

September 10, 2018

OUTPERFORM

# Siam Wellness Group

(SPA TB)

Share Price: Bt14.8

Target Price: Bt18.0 (+21.6%)

## Good time to own SPA

- Expect 3Q18F earnings to grow 26% yoy to Bt55m led by organic growth and branch expansions; see limited impact from lower Chinese tourists in 3Q18
- Trimmed FY18-19F profit by 3% due to weaker-than-expected 1H18 GPM; SPA will open 8 new branches in 2H18 and 2-3 new branches of "Stretch me by Let's Relax" in 4Q18
- OUTPERFORM with lower TP to Bt18.00 (from Bt18.50) to reflect earnings cut; the current share price implies 27x FY19F P/E and 0.9x PEG over 3-yr CAGR (FY17-20F)

### Expect 3Q18F earnings of Bt55m (+15% qoq, +26% yoy)

Investors should not be misled by a slowdown in Chinese arrivals (-1% yoy in July 2018) after the sinking of the tourist boat in Phuket. Actually, we see limited impact to SPA as most of its customers are Free Independent Travelers (FIT), not zero-dollar tour groups. Revenue should grow 22% yoy in 3Q18 led by strong traffic volumes, price increase, and new branches. We estimate double digit SSSG in 3Q18 vs. 10% in 2Q18 led by organic growth and price hike. Traffic volumes in new branches (3 in 4Q17 and 9 in 9M18) are quite good (8% of 3Q18 sales). SPA would book Bt1.5m entrance fees at one new branch in Cambodia. Gross margin should improve to 34.8% in 3Q18F vs. 33.6% in 2Q18 due to higher utilization. SG&A/Sales ratio should be flat yoy at 13% in 3Q18.

### Trimmed FY18F/19F profit by 3% on lower GPM

We trimmed FY18F/19F profit by 3% after revised down gross margin by 60-70 bps to 35.5%/36.5% due to lower-than-expected 1H18 GPM of 35.1% from higher staff costs. SPA will open 8 new *Let's Relax* spa (4-star) in 2H18 (3 branches in 3Q18 and 5 branches in 4Q18). This would help boost earnings to grow qoq from 3Q18 to 1Q19 as *Let's Relax* spa usually generates the highest return on investment in SPA's portfolio. SPA has opened two *Let's Relax* branches in Tianjin and Qingdao, which have seen better response than Kunming branch. If things go well and its partners find good locations, they plan to open 3-4 more branches in each city. SPA will open new business unit called "Stretch me by Let's Relax" in 4Q18 with CAPEX of Bt5mn/branch and expect 3-year payback period. It will target new generations who want to cure office syndrome or pains/aches by stretching with physiotherapists without taking medicines. We have yet to include this into our model.

### OUTPERFORM, TP Bt18.00; upside from overseas expansion plan

Our revised TP is based on DCF valuation (8.8% WACC, 4% TG). SPA's share price has underperformed the market by 10% in the past three months due to concerns over a slowdown in Chinese arrivals. This should be subsided given strong earnings growth in 3Q18F. The share price would outperform the market in 2H18 as we expect earnings to accelerate qoq from 3Q18 onwards and peaked in 1Q19 supported by high season of tourism in Thailand and aggressive branch expansions.

### Financial Summary (Btm)

Year to Dec	2016	2017	2018F	2019F	2020F
Sales (Btm)	725	948	1,176	1,543	1,898
Growth (%)	36.0	30.7	24.1	31.2	23.0
EBITDA (Btm)	276	367	460	590	712
Growth (%)	29.7	33.1	25.2	28.3	20.6
Recurring profit (Btm)	141	175	223	307	384
Growth (%)	32.4	24.3	27.2	37.9	25.0
Net profit (Btm)	141	175	223	307	384
Normalized EPS (Bt)	0.25	0.31	0.39	0.54	0.67
Growth (%)	32.4	24.3	27.2	37.9	25.0
Normalized PE (x)	55.4	66.4	37.9	27.5	22.0
DPS (Bt)	0.10	0.12	0.15	0.21	0.26
Yield (%)	0.7	0.6	1.0	1.4	1.8
BVPS (Bt)	1.1	1.3	1.6	1.9	2.3
P/BV (x)	12.2	15.4	9.5	7.8	6.4



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Sunthorn THONGTHIP

662 - 659 7000 ext 5009

sunthorn.thongthip@krungsrisecurities.com

### Key Data

12-mth high/low (Bt)	22.4 / 13.5
Market capital (Btm/US\$m)	8,436 / 257
3m avg. turnover (Btm/US\$m)	16.3 / 0.5
Free float (%)	45.8
Issued shares (m shares)	570
Major shareholders:	
-JIRAVANSTIT PRASERT	11.1
-UTSAHAJIT WIBOON	11.1
-SUPHAWATANAKIAT PRAN	9.4

### Share Price Performance



### Krungsri Securities vs Market

	Positive	Neutral	Negative
Market Recommend	7	0	0
Target Price (Bt)	Krungsri 18.0	Market 19.6	% +/- (8.2)
'18 Net Profit (Btm)	223	241	(7.6)
'19 Net Profit (Btm)	307	318	(3.5)

### Krungsri's earnings revision

	2018F	2019F
Earnings revision (%)	(2.7)	(2.6)

Source: Bloomberg, Krungsri Securities

## Valuation

### Maintain OUTPERFORM with lower TP of Bt18.00/sh (from Bt18.50/sh)

Our TP is based on DCF valuation (8.8% WACC, 4% TG). We cut TP to Bt18.00 (from Bt18.50) after revised down FY18-19F earnings by 3% on lower GPM. We see upside from aggressive expansion in China given their asset-light franchise model, strong branding, and high-quality service that are hard to replicate.

