

9 AUGUST 2021

THAILAND / TECHNOLOGY

NEX POINT NEX TB

BUY

UNCHANGED

TARGET PRICE	THB13.40
CLOSE	THB9.30
UP/DOWNSIDE	+44.1%
PRIOR TP	THB12.00
CHANGE IN TP	+11.7%
TP vs CONSENSUS	-0.7%

ไม่ลังเลที่จะลงทุน

การส่งมอบรถโดยสารไฟฟ้ารอบแรกยังเป็นไปตามแผนใน 3Q21

เรายังมองแนวโน้มกำไรสุทธิในปี 2021-23 ของ NEX เป็นบวก เราคาดว่าผลประกอบการจะพลิกฟื้นในปี 2021 จากหลักไม่สำคัญในการรายงานกำไรสุทธิรายไตรมาสเป็นครั้งแรกนับตั้งแต่ปี 2017 ซึ่งเราคาดว่าจะอยู่ที่ 132 ลบ. ใน 3Q21 หลังเราคาดว่าบริษัทฯ จะขาดทุนสุทธิจำนวน 35 ลบ. ใน 2Q21 เนื่องจากบริษัทฯ จะบันทึกรายได้จากการส่งมอบรถโดยสารไฟฟ้าจำนวน 120 คันในเดือน ก.ค. - ส.ค. 2021 ใน 4Q21 ผู้บริหารยังคงคาดว่าจะบริษัทฯ จะส่งมอบรถโดยสารไฟฟ้าเพิ่มอีก 400 คันให้แก่ผู้ประกอบการรถโดยสารประจำทางระหว่างเมืองและรับกำไรสุทธิเพิ่มขึ้นเป็นจำนวน 380 ลบ. NEX จะเป็นผู้ทำตลาดและ Absolute Assembly (AAB, not listed) จะเป็นผู้ผลิตรถโดยสารไฟฟ้าจำนวน 400 คันนี้ ซึ่งแตกต่างจาก 120 คันแรกที่จะส่งมอบใน 3Q21

ยอดขายรถโดยสารและกระบะไฟฟ้ามีความชัดเจนมากยิ่งขึ้นในปี 2022

ในปี 2022 เราคาดว่า NEX จะขายรถโดยสารไฟฟ้าจำนวน 1,000 คันและรถบรรทุกไฟฟ้าจำนวน 200 คันโดยมีสมมติฐานจากคำสั่งซื้อรถโดยสารไฟฟ้าในมือจำนวน 1,500 คันสำหรับ AAB และกิจการร่วมค้าที่อาจจะมีขึ้นกับผู้ผลิตรถบรรทุกสัญชาติญี่ปุ่นในประเทศไทย สำหรับ AAB เราคาดว่าบริษัทฯ จะได้รับกำไรสุทธิจากรถโดยสารไฟฟ้าจำนวน 1,800 คัน (เพิ่มจาก 600 ในปี 2020) และรถบรรทุกไฟฟ้าจำนวน 1,000 คัน (เพิ่มจาก 50 ในปี 2021) ที่จะผลิตในปี 2022 โดยมีสมมติฐานจากข้อมูลของผู้บริหาร ดังนั้นเราจึงคาดว่าจะยอดขายรถโดยสารและรถบรรทุกไฟฟ้า รวมถึงบริการซ่อมบำรุงจะเป็นปัจจัยผลักดันสำคัญที่จะเพิ่มกำไรขั้นต้นของ NEX จาก 236 ลบ. ในปี 2020 เป็น 426 ลบ. ในปี 2021, 1.7 พัน ลบ. ในปี 2022, และ 2.7 พัน ลบ. ในปี 2023

ผลขาดทุนสุทธิที่คาดใน 2Q21 ไม่เป็นประเด็นอีกต่อไป

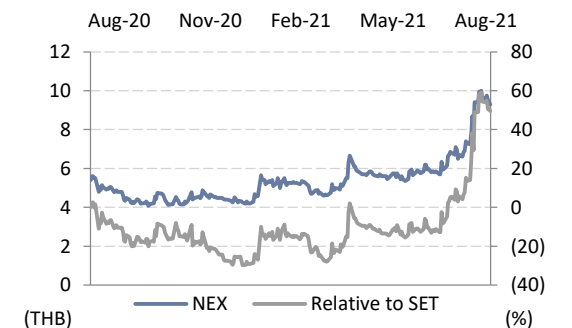
เราคาดว่ากำไรขั้นต้นของ NEX จะดีขึ้นอย่างเห็นได้ชัดจากที่เคยอยู่ในช่วง 20-50 ลบ. มาตั้งแต่ปี 2018 เป็น 0.5-0.7 พัน ลบ. ตั้งแต่ 4Q21 เป็นต้นไปเมื่อยอดขายรถโดยสารและรถบรรทุกไฟฟ้ากลายเป็นธุรกิจหลักของบริษัทฯ โดยจะทดแทนการขายชิ้นส่วนอิเล็กทรอนิกส์และคอมพิวเตอร์ที่เคยขาดทุนในอดีต เราคาดว่า NEX จะรายงานผลขาดทุนสุทธิจำนวน 35 ลบ. ใน 2Q21 ดีขึ้นจากที่เคยขาดทุนสุทธิ 38 ลบ. ใน 1Q21 โดยมีประเด็นสำคัญประกอบด้วย 1) ผลขาดทุนสุทธิต่อเนื่องจากการขายชิ้นส่วนอิเล็กทรอนิกส์และคอมพิวเตอร์ในอดีตจากความต้องการที่ตกต่ำและต้นทุนที่สูงขึ้น; และ 2) ค่าใช้จ่ายการขายและการบริหารที่คาดว่าจะอยู่ที่ 48 ลบ. ต่อไตรมาส

คำแนะนำซื้อหลังปรับเพิ่มราคาเป้าหมายเป็น 13.4 บาท

เราคงคำแนะนำซื้อหลังปรับราคาเป้าหมายจาก 12 เป็น 13.4 บาท (SOTP) เพื่อรวมมูลค่า 1.3 บาท/หุ้นสำหรับการขายรถบรรทุกไฟฟ้าและมูลค่า 1.6 บาท/หุ้นสำหรับการผลิตรถบรรทุกไฟฟ้าของ AAB เนื่องจากผู้บริหารได้ระบุว่า NEX และ AAB ได้คำสั่งซื้อในมือเป็นรถโดยสารไฟฟ้ามากถึง 1,500 คันและรถบรรทุกไฟฟ้า 200-400 คันแล้วในปี 2022 เราปรับประมาณการกำไรต่อหุ้นในปี 2021-23 อีก -12.4%/+0.7%/+0.5% ตามลำดับเพื่อสะท้อนรายได้ที่ลดลงจากบริการซ่อมบำรุงในปี 2021

