

# SISB

(SISB.BK/SISB TB)

## Outperform • Maintained

Price as of 4 Aug 2023	35.75
12M target price (Bt/shr)	42.00
Unchanged/Revised up (down)(%)	Unchanged
Upside/downside (%)	17.5

### Key messages

ในบทวิเคราะห์ประมาณการกำไร SISB (ฉบับวันที่ 19 กรกฎาคม) เราคาดว่ากำไรสุทธิใน 2Q66F จะทำสถิติสูงสุดใหม่ที่ 166 ล้านบาท (+112.6% YoY, +4.7% QoQ) แต่ตอนนี้เราปรับลดประมาณการกำไรสุทธิ 2Q66F ลงเหลือ 155 ล้านบาท (+98.1% YoY, -2.57% QoQ) เพราะบริษัทมีต้นทุนที่เพิ่มขึ้นที่เพิ่มขึ้นในไตรมาสนี้ เราจึงลดคำแนะนำซื้อ SISB และประเมินราคาเป้าหมาย DCF กลางปี 2567 ที่ 42.00 บาท อย่างไรก็ตาม เรามองว่าประมาณการกำไรปี 2566F ของเรายังมีความเสี่ยงด้าน downside อีก

### Trading data

Mkt cap (Btbn/US\$m)	33.6/971.2		
Outstanding shares (mn)	940		
Foreign ownership (mn)	325		
3M avg. daily trading (mn)	3		
52-week trading range (Bt)	11.8-41.3		
Performance (%)	3M	6M	12M
Absolute	23.6	72.7	222.0
Relative	27.3	90.0	221.7

### Quarterly EPS

Bt	Q1	Q2	Q3	Q4
2020	0.06	0.00	0.03	0.07
2021	0.08	0.07	0.04	0.03
2022	0.07	0.08	0.11	0.14
2023	0.17			

### Share price chart



Source: SET

Parin Kitchatornpitak  
66.2658.8888 Ext. 8858  
parink@kgi.co.th

## ประมาณการ 2Q66F: ปรับลดประมาณการลงจากเดิม

### Event

ปรับลดประมาณการ 2Q66F ลง

### Impact

คาดว่ากำไรสุทธิใน 2Q66F จะทรงตัว QoQ (จากเดิมที่คาดว่าจะทำสถิติสูงสุดใหม่)

ในบทวิเคราะห์ประมาณการกำไร SISB (ฉบับวันที่ 19 กรกฎาคม) เราคาดว่ากำไรสุทธิใน 2Q66F จะทำสถิติสูงสุดใหม่ที่ 166 ล้านบาท (+112.6% YoY, +4.7% QoQ) แต่ตอนนี้ เราได้รับข้อมูลเพิ่มเติมว่าจะมีการบันทึกต้นทุนเพิ่มขึ้น (“ค่าใช้จ่ายก่อนเปิดดำเนินการ”) ใน 2Q66F ในส่วนที่เกี่ยวกับการเปิดสองแคมป์ใหม่ในเดือนสิงหาคม ซึ่งก่อนหน้านี้ยังไม่ได้มีการสรุปว่า จะบันทึกต้นทุนส่วนที่เพิ่มขึ้นนี้ใน 2Q66F นอกจากนี้ รายได้ใน 2Q66F น่าจะต่ำกว่าที่เราคาดเอาไว้ก่อนหน้านี้ประมาณ 2.3% อยู่ที่ 424 ล้านบาท (จากประมาณการเดิมที่ 433 ล้านบาท) เพราะรายได้จากกิจกรรมหลังเลิกเรียนลดลง (จากผลของปัจจัยฤดูกาล) ดังนั้น เราจึงปรับลดประมาณการกำไรสุทธิ 2Q66F ลงเหลือ 155 ล้านบาท (+98.1% YoY, -2.57% QoQ) โดยคาดว่ารายได้ของ SISB จะอยู่ที่ 424 ล้านบาท (+39.9% YoY, -0.5% QoQ) ในขณะที่คาดว่าอัตรากำไรขั้นต้นจะอยู่ที่ 54.5% จาก 48.9% ใน 2Q65 และ 55.7% ใน 1Q66 เราคาดว่าสัดส่วน SG&A/ยอดขายจะลดลงเหลือ 20.0% ใน 2Q66F จาก 23.0% ใน 2Q65 และ 20.4% ใน 1Q66 ซึ่งเมื่ออิงจากประมาณการใหม่ของเรา กำไรใน 2Q66F และ 1H66F จะคิดเป็น 21.5% และ 43.6% ของประมาณการกำไรเต็มปีของเราที่ 721 ล้านบาท

