

Navigating Challenges

- We projected SUSCO's net profit to flatten y-y in 2025E
- Growths in retail and jet fuel sales will be offset by slowing EV-related sales amid rising competition and market saturation.
- Initiated with HOLD at THB3.10

Stable Net Profit Amid Mixed Growth Trends

We estimate Susco's core net profit to remain flat y-y at THB 271m in 2025E, following THB 331m in 2023 and THB 249m in 2024E, driven by mixed factors. Retail oil station sales volume is expected to grow by 5%, supported by consistent demand, while the jet fuel business should see a 10% increase in sales volume from its strategic partnership with Sinopec. However, EV-related sales are likely to slow as the initial wave of adopters has entered the market in the past 1-2 years, and competition intensifies with new players entering Thailand's EV sector.

Adapting to Market Changes with Rebranding and Partnerships

Susco has carved a niche in Thailand's fuel market through strategic partnerships and rebranding. In 2022, it rebranded 101 stations to ESSO, boosting customer loyalty. In 2024, it transitioned to the BCP brand, increasing sales and benefiting from BCP's non-oil services. Susco also sold a 49% stake in SUSCO Dealer to Sinopec, strengthening its capital and market position. This strategy helps Susco stay competitive in a rapidly evolving market.

Diversification and Flexibility for Long-Term Growth

Susco is modernizing its oil stations and diversifying into real estate and retail, adopting a flexible strategy tailored to location needs. Urban stations focus on premium services, while rural ones offer basics, enhancing customer experience and driving growth. The Susco Square project features mixed-use spaces with convenience stores, fast food, and EV charging stations.

Susco's Strategic Move into the EV Market

Susco is diversifying into the electric vehicle (EV) market by partnering with Reve Automotive to become an EV dealer, launching "SUSCO Beyond" with BYD showrooms. This move allows Susco to capitalize on the growing EV demand while staying relevant in the evolving transportation sector. With 10 BYD showrooms now operational, Susco continues to innovate in response to market shifts. Thailand's government supports this transformation through tax incentives, helping position the country as a global EV production hub.

Initiated with HOLD at THB3.10

We initiated coverage with HOLD and a TP of THB3.10, applying 10x P/E for retail oil station, 6x P/E for export, 13x P/E for jet, and 8x P/E for car dealer, to reflect different risk-reward levels for each business. We think the net profit outlook is neutral, given the earnings risks from its car dealer business will be offset by growths in oil business. Hence, we see limited upside on Susco's net profit and share price.

Analyst

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ESG Rating : n.a.

CG Rating : ▲▲▲▲

HOLD

Target Price 12M (THB)	3.10
VS. BB Consensus TP (%)	na
Share Price (THB)	3.00
Upside/Downside	+3.3%

Share Data

Market Cap (THB m)	3,000.00
Par (THB)	1.00
Free Float (%)	66.58
Issued shares (m shares)	1,000

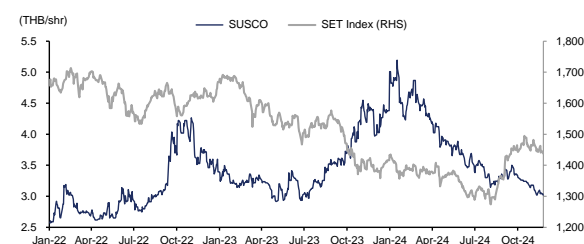
Financial forecast

YE Dec (THB m)	2023	2024E	2025E	2026E
Revenue	32,235	30,501	27,314	28,398
Net profit	1,226	249	271	273
Core net profit	331	249	271	273
vs Consensus (%)	-	na	na	na
Net profit growth (%)	190.4	(79.7)	8.9	1.0
Core net profit growth (%)	(21.7)	(24.8)	8.9	1.0
EPS (THB)	1.17	0.24	0.26	0.26
Core EPS (THB)	0.31	0.24	0.26	0.26
Chg in core EPS (%)	-	0.00	0.00	0.00
DPS (THB)	0.20	0.12	0.13	0.13
P/E (x)	4.01	12.67	11.63	11.52
P/BV (x)	1.07	0.65	0.61	0.57
ROE (%)	7.88	5.27	5.38	5.09
Dividend yield (%)	4.27	3.95	4.30	4.34

Source: Financial Statement and Globlex securities

Share Price Performance (%)

	1M	3M	6M	YTD
Stock	(1.32)	(8.54)	(17.58)	(35.90)
Market	(0.40)	(0.29)	(24.83)	(37.11)
12M High/Low (THB)				5.60 / 2.98



Major Shareholders (%) as of 12 Sep 2024

Mr. Mongkol Simaroj	15.85
Mr. Pimuk Simaroj	4.20
Thai NVDR Company Limited	4.10

Company Profile

The Company and its subsidiary companies have aimed to retail business via petrol stations and to a variety of industrial sectors for direct users such as, aviation, construction, transportation, and service sectors, and for other oil traders to be sold to the consumers in turn.

