

Berjaya Sports Toto (BST MK)

Slowly but surely

Maintain BUY call and MYR2.24 DCF-based TP

BST hosted a post-2QFY6/22 results conference call. Positively, Sports Toto Malaysia (STM) sales/draw continues to recover despite the recent Omicron wave. While *Cukai Makmur* will weigh on 2HFY6/22 earnings, we had expected this. Longer term, we are positive that BST intends to be a pure gaming company which implies that it will sell its non-gaming assets (e.g. H.R. Owen). We continue to like BST as a high dividend yielding recovery play.

STM sales/draw at c.85% of pre-COVID-19 levels

BST stated that despite the recent Omicron wave, STM sales/draw has continued to recover to c.85% of pre-COVID-19 levels from 70-75% in 2QFY6/22. This confirms our belief that Malaysians are still inclined to participate in gaming despite the risk of being infected with COVID-19 as long as the risk of serious health complications is low ([link](#)). Thus, we maintain our estimates which assume that STM sales/draw will recover to 75%/90%/92% of pre-COVID-19 levels in FY22E/FY23E/FY24E.

Cukai Makmur will have an impact in 2HFY6/22

BST stated that although it has unutilised tax losses from Malaysian sources amounting to MYR8.5m as at end-FY6/21, it still expects to incur *Cukai Makmur* in 3QFY6/22 and 4QFY6/22. We suspect that the unutilised tax losses are not attributable to BST's principal subsidiary, STM which has historically generated >80% of group earnings pre-COVID-19. That said, we have already incorporated Cukai Makmur into our forecasts and estimate that it will cost BST a one-off MYR10m in FY6/22.

To spin off H.R. Owen in the long run?

BST also proposed to change its name to 'Sports Toto'. BST stated that it wishes to be a pure gaming company going forward. Recall that Jalil Rasheed, Group CEO of Berjaya Corporation (BC MK, CP: MYR0.25, Not Rated) has stated that he plans for H.R. Owen to be sold to BC. Yet, BST stated that it will wait for H.R. Owen to complete its large showroom in Hatfield and build its distributorship network first. If the disposal were to materialize at a reasonable price, we would view it positively.

FYE Jun (MYR m)	FY20A	FY21A	FY22E	FY23E	FY24E
Revenue	4,636	4,829	4,529	5,471	5,530
EBITDA	306	415	259	431	441
Core net profit	125	182	104	231	240
Core EPS (sen)	9.3	13.6	7.7	17.2	17.9
Core EPS growth (%)	(59.1)	45.9	(42.9)	122.0	3.9
Net DPS (sen)	10.4	8.0	6.4	14.5	15.0
Core P/E (x)	23.4	14.6	24.5	11.1	10.6
P/BV (x)	3.9	3.3	3.1	2.9	2.8
Net dividend yield (%)	4.8	4.0	3.4	7.6	7.9
ROAE (%)	18.2	23.5	12.6	27.1	27.0
ROAA (%)	4.5	6.3	3.8	8.8	9.1
EV/EBITDA (x)	14.3	9.6	14.7	8.7	8.3
Net gearing (%) (incl perps)	148.6	120.0	106.1	94.0	81.6
Consensus net profit	-	-	157	241	246
MKE vs. Consensus (%)	-	-	(34.0)	(4.3)	(2.6)

Yin Shao Yang
samuel.y@maybank-ib.com
(603) 2297 8916

BUY

Share Price	MYR 1.90
12m Price Target	MYR 2.24 (+24%)
Previous Price Target	MYR 2.24

Company Description

One of three national number forecast operators in Malaysia with 676 outlets.

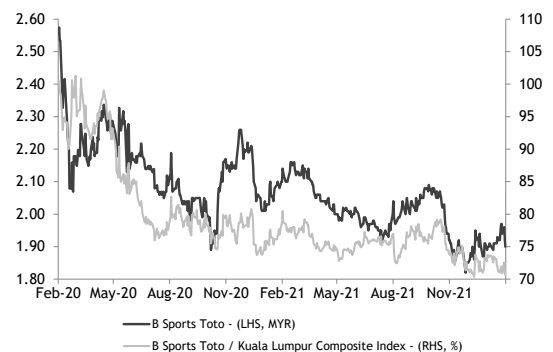
Statistics

52w high/low (MYR)	2.16/1.82
3m avg turnover (USDm)	0.2
Free float (%)	50.6
Issued shares (m)	1,351
Market capitalisation	MYR2.6B USD613M

Major shareholders:

Berjaya Land Bhd.	40.0%
Berjaya Corp. Bhd.	7.6%
AIA Bhd.	3.2%

Price Performance



	-1M	-3M	-12M
Absolute (%)	(1)	(1)	(10)
Relative to index (%)	(4)	(4)	(10)

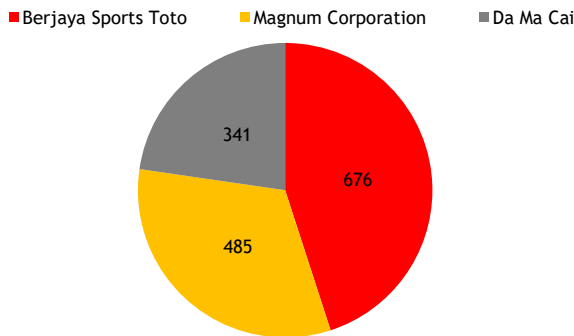
Source: FactSet

ESG@MAYBANK IBG
Tear Sheet Insert

Value Proposition

- Largest legal number forecast operator (NFO) in Malaysia with 676 outlets and seven games.
- Legal NFO industry has matured, but has also been slowly ceding share to the illegals due to lower prize payouts.
- Challenges are in introducing new and popular games and the authorities clamping down on illegal NFOs.
- High ROEs of >20% as BST has an established track record of paying special dividends and capital reductions.
- Current recurring dividend policy already generous at ≥75% DPR. Does distribute treasury shares as dividends.

