

Advanced Info Service

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Public Company Limited

ADVANC

Bloomberg ADVANC.TB
Reuters ADVANC.BK

Pulse is strong

We maintain our positive view toward ADVANC and keep our OUTPERFORM rating with end-2024 DCF-based TP at Bt260 (6% WACC and 2% LTG). We expect decent core earnings growth in 2Q24 of 1.2% QoQ and 22.2% YoY to Bt8.8bn and potential upward revision of management guidance to be share price catalysts. Its current valuation in terms of EV/EBITDA is also attractive relative to TRUE. We therefore believe its share price will step back up to ~Bt230/sh shortly.

Catalyst#1: 2Q24F earnings to grow QoQ and YoY. We expect ADVANC to report 2Q24 net profit of Bt8.8bn, up 3.5% QoQ and 21.8% YoY, with core profit growth of 1.2% QoQ and 22.2% YoY. Revenue in its core business is still doing well. Mobile revenue (57% of total revenue) is estimated at Bt30.9bn, up 2% QoQ and 4.9% YoY, driven by prepaid revenue, with ARPU up QoQ and YoY on better pricing. FBB revenue (13% of total revenue) is expected at Bt7.3bn, up 3% QoQ and 156.6% YoY. QoQ growth will be backed by better ARPU (the minimum package is now Bt500/mth vs average ARPU of Bt496/mth as of 1Q24) and more subscribers; the surge YoY reflects contribution from TTTBB. We note that SG&A in the quarter is expected to rise 15% QoQ and 38% YoY to Bt6.8bn on a jump in admin expense, while marketing expense will be relatively stable QoQ. The QoQ leap for admin expense is related to higher staff bonuses after a strong 1Q24 performance. Based on our 2Q24F forecast, 1H24F core profit should account for 55% of our full-year estimates. Results will be released on Aug 6. We expect the company to announce a 1H24F dividend of Bt5.1/sh based on 88% payout ratio.

Catalyst#2: Potential upward revision in guidance post 2Q24 results. ADVANC targets 2024 core service revenue growth of 13-15% with EBITDA at 14-16%. In 1Q24, core service revenue grew 18% and EBITDA rose 23%. Based on our 2Q24F numbers, 1H24F core service revenue will grow 18.2% and EBITDA 20.8%. We thus see potential for an upward revision of its financial guidance. Normally, any change in guidance will be announced after 2Q24 results. Note that we assume 14.2% growth in core service revenue and 13.3% for EBITDA in 2024F.

Catalyst#3: Tactical trade on valuation gap. ADVANC share price has risen 1.8% YTD vs 79.2% for TRUE and in our view, ADVANC's valuation in terms of EV/EBITDA is attractive. Historically, ADVANC's EV/EBITDA has traded at an 8.1% premium to TRUE on average since amalgamation vs 4% at the current level.

Action & recommendation. We believe ADVANC share price will go back to ~Bt230/sh in the near-term, as this is the level where valuation premium returns to its average and it is also the level it traded at before the market started to be concerned about its business integration cost.

Risks and concerns. Weak economic recovery would hamper ARPU uplift in the mobile and FBB businesses. Key ESG risk for the company is in the arena of cybersecurity and data privacy for subscribers.

Forecasts and valuation

Year to 31 Dec	Unit	2022	2023	2024F	2025F	2026F
Revenue	(Btmn)	185,485	188,873	209,040	213,781	218,668
EBITDA	(Btmn)	90,261	94,076	106,631	109,249	111,958
Core profit	(Btmn)	26,048	28,467	31,567	34,096	37,364
Reported profit	(Btmn)	26,011	29,086	31,567	34,096	37,364
Core EPS	(Bt)	8.76	9.57	10.61	11.46	12.56
DPS	(Bt)	7.69	8.61	9.34	10.09	11.06
P/E, core	(x)	25.2	23.1	20.8	19.3	17.6
EPS growth, core	(%)	(5.5)	9.3	10.9	8.0	9.6
P/BV, core	(x)	7.7	7.3	6.9	6.5	6.2
ROE	(%)	31.1	32.3	33.9	34.7	36.0
Dividend yield	(%)	3.5	3.9	4.2	4.6	5.0
EV/EBITDA	(x)	8.1	8.2	7.3	6.9	6.4
EBITDA growth	(%)	(2.4)	4.2	13.3	2.5	2.5

Source: InnovestX Research

Tactical: OUTPERFORM
(3-month)

Stock data

Last close (Jul 12) (Bt)	221.00
Target price (Bt)	260.00
Mkt cap (Btmn)	657.30
Mkt cap (US\$m)	18,182

Beta	L
Mkt cap (%) SET	3.99
Sector % SET	9.57
Shares issued (mn)	2,974
Par value (Bt)	1.00
12-m high / low (Bt)	231 / 193
Avg. daily 6m (US\$m)	27.43
Foreign limit / actual (%)	48 / 37
Free float (%)	36.2
Dividend policy (%)	≥ 70

Share performance

(%)	1M	3M	12M
Absolute	5.7	9.4	1.4
Relative to SET	4.1	14.7	13.7

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	1/36
Environmental Score Rank	1/36
Social Score Rank	1/36
Governance Score Rank	1/36

ESG comment

ADVANC ranked no. 1 in ESG score in the sector and also in each category, implying good ESG.

