

## EV rebound and oil sales recovery

- EV sales and oil sales volume recoveries supported 2024 profits
- Expect a continued recovery of EV sales to be a key catalyst
- Upgrade to BUY with a TP of THB3.10

### EV sales and oil recoveries drove 4Q24 performance

SUSCO's 4Q24 net profit (NP) rose to THB110m, up 93% q-q and 148% y-y, mainly due to the higher sales volume of oil and EV of 1,100 to offset the lower marketing margins (MM). Core net profit was THB110m, up 93% q-q and 148% y-y. Total sales volume rose to 312m litres (ml), up 39% q-q and 30% y-y due to the higher export sales volume to Cambodia, Myanmar and Laos. EBITDA rose to THB295m in 4Q24, up 25% q-q and 57% y-y, supported by the higher sales volume.

### Strong 2024 net profit on EV sales recovery

2024 revenue from oil sales (excluding other non-operating income) increase to THB30.1b, up 10% y-y, driven by 1) a 17.4% y-y higher sales volume to 1,097.5m liters; 2) absence of THB1,135m. Consolidated sales volume was 1,108.895ml in 2024, up 1.8% y-y while the EV sales volume of 2,350 vehicles, up 14% y-y from 2,023 vehicles. Revenue was THB33.15b, down 1.7% y-y, due to the absence of Susco Beyond Group. Net profit was THB292m, down 76% y-y, due to no divestment gain.

### A healthy net profit in 2025

We project SUSCO's NP to improve to THB60-100m a quarter in 2025, driven by the higher revenue from SUSCO Beyond (BYD dealer) and the stronger earnings from the remaining oil operations via the JV with Sinopec to help offset the weaker sales volumes of the 101 SUSCO-to-BCP oil stations caused by consumers' reluctant purchases during the brand transition from ESSO to BCP. We project SUSCO to sell 2,000 EVs in 2025 across its 11 outlets, which is lower than its EV sales of 2,063 units in 2023 and 2,350 units in 2024.

### Oil stations should see competitive performance

SUSCO's earnings may be impacted by the 49% stake divestment to Sinopec, we think in the medium to long term, SUSCO should reap benefits from synergies of stronger SUSCO-Sinopec JV in competing with other local competitors like TOP, BCP-ESSO, SPRC-Caltex, and PTTOR, including the JV's wholesales jet fuel and 25 retail oil stations.

### Upgrade to BUY from HOLD

We upgrade from HOLD to BUY 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 16x P/E for car dealer, to reflect different risk-reward levels for each business. We are revising our 2025-26E EPS estimate upward by 20%, driven by higher-than-expected EV sales, which are now projected to increase from 924 units to 2,000 units.

#### Analyst

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ESG Rating : n.a.

CG Rating : ▲▲▲▲

## BUY (from HOLD)

<b>Target Price 12M (THB)</b>	<b>3.10</b>
VS. BB Consensus TP (%)	na
Share Price (THB)	2.76
Upside/Downside	+12.3%

### Share Data

Market Cap (THB m)	2,760.00
Par (THB)	1.00
Free Float (%)	66.58
Issued shares (m shares)	1,000

### Financial forecast

YE Dec (THB m)	2024	2025E	2026E	2027E
Revenue	32,564	29,775	30,912	32,099
Net profit	292	311	313	318
Core net profit	292	311	313	318
vs Consensus (%)		na	na	na
Net profit growth (%)	(76.2)	6.7	0.6	1.4
Core net profit growth (%)	(12.5)	6.7	0.6	1.4
EPS (THB)	0.29	0.31	0.31	0.32
Core EPS (THB)	0.29	0.31	0.31	0.32
Chg from previous (%)		14.87	14.69	14.28
DPS (THB)	0.18	0.16	0.16	0.16
P/E (x)	9.94	8.86	8.81	8.69
P/BV (x)	0.64	0.57	0.53	0.49
ROE (%)	6.40	6.63	6.21	5.88
Dividend yield (%)	6.21	5.64	5.67	5.75

