

## Malaysia

**REDUCE** (previously ADD)

Consensus ratings\*: Buy 7 Hold 1 Sell 1

Current price:	RM0.74
Target price:	RM0.50
Previous target:	RM1.18
Up/downside:	-32.4%
CGS-CIMB / Consensus:	-55.8%
Reuters:	MYNE.KL
Bloomberg:	MNHB MK
Market cap:	US\$119.5m
	RM504.8m
Average daily turnover:	US\$0.07m
	RM0.30m
Current shares o/s:	682.1m
Free float:	26.0%

\*Source: Bloomberg

**Key changes in this note**

- Downgrade our recommendation to Reduce from Add.
- Cut our FY23-24F core EPS forecasts by 55.7-57.7% to account for higher operating expenses and longer gestation period for the expansion of CU outlets.
- Now expecting the group remain in loss-making position in FY22F with a core net loss of RM19.5m in FY22F vs. earlier profit expectation of RM13.2m.



Source: Bloomberg

Price performance	1M	3M	12M
Absolute (%)	-8.1	-15.4	-14.5
Relative (%)	-9.7	-20.8	-14.3

Major shareholders	% held
D&D Consolidated	57.4
EPF	6.7
Aberdeen Standard Investments (M)	5.7

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# Mynews Holdings Berhad

## Disappointing start

- Mynews posted its eighth consecutive loss-making quarter with a core net loss of RM7.1m in 1QFY22, which is below our and consensus expectations.
- The disappointing results were mainly due to lower-than-expected GP margin and higher-than-expected operating costs arising from aggressive CU push.
- Downgrade our recommendation to Reduce with a lower TP of RM0.50 (29x CY23F P/E) as we cut our FY23-24F core EPS forecasts by 55.7-57.7%.

### 1QFY22: Eighth consecutive loss-making quarter

While Mynews recorded a narrower 1QFY10/22 core net loss of RM7.1m when compared to 1QFY21's RM8.8m (Figure 2), we deem this to be below our and consensus expectations of full-year FY22F earnings of RM13.2m and RM19.4m, respectively. The underperformance was mainly due to the higher-than-expected operating cost of RM34.6m (+34.1% yoy) and depreciation of PPE of RM6.4m (+31.0% yoy) as well as the lower-than-expected GP margin of 31% (-0.9% pts yoy) as part of the aggressive expansion and promotional exercises for CU. The 1QFY22 results of Mynews were underwhelming given that the reporting period fell on 1 Nov 21 to 31 Jan 22, during which we gather that its peers (e.g. 7-Eleven) and the majority of our consumer companies under coverage outperformed or experienced strong earnings growth.

### Painful start-up costs of establishing the CU brand and outlets

Despite the strong rebound in 1QFY22 revenue to RM139.4m (+41.3% yoy), driven by a higher store count and recovery in footfall post lifting of lockdown measures, this was offset by higher costs to expand and promote the CU business as 40 new CU stores were opened during the quarter, bringing its total store count to 528 (+14 yoy; incl. 61 CU and 9 myNEWS SUPERVALUE stores). Expenses for admin/spending & distribution/others rose 17.6%/36.9%/11.9% yoy to RM8.4m/RM27.1m/RM15.3m, mostly to support CU's expansion drive. Meanwhile, we attribute the lower GP margin (-0.9% pts yoy) to heavy discounting on CU's novel products to raise awareness.

### Gestation period for CU business operation could be prolonged

In view of the minimum wage hike, inflationary pressure and increased competition in the CVS segment, we think Mynews could have a tough time ahead grappling with the rising cost of labour, renovation and heavy marketing and promotional expenses during its initial stages of aggressive CU expansion (target of 150 stores by end-FY22F), compared to its more established peers. This will probably extend the gestation period for its CU segment for longer. Its FPC remained loss-making, with losses of RM2m in 1QFY22.

### Downgrade to Reduce call with a lower TP of RM0.50

We now forecast Mynews to post a loss of RM19.5m in FY22F vs profit of RM13.2m and cut our FY23-24F EPS by 56-58% as we lower our GP margin assumptions by 2-3% pts and raise our cost assumption. Given the earnings cut, our TP falls to RM0.50 (29x CY23F P/E) and we downgrade our recommendation to Reduce from previously Add.

