FINANSIA
FSS INTERNATIONAL INVESTMENT ADVISORY

EQUITY RESEARCH - COMPANY REPORT

RS   RS TB
THAILAND / COMMERCE

Weak 4Q22 expected on shaky performance

- Expect RS's earnings to fall significantly to THB21m (-75% q-q) in 4Q22 due to slow performance for every business.
- We cut 2022E earnings by 23%.
- Maintain REDUCE call with a new TP of THB14.50. The company is trading at a high P/E.

REDUCE
UNCHANGED

TARGET PRICE	THB14.50
CLOSE	THB18.10
UP/DOWNSIDE	-19.9%
PRIOR TP	THB13.30
CHANGE IN TP	+9.0%
TP vs CONSENSUS	-17.1%

Expect weak 4Q22 results

We expect RS's 4Q22 revenue to drop by 6% q-q to THB893m. Both commerce and entertainment revenue should see a continuous decline due to: 1) weak consumer spending; 2) less revenue from content licensing and the event business; and 3) slow advertising expenditure on TV. In addition, the company's operating costs should slightly increase mainly due to organisational restructuring. As a result, we expect RS's earnings in 4Q22 to be at THB21m (-75% q-q).

Earnings revisions for 2022/2023

We cut 2022E earnings by 23% due to the poor expected performance in 4Q22. However, we increase our earnings projection for 2023 by 3% to THB404m after including the additional revenue from the Pet All business. Note that the earnings momentum in 1Q23 should remain unchanged from the previous quarter, but we expect an improvement in 2Q23 onward after the company completes the 1) Ulife business restructuring; 2) Pet All investment; and 3) music business JV, which should drive the growth of the company significantly.

Revenue target of THB5.1b looks aggressive

The company announced a revenue target for 2023 of THB5.5b, with GPM and NPM targets at 48-50% and 11-13%, respectively. However, the company's revenue target is higher than our expectation by 19% as we believe most of its growth drivers will come from future partnerships, restructuring, and investments, for which there is still some risk of delay or failure. Moreover, RS's target at the beginning of the year is typically revised downward later.

Maintain REDUCE with a new TP of THB14.50

RS's share price surged by over 24% in the past four months with no organic improvement. We believe this is because Chase, the company's subsidiary, is close to being listed, which could provide an extra gain for RS of over THB100m. We think it will still take time to determine RS's real organic growth performance, while 1Q23 should remain weak. Maintain REDUCE call with a new SoTP-TP of THB14.50, up from THB13.30. The company is trading at a high P/E compared to its peers.

KEY STOCK DATA

YE Dec (THB m)	2021	2022E	2023E	2024E
Revenue	3,573	3,512	4,592	5,063
Net profit	127	171	404	548
EPS (THB)	0.13	0.18	0.42	0.56
vs Consensus (%)	-	(30.2)	(4.1)	30.2
EBITDA	680	821	1,132	1,340
Core net profit	127	171	404	548
Core EPS (THB)	0.13	0.18	0.42	0.56
Chg. In EPS est. (%)	-	(23.3)	2.5	(0.5)
EPS growth (%)	(75.9)	34.2	136.4	35.7
Core P/E (x)	138.2	103.0	43.6	32.1
Dividend yield (%)	1.9	0.3	1.1	1.6
EV/EBITDA (x)	28.7	24.8	17.7	14.6
Price/book (x)	8.2	7.8	7.2	6.4
Net debt/Equity (%)	90.1	122.9	99.0	74.0
ROE (%)	6.2	7.8	17.1	21.1
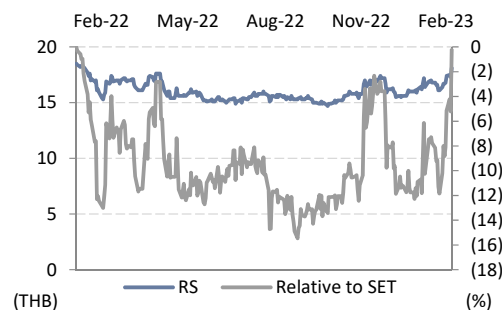
Share price performance	1 Month	3 Month	12 Month
Absolute (%)	11.7	13.8	(4.7)
Relative to country (%)	12.0	11.3	(3.9)
Mkt cap (USD m)			525
3m avg. daily turnover (USD m)			1.2
Free float (%)			60
Major shareholder		Surachi Chetchotisak (23%)	
12m high/low (THB)			19.50/14.60
Issued shares (m)			972.50

Sources: Bloomberg consensus; FSSIA estimates

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Investment thesis

RS is an organisation that conducts business through "opportunity", by focusing on market leadership, continual investment to sustain its commerce business, and expansions to its related businesses. We expect the contributions from its new businesses to increase significantly, strengthening the company's total revenue.

With various sales channels via TV, online, retail, tele-sales, and direct sales, RS has an advantage in sales channels over its peers.
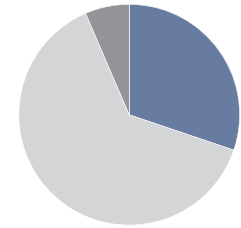
Company profile

RS operates a commerce business that provides content and powerful entertainment and also sells products. This includes establishing a system to analyse customer data and a telemarketing system.

www.rs.co.th

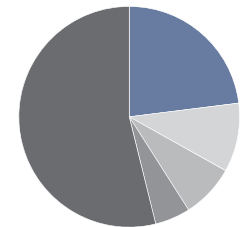## Principal activities (revenue, 2021)

- Entertainment - 30.2 %
- Commerce - 63.4 %
- U-Life - 0.0 %
- Popcoin and others - 6.5 %

Source: RS

Major shareholders

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

Source: RS

Catalysts

- New product lines should be able to boost its commerce revenue as well as its bottom line;
- The new "entertainmerce" strategy may help the company's revenue grow continuously;
- Unlocking the value of Chase via listing on the SET.

Risks to our call

The key upside risks to our SoTP-based TP are 1) if its new commerce products succeed in attracting consumer interest; and 2) the recovery in the Thai economy is faster than our expectation.

Event calendar

Date	Event
Feb-23	2022 results announcement

Key assumptions

	2021	2022E	2023E	2024E
	(%)	(%)	(%)	(%)
Entertainment growth	(6)	60	0	5
Commerce growth	(5)	(37)	76	15

Source: FSSIA estimates

Earnings sensitivity

- For every 1% increase in commerce revenue, we project 2023 earnings to rise by 1.9%, and vice versa, all else being equal;
- For every 1% increase in commerce profit margin, we project 2023 earnings to rise by 4.1%, and vice versa, all else being equal.

Source: FSSIA estimates

Targeting group market cap of THB100b in the next three years

The key highlight from RS's 2023 open house was the announcement of the company's long-term target to have a group market capitalisation of THB100b in the next three years. Management outlined three key strategies to achieve this target:

1. Revised its key company purpose to "life enriching" by offering products and services that can help enhance its customers' lives.

