

## Hong Kong

**HOLD** (no change)

Consensus ratings\*: Buy 2 Hold 3 Sell 0

Current price:	HK\$0.135
Target price:	HK\$0.148
Previous target:	HK\$0.275
Up/downside:	9.6%
CGS-CIMB / Consensus:	-23.4%
Reuters:	0698.HK
Bloomberg:	698 HK
Market cap:	US\$167.2m
	HK\$1,312m
Average daily turnover:	US\$0.45m
	HK\$3.52m
Current shares o/s:	9,719m
Free float:	59.1%

\*Source: Bloomberg

**Key changes in this note**

- FY22F/23F revenue decreased by 22%/13%
- FY22F/23F GPM decreased by 1.2% /1.7% pts.
- FY22F/23F EPS decreased by 53%/46%.



Source: Bloomberg

Price performance	1M	3M	12M
Absolute (%)	9.8	-16.7	-75.1
Relative (%)	8.3	-5.3	-44.9

Major shareholders	% held
Wang Ya Nan & family	40.9

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# Tongda Group Holdings Ltd

## High-margin products hold up FY22F EPS

- Tongda is switching its business focus to automotive and AR/VR components and decreasing investment in legacy smartphone casings.
- Automotive, AR/VR and tri-proof components should lead an earnings recovery in FY22-24F, thanks to better margin and higher revenue growth.
- We retain our Hold call as Tongda trades at an attractive 5.4x FY22F P/E.

**Tongda is switching the business focus to automotive and AR/VR**

We believe that non-handset casings business segments such as high-precision plastics components and metal parts for automotive, AR/VR and tri-proof components will lead Tongda Group's (Tongda) production migration and earnings growth in FY22-24F, underpinned by new orders won for augmented reality head-mounted displays (AR-HMDs) and EV batteries, as well as growing dollar contents for Apple's devices. We believe the abovementioned business segment should deliver c.24% revenue CAGR in FY22-24F and revenue contribution from c.32% in FY21 to c.44% in FY24F. On the flipside, smartphone casings revenue should decrease from 50% in FY21 to c.41% in FY24F. Tongda FY21 net profit fell 37% yoy to HK\$222m, 50% below our previous FY21F forecast due to faster-than-expected ASP and GPM decline in smartphone casings. FY21 revenue merely edged up 2% yoy, mainly driven by non-handset casings segments (tri-proof parts, automotive and household products), while GPM contracted 1% pt yoy to 16.5% on the back of rising raw material prices and surging labour costs. We cut our FY22F/23F EPS 53%/46% as decrease in shipments and GPM in smartphone casings but partially offset by higher revenue growth in automotive components.

**High-margin products could be new growth drivers in FY22-24F**

In FY21, the company recorded over 50% yoy growth in automotive business (estimate revenue at HK\$500m) for supplying aluminum parts for CATL's (300750 CH, Not Rated) electric vehicle (EV) batteries. In addition to high-margin products, sales of its tri-proof components for Apple devices remained strong, benefitting from stable dollar content growth. For AR/VR products, Tongda started to produce plastics casings for Meta Oculus 2 in FY21. We believe that this segment could achieve 30%+ revenue CAGR in FY22-24F due to customers launching new models.

**FY22F net profit to rise 8% yoy on stable GPM outlook**

Although we expect FY22F revenue to decline 1% yoy on adjustment of product mix to increase contribution from high-margin business (automotive, AR/VR components), we expect net profit to rise 8% yoy to HK\$241m in FY22F (-14% yoy EPS), thanks to stable GPM outlook. We believe Tongda should achieve positive free cash flow in FY22F-24F on decrease in capex to HK\$600m-700m p.a. (c.HK\$800m-1.0bn p.a. in FY19-21F), which should help reduce the gearing ratio from 27% in FY21 to 19% in FY24F.