#### SPA: Discounted cash flow

	2019F	2020F	2021F	2022F	2023F
Effective tax rate	19%	20%	21%	20%	20%
Operating EBIT	382	480	595	705	826
Less: Tax on EBIT	-71	-94	-122	-141	-165
Operating EBIT after tax	311	386	473	564	661
Add: Depreciation	104	116	127	137	146
Less: Changes in Operating Working Capital	29	28	29	11	36
Less: Capex	-250	-250	-250	-250	-250
Operating FCF	194	281	379	462	593
Discounted factor	1.0	0.9	0.8	0.8	0.7
<b>Discounted Value</b>	<b>194</b>	<b>258</b>	<b>320</b>	<b>359</b>	<b>423</b>

#### SPA: DCF Valuation

Risk-free rate	3.25%
Equity risk premium	8.5%
Beta	0.8
Interest rate	4.0%
CAPM Required Return	9.6%
Debt financing (%)	13%
<b>WACC</b>	<b>8.8%</b>
Debt financing	151
Equity	984
Firm value	1,131
Present value of terminal value	9,228
Total project value	10,359
Net cash	48
shares outstanding	570
<b>SPA value (Bt)</b>	<b>18.0</b>

**3Q18F Earnings preview**

	3Q17	2Q18	3Q18F	Y-o-Y	Q-o-Q
Sales	243	265	296	22%	12%
COGS (incl. depreciation)	161	176	193	20%	10%
Gross Profit	83	89	103	25%	16%
SG&A	32	37	38	19%	4%
<b>Operating Profit</b>	<b>51</b>	<b>52</b>	<b>65</b>	<b>28%</b>	<b>24%</b>
Equity income	3	7	3	n.a	n.a.
<b>EBIT</b>	<b>54</b>	<b>59</b>	<b>68</b>	<b>25%</b>	<b>15%</b>
Interest expense	2	2	2	15%	-13%
<b>EBT</b>	<b>53</b>	<b>57</b>	<b>66</b>	<b>26%</b>	<b>16%</b>
Income tax	8	8	11	25%	27%
Minority interests	0	0	0	n.a.	n.a.
<b>Core profit</b>	<b>44</b>	<b>48</b>	<b>55</b>	<b>26%</b>	<b>15%</b>
Extra items	0	0	0	n.a.	n.a.
<b>Net income</b>	<b>44</b>	<b>48</b>	<b>55</b>	<b>26%</b>	<b>15%</b>
<b>EPS</b>	<b>0.08</b>	<b>0.08</b>	<b>0.10</b>	<b>26%</b>	<b>15%</b>

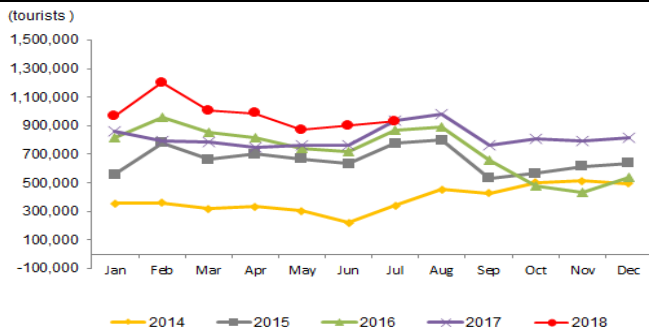
<b>Ratio analysis</b>					
Gross margin (%)	34%	34%	35%		
SGA/Total revenue (%)	13%	14%	13%		
Operating profit margin (%)	22%	22%	23%		
Core profit margin (%)	18%	18%	19%		

Source: Company data and Krungsri estimates

**Revised Assumptions**

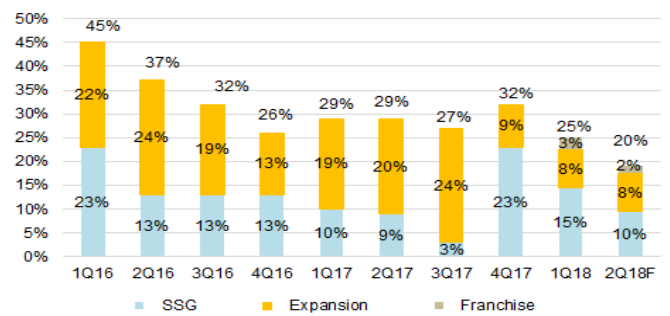
	Sales growth		Gross margin		SG&A/Sales	
	FY18F	FY19F	FY18F	FY19F	FY18F	FY19F
New assumption	24.1%	31.2%	35.5%	36.5%	13.2%	12.8%
Previous assumption	34.5%	32.5%	36.2%	37.1%	12.5%	11.3%

