

15 DECEMBER 2021

THAILAND / MEDIA

BEC WORLD

BEC TB

BUY

UNCHANGED

TARGET PRICE	THB15.00
CLOSE	THB13.50
UP/DOWNSIDE	+11.1%
PRIOR TP	THB15.00
CHANGE IN TP	UNCHANGED
TP vs CONSENSUS	+0.0%

Outlook remains strong

The recovery has started

Although QTD (Oct-Nov) TV advertising expenditure (adex) still dropped by 7% y-y, it grew solidly m-m from Oct-21. The recovery in 4Q21 looks promising, according to management. The company believes its utilisation and advertising price should recover from its bottom in 3Q21. BEC targets double-digit revenue growth in 2022. The advertising price, especially for news programs, has the most potential to increase as the current utilisation is almost 100%. In addition, TV programs in 2022 should have more first-run content, which could boost the revenue potential above re-run content.

Three possible scenarios for the Omicron variant

In our opinion, there are three scenarios in which the Omicron variant could impact BEC's financial performance and our TP: 1) the Omicron variant has a minimal spread in Thailand; 2) it spreads in Thailand but can be controlled and managed, i.e. no lockdown is required; and 3) the Omicron variant spreads across Thailand similar to the Delta variant and a lockdown is required. We estimate that the first scenario would have a minor impact, but the second and third scenarios would have a significant impact. We project BEC's resultant share price in each scenario, ceteris paribus, to be THB13.5/12.8/11.5, respectively.

Content and events to drive its revenue

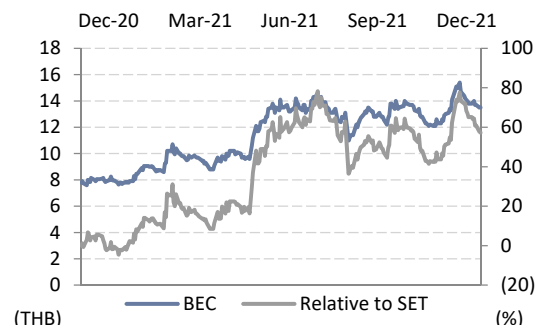
We see significant growth potential in digital and global content licensing (GCL) revenue in 2022. The company believes that, next year, it should be able to sell 3-4 drama series to China, similar to 2020 – this year it was not able to sell any content to China. Moreover, thanks to the improvement in the Covid situation, we believe BEC should be able to resume its event business, which includes events, concerts, and its artist management business.

Maintain BUY with TP of THB15

BEC may seem unattractive in the short term as the revenue from the copyright business is still recovering – the company resumed its drama series production just two months ago. Moreover, we only expect to get more information on this business' outlook during the analyst meeting. Thus, we have to wait for signs of recovery from the company. However, we still like BEC as we believe this business will become the key growth driver in 2022. Maintain BUY with our PE-based TP of THB15.

KEY STOCK DATA

YE Dec (THB m)	2020	2021E	2022E	2023E
Revenue	5,861	5,778	6,592	7,340
Net profit	(214)	641	859	1,219
EPS (THB)	(0.11)	0.32	0.43	0.61
vs Consensus (%)	-	-	(4.4)	1.7
EBITDA	2,046	3,096	3,392	3,842
Core net profit	(233)	641	859	1,219
Core EPS (THB)	(0.12)	0.32	0.43	0.61
Chg. In EPS est. (%)	nm	-	-	-
EPS growth (%)	nm	nm	34.1	42.0
Core P/E (x)	(115.8)	42.1	31.4	22.1
Dividend yield (%)	-	-	-	2.3
EV/EBITDA (x)	13.4	8.5	7.6	6.6
Price/book (x)	5.0	4.5	3.9	3.6
Net debt/Equity (%)	7.4	(10.4)	(17.8)	(23.5)
ROE (%)	(4.2)	11.2	13.3	16.9



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	3.8	4.7	88.8
Relative to country (%)	4.1	4.2	70.9
Mkt cap (USD m)	809		
3m avg. daily turnover (USD m)	8.8		
Free float (%)	48		
Major shareholder	Maleenont Family (28%)		
12m high/low (THB)	15.80/6.65		
Issued shares (m)	2,000.00		

Sources: Bloomberg consensus; FSSIA estimates



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Investment thesis

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

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

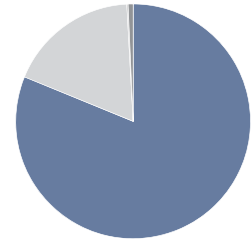
Company profile

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

www.becworld.com

Principal activities (revenue, 2020)

