

From oil retail fade to drink edge

- Punthai is now turning from an underdog to a racing horse
- Punthai's net profit is on track to reach THB1b by 2027, growing PTG's non-oil gross profit to 50%+
- Maintain BUY and a TP of THB9.8

From an oil station gate to a beverage edge

PTG is now poised to reap greater benefits from its growth strategy that shifts from oil to non-oil growth, mainly for its Punthai coffee, which has seen a fast and strong net profit growth in the past three years. We believe by 2027, PTG will have the non-oil gross profit contribution exceeding 50%, up from 33% in 1Q25. This would significantly and structurally transform PTG from a volatile margin, volume-driven retail oil company to a more predictable margin, margin-driven beverage and commerce retail conglomerate.

Punthai: From grooming to growing stage since 2024

Founded in 2012 when the first Punthai Coffee shop opened in September 2012, PTG, owned 100% in Punthai, has groomed Punthai as a non-oil subsidiary with a moderate growth given PTG's strategic growth focus on oil business to expand the number of retail oil stations aiming to gain higher market share. However, starting 2024, PTG shifts its strategy for Punthai to accelerate its growth by expanding the number of new branches and enhancing new products to achieve greater market share within 3-5 years.

Growing number of branches to 1,947 in 2025E

The number of Punthai branches has jumped from 882 in 2023 to 1,347 in 2024 and 1,476 in 1Q25, in line with PTG's new growth strategy. Management expects to achieve 1) 1,947 branches in 2024, up from 1,347 in 2023; 2) 5,000 branches by 2028. Not only do Punthai's sales volume grow from c.30m cups and c.100 cups per day (cpd) in 2023 to 90m+ cups and 180cpd in 1Q25 but also the gross profit margin jumping from 40% in 2023 to 60%+ in 2024 due to the benefits of economies of scales.

Punthai's performance speaks louder

Punthai net profit has proven that its strategy is on the right track, growing from a net loss of THB32m (revenue THB502m) in 2021 to THB78m (THB906m) in 2022, THB212m (THB1,412m) in 2023, and THB292m (THB3,049m) in 2024, even with significantly higher capex for Punthai's aggressive branch expansion.

Maintain BUY and a TP of THB9.8

We maintain BUY and a TP of THB9.8. We believe that PTG's share price currently stands at a structural change from an oil-driven, volatile margin firm to a beverage and commerce play with PTG's crown jewels of Punthai and LPG to be two key growth engines, timely and staggering supplanting its retail oil station business in 2025E-27E.

Analyst

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ESG Rating : n.a.

CG Rating : ▲▲▲▲▲

BUY

Target Price 12M (THB)	9.80
VS. BB Consensus TP (%)	+11.7%
Share Price (THB)	6.35
Upside/Downside	+54.3%

Share Data

Market Cap (THB m)	10,604.50
Par (THB)	1.00
Free Float (%)	58.34
Issued shares (m shares)	1,670

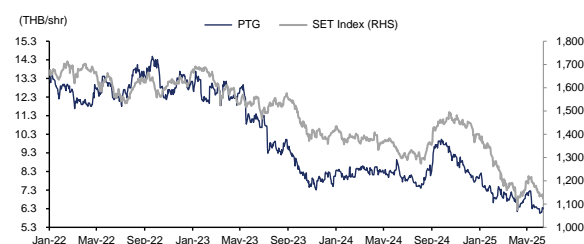
Financial forecast

YE Dec (THB m)	2024	2025E	2026E	2027E
Revenue	226,096	204,975	224,875	246,803
Net profit	1,021	1,253	1,563	1,448
Core net profit	1,022	1,253	1,563	1,448
vs Consensus (%)		13.4	20.0	2.3
Net profit growth (%)	8.2	22.7	24.7	(7.4)
Core net profit growth (%)	7.7	22.6	24.7	(7.4)
EPS (THB)	0.61	0.75	0.94	0.87
Core EPS (THB)	0.61	0.75	0.94	0.87
Chg from previous (%)		0.00	0.00	0.00
DPS (THB)	0.35	0.23	0.28	0.26
P/E (x)	13.41	8.46	6.79	7.33
P/BV (x)	1.51	1.07	0.96	0.88
ROE (%)	11.47	13.24	14.92	12.52
Dividend yield (%)	4.27	3.54	4.42	4.10

Source: Financial Statement and Globlex securities

Share Price Performance (%)

	1M	3M	6M	YTD
Stock	(12.41)	(7.30)	(23.03)	(22.56)
Market	(6.03)	(4.72)	(1.80)	(3.93)
12M High/Low (THB)				10.70 / 6.00