**Reiterate Hold with a lower target price of HK\$0.148**

We retain Hold rating on Tongda due to its cheap valuation (c.5x/4x FY22F/23F P/E, -14%/+43% FY22F/23F EPS) and the potentially fast-growing automotive and AR/VR components business. We cut our TP to HK\$0.148 due to EPS downward revision, still based on 5x FY23F P/E, at the lower-end of its 3-year average range, reflecting the sustained GPM pressure on the smartphone casings segment. Re-rating catalysts: strong revenue growth in EV and AR/VR components and stabilised GPM in smartphone casings. Downside risks: prolonged Omicron outbreak in China and sustained ASP and GPM pressure in casings.

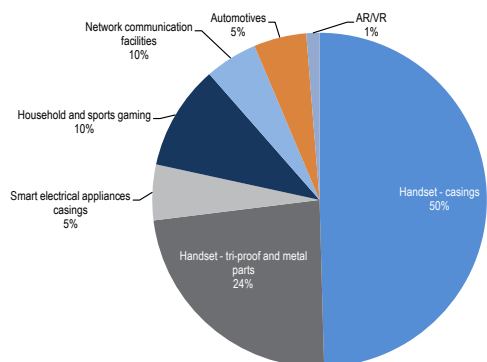
**Financial Summary**

	Dec-20A	Dec-21A	Dec-22F	Dec-23F	Dec-24F
Revenue (HK\$m)	9,759	9,969	9,844	12,107	13,014
Net Profit (HK\$m)	351.3	222.3	240.8	344.4	441.1
Normalised EPS (HK\$)	0.049	0.029	0.025	0.035	0.045
Normalised EPS Growth	(20.2%)	(41.5%)	(14.3%)	43.0%	28.1%
FD Normalised P/E (x)	2.73	4.67	5.45	3.81	2.97
Price To Sales (x)	0.10	0.11	0.13	0.11	0.10
DPS (HK\$)	-	-	-	-	-
Dividend Yield	0%	0%	0%	0%	0%
EV/EBITDA (x)	2.31	2.91	2.82	2.51	2.26
P/FCFE (x)	3.63	NA	8.09	4.78	NA
Net Gearing	32.6%	26.8%	24.8%	22.2%	19.0%
P/BV (x)	0.13	0.16	0.16	0.16	0.16
ROE	5.59%	3.09%	2.97%	4.23%	5.31%
% Change In Normalised EPS Estimates			(52.7%)	(45.7%)	
Normalised EPS/consensus EPS (x)			0.65	0.75	0.86

SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS

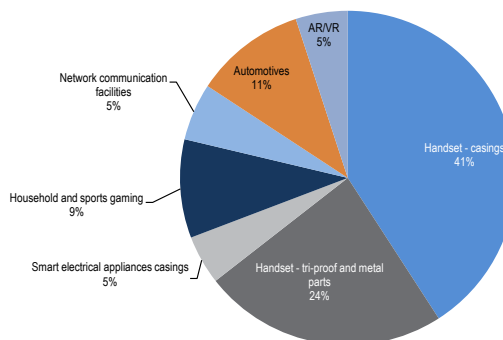
## High-margin products hold up FY22F EPS

Figure 1: Revenue breakdown by product segment (FY21)



SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS

Figure 2: Revenue breakdown by product segment (FY24F)



SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS

Figure 3: Earnings revisions

FYE Dec (HK\$ m)	Dec-21A	Dec-22F			Dec-23F			Dec-24F		
		Old	New	% chg	Old	New	% chg	Old	New	% chg
Revenue	9,969	12,578	9,844	-21.7%	13,853	12,107	-12.6%	n.a.	13,014	n.a.
Gross profit	1,640	2,251	1,641	-27.1%	2,509	1,988	-20.8%	n.a.	2,181	n.a.
Gross profit margin	16.5%	17.9%	16.7%	-1.2% pts	18.1%	16.4%	-1.7% pts	n.a.	16.8%	n.a.
EBITDA	1,279	1,555	1,326	-14.8%	1,677	1,400	-16.5%	n.a.	1,435	n.a.
Net profit	222	509	241	-52.7%	634	344	-45.7%	n.a.	439	n.a.
EPS	0.029	0.052	0.025	-52.7%	0.065	0.035	-45.7%	n.a.	0.024	n.a.

SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS

Figure 4: Peers comparison

Company	Bloomberg Ticker	Recom.	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 (%)	
						CY2022F	CY2023F		CY2022F	CY2023F	CY2022F	CY2023F	CY2022F	CY2023F	CY2022F	CY2023F
<b>Mould and plastic components manufacturers (Hong Kong listed)</b>																
Haitian International	1882 HK	Not Rated	19.16	N/A	3,896	8.8	8.0	7.0%	1.5	1.3	17.8%	17.5%	6.1	5.3	4.4%	4.8%
TK Group	2283 HK	Add	2.20	3.91	234	5.7	4.5	23.0%	1.0	0.9	18.4%	21.1%	1.8	1.0	7.0%	10.1%
Tongda Group	698 HK	Hold	0.135	0.148	167	5.4	3.8	16.0%	0.2	0.2	3.0%	4.2%	2.8	2.5	0.0%	0.0%
<b>Average</b>						<b>6.7</b>	<b>5.4</b>	<b>15.3%</b>	<b>0.9</b>	<b>0.8</b>	<b>13.1%</b>	<b>14.3%</b>	<b>3.6</b>	<b>2.9</b>	<b>3.8%</b>	<b>5.0%</b>
<b>Handset components - Casings / EMS</b>																
BYD Electronic	285 HK	Not Rated	15.60	N/A	4,478	12.9	8.7	15.0%	1.2	1.0	9.4%	12.8%	5.9	4.5	0.8%	1.2%
Shenzhen Everwin	300115 CH	Not Rated	8.60	N/A	1,531	10.9	9.0	N/A	1.5	1.3	10.5%	11.4%	N/A	N/A	1.0%	1.5%
Catcher Technology	2474 TT	Not Rated	163.50	N/A	4,042	14.5	14.6	3.0%	0.8	0.8	5.4%	5.2%	2.7	2.5	6.3%	6.4%
Foxconn Technology	2354 TT	Not Rated	54.40	N/A	2,607	10.7	9.6	n.a.	0.5	0.5	6.5%	7.2%	1.3	1.0	4.9%	5.2%
Hon Hai Precision	2317 TT	Not Rated	109.00	N/A	51,193	10.3	9.2	9.6%	1.0	0.9	10.3%	10.9%	5.7	5.2	5.0%	5.6%
Wistron Corporation	3231 TT	Not Rated	27.35	N/A	2,690	10.7	7.6	8.5%	0.9	0.9	8.9%	11.8%	5.8	5.0	7.3%	8.7%
Flextronics	FLEX US	Not Rated	16.11	N/A	7,373	8.5	7.5	14.9%	2.1	1.8	25.3%	23.2%	5.8	4.7	0.0%	0.0%
Jabil	JBL US	Not Rated	57.79	N/A	8,161	8.0	7.5	9.8%	3.2	2.6	44.3%	36.6%	3.8	3.4	0.6%	0.6%
<b>Average</b>						<b>10.8</b>	<b>9.2</b>	<b>10.1%</b>	<b>1.4</b>	<b>1.2</b>	<b>15.1%</b>	<b>14.9%</b>	<b>4.4</b>	<b>3.8</b>	<b>3.2%</b>	<b>3.6%</b>

SOURCES: CGS-CIMB RESEARCH, BLOOMBERG (PRICE AS AT 25 MAY 2022)



## ESG in a nutshell

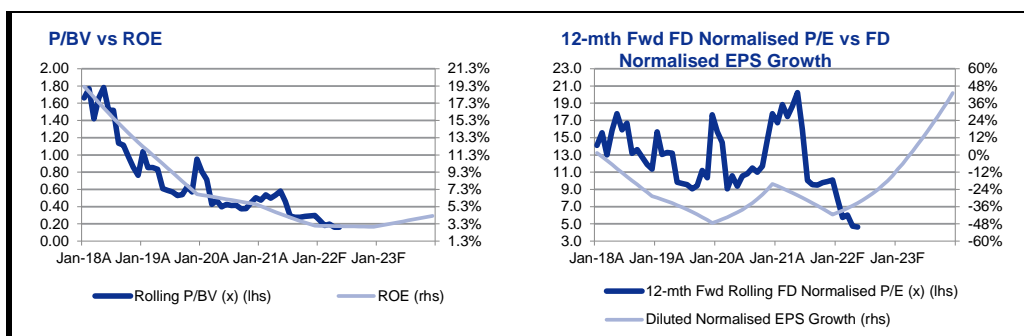
In 2020, Tongda continued to improve its ESG performance, particularly on social and governance aspects. It reviewed its ESG concerns regularly with thorough consideration for its stakeholders. Meanwhile, Tongda provided a wide range of activities for its employees to guarantee employee safety and benefits, and most importantly, strengthen the bonding among them.