Source: Bloomberg Finance L.P.

Analyst

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Fundamental Investment

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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 attempt to broaden its revenue stream from 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 3BBIF 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. Spectrum auction could create negative sentiment toward the stock
2. Cost synergy comes faster than expected	2. Business integration cost could spike again

Key catalysts

Factor	Event	Impact	Comment
Latest development	Successfully acquired TTTBB and JASIF in 4Q23	Slightly positive	The acquisition cost is lower than expected. In our forecast, we assume Bt2.7/sh from this deal and it is already in our TP.
Near-term earnings outlook	3Q24F earnings momentum	growing QoQ and YoY	QoQ growth to be supported by the launch of a new iPhone while the YoY will be on cost synergy.
Factors to watch in 2024	Spectrum auction	Neutral	We expect bidding competition to be mild as there are only two key operators in Thailand.

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 Disclosure Score

Bloomberg ESG Score	60.79 (2022)	CG Rating	DJSI	SETESG	SET ESG Ratings	
Rank in Sector	1/36	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	60.60	60.79
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	1,318.491	394.99
Renewable Energy Use	16.28	24.19
Social	49.18	42.99
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	11	12
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	2019	2020	2021	2022	2023	2024F	2025F	2026F
Total revenue	(Btmn)	180,894	172,890	181,333	185,485	188,873	209,040	213,781	218,668
Cost of goods sold	(Btmn)	(111,899)	(110,848)	(121,453)	(126,172)	(125,387)	(137,189)	(138,574)	(138,827)
Gross profit	(Btmn)	68,994	62,042	59,880	59,313	63,486	71,851	75,207	79,841
SG&A	(Btmn)	(27,885)	(24,499)	(21,846)	(22,486)	(22,978)	(25,352)	(26,113)	(26,896)
Other income	(Btmn)	846	969	1,273	658	847	842	862	857
Interest expense	(Btmn)	(4,777)	(5,917)	(5,626)	(5,230)	(6,145)	(9,269)	(8,750)	(8,540)
Pre-tax profit	(Btmn)	37,179	32,595	33,680	32,255	35,210	38,071	41,205	45,262
Corporate tax	(Btmn)	(6,209)	(5,089)	(5,970)	(6,168)	(6,909)	(7,614)	(8,241)	(9,052)
Equity a/c profits	(Btmn)	(86)	(70)	(141)	(36)	168	1,113	1,135	1,158
Minority interests	(Btmn)	(3)	(3)	(2)	(3)	(3)	(3)	(3)	(3)
Core profit	(Btmn)	30,881	27,433	27,568	26,048	28,467	31,567	34,096	37,364
Extra-ordinary items	(Btmn)	308	2	(646)	(37)	620	0	0	0
Net Profit	(Btmn)	31,190	27,434	26,922	26,011	29,086	31,567	34,096	37,364
EBITDA	(Btmn)	78,987	90,034	92,463	90,261	94,076	106,631	109,249	111,958
Core EPS	(Bt)	10.39	9.23	9.27	8.76	9.57	10.61	11.46	12.56
Net EPS	(Bt)	10.49	9.23	9.05	8.75	9.78	10.61	11.46	12.56
DPS	(Bt)	7.34	6.92	7.69	7.69	8.61	9.34	10.09	11.06

Balance Sheet

FY December 31	Unit	2019	2020	2021	2022	2023	2024F	2025F	2026F
Total current assets	(Btmn)	47,142	42,155	35,566	34,338	41,838	48,736	66,912	103,258
Total fixed assets	(Btmn)	228,584	291,460	300,192	275,878	361,603	342,791	323,963	294,054
Total assets	(Btmn)	289,669	350,171	356,222	337,044	454,439	475,209	474,824	481,530
Total loans	(Btmn)	94,044	98,050	87,828	84,410	127,244	132,420	125,000	122,000
Total current liabilities	(Btmn)	105,255	95,039	92,590	96,504	133,685	130,319	125,449	126,494
Total long-term liabilities	(Btmn)	115,020	179,443	181,807	154,723	230,076	249,258	248,457	248,091
Total liabilities	(Btmn)	220,275	274,481	274,397	251,227	363,761	379,578	373,906	374,585
Paid-up capital	(Btmn)	2,973	2,974	2,974	2,974	2,974	2,974	2,974	2,974
Total equity	(Btmn)	69,394	75,689	81,825	85,816	90,678	95,632	100,918	106,945
BVPS	(Bt)	23.30	25.41	27.47	28.81	30.45	32.12	33.90	35.92

