

SUSCO SUSCO TB

THAILAND / OIL & GAS

BUY

UNCHANGED

TARGET PRICE	THB6.90
CLOSE	THB4.80
UP/DOWNSIDE	+43.8%
PRIOR TP	THB6.70
CHANGE IN TP	+3.0%
TP vs CONSENSUS	+5.3%

A softer 3Q22 on seasonal impact

- SUSCO posted a softer 3Q22 net profit of THB98m, down 38% q-q but up 82% y-y, mainly due to seasonally low demand.
- We think SUSCO's net profit growth is poised to accelerate in 2022-24, backed by higher sales volumes and a higher MM.
- Maintain BUY and raise our TP to THB6.9.

3Q22 revenue rose on higher ASP

SUSCO posted a softer 3Q22 net profit of THB98m, down 38% q-q but up 82% y-y, mainly due to seasonally low demand. In 3Q22, the total sales volume stayed flat at 270 million litres (ml), down from 273ml in 2Q22 but up from 206ml in 3Q21, mainly due to recovering demand and a higher sales volume per station after 77 stations were converted to the ESSO brand. EBITDA dropped to THB242m in 3Q22, down 27% q-q but up 32% y-y, dragged down by lower margins due to higher costs. In 3Q22, revenue rose to THB8.8b, down 1% q-q but up 87% y-y, driven by a higher average selling price (ASP) and higher sales volumes.

Strong sales volume from domestic market

3Q22 revenue from oil sales (excluding other non-operating income) amounted to THB8.8b, down 1.4% q-q but up 87% y-y, driven by higher sales volumes in Thailand worth THB6.1b in 3Q22 (+7% q-q, +1.1x y-y) due to the economic reopening and a higher ASP. Revenue from export oil sales to Cambodia was up 4% q-q and 55% y-y; Myanmar (-78% q-q, +38% y-y); Laos (-88% q-q, +40% y-y); and China (-53% q-q, +59% y-y).

Stronger growth momentum ahead

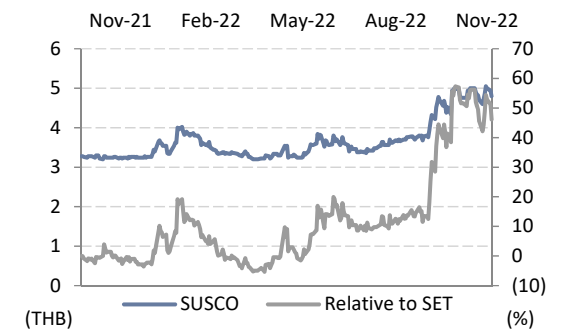
We think SUSCO's net profit growth is poised to accelerate in 2022-24, backed by higher sales volumes, along with higher marketing margins from oil stations due to the conversion of many of its oil stations from the SUSCO brand to ESSO. On top of the improving EBITDA margin from the changes in the non-oil business model, we project SUSCO's quarterly sales volume to rise from 270ml in 2Q22 to 300ml by 1Q23, driven by improving sales volumes for jet fuel, retail oil stations, wholesale, and exports.

Maintain BUY with a higher TP of THB6.9

Maintain BUY and raise our SoTP-based TP to THB6.9 to reflect our EPS revisions. We revise up our EPS forecasts in 2022-24 to reflect 1) our higher retail sales volume assumptions and higher marketing margin (MM) assumptions from the ESSO conversion strategy; and 2) the lower value for the export business due to its low MM. With this report, we transfer coverage of SUSCO to Siriluck Pinthusoonthorn.

KEY STOCK DATA

YE Dec (THB m)	2021	2022E	2023E	2024E
Revenue	19,866	32,326	34,982	34,314
Net profit	234	447	495	527
EPS (THB)	0.21	0.41	0.45	0.48
vs Consensus (%)	-	(2.4)	-	3.2
EBITDA	422	507	555	620
Core net profit	234	447	495	527
Core EPS (THB)	0.21	0.41	0.45	0.48
Chg. In EPS est. (%)	-	22.8	8.6	8.1
EPS growth (%)	7.3	91.6	10.5	6.5
Core P/E (x)	22.6	11.8	10.7	10.0
Dividend yield (%)	-	1.7	2.1	1.7
EV/EBITDA (x)	12.9	9.1	7.2	5.6
Price/book (x)	1.5	1.3	1.2	1.1
Net debt/Equity (%)	4.9	(17.5)	(28.9)	(36.8)
ROE (%)	6.7	12.0	11.9	11.4



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	(4.0)	34.8	45.5
Relative to country (%)	(7.1)	32.9	44.9
Mkt cap (USD m)	129		
3m avg. daily turnover (USD m)	2.1		
Free float (%)	62		
Major shareholder	Mr. Mongkol Simaraj (14%)		
12m high/low (THB)	5.15/3.10		
Issued shares (m)	1,100.01		

Sources: Bloomberg consensus; FSSIA estimates


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Investment thesis

We believe SUSCO is poised to see stronger net profit growth momentum starting in 2022 onward. Rising sales volumes should be backed by higher growth via oil stations, jet fuel sales, exports, higher marketing margins from oil stations – mainly from the improved non-oil business model – and oil station expansions via both the SUSCO and Esso (Thailand) (ESSO TB, BUY, TP THB13) brands.

