

Malaysia

ADD (no change)

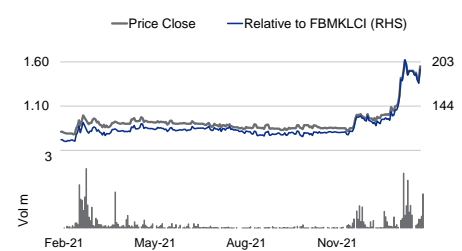
Consensus ratings*: Buy 2 Hold 0 Sell 0

Current price:	RM1.55
Target price:	RM2.50
Previous target:	RM1.00
Up/downside:	61.3%
CGS-CIMB / Consensus:	138.1%
Reuters:	BONI.KL
Bloomberg:	BON MK
Market cap:	US\$74.26m
	RM310.6m
Average daily turnover:	US\$0.09m
	RM0.37m
Current shares o/s:	201.6m
Free float:	50.2%

*Source: Bloomberg

Key changes in this note

- We raise our FY22-24F EPS by 53.6-58.8% to factor in: i) higher sales, ii) price increases, and iii) higher economies of scale.



Source: Bloomberg

Price performance	1M	3M	12M
Absolute (%)	53.5	81.3	93.8
Relative (%)	52.2	78.1	95.5

Major shareholders	% held
Bonia Holdings Sdn Bhd	24.9
Freeway Team Sdn Bhd	13.8
Milingtonia Limited	11.2

Analyst(s)



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Bonia Corporation

Revitalising itself to grow consumer appeal

- We turn more upbeat on Bonia's prospects, as its efforts to revitalise its brands and tailor its goods to current market demands are bearing fruits.
- Leveraging its omni-channel strategy and growing digital presence, Bonia is set to benefit from higher sales and more profitable sales mix going forward.
- FY22-24F EPS raised to reflect higher sales. Our TP rises to RM2.50. Add.

Growing its appeal among today's consumers

While all retailers including Bonia suffered from Covid-19 and the various lockdowns to combat it, we believe the company has emerged from the challenges stronger. It has made concentrated efforts during this period to improve its long-term prospects, particularly in "re-modernising" itself to win the appeal of today's consumers. Its efforts include: i) more collaboration works with local and international artistes, ii) launching more new products based on current market trends, and iii) more promotional and marketing activities.

Shifting towards an omni-channel strategy

We are positive on Bonia's efforts to grow its digital presence, with e-commerce sales (higher margins vs. physical sales) making up 7.9% of its 1QFY22 revenue (0% in FY19). This is thanks to investments on digital marketing and efforts to enhance social media brand presence. Besides utilising its own website, Bonia utilises third-party marketplaces to diversify its online sales channels. Given its efforts in the digital space, we believe Bonia will focus on an omni-channel strategy, rather than solely reliant on offline sales as before.

To benefit from higher consumer footfall and rising spending

Bonia has witnessed a strong rebound in its physical store sales since lockdown measures were eased in 2QFY22, buoyed by pent-up consumer demand. We expect Bonia to sustain its strong sales over the new few quarters (2QFY22 to 4QFY22) backed by: i) festivities, ii) new product launches, and iii) lesser competition (outlet closures and reduced marketing activities since the outbreak of Covid-19) in the relatively same category ("masstige").

Store enhancements and opening new outlets at strategic locations

Since FY18, Bonia has work on consolidating its brick-and-mortar by closing loss-making and/or less profitable retail outlets and counters. This has enabled Bonia to optimise its resources more efficiently. Yet, Bonia still plans to adds more boutique-type stores (4-6 new outlets in the next two years) especially in strategic locations (high footfall). Besides fetching higher margins, more prominent stores would aid its brand building, in our view.

Reiterate Add, with higher TP of RM2.50

We keep our Add call, with a higher TP of RM2.50, now based on 15x CY23F P/E (10-year historical mean vs. 0.5x FY23F P/V previously), as we expect stronger earnings prospects for Bonia (3-year EPS CAGR of 23.7%). We view Bonia as a strong proxy for a recovery in consumer discretionary spending. Current valuations are attractive at 10.5x CY23F P/E (66.8% discount to consumer discretionary sector's 28.7x) and 13.4% discount to NTA of RM1.79/share. It has net cash of RM20.3m (10.1sen/share at end-1QFY22).

Financial Summary

	Jun-20A	Jun-21A	Jun-22F	Jun-23F	Jun-24F
Revenue (RMm)	345.0	261.2	293.9	329.3	360.5
Operating EBITDA (RMm)	53.83	57.37	76.54	85.95	91.00
Net Profit (RMm)	14.44	18.47	26.25	32.54	35.65
Core EPS (RM)	0.01	0.06	0.13	0.16	0.18
Core EPS Growth	(84%)	367%	102%	24%	10%
FD Core P/E (x)	112.1	24.0	11.9	9.6	8.8
DPS (RM)	0.020	0.040	0.066	0.081	0.089
Dividend Yield	1.29%	2.58%	4.23%	5.25%	5.75%
EV/EBITDA (x)	5.46	5.74	4.14	3.64	3.37
P/FCFE (x)	3.91	3.05	8.09	6.40	5.80
Net Gearing	(9.91%)	(0.86%)	(4.70%)	(6.38%)	(8.32%)
P/BV (x)	0.85	0.86	0.82	0.78	0.74
ROE	0.75%	3.56%	7.02%	8.29%	8.66%
% Change In Core EPS Estimates			58.8%	54.9%	53.6%
CGS-CIMB/Consensus EPS (x)			1.71	1.61	1.54

SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS

Revitalising itself to grow consumer appeal

Focusing on key brands: Bonia and Braun Buffel ▶

Post its two de-merger exercises – Carlo Rino (completed) and Sembonia (ongoing, slated to be completed by 3QFY22F) – Bonia would have two key brands, Bonia and Braun Buffel. It also holds licenses to distribute renowned international brands such as Renoma, Valentino Rudy and Santa Barbara. The company has across the years streamlined its key brands and licences to ensure cost optimisation and efficiency.

