG&A	3	18	79	12,099	12,426
Operating profit	373	882	642	835	380	Operating profit	(54)	2	106	1,749	1,939
EBITDA	1,212	1,741	1,514	1,704	1,298	EBITDA	(24)	7	73	6,157	6,046
Other income	0	0	0	0	0	Other income	-	-	-	417	421
Other expense	0	0	0	0	0	Other expense	-	-	-	-	-
Interest expense	292	279	267	264	277	Interest expense	5	(5)	72	1,120	1,264
Profit before tax	81	603	375	571	103	Profit before tax	(82)	27	100	1,046	1,096
Income tax	58	47	109	139	73	Income tax	(48)	26	123	261	276
Equity & invest. income	1	(14)	(2)	39	43	Equity & invest. income	9	4,831	44	180	200
Minority interests	(4)	(6)	(6)	(3)	(4)	Minority interests	na	na	na	(22)	(22)
Extraordinary items	0	(0)	0	(3)	1	Extraordinary items	na	1,776	na	0	0
Net profit	19	536	258	466	70	Net profit	(85)	261	84	943	999
Normalized profit	19	536	257	468	69	Normalized profit	(85)	257	84	943	999
EPS (Bt)	0.01	0.32	0.15	0.28	0.04	EPS (Bt)	(85)	261	84	0.56	0.60
Normalized EPS (Bt)	0.01	0.32	0.15	0.28	0.04	Normalized EPS (Bt)	(85)	257	84	0.56	0.60
Balance Sheet						Financial Ratios					
(consolidated)						%					
Yr-end Dec (Bt m)	3Q23	4Q23	1Q24	2Q24	3Q24		3Q23	4Q23	1Q24	2Q24	3Q24
Cash & ST investment	1,956	3,381	3,118	3,134	2,651	Sales growth	5.3	1.2	8.0	13.8	14.4
A/C receivable	1,115	1,108	1,302	1,450	1,390	Operating profit growth	(41.6)	121.0	6.5	77.8	2.0
Inventory	3,292	3,330	3,779	3,704	3,745	EBITDA growth	(16.7)	42.6	6.6	31.7	7.1
Other current assets	20	20	0	0	35	Norm profit growth	(89.3)	na	(9.3)	324.0	256.8
Investment	3,048	2,009	2,521	2,556	2,886	Norm EPS growth	(89.3)	na	(9.3)	324.0	256.8
Fixed assets	12,739	13,202	13,615	14,069	14,996	Gross margin	6.6	7.5	6.7	6.9	6.7
Other assets	23,541	23,882	23,394	23,409	23,888	Operating margin	0.8	1.8	1.2	1.4	0.7
Total assets	45,711	46,932	47,728	48,323	49,592	EBITDA margin	2.5	3.5	2.7	2.9	2.4
S-T debt	5,411	4,751	7,175	7,781	7,222	Norm net margin	0.0	1.1	0.5	0.8	0.1
A/C payable	8,138	10,340	10,093	10,173	11,680	D/E (x)	1.1	0.9	1.0	1.1	1.0
Other current liabilities	880	1,119	1,314	1,163	1,021	Net D/E (x)	0.9	0.6	0.7	0.8	0.8
L-T debt	3,925	3,622	2,338	2,318	2,330	Interest coverage (x)	4.1	6.2	5.7	6.4	4.7
Other liabilities	18,940	18,175	17,535	17,718	18,150	Interest rate	12.6	12.6	11.9	10.8	11.3
Minority interest	139	145	204	213	226	Effective tax rate	71.7	7.7	29.2	24.4	70.9
Shareholders' equity	8,278	8,780	9,069	8,957	8,963	ROA	0.2	4.6	2.2	3.9	0.6
Working capital	(3,731)	(5,902)	(5,013)	(5,018)	(6,545)	ROE	0.9	25.1	11.5	20.8	3.1
Total debt	9,337	8,373	9,513	10,099	9,552						
Net debt	7,381	4,992	6,395	6,965	6,901						

Sources: Company data, Thanachart estimates

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