### แนวโน้มระยะยาวยังเป็นบวกไม่เปลี่ยนแปลง

เรายังคงมองบวกกับแนวโน้มการเติบโตของบริษัท จากจำนวนนักเรียนที่เพิ่มขึ้นอย่างแข็งแกร่ง ซึ่งเมื่อพิจารณาจากผลการดำเนินงานใน 1H66F เรามั่นใจว่าผลการดำเนินงานของ SISB ใน 2H66F จะแข็งแกร่งยิ่งขึ้น HoH เพราะจำนวนนักเรียนมักจะเพิ่มขึ้นใน 3Q นอกจากนี้ ยังจะมีการเปิดแคมป์ใหม่อีกสองแห่ง (นันทบุรี และระยอง) ในเดือนสิงหาคม ซึ่งจะช่วยหนุนกำไรของบริษัททั้งใน 2H66F และในระยะยาว ทั้งนี้ บริษัทคาดเอาไว้ก่อนหน้านี้ว่าจำนวนนักเรียนที่เพิ่มขึ้นจะมาจากรางเรียนที่เปิดใหม่สองแห่ง ประมาณ 400 คน (280 คนจากนันทบุรี และ 120 คนจากระยอง) ในขณะที่จำนวนนักเรียนในปัจจุบันอยู่ที่ประมาณ 350 คน (260 คนจากนันทบุรี และ 90 คนจากระยอง)

### Valuation & action

เราคาดว่ากำไรสุทธิในปี 2566F จะอยู่ที่ 721 ล้านบาท (+95.2% YoY) และในปี 2567F จะอยู่ที่ 916 ล้านบาท (+27.0% YoY) โดยเรามองว่าประมาณการกำไรปีนี้ยังมี downside อีกประมาณ 4%-5% เรายังคงคำแนะนำซื้อ SISB และประเมินราคาเป้าหมาย DCF กลางปี 2567 ที่ 42.00 บาท (ใช้ WACC ที่ 9%, TG ที่ 4%)

### Risks

COVID-19 ระบาด, เศรษฐกิจฟื้นตัวช้ากว่าที่คาดไว้ และความขัดแย้งทางการเมือง

### Key financials and valuations

	Dec-20A	Dec-21A	Dec-22A	Dec-23F	Dec-24F
Revenue (Bt mn)	1,048	1,055	1,319	2,000	2,310
Gross profit (Bt mn)	447	496	666	1,160	1,386
Pretax profit (Bt mn)	159	208	365	723	919
Net profit (Bt mn)	160	209	369	721	916
EPS (Bt)	0.17	0.22	0.39	0.77	0.97
DPS (Bt)	0.08	0.10	0.16	0.38	0.49
EPS growth (%)	(27.6)	30.5	76.9	95.2	27.0
P/E (x)	52.3	42.3	91.0	46.6	36.7
P/B (x)	4.5	4.4	14.7	12.2	10.3
EV/EBITDA (x)	25.2	23.3	63.3	25.5	23.7
Net Debt to Equity (%)	Cash	Cash	Cash	Cash	Cash
Dividend Yield (%)	0.2	0.3	0.4	1.1	1.4
Return on Avg. Equity (%)	8.6	10.7	16.9	28.4	30.3

Source: Company data, KGI Securities Research

\*The Company may be issuer of Derivative Warrants on these securities.

**Figure 1: SISB's 2Q23F earnings preview**

Bt mn	2Q23F	2Q22	YoY (%)	1Q23	QoQ (%)	1H23F	1H22	YoY (%)
Revenue from tuition fees, service and education equipme	424	303	39.9	426	(0.5)	850	587	44.6
Cost of tuition fees, service and education equipment	(193)	(155)	24.7	(189)	2.2	(382)	(299)	27.5
Gross profit	231	148	55.8	237	(2.6)	468	288	62.4
SG&A	(85)	(70)	21.5	(87)	(2.6)	(172)	(145)	18.4
Pretax profit	155	78	98.2	159	(2.5)	314	142	122.1
Normalized profit	155	78	98.1	159	(2.5)	314	141	122.0
Net profit	155	78	98.1	159	(2.5)	314	141	122.0
EPS (Bt)	0.17	0.08	98.1	0.17	(2.5)	0.33	0.15	122.0
Percent	2Q23F	2Q22	YoY (ppts)	1Q23	QoQ (ppts)	1H23F	1H22	YoY (ppts)
Gross margin	54.5	48.9	5.6	55.7	(1.2)	55.1	49.1	6.0
EBIT margin	38.2	28.0	10.2	38.9	(0.7)	38.5	26.2	12.3
SG&A/Sales	20.0	23.0	(3.0)	20.4	(0.4)	20.2	24.7	(4.5)
Effective tax rate	0.1	0.1	0.0	0.1	0.0	0.1	0.1	0.0
Net margin	36.6	25.9	10.8	37.3	(0.7)	37.0	24.1	12.9
Assumption	2Q23F	2Q22	YoY (%)	1Q23	QoQ (%)			
Student numbers (students)	3,404	2,731	24.6	3,284	3.7			
Average fee per quarter (Bt mn/student)	0.12	0.11	12.3	0.13	(4.0)			