**Inbound Chinese tourists**



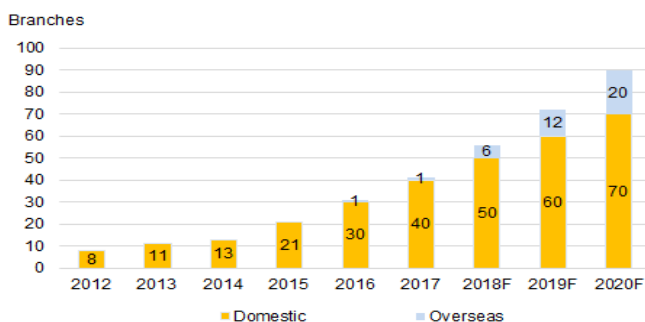
Source: TAT

**SPA: Revenue growth for spa business**



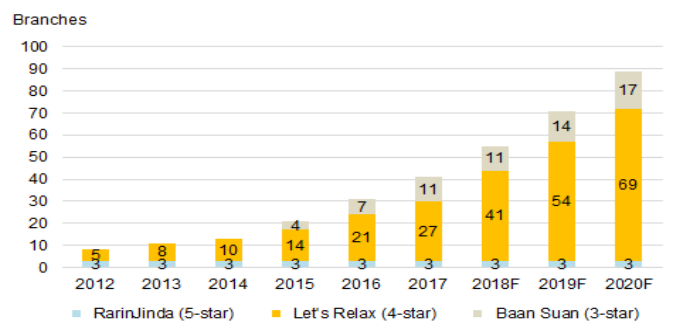
Source: Company data

**SPA: Number of branches by location**

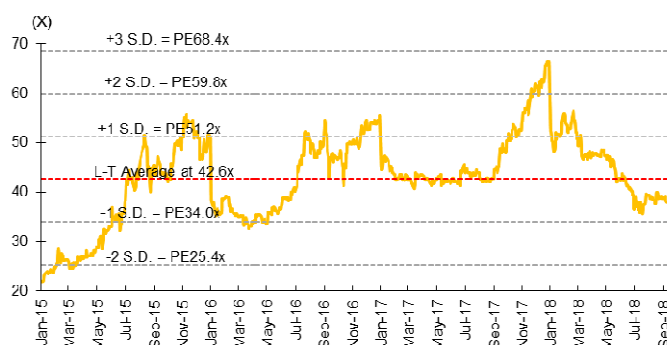


Source: Company data

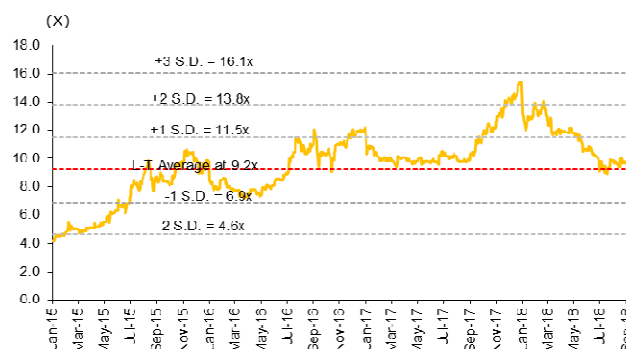
**SPA: Number of branches by brand**



Source: Krungsri Securities

**P/E Band**


Source: Bloomberg, Krungsri Securities

**P/BV Band**


Source: Bloomberg, Krungsri Securities

**Peer Comparison**

BB Ticker	Name	Market	PE		P/BV		EPS		Div Yield	ROE	Share Price Performance			
		Cap US\$	18F (x)	19F (x)	18F (x)	19F (x)	18F G%	19F G%	18F (%)	18F (%)	1M	3M	6M	YTD
<b>SPA TB</b>	<b>SIAM WELLNESS GROUP PCL</b>	<b>257</b>	<b>37.9</b>	<b>27.5</b>	<b>9.5</b>	<b>7.8</b>	<b>27.2</b>	<b>37.9</b>	<b>1.0</b>	<b>30.0</b>	<b>(1.3)</b>	<b>(12.4)</b>	<b>(20.0)</b>	<b>(27.5)</b>
ERW TB	ERAWAN GROUP PCL/THE	587	31.6	27.8	3.4	0.9	20.4	13.9	0.9	11.2	8.5	(7.2)	0.0	(11.5)
CEN TEL TB	CENTRAL PLAZA HOTEL PCL	1,582	24.5	22.6	4.0	1.6	6.7	8.33	1.6	18.0	(12.0)	(15.4)	(11.5)	(33.9)
MINT TB	MINOR INTERNATIONAL PCL	5,413	30.4	24.6	3.5	1.0	8.2	23.5	1.0	11.9	1.3	9.2	(1.3)	(12.0)
GYM LN	GYM GROUP PLC/THE	587	35.8	25.9	N/A	N/A	37.9	N/A	0.5	N/A	9.8	31.1	31.3	49.5
PLNT US	PLANET FITNESS INC - CL A	4,956	44.1	36.5	(26.4)	(9.9)	N/A	21.0	N/A	N/A	(3.0)	16.8	27.5	45.4
MED US	MEDIFAST INC	2,827	53.0	40.6	N/A	N/A	95.0	30.5	N/A	47.9	15.6	59.0	165.9	238.9
	<b>Average (Simple)</b>		<b>36.7</b>	<b>29.3</b>	<b>(1.2)</b>	<b>0.3</b>	<b>32.6</b>	<b>22.5</b>	<b>1.0</b>	<b>23.8</b>				

