

20 NOVEMBER 2020

THAILAND / MEDIA

BEC WORLD BEC TB

HOLD

FROM REDUCE

TARGET PRICE	THB6.00
CLOSE	THB5.70
UP/DOWNSIDE	+5.3%
PRIOR TP	THB3.60
CHANGE IN TP	+66.7%
TP vs CONSENSUS	+13.9%

The new episode: Turnaround

คาดการณ์ประกอบการจะพลิกเป็นกำไรในปี 2021

จากผลประกอบการ 3Q20 ที่ดีเกินคาดส่วนมากมาจากการลดต้นทุน รวมไปถึงแผนการเลิกจ้างพนักงาน 30% ภายในสิ้นปีนี้ และการผลักดันธุรกิจดิจิทัลและธุรกิจ Global Content Licensing ที่ให้อัตรากำไรสูง เราได้ปรับประมาณการปี 2020 ของเราเป็นขาดทุน 355 ลบ. จากที่เคยคาดว่าจะบริษัท จะขาดทุน 740 ลบ. และประมาณการปี 2021 เป็นกำไร 213 ลบ. จากที่เคยคาดว่าจะบริษัท จะขาดทุน 328 ลบ. หากผลประกอบการในปี 2021 เป็นไปตามที่เราคาด BEC จะรายงานกำไรสุทธิจากการดำเนินงานเป็นครั้งแรกในรอบ 5 ปี รวมถึงเป็นปีแรกที่บริษัท จะสามารถลดต้นทุนสู่ระดับที่บริษัท เข้าสู่จุดสมดุล

ยังคงกำไรใน 4Q20

เราคาดว่า BEC จะบันทึกกำไรสุทธิจากการดำเนินงานอย่างต่อเนื่องใน 4Q20 เนื่องจากบริษัทฯ ยังมีรายการละครเก่าที่สามารถนำมาออกอากาศซ้ำ ค่าใช้จ่ายโฆษณา (adex) ควบคุมอยู่ ๑ พันตัว และมีรายการละครฉายไปยังต่างประเทศที่มีกำไรสูง 2 รายการ (เทียบกับ 1 รายการใน 3Q20) อย่างไรก็ดี ผลประกอบการของบริษัทฯ ยังคงมีความเสี่ยงจากต้นทุนพิเศษที่จะเกิดจากการเลิกจ้างพนักงาน 30%

ระหว่างต้นทุนกับรายได้ สิ่งไหนสำคัญกว่า ?

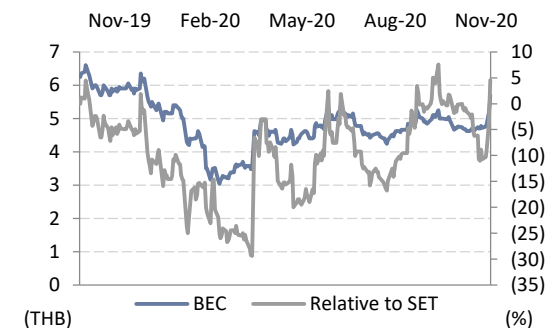
ปัจจัยสำคัญที่ช่วยให้ BEC พลิกมารายงานกำไรใน 3Q20 อยู่ที่การลดต้นทุนให้อยู่ในระดับที่ต่ำที่สุด โดยบริษัท รายงานค่าใช้จ่ายรวม 951 ลบ. ซึ่งเป็นระดับที่ต่ำที่สุดในรอบทศวรรษจากความพยายามลดต้นทุนอย่างต่อเนื่อง ประกอบด้วยการลดรายการละครและต้นทุนการผลิต โดยนำรายการละครหลังข่าวภาคค่ำมาฉายซ้ำ ซึ่งทำให้อัตรากำไรขั้นต้นดีขึ้นเป็น 28.1% ตัวเลขดังกล่าวเป็นอัตรากำไรขั้นต้นที่สูงที่สุดในรอบ 4 ปี เมื่อพิจารณาจากอัตรากำไรขั้นต้นที่ต่ำเป็นประวัติการณ์เพียง 85,000 บาทต่อหน่วยใน 3Q20 การนำรายการเก่ามาฉายซ้ำในช่วงที่ adex ตกต่ำจะเป็นการตัดสินใจที่ถูกต้อง อย่างไรก็ตาม BEC คาดว่าจะเริ่มออกอากาศรายการใหม่มากขึ้นในปี 2021 ซึ่งเป็นไปได้ว่าต้นทุนของบริษัทฯ จะเพิ่มขึ้น ในขณะที่ adex อาจจะยังไม่ฟื้นตัวเต็มที่ เนื่องจากเราเชื่อว่า adex จะเริ่มฟื้นตัวใน 2H21 ปัจจัยดังกล่าวอาจเป็นความเสี่ยงด้านลบต่อผลประกอบการของบริษัทฯ