Source: Company data, KGI Securities Research

**Figure 2: Key assumptions**

	2019	2020	2021	2022	2023F	2024F
Revenues (Bt mn)	1,095	1,048	1,055	1,319	2,000	2,310
Additional students (people)	242	27	-204	680	886	400
Number of students at year-end (people)	2,611	2,638	2,434	3,114	4,000	4,400
Average fee (Bt/head/year)	419,465	397,320	433,385	423,654	499,912	524,907
Capacity (seats)	4,060	3,965	3,965	4,675	6,675	6,675
Utilization rate (%)	64.3	66.5	61.4	66.6	59.9	65.9
Gross margin (%)	42.1	42.7	47.1	50.5	58.0	60.0
SG&A/Sales (%)	24.8	27.8	26.4	22.8	22.5	21.0
Net margin (%)	19.9	15.2	19.7	27.6	35.8	39.4

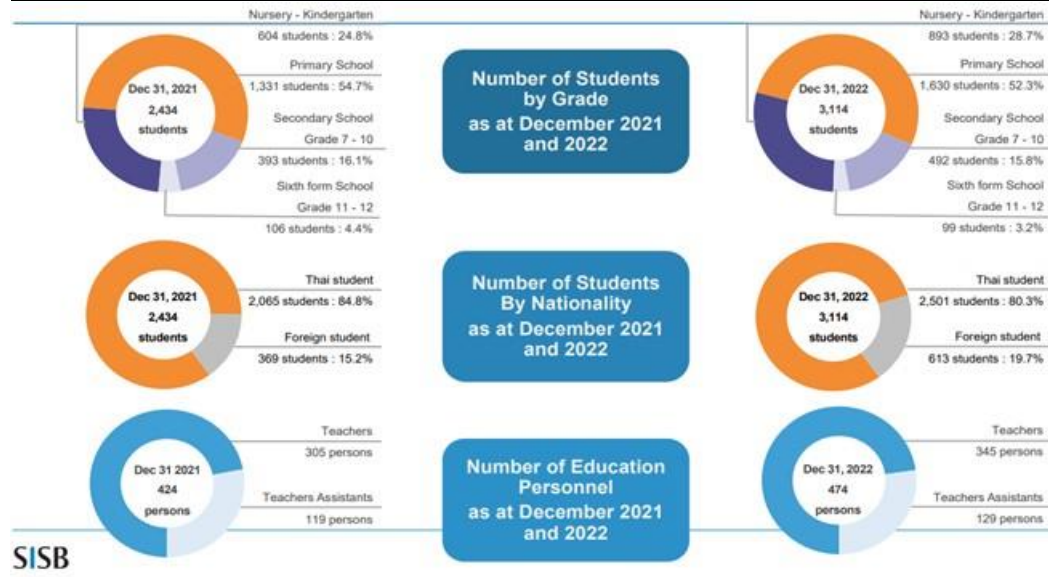
Source: Company data, KGI Securities Research

**Figure 3: SISB's campuses**

Name	Level	Land Lease Termination Date	School Ground Area	Seat (Total)	Student Number 4Q22	% Utilization
1) PU <sup>(1)</sup>	K-12	Y2040, Y2044	31,085 m <sup>2</sup>	2,175	1,499	68.9%
2) SV	K-6	Y2033	14,342 m <sup>2</sup>	510	254	49.8%
3) TR	K-12	Freehold	29,213 m <sup>2</sup>	1,590	1,109	69.7%
4) CM	K-12	Y2031 (+15)	8,540 m <sup>2</sup>	400	252	63.0%
5) NR <sup>(2)</sup>	TBA	Freehold	29,571 m <sup>2</sup>	-	-	-
6) Rayong <sup>(2)</sup>	TBA	Freehold	39,141 m <sup>2</sup>	-	-	-
				<b>4,675</b>	<b>3,114</b>	<b>66.6%</b>
Education Level				Seat (Total)	#Student 4Q22	% Utilization
1) Secondary Level				1,440	501	41.0%
2) Primary Level				1,875	1,630	86.9%
3) Nursery and Kindergarten Level				1,360	893	65.7%
<b>Total</b>				<b>4,675</b>	<b>3,114</b>	<b>66.6%</b>

