

BUY (Unchanged)

TP: Bt 10.50 (From: Bt 11.50)

Change in Numbers
Upside : 43.8%

PTG Energy Pcl. (PTG TB)

Getting back on track

We maintain our **BUY** rating on PTG despite cutting our DCF-based 12-month TP to Bt10.5. We believe the market has priced in the weak earnings performance in 1Q26, while oil margins are normalizing and Punthai Coffee continues to strengthen long-term earnings.


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Maintaining our BUY call

We maintain our **BUY** rating on PTG despite lowering our DCF-based 12-month TP (2026F base year) to Bt10.5 from Bt11.5, as we cut our 2026-28F earnings estimates by 37/18/19% to reflect a one-off margin correction in 1Q26 and higher SG&A expenses. **First**, oil marketing margins and sales volumes are normalizing as government intervention eases and lowers oil price volatility. **Second**, we continue to foresee a strong long-term growth trajectory from Punthai Coffee, which should help lift earnings to a new base. We project EPS growth of 63/67% in 2027-28F, supported by reduced promotional discounts and a turnaround in its oil business's profits. **Third**, we believe 1Q26 marked the earnings trough, and we expect a recovery from 2Q26F onward. **Finally**, following the 28% share price correction from its 2026 peak, PTG now trades at what we view as attractive 16.4/10.0x 2026-27F PE multiples relative to this strong earnings turnaround outlook.

Normalizing oil profit

PTG faced significant pressure in 1Q26 from the spike in oil prices due to the Iran war, which drove marketing margins down to Bt1.3/liter. However, conditions have started to normalize. Management guided for oil marketing margins to improve to Bt1.6-1.8/liter during April-May, vs. the depressed Bt1.3/liter in 1Q26, supported by i) lower volatility in domestic diesel prices and ii) easing government intervention in industry marketing margins. In addition, oil consumption has gradually normalized in May after a big drop in April due to the oil price spike and abnormal demand in March.

Punthai Coffee still a key long-term growth driver

We believe the long-term growth story for Punthai Coffee remains firmly intact. The company maintains its target to expand Punthai Coffee by around 800 branches in 2026, after adding 157 branches in 1Q26. Meanwhile, the benefit from lower promotional discounts should become more visible by 4Q26, helping lift Punthai's earnings base and profitability. Even without support from new promotions, we estimate average sales per store rose 18% y-y to Bt3.2m in 1Q26 from Bt2.6m in 1Q25, driven by robust coffee sales per store. With stronger contributions from higher-margin non-oil businesses, we project non-oil operations to account for 50% of gross profit by 2028F, up from 35% in 2025.

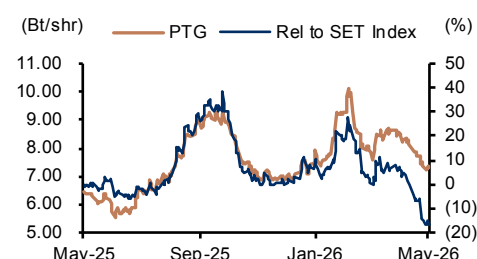
Trough quarter in 1Q26

We view 1Q26 as the earnings trough, and we expect a recovery from 2Q26F onward. We estimate PTG to return to a profit in 2Q26F, driven mainly by recovering oil marketing margins, which should offset weaker oil sales volumes. Earnings should improve further in 3Q-4Q26F, supported by normalized oil demand and stronger contributions from Punthai Coffee as reduced price discounts lift margins.

COMPANY VALUATION

Y/E Dec (Bt m)	2025A	2026F	2027F	2028F
Sales	224,918	230,114	246,493	253,656
Net profit	1,021	743	1,214	2,031
Consensus NP	—	959	1,330	1,742
Diff frm cons (%)	—	(22.5)	(8.7)	16.6
Norm profit	1,023	743	1,214	2,031
Prev. Norm profit	—	1,178	1,487	2,509
Chg frm prev (%)	—	(37.0)	(18.4)	(19.1)
Norm EPS (Bt)	0.61	0.44	0.73	1.22
Norm EPS grw (%)	0.1	(27.4)	63.4	67.3
Norm PE (x)	11.9	16.4	10.0	6.0
EV/EBITDA (x)	3.1	3.9	3.1	2.3
P/BV (x)	1.2	1.2	1.1	1.0
Div yield (%)	4.8	5.5	5.5	5.5
ROE (%)	10.7	7.4	11.7	17.9
Net D/E (%)	79.5	104.3	93.8	70.9

PRICE PERFORMANCE



COMPANY INFORMATION

Price as of 21-May-26 (Bt)	7.30
Market Cap (US\$ m)	373.5
Listed Shares (m shares)	1,670.0
Free Float (%)	52.3
Avg. Daily Turnover (US\$ m)	2.2
12M Price H/L (Bt)	10.10/5.50
Sector	Energy
Major Shareholder	Ratchakij Holding Ltd. 25.12%

Sources: Bloomberg, Company data, ttb wealth estimates

Getting back on track

Maintaining BUY despite cutting our TP

We maintain our BUY rating on PTG Energy Pcl (PTG TB) despite lowering our DCF-based 12-month TP, using a 2026F base year, to Bt10.5 from Bt11.5, as we cut our 2026-28F earnings estimates by 37/18/19% to reflect the one-off margin correction in 1Q26 and higher SG&A expenses. We believe the recent share price weakness has been greatly exacerbated by the disappointing 1Q26 results and near-term earnings pressure.

Oil margins and demand are normalizing

First, oil marketing margins and sales volumes are beginning to normalize as government intervention eases and oil price volatility declines. We expect the oil business to gradually recover from the unusually weak conditions seen in 1Q26, supported by improving diesel demand and a more stable competitive environment.

Punthai's earnings growth remains on track

Second, we continue to see a strong long-term growth trajectory for Punthai Coffee, which remains a key earnings driver and should help lift PTG's earnings base structurally over the next few years. We expect store openings, improving utilization, and stronger brand recognition to support continued profit growth. We project EPS growth of 63/67% in 2027-28F, driven by reduced promotional discounts, improving operating leverage, and a turnaround in its oil business profitability.

