

Advanced Info Service

Advanced Info Service
Public Company Limited

ADVANC

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Recovery to gear down in 4Q23F

The impact of the 700MHz and 3BB deals will shift earnings recovery into lower gear in 4Q23F, with the full impact from 1Q24F. We therefore expect 4Q23F core profit at Bt7.4bn, slipping 1.9% QoQ, but growing 9.6% YoY. We maintain our NEUTRAL rating with a DCF-based TP of Bt246 (6% WACC and 2% LTG). We see limited near-term upside and unexciting growth in 2024F at 3.9%.

Expect 4Q23F earnings to fall QoQ, but grow YoY. We expect ADVANC to report 4Q23F net profit of Bt7.4bn, down 8.6% QoQ but up 1.1% YoY. Core profit is expected to fall 1.9% QoQ but grow 9.6% YoY. Behind the QoQ drop is additional amortization expense of Bt280mn from 700MHz, 2) rising SG&A on seasonality and 3) losses contributed by 3BB, starting in mid-November. The YoY growth is driven by the recovery of tourism-related revenue, easing competition in mobile and FBB segments and cost control. Results will be released on Feb 6.

Mobile revenue to grow QoQ and YoY. We look for mobile revenue growth of 2.2% QoQ and 1.5% YoY to Bt30bn, fueled by the high season for the mobile business, correlated with tourism. Prepaid ARPU, which we see as an indicator of pricing competition, should continue to grow QoQ, but this will come from lower prepaid subscribers due to more stringent identification controls. Additionally, we observed no major pricing adjustment in 4Q23F. Fixed broadband revenue is expected to surge 76.1% QoQ and 104.8% YoY to Bt5.3bn on the consolidation of 3BB from mid-Nov. Handset revenue is expected to fall 2.8% QoQ and 26.6% YoY to Bt8.4bn on two factors: iPhone 15 was launched in 3Q23 and many prospective buyers likely waited for the Easy E-receipt scheme to kick in on the first day of 2024.

Well-managed cost. In 4Q23F, two items impacted its cost structure: amortization expenses for 700MHz and the consolidation of 3BB. This will push cost of goods sold and SG&A up sharply both QoQ and YoY (details in Figure 1). If we remove the impact of these two items, cost of goods of sold excluding handset cost will drop slightly QoQ due to full amortization of its 3G equipment, with SG&A relatively flat YoY thanks to cost controls.

Risks and concerns. Resumption of mobile and FBB competition could hamper earnings recovery and lower negative impact of earnings from the 3BB deal would provide upside to our forecast. ESG risk for the company is on cybersecurity and data privacy of its subscribers.

Forecasts and valuation

Year to 31 Dec	Unit	2021	2022	2023F	2024F	2025F
Revenue	(Btmn)	181,333	185,485	190,888	211,429	216,125
EBITDA	(Btmn)	92,463	90,261	91,766	95,386	97,632
Core profit	(Btmn)	27,568	26,048	27,381	28,442	30,432
Reported profit	(Btmn)	26,922	26,011	27,381	28,442	30,432
Core EPS	(Bt)	9.27	8.76	9.21	9.56	10.23
DPS	(Bt)	7.69	7.69	7.83	8.13	8.70
P/E, core	(x)	23.6	25.0	23.8	22.9	21.4
EPS growth, core	(%)	0.5	(5.5)	5.1	3.9	7.0
P/BV, core	(x)	8.0	7.6	7.2	6.9	6.5
ROE	(%)	35.0	31.1	31.1	30.7	31.2
Dividend yield	(%)	3.5	3.5	3.6	3.7	4.0
FCF yield	(%)	4.0	3.4	7.4	2.1	6.0
EV/EBIT	(x)	9.0	9.2	8.8	8.7	8.3
EBIT growth, core	(%)	2.3	(2.5)	1.2	2.7	2.6
EV/CE	(x)	2.4	2.6	2.6	2.8	2.8
ROCE	(%)	10.5	10.5	11.6	13.0	14.0
EV/EBITDA	(x)	7.9	8.1	7.6	7.5	7.1
EBITDA growth	(%)	2.7	(2.4)	1.7	3.9	2.4

Source: InnovestX Research

Tactical: NEUTRAL

(3-month)

Stock data

Last close (Jan 4) (Bt)	219.00
Target price (Bt)	246.00
Mkt cap (Btmn)	651.35
Mkt cap (US\$m)	18,880

Beta	L
Mkt cap (%) SET	3.69
Sector % SET	8.19
Shares issued (mn)	2,974
Par value (Bt)	1.00
12-m high / low (Bt)	231 / 194
Avg. daily 6m (US\$m)	28.82
Foreign limit / actual (%)	48 / 37
Free float (%)	36.2
Dividend policy (%)	≥ 70

Share performance

(%)	1M	3M	12M
Absolute	(0.9)	(2.7)	9.0
Relative to SET	(4.4)	(1.4)	26.4

Source: SET, InnovestX Research

2023 Sustainability / 2022 ESG Score

SET ESG Ratings	AAA
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ESG Bloomberg Rank in the sector

ESG Score Rank	2/35
Environmental Score Rank	2/35
Social Score Rank	2/35
Governance Score Rank	1/35

ESG comment

ADVANC ranked no. 1 and 2 for ESG score in the sector and in each category, implying solid ESG

Source: Bloomberg Finance L.P.

