

Shining operations offset by extras

- 1Q26E solid operations partly offset by large extra expenses
- Higher margins and volumes across all business units in 1Q26E
- Downgrade to HOLD and maintain TP at THB32

Business profits partly offset by multiple “extra” items

We project 1Q26 net profit (NP) of THB1.6b, up from a net loss (NL) of THB2.9b in 4Q25. The core NP is expected to turn around to THB5.0b, boosted by the surging margins on the supply disruptions in the Middle East and the timely volume growths q-q due to the absence of the planned shutdowns for aromatics and refinery in 4Q25.

Refinery to reap windfall margin spikes in 1Q26

Refinery unit will reap the windfall margin spikes for the middle distillates, which surged by USD11/bbl q-q in 1Q26, boosted by the spikes in diesel and jet spreads over crude price to hit USD100/bbl at certain point during the US/Israel-Iran war since 28 Feb-26. In 1Q26, we forecast market GRM to hit USD13/bbl, up from USD7.9/bbl in 4Q25. Crude premium remained stagnant q-q in 1Q26 due to the lag time while utilization rate will be at 103%.

Chemical profits reincarnate in 1Q26

We expect chemical units to reincarnate in 1Q26, thanks to the benefits of margin spikes caused by supply disruptions on U.S.-Iran war. Olefins NP should hit THB1.3b, boosted by higher margins of upstream olefins while polymers NP gained much less in 1Q26 due to the lag time but should greatly gain in 2Q26. Aromatics NP should hit THB1.7b on the back of higher margins and mainly on rising utilization rate to 87% vs only 57% in 4Q25 due to planned shutdown. But intermediate product NP was weak due to higher cost, partly offset by higher running rate.

Multiple headwinds continued in 1Q26E

PTTGC remains haunted by large amount of “extra” items in 1Q26, which we project to be at THB3.0b net loss, comprising 1) inventory gain of USD250m (+USD50/bbl x 5m bbl); 2) NRV gain of THB0.7b; 3) hedging loss of -USD250m (USD30m realized + USD160m unrealized) on 10-20% hedging volume; 4) crude oil price hedging loss of -USD65m; 5) hedging gain of USD40m on aromatics; 6) divestment gain of Thai Tank at THB2.3b; 7) impairment loss of THB5.0b.

Downgrade to HOLD and maintain TP at THB32

We downgrade PTTGC from BUY to HOLD and maintain our TP at THB32, based on 5.5x 2026E EV/EBITDA as we think the margin upsides mostly priced in while the downsides from the mismatch of current-day cost over 2-month lag selling prices loom large for refinery, which should partly offset by the gains from the margin spikes of olefins and aromatics. We prefer IVL as our top pick in Thai petrochemical sector and SCC over PTTGC on the relief of raw material supply risk as many ships carrying SCC's naphtha has successfully passed through the Strait of Hormuz.

Analyst

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ESG Rating : AAA

CG Rating : ▲▲▲▲▲

HOLD (from BUY)

Target Price 12M (THB)	32.00
VS. BB Consensus TP (%)	-2.4%
Share Price (THB)	35.00
Upside/Downside	-8.6%

Share Data

Market Cap (THB m)	157,810.00
Par (THB)	10.00
Free Float (%)	51.81
Issued shares (m shares)	4,509

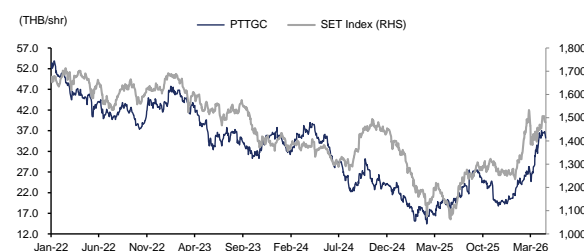
Financial forecast

YE Dec (THB m)	2025	2026E	2027E	2028E
Revenue	487,585	535,967	540,688	545,563
Net profit	(14,600)	10,927	13,563	16,058
Core net profit	(13,141)	10,927	13,563	16,058
vs Consensus (%)		62.8	42.8	24.0
Net profit growth (%)	51.0	174.8	24.1	18.4
Core net profit growth (%)	(1,840.6)	183.2	24.1	18.4
EPS (THB)	(3.24)	2.42	3.01	3.56
Core EPS (THB)	(2.91)	2.42	3.01	3.56
Chg from previous (%)		-	-	-
DPS (THB)	0.50	0.73	0.90	1.07
P/E (x)	(6.49)	14.44	11.64	9.83
P/BV (x)	0.40	0.65	0.62	0.59
ROE (%)	(5.41)	4.57	5.45	6.19
Dividend yield (%)	2.38	2.08	2.58	3.05

