

# SISB

(SISB.BK/SISB TB)

## Outperform • Maintained

Price as of 15 Dec 2023	34.75
12M target price (Bt/shr)	41.00
Unchanged/Revised up (down)(%)	(2.4)
Upside/downside (%)	18.0

### Key messages

หลังจากที่ผ่านไตรมาสที่แย่ที่สุดในรอบปีมาแล้วใน 3Q66 จากการที่รายได้และต้นทุนไม่สอดคล้องกัน เราคาดว่าผลการดำเนินงานของ SISB จะออกมาประทับใจ โดยทำสถิติสูงสุดใหม่ใน 4Q66F ทั้งนี้ เราประเมินในเบื้องต้นว่ากำไรสุทธิใน 4Q66F จะทำได้อย่างน้อย 180 ล้านบาท ซึ่งจะเป็กำไรไตรมาสถัดสูงสุดของบริษัท อย่างไรก็ตาม เราปรับลดประมาณการกำไรสุทธิปีนี้ลงเหลือ 624 ล้านบาท และปี 2567F เหลือ 833 ล้านบาท (จากเดิมที่ 721 ล้านบาท และ 916 ล้านบาทตามลำดับ) เรายังคงคำแนะนำซื้อ SISB โดยประเมินราคาเป้าหมาย DCF ปี 2567 ที่ 41.00 บาท (ใช้ WACC ที่ 9%, TG ที่ 4%) จากเดิมที่ 42.00 บาท (อิงจากราคาเป้าหมายกลางปี 2567)

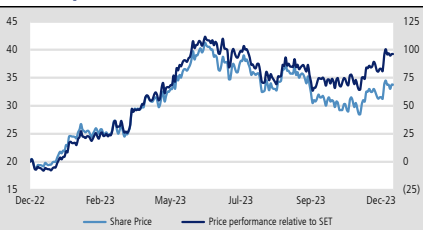
### Trading data

Mkt cap (Btbn/US\$m)	32.7/937.3		
Outstanding shares (mn)	940		
Foreign ownership (mn)	319		
3M avg. daily trading (mn)	3		
52-week trading range (Bt)	18.8-41.3		
Performance (%)	3M	6M	12M
Absolute	(2.8)	(14.2)	71.2
Relative	7.8	(3.8)	99.3

### Quarterly EPS

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

### Share price chart



Source: SET

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## ยังอยู่ในช่วงเติบโต

### Event

แนวโน้มธุรกิจปี 4Q66 และปี 2567 พร้อมทั้งปรับประมาณการกำไรและราคาเป้าหมาย

### Impact

#### คาดว่ากำไรใน 4Q66F จะทำสถิติสูงสุดใหม่

หลังจากที่ผ่านไตรมาสที่แย่ที่สุดในรอบปีมาแล้วใน 3Q66 โดยมีกำไรสุทธิ 129 ล้านบาท (+29.3% YoY, -17.3% QoQ) เป็นผลกระทบจากรายได้และต้นทุนที่ไม่สอดคล้องกัน ขณะที่เราคาดว่าผลการดำเนินงานของ SISB จะออกมาประทับใจโดยทำสถิติสูงสุดใหม่ใน 4Q66F ทั้งนี้ เราประเมินในเบื้องต้นว่ากำไรสุทธิใน 4Q66F จะทำได้อย่างน้อย 180 ล้านบาท (+40.2% YoY, +40% QoQ) ซึ่งจะเป็กำไรไตรมาสถัดสูงสุดของบริษัท ถึงแม้ว่า SISB จะรับต้นทุนจากสองแคมป์สใหม่ (นนทบุรี และระยอง) สูงเกินคาดใน 3Q66 แต่แนวโน้มผลการดำเนินงานโดยรวมน่าจะพลิกเป็นบวกใน 4Q66F โดยปัจจัยกระตุ้นที่สำคัญได้แก่ i) กลับมาบันทึกรายได้และต้นทุนตามปกติ ii) จำนวนนักเรียนเพิ่มขึ้นอย่างต่อเนื่อง (ประมาณ 4,190 คนเมื่อสิ้นงวด 4Q66F จาก 4,125 คนเมื่อสิ้นงวด 3Q66) iii) รับรู้รายได้จากการขึ้นค่าเทอมเต็มไตรมาส และ iii) ค่าใช้จ่าย SG&A อยู่ในระดับที่บริหารจัดการได้

#### ปรับลดประมาณการกำไรปี 2566F ลง 13.5% และปี 2567F ลง 9.0%

เราปรับลดประมาณการกำไรจากคาดการณ์เดิม เพื่อสะท้อนถึงแนวโน้มกำไรของบริษัทหลังจากที่เปิดโรงเรียนใหม่เพิ่มอีกสองแห่ง เราใช้สมมติฐานจำนวนนักเรียนของ SISB ปี 2566F ที่ 4,190 คน และ ปี 2567F ที่ 4,600 คน (จากเดิม 4,000 คน และ 4,400 คนตามลำดับ) อย่างไรก็ตาม เราคาดว่าต้นทุนและค่าใช้จ่ายของบริษัทจะเพิ่มขึ้นจากจำนวนนักเรียนที่เพิ่มขึ้น โดยสมมติฐานสำคัญที่เปลี่ยนไปมีดังนี้ i) จำนวนนักเรียนเพิ่มขึ้น ii) อัตรากำไรขั้นต้นต่ำกว่าที่คาด และ iii) ต้นทุนและ SG&A สูงกว่าคาดการณ์เดิมของเรา ทั้งนี้ เราปรับลดคาดการณ์กำไรสุทธิปีนี้เป็น 624 ล้านบาท และปี 2567F จะอยู่ที่ 833 ล้านบาท (จากเดิมที่ 721 ล้านบาท และ 916 ล้านบาท ตามลำดับ)