Source: Financial Statement and Globlex securities

### Share Price Performance (%)

	1M	3M	6M	YTD
Stock	3.76	(9.80)	(18.82)	(4.83)
Market	13.89	10.41	(6.79)	12.13
12M High/Low (THB)				4.96 / 2.42



### 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

### Exhibit 1: Summary of 4Q24/2024 operations

	4Q23	3Q24	4Q24			2023	2024	chg.
	(THB m)	(THB m)	(THB m)	(q-q%)	(y-y%)	(THB m)	(THB m)	(y-y%)
<b>Revenue</b>	<b>8,017</b>	<b>7,649</b>	<b>9,170</b>	<b>19.9</b>	<b>14.4</b>	<b>32,099</b>	<b>32,404</b>	<b>1.0</b>
Operating costs	(7,829)	(7,414)	(8,876)	(19.7)	(13.4)	(31,432)	(32,149)	(2.3)
<b>EBITDA</b>	<b>188</b>	<b>235</b>	<b>295</b>	<b>25.4</b>	<b>56.6</b>	<b>667</b>	<b>255</b>	<b>(61.8)</b>
EBITDA margin (%)	2	3	3	na	na	2	1	na
Depn & amort.	(116)	(126)	(130)	(2.9)	(12.1)	(451)	(494)	(9.7)
EBIT	72	109	165	<b>51.4</b>	<b>127.8</b>	216	(239)	<b>(210.8)</b>
Interest expense	(26)	(30)	(34)	(13.0)	(29.9)	(88)	(119)	(34.4)
Interest & invt inc	-	-	-	na	na	-	-	na
Associates' contrib	12	1	0	(43.4)	(97.4)	35	1	(97.3)
Exceptionals	(1)	-	-	nm	100.0	1,122	-	nm
<b>Pretax profit</b>	<b>57</b>	<b>79</b>	<b>131</b>	<b>65.3</b>	<b>129.4</b>	<b>1,285</b>	<b>(357)</b>	<b>nm</b>
Tax	(15)	(22)	(23)	(2.3)	(55.1)	(318)	(99)	68.7
Tax rate (%)	26	28	17	na	na	25	(28)	na
Minority interests	2	-	2	nm	(13.7)	3	3	12.1
<b>Net profit</b>	<b>44</b>	<b>57</b>	<b>110</b>	<b>92.6</b>	<b>148.4</b>	<b>1,228</b>	<b>292</b>	<b>(76.2)</b>
<b>Core net profit</b>	<b>45</b>	<b>57</b>	<b>110</b>	<b>92.6</b>	<b>145.3</b>	<b>333</b>	<b>292</b>	<b>(12.5)</b>
EPS (THB)	0.04	0.05	0.10	92.6	148.4	1.17	0.29	(75.1)
Core EPS (THB)	0.04	0.05	0.10	92.6	145.3	0.33	0.29	(12.5)

Sources: SUSCO; Globlex Research

### Exhibit 2: 4Q24/2024 revenue breakdown by geographical area

	4Q23	3Q24	4Q24	Change		2023	2024	Chang
	(THB m)	(THB m)	(THB m)	(q-q %)	(y-y %)	(THB m)	(THB m)	(y-y %)
Thailand	4,224	4,775	6,787	42.1	60.7	20,817	19,068	(8.4)
Cambodia	1,940	1,964	598	(69.6)	(69.2)	7,060	8,237	16.7
Myanmar	402	311	(430)	nm	(207.1)	1,360	2,401	76.5
Laos	33	5	412	8,599.8	1,157.1	486	179	(63.2)
China	13	-	275	nm	2,047.5	341	268	(21.6)
<b>Total revenue*</b>	<b>6,612</b>	<b>7,056</b>	<b>7,641</b>	<b>8.3</b>	<b>15.6</b>	<b>30,065</b>	<b>30,152</b>	<b>0.3</b>