Source: Financial Statement and Globlex securities

Share Price Performance (%)

	1M	3M	6M	YTD
Stock	18.55	55.72	57.05	75.00
Market	14.66	33.99	35.03	48.70
12M High/Low (THB)				37.75 / 16.60



Major Shareholders (%) as of 25 Feb 2026

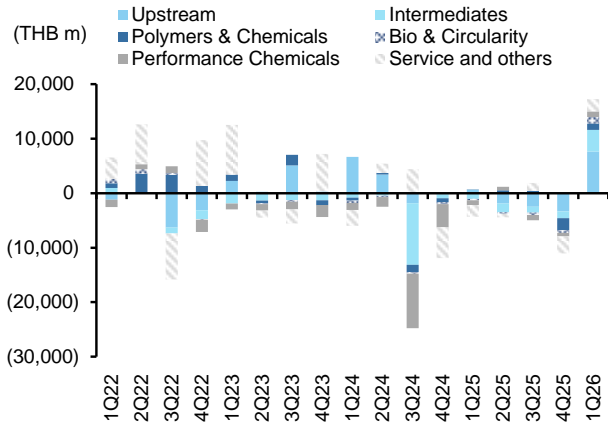
PTT Public Company Limited	45.18
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Company Profile

PTT Global Chemical Public Company Limited was founded on 19th October 2011 through the amalgamation of PTT Chemical Public Company Limited and PTT Aromatics and Refining Public Company Limited to be the chemical flagship of PTT Group.