Source: SETSMART, SET

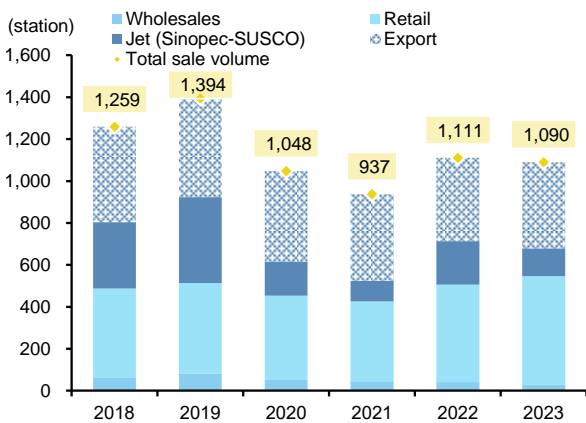
Navigating Challenges

Flexibility and Brand Alliances

Susco is one of the key retail oil stations play in Thailand which is built on its long-standing presence and brand recognition in Thailand, as well as its ability to adapt to changing market dynamics. While Susco is not as large as some of its multinational counterparts like Shell, ExxonMobil, or PTT, it has managed to carve out a significant niche in the local market through a combination of service, flexibility, and strategic positioning.

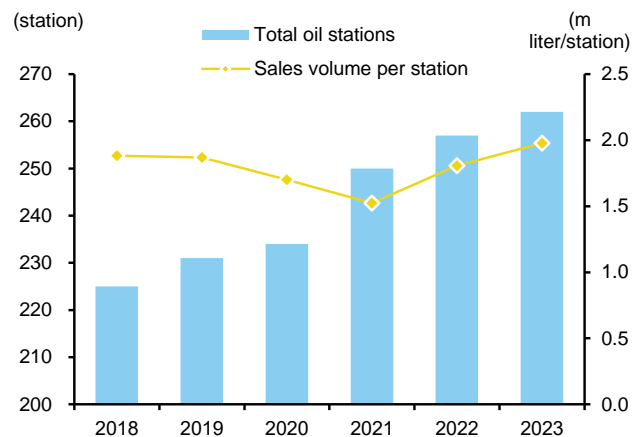
Susco's strategy for its business appears to be a combination of partnerships, rebranding, and diversification, aimed at strengthening its position in the competitive Thai fuel market while adapting to the evolving energy landscape. Thanks to its highly "nimble" and "flexible" strategy under current management team, Susco is able to make decisive decisions and highly effective in creating the higher shareholders' value.

Exhibit 1: SUSCO's sales volume



Sources: SUSCO, Globlex Research

Exhibit 2: Total oil station vs sales volume per station



Sources: SUSCO, Globlex Research

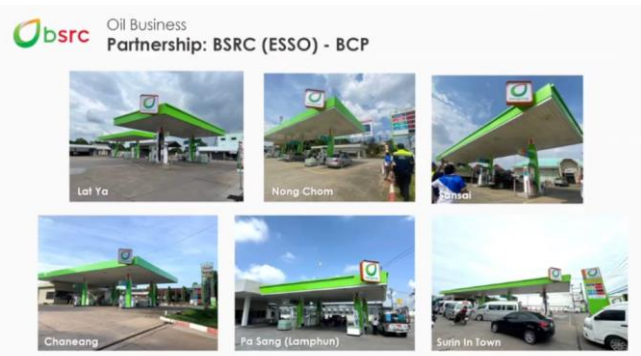
In 2022, Susco executed its "SUSCO-turn-ESSO" strategy by forming a partnership with ESSO Thailand (owned by ExxonMobil), a well-established brand in Thailand's fuel industry. This collaboration led to the rebranding of some Susco stations to ESSO, reaching a total of 101 stations by 2023. Through this strategy, Susco leveraged ESSO's strong brand recognition, established customer loyalty, and extensive fuel distribution networks. The move enabled Susco to attract more customers who already trusted the ESSO brand, particularly in urban and high-traffic areas where brand reputation plays a significant role in consumer decision-making.

Exhibit 3: SUSCO switch its 101 station to ESSO



Sources: Mithoon

Exhibit 4: BCP station under SUSCO



Sources: SUSCO

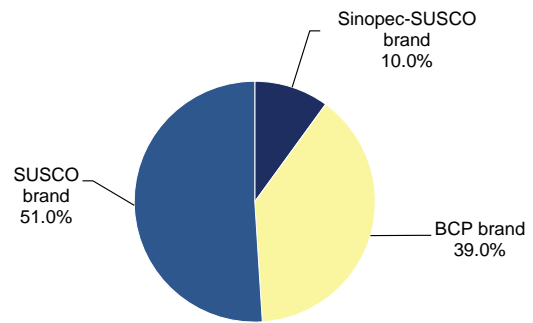
In 2024, following negotiations with Bangchak Corporation (BCP TB), the new owner of the former ESSO stations, Susco agreed to rebrand its 101 SUSCO-turned-ESSO stations to the BCP brand, along with 7 additional BCP stations. According to management, operating under the BCP brand has resulted in higher sales volume per station, as well as the added benefit from BCP non-oil.

Exhibit 5: SINOPEC SUSCO station at Rama9



Sources: [Bangkokbiznews](https://www.bangkokbiznews.com)

Exhibit 6: Total number of oil stations as of 2023



Sources: SUSCO, Globlex Research

Furthermore, in 2023, Susco divested a 49% stake in its associated company, SUSCO Dealer, which owns and operates retail oil stations and handles jet fuel sales, to Sinopec, a major state-owned Chinese oil and gas company. This divestment marks a strategic move by Susco to strengthen its capital structure and expand its business potential. Sinopec's involvement brings in expertise and a solid financial base, enhancing the joint venture's operations in both the retail oil stations and jet fuel sectors. This deal could offer both companies greater market reach and operational efficiency, leveraging Sinopec's resources and Susco's strong local presence in Thailand.

