

ADVANCED INFO SERVICE

ADVANC TB

THAILAND / ICT

BUY

UNCHANGED

Solid growth outlook and dividend

- We have a positive view on ADVANC's 2022 guidance. We expect its 2022 net profit to grow by 5% y-y to THB28b.
- The expectation of a decent dividend yield at 3.4% in 2022 could be a key driver.
- Maintain BUY with the same TP of THB260.

TARGET PRICE	THB260.00
CLOSE	THB237.00
UP/DOWNSIDE	+9.7%
PRIOR TP	THB260.00
CHANGE IN TP	UNCHANGED
TP vs CONSENSUS	+6.3%

KEY STOCK DATA

YE Dec (THB m)	2021	2022E	2023E	2024E
Revenue	181,333	184,320	189,246	191,984
Net profit	26,922	28,295	30,813	32,847
EPS (THB)	9.05	9.52	10.36	11.05
vs Consensus (%)	-	(2.1)	(3.3)	(3.0)
EBITDA	91,408	93,107	95,813	97,388
Core net profit	26,467	28,295	30,813	32,847
Core EPS (THB)	8.90	9.52	10.36	11.05
Chg. In EPS est. (%)	nm	(2.7)	(4.1)	nm
EPS growth (%)	(2.6)	6.9	8.9	6.6
Core P/E (x)	26.6	24.9	22.9	21.5
Dividend yield (%)	3.2	3.4	3.9	4.4
EV/EBITDA (x)	8.5	8.3	7.8	7.5
Price/book (x)	8.6	8.3	7.8	7.5
Net debt/Equity (%)	89.8	74.5	50.8	31.9
ROE (%)	33.7	33.9	35.1	35.7

Slightly positive guidance from management

Management's 2022 guidance indicates that they expect 1) mid-single-digit service revenue growth; 2) low single-digit EBITDA growth; and 3) 24% y-y growth to 2.2m fixed broadband (FBB) subscribers. This guidance is slightly positive in our view. Meanwhile, management expects 5G capex of THB23-28b to increase 5G coverage to 85% in 2022, up from 76% in 2021. With this guidance, we increase our revenue estimate for 2022 by 2% to THB184b, but trim our earnings estimate by 3% to THB28b. We still have a positive view toward ADVANC's growth outlook.

Solid growth in the enterprise sector

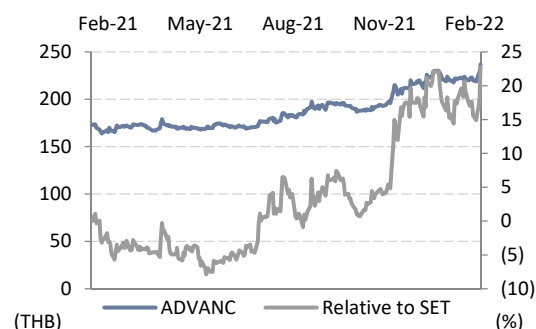
In 2021, ADVANC's enterprise sector showed a significant improvement. This segment's revenue increased by 16% to THB5.3b – the largest increase in the last three years. Moreover, key drivers for ADVANC could come from 5G and new technologies, which are continuing to play an increasingly important role in every business going forward, as well as the possibility of a joint partnership with Gulf Energy Development (GULF TB, BUY, TP THB60) and Singapore Telecommunications (Singtel) to jointly develop a data centre business in Thailand.

Decent dividend remains the key

The final dividend in 2021 that ADVANC has announced to pay brings its dividend payout ratio to 85%, the highest level in the past five years, despite the 5G infrastructure investment being higher than our expectation. We believe the company should maintain its payout level in 2022 at 85%, making the projected dividend yield increase slightly from our previous expectation of 3.2% to 3.4%. Hence, ADVANC remains one of the top dividend companies in the ICT sector.