Figure 1: Brands under Bonia, own and licensed



Well-positioned in the masstige segment ▶

While Bonia has positioned itself as a luxury lifestyle product maker, we believe its products are mainly positioned in the “masstige” segment. Frost & Sullivan defines “masstige” products as those that: i) offer value-added benefits to consumers with higher price points compared to mass-products, and ii) have distribution points similar to those of prestige products, but are priced at a lower level vs. prestige products.

In our view, masstige products appeal to customers due to their better affordability compared with prestige products, and seen as being of better quality over mass-market products. This also ties in well with the overall trend of an expanding middle class and rise in disposal income in the key markets Bonia operates in: Malaysia, Indonesia and Vietnam.

Figure 2: Revenue breakdown by country (RM m)

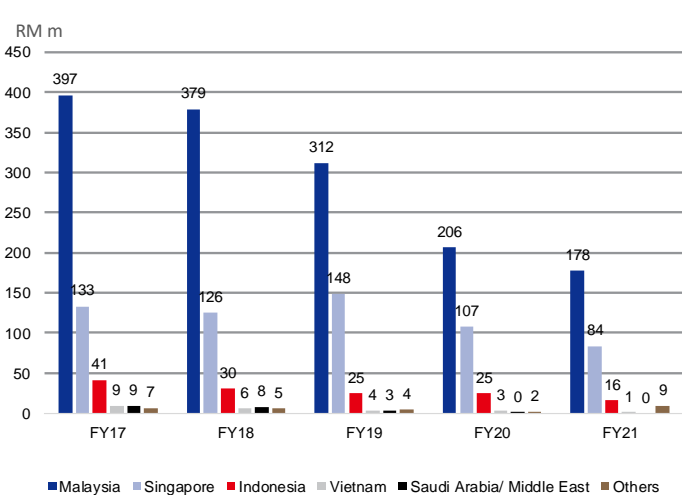
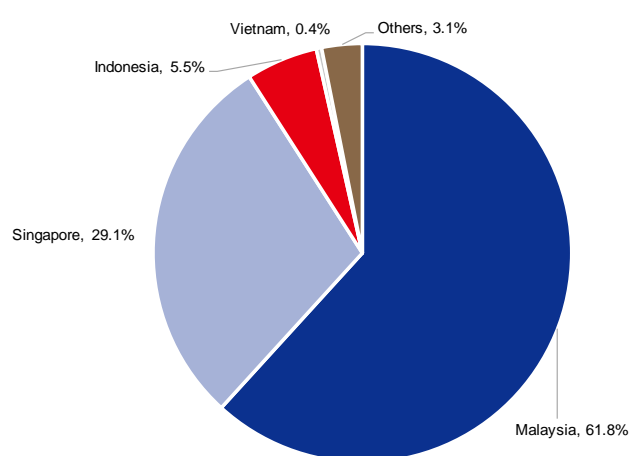


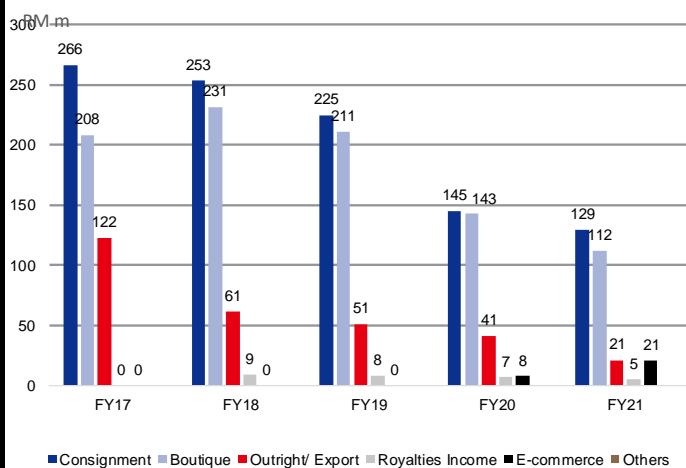
Figure 3: Revenue breakdown by country in FY21 (%)



Growing e-commerce sales ➤

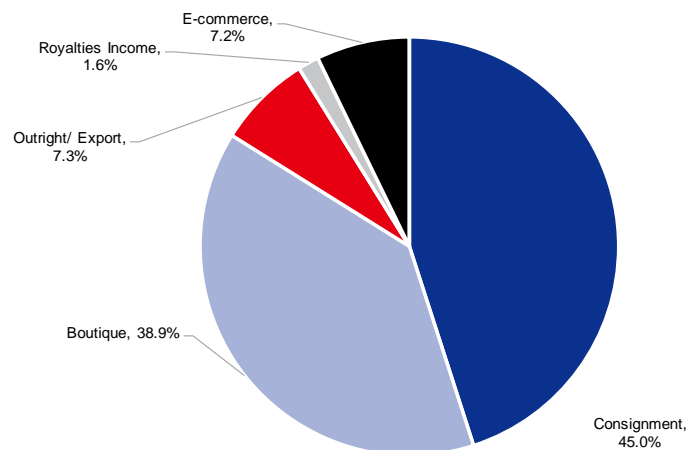
In a span of two and a half years, Bonia has successfully grown its e-commerce sales to 7.9% of its 1QFY22 sales (from minimal in FY19). This is on the back of investments into digital marketing as well as into its e-commerce infrastructure. Bonia's products are currently available for online purchase in three countries (Malaysia, Singapore and Indonesia); it plans to expand its e-commerce network to all countries that it operates in. We believe the company also plans to continue to leverage on social media (digital ad spending and marketing campaigns) as part of its marketing efforts, and that it could venture into social commerce in the future (through global social apps).