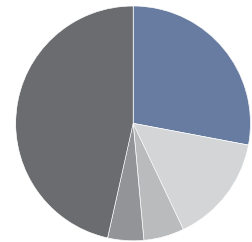
- Advertising income - 81.2 %
- Copyrights & Other services - 18.0 %
- Concerts & Shows - 0.2 %
- Sales of Goods - 0.7 %



Source: BEC World

Major shareholders

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



Source: BEC World

Catalysts

- A strong recovery in 2022 should boost the company’s revenue;
- A huge cost reduction;
- If it can expand its market share via global content licensing.

Risks to our call

The key downside risks to our P/E-based TP are a lower-than-expected adex recovery and the company’s worse-than-expected cost reduction.

Event calendar

Date	Event
Feb 2022	2021 results announcement

Key assumptions

	2020	2021E	2022E	2023E
Ad rate per minute (THB)	85,900	80,500	83,720	83,720
Utilisation (%)	63	67	72	77

Source: FSSIA estimates

Earnings sensitivity

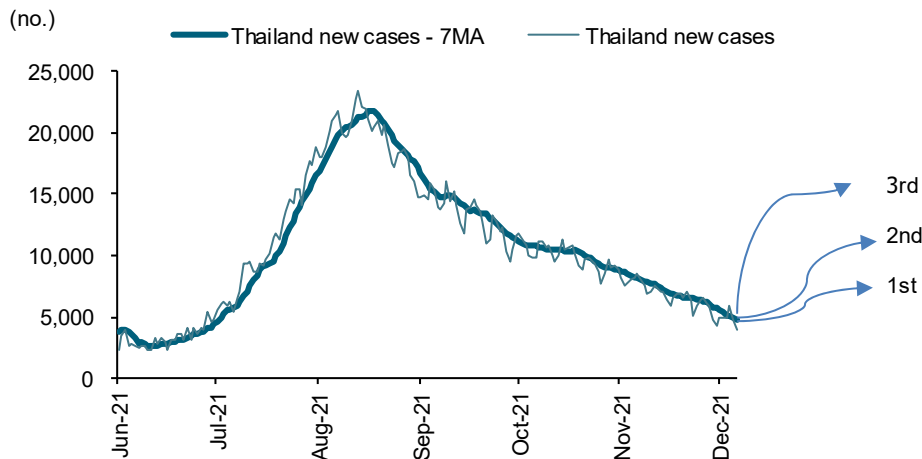
- For every 1% increase in utilisation rate, we project 2021 earnings to rise by 26%, and vice versa, all else being equal;
- For every 1% increase in advertising rate, we project 2021 earnings to rise by 16%, and vice versa, all else being equal.

Source: FSSIA estimates

Omicron variant scenarios

In our opinion, there are three scenarios in which the Omicron variant could impact BEC's financial performance and our TP. All of the scenarios assume that Omicron will spread in Thailand in 1Q22.

Exhibit 1: Omicron variant scenarios



Sources: Worldometers.info; FSSIA estimates

- 1) The Omicron variant does not affect Thailand or results in minimal infections (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, and Thailand's cases per day subside to around 1,000-2,000 cases per day, down from the current 3,000 cases per day, on average.

In this case, there would only be a minimal impact on BEC's earnings in 1Q22. We expect about a 10% downside risk to our earnings forecast, making BEC's EPS drop to THB0.39, our current TP's 2022E P/E is pegged to 35x (+1SD of its mean P/E). We maintain our P/E multiple level because we believe, in this scenario, the impact from the Omicron variant would hit Thailand only for a short period of time. Therefore, all else being equal, we determine the maximum downside risk of this scenario to be a share price of THB13.5.

- 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 could start rising again but not exceed 10,000 cases per day and the government decides not to implement a full lockdown as in 3Q21.

This case would affect BEC's EPS by 15% of our current forecast to THB0.37. While it may hurt the company's 1Q22 performance more than the first scenario, we believe an improvement would be likely in 2Q22. Therefore, we maintain our P/E multiple level at 35x, making BEC's downside a drop to THB12.8, 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.