Maintain BUY with the same TP of THB260

We maintain BUY on ADVANC with the same TP of THB260, albeit with some minor changes to our estimates. We maintain our suggestion to invest in ADVANC before 1Q22 until the end of the quarter as, according to our research, ADVANC has had some of the highest positive returns on its share price in 1Q among mobile operator companies – see more in [“Advanced Info Service \(ADVANC TB\) - No towerco, no problem”, dated 19 Oct-21](#). ADVANC remains our top pick in the ICT sector.



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	5.8	22.5	37.0
Relative to country (%)	3.8	17.7	21.6
Mkt cap (USD m)			21,560
3m avg. daily turnover (USD m)			42.7
Free float (%)			36
Major shareholder		Intouch Holdings (40%)	
12m high/low (THB)			237.00/164.00
Issued shares (m)			2,973.55

Sources: Bloomberg consensus; FSSIA estimates



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Investment thesis

ADVANC is the biggest mobile operator in Thailand with more than 45% of the market share. The company aims to be the number one 5G service provider. It also has the healthiest financial position in the sector, as well as a fair and consistent dividend yield at around 3.4% p.a.

We think the company has various catalysts waiting in the future, including 1) the potential to pay a higher dividend; 2) the benefit of lower competition in the mobile market after the amalgamation between True Corporation (TRUE TB, HOLD, TP THB4.2) and Total Access Communication (DTAC TB, HOLD, TP THB42) in 2022; 3) likely new projects with Gulf Energy Development (GULF TB, BUY, TP THB60); 4) growth in the enterprise sector; and 5) growth in its digital services business.

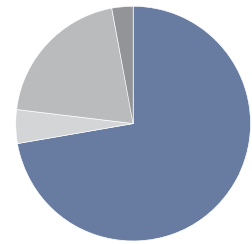
Company profile

ADVANC operates a telecommunications business, including mobile network services, fixed broadband services, and digital services.

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Principal activities (revenue, 2021)

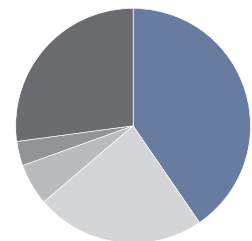
- Mobile - 72.3 %
- Fixed broadband - 4.7 %
- Sale of goods - 20.2 %
- Others - 2.9 %



Source: Advanced Info Service

Major shareholders

- Intouch Holdings - 40.4 %
- Singtel Strategic Investment PTE - 23.3 %
- Thai NVDR - 5.8 %
- Social Security Office - 3.4 %
- Others - 27.1 %



Source: Advanced Info Service

Catalysts

- Upcoming 5G technology should be a key driver for ADVANC, which aims to be the number one 5G operator;
- Consistent earnings which could lead to a consistent dividend yield at around 3.4% p.a.;
- The expectation of less competition in the mobile market after the amalgamation between TRUE and DTAC.

Risks to our call

The key downside risks to our DCF-based TP are stronger-than-expected competition in the mobile market and the slower-than-expected adoption of 5G use cases.

Event calendar

Date	Event
May 2022	1Q22 results announcement

Key assumptions

Key assumption	2021	2022E	2023E	2024E
Total subscribers (m)	44.1	45.2	45.5	45.6
Blended ARPU (THB/sub/mth)	228	224	229	231
Fixed broadband				
FBB subscribers (m)	1.8	2.1	2.4	2.6
ARPU (THB/sub/mth)	444	435	429	422

Source: FSSIA estimates

Earnings sensitivity

- For every 1% increase in mobile blended ARPU, we project 2022 earnings to rise by 2.2%, and vice versa, all else being equal.
- For every 1% increase in mobile subscribers, we project 2022 earnings to rise by 2.1%, and vice versa, all else being equal.

Source: FSSIA estimates

4Q21 results review

ADVANC's 4Q21 net profit was THB6.9b, boosted by an FX gain from the divestment of personal protective equipment assets and improving operations. Core net profit was THB6.7b (-2% y-y, +0.3% q-q), slightly lower than BBG consensus and our estimate. 4Q21 service revenue recovered by 4% y-y and 2% q-q due to the growing B2B business (+24% y-y, +8% q-q) and higher cellular revenue (+2% y-y, +1.3% q-q). The growth in mobile revenue was driven by mobile subscribers that inched up to 44.2m, up 1% q-q, while average revenue per user (ARPU) remained flat at THB224 thanks to the growth of 5G users and pre to post subscribers. Fixed broadband subscribers were at 1.77m, up 33% y-y, but ARPU dropped 7% y-y to THB444/sub.

