PTT E&P

PTT Exploration and Production Public Company Limited

PTTEP

Bloomberg	PTTEP TB
Reuters	PTTEP.BK

innovestx
A Subsidiary of SCBX Group

Update forecast on new investment plan

We update our projection and TP after release of the latest 5-year investment plan which focuses on maximizing production from current producing assets, predominantly in Thailand. It lowered its 2025 target sales volume by 3% from earlier guidance. Coupled with a lower Brent price assumption of US$75/bbl (from US$77), we revise down our 2025 net profit forecast by 12%. We also cut our DCF-based TP by 5% to Bt164/share from Bt172, based on long-term Brent price of US$65 (from US$70) from 2027 based on the current forward curve. We maintain our Outperform, as last close is a >30% discount to DCF valuation and balance sheet continues strong (net D/E <0.3x). PTTEP will continue to drive earnings for PTT Group over the next 5 years.

Slight increase in 5-year investment budget. PTTEP's new five-year investment budget is US$33.6bn, up 3% from the 5-year plan announced in Dec 2023. Of this, US$21.2bn is capital expenditure (63% of total) and US$12.4bn operating expenditure (37%), plus provisional budget of US$1.7bn for investment opportunities in other businesses beyond E&P, such as offshore wind, CCS, hydrogen and corporate venture capital. About 23% of the budget (US$7.8bn) will be spent in 2025 to maximize production from current producing assets (47% of total budget).

Trims target sales volume for 2024-25. PTTEP revised down its 2024 sales volume guidance to 491kBOED from 501kBOED, implying an increase in 4Q24 volume of 7.2% YoY and 7.1% QoQ to a record 509kBOED, in line with our assumption. It also trimmed 2025 sales volume by 3% from previous guidance to 507kBOED (+3% YoY) to factor in the aging of production facilities in the Gulf of Thailand that necessitate more frequent planned maintenance shutdowns. About 69% of sales volume is expected to be contributed by producing projects in Thailand. PTTEP has excluded the SK410B project in Malaysia (Lang Lebah) from the 5-year plan as the budget is higher than previously expected and it will undertake further assessment in 2025. Offsetting this is newly acquired projects in Africa and other greenfield projects in Malaysia.

Expanding asset base in Africa. PTTEP also announced a new asset acquisition in Algeria, the Touat project, taking effective interest of 22.1%. This is PTTEP's first gas asset in Algeria and the third in the country after Bir Seba (35% interest) and Hassi Bir Rekaiz (49%). As an operating asset, it will contribute to PTTEP immediately after the transaction completes in 2Q25 with expected profit sharing of US$20-30mn p.a. for full-year operations.

2025F earnings outlook. We expect 2025F net profit to weaken 11% YoY to Bt69bn (down 12% from previous forecast) from the lower oil price, although EBITDA margin should remain in line with the company's target of 70-75%. Upside to forecast is profit contribution from a new JV in Algeria (Touat) and higher oil price due to escalation of geopolitical tension in the Middle East.

TP cut to Bt164 based on DCF (end-2025). We cut TP (end-2025) from Bt172 to Bt164, based on L/T Dubai of US$63/bbl and Brent of US$65/bbl from 2027F to align with the forward curve for oil price, though this is below the five-year average of US$72. We maintain our volume assumption at 3% below guidance to provide a margin of safety. At our TP, it trades at 1.2x 2025F PBV or at 5-year average.

Risk factors: 1) Volatile crude oil price, 2) higher unit cost, 3) asset impairment and 4) regulatory change on GHG emissions. Key ESG risk factors are the environmental impact of its business and adapting to transition to clean energy.

Forecasts and valuation

Year to 31 Dec	Unit	2022	2023	2024F	2025F	2026F
Revenue	(Btmn)	331,350	300,694	312,757	293,640	302,483
EBITDA	(Btmn)	253,734	232,446	245,748	220,843	224,883
Core profit	(Btmn)	90,721	78,656	77,243	68,910	65,547
Reported profit	(Btmn)	70,901	76,706	76,993	68,910	65,547
Core EPS	(Bt)	22.85	19.81	19.46	17.36	16.51
DPS	(Bt)	9.25	9.50	9.00	8.00	9.00
P/E, core	(x)	5.2	6.0	6.1	6.9	7.2
EPS growth, core	(%)	111.5	(13.3)	(1.8)	(10.8)	(4.9)
P/BV, core	(x)	1.0	1.0	0.9	0.9	0.8
ROE	(%)	20.6	16.3	15.3	13.1	11.7
Dividend yield	(%)	7.7	7.9	7.5	6.7	7.5
EV/EBITDA	(x)	1.8	1.8	1.9	2.3	2.5

Source: InnovestX Research

Tactical: OUTPERFORM

(3-month)

Stock data

Last close (Dec 26) (Bt)	119.50
Target price (Bt)	164.00
Mkt cap (Btbn)	474.41
12-m high / low (Bt)	164.5 / 116
Avg. daily 6m (US$mn)	38.62
Foreign limit / actual (%)	40 / 10
Free float (%)	34.7
Outstanding Short Position (%)	0.87

Share price performance

(%)	1M	3M	12M
Absolute	(5.5)	(9.5)	(19.3)
Relative to SET	(3.3)	(6.1)	(18.5)

INVX core earnings vs consensus

Earnings vs consensus	2024F	2025F
Consensus (Bt mn)	75,881	67,889
INVX vs Consensus (%)	1.8	1.5

Earnings momentum	YoY	QoQ
INVX 4Q24 core earnings	Down	Down

2024 Sustainability/2022 ESG Score

SET ESG Ratings	AA**

Bloomberg ESG Score and Rank in the sector		
ESG Score and Rank	6.01	4/63
Environmental Score and Rank	5.51	5/63
Social Score and Rank	7.51	2/63
Governance Score and Rank	5.45	9/63

Source: SET, InnovestX Research, Bloomberg Finance L.P.

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Value proposition

PTTEP is a leading E&P operator in the Gulf of Thailand with >80% share of the country's natural gas production. 2023's sales volume of 462kBOED will increase to 585kBOED (5-year CAGR of 5%) in 2028 when projects in UAE (Ghasha-GD) and Malaysia (MY Greenfields) commence operations. The company has delayed the development plan for SK410B or Lang Lebah (42.5% holding) due to higher investment cost than previously expected. PTTEP's petroleum reserves are expected to be expanded by several projects under exploration in Malaysia and the Middle East (Oman and UAE). Its petroleum product price is less volatile than market oil price due to the six- to 12-month lag for price adjustment, particularly for gas (72-75% of total production over the next five years). The company is the flagship of PTT Group in initiating a carbon capture utilization and storage (CCUS) project in Thailand as one of the pathways to net zero emissions. The pioneer project at Arthit gas field is scheduled to be the first when it starts up in 2027.

Business outlook

PTTEP's sales volume will continue to increase, not only in Thailand but in strategic countries in ASEAN where it has a solid track record. It plans to accelerate exploration in 2025, focusing on Thailand and Malaysia with a budget of US$168mn. These countries are expected to be growth drivers for sales volume in the next five years. Thailand remains the key sales volume growth driver in 2025, backed by full-year operation of G1/61 gas field (Erawan). Another earnings growth driver in 2025 will be the newly acquired 34% in a JV in Algeria, E&E Algeria Touat B.V., which holds 65% in Touat Project, an onshore gas field. The acquisition will be completed in 2Q25. In Myanmar, PTTEP assumed operatorship of Yadana gas field after the withdrawal of western partners in response to internal political unrest and human rights abuses. The company plans to explore more at Yadana for an opportunity to extend the production and PSC with the government. PTTEP also has exposure to the LNG business in Malaysia and Mozambique, giving opportunities for growth in the current market trend for gas. PTTEP also won two Production Sharing Contracts (PSC) in the 24th bid round in the Gulf of Thailand, Blocks G1/65 and G3/65.

