

PLEASE CLICK ON THE PAGE NUMBER TO MOVE TO THE RELEVANT PAGE.

KEY HIGHLIGHTS

Strategy

Alpha Picks: Nov 23 Portfolio

Expect a relief rally in November; EYG suggests SET at current level is cheap.

Page 2

Sector

Media

3Q23 results preview: Dim outlook to persist for another quarter.

Page 6

Hotel

3Q23 results preview: RevPar of all hotel operators to normalise to 2019's levels.

Page 9

KEY INDICES

Symbol	Close	Chg	%Chg
SET	1,379.96	(1.87)	(0.14)
SET50	855.05	(1.48)	(0.17)
Value (Btm) - SET	35,446		
Top 5 Sector			
BANK	376.41	(0.66)	(0.18)
PETRO	673.76	10.27	1.55
PROP	218.16	(1.51)	(0.69)
ENERG	19,986.75	(16.51)	(0.08)
ICT	146.79	(2.60)	(1.74)

Source: Bloomberg

TOP VOLUME

Symbol	Close (Baht)	+/-(% Chg)	5-day ADT (BTm)
ADVANC	212.00	(3.64)	1,226.2
PTTEP	163.00	(0.61)	1,432.9
KBANK	132.50	0.76	1,771.4
BDMS	26.50	0.00	1,180.8
SCB	98.00	(0.51)	1,745.3

TOP GAINERS

Symbol	Close (Baht)	+/-(% Chg)	5-day ADT (BTm)
JCKH	0.03	50.00	0.5
SDC	0.05	25.00	1.2
ALL	0.05	25.00	0.1
JCK	0.27	12.50	3.6
UMS	0.57	11.76	0.0

TOP LOSERS

Symbol	Close (Baht)	+/-(% Chg)	5-day ADT (BTm)
NCL	1.44	(30.10)	20.3
PSP	3.44	(30.08)	522.2
CMO	0.65	(22.62)	6.2
HYDRO	0.24	(20.00)	0.1
STOWER	0.12	(14.29)	0.2

*ADT: Average daily turnover

KEY STATISTICS

Commodity	Current Price	%Chg		
		1m	3M	YTD
Brent crude*	85.2	(4.4)	3.9	4.9
Dubai crude*	85.8	(7.6)	0.1	9.1
Baltic Dry Index	1,459.0	(16.0)	29.9	(3.7)
Gold Spot***	1,985.4	8.6	2.6	8.8

*(US\$/bbl), *** (US\$/toz)

FOREIGN PORTFOLIO INVESTMENT IN EQUITIES (THAILAND)

Day (Mil US\$)	MTD Net (Mil US\$)	YTD Net (Mil US\$)	YTD Net YoY%
(19.8)	(19.8)	(4,977.2)	(9,319.8)

Source: Bloomberg

Foreign Exchange Rate - THB/US\$ (onshore) = 35.99

Interest Rate (%) - TH 1-day RP = 1.50

Thai Lending Rate (%)* - MLR = 7.10

STRATEGY – THAILAND

Alpha Picks: Nov 23 Portfolio (port -4.8%)

Our Alpha Picks did slightly better than the market (-5.0% vs -5.7%) in Oct 23. The global stock market broadly dwindled because of the unexpected Israel-Hamas war, coupled with the record-high US government bond yield since 2007 putting pressure on risky assets. For Nov 23, our picks are BDMS, CPALL, MAJOR, OR, TU and EA.

WHAT'S NEW

- Portfolio slightly outperformed market in October.** The SET Index declined for the second consecutive month from an ongoing pressure from rising bond yield and the Israel-Hamas conflict. Our portfolio's return slightly beat the benchmark (-4.8% vs -6.1%). The strongest outperformer and only positive gain in the portfolio was MAJOR (+8.60%) due to successful Thai blockbusters expected to drive 4Q earnings. The worst performer were KKP (-10.90%), MINT (-10.40%) and CPALL (-8.70%).
- Expect a relief rally in November.** Despite uncertainties and risk from the global slowdown in 2024, we are positive for the short term as we expect ongoing disinflation to lower bond yield and allow relief recovery in stock. Also, most of the bad news has been priced in and earnings downgraded risk would significantly fall given that we are entering 4Q23-1Q24 which is usually the high earnings period. Moreover, we expect accelerated economy momentum due to: a) better exports outlook, b) improving consumption from agricultural harvesting period in 4Q23, and c) ongoing tourism growth momentum.
- Earning yield gap (EYG) signals cheap valuation at current level.** Our EYG model yields a valuation range of the SET Index of 1,403-1,647 based on EYG's 2.50-3.50% (average to -2SD) and Thailand's 10-year bond yield at 3.25%. The model yield analysis resulted in a range of 1,353-1,579 if we put more stress on 10-year yield to 3.50%. The implication of EYG model is the SET Index having an attractive valuation for the level of 1,350-1,400pt.
- New free float adjusted index suggests more weighting to the bank, healthcare and property sectors.** To reduce bias from low free floated stocks, the SET will introduce a new version of SET50/SET100 index which is free floated adjustment market cap effective in Jan-Jun 24. Based on our calculation, the sectors that may gain more weighting are bank, health and property while it might be unfavourable to the electronics, energy and transportation sectors.
- Selective BUY on earnings recovery plays.** Most of the stocks in our portfolio are earnings recovery plays or beneficiaries from high earnings season in 4Q23-1Q24. We add EA as market concern on negative CFO is overdone while we drop those which are interest and commodity sensitive (cut losses on TIDLOR, SCB, MINT, KKP).

ACTION

- Cut losses: TIDLOR, SCB, MINT, KKP.
- Take profit: ERW and PTTEP.
- Add EA.

ANALYSTS' TOP ALPHA PICKS*

Analyst	Company	Rec	Performance	Catalyst
Kochakorn Sutaruksanon	BDMS	BUY	(0.9)	Impressive outlook in 3Q23 and benefit from international patients
Kampon Akaravarinchai	CPALL	BUY	(10.9)	Domestic consumption recovery due to more foreign tourists and the election.
Kasemsun Koonara/ Tanaporn Visaruthaphong	EA	BUY	2.38	Negative operating cash flow is likely to continue till 4Q23 but improve from 1Q24 onwards
Tanaporn Visaruthaphong/ Thachasorn Jutagon	MAJOR	BUY	(1.9)	Continued growth momentum in 3Q23.
Tanaporn Visaruthaphong/ Benjaphol Suthwanish	OR	BUY	(16.4)	An increase in marketing margins in 2H23.
Kampon Akaravarinchai	TU	BUY	(6.9)	Expected core profit to improve qoq.
Kochakorn Sutaruksanon	ERW	BUY	7.9	Dropped
Kwanchai Atiphopchai/ Thanawat Thangchadakorn	KKP	BUY	(22.1)	Dropped
Kochakorn Sutaruksanon	MINT	BUY	(11.1)	Dropped
Tanaporn Visaruthaphong/ Benjaphol Suthwanish	PTTEP	BUY	2.8	Dropped
Kwanchai Atiphopchai/ Thanawat Thangchadakorn	SCB	BUY	(5.3)	Dropped
Kwanchai Atiphopchai/ Thanawat Thangchadakorn	TIDLOR	BUY	(18.6)	Dropped
Tanaporn Visaruthaphong/ Benjaphol Suthwanish	TOP	BUY	(8.7)	Dropped

* Denotes a timeframe of 1-3 months and not UOBKH's usual 12-month investment horizon for stock recommendation

Share price change since stock was selected as alpha pick

Source: UOB Kay Hian

KEY RECOMMENDATIONS

Company	Share Price 31 Oct 23 (Bt)	Target Price (Bt)	Upside/ (Downside) to TP (%)
BDMS	26.50	33.00	24.53
CPALL	55.25	78.00	41.18
EA	42.00	81.00	92.86
MAJOR	15.20	18.00	18.42
OR	18.30	29.00	58.47
TU	13.50	17.40	28.89