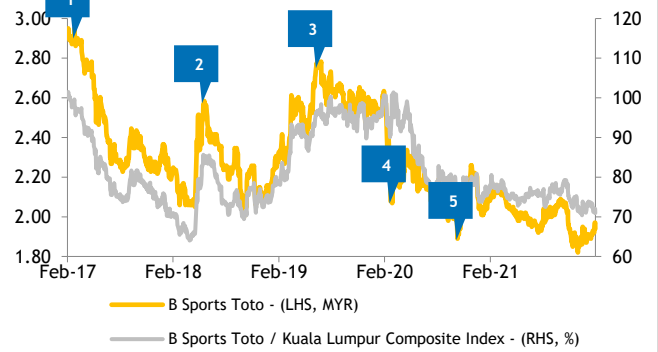
Number of outlets by NFO as of 31 Dec 2021



Source: Company, Magnum, Pan Malaysian Pools

Price Drivers

Historical share price trend



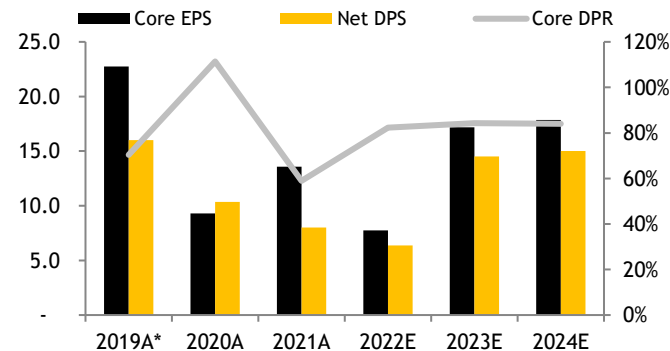
Source: Company, Maybank IBG Research

1. Share price downtrend due to poor consumer sentiment and market share loss to illegal NFOs.
2. New Pakatan Harapan government abolished the Goods & Services Tax.
3. Introduced *4D Zodiac*, a game that combines the popular *Classic 4D* and Chinese zodiacs.
4. COVID-19 pandemic struck Malaysia. BST NFO outlets closed from 18 Mar 2020 to 15 Jun 2020.
5. New COVID-19 cases in Malaysia began to rise after the Sabah state election.

Financial Metrics

- Key financial metric is EPS as it is the basis on which DPS will be declared.
- Forecast FY6/22E EPS to fall 43% YoY due to the Full Movement Control Order (FMCO) in 1QFY and *Cukai Makmur*.
- Forecast FY6/23E EPS to recover 122% YoY due to non-recurrence of the FMCO and *Cukai Makmur*.
- Balance sheet was in net debt position of MYR1.1b or MYR0.79/share as at end-4QFY6/21.

Core EPS (sen), DPS (sen) and DPR (%)



* 14 months of operations

Source: Company, Maybank IBG Research

Swing Factors

Upside

- Prize payout ratio - Every 1ppt decrease in prize payout ratio will accrete c.MYR20m to core net profit.
- 4D: jackpot mix - tilt towards jackpot will expand margins due to its lower prize payout ratio of 55%.
- Special draws - Government may award more special draws to raise tax revenues.

Downside

- Prize payout ratio - Every 1ppt increase in prize payout ratio will deduct c.MYR20m from core net profit.
- Gaming tax rate hikes - Government raised gaming tax rates in the past and they may do so again going forward.
- Competition from illegal NFOs - Illegal NFOs offer prize payout ratios which are 10-20ppts higher for 4D.

samuel.y@maybank-ib.com

Risk Rating & Score ¹	30.8 (High)
Score Momentum ²	+0.5
Last Updated	7 Jan 2022
Controversy Score ³ (Updated: 27 Jan 2022)	1 -Customer Incidents - Quality & Safety

Business Model & Industry Issues

- As a safeguard, the NFO industry is already heavily regulated with fixed number of NFO outlets, standardised number of draws and standardised operating hours. BST's corporate social responsibility (CSR) initiatives are also well known.
- In our view, BST's corporate governance in the late-1990s until the mid-2000s left much to be desired as it advanced huge sums of money to related companies.
- To be fair, BST greatly increased dividend payouts and returned capital to shareholders throughout the mid-2000s and all of the advances have been repaid to boot. Related party transactions (RPT) in recent years have been a lot smaller.
- Yet, the acquisition of British luxury car distributor, H.R. Owen in FY4/14 and high directors' remuneration relative to net profit continues to raise eyebrows.
- All in all, we opine that BST's ESG credentials have improved a lot over the years but there is still room for improvement.

Material E issues

- No major environmental issues. Reduced paper consumption by using recycled paper for bet slips.
- Reduced plastic consumption by replacing plastic cores in its thermal ticket rolls with biodegradable paper cores.
- BST did not elaborate on how much it reduced paper and plastic consumption by in its FY6/20 annual report.

Material S issues

- Regulated by the Ministry Of Finance (MOF) under Section 5 of the Pool Betting Act, 1967.
- MOF has frozen the number of NFO outlets since 1991 and limits the number of normal draws to three weekly.
- MOF may awards special draws that are held on Tuesdays. 11 special draws were awarded for CY22.
- NFO outlets must open no earlier than 8:00 a.m. and shut by 7:00 p.m.
- Betting at NFO outlets is denied to persons below the age of 21 and Malaysian Muslims.
- NFO outlets are precluded from extending credit to gamblers.
- STM's website carries a "Play Responsibly" message, advising players to gamble responsibly.
- STM is certified at Level 2 of 4 (4 being the best) by the World Lottery Association Responsible Gaming Framework.
- CSR initiatives impacted circa 19,000 senior citizens, 1,200 individuals, 1,000 students and 100 families in FY20.
- Fewer CSR initiatives were held in FY21 but this was due to the COVID-19 pandemic.
- 10% of STM's pre-tax profit goes towards funding the National Sports Council.

