

Siam Wellness Group

(SPA.BK/SPA TB)

Outperform · Maintained

Price as of 12 Nov 2021	7.40
12M target price (Bt/shr)	9.00
Unchanged/Revised up(down)(%)	Unchanged
Upside/downside (%)	21.6

Key messages

SPA ขาดทุนสุทธิ 78 ล้านบาทใน 3Q64 (-42% YoY, +10% QoQ) ดีกว่าประมาณการของเรา 14% เนื่องจากประหยัดต้นทุนการดำเนินงานได้มากเกินคาด เราคาดว่าโมเมนตัมของกำไรจะฟื้นตัวขึ้นใน 4Q64F เนื่องจาก SPA กลับมาเปิดบริการแล้วประมาณ 70% ของสาขาทั้งหมดทั่วประเทศไทยตั้งแต่วันที่ 1 ตุลาคม 2564 และ สถานการณ์ COVID-19 ดีขึ้นในช่วง high season ของการท่องเที่ยวในประเทศไทย เรายังคงคำแนะนำซื้อและประเมินราคาเป้าหมายที่ 9.00 บาท

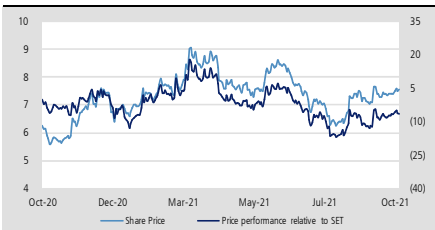
Trading data

Mkt cap (Btbn/US\$m)	6.5/161		
Outstanding shares (mn)	855		
Foreign ownership (mn)	10		
3M avg. daily trading (mn)	1		
52-week trading range (Bt)	5.60 – 9.10		
Performance (%)	3M	6M	12M
Absolute	8.6	-3.2	19.8
Relative	3.1	-7.2	-6.6

Quarterly EPS

EPS	Q1	Q2	Q3	Q4
2019	0.07	0.06	0.08	0.08
2020	0.01	(0.09)	(0.06)	(0.09)
2021	(0.09)	(0.10)	(0.09)	

Share price chart



Source: SET

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ผลประกอบการ 3Q64: ดีกว่าประมาณการของเรา 14%

Event

ผลประกอบการ 3Q64

Impact

ผลประกอบการแยกลง 42% YoY แต่ฟื้นตัวขึ้น 10% QoQ

SPA รายงานขาดทุนสุทธิ 78 ล้านบาทใน 3Q64 (-42% YoY, +10% QoQ) ดีกว่าประมาณการของเรา 14% เนื่องจากประหยัดต้นทุนการดำเนินงานได้มากเกินคาด โดยรวมแล้ว โมเมนตัมของรายได้และความเชื่อมั่นของผู้บริโภคยังคงลดลงทั้ง YoY และ QoQ ใน 3Q64 เนื่องจากสถานการณ์ COVID-19 รุนแรงมากขึ้น ทั้งนี้ มีร้านสปาของบริษัทเพียงแปดสาขาเท่านั้นที่เปิดให้บริการใน 3Q64F แย่ลงจาก 2Q64 ที่มีบริการเปิดให้บริการร้านสปาทุกสาขาเป็นเวลา 1 เดือน

รายได้จากร้านสปาใน 3Q64 ลดลงอย่างมากเหลือเพียง 6.8 ล้านบาท (-89% YoY, -54% QoQ) โดยผลบวกจากผลการดำเนินงานของร้านสปาในภูเก็ตจาก sandbox model ถูกหักล้างไปกับการปิดสาขา ร้านสปาทุกแห่งในกรุงเทพฯ ใน 3Q64 ดังนั้น SSSG จึงติดลบเพิ่มขึ้นเป็น -71.5% YoY ใน 3Q64 จาก -13.5% YoY ใน 2Q64 และ EBIT margin ติดลบเพิ่มขึ้นเป็น -530% (จาก -354% ใน 2Q64) เนื่องจากการประหยัดต้นทุนลดลง

โมเมนตัมของกำไรจะฟื้นตัวขึ้นใน 4Q64F

เราคาดว่าโมเมนตัมของกำไรน่าจะผ่านจุดต่ำสุดไปแล้ว และมีแนวโน้มจะฟื้นตัวขึ้นทั้ง YoY และ QoQ ใน 4Q64F เนื่องจาก i) SPA กลับมาเปิดบริการแล้วประมาณ 70% ของสาขาทั้งหมดทั่วประเทศไทยตั้งแต่วันที่ 1 ตุลาคม 2564 และ ii) สถานการณ์ COVID-19 คลี่คลายลงไป นอกจากนี้ เราคาดว่าผลการดำเนินงานของสาขาร้านสปาในภูเก็ตจะ outperform ในระยะสั้นจากการเปิดรับนักท่องเที่ยว

Valuation & action

เรายังคงคำแนะนำซื้อ และประเมินราคาเป้าหมายกลางปี 2566F ที่ 9.00 บาท อิงจาก P/E ที่ 58.0x เท่ากับค่าเฉลี่ยระยะยาว +1.5 S.D. ทั้งนี้ เราประเมินราคาเป้าหมายแบบมี premium เนื่องจากเราคาดว่าตลาดจะหันไปให้ความสำคัญกับแนวโน้มผลการดำเนินงานหลัง COVID-19 ซึ่งน่าจะทำให้ราคาหุ้นมี premium ในช่วงก่อนที่ผลประกอบการจะฟื้นจริง