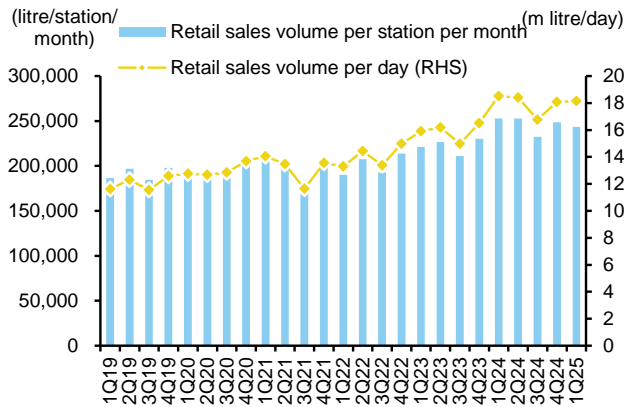
Major Shareholders (%) as of 11 Mar 2025

Ratchakit Holding Company Limited	25.12
Mr. Pongsak Vachirasakpanich	6.01

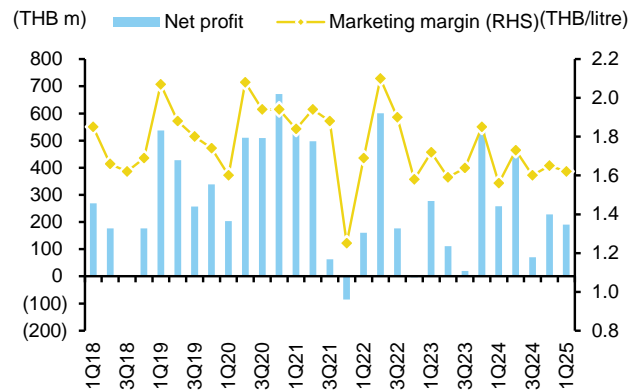
Company Profile

PTG Energy Public Company Limited consists of eight groups of businesses as follows: 1) Oil (the Company's core and original business) and Retail Business, 2) LPG Business, 3) Renewable Energy and Investment Business, 4) Logistics Business, 5) System and Equipment Management Business, 6) Food and Beverage Business, 7) Auto Care and Maintenance Business, and 8) Electronic Money Business (e-Money). In this regard, the Company is determined to operate the business with the aim of satisfying consumers' needs in a comprehensive manner.

