

17 February 2025

Sector: Media

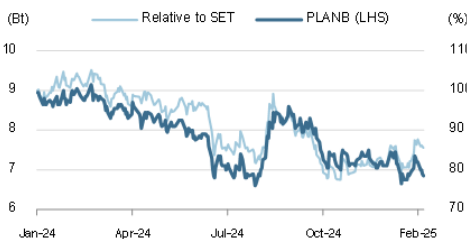
Bloomberg ticker	PLANB TB
Recommendation	BUY (maintained)
Current price	Bt7.10
Target price	Bt8.80 (maintained)
Upside/Downside	+24%
EPS revision	No change

Bloomberg target price	Bt8.97
Bloomberg consensus	Buy 10 / Hold 1 / Sell 0

Stock data	
Stock price 1-year high/low	Bt9.20 / Bt6.40
Market cap. (Bt mn)	30,456
Shares outstanding (mn)	4,290
Avg. daily turnover (Bt mn)	81
Free float	55%
CG rating	Excellent
ESG rating	Excellent

Financial & valuation highlights				
FY: Dec (Bt mn)	2022A	2023A	2024E	2025E
Revenue	6,590	8,365	9,114	9,367
EBITDA	3,412	3,765	4,015	4,200
Net profit	686	911	1,032	1,146
EPS (Bt)	0.16	0.21	0.24	0.27
Growth	971.0%	32.9%	13.2%	11.1%
Core EPS (Bt)	0.16	0.21	0.24	0.27
Growth	971.0%	32.9%	13.2%	11.1%
DPS (Bt)	0.13	0.17	0.19	0.21
Div. yield	1.8%	2.4%	2.7%	3.0%
PER (x)	44.3	33.3	29.4	26.5
Core PER (x)	44.3	33.3	29.4	26.5
EV/EBITDA (x)	9.2	8.2	7.3	6.8
PBV (x)	3.8	3.5	3.4	3.3

Bloomberg consensus				
Net profit	64	703	911	1,036
EPS (Bt)	0.02	0.17	0.21	0.24



Source: Aspen

Price performance	1M	3M	6M	12M
Absolute	6.8%	-5.3%	4.4%	-20.7%
Relative to SET	11.9%	6.9%	6.0%	-12.5%

Major shareholders	Holding
1. Mr. Palin Lojanagosin	21.97%
2. VGI	16.75%
3. Dr. Phongsak Thamthacharee	4.96%

Analyst: Jacqueline Nham, (Reg. no. 112603)

Plan B Media

Hello LED and VGI integrations to fuel long-term growth

We reiterate our BUY recommendation on PLANB with a target price of Bt8.80, based on a 2025E PER of 33.0x. Recent guidance provided at the analyst meeting on February 14th reinforces our positive earnings outlook. PLANB projects annual synergies valued at Bt450-600mn from the recently announced acquisition of “Hello LED” and partnership with VGI. These moves are forecast to increase net revenue by Bt400-500mn, save operating costs by Bt25-50mn, and reduce working capital by Bt25-50mn. Collectively, these synergies are estimated to contribute Bt0.07-0.09 per share. The transactions are expected to be finalized within 2Q25E. Including Hello LED, VGI, and Roctec, PLANB’s media capacity is projected to increase by +45% to Bt14.07bn in 2025E and by an additional +15% to Bt16.2bn in 2026E. Total revenue is projected to reach Bt9.5bn in 2025E and Bt11bn in 2026E.

Our net profit estimates for 2024E and 2025E remains unchanged at Bt1.03bn (+13% YoY) and Bt1.14bn (+11%). These projections do not yet incorporate the recent Hello LED acquisition and VGI partnership, as they are pending shareholder approval at the upcoming meeting in April.

PLANB’s share price has outperformed the SET Index by +12% over the past month and is currently trading at 26.5x 2025E PER. While PLANB is our top pick in the media sector, the company is well-positioned to capitalize on growth in the OOH advertising market, given its leading market share. Furthermore, we project the company’s earnings to reach all-time highs in 2024-25E.

