

3 DECEMBER 2021

THAILAND / MEDIA

VGI PCL. VGI TB

HOLD

UNCHANGED

|                 |         |
|-----------------|---------|
| TARGET PRICE    | THB7.00 |
| CLOSE           | THB6.70 |
| UP/DOWNSIDE     | +4.5%   |
| PRIOR TP        | THB5.80 |
| CHANGE IN TP    | +20.7%  |
| TP vs CONSENSUS | -6.0%   |

## หนึ่งโอกาสขาขึ้น หนึ่งโอกาสขาลง

สายพันธุ์ Omicron น่าจะมีผลกระทบต่อแนวโน้ม VGI อย่างไร?

แนวโน้มของ VGI กำลังได้รับผลกระทบจาก Covid-19 สายพันธุ์ Omicron ซึ่งกำลังระบาดได้ง่ายกว่าสายพันธุ์อื่น ปัจจัยดังกล่าวอาจส่งผลให้มีการควบคุมการแพร่ระบาด Covid ที่เข้มงวดมากยิ่งขึ้น ซึ่งหมายความว่าประชาชนจะออกมาทำกิจกรรมนอกบ้านน้อยลงอีกครั้ง เราคิดว่าถ้าสายพันธุ์ Omicron เข้าสู่ประเทศไทย ความกังวลของประชาชนจะกลับสู่ระดับสูงเช่นเดียวกับตอนสายพันธุ์ Delta ซึ่งระบาดในเดือน เม.ย. 2021 และทำให้เลื่อนออกบ้าน (OOH) กลายเป็นเหยื่อรายแรกในอุตสาหกรรมสื่อ เนื่องจากการระบาดจะมีผลกระทบทางตรงต่อผลประกอบการทางการเงินของบริษัทสื่อ OOH

### 3 สถานการณ์ที่เป็นไปได้สำหรับสายพันธุ์ Omicron

ในความเห็นของเรา 3 สถานการณ์ที่สายพันธุ์ Omicron อาจส่งผลกระทบต่อผลประกอบการทางการเงินของ VGI และราคาเป้าหมายของเรา: 1) สายพันธุ์ Omicron ไม่เข้ามายังประเทศไทยหรือมีการแพร่กระจายเพียงเล็กน้อย; 2) สายพันธุ์ดังกล่าวมีการแพร่กระจายในประเทศไทยแต่สามารถควบคุมและจัดการได้โดยไม่ต้องปิดเมือง; และ 3) สายพันธุ์ดังกล่าวแพร่กระจายไปทั่วประเทศเช่นเดียวกับสายพันธุ์ Delta และจำเป็นต้องปิดเมือง เราคาดว่าสถานการณ์แรกจะมีผลกระทบเพียงเล็กน้อย ในขณะที่สถานการณ์ที่ 2 และ 3 จะมีผลกระทบอย่างมีนัยสำคัญ สมมติให้ปัจจัยอื่นคงที่ เราคาดว่าแต่ละสถานการณ์จะทำให้ราคาหุ้นของ VGI อยู่ที่ 6.3/5.6/5.4 บาทตามลำดับ

### ปรับประมาณการกำไรหลังรวมแนวโน้มของ JMART

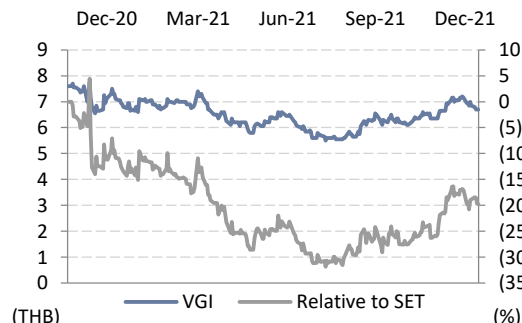
เราได้รวมการลงทุน 15% ใน JMART ซึ่งน่าจะสำเร็จเสร็จสิ้นภายในปีนี้ไว้ในประมาณการกำไรสำหรับ VGI โดยบริษัท น่าจะได้รับส่วนแบ่งกำไรจาก JMART อยู่ที่ประมาณ 295 ลบ. ใน FY23 จากนั้นบริษัท จะหักค่าใช้จ่ายดอกเบี้ยจำนวน 125 ลบ. ซึ่งจะทำให้ได้กำไรเพิ่ม 125 ลบ. ใน FY23 เมื่อรวมงบการเงินของ Fanslink (not listed) และปัจจัยย่อยอื่น ๆ เราปรับเพิ่มประมาณการกำไร FY23 สำหรับ VGI เป็น 883 ลบ. จาก 699 ลบ.

### คำแนะนำถือ

แม้ว่าเราจะปรับเพิ่มราคาเป้าหมายของเราจาก 5.80 เป็น 7 บาท (SOTP) จากส่วนแบ่งของ JMART และ Fanslink แนวโน้มที่ไม่ชัดเจนในกำไรของ KEX กลับหักล้างราคาเป้าหมายที่เพิ่มขึ้นไปบางส่วน ซึ่งทำให้เราคงแนะนำถือ VGI ราคาเป้าหมายของเราคิดจาก 68x ของค่า 2022E P/E (+1.25SD ของค่า P/E เฉลี่ย) เมื่อเทียบกันแล้วเราเชื่อว่า PLANB ซึ่งราคาเป้าหมายคิดจาก 51x ของค่า 2022E P/E (+1SD ของค่า P/E เฉลี่ย) มีความน่าสนใจมากกว่าอย่างเห็นได้ชัดในแง่ของระดับการประเมินมูลค่า

