

Malaysia

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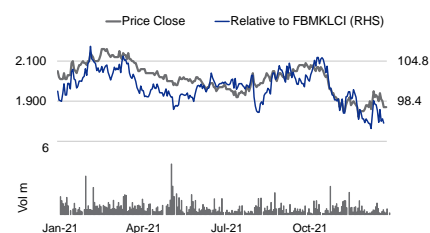
Consensus ratings*: Buy 8 Hold 2 Sell 1

Current price:	RM1.87
Target price:	RM2.40
Previous target:	RM2.10
Up/downside:	28.3%
CGS-CIMB / Consensus:	6.9%
Reuters:	BSTB.KL
Bloomberg:	BST MK
Market cap:	US\$600.0m
	RM2,509m
Average daily turnover:	US\$0.24m
	RM1.00m
Current shares o/s:	1,342m
Free float:	57.0%

*Source: Bloomberg

Key changes in this note

- FY22F core EPS cut by 8.2%.
- FY23F/24F core EPS raised by 10.2%/10.6%.



Source: Bloomberg

Price performance	1M	3M	12M
Absolute (%)	0	-10.1	-8.8
Relative (%)	-2.7	-6.2	-5.1

Major shareholders	% held
Gateway Benefit Sdn Bhd	21.8
Berjaya Land Bhd	16.5

Berjaya Sports Toto

Full recovery likely delayed but imminent

- BST expects NFO sales to recover to 85-90%/100% of pre-pandemic levels by early-Feb 22/1QFY23 (current: >80%), led by improved spending power.
- HRO's PBT may ease qoq in 2QFY22 on delayed deliveries, though demand stayed solid. PBT margins may fall from 4% now to 2-3% on higher staff cost.
- Reiterate Add with a higher DCF-based TP of RM2.40.

NFO sales could fully recover to pre-Covid-19 levels in 1QFY6/23

BST's number forecast operation (NFO) sales have picked up sequentially to slightly above 80% of pre-Covid-19 (C19) levels as of mid-Jan 22 (mid-Nov/mid-Dec 21: 75-80%; mid-/end-Oct 21: 65-70%). Barring further NFO outlet closures, BST expects sales to rise further to 85-90% of pre-C19 levels during the Chinese New Year (1-2 Feb 2022), aided by seasonally stronger demand. Thereafter, it hopes sales will fully recover in 1QFY6/23, driven by a recovery in spending power and, to a lesser extent, return of migrant workers. Eleven special draws will be conducted in CY22F, fewer than CY21's 22 draws but more than CY20's and our current assumption of 8 draws. Meanwhile, BST said the earnings impact from the recent floods should be minimal as i) only five of its 680 NFO outlets were affected, and ii) its NFO equipment are insured.

HRO's 2QFY22 earnings may ease qoq; margins to stay healthy

For H.R. Owen (HRO), we gather that 2QFY22 PBT may dip slightly qoq as the delivery of some cars to customers were delayed (to 3QFY22) by the seasonal/temporary closure of car manufacturing plants during the Dec 21 holiday season. Nonetheless, HRO's sales orders have remained robust in 2QFY22, as international borders have not fully reopened and the affluent segment was still somewhat reluctant to travel amid Covid-19 concerns. Meanwhile, HRO's high PBT margin of c.4% achieved in 3QFY21-1QFY22 may contract to c.2-3% going forward, as previously furloughed staff return to its workforce. However, this is still higher vs. our margin assumption (slightly above 1% from FY23F onwards) and pre-C19 levels (1-2% in FY15-19), thanks to a leaner cost structure.

FY22F core EPS cut on deferred recovery, but FY23-24F's raised

We cut FY22F core EPS by 8% to factor in the delayed recovery in NFO sales/draw to pre-C19 levels only in 1QFY23F (previous: 3QFY22F), partly offset by a higher special draws assumption of 11 from CY22F and reinstatement of contribution from Kedah NFO outlets (still operational). The latter two, coupled with a higher PBT margin projection of c.2% from FY23F for HRO, lead to FY23-24F core EPS being raised by 10-11%. Based on a 95% payout, FY22-24F DPS is cut to 11.3-17.9 sen (previously: 12.3-16.3 sen).

Reiterate Add with higher DCF-based TP of RM2.40 (WACC: 5.6%)

We raise BST's TP as the earnings upgrades in the forecast years outweigh the cut for FY22F. Re-rating catalysts: full NFO sales recovery and better FY22-24F HRO earnings. BST's FY23F adj. EV/EBITDA of 7.4x is 2.8 s.d. below its 14-year mean, with attractive FY22-24F yields of 6.0-9.6% p.a. Key downside risk: further Covid-19 waves.

