

Singapore

ADD (no change)

Consensus ratings*: Buy 1 Hold 2 Sell 0

Current price:	S\$0.605
Target price:	S\$0.81
Previous target:	S\$0.81
Up/downside:	33.9%
CGS-CIMB / Consensus:	15.2%
Reuters:	JAPF.SI
Bloomberg:	JAP SP
Market cap:	US\$889.0m
	S\$1,235m
Average daily turnover:	US\$1.34m
	S\$1.80m
Current shares o/s:	2,041m
Free float:	19.0%

*Source: Bloomberg

Key changes in this note

- EPS adjustments due to change in shares outstanding.



Source: Bloomberg

Price performance	1M	3M	12M
Absolute (%)	-6.9	-0.8	-33.2
Relative (%)	-4.6	-4.2	-37.4

Major shareholders	% held
Rangi Management Ltd	51.8
Morze International Ltd	15.2
Tasburgh Ltd	5.2

Analyst(s)

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Japfa Ltd

Better clarity on the path ahead

- 1Q22 net profit of US\$22.7m was in line with our FY22F estimate but below consensus due to persistent cost pressure despite in-line revenue.
- APO shaved net losses of US\$20.8m in 4Q21 to US\$11.2m in 1Q22. EBITDA turned positive to US\$8.3m in 1Q22 from losses of US\$9.9m in 1Q21.
- We reiterate our Add call with a TP of S\$0.81 with value from potential AIH listing and improving profitability since 3Q21.

Getting back on its feet with normalisation of business conditions

Revenue rose 13% yoy to US\$1.25bn in 1Q22, in line at 27.1%/26.6% of our/consensus' FY22F estimate that was led by growing sales volume across all business segments (Figs 2 and 3). However, profitability continued to suffer, with core net profit declining 70% yoy to US\$22.7m, in line at 23.5% of our full-year forecast but missed consensus at only 19.1% of FY22F estimate. Operating margin remains suppressed at 6.5% compared to 13.6% in 1Q21 as a result of higher raw material prices and logistics costs that were extenuated by the Russia-Ukraine conflict. However, JAP has started to gradually pass on some of the higher costs after business conditions in key operating regions like Indonesia and Vietnam began to recover from the Covid-19 situation that worsened in 3Q21.

Moving ahead with business plans

With better market dynamics, the management has expressed its intention to resume expansion plans across the businesses. In Indonesia, where Japfa commands 20-30% share of the poultry industry, Japfa believes it is an opportune time to place more emphasis on growing its downstream business of providing B2B and B2C food solutions through Japfa Best and brands such as So Good Food and BESTCHICKEN. In Vietnam and China, Japfa will look to further establish its presence by building up its farming capabilities and increasing farming capacity across different business segments. Correspondingly, we could see capex increase closer to pre-Covid levels (FY19: US\$319m) from an average of c.US\$200m over the past two years. Japfa also has downstream businesses in Vietnam and China, but with limited exposure at less than 10% of revenue historically.

Reiterate Add; China Dairy spinoff remains on the table

We reiterate our Add call with an SOP-based TP of S\$0.81 (Fig 6), with S\$0.48 per share in value locked behind AustAsia Investment Holdings (AIH) based on precedent sale-of-stake transactions in FY21 and remaining S\$0.33 valued at 6x FY23F P/E of its remaining Animal Protein-Others (APO) business, slightly less than 0.5 s.d. below its historical average due to ongoing cost pressures. The listing of AIH is pending approval from the Hong Kong stock exchange. Re-rating catalysts include swifter return of robust demand dynamic for swine in Vietnam and greater extent of cost pass-through. Downside risks include shelving of AIH IPO plans and inability to pass on higher costs.