Key G metrics and issues

- BOD comprises 1 Chairman, 1 Chief Executive Officer (CEO), 1 Executive Director, and 5 Independent Non-Executive Directors (INED).
- Chairman, Dato' Sri Robin Tan Yeong Ching and CEO, Nerine Tan Sheik Ping are children of Tan Sri Dato' Seri Vincent Tan Chee Yioun (TSVT).
- TSVT controls BST's largest shareholders, Berjaya Land and Berjaya Corporation.
- TSVT is also Managing Director/Chief Executive Officer of BST's principal subsidiary, STM.
- Only 1 of the 8 BOD members is a woman, CEO, Nerine Tan Sheik Ping.
- FY6/21 directors' remuneration accounted for 3% of net profit.
- Yet, directors of STM have historically been paid remuneration averaging a higher 15% of net profit.
- BST used to disclose how much directors of its subsidiaries were remunerated but this ceased in FY6/21.
- Ernst & Young PLT is the independent auditor. They have been appointed for >10 years.
- All 5 BOD level committees are chaired by INEDs (Datuk Robert Yong Kuen Loke and Poh Ying Loo).
- Advanced moneys to related companies from late-1990s until mid-2000s. Peaked at MYR1.1b as at end-FY4/02.
- To be fair, BST paid a huge special DPS of MYR1.70 in FY4/03 and raised its DPR policy to >75% since then.
- Moreover, it returned capital totalling MYR0.90/shr to shareholders between FY4/06 and FY4/07.
- Furthermore, all of the aforementioned advances have been repaid since FY4/08.
- Recent RPTs with various companies within the Berjaya Group are immaterial, in our view.
- Raised eyebrows in FY4/14 when BST acquired British luxury car distributor, H.R. Owen.
- To date, it has invested >MYR200m to raise its effective stake in H.R. Owen to 88%.
- That said, H.R. Owen was generating profits pre-COVID19.

¹**Risk Rating & Score** - derived by Sustainalytics and assesses the company's exposure to unmanaged ESG risks. Scores range between 0 - 50 in order of increasing severity with low/high scores & ratings representing negligible/significant risk to the company's enterprise value, respectively, from ESG-driven financial impacts. ²**Score Momentum** - indicates changes to the company's score since the last update - a **negative** integer indicates a company's improving risk score; a **positive** integer indicates a deterioration. ³**Controversy Score** - reported periodically by Sustainalytics in the event of material ESG-related incident(s), with the impact severity scores of these events ranging from Category 0-5 (0 - no reports; 1 - negligible risks; ...; 5 - poses serious risks & indicative of potential structural deficiencies at the company).

Figure 1: BST DCF-based valuation

	MYRm	MYR/sh	Comments
Sports Toto Malaysia DCF	3,705.0	2.76	WACC: 8.6%, g: 2.0%
(Net debt at Sports Toto Malaysia)	(700.0)	(0.52)	End-FY6/22E
Equity value	3,005.0	2.24	

Source: Maybank IBG Research

FYE 30 Jun	FY20A	FY21A	FY22E	FY23E	FY24E
Key Metrics					
P/E (reported) (x)	25.1	15.3	24.5	11.1	10.6
Core P/E (x)	23.4	14.6	24.5	11.1	10.6
P/BV (x)	3.9	3.3	3.1	2.9	2.8
P/NTA (x)	62.6	24.4	20.0	15.6	12.6
Net dividend yield (%)	4.8	4.0	3.4	7.6	7.9
FCF yield (%)	2.8	16.1	7.7	10.5	11.1
EV/EBITDA (x)	14.3	9.6	14.7	8.7	8.3
EV/EBIT (x)	18.2	11.5	19.7	10.2	9.8
INCOME STATEMENT (MYR m)					
Revenue	4,635.7	4,829.1	4,528.7	5,471.0	5,529.6
EBITDA	305.9	414.5	258.7	430.8	441.2
Depreciation	(66.2)	(67.3)	(66.2)	(66.2)	(66.2)
EBIT	239.7	347.2	192.5	364.6	375.0
Net interest income / (exp)	(18.7)	(48.7)	(12.6)	(6.0)	(2.6)
Associates & JV	(1.9)	(17.1)	(9.5)	(1.9)	(1.9)
Exceptionals	7.7	0.0	0.0	0.0	0.0
Pretax profit	226.8	281.5	170.4	356.7	370.4
Income tax	(93.1)	(93.5)	(63.0)	(118.5)	(123.0)
Minorities	(1.0)	(5.9)	(3.6)	(7.5)	(7.8)
Discontinued operations	0.0	0.0	0.0	0.0	0.0
Reported net profit	132.7	182.1	103.9	230.7	239.6
Core net profit	125.0	182.1	103.9	230.7	239.6
BALANCE SHEET (MYR m)					
Cash & Short Term Investments	307.8	274.0	137.5	169.7	148.1
Accounts receivable	566.0	543.1	509.8	532.4	538.0
Inventory	438.7	320.7	310.2	366.2	369.7
Property, Plant & Equip (net)	183.1	293.8	257.5	221.3	185.1
Intangible assets	691.3	705.3	705.3	705.3	705.3
Investment in Associates & JVs	119.3	104.0	94.5	92.6	90.6
Other assets	602.8	584.7	584.7	584.7	584.7
Total assets	2,909.0	2,825.5	2,599.5	2,672.1	2,621.5
ST interest bearing debt	465.4	557.0	257.3	322.1	257.3
Accounts payable	612.8	539.9	527.9	592.1	596.2
LT interest bearing debt	1,015.5	771.0	835.1	734.4	698.5
Other liabilities	26.0	80.0	79.0	80.0	80.0
Total Liabilities	2,119.7	1,947.5	1,699.6	1,728.5	1,631.8
Shareholders Equity	737.8	814.2	832.5	868.7	907.0
Minority Interest	51.5	63.8	67.4	74.9	82.7
Total shareholder equity	789.3	878.0	899.9	943.6	989.7
Total liabilities and equity	2,909.0	2,825.5	2,599.5	2,672.1	2,621.5
CASH FLOW (MYR m)					
Pretax profit	226.8	281.5	170.4	356.7	370.4
Depreciation & amortisation	66.2	67.3	66.2	66.2	66.2
Adj net interest (income)/exp	18.7	48.7	12.6	6.0	2.6
Change in working capital	(34.7)	167.0	31.7	(14.3)	(5.1)
Cash taxes paid	(116.5)	(79.8)	(63.2)	(117.9)	(123.0)
Other operating cash flow	(5.8)	17.1	9.5	1.9	1.9
Cash flow from operations	154.7	501.7	227.2	298.6	313.1
Capex	(72.9)	(73.4)	(30.0)	(30.0)	(30.0)
Free cash flow	81.8	428.2	197.2	268.6	283.1
Dividends paid	(168.4)	(87.3)	(85.5)	(194.6)	(201.3)
Equity raised / (purchased)	(19.8)	(18.2)	0.0	0.0	0.0
Change in Debt	55.5	(220.9)	(235.6)	(35.9)	(100.7)
Other invest/financing cash flow	(81.5)	(144.2)	(12.6)	(6.0)	(2.6)
Effect of exch rate changes	17.8	8.7	0.0	0.0	0.0
Net cash flow	(114.6)	(33.8)	(136.5)	32.2	(21.6)

