

5 MARCH 2021

THAILAND / MEDIA

RS RS TB

BUY
UNCHANGED

TARGET PRICE	THB30.00
CLOSE	THB25.50
UP/DOWNSIDE	+17.6%
PRIOR TP	THB24.90
CHANGE IN TP	+20.5%
TP vs CONSENSUS	+7.6%

ภาพดูชัดเงินมากยิ่งขึ้น

มุมมองที่เป็นบวกเกี่ยวกับผลิตภัณฑ์และช่องทางการขายใหม่

เรามีมุมมองที่เป็นบวกเกี่ยวกับสินค้าและช่องทางการขายใหม่ของ RS หลังบริษัท ให้ข้อมูลที่มากขึ้นในที่ประชุมนักวิเคราะห์ครั้งล่าสุด โดย RS คาดว่าผลิตภัณฑ์และช่องทางใหม่ดังกล่าว จะสร้างรายได้ประมาณ 1 พัน ลบ. ในปี 2021 ทำให้รวมการประเมินเชิงอนุรักษ์นิยมไว้ที่ 70% ของรายได้ส่วนเพิ่มดังกล่าวไว้ในประมาณการปี 2021 ของเรา และทำให้ประมาณการรายได้และกำไรสุทธิของเราเพิ่ม 32% y-y และ 46% y-y ตามลำดับ เราคาดว่ากำไรสุทธิของบริษัท จะสูงเป็นประวัติการณ์ถึง 771 ลบ.

ผลิตภัณฑ์กัญชงให้ความเสี่ยงขาขึ้น

ตลาดไทยตื่นตัวกับการออกกฎหมายอนุญาตให้ใช้กัญชงเพื่อการค้า RS เป็นหนึ่งในบริษัทที่วางแผนออกผลิตภัณฑ์กัญชง ประกอบด้วย อาหาร อาหารเสริม และเครื่องดื่มเพื่อสุขภาพในตลาดภายใน 3-6 เดือนหลัง อย. ออกกฎกระทรวงให้ใช้กัญชงในผลิตภัณฑ์อาหารได้ ซึ่งทำให้ง่าย คาดว่าจะทำได้ในเดือน พ.ค. 21 บริษัท ได้ทำสัญญากับเกษตรกรและโรงงานสกัดเพื่อให้แน่ใจได้ว่าบริษัท จะมีแหล่งป้อนกัญชงเรียบร้อยแล้ว และอยู่ระหว่างรอเริ่มการผลิต การเตรียมพร้อมดังกล่าวแสดงให้เห็นว่าบริษัท มีความตั้งใจจริงที่จะเข้าสู่ตลาดกัญชง ซึ่งมีแนวโน้มการเติบโตสูงในอนาคตอันใกล้ อย่างไรก็ตาม เราได้รวมปัจจัยดังกล่าวไว้ในประมาณการของเรา

มีปัจจัยบวกอีกหลายประการอยู่ในอนาคตอันใกล้

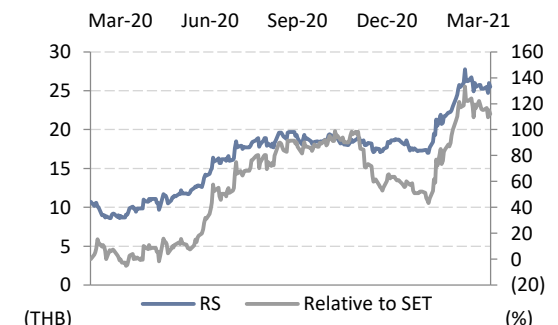
แม้ว่าราคาหุ้นของ RS จะปรับตัวขึ้นกว่า 47% YTD เรายังคงมีมุมมองที่เป็นบวกเกี่ยวกับแนวโน้มของบริษัท โดยมีปัจจัยหนุนหลายประการ ประกอบด้วย 1) รายได้เพิ่มเติมจากผลิตภัณฑ์และช่องทางใหม่ ๆ; 2) การฟื้นตัวของเศรษฐกิจและอำนาจในการซื้อ; 3) ผลิตภัณฑ์กัญชง; และ 4) การซื้อและควบรวมกิจการในอนาคต หากบริษัท สามารถบรรลุเป้าหมายที่ตั้งไว้ เราเชื่อว่าราคาหุ้นของ RS จะมีการซื้อขายในระดับสูงอย่างต่อเนื่อง