Financial Summary	Dec-20A	Dec-21A	Dec-22F	Dec-23F	Dec-24F
Revenue (US\$m)	3,868	4,636	4,589	4,693	4,800
Operating EBITDA (US\$m)	507.7	492.0	468.1	566.8	593.3
Net Profit (US\$m)	322.0	118.8	96.5	141.4	148.7
Core EPS (US\$)	0.096	0.065	0.047	0.069	0.073
Core EPS Growth	48.6%	(32.5%)	(27.3%)	46.4%	5.2%
FD Core P/E (x)	4.34	6.71	9.21	6.29	5.98
DPS (US\$)	0.11	0.02	0.02	0.02	0.02
Dividend Yield	25.3%	3.4%	3.4%	3.4%	4.6%
EV/EBITDA (x)	4.34	5.28	5.94	5.21	4.79
P/FCFE (x)	NA	NA	NA	NA	4.31
Net Gearing	39.6%	46.0%	47.7%	46.5%	34.9%
P/BV (x)	0.63	0.62	0.59	0.55	0.51
ROE	17.0%	9.3%	6.6%	9.1%	8.8%
% Change In Core EPS Estimates			0.436%	0.436%	0.436%
CGS-CIMB/Consensus EPS (x)			0.88	0.96	1.55

SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS

Better clarity on the path ahead

Recovery underway, albeit at an uneven pace ►

Indonesian Poultry: EBIT margins of 7.8% in 1Q22 were more measured compared to 1Q21, but at a sustainable level of high single-digit previously guided by management. This suggests a good pace of recovery underway. Successful cost pass-through could improve margins towards JAP's targeted benchmark of 10%.

Animal Protein – Others (APO): Negative operating margins of 3.5% is a result of poor swine market where margins were suppressed due to resurgence of African Swine Fever that resulted in pre-emptive sales since 4Q21. JAP shared that Myanmar has also become EBITDA positive while India recorded a PAT of US\$2.7m in 1Q22 to partially offset the weakness arising from Vietnam. The newly inaugurated swine fattening farm in the Binh Phuoc province in Phu Rieng district, Vietnam will also improve JAP's swine farming capabilities from genetics to breeding sources, feed, pen structure, nutrition, and biosafety. This should allow JAP to balance its source of swine among owned, rental, and contract farming.

China Dairy: Two new dairy farms in Shandong acquired in mid-FY21 are integrating well operationally. Larger herd size and higher milk yields (Fig 4) are offsetting rising feed prices and higher administrative expenses of c.US\$7m that were primarily due to expenses related to proposed listing of AIH. We are expecting herd size to reach optimal capacity of 64k milkable cows by the end of FY22F. Management has guided that it is looking at potentially increasing the number of dairy farms over the next two years.

Figure 1: Results comparison

FYE Dec (US\$m)	1Q22	1Q21	yoy % change	4Q21	qoq % change	Prev FY22F	Comments
Revenue	1,246.0	1,103.1	13%	1,252.7	-1%	4,589.4	In line at 27.1%/26.6% of our/consensus' estimates; sales volume grew across all business segments.
Gross profit	200.4	277.1	-28%	188.5	6%	804.0	
Gross margin (%)	16.1%	25.1%	-9.0% pts	15.0%	1.0% pts	17.5%	Margin pressures from rising raw material prices, but improvement observed qoq.
Operating costs	(119.0)	(127.3)	-7%	(123.1)	-3%	(470.1)	
Operating profit	81.4	149.8	-46%	65.4	24%	333.9	Qoq improvement suggests recovery from Covid-19 impact since 3Q21.
EBIT margin (%)	6.5%	13.6%	-7.1% pts	5.2%	1.3% pts	7.3%	
Interest income	0.6	1.3	-57%	0.6	3%	0.0	
Finance costs	(25.9)	(19.8)	31%	(25.5)	1%	(108.3)	
Other gains/(losses)	4.1	(4.9)	-184%	2.1	95%	0.0	
Share of JV	0.8	0.7	16%	1.0	-22%	0.0	
Core PBT (ex-forex and FV bio)	61.0	127.2	-52%	43.6	40%	225.6	
PBT (reported)	51.5	104.8	-51%	33.4	54%	225.6	
Tax	(10.4)	(22.7)	-54%	(14.9)	-30%	(51.6)	
Tax rate (%)	-20.2%	-21.6%	1.4% pts	-44.6%	24.4% pts	-22.9%	
Minority interests	(23.7)	(33.6)	-29%	(13.6)	75%	(77.4)	High minority interest as proportion to net profit due to 12.5% sale-of-stake in AIH during 2H21.
Net profit	17.3	48.5	-64%	4.9	250%	96.5	
Core net profit	22.7	75.8	-70%	13.0	75%	96.5	
EPS, basic (US cts)	0.8	2.4	-65%	0.2	250%	4.7	
Core EPS (US cts)	1.1	3.7	-70%	0.6	74%	4.7	

SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS

Figure 2: Sales volumes grew yoy across all poultry segments...

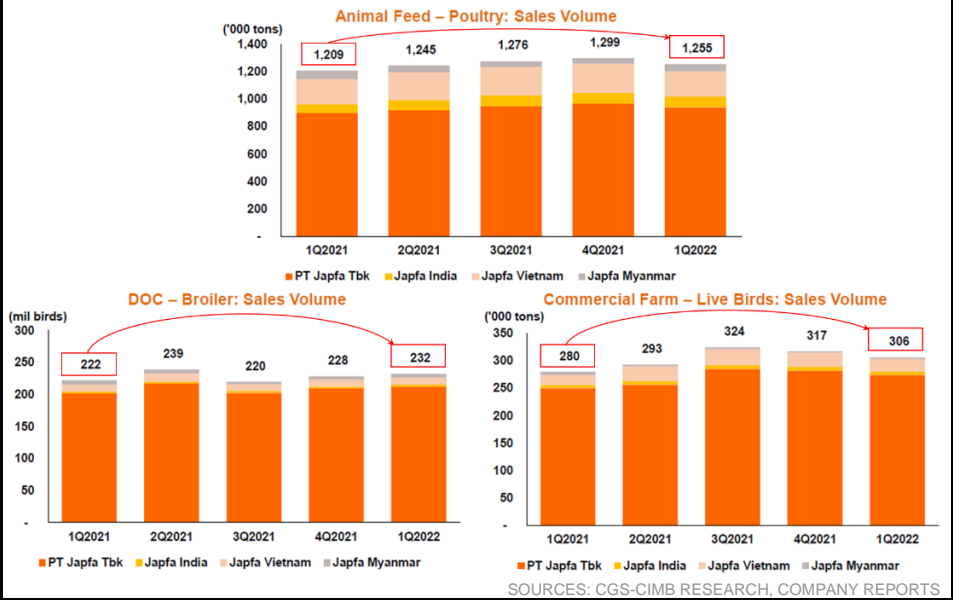


Figure 3: ... as well as for other proteins



Figure 4: Integration of new farms in mid-FY21 yielding results

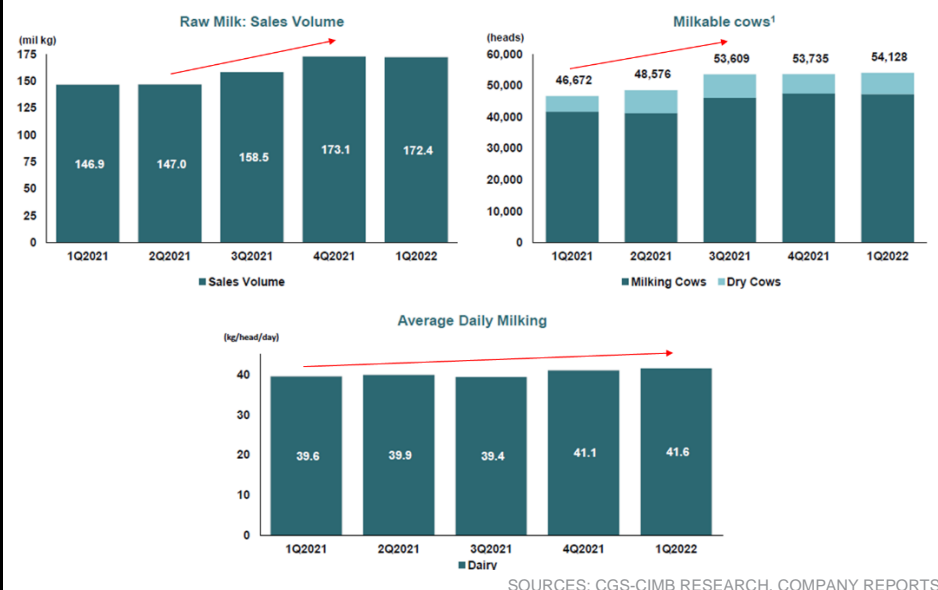


Figure 5: EBIT margin improved to normalised levels in 1Q22