FYE 30 Jun	FY20A	FY21A	FY22E	FY23E	FY24E
Key Ratios					
Growth ratios (%)					
Revenue growth	(29.5)	4.2	(6.2)	20.8	1.1
EBITDA growth	(38.9)	35.5	(37.6)	66.5	2.4
EBIT growth	(48.6)	44.9	(44.6)	89.4	2.9
Pretax growth	(45.9)	24.1	(39.4)	109.3	3.9
Reported net profit growth	(41.5)	37.2	(42.9)	122.0	3.9
Core net profit growth	(59.2)	45.7	(42.9)	122.0	3.9
Profitability ratios (%)					
EBITDA margin	6.6	8.6	5.7	7.9	8.0
EBIT margin	5.2	7.2	4.3	6.7	6.8
Pretax profit margin	4.9	5.8	3.8	6.5	6.7
Payout ratio	104.9	59.0	82.3	84.3	84.0
DuPont analysis					
Net profit margin (%)	2.9	3.8	2.3	4.2	4.3
Revenue/Assets (x)	1.6	1.7	1.7	2.0	2.1
Assets/Equity (x)	3.9	3.5	3.1	3.1	2.9
ROAE (%)	18.2	23.5	12.6	27.1	27.0
ROAA (%)	4.5	6.3	3.8	8.8	9.1
Liquidity & Efficiency					
Cash conversion cycle	23.2	25.3	23.4	18.4	18.8
Days receivable outstanding	40.1	41.3	41.8	34.3	34.8
Days inventory outstanding	38.5	31.0	26.6	24.2	26.0
Days payables outstanding	55.4	47.0	45.0	40.0	42.0
Dividend cover (x)	1.0	1.7	1.2	1.2	1.2
Current ratio (x)	1.2	1.0	1.2	1.2	1.2
Leverage & Expense Analysis					
Asset/Liability (x)	1.4	1.5	1.5	1.5	1.6
Net gearing (%) (incl perps)	148.6	120.0	106.1	94.0	81.6
Net gearing (%) (excl. perps)	148.6	120.0	106.1	94.0	81.6
Net interest cover (x)	12.8	7.1	15.3	61.0	141.5
Debt/EBITDA (x)	4.8	3.2	4.2	2.5	2.2
Capex/revenue (%)	1.6	1.5	0.7	0.5	0.5
Net debt/ (net cash)	1,173.2	1,054.0	954.9	886.9	807.7

Source: Company; Maybank

Research Offices

ECONOMICS

Suhaimi ILIAS
Chief Economist
Malaysia | Philippines | Global
(603) 2297 8682
suhaimi_iliasmaybank-ib.com

CHUA Hak Bin
Regional Thematic Macroeconomist
(65) 6231 5830
chuahb@maybank.com

LEE Ju Ye
Singapore | Thailand | Indonesia
(65) 6231 5844
leejuye@maybank.com

Dr Zamros DZULKAFLI
(603) 2082 6818
zamros.d@maybank-ib.com

FX

Saktiandi SUPAAT
Head of FX Research
(65) 6320 1379
saktiandi@maybank.com.sg

Christopher WONG
(65) 6320 1347
wongkl@maybank.com.sg

TAN Yanxi
(65) 6320 1378
tanyx@maybank.com.sg

Fiona LIM
(65) 6320 1374
fionalim@maybank.com.sg

STRATEGY

Anand PATHMAKANTHAN
ASEAN
(603) 2297 8783
anand.pathmakanthan@maybank-ib.com

FIXED INCOME

Winson PHOON, ACA
(65) 6340 1079
winsonphoon@maybank.com

SE THO Mun Yi
(603) 2074 7606
munyi.st@maybank-ib.com

REGIONAL EQUITIES

Anand PATHMAKANTHAN
Head of Regional Equity Research
(603) 2297 8783
anand.pathmakanthan@maybank-ib.com

WONG Chew Hann, CA
Head of ASEAN Equity Research
(603) 2297 8686
wchewh@maybank-ib.com

ONG Seng Yeow
Research, Technology & Innovation
(65) 6231 5839
ongsengyeow@maybank.com

MALAYSIA

Anand PATHMAKANTHAN *Head of Research*
(603) 2297 8783
anand.pathmakanthan@maybank-ib.com
• Strategy

WONG Chew Hann, CA
(603) 2297 8686
wchewh@maybank-ib.com
• Non-Bank Financials (stock exchange)
• Construction & Infrastructure

Desmond CH'NG, BFP, CFA
(603) 2297 8680
desmond.chng@maybank-ib.com
• Banking & Finance

LIAW Thong Jung
(603) 2297 8688 tjliaw@maybank-ib.com
• Oil & Gas Services - Regional
• Automotive

ONG Chee Ting, CA
(603) 2297 8678 ct.ong@maybank-ib.com
• Plantations - Regional

YIN Shao Yang, CPA
(603) 2297 8916 samuel.y@maybank-ib.com
• Gaming - Regional
• Media • Aviation • Non-Bank Financials