Financial Summary	Oct-20A	Oct-21A	Oct-22F	Oct-23F	Oct-24F
Revenue (RMm)	489.4	400.6	544.5	736.1	840.3
Operating EBITDA (RMm)	49.7	13.0	44.6	92.7	105.0
Net Profit (RMm)	-7.19	-39.89	-19.47	10.05	18.45
Core EPS (RM)	(0.011)	(0.058)	(0.029)	0.015	0.027
Core EPS Growth	(125%)	455%	(51%)		83%
FD Core P/E (x)	NA	NA	NA	50.21	27.37
DPS (RM)	-	-	-	0.004	0.007
Dividend Yield	0.00%	0.00%	0.00%	0.50%	0.91%
EV/EBITDA (x)	10.96	43.42	14.27	6.97	6.11
P/FCFE (x)	8.8	124.9	29.4	12.8	10.7
Net Gearing	9.5%	22.3%	56.2%	57.9%	52.3%
P/BV (x)	1.84	2.11	2.33	2.23	2.09
ROE	(2.6%)	(15.5%)	(8.5%)	4.5%	7.9%
% Change In Core EPS Estimates			(247%)	(58%)	(56%)
CGS-CIMB/Consensus EPS (x)			-1.02	0.33	0.42

SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS

## Key re-rating catalysts and downside risks:

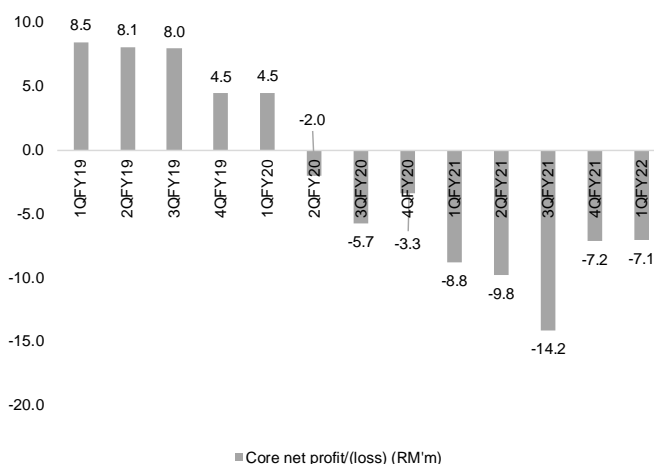
- Key downside risks: re-imposition of lockdown measures due to the new Omicron variant, leading to lower-than-expected CU store count and weaker-than-expected footfall recovery, higher-than-expected marketing, selling & distribution expenses, and labour costs
- Key re-rating catalysts: faster-than-expected turnaround of its FPC on strong CU store outperformance and expansion plans, lower-than-expected operating costs.

Figure 1: Results Comparison

FYE Oct (RM m)	1QFY22	1QFY21	yoy % chg	qoq % chg	4Q FY21	Prev. FY22F	Comments
Revenue	139.4	98.7	41.3%	34.0%	104.1	545.9	Revenue increased yoy in 1QFY22 mainly driven by higher footfall on lifting of lockdown measures and higher store count
Cost of sales	(96.2)	(67.2)	43.1%	28.8%	(74.7)	(352.6)	
<b>Gross Profit</b>	<b>43.2</b>	<b>31.5</b>	<b>37.5%</b>	<b>47.0%</b>	<b>29.4</b>	<b>193.3</b>	
GP Margins %	31.0%	31.9%	-0.9%-pts	2.8%-pts	28.3%	35.4%	Decline in gross margins possibly due to food discount and higher raw material costs in 1QFY22
Operating costs	(34.6)	(25.8)	34.1%	22.5%	(28.2)	(115.2)	Due to increase in admin expenses (+17.6% yoy) on additional manpower and marketing materials and in selling and distribution expenses (+36.9% yoy) due to aggressive expansion of CU outlets and longer operating hours.
<b>EBITDA</b>	<b>8.7</b>	<b>5.7</b>	<b>52.8%</b>	<b>619.4%</b>	<b>1.2</b>	<b>78.1</b>	
EBITDA margin	6.2%	5.8%	0.5%-pts	4.6%-pts	1.2%	14.3%	
Depn & amort.	(15.2)	(14.4)	5.2%	9.1%	(13.9)	(58.7)	Due to expansion of CU outlets
EBIT	(6.5)	(8.7)	-25.8%	-49.0%	(12.7)	19.5	
Interest expense	(1.6)	(1.6)	-0.7%	6.0%	(1.5)	(5.3)	
Interest & invt inc	0.0	0.0	9.8%	-28.6%	0.1	1.2	
JV contribution	0.1	0.4	-79.4%	30.9%	0.1	2.0	
Exceptionals & revaln	(0.8)	(0.1)	426.2%	-54.7%	(1.7)	-	Exceptionals include PPE written off and loss on disposal of PPE.
<b>Pretax profit/(loss)</b>	<b>(8.8)</b>	<b>(10.1)</b>	<b>-13.4%</b>	<b>-44.6%</b>	<b>(15.8)</b>	<b>17.4</b>	
Tax	(0.1)	(0.5)	-85.6%	-101.3%	5.3	(4.2)	
Tax rate (%)	-0.8%	-4.5%	nm	nm	33.2%	24.0%	
Minority interests	(1.0)	(1.6)	-40.5%	-42.4%	(1.7)	-	
Net profit	(7.9)	(8.9)	-12.1%	-11.6%	(8.9)	13.2	
<b>Core net profit/ (loss)</b>	<b>(7.1)</b>	<b>(8.8)</b>	<b>-19.5%</b>	<b>-1.1%</b>	<b>(7.2)</b>	<b>13.2</b>	<b>Below expectations.</b>
EPS (sen)	(1.2)	(1.3)	-12.1%	-11.6%	(1.3)	1.9	
Core EPS (sen)	(1.0)	(1.3)	-19.5%	-1.1%	(1.0)	1.9	