2. Regrouping its organisational structure into six groups comprised of:

    1) RS Multimedia: TV and Radio

    2) RS Music: RSIAM, Kamikaze, RoseSound, and 4th Apple

    3) RS LiveWell: RS Mall, Well U, Vitanature+, Camu C, Lifemate

    4) RS Connect: U Live and De Beste

    5) RS Pet All

    6) RAlliance: Chase

3. Unlocking its business value by spinning off its businesses and listing them on the SET. Chase, an asset management company (AMC) and RS's subsidiary, is the first target in RS's pipeline, with the expectation that it will be listed on the SET within 1Q23. Other businesses that have the most spinoff potential would be RS Connect, RS Pet All, and RS Music.

Neutral view from the company's vision

Although the new vision of the company may look attractive – having a market cap of THB100b in the next three years by spinning off its businesses – we have a neutral view. The company's current market cap is around THB16b. In order to achieve the THB100b target, it would need to grow the group's market cap by 6x. Chase, the biggest subsidiary that was able to generate a net profit of over THB270m in 2021 should have a market cap of about THB10b, in our view. While other businesses such as RS Connect and RS Pet All have been under the RS group for less than a year. We believe it will take more time to generate sustainable growth and profits before those businesses can have a chance to be listed on the SET.

Targeting THB5.5b in revenue in 2023

For 2023, RS targets its revenue to hit THB5.5b, comprising THB3.1b from the commerce business and THB2.4b from the media business. It expects its 2023 GPM to be around 48-50%, while its NPM should stay between 11-13%. The main driver would come from the commerce business, especially Ulife, which RS recently acquired early last year, and Pet All, which RS expects to establish very soon. Together with the recovery of Thai consumer purchasing power following the overall improvement of the economic situation thanks to the tourism sector's recovery, the company believes its commerce business should grow significantly.

Company's key driver targets

RS has a plan to drive each business's growth significantly this year as follows:

1. **RS Multimedia (TV + radio).** Maintain strength by introducing key drama series, increasing the number of Asian series, such as Indian and Chinese, and strengthening boxing programs and news.

2. **RS Music.** This arm of RS seems to be the most focused media business given that the company aims to launch about 60 singles compared to about 10 singles last year. The company will target new sources of revenue such as online and streaming in order to maximise revenue. Moreover, RS maintains that it is now discussing with other investors in the music industry in order to transform the business for sustainable growth in the long run.

3. **RS LiveWell.** The company intends to find a new product champion and introduce it into the market. Lifemate should post the strongest growth this year following the launch of this brand over a year ago, and RS aims to introduce 22 more SKUs this year. For other products from Well U and Vitanature+, the company aims to launch 19 more SKUs comprised of various supplements, personal care products, and drinks.

4. **RS Connect.** ULife targets the launch of four more SKUs this year. RS aims to restructure the traditional direct sales, commonly known as multi-level marketing (MLM) to single-level marketing (SLM) in order to create a sustainable structure and growth for the long term.

   Note that MLM is a business model where individuals sell products or services and recruit others to do the same, earning commissions on multiple levels of sales. While SLM is a direct selling business model where salespeople are only rewarded for their own sales and not for the sales of the people they recruit. It is the opposite of MLM where commissions are earned on multiple levels of recruitment.

5. **RS Pet All.** RS Pet All was established with the goal of delivering products and services related to pets that cover everything from upstream to downstream, including the production and development of products, retail stores, and services related to pet care, which is intended to be the core of RS group's commerce business in the future.

The year 2023 could be a challenging one for RS as the company introduces about 28 new SKUs, mainly food supplements, functional drinks, and pet food. About 7-8 new hemp and CBD SKUs are planned to be added. Moreover, the company is now attempting to expand its selling channels out of its comfort zone to the mass market. This could be challenging because traditional shops, modern trade, and specialty store channels have different marketing approaches than RS currently has.

Exhibit 1: Comparing RS's targets for 2023 vs 2022

	2022 targets	2023 targets	Growth
	(THB m)	(THB m)	(%)
TV & Radio	1,300	1,450	12
Music	250	400	60
Events & Concerts	350	550	57
Popcoin & Online	100	0	n/a
Media	2,000	2,400	20
RS LiveWell	n/a	1,800	
RS Connect	n/a	900	
RS Pet All	n/a	400	
Commerce	2,200	3,100	41
Total revenue	**4,200**	**5,500**	**31**
Gross profit	**n/a**	**2,640-2,750**	
GPM (%)	n/a	48-50	
Net profit	**252-336**	**605-715**	**80-183**
NPM (%)	6-8	11-13	

Note: 2022 targets are after the mid-year revision
Source: RS

Exhibit 2: RS's targets in 2022 vs our estimates (as of Feb-23)

	FSSIA estimates	RS's targets	% Difference between FSSIA and RS
	(THB m)	(THB m)	(%)
Media	2,095	2,000	5
Commerce	1,418	2,200	(36)
Total revenue	**3,512**	**4,200**	**(16)**
Gross profit	**1,783**	**n/a**	
GPM (%)	50.8	n/a	
Net profit	**171**	**252-336**	**(32)-(49)**
NPM (%)	4.9	6-8	

Note: 2022 targets are after the mid-year revision
Sources: RS; FSSIA estimates

2022 net profit may miss the company's target by 32-49%

In accordance with our 4Q22 results forecast, we expect to see slow earnings in 2022. By our estimate, RS's 2022 earnings could miss the company's target by over 32-49%. The key reasons are: 1) the Ulife business has had no growth since the company's acquisition in 2Q22, leading the company to change its business model to a commissions model; 2) no new product champion despite introducing some new products; 3) some events in 4Q22 performed worse than the company's expectation; 4) Lifemate was still in the early stage of growth; 5) inflation and the economic slowdown during 2H22; and 6) weak TV advertising expenditure during 4Q22.

FSSIA has a more conservative view than RS

In 2022, we had a more conservative view compared to the company's targets. At the beginning of last year, we expected an 11% lower revenue target than the company, while we revised down our forecast after RS's second target in Aug-22. At that time, our revenue estimate was still lower than the company's target by over 17%.

Exhibit 3: RS's targets in 2022 compared to our estimates (as of Jan-22)

	FSSIA estimates	RS's targets	% Difference between FSSIA and RS
	(THB m)	(THB m)	(%)
TV & Radio	1,216	1,400	(13)
Music	252	325	(22)
Events & Concerts	220	325	(32)
Popcoin & Online	250	300	(17)
Media	1,938	2,350	(18)
Commerce	2,599	2,750	(5)
Total revenue	**4,538**	**5,100**	**(11)**
Gross profit	**1,773**	**2,448-2,550**	**(29)-(32)**
GPM (%)	47	48-50	
Net profit	**594**	**612-714**	**(3)-(17)**
NPM (%)	13	12-14	

Sources: RS; FSSIA estimates

Exhibit 4:   RS's new targets in 2022 compared to our estimates (as of Aug-22)