TAN Chi Wei, CFA
(603) 2297 8690 chiwei.t@maybank-ib.com
• Power • Telcos

WONG Wei Sum, CFA
(603) 2297 8679 weisum@maybank-ib.com
• Property • Glove

Jade TAM
(603) 2297 8687 jade.tam@maybank-ib.com
• Consumer Staples & Discretionary

Syifaa' Nur FARAH
(603) 2297 8675
nurfarahsyifaa.mohamadfuad@maybank-ib.com
• Construction • Renewable Energy • REITs

Arvind JAYARATNAM
(603) 2297 8692
arvind.jayaratnam@maybank.com
• Ports • Shipping
• Petrochemicals • Technology

Shafiq KADIR
(603) 2297 8691
msshafiqk.abkadir@maybank-ib.com
• Healthcare • Software

TEE Sze Chiah *Head of Retail Research*
(603) 2082 6858 szechiah.t@maybank-ib.com
• Retail Research

Nik Ihsan RAJA ABDULLAH, MSTA, CFTE
(603) 2297 8694
nikmohdihsan.ra@maybank-ib.com
• Chartist

Amirah AZMI
(603) 2082 8769 amirah.azmi@maybank-ib.com
• Retail Research

SINGAPORE

Thilan WICKRAMASINGHE *Head of Research*
(65) 6231 5840 thilanw@maybank.com
• Banking & Finance - Regional
• Consumer

CHUA Su Tye
(65) 6231 5842 chuasutye@maybank.com
• REITs - Regional

LAI Gene Lih, CFA
(65) 6231 5832 laigenelih@maybank.com
• Technology • Healthcare

Eric ONG
(65) 6231 5924 ericong@maybank.com
• SMIDs

Kelvin TAN
(65) 6231 5837 kelvintan1@maybank.com
• Telcos

PHILIPPINES

Jacqui de JESUS *Head of Research*
(63) 2 8849 8840
jacqui.dejesus@maybank.com
• Strategy • Conglomerates

Rachelleen RODRIGUEZ, CFA
(63) 2 8849 8843
rachelleen.rodriquez@maybank.com
• Banking & Finance • Transport • Telcos

Daphne SZE
(63) 2 8849 8847
daphne.sze@maybank.com
• Consumer

Miguel SEVIDAL
(63) 2 8849 8844
miguel.sevidal@maybank.com
• REITs • Property

Florenzo de JESUS
(63) 2 8849 8846
florenzo.dejesus@maybank.com
• Utilities

VIETNAM

Quan Trong Thanh *Head of Research*
(84 28) 44 555 888 ext 8184
thanh.quan@maybank.com
• Banks

Hoang Huy, CFA
(84 28) 44 555 888 ext 8181
hoanghuy@maybank.com
• Strategy • Technology • Industrials

Le Nguyen Nhat Chuyen
(84 28) 44 555 888 ext 8082
chuyen.le@maybank.com
• Oil & Gas • Logistics

Nguyen Thi Sony Tra Mi
(84 28) 44 555 888 ext 8084
trami.nguyen@maybank.com
• Consumer

Tyler Manh Dung Nguyen
(84 28) 44 555 888 ext 8085
manhdung.nguyen@maybank.com
• Utilities • Property

Nguyen Thi Ngan Tuyen
Head of Retail Research
(84 28) 44 555 888 ext 8081
tuyen.nguyen@maybank.com
• Retail Research

Nguyen Thanh Lam
(84 28) 44 555 888 ext 8086
thanhlam.nguyen@maybank.com
• Chartist

INDIA

Jigar SHAH *Head of Research*
(91) 22 4223 2632 jigars@maybank.com
• Strategy • Oil & Gas • Automobile • Cement

Neerav DALAL
(91) 22 4223 2606 neerav@maybank.com
• Software Technology • Telcos

Vikram RAMALINGAM
(91) 22 4223 2607
vikram@maybank.com
• Automobile • Media

INDONESIA

Rahmi MARINA
(62) 21 8066 8689
rahmi.marina@maybank.com
• Banking & Finance

Willy GOUTAMA
(62) 21 8066 8500
willy.goutama@maybank.com
• Consumer

Satriawan, CTA
(62) 21 8066 8682
satriawan@maybank.com
• Chartist

THAILAND

Maria LAPIZ *Head of Institutional Research*
Dir (66) 2257 0250 | (66) 2658 6300 ext 1399
maria.l@maybank.com
• Strategy • Consumer • Materials • Services

Jesada TECHAHUSDIN, CFA
(66) 2658 6300 ext 1395
jesada.t@maybank.com
• Banking & Finance

Vanida GEISLER, CPA
(66) 2658 6300 ext 1394
vanida.g@maybank.com
• Property • REITs

Yuwanee PROMMAPORN
(66) 2658 6300 ext 1393
Yuwanee.P@maybank.com
• Services • Healthcare

Ekachai TARAPORN TIP *Head of Retail Research*
(66) 2658 5000 ext 1530
Ekachai.t@maybank.com

Surachai PRAMUALCHAROENKIT
(66) 2658 5000 ext 1470
Surachai.p@maybank.com
• Auto • Conmat • Contractor • Steel

Suttatip PEERASUB
(66) 2658 5000 ext 1430
suttatip.p@maybank.com
• Food & Beverage • Commerce

Jaroonpan WATTANAWONG
(66) 2658 5000 ext 1404
jaroonpan.w@maybank.com
• Transportation • Small cap

Thanatphat SUKSRICHAVALIT
(66) 2658 5000 ext 1401
thanatphat.s@maybank.com
• Media • Electronics

Wijit ARAYAPISIT
(66) 2658 5000 ext 1450
wijit.a@maybank.com
• Strategist

Theerasate PROMPONG
(66) 2658 5000 ext 1400
theerasate.p@maybank.com
• Equity Portfolio Strategist

Apiwat TAVESIRIVATE
(66) 2658 5000 ext 1310
apiwat.t@maybank.com
• Chartist and TFXE

APPENDIX I: TERMS FOR PROVISION OF REPORT, DISCLAIMERS AND DISCLOSURES

DISCLAIMERS

This research report is prepared for general circulation and for information purposes only and under no circumstances should it be considered or intended as an offer to sell or a solicitation of an offer to buy the securities referred to herein. Investors should note that values of such securities, if any, may fluctuate and that each security's price or value may rise or fall. Opinions or recommendations contained herein are in form of technical ratings and fundamental ratings. Technical ratings may differ from fundamental ratings as technical valuations apply different methodologies and are purely based on price and volume-related information extracted from the relevant jurisdiction's stock exchange in the equity analysis. Accordingly, investors' returns may be less than the original sum invested. Past performance is not necessarily a guide to future performance. This report is not intended to provide personal investment advice and does not take into account the specific investment objectives, the financial situation and the particular needs of persons who may receive or read this report. Investors should therefore seek financial, legal and other advice regarding the appropriateness of investing in any securities or the investment strategies discussed or recommended in this report.