\*Revenue from sales volume excl. other services

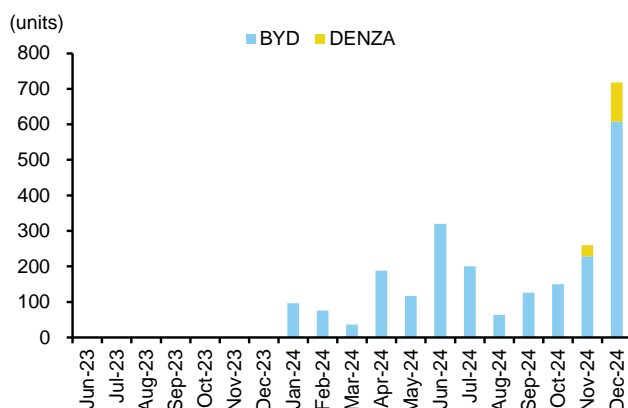
Sources: SUSCO; Globlex Research

### Exhibit 3: 4Q24/2024 sales volume

	4Q23	3Q24	4Q24	Change		2023	2024	Chang
	(m litres)	(m litres)	(m litres)	(q-q %)	(y-y %)	(m litres)	(m litres)	(y-y %)
Sales volume (unconsolidated)	238	252	135	(46.3)	(43.3)	935	1,098	17.4
Sales volume (consolidated)	240	225	312	38.6	30.0	1,090	1,109	1.8

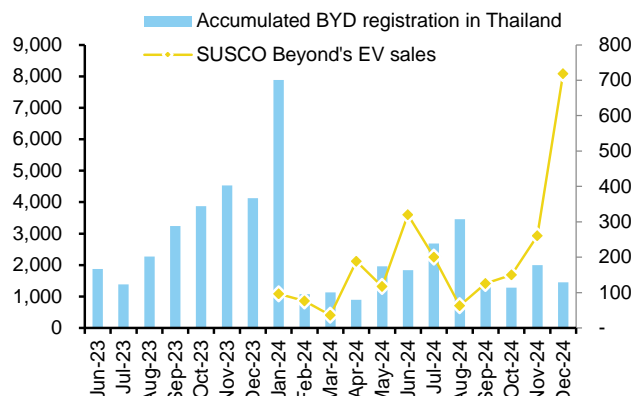
Sources: SUSCO; Globlex Research

#### Exhibit 4: Number of SUSCO Beyond's EV slaes



Sources: SUSCO, Globlex Research

#### Exhibit 5: Accumulated BYD registration in Thailand vs SUSCO Beyond's EV sales



Sources: autolifethailand, SUSCO, Globlex Research

#### Exhibit 6: Key changes in assumptions

(THB m)	Current			Previous			Change (%)		
	2025E	2026E	2027E	2025E	2026E	2027E	2025E	2026E	2027E
Revenue	29,775	30,912	32,099	27,314	28,398	0	9.0	8.9	na
Gross profit	2,323	2,394	2,485	2,111	2,194	0	10.1	9.1	na
Operating profit	835	849	881	745	774	0	12.0	9.6	na
Net profit	311	313	318	271	273	0	15.0	14.6	na
EPS (THB/share)	0.31	0.31	0.32	0.26	0.26	0	20.7	20.3	na
<b>Key assumptions</b>									
Sale volume (Wholesales) (m litre)	31	32	34	31	32	0	0.0	0.0	na
Sale volume (Retail) (m litre)	571	600	630	571	600	0	0.0	0.0	na
Sale volume (Jet) (m litre)	201	222	244	201	222	0	0.0	0.0	na
Sale volume (export) (m litre)	436	449	463	436	449	0	0.0	0.0	na
EV sales volume (BYD dealer) (EVs)	2,000	2,000	2,000	924	924	0	116.5	116.5	na

Sources: Globlex Research

#### Exhibit 7: Susco's target price

SoTP valuation	THB m	THB/shr	Comments
Retail oil	911	0.9	At 10x FY25E P/E
Export	651	0.7	At 6x FY25E P/E
Jet	739	0.7	At 13x FY25E P/E
Car dealer	1,347	1.3	At 16x FY25E P/E
Net cash (debt)	(557)	(0.6)	FY25E net debt
<b>Total value</b>	<b>3,091</b>	<b>3.1</b>	