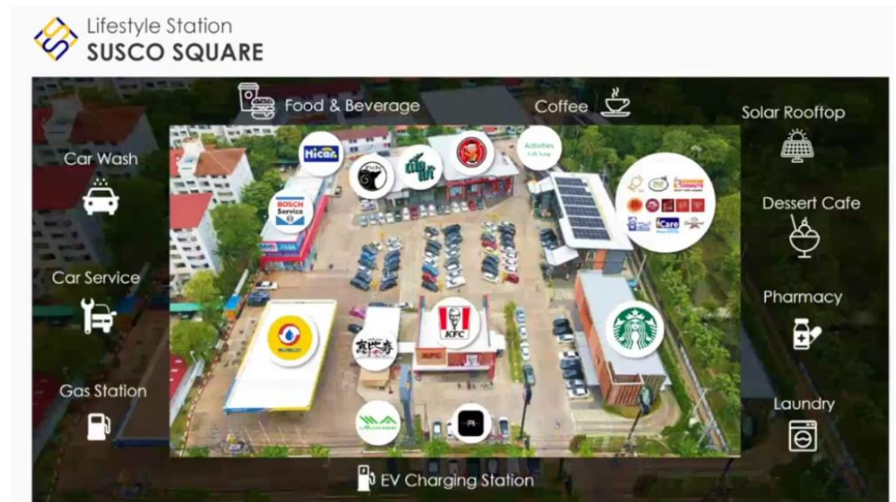
From this strategy reflects a deliberate decision to leverage the brand strength, market recognition, and infrastructure of these larger players, rather than competing independently in the increasingly crowded fuel retail market.

Tailored Branding for Market Diversity

Susco's retail strategy, not only particularly focus on expanding and modernizing its network of retail oil stations, but also diversify beyond traditional fuel retailing. That enhances the company's long-term growth potential by tapping into the real estate and retail sectors.

Susco Square is a project developed by Susco, focusing on creating mixed-use spaces, including commercial areas with services like convenience stores, fast food options, and even EV charging stations, offering more convenience and value to customers. The development aims to increase brand visibility and provide modern services to customers.

Exhibit 7: SUSCO square



Sources: SUSCO

Susco's non-oil business strategy stands out for its diverse branding and location approach, in contrast to its competitors, who typically adopt a more standardized model across their outlets. The strategy focuses on leveraging various brands, partnerships, and services, each tailored to meet the specific needs of different locations through brand licensing and strategic alliances.

Exhibit 8: Non oil in SUSCO square



Sources: SUSCO

One of the key advantages of Susco's varied branding strategy is its ability to adapt non-oil offerings to specific market demands and regional preferences. For example, urban stations may feature premium retail offerings and foodservice brands, while rural stations might focus on basic convenience services and localized offerings. This flexibility enables Susco to remain relevant to different customer segments, enhancing the customer experience and creating more sales opportunities.

Exhibit 9: SUSCO's non oil breakdown



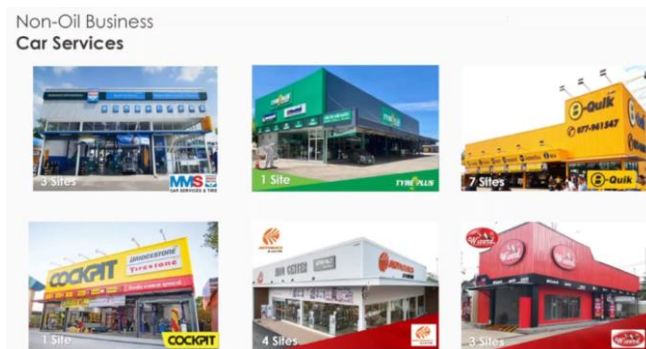
Sources: SUSCO

Exhibit 10: SUSCO's non oil breakdown by business



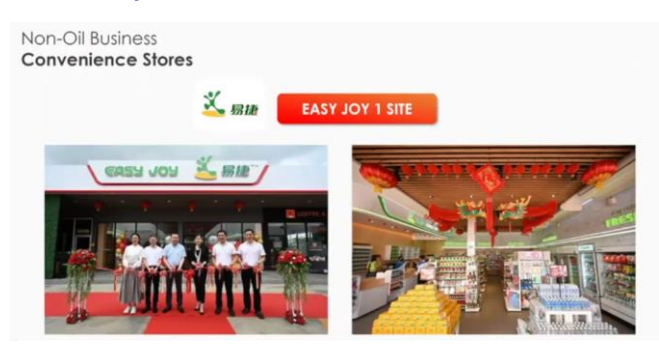
Sources: SUSCO

Exhibit 11: Car service in SUSCO oil station



Sources: SUSCO

Exhibit 12: Easy joy - a convenience store chain operated by Sinopec



Sources: SUSCO

From Gas to EVs

The global automotive industry shifts toward cleaner energy and sustainable transportation, as the adoption of EVs increases, the demand for gasoline and diesel at retail oil stations is expected to gradually decline.