KEY STOCK DATA

YE Dec (THB m)	2020	2021E	2022E	2023E
Revenue	1,404	3,036	6,599	10,671
Net profit	(214)	439	1,473	2,104
EPS (THB)	(0.13)	0.26	0.88	1.26
vs Consensus (%)	-	30.0	38.6	7.2
EBITDA	(124)	122	913	1,442
Core net profit	(214)	439	1,473	2,104
Core EPS (THB)	(0.13)	0.26	0.88	1.26
Chg. In EPS est. (%)	nm	(12.4)	0.7	0.5
EPS growth (%)	nm	nm	235.4	42.8
Core P/E (x)	(72.9)	35.5	10.6	7.4
Dividend yield (%)	-	1.6	5.4	6.5
EV/EBITDA (x)	(116.4)	113.4	13.9	8.0
Price/book (x)	5.3	4.6	3.4	2.6
Net debt/Equity (%)	(43.1)	(54.2)	(63.7)	(69.1)
ROE (%)	(12.4)	13.8	36.7	40.0



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	31.0	69.1	73.8
Relative to country (%)	37.0	74.7	52.3
Mkt cap (USD m)	467		
3m avg. daily turnover (USD m)	3.8		
Free float (%)	35		
Major shareholder	EA Mobility Holding (40%)		
12m high/low (THB)	10.00/4.06		
Issued shares (m)	1,674.45		

Sources: Bloomberg consensus; FSSIA estimates



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PREPARED BY FSS INTERNATIONAL INVESTMENT ADVISORY SECURITIES CO LTD (FSSIA). ANALYST CERTIFICATION AND IMPORTANT DISCLOSURES CAN BE FOUND AT THE END OF THIS REPORT

บทวิเคราะห์ฉบับนี้แปลมาจากบทวิเคราะห์ของ FSSIA ฉบับวันที่ 9 สิงหาคม 2021

Investment thesis

We believe NEX is a turnaround company due to its business transformation from an electronic parts company into an EV company in 2021 onward. NEX's net profit growth should be driven by the EV industry's growth, its first-mover advantage, and integrated business model to capture Thailand's EV demand growth.

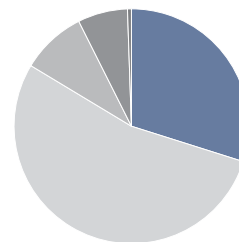
Company profile

Nex is one of the leaders in the comprehensive commercial vehicle industry in Thailand.

www.nexpoint.co.th

Principal activities (revenue, 2020)

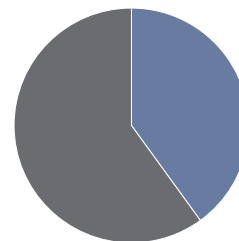
- Electronic sales and service - 30.2 %
- Bus sales - 54.3 %
- Repair and maintenance - 9.1 %
- Transportation - 6.9 %
- Others - -0.5 %



Source: Nex Point

Major shareholders

- EA Mobility Holding - 40.0 %
- Others - 60.0 %



Source: Nex Point

Catalysts

Key potential drivers for NEX are 1) net profit sharing from its EV venture via a 45% stake in Absolute Assembly, a manufacturer of EVs; 2) earnings from the commencement of the marketing and sales of EV buses and e-trucks under NEX as a key trading and marketing arm for the EA group; and 3) sustainable net profits from its high-margin repair and maintenance services covering both ICE and EV clients.

Risks to our call

Downside risks to our SOTP-based TP include: 1) a lower-than-expected bus sales volume; 2) delays in bus deliveries; and 3) risk from regulatory changes.

Event calendar

Date	Event
Aug 2021	2Q21 results announcement

Key assumptions

	2021E	2022E	2023E
EV bus sales (buses)	500	1,000	1,500
E-truck sales (trucks)	0	250	550
Number of vehicle for maintenance service	700	2,000	3,000
E-bus produced & sales (buses) - AAB	600	1,800	2,400
E-truck produced & sales (trucks) - AAB	50	200	500
NEX Express (passengers)	70,080	473,040	630,720
NEX Express tickets (THB)	209	209	209
EV bus sales (buses)	500	1,000	1,500

Source: FSSIA estimates

Earnings sensitivity

- Ceteris Paribus, for every 1% increase in AAB's utilisation rate, we estimate 2021 earnings would increase 2%, and vice versa.

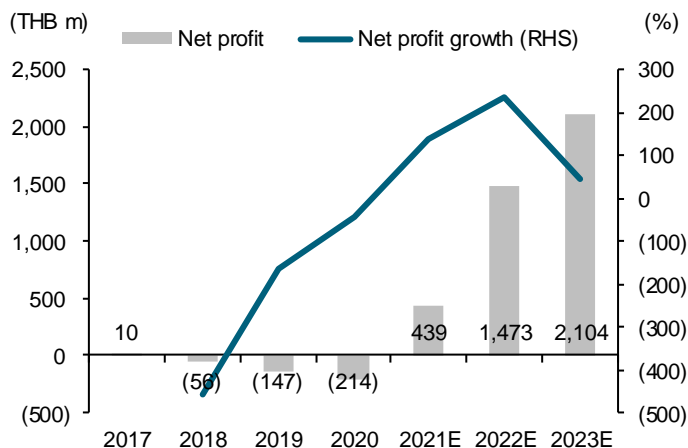
Source: FSSIA estimates

Turnaround is around the corner in 3Q21

We remain sanguine on NEX's net profit outlook in 2021-23. We expect a turnaround in 2021 on the key milestone of its first quarterly net profit for the year that we project at THB132m in 3Q21, after a 2Q21E net loss of THB35m, as NEX will book the revenue from its 120 e-bus delivery in Jul-Aug 2021.

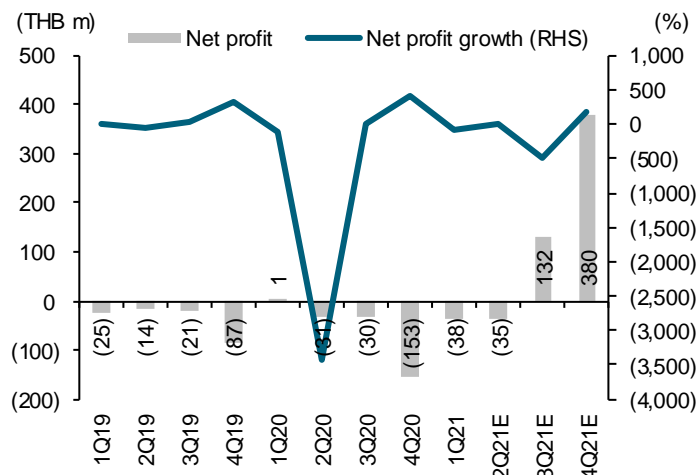
In 4Q21, management maintains the projection that NEX will deliver an additional 400 e-buses to intercity bus operators and recognise a higher net profit of THB380m, as the 400 e-buses, unlike the first 120 e-buses to be delivered in 3Q21, will be marketed by NEX and produced by AAB, a JV manufacturing plant for e-buses and e-trucks owned 45% by NEX and 55% by Energy Absolute (EA TB, BUY, TP THB76).