Cash Flow Statement

FY December 31	Unit	2019	2020	2021	2022	2023	2024F	2025F	2026F
Core Profit	(Btmn)	30,881	27,433	27,568	26,048	28,467	31,567	34,096	37,364
Depreciation and amortization	(Btmn)	37,229	51,842	53,374	52,902	52,880	59,438	59,454	58,306
Operating cash flow	(Btmn)	94,764	83,310	88,308	77,961	84,280	100,612	95,004	99,074
Investing cash flow	(Btmn)	(48,365)	(67,450)	(62,333)	(55,777)	(97,516)	(77,884)	(45,002)	(32,579)
Financing cash flow	(Btmn)	(35,829)	(17,076)	(31,657)	(25,909)	18,966	(21,441)	(36,233)	(34,341)
Net cash flow	(Btmn)	10,570	(1,216)	(5,681)	(3,726)	5,730	1,286	13,769	32,154

Key Financial Ratios

FY December 31	Unit	2019	2020	2021	2022	2023	2024F	2025F	2026F
Gross margin	(%)	38.1	35.9	33.0	32.0	33.6	34.4	35.2	36.5
Operating margin	(%)	22.7	21.7	21.0	19.9	21.4	22.2	23.0	24.2
EBITDA margin	(%)	43.7	52.1	51.0	48.7	49.8	51.0	51.1	51.2
EBIT margin	(%)	37.6	45.7	44.6	42.5	42.9	42.9	43.2	43.2
Net profit margin	(%)	17.2	15.9	14.8	14.0	15.4	15.1	15.9	17.1
ROE	(%)	48.6	37.8	35.0	31.1	32.3	33.9	34.7	36.0
ROA	(%)	10.6	8.6	7.8	7.5	7.2	6.8	7.2	7.8
Net D/E	(x)	1.1	1.1	0.9	0.9	1.2	1.2	0.9	0.6
Interest coverage	(x)	16.5	15.2	16.4	17.3	15.3	11.5	12.5	13.1
Debt service coverage	(x)	2.7	3.7	4.7	3.5	1.5	2.0	2.2	2.4
Payout Ratio	(%)	70.0	75.0	84.9	87.9	88.0	88.0	88.0	88.0

Main Assumptions

FY December 31	Unit	2019	2020	2021	2022	2023	2024F	2025F	2026F
Service revenue ex. IC growth yoy	(%)	2.4	(5.1)	1.1	1.6	4.2	14.2	2.7	2.7
Mobile revenue	(Btmn)	126,341	118,082	117,244	116,695	118,129	120,492	122,901	125,359
FBB revenue	(Btmn)	5,656	6,960	8,436	10,063	13,621	30,647	32,180	33,789
SIM and Handset margin	(%)	1.1	0.9	0.9	1.0	1.8	1.0	1.0	1.0

Financial statement

Profit and Loss Statement

FY December 31	Unit	2Q22	3Q22	4Q22	1Q23	2Q23	3Q23	4Q23	1Q24
Total revenue	(Btmn)	45,273	46,234	48,699	46,712	44,774	46,069	51,318	53,293
Cost of goods sold	(Btmn)	(30,399)	(31,696)	(33,399)	(31,702)	(29,704)	(30,306)	(33,674)	(34,875)
Gross profit	(Btmn)	14,874	14,538	15,300	15,010	15,070	15,762	17,644	18,418
SG&A	(Btmn)	(5,718)	(5,669)	(5,521)	(5,601)	(4,947)	(4,993)	(7,438)	(5,890)
Other income	(Btmn)	281	107	61	134	90	500	124	172
Interest expense	(Btmn)	(1,323)	(1,294)	(1,294)	(1,250)	(1,333)	(1,366)	(2,196)	(2,300)
Pre-tax profit	(Btmn)	8,114	7,683	8,545	8,294	8,880	9,903	8,133	10,400
Corporate tax	(Btmn)	(1,467)	(1,410)	(1,747)	(1,597)	(1,723)	(1,887)	(1,702)	(1,993)
Equity a/c profits	(Btmn)	(6)	(9)	(5)	(2)	2	9	159	242
Minority interests	(Btmn)	(1)	(1)	(1)	(1)	(1)	(1)	0	(0)
Core profit	(Btmn)	6,640	6,263	6,792	6,694	7,158	8,024	6,590	8,649
Extra-ordinary items	(Btmn)	(335)	(231)	572	62	22	123	412	(198)
Net Profit	(Btmn)	6,305	6,032	7,363	6,757	7,180	8,146	7,003	8,451
EBITDA	(Btmn)	22,629	22,199	29,509	22,699	23,349	24,113	24,074	27,940
Core EPS (Bt)	(Bt)	2.23	2.11	2.28	2.25	2.41	2.70	2.22	2.91
Net EPS (Bt)	(Bt)	2.12	2.03	2.48	2.27	2.41	2.74	2.35	2.84

