

# Siam Wellness Group

(SPA.BK/SPA TB)

## Outperform · Maintained

Price as of 22 Mar 2022	6.90
12M target price (Bt/shr)	8.70
Unchanged/Revised up(down)(%)	Unchanged
Upside/downside (%)	26.1

### Key messages

ถึงแม้ว่ายอดผู้ติดเชื้อใหม่รายวันจะเพิ่มขึ้นอย่างมาก แต่รายได้ของ SPA ใน 1Q65F น่าจะได้รับผลกระทบเชิงลบที่จำกัด โดยคาดว่าจะลดลงเพียงเล็กน้อย QoQ เราเชื่อว่าโมเมนตัมผลประกอบการของ SPA ผ่านจุดต่ำสุดไปแล้วในปี 2564 และมีแนวโน้มฟื้นตัวขึ้นในช่วงต่อไป โดยเฉพาะใน 2H65 อย่างไรก็ตาม SPA ไม่ได้เป็นหุ้นเด่นในกลุ่มนี้ของเราในช่วงนี้เพราะแนวโน้มผลประกอบการในระยะสั้นดูดีน้อยกว่าหุ้นอื่นในกลุ่ม อย่างไรก็ตาม จากแนวโน้มการฟื้นตัวในระยะยาว และ upside จากผลิตภัณฑ์ที่เกี่ยวข้องกับกัญชา และกัญชา เราจึงยังคงคำแนะนำซื้อ และประเมินราคาเป้าหมายที่ 8.70 บาท

### Trading data

Mkt cap (Btbn/US\$m)	5.9/147
Outstanding shares (mn)	855
Foreign ownership (mn)	10
3M avg. daily trading (mn)	1
52-week trading range (Bt)	6.30 – 8.90
Performance (%)	3M 6M 12M
Absolute	0.7 -6.8 -21.1
Relative	-2.3 -9.4 -26.5

### 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)	(0.05)

### Share price chart



Source: SET

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## คาดหวังการฟื้นตัวได้ในระยะยาว

### Event

ประชุมนักวิเคราะห์

### Impact

คาดผลประกอบการจะสะดุดช่วงสั้นใน 1Q65 ถึงแม้ว่ายอดผู้ติดเชื้อใหม่รายวันจะเพิ่มขึ้นอย่างมาก (Figure 1) แต่ผลกระทบต่อธุรกิจสปารอบนี้ยังอยู่ในระดับที่บริหารจัดการได้ โดยผู้บริหารคาดว่ารายได้จะลดลงเพียงเล็กน้อย QoQ ใน 1Q65 ในระยะถัดไป ผู้บริหารตั้งเป้ารายได้ปีนี้อาไว้ที่ 500-600 ล้านบาท (สมมติฐานของเราอยู่ที่ 407 ล้านบาท) โดยอาจจะมี Upside จากประมาณการของเราจากการขายชุดตรวจ ATK สำหรับตรวจ COVID-19 (Figure 3) ซึ่งอาจจะทำให้เราต้องปรับเพิ่มประมาณการรายได้ขึ้นอีก

ผลประกอบการน่าจะผ่านจุดต่ำสุดไปแล้ว

ในปี 2564 สาขาร้านสปาส่วนใหญ่ของบริษัทถูกปิดไปนานหกเดือนเต็ม (ระหว่างเดือนเมษายน และกันยายน 2564) ส่วนในปี 2565 เราไม่คิดว่าจะมีการใช้มาตรการที่เข้มงวดอีกครั้งเพราะผู้คนเริ่มคุ้นกับชีวิตที่ต้องอยู่กับ COVID-19 แล้ว ดังนั้น เราเชื่อว่าโมเมนตัมกำไรของ SPA ผ่านจุดต่ำสุดไปแล้วในปี 2564 และน่าจะฟื้นตัวได้ตั้งแต่ปี 2565 เป็นต้นไป โดยเฉพาะอย่างยิ่งจาก 2H65 ไป ทั้งนี้ สาขาร้านสปาของบริษัทกลับมาเปิดบริการแล้วประมาณ 80% เพิ่มขึ้นจากประมาณ 70% ใน 4Q64