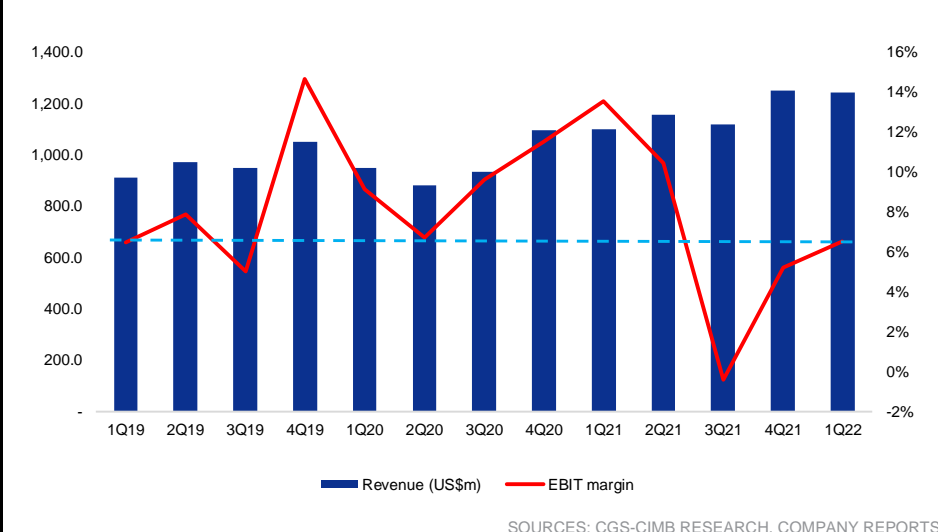


Figure 6: Sum-of-parts valuation

Units		
Valuing AIH		
Based on precedent transactions in FY21	US\$m	1,168.0
Equity value of AIH @ 62.5% stake	S\$m	985.5
Equity value per share	S\$	0.48
Valuing Animal Protein business		
FY23F PATMI ex. AIH	US\$m	82.1
P/E multiple	x	6
Equity value	S\$m	664.9
Equity value per share	S\$m	0.33
SOP target price	S\$	0.81

SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS

Figure 7: Peers comparison

Company	Bloomberg Ticker	Recom.	Price (lcl curr)	Target Price (lcl curr)	Market Cap (US\$ m)	Core P/E (x)		3-year EPS CAGR (%)	P/BV (x)		Recurring ROE (%)		EV/EBITDA (x)		Dividend Yield (%)	
						CY22F	CY23F		CY22F	CY23F	CY22F	CY23F	CY22F	CY23F	CY22F	CY23F
Japfa Ltd	JAP SP	Add	0.605	0.81	889	9.3	6.3	3.9%	0.59	0.55	6.6%	9.1%	6.0	5.2	3.4%	3.4%
Animal Protein Peers																
Poultry - Indonesia																
Charoen Pokphand Indonesia	CPIN IJ	Hold	5150	5200	5,827	22.9	17.8	17.0%	3.11	2.79	14.1%	16.5%	14.1	11.5	1.9%	2.0%
Malindo Feedmill	MAIN IJ	Reduce	640	650	99	12.7	6.4	N/A	0.68	0.62	5.5%	10.1%	5.9	4.8	0.2%	1.6%
						17.8	12.1	17.0%	1.89	1.71	9.8%	13.3%	10.0	8.1	1.1%	1.8%
Others - Regional																
Charoen Pokphand Foods	CPF TB	Add	24.1	29.0	5,878	20.8	14.3	87.8%	0.94	0.91	4.6%	6.5%	9.7	9.2	2.6%	3.7%
DABACO Vietnam Group JSC	DBC VN	Not Rated	31000	N/A	311	8.4	7.3	N/A	1.40	1.17	18.4%	18.5%	6.0	5.5	N/A	N/A
Masan MeatLife Corp	MML VN	Not Rated	73700	N/A	1,050	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Mitraco Livestock JSC	MLS VN	Not Rated	23000	N/A	4	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
						14.6	10.8	87.8%	1.17	1.04	11.5%	12.5%	7.8	7.3	2.6%	3.7%
China Dairy Peers - Upstream																
China Youran Dairy Group Ltd	9858 HK	Not Rated	3.25	N/A	1,572	4.3	3.2	26.1%	0.64	0.53	15.9%	17.1%	6.0	5.0	0.0%	0.0%
China Modern Dairy Holdings	1117 HK	Add	1.15	2.68	1,160	5.8	4.9	17.8%	0.57	0.51	10.3%	11.0%	4.4	3.5	0.0%	0.0%
						5.1	4.1	22.0%	0.60	0.52	13.1%	14.0%	5.2	4.2	0.0%	0.0%
Simple average						12.5	9.0	37.2%	1.22	1.09	11.5%	13.3%	7.7	6.6	0.9%	1.4%

SOURCES: CGS-CIMB RESEARCH, BLOOMBERG
*As of 29 Apr 2022

Figure 8: Japfa Ltd 12-mth Fwd Rolling FD Core P/E (x)

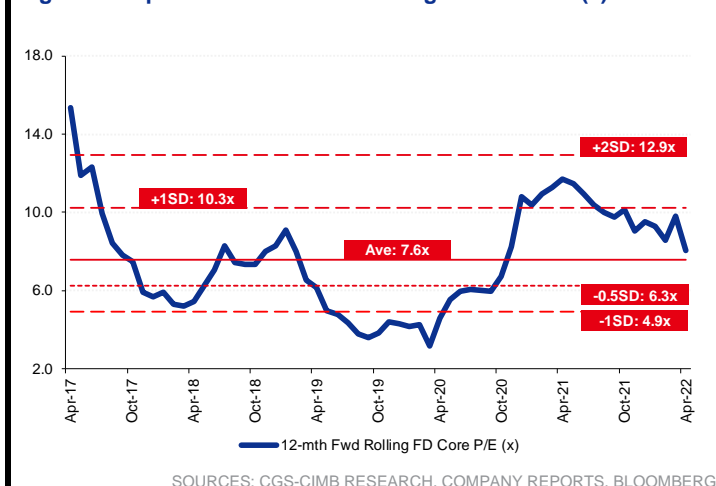
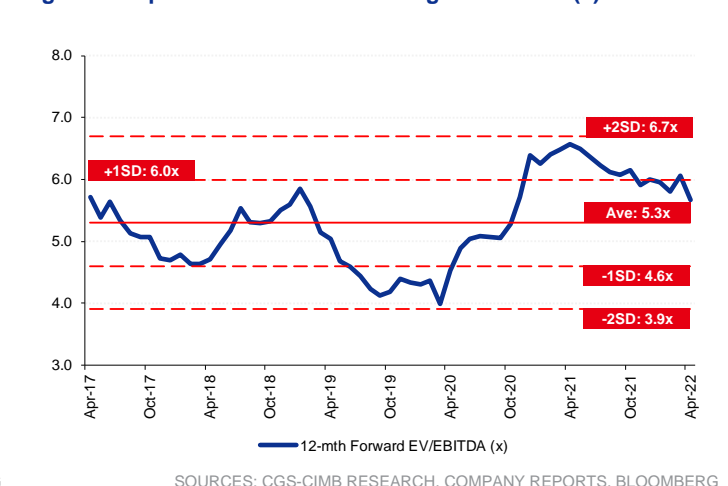