Balance Sheet

FY December 31	Unit	2Q22	3Q22	4Q22	1Q23	2Q23	3Q23	4Q23	1Q24
Total current assets	(Btmn)	36,381	37,885	34,338	37,462	38,196	40,664	41,838	49,798
Total fixed assets	(Btmn)	288,951	281,541	275,878	265,985	260,731	254,418	361,603	353,954
Total assets	(Btmn)	349,517	345,370	337,044	330,434	326,646	322,770	454,439	455,211
Total loans	(Btmn)	87,191	95,192	84,410	80,790	90,882	99,802	127,244	120,458
Total current liabilities	(Btmn)	98,518	110,172	96,504	99,459	78,830	91,047	133,685	149,953
Total long-term liabilities	(Btmn)	168,598	156,984	154,723	151,008	160,633	148,237	230,076	219,870
Total liabilities	(Btmn)	267,116	267,157	251,227	250,467	239,463	239,284	363,761	369,824
Paid-up capital	(Btmn)	2,974	2,974	2,974	2,974	2,974	2,974	2,974	2,974
Total equity	(Btmn)	82,402	78,214	85,816	79,967	87,183	83,486	90,678	85,388
BVPS (Bt)	(Bt)	27.66	26.25	28.81	26.84	29.29	28.04	30.45	28.68

Cash Flow Statement

FY December 31	Unit	2Q22	3Q22	4Q22	1Q23	2Q23	3Q23	4Q23	1Q24
Core Profit	(Btmn)	6,640	6,263	6,792	6,694	7,158	8,024	6,590	8,649
Depreciation and amortization	(Btmn)	13,192	13,222	13,118	13,155	13,136	12,844	13,745	15,240
Operating cash flow	(Btmn)	7,999	19,199	37,992	27,235	3,731	21,298	32,016	44,924
Investing cash flow	(Btmn)	(15,042)	(26,700)	3,605	(20,273)	(12,323)	(28,021)	(36,898)	(29,107)
Financing cash flow	(Btmn)	803	6,710	(41,941)	(3,488)	9,688	8,951	3,815	(7,298)
Net cash flow	(Btmn)	(6,240)	(790)	(344)	3,474	1,096	2,227	(1,068)	8,520

Key Financial Ratios

FY December 31	Unit	2Q22	3Q22	4Q22	1Q23	2Q23	3Q23	4Q23	1Q24
Gross margin	(%)	32.9	31.4	31.4	32.1	33.7	34.2	34.4	34.6
Operating margin	(%)	20.2	19.2	20.1	20.1	22.6	23.4	19.9	23.5
EBITDA margin	(%)	50.0	48.0	60.6	48.6	52.1	52.3	46.9	52.4
EBIT margin	(%)	43.8	42.2	54.3	42.5	45.3	45.3	39.3	44.4
Net profit margin	(%)	13.9	13.0	15.1	14.5	16.0	17.7	13.6	15.9
ROE	(%)	33.0	32.7	32.4	34.4	33.8	39.7	29.9	41.8
ROA	(%)	7.4	7.1	7.8	7.8	8.5	9.6	6.7	8.8
Net D/E	(x)	0.9	1.1	0.9	0.9	0.9	1.0	1.2	1.1
Interest coverage	(x)	17.1	17.2	22.8	18.2	17.5	17.7	11.0	12.1

Main Assumptions

FY December 31	Unit	2Q22	3Q22	4Q22	1Q23	2Q23	3Q23	4Q23	1Q24
Service revenue ex. IC growth yoy	(%)	2.9	1.0	1.3	2.3	1.8	2.9	9.5	17.6
Mobile revenue	(Btmn)	29,217	29,107	29,524	29,258	29,495	29,311	30,065	30,339
FBB revenue	(Btmn)	2,487	2,541	2,598	2,710	2,857	3,021	5,033	7,118
SIM and Handset margin	(%)	0.2	1.0	1.1	1.8	1.2	1.8	2.3	4.7

Figure 1: 2Q24F results preview

Unit: (Btmn)	2Q23	1Q24	2Q24F	y-o-y	q-o-q
Service revenue ex. IC	33,903	39,437	40,252	18.7%	2.1%
- Mobile revenue	29,495	30,339	30,946	4.9%	2.0%
- FBB revenue	2,857	7,118	7,332	156.6%	3.0%
- Other service revenue	1,551	1,980	1,975	27.3%	-0.3%
IC & Equipment rental revenue	3,413	3,366	3,367	-1.3%	0.0%
Handset & SIM revenue	7,459	10,490	9,231	23.8%	-12.0%
Total revenue	44,775	53,293	52,851	18.0%	-0.8%
Cost of services	(9,548)	(10,065)	(10,066)	5.4%	0.0%
Depreciation & Amortisation	(12,787)	(14,816)	(14,520)	13.6%	-2.0%
Handset & SIM cost	(7,370)	(9,993)	(8,731)	18.5%	-12.6%
Total costs	(29,705)	(34,874)	(33,317)	12.2%	-4.5%
Gross profit	15,070	18,419	19,534	29.6%	6.1%
SG&A	(4,910)	(5,890)	(6,774)	38.0%	15.0%
Operating profit	10,160	12,529	12,760	25.6%	1.8%
Other income	56	171	150	167.9%	-12.3%
Equity income	0	242	240	na.	-0.8%
EBIT	10,216	12,942	13,150	28.7%	1.6%
Interest expense	(1,333)	(2,300)	(2,350)	76.3%	2.2%
EBT	8,883	10,642	10,800	21.6%	1.5%
Income tax	(1,723)	(1,993)	(2,052)	19.1%	3.0%
Minority interests	(1)	(0)	0	na.	na.
Core profit	7,159	8,649	8,748	22.2%	1.2%
Extra items	22	(198)	0	na.	na.
Net income	7,180	8,451	8,748	21.8%	3.5%
EPS (Bt)	2.41	2.84	2.94	21.8%	3.5%