Source: UOB Kay Hian

CHANGE IN SHARE PRICE

Company	Oct 23 (%)	To-date* (%)
BDMS	(0.9)	(0.9)
CPALL	(8.7)	(10.9)
ERW	(5.5)	7.9
KKP	(10.9)	(22.1)
MAJOR	8.6	(1.9)
MINT	(10.4)	(11.1)
OR	(2.1)	(16.4)
PTTEP	(4.1)	2.8
SCB	(3.9)	(5.3)
TIDLOR	(7.7)	(18.6)
TOP	(6.9)	(8.7)
TU	(6.9)	(6.9)
SET Index	(6.1)	

*Share price change since stock was selected as alpha pick

Source: UOB Kay Hian

PORTFOLIO RETURNS

(%)	2022	1Q23	2Q23	3Q23
SET return	0.7	(3.6)	(6.6)	(2.1)
Alpha Picks Return				
- Price-weighted	4.1	2.2	(1.2)	(1.1)
- Market cap-weighted	4.4	0.8	(0.1)	(1.4)
- Equal-weighted	2.7	0.3	(5.5)	(2.3)

Assumptions for the three methodologies:

- Price-weighted: Assuming the same number of shares for each stock, a higher share price will have a higher weighting.
- Market cap-weighted: Weighting is based on the market cap at inception date, a higher market cap will have a higher weighting.
- Equal-weighted: Assuming the same investment amount for each stock, every stock will have the same weighting.

Source: UOB Kay Hian

ANALYST(S)

Kitpon Praipaisarnkit
+662 659 8154
kitpon@uobkayhian.co.th

Thailand Research Team
+662 659 8300
research@uobkayhian.co.th

ASSISTANT ANALYST(S)

Natthida Chuaysong

Bangkok Dusit Medical Services (Kochakorn Sutaruksanon)

- Bangkok Dusit Medical Services (BDMS) is a group of leading private hospitals with a nationwide network offering world-class medical treatment to both local and international patients with new greenfield projects, M&A and digitalisation of healthcare services as key long-term growth drivers.
- We are bullish on BDMS in 3Q23, with earnings to set a new quarterly record high as 3Q is the high season for Middle Eastern patients. The continuous recovery in the number of international arrivals will also benefit BDMS in the wellness segment (BDMS Wellness Clinic) as well as Mövenpick BDMS Wellness Resort, which is well-prepared for increasing arrivals. In addition, BDMS is also one of the beneficiaries of the new policy by Beijing's government to cover expenses for assisted reproduction technology from 1 Jul 23, including in-vitro fertilisation (IVF). However, we are cautious on: a) the normalisation of pent-up demand from patients
- Maintain BUY with a target price of Bt33.00 based on DCF methodology (WACC: 7.3%, terminal growth 3.6%). We favour BDMS due to its earnings resilience in 2Q23, which is the off-season, and the possibility of a new quarterly record-high earnings in 3Q23. In addition, BDMS has the least downside risk among its peers due to its greatest diversification of patient bases. The target price corresponds to 39x 2023F PE and 37x 2024F PE, respectively, close to -1SD to its five-year pre-COVID-19 historical average.

Share Price Catalyst

- Event: Strong growth of the wellness industry and support from the Thai government to promote Thailand as a medical hub, synergies created with BDMS' hospital network and the digital healthcare ecosystem, better-than-expected recovery in the number of international patients, and accretive M&A deals.
- Timeline: 2H23.

CPALL (Kampon Akaravarinchai)

- CP All (CPALL) is the operator of Thai 7-Eleven stores, controlling more than 50% of the convenience store market in Thailand.
- We are still positive on 2H23 earnings growth momentum. We expect 2H23 earnings to continue improving yoy, driven by the strong top-line growth from both the convenience stores and wholesale businesses. Also, the pressure from higher electricity costs is expected to be lower on a yoy basis. MAKRO was already refinancing all of the short-term USD loans with THB loans in Apr 23. Therefore, we believe that the interest expenses have already peaked in 1H23. Overall, 2023 earnings should grow by 25% yoy, driven by the aforementioned factors.
- Maintain BUY on CPALL with a target price of Bt78.00. Our target price is pegged to 42x 2023F PE or 1SD above its 10-year historical mean. We believe CPALL will be one of the biggest beneficiaries of the resumption in tourist arrivals and better consumption in suburban areas. The overhang on MAKRO's cost of funds in US dollar-debt is also gradually easing, and management guided that all of its US dollar-denominated loans will be converted to Thai baht by 2023. Although we expect consensus to revise down its earnings forecast for CPALL, we like the company's long-term growth outlook and believe that this is a good accumulation opportunity.

Share Price Catalyst

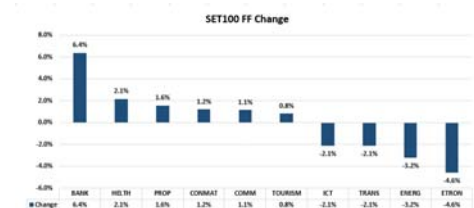
- Event: Better-than-expected gross profit margin improvement in 2Q23 and lower SGA-to-sales following the lower fuel adjustment charge (FT) rate.
- Timeline: 2H23.

EARNING YIELD GAP – SENSITIVITY ANALYSIS

EPS 2023H	EYD	Thailand 10Y government bond yield							Note
		2.50%	2.75%	3.00%	3.25%	3.50%	3.75%	4.00%	
94.73	4.25%	1,403	1,333	1,307	1,307	1,322	1,384	1,444	+1SD EYD
	4.00%	1,457	1,403	1,353	1,307	1,263	1,222	1,184	
	3.75%	1,516	1,457	1,403	1,353	1,307	1,263	1,222	
	3.50%	1,579	1,516	1,457	1,403	1,353	1,307	1,263	Mean EYD
	3.25%	1,647	1,579	1,516	1,457	1,403	1,353	1,307	
	3.00%	1,722	1,647	1,579	1,516	1,457	1,403	1,353	-1SD EYD
	2.75%	1,804	1,722	1,647	1,579	1,516	1,457	1,403	
	2.50%	1,895	1,804	1,722	1,647	1,579	1,516	1,457	
	2.25%	1,994	1,895	1,804	1,722	1,647	1,579	1,516	
	2.00%	2,105	1,994	1,895	1,804	1,722	1,647	1,579	
	1.75%	2,229	2,105	1,994	1,895	1,804	1,722	1,647	

Source: UOB Kay Hian

SET100 FREE FLOAT ADJUSTED – SECTOR



Source: UOB Kay Hian

SET100 FREE FLOAT ADJUSTED - GAINER



Source: UOB Kay Hian

SET100 FREE FLOAT ADJUSTED – LOSER



Source: UOB Kay Hian

Energy Absolute (Tanaporn Visaruthaphong, Kasemsun Koonnara)

- Energy Absolute (EA) and its subsidiaries operate three businesses: a) biodiesel, b) renewable power plants, and c) battery and electric vehicles.
- We reiterate a positive view on earnings, which are expected to hit a new record high in 2023. EA is expected to see minor impacts from the cut in FT rate, 1-2% of our 2023 earnings assumption. Negative operating cash flow is likely to continue till 4Q23 but improve from 1Q24 onwards. 3Q23 earnings are expected to increase yoy and qoq. Maintain BUY. Target price: Bt81.00.
- Maintain BUY on EA with a target price of Bt81.00. We value EA's renewable power plant business at Bt40.10/share, based on DCF. The cash flow is discounted to 2023. We value the biodiesel business at Bt1.00/share, assuming 20x 2023F PE. In addition, the battery and EV business is valued at Bt39.60/share.

Share Price Catalyst

- Timeline: 4Q23.

Major Cineplex Group (Tanaporn Visaruthaphong/ Thachasorn Jutaganon)

- Major Cineplex Group (MAJOR) is a cinema operator with related businesses like bowling, karaoke, rentals, cinema media and film distribution.
- We are anticipating sustained growth in admission revenue in 3Q23 through strong box office performance. We expect sustained growth in admission revenue for 2023, building on the momentum generated by upcoming blockbuster releases in 3Q23. Notable titles like Aquaman and the Lost Kingdom, Mission: Impossible - Dead Reckoning Part One, The Marvels, Barbie, Oppenheimer and a Thai movie named Long Live Love are poised to drive this recovery. Looking ahead to 4Q23, earnings outlook might slightly drop qoq due to off-season movies.
- Maintain BUY on MAJOR with a lower target price of Bt18.00 (previous: Bt23.00). We roll over our valuation to 2024 and de-rate valuation from mean PE to -1SD PE to reflect earnings that might be softer from 1H23 due to off-season movies. Our target price is based on 13x 2024F PE and -1SD to its five-year PE mean. We still like MAJOR due to many blockbuster movies in 3Q23. The stock is also less impacted by advertising expenditure compared with other players in the media industry.

