

# Thailand Media and Publishing

## ซื้ออะไรและเมื่อไร?

- ค่าใช้จ่ายโฆษณา (adex) จะอ่อนแอใน 1Q22 แต่แนวโน้มทั้งปียังดี
- คำแนะนำล่าสุดของเราที่ให้ลงทุนในสื่อโทรทัศน์ก่อนโยกไปสื่อออนไลน์ (OOH) ยังใช้ได้อีก 2 เดือนพร้อมโอกาสเพิ่มเติมในการเลือกบริษัทใหม่ ๆ ใน 2Q22
- คงให้น้ำหนักกลุ่มสื่อมากกว่าตลาดโดยมี ONEE เป็นหุ้นเด่นที่ราคาเป้าหมาย 14 บาท

### adex อ่อนแอใน 1Q22 แต่คาดว่าจะฟื้นตัวได้ดีในปี 2022

adex ปรับตัวลดลง 2% y-y ในช่วงเดือน ม.ค.-ก.พ. 2022 และยังไม่ได้ส่งสัญญาณใด ๆ ว่าจะฟื้นตัวดี สายพันธ์ Omicron และปัจจัยด้านฤดูกาลใน 1Q22 ได้กดดัน adex ใน 2 เดือนแรกของปี 2022 ให้ยังอยู่ในระดับต่ำ อย่างไรก็ตามจากการที่ตลาดคาดว่า GDP ของไทยจะโต 3.5% ในปี 2022 พร้อมการฟื้นตัวของความมั่นใจของผู้บริโภคและอำนาจในการซื้อ เราคาดว่า adex จะฟื้นตัว 7% ในปีนี้เป็น 98 พัน ลบ. เรามั่นใจว่า adex จะโตดีใน 2Q22 กว่าใน 1Q22 จากการแพร่ระบาดของสายพันธ์ Omicron ที่ลดลง ราคาน้ำมันที่ทรงตัว และอัตราเงินเฟ้อที่ทรงตัว โดยเราคาดว่า adex ของสื่อโทรทัศน์จะโต 4% ในปี 2022

### มีโอกาสอีกมากใน 2Q22

นับตั้งแต่เดือน ธ.ค. 21 เราได้แนะนำให้ลงทุนในสื่อโทรทัศน์ในช่วงการแพร่ระบาดของสายพันธ์ Omicron ก่อนโยกไป OOH หลังตัวเลขการติดเชื้อ Covid รายวันลดลงอย่างเห็นได้ชัด เราเชื่อว่ากลยุทธ์ดังกล่าวยังใช้ได้อีก 2 เดือนเป็นอย่างน้อย นอกจากนี้ กลยุทธ์การลงทุนใหม่ที่เรานำเสนอเพิ่มเติมในบทวิเคราะห์ฉบับนี้ เราแนะนำให้ลงทุนใช้ทั้ง 2 ปัจจัยและเลือกตัวตั้งในช่วงเวลาที่ต่างกันเพื่อเก็บเกี่ยวผลประโยชน์จากราคาหุ้นที่ปรับขึ้นเป็นรายตัวจากปัจจัยบวกในแต่ละช่วงเวลา เราเชื่อว่า 2Q22 จะเป็นไตรมาสที่ดีจากปัจจัยบวกที่อาจเกิดขึ้น ซึ่งจะช่วยสนับสนุนทั้งอุตสาหกรรมและหุ้นรายตัว และเห็นว่ามีโอกาสสำหรับการเก็งกำไร