Source: Bloomberg, Krungsri Securities

**SPA: Quarterly Earnings**

Unit: (Btm)	2Q17	3Q17	4Q17	1Q18	2Q18
Sales	229	247	256	279	265
COGS (incl. depreciation)	148	161	170	174	176
Gross Profit	82	86	86	105	89
SG&A	33	32	35	37	37
<b>Operating Profit</b>	<b>49</b>	<b>54</b>	<b>51</b>	<b>67</b>	<b>52</b>
Equity income	0	0	3	2	7
<b>EBIT</b>	<b>49</b>	<b>54</b>	<b>54</b>	<b>69</b>	<b>59</b>
Interest expense	1	2	3	2	2
<b>EBT</b>	<b>47</b>	<b>53</b>	<b>52</b>	<b>67</b>	<b>57</b>
Income tax	7	8	6	11	8
Minority interests	0	0	0	0	0
<b>Core profit</b>	<b>40</b>	<b>44</b>	<b>46</b>	<b>56</b>	<b>48</b>
Extra items	0	0	0	0	0
<b>Net income</b>	<b>40</b>	<b>44</b>	<b>46</b>	<b>56</b>	<b>48</b>
<b>EPS</b>	<b>0.07</b>	<b>0.08</b>	<b>0.08</b>	<b>0.10</b>	<b>0.08</b>

Source: Company data, Bloomberg, Krungsri Securities

<b>INCOME STATEMENT (Btm)</b>	<b>2016</b>	<b>2017</b>	<b>2018F</b>	<b>2019F</b>	<b>2020F</b>
Sales	739	962	1,193	1,561	1,919
Cost of sales (COGS)	(429)	(542)	(667)	(876)	(1,080)
Depreciation & amortisation	(55)	(77)	(92)	(104)	(116)
Gross profit	254	343	434	581	723
S&A expenses	(89)	(130)	(157)	(200)	(242)
<b>Operating profit</b>	<b>165</b>	<b>212</b>	<b>277</b>	<b>382</b>	<b>480</b>
Other operating income	0	0	0	0	0
<b>EBIT</b>	<b>165</b>	<b>212</b>	<b>277</b>	<b>382</b>	<b>480</b>
Interest expense	(2)	(7)	(7)	(5)	(3)
Interest income	0	0	0	0	0
Goodwill amortisation	0	0	0	0	0
<b>Pre-tax profit</b>	<b>164</b>	<b>206</b>	<b>270</b>	<b>377</b>	<b>477</b>
Income tax on company & subsidiaries	(23)	(31)	(47)	(70)	(93)
<b>Profit after tax</b>	<b>141</b>	<b>175</b>	<b>223</b>	<b>307</b>	<b>384</b>
Minority interests	0	0	0	0	0
Share of associate net income	0	0	0	0	0
Preferred dividends	0	0	0	0	0
<b>Recurring attributable net profit</b>	<b>141</b>	<b>175</b>	<b>223</b>	<b>307</b>	<b>384</b>
Extraordinary items	0	0	0	0	0
<b>Reported net profit</b>	<b>141</b>	<b>175</b>	<b>223</b>	<b>307</b>	<b>384</b>
Shares in issue (Y/E, m)	570	570	570	570	570
Shares in issue (weighted avg, m)	570	570	570	570	570
EPS (before extraordinary items, Bt)	0.25	0.31	0.39	0.54	0.67
DPS (Bt)	0.10	0.12	0.15	0.21	0.26
DPS/EPS (%)	40	39	39	39	39

<b>CASH FLOW (Btm)</b>	<b>2016</b>	<b>2017</b>	<b>2018F</b>	<b>2019F</b>	<b>2020F</b>
Profits before tax	165	212	277	382	480
Depreciation & amortisation	55	77	92	104	116
<b>EBITDA</b>	<b>221</b>	<b>290</b>	<b>369</b>	<b>486</b>	<b>596</b>
Notional cash taxes on ungeared operations	(23)	(31)	(47)	(70)	(93)
Interest payment	(2)	(7)	(7)	(5)	(3)
Net change in working capital	17	21	25	29	28
<b>Cash flow from Operations</b>	<b>213</b>	<b>274</b>	<b>339</b>	<b>440</b>	<b>528</b>
Capex	(274)	(265)	(250)	(250)	(250)
Other	(8)	(75)	65	(19)	(18)
<b>Cash flow from Investment</b>	<b>(283)</b>	<b>(339)</b>	<b>(185)</b>	<b>(269)</b>	<b>(268)</b>
Net borrowings	99	162	(86)	(50)	(50)
Equity capital raised	0	0	0	0	0
Dividends paid	(57)	(68)	(87)	(120)	(150)
Others	0	9	0	0	0
<b>Cash flow from financing</b>	<b>42</b>	<b>103</b>	<b>(173)</b>	<b>(170)</b>	<b>(200)</b>
<b>Net change in cash</b>	<b>(27)</b>	<b>37</b>	<b>(19)</b>	<b>2</b>	<b>60</b>