Risks

COVID-19 ระบาดอย่างยืดเยื้อ

Key financials and valuations

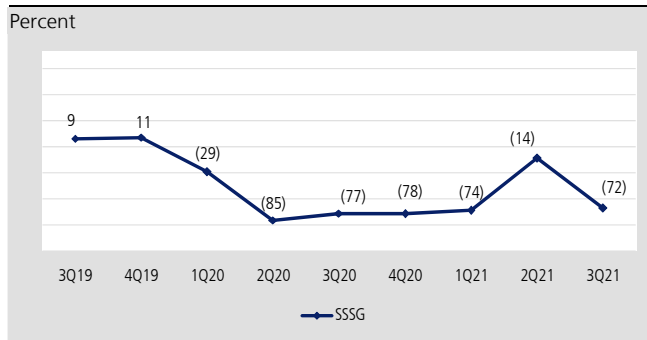
	Dec - 18A	Dec-19	Dec-20	Dec - 21F	Dec - 22F
Revenue (Btmn)	1,134	1,384	427	220	580
Gross Profit (Btmn)	384	441	(80)	(194)	180
SG&A (Btmn)	152	163	119	90	98
Net Profit (Btmn)	206	245	(209)	(303)	46
Normalized Profit (Btmn)	206	245	(209)	(303)	46
EPS (Bt)	0.2	0.3	(0.2)	(0.4)	0.1
Normalized EPS (Bt)	0.2	0.3	(0.2)	(0.4)	0.1
DPS (Bt)	0.2	0.0	0.0	0.0	0.0
EPS Growth (%)	17.4	19.4	N.A.	(45.1)	N.A.
Normalized EPS Growth	17.4	19.4	N.A.	(45.1)	N.A.
P/E (X)	31.1	33.7	(28.4)	(20.9)	137.5
P/B (X)	6.6	7.3	6.6	10.5	10.0
EV/EBITDA (X)	12.6	13.4	313.2	(84.1)	18.4
Net Debt to Equity (%)	22.3	14.6	43.2	116.7	120.2
Dividend Yield (%)	2.0	0.3	0.0	0.0	0.3
Return on Average Equity (%)	21.2	21.7	(23.1)	(50.4)	7.3

Source: Company data, KGI Securities Research

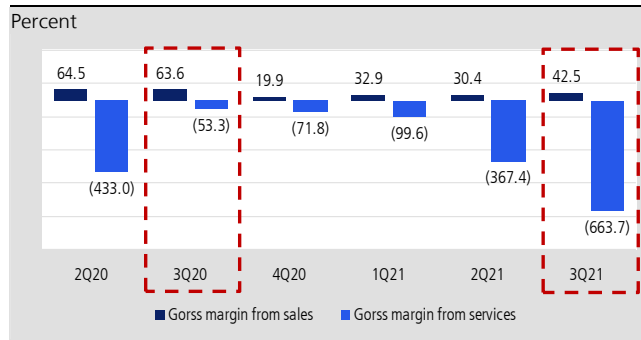
Figure 1: SPA's 3Q21 earnings review

Bt mn	3Q21	3Q20	YoY (%)	2Q21	QoQ (%)	9M21	9M20	YoY (%)
Total revenue	13	76	(82.9)	22	(41.3)	90	346	(73.9)
Revenue from sales	6	16	(61.9)	7	(15.2)	22	54	(58.9)
Revenue from services	7	60	(88.6)	15	(54.1)	68	291	(76.7)
Total gross Profit	(43)	(22)	(98.1)	(53)	18.6	(138)	(35)	(300.4)
SG&A	28	30	(7.4)	27	3.2	81	87	7.4
Operating EBIT	(69)	(51)	(34.3)	(79)	12.1	(215)	(115)	(87.0)
Operating EBITDA	13	(16)		4		31	43	(27.4)
Net Profit	(78)	(55)	(41.7)	(87)	10.4	(241)	(131)	(83.4)
Normalized profit	(78)	(55)	(41.7)	(87)	10.4	(241)	(131)	(83.4)
Percent	3Q21	3Q20	YoY (ppts)	2Q21	QoQ (ppts)	9M21	9M20	YoY (ppts)
Total gross margin	(327.8)	(28.3)	(299.5)	(236.4)	(91.4)	(153.4)	(10.0)	(143.4)
EBIT margin	(529.6)	(67.4)	(462.2)	(353.6)	(176.1)	(238.1)	(33.3)	(204.8)
EBITDA margin	102.9	(21.2)	124.0	17.1	85.8	34.8	12.5	22.3
SG&A/sales	215.8	39.8	175.9	122.7	93.1	89.4	25.2	64.2

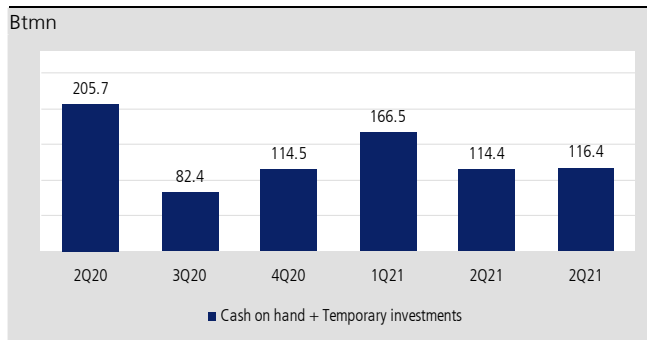
Source: Company data, KGI Securities Research

