

PTT Public Co Ltd (PTT TB) - BUY, Price Bt31.50, TP Bt38.00**Results Comment**

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4Q24 missed due to one-offs

- PTT reported a 4Q24 net profit of Bt9.3bn (-43% q-q, -72% y-y), missing our and consensus 2024F estimates by 10%.
- Lower profit q-q was driven by one-offs**, including higher foreign exchange losses despite increased EBITDA. PTT's 4Q24 non-recurring loss of Bt5.1bn included Bt2.2bn for PTTGM's profit-sharing and Bt2.2bn for Vencorex and PTTAC provisions.
- Gas**. Gas business's EBITDA decreased 5% q-q and lower by 15% y-y. The q-q decrease was mainly due to lower supply and trading (S&T) and transmission pipeline (TM) gross profits from reduced sales and higher costs, partially offset by increased GSP profit from lower gas costs.
- Trading**. EBITDA fell to -Bt13m from Bt636m in 3Q24 due to lower margins, while sales volume dropped 6.5% q-q to 26,162m litres.
- Subsidiaries**. We estimate a +Bt9.3bn profit from listed subsidiaries in 4Q24 vs. a Bt3.2bn loss in 3Q24, with improvements across all subsidiaries.
- A DPS of Bt1.3/share was announced (4.1% yield)**, bringing total 2024 DPS to Bt2.1/share (67% payout), up from Bt2.00/share (51% payout) in 2023.
- Outlook**. We expect PTT's profit to improve in 1Q25F with no one-off items. Stronger gas profit should offset weaker refinery profit. Maintain BUY.

Income Statement (consolidated)						Income Statement (Bt m)					
Yr-end Dec (Bt m)	4Q23	1Q24	2Q24	3Q24	4Q24		q-q%	y-y%	% 2024F	2024A	2025F
Revenue	807,113	782,256	821,943	761,858	724,396	Revenue	(5)	(10)	97	3,090,453	3,166,801
Gross profit	76,729	104,953	97,662	52,050	80,469	Gross profit	55	5	97	335,134	353,105
SG&A	47,089	33,772	35,639	44,360	43,423	SG&A	(2)	(8)	105	157,194	149,330
Operating profit	29,640	71,181	62,023	7,690	37,046	Operating profit	382	25	90	177,940	203,775
EBITDA	72,019	115,736	111,673	55,621	80,827	EBITDA	45	12	99	363,857	383,847
Other income	29,415	12,712	11,343	33,782	6,932	Other income	(79)	(76)	509	64,769	12,667
Other expense	(4,564)	5,192	(299)	(2,682)	4,722	Other expense	na	na	na	6,933	
Interest expense	11,134	11,997	12,242	11,683	10,898	Interest expense	(7)	(2)	114	46,821	42,757
Profit before tax	52,485	66,704	61,422	32,471	28,358	Profit before tax	(13)	(46)	112	188,955	173,686
Income tax	19,325	19,222	19,022	12,784	16,182	Income tax	27	(16)	145	67,210	44,175
Equity & invest. income	1,615	(35)	500	(8,355)	1,223	Equity & invest. income	na	(24)	na	(6,668)	3,013
Minority interests	(12,672)	(11,584)	(14,317)	4,458	(1,953)	Minority interests	na	na	na	(23,396)	(35,984)
Extraordinary items	10,661	(6,895)	6,886	533	(2,134)	Extraordinary items	na	na	na	(1,610)	0
Net profit	32,765	28,968	35,469	16,324	9,312	Net profit	(43)	(72)	90	90,072	96,540
Normalized profit	22,104	35,863	28,583	15,790	11,446	Normalized profit	(28)	(48)	91	91,682	96,540
EPS (Bt)	1.15	1.01	1.24	0.57	0.33	EPS (Bt)	(43)	(72)	90	3.15	3.38
Normalized EPS (Bt)	0.77	1.26	1.00	0.55	0.40	Normalized EPS (Bt)	(28)	(48)	91	3.21	3.38

Balance Sheet (consolidated)						Financial Ratios (%)					
Yr-end Dec (Bt m)	4Q23	1Q24	2Q24	3Q24	4Q24		4Q23	1Q24	2Q24	3Q24	4Q24
Cash & ST investment	449,525	509,213	451,180	393,192	451,131	Sales growth	1.2	3.4	5.6	(5.1)	(10.2)
A/C receivable	259,813	291,647	291,969	226,641	251,391	Operating profit growth	257.1	22.6	30.1	(91.8)	25.0
Inventory	210,999	237,203	244,352	204,051	187,333	EBITDA growth	35.9	16.5	25.9	(60.9)	12.2
Other current assets	161,401	158,278	145,945	142,934	139,882	Norm profit growth	100.6	39.2	25.5	(45.5)	(48.2)
Investment	172,322	176,317	188,908	168,364	171,275	Norm EPS growth	100.6	39.2	25.5	(45.5)	(48.2)
Fixed assets	1,541,209	1,574,633	1,561,002	1,484,759	1,534,658	Gross margin	9.5	13.4	11.9	6.8	11.1
Other assets	665,192	694,989	735,060	694,332	703,116	Operating margin	3.7	9.1	7.5	1.0	5.1
Total assets	3,460,462	3,642,279	3,618,417	3,314,274	3,438,784	EBITDA margin	8.9	14.8	13.6	7.3	11.2
S-T debt	200,411	189,054	214,618	185,444	180,055	Norm net margin	2.7	4.6	3.5	2.1	1.6
A/C payable	243,385	274,252	284,644	214,287	240,193	D/E (x)	0.7	0.6	0.6	0.6	0.6
Other current liabilities	144,915	163,701	145,297	141,191	148,840	Net D/E (x)	0.4	0.3	0.4	0.4	0.3
L-T debt	863,303	907,821	851,361	801,588	814,719	Interest coverage (x)	6.5	9.6	9.1	4.8	7.4
Other liabilities	383,474	399,780	405,406	373,929	398,100	Interest rate	4.1	4.4	4.5	4.6	4.4
Minority interest	503,778	530,375	534,093	478,708	507,225	Effective tax rate	36.8	28.8	31.0	39.4	57.1
Shareholders' equity	1,121,198	1,177,298	1,182,998	1,119,127	1,149,652	ROA	2.5	4.0	3.1	1.8	1.4
Working capital	227,427	254,598	251,677	216,405	198,530	ROE	7.9	12.5	9.7	5.5	4.0
Total debt	1,063,714	1,096,875	1,065,979	987,032	994,774						
Net debt	614,188	587,662	614,799	593,841	543,643						

Sources: Company data, Thanachart estimates

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