<b>BALANCE SHEET (Btm)</b>	<b>2016</b>	<b>2017</b>	<b>2018F</b>	<b>2019F</b>	<b>2020F</b>
Cash & equivalents	33	67	48	50	110
A/C receivable	9	12	15	20	25
Inventory	20	28	35	45	56
Others	26	84	0	0	0
<b>Total Current Assets</b>	<b>88</b>	<b>191</b>	<b>98</b>	<b>115</b>	<b>190</b>
Property and equipment	699	889	1,048	1,193	1,327
Investments & associates	13	10	11	11	12
Other assets	37	51	63	83	102
Goodwill	28	34	32	31	29
<b>Total Assets</b>	<b>865</b>	<b>1,175</b>	<b>1,251</b>	<b>1,433</b>	<b>1,660</b>
Short-term debt	20	77	54	54	54
A/C payable	70	86	107	140	172
Other current liabilities	30	44	42	42	43
<b>Total Current Liabilities</b>	<b>120</b>	<b>207</b>	<b>203</b>	<b>236</b>	<b>269</b>
Long-term debt	80	185	122	72	22
Other liabilities	26	29	36	47	58
<b>Total Liabilities</b>	<b>226</b>	<b>421</b>	<b>361</b>	<b>355</b>	<b>349</b>
Share capital	143	143	143	143	143
Share premium	279	279	279	279	279
Revaluation/Warrants/Treasury	0	0	0	0	0
Translation adjustment	(6)	(6)	(6)	(6)	(6)
Retained earnings	223	339	475	662	896
<b>Total ordinary equity</b>	<b>639</b>	<b>755</b>	<b>890</b>	<b>1,078</b>	<b>1,312</b>
Preferred equity	0	0	0	0	0
Minorities	0	0	0	0	0
<b>Total equity &amp; minorities</b>	<b>639</b>	<b>755</b>	<b>890</b>	<b>1,078</b>	<b>1,312</b>
BV per ordinary share (Y/E, Bt)	1.12	1.32	1.56	1.89	2.30
Adjusted book value ps (Y/E, Bt)	1.12	1.32	1.56	1.89	2.30
<b>RATIOS (%)</b>	<b>2016</b>	<b>2017</b>	<b>2018F</b>	<b>2019F</b>	<b>2020F</b>
<b>Growth</b>					
Turnover	36.0	30.7	24.1	31.2	23.0
EBITDA	27.0	31.4	27.1	31.9	22.7
EBIT	22.7	28.5	30.4	37.8	25.8
Net profit	32.4	24.3	27.2	37.9	25.0
EPS pre extraordinary items	32.4	24.3	27.2	37.9	25.0
EPS (diluted)	32.4	24.3	27.2	37.9	25.0
DPS	0.0	20.0	27.2	37.9	25.0
<b>Accounting ratios</b>					
Gross profit margin	33.2	34.6	35.5	36.5	37.0
Operating profit margin	22.8	22.4	23.6	24.7	25.3
EBITDA margin	38.1	38.8	39.1	38.3	37.5
EBIT margin	22.8	22.4	23.6	24.7	25.3
Net profit margin	19.4	18.5	18.9	19.9	20.2
ROA	16.3	14.9	17.8	21.4	23.1
ROE	22.1	23.2	25.0	28.5	29.3
<b>Stability</b>					
D/E (x)	0.4	0.6	0.4	0.3	0.3
Net D/E (x)	0.2	0.3	0.2	0.1	0.1
Interest Coverage Ratio	105.6	n.a.	n.a.	n.a.	n.a.
Current ratio (x)	0.7	0.9	0.5	0.5	0.7
Quick ratio (x)	0.6	0.8	0.3	0.3	0.5
<b>Valuation (x)</b>					
PER	55.4	66.4	37.9	27.5	22.0
Normalized PER	55.4	66.4	37.9	27.5	22.0
P/BV	12.2	15.4	9.5	7.8	6.4
EV/EBTDA	28.6	31.6	18.3	14.3	11.8
Dividend yield (%)	0.7	0.6	1.0	1.4	1.8

## CG Rating 2017 Companies with CG Rating



ADVANC	AKP	ANAN	AOT	AP	BAFS	BANPU	BAY	BCP	BTS	BWG	CFRESH	CHO	CK
CNT	CPF	CPN	CSL	DELTA	DEMCO	DRT	DTAC	DTC	EASTW	EGCO	GC	GCAP	GFPT
GOLD	GPSC	GRAMMY	GUNKUL	HANA	HMPRO	ICC	ICHI	INTUCH	IRPC	IVL	JSP	KBANK	KCE
KKP	KTB	KTC	LHFG	LPN	MBK	MCOT	MINT	MONO	NCH	NKI	NYT	OTO	PDJ
PHOL	PLANB	PPS	PRG	PSH	PSL	PTG	PTT	PTTEP	PTTGC	PYLON	Q-CON	QH	QTC
RATCH	ROBINS	SAMART	SAMTEL	SAT	SC	SCB	SCC	SCCC	SDC	SE-ED	SIS	SITHAI	SNC
SPALI	SPRC	SSSC	STEC	SVI	SYNTEC	TCAP	THANA	THCOM	THREL	TISCO	TKT	TMB	TNDT
TOP	TRC	TRUE	TSC	TTCL	TU	TVD	UV	VGI	WACOAL	WAVE			



2S	AAV	ACAP	AGE	AH	AHC	AIRA	AIT	ALT	AMANAH	AMATA	AMATAV	APCO	ARIP
ASIA	ASIMAR	ASK	ASP	AUCT	AYUD	BBL	BCPG	BDMS	BEC	BEM	BFIT	BJC	BJCHI
BLA	BOL	BROOK	BRR	BTW	CEN	CENTEL	CGH	CHARAN	CHEWA	CHG	CHOW	CI	CIG
CIMBT	CKP	CM	CNS	COL	COM7	CPI	CSC	CSP	CSS	DCC	EA	EASON	ECF
ECL	EE	EPG	ERW	FN	FNS	FORTH	FPI	FSMART	FVC	GBX	GEL	GLOBAL	GLOW
HARN	HYDRO	ILINK	INET	IRC	IT	ITD	JCKH	JWD	K	KGI	KKC	KOOL	KSL
KTIS	L&E	LALIN	LANNA	LH	LHK	LIT	LOXLEY	LRH	LST	M	MACO	MAJOR	MAKRO
MALEE	MBKET	MC	MEGA	MFC	MFEC	MOONG	MSC	MTC	MTI	NOBLE	NOK	NSI	NTV
NWR	OCC	OGC	OISHI	ORI	PAP	PATO	PB	PCSGH	PDI	PE	PG	PJW	PLANET
PLAT	PM	PPP	PREB	PRINC	PT	RICHY	RML	RS	RWI	S	S & J	SABINA	SALEE
SAMCO	SAWAD	SCG	SCI	SCN	SEAFCO	SEAOIL	SENA	SFP	SIAM	SINGER	SIRI	SMK	SMPC
SMT	SNP	SORKON	SPC	SPI	SPPT	SR	SSF	SST	STA	STPI	SUC	SUSCO	SUTHA
SWC	SYMC	SYNEX	TAE	TAKUNI	TASCO	TBSP	TCC	TEAM	TFG	TGCI	THAI	THANI	THIP
THRE	TICON	TIPCO	TIW	TK	TKN	TKS	TMC	TMI	TMILL	TMT	TNITY	TNL	TOG
TPAC	TPCORP	TRT	TRU	TSE	TSR	TSTE	TSTH	TTA	TTW	TVI	TVO	TWP	TWPC
U	UAC	UMI	UP	UPF	UPOIC	UWC	VIH	VNT	WICE	WINNER	XO	YUASA	ZMICO