Bullish views	Bearish views
1. Sales volume is expected to gradually increase in the medium term upon continuing development of new projects both domestically and internationally.	1. PTTEP is a proxy play on oil price, which will hover in a narrow range over the next six months on weaker-than-expected demand and higher global supply. Geopolitical tension in the Middle East could spark crude oil prices from time to time.
2. ASP is more stable than crude oil price due to the lag before prices of its gas output are adjusted (>70% of total sales volume).	2. Average gas price will be eroded by more volume contribution from Sabah-H in Malaysia and Oman Block 61, whose gas prices are lower than those in the Gulf of Thailand and Myanmar.
3. More petroleum recovery, mainly in Malaysia, will drive sales volume growth.	

Key catalysts

Factor	Event	Impact	Comment
Oil price movement	Benchmark crude oil prices has hovered in a narrow range in 4Q24 as market concern on supply disruption due to geopolitical tension was offset by slower global demand.	Neutral	Stable oil price is positive for business planning and PTTEP will have to boost its sales volume to drive earnings growth.
Near-term earnings outlook	4Q24F recurring profit momentum	Lower YoY and QoQ	We expect 4Q24F recurring profit to soften YoY and QoQ despite higher sales volume on lower oil price and the appreciation of the baht. Minimal impact from non-recurring items is expected.
Factors to watch in 2025	More acquisitions in focus areas (ASEAN, the Middle East and Africa)	Positive	PTTEP continues to announce more asset acquisitions in focus areas, including ASEAN, the Middle East and Africa, which will be the new growth driver for its sales volume as Thailand's volume is depleted.

Sensitivity Analysis

Factor	Earnings impact	TP impact
L/T crude oil price (-US$1/bbl)	-2.1% (2025F)	-Bt5/share

Our view on ESG

We view that PTTEP provides concrete targets on environmental and social issues with a committed timeline and actual performance relative to its targets. We view PTTEP's management and governance as satisfactory, reflecting management expertise and experience in the business, a diverse Board of Directors and transparency with stakeholders.

ESG Ratings and Indices

Bloomberg ESG Financial Materiality Score	6.01 (2022)
Rank in Sector	4/63

	CG Rating	DJSI	SETESG	SET ESG Ratings
PTTEP	5	Yes	Yes	AA**

Source: Thai Institute of Directors and SET

Environmental Issue (E)

- PTTEP aims at reducing GHG intensity by 30% by 2030 from the base year in 2020. This will be reduced further to 50% by 2040 and to net zero by 2050. PTTEP was able to reduce GHG by 358.187k tons of CO_2 equivalent.
- PTTEP has conducted feasibility studies on carbon capture utilization and storage (CCUS) as one of its strategies on greenhouse gas management. The company has selected Arthit Project as a pilot project for CCS implementation. With the success of this project in the future, CO2 emissions will be reduced by more than 500k tons/year.
- PTTEP has continued to develop technologies for minimizing environmental impacts in both existing and new production areas. These include the conservation and restoration of natural resources and marine ecosystems project under "Ocean for Life Strategy" and the technology for supporting energy transition.

Social Issue (S)

- PTTEP is committed to minimize impact of its operation to the communities. These include its commitment of zero waste to landfill and circular model of E&P operation by reusing at least 50% of main structures.
- The Ocean for Life Strategy is aiming at achieving net positive impact of ocean biodiversity and ecosystem while Increase 50% of community income for focused communities and achieve 16,000 conservation networks by 2030.
- PTTEP emphasizes and commits to continuously improving SSHE (Safety, Security, Health, and Environment) implementation, so as to achieve its ultimate goal of being a "Zero Incident Organization" where employees and contractors can come to work and return home safely every day.

Governance Issue (G)

- PTTEP's board of directors consists of 15 directors, 14 non-executive directors (93.3% of the entire board), 9 independent directors (60% of the entire Board), and an executive director. These include two female members (13.3% of the entire board).
- PTTEP was rated "5 star" (Excellent) by the Thai Institute of Directors for 2024.
- We view PTTEP's management and governance as satisfactory, reflecting management's expertise and experience in the oil and gas sector, its transparency with stakeholders, and its independent board of directors.

ESG Financial Materiality Score and Disclosure

	2022	2023
ESG Financial Materiality Score	**6.01**	**—**
Environment Financial Materiality Score	**5.51**	**—**
Emissions Reduction Initiatives	Yes	No
Climate Change Policy	Yes	Yes
GHG Scope 1 ('000 metric tonnes)	5,711	6,744
Carbon per Unit of Production (metric tonnes)	0	0
Energy Efficiency Policy	Yes	No
Waste Reduction Policy	Yes	No
Biodiversity Policy	Yes	Yes
Social Financial Materiality Score	**7.51**	**—**
Human Rights Policy	Yes	Yes
Women in Senior Management (%)	28	25
Business Ethics Policy	Yes	Yes
Health and Safety Policy	Yes	Yes
Lost Time Incident Rate (per 100 contractors)	0.02	0.00
Employee Turnover (%)	5.00	4.10
Governance Financial Materiality Score	**5.45**	**—**
Board Size (persons)	14	13
Board Meeting Attendance (%)	95	97
Number of Women on Board (persons)	2	2
Number of Independent Directors (persons)	10	8
Board Duration (Years)	3	3

Source: Bloomberg Finance L.P.

Disclaimer

Bloomberg ESG Scores rate companies on their level of management of financially material industry-specific ESG issues. Bloomberg offers four financially material scores, for overall ESG, as well as Environmental, Social, and Governance. Values range from 0 to 10; 10 is best. To review the fully transparent methodology, see ESG Financial Materiality Score Model in Bloomberg.

Financial statement

Profit and Loss Statement

FY December 31	Unit	2019	2020	2021	2022	2023	2024F	2025F	2026F
Total revenue	(Btmn)	191,053	160,401	219,068	331,350	300,694	312,757	293,640	302,483
Cost of goods sold	(Btmn)	106,881	106,143	122,122	148,949	142,926	161,152	163,353	171,290
Gross profit	**(Btmn)**	**84,172**	**54,258**	**96,946**	**182,401**	**157,768**	**151,605**	**130,288**	**131,193**
SG&A	(Btmn)	11,870	9,754	11,416	20,386	16,979	16,485	15,912	16,391
Other income	(Btmn)	4,405	2,306	4,869	8,552	10,336	13,717	10,591	7,774
Interest expense	(Btmn)	7,291	7,956	6,472	8,218	10,243	10,149	11,746	15,042
Pre-tax profit	**(Btmn)**	**69,415**	**38,217**	**83,927**	**162,348**	**140,881**	**138,687**	**113,221**	**107,535**
Corporate tax	(Btmn)	20,952	18,764	41,528	72,295	63,704	62,994	45,940	43,698
Equity a/c profits	(Btmn)	380	1,307	489	668	1,477	1,550	1,628	1,709
Minority interests	(Btmn)	0	0	0	0	2	0	0	0
Core profit	**(Btmn)**	**48,844**	**20,760**	**42,888**	**90,721**	**78,656**	**77,243**	**68,910**	**65,547**
Extra-ordinary items	(Btmn)	(42)	1,904	(4,024)	(19,820)	(1,949)	(250)	0	0
Net Profit	**(Btmn)**	**48,803**	**22,664**	**38,864**	**70,901**	**76,706**	**76,993**	**68,910**	**65,547**
EBITDA	(Btmn)	139,517	111,422	160,693	253,734	232,446	245,748	220,843	224,883
Core EPS	**(Bt)**	**12.30**	**5.23**	**10.80**	**22.85**	**19.81**	**19.46**	**17.36**	**16.51**
Net EPS	(Bt)	12.29	5.71	9.79	17.86	19.32	19.39	17.36	16.51
DPS	(Bt)	6.00	4.25	5.00	9.25	9.50	9.00	8.00	9.00

