

## Singapore

**ADD** (no change)

Consensus ratings\*: Buy 3 Hold 0 Sell 0

Current price:	S\$0.915
Target price:	S\$1.59
Previous target:	S\$1.59
Up/downside:	73.8%
CGS-CIMB / Consensus:	1.9%
Reuters:	AZTE.SI
Bloomberg:	AZTECH SP
Market cap:	US\$524.9m
	S\$706.3m
Average daily turnover:	US\$1.05m
	S\$1.42m
Current shares o/s:	772.0m
Free float:	29.7%

\*Source: Bloomberg

**Key changes in this note**

- FY22-23F EPS raised by 0.2%.
- FY24F forecasts introduced.



Source: Bloomberg

Price performance	1M	3M	12M
Absolute (%)	2.2	-12	
Relative (%)	-1	-17.1	

Major shareholders	% held
Aztech Group Ltd	70.2
HSBC Holdings PLC	

**Analyst(s)**

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# Aztech Global Ltd

## Positive on FY22F despite headwinds

- FY21 revenue and net profit were in line with our/consensus full-year expectations. A final DPS of 5.0 Scts was declared (>50% payout ratio).
- Order book for fulfillment in FY22F was S\$762m. Key risk is component shortage limiting order fulfillment.
- We reiterate our Add call with a TP of S\$1.59. A risk to keep an eye on is possible bad debt provision of S\$11.5m in FY22F.

**FY21 performance in line with expectations**

FY21 revenue rose 28.9% yoy to S\$624.4m, in line with our/consensus expectations at 104% of full-year forecasts. Net profit climbed 33.5% yoy to S\$74.4m, in line with our/consensus expectations at 102%/105% of full-year forecasts. Gross material profit margin fell 3.63% pts, reflecting rising input costs. Pretax profit margin was stable at 13.6% in FY21 aided by foreign exchange gains. Net profit margin improved to 11.9% in FY21 versus 11.5% in FY20 as the effective tax rate was 12.5% in FY21 vs. 16.2% in FY20. A final DPS of 5.0 Scts was declared (52% dividend payout ratio which was higher than the 30% payout guidance in its IPO prospectus). At end Dec-2021, Aztech's net cash position was S\$186.8m.

**FY22F revenue could grow 22% yoy if orders can be fulfilled**

As at 22 Feb 2022, Aztech's order book for fulfillment in FY22F was S\$762m which translates into 22% yoy revenue growth if the orders can be fulfilled. The key risk is component availability. Although Aztech noted that the component shortage situation has improved, it is still challenging. To defend its profit margin, Aztech is targeting more design-related work with customers and is aiming to add 2-3 new customers per year. For FY22F, management targets to have 10% of its revenue coming from new customers. We have assumed that unit shipments for its largest customer (76% of FY21 revenue) grew 26.3% yoy in FY21 and the order momentum remains strong as this customer expands its product availability in Europe, Japan and Australia in 2H22F.

**Reiterate Add**

Although we raise FY22-23F revenue forecasts by 2.9% to reflect the strong order momentum, higher input costs drag down gross material profit leading to a slight 0.2% increase in FY22-23F EPS forecasts. Our target price remains at S\$1.59, based on 12x FY23F sector average P/E. Downside risks to our call are component shortages and Covid-19 related supply chain disruptions (complete factory shutdowns in China if Covid infections are discovered cannot be ruled out). According to management, one of its customer is undergoing judicial management in Germany and Aztech has S\$11.5m of receivables owing from this customer. Management guided that Aztech is a secured creditor and the company does not need to make any bad debt provision. A full provision could reduce our FY22F net profit by 12.7%. New customer wins and stronger earnings could re-rate the stock.