Source: Company data

Figure 4: Number of students and education personnel during 2021-2022



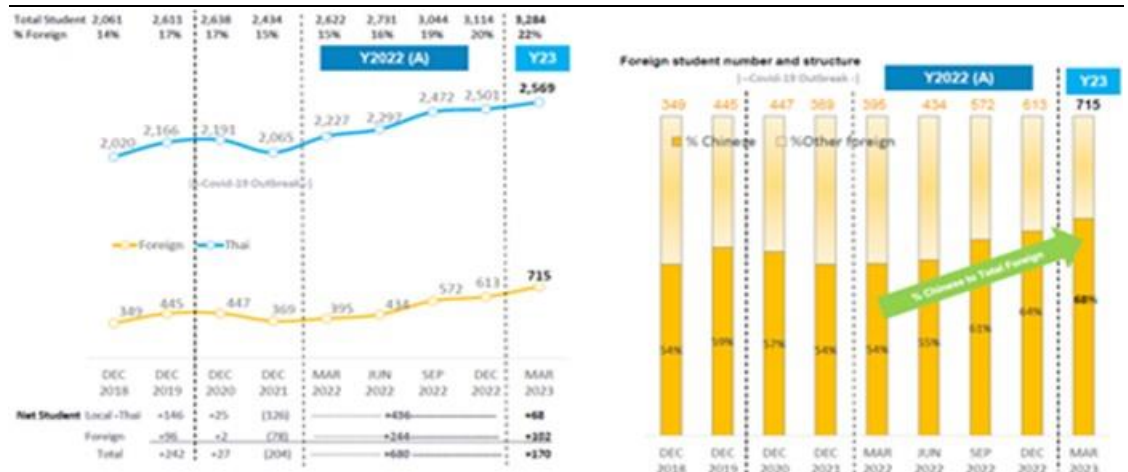
Source: Company data

Figure 5: Number of students and capacity expansion projected by SISB



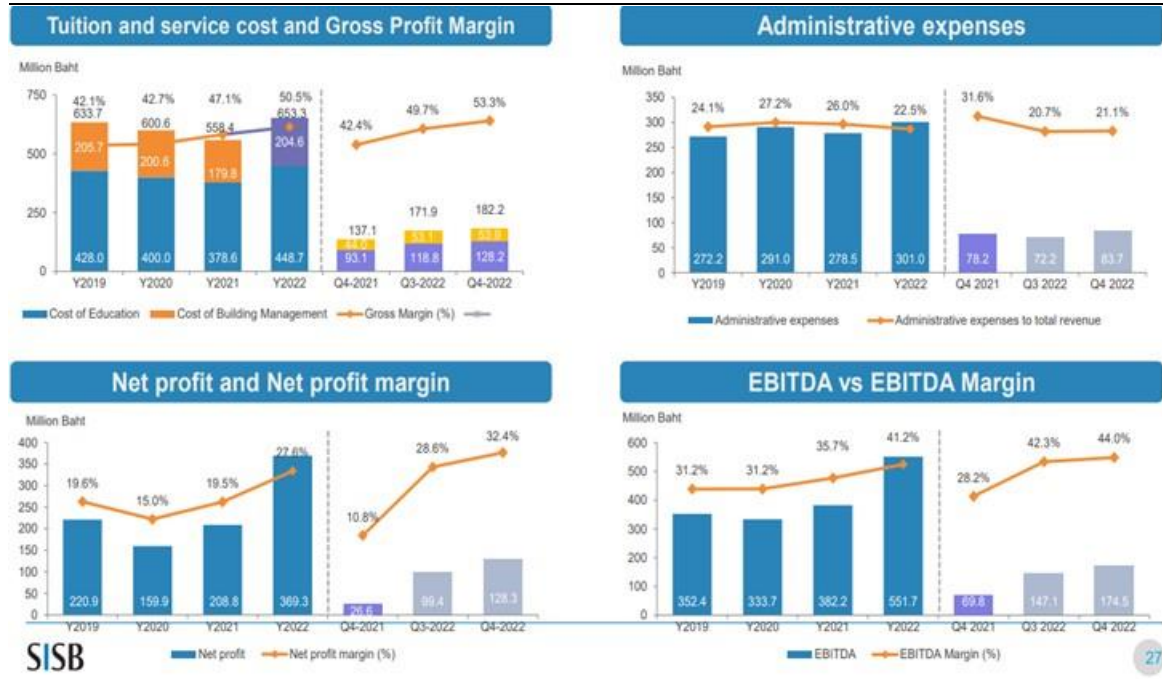
Source: Company data

Figure 6: SISB student number by nationality



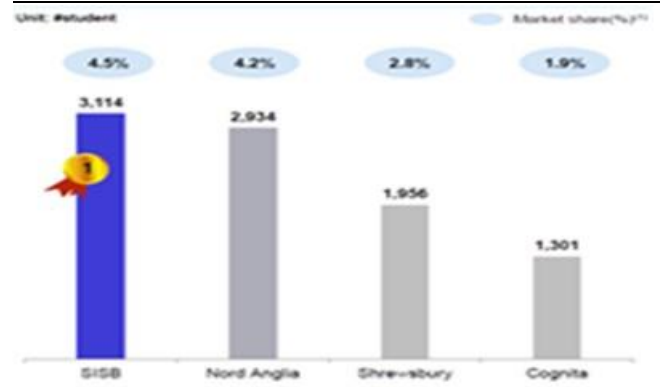
Source: Company data

Figure 7: Efficient school operations



Source: Company data

Figure 8: Leading international school network in Thailand



Source: Company data

Figure 9: Number of students by level of education

Levels of Education	As of 31 December 2020		As of 31 December 2021		As of 31 December 2022	
	Number	%	Number	%	Number	%
Nursery-Kindergarten	891	33.78	604	24.82	893	28.68
Primary	1,342	50.87	1,331	54.68	1,630	52.34
Grade 7 - 10	335	12.70	393	16.15	492	15.80
Grade 11 - 12	70	2.65	106	4.35	99	3.18
<b>Total</b>	<b>2,638</b>	<b>100.00</b>	<b>2,434</b>	<b>100.00</b>	<b>3,114</b>	<b>100.00</b>