### ONEE เป็นหุ้นเด่น

ปัจจุบันราคาหุ้นของ ONEE มีการซื้อขายโดยถูกกว่าเมื่อเทียบกับคู่แข่ง (BEC) เรามองว่าการเติบโตของกำไรสุทธิของบริษัทค่อนข้างคล้ายกันแต่มีค่า P/E ต่ำกว่า อันที่จริง ONEE มีค่า P/E ต่ำที่สุดในกลุ่มบริษัทสถานีโทรทัศน์ที่เราทำการศึกษา ดังนั้นเราจึงคิดว่า ONEE ควรจะมีการซื้อขายในระดับ P/E ที่ใกล้เคียงกับ BEC ด้วยเหตุผลดังกล่าวเราจึงเริ่ม ONEE ด้วยคำแนะนำซื้อที่ราคาเป้าหมาย 14 บาท ราคาดังกล่าวคิดเป็น 33x ของค่า 2022E P/E ซึ่งต่ำกว่าของ BEC ที่เราคาดไว้ที่ 35x แม้ว่าปัจจุบันค่า 2022E P/E จะอยู่ที่เพียง 27x เราคิดว่าบริษัทสมควรมีการซื้อขายในระดับที่ใกล้เคียงกับคู่แข่งได้ในอนาคต ONEE เป็นหุ้นที่ราคาปรับตัวขึ้นที่สุดในกลุ่มสื่อของไทยในความเห็นของเรา

### คงน้ำหนักมากกว่าตลาด

เราเชื่อว่าแนวโน้มกลุ่มสื่อยังดี การคาดการณ์ที่ว่า adex จะฟื้นตัวเป็นปัจจัยหนุนสำคัญ ในขณะที่การลงทุนของบริษัทสื่อในช่วง 2 ปีที่ผ่านมาจะเริ่มสร้างการเติบโตให้แก่บริษัท ด้วยเหตุผลดังกล่าวเราคงให้น้ำหนักกลุ่มสื่อมากกว่าตลาดโดยมี ONEE เป็นหุ้นเด่น



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บทวิเคราะห์ฉบับนี้แปลมาจากบทวิเคราะห์ของ FSSIA ฉบับวันที่ 23 มีนาคม 2022

## Adex recovery

Despite solid growth in adex during 4Q21 – the final quarter traditionally marks the adex peak of the year – the 1Q22 low season also took a big hit from the Omicron variant, resulting in an adex slowdown both y-y and q-q, driving YTD adex (Jan-Feb 2022) lower by 2% y-y. However, the decrease in adex during 1Q22 is acceptable, in our view, given that the many negative factors that pressured adex in that period such as Omicron, higher oil prices and inflation, were much worse in 1Q22 than in 1Q21.

This year, we expect adex to recover by 7% to THB98b, which is still lower than the pre-Covid level of THB108b. Every media company should see some growth, despite the limited prospects of some traditional media segments such as radio, newspapers, and magazines. OOH media, which includes outdoor, transit, and in-store, should post significant growth in line with the improvement in the Covid situation in Thailand.

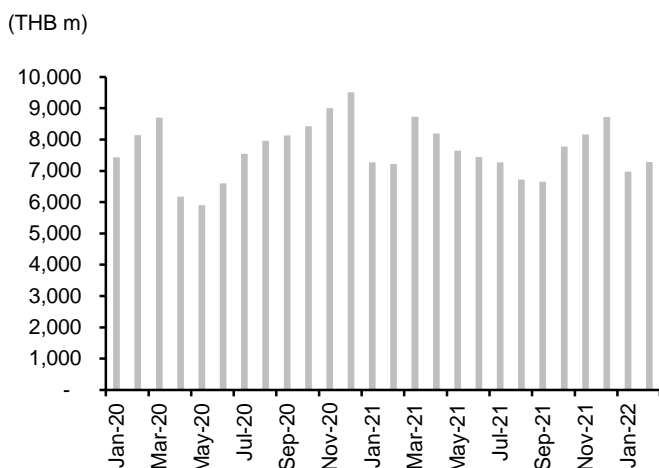
Cinema media should post the highest growth (+40% y-y) as we expect cinemas to be able to operate for the full year with no more lockdowns forthcoming. TV adex should grow by 4%, in our view.