**Financial Summary**

	Dec-20A	Dec-21A	Dec-22F	Dec-23F	Dec-24F
Revenue (S\$m)	484.3	624.4	762.4	869.9	961.5
Net Profit (S\$m)	55.7	74.4	90.3	102.6	113.0
Normalised EPS (S\$)	0.09	0.10	0.12	0.13	0.15
Normalised EPS Growth	18.1%	7.0%	21.4%	13.6%	10.1%
FD Normalised P/E (x)	10.16	8.55	7.82	6.89	6.25
Price To Sales (x)	1.17	1.13	0.93	0.81	0.73
DPS (S\$)	0.020	0.050	0.058	0.066	0.073
Dividend Yield	2.19%	5.46%	6.39%	7.26%	8.00%
EV/EBITDA (x)	7.70	5.42	4.72	4.26	3.92
P/FCFE (x)	13.82	33.65	21.75	15.96	13.02
Net Gearing	51.8%	(63.8%)	(45.8%)	(36.7%)	(30.3%)
P/BV (x)	13.60	2.41	2.09	1.81	1.58
ROE	173%	44%	29%	28%	27%
% Change In Normalised EPS Estimates			0.229%	0.229%	
Normalised EPS/consensus EPS (x)			0.97	0.92	0.98

SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS

**Figure 1: Results comparison**

FYE Dec (\$\$ m)	FY21	FY20	yoy % chg	Prev FY21F	Comments
Revenue	624.4	484.3	28.9	601.7	In line with our/consensus expectations at 104% of full-year forecasts.
Cost of sales	(468.9)	(346.1)	35.5	(432.0)	
Gross material (GM) profit	155.5	138.2	12.5	169.7	
GM profit margin (%)	24.9	28.5	-3.63 % pts	28.2	Lower gross material margin reflecting rising input costs.
Exceptionals	(1.6)	(0.8)	102.5	(1.6)	IPO expenses.
Pretax profit	85.0	66.5	27.7	83.2	
Tax	(10.6)	(10.8)	(1.9)	(10.0)	
Tax rate (%)	12.5	16.2	-3.70 % pts	12.0	Lower tax rate due to tax incentives from China operations.
Minority interests	-	-	na	0.0	
Net profit	74.4	55.7	33.5	73.3	
Core net profit	76.0	56.5	34.4	74.9	In line with our expectation (102% of full-year forecast) and consensus (105% of full-year forecast). Core net profit adjusted for IPO expenses.
EPS (cts)	10.0	9.01	11.0	9.5	
Core EPS (cts)	10.0	9.13	9.5	9.7	

SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS

**Figure 2: Earnings revisions**

FYE Dec 31	FY22F		FY23F		FY22F		FY23F	
S\$ m								
Revenue	741.09	845.28	762.45	869.92	2.9%	2.9%		
Gross material profit	208.25	235.83	191.37	218.35	-8.1%	-7.4%		
EBITDA	116.78	131.78	116.16	131.72	-0.5%	0.0%		
Net profit	90.31	102.59	90.32	102.59	0.2%	0.2%		
Core profit	90.31	102.59	90.32	102.59	0.2%	0.2%		
EPS (Scts)	11.673	13.259	11.700	13.290	0.2%	0.2%		
Core EPS (Scts)	11.673	13.259	11.700	13.290	0.2%	0.2%		