ความเสี่ยงทางการเงินยังอยู่ในระดับที่บริหารจัดการได้

สัดส่วน D/E (ไม่รวมผลจากมาตรฐานบัญชี TFRS 16) เมื่อสิ้นปี 2564 อยู่ที่ 0.8x ซึ่งยังต่ำกว่า debt covenant ของ SPA ที่ 1.5x นอกจากนี้ หนี้ระยะสั้นทั้งหมดยังได้รับการผ่อนผันให้ยกเว้นการชำระเงินต้นไปจนถึงเดือนมีนาคม 2566 ซึ่งจะช่วยให้เสริมสภาพคล่องให้กับบริษัท ทั้งนี้ บริษัทมีแผนจะเปิดสาขาใหม่สองแห่งในปี 2565 ที่พัทยา และ Terminal 21 (พระราม 3)

### Valuation & action

SPA ไม่ได้เป็นหุ้นเด่นในกลุ่มนี้ของเราในช่วงนี้เพราะแนวโน้มผลประกอบการในระยะสั้นยังดูดีน้อยกว่าหุ้นอื่นในกลุ่ม อย่างไรก็ตาม จากแนวโน้มการฟื้นตัวในระยะยาว และ upside จากผลิตภัณฑ์ที่เกี่ยวข้องกับกัญชา และกัญชา เราจึงยังคงคำแนะนำซื้อ และประเมินราคาเป้าหมายที่ 8.70 บาท อิงจาก P/E ปี 2566F ที่ 45.0x เท่ากับค่าเฉลี่ยระยะยาว +0.5 S.D. ทั้งนี้ เราได้หัก discount ราคาเป้าหมายปี 2566F กลับมาหนึ่งปีโดยใช้ WACC ที่ 11.5%

### Risks

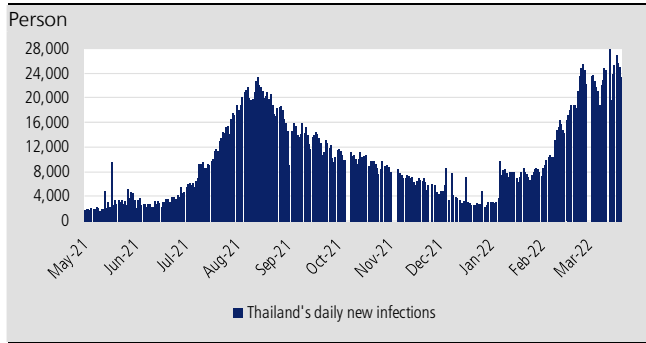
COVID-19 ระบาดอย่างยืดเยื้อยาวนาน

### Key financials and valuations

	Dec - 19A	Dec - 20A	Dec - 21A	Dec - 22F	Dec - 23F
Revenue (Btmn)	1,384	427	168	407	870
Gross Profit (Btmn)	441	(80)	(151)	87	363
SG&A (Btmn)	163	119	108	112	119
Net Profit (Btmn)	245	(209)	(287)	(60)	185
Normalized Profit (Btmn)	245	(209)	(287)	(60)	185
EPS (Bt)	0.3	(0.2)	(0.3)	(0.1)	0.2
Normalized EPS (Bt)	0.3	(0.2)	(0.3)	(0.1)	0.2
DPS (Bt)	0.0	0.0	0.0	0.0	0.0
EPS Growth (%)	19.4	N.A.	(37.1)	79.0	N.A.
Normalized EPS Growth	19.4	N.A.	(37.1)	79.0	N.A.
P/E (X)	33.7	(28.4)	(19.8)	(94.5)	30.7
P/B (X)	7.3	6.6	9.2	10.7	8.0
EV/EBITDA (X)	13.4	313.2	66.1	27.8	11.1
Net Debt to Equity (%)	14.6	43.2	84.3	129.5	85.4
Dividend Yield (%)	0.3	0.0	0.0	0.0	0.0
Return on Average Equity (%)	21.7	(23.1)	(46.4)	(11.4)	25.9