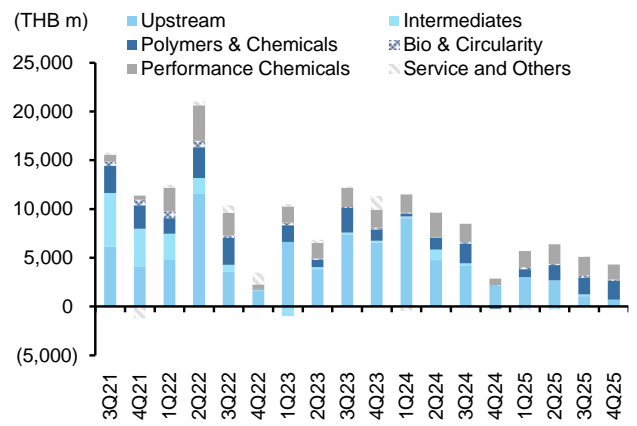
Source: SETSMART, SET

Exhibit 1: Net profit breakdown by business



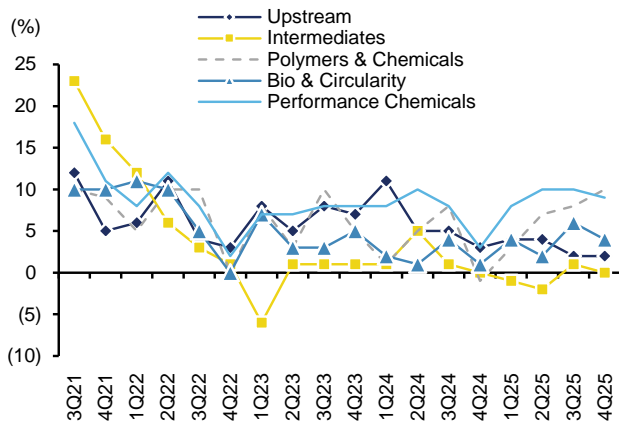
Sources: PTTGC, Glolex Research

Exhibit 2: Adjusted EBITDA by business



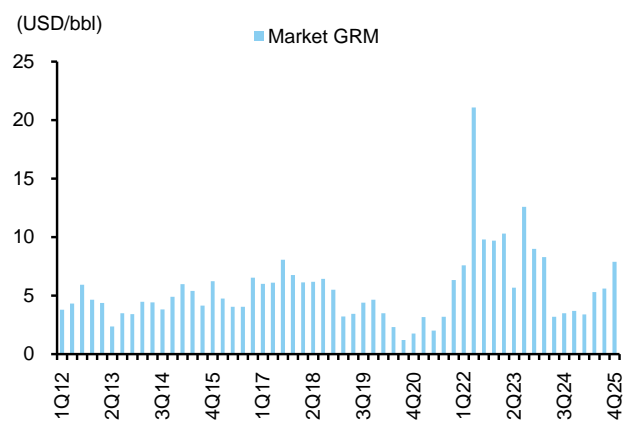
Sources: PTTGC, Glolex Research

Exhibit 3: Adjusted EBITDA margin by business



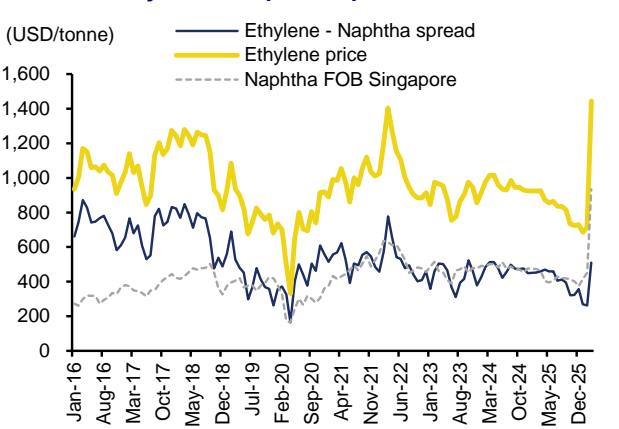
Sources: PTTGC, Glolex Research

Exhibit 4: Adjusted EBITDA margin by business



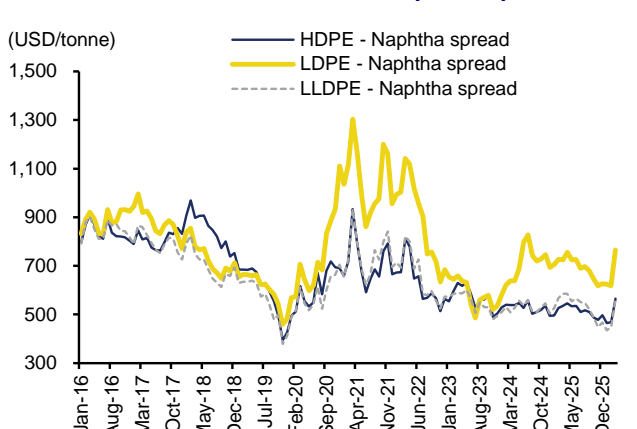
Sources: PTTGC, Glolex Research

Exhibit 5: Ethylene – Naphtha spread



Sources: Bloomberg

Exhibit 6: HDPE, LDPE, LLDPE – Naphtha spread



Sources: Bloomberg

Balance sheet (THB m)						Profit & loss (THB m)						
Year ending Dec	2024	2025	2026E	2027E	2028E	Year ending Dec	2024	2025	2026E	2027E	2028E	
Current assets						Revenue						
Cash & ST investment	32,745	18,925	33,054	74,009	117,803		608,550	487,585	535,967	540,688	545,563	
Account receivable	47,753	39,410	47,138	47,554	47,982		(516,110)	(433,081)	(460,828)	(461,192)	(461,656)	
Inventories	65,222	59,060	40,680	41,038	41,408		Gross profit	92,439	54,503	75,139	79,496	83,906
Others	91,938	106,870	109,369	108,506	107,643		Operating expenses	(41,268)	(32,768)	(25,665)	(26,193)	(26,778)
Non-current assets						Operating profit						
Net fixed assets	263,584	251,988	239,267	225,424	210,456		20,473	(9,861)	16,753	19,459	22,161	
OT others	189,566	185,941	150,910	130,910	114,607		EBIT	20,473	(9,861)	16,753	19,459	22,161
Total Assets	690,809	662,194	620,418	627,440	639,900		Depreciation	(30,698)	(31,597)	(32,720)	(33,844)	(34,967)
Current liabilities						EBITDA						
Account payable	59,117	47,366	52,066	52,524	52,998		51,171	21,736	49,473	53,303	57,128	
ST borrowing	6,729	6,729	6,729	6,729	6,729		Non-operating income	(28,830)	3,843	3,931	3,931	3,931
Others	143,844	143,844	94,723	94,723	94,723		Other incomes	1,562	0	1,572	1,572	1,572
Long-term liabilities						Non-operating expense						
Long-term debts	169,160	169,160	169,160	169,160	169,160		(30,393)	3,843	2,359	2,359	2,359	
Others	55,057	54,678	47,663	43,967	43,967		(12,158)	(8,798)	(4,646)	(4,635)	(4,624)	
Total liabilities	433,906	421,775	370,340	367,102	367,575		Interest expense	(12,158)	(8,798)	(4,646)	(4,635)	(4,624)
Pai-up capital	45,088	45,088	45,088	45,088	45,088		Other non-op expense					
Retained earnings	164,111	147,256	156,544	166,433	178,048		Equity income/(loss)	(10,667)	(178)	(2,010)	(1,863)	(1,863)
Others	42,172	42,172	42,172	42,172	42,172		Pre-tax Profit	(31,182)	(14,995)	14,028	16,892	19,605
Minority interest	5,532	5,903	6,274	6,645	7,016		Extraordinary items					