Exhibit 1: Net profit turnaround in 2021



Sources: NEX; FSSIA estimates

Exhibit 2: 3Q21E net profit of THB132m from 120 e-bus delivery

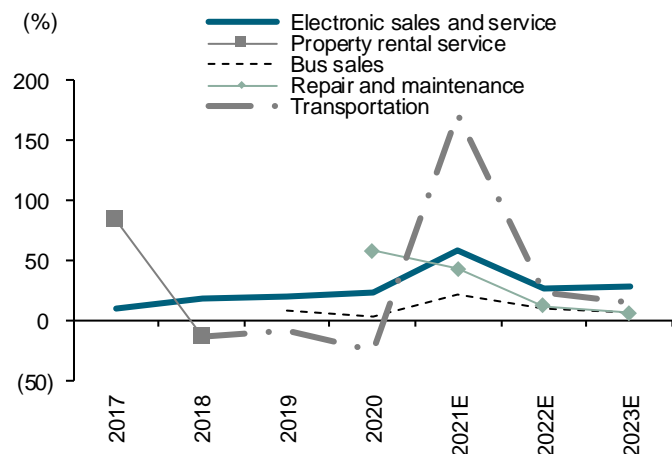


Sources: NEX; FSSIA estimates

In 2022, we expect NEX to sell 1,000 e-buses and 200 e-trucks, based on a 1,500 e-bus backlog for AAB and the potential JV with a Japanese truck producer in Thailand. For AAB, NEX is expected to earn a net profit from the 1,800 e-buses (up from 600 in 2020) and 1,000 e-trucks, (up from 50 in 2021) to be produced in 2022, based on management's guidance.

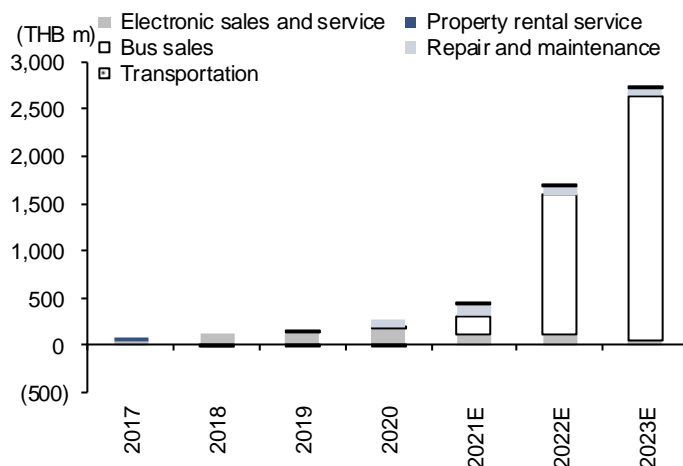
Hence, we project that e-bus and e-truck sales and repair and maintenance services will be the key drivers to boost NEX's gross profit from THB236m in 2020 to THB426m in 2021, THB1.7b in 2022, and THB2.7b in 2023.

Exhibit 3: Gross margin by segment



Sources: NEX; FSSIA estimates

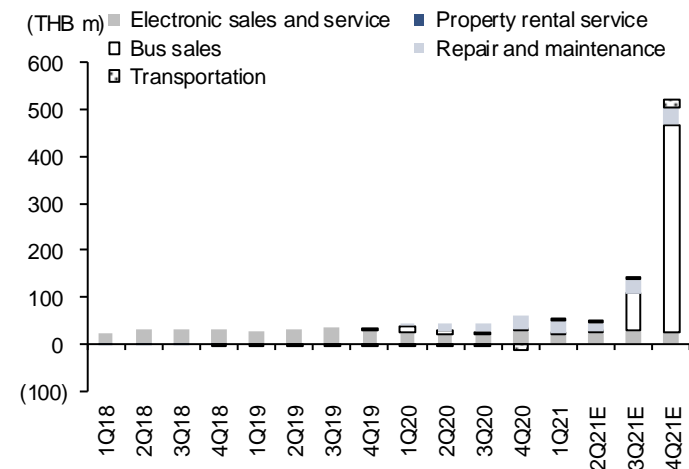
Exhibit 4: Gross profit by segment



Sources: NEX; FSSIA estimates

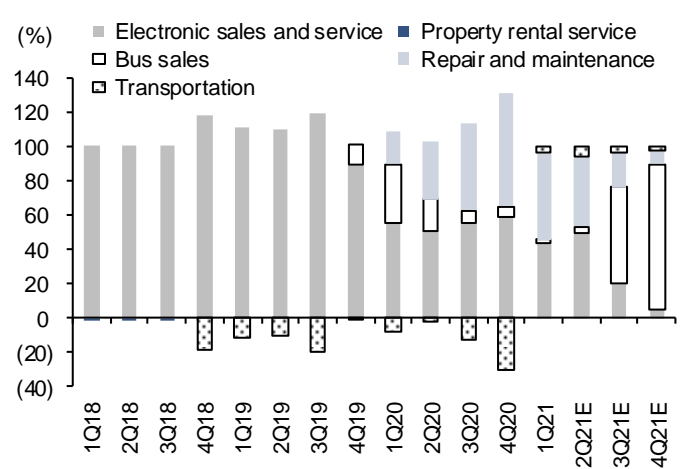
In terms of quarterly gross profit, we project that NEX will witness a substantial improvement in its gross profit from the THB20m-50m range since 2018 to the THB0.5b-0.7b range in 4Q21 onward as e-bus and e-truck sales emerge to become NEX's core business, replacing its legacy loss-making electronics and computer component part sales.

Exhibit 5: Quarterly gross profit by segment



Sources: NEX; FSSIA estimates

Exhibit 6: Quarterly gross profit by segment (%)



Sources: NEX; FSSIA estimates

2Q21E preview

We project NEX to post a net loss of THB35m in 2Q21, up slightly from a net loss of THB38m in 1Q21 but down from a net loss of THB31m in 2Q20. Key points are:

- Continued net losses from its legacy electronics and computer component sales due to poor demand and higher costs;
- SG&A expenses estimated at THB48m per quarter, embedded in the operating cost as a fixed cost, which has remained a key drag resulting in NEX's quarterly net losses since 1Q18.