เพิ่มคำแนะนำเป็นถือหลังปรับราคาเป้าหมายเป็น 6 บาท

จากคาดการณ์ที่ว่าผลประกอบการของ BEC จะพลิกเป็นกำไรนับตั้งแต่ปี 2021 เป็นต้นไป เราปรับเพิ่มคำแนะนำของเราเป็นถือจาก Reduce หลังปรับราคาเป้าหมายเป็น 6 บาท (DCF) จาก 3.60 บาท แม้ว่าแนวโน้มของ BEC อาจยังดูดี เรายังมีความกังวลเกี่ยวกับผลการรับชมรายการ (Rating) และอัตรากำไรโฆษณาทางโทรทัศน์ในระยะยาว เนื่องจากธุรกิจดังกล่าวยังเป็นธุรกิจหลักของบริษัทฯ

KEY STOCK DATA

YE Dec (THB m)	2019	2020E	2021E	2022E
Revenue	8,310	5,760	6,556	7,339
Net profit	(397)	(398)	213	565
EPS (THB)	(0.20)	(0.20)	0.11	0.28
vs Consensus (%)	-	nm	155.8	35.3
EBITDA	2,424	2,119	2,495	2,927
Core net profit	(556)	(355)	213	565
Core EPS (THB)	(0.28)	(0.18)	0.11	0.28
Chg. In EPS est. (%)	nm	nm	nm	952.3
EPS growth (%)	nm	nm	nm	165.1
Core P/E (x)	(20.5)	(32.1)	53.5	20.2
Dividend yield (%)	-	-	-	-
EV/EBITDA (x)	5.0	5.6	4.5	3.7
Price/book (x)	2.0	2.2	2.1	1.9
Net debt/Equity (%)	9.0	10.2	(0.6)	(5.9)
ROE (%)	(9.5)	(6.5)	4.0	9.9



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	20.8	34.4	(8.8)
Relative to country (%)	5.2	25.5	4.8
Mkt cap (USD m)	376		
3m avg. daily turnover (USD m)	1.2		
Free float (%)	48		
Major shareholder	Maleenont Family (28%)		
12m high/low (THB)	6.80/3.02		
Issued shares (m)	2,000.00		

Sources: Bloomberg consensus; FSSIA estimates


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บทความนี้เผยแพร่จากบทวิเคราะห์ของ FSSIA ฉบับวันที่ 20 พฤศจิกายน 2020

Investment thesis

BEC used to be the second-biggest TV operator in Thailand, and regularly enjoyed profits of more than THB4b per year. However, changes in consumer behaviour, more competitors, and a continuous decline in adex have hurt BEC, which has booked a loss for three consecutive years.

However, we believe 2021 will be the first profitable year for the company, given its recent adex recovery and efficient cost cutting, and believe its financial performance could turnaround significantly next year.

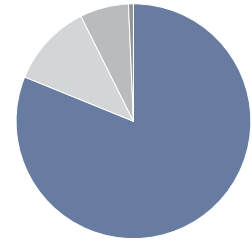
Company profile

BEC’s principal business operations are its 1) content business – TV, online, global content licensing, program sourcing, production distribution; and 2) supporting businesses – the production of variety shows and content and promotional campaign activities.

www.becworld.com

Principal activities (revenue, 2019)

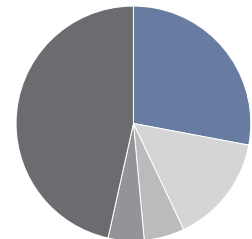
- Advertising income - 81.1 %
- Copyrights & Other services - 11.5 %
- Concerts & Shows - 6.7 %
- Sales of Goods - 0.7 %



Source: BEC World

Major shareholders

- Maleenont Family - 28.0 %
- Jurangkool Family - 15.0 %
- Nortrust Nominees LTD-CL AC - 5.6 %
- BTS Group Holdings PCL - 5.0 %
- Others - 46.5 %



Source: BEC World

Catalysts

- A gradual recovery in adex starting in 2H20 and a strong recovery in 2021 should boost the company’s revenue;
- The 30% employee layoff should help BEC’s earnings;
- If it can expand its market share via global content licensing.

Risks to our call

The key upside and downside risks to our DCF-based TP are a stronger- or lower-than-expected adex recovery and the company’s better- or worse-than-expected cost reduction.