Figure 2: SSSG


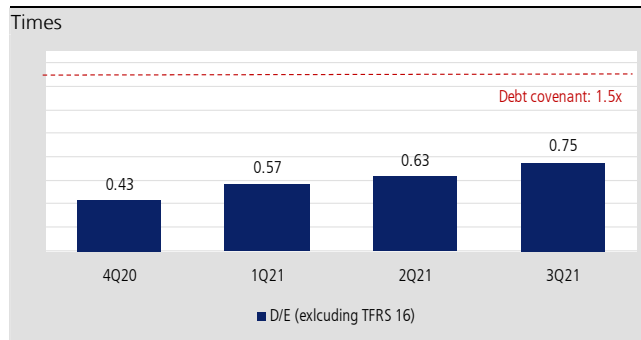
Source: Company data, KGI Securities Research

Figure 3: Quarterly gross margin


Source: Company data, KGI Securities Research

Figure 4: Cash on hand


Source: Company data, KGI Securities Research

Figure 5: D/E ratio


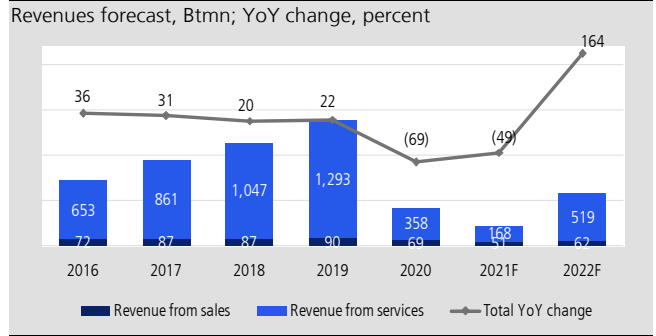
Source: KGI Securities Research

Figure 6: Company profile

Siam Wellness Group Plc. (SPA) is one of the largest spa operators in Thailand which has operated health spa, spa-related products, and hospitality businesses. For the spa business, there are five main brands including i) RarinJinda Wellness Spa (5-star spa service), ii) Let's Relax (4-star spa service), iii) Baan Suan Massage (3-star spa service), iv) Stretch Me (stretching studio), and v) Face Care by Let's Relax (facial spa).

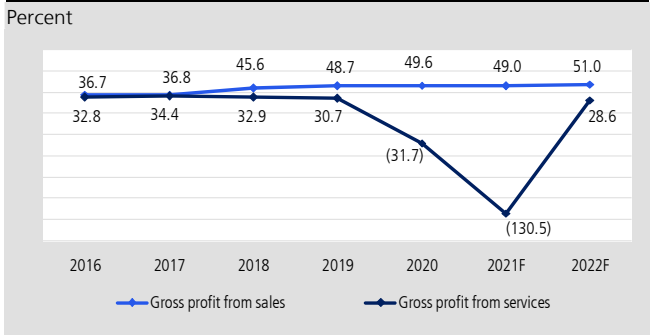
Source: Company data

Figure 7: Revenue forecast



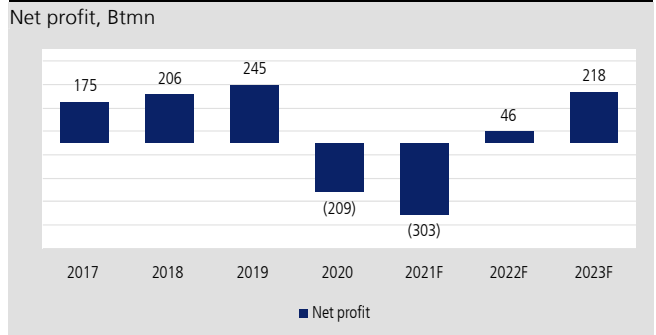
Source: Company data, KGI Securities Research

Figure 8: Margins



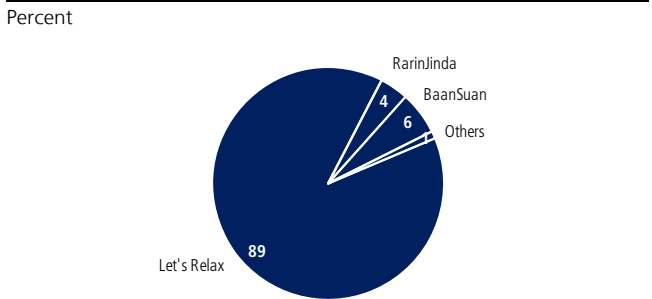
Source: Company data, KGI Securities Research

Figure 9: Net profit



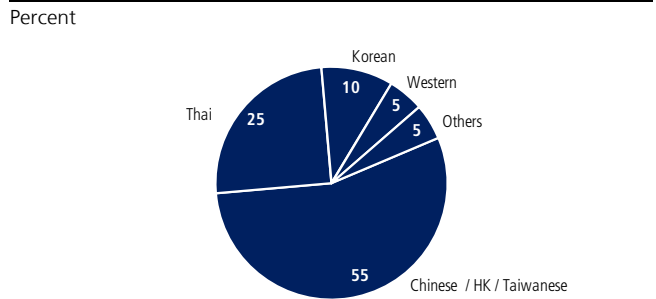
Source: Company data, KGI Securities Research