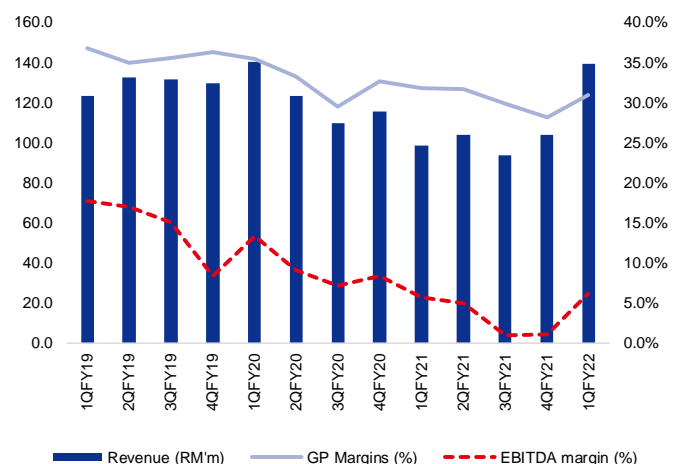
SOURCES: CIMB, COMPANY REPORTS

Figure 2: Quarterly trend of core net profit/(loss)



SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS

Figure 3: Quarterly revenue and margin trend



SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS

**Figure 1: Earnings revision**

RM m	FY21	FY22F			FY23F			FY24F		
		Old	New	%chg	Old	New	%chg	Old	New	%chg
Revenue	2809.1	545.9	544.5	-0.3%	744.7	736.1	-1.2%	904.3	840.3	-7.1%
EBITDA	351.9	78.1	44.6	-42.9%	100.2	92.7	-7.4%	128.1	105.0	-18.0%
Core pretax profit	117.9	17.4	-25.6	-247.1%	33.9	15.9	-53.2%	57.5	26.9	-53.2%
Core net profit	61.2	13.2	-19.5	-247.1%	23.8	10.1	-57.7%	41.7	18.4	-55.7%

SOURCES: CGS-CIMB, COMPANY REPORTS

## ESG in a nutshell



Mynews Holdings (MNHB) is one of the largest homegrown convenience store operators in the country. As a major retailer with more than 500 point-of-sale locations, its key sustainability aspects include food safety compliance, energy and non-renewable plastic consumption, waste management, and employee wellbeing. Food safety and waste are key things to pay attention to moving forward as ready-to-eat food increases in prominence at its outlets.

### Keep your eye on

As ready-to-eat (RTE) food will be taking a larger share of MNHB's product mix going forward, food safety, quality, nutrition profile and food waste management will be key aspects to look out for. Most of its RTE products are prepared in-house at its own food processing centre (FPC).

### Implications

We believe that food safety has been a major focus for MNHB; it adheres to strict standards of hygiene at its FPC. It also adheres to a conservative expiry period to ensure its RTE foods are safe for consumption; any expired food is promptly removed from store shelves. Ingredients and packaging are also sourced ethically and of high quality in line with the preparation requirements. We gather that its food waste is converted into animal feed where possible. At the outlets, MNHB tries to minimise food wastage by implementing time-sales discounts to entice customers to purchase food items before they reach expiry.

