

13 JULY 2021

THAILAND / MEDIA

RS RS TB

BUY
UNCHANGED

TARGET PRICE	THB24.00
CLOSE	THB20.40
UP/DOWNSIDE	+17.6%
PRIOR TP	THB30.00
CHANGE IN TP	-20.0%
TP vs CONSENSUS	-14.4%

ชะลอในระยะสั้น

เปิดตัวผลิตภัณฑ์ใหม่ในเวลาที่ไม่เหมาะสม

RS เปิดตัว 2 ผลิตภัณฑ์ใหม่ กล่าวคือ Well U (คอลลาเจนคุณภาพสูง) และ Camu C (เครื่องดื่มวิตามิน) ในเดือน เม.ย. 21 ซึ่งเป็นเดือนที่ Covid-19 เริ่มระบาดในรอบที่ 3 ทำให้ยอดขายของผลิตภัณฑ์ทั้งสองต่ำกว่าที่บริษัท คาดแม้ว่าจะใช้ค่าใช้จ่ายทางการตลาดในการเปิดตัวสูงกว่าปกติ บริษัท กำลังหากลยุทธ์ใหม่เพื่อเพิ่มปริมาณขายของผลิตภัณฑ์ทั้งสองในอนาคตอันใกล้

คาดว่าผลประกอบการ 2Q21 จะอ่อนแอ

จากปัญหาการแพร่ระบาด Covid ในรอบที่ 3 ใน 2Q21 บริษัท ยอมรับว่ากำลังซื้อของผู้บริโภคได้ลดลงอย่างมีนัยสำคัญ ทำให้เราคาดว่ารายได้ของบริษัท ใน 2Q21 จะลดลง 7% q-q มาอยู่ที่ 928 ลบ. ทุกธุรกิจยกเว้นโทรศัพท์ (ซึ่งน่าจะโตตามการเติบโตของการใช้จ่ายเพื่อการโฆษณาทางโทรศัพท์) น่าจะตกลงอย่างเห็นได้ชัด นอกจากนี้จากค่าการตลาดที่สูงขึ้นของผลิตภัณฑ์ทั้งสองและค่าใช้จ่ายพนักงานพิเศษ เราคาดว่าค่าใช้จ่ายการขายและการบริหารจะเพิ่มเป็น 406 ลบ. (+5% q-q) ใน 2Q21 ทำให้เราคาดว่ากำไรของ RS ใน 2Q21 จะลดลง 36% q-q เป็น 90 ลบ.

ปรับลดประมาณการกำไร

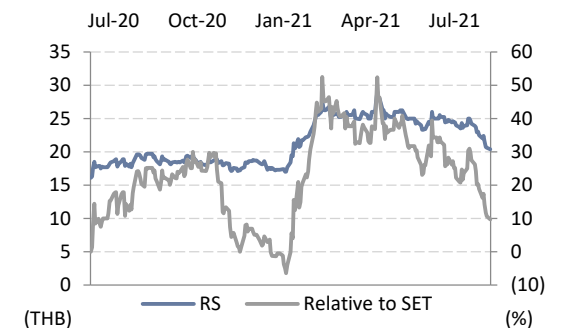
จากประมาณการกำไรที่อ่อนแอเพียง 230 ลบ. ใน 1H21 และอาจชะลอต่อเนื่องใน 3Q21 เราปรับลดประมาณการกำไรของ RS ในปี 2021 และ 2022 ลง 30% และ 21% ตามลำดับ เราคาดว่ารายได้และกำไรสุทธิปี 2021 ของ RS อาจอยู่ที่ 4.3 พัน ลบ. (+17% y-y) และ 540 ลบ. (+6% y-y) ตามลำดับ เราเชื่อว่าผู้บริหารของ RS จะปรับเป้ารายได้ปี 2021 ลงอย่างมีนัยสำคัญจาก 5.7 พัน ลบ. หลังประกาศผลประกอบการ 2Q21