Figure 4: Revenue breakdown by sales channel (RM m)



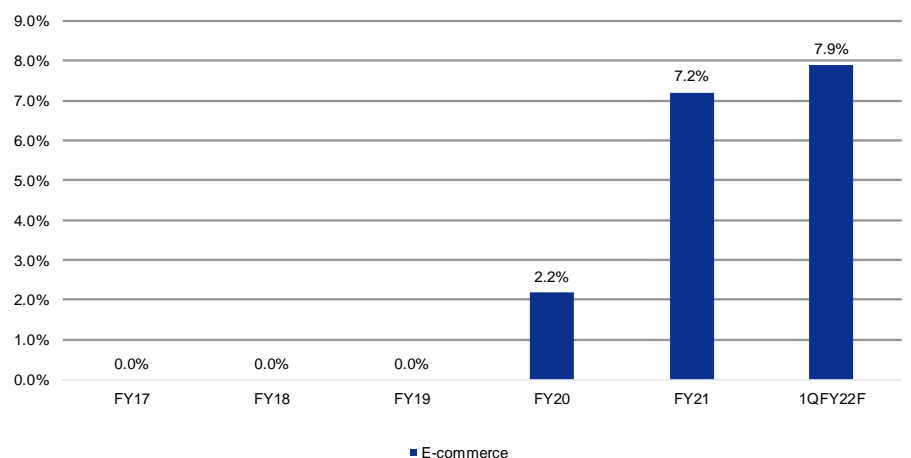
SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS

Figure 5: Revenue breakdown by sales channel (FY21)



SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS

Figure 6: Revenue contribution from e-commerce sales



SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS

Winning the appeal of consumers with more current market trends ➤

Bonia, which prides itself as a renowned maker of quality luxury goods, has been making strong efforts to revitalise its key brands, Bonia and Braun Buffel. Efforts include: i) new product launches, ii) collaborations with local and foreign artistes, and iii) more marketing campaigns. We note that the company has made strong inroads to improve the brand appeal of Bonia and Braun Buffel, by coming up with products with designs that are in tune with market trends, as illustrated by its new

products. It also holds two major launch campaigns annually, in line with global fashion brands.

Figure 7: New product launches twice a year



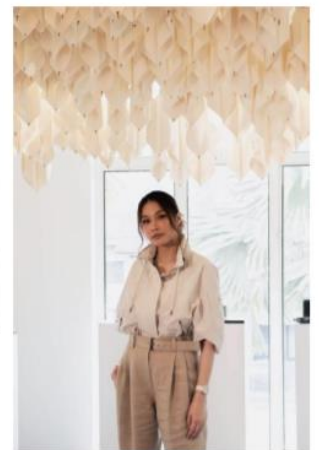
Spring / Summer '21



Autumn / Winter '21

SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS

Figure 8: Bonia's collaboration with Malaysian actress, Scha Alyahya for its Raya 2021 Capsule Collection,

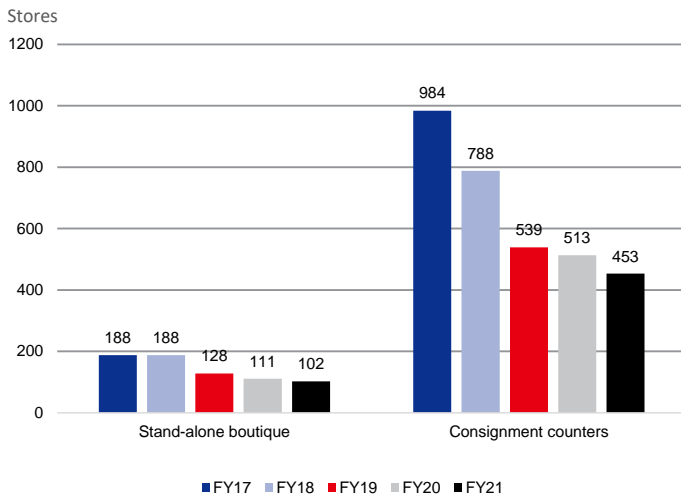


SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS

New boutiques to be strategically located ➤

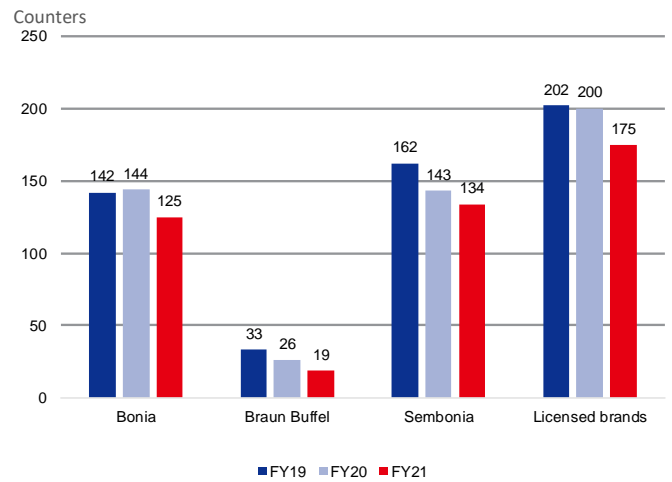
Since FY18, Bonia has been closing down less profitable and/or loss-making sales outlets. This is particularly so for its consignment business (counters), which were mainly located in less strategic locations with low consumer footfall. Moving forward, Bonia will continue to focus more on opening new boutiques in strategic locations. Besides being able to capture higher consumer footfall, this will enable Bonia to improve its brand awareness and brand appeal, in our view.