### ESG highlights

Convenience, product availability and affordability are key value propositions for MNHB as a convenience store operator. MNHB also adopts responsible waste management programmes to reduce and recycle waste where possible.

### Implications

In addition to optimising its FPC operations to ensure product availability and to eliminate food waste, MNHB optimises its own logistics fleet to ensure product availability at all its stores nationwide. In terms of waste management, MNHB: i) implements efficient route planning for its logistics vehicles to minimise emissions, ii) reduces non-reusable plastic bag reliance by using recyclable bags (all its plastic bags are biodegradable), and iii) ensures all wastewater from its FPC is treated prior to discharging into a public drain.

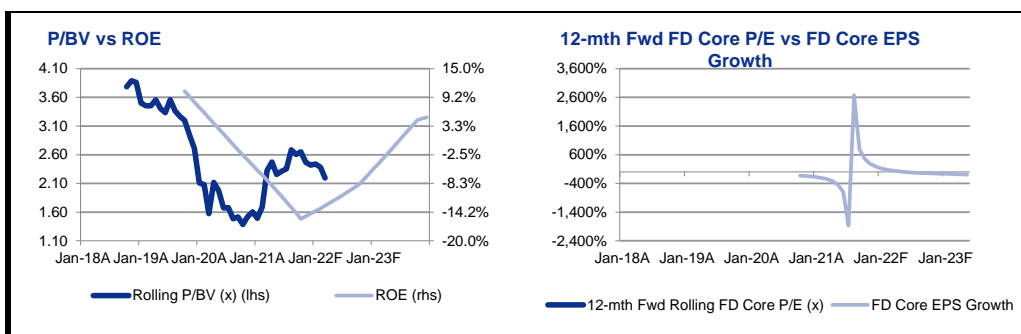
### Trends

The expansion and improvement of its store base will lead to the hiring of more workers and the upskilling of its workforce to meet more complex operations. Responsible hiring and treatment of its workforce as well as staff development are key initiatives to pay attention to.

### Implications

While its employee base rose by c.11% in FY20, the proportion of foreign workers dropped to 23% from 28% in FY19, indicating MNHB's efforts to prioritise hiring and developing local talent. MNHB also implements internal training programmes for both outlet and administrative/management staff. With its accelerated CU and Mynews Supervalu store expansion plan in FY22, we believe its good hiring practices and favourable employee welfare will bode well for its ESG score moving forward.

SOURCES: CGS-CIMB RESEARCH, REFINITIV

**BY THE NUMBERS**

**Profit & Loss**

(RMm)	Oct-20A	Oct-21A	Oct-22F	Oct-23F	Oct-24F
<b>Total Net Revenues</b>	<b>489.4</b>	<b>400.6</b>	<b>544.5</b>	<b>736.1</b>	<b>840.3</b>
<b>Gross Profit</b>	<b>159.8</b>	<b>122.0</b>	<b>177.5</b>	<b>257.6</b>	<b>294.1</b>
<b>Operating EBITDA</b>	<b>49.7</b>	<b>13.0</b>	<b>44.6</b>	<b>92.7</b>	<b>105.0</b>
Depreciation And Amortisation	(54.8)	(56.7)	(66.4)	(70.2)	(71.6)
<b>Operating EBIT</b>	<b>(5.1)</b>	<b>(43.6)</b>	<b>(21.8)</b>	<b>22.6</b>	<b>33.5</b>
Financial Income/(Expense)	(4.9)	(6.2)	(5.8)	(8.7)	(8.6)
Pretax Income/(Loss) from Assoc.	(1.4)	(0.7)	2.0	2.0	2.0
Non-Operating Income/(Expense)	0.0	0.0	0.0	0.0	0.0
<b>Profit Before Tax (pre-EI)</b>	<b>(11.4)</b>	<b>(50.5)</b>	<b>(25.6)</b>	<b>15.9</b>	<b>26.9</b>
Exceptional Items	0.0	0.0	0.0	0.0	0.0
<b>Pre-tax Profit</b>	<b>(11.4)</b>	<b>(50.5)</b>	<b>(25.6)</b>	<b>15.9</b>	<b>26.9</b>
Taxation	(1.8)	4.0	6.1	(3.8)	(6.5)
Exceptional Income - post-tax					
<b>Profit After Tax</b>	<b>(13.2)</b>	<b>(46.6)</b>	<b>(19.5)</b>	<b>12.1</b>	<b>20.4</b>
Minority Interests	6.1	6.7	0.0	(2.0)	(2.0)
Preferred Dividends					
FX Gain/(Loss) - post tax					
Other Adjustments - post-tax					
<b>Net Profit</b>	<b>(7.2)</b>	<b>(39.9)</b>	<b>(19.5)</b>	<b>10.1</b>	<b>18.4</b>
Recurring Net Profit	(7.2)	(39.9)	(19.5)	10.1	18.4
<b>Fully Diluted Recurring Net Profit</b>	<b>(7.2)</b>	<b>(39.9)</b>	<b>(19.5)</b>	<b>10.1</b>	<b>18.4</b>