Exhibit 7: 2Q21E/6M21E summary

	2Q20	1Q21	2Q21E			6M20	6M21E	Change	2021E
	(THB m)	(THB m)	(THB m)	(q-q%)	(y-y%)	(THB m)	(THB m)	(y-y%)	(THB m)
Revenue	388	202	207	2.2	(46.6)	995	409	(58.8)	3,036
Operating costs	(403)	(212)	(202)	(4.7)	(49.8)	(1,021)	(414)	(59.4)	(2,611)
EBITDA	(15)	(10)	5	nm	nm	(26)	(5)	(82.4)	122
EBITDA margin (%)	(3.8)	(4.7)	2.4	nm	nm	(2.6)	(1.1)	(57.2)	4.0
Depn & amort.	(15)	(19)	(25)	33.2	70.9	(26)	(44)	70.1	(64)
EBIT	(29)	(28)	(20)	(29.4)	(32.0)	(52)	(48)	(6.4)	58
Interest expense	(5)	(2)	(4)	110.5	(20.0)	(9)	(6)	(32.5)	(2)
Interest & invt inc	-	-	-	nm	nm	-	-	nm	-
Other income	5	5	-	nm	nm	10	5	nm	20
Associates' contrib	-	(9)	(5)	(45.4)	nm	-	(14)	nm	378
Exceptionals	-	-	-	nm	nm	21	-	nm	-
Pretax profit	(30)	(35)	(29)	(16.5)	(2.7)	(29)	(64)	121.7	454
Tax	(0)	(3)	(4)	25.9	2,531.6	0	(7)	nm	(15)
Tax rate (%)	(0.5)	(9.1)	(13.8)	nm	nm	(27.4)	(39.9)	45.3	3.4
Minority interests	(1)	0	(2)	nm	34.0	(2)	(2)	7.7	-
Net profit	(31)	(38)	(35)	(7.5)	11.3	(30)	(73)	138.9	439
Non-recurring	10	-	-	nm	nm	41	-	nm	-
Core net profit	(41)	(38)	(35)	(7.5)	(15.6)	(72)	(73)	1.6	439
EPS (THB)	(0.01)	(0.01)	(0.01)	(7.5)	11.3	(0.01)	(0.02)	138.9	0.26
Core EPS (THB)	(0.01)	(0.01)	(0.01)	(7.5)	(15.6)	(0.02)	(0.02)	1.6	0.26

Source: FSSIA estimates

EPS and target price revisions

We revise our EPS forecasts in 2021-23 by -12.4%/+0.7%/+0.5% to reflect 1) our 2021 EPS downgrade due to the lower revenue from repair and maintenance services caused by the lockdowns on the resurgence of the Covid-19 pandemic; and 2) our higher EPS forecasts for 2022-23 due to a slightly lower SG&A expense, based on management's guidance.

Exhibit 8: Key changes in assumptions

(THB m)	Current			Previous			Change (%)		
	2021E	2022E	2023E	2021E	2022E	2023E	2021E	2022E	2023E
Revenue	3,036	6,599	10,671	2,774	6,445	10,511	9.5	2.4	1.5
Gross profit	426	1,704	2,722	426	1,673	2,690	(0.2)	1.9	1.2
Operating profit	58	839	1,361	85	826	1,348	(31.8)	1.6	1.0
Net profit	439	1,473	2,104	501	1,463	2,093	(12.4)	0.7	0.5
EPS (THB/shr)	0.3	0.9	1.3	0.3	0.9	1.3	(12.4)	0.7	0.5
Key assumptions									
EV bus sales (buses)	500	1,000	1,500	500	1,000	1,500	0.0	0.0	0.0
E-truck sales (trucks)	0	250	550	0	250	550	0.0	0.0	0.0
Number of vehicles for maintenance services	700	2,000	3,000	700.0	2,000.0	3,000	0.0	0.0	0.0
E-buses produced & sales (buses) - AAB	600	1,800	2,400	720	1,800	2,400	(16.7)	0.0	0.0
E-trucks produced & sales (trucks) - AAB	50	200	500	50	200	500	0.0	0.0	0.0
NEX Express (passengers)	70,080	473,040	630,720	157,680	473,040	630,720	(55.6)	0.0	0.0
NEX Express tickets (THB)	209	209	209	209	209	209	0.0	0.0	0.0

Source: FSSIA estimates

We maintain BUY and raise our SOTP-based target price from THB12 to THB13.4 to incorporate a THB1.3/share value for e-truck sales and a THB1.6/share value for AAB's e-truck production, as management has indicated that NEX and AAB have already secured up to a 1,500 e-bus and 200-400 e-truck backlog in 2022.

Exhibit 9: DCF valuation

Cost of equity assumptions		(%)	Cost of debt assumptions		(%)
Risk-free rate		2.3	Pretax cost of debt		4.6
Market risk premium		8.5	Marginal tax rate		20.0
Stock beta		1.20			
DCF assumptions					
Cost of equity, Ke		12.5	Net cost of debt, Kd		3.4
Weight applied		25.0	Weight applied		75.0
WACC (%)		5.7			
SOP valuation estimate		(THB m)	(THB/share)	Valuation methodology	
Electronics & computer		2,566	1.5	FY22E P/E at 7x	
EV bus - seller		8,998	5.4	FY22E P/E at 12x	
Maintenance service		2,238	1.3	FY22E P/E at 15x	
NEX express (BKK-Korat route)		286	0.2	FY22E P/E at 10x	
AAB - EV bus		5,451	3.3	FY22E P/E at 10x	
EV truck – seller		2,160	1.3	FY22E P/E at 12x	
AAB - EV truck		2,727	1.6	FY22E P/E at 12x	
Net debt		3,076	1.8	At end -2022E	
Minorities		(204)	(0.1)	At end -2022E	
Residual ordinary equity		19,583	13.4		