Figure 9: Revenue contribution by store type



SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS

Figure 10: No. of consignment stores by brand



SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS

Figure 11: Breakdown of store type by brand

Brand	FY19			FY20			FY21		
	Stand-alone boutiques	Consignment counters	Total	Stand-alone boutiques	Consignment counters	Total	Stand-alone boutiques	Consignment counters	Total
Bonia	62	142	204	51	144	195	45	125	170
Braun Buffel	40	33	73	38	26	64	37	19	56
Sembonia	20	162	182	16	143	159	16	134	150
Licensed brands	6	202	208	6	200	206	4	175	179
Total	128	539	667	111	513	624	102	453	555

SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS

Figure 12: Targeted new outlet openings

Bonia	Date
Confirmed new boutiques	
Mid Valley Southkey, Johor Bharu	Sep-22
Aman Central, Alor Star	TBC
Mayang Mall, Kuala Terengganu	TBC
Relocation	
IOI City Mall	TBC
Pavillion KL	TBC
Braun Buffel	
Confirmed new boutiques	
Pavillion Bukit Jalil, Kuala Lumpur	Sep-22
IOI City Mall	Sep-22

TBC= to be confirmed

SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS

Figure 13: Bonia's new flagship store in KLCC (opened on 8 Jan 2022)

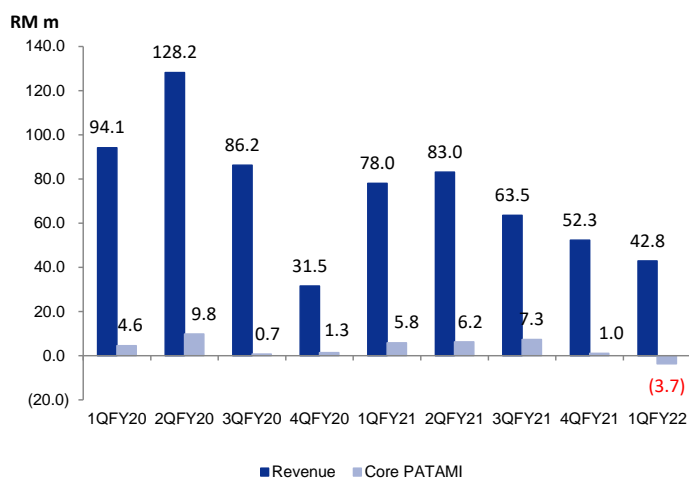


SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS

Expect stronger quarters from 2QFY22F ▶

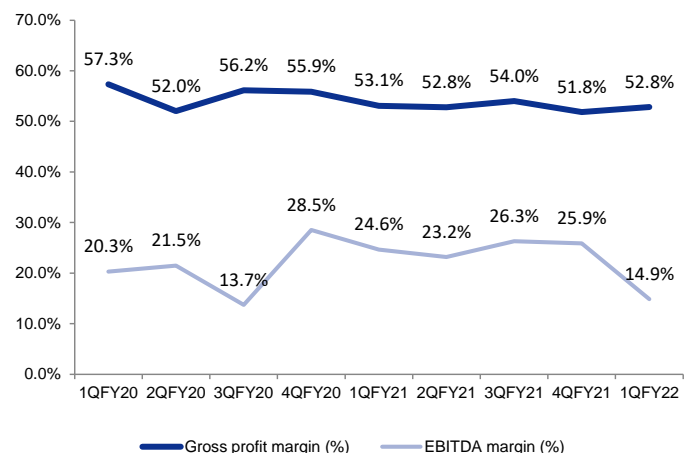
We believe the worst is over for Bonia. It reported its first ever quarterly loss in 1QFY22, due to the impact of lockdowns during the quarter. Since lockdown measures were lifted in 2QFY22, Bonia has continue to witness strong sales volume, it said. On top of seasonally stronger sales due to festivities, this had been mainly driven by stronger consumer footfall at retail outlets and higher consumer spending patterns, in our view. Moreover, we believe Bonia's aggressive digital marketing activities since the first lockdown created a stronger brand awareness for the group.

Figure 14: First quarterly loss since the start of the pandemic



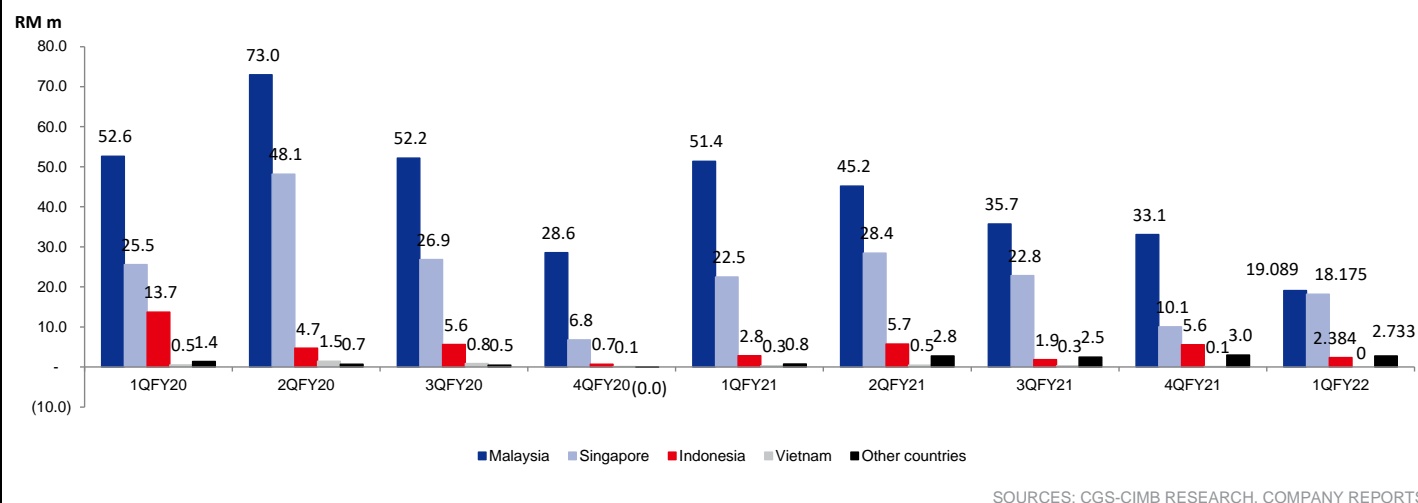
SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS

Figure 15: Fall in revenue outpaced the decline in operating cost, leading to lower EBITDA margin



SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS

Figure 16: Quarterly revenue trend by country. Lower qoq in 1QFY22 due to Covid-19 induced lockdown measures leading to store closures and slow recovery of footfall post lifting of movement restrictions from 16 Aug 2021



To complete its de-merger exercise by 3QFY22F ➤

Bonia is in the midst of undergoing a catalytic corporate exercise to spin off SBG Group (Sembonia) and list it on the LEAP Market of Bursa Securities; it expects this to be completed in 3QFY22F. We are positive on this demerger as we estimate it will be earnings-accretive for Bonia and unlock its market value via the appreciation of its individual brands. Note that we estimate Sembonia is loss-making at this juncture. This would also allow Bonia to focus on growing and enhancing its upmarket flagship brands (i.e. Bonia and Braun Buffel) to cater to its target customer segment with more relevant growth strategies, and further optimise its brand positioning and equity.

FY22-24F EPS raised by 53.6-58.8% ➤

With expectations of higher sales going forward, we raise our FY22-24F EPS forecasts by 53.6-58.8%. This is also to account for: i) selling price increases, ii) better economies of scale, and iii) more profitable sales mix. In addition, we expect losses from Sembonia to no longer affect Bonia's books by 3QFY22F. We now expect Bonia to record a 3-year core net profit CAGR of 23.7% over FY21-24F.

Figure 17: Earnings revision

RM m	2021A	FY22F			FY23F			FY24F		
		Old	New	%chg	Old	New	%chg	Old	New	%chg
Revenue	261	294	294	0.0%	329	329	0.0%	360	361	0.0%
EBITDA	57	71	77	7.8%	45	86	90.8%	48	91	88.9%
Core pretax profit	19	26	39	45.8%	33	48	45.1%	36	53	44.9%
Core net profit	13	17	26	58.8%	21	33	54.9%	23	36	53.6%
Core EPS (sen)	6	8	13	58.8%	10	16	54.9%	12	18	53.6%

SOURCES: CGS-CIMB, COMPANY REPORTS

Maintain Add, with a higher TP of RM2.50 ➤

In tandem with our EPS upgrade, we raise our TP to RM2.50. Our TP is now based on 15x CY23F P/E, its 10-year historical mean P/E (we previously peg our TP to 0.5x FY23F P/BV). We switch our valuation method to P/E multiple as we expect Bonia's profitability to return to growth trajectory ahead, with 3-year EPS CAGR of 23.7% over FY21-24F. We view Bonia as a strong proxy for a recovery in consumer discretionary spending and better consumer footfall post lifting of lockdown measures. Its current valuations are also attractive at 10.5x CY23F P/E

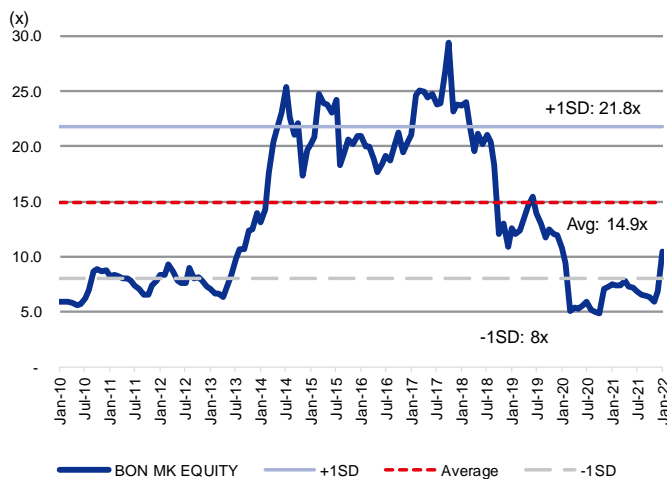
(66.8% discount to consumer discretionary weighted average sector CY23F P/E of 28.7x) and a 13.4% discount to its NTA of RM1.79/share.

Risks and catalysts ►

Potential re-rating catalysts: higher sales post lifting of movement restrictions, and higher-than-expected operating margin from more profitable sales mix.

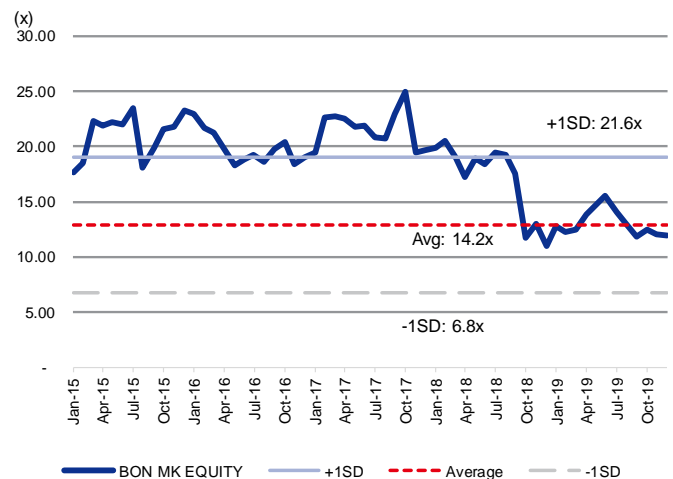
Downside risks to our Add call: i) reimposition of movement restrictions due to a surge in Covid-19, and ii) poor cost control, and iii) weaker-than-expected sales volume.