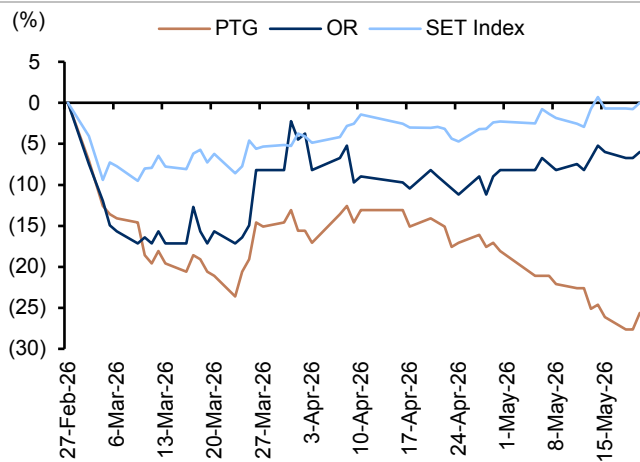
We see 1Q26 as the trough quarter

Third, we believe 1Q26 marked the earnings trough, and we expect an earnings recovery from 2Q26F onward as marketing margins improve and the impact from temporary operational disruptions fades. We also expect cost pressures to gradually moderate after its aggressive expansion phase.

Weak near-term prospects look priced in

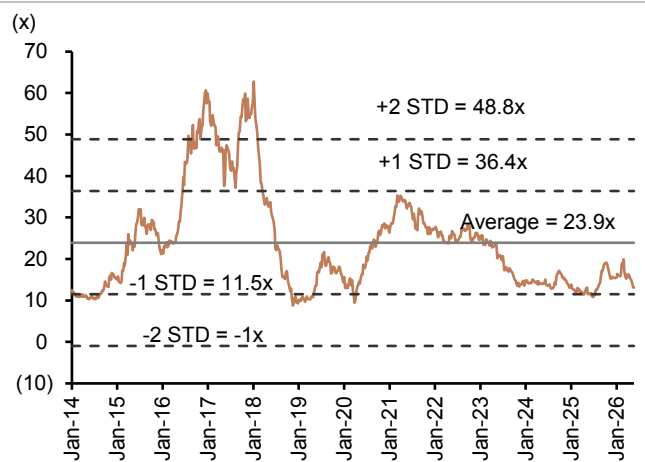
Finally, following the 29% share price correction from its 2026 peak, PTG now trades at what we view as attractive 16.4/10.0x 2026-27F PE multiples, which we see as undemanding given the strong earnings recovery outlook and improving long-term growth profile.

Ex 1: Share Price Performance Vs. SET (Since 28 Feb)



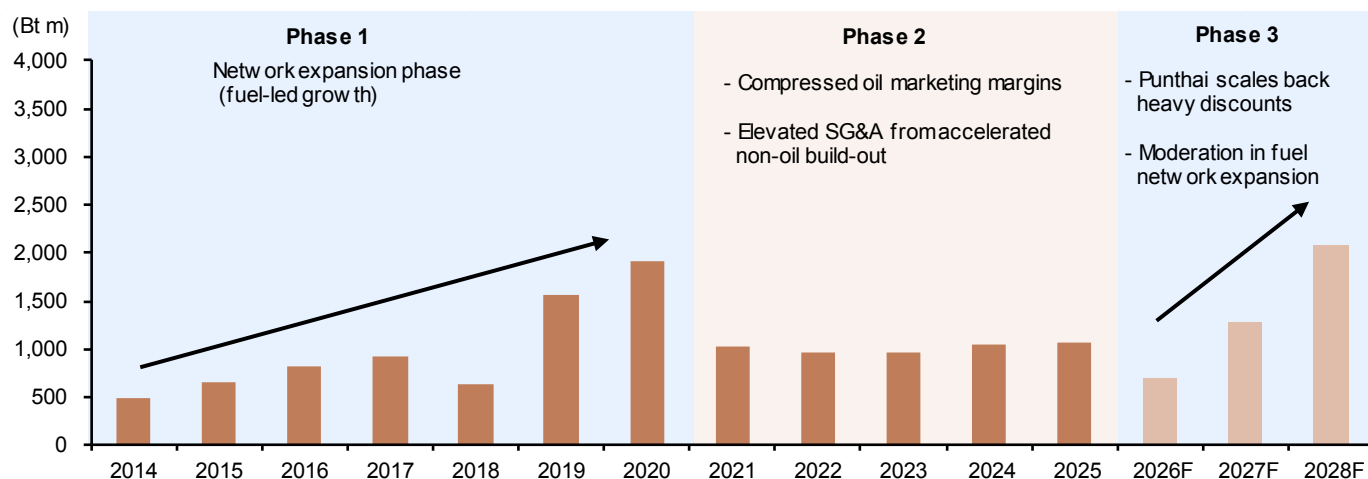
Sources: Bloomberg; ttb wealth

Ex 2: PE Band Chart



Sources: Bloomberg; ttb wealth estimates

Ex 3: PTG's Earnings Growth Phase



Sources: Company data, ttb wealth estimates

Two factors drive our earnings cuts

Our earnings cuts are mainly driven by two factors: weaker near-term oil profitability and higher operating expenses.

First, we cut 2026F core profit by 37% to Bt743m mainly due to weaker-than-expected oil marketing margins following government intervention and intense pricing competition during 1Q26. Although we now assume oil margins to recover gradually from 2Q26F onward, our new 2026F margin of Bt1.55/liter remains below our previous estimate of Bt1.60/liter.

Second, we raise our SG&A assumptions by 12/18/22% for 2026-28F to reflect higher operating costs from aggressive Punthai Coffee store openings, marketing campaigns, and rising employee and logistics expenses. This will likely delay operating leverage and weigh on near-term profitability despite continued revenue growth.

As a result, we lower our 2026-28F earnings estimates by 37/18/19%, although we still expect a strong earnings recovery from 2027F onward, supported by a normalization of oil margins and lower promotional discounts from Punthai Coffee.