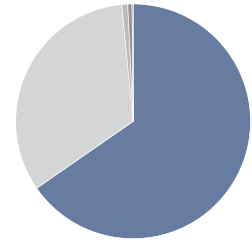
Company profile

SUSCO is a gas station operator in Thailand with most of its stations located in Bangkok and the vicinity. It also sells jet fuel which accounts for around one-third of its total annual sales volume.

www.susco.co.th

Principal activities (revenue, 2021)

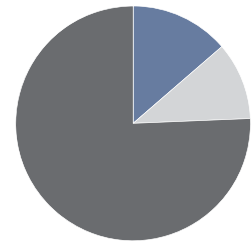
- Sales in Thailand - 65.3 %
- Sales in Cambodia - 33.1 %
- Sales in Myanmar - 0.8 %
- Sales in Laos - 0.6 %
- Sales in China - 0.1 %



Source: Susco

Major shareholders

- Mr. Mongkol Simaraj - 13.7 %
- Mr. Chalermchai Mahagitsiri - 10.7 %
- Others - 75.7 %



Source: Susco

Catalysts

Key potential net profit catalysts include 1) demand recoveries for jet fuel and oil in export markets, particularly in ASEAN; and 2) improving EBITDA from non-oil businesses, such as the convenience store and food & beverage segments.

Risks to our call

The downside risks to our SOTP-based TP include: 1) lower-than-expected demand for petroleum products; 2) a lower marketing margin; and 3) weaker-than-expected jet fuel demand.

Event calendar

Date	Event
Feb 2023	4Q22/2022 results announcement

Key assumptions

	2022E (m litre)	2023E (m litre)	2024E (m litre)
Sales volume (wholesale)	52	55	57
Sales volume (retail)	476	572	595
Sales volume (jet)	206	248	297
Sales volume (export)	449	458	467

Source: FSSIA estimates

Earnings sensitivity

- For every 1% increase in marketing margin, we estimate 2023 earnings would rise by 4.5%, and vice versa, all else being equal.

Source: FSSIA estimates

Exhibit 1: Summary of 3Q22/9M22 operations

	3Q21	2Q22	3Q22			9M21	9M22	Change	2022E
	(THB m)	(THB m)	(THB m)	(q-q %)	(y-y %)	(THB m)	(THB m)	(y-y %)	(THB m)
Revenue	4,685	8,900	8,776	(1.4)	87.3	14,123	24,995	77.0	32,326
Operating costs	(4,501)	(8,568)	(8,534)	(0.4)	89.6	(13,522)	(24,138)	78.5	(31,819)
EBITDA	184	332	242	(27.0)	31.7	601	857	42.7	507
EBITDA margin (%)	4	4	3	nm	nm	4	3	nm	1.6
Depn & amort.	(95)	(100)	(103)	3.6	8.6	(273)	(300)	9.9	(401)
EBIT	89	232	139	(40.1)	56.4	328	557	70.0	106
Interest expense	(15)	(17)	(18)	2.8	14.7	(44)	(50)	13.9	(48)
Interest & invt inc	-	-	-	nm	nm	-	-	nm	0
Associates' contrib	(4)	0	0	(12.1)	(103.4)	(9)	(4)	(57.3)	(4)
Exceptional	-	-	-	nm	nm	-	-	nm	0
Pretax profit	69	215	122	(43.6)	75.2	274	503	83.4	54
Tax	(16)	(57)	(24)	(58.4)	51.3	(59)	(115)	93.9	(119)
Tax rate (%)	22	26	19	(26.3)	(13.7)	22	23	5.7	220.2
Minority interests	-	-	-	nm	nm	-	-	nm	0
Net profit	54	159	98	(38.2)	82.1	215	387	80.5	447
Core net profit	54	159	98	(38.2)	82.1	215	387	80.5	447
EPS (THB)	0.05	0.14	0.09	(38.2)	82.1	0.20	0.35	80.5	0.41
Core EPS (THB)	0.05	0.14	0.09	(38.2)	82.1	0.20	0.35	80.5	0.41

Sources: SUSCO; FSSIA estimates

Exhibit 2: 3Q22/9M22 revenue breakdown by geographical area

	3Q21	2Q22	3Q22	Change		9M21	9M22	Change
	(THB m)	(THB m)	(THB m)	(q-q %)	(y-y %)	(THB m)	(THB m)	(y-y %)
Thailand	2,878	5,675	6,071	7.0	111.0	8,912	16,322	83.2
Cambodia	1,582	2,353	2,448	4.0	54.8	4,427	7,060	59.5
Myanmar	88	544	121	(77.7)	38.4	422	942	123.0
Laos	16	194	23	(88.3)	40.4	92	271	194.3
China	16	55	26	(52.5)	59.4	29	152	419.3
Total revenue*	4,579	8,821	8,689	(1.5)	89.7	13,882	24,747	78.3