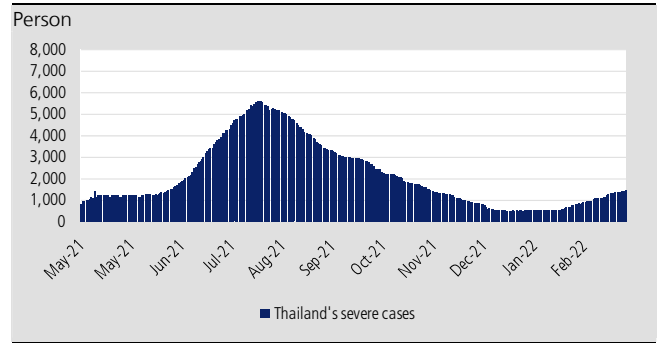
Source: Company data, KGI Securities Research

**Figure 1: Thailand's daily new infections**



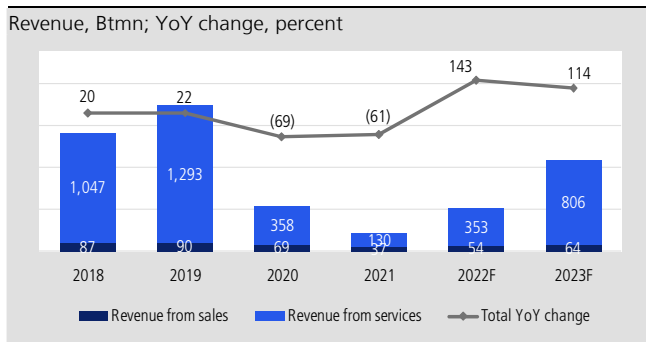
Source: DDC, KGI Securities Research

**Figure 2: Thailand's accumulated severe cases**



Source: DDC, KGI Securities Research

**Figure 3: Revenue breakdown by sales and spa services**



Source: Company data, KGI Securities Research

**Figure 4: SPA's ATK test available for sale**

**Saliva COVID-19 Test**  
ชุดตรวจโควิด-19 จากน้ำลาย  
ทดสอบได้ด้วยตัวเอง

ATK SET 50 ชิ้น  
ราคา 3,500.- บาท  
ปกติ 6,450.- บาท  
+ ส่งเสริม 1,000 บาท  
ฟรีค่าจัดส่ง

**Saliva COVID-19 Test**  
ชุดตรวจโควิด-19 จากน้ำลาย  
ทดสอบได้ด้วยตัวเอง

ATK SET 10 ชิ้น  
ราคา 800.- บาท  
ปกติ 1,290.- บาท  
+ ส่งเสริม 1,000 บาท  
ฟรีค่าจัดส่ง

Source: Company data

เตรียมออกผลิตภัณฑ์ที่เกี่ยวข้องกับกัญชงและกัญชาใน 3Q65  
SPA มีแผนจะออกผลิตภัณฑ์และบริการที่เกี่ยวข้องกับกัญชงและกัญชาใน 3Q65 เช่น ชากัญชง และผลิตภัณฑ์ประเภท personal care เรามองว่าประเด็นดังกล่าวจะเป็นปัจจัยกระตุ้นเชิงบวก เนื่องจากจะช่วยสร้างมูลค่าเพิ่มให้กับธุรกิจหลักของบริษัท