Ex 4: Earnings Revisions

	2023	2024	2025	2026F	2027F	2028F
Reported profit (Bt m)						
- New	944	1,022	1,021	743	1,214	2,031
- Old				1,178	1,487	2,509
- Change (%)				(37.0)	(18.4)	(19.1)
Core profit (Bt m)						
- New	950	1,022	1,023	743	1,214	2,031
- Old				1,178	1,487	2,509
- Change (%)				(37.0)	(18.4)	(19.1)
SG&A (Bt m)						
- New	11,009	12,884	15,696	17,332	20,414	21,895
- Old				15,454	17,366	17,958
- Change (%)				12.1	17.6	21.9
Oil margin (Bt)						
- New	1.71	1.65	1.67	1.55	1.65	1.65
- Old				1.60	1.65	1.65
- Change (%)				(3.1)	0.0	0.0

Sources: Company data; ttb wealth estimates

Normalizing oil profit

Short-term pressure on oil margins in 1Q26

PTG’s oil business came under significant pressure in 1Q26 following the sharp spike in global oil prices amid the Iran war, which pushed oil marketing margins down to only Bt1.3/liter. The weakness was mainly driven by a sharp increase in ex-refinery oil prices, while the government was unable to adjust oil fund contributions quickly enough to offset the cost increase. At the same time, retail diesel prices remained capped at around Bt29.9/liter prior to the escalation of the conflict, limiting operators’ ability to pass through higher costs and resulting in severe pressure on industry marketing margins.

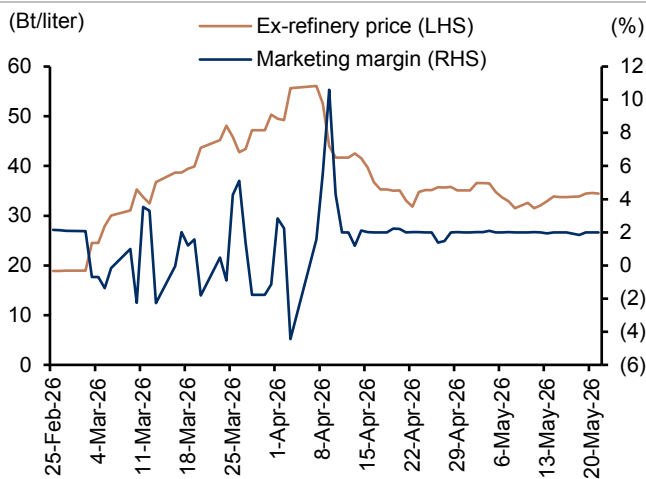
Oil margins have normalized in 2Q26

However, operating conditions have started to normalize since April. Management guided for oil marketing margins to recover to around Bt1.6-1.8/liter during April-May, improving meaningfully from the depressed 1Q26 level. The recovery is mainly supported by i) lower volatility in domestic diesel prices, which helped stabilize industry pricing dynamics, and ii) easing government intervention as authorities gradually allowed retail diesel prices to adjust upward in line with market conditions.

Diesel demand is also recovering.

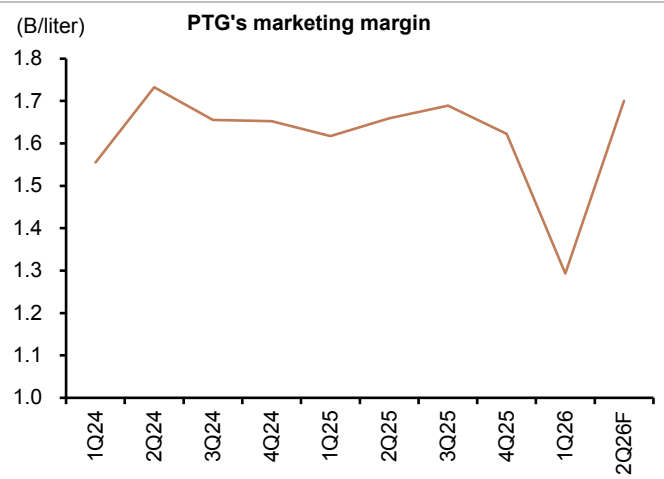
In addition, domestic oil consumption has gradually normalized this month after a temporary slowdown in April caused by the oil price spike. Demand was also distorted by unusually strong purchasing activity in March ahead of the price increase, creating a high base effect. As these temporary disruptions fade, we expect both sales volumes and oil profitability to recover progressively from 2Q26F onward.

Ex 5: Ex-refinery Diesel Price Vs. Marketing Margin



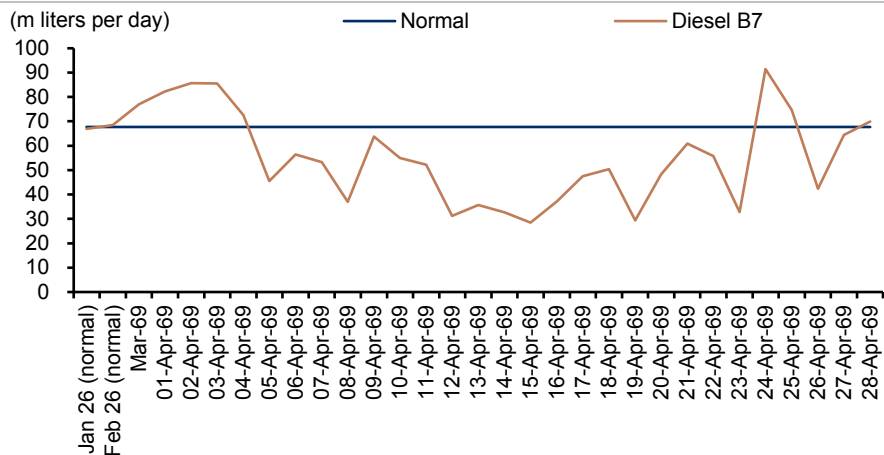
Source: EPPO

Ex 6: PTG’s Margin Returning To Normal



Sources: Company data; ttb wealth estimates

Ex 7: Domestic Diesel Demand



Sources: DOEB; ttb wealth estimates

Punthai Coffee remains a key long-term growth driver

Punthai is maintaining its expansion target in 2026

We believe the long-term growth story for Punthai Coffee remains firmly intact and continues to be a key driver supporting PTG’s structural earnings growth. Management reaffirmed its aggressive expansion target of around 800 new branches in 2026, following the addition of 157 branches in 1Q26, reflecting continued confidence in consumer demand and store economics.

Higher ASP to be seen in 4Q26

At the same time, profitability should gradually improve as the company scales back heavy promotional campaigns implemented during its rapid expansion phase. Management expects the benefit from lower promotional discounts to become more visible from 4Q26 onward, which should help strengthen Punthai’s earnings base and improve margins.

