

# Netbay PCL

(NETBAY.BK/NETBAY.TB)

## Outperform · Maintained

Price as of 22 Feb 2021	23.7
12M target price (Bt/shr)	32.0
Unchanged/Revised up(down)(%)	Unchanged
Upside/downside (%)	35.0

### Key messages

ผลประกอบการของ NETBAY ใน 4Q63 ขึ้นตัวขึ้นตามกิจกรรมทางธุรกิจที่กลับมา เราจึงคงมองว่าผลประกอบการของ NETBAY จะฟื้นตัวได้ต่อเนื่อง และยังคงคำแนะนำซื้อ โดยให้ราคาเป้าหมายสั้นปี 2564 ที่ 32.00 บาท อิงจาก PER ที่ 40.0x

Mkt cap (Btbn/US\$m)	4.7/119
Outstanding shares (mn)	200
Foreign ownership (mn)	15.1
3M avg. daily trading (mn)	1
52-week trading range (Bt)	23.3 – 37.3
Performance (%)	3M 6M 12M
Absolute	-13.0 -19.0 -19.7
Relative	-17.5 -27.5 -22.0

### Quarterly EPS

	1Q	2Q	3Q	4Q
2018	0.17	0.18	0.19	0.20
2019	0.21	0.23	0.24	0.22
2020	0.20	0.17	0.19	0.22

### Share price chart



Source: SET

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## ผลประกอบการ 4Q63: ดีกว่าที่คาดไว้

### Event

กำไรสุทธิของ NETBAY ใน 4Q63 อยู่ที่ 45 ล้านบาท (+2% YoY และ +20% QoQ) ดีกว่าประมาณการของเรา 43% และดีกว่า Bloomberg consensus 28% เนื่องจากอัตรากำไรขั้นต้นสูงเกินคาด และค่าใช้จ่าย SG&A ต่ำกว่าที่คาด ทำให้กำไรสุทธิปี 2563 อยู่ที่ 157 ล้านบาท (-12% YoY) ดีกว่าประมาณการปี 2563 ของเรา 7%

### Impact

**ยอดขายใน 4Q63 ขึ้นตัวขึ้นตามคาดหลังมีการผ่อนคลายมาตรการ lockdown**

ยอดขายของ NETBAY ใน 4Q63 อยู่ที่ 102 ล้านบาท (-6% YoY, +3% QoQ) ซึ่งเป็นไปตามประมาณการของเรา และทำให้ยอดขายในปี 2563 อยู่ที่ 388 ล้านบาท (-6% YoY) เนื่องจากสถานการณ์การระบาดของ COVID-19 ส่งผลกระทบต่อธุรกิจ อุตสาหกรรมต่าง ๆ ทั่วโลก รวมถึงการนำเข้า-ส่งออก และ logistic supply chain ด้วย

**อัตรากำไรขั้นต้นดีเกินคาด และ SG&A ก็ต่ำกว่าที่คาด**

อัตรากำไรขั้นต้นของ NETBAY ใน 4Q63 ที่ 81.4% (-1.3ppts YoY แต่ +3.6ppts QoQ) ดีกว่าประมาณการงวด 4Q63 ของเราที่ 77.9% โดยอัตรากำไรขั้นต้นที่ดีขึ้น QoQ สอดคล้องกับยอดขายที่ฟื้นตัวดีขึ้น ทำให้อัตรากำไรขั้นต้นในปี 2563 อยู่ที่ 78.8% (ลดลง 1.5ppts YoY) ซึ่งต่ำกว่าสมมติฐานปี 2563 ของเราที่ 79.1% ส่วนค่าใช้จ่าย SG&A ใน 4Q63 อยู่ที่ 37 ล้านบาท (-23% YoY, -4%QoQ) ต่ำกว่าประมาณการของเราที่ 49 ล้านบาท คิดเป็นสัดส่วน SG&A ต่อยอดขายที่ 36.7% ทำให้ค่าใช้จ่าย SG&A ปี 2563 อยู่ที่ 153 ล้านบาท (-5% YoY) คิดเป็นสัดส่วน SG&A ต่อยอดขายที่ 39.3% (จาก 39.0% ในปี 2562) ทั้งนี้ สัดส่วน SG&A ต่อยอดขายที่เพิ่มขึ้น YoY เป็นเพราะมีค่าที่ปรึกษาที่เกี่ยวข้องกับการขอการรับรอง ISO: 27701 privacy information management และโครงการด้าน CSR

**อนุมัติจ่ายเงินปันผล 0.7819 บาท/หุ้น**

คณะกรรมการอนุมัติให้จ่ายเงินปันผลสำหรับผลการดำเนินงานงวด 1 มกราคมถึง 31 ธันวาคม 2563 ที่ 0.7819 บาท/หุ้น คิดเป็นอัตรการจ่ายเงินปันผลที่ 99.9% จากงบเดี่ยวของบริษัท โดยบริษัทกำหนดขึ้น XD วันที่ 5 พฤษภาคม และกำหนดจ่ายเงินปันผลวันที่ 20 พฤษภาคม 2564 คิดเป็นอัตราผลตอบแทนจากเงินปันผลที่ 3.3%

