UOBKayHian

Country Daily | Thailand

Thursday, 27 August 2026

Key Indices

	Prev Close	1D %	1W %	1M %	YTD %
DJIA	53463.9	(0.2)	0.0	2.9	11.2
S&P 500	7675.7	(0.0)	(0.4)	3.6	12.1
FTSE 100	10878.1	(0.1)	1.3	1.3	9.5
AS30	9338.8	(0.4)	0.9	3.0	3.5
CSI 300	4590.8	0.9	0.0	(2.4)	(0.8)
FSSTI	5721.6	(0.2)	0.5	1.8	23.1
HSCEI	8533.8	1.0	0.7	2.0	(4.3)
HSI	25653.0	0.6	0.6	2.8	0.1
JCI	6405.7	(1.5)	(0.7)	3.6	(25.9)
KLCI	1748.5	0.7	0.9	2.1	4.1
KOSPI	6808.2	1.0	5.2	0.8	61.6
Nikkei 225	66262.2	0.6	1.4	2.0	31.6
SET	1601.9	0.4	(0.5)	(1.4)	27.2
TWSE	45832.6	1.5	2.5	5.0	58.2
BDI	3056	4.4	10.1	11.4	62.8
CPO (RM/mt)	4647	(0.9)	2.7	0.9	18.2
Brent Crude (US$/bbl)	88	(0.8)	(4.1)	(9.2)	44.4

Source: Bloomberg

Corporate Events

	Venue	Begin	Close
Analyst Marketing by Julia Pan on Greater China Internet Sector	Singapore	07 Sep	08 Sep
Analyst Marketing by Julia Pan on Greater China Internet Sector	Malaysia	09 Sep	11 Sep
17th Asian Gems Conference 2026 (Virtual)	Singapore	22 Sep	23 Sep
Post-results NDR with Sunny Optical (2382 HK)	Taipei	22 Sep	23 Sep

Corporate and Macro Calendar

Economic Indicator/Event		Date
Aug. CPI	Thailand	7 Sep
Aug. Customs Trade Balance (Export-Import)	Thailand	21-26 Sep

Top Stories

Strategy | Key Takeaways from Thailand Focus 2026: Reignite Thailand Page 2 →

- Thailand Focus 2026 reinforced our positive view on Thailand's emerging investment cycle, with capital shifting from traditional industries towards data centres, semiconductors, advanced electronics and AI infrastructure. Progress on direct PPAs and power-grid modernisation will be critical in converting record investment applications into actual investment. We expect utilities, renewable energy, telecommunications and industrial estates to be the key beneficiaries. Our top picks are BGRIM, GPSC, GUNKUL, TRUE and WHA.

Company Update | Bangchak Corporation (BCP TB/**BUY**/Bt49.50/Target: Bt65.00) Page 5 →

- BCP's Investor Forum 2026 reinforced our view that 2026 should establish a structurally higher earnings base rather than a one-off peak. We raise 2027 core profit to Bt19.4b, driven by higher refining margins, full-year SAF contribution and stronger trading earnings, which should help offset the planned refinery maintenance. Strong cash flow and disciplined capital allocation should also support shareholder returns. We maintain BUY and roll forward our target price to Bt65.00.

Company Update | PTT (PTT TB/**BUY**/Bt40.50/Target: Bt45.00) Page 8 →

- We remain positive on PTT, supported by improving earnings quality and a stronger balance sheet. While the Genesis project could be delayed to 2027, its strategic rationale remains intact. Meanwhile, the expansion of the LNG and trading businesses should provide new growth engines for PTT beyond its traditional energy businesses. On dividends, we estimate an interim dividend of Bt1.10/share. Maintain BUY; target price: Bt45.00.

Strategy

Key Takeaways From Thailand Focus 2026: Turning A Record Pipeline Into Power And Infrastructure Demand

Highlights

- Thailand is entering a new investment cycle driven by data centres, semiconductors, advanced electronics and AI infrastructure.
- Record applications signal Thailand's transition from traditional manufacturing towards higher-value technology industries.
- The new PDP (due Sep 26), direct-PPA expansion beyond the 2GW pilot, third-party access and grid modernisation are the gating catalysts.
- Data centre expansion will drive recurring demand for power, industrial land, water, fibre networks and connectivity.
- Key beneficiaries are utilities, telecommunications and industrial estates; top picks are BGRIM, GPSC, GUNKUL, TRUE and WHA.