Figure 18: Bonia's 10-year historical mean P/E



SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS

Figure 19: Bonia's 5-year historical mean P/E




SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS

Figure 20: Sector comparisons (CGS-CIMB's Malaysia consumer sector coverage)

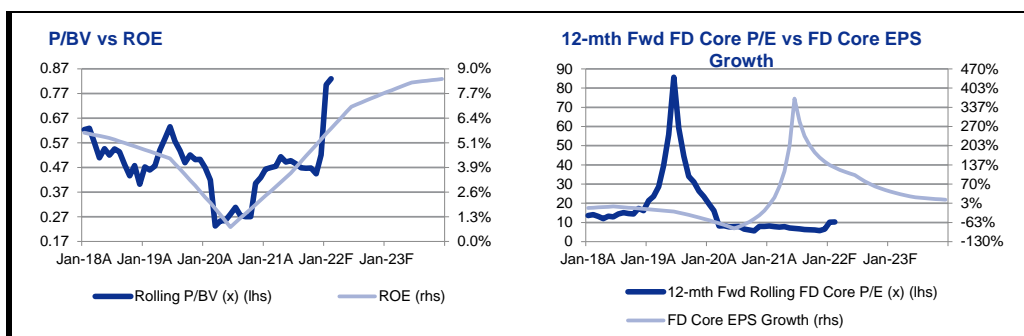
Company	Bloomberg Ticker	Recom.	Share price (local curr)	Target Price (local curr)	Market Cap (US\$ m)	Core P/E (x)		3-year EPS CAGR (%)	P/BV (x)		Recurring ROE (%)		EV/EBITDA (x)		Dividend Yield (%)	
						CY21F	CY22F		CY21F	CY22F	CY21F	CY22F	CY21F	CY22F	CY21F	CY22F
Consumer Staples																
Nestle (Malaysia)	NESZ MK	Hold	133.60	136.60	7,488	51.1	49.5	11.7%	55.0	53.8	110.7%	109.8%	31.2	28.0	1.9%	2.0%
Fraser & Neave Holdings	FNH MK	Add	23.94	29.80	2,099	19.7	18.9	4.8%	3.0	2.8	15.6%	15.2%	12.5	11.3	2.7%	2.8%
QL Resources	QLG MK	Add	4.95	5.50	2,879	53.2	41.8	15.9%	5.0	4.6	9.7%	11.4%	21.2	18.9	0.6%	0.8%
Power Root Bhd	PWRT MK	Hold	1.35	1.40	135	27.2	23.6	-5.1%	2.2	2.1	8.0%	9.1%	14.8	13.2	3.6%	4.1%
Kawan Food	KFB MK	Add	1.50	2.70	129	17.2	14.3	18.2%	1.5	1.4	9.0%	10.0%	8.7	7.6	2.4%	2.7%
MSM Malaysia Holdings	MSM MK	Add	1.14	1.57	192	14.5	8.6	37.1%	0.5	0.5	3.5%	5.7%	7.9	6.3	3.5%	5.8%
CCK Consolidated Holdings	CCK MK	Add	0.58	0.84	87	14.3	10.6	15.8%	1.2	1.1	8.5%	10.6%	6.3	4.9	2.5%	3.3%
Weighted Subsector Average						45.1	41.4	11.8%	33.3	32.5	68.7%	68.6%	25.1	22.5	1.8%	1.9%
Consumer Discretionary																
7-Eleven Malaysia Holdings	SEM MK	Add	1.45	1.80	390	44.1	26.5	22.5%	20.0	15.3	51.0%	65.4%	7.3	5.9	1.4%	2.3%
Berjaya Food Berhad	BFD MK	Add	2.40	3.25	208	15.7	14.6	5.8%	2.4	2.3	15.7%	15.9%	4.3	3.5	4.5%	4.8%
Bonia Corporation	BON MK	Add	1.55	2.44	74	16.3	11.0	23.7%	0.8	0.8	5.2%	7.4%	4.7	3.7	2.0%	3.3%
DKSH Holdings (Malaysia)	DKSH MK	Add	4.70	6.20	177	9.5	8.8	22.7%	1.0	0.9	11.4%	11.0%	6.1	5.0	2.2%	2.1%
Lee Swee Kiat Group	LSKG MK	Add	0.83	1.84	32	16.4	8.1	40.8%	2.1	1.7	13.5%	23.3%	9.1	4.6	2.8%	5.5%
Mynews Holdings Berhad	MNHB MK	Add	0.83	1.18	135	na	37.5	25.9%	2.5	2.3	-12.6%	6.4%	25.8	8.0	0.1%	0.7%
Panasonic Manufacturing Malaysia Berhad	PMM MK	Hold	28.80	31.20	418	24.5	18.5	2.6%	2.2	2.3	8.9%	12.2%	12.7	9.8	5.3%	6.5%
InNature Bhd	NATURE MK	Add	0.69	0.84	116	33.8	17.9	12.5%	3.3	3.0	10.1%	17.8%	13.5	8.7	1.5%	2.8%
Mr D.I.Y. Group (M) Bhd	MRDIY MK	Add	3.63	4.40	5,450	52.6	37.8	27.2%	20.0	15.2	43.7%	45.8%	27.5	20.9	0.8%	1.1%
Weighted Subsector Average						46.4	33.8	24.5%	17.1	13.0	38.2%	41.4%	23.7	17.7	1.2%	1.7%
Sin (Brewers & Tobacco)																
British American Tobacco	ROTH MK	Reduce	12.86	9.96	878	9.9	15.2	1.1%	9.6	9.5	99.3%	63.0%	8.8	10.6	7.7%	6.5%
Carlsberg Brewery (M)	CAB MK	Add	20.00	26.00	1,462	29.4	22.3	21.4%	32.4	32.4	118.7%	145.6%	20.2	15.1	3.1%	4.5%
Heineken Malaysia Bhd	HEIM MK	Add	19.98	26.70	1,443	29.2	21.7	22.3%	17.3	17.3	60.1%	79.5%	17.2	12.7	3.5%	4.6%
Weighted Subsector Average						24.8	20.4	17.0%	21.3	21.3	91.9%	101.2%	16.4	13.2	4.3%	5.0%
Weighted Average						42.3	35.8	16.4%	26.6	25.0	63.4%	65.7%	23.3	19.6	2.0%	2.3%
Simple Average						28.5	23.0	17.3%	11.1	10.2	33.2%	36.9%	14.7	11.4	2.6%	3.3%