Source: FSSIA estimates

Financial Statements

Nex Point

Profit and Loss (THB m) Year Ending Dec	2019	2020	2021E	2022E	2023E
Revenue	783	1,404	3,036	6,599	10,671
Cost of goods sold	(695)	(1,168)	(2,611)	(4,894)	(7,948)
Gross profit	88	236	426	1,704	2,722
Other operating income	-	-	-	-	-
Operating costs	(196)	(360)	(304)	(792)	(1,280)
Operating EBITDA	(107)	(124)	122	913	1,442
Depreciation	(25)	(63)	(64)	(74)	(81)
Goodwill amortisation	0	0	0	0	0
Operating EBIT	(132)	(187)	58	839	1,361
Net financing costs	(10)	(16)	(2)	(2)	(2)
Associates	0	(6)	378	788	1,001
Recurring non-operating income	15	11	398	808	1,021
Non-recurring items	0	0	0	0	0
Profit before tax	(126)	(192)	454	1,644	2,380
Tax	(15)	(8)	(15)	(171)	(276)
Profit after tax	(141)	(200)	439	1,473	2,104
Minority interests	(5)	(13)	0	0	0
Preferred dividends	0	0	0	0	0
Other items	-	-	-	-	-
Reported net profit	(147)	(214)	439	1,473	2,104
Non-recurring items & goodwill (net)	0	0	0	0	0
Recurring net profit	(147)	(214)	439	1,473	2,104
Per share (THB)					
Recurring EPS *	(0.09)	(0.13)	0.26	0.88	1.26
Reported EPS	(0.09)	(0.13)	0.26	0.88	1.26
DPS	0.00	0.00	0.15	0.50	0.60
Diluted shares (used to calculate per share data)	1,674	1,674	1,674	1,674	1,674
Growth					
Revenue (%)	19.5	79.2	116.3	117.3	61.7
Operating EBITDA (%)	nm	nm	nm	648.4	58.0
Operating EBIT (%)	nm	nm	nm	1,346.7	62.3
Recurring EPS (%)	nm	nm	nm	235.4	42.8
Reported EPS (%)	nm	nm	nm	235.4	42.8
Operating performance					
Gross margin inc. depreciation (%)	8.2	12.3	11.9	24.7	24.8
Gross margin of key business (%)	8.2	12.3	11.9	24.7	24.8
Operating EBITDA margin (%)	(13.7)	(8.8)	4.0	13.8	13.5
Operating EBIT margin (%)	(16.8)	(13.3)	1.9	12.7	12.8
Net margin (%)	(18.7)	(15.2)	14.5	22.3	19.7
Effective tax rate (%)	-11.9	-4.3	20.0	20.0	20.0
Dividend payout on recurring profit (%)	-	-	57.2	56.8	47.8
Interest cover (X)	(12.0)	(11.1)	254.0	916.8	1,326.2
Inventory days	10.8	22.3	28.2	29.8	31.4
Debtor days	58.0	32.7	16.1	8.4	6.3
Creditor days	55.8	38.7	34.0	36.0	37.9
Operating ROIC (%)	(41.4)	(27.3)	6.8	102.1	141.0
ROIC (%)	(15.5)	(10.7)	19.3	70.5	96.1
ROE (%)	(32.5)	(12.4)	13.8	36.7	40.0
ROA (%)	(15.6)	(8.3)	11.1	28.3	29.9
* Pre-exceptional, pre-goodwill and fully diluted					
Revenue by Division (THB m)					
Electronic sales and service	622	424	174	290	195
Bus sales	48	763	2,500	5,450	9,000
Repair and maintenance	0	127	263	750	1,125
Transportation	119	97	15	99	132

Sources: Nex Point; FSSIA estimates

Financial Statements

Nex Point

Cash Flow (THB m) Year Ending Dec	2019	2020	2021E	2022E	2023E
Recurring net profit	(147)	(214)	439	1,473	2,104
Depreciation	25	63	64	74	81
Associates & minorities	0	(6)	378	788	1,001
Other non-cash items	-	-	-	-	-
Change in working capital	(132)	(66)	(116)	(272)	(313)
Cash flow from operations	(254)	(223)	765	2,063	2,872
Capex - maintenance	(24)	(23)	(64)	(74)	(81)
Capex - new investment	(90)	(434)	(264)	(174)	(181)
Net acquisitions & disposals	0	(476)	0	0	0
Other investments (net)	29	(406)	378	788	1,001
Cash flow from investing	(84)	(1,339)	50	540	739
Dividends paid	0	0	0	(251)	(837)
Equity finance	230	2,685	0	0	0
Debt finance	(16)	(54)	0	0	0
Other financing cash flows	116	255	(229)	(1,228)	(1,640)
Cash flow from financing	330	2,886	(229)	(1,479)	(2,477)
Non-recurring cash flows	-	-	-	-	-
Other adjustments	0	0	0	0	0
Net other adjustments	0	0	0	0	0
Movement in cash	(8)	1,324	587	1,124	1,135
Free cash flow to firm (FCFF)	(328.40)	(1,546.22)	817.42	2,604.16	3,613.33
Free cash flow to equity (FCFE)	(238.37)	(1,360.93)	586.98	1,374.73	1,971.90
Per share (THB)					
FCFF per share	(0.20)	(0.92)	0.49	1.56	2.16
FCFE per share	(0.14)	(0.81)	0.35	0.82	1.18
Recurring cash flow per share	(0.07)	(0.09)	0.53	1.39	1.90
Balance Sheet (THB m) Year Ending Dec	2019	2020	2021E	2022E	2023E
Tangible fixed assets (gross)	277	591	391	291	191
Less: Accumulated depreciation	(89)	(56)	(119)	(193)	(274)
Tangible fixed assets (net)	187	536	272	98	(83)
Intangible fixed assets (net)	120	201	201	201	201
Long-term financial assets	-	-	-	-	-
Invest. in associates & subsidiaries	0	476	476	476	476
Cash & equivalents	86	1,410	1,997	3,121	4,255
A/C receivable	123	129	140	165	205
Inventories	18	124	278	522	847
Other current assets	192	207	448	974	1,575
Current assets	420	1,871	2,863	4,781	6,883
Other assets	201	534	534	534	534
Total assets	929	3,617	4,346	6,090	8,011
Common equity	486	2,961	3,401	4,623	5,889
Minorities etc.	79	204	204	204	204
Total shareholders' equity	566	3,166	3,605	4,827	6,094
Long term debt	42	0	0	0	0
Other long-term liabilities	84	167	167	167	167
Long-term liabilities	126	167	167	167	167
A/C payable	97	150	336	629	1,022
Short term debt	57	45	45	45	45
Other current liabilities	83	90	195	423	684
Current liabilities	237	285	575	1,097	1,751
Total liabilities and shareholders' equity	929	3,617	4,347	6,091	8,011
Net working capital	154	220	336	608	921
Invested capital	662	1,967	1,819	1,917	2,049
* Includes convertibles and preferred stock which is being treated as debt					
Per share (THB)					
Book value per share	0.29	1.77	2.03	2.76	3.52
Tangible book value per share	0.22	1.65	1.91	2.64	3.40
Financial strength					
Net debt/equity (%)	2.2	(43.1)	(54.2)	(63.7)	(69.1)
Net debt/total assets (%)	1.4	(37.7)	(44.9)	(50.5)	(52.6)
Current ratio (x)	1.8	6.6	5.0	4.4	3.9
CF interest cover (x)	(14.3)	(57.5)	474.9	863.4	1,199.7
Valuation	2019	2020	2021E	2022E	2023E
Recurring P/E (x) *	(106.2)	(72.9)	35.5	10.6	7.4
Recurring P/E @ target price (x) *	(153.0)	(105.1)	51.1	15.2	10.7
Reported P/E (x)	(106.2)	(72.9)	35.5	10.6	7.4
Dividend yield (%)	-	-	1.6	5.4	6.5
Price/book (x)	32.0	5.3	4.6	3.4	2.6
Price/tangible book (x)	42.5	5.6	4.9	3.5	2.7
EV/EBITDA (x) **	(146.1)	(116.4)	113.4	13.9	8.0
EV/EBITDA @ target price (x) **	(210.1)	(171.8)	169.7	21.4	12.8
EV/invested capital (x)	23.7	7.3	7.6	6.6	5.6
* Pre-exceptional, pre-goodwill and fully diluted ** EBITDA includes associate income and recurring non-operating income					