Share Price Catalyst

- Event: More blockbuster movies, growth in cinema advertising income, recovery in the economy that could accelerate consumer spending, and a higher level of GDP.
- Timeline: 2H23.

PTT Oil And Retail Business (Tanaporn Visaruthaphong/Benjaphol Suthwanish)

- PTT Oil And Retail Business (OR) operates an integrated oil and non-oil retailing platform both in Thailand and abroad, including the sales and distribution of petroleum products and other products in retail and commercial marketing, coffee shops, other food and beverage outlets, convenience stores and space management offerings.
- We expect core profit to continue growing in 2Q23. This positive outlook is supported by increased oil sales and the expectation of marketing margin not being lower than 1Q23. According to the Energy Policy and Planning Office (EPPO) report, the marketing margin for diesel fuel in Bangkok in Apr 23 was Bt1.9/litre, surpassing the figures recorded in Feb 23 (Bt1.66/litre) and Mar 23 (Bt1.86/litre). This suggests a positive trend in marketing margins, and we expect 2Q23 marketing margin to be at least as high as 1Q23.
- Maintain BUY with a target price of Bt29.00, based on a five-year average PE of 24x. The projected outlook seems reasonable, with improving marketing margins, increased oil sales volume and the alleviation of pressure from the oil fund. These factors have the potential to facilitate a sustained growth in OR's earnings in the forthcoming two quarters.

Share Price Catalyst

- Event: An increase in marketing margin will improve earnings.
- Timeline: 2023.

Thai Union Group (Kampon Akaravarinchai)

- Thai Union Group (TU) manufactures and exports frozen and canned seafood, including canned food, frozen food and snacks. It is also involved in pet food, value added product and animal feed.
- We foresee continuous qoq earnings recovery. We expect TU's 4Q23 earnings to see a qoq recovery, as its US and EU customers are restocking inventory, which will benefit TU's top-line. Also, we expect to see a gross margin recovery following higher ASPs and lower raw material costs. Overall, we still maintain our forecast of 2023 net profit declining by 32% yoy, mainly pressured by weak operations in 1H23. For 2024, we estimate a net profit growth of 22.5% yoy, driven by higher ASPs, a decline in costs, and a recovery in the pet food business.
- Maintain BUY with a target price of Bt17.40. We peg the forward PE target to TU's five-year mean of its latest PE band, which is equivalent to 14.5x. Our target price is based on 2024 EPS. We expect TU's earnings momentum to improve on a qoq basis in 2H23 and 2024 following lower raw material costs and a sales recovery.

Share Price Catalyst

- Event: Stronger-than-expected 2H23 earnings recovery momentum, and b) a significant improvement in TU's profitability from lower raw material costs.
- Timeline: 2H23 and 2024.

VALUATION

Company	Ticker	Rec.	Last Price	Target	Upside	Market Cap	PE			EPS	PEG	P/B	Yield	ROE
			31 Oct 23 (Bt)	Price (Bt)	Downside (%)		(US\$m)	2022 (x)	2023F (x)	2024F (x)	Growth 2023F (%)	2023F (x)	2023F (x)	2023F (%)
Bangkok Dusit Medical Services	BDMS TB	BUY	26.50	33.00	24.53	11,689	33.4	31.1	29.5	7.3	4.3	4.5	2.2	14.1
CP All	CPALL TB	BUY	55.25	78.00	41.18	13,775	37.4	29.8	24.7	25.5	1.2	4.5	1.7	5.6
Energy Absolute	EA TB	BUY	42.00	81.00	92.86	4,348	20.6	17.1	16.8	20.3	0.8	3.3	0.7	20.2
Major Cineplex Group	MAJOR TB	BUY	15.20	18.00	18.42	377	53.9	15.2	11.9	255.9	0.1	2.1	6.6	12.4
PTT Oil And Retail Business	OR TB	BUY	18.30	29.00	58.47	6,095	21.2	14.9	14.2	41.9	0.4	0.9	2.0	6.5
Thai Union Group	TU TB	BUY	13.50	17.40	28.89	1,744	9.0	13.3	10.9	(32.1)	(0.4)	0.8	4.2	5.5

Source: UOB Kay Hian

SECTOR UPDATE

Media – Thailand

3Q23 Results Preview: Dim Outlook To Persist For Another Quarter

The media companies under our coverage are expected to achieve a net profit of Bt298m in 2Q23, reflecting flat yoy growth and a 59% qoq decline. The yoy earnings growth was mainly driven by the performance of MAJOR, while the qoq earnings growth was supported by ONEE. We maintain MARKET WEIGHT on the sector due to a sluggish economy, global political conflict, and uncertainties in the Thai stimulus package, which could lead to advertising budget cuts by many agencies.

WHAT'S NEW

- Recovery of earnings remains feeble.** We project that media companies under our coverage, including Bec World (BEC), One Enterprise (ONEE), and Major Cineplex (MAJOR), will collectively report a net profit of Bt298m in 3Q23 (flat yoy, -59% qoq), mixing positive and negative direction. On a yoy basis, MAJOR is expected to outperform its peers by skyrocketing 192% yoy due to deferred tax and a low base in 3Q22 as the company booked loss from Major Cineplex Lifestyle Leasehold Property Fund (MJLF). Meanwhile, BEC's and ONEE's earnings should shrink 47% yoy and 8% yoy respectively due to soft revenue and gross margin. On a qoq basis, ONEE's earnings would be outstanding due to higher revenue, expanded gross margin, and lower SG&A-to-sales. MAJOR's earnings also should drop due to a high base of 2Q22's earnings from a gain from the M Pictures (MPIC) divestment and BEC's earnings is anticipated to decline due to lower revenue and higher SG&A-to-sales. In contrast, ONEE's earnings are projected to improve by 25% qoq due to higher revenue and gross margin and low SG&A-to-sales.
- Challenging period lies ahead for TV broadcasters in 4Q23 and 2024.** We believe the media sector, especially TV broadcaster players may not see a strong recovery, due to the sluggish economy and global political conflict, which will lead to domestic and international agencies lowering adex and soft average advertising income per minute. Note that average advertising income of BEC in 3Q23 was around Bt58m, dropping 22% yoy and flattening qoq. The utilisation rate of BEC in 3Q23 should be around 70%, close with 3Q22 and 2Q23. Thus, we expect revenue of BEC and ONEE in 3Q23 at Bt978m (-13% yoy and 9% qoq) and Bt757m (flat yoy and qoq) respectively.
- MAJOR's 3Q23 revenue should drop, but recover firmly in 4Q23.** In 3Q23, revenue of Major Cineplex (MAJOR) is expected to flatten yoy and drop qoq due to a lower number of movies releases from the off-season. Note that movies lined up for screening in 3Q23 include: a) Mission: Impossible – Dead Reckoning Part (Bt85m), b) Oppenheimer (Bt68m), c) Meg 2: The Trench (Bt68m), d) Long Live Love (Bt65m), and e) Barbie (Bt54m), which have combined revenue of Bt340m (-20% yoy and -40% qoq). Regarding this, we expect MAJOR to expose admission revenue of Bt817m (-5% yoy, -30% qoq). In contrast, we believe 4Q23's revenue will resume solid growth due to impressive revenue of two Thai movies named The Undertaker and Thee Yod, which is a collaboration between BEC and MAJOR.
- Still adore cinema players due to remarkable success of Thai films.** We found that The Undertaker's revenue has now reached Bt700m within a month, becoming the highest grossing Thai movie in a decade. Moreover, there was a release of another Thai horror movie named Thee Yod, which grossed Bt39m on the first day of release. This movie broke the record of Pee Mak, which used to be the movie that had the highest revenue on the first day of release at Bt21m. Currently, Thee Yod has hit Bt300m. Moreover, there are many blockbuster movies in the pipeline, such as The Marvels, Hunger Games, and Aquaman. Given this, we anticipate that the revenue for 4Q23 could come close to the peak season of movies in 2Q23, reaching Bt500m-600m.

