

# MAJOR CINEPLEX GROUP PLC

No. 3/2021

27 January 2021

## CORPORATES

Company Rating:	A
Issue Ratings:	
Senior unsecured	A
Outlook:	Negative

Last Review Date: 11/01/21

### Company Rating History:

Date	Rating	Outlook/Alert
17/06/20	A	Negative
08/12/16	A	Stable
25/03/09	A-	Stable

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## RATIONALE

TRIS Rating affirms the company rating on Major Cineplex Group PLC (MAJOR) and the ratings on its outstanding senior unsecured debentures at "A". At the same time, TRIS Rating assigns the rating of "A" to MAJOR's proposed issue of up to Bt500 million in senior unsecured debentures. The rating outlook remains "negative". The proceeds from the new debentures will be used to repay outstanding debts.

The ratings continue to reflect the company's leading position in the Thai movie exhibition industry, the prime locations of its properties throughout the country, and its unique position in the advertising media segment. These strengths are partially offset by exposure to several uncontrollable factors, such as the number of films released, film popularity, and increased competition from the proliferation of entertainment alternatives.

## RATING OUTLOOK

The "negative" outlook reflects the uncertainty and severity of impact from the Coronavirus Disease 2019 (COVID-19) outbreak on MAJOR's operating performance and potential further delays on the release schedules of blockbuster films from major film studios.

## RATING SENSITIVITIES

A rating downside may occur if TRIS Rating no longer believes a significant recovery in 2021 can be reasonably expected, or the impact from the virus outbreak or structural change in release window has resulted in a significant change in consumer behavior in a way that affects its operating performance materially. On the other hand, the outlook could be revised to "stable" if the company is able to quickly revive its operating performance, leading us to expect its adjusted net debt to EBITDA ratio to fall below 3.5 times soon.

## RELATED CRITERIA

- Rating Methodology – Corporate, 26 July 2019
- Key Financial Ratios and Adjustments, 5 September 2018

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**Major Cineplex Group PLC (MAJOR)**

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<b>Company Rating:</b>	A
<b>Issue Ratings:</b>	
MAJOR210A: THB500 million senior unsecured debentures due 2021	A
MAJOR229A: THB1,000 million senior unsecured debentures due 2022	A
Up to Bt500 million senior unsecured debentures due within 1 year	A
<b>Rating Outlook:</b>	Negative

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**TRIS Rating Co., Ltd.**

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