## KEY STOCK DATA

| YE Mar (THB m)       | 2021   | 2022E  | 2023E   | 2024E |
|----------------------|--------|--------|---------|-------|
| Revenue              | 2,480  | 3,943  | 4,826   | 5,882 |
| Net profit           | 980    | 66     | 883     | 1,493 |
| EPS (THB)            | 0.11   | 0.01   | 0.10    | 0.17  |
| vs Consensus (%)     | -      | (79.6) | 112.8   | 63.5  |
| EBITDA               | 592    | 450    | 1,123   | 1,550 |
| Core net profit      | 185    | 66     | 883     | 1,493 |
| Core EPS (THB)       | 0.02   | 0.01   | 0.10    | 0.17  |
| Chg. In EPS est. (%) | nm     | nm     | nm      | nm    |
| EPS growth (%)       | (85.6) | (64.4) | 1,238.7 | 69.2  |
| Core P/E (x)         | 311.8  | 875.0  | 65.4    | 38.6  |
| Dividend yield (%)   | 0.5    | 0.0    | 0.8     | 1.3   |
| EV/EBITDA (x)        | 97.8   | 138.7  | 55.6    | 39.5  |
| Price/book (x)       | 3.5    | 3.5    | 3.4     | 3.2   |
| Net debt/Equity (%)  | (1.5)  | 25.1   | 25.1    | 17.5  |
| ROE (%)              | 1.3    | 0.4    | 5.2     | 8.6   |



| Share price performance        | 1 Month                  | 3 Month | 12 Month |
|--------------------------------|--------------------------|---------|----------|
| Absolute (%)                   | 0.8                      | 2.3     | (11.8)   |
| Relative to country (%)        | 2.4                      | 5.9     | (21.5)   |
| Mkt cap (USD m)                | 1,703                    |         |          |
| 3m avg. daily turnover (USD m) | 6.5                      |         |          |
| Free float (%)                 | 25                       |         |          |
| Major shareholder              | BTS Group Holdings (66%) |         |          |
| 12m high/low (THB)             | 7.85/5.45                |         |          |
| Issued shares (m)              | 8,611.17                 |         |          |

Sources: Bloomberg consensus; FSSIA estimates



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บทวิเคราะห์ฉบับนี้แปลมาจากบทวิเคราะห์ของ FSSIA ฉบับวันที่ 3 ธันวาคม 2021

## Investment thesis

VGI is a unique market leader with exclusive access to behavioural data from its advertising, payment and logistics platforms. The company turns data into meaningful consumer insights, enabling it to offer offline-to-online solutions (O2O). This helps VGI to better understand its audience's behaviour, which allows the company to advertise directly to its target audience. The O2O solutions add to its media value as well as its revenue.

We expect that advertising expenditure (adex) should start to recover in line with the gradual decrease in daily Covid cases in Thailand. Adex has shown significant signs of a recovery since Oct 2021.

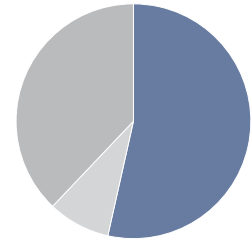
## Company profile

VGI Global Media provides services in advertising media with an emphasis on lifestyle media. Currently, it has three main business units, including transit media, office building media, and digital media.

[www.vgi.co.th](http://www.vgi.co.th)

## Principal activities (revenue, 2021)

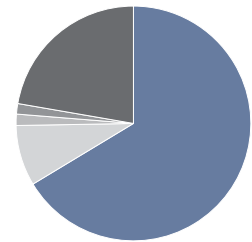
- Transit media - 53.5 %
- Office media - 8.6 %
- Digital media - 37.9 %



Source: VGI Pcl.

## Major shareholders

- BTS Group Holdings - 66.4 %
- Bangkok Bank - 8.4 %
- Bualuang Top - Ten Fund - 1.6 %
- Thai NVDR - 1.4 %
- Others - 22.3 %



Source: VGI Pcl.

## Catalysts

- A gradual recovery in Green Line mass transit ridership and transit adex;
- Entering into a high growth potential financial service business.

## Risks to our call

The key upside and downside risks to our SoTP-based TP are if the advertising expenditure recovery is slower or faster than our expectation, and whether Rabbit Line Pay is successful or not.

## Event calendar

| Date   | Event                       |
|--------|-----------------------------|
| Feb-22 | 4QFY22 results announcement |

## Key assumptions

|                     | FY21 | FY22E | FY23E | FY24E |
|---------------------|------|-------|-------|-------|
|                     | (%)  | (%)   | (%)   | (%)   |
| Outdoor adex growth | (12) | 0     | 9     | 8     |
| Transit media       | 16   | 22    | 18    | 23    |
| Office and others   | (39) | 65    | 40    | 30    |
| Digital media       | 4    | 20    | 20    | 15    |
| Retail              | n.a. | 20    | 25    | 20    |

Source: FSSIA estimates

## Earnings sensitivity

- For every 1% increase in transit media revenue, we project FY22 earnings to rise by 4%, and vice versa, all else being equal;
- For every 1% increase in gross profit margin, we project FY22 earnings to rise by 14%, and vice versa, all else being equal.

Source: FSSIA estimates



## Earnings revision

### Fanslink impact

The financial consolidation of Fanslink should boost VGI's revenue significantly, given that Fanslink has revenue of around THB1.3b per year and is still in a strong growth trend. Therefore, we expect Fanslink will have FY23 revenue of THB1.6b (+20% y-y), boosting VGI's FY23 revenue by 54% from our previous expectation to THB4.8b. However, due to the low-margin business of Fanslink, which has a GPM of around 10-12%, this would make VGI's GPM drop significantly in FY23, from our previous estimate of 49.5% to 34.9%.

Although Fanslink's revenue may look high, the tiny NPM of around 3-5%, according to VGI, would contribute only a tiny net profit to VGI of around THB23m per year, c3% of our earnings forecast in FY23.