To adapt to the evolving market, many oil retailers are diversifying their offerings by installing EV charging stations at their existing locations. This allows them to tap into the growing demand for EV charging while maintaining customer traffic at their stations. Similarly, Susco has diversified into the EV business by becoming an EV dealer. This strategic move helps Susco mitigate risk and stay relevant as the market transitions to electric mobility.

Exhibit 13: BYD showroom by SUSCO Beyond



Sources: [Khaosod](#)

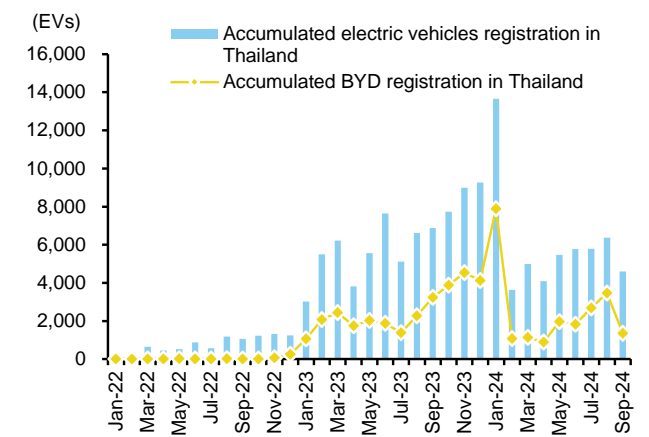
Exhibit 14: DENZA showroom by SUSCO Beyond



Sources: [Springnews](#)

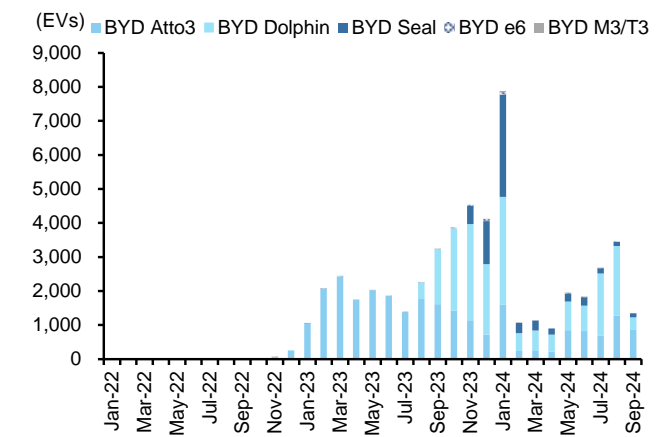
In 2023, Susco partnered with Reve Automotive Co., Ltd., the official distributor and after-sales service provider for BYD electric vehicles in Thailand, to establish standard-level dealerships and full-service after-sales centers. These showrooms will now operate under the name "SUSCO Beyond". We believe this strategic partnership positions Susco as a leader in the rapidly growing electric mobility market. As of Dec-24, Susco operates 10 BYD showrooms, 1 DENZA showroom, and 1 body and paint shop.

Exhibit 15: Accumulated electric vehicles registration in Thailand vs Accumulated BYD registration in Thailand



Sources: SUSCO, Globlex Research

Exhibit 16: Accumulated BYD registration in Thailand breakdown by model



Sources: SUSCO, Globlex Research

BYD is a global leader in electric vehicle (EV) production and has quickly gained traction in the Thai market through a well-rounded strategy. The company focuses on several key areas to strengthen its presence in Thailand's growing EV market. Key components of BYD's strategy include:

Affordable and Competitive Pricing: BYD has targeted the price-sensitive segment of the Thai market by introducing affordable EV options.

BYD's strategic launch of new models, including the Atto 3, Dolphin, and Seal, has been a significant driver of increased sales volume in key markets, especially in Thailand.

- **The Atto 3**, an affordable electric SUV, has proven particularly successful due to its competitive pricing and advanced technology, such as BYD's proprietary Blade Battery. This model's value proposition—combining advanced features with affordability—has helped BYD gain strong traction in price-sensitive markets.
- **The Dolphin**, positioned as a compact city EV, targets younger, budget-conscious buyers, making it an attractive option for those seeking affordable yet efficient electric vehicles. The Seal, on the other hand, positions BYD as a competitor in the premium EV market, appealing to consumers seeking high-performance electric sedans.
- **The DENZA D9**, a high-end electric multi-purpose vehicle (MPV), is entering the Thai market with a competitive starting price of THB1.99m. The D9 combines electric design, advanced technology, and energy efficiency, making it an attractive luxury MPV option for consumers seeking both sustainability and innovation. With its competitive pricing, the D9 targets a high-end market, potentially drawing in those seeking a modern, eco-friendly vehicle with a premium feel.

Exhibit 17: DENZA D9 has officially entered the Thai market in Nov-24



ราคาจดทะเบียนรวม (ภาษี CBU 5%) ภาษี 100%

D9 Premium
1 Motor 312 PS Battery 103 kWh
1,999,900
D9 Performance AWD
Dual Motors 374 PS Battery 103 kWh
2,699,900

Sources: [Autolife-thailand](https://www.autolife-thailand.com)

These new model campaigns have been supported by targeted marketing strategies that emphasize affordability, energy efficiency, and advanced technology, thereby expanding BYD's customer base across multiple segments.