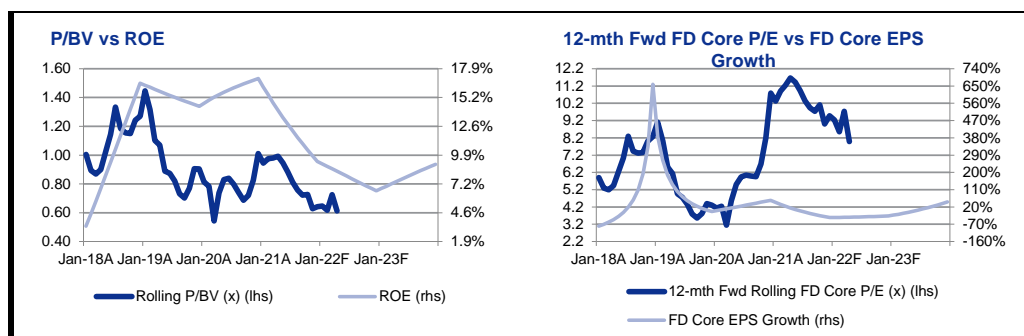
Figure 9: Japfa Ltd 12-mth Fwd Rolling EV/EBITDA (x)



 <div style="float: right;"> Refinitiv ESG Scores  </div>	
ESG in a nutshell <p>JAP received a B- from Refinitiv as its combined ESG score in 2019, weighed down by its C Social score. We believe that, as a commercial farmer, Jap's Environmental pillar (28.7%) should hold more weight in its overall ESG score as opposed to the current skew towards the Social pillar (45.1%). JAP scored a B for its Environmental pillar, ranking it fourth among seven identified peers (by Refinitiv) within Singapore's food and tobacco industry. We believe JAP will continue to play an important role in ensuring food security, especially in Indonesia, where it is the number two player in the country's commercial poultry farming industry.</p>	
Keep your eye on <p>Ethical and responsible farming methodologies that could impact JAP's resource and waste management. JAP is looking at waste management, water use and appropriate care for its livestock as its ESG focus.</p>	Implications <p>Currently, we do not measure the impact of farming methodologies. However, we believe ethical and responsible farming methodologies could manifest in the form of yield management and improve efficiency across JAP's various business segments.</p>
ESG highlights <p>In 2020, JAP completed the Life Cycle Assessment (LCA) of its Indonesian poultry operations that was initiated in 2019, aimed at measuring the potential environmental impact of all the stages of its supply chain. This put JAP one step closer to obtaining an ecolabel or environmental product declaration (EPD), which will provide traceability of its sources and quality assurance to its commercial customers and consumers.</p>	Implications <p>We have not ascribed any premium to JAP's valuation that could arise from investor recognition of its ESG efforts.</p>
Trends <p>While JAP only received its first Refinitiv ESG rating in 2019, the company started its sustainability reporting in 2017. The company embarked on an LCA on its Indonesian poultry operation as that is the largest contributor to its business.</p>	Implications <p>We have not reflected any ESG premium/discount in our valuation but consistent disclosures with improving ESG metrics could warrant a valuation premium.</p>