ยังพอมีข่าวดีอยู่บ้างในอนาคต คงแนะนำซื้อ

แม้ว่าแนวโน้มกำไรของ RS จะไม่ดีจากผลกระทบของ Covid-19 บริษัท ยังพอมีข่าวดีอยู่บ้างประกอบด้วย 1) การควบคุมและซื้อกิจการที่บริษัท คาดว่าจะสรุปได้ใน 3Q21 อาจจะทำให้การประกาศผลประกอบการ 2Q21 ในเดือน ส.ค. 21; 2) ผลประกอบการที่ดีเกินคาดของ Chase (not listed) ซึ่งจะช่วยบริษัท รักษากำไรสุทธิไว้ได้; และ 3) ความนิยมของรายการโทรทัศน์ของ RS ที่เพิ่มขึ้นอย่างมีนัยสำคัญหลังบริษัท ปรับเปลี่ยนเนื้อหาของรายการข่าว นอกจากนี้ RS ยังมีความเสี่ยงจากธุรกิจกัญชาและกัญชา ซึ่งบริษัท คาดว่าจะเปิดตัวสินค้าตัวแรกใน 4Q21 เราคงคำแนะนำซื้อ RS หลังปรับราคาเป้าหมายเป็น 24 บาท (SoTP)

KEY STOCK DATA

YE Dec (THB m)	2020	2021E	2022E	2023E
Revenue	3,774	4,307	4,966	5,542
Net profit	528	540	792	967
EPS (THB)	0.54	0.56	0.81	0.99
vs Consensus (%)	-	(21.5)	(11.4)	(8.6)
EBITDA	1,240	1,200	1,447	1,641
Core net profit	528	540	792	967
Core EPS (THB)	0.54	0.56	0.81	0.99
Chg. In EPS est. (%)	-	(30.0)	(21.3)	(22.7)
EPS growth (%)	45.4	2.2	46.7	22.0
Core P/E (x)	37.6	36.7	25.0	20.5
Dividend yield (%)	0.5	1.4	2.0	2.4
EV/EBITDA (x)	16.5	17.7	14.3	12.2
Price/book (x)	9.9	8.7	7.4	6.3
Net debt/Equity (%)	28.7	59.1	32.2	7.4
ROE (%)	28.4	25.3	32.1	33.2



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	(15.0)	(19.2)	27.5
Relative to country (%)	(10.2)	(19.7)	11.1
Mkt cap (USD m)	598		
3m avg. daily turnover (USD m)	9.5		
Free float (%)	60		
Major shareholder	Surachi Chetchotisak (23%)		
12m high/low (THB)	30.00/15.80		
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 13 กรกฎาคม 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.

With various sales channels via TV, online, retail, exclusive distribution networks (EDN), and direct sales, RS has an advantage in sales channels over its peers. The company also aims to have at least one M&A deal within this year that will strengthen the operations in its commerce business.

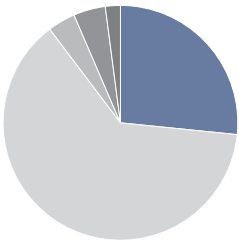
Company profile

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)

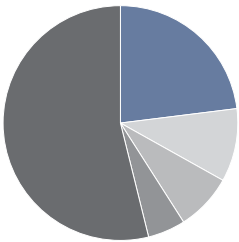
- TV - 26.6 %
- Commerce - 63.1 %
- Radio - 3.8 %
- Music - 4.4 %
- Event - 2.1 %



Source: RS

Major shareholders

- Surachi Chetchotisak - 23.0 %
- Sorat Vvanichvarakij - 10.1 %
- Thai NVDR - 7.9 %
- Bangkok Bank PCL - 5.2 %
- Others - 53.9 %



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 SoTP-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
Aug-21	2Q21 results announcement

Key assumptions

	2020	2021E	2022E	2023E
	(%)	(%)	(%)	(%)
Commerce growth	(5)	18	28	15
TV revenue growth	(6)	(13)	(3)	16

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

Valuation

We revise our valuation on RS' business down from THB27.17 to THB21.14 in order to reflect the impact of Covid-19 on its commerce and entertainment businesses. The company's net profit target of over THB700m may shift to next year after the Thai economy, purchasing power, and advertising expenditure recovers. Moreover, RS has an upside risk on its new hemp products that should launch in 4Q21, likely driving the company's earnings growth significantly next year. We maintain our valuation on Chase at THB2.86 per share. As a result, we maintain our BUY call on RS with a revised TP of THB24 from THB30.