*Revenue from sales volume excl. other services

Source: SUSCO

Exhibit 3: 3Q22/9M22 sales volume

	3Q21	2Q22	3Q22	Change		9M21	9M22	Change
	(m litres)	(m litres)	(m litres)	(q-q %)	(y-y %)	(m litres)	(m litres)	(y-y %)
Sales volume (consolidated)	206	273	270	(0.9)	31.2	692	817	18.1

Source: SUSCO

Exhibit 4: Key changes in assumptions

	Current			Previous			Change		
	2022E (THB m)	2023E (THB m)	2024E (THB m)	2022E (THB m)	2023E (THB m)	2024E (THB m)	2022E (%)	2023E (%)	2024E (%)
Revenue	32,326	34,982	34,314	31,606	33,915	33,291	2.3	3.1	3.1
Gross profit	2,463	2,671	2,627	2,320	2,567	2,526	6.1	4.1	4.0
Operating profit	106	122	156	7	82	114	1,416.4	49.3	36.3
Net profit	447	495	527	364	456	487	22.8	8.6	8.1
EPS (THB/shr)	0.41	0.45	0.48	0.33	0.41	0.44	22.8	8.6	8.1
Key assumptions (m litre)									
Sales volume (wholesale)	52	55	57	52	55	57	0.0	0.0	0.0
Sales volume (retail)	476	572	595	450	531	552	5.9	7.7	7.7
Sales volume (jet)	206	248	297	206	248	297	0.0	0.0	0.0
Sales volume (export)	449	458	467	449	458	467	0.0	0.0	0.0

Source: FSSIA estimates

Exhibit 5: SoTP valuation

SoTP valuation	% of 2023E sales volume	(THB m)	(THB/shr)	Comments
Retail oil	48	3,828	3.5	At 18x FY23E P/E
Export	34	1,219	1.1	At 8x FY23E P/E
Jet	18	1,236	1.1	At 15x FY23E P/E
Net cash (debt)		1,266	1.2	FY23E net debt
Total value		7,549	6.9	

Source: FSSIA estimates

Financial Statements

Susco

Profit and Loss (THB m) Year Ending Dec	2020	2021	2022E	2023E	2024E
Revenue	16,483	19,866	32,326	34,982	34,314
Cost of goods sold	(14,868)	(18,180)	(29,863)	(32,310)	(31,687)
Gross profit	1,615	1,686	2,463	2,671	2,627
Other operating income	-	-	-	-	-
Operating costs	(1,228)	(1,265)	(1,956)	(2,117)	(2,007)
Operating EBITDA	387	422	507	555	620
Depreciation	(352)	(370)	(401)	(433)	(464)
Goodwill amortisation	0	0	0	0	0
Operating EBIT	35	52	106	122	156
Net financing costs	(52)	(59)	(48)	(39)	(39)
Associates	(5)	(13)	(4)	(4)	(4)
Recurring non-operating income	290	306	508	543	550
Non-recurring items	0	0	0	0	0
Profit before tax	273	298	566	626	666
Tax	(55)	(65)	(119)	(131)	(140)
Profit after tax	218	234	447	495	527
Minority interests	0	0	0	0	0
Preferred dividends	0	0	0	0	0
Other items	-	-	-	-	-
Reported net profit	218	234	447	495	527
Non-recurring items & goodwill (net)	0	0	0	0	0
Recurring net profit	218	234	447	495	527
Per share (THB)					
Recurring EPS *	0.20	0.21	0.41	0.45	0.48
Reported EPS	0.20	0.21	0.41	0.45	0.48
DPS	0.00	0.00	0.08	0.10	0.08
Diluted shares (used to calculate per share data)	1,100	1,100	1,100	1,100	1,100
Growth					
Revenue (%)	(40.6)	20.5	62.7	8.2	(1.9)
Operating EBITDA (%)	14.9	8.9	20.3	9.4	11.8
Operating EBIT (%)	(64.1)	48.5	105.6	15.1	27.6
Recurring EPS (%)	(43.9)	7.3	91.6	10.5	6.5
Reported EPS (%)	(43.9)	7.3	91.6	10.5	6.5
Operating performance					
Gross margin inc. depreciation (%)	7.7	6.6	6.4	6.4	6.3
Gross margin of key business (%)	-	-	-	-	-
Operating EBITDA margin (%)	2.3	2.1	1.6	1.6	1.8
Operating EBIT margin (%)	0.2	0.3	0.3	0.3	0.5
Net margin (%)	1.3	1.2	1.4	1.4	1.5
Effective tax rate (%)	20.0	20.8	20.8	20.8	20.8
Dividend payout on recurring profit (%)	-	-	19.7	22.2	16.7
Interest cover (X)	6.3	6.0	12.8	17.1	18.1
Inventory days	12.9	9.2	8.0	9.6	10.1
Debtor days	17.8	11.9	9.0	10.3	12.6
Creditor days	25.8	20.0	19.7	23.6	24.7
Operating ROIC (%)	1.4	2.1	5.0	7.0	9.6
ROIC (%)	5.9	5.7	10.1	11.7	12.6
ROE (%)	6.2	6.7	12.0	11.9	11.4
ROA (%)	4.4	4.4	6.6	6.4	6.3
* Pre-exceptional, pre-goodwill and fully diluted					
Revenue by Division (THB m)					
Sales in Thailand	12,000	12,981	25,435	28,083	27,409
Sales in Cambodia	4,173	6,574	6,581	6,587	6,594
Sales in Myanmar	164	164	164	164	165
Sales in Laos	118	118	118	118	119