### Valuation & Action

เรายังคงคำแนะนำ "ซื้อ" ราคาเป้าหมายสั้นปี 2564 ที่ 32.00 บาท อิงจาก PER ที่ 40.0x (ค่าเฉลี่ยในอดีต)

### Risks

ความเสี่ยงจากการแข่งขัน, มีการเปลี่ยนแปลงนโยบายของรัฐบาล, ความเสี่ยงจากการพึ่งพาคู่ค้า, การเปลี่ยนแปลงของเทคโนโลยี, ความเสี่ยงจากความสำเร็จของระบบการให้บริการ

### Key financials and valuations

Year end Dec 31	Dec-16A	Dec-17A	Dec-18A	Dec-19A	Dec-20A	Dec-21F	Dec-22F
Revenue (Btmn)	273	315	362	412	388	419	469
Gross profit (btmn)	214	244	291	331	306	338	388
SG&A (Btmn)	123	128	142	160	153	169	178
Net profit (Btmn)	89	116	149	179	157	159	174
Normalized profit (Btmn)	89	116	149	179	157	159	174
EPS (Bt)	0.45	0.58	0.74	0.90	0.79	0.79	0.87
Normalized EPS (Btmn)	0.45	0.58	0.74	0.90	0.79	0.79	0.87
DPS (Btmn)	0.3	0.5	0.8	1.0	0.8	0.8	0.8
EPS growth (%)	9.8	29.6	28.5	20.3	(12.3)	0.9	10.0
Normalized EPS growth (%)	9.8	29.6	28.5	20.3	(12.3)	0.9	10.0
P/E (X)	39.2	69.9	31.9	35.7	30.2	29.9	27.2
P/B (X)	10.2	19.4	10.0	12.8	10.2	10.1	9.7
EV/EBITDA (X)	35.1	64.0	29.6	33.3	27.0	24.3	20.5
Net debt to Equity (%)	(14.5)	(7.9)	(7.9)	(7.9)	(11.3)	(12.6)	(15.7)
Dividend yield (%)	1.8	1.2	3.2	3.0	3.3	3.2	3.5
Return on Equity (%)	35.7	30.4	33.4	36.9	32.6	34.0	36.4

Source: Company data, KGI Research

**Figure 1: NETBAY's 4Q20 earnings review**

Btmn	4Q20	4Q19	%YoY	3Q20	%QoQ	2020	2019	%YoY
Revenue from sales	102	108	(5.7)	99	2.8	388	412	(5.6)
Cost of goods sold	19	19	1.2	22	(13.9)	82	81	1.8
Gross profit	83	89	(7.1)	77	7.6	306	331	(7.4)
SG&A expense	37	48	(22.5)	39	(3.9)	153	160	(4.7)
EBIT	46	44	5.3	38	19.8	158	181	(12.7)
Finance cost	1	0	N.A	(0)	(883.7)	0	0	N.A
Non-op inc/(exp)	(2)	(1)	199.1	0	(846.0)	0	0	N.A
<b>Net profit</b>	<b>45</b>	<b>44</b>	<b>2.2</b>	<b>37</b>	<b>20.4</b>	<b>157</b>	<b>179</b>	<b>(12.3)</b>
Normalized profit	47	45	4.8	37	25.9	157	179	(12.3)
EPS (Bt)	0.22	0.22	2.2	0.19	20.4	0.79	0.90	(12.3)
Normalized EPS (Bt)	0.23	0.22	4.8	0.19	25.9	0.79	0.90	(12.3)

Percent	4Q20	4Q19	ppts YoY	3Q20	ppts QoQ	2020	2019	%YoY
Gross margin	81.4	82.7	(1.3)	77.8	3.6	78.8	80.4	(1.5)
SG&A to sales	36.7	44.7	(8.0)	39.3	(2.6)	39.3	39.0	0.4
EBIT margin	45.4	40.6	4.7	39.0	6.4	40.7	44.0	(3.3)
Net margin	44.3	40.8	3.4	37.8	6.4	40.4	43.5	(3.1)

Source: Company data, KGI Research

**Figure 2: Assumption**

Assumption	unit	2016	2017	2018	2019	2020	2021	2022
Sales	Btmn	273	315	362	412	385	419	469
sale growth	%YoY	21.9	15.3	14.9	13.8	(5.6)	8.0	11.8
GPM	percent	78.5	77.5	80.5	80.4	77.7	80.7	82.8
SGA to sales	percent	45.2	40.6	39.3	39.0	39.7	40.3	37.9
NPM	percent	32.7	36.8	41.2	43.5	40.8	37.8	37.2