**Figure 5: Examples of hemp-related products**



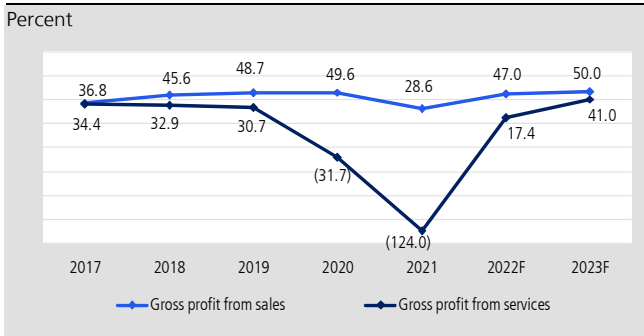
Source: Company data

**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).

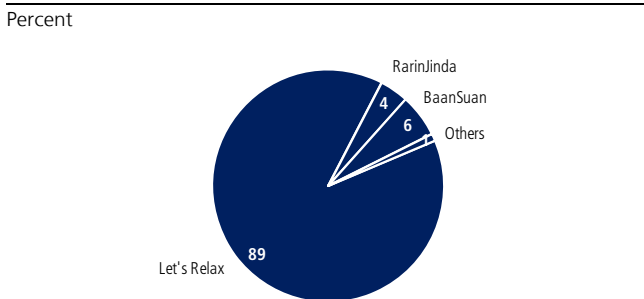
Source: Company data

**Figure 8: Margins**



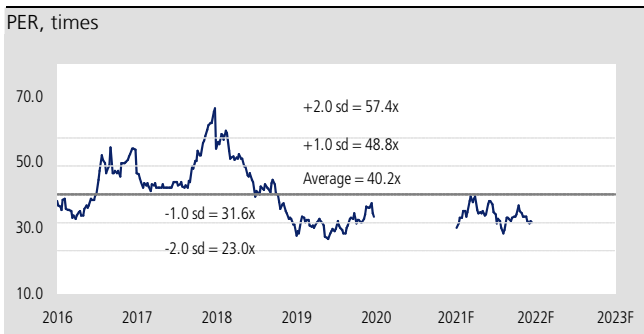
Source: Company data, KGI Securities Research

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



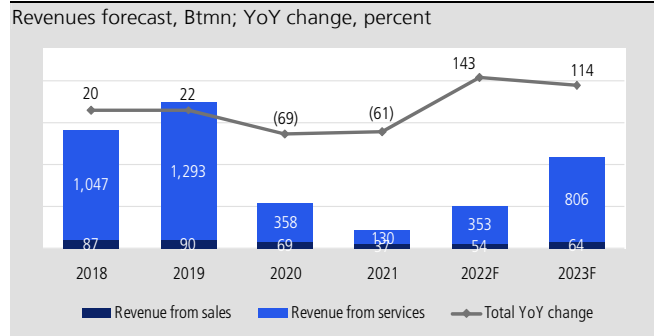
Source: Company data, KGI Securities Research

**Figure 12: Company trading PER**



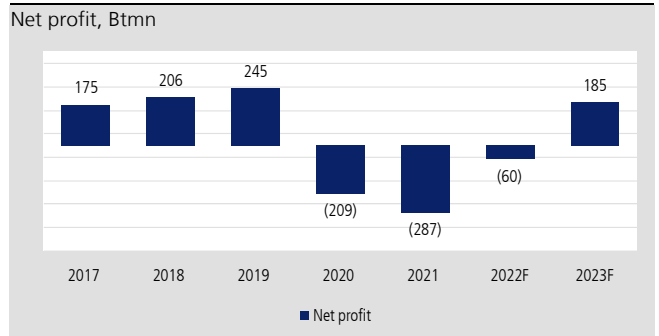
Source: KGI Securities Research

**Figure 7: Revenue forecast**



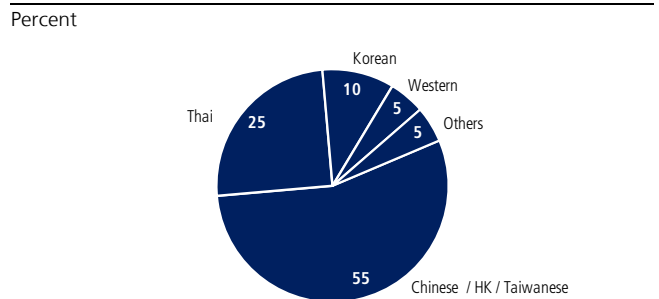
Source: Company data, KGI Securities Research