### Valuation & action

ในระยะต่อไป เราคาดว่าทั้งธุรกิจและกำไรของ SISB จะเติบโตอย่างต่อเนื่องในอีกสองสามปีข้างหน้า โดยสาเหตุสำคัญจะมาจากจำนวนนักเรียนที่เพิ่มขึ้น เรายังคงคำแนะนำซื้อ SISB โดยประเมินราคาเป้าหมาย DCF ปี 2567 ที่ 41.00 บาท (ใช้ WACC ที่ 9%, TG ที่ 4%) จากเดิมที่ 42.00 บาท (อิงจากราคาเป้าหมายกลางปี 2567)

### Risks

COVID-19 ระบาด, เศรษฐกิจฟื้นตัวช้ากว่าที่คาดไว้ และ ความขัดแย้งทางการเมือง

### Key financials and valuations

	Dec-20A	Dec-21A	Dec-22A	Dec-23F	Dec-24F
Revenue (Bt mn)	1,048	1,055	1,319	1,917	2,399
Gross profit (Bt mn)	447	496	666	1,016	1,320
Pretax profit (Bt mn)	159	208	365	625	836
Net profit (Bt mn)	160	209	369	624	833
EPS (Bt)	0.17	0.22	0.39	0.66	0.89
DPS (Bt)	0.08	0.10	0.16	0.33	0.44
EPS growth (%)	(27.6)	30.5	76.9	68.9	33.6
P/E (x)	52.3	42.3	88.5	52.4	39.2
P/B (x)	4.5	4.4	14.3	12.2	10.4
EV/EBITDA (x)	25.2	23.3	61.5	25.5	23.7
Net Debt to Equity (%)	Cash	Cash	Cash	Cash	Cash
Dividend Yield (%)	0.2	0.3	0.5	1.0	1.3
Return on Avg. Equity (%)	8.6	10.7	16.9	24.9	28.4

Source: Company data, KGI Securities Research

**Figure 1: SISB's 3Q23 earnings performance**

Bt mn	3Q23	3Q22	YoY (%)	2Q23	QoQ (%)	9M23	9M22	YoY (%)
Revenue from tuition fees, service and education equipment	478	342	39.8	423	12.8	1,327	929	42.8
Cost of tuition fees, service and education equipment	(266)	(172)	54.8	(182)	46.3	(637)	(471)	35.2
Gross profit	211	170	24.6	241	(12.4)	690	458	50.7
SG&A	(99)	(79)	25.4	(92)	6.8	(278)	(224)	24.3
Pretax profit	129	93	37.9	156	(17.4)	443	235	88.8
Normalized profit	129	93	38.4	155	(17.3)	443	234	89.0
Net profit	129	99	29.3	155	(17.3)	443	241	83.9
EPS (Bt)	0.14	0.11	29.3	0.17	(17.3)	0.47	0.26	83.9
Percent	3Q23	3Q22	YoY (ppts)	2Q23	QoQ (ppts)	9M23	9M22	YoY (ppts)
Gross margin	44.3	49.7	(5.4)	57.0	(12.7)	52.0	49.3	2.7
EBIT margin	28.3	29.2	(0.9)	38.3	(10.0)	34.9	27.3	7.6
SG&A/Sales	20.7	23.1	(2.4)	21.8	(1.2)	21.0	24.1	(3.1)
Effective tax rate	0.1	0.5	(0.4)	0.2	(0.1)	0.1	0.2	(0.1)
Net margin	26.9	29.1	(2.2)	36.7	(9.8)	33.4	25.9	7.5
Assumption	3Q23	3Q22	YoY (%)	2Q23	QoQ (%)			
Student numbers (students)	4,125	3,044	35.5	3,394	21.5			
Average fee per quarter (Bt mn/student)	0.12	0.11	3.2	0.12	(7.2)			

Source: Company data, KGI Securities Research

**Figure 2: Earnings revision**

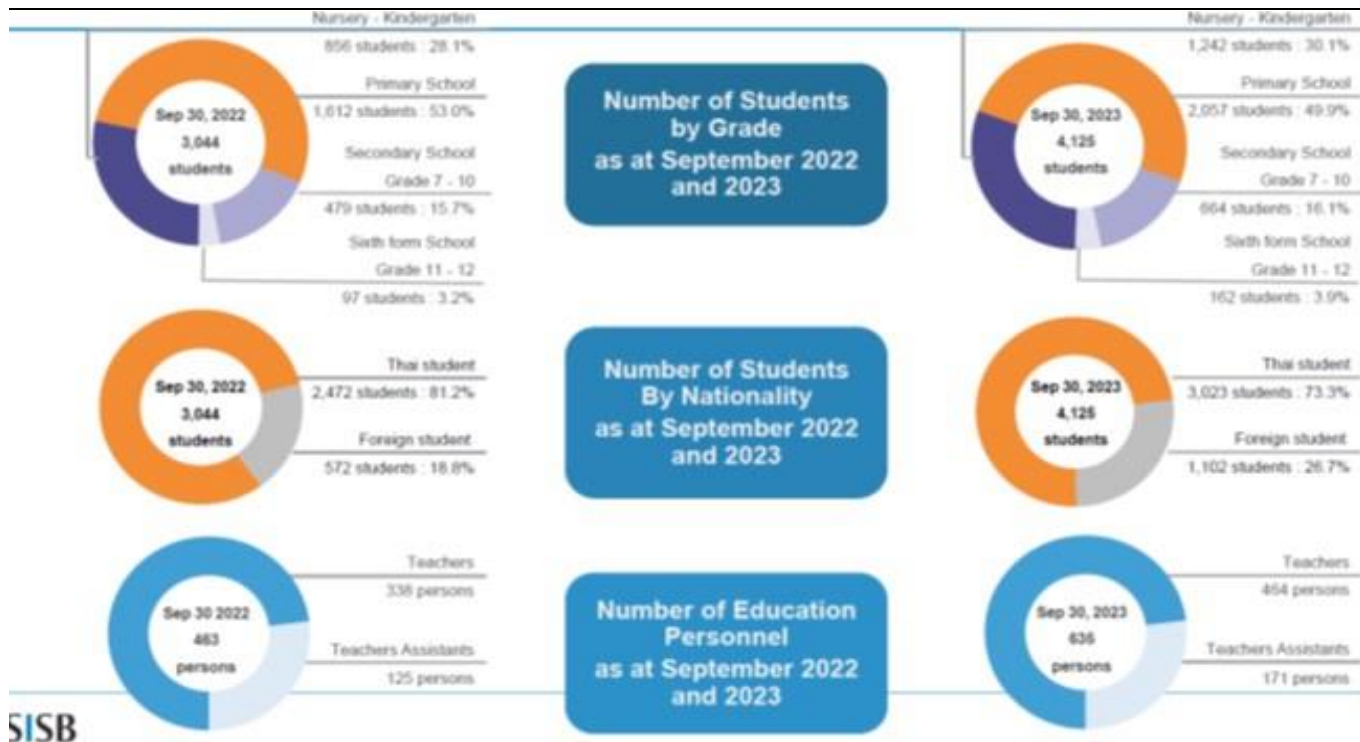
	2023F		Change (%)	2024F		Change (%)
	Revised	Previous		Revised	Previous	
Revenue (Bt mn)	1,917	2,000	(4.1)	2,399	2,310	3.9
Gross profit (Bt mn)	1,016	1,160	(12.4)	1,320	1,386	(4.8)
Depreciation (Bt mn)	179	172	4.4	197	175	12.9
Normalized profit (Bt mn)	624	721	(13.5)	833	916	(9.0)
Net profit (Bt mn)	624	721	(13.5)	833	916	(9.0)
EPS (Bt/share)	0.7	0.8	(13.5)	0.9	1.0	(9.0)
Number of students (students)	4,190	4,000	4.8	4,600	4,400	4.5
Key financial ratios	Revised	Previous	Change	Revised	Previous	Change
Gross profit margin (%)	53.0	58.0	(5.0)	55.0	60.0	(5.0)
SG&A to sales (%)	22.5	22.5	0.0	21.0	21.0	0.0
Net profit margin (%)	32.3	35.8	(3.5)	34.5	39.4	(4.9)