Event calendar

Date	Event
Dec-20	November TV ratings and adex announcement
Feb-21	4Q20 results announcement

Key assumptions

	2019	2020E	2021E	2022E
Ad rate per minute (THB)	102,500	90,200	94,710	97,551
Utilisation (%)	75	61	65	67

Source: FSSIA estimates

Earnings sensitivity

- For every 1% increase in utilisation rate, we project 2021 earnings to rise by 26%, and vice versa, all else being equal;
- For every 1% increase in advertising rate, we project 2021 earnings to rise by 16%, and vice versa, all else being equal.

Source: FSSIA estimates

3Q20 results summary: The first core profit in the last two years

BEC reported a 3Q20 core net profit of THB60m, the first profit by quarter for the company in the past two years. Its results were better than Bloomberg consensus and our expectation. The company's revenue increased by 12% q-q to THB1.3b (-39% y-y), in line with our expectations. Advertising income rose to THB1.1b (-32% y-y, +29% q-q) due to higher advertising minutes sold, as advertising spending increased from the easing of the COVID-19 lockdown. However, it had the lowest advertising rate of all time at THB85,000/min in 3Q20 vs THB91,000/min in 2Q20, but its utilisation rate picked up to 61% vs 45% in 2Q20. Copyrights and other services decreased by 41% q-q due to lower global content licensing revenue, as it had only one simulcast drama series in 3Q20 vs two series in 2Q20.

BEC's 3Q20 expense was at THB951m; the lowest in a decade. 3Q20 saw ongoing cost savings, including a reduction in the number of dramas and production costs by rerunning prime-time dramas in July and September, resulting in an improvement in its GPM to 28.1%; the highest GPM in the past four years. Its SG&A expense also decreased from the previous quarter to THB282m vs THB331m in 2Q20.

Exhibit 1: BEC's 3Q20 results summary

	3Q19	2Q20	3Q20	----- Change -----		9M19	9M20	Chg.	2020E
	(THB m)	(THB m)	(THB m)	(q-q%)	(y-y%)	(THB m)	(THB m)	(y-y%)	(THB m)
TV	1,685	887	1,144	28.9	(32.1)	5,218	3,430	(34.3)	4,820
Copyrights	217	285	169	(40.5)	(21.9)	668	673	0.8	900
Concerts	261	3	1	(67.7)	(99.7)	363	9	(97.4)	10
Sales of goods	7	10	9	(4.8)	33.3	36	30	(16.5)	30
Revenue	2,170	1,184	1,323	11.7	(39.0)	6,286	4,143	(34.1)	5,760
Operating costs	(2,010)	(1,020)	(951)	(6.8)	(52.7)	(5,703)	(3,567)	(37.5)	(4,806)
Gross profit	160	163	372	127.6	132.7	583	577	(1.0)	954
SG&A expenses	(388)	(331)	(282)	(14.8)	(27.3)	(1,099)	(992)	(9.7)	(1,296)
EBIT	(228)	(167)	90	nm	nm	(516)	(416)	nm	(342)
Depn & amort.	775	476	487	2.3	(37.2)	2,312	1,692	(26.8)	2,429
EBITDA	547	309	577	86.8	5.5	1,796	1,276	(28.9)	2,087
<i>EBITDA margin (%)*</i>	25.2	26.1	43.6	17.5	18.4	28.6	30.8	2.2	36
Interest expense	(29)	(30)	(30)	(0.7)	1.3	(98)	(89)	(9.5)	(117)
Other income	20	14	8	(47.0)	(62.3)	70	34	(51.9)	44
Associates	4	(1)	(0)	nm	nm	26	(2)	nm	0
Extra items	344	(43)	0	nm	nm	344	(43)	nm	(43)
Pretax profit	110	(227)	68	nm	(38.4)	(174)	(516)	196.6	(458)
Tax	(22)	(78)	(25)	(68.3)	11.4	38	(52)	nm	(60)
<i>Tax rate (%)*</i>	(20)	35	(37)	(71.2)	(16.4)	(22)	10	32.1	13
Minority interests	(5)	(38)	(17)	(55.7)	212.0	3	(86)	nm	(120)
Net profit	94	(267)	60	nm	(35.7)	(138)	(482)	249.0	(398)
Core net profit	(251)	(224)	60	nm	nm	(482)	(439)	(9.0)	(355)
EPS (THB)	0.05	(0.13)	0.03	nm	nm	(0.07)	(0.24)	249.0	(0.20)
Core EPS (THB)	(0.13)	(0.11)	0.03	nm	nm	(0.24)	(0.22)	(9.0)	(0.18)

*EBITDA margin and tax rate change are represented in ppt change

Sources: BEC; FSSIA estimates

SVOD, the new chapter of BEC's digital business

During its recent analyst meeting, management stated that it expects to introduce a subscription video on demand (SVOD) service in the beginning of next year on its CH3+ application. The starting price for SVOD will be lower than THB100/month. The content is intended to be more exclusive and have no advertising. Note that monthly active users for the application are around 4m users. We see this as a new chapter for the company's digital business. This plan indicates the direction BEC would like to take in the long run.