SOURCES: CGS-CIMB, BLOOMBERG

	
<p>ESG in a nutshell</p> <p>Bonia is primarily involved in the designing, promoting and marketing of leather and other fashion products for its in-house brands, and distribution of fashion products for some international brands. As a major fashion retailer with a presence across many countries, Bonia's key sustainability material matters include customer satisfaction, supply chain management, employee wellbeing and product labelling. The sourcing of its raw materials (particularly leather) and waste management are key things to pay attention to as raw material sourcing is increasingly coming under consumer scrutiny.</p>	
<p>Keep your eye on</p> <p>As a retailer heavily dependent on branding, customer satisfaction and brand perception are key issues to keep an eye on as these can significantly affect the sales of Bonia's brands.</p>	<p>Implications</p> <p>We note that Bonia is actively engaging its customers via both physical and digital platforms i.e. physical events and frequent postings on social media. It also has a loyalty programme, established in 2009, that rewards customers with member discounts, sales and exclusive privileges. Its retail staff is also trained to educate customers on leather care know-how and the provision of post-purchase services, such as repair and polishing.</p>
<p>ESG highlights</p> <p>ESG ratings are not available for Bonia at this juncture. Disclosures in its annual reports also appear to cover the bare minimum with few to no data points on important ESG aspects like labour management and waste disposal practices.</p>	<p>Implications</p> <p>As there are no directly comparable luxury retail companies in Malaysia, and given Bonia's relatively small market capitalisation, we are not able to ascertain the impact of the lack of ESG disclosures on its share price. Nonetheless, better ESG disclosure and practices could improve interest in the stock and re-rate valuations, in our view.</p>
<p>Trends</p> <p>Employee diversity is a key development to watch out for, covering both retail and headquarter staff.</p>	<p>Implications</p> <p>We note that Bonia has a higher proportion of female staff (81%), including for senior positions; this has been increasing in proportion. We think this is a good development as we estimate that the bulk of its customers are females.</p>

SOURCES: CGS-CIMB RESEARCH, REFINITIV

BY THE NUMBERS



Profit & Loss

(RMm)	Jun-20A	Jun-21A	Jun-22F	Jun-23F	Jun-24F
Total Net Revenues	345.0	261.2	293.9	329.3	360.5
Gross Profit	187.8	137.0	163.1	182.8	200.1
Operating EBITDA	53.8	57.4	76.5	86.0	91.0
Depreciation And Amortisation	(39.0)	(33.9)	(33.9)	(34.1)	(34.2)
Operating EBIT	14.8	23.5	42.6	51.9	56.8
Financial Income/(Expense)	(4.1)	(3.9)	(3.9)	(3.9)	(3.9)
Pretax Income/(Loss) from Assoc.	0.1	(0.1)	(0.1)	(0.1)	(0.1)
Non-Operating Income/(Expense)	0.0	0.0	0.0	0.0	0.0
Profit Before Tax (pre-EI)	10.8	19.4	38.6	47.8	52.7
Exceptional Items					
Pre-tax Profit	10.8	19.4	38.6	47.8	52.7
Taxation	(7.4)	(4.1)	(8.7)	(11.2)	(12.7)
Exceptional Income - post-tax	11.7	5.4	0.0	0.0	0.0
Profit After Tax	15.1	20.8	29.9	36.6	40.1
Minority Interests	(0.6)	(2.3)	(3.6)	(4.1)	(4.4)
Preferred Dividends					
FX Gain/(Loss) - post tax					
Other Adjustments - post-tax					
Net Profit	14.4	18.5	26.2	32.5	35.7
Recurring Net Profit	2.8	13.0	26.2	32.5	35.7
Fully Diluted Recurring Net Profit	2.8	13.0	26.2	32.5	35.7

Cash Flow

(RMm)	Jun-20A	Jun-21A	Jun-22F	Jun-23F	Jun-24F
EBITDA	53.83	57.37	76.54	85.95	91.00
Cash Flow from Invt. & Assoc.	0.12	(0.10)	(0.10)	(0.10)	(0.10)
Change In Working Capital	2.31	33.86	(15.20)	(11.86)	(10.44)
(Incr)/Decr in Total Provisions					
Other Non-Cash (Income)/Expense	41.35	25.62	0.00	0.00	0.00
Other Operating Cashflow					
Net Interest (Paid)/Received	(4.12)	(3.95)	(3.95)	(3.95)	(3.95)
Tax Paid	(7.12)	(6.74)	(8.68)	(11.24)	(12.66)
Cashflow From Operations	86.36	106.06	48.62	58.81	63.86
Capex	(6.38)	(3.60)	(10.00)	(10.00)	(10.00)
Disposals Of FAs/subsidiaries	0.00	0.00	0.00	0.00	0.00
Acq. Of Subsidiaries/investments	0.00	0.00	0.00	0.00	0.00
Other Investing Cashflow	0.00	0.00	0.00	0.00	0.00
Cash Flow From Investing	(6.38)	(3.60)	(10.00)	(10.00)	(10.00)
Debt Raised/(repaid)	0.00	0.00	0.00	0.00	0.00
Proceeds From Issue Of Shares	0.00	0.00	0.00	0.00	0.00
Shares Repurchased					
Dividends Paid	(7.87)	(7.84)	(8.06)	(13.23)	(16.40)
Preferred Dividends					
Other Financing Cashflow					
Cash Flow From Financing	(7.87)	(7.84)	(8.06)	(13.23)	(16.40)
Total Cash Generated	72.11	94.63	30.56	35.58	37.47
Free Cashflow To Equity	79.98	102.46	38.62	48.81	53.86
Free Cashflow To Firm	84.11	106.41	42.56	52.75	57.81