The dividend was THB4.24 at a 95% payout for 2H21 operations, bringing the 2021 dividend payout to 85% at THB7.7 per share. This reflects a slightly higher-than-expected dividend yield of 3.2%.

Exhibit 1: 4Q21 results review

	4Q20	3Q21	4Q21	Change		2020	2021	Chg.	2022E
	(THB m)	(THB m)	(THB m)	(q-q%)	(y-y%)	(THB m)	(THB m)	(y-y%)	(THB m)
Operating revenue	46,074	42,377	50,338	18.8	9.3	172,890	181,333	4.9	184,320
Operating expense	(23,840)	(19,489)	(27,404)	40.6	14.9	(83,492)	(89,925)	7.7	(91,213)
EBITDA	22,234	22,888	22,934	0.2	3.1	89,398	91,408	2.2	93,107
EBITDA margin (%)	48	54	46	nm	nm	52	50	nm	51
Depreciation & amortisation	(13,106)	(13,442)	(13,546)	0.8	3.4	(51,923)	(53,446)	2.9	(53,649)
EBIT	9,128	9,446	9,388	(0.6)	2.9	37,475	37,962	1.3	39,458
Interest expense	(1,358)	(1,414)	(1,366)	(3.4)	0.6	(5,917)	(5,626)	(4.9)	(5,448)
Other income	80	203	196	(3.5)	145.8	790	244	(69.1)	620
Associates	(66)	(26)	(21)	(19.7)	(67.8)	(70)	(141)	n.a.	20
Extra items	509	(435)	189	n.a.	n.a.	247	455	n.a.	-
Pretax profit	8,293	7,774	8,386	7.9	1.1	32,525	32,894	1.1	34,650
Tax	(1,128)	(1,399)	(1,522)	8.8	34.9	(5,089)	(5,970)	17.3	(6,352)
Tax rate (%)	(14)	(18)	(18)	nm	nm	(16)	(18)	nm	(18)
Minority interests	(1)	(1)	(1)	66.7	0.0	(3)	(2)	(30.9)	(3)
Net profit	7,164	6,374	6,863	7.7	(4.2)	27,434	26,922	(1.9)	28,295
Core net profit	6,655	6,809	6,674	(2.0)	0.3	27,187	26,467	(2.6)	28,295
EPS (THB)	2.41	2.14	2.31	7.7	(4.2)	9.23	9.05	(1.9)	9.52
Core EPS (THB)	2.24	2.29	2.24	(2.0)	0.3	9.14	8.90	(2.6)	9.52

Sources: ADVANC; FSSIA estimates

Exhibit 2: Quarterly operating statistics

Operational summary	4Q20	3Q21	4Q21	(q-q%)	(y-y%)
Mobile					
Total subscribers (m)	41.44	43.66	44.12	1.1	6.5
Postpaid (m)	10.19	11.28	11.52	2.2	13.0
Prepaid (m)	31.24	32.38	32.59	0.7	4.3
Blended ARPU (Bt/sub/mth)	236	224	224	0.1	(4.9)
Postpaid ARPU (Bt/sub/mth)	486	470	473	0.6	(2.7)
Prepaid ARPU (Bt/sub/mth)	154	138	136	(1.4)	(11.7)
Fixed broadband					
FBB subscribers (m)	1.34	1.67	1.77	6.2	32.5
ARPU (Bt/sub/mth)	476	455	444	(2.4)	(6.7)