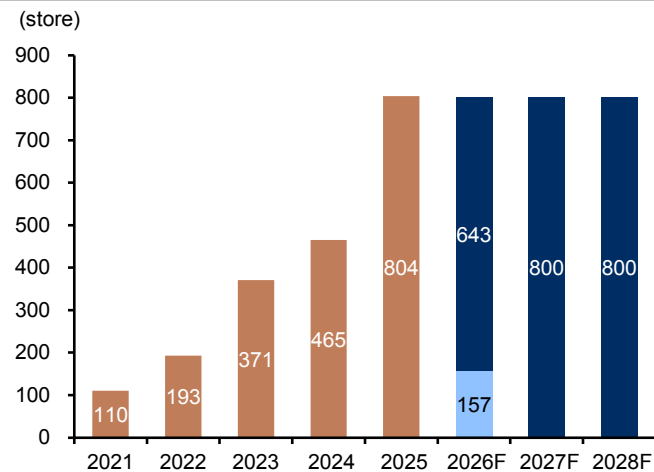
Sales per store are strong

Importantly, underlying demand trends remain healthy even without aggressive promotions. We estimate average sales per store increased 18% y-y to Bt3.2m in 1Q26 from Bt2.6m in 1Q25, supported by higher sales per store. We estimate that coffee sales per store stood at 202 cups/day/store, up by 17% y-y.

Non-oil to drive growth

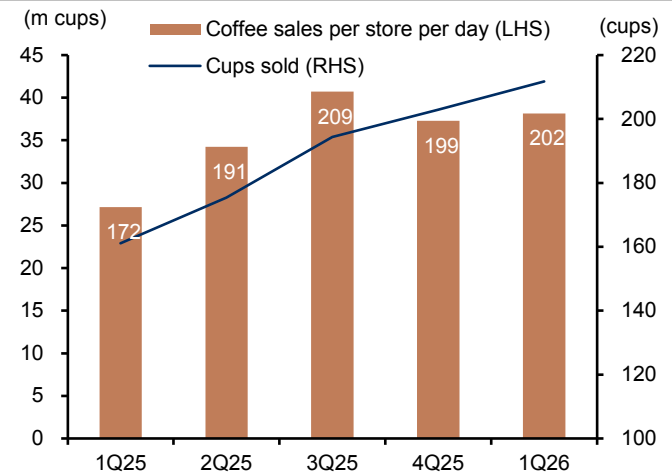
Supported by stronger contribution from higher-margin non-oil operations, we project non-oil businesses to account for around 50% of gross profit by 2028F, up significantly from 35% in 2025. This ongoing business mix shift should support more stable profitability and a structurally higher valuation multiple over time.

Ex 8: No. Of Punthai Coffee Stores Added



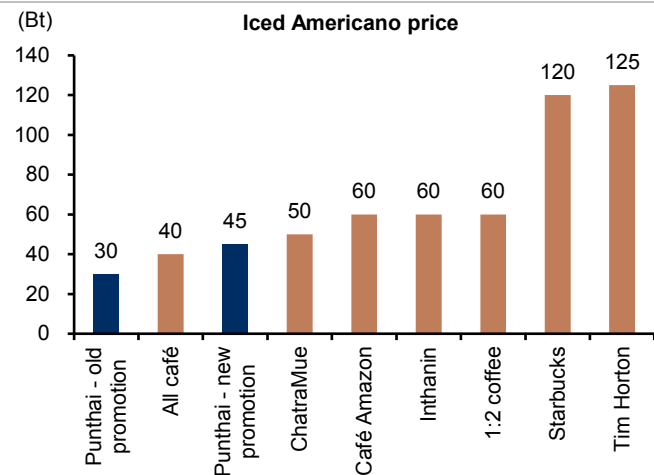
Sources: Company data; ttb wealth estimates

Ex 9: Punthai Coffee's Sales Per Store Vs. Cups Sold



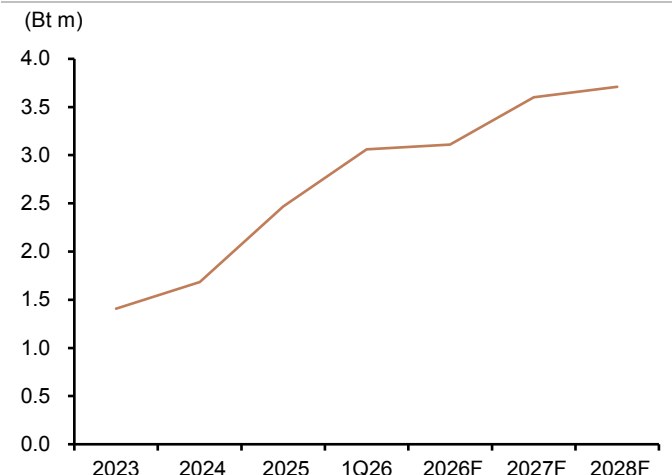
Sources: Company data; ttb wealth estimates

Ex 10: PTG Coffee Price Vs. Peers



Source: ttb wealth estimates

Ex 11: Sales Per Store



Source: ttb wealth estimates

Ex 12: 12-month DCF-based Valuation, Using a Base Year Of 2026F

(Bt m)	2026F	2027F	2028F	2029F	2030F	2031F	2032F	2033F	2034F	2035F	2036F	2037F	Terminal Value
EBITDA	6,075	7,604	9,368	11,025	11,549	11,437	11,298	10,971	10,459	9,764	10,388	10,905	
Free cash flow	699	2,247	3,356	4,543	4,908	4,735	4,482	4,050	3,433	2,632	3,152	3,564	34,463
PV of free cash flow	697	1,810	2,424	2,945	2,855	2,472	2,099	1,701	1,294	890	956	970	9,384
Risk-free rate (%)	2.5												
Market risk premium (%)	8.0												
Beta	1.3												
WACC (%)	11.4												
Terminal growth (%)	1.0												
Enterprise value - add investments	30,497												
Net debt	11,751												
Minority interest	1,131												
Equity value	17,615												
# of shares (m)	1,670												
Equity value/share (Bt)	10.5												