	FSSIA estimates	RS's previous targets	RS's new targets	% difference between RS's previous and new targets	% difference between FSSIA and RS
	(THB m)	(THB m)	(THB m)	(%)	(%)
TV & Radio	1,025	1,400	1,300	(7)	(21)
Music	210	325	250	(23)	(16)
Events & Concerts	250	325	350	8	(29)
Popcoin & Online	-	300	100	(67)	(100)
Media	1,485	2,350	2,000	(15)	(26)
Commerce	2,014	2,750	2,200	(20)	(8)
Total revenue	**3,499**	**5,100**	**4,200**	**(18)**	**(17)**
Gross profit	**1,769**	**2,448-2,550**	**n/a**	**n/a**	**n/a**
GPM (%)	*48*	*48-50*	*n/a*	*n/a*	*n/a*
Net profit	**223**	**510-612**	**252-336**	**(45)-(51)**	**(11)-(34)**
NPM (%)	*6*	*10-12*	*6-8*		

Sources: RS; FSSIA estimates

Exhibit 5: RS's 2023 earnings targets vs FSSIA estimates

	FSSIA estimates	RS's targets	% Difference between FSSIA and RS
	(THB m)	(THB m)	(%)
TV & Radio	1,308	1,450	(10)
Music	305	400	(24)
Event & Concert	480	550	(13)
Media	2,092	2,400	(13)
RS LiveWell	1,550	1,800	(14)
RS Connect	700	900	(22)
RS Pet All	250	400	(38)
Commerce	2,500	3,100	(19)
Total revenue	**4,592**	**5,500**	**(17)**
Gross profit	**2,251**	**2,640-2,750**	**(15)-(18)**
GPM (%)	49.0	48-50	
Net profit	**404**	**605-715**	**(33)-(43)**
NPM (%)	8.8	11-13	

Sources: RS; FSSIA estimates

For this year, we expect the company's revenue to amount to only THB4.6b, 17% lower than the company's target with the reasoning as follows:

1. **RS Music.** The company's target of releasing 60 new singles is quite aggressive, in our view. It is not easy to generate hit music and solid revenue in Thailand as most Thai people prefer to listen to free music through YouTube or free music streaming platforms. Only popular music, which is unpredictable, can generate significant revenue. Additionally, if the company is unable to secure a new partnership, it may be difficult for it to grow its music revenue for the year. Note that after the 2023 target announcement in early Jan-23, the company targeted a partnership to be completed within the first month of this year. However, at the moment, we still have not seen any progress about this deal. The company admitted that this deal could be delayed slightly. Therefore, we believe RS's target for the music business to generate revenue of THB400m in 2023 has a downside risk.

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2. **RS Connect.** According to RS, Ulife is able to generate revenue of about THB50m per month. Moreover, there has been no significant improvement in Ulife's revenue generation since RS acquired it in 2Q22. Therefore, we can conservatively expect that Ulife could generate revenue of about THB600m per year. This implies that the company's target for Ulife's revenue to grow by 33% this year is quite challenging. The shift in selling structure from MLM to SLM is a big change. We will have to wait and see what the result of the restructuring is first if it can be considered "hit or miss".

3. **RS Pet All.** At the moment, there is no business under RS Pet All yet. The company aims to invest in a 50% share in Pet All, a pet retail business, which is a new subsidiary set up since Nov-22. However, there has been no progress on this plan yet. RS revised its assumption and now expects that the deal could be completed in 2Q23, which could impact its target of THB400m. Rationale and synergies of the investment include 1) a jump-start to operate a large network of pet retail shops across Bangkok; 2) enlarging the ecosystem of RS group in pet-related businesses, adding a competitive edge for "Lifemate"; and 3) striving to be a one-stop service provider for pet wellness.

1Q is typically a good quarter for RS

According to our back test, RS's share price has usually performed very well in 1Q. From 2010-2022 (13 years), RS's share price provided a positive return in 1Q ten out of 13 times, the highest number of positive returns compared to other quarters. We believe this is because the company's targets are announced in January, which typically look promising and have high growth outlooks. On the other hand, RS's share price has had a negative return nine out of 13 times in 3Q. We believe this is because the company's targets that were announced at the beginning of the year have a chance to miss, and the company then has to revise those targets down, reflecting disappointment in the market.

Therefore, we expect that the bullish earnings target set by the company this year – net profit growth to THB605m-715m vs our 2022 earnings estimate of THB171m (a difference of +254-318% y-y) – is the key reason why RS's share price surged by 13% YTD. We still have a more conservative view, with the expectation that RS's share price during 3Q23 could slow down if its earnings cannot deliver.

Exhibit 6: RS's share price performance by quarter

RS	1Q	2Q	3Q	4Q	1H	2H
2010	9.4	20.0	(8.7)	16.5	31	6
2011	18.7	10.7	(19.9)	(7.8)	31	(26)
2012	22.3	26.4	33.1	9.3	55	46
2013	103.4	(20.2)	(15.3)	(11.8)	62	(25)
2014	21.8	(4.6)	(1.8)	107.4	16	104
2015	(7.7)	(12.3)	(22.8)	(2.9)	(19)	(25)
2016	1.0	12.6	(30.2)	(3.7)	14	(33)
2017	14.1	42.7	44.1	51.6	63	119
2018	5.4	(49.4)	43.2	(30.2)	(47)	-
2019	27.0	(8.0)	(11.6)	(19.6)	17	(29)
2020	(26.8)	81.1	12.9	(6.0)	33	6
2021	67.6	(21.0)	(23.1)	23.3	32	(5)
2022	(22.1)	(10.1)	(1.3)	6.7	(30)	5
Avg return (%)	**18.0**	**5.2**	**(0.1)**	**10.2**	**19.9**	**10.9**
Positive return (times)	**10**	**6**	**4**	**6**	**10**	**6**

Source: Bloomberg

Earnings revisions

Weak 2022E

We cut 2022E earnings by 23% to THB171m (+34% y-y) as we expect to see a poor performance in 4Q22. The key reason why RS's earnings could miss our expectation, in our view, is because Chase's performance has not yet recovered. Previously, in 2021, Chase generated a share of profit for RS of about THB25m per quarter, but since 2Q22, due to higher non-performing loans, the share of profit from Chase dropped from about THB20m-30m per quarter to just THB5m-9m per quarter. For 4Q22, we expect that Chase's performance had not yet recovered.

Moreover, the company's SG&A should remain high in 4Q22 due to the restructuring cost of the Ulife business, while its other costs remained intact. There was likely no improvement in its SG&A to sales as it has stayed at over 40% since 2Q21, although the company has targeted a reduction in its SG&A to sales to around 35% since 1Q22.

Exhibit 7: Key assumption changes

	-------------------- Current --------------------			-------------------- Previous --------------------			-------------------- Change --------------------		
	2022E	2023E	2024E	2022E	2023E	2024E	2022E	2023E	2024E
	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(%)	(%)	(%)
Revenue	3,512	4,592	5,063	3,499	4,265	4,593	0.4	7.7	10.2
Gross profit	1,783	2,251	2,563	1,670	2,090	2,302	6.7	7.7	11.4
Operating profit	233	552	766	306	469	565	(23.8)	17.8	35.5
Core net profit	171	404	548	223	394	551	(23)	3	(0.5)
Margin	**(%)**	**(%)**	**(%)**	**(%)**	**(%)**	**(%)**	**(ppt)**	**(ppt)**	**(ppt)**
GPM	50.8	49.0	50.6	47.7	49.0	50.1	3.02	0.03	0.50
NPM	4.9	8.8	10.8	6.4	9.2	12.0	(1.51)	(0.44)	(1.17)

Source: FSSIA estimates

Slight improvement expected in 2023

Although we cut our 2022 earnings estimate significantly, we increase our earnings projection for 2023 by 3% to THB404m after including the additional revenue from the Pet All business. Note that the earnings momentum in 1Q23 should remain unchanged from the previous quarter, but we expect an improvement in 2Q23 onward after the company completes the 1) Ulife business restructuring; 2) Pet All investment; and 3) music business JV, which should drive the growth of the company significantly.