Sources: Susco; FSSIA estimates

Financial Statements

Susco

Cash Flow (THB m) Year Ending Dec	2020	2021	2022E	2023E	2024E
Recurring net profit	218	234	447	495	527
Depreciation	352	370	401	433	464
Associates & minorities	105	152	240	252	265
Other non-cash items	-	-	-	-	-
Change in working capital	159	204	256	(107)	(218)
Cash flow from operations	834	959	1,345	1,073	1,038
Capex - maintenance	(170)	(167)	(195)	(210)	(225)
Capex - new investment	-	-	-	-	-
Net acquisitions & disposals	-	-	-	-	-
Other investments (net)	(38)	(59)	(106)	(91)	(76)
Cash flow from investing	(207)	(226)	(301)	(301)	(301)
Dividends paid	-	-	-	-	-
Equity finance	0	0	0	0	0
Debt finance	(152)	41	170	0	0
Other financing cash flows	(457)	(716)	(521)	(195)	(219)
Cash flow from financing	(609)	(675)	(351)	(195)	(219)
Non-recurring cash flows	-	-	-	-	-
Other adjustments	0	0	0	0	0
Net other adjustments	0	0	0	0	0
Movement in cash	18	58	693	577	518
Free cash flow to firm (FCFF)	678.52	792.37	1,091.75	810.63	775.49
Free cash flow to equity (FCFE)	18.38	58.23	692.74	576.67	517.53
Per share (THB)					
FCFF per share	0.62	0.72	0.99	0.74	0.70
FCFE per share	0.02	0.05	0.63	0.52	0.47
Recurring cash flow per share	0.61	0.69	0.99	1.07	1.14
Balance Sheet (THB m) Year Ending Dec					
Tangible fixed assets (gross)	3,302	3,493	3,693	3,893	4,093
Less: Accumulated depreciation	(1,627)	(1,627)	(2,028)	(2,460)	(2,925)
Tangible fixed assets (net)	1,675	1,867	1,666	1,433	1,169
Intangible fixed assets (net)	63	55	55	55	55
Long-term financial assets	-	-	-	-	-
Invest. in associates & subsidiaries	848	844	844	844	844
Cash & equivalents	302	360	1,053	1,629	2,147
A/C receivable	594	706	890	1,088	1,283
Inventories	416	498	817	884	867
Other current assets	53	232	378	409	402
Current assets	1,365	1,796	3,138	4,012	4,699
Other assets	2,051	2,232	2,232	2,232	2,232
Total assets	6,001	6,794	7,935	8,575	8,998
Common equity	3,454	3,526	3,931	4,382	4,853
Minorities etc.	0	0	0	0	0
Total shareholders' equity	3,454	3,526	3,931	4,382	4,853
Long term debt	234	221	51	51	51
Other long-term liabilities	1,137	1,321	1,321	1,321	1,321
Long-term liabilities	1,371	1,543	1,372	1,372	1,372
A/C payable	770	1,220	2,004	2,168	2,127
Short term debt	341	312	312	312	312
Other current liabilities	66	193	314	340	334
Current liabilities	1,176	1,725	2,631	2,821	2,773
Total liabilities and shareholders' equity	6,001	6,794	7,935	8,575	8,998
Net working capital	227	23	(233)	(127)	92
Invested capital	4,864	5,021	4,563	4,437	4,391
* Includes convertibles and preferred stock which is being treated as debt					
Per share (THB)					
Book value per share	3.14	3.21	3.57	3.98	4.41
Tangible book value per share	3.08	3.16	3.52	3.93	4.36
Financial strength					
Net debt/equity (%)	7.9	4.9	(17.5)	(28.9)	(36.8)
Net debt/total assets (%)	4.5	2.5	(8.7)	(14.8)	(19.8)
Current ratio (x)	1.2	1.0	1.2	1.4	1.7
CF interest cover (x)	1.4	2.0	15.4	15.8	14.3
Valuation					
Recurring P/E (x) *	24.3	22.6	11.8	10.7	10.0
Recurring P/E @ target price (x) *	34.9	32.5	17.0	15.3	14.4
Reported P/E (x)	24.3	22.6	11.8	10.7	10.0
Dividend yield (%)	-	-	1.7	2.1	1.7
Price/book (x)	1.5	1.5	1.3	1.2	1.1
Price/tangible book (x)	1.6	1.5	1.4	1.2	1.1
EV/EBITDA (x) **	14.3	12.9	9.1	7.2	5.6
EV/EBITDA @ target price (x) **	20.3	18.4	13.6	11.4	9.4
EV/invested capital (x)	1.1	1.1	1.0	0.9	0.8
* Pre-exceptional, pre-goodwill and fully diluted ** EBITDA includes associate income and recurring non-operating income					