SOURCES: CGS-CIMB RESEARCH, REFINITIV

BY THE NUMBERS



Profit & Loss

(US\$m)	Dec-20A	Dec-21A	Dec-22F	Dec-23F	Dec-24F
Total Net Revenues	3,868	4,636	4,589	4,693	4,800
Gross Profit	858	807	804	897	919
Operating EBITDA	508	492	468	567	593
Depreciation And Amortisation	(144)	(160)	(134)	(151)	(166)
Operating EBIT	364	332	334	416	428
Financial Income/(Expense)	(99)	(93)	(108)	(106)	(103)
Pretax Income/(Loss) from Assoc.	0	1	0	0	0
Non-Operating Income/(Expense)	158	27	0	0	0
Profit Before Tax (pre-EI)	422	267	226	310	324
Exceptional Items					
Pre-tax Profit	422	267	226	310	324
Taxation	(51)	(54)	(52)	(71)	(74)
Exceptional Income - post-tax					
Profit After Tax	372	213	174	239	250
Minority Interests	(50)	(94)	(77)	(98)	(102)
Preferred Dividends					
FX Gain/(Loss) - post tax					
Other Adjustments - post-tax					
Net Profit	322	119	97	141	149
Recurring Net Profit	195	133	97	141	149
Fully Diluted Recurring Net Profit	195	133	97	141	149

Cash Flow

(US\$m)	Dec-20A	Dec-21A	Dec-22F	Dec-23F	Dec-24F
EBITDA	507.7	492.0	468.1	566.8	593.3
Cash Flow from Invt. & Assoc.					
Change In Working Capital	(29.5)	(90.1)	(93.4)	(142.4)	119.0
(Incr)/Decr in Total Provisions					
Other Non-Cash (Income)/Expense					
Other Operating Cashflow	36.6	48.8	108.3	105.8	103.4
Net Interest (Paid)/Received	(106.0)	(96.7)	(108.3)	(105.8)	(103.4)
Tax Paid	(25.8)	(65.2)	(51.6)	(71.3)	(73.8)
Cashflow From Operations	383.1	288.8	323.1	353.2	638.5
Capex	(211.6)	(297.7)	(300.0)	(300.0)	(300.0)
Disposals Of FAs/subsidiaries					
Acq. Of Subsidiaries/investments	0.0	(115.5)	0.0	0.0	0.0
Other Investing Cashflow	195.5	155.0	0.0	0.0	0.0
Cash Flow From Investing	(16.1)	(258.2)	(300.0)	(300.0)	(300.0)
Debt Raised/(repaid)	(402.6)	(94.0)	(138.3)	(135.8)	(132.4)
Proceeds From Issue Of Shares	66.7	0.0	0.0	0.0	0.0
Shares Repurchased					
Dividends Paid	(14.9)	(182.1)	(21.9)	(21.9)	(21.9)
Preferred Dividends					
Other Financing Cashflow					
Cash Flow From Financing	(350.8)	(276.1)	(160.2)	(157.7)	(154.2)
Total Cash Generated	16.3	(245.5)	(137.1)	(104.5)	184.3
Free Cashflow To Equity	(35.6)	(63.4)	(115.2)	(82.7)	206.2
Free Cashflow To Firm	473.0	127.3	131.5	159.0	441.9

SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS

BY THE NUMBERS... cont'd
Balance Sheet

(US\$m)	Dec-20A	Dec-21A	Dec-22F	Dec-23F	Dec-24F
Total Cash And Equivalents	225	321	183	79	263
Total Debtors	431	232	503	514	526
Inventories	788	1,121	991	1,123	1,002
Total Other Current Assets	161	183	183	183	183
Total Current Assets	1,604	1,856	1,860	1,899	1,975
Fixed Assets	1,205	1,342	1,507	1,657	1,791
Total Investments	39	60	60	60	60
Intangible Assets	418	512	512	512	512
Total Other Non-Current Assets	401	532	532	532	532
Total Non-current Assets	2,063	2,446	2,612	2,761	2,895
Short-term Debt	432	574	574	574	574
Current Portion of Long-Term Debt					
Total Creditors	358	403	451	452	462
Other Current Liabilities	42	42	42	42	42
Total Current Liabilities	833	1,019	1,067	1,068	1,078
Total Long-term Debt	569	735	705	675	646
Hybrid Debt - Debt Component					
Total Other Non-Current Liabilities	274	379	379	379	379
Total Non-current Liabilities	843	1,114	1,084	1,054	1,025
Total Provisions	30	23	23	23	23
Total Liabilities	1,706	2,156	2,173	2,145	2,126
Shareholders' Equity	1,420	1,427	1,502	1,621	1,748
Minority Interests	542	719	797	894	996
Total Equity	1,962	2,146	2,299	2,516	2,744