Sources: ADVANC; FSSIA's compilation

Exhibit 3: Key assumption changes

	----- Current -----		----- Previous -----		----- Change -----	
	2022E (THB m)	2023E (THB m)	2022E (THB m)	2023E (THB m)	2022E (%)	2023E (%)
Total subscribers (m)	45.2	45.5	45.0	45.5	0.6	0.1
Blended ARPU (THB/sub/mth)	224	229	232.0	236	(3.3)	(3.2)
Revenue	184,320	189,246	180,292.0	186,295	2.2	1.6
Operating expense	(91,213)	(93,433)	(87,014.0)	(89,281)	4.8	4.7
EBITDA	93,107	95,813	93,278.0	97,013	(0.2)	(1.2)
EBIT	39,458	42,565	39,980.0	44,736	(1.3)	(4.9)
Core net profit	28,295	30,813	29,066.0	32,129	(2.7)	(4.1)
Margin	(%)	(%)	(%)	(%)	(ppt)	(ppt)
Gross profit margin	50.5	50.6	51.7	52.1	(1.2)	(1.4)
Net profit margin	15.4	16.3	16.1	17.2	(0.8)	(1.0)

Source: FSSIA estimates

Exhibit 4: DCF valuation

		2022E	2023E	2024E	2025E	2026E	2027E
	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)
EBITDA		81,135	84,707	87,329	90,458	93,379	96,180
(less) tax on EBIT		(6,352)	(7,001)	(7,555)	(8,269)	(9,188)	(9,940)
decrease in working cap		(2,338)	643	(729)	(138)	55	151
(less) capex & investments		(30,000)	(23,000)	(22,000)	(34,500)	(34,500)	(37,000)
Free Cash Flow		47,121	54,062	58,503	47,828	49,637	49,090
WACC (%)	7.9						
Terminal growth (%)	2						
PV of FCF		47,121	50,104	50,250	38,073	36,620	33,565
Enterprise value	847,172						
Total debt+cash	(63,729)						
Minority	(154)						
Equity value	772,146						
No. of shares (m)	2,974						
Equity value / share (THB)	260						

Sources: ADVANC; FSSIA estimates

Financial Statements

Advanced Info Service

Profit and Loss (THB m) Year Ending Dec	2020	2021	2022E	2023E	2024E
Revenue	172,890	181,333	184,320	189,246	191,984
Cost of goods sold	(59,112)	(68,225)	(67,343)	(68,523)	(68,915)
Gross profit	113,778	113,108	116,977	120,723	123,069
Other operating income	-	-	-	-	-
Operating costs	(24,380)	(21,700)	(23,870)	(24,910)	(25,681)
Operating EBITDA	89,398	91,408	93,107	95,813	97,388
Depreciation	(51,923)	(53,446)	(53,649)	(53,248)	(52,206)
Goodwill amortisation	-	-	-	-	-
Operating EBIT	37,475	37,962	39,458	42,565	45,182
Net financing costs	(5,917)	(5,626)	(5,448)	(5,370)	(5,370)
Associates	(70)	(141)	20	40	60
Recurring non-operating income	720	103	640	622	594
Non-recurring items	247	455	0	0	0
Profit before tax	32,525	32,894	34,650	37,817	40,405
Tax	(5,089)	(5,970)	(6,352)	(7,001)	(7,555)
Profit after tax	27,437	26,924	28,298	30,816	32,850
Minority interests	(3)	(2)	(3)	(3)	(3)
Preferred dividends	-	-	-	-	-
Other items	-	-	-	-	-
Reported net profit	27,434	26,922	28,295	30,813	32,847
Non-recurring items & goodwill (net)	(247)	(455)	0	0	0
Recurring net profit	27,187	26,467	28,295	30,813	32,847
Per share (THB)					
Recurring EPS *	9.14	8.90	9.52	10.36	11.05
Reported EPS	9.23	9.05	9.52	10.36	11.05
DPS	6.92	7.69	8.09	9.33	10.50
Diluted shares (used to calculate per share data)	2,973	2,973	2,973	2,973	2,973
Growth					
Revenue (%)	(4.4)	4.9	1.6	2.7	1.4
Operating EBITDA (%)	13.6	2.2	1.9	2.9	1.6
Operating EBIT (%)	(9.2)	1.3	3.9	7.9	6.1
Recurring EPS (%)	(14.9)	(2.6)	6.9	8.9	6.6
Reported EPS (%)	(12.0)	(1.9)	5.1	8.9	6.6
Operating performance					
Gross margin inc. depreciation (%)	35.8	32.9	34.4	35.7	36.9
Gross margin of key business (%)	-	-	-	-	-
Operating EBITDA margin (%)	51.7	50.4	50.5	50.6	50.7
Operating EBIT margin (%)	21.7	20.9	21.4	22.5	23.5
Net margin (%)	15.7	14.6	15.4	16.3	17.1
Effective tax rate (%)	-	-	-	-	-
Dividend payout on recurring profit (%)	75.7	86.4	85.0	90.0	95.0
Interest cover (X)	6.5	6.8	7.4	8.0	8.5
Inventory days	22.2	12.0	11.5	11.5	11.7
Debtor days	38.1	34.6	33.0	32.9	33.1
Creditor days	253.0	229.0	246.0	246.4	249.5
Operating ROIC (%)	37.7	31.6	36.7	44.2	55.7
ROIC (%)	17.3	14.7	15.7	18.6	22.3
ROE (%)	37.5	33.7	33.9	35.1	35.7
ROA (%)	10.3	9.1	9.7	10.8	11.7
* Pre-exceptional, pre-goodwill and fully diluted					
Revenue by Division (THB m)					
Mobile	131,804	131,064	133,344	136,647	138,359
Fixed broadband	6,959	8,436	10,903	12,049	13,071
Sale of goods	29,574	36,542	34,353	34,536	34,304
Others	4,553	5,291	5,720	6,014	6,249