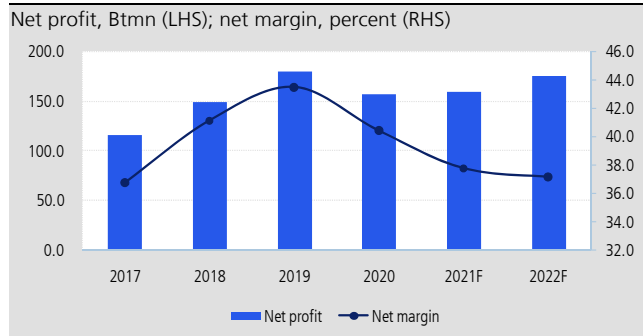
Source: Company data, KGI Research

**Figure 3: Company profile**

Netbay Public Company Limited (NETBAY) is engaged in inventing, creating, and developing various digital business technology platforms and e-business service applications in order to provide comprehensive e-business services between Business-to-Government (B2G) and Business-to-Business (B2B).

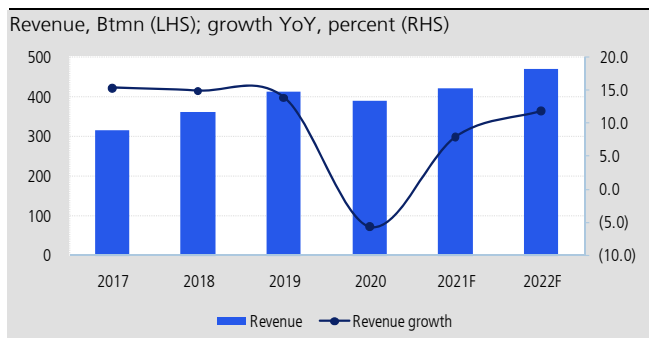
Source: Company data

**Figure 4: Earnings**



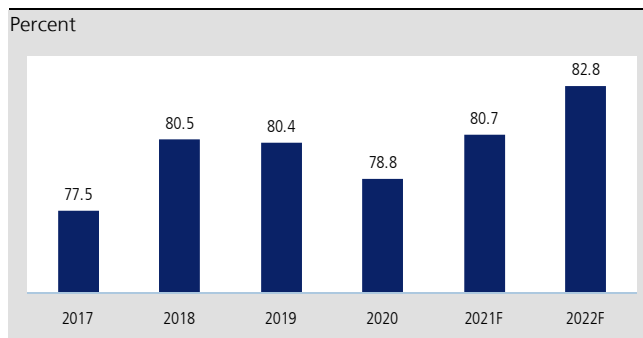
Source: Company data, KGI Research

**Figure 5: Yearly revenue**



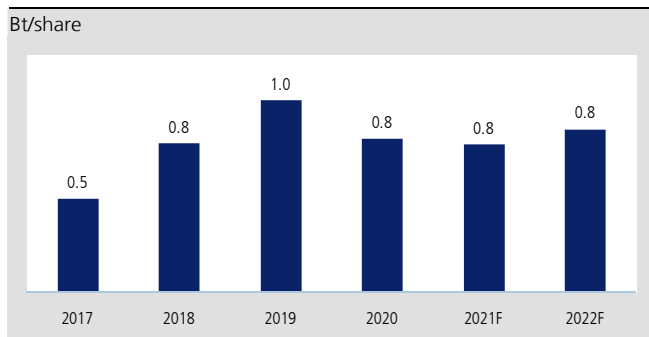
Source: Company data, KGI Research

**Figure 6: Yearly gross margin**



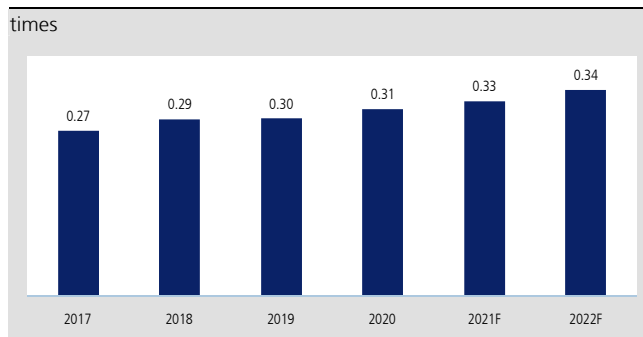
Source: Company data, KGI Research

**Figure 7: DPS**



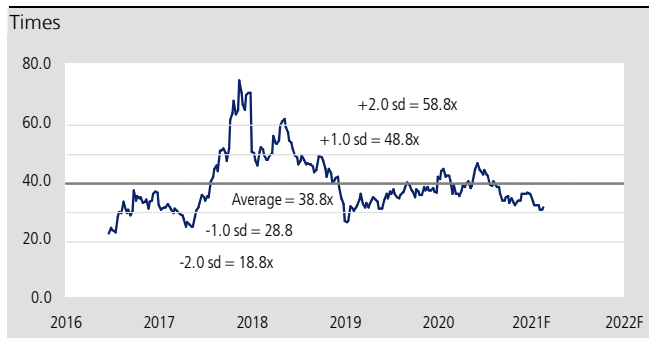
Source: Company data, KGI Research

**Figure 8: Net D/E**



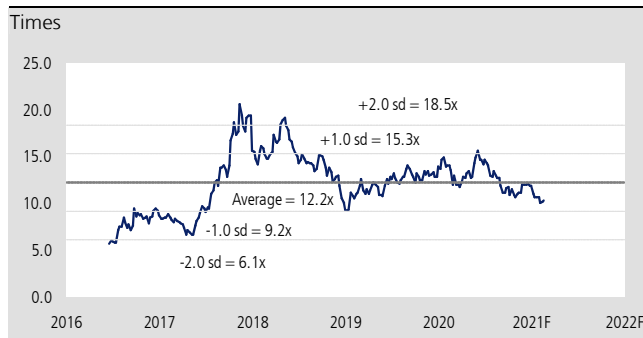
Source: Company data, KGI Research

**Figure 9: PER**



Source: KGI Research

**Figure 10: PBV**



Source: KGI Research

**Quarterly Income Statement**

	Mar-16A	Jun-16A	Sep-16A	Dec-16A	Mar-17A	Jun-17A	Sep-17A	Dec-17A	Mar-18A	Jun-18A	Sep-18A	Dec-18A	Mar-19A	Jun-19A	Sep-19A	Dec-19A	Mar-20A	Jun-20A	Sep-20A	Dec-20A
<b>Income Statement (Btmn)</b>																				
<b>Revenue</b>	64	68	71	71	73	77	78	86	87	89	91	95	95	104	106	108	94	94	99	102
Cost of good sold	14	14	16	16	17	18	19	18	18	18	18	17	20	21	21	19	20	21	22	19
<b>Gross profit</b>	50	54	55	55	56	60	60	68	69	72	72	78	75	83	85	89	73	74	77	83
Operating expense	31	29	31	33	30	32	30	36	34	35	35	39	34	39	39	48	38	39	39	37
Other income	1	1	1	1	2	2	2	2	2	1	2	2	0	3	3	5	1	0	0	6
<b>Operating profit</b>	20	25	26	24	28	30	31	34	37	38	39	42	41	46	48	46	36	35	38	52
Depreciation of fixed asset	1	1	1	1	1	1	1	1	1	1	1	1	2	3	3	3	4	4	4	4
<b>Operating EBITDA</b>	21	26	26	25	29	31	32	34	38	39	40	43	44	48	51	48	40	39	42	56
<b>Non-Operating income</b>	0	0	0	0	0	0	0	0	0	0	0	0	1	0	0	(1)	1	0	0	(2)
Interest income	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other non-op. income	0	0	0	0	0	0	0	0	0	0	0	0	1	0	0	(1)	1	0	0	(2)