คงคำแนะนำซื้อหลังปรับราคาเป้าหมายเป็น 30 บาท

จากปัจจัยบวกหลายประการ เราคงคำแนะนำซื้อ RS หลังปรับราคาเป้าหมายของเราเป็น 30 บาท (SOTP) ราคาดังกล่าวคิดจากค่า P/E ที่ 38x (+1SD ของค่า P/E เฉลี่ย 2 ปีย้อนหลัง) โดยเราเชื่อว่าอัตราผลตอบแทนเมื่อเทียบกับความเสี่ยงที่ราคาเป้าหมายปัจจุบันพร้อมความเสี่ยงขาขึ้นที่ 17.6% สมเหตุสมผล

KEY STOCK DATA

YE Dec (THB m)	2020	2021E	2022E	2023E
Revenue	3,774	4,970	5,637	6,297
Net profit	528	771	1,007	1,251
EPS (THB)	0.54	0.79	1.04	1.29
vs Consensus (%)	-	5.2	19.4	-
EBITDA	1,240	1,491	1,716	1,998
Core net profit	528	771	1,007	1,251
Core EPS (THB)	0.54	0.79	1.04	1.29
Chg. In EPS est. (%)	nm	8.8	13.8	nm
EPS growth (%)	45.4	46.0	30.5	24.3
Core P/E (x)	46.9	32.1	24.6	19.8
Dividend yield (%)	0.4	1.6	2.0	2.5
EV/EBITDA (x)	20.5	17.5	14.8	12.4
Price/book (x)	12.4	10.4	8.6	7.1
Net debt/Equity (%)	28.7	52.0	23.3	(1.3)
ROE (%)	28.4	35.1	38.2	39.1



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	(1.0)	37.1	131.8
Relative to country (%)	(4.3)	29.6	108.3
Mkt cap (USD m)	804		
3m avg. daily turnover (USD m)	9.9		
Free float (%)	46		
Major shareholder	Surachi Chetchotisak (22%)		
12m high/low (THB)	28.00/8.40		
Issued shares (m)	972.50		

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 5 มีนาคม 2021

Investment thesis

RS is an organisation that conducts business through “opportunity,” by focusing on market leadership, continual investment to sustain its commerce business, and expansions to its related businesses. We expect the contributions from its new businesses to increase significantly, strengthening the company’s total revenue.

We expect its net profit to surge by 32% y-y in 2021 to THB771m, a new recorded high, thanks to its commerce business that we expect to grow from its existing and new products.

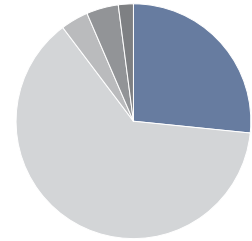
Company profile

RS operates a commerce business that provides content and powerful entertainment, as well as sells products. This includes establishing a system to analyse customer data and a telemarketing system.

www.rs.co.th

Principal activities (revenue, 2020)

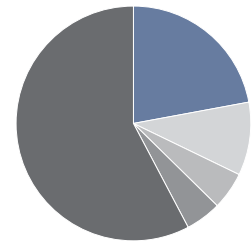
- TV - 26.6 %
- Commerce - 63.1 %
- Radio - 3.8 %
- Music - 4.4 %
- Event - 2.1 %



Source: RS

Major shareholders

- Surachi Chetchotisak - 22.1 %
- Sorat Vvanichvarakij - 10.1 %
- Bangkok Bank PCL - 5.2 %
- Phongsa Pairuchwait C/O KTB Securities (Thailand) PCL - 4.9 %
- Others - 57.7 %



Source: RS

Catalysts

- New product lines should be able to boost its commerce revenue as well as its bottom line.
- The new ‘entertainmerce’ strategy may help the company’s revenue grow continuously.
- New M&A deals in 2H21.

