

Key Indices

	Prev Close	1D %	1W %	1M %	YTD %
DJIA	47955.0	0.2	0.5	2.1	12.7
S&P 500	6870.4	0.2	0.3	2.1	16.8
FTSE 100	9667.0	(0.5)	(0.6)	(0.2)	18.3
AS30	8926.1	0.2	0.1	(1.2)	6.0
CSI 300	4584.5	0.8	1.3	(2.0)	16.5
FSSTI	4531.4	(0.1)	0.2	0.9	19.6
HSCEI	9198.3	1.0	0.7	(0.7)	26.2
HSI	26085.1	0.6	0.9	(0.6)	30.0
JCI	8632.8	(0.1)	1.5	2.8	21.9
KLCI	1616.5	(0.3)	0.8	(0.2)	(1.6)
KOSPI	4100.1	1.8	4.4	3.7	70.9
Nikkei 225	50491.9	(1.1)	0.5	0.4	26.6
SET	1273.8	(0.1)	1.7	(2.2)	(9.0)
TWSE	27980.9	0.7	1.3	1.2	21.5
BDI	2727	(3.1)	6.5	29.6	173.5
CPO (RM/mt)	4086	(0.3)	1.6	(0.9)	(17.0)
Brent Crude (US\$/bbl)	64	0.8	0.9	0.4	(14.6)

Source: Bloomberg

Corporate Events

	Venue	Begin	Close
Hybrid Investor Luncheon with Karrie International (1050 HK)	Hong Kong	08 Dec	08 Dec
Virtual Meeting with Mao Geping Cosmetics (1318 HK)	Hong Kong	08 Dec	08 Dec

Corporate and Macro Calendar

Economic Indicator/Event	Country/Region	Date
Nov. Consumer Confidence	Thailand	8-15 Dec
BoT Benchmark Interest Rate	Thailand	17 Dec

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Top Stories

Company Update | PTT Exploration and Production (PTTEP TB/BUY/Bt106.00/Target: Bt136.00)

Page 2

PTTEP announced a five-year capex plan for 2026-30 of US\$33.3b. PTTEP expects average sales volume growth of 3.5% per year, while in 2026, sales are expected to increase by 9% qoq, partially mitigating the impact from expected lower selling prices in line with oil prices. We maintain a positive view on core earnings in 4Q25, driven by higher sales volume and lower unit costs. Maintain BUY. Target price: Bt136.00.

PTT Exploration & Production (PTTEP TB)

Announcing A Five-year Capex Plan

Highlights

- PTTEP announced its five-year capex plan for 2026-30 totalling US\$33.3b, targeting average annual sales growth of 3.5%.
- Earnings are projected to rebound qoq in 4Q25, supported by higher sales volumes and lower unit costs.
- The dividend outlook remains appealing. Maintain BUY. Target price: Bt136.00.

Analysis

- Five-year plan for 2026-30.** PTT Exploration and Production (PTTEP) outlined its 2026-30 strategy under the theme “Drive Value – Decarbonize – Diversify,” focusing on strengthening Thailand’s energy security, expanding its international portfolio, and preparing for the transition toward Net Zero by 2030. For 2026, PTTEP plans to allocate US\$7.73b, consisting of US\$5.16b in capex and US\$2.56b in opex. Total capex is set at US\$33.3b over the entire five-year period. PTTEP targets an average annual sales growth rate of 3.5% throughout the plan.
- “Drive Value” focuses on strengthening Thailand’s energy security while supporting PTTEP’s global expansion.** The initiative emphasises boosting production, preserving cost competitiveness, and expanding output across PTTEP’s current petroleum assets in Thailand, Malaysia, Myanmar, the United Arab Emirates (UAE), and Oman through accelerated development and exploration activities. It also incorporates the deployment of advanced technology and digital solutions to enhance production efficiency and further lower unit costs.
- “Decarbonize” advances PTTEP’s CCS development efforts.** PTTEP is committed to reducing both CO₂ and methane emissions in alignment with its Net Zero 2050 goal, targeting a 30% reduction in greenhouse gas (GHG) intensity by 2030 and 50% by 2040, using 2020 as the baseline. A central initiative within this pillar is the Arthit Carbon Capture and Storage (CCS) project, for which PTTEP reached a final investment decision (FID) on 8 Sep 25. Designed to capture 1.00 m tonnes of carbon dioxide (CO₂) annually, the project is expected to commence operations in 2028.