Analyst

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Value proposition

ADVANC has the highest market share in Thailand's mobile telecom space. It also has the highest spectrum holdings among other operators. The company currently has 700MHz (15MHz bandwidth capacity), 900MHz (10MHz), 1800MHz (20MHz), 2100MHz (30MHz), 2600MHz (100MHz) and 26GHz (1200MHz). This ensures it can provide good service quality to customers.

Business outlook

Business is recovering as more tourists bring in more roaming revenue. However, the competitive situation is still fluid and will continue to pressure ARPU upside. The monetization of its 5G business is still a key focus in the long-term. However, we are starting to see ADVANC trying to find new sources of revenue from other businesses such as enterprise non-mobile segment and financial services (MOU with KTB for a virtual bank). This could be a new long-term earnings growth driver, although the contribution would be small initially. The acquisition of TTTBB and JASIF also offers long-term benefit from cross-selling opportunities and cost synergy as well as increased network coverage.

Bullish views	Bearish views
1. Easing pricing competition in mobile and FBB businesses post market consolidation	1. Expect consensus to cut 2024F earnings to reflect TTTBB-JASIF and 700MHz deals 2. Valuation in terms of PE already reflects easing pricing competition

Key catalysts

Factor	Event	Impact	Comment
Latest development	Successfully acquired TTTBB and JASIF	Slightly positive	The acquisition cost is lower than expected. In our assumptions, we assume Bt2.7/sh from this deal and it is already in our TP.
Near-term earnings outlook	1Q24F earnings momentum	Softer QoQ, but better YoY	Lower QoQ from full quarter contribution of cost related to TTTBB-JASIF and 700MHz deals.
Factors to watch in 2024	Business integration cost	Positive/Negative	Our assumption assumes negative impact of Bt877mn. A lower integration cost would provide upside surprise to our forecast.

Sensitivity analysis

Factor	Earnings impact	TP impact
1ppt change in mobile service revenue	3.0%	Bt5/sh.

Our view on ESG

ADVANC is chiefly involved with the provision of mobile and FBB services which by nature do not have high emissions. It also has excellent CG scoring. Overall, we have no issues related to ESG for the company. ESG risk for the company would be on cybersecurity and data privacy of its subscribers.

ESG Disclosure Score

Bloomberg ESG Score	60.13 (2022)
Rank in Sector	2/35

CG Rating	DJSI	SETESG	SET ESG Ratings
ADVANC	5	Yes	Yes
			AAA

Source: Thai Institute of Directors (IOD), SET

Environmental Issue (E)

- The company plans to reduce GHG emissions through high efficient business operations and utilization of renewable energy.
- ADVANC has been adopting multiple energy-efficient technologies in the management of base stations nationwide which helped save energy and reduced indirect GHG emissions from electricity consumption by 18,743 tCO₂e in 2021.
- For the alternative energy use, the company continued to expand installation of solar panels, allowing for solar panel installation at 5,553 base stations and at another eight data centers and switching centers. This generated 16,282 MWh/year and cutting 8,139 tCo₂e in GHG emissions.

Social Issue (S)

- ADVANC has policies to uplifting community well-being and decreasing social inequality through digital infrastructure and solutions.
- The company implemented three strategies; 1) Expansion of digital infrastructure for maximum coverage in support of efficient communication and alignment with national economic development, 2) supporting public access to affordable digital communication devices and 3) developing digital platforms that enhance economic and social structures along with quality of life.

Governance Issue (G)

- Corporate governance policy of ADVANC adheres fundamentally to laws and developed to be transparent, reliable, and acceptable in line with best practice of good corporate governance and sustainability growth, both domestic and international standard. This reflects in its achievement and recognition in 2021.
- ADVANC listed in Dow Jones Sustainability Indices, received excellent CG scoring from Corporate Governance Report of Thai listed companies, received “Best Investor Relation Awards”, and many more.

ESG Disclosure Score

	2021	2022
ESG Disclosure Score	59.94	60.13
Environment	42.65	49.41
Emissions Reduction Initiatives	Yes	Yes
GHG Scope 1	8.93	7.41
Energy Efficiency Policy	Yes	Yes
Total Energy Consumption	1,318.49	1,394.99
Renewable Energy Use	16.28	24.19
Social	47.22	41.02
Human Rights Policy	Yes	Yes
Equal Opportunity Policy	Yes	Yes
Pct Women in Management	36.26	37.71
Business Ethics Policy	Yes	Yes
Anti-Bribery Ethics Policy	Yes	Yes
Governance	89.86	89.86
Size of Audit Committee	3	3
Number of Independent Directors on Audit Committee	3	3
Company Conducts Board Evaluations	Yes	Yes
Number of Executives / Company Managers	8	8
Director Share Ownership Guidelines	No	No

Source: Bloomberg Finance L.P.

Disclaimer

Bloomberg ESG Disclosure Scores rate companies on their level of disclosure of ESG data. Bloomberg offers four disclosure scores, for overall ESG, as well as Environmental, Social, and Governance. To review the fully transparent methodology, calculate disclosure scores for any company, and compare a company's scores vs its peers, see ESG Disclosure Score Model in Bloomberg.