Sources: Company data, ttb wealth estimates

Valuation Comparison

Ex 13: Valuation Comparison With Regional Peers

Company	Code	Market	EPS Growth		PE		P/BV		EV/EBITDA		Div. Yield		ROE	
			26F	27F	26F	27F	26F	27F	26F	27F	26F	27F	26F	27F
			(%)	(%)	(x)	(x)	(x)	(x)	(x)	(x)	(%)	(%)	(%)	(%)
Petrol station operators														
Pure petrol station operators														
PTT Oil And Retail	OR TB *	Thailand	(14.6)	31.4	17.8	13.5	1.3	1.2	6.4	5.2	3.1	4.1	7.4	9.4
PTG Pcl	PTG TB *	Thailand	(27.4)	63.4	16.4	10.0	1.2	1.1	3.9	3.1	5.5	5.5	7.4	11.7
Bangchak Corp	BCP TB *	Thailand	(11.9)	(24.0)	4.6	6.0	0.6	0.6	3.0	3.1	7.8	4.1	14.1	9.6
Average			(18.0)	23.6	12.9	9.9	1.0	1.0	4.4	3.8	5.5	4.6	9.6	10.2
Petrol station operators with other business														
Ampol	ALD AU	Australia	93.1	(34.1)	10.2	15.4	2.4	2.3	6.2	7.1	6.1	4.5	22.4	14.3
Sinopec	386 HK	China	21.2	14.0	11.7	10.3	0.6	0.6	5.8	5.5	6.1	6.8	5.3	6.0
Average			57.1	(10.0)	11.0	12.9	1.5	1.4	6.0	6.3	6.1	5.7	13.9	10.1
Average			12.1	10.2	12.1	11.1	1.2	1.2	5.1	4.8	5.7	5.0	11.3	10.2
Thailand retailers														
Berli Jucker	BJC TB *	Thailand	(5.5)	3.9	14.1	13.6	0.5	0.5	8.5	8.4	5.0	5.2	3.4	3.4
CP All	CPALL TB *	Thailand	12.7	15.0	13.4	11.6	2.6	2.4	7.1	6.3	3.7	4.3	21.5	21.7
CP Axtra	CPAXT TB *	Thailand	17.3	9.8	14.4	13.2	0.5	0.5	6.9	6.5	4.8	5.3	3.6	3.8
Central Pattana	CPN TB *	Thailand	15.8	13.4	15.3	13.5	2.5	2.3	11.1	9.6	3.9	4.5	17.0	17.8
Central Retail Corp.	CRC TB *	Thailand	6.0	8.8	15.3	14.1	1.8	1.7	5.6	5.3	3.3	3.6	12.0	12.6
Siam Global House	GLOBAL TB *	Thailand	20.8	10.1	17.3	15.7	1.5	1.5	13.8	12.6	2.9	3.2	9.2	9.6
Home Product	HMPRO TB *	Thailand	5.8	7.3	12.5	11.7	3.0	2.8	7.5	6.9	6.4	6.9	24.1	24.9
Average			10.4	9.8	14.6	13.3	1.8	1.7	8.6	8.0	4.3	4.7	12.9	13.4

Sources: Bloomberg, * ttb wealth estimates
Based on 21 May 2026 prices

COMPANY DESCRIPTION

PTG Energy Pcl (PTG) has six core business segments: 1) Fuel retailing through PT petrol stations, mostly under the company-owned and company-operated (COCO) model. 2) Fuel wholesaling to other oil traders and industrial operators. 3) LPG retailing through PT petrol stations (also COCO). 4) Minimart and coffee-shop businesses under the names Max Mart and Punthai Coffee. 5) Sales of other automotive-related products. 6) Rental of space at its COCO petrol stations. The company is now expanding its non-oil business through investments and M&As, leveraging its strong brand recognition and large customer base to grow profits.

Source: ttb wealth

COMPANY RATING



Source: ttb wealth; *CG Rating

TTB WEALTH'S SWOT ANALYSIS

S — Strength

- Owns and self-operates most of its PT gas stations.
- Manages its own logistics and oil tank operations.
- Extensive station coverage with an asset-light model.

O — Opportunity

- Gaining market share from independent gas stations.
- Investments in energy-related and automotive-related businesses.

W — Weakness

- Stations operate under rental contracts.
- Second-tier target market generates lower non-oil income.
- Aggressive expansion is financed with debt.

T — Threat

- Risk of being unable to find good-quality stations.
- Government intervention to lower the oil retail margin.
- Risk from new investments and M&As.

CONSENSUS COMPARISON

	Consensus	ttb wealth	Diff
Target price (Bt)	8.98	10.50	17%
Net profit 26F (Bt m)	959	743	-23%
Net profit 27F (Bt m)	1,330	1,214	-9%
Consensus REC	BUY: 6	HOLD: 9	SELL: 0

HOW ARE WE DIFFERENT FROM THE STREET?

- Our 2026F earnings are 9-23% below the Bloomberg consensus estimates, which we attribute to our expectation of potential cost pressure on marketing margins.
- Our TP is higher than the Street's, likely as we are more positive on Punthai's expansion prospects.

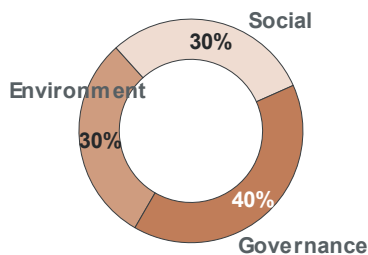
Sources: Bloomberg consensus, ttb wealth estimates

RISKS TO OUR INVESTMENT CASE

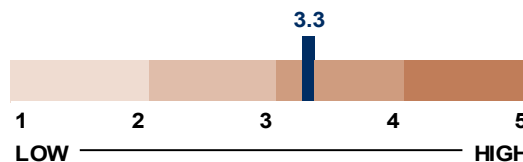
- A sharp increase in oil prices would be the key downside risk to our earnings forecasts.
- A weaker-than-expected marketing margin represents a secondary downside risk to our call.

Source: ttb wealth

ESG Weighting



ESG Rating



	SET ESG Index	SET ESG (BBB-AAA)	DJSI Index	ttb wealth ESG Rating (1.0-5.0)	MSCI (CCC-AAA)	ESG Book (0-100)	CG Rating (0-5)
PTG	YES	-	-	3.31	0	58.03	5.0

Sources: SETTRADE, SET ESG Index, SET ESG Rating, The Dow Jones Industrial Average (DJSI) MSCI ESG Research LLC, ESG Book, Thai IOD (CG rating)

Note: Please see third party on "terms of use" toward the back of this report.