Balance Sheet

FY December 31	Unit	2019	2020	2021	2022	2023	2024F	2025F	2026F
Total current assets	(Btmn)	142,125	152,716	139,584	196,842	234,800	172,606	142,467	133,229
Total fixed assets	(Btmn)	529,866	522,921	643,952	673,022	668,021	738,560	832,101	915,088
Total assets	**(Btmn)**	**671,990**	**675,637**	**783,536**	**869,864**	**902,821**	**911,165**	**974,568**	**1,048,316**
Total loans	(Btmn)	99,448	102,878	102,661	97,095	95,320	95,320	125,320	157,226
Total current liabilities	(Btmn)	61,841	56,257	104,502	114,616	88,590	92,943	97,900	114,335
Total long-term liabilities	(Btmn)	253,090	264,969	263,684	288,128	314,788	308,909	330,205	357,702
Total liabilities	**(Btmn)**	**314,932**	**321,226**	**368,186**	**402,744**	**403,378**	**401,852**	**428,105**	**472,037**
Paid-up capital	(Btmn)	3,970	3,970	3,970	3,970	3,970	3,970	3,970	3,970
Total equity	**(Btmn)**	**357,059**	**354,411**	**415,350**	**467,121**	**499,327**	**509,197**	**546,346**	**576,163**
BVPS	**(Bt)**	**89.94**	**89.27**	**104.62**	**117.66**	**125.78**	**128.26**	**137.62**	**145.13**

Cash Flow Statement

FY December 31	Unit	2019	2020	2021	2022	2023	2024F	2025F	2026F
Core Profit	(Btmn)	48,844	20,760	42,888	90,721	78,656	77,243	68,910	65,547
Depreciation and amortization	(Btmn)	62,811	65,250	70,294	83,168	81,322	96,912	95,876	102,306
Operating cash flow	(Btmn)	102,878	86,120	119,485	166,150	149,081	201,674	161,526	178,505
Investing cash flow	(Btmn)	(103,769)	(33,515)	(123,016)	(59,286)	(82,447)	(162,249)	(189,417)	(185,293)
Financing cash flow	(Btmn)	(17,181)	(26,469)	(22,199)	(70,068)	(51,416)	(67,123)	(1,760)	(3,824)
Net cash flow	**(Btmn)**	**(18,072)**	**26,136**	**(25,730)**	**36,796**	**15,218**	**(27,698)**	**(29,651)**	**(10,611)**

Key Financial Ratios

FY December 31	Unit	2019	2020	2021	2022	2023	2024F	2025F	2026F
Gross margin	(%)	44.1	33.8	44.3	55.0	52.5	48.5	44.4	43.4
Operating margin	(%)	37.8	27.7	39.0	48.9	46.8	43.2	39.0	38.0
EBITDA margin	(%)	73.0	69.5	73.4	76.6	77.3	78.6	75.2	74.3
EBIT margin	(%)	40.1	28.8	41.3	51.5	50.3	47.6	42.6	40.5
Net profit margin	(%)	25.5	14.1	17.7	21.4	25.5	24.6	23.5	21.7
ROE	(%)	13.1	5.8	11.1	20.6	16.3	15.3	13.1	11.7
ROA	(%)	7.5	3.1	5.9	11.0	8.9	8.5	7.3	6.5
Net D/E	(x)	0.0	(0.0)	0.0	(0.1)	(0.1)	(0.0)	0.1	0.1
Interest coverage	(x)	19.1	14.0	24.8	30.9	22.7	24.2	18.8	15.0
Debt service coverage	(x)	19.1	14.0	24.8	30.9	22.7	24.2	11.1	5.9
Payout Ratio	(%)	48.8	74.4	51.1	51.8	49.2	46.4	46.1	54.5

Main Assumptions

FY December 31	Unit	2019	2020	2021	2022	2023	2024F	2025F	2026F
Sales volume	(kBOED)	351	354	416	468	462	491	492	525
- Liquid product	(% of total)	29.1	33.3	28.7	27.5	28.3	28.0	28.0	28.0
- Gas product	(% of total)	70.9	66.7	71.3	72.5	71.7	72.0	72.0	72.0
Dubai crude oil price	(US$/bbl)	63.2	42.2	68.9	97.1	81.9	81.0	73.0	68.0
Avg selling price	(US$/BOE)	47.2	38.9	43.5	53.4	48.2	47.0	45.4	43.8
CAPEX	(US$mn)	1,062	1,093	1,508	2,780	2,718	4,682	5,299	5,181

Financial statement

Profit and Loss Statement

FY December 31	Unit	4Q22	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24	3Q24
Total revenue	(Btmn)	91,611	75,493	67,479	78,206	79,516	75,737	84,370	75,793
Cost of goods sold	(Btmn)	41,934	33,963	31,236	38,301	39,426	38,285	42,464	42,813
Gross profit	**(Btmn)**	**49,676**	**41,530**	**36,243**	**39,905**	**40,090**	**37,452**	**41,906**	**32,980**
SG&A	(Btmn)	10,541	3,410	3,646	3,979	5,944	3,758	4,094	4,492
Other income	(Btmn)	5,038	2,312	2,720	2,404	2,900	3,075	3,619	3,830
Interest expense	(Btmn)	2,037	2,617	2,606	2,653	2,367	3,026	3,212	2,938
Pre-tax profit	**(Btmn)**	**42,136**	**37,815**	**32,711**	**35,676**	**34,679**	**33,743**	**38,218**	**29,379**
Corporate tax	(Btmn)	17,811	18,199	13,283	17,035	15,186	14,922	14,988	11,261
Equity a/c profits	(Btmn)	492	419	331	320	407	362	201	35
Minority interests	(Btmn)	0	0	3	2	(4)	1	3	3
Core profit	**(Btmn)**	**24,817**	**20,034**	**19,762**	**18,963**	**19,896**	**19,185**	**23,434**	**18,157**
Extra-ordinary items	(Btmn)	(9,207)	(753)	1,277	(862)	(1,612)	(502)	543	(292)
Net Profit	**(Btmn)**	**15,611**	**19,281**	**21,040**	**18,101**	**18,284**	**18,683**	**23,978**	**17,865**
EBITDA	(Btmn)	67,839	57,015	54,627	60,462	60,342	58,999	67,722	57,500
Core EPS	**(Bt)**	**6.25**	**5.05**	**4.98**	**4.78**	**5.01**	**4.83**	**5.90**	**4.57**
Net EPS	(Bt)	3.93	4.86	5.30	4.56	4.61	4.71	6.04	4.50

Balance Sheet

FY December 31	Unit	4Q22	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24	3Q24
Total current assets	(Btmn)	196,842	209,370	180,580	200,729	234,800	273,493	229,763	197,570
Total fixed assets	(Btmn)	673,022	662,400	685,530	702,973	668,021	717,184	770,574	684,275
Total assets	**(Btmn)**	**869,864**	**871,771**	**866,110**	**903,701**	**902,821**	**990,677**	**1,000,337**	**881,846**
Total loans	(Btmn)	107,574	107,334	107,503	108,948	104,932	111,959	112,830	103,822
Total current liabilities	(Btmn)	114,616	99,123	64,968	80,402	88,590	105,126	100,068	90,465
Total long-term liabilities	(Btmn)	288,128	292,408	300,150	308,124	314,788	333,645	340,331	301,345
Total liabilities	**(Btmn)**	**402,744**	**391,531**	**365,117**	**388,526**	**403,378**	**438,771**	**440,399**	**391,809**
Paid-up capital	(Btmn)	3,970	3,970	3,970	3,970	3,970	3,970	3,970	3,970
Total equity	**(Btmn)**	**467,121**	**480,240**	**500,993**	**515,175**	**499,327**	**551,691**	**559,667**	**489,771**
BVPS	**(Bt)**	**117.66**	**120.97**	**126.20**	**129.77**	**125.78**	**138.97**	**140.97**	**123.37**