Key Ratios

	Dec-20A	Dec-21A	Dec-22F	Dec-23F	Dec-24F
Revenue Growth	(0.6%)	19.9%	(1.0%)	2.3%	2.3%
Operating EBITDA Growth	10.7%	(3.1%)	(4.9%)	21.1%	4.7%
Operating EBITDA Margin	13.1%	10.6%	10.2%	12.1%	12.4%
Net Cash Per Share (US\$)	(0.38)	(0.48)	(0.54)	(0.57)	(0.47)
BVPS (US\$)	0.69	0.70	0.74	0.79	0.86
Gross Interest Cover	3.43	3.43	3.08	3.93	4.14
Effective Tax Rate	12.0%	20.3%	22.9%	23.0%	22.7%
Net Dividend Payout Ratio	50.0%	18.4%	22.7%	15.5%	19.6%
Accounts Receivables Days	31.06	26.08	29.22	39.56	39.66
Inventory Days	96.2	91.0	101.8	101.6	100.2
Accounts Payables Days	45.48	36.29	41.16	43.39	43.10
ROIC (%)	10.2%	8.3%	7.2%	8.4%	8.0%
ROCE (%)	13.0%	10.4%	9.4%	11.3%	11.0%
Return On Average Assets	12.8%	7.1%	5.8%	7.0%	6.9%

Key Drivers

	Dec-20A	Dec-21A	Dec-22F	Dec-23F	Dec-24F
ASP (% chg, main prod./serv.)	3.5%	2.0%	2.0%	2.0%	2.0%
Unit sales grth (% , main prod./serv.)	-9.8%	9.7%	2.0%	2.0%	2.0%

SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS

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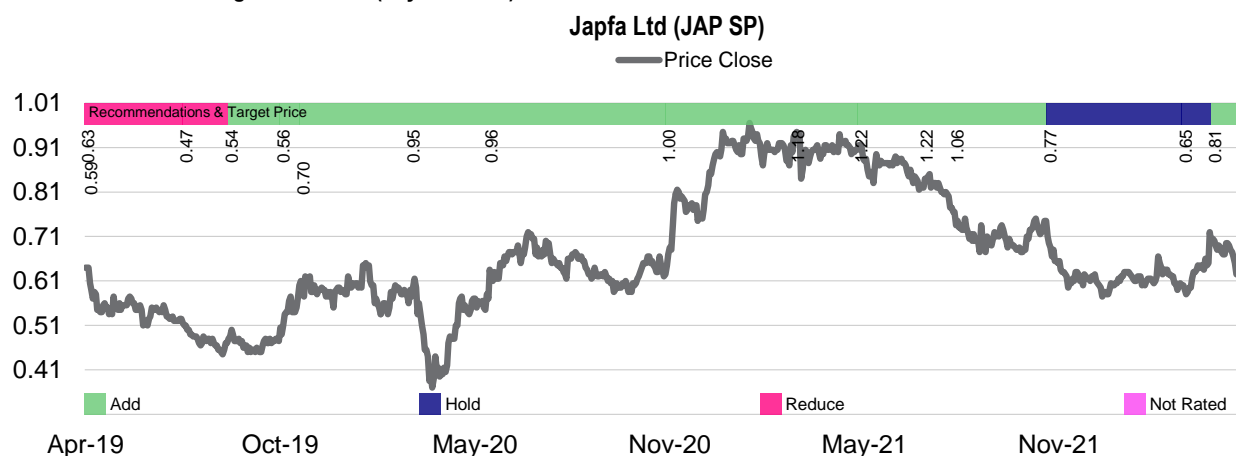
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Spitzer Chart for stock being researched (2 year data)



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.

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.