Source: Company data, KGI Securities Research

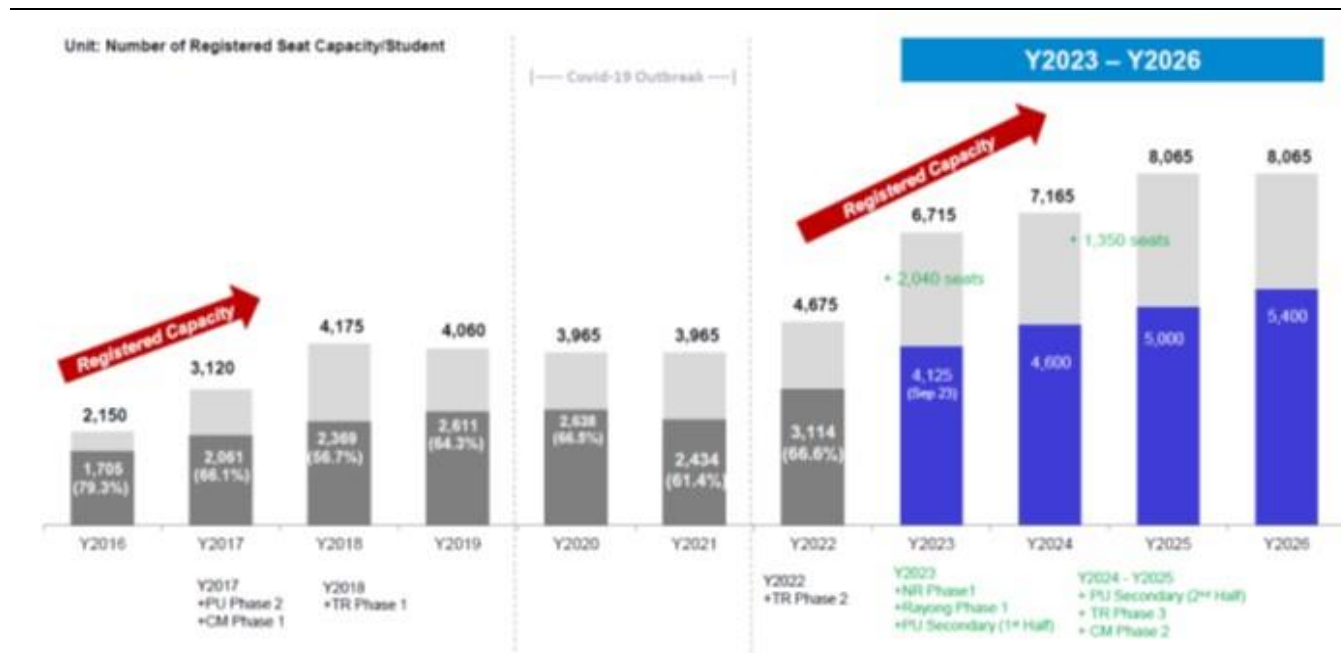
**Figure 3: Key assumptions**

	2019	2020	2021	2022	2023F	2024F
Revenues (Bt mn)	1,095	1,048	1,055	1,319	1,917	2,399
Number of students at year-end (people)	2,611	2,638	2,434	3,114	4,190	4,600
Additional students (people)	242	27	(204)	680	1,076	410
Average fee (Bt/head/year)	419,465	397,320	433,385	423,654	457,546	521,603
Capacity (seats)	4,060	3,965	3,965	4,675	6,715	7,165
Utilization rate (%)	64.3	66.5	61.4	66.6	62.4	64.2
Gross margin (%)	42.1	42.7	47.1	50.5	53.0	55.0
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	32.3	34.5

Source: Company data, KGI Securities Research

**Figure 4: Number of students and education personnel**


Source: Company data

**Figure 5: Registered seat capacity expansion & student number projection**


Source: Company data

**Figure 6: 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 7: 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>