Cash Flow Statement

FY December 31	Unit	4Q22	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24	3Q24
Core Profit	(Btmn)	24,817	20,034	19,762	18,963	19,896	19,185	23,434	18,157
Depreciation and amortization	(Btmn)	23,666	16,584	19,310	22,133	23,295	22,230	26,292	25,182
Operating cash flow	(Btmn)	38,815	48,786	14,738	42,273	43,284	70,965	42,853	41,364
Investing cash flow	(Btmn)	(21,385)	(24,158)	(24,941)	(20,811)	(12,538)	(17,823)	(67,240)	(27,009)
Financing cash flow	(Btmn)	(25,355)	(2,319)	(25,363)	(19,533)	(4,202)	(2,731)	(25,335)	(21,172)
Net cash flow	**(Btmn)**	**(7,926)**	**22,310**	**(35,565)**	**1,929**	**26,545**	**50,411**	**(49,722)**	**(6,817)**

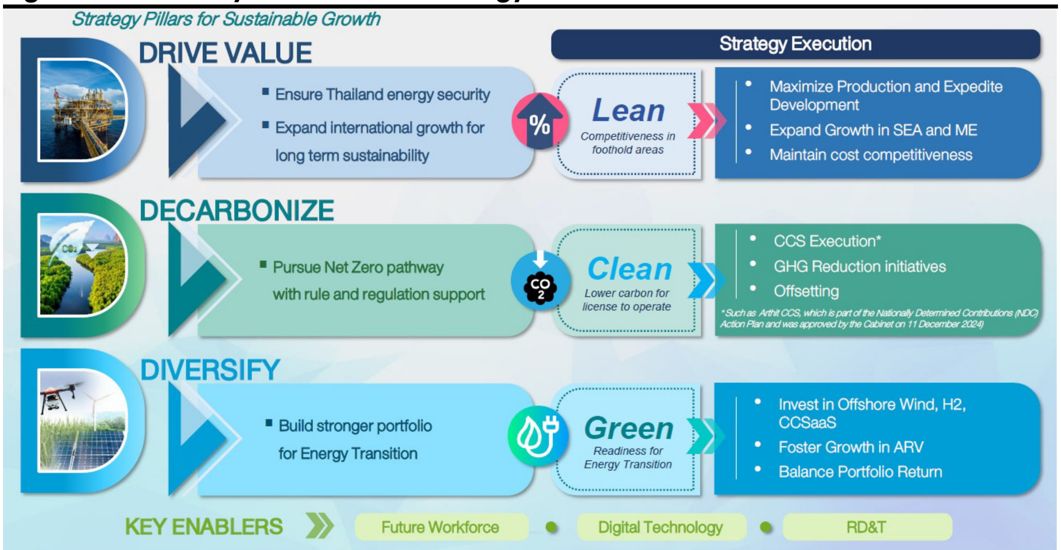
Key Financial Ratios

FY December 31	Unit	4Q22	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24	3Q24
Gross margin	(%)	54.2	55.0	53.7	51.0	50.4	49.5	49.7	43.5
Operating margin	(%)	42.7	50.5	48.3	45.9	42.9	44.5	44.8	37.6
EBITDA margin	(%)	74.1	75.5	81.0	77.3	75.9	77.9	80.3	75.9
EBIT margin	(%)	49.1	54.4	53.3	49.7	47.2	49.2	50.0	43.4
Net profit margin	(%)	17.0	25.5	31.2	23.1	23.0	24.7	28.4	23.6
ROE	(%)	20.6	16.9	16.1	14.9	15.7	14.6	16.9	13.8
ROA	(%)	11.0	9.2	9.1	8.6	8.8	8.1	9.4	7.7
Net D/E	(x)	(0.0)	(0.1)	(0.0)	(0.0)	(0.1)	(0.1)	(0.1)	(0.1)
Interest coverage	(x)	33.3	21.8	21.0	22.8	25.5	19.5	21.1	19.6
Debt service coverage	(x)	14.6	10.6	10.9	12.2	12.6	9.6	10.7	9.7

Main Assumptions

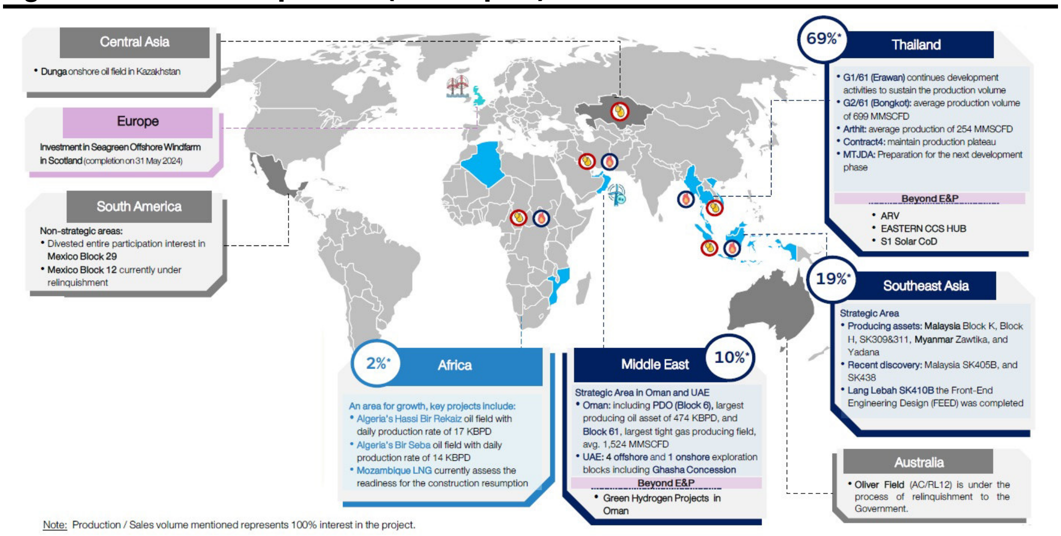
FY December 31	Unit	4Q22	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24	3Q24
Sales volume	(kBOED)	501	461	445	467	475	473	507	475
- Liquid product	(% of total)	27.8	27.9	27.3	29.8	28.3	27.0	26.3	27.8
- Gas product	(% of total)	72.2	72.1	72.7	70.2	71.7	73.0	73.7	72.2
Dubai crude oil price	(US$/bbl)	84.4	79.3	77.6	86.7	83.9	81.5	85.1	78.6
Avg selling price	(US$/BOE)	52.8	50.0	45.7	48.7	48.4	47.2	47.0	47.1

Figure 1: PTTEP – 5-year investment strategy



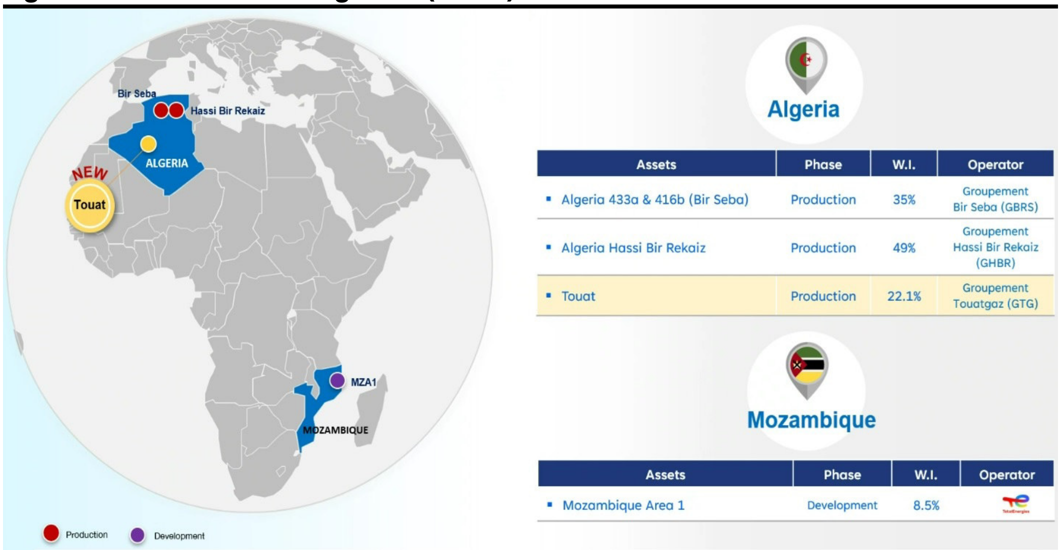
Source: PTTEP

Figure 2: PTTEP – asset portfolio (as of Sep'24)