### Exhibit 1: Feb-22 adex and 2022 forecast

	Feb-21	Jan-22	Feb-22	----- Change -----		YTD'21	YTD'22	Change	2021	2022E	Change
	(THB m)	(THB m)	(THB m)	(y-y %)	(m-m %)	(THB m)	(THB m)	(y-y %)	(THB m)	(THB m)	(y-y %)
TV	4,896	4,533	4,791	(2)	6	9,733	9,324	(4)	63,662	66,527	4
Radio	225	224	216	(4)	(4)	441	440	(0)	3,261	3,326	2
Newspapers	188	181	161	(14)	(11)	407	342	(16)	2,506	2,531	1
Magazines	44	37	39	(11)	5	94	76	(19)	602	614	2
Cinema	336	605	509	51	(16)	668	1,114	67	3,420	4,788	40
Outdoor	435	522	530	22	2	925	1,052	14	6,092	6,823	12
Transit	313	240	256	(18)	7	620	496	(20)	3,617	4,160	15
In store	46	52	60	30	15	99	112	13	676	730	8
Internet	735	582	719	(2)	24	1,504	1,301	(13)	8,121	8,771	8
<b>Total</b>	<b>7,218</b>	<b>6,976</b>	<b>7,281</b>	<b>1</b>	<b>4</b>	<b>14,491</b>	<b>14,257</b>	<b>(2)</b>	<b>91,957</b>	<b>98,269</b>	<b>7</b>

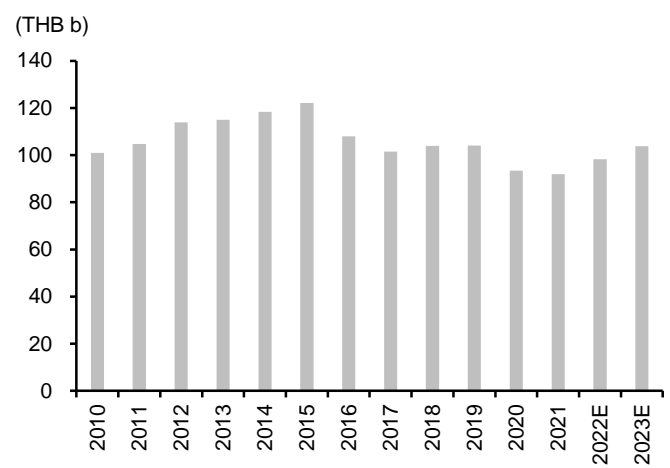
Sources: Nielsen; FSSIA estimates

### Exhibit 2: Monthly adex



Source: Nielsen

### Exhibit 3: Adex forecast



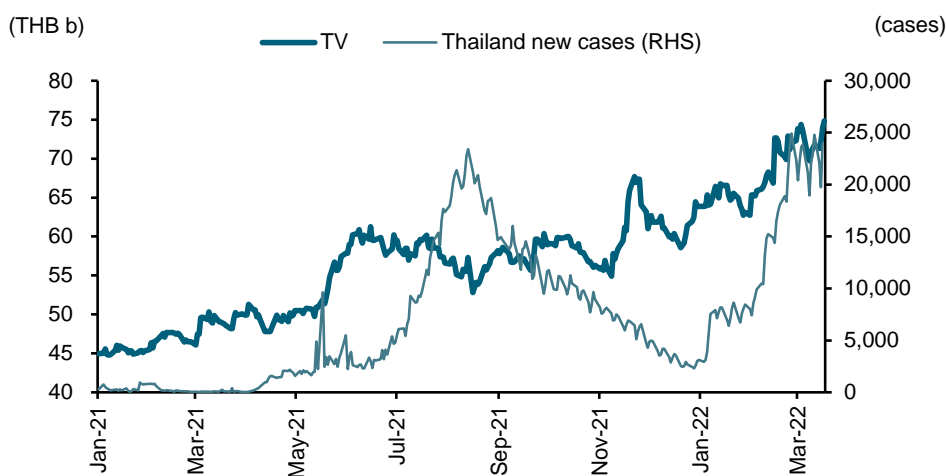
Sources: Nielsen; FSSIA estimates

## Investment strategy for Omicron remains valid

According to our latest media report published on 15 Dec-21 “[Thailand Media and Publishing - Entering the growth stage](#)”, we recommend that investors accumulate TV companies due to their lower downside risk. Notably, TV company share prices saw a minimal decrease from Jun-Jul 2021 when the Delta variant first hit Thailand. When the number of daily infected cases appears to have stabilised, investors could switch from TV companies to OOH companies in order to profit from the re-opening or recovery theme. We think that OOH companies could start to rebound significantly when the market has confidence that the outbreak has already reached its peak, based on the impact of the prior Delta variant.