<b>Non-Operating expense</b>	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	(0)	(0)	(0)	1
Interest expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	(0)	(0)	(0)	1
Other non-op. expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Equity income	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	(0)	(0)	(1)	(1)	(1)
Pre-tax profit	20	25	26	24	28	30	31	34	37	38	39	42	43	46	48	44	38	35	38	47
Current taxation	(1)	(2)	(1)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(1)	(1)	(0)	(1)	0	2	(1)	(1)	(2)
Minorities	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Extra items	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Net profit</b>	19	24	24	22	26	28	30	31	35	36	37	40	42	46	47	44	41	34	37	45
<b>Normalized profit</b>	19	24	24	22	26	28	30	31	35	36	37	40	42	46	47	45	39	34	37	47
EPS (Bt)	0.12	0.12	0.12	0.11	0.13	0.14	0.15	0.16	0.17	0.18	0.19	0.20	0.21	0.23	0.24	0.22	0.20	0.17	0.19	0.22
Normalized EPS (Bt)	0.12	0.12	0.12	0.11	0.13	0.14	0.15	0.16	0.17	0.18	0.19	0.20	0.21	0.23	0.24	0.22	0.20	0.17	0.19	0.23
<b>Margin (%)</b>																				
Gross profit margin	78.7	79.6	78.1	77.8	77.0	77.0	76.4	79.3	79.6	80.2	79.6	82.3	78.7	79.8	80.1	82.7	78.2	77.8	77.8	81.4
Operating EBIT margin	31.9	37.3	36.1	33.8	38.2	38.4	40.1	39.2	42.5	42.5	43.4	43.8	43.5	44.4	45.7	42.3	38.6	36.8	38.8	50.9
Operating EBITDA margin	33.2	38.4	37.2	34.9	39.3	39.5	41.1	40.1	43.4	43.4	44.2	44.8	46.1	46.8	48.1	44.8	42.6	40.9	42.8	54.8
Net profit margin	30.0	35.0	34.2	31.6	36.1	36.3	38.0	36.7	40.3	40.4	41.3	42.5	44.3	44.2	44.8	40.8	43.6	36.0	37.8	44.3
<b>Growth (%YoY)</b>																				
Revenue growth	24.5	22.8	20.2	20.7	14.7	14.3	11.1	21.1	18.3	15.4	15.5	10.9	9.5	16.0	16.5	13.3	(1.3)	(8.7)	(6.5)	(5.7)
Operating EBIT growth	18.1	36.1	34.0	76.5	37.1	17.8	23.1	40.6	31.7	27.9	25.0	23.9	12.2	20.9	22.6	9.5	(12.5)	(24.4)	(20.5)	13.5
Operating EBITDA growth	20.5	38.0	35.6	75.6	35.8	17.4	22.7	39.2	30.7	26.9	24.1	23.8	16.2	25.1	26.9	13.3	(8.7)	(20.2)	(16.8)	15.4
Net profit growth	16.8	33.6	32.1	76.7	37.9	18.7	23.7	40.6	32.4	28.5	25.3	28.4	20.3	26.7	26.5	9.0	(3.0)	(25.6)	(21.1)	2.2
Normalized profit growth	16.8	33.6	32.1	76.7	37.9	18.7	23.7	40.6	32.4	28.5	25.3	28.4	18.6	26.7	26.5	10.4	(5.0)	(25.9)	(21.6)	4.8