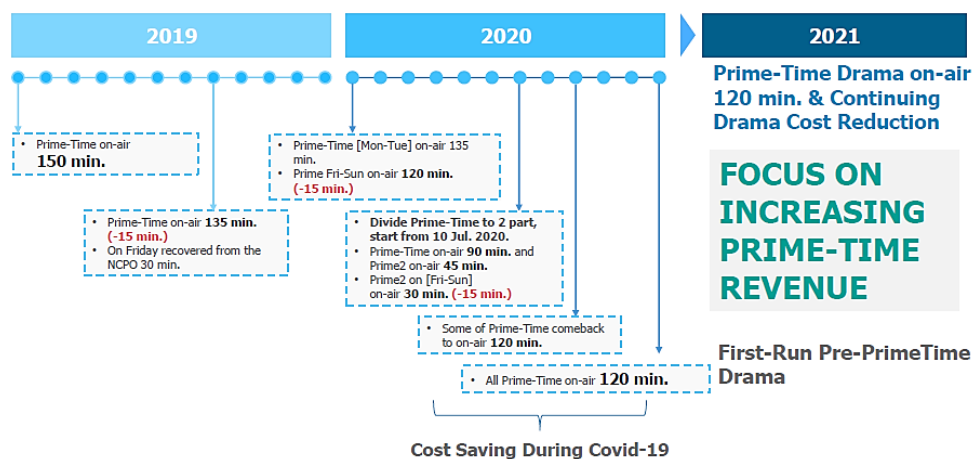
The company is now focusing aggressively on global content licensing and digital business. It aims to have at least THB800m in revenue from these two businesses with a 20% growth target in 2021. If the company can deliver this target in 2021, we believe this will boost its bottom line significantly, as these two businesses have a very low cost because most of the content cost is already recognised in the TV production cost. Therefore, most of the revenue from these businesses is likely to go directly to the company's bottom line.

Exhibit 2: 2021 strategic plans



Source: BEC

Exhibit 3: Prime-time drama adjustment plan



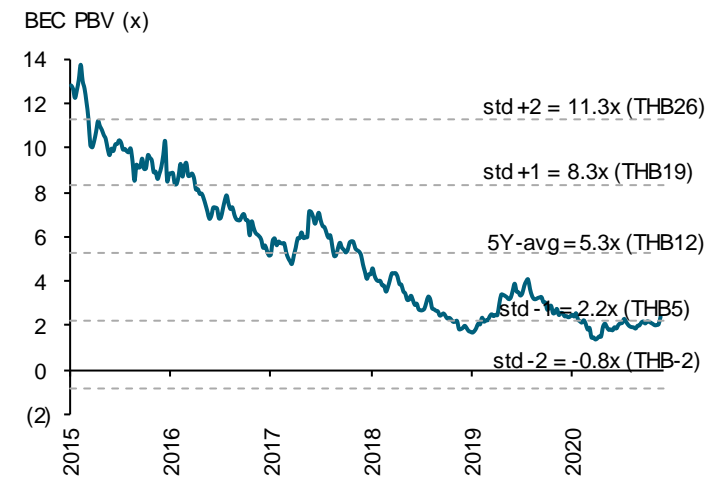
Source: BEC

Exhibit 4: DCF-derived TP

	(%)	(THB m)
Discount rate (WACC)	8.2	
Terminal growth	1.5	
NPV		4,619
Add: terminal value		7,947
Sum of PV		12,565
Add: cash		2,466
Less: debt		(2,998)
Less: minorities		(25)
Residual ordinary equity		12,008
No. of shares (m)		2,000
Residual ordinary equity (THB/share)		6.00

Sources: BEC; FSSIA estimates

Exhibit 5: BEC one-year forward rolling P/BV



Sources: FSSIA estimates

Exhibit 6: Assumption and forecast changes

	----- New -----		----- Previous -----		----- Change-----	
	2020E (THB m)	2021E (THB m)	2020E (THB m)	2021E (THB m)	2020E (%)	2021E (%)
Ad rate per minute (THB)	90,200	94,710	97,375	97,375	(7)	(3)
Utilisation rate (%)	61	65	61	65	0.0	0.0
Revenue	5,760	6,556	6,153	6,893	(6)	(5)
Gross profit	954	1,236	249	855	284	45
EBIT	(341)	289	(897)	(389)	(62)	(174)
Core net profit	(355)	213	(740)	(328)	(52)	(165)
Margin	(%)	(%)	(%)	(%)	(ppt)	(ppt)
Gross profit margin	(19.8)	(23.2)	13.6	30.9	(33.5)	(54.1)
Net profit margin	7.4	(4.0)	(29.3)	7.3	36.7	(11.3)