7UP	AEC	AEONTS	AF	AJ	AKR	ALLA	ALUCON	AMA	AMARIN	AMC	APURE	AQUA	ARROW
AS	ASEFA	ASIAN	ASN	ATP30	AU	B	BA	BCH	BEAUTY	BH	BIG	BIZ	BLAND
BPP	BR	BROCK	BTNC	CBG	CCET	CCP	CGD	CITY	CMR	COLOR	COMAN	CPL	CSR
CTW	CWT	DCON	DIGI	DNA	EFORL	EKH	EPCO	ESSO	ETE	FE	FOCUS	FSS	GENCO
GIFT	GJS	GLAND	GSTEL	GTB	GYT	HPT	HTC	HTECH	IFS	IHL	INSURE	IRCP	J
JCK	JMART	JMT	JUBILE	KASET	KBS	KCAR	KIAT	KWC	KYE	LDC	LEE	LPH	MATCH
MATI	M-CHAI	MDX	META	METCO	MGT	MILL	MJD	MK	MODERN	MPG	NC	NCL	NDR
NEP	NETBAY	NPK	NPP	NUSA	OCEAN	PDG	PF	PICO	PIMO	PK	PL	PLE	PMTA
PRECHA	PRIN	PSTC	QLT	RCI	RCL	RJH	ROJNA	RPC	S11	SANKO	SAPPE	SCP	SE
SGP	SKR	SKY	SLP	SMIT	SOLAR	SPA	SPCG	SPG	SPVI	SQ	SRICHA	SSC	STANLY
SUPER	SVOA	T	TACC	TCCC	TCMC	TIC	TLUXE	TM	TMD	TNP	TNR	TOPP	TPA
TPBI	TPCH	TPIPL	TPOLY	TPP	TRITN	TTI	TVT	TYCN	UOBKH	UPA	UREKA	UT	VIBHA
VPO	WIJK	WIN											

## 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, Krungsri Securities Public Company Limited does not confirm, verify, or certify the accuracy and completeness of such survey result.



# Anti-corruption Progress Indicator 2018

## Companies that have declared their intention to join CAC

A	ABICO	AIE	AJ	AMATA	AMATAV	ANAN	AOT	APCO	APCS	ARROW	ASIAN	B	BGRIM
BJC	BJCHI	BLAND	BLISS	BM	BPP	BR	BSBM	BUI	CEN	CGH	CHEWA	CHG	CHO
CI	COL	COM7	CPR	DDD	EFORL	EKH	ESTAR	FLOYD	FN	FPI	FTE	GJS	GPI
GSTEL	GYT	HARN	ICHI	ILINK	ITEL	JAS	JTS	KWC	KWG	LDC	LEE	LIT	LRH
MATCH	MATI	MBAX	MFEC	MILL	MTC	NCL	NEP	NNCL	NWR	PAP	PK	PL	PLANB
POST	PRM	PRO	PYLON	QTC	ROJNA	RWI	SAPPE	SCI	SELIC	SHANG	SST	STA	STANLY
SUPER	SWC	SYMC	SYNEX	THE	THIP	TKN	TMC	TNP	TNR	TOPP	TRITN	TTI	TVO
TWPC	UEC	UKEM	UPA	UWC	VIH	XO	YUASA						