**Figure 9: Net profit**



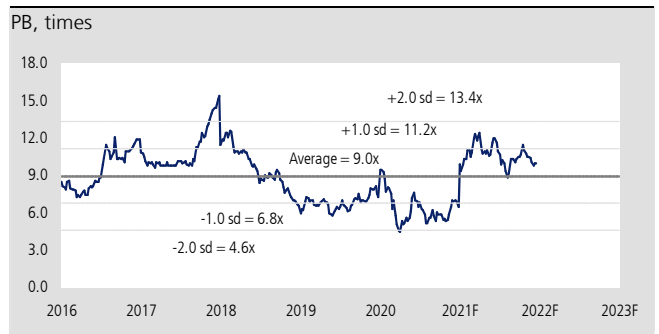
Source: Company data, KGI Securities Research

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



Source: Company data, KGI Securities Research

**Figure 13: Company trading PB**



Source: KGI Securities Research

## Quarterly Income Statement

	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	Dec-21A
<b>Income Statement (Bt mn)</b>														
Revenue	288	303	341	337	368	338	238	31	76	81	55	22	13	77
Cost of Goods Sold	(191)	(209)	(231)	(240)	(245)	(227)	(201)	(82)	(98)	(127)	(98)	(75)	(56)	(90)
<b>Gross Profit</b>	<b>97</b>	<b>93</b>	<b>110</b>	<b>98</b>	<b>122</b>	<b>111</b>	<b>37</b>	<b>(50)</b>	<b>(22)</b>	<b>(45)</b>	<b>(43)</b>	<b>(53)</b>	<b>(43)</b>	<b>(12)</b>
Operating Expense	(37)	(41)	(42)	(46)	(42)	(33)	(30)	(27)	(30)	(31)	(25)	(27)	(28)	(27)
Other incomes	0	0	4	5	4	(14)	5	0	0	(5)	0	0	0	0
<b>Operating Profit</b>	<b>60</b>	<b>52</b>	<b>72</b>	<b>57</b>	<b>84</b>	<b>64</b>	<b>12</b>	<b>(77)</b>	<b>(52)</b>	<b>(82)</b>	<b>-69</b>	<b>-80</b>	<b>-71</b>	<b>-39</b>
Depreciation of fixed asset	(24)	(27)	(31)	(28)	(32)	(27)	(70)	(53)	(35)	(48)	(82)	(82)	(82)	(80)
<b>Operating EBITDA</b>	<b>88</b>	<b>85</b>	<b>103</b>	<b>85</b>	<b>116</b>	<b>111</b>	<b>82</b>	<b>(23)</b>	<b>(16)</b>	<b>(27)</b>	<b>14</b>	<b>4</b>	<b>13</b>	<b>44</b>
<b>Non-Operating Income</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(0)</b>	<b>1</b>	<b>1</b>	<b>0</b>	<b>(2)</b>	<b>1</b>	<b>1</b>	<b>0</b>	<b>(2)</b>
Interest Income	0	0	0	0	0	(0)	1	1	0	(2)	1	1	0	(2)
Other Non-op Income	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Non-Operating Expense</b>	<b>(2)</b>	<b>(2)</b>	<b>(2)</b>	<b>(3)</b>	<b>(3)</b>	<b>(2)</b>	<b>(9)</b>	<b>(6)</b>	<b>(3)</b>	<b>(5)</b>	<b>(11)</b>	<b>(11)</b>	<b>(11)</b>	<b>(11)</b>
Interest Expense	(2)	(2)	(2)	(3)	(3)	(2)	(9)	(6)	(3)	(5)	(11)	(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
<b>Pre-tax profit</b>	<b>61</b>	<b>56</b>	<b>70</b>	<b>55</b>	<b>81</b>	<b>81</b>	<b>4</b>	<b>(82)</b>	<b>(54)</b>	<b>(79)</b>	<b>(78)</b>	<b>(90)</b>	<b>(80)</b>	<b>(47)</b>
Current Taxation	(9)	(7)	(11)	(7)	(13)	(10)	0	1	(1)	1	2	3	2	1
Minorities	0	(0)	(0)	(0)	2	(2)	0	0	0	0	0	0	0	(0)
Extraordinary items	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Net Profit</b>	<b>52</b>	<b>49</b>	<b>59</b>	<b>47</b>	<b>70</b>	<b>69</b>	<b>4</b>	<b>(81)</b>	<b>(55)</b>	<b>(78)</b>	<b>(76)</b>	<b>(87)</b>	<b>(78)</b>	<b>(46)</b>
<b>Normalized Profit</b>	<b>52</b>	<b>49</b>	<b>59</b>	<b>47</b>	<b>70</b>	<b>69</b>	<b>4</b>	<b>(81)</b>	<b>(55)</b>	<b>(78)</b>	<b>(76)</b>	<b>(87)</b>	<b>(78)</b>	<b>(46)</b>
EPS (Bt)	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)	(0.05)
Normalized EPS (Bt)	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)	(0.05)
<b>Margins</b>														
Gross profit margin	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)	(16.0)
Operating EBIT margin	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)	(50.9)
Operating EBITDA margin	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	57.0
Net profit margin	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)	(59.5)
<b>Growth (YoY)</b>														
Revenue growth	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)	(4.9)
Operating EBIT growth	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	(51.9)
Operating EBITDA growth	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)	(265.9)
Net profit growth	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	(40.9)
Normalized profit growth	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	(40.9)