In our view, Tongda has not been involved in any environmentally-detrimental industry practices and takes effort to minimise the environmental impact of its operations.

Environmental	Implications
<p>In FY20, Tongda's energy and water consumption, GHG emission, hazardous and non-hazardous waste produced increased.</p>	<p>In FY20, Tongda total energy consumption increased c.4% yoy to 550,027MWh. Total energy intensity (MWh/square meter) increased from 1.12 in FY19 to 1.14 in FY20.</p> <p>Total water consumption increased 1% yoy slightly to 3,735,755m<sup>3</sup>. Water intensity dropped a bit from 7.85 in FY19 to 7.74 in FY20.</p> <p>Total greenhouse gas (GHG) emission rose c.4% yoy to 413,862 tonnes CO<sub>2</sub>e. Total GHG emission intensity increased slightly from 0.85 in FY19 to 0.86 in FY20.</p> <p>Hazardous waste produced increased 25% yoy to 3,495 tonnes while non-hazardous waste produced also increased 35% to 6,894 tonnes.</p>
Social	Implications
<p>Tongda provided employees with comprehensive remuneration packages and benefits.</p>	<p>Tongda organised various activities for employees, including regular birthday parties, outstanding employee selection, Mid-Autumn Festival seminar, outdoor outreach event, voluntary activities etc. to help relieve work pressure and strengthen ties among employees.</p> <p>In FY20, the number of activities for employees increased by c.16% yoy to 134.</p>
Governance	Implications
<p>Tongda identified 27 ESG concerns through materiality assessment.</p>	<p>Tongda has identified 27 ESG concerns that are important to itself and its stakeholders. Among these concerns, Product Quality Management ranked 1<sup>st</sup> in both dimensions, followed by Management of Anti-competitive Behaviour.</p>

SOURCES: CGS-CIMB RESEARCH, REFINITIV

## BY THE NUMBERS



### Profit & Loss

(HK\$m)	Dec-20A	Dec-21A	Dec-22F	Dec-23F	Dec-24F
<b>Total Net Revenues</b>	<b>9,759</b>	<b>9,969</b>	<b>9,844</b>	<b>12,107</b>	<b>13,014</b>
<b>Gross Profit</b>	<b>1,710</b>	<b>1,640</b>	<b>1,641</b>	<b>1,988</b>	<b>2,181</b>
<b>Operating EBITDA</b>	<b>1,378</b>	<b>1,144</b>	<b>1,201</b>	<b>1,285</b>	<b>1,320</b>
Depreciation And Amortisation	-876	-825	-876	-848	-775
<b>Operating EBIT</b>	<b>502</b>	<b>319</b>	<b>325</b>	<b>438</b>	<b>545</b>
Financial Income/(Expense)	-165	-123	-127	-121	-120
Pretax Income/(Loss) from Assoc.	-5	-30	-15	-10	-10
Non-Operating Income/(Expense)	98	129	125	115	115
<b>Profit Before Tax (pre-EI)</b>	<b>430</b>	<b>295</b>	<b>308</b>	<b>422</b>	<b>530</b>
Exceptional Items	0	-6	0	0	0
<b>Pre-tax Profit</b>	<b>430</b>	<b>289</b>	<b>308</b>	<b>422</b>	<b>530</b>
Taxation	-70	-51	-49	-68	-85
Exceptional Income - post-tax					
<b>Profit After Tax</b>	<b>360</b>	<b>237</b>	<b>259</b>	<b>354</b>	<b>445</b>
Minority Interests	-8	-15	-18	-10	-4
Preferred Dividends					
FX Gain/(Loss) - post tax					
Other Adjustments - post-tax					
Preference Dividends (Australia)					
<b>Net Profit</b>	<b>351</b>	<b>222</b>	<b>241</b>	<b>344</b>	<b>441</b>
Normalised Net Profit	360	243	259	354	445
<b>Fully Diluted Normalised Profit</b>	<b>351</b>	<b>228</b>	<b>241</b>	<b>344</b>	<b>441</b>