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Financial Summary

	Jun-20A	Jun-21A	Jun-22F	Jun-23F	Jun-24F
Revenue (RMm)	4,636	4,829	4,898	6,090	6,133
Operating EBITDA (RMm)	319.8	409.6	365.2	492.3	489.0
Net Profit (RMm)	132.7	181.2	159.3	253.0	247.6
Core EPS (RM)	0.10	0.15	0.12	0.19	0.18
Core EPS Growth	(51.2%)	49.3%	(22.0%)	58.8%	(2.1%)
FD Core P/E (x)	18.33	12.28	15.75	9.92	10.13
DPS (RM)	0.10	0.08	0.11	0.18	0.18
Dividend Yield	5.56%	4.28%	6.03%	9.58%	9.37%
EV/EBITDA (x)	11.32	8.36	9.55	7.19	7.28
P/FCFE (x)	20.97	10.61	12.31	7.53	7.75
Net Gearing	114%	79%	85%	90%	91%
P/BV (x)	3.41	3.09	3.06	3.02	2.97
ROE	18.8%	26.4%	19.5%	30.6%	29.5%
% Change In Core EPS Estimates			(8.2%)	10.2%	10.6%
CGS-CIMB/Consensus EPS (x)			1.07	1.10	1.03

SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS

Full recovery likely delayed but imminent

Figure 1: Earnings revisions

FYE 30 Jun (RM m)	New				Old			% change		
	FY21	FY22F	FY23F	FY24F	FY22F	FY23F	FY24F	FY22F	FY23F	FY24F
Revenue	4,829	4,898	6,090	6,133	5,073	5,925	5,967	(3.5)	2.8	2.8
<i>Chg yoy (%)</i>	4.2	1.4	24.3	0.7	5.1	16.8	0.7			
Toto betting	2,264	2,275	3,416	3,433	2,450	3,251	3,267	(7.2)	5.1	5.1
Motor dealership (H.R. Owen)	2,502	2,559	2,610	2,636	2,559	2,610	2,636	0.0	0.0	0.0
Others	64	64	64	64	64	64	64	0.0	0.0	0.0
Opex	-4,420	-4,532	-5,598	-5,644	-4,683	-5,468	-5,514	(3.2)	2.4	2.4
EBITDA	410	365	492	489	390	457	453	(6.4)	7.8	7.9
<i>Chg yoy (%)</i>	28.1	(10.8)	34.8	(0.7)	(4.8)	17.1	(0.8)			
<i>EBITDA margin (%)</i>	8.5	7.5	8.1	8.0	7.7	7.7	7.6			
Deprn & amort.	-67	-68	-75	-78	-68	-75	-78	0.0	0.0	0.0
EBIT	342	297	417	411	322	382	375	(7.7)	9.3	9.5
Net interest expense	-13	-20	-23	-25	-20	-23	-25	0.6	(0.1)	(1.3)
Associates	-16	-2	-2	-2	-2	-2	-2	0.0	0.0	0.0
Others	-30	0	0	0	0	0	0	nm	nm	nm
Pretax profit	283	275	393	384	300	357	348	(8.3)	9.9	10.4
Tax	-96	-109	-133	-131	-120	-121	-118	(9.0)	9.9	10.4
Minority interests	-6	-6	-6	-6	-6	-6	-6	0.0	0.0	0.0
Discontinued operations	0	0	0	0	0	0	0	nm	nm	nm
Net profit	181	159	253	248	174	230	224	(8.2)	10.2	10.6
<i>Chg yoy (%)</i>	36.6	(12.1)	58.8	(2.1)	(4.2)	32.2	(2.5)			
Core net profit	204	159	253	248	174	230	224	(8.2)	10.2	10.6
<i>Chg yoy (%)</i>	49.0	(22.0)	58.8	(2.1)	(15.0)	32.2	(2.5)			
EPS (sen)	13.5	11.9	18.9	18.5	12.9	17.1	16.7	(8.2)	10.2	10.6
<i>Chg yoy (%)</i>	36.8	(12.1)	58.8	(2.1)	(4.2)	32.2	(2.5)			
Core EPS (sen)	15.2	11.9	18.9	18.5	12.9	17.1	16.7	(8.2)	10.2	10.6
<i>Chg yoy (%)</i>	49.3	(22.0)	58.8	(2.1)	(15.0)	32.2	(2.5)			
DPS (sen)	8.0	11.3	17.9	17.5	12.3	16.3	15.8	(8.2)	10.2	10.6
Capex	-71	-127	-98	-55	-127	-98	-55	0.0	0.0	0.0
Key gaming metrics										
Net NFO revenue	2,264	2,275	3,416	3,433	2,450	3,251	3,267	(7.2)	5.1	5.1
Gross NFO revenue	2,498	2,511	3,771	3,789	2,704	3,588	3,606	(7.2)	5.1	5.1
<i>Chg yoy (%)</i>	(8.2)	0.5	50.2	0.5	8.3	32.7	0.5			
Pre-tax profit	271	243	426	428	277	400	401	(12.3)	6.5	6.6
<i>Pre-tax margin (%)</i>	12.0	10.7	12.5	12.5	11.3	12.3	12.3			
Total no. of draws	140	136	167	167	132	159	159	2.7	5.1	5.1
Gross NFO revenue/ draw/outlet (RM)	26,227	27,150	33,203	33,369	30,025	33,203	33,369	(9.6)	0.0	0.0
Prize payout	1,499	1,506	2,262	2,274	1,623	2,153	2,164	(7.2)	5.1	5.1
<i>Prize payout ratio (%)</i>	60.0	60.0	60.0	60.0	60.0	60.0	60.0			

SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS

Figure 2: Our revised DCF-based target price for BST is RM2.40 (WACC: 5.6%, terminal growth rate: 1.0%)

FYE 30 Jun (RM m)	2022F	2023F	2024F	2025F	2026F	2027F	2028F	2029F	2030F	2031F
EBIT (1-t)	190	270	265	259	250	239	228	217	207	196
Depreciation & amortisation	29	35	38	40	41	42	43	44	45	46
Capex	-127	-98	-55	-55	-55	-55	-55	-55	-55	-55
FCFF	92	207	249	244	236	226	216	206	196	186
Terminal value										4,113
NPV of FCFF	87	186	211	196	180	163	148	134	121	2,498
Enterprise value	3,923									
Net cash/(debt) as at end-FY21	-693									
Equity value	3,231									
Basic no. of shares (m)	1,342									
Fair value per share (RM)	2.40	<i>Rounded to the nearest 5 sen</i>								

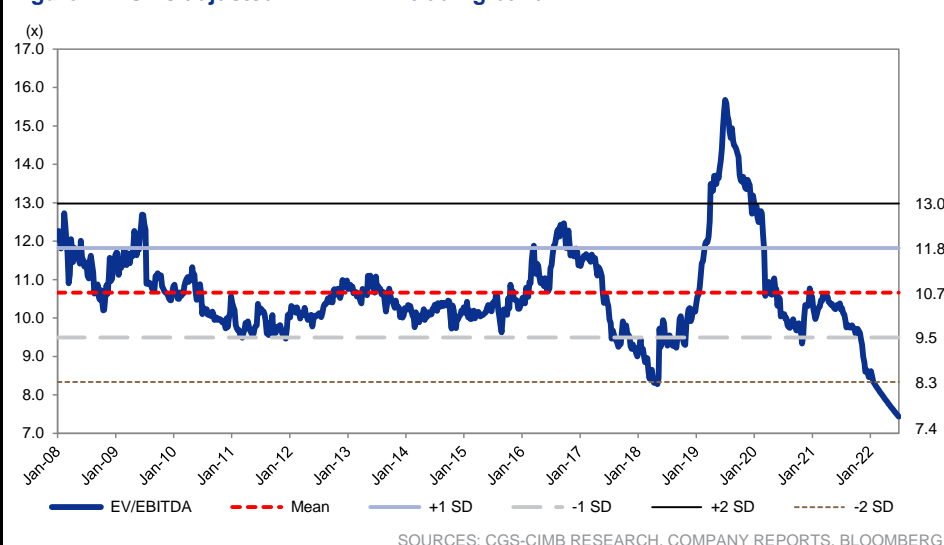
SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS

Figure 3: Sensitivity of BST's TP to changes in WACC and terminal growth rate

WACC/Terminal growth rate	0.0%	0.5%	1.0%	1.5%	2.0%
4.5%	2.68	2.94	3.27	3.72	4.34
5.0%	2.37	2.57	2.82	3.14	3.56
5.6%	2.07	2.22	2.40	2.64	2.93
6.0%	1.90	2.02	2.17	2.35	2.58
6.5%	1.72	1.82	1.94	2.08	2.25

SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS

Figure 4: BST's adjusted EV/EBITDA trading band





SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS, BLOOMBERG

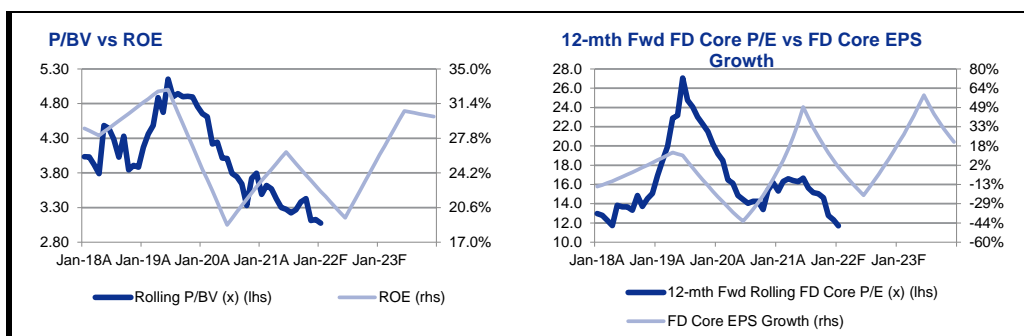
Figure 5: Regional gaming sector comparison

Company	Bloomberg Ticker	Recom.	Current Price (local curr.)	Target Price (local curr.)	Mkt Cap (US\$ m)	Core P/E (x)		EV/EBITDA (x)		3-year CAGR (%)		Dvd yield (%)	
						2021F	2022F	2021F	2022F	EPS	EBITDA	2021F	2022F
Genting Malaysia	GENM MK	ADD	2.84	3.40	3,839	nm	15.1	nm	8.2	nm	328.3	3.0	5.1
Genting Bhd	GENT MK	ADD	4.53	7.10	4,170	309.1	12.1	16.8	7.8	nm	40.7	1.9	3.3
Berjaya Sports Toto	BST MK	ADD	1.87	2.40	600	12.3	15.7	9.0	9.9	22.7	15.5	4.3	6.0
Magnum	MAG MK	ADD	1.90	2.30	653	53.1	11.8	27.9	8.9	33.5	21.5	1.7	8.0
Malaysia gaming average (ex-outliers)						12.3	13.7	17.9	8.7	28.1	25.9	2.7	5.6
Genting Singapore	GENS SP	ADD	0.78	0.95	6,973	43.4	21.4	10.9	7.0	64.7	29.5	1.3	3.2
Singapore gaming average (ex-outliers)						43.4	21.4	10.9	7.0	64.7	29.5	1.3	3.2
Paradise	034230 KS	ADD	14,850	23,000	1,135	nm	207.4	43.4	24.6	nm	112.6	0.0	0.7
Grand Korea Leisure	114090 KS	ADD	13,200	21,000	686	nm	63.5	nm	31.9	nm	nm	2.3	4.9
Kangwon Land	035250 KS	ADD	25,350	36,000	4,557	170.9	15.5	41.2	6.1	nm	nm	0.8	3.6
South Korea gaming average (ex-outliers)						nm	39.5	41.2	20.9	nm	nm	1.0	3.0
Regional casino average (ex-outliers)						43.4	25.5	23.0	14.3	64.7	35.1	1.5	3.5
Regional NFO average (ex-outliers)						12.3	13.8	18.4	9.4	28.1	18.5	3.0	7.0

Note: Share prices as of 19 Jan 2022, EPS & EBITDA CAGR are for FY20-23F
SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS, BLOOMBERG