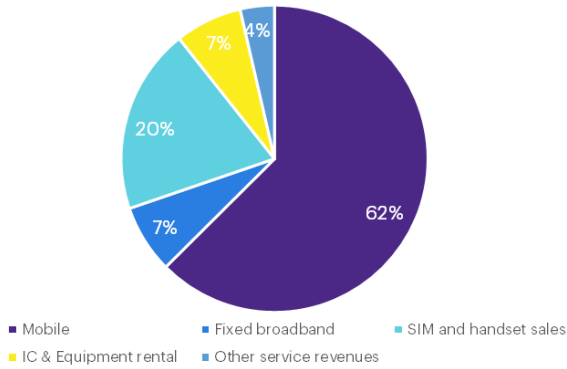
Ratio analysis and Operating stats

EBITDA margin (%)	51.4	52.1	52.4
SGA/Total revenue (%)	11.0	11.1	12.8
Reg. fee/service revenue (%)	4.2	4.2	4.2
Net profit margin (%)	16.0	15.9	16.6

Source: InnovestX Research, ADVANC

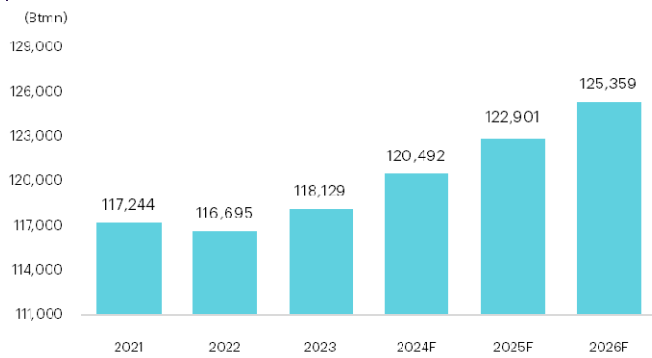
Appendix

Figure 2: Revenue breakdown



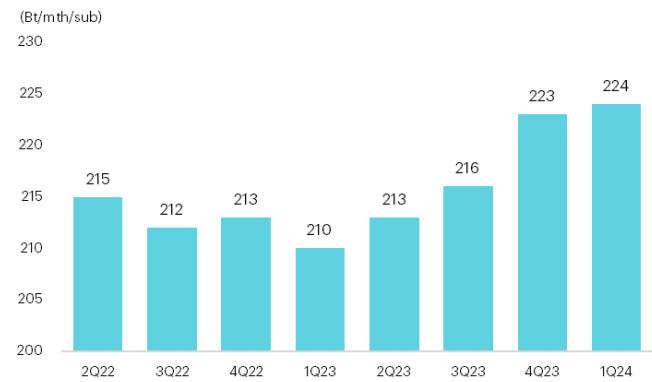
Source: ADVANC and InnovestX Research

Figure 4: Mobile revenue



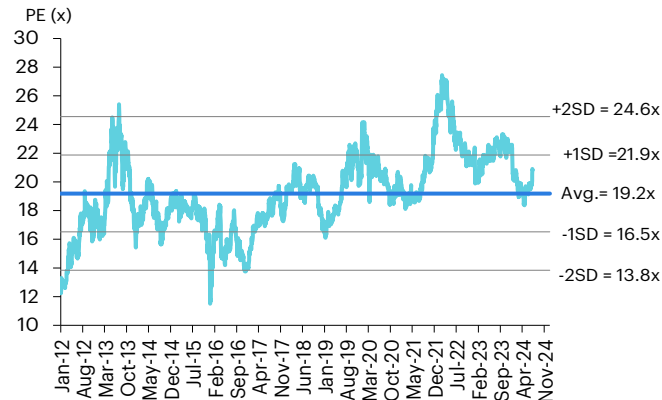
Source: ADVANC and InnovestX Research

Figure 6: Mobile blended ARPU



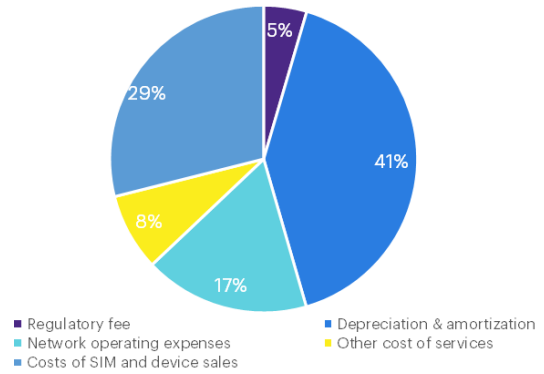
Source: ADVANC and InnovestX Research

Figure 8: PE Band



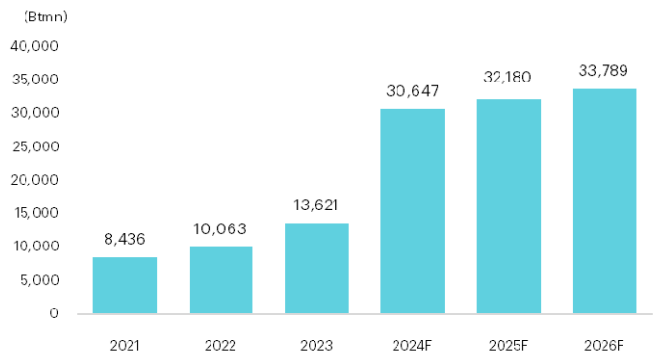
Source: InnovestX Research

Figure 3: Cost breakdown



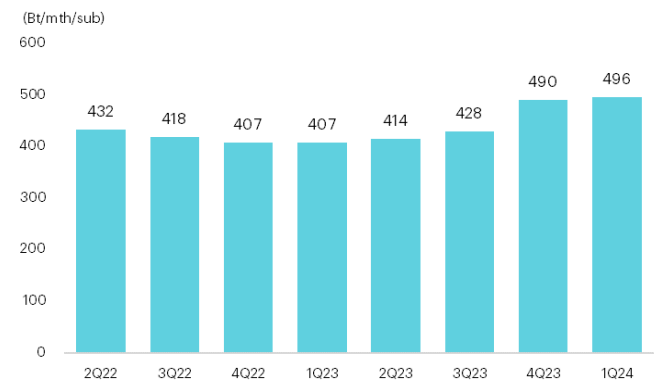
Source: ADVANC and InnovestX Research

Figure 5: FBB revenue