Key Financials

Year to 31 Dec (Btm)	2023	2024	2025F	2026F	2027F
Net turnover	300,694	312,310	280,980	267,775	293,171
EBITDA	234,395	240,397	206,241	192,985	198,441
Operating profit	151,124	145,942	111,185	108,551	116,998
Net profit (rep./act.)	76,705	78,825	60,742	59,814	64,926
Net profit (adj.)	78,654	78,240	61,165	59,814	64,926
EPS	19.81	19.71	15.41	15.07	16.35
PE	5.40	5.43	6.94	7.10	6.54
P/B	0.88	0.82	0.78	0.74	0.70
EV/EBITDA	1.77	1.74	1.89	1.80	1.55
Dividend yield	8.88	9.00	8.97	8.97	8.97
Net margin	25.51	25.24	21.62	22.34	22.15
Net debt/(cash) to equity					
Interest cover	22.69	20.40	18.87	18.71	19.24
ROE	17.98	17.65	13.27	12.64	13.22
Consensus net profit	-	-	61,659	59,964	57,244
UOBKH/Consensus (x)	-	-	0.99	1.00	1.13

Source: PTTEP Bloomberg, UOB Kay Hian

BUY (Maintained)

Share Price	Bt106.00
Target Price	Bt136.00
Upside	28.30%

Analyst(s)

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Stock Data

GICS Sector	Consumer Discretionary
Bloomberg ticker	PTTEP TB
Shares issued (m)	3,970.0
Market cap (Btm)	454,563.3
Market cap (US\$m)	14,038.0
3-mth avg daily t'over (US\$m)	31.4

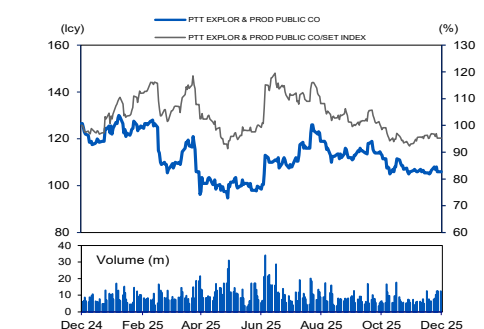
Price Performance (%)

52-week high/low			Bt130.50/Bt93.00	
1mth	3mth	6mth	1yr	YTD
0.47	(6.49)	10.20	(12.6)	(9.24)

Major Shareholders

	%
PTT Pcl	63.79%
Thai NVDR	6.52%
State street europe limited	1.80%

Price Chart



Source: Bloomberg

Company Description

PTTEP explores for crude oil and natural gas, develops fields for production.

Monday, 08 December 2025

- **“Diversify” focuses on expanding PTTEP’s presence in new energy and future technologies.** PTTEP aims to strengthen its low-carbon business portfolio, with priority investments in the Eastern Thailand CCS Hub, which is currently under joint study with global partners and targeted for commercial launch in 2033. The strategy also encompasses overseas Net-Zero ventures – including CCS as a service (CCSaaS), Blue Hydrogen, and Offshore Wind farm – along with the development of emerging energy technologies such as energy storage solutions and next-generation carbon capture and utilisation (CCUS), supporting the creation of PTTEP’s long-term future business platform.
- **Sales in 2026 increased by 9% yoy.** PTTEP forecasts 2026 sales at 556,000 boed up 9% yoy, supported by: a) projects with partial sales contribution in 2025 that will deliver full-year recognition in 2026, including additional investments in Malaysia–Thailand Joint Development Area-18 (MTJDA A18), the Algeria Touat Project, the Sinphuhorm Project, and the production ramp-up at the Arthit Project; and b) new projects in 2026, notably the Ghasha Project in the UAE and the Sabah K Project in Malaysia.
- **Crude oil prices in 2026 decreased yoy.** PTTEP expects Dubai crude prices in 2026 at US\$65–66/bbl (vs our 2026 assumption of US\$67/bbl, down 4.3%yoy). PTTEP expects continued pricing pressure in 2026 due to persistent supply dynamics. PTTEP’s gas sales price is projected at US\$5.70 per Million British Thermal Units (MMBtu) (vs US\$5.80 in 2025), moving in line with crude trends. PTTEP plans to keep unit costs stable at US\$30.00/bbl, flat yoy. We estimate 2026 core earnings at Bt59.8b, down 2.2% yoy.
- **The Mozambique project is expected to begin operations in late-28.** PTTEP’s five-year plan indicates that the Mozambique LNG project is scheduled to commence production in late-28. TOTAL, the project operator, is in discussions with the Mozambique government regarding costs incurred during the force-majeure-related construction halt, aiming to limit potential cost overruns. TOTAL is also securing approvals to re-enter the construction site, which are expected in the near term. That said, this issue remains under close watch. Any postponement in resuming full operations could raise the risk of impairment in 2026.
- **Core earnings for 4Q25 expected to improve qoq and yoy.** Earnings in 4Q25 are projected to rebound due to: a) an estimated 7% qoq increase in sales volume, reaching 541,000 boed, and b) a decline in unit costs to US\$29.00/bbl (vs. US\$31.50/bbl in 3Q25).
- **Attractive dividend.** We maintain our 2H25 dividend forecast at Bt5.5/share.

Valuation/Recommendation

- **Maintain BUY with a 2026 target price of Bt136.00** based on an average five-year regional forward PE of 9x. In the oil & gas sector, we prefer PTT Oil and Retail (OR TB/BUY/Target: Bt21.00) SCG Packaging (SCGP TB/BUY/Target: Bt26.00) and Indorama Ventures (IVL TB/BUY/Target: Bt27.00).

Earnings Revision/Risk

- None.