In this case, we anticipate that BEC would be similarly affected as in the second scenario, which would be better than out-of-home (OOH) media companies, in our view. Adex would shift from OOH to TV media as people would be less likely to engage in activities outside their homes during a lockdown. As a result, we maintain our EPS downside of 15%. However, the market might be more risk-averse and may require a higher margin of safety. Thus, we trim our P/E multiple down from 35x (+1SD) to 31.5x (+0.5SD), resulting in a maximum downside to its share price of THB11.50, all else being equal – close to its share price during the Delta variant.

Exhibit 2: Omicron variant scenarios – sensitivity analysis

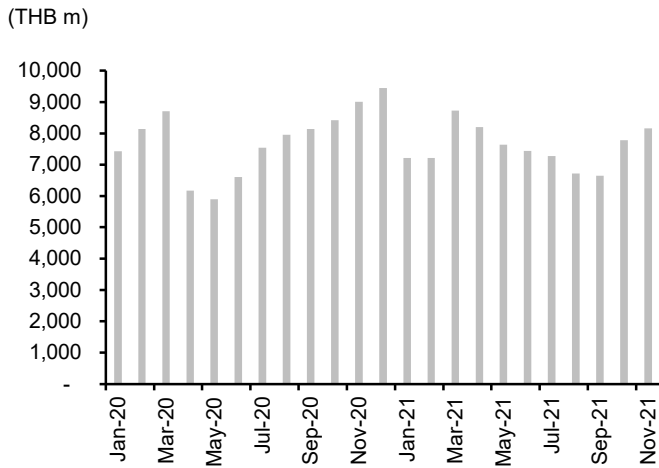
		P/E multiple				
		-0.5SD	Avg	+0.5SD	+1SD	+1.5SD
(THB/x)		26.3	28.9	31.5	35	37.6
EPS	0.36	9.6	10.5	11.5***	12.8**	13.7
	0.39	10.2	11.2	12.2	13.5*	14.5
	0.43	11.3	12.4	13.5	15.0	16.1

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

Source: FSSIA estimates

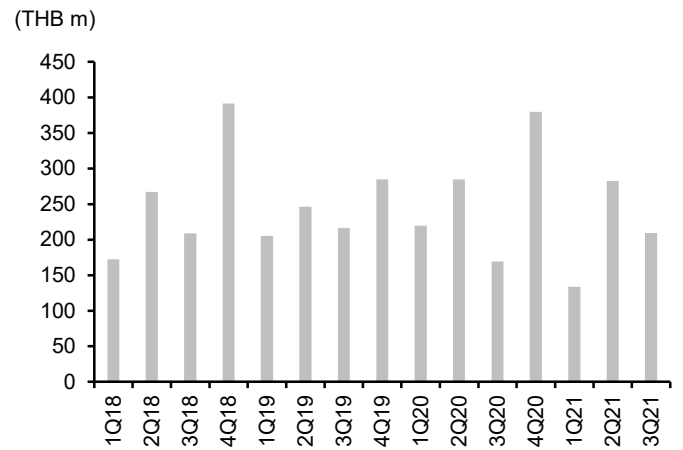
We believe the second scenario, which is our base case, is the most likely to occur. This scenario has a 45% chance of happening, in our estimation. Looking at BEC's current share price, we can see that it is now at the level of the first scenario (THB13.50), implying that the market has already priced in some of the Omicron impact.