Source: KGI Research

**Balance Sheet**

As of 31 Dec (Btmn)	2017	2018	2019	2020	2021F	2022F
<b>Total Assets</b>	<b>533</b>	<b>611</b>	<b>647</b>	<b>609</b>	<b>619</b>	<b>659</b>
<b>Current Assets</b>	<b>443</b>	<b>435</b>	<b>388</b>	<b>410</b>	<b>421</b>	<b>448</b>
Cash&ST Investment	386	364	311	52	59	77
Inventories	0	0	0	0	0	0
Account Receivable	51	60	65	66	69	77
Other	6	11	11	292	293	294
<b>Non-current Assets</b>	<b>90</b>	<b>175</b>	<b>260</b>	<b>199</b>	<b>198</b>	<b>212</b>
LT Investment	79	131	217	15	16	17
Net Fixed Assets	5	37	31	30	17	10
Others	6	7	12	154	166	185
<b>Total Liabilities</b>	<b>115</b>	<b>139</b>	<b>148</b>	<b>145</b>	<b>152</b>	<b>169</b>
<b>Current liabilities</b>	<b>97</b>	<b>119</b>	<b>112</b>	<b>110</b>	<b>116</b>	<b>128</b>
Account Payable	9	12	8	5	5	5
ST borrowing	0	0	0	0	0	0
Others	89	107	104	105	110	123
<b>Long-term liabilities</b>	<b>17</b>	<b>20</b>	<b>35</b>	<b>34</b>	<b>36</b>	<b>41</b>
Long-term debts	0	0	0	0	0	0
Others	17	20	35	34	36	41
<b>Shareholders' Equity</b>	<b>418</b>	<b>472</b>	<b>500</b>	<b>465</b>	<b>467</b>	<b>491</b>
Common stock	200	200	200	200	200	200
Capital surplus	115	115	115	115	115	115
retained earnings	155	209	234	199	201	225
Preferred stock						

Source: KGI Research

**Key Ratios**

Year to 31 Dec	2017	2018	2019	2020	2021F	2022F
<b>Growth (%YoY)</b>						
Sales	15.3	14.9	13.8	(5.6)	8.0	11.8
OP	29.1	26.9	16.3	(11.1)	9.5	23.8
EBITDA	28.3	26.2	20.2	(9.1)	11.0	18.2
NP	29.6	28.5	20.3	(12.3)	0.9	10.0
Normalized profit	29.6	28.5	20.3	(12.3)	0.9	10.0
EPS	29.6	28.5	20.3	(12.3)	0.9	10.0
Normalized EPS	29.6	28.5	20.3	(12.3)	0.9	10.0
<b>Profitability (%)</b>						
Gross margin	77.5	80.5	80.4	78.8	80.7	82.8
Operating margin	39.0	43.1	44.0	41.4	42.0	46.5
EBITDA margin	40.0	44.0	46.4	44.7	46.0	48.6
Net margin	36.8	41.2	43.5	40.4	37.8	37.2
ROAA	23.1	26.0	28.5	25.0	25.8	27.3
ROAE	30.4	33.4	36.9	32.6	34.0	36.4
<b>Stability</b>						
Gross debt/equity (%)	27.4	29.4	29.5	31.1	32.5	34.3
Net debt/equity (%)	(7.9)	(7.9)	(7.9)	(11.3)	(12.6)	(15.7)
Interest coverage (x)	N.A	N.A	N.A	(498.5)	N.A	N.A
Interest&ST debt coverage	N.A	N.A	N.A	(498.5)	N.A	N.A
Cash flow interest coverage	N.A	N.A	N.A	815.5	N.A	N.A
Cash flow/interest&ST debt	N.A	N.A	N.A	815.5	N.A	N.A
Current ratio (x)	4.5	3.7	3.5	3.7	3.6	3.5
Quick ratio (x)	4.5	3.7	3.4	3.7	3.6	3.5
Net debt (Btmn)	(33)	(37)	(39)	(52)	(59)	(77)
<b>Per share data (Bt)</b>						
EPS	0.6	0.7	0.9	0.8	0.8	0.9
Normalized EPS	0.6	0.7	0.9	0.8	0.8	0.9
CFPS	0.5	0.8	1.0	(1.3)	0.9	0.9
BVPS	2.1	2.4	2.5	2.3	2.3	2.5
Sales/share	1.6	1.8	2.1	1.9	2.1	2.3
EBITDA/share	0.6	0.8	1.0	0.9	1.0	1.1
DPS	0.5	0.8	1.0	0.8	0.8	0.8
<b>Activity</b>						
Asset turnover (x)	1	1	1	1	1	1
Days of receivables	59	60	58	62	60	60
Days of inventory	2	2	1	N.A	N.A	N.A
Days of payable	46	64	35	24	24	24
Cash cycle	15	(2)	23	N.A	N.A	N.A