Financial statement

Profit and Loss Statement

FY December 31	Unit	2018	2019	2020	2021	2022	2023F	2024F	2025F
Total revenue	(Btmn)	169,856	180,894	172,890	181,333	185,485	190,888	211,429	216,125
Cost of goods sold	(Btmn)	(103,456)	(111,899)	(110,848)	(121,453)	(126,172)	(129,281)	(144,325)	(146,242)
Gross profit	(Btmn)	66,400	68,994	62,042	59,880	59,313	61,607	67,103	69,884
SG&A	(Btmn)	(26,472)	(27,885)	(24,499)	(21,846)	(22,486)	(22,800)	(25,992)	(26,772)
Other income	(Btmn)	861	846	969	1,273	658	626	890	1,017
Interest expense	(Btmn)	(5,148)	(4,777)	(5,917)	(5,626)	(5,230)	(5,100)	(6,338)	(6,000)
Pre-tax profit	(Btmn)	35,641	37,179	32,595	33,680	32,255	34,333	35,664	38,129
Corporate tax	(Btmn)	(5,923)	(6,209)	(5,089)	(5,970)	(6,168)	(6,867)	(7,133)	(7,626)
Equity a/c profits	(Btmn)	(123)	(86)	(70)	(141)	(36)	(82)	(86)	(68)
Minority interests	(Btmn)	(32)	(3)	(3)	(2)	(3)	(3)	(3)	(3)
Core profit	(Btmn)	29,564	30,881	27,433	27,568	26,048	27,381	28,442	30,432
Extra-ordinary items	(Btmn)	119	308	2	(646)	(37)	0	0	0
Net Profit	(Btmn)	29,682	31,190	27,434	26,922	26,011	27,381	28,442	30,432
EBITDA	(Btmn)	74,503	78,987	90,034	92,463	90,261	91,766	95,386	97,632
Core EPS	(Bt)	9.94	10.39	9.23	9.27	8.76	9.21	9.56	10.23
Net EPS	(Bt)	9.98	10.49	9.23	9.05	8.75	9.21	9.56	10.23
DPS	(Bt)	7.08	7.34	6.92	7.69	7.69	7.83	8.13	8.70

Balance Sheet

FY December 31	Unit	2018	2019	2020	2021	2022	2023F	2024F	2025F
Total current assets	(Btmn)	34,905	47,142	42,155	35,566	34,338	63,931	81,483	92,675
Total fixed assets	(Btmn)	241,961	228,584	291,460	300,192	275,878	261,670	249,836	238,374
Total assets	(Btmn)	290,505	289,669	350,171	356,222	337,044	352,658	391,028	390,993
Total loans	(Btmn)	109,133	94,044	98,050	87,828	84,410	85,000	107,420	100,000
Total current liabilities	(Btmn)	72,764	105,255	95,039	92,590	96,504	110,792	116,060	117,017
Total long-term liabilities	(Btmn)	160,072	115,020	179,443	181,807	154,723	151,717	180,054	173,561
Total liabilities	(Btmn)	232,836	220,275	274,481	274,397	251,227	262,510	296,114	290,578
Paid-up capital	(Btmn)	2,973	2,973	2,974	2,974	2,974	2,974	2,974	2,974
Total equity	(Btmn)	57,669	69,394	75,689	81,825	85,816	90,148	94,914	100,415
BVPS	(Bt)	19.35	23.30	25.41	27.47	28.81	30.27	31.87	33.72

Cash Flow Statement

FY December 31	Unit	2018	2019	2020	2021	2022	2023F	2024F	2025F
Core Profit	(Btmn)	29,564	30,881	27,433	27,568	26,048	27,381	28,442	30,432
Depreciation and amortization	(Btmn)	33,879	37,229	51,842	53,374	52,902	52,423	53,732	53,973
Operating cash flow	(Btmn)	61,292	94,764	83,310	88,308	77,961	90,107	92,029	85,154
Investing cash flow	(Btmn)	(40,066)	(48,365)	(67,450)	(62,333)	(55,777)	(41,622)	(78,494)	(46,288)
Financing cash flow	(Btmn)	(22,809)	(35,829)	(17,076)	(31,657)	(25,909)	(22,462)	(1,258)	(32,354)
Net cash flow	(Btmn)	(1,584)	10,570	(1,216)	(5,681)	(3,726)	26,023	12,277	6,512

Key Financial Ratios

FY December 31	Unit	2018	2019	2020	2021	2022	2023F	2024F	2025F
Gross margin	(%)	39.1	38.1	35.9	33.0	32.0	32.3	31.7	32.3
Operating margin	(%)	23.5	22.7	21.7	21.0	19.9	20.3	19.4	19.9
EBITDA margin	(%)	43.9	43.7	52.1	51.0	48.7	48.1	45.1	45.2
EBIT margin	(%)	37.3	37.6	45.7	44.6	42.5	41.8	38.7	38.9
Net profit margin	(%)	17.5	17.2	15.9	14.8	14.0	14.3	13.5	14.1
ROE	(%)	54.7	48.6	37.8	35.0	31.1	31.1	30.7	31.2
ROA	(%)	10.3	10.6	8.6	7.8	7.5	7.9	7.6	7.8
Net D/E	(%)	1.7	1.1	1.1	0.9	0.9	0.6	0.6	0.5
Interest coverage	(%)	14.5	16.5	15.2	16.4	17.3	18.0	15.1	16.3
Debt service coverage	(%)	3.3	2.7	3.7	4.7	3.5	3.0	3.6	3.8
Payout Ratio	(%)	70.9	70.0	75.0	84.9	87.9	85.0	85.0	85.0