Source: Company data

Figure 10: Number of students by nationality

Nationalities	As of 31 December 2020		As of 31 December 2021		As of 31 December 2022	
	Number of Students	%	Number of Students	%	Number of Students	%
Thai	2,191	83.06	2,065	84.84	2,501	80.31
Foreign	447	16.94	369	15.16	613	19.69
<b>Total</b>	<b>2,638</b>	<b>100.00</b>	<b>2,434</b>	<b>100.00</b>	<b>3,114</b>	<b>100.00</b>

Source: Company data



**Figure 11: 5<sup>th</sup> international school in Nonthaburi Province (NR) on 18.5 rai**



Source: Company data

**Figure 12: 6<sup>th</sup> international school in Nonthaburi Province (NR) on 18.5 rai**



Source: Company data

**Figure 13: ESG implementation**

<p><b>Environmental</b></p> <ul style="list-style-type: none"> <li>• Encourage environmental awareness among students, parent, teachers and staffs</li> <li>• Improve building facility design and equipment for optimum utility consumption, good air quality, more neutral lighting, noise reduction and safety usage.</li> <li>• Track and measure greenhouse gas emission</li> </ul>
<p><b>Social</b></p> <ul style="list-style-type: none"> <li>• Provide quality education and related services to nurture students to be a global citizen</li> <li>• Hire teaching staffs from global source with international standard employment contract</li> <li>• Develop human capital by professional development day and scholarship for staffs and students</li> <li>• Grant support to surrounded school community such as donation, sport event and language program</li> </ul>
<p><b>Governance</b></p> <ul style="list-style-type: none"> <li>• Strick to good corporate governance best practices</li> <li>• Be Transparency and independence of financial reporting practices</li> <li>• Oversight employees to follow company business ethics</li> <li>• Endorse and enhance Personal data protection police</li> </ul>

Source: Company data

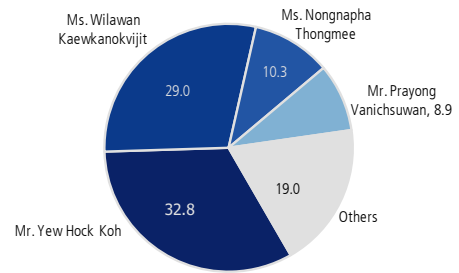
**Figure 14: Company profile**

SISB was incorporated on June 26, 2001, with initial registered capital of Bt8mn. The key objective of the company is not to maximise profit but to promote education development and to raise standards of education in Thailand to meet international standards. The company established Singapore International School of Bangkok to meet the growing demand from both Thai and international families for an international curriculum based on socio-cultural diversity. Licensed as formal education by the Office of the Private Education Commission on August 24, 2001, the school is the first in Thailand to adopt the Singapore curriculum. Pre-primary and primary education was first introduced at 154 Ekkamai 14, North Klongton Sub-District, Wattana District.