ACTION

- Maintain MARKET WEIGHT on the media sector with ONEE and MAJOR as our top picks.** We maintain MARKET WEIGHT on the media sector mainly due to concerns on TV adex direction due to a cloudy outlook of the stimulus policy of the new government and the

MARKET WEIGHT

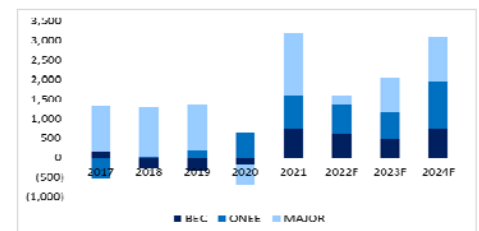
(Maintained)

OUR TOP PICK

Company	Ticker	Rec	Current Price (Bt)	Target Price (Bt)
Major Cineplex Group	MAJOR TB	BUY	15.20	18.0
The One Enterprise	ONEE TB	BUY	3.76	6.2

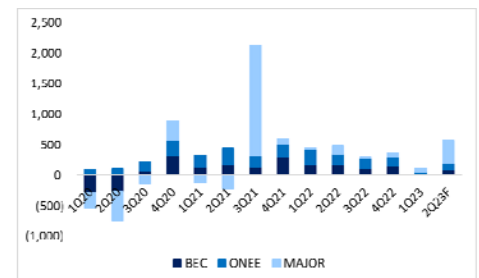
Source: UOB Kay Hian

NET PROFIT OUTLOOK IN 2023F



Source: BEC, ONEE, MAJOR, UOB Kay Hian

NET PROFIT OUTLOOK IN 2023F



Source: Nielsen, UOB Kay Hian

ANALYST(S)

Tanaporn Visaruthaphong
 +662 659 8305
 tanaporn@uobkayhian.co.th

ASSISTANT ANALYST

Thachasorn Jutaganon

sluggish economy and political tension leading to reduced budget spending of many agencies. Considering these factors, we advise investors to consider TV broadcaster stocks that have a diversified portfolio in many businesses like ONEE. In addition, we also recommend cinema players like MAJOR due to a promising outlook in 4Q23 from on-season movies and the remarkable success of Thai films.

3Q23 RESULTS PREVIEW

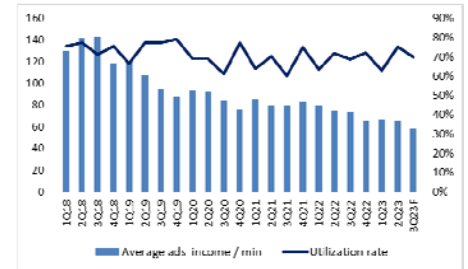
	3Q23F	3Q22	2Q23	yoy(%)	qoq(%)
Revenue (Btm)					
BEC	1,151	1,302	1,149	(11.6)	0.2
ONEE	1,650	1,627	1,561	1.4	5.7
MAJOR	1,742	1,719	2,268	1.3	(23.2)
Total	4,542	4,648	4,978	(2.3)	(8.7)
Net profit (Btm)					
BEC	59	111	75	(47.1)	(21.3)
ONEE	151	164	121	(7.6)	25.2
MAJOR	88	21	532	325.2	(83.5)
Total	298	296	728	0.7	(59.1)
Gross margin (%)					
BEC	27.5	29.6	74.9	(2.1)	(1.4)
ONEE	39.3	40.7	121.0	(1.4)	1.5
MAJOR	28.7	31.6	532.5	(2.9)	(4.1)
Total	33.5	33.6	28.7	(0.2)	4.8
SG&A-to-revenue (%)					
BEC	19.0	17.2	18.7	1.8	0.3
ONEE	30.5	29.7	30.0	0.8	0.5
MAJOR	41.4	41.1	30.1	0.3	11.3
Total	27.4	27.7	30.4	(0.2)	(2.9)

Source: BEC, ONEE, MAJOR, UOB Kay Hian

3Q23 EARNINGS OUTLOOK

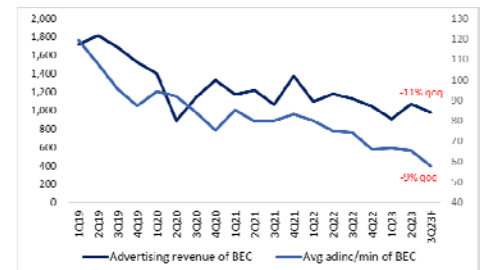
- BEC: Earnings expected to plunge again in 3Q23.** We expect BEC to post 3Q23 earnings of Bt59m (-47% yoy, -21% qoq). Earnings should still drop yoy and qoq, pressured by softer revenue, squeezed gross margin, and lower SG&A-to-sales. Revenue is anticipated to come in at Bt1.2b, dropping 12% yoy and 15% qoq chiefly contracted by advertising revenue from lower average advertising income per minute of around Bt58m in 3Q23 (-22% yoy, flat qoq) and flat utilisation rate of approximately 70% in this quarter. Copyright revenue should be flat, but increase qoq, moving the same direction with a number of drama sales. Gross margin should be around 27.5%, dropping 2.1 ppt yoy and 0.2 ppt qoq due to poorer product mix. SG&A-to-sales should be around 19.5% (+1.9 ppt yoy, +0.6 ppt qoq) due to rising market activity.
- ONEE: Astonishing qoq earnings growth in 3Q23.** We estimate 3Q23 earnings at Bt151m (-8% yoy, +25% qoq). Yoy earnings should decline due to lower revenue and higher SG&A-to-sales. Meanwhile, qoq earnings performed well, underpinned by robust revenue, expanded gross margin, and squeezed SG&A-to-sales. Revenue is forecasted to improve 10% yoy and 13% qoq, mainly supported by revenue from: a) events and concerts from a higher number of events in both domestic and foreign countries, b) copyright from more content and better selling prices, and c) artiste management from the positive sentiment of content in 2Q23. In terms of advertising revenue, it should be flat yoy and qoq due to adding more airtimes on Saturday. Gross margin is expected to come in at 39.8%, dropping 0.9 ppt yoy due to a higher number of content, but increasing 0.8 ppt qoq thanks to stronger revenue.
- MAJOR: Softer earnings due to lower line-up of movies.** We expect MAJOR to post 3Q23 net profit of Bt88m, increasing 325% due to low base from loss of MJLF in 3Q22, but dropping 84% qoq due to the high base from one-time item that the company gained from the MPIC divestment in 2Q22. Core profit on a yoy basis should skyrocket 97% yoy, but drop 34% qoq. 3Q23 revenue should be flat yoy and decrease 24% qoq, pressured by admission, concession, rental, and movie content revenues. For admission revenue, it is expected to drop 5% yoy and 30% qoq to Bt817m due to fewer number of movies released. Given this,

AVERAGE ADS INCOME PER MINUTES AND UTILISATION RATE OF BEC



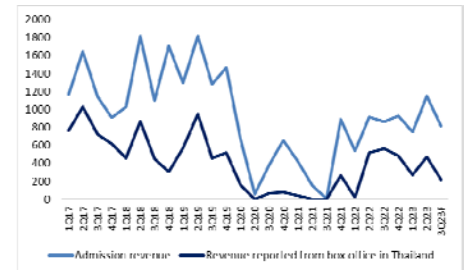
Source: BEC, UOB Kay Hian

BEC'S ADVERTISING REVENUE AND AVERAGE ADS INCOME PER MINUTES



Source: BEC, UOB Kay Hian

CORRELATION OF REVENUE OF BOX OFFICE IN THAILAND AND ADMISSION REVENUE



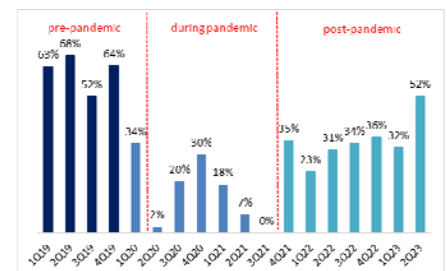
Source: Box Office Mojo, MAJOR, UOB Kay Hian

BLOCKBUSTER REVENUE (2023)



Source: MAJOR, UOB Kay Hian

OUR FORECASTED OCCUPANCY RATE



Source: MAJOR, UOB Kay Hian

concession revenue is also expected to drop 5% yoy and 32% qoq to Bt450m, riding on admission revenue. Gross margin should be around 28.7% (-2.9 ppt yoy, -4.2 ppt qoq) due to lower revenue and higher rental expenses. SG&A-to-sales should rise 1.8 ppt yoy, 6.5 ppt qoq to 29.3% due to higher marketing cost.