SOURCES: CGS-CIMB RESEARCH ESTIMATES, COMPANY REPORTS

**Figure 3: Peer comparison**

Company	Bloomberg Ticker	Recom.	Price (lcl curr)	Target Price (lcl curr)	Market Cap (US\$ m)	P/E (x)			3-year EPS CAGR (%)	P/BV (x)		Recurring ROE (%)	Dividend Yield (%)	
						CY21F	CY22F	CY23F		CY21F	CY22F			
Aztech Global Ltd	AZTECH SP	Add	0.92	1.59	525	8.6	7.8	6.9	14.8%	2.41	2.09	49.6%	5.5%	
<b>Singapore</b>														
AEM Holdings Ltd	AEM SP	Add	4.15	7.90	954	13.4	10.1	9.2	8.4%	3.23	2.62	31.5%	1.7%	
Frencken Group Ltd	FRKN SP	Add	1.62	2.07	514	11.4	9.7	8.9	17.3%	1.80	1.56	16.9%	1.9%	
Grand Venture Technology Ltd	GVTL SP	Add	1.03	1.60	253	16.8	11.8	9.3	71.8%	3.33	2.72	28.8%	1.0%	
ISDN Holdings Ltd	ISDN SP	Add	0.65	1.00	210	10.7	9.3	8.2	17.4%	1.48	1.33	14.6%	2.4%	
Nanofilm Technologies Int'l Ltd	NANO SP	Add	2.83	3.92	1,383	29.4	22.7	18.5	18.5%	3.89	3.44	14.0%	0.7%	
UMS Holdings Ltd	UMSH SP	Add	1.20	1.63	595	12.3	11.0	10.7	18.9%	2.90	2.59	25.0%	5.0%	
Venture Corporation	VMS SP	Add	17.88	23.32	3,861	16.8	14.4	13.4	10.1%	1.94	1.84	11.7%	4.2%	
Vicplas International Ltd	VPS SP	Add	0.22	0.28	84	10.5	9.7	8.8	21.4%	1.50	1.34	15.2%	2.2%	
<b>Simple average excluding Aztech</b>						<b>15.2</b>	<b>12.3</b>	<b>10.9</b>	<b>23.0%</b>	<b>2.51</b>	<b>2.18</b>	<b>19.7%</b>	<b>2.4%</b>	
<b>Malaysia</b>														
VS Industry Bhd	VSI MK	Add	1.14	1.94	1,040	15.6	12.6	10.1	32.0%	2.05	1.87	14.3%	3.1%	
SKP Resources Bhd	SKP MK	Add	1.49	2.53	556	19.6	19.6	19.6	-0.5%	3.40	3.40	16.4%	3.4%	
<b>Simple average</b>						<b>17.6</b>	<b>16.1</b>	<b>14.8</b>	<b>15.7%</b>	<b>2.73</b>	<b>2.64</b>	<b>15.4%</b>	<b>3.3%</b>	
<b>Global simple average excluding Aztech</b>						<b>15.7</b>	<b>13.1</b>	<b>11.7</b>	<b>21.5%</b>	<b>2.55</b>	<b>2.27</b>	<b>18.8%</b>	<b>2.6%</b>	

 SOURCES: CGS-CIMB RESEARCH ESTIMATES, COMPANY REPORTS, BLOOMBERG  
 DATA AS AT 22 FEB 2022



## ESG in a nutshell

Aztech manufactures products for several global blue-chip customers; this accounts for the bulk of its revenue and requires the company to adhere to its supply chain standards manual that promotes inclusiveness, respecting human rights, safe workplace conditions, protection of the environment, and ethical behaviour.

### Keep your eye on

Aztech's China factory is in Changping sub-district in Dongguan.

### Implications

Should Covid-19 cases be detected in Changping, Aztech's factory operations may be disrupted or halted; it could potentially face labour shortages due to restrictive measures like safe distancing. This will impact its ability to fulfill customer orders, posing a downside risk to our earnings forecasts.

### ESG highlights

Aztech's manufacturing operations are subject to environmental risks and hazards, and the company is responsible for ensuring product safety, safe workplace conditions, and proper waste disposal.

### Implications

Failure to comply with laws and regulations in its market of operations in relation to the environment and/or workplace safety may result in fines, penalties and revocation of permits, licences and rights granted to Aztech, causing downside to earnings. According to Aztech's offer document and FY20 annual report, it did not encounter any environmental hazards with regards to its manufacturing operations in China during FY17-20.