In addition to these product offerings, BYD's aggressive pricing strategy has significantly contributed to its growing sales.

The company implemented a series of price cuts in 2024, starting with a reduction of over 40% in the cost of its Blade Batteries. This move was aimed at reducing production costs and making EVs more accessible to consumers.

Exhibit 18: BYD reduced the price of its Blade Batteries by over 40%

Model		ราคาเดิม (Excl. VAT)	ราคาใหม่ (Excl. VAT)
BYD ATTO 3	Standard Range (2023)	528,730.00.-	320,121.50.-
	Extended Range (2023 + 2024)	656,030.00.-	378,102.80.-
	Dynamic, Premium (2024)	-	344,691.59.-
BYD DOLPHIN	Standard Range	449,910.00.-	309,364.49.-
	Extended Range	500,530.00.-	378,102.80.-
BYD SEAL	Dynamic	-	451,289.72.-
	Premium	595,915.89.-	534,728.97.-
	AWD Performance	585,626.17.-	536,411.21.-

Sources: [Money&Banking online](https://www.moneyandbanking.com)

Furthermore, the company slashed prices for key models like the Atto 3, reducing its price by approximately 208,000 THB. These price cuts not only enhanced BYD's competitiveness in the Thai market but also contributed to a broader adoption of electric vehicles by lowering the entry barriers for potential buyers.

Exhibit 19: BYD pricing campaign for Atto3

BYD FULL ELECTRIC 100%
ATTO 3

ราคาต่อหน่วยมาตรฐาน (รถไฟฟ้า 100%)

BYD Atto 3
Extended Range
~~1,459,000~~
1,199,900

Electric Motor 201 PS 310 Nm
Battery 60.4 kWh Range 480 km. (NEDC)

Sources: [Autolifethailand](https://www.autolife-thailand.com)

Exhibit 20: BYD pricing campaign

BYD DOLPHIN DAY
RUN OUT CAMPAIGN

รุ่น Standard Range **559,900 บาท**
จากเดิม 639,999 บาท

รุ่น Extended Range **699,900 บาท**
จากเดิม 859,999 บาท

BYD Thailand
Factory Celebration

New BYD ATTO 3
รุ่น Premium ราคา **959,900 บาท**
จากเดิม 1,049,900 บาท

BYD ATTO 3
รุ่น Premium ราคา **859,900 บาท**
จากเดิม 949,900 บาท

BYD ATTO 3
รุ่น Dynamic ราคา **799,900 บาท**
จากเดิม 889,900 บาท

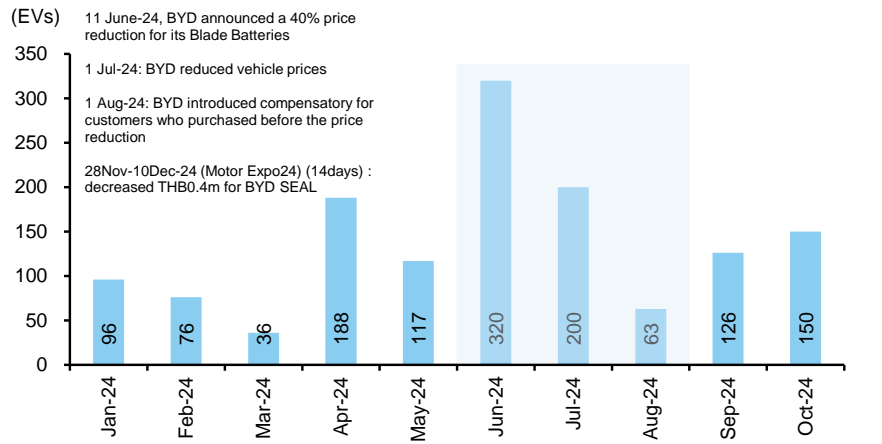
BYD ATTO 3
รุ่น Extended Range ราคา **859,900 บาท**
จากเดิม 949,900 บาท

BYD ATTO 3
รุ่น Dynamic ราคา **799,900 บาท**
จากเดิม 889,900 บาท

Sources: [Khaosod](https://www.khaosod.com)

Additionally, BYD offered compensatory measures, such as free charging at designated stations for buyers who purchased vehicles before the price reduction, further incentivizing sales.

Exhibit 21: SUSCO's BYD sales volume



Sources: SUSCO, Globlex Research

Marketing and Brand Awareness: Targeted campaigns educate Thai consumers on the benefits of EVs, such as lower long-term costs, advanced technology like the Blade Battery, and environmental advantages.

Building Infrastructure: Investment in EV infrastructure, such as charging stations, is a key element of BYD's strategy to ensure convenience and accessibility for EV owners in Thailand.

Local Production and Manufacturing: To reduce costs and improve market competitiveness, BYD has initiated plans to localize production in Thailand. Their new factory in Rayong, COD in 3Q24, will have an annual capacity of 150,000 vehicles.

Exhibit 22: BYD factory in Rayong with capacity of 150,000 vehicles.



Sources: [headlightmag](https://www.headlightmag.com)

Government Partnerships and Incentives: By aligning with Thailand's government initiatives to promote EV adoption, BYD benefits from incentives and subsidies, which also support the country's goals of reducing carbon emissions and establishing itself as a hub for EV production.