Exhibit 1: Our estimates vs the company's target in 2021

	FSSIA estimates	RS's target	% difference between FSSIA and RS
	(THB m)	(THB m)	(%)
TV	979	1,000	(2)
Radio	138	200	(31)
Music	198	300	(34)
Event	32	200	(84)
Media	1,347	1,700	(21)
Existing channels	2,560	3,000	(15)
New products and channels	400	1,000	(60)
Commerce	2,960	4,000	(26)
Total revenue	4,307	5,700	(24)
Gross profit	2,142	2850-2964	(25)-(28)
GPM (%)	50	50-52	
Net profit	540	684-798	(21)-(32)
NPM (%)	13	12-14	

Sources: RS; FSSIA estimates

Exhibit 2: SOTP valuation

	(%)	(THB m)	(THB/share)
Discount rate (WACC)	7.7		
Terminal growth	2.0		
NPV		7,327	
Add: terminal value		14,575	
Sum of PV		21,902	
Add: cash		227	
Less: debt		(1,570)	
Less: minorities		(2)	
Residual ordinary equity		20,557	21.14
Add: 35% in Chase (30x PE)		2,783	2.86
No. of shares (m)		972	
SoTP target price			24.00

Sources: RS; FSSIA estimates

Exhibit 3: 2Q21E results preview

	2Q20	1Q21	2Q21E	----- Change -----		1H20	1H21E	Change	2021E
	(THB m)	(THB m)	(THB m)	(q-q%)	(y-y%)	(THB m)	(THB m)	(y-y%)	(THB m)
Revenue	833	992	928	(7)	11	1,818	1,920	6	4,307
Operating costs	(394)	(432)	(427)	(1)	8	(832)	(859)	3	(2,165)
Gross profit	439	560	501	(11)	14	986	1,061	8	2,142
SG&A expenses	(293)	(387)	(406)	5	39	(602)	(793)	32	(1,507)
EBIT	146	173	95	(45)	(35)	383	268	(30)	634
Depn & amort.	124	134	135	1	8	244	268	10	542
EBITDA	270	307	230	(25)	(15)	628	536	(15)	1,176
EBITDA margin (%)	32.4	30.9	24.8	(6.14)	(7.66)	34.5	27.9	(6.59)	27.3
Interest expense	(10)	(11)	(13)	18	38	(18)	(24)	33	(56)
Other income	0	3	4	40	n.a.	4	6	70	19
Associates	0	9	27	n.a.	n.a.	0	36	n.a.	77
Pretax profit	137	174	112	(35)	(18)	369	286	(22)	675
Tax	(28)	(34)	(22)	(33)	(19)	(74)	(56)	(24)	(135)
Tax rate (%)	(20.5)	(19.3)	(20.0)	(0.69)	0.45	(20.0)	(19.6)	0.43	(20)
Net profit	109	140	90	(36)	(17)	295	230	(22)	540
Core net profit	109	140	90	(36)	(17)	295	230	(22)	540
EPS (THB)	0.11	0.14	0.09	(36)	(17)	0.30	0.24	(22)	0.56
Core EPS (THB)	0.11	0.14	0.09	(36)	(17)	0.30	0.24	(22)	0.56

Sources: RS; FSSIA estimates

Exhibit 4: New commerce products pipeline

Product	Scientific food supplement	Herbal extract	Traditional herbal medicine	Innovative food supplement	Functional drink	Pet care	Hair Serum
Brand							
SKU							
SKU							
Main channel							

Source: RS

Exhibit 5: Assumption and forecast changes

	----- New -----		----- Previous -----		----- Change -----	
	2021E	2022E	2021E	2022E	2021E	2022E
	(THB m)	(THB m)	(THB m)	(THB m)	(%)	(%)
Revenue	4,307	4,966	4,970	5,637	(13)	(12)
Gross profit	2,142	2,522	2,507	2,954	(15)	(15)
EBIT	731	1,046	1,020	1,315	(28)	(20)
Core net profit	540	792	771	1,007	(30)	(21)
Margin	(%)	(%)	(%)	(%)	(ppt)	(ppt)
GPM	49.7	50.8	50.4	52.4	(0.7)	(1.6)
NPM	12.5	16.0	15.5	17.9	(3.0)	(1.9)