### Trends

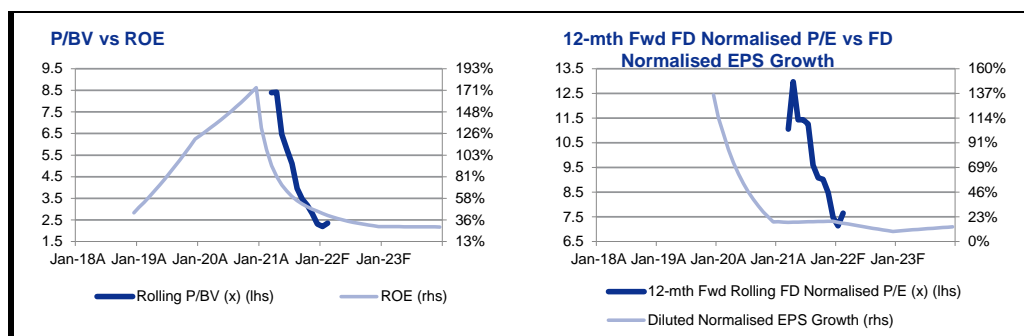
Aztech's energy and water consumption is mainly for its office, manufacturing operations and motor vehicles. Aztech recognises that the efficient use of resources is essential for sustained economic growth and is committed to integrating environmental values into its value chain.

### Implications

To improve its energy consumption efficiency, Aztech has converted air conditioners at its dormitories in Dongguan with energy efficient inverter systems. In addition, the company is exploring the deployment of solar energy systems to reduce carbon emissions and move towards renewable energy sources.

SOURCES: CGS-CIMB RESEARCH, REFINITIV

## BY THE NUMBERS



### Profit & Loss

(\$m)	Dec-20A	Dec-21A	Dec-22F	Dec-23F	Dec-24F
<b>Total Net Revenues</b>	<b>485.3</b>	<b>626.0</b>	<b>764.0</b>	<b>871.7</b>	<b>963.4</b>
<b>Gross Profit</b>	<b>139.2</b>	<b>157.1</b>	<b>191.4</b>	<b>218.3</b>	<b>241.3</b>
<b>Operating EBITDA</b>	<b>76.3</b>	<b>95.8</b>	<b>116.8</b>	<b>132.4</b>	<b>145.9</b>
Depreciation And Amortisation	(8.6)	(10.2)	(13.5)	(15.1)	(16.9)
<b>Operating EBIT</b>	<b>67.7</b>	<b>85.6</b>	<b>103.3</b>	<b>117.3</b>	<b>129.0</b>
Financial Income/(Expense)	(1.2)	(0.7)	(0.7)	(0.7)	(0.7)
Pretax Income/(Loss) from Assoc.	0.0	0.0	0.0	0.0	0.0
Non-Operating Income/(Expense)	0.0	0.0	0.0	0.0	0.0
<b>Profit Before Tax (pre-EI)</b>	<b>66.5</b>	<b>85.0</b>	<b>102.6</b>	<b>116.6</b>	<b>128.4</b>
Exceptional Items					
<b>Pre-tax Profit</b>	<b>66.5</b>	<b>85.0</b>	<b>102.6</b>	<b>116.6</b>	<b>128.4</b>
Taxation	(10.8)	(10.6)	(12.3)	(14.0)	(15.4)
Exceptional Income - post-tax					
<b>Profit After Tax</b>	<b>55.7</b>	<b>74.4</b>	<b>90.3</b>	<b>102.6</b>	<b>113.0</b>
Minority Interests					
Preferred Dividends					
FX Gain/(Loss) - post tax					
Other Adjustments - post-tax					
Preference Dividends (Australia)					
<b>Net Profit</b>	<b>55.7</b>	<b>74.4</b>	<b>90.3</b>	<b>102.6</b>	<b>113.0</b>
Normalised Net Profit	55.7	74.4	90.3	102.6	113.0
<b>Fully Diluted Normalised Profit</b>	<b>55.7</b>	<b>74.4</b>	<b>90.3</b>	<b>102.6</b>	<b>113.0</b>