Sources: Nex Point; FSSIA estimates

Corporate Governance report of Thai listed companies 2020

EXCELLENT LEVEL										
AAV	ADVANC	AF	AIRA	AKP	AKR	ALT	AMA	AMATA	AMATAV	ANAN
AOT	AP	ARIP	ARROW	ASP	BAFS	BANPU	BAY	BCP	BCPG	BDMS
BEC	BEM	BGRIM	BIZ	BKI	BLA	BOL	BPP	BRR	BTS	BWG
CENTEL	CFRESH	CHEWA	CHO	CIMBT	CK	CKP	CM	CNT	COL	COMAN
COTTO	CPALL	CPF	CPI	CPN	CSS	DELTA	DEMCO	DRT	DTAC	DTC
DV8	EA	EASTW	ECF	ECL	EGCO	EPG	ETE	FNS	FPI	FPT
FSMART	GBX	GC	GCAP	GEL	GFPT	GGC	GPSC	GRAMMY	GUNKUL	HANA
HARN	HMPRO	ICC	ICHI	III	ILINK	INTUCH	IRPC	IVL	JKN	JSP
JWD	K	KBANK	KCE	KKP	KSL	KTB	KTC	LANNA	LH	LHFG
LIT	LPN	MAKRO	MALEE	MBK	MBKET	MC	MCOT	METCO	MFEC	MINT
MONO	MOONG	MSC	MTC	NCH	NCL	NEP	NKI	NOBLE	NSI	NVD
NYT	OISHI	ORI	OTO	PAP	PCSGH	PDJ	PG	PHOL	PLANB	PLANET
PLAT	PORT	PPS	PR9	PREB	PRG	PRM	PSH	PSL	PTG	PTT
PTTEP	PTTGC	PYLON	Q-CON	QH	QTC	RATCH	RS	S	S & J	SAAM
SABINA	SAMART	SAMTEL	SAT	SC	SCB	SCC	SCCC	SCG	SCN	SDC
SEAFCO	SEOIL	SE-ED	SELIC	SENA	SIRI	SIS	SITHAI	SMK	SMPC	SNC
SONIC	SORKON	SPALI	SPI	SPRC	SPVI	SSSC	SST	STA	SUSCO	SUTHA
SVI	SYMC	SYNTEC	TACC	TASCO	TCAP	TFMAMA	THANA	THANI	THCOM	THG
THIP	THRE	THREL	TIP	TIPCO	TISCO	TK	TKT	TMB	TMILL	TNDT
TNL	TOA	TOP	TPBI	TQM	TRC	TSC	TSR	TSTE	TSTH	TTA
TTCL	TTW	TU	TVD	TVI	TVO	TWPC	U	UAC	UBIS	UV
VGI	VIH	WACOAL	WAVE	WHA	WHAUP	WICE	WINNER	TRUE		

VERY GOOD LEVEL										
2S	ABM	ACE	ACG	ADB	AEC	AEONTS	AGE	AH	AHC	AIT
ALLA	AMANAHA	AMARIN	APCO	APCS	APURE	AQUA	ASAP	ASEFA	ASIA	ASIAN
ASIMAR	ASK	ASN	ATP30	AUCT	AWC	AYUD	B	BA	BAM	BBL
BFIT	BGC	BJC	BJCHI	BROOK	BTW	CBG	CEN	CGH	CHARAN	CHAYO
CHG	CHOTI	CHOW	CI	CIG	CMC	COLOR	COM7	CPL	CRC	CRD
CSC	CSP	CWT	DCC	DCON	DDD	DOD	DOHOME	EASON	EE	ERW
ESTAR	FE	FLOYD	FN	FORTH	FSS	FTE	FVC	GENCO	GJS	GL
GLAND	GLOBAL	GLOCON	GPI	GULF	GYT	HPT	HTC	ICN	IFS	ILM
IMH	INET	INSURE	IRC	IRCP	IT	ITD	ITEL	J	JAS	JCK
JCKH	JMART	JMT	KBS	KCAR	KGI	KIAT	KOOL	KTIS	KWC	KWM
L&E	LALIN	LDC	LHK	LOXLEY	LPH	LRH	LST	M	MACO	MAJOR
MBAX	MEGA	META	MFC	MGT	MILL	MITSIB	MK	MODERN	MTI	MVP
NETBAY	NEX	NINE	NTV	NWR	OCC	OGC	OSP	PATO	PB	PDG
PDI	PICO	PIMO	PJW	PL	PM	PPP	PRIN	PRINC	PSTC	PT
QLT	RCL	RICHY	RML	RPC	RWI	S11	SALEE	SAMCO	SANKO	SAPPE
SAWAD	SCI	SCP	SE	SEG	SFP	SGF	SHR	SIAM	SINGER	SKE
SKR	SKY	SMIT	SMT	SNP	SPA	SPC	SPCG	SR	SRICHA	SSC
SSF	STANLY	STI	STPI	SUC	SUN	SYNEX	T	TAE	TAKUNI	TBSP
TCC	TCMC	TEAM	TEAMG	TFG	TIGER	TITLE	TKN	TKS	TM	TMC
TMD	TMI	TMT	TNITY	TNP	TNR	TOG	TPA	TPAC	TPCORP	TPOLY
TPS	TRITN	TRT	TRU	TSE	TVT	TWP	UEC	UMI	UOBKH	UP
UPF	UPOIC	UT	UTP	UWC	VL	VNT	VPO	WIIK	WP	XO
YUASA	ZEN	ZIGA	ZMICO							