Sources: Globlex Research

Balance sheet (THB m)					
Year ending Dec	2023	2024	2025E	2026E	2027E
<b>Current assets</b>					
Cash & ST investment	684	954	814	1,204	1,611
Account receivable	604	978	1,319	1,673	2,041
Inventories	1,192	963	876	910	945
Others	642	449	410	426	442
<b>Non-current assets</b>					
Net fixed assets	2,601	2,691	2,362	2,006	1,625
Others	4,108	4,656	4,656	4,656	4,656
<b>Total Assets</b>	<b>9,831</b>	<b>10,690</b>	<b>10,437</b>	<b>10,876</b>	<b>11,320</b>

<b>Current liabilities</b>					
Account payable	2,229	2,089	1,901	1,975	2,051
ST borrowing	1,073	1,320	1,320	1,320	1,320
Others	190	227	207	215	224
<b>Long-term liabilities</b>					
Long-term debts	276	431	51	51	51
Others	1,488	2,101	2,101	2,101	2,101
<b>Total liabilities</b>	<b>5,256</b>	<b>6,167</b>	<b>5,580</b>	<b>5,662</b>	<b>5,746</b>
Paid-up capital	1,050	1,000	1,000	1,000	1,000
Retained earnings	3,312	3,324	3,657	4,014	4,374
Others	219	207	207	207	207
Minority interest	(5)	(8)	(8)	(8)	(8)
<b>Shareholders' equity</b>	<b>4,575</b>	<b>4,523</b>	<b>4,856</b>	<b>5,214</b>	<b>5,573</b>

Key ratios					
Year ending Dec	2023	2024	2025E	2026E	2027E
<b>Growth (y-y%)</b>					
Sales	(4.2)	1.0	(8.6)	3.8	3.8
Operating profit	(12.4)	(48.4)	101.6	1.7	3.8
EBITDA	(8.7)	(61.8)	170.3	1.2	3.7
Net profit	191.0	(76.2)	6.7	0.6	1.4
Core net profit	(21.0)	(12.5)	6.7	0.6	1.4
EPS	191.0	(75.1)	6.7	0.6	1.4
Core EPS	(21.0)	(8.1)	6.7	0.6	1.4
<b>Profitability (%)</b>					
Gross margin	7.9	7.4	7.8	7.7	7.7
Operation margin	2.5	1.3	2.8	2.7	2.7
EBITDA margin	2.1	0.8	2.3	2.3	2.3
Net margin	3.8	0.9	1.0	1.0	1.0
ROE	7.9	6.4	6.6	6.2	5.9
ROA	4.3	3.7	3.9	3.7	3.6
<b>Stability</b>					
Interest bearing debt/equity (x)	0.3	0.4	0.3	0.3	0.2
Net debt/equity (x)	0.1	0.2	0.1	0.0	n.a.
Interest coverage (x)	2.4	(2.0)	1.3	1.4	1.4
Interest & ST debt coverage (x)	0.2	(0.2)	0.1	0.1	0.1
Cash flow interest coverage (x)	0.4	0.2	0.1	0.1	0.1
Current ratio (x)	0.9	0.9	1.0	1.2	1.4
Quick ratio (x)	0.4	0.5	0.6	0.8	1.0
Net debt (THB m)	664.9	796.9	557.2	166.7	(239.7)
<b>Activity</b>					
Asset turnover (X)	3.5	3.2	2.8	2.9	2.9
Days receivables	10.1	8.9	14.1	17.7	21.1
Days inventory	10.8	13.0	12.2	11.4	11.4
Days payable	26.1	26.1	26.5	24.8	24.8
Cash cycle days	(5.1)	(4.2)	(0.2)	4.3	7.7