Sources: Advanced Info Service; FSSIA estimates

Financial Statements

Advanced Info Service

Cash Flow (THB m) Year Ending Dec	2020	2021	2022E	2023E	2024E
Recurring net profit	27,187	26,467	28,295	30,813	32,847
Depreciation	51,923	53,446	53,649	53,248	52,206
Associates & minorities	-	-	-	-	-
Other non-cash items	8,561	9,425	5,753	5,690	5,706
Change in working capital	(2,041)	(2,704)	(29)	241	(162)
Cash flow from operations	85,629	86,634	87,668	89,991	90,597
Capex - maintenance	(16,834)	(15,472)	(20,700)	(16,500)	(15,900)
Capex - new investment	(38,058)	(29,826)	(24,703)	(22,039)	(21,639)
Net acquisitions & disposals	326	220	(302)	(317)	(333)
Other investments (net)	(129)	(274)	(98)	(108)	(119)
Cash flow from investing	(54,694)	(45,352)	(45,803)	(38,964)	(37,990)
Dividends paid	(20,219)	(21,203)	(24,632)	(25,891)	(29,468)
Equity finance	0	0	0	0	0
Debt finance	4,071	(10,185)	(10,000)	0	0
Other financing cash flows	(15,977)	(15,575)	(7,478)	(7,299)	(7,202)
Cash flow from financing	(32,124)	(46,963)	(42,110)	(33,190)	(36,670)
Non-recurring cash flows	-	-	-	-	-
Other adjustments	0	0	0	0	0
Net other adjustments	(95)	(316)	0	0	0
Movement in cash	(1,284)	(5,997)	(245)	17,838	15,937
Free cash flow to firm (FCFF)	36,851.58	46,907.64	47,312.59	56,397.70	57,977.22
Free cash flow to equity (FCFE)	18,934.34	15,205.98	24,386.77	43,729.03	45,404.96

Per share (THB)	2020	2021	2022E	2023E	2024E
FCFF per share	12.39	15.77	15.91	18.97	19.50
FCFE per share	6.37	5.11	8.20	14.71	15.27
Recurring cash flow per share	29.49	30.05	29.50	30.19	30.53