What's New

- **Thailand Focus 2026: Reignite Thailand.** The Stock Exchange of Thailand hosted the 20th edition of its flagship investor conference on 26-28 Aug 26 with 77 listed companies participating. Day one comprised five policy panels, an ASEAN exchange luncheon session and a keynote by Deputy Prime Minister and Finance Minister Ekniti Nitithanprapas. Other speakers included the Energy Minister and senior representatives of the BOI, DEPA, Moody's, Google Cloud, Infineon, Lumentum and Digital Edge, alongside management of BGRIM, AOT, BBL, IVL and SCC.
- **Thailand is seeking to shift its growth engine towards a new investment cycle.** The central message was not a near-term cyclical recovery, but a structural effort to raise investment from 23-24% to 30% of GDP within four years. This is intended to offset the economic impact of an ageing population and a shrinking workforce. The government plans to use public investment to crowd in private capital and deploy technology to improve productivity. If successfully implemented, the strategy could lift Thailand's potential growth back above 3% and create a more durable investment cycle than conventional consumption stimulus.
- **FDI is moving from low-cost manufacturing to higher-value industries.** Applications reached Bt1.9t in 2025 and are tracking towards Bt2.5t-2.8t this year, with Bt1.47t submitted in 1H26. Composition has shifted towards advanced PCBs, semiconductors, AI servers, optical transceivers, cooling systems and data centres. Infineon is building a next-generation backend hub roughly twice the size of its current one, and Lumentum now runs its largest global manufacturing base in Thailand (9,000 staff, moving towards 10,000). Beyond cost, investors cite reliability, supply-chain resilience, access to clean energy and geopolitical neutrality. The gap between Bt1.47t in applications and roughly Bt500b of actual investment is the single number we would track from here.
- **Clean energy is critical to converting investment applications into actual projects.** Data centre operators prioritise power reliability, access to 100% renewable energy and regulatory certainty over electricity prices alone. Meanwhile, declining domestic gas reserves and greater dependence on imported LNG are increasing Thailand's structural energy risks. The government is preparing a new Power Development Plan, targeting at least 60% renewable energy, alongside direct PPAs, third-party access and grid modernisation. We view these measures as essential both to energy security and Thailand's competitiveness in attracting new industries.

Analyst(s)

Kitpon Praipaisarnkit
kitpon@uobkh.co.th
662 0903352

Krit Tanarattananon
krit@uobkh.co.th
662 0903365

Assistant Analyst(s)

Natthida Chuaysong

Key Recommendations

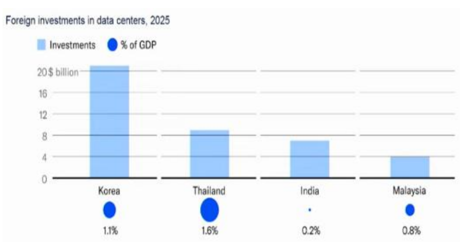
Company	Ticker	Rec	Share Price (Bt)	Target Price (Bt)
B.Grimm Power	BGRIM TB	BUY	18.80	22.00
Global Power Synergy	GPSC TB	BUY	52.00	60.00
Gunkul Engineering	GUNKUL TB	BUY	5.00	6.80
True Corporation	TRUE TB	BUY	13.30	15.70
Wha Corporation	WHA TB	BUY	4.82	6.10

Source: Bloomberg

BOI: Strong Momentum In Investment Applications

Source: BOI

Thailand's Data Centre Investment Are Among The Highest Compared To Regional Peers