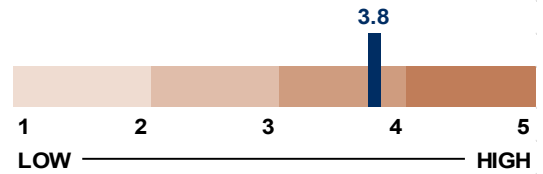


ESG Summary

- PTG is the third-largest oil retailer in Thailand, operating over 2,200 service stations. Its non-oil business accounted for 35% of gross profit in 2025, with a 50% target by 2028, including Punthai Coffee, mini-marts, Autobacs services, convenience stores, LPG outlets, and fast-food outlets.
- Punthai Coffee is the key driver of non-oil growth, with over 2,100 branches in 2025 (a nearly 7x increase over five years), making it the fastest-growing coffee brand among petrol station operators. Its expansion supports ESG by promoting local farmers, creating jobs, and implementing eco-friendly store practices, boosting the company's social and environmental impact.
- The PT Max Card program, with over 25m members, is a core strategic asset, driving customer loyalty and repeat usage across both oil and non-oil businesses. The program also supports ESG by engaging customers, improving efficiency through digital operations, and strengthening governance via transparent tracking and oversight.
- PTG performs well across all ESG dimensions, earning a relatively good ESG score of 3.3, with Environmental (E) 3.8, Social (S) 3.6, and Governance (G) 2.8.
- Its E score is the highest, reflecting progress toward carbon neutrality by 2030, supported by initiatives such as solar rooftop installations, environmentally friendly products, and mangrove planting.
- The S score is good, and the G score is decent, underpinned by energy efficiency measures, community engagement, and programs that enhance social impact.

PTG scores a good 3.8 for the Environmental pillar, supported by its commitment and decent progress toward carbon neutrality by 2030. The company’s efforts are supported by initiatives such as solar rooftop installations, eco-friendly products, and mangrove planting.

Environment (E) Rating



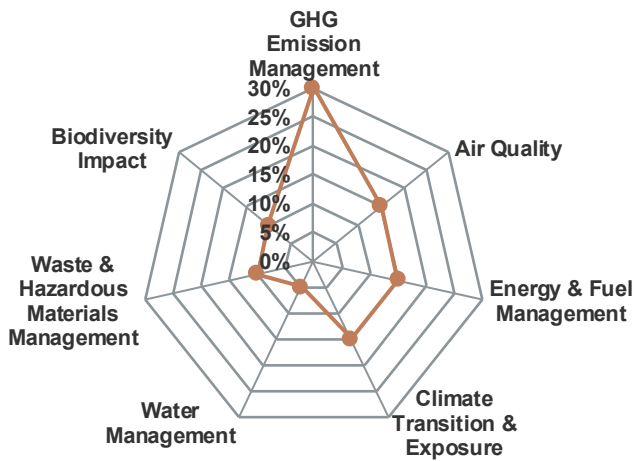
ENVIRONMENT

Our Comments

- GHG Emission Management
- Air Quality
- Energy & Fuel Management
- Climate Transition & Exposure
- Water Management
- Waste & Hazardous Materials Management
- Biodiversity Impact

- We assign PTG a good E score of 3.8, reflecting its commitment and good progress toward carbon neutrality by 2030. In addition, operating primarily in fuel trading and retail rather than energy production or processing, the company faces relatively low direct environmental risk and has a clear path toward its sustainability targets.
- Although PTG has relatively low greenhouse gas (GHG) emissions, the company remains committed to supporting a healthy environment and aims to achieve carbon neutrality by 2030. It is dedicated to reducing emissions by integrating environmentally friendly practices throughout its operations, including minimizing energy consumption in office spaces and increasing the use of renewable energy across its business segments.
- A major initiative is the installation of solar rooftops at service stations and operational sites. This has reduced electricity consumption by more than 20% per station and lowered emissions by over 1,600 tonnes of CO₂ equivalent per year.
- In addition, the company maintains 100% proper disposal of general and hazardous waste, helping minimize environmental risks and ensuring compliance with environmental standards.
- Beyond operational measures, PTG participates in mangrove planting projects covering an area of 90.05 rai. Mangroves act as natural carbon sinks that absorb and store CO₂, while also supporting coastal ecosystems, helping the company strengthen its environmental performance and support carbon credit initiatives.

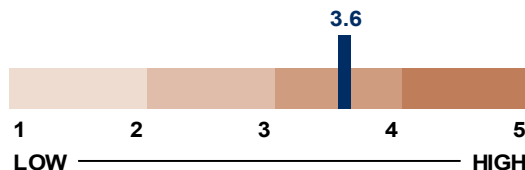
SCALE WEIGHTING



Sources: ttb wealth, Company data

PTG's Social score is decent at 3.6, supported by strong human rights practices, high employee engagement, and multiple community initiatives.

Social (S) Rating

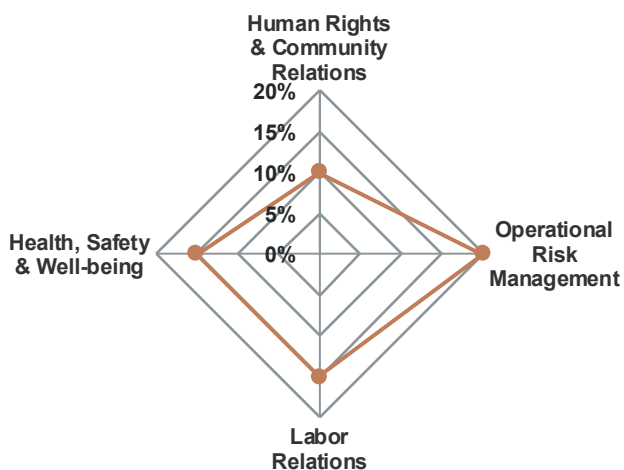


SOCIAL **Our Comments**

- Human Rights & Community Relations
- Operational Risk Management
- Labor Relations
- Health, Safety & Well-being