On December 4, 2024, Mr. Narit Therdsteerasukdi, Secretary-General of the BOI, announced the results of two major meetings:

1) National Electric Vehicle Policy Committee (EV Board)

Tax Adjustment: Reduced excise tax rates for Hybrid Electric Vehicles (HEVs) and Mild Hybrid Electric Vehicles (MHEVs) to support the transition to EV production.

EV3 Measures Extension: Allowed compensation production under EV3 to transfer conditions to EV3.5, pausing subsidies until compensation is met.

These measures aim to balance competition and support the transformation of the automotive industry, moving Thailand towards becoming a global EV production and export hub.

Exhibit 23: EV Board supports the transition to the electric vehicle (EV)

มาตรการสนับสนุนการเปลี่ยนผ่านไปสู่อุตสาหกรรมยานยนต์ไฟฟ้า
เปลี่ยนผ่านเทคโนโลยีใหม่มุ่งสู่พลังงานสะอาด ให้สิทธิปรับลดอัตราภาษีสรรพสามิต กลุ่มรถยนต์ไฟฟ้าแบบไฮบริด

MHEV คือรถยนต์ไฟฟ้าแบบไฮบริดที่มีแรงดันไฟฟ้ากระแสตรงที่ใช้เป็นแหล่งพลังงานในการช่วยขับเคลื่อนต่ำกว่า 60 โวลต์

HEV	MHEV
ระดับการปล่อย CO₂ (g/km) ไม่เกิน 100 g/km 101 - 120 g/km	ระดับการปล่อย CO₂ (g/km) ไม่เกิน 100 g/km 101 - 120 g/km
อัตราภาษีสรรพสามิต 1 ม.ก. 2569 - 31 ธ.ค. 2575 อัตรา: 6 อัตรา: 9	อัตราภาษีสรรพสามิต 1 ม.ก. 2569 - 31 ธ.ค. 2575 อัตรา: 10 อัตรา: 12
ผู้ผลิตต้องลงทุนจริง ตั้งแต่ปี 2567 - 2570 ไม่น้อยกว่า 3,000 ล้านบาท	ผู้ผลิตต้องลงทุนจริง ตั้งแต่ปี 2567 - 2571 ไม่น้อยกว่า 5,000 ล้านบาท (รวมถึง 3 ปีแรก ปีที่ 2567-2569 ต้องลงทุนไม่น้อยกว่า 1,000 ล้านบาท)
ตั้งแต่วันที่ 1 มกราคม 2569 เป็นต้นไป ต้องมีการใช้แบตเตอรี่ระดับแพ็คเกจ (Pack) ในประเทศ ตั้งแต่วันที่ 1 มกราคม 2571 เป็นต้นไป ต้องมีการใช้ชิ้นส่วนสำคัญจากภายในประเทศตามขนาดเงินลงทุน	ตั้งแต่วันที่ 1 มกราคม 2569 เป็นต้นไป ต้องมีการใช้แบตเตอรี่ระดับแพ็คเกจ (Pack) ในประเทศ ตั้งแต่วันที่ 1 มกราคม 2571 เป็นต้นไป ต้องใช้ชิ้นตอนการผลิตชิ้นส่วนหลักของเครื่องยนต์อย่างน้อย 4 ใน 5 ชิ้น ได้แก่ • Cylinder Head • Cylinder Block • Crankshaft • Camshaft • Connecting Rod โดยต้องมีกระบวนการ Matching Cylinder Head, Cylinder Block etc. Crankshaft และ/หรือ Camshaft
ต้องติดตั้งระบบความปลอดภัย (Advanced Driver - Assistance System: ADAS) อย่างน้อย 4 ระบบ จาก 6 ระบบ ดังนี้ <ul style="list-style-type: none"> ระบบเบรกฉุกเฉินขั้นสูง (Advanced Emergency Braking (AEB) System) ระบบเตือนการชนด้านหน้าของรถ (Forward Vehicle Collision Warning (FCW) System) ระบบเตือนการออกหรือเปลี่ยนช่องทางจราจร (Lane Departure Warning (LDW) System) ระบบการตรวจจับจุดบอด (Blind Spot Detection (BSD) System) ระบบการดูแลภายในช่องทางจราจร (Lane Keeping Assistance (LKA) System) ระบบการควบคุมความเร็วของยานยนต์ (Adaptive Cruise Control (ACC) System) 	

* มาตรการนี้จะมีผลบังคับใช้เมื่อมีกฎหมายที่เกี่ยวข้อง

Sources: [BOI](#)

2) National Semiconductor and Advanced Electronics Policy Committee (Semiconductor Board)

approved the framework for a strategy to develop the semiconductor and advanced electronics industry. The strategy includes plans to attract investments of at least 500 billion THB between 2025 and 2029, developing a skilled workforce and establish Thailand as a regional hub for semiconductor production.

We believe this strategic push highlights Thailand's commitment to securing leadership in both EV and semiconductor industries. By aligning policies with global trends and incentivizing innovation, Thailand positions itself as a hub for advanced manufacturing and sustainable development.