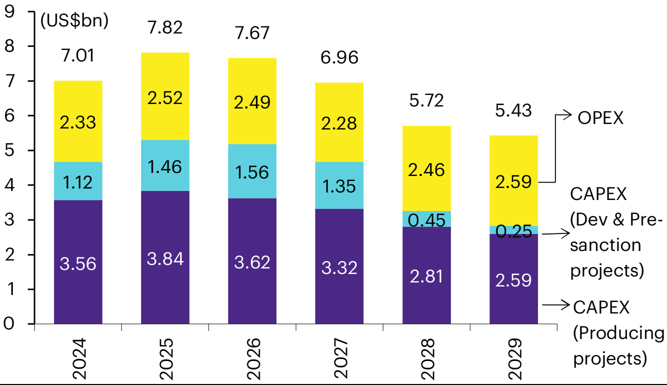
Source: PTTEP

Figure 3: PTTEP – E&P strategic hub (Africa)



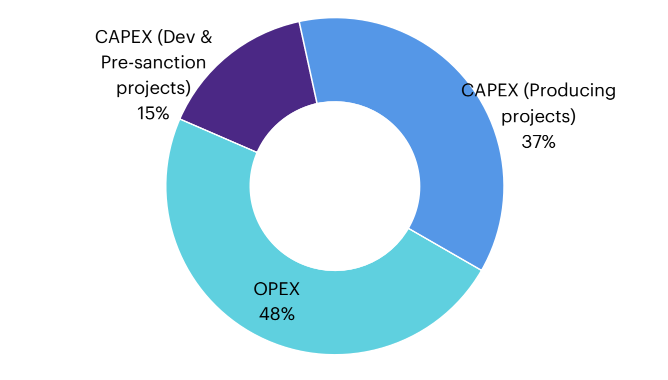
Source: PTTEP

Figure 4: 5-year investment plan



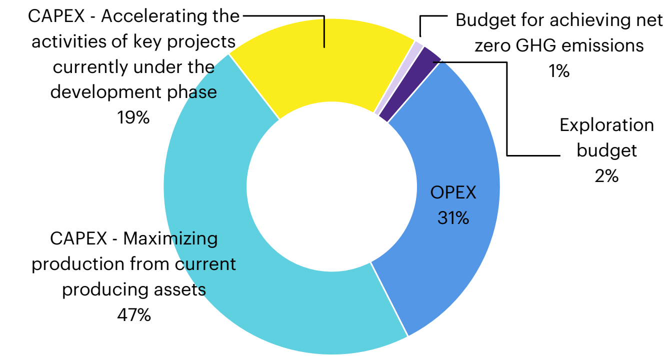
Source: PTTEP and InnovestX Research

Figure 5: Investment breakdown (2025-2029)



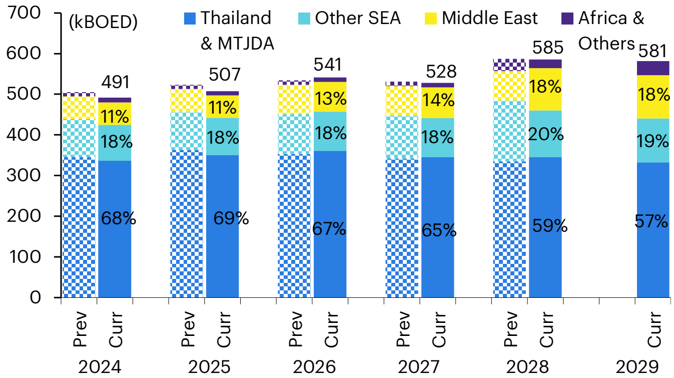
Source: PTTEP and InnovestX Research

Figure 6: Investment budget breakdown (2025)



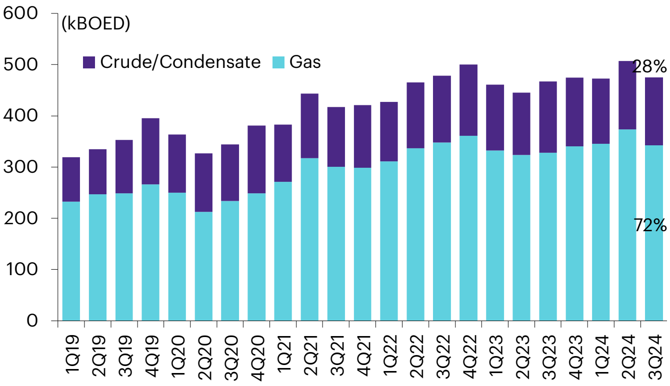
Source: PTTEP and InnovestX Research

Figure 7: Sales volume breakdown (2024-29)