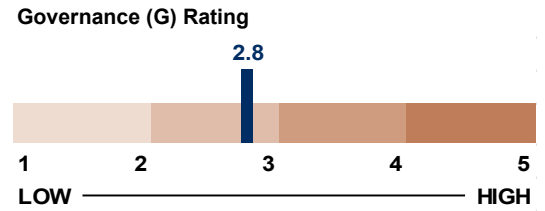
- We assign PTG a good S score of 3.6, reflecting a decent operating performance and a solid overall social responsibility performance.
- The company has preventive and mitigation measures addressing human rights risks, including employee rights (health and safety, collective bargaining, illegal labor, data privacy, discrimination), community rights, and supplier /contractor rights; 31.7% of business activities are assessed to have moderate human rights risk.
- PTG maintains a strong employee engagement level of 81%, above its target range of 70-75%, and it supports workforce development with 20.94 average training hours per person per year.
- Through its commitment to the community, society, and the environment, Punthai Coffee received the Green Coffee Shop Award in the “Eco-Friendly Coffee Shop” category for the year 2024.
- By promoting local raw materials and supporting farmers – generating Bt87m in income – PTG achieved a high community satisfaction rate of 96.7% in 2025.
- Community initiatives include the “PT, Leaving No One Behind” project with 200 volunteers contributing 1,600 hours and 1,700 trees planted in 2025.
- PTG aims to actively engage with 1,000 communities by 2027, building on its current involvement with 533 communities, demonstrating a clear path to expanding its social impact.
- PTG maintains strong, uninterrupted operations with no major incidents or cyberattacks. Customer satisfaction remains high — 82.2% for business clients and 93.9% for consumers — driven by ongoing improvements in products and services. Key initiatives include Max Card Plus EV, an exclusive membership offering tailored benefits for electric vehicle owners, eco-friendly point redemption kiosks for clothing donations, and an SMS-based feedback system for real-time customer input.

SCALE WEIGHTING



Sources: ttb wealth, Company data

PTG's moderate G score of 2.8 reflects a solid board, strong risk management, good business model, and digital innovation through PT Max Card, which are partly offset by the risk of government intervention during periods of high oil prices and a history of insider trading by management.

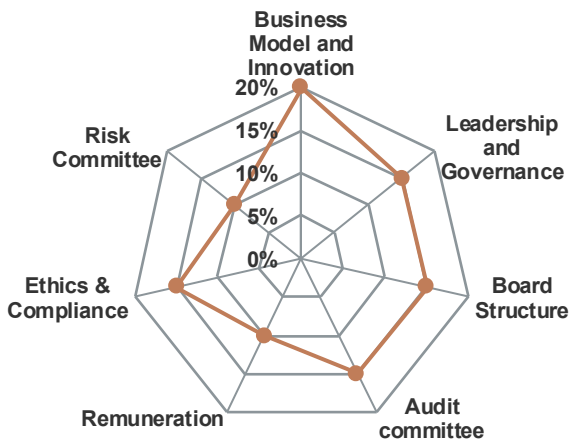


GOVERNANCE & SUSTAINABILITY **Our Comments**

- Business Model and Innovation
- Leadership and Governance
- Board Structure
- Audit committee
- Remuneration
- Ethics & Compliance
- Risk Committee

- We assign PTG a moderate G score of 2.8, reflecting a solid board structure, strong oversight, and low business risk, which are weighed down by government policy risk and a history of insider trading by management.
- PTG's board chair is an independent director with 40% independent members and a majority of non-executive directors, ensuring strong oversight and balanced decision-making.
- The company was involved in an insider trading case in 2023. The individual involved has since left the board, with no further incidents reported, but remains one of the company's top 10 shareholders.
- PTG leverages digital and customer-centric platforms, including PT Max Card and smart payment integrations, along with operational technologies, to improve process efficiency, risk management, transparency, and reporting standards.
- The company pursues business innovation and operational efficiency, completing 273 projects in 2024 that generated Bt110m in cost savings, supporting sustainable growth while maintaining adaptability and competitive positioning.
- PTG maintains a solid balance sheet with healthy net gearing, providing financial resilience and supporting the expansion of its non-oil business.
- However, there is the potential for business risk from government intervention during periods of high oil prices.

SCALE WEIGHTING



Sources: ttb wealth, Company data

INCOME STATEMENT

FY ending Dec (Bt m)	2024A	2025A	2026F	2027F	2028F
Sales	226,383	224,918	230,114	246,493	253,656
Cost of sales	211,043	206,852	211,442	223,928	228,569
Gross profit	15,340	18,066	18,673	22,565	25,087
% gross margin	6.8%	8.0%	8.1%	9.2%	9.9%
Selling & administration expenses	12,884	15,696	17,332	20,414	21,895
Operating profit	2,456	2,370	1,341	2,151	3,192
% operating margin	1.1%	1.1%	0.6%	0.9%	1.3%
Depreciation & amortization	3,617	4,367	4,733	5,453	6,177
EBITDA	6,073	6,737	6,075	7,604	9,368
% EBITDA margin	2.7%	3.0%	2.6%	3.1%	3.7%
Non-operating income	0	0	584	606	616
Non-operating expenses	0	0	0	0	0
Interest expense	(1,091)	(1,138)	(1,153)	(1,226)	(1,185)
Pre-tax profit	1,365	1,232	773	1,531	2,623
Income tax	448	320	141	424	697
After-tax profit	917	912	632	1,108	1,926
% net margin	0.4%	0.4%	0.3%	0.4%	0.8%
Shares in affiliates' Earnings	125	164	164	164	164
Minority interests	(20)	(53)	(54)	(58)	(59)
Extraordinary items	(1)	(2)	0	0	0
NET PROFIT	1,022	1,021	743	1,214	2,031
Normalized profit	1,022	1,023	743	1,214	2,031
EPS (Bt)	0.61	0.61	0.44	0.73	1.22
Normalized EPS (Bt)	0.61	0.61	0.44	0.73	1.22

We expect 65% profit growth over 2027-28F due to non-oil expansion

BALANCE SHEET

FY ending Dec (Bt m)	2024A	2025A	2026F	2027F	2028F
ASSETS:					
Current assets:	7,968	8,405	7,413	7,753	7,887
Cash & cash equivalent	2,212	3,111	2,000	2,000	2,000
Account receivables	1,426	1,640	1,678	1,798	1,850
Inventories	4,295	3,654	3,735	3,955	4,037
Others	35	0	0	0	0
Investments & loans	2,955	3,362	3,362	3,362	3,362
Net fixed assets	15,810	18,465	19,774	20,280	20,197
Other assets	25,020	26,458	30,458	30,458	30,458
Total assets	51,752	56,691	61,008	61,854	61,906
LIABILITIES:					
Current liabilities:	20,797	21,409	22,932	23,341	22,625
Account payables	12,285	12,767	13,050	13,821	14,107
Bank overdraft & ST loans	4,046	3,978	4,585	4,379	3,811
Current LT debt	3,202	3,110	3,585	3,424	2,980
Others current liabilities	1,263	1,554	1,712	1,718	1,727
Total LT debt	3,059	4,842	5,581	5,330	4,639
Others LT liabilities	18,615	19,343	21,227	21,311	21,348
Total liabilities	42,470	45,594	49,740	49,983	48,612
Minority interest	233	1,078	1,131	1,189	1,248
Preferred shares	0	0	0	0	0
Paid-up capital	1,670	1,670	1,670	1,670	1,670
Share premium	1,185	1,185	1,185	1,185	1,185
Warrants	0	0	0	0	0
Surplus	(153)	182	182	182	182
Retained earnings	6,346	6,982	7,099	7,645	9,007
Shareholders' equity	9,049	10,020	10,137	10,683	12,045
Liabilities & equity	51,752	56,691	61,008	61,854	61,906