Source: FSSIA estimates

Financial Statements

BEC World

Profit and Loss (THB m) Year Ending Dec	2018	2019	2020E	2021E	2022E
Revenue	10,126	8,310	5,760	6,556	7,339
Cost of goods sold	(5,128)	(4,481)	(2,377)	(3,088)	(3,386)
Gross profit	4,998	3,829	3,383	3,468	3,953
Other operating income	94	77	32	40	45
Operating costs	(1,548)	(1,482)	(1,296)	(1,013)	(1,071)
Operating EBITDA	3,544	2,424	2,119	2,495	2,927
Depreciation	(3,658)	(3,054)	(2,429)	(2,232)	(2,224)
Goodwill amortisation	0	0	0	0	0
Operating EBIT	(115)	(631)	(310)	263	703
Net financing costs	(152)	(107)	(105)	(82)	(74)
Associates	18	28	0	10	15
Recurring non operating income	18	28	0	10	15
Non recurring items	(135)	199	(43)	0	0
Profit before tax	(384)	(511)	(458)	192	644
Tax	99	62	(60)	(38)	(129)
Profit after tax	(285)	(449)	(518)	153	515
Minority interests	(18)	52	120	60	50
Preferred dividends	0	0	0	0	0
Other items	-	-	-	-	-
Reported net profit	(303)	(397)	(398)	213	565
Non recurring items & goodwill (net)	108	(159)	43	0	0
Recurring net profit	(195)	(556)	(355)	213	565
Per share (THB)					
Recurring EPS *	(0.10)	(0.28)	(0.18)	0.11	0.28
Reported EPS	(0.15)	(0.20)	(0.20)	0.11	0.28
DPS	0.00	0.00	0.00	0.00	0.00
Diluted shares (used to calculate per share data)	2,000	2,000	2,000	2,000	2,000
Growth					
Revenue (%)	(8.2)	(17.9)	(30.7)	13.8	12.0
Operating EBITDA (%)	(8.3)	(31.6)	(12.6)	17.8	17.3
Operating EBIT (%)	nm	nm	nm	nm	167.2
Recurring EPS (%)	nm	nm	nm	nm	165.1
Reported EPS (%)	nm	nm	nm	nm	165.1
Operating performance					
Gross margin inc depreciation (%)	13.2	9.3	16.6	18.9	23.6
Gross margin of key business (%)	-	-	-	-	-
Operating EBITDA margin (%)	35.0	29.2	36.8	38.1	39.9
Operating EBIT margin (%)	(1.1)	(7.6)	(5.4)	4.0	9.6
Net margin (%)	(1.9)	(6.7)	(6.2)	3.3	7.7
Effective tax rate (%)	20.0	20.0	20.0	20.0	20.0
Dividend payout on recurring profit (%)	-	-	-	-	-
Interest cover (X)	(0.6)	(5.6)	(3.0)	3.4	9.7
Inventory days	0.3	0.3	0.5	0.3	0.3
Debtor days	43.8	50.9	57.8	45.6	44.9
Creditor days	56.2	53.2	84.9	54.2	51.5
Operating ROIC (%)	(11.1)	(74.5)	(33.6)	25.3	59.8
ROIC (%)	(0.7)	(5.6)	(3.7)	3.5	9.3
ROE (%)	(3.1)	(9.5)	(6.5)	4.0	9.9
ROA (%)	(0.4)	(4.1)	(3.7)	2.2	5.9
* Pre-exceptional, pre-goodwill and fully diluted					
Revenue By Division (THB m)					
Advertising income	8,643	6,743	4,820	5,393	5,811
Copyrights & Other services	1,040	953	900	1,080	1,242
Concerts & Shows	369	557	10	50	250
Sales of Goods	74	56	30	33	36