The information contained herein has been obtained from sources believed to be reliable but such sources have not been independently verified by Maybank Investment Bank Berhad, its subsidiary and affiliates (collectively, "Maybank IBG") and consequently no representation is made as to the accuracy or completeness of this report by Maybank IBG and it should not be relied upon as such. Accordingly, Maybank IBG and its officers, directors, associates, connected parties and/or employees (collectively, "Representatives") shall not be liable for any direct, indirect or consequential losses or damages that may arise from the use or reliance of this report. Any information, opinions or recommendations contained herein are subject to change at any time, without prior notice.

This report may contain forward looking statements which are often but not always identified by the use of words such as "anticipate", "believe", "estimate", "intend", "plan", "expect", "forecast", "predict" and "project" and statements that an event or result "may", "will", "can", "should", "could" or "might" occur or be achieved and other similar expressions. Such forward looking statements are based on assumptions made and information currently available to us and are subject to certain risks and uncertainties that could cause the actual results to differ materially from those expressed in any forward looking statements. Readers are cautioned not to place undue relevance on these forward-looking statements. Maybank IBG expressly disclaims any obligation to update or revise any such forward looking statements to reflect new information, events or circumstances after the date of this publication or to reflect the occurrence of unanticipated events.

Maybank IBG and its officers, directors and employees, including persons involved in the preparation or issuance of this report, may, to the extent permitted by law, from time to time participate or invest in financing transactions with the issuer(s) of the securities mentioned in this report, perform services for or solicit business from such issuers, and/or have a position or holding, or other material interest, or effect transactions, in such securities or options thereon, or other investments related thereto. In addition, it may make markets in the securities mentioned in the material presented in this report. One or more directors, officers and/or employees of Maybank IBG may be a director of the issuers of the securities mentioned in this report to the extent permitted by law.

This report is prepared for the use of Maybank IBG's clients and may not be reproduced, altered in any way, transmitted to, copied or distributed to any other party in whole or in part in any form or manner without the prior express written consent of Maybank IBG and Maybank IBG and its Representatives accepts no liability whatsoever for the actions of third parties in this respect.

This report is not directed to or intended for distribution to or use by any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction where such distribution, publication, availability or use would be contrary to law or regulation. This report is for distribution only under such circumstances as may be permitted by applicable law. The securities described herein may not be eligible for sale in all jurisdictions or to certain categories of investors. Without prejudice to the foregoing, the reader is to note that additional disclaimers, warnings or qualifications may apply based on geographical location of the person or entity receiving this report.

Malaysia

Opinions or recommendations contained herein are in the form of technical ratings and fundamental ratings. Technical ratings may differ from fundamental ratings as technical valuations apply different methodologies and are purely based on price and volume-related information extracted from Bursa Malaysia Securities Berhad in the equity analysis.

Singapore

This report has been produced as of the date hereof and the information herein may be subject to change. Maybank Research Pte. Ltd. ("MRPL") in Singapore has no obligation to update such information for any recipient. For distribution in Singapore, recipients of this report are to contact MRPL in Singapore in respect of any matters arising from, or in connection with, this report. If the recipient of this report is not an accredited investor, expert investor or institutional investor (as defined under Section 4A of the Singapore Securities and Futures Act), MRPL shall be legally liable for the contents of this report, with such liability being limited to the extent (if any) as permitted by law.

Thailand

Except as specifically permitted, no part of this presentation may be reproduced or distributed in any manner without the prior written permission of Maybank Securities (Thailand) Public Company Limited. Maybank Securities (Thailand) Public Company Limited ("MST") accepts no liability whatsoever for the actions of third parties in this respect.

Due to different characteristics, objectives and strategies of institutional and retail investors, the research products of MST Institutional and Retail Research departments may differ in either recommendation or target price, or both. MST reserves the rights to disseminate MST Retail Research reports to institutional investors who have requested to receive it. If you are an authorised recipient, you hereby tacitly acknowledge that the research reports from MST Retail Research are first produced in Thai and there is a time lag in the release of the translated English version.

The disclosure of the survey result of the Thai Institute of Directors Association ("IOD") regarding corporate governance is made pursuant to the policy of the Office of the Securities and Exchange Commission. The survey of the IOD is based on the information of a company listed on the Stock Exchange of Thailand and the market for Alternative Investment disclosed to the public and able to be accessed by a general public investor. The result, therefore, is from the perspective of a third party. It is not an evaluation of operation and is not based on inside information. The survey result is as of the date appearing in the Corporate Governance Report of Thai Listed Companies. As a result, the survey may be changed after that date. MST does not confirm nor certify the accuracy of such survey result.

The disclosure of the Anti-Corruption Progress Indicators of a listed company on the Stock Exchange of Thailand, which is assessed by Thaipat Institute, is made in order to comply with the policy and sustainable development plan for the listed companies of the Office of the Securities and Exchange Commission. Thaipat Institute made this assessment based on the information received from the listed company, as stipulated in the form for the assessment of Anti-corruption which refers to the Annual Registration Statement (Form 56-1), Annual Report (Form 56-2), or other relevant documents or reports of such listed company. The assessment result is therefore made from the perspective of Thaipat Institute that is a third party. It is not an assessment of operation and is not based on any inside information. Since this assessment is only the assessment result as of the date appearing in the assessment result, it may be changed after that date or when there is any change to the relevant information. Nevertheless, MST does not confirm, verify, or certify the accuracy and completeness of the assessment result.