Refinitiv ESG Scores	
	
ESG in a nutshell	
<p>BST was given an ESG Combined Score of C by Refinitiv in FY6/20, which is broken down into D+ for Environmental, B- for Social and C- for Governance. For the Environmental pillar, its score was pulled down by the lack of disclosure on metrics/targets relating to water, energy efficiency, emissions and organic products, as well as products/services designed to have a positive impact on the environment. Meanwhile, on the Social front, it fell short in terms of not i) claiming to ensure staff's freedom of association, ii) having policies/initiatives to avoid the use of child/forced labour, iii) complying with/supporting the fundamental human rights convention of the International Labour Organisation/UN declaration of human rights, and iv) disclosing human rights criteria in the selection/monitoring of vendors/suppliers.</p>	
<p>Keep your eye on</p> <p>On Governance, BST was rated poorly by Refinitiv for Management (D) given the lack of i) diversity in its board of directors, and ii) reporting on individual compensation for each executive/director and whether it is tied to shareholders' returns/long-term targets. It also scored D- for CSR Strategy for not being a UN Global Compact/Principles for Responsible Investment signatory and not integrating non-financial information into the management discussion and analysis in its annual report. Refinitiv scored the company a good A+ for both Shareholders and ESG Controversies as there were no major negative related-party transactions in the past 5 years that were detrimental to minority interests.</p>	<p>Implications</p> <p>We have not reflected BST's poor ESG ratings into our forecasts/valuation for now as we believe its earnings/cash flows are more likely to be affected by business-specific issues, such as the proliferation of illegal NFOs and regulatory developments.</p>
<p>ESG highlights</p> <p>In FY20, Refinitiv ranked BST 2nd out of two gaming companies in Malaysia and 4th out of six ASEAN gaming companies, with an ESG combined score that was significantly below the midpoint. Meanwhile, BST is not included in the FTSE4Good Bursa Malaysia Index. As of Jun 21, FTSE Russell gave BST an ESG score of 2 out of 4, placing it in the third quartile of companies on the FBM Emas Index that it has assessed.</p>	<p>Implications</p> <p>We have not ascribed a discount to BST's valuation despite its below-average ESG ranking by Refinitiv and FTSE Russell. However, potential improvements in ESG disclosures/performance in the medium to longer term could help it garner more interest from ESG-focused investors.</p>
<p>Trends</p> <p>According to BST's FY21 annual report, Sports Toto Malaysia attained the World Lottery Association (WLA) Security Control Standard:2016 and ISO/IEC 27001:2013 certification in Dec 2019 in preventing fraud/mishandling during draw proceedings. It also achieved level 2 of the Responsible Gaming certification from WLA in Jun 2020.</p>	<p>Implications</p> <p>We believe BST is on par with some of the best lottery companies globally in terms of its reputation in promoting responsible gaming practices, curbing money laundering/fraud and contributing to community development in the regions where it operates. We believe further improvements on this front may be an upside risk that could help to allay investors' ESG concerns towards BST.</p>
<small>SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS, FTSE RUSSELL, REFINITIV</small>	

BY THE NUMBERS



Profit & Loss

(RMm)	Jun-20A	Jun-21A	Jun-22F	Jun-23F	Jun-24F
Total Net Revenues	4,636	4,829	4,898	6,090	6,133
Gross Profit	4,636	4,829	4,898	6,090	6,133
Operating EBITDA	320	410	365	492	489
Depreciation And Amortisation	-66	-67	-68	-75	-78
Operating EBIT	254	342	297	417	411
Financial Income/(Expense)	-19	-13	-20	-23	-25
Pretax Income/(Loss) from Assoc.	-2	-16	-2	-2	-2
Non-Operating Income/(Expense)	0	-1	0	0	0
Profit Before Tax (pre-EI)	233	313	275	393	384
Exceptional Items	-6	-30	0	0	0
Pre-tax Profit	227	283	275	393	384
Taxation	-93	-96	-109	-133	-131
Exceptional Income - post-tax					
Profit After Tax	134	187	166	259	254
Minority Interests	-1	-6	-6	-6	-6
Preferred Dividends					
FX Gain/(Loss) - post tax					
Other Adjustments - post-tax	0	0	0	0	0
Net Profit	133	181	159	253	248
Recurring Net Profit	137	204	159	253	248
Fully Diluted Recurring Net Profit	137	204	159	253	248