### JMART impact

The 206.2m (15%) new shares subscribed by VGI in Jay Mart (JMART TB, BUY, TP THB55.50) under private placement at a price of THB30.34/shr for a total investment of THB6.3b should boost VGI's earnings significantly in 4QFY22 and FY23. We estimate that JMART's earnings will hit a new record high in 2022 at THB1,957 (+69% y-y). This would allow VGI to receive a share of profit from JMART of around THB295m in FY23. We estimate that 90% of the investment cost of THB6.3b in JMART will come from bank loans. Using 3% as an interest rate, VGI will have about a THB170m additional interest expense in FY23. As a result, VGI would receive a gain from this transaction of about THB125m in FY23, which we expect to grow continuously as we believe that JMART still has a huge growth potential in the future.

### Exhibit 1: Transaction summary

#### TRANSACTION SUMMARY

|                                   |  |
|-----------------------------------|--|
| <b>Company:</b>                   | Jaymart Public Company Limited ("Jaymart")   |
| <b>% of investment:</b>           | 15.0% of newly ordinary shares under Private Placement   |
| <b>No. of shares acquisition:</b> | 206.2mn shares   |
| <b>Acquisition price:</b>         | THB 30.34 per share  |
| <b>Total investment:</b>          | Up to THB 6.3bn  |
| <b>Source of fund:</b>            | Working Capital 5 – 10% and loan from financial institution 90 – 95%   |
| <b>Transaction:</b>               | <ul style="list-style-type: none"> <li>Step 1 – VGI will purchase 15.0% of newly ordinary shares from Jaymart</li> <li>Step 2 – Jaymart will issue 25.3mn units of Jaymart-W6 for the Company</li> <li>This transaction is subject to Jaymart's shareholder meeting</li> </ul> |
| <b>Expected completion:</b>       | Within 3Q 2021/22  |

#### RATIONALE

- Strengthen VGI ecosystem through the partnership with the leader in retail, consumer finance business and new technology business
- Capture a growth of VGI's offline retail business through Fanslink across Jaymart's nationwide network
- Provide our advertising network for Jaymart products and services
- Potential opportunity to utilise Jaymart's expertise in innovative financial technology

#### SHAREHOLDING STRUCTURE

##### Pre shareholding structure

Total shares of 1,032,583,940 shares



Jaymart

35.5%

SINGER

##### Post shareholding structure

Total shares of 1,374,945,327\* shares



Jaymart

26.5%

SINGER

24.9%

\* 206,241,800 shares by VGI and 136,119,587 shares by U City

Source: VGI

### KEX impact

The earnings revisions for Kerry Express Thailand (KEX TB, HOLD, TP THB36) in our latest report, [Kerry Express \(Thailand\) \(KEX TB\) – “The big red ocean”, dated 11 Nov 2021](#), drove our 2022E net profit down significantly by 19%. This is due to the intense competition in the parcel delivery market. We believe it will also hurt VGI's net profit as the major shareholder of KEX with an 18% holding. We expect KEX's share of profit from VGI to decrease from THB241m to THB203m in FY23.

Though JMART and KEX should make up the biggest contribution to VGI's share of profits in FY23, the improvement of other businesses with profit sharing should also have a better outlook, such as 1) Master Ad (MACO TB, NR)'s earnings should become more stable or have no further losses after selling most of its advertising assets to PLAN B Media (PLANB TB, BUY, TP THB7.50); 2) Rabbit Line Pay (RLP, not listed) should at least maintain its loss level, in our estimation; and 3) other media such as Demo Power, Aero Media, Ad Chaopraya, etc. should post strong recoveries in FY23. Therefore, we change our expectation on the share of profits contributed to VGI, prompting us to upgrade our FY23E earnings to THB883m (+26%) from our previous expectation of THB699m.

### Exhibit 2: Key assumption changes

|                     | ----- Current ----- |                  | ----- Previous ----- |                  | ----- Change ----- |              |
|---------------------|---------------------|------------------|----------------------|------------------|--------------------|--------------|
|                     | FY22E<br>(THB m)    | FY23E<br>(THB m) | FY22E<br>(THB m)     | FY23E<br>(THB m) | FY22E<br>(%)       | FY23E<br>(%) |
| Revenue             | 3,943               | 4,826            | 2,793                | 3,126            | 41.2               | 54.4         |
| Gross profit        | 811                 | 1,683            | 1,021                | 1,546            | (20.5)             | 8.9          |
| EBIT                | 64                  | 1,160            | 217                  | 863              | (70.6)             | 34.5         |
| Share of profit     | 120                 | 431              | 0                    | 45               | n.a.               | 857.9        |
| interest expense    | (74)                | (185)            | (68)                 | (70)             | 8.8                | 163.8        |
| Core net profit     | 66                  | 883              | 194                  | 699              | (66.0)             | 26.3         |
| <b>Margin</b>       | <b>(%)</b>          | <b>(%)</b>       | <b>(%)</b>           | <b>(%)</b>       | <b>(ppt)</b>       | <b>(ppt)</b> |
| Gross profit margin | 20.6                | 34.9             | 36.6                 | 49.5             | (15.98)            | (14.57)      |
| Net profit margin   | 1.7                 | 18.3             | 6.9                  | 22.4             | (5.27)             | (4.07)       |

Note: Change of items in percentage terms are represented in ppt change  
Source: FSSIA estimates