Source: FSSIA estimates

Financial Statements

RS

Profit and Loss (THB m) Year Ending Dec	2019	2020	2021E	2022E	2023E
Revenue	3,611	3,774	4,307	4,966	5,542
Cost of goods sold	(1,451)	(1,235)	(1,623)	(1,901)	(2,153)
Gross profit	2,160	2,540	2,684	3,064	3,389
Other operating income	11	17	23	21	26
Operating costs	(1,100)	(1,317)	(1,507)	(1,639)	(1,773)
Operating EBITDA	1,071	1,240	1,200	1,447	1,641
Depreciation	(569)	(534)	(542)	(542)	(540)
Goodwill amortisation	0	0	0	0	0
Operating EBIT	502	706	658	905	1,101
Net financing costs	(35)	(36)	(56)	(56)	(56)
Associates	0	0	77	147	169
Recurring non-operating income	(6)	(4)	73	141	162
Non-recurring items	0	0	0	0	0
Profit before tax	462	666	675	990	1,208
Tax	(97)	(137)	(135)	(198)	(242)
Profit after tax	364	528	540	792	967
Minority interests	(1)	0	0	0	0
Preferred dividends	0	0	0	0	0
Other items	-	-	-	-	-
Reported net profit	363	528	540	792	967
Non-recurring items & goodwill (net)	0	0	0	0	0
Recurring net profit	363	528	540	792	967
Per share (THB)					
Recurring EPS *	0.37	0.54	0.56	0.81	0.99
Reported EPS	0.37	0.54	0.56	0.81	0.99
DPS	0.40	0.10	0.28	0.41	0.50
Diluted shares (used to calculate per share data)	972	972	972	972	972
Growth					
Revenue (%)	(5.6)	4.5	14.1	15.3	11.6
Operating EBITDA (%)	(10.2)	15.8	(3.2)	20.6	13.4
Operating EBIT (%)	(16.4)	40.6	(6.8)	37.6	21.7
Recurring EPS (%)	(10.4)	45.4	2.2	46.7	22.0
Reported EPS (%)	(26.9)	45.4	2.2	46.7	22.0
Operating performance					
Gross margin inc. depreciation (%)	44.1	53.1	49.7	50.8	51.4
Gross margin of key business (%)	-	-	-	-	-
Operating EBITDA margin (%)	29.7	32.9	27.9	29.1	29.6
Operating EBIT margin (%)	13.9	18.7	15.3	18.2	19.9
Net margin (%)	10.1	14.0	12.5	16.0	17.4
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	13.2	18.8	22.8
Inventory days	68.4	72.1	57.1	57.0	56.1
Debtor days	55.5	60.7	58.1	54.3	57.7
Creditor days	174.1	246.5	214.0	187.3	198.2
Operating ROIC (%)	85.7	112.2	92.2	101.7	132.7
ROIC (%)	15.1	20.5	16.0	20.3	25.2
ROE (%)	21.4	28.4	25.3	32.1	33.2
ROA (%)	10.5	14.1	11.8	15.0	16.6
* 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	2,960	3,404	3,915
Radio	266	144	138	156	167
Music	289	166	198	218	224

Sources: RS; FSSIA estimates

Financial Statements

RS

Cash Flow (THB m) Year Ending Dec	2019	2020	2021E	2022E	2023E
Recurring net profit	363	528	540	792	967
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)	(46)	(24)	31
Cash flow from operations	1,033	1,050	1,036	1,310	1,538
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)	(270)	(396)	(483)
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)	441	(546)	(633)
Non-recurring cash flows	-	-	-	-	-
Other adjustments	0	0	0	0	0
Net other adjustments	0	0	0	0	0
Movement in cash	(11)	(128)	27	334	475
Free cash flow to firm (FCFF)	244.99	289.34	(358.28)	935.73	1,163.35
Free cash flow to equity (FCFE)	306.59	(32.41)	296.83	730.23	957.85

Per share (THB)

FCFF per share	0.25	0.30	(0.37)	0.96	1.20
FCFE per share	0.32	(0.03)	0.31	0.75	0.98
Recurring cash flow per share	1.10	1.22	1.11	1.37	1.55