Balance Sheet (THB m) Year Ending Dec	2020	2021	2022E	2023E	2024E
Tangible fixed assets (gross)	337,010	359,999	390,499	414,999	439,499
Less: Accumulated depreciation	(155,769)	(191,581)	(230,188)	(268,403)	(305,577)
Tangible fixed assets (net)	181,241	168,418	160,311	146,596	133,922
Intangible fixed assets (net)	120,224	145,521	134,478	122,446	109,414
Long-term financial assets	110	210	210	210	210
Invest. in associates & subsidiaries	831	983	1,081	1,189	1,308
Cash & equivalents	20,342	14,345	14,099	31,937	47,874
A/C receivable	17,781	16,552	16,825	17,275	17,525
Inventories	2,372	2,104	2,139	2,196	2,228
Other current assets	1,660	2,565	2,607	2,677	2,716
Current assets	42,155	35,566	35,670	54,085	70,342
Other assets	5,610	5,524	5,969	6,470	7,002
Total assets	350,171	356,222	337,720	330,996	322,198
Common equity	75,564	81,699	85,362	90,284	93,663
Minorities etc.	125	126	129	132	135
Total shareholders' equity	75,689	81,825	85,491	90,416	93,797
Long term debt	79,301	73,697	65,697	65,697	65,697
Other long-term liabilities	101,367	108,832	95,861	83,063	67,346
Long-term liabilities	180,668	182,529	161,558	148,759	133,043
A/C payable	40,571	45,055	45,701	46,813	47,396
Short term debt	18,748	14,132	12,132	12,132	12,132
Other current liabilities	34,494	32,681	32,839	32,877	35,830
Current liabilities	93,813	91,868	90,671	91,821	95,358
Total liabilities and shareholders' equity	350,171	356,222	337,720	330,996	322,198
Net working capital	(53,251)	(56,515)	(56,969)	(57,542)	(60,758)
Invested capital	254,765	264,141	245,081	219,369	191,098

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

Per share (THB)	2020	2021	2022E	2023E	2024E
Book value per share	25.42	27.48	28.71	30.37	31.50
Tangible book value per share	(15.02)	(21.47)	(16.52)	(10.82)	(5.30)

Financial strength	2020	2021	2022E	2023E	2024E
Net debt/equity (%)	102.7	89.8	74.5	50.8	31.9
Net debt/total assets (%)	22.2	20.6	18.9	13.9	9.3
Current ratio (x)	0.4	0.4	0.4	0.6	0.7
CF interest cover (x)	10.6	9.0	10.0	13.2	13.5

Valuation	2020	2021	2022E	2023E	2024E
Recurring P/E (x) *	25.9	26.6	24.9	22.9	21.5
Recurring P/E @ target price (x) *	28.4	29.2	27.3	25.1	23.5
Reported P/E (x)	25.7	26.2	24.9	22.9	21.5
Dividend yield (%)	2.9	3.2	3.4	3.9	4.4
Price/book (x)	9.3	8.6	8.3	7.8	7.5
Price/tangible book (x)	(15.8)	(11.0)	(14.3)	(21.9)	(44.7)
EV/EBITDA (x) **	8.8	8.5	8.3	7.8	7.5
EV/EBITDA @ target price (x) **	9.5	9.3	9.0	8.5	8.2
EV/invested capital (x)	3.1	2.9	3.1	3.4	3.8

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

Sources: Advanced Info Service; 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	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	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