GOOD LEVEL										
7UP	A	ABICO	AJ	ALL	ALUCON	AMC	APP	ARIN	AS	AU
B52	BC	BCH	BEAUTY	BGT	BH	BIG	BKD	BLAND	BM	BR
BROCK	BSBM	BSM	BTNC	CAZ	CCP	CGD	CITY	CMAN	CMO	CMR
CPT	CPW	CRANE	CSR	D	EKH	EP	ESSO	FMT	GIFT	GREEN
GSC	GTB	HTECH	HUMAN	IHL	INOX	INSET	IP	JTS	JUBILE	KASET
KCM	KKC	KUMWEL	KUN	KWG	KYE	LEE	MATCH	MATI	M-CHAI	MCS
MDX	MJD	MM	MORE	NC	NDR	NER	NFC	NNCL	NPK	NUSA
OCEAN	PAF	PF	PK	PLE	PMTA	POST	PPM	PRAKIT	PRECHA	PRIME
PROUD	PTL	RBF	RCI	RJH	ROJNA	RP	RPH	RSP	SF	SFLEX
SGP	SISB	SKN	SLP	SMART	SOLAR	SPG	SQ	SSP	STARK	STC
SUPER	SVOA	TC	TCCC	THMUI	TIW	TNH	TOPP	TPCH	TIPIP	TPLAS
TTI	TYCN	UKEM	UMS	VCOM	VRANDA	WIN	WORK	WPH		

Description

Score Range

Excellent

90-100

Very Good

80-89

Good

70-79

Disclaimer:

The disclosure of the survey results 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 evaluation 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 results may be changed after that date. FSS International Investment Advisory Company Limited does not confirm nor certify the accuracy of such survey results.

* CGR scoring should be considered with news regarding wrong doing of the company or director or executive of the company such unfair practice on securities trading, fraud, and corruption SEC imposed a civil sanction against insider trading of director and executive; ** delisted

Source: Thai Institute of Directors Association (IOD); FSSIA's compilation

Anti-corruption Progress Indicator 2020

CERTIFIED										
2S	ADVANC	AI	AIE	AIRA	AKP	AMA	AMANA	AP	AQUA	ARROW
ASK	ASP	AYUD	B	BAFS	BANPU	BAY	BBL	BCH	BCP	BCPG
BGC	BGRIM	BJCHI	BKI	BLA	BPP	BROOK	BRR	BSBM	BTS	BWG
CEN	CENTEL	CFRESH	CGH	CHEWA	CHOTI	CHOW	CIG	CIMBT	CM	CMC
COL	COM7	CPALL	CPF	CPI	CPN	CSC	DCC	DELTA	DEMCO	DIMET
DRT	DTAC	DTC	EASTW	ECL	EGCO	FE	FNS	FPI	FPT	FSS
FTE	GBX	GC	GCAP	GEL	GFPT	GGC	GJS	GPSC	GSTEEL	GUNKUL
HANA	HARN	HMPRO	HTC	ICC	ICHI	IFS	INET	INSURE	INTUCH	IRPC
ITEL	IVL	K	KASET	KBANK	KBS	KCAR	KCE	KGI	KKP	KSL
KTB	KTC	KWC	L&E	LANNA	LHFG	LHK	LPN	LRH	M	MAKRO
MALEE	MBAX	MBK	MBKET	MC	MCOT	MFC	MFEC	MINT	MONO	MOONG
MPG	MSC	MTC	MTI	NBC	NEP	NINE	NKI	NMG	NNCL	NSI
NWR	OCC	OCEAN	OGC	ORI	PAP	PATO	PB	PCSGH	PDG	PDI
PDJ	PE	PG	PHOL	PL	PLANB	PLANET	PLAT	PM	PPP	PPPM
PPS	PREB	PRG	PRINC	PRM	PSH	PSL	PSTC	PT	PTG	PTT
PTTEP	PTTGC	PYLON	Q-CON	QH	QLT	QTC	RATCH	RML	RWI	S & J
SABINA	SAT	SC	SCB	SCC	SCCC	SCG	SCN	SEAOL	SE-ED	SELIC
SENA	SGP	SIRI	SITHAI	SMIT	SMK	SMPC	SNC	SNP	SORKON	SPACK
SPC	SPI	SPRC	SRICHA	SSF	SSSC	SST	STA	SUSCO	SVI	SYNTEC
TAE	TAKUNI	TASCO	TBSP	TCAP	TCMC	TFG	TFI	TFMAMA	THANI	THCOM
THIP	THRE	THREL	TIP	TIPCO	TISCO	TKT	TMB	TMD	TMILL	TMT
TNITY	TNL	TNP	TNR	TOG	TOP	TPA	TPCORP	TPP	TRU	TSC
TSTH	TTCL	TU	TVD	TVI	TVO	TWPC	U	UBIS	UEC	UKEM
UOBKH	UWC	VGI	VIH	VNT	WACOAL	WHA	WHAUP	WICE	WIJK	XO
ZEN	TRUE									
DECLARED										
7UP	ABICO	AF	ALT	AMARIN	AMATA	AMATAV	ANAN	APURE	B52	BKD
BM	BROCK	BUI	CHO	CI	COTTO	DDD	EA	EFORL	EP	ERW
ESTAR	ETE	EVER	FSMART	GPI	ILINK	IRC	J	JKN	JMART	JMT
JSP	JTS	KWG	LDC	MAJOR	META	NCL	NOBLE	NOK	PK	PLE
ROJNA	SAAM	SAPPE	SCI	SE	SHANG	SINGER	SKR	SPALI	SSP	STANLY
SUPER	SYNEX	THAI	TKS	TOPP	TRITN	TTA	UPF	UV	WIN	ZIGA

Level	
Certified	This level indicates practical participation with thoroughly examination in relation to the recommended procedures from the audit committee or the SEC's certified auditor, being a certified member of Thailand's Private Sector Collective Action Coalition Against Corruption programme (Thai CAC) or already passed examination to ensure independence from external parties.
Declared	This level indicates determination to participate in the Thailand's Private Sector Collective Action Coalition Against Corruption programme (Thai CAC)

Disclaimer:

The disclosure of the Anti-Corruption Progress Indicators of a listed company on the Stock Exchange of Thailand, which is assessed by Thaipat Institute, is made in order to comply with the policy and sustainable development plan for the listed companies of the Office of the Securities and Exchange Commission. Thaipat Institute made this assessment based on the information received from the listed company, as stipulated in the form for the assessment of Anti-corruption which refers to the Annual Registration Statement (Form 56-1), Annual Report (Form 56-2), or other relevant documents or reports of such listed company. The assessment result is therefore made from the perspective of Thaipat Institute that is a third party. It is not an assessment of operation and is not based on any inside information. Since this assessment is only the assessment result as of the date appearing in the assessment result, it may be changed after that date or when there is any change to the relevant information. Nevertheless, FSS International Investment Advisory Company Limited does not confirm, verify, or certify the accuracy and completeness of the assessment results.

Note: Companies participating in Thailand's Private Sector Collective Action Coalition Against Corruption programme (Thai CAC) under Thai Institute of Directors (as of June 24, 2019) are categorised into: 1) companies that have declared their intention to join CAC, and; 2) companies certified by CAC.