Sources: Susco; FSSIA estimates

Corporate Governance report of Thai listed companies 2021

EXCELLENT LEVEL – Score range 90-100										
AAV	BCPG	CPALL	GCAP	K	MSC	PLANET	SAMART	SPI	THRE	TVD
ADVANC	BDMS	CPF	GFPT	KBANK	MST	PLAT	SAMTEL	SPRC	THREL	TVI
AF	BEM	CPI	GGC	KCE	MTC	PORT	SAT	SPVI	TIPCO	TVO
AH	BGC	CPN	GLAND	KKP	MVP	PPS	SC	SSSC	TISCO	TWPC
AIRA	BGRIM	CRC	GLOBAL	KSL	NCL	PR9	SCB	SST	TK	U
AKP	BIZ	CSS	GPI	KTB	NEP	PREB	SCC	STA	TKT	UAC
AKR	BKI	DDD	GPSC	KTC	NER	PRG	SCCC	STEC	TMT	UBIS
ALT	BOL	DELTA	GRAMMY	LALIN	NKI	PRM	SCG	STI	TNDT	UV
AMA	BPP	DEMCO	GULF	LANNA	NOBLE	PROUD	SCGP	SUN	TNITY	VGI
AMATA	BRR	DRT	GUNKUL	LH	NSI	DRS	SCM	SUSCO	TOA	VIH
AMATAV	BTS	DTAC	HANA	LHFG	NVD	PSL	SDC	SUTHA	TOP	WACOAL
ANAN	BTW	DUSIT	HARN	LIT	NWR	PTG	SEAFCO	SVI	TPBI	WAVE
AOT	BWG	EA	HMPRO	LPN	NYT	PTT	SEAOIL	SYMC	TQM	WHA
AP	CENTEL	EASTW	ICC	MACO	OISHI	PTTEP	SE-ED	SYNTEC	TRC	WHAUP
ARIP	CFRESH	ECF	ICHI	MAJOR	OR	PTTGC	SELIC	TACC	TRU	WICE
ARROW	CHEWA	ECL	III	MAKRO	ORI	PYLON	SENA	TASCO	TRUE	WINNER
ASP	CHO	EE	ILINK	MALEE	OSP	Q-CON	SHR	TCAP	TSC	ZEN
AUCT	CIMBT	EGCO	ILM	MBK	OTO	QH	SIRI	TEAMG	TSR	
AWC	CK	EPG	INTUCH	MC	PAP	QTC	SIS	TFMAMA	TSTE	
AYUD	CKP	ETC	IP	MCOT	PCSGH	RATCH	SITHAI	TGH	TSTH	
BAFS	CM	FPI	IRPC	METCO	PDG	RS	SMK	THANA	TTA	
BANPU	CNT	FPT	ITEL	MFEC	PDJ	S	SMPC	THANI	TTB	
BAY	COM7	FSMART	IVL	MINT	PG	S & J	SNC	THCOM	TTCL	
BBL	COMAN	GBX	JSP	MONO	PHOL	SAAM	SONIC	THG	TTW	
BCP	COTTO	GC	JWD	MOONG	PLANB	SABINA	SPALI	THIP	TU	
VERY GOOD LEVEL – Score range 80-89										
2S	ASIMAR	CHOW	FLOYD	IT	LOXLEY	OCC	RPC	SKY	TCC	TVT
7UP	ASK	CI	FN	ITD	LRH	OGC	RT	SLP	TCMC	TWP
ABICO	ASN	CIG	FNS	J	LST	PATO	RWI	SMIT	TEAM	UEC
ABM	ATP30	CMC	FORTH	JAS	M	PB	S11	SMT	TFG	UMI
ACE	B	COLOR	FSS	JCK	MATCH	PICO	SA	SNP	TFI	UOBKH
ACG	BA	CPL	FTE	JCKH	MBAX	PIMO	SAK	SO	TIGER	UP
ADB	BAM	CPW	FVC	JMART	MEGA	PJW	SALEE	SORKON	TITLE	UPF
AEONTS	BC	CRD	GEL	JMT	META	PL	SAMCO	SPA	TKN	UPOIC
AGE	BCH	CSC	GENCO	KBS	MFC	PM	SANKO	SPC	TKS	UTP
AHC	BEC	CSP	GJS	KCAR	MGT	PMTA	SAPPE	SPCG	TM	VCOM
AIT	BEYOND	CWT	GYT	KEX	MICRO	PPP	SAWAD	SR	TMC	VL
ALL	BFIT	DCC	HEMP	KGI	MILL	PPP	SCI	SRICHA	TMD	VPO
ALLA	BJC	DCON	HPT	KIAT	MITSIB	PRIME	SCN	SSC	TMI	VRANDA
ALUCON	BJCHI	DHOUSE	HTC	KISS	MK	PRIN	SCP	SSF	TMILL	WGE
AMANAH	BLA	DOD	HYDRO	KOOL	MODERN	PRINC	SE	STANLY	TNL	WIJK
AMARIN	BR	DOHOME	ICN	KTIS	MTI	PSG	SFLEX	STGT	TNP	WP
APCO	BROOK	DV8	IFS	KUMWEL	NBC	PSTC	SFP	STOWER	TOG	XO
APCS	CBG	EASON	IMH	KUN	NCAP	PT	SFT	STPI	TPA	XPG
APURE	CEN	EFORL	IND	KWC	NCH	QLT	SGF	SUC	TPAC	YUASA
AQUA	CGH	ERW	INET	KWM	NETBAY	RBF	SIAM	SWC	TPCS	
ASAP	CHARAN	ESSO	INSET	L&E	NEX	RCL	SINGER	SYNEX	TPS	
ASEFA	CHAYO	ESTAR	INSURE	LDC	NINE	RICHY	SKE	TAE	TRITN	
ASIA	CHG	ETE	IRC	LEO	NRF	RML	SKN	TAKUNI	TRT	
ASIAN	CHOTI	FE	IRCP	LHK	NTV	ROJNA	SKR	TBSP	TSE	
GOOD LEVEL – Score range 70-79										
A	BGT	CITY	GIFT	JTS	MDX	PK	SGP	SUPER	TQR	YGG
AI	BH	CMAN	GLOCON	JUBILE	MJD	PLE	SICT	SVOA	TTI	ZIGA
AIE	BIG	CMO	GREEN	KASET	MORE	PPM	SIMAT	TC	TYCN	
AJ	BLAND	CMR	GSC	KCM	MUD	PRAKIT	SISB	TCCC	UKEM	
ALPHAX	BM	CPT	GTB	KK	NC	PRAPAT	SK	THMUI	UMS	
AMC	BROCK	CRANE	HTECH	KKC	NDR	PRECHA	SMART	TNH	UNIQ	
APP	BSBM	CSR	HUMAN	KWI	NFC	PTL	SOLAR	TNR	UPA	
AQ	BSM	D	IHL	KYE	NNCL	RJH	SPACK	TOPP	UREKA	
ARIN	BTNC	EKH	IIG	LEE	NOVA	RP	SPG	TPCH	VIBHA	
AS	BYD	EMC	INGRS	LPH	NPK	RPH	SQ	TPIPL	W	
AU	CAZ	EP	INOX	MATI	NUSA	RSP	SSP	TIPIP	WIN	
B52	CCP	F&D	JAK	M-CHAI	PAF	SABUY	STARK	TPLAS	WORK	
BEAUTY	CGD	FMT	JR	MCS	PF	SF	STC	TPOLY	WPH	