US

This third-party research report is distributed in the United States ("US") to Major US Institutional Investors (as defined in Rule 15a-6 under the Securities Exchange Act of 1934, as amended) only by Maybank Securities USA Inc ("MSUS"), a broker-dealer registered in the US (registered under Section 15 of the Securities Exchange Act of 1934, as amended). All responsibility for the distribution of this report by MSUS in the US shall be borne by MSUS. This report is not directed at you if Maybank IBG is prohibited or restricted by any legislation or regulation in any jurisdiction from making it available to you. You should satisfy yourself before reading it that MSUS is permitted to provide research material concerning investments to you under relevant legislation and regulations. All U.S. persons receiving and/or accessing this report and wishing to effect transactions in any security mentioned within must do so with: Maybank Securities USA Inc. 400 Park Avenue, 11th Floor, New York, New York 10022, 1-(212) 688-8886 and not with, the issuer of this report.

UK

This document is being distributed by Maybank Securities (London) Ltd (“MSUK”) which is authorized and regulated, by the Financial Conduct Authority and is for Informational Purposes only. This document is not intended for distribution to anyone defined as a Retail Client under the Financial Services and Markets Act 2000 within the UK. Any inclusion of a third party link is for the recipients convenience only, and that the firm does not take any responsibility for its comments or accuracy, and that access to such links is at the individuals own risk. Nothing in this report should be considered as constituting legal, accounting or tax advice, and that for accurate guidance recipients should consult with their own independent tax advisers.

DISCLOSURES

Legal Entities Disclosures

Malaysia: This report is issued and distributed in Malaysia by Maybank Investment Bank Berhad (15938- H) which is a Participating Organization of Bursa Malaysia Berhad and a holder of Capital Markets and Services License issued by the Securities Commission in Malaysia. **Singapore:** This report is distributed in Singapore by MRPL (Co. Reg No 198700034E) which is regulated by the Monetary Authority of Singapore. **Indonesia:** PT Maybank Sekuritas Indonesia (“PTMSI”) (Reg. No. KEP-251/PM/1992) is a member of the Indonesia Stock Exchange and is regulated by the Financial Services Authority (Indonesia). **Thailand:** MST (Reg. No.0107545000314) is a member of the Stock Exchange of Thailand and is regulated by the Ministry of Finance and the Securities and Exchange Commission. **Philippines:** Maybank Securities Inc (Reg. No.01-2004-00019) is a member of the Philippines Stock Exchange and is regulated by the Securities and Exchange Commission. **Vietnam:** Maybank Securities Limited (License Number: 117/GP-UBCK) is licensed under the State Securities Commission of Vietnam. **Hong Kong:** MIB Securities (Hong Kong) Limited (Central Entity No AAD284) is regulated by the Securities and Futures Commission. **India:** MIB Securities India Private Limited (“MIBSI”) is a participant of the National Stock Exchange of India Limited and the Bombay Stock Exchange and is regulated by Securities and Exchange Board of India (“SEBI”) (Reg. No. INZ000010538). MIBSI is also registered with SEBI as Category 1 Merchant Banker (Reg. No. INM 000011708) and as Research Analyst (Reg No: INH000000057) **US:** Maybank Securities USA Inc is a member of/and is authorized and regulated by the FINRA - Broker ID 27861. **UK:** Maybank Securities (London) Ltd (Reg No 2377538) is authorized and regulated by the Financial Conduct Authority.

Disclosure of Interest

Malaysia: Maybank IBG and its Representatives may from time to time have positions or be materially interested in the securities referred to herein and may further act as market maker or may have assumed an underwriting commitment or deal with such securities and may also perform or seek to perform investment banking services, advisory and other services for or relating to those companies.

Singapore: As of 23 February 2022, Maybank Research Pte. Ltd. and the covering analyst do not have any interest in any companies recommended in this research report.

Thailand: MST may have a business relationship with or may possibly be an issuer of derivative warrants on the securities /companies mentioned in the research report. Therefore, Investors should exercise their own judgment before making any investment decisions. MST, its associates, directors, connected parties and/or employees may from time to time have interests and/or underwriting commitments in the securities mentioned in this report.

Hong Kong: As of 23 February 2022, MIB Securities (Hong Kong) Limited and the authoring analyst do not have any interest in any companies recommended in this research report.

India: As of 23 February 2022, and at the end of the month immediately preceding the date of publication of the research report, MIBSI, authoring analyst or their associate / relative does not hold any financial interest or any actual or beneficial ownership in any shares or having any conflict of interest in the subject companies except as otherwise disclosed in the research report.

In the past twelve months MIBSI and authoring analyst or their associate did not receive any compensation or other benefits from the subject companies or third party in connection with the research report on any account what so ever except as otherwise disclosed in the research report.

Maybank IBG may have, within the last three years, served as manager or co-manager of a public offering of securities for, or currently may make a primary market in issues of, any or all of the entities mentioned in this report or may be providing, or have provided within the previous 12 months, significant advice or investment services in relation to the investment concerned or a related investment and may receive compensation for the services provided from the companies covered in this report.