Source: UNCTAD, Moody's Ratings

- **Direct PPAs could be a game changer for utilities and data centre investment.** Allowing large users to purchase renewable electricity directly from producers would ease constraints under the existing power-market structure and create a new addressable market for private generators, particularly those with renewable portfolios, industrial customers and the ability to secure long-term data centre contracts. The earnings impact will depend on wheeling charges, capacity allocation rules and the implementation timeline. Progress on direct PPAs and the new PDP should therefore be key catalysts for the utility sector over the next 6-12 months.
- **Thailand's key constraint is shifting from digital infrastructure to talent and technology adoption.** The country has relatively strong digital infrastructure but faces a significant shortage of AI and data professionals, with demand estimated at around 100,000 people versus an existing workforce of approximately 20,000. Workplace adoption of AI also trails some ASEAN peers. This may not constrain initial data centre construction, but it will determine whether Thailand can progress from hosting physical infrastructure to creating higher-value digital services and domestic intellectual capital.
- **Fiscal space exists, but the quality of spending now matters more than the quantity.** Moody's maintains Thailand at Baa1 with a stable outlook, helped by a deep and liquid domestic bond market and interest costs of only 5.5% of revenue, even with public debt at about 60% of GDP against a 70% ceiling and 35% pre-pandemic. We think fiscal policy can keep supporting growth where it crowds in private capital and earns a return – grids, clean energy and digital infrastructure – but successive off-budget decrees are narrowing the buffer.
- **Thailand should benefit from global realignment, although ASEAN competition is intensifying.** Geopolitical fragmentation and supply-chain diversification are redirecting FDI towards ASEAN. Thailand benefits from its established industrial base, industrial estates, utilities and supplier ecosystem. However, it must compete with Malaysia, Indonesia and Vietnam on incentives, approval speed and access to clean energy, while traditional manufacturers face rising competition from Chinese overcapacity. We therefore prefer infrastructure providers supporting the new investment cycle over broad exposure to conventional manufacturing.

Investment Strategy

- **Data centres generate recurring, not one-off, demand.** According to BMI (Fitch's subsidiary), Thailand has about 216MW of live capacity against 944MW under construction or planned, supported by commitments from AWS (US$15b), ByteDance (US$4b) and Google (US$1b). At a PUE of about 1.35 and 80% utilisation, that pipeline equates to roughly 9TWh pa of incremental electricity consumption, or some 4-5% of national demand, on top of requirements for industrial land, water, cooling, fibre and connectivity. The revenue is contracted and recurring across each project's operating life, which is why we prefer infrastructure owners to construction-linked beneficiaries.
- **Positive on utilities, telecommunications and industrial estates.** Thailand Focus 2026 reinforced our new investment-cycle theme centred on AI, data centres and technology industries. Utilities should benefit from rising demand for reliable and renewable power, telecommunications operators from greater data usage and connectivity demand, and industrial estates from both land sales and recurring utility revenue. **Top picks are BGRIM, GPSC, GUNKUL, TRUE and WHA.**
- **BGRIM: A key proxy for direct PPAs and data centres.** BGRIM has an established industrial customer base, smart-grid expertise within industrial estates and an existing partnership with a data centre operator. It is therefore well positioned to monetise power-market liberalisation. Greater clarity on direct PPAs and a higher renewable-energy share under the new PDP would be key catalysts.

- **GPSC: Beneficiary of grid stability and energy storage investment.** Rising renewable penetration will require parallel investment in energy storage and grid management. GPSC should benefit from increasing power demand in the EEC, expansion among industrial customers and investment in technologies supporting power system stability.
- **GUNKUL: A direct renewable energy and grid modernisation play.** GUNKUL should benefit from new renewable projects, solar rooftops, direct PPAs and electrical-system work associated with grid modernisation. This provides opportunities across both power-generation capacity and its EPC and electrical equipment businesses.
- **TRUE: Digital infrastructure proxy for AI and data growth.** Expansion in data centres, cloud services and AI should support demand for fibre networks, data connectivity and overall data consumption. Merger synergies and cost reductions should also strengthen operating leverage, allowing revenue growth to translate more effectively into earnings.
- **WHA: An integrated beneficiary of FDI and data-centre investment.** WHA captures benefits across industrial land sales, ready-built facilities, warehouses, water, electricity and utilities. Data centres are particularly attractive given their intensive requirements for land, power and water. WHA therefore offers one of the clearest exposures to the conversion of investment applications into actual projects.