### Cash Flow

(\$m)	Dec-20A	Dec-21A	Dec-22F	Dec-23F	Dec-24F
<b>EBITDA</b>	<b>76.31</b>	<b>95.85</b>	<b>116.79</b>	<b>132.35</b>	<b>145.91</b>
Cash Flow from Inv. & Assoc.					
Change In Working Capital	(47.27)	(36.27)	(60.83)	(62.82)	(63.80)
(Incr)/Decr in Total Provisions					
Other Non-Cash (Income)/Expense	3.67	(1.23)	0.24	(2.68)	(2.99)
Other Operating Cashflow					
Net Interest (Paid)/Received	(1.16)	(0.68)	(0.68)	(0.68)	(0.68)
Tax Paid	(2.98)	(15.78)	(12.32)	(13.99)	(15.40)
<b>Cashflow From Operations</b>	<b>28.58</b>	<b>41.89</b>	<b>43.21</b>	<b>52.18</b>	<b>63.04</b>
Capex	(11.44)	(4.79)	(15.25)	(13.05)	(14.42)
Disposals Of FAs/subsidiaries					
Acq. Of Subsidiaries/investments					
Other Investing Cashflow	0.74	0.69	0.00	0.00	0.00
<b>Cash Flow From Investing</b>	<b>(10.70)</b>	<b>(4.10)</b>	<b>(15.25)</b>	<b>(13.05)</b>	<b>(14.42)</b>
Debt Raised/(repaid)	23.08	(18.89)	4.52	5.13	5.65
Proceeds From Issue Of Shares	0.00	188.72	0.00	0.00	0.00
Shares Repurchased					
Dividends Paid					
Preferred Dividends					
Other Financing Cashflow	(43.74)	(17.90)	(45.16)	(51.29)	(56.48)
<b>Cash Flow From Financing</b>	<b>(20.66)</b>	<b>151.93</b>	<b>(40.64)</b>	<b>(46.17)</b>	<b>(50.83)</b>
Total Cash Generated	(2.78)	189.73	(12.68)	(7.03)	(2.21)
<b>Free Cashflow To Equity</b>	<b>40.96</b>	<b>18.91</b>	<b>32.47</b>	<b>44.26</b>	<b>54.26</b>
<b>Free Cashflow To Firm</b>	<b>19.04</b>	<b>38.47</b>	<b>28.64</b>	<b>39.81</b>	<b>49.30</b>

SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS

## BY THE NUMBERS... cont'd

### Balance Sheet

(S\$m)	Dec-20A	Dec-21A	Dec-22F	Dec-23F	Dec-24F
Total Cash And Equivalents	11.5	201.5	188.8	181.8	179.6
Total Debtors	197.0	222.5	257.9	314.1	344.5
Inventories	53.7	62.4	94.4	120.3	117.1
Total Other Current Assets	8.2	5.2	5.2	5.2	5.2
<b>Total Current Assets</b>	<b>270.3</b>	<b>491.6</b>	<b>546.3</b>	<b>621.4</b>	<b>646.3</b>
Fixed Assets	28.9	26.6	43.8	45.8	47.9
Total Investments	0.0	0.0	0.0	0.0	0.0
Intangible Assets	1.1	0.0	0.0	0.0	0.0
Total Other Non-Current Assets	0.0	0.0	0.0	0.0	0.0
<b>Total Non-current Assets</b>	<b>30.0</b>	<b>26.6</b>	<b>43.8</b>	<b>45.8</b>	<b>47.9</b>
Short-term Debt	29.2	11.9	29.8	34.3	39.2
Current Portion of Long-Term Debt					
Total Creditors	141.1	138.5	146.2	166.8	131.7
Other Current Liabilities	82.0	70.0	70.0	70.0	70.0
<b>Total Current Liabilities</b>	<b>252.3</b>	<b>220.4</b>	<b>246.0</b>	<b>271.1</b>	<b>240.9</b>
Total Long-term Debt	3.8	2.8	4.1	4.7	5.4
Hybrid Debt - Debt Component					
Total Other Non-Current Liabilities	2.2	1.7	1.7	1.7	1.7
<b>Total Non-current Liabilities</b>	<b>6.0</b>	<b>4.6</b>	<b>5.8</b>	<b>6.4</b>	<b>7.1</b>
Total Provisions	0.3	0.3	0.3	0.3	0.3
<b>Total Liabilities</b>	<b>258.6</b>	<b>225.2</b>	<b>252.1</b>	<b>277.8</b>	<b>248.3</b>
Shareholders' Equity	41.6	293.0	338.1	389.4	445.9
Minority Interests					
<b>Total Equity</b>	<b>41.6</b>	<b>293.0</b>	<b>338.1</b>	<b>389.4</b>	<b>445.9</b>