Source: Company data, KGI Securities Research

**Balance Sheet**

As of 31 Dec (Bt mn)	2019	2020	2021	2022F	2023F
<b>Total Assets</b>	<b>1,516</b>	<b>2,632</b>	<b>2,258</b>	<b>2,231</b>	<b>2,313</b>
<b>Current Assets</b>	<b>289</b>	<b>231</b>	<b>203</b>	<b>215</b>	<b>319</b>
Cash & ST Investment	126	115	110	109	174
Inventories	40	40	28	35	40
Account Receivable	37	22	15	12	19
Others	47	45	41	47	61
<b>Non-current Assets</b>	<b>1,227</b>	<b>2,401</b>	<b>2,055</b>	<b>2,016</b>	<b>1,995</b>
LT Investment	24	42	40	38	38
Net fixed Assets	1,083	1,075	947	924	903
Others	120	1,284	1,068	1,053	1,054
<b>Total Liabilities</b>	<b>384</b>	<b>1,727</b>	<b>1,639</b>	<b>1,672</b>	<b>1,570</b>
<b>Current Liabilities</b>	<b>245</b>	<b>361</b>	<b>374</b>	<b>423</b>	<b>431</b>
Account Payable	97	45	37	36	56
ST Borrowing	85	103	114	171	121
Others	63	213	223	216	254
<b>Long-term Liabilities</b>	<b>139</b>	<b>1,366</b>	<b>1,265</b>	<b>1,249</b>	<b>1,139</b>
Long-term Debts	80	288	407	387	272
Others	59	1,078	858	862	866
<b>Shareholders' Equity</b>	<b>1,132</b>	<b>905</b>	<b>618</b>	<b>558</b>	<b>743</b>
Common Stock	143	214	214	214	214
Capital Surplus	279	279	279	279	279
Retained Earnings	666	368	81	21	206
Preferred Stock					