OTHERS

Analyst Certification of Independence

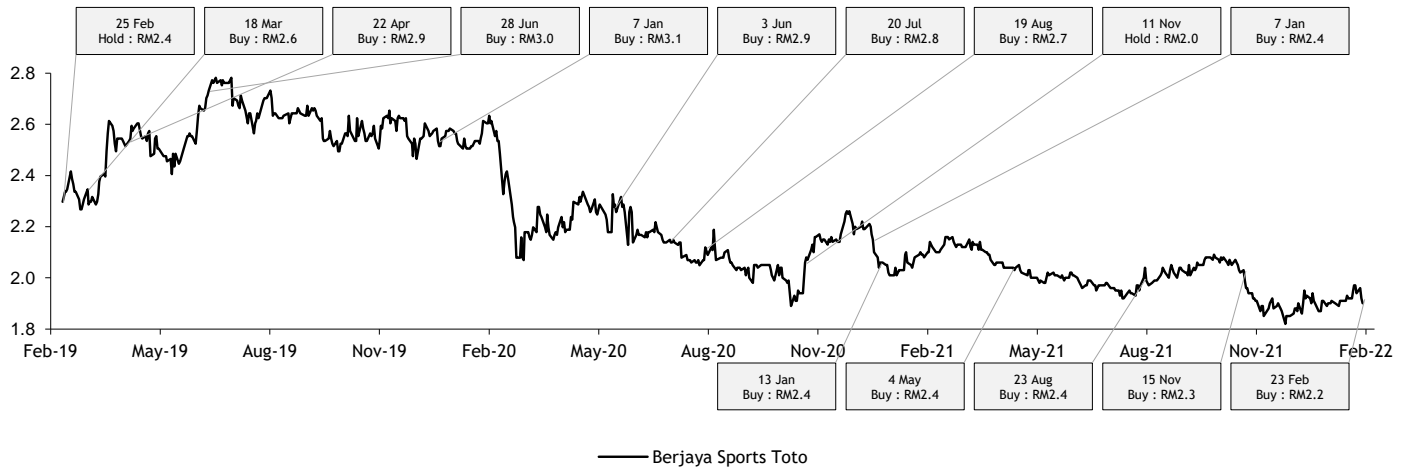
The views expressed in this research report accurately reflect the analyst’s personal views about any and all of the subject securities or issuers; and no part of the research analyst’s compensation was, is or will be, directly or indirectly, related to the specific recommendations or views expressed in the report.

Reminder

Structured securities are complex instruments, typically involve a high degree of risk and are intended for sale only to sophisticated investors who are capable of understanding and assuming the risks involved. The market value of any structured security may be affected by changes in economic, financial and political factors (including, but not limited to, spot and forward interest and exchange rates), time to maturity, market conditions and volatility and the credit quality of any issuer or reference issuer. Any investor interested in purchasing a structured product should conduct its own analysis of the product and consult with its own professional advisers as to the risks involved in making such a purchase.

No part of this material may be copied, photocopied or duplicated in any form by any means or redistributed without the prior consent of Maybank IBG.

Historical recommendations and target price: Berjaya Sports Toto (BST MK)



Definition of Ratings

Maybank IBG Research uses the following rating system

BUY Return is expected to be above 10% in the next 12 months (including dividends)

HOLD Return is expected to be between 0% to 10% in the next 12 months (including dividends)

SELL Return is expected to be below 0% in the next 12 months (including dividends)

Applicability of Ratings

The respective analyst maintains a coverage universe of stocks, the list of which may be adjusted according to needs. Investment ratings are only applicable to the stocks which form part of the coverage universe. Reports on companies which are not part of the coverage do not carry investment ratings as we do not actively follow developments in these companies.

Malaysia

Maybank Investment Bank Berhad
(A Participating Organisation of
Bursa Malaysia Securities Berhad)
33rd Floor, Menara Maybank,
100 Jalan Tun Perak,
50050 Kuala Lumpur
Tel: (603) 2059 1888;
Fax: (603) 2078 4194
Stockbroking Business:
Level 8, Tower C, Dataran Maybank,
No.1, Jalan Maarof
59000 Kuala Lumpur
Tel: (603) 2297 8888
Fax: (603) 2282 5136

Singapore

Maybank Securities Pte Ltd
Maybank Research Pte Ltd
50 North Canal Road
Singapore 059304

Tel: (65) 6336 9090

Hong Kong

MIB Securities (Hong Kong) Limited
28/F, Lee Garden Three,
1 Sunning Road, Causeway Bay,
Hong Kong

Tel: (852) 2268 0800

Fax: (852) 2877 0104

London

Maybank Securities (London) Ltd
PNB House
77 Queen Victoria Street
London EC4V 4AY, UK

Tel: (44) 20 7332 0221

Fax: (44) 20 7332 0302

Indonesia

PT Maybank Sekuritas Indonesia
Sentral Senayan III, 22nd Floor
Jl. Asia Afrika No. 8
Gelora Bung Karno, Senayan
Jakarta 10270, Indonesia

Tel: (62) 21 2557 1188

Fax: (62) 21 2557 1189

New York

Maybank Securities USA Inc
400 Park Avenue, 11th Floor
New York, New York 10022,
U.S.A.

Tel: (212) 688 8886

Fax: (212) 688 3500

India

MIB Securities India Pte Ltd
1101, 11th floor, A Wing, Kanakia
Wall Street, Chakala, Andheri -
Kurla Road, Andheri East,
Mumbai City - 400 093, India

Tel: (91) 22 6623 2600

Fax: (91) 22 6623 2604

Philippines

Maybank Securities Inc
17/F, Tower One & Exchange Plaza
Ayala Triangle, Ayala Avenue
Makati City, Philippines 1200

Tel: (63) 2 8849 8888

Fax: (63) 2 8848 5738

Thailand

Maybank Securities (Thailand) PCL
999/9 The Offices at Central World,
20th - 21st Floor,
Rama 1 Road Pathumwan,
Bangkok 10330, Thailand

Tel: (66) 2 658 6817 (sales)

Tel: (66) 2 658 6801 (research)

Vietnam

Maybank Securities Limited
4A-15+16 Floor Vincom Center Dong
Khoi, 72 Le Thanh Ton St. District 1
Ho Chi Minh City, Vietnam

Tel : (84) 844 555 888

Fax : (84) 8 38 271 030

Sales Trading

Kevin Foy
Regional Head Sales Trading
kevinfoy@maybank.com
Tel: (65) 6636-3620
US Toll Free: 1-866-406-7447

Indonesia

Helen Widjaja
helen.widjaja@maybank.com
(62) 21 2557 1188

New York

James Lynch
jlynch@maybank-keusa.com
Tel: (212) 688 8886

Philippines

Keith Roy
keith_roy@maybank.com
Tel: (63) 2 848-5288

London

Greg Smith
gsmith@maybank.co.uk
Tel: (44) 207-332-0221

India

Sanjay Makhija
sanjaymakhija@maybank.com
Tel: (91)-22-6623-2629