### Key Ratios

	Dec-20A	Dec-21A	Dec-22F	Dec-23F	Dec-24F
Revenue Growth	12.9%	28.9%	22.1%	14.1%	10.5%
Operating EBITDA Growth	18.7%	25.6%	21.8%	13.3%	10.2%
Operating EBITDA Margin	15.8%	15.4%	15.3%	15.2%	15.2%
Net Cash Per Share (S\$)	(0.03)	0.24	0.20	0.19	0.17
BVPS (S\$)	0.07	0.38	0.44	0.50	0.58
Gross Interest Cover	58.3	126.5	151.9	172.4	189.8
Effective Tax Rate	16.2%	12.5%	12.0%	12.0%	12.0%
Net Dividend Payout Ratio	27.7%	51.9%	50.0%	50.0%	50.0%
Accounts Receivables Days	111.0	122.6	115.0	120.0	125.3
Inventory Days	38.47	45.20	50.00	60.00	60.16
Accounts Payables Days	120.7	108.8	90.7	87.5	75.7
ROIC (%)	314%	130%	95%	63%	52%
ROCE (%)	125%	45%	30%	29%	28%
Return On Average Assets	24.7%	18.3%	16.4%	16.4%	16.7%

### Key Drivers

	Dec-20A	Dec-21A	Dec-22F	Dec-23F	Dec-24F
IoT devices and Datacom products (% yoy)	46.3%	39.5%	23.8%	15.0%	11.0%
LED products (% yoy)	-59.3%	-51.3%	-15.0%	-15.0%	-10.0%
Others (% yoy)	159.4%	-50.2%	10.0%	10.0%	12.5%

SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS

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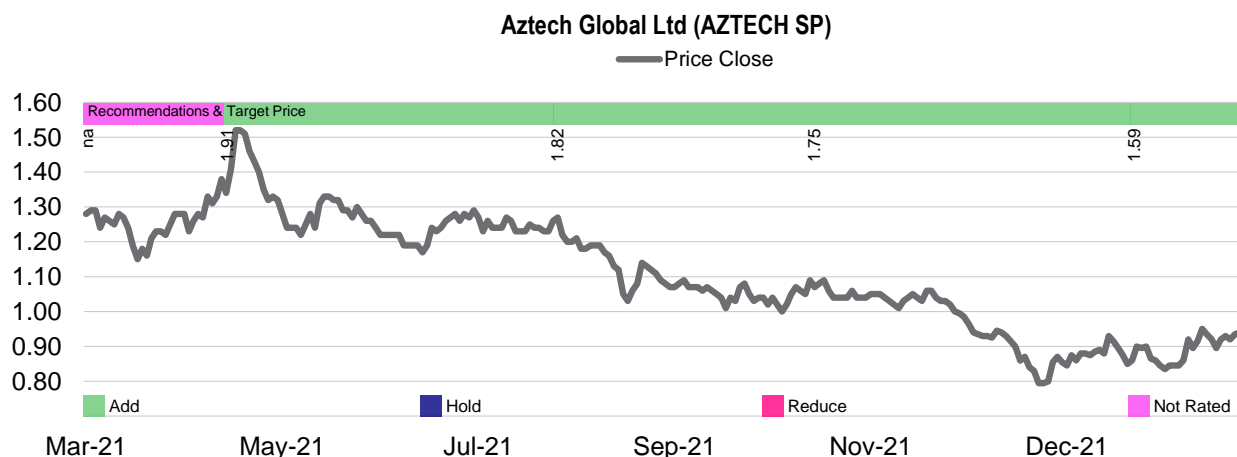
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Spitzer Chart for stock being researched ( 2 year data )



**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	
<b>Stock Ratings</b>	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>	
<b>Sector Ratings</b>	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.
<b>Country Ratings</b>	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.