Environment□Social□Governance (ESG) Updates

Environmental

- **Carbon capture and storage.** PTTEP is leading Thailand's first carbon capture project, which is set for completion by 2026. This project is key to PTTEP's plan to reach carbon neutrality by 2050 and net-zero emissions by 2065.

Social

- **Community engagement:** PTTEP invests in education, healthcare, and infrastructure in its operating regions to improve quality of life and support sustainable development.

Governance

- **Supplier ESG assessment:** PTTEP requires suppliers to meet strict ESG criteria, including business ethics, safety, and environmental impacts, to ensure sustainable and ethical procurement.

Five-Year Plan: Investment Budget



Source: PTTEP, UOB Kay Hian

Five-Year Plan: Production and Sales Volume



Source: PTTEP, UOB Kay Hian

Investment Strategy



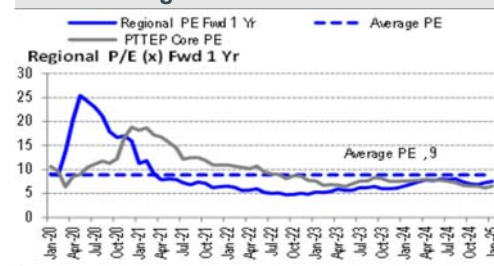
Source: PTTEP, UOB Kay Hian

2026 Key Project Activities



Source: PTTEP, UOB Kay Hian

Five-Year Regional Forward PE Band



Source: Bloomberg

PROFIT & LOSS

Year to 31 Dec (Btm)	2024	2025F	2026F	2027F
Net turnover	312,310	280,980	267,775	293,171
EBITDA	240,397	206,241	192,985	198,441
Deprec. & amort.	95,039	94,633	84,435	81,443
EBIT	145,357	111,608	108,551	116,998
Associate contributions	1,317	1,383	1,452	1,524
Net interest income/(expense)	-11,813	-10,909	-10,312	-10,312
Pre-tax profit	136,031	101,237	99,690	108,210
Tax	-57,214	-40,495	-39,876	-43,284
Minorities	-7,281	0	0	0
Net profit	78,825	60,742	59,814	64,926
Net profit (adj.)	78,240	61,165	59,814	64,926

CASH FLOW

Year to 31 Dec (Btm)	2024	2025F	2026F	2027F
Operating	202,301	157,536	143,472	147,060
Pre-tax profit	136,031	101,237	99,690	108,210
Tax	-57,214	-40,495	-39,876	-43,284
Deprec. & amort.	95,039	94,633	84,435	81,443
Working capital changes	14,732	2,289	-777	691
Other operating cashflows	13,713	-128	0	0
Investing	-150,369	-88,973	-72,142	-78,866
Investments	-100,597	-185,465	-68,180	-86,485
Others	-49,772	96,492	-3,962	7,619
Financing	-54,367	-51,465	-29,446	-28,996
Dividend payments	-38,705	-38,211	-29,446	-28,996
Issue of shares	-15,662	-13,254	0	0
Proceeds from borrowings	-2,435	17,098	41,884	39,198
Net cash inflow (outflow)	137,542	133,850	150,947	192,832
Beginning cash & cash equivalent	-1,257	0	0	0
Changes due to forex impact	133,850	150,947	192,832	232,030
Ending cash & cash equivalent	202,301	157,536	143,472	147,060

BALANCE SHEET

Year to 31 Dec (Btm)	2024	2025F	2026F	2027F
Fixed assets	490,484	581,316	565,062	570,103
Other LT assets	252,685	171,635	165,032	177,730
Cash/ST investment	133,850	150,947	192,832	232,030
Other current assets	22,252	22,478	24,100	29,317
Total assets	965,301	962,324	980,190	1,044,839
ST debt	13,254	0	0	0
Other current liabilities	209,343	224,784	214,220	234,537
LT debt	114,580	114,580	114,580	114,580
Other LT liabilities	209,343	224,784	214,220	234,537
Shareholders' equity	520,709	543,112	573,481	609,411
Total liabilities & equity	965,301	962,324	980,190	1,044,839

KEY METRICS

Year to 31 Dec (%)	2024	2025F	2026F	2027F
Profitability				
EBITDA margin	77.2	73.3	72.1	67.7
Pre-tax margin	43.6	36.0	37.2	36.9
Net margin	25.2	21.6	22.3	22.1
ROA	9.6	7.4	7.2	7.5
ROE	17.6	13.3	12.6	13.2
Growth				
Turnover	3.9	-10.0	-4.7	9.5
EBITDA	2.0	-15.3	-6.3	2.3
Pre-tax profit	-4.9	-24.9	-1.9	8.5
Net profit	2.8	-22.9	-1.5	8.5
Net profit (adj.)	-0.5	-21.8	-2.2	8.5
EPS	2.8	-22.9	-1.5	8.5
Leverage				
Debt to total capital	23.9	20.5	19.5	18.3
Debt to equity	24.6	21.1	20.0	18.8
Net debt/(cash) to equity	-1.6			
Interest cover (x)	20.4	18.9	18.7	19.2

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