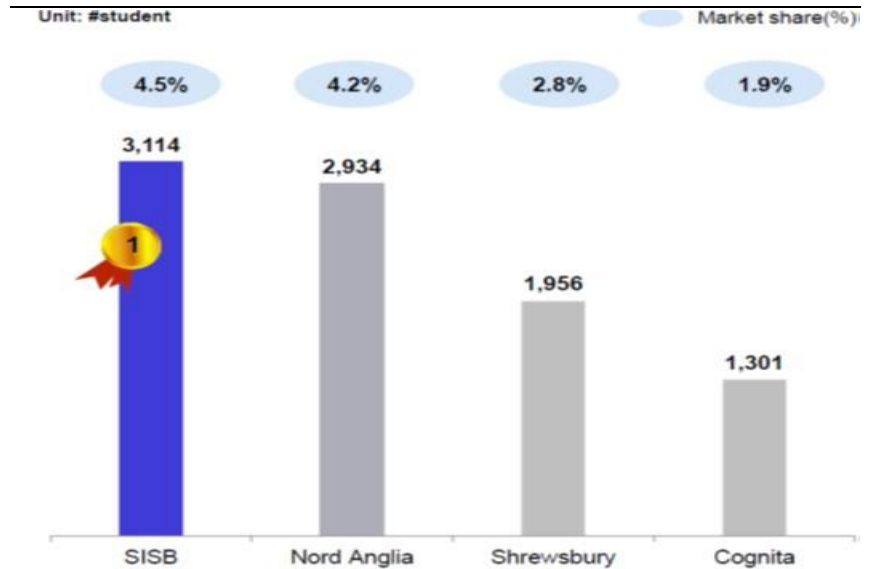
Source: Company data

**Figure 8: International benchmarking academic results in 2023**



Source: Company data

**Figure 9: Top international school by number of students**



Source: Company data

Figure 10: New demands upcountry/suburb areas



Source: Company data

Figure 11: 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>

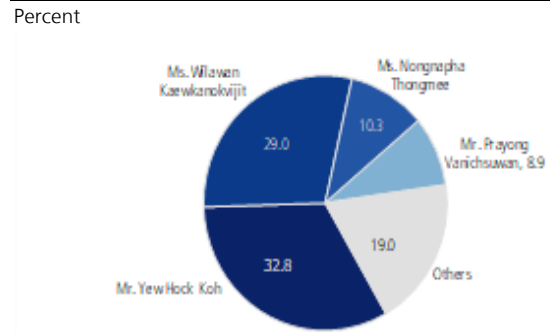
Source: Company data

**Figure 12: Company profile**

SISB was incorporated on June 26, 2001, with initial registered capital of Bt8mn. The key objective 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.

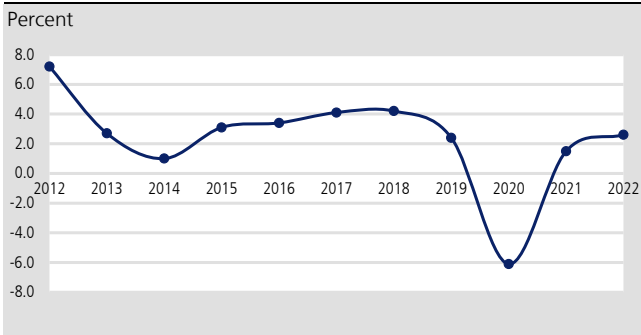
Source: Company data, KGI Securities Research

**Figure 13: Shareholding structure**



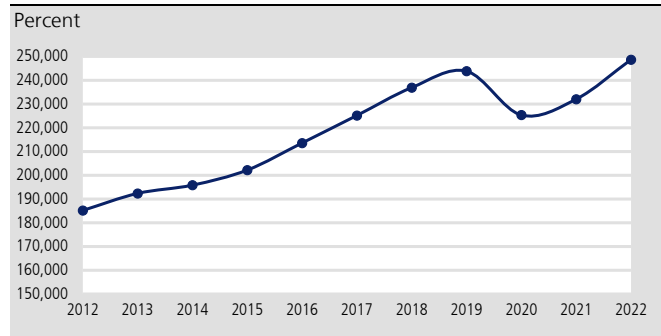
Source: Company data, KGI Securities Research

**Figure 14: Thailand's GDP growth**



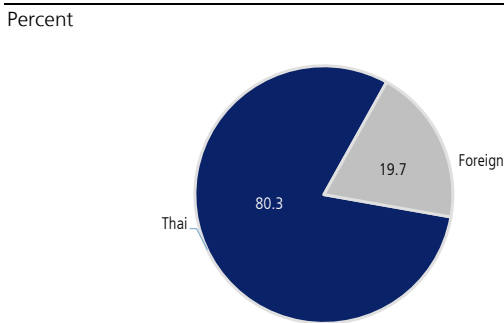
Source: NESDB, KGI Research

**Figure 15: Thailand's per capita income**



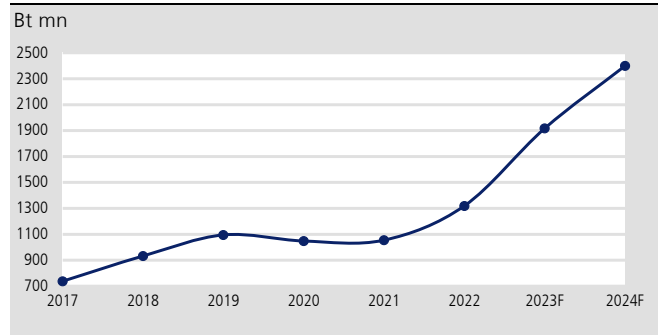
Source: Company data, KGI Securities Research

**Figure 16: Breakdown of students by nationality in 2022**



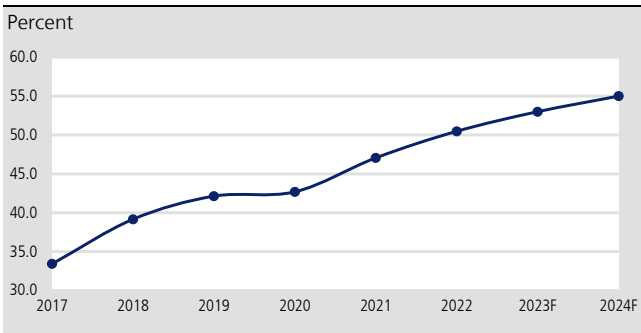
Source: Company data, KGI Securities Research