Exhibit 3: Adex



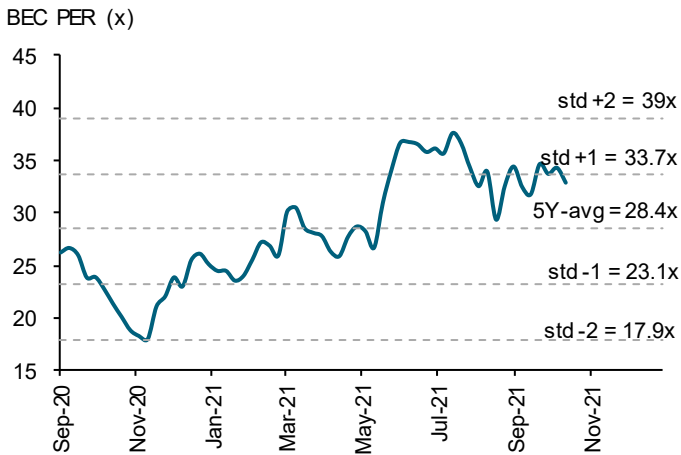
Source: Nielsen

Exhibit 4: Copyright revenue



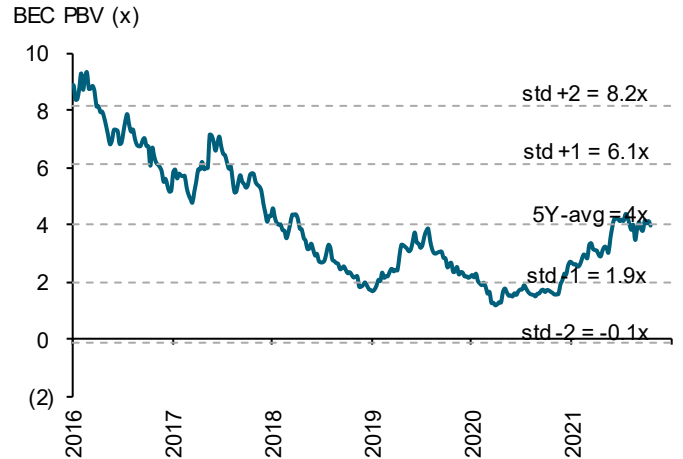
Sources: BEC; FSSIA's compilation

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



Sources: Bloomberg; FSSIA estimates

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



Sources: Bloomberg; FSSIA estimates

Financial Statements

BEC World

Profit and Loss (THB m) Year Ending Dec	2019	2020	2021E	2022E	2023E
Revenue	8,310	5,861	5,778	6,592	7,340
Cost of goods sold	(4,481)	(2,423)	(1,987)	(2,461)	(2,726)
Gross profit	3,829	3,438	3,791	4,131	4,614
Other operating income	77	39	40	45	50
Operating costs	(1,482)	(1,431)	(735)	(784)	(822)
Operating EBITDA	2,424	2,046	3,096	3,392	3,842
Depreciation	(3,054)	(2,160)	(2,214)	(2,245)	(2,252)
Goodwill amortisation	0	0	0	0	0
Operating EBIT	(631)	(114)	882	1,147	1,590
Net financing costs	(107)	(108)	(82)	(74)	(66)
Associates	28	(2)	0	0	0
Recurring non-operating income	28	(2)	0	0	0
Non-recurring items	199	19	0	0	0
Profit before tax	(511)	(206)	801	1,073	1,524
Tax	62	(98)	(160)	(215)	(305)
Profit after tax	(449)	(304)	641	859	1,219
Minority interests	52	90	0	0	0
Preferred dividends	0	0	0	0	0
Other items	-	-	-	-	-
Reported net profit	(397)	(214)	641	859	1,219
Non-recurring items & goodwill (net)	(159)	(19)	0	0	0
Recurring net profit	(556)	(233)	641	859	1,219
Per share (THB)					
Recurring EPS *	(0.28)	(0.12)	0.32	0.43	0.61
Reported EPS	(0.20)	(0.11)	0.32	0.43	0.61
DPS	0.00	0.00	0.00	0.00	0.30
Diluted shares (used to calculate per share data)	2,000	2,000	2,000	2,000	2,000
Growth					
Revenue (%)	(17.9)	(29.5)	(1.4)	14.1	11.4
Operating EBITDA (%)	(31.6)	(15.6)	51.4	9.6	13.3
Operating EBIT (%)	nm	nm	nm	30.0	38.6
Recurring EPS (%)	nm	nm	nm	34.1	42.0
Reported EPS (%)	nm	nm	nm	34.1	42.0
Operating performance					
Gross margin inc. depreciation (%)	9.3	21.8	27.3	28.6	32.2
Gross margin of key business (%)	-	-	-	-	-
Operating EBITDA margin (%)	29.2	34.9	53.6	51.5	52.3
Operating EBIT margin (%)	(7.6)	(2.0)	15.3	17.4	21.7
Net margin (%)	(6.7)	(4.0)	11.1	13.0	16.6
Effective tax rate (%)	20.0	20.0	20.0	20.0	20.0
Dividend payout on recurring profit (%)	-	-	-	-	50.0
Interest cover (X)	(5.6)	(1.1)	10.8	15.6	24.1
Inventory days	0.3	0.5	0.4	0.4	0.4
Debtor days	50.9	67.1	62.2	51.7	55.2
Creditor days	53.2	84.3	77.6	59.7	60.6
Operating ROIC (%)	(74.5)	(13.8)	132.6	197.2	186.4
ROIC (%)	(5.6)	(1.4)	11.9	15.7	21.2
ROE (%)	(9.5)	(4.2)	11.2	13.3	16.9
ROA (%)	(4.1)	(2.3)	7.3	9.2	12.1
* Pre-exceptional, pre-goodwill and fully diluted					
Revenue by Division (THB m)					
Advertising income	6,743	4,758	4,725	5,280	5,647
Copyrights & Other services	953	1,053	1,053	1,211	1,393
Concerts & Shows	557	9	0	100	300
Sales of Goods	56	40	0	0	0