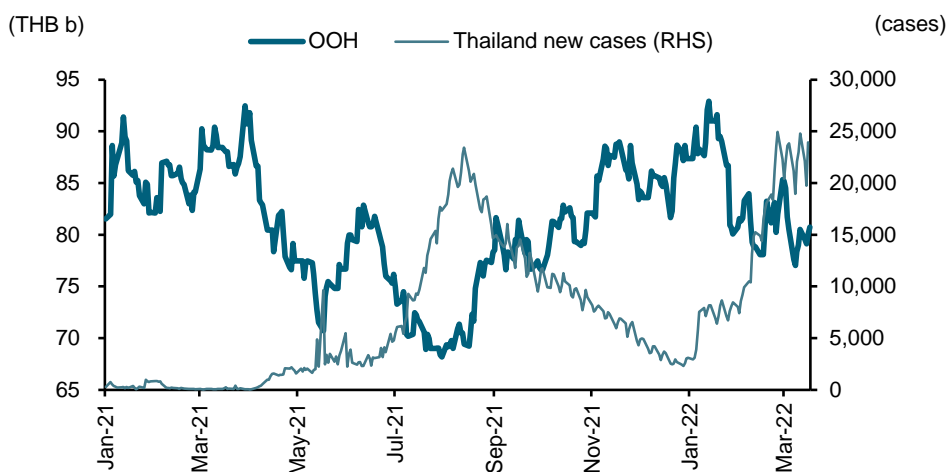
TV share prices have surprisingly increased YTD, better than our expectation. We think this confirms our view that TV faced a minimal impact and low risks to growth from the Omicron variant. OOH companies’ share prices, on the other hand, have declined continuously. We think this confirms that the market is still more risk-averse regarding the potential Omicron impact on OOH companies than on TV companies.

### Exhibit 4: TV market cap vs Covid cases



Note: TV market cap includes BEC, ONEE, and WORK  
Sources: Bloomberg; Worldometers.info; FSSIA's compilation

### Exhibit 5: OOH market cap vs Covid cases



Note: TV market cap includes PLANB and VGI  
Sources: Bloomberg; Worldometers.info; FSSIA's compilation

At present, the Omicron variant is still spreading in Thailand and daily infected cases remain high. Therefore, we maintain our positive view on investments in TV companies at this moment. Once recovery signs appear, we recommend switching to OOH companies.

## Exhibit 6: Media companies' share price performance

22/03/22	52W Hi	52W	52W	Price performance				
	Date	High	Low	1M	3M	6M	1Y	YTD
BEC	3/21/2022	17.90	8.50	14	36	37	86	26
WORK	2/15/2022	28.75	16.10	10	30	23	67	22
RS	3/31/2021	30.00	14.90	(2)	(14)	(9)	(33)	(22)
MAJOR	6/15/2021	26.25	17.90	(3)	3	(10)	(6)	(2)
VGI	3/30/2021	7.20	5.00	(8)	(20)	(16)	(23)	(20)
PLANB	1/12/2022	8.65	4.89	1	12	28	15	4
ONEE	2/17/2022	13.00	8.70	4	22	n/a	n/a	13

As of 22 Mar 2022

Sources: Bloomberg; FSSIA's compilation

As indicated above by BEC and WORK, TV companies have clearly outperformed thanks to their strong growth outlook that has continued since 2021. We think the market trend supports our thesis that TV companies should continue to post solid growth due to their lower risk from Omicron.