Source: KGI Securities Research

**Key Ratios**

Year to 31 Dec	2019	2020	2021	2022F	2023F
<b>Growth (%YoY)</b>					
Sales	22.0	(69.1)	(60.7)	142.6	114.0
OP	20.3	(171.2)	30.3	(90.0)	(1,041.8)
EBITDA	20.2	(96.0)	351.7	158.4	139.6
NP	19.4	N.A.	(37.1)	79.0	N.A.
Normalized Profit	19.4	N.A.	(37.1)	79.0	N.A.
EPS	19.4	N.A.	(37.1)	79.0	N.A.
Normalized EPS	19.4	N.A.	(37.1)	79.0	N.A.
<b>Profitability (%)</b>					
Gross Margin	31.9	(18.7)	(90.0)	21.3	41.7
Operating Margin	20.1	(46.5)	(154.3)	(6.4)	28.0
EBITDA Margin	30.0	3.9	45.0	48.0	53.7
Net Margin	17.7	(49.0)	(171.1)	(14.8)	21.3
ROAA	16.2	(7.9)	(12.7)	(2.7)	8.0
ROAE	21.7	(23.1)	(46.4)	(10.8)	24.9
<b>Stability</b>					
Gross Debt/Equity (%)	33.9	190.8	265.1	299.5	211.2
Net Debt/Equity (%)	14.6	43.2	84.3	100.1	52.9
Interest Coverage (x)	28.4	(8.8)	(5.7)	(0.4)	6.6
Interest & ST Debt Coverage (x)	3.1	(1.5)	(1.6)	(0.1)	1.6
Cash Flow Interest Coverage (x)	23.8	10.0	1.5	3.0	10.8
Cash Flow/Interest & ST Debt (x)	2.6	1.7	0.4	0.6	2.6
Current Ratio (x)	1.2	0.6	0.5	0.5	0.7
Quick Ratio (x)	1.0	0.5	0.5	0.4	0.6
Net Debt (Bt mn)	112.8	1,305.3	1,234.4	1,272.1	1,042.4
<b>Per Share Data (Bt)</b>					
EPS	0.3	(0.2)	(0.3)	(0.1)	0.2
Normalized EPS	0.3	(0.2)	(0.3)	(0.1)	0.2
CFPS	0.3	0.3	0.1	0.2	0.5
BVPS	1.3	1.1	0.7	0.7	0.9
SPS	1.6	0.5	0.2	0.5	1.0
EBITDA/Share	0.5	0.0	0.1	0.2	0.5
DPS	0.0	0.0	0.0	0.0	0.0
<b>Activity</b>					
Asset Turnover (x)	0.9	0.2	0.1	0.2	0.4
Days Receivables	9.8	18.6	33.2	10.4	8.1
Days Inventory	15.5	29.0	31.9	40.4	28.8
Days Payable	37.5	32.2	42.4	40.6	40.6
Cash Cycle	(12.2)	15.5	22.7	10.3	(3.6)