Risks to our call

The key downside risk to our DCF-based TP is if the company is unable to maintain the growth momentum from its commerce business if revenues from TV, radio, and music continue to decline.

Event calendar

Date	Event
May-21	1Q21 results announcement

Key assumptions

	2020	2021E	2022E	2023E
	(%)	(%)	(%)	(%)
Commerce growth	18	45	15	15
Commerce profit margin	60%	60%	62%	64%
TV revenue growth	25%	3%	3%	3%
TV profit margin	18%	10%	10%	10%

Source: FSSIA estimates

Earnings sensitivity

- For every 1% increase in commerce revenue, we project 2021 earnings to rise by 1.2%, and vice versa, all else being equal;
- For every 1% increase in commerce profit margin, we project 2021 earnings to rise by 3.2%, and vice versa, all else being equal.

Source: FSSIA estimates

Exhibit 1: RS' 4Q20 results review

	4Q19	3Q20	4Q20	Change		2020
	(THB m)	(THB m)	(THB m)	(q-q%)	(y-y%)	(THB m)
Revenue	895	938	1,018	8	14	3,774
Operating costs	(520)	(454)	(483)	6	(7)	(1,769)
Gross profit	375	484	535	11	43	2,006
SG&A expenses	(283)	(312)	(402)	29	42	(1,317)
EBIT	93	172	134	(22)	44	689
Depn & amort.	131	133	157	17	19	0
EBITDA	224	305	290	(5)	30	689
<i>EBITDA margin (%)</i>	25.0	32.5	28.5	(4.00)	3.50	18.3
Interest expense	(6)	(9)	(10)	5	66	(36)
Other income	(3)	2	7	299	n.a.	13
Pretax profit	84	164	132	(20)	57	666
Tax	(18)	(34)	(26)	(22)	45	(137)
<i>Tax rate (%)</i>	(21.6)	(20.6)	(20.0)	0.60	1.63	(21)
Net profit	66	131	105	(19)	60	528
Core net profit	66	131	105	(19)	60	528
EPS (THB)	0.07	0.13	0.11	(19)	60	0.54
Core EPS (THB)	0.07	0.13	0.11	(19)	60	0.54

Sources: RS; FSSIA estimates












The new products that we like and think have a good growth potential are its functional drinks. These are the first products that RS will launch into its modern trade distribution channels, entering into the mass market for this first time. The company's strength is its R&D and having innovative health product developments, as the company has had a footprint in health-conscious products for over three years. RS should be able to offer new sources of main ingredients to differentiate itself from existing drinks on the market. Moreover, the company also owns various media, including TV, radio, and music, together with its long-time experience as a content provider and product storyteller.

The first product will be launched in Apr-21, while the second and third products are scheduled to be launched in Jun-21 and Sep-21, respectively. Therefore, we believe their functional drink products have the potential to gain some market share of the THB9.1b, based on Nielsen's estimate, functional drink market in Thailand. Based on our retail analyst's estimates, we think that the overall functional drink market still has room to grow, despite the market having grown by 9% y-y in 2020 to THB9.1b.

The new channels should be another key driver for the company's growth in 2021. The company expects to launch new innovative food supplements under the WellU brand. RS expects that this new brand, with its new products via its new distribution channel, will be the next flagship brand for the company. It is planning to put over THB300m worth of marketing expenses into this new brand by hiring famous female actors to be the brand ambassadors. These new products will be sold via the new channel called the Exclusive Distribution Network (EDN), mainly to big wholesalers located in the centre of many provinces. This would allow RS to enter a new market, and, of course, gain new customers. The company expects to have about 40 wholesalers this year and expects the brand to launch in Apr-21.

The additional revenue of THB1b that RS expects to gain would be from its new products and new sales channels consisting of 1) functional drinks (40% contribution); 2) innovative health products (40% contribution) via new channels; and 3) pet food (20% contribution) that is expected to be launched in May-21.