Main Assumptions

FY December 31	Unit	2018	2019	2020	2021	2022	2023F	2024F	2025F
Service revenue ex. IC growth yoy	(%)	3.8	2.4	(5.1)	1.1	1.6	3.1	2.8	2.4
Mobile revenue	(Btmn)	124,784	126,341	118,082	117,244	116,695	119,029	121,409	123,838
FBB revenue	(Btmn)	4,436	5,656	6,960	8,436	10,063	11,572	12,730	13,366
SIM and Handset margin	(%)	(3.5)	1.1	0.9	0.9	1.0	1.0	1.0	1.0

Financial statement

Profit and Loss Statement

FY December 31	Unit	4Q21	1Q22	2Q22	3Q22	4Q22	1Q23	2Q23	3Q23
Total revenue	(Btmn)	50,338	45,279	45,273	46,234	48,699	46,712	44,774	46,069
Cost of goods sold	(Btmn)	(35,123)	(30,678)	(30,399)	(31,696)	(33,399)	(31,702)	(29,704)	(30,306)
Gross profit	(Btmn)	15,215	14,601	14,874	14,538	15,300	15,010	15,070	15,762
SG&A	(Btmn)	(5,851)	(5,578)	(5,718)	(5,669)	(5,521)	(5,601)	(4,947)	(4,993)
Other income	(Btmn)	247	209	281	107	61	134	90	500
Interest expense	(Btmn)	(1,366)	(1,320)	(1,323)	(1,294)	(1,294)	(1,250)	(1,333)	(1,366)
Pre-tax profit	(Btmn)	8,245	7,913	8,114	7,683	8,545	8,294	8,880	9,903
Corporate tax	(Btmn)	(1,522)	(1,543)	(1,467)	(1,410)	(1,747)	(1,597)	(1,723)	(1,887)
Equity a/c profits	(Btmn)	(21)	(16)	(6)	(9)	(5)	(2)	2	9
Minority interests	(Btmn)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)
Core profit	(Btmn)	6,700	6,353	6,640	6,263	6,792	6,694	7,158	8,024
Extra-ordinary items	(Btmn)	163	(42)	(335)	(231)	572	62	22	123
Net Profit	(Btmn)	6,863	6,311	6,305	6,032	7,363	6,757	7,180	8,146
EBITDA	(Btmn)	23,157	22,602	22,629	22,199	24,028	22,699	23,349	24,113
Core EPS	(Bt)	2.25	2.14	2.23	2.11	2.28	2.25	2.41	2.70
Net EPS	(Bt)	2.31	2.12	2.12	2.03	2.48	2.27	2.41	2.74

Balance Sheet

FY December 31	Unit	4Q21	1Q22	2Q22	3Q22	4Q22	1Q23	2Q23	3Q23
Total current assets	(Btmn)	35,566	41,017	36,381	37,885	34,338	37,462	38,196	40,664
Total fixed assets	(Btmn)	300,192	293,440	288,951	281,541	275,878	265,985	260,731	254,418
Total assets	(Btmn)	356,222	355,783	349,517	345,370	337,044	330,434	326,646	322,770
Total loans	(Btmn)	87,828	85,729	87,191	95,192	84,410	80,790	90,882	99,802
Total current liabilities	(Btmn)	92,590	102,545	98,518	110,172	96,504	99,459	78,830	91,047
Total long-term liabilities	(Btmn)	181,807	177,501	168,598	156,984	154,723	151,008	160,633	148,237
Total liabilities	(Btmn)	274,397	280,046	267,116	267,157	251,227	250,467	239,463	239,284
Paid-up capital	(Btmn)	2,974	2,974	2,974	2,974	2,974	2,974	2,974	2,974
Total equity	(Btmn)	81,825	75,737	82,402	78,214	85,816	79,967	87,183	83,486
BVPS	(Bt)	27.47	25.42	27.66	26.25	28.81	26.84	29.29	28.04

Cash Flow Statement

FY December 31	Unit	4Q21	1Q22	2Q22	3Q22	4Q22	1Q23	2Q23	3Q23
Core Profit	(Btmn)	6,700	6,353	6,640	6,263	6,792	6,694	7,158	8,024
Depreciation and amortization	(Btmn)	13,546	13,369	13,192	13,222	13,118	13,155	13,136	12,844
Operating cash flow	(Btmn)	20,304	29,814	7,999	19,199	28,142	27,235	3,731	21,298
Investing cash flow	(Btmn)	6,282	(24,360)	(15,042)	(26,700)	9,535	(20,273)	(12,323)	(28,021)
Financing cash flow	(Btmn)	(25,182)	(1,805)	803	6,710	(38,022)	(3,488)	9,688	8,951
Net cash flow	(Btmn)	1,403	3,649	(6,240)	(790)	(344)	3,474	1,096	2,227

