UOBKayHian

Country Daily | Thailand

Monday, 14 September 2026

Key Indices

	Prev Close	1D %	1W %	1M %	YTD %
DJIA	52573.3	1.0	(2.1)	(2.2)	9.4
S&P 500	7657.0	0.9	(1.2)	(1.7)	11.9
FTSE 100	10650.4	0.4	(1.7)	(0.9)	7.2
AS30	8920.2	(1.0)	(3.0)	(4.2)	(1.1)
CSI 300	4510.2	(0.8)	(0.8)	(3.3)	(2.6)
FSSTI	5695.9	0.1	(1.8)	(0.8)	22.6
HSCEI	8246.3	(0.3)	(3.6)	(1.1)	(7.5)
HSI	24805.6	(0.6)	(3.3)	(1.2)	(3.2)
JCI	6541.4	(0.7)	(1.4)	2.2	(24.4)
KLCI	1686.7	(1.1)	(1.3)	(2.4)	0.4
KOSPI	6909.9	(1.8)	3.3	(1.0)	64.0
Nikkei 225	64011.3	(1.9)	(1.6)	(6.8)	27.2
SET	1604.5	(0.7)	0.6	(0.3)	27.4
TWSE	46184.9	(1.6)	(0.8)	0.8	59.5
BDI	3507	(0.4)	(3.3)	22.5	86.8
CPO (RM/mt)	4617	(1.1)	(1.0)	1.9	17.4
Brent Crude (US$/bbl)	108	3.0	11.1	21.7	77.1

Source: Bloomberg

Corporate Events

	Venue	Begin	Close
17th Asian Gems Conference 2026 (Virtual)	Singapore	22 Sep	23 Sep
Post-results NDR with Sunny Optical (2382 HK)	Taipei	22 Sep	23 Sep
NDR with Food Empire Holdings Ltd (FEH SP)	Malaysia	08 Oct	08 Oct

Corporate and Macro Calendar

Economic Indicator/Event		Date
Aug. Customs Trade Balance (Export-Import)	Thailand	21-26 Sep

Top Stories

Company Update | PTT (PTT TB/**BUY**/Bt42.00/Target: Bt45.00)

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- Following our recent site visit to review the progress of the CFP Project and PTT Tank Terminal, TOP's management expressed strong confidence that the CFP Project remains on track for completion within its designated budget and timeline. As a primary strategic infrastructure flagship for the PTT Group, PTT Tank continues to de-risk its portfolio by focusing on generating long-term recurring income. Based on these solid fundamentals, we project an interim dividend of Bt1.10/share. Maintain BUY; target price: Bt45.00.

PTT (PTT TB)

TOP: CFP Confidence Builds, With PTT Tank Poised To Unlock Long-Term Recurring Income

Highlights

- TOP's management remains highly confident that the CFP Project will be completed on schedule and strictly within the allocated CAPEX budget.
- PTT Tank serves as PTT Group's core infrastructure flagship, focusing on risk diversification and securing long-term recurring income.
- We estimate the interim dividend payout at Bt1.10/share. Maintain BUY with a target price of Bt45.00.

Analysis

- We maintain a positive view following our Clean Fuel Project (CFP) site visit for Thai Oil (TOP) and PTT Tank Terminal Company (PTT Tank).
- **CFP is progressing as planned.** TOP's CFP is currently being executed under an Engineering, Procurement, and Construction Management (EPCM) structure, with cumulative progress reaching 34.87% as of end-Jul 26. TOP has established a systematic and strategic commissioning roadmap. The Crude Distillation Unit-4 (CDU-4) Complex is targeted for commercial operation date (COD) in 2Q27, while the Residue Hydrocracking Unit (RHCU) Complex and Energy Recovery Unit (ERU) will initially undergo utilities system testing. A key milestone is the completion of the first ERU boiler by end-27, followed by testing of supporting facilities, including the Hydrogen Manufacturing Unit (HMU) and Sulphur Recovery Unit (SRU). These units are expected to be ready for integrated commissioning in early-28, with the entire CFP targeted to achieve full COD in 3Q28 as planned.
- **CFP to structurally improve TOP's competitiveness.** With a total investment of US$7.15b, TOP's CFP is designed to upgrade and optimise its refinery to become a first-quartile performer. Upon completion, the project will increase total refining capacity by 40% to 400,000 barrel per day (BPD) and significantly enhance feedstock flexibility by enabling the refinery to process 45-70% medium and heavy crude, compared with its previous capability of primarily processing light crude. This should lower feedstock costs and materially improve operational flexibility. On the product side, the project will deliver significant value upgrading, eliminating low-value fuel oil production from 13% to 0% and shifting the product slate toward higher-value products, with middle distillates increasing to 62%.
- **PTT Tank: PTT Group's strategic infrastructure flagship.** PTT Tank serves as a strategic infrastructure flagship and key infrastructure integrator for PTT Group, connecting energy and industrial assets across the Eastern Economic Corridor (EEC), particularly Map Ta Phut and Sriracha. Under its 3-S Strategic Direction, asset pooling with PTT Group affiliates such as TOP and PTT Global chemical (PTTGC) during 2026-27 is expected to unlock synergies and optimise asset utilisation.