Peer Comparison

			Price	Target	Upside	Last	-------------------- PE	---------------------		Yield	ROE	Market	Price/
Company	Ticker	Rec	25 Aug 26	Price	To TP	Year	2025	2026F	2027F	2026F	2026F	Cap.	NAV ps
			(Bt)	(Bt)	(%)	End	(x)	(x)	(x)	(%)	(%)	(S$m)	(x)
B.Grimm Power	BGRIM TB	BUY	18.80	22.00	17.02	12/25	29.3	22.5	19.5	2.3	4.5	1,467	1.4
Global Power Synergy	GPSC TB	BUY	52.00	60.00	15.38	12/25	22.9	23.5	20.6	2.9	5.2	4,390	1.3
Gunkul Engineering	GUNKUL TB	BUY	5.00	6.80	36.00	12/25	25.1	20.8	18.7	2.3	14.5	1,330	2.9
True Corporation	TRUE TB	BUY	13.30	15.70	18.05	12/25	38.5	35.1	28.1	1.7	14.1	13,759	4.6
Wha Corporation	WHA TB	BUY	4.82	6.10	26.54	12/25	14.0	14.8	13.2	4.1	11.7	2,157	1.9

Source: Bloomberg, UOB Kay Hian

Bangchak Corporation (BCP TB)

Building A Higher Earnings Base Beyond The Peak

Highlights

- The Investor Forum reinforces our positive view on BCP's earnings base in 2027.
- We raise 2027 core profit by 62% to Bt19b.
- Maintain BUY and roll over our target price to 2027 at Bt65.00.

Analysis

- **Investor Forum reinforces a higher normalised earnings base.** Bangchak Corporation's (BCP) Investor Forum 2026 reinforced our positive view on the group's earnings outlook. Management aims to grow group EBITDA to Bt100b by 2030, from Bt36b in 2025 and our exceptionally strong Bt84b forecast for 2026. The strategy is increasingly focused on maximising value from its existing businesses, particularly through refinery integration, sustainable aviation fuel (SAF), trading and disciplined capital allocation.
- **Refining margins should stay above mid-cycle levels.** While BCP's planned maintenance will lower refinery throughput in 2027, we expect gross refinery margin (GRM) to remain supported by tight refined-product supply, continued refinery optimisation and full-year SAF contribution. We therefore raise our 2027 BCP GRM assumption from US$7.00/bbl to US$8.50/bbl. We expect the impact of government diesel price intervention to be manageable. We foresee an impact of only Bt2.3b from the diesel price intervention during Jul 26-15 Sep 26.
- **SAF margins should remain favourable in 2H26-2027.** SAF was one of the strongest takeaways from the Investor Forum. The plant achieved COD in May 26 and has ramped up substantially faster than we previously expected. Average production reached 6.8kbd in 2Q26 with a target of an average run rate of at least 7kbd in 2027. Importantly, management indicated that SAF-related EBITDA contribution reached around Bt1.0b in 2Q26 despite having only around 40 days of operations. With a favourable SAF-UCO spreads outlook, we expect Bt3.5b-4.0b in EBITDA contributions in 2H26, higher than our previous assumption. We see SAF as an important structural earnings buffer in 2027, as its full-year contribution should partly offset the lower refinery run rate during maintenance.