Key Financial Ratios

FY December 31	Unit	4Q21	1Q22	2Q22	3Q22	4Q22	1Q23	2Q23	3Q23
Gross margin	(%)	30.2	32.2	32.9	31.4	31.4	32.1	33.7	34.2
Operating margin	(%)	18.6	19.9	20.2	19.2	20.1	20.1	22.6	23.4
EBITDA margin	(%)	46.0	49.9	50.0	48.0	49.3	48.6	52.1	52.3
EBIT margin	(%)	40.3	43.6	43.8	42.2	43.1	42.5	45.3	45.3
Net profit margin	(%)	13.6	13.9	13.9	13.0	15.1	14.5	16.0	17.7
ROE	(%)	34.0	34.5	33.0	32.7	32.4	34.4	33.8	39.7
ROA	(%)	7.6	7.1	7.4	7.1	7.8	7.8	8.5	9.6
Net D/E	(%)	0.9	0.9	0.9	1.1	0.9	0.9	0.9	1.0
Interest coverage	(%)	17.0	17.1	17.1	17.2	18.6	18.2	17.5	17.7
Debt service coverage	(%)	4.7	4.9	3.5	2.5	3.7	4.1	4.7	3.0

Main Assumptions

FY December 31	Unit	4Q21	1Q22	2Q22	3Q22	4Q22	1Q23	2Q23	3Q23
Service revenue ex. IC growth yoy	(%)	4.1	1.1	2.9	1.0	1.3	2.3	1.8	2.9
Mobile revenue	(Btmn)	29,591	28,847	29,217	29,107	29,524	29,258	29,495	29,311
FBF revenue	(Btmn)	2,290	2,437	2,487	2,541	2,598	2,710	2,857	3,021
SIM and Handset margin	(%)	0.8	1.4	0.2	1.0	1.1	1.8	1.2	1.8

Figure 1: 4Q23F results preview

Unit: (Btmn)	4Q22	3Q23	4Q23F	y-o-y	q-o-q
Service revenue ex. IC	33,840	34,080	37,091	9.6%	8.8%
- Mobile revenue	29,524	29,311	29,970	1.5%	2.2%
- FBB revenue	2,598	3,021	5,321	104.8%	76.1%
- Other service revenue	1,718	1,748	1,800	4.8%	3.0%
IC & Equipment rental revenue	3,373	3,313	3,325	-1.4%	0.4%
Handset & SIM revenue	11,485	8,675	8,432	-26.6%	-2.8%
Total revenue	48,698	46,068	48,848	0.3%	6.0%
Cost of services	(9,324)	(9,311)	(10,170)	9.1%	9.2%
Depreciation & Amortisation	(12,722)	(12,479)	(13,400)	5.3%	7.4%
Handset & SIM cost	(11,353)	(8,517)	(8,352)	-26.4%	-1.9%
Total costs	(33,399)	(30,307)	(31,922)	-4.4%	5.3%
Gross profit	15,299	15,761	16,926	10.6%	7.4%
SG&A	(5,492)	(4,957)	(6,190)	12.7%	24.9%
Operating profit	9,807	10,804	10,736	9.5%	-0.6%
Other income	26	39	30	15.4%	-23.1%
Equity income	0	0	125	na.	na.
EBIT	9,833	10,843	10,891	10.8%	0.4%
Interest expense	(1,294)	(1,366)	(1,617)	25.0%	18.4%
EBT	8,539	9,477	9,274	8.6%	-2.1%
Income tax	(1,747)	(1,887)	(1,830)	4.7%	-3.0%
Minority interests	(1)	(1)	(1)	42.9%	0.0%
Core profit	6,791	7,589	7,443	9.6%	-1.9%
Extra items	572	557	0	na.	na.
Net income	7,363	8,146	7,443	1.1%	-8.6%
EPS (Bt)	2.48	2.74	2.50	1.1%	-8.6%

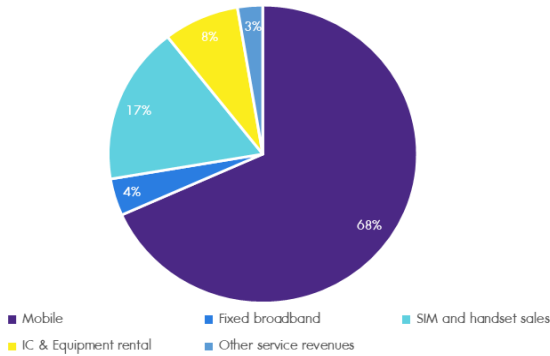
Ratio analysis and Operating stats

EBITDA margin (%)	46.3	50.6	49.7
SGA/Total revenue (%)	11.3	10.8	12.7
Reg. fee/service revenue (%)	4.1	4.2	4.2
Net profit margin (%)	15.1	17.7	15.2