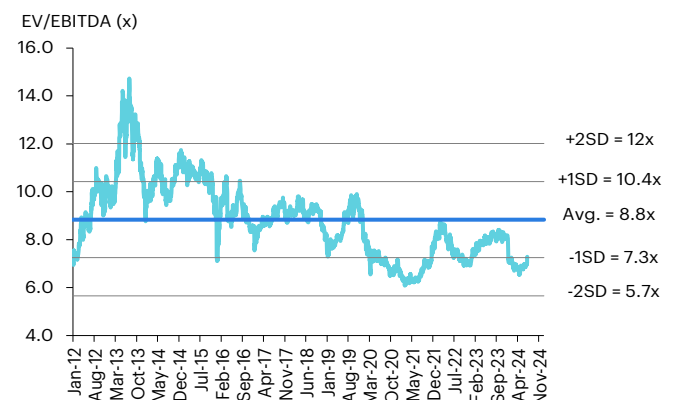
Source: ADVANC and InnovestX Research

Figure 7: FBB ARPU



Source: ADVANC and InnovestX Research

Figure 9: EV/EBITDA Band



Source: InnovestX Research

Figure 10: Valuation summary (Price as of Jul 12, 2024)

	Rating	Price (Bt/Sh)	Target (Bt/Sh)	ETR (%)	P/E (x)			EPS growth (%)			P/BV (x)			ROE (%)			Div. Yield (%)			EV/EBITDA (x)		
					23A	24F	25F	23A	24F	25F	23A	24F	25F	23A	24F	25F	23A	24F	25F	23A	24F	25F
ADVANC	Outperform	221.00	260.0	21.9	23.1	20.8	19.3	9	11	8	7.3	6.9	6.5	32	34	35	3.9	4.2	4.6	8.2	7.3	6.9
TRUE	Outperform	9.05	10.0	10.7	n.m.	102.1	49.4	0	n.m.	106	3.6	3.6	3.4	(11)	4	7	0.0	0.2	1.0	7.5	6.9	6.4
Average					23.1	61.4	34.4	5	11	57	5.5	5.2	5.0	11	19	21	1.9	2.2	2.8	7.9	7.1	6.6

Source: Bloomberg Finance L.P., InnovestX Research

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CG Rating 2023 Companies with CG Rating