**Figure 17: Core revenue**



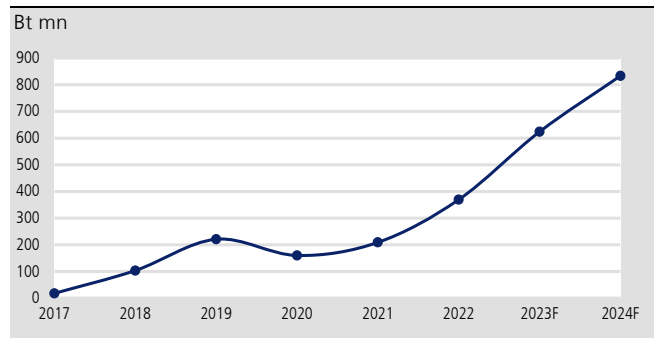
Source: Company data, KGI Securities Research

**Figure 18: Gross margin**



Source: Company data, KGI Securities Research

**Figure 19: Net profit**



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	Jun-23A	Sep-23A
<b>Income Statement (Bt mn)</b>															
Revenue	277	221	262	288	292	269	255	238	285	303	342	390	426	423	478
Cost of hospital and services	(151)	(134)	(161)	(155)	(148)	(133)	(140)	(137)	(145)	(155)	(172)	(182)	(189)	(182)	(266)
<b>Gross Profit</b>	<b>126</b>	<b>87</b>	<b>101</b>	<b>133</b>	<b>144</b>	<b>136</b>	<b>115</b>	<b>101</b>	<b>140</b>	<b>148</b>	<b>170</b>	<b>208</b>	<b>237</b>	<b>241</b>	<b>211</b>
Operating Expenses	(69)	(60)	(58)	(74)	(73)	(66)	(62)	(78)	(75)	(70)	(79)	(77)	(87)	(92)	(99)
Other incomes	11	(2)	5	15	5	2	(1)	10	5	6	9	11	15	13	23
<b>Operating Profit</b>	<b>67</b>	<b>25</b>	<b>48</b>	<b>75</b>	<b>77</b>	<b>72</b>	<b>53</b>	<b>33</b>	<b>69</b>	<b>85</b>	<b>100</b>	<b>142</b>	<b>166</b>	<b>162</b>	<b>135</b>
<b>Non-Operating Income</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest Income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Non-op Income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Non-Operating Expenses</b>	<b>(8)</b>	<b>(7)</b>	<b>(5)</b>	<b>(7)</b>	<b>(7)</b>	<b>(6)</b>	<b>(6)</b>	<b>(6)</b>	<b>(6)</b>	<b>(6)</b>	<b>(6)</b>	<b>(6)</b>	<b>(6)</b>	<b>(7)</b>	<b>(7)</b>
Interest Expense	(8)	(7)	(5)	(7)	(7)	(6)	(6)	(6)	(6)	(6)	(6)	(6)	(6)	(7)	(7)
Other Non-op Expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Investment Income/(Loss)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Pre-tax Profit</b>	<b>59</b>	<b>18</b>	<b>43</b>	<b>68</b>	<b>71</b>	<b>65</b>	<b>46</b>	<b>27</b>	<b>63</b>	<b>78</b>	<b>93</b>	<b>135</b>	<b>159</b>	<b>156</b>	<b>129</b>
Current taxation	(1)	1	(0)	0	(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>	<b>59</b>	<b>4</b>	<b>29</b>	<b>68</b>	<b>71</b>	<b>65</b>	<b>42</b>	<b>31</b>	<b>63</b>	<b>78</b>	<b>99</b>	<b>128</b>	<b>159</b>	<b>155</b>	<b>129</b>
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	0.2	0.1
<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	57.0	44.3
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	38.3	28.3
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	36.7	26.9
<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	39.7	39.8
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	91.5	35.6
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	98.5	29.3

Source: Company data, 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	4,292	4,751
<b>Current Assets</b>	1,098	863	926	1,002	1,158
Cash & ST Investments	1,008	764	810	838	954
Inventories	7	8	7	10	12
Accounts Receivable	77	78	93	131	164
Others	6	12	15	23	28
<b>Non-current Assets</b>	2,068	2,471	2,989	3,290	3,593
LT Investments	54	55	60	60	60
Net fixed Assets	1,904	2,353	2,832	3,132	3,432
Others	110	63	96	98	101
<b>Total Liabilities</b>	1,289	1,319	1,625	1,610	1,600
<b>Current Liabilities</b>	626	635	859	1,083	1,077
Accounts Payable	77	84	149	123	148
ST Borrowings	10	12	15	1	1
Others	539	539	696	959	928
<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	2,682	3,151
Common Stock	470	470	470	470	470
Capital Surplus	1,128	1,128	1,128	1,128	1,128
Retained Earnings	279	416	692	1,084	1,553
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	45.3	25.2
EBIT	(17.3)	39.2	67.5	68.1	33.0
EBITDA	(1.0)	18.2	42.2	50.8	27.8
NP	(27.6)	30.5	76.9	68.9	33.6
EPS	(27.6)	30.5	76.9	68.9	33.6
<b>Profitability (%)</b>					
Gross Margin	42.7	47.1	50.5	53.0	55.0
Operating Margin	14.9	20.7	27.7	32.0	34.0
EBITDA Margin	29.8	35.0	39.8	41.4	42.2
Net Profit Margin	15.2	19.7	27.6	32.3	34.5
ROAA	5.5	6.4	10.2	15.2	18.4
ROAE	8.6	10.7	16.9	24.9	28.4
<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	24.3	32.3
Interest & ST Debt Coverage (X)	6.1	8.6	14.5	24.4	32.4
Cash Flow Interest Coverage (X)	6.0	8.5	14.4	24.3	32.3
Cash Flow/Interest & ST Debt (X)	6.3	8.8	14.7	24.6	32.6
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	0.7	0.9
CFPS	6.5	6.5	6.5	6.5	6.5
BVPS	2.0	2.1	2.4	2.9	3.4
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	0.3	0.4
<b>Activity</b>					
Asset Turnover (x)	0.4	0.3	0.4	0.5	0.5
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	1,917	2,399
Cost of operations	601	558	653	901	1,080
<b>Gross Profit</b>	447	496	666	1,016	1,320
Operating Expenses	291	279	301	403	504
<b>Operating Profit</b>	157	218	365	613	816
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	37	46
Net Extraordinaries	-	-	-	-	-
Pretax Income	159	213	370	630	842
Income Taxes	(1)	0	1	6	8
<b>Net Profit</b>	160	209	369	624	833
EBITDA	313	370	526	793	1,013
<b>EPS (Bt)</b>	0.17	0.22	0.39	0.66	0.89