Valuation and recommendation

We increase our TP on RS from THB13.30 to THB14.50 as we:

1) Increase the value of RS's organic business in order to reflect the better outlook on its event business that could generate solid recurring returns to the company. Its commerce business should have a slightly better outlook compared to our previous view.

2) Include the potential deal from Pet All that could generate a small additional value for RS using a P/E multiple of 20x, in line with the retailer business.

3) Reduce our Chase valuation as its IPO price might be lower than our previous expectation since the company's profit generation has been lower than we expected. There is also reduced sentiment for AMCs which are getting lower premiums compared to last year.

Exhibit 8: RS's core business DCF valuation

	(THB m)	2023E (THB m)	2024E (THB m)	2025E (THB m)	2026E (THB m)	2027E (THB m)	2028E (THB m)
EBITDA		821	1,132	1,340	1,469	1,546	1,618
(less) tax on EBIT		(100)	(137)	(166)	(184)	(202)	(210)
(less) capex & investments		(430)	(430)	(430)	(430)	(430)	(510)
decrease in working cap		1	32	(1)	8	6	1
Free Cash Flow		603	805	872	940	992	923
WACC (%) (unchanged)	7.7						
Terminal growth (%) (from 2%)	1.5						
PV of FCF		603	747	752	752	737	637
Enterprise value	14,638						
Debt-cash (2023E)	(2,423)						
Minority interest (2023E)	12						
Equity value	12,227						
No. of shares (m)	972						
Equity value / share (THB)	**12.57**						

Sources: RS; FSSIA estimates

Exhibit 9: SoTP valuation

|	(%)	(THB m)	(THB/share)
Discount rate (WACC)	7.7		
Terminal growth	1.5		
NPV		4,228	
Add: terminal value		10,410	
Sum of PV		14,638	
Add: cash (2023E)		77	
Less: debt (2023E)		(2,500)	
Less: minorities (2023E)		12	
Residual ordinary equity		12,227	12.57
Add: 20.35% in Chase (25x P/E) FY23		1,211	1.24
Add: Gain from Chase spinoff		435	0.45
Add: 50% in Pet All (20x P/E)		220	0.23
No. of shares (m)		972	
SoTP target price			**14.50**

Sources: RS; FSSIA estimates

As a result, we maintain our Reduce call on RS at a new TP of THB14.50. The key boost to its share price recently, in our view, was due to the expectation that Chase could be listed on the SET within 1Q23. The listing has the potential to generate an extra gain for RS of about THB100m-150m (based on the assumption of Chase's IPO price at THB2.7-3 per share), as RS plans to divest its shares in Chase by 15% to reduce its shareholding from 35% to 20%. RS could make over THB400m from this transaction. We believe the market may think that this amount of cash could potentially turn into a special dividend. However, we do not see this expectation as possible, as the company plans to use this cash for future M&A or to repay its loan, as the net D/E ratio of the company is close to 1.2x.

Trading at a high P/E

The current share price of RS is trading at 43.6x 2023E P/E, which is slightly higher than its mean P/E at 39x, while its outlook remains uncertain, especially in the short term. Moreover, compared to its peers in every business related to RS's businesses, such as media, commerce, retailing, or beverages, RS is now trading at a higher P/E level in every industry. Although its CAGR for the next three years might look attractive, this is because the company has recovered from its low base in 2022.

Exhibit 10: Rolling one-year forward P/E band
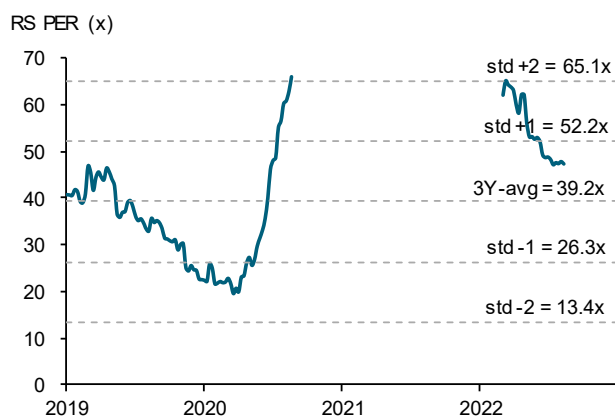
Sources: Bloomberg; FSSIA estimates

Exhibit 11: Rolling one-year forward P/BV band
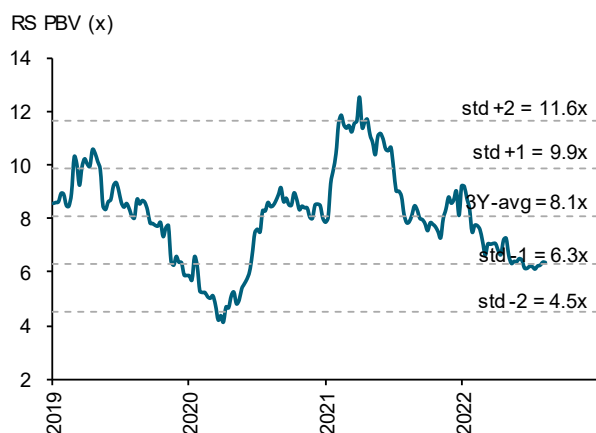
Sources: Bloomberg; FSSIA estimates