Cash Flow

(RMm)	Jun-20A	Jun-21A	Jun-22F	Jun-23F	Jun-24F
EBITDA	319.8	409.6	365.2	492.3	489.0
Cash Flow from Inv. & Assoc.					
Change In Working Capital	(185.9)	187.0	0.0	0.0	0.0
(Incr)/Decr in Total Provisions					
Other Non-Cash (Income)/Expense					
Other Operating Cashflow	173.5	35.3	35.3	35.3	35.3
Net Interest (Paid)/Received	(63.3)	(60.7)	(59.0)	(62.7)	(65.2)
Tax Paid	(116.5)	(84.0)	(109.1)	(133.5)	(130.7)
Cashflow From Operations	127.5	487.2	232.4	331.4	328.3
Capex	(72.9)	(70.7)	(127.0)	(98.0)	(55.0)
Disposals Of FAs/subsidiaries	(9.5)	0.3	0.0	0.0	0.0
Acq. Of Subsidiaries/investments	40.7	6.3	0.0	0.0	0.0
Other Investing Cashflow	(50.1)	(2.3)	18.5	19.6	20.5
Cash Flow From Investing	(91.8)	(66.3)	(108.5)	(78.4)	(34.5)
Debt Raised/(repaid)	84.2	(184.3)	80.0	80.0	30.0
Proceeds From Issue Of Shares	0.0	0.0	0.0	0.0	0.0
Shares Repurchased	(19.8)	0.0	0.0	0.0	0.0
Dividends Paid	(168.4)	(87.3)	(105.4)	(226.2)	(236.5)
Preferred Dividends					
Other Financing Cashflow	(91.2)	(119.4)	(98.7)	(102.4)	(104.9)
Cash Flow From Financing	(195.3)	(391.0)	(124.1)	(248.6)	(311.4)
Total Cash Generated	(159.6)	29.9	(0.3)	4.3	(17.6)
Free Cashflow To Equity	119.9	236.6	203.9	333.0	323.8
Free Cashflow To Firm	99.0	481.6	182.9	315.7	359.0

SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS

BY THE NUMBERS... cont'd

Balance Sheet

(RMm)	Jun-20A	Jun-21A	Jun-22F	Jun-23F	Jun-24F
Total Cash And Equivalents	308	364	383	410	418
Total Debtors	559	471	420	688	427
Inventories	439	326	458	510	466
Total Other Current Assets	19	19	19	19	19
Total Current Assets	1,325	1,180	1,280	1,628	1,331
Fixed Assets	183	304	403	466	483
Total Investments	351	324	324	324	324
Intangible Assets	691	707	706	706	705
Total Other Non-Current Assets	358	356	356	356	356
Total Non-current Assets	1,584	1,692	1,790	1,853	1,869
Short-term Debt	435	551	551	551	551
Current Portion of Long-Term Debt					
Total Creditors	434	420	456	626	465
Other Current Liabilities	212	205	206	206	206
Total Current Liabilities	1,081	1,177	1,213	1,384	1,222
Total Long-term Debt	773	505	585	665	695
Hybrid Debt - Debt Component					
Total Other Non-Current Liabilities	247	286	360	507	346
Total Non-current Liabilities	1,020	791	945	1,172	1,041
Total Provisions	18	28	28	28	28
Total Liabilities	2,120	1,996	2,187	2,584	2,292
Shareholders' Equity	738	811	819	832	844
Minority Interests	51	64	64	64	64
Total Equity	789	875	883	896	908

Key Ratios

	Jun-20A	Jun-21A	Jun-22F	Jun-23F	Jun-24F
Revenue Growth	(29.5%)	4.2%	1.4%	24.3%	0.7%
Operating EBITDA Growth	(36.7%)	28.1%	(10.8%)	34.8%	(0.7%)
Operating EBITDA Margin	6.90%	8.48%	7.46%	8.08%	7.97%
Net Cash Per Share (RM)	-0.67	-0.52	-0.56	-0.60	-0.62
BVPS (RM)	0.55	0.60	0.61	0.62	0.63
Gross Interest Cover	4.00	5.64	5.03	6.66	6.30
Effective Tax Rate	41.1%	33.8%	39.7%	34.0%	34.0%
Net Dividend Payout Ratio	101%	51%	95%	95%	95%
Accounts Receivables Days	40.19	38.94	33.18	33.18	33.27
Inventory Days	N/A	N/A	N/A	N/A	N/A
Accounts Payables Days	N/A	N/A	N/A	N/A	N/A
ROIC (%)	16.6%	16.2%	14.5%	18.7%	16.3%
ROCE (%)	13.7%	18.1%	15.7%	20.9%	20.0%
Return On Average Assets	5.53%	7.85%	6.09%	8.44%	8.16%

Key Drivers

	Jun-20A	Jun-21A	Jun-22F	Jun-23F	Jun-24F
Gross NFO revenue (RM m)	2,720.6	2,498.2	2,510.8	3,770.5	3,789.4
Gross NFO revenue/draw/outlet (RM)	31,753.4	26,226.7	27,149.9	33,203.0	33,369.0
NFO gaming tax rate (%)	8.0%	8.0%	8.0%	8.0%	8.0%
No. of draws	126.0	140.1	136.0	167.0	167.0
No. of games	8.0	8.0	8.0	8.0	8.0
Est. prize payout ratio (%)	61.0%	60.0%	60.0%	60.0%	60.0%
Pool betting duty rate (%)	8.0%	8.0%	8.0%	8.0%	8.0%
NSC contribution rate (%)	10.0%	10.0%	10.0%	10.0%	10.0%
Special draw contribution rate (%)	10.0%	10.0%	10.0%	10.0%	10.0%
No. of outlets	680.0	680.0	680.0	680.0	680.0

SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS

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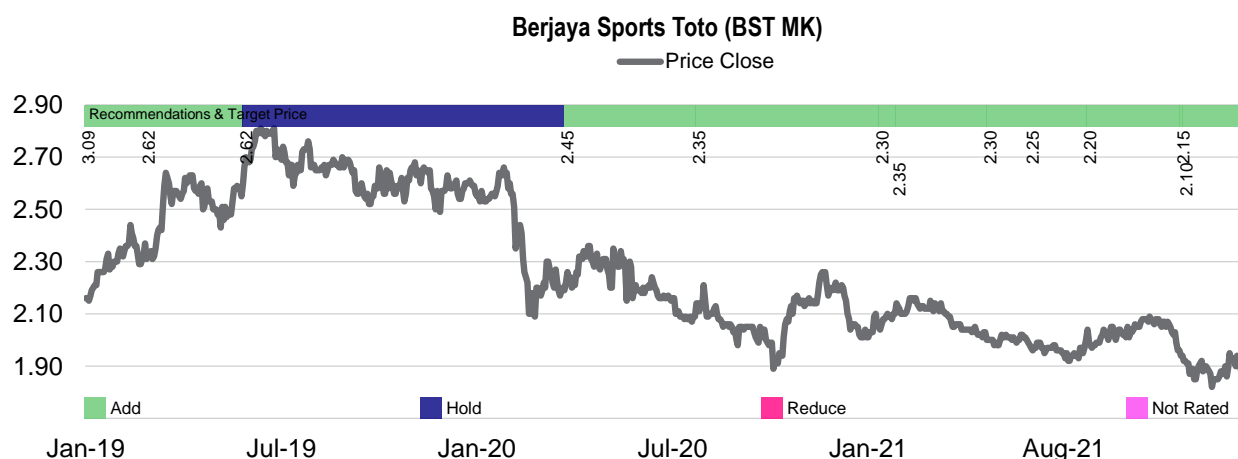
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Distribution of stock ratings and investment banking clients for quarter ended on 31 December 2021		
619 companies under coverage for quarter ended on 31 December 2021		
	Rating Distribution (%)	Investment Banking clients (%)
Add	71.1%	1.5%
Hold	21.8%	0.0%
Reduce	7.1%	0.0%

Spitzer Chart for stock being researched (2 year data)



Corporate Governance Report of Thai Listed Companies (CGR). CG Rating by the Thai Institute of Directors Association (Thai IOD) in 2021, Anti-Corruption 2021