Source: KGI Research

**Profit & Loss**

Year to Dec 31 (Btmn)	2017	2018	2019	2020	2021F	2022F
<b>Revenue</b>	<b>315</b>	<b>362</b>	<b>412</b>	<b>388</b>	<b>419</b>	<b>469</b>
Cost of good sold	71	71	81	82	81	81
<b>Gross profit</b>	<b>244</b>	<b>291</b>	<b>331</b>	<b>306</b>	<b>338</b>	<b>388</b>
Operating expense	128	142	160	153	169	178
Other income	7	7	11	8	7	8
<b>Operating Profit</b>	<b>123</b>	<b>156</b>	<b>181</b>	<b>161</b>	<b>176</b>	<b>218</b>
Depreciation of fixed asset	3	3	10	16	17	10
<b>Operating EBITDA</b>	<b>126</b>	<b>159</b>	<b>191</b>	<b>177</b>	<b>193</b>	<b>228</b>
<b>Non-operating income</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Interest income	0	0	0	0	0	0
Other non-op income	0	0	0	0	0	0
<b>Non-operating expense</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Interest expense	0	0	0	0	0	0
Other non-op expense	0	0	0	0	0	0
<b>Equity income/(loss)</b>	<b>0</b>	<b>0</b>	<b>(0)</b>	<b>(3)</b>	<b>0</b>	<b>0</b>
<b>Pretax profit</b>	<b>123</b>	<b>156</b>	<b>181</b>	<b>158</b>	<b>176</b>	<b>218</b>
Current taxation	(7)	(7)	(2)	(1)	(18)	(44)
Minorities	0	0	0	0	0	0
Extra item	0	0	0	0	0	0
<b>Net profit</b>	<b>116</b>	<b>149</b>	<b>179</b>	<b>157</b>	<b>159</b>	<b>174</b>
<b>Normalized profit</b>	<b>116</b>	<b>149</b>	<b>179</b>	<b>157</b>	<b>159</b>	<b>174</b>
EPS (Bt)	0.58	0.74	0.90	0.79	0.79	0.87
Normalized EPS (Bt)	0.58	0.74	0.90	0.79	0.79	0.87

Source: KGI Research

**Cash Flow**

Year to Dec 31 (Btmn)	2017	2018	2019	2020	2021F	2022F
<b>Operating cash flow</b>	<b>108</b>	<b>161</b>	<b>191</b>	<b>(259)</b>	<b>170</b>	<b>173</b>
Net profit	116	149	179	157	159	174
Depreciation&Amortization	3	3	10	16	17	10
Change in working capital	(11)	9	2	(431)	(5)	(11)
Others						
<b>Investment cash flow</b>	<b>(84)</b>	<b>(61)</b>	<b>(38)</b>	<b>460</b>	<b>(4)</b>	<b>(4)</b>
Net CAPEX	(2)	(35)	(4)	(15)	(3)	(3)
Change in LT investment	19	(52)	(85)	201	(1)	(1)
Change in other assets	(101)	27	51	273	0	0
Free cash flow	24	100	153	201	166	169
<b>Financing cash flow</b>	<b>(41)</b>	<b>(95)</b>	<b>(151)</b>	<b>(188)</b>	<b>(160)</b>	<b>(151)</b>
Change in share capital	0	0	0	0	0	0
Net change in debt	0	0	0	4	(3)	(1)
Change in other liabs	(41)	(95)	(151)	(192)	(156)	(151)
<b>Net cash flow</b>	<b>(17)</b>	<b>4</b>	<b>2</b>	<b>13</b>	<b>7</b>	<b>18</b>