**Cash Flow**

(RMm)	Oct-20A	Oct-21A	Oct-22F	Oct-23F	Oct-24F
EBITDA	49.67	13.05	44.63	92.74	105.04
Cash Flow from Inv. & Assoc.	1.37	0.74	-2.00	-2.00	-2.00
Change In Working Capital	-9.44	7.29	-7.15	-18.75	-10.82
(Incr)/Decr in Total Provisions					
Other Non-Cash (Income)/Expense	-1.55	0.00	2.01	2.00	2.00
Other Operating Cashflow	6.11	4.00	0.00	0.00	0.00
Net Interest (Paid)/Received	-4.95	-5.70	-5.81	-8.73	-8.55
Tax Paid	-5.87	-3.00	6.15	-3.81	-6.46
<b>Cashflow From Operations</b>	<b>35.33</b>	<b>16.37</b>	<b>37.82</b>	<b>61.45</b>	<b>79.21</b>
Capex	-36.78	-18.30	-33.11	-37.16	-39.47
Disposals Of FAs/subsidiaries	2.17	0.54	0.00	0.00	0.00
Acq. Of Subsidiaries/investments					
Other Investing Cashflow	15.03	2.00	0.00	0.00	0.00
<b>Cash Flow From Investing</b>	<b>-19.58</b>	<b>-15.76</b>	<b>-33.11</b>	<b>-37.16</b>	<b>-39.47</b>
Debt Raised/(repaid)	41.50	3.43	12.45	15.00	7.39
Proceeds From Issue Of Shares	0.00	0.00	0.00	0.00	0.00
Shares Repurchased					
Dividends Paid	0.00	0.00	0.00	-2.51	-4.61
Preferred Dividends					
Other Financing Cashflow	-32.13	-26.68	-27.90	-31.19	-30.15
<b>Cash Flow From Financing</b>	<b>9.37</b>	<b>-23.25</b>	<b>-15.45</b>	<b>-18.71</b>	<b>-27.38</b>
Total Cash Generated	25.12	-22.64	-10.74	5.58	12.36
<b>Free Cashflow To Equity</b>	<b>57.25</b>	<b>4.04</b>	<b>17.15</b>	<b>39.29</b>	<b>47.12</b>
<b>Free Cashflow To Firm</b>	<b>20.95</b>	<b>6.99</b>	<b>10.79</b>	<b>33.10</b>	<b>48.46</b>

SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS

## BY THE NUMBERS... cont'd

### Balance Sheet

(RMm)	Oct-20A	Oct-21A	Oct-22F	Oct-23F	Oct-24F
Total Cash And Equivalents	40.4	16.1	4.6	10.2	22.5
Total Debtors	38.9	37.2	46.3	50.0	52.0
Inventories	66.9	58.8	75.4	98.3	112.2
Total Other Current Assets	24.0	19.1	22.8	28.7	31.9
<b>Total Current Assets</b>	<b>170.2</b>	<b>131.2</b>	<b>149.1</b>	<b>187.1</b>	<b>218.6</b>
Fixed Assets	210.2	207.3	225.8	235.7	244.7
Total Investments	19.1	18.3	48.9	32.9	24.3
Intangible Assets	0.0	0.0	0.0	0.0	0.0
Total Other Non-Current Assets	129.1	146.3	154.4	156.6	160.4
<b>Total Non-current Assets</b>	<b>358.4</b>	<b>371.9</b>	<b>429.2</b>	<b>425.2</b>	<b>429.5</b>
Short-term Debt	18.4	25.4	75.0	95.0	102.4
Current Portion of Long-Term Debt					
Total Creditors	75.2	81.2	103.9	117.2	125.3
Other Current Liabilities	33.8	30.7	40.1	39.0	38.0
<b>Total Current Liabilities</b>	<b>127.4</b>	<b>137.3</b>	<b>219.0</b>	<b>251.2</b>	<b>265.7</b>
Total Long-term Debt	49.2	45.6	55.0	50.0	50.0
Hybrid Debt - Debt Component					
Total Other Non-Current Liabilities	65.9	76.2	81.1	78.4	83.8
<b>Total Non-current Liabilities</b>	<b>115.1</b>	<b>121.8</b>	<b>136.1</b>	<b>128.4</b>	<b>133.8</b>
Total Provisions	0.0	0.0	0.0	0.0	0.0
<b>Total Liabilities</b>	<b>242.5</b>	<b>259.1</b>	<b>355.1</b>	<b>379.6</b>	<b>399.5</b>
Shareholders' Equity	273.9	239.3	216.4	225.9	241.7
Minority Interests	12.3	6.8	6.8	6.8	6.8
<b>Total Equity</b>	<b>286.1</b>	<b>246.1</b>	<b>223.2</b>	<b>232.7</b>	<b>248.5</b>