Source: Company data

**Figure 15: Shareholding structure**

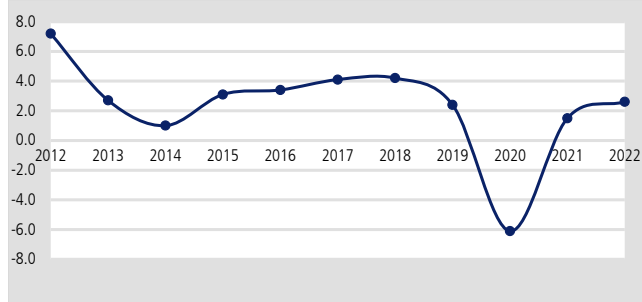
Percent



Source: Company data, KGI Securities Research

**Figure 16: Thailand's GDP growth during 2012-2022**

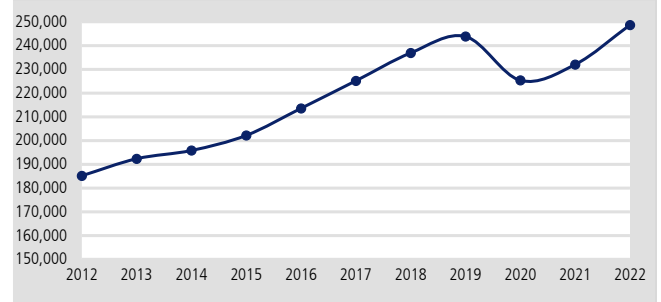
Percent



Source: NESDB, KGI Securities Research

**Figure 17: Thailand's per capita income during 2012-2022**

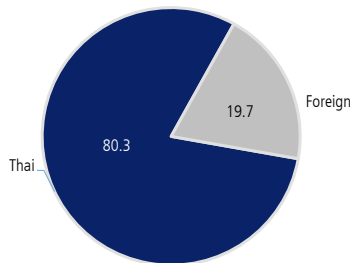
Bt/year



Source: NESDB, KGI Securities Research

**Figure 18: Breakdown of students by nationality in 2022**

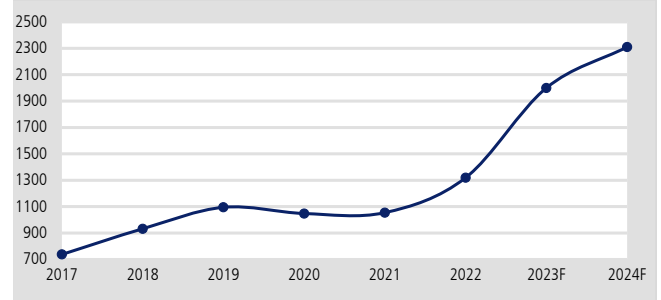
Percent



Source: Company data, KGI Securities Research

**Figure 19: Core revenue during 2017-2022 and 2023-2024F**

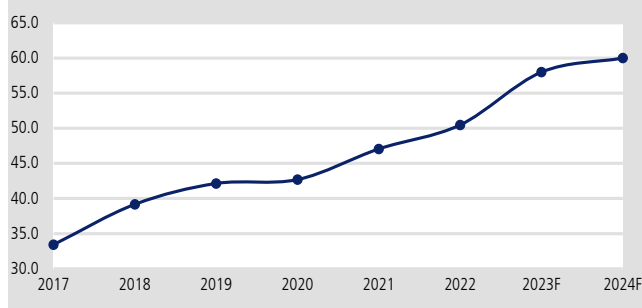
Bt mn



Source: Company data, KGI Securities Research

**Figure 20: Gross margin during 2017-2022 and 2023-2024F**

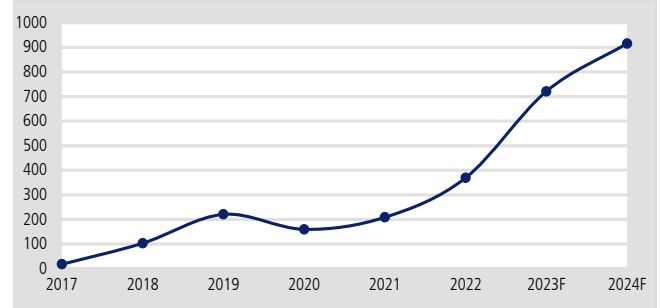
Percent



Source: Company data, KGI Securities Research

**Figure 21: Net profit during 2017-2022 and 2023-2024F**

Bt mn



Source: Company data, KGI Securities Research

**Quarterly Income Statement**

	Mar-20A	Jun-20A	Sep-20A	Dec-20A	Mar-21A	Jun-21A	Sep-21A	Dec-21A	Mar-22A	Jun-22A	Sep-22A	Dec-22A	Mar-23A
<b>Income Statement (Bt mn)</b>													
<b>Revenue</b>	277	221	262	288	292	269	255	238	285	303	342	390	426
Cost of hospital and services	(151)	(134)	(161)	(155)	(148)	(133)	(140)	(137)	(145)	(155)	(172)	(182)	(189)
<b>Gross Profit</b>	126	87	101	133	144	136	115	101	140	148	170	208	237
<b>Operating Expenses</b>	(69)	(60)	(58)	(74)	(73)	(66)	(62)	(78)	(75)	(70)	(79)	(77)	(87)
Other incomes	11	(2)	5	15	5	2	(1)	10	5	6	9	11	15
<b>Operating Profit</b>	67	25	48	75	77	72	53	33	69	85	100	142	166
<b>Non-Operating Income</b>	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest Income	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Non-op Income	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Non-Operating Expenses</b>	(8)	(7)	(5)	(7)	(7)	(6)	(6)	(6)	(6)	(6)	(6)	(6)	(6)
Interest Expense	(8)	(7)	(5)	(7)	(7)	(6)	(6)	(6)	(6)	(6)	(6)	(6)	(6)
Other Non-op Expenses	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Investment Income/(Loss)	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Pre-tax Profit</b>	59	18	43	68	71	65	46	27	63	78	93	135	159
Current taxation	(1)	1	(0)	0	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
Minorities	-	-	-	-	-	-	-	-	-	-	-	-	-
Extraordinary items	-	(15)	(14)	(0)	-	-	(4)	4	-	-	7	(7)	-
<b>Net Profit</b>	59	4	29	68	71	65	42	31	63	78	99	128	159
EPS (Bt)	0.1	0.0	0.0	0.1	0.1	0.1	0.0	0.0	0.1	0.1	0.1	0.1	0.2
<b>Margins (%)</b>													
Gross profit margin	45.5	39.5	38.6	46.2	49.4	50.5	45.1	42.4	49.2	48.9	49.7	53.3	55.7
Operating margin	24.4	11.3	18.4	26.0	26.4	26.7	20.6	13.7	24.4	28.0	29.2	36.3	38.9
Net profit margin	21.3	1.9	11.0	23.6	24.2	24.3	16.5	12.8	22.2	25.9	29.1	32.9	37.3
<b>Growth (%)</b>													
Revenue growth	6.0	(16.0)	(6.9)	(0.5)	5.6	21.6	(2.5)	(17.3)	(2.6)	12.6	33.8	63.8	49.6
Operating growth	55.4	(53.7)	(21.7)	11.4	14.5	187.6	9.2	(56.2)	(10.0)	17.8	89.8	332.2	138.4
Net profit growth	38.6	(91.8)	(52.4)	3.2	20.0	1,435.4	46.5	(55.1)	(10.5)	19.6	136.2	319.6	151.6