Figure 10: Spa revenue breakdown by brands (pre-COVID-19)



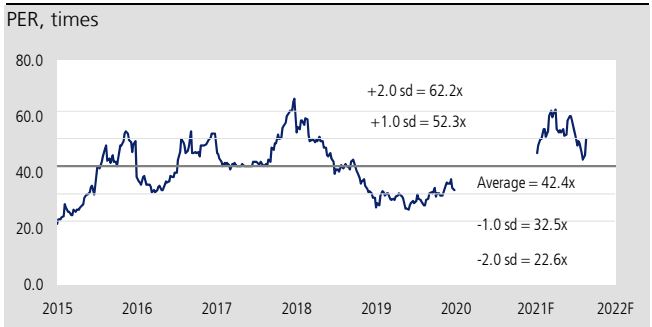
Source: Company data, KGI Securities Research

Figure 11: Spa revenue breakdown by customers (pre-COVID-19)



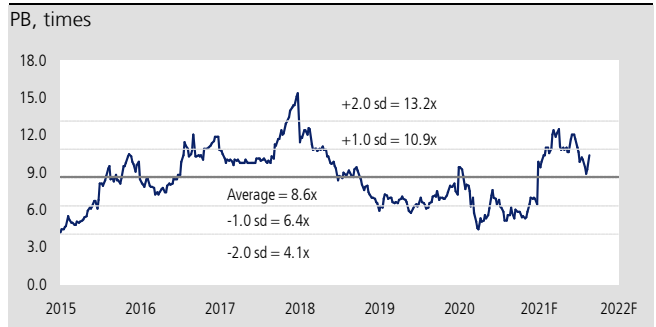
Source: Company data, KGI Securities Research

Figure 12: Company trading PER



Source: KGI Securities Research

Figure 13: Company trading PB



Source: KGI Securities Research

Quarterly Income Statement

	Jun-18A	Sep-18A	Dec-18A	Mar-19A	Jun-19A	Sep-19A	Dec-19A	Mar-20A	Jun-20A	Sep-20A	Dec-20A	Mar-21A	Jun-21A	Sep-21A
Income Statement (Bt mn)														
Revenue	265	288	303	341	337	368	338	238	31	76	81	55	22	13
Cost of Goods Sold	(176)	(191)	(209)	(231)	(240)	(245)	(227)	(201)	(82)	(98)	(127)	(98)	(75)	(56)
Gross Profit	89	97	93	110	98	122	111	37	(50)	(22)	(45)	(43)	(53)	(43)
Operating Expense	(37)	(37)	(41)	(42)	(46)	(42)	(33)	(30)	(27)	(30)	(31)	(25)	(27)	(28)
Other incomes	0	0	0	4	5	4	(14)	5	0	0	(5)	0	0	0
Operating Profit	52	60	52	72	57	84	64	12	(77)	(52)	(82)	-69	-80	-71
Depreciation of fixed asset	(23)	(24)	(27)	(31)	(28)	(32)	(27)	(70)	(53)	(35)	(48)	(82)	(82)	(82)
Operating EBITDA	82	88	85	103	85	116	111	82	(23)	(16)	(27)	14	4	13
Non-Operating Income	0	0	0	0	0	0	(0)	1	1	0	(2)	1	1	0
Interest Income	0	0	0	0	0	0	(0)	1	1	0	(2)	1	1	0
Other Non-op Income	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Non-Operating Expense	(2)	(2)	(2)	(2)	(3)	(3)	(2)	(9)	(6)	(3)	(5)	(11)	(11)	(11)
Interest Expense	(2)	(2)	(2)	(2)	(3)	(3)	(2)	(9)	(6)	(3)	(5)	(11)	(11)	(11)
Other Non-op Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Equity Income/(Loss)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Pre-tax profit	57	61	56	70	55	81	81	4	(82)	(54)	(79)	(78)	(90)	(80)
Current Taxation	(8)	(9)	(7)	(11)	(7)	(13)	(10)	0	1	(1)	1	2	3	2
Minorities	0	0	(0)	(0)	(0)	2	(2)	0	0	0	0	0	0	0
Extraordinary items	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Net Profit	48	52	49	59	47	70	69	4	(81)	(55)	(78)	(76)	(87)	(78)
Normalized Profit	48	52	49	59	47	70	69	4	(81)	(55)	(78)	(76)	(87)	(78)
EPS (Bt)	0.06	0.06	0.06	0.07	0.06	0.08	0.08	0.01	(0.09)	(0.06)	(0.09)	(0.09)	(0.10)	(0.09)
Normalized EPS (Bt)	0.06	0.06	0.06	0.07	0.06	0.08	0.08	0.01	(0.09)	(0.06)	(0.09)	(0.09)	(0.10)	(0.09)
Margins														
Gross profit margin	33.6	33.7	30.8	32.3	29.0	33.3	32.9	15.6	(159.3)	(28.3)	(55.5)	(78.6)	(236.4)	(327.8)
Operating EBIT margin	19.8	20.9	17.1	21.3	17.0	22.9	19.1	5.0	(243.5)	(68.1)	(100.5)	(124.7)	(359.1)	(543.6)
Operating EBITDA margin	31.0	30.4	28.2	30.4	25.3	31.5	32.9	34.7	(73.3)	(21.2)	(32.6)	25.8	17.1	102.9
Net profit margin	18.3	18.1	16.2	17.3	14.0	19.0	20.5	1.8	(256.1)	(72.1)	(95.7)	(138.1)	(391.0)	(597.1)
Growth (YoY)														
Revenue growth	18.5	18.2	18.5	22.0	27.5	27.8	11.6	(30.2)	(90.7)	(79.3)	(75.9)	(76.9)	(29.4)	(82.9)
Operating EBIT growth	21.9	18.4	1.8	7.7	9.7	40.1	24.1	(83.5)	(233.5)	(161.6)	(226.9)	(674.8)	4.1	36.5
Operating EBITDA growth	21.6	17.7	12.9	3.6	4.0	32.3	30.1	(20.3)	(127.1)	(113.9)	(123.9)	(82.8)	(116.4)	(183.1)
Net profit growth	20.0	17.9	7.7	5.2	(2.4)	34.8	40.8	(92.6)	(270.8)	(178.5)	(212.6)	(1,847.2)	7.7	41.7
Normalized profit growth	20.0	17.9	7.7	5.2	(2.4)	34.8	40.8	(92.6)	(270.8)	(178.5)	(212.6)	(1,847.2)	7.7	41.7