Exhibit 12: Peers comparison as of 8 Feb 2023

Company	BBG	Market Cap (USD m)	3Y EPS CAGR (%)	PE 22E (x)	PE 23E (x)	ROE 22E (%)	ROE 23E (%)	PBV 22E (x)	PBV 23E (x)	EVEBITDA 22E (x)	EVEBITDA 23E (x)
Media											
RS	**RS TB**	**525**	**62.9**	**79.1**	**44.7**	**10.0**	**16.5**	**7.7**	**7.1**	**22.9**	**19.1**
Workpoint Entertainment	WORK TB	242	3.5	52.0	28.2	3.4	6.2	1.7	1.7	11.6	8.5
The One Enterprise	ONEE TB	554	10.2	23.7	18.9	11.1	13.1	2.6	2.4	7.6	6.5
VGI	VGI TB	2,022	nm	(199.7)	83.7	(0.9)	2.0	1.7	1.7	674.3	78.7
Plan B Media	PLANB TB	1,168	nm	62.0	46.0	8.0	9.6	4.5	4.4	16.7	15.8
BEC World	BEC TB	594	3.6	35.2	25.7	8.9	11.6	3.1	2.9	6.5	5.8
Major Cineplex Group	MAJOR TB	491	(225.7)	88.8	21.2	2.7	11.5	2.5	2.4	10.7	8.3
Media average		**5,597**	**38.3**	**20.2**	**38.4**	**6.2**	**10.1**	**3.4**	**3.2**	**107.2**	**20.4**
Product owner											
TAC Consumer	TACC TB	122	12.6	17.3	15.2	31.3	34.3	5.3	5.1	10.6	9.3
NSL Foods	NSL TB	220	23.2	25.1	21.5	22.9	25.5	5.6	5.4	14.4	12.4
Osotspa	OSP TB	2,532	(0.9)	41.6	30.8	10.5	14.1	4.4	4.3	21.3	18.2
Carabao Group	CBG TB	2,976	8.0	38.6	32.4	23.9	26.6	9.1	8.6	27.9	24.0
Sappe	SAPPE TB	478	27.6	24.5	21.9	21.0	22.3	5.1	4.7	14.2	13.0
Ichitan	ICHI TB	473	14.4	25.3	21.0	10.3	12.1	2.6	2.5	11.6	10.4
Product owner average		**6,802**	**12.8**	**28.7**	**23.8**	**20.0**	**22.5**	**5.4**	**5.1**	**16.7**	**14.6**
Pet foods											
I-Tail	ITC TB	2,663	(34.8)	12.6	18.8	25.6	18.3	3.6	3.3	15.5	13.3
Asian Sea	ASIAN TB	333	9.1	9.7	9.0	26.5	25.0	2.4	2.1	8.3	7.5
Thai Union Group	TU TB	2,243	(5.0)	10.4	10.1	12.0	11.6	1.2	1.1	11.0	10.1
Asian Alliance International	AAI TB	438	(49.0)	16.6	15.9	22.0	18.4	2.9	2.7	14.7	12.8
Pet foods average		**5,676**	**(22.8)**	**12.3**	**13.4**	**21.5**	**18.3**	**2.5**	**2.3**	**12.4**	**10.9**
Retailer											
Berli Jucker	BJC TB	4,544	22.8	31.0	25.9	4.2	4.9	1.3	1.2	15.5	14.3
CP All	CPALL TB	17,892	45.1	42.7	31.0	11.4	14.2	5.4	4.6	17.4	15.6
Home Product Center	HMPRO TB	5,690	12.8	30.2	27.0	26.6	27.4	7.8	7.2	18.1	16.7
Siam Makro	MAKRO TB	13,101	(1.8)	56.5	37.4	2.7	4.0	1.5	1.5	17.8	15.4
Thanapiriya	TNP TB	96	-	18.4	19.2	19.0	16.7	3.5	3.1	14.8	12.8
Retailer average		**41,324**	**18.8**	**35.8**	**28.1**	**12.8**	**13.4**	**3.9**	**3.5**	**16.7**	**15.0**

Sources: Bloomberg; FSSIA estimates

Exhibit 13: 4Q22 results preview

	4Q21	3Q22	4Q22E	------------ Change ------------		2021	2022E	Change
	(THB m)	(THB m)	(THB m)	(q-q%)	(y-y%)	(THB m)	(THB m)	(y-y%)
Revenue	**736**	**947**	**893**	*(6)*	*21*	**3,573**	**3,512**	*(2)*
Operating costs	(465)	(432)	(438)	*1*	*(6)*	(1,804)	(1,730)	*(4)*
Gross profit	**271**	**514**	**455**	*(11)*	*68*	**1,769**	**1,783**	*1*
SG&A expenses	(390)	(401)	(420)	*5*	*8*	(1,677)	(1,549)	*(8)*
Other income	9	5	6	*31*	*(34)*	15	16	*7*
EBIT	**(109)**	**118**	**42**	*(65)*	*n/a*	**107**	**249**	*133*
Depreciation & amortisation	134	185	158	*(15)*	*18*	573	572	*(0)*
EBITDA	**25**	**303**	**200**	*(34)*	*707*	**680**	**821**	*21*
EBITDA margin (%)	*3.4*	*32.0*	*22.4*	*n.m.*	*n.m.*	*19.0*	*23.4*	*n.m.*
Interest expense	(16)	(28)	(28)	*1*	*74*	(59)	(96)	*62*
Associates	34	6	7	*18*	*(81)*	83	45	*(46)*
Pretax profit	**(92)**	**95**	**20**	*(79)*	*n/a*	**131**	**199**	*52*
Tax	24	(17)	(4)	*(76)*	*n/a*	(6)	(36)	*501*
Tax rate (%)	*(26.1)*	*(17.9)*	*(20.0)*	*n.m.*	*n.m.*	*(5)*	*(18)*	*n.m.*
Net profit	**(66)**	**82**	**21**	*(75)*	*n/a*	**127**	**171**	*34*
Core net profit	**(66)**	**82**	**21**	*(75)*	*n/a*	**127**	**171**	*34*
EPS (THB)	(0.07)	0.08	0.02	*(75)*	*n/a*	0.13	0.18	*34*
Core EPS (THB)	(0.07)	0.08	0.02	*(75)*	*n/a*	0.13	0.18	*34*

Sources: RS; FSSIA estimates

Financial Statements

RS

Profit and Loss (THB m) Year Ending Dec	2020	2021	2022E	2023E	2024E
Revenue	3,774	3,573	3,512	4,592	5,063
Cost of goods sold	(1,235)	(1,231)	(1,158)	(1,772)	(1,936)
Gross profit	**2,540**	**2,342**	**2,354**	**2,820**	**3,128**
Other operating income	17	17	18	16	16
Operating costs	(1,321)	(1,678)	(1,551)	(1,704)	(1,804)
Operating EBITDA	**1,236**	**680**	**821**	**1,132**	**1,340**
Depreciation	(534)	(573)	(572)	(569)	(564)
Goodwill amortisation	0	0	0	0	0
Operating EBIT	**702**	**107**	**249**	**563**	**775**
Net financing costs	(36)	(59)	(96)	(111)	(91)
Associates	0	83	45	48	0
Recurring non-operating income	0	83	45	48	0
Non-recurring items	0	0	0	0	0
Profit before tax	**666**	**131**	**199**	**500**	**684**
Tax	(137)	(6)	(36)	(100)	(137)
Profit after tax	**528**	**125**	**163**	**400**	**547**
Minority interests	0	2	8	4	1
Preferred dividends	0	0	0	0	-
Other items	-	-	-	-	-
Reported net profit	**528**	**127**	**171**	**404**	**548**
Non-recurring items & goodwill (net)	**0**	**0**	**0**	**0**	**0**
Recurring net profit	**528**	**127**	**171**	**404**	**548**
Per share (THB)					
Recurring EPS *	0.54	0.13	0.18	0.42	0.56
Reported EPS	0.54	0.13	0.18	0.42	0.56
DPS	0.10	0.35	0.05	0.21	0.28
Diluted shares (used to calculate per share data)	972	972	972	972	972
Growth					
Revenue (%)	4.5	(5.3)	(1.7)	30.7	10.3
Operating EBITDA (%)	16.0	(45.0)	20.7	37.8	18.4
Operating EBIT (%)	41.3	(84.7)	132.7	125.8	37.8
Recurring EPS (%)	45.4	(75.9)	34.2	136.4	35.7
Reported EPS (%)	45.4	(75.9)	34.2	136.4	35.7
Operating performance					
Gross margin inc. depreciation (%)	53.1	49.5	50.8	49.0	50.6
Gross margin of key business (%)	-	-	-	-	-
Operating EBITDA margin (%)	32.7	19.0	23.4	24.6	26.5
Operating EBIT margin (%)	18.6	3.0	7.1	12.3	15.3
Net margin (%)	14.0	3.6	4.9	8.8	10.8
Effective tax rate (%)	20.0	20.0	20.0	20.0	120.0
Dividend payout on recurring profit (%)	18.4	267.3	30.0	50.0	50.0
Interest cover (X)	19.4	3.2	3.1	5.5	8.5
Inventory days	72.1	83.8	93.4	62.7	69.4
Debtor days	60.7	64.6	55.7	48.2	52.4
Creditor days	246.5	281.4	258.6	183.8	200.0
Operating ROIC (%)	111.5	20.0	37.9	75.2	(26.3)
ROIC (%)	20.5	3.9	4.7	9.0	(2.9)
ROE (%)	28.4	6.2	7.8	17.1	21.1
ROA (%)	14.1	3.3	3.9	7.5	8.0
* Pre-exceptional, pre-goodwill and fully diluted					