Source: KGI Research

**Rates of Return on Invested Capital**

Year	1-	COGS Revenue	+	Depreciation Revenue	+	Operating expense Revenue	=	Operating margin
2017		22.5%		1.0%		40.6%		35.9%
2018		19.5%		0.9%		39.3%		40.3%
2019		19.6%		2.5%		39.0%		38.9%
2020		21.2%		4.0%		39.3%		35.5%
2021F		19.3%		4.0%		40.3%		36.4%
2022F		17.2%		2.1%		37.9%		42.8%
Year	1/	Working capital Revenue	+	Net PPE Revenue	+	Other assets Revenue	=	Capital Turnover
2017		(0.0)		0.0		1.7		0.6
2018		0.0		0.1		1.6		0.6
2019		0.0		0.1		1.5		0.6
2020		(1.1)		0.1		1.5		2.2
2021F		(0.0)		0.0		1.4		0.7
2022F		(0.0)		0.0		1.4		0.7
Year	1/	Operating margin	x	Capital turnover	x	Cash tax rate	=	After-tax return on Inv.capital
2017		35.9%		0.6		5.6%		1.2%
2018		40.3%		0.6		4.4%		1.0%
2019		38.9%		0.6		1.1%		0.3%
2020		35.5%		2.2		0.8%		0.6%
2021F		36.4%		0.7		10.0%		2.5%
2022F		42.8%		0.7		20.0%		6.2%

Source: KGI Research

**Netbay – Recommendation & target price history**



Source: KGI Research

# Corporate Governance Report of Thai Listed Companies



## Companies with Excellent CG Scoring

Stock	Company name	Stock	Company name	Stock	Company name
ADVANC	ADVANCED INFO SERVICE	IRPC	IRPC	RATCH	RATCHABURI ELECTRICITY GENERATING HOLDING
AMATA	AMATA CORPORATION	IVL	INDORAMA VENTURES	ROBINS	ROBINSON DEPARTMENT STORE
ANAN	ANANDA DEVELOPMENT	KBANK	KASIKORNBANK	SAMART	SAMART CORPORATION
AOT	AIRPORTS OF THAILAND	KCE	KCE ELECTRONICS	SAMTEL	SAMART TELCOMS
AP	ASIAN PROPERTY DEVELOPMENT	KKP	KIATNAKIN BANK	SCB	THE SIAM COMMERCIAL BANK
BANPU	BANPU	KTB	KRUNG THAI BANK	SCC	THE SIAM CEMENT
BCP	THE BANGCHAK PETROLEUM	KTC	KRUNGTHAI CARD	SCCC	SIAM CITY CEMENT
BCPG	BCPG	LPN	L.P.N. DEVELOPMENT	SPALI	SUPALAI
BTS	BTS GROUP HOLDINGS	MAKRO	SIAM MAKRO	SPRC	STAR PETROLEUM REFINING
CK	CH. KARNCHANG	MBK	MBK	STEC	SINO-THAI ENGINEERING AND CONSTRUCTION
CKP	CK POWER	MINT	MINOR INTERNATIONAL	SVI	SVI
CPN	CENTRAL PATTANA	MONO	MONO TECHNOLOGY	TCAP	THANACHART CAPITAL
DELTA	DELTA ELECTRONICS (THAILAND)	MTC	MUANGTHAI CAPITAL	THAI	THAI AIRWAYS INTERNATIONAL
DTAC	TOTAL ACCESS COMMUNICATION	NYT	NAMYONG TERMINAL	THCOM	THAI COM
EGCO	ELECTRICITY GENERATING	PLANB	PLAN B MEDIA	TISCO	TISCO FINANCIAL GROUP
GFPT	GFPT	PSH	PRUKSA HOLDING	TMB	TMB BANK
GPSC	GLOBAL POWER SYNERGY	PTT	PTT	TOP	THAI OIL
GUNKUL	GUNKUL ENGINEERING	PTTEP	PTT EXPLORATION AND PRODUCTION	TRUE	TRUE CORPORATION
HANA	HANA MICROELECTRONICS	PTTGC	PTT GLOBAL CHEMICAL	WHA	WHA CORPORATION
HMPRO	HOME PRODUCT CENTER	PYLON	PYLON		
INTUCH	SHIN CORPORATION	QH	QUALITY HOUSES		



## Companies with Very Good CG Scoring

Stock	Company name	Stock	Company name	Stock	Company name
AAV	ASIA AVIATION	CPALL	CP ALL	SAWAD	SRISAWAD POWER 1979
AMA	AMA MARINE	DCC	DYNASTY CERAMIC	SCI	SCI ELECTRIC
BA	BANGKOK AIRWAYS	EPG	EASTERN POLYMER GROUP	SCN	SCAN INTER
BBL	BANGKOK BANK	ERW	THE ERAWAN GROUP	SEAFECO	SEAFECO
BDMS	BANGKOK DUSIT MEDICAL SERVICES	GLOBAL	SIAM GLOBAL HOUSE	SIRI	SANSIRI
BEC	BEC WORLD	GLOW	GLOW ENERGY	TFG	THAIFOODS GROUP
BEM	BANGKOK EXPRESSWAY AND METRO	GULF	GULF ENERGY DEVELOPMENT	TICON	TICON INDUSTRIAL CONNECTION
BGRIM	B.GRIMM POWER	LH	LAND AND HOUSES	TKN	TAOKAENOI FOOD & MARKETING
BPP	BANPU POWER	M	MK RESTAURANT GROUP	TOA	TOA PAINT (THAILAND)
CBG	CARABAO GROUP	MAJOR	MAJOR CINEPLEX GROUP	TWPC	THAI WAH
CENTEL	CENTRAL PLAZA HOTEL	MALEE	MALEE SAMPRAN	WHAUP	WHA UTILITIES AND POWER
CHG	CHULARAT HOSPITAL	NOK	NOK AIRLINES		
COM7	COM7	RS	RS		