### Key Ratios

	Oct-20A	Oct-21A	Oct-22F	Oct-23F	Oct-24F
Revenue Growth	(5.5%)	(18.1%)	35.9%	35.2%	14.2%
Operating EBITDA Growth	(35%)	(74%)	242%	108%	13%
Operating EBITDA Margin	10.1%	3.3%	8.2%	12.6%	12.5%
Net Cash Per Share (RM)	-0.04	-0.08	-0.18	-0.20	-0.19
BVPS (RM)	0.40	0.35	0.32	0.33	0.35
Gross Interest Cover	-0.99	-6.84	-3.58	2.56	3.83
Effective Tax Rate	0.0%	0.0%	0.0%	24.0%	24.0%
Net Dividend Payout Ratio	NA	NA	NA	25.0%	25.0%
Accounts Receivables Days	7.15	3.34	3.96	6.09	6.58
Inventory Days	71.64	82.36	66.73	66.27	70.54
Accounts Payables Days	37.92	43.64	37.57	38.56	41.04
ROIC (%)	(1.13%)	(9.08%)	(4.58%)	4.45%	6.08%
ROCE (%)	(1.4%)	(12.9%)	(6.4%)	6.2%	8.6%
Return On Average Assets	(1.89%)	(8.13%)	(2.79%)	3.12%	4.26%

### Key Drivers

	Oct-20A	Oct-21A	Oct-22F	Oct-23F	Oct-24F
Avg revenue per store (Mynews)	0.9	0.7	0.9	1.0	1.1
Avg revenue per store (CU)	-	1.2	1.3	1.4	1.5

SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS

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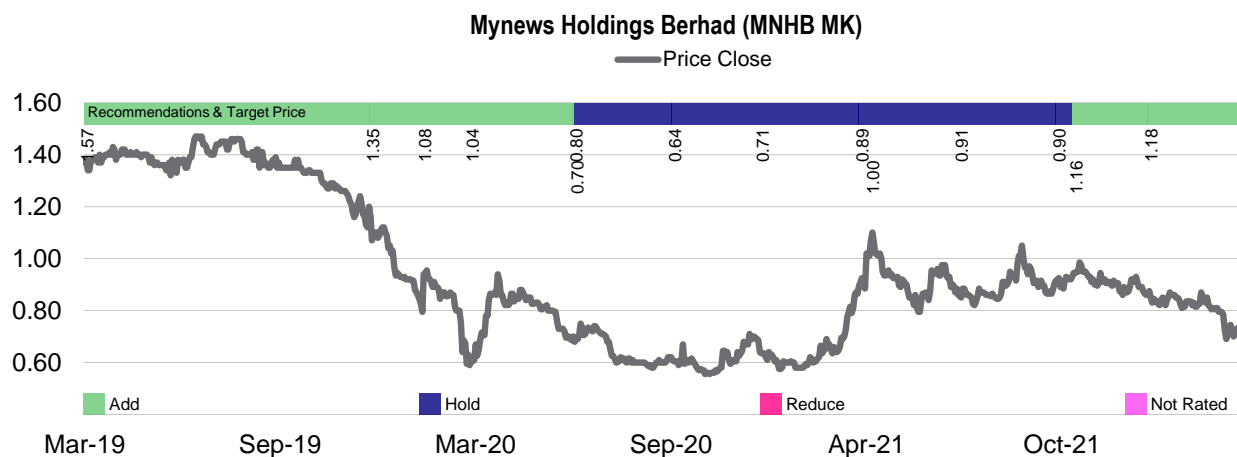
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Spitzer Chart for stock being researched ( 2 year data )



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

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

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

<b>Recommendation Framework</b>	
<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.