Revenue by Division (THB m)	2020	2021	2022E	2023E	2024E
Entertainment	1,004	1,079	1,752	1,308	1,347
Commerce	2,382	2,263	1,418	2,500	2,875
U-Life	0	0	0	0	0
Popcoin and others	388	231	343	785	842

Sources: RS; FSSIA estimates

Financial Statements
RS

Cash Flow (THB m) Year Ending Dec	2020	2021	2022E	2023E	2024E
Recurring net profit	528	127	171	404	548
Depreciation	534	573	572	569	564
Associates & minorities	0	(85)	(8)	(4)	(1)
Other non-cash items	127	127	0	0	0
Change in working capital	(140)	57	(52)	5	2
Cash flow from operations	**1,050**	**799**	**682**	**973**	**1,113**
Capex - maintenance	(321)	(408)	(200)	(172)	(172)
Capex - new investment	(482)	(612)	(300)	(258)	(258)
Net acquisitions & disposals	0	0	0	0	0
Other investments (net)	7	(981)	(878)	0	0
Cash flow from investing	**(797)**	**(2,000)**	**(1,378)**	**(430)**	**(430)**
Dividends paid	(96)	0	(51)	(202)	(274)
Equity finance	0	0	0	0	0
Debt finance	10	1,288	733	(300)	(450)
Other financing cash flows	(296)	(146)	(92)	0	0
Cash flow from financing	**(381)**	**1,142**	**590**	**(502)**	**(724)**
Non-recurring cash flows	-	-	-	-	-
Other adjustments	0	0	0	0	0
Net other adjustments	**0**	**0**	**0**	**0**	**0**
Movement in cash	**(128)**	**(59)**	**(106)**	**41**	**(41)**
Free cash flow to firm (FCFF)	289.34	(1,141.79)	(600.19)	654.64	774.41
Free cash flow to equity (FCFE)	(32.41)	(58.85)	(54.74)	243.39	233.18

Per share (THB)					
FCFF per share	0.30	(1.17)	(0.62)	0.67	0.80
FCFE per share	(0.03)	(0.06)	(0.06)	0.25	0.24
Recurring cash flow per share	1.22	0.76	0.76	1.00	1.14

Balance Sheet (THB m) Year Ending Dec	2020	2021	2022E	2023E	2024E
Tangible fixed assets (gross)	1,479	1,517	1,667	1,747	1,827
Less: Accumulated depreciation	(837)	(950)	(1,038)	(1,121)	(1,198)
Tangible fixed assets (net)	**642**	**567**	**629**	**626**	**629**
Intangible fixed assets (net)	**2,384**	**2,753**	**2,618**	**2,482**	**2,346**
Long-term financial assets	0	0	0	0	0
Invest. in associates & subsidiaries	4	1,063	1,941	1,941	1,941
Cash & equivalents	200	141	35	77	36
A/C receivable	711	553	520	692	763
Inventories	229	337	256	353	384
Other current assets	33	60	61	61	62
Current assets	**1,174**	**1,091**	**871**	**1,182**	**1,244**
Other assets	313	329	348	379	373
Total assets	**4,516**	**5,803**	**6,408**	**6,612**	**6,533**
Common equity	2,002	2,138	2,257	2,459	2,733
Minorities etc.	2	1	(8)	(12)	(13)
Total shareholders' equity	**2,004**	**2,138**	**2,250**	**2,448**	**2,721**
Long term debt	156	952	1,550	1,450	1,350
Other long-term liabilities	543	515	513	510	528
Long-term liabilities	**699**	**1,467**	**2,063**	**1,960**	**1,878**
A/C payable	1,016	882	758	1,026	1,096
Short term debt	620	1,115	1,250	1,050	700
Other current liabilities	178	201	88	128	138
Current liabilities	**1,814**	**2,198**	**2,096**	**2,204**	**1,934**
Total liabilities and shareholders' equity	**4,516**	**5,803**	**6,408**	**6,612**	**6,533**
Net working capital	(220)	(133)	(10)	(49)	(26)
Invested capital	3,123	4,579	5,527	5,381	5,263
* Includes convertibles and preferred stock which is being treated as debt					

Per share (THB)					
Book value per share	2.06	2.20	2.32	2.53	2.81
Tangible book value per share	(0.39)	(0.63)	(0.37)	(0.02)	0.40
Financial strength					
Net debt/equity (%)	28.7	90.1	122.9	99.0	74.0
Net debt/total assets (%)	12.8	33.2	43.1	36.7	30.8
Current ratio (x)	0.6	0.5	0.4	0.5	0.6
CF interest cover (x)	13.5	10.4	3.6	5.5	6.4

Valuation	2020	2021	2022E	2023E	2024E
Recurring P/E (x) *	**33.3**	**138.2**	**103.0**	**43.6**	**32.1**
Recurring P/E @ target price (x) *	**26.7**	**110.7**	**82.5**	**34.9**	**25.7**
Reported P/E (x)	33.3	138.2	103.0	43.6	32.1
Dividend yield (%)	0.6	1.9	0.3	1.1	1.6
Price/book (x)	8.8	8.2	7.8	7.2	6.4
Price/tangible book (x)	(46.0)	(28.6)	(48.7)	(763.2)	45.4
EV/EBITDA (x) **	14.7	28.7	24.8	17.7	14.6
EV/EBITDA @ target price (x) **	11.9	23.6	20.5	14.6	12.0
EV/invested capital (x)	5.8	4.3	3.7	3.7	3.7
* Pre-exceptional, pre-goodwill and fully diluted ** EBITDA includes associate income and recurring non-operating income					