Source: InnovestX Research, ADVANC

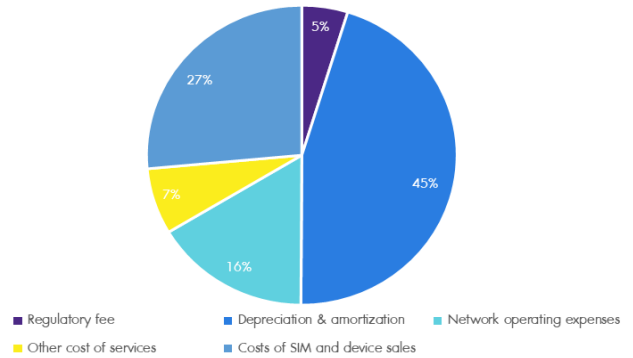
Appendix

Figure 2: Revenue breakdown



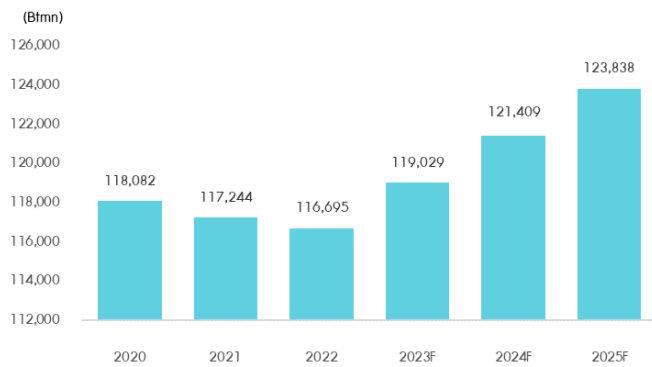
Source: ADVANC and InnovestX Research

Figure 3: Cost breakdown



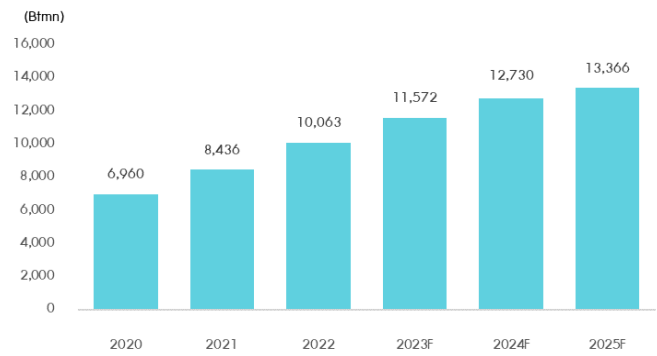
Source: ADVANC and InnovestX Research

Figure 4: Mobile revenue



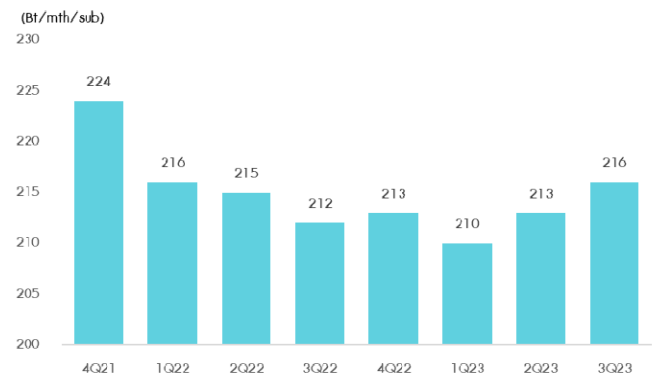
Source: ADVANC and InnovestX Research

Figure 5: FBB revenue



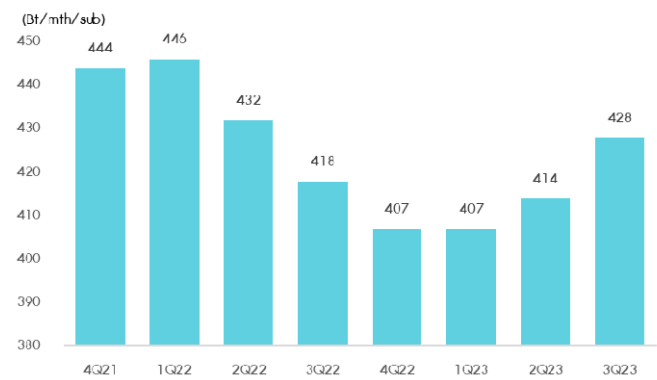
Source: ADVANC and InnovestX Research

Figure 6: Mobile blended ARPU



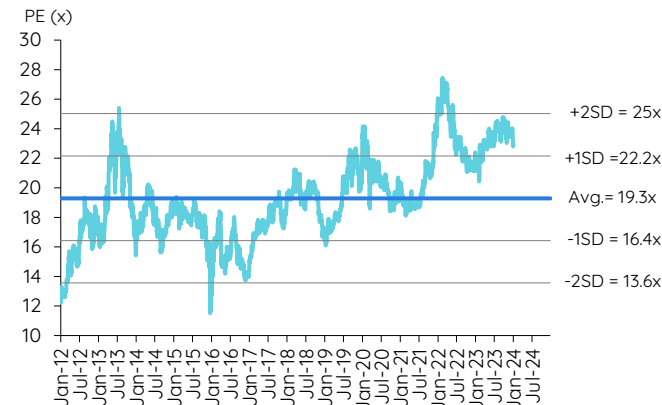
Source: ADVANC and InnovestX Research

Figure 7: FBB ARPU



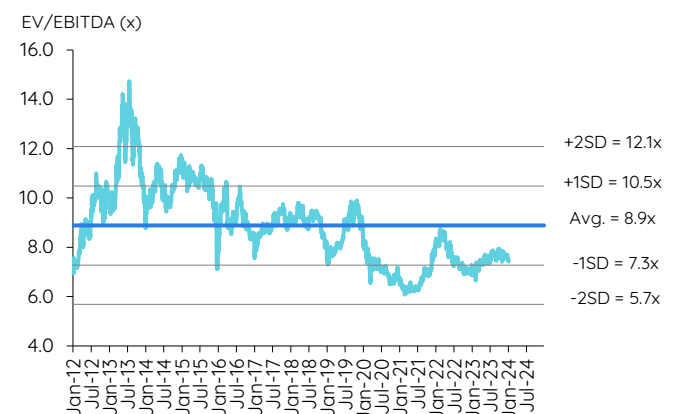
Source: ADVANC and InnovestX Research

Figure 8: PE Band



Source: InnovestX Research

Figure 9: EV/EBITDA Band



Source: InnovestX Research

Figure 10: Valuation summary (price as of Jan 4, 2024)

	Rating	Price (Bt/Sh)	Target (Bt/Sh)	ETR (%)	P/E (x)			EPS growth (%)			P/BV (x)			ROE (%)			Div. Yield (%)			EV/EBITDA (x)		
					22A	23F	24F	22A	23F	24F	22A	23F	24F	22A	23F	24F	22A	23F	24F	22A	23F	24F
ADVANC	Neutral	219.00	246.0	15.9	25.0	23.8	22.9	(6)	5	4	7.6	7.2	6.9	31	31	31	3.5	3.6	3.7	8.1	7.6	7.5
TRUE	Neutral	5.25	6.5	23.8	173.2	n.m.	n.m.	(91)	n.m.	58	1.8	2.3	2.2	1	(7)	(3)	39.4	0.0	0.0	4.8	5.2	4.7
Average					99.1	23.8	22.9	(48)	5	31	4.7	4.8	4.5	16	12	14	21.5	1.8	1.9	6.4	6.4	6.1

Source: InnovestX Research

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CG Rating 2023 Companies with CG Rating

Companies with Excellent CG Scoring

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Companies with Good CG Scoring