Sources: BEC World; FSSIA estimates

Financial Statements

BEC World

Cash Flow (THB m) Year Ending Dec	2019	2020	2021E	2022E	2023E
Recurring net profit	(556)	(233)	641	859	1,219
Depreciation	3,054	2,160	2,214	2,245	2,252
Associates & minorities	(80)	119	0	0	0
Other non-cash items	(185)	395	0	0	0
Change in working capital	208	(146)	200	(376)	(165)
Cash flow from operations	2,442	2,295	3,055	2,728	3,306
Capex - maintenance	(991)	(709)	(780)	(850)	(864)
Capex - new investment	(1,486)	(1,064)	(1,170)	(1,275)	(1,296)
Net acquisitions & disposals	26	(3)	0	0	0
Other investments (net)	620	82	0	0	0
Cash flow from investing	(1,831)	(1,693)	(1,950)	(2,125)	(2,160)
Dividends paid	0	0	0	0	(610)
Equity finance	0	0	0	0	0
Debt finance	(28)	0	(499)	(200)	(200)
Other financing cash flows	(34)	(109)	(77)	0	0
Cash flow from financing	(62)	(109)	(576)	(200)	(810)
Non-recurring cash flows	-	-	-	-	-
Other adjustments	99	0	0	0	0
Net other adjustments	99	(711)	0	0	0
Movement in cash	648	(218)	529	403	336
Free cash flow to firm (FCFF)	738.05	718.39	1,202.57	692.80	1,228.04
Free cash flow to equity (FCFE)	647.80	(217.84)	529.35	403.10	946.14

Per share (THB)	2019	2020	2021E	2022E	2023E
FCFF per share	0.37	0.36	0.60	0.35	0.61
FCFE per share	0.32	(0.11)	0.26	0.20	0.47
Recurring cash flow per share	1.12	1.22	1.43	1.55	1.74

Balance Sheet (THB m) Year Ending Dec	2019	2020	2021E	2022E	2023E
Tangible fixed assets (gross)	6,682	4,943	1,157	1,217	1,317
Less: Accumulated depreciation	(6,300)	(4,675)	(943)	(1,039)	(1,123)
Tangible fixed assets (net)	382	268	214	178	195
Intangible fixed assets (net)	3,832	3,673	3,463	3,379	3,270
Long-term financial assets	99	54	54	54	54
Invest. in associates & subsidiaries	29	0	0	0	0
Cash & equivalents	2,816	2,598	3,128	3,531	3,867
A/C receivable	1,037	1,117	851	1,017	1,204
Inventories	4	2	2	3	3
Other current assets	838	171	173	175	176
Current assets	4,695	3,889	4,154	4,724	5,250
Other assets	2,317	1,635	1,874	1,930	1,961
Total assets	11,354	9,519	9,759	10,266	10,731
Common equity	5,623	5,409	6,050	6,908	7,518
Minorities etc.	95	0	0	0	0
Total shareholders' equity	5,718	5,409	6,050	6,908	7,518
Long term debt	2,998	2,999	2,500	2,300	2,100
Other long-term liabilities	634	293	293	293	293
Long-term liabilities	3,632	3,292	2,793	2,593	2,393
A/C payable	645	474	370	435	471
Short term debt	330	0	0	0	0
Other current liabilities	1,029	344	546	329	348
Current liabilities	2,004	818	916	764	820
Total liabilities and shareholders' equity	11,354	9,519	9,759	10,266	10,731
Net working capital	205	473	110	429	563
Invested capital	6,865	6,103	5,715	5,971	6,044

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

Per share (THB)	2019	2020	2021E	2022E	2023E
Book value per share	2.81	2.70	3.02	3.45	3.76
Tangible book value per share	0.90	0.87	1.29	1.76	2.12