### Cash Flow

(HK\$m)	Dec-20A	Dec-21A	Dec-22F	Dec-23F	Dec-24F
<b>EBITDA</b>	<b>1,378</b>	<b>1,144</b>	<b>1,201</b>	<b>1,285</b>	<b>1,320</b>
Cash Flow from Inv. & Assoc.	5	30	15	10	30
Change In Working Capital	334	-720	28	-239	-177
(Incr)/Decr in Total Provisions					
Other Non-Cash (Income)/Expense					
Other Operating Cashflow	-91	138	-63	26	-69
Net Interest (Paid)/Received	-162	-120	-127	-121	-122
Tax Paid	-68	-63	-49	-68	-51
<b>Cashflow From Operations</b>	<b>1,397</b>	<b>408</b>	<b>1,004</b>	<b>894</b>	<b>931</b>
Capex	-700	-882	-700	-600	-600
Disposals Of FAs/subsidiaries	10	9	9	9	9
Acq. Of Subsidiaries/Investments	0	0	0	0	0
Other Investing Cashflow	-168	-347	14	14	12
<b>Cash Flow From Investing</b>	<b>-858</b>	<b>-1,220</b>	<b>-677</b>	<b>-577</b>	<b>-580</b>
Debt Raised/(repaid)	-275	-24	-165	-42	-664
Proceeds From Issue Of Shares	0	0	0	0	0
Shares Repurchased	0	0	0	0	0
Dividends Paid	-3	0	0	0	0
Preferred Dividends					
Other Financing Cashflow	-52	720	-141	-135	-122
<b>Cash Flow From Financing</b>	<b>-331</b>	<b>696</b>	<b>-306</b>	<b>-177</b>	<b>-786</b>
Total Cash Generated	209	-116	21	140	-435
<b>Free Cashflow To Equity</b>	<b>264</b>	<b>-836</b>	<b>162</b>	<b>274</b>	<b>-313</b>
<b>Free Cashflow To Firm</b>	<b>714</b>	<b>-677</b>	<b>468</b>	<b>451</b>	<b>485</b>

SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS

## BY THE NUMBERS... cont'd

### Balance Sheet

(HK\$m)	Dec-20A	Dec-21A	Dec-22F	Dec-23F	Dec-24F
Total Cash And Equivalents	1,353	1,366	1,387	1,527	1,092
Total Debtors	3,479	3,840	3,792	4,032	4,111
Inventories	2,204	3,177	3,128	3,327	3,423
Total Other Current Assets	622	971	872	872	872
<b>Total Current Assets</b>	<b>7,658</b>	<b>9,354</b>	<b>9,180</b>	<b>9,758</b>	<b>9,498</b>
Fixed Assets	6,219	7,065	6,889	6,641	6,424
Total Investments	91	91	91	91	91
Intangible Assets	0	0	0	0	0
Total Other Non-Current Assets	333	246	246	246	246
<b>Total Non-current Assets</b>	<b>6,642</b>	<b>7,402</b>	<b>7,226</b>	<b>6,978</b>	<b>6,761</b>
Short-term Debt	2,228	2,931	2,605	2,563	1,899
Current Portion of Long-Term Debt					
Total Creditors	3,785	4,534	4,465	4,665	4,662
Other Current Liabilities	199	255	220	217	250
<b>Total Current Liabilities</b>	<b>6,212</b>	<b>7,720</b>	<b>7,290</b>	<b>7,444</b>	<b>6,812</b>
Total Long-term Debt	1,300	639	800	800	800
Hybrid Debt - Debt Component					
Total Other Non-Current Liabilities	23	109	108	132	109
<b>Total Non-current Liabilities</b>	<b>1,323</b>	<b>748</b>	<b>908</b>	<b>932</b>	<b>909</b>
Total Provisions	99	66	65	80	66
<b>Total Liabilities</b>	<b>7,634</b>	<b>8,534</b>	<b>8,263</b>	<b>8,457</b>	<b>7,787</b>
Shareholders' Equity	6,617	8,160	8,082	8,205	8,411
Minority Interests	49	61	61	74	61
<b>Total Equity</b>	<b>6,666</b>	<b>8,221</b>	<b>8,142</b>	<b>8,279</b>	<b>8,472</b>