Companies with Excellent CG Rating

7UP, AAV, ABM, ACE, ACG, ADB, ADD, ADVANC, AEONTS, AF, AGE, AH, AHC, AIRA, AIT, AJ, AKP, AKR, ALLA, ALT, AMA, AMARIN, AMATA, AMATAV, ANAN, AOT, AP, APCO, APCS, ARIP, ARROW, ASEFA, ASK, ASP, ASW, ATP30, AUCTION, AWC, AYUD, B, BA, BAFS, BAM, BANPU, BAY, BBGI, BBK, BBL, BC, BCH, BCP, BCPG, BDMS, BEC, BEM, BEYOND, BGC, BGRIM, BH, BIZ, BJC, BJCHI, BKI, BLA, BOL, BPP, BRI, BROOK, BRR, BTS, BTW, BWG, BYD, CBG, CENTEL, CFRESH, CHASE, CHEWA, CHG, CHOW, CIMBT, CIVIL, CK, CKP, CM, CNT, COLOR, COM7, COTTO, CPALL, CPAXT, CPF, CPI, CPL, CPN, CPW, CRC, CRD, CSC, CSS, CV, DCC, DDD, DELTA, DEMCO, DMT, DOHOME, DRT, DUSIT, EA, EASTW, ECF, ECL, EE, EGCO, EPG, ERW, ETC, ETE, FE, FLOYD, FN, FPI, FPT, FSX, FVC, GBX, GC, GCAP, GENCO, GFPT, GGC, GLAND, GLOBAL, GPSC, GRAMMY, GULF, GUNKUL, HANA, HARN, HENG, HMPRO, HPT, HTC, ICC, ICHI, ICN, III, ILINK, ILM, IMH, IND, INET, INTUCH, IP, IRC, IRPC, ITC, ITEL, IVL, JAS, JTS, KBANK, KCC, KCE, KEX, KKP, KSL, KTB, KTC, KTMS, KUMWEL, KUN, LALIN, LANNA, LH, LHFG, LIT, LOXLEY, LPN, LRH, LST, M, MAJOR, MALEE, MATCH, MBK, MC, M-CHAI, MCOT, MEGA, MFC, MFEC, MILL, MINT, MONO, MOONG, MSC, MST, MTC, MTI, NC, NCH, NCL, NDR, NER, NKI, NOBLE, NRF, NTV, NVD, NWR, NYT, OCC, OISHI¹, ONEE, OR, ORI, OSP, OTO, PAP, PATO, PB, PCSGH, PDG, PDJ, PG, PHOL, PIMO, PJW, PLANB, PLAT, PLUS, PM, POLY, PORT, PPP, PPS, PR9, PRG, PRINC, PRM, PRTR, PSH, PSL, PT, PTC, PTT, PTTEP, PTTGC, Q-CON, QH, QTC, RATCH, RBF, RPH, RS, RT, S, S&J, SA, SABINA, SAK, SAMART, SAMTEL, SAPPE, SAT, SBNEXT, SC, SCB, SCC, SCCC, SCG, SCGP, SCM, SDC, SEAFCO, SEAOL, SECURE, SELIC, SENA, SENX, SFP², SFT, SGC, SGF, SGP, SHR, SICT, SIRI, SIS, SITHAI, SJWD, SKR, SM, SMP, SMT, SNC, SNNP, SNP, SO, SPALI, SPC, SPCG, SPI, SPRC, SR, SSC, SSF, SSSC, STA, STC, STEC, STGT, STI, SUC, SUN, SUSCO, SUTHA, SVI, SVT, SYMC, SYNEX, SYNTEC, TACC, TAE, TCAP, TCMC, TEAMG, TEGH, TFG, TFMAMA, TGE, TGH, THANA, THANI, THCOM, THIP, THRE, THREL, TIDLOR, TIPH, TISCO, TK, TKN, TKS, TKT, TLI, TM, TMC, TMD, TMT, TNDT, TNITY, TNL, TNR, TOA, TOG, TOP, TPBI, TPCS, TPIPL, TPIPP, TPS, TQM, TQR, TRT, TRUE, TRV, TSC, TSTE, TSTH, TTA, TTB, TTCL, TTW, TURTLE, TVDH, TVH, TVO, TVT, TWPC, UAC, UBE, UBIS, UKEM, UP, UPF, UPOIC, UV, VCOM, VGI, VIBHA, VIH, VL, WACOAL, WGE, WHA, WHAUP, WICE, WINMED, WINNER, XPG, YUASA, ZEN

Companies with Very Good CG Scoring

2S, A5, AAI, AIE, ALUCON, AMR, APURE, ARIN, AS, ASIA, ASIAN, ASIMAR, ASN, AURA, BR, BSBM, BTG, CEN, CGH, CH, CHIC, CI, CIG, CMC, COMAN, CSP, DOD, DPAINT, DV8, EFORL, EKH, ESSO, ESTAR, EVER, FORTH, FSMART, FTI, GEL, GPI, HEALTH, HUMAN, IFS, INSET, IT, J, JCHK, JDF, JKN, JMART, JUBILE, K, KCAR, KGI, KIAT, KISS, KK, KTIS, KWC, KWM, LDC, LEO, LHK, MACO, METCO, METRO, MK, MVP, NCAP, NOVA, NTSC, PACO, PIN, PQS, PREB, PRI, PRIME, PROEN, PROS, PROUD, PSTC, PTECH, PYLON, RCL, SALEE, SANKO, SCI, SCN, SE, SE-ED, SFLEX, SINGER, SKN, SONIC, SORKON, SPVI, SSP, SST, STANLY, STP, SUPER, SVOA, SWC, TCC, TEKA, TFM, TMILL, TNP, TPLAS, TPOLY, TRC, TRU, TRUBB, TSE, VRANDA, WAVE, WFX, WIJK, WIN, WP, XO