Exhibit 2: Lifestar's 1H21 product launches

Brand & Type	 Scientific food supplement	 Herbal extract	 Traditional herbal medicine	 Innovative food supplement	Functional drink	Dry pet food
1H20 Product launch						
Distribution channel	 90%		EDN (RS' s network) 80%	Modern trade 70%	Pet care channel & Traditional trade 70%	
E-Commerce & Others						

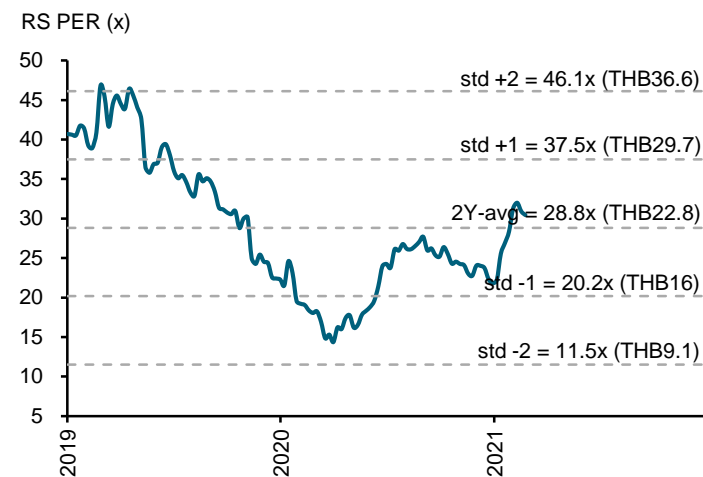
Source: RS

Exhibit 3: Changes in assumptions and forecast

	New		Previous		Change	
	2021E	2022E	2021E	2022E	2021E	2022E
	(THB m)	(THB m)	(THB m)	(THB m)	(%)	(%)
Revenue	4,970	5,637	4,270	4,832	16.4	16.7
Gross profit	2,507	2,954	1,966	2,204	27.5	34.0
Net profit	771	1,007	709	885	8.8	13.8
Margin	(%)	(%)	(%)	(%)	(ppt)	(ppt)
Gross profit margin	50.44	52.40	46.04	45.61	4.40	6.79
Net profit margin	15.52	17.86	16.60	18.32	(1.08)	(0.45)

Source: FSSIA estimates

Exhibit 4: Rolling one-year forward P/E band



Source: Bloomberg

Exhibit 5: One-year prospective P/BV band



Source: Bloomberg

Exhibit 6: SOTP valuation

	(%)	(THB m)
Discount rate (WACC)	7.7	
Terminal growth	2.0	
NPV		9,135
Add: terminal value		18,533
Sum of PV		27,667
Add: cash		327
Less: debt		(1,570)
Less: minorities		(2)
Residual ordinary equity		26,422
Add: 35% in Chase (30x PE)		2,783
No. of shares (m)		972
Residual ordinary equity (THB/share)		30.0

Sources: RS; FSSIA estimates

Exhibit 7: P/E multiple

EPS (THB)	PE				
	28	31	33	35	38
	(x)	(x)	(x)	(x)	(x)
0.64	18.0	19.9	21.2	22.5	24.4
0.71	20.0	22.1	23.6	25.0	27.1
0.79	22.2	24.6	26.2	27.8	30.1
0.87	24.4	27.0	28.8	30.5	33.2
0.96	26.9	29.8	31.7	33.6	36.5