Shareholders' equity	256,903	240,419	250,078	260,339	272,325		Current taxation	1,168	(577)	(2,729)	(2,959)	(3,176)
Key ratios						Cash flow (THB m)						
Year ending Dec	2024	2025	2026E	2027E	2028E	Year ending Dec	2024	2025	2026E	2027E	2028E	
Growth (%YoY)						Operating cash flow						
Sales	(2.1)	(19.9)	9.9	0.9	0.9		8,581	31,118	56,315	62,839	66,448	
Operating profit	82.7	(57.5)	127.6	7.7	7.2		Net profit	(29,811)	(14,600)	10,927	13,563	16,058
EBITDA	82.7	(57.5)	127.6	7.7	7.2		Depre. & amortization	30,698	31,597	32,720	33,844	34,967
Net profit	(3,083.7)	51.0	174.8	24.1	18.4		Change in working capital	669	7,097	(2,856)	56	46
Core net profit	80.3	(1,840.6)	183.2	24.1	18.4		Others	7,025	7,025	15,524	15,377	15,377
EPS	(3,083.7)	51.0	174.8	24.1	18.4		Investment cash flow	(13,760)	(21,760)	(21,760)	(21,760)	(21,760)
Core EPS	80.3	(1,840.6)	183.2	24.1	18.4		Net CAPEX	(12,000)	(20,000)	(20,000)	(20,000)	(20,000)
Profitability (%)						Financing cash flow						
Gross margin	15.2	11.2	14.0	14.7	15.4		605	(23,178)	(20,427)	(124)	(894)	
Operation margin	8.4	4.5	9.2	9.9	10.5		Change in share capital	0	0	0	0	0
EBITDA margin	8.4	4.5	9.2	9.9	10.5		Net change in debt	10,000	0	0	0	0
Net margin	(4.9)	(3.0)	2.0	2.5	2.9		Dividend paid	(4,509)	(2,254)	(1,639)	(3,674)	(4,443)
ROE	(0.3)	(5.4)	4.6	5.5	6.2		Others	(4,886)	(20,924)	(18,788)	3,549	3,549
ROA	(1.2)	(0.9)	3.2	3.7	4.1		Net cash flow	(4,574)	(13,820)	14,128	40,955	43,795
Stability						Per share (THB)						
Interest bearing debt/equity (x)	0.7	0.7	0.7	0.7	0.6		EPS	(6.61)	(3.24)	2.42	3.01	3.56
Net debt/equity (x)	0.6	0.7	0.6	0.4	0.2		Core EPS	(0.15)	(2.91)	2.42	3.01	3.56
Interest coverage (x)	1.7	(1.1)	3.6	4.2	4.8		CFPS	0.15	3.55	9.76	10.60	11.40
Interest & ST debt coverage (x)	1.1	(0.6)	1.5	1.7	2.0		BVPS	55.75	52.01	54.07	56.27	58.84
Cash flow interest coverage (x)	0.0	0.1	0.2	0.2	0.2		Sales/share	134.97	108.14	118.87	119.92	121.00
Current ratio (x)	1.1	1.1	1.5	1.8	2.0		EBITDA/share	11.35	4.82	10.97	11.82	12.67
Quick ratio (x)	0.4	0.3	0.5	0.8	1.1		DPS	0.75	0.50	0.73	0.90	1.07
Net debt (THB m)	143,143	156,963	142,835	101,880	58,085		Valuation					
Activity						P/E (x)						
Asset turnover (X)	0.8	0.7	0.8	0.9	0.9		(3.7)	(6.5)	14.4	11.6	9.8	
Days receivables	31.6	32.6	29.5	32.0	32.0		P/BV (x)	0.44	0.40	0.65	0.62	0.59
Days inventory	47.3	52.4	39.5	32.3	32.6		Dividend yield (%)	3.09	2.38	2.08	2.58	3.05
Days payable	42.3	44.9	39.4	41.4	41.7		Dividend payout ratio (%)	(11.34)	(15.44)	30.00	30.00	30.00
Cash cycle days	36.7	40.1	29.6	22.9	22.8							

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Analyst Certification

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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.