### Key Ratios

	Dec-20A	Dec-21A	Dec-22F	Dec-23F	Dec-24F
Revenue Growth	6.2%	2.2%	(1.3%)	23.0%	7.5%
Operating EBITDA Growth	30.8%	(17.0%)	5.0%	7.0%	2.7%
Operating EBITDA Margin	14.1%	11.5%	12.2%	10.6%	10.1%
Net Cash Per Share (HK\$)	-0.34	-0.23	-0.21	-0.19	-0.17
BVPS (HK\$)	1.02	0.84	0.83	0.84	0.87
Gross Interest Cover	2.87	2.37	2.31	3.25	4.07
Effective Tax Rate	16.3%	17.8%	16.0%	16.0%	16.0%
Net Dividend Payout Ratio	NA	NA	NA	NA	NA
Accounts Receivables Days	111.4	115.5	122.2	101.9	98.9
Inventory Days	101.2	117.9	140.3	116.4	114.0
Accounts Payables Days	140.0	152.9	166.6	137.0	131.1
ROIC (%)	4.29%	2.70%	2.32%	3.21%	3.99%
ROCE (%)	5.09%	2.99%	2.89%	3.87%	4.87%
Return On Average Assets	3.47%	2.16%	2.13%	2.69%	3.24%

### Key Drivers

	Dec-20A	Dec-21A	Dec-22F	Dec-23F	Dec-24F
Smartphone casing output growth (yoy change %)	14.3%	-6.3%	-20.0%	25.0%	0.0%
Smartphone casing ASP growth (yoy change %)	-26.8%	0.2%	-1.6%	11.1%	0.0%

SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS

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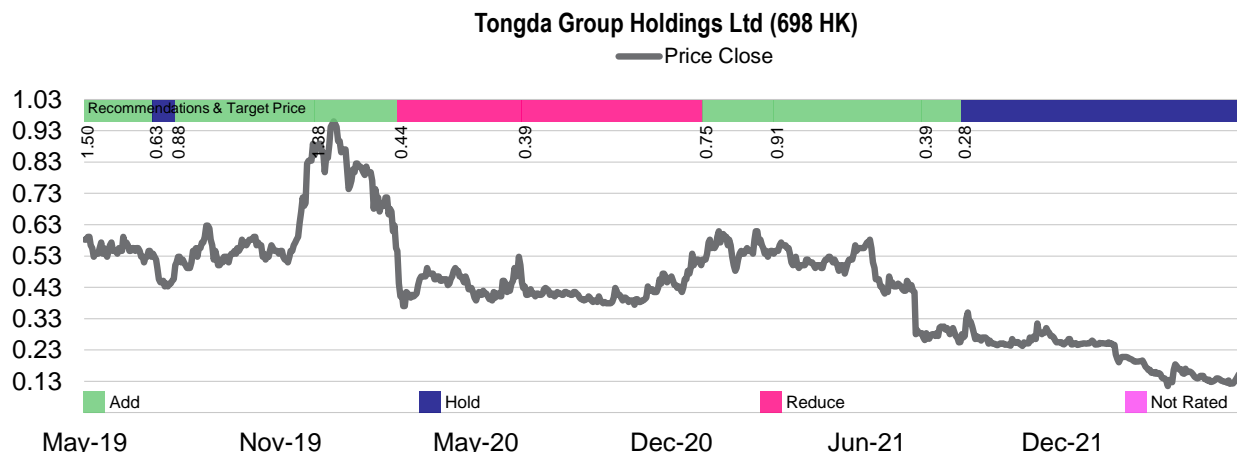
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Spitzer Chart for stock being researched ( 2 year data )



**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	
<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.