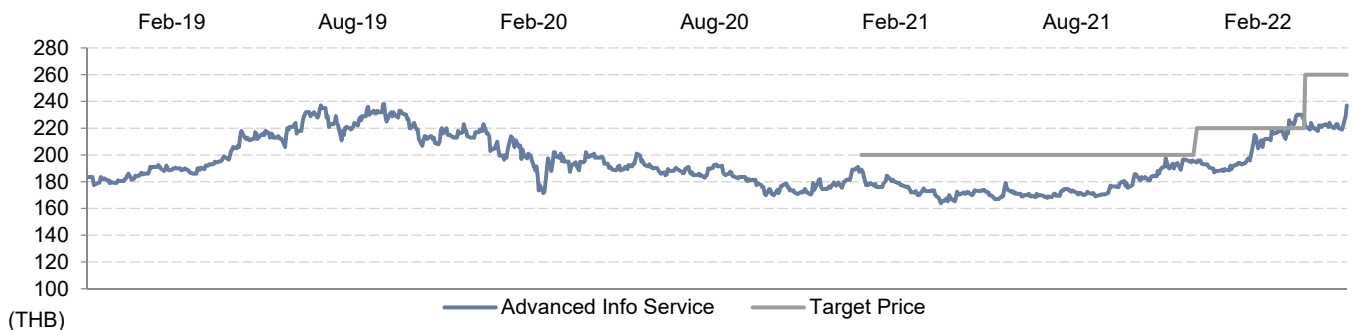
The individual(s) identified above certify(ies) that (i) all views expressed in this report accurately reflect the personal view of the analyst(s) with regard to any and all of the subject securities, companies or issuers mentioned in this report; and (ii) no part of the compensation of the analyst(s) 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

Advanced Info Service (ADVANC TB)



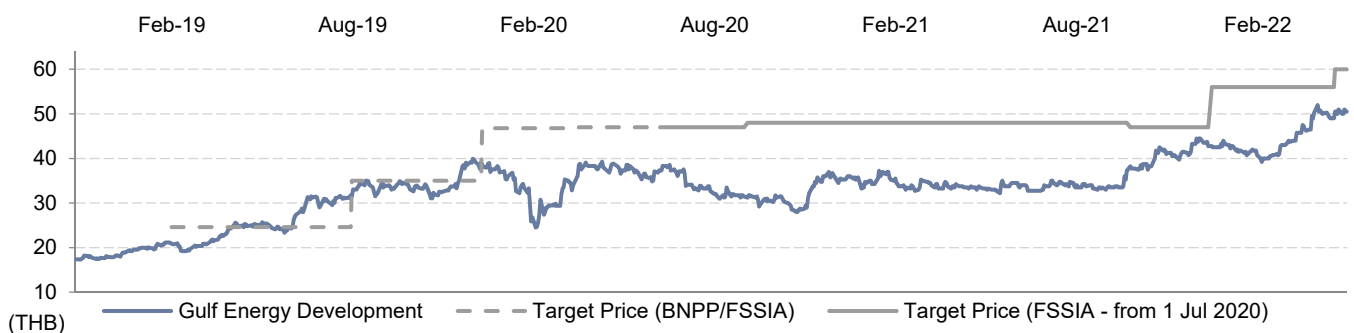
Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
16-Dec-2020	HOLD	200.00	01-Oct-2021	BUY	220.00	-	-	-
09-Feb-2021	BUY	200.00	05-Jan-2022	BUY	260.00			

Naruedom Mujjalinkool started covering this stock from 16-Dec-2020

Price and TP are in local currency

Source: FSSIA estimates

Gulf Energy Development (GULF TB)



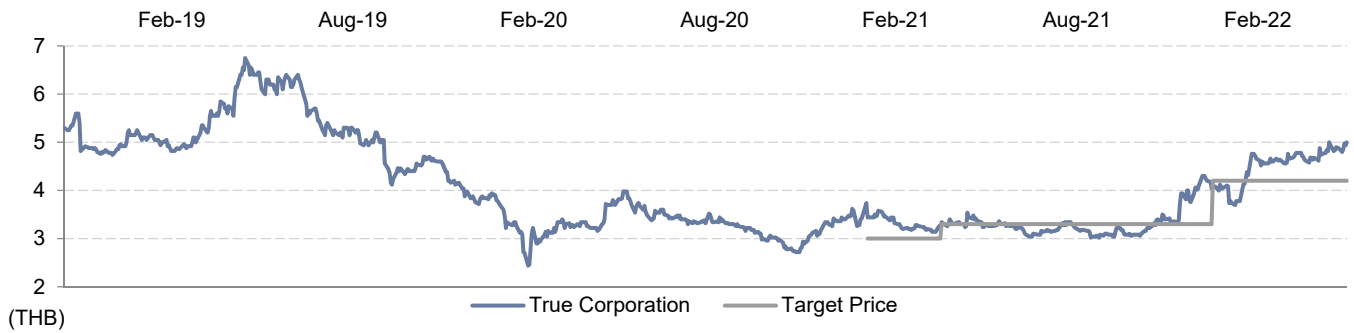
Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
08-May-2019	BUY	24.60	22-Apr-2020	BUY	47.00	15-Oct-2021	BUY	56.00
10-Oct-2019	BUY	35.00	11-Sep-2020	BUY	48.00	31-Jan-2022	BUY	60.00
30-Jan-2020	BUY	46.80	06-Aug-2021	BUY	47.00			