Key Financials

Year to 31 Dec (Btm)	2024	2025	2026F	2027F	2028F
Net turnover	3,090,453	2,662,145	3,182,751	3,038,011	3,103,477
EBITDA	424,492	374,281	455,294	430,338	431,733
Operating profit	238,574	188,363	273,094	251,782	256,748
Net profit (rep./act.)	90,072	90,166	123,110	106,386	104,402
Net profit (adj.)	94,480	75,786	125,961	106,386	104,402
EPS (x)	3.3	2.7	4.4	3.7	3.7
PE (x)	12.3	15.4	9.2	10.9	11.1
P/B (x)	1.0	1.0	1.0	0.9	0.9
EV/EBITDA (x)	1.8	1.9	1.4	1.1	0.8
Dividend yield (%)	5.2	5.6	6.1	6.1	6.1
Net margin (%)	2.9	3.4	3.9	3.5	3.4
Net debt/(cash) to equity (%)	48.8	45.4	39.5	26.5	15.7
Consensus net profit	-	-	123,167	106,188	112,321
UOBKH/Consensus (x)	-	-	1.00	1.00	0.93

Source: PTT, Bloomberg, UOB Kay Hian

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BUY (Maintained)

Share Price	Bt42.00
Target Price	Bt45.00
Upside	+7.14%

Stock Data

Sector	Energy
Bloomberg ticker	PTT TB
Shares issued (m)	28,563.00
Market cap (Btm)	1,128,098
Market cap (US$m)	33,973
3-mth avg daily t'over (US$m)	46.87

Price Performance (%)

52-week high/low				Bt40.00 / Bt30.00
1mth	3mth	6mth	1yr	YTD
+0.65	+3.33	+6.16	+9.15	+21.09

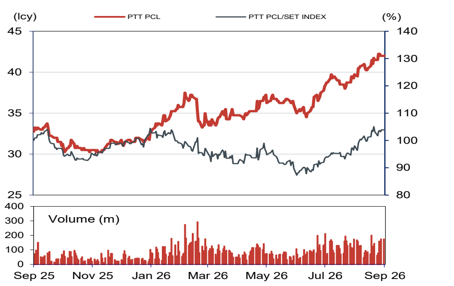
Major Shareholders (%)

MOF	51.38%
Vayupak Fund 1	7.83%
Thai NVDR	5.95%

Balance Sheet Metrics

FY26 NAV/Share (Bt)	Bt41.78
FY26 Net Debt/Share (Bt)	Bt61.06

Price Chart



Source: Bloomberg

Company Description

The company's operated businesses consist of natural gas, gas transmission, international trading, new business and sustainability business; the rest are invested through subsidiaries and/or joint operations, joint ventures and associates, and PTT Group, namely exploration and production, liquefied natural gas, petrochemical and refining, oil and retail, power and utilities, and service businesses.