Source: FSSIA estimates

Financial Statements

RS

Profit and Loss (THB m) Year Ending Dec	2019	2020	2021E	2022E	2023E
Revenue	3,611	3,774	4,970	5,637	6,297
Cost of goods sold	(1,451)	(1,235)	(1,921)	(2,141)	(2,313)
Gross profit	2,160	2,540	3,049	3,496	3,983
Other operating income	11	17	27	24	30
Operating costs	(1,100)	(1,317)	(1,585)	(1,804)	(2,015)
Operating EBITDA	1,071	1,240	1,491	1,716	1,998
Depreciation	(569)	(534)	(542)	(542)	(540)
Goodwill amortisation	0	0	0	0	0
Operating EBIT	502	706	949	1,174	1,458
Net financing costs	(35)	(36)	(56)	(56)	(56)
Associates	0	0	77	147	169
Recurring non operating income	(6)	(4)	71	140	162
Non recurring items	0	0	0	0	0
Profit before tax	462	666	964	1,259	1,564
Tax	(97)	(137)	(193)	(252)	(313)
Profit after tax	364	528	771	1,007	1,251
Minority interests	(1)	0	0	0	0
Preferred dividends	0	0	0	0	0
Other items	-	-	-	-	-
Reported net profit	363	528	771	1,007	1,251
Non recurring items & goodwill (net)	0	0	0	0	0
Recurring net profit	363	528	771	1,007	1,251
Per share (THB)					
Recurring EPS *	0.37	0.54	0.79	1.04	1.29
Reported EPS	0.37	0.54	0.79	1.04	1.29
DPS	0.40	0.10	0.40	0.52	0.64
Diluted shares (used to calculate per share data)	972	972	972	972	972
Growth					
Revenue (%)	(5.6)	4.5	31.7	13.4	11.7
Operating EBITDA (%)	(10.2)	15.8	20.2	15.1	16.4
Operating EBIT (%)	(16.4)	40.6	34.4	23.8	24.1
Recurring EPS (%)	(10.4)	45.4	46.0	30.5	24.3
Reported EPS (%)	(26.9)	45.4	46.0	30.5	24.3
Operating performance					
Gross margin inc depreciation (%)	44.1	53.1	50.4	52.4	54.7
Gross margin of key business (%)	-	-	-	-	-
Operating EBITDA margin (%)	29.7	32.9	30.0	30.4	31.7
Operating EBIT margin (%)	13.9	18.7	19.1	20.8	23.2
Net margin (%)	10.1	14.0	15.5	17.9	19.9
Effective tax rate (%)	20.0	20.0	20.0	20.0	20.0
Dividend payout on recurring profit (%)	106.8	18.1	50.0	50.0	50.0
Interest cover (X)	14.3	19.4	18.4	23.7	29.2
Inventory days	68.4	72.1	51.9	56.5	56.3
Debtor days	55.5	60.7	54.1	54.7	57.6
Creditor days	174.1	246.5	192.4	185.6	198.7
Operating ROIC (%)	85.7	112.2	132.4	129.1	164.4
ROIC (%)	15.1	20.5	22.3	25.3	31.8
ROE (%)	21.4	28.4	35.1	38.2	39.1
ROA (%)	10.5	14.1	16.1	17.9	20.0
* Pre-exceptional, pre-goodwill and fully diluted					
Revenue By Division (THB m)					
TV	803	1,004	979	1,008	1,038
Commerce	2,012	2,382	3,460	3,979	4,576
Radio	266	144	207	213	220
Music	289	166	234	257	265

Sources: RS; FSSIA estimates

Financial Statements

RS

Cash Flow (THB m) Year Ending Dec	2019	2020	2021E	2022E	2023E
Recurring net profit	363	528	771	1,007	1,251
Depreciation	569	534	542	542	540
Associates & minorities	1	0	0	0	0
Other non-cash items	139	127	0	0	0
Change in working capital	(38)	(140)	(62)	(47)	(14)
Cash flow from operations	1,033	1,050	1,252	1,502	1,777
Capex - maintenance	(247)	(321)	(212)	(172)	(172)
Capex - new investment	(370)	(482)	(318)	(258)	(258)
Net acquisitions & disposals	0	0	0	0	0
Other investments (net)	(206)	7	(920)	0	0
Cash flow from investing	(823)	(797)	(1,450)	(430)	(430)
Dividends paid	(388)	(96)	(386)	(503)	(626)
Equity finance	70	0	0	0	0
Debt finance	130	10	794	(150)	(150)
Other financing cash flows	(34)	(296)	(83)	0	0
Cash flow from Financing	(222)	(381)	325	(653)	(776)
Non-recurring cash flows	-	-	-	-	-
Other adjustments	0	0	0	0	0
Net other adjustments	0	0	0	0	0
Movement in cash	(11)	(128)	127	418	572
Free cash flow to firm (FCFF)	244.99	289.34	(142.72)	1,127.29	1,402.80
Free cash flow to equity (FCFE)	306.59	(32.41)	512.39	921.79	1,197.30