Event: Analyst Meeting

• Bright earnings prospects

We maintain a positive outlook on PLANB following the analyst meeting held on February 14th. Key takeaways include:

- Hello LED acquisition: PLANB’s board has approved the acquisition of 1mn shares, representing a 100% stake in Hello LED, for Bt4bn. This acquisition comprises a 50% stake from Roctec and the remaining 49.99% stake from Win Harvest. PLANB will pay Roctec fully in cash and Bt1bn in cash to Win Harvest, with the remainder paid in PLANB’s new shares. The funding will come from PLANB’s operating cash flow and financing. We estimate interest expenses of Bt80mn per year, based on an assumed annual interest rate of 4%. PLANB will issue new shares to Win Harvest and VGI at a price of Bt7.00 apiece, totaling Bt2bn, which will result in a 6.21% share dilution. These transactions are expected to be finalized within 2Q25E. Hello LED’s media capacity is valued at Bt700-800mn in 2024, with an 80% utilization rate. PLANB previously received a 20% fee from managing Hello LED ad media. The acquisition will allow PLANB to fully consolidate Hello LED’s profits. We view this acquisition as reasonably priced at 15.7x 2025E PER, based on Hello LED’s projected 2025E profit.
- VGI partnership: PLANB has signed an exclusive agreement to manage all of VGI’s ad media in Thailand. This includes 84 BTS stations, 210 office and residential buildings, 132 BTS column screens, 137 lightbox billboards, 220 static billboards, and 23 skywalk screens at Chongnonsi. The agreement spans from May 1, 2025 to December 4, 2029, with estimated total compensation of Bt300-500mn. PLANB will receive a minimum of 3% of net ad revenue and a maximum of 35% of gross operating profit.
- Potential synergies: PLANB targets synergies of Bt450-600mn in the first year following the acquisitions. These synergies are broken down into Bt400-500mn in

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net revenue increase, Bt25-50mn in operating cost savings, and Bt25-50mn in working capital reduction. Collectively, these synergies are estimated to contribute Bt0.07-0.09 per share.

- Growth targets for 2025-26E: PLANB aims to expand its media capacity by 45% to Bt14.07bn in 2025E, inclusive of Hello LED, VGI, and Roctec, and by an additional +15% to Bt16.2bn in 2026E. Total revenue is projected to reach Bt9.5bn in 2025E and Bt11bn in 2026E.

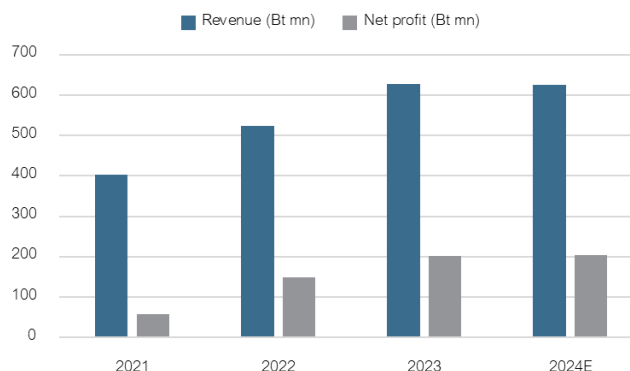
• Maintaining 2024-25E earnings estimates

We maintain our net profit estimates for 2024E and 2025E remains unchanged at Bt1.03bn (+13% YoY) and Bt1.14bn (+11%). These projections do not yet incorporate the recent Hello LED acquisition and VGI partnership, as they are pending shareholder approval at the upcoming meeting in April.

Valuation/Catalyst/Risk

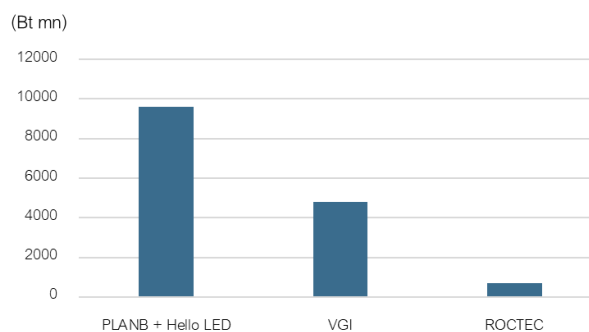
Our target price remains unchanged at Bt8.80, which is based on a 2025E PER of 33.0x. While PLANB is our top pick in the media sector, the company is well-positioned to capitalize on growth in the OOH advertising market, given its leading market share. Furthermore, we project the company's earnings to reach all-time highs in 2024-25E.