Key Financials

Year to 31 Dec (Btm)	2024	2025	2026F	2027F	2028F
Net turnover	589,877.4	507,569.9	601,980.6	650,697.2	745,010.4
EBITDA	46,554.0	35,753.8	84,094.8	61,075.2	56,341.4
Operating profit	26,498.0	8,300.7	67,594.8	44,575.2	38,841.4
Net profit (rep./act.)	2,184.1	2,879.7	34,125.2	19,389.9	16,450.3
Net profit (adj.)	6,120.1	10,239.7	34,125.2	19,389.9	16,450.3
EPS	4.4	7.4	23.2	13.2	11.2
PE (x)	11.5	6.9	2.2	3.9	4.6
P/B (x)	1.2	1.0	0.7	0.6	0.6
EV/EBITDA (x)	4.2	6.9	2.1	2.7	2.6
Dividend yield (%)	2.0	2.4	12.1	4.7	4.7
Net margin (%)	0.4	0.6	5.7	3.0	2.2
Net debt/(cash) to equity(%)	165.5	140.6	71.8	54.7	35.7
Interest cover (x)	6.6	4.2	14.3	10.2	9.3
ROE (%)	4.3	5.2	46.0	23.3	18.2
Consensus net profit	n.a	n.a	26,363.6	14,119.2	11,362.3
UOBKH/Consensus (x)	n.a	n.a	0.29	0.38	0.45

Source: Bangchak Corporation, Bloomberg, UOB Kay Hian

Analyst(s)

Arsit Pamaranont

arsit@uobkh.co.th

(66 2) 090-3354

BUY (Maintained)

Share Price	Bt49.50
Target Price	Bt65.00
Upside	31.3%
Previous TP	Bt52.00

Stock Data

Sector	Energy
Bloomberg ticker	BCP TB
Shares issued (m)	1,463.0
Market cap (Btm)	66,565.2
Market cap (US$m)	2,013.9
3-mth avg daily t'over (US$m)	9.6

Price Performance (%)

52-week high/low				Bt45.5/Bt25.0
1mth	**3mth**	**6mth**	**1yr**	**YTD**
29.1	28.2	40.0	33.8	75.0

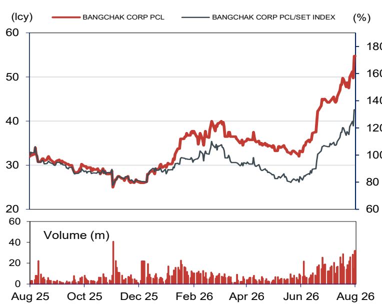
Major Shareholders (%)

Vayapak fund 1	19.8
Social Security Office (SSO)	15.1

Balance Sheet Metrics

FY26 NAV/Share (Bt)	71.6
FY26 Net Debt/Share (Bt)	51.4

Price Chart



Source: Bloomberg

Company Description

BCP is one of the refiners in Thailand. It operates a small complex refinery located in Bangkok with a capacity of 120,000 bbl/day, representing 10% of Thailand's refining capacity. BCP distributes products to clients through its service stations nationwide.

- **New growth engine from trading business.** Trading was another key positive surprise from the forum. Trading EBITDA reached Bt1.05b in 1H26, already exceeding historical levels, while management targets approximately Bt1.6b in 2027 and Bt5b by 2031. Management aims to increase third-party trading significantly while Hong Kong operations and the growing SAF/biofuel businesses allow the company to capture value from crude sourcing, product blending, arbitrage and third-party trading.
- **Marketing – steady growth with improving value creation**. BCP targets retail market share to increase from 29.1% to 33.0% by 2031, supported by network expansion and higher sales per station. Growth will also come from higher-margin non-oil businesses, lubricants and EV charging, while greater integration with refinery and trading should help optimise margins across the value chain.
- **Disciplined capital allocation with positive dividend surprise**. Management remains disciplined on capital allocation, with committed capex of only around Bt9.2b annually excluding future M&As. Stronger operating cash flow should provide room for debt reduction, selective acquisitions and continued shareholder returns through dividends and potential share buybacks. Note that BCP announced a 1H26 interim dividend of Bt3.00/share (XD 7 September), above our expectation of Bt2.00/share, implying an attractive dividend yield of around 6%.

Valuation/Recommendation

- **Maintain BUY and roll forward our target price to 2027 at Bt65.00**. Our target price is based on SOTP valuation, implying 1.0x 2027F P/B, which we believe is justified by BCP's higher normalised earnings, improving earnings diversification and and a stronger free cash flow outlook.

Earnings Revision/Risk

- **We maintain our 2026 earnings forecast but raise our 2027 core profit estimate by 62% to Bt19.0b** (from Bt11.0b), mainly reflecting higher normalised refining margins, a stronger-than-expected SAF outlook and factoring in a stronger contribution from trading.