- During 2028-30, PTT Tank aims to become a national infrastructure champion, targeting return on invested capital (ROIC) above 8% with stable, low-risk cash flows supported by captive PTT Group demand. From 2030 onward, it plans to evolve into a regional decarbonisation hub for ammonia and hydrogen, supporting PTT Group's decarbonisation targets and long-term growth.
- **Diversification with a focus on long-term recurring income.** PTT Tank's asset portfolio is focused on stable, long-term growth through long-term lease contracts and large-scale infrastructure JVs across three strategic pillars: a) Asset pooling: The A1-Core-TOP project, valued at Bt37.40b with a 49% stake, operates under a Lease-and-Lease-Back model, while the A1-Core-GC project, valued at Bt4.84b, provides petrochemical storage and marine terminal facilities at Map Ta Phut; b) Natural gas infrastructure: Through its JV with GULF in Gulf MTP LNG Terminal (GMTP), PTT Tank is developing an 8.0 MTPA LNG terminal with approximately Bt50.00b in superstructure investment. Gas reception is targeted for 4Q28, with full COD expected on 17 Apr 29; and c) Logistics and future energy: Through Thai Tank Terminal (TTT), PTT Tank holds an estimated 40–50% share of chemical storage capacity in Map Ta Phut and is developing ethane storage facilities to support PTTGC's additional 400,000 tonne per year ethane consumption, with COD targeted for Sep 29. Its Bt4.40b investment in GPC International Terminal, developing a 4.0 MTEU/year container terminal, further strengthens its logistics platform.
- **Genesis remains a potential catalyst for PTT.** PTT is in talks with potential strategic partners and expects a conclusion by early-27. Beyond funding, the partnership aims to restructure its Petroleum & Refining (P&R) business and enhance long-term competitiveness through potential benefits in technology, market access, feedstock optimisation, and operational synergies. PTT remains focused on managing its P&R portfolio based on medium- to long-term fundamentals rather than short-term market volatility. Separately, the proposed PTTGC-SCG Chemical (SCGC) JV is expected to reach a clearer conclusion by Sep 26.
- **Interim dividend estimated at Bt1.10/share.** We estimate PTT will announce an interim dividend of Bt1.10/share, implying a 2.62% dividend yield, while maintaining our 2026F DPS estimate at Bt2.50/share, equivalent to a 5.95% dividend yield.

Valuation/Recommendation

- **Maintain BUY with SOTP-based 2027 target price of Bt45.00.** In the oil and gas sector, we prefer PTT Global Chemical (PTTGC TB/BUY/Target Bt48.00) and Siam Cement (SCC TB/BUY/Target: Bt330.00). We continue to see potential upside to our 2026-27F core profit estimates, particularly from the P&R businesses, supported by expectations for market GRM to remain elevated and petrochemical spreads to stay above pre-war levels. In addition, greater clarity on the new PTTGC-SCGC JV and the Genesis project could provide further upside catalysts for PTT.

Earnings Revision/Risk

- **Earnings revision:** None.

Environment, Social, Governance (ESG) Updates

Environmental

- Business growth: Refining the energy investment portfolio with an emphasis on low carbon businesses, b) new growth: Enhancing the profitability of the future energy & beyond segment to at least 30%, and c) clean growth: PTT targets to achieve carbon neutrality by 2040, with the ultimate aim of attaining net zero emissions by 2050.

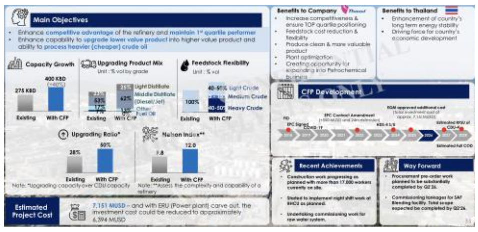
Social

- **PTT Group Innovation for Community Project.** a) Smart farming: Developed integrated models in 45 areas, across 29 provinces, b) smart marketing: Developed 45 community products and six community-based tourism destinations, and c) community knowledge management.
- The Human Capital Index (HCI) has achieved its target of 80%

Governance

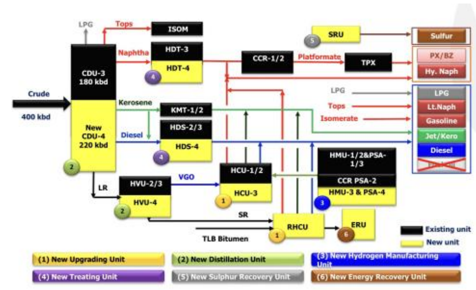
- No cases of non-compliance with significant legal implications in operations.
- The assessment result for the National Anti-Corruption Commission's Integrity and Transparency Assessment (ITA) is at a PASSED, Good level.