Profit & loss (THB m)					
Year ending Dec	2023	2024	2025E	2026E	2027E
<b>Revenue</b>					
Revenue	32,235	32,564	29,775	30,912	32,099
Cost of goods sold	(29,675)	(30,161)	(27,452)	(28,518)	(29,613)
<b>Gross profit</b>	<b>2,560</b>	<b>2,402</b>	<b>2,323</b>	<b>2,394</b>	<b>2,485</b>
Operating expenses	(1,758)	(1,988)	(1,489)	(1,546)	(1,605)
<b>Operating profit</b>	<b>802</b>	<b>414</b>	<b>835</b>	<b>849</b>	<b>881</b>
<b>EBIT</b>	<b>216</b>	<b>(239)</b>	<b>160</b>	<b>142</b>	<b>142</b>
Depreciation	(451)	(494)	(530)	(556)	(582)
<b>EBITDA</b>	<b>667</b>	<b>255</b>	<b>689</b>	<b>698</b>	<b>724</b>
<b>Non-operating income</b>					
Other incomes	350	586	120	120	120
Other non-op income	895	0	0	0	0
<b>Non-operating expense</b>	<b>(88)</b>	<b>(119)</b>	<b>(119)</b>	<b>(105)</b>	<b>(105)</b>
Interest expense	(88)	(119)	(119)	(105)	(105)
Other non-op expense	0	0	0	0	0
<b>Equity income/(loss)</b>	<b>35</b>	<b>1</b>	<b>84</b>	<b>84</b>	<b>84</b>
<b>Pre-tax Profit</b>	<b>1,543</b>	<b>388</b>	<b>390</b>	<b>392</b>	<b>398</b>
Extraordinary items					
Current taxation	(318)	(99)	(78)	(79)	(81)
Minorities	3	3	0	0	0
<b>Net Profit</b>	<b>1,228</b>	<b>292</b>	<b>311</b>	<b>313</b>	<b>318</b>
<b>Core net profit</b>	<b>333</b>	<b>292</b>	<b>311</b>	<b>313</b>	<b>318</b>
<b>EPS (THB)</b>	<b>1.17</b>	<b>0.29</b>	<b>0.31</b>	<b>0.31</b>	<b>0.32</b>
<b>Core EPS (THB)</b>	<b>0.32</b>	<b>0.29</b>	<b>0.31</b>	<b>0.31</b>	<b>0.32</b>

Cash flow (THB m)					
Year ending Dec	2023	2024	2025E	2026E	2027E
<b>Operating cash flow</b>					
Net profit	1,228	292	311	313	318
Depre. & amortization	451	494	530	556	582
Change in working capital	(94)	(54)	(423)	(322)	(335)
Others	350	586	120	120	120
<b>Investment cash flow</b>	<b>(1,266)</b>	<b>(195)</b>	<b>(302)</b>	<b>(302)</b>	<b>(302)</b>
Net CAPEX	(249)	(295)	(313)	(329)	(344)
Change in LT investment	(1,016)	100	11	27	42
Change in other assets	0	0	0	0	0
<b>Free cash flow</b>	<b>670</b>	<b>1,123</b>	<b>236</b>	<b>365</b>	<b>382</b>
<b>Financing cash flow</b>					
Change in share capital	0	(145)	0	0	0
Net change in debt	(241)	(402)	380	0	0
Dividend paid	0	0	0	0	0
Others	(686)	(306)	(756)	26	24
<b>Net cash flow</b>	<b>(258)</b>	<b>270</b>	<b>(140)</b>	<b>390</b>	<b>406</b>

Per share (THB)					
EPS	1.17	0.29	0.31	0.31	0.32
Core EPS	0.32	0.29	0.31	0.31	0.32
CFPS	1.60	0.78	0.84	0.87	0.90
BVPS	4.36	4.53	4.86	5.22	5.58
Sales/share	30.70	32.56	29.78	30.91	32.10
EBITDA/share	0.64	0.26	0.69	0.70	0.72
DPS	0.40	0.18	0.16	0.16	0.16
<b>Valuation</b>					
P/E (x)	4.00	9.94	8.86	8.81	8.69
P/BV (x)	1.07	0.64	0.57	0.53	0.49
Dividend yield (%)	8.55	6.21	5.64	5.67	5.75
Dividend payout ratio (%)	34.20	61.70	50.00	50.00	50.00

## GENERAL DISCLAIMER

### Analyst Certification

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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.