Disclaimer:

The disclosure of the survey results of the Thai Institute of Directors Association ("IOD") regarding corporate governance is made pursuant to the policy of the Office of the Securities and Exchange Commission. The survey of the IOD is based on the information of a company listed on the Stock Exchange of Thailand and the Market for Alternative Investment disclosed to the public and able to be accessed by a general public investor. The result, therefore, is from the perspective of a third party. It is not an evaluation of operation and is not based on inside information.

The survey result is as of the date appearing in the Corporate Governance Report of Thai Listed Companies. As a result, the survey results may be changed after that date. FSS International Investment Advisory Company Limited does not confirm nor certify the accuracy of such survey results.

* CGR scoring should be considered with news regarding wrong doing of the company or director or executive of the company such unfair practice on securities trading, fraud, and corruption SEC imposed a civil sanction against insider trading of director and executive

Sources: Thai Institute of Directors Association (IOD); FSSIA's compilation; data as of 26 October 2021

Anti-corruption Progress Indicator

CERTIFIED										
2S	BCH	CPALL	GC	K	MFC	PE	QLT	SNP	THCOM	TU
7UP	BCP	CPF	GCAP	KASET	MFEC	PG	QTC	SORKON	THIP	TVD
ADVANC	BCPG	CPI	GEL	KBANK	MILL	PHOL	RATCH	SPACK	THRE	TVI
AF	BE8	CPN	GFPT	KBS	MINT	PK	RML	SPALI	THREL	TVO
AI	BEYOND	CSC	GGC	KCAR	MONO	PL	RWI	SPC	TIDLOR	TWPC
AIE	BGC	DCC	GJS	KCE	MOONG	PLANB	S & J	SPI	TIPCO	U
AIRA	BGRIM	DELTA	GPI	KGI	MSC	PLANET	SAAM	SPRC	TISCO	UBE
AKP	BJCHI	DEMCO	GPSC	KKP	MST	PLAT	SABINA	SRICHA	TKS	UBIS
ALPHAX	BKI	DIMET	GSTEEL	KSL	MTC	PM	SAPPE	SSF	TKT	UEC
AMA	BLA	DRT	GUNKUL	KTB	MTI	PPP	SAT	SSP	TMD	UKEM
AMANAHA	BPP	DTAC	HANA	KTC	NBC	PPPM	SC	SSSC	TMILL	UOBKH
AMATA	BROOK	DUSIT	HARN	KWC	NEP	PPS	SCB	SST	TMT	UPF
AMATAV	BRR	EA	HEMP	KWI	NINE	PR9	SCC	STA	TNITY	UV
AP	BSBM	EASTW	HENG	L&E	NKI	PREB	SCCC	STOWER	TNL	VGI
APCS	BTS	ECL	HMPRO	LANNA	NMG	PRG	SCG	SUSCO	TNP	VIH
AQUA	BWG	EGCO	HTC	LH	NNCL	PRINC	SCN	SVI	TNR	WACOAL
ARROW	CEN	EP	ICC	LHFG	NOBLE	PRM	SEAOIL	SYMC	TOG	WHA
AS	CENTEL	EPG	ICHI	LHK	NOK	PROS	SE-ED	SYNTEC	TOP	WHAUP
ASIAN	CFRESH	ERW	IFEC	LPN	NSI	PSH	SELIC	TAE	TOPP	WICE
ASK	CGH	ESTAR	IFS	LRH	NWR	PSL	SENA	TAKUNI	TPA	WIIK
ASP	CHEWA	ETE	ILINK	M	OCC	PSTC	SGP	TASCO	TPP	XO
AWC	CHOTI	FE	INET	MAKRO	OGC	PT	SINGER	TBSP	TRU	ZEN
AYUD	CHOW	FNS	INSURE	MALEE	ORI	PTG	SIRI	TCAP	TRUE	
B	CIG	FPI	INTUCH	MATCH	PAP	PTT	SITHAI	TCMC	TSC	
BAFS	CIMBT	FPT	IRC	MBAX	PATO	PTTEP	SKR	TFG	TSTE	
BAM	CM	FSMART	IRPC	MBK	PB	PTTGC	SMIT	TFI	TSTH	
BANPU	CMC	FSS	ITEL	MC	PCSGH	PYLON	SMK	TFMAMA	TTA	
BAY	COM7	FTE	IVL	MCOT	PDG	Q-CON	SMPC	TGH	TTB	
BBL	COTTO	GBX	JKN	META	PDJ	QH	SNC	THANI	TTCL	
DECLARED										
AJ	CHG	DDD	ETC	JR	MAJOR	NUSA	RS	SSS	TQM	YUASA