Exhibit 24: Total car booked at Motor Expo 2024



Sources: Autolifethailand

Exhibit 25: EV car price as of 2024 vs its first launch price



Sources: SHORTSPECS

Initiated with HOLD at THB3.10

We initiate coverage with a HOLD recommendation at a target price of THB 3.10 based on a SoTP valuation. We apply varying P/E multiples to reflect differing risk-reward profiles: 10x P/E for retail oil station, 6x P/E for export, 13x P/E for jet, and 8x P/E for car dealer, to reflect different risk-reward levels for each business. We think the net profit outlook is neutral, the earnings risks from its car dealer business. Hence, we see limited upside on Susco's net profit and share price.

Exhibit 26: Susco's target price

SoTP valuation	THB m	THB/shr	Comments
Retail oil	824	0.8	At 10x FY24E P/E
Export	587	0.6	At 6x FY24E P/E
Jet	666	0.6	At 13x FY24E P/E
Car dealer	501	0.5	At 8x FY24E P/E
Net cash (debt)	626	0.6	FY25E net debt
Total value	3,204	3.1	

Sources: Globlex Research

Exhibit 27: Peers comparison

Company	Rec	Share Price (LCY)	Target price (LCY)	Upside (%)	Market Cap (USD m)	3Y EPS CAGR (%)	PE		ROE		PBV		EV/EBITDA	
							24E (x)	25E (x)	24E (%)	25E (%)	24E (x)	25E (x)	24E (x)	25E (x)
THAILAND														
OR TB	NA	13.80	NA	NA	4,898	0.1	19.2	15.0	7.1	9.3	1.5	1.3	9.3	8.2
PTG TB	NA	8.25	NA	NA	407	15.6	11.7	10.4	13.0	13.5	1.5	1.4	5.9	5.6
BSRC TB	BUY	7.65	8.50	11	783	6.3	27.5	18.3	3.5	5.1	0.9	0.9	38.6	26.2
BCP TB	BUY	29.50	36.00	22	1,258	8.8	11.9	4.7	4.9	11.7	0.6	0.5	6.9	6.1
SUSCO TB	HOLD	3.02	3.10	3	89	6.1	12.7	11.6	5.3	5.4	0.6	0.6	10.5	6.8
WP TB	NA	3.50	NA	NA	53	na	na	na	na	na	na	na	na	na
SGP TB	NA	7.05	NA	NA	383	na	na	na	na	na	na	na	na	na
Thailand avg					7,872	7.9	17.3	12.5	6.3	8.9	1.2	1.1	11.2	9.0
MALAYSIA														
PETD MK	NA	20.52	NA	NA	4,593	5.2	19.3	19.4	18.1	16.9	3.4	3.3	9.3	9.6
Malaysia avg					4,593	5.2	19.3	19.4	18.1	16.9	3.4	3.3	9.3	9.6

*Price as of 12 December 2024

Sources: Bloomberg, Globlex Research

Balance sheet (THB m)					
Year ending Dec	2022	2023	2024E	2025E	2026E
Current assets					
Cash & ST investment	942	684	1,094	1,750	2,507
Account receivable	1,184	604	547	495	441
Inventories	568	1,192	1,122	1,005	1,045
Others	394	642	607	544	565
Non-current assets					
Net fixed assets	2,061	2,601	2,269	1,948	1,602
Others	3,594	4,108	4,108	4,108	4,108
Total Assets	8,744	9,831	9,746	9,850	10,268
Current liabilities					
Account payable	2,010	2,229	2,097	1,879	1,953
ST borrowing	748	1,073	1,073	1,073	1,073
Others	210	190	180	161	167
Long-term liabilities					
Long-term debts	360	276	51	51	51
Others	1,607	1,488	1,488	1,488	1,488
Total liabilities	4,935	5,256	4,889	4,652	4,733
Paid-up capital	1,050	1,050	1,050	1,050	1,050
Retained earnings	2,483	3,312	3,594	3,934	4,272
Others	275	219	219	219	219
Minority interest	0	(5)	(5)	(5)	(5)
Shareholders' equity	3,808	4,575	4,857	5,198	5,535

Key ratios					
Year ending Dec	2022	2023	2024E	2025E	2026E
Growth (y-y%)					
Sales	68.0	(4.2)	(5.4)	(10.4)	4.0
Operating profit	55.6	(12.4)	(33.6)	39.8	3.9
EBITDA	73.2	(8.7)	(39.3)	55.7	3.9
Net profit	80.7	190.4	(79.7)	8.9	1.0
Core net profit	80.7	(21.7)	(24.8)	8.9	1.0
EPS	89.3	190.4	(79.7)	8.9	1.0
Core EPS	89.3	(21.7)	(24.8)	8.9	1.0
Profitability (%)					
Gross margin	7.2	7.9	7.7	7.7	7.7
Operation margin	2.7	2.5	1.7	2.7	2.7
EBITDA margin	2.2	2.1	1.3	2.3	2.3
Net margin	1.3	3.8	0.8	1.0	1.0
ROE	11.5	7.9	5.3	5.4	5.1
ROA	6.1	4.3	3.3	3.4	3.4
Stability					
Interest bearing debt/equity (x)	0.3	0.3	0.2	0.2	0.2
Net debt/equity (x)	0.0	0.1	0.0	n.a.	n.a.
Interest coverage (x)	4.7	2.4	(1.4)	1.4	1.3
Interest & ST debt coverage (x)	0.4	0.2	(0.1)	0.1	0.1
Cash flow interest coverage (x)	0.2	0.4	0.2	0.2	0.2
Current ratio (x)	1.0	0.9	1.0	1.2	1.4
Quick ratio (x)	0.7	0.4	0.5	0.7	0.9
Net debt (THB m)	166.2	664.9	29.9	(626.1)	(1,383.1)
Activity					
Asset turnover (X)	4.3	3.5	3.1	2.8	2.8
Days receivables	10.3	10.1	6.9	7.0	6.0
Days inventory	6.2	10.8	15.0	15.4	14.3
Days payable	18.9	26.1	28.1	28.8	26.7
Cash cycle days	(2.4)	(5.1)	(6.2)	(6.4)	(6.4)

