

## Volume Expansion Anchors Earnings

- 4Q25E NP are supported by volume growth, cost normalisation, and one-off gains, despite softer pricing.
- Stable oil prices and higher volume should support steady 2026 NP
- Maintain HOLD at TP of THB112

### 4Q25 NP Boosted by Volume Growth and Cost Relief

We project a stronger 4Q25 net profit (NP) of THB16.9b (+33.2% q-q, -7.6% y-y), with key factors of 1) a q-q increase in sales volume to 542 kboed up from 510 kboed in 3Q25, supported by higher crude liftings from the Middle East, Africa, and Southeast Asia, contributions from new M&A assets (A-18 in Jul-25 and Touat in Sep-25), and higher domestic gas demand following fewer maintenance shutdowns in Thailand. 2) a q-q decline in the Average Selling Price (ASP) to USD 42.2/boe from USD 43.2/boe in 3Q25, due to lower liquid prices (USD 61/bbl vs. USD 67/bbl), a dip in gas prices (USD 5.7/mmbtu vs USD5.8/mmbtu), and a higher liquid sales mix, rising to 30% in 4Q25 from 26% in 3Q25; 3) a q-q decline cost per unit to USD 30.0/boe (vs USD31.6 in 3Q25) driven by lower DD&A from a larger reserve and lower SG&A following the absence of one-off expenses, partially offset by higher exploration spend.; and 4) a USD123m gain from non-operating items and a stronger q-q share of profit.

### One-Off Gains and Seasonality Boost 4Q25

In 4Q25E, we project PTTEP to record a USD123m gain from non-operating items, comprising: 1) a USD30m gain from oil hedging; 2) a USD8m FX gain from the appreciation of the Thai baht and Malaysian ringgit; and 3) a USD85m negative goodwill from the Touat project. Additionally, we expect a stronger q-q share of profit from the Seagreen offshore windfarm due to the high seasonality and Touat project.

### Production Gains Offset Softer Pricing in 2025

We expect PTTEP to achieve its +5% y-y sales volume growth in 2025, supported by higher output from G1 (800 kboed since 2Q24), new volumes from A-18 (Malaysia) and Touat (Algeria), the additional 9.52% stake acquisition in Sinphuhorm, and rising production from Arthit. This should be partly offset by a lower ASP of USD43/boe (from USD47/boe in 2024) amid softer oil prices, while unit costs are expected to rise to USD31/boe due to higher DD&A and OPEX.

### Volume Expansion Balances Cost Normalization

We expect PTTEP's 2026 NP to remain broadly stable, despite higher sales volumes rising to 566 kboed from A-18, Touat, SK408, and ramp-ups at core Thai and Malaysian fields. Oil prices are likely to stay range-bound at USD65–75/bbl, keeping ASP resilient as firmer oil offsets a slight gas price cut to USD5.7/mmbtu, while unit costs should remain contained at high-level of USD30–31/boe.

### Maintain HOLD at TP of THB112

Maintain HOLD at TP of THB112, based on 1.5x 2026E EV/EBITDA. We see a softer oil price outlook, leading us to favor downstream refiners over upstream, supported by stronger-than-expected GRM.

ESG Rating : AA

CG Rating : ▲▲▲▲▲

## HOLD

Target Price 12M (THB)	112.00
VS. BB Consensus TP (%)	-12.9%
Share Price (THB)	112.00
Upside/Downside	0.0%

### Share Data

Market Cap (THB m)	444,638.36
Par (THB)	1.00
Free Float (%)	34.69
Issued shares (m shares)	3,970

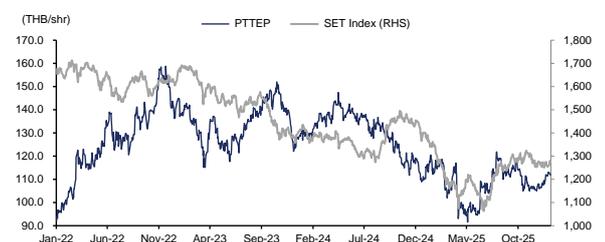
### Financial forecast

YE Dec (THB m)	2024	2025E	2026E	2027E
Revenue	312,310	308,469	300,523	294,442
Net profit	78,824	69,551	67,744	64,653
Core net profit	79,219	69,551	67,744	64,653
vs Consensus (%)		10.5	12.2	7.3
Net profit growth (%)	2.8	(11.8)	(2.6)	(4.6)
Core net profit growth (%)	(2.6)	(12.2)	(2.6)	(4.6)
EPS (THB)	19.86	17.52	17.06	16.29
Core EPS (THB)	19.95	17.52	17.06	16.29
Chg from previous (%)		0.00	0.00	0.00
DPS (THB)	9.63	8.76	8.53	8.14
P/E (x)	5.99	6.39	6.56	6.88
P/BV (x)	0.88	0.78	0.74	0.70
ROE (%)	15.31	12.58	11.53	10.42
Dividend yield (%)	8.09	7.82	7.62	7.27