Source: Company data, KGI Securities Research

Balance Sheet

As of 31 Dec (Bt mn)	2018	2019	2020	2021F	2022F
Total Assets	1,369	1,516	2,632	2,636	2,746
Current Assets	176	289	231	221	224
Cash & ST Investment	111	126	115	139	108
Inventories	31	40	40	26	30
Account Receivable	24	37	22	9	17
Others	10	47	45	42	52
Non-current Assets	1,194	1,227	2,401	2,415	2,522
LT Investment	8	24	42	38	38
Net fixed Assets	1,067	1,083	1,075	1,095	1,202
Others	118	120	1,284	1,282	1,283
Total Liabilities	399	384	1,727	2,034	2,114
Current Liabilities	224	245	361	606	652
Account Payable	83	97	45	46	45
ST Borrowing	90	85	103	354	380
Others	51	63	213	207	227
Long-term Liabilities	175	139	1,366	1,428	1,462
Long-term Debts	126	80	288	349	379
Others	49	59	1,078	1,079	1,083
Shareholders' Equity	970	1,132	905	602	632
Common Stock	143	143	214	214	214
Capital Surplus	279	279	279	279	279
Retained Earnings	505	666	368	65	95
Preferred Stock					

Source: KGI Securities Research

Key Ratios

Year to 31 Dec	2018	2019	2020	2021F	2022F
Growth (%YoY)					
Sales	19.7	22.0	(69.1)	(48.6)	164.4
OP	17.1	20.3	(171.2)	43.2	(129.0)
EBITDA	19.3	20.2	(96.0)	(510.7)	(565.1)
NP	17.4	19.4	N.A.	(45.1)	N.A.
Normalized Profit	17.4	19.4	N.A.	(45.1)	N.A.
EPS	17.4	19.4	N.A.	(45.1)	N.A.
Normalized EPS	17.4	19.4	N.A.	(45.1)	N.A.
Profitability (%)					
Gross Margin	33.9	31.9	(18.7)	(88.4)	31.0
Operating Margin	20.4	20.1	(46.5)	(129.4)	14.2
EBITDA Margin	30.5	30.0	3.9	(31.3)	55.0
Net Margin	18.1	17.7	(49.0)	(138.2)	7.9
ROAA	15.0	16.2	(7.9)	(11.5)	1.7
ROAE	21.2	21.7	(23.1)	(50.4)	7.3
Stability					
Gross Debt/Equity (%)	41.1	33.9	190.8	338.0	334.6
Net Debt/Equity (%)	22.3	14.6	43.2	116.7	120.2
Interest Coverage (x)	28.3	28.4	(8.8)	(7.0)	2.1
Interest & ST Debt Coverage (x)	2.5	3.1	(1.5)	(0.7)	0.2
Cash Flow Interest Coverage (x)	37.8	23.8	10.0	(1.6)	5.6
Cash Flow/Interest & ST Debt (x)	3.4	2.6	1.7	(0.2)	0.6
Current Ratio (x)	0.8	1.2	0.6	0.4	0.3
Quick Ratio (x)	0.6	1.0	0.5	0.3	0.3
Net Debt (Bt mn)	136.9	112.8	1,305.3	1,592.4	1,679.9
Per Share Data (Bt)					
EPS	0.2	0.3	(0.2)	(0.4)	0.1
Normalized EPS	0.2	0.3	(0.2)	(0.4)	0.1
CFPS	0.4	0.3	0.3	(0.1)	0.3
BVPS	1.1	1.3	1.1	0.7	0.7
SPS	1.3	1.6	0.5	0.3	0.7
EBITDA/Share	0.4	0.5	0.0	(0.1)	0.4
DPS	0.2	0.0	0.0	0.0	0.0
Activity					
Asset Turnover (x)	0.8	0.9	0.2	0.1	0.2
Days Receivables	7.6	9.8	18.6	14.6	10.4
Days Inventory	15.1	15.5	29.0	23.2	27.6
Days Payable	40.6	37.5	32.2	40.6	40.6
Cash Cycle	-17.9	-12.2	15.5	-2.8	-2.6