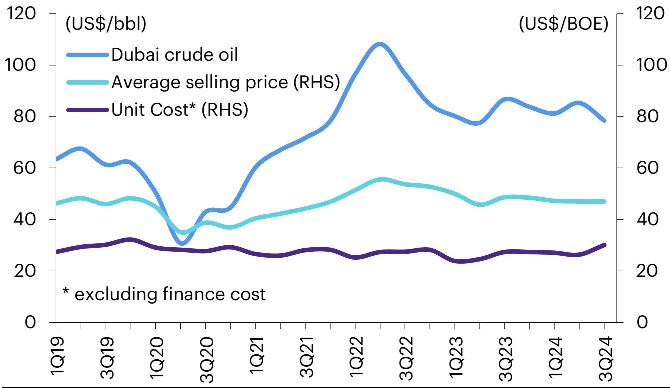
Source: PTTEP and InnovestX Research

Figure 8: PTTEP – sales volume



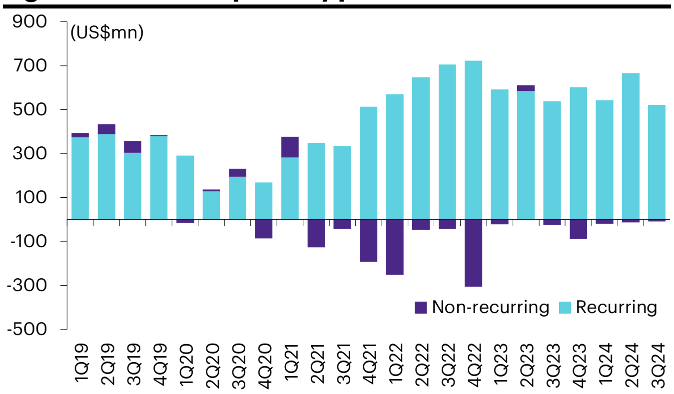
Source: PTTEP and InnovestX Research

Figure 9: PTTEP – average selling price vs. unit cost



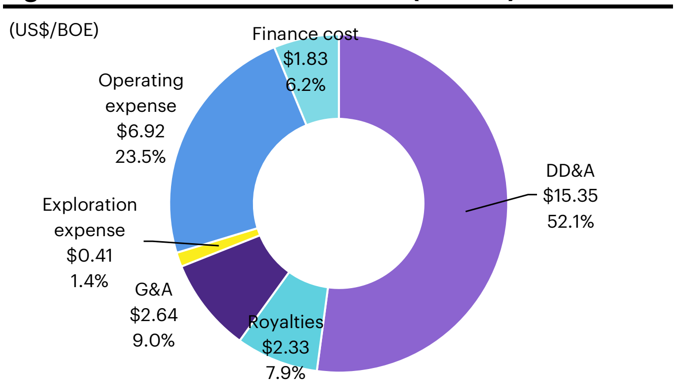
Source: PTTEP and InnovestX Research

Figure 10: PTTEP – quarterly profit



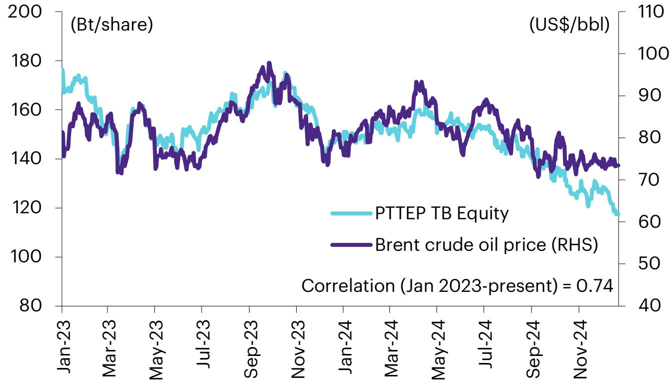
Source: PTTEP and InnovestX Research

Figure 11: PTTEP – cost breakdown (12MMA)



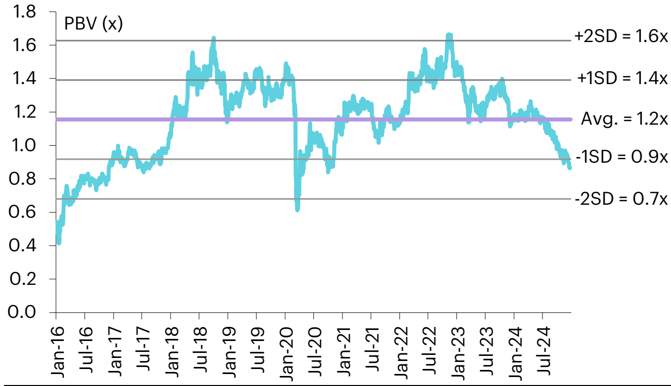
Source: PTTEP and InnovestX Research

Figure 12: PTTEP share price vs. Brent oil price



Source: Bloomberg Finance L.P. and InnovestX Research

Figure 13: PTTEP – PBV band



Source: Bloomberg Finance L.P. and InnovestX Research

Figure 14: Sensitivity of oil price to profit and TP

Brent oil price - 2025 (US$/bbl)	**60**	**65**	**70**	**75**	**80**	**85**	**90**
2025 net profit (Btmn)	47,060	54,343	61,626	68,910	76,193	83,476	90,759
% change from the current forecast	*-32%*	*-21%*	*-11%*	*0%*	*11%*	*21%*	*32%*
LT Brent oil price (US$/bbl)	**50**	**55**	**60**	**65**	**70**	**75**	**80**
Target price (Bt/sh) (end-2025)	90	115	139	164	187	211	235
% change from the current TP	*-45%*	*-30%*	*-15%*	*0%*	*14%*	*29%*	*43%*

Source: InnovestX Research

Figure 15: Valuation summary (price as of Dec 26, 2024)

	Rating	Price	Target	ETR	P/E (x)			EPS growth (%)			P/BV (x)			ROE (%)			Div. Yield (%)			EV/EBITDA (x)		
		(Bt/Sh)	(Bt/Sh)	(%)	23A	24F	25F	23A	24F	25F	23A	24F	25F	23A	24F	25F	23A	24F	25F	23A	24F	25F
BCP	Outperform	34.75	44.0	30.4	3.8	n.m.	3.7	(32)	n.m.	n.m.	0.7	0.6	0.5	14	(1)	11	5.8	3.7	6.8	3.8	4.0	3.1
BSRC	Neutral	7.60	8.0	6.6	12.3	n.m.	8.1	(77)	n.m.	n.m.	0.9	1.0	0.9	8	(5)	11	3.3	1.3	6.6	9.4	26.3	6.5
IRPC	Neutral	1.24	1.7	37.1	n.m.	n.m.	12.1	n.m.	(22)	n.m.	0.3	0.3	0.3	(5)	(6)	3	2.4	0.0	4.0	14.9	12.8	6.6
OR	Outperform	13.50	22.0	65.3	14.2	19.2	13.7	7	(26)	40	1.5	1.4	1.3	10	8	10	3.9	2.4	3.0	7.1	8.6	6.9
PTT	Outperform	31.25	41.0	37.6	8.7	7.7	7.5	(36)	12	3	0.8	0.8	0.7	7	7	7	6.4	6.4	6.4	3.4	3.4	3.0
PTTEP	Outperform	119.50	164.0	44.8	6.0	6.1	6.9	(13)	(2)	(11)	1.0	0.9	0.9	16	15	13	7.9	7.5	6.7	1.8	1.9	2.3
SPRC	Neutral	6.55	7.9	26.7	n.m.	6.3	7.5	n.m.	n.m.	(15)	0.8	0.7	0.7	(3)	12	9	0.0	6.1	4.6	23.8	4.3	3.7
TOP	Neutral	27.75	31.0	17.5	2.8	7.2	4.9	(34)	(61)	48	0.4	0.4	0.3	14	5	7	12.3	5.8	7.2	5.1	9.1	9.0
Average					**8.0**	**9.3**	**8.0**	**(31)**	**(20)**	**13**	**0.8**	**0.8**	**0.7**	**8**	**4**	**9**	**5.2**	**4.2**	**5.7**	**8.7**	**8.8**	**5.1**