Source: Financial Statement and Globlex securities

### Share Price Performance (%)

	1M	3M	6M	YTD
Stock	5.66	(1.75)	2.75	(0.88)
Market	5.58	(0.92)	(9.73)	(2.06)
12M High/Low (THB)				130.50 / 93.00



### Major Shareholders (%) as of 13 Aug 2025

PTT Public Company Limited	63.79
Thai NVDR	6.52
STATE STREET EUROPE LIMITED	1.80

### Company Profile

The principal business operations of the group are exploration and production of petroleum in Thailand and overseas, foreign gas pipeline transportation, and investment in projects strategically connected to the energy business.

Source: SETSMART, SET

#### Analyst

Siriluck Pinthusoonthorn  
Siriluck@globlex.co.th,  
+662 672 5806

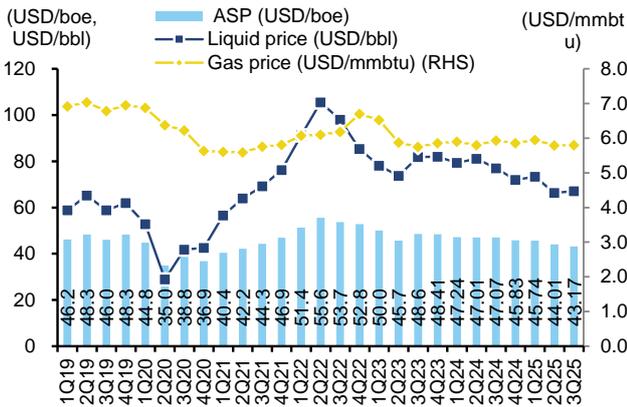
Suwat Sinsadok, CFA, FRM, ERP  
suwat.s@globlex.co.th,  
+662 687 7026

**Exhibit 1: Summary of 4Q25E/2025E operations**

	4Q24	3Q25	4Q25E			2024	2025E	chg. (y-y%)
	(THB m)	(THB m)	(THB m)	(q-q%)	(y-y%)	(THB m)	(THB m)	
<b>Revenue</b>	<b>75,273</b>	<b>67,648</b>	<b>71,030</b>	<b>5.0</b>	<b>(5.6)</b>	<b>312,310</b>	<b>308,469</b>	<b>(1.2)</b>
Operating costs	(24,371)	(20,225)	(20,954)	(3.6)	14.0	(29,718)	(46,399)	(56.1)
<b>EBITDA</b>	<b>50,902</b>	<b>47,423</b>	<b>50,076</b>	<b>5.6</b>	<b>(1.6)</b>	<b>169,438</b>	<b>166,444</b>	<b>(1.8)</b>
EBITDA margin (%)	68	70	71	nm	nm	54.3	54.0	(0.5)
Depn & amort.	(21,335)	(23,810)	(24,790)	(4.1)	(16.2)	(38,016)	(45,833)	(20.6)
EBIT	29,567	23,613	25,286	7.1	(14.5)	131,422	120,611	(8.2)
Interest expense	(2,637)	(3,184)	(3,200)	(0.5)	(21.4)	(11,813)	(11,825)	(0.1)
Interest & invt inc	6,422	2,359	3,200	35.6	(50.2)	8,435	8,435	-
Associates' contrib	719	155	200	29.0	(72.2)	1,317	1,317	-
Exceptionals	272	553	3,690	567.9	1,257.0	7,065	1,500	(78.8)
<b>Pretax profit</b>	<b>34,343</b>	<b>23,496</b>	<b>29,176</b>	<b>24.2</b>	<b>(15.0)</b>	<b>136,031</b>	<b>120,039</b>	<b>(11.8)</b>
Tax	(16,043)	(10,802)	(12,254)	(13.4)	23.6	(57,214)	(50,488)	11.8
Tax rate (%)	47	46	42	nm	nm	42.1	42.1	-
Minority interests	(1)	(0)	(9)	nm	(814.3)	7	0	nm
<b>Net profit</b>	<b>18,299</b>	<b>12,694</b>	<b>16,913</b>	<b>33.2</b>	<b>(7.6)</b>	<b>78,824</b>	<b>69,551</b>	<b>(11.8)</b>
Non-recurring	250	452	3,690	717.0	1,373.1	(395)	-	nm
<b>Core net profit</b>	<b>18,049</b>	<b>12,243</b>	<b>13,223</b>	<b>8.0</b>	<b>(26.7)</b>	<b>79,219</b>	<b>69,551</b>	<b>(12.2)</b>
EPS (THB)	4.61	3.20	4.26	33.2	(7.6)	19.86	17.52	(11.8)
Core EPS (THB)	4.55	3.08	3.33	8.0	(26.7)	19.95	17.52	(12.2)