Share Price Catalyst

- 3Q26: Stronger diesel and jet fuel margins.
- Higher-than-expected interim dividend of Bt3.00/share.
- Strong contribution from SAF.
- Share buyback possibility.

Environment, Social, Governance (ESG) Updates

Environmental

- BCP aims to achieve carbon neutrality by 2030 and net zero emission by 2050. To achieve this, BCP will improve overall production efficiency and utilise products that reduce emissions by 20% by 2024, and 30% by 2030.

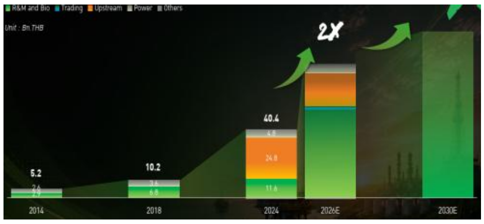
Social

- Social development is part of BCP's business management. The corporate and employee culture is to engage in social development for sustainability.

Governance

- BCP maintains an annual "Excellent" CG score from the Thai Institute of Directors Association.

EBITDA target

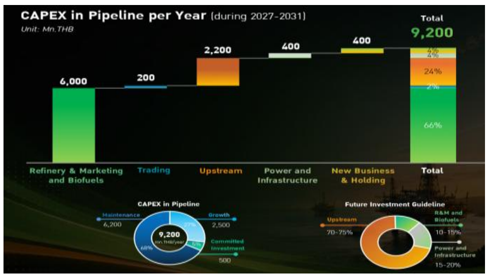


Source: BCP, UOB Kay Hian

2H26 outlook

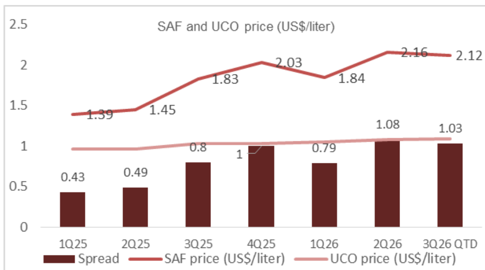
Source: BCP, UOB Kay Hian

Capital allocation



Source: BCP, UOB Kay Hian

SAF-UCO (US$/litre)



Source: BCP, UOB Kay Hian

2027F Earnings Revision Breakdown

2027F	Previous (Btb)	New (Btb)	Change (Btm)
Refining	6,897	11,817	**4,920**
SAF	1,846	3,845	**1,999**
Trading	800	1,280	**480**
E&P / BCPG / others	2,356	2,356	broadly unchanged
Core profit	**11,899**	**19,298**	**7399**

Source: BCP, UOB Kay Hian

Profit & Loss

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Net turnover	**507,570**	**601,981**	**650,697**	**745,010**
EBITDA	26,409	84,095	61,075	56,341
Deprec. & amort.	18,108	16,500	16,500	17,500
EBIT	8,301	67,595	44,575	38,841
Associate contributions	2,607	2,618	420	450
Net interest income/(expense)	(6,296)	(5,890)	(5,980)	(6,050)
Pre-tax profit	**4,612**	**64,323**	**39,015**	**33,241**
Tax	(2,167)	(25,729)	(16,386)	(15,291)
Minorities	435	(4,468)	(3,239)	(1,500)
Net profit	**2,880**	**34,125**	**19,390**	**16,450**
Net profit (adj.)	10,240	34,125	19,390	16,450

Balance Sheet

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Fixed assets	114,934	113,434	111,934	109,434
Other LT assets	88,960	117,352	118,945	122,276
Cash/ST investment	28,555	54,648	44,389	57,811
Other current assets	66,356	97,488	101,550	102,564
Total assets	**298,805**	**382,922**	**376,817**	**392,085**
ST debt	36,114	43,829	51,559	36,829
Other current liabilities	36,901	73,124	65,970	69,970
LT debt	86,584	86,584	60,354	70,354
Other LT liabilities	55,065	44,820	46,476	47,520
Shareholders' equity	66,936	105,565	123,459	138,412
Minority interest	17,205	29,000	29,000	29,000
Total liabilities & equity	**298,805**	**382,922**	**376,817**	**392,085**