ADVANC – Excellent, Certified, **AMATA** – Excellent, Certified, **ANAN** – Excellent, n/a, **AOT** – Excellent, n/a, **AP** – Excellent, Certified, **ASP** – Excellent, n/a, **AWC** – Excellent, Declared, **AU** – Good, n/a, **BAM** – Very Good, Certified, **BAY** – Excellent, Certified, **BBL** – Excellent, Certified, **BCH** – Very Good, Certified, **BCP** - Excellent, Certified, **BCPG** – Excellent, Certified, **BDMS** – Excellent, n/a, **BEAUTY** – Good, n/a, **BEM** – Excellent, n/a **BH** - Good, n/a, **BJC** – Very Good, n/a, **BLA** – Very Good, Certified, **BTS** - Excellent, Certified, **CBG** – Very Good, n/a, **CCET** – n/a, n/a, **CENTEL** – Excellent, Certified, **CHAYO** – Very Good, n/a, **CHG** – Very Good, n/a, **CK** – Excellent, n/a, **COM7** – Excellent, Certified, **CPALL** – Excellent, Certified, **CPF** – Excellent, Certified, **CPN** - Excellent, Certified, **CPNREIT** – n/a, n/a, **CRC** – Excellent, Declared, **DELTA** - Excellent, Certified, **DDD** – Excellent, n/a, **DIF** – n/a, n/a, **DOHOME** – Very Good, Declared, **DREIT** – n/a, n/a, **DTAC** – Excellent, Certified, **ECL** – Excellent, Certified, **EGCO** - Excellent, Certified, **EPG** – Excellent, Certified, **ERW** – Very Good, Certified, **GFPT** - Excellent, Certified, **GGC** – Excellent, Certified, **GLOBAL** – Excellent, n/a, **HANA** - Excellent, Certified, **HMPRO** - Excellent, Certified, **HUMAN** – Good, n/a, **ICHI** – Excellent, Certified, **III** – Excellent, Declared, **INTUCH** - Excellent, Certified, **IRPC** – Excellent, Certified, **ITD** – Very Good, n/a, **IVL** - Excellent, Certified, **JASIF** – n/a, n/a, **JKN** – n/a, Certified, **JMT** – Very Good, n/a, **KBANK** - Excellent, Certified, **KCE** - Excellent, Certified, **KEX** – Very Good, Declared, **KKP** – Excellent, Certified, **KSL** – Excellent, Certified, **KTB** - Excellent, Certified, **KTC** – Excellent, Certified, **LH** - Excellent, n/a, **LPN** – Excellent, Certified, **M** – Very Good, Certified, **MAKRO** – Excellent, Certified, **MC** – Excellent, Certified, **MEGA** – Very Good, n/a, **MINT** - Excellent, Certified, **MTC** – Excellent, Certified, **NETBAY** – Very Good, n/a, **NRF** – Very Good, Declared, **OR** – Excellent, n/a, **ORI** – Excellent, Certified, **OSP** – Excellent, n/a, **PLANB** – Excellent, Certified, **PRINC** – Very Good, Certified, **PR9** – Excellent, Declared, **PSH** – Excellent, Certified, **PTT** - Excellent, Certified, **PTTEP** - Excellent, n/a, **PTTGC** - Excellent, Certified, **QH** – Excellent, Certified, **RAM** – n/a, n/a, **RBF** – Very Good, n/a, **RS** – Excellent, Declared, **RSP** – Good, n/a, **S** – Excellent, n/a, **SAK** – Very Good, Declared, **SAPPE** – Very Good, Certified, **SAWAD** – Very Good, n/a, **SCB** - Excellent, Certified, **SCC** – Excellent, Certified, **SCGP** – Excellent, Declared, **SECURE** – n/a, n/a, **SHR** – Excellent, n/a, **SIRI** – Excellent, Certified, **SPA** – Very Good, n/a, **SPALI** - Excellent, Certified, **SPRC** – Excellent, Certified, **SSP** - Good, Certified, **STEC** – Excellent, n/a, **SVI** – Excellent, Certified, **SYNEX** – Very Good, Certified, **TCAP** – Excellent, Certified, **THANI** – Excellent, Certified, **TIDLOR** – n/a, Certified **TISCO** - Excellent, Certified, **TKN** – Very Good, n/a, **TOP** - Excellent, Certified, **TRUE** – Excellent, Certified, **TTB** - Excellent, Certified, **TU** – Excellent, Certified, **TVO** – Excellent, Certified, **VGI** – Excellent, Certified, **WHA** – Excellent, Certified, **WHART** – n/a, n/a, **WICE** – Excellent, Certified, **WORK** – Good, n/a.

- CG Score 2021 from Thai Institute of Directors Association (IOD)

- Companies participating in Thailand's Private Sector Collective Action Coalition Against Corruption programme (Thai CAC) under Thai Institute of Directors (as of August 5, 2021) are categorised into: companies that have declared their intention to join CAC, and companies certified by CAC.

Recommendation Framework	
Stock Ratings	Definition:
Add	The stock's total return is expected to exceed 10% over the next 12 months.
Hold	The stock's total return is expected to be between 0% and positive 10% over the next 12 months.
Reduce	The stock's total return is expected to fall below 0% or more over the next 12 months.
<i>The total expected return of a stock is defined as the sum of the: (i) percentage difference between the target price and the current price and (ii) the forward net dividend yields of the stock. Stock price targets have an investment horizon of 12 months.</i>	
Sector Ratings	Definition:
Overweight	An Overweight rating means stocks in the sector have, on a market cap-weighted basis, a positive absolute recommendation.
Neutral	A Neutral rating means stocks in the sector have, on a market cap-weighted basis, a neutral absolute recommendation.
Underweight	An Underweight rating means stocks in the sector have, on a market cap-weighted basis, a negative absolute recommendation.
Country Ratings	Definition:
Overweight	An Overweight rating means investors should be positioned with an above-market weight in this country relative to benchmark.
Neutral	A Neutral rating means investors should be positioned with a neutral weight in this country relative to benchmark.
Underweight	An Underweight rating means investors should be positioned with a below-market weight in this country relative to benchmark.