EARNINGS REVISION

- **BEC.** We revised our 2023-24 earnings forecasts up by 52% and 51% respectively mainly to factor in lower revenue and softer gross margin from lower average advertising income per minute. We also revise up SG&A-to sales, riding on softer revenues.

EARNINGS REVISION

(Btm)	----- 2023F -----			----- 2024F -----		
	New	Old	%Chg	New	Old	%Chg
Revenue	4,698	4,900	-4%	4,765	5,216	-9%
Average advertising income / min	61.00	65.00	-6%	65.0	73.0	-11%
Net profit	228	471	-52%	326	663	-51%
Gross profit margin (%)	25.8	28.1	-2.3	27.2	32.2	-5.0
SG&A-to-sales (%)	18.5	16.9	1.6	18.7	18.2	0.5

Source: BEC, UOB Kay Hian

VALUATION

- **BEC: Maintain HOLD with a lower target price of Bt5.50 (previous: Bt8.20).** We roll over valuation to 2024. Our target price is based on 34x 2024F PE, in line with the domestic media industry's 2024F +1SD PE. We recommend HOLD on BEC and revise down the target price due to the cloudy outlook of advertising revenue from soft TV adex and the company also lowered the target revenue of copyright.
- **ONEE: Maintain BUY with a higher target price of Bt6.20 (previous: Bt5.50).** Our target price is based on 21x 2024F PE, in line with the domestic media industry's 2024F PE mean. We expect ONEE's 4Q23 outlook to be underpinned by the variety of revenue streams. Moreover, ONEE has the highest price upside among its peers.
- **MAJOR: Maintain BUY with a target price of Bt18.00.** Our target price is based on 13x 2024F PE and -1SD to its five-year PE mean. We still like MAJOR as we expect to see strong 4Q23 earnings due to a high number of movies released — both blockbusters and Thai movies. Also, the stock is also less impacted by adex compared with other players in the media industry.

SECTOR CATALYSTS

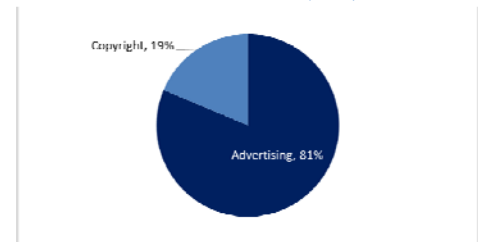
- **For TV broadcaster players:** Solid economic growth, strong consumer spending, robust TV adex, and impressive content of dramas, news, and series.
- **For cinema operators:** Strong line-up of blockbuster movies, growth in cinema adex, and higher number of cinema-goers.

PEER COMPARISON

Company	Ticker	Rec.	Last Price (Bt)	Target Price (Bt)	Upside Downside (%)	Market Cap (US\$m)	----- PE -----			EPS CAGR 2022-24F (%)	PEG 2023F (x)	P/B 2023F (x)	Yield 2023F (%)	ROE 2023F (%)
							2022 (x)	2023F (x)	2024F (x)					
Bec World	BEC TB	HOLD	5.40	5.5	1.9	300	26.0	47.4	33.1	(11.5)	(1.0)	2.6	1.7	3.7
Major Cineplex Group	MAJOR TB	BUY	15.20	18.0	18.4	377	53.9	15.2	11.9	112.9	0.1	2.1	6.6	12.4
The One Enterprise	ONEE TB	BUY	3.76	6.2	64.9	249	12.0	17.9	14.7	(9.7)	(0.5)	1.2	2.2	6.8
Sector						926	33.6	26.3	19.5			2.0	3.9	8.1

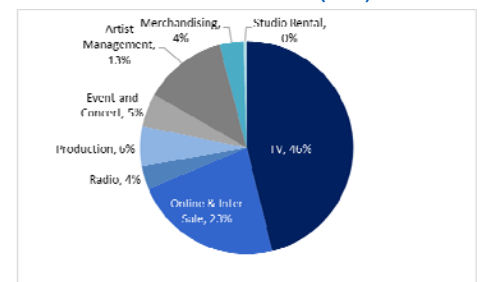
Source: UOB Kay Hian

BEC'S REVENUE PROPORTION (2023)



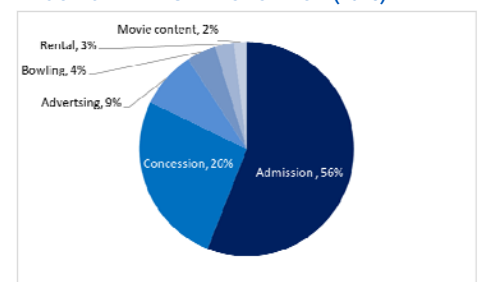
Source: BEC, UOB Kay Hian

ONEE'S REVENUE PROPORTION (2023)



Source: ONEE, UOB Kay Hian

MAJOR'S REVENUE PROPORTION (2023)



Source: MAJOR, UOB Kay Hian

SECTOR UPDATE

Hotel – Thailand

3Q23 Results Preview: RevPar Of All Hotel Operators To Normalise To 2019's Levels

The combined profit of hotel stocks was Bt2.9b (+43% yoy, -14% qoq), dragged down by global plays (MINT). Meanwhile, the earnings of domestic plays improved qoq, with CENTEL improving the most, followed by ERW and AWC. Looking ahead, the earnings of domestic plays should continue to rise, thanks to a seasonal impact and supportive policies. Our top picks are ERW and CENTEL. MARKET WEIGHT on the sector.

WHAT'S NEW

- 3Q23 earnings of domestic plays are likely to improve qoq.** We estimate the combined net profit of hotel stocks under our coverage at Bt3.9b (-29% yoy, -16% qoq), while the combined core profit should stand at Bt2.9b (+43% yoy, -14% qoq). The improvement in yoy earnings is driven by all hotel operators. However, a decline in qoq earnings is dragged down by the global player Minor International (MINT) due to the seasonal impact of hotels in Europe. Meanwhile, the core earnings of domestic plays (Asset World Corporation (AWC), Central Plaza Hotel (CENTEL), and The Erawan Group (ERW)) are likely to increase qoq, thanks to a continued increase in international arrivals to Thailand (+96% yoy, +10% qoq, 27% below pre-COVID-19 levels).
- All hotel operators' RevPar should normalise to pre-COVID-19 levels.** In terms of RevPar performance, MINT is expected to stand out the most (40% above pre-COVID-19 levels), followed by ERW (17% above pre-COVID-19 levels), CENTEL (3% above pre-COVID-19 levels), and AWC (normalised to pre-COVID-19 levels). For MINT and ERW, their earnings in 3Q23 are likely to exceed pre-COVID-19 levels by 77% for MINT and 260% for ERW. Meanwhile, 3Q23 earnings of CENTEL and AWC are expected to remain below 2019 levels by 36% for CENTEL and 27% for AWC due to the weak performance of hotels in Maldives and expenses incurred for opening new hotels. However, in terms of qoq earnings growth in 3Q23, the ranking would be: CENTEL (+47% qoq), ERW (+5% qoq), AWC (+3% qoq), and MINT (-17% qoq). CENTEL has the strongest growth due to its low base earnings in 2Q23, resulting from recognising expenses for opening a new hotel.
- Choose domestic plays for 4Q23 and 1Q24.** The earnings of domestic plays (AWC, CENTE, ERW) are likely to outperform, driven by the high season of travel in Thailand and the continued influx of international tourists, along with supportive policies (visa exemptions and extended lengths of stay). Specifically, hotels in upcountry Thailand will be more attractive than hotels in Bangkok due to changes in the mix of nationalities and an increase in the foreign visitor recovery rate in upcountry areas, rising from 79% in 2Q23 to 90% in 3Q23 (vs the decrease of foreign visitor recovery rate in Bangkok from 105% in 2Q23 to 95% in 3Q23). Meanwhile, the earnings of the global player (MINT) are likely to underperform due to the low season of travel in Europe.