Fig 1: Hello LED



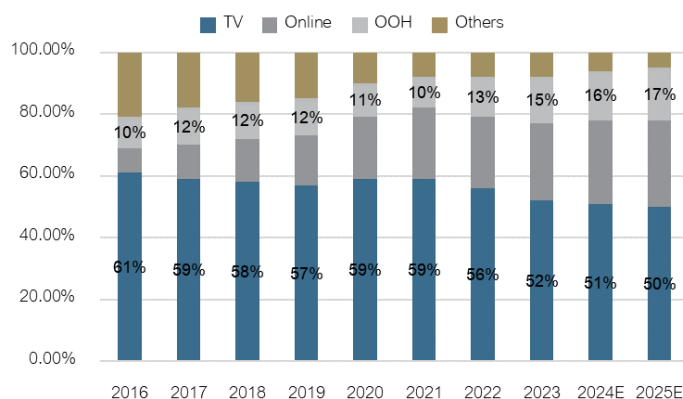
Source: PLANB

Fig 2: Media capacity in 2024E



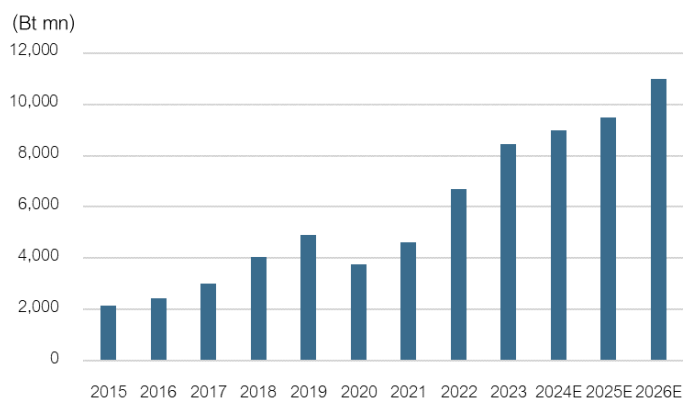
Source: PLANB, DAOL

Fig 3: Advertising Expenditure



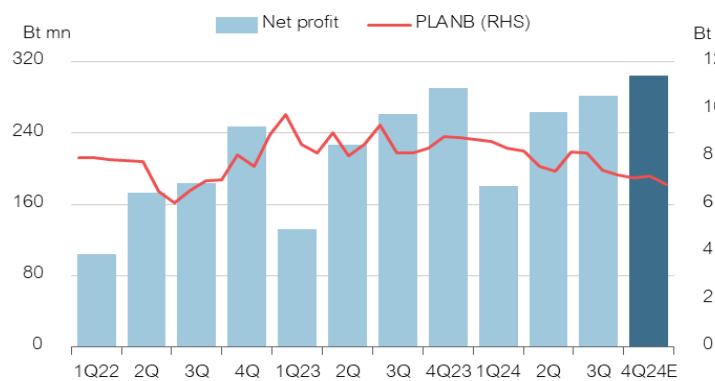
Source: Nielsen, PLANB

Fig 4: Total revenues (In 2025E incl. VGI and ROCTEC)



Source: Nielsen, PLANB

Fig 5: Quarterly net profit vs Share price



Sources: Setsmart, DAOL

Quarterly income statement

(Bt mn)	3Q23	4Q23	1Q24	2Q24	3Q24
Sales	2,141	2,480	1,940	2,221	2,553
Cost of sales	1,486	1,666	1,373	1,511	1,863
Gross profit	654	814	567	710	691
SG&A	265	369	292	310	283
EBITDA	995	1,055	890	1,029	1,044
Finance costs	(68)	(65)	(60)	(57)	(56)
Core profit	261	291	181	264	282
Net profit	261	291	181	264	282
EPS	0.06	0.07	0.04	0.06	0.07
Gross margin	30.6%	32.8%	29.2%	32.0%	27.0%
EBITDA margin	46.5%	42.6%	45.9%	46.3%	40.9%
Net profit margin	12.2%	11.7%	9.3%	11.9%	11.1%