### Exhibit 3: SOTP valuation methodology

| Cost of equity assumptions | (%)           | Cost of debt assumption | (%)                                   |
|----------------------------|---------------|-------------------------|---------------------------------------|
| Risk-free rate             | 3.00          | Pretax cost of debt     | 3.2                                   |
| Market risk premium        | 8.0           | Marginal tax rate       | 20.0                                  |
| Stock beta                 | 1             |                         |                                       |
| Cost of equity, Ke         | 11.00         | Net cost of debt, Kd    | 2.56                                  |
| Weight applied             | 58.0          | Weight applied          | 42                                    |
| WACC                       | 7.5           |                         |                                       |
|                            | (THB m)       | (THB/share)             | Comments                              |
| VGI                        | 37,661        | 4.37                    | WACC 7.5%, beta 1, 2% terminal growth |
| PLANB                      | 5,846         | 0.68                    | FSSIA TP of THB7.50                   |
| KEX                        | 11,313        | 1.31                    | FSSIA TP of THB36                     |
| JMART                      | 8,579         | 1.00                    | FSSIA TP of THB55.50                  |
| MACO                       | 1,237         | 0.14                    | Market price                          |
| Net cash - Net debt        | (4,282)       | (0.50)                  | At end-FY21E                          |
| <b>Total</b>               | <b>60,354</b> |                         |                                       |
| Share base (m)             | 8,611         |                         |                                       |
| <b>TP (THB)</b>            | <b>7.0</b>    |                         |                                       |

Sources: VGI; FSSIA estimates

## Omicron variant scenarios

In our opinion, there are three scenarios in which the Omicron variant could impact VGI's financial performance and our TP. All of the scenarios assume that Omicron will knock on the Thai border in 1Q22.

- 1) The Omicron variant does not enter Thailand or has a minimal spread (35% possibility). In this case, which is our best-case scenario, we expect that the number of Covid cases will not rise dramatically compared to the current situation, with Thailand's likely cases per day numbering around 6,000 in 1Q22. We expect the number of people engaging in OOH activities will gradually grow every month starting from Sep 2021.

In this case, there would only be a minimal impact on VGI's earnings in 4FY22 (Jan-Mar 2022) as well as in FY23. We expect about a 10% downside risk to our earnings forecast, making VGI's EPS drop to THB0.1, while pegged to +1.25SD of its mean P/E at 68x. Therefore, all else being equal, we determine the maximum downside risk of this scenario to be a share price of THB6.30.

- 2) The Omicron variant spreads in Thailand but can be controlled and maintained and no lockdown is required (45% possibility). Based on this scenario, our base case, we expect that the number of Covid cases in Thailand will start rising again but number no more than 10,000 cases per day. The government may decide not to implement a full lockdown as in 3Q21.

This case would affect VGI's EPS by 20% of our current forecast to THB0.09. It may hurt its 4QFY22 performance even more than the first scenario but it should start to improve in 1QFY23. Therefore, we maintain our P/E multiple level at 68x (+1.25SD of its mean P/E), making VGI's downside a drop to THB5.60, all else being equal.

- 3) The Omicron variant spreads everywhere in Thailand similar to the Delta variant and a lockdown is required (20% possibility). This is the worst-case scenario. The number of Covid cases may rise significantly to over 15,000 cases per day. The government may consider having at least one month of a full lockdown. However, we think the lockdown period would be similar to the previous lockdown in 3Q21 that was applied for two months.

Although a lockdown may hurt OOH revenue significantly, we believe the recovery would also be strong. Therefore, we expect a 20% downside risk to VGI's EPS to THB0.08, similar to our base case. However, the market may be afraid and be more risk-averse on its outlook. Therefore, we use only +1SD of its mean P/E, implying 66x. As a result, all else being equal, the maximum downside to VGI's share price would be a drop to THB5.40, which is still slightly higher than the Delta variant impact that pulled VGI's share price to the lowest level at around THB5.50.

We believe the second scenario, which is our base case, is the most likely to occur. This scenario has a 45% of happening, in our estimation. However, there is still a chance that Omicron will not enter Thailand at all if the government implements a strict defensive strategy to prevent it from entering Thailand in the first place. Therefore, the decrease in its share price might be an opportunity for investors to re-invest in VGI after its share price hit the highest level in the past seven months on 19 Nov 2021 and since began to soften.

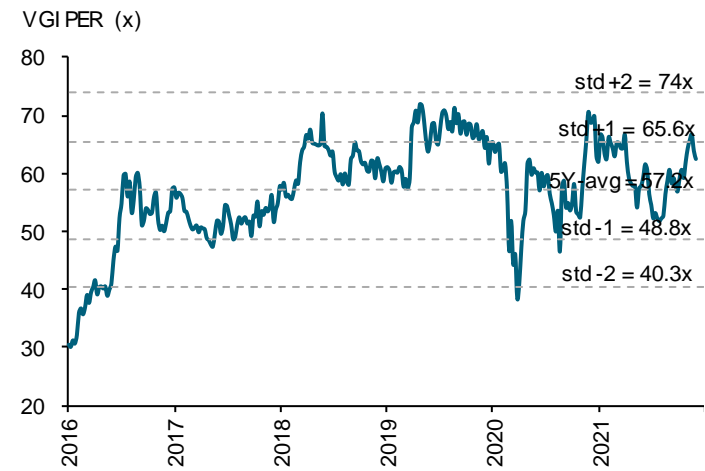
**Exhibit 4: Omicron variant scenarios – sensitivity analysis**

|         |       | P/E multiple |      |        |         |         |
|---------|-------|--------------|------|--------|---------|---------|
|         |       | -0.5SD       | Avg  | +0.5SD | +1SD    | +1.25SD |
| (THB/x) |       | 53           | 57   | 61     | 66      | 68      |
| EPS     | 0.082 | 4.35         | 4.67 | 5.00   | 5.41*** | 5.58**  |
|         | 0.092 | 4.89         | 5.26 | 5.63   | 6.09    | 6.27*   |
|         | 0.103 | 5.43         | 5.84 | 6.25   | 6.77    | 6.97    |