Balance Sheet (THB m) Year Ending Dec	2019	2020	2021E	2022E	2023E
Tangible fixed assets (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	227	561	1,036
A/C receivable	545	711	661	816	935
Inventories	259	229	279	315	347
Other current assets	13	33	34	34	34
Current assets	1,145	1,174	1,200	1,725	2,352
Other assets	380	313	230	260	303
Total assets	3,407	4,516	5,369	5,811	6,371
Common equity	1,725	2,002	2,272	2,668	3,151
Minorities etc.	2	2	2	2	2
Total shareholders' equity	1,727	2,004	2,274	2,670	3,154
Long term debt	236	156	1,120	1,020	920
Other long-term liabilities	178	543	546	547	547
Long-term liabilities	414	699	1,666	1,567	1,467
A/C payable	651	1,016	887	1,064	1,275
Short term debt	530	620	450	400	350
Other current liabilities	84	178	92	109	126
Current liabilities	1,266	1,814	1,429	1,573	1,751
Total liabilities and shareholders' equity	3,407	4,516	5,369	5,811	6,371
Net working capital	81	(220)	(6)	(9)	(84)
Invested capital	2,343	3,123	4,163	4,077	3,935

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

Per share (THB)

Book value per share	1.77	2.06	2.34	2.74	3.24
Tangible book value per share	0.36	(0.39)	(0.02)	0.49	1.10

Financial strength

Net debt/equity (%)	25.3	28.7	59.1	32.2	7.4
Net debt/total assets (%)	12.8	12.8	25.0	14.8	3.7
Current ratio (x)	0.9	0.6	0.8	1.1	1.3
CF interest cover (x)	20.5	13.5	12.1	18.8	22.9

Valuation	2019	2020	2021E	2022E	2023E
Recurring P/E (x) *	54.6	37.6	36.7	25.0	20.5
Recurring P/E @ target price (x) *	64.2	44.2	43.2	29.5	24.1
Reported P/E (x)	54.6	37.6	36.7	25.0	20.5
Dividend yield (%)	2.0	0.5	1.4	2.0	2.4
Price/book (x)	11.5	9.9	8.7	7.4	6.3
Price/tangible book (x)	56.5	(51.9)	(1,166.3)	41.4	18.6
EV/EBITDA (x) **	18.9	16.5	17.7	14.3	12.2
EV/EBITDA @ target price (x) **	22.2	19.3	20.6	16.7	14.4
EV/invested capital (x)	8.7	6.5	5.1	5.1	5.1

* Pre-exceptional, pre-goodwill and 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	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	SEAOL	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	TISCO	TK	TKT	TSR	TMB	TMILL	TNDT
TNL	TOA	THP	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	MITSB	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	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	SEOIL	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

Naruedom Mujjalinkool FSS International Investment Advisory Securities Co., Ltd

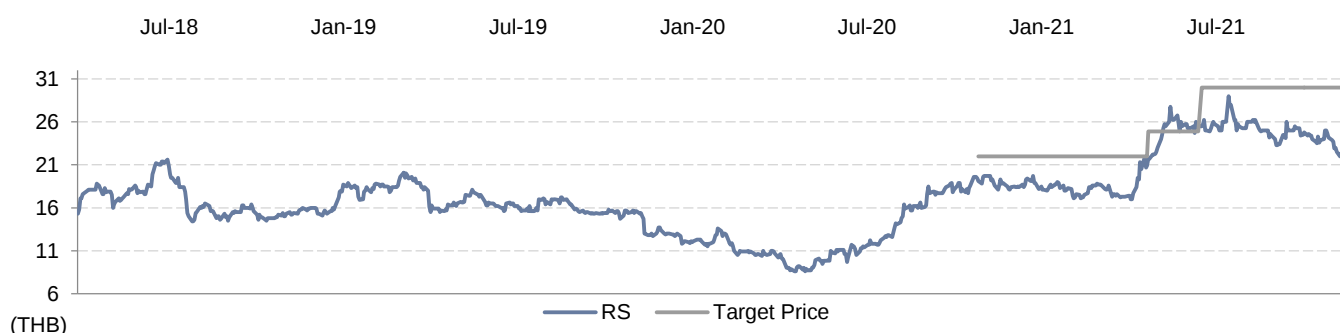
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History of change in investment rating and/or target price

RS (RS TB)



Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
27-Aug-2020	BUY	22.00	20-Jan-2021	BUY	24.90	-	-	-
05-Nov-2020	BUY	22.00	05-Mar-2021	BUY	30.00			

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 20.40	BUY	The key downside risk to our SoTP-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 Finansia Syrus Securities Public Company Limited

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All share prices are as at market close on 12-Jul-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.