## Companies with Good CG Scoring

Stock	Company name	Stock	Company name	Stock	Company name
BCH	BANGKOK CHAIN HOSPITAL	SAPPE	SAPPE	UNIQ	UNIQUE ENGINEERING AND CONSTRUCTION
BH	BUMRUNGRAD HOSPITAL	SF	SIAM FUTURE DEVELOPMENT	WORK	WORKPOINT ENTERTAINMENT
EKH	EKACHAI MEDICAL CARE	SQ	SAHAKOL EQUIPMENT		
LPH	LADPRAO GENERAL HOSPITAL	TPCH	TPC POWER HOLDING		

## Companies classified Not in the three highest score groups

Stock	Company name	Stock	Company name	Stock	Company name
CMAN	CHEMEMAN				

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
CPN	CENTRAL PATTANA	SCC	THE SIAM CEMENT		

## Level 4: Certified

Stock	Company name	Stock	Company name	Stock	Company name
ADVANC	ADVANCED INFO SERVICE	IFEC	INTER FAR EAST ENGINEERING	SVI	SVI
BBL	BANGKOK BANK	KBANK	KASIKORN BANK	TCAP	THANACHART CAPITAL
DCC	DYNASTY CERAMIC	KKP	KIATNAKIN BANK	TISCO	TISCO FINANCIAL GROUP
DRT	DIAMOND ROOFING TILES	KTB	KRUNG THAI BANK	TMB	TMB BANK
EGCO	ELECTRICITY GENERATING	MINT	MINOR INTERNATIONAL		
ERW	THE ERAWAN GROUP	SCB	THE SIAM COMMERCIAL BANK		

## Level 3: Established

Stock	Company name	Stock	Company name	Stock	Company name
AAV	ASIA AVIATION	DTAC	TOTAL ACCESS COMMUNICATION	PACE	PACE DEVELOPMENT CORPORATION
ANAN	ANANDA DEVELOPMENT	GFPT	GFPT	PS	PRUKSA REAL ESTATE
AP	ASIAN PROPERTY DEVELOPMENT	GL	GROUP LEASE	RATCH	RATCHABURI ELECTRICITY GENERATING HOLDING
BA	BANGKOK AIRWAYS	GLOW	GLOW ENERGY	ROBINS	ROBINSON DEPARTMENT STORE
BDMS	BANGKOK DUSIT MEDICAL SERVICES	GPSC	GLOBAL POWER SYNERGY	SAMART	SAMART CORPORATION
BIGC	BIG C SUPERCENTER	HMPRO	HOME PRODUCT CENTER	SPALI	SUPALAI
BJCHI	BJC HEAVY INDUSTRIES	KTC	KRUNGTHAI CARD	STEC	SINO-THAI ENGINEERING AND CONSTRUCTION
CENDEL	CENTRAL PLAZA HOTEL	LPN	L.P.N. DEVELOPMENT	TASCO	TIPCO ASPHALT
CHG	CHULARAT HOSPITAL	MAKRO	SIAM MAKRO	TMT	THAI METAL TRADE
CK	CH. KARNCHANG	MODERN	MODERNFORM GROUP	TPCH	TPC POWER HOLDING
CKP	CK POWER	NOK	NOK AIRLINES	WHA	NOK AIRLINES

## Level 2: Declared

Stock	Company name	Stock	Company name	Stock	Company name
AOT	AIRPORTS OF THAILAND	GUNKUL	GUNKUL ENGINEERING	QH	QUALITY HOUSES
BH	BUMRUNGRAD HOSPITAL	ILINK	INTERLINK COMMUNICATION	TRT	TIRATHAI
GLOBAL	SIAM GLOBAL HOUSE	MTLS	MUANGTHAI LEASING	TVO	THAI VEGETABLE OIL

## Level 1: Committed

Stock	Company name	Stock	Company name	Stock	Company name
CBG	CARABAO GROUP	RS	RS	SAWAD	SRIAWAD POWER 1979
MAJOR	MAJOR CINEPLEX GROUP				

## No progress

Stock	Company name	Stock	Company name	Stock	Company name
BCH	BANGKOK CHAIN HOSPITAL	CPALL	CP ALL	WORK	WORKPOINT ENTERTAINMENT
BEM	BANGKOK EXPRESSWAY AND METRO	LPH	LADPRAO GENERAL HOSPITAL		

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.  <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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