Note: \*First scenario; \*\*Second scenario, \*\*\*Third scenario

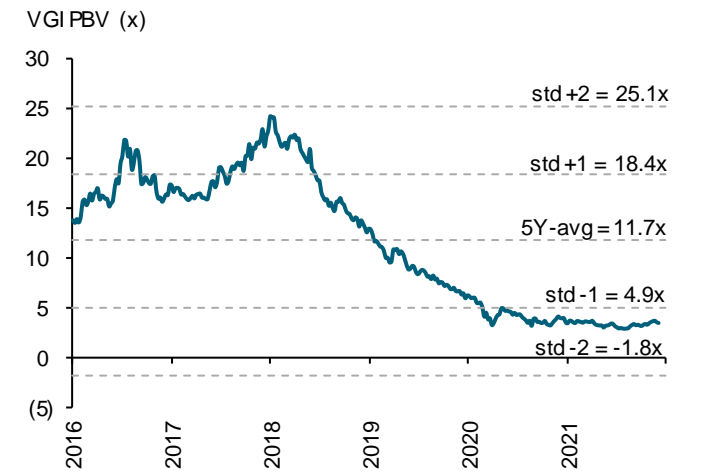
Source: FSSIA estimates

**Exhibit 5: Rolling one-year forward P/E band**



Note: Applied EPS 2022 for 2021 and removed an abnormal period  
Sources: Bloomberg; FSSIA estimates

**Exhibit 6: Rolling one-year forward P/BV band**



Sources: Bloomberg; FSSIA estimates

## Financial Statements

VGI Pcl.

| Profit and Loss (THB m) Year Ending Mar           | 2020         | 2021         | 2022E        | 2023E        | 2024E        |
|---|--------------|--------------|--------------|--------------|--------------|
| Revenue   | 4,000        | 2,480        | 3,943        | 4,826        | 5,882        |
| Cost of goods sold                                | (1,328)      | (1,075)      | (2,626)      | (2,661)      | (3,264)      |
| <b>Gross profit</b>                               | <b>2,671</b> | <b>1,405</b> | <b>1,317</b> | <b>2,165</b> | <b>2,618</b> |
| Other operating income                            | 104          | 112          | 158          | 145          | 176          |
| Operating costs                                   | (1,394)      | (926)        | (1,025)      | (1,186)      | (1,244)      |
| <b>Operating EBITDA</b>                           | <b>1,381</b> | <b>592</b>   | <b>450</b>   | <b>1,123</b> | <b>1,550</b> |
| Depreciation                                      | (619)        | (469)        | (506)        | (482)        | (457)        |
| Goodwill amortisation                             | 0            | 0            | 0            | 0            | 0            |
| <b>Operating EBIT</b>                             | <b>762</b>   | <b>123</b>   | <b>(56)</b>  | <b>642</b>   | <b>1,093</b> |
| Net financing costs                               | (74)         | (73)         | (74)         | (185)        | (173)        |
| Associates  | 131          | 136          | 120          | 431          | 610          |
| Recurring non-operating income                    | 277          | 195          | 120          | 519          | 764          |
| Non-recurring items                               | 233          | 795          | 0            | 0            | 0            |
| <b>Profit before tax</b>                          | <b>1,198</b> | <b>1,040</b> | <b>(10)</b>  | <b>976</b>   | <b>1,683</b> |
| Tax   | (309)        | (133)        | 2            | (137)        | (236)        |
| <b>Profit after tax</b>                           | <b>889</b>   | <b>907</b>   | <b>(9)</b>   | <b>839</b>   | <b>1,448</b> |
| Minority interests                                | 120          | 73           | 75           | 44           | 46           |
| Preferred dividends                               | -            | -            | -            | -            | -            |
| Other items                                       | 415          | 0            | 0            | 0            | 0            |
| <b>Reported net profit</b>                        | <b>1,424</b> | <b>980</b>   | <b>66</b>    | <b>883</b>   | <b>1,493</b> |
| <b>Non-recurring items &amp; goodwill (net)</b>   | <b>(138)</b> | <b>(795)</b> | <b>0</b>     | <b>0</b>     | <b>0</b>     |
| <b>Recurring net profit</b>                       | <b>1,286</b> | <b>185</b>   | <b>66</b>    | <b>883</b>   | <b>1,493</b> |
| <b>Per share (THB)</b>                            |              |              |              |              |              |
| Recurring EPS *                                   | 0.15         | 0.02         | 0.01         | 0.10         | 0.17         |
| Reported EPS                                      | 0.17         | 0.11         | 0.01         | 0.10         | 0.17         |
| DPS   | 0.10         | 0.04         | 0.00         | 0.05         | 0.09         |
| Diluted shares (used to calculate per share data) | 8,611        | 8,611        | 8,611        | 8,611        | 8,611        |
| <b>Growth</b>                                     |              |              |              |              |              |
| Revenue (%)                                       | 10.8         | (38.0)       | 59.0         | 22.4         | 21.9         |
| Operating EBITDA (%)                              | (23.7)       | (57.1)       | (24.0)       | 149.7        | 38.0         |
| Operating EBIT (%)                                | (42.4)       | (83.9)       | nm           | nm           | 70.3         |
| Recurring EPS (%)                                 | 16.0         | (85.6)       | (64.4)       | 1,238.7      | 69.2         |
| Reported EPS (%)                                  | 28.5         | (31.2)       | (93.3)       | 1,238.7      | 69.2         |
| <b>Operating performance</b>                      |              |              |              |              |              |
| Gross margin inc. depreciation (%)                | 51.3         | 37.7         | 20.6         | 34.9         | 36.7         |
| Gross margin of key business (%)                  | -            | -            | -            | -            | -            |
| Operating EBITDA margin (%)                       | 34.5         | 23.9         | 11.4         | 23.3         | 26.4         |
| Operating EBIT margin (%)                         | 19.0         | 5.0          | (1.4)        | 13.3         | 18.6         |
| Net margin (%)                                    | 32.1         | 7.5          | 1.7          | 18.3         | 25.4         |
| Effective tax rate (%)                            | 20.0         | 20.0         | 20.0         | 20.0         | 120.0        |
| Dividend payout on recurring profit (%)           | 66.1         | 167.5        | 40.0         | 50.0         | 50.0         |
| Interest cover (X)                                | 14.0         | 4.3          | 0.9          | 6.3          | 10.7         |
| Inventory days                                    | -            | -            | -            | -            | -            |
| Debtor days                                       | 118.1        | 136.5        | 96.7         | 109.0        | 109.2        |
| Creditor days                                     | 132.2        | 146.6        | 81.4         | 106.1        | 94.6         |
| Operating ROIC (%)                                | 40.6         | 9.6          | (26.5)       | (157.9)      | 128.3        |
| ROIC (%)  | 5.2          | 1.6          | 0.3          | 4.2          | (1.7)        |
| ROE (%)   | 9.7          | 1.3          | 0.4          | 5.2          | 8.6          |
| ROA (%)   | 6.1          | 0.9          | 0.2          | 3.6          | 5.1          |
| * Pre-exceptional, pre-goodwill and fully diluted |              |              |              |              |              |
| <b>Revenue by Division (THB m)</b>                |              |              |              |              |              |
| Transit media                                     | 2,184        | 1,327        | 1,536        | 1,878        | 2,224        |
| Office media                                      | 371          | 213          | 130          | 214          | 300          |
| Digital media                                     | 1,151        | 940          | 978          | 1,173        | 1,408        |
| Others  | 294          | 0            | 1,300        | 1,560        | 1,950        |