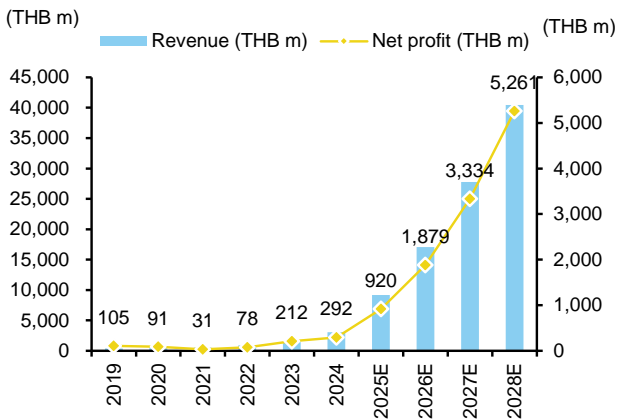
Source: SETSMART, SET

Exhibit 1: Oil sales volume monthly per station vs daily

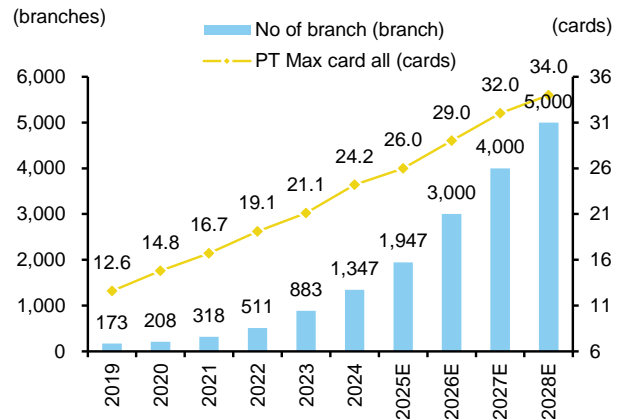
Sources: PTG; Globlex Research

Exhibit 2: Net profit vs marketing margin

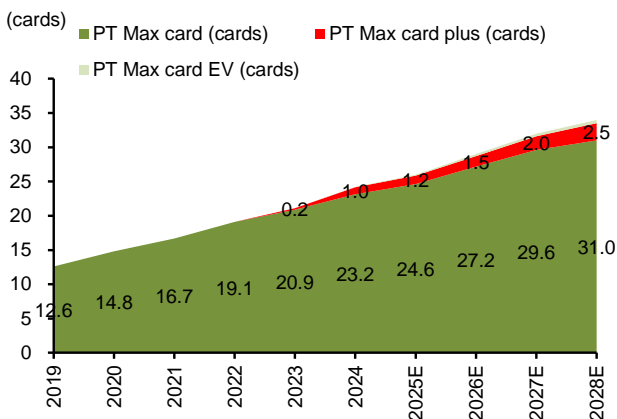
Sources: PTG; Globlex Research

Exhibit 3: Punthai's revenue and net profit

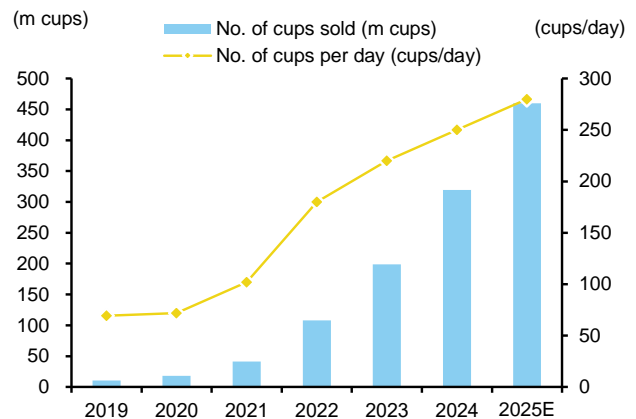
Sources: PTG; Globlex Research

Exhibit 4: Punthai's branch vs PT Max card

Sources: PTG; Globlex Research

Exhibit 5: PT Max cards by type

Sources: PTG; Globlex Research

Exhibit 6: Punthai's number of cups sold and cups/day

Sources: PTG; Globlex Research

Balance sheet (THB m)					
Year ending Dec	2023	2024	2025E	2026E	2027E
Current assets					
Cash & ST investment	3,381	2,212	4,269	8,063	12,100
Account receivable	1,108	1,426	1,714	2,029	2,376
Inventories	3,330	4,295	3,899	4,278	4,710
Others	20	35	32	35	38
Non-current assets					
Net fixed assets	13,202	15,810	14,156	12,123	9,710
Others	25,891	27,975	27,975	27,975	27,975
Total Assets	46,932	51,752	52,044	54,503	56,910

Current liabilities					
Account payable	10,340	12,285	11,152	12,237	13,474
ST borrowing	5,588	8,326	8,493	8,663	8,836
Others	282	185	168	184	202
Long-term liabilities					
Long-term debts	3,604	3,059	3,500	3,500	3,500
Others	18,192	18,615	18,615	18,615	18,615
Total liabilities	38,006	42,470	41,927	43,199	44,627
Pai-up capital	1,670	1,670	1,670	1,670	1,670
Retained earnings	6,076	6,346	7,181	8,368	9,347
Others	1,035	1,033	1,033	1,033	1,033
Minority interest	145	233	233	233	233
Shareholders' equity	8,926	9,282	10,117	11,304	12,283

Key ratios					
Year ending Dec	2023	2024	2025E	2026E	2027E
Growth (y-y%)					
Sales	10.8	13.6	(9.3)	9.7	9.8
Operating profit	(2.2)	5.4	11.2	8.9	(0.6)
EBITDA	(2.2)	5.4	11.2	8.9	(0.6)
Net profit	1.1	8.2	22.7	24.7	(7.4)
Core net profit	2.4	7.7	22.6	24.7	(7.4)
EPS	1.1	8.2	22.7	24.7	(7.4)
Core EPS	2.4	7.7	22.6	24.7	(7.4)
Profitability (%)					
Gross margin	8.3	8.3	8.1	8.1	7.8
Operation margin	2.8	2.6	3.1	3.1	2.8
EBITDA margin	2.8	2.6	3.1	3.1	2.8
Net margin	0.5	0.5	0.6	0.7	0.6
ROE	11.2	11.5	13.2	14.9	12.5
ROA	1.4	3.7	4.0	4.6	4.2
Stability					
Interest bearing debt/equity (x)	1.0	1.2	1.2	1.1	1.0
Net debt/equity (x)	0.7	1.0	0.8	0.4	0.0
Interest coverage (x)	1.9	2.0	2.3	2.6	2.4
Interest & ST debt coverage (x)	0.3	0.2	0.3	0.3	0.3
Cash flow interest coverage (x)	0.2	0.1	0.1	0.1	0.1
Current ratio (x)	0.5	0.4	0.5	0.7	0.9
Quick ratio (x)	0.3	0.2	0.3	0.5	0.6
Net debt (THB m)	5,811	9,173	7,724	4,100	236
Activity					
Asset turnover (X)	4.3	4.6	3.9	4.2	4.4
Days receivables	0.0	0.0	0.0	0.0	0.0
Days inventory	5.5	6.7	7.9	7.2	7.2
Days payable	0.0	0.0	0.0	0.0	0.0
Cash cycle days	5.5	6.7	7.9	7.2	7.2