## Companies certified by CAC

ADVANC	AKP	AMANAHA	AP	ASK	ASP	AYUD	BAFS	BANPU	BAY	BBL	BCH	BCP	BCPG
BKI	BLA	BROOK	BRR	BTS	BWG	CENTEL	CFRESH	CIG	CIMBT	CM	CNS	CPALL	CPF
CPI	CPN	CSC	CSL	DCC	DEMCO	DIMET	DRT	DTAC	DTC	EASTW	ECL	EGCO	EPCO
FE	FNS	FSS	GBX	GC	GCAP	GEL	GFPT	GGC	GLOW	GOLD	GPSC	GUNKUL	HANA
HMPRO	HTC	ICC	IFEC	IFS	INET	INTUCH	IRPC	IVL	K	KASET	KBANK	KBS	KCE
KGI	KKP	KSL	KTB	KTC	L&E	LANNA	LHFG	LHK	LPN	M	MAKRO	MALEE	MBK
MBKET	MC	MCOT	MFC	MINT	MONO	MOONG	MSC	MTI	NBC	NINE	NKI	NMG	NSI
OCC	OCEAN	OGC	PATO	PB	PCSGH	PDG	PDI	PDJ	PE	PG	PHOL	PLANET	PLAT
PM	PPP	PPS	PREB	PRG	PRINC	PSH	PSL	PSTC	PT	PTG	PTT	PTTEP	PTTGC
Q-CON	QH	QLT	RATCH	RML	ROBINS	S & J	SABINA	SAT	SC	SCB	SCC	SCCC	SCG
SCN	SE-ED	SENA	SGP	SINGER	SIRI	SIS	SITHAI	SMIT	SMK	SMPC	SNC	SNP	SORKON
SPACK	SPC	SPI	SPRC	SRICHA	SSF	SSI	SSSC	SUSCO	SVI	SYNTEC	TAE	TASCO	TCAP
TCMC	TFG	TFI	TFMAMA	TGCI	THANI	THCOM	THRE	THREL	TICON	TIP	TIPCO	TISCO	TKT
TLUXE	TMB	TMD	TMILL	TMT	TNITY	TNL	TOG	TOP	TPA	TPCORP	TRU	TRUE	TSC
TSTH	TTCL	TU	TVD	TVI	U	UBIS	UOBKH	VGI	VNT	WACOAL	WHA	WICE	

## N/A

2S	7UP	AAV	ABM	ACAP	ACC	ADAM	ADB	AEC	AEONTS	AF	AFC	AGE	AH
AHC	AI	AIRA	AIT	AJA	AKR	ALLA	ALT	ALUCON	AMA	AMARIN	AMC	APEX	APURE
AQ	AQUA	ARIP	AS	ASAP	ASEFA	ASIA	ASIMAR	ASN	ATP30	AU	AUCT	BA	BAT-3K
BDMS	BEAUTY	BEC	BEM	BFIT	BGT	BH	BIG	BIZ	BKD	BOL	BROCK	BSM	BTNC
BTW	CBG	CCET	CCP	CGD	CHARAN	CHAYO	CHOTI	CHOW	CHUO	CITY	CK	CKP	CMAN
CMO	CMR	CNT	COLOR	COMAN	CPH	CPL	CPT	CRANE	CRD	CSP	CSR	CSS	CTW
CWT	D	DCON	DCORP	DELTA	DIGI	DNA	DOD	DTCI	EA	EARTH	EASON	ECF	EE
EIC	EMC	EPG	ERW	ESSO	ETE	EVER	F&D	FANCY	FC	FMT	FOCUS	FORTH	FSMART
FVC	GENCO	GIFT	GL	GLAND	GLOBAL	GRAMMY	GRAND	GREEN	GTB	GULF	HFT	HPT	HTECH
HUMAN	HYDRO	ICN	IEC	IHL	III	INGRS	INOX	INSURE	IRC	IRCP	IT	ITD	J
JCK	JCKH	JCT	JKN	JMART	JMT	JSP	JUBILE	JUTHA	JWD	KAMART	KC	KCAR	KCM
KDH	KIAT	KKC	KOOL	KTECH	KTIS	KYE	LALIN	LH	LOXLEY	LPH	LST	LTX	LVT
MACO	MAJOR	MANRIN	MAX	M-CHAI	MCS	MDX	MEGA	META	METCO	MGT	MIDA	MJD	MK
ML	MM	MODERN	MPG	MPIC	NC	NCH	NDR	NETBAY	NEW	NEWS	NFC	NOBLE	NOK
NPK	NPP	NTV	NUSA	NVD	NYT	OHTL	OISHI	ORI	OTO	PACE	PAE	PAF	PERM
PF	PICO	PIMO	PJW	PLE	PMTA	POLAR	POMPUI	PORT	PPM	PRAKIT	PRECHA	PRIN	PTL
RAM	RCI	RCL	RICH	RICHY	RJH	ROCK	ROH	RP	RPC	RPH	RS	RSP	S
S11	SAFARI	SALEE	SAM	SAMART	SAMCO	SAMTEL	SANKO	SAUCE	SAWAD	SAWANG	SCP	SDC	SE
SEAFCO	SEAOL	SF	SFP	SGF	SIAM	SIMAT	SKE	SKN	SKR	SKY	SLP	SMART	SMM
SMT	SOLAR	SPA	SPALI	SPCG	SPG	SPORT	SPPT	SPVI	SQ	SR	SSC	SSP	STAR
STEC	STHAI	STPI	SUC	SUN	SUTHA	SVH	SVOA	T	TACC	TAKUNI	TAPAC	TBSP	TC
TCB	TCC	TCCC	TCJ	TCOAT	TEAM	TGPRO	TH	THAI	THANA	THG	THL	THMUI	TIC
TITLE	TIW	TK	TKS	TM	TMI	TMW	TNDT	TNH	TNPC	TOA	TPAC	TPBI	TPCH
TPIPL	TPIPP	TPOLY	TPP	TR	TRC	TRT	TRUBB	TSE	TSF	TSI	TSR	TSTE	TTA
TTL	TTTM	TTW	TUCC	TVT	TWP	TWZ	TYCN	UAC	UMI	UMS	UNIQ	UP	UPF
UPOIC	UREKA	UT	UTP	UV	UVAN	VARO	VCOM	VI	VIBHA	VNG	VPO	WAVE	WG
WHAUP	WIJK	WIN	WINNER	WORK	WORLD	WP	WPH	WR	YCI	YNP	ZIGA	ZMICO	

## 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, Krungsri Securities Public Company Limited does not confirm, verify, or certify the accuracy and completeness of the assessment result."