Sources: Company data, ttb wealth estimates

CASH FLOW STATEMENT

FY ending Dec (Bt m)	2024A	2025A	2026F	2027F	2028F
Earnings before tax	1,365	1,232	773	1,531	2,623
Tax paid	(545)	(344)	(125)	(418)	(688)
Depreciation & amortization	3,617	4,367	4,733	5,453	6,177
Chg In working capital	662	908	164	431	152
Chg In other CA & CL / minorities	1,205	1,997	306	164	164
Cash flow from operations	6,304	8,159	5,852	7,162	8,427
Capex	(6,224)	(7,022)	(6,042)	(5,960)	(6,094)
Right of use	(166)	(480)	0	0	0
ST loans & investments	(15)	35	0	0	0
LT loans & investments	(946)	(407)	0	0	0
Adj for asset revaluation	0	0	0	0	0
Chg In other assets & liabilities	(1,304)	(959)	(2,116)	84	37
Cash flow from investments	(8,655)	(8,834)	(8,158)	(5,876)	(6,057)
Debt financing	1,936	1,624	1,821	(618)	(1,702)
Capital increase	0	0	0	0	0
Dividends paid	(752)	(418)	(626)	(668)	(668)
Warrants & other surplus	(2)	368	0	0	0
Cash flow from financing	1,183	1,574	1,194	(1,286)	(2,370)
Free cash flow	(2,351)	(675)	(2,306)	1,286	2,370

*We expect strong FCF
with higher profit*

VALUATION

FY ending Dec	2024A	2025A	2026F	2027F	2028F
Normalized PE (x)	11.9	11.9	16.4	10.0	6.0
Normalized PE - at target price (x)	17.2	17.1	23.6	14.4	8.6
PE (x)	0.0	11.9	16.4	10.0	6.0
PE - at target price (x)	17.2	17.2	23.6	14.4	8.6
EV/EBITDA (x)	3.3	3.1	3.9	3.1	2.3
EV/EBITDA - at target price (x)	4.2	3.9	4.8	3.8	2.9
P/BV (x)	1.3	1.2	1.2	1.1	1.0
P/BV - at target price (x)	1.9	1.8	1.7	1.6	1.5
P/CFO (x)	1.9	1.5	2.1	1.7	1.4
Price/sales (x)	0.1	0.1	0.1	0.0	0.0
Dividend yield (%)	4.8	4.8	5.5	5.5	5.5
FCF Yield (%)	(19.3)	(5.5)	(18.9)	10.5	19.4
(Bt)					
Normalized EPS	0.61	0.61	0.44	0.73	1.22
EPS	0.61	0.61	0.44	0.73	1.22
DPS	0.35	0.35	0.40	0.40	0.40
BV/share	5.42	6.00	6.07	6.40	7.21
CFO/share	3.78	4.89	3.50	4.29	5.05
FCF/share	(1.41)	(0.40)	(1.38)	0.77	1.42

Sources: Company data, ttb wealth estimates

FINANCIAL RATIOS

FY ending Dec	2024A	2025A	2026F	2027F	2028F
Growth Rate					
Sales (%)	13.6	(0.6)	2.3	7.1	2.9
Net profit (%)	8.2	(0.0)	(27.3)	63.4	67.3
EPS (%)	8.2	(0.0)	(27.3)	63.4	67.3
Normalized profit (%)	7.7	0.1	(27.4)	63.4	67.3
Normalized EPS (%)	7.7	0.1	(27.4)	63.4	67.3
Dividend payout ratio (%)	57.2	57.2	89.9	55.0	32.9
Operating performance					
Gross margin (%)	6.8	8.0	8.1	9.2	9.9
Operating margin (%)	1.1	1.1	0.6	0.9	1.3
EBITDA margin (%)	2.7	3.0	2.6	3.1	3.7
Net margin (%)	0.4	0.4	0.3	0.4	0.8
D/E (incl. minor) (x)	1.1	1.1	1.2	1.1	0.9
Net D/E (incl. minor) (x)	0.9	0.8	1.0	0.9	0.7
Interest coverage - EBIT (x)	2.3	2.1	1.2	1.8	2.7
Interest coverage - EBITDA (x)	5.6	5.9	5.3	6.2	7.9
ROA - using norm profit (%)	2.1	1.9	1.3	2.0	3.3
ROE - using norm profit (%)	11.5	10.7	7.4	11.7	17.9
DuPont					
ROE - using after tax profit (%)	10.3	9.6	6.3	10.6	16.9
- asset turnover (x)	4.6	4.1	3.9	4.0	4.1
- operating margin (%)	1.1	1.1	0.8	1.1	1.5
- leverage (x)	5.5	5.7	5.8	5.9	5.4
- interest burden (%)	55.6	52.0	40.1	55.5	68.9
- tax burden (%)	67.2	74.0	81.8	72.3	73.4
WACC (%)	11.4	11.4	11.4	11.4	11.4
ROIC (%)	12.0	10.2	5.8	7.1	10.7
NOPAT (Bt m)	1,650	1,754	1,097	1,556	2,344
invested capital (Bt m)	17,144	18,839	21,888	21,816	21,476

We expect ROE to expand with profit

Sources: Company data, ttb wealth estimates

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Stock Exchange Has prepared the results of evaluating sustainable stocks which are stocks of listed companies (SETESG Rating) as an alternative for investors who want to invest in stocks of listed companies that are outstanding in ESG, including to support listed companies with operations, sustainable business Taking into account all stakeholders in both social and environmental aspects. There is a management process to create sustainability for the organization, such as risk management. Supply chain management and innovation development. Therefore, the SETESG index was created to be an index that reflects the price movement of a group of securities, of companies with sustainable business operations that meet the required size and liquidity criteria

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90-100		Excellent
80-89		Very Good
70-79		Good
60-69		Satisfactory
50-59		Pass
Below		N/A

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