Source: KGI Securities Research

Profit & Loss

Year to Dec 31 (Btmn)	2018	2019	2020	2021F	2022F
Revenue	1,134	1,384	427	220	580
Cost of Goods Sold	(750)	(943)	(507)	(414)	(401)
Gross Profit	384	441	(80)	(194)	180
Operating Expenses	(152)	(163)	(119)	(90)	(98)
Other Incomes	0	0	0	0	0
Operating Profit	232	279	(198)	(284)	82
Depreciation of fixed assets	(96)	(118)	(206)	(211)	(225)
Operating EBITDA	346	416	17	(69)	319
Non-Operating Income	0	0	0	0	0
Interest Income	0	0	0	0	0
Other Non-op Income	0	0	0	0	0
Non-Operating Expense	(9)	(10)	(21)	(40)	(46)
Interest Expense	(9)	(10)	(21)	(40)	(46)
Other Non-op Expense	0	0	0	0	0
Equity Income/(Loss)	0	0	0	0	0
Pretax Profit	241	288	(211)	(320)	49
Current Taxation	(35)	(42)	2	16	(2)
Minorities	0	1	0	(1)	0
Extraordinaries items	0	0	0	0	0
Net Profit	206	245	(209)	(303)	46
Normalized Profit	206	245	(209)	(303)	46
EPS (Bt)	0.24	0.29	(0.24)	(0.35)	0.05
Normalized EPS (Bt)	0.24	0.29	(0.24)	(0.35)	0.05

Source: KGI Securities Research

Cash Flow

Year to 31 Dec (Bt mn)	2018	2019	2020	2021F	2022F
Operating Cash Flow	334	249	215	(64)	258
Net Profit	206	245	(209)	(303)	46
Depreciation & Amortization	96	118	206	211	225
Change in Working Capital	33	(114)	217	29	(13)
Others					
Investment Cash Flow	(285)	(141)	(1,390)	(224)	(329)
Net CAPEX	(306)	(136)	(191)	(228)	(333)
Change in LT Investment	(0)	(15)	(1,187)	3	0
Change in Other Assets	1	(0)	(2)	0	0
Free Cash Flow	49	108	(1,175)	(288)	(71)
Financing Cash Flow	(36)	(135)	1,237	312	41
Change in Share Capital	0	0	71	0	0
Net Change in Debt	(46)	(51)	1,254	311	57
Change in Other LT Liab.	50	(1)	(0)	1	(0)
Net Cash Flow	13	(27)	62	24	(31)

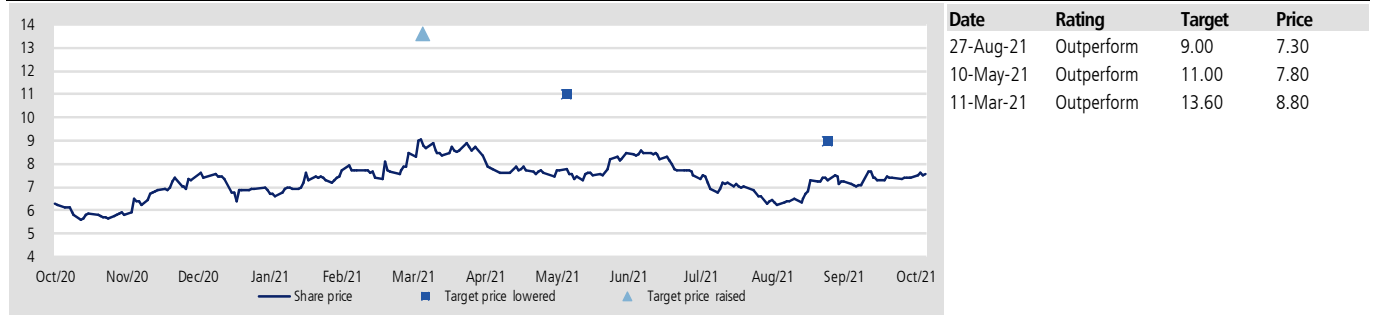
Source: KGI Securities Research

Rates of Return on Invested Capital

Year	1-	COGS Revenue	+	Depreciation Revenue	+	Operating Exp. Revenue	=	Operating Margin
2018		66.1%		8.5%		13.4%		12.0%
2019		68.1%		8.5%		11.7%		11.6%
2020		118.7%		48.3%		27.8%		-94.8%
2021F		188.4%		96.2%		41.0%		-225.6%
Year	1/	Working Capital Revenue	+	Net PPE Revenue	+	Other Assets Revenue	=	Capital Turnover
2018		(0.0)		0.9		0.3		0.9
2019		0.0		0.8		0.3		0.9
2020		(0.3)		2.5		3.6		0.2
2021F		(1.8)		5.0		7.0		0.1
Year		Operating Margin	x	Capital Turnover	x	Cash Tax Rate	=	After-tax Return on Inv. Capital
2018		12.0%		0.9		14.7%		1.5%
2019		11.6%		0.9		14.5%		1.5%
2020		-94.8%		0.2		1.0%		-0.2%
2021F		-225.6%		0.1		5.0%		-1.1%