ALT	CPL	DHOUSE	FLOYD	JTS	NCAP	NYT	SAK	STECH	TSI	ZIGA
APCO	CPR	DOHOME	GULF	KEX	NCL	OR	SCGP	STGT	VARO	
B52	CPW	ECF	III	KUMWEL	NOVA	PIMO	SCM	TKN	VCOM	
BEC	CRC	EKH	INOX	LDC	NRF	PLE	SIS	TMI	VIBHA	

Level	
Certified	This level indicates practical participation with thoroughly examination in relation to the recommended procedures from the audit committee or the SEC's certified auditor, being a certified member of Thailand's Private Sector Collective Action Coalition Against Corruption programme (Thai CAC) or already passed examination to ensure independence from external parties.
Declared	This level indicates determination to participate in the Thailand's Private Sector Collective Action Coalition Against Corruption programme (Thai CAC)

Disclaimer:

The disclosure of the Anti-Corruption Progress Indicators of a listed company on the Stock Exchange of Thailand, which is assessed by Thaipat Institute, is made in order to comply with the policy and sustainable development plan for the listed companies of the Office of the Securities and Exchange Commission. Thaipat Institute made this assessment based on the information received from the listed company, as stipulated in the form for the assessment of Anti-corruption which refers to the Annual Registration Statement (Form 56-1), Annual Report (Form 56-2), or other relevant documents or reports of such listed company. The assessment result is therefore made from the perspective of Thaipat Institute that is a third party. It is not an assessment of operation and is not based on any inside information. Since this assessment is only the assessment result as of the date appearing in the assessment result, it may be changed after that date or when there is any change to the relevant information. Nevertheless, FSS International Investment Advisory Company Limited does not confirm, verify, or certify the accuracy and completeness of the assessment results.

Note: Companies participating in Thailand's Private Sector Collective Action Coalition Against Corruption programme (Thai CAC) under Thai Institute of Directors (as of 26 October 2021) are categorised into: 1) companies that have declared their intention to join CAC, and; 2) companies certified by CAC.

Sources: The Securities and Exchange Commission, Thailand; * FSSIA's compilation

GENERAL DISCLAIMER

ANALYST(S) CERTIFICATION

Siriluck Pinthusoonthorn FSS International Investment Advisory Securities Co., Ltd

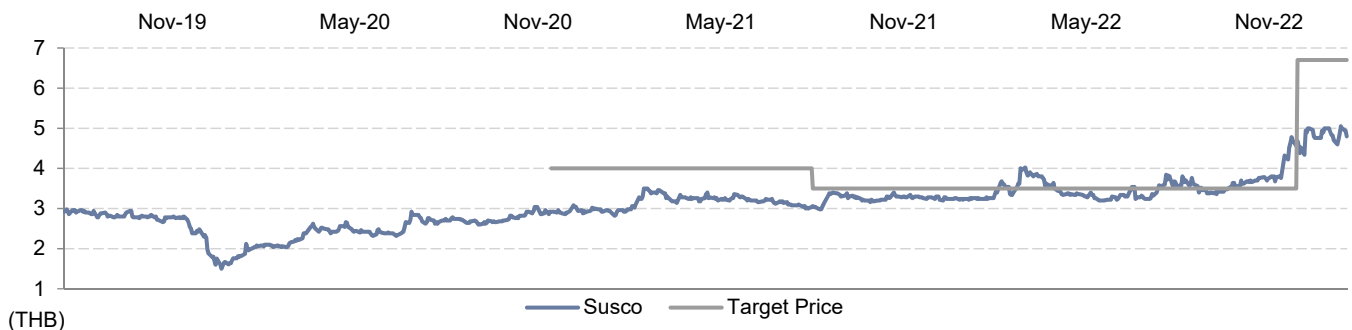
The individual(s) identified above certify(ies) that (i) all views expressed in this report accurately reflect the personal view of the analyst(s) with regard to any and all of the subject securities, companies or issuers mentioned in this report; and (ii) no part of the compensation of the analyst(s) was, is, or will be, directly or indirectly, related to the specific recommendations or views expressed herein.