24CS, AMANAH, AMARC, AMC, APP, ASAP, BCT, BE8, BIG, BIOTEC, BLESS, BSM, BVG, CAZ, CCET, CHARAN, CHAYO, CHOTI, CITY, CMAN, CMR, CRANE, CWT, DHOUSE, DTCENT, EASON, FNS, FTE, GIFT, GJS, GTB, GTV, GYT, HL, HTECH, HYDRO, IIG, INGRS, INSURE, IRCP, ITD, ITNS, JCK, JMT, JR, JSP, KBS, KGEN, KJL, L&E, LEE, MASTER, MBAX, MEB, MENA, META, MGT, MITSIB, MJD, MOSHI, MUD, NATION, NNCL, NPK, NSL, NV, OGC, PAF, PCC, PEACE, PICO, PK, PL, PLANET, PLE, PMTA, PPM, PRAKIT, PRAPAT, PRECHA, PRIN, PSG, RABBIT, READY, RJH, RSP, RWI, S11, SAAM, SAF, SAMCO, SAWAD, SCAP, SCP, SIAM, SKE, SKY, SMART, SMD, SMIT, SOLAR, SPA, STECH, STPI, SVR, TC, TCCC³, TEAM, TFI, TIGER, TITL, TKC, TMI, TNH, TPA, TPAC, TRITN, UBA, UMI, UMS, UTP, VARO, VPO, W, WARRIX, WORK, WPH, YONG, ZIGA

Corporate Governance Report

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To recognize well performers, the list of companies attaining "Good", "Very Good" and "Excellent" levels of recognition (Not including listed companies qualified in the "no announcement of the results" clause from 1 January 2022 to 31 October 2023) is publicized.

¹OISHI was voluntarily delisted from the Stock Exchange of Thailand, effectively on September 6, 2023

²SFP was voluntarily delisted from the Stock Exchange of Thailand, effectively on July 19, 2023

³TCCC was voluntarily delisted from the Stock Exchange of Thailand effectively on August 25, 2023

Anti-corruption Progress Indicator

Certified (ได้สัมฤทธิ์ผล)

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

Declared (ได้มาตรฐาน)

ACE, ADB, ALT, AMC, ASW, BLAND, BTG, BYD, CAZ, CBG, CV, DEXON, DMT, EKH, FSX, GLOBAL, GREEN, ICN, IHL, ITC, J, JMART, JMT, LEO, LH, MENA, MITSIB, MODERN, NER, NEX, OSP, OTO, PLUS, POLY, PQS, PRIME, PROEN, PRTR, RBF, RT, SA, SANKO, SCB, SENX, SFLEX, SIS, SKE, SM, SVOA, TBN, TEGH, TIPH, TKN, TPAC, TPLAS, TQM, TRUE, W, WPH, XPG