Source: KGI Securities Research

**Balance Sheet**

As of 31 Dec (Bt mn)	2020	2021	2022	2023F	2024F
<b>Total Assets</b>	3,166	3,334	3,914	4,047	4,235
<b>Current Assets</b>	1,098	863	926	1,007	1,141
Cash & ST Investments	1,008	764	810	837	946
Inventories	7	8	7	9	10
Accounts Receivable	77	78	93	137	158
Others	6	12	15	23	27
<b>Non-current Assets</b>	2,068	2,471	2,989	3,040	3,093
LT Investments	54	55	60	60	60
Net fixed Assets	1,904	2,353	2,832	2,882	2,932
Others	110	63	96	98	101
<b>Total Liabilities</b>	1,289	1,319	1,625	1,124	1,124
<b>Current Liabilities</b>	626	635	859	818	837
Accounts Payable	77	84	149	115	127
ST Borrowings	10	12	15	1	1
Others	539	539	696	703	710
<b>Long-term Liabilities</b>	663	684	766	519	519
Long-term Debts	0	0	0	0	0
Others	663	684	766	519	519
<b>Shareholders' Equity</b>	1,877	2,014	2,290	2,755	3,262
Common Stock	470	470	470	470	470
Capital Surplus	1,128	1,128	1,128	1,128	1,128
Retained Earnings	279	416	692	1,157	1,664
Preferred Stock	0	0	0	0	0

Source: KGI Securities Research

**Key Ratios**

Year to 31 Dec	2020	2021	2022	2023F	2024F
<b>Growth (% YoY)</b>					
Sales	(4.3)	0.6	25.1	51.6	15.5
EBIT	(17.3)	39.2	67.5	94.5	26.9
EBITDA	(1.0)	18.2	42.2	67.7	22.0
NP	(27.6)	30.5	76.9	95.2	27.0
EPS	(27.6)	30.5	76.9	95.2	27.0
<b>Profitability (%)</b>					
Gross Margin	42.7	47.1	50.5	58.0	60.0
Operating Margin	14.9	20.7	27.7	35.5	39.0
EBITDA Margin	29.8	35.0	39.8	44.1	46.6
Net Profit Margin	15.2	19.7	27.6	35.8	39.4
ROAA	5.5	6.4	10.2	18.1	22.1
ROAE	8.6	10.7	16.9	28.4	30.3
<b>Stability</b>					
Gross Debt/Equity (%)	0.5	0.6	0.6	0.0	0.0
Net Debt/Equity (%)	Cash	Cash	Cash	Cash	Cash
Interest Coverage (X)	6.0	8.5	14.4	28.1	35.6
Interest & ST Debt Coverage (X)	6.1	8.6	14.5	28.2	35.7
Cash Flow Interest Coverage (X)	6.0	8.5	14.4	28.1	35.6
Cash Flow/Interest & ST Debt (X)	6.3	8.8	14.7	28.4	35.9
Current Ratio (X)	1.2	1.2	1.2	1.2	1.2
Quick Ratio (X)	1.2	1.2	1.2	1.2	1.2
Net Debt (Bt mn)	(502)	(233)	(351)	(392)	(392)
<b>Per Share Data (Bt)</b>					
EPS	0.2	0.2	0.4	0.8	1.0
CFPS	6.5	6.5	6.5	6.5	6.5
BVPS	2.0	2.1	2.4	2.9	3.5
SPS	30.0	30.0	30.0	30.0	30.0
EBITDA/Share	0.2	0.2	0.2	0.2	0.2
DPS	0.1	0.1	0.2	0.4	0.5
<b>Activity</b>					
Asset Turnover (x)	0.4	0.3	0.4	0.5	0.6
Days Receivables (days)	26.7	27.1	25.9	25.0	25.0
Days Inventory (days)	4.2	5.2	4.1	4.0	4.0
Days Payable (days)	46.5	55.1	83.0	50.0	50.0
Cash Cycle (days)	(15.7)	(22.8)	(53.1)	(21.0)	(21.0)