Source: KGI Securities Research

Siam Wellness Group – Recommendation & target price history




Source: KGI Securities Research

Corporate Governance Report of Thai Listed Companies

 **Companies with Excellent CG Scoring**

Stock	Company name	Stock	Company name	Stock	Company name
AAV	ASIA AVIATION	EGCO	ELECTRICITY GENERATING	PTTEP	PTT EXPLORATION AND PRODUCTION
ADVANC	ADVANCED INFO SERVICE	GFPT	GFPT	PTTGC	PTT GLOBAL CHEMICAL
AMA	AMA MARINE	GGC	GLOBAL GREEN CHEMICALS	PYLON	PYLON
AMATA	AMATA CORPORATION	GPSC	GLOBAL POWER SYNERGY	QH	QUALITY HOUSES
ANAN	ANANDA DEVELOPMENT	HANA	HANA MICROELECTRONICS	RATCH	RATCHABURI ELECTRICITY GENERATING HOLDING
AOT	AIRPORTS OF THAILAND	HMPRO	HOME PRODUCT CENTER	RS	RS
AP	ASIAN PROPERTY DEVELOPMENT	INTUCH	SHIN CORPORATION	SCB	THE SIAM COMMERCIAL BANK
BANPU	BANPU	IRPC	IRPC	SCC	THE SIAM CEMENT
BCP	THE BANGCHAK PETROLEUM	IVL	INDORAMA VENTURES	SCCC	SIAM CITY CEMENT
BCPG	BCPG	KBANK	KASIKORN BANK	SEAFCO	SEAFCO
BDMS	BANGKOK DUSIT MEDICAL SERVICES	KCE	KCE ELECTRONICS	SMPC	SAHAMITR PRESSURE CONTAINER
BEC	BEC WORLD	KKP	KIATNAKIN BANK	SPALI	SUPALAI
BEM	BANGKOK EXPRESSWAY AND METRO	KTB	KRUNG THAI BANK	SPRC	STAR PETROLEUM REFINING
BGRIM	B.GRIMM POWER	KTC	KRUNGTHAI CARD	SVI	SVI
BPP	BANPU POWER	LH	LAND AND HOUSES	TACC	T.A.C. CONSUMER
BTS	BTS GROUP HOLDINGS	LPN	L.P.N. DEVELOPMENT	TCAP	THANACHART CAPITAL
CENTEL	CENTRAL PLAZA HOTEL	MAKRO	SIAM MAKRO	THCOM	THAI COM
CK	CH. KARNCHANG	MBK	MBK	TISCO	TISCO FINANCIAL GROUP
CKP	CK POWER	MINT	MINOR INTERNATIONAL	TOP	THAI OIL
CPALL	CP ALL	MTC	MUANGTHAI CAPITAL	TRUE	TRUE CORPORATION
CPF	CHAROEN POKPHAND FOODS	PLANB	PLAN B MEDIA	TTB	TMBTHANACHART BANK
CPN	CENTRAL PATTANA	PSH	PRUKSA HOLDING	VGI	VGI GLOBAL MEDIA
DELTA	DELTA ELECTRONICS (THAILAND)	PTG	PTG ENERGY	WHA	WHA CORPORATION
DTAC	TOTAL ACCESS COMMUNICATION	PTT	PTT	WHAUP	

 **Companies with Very Good CG Scoring**

Stock	Company name	Stock	Company name	Stock	Company name
BAM	BANGKOK COMMERCIAL ASSET MANAGEMENT	GULF	GULF ENERGY DEVELOPMENT	SAPPE	SAPPE
BBL	BANGKOK BANK	JMT	JMT NETWORK SERVICES	SAWAD	SRI SAWAD POWER 1979
CBG	CARABAO GROUP	LPH	LADPRAO GENERAL HOSPITAL	SINGER	SINGER THAILAND
CHG	CHULARAT HOSPITAL	M	MK RESTAURANT GROUP	SPA	SIAM WELLNESS GROUP
COM7	COM7	MAJOR	MAJOR CINEPLEX GROUP	TFG	THAIFOODS GROUP
DOHOME	DOHOME	MEGA	MEGA LIFESCIENCES	TKN	TAOKAENOI FOOD & MARKETING
ERW	THE ERAWAN GROUP	NETBAY	NETBAY	ZEN	ZEN CORPORATION GROUP
GLOBAL	SIAM GLOBAL HOUSE	OSP	OSOTSPA		

 **Companies with Good CG Scoring**

Stock	Company name	Stock	Company name	Stock	Company name
BCH	BANGKOK CHAIN HOSPITAL	ESSO	ESSO (THAILAND)	SF	SIAM FUTURE DEVELOPMENT
BH	BUMRUNGRAD HOSPITAL	HUMAN	HUMANICA	SISB	SISB
EKH	EKACHAI MEDICAL CARE	RBF	R&B FOOD SUPPLY	TPCH	TPC POWER HOLDING

Companies classified Not in the three highest score groups

Stock	Company name	Stock	Company name	Stock	Company name
IIG	I&I GROUP	OR	PTT OIL AND RETAIL BUSINESS	STGT	SRI TRANG GLOVES (THAILAND)
KEX	KERRY EXPRESS (THAILAND)	STEC	SINO-THAI ENGINEERING AND CONSTRUCTION		

Source: www.thai-iod.com

Disclaimer: The disclosure of the survey result 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 assessment 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 result may be changed after that date or when there is any change to the relevant information. Nevertheless, KGI Securities (Thailand) Public Company Limited (KGI) does not confirm, verify, or certify the accuracy and completeness of such survey result.