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History of change in investment rating and/or target price

Susco (SUSCO TB)



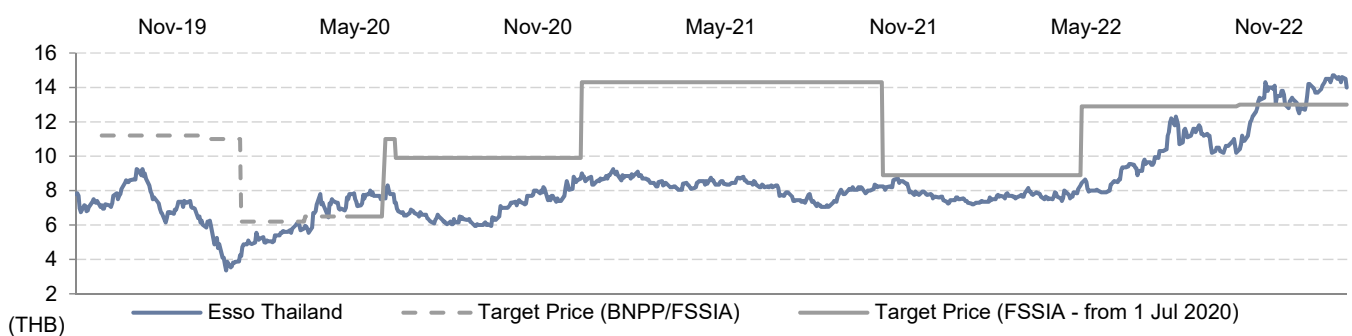
Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
29-Dec-2020	BUY	4.00	09-Aug-2021	BUY	3.50	26-Sep-2022	BUY	6.70

Siriluck Pinthusoonthorn started covering this stock from 29-Dec-2020

Price and TP are in local currency

Source: FSSIA estimates

Esso Thailand (ESSO TB)



Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
03-Dec-2019	BUY	11.20	31-Jul-2020	BUY	11.00	24-Mar-2022	BUY	12.90
26-Feb-2020	BUY	11.00	11-Aug-2020	BUY	9.90	05-Aug-2022	BUY	13.00
01-Apr-2020	BUY	6.20	18-Jan-2021	BUY	14.30			
26-May-2020	BUY	6.50	04-Oct-2021	HOLD	8.90			

Suwat Sinsadok, CFA, FRM, ERP started covering this stock from 26-May-2020

Price and TP are in local currency

Source: FSSIA estimates

Company	Ticker	Price	Rating	Valuation & Risks
Susco	SUSCO TB	THB 4.80	BUY	The downside risks to our SOTP-based TP include: 1) lower-than-expected demand for petroleum products; 2) a lower marketing margin; and 3) weaker-than-expected jet fuel demand.
Esso Thailand	ESSO TB	THB 14.00	BUY	The downside risks to our SoTP-based TP on ESSO include 1) lower-than-expected demand for petroleum products; 2) a higher crude premium; and 3) unplanned shutdowns of its refinery and petrochemical plants.

Source: FSSIA estimates

Additional Disclosures

Target price history, stock price charts, valuation and risk details, and equity rating histories applicable to each company rated in this report is available in our most recently published reports. You can contact the analyst named on the front of this note or your representative at Finansia Syrus Securities Public Company Limited

FSSIA may incorporate the recommendations and target prices of companies currently covered by FSS Research into equity research reports, denoted by an 'FSS' before the recommendation. FSS Research is part of Finansia Syrus Securities Public Company Limited, which is the parent company of FSSIA.

All share prices are as at market close on 08-Nov-2022 unless otherwise stated.

RECOMMENDATION STRUCTURE

Stock ratings

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

BUY (B). The upside is 10% or more.

HOLD (H). The upside or downside is less than 10%.

REDUCE (R). The downside is 10% or more.

Unless otherwise specified, these recommendations are set with a 12-month horizon. Thus, it is possible that future price volatility may cause a 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.

Industry Recommendations

Overweight. The analyst expects the fundamental conditions of the sector to be positive over the next 12 months.

Neutral. The analyst expects the fundamental conditions of the sector to be maintained over the next 12 months.

Underweight. The analyst expects the fundamental conditions of the sector to be negative over the next 12 months.

Country (Strategy) Recommendations

Overweight (O). 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 (N). 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 (U). 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.