ACTION

- Maintain MARKET WEIGHT; our top picks are ERW and CENTEL.** Despite the slower-than-expected recovery in the number of Chinese visitors, this is expected to be partially offset by an increase in visitors from other countries and supportive visa policies. We choose ERW as our top pick due to its continued robust earnings performance. Additionally, we have a positive outlook for CENTEL as its earnings hit a bottom in 2Q23.

MARKET WEIGHT

(Maintained)

OUR TOP PICK

Company	Ticker	Rec	Current Price (Bt)	Target Price (Bt)
Central Plaza Hotel	CENTEL	BUY	45.00	52.00
The Erawan Group	ERW	BUY	5.20	6.50

Source: UOB Kay Hian

PEER COMPARISON

Company	Ticker	Rec.	Last Price (Bt)	Target Price (Bt)	Upside Downside (%)	Market Cap (US\$m)	PE			EPS CAGR 2022-24F (%)	PEG 2023F (x)	P/B 2023F (x)	Yield 2023F (%)	ROE 2023F (%)
							2022 (x)	2023F (x)	2024F (x)					
Asset World Corp	AWC TB	HOLD	3.46	5.30	53.2	3,073	28.7	94.6	62.8	(32.4)	(1.4)	1.3	0.4	1.4
Central Plaza Hotel	CENTEL TB	BUY	45.00	52.00	15.6	1,686	152.6	45.5	30.9	122.2	0.2	3.1	0.9	6.8
The Erawan Group	ERW TB	BUY	5.20	6.50	25.0	654	n.a.	36.1	30.2	na	(0.1)	3.6	1.2	10.9
Minor International	MINT TB	BUY	28.00	42.00	50.0	4,349	34.7	27.0	20.6	29.8	0.9	1.9	1.2	6.5
Sector						9,762	50.9	52.1	36.3			2.0	0.9	5.2

Source: UOB Kay Hian

ANALYST(S)

Kochakorn Sutaruksanon
 +662 090 8303
 kochakorn@uobkayhian.co.th

3Q23 KEY PERFORMANCE

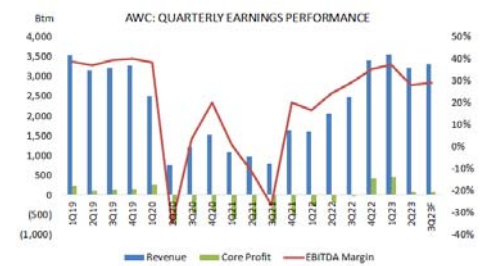
	3Q19	3Q22	4Q22	1Q23	2Q23	3Q23F	yoy chg	qoq chg	To Pre-COVID
Occupancy rate									
AWC	77%	53%	64%	68%	63%	64%	11.0 ppt	1.5 ppt	83.5%
CENTEL	75%	55%	66%	77%	65%	68%	13.3 ppt	3.7 ppt	91.4%
ERW	74%	69%	79%	81%	80%	81%	12.6 ppt	1.7 ppt	110.4%
MINT	74%	68%	63%	59%	70%	71%	3.0 ppt	1.0 ppt	95.9%
Avg	74%	66%	65%	64%	70%	72%	5.4 ppt	1.3 ppt	96.7%
ADR (Bt/night)									
AWC	4,571	4,920	5,697	6,100	5,367	5,400	9.8%	0.6%	118.1%
CENTEL	3,825	4,122	4,728	5,223	4,314	4,330	5.0%	0.4%	113.2%
ERW	1,661	1,521	1,760	1,794	1,709	1,762	15.9%	3.1%	106.1%
MINT	3,763	5,122	5,009	4,645	5,842	5,450	6.4%	-6.7%	144.8%
Avg	3,544	4,566	4,505	4,305	5,089	4,814	5.4%	-5.4%	135.8%
RevPar									
AWC	3,487	2,608	3,618	4,152	3,356	3,456	32.5%	3.0%	99.1%
CENTEL	2,858	2,148	3,122	4,025	2,792	2,956	37.6%	5.9%	103.4%
ERW	1,223	1,045	1,391	1,459	1,361	1,433	37.1%	5.3%	117.1%
MINT	2,773	3,476	3,176	2,737	4,118	3,870	11.3%	-6.0%	139.5%
Avg	2,627	3,026	2,947	2,745	3,584	3,451	14.1%	-3.7%	131.4%
SSSG (%)									
CENTEL	-8.4%	43.0%	12.0%	8.0%	5.0%	0.0%	-43.0 ppt	-5.0 ppt	
MINT	-3.7%	16.6%	4.4%	11.4%	8.1%	-2.0%	-18.6 ppt	-10.1 ppt	
Avg	-6.1%	29.8%	8.2%	9.7%	6.6%	-1.0%	-30.8 ppt	-7.6 ppt	

Source: Respective companies, UOB Kay Hian

3Q23 EARNINGS PREVIEW

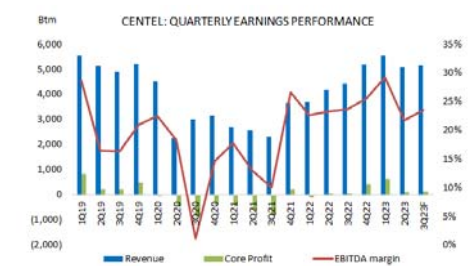
- AWC: RevPar is close to normalised levels.** We expect AWC to report a net profit of Bt1.1b (+12% yoy, +2% qoq) in 3Q23, while core profit should stand at Bt89m (+1,406% yoy, +3% qoq), fuelled by robust ADR in hotel operations. For hotel operations, occupancy has improved slightly but still remains below normalised levels of 64% in 3Q23 (vs 63% in 2Q23, 53% in 3Q22, and 77% in 3Q19). Additionally, ADR continues to rise by 10% yoy, remaining flat qoq and exceeding pre-COVID-19 levels by 18%. Therefore, RevPar in 3Q23 is expected to increase by 33% yoy, 3% qoq, reaching its normalised levels. For the retail and office businesses, occupancy rate for Asiatique (accounting for 4% of revenue) is expected to improve yoy but decline qoq to 60% in 3Q23 (vs to 66% in 2Q23, 37% in 3Q22, and 89% in 3Q19) due to the end of Disney Village events.
- CENTEL: RevPar exceeds 2019 levels by 3% despite weak hotel performance in the Maldives.** The company is expected to report a net profit and core profit of Bt132m (+2,127% yoy, +47% qoq), mainly underpinned by an improvement in hotel performance, especially in Bangkok. For the hotel operations, the portfolio's RevPar has increased by 38% yoy, 6% qoq, and is 3% above pre-COVID-19 levels. RevPar in Bangkok is likely to outperform the most (34% above pre-COVID-19 levels), followed by RevPar in upcountry areas (13% above pre-COVID-19 levels). Meanwhile, RevPar for hotel performance in the Maldives remains weak (42% below pre-COVID-19 levels) due to the reopening of other countries within the region and losing market share to guesthouses. Furthermore, the new hotel performance in Japan (opened 1 Jul 23) shows impressive figures with an occupancy rate of 67%. For food operations, same-store sales growth (SSSG) remains flat yoy.
- ERW: RevPar continues to surpass 2019 levels by 17% due to good recovery of Bangkok hotels.** ERW is expected to report a net profit for 2Q23 at Bt132m (+1,250% yoy, -7% qoq), while the core profit should be Bt127m (+954% yoy, +5% qoq), standing above 2019 earnings for two consecutive quarters. Despite an expense associated with hotel investment in Japan at Bt20m, this should be partially offset by robust hotel performance in all segments, with an occupancy rate of 81% in 3Q23 (vs 80% in 2Q23, 69% in 3Q22, and 10% above pre-COVID-19 levels). ADR increased by 16% yoy, 3% qoq, and being 6% above pre-COVID-19 levels. As a result, the portfolio's RevPar should continue to improve by 37% yoy, 5% qoq, and being 17% above pre-COVID-19 levels.
- MINT: RevPar surpasses 2019 levels by 40%, driven by hotels in Europe.** We expect MINT to report a net profit and core profit of Bt2.5b in 3Q23 (+25% yoy, -17% qoq), driven mainly by the hotel business, especially in Europe and Thailand. RevPar for hotels in Europe (65% of hotel business revenue) is expected to outperform the most (+11% yoy, -4% qoq,