TOP: Clean Fuel Project (CFP)



Source: TOP

Sriracha Complex Simplified Diagram After CPF



Source: TOP

PTT Tank Business And Growth Outlook

Source: PTT Tank

Strategic Asset Consolidatation

Source: PTT Tank

SOTP Valuation

	Share Holding	Fair Value (Bt/share)	Value (Btm)	Value (Bt/share)	Methodology
Gas Business (PTT's Operations)	100.0%		863,983	30.2	DCF @ WACC 7.5% G =1%
(-) Net Debt (PTT Only)			-190,286	-6.7	
1) PTT - Equity Value			**673,697**	**23.6**	
2) Associates and Subsidiaries					
PTTEP	63.79%	160.00	405,193	14.2	5-yrs forward PE mean of 8.70x
TOP	45.03%	64.00	64,377	2.3	Forward PE at mean of 8.0x
IRPC	45.05%	2.30	21,173	0.7	Forward PBV -2.0 SD of 0.6x
PTTGC	45.18%	48.00	97,781	3.4	Forward PBV mean of 0.70x
GPSC	47.27%	60.00	79,973	2.8	DCF Valuation
OR	75.00%	12.60	113,400	4.0	Forward PE -1.0 SD of 15.10x
3) Affiliates					
Others Affiliates			**153,719**	**5**	
Total				**56**	
Discount to NAV				-20%	
PTT's TP (UOB Kay Hian)				**45**	

Source: UOB Kay Hian

Profit & loss

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Net turnover	2,662,145	3,182,751	3,038,011	3,103,477
EBITDA	374,281	455,294	430,338	431,733
Deprec. & amort.	185,918	182,200	178,556	174,984
EBIT	188,363	273,094	251,782	256,748
Associate contributions	13,031	3,183	6,076	7,759
Net interest income/(expense)	-40,448	-47,339	-48,519	-49,953
Pre-tax profit	175,326	226,087	209,339	214,554
Tax	-57,600	-67,826	-62,802	-64,366
Minorities	-27,559	-35,151	-40,151	-45,786
Net profit	90,166	123,110	106,386	104,402
Net profit (adj.)	75,786	125,961	106,386	104,402

Balance Sheet

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Fixed assets	1,513,937	1,469,374	1,423,142	1,377,195
Other LT assets	850,525	952,787	889,025	915,277
Cash/ST investment	346,817	354,277	503,424	625,615
Other current assets	135,193	176,125	167,703	160,085
Total assets	3,269,660	3,497,658	3,506,296	3,611,243
ST debt	217,934	171,613	177,614	160,615
Other current liabilities	131,674	181,149	158,916	158,277
LT debt	666,425	665,429	658,430	668,431
Other LT liabilities	384,993	412,222	384,695	404,400
Shareholders' equity	1,185,196	1,221,950	1,254,470	1,295,041
Total liabilities & equity	3,269,660	3,497,658	3,506,296	3,611,243

Cash flow

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Operating	299,366	324,571	320,101	328,604
Pre-tax profit	175,326	226,087	209,339	214,554
Tax	-57,600	-67,826	-62,802	-64,366
Deprec. & amort.	185,918	182,200	178,556	174,984
Working capital changes	12,630	-15,871	-4,992	3,432
Other operating cashflows	-16,907	-19	0	0
Investing	-164,156	-212,668	-96,089	-135,584
Investments	-227,089	-137,636	-132,324	-129,037
Others	62,933	-75,032	36,235	-6,547
Financing	-188,365	-104,443	-74,864	-70,830
Dividend payments	-83,285	-57,126	-73,866	-63,832
Proceeds from borrowings	-105,080	-47,317	-998	-6,998
Net cash inflow (outflow)	-53,155	7,459	149,147	122,191
Beginning cash & cash equiv.	405,139	346,817	354,277	503,424
Changes due to forex impact	-5,167	0	0	0
Ending cash & cash equiv.	346,817	354,277	503,424	625,615

Key Metric

Year to 31 Dec (%)	2025	2026F	2027F	2028F
Profitability				
EBITDA margin	14.1	14.3	14.2	13.9
Pre-tax margin	6.6	7.1	6.9	6.9
Net margin	3.4	3.9	3.5	3.4
ROA	3.3	4.3	3.7	3.6
ROE	9.0	12.1	10.3	9.9
Growth (% yoy)				
Turnover	-13.9	19.6	-4.5	2.2
EBITDA	-11.8	21.6	-5.5	0.3
Pre-tax profit	-3.0	29.0	-7.4	2.5
Net profit	0.1	36.5	-13.6	-1.9
Net profit (adj.)	-19.8	66.2	-15.5	-1.9
EPS	-19.8	66.2	-15.5	-1.9
Leverage				
Debt to total capital	53.5	47.7	45.8	43.3
Debt to equity	74.6	68.5	66.6	64.0
Net debt/(cash) to equity	45.4	39.5	26.5	15.7
Interest cover (x)	9.3	9.6	8.9	8.6