Source: KGI Securities Research

**Cash Flow**

Year to 31 Dec (Bt mn)	2020	2021	2022	2023F	2024F
<b>Operating Cash Flow</b>	348	429	759	1,029	996
Net Profit	160	209	369	624	833
Depreciation & Amortization	156	152	161	179	197
Change in Working Capital	40	25	204	190	(47)
Others	(9)	43	25	36	12
<b>Investment Cash Flow</b>	30	(591)	(524)	(308)	(345)
Net CAPEX	(289)	(573)	(640)	(479)	(497)
Change in LT Investment	0	0	67	0	0
Change in Other Assets	319	(18)	49	(249)	(3)
<b>Free Cash Flow</b>	378	(162)	235	721	651
<b>Financing Cash Flow</b>	251	(267)	119	45	(108)
Change in Share Capital	0	0	0	0	0
Net Change in Debt	378	(162)	235	301	502
Change in Other LT Liab.	(127)	(104)	(117)	(242)	(354)
<b>Net Cash Flow</b>	628	(429)	354	766	543

Source: KGI Securities Research

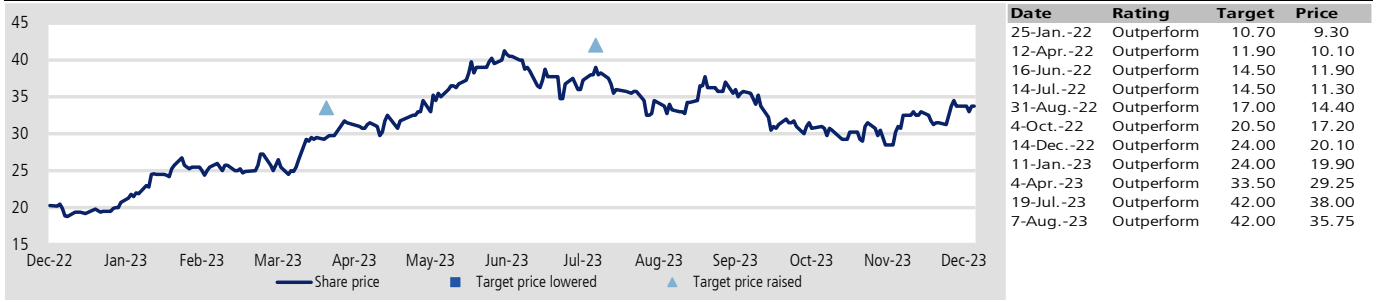
**Rates of Return on Invested Capital**

Year	1- $\frac{\text{COGS}}{\text{Revenue}}$	+ $\frac{\text{Depreciation}}{\text{Revenue}}$	+ $\frac{\text{Operating Exp.}}{\text{Revenue}}$	= <b>Operating Margin</b>
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	47.0%	9.4%	22.5%	21.1%
2024F	45.0%	8.2%	21.0%	25.8%
Year	1/ $\frac{\text{Working Capital}}{\text{Revenue}}$	+ $\frac{\text{Net PPE}}{\text{Revenue}}$	+ $\frac{\text{Other Assets}}{\text{Revenue}}$	= <b>Capital Turnover</b>
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	1.0	0.1	0.0	0.9
2024F	1.0	0.1	0.0	0.9
Year	Operating Margin	x $\frac{\text{Capital Turnover}}$	x $\frac{\text{Cash Tax Rate}}$	= <b>After-tax Return on Inv. Capital</b>
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	21.1%	0.9	59%	11.0%
2024F	25.8%	0.9	99%	24.0%