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	77.7	85.2	101.0	109.3	119.6
Total Debtors	51.1	43.4	48.8	54.7	59.8
Inventories	96.5	60.8	71.7	80.3	87.9
Total Other Current Assets	38.5	82.3	62.9	65.1	67.3
Total Current Assets	263.7	271.6	284.3	309.4	334.7
Fixed Assets	111.6	87.5	89.8	91.8	93.7
Total Investments	44.1	102.4	102.4	102.4	102.4
Intangible Assets	77.7	73.7	72.5	71.4	70.3
Total Other Non-Current Assets	68.1	46.4	46.4	46.4	46.4
Total Non-current Assets	301.6	310.0	311.0	312.0	312.7
Short-term Debt	9.3	6.8	6.8	6.8	6.8
Current Portion of Long-Term Debt					
Total Creditors	31.0	21.4	22.5	25.1	27.5
Other Current Liabilities	49.5	43.2	43.2	43.2	43.2
Total Current Liabilities	89.8	71.4	72.5	75.2	77.5
Total Long-term Debt	30.1	75.0	75.0	75.0	75.0
Hybrid Debt - Debt Component					
Total Other Non-Current Liabilities	58.8	40.9	40.9	40.9	40.9
Total Non-current Liabilities	88.9	116.0	116.0	116.0	116.0
Total Provisions	0.0	9.3	0.0	0.0	0.0
Total Liabilities	178.7	196.6	188.5	191.1	193.5
Shareholders' Equity	366.3	364.6	382.7	402.0	421.3
Minority Interests	20.3	20.5	24.1	28.2	32.6
Total Equity	386.6	385.0	406.9	430.2	453.9

Key Ratios

	Jun-20A	Jun-21A	Jun-22F	Jun-23F	Jun-24F
Revenue Growth	(25.4%)	(24.3%)	12.5%	12.1%	9.5%
Operating EBITDA Growth	(10.6%)	6.6%	33.4%	12.3%	5.9%
Operating EBITDA Margin	15.6%	22.0%	26.0%	26.1%	25.2%
Net Cash Per Share (RM)	0.19	0.02	0.09	0.14	0.19
BVPS (RM)	1.82	1.81	1.90	1.99	2.09
Gross Interest Cover	3.59	5.95	10.80	13.15	14.39
Effective Tax Rate	68.5%	21.3%	22.5%	23.5%	24.0%
Net Dividend Payout Ratio	36.1%	31.0%	30.7%	40.7%	46.0%
Accounts Receivables Days	61.33	65.96	57.20	57.32	58.11
Inventory Days	220.7	230.9	184.8	189.2	191.9
Accounts Payables Days	80.04	75.48	59.98	58.21	59.02
ROIC (%)	3.5%	4.9%	9.7%	11.9%	12.5%
ROCE (%)	3.4%	5.3%	8.9%	10.4%	10.8%
Return On Average Assets	1.18%	3.19%	5.58%	6.50%	6.78%

Key Drivers

	Jun-20A	Jun-21A	Jun-22F	Jun-23F	Jun-24F
Bonia Malaysia Revenue	154.1	126.3	131.4	147.8	162.6
Jeco Malaysia Revenue	27.2	22.3	23.2	26.1	28.7

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Corporate Governance Report:

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The survey result is as of the date appearing in the Corporate Governance Report of Thai Listed Companies. As a result, the survey result may be changed after that date. CGS-CIMB Thailand does not confirm nor certify the accuracy of such survey result.

Score Range:	90 - 100	80 – 89	70 - 79	Below 70	No Survey Result
Description:	Excellent	Very Good	Good	N/A	N/A

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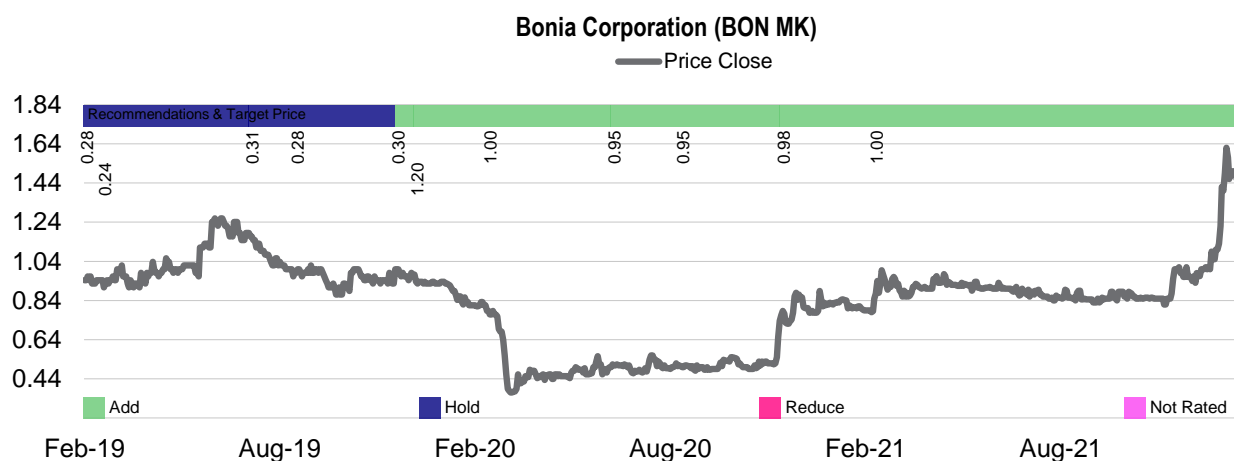
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Distribution of stock ratings and investment banking clients for quarter ended on 31 December 2021		
619 companies under coverage for quarter ended on 31 December 2021		
	Rating Distribution (%)	Investment Banking clients (%)
Add	71.1%	1.5%
Hold	21.8%	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, **CENDEL** – 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.