Source: KGI Securities Research

**Profit & Loss**

Year to Dec 31 (Btmn)	2019	2020	2021	2022F	2023F
<b>Revenue</b>	<b>1,384</b>	<b>427</b>	<b>168</b>	<b>407</b>	<b>870</b>
Cost of Goods Sold	(943)	(507)	(319)	(320)	(508)
<b>Gross Profit</b>	<b>441</b>	<b>(80)</b>	<b>(151)</b>	<b>87</b>	<b>363</b>
Operating Expenses	(163)	(119)	(108)	(112)	(119)
Other Incomes	0	0	0	0	0
<b>Operating Profit</b>	<b>279</b>	<b>(198)</b>	<b>(259)</b>	<b>(26)</b>	<b>243</b>
Depreciation of fixed assets	(118)	(206)	(327)	(214)	(213)
<b>Operating EBITDA</b>	<b>416</b>	<b>17</b>	<b>75</b>	<b>195</b>	<b>467</b>
<b>Non-Operating Income</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Interest Income	0	0	0	0	0
Other Non-op Income	0	0	0	0	0
<b>Non-Operating Expense</b>	<b>(10)</b>	<b>(21)</b>	<b>(44)</b>	<b>(44)</b>	<b>(39)</b>
Interest Expense	(10)	(21)	(44)	(44)	(39)
Other Non-op Expense	0	0	0	0	0
<b>Equity Income/(Loss)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Pretax Profit</b>	<b>288</b>	<b>(211)</b>	<b>(295)</b>	<b>(63)</b>	<b>216</b>
Current Taxation	(42)	2	9	3	(30)
Minorities	1	0	(0)	(0)	0
Extraordinaries items	0	0	0	0	0
<b>Net Profit</b>	<b>245</b>	<b>(209)</b>	<b>(287)</b>	<b>(60)</b>	<b>185</b>
<b>Normalized Profit</b>	<b>245</b>	<b>(209)</b>	<b>(287)</b>	<b>(60)</b>	<b>185</b>
EPS (Bt)	0.29	(0.24)	(0.34)	(0.07)	0.22
Normalized EPS (Bt)	0.29	(0.24)	(0.34)	(0.07)	0.22

Source: KGI Securities Research

**Cash Flow**

Year to 31 Dec (Bt mn)	2019	2020	2021	2022F	2023F
<b>Operating Cash Flow</b>	<b>249</b>	<b>215</b>	<b>66</b>	<b>133</b>	<b>418</b>
Net Profit	245	(209)	(287)	(60)	185
Depreciation & Amortization	118	206	327	214	213
Change in Working Capital	(114)	217	26	(21)	19
Others					
<b>Investment Cash Flow</b>	<b>(141)</b>	<b>(1,390)</b>	<b>5</b>	<b>(171)</b>	<b>(188)</b>
Net CAPEX	(136)	(191)	(207)	(181)	(192)
Change in LT Investment	(15)	(1,187)	230	2	0
Change in Other Assets	(0)	(2)	(4)	4	0
<b>Free Cash Flow</b>	<b>108</b>	<b>(1,175)</b>	<b>71</b>	<b>(38)</b>	<b>230</b>
<b>Financing Cash Flow</b>	<b>(135)</b>	<b>1,237</b>	<b>(76)</b>	<b>37</b>	<b>(166)</b>
Change in Share Capital	0	71	0	0	0
Net Change in Debt	(51)	1,254	(76)	37	(165)
Change in Other LT Liab.	(1)	(0)	(0)	0	(0)
<b>Net Cash Flow</b>	<b>(27)</b>	<b>62</b>	<b>(5)</b>	<b>(1)</b>	<b>64</b>

Source: KGI Securities Research

**Rates of Return on Invested Capital**

Year	1-	COGS Revenue	+	Depreciation Revenue	+	Operating Exp. Revenue	=	Operating Margin
2019		68.1%		8.5%		11.7%		11.6%
2020		118.7%		48.3%		27.8%		-94.8%
2021		190.0%		194.9%		64.3%		-349.2%
2022F		78.7%		52.7%		27.7%		-59.1%
Year	1/	Working Capital Revenue	+	Net PPE Revenue	+	Other Assets Revenue	=	Capital Turnover
2019		0.0		0.8		0.3		0.9
2020		(0.3)		2.5		3.6		0.2
2021		(1.0)		5.6		7.8		0.1
2022F		(1.1)		2.6		3.6		0.2
Year		Operating Margin	x	Capital Turnover	x	Cash Tax Rate	=	After-tax Return on Inv. Capital
2019		11.6%		0.9		14.5%		1.5%
2020		-94.8%		0.2		1.0%		-0.2%
2021		-349.2%		0.1		5.0%		-1.4%
2022F		-59.1%		0.2		5.0%		-0.6%

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
CENDEL	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](http://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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**KGI's Ratings**

<b>Rating</b>	<b>Definition</b>
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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