Source: The Securities and Exchange Commission, Thailand; * FSSIA's compilation

GENERAL DISCLAIMER

ANALYST(S) CERTIFICATION

Suwat Sinsadok FSS International Investment Advisory Securities Co., Ltd

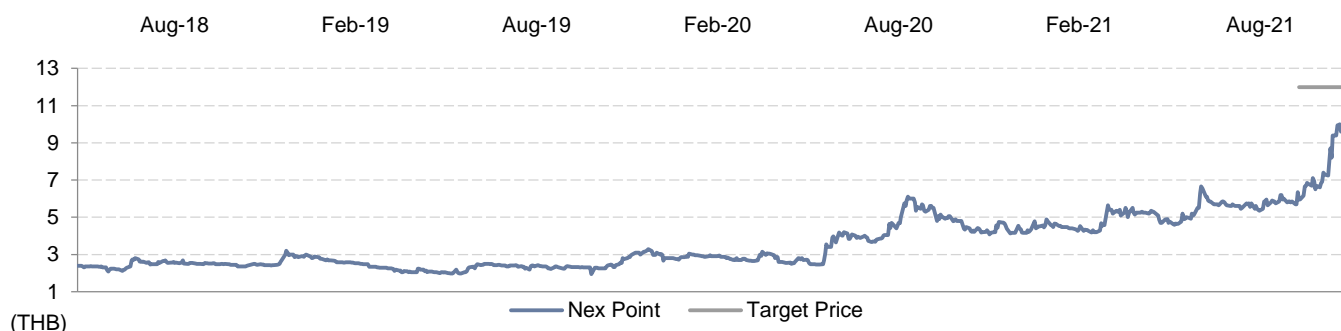
The individual(s) identified above certify(ies) that (i) all views expressed in this report accurately reflect the personal view of the analyst(s) with regard to any and all of the subject securities, companies or issuers mentioned in this report; and (ii) no part of the compensation of the analyst(s) was, is, or will be, directly or indirectly, related to the specific recommendations or views expressed herein.

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History of change in investment rating and/or target price

Nex Point (NEX TB)



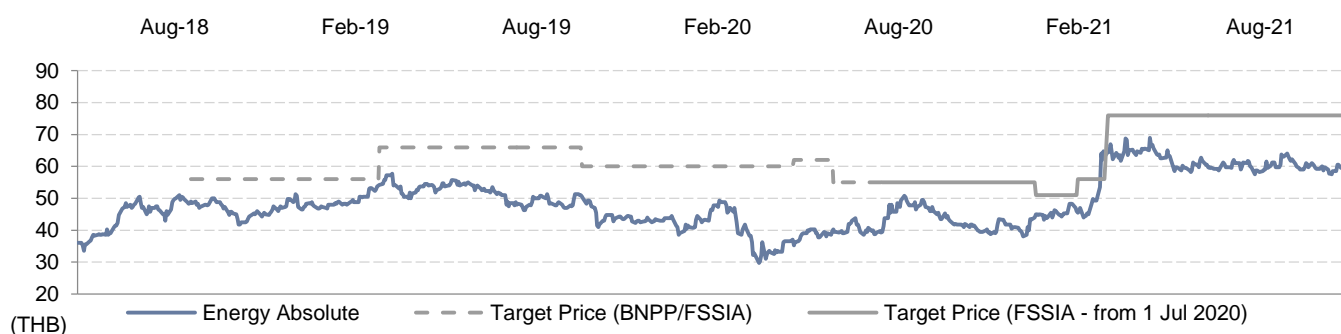
Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
23-Jun-2021	BUY	12.00	-	-	-	-	-	-

Suwat Sinsadok started covering this stock from 23-Jun-2021

Price and TP are in local currency

Source: FSSIA estimates

Energy Absolute (EA TB)



Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
15-Nov-2018	BUY	56.00	20-May-2020	BUY	55.00	15-Dec-2020	BUY	56.00
26-Apr-2019	BUY	66.00	09-Jul-2020	BUY	55.00	08-Jan-2021	BUY	76.00
17-Oct-2019	BUY	60.00	17-Jul-2020	BUY	55.00			
16-Apr-2020	BUY	62.00	09-Nov-2020	BUY	51.00			

Suwat Sinsadok started covering this stock from 15-Nov-2018

Price and TP are in local currency

Source: FSSIA estimates

Company	Ticker	Price	Rating	Valuation & Risks
Nex Point	NEX TB	THB 9.30	BUY	Downside risks to our SOTP-based TP include: 1) a lower-than-expected bus sales volume; 2) delays in bus deliveries; and 3) risk from regulatory changes.
Energy Absolute	EA TB	THB 59.00	BUY	Downside risks to our SoTP-based TP include: 1) lower-than-expected demand for electricity in Thailand; 2) lower crude prices; and 3) lower-than-expected demand for batteries.

Source: FSSIA estimates

Additional Disclosures

Target price history, stock price charts, valuation and risk details, and equity rating histories applicable to each company rated in this report is available in our most recently published reports. You can contact the analyst named on the front of this note or your representative at Finansia Syrus Securities Public Company Limited

FSSIA may incorporate the recommendations and target prices of companies currently covered by FSS Research into equity research reports, denoted by an 'FSS' before the recommendation. FSS Research is part of Finansia Syrus Securities Public Company Limited, which is the parent company of FSSIA.

All share prices are as at market close on 06-Aug-2021 unless otherwise stated.

RECOMMENDATION STRUCTURE**Stock ratings**

Stock ratings are based on absolute upside or downside, which we define as $(\text{target price}^* - \text{current price}) / \text{current price}$.

BUY (B). The upside is 10% or more.

HOLD (H). The upside or downside is less than 10%.

REDUCE (R). The downside is 10% or more.

Unless otherwise specified, these recommendations are set with a 12-month horizon. Thus, it is possible that future price volatility may cause a temporary mismatch between upside/downside for a stock based on market price and the formal recommendation.

* In most cases, the target price will equal the analyst's assessment of the current fair value of the stock. However, if the analyst doesn't think the market will reassess the stock over the specified time horizon due to a lack of events or catalysts, then the target price may differ from fair value. In most cases, therefore, our recommendation is an assessment of the mismatch between current market price and our assessment of current fair value.

Industry Recommendations

Overweight. The analyst expects the fundamental conditions of the sector to be positive over the next 12 months.

Neutral. The analyst expects the fundamental conditions of the sector to be maintained over the next 12 months.

Underweight. The analyst expects the fundamental conditions of the sector to be negative over the next 12 months.

Country (Strategy) Recommendations

Overweight (O). Over the next 12 months, the analyst expects the market to score positively on two or more of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.

Neutral (N). Over the next 12 months, the analyst expects the market to score positively on one of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.

Underweight (U). Over the next 12 months, the analyst does not expect the market to score positively on any of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.