Sources: VGI Pcl.; FSSIA estimates



## Financial Statements

VGI Pcl.

| Cash Flow (THB m) Year Ending Mar  | 2020           | 2021          | 2022E          | 2023E         | 2024E          |
|--|----------------|---------------|----------------|---------------|----------------|
| Recurring net profit   | 1,286          | 185           | 66             | 883           | 1,493          |
| Depreciation   | 619            | 469           | 506            | 482           | 457            |
| Associates & minorities  | (164)          | (412)         | (75)           | (44)          | (46)           |
| Other non-cash items   | (718)          | 151           | 36             | 45            | 57             |
| Change in working capital  | (473)          | (227)         | 1,744          | (606)         | 455            |
| <b>Cash flow from operations</b>   | <b>550</b>     | <b>166</b>    | <b>2,277</b>   | <b>760</b>    | <b>2,417</b>   |
| Capex - maintenance  | (273)          | (239)         | (228)          | (228)         | (258)          |
| Capex - new investment   | (182)          | (159)         | (152)          | (152)         | (172)          |
| Net acquisitions & disposals   | (256)          | 804           | (6,300)        | 0             | 0              |
| Other investments (net)  | 437            | 898           | 0              | 0             | 0              |
| <b>Cash flow from investing</b>  | <b>(275)</b>   | <b>1,303</b>  | <b>(6,680)</b> | <b>(380)</b>  | <b>(430)</b>   |
| Dividends paid   | (850)          | (310)         | (26)           | (441)         | (747)          |
| Equity finance   | 500            | 0             | 0              | 0             | 0              |
| Debt finance   | (890)          | (689)         | 4,796          | (368)         | (354)          |
| Other financing cash flows   | (303)          | 260           | (110)          | (38)          | (34)           |
| <b>Cash flow from financing</b>  | <b>(1,543)</b> | <b>(739)</b>  | <b>4,660</b>   | <b>(847)</b>  | <b>(1,135)</b> |
| Non-recurring cash flows   | -              | -             | -              | -             | -              |
| Other adjustments  | 0              | 0             | 0              | 0             | 0              |
| <b>Net other adjustments</b>   | <b>(517)</b>   | <b>(45)</b>   | <b>0</b>       | <b>0</b>      | <b>0</b>       |
| <b>Movement in cash</b>  | <b>(1,786)</b> | <b>685</b>    | <b>257</b>     | <b>(467)</b>  | <b>852</b>     |
| Free cash flow to firm (FCFF)  | 348.34         | 1,542.84      | (4,328.61)     | 564.21        | 2,160.41       |
| Free cash flow to equity (FCFE)  | (1,435.94)     | 995.47        | 283.61         | (26.06)       | 1,598.87       |
| <b>Per share (THB)</b>   |                |               |                |               |                |
| FCFF per share   | 0.04           | 0.18          | (0.50)         | 0.07          | 0.25           |
| FCFE per share   | (0.17)         | 0.12          | 0.03           | 0.00          | 0.19           |
| Recurring cash flow per share  | 0.12           | 0.05          | 0.06           | 0.16          | 0.23           |
| <b>Balance Sheet (THB m) Year Ending Mar</b>   |                |               |                |               |                |
| Tangible fixed assets (gross)  | 2,687          | 3,031         | 3,231          | 3,431         | 3,681          |
| Less: Accumulated depreciation   | (1,546)        | (1,811)       | (2,102)        | (2,378)       | (2,636)        |
| <b>Tangible fixed assets (net)</b>   | <b>1,142</b>   | <b>1,220</b>  | <b>1,128</b>   | <b>1,053</b>  | <b>1,045</b>   |
| <b>Intangible fixed assets (net)</b>   | <b>669</b>     | <b>693</b>    | <b>653</b>     | <b>618</b>    | <b>589</b>     |
| Long-term financial assets   | 2,695          | 137           | 137            | 137           | 137            |
| Invest. in associates & subsidiaries   | 9,282          | 9,223         | 15,523         | 15,523        | 15,523         |
| Cash & equivalents   | 730            | 1,415         | 1,673          | 1,205         | 2,057          |
| A/C receivable   | 1,617          | 1,353         | 1,883          | 2,203         | 2,580          |
| Inventories  | 0              | 0             | 0              | 0             | 0              |
| Other current assets   | 260            | 442           | 276            | 338           | 412            |
| <b>Current assets</b>  | <b>2,607</b>   | <b>3,210</b>  | <b>3,832</b>   | <b>3,746</b>  | <b>5,050</b>   |
| Other assets   | 683            | 6,488         | 6,372          | 6,262         | 6,157          |
| <b>Total assets</b>  | <b>17,077</b>  | <b>20,970</b> | <b>27,645</b>  | <b>27,339</b> | <b>28,499</b>  |