AWC QUARTERLY EARNINGS PERFORMANCE



Source: AWC, UOB Kay Hian

CENTEL QUARTERLY EARNINGS PERFORMANCE



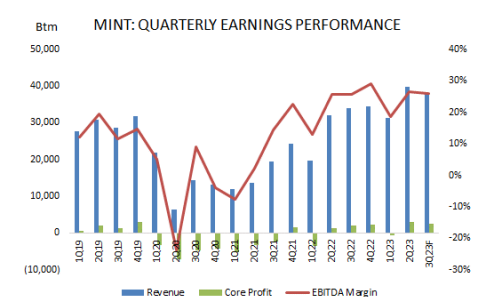
Source: CENTEL, UOB Kay Hian

ERW QUARTERLY EARNINGS PERFORMANCE



Source: ERW, UOB Kay Hian

MINT QUARTERLY EARNINGS PERFORMANCE



Source: MINT, UOB Kay Hian

35% above pre-COVID-19 levels), followed by Thailand (+25% yoy, +2% qoq, normalised to pre-COVID-19 levels). However, RevPar for hotels in the Maldives continues to underperform (-25% yoy, -23% qoq, 12% below pre-COVID-19 levels). For the food business, SSSG is likely to drop slightly by 2% yoy due to a high base from pent-up consumption following the full reopening of the countries.

3Q23 RESULTS PREVIEW

	3Q22	2Q23	3Q23F	yoy chg	qoq chg
Core revenue (Btm)					
AWC	2,479	3,216	3,302	33.2%	2.7%
CENTEL	4,430	5,057	5,156	16.4%	1.9%
ERW	1,283	1,623	1,713	33.5%	5.5%
MINT	33,930	39,738	37,786	11.4%	-4.9%
Total	42,122	49,635	47,956	13.9%	-3.4%
Core profit (Btm)					
AWC	(7)	86	89	1,406.4%	2.7%
CENTEL	6	90	132	2,126.8%	46.5%
ERW	(15)	121	127	954.4%	5.3%
MINT	2,011	3,005	2,504	24.5%	-16.7%
Total	1,995	3,303	2,853	43.0%	-13.6%
Net profit (Btm)					
AWC	1,026	1,122	1,146	11.7%	2.2%
CENTEL	(78)	121	132	269.4%	9.6%
ERW	(12)	142	132	1,249.4%	-6.7%
MINT	4,608	3,255	2,504	-45.7%	-23.1%
Total	5,545	4,639	3,916	-29.4%	-15.6%
EBITDA margin (%)					
AWC	29.0%	28.1%	29.1%	0.1 ppt	1.0 ppt
CENTEL	23.6%	21.7%	23.6%	0.0 ppt	1.9 ppt
ERW	20.3%	29.0%	28.9%	8.6 ppt	-0.1 ppt
MINT	25.5%	26.5%	26.0%	0.4 ppt	-0.5 ppt
Total	25.4%	26.2%	26.0%	0.7 ppt	-0.1 ppt

Source: Respective companies, UOB Kay Hian

SECTOR CATALYSTS

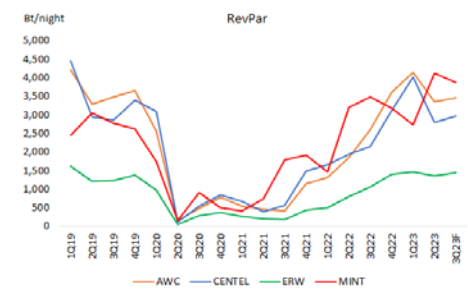
• **Additional approvals of visa exemptions.** After the Cabinet approved free visas for Chinese and Kazakhstani tourists and extended the length of stay for Russian tourists, the Thai Cabinet gave the green light for visa exemptions for two additional countries on 31 Oct 23, namely India and Taiwan. The effective date will begin on 10 Nov 23 and continue until 10 May 24 (six months), with a maximum length of stay of 30 days. Although this policy is expected to boost the number of tourists in the short term, the average spending and length of stay for Indian and Taiwanese tourists are below the overall average. Thus, we are only slightly positive on the recent visa exemption policy for Indian and Taiwanese visitors. We expect ERW to benefit the most, with contributions from Indian guests at 6%, followed by CENTEL at 4%.

SUMMARY BOOSTING POLICY FOR TOURISM INDUSTRY

Countries	Boosting Policy	Effective date	Policy details		2019			Recovery rate of tourists arrivals in 2023
			Approval length of stay (days)	Contribution in 2019	Avg. length of stay (days)	Spending per trips (compare to total avg.)		
China	Visa exemption	25 Sep 23 - 29 Feb 23	30	28%	8	1%	29%	
Kazakhstan	Visa exemption	25 Sep 23 - 29 Feb 23	30	Less than 1%	na	na	na	
Russia	Extend length of stay	1 Nov 23 - 30 Apr 23	90	4%	17	44%	102%	
India	Visa exemption	10 Nov 23 - 10 May 23	30	5%	7	-17%	79%	
Taiwan	Visa exemption	10 Nov 23 - 10 May 23	30	2%	8	-12%	88%	

Source: MOTs, UOB Kay Hian

REVPAR COMPARISON BY QUARTER



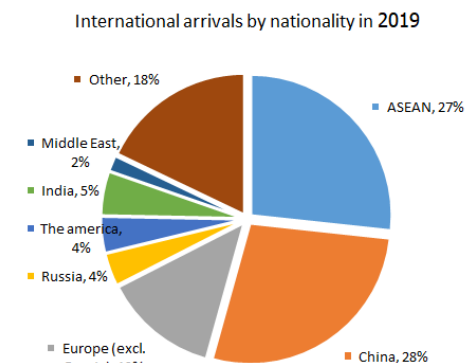
Source: Respective companies, UOB Kay Hian

SSSG COMPARISON BY QUARTER



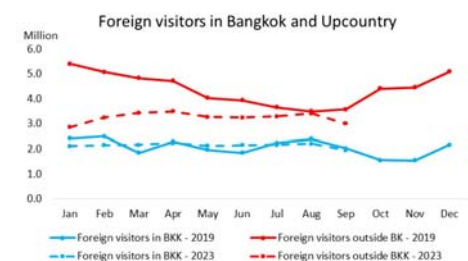
Source: Respective companies, UOB Kay Hian

SHARE OF INTERNATIONAL ARRIVALS IN 2019



Source: MOTs, UOB Kay Hian

FOREIGN VISITORS



Source: MOTs, UOB Kay Hian

Disclosures/Disclaimers

This report is prepared by UOB Kay Hian Securities (Thailand) Public Company Limited ("UOBKHST"), which is a licensed corporation providing Securities Brokerage, Securities Dealing, Underwriting, Derivative Agent and Financial Advisory in Thailand.

This report is provided for information only and is not an offer or a solicitation to deal in securities or to enter into any legal relations, nor an advice or a recommendation with respect to such securities.

This report is prepared for general circulation. It does not have regard to the specific investment objectives, financial situation and the particular needs of any recipient hereof. Advice should be sought from a financial adviser regarding the suitability of the investment product, taking into account the specific investment objectives, financial situation or particular needs of any person in receipt of the recommendation, before the person makes a commitment to purchase the investment product.