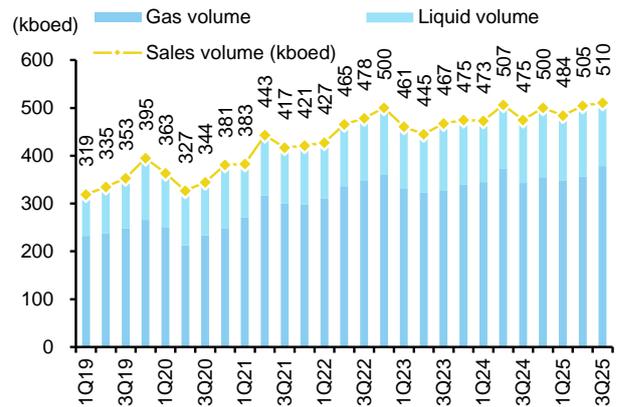
Sources: PTTEP, Globlex Research

**Exhibit 2: ASP, liquid and gas prices**



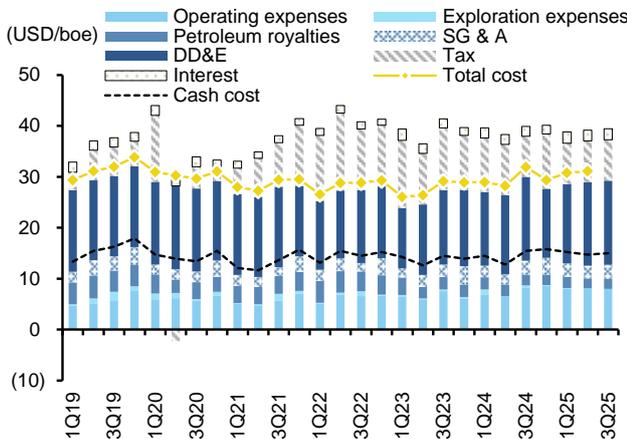
Sources: PTTEP; Globlex Research

**Exhibit 3: Sales volume by gas and liquid**



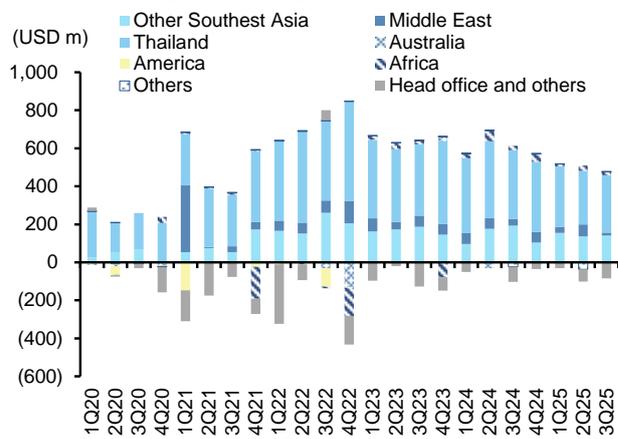
Sources: PTTEP; Globlex Research

**Exhibit 4: Cost breakdown**



Sources: PTTEP

**Exhibit 5: Net profit by region**



Sources: PTTEP

Balance sheet (THB m)					
Year ending Dec	2023	2024	2025E	2026E	2027E
<b>Current assets</b>					
Cash & ST investment	137,542	133,850	115,970	128,743	151,192
Account receivable	62,241	43,270	42,738	41,637	40,795
Inventories	20,914	22,759	22,479	21,900	21,457
Others	23,871	34,449	35,766	37,083	38,400
<b>Non-current assets</b>					
Net fixed assets	440,271	490,484	562,675	623,316	672,738
Others	217,982	240,488	189,343	138,478	87,612
<b>Total Assets</b>	<b>902,821</b>	<b>965,301</b>	<b>968,972</b>	<b>991,157</b>	<b>1,012,194</b>
<b>Current liabilities</b>					
Account payable	52,972	66,325	65,510	63,822	62,531
ST borrowing	13,208	13,208	13,208	13,208	13,208
Others	22,411	25,969	24,058	22,147	20,236
<b>Long-term liabilities</b>					
Long-term debts	95,320	95,009	75,000	75,000	75,000
Others	219,468	228,915	220,827	212,739	204,651
<b>Total liabilities</b>	<b>403,378</b>	<b>429,425</b>	<b>398,602</b>	<b>386,915</b>	<b>375,625</b>
Paid-up capital	109,388	109,388	109,388	109,388	109,388
Retained earnings	366,988	407,071	441,846	475,718	508,044