| Common equity  | 12,784         | 16,592        | 16,631         | 17,073        | 17,819         |
| Minorities etc.  | 294            | 472           | 397            | 353           | 308            |
| <b>Total shareholders' equity</b>  | <b>13,078</b>  | <b>17,063</b> | <b>17,028</b>  | <b>17,426</b> | <b>18,127</b>  |
| Long term debt   | 1,200          | 0             | 5,355          | 5,087         | 4,833          |
| Other long-term liabilities  | 140            | 724           | 722            | 733           | 760            |
| <b>Long-term liabilities</b>   | <b>1,340</b>   | <b>724</b>    | <b>6,077</b>   | <b>5,821</b>  | <b>5,593</b>   |
| A/C payable  | 464            | 399           | 772            | 775           | 918            |
| Short term debt  | 689            | 1,159         | 600            | 500           | 400            |
| Other current liabilities  | 1,506          | 1,625         | 3,167          | 2,817         | 3,462          |
| <b>Current liabilities</b>   | <b>2,660</b>   | <b>3,183</b>  | <b>4,539</b>   | <b>4,092</b>  | <b>4,779</b>   |
| <b>Total liabilities and shareholders' equity</b>  | <b>17,077</b>  | <b>20,970</b> | <b>27,645</b>  | <b>27,339</b> | <b>28,499</b>  |
| Net working capital  | (94)           | (229)         | (1,780)        | (1,052)       | (1,387)        |
| Invested capital   | 14,376         | 17,531        | 22,033         | 22,541        | 22,062         |
| * Includes convertibles and preferred stock which is being treated as debt   |                |               |                |               |                |
| <b>Per share (THB)</b>   |                |               |                |               |                |
| Book value per share   | 1.48           | 1.93          | 1.93           | 1.98          | 2.07           |
| Tangible book value per share  | 1.41           | 1.85          | 1.86           | 1.91          | 2.00           |
| <b>Financial strength</b>  |                |               |                |               |                |
| Net debt/equity (%)  | 8.9            | (1.5)         | 25.1           | 25.1          | 17.5           |
| Net debt/total assets (%)  | 6.8            | (1.2)         | 15.5           | 16.0          | 11.1           |
| Current ratio (x)  | 1.0            | 1.0           | 0.8            | 0.9           | 1.1            |
| CF interest cover (x)  | (16.0)         | 16.8          | 6.9            | 1.7           | 11.2           |
| <b>Valuation</b>   |                |               |                |               |                |
| <b>Recurring P/E (x) *</b>   | <b>44.9</b>    | <b>311.8</b>  | <b>875.0</b>   | <b>65.4</b>   | <b>38.6</b>    |
| <b>Recurring P/E @ target price (x) *</b>  | <b>46.9</b>    | <b>325.8</b>  | <b>914.2</b>   | <b>68.3</b>   | <b>40.4</b>    |
| Reported P/E (x)   | 40.5           | 58.9          | 875.0          | 65.4          | 38.6           |
| Dividend yield (%)   | 1.5            | 0.5           | 0.0            | 0.8           | 1.3            |
| Price/book (x)   | 4.5            | 3.5           | 3.5            | 3.4           | 3.2            |
| Price/tangible book (x)  | 4.8            | 3.6           | 3.6            | 3.5           | 3.3            |
| EV/EBITDA (x) **   | 42.8           | 97.8          | 138.7          | 55.6          | 39.5           |
| EV/EBITDA @ target price (x) **  | 44.7           | 102.2         | 144.4          | 57.9          | 41.1           |
| EV/invested capital (x)  | 4.1            | 3.3           | 2.8            | 2.8           | 2.8            |
| * Pre-exceptional, pre-goodwill and fully diluted ** EBITDA includes associate income and recurring non-operating income |                |               |                |               |                |

Sources: VGI Pcl.; 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    | PG     | PHOL   | PLANB |
| 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          | SEAOIL | 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    | TTB    | 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    | AMANAHA | 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    | TTB     | 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

#### VGI Pcl. (VGI TB)



| Date        | Rating | Target price | Date        | Rating | Target price | Date        | Rating | Target price |
|-------------|--------|--------------|-------------|--------|--------------|-------------|--------|--------------|
| 27-Aug-2020 | HOLD   | 6.70         | 15-Jan-2021 | HOLD   | 7.00         | 02-Jun-2021 | HOLD   | 6.50         |
| 05-Nov-2020 | HOLD   | 6.70         | 16-Feb-2021 | HOLD   | 7.00         | 04-Aug-2021 | HOLD   | 5.80         |