This report is confidential. This report may not be published, circulated, reproduced or distributed in whole or in part by any recipient of this report to any other person without the prior written consent of UOBKHST. This report is not directed to or intended for distribution to or use by any person or any entity who is a citizen or resident of or located in any locality, state, country or any other jurisdiction as UOBKHST may determine in its absolute discretion, where the distribution, publication, availability or use of this report would be contrary to applicable law or would subject UOBKHST and its connected persons (as defined in Notification of the Capital Market Supervisory Board No. TorChor. 21/2551 and the Securities and Exchange Act of Thailand) to any registration, licensing or other requirements within such jurisdiction.

The information or views in the report ("Information") has been obtained or derived from sources believed by UOBKHST to be reliable. However, UOBKHST makes no representation as to the accuracy or completeness of such sources or the Information and UOBKHST accepts no liability whatsoever for any loss or damage arising from the use of or reliance on the Information. UOBKHST and its associate may have issued other reports expressing views different from the Information and all views expressed in all reports of UOBKHST and its connected persons are subject to change without notice. UOBKHST reserves the right to act upon or use the Information at any time, including before its publication herein.

Except as otherwise indicated below, (1) UOBKHST, its associates and its officers, employees and representatives may, to the extent permitted by law, transact with, perform or provide broking, underwriting, corporate finance-related or other services for or solicit business from, the subject corporation(s) referred to in this report; (2) UOBKHST, its associate and its officers, employees and representatives may also, to the extent permitted by law, transact with, perform or provide broking or other services for or solicit business from, other persons in respect of dealings in the securities referred to in this report or other investments related thereto; (3) the officers, employees and representatives of UOBKHST may also serve on the board of directors or in trustee positions with the subject corporation(s) referred to in this report. (All of the foregoing is hereafter referred to as the "Subject Business"); and (4) UOBKHST may otherwise have an interest (including a proprietary interest) in the subject corporation(s) referred to in this report.

As of the date of this report, no analyst responsible for any of the content in this report has any proprietary position or material interest in the securities of the corporation(s) which are referred to in the content they respectively author or are otherwise responsible for.

IMPORTANT DISCLOSURES FOR U.S. PERSONS

This research report is prepared by UOBKHST, a company authorized, as noted above, to engage in securities and derivative activities in Thailand. UOBKHST is not a registered broker-dealer in the United States and, therefore, is not subject to U.S. rules regarding the preparation of research reports and the independence of research analysts. This research report is provided for distribution by UOBKHST (whether directly or through its US registered broker dealer affiliate named below) to "major U.S. institutional investors" in reliance on the exemption from registration provided by Rule 15a-6 of the U.S. Securities Exchange Act of 1934, as amended (the "Exchange Act"). All US persons that receive this document by way of distribution from or which they regard as being from UOBKHST by their acceptance thereof represent and agree that they are a major institutional investor and understand the risks involved in executing transactions in securities.

Any U.S. recipient of this research report wishing to effect any transaction to buy or sell securities or related financial instruments based on the information provided in this research report should do so only through UOB Kay Hian (U.S.) Inc ("UOBKHUS"), a registered broker-dealer in the United States. Under no circumstances should any recipient of this research report effect any transaction to buy or sell securities or related financial instruments through UOBKHST.

UOBKHUS accepts responsibility for the contents of this research report, subject to the terms set out below, to the extent that it is delivered to and intended to be received by a U.S. person other than a major U.S. institutional investor.

The analyst whose name appears in this research report is not registered or qualified as a research analyst with the Financial Industry Regulatory Authority ("FINRA") and may not be an associated person of UOBKHUS and, therefore, may not be subject to applicable restrictions under FINRA Rules on communications with a subject company, public appearances and trading securities held by a research analyst account.

Analyst Certification/Regulation AC

Each research analyst of UOBKHST who produced this report hereby certifies that (1) the views expressed in this report accurately reflect his/her personal views about all of the subject corporation(s) and securities in this report; (2) the report was produced independently by him/her; (3) he/she does not carry out, whether for himself/herself or on behalf of UOBKHST or any other person, any of the Subject Business involving any of the subject corporation(s) or securities referred to in this report; and (4) he/she has not received and will not receive any compensation that is directly or indirectly related or linked to the recommendations or views expressed in this report or to any sales, trading, dealing or corporate finance advisory services or transaction in respect of the securities in this report. However, the compensation received by each such research analyst is based upon various factors, including UOBKHST's total revenues, a portion of which are generated from UOBKHST's business of dealing in securities.

Reports are distributed in the respective countries by the respective entities and are subject to the additional restrictions listed in the following table.

General	This report is not intended for distribution, publication to or use by any person or entity who is a citizen or resident of or located in any country or jurisdiction where the distribution, publication or use of this report would be contrary to applicable law or regulation.
Hong Kong	This report is distributed in Hong Kong by UOB Kay Hian (Hong Kong) Limited ("UOBKHHK"), which is regulated by the Securities and Futures Commission of Hong Kong. Neither the analyst(s) preparing this report nor his associate, has trading and financial interest and relevant relationship specified under Para. 16.4 of Code of Conduct in the listed corporation covered in this report. UOBKHHK does not have financial interests and business relationship specified under Para. 16.5 of Code of Conduct with the listed corporation covered in this report. Where the report is distributed in Hong Kong and contains research analyses or reports from a foreign research house, please note: (i) recipients of the analyses or reports are to contact UOBKHHK (and not the relevant foreign research house) in Hong Kong in respect of any matters arising from, or in connection with, the analysis or report; and (ii) to the extent that the analyses or reports are delivered to and intended to be received by any person in Hong Kong who is not a professional investor, or institutional investor, UOBKHHK accepts legal responsibility for the contents of the analyses or reports only to the extent required by law.
Indonesia	This report is distributed in Indonesia by PT UOB Kay Hian Sekuritas, which is regulated by Financial Services Authority of Indonesia. Where the report is distributed in Indonesia and contains research analyses or reports from a foreign research house, please note recipients of the analyses or reports are to contact PT UOBKH (and not the relevant foreign research house) in Indonesia in respect of any matters arising from, or in connection with, the analysis or report.
Malaysia	Where the report is distributed in Malaysia and contains research analyses or reports from a foreign research house, the recipients of the analyses or reports are to contact UOBKHM (and not the relevant foreign research house) in Malaysia, at +603-21471988, in respect of any matters arising from, or in connection with, the analysis or report as UOBKHM is the registered person under CMSA to distribute any research analyses in Malaysia.
Singapore	This report is distributed in Singapore by UOB Kay Hian Private Limited ("UOBKH"), which is a holder of a capital markets services licence and an exempt financial adviser regulated by the Monetary Authority of Singapore. Where the report is distributed in Singapore and contains research analyses or reports from a foreign research house, please note: (i) recipients of the analyses or reports are to contact UOBKH (and not the relevant foreign research house) in Singapore in respect of any matters arising from, or in connection with, the analysis or report; and (ii) to the extent that the analyses or reports are delivered to and intended to be received by any person in Singapore who is not an accredited investor, expert investor or institutional investor, UOBKH accepts legal responsibility for the contents of the analyses or reports only to the extent required by law.
Thailand	This report is distributed in Thailand by UOB Kay Hian Securities (Thailand) Public Company Limited, which is regulated by the Securities and Exchange Commission of Thailand.
United Kingdom	This report is being distributed in the UK by UOB Kay Hian (U.K.) Limited, which is an authorised person in the meaning of the Financial Services and Markets Act and is regulated by The Financial Conduct Authority. Research distributed in the UK is intended only for institutional clients.
United States of America ('U.S.')	This report cannot be distributed into the U.S. or to any U.S. person or entity except in compliance with applicable U.S. laws and regulations. It is being distributed in the U.S. by UOB Kay Hian (US) Inc, which accepts responsibility for its contents. Any U.S. person or entity receiving this report and wishing to effect transactions in any securities referred to in the report should contact UOB Kay Hian (US) Inc. directly.

Copyright 2023, UOB Kay Hian Securities (Thailand) Public Company Limited. All rights reserved.

<http://www.utrade.co.th>