## Reference

Disclosure: Companies participating in Thailand's Private Sector Collective Action Coalition Against Corruption programme (Thai CAC) under Thai Institute of Directors (as of July 31, 2017) are categorised into:

- Companies that have declared their intention to join CAC
- Companies certified by CAC.





A member of MUFG  
a global financial group

# Krungsri Securities Public Company Limited

## Headquarters

898 Ploenchit Tower, 3rd Floor, Ploenchit Road, Lumpini  
Pathumwan, Bangkok 10330  
Tel: 0-2659-7000 Fax: 0-2658-5699  
Internet Trading: 0-2659-7777

## Branches

### Emporium

662 Emporium Tower, Fl. 10, Sukhumvit 24 Road  
Klongton, Klongtoey, Bangkok 10110  
Tel: 0-2695-4500 Fax: 0-2695-4599

### Central Bangna

589/151 Central City Tower 1 Office, Fl. 27  
Debaratana Road, Bangna, Bangkok 10260  
Tel: 0-2763-2000 Fax: 0-2399-1448

### Rama II

111/917-919 Rama II Road, Smaedum,  
Bangkhuntien, Bangkok 10150  
Tel: 0-2013-7145 Fax: 0-2895-9557

### Vibhavadi-rangsit

Bank of Ayudhya Public Company Limited  
123 Sun Towers (B) Building, Vibhavadirangsit Road,  
Jompol, Jatujak, Bangkok 10900  
Tel: 0-2273-8388 Fax: 0-2273-8399

### Chonburi

64/17 Sukhumvit Road, Tambol Bang Plasoi,  
Amphur Muang, Chonburi 20000  
Tel: 0-3312-6580 Fax: 0-3312-6588

### Hat Yai Branch

90-92-94 Nipat U Tit Nueng Road, Tambol Hat Yai,  
Amphur Hat Yai, Songkhla 90110  
Tel: 0-7422-1229 Fax: 0-7422-1411

### Nakhon Pathom

67/1 Ratchadamnoen Road, Tambol Phra Pathom Jaedee,  
Amphur Muang, Nakhon Pathom 73000  
Tel: 0-3427-5500-7 Fax: 0-3421-8989

### Suphanburi

249/171-172 Moo 5 Tambol Ta Rahad,  
Amphur Muang, Suphanburi, 72000  
Tel: 0-3596-7981 Fax: 0-3552-2449

### Nakhon Ratchasima

168 Chomphon Road, Tambol Nai Muang,  
Amphur Muang Nakhon Ratchasima,  
Nakhon Ratchasima 30000  
Tel: 0-4425-1211-4 Fax: 0-4425-1215

### Khon Kaen

114 Sri Chan Road, Tambol Nai Muang,  
Amphur Muang, Khon Kaen 40000  
Tel: 0-4322-6120 Fax: 0-4322-6180

### Chiang Mai

70 Chang Phuak Road, Tambol Sri Phum  
Amphur Muang, Chiang Mai 50200  
Tel: 0-5321-9234-6 Fax: 0-5321-9247

### Chiang Rai

231-232 Thamalai Road, Tambol Wiang,  
Amphur Muang, Chiang Rai 57000  
Tel: 0-5371-6489 Fax: 0-5371-6490

### Phitsanulok

275/1 Phichaisongkram Road, Tambol Nai Muang,  
Amphur Muang, Phitsanulok 65000  
Tel: 0-5530-3360 Fax: 0-5530-2580

Analyst Team	Sector Coverage	Central line: 662-659-7000	E-mail
Isara Ordeedolchest, Head of Research	Strategy	ext. 5001	isara.ordeedolchest@krungsrisecurities.com
Naphat Chantaraserkul	Energy, Petrochemical	ext. 5000	naphat.chantaraserkul@krungsrisecurities.com
Kittisorn Pruitipat, CFA, FRM	Property, ICT, Contractor	ext. 5019	kittisorn.pruitipat@krungsrisecurities.com
Jesada Techahusdin, CFA	Banking, Consumer Finance, Insurance	ext. 5004	jesada.techahusdin@krungsrisecurities.com
Sunthorn Thongthip	Food, Transportation	ext. 5009	sunthorn.thongthip@krungsrisecurities.com
Worrapong Tuntiwutthipong	Electronic, Automotive, Commerce	ext. 5016	worrapong.tuntiwutthipong@krungsrisecurities.com
Karun Intrachai	Utilities Energy, Food	ext. 5010	karun.intrachai@krungsrisecurities.com
Teerapol Udomvej	Healthcare, Tourism	ext. 5012	teerapol.udomvej@krungsrisecurities.com
Kitti Pitakteerabandit	Transportation, Media	ext. 5008	kitti.pitakteerabandit@krungsrisecurities.com
Artit Jansawang	Mid - Small cap, MAI	ext. 5005	artit.jansawang@krungsrisecurities.com
Kaushal Ladha, CFA, Assistant Analyst	Strategy		
Nalinee Praman, Assistant Analyst	Mid - Small cap, MAI		
Chaiyot Jiwagkul	Technical	ext. 5006	chaiyot.jiwagkul@krungsrisecurities.com

Fax 662-658-5643

## Definition of Ratings

- OUTPERFORM** - Stocks with an expected capital gain above 10% in the next 12 months for small-caps, above 5% for big-caps  
**NEUTRAL** - Stocks with an expected capital gain between -10% and +10% in the next 12 months for small-caps, -5% to +5% for big-caps  
**UNDERPERFORM** - Stocks with an expected capital gain below 10% in the next 12 months for small-caps, below 5% for big-caps