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, PRATAP, 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, TITLE, 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 (ได้คุ้มครอง)

2S, AAI, ADVANC, AE, 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, BLA, BPP, BRR, BSBM, BTC, 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, KCCAMC, 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, SMP, 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, TFG, TFI, TFMAMA, TGE, TGH, THANI, THCOM, THIP, THRE, THREL, TIDLOR, TIPCO, TISCO, TKS, TKT, TMD, TMILL, TMT, TNITY, TNL, TNP, TNR, TOG, TOP, TOPP, TPA, TPCS, TRT, TRU, TSC, TSI, TSTE, TSTH, TTA, TTB, TTCL, TU, TVDH, TVO, TWPC, UBE, UEC, UKEM, UOBKH, UV, VCOM, VGI, VIH, WACOAL, WHA, WHAUP, WICE, WIJK, XO, YUASA, ZEN, ZIGA

Declared (ประกาศเจตนา)

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, PEER, 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, ADVICE, AEONTS, AFC, AGE, AHC, AIT, AJA, AKR, AKS, ALL, ALLA, ALPHAX, ALUCON, AMARC, AMARIN, AMR, ANAN, ANI, AOT, APCO, APEX, APO, APP, APURE, AQUA, ARIN, ARIP, ARROW, ASAP, ASEFA, ASIA, ASIMAR, ASN, ATP30, AU, AUCTION, AURA, B52, BA, BBK, BC, BCT, BDMS, BEAUTY, BEM, BGT, BH, BIG, BIOTEC, BIS, BIZ, BJC, BJCHI, BKD, BKGI, BKIH, BLC, BLESS, BLISS, BM, BOL, BPS, BR, BRI, BROCK, BSM, BSRC, BTNC, BTW, BUI, BVG, CCET, CCP, CEYE, CFARM, CGD, CH, CHAO, CHARAN, CHASE, CHAYO, CHG, CHIC, CHO, CI, CITY, CIVIL, CK, CKP, CMAN, CMO, CMR, CNT, COCOCO, COLOR, COMAN, CPANEL, CPH, CPR, CPT, CRANE, CRD, CREDIT, CSP, CSR, CSS, CTW, CWT, D, DCON, DDD, DHOUSE, DITTO, DOD, DPAINT, DTCENT, DTICI, DV8, EASON, ECL, EE, EFORL, EMC, ETL, EURO, 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, IRPC, IT, ITD, ITNS, ITTHI, JAK, JCK, JCHK, JCT, JDF, JPARK, JSP, JUBILE, K, KAMART, KC, KCC, 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, LTS, MAGURO, 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, NAT, NC, NCH, NCL, NCO, NETBAY, NEW, NEWS, NFC, NL, NNCL, NOK, NOVA, NPK, NSL, NTSC, NTV, NUSA, NV, NVD, NYT, OHTL, ONEE, ORN, PACO, PAF, PANEL, PCC, PEACE, PERM, PF, PHG, PICO, PIN, PJW, PLE, PLT, PMTA, POLAR, PORT, POST, PPM, PRAKIT, PRAPAT, PRECHA, PRI, PRIN, PRO, PROUD, PSG, PSP, PTC, PTL, QTGC, 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, SCL, 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, SPREME, SPVI, SQ, SR, SRS, SSC, STANLY, STARK, STC, STEC, STECH, STHAI, STI, STP, STPI, STX, SUC, SUN, SUPER, SUTHA, SVR, SVT, SWC, SYNEX, TACC, TAN, TAPAC, TC, TCC, TCJ, TCOAT, TEAM, TEAMG, TEKA, TERA, TFM, TGPRO, TH, THAI, THANA, THE, THG, THMU, TIGER, TITLE, 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, UNIQU, UP, UPF, UPOIC, UREKA, UTP, UVAN, VARO, VIBHA, VL, VNG, VPO, VRANDA, WARRIX, WAVE, WELL, WFX, WGE, WIN, WINDOW, WINMED, WINNER, WORK, WORLD, WP, YGG, YONG, ZAA

Explanations

Companies participating in Thailand's Private Sector Collective Action Coalition Against Corruption programme (Thai CAC) under Thai Institute of Directors (as of November 1, 2023) are categorised into: companies that have declared their intention to join CAC, and companies certified by CAC.