Sources: BEC World; FSSIA estimates

Financial Statements

BEC World

Cash Flow (THB m) Year Ending Dec	2018	2019	2020E	2021E	2022E
Recurring net profit	(195)	(556)	(355)	213	565
Depreciation	3,658	3,054	2,429	2,232	2,224
Associates & minorities	1	(80)	(120)	(60)	(50)
Other non-cash items	(548)	(185)	(43)	0	0
Change in working capital	16	208	(80)	27	(366)
Cash flow from operations	2,931	2,442	1,831	2,412	2,374
Capex - maintenance	(889)	(991)	(740)	(740)	(824)
Capex - new investment	(1,334)	(1,486)	(1,110)	(1,110)	(1,236)
Net acquisitions & disposals	(1)	26	0	0	0
Other investments (net)	127	620	0	0	0
Cash flow from investing	(2,097)	(1,831)	(1,850)	(1,850)	(2,060)
Dividends paid	0	0	0	0	0
Equity finance	0	0	0	0	0
Debt finance	108	(28)	(330)	(498)	(200)
Other financing cash flows	(20)	(34)	(1)	0	0
Cash flow from Financing	89	(62)	(331)	(498)	(200)
Non-recurring cash flows	-	-	-	-	-
Other adjustments	44	99	0	0	0
Net other adjustments	44	99	0	0	0
Movement in cash	967	648	(350)	64	114
Free cash flow to firm (FCFF)	1,002.90	738.05	98.18	659.61	403.81
Free cash flow to equity (FCFE)	966.83	647.80	(349.77)	63.79	114.11
Per share (THB)					
FCFF per share	0.50	0.37	0.05	0.33	0.20
FCFE per share	0.48	0.32	(0.17)	0.03	0.06
Recurring cash flow per share	1.46	1.12	0.96	1.19	1.37
Balance Sheet (THB m) Year Ending Dec					
Tangible fixed asset (gross)	6,718	6,682	6,727	6,772	6,817
Less: Accumulated depreciation	(6,067)	(6,300)	(6,440)	(6,553)	(6,645)
Tangible fixed assets (Net)	651	382	287	219	172
Intangible fixed assets (Net)	6,527	3,832	3,348	3,034	2,917
Long-term financial assets	135	99	99	99	99
Invest. In associates & subsidiaries	168	29	29	29	29
Cash & equivalents	2,168	2,816	2,466	2,530	2,644
A/C receivable	1,282	1,037	789	849	957
Inventories	4	4	3	3	3
Other current assets	747	838	847	855	864
Current assets	4,201	4,695	4,105	4,237	4,468
Other assets	2,638	2,317	2,046	2,108	2,152
Total assets	14,320	11,354	9,914	9,726	9,837
Common equity	6,084	5,623	5,226	5,439	6,004
Minorities etc.	152	95	(25)	(85)	(135)
Total Shareholders' equity	6,236	5,718	5,201	5,354	5,869
Long term debt	2,998	2,998	2,998	2,500	2,300
Other long-term liabilities	2,812	634	678	725	775
Long-term liabilities	5,809	3,632	3,676	3,225	3,075
A/C payable	663	645	461	456	499
Short term debt	358	330	0	0	0
Other current liabilities	1,254	1,029	577	692	393
Current liabilities	2,274	2,004	1,038	1,147	892
Total liabilities and shareholders' equity	14,320	11,354	9,914	9,726	9,837
Net working capital	117	205	601	560	932
Invested capital	10,236	6,865	6,410	6,049	6,300
* Includes convertibles and preferred stock which is being treated as debt					
Per share (THB)					
Book value per share	3.04	2.81	2.61	2.72	3.00
Tangible book value per share	(0.22)	0.90	0.94	1.20	1.54
Financial strength					
Net debt/Equity (%)	19.0	9.0	10.2	(0.6)	(5.9)
Net debt/total assets (%)	8.3	4.5	5.4	(0.3)	(3.5)
Current ratio (x)	1.8	2.3	4.0	3.7	5.0
CF interest cover (x)	16.1	21.0	8.2	15.4	19.3
Valuation					
Recurring P/E (x) *	(58.4)	(20.5)	(32.1)	53.5	20.2
Recurring P/E @ target price (x) *	(61.4)	(21.6)	(33.8)	56.3	21.2
Reported P/E (x)	(37.6)	(28.7)	(28.7)	53.5	20.2
Dividend yield (%)	-	-	-	-	-
Price/book (x)	1.9	2.0	2.2	2.1	1.9
Price/tangible book (x)	(25.8)	6.4	6.1	4.7	3.7
EV/EBITDA (x) **	3.6	5.0	5.6	4.5	3.7
EV/EBITDA @ target price (x) **	3.8	5.2	5.9	4.8	3.9
EV/invested capital (x)	1.2	1.7	1.9	1.9	1.7
* Pre-exceptional & pre-goodwill are fully diluted ** EBITDA includes associate income and recurring non operating income					