Suwat Sinsadok, CFA, FRM, ERP started covering this stock from 30-Jun-2020

Price and TP are in local currency

Source: FSSIA estimates

True Corporation (TRUE TB)



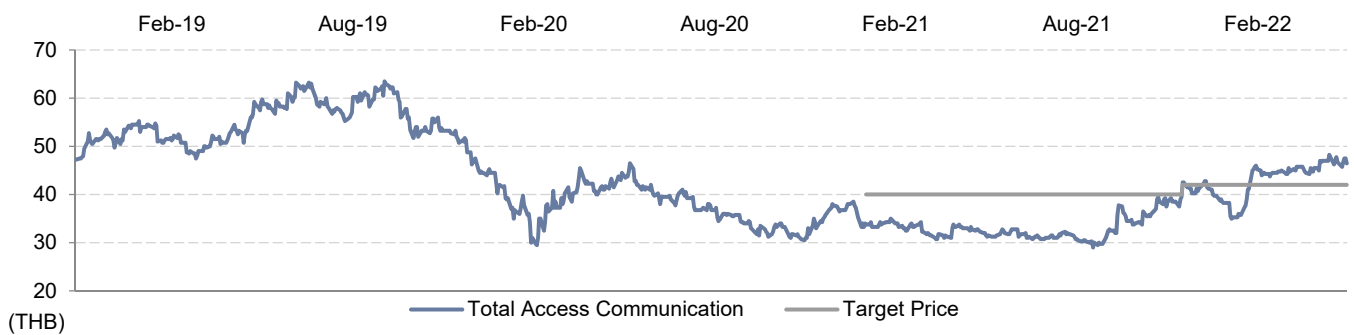
Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
29-Dec-2020	REDUCE	3.00	02-Mar-2021	HOLD	3.30	19-Oct-2021	HOLD	4.20

Naruedom Mujjalinkool started covering this stock from 29-Dec-2020

Price and TP are in local currency

Source: FSSIA estimates

Total Access Communication (DTAC TB)



Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
24-Dec-2020	BUY	40.00	22-Sep-2021	HOLD	42.00	-	-	-

Naruedom Mujjalinkool started covering this stock from 24-Dec-2020

Price and TP are in local currency

Source: FSSIA estimates

Company	Ticker	Price	Rating	Valuation & Risks
Advanced Info Service	ADVANC TB	THB 237.00	BUY	The key downside risks to our DCF-based TP are stronger-than-expected competition in the mobile market and the slower-than-expected adoption of 5G use cases.
Gulf Energy Development	GULF TB	THB 50.50	BUY	The downside risks to our SoTP-based TP on GULF include 1) lower-than-expected demand for electricity in Thailand; 2) a lower crude price; and 3) delays in project commercial operation dates.
True Corporation	TRUE TB	THB 5.00	HOLD	The key upside and downside risks to our DCF-based TP are if the 5G subscription gains and ARPU are better or worse than our expectation, if the company can reduce its costs better or worse than we expect, and if there is a faster or slower-than-expected adoption of 5G use cases.
Total Access Communication	DTAC TB	THB 46.50	HOLD	The key downside and upside risks to our DCF-based TP are if the 5G subscription losses are worse than our expectation, the cost of the 3500MHz band is higher than our expectation, if there is stronger or weaker-than-expected competition in the mobile market, and if there is a faster or slower-than-expected adoption of 5G use cases.

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 11-Feb-2022 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.