## Exhibit 7: Peers comparison

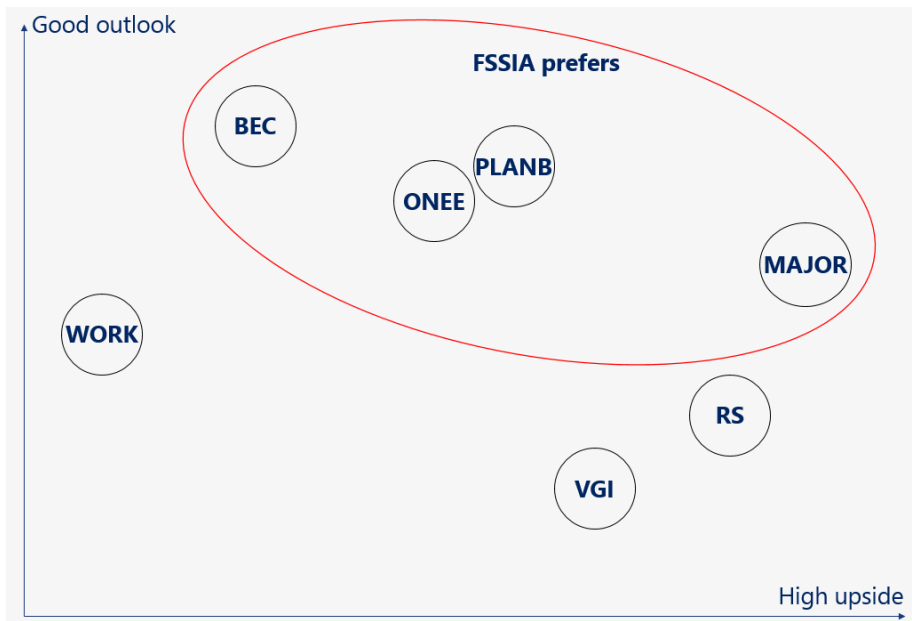
Company	BBG	Share price			Market Cap (USD m)	PE		ROE		PBV		EVEBITDA	
		Current (LCY)	Target (LCY)	Upside (%)		22E (x)	23E (x)	22E (%)	23E (%)	22E (x)	23E (x)	22E (x)	23E (x)
TV													
Bec World	BEC TB	17.7	18.6	5.1	1,056	33.2	27.2	16.5	18.5	5.3	4.8	9.9	8.9
Workpoint Entertainment	WORK TB	27.5	28	1.8	362	29.0	25.7	9.0	9.9	2.6	2.5	12.1	11.0
The One Enterprise	ONEE TB	12.2	14	14.8	867	28.7	23.4	14.3	16.2	4.0	3.6	10.7	9.4
<b>TV avg.</b>					<b>2,285</b>	<b>30.3</b>	<b>25.4</b>	<b>13.3</b>	<b>14.9</b>	<b>3.9</b>	<b>3.7</b>	<b>10.9</b>	<b>9.7</b>
Out of home													
Vgi	VGI TB	5.1	6.1	19.6	1,318	87.9	43.2	3.2	6.4	2.8	2.7	64.7	44.7
Plan B Media	PLANB TB	7.95	9.2	15.7	994	47.7	35.7	11.3	13.1	4.7	4.6	12.5	12.0
<b>Out of home avg.</b>					<b>2,312</b>	<b>67.8</b>	<b>39.5</b>	<b>7.3</b>	<b>9.7</b>	<b>3.8</b>	<b>3.7</b>	<b>38.6</b>	<b>28.3</b>
Others													
Rs	RS TB	17	21	23.5	486	27.8	21.2	25.7	28.7	6.6	5.7	15.8	13.3
Major Cineplex Group	MAJOR TB	19.7	25	26.9	526	20.4	17.0	12.2	14.7	2.5	2.5	8.8	8.0
<b>Others avg.</b>					<b>1,011</b>	<b>24.1</b>	<b>19.1</b>	<b>18.9</b>	<b>21.7</b>	<b>4.5</b>	<b>4.1</b>	<b>12.3</b>	<b>10.6</b>
<b>Overall</b>					<b>5,609</b>	<b>39.3</b>	<b>27.6</b>	<b>13.2</b>	<b>15.4</b>	<b>4.1</b>	<b>3.8</b>	<b>19.2</b>	<b>15.3</b>

Share prices as of 22 Mar 2022

Sources: Bloomberg; FSSIA estimates

## What we like...

Exhibit 8: Media company comparison table between outlook and upside



Source: FSSIA estimates

In the table above, we compare how each company ranks based on their outlook and share price upside. A good outlook is indicated by their position on the vertical axis, which reflects how much confidence we have that a particular company can deliver earnings that meet our expectation. The horizontal axis, or upside, shows how much upside remains in each company's current share price compared to our TP.