N/A

24CS, 3K-BAT, A, A5, AAV, ABM, ACAP, ACC, ACG, ADD, AEONTS, AFC, AGE, AHC, AIT, AJA, AKR, AKS, ALL, ALLA, ALPHAX, ALUCON, AMARC, AMARIN, AMR, ANAN, ANI, AOT, APCO, APEX, APP, APURE, AQUA, ARIN, ARIP, ARROW, ASAP, ASEFA, ASIA, ASIMAR, ASN, ATP30, AU, AUCT, AURA, B52, BA, BBIK, BC, BCT, BDMS, BEAUTY, BEM, BGT, BH, BIG, BIOTEC, BIS, BIZ, BJC, BJCHI, BKD, BLC, BLESS, BLISS, BM, BOL, BR, BRI, BROCK, BSM, BSRC, BTNC, BTW, BUI, BVG, CCET, CCP, CEYE, CGD, CH, CHARAN, CHASE, CHAYO, CHG, CHIC, CHO, CI, CITY, CIVIL, CK, CKP, CMAN, CMO, CMR, CNT, COCOCO, COLOR, COMAN, CPANEL, CPH, CPR, CPT, CRANE, CRD, CSR, CSS, CTW, CWT, D, DCON, DDD, DHOUSE, DITTO, DOD, DPAINT, DTCENT, DTCI, DV8, EASON, ECL, EE, EFORL, EMC, ETL, EVER, F&D, FANCY, FE, FLOYD, FMT, FN, FORTH, FTI, FVC, GABLE, GENCO, GFC, GIFT, GL, GLAND, GLOCON, GLORY, GRAMMY, GRAND, GSC, GTB, GTV, GYT, HEALTH, HFT, HL, HPT, HTECH, HUMAN, HYDRO, I2, IFEC, IIG, IMH, IND, INGRS, INSET, IP, IRC, IRCP, IT, ITD, ITNS, ITTHI, JAK, JCK, JCKH, JCT, JDF, JPARK, JSP, JUBILE, K, KAMART, KC, KCG, KCM, KDH, KEX, KIAT, KISS, KJL, KK, KKC, KLINIQ, KOOL, KTIS, KTMS, KUMWEL, KUN, KWC, KWI, KWM, KYE, LALIN, LDC, LEE, LIT, LOXLEY, LPH, LST, MANRIN, MASTER, MATI, MCA, M-CHAI, MCS, MDX, MEB, MEGA, METCO, MGC, MGI, MGT, MICRO, MIDA, MJD, MK, ML, MORE, MOSHI, MTW, MUD, MVP, NAM, NC, NCH, NCL, NDR, NETBAY, NEW, NEWS, NFC, NNCL, NOK, NOVA, NPK, NSL, NTSC, NTV, NUSA, NV, NVD, NYT, OHTL, ONEE, ORN, PACE, PACO, PAF, PCC, PEACE, PERM, PF, PHG, PICO, PIN, PJW, PLE, PLT, PMTA, POLAR, POMPUJ, PORT, POST, PPM, PRAKIT, PRAPAT, PRECHA, PRI, PRIN, PRO, PROUD, PSG, PSP, PTC, PTL, RAM, RCL, READY, RICHY, RJH, ROCK, ROCTEC, ROH, ROJNA, RP, RPC, RPH, RSP, S, S11, SABUY, SAF, SAFARI, SAFE, SALEE, SAM, SAMART, SAMCO, SAMTEL, SAUCE, SAV, SAWAD, SAWANG, SBNEXT, SCAP, SCGD, SCI, SCH, SCP, SDC, SE, SEAFCO, SECURE, SFT, SGF, SHANG, SHR, SIAM, SICT, SIMAT, SINGER, SINO, SISB, SJWD, SK, SKN, SKY, SLM, SLP, SMART, SMD, SMT, SNNP, SO, SOLAR, SONIC, SPA, SPCG, SPG, SPVI, SQ, SR, SRS, SSC, SSS, STANLY, STARK, STC, STEC, STECH, STHAI, STI, STP, STPI, SUC, SUN, SUPER, SUTHA, SVR, SVT, SWC, SYNEX, TACC, TAN, TAPAC, TC, TCC, TCJ, TCOAT, TEAM, TEAMG, TEKA, TFM, TGPRO, TH, THAI, THANA, THE, THG, THMU, TIGER, TITL, TK, TKC, TLI, TM, TMC, TMI, TMW, TNDT, TNH, TNPC, TOA, TPBI, TPCH, TPIPL, TPIPP, TPL, TPOLY, TPP, TPS, TQR, TR, TRC, TRITN, TRP, TRUBB, TRV, TSE, TTI, TTT, TTW, TURTLE, TVH, TVT, TWP, TWZ, TYCN, UAC, UBA, UMI, UMS, UNIQ, UP, UPF, UPOIC, UREKA, UTP, UVAN, VARO, VIBHA, VL, VNG, VPO, VRANDA, WARRIX, WAVE, WFX, WGE, WIN, WINDOW, WINMED, WINNER, WORK, WORLD, WP, YGG, YONG, ZAA

Explanations

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