Cash Flow

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Operating	**14,892**	**39,322**	**25,537**	**36,624**
Pre-tax profit	4,612	64,323	39,015	33,241
Tax	(2,167)	(25,729)	(16,386)	(15,291)
Deprec. & amort.	18,108	16,500	16,500	17,500
Associates	435	(4,468)	(3,239)	(1,500)
Working capital changes	231	(3,159)	(11,211)	2,769
Other operating cashflows	(6,326)	(8,144)	858	(95)
Investing	**(14,463)**	**(25,447)**	**(15,800)**	**(16,975)**
Capex (growth)	(17,293)	(15,000)	(15,000)	(15,000)
Others	2,830	(10,447)	(800)	(1,975)
Financing	**135**	**12,218**	**(19,997)**	**(6,227)**
Dividend payments	(639)	(8,262)	(3,305)	(3,305)
Issue of shares	0.0	1	0	0
Proceeds from borrowings	(4,812)	7,715	(18,500)	(4,730)
Others/interest paid	5,586	6,499	500	500
Net cash inflow (outflow)	**564**	**26,093**	**(10,260)**	**13,423**
Beginning cash & cash equivalent	**28,626**	**28,555**	**54,648**	**44,389**
Ending cash & cash equivalent	**29,191**	**54,648**	**44,389**	**57,811**

Key Metric

Year to 31 Dec (%)	2025	2026F	2027F	2028F
Profitability				
EBITDA margin	5.2	14.0	9.4	7.6
Pre-tax margin	0.9	10.7	6.0	4.5
Net margin	0.6	5.7	3.0	2.2
ROA	1.4	13.6	7.8	6.5
ROE	5.2	46.0	23.3	18.2
Growth				
Turnover	164.3	213.5	238.9	288.0
EBITDA	166.2	747.6	515.6	467.9
Pre-tax profit	23.7	1,625.4	946.5	791.7
Net profit	16.9	1,285.6	687.3	567.9
Net profit (adj.)	67.3	233.3	(43.2)	(15.2)
EPS	134.2	629.2	314.3	251.5
Leverage				
Debt to total capital	145.8	96.9	73.4	64.0
Debt to equity	183.3	123.5	90.6	77.4
Net debt/(cash) to equity	140.6	71.8	54.7	35.7
Interest cover	4.2	14.3	10.2	9.3

UOBKayHian

Company – Update | Thailand

Thursday, 27 August 2026

PTT (PTT TB)

LNG & Trading Set To Replace Legacy Energy As New Growth Engines

Highlights

- LNG/trading expansion will create new growth engines for PTT, reducing its reliance on traditional energy businesses.
- A stronger balance sheet provides greater room to enhance shareholder returns. We estimate an interim dividend of Bt1.10/share.
- Maintain BUY with a target price of Bt45.00.

Analysis

- **The tone during PTT's analyst meeting was positive.**
- **Genesis remains on track, with a conclusion expected by early-27.** PTT continues to seek a strategic partner for Genesis, although geopolitical risks and potential government intervention in energy prices could delay negotiations. Management still expects the process to be concluded by early-27. PTT views the right partner as more than a source of funding, but as a key catalyst for restructuring the petrochemical and refinery (P&R) business and enhancing its long-term competitiveness through technology, market access, feedstock optimisation, and operational synergy. Meanwhile, PTT continues to manage P&R with a focus on medium- to long-term fundamentals rather than short-term volatility. PTT also remains fully supportive of the PTT Global Chemical (PTTGC)-SCG Chemical (SCGC) JV, with a conclusion expected by September.
- **LNG to become PTT's key long-term growth driver.** PTT is strategically positioning liquefied natural gas (LNG) as a new growth engine to enhance the value of its energy portfolio, mitigate exposure to energy price volatility, and drive sustainable long-term growth. Management targets to scale up its LNG portfolio from 3.7 m tonnes per annum (MTPA) in 2026 to 10 MTPA by 2030 and 15 MTPA by 2035. Over the longer term, PTT aims to evolve from a domestic oil and gas player into a global LNG trader, leveraging supply diversification, hybrid indexation, and its LNG infrastructure, including LNG Map Ta Phut Terminal 1 and 2 (LMPT1 and LMPT2), to establish Thailand as a regional LNG hub. Beyond strengthening national energy security amid geopolitical uncertainties, this strategy should create additional trading margins, liquidity, and higher return on invested capital (ROIC) through greater participation in international LNG markets.