Sources: RS; FSSIA estimates

Corporate Governance report of Thai listed companies 2022

EXCELLENT LEVEL – Score range 90-100

AAV	BAM	CIMBT	ECL	HENG	LALIN	NEP	PRG	SCC	SPRC	THRE	TTW
ADVANC	BANPU	CK	EE	HMPRO	LANNA	NER	PRM	SCCC	SPVI	THREL	TU
AF	BAY	CKP	EGCO	ICC	LHFG	NKI	PSH	SCG	SSC	TIPCO	TVDH
AH	BBIK	CM	EPG	ICHI	LIT	NOBLE	PSL	SCGP	SSSC	TISCO	TVI
AIRA	BBL	CNT	ETC	III	LOXLEY	NSI	PTG	SCM	SST	TK	TVO
AJ	BCP	COLOR	ETE	ILINK	LPN	NVD	PTT	SCN	STA	TKN	TWPC
AKP	BCPG	COM7	FN	ILM	LRH	NYT	PTTEP	SDC	STEC	TKS	UAC
AKR	BDMS	COMAN	FNS	IND	LST	OISHI	PTTGC	SEAFCO	STGT	TKT	UBIS
ALLA	BEM	COTTO	FPI	INTUCH	MACO	OR	PYLON	SEAOIL	STI	TMILL	UPOIC
ALT	BEYOND	CPALL	FPT	IP	MAJOR	ORI	Q-CON	SE-ED	SUN	TMT	UV
AMA	BGC	CPF	FSMART	IRC	MAKRO	OSP	QH	SELIC	SUSCO	TNDT	VCOM
AMARIN	BGRIM	CPI	FVC	IRPC	MALEE	OTO	QTC	SENA	SUTHA	TNITY	VGI
AMATA	BIZ	CPN	GC	ITEL	MBK	PAP	RABBIT	SENAJ	SVI	TOA	VIH
AMATAV	BKI	CRC	GEL	IVL	MC	PCSGH	RATCH	SGF	SYMC	TOP	WACOAL
ANAN	BOL	CSS	GFPT	JTS	MCOT	PDG	RBF	SHR	SYNTEC	TPBI	WAVE
AOT	BPP	DDD	GGC	JWD	METCO	PDJ	RS	SICT	TACC	TQM	WHA
AP	BRR	DELTA	GLAND	K	MFEC	PG	S	SIRI	TASCO	TRC	WHAUP
APURE	BTS	DEMCO	GLOBAL	KBANK	MINT	PHOL	S&J	SIS	TCAP	TRUE	WICE
ARIP	BTW	DOHOME	GPI	KCE	MONO	PLANB	SAAM	SITHAI	TEAMG	TSC	WINNER
ASP	BWG	DRT	GPSC	KEX	MOONG	PLANET	SABINA	SMPC	TFMAMA	TSR	XPG
ASW	CENTEL	DTAC	GRAMMY	KGI	MSC	PLAT	SAMART	SNC	THANA	TSTE	ZEN
AUCT	CFRESH	DUSIT	GULF	KKP	MST	PORT	SAMTEL	SONIC	THANI	TSTH	
AWC	CGH	EA	GUNKUL	KSL	MTC	PPS	SAT	SORKON	THCOM	TTA	
AYUD	CHEWA	EASTW	HANA	KTB	MVP	PR9	SC	SPALI	THG	TTB	
BAFS	CHO	ECF	HARN	KTC	NCL	PREB	SCB	SPI	THIP	TTCL	

VERY GOOD LEVEL – Score range 80-89

2S	ASIMAR	CHOTI	ESSO	INSURE	LH	NRF	PROEN	SCI	SR	TMC	UMI
7UP	ASK	CHOW	ESTAR	IRCP	LHK	NTV	PROS	SCP	SRICHA	TMD	UOBKH
ABM	ASN	CI	FE	IT	M	NUSA	PROUD	SE	SSF	TMI	UP
ACE	ATP30	CIG	FLOYD	ITD	MATCH	NWR	PSG	SECURE	SSP	TNL	UPF
ACG	B	CITY	FORTH	J	MBAX	OCC	PSTC	SFLEX	STANLY	TNP	UTP
ADB	BA	CIVIL	FSS	JAS	MEGA	OGC	PT	SFP	STC	TNR	VIBHA
ADD	BC	CMC	FTE	JCK	META	ONEE	PTC	SFT	STPI	TOG	VL
AEONTS	BCH	CPL	GBX	JCKH	MFC	PACO	QLT	SGP	SUC	TPA	VPO
AGE	BE8	CPW	GCAP	JMT	MGT	PATO	RCL	SIAM	SVOA	TPAC	VRANDA
AHC	BEC	CRANE	GENCO	JR	MICRO	PB	RICHY	SINGER	SVT	TPCS	WGE
AIE	BH	CRD	GJS	KBS	MILL	PICO	RJH	SKE	SWC	TPIPL	WIIK
AIT	BIG	CSC	GTB	KCAR	MITSIB	PIMO	ROJNA	SKN	SYNEX	TPIPP	WIN
ALUCON	BJC	CSP	GYT	KGEN	MK	PIN	RPC	SKR	TAE	TPLAS	WINMED
AMANAH	BJCHI	CV	HEMP	KIAT	MODERN	PJW	RT	SKY	TAKUNI	TPS	WORK
AMR	BLA	CWT	HPT	KISS	MTI	PL	RWI	SLP	TCC	TQR	WP
APCO	BR	DCC	HTC	KK	NATION	PLE	S11	SMART	TCMC	TRITN	XO
APCS	BRI	DHOUSE	HUMAN	KOOL	NCAP	PM	SA	SMD	TFG	TRT	YUASA
AQUA	BROOK	DITTO	HYDRO	KTIS	NCH	PMTA	SABUY	SMIT	TFI	TRU	ZIGA
ARIN	BSM	DMT	ICN	KUMWEL	NDR	PPP	SAK	SMT	TFM	TRV	
ARROW	BYD	DOD	IFS	KUN	NETBAY	PPPM	SALEE	SNNP	TGH	TSE	
AS	CBG	DPAINT	IIG	KWC	NEX	PRAPAT	SAMCO	SNP	TIDLOR	TVT	
ASAP	CEN	DV8	IMH	KWM	NINE	PRECHA	SANKO	SO	TIGER	TWP	
ASEFA	CHARAN	EASON	INET	L&E	NNCL	PRIME	SAPPE	SPA	TIPH	UBE	
ASIA	CHAYO	EFORL	INGRS	LDC	NOVA	PRIN	SAWAD	SPC	TITLE	UEC	
ASIAN	CHG	ERW	INSET	LEO	NPK	PRINC	SCAP	SPCG	TM	UKEM	

GOOD LEVEL – Score range 70-79

A	BEAUTY	CMAN	EMC	HL	KWI	MORE	PF	RSP	SUPER	TOPP	VARO
A5	BGT	CMO	EP	HTECH	KYE	MPIC	PK	SIMAT	TC	TPCH	W
AI	BLAND	CMR	EVER	IHL	LEE	MUD	PPM	SISB	TCCC	TPOLY	WFX
ALL	BM	CPANEL	F&D	INOX	LPH	NC	PRAKIT	SK	TCJ	TRUBB	WPH
ALPHAX	BROCK	CPT	FMT	JAK	MATI	NEWS	PTECH	SOLAR	TEAM	TTI	YGG
AMC	BSBM	CSR	GIFT	JMART	M-CHAI	NFC	PTL	SPACK	THE	TYCN	
APP	BTNC	CTW	GLOCON	JSP	MCS	NSL	RAM	SPG	THMUI	UMS	
AQ	CAZ	D	GLORY	JUBILE	MDX	NV	ROCK	SQ	TKC	UNIQ	
AU	CCP	DCON	GREEN	KASET	MENA	PAF	RP	STARK	TNH	UPA	
B52	CGD	EKH	GSC	KCM	MJD	PEACE	RPH	STECH	TNPC	UREKA	