Sources: BEC World; FSSIA estimates

Corporate Governance report of Thai listed companies 2019

EXCELLENT LEVEL										
AAV	ADVANC	AIRA	AKP	AKR	AMA	AMATA	AMATAV	ANAN	AOT	AP
ARROW	BAFS	BANPU	BAY	BCP	BCPG	BOL	BRR	BTS	BTW	BWG
CFRESH	CHEWA	CHO	CK	CKP	CM	CNT	COL	COMAN	CPALL	CPF
CPI	CPN	CSS	DELTA	DEMCO	DRT	DTAC	DTC	EA	EASTW	ECF
EGCO	GBX	GC	GCAP	GEL	GGP	GGC	GOLD	GPSC	GRAMMY	GUNKUL
HANA	HARN	HMPRO	ICC	ICHI	III	ILINK	INTUCH	IRPC	IVL	JKN
JSP	K	KBANK	KCE	KKP	KSL	KTB	KTC	KTIS	LH	LHFG
LIT	LPN	MAKRO	MALEE	MBK	MBKET	MC	MCOT	MFEC	MINT	MONO*
MTC	NCH	NCL	NKI	NSI	NVD	NYT	OISHI	OTO	PAP	PCSGH
PDJ	PG	PHOL	PJW	PLANB	PLANET	PORT	PPS	PR9	PREB	PRG
PRM	PSH	PSL	PTG	PTT	PTTEP	PTTGC	PYLON	Q-CON	QH	QTC
RATCH	ROBINS**	RS	S	S & J	SABINA	SAMART	SAMTEL	SAT	SC	SCB
SCC	SCCC	SCN	SDC	SEAFCO	SEAOL	SE-ED	SELIC	SENA	SIS	SITHAI
SNC	SORKON	SPALI	SPI	SPRC	SSSC	STA	STEC	SVI	SYNTEC	TASCO
TCAP	THAI	THANA	THANI	THCOM	THIP	THREL	TIP	TISCO	TK	TKT
TMB	TMILL	TNDT	TOA	TOP	TRC	TRU	TRUE	TSC	TSR	TSTH
TTA	TTCL	TTW	TU	TVD	TVO	U	UAC	UV	VGI	VIH
WACOAL	WAVE	WHA	WHAUP	WICE	WINNER					
VERY GOOD LEVEL										
2S	ABM	ADB	AF	AGE	AH	AHC	AIT	ALLA	ALT	AMANA
AMARIN	APCO	APCS	AQUA	ARIP	ASAP	ASIA	ASIAN	ASIMAR	ASK	ASN
ASP	ATP30	AUCT	AYUD	B	BA	BBL	BDMS	BEC	BEM	BFIT
BGC	BGRIM	BIZ	BJC	BJCHI	BLA	BPP	BROOK	CBG	CEN	CENDEL
CGH	CHG	CHOTI	CHOW	CI	CIMBT	CNS	COLOR	COM7	COTTO	CRD
CSC	CSP	DCC	DCON	DDD	DOD	EASON	ECL	EE	EPG	ERW
ESTAR	ETE	FLOYD	FN	FNS	FORTH	FPI	FPT	FSMART	FSS	FVC
GENCO	GJS	GL	GLOBAL	GLOW**	GULF	HPT	HTC	HYDRO	ICN	IFS
INET	INSURE	IRC	IRCP	IT	ITD***	ITEL	J	JAS*	JCK	JCKH
JMART	JMT	JWD	KBS	KCAR	KGI	KIAT	KOOL	KWC	KWM	L&E
LALIN	LANNA	LDC	LHK	LOXLEY	LRH	LST	M	MACO	MAJOR	MBAX
MEGA	METCO	MFC	MK	MODERN	MOONG	MPG	MSC	MTI	NEP	NETBAY
NEX	NINE	NOBLE	NOK	NTV	NWR	OCC	OGC	ORI	OSP	PATO
PB	PDG	PDI	PL	PLAT	PM	PPP	PRECHA	PRIN	PRINC	PSTC
PT	QLT	RCL	RICHY	RML	RWI	S11	SAAM	SALEE	SAMCO	SANKO
SAPPE	SAWAD	SCG	SCI	SCP	SE	SFP	SIAM	SINGER	SIRI	SKE
SKR	SKY	SMIT	SMK	SMP	SMT	SNP	SONIC	SPA	SPC	SPCG
SPVI	SR	SRICHA	SSC	SSF	SST	STANLY	STPI	SUC	SUN	SUSCO
SUTHA	SWC	SYMC	SYNEX	T	TACC	TAE	TAKUNI	TBSP	TCC	TCMC
TEAM	TEAMG	TFG	TFMAMA	THG	THRE	TIPCO	TITLE	TIW	TKN	TKS
TM	TMC	TMD	TMI	TMT	TNITY	TNL	TNP	TNR	TOG	TPA
TPAC	TPBI	TPCORP	TPOLY	TRITN	TRT	TSE	TSTE	TVI	TVT	TWP
TWPC	UBIS	UEC	UMI	UOBKH	UP	UPF	UPOIC	UT	UWC	VNT
WIIK	XO	YUASA	ZEN	ZMICO						
GOOD LEVEL										
A	ABICO	ACAP***	AEC	AEONTS	AJ	ALUCON	AMC	APURE	AS	ASEFA
AU	B52	BCH	BEAUTY	BGT	BH	BIG	BLAND	BM	BR	BROCK
BSBM	BSM	BTNC	CCET	CCP	CGD	CHARAN	CHAYO	CITY	CMAN	CMC
CMO	CMR	CPL	CPT	CSR	CTW	CWT	D	DIMET	EKH	EMC
EPCO	ESSO	FE	FTE	GIFT	GLAND	GLOCON	GPI	GREEN	GTB	GYT
HTECH	HUMAN	IHL	INGRS	INOX	JTS	JUBILE	KASET	KCM	KKC	KWG
KYE	LEE	LPH	MATCH	MATI	M-CHAI	MCS	MDX	META	MGT	MJD
MM	MVP	NC	NDR	NER	NNCL	NPK	NUSA	OCEAN	PAF	PF
PICO	PIMO	PK	PLE	PMTA	POST	PPM	PROUD	PTL	RCI	RJH
ROJNA	RPC	RPH	SF	SGF	SGP	SKN	SLP	SMART	SOLAR	SPG
SQ	SSP	STI	SUPER	SVOA	TCCC	THE	THMUI	TIC	TIGER	TNH
TOPP	TPCH	TPIPP	TPLAS	TQM	TTI	TYCN	UTP	VCOM	VIBHA	VPO
WIN	WORK	WP	WPH	ZIGA						
Score Range	Number of Logo					Description				
90-100						Excellent				
80-89						Very Good				
70-79						Good				
60-69						Satisfactory				
50-59						Pass				
Less than 50	No logo given					-				