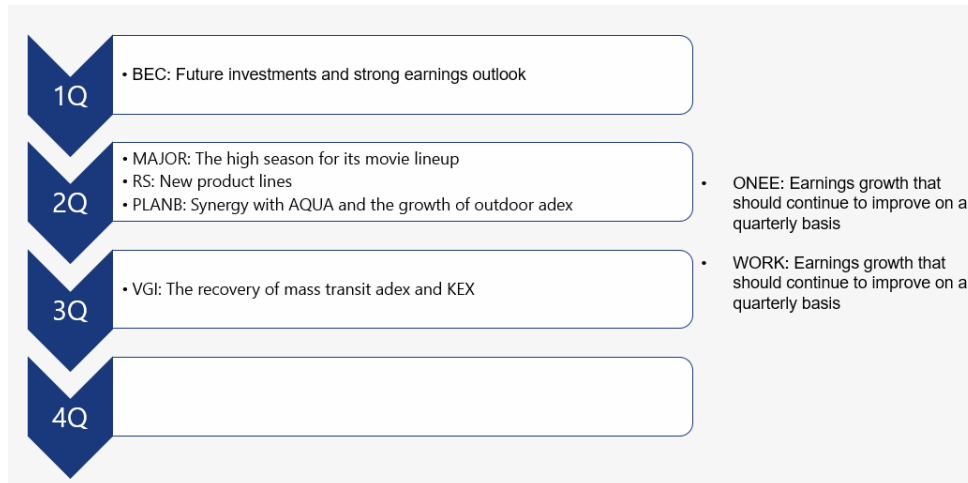
With this chart, we can rank how much we like each company as follows:

1. **The One Enterprise (ONEE TB, BUY, TP THB14)** has the best combination of a high upside with a strong outlook. The company is trading at the one of the lowest P/E levels in the media sector;
2. **Major Cineplex (MAJOR TB, BUY, TP THB25)** is our second-best pick in the media sector given that the company will be entering the high season for the movie business starting from Apr-22 onward. We think this company has the highest upside in the media sector;
3. **Plan B Media (PLANB TB, BUY, TP THB9.20)** will gain a monopoly on OOH media after acquiring billboards and outdoor media from AQUA (AQUA TB, NR). The company still has a high upside, which we think will be reflected when investors see the potential for synergies and improvement;
4. **BEC World (BEC TB, BUY, TP THB18.60)** has seen its share price increase since the beginning of the year by over 20%. BEC's current share price is now close to our TP of THB18.60. Despite BEC having the strongest outlook, in our view, thanks to the high viewership for its new programs and its future investments, we cannot see any other potential upside risk to our current earnings estimates yet;
5. **RS (RS TB, BUY, TP THB21)**: RS's outlook remains unclear. The company bet big on new product launches in 2Q22 with the expectation of boosting its sales volume. There is still a risk that its new products may not get a favourable market reception, similar to its previous products like Camu C;
6. **VGI (VGI TB, BUY, TP THB6.10)**: Given that the earnings performance of Kerry Express (Thailand) (KEX TB, REDUCE, TP THB19) remains unclear, we expect a loss for 1Q22. With mass transit ridership also at a low level, VGI's outlook is the most sluggish in the media sector, in our view. Although its upside may be higher than some other media companies due to the weaker outlook until 1H22, we like VGI less than other media companies;

7. **Workpoint Entertainment (WORK TB, HOLD TP THB28):** WORK provides the least information of all media companies and for this reason we have been unable to see its management's strategic direction for a couple years. However, we believe WORK's earnings should grow in line with the adex recovery. Therefore, based on the strong increase in its share price, we have downgraded our recommendation on WORK to HOLD from Buy. We like WORK the least in the sector.