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

Analyst(s)

Tanaporn Visaruthaphong
tanaporn@uobkh.co.th
662 0903350

Benjaphol Suthwanish
benjaphol@uobkh.co.th
662 0903361

BUY (Maintained)

Share Price	Bt40.50
Target Price	Bt45.00
Upside	+11.11%

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

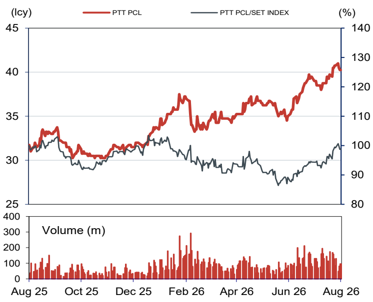
Major Shareholders (%)

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.

- **Trading remains a key strategic asset supporting PTT's integrated value chain.** PTT's global supply access and asset-backed trading model enable the group to secure crude and feedstock for its downstream businesses even during transportation disruptions, as seen earlier this year. Group refinery utilisation remained strong at 103% in 1H26 (vs 104% in 1H25), significantly outperforming regional peers, which cut run rates by around 8-17%. Olefin's utilisation also improved to 86% from 80%, highlighting PTT's ability to sustain gas production despite tight supply conditions.
- **3Q26F core earnings expected to decline qoq, but balance sheet remains a key strength.** We expect 3Q26F core profit to decline qoq, mainly due to weaker contributions from PTT Exploration and Production (PTTEP) and PTTGC, as well as lower EBITDA from the gas and trading businesses. Dubai crude averaged around US$82/bbl in 3Q26 qtd, down 15% qoq, while high-density polyethylene (HDPE) prices fell 19% qoq to US$1,153/tonne. Trading contribution margin is also likely to normalise to Bt0.05-0.10/litre (vs Bt0.31/litre in 2Q26). Nevertheless, PTT delivered strong 1H26 results, with EBITDA and net profit rising 79% yoy and 75% yoy, respectively, supported by tight energy supply, particularly during the Strait of Hormuz disruption, which benefitted both upstream and downstream earnings. Meanwhile, net debt/EBITDA improved to 1.26x in 1H26 (vs 1.75x in 2025), reflecting stronger cash flow generation and asset monetisation (PTT targeting around Bt100.00b of monetisation during 2025-27, versus Bt18.00b already achieved in 2025-1H26), we see further room to enhance shareholder returns, particularly through higher dividends.
- **Expect an interim dividend of Bt1.10/share.** We forecast an interim dividend of Bt1.10/share, implying a 2.68% simple yield. We maintain our 2026 dividend forecast at Bt2.50/share, implying a 6.13% simple yield. However, PTT paid a total dividend of Bt2.30/share for 2025, including a special dividend of Bt0.20/share.

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).

Earnings Revision/Risk

- **Earnings revision:** None.

Environment, Social, Governance (ESG) Updates

Environmental

- a) 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.

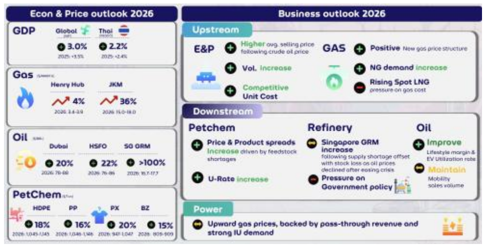
PTT Group Strategy

Source: PTT

Genesis And JV In Petrochemical Business

Source: PTT

2026: Guidance



Source: PTT

Gas Key Driver

Source: PTT

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