Source: KGI Securities Research



SISB – Recommendation & target price history



Source: KGI Securities Research

## SET ESG Ratings

Stock	Company name	SET ESG Ratings	Stock	Company name	SET ESG Ratings
<b>ADVANC</b>	ADVANCED INFO SERVICE	<b>AAA</b>	<b>KTC</b>	KRUNGTHAI CARD	<b>AAA</b>
<b>AMATA</b>	AMATA CORPORATION	<b>AAA</b>	<b>LH</b>	LAND AND HOUSES	<b>A</b>
<b>AOT</b>	AIRPORTS OF THAILAND	<b>A</b>	<b>MAJOR</b>	MAJOR CINEPLEX GROUP	<b>AA</b>
<b>AP</b>	AP (THAILAND)	<b>AA</b>	<b>MEGA</b>	MEGA LIFESCIENCES	<b>A</b>
<b>BAFS</b>	BANGKOK AVIATION FUEL SERVICES PCL.	<b>AA</b>	<b>MINT</b>	MINOR INTERNATIONAL	<b>AA</b>
<b>BAM</b>	BANGKOK COMMERCIAL ASSET MANAGEMEN	<b>AA</b>	<b>MTC</b>	MUANGTHAI CAPITAL	<b>A</b>
<b>BANPU</b>	BANPU	<b>AAA</b>	<b>OR</b>	PTT OIL AND RETAIL BUSINESS	<b>AAA</b>
<b>BBGI</b>	BBGI	<b>AA</b>	<b>ORI</b>	ORIGIN PROPERTY	<b>AA</b>
<b>BBL</b>	BANGKOK BANK	<b>AA</b>	<b>OSP</b>	OSOTSPA	<b>AA</b>
<b>BCH</b>	BANGKOK CHAIN HOSPITAL	<b>AA</b>	<b>PLANB</b>	PLAN B MEDIA	<b>AA</b>
<b>BCP</b>	BANGCHAK CORPORATION	<b>AAA</b>	<b>PSH</b>	PRUKSA HOLDING	<b>BBB</b>
<b>BCPG</b>	BCPG	<b>AA</b>	<b>PTT</b>	PTT	<b>AAA</b>
<b>BDMS</b>	BANGKOK DUSIT MEDICAL SERVICES	<b>AA</b>	<b>PTTEP</b>	PTT EXPLORATION AND PRODUCTION	<b>AAA</b>
<b>BEM</b>	BANGKOK EXPRESSWAY AND METRO	<b>AA</b>	<b>PTTGC</b>	PTT GLOBAL CHEMICAL	<b>AAA</b>
<b>BGRIM</b>	B.GRIMM POWER	<b>AAA</b>	<b>RATCH</b>	RATCH GROUP	<b>AA</b>
<b>BPP</b>	BANPU POWER	<b>AAA</b>	<b>RBF</b>	R&B FOOD SUPPLY	<b>BBB</b>
<b>BTS</b>	BTS GROUP HOLDINGS	<b>AA</b>	<b>SAK</b>	SAKSIAM LEASING	<b>A</b>
<b>CBG</b>	CARABAO GROUP	<b>A</b>	<b>SAPPE</b>	SAPPE	<b>BBB</b>
<b>CENTEL</b>	CENTRAL PLAZA HOTEL	<b>A</b>	<b>SAT</b>	SOMBOON ADVANCE TECHNOLOGY	<b>AA</b>
<b>CK</b>	CH. KARNCHANG	<b>A</b>	<b>SAWAD</b>	SRIAWAD CORPORATION	<b>BBB</b>
<b>CKP</b>	CK POWER	<b>AAA</b>	<b>SCB</b>	SCB X	<b>AA</b>
<b>COM7</b>	COM7	<b>A</b>	<b>SCC</b>	THE SIAM CEMENT	<b>AAA</b>
<b>CPALL</b>	CP ALL	<b>AAA</b>	<b>SCCC</b>	SIAM CITY CEMENT	<b>AA</b>
<b>CPAXT</b>	CP AXTRA	<b>AAA</b>	<b>SCGP</b>	SCG PACKAGING	<b>AAA</b>
<b>CPF</b>	CHAROEN POKPHAND FOODS	<b>AAA</b>	<b>SHR</b>	S HOTELS AND RESORTS	<b>A</b>
<b>CPN</b>	CENTRAL PATTANA	<b>AA</b>	<b>SICT</b>	SILICON CRAFT TECHNOLOGY	<b>A</b>
<b>EGCO</b>	ELECTRICITY GENERATING	<b>AA</b>	<b>SMPC</b>	SAHAMITR PRESSURE CONTAINER	<b>AA</b>
<b>ERW</b>	THE ERAWAN GROUP	<b>A</b>	<b>SNC</b>	SNC FORMER	<b>A</b>
<b>GFPT</b>	GFPT	<b>BBB</b>	<b>SPALI</b>	SUPALAI	<b>AA</b>
<b>GLOBAL</b>	SIAM GLOBAL HOUSE	<b>AA</b>	<b>STEC</b>	SINO-THAI ENGINEERING AND CONSTRUCTION	<b>A</b>
<b>GPSC</b>	GLOBAL POWER SYNERGY	<b>AA</b>	<b>STGT</b>	SRI TRANG GLOVES (THAILAND)	<b>AAA</b>
<b>GULF</b>	GULF ENERGY DEVELOPMENT	<b>AA</b>	<b>TCAP</b>	THANACHART CAPITAL	<b>A</b>
<b>HANA</b>	HANA MICROELECTRONICS	<b>AA</b>	<b>TFG</b>	THAIFOODS GROUP	<b>A</b>
<b>HENG</b>	HENG LEASING AND CAPITAL	<b>A</b>	<b>THCOM</b>	THAICOM	<b>AAA</b>
<b>HMPRO</b>	HOME PRODUCT CENTER	<b>AA</b>	<b>TISCO</b>	TISCO FINANCIAL GROUP	<b>AAA</b>
<b>INTUCH</b>	INTOUCH HOLDINGS	<b>AA</b>	<b>TOP</b>	THAI OIL	<b>AAA</b>
<b>IRPC</b>	IRPC	<b>AA</b>	<b>TTB</b>	TMBTHANACHART BANK	<b>AA</b>
<b>IVL</b>	INDORAMA VENTURES	<b>AA</b>	<b>UBE</b>	UBON BIO ETHANOL	<b>A</b>
<b>KBANK</b>	KASIKORNBANK	<b>AAA</b>	<b>VGI</b>	VGI	<b>AA</b>
<b>KEX</b>	KERRY EXPRESS (THAILAND)	<b>BBB</b>	<b>WHA</b>	WHA CORPORATION	<b>AAA</b>
<b>KKP</b>	KIATNAKIN PHATRA BANK	<b>BBB</b>	<b>WHAUP</b>	WHA UTILITIES AND POWER	<b>AAA</b>
<b>KTB</b>	KRUNG THAI BANK	<b>AAA</b>	<b>ZEN</b>	ZEN CORPORATION GROUP	<b>AA</b>

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.