### ... And when we like it

#### Exhibit 9: Investment idea timeline



Source: FSSIA estimates

In our view, there are different catalysts with different timelines for each company. Therefore, we suggest investors focus on the specific advantages of each company's particular catalyst:

#### 1Q22

**BEC:** BEC's share price should remain strong from 1Q22 to 2Q22 as we believe the company is still in the growth stage. The company plans to expand its studio business and has more investments in its pipeline. Therefore, we believe BEC will be a good investment from 1Q22 until at least 2Q22.

#### 2Q22

**MAJOR:** We like MAJOR the most for 2Q22 investment. According to the historical data, April is always the best month for MAJOR, based on its record of positive returns nine times out of 10 for the past 11 years (2011-21). The only year that the company's share price had a negative return was in 2021 during the Delta variant outbreak that forced MAJOR into a partial cinema shutdown starting from the end of Mar-21. Therefore, with the expectation of no more cinema closures for this year and a strong movie lineup, we believe MAJOR's share price should start to increase in line with expectations of strong revenue.

**RS:** Although we think RS has the least positive outlook in the media sector, we believe investors could begin speculating from 2Q22 onward on the sales potential of its new product launches. Moreover, we believe the company should see some improvement in its earnings during 1Q22 given that 4Q21's loss of THB66m was the company's weakest performance in many years.

**PLANB:** The AQUA deal should be finalised in Mar-22, which will make PLANB the biggest OOH media player in Thailand, with over 80% of the total market share. We expect PLANB's share price to reflect its near-monopoly position and the expectation of continuous earnings growth in 1Q22, with a catalyst arriving in late 2Q22.

**3Q22**

**VGI:** Based on our expectation of a gradual recovery in mass transit ridership from 2Q22 onward, we think VGI's earnings should improve continuously. Moreover, the losses from KEX should decrease on a quarterly basis starting from 1Q22. We believe 3Q22 would be a good time to invest in VGI.

**2022**

**ONEE:** ONEE is still a laggard play, in our view. Although the company may not have any specific catalyst or interesting timeline for investing, we believe ONEE is a good company that investors should buy and hold throughout the year thanks to the expectation of strong earnings growth that we expect to improve on a quarterly basis.

**WORK:** Due to the lack of information, direction, and strategy from management, our only catalyst for WORK for this year is the potential for improvement in its earnings in line with the industry overall. Moreover, given that we have recently downgraded our recommendation on WORK to HOLD, we can't see any interesting timeline for investing in WORK yet.

## 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	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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Company	Ticker	Price	Rating	Valuation & Risks
BEC World	BEC TB	THB 17.70	BUY	The key downside risks to our P/E based TP are a lower-than-expected adex recovery and a worse-than-expected cost reduction.
The One Enterprise	ONEE TB	THB 12.20	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.
Workpoint Entertainment	WORK TB	THB 27.50	HOLD	The key downside and upside risks to our P/E-based TP are weaker or stronger-than-expected TV adex, digital advertising becoming more popular, high risks for high returns in the movie business, and competitiveness in TV ratings.
VGI Pcl.	VGI TB	THB 5.10	BUY	The key downside risks to our SoTP-based TP are if the advertising expenditure recovery is slower than our expectation, and whether Rabbit Line Pay is successful or not.
Plan B Media	PLANB TB	THB 7.95	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.
RS	RS TB	THB 17.00	BUY	The key downside risk to our SoTP-based TP is based on the company potentially failing to maintain the growth momentum of its commerce business if revenue from TV, radio, and music continue to decline.
Major Cineplex Group	MAJOR TB	THB 19.70	BUY	The key downside risks to our DCF-based TP are a slower-than-expected recovery in domestic consumption, the growing popularity of online movies, a delay in the Covid-19 vaccine rollout, and the new wave of Covid.
Kerry Express (Thailand)	KEX TB	THB 22.50	REDUCE	The key upside risks to our DCF-based TP are 1) if the competition is lower than our expectation; and 2) if the Covid-19 situation is under control.

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 22-Mar-2022 unless otherwise stated.

## RECOMMENDATION STRUCTURE

### Stock ratings

Stock ratings are based on absolute upside or downside, which we define as (target price\* - current price) / 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.