Others	22,951	19,137	19,137	19,137	19,137
Minority interest	116	281	0	0	0
<b>Shareholders' equity</b>	<b>499,443</b>	<b>535,876</b>	<b>570,370</b>	<b>604,242</b>	<b>636,569</b>

Key ratios					
Year ending Dec	2023	2024	2025E	2026E	2027E
<b>Growth (%YoY)</b>					
Sales	(9.3)	3.9	(1.2)	(2.6)	(2.0)
Operating profit	(11.2)	(2.2)	(1.8)	(0.8)	(0.5)
EBITDA	(11.2)	(2.2)	(1.8)	(0.8)	(0.5)
Net profit	8.2	2.8	(11.8)	(2.6)	(4.6)
Core net profit	(13.1)	(2.6)	(12.2)	(2.6)	(4.6)
EPS	8.2	2.8	(11.8)	(2.6)	(4.6)
Core EPS	(13.1)	(2.6)	(12.2)	(2.6)	(4.6)
<b>Profitability (%)</b>					
Gross margin	90.3	90.5	85.0	85.9	87.8
Operation margin	57.6	54.3	54.0	54.9	55.8
EBITDA margin	57.6	54.3	54.0	54.9	55.8
Net margin	25.5	25.2	22.5	22.5	22.0
ROE	16.8	15.3	12.6	11.5	10.4
ROA	9.4	8.7	7.4	7.1	6.7
<b>Stability</b>					
Interest bearing debt/equity (x)	0.2	0.2	0.2	0.1	0.1
Net debt/equity (x)	n.a.	n.a.	n.a.	n.a.	n.a.
Interest coverage (x)	13.7	11.1	10.2	9.9	9.5
Interest & ST debt coverage (x)	6.0	5.3	4.8	4.7	4.5
Cash flow interest coverage (x)	0.2	0.3	0.3	0.3	0.3
Current ratio (x)	2.8	2.2	2.1	2.3	2.6
Quick ratio (x)	2.3	1.7	1.5	1.7	2.0
Net debt (THB m)	(29,014)	(25,633)	(27,762)	(40,535)	(62,984)
<b>Activity</b>					
Asset turnover (X)	0.3	0.3	0.3	0.3	0.3
Days receivables	63.4	61.7	50.9	51.2	51.1
Days inventory	251.3	268.2	177.9	191.4	219.8
Days payable	770.8	732.6	518.5	557.9	640.5
Cash cycle days	(456)	(403)	(290)	(315)	(370)