Profit & loss (THB m)					
Year ending Dec	2022	2023	2024E	2025E	2026E
Revenue					
Revenue	33,656	32,235	30,501	27,314	28,398
Cost of goods sold	(31,240)	(29,675)	(28,138)	(25,203)	(26,204)
Gross profit	2,416	2,560	2,363	2,111	2,194
Operating expenses	(1,500)	(1,758)	(1,830)	(1,366)	(1,420)
Operating profit	916	802	533	745	774
EBIT	324	216	(128)	110	108
Depreciation	(406)	(451)	(532)	(520)	(546)
EBITDA	730	667	405	630	655
Non-operating income					
Other incomes	115	350	300	120	120
Other non-op income	0	895	0	0	0
Non-operating expense					
Interest expense	(69)	(88)	(89)	(81)	(81)
Other non-op expense	0	0	0	0	0
Equity income/(loss)	(5)	35	82	63	63
Pre-tax Profit	552	1,543	293	326	330
Extraordinary items					
Current taxation	(130)	(318)	(45)	(56)	(56)
Minorities	0	0	0	0	0
Net Profit	422	1,226	249	271	273
Core net profit	422	331	249	271	273
EPS (THB)	0.40	1.17	0.24	0.26	0.26
Core EPS (THB)	0.40	0.31	0.24	0.26	0.26

Cash flow (THB m)					
Year ending Dec	2022	2023	2024E	2025E	2026E
Operating cash flow					
Operating cash flow	1,041	1,933	1,102	906	1,013
Net profit	422	1,226	249	271	273
Depre.& amortization	406	451	532	520	546
Change in working capital	97	(94)	21	(5)	73
Others	115	350	300	120	120
Investment cash flow					
Investment cash flow	(296)	(1,266)	(301)	(302)	(302)
Net CAPEX	(207)	(249)	(293)	(308)	(323)
Change in LT investment	(89)	(1,016)	(8)	6	21
Change in other assets	0	0	0	0	0
Free cash flow					
Free cash flow	745	667	801	604	711
Financing cash flow					
Financing cash flow	(163)	(925)	(391)	52	46
Change in share capital	154	0	0	0	0
Net change in debt	(575)	(241)	225	0	0
Dividend paid	0	0	0	0	0
Others	258	(684)	(616)	52	46
Net cash flow	582	(258)	410	656	757
Per share (THB)					
EPS	0.40	1.17	0.24	0.26	0.26
Core EPS	0.40	0.31	0.24	0.26	0.26
CFPS	0.79	1.60	0.74	0.75	0.78
BVPS	3.63	4.36	4.63	4.96	5.28
Sales/share	32.05	30.70	29.05	26.01	27.05
EBITDA/share	0.70	0.64	0.39	0.60	0.62
DPS	0.32	0.20	0.12	0.13	0.13
Valuation					
P/E (x)	10.00	4.01	12.67	11.63	11.52
P/BV (x)	1.11	1.07	0.65	0.61	0.57
Dividend yield (%)	7.96	4.27	3.95	4.30	4.34
Dividend payout ratio (%)	79.61	17.13	50.00	50.00	50.00

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RECOMMENDATION STRUCTURE

Stock Recommendations

Stock ratings are based on absolute upside or downside, which we define as $(\text{target price}^* - \text{current price}) / \text{current price}$.

- BUY:** Expected return of 10% or more over the next 12 months.
HOLD: Expected return between -10% and 10% over the next 12 months.
REDUCE: Expected return of -10% or worse over the next 12 months.

Unless otherwise specified, these recommendations are set with a 12-month horizon. Thus, it is possible that future price volatility may cause temporary mismatch between upside/downside for a stock based on market price and the formal recommendation.

* In most cases, the target price will equal the analyst's assessment of the current fair value of the stock. However, if the analyst doesn't think the market will reassess the stock over the specified time horizon due to a lack of events or catalysts, then the target price may differ from fair value. In most cases, therefore, our recommendation is an assessment of the mismatch between current market price and our assessment of current fair value.

Sector Recommendations

- Overweight:** The industry is expected to outperform the relevant primary market index over the next 12 months.
Neutral: The industry is expected to perform in line with the relevant primary market index over the next 12 months.
Underweight: The industry is expected to underperform the relevant primary market index over the next 12 months.

Country (Strategy) Recommendations

Overweight: Over the next 12 months, the analyst expects the market to score positively on two or more of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.

Neutral: Over the next 12 months, the analyst expects the market to score positively on one of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.

Underweight: Over the next 12 months, the analyst does not expect the market to score positively on any of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.