Source: InnovestX Research

CG Rating 2024 Companies with CG Rating

Companies with Excellent CG Scoring

AAV, ABM, ACE, ACG, ADVANC, AE, AF, AGE, AH, AIT, AJ, AKP, AKR, ALLA, ALT, AMA, AMARIN, AMATA, AMATAV, ANAN, AOT, AP, ASIMAR, ASK, ASP, ASW, AURA, AWC, B, BAFS, BAM, BANPU, BAY, BBGI, BBL, BCH, BCP, BCPG, BDMS, BEC, BEM, BEYOND, BGC, BGRIM, BJC, BKIH, BLA, BPP, BR, BRI, BRR, BSRC, BTG, BTS, BTW, BWG, CBG, CENTEL, CFRESH, CHASE, CHEWA, CHOW, CIMBT, CIVIL, CK, CKP, CNT, COLOR, COM7, CPALL, CPAXT, CPF, CPL, CPN, CPW, CRC, CRD, CREDIT, CSC, CV, DCC, DDD, DELTA, DEMCO, DITTO, DMT, DOHOME, DRT, DUSIT, EASTW, ECF, ECL, EGCO, EPG, ERW, ETC, ETE, FLOYD, FN, FPI, FPT, FVC, GABLE, GC, GCAP, GFC, GFPT, GGC, GLAND, GLOBAL, GPSC, GRAMMY, GULF, GUNKUL, HANA, HARN, HENG, HMPRO, HPT, HTC, ICC, ICHI, III, ILINK, ILM, IND, INET, INSET, INTUCH, IP, IRC, IRPC, IT, ITC, ITEL, ITTHI, IVL, JAS, JTS, K, KBANK, KCC, KCE, KCG, KEX, KKP, KSL, KTB, KTC, KTMS, KUMWEL, LALIN, LANNA, LH, LHFG, LIT, LOXLEY, LPN, LRH, LST, M, MAJOR, MALEE, MBK, MC, M-CHAI, MCOT, MFC, MFEC, MINT, MODERN, MONO, MOONG, MOSHI, MSC, MST, MTC, MTI, MVP, NCH, NER, NKI, NOBLE, NRF, NSL, NTSC, NVD, NWR, NYT, OCC, OR, ORI, OSP, PAP, PB, PCC, PCSGH, PDJ, PEER, PG, PHOL, PIMO, PLANB, PLAT, PLUS, PM, PORT, PPP, PPS, PR9, PRG, PRIME, PRM, PRTR, PSH, PSL, PTT, PTTEP, PTTGC, Q-CON, QH, QTC, RATCH, RBF, RPC, RPH, RS, RT, RWI, S, S&J, SA, SAAM, SABINA, SAK, SAMART, SAMTEL, SAT, SAV, SAWAD, SC, SCAP, SCB, SCC, SCCC, SCG, SCGD, SCGP, SCM, SCN, SDC, SEAFCO, SEAOIL, SELIC, SENA, SENX, SGC, SGF, SGP, SHR, SICT, SIRI, SIS, SITHAI, SJWD, SKE, SKR, SM, SMPC, SNC, SNNP, SNP, SO, SONIC, SPALI, SPC, SPI, SPRC, SR, SSC, SSF, SSP, SSSC, STA, STEC, STGT, STI, SUC, SUN, SUTHA, SVI, SYMC, SYNEX, SYNTEC, TASCO, TBN, TCAP, TCMC, TEAMG, TEGH, TFG, TFMAMA, TGE, TGH, THANA, THANI, THCOM, THG*, THIP, THRE, THREL, TIPH, TISCO, TK, TKS, TKT, TLI, TM, TMILL, TMT, TNDT, TNITY, TNL, TOA, TOG, TOP, TPAC, TPBI, TPIPL, TPIPP, TPS, TQM, TQR, TRP, TRUBB, TRUE, TRV, TSC, TSTE, TSTH, TTA, TTB, TTCL, TTW, TU, TVDH, TVO, TVT, TWPC, UAC, UBE, UBIS, UKEM, UPF, UPOIC, UV, VARO, VGI, VIH, WACOAL, WGE, WHA, WHAUP, WICE, WINMED, WINNER, ZEN

Companies with Very Good CG Scoring

2S, AAI, ADB, AEONTS, AHC, AIRA, APCO, APCS, APURE, ARIP, ARROW, ASIAN, ATP30, AUCT, AYUD, BA, BBIK, BC, BE8, BH, BIZ, BOL, BSBM, BTC, CH, CI, CIG, CM, COCOCO, COMAN, CPI, CSS, DTCENT, EVER, FE, FORTH, FSMART, FSX, FTI, GEL, GIFT, GPI, HUMAN, IFS, INSURE, JCK, JDF, JMART, KGI, KJL, KTIS, KUN, L&E, LHK, MATCH, MBAX, MEGA, METCO, MICRO, NC, NCAP, NCL, NDR, ONEE, PATO, PDG, PJW, POLY, PQS, PREB, PROUD, PSG, PSP, PSTC, PT, PTECH, PYLON, QLT, RABBIT, RCL, SAPPE, SECURE, SFLEX, SFT, SINO, SMT, SPCG, SPVI, STANLY, STPI, SUPER, SUSCO, SVOA, SVT, TACC, TAE, TCC, TEKA, TFM, TITLE, TKN, TMD, TNR, TPA, TPCH, TPCS, TPLAS, TPOLY, TRT, TURTLE, TVH, UBA, UP, UREKA, VCOM, VIBHA, VRANDA, WARRIX, WIN, WP

Companies with Good CG Scoring

A5, ADD, AIE, ALUCON, AMC, AMR, ARIN, ASEFA, ASIA, ASN, BIG, BIOTEC, BIS, BJCHI, BLC, BVG, CEN, CGH, CHARAN, CHAYO, CHIC, CHOTI, CITY, CMC, CPANEL, CSP, DEXON, DOD, DPAINT, DV8, EASON, EE, EFORL, EKH, ESTAR, ETL, FNS, GBX, GENCO, GTB, GYT, ICN, IIG, IMH, IRCP, J, JCKH, JMT, JPARK, JR, JSP, JUBILE, KBS, KCAR, KIAT, KISS, KK, KWC, LDC, LEO, MCA, META, MGC, MITSIB, MK, NAM, NOVA, NTV, NV, OGC, PACO, PANEL, PHG, PIN, PRAPAT, PRI, PRIN, PROEN, PROS, PTC, READY, ROCTEC, SABUY, SALEE, SAMCO, SANKO, SCI, SE, SE-ED, SINGER, SISB, SKN, SKY, SMD100, SMIT, SORKON, SPG, SST, STC, STOWER, STP, SVR, SWC, TAKUNI, TC, TFI, TMC, TMI, TNP, TOPP, TRU, UEC, UOBKH, VL, WAVE, WFX, WIIK, XO, XPG, YUASA, ZAA

Corporate Governance Report

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The survey result is as of the date appearing in the Corporate Governance Report of Thai Listed Companies. As a result, the survey result may be changed after that date. InnovestX Securities Company Limited does not conform nor certify the accuracy of such survey result.

To recognize well performers, the list of companies attaining "Good", "Very Good" and "Excellent" levels of recognition (Not including listed companies qualified in the "no announcement of the results" clause from 1 January 2023 to 28 October 2024) is publicized.

*บริษัทหรือกรรมการหรือผู้บริหารของบริษัทที่มีข่าวด้านการกำกับดูแลกิจการ เช่น การกระทำผิดเกี่ยวกับหลักทรัพย์ การทุจริต คอร์รัปชัน เป็นต้น ซึ่งการใช้ข้อมูล CGR ควรตระหนักถึงข่าวดังกล่าวประกอบด้วย

Anti-corruption Progress Indicator

Certified (ได้รับการรับรอง)

2S, AAI, ADB, ADVANC, AE, AF, AH, AI, AIE, AIRA, AJ, AKP, AMA, AMANAH, AMATA, AMATAV, AP, APCS, AS, ASIAN, ASK, ASP, ASW, AWC, AYUD, B, BAFS, BAM, BANPU, BAY, BBGI, BBL, BCH, BCP, BCPG, BE8, BEC, BEYOND, BGC, BGRIM, BLA, BPP, BRI, BRR, BSBM, BTG, BTS, BWG, CAZ, CBG, CEN, CENTEL, CFRESH, CGH, CHEWA, CHOTI, CHOW, CI, CIG, CIMBT, CM, CMC, COM7, CPALL, CPAXT, CPF, CPI, CPL, CPN, CPW, CRC, CSC, CV, DCC, DELTA, DEMCO, DIMET, DMT, DOHOME, DRT, DUSIT, EA, EASTW, ECF, EGCO, EP, EPG, ERW, ETC, ETE, FNS, FPI, FPT, FSMART, FSX, FTE, GBX, GC, GCAP, GEL, GFPT, GGC, GJS, GLOBAL, GPI, GPSC, GSTEEL, GULF, GUNKUL, HANA, HARN, HEALTH, HENG, HMPRO, HTC, ICC, ICHI, IFS, III, ILINK, ILM, INET, INOX, INSURE, INTUCH, IRPC, ITEL, IVL, JAS, JR, JTS, KASET, KBANK, KCAR, KCC, KCE, KGEN, KGI, KKP, KSL, KTB, KTC, L&E, LANNA, LH, LHFG, LHK, LPN, LRH, M, MAJOR, MALEE, MATCH, MBAX, MBK, MC, MCOT, MEGA, MENA, META, MFC, MFEC, MILL, MINT, MODERN, MONO, MOONG, MSC, MTC, MTI, NATION, NCAP, NEP, NER, NKI, NOBLE, NRF, OCC, OGC, OR, ORI, OSP, PAP, PATO, PB, PCSGH, PDG, PDJ, PG, PHOL, PIMO, PK, PL, PLANB, PLANET, PLAT, PM, PPP, PPPM, PPS, PR9, PREB, PRG, PRINC, PRM, PROS, PRTR, PSH, PSL, PSTC, PT, PTECH, PTG, PTT, PTTEP, PTTGC, PYLON, Q-CON, QH, QLT, QTC, RABBIT, RATCH, RBF, RML, RS, RWI, S&J, SA, SAAM, SABINA, SAK, SAPPE, SAT, SC, SCB, SCC, SCCC, SCG, SCGP, SCM, SCN, SEAOIL, SE-ED, SELIC, SENA, SENX, SFLEX, SGC, SGP, SIRI, SIS, SITHAI, SKR, SM, SMIT, SMPC, SNC, SNP, SORKON, SPACK, SPALI, SPC, SPI, SPRC, SRICHA, SSF, SSP, SSSC, SST, STA, STGT, STOWER, SUSCO, SVI, SVOA, SVT, SYMC, SYNTEC, TAE, TAKUNI, TASCO, TCAP, TEGH, TFG, TFI, TFMAMA, TGE, TGH, THANI, THCOM, THIP, THRE, THREL, TIDLOR, TIPCO, TIPH, TISCO, TKN, TKS, TKT, TMD, TMILL, TMT, TNITY, TNL, TNP, TNR, TOG, TOP, TOPP, TPA, TPCS, TPLAS, TRT, TRU, TRUE, TSC, TSI, TSTE, TSTH, TTB, TTCL, TU, TURTLE, TVDH, TVO, TWPC, UBIS, UEC, UKEM, UPF, UV, VCOM, VGI, VIBHA, VIH, WACOAL, WHA, WHAUP, WICE, WIIK, WPH, XO, YUASA, ZEN