Source: KGI Securities Research

**Profit & Loss**

Year to 31 Dec (Bt mn)	2020	2021	2022	2023F	2024F
<b>Sales</b>	1,048	1,055	1,319	2,000	2,310
Cost of operations	601	558	653	840	924
<b>Gross Profit</b>	447	496	666	1,160	1,386
Operating Expenses	291	279	301	450	485
<b>Operating Profit</b>	157	218	365	710	901
Net Interest	(26)	(26)	(25)	(25)	(25)
Interest Income	-	-	-	-	-
Interest Expense	26	26	25	25	25
Net Investment Income/(Loss)	1	1	5	5	5
Net other Non-op. Income/(Loss)	28	20	25	38	44
Net Extraordinaries	-	-	-	-	-
Pretax Income	159	213	370	728	925
Income Taxes	(1)	0	1	7	9
<b>Net Profit</b>	160	209	369	721	916
EBITDA	313	370	526	882	1,075
<b>EPS (Bt)</b>	0.17	0.22	0.39	0.77	0.97

Source: KGI Securities Research

**Cash Flow**

Year to 31 Dec (Bt mn)	2020	2021	2022	2023F	2024F
<b>Operating Cash Flow</b>	356	386	734	813	1,083
Net Profit	160	209	369	721	916
Depreciation & Amortization	156	152	161	172	175
Change in Working Capital	40	25	204	(80)	(7)
Others	0	0	0	0	0
<b>Investment Cash Flow</b>	30	(591)	(524)	(471)	(228)
Net CAPEX	(289)	(573)	(640)	(222)	(225)
Change in LT Investment	0	0	67	0	0
Change in Other Assets	319	(18)	49	(249)	(3)
<b>Free Cash Flow</b>	386	(205)	210	342	855
<b>Financing Cash Flow</b>	251	(267)	87	45	(108)
Change in Share Capital	0	0	0	0	0
Net Change in Debt	378	(162)	235	327	327
Change in Other LT Liab.	(127)	(104)	(148)	(282)	(435)
<b>Net Cash Flow</b>	637	(472)	297	387	747

Source: KGI Securities Research

**Rates of Return on Invested Capital**

Year	1- Revenue	+ COGS Revenue	+ Depreciation Revenue	+ Operating Exp. Revenue	= Operating Margin	
2020	57.3%	14.9%	27.8%		0.0%	
2021	52.9%	14.4%	26.4%		6.3%	
2022	49.5%	12.2%	22.8%		15.5%	
2023F	42.0%	12.1%	22.5%		23.4%	
2024F	40.0%	7.6%	21.0%		31.4%	
Year	1/ Revenue	+ Working Capital Revenue	+ Net PPE Revenue	+ Other Assets Revenue	= Capital Turnover	
2020	0.7	0.1	0.0		1.2	
2021	0.8	0.1	0.0		1.1	
2022	1.0	0.1	0.0		0.9	
2023F	0.9	0.1	0.0		1.0	
2024F	0.8	0.1	0.0		1.1	
Year	Operating Margin	x	Capital Turnover	x	Cash Tax Rate	= After-tax Return on Inv. Capital
2020	0.0%		1.2		100%	0.1%
2021	6.3%		1.1		100%	6.6%
2022	15.5%		0.9		100%	14.6%
2023F	23.4%		1.0		59%	14.0%
2024F	31.4%		1.1		99%	32.9%

Source: KGI Securities Research



SISB – 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	KASIKORNBANK	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	THAICOM
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	SRIAWAD 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	SINDO-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	KASIKORN BANK	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	SEAFICO	SEAFICO
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
BCPG	BCPG	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.

**KGI Locations**

<b>China</b>	Shanghai	Room 1507, Park Place, 1601 Nanjing West Road, Jingan District, Shanghai, PRC 200040
	Shenzhen	Room 24D1, 24/F, A Unit, Zhen Ye Building, 2014 Bao'annan Road, Shenzhen, PRC 518008
<b>Taiwan</b>	Taipei	700 Mingshui Road, Taipei, Taiwan Telephone 886.2.2181.8888 · Facsimile 886.2.8501.1691
<b>Hong Kong</b>		41/F Central Plaza, 18 Harbour Road, Wanchai, Hong Kong Telephone 852.2878.6888 Facsimile 852.2878.6800
<b>Thailand</b>	Bangkok	8th - 11th floors, Asia Centre Building 173 South Sathorn Road, Bangkok 10120, Thailand Telephone 66.2658.8888 Facsimile 66.2658.8014
<b>Singapore</b>		4 Shenton Way #13-01 SGX Centre 2 Singapore 068807 Telephone 65.6202.1188 Facsimile 65.6534.4826

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<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.  Excess return = 12M target price/current price-
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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