# Corporate Governance Report of Thai Listed Companies



## Companies with Excellent CG Scoring

Stock	Company name	Stock	Company name	Stock	Company name
AAV	ASIA AVIATION	GLOBAL	SIAM GLOBAL HOUSE	RATCH	RATCH GROUP
ADVANC	ADVANCED INFO SERVICE	GPSC	GLOBAL POWER SYNERGY	RBF	R&B FOOD SUPPLY
AMA	AMA MARINE	GULF	GULF ENERGY DEVELOPMENT	SAT	SOMBOON ADVANCE TECHNOLOGY
AMATA	AMATA CORPORATION	HANA	HANA MICROELECTRONICS	SCB	SCB X
ANAN	ANANDA DEVELOPMENT	HENG	HENG LEASING AND CAPITAL	SCC	THE SIAM CEMENT
AOT	AIRPORTS OF THAILAND	HMPRO	HOME PRODUCT CENTER	SCCC	SIAM CITY CEMENT
AP	AP (THAILAND)	INTOUCH	INTOUCH HOLDINGS	SCGP	SCG PACKAGING
BAFS	BANGKOK AVIATION FUEL SERVICES PCL.	IRPC	IRPC	SEAFECO	SEAFECO
BAM	BANGKOK COMMERCIAL ASSET MANAGEMENT	IVL	INDORAMA VENTURES	SHR	S HOTELS AND RESORTS
BANPU	BANPU	KBANK	KASIKORNBANK	SICT	SILICON CRAFT TECHNOLOGY
BBL	BANGKOK BANK	KCE	KCE ELECTRONICS	SMPC	SAHAMITR PRESSURE CONTAINER
BCP	BANGCHAK CORPORATION	KEX	KERRY EXPRESS (THAILAND)	SNC	SNC FORMER
BCPG	BCPG	KKP	KIATNAKIN PHATRA BANK	SPALI	SUPALAI
BDMS	BANGKOK DUSIT MEDICAL SERVICES	KTB	KRUNG THAI BANK	SPRC	STAR PETROLEUM REFINING
BEM	BANGKOK EXPRESSWAY AND METRO	KTC	KRUNGTHAI CARD	STEC	SINO-THAI ENGINEERING AND CONSTRUCTION
BGRIM	B. GRIMM POWER	LPN	L.P.N. DEVELOPMENT	STGT	SRI TRANG GLOVES (THAILAND)
BPP	BANPU POWER	MAJOR	MAJOR CINEPLEX GROUP	SUN	SUNSWEET
BTS	BTS GROUP HOLDINGS	MBK	MBK	SVI	SVI
CENDEL	CENTRAL PLAZA HOTEL	MINT	MINOR INTERNATIONAL	TACC	T.A.C. CONSUMER
CK	CH. KARNCHANG	MTC	MUANGTHAI CAPITAL	TCAP	THANACHART CAPITAL
CKP	CK POWER	OR	PTT OIL AND RETAIL BUSINESS	THCOM	THAICOM
COM7	COM7	ORI	ORIGIN PROPERTY	TISCO	TISCO FINANCIAL GROUP
CPALL	CP ALL	OSP	OSOTSPA	TKN	TAOKAENOI FOOD & MARKETING
CPAXT	CP AXTRA	PLANB	PLAN B MEDIA	TOP	THAI OIL
CPF	CHAROEN POKPHAND FOODS	PSH	PRUKSA HOLDING	TTB	TMBTHANACHART BANK
CPN	CENTRAL PATTANA	PTG	PTG ENERGY	TU	THAI UNION GROUP
DELTA	DELTA ELECTRONICS (THAILAND)	PTT	PTT	VGI	VGI
DOHOM	DOHOME	PTTEP	PTT EXPLORATION AND PRODUCTION	WHA	WHA CORPORATION
EGCO	ELECTRICITY GENERATING	PTTGC	PTT GLOBAL CHEMICAL	WHAUP	WHA UTILITIES AND POWER
GFPT	GFPT	PYLON	PYLON	ZEN	ZEN CORPORATION GROUP
GGC	GLOBAL GREEN CHEMICALS	QH	QUALITY HOUSES		



## Companies with Very Good CG Scoring

Stock	Company name	Stock	Company name	Stock	Company name
AEONTS	AEON THANA SINSAP (THAILAND)	JMT	JMT NETWORK SERVICES	SFT	SHRINKFLEX (THAILAND)
BCH	BANGKOK CHAIN HOSPITAL	LH	LAND AND HOUSES	SINGER	SINGER THAILAND
BEC	BEC WORLD	M	MK RESTAURANT GROUP	SMD	SAINTMED
BH	BUMRUNGRAD HOSPITAL	MEGA	MEGA LIFESCIENCES	SNNP	SRINANAPORN MARKETING
CBG	CARABAO GROUP	NETBAY	NETBAY	SPA	SIAM WELLNESS GROUP
CHG	CHULARAT HOSPITAL	PJW	PANJAWATTANA PLASTIC	TFG	THAIFOODS GROUP
ERW	THE ERAWAN GROUP	SAK	SAKSIAM LEASING	TIDLOR	NGERN TID LOR
ESSO	ESSO (THAILAND)	SAPPE	SAPPE	TNP	THANAPIRIYA
HUMAN	HUMANICA	SAWAD	SRISAWAD CORPORATION	UBE	UBON BIO ETHANOL
IIG	I&I GROUP	SFLEX	STARFLEX	XO	EXOTIC FOOD



## Companies with Good CG Scoring

Stock	Company name	Stock	Company name	Stock	Company name
AU	AFTER YOU	LPH	LADPRAO GENERAL HOSPITAL	TPCH	TPC POWER HOLDING
EKH	EKACHAI MEDICAL CARE	MENA	MENA TRANSPORT		
JMART	JAYMART GROUP HOLDINGS	SISB	SISB		

## Companies classified Not in the three highest score groups

Stock	Company name	Stock	Company name	Stock	Company name
BBGI	BBGI	NTSC	Nutrition SC	TGE	THACHANG GREEN ENERGY
BTG	BETAGRO	PLT	Pilatus Marine		
ITC	i-Tail Corporation	PQS	Premier Quality Starch		

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	SEAFECO	SEAFECO
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
CENDEL	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.

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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.  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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