Declared (ประกาศเจตนารมณ์)

ACE, ALT, AMARIN, AMC, ANI, APCO, ASAP, B52, BLAND, BYD, CFARM, CHASE, CHG, DEXON, DITTO, ECL, EVER, FLOYD, GREEN, HL, HUMAN, ICN, IHL, IP, ITC, JDF, JMART, K, KJL, LDC, LIT, MITSIB, MJD, MOSHI, NEX, NTSC, PLE, PLUS, POLY, PQS, PRI, PRIME, PROEN, PROUD, PTC, RT, S, SAWAD, SCAP, SCGD, SFT, SHR, SINGER, SINO, SJWD, SKE, SNNP, SOLAR, SONIC, SUPER, TBN, TMI, TPAC, TPP, TQM, UOBKH, UREKA, VNG, WELL, WIN, XPG

N/A

24CS, 3K-BAT, A, A5, AAV, ABM, ACAP, ACC, ACG, ADD, ADVICE, AEONTS, AFC, AGE, AHC, AIT, AJA, AKR, AKS, ALLA, ALPHAX, ALUCON, AMARC, AMR, ANAN, AOT, APO, APP, APURE, AQUA, ARIN, ARIP, ARROW, ASEFA, ASIA, ASIMAR, ASN, ATP30, AU, AUCT, AURA, BA, BBIK, BC, BCT, BDMS, BEAUTY, BEM, BGT, BH, BIG, BIOTEC, BIS, BIZ, BJC, BJCHI, BKD, BKGI, BKIH, BLC, BLESS, BLISS, BM, BOL, BPS, BR, BROCK, BSM, BSRC, BTC, BTNC, BTW, BUI, BVG, CCET, CCP, CEYE, CGD, CH, CHAO, CHARAN, CHAYO, CHIC, CHO, CITY, CIVIL, CK, CKP, CMAN, CMO, CMR, CNT, COCOCO, COLOR, COMAN, CPANEL, CPH, CPR, CPT, CRANE, CRD, CREDIT, CSP, CSR, CSS, CTW, CWT, D, DCON, DDD, DHOUSE, DOD, DPAINT, DTCENT, DTCI, DV8, EASON, EE, EFORL, EKH, EMC, ESTAR, ETL, EURO, F&D, FANCY, FE, FM, FMT, FN, FORTH, FTI, FVC, GABLE, GENCO, GFC, GIFT, GL, GLAND, GLOCON, GLORY, GRAMMY, GRAND, GSC, GTB, GTV, GYT, HFT, HPT, HTECH, HYDRO, I2, IIG, IMH, IND, INGRS, INSET, IRC, IRCP, IROYAL, IT, ITD, ITNS, ITTHI, IVF, J, JAK, JCK, JCKH, JCT, JKN, JMT, JPARK, JSP, JUBILE, KAMART, KBS, KC, KCG, KCM, KDH, KEX, KIAT, KISS, KK, KKC, KLINIQ, KOOL, KTIS, KTMS, KUMWEL, KUN, KWC, KWI, KWM, KYE, LALIN, LEE, LEO, LOXLEY, LPH, LST, LTS, MAGURO, MANRIN, MASTER, MATI, MCA, M-CHAI, MCS, MDX, MEB, MEDEZE, METCO, MGC, MGI, MGT, MICRO, MIDA, MK, ML, MORE, MPJ, MST, MTW, MUD, MVP, NAM, NAT, NC, NCH, NCL, NCP, NDR, NEO, NETBAY, NEW, NEWS, NFC, NL, NNCL, NOK, NOVA, NPK, NSL, NTV, NUSA, NV, NVD, NWR, NYT, OHTL, OKJ, ONEE, ORN, PACO, PAF, PANEL, PCC, PCE, PEACE, PEER, PERM, PF, PHG, PICO, PIN, PJW, PLT, PMC, PMTA, POLAR, PORT, PPM, PRAKIT, PRAPAT, PRECHA, PRIN, PRO, PSG, PSP, PTL, QTCG, RAM, RCL, READY, RICHY, RJH, ROCK, ROCTEC, ROH, ROJNA, RP, RPC, RPH, RSP, S11, SABUY, SAF, SAFARI, SAFE, SALEE, SAM, SAMART, SAMCO, SAMTEL, SANKO, SAUCE, SAV, SAWANG, SBNEXT, SCI, SCL, SCP, SDC, SE, SEAFCO, SECURE, SEI, SGF, SHANG, SIAM, SICT, SIMAT, SISB, SK, SKN, SKY, SLP, SMART, SMD100, SMT, SNPS, SO, SPA, SPCG, SPG, SPREME, SPVI, SQ, SR, SRS, SSC, STANLY, STC, STECH, STECON, STHAI, STI, STP, STPI, STX, SUC, SUN, SUTHA, SVR, SWC, SYNEX, TACC, TAN, TAPAC, TATG, TC, TCC, TCJ, TCMC, TCOAT, TEAM, TEAMG, TEKA, TERA, TFM, TGPRO, TH, THAI, THANA, THE, THG, THMUI, TIGER, TITLE, TK, TKC, TLI, TM, TMAN, TMC, TMW, TNDT, TNH, TNPC, TOA, TPBI, TPCH, TPIPL, TPIPP, TPL, TPOLY, TPS, TQR, TR, TRC, TRITN, TRP, TRUBB, TRV, TSE, TTA, TTI, TTT, TTW, TVH, TVT, TWP, TWZ, TYCN, UAC, UBA, UBE, UMI, UMS, UNIQ, UP, UPOIC, UTP, UVAN, VARO, VL, VPO, VRANDA, W, WARRIX, WAVE, WFX, WGE, WINDOW, WINMED, WINNER, WORK, WP, YGG, YONG, ZAA, ZIGA

Explanations

Companies participating in Thailand's Private Sector Collective Action Coalition Against Corruption programme (Thai CAC) under Thai Institute of Directors (as of October 14, 2024) are categorised into: companies that have declared their intention to join CAC, and companies certified by CAC.