Profit & loss (THB m)					
Year ending Dec	2023	2024	2025E	2026E	2027E
Revenue	199,048	226,096	204,975	224,875	246,803
Cost of goods sold	(182,536)	(207,412)	(188,276)	(206,604)	(227,481)
Gross profit	16,512	18,683	16,700	18,270	19,322
Operating expenses	(11,009)	(12,884)	(10,249)	(11,244)	(12,340)
Operating profit	5,503	5,799	6,451	7,027	6,982
EBIT	2,150	2,168	2,762	3,264	3,144
Depreciation	(3,353)	(3,631)	(3,689)	(3,763)	(3,838)
EBITDA	5,503	5,799	6,451	7,027	6,982
Non-operating income	176	288	293	299	305
Other incomes	176	288	293	299	305
Other non-op income	0	0	0	0	0
Non-operating expense	(1,128)	(1,091)	(1,190)	(1,237)	(1,295)
Interest expense	(1,128)	(1,091)	(1,190)	(1,237)	(1,295)
Other non-op expense	0	0	0	0	0
Equity income/(loss)	33	125	0	0	0
Pre-tax Profit	1,232	1,490	1,865	2,326	2,154
Extraordinary items	(6)	(1)	0	0	0
Current taxation	(261)	(448)	(612)	(763)	(707)
Minorities	(22)	(20)	0	0	0
Net Profit	944	1,021	1,253	1,563	1,448
Core net profit	950	1,022	1,253	1,563	1,448
EPS (THB)	0.57	0.61	0.75	0.94	0.87
Core EPS (THB)	0.57	0.61	0.75	0.94	0.87

Cash flow (THB m)					
Year ending Dec	2023	2024	2025E	2026E	2027E
Operating cash flow	6,518	5,490	4,196	6,028	6,063
Net profit	944	1,021	1,253	1,563	1,448
Depre. & amortization	3,353	3,631	3,689	3,763	3,838
Change in working capital	2,045	550	(1,039)	403	472
Others	176	288	293	299	305
Investment cash flow	(4,152)	(7,676)	(1,824)	(1,517)	(1,250)
Net CAPEX	(1,446)	(1,784)	(2,040)	(2,227)	(2,413)
Change in LT investment	(2,706)	(5,892)	216	709	1,163
Change in other assets	0	0	0	0	0
Free cash flow	2,366	(2,186)	2,373	4,511	4,813
Financing cash flow	(1,057)	1,018	(316)	(718)	(776)
Change in share capital	0	0	0	0	0
Net change in debt	(300)	2,194	607	170	173
Dividend paid	(334)	(752)	(418)	(376)	(469)
Others	(422)	(424)	(506)	(512)	(480)
Net cash flow	1,310	(1,168)	2,057	3,793	4,037

Per share (THB)					
EPS	0.57	0.61	0.75	0.94	0.87
Core EPS	0.57	0.61	0.75	0.94	0.87
CFPS	2.59	2.80	2.96	3.19	3.17
BVPS	5.26	5.42	5.92	6.63	7.22
Sales/share	119.19	135.39	122.74	134.66	147.79
EBITDA/share	3.30	3.47	3.86	4.21	4.18
DPS	0.35	0.35	0.23	0.28	0.26
Valuation					
P/E (x)	15.48	13.41	8.46	6.79	7.33
P/BV (x)	1.66	1.51	1.07	0.96	0.88
Dividend yield (%)	4.00	4.27	3.54	4.42	4.10
Dividend payout ratio (%)	61.91	57.23	30.00	30.00	30.00

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Analyst Certification

Siriluck Pinthusoonthorn, Register No. 119539, Globlex Securities Public Company Limited

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RECOMMENDATION STRUCTURE

Stock Recommendations

Stock ratings are based on absolute upside or downside, which we define as (target price* - current price) / 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.