Profit & loss (THB m)					
Year ending Dec	2023	2024	2025E	2026E	2027E
<b>Revenue</b>					
Revenue	300,694	312,310	308,469	300,523	294,442
Cost of goods sold	(29,076)	(29,718)	(46,399)	(42,310)	(36,004)
<b>Gross profit</b>	<b>271,618</b>	<b>282,592</b>	<b>262,070</b>	<b>258,214</b>	<b>258,439</b>
Operating expenses	(98,301)	(113,154)	(95,625)	(93,162)	(94,222)
<b>Operating profit</b>	<b>173,317</b>	<b>169,438</b>	<b>166,444</b>	<b>165,052</b>	<b>164,217</b>
<b>EBIT</b>	<b>140,788</b>	<b>131,422</b>	<b>120,611</b>	<b>117,505</b>	<b>112,183</b>
Depreciation	(32,529)	(38,016)	(45,833)	(47,547)	(52,035)
<b>EBITDA</b>	<b>173,317</b>	<b>169,438</b>	<b>166,444</b>	<b>165,052</b>	<b>164,217</b>
<b>Non-operating income</b>	<b>2,288</b>	<b>8,223</b>	<b>8,435</b>	<b>8,435</b>	<b>8,435</b>
Other incomes	5,304	8,435	8,435	8,435	8,435
Other non-op income	(3,016)	(212)	-	-	-
<b>Non-operating expense</b>	<b>(4,145)</b>	<b>(4,931)</b>	<b>(10,325)</b>	<b>(10,336)</b>	<b>(10,348)</b>
Interest expense	(10,243)	(11,813)	(11,825)	(11,836)	(11,848)
Other non-op expense	6,099	6,882	1,500	1,500	1,500
<b>Equity income/(loss)</b>	<b>1,477</b>	<b>1,317</b>	<b>1,317</b>	<b>1,317</b>	<b>1,317</b>
<b>Pre-tax Profit</b>	<b>140,408</b>	<b>136,031</b>	<b>120,039</b>	<b>116,920</b>	<b>111,586</b>
Extraordinary items	-	-	-	-	-
Current taxation	(63,704)	(57,214)	(50,488)	(49,176)	(46,933)
Minorities	2	7	0	0	0
<b>Net Profit</b>	<b>76,706</b>	<b>78,824</b>	<b>69,551</b>	<b>67,744</b>	<b>64,653</b>
<b>Core net profit</b>	<b>81,348</b>	<b>79,219</b>	<b>69,551</b>	<b>67,744</b>	<b>64,653</b>
<b>EPS (THB)</b>	<b>19.32</b>	<b>19.86</b>	<b>17.52</b>	<b>17.06</b>	<b>16.29</b>
<b>Core EPS (THB)</b>	<b>20.49</b>	<b>19.95</b>	<b>17.52</b>	<b>17.06</b>	<b>16.29</b>

Cash flow (THB m)					
Year ending Dec	2023	2024	2025E	2026E	2027E
<b>Operating cash flow</b>					
Operating cash flow	85,673	132,674	116,196	116,971	117,974
Net profit	76,706	78,824	69,551	67,744	64,653
Depre. & amortization	32,529	38,016	45,833	47,547	52,035
Change in working capital	(23,562)	15,834	812	1,680	1,286
Others	-	-	-	-	-
<b>Investment cash flow</b>	<b>(130,332)</b>	<b>(129,500)</b>	<b>(184,937)</b>	<b>(179,508)</b>	<b>(179,508)</b>
Net CAPEX	(131,633)	(131,633)	(186,774)	(179,508)	(179,508)
Change in LT investment	-	-	-	-	-
Change in other assets	1,301	2,133	1,837	-	-
<b>Free cash flow</b>	<b>(44,659)</b>	<b>3,175</b>	<b>(68,741)</b>	<b>(62,538)</b>	<b>(61,535)</b>
<b>Financing cash flow</b>	<b>59,877</b>	<b>(6,867)</b>	<b>50,861</b>	<b>75,311</b>	<b>83,983</b>
Change in share capital	-	-	-	-	-
Net change in debt	(1,775)	(311)	(20,009)	-	-
Dividend paid	(37,715)	(38,211)	(34,775)	(33,872)	(32,327)
Others	99,367	31,656	105,645	109,182	116,310
<b>Net cash flow</b>	<b>15,218</b>	<b>(3,692)</b>	<b>(17,880)</b>	<b>12,773</b>	<b>22,449</b>
<b>Per share (THB)</b>					
EPS	19.32	19.86	17.52	17.06	16.29
Core EPS	20.49	19.95	17.52	17.06	16.29
CFPS	27.51	29.43	29.06	29.04	29.39
BVPS	125.78	134.91	143.67	152.20	160.35
Sales/share	75.74	78.67	77.70	75.70	74.17
EBITDA/share	43.66	42.68	41.93	41.57	41.36
DPS	9.50	9.63	8.76	8.53	8.14
<b>Valuation</b>					
P/E (x)	7.7	6.0	6.4	6.6	6.9
P/BV (x)	1.2	0.9	0.8	0.7	0.7
Dividend yield (%)	6.4	8.1	7.8	7.6	7.3
Dividend payout ratio (%)	49.2	48.5	50.0	50.0	50.0

## GENERAL DISCLAIMER

### 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  $(\text{target price}^* - \text{current price}) / \text{current price}$ .

- 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.