Financial strength	2019	2020	2021E	2022E	2023E
Net debt/equity (%)	9.0	7.4	(10.4)	(17.8)	(23.5)
Net debt/total assets (%)	4.5	4.2	(6.4)	(12.0)	(16.5)
Current ratio (x)	2.3	4.8	4.5	6.2	6.4
CF interest cover (x)	21.0	8.8	21.9	23.8	35.0

Valuation	2019	2020	2021E	2022E	2023E
Recurring P/E (x) *	(48.6)	(115.8)	42.1	31.4	22.1
Recurring P/E @ target price (x) *	(53.9)	(128.7)	46.8	34.9	24.6
Reported P/E (x)	(68.0)	(126.0)	42.1	31.4	22.1
Dividend yield (%)	-	-	-	-	2.3
Price/book (x)	4.8	5.0	4.5	3.9	3.6
Price/tangible book (x)	15.1	15.6	10.4	7.7	6.4
EV/EBITDA (x) **	11.4	13.4	8.5	7.6	6.6
EV/EBITDA @ target price (x) **	12.6	14.9	9.5	8.5	7.3
EV/invested capital (x)	4.0	4.5	4.6	4.3	4.2

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

Sources: BEC World; 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	SCC	SCG	SCN	SDC
SEAFCO	SEOIL	SE-ED	SELIC	SENA	SIRI	SIS	SITHAI	SMK	SMPC	SNC
SONIC	SORKON	SPALI	SPI	SPRC	SPVI	SSSC	SST	STA	SUSCO	SUTHA
SVI	SYMC	SYNTEC	TACC	TASCO	TCAP	TFMAMA	THANA	THANI	THCOM	THG
THIP	THRE	THREL	TIP	TIPCO	TISCO	TK	TKT	TTB	TMILL	TNDT
TNL	TOA	TOP	TPBI	TQM	TRC	TRC	TSC	TSR	TSTE	TSTH
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	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

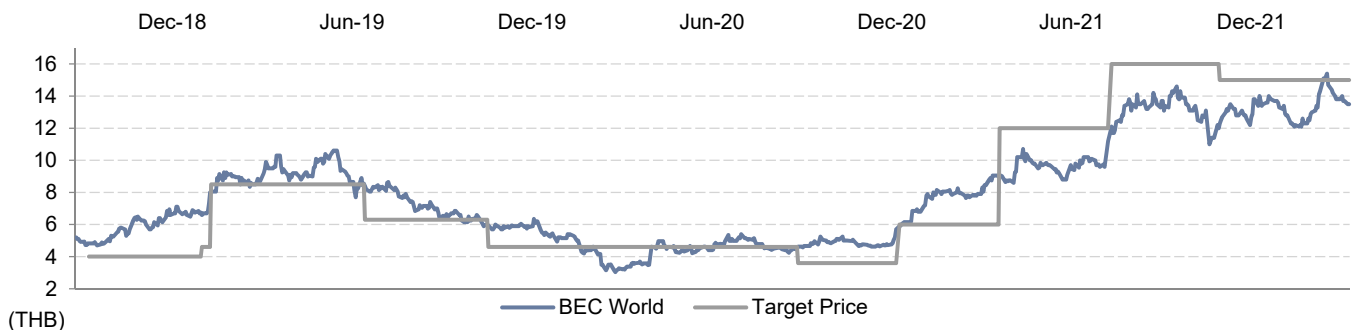
The individual(s) identified above certify(ies) that (i) all views expressed in this report accurately reflect the personal view of the analyst(s) with regard to any and all of the subject securities, companies or issuers mentioned in this report; and (ii) no part of the compensation of the analyst(s)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

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History of change in investment rating and/or target price

BEC World (BEC TB)



Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
28-Dec-2018	REDUCE	4.00	02-Apr-2020	REDUCE	4.60	04-Mar-2021	BUY	12.00
04-Apr-2019	REDUCE	4.60	27-Aug-2020	REDUCE	3.60	21-May-2021	BUY	16.00
12-Apr-2019	HOLD	8.50	05-Nov-2020	REDUCE	3.60	24-Aug-2021	BUY	15.00
22-Aug-2019	REDUCE	6.30	20-Nov-2020	HOLD	6.00			
06-Dec-2019	REDUCE	4.60	16-Feb-2021	BUY	12.00			

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
BEC World	BEC TB	THB 13.50	BUY	The key downside risks to our P/E based TP are a lower-than-expected adex recovery and the company's worse-than-expected cost reduction.

Source: FSSIA estimates

Additional Disclosures

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

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

All share prices are as at market close on 14-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.