Per share (THB)

FCFF per share	0.25	0.30	(0.15)	1.16	1.44
FCFE per share	0.32	(0.03)	0.53	0.95	1.23
Recurring cash flow per share	1.10	1.22	1.35	1.59	1.84

Balance Sheet (THB m) Year Ending Dec	2019	2020	2021E	2022E	2023E
Tangible fixed asset (gross)	1,245	1,479	1,659	1,739	1,819
Less: Accumulated depreciation	(741)	(837)	(934)	(1,025)	(1,111)
Tangible fixed assets (Net)	504	642	725	714	708
Intangible fixed assets (Net)	1,374	2,384	2,289	2,188	2,084
Long-term financial assets	0	0	0	0	0
Invest. In associates & subsidiaries	4	4	924	924	924
Cash & equivalents	328	200	327	745	1,317
A/C receivable	545	711	762	926	1,062
Inventories	259	229	317	346	368
Other current assets	13	33	34	34	34
Current assets	1,145	1,174	1,440	2,051	2,782
Other assets	380	313	242	274	323
Total assets	3,407	4,516	5,620	6,150	6,821
Common equity	1,725	2,002	2,388	2,891	3,517
Minorities etc.	2	2	2	2	2
Total Shareholders' equity	1,727	2,004	2,390	2,893	3,519
Long term debt	236	156	1,120	1,020	920
Other long-term liabilities	178	543	547	548	548
Long-term liabilities	414	699	1,667	1,568	1,468
A/C payable	651	1,016	1,009	1,169	1,351
Short term debt	530	620	450	400	350
Other current liabilities	84	178	104	120	134
Current liabilities	1,266	1,814	1,563	1,689	1,834
Total liabilities and shareholders' equity	3,407	4,516	5,620	6,150	6,821
Net working capital	81	(220)	0	17	(19)
Invested capital	2,343	3,123	4,180	4,117	4,020

* Includes convertibles and preferred stock which is being treated as debt

Per share (THB)

Book value per share	1.77	2.06	2.46	2.97	3.62
Tangible book value per share	0.36	(0.39)	0.10	0.72	1.47

Financial strength

Net debt/Equity (%)	25.3	28.7	52.0	23.3	(1.3)
Net debt/total assets (%)	12.8	12.8	22.1	11.0	(0.7)
Current ratio (x)	0.9	0.6	0.9	1.2	1.5
CF interest cover (x)	20.5	13.5	16.0	22.3	27.2

Valuation	2019	2020	2021E	2022E	2023E
Recurring P/E (x) *	68.3	46.9	32.1	24.6	19.8
Recurring P/E @ target price (x) *	80.3	55.2	37.8	29.0	23.3
Reported P/E (x)	68.3	46.9	32.1	24.6	19.8
Dividend yield (%)	1.6	0.4	1.6	2.0	2.5
Price/book (x)	14.4	12.4	10.4	8.6	7.1
Price/tangible book (x)	70.6	(64.9)	251.4	35.3	17.3
EV/EBITDA (x) **	23.6	20.5	17.5	14.8	12.4
EV/EBITDA @ target price (x) **	27.7	24.0	20.4	17.4	14.6
EV/invested capital (x)	10.8	8.1	6.2	6.2	6.2

* Pre-exceptional & pre-goodwill are fully diluted ** EBITDA includes associate income and recurring non operating income

Sources: RS; 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	ICI	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	PAP	PCSGH	PDJ	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	SE-ED	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	WIJK	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	AMANAH	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	SEAOIL	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:

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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

RS (RS TB)



Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
27-Aug-2020	BUY	22.00	05-Nov-2020	BUY	22.00	20-Jan-2021	BUY	24.90

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
RS	RS TB	THB 25.50	BUY	The key downside risk to our DCF-based TP is if the company is unable to maintain the growth momentum from its commerce business if revenues from TV, radio, and music continue to decline.

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 Finasia Syrus Securities Public Company Limited

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All share prices are as at market close on 04-Mar-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.