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

Price and TP are in local currency

Source: FSSIA estimates

#### Jay Mart (JMART TB)



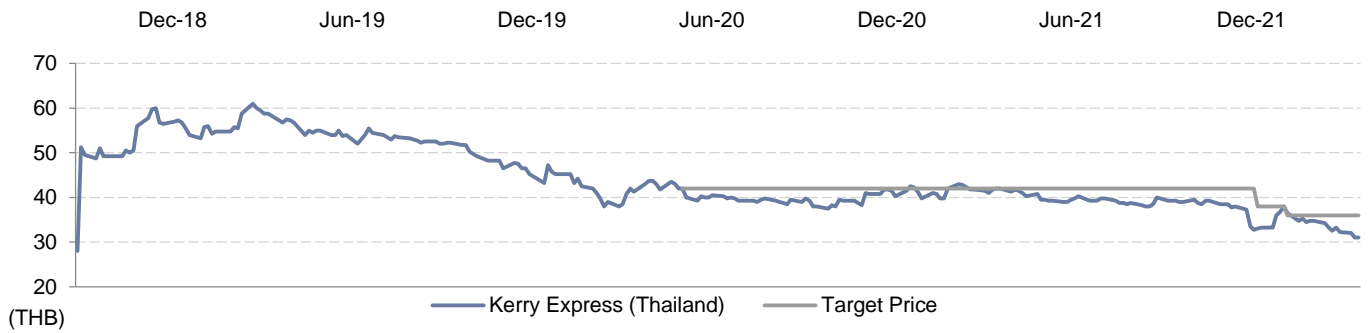
| Date        | Rating | Target price | Date        | Rating | Target price | Date | Rating | Target price |
|-------------|--------|--------------|-------------|--------|--------------|------|--------|--------------|
| 10-Aug-2021 | BUY    | 44.00        | 16-Sep-2021 | BUY    | 48.00        | -    | -      | -            |
| 27-Aug-2021 | BUY    | 44.00        | 25-Nov-2021 | BUY    | 55.50        |      |        |              |

Naruedom Mujjalinkool started covering this stock from 10-Aug-2021

Price and TP are in local currency

Source: FSSIA estimates

### Kerry Express (Thailand) (KEX TB)



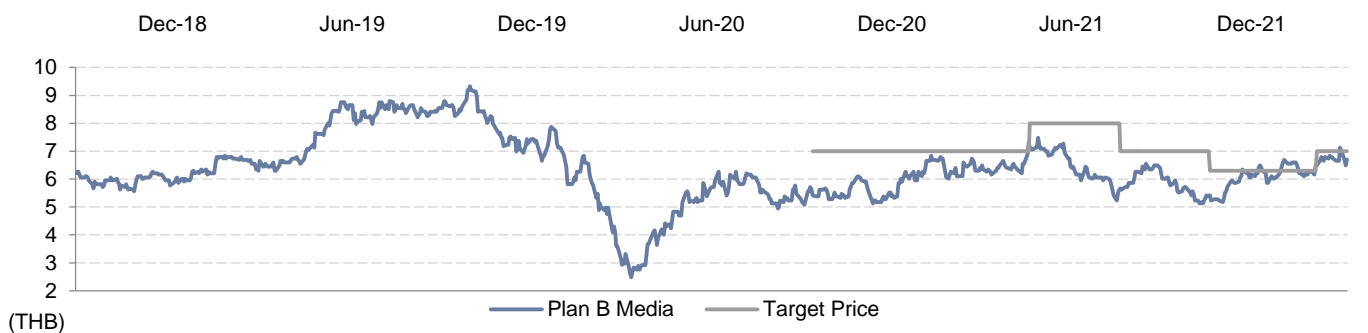
| Date        | Rating | Target price | Date        | Rating | Target price | Date        | Rating | Target price |
|-------------|--------|--------------|-------------|--------|--------------|-------------|--------|--------------|
| 02-Jun-2021 | HOLD   | 42.00        | 03-Nov-2021 | BUY    | 38.00        | 11-Nov-2021 | HOLD   | 36.00        |

Naruedom Mujjalinkool started covering this stock from 02-Jun-2021

Price and TP are in local currency

Source: FSSIA estimates

### Plan B Media (PLANB TB)



| Date        | Rating | Target price | Date        | Rating | Target price | Date        | Rating | Target price |
|-------------|--------|--------------|-------------|--------|--------------|-------------|--------|--------------|
| 27-Aug-2020 | BUY    | 7.00         | 22-Apr-2021 | BUY    | 8.00         | 04-Nov-2021 | BUY    | 7.00         |
| 05-Nov-2020 | BUY    | 7.00         | 19-May-2021 | BUY    | 7.00         |             |        |              |
| 02-Mar-2021 | BUY    | 8.00         | 04-Aug-2021 | BUY    | 6.30         |             |        |              |

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   |
|--------------------------|----------|-----------|--------|---|
| VGI Pcl.                 | VGI TB   | THB 6.70  | HOLD   | The key upside and downside risks to our SoTP-based TP are if the advertising expenditure recovery is slower or faster than our expectation, and whether Rabbit Line Pay is successful or not.              |
| Jay Mart                 | JMART TB | THB 48.50 | BUY    | Downside risks to our SOTP-based TP include 1) lower-than-expected mobile revenue; 2) lower cash collection from its fully amortised portfolio; and 3) the lower-than-expected acquisition of new bad debt. |
| Kerry Express (Thailand) | KEX TB   | THB 31.25 | HOLD   | The key downside and upside risks to our DCF-based TP are 1) if the competition is higher or lower than our expectation; and 2) if Covid-19 continues to spread further.                                    |
| Plan B Media             | PLANB TB | THB 6.65  | BUY    | The key downside risks to our P/E multiple based TP are a slower-than-expected adex recovery and further waves of Covid-19.   |

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

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 Finasia Syrus Securities Public Company Limited, which is the parent company of FSSIA.

All share prices are as at market close on 02-Dec-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.