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

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

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

Naruedom Mujjalinkool FSS International Investment Advisory Securities Co., Ltd

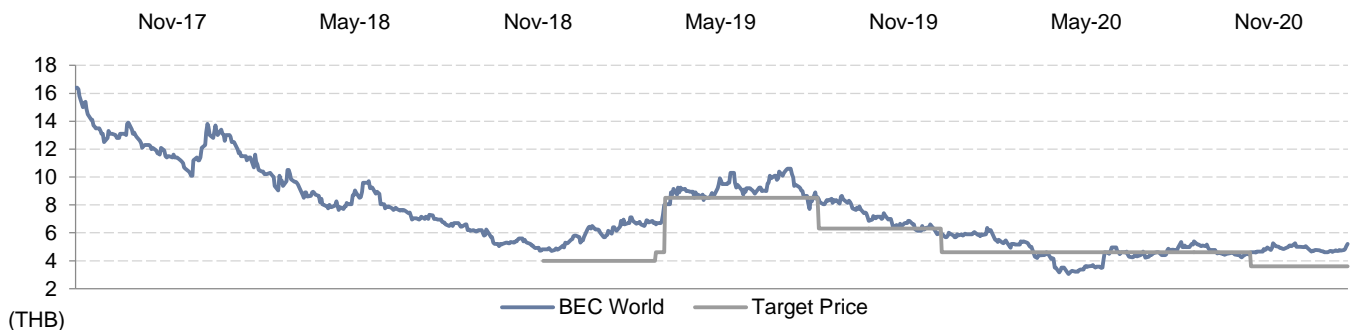
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History of change in investment rating and/or target price

BEC World (BEC TB)



Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
28-Dec-2018	REDUCE	4.00	22-Aug-2019	REDUCE	6.30	27-Aug-2020	REDUCE	3.60
04-Apr-2019	REDUCE	4.60	06-Dec-2019	REDUCE	4.60			
12-Apr-2019	HOLD	8.50	02-Apr-2020	REDUCE	4.60			

Naruedom Mujjalinkool Started covering this stock from 27-Aug-2020

Price and TP are in local currency

Source: FSSIA estimates

Company	Ticker	Price	Rating	Valuation & Risks
BEC World	BEC TB	THB 5.70	HOLD	The key upside and downside risks to our DCF-based TP are a stronger- or lower-than-expected adex recovery and the company's better- or worse-than-expected cost reduction.

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

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All share prices are as at market close on 20-Nov-2020 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.