Balance sheet

FY: Dec (Bt mn)	2021A	2022A	2023A	2024E	2025E
Cash & deposits	1,986	544	1,096	1,902	2,242
Accounts receivable	1,371	2,230	2,761	2,947	3,285
Inventories	3	1	5	6	6
Other current assets	671	582	467	479	492
Total cur. assets	4,030	3,357	4,329	5,333	6,025
Investments	153	158	146	146	146
Fixed assets	7,656	9,157	9,034	7,516	5,955
Other assets	1,925	2,790	2,737	2,982	3,064
Total assets	13,764	15,462	16,245	15,977	15,190
Short-term loans	0	0	0	0	0
Accounts payable	1,636	1,693	1,842	2,008	1,771
Current maturities	735	1,098	1,142	419	44
Other current liabilities	1,370	1,647	1,243	1,004	470
Total cur. liabilities	3,742	4,439	4,227	3,431	2,284
Long-term debt	1	0	0	0	0
Other LT liabilities	2,662	2,817	3,068	3,329	3,421
Total LT liabilities	2,662	2,817	3,068	3,329	3,421
Total liabilities	6,404	7,255	7,295	6,760	5,705
Registered capital	419	428	429	429	429
Paid-up capital	419	428	429	429	429
Share premium	6,031	6,645	6,726	6,726	6,726
Retained earnings	1,112	1,518	2,107	2,313	2,542
Others	(510)	(687)	(590)	(584)	(579)
Minority interests	307	302	278	333	367
Shares' equity	7,360	8,206	8,950	9,216	9,485

Cash flow statement

FY: Dec (Bt mn)	2021A	2022E	2023A	2024E	2025E
Net profit	64	686	911	1,032	1,146
Depreciation	2,341	2,429	2,390	2,518	2,561
Chg in working capital	732	(800)	(386)	(20)	(576)
Others	322	366	(290)	(251)	(548)
CF from operations	3,459	2,681	2,626	3,278	2,583
Capital expenditure	(1,854)	(3,935)	(2,255)	(1,000)	(1,000)
Others	(1,344)	(710)	304	16	10
CF from investing	(3,198)	(4,645)	(1,951)	(984)	(990)
Free cash flow	261	(1,964)	675	2,294	1,593
Net borrowings	(555)	362	44	(723)	(375)
Equity capital raised	1,578	631	83	0	0
Dividends paid	0	(549)	(729)	(825)	(917)
Others	95	87	479	60	39
CF from financing	1,118	531	(123)	(1,488)	(1,253)
Net change in cash	1,379	(1,433)	553	806	340

Forward PER band



Income statement

FY: Dec (Bt mn)	2021A	2022A	2023A	2024E	2025E
Sales	4,443	6,590	8,365	9,114	9,367
Cost of sales	3,800	4,785	5,861	6,389	6,463
Gross profit	643	1,805	2,504	2,726	2,904
SG&A	583	822	1,130	1,229	1,265
EBITDA	2,401	3,412	3,765	4,015	4,200
Depre. & amortization	2,341	2,429	2,390	2,518	2,561
Equity income	(28)	(13)	(5)	2	(3)
Other income	164	116	81	105	80
EBIT	36	918	1,199	1,373	1,479
Finance costs	(189)	(181)	(256)	(229)	(240)
Income taxes	18	209	247	288	296
Net profit before MI	17	709	952	1,085	1,183
Minority interest	74	(10)	(36)	(55)	(34)
Core profit	64	686	911	1,032	1,146
Extraordinary items	0	0	0	0	0
Net profit	64	686	911	1,032	1,146