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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

Sources: Thai Institute of Directors Association (IOD); FSSIA's compilation; data as of 26 October 2021

Anti-corruption Progress Indicator

CERTIFIED										
2S	BCPG	CPI	GCAP	JR	MCOT	PHOL	RABBIT	SNC	THANI	TTCL
7UP	BE8	CPL	GEL	K	META	PK	RATCH	SNP	THCOM	TU
ADVANC	BEC	CPN	GFPT	KASET	MFC	PL	RML	SORKON	THIP	TVDH
AF	BEYOND	CRC	GGC	KBANK	MFEC	PLANB	RWI	SPACK	THRE	TVI
AI	BGC	CSC	GJS	KBS	MILL	PLANET	S&J	SPALI	THREL	TVO
AIE	BGRIM	DCC	GPI	KCAR	MINT	PLAT	SAAM	SPC	TIDLOR	TWPC
AIRA	BKI	DELTA	GPSC	KCE	MONO	PM	SABINA	SPI	TIPCO	UBE
AJ	BLA	DEMCO	GSTEEL	KGEN	MOONG	PPP	SAPPE	SPRC	TISCO	UBIS
AKP	BPP	DIMET	GULF	KGI	MSC	PPPM	SAT	SRICHA	TKS	UEC
AMA	BROOK	DRT	GUNKUL	KKP	MST	PPS	SC	SSF	TKT	UKEM
AMANAH	BRR	DTAC	HANA	KSL	MTC	PR9	SCB	SSP	TMILL	UOBKH
AMATA	BSBM	DUSIT	HARN	KTB	MTI	PREB	SCC	SSSC	TMT	UPF
AMATAV	BTS	EA	HEMP	KTC	NEP	PRG	SCCC	SST	TNITY	UV
AP	BWG	EASTW	HENG	KWI	NINE	PRINC	SCG	STA	TNL	VGI
APCS	CEN	EGCO	HMPRO	L&E	NKI	PRM	SCGP	STGT	TNP	VIH
AS	CENTEL	EP	HTC	LANNA	NOBLE	PROS	SCM	STOWER	TNR	WACOAL
ASIAN	CFRESH	EPG	ICC	LH	NOK	PSH	SCN	SUSCO	TOG	WHA
ASK	CGH	ERW	ICHI	LHFG	NSI	PSL	SEAOIL	SVI	TOP	WHAUP
ASP	CHEWA	ESTAR	IFS	LHK	NWR	PSTC	SE-ED	SYMC	TOPP	WICE
AWC	CHOTI	ETE	III	LPN	OCC	PT	SELIC	SYNTEC	TPA	WIIK
AYUD	CHOW	FE	ILINK	LRH	OGC	PTG	SENA	TAE	TPCS	XO
B	CIG	FNS	INET	M	ORI	PTT	SGP	TAKUNI	TPP	YUASA
BAFS	CIMBT	FPI	INSURE	MAJOR	PAP	PTTEP	SINGER	TASCO	TRU	ZEN
BAM	CM	FPT	INTUCH	MAKRO	PATO	PTTGC	SIRI	TCAP	TRUE	ZIGA
BANPU	CMC	FSMART	IRC	MALEE	PB	PYLON	SITHAI	TCMC	TSC	
BAY	COM7	FSS	IRPC	MATCH	PCSGH	Q-CON	SKR	TFG	TSTE	
BBL	COTTO	FTE	ITEL	MBAX	PDG	QH	SMIT	TFI	TSTH	
BCH	CPALL	GBX	IVL	MBK	PDJ	QLT	SMK	TFMAMA	TTA	
BCP	CPF	GC	JKN	MC	PG	QTC	SMPC	TGH	TTB	

DECLARED										
AH	CHG	DHOUSE	EVER	J	KUMWEL	NRF	RS	SUPER	TQM	VIBHA
ALT	CI	DOHOME	FLOYD	JMART	LDC	NUSA	SAK	SVT	TRT	W
APCO	CPR	ECF	GLOBAL	JMT	MEGA	OR	SIS	TKN	TSI	WIN
ASW	CPW	EKH	ILM	JTS	NCAP	PIMO	SSS	TMD	VARO	
B52	DDD	ETC	INOX	KEX	NOVA	PLE	STECH	TMI	VCOM	

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 th e 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 26 October 2021) are categorised into: 1) companies that have declared their intention to join CAC, and; 2) companies certified by CAC.

Sources: 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
RS	RS TB	THB 18.10	REDUCE	The key upside risks to our SoTP-based TP are 1) if its new commerce products succeed in attracting consumer interest; and 2) the recovery in the Thai economy is faster than our expectation.
Workpoint Entertainment	WORK TB	THB 18.40	REDUCE	The key upside risks to our P/E-based TP are stronger-than-expected TV adex, high risks for high returns in the movie business, and less competitiveness in TV ratings.
The One Enterprise	ONEE TB	THB 7.80	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 result by the company.
VGI Pcl.	VGI TB	THB 4.92	HOLD	The key upside and downside risks to our SoTP-based TP are a slower or faster-than-expected advertising expenditure recovery, and whether Rabbit Line Pay is successful or not.
Plan B Media	PLANB TB	THB 9.15	HOLD	The key downside risks to our P/E multiple-based TP are 1) a slower-than-expected adex recovery; 2) further waves of Covid-19; and 3) the future billboard tax. Upside risk are 1) a faster-than-expected adex recovery; and 2) OOH media is getting more attention from ads spenders.
BEC World	BEC TB	THB 9.95	HOLD	The key downside and upside risks to our P/E based TP are a lower or higher-than-expected adex recovery, and better or worse TV ratings for BEC's serial drama programs.
Major Cineplex Group	MAJOR TB	THB 18.40	BUY	The key downside risks to our SoTP-based TP are a slower-than-expected recovery in domestic consumption, the growing popularity of online movies, and the new wave of Covid.
T.A.C. Consumer	TACC TB	THB 6.70	BUY	Downside risks to our P/E-based TP include 1) a slower-than-expected recovery in consumption; 2) the high volatility of raw material prices; 3) rain and cold weather lasting longer than expected; and 4) changing consumer demand and lifestyles.
i-Tail Corporation	ITC TB	THB 29.75	BUY	Downside risks to our PE-based TP include 1) a stronger-than-expected THB against USD; 2) the high volatility of raw material prices; 3) labor shortage; and 4) change of consumer demand and lifestyle.
Thai Union Group	TU TB	THB 16.10	BUY	Downside risks to our SoTP-based TP include 1) a stronger-than-expected THB against the USD; 2) the high volatility of raw material prices; 3) labor shortages; and 4) tariff and non-tariff barriers in international trade.

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 08-Feb-2023 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.