Anti-corruption Progress Indicator

Level 5: Extended

Stock	Company name	Stock	Company name	Stock	Company name
ADVANC	ADVANCED INFO SERVICE	GLOBAL	SIAM GLOBAL HOUSE	QH	QUALITY HOUSES
ANAN	ANANDA DEVELOPMENT	GPSC	GLOBAL POWER SYNERGY	RATCH	RATCHABURI ELECTRICITY GENERATING HOLDING
BBL	BANGKOK BANK	HMPRO	HOME PRODUCT CENTER	ROBINS	ROBINSON DEPARTMENT STORE
BCH	BANGKOK CHAIN HOSPITAL	IRPC	IRPC	SCC	THE SIAM CEMENT
BDMS	BANGKOK DUSIT MEDICAL SERVICES	KBANK	KASIKORNBANK	SIRI	SANSIRI
BIGC	BIG C SUPERCENTER	KCE	KCE ELECTRONICS	SPALI	SUPALAI
CK	CH. KARNCHANG	KKP	KIATNAKIN BANK	STEC	SINO-THAI ENGINEERING AND CONSTRUCTION
DCC	DYNASTY CERAMIC	KTB	KRUNG THAI BANK	TCAP	THANACHART CAPITAL
DELTA	DELTA ELECTRONICS (THAILAND)	LPH	LADPRAO GENERAL HOSPITAL	TISCO	TISCO FINANCIAL GROUP
DRT	DIAMOND ROOFING TILES	PACE	PACE DEVELOPMENT CORPORATION	TMT	THAI METAL TRADE
EGCO	ELECTRICITY GENERATING	PTT	PTT	TOP	THAI OIL
GFPT	GFPT	PTTGC	PTT GLOBAL CHEMICAL		

Level 4: Certified

Stock	Company name	Stock	Company name	Stock	Company name
AAV	ASIA AVIATION	ERW	THE ERAWAN GROUP	SAPPE	SAPPE
AP	ASIAN PROPERTY DEVELOPMENT	GLOW	GLOW ENERGY	SAWAD	SRISAWAD POWER 1979
BA	BANGKOK AIRWAYS	GUNKUL	GUNKUL ENGINEERING	SCB	THE SIAM COMMERCIAL BANK
BANPU	BANPU	ILINK	INTERLINK COMMUNICATION	SCN	SCAN INTER
BCP	THE BANGCHAK PETROLEUM	KTC	KRUNGTHAI CARD	SEAFCO	SEAFCO
BH	BUMRUNGRAD HOSPITAL	LH	LAND AND HOUSES	SVI	SVI
BJCHI	BJC HEAVY INDUSTRIES	LPN	L.P.N. DEVELOPMENT	TASCO	TIPCO ASPHALT
CBG	CARABAO GROUP	MAKRO	SIAM MAKRO	TKN	TAOKAENOI FOOD & MARKETING
CENTEL	CENTRAL PLAZA HOTEL	MALEE	MALEE SAMPRAN	TMB	TMB BANK
CHG	CHULARAT HOSPITAL	MINT	MINOR INTERNATIONAL	TRT	TIRATHAI
CKP	CK POWER	MODERN	MODERNFORM GROUP	TRUE	TRUE CORPORATION
CPF	CHAROEN POKPHAND FOODS	NOK	NOK AIRLINES	TVO	THAI VEGETABLE OIL
CPN	CENTRAL PATTANA	PTTEP	PTT EXPLORATION AND PRODUCTION		
DTAC	TOTAL ACCESS COMMUNICATION	PYLON	PYLON		

Level 3: Established

Stock	Company name	Stock	Company name	Stock	Company name
BEM	BANGKOK EXPRESSWAY AND METRO	MTLS	MUANGTHAI LEASING	SPRC	STAR PETROLEUM REFINING
CPALL	CP ALL	SCI	SCI ELECTRIC		

No progress

Stock	Company name	Stock	Company name	Stock	Company name
AOT	AIRPORTS OF THAILAND	BPP	BANPU POWER	FN	FN FACTORY OUTLET
BPCG	BPCG	BTS	BTS GROUP HOLDINGS	TPCH	TPC POWER HOLDING

Source: www.cgthailand.org

Disclaimer: The disclosure of the Anti-Corruption Progress Indicators of a listed company on the Stock Exchange of Thailand, which is assessed by the relevant institution as disclosed by the Office of the Securities and Exchange Commission, is made in order to comply with the policy and sustainable development plan for the listed companies. The relevant institution 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 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, KGI Securities (Thailand) Public Company Limited (KGI) does not confirm, verify, or certify the accuracy and completeness of the assessment result.

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Rating	Definition
Outperform (OP)	The stock's excess return over the next twelve months is ranked in the top 40% of KGI's coverage universe in the related market (e.g. Taiwan)..
Neutral (N)	The stock's excess return over the next twelve months is ranked in the range between the top 40% and the bottom 40% of KGI's coverage universe in the related market (e.g. Taiwan)
Under perform (U)	The stock's excess return over the next twelve months is ranked in the bottom 40% of KGI's coverage universe in the related market (e.g. Taiwan).
Not Rated (NR)	The stock is not rated by KGI.
Restricted (R)	KGI policy and/or applicable law regulations preclude certain types of communications, including an investment recommendation, during the course of KGI's engagement in an investment banking transaction and in certain other circumstances. <i>Excess return = 12M target price/current price-</i>
Note	When an analyst publishes a new report on a covered stock, we rank the stock's excess return with those of other stocks in KGI's coverage universe in the related market. We will assign a rating based on its ranking. If an analyst does not publish a new report on a covered stock, its rating will not be changed automatically.

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