Key ratios

FY: Dec (Bt mn)	2021A	2022A	2023A	2024E	2025E
Growth YoY					
Revenue	19.3%	48.3%	26.9%	9.0%	2.8%
EBITDA	-0.3%	42.1%	10.3%	6.6%	4.6%
Net profit	-54.3%	971.0%	32.9%	13.2%	11.1%
Core profit	-54.3%	971.0%	32.9%	13.2%	11.1%
Profitability ratio					
Gross profit margin	14.5%	27.4%	29.9%	29.9%	31.0%
EBITDA margin	54.0%	51.8%	45.0%	44.1%	44.8%
Core profit margin	1.4%	10.4%	10.9%	11.3%	12.2%
Net profit margin	1.4%	10.4%	10.9%	11.3%	12.2%
ROA	0.5%	4.7%	5.7%	6.4%	7.4%
ROE	1.0%	9.2%	11.0%	11.8%	12.7%
Stability					
D/E (x)	0.10	0.14	0.13	0.05	0.00
Net D/E (x)	(0.18)	0.07	0.01	(0.17)	(0.24)
Interest coverage ratio	0.3	5.4	5.4	6.5	6.8
Current ratio (x)	1.08	0.76	1.02	1.55	2.64
Quick ratio (x)	1.08	0.76	1.02	1.55	2.64
Per share (Bt)					
Reported EPS	0.01	0.16	0.21	0.24	0.27
Core EPS	0.01	0.16	0.21	0.24	0.27
Book value	1.65	1.85	2.03	2.08	2.13
Dividend	0.00	0.13	0.17	0.19	0.21
Valuation (x)					
PER	474.5	44.3	33.3	29.4	26.5
Core PER	474.5	44.3	33.3	29.4	26.5
P/BV	4.3	3.8	3.5	3.4	3.3
EV/EBITDA	12.3	9.2	8.2	7.3	6.8
Dividend yield	0.0%	1.8%	2.4%	2.7%	3.0%

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Corporate governance report of Thai listed companies 2024

CG rating by the Thai Institute of Directors Association (Thai IOD)

Score	Symbol	Description	ความหมาย
90-100		Excellent	ดีเลิศ
80-89		Very Good	ดีมาก
70-79		Good	ดี
60-69		Satisfactory	ดีพอใช้
50-59		Pass	ผ่าน
< 50	No logo given	n.a.	n.a.

IOD disclaimer

The Corporate Governance Report (CGR) of Thai listed Companies is based on a survey and assessment of information that companies listed on the Stock Exchange of Thailand and the Market for Alternative Investment ("listed companies") disclose to the public. The CGR is a presentation of information from the perspective of outsiders on the standards of corporate governance of listed companies. It is not any assessment of the actual practices of the listed companies, and the CGR does not use any non-public information. The CGR is not therefore an endorsement of the practices of the listed companies. It is not a recommendation for investment in any securities of any listed companies or any recommendation whatsoever. Investors should exercise their own judgment to analyze and consider any information relating to the listed companies presented in this CGR report. No representation or warranty is made by the Institute of Directors or any of its personnel as to the completeness or accuracy of the CGR report or the information used.

DAOL SEC's stock rating definition

BUY	The stock's total return is expected to exceed 10% over the next 6-12 months. The stock has good fundamentals and attractive valuations.
HOLD	The stock's total return is expected to be between 0% and 10% over the next 6-12 months. The stock has good fundamentals but may lack near-term catalysts or its valuations are not attractive.
SELL	The stock's total return is expected to fall below 0% or more over the next 6-12 months. Stock should be sold as negative total return is anticipated due to deteriorating fundamentals compared with its valuations.

The stock's expected total return is the percentage difference between the target price and the current price, which excludes dividend yields.

ESG rating (ESG: Environmental, Social, and Governance)

DAOL SEC believes environment, social and governance (ESG) practices will help determine the sustainability and future financial performance of companies. We thus incorporate ESG into our valuation model.

- ☐ **Environment.** Environment factors relate to corporate responsibility for its actions and how it manages its impact on the environment. DAOL SEC analyzes revenue, which exposes to environment risks and opportunities.
- ☐ **Social.** Social factors deal with company's relationship with its employees and vendors. That also includes company's initiatives related to employee health and well-being, as well as community involvement. DAOL SEC's evaluation on social practices is based on Bloomberg, which measure from company's social responsibility news.
- ☐ **Governance.** Corporate government factors include company's transparency, decision-making structure, concrete risk assessment method, treatment of minority shareholders and anti-corruption practices. DAOL SEC conduct this analysis based on IOD's scores.

DAOL SEC's ESG ratings score from 1-5

1. Excellent scores at 5
2. Very Good scores at 4
3. Good scores at 3
4. Satisfactory scores at 2
